



شركة إسمنت عُمان
Oman Cement Company



Sustainability Report 2025



About Oman Cement Company

VISION: since 1978, Oman Cement Company has symbolized the country's drive for self-reliance.

ACCOMPLISHMENT: The only manufacturing company in the country to receive His Majesty's Trophy for Best Factory ten times and the Sultan Qaboos Award for Industrial Excellence (2018/2017).

PROMISE: To remain at the leading edge of cement technology, meet local market demand, and export Oil Well Cement to international markets.

Founded in 1978 as an integral part of the renaissance initiated by His Majesty Sultan Qaboos bin Said, Oman Cement Company-SAOG (OCC) has been the leader in cement manufacturing and has epitomized Oman's drive for self-reliance in core industry segments.

Over decades of collaborative nation-building, OCC today is the leading driving force in the construction industry, reinforcing the nation's infrastructure development efforts and creating resources to achieve self-sufficiency.

Succeeding from strength to strength, OCC features a world class manufacturing facility and holds the most coveted API 10A Monogram for manufacturing Well Cements, 9001 certified, Quality Management (QMS) and ISO 14001 for effective Environmental Management System (EMS); meeting and exceeding global standards in performance and quality – a reflection of OCC enduring commitment to customer satisfaction.



LETTER FROM OUR ACTING CEO

As we reflect on 2025, I am proud to share the tangible progress we have made in advancing our Environmental, Social, and Governance (ESG) commitments.

Environment:

We successfully saved over 4 million gallons of water at our housing complex through targeted consumption reduction initiatives. For 2025, our energy efficiency efforts resulted in a power intensity of 116.5 kWh per ton of cement.

We continue to expand the production of low-carbon cement products and are actively securing alternative fuels to reduce our reliance on traditional natural gas. Despite fluctuations in energy intensity, we remain in strict compliance with emission standards and are committed to our carbon net-zero goal by 2050, supported by renewable energy projects and waste co-processing.

Social:

Employee well-being remains a priority. In 2025, we delivered 7,417 training hours to enhance skills and safety awareness. Our Omanization program achieved 77% local workforce representation, and we maintained a low employee turnover rate of 4.89%, reflecting strong engagement and retention. Through community initiatives, we contributed more than 200,000 Omani Rials to societal development and donated 2,750 tons of cement for mosque construction and renovation across Oman.

Governance:

We strengthened our governance framework with robust compliance, risk management, and ethical standards. Our Board diversity and independence remain aligned with global best practices, and we continued to uphold transparency through regular audits and disclosures. Information security was reinforced with ISO 27001 implementation and advanced cybersecurity measures.

Looking ahead, we remain committed to accelerating decarbonization, deepening community impact, and embedding sustainability into every decision. Our ESG journey is not just about meeting targets it is about creating shared value and contributing to a resilient, sustainable future for Oman and beyond.

On behalf of the Board of Directors and the entire team, I extend my sincere gratitude to our employees, partners, and stakeholders for their unwavering support. Together, we will continue to build a business that thrives responsibly and leaves a positive legacy for generations to come.

Sincerely,



Jiang Tao | Acting CEO

A handwritten signature in black ink, appearing to be the name 'Jiang Tao' in a stylized cursive script.

Oman Cement Company

Mr. Xu Gang

Chairperson of the Board of Directors; Chairperson of E&IC

Non-Independent | Male | Chinese

He is a Vice President and General Manager of the Overseas Business of Huaxin Cement Co., Ltd. He holds the Master of Business Administration and dual-Bachelor of various management roles such as Business Unit Sales Director, Assistant Vice President Commercial, Procurement and Strategy. Prior he worked with Lafarge China as Safety Engineer, Technical Manager, Strategy Manager, Marketing Director, and Commercial Director.



Mr. Chen Qian

Vice chairperson of the Board of Directors; Chairperson of BTC; Member of E&IC, AC, NRHRC, and Board of Directors

Non-Independent | Male | Chinese

The Vice President and Chief Financial Officer of Huaxin Cement Co., Ltd. Prior to that, he has worked in various financial positions including Senior Auditor, Senior Consultant, and CFO for several companies. Mr. Chen Qian is a Chinese Certified Public Accountant and a Fellow Member of the Chartered Global Management Accountant. He holds a bachelor's degree in World Economics from Fudan University and a master's degree in business administration from the Anderson School of Business in the United States.



Mr. AlMuatasim Al Mutairi

Chairperson of AC & Member of Board of Directors

Independent | Male | Omani

Mr. Al Mutairi is currently the Vice President - Head of Investment Banking, in Sohar International Bank. He has over 13 years of experience in the banking industry. He holds a Doctorate Degree (PhD) in Business Management (Corporate Governance and Risk Management) from- University Tenaga Nasional in Malaysia. He also has a Master in Investments and Financial Management from the University of East Anglia - Norwich Business School.



Mr. Wang Jiajun

Chairperson of NRHRC; Member of E&IC, BTC & Board of Directors

Non-Independent | Male | Chinese

He is a Vice President of Huaxin Group. He joined Huaxin in June 2006 and successively served as Manager of the Process Department, Manager of Engineering Department, Head of Environmental Protection Technology Department, Operation & R & D Director, and General Manager of Environmental Protection Department. In 2021, he served as General Manager of Environmental Engineering BU and General Manager of New Materials BU. He graduated from Wuhan University of Technology majoring in non-organic non-metal materials with a bachelor's degree of Engineering. He also holds a master's degree of in Material Engineering from Wuhan University of Technology.



Mrs. Najat Ali Al Lawati

Member of E&IC, NRHRC & Board of Directors

Independent | Female | Omani

General Manager for Finance and Investment Performance at Social Protection Fund with over 27 years of comprehensive experience in pension fund management, encompassing investment, contribution, internal auditing, human resources, information technology, statistics, and financial accounting. She also serves in various reputed Companies such as National Bank of Oman and Ominvest. Mrs. Najat holds a Bachelor of Commerce Degree in Accounting from the University of Jordan.



Mr. Abdullah Mohammed Al Ma'mari

Member of BTC and Board of Directors.

Independent | Male | Omani

Mr. Abdullah Al Ma'mari is an Assistant Director of Investment in Social Protection Fund. He has valuable experience in evaluating and analyzing investment in local and foreign markets. He managed a foreign investment portfolio for the Ministry of Defense Pension Fund. He has been a member on the Board of several reputed Companies in Oman such as Sembcorp Salalah Power & Water Company and Al-Maha Petroleum Products Marketing. Mr. Abdullah holds a bachelor's degree in finance from Sultan Qaboos University, Muscat.





Mr. Su Hao

Member of AC, NRHRC & Board of Directors

Independent | Male | Chinese

Mr. Su is a partner in the Beijing and Hong Kong offices of Haiwen & Partners. He advises mergers and acquisitions, private equity investment, project development to general corporate matters. Mr. Su has more than 15 years of experience in legal services in Hong Kong, London and Beijing. He is a solicitor qualified in Hong Kong SAR and England & Wales. He is also licensed to practise PRC law. Mr. Su received his LLB and LLM degrees from Peking University. He also received Graduate Diploma in Law (GDL) from BPP University and Postgraduate Certificate in Laws (PCLL) from the University of Hong Kong.



شركة إسمنت عُمان
Oman Cement Company

A MEMBER OF
HUAXIN

Abbreviations

Corporate, Strategy & Standards

API	American Petroleum Institute
CSR	Corporate Social Responsibility
ESG	Environment, Social, and Governance
ICV	In-Country Value
ISO	International Organization for Standardization
OCC	Oman Cement Company
QMS	Quality Management System
SDG	Sustainable Development Goal
SWOT	Strengths, Weakness, Opportunity, and Threats

Health, Safety, Environment & Monitoring

AAQMS	Ambient Air Quality Monitoring Station
CEMS	Continuous Emission Monitoring System
CO₂	Carbon Dioxide
EMS	Environmental Management System
GHG	Greenhouse Gas
HSE	Health, Safety, and Environment
LTI	Lost Time Injury

Products, Materials & Operations

AF	Alternative Fuel
ARM	Alternative Raw Materials
NG	Natural Gas
OPC	Ordinary Portland Cement
OWC	Oil Well Cement
PLC	Portland Limestone Cement
QPH	Quarto Philite Hematite



Stakeholders, Materiality, and Sustainable Development Goals

Strategy

The OCC strategy focuses on four key pillars:

- Promoting financial well-being, elevating ESG leadership, reinforcing systems and processes, and achieving service excellence. To enhance financial well-being, the strategy emphasizes increasing financial literacy, expanding access to affordable financial products, and providing tools for debt management. Additionally, empowering small businesses with specialized training and financing options is a priority to foster economic growth and stability.
- Elevating ESG leadership is centered around environmental responsibility, social impact, and excellence. This includes reducing the organization's carbon footprint, supporting clients' sustainability transitions, and promoting diversity, equity, and inclusion (DEI). Transparency through regular ESG disclosures and collaboration with industry peers ensures high standards and collective impact in addressing global challenges.
- Reinforcing systems and processes involves digital transformation, process optimization, and robust risk management. By investing in

advanced technologies and cybersecurity, the organization aims to enhance operational efficiency and safeguard data. Lean methodologies and predictive analytics will streamline workflows and proactively mitigate risks, ensuring compliance and long-term resilience.

- Achieving service excellence focuses on building a customer-centric culture and leveraging technology for seamless experiences. Personalized service, consistent support across channels, and AI-driven solutions are central to this goal. Measuring success through metrics like Net Promoter Scores (NPS) ensures continuous improvement and alignment with customer expectations.

This strategy aligns the organization's goals with its broader mission of creating positive social and economic impact. By focusing on financial well-being, ESG leadership, innovation, and superior service delivery, the OCC positions itself as a leader committed to driving meaningful change and long-term value creation.



Sustainable Development Goals

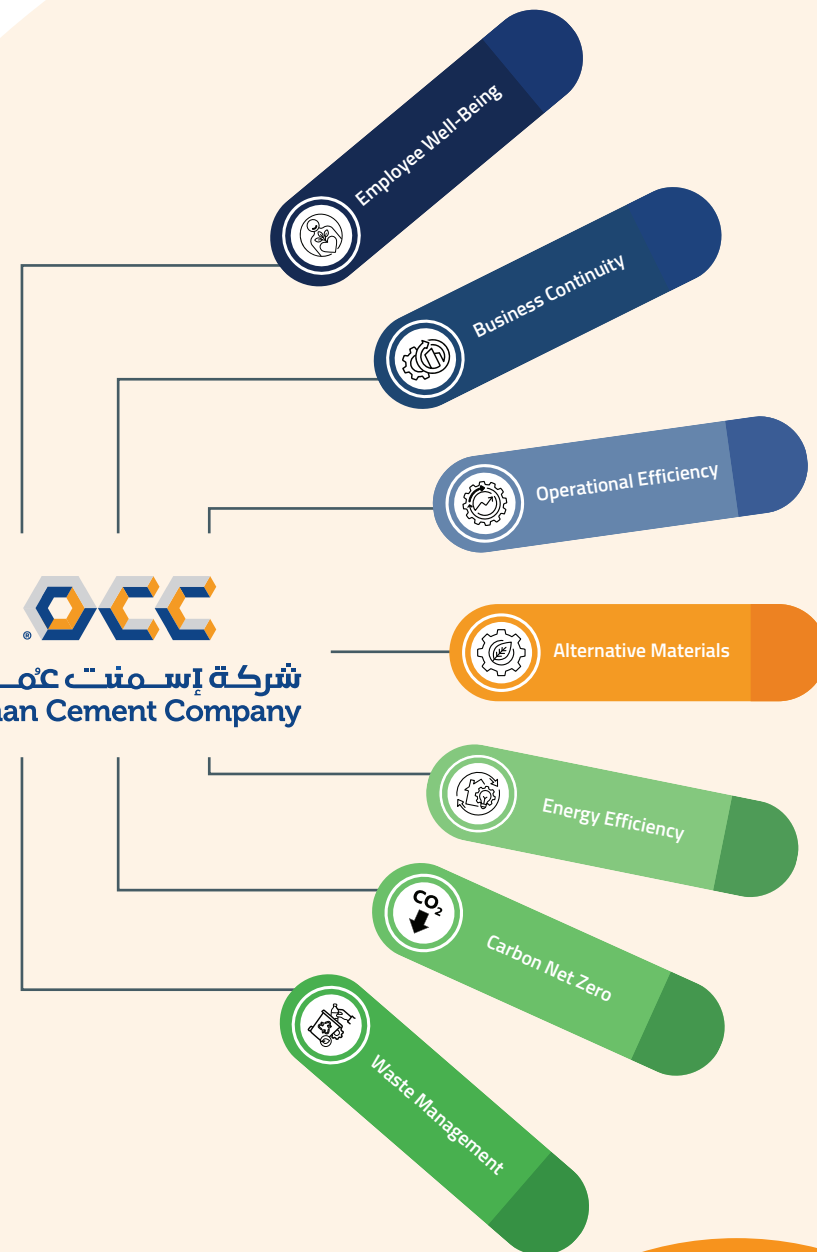
OCC places the Sustainable Development Goals (SDGs) at the core of its strategic direction, reflecting a strong commitment to environmental stewardship, social responsibility, and resilient economic performance. The company's sustainability approach focuses on:

- Employee Well Being and Welfare:** Prioritizing a safe, healthy, and supportive working environment that enhances employee satisfaction, productivity, and long term retention.
- Business Continuity and Resilience:** Implementing robust systems and forward looking strategies to ensure operational reliability and adaptability to changing market and environmental conditions.
- Cost Reduction and Operational Efficiency:** Optimizing processes across all production stages to improve competitiveness, reduce losses, and sustain profitability.
- Alternative Raw Materials and Fuels:** Expanding the use of sustainable raw materials and adopting alternative and renewable fuel sources to reduce natural resource consumption and dependency on conventional energy.

- Power and Energy Efficiency:** Enhancing energy management systems, deploying energy efficient technologies, and reducing overall energy intensity in line with global climate objectives.
- Carbon Net Zero Strategy:** Advancing initiatives to reduce greenhouse gas emissions, increase carbon capture potential, and align with national and global pathways toward net zero carbon operations.
- Waste Management and Circularity:** Strengthening waste reduction, recycling, and co processing practices to minimize environmental impact and support a circular economy.

Through these initiatives, OCC strengthens its position as a responsible industry leader committed to sustainable growth and long term value creation for all stakeholders and the broader community. By aligning its operations with the SDGs, the company aims to deepen its sustainability performance and generate a positive impact on both society and the environment.


 شركة إسمنت عمان
 Oman Cement Company



INTERNAL
Within the Organization

EXTERNAL
Outside the Organization



STRENGTHS

- Established Brand & Market Position.
- High Quality Products & Consistency.
- Strategic Pricing and Distribution.
- Local Market Accessibility.
- Broad product Portfolio.
- Material Availability and Quarry Access.



WEAKNESSES

- Limited promotion & brand Activation.
- Supplier / Sales network Limitations.
- Strategic Pricing and Distribution.
- Price Competitiveness Issues.
- Increasing Energy Cost exposure.
- High Fixed Cost structure.



OPPORTUNITIES

- Growing Construction Demand in Oman & GCC.
- Access to Municipal and Industrial Waste Streams.
- Alternative Fuels (AF) and Thermal Substitution Rate (TSR).
- Export and regional Market Potential.
- Aggregate Business Expansion.



THREATS

- Intense Competition.
- Global Supply Chain & Cost pressure.
- Regulatory & Environmental Compliance Costs.
- Entry of New Foreign Players.
- Residential shift Toward Quarry Areas.

SWOT Analysis

This analysis outlines the current strategic positioning of Oman Cement Company, evaluating core internal capabilities against evolving external market dynamics.



Our Processes | Quarries

OCC's is strategically positioned next to high-quality limestone and marly limestone quarries, which are essential for clinker production. These quarries supply approximately 97% of the raw materials required for the manufacturing process. Additional corrective materials—such as ferruginous material as an iron-ore substitute, kaolin or red shale for alumina, and QPH as a silica source—are incorporated to achieve the desired chemical composition.

Limestone is extracted through controlled blasting and transported by dump trucks to the crushers for further processing. Fortunately, all raw materials used in production are locally sourced, contributing to a high level of In-Country Value (ICV).

Crushing and Storing Raw Materials

The plant utilizes a range of crushers to process limestone, silica, and iron ore, including a 1,200 ton capacity Titan crusher as well as mobile impact crushers. Additional crushers are dedicated to processing silica and iron ore to achieve the required size for further handling.

Crushed limestone is stored in three domes, each with a capacity of 40,000 tons, while QPH and other additives are placed in dedicated mixed bed storage areas. Automated sampling and laboratory analysis ensure consistent raw material quality throughout the process. Material movement to the raw mills is efficiently managed through stacker and reclaimer systems, ensuring a continuous and uniform feed for cement production.

Raw Material Grinding and Homogenization

OCC operates five raw mills with capacities ranging from 116 to 220 tons per hour. These mills grind high-grade limestone, silica, iron ore, and kaolin, with automatic weigh feeders ensuring precise material proportions based on continuous chemical analysis. The finely ground raw meal is then conveyed to homogenization and storage silos with a total capacity exceeding 50,000 tons, ensuring a uniform and stable blend prior to the clinker production process.

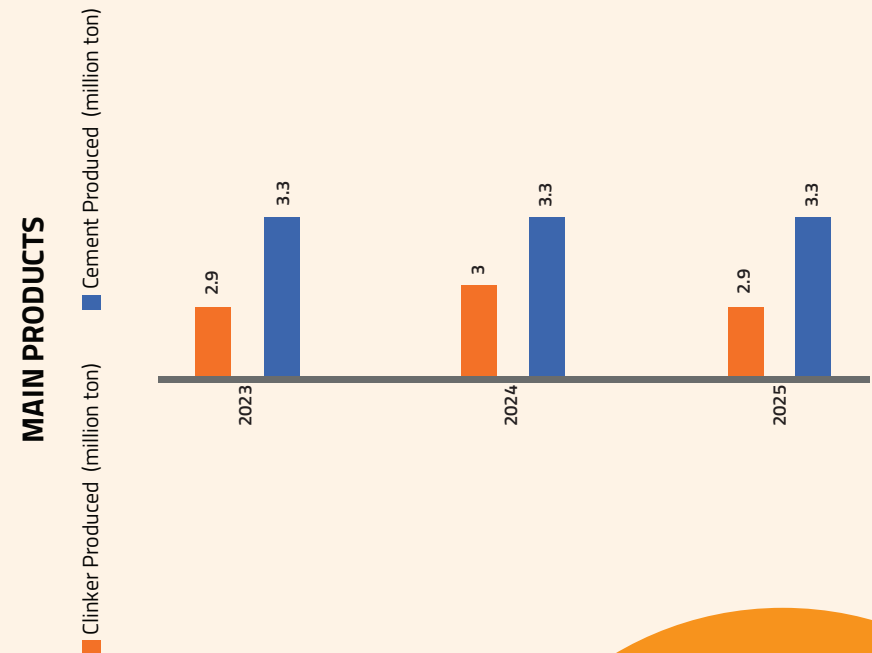
Clinker Production and Cement Storage

The homogenized raw meal is fed into the kilns through multi-stage preheaters, where it undergoes calcination and is transformed into clinker at temperatures ranging from 1400 to 1450°C. OCC operates three rotary kilns with production capacities between 2,000 and 4,000 tons per day. After formation, the clinker is rapidly cooled to preserve mineral quality and then stored in dedicated silos or outdoor yards.

Cement grinding is carried out in five mills of varying capacities, where additives such as gypsum are blended to achieve the desired cement properties. The finished cement is stored in silos of different capacities and undergoes rigorous quality testing to ensure compliance with both national and international standards. OCC produces multiple cement types, including Ordinary Portland Cement (OPC), Sulphate Resisting Cement (SRC), and Oil Well Cement (OWC), all meeting the required performance specifications before dispatch.



OCC - Quarries

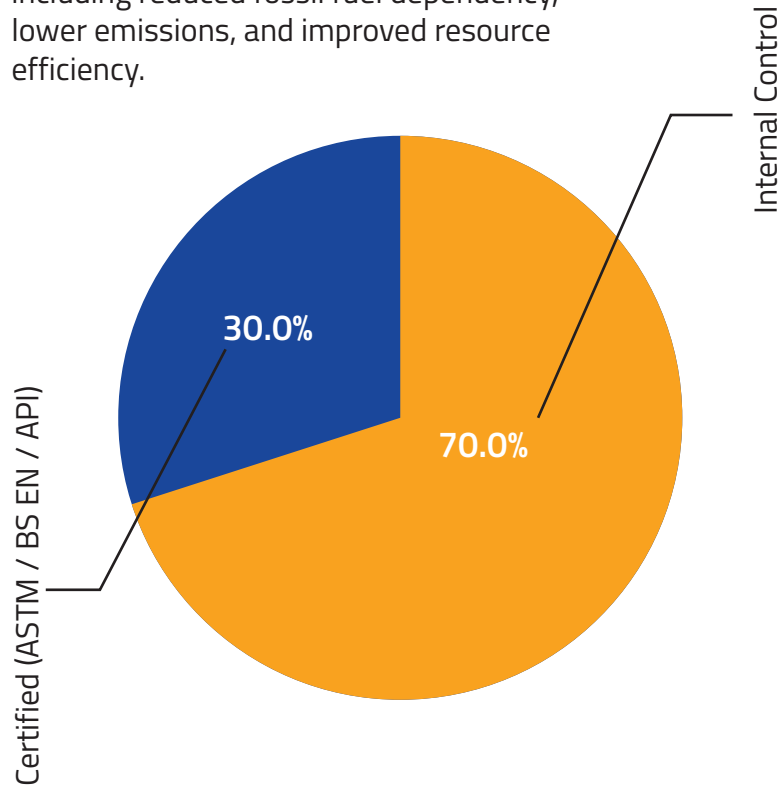


Sustainability Driven Research & Development and AFR Utilization

OCC's R&D efforts in 2025 focused on sustainability, clinker factor reduction, and increased use of alternative fuels and raw materials (AFR). The company conducted extensive testing of potential additives, refined XRF calibration systems to support alternative materials, and analyzed AFR samples achieving calorific values up to 6,650 kcal/kg. These initiatives directly advanced OCC's sustainability goals, including reduced fossil fuel dependency, lower emissions, and improved resource efficiency.

More than 141 samples were analyzed in the OCC laboratory to support clinker factor reduction initiatives, alongside continuous improvements in XRF calibration to enhance analytical reliability. In addition, the analysis of more than 30 AFR samples was completed.

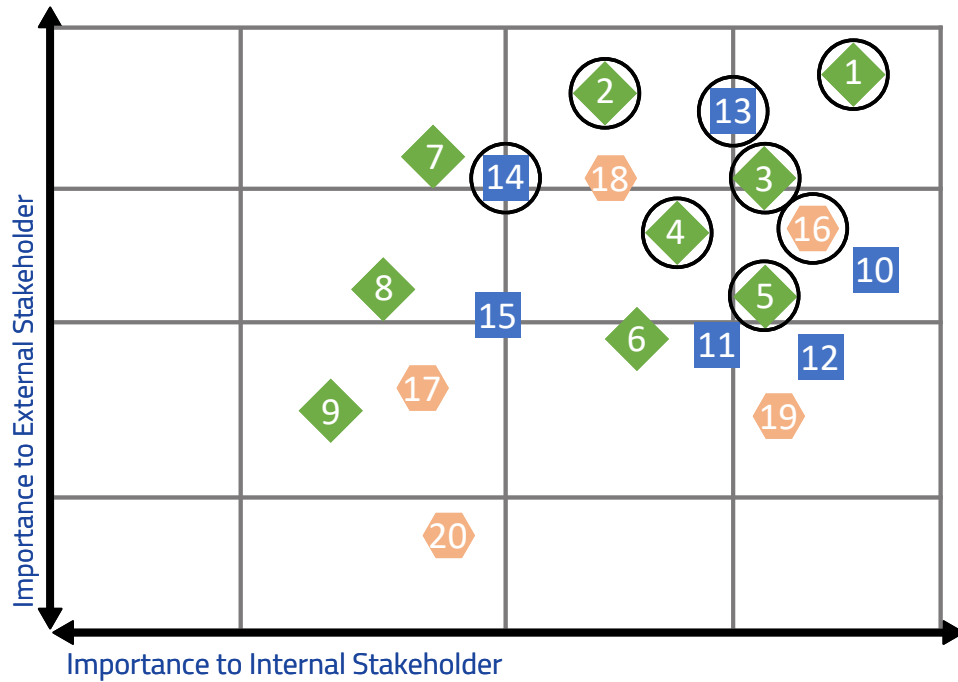
All the examples have direct sustainability impacts by improving raw material efficiency, enabling higher AFR substitution, reducing emissions through stable kiln operation, and supporting compliance with international quality standards.



Finished Cement Product - Certification Status 2025



Sustainability Materiality



1. Health and Safety
2. Environmental Incidents
3. Air
4. GHG
5. Water
6. Waste
7. Circular Economy
8. Rehabilitation
9. Biodiversity
10. Employment practices
11. Non-Discrimination of Employee
12. Equality
13. Minimizing risk
14. Omanization
15. Diversification
16. Compliance
17. Anti-Corruption
18. High Performance
19. Rights and Incentives
20. Welfare

◆ Environment
 ■ Social
 ◆ Governance
 ○ High Importance for External and Internal

OCC places strong emphasis on delivering high quality cement through operations that prioritize the health, safety, and well being of its people, stakeholders, and the surrounding environment. The company is committed to maintaining a safe workplace, preventing occupational injuries and illnesses, and meeting all

regulatory obligations set by the Sultanate of Oman. By continually advancing its management systems and implementing environmentally sustainable and energy efficient equipment, the company reinforces its long term commitment to responsible and sustainable development.



Health and Safety Performance Up-to 2025



Working Man Hours without LTI, During 2024

+ 1.6 M



Working Man Days, without LTI

+ 1,330



Applicate Health & Safety permits

6

With a firm commitment to environmental stewardship, the company actively works to prevent pollution, safeguard natural resources, and limit waste generation. It follows rigorous waste management procedures to ensure the safe disposal of unavoidable waste and reduce environmental contamination. Ongoing evaluations and updates of environmental, health, and safety policies help the company stay aligned with emerging regulations and best practices. OCC promotes a proactive safety culture by involving employees and stakeholders in health awareness initiatives, hazard elimination efforts, and comprehensive training programs. With the vision of achieving a zero accident workplace, the company maintains open communication

by sharing its policies and regularly inviting constructive feedback to support ongoing improvements.

OCC is dedicated to producing high quality cement products that consistently outperform local and global standards, reinforcing its commitment to customer satisfaction. Understanding the dynamic needs of its customers, the company actively upgrades its processes and systems to remain responsive and competitive. By empowering and training its employees to uphold rigorous quality standards, OCC seeks to maintain its leadership position in the regional cement industry while promoting excellence and sustainable growth across all operations.





Environmental Policy and Legal Compliance

OCC maintains rigorous compliance with regulatory requirements at both the national and international levels, covering corporate governance, environmental stewardship, labor practices, and workplace safety. The company aligns with Omani laws and regulations, sustains its ISO certifications, and conforms to tax, customs, and global cement industry standards ensuring accountability, transparency, and high quality operational performance.

OCC integrates sustainability, CSR initiatives, and carbon emission reduction into its core strategy, fully aligning its efforts with the United Nations Sustainable Development Goals (SDGs). The company strengthens its ethical framework through strong anti corruption policies, transparent governance, and full compliance with data privacy and intellectual property standards.

Through comprehensive regulatory compliance and commitment to ethical and sustainable practices, OCC strengthens its operational competitiveness and maintains its leadership within both the Omani market and the international cement industry.

Demonstrating its commitment to sustainable operations and environmental compliance, OCC maintains an Ambient Air Quality Monitoring Station that provides real time assessment of local air quality. The system continuously tracks major atmospheric pollutants—such as $PM_{5.2}$, PM_{10} , SO_2 , NO_x , hydrocarbons (HC), and CO_2 —within the vicinity of the cement plant to ensure responsible and transparent environmental performance.

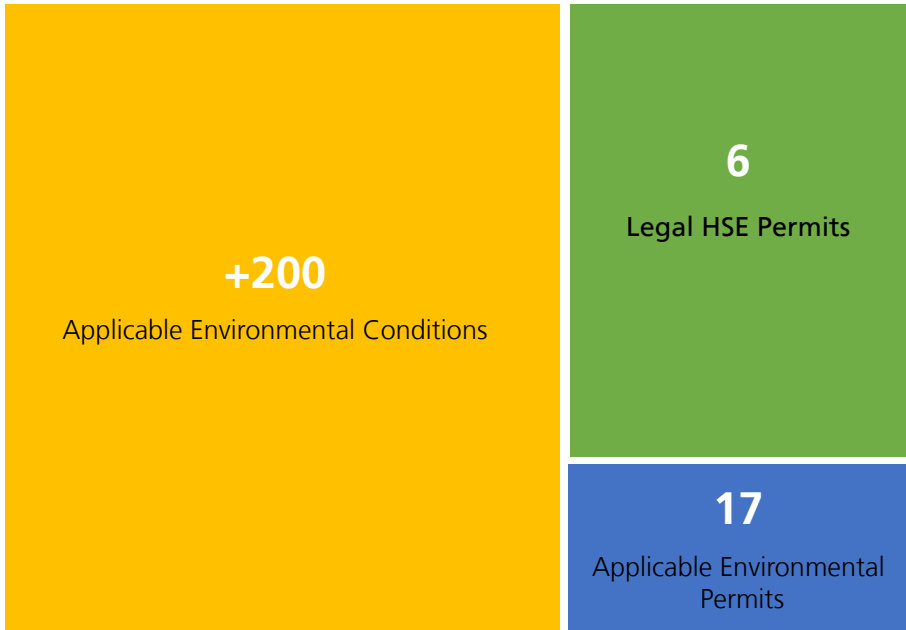
OCC's AQMS is connected directly to EA dashboards and NAQI platform for open online transparent data view and collection.

The collected online data enables EA and OCC to evaluate the environmental impact of its operations, ensure compliance with both national and international air quality standards, and implement proactive measures to minimize emissions. By maintaining this monitoring station, OCC underscores its dedication to reducing its environmental footprint and protecting the health and well being of surrounding communities.

2025 Recognition by the Environment Authority (EA) Ranked 5th in Category B

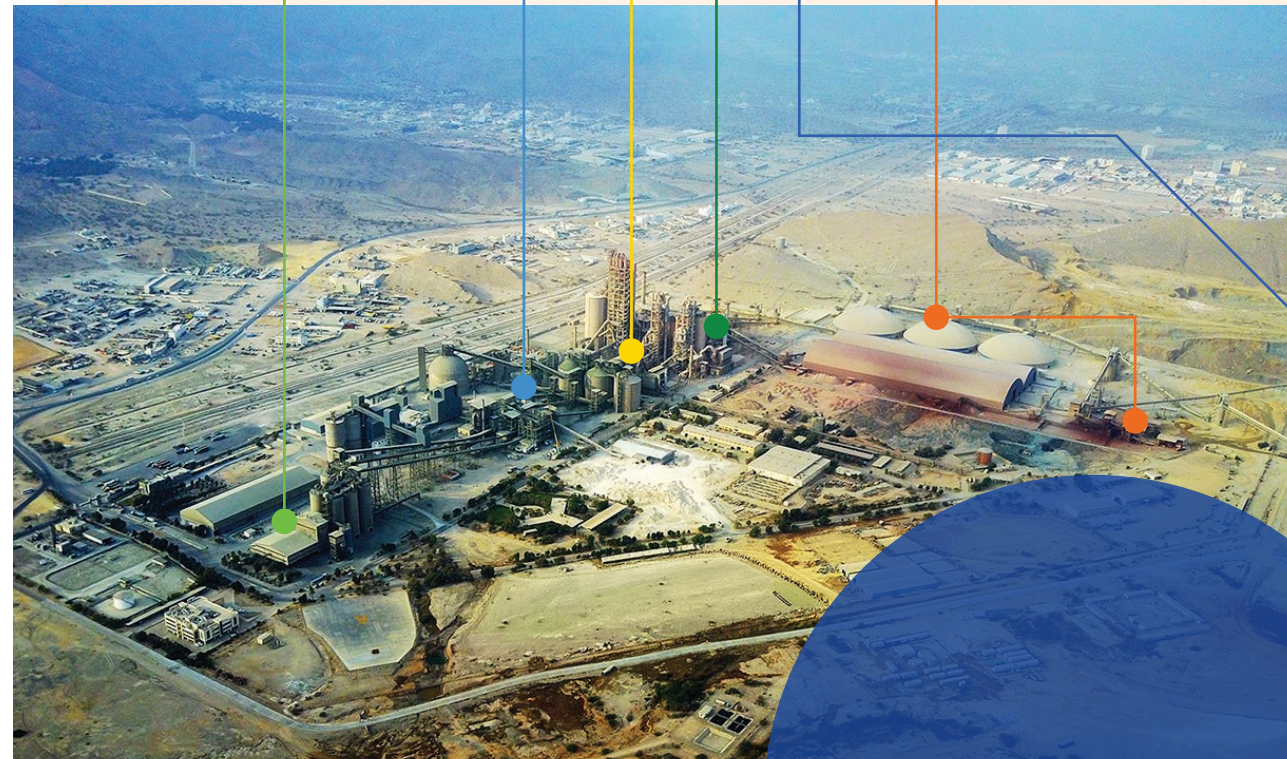
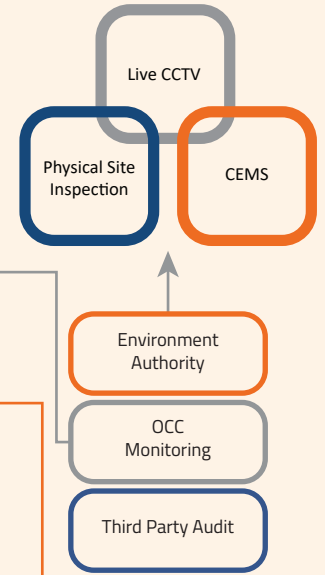
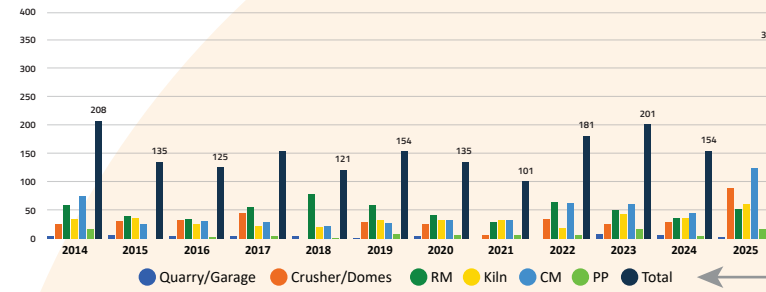
At the end of 2025, OCC is proud to have received valuable recognition from the Environment Authority (EA) under the Green List of Companies that comply with EA rules, regulations, and requirements. Among 40 companies, EA listed OCC in Category B, ranked 5th among them, which complies with EA rules and regulations. Category A includes companies that not only comply with regulations but also actively participate in environmental and social initiatives.

Environmental Legal Requirements



Environment Performance Monitoring

Environment Incident 2024 - 2025



القائمة الخضراء للشركات

الفئة (ب)

الشركات الملتزمة بالإشتراطات البيئية

مؤسسة النجم القضي الشاملة للتجارة والمقاولات	2	مشاريع أبو موسى للتجارة	1
الشركة العمانية لخدمات المياه والصرف الصحي	4	كسارات الداخلية	3
شركة السرين للمنتجات الاسمنتية والتجارة	6	شركة إسمنت عمان	5
أبناء عبدالله درويش للتجارة والمقاولات	8	الشركة العمانية القابضة لخدمات البيئة	7
عبدالقادر للصناعات البلاستيكية	10	صخور مستخدم	9
قلاع الباطنة للتجارة	12	الحزمة الذهبية العالمية	11

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

www.ea.gov.om

This achievement reflects the dedication and efforts of the entire OCC team. Moving forward, OCC aims to increase its participation in environmental and social activities to further enhance its sustainability performance.



Dust Emission Control

Dust Emission Control Strategies at OCC



1. Advanced Filtration Systems

OCC uses baghouse filters and electrostatic precipitators to capture particulate matter (PM) from kiln exhausts and other dust-generating processes. These systems ensure emissions remain below the design limits, such as $< 30 \text{ mg/Nm}^3$ for PM although the Omani standard limit is 100 mg/m^3 for cement plants.

2. Continuous Monitoring

The plant operates a Continuous Emission Monitoring System (CEMS) integrated with the Ambient Air Quality Monitoring Station (AAQMS). This setup provides real-time data on PM levels and other pollutants, enabling proactive control and compliance with Ministerial Decision No. 2017/41 and international guidelines.

3. Fugitive Dust Control

- OCC minimizes fugitive dust emissions by: Using enclosed storage facilities for raw materials and clinker.
- Installing covered conveyor systems.
- Applying dust-suppression techniques such as water spraying and wind barriers in open areas.

4. Compliance and Transparency

OCC shares real-time air quality data with the Environment Authority (EA) through the NAQI platform, ensuring transparency and regulatory compliance.

As part of our continuous efforts to improve operational efficiency and align with the company's environmental sustainability goals, the Quarry Department has implemented a significant change in the blasting design method.

We have transitioned from the traditional fuse ignition system to a Non-Electric Detonator (NONEL) system & Optimized blast design by reducing spacing and burden by %11. This advanced system and design resulted in several key benefits:

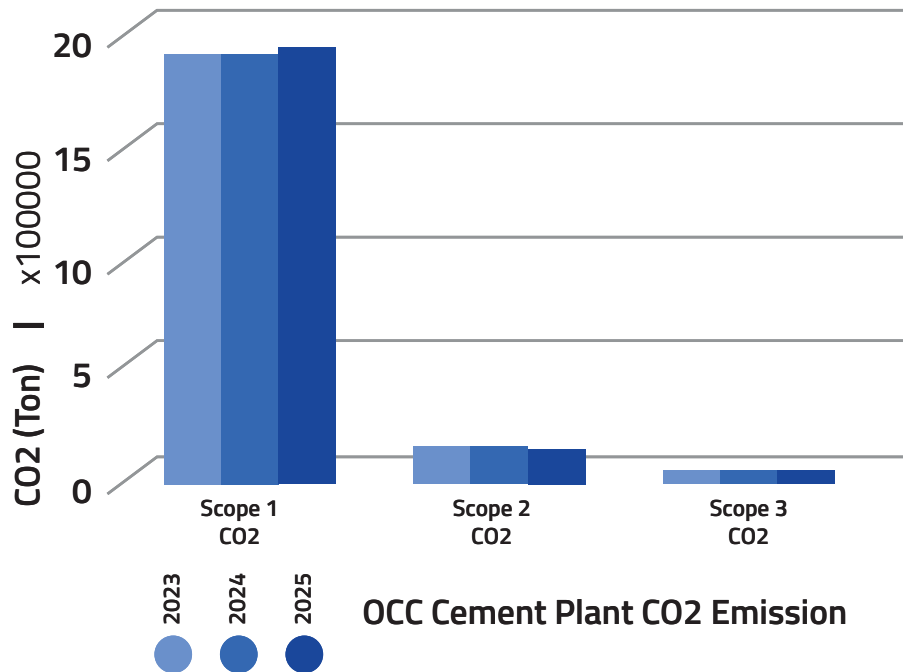
- Reduced ground vibrations and flyrock, ensuring safer and more controlled blasting operations.
- Significant reduction in air overpressure (noise levels), contributing to a quieter and safer work environment.
- Minimized dust emissions, helping maintain air quality and reduce environmental impact.

This change reflects the company's commitment to preserving the surrounding environment and reducing emissions, in line with our sustainability objectives.

Greenhouse Gases (GHG)

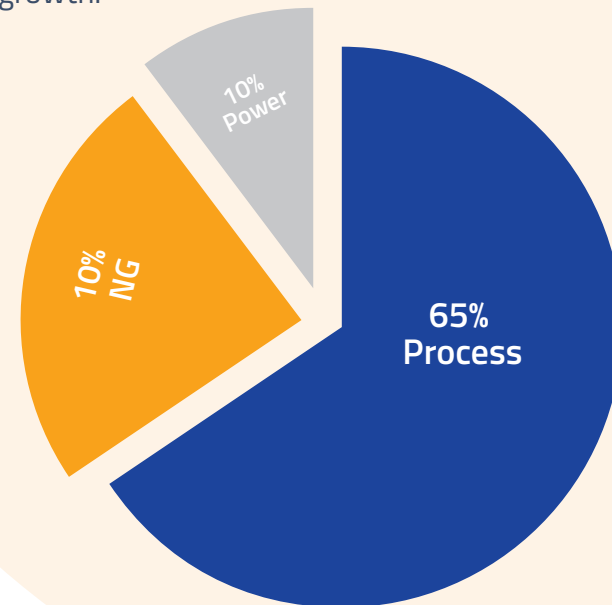
The cement industry is a major contributor to global greenhouse gas (GHG) emissions, accounting for approximately 7–8% of worldwide CO₂ emissions. The largest share originates from the calcination process, in which limestone is decomposed into lime, releasing CO₂ during clinker production. Additional emissions result from the combustion of fossil fuels required to achieve high kiln temperatures, as well as from electricity consumption, raw material handling, and transportation activities.

To reduce its environmental impact, the industry is increasingly adopting mitigation strategies such as enhancing energy efficiency, utilizing alternative fuels and renewable energy sources, lowering clinker content using supplementary cementitious materials, and exploring advanced solutions like carbon capture and storage (CCS) technologies.

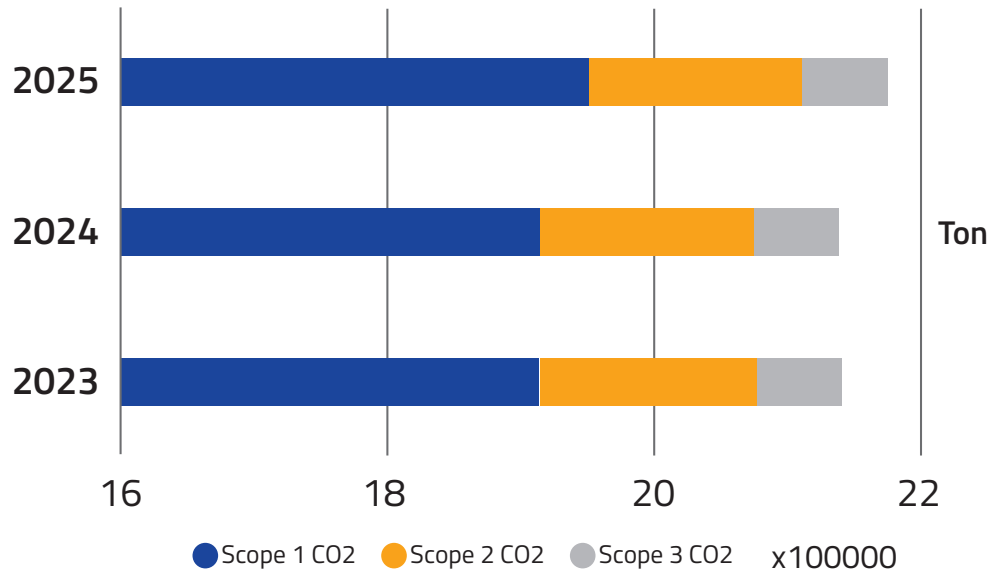


Thus, in summary, Greenhouse gas (GHG) emissions at the OCC Plant primarily stem from process emissions (65-81%), where CO₂ is released during the decomposition of limestone in clinker production. Fuel combustion, natural gas, contributes a percentage range of (12-24%), as a kiln heating source, and electricity consumption (7-10%) for grinding, blending, and auxiliary equipment adds significantly to the emissions. Additional sources include transportation emissions from diesel-powered vehicles, emissions from on-site equipment like crushers and stackers, and waste heat or fugitive emissions from kilns and gas systems. Mitigation strategies include using alternative fuels, enhancing energy efficiency, adopting renewable energy, and exploring carbon capture technologies.

Overall, the upward trend across all scopes confirms that OCC's production output has grown year-on-year, leading to corresponding increases in total CO₂ emissions. This pattern highlights the importance of implementing stronger decarbonization measures particularly within Scope 1 and exploring efficiency improvements in electricity usage and supply chain processes to manage emissions alongside production growth.



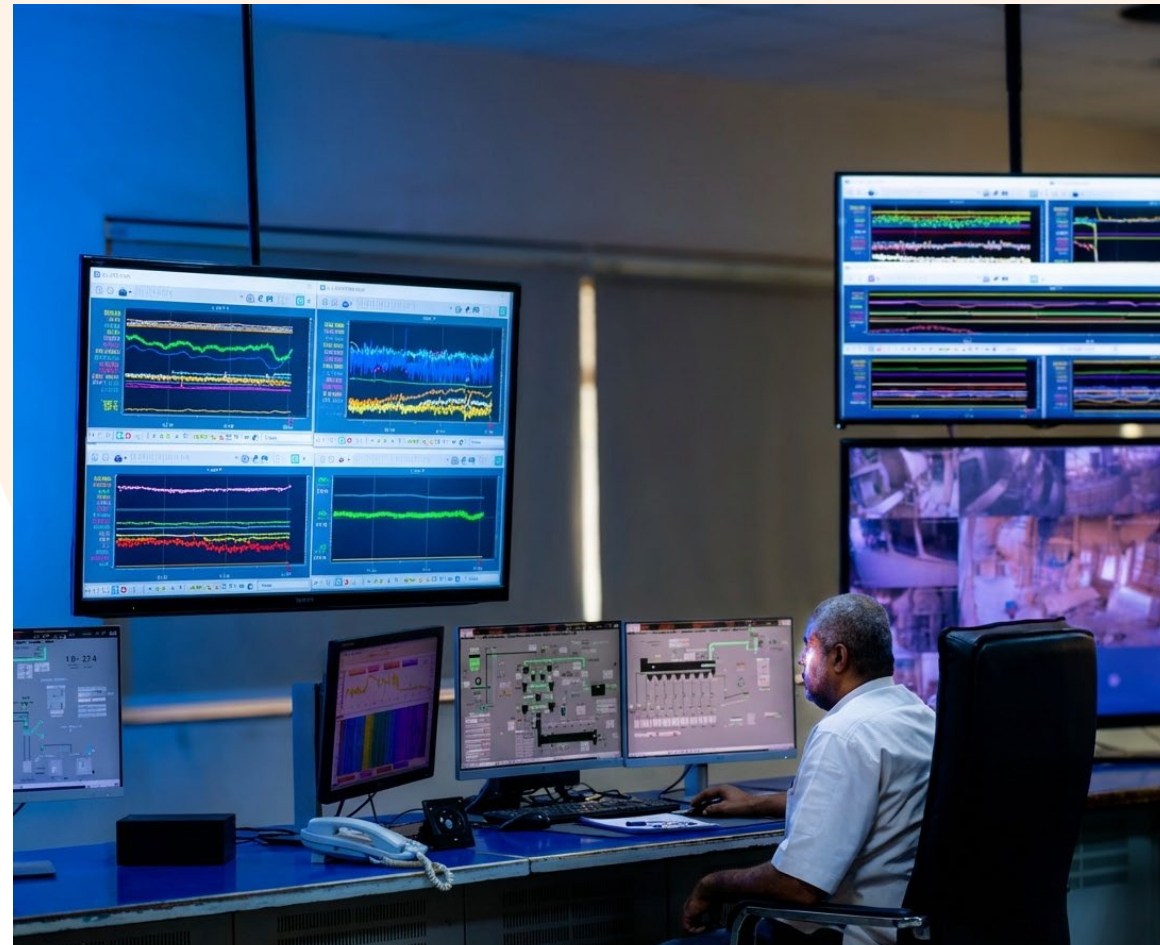
GHG from OCC Cement Factory



Cement production releases several non GHG pollutants, including particulate matter (PM), nitrogen oxides (NO_x), sulfur oxides (SO_x), volatile organic compounds (VOCs), and fugitive dust. To control these emissions, plants rely on technologies such as baghouse filters, electrostatic precipitators, and dust control systems for PM. VOCs and other organic pollutants are addressed through optimized process management. Fugitive emissions are minimized by using enclosed storage facilities, covered conveyors, and protective wind barriers. Continuous monitoring ensures regulatory compliance and maintains the effectiveness of emission control systems, helping improve air quality and reduce environmental impacts.

OCC has demonstrated its commitment to environmental responsibility by consistently meeting both Omani and international emission standards

through the use of advanced control and monitoring systems. This includes baghouse filters, CEMS, AAQMS, CCTV monitoring, and regular manual sampling mandated by the Environment Authority. Fugitive dust is effectively reduced using enclosed storage, covered conveyor systems, and dust suppression techniques. Real-time data from CEMS ensures emissions remain within required limits—such as < 20 mg/Nm³ for PM and 100–200 mg/Nm³ for NO_x and SO_x. These actions comply with national regulations, including Ministerial Decision No. 2017/41, and international environmental guidelines, supporting OCC’s ongoing sustainability objectives.



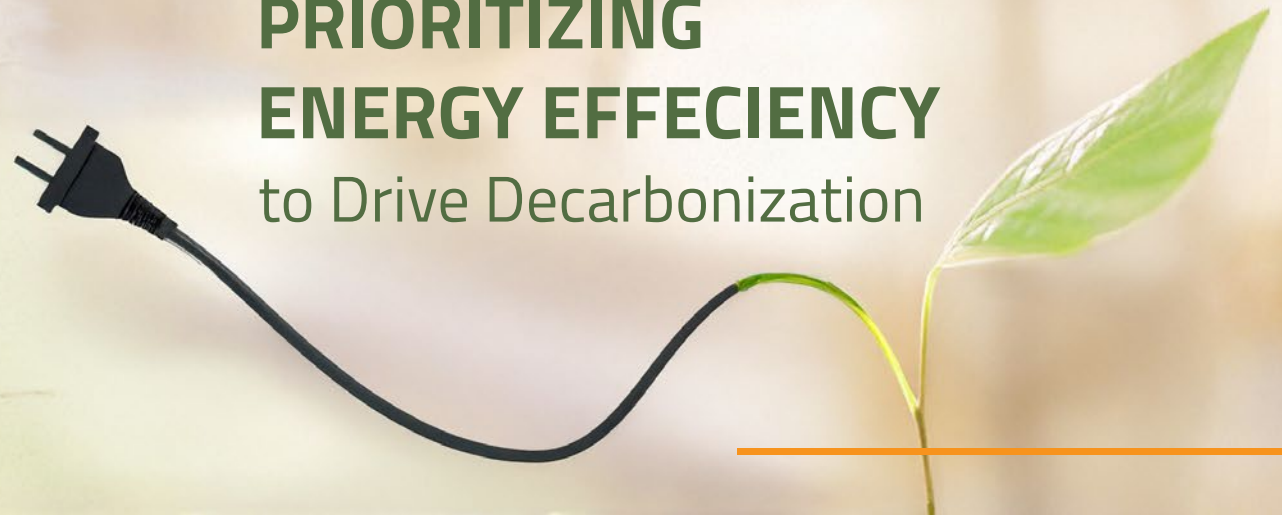
Green Initiatives

In its pursuit of environmental stewardship and climate responsibility, OCC has rolled out numerous sustainable initiatives to reduce emissions, conserve resources, and advance long-term environmental goals. Major efforts include:

- **Emission Control:** Complying with strict guidelines to lower emissions.
- **Decarbonization:** Implementing the agreed-upon plan to achieve carbon net-zero by reducing CO₂ emissions.
- **Alternative Raw Materials and Fuels:** Utilizing industrial by-products (e.g., fly ash, slag) and waste-derived fuels (plastics, tires, RDF) to replace raw materials, clinker, and fossil fuels.
- **Energy Efficiency:** Adopting energy-saving technologies such as LEDs, which reduce approximately 170 tons of CO₂ annually; electrical cycle motor Tuk-tuks, potentially saving around 20 tons of CO₂ per year; and leveraging biodiesel, waste heat recovery systems, and other measures to further enhance energy efficiency.
- **Water Management:** Monitoring and Employing water-saving and efficient utilization.
- **Sustainable Products:** Advancing the development of sustainable cement products by introducing low-carbon and blended solutions, including Portland Limestone Cement (PLC), which supports significant reductions in CO₂ emissions.
- **Waste Management:** Circular economy practices are the basis of recycling by-products and waste generated by OCC or by other organizations. Examples of wastes recycled during 2025 are plastics, XPLE, rubber, green waste and wood, clothes, SPL, steel slag, marble waste.
- **Renewable Energy:** currently operates a solar (PV) plant and planning to construct a larger PV plant to reduce reliance on fossil fuels.
- **Carbon Offsetting:** Carbon: Most of the initiatives mentioned in this report contribute directly or indirectly to carbon offsetting. OCC continues to explore carbon markets and carbon credit policies and may pursue future high-impact nature-based projects, particularly once RDF and TDF technologies are deployed.



**PRIORITIZING
ENERGY EFFICIENCY**
to Drive Decarbonization



● **Community Engagement:** OCC supports biodiversity, conservation, and environmental awareness campaigns. A major event was held in December 2025, during which OCC employees, together with the Environment Authority, volunteer divers, and local SMEs, carried out an environmental initiative at the Dimaniyat Islands. One team removed fishing nets from coral reefs at Awlad Al Jun Island, while another cleared shipwreck debris

from Qismah Island's shore. Afterwards, specialists shared insights on the reserve's biodiversity and conservation efforts. The team then explored the islands' unique habitats before returning to Barka. The day highlighted teamwork, environmental responsibility, and OCC's commitment to supporting both nature and the community.

COLLABORATION AND CONSERVATION | Our Shared Responsibility



Decarbonization

Ultimately, OCC's initiatives not only reduce its environmental footprint but also solidify its role as a pioneer in sustainable cement manufacturing. By advancing these measures, OCC continues to progress steadily toward carbon neutrality and remains aligned with broader national and global sustainability objectives.

OCC has set a carbon net-zero target for 2050, focusing on reducing emissions across Scope 1, 2, and 3. The strategy includes enhancing energy efficiency, transitioning to renewable energy, adopting alternative fuels, and integrating carbon capture technologies. The company also plans to use low-carbon cement and improve supply chain sustainability. OCC has already started its journey a couple of years back through using alternative raw materials and fuels, producing lower carbon emission products, optimizing operations, and reducing the power consumption. Milestones for 2025 and 2030 aim for significant reductions in emissions, while ongoing investments in R&D and industry collaboration will support continuous progress. Through these actions, OCC is committed to reducing its carbon footprint and aligning with global sustainability goals.

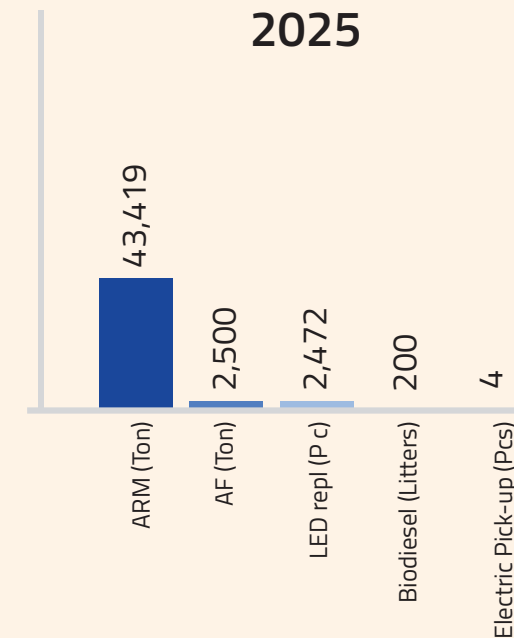
OCC's carbon emissions can be broadly categorized as follows:

1. **Process Emissions (65%):** These emissions primarily originate from the chemical reaction during clinker production, where limestone (calcium carbonate) is heated to produce lime (calcium oxide), releasing CO₂ as a byproduct.
2. **Fuel Emissions (25%):** The combustion of fossil fuels, which is natural gas, to generate the elevated temperatures required for clinker production accounts for a significant share of the company's emissions.
3. **Electrical Energy Emissions (10%):** These are indirect emissions resulting from the consumption of electricity, often sourced from fossil-fuel-based power plants, for operations such as grinding, mixing, and other auxiliary processes.

Addressing these emissions requires strategies like adopting alternative fuels, reducing clinker content, enhancing energy efficiency, and utilizing renewable energy sources for electricity.

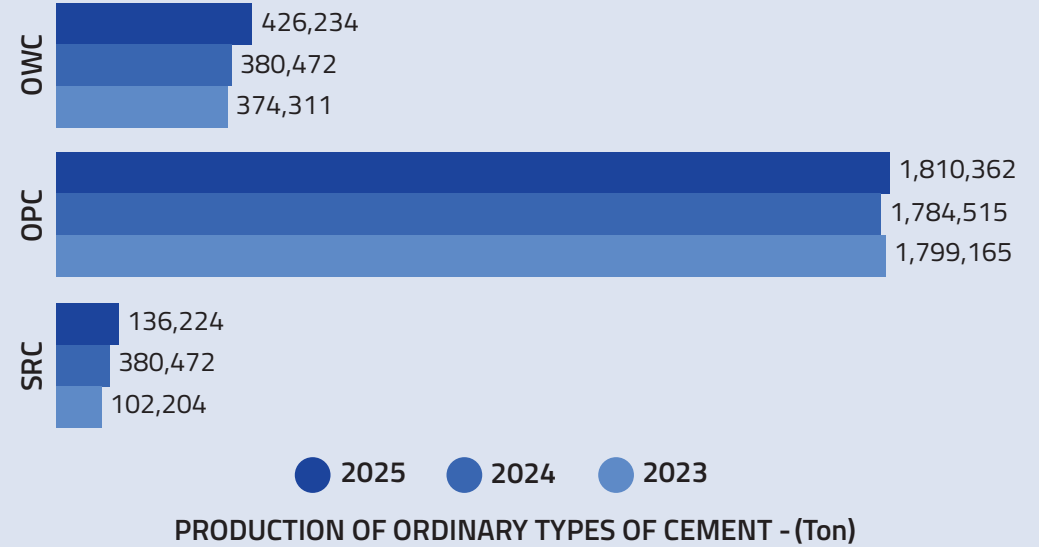
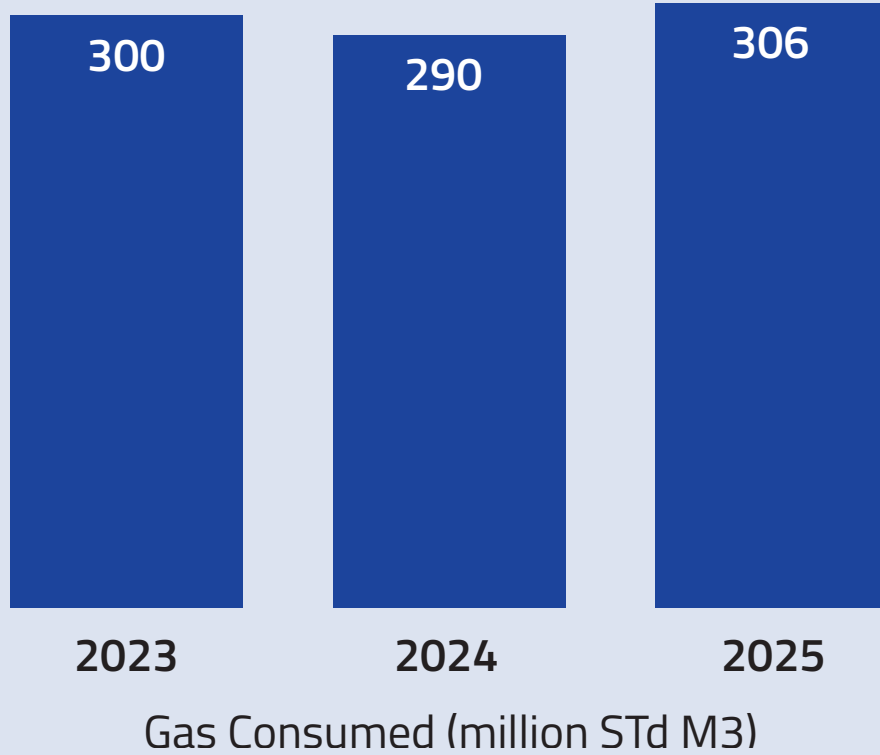
Decarbonization in Oman is a critical component of the country's strategy, under Oman Vision 2030, to address climate change and transition to a low-carbon economy. The government has set ambitious goals to reduce its carbon footprint, focusing on diversifying energy sources, increasing the share of renewables, and improving energy efficiency across key sectors such as oil, gas, transport, and industry.

Oman has also pledged to achieve net-zero emissions by 2050, with a national climate action plan that includes carbon capture, sustainable development of the green economy, and being a leader in green hydrogen production. These efforts are supported by investments in renewable energy, energy efficiency technologies, and collaborations with international organizations.



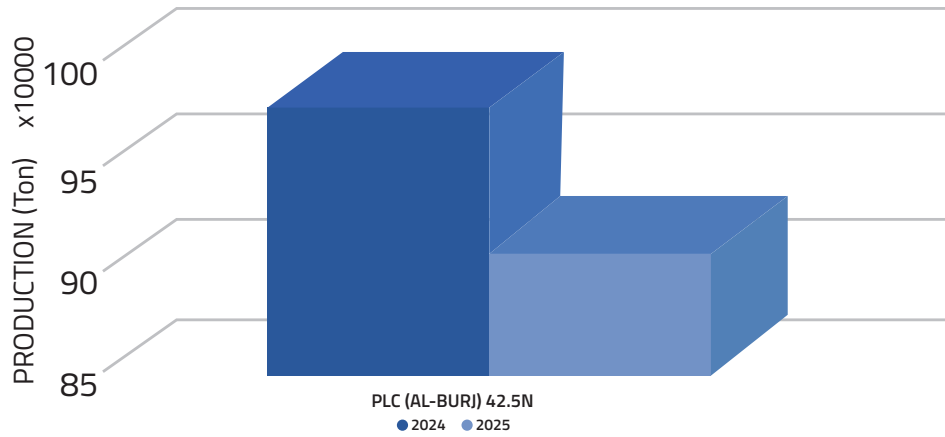
EXAMPLES OF ARM, AF AND ENERGY SAVING AT OCC 2025

GAS CONSUMPTION OF OCC KILNS OPERATION



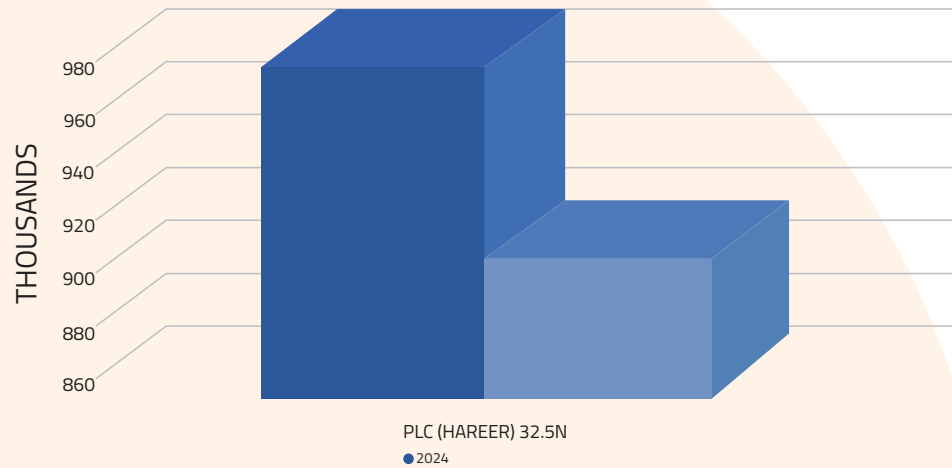
Ordinary Portland Cement (OPC), Oil Well Cement (OWC), and Sulphate Resistant Cement (SRC) each serves distinct roles: OPC functions as a versatile, general purpose cement; OWC is engineered specifically for demanding oil and gas well applications; and SRC is formulated to provide enhanced durability in environments with high sulfate exposure.





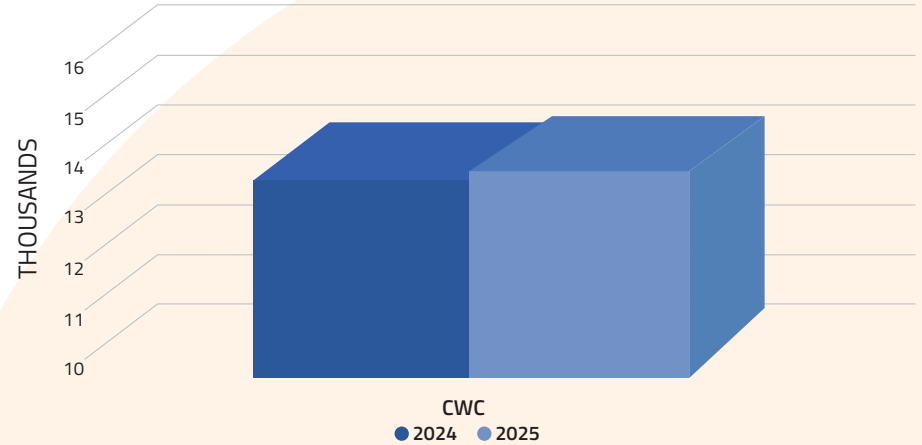
HIGH DEMAND FOR LOW-CARBON CEMENT (PLC 42.5N)

Portland Limestone Cement 42.5N (Trading name Crystal) (PLC 42.5N) has 15% lower carbon footprint compared with the Ordinary Portland Cement (OPC).



PRODUCTION OF LOW-CARBON CEMENT (PLC 32.5N).

PLC 32.5N is commonly used for general construction, masonry works, plastering, non-structural concrete, and applications where very high early strength is not required. It is more environmentally friendly than standard OPC by 30% less CO2 footprint due to reduced clinker content.



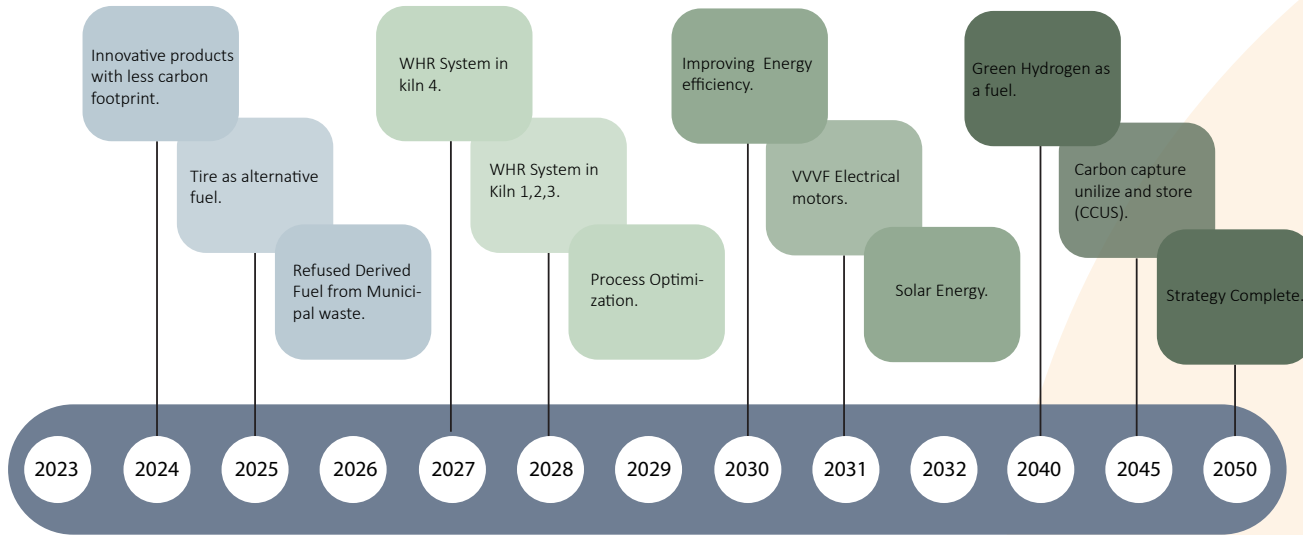
HIGH DEMAND FOR LOW-CARBON CEMENT (CWC)

Like PLC 42.5N, OCC has started producing Composite Well Cement (CWC) and PLC 32.5N (Hareer) where the two products are lower in Carbon Footprint by 15% and 30% compared to Oil Well Cement (OWC) and OPC, respectively.

Thus, the replacement of ordinary cement types by these lower carbon footprint products is reducing the Carbon footprint of the product, company, country and the worldwide by 15%, 15% and 30% compared to original product.



OCC Decarbonization Strategy



OCC targets net-zero emissions by 2050, addressing scope 1, 2, and 3 emissions... reaffirming its commitment to achieving substantial emissions reductions.



Innovative Low carbon footprint & Alternative Fuel and Raw material.

Waste Heat recovery.

Energy Efficiency.

New Technologies.

OCC is supporting Oman’s national decarbonization agenda by implementing its own carbon-neutrality strategy. The company targets net-zero emissions by 2050, addressing Scope 1, 2, and 3 emissions across its cement manufacturing processes, energy consumption, and supply-chain activities. Key actions include the use of alternative raw materials and fuels—such as SPL, RFCC, steel slag, tire-derived fuel (TDF), and municipal waste-based refuse-derived fuel (RDF)—enhancing energy efficiency, expanding the use of renewable energy sources such as solar and wind, and adopting carbon-capture technologies. OCC also aims to advance low-carbon cement products and increase the incorporation of recycled materials. With clear milestones set for 2025 through 2050, the company reaffirms its commitment to achieving substantial emissions reductions and contributing to both national and global sustainability objectives.

Climate Change Adaptation and Mitigation

Climate change adaptation and mitigation are two interconnected strategies essential for addressing the impacts of global climate change. Adaptation focuses on adjusting systems, policies, and operational practices to reduce vulnerability to climate-related risks. This includes measures such as developing resilient infrastructure, enhancing water resource management, and strengthening disaster preparedness—efforts that fall under the Crisis Management Plan at OCC.

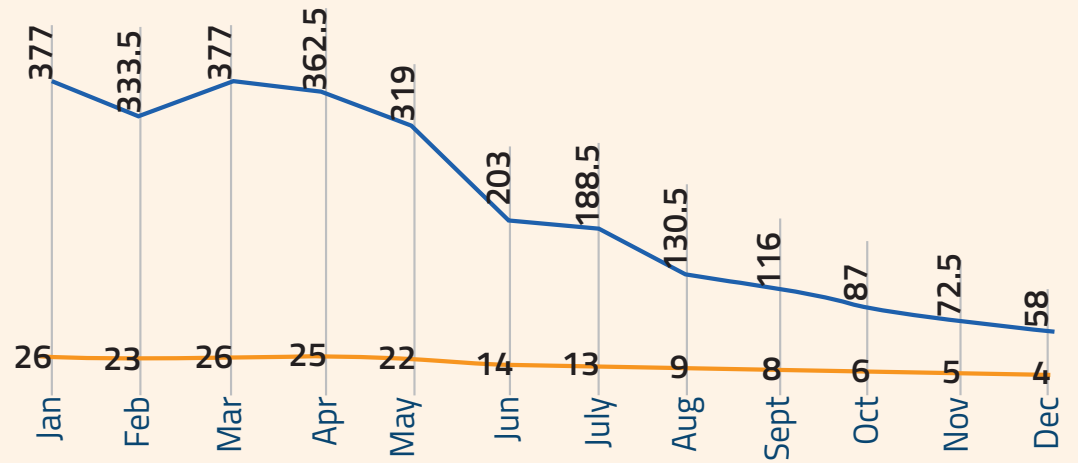
Mitigation, in contrast, involves actions aimed at reducing or preventing greenhouse gas (GHG) emissions. Key approaches include transitioning to renewable energy sources, improving energy efficiency, adopting sustainable land-use practices, and implementing carbon-capture technologies. Together, adaptation and mitigation form a comprehensive response



framework that enhances climate resilience, minimizes future risks, and supports global efforts to limit temperature increases to safe levels.

Waste Management

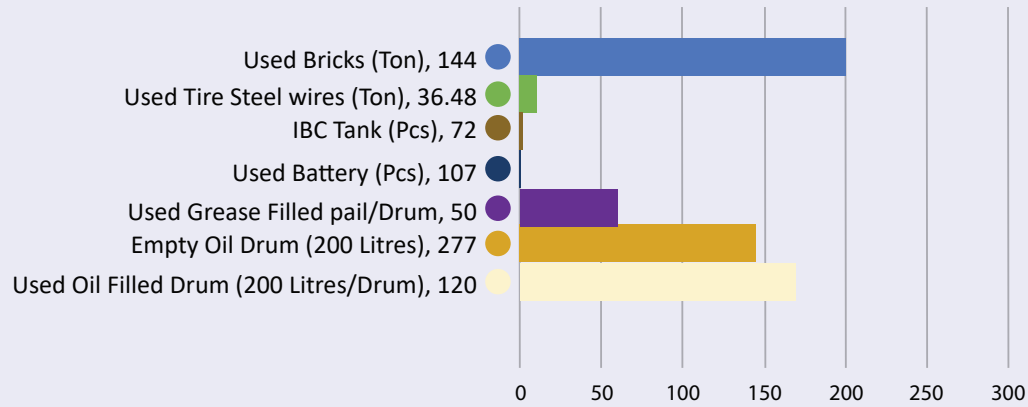
OCC has implemented a waste management strategy that reinforces circular economy principles, sustainability goals, and in Country Value (ICV). By recycling waste materials and transforming them into valuable byproducts, OCC minimizes environmental impact while enhancing resource efficiency. This approach also supports local industries and contributes to national sustainability and economic development objectives, aligning strongly with Oman’s broader environmental and economic vision.



Recycling Solid Waste from Packing Plant area (2025)

● Monthly Cost of Disposal (OMR) ● Monthly Number of Trips

Waste Quantity Disposed for Recycling (2025)

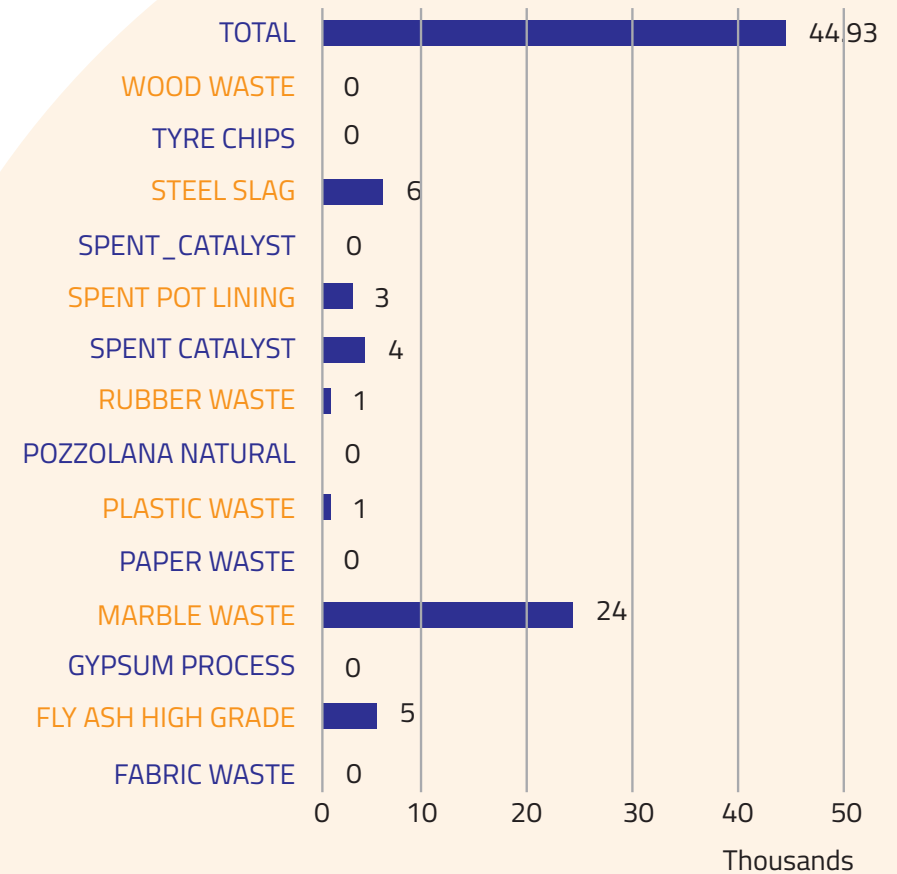


INDUSTRIAL WASTES DISPOSED THROUGH PERMITTED PARTIES

OCC ensures the safe and responsible disposal of industrial waste by strictly adhering to national environmental regulations and compliance requirements. All industrial waste generated by the company is handled through licensed and authorized waste-management service providers approved by regulatory authorities. OCC follows structured procedures for waste segregation, storage, transportation, and disposal to prevent environmental harm and ensure full compliance with legal and safety standards.



Quantity of wastes Treated at OCC during (2025)

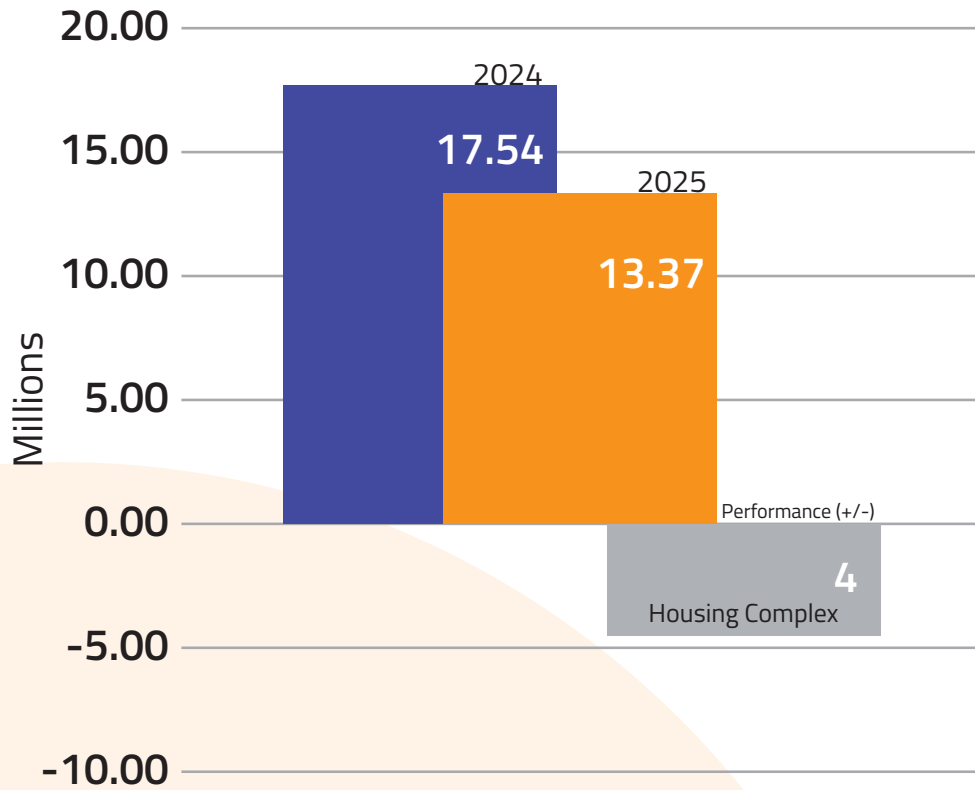


QUANTITIES OF WASTES TREATED IN OCC DURING 2025 - (Ton)

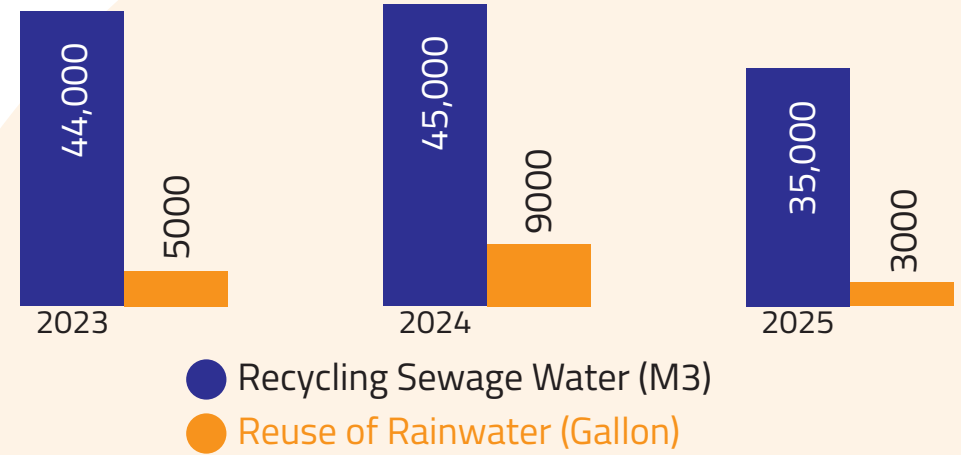
The quantities of waste recycled through OCC's processes are increasing year by year. These wastes might be utilized as alternative material or alternative fuel depending on waste properties. Waste recycling and treatment support the waste management sector as well as industrial sectors and this reflects the benefits to society, environment, climate, industry, ICV and economy.

Water Consumption

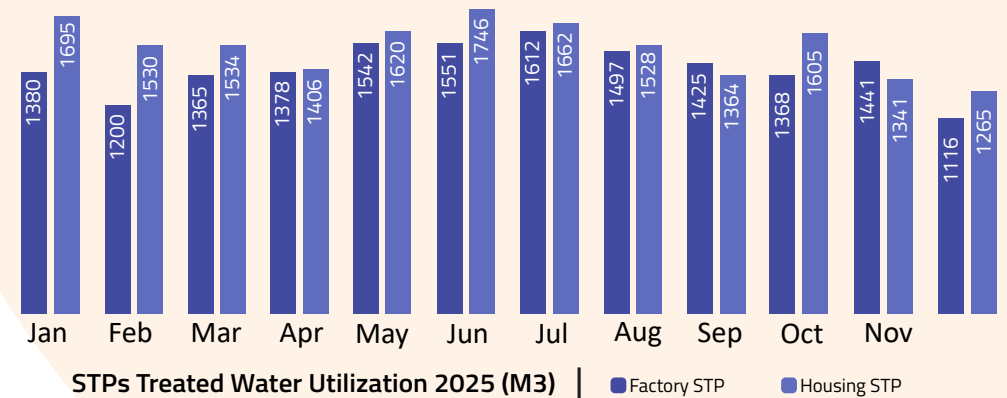
OCC has successfully achieved more than a 22% reduction in water consumption in 2025 compared to 2024. This achievement demonstrates the company's strong commitment to sustainable resource management and responsible environmental stewardship. The reduction supports OCC's broader objectives of minimizing its environmental footprint, optimizing operational efficiency, and contributing to long term sustainability across its operations.



Water efficiency initiatives at the OCC Housing Complex resulted in an estimated freshwater savings of about 4.0 million gallons. Building on this success, OCC will continue pursuing cutting edge strategies and technologies to drive even greater water savings, underscoring its ongoing commitment to sustainability and responsible resource use.



Saving Fresh Water at OCC Housing Complex



Power Consumption

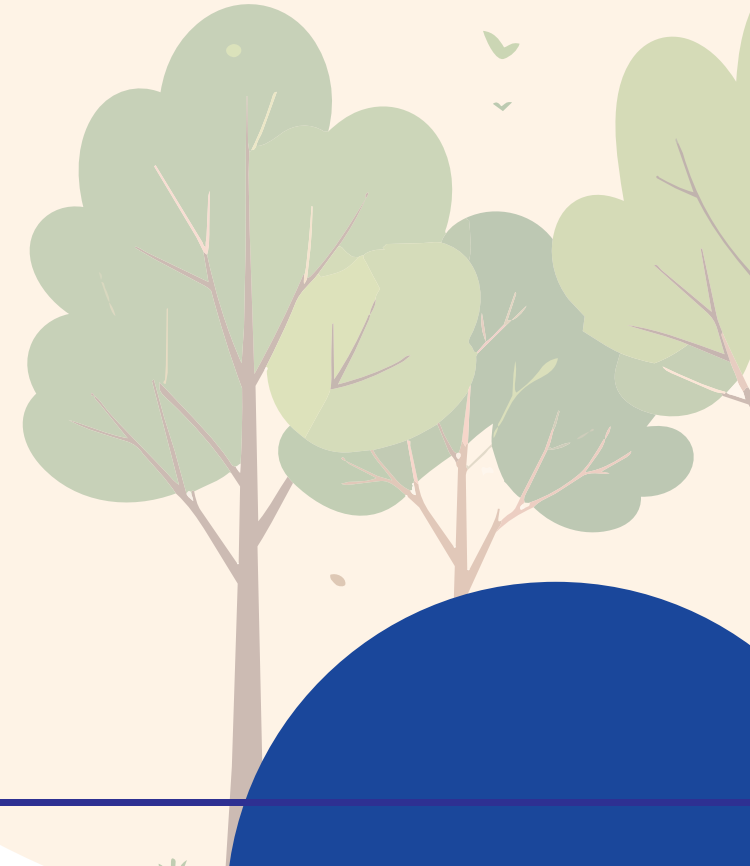
At the same time, OCC is upgrading its power monitoring systems to improve the management of both direct and indirect energy consumption. By adopting advanced monitoring technologies and analytical tools, the company aims to detect inefficiencies, lower energy use, and reduce its environmental impact. These enhancements support OCC’s long-term sustainability commitments and its ongoing efforts to optimize operational performance.

OCC Power Consumption (2025)	KWH
Direct (Process)	399,061,576
In-Direct (Utilities and Buildings)	1,093,630

Year	KWH/TON Equivalent Cement	KWH/TON Equivalent Clinker
2025	116.5	84.1

Scheduling and Load Management at OCC includes two main strategies:

- **Peak Load Avoidance:** Schedule high-energy-consuming processes, such as raw mill grinding and kiln operation, during off-peak hours to reduce demand charges.
- **Staggered Equipment Use:** Avoid running multiple high-load equipment simultaneously to prevent peak demand spikes.
- **Energy Efficiency:** OCC is implementing a range of energy saving technologies, including LED lighting systems that reduce emissions by approximately 170 tons of CO₂ annually, and the introduction of electrical cycle motor Tuk-tuks, which are expected to save around 20 tons of CO₂ per year. Additional initiatives include the use of biodiesel, waste heat recovery systems, and the continuous exploration of further energy saving opportunities.



Ethical Investment, Diversity & Employee Wellness

OCC Team

The team at OCC is a cornerstone of its success, driving its mission and strategy forward. With a blend of technical expertise, operational excellence, and a commitment to innovation, OCC's workforce ensures the company remains competitive in a dynamic market. The team's diverse skill set, ranging from engineering and production to strategic planning and risk management, positions OCC to tackle challenges effectively and capitalize on opportunities.

The OCC team's dedication, expertise, and alignment with the company's vision serve as a strength that underpins its resilience, adaptability, and sustained success in the cement industry.

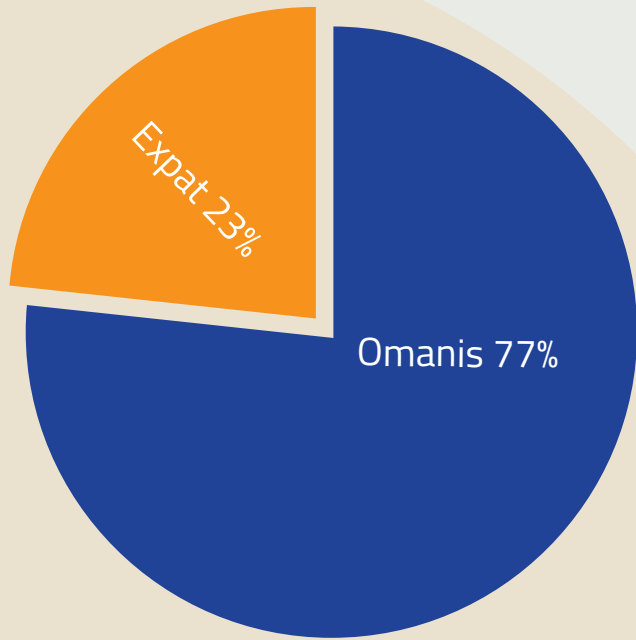
OCC Omanization

OCC remains strongly committed to Omanization by prioritizing the recruitment, development, and advancement of Omani talent in alignment with the national workforce localization agenda. Through strategic collaborations with educational institutions, specialized training programs, and initiatives that cultivate leadership capabilities, OCC equips Omani employees with the skills and knowledge necessary for career progression and meaningful contribution to the company's growth.

OCC integrates Omanization targets into its HR policies to ensure steady progress, full compliance with government requirements, and transparency in reporting. These efforts not only strengthen the company's human capital but also support Oman's broader socio economic development goals.

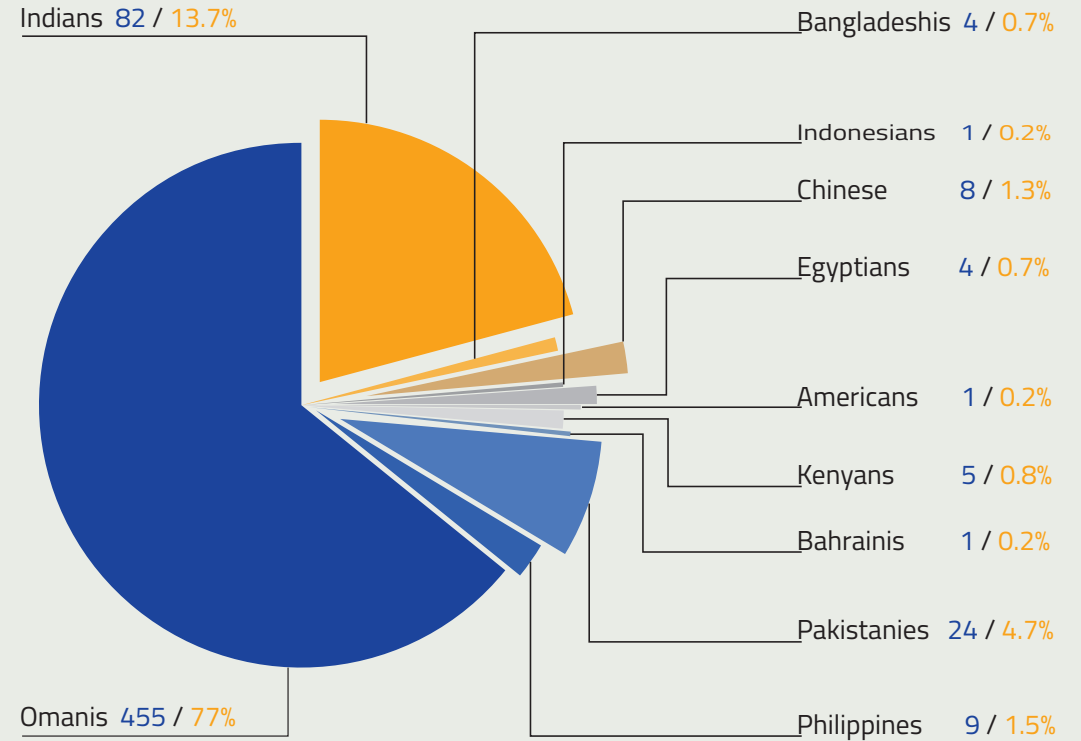
*Team Culture: Beyond the Physical Challenge
Our participation in sports is more than a physical challenge; it is an ongoing commitment to building a team mindset. Step by step, we strengthen our communication and resilience, proving that at OCC, teamwork is a lasting culture that thrives far beyond the office walls.*





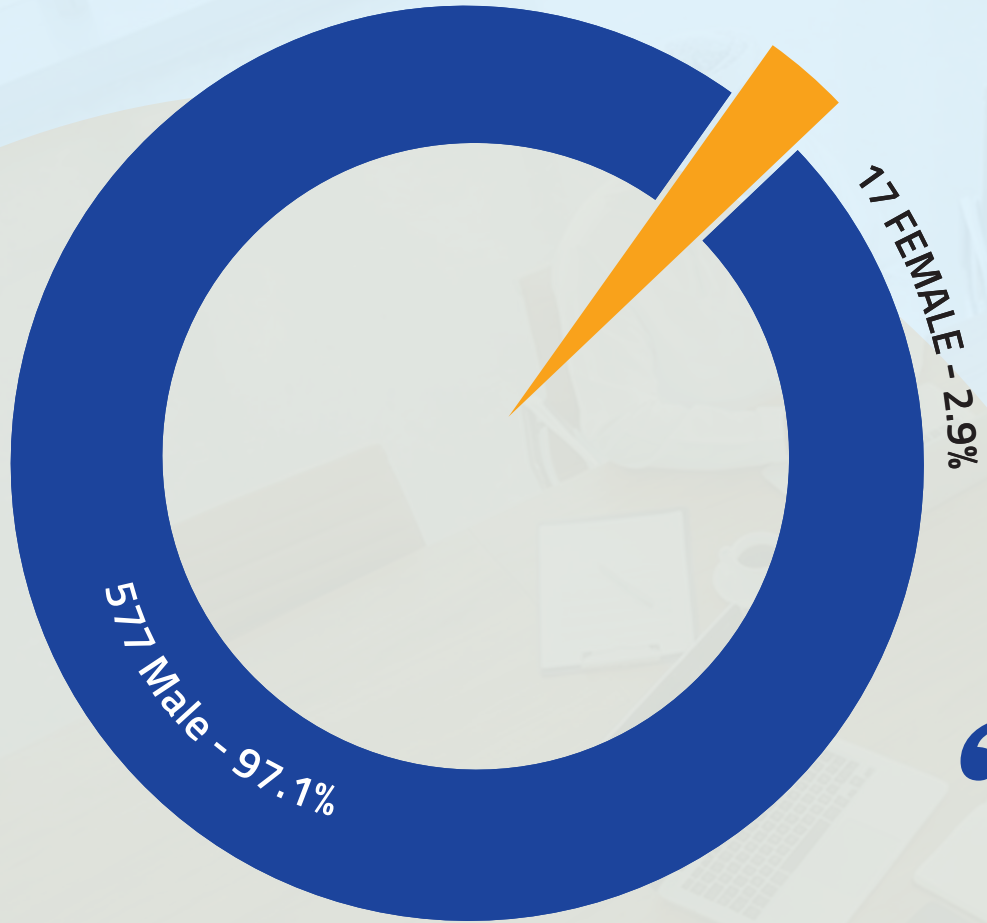
OCC Diversification

OCC considers diversification a key strategic pillar for ensuring sustainable growth and long-term resilience in an increasingly competitive market. By broadening its product range, adopting innovative technologies, and exploring new market opportunities, OCC aims to reduce reliance on traditional revenue sources while meeting the evolving needs of its customers. The company also



invests in value-added solutions, including environmentally friendly products and alternative raw materials, in line with global sustainability trends. Through its diversification efforts, OCC enhances its market competitiveness, improves operational efficiency, and contributes to Oman’s wider economic development objectives.





OCC Diversification

“OCC IS COMMITTED TO ELIMINATING GENDER-DISCRIMINATORY PRACTICES...”

OCC is committed to eliminating gender-discriminatory practices, including removing gender specifications from job postings, to promote inclusivity and equal opportunities in the workplace. This initiative reflects the company's dedication to fostering a diverse and equitable environment where individuals

are evaluated based on their skills, qualifications, and experience, regardless of gender. By embracing such progressive measures, OCC aims to attract a broader talent pool, encourage gender balance, and set a benchmark for fairness and inclusiveness in the industry.

Career Growth

OCC is enhancing employee career growth by providing comprehensive training and development programs, alongside increasing opportunities through internal job postings and promotions. This approach enables employees to expand their skills, advance within the organization, and take on new challenges that align with their career aspirations. By prioritizing professional development and internal mobility, OCC fosters a motivated and skilled workforce, strengthens employee retention, and builds a pipeline of talent to support the company's long-term success.

Employees Turnover

The employee turnover rate at OCC for 2025 stands at 4.89%, reflecting a notably low level of staff departures. This suggests strong retention practices and may indicate a positive work environment and high employee satisfaction.

Environment and Waste Management Tool box talk



Health and Safety Practices and Employee Wellness.

OCC places a strong emphasis on employee well-being by implementing modern health and safety standards and expanding its wellness initiatives. Through updated safety protocols, continuous training programs, and a proactive culture of awareness, OCC works to minimize workplace hazards and maintain a safe and secure environment for all employees. In addition, the company invests in comprehensive wellness programs that support both the physical and mental health of its workforce, recognizing that employee well-being is vital to sustaining productivity, engagement, and overall organizational success.

Ensuring a secure Environment for our Field team





EMPOWERING OUR WORKFORCE.

Training & Human Capital Development

Employee Development and Training.

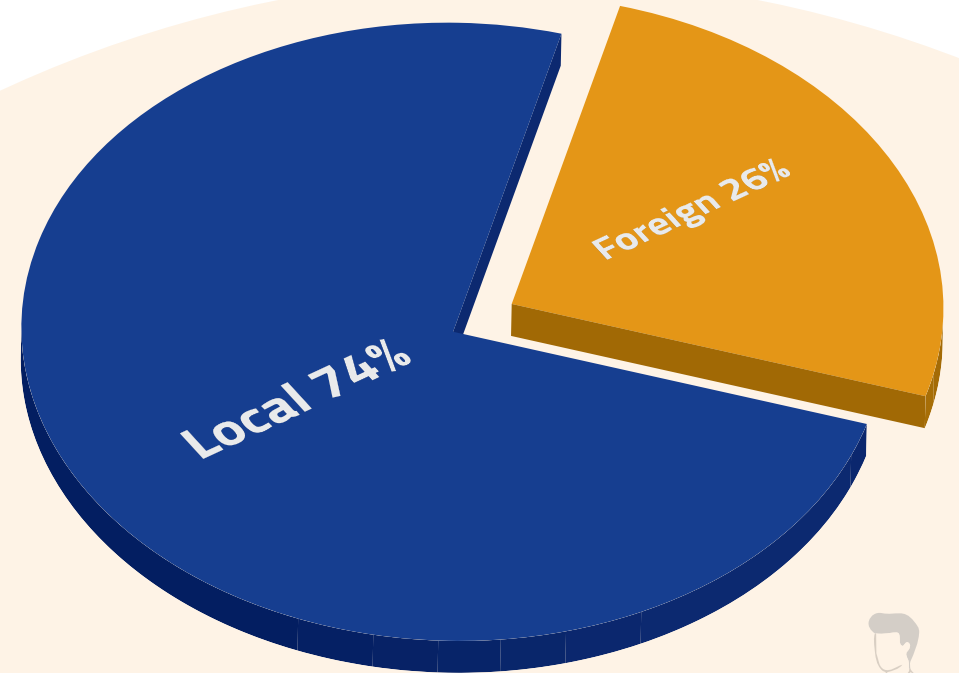
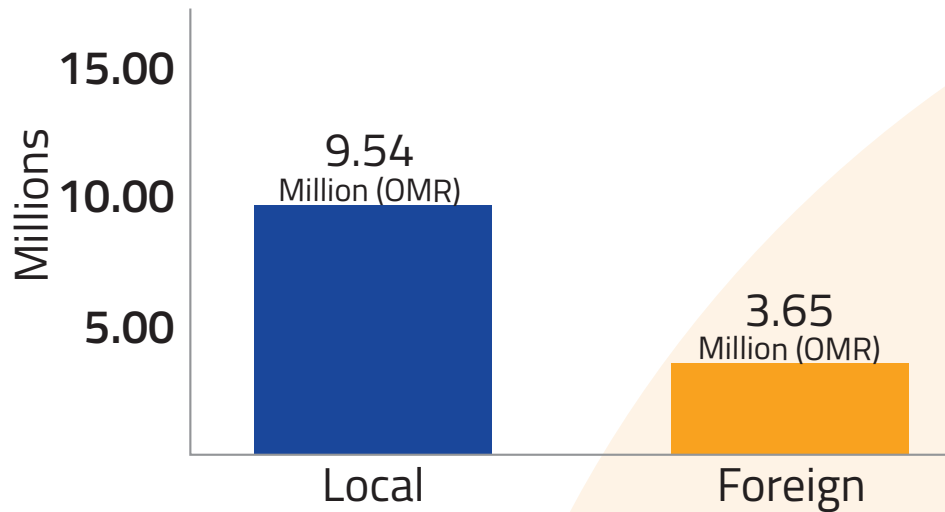


EMPOWERING THE LOCAL ECONOMY THROUGH ICV

OCC is committed to supporting local businesses by prioritizing **ethically sourced products** and services in its operations. This initiative strengthens partnerships with local suppliers, promotes **economic growth** within the community, and ensures adherence to ethical and sustainable practices. By fostering a **responsible supply chain**, OCC not only contributes to the development of the local economy but also reinforces its dedication to sustainability and corporate social responsibility.

**OVERALL
ICV RATING:
74%
OUR COMMITMENT TO
LOCAL PROCUREMENT**

Total PO Value (OMR)



Students, Trainees, Graduate training programs at OCC

OCC is empowering local fresh graduates by introducing graduate training programs and paid internships, providing them with valuable hands-on experience and industry-specific skills. These initiatives aim to bridge the gap between academic knowledge and practical application, fostering a new generation of skilled professionals. By investing in young talent, OCC supports local workforce development, enhances employability, and strengthens its commitment to nurturing future leaders in the community.

Governance: Information Security

OCC has well defined Information security policies and procedures in place. IT security tools for End point protection; detection & response, email and domain security, advanced threat protection are used to safeguard against unauthorized access, data breaches, and security threats.

Using a standard Risk assessment methodology, risks are properly identified, analyzed, and mitigated to safeguard IT resources. All security incidents are logged into the incident register for proper analysis and resolution. Information security awareness training is regularly conducted to make employees aware of the threats.

Phishing simulations are also rolled out periodically to make the user aware and alert to such attacks. OCC has conducted CMA gap analysis and implemented ISO 27001 and aiming to achieve the ISO 27001 Certification.

Regular IT audits, VA/PT Assessments, ISO 27001 Internal audits are a few measures taken to measure the information security posture and to improve further.



OCC has successfully established a comprehensive data privacy framework, significantly enhancing the protection of sensitive information and ensuring full compliance with data privacy regulations. This milestone underscores our commitment to safeguarding customer and corporate data, further strengthening trust and security across our operations.

Corporate Social Responsibility

Oman Cement Company (OCC) continues to demonstrate a strong commitment to social responsibility through a structured Corporate Social Responsibility (CSR) program that prioritizes the well-being of employees, communities, and key social institutions. During 2025, the Company implemented initiatives in accordance with its approved CSR Plan, ensuring strategic allocation of resources and impactful interventions.

These initiatives are aligned with the United Nations Sustainable Development Goals (SDGs), particularly SDG 3 (Good Health and Well-Being), SDG 4 (Quality Education), SDG 10 (Reduced Inequalities), and SDG 11 (Sustainable Cities and Communities).

Employee Welfare

The Company conducted a detailed survey to identify employees with family members requiring medical support not covered under insurance. Financial and medical assistance was provided to employees' families on a case-by-case basis, including support for hearing impairments, autism, mental disorders, cancer treatments, and other disabilities.

This initiative directly supports SDG 3 (Good Health and Well-Being) and SDG 10 (Reduced Inequalities) by improving access to healthcare and reducing the financial burden on affected families.

In support of employee welfare, the Company provided medical financial assistance to a total of 29 employees to cover treatment costs for family members whose medical needs were not covered under insurance, with estimated expenses amounting to (23,760 OMR).



23,760 OMR

29 Employees Supported

Support for Persons with Special Needs

OCC allocated 30% of its CSR budget to support governmental-approved associations working with people with special needs and disabilities.



Contributions were distributed among the Oman Autism Society, Oman Association for Persons with Disabilities, Oman Diabetes Association, and Oman Cancer Association. These initiatives enhance accessibility, education, and healthcare support for vulnerable community members, reinforcing the Company’s role in fostering social inclusion. This focus aligns with SDG 3 (Good Health and Well-Being), SDG 10 (Reduced Inequalities), and SDG 17 (Partnerships for the Goals) through collaboration with recognized national institutions.

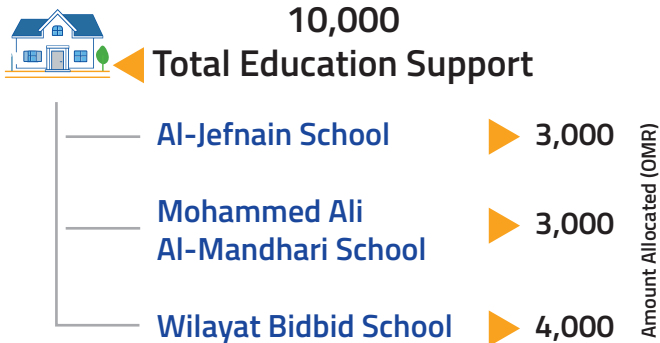
Association	Amount Allocated (OMR)
Oman Autism Society	17,120
Oman Diabetes Association	17,120
Oman Cancer Association	17,120
Oman Association for Persons Disabilities	6,650

In line with the 2025 approved CSR Plan (Item No. 3), OCC allocated 30% of the CSR budget (OMR 60,000) to support people with special needs and disabilities. Following review of requests from 4 approved associations, a total of **OMR 58,010 was allocated after deductions**. Allocations included OMR 17,120 each to the Oman Autism Society,

Oman Diabetes Association, and Oman Cancer Association, and OMR 6,650 to the Oman Association for Persons with Disabilities.

Education and Community Development

In alignment with the CSR Plan, OCC supported neighboring governmental schools. The contributions were directed toward Al-Jefnain School, Mohammed Ali Al-Mandhari School, and Wilayat Bidbid School, prioritizing infrastructure upgrades, educational resources, and learning environment improvements. This initiative reflects the Company’s ongoing commitment to education and its broader contribution to local community development. These efforts contribute to SDG 4 (Quality Education) and SDG 11 (Sustainable Cities and Communities) by strengthening educational infrastructure and supporting inclusive local development.



Under the 2025 approved CSR Plan (Item No. 4), OCC allocated 5% of the CSR budget (OMR 10,000) to support neighboring governmental schools. Following review of requests from 3 schools, allocations were set at OMR 3,000 each for Al-Jefnain School and Mohammed Ali Al-Mandhari School, and OMR 4,000 for Wilayat Bidbid School.

The initiative benefited an estimated total of approximately (+3000) students.

Community Support and Religious Institutions

OCC continued its longstanding practice of donating cement to masjids and supporting development projects in neighboring areas. Such support enhances local infrastructure and strengthens the Company’s engagement with the communities it serves. This initiative supports SDG 11 (Sustainable Cities and Communities) by contributing to resilient and inclusive community infrastructure.



The Company implemented the Cement Donation Project for Masjids across the Sultanate of Oman, supporting 60 masjids in various governorates and wilayat’s. Each Masjid received 500 bags of cement, totaling 30,000 bags or 1,500 tons of different cement types.

Governance, Budget Allocation, and ESG Compliance

Budget allocations follow a structured CSR policy, with clear percentage-based distribution across priority areas. Remaining balances from specific CSR items, such as donations for masjids and employee welfare, are strategically reallocated in accordance with approved policies, ensuring optimal utilization of resources. All allocations and disbursements are documented, reviewed, and approved by senior management, reinforcing internal controls and adherence to ethical standards. This governance framework supports SDG 16 (Peace, Justice, and Strong Institutions) by promoting transparency, accountability, and sound corporate governance.

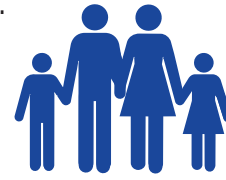
This governance approach not only ensures compliance with ESG reporting guidelines but also enhances stakeholder confidence by demonstrating structured decision-making, accountability, and alignment with Oman Vision 2040 objectives for sustainable and socially responsible business practices. Collectively, OCC's CSR and ESG initiatives reflect an integrated contribution to the UN SDGs while supporting national sustainability priorities.

Employee Health

In 2025, Oman Cement Company provided comprehensive medical insurance coverage benefiting a total of 2,347 persons including employees along with their spouses and children. This initiative ensures access to quality healthcare and financial security for the workforce and their families, reinforcing the Company's commitment to

social responsibility and promoting well-being as part of its ESG objectives.

Total Covered
2,347



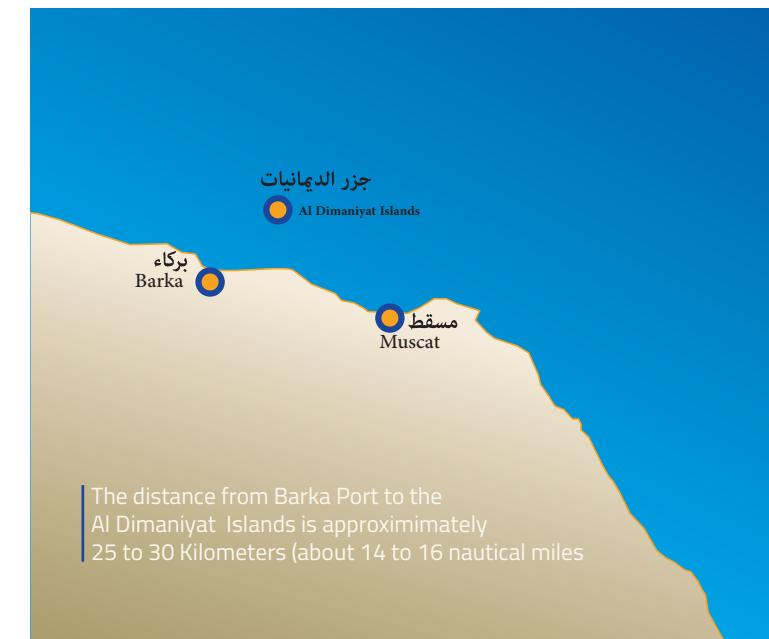
This initiative directly contributes to SDG 3 (Good Health and Well-Being) and SDG 8 (Decent Work and Economic Growth).



Environmental Responsibility

As part of its ongoing commitment to environmental protection and community engagement, Oman Cement Company organized an environmental field trip to the Al-Dimaniyat Islands Nature Reserve aimed at supporting marine conservation and coastal cleanliness. The initiative focused on cleaning coral reefs, surrounding waters, island shores, and beach areas, contributing to the preservation of one of Oman's most sensitive and ecologically significant marine environments.

The activity involved the collection and safe disposal of marine debris and waste that poses risks to coral ecosystems, marine life, and coastal biodiversity. By actively addressing pollution in and around the reserve, the initiative contributed to improving environmental quality, protecting natural habitats, and raising awareness about the importance of responsible environmental behavior and conservation practices.



Driving long-term resilience in alignment with Oman Vision 2040.



This initiative supports SDG 14 (Life Below Water) by promoting the protection and restoration of marine ecosystems, SDG 15 (Life on Land) through safeguarding coastal environments, and SDG 11 (Sustainable Cities and Communities) by encouraging community participation in environmental stewardship. The initiative also aligns with Oman Vision 2040, which emphasizes environmental sustainability, conservation of natural resources, and corporate responsibility in preserving the Sultanate's natural heritage. Through such hands-on environmental initiatives, Oman Cement Company reinforces its role as a responsible corporate citizen, contributing to long-term environmental resilience while fostering environmental awareness and sustainable practices among stakeholders.

نتقدم بثقة
Moving Forward
with Confidence



Community Inclusion and Support for Persons with Disabilities

In line with its commitment to social inclusion and community well-being, Oman Cement Company supported the "Happiness Village Carnival", a two-day community event held in Muscat in celebration of the International Day of Persons with Disabilities. The event aimed to promote happiness, inclusivity, and social participation by creating an engaging and supportive environment for people with disabilities, their families, and the wider community.

The initiative reflects the importance of fostering equal opportunities and strengthening social cohesion by ensuring that people with disabilities are actively included in community life.

Through recreational, cultural, and awareness-driven activities, the carnival contributed to enhancing public understanding of inclusion, respect, and diversity, while providing a joyful and empowering experience for all participants.

Oman Cement Company's support for this initiative underscores its dedication to advancing inclusive social development and supporting programs that promote dignity, accessibility, and equal participation.

The Company recognizes the vital role of collaborative efforts in achieving sustainable social

impact and extends its appreciation to Her Highness Ms. Hujaijah Al Said for her continued leadership and efforts in championing initiatives that ensure persons with disabilities feel valued, respected, and fully integrated into society.

“Our commitment to inclusion isn't just about support; it's about ensuring every Omani citizen has a seat at the table of progress...”

This initiative contributes directly to SDG 10 (Reduced Inequalities) by promoting inclusion and equal participation, SDG 3 (Good Health and Well-Being) through fostering positive social engagement and mental well-being, and SDG 17 (Partnerships for the Goals) through effective collaboration between the private sector and community stakeholders. It also aligns with Oman Vision 2040, which emphasizes social protection, inclusion, and the empowerment of all segments of society as key pillars of sustainable national development.



Other Community Support Initiatives

Under the “Other” category of the approved CSR Plan, Oman Cement Company allocated 10% of the CSR budget to support community-focused initiatives encompassing the Smart Goodness Bus initiative, a mobile community service designed to deliver zakah services and charitable contributions directly to beneficiaries’ homes. These initiatives were implemented to enhance outreach, community engagement, and service accessibility for targeted beneficiaries.



Following a formal request received from the Al Seeb Zakat Committee, the Company allocated an amount of OMR 20,000 to support the initiative. In addition, the Smart Goodness Bus program with a total value of OMR 41,988, reflecting the Company’s commitment to structured and impactful community support.

This initiative supports SDG 1 (No Poverty) by enhancing community assistance mechanisms,

SDG 10 (Reduced Inequalities) through improved access to essential services, and SDG 17 (Partnerships for the Goals) by collaborating with recognized community and charitable organizations. The initiative also aligns with Oman Vision 2040, which emphasizes social protection, community development, and private-sector participation in sustainable social initiatives.

Leading the Dialogue: OCC at OFSEC 2025

Our Safety Engineer along with Fire & Safety team had attended the 9th Edition of OFSEC-Oman Fire, Safety & Security Summit 2025. This premier event brings together industry professionals and experts, to discuss the latest innovations and best practices in fire safety and security, which will lead to the opportunity to explore a diverse range of exhibitors showcasing cutting-edge technologies and solutions in fire safety and security.

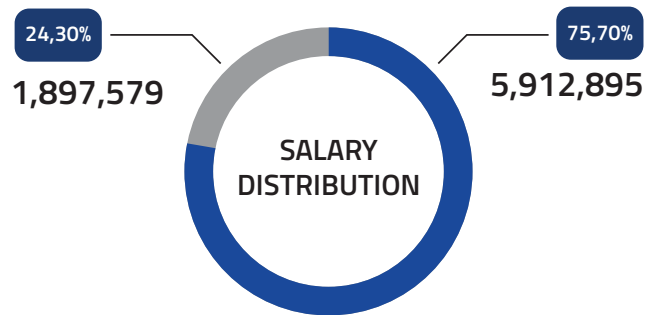


Local employees' incomes as salaries

OCC demonstrates its commitment to Corporate Social Responsibility (CSR) by prioritizing local employment and providing comprehensive salaries and benefits to 464 Omani employees. In 2025, the total salaries paid to Omani staff amounted to OMR 5,912,895 representing a significant share of the company's overall payroll expenditure.

This initiative aligns with OCC's commitment to enhancing local livelihoods, boosting the national economy, and fostering In-Country Value (ICV) by empowering the local workforce.

2025	Omani	Non-Omani	Total
Total No. of Employees	464	153	617
Total Gross Salary	5,912,895	1,897,579	7,810,474



OMR 5,912,895
OMANI SALARY COMMITMENT
 Representing a key driver for local livelihoods.

Top awardees in Oman's National Employer Brand Awards 2025

OCC also earned recognition as one of the top awardees in Oman's National Employer Brand Awards 2025, underscoring its strong commitment to employee engagement, inclusive workplace practices, and excellence in human resource development.

The Oman Best Employer Brand Awards are organized by the Employer Branding Institute in collaboration with the World HRD Congress, and they are endorsed by the World Federation of HR Professionals. These awards recognize organizations for excellence in HR practices, employee engagement, and creating strong employer brands.



Governance

Risk management

OCC's risk management policy is designed to be risk-aware and initiative-taking, ensuring that business risks are managed effectively to support the corporate mission. The policy seeks to balance risk and reward, optimizing returns from informed risk-taking while protecting against financial, reputational, and operational uncertainties. The objective is to identify, assess, and mitigate risks to safeguard the organization's stability and opportunities.

The Risk Management Process involves five key steps:

- **Risk Identification:** Identifying risk sources, areas of impact, and potential consequences using tools like audits, SWOT analysis, and leadership meetings.
- **Risk Analysis:** Understanding the causes, consequences, and likelihood of risks, considering existing controls, and using a four-by-four risk matrix for evaluation.
- **Risk Evaluation:** Comparing analyzed risks with predefined criteria to decide on actions, which may include further analysis, risk treatment, or maintaining current controls. Legal and regulatory compliance and effective communication are integral.
- **Risk Treatment:** Modifying risks through measures like avoidance, mitigation, sharing, or retention. The effectiveness of treatment is continuously assessed and adjusted as needed.

- **Monitoring and Review:** Risks are monitored regularly, with updates to the risk register and reviews by senior officials and internal audit teams to ensure process efficiency.

The Risk Escalation Ratings define how risks are addressed. For example, OCC treats the Minor Risks by routine procedures at the team level and Moderate Risks require corrective action within three months and involve departmental heads and leadership. However, Major Risks demand immediate intervention, including involvement from the board and top leadership.

This structured approach ensures OCC's resilience, operational excellence, and alignment with governance standards.

OCC is committed to implementing the Risk Management process as it is an integral part of its operations thereby focusing on strategies to minimize risks to OCC's mission and core objectives. Risk Criteria will be taken into OCC's strategic and operational decision making.

Commitment

OCC makes resources available to control its operational risks to acceptable levels. OCC is aware and recognizes that it is not possible to eliminate all the risks inherent in its activities. Acceptance of some risk is often necessary to foster innovation within business practices.

OCC's strategic risks related to new opportunities or projects, or meaningful change to current operations are considered on a case-by-case basis and may exceed OCC's normal risk tolerance. The risks and rewards of such opportunities are assessed against both short and long term strategic and operational priorities, as well as the OCC's financial position, to determine whether the OCC's risk tolerance should be increased.

OCC has identified the following risk categories in the risk register.

- a. Legal Compliance
- b. HSE
- c. Finance
- d. Operational
- e. Human Resources
- f. Technology Obsolescence
- g. Information Technology Risks
- h. Company Image & Branding

Risk categories to be included in the risk register and in risk reporting may include, but are not limited to strategic, financial, environmental, safety, people, and reputation risks.

Risk categories to be included in the risk register and in risk reporting may include, but are not limited to strategic, financial, environmental, safety, people, and reputation risks.

Furthermore, OCC has an extremely low risk appetite for risks relating to the following risk categories. These are outlined below:

● **Health, Safety and Environmental Risk:**

Any action that causes, or may cause, imminent and serious risk to the health and safety of a person that results in serious injuries to OCC Employees, Contractors, and Subcontractors. It also includes all activities that may harm the environment.

● **Legal Compliance Risk:**

Any deliberate violation of Oman Royal Decrees/Ministerial Decrees is unacceptable.

● **Company Image & Branding Risk**

Any situation or action which could lead to a negative impact on OCC corporate imaging and branding will be attended/managed immediately to preserve the reputation and OCC image.

OCC has low to moderate risk criteria for the following risk categories:

- Financial Risk;
- Operational Risk;
- Information Technology Risk;
- Technology Obsolescence Risk;
- Human Resources Risk

Enterprise Risk Management and Internal Control

OCC has established an Enterprise Risk Management (ERM) framework to identify, assess, monitor, and manage risks that may affect the achievement of its strategic and operational objectives. Risk management is integrated into the Company's governance and decision-making processes.

Risk Oversight

- The Board of Directors retains ultimate responsibility for risk oversight.
- The Audit Committee oversees the effectiveness of risk management and internal control systems and receives periodic updates on key risks.
- Executive management is responsible for implementing risk mitigation measures and reporting on risk status.
- A dedicated Risk & Compliance Manager has been appointed to coordinate enterprise risk management activities, ensure close monitoring of key risks, and report periodically to executive management and the Audit and Risk Committee.

Principal Risk

The Company identifies and monitors principal risks, including strategic, operational, financial, regulatory, and sustainability-related risks. These risks are reviewed regularly at management and Board level to ensure timely mitigation and alignment with the Company's strategy and ESG objectives.

The detailed risk register and quantitative risk assessments are maintained internally, while high-level principal risks are disclosed in the ESG report at an aggregated and strategic level.

1	NGSA commitment Risk (Contingent Liability, Potential impairment of Tyre project, Increase in Opex cost and Business continuity).
2	OETC Grid Connection Agreement Risk - Financial Liability Risk to Delay or Cancellation.
3	Clinker Supply Shortage Risk During Kiln Shutdowns - Impacting Cement Supply Continuity.
4	Red Ocean impact - Price competition due to imported/ dumped Cements.
5	Quarry Lease risk - Uncertainty Affecting long-Term Raw Material security.
6	Work force instability and critical position attrition.
7	Macro-Global Economic Conditions & GEO-political Risk affecting prices and causing supply chain disruption.
8	Environment regulation(s) - (Dust emissions control).
9	Rise in Employee Apprehension, Development / promotion of Employees.
10	Quality Concerns / API Audit Non-Conformity.

LIKELIHOOD	Almost Certain	4	8	12	16
	Probable	3	6	9	12
	Possible	2	4	6	8
	Unlikely	1	2	3	4
		Minor	Moderate	Major	Critical
IMPACT					
Risk Scope/Category					
1-3 / Acceptable (LOW)		4-8 / Critical Risk (Moderate)		9-16 / Intolerable (High)	



Governance Framework and Oversight

OCC is committed to maintaining high standards of corporate governance to support sustainable value creation, protect shareholder interests, and ensure accountability and transparency across its operations. The Company's governance framework is designed to promote ethical conduct, effective decision-making, and robust oversight of strategic, operational, financial, and sustainability-related matters.

OCC's governance practices are aligned with the Code of Corporate Governance issued by the Financial Services Authority and applicable laws and regulations. The Board of Directors retains ultimate responsibility for governance, risk oversight, internal controls, and the long-term sustainability of the Company.

Board Composition and Diversity

The Board of Directors comprises a mix of independent and non-independent members with diverse professional backgrounds, expertise, and nationalities. This diversity enhances balanced judgment, effective oversight, and informed decision-making.

The Board includes members with extensive experience in cement and heavy industry, finance, investment management, engineering, strategy, and corporate leadership. Gender and nationality diversity are considered as part of Board composition, in line with applicable governance requirements and best practices.

Roles and Responsibilities of the Board

The Board of Directors is responsible for:

- Setting the Company's strategic direction and approving key policies.
- Overseeing financial performance and capital allocation.
- Approving major investments and projects.
- Overseeing risk management, internal controls, and compliance.
- Ensuring ethical conduct and alignment with sustainability objectives.

The Board discharges its responsibilities directly and through its committees, supported by executive management.

Board Committees

To support effective governance, the Board has established the following committees, each operating under approved Terms of Reference:

Executive & Investment Committee

The Executive and Investment Committee is responsible for:

- Reviewing operational and capital budgets.
- Setting pricing, credit, and marketing policies.

- Formulating and overseeing the Company's investment strategy.

Audit Committee

The Audit Committee oversees:

- Integrity of financial statements and disclosures.
- Effectiveness of internal control systems.
- Internal and external audit processes.
- Compliance with laws, regulations, and governance requirements.
- Oversight of the Company's risk management framework.

Board Tender Committee

The Board Tender Committee provides oversight of:

- Procurement and tendering processes.
- Approval and recommendation of major procurement and project awards.
- Transparency, fairness, and compliance in vendor engagement.

Nomination, Remuneration and Human Resources Committee

This Committee oversees:

- Board nominations and succession planning.
- Executive and senior management remuneration.
- Human capital strategy, talent development, and retention.

Ethics, Compliance and Business Conduct

OCC conducts its business in accordance with high ethical standards and integrity. The Company has adopted a comprehensive Code of Business Conduct applicable to Directors, executives, and all employees.

Key elements of the ethics and compliance framework include:

- Clear standards on ethical conduct and legal compliance.
- Conflict of interest disclosure and management.
- Anti-bribery and anti-corruption requirements.
- Guidelines on gifts, hospitality, and dealings with public officials.
- Protection of confidential information and accurate record-keeping.

Compliance Governance

- A Compliance Committee oversees the implementation of the Code and related policies.
- A Risk & Compliance Officer is responsible for day-to-day administration, monitoring, reporting, and training.
- Matters relating to ethics and compliance are periodically reported to the Audit and Risk Committee.

Business Conduct & Ethics Measures

The Code of Business Conduct of Oman Cement is a detailed guide outlining the ethical standards and expectations for all personnel within the company.

Oman Cement ensures compliance with its Code of Business Conduct through structured measures:

OCC
شركة إيسمنت عمان
Oman Cement Company

Code of Business Conduct

A document that outlines the ethical rules and values that the company is committed to, and requires all its employees, managers, and stakeholders to adhere to. It guides their daily interactions and behaviors with one another, as well as with clients and external partners, in a manner consistent with the organization's objectives and relevant regulations

What is expected of everyone?
Comply with the Code and the Law Comply with the Code and the laws, rules and regulations applicable to the Company wherever you are

Who does it apply to?
This Code applies to all Personnel of the Company

How to use this Code?

- Understand your responsibilities for complying with the Code
- Become familiar with the different topics covered in the Code and how they are relevant to your particular area of work
- Become aware of the available options in the section "Administration of the Code" so that you are prepared if you have a question to ask or wish to report a violation of the Code

When Written Approval Is Required
Certain actions referenced in the Code require prior written approval. Other actions or situations are prohibited and, if a policy waiver is requested and granted, you must renew such approval annually if the situation continues

**Act with integrity, Be honest, Follow the law,
Comply with the code and Be responsible**

A MEMBER OF
HUAXIN

Oman Cement ensures compliance with its Code of Business Conduct through structured measures:

1. Oversight: The Compliance Committee and Officer oversee implementation, with regular monitoring reported to the Audit Committee.
2. Training: Employees acknowledge the Code and receive ongoing training to stay informed.
3. Conflict of Interest: Employees disclose and update potential conflicts annually for effective management.
4. Gifts and Entertainment: Clear guidelines and approval processes ensure compliance.
5. Public Officials: Strict anti-bribery and corruption policies are enforced, with education on legal requirements.
6. Confidentiality: Policies protect confidential information and ensure accurate record-keeping.
7. Health, Safety, and Environment: OCC complies with regulations, promotes workplace safety, and implements environmental programs.
8. Whistleblowing: A secure reporting process safeguards whistleblowers and ensures thorough investigations.
9. Regular Updates: The Code is reviewed and updated periodically to reflect the best practices and new regulations. These measures ensure OCC's business practices align with ethical and regulatory standards.

These measures ensure OCC's business practices align with ethical and regulatory standards.

Whistleblowing and Reporting Mechanisms

OCC has established a whistleblowing mechanism that enables employees and stakeholders to report concerns confidentially and without fear of retaliation. All reported cases are investigated in accordance with approved procedures, with appropriate oversight and escalation to ensure accountability and integrity.

Leadership Roles and Remuneration Oversight

The roles of Chairperson and Chief Executive Officer are clearly defined and separated to ensure balanced authority and effective oversight.

- The Chairperson leads the Board, oversees governance matters, and ensures effective Board performance.
- The CEO is responsible for day-to-day management, execution of strategy, and operational performance. Executive remuneration is overseen by the Nomination, Remuneration and Human Resources Committee to ensure alignment with performance, shareholder interests, and long-term sustainability objectives.

Transparency, Disclosure and Shareholder Rights

OCC is committed to timely, accurate, and transparent disclosure to shareholders and stakeholders. The Company complies with disclosure requirements of the Muscat Stock Exchange and relevant regulatory authorities.

OCC

Sustainability Report

2025

Shareholders are provided with equitable access to information, voting rights, and participation in general meetings, in accordance with applicable regulations.

Compliance with Laws and Regulations

OCC operates in compliance with all applicable laws, regulations, and regulatory guidelines governing its activities. Compliance is monitored through internal controls, management oversight, and periodic reviews. Any material regulatory matters are addressed promptly to safeguard the Company's reputation and long-term sustainability.

Government Relations and Tax

Oman Cement Company (OCC) complies with all applicable tax laws and regulations and maintains a responsible, transparent, and ethical approach to taxation. The Company fosters a proactive and constructive relationship with the relevant Omani tax authorities. OCC's tax governance is overseen by senior management, ensuring appropriate oversight, diligent management, and assessment of potential tax risks. Where required, the Company engages external tax advisors to support full compliance with its tax obligations. OCC continuously monitors its tax positions, and tax assessments have been completed up to the latest assessed period in accordance with applicable regulations.

