

ASX Announcement

29 March 2023

## Alumina Limited 2022 Annual Review

Attached, in accordance with Listing Rule 3.17 is a copy of Alumina Limited's Annual Review 2022 that will be issued to shareholders.

This ASX announcement was approved and authorised for release by Mike Ferraro, Chief Executive Officer.



STEPHEN FOSTER  
COMPANY SECRETARY

**For investor enquiries:**

Craig Evans  
General Manager – Strategy & Investor Relations  
Phone: +61 3 8699 2603 / +61 413 013 533  
[craig.evans@aluminalimited.com](mailto:craig.evans@aluminalimited.com)

**For media enquiries:**

Tim Duncan  
Hinton and Associates  
Phone: +61 3 9600 1979  
Mobile: +61 408 441 122

### Forward-looking statements

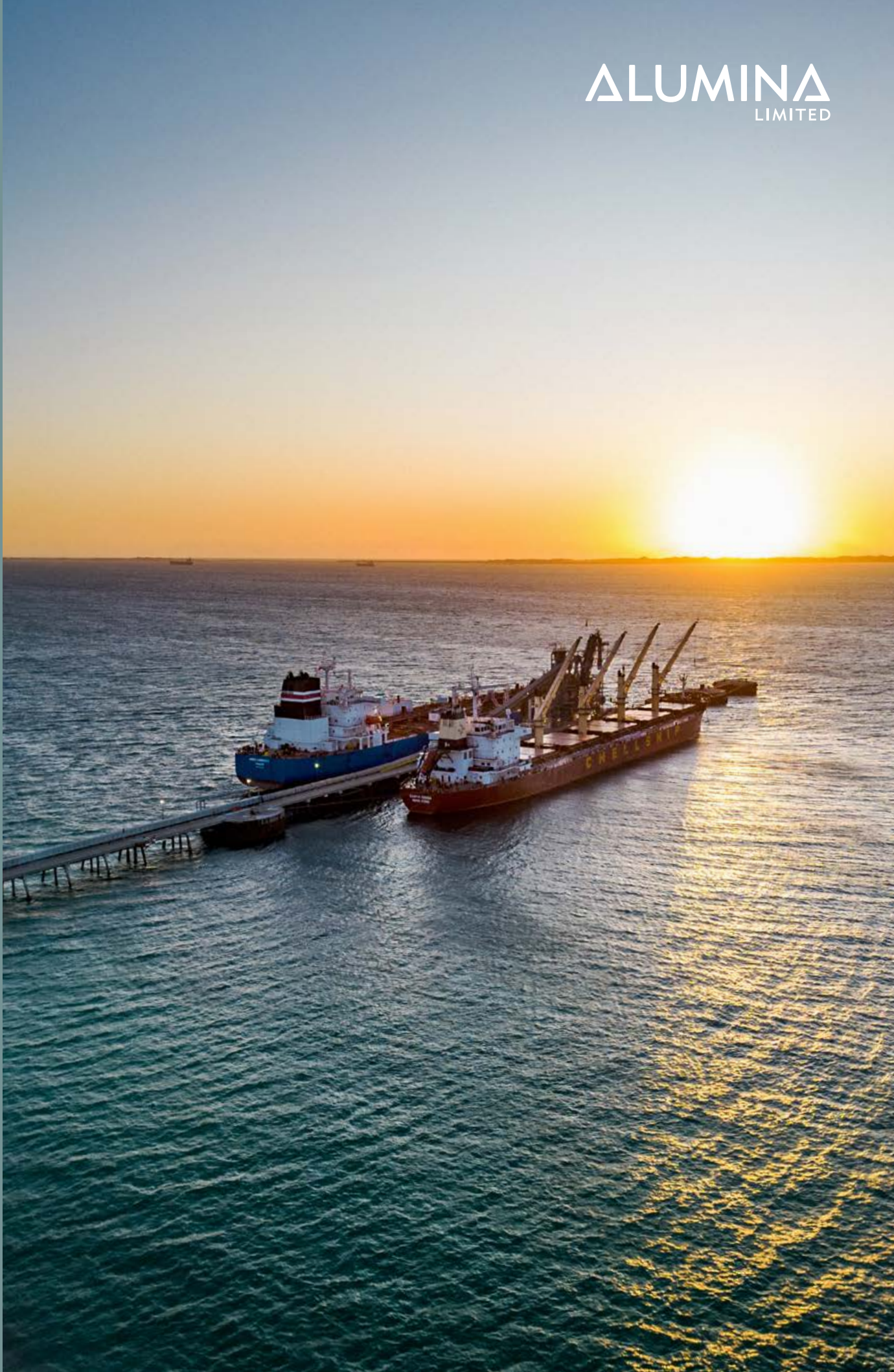
Neither Alumina Limited nor any other person warrants or guarantees the future performance of Alumina Limited or any return on any investment made in Alumina Limited securities. This document may contain certain forward-looking statements, including forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. The words “anticipate”, “aim”, “believe”, “expect”, “project”, “estimate”, “forecast”, “intend”, “likely”, “should”, “could”, “will”, “may”, “target”, “plan” and other similar expressions (including indications of “objectives”) are intended to identify forward-looking statements. Indications of, and guidance on, future financial position and performance and distributions, and statements regarding Alumina Limited's future developments and the market outlook, are also forward-looking statements.

Any forward-looking statements contained in this document are not guarantees of future performance. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Alumina Limited and its directors, officers, employees and agents that may cause actual results to differ materially from those expressed or implied in such statements. Those risks, uncertainties and other factors include (without limitation): (a) material adverse changes in global economic conditions, alumina or aluminium industry conditions or the markets served by AWAC; (b) changes in production or development costs, production levels or sales agreements; (c) changes in laws, regulations or policies; (d) changes in alumina or aluminium prices or currency exchange rates; (e) Alumina Limited does not hold a majority interest in AWAC and decisions made by majority vote may not be in the best interests of Alumina Limited; and (f) the other risk factors summarised in Alumina Limited's Annual Report 2022. Readers should not place undue reliance on forward-looking statements. Except as required by law, Alumina Limited disclaims any responsibility to update or revise any forward-looking statements to reflect any new information or any change in the events, conditions or circumstances on which a statement is based or to which it relates.

Lvl 36, 2 Southbank Boulevard  
Southbank VIC 3006 Australia  
Telephone +61 (03) 8699 2600

[aluminalimited.com](http://aluminalimited.com)

ABN 85 004 820 419





# ALUMINIUM — METAL FOR THE FUTURE

Increased global demand for aluminium has a vital role to play in the transition to a low-carbon economy.



Aluminium has excellent conductivity, and is ideal for long-spanning overhead transmission lines given that it is corrosion resistant and three times lighter than copper.



85% of solar photovoltaic components are made from Aluminium.

Aluminium is a durable and sustainable building and construction material. This sector consumes ~23mt per annum of aluminium (25% of global demand) and consumption is expected to increase 30% by 2040.



- [About Alumina Limited](#)
- [Chairman and CEO Report](#)
- [Sustainability](#)
- [Our people](#)
- [Remuneration Summary](#)
- [Condensed Consolidated Statement of Financial Position](#)
- [Financial History](#)

During 2022, the International Aluminium Institute announced the ‘top 50 Moments in the history of aluminium’. The top two moments are the discoveries of the Hall-Hérout Process in 1886 and the Bayer Process in 1888, which unlocked industrial production of primary aluminium and alumina respectively.

Throughout the past 214 years since its discovery in 1808, aluminium has been able to constantly prove that it is the Metal for the Future, with applications that advance humanity. The Wright Flyer’s engine was made of aluminium, later to become the dominant metal in modern aircraft construction as well as critical components of the Apollo 11 mission

to the moon in 1969. Aluminium is also a metal for the everyday usage, helping to maintain freshness of food, beverages and medicine.

For the next three decades, we believe that aluminium will play a critical role in decarbonisation, in particular transmission networks and electric vehicles.

The advantages of aluminium remain quite clear. Aluminium is infinitely recyclable, lightweight, resistant to corrosion, and ductile. Aluminium is the Metal for the Future.



Aluminium is

3x

lighter than steel and can be used to lightweight EVs, offsetting the increased weight of battery metals.

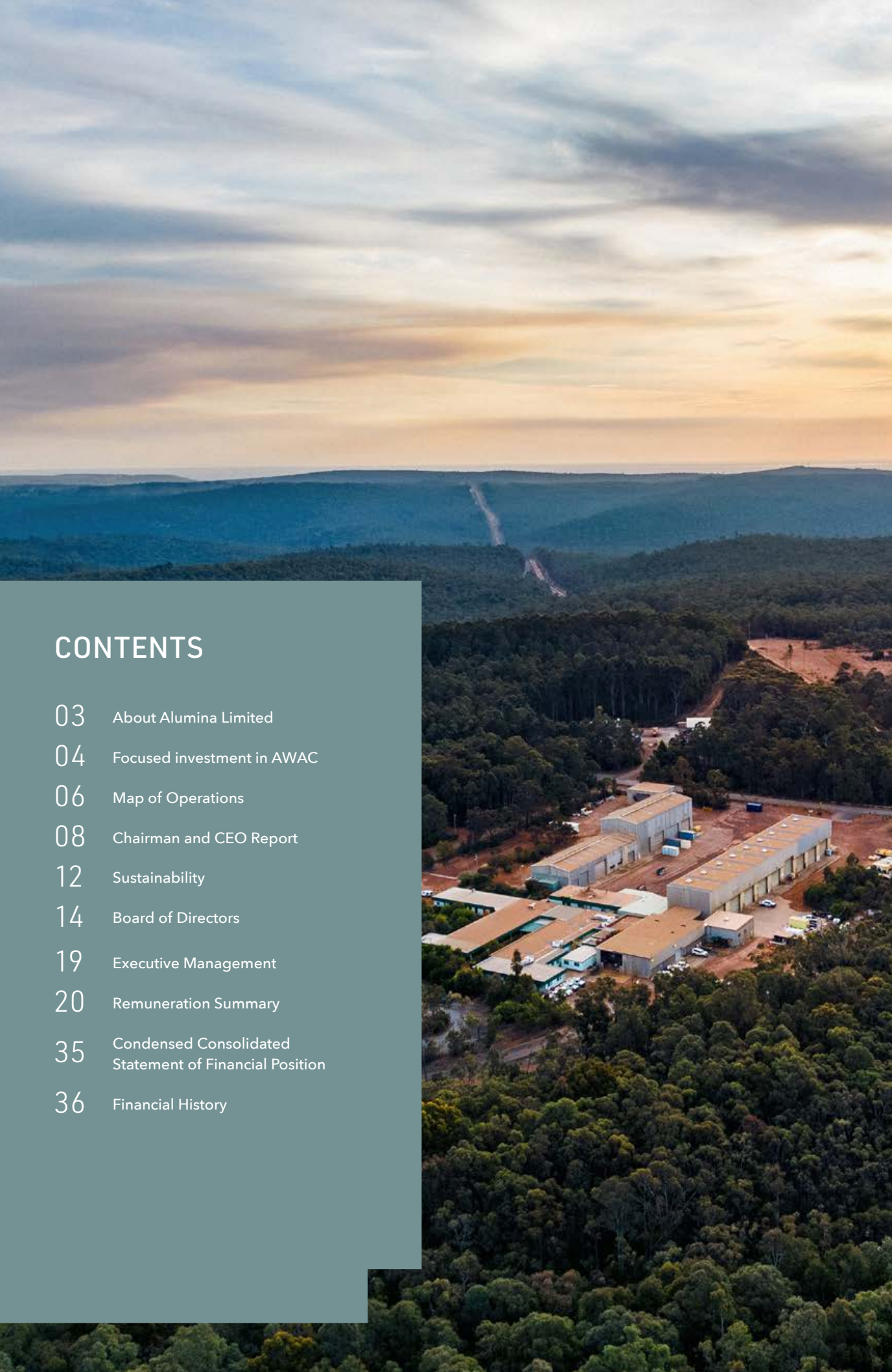
The potential end-of-life recycling rate of aluminium beverage cans is estimated to be

~71%

significantly higher than glass (34%) and PET plastic bottles (40%).







# CONTENTS

03	About Alumina Limited
04	Focused investment in AWAC
06	Map of Operations
08	Chairman and CEO Report
12	Sustainability
14	Board of Directors
19	Executive Management
20	Remuneration Summary
35	Condensed Consolidated Statement of Financial Position
36	Financial History

→	About Alumina Limited
→	Chairman and CEO Report
→	Sustainability
→	Our people
→	Remuneration Summary
→	Condensed Consolidated Statement of Financial Position
→	Financial History

# ABOUT — ALUMINA LIMITED

Alumina Limited has a unique investment in some of the world's highest quality alumina assets

The Annual Review is presented in US dollars, unless otherwise specified.

---

Alumina Limited is a leading Australian company listed on the Australian Securities Exchange (ASX) and trades on the OTC Market in the US. Alumina Limited is the 40 per cent partner in the AWAC joint venture whose assets comprise globally leading bauxite mines and alumina refineries in Australia, Brazil, Spain, Saudi Arabia and Guinea. AWAC also has a 55 per cent interest in the Portland aluminium smelter in Victoria, Australia.

AWAC's joint venture partner and operator is Alcoa Corporation. The AWAC joint venture was formed in 1994 and our relationship with Alcoa dates back to the early 1960s when Western Mining Corporation (now called Alumina Limited) began to explore bauxite deposits and other resources in the Darling Ranges of Western Australia. Alcoa Inc. was invited to join the project to provide technology, aluminium expertise and finance.

Over the following years the venture grew to include refineries and smelter interests as the partners sought to take opportunities to expand the business. By 1990, WMC Limited's interests in Alcoa of Australia had grown through acquiring the interests of other minority participants, other than Alcoa.

WMC Limited and Alcoa Inc. combined their respective bauxite, alumina and alumina-based chemicals businesses and investments and some selected smelting operations to create Alcoa World Alumina and Chemicals (AWAC) in January 1995. Alumina Limited was created on 11 December 2002 when WMC Limited's alumina assets were demerged from the nickel, copper and fertiliser businesses.

The demerger has enabled investors to benefit directly from the full value of the bauxite, alumina and aluminium business.



# FOCUSED INVESTMENT — IN AWAC

In 2022 Alumina Limited posted a profit after tax of \$104.0 million compared to a net profit after tax of \$187.6 million in 2021

Excluding significant items, net profit after tax would have been \$109.3 million dollars (2021: \$226.0 million). The Company's dividends for the year were 4.2 US cents per share, representing an average dividend yield of 6.5% over the last five years, fully franked.

In 2022, AWAC capitalised on the alumina markets and the high prices in the first half of the year. Prices were relatively subdued in the later part of the year in response to additional alumina supply. As a result, the average realised alumina price in 2022 was higher than the previous year at \$371 per tonne (2021: \$321).

AWAC's 2022 average cash cost of production increased to \$304 per tonne due to higher input costs, particularly caustic and energy, as well as the impact of a lower production rate at the WA refineries. AWAC's margin decreased year on year to \$67 per tonne (2021: \$85).

Looking forward we expect that aluminium demand will increase in a decarbonising world due to its role in lightweighting and infinite recyclability.

Alumina Limited represents a unique opportunity for a pure investment in AWAC, one of the world's largest bauxite and alumina producers.

## ALUMINA LIMITED RESULTS

\$104.0<sub>M</sub>

**2022 NET PROFIT AFTER TAX**  
2021: \$187.6 MILLION

4.2¢ PER SHARE

**2022 DIVIDENDS**  
2021: 6.2 CENTS PER SHARE

\$166.5<sub>M</sub>

**2022 NET CASH  
DISTRIBUTIONS FROM AWAC**  
2021: \$193.5 MILLION

\$106.2<sub>M</sub>

**2022 NET DEBT**  
2021: \$55.9 MILLION





In 2022, AWAC recorded a net profit after tax of \$301.1 million compared to a net profit after tax of \$443.8 million in 2021

AWAC's EBITDA for 2022 was \$817.1 million (2021: \$1,146.2 million) and excluding significant items would have been \$814.6 million (2021: \$1,205.7 million).

The decrease in AWAC's 2022 net profit is principally attributable to reduced alumina production and higher cash costs of production as a result of increased energy and caustic prices. This was partially offset by a higher realised alumina price and lower charges for significant items.

#### AWAC RESULTS (USGAAP)

---

**\$301.1<sub>M</sub>**

**2022 NET PROFIT AFTER TAX**  
2021: \$443.8 MILLION

---

**\$481.5<sub>M</sub>**

**2022 AWAC CASH FROM OPERATIONS**  
2021: \$718.3 MILLION

---

**\$371.0<sub>PER TONNE</sub>**

**2022 REALISED ALUMINA PRICE**  
2021: \$321.0 PER TONNE

---

**\$814.6<sub>M</sub>**

**2022 AWAC EBITDA  
EXCL SIGNIFICANT ITEMS**  
2021: \$1,205.7 MILLION

# MAP OF — OPERATIONS

Alumina Limited has a 40 per cent joint venture interest in AWAC's long-life alumina refineries

- [About Alumina Limited](#)
- [Chairman and CEO Report](#)
- [Sustainability](#)
- [Our people](#)
- [Remuneration Summary](#)
- [Condensed Consolidated Statement of Financial Position](#)
- [Financial History](#)

## ATLANTIC

2.8m tonnes  
alumina production

3.5m bdt  
3rd party bauxite shipments

## GLOBAL

11.8m tonnes  
alumina production<sup>1</sup>

3.5m bdt  
3rd party bauxite shipments



Juruti  
MRN<sup>2</sup>     
Alumar

### AWAC OPERATED

-  Bauxite Mine
-  Smelter
-  Refinery
-  Location

### NON-AWAC OPERATED

-  Bauxite Mine
-  Refinery

1. Excludes alumina production from the Ras Al-Khair refinery.
2. The sale of MRN was completed in 1H2022.





# CHAIRMAN AND CEO — REPORT

A year ago, we expressed our growing confidence in the future of aluminium, the end product of refined alumina, your joint venture's principal output. This positive view has strengthened as the world has intensified its commitment to decarbonisation.



The unique characteristics of aluminium – its strength, durability and lightweight nature – will be even more in demand. Aluminium will play its part alongside battery metals, and conductors such as copper, in the era of electrified transport, infrastructure and de-carbonised industrial processes.

We have no doubt that aluminium is a metal for the future. Since the beginning of aviation, it has played that special role. We are convinced that aluminium will continue to facilitate whole new industries and economic systems, in a post-carbon world.

Along the way of course each year will be different, with changing and unexpected political, economic and industrial conditions. 2022 was one which demonstrated the volatility of the commodity markets in which the Company operates. The sudden shortages and spikes in markets associated with the global COVID-19 pandemic largely waned. However, northern hemisphere energy and industrial markets suffered historic disruptions as the international economy absorbed the impact of warfare in Europe.

2022 produced markets of turbulence and disruption. Some of this cancelled out, especially as prices stabilised at moderate levels during the year, whereas costs continued to increase.

## FINANCIAL AND OPERATING PERFORMANCE

The Company's financial performance in 2022 was excellent in the first half but very subdued in the second half.

The Company reported a profit of \$104.0 million and declared a fully franked dividends of 4.2 cents per share. Global supply disruptions resulted in higher realised alumina prices in the first half. However, higher raw material and energy prices (particularly in Europe) coupled with lower alumina prices, meant there was a decline in profitability in the second half.



Mr W Peter Day

---



Mr Mike Ferraro

---

Our joint venture, Alcoa World Alumina & Chemicals' (AWAC) long term safety goal is zero fatalities and serious injuries. Pleasingly, in 2022 there were no fatalities or serious injuries. AWAC has maintained fatality free operations since 2017.

AWAC's alumina production of 11.8 million tonnes in 2022 was a decline of 0.8 million tonnes compared to the previous year. The San Ciprian refinery reduced production due to high gas prices and the Western Australia operations were affected by maintenance, ore grade and unplanned outages. The overall production and operating performance in 2022 was disappointing.

AWAC's cash costs of alumina production increased by 29% to \$304 per tonne. The Russia/Ukraine conflict pushed up energy prices. In particular the San Ciprian refinery was impacted by the spike in European gas prices.

In the first half of 2022 there was a series of global alumina supply disruptions and API prices averaged \$396 per tonne. These were chiefly triggered by the Ukraine war as refining capacity closed. In addition, Chinese output was impacted by Covid policies and industrial output restrictions timed for the Winter Olympics. Lower second half alumina prices resulted in average API prices of \$362 for the year. This fall in price also reflected lower smelting demand as energy price volatility triggered reductions in metal production.

AWAC's alumina margins in 2022 averaged \$67 per tonne of alumina, a decline from the \$85 per tonne margin in 2021.

AWAC increased its spending on capital projects in 2022 to 273.3 million. The most significant projects were the Juruti mine move and residue storage and tailings dam projects.

The Company's results and AWAC's operating performance are discussed in more detail in the Directors' Report and the Operating and Financial Review.

## ALUMINA MARKET

Commodity markets in 2022 experienced a high degree of price volatility and the alumina market was no exception. Alumina supply disruptions in late 2021 continued in 2022. Alumina prices were approximately \$390 prior to the Russia/Ukraine conflict – which then saw alumina prices spike to over \$500 per tonne.

The global alumina market has experienced over half a dozen major disruptive events over the last 5 years. These have produced quick and significant price impacts, reflecting the nature of the alumina market and the take-up of index pricing throughout the industry. This has resulted in quick and transparent price responses to market forces.

AWAC's output is highly exposed to alumina price index (API) pricing and benefited from high prices in the first half of 2022.



In March 2022, the Australian Government banned alumina exports to Russia, creating an excess of alumina in the Pacific. Separately, China later increased its alumina production and exported alumina to Russia. With these developments, API prices declined significantly in the second half of 2022.

The alumina market has reflected some favourable market fundamentals in early 2023, with prices moving in a positive direction. The reopening of China, recent refinery curtailments and smelter restarts in Europe and the Americas have all provided support for alumina prices in early 2023.

## DECARBONISATION

The world is undergoing a transition to a lower carbon economy. This transition has increased in its momentum during 2022. Aluminium will be a vital metal in that transition due to its lightweight, recyclable and durable nature. Increasingly, we expect to see the role of aluminium move to the forefront of de-carbonisation discussion.

Those characteristics means aluminium is expected to be increasingly needed for electric vehicles, electricity transmission and solar and wind generation. The important role of aluminium in the production of decarbonisation technologies and infrastructure makes it part of the solution in achieving the goal of lower carbon emissions.

AWAC itself has a low carbon position relative to its competitors and has reduced its carbon emissions by 44% since 2010. Alumina Limited will, through working with the AWAC joint venture, strive for AWAC to reduce its direct and indirect emissions (Scope 1 and 2) by 45% by 2030 (from a 2010 baseline), and to net zero by 2050.

Looking ahead, AWAC's decarbonisation strategy involves pursuing research and development on mechanical vapour recompression (MVR) and electric calcination. This R&D work will take some years to prove up and if successful, in reducing emissions, will itself require significant amounts of renewable energy.

It is critical that there continues to be reliable and competitive sources of energy as the energy markets transition. The success of Australia's world class alumina industry has been based on the availability of competitively priced and reliable energy. A transition to renewable energy must be on the basis that the energy supply is competitively priced, firm and reliable.

There is no simple solution here if the Australian Government wants to ensure Australia continues to add value to its enormous resource endowment and support complex manufacturing, such as alumina refining. The beneficiaries of value-adding are Australian workers and taxpayers as well as the general public represented through their compulsory membership of superannuation funds.



The Australian Federal Government is introducing a carbon safeguard mechanism in 2023. As the details of its implementation are put in place, there are two key issues relevant to Australia's alumina and aluminium industry. The first is to maintain the international competitiveness of Australia's industry in a global market place. The second is that there is a significant period required for the implementation of technology to reduce refining and smelting emissions. The management of these two issues will be critical to maintaining the industry's pre-eminent position.

In 2022 Alumina Limited undertook the actions necessary to comply in full with the TCFD reporting framework. This and the sustainability goals and outcomes for the Company and AWAC are discussed in the Sustainability Update on the Company's website.

## 50 YEARS PRODUCTION AT THE PINJARRA REFINERY

During 2022, the Pinjarra Refinery in Western Australia celebrated its 50-year anniversary since opening in 3 May 1972. The refinery created an economic and population boom in the region, and continues to contribute heavily in the local community.

Pinjarra has been one of the "financial engine rooms" of Alumina Limited and Western Mining Corporation, producing in excess of 160 million tonnes of alumina over its lifetime.

John Pizzey, former Alumina Limited Chairman and, at the time, head of Alcoa of Australia's alumina business stated that Pinjarra was the embodiment of "focussed technical excellence and applied real science".

It has now also been 20 years since the Western Mining Corporation demerger and Alumina Limited subsequently focused solely on its 40% interest in AWAC. Assets such as the Pinjarra refinery have delivered substantial value to shareholders over the last 20 years and are positioned to continue to do so.



**W Peter Day** Chairman

## CAPITAL MANAGEMENT/ SHAREHOLDER RETURNS

Alumina Limited received \$166.5 million in net cash distributions from AWAC in 2022. (2021: \$193.5 million). The total declared dividends for the year was US4.2 cents per share. In the second half of 2022, the Company did not have sufficient free cash flow to declare a final dividend.

The Company's net debt at 31 December 2022 was \$106.2 million which is a gearing of 6.4%. The Company has debt facilities of US\$350 million with maturities ranging from 2024 to 2026.

## CONCLUSION

The long-term fundamentals of the alumina market remain positive. Aluminium's characteristics mean it is a metal that is vital in a decarbonised world.

Chinese economic growth is likely to accelerate in 2023 and together with smelter restarts outside China, the demand outlook for alumina is positive. Nevertheless, the Russia/Ukraine conflict continues to impact markets, creating cost volatility, and its effects are unpredictable.

The Company continues to invest in AWAC to maintain its competitive position. This is needed even as markets change rapidly and commodity markets experience cyclical change. The alumina market has provided good returns to shareholders for a number of years. The Company is positioned to benefit from an improvement in market conditions.

The Board thanks the employees of Alumina Limited and AWAC for their work in 2022.



**Mike Ferraro** Chief Executive Officer

- [About Alumina Limited](#)
- [Chairman and CEO Report](#)
- [Sustainability](#)
- [Our people](#)
- [Remuneration Summary](#)
- [Condensed Consolidated Statement of Financial Position](#)
- [Financial History](#)

## — SUSTAINABILITY

### ESG INVESTOR BRIEFING

During 2022, Alumina Limited held its second annual ESG Investor Briefing (available on the Company's website). The Briefing highlighted AWAC's unique concentration of low-cost and low emission refineries. AWAC's facilities also derive 36% of their electricity from renewable sources.

Alumina Limited also discussed the results of its recently published Task Force on Climate-Related Financial Disclosures (TCFD).

The TCFD framework includes analysis on AWAC's governance, strategy, risk management and metrics/targets in respect of climate-related risks. Underpinning this is AWAC's potential future state, which focusses on waste minimisation through electrifying and decarbonising operations. In order to decarbonise AWAC's refining operations, AWAC is investing in R&D for Mechanical Vapour Recompression (MVR) and Electric Calcination (EC).





[Alumina Limited also reflected on AWAC’s proud history of stewardship of its assets for 60 years, implementing pioneering progressive rehabilitation techniques and avoiding the clearing of old growth forests and the critical habitat of threatened species.](#)

Additionally, as AWAC supply chains operate in proximity to indigenous and land-connected people, AWAC maintains an Indigenous Peoples Policy, and ensures that plans are in place at locations to demonstrate free, prior and informed consent and shared value creation.

The ESG Briefing also reiterated that Alcoa’s Human Rights Policy prohibits all forms of modern slavery. AWAC expanded the Supplier Sustainability Program to include ESG risk screening of the entire supply base (screening includes working conditions, child & forced labour and human trafficking). Additionally, for the most recent reporting year, no incidents of modern slavery were identified in AWAC’s Australian operations or supply chains.

Alumina Limited has focussed over the past two years on enhancing sustainability disclosures. During 2022, we received a “Management” level rating from CDP (Carbon Disclosure Project) for Climate Change reporting, which is the second highest score and notes that we are “taking coordinated action on climate issues”.

Additionally, we continue to be recognised by ACSI (Australian Council of Superannuation Investors) as the highest category “Comprehensive” disclosure for ESG reporting.

**SAFEGUARD MECHANISM**

In 2022, the Commonwealth of Australia released draft guidelines in respect of the Safeguard Mechanism. The intent of the draft changes is to lower emissions baselines to incentivise safeguard facilities to decarbonise operations, such that safeguard facilities reduce their emissions by 43 Mt (30%) of CO<sub>2</sub>e by 2030. Alumina Limited continues to actively engage with government and industry bodies to understand the potential impact that the changes in legislation will have on operations and to ensure the safeguard mechanism is implemented in a manner that enables it to achieve its decarbonisation goals. We reiterate that any changes to legislation need to be conscious of the commercial and technical reality of the aluminium value chain, particular the three matters that are critical for the industry to achieve its decarbonisation goals:

- Maintaining international competitiveness
- Recognise the timeline for technology readiness
- The transition to renewable energy and existing arrangements (e.g. long-term locked in energy contracts)

In 2021, Alumina Limited’s stated its ambition to reduce AWAC’s scope 1 & 2 CO<sub>2</sub>e emissions by 45% by 2030 from a 2010 baseline, and net zero by 2050. As at 2021, AWAC has reduced its emissions by 44%, but the remaining 56% of emission reduction will rely on step technology changes (MVR, EC, and inert anodes for smelters) and in concert with renewable energy.



# BOARD OF — DIRECTORS

The Company's Directors in office as at 31 December 2022 were:



**Mr W Peter Day**  
LLB (HONS), MBA, FCA,  
FCPA, FAICD  
Chairman and Independent  
Non-Executive Director



**Mr Chen Zeng**  
MIF  
Non-Executive Director



**Ms Deborah O'Toole**  
LLB, MAICD  
Independent  
Non-Executive Director



**Mr John A Bevan**  
BCom  
Independent  
Non-Executive Director



**Ms Shirley E In't Veld**  
BCom LLB (HONS)  
Independent  
Non-Executive Director



**Mr Mike P Ferraro**  
LLB (HONS)  
Managing Director and  
Chief Executive Officer

## Mr W Peter Day

---

### Position

Chairman and Independent  
Non-Executive Director

### Qualifications

LLB (HONS), MBA, FCA, FCPA, FAICD

### Responsibilities

Mr Day was appointed as a Director of the Company on 1 January 2014 and was appointed Chairman of the Board on 1 April 2018. He is a member of the Nomination, Compensation and Audit & Risk Management Committees and Chair of the Sustainability Committee.

### Relevant other directorships

Mr Day is currently Non-Executive Chairman of Australian Unity Investment Real Estate (appointed September 2015), and a former Director of: Ansell (August 2007–August 2021), Boart Longyear (February 2014–September 2017), Federation Centres (October 2009–February 2014), Orbital Corporation (August 2007–February 2014) and SAI Global (August 2008–December 2016).

### Career

Mr Day brings extensive experience in the resource, finance and manufacturing sectors, having held a number of senior positions with Bonlac Foods, Rio Tinto, CRA, Comalco and the Australian Securities and Investments Commission. He is a former Chief Financial Officer (CFO) of Amcor. He also supports initiatives in health and disability services, and mentoring.

## Mr Chen Zeng

---

### Position

Non-Executive Director

### Qualifications

MIF

### Responsibilities

Mr Zeng was appointed as a director of the Company on 15 March 2013. He is a member of the Nomination, Compensation, Sustainability and Audit and Risk Management (appointed 7 August 2014) Committees.

### Relevant other directorships

Mr Zeng is also currently the Chairman and President of CITIC Pacific Limited, the Chairman and Chief Executive Officer of CITIC Pacific Mining Management Pty Ltd (“CITIC

Pacific Mining”) and CITIC Mining International Ltd, the holding company of CITIC Pacific Mining. He is also the Chairman of Dah Chong Hong Holdings Limited (focused on distribution of automobile, healthcare and consumer goods). He is a former Executive Director of CITIC Limited (listed on the Hong Kong Exchange) and Non-Executive Director of CITIC Dameng Holdings Limited (listed on the Hong Kong Exchange), Macarthur Coal Limited (July 2007–October 2011) and Marathon Resources Limited (resigned in January 2014). Mr Zeng also served as a Director on the Board of CITIC Group between January 2010 and December 2011.

### Career

Before joining CITIC Pacific Mining, Mr Zeng was an Executive Director, Vice Chairman and Chief Executive Officer (CEO) of CITIC Resources Holdings Limited (“CITIC Resources”), a CITIC Group controlled Hong Kong listed company focused on crude oil production, metal mining and refining, and commodity trading. Mr Zeng was redesignated as Non-Executive Director of CITIC Resources in March 2014. Mr Zeng is also the Chairman of CITIC Australia. Mr Zeng has over 30 years of experience in project development, management, and a proven record in leading cross-cultural professionals in the resources sector. He has been working in Australia since 1994 and has extensive experience in various industries including aluminium smelting, iron ore mining and processing and coal mining.

## Ms Deborah O'Toole

---

### Position

Independent Non-Executive Director

### Qualifications

LLB, MAICD

### Responsibilities

Ms O'Toole was appointed as a director on 1 December 2017. She is a member of the Nomination, Sustainability, and Compensation Committees and Chair of the Audit and Risk Management Committee (from 1 April 2018).

### Relevant other directorships

Ms O'Toole is a Non-Executive Director of Sims Limited (appointed November 2014). She also serves as Chair of Transurban Queensland, and as an independent director of Credit Union of Australia Ltd (appointed March 2014), Non-Executive Director of Sydney Airport (appointed August 2022) and Pacific National Rail Group.

### Career

Ms O'Toole is a former Non-Executive Director of Boral Limited (September 2020–October 2021), Boart Longyear Limited (appointed October 2015–September 2017), Wesley Research Institute (appointed March 2013–November 2019), CSIRO, Norfolk Group, various companies in the MIM and Aurizon Groups and Government and private sector advisory boards.

Ms O'Toole has extensive executive experience across a number of sectors including over 20 years in the mining industry and, in transport and logistics which included managerial, operational and financial roles. She has been CFO of three ASX listed companies: MIM Holdings Limited, Queensland Cotton Holdings Limited and Aurizon Holdings Limited.

### Mr John A Bevan

#### Position

Independent Non-Executive Director

#### Qualifications

BCom

#### Responsibilities

Mr Bevan was appointed Non-Executive Director on 1 January 2018. He has been appointed a member of the Audit and Risk Management Committee, the Compensation Committee, the Sustainability Committee and the Nomination Committee and Chair of the Nomination Committee from 1 April 2018.

#### Relevant other directorships

Mr Bevan is currently a Non-Executive Director and Chairman of BlueScope Steel Limited (appointed March 2014), a Non-Executive Director and Chairman of Ansell (appointed

August 2012), Non-Executive Director of Balmoral Iron Pty Ltd (appointed 2022), and a former director of Nuplex Industries Limited (September 2015–September 2016) and a former Non-Executive Director of the Humpty Dumpty Foundation (2017–December 2022).

### Career

Mr Bevan was formerly the Chief Executive Officer and Executive Director of Alumina Limited (June 2008–December 2013). Prior to his 2008 appointment to Alumina Limited, he spent 29 years in the BOC Group Plc where he was a member of the Board of Directors and held a variety of senior management positions in Australia, Korea, Thailand, Singapore and the United Kingdom. Mr Bevan brings to the Board extensive commercial and operational experience gained through operating joint ventures in many parts of the world, particularly Asia.

### Ms Shirley E In't Veld

#### Position

Independent Non-Executive Director

#### Qualifications

BCom LLB (HONS)

#### Responsibilities

Ms In't Veld was appointed as an independent, Non-Executive Director of the Company on 3 August 2020.

#### Relevant other directorships

She is currently a Non-Executive Director with APA Group Limited (appointed 19 March 2018), Develop Global Ltd (appointed July 2021) and Canadian listed company, Karora Resources Inc. (appointed December 2021).

→	About Alumina Limited
→	Chairman and CEO Report
→	Sustainability
→	Our people
→	Remuneration Summary
→	Condensed Consolidated Statement of Financial Position
→	Financial History



## Career

She is formerly Deputy Chair of CSIRO (term ceased 30 June 2020), a Non-Executive Director of Northern Star Resources Limited (appointed September 2016– June 2021), NBN Limited (December 2015–December 2021), Perth Airport, DUET Group, Asciano Limited, Alcoa of Australia Limited and a Council Member of the Chamber of Commerce and Industry of Western Australia.

Ms In't Veld was also the Managing Director of Verve Energy (2007–2012) and, before that, she worked for 10 years in senior roles at Alcoa of Australia, WMC Resources Ltd, Bond Corporation and BankWest.

In 2014, she was Chairman of the Queensland Government Expert Electricity Panel and a member of the Renewable Energy Target Review Panel for the Department of Prime Minister and Cabinet. Ms In't Veld's experience with the Renewable Energy Target Panel and CSIRO also brings to Alumina expertise in renewables, research and innovation.

Ms In't Veld is a member of the Audit and Risk Management Committee, Nomination Committee and Sustainability Committee and Chair of the Compensation Committee (appointed 26 May 2021).

As a former Chief Executive Officer of Verve Energy and senior executive in the resources industry, Ms In't Veld will bring to the Board extensive experience in the aluminium industry, energy markets and management of long-life assets.

## Mr Mike Ferraro

### Position

**Managing Director and  
Chief Executive Officer**

### Qualifications

**LLB (HONS)**

### Career

Prior to his appointment as CEO and Managing Director Mr Ferraro was a Non-Executive Director of Alumina Ltd from 5 February 2014 to 31 May 2017 and Partner, Client Development-Asia Pacific at Herbert Smith Freehills, a global law firm. He was also formerly global head of the firm's Corporate Group and a member of its executive management team. Mr Ferraro is also a former Non-Executive Director of Helloworld Travel Limited (January 2017–October 2021).

Between 2008 and 2010 Mr Ferraro was Chief Legal Counsel at BHP Billiton Ltd. Mr Ferraro has considerable experience in the resources sector and has over 30 years of experience in joint ventures, mergers and acquisitions, fund raising and regulatory issues across a wide range of sectors and countries. He also has considerable experience in the commercial and financing aspects of large transactions gained from a number of years in investment banking as a corporate adviser.





- [About Alumina Limited](#)
- [Chairman and CEO Report](#)
- [Sustainability](#)
- [Our people](#)
- [Remuneration Summary](#)
- [Condensed Consolidated Statement of Financial Position](#)
- [Financial History](#)

# EXECUTIVE — MANAGEMENT

Our executive management team comprises:



## **Mike Ferraro**

**LLB (HONS)**

**Chief Executive Officer (appointed 1 June 2017)**

Mr Ferraro was appointed Chief Executive Officer effective from 1 June 2017. He has responsibility for the overall management of Alumina Limited in accordance with the strategy, policies and business processes adopted by the Board. Immediately before his appointment as CEO, Mr Ferraro was Partner, Client Development-Asia Pacific at Herbert Smith Freehills, a global law firm, and was formerly head of the Corporate Group at the firm. He was also a member of their executive management team. He was also the a non-executive director of Alumina Limited prior to transitioning to the CEO role. Between 2008 and 2010 Mr Ferraro was Chief Legal Counsel at BHP Billiton Ltd.

Mr Ferraro has considerable experience in the resources sector and has over 30 years of experience in joint ventures, mergers and acquisitions, fund raising, and regulatory issues across a wide range of sectors and countries. He also has considerable experience in the commercial and financing aspects of large transactions gained from a number of years in investment banking as a corporate adviser.



## **Galina Kraeva**

**BECON NOVOSIBIRSK STATE UNIVERSITY OF ECONOMICS AND MANAGEMENT (RUSSIA), CA, FCCA**

**Chief Financial Officer (2022)**

Ms Kraeva was appointed interim CFO effective 1 January 2022 and as permanent CFO from 1 July 2022.

Ms Kraeva joined Alumina Limited as Financial Controller in October 2012 and acted as an interim CFO from November 2018 to June 2019 and was then appointed General Manager - Finance. Prior to joining Alumina Limited, Ms Kraeva spent 14 years with PricewaterhouseCoopers in Australia and Russia, most recently as a partner in the Melbourne office.



## **Stephen Foster**

**BCOM LLB (HONS) GDIPAPFFIN (SEC INST) GRADDIP CSP  
ACIS General Counsel and Company Secretary**

Stephen Foster is responsible for legal, company secretarial, shareholder services, insurance and human resources. He has a wide range of legal and commercial experience gained over 30 years, at Village Roadshow and WMC Limited, after working with the legal firm of Arthur Robinson & Hedderwicks (now Allens).





# REMUNERATION — SUMMARY

This Remuneration Summary is an abridged version of the 2022 Remuneration Report. This summary provides some understanding of the Director and executive remuneration arrangements and outcomes of Alumina Limited. For a more comprehensive disclosure of the Company's remuneration arrangements and outcomes, please review the 2022 (Remuneration Report pages 42 to 65) Annual Report on the Company website at [www.aluminalimited.com/annual-reports](http://www.aluminalimited.com/annual-reports). All contracts for key management personnel (KMP) are denominated in Australian dollars and accordingly all figures in this Summary and the Remuneration Report are in Australian dollars unless otherwise indicated. References to Senior Executives excludes the Chief Executive Officer (CEO).

- About Alumina Limited
- Chairman and CEO Report
- Sustainability
- Our people
- *Remuneration Summary*
- Condensed Consolidated Statement of Financial Position
- Financial History

# REMUNERATION FRAMEWORK

## Persons covered by this Report

This Report sets out remuneration information for Key Management Personnel ("KMP") which includes Non-Executive Directors ("NED"), Executive Director (the Chief Executive Officer ("CEO")) and those key executives who have the authority and responsibility for planning, directing and controlling the activities of the group, either directly or indirectly (together with Executive Director, herein referred to as Executive KMP).

Name	Role	
NON-EXECUTIVE DIRECTORS		
Peter Day	Non-Executive Chairman	Appointed Chairman 1 April 2018 Director since 1 January 2014
Chen Zeng	Non-Executive Director	Appointed 15 March 2013
Deborah O'Toole	Non-Executive Director	Appointed 1 December 2017
John Bevan	Non-Executive Director	Appointed 1 January 2018
Shirley In't Veld	Non-Executive Director	Appointed 3 August 2020
EXECUTIVE KMP		
Mike Ferraro	Managing Director and CEO	Appointed 1 June 2017
Grant Dempsey	Chief Financial Officer (CFO)	Appointed 1 July 2019 Resigned 31 January 2022
Galina Kraeva	Interim Chief Financial Officer (ICFO)/CFO	Appointed ICFO 1 January 2022 Appointed CFO 1 July 2022
Stephen Foster	General Counsel/ Company Secretary	Appointed 4 December 2002
Andrew Wood	Group Executive Strategy and Development	Employed from 1 September 2008 to 30 September 2022



## Remuneration in business context

Alumina Limited's remuneration strategy and policy has been developed in recognition of the unique nature of the Company, the complexities of managing a significant but non-controlling interest in a global joint venture and the significance of external factors' influence on the sector and the Company's performance.

Alumina Limited owns a 40 per cent interest in the multibillion-dollar global enterprise, AWAC, one of the world's largest bauxite and alumina producers. AWAC is a large capital-intensive business operating in a number of jurisdictions with some in remote locations. Alumina Limited's executives are responsible for protecting and advancing the interests of its approximately 55,000 shareholders in the management of AWAC. Consistent with the governing joint venture agreements, Alumina executives are responsible for providing strategic input and advice into the joint venture.

This, in turn, draws on their abilities to persuade and influence our joint venture partner to a common or at times, different conclusion. To do so, they must have a clear position on the bauxite, alumina and aluminium markets to allow detailed and

substantive discussion with our joint venture partner and our shareholders on portfolio management, investment opportunities, sustainability and disruptive threats.

At the Board's direction, the CEO and Senior Executives are required to maintain Alumina Limited's financial metrics consistent with an investment grade rating, maximize cash flow from AWAC and support the joint venture in its efforts to improve its relative cost position and strategic options.

Alumina Limited's goal is to be an active, informed and engaged joint venture partner and therefore it requires and must retain, high calibre people with strong skills sets and commercial experience to ensure the Company and its investment are managed well. Hence, Alumina Limited's remuneration needs to be competitive, valued and relevant.

## Remuneration strategy, components and mix

### Remuneration strategy

Alumina Limited's remuneration strategy is based on the following principles, which determine remuneration components, their mix and way of delivery.

## REMUNERATION PRINCIPLES

### Alignment

Our remuneration is designed to aid alignment of Company, Executive, Board and Stakeholders interests.

### Relevance

Appropriate mix of fixed and at-risk components, short and long-term elements reflecting a balance of financial and non-financial objectives relevant to target the non-operating nature of the Company and specific executive roles.

### Sustainability

Remuneration that is market competitive, that attracts and retains executives with capabilities and expertise to deliver our strategy.

### Transparency

Remuneration outcomes that are based on a set of clear objectives and expectations linked to Company strategy.

- [About Alumina Limited](#)
- [Chairman and CEO Report](#)
- [Sustainability](#)
- [Our people](#)
- [Remuneration Summary](#)
- [Condensed Consolidated Statement of Financial Position](#)
- [Financial History](#)



Executive KMP remuneration components and pay mix

The table below sets out the different components of remuneration for Alumina’s Executive KMP, the performance measures used to determine the amount of remuneration executives will receive and how they are aligned with Alumina Limited’s remuneration strategy.

Executive remuneration components	Fixed remuneration ("FAR")	Short-term equity-based award	Long-term incentive ("LTI")
Strategic intent	Attract and retain executives with the capability and experience to deliver our strategy.	Align performance focus with the long-term business strategy and shareholder experience.	Align performance focus with the long-term business strategy and shareholders experience.
Performance measure	FAR is set based on market relativities, reflecting responsibilities, qualifications, experience and effectiveness.	<p>There is a three-year trading restriction on the shares from grant date.</p> <p>The value of the equity remains subject to performance of the Company's share price.</p>	<p>LTI vesting is subject to service and performance tested three years from the grant date.</p> <p>The testing criteria is three-year Company TSR equal to or outperforming the median of the two (one local, one international) comparator groups (half of the LTI is attributable to each comparator group).</p>
Delivery	Cash payment	Conditional Rights	Performance Rights

Short-term incentive ("STI")

In addition, Alumina’s Executive KMP (other than the CEO) participated in the STI plan where an STI payment may be awarded based on a scorecard assessment at the end of the year. In 2022, the Company Secretary/General Counsel was the only Senior Executive eligible to participate in the STI plan.

The Board instituted changes to STI performance awards and, starting from 2023, the STI component in the contracts of Senior Executives (other than the CEO) will now include an STI in a fixed amount per annum partly paid in cash and partly in equity. Restructure of the STI plan resulted in a reduction of the overall potential quantum of the package, whilst retaining the exposure to the equity component. The decision to amend the STI aligns with Alumina Limited’s remuneration strategy, in particular to have lower levels of maximum short-term incentives when compared with peers.

**CEO**

The design of the CEO’s remuneration package reflects the requirements of this critical leadership role to create long term shareholder value, the responsibility for the

relationship with our joint venture partner and influence on the strategic direction of joint venture development and growth whilst advocating for the interests of shareholders.

The CEO’s remuneration is comprised of a FAR component of \$1,438,100, an equity component delivered via Conditional Rights and Performance Rights equal to \$472,800 and \$600,000 respectively at the time of the grant. The actual remuneration awarded during the year is comprised of the same components, however their values will differ from the potential total remuneration, specifically in relation to the value of the equity components at the time of the vesting.

The actual remuneration received by the CEO in 2022 is comprised of a FAR component of \$1,438,100, Conditional Rights of \$526,762 and zero Performance Rights at the time of vesting.

For the 2023 remuneration, the Board has considered market outlook, changes in superannuation guaranteed contribution rates and inflation rate and resolved to award a 3.5% increase of the CEO's total reward opportunity by equally increasing each of the remuneration components, such as FAR, Conditional Rights and LTI.

## COMPANY PERFORMANCE AND EXECUTIVE REMUNERATION OUTCOMES

### Company performance

Alumina Limited recorded a net profit after tax of \$104.0 million dollars.

Alumina Limited's total dividend for 2022 was 4.2 cents per share, an average dividend yield of 6.5% over the last 5 years, fully franked.

Challenging market conditions prevailed globally throughout the year, imposing inflationary pressures for the costs of global energy and raw materials.

In 2022, AWAC recorded an EBITDA of \$817.1 million dollars and \$301.1 million dollars of net profit after tax.

The main drivers for the decline in AWAC performance were higher input material prices, and lower volumes of bauxite and alumina production.

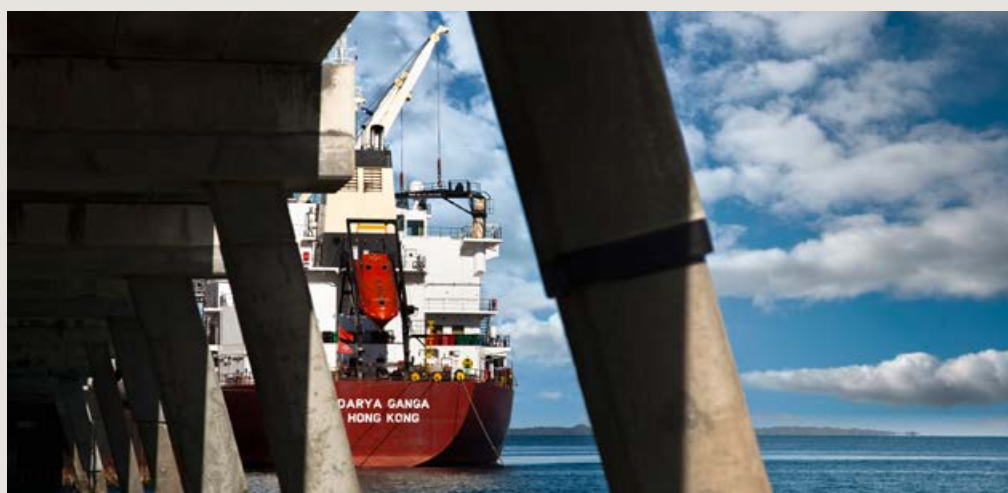
Reduced production volume predominantly relates to reduced production run rates of WA refineries which, throughout the year were affected by unplanned outages and maintenance. It further includes the impact of the San Ciprian refinery curtailment to approximately 50 percent of its production capacity in the second half of the year as a response to the high European gas prices.

AWAC's production costs increased in 2022 due to higher global energy and caustic prices, as well as costs associated with the unplanned maintenance events in the Australian refineries. As a consequence, AWAC's margin decreased, year on year to \$67 per tonne.

Most of the alumina refineries outside of China experienced the same input material price pressures, resulting in similar increases in production costs.

Alumina prices exceeded \$500 per tonne in March 2022 in response to a number of supply disruptions. The average alumina price in 2022 was \$362 per tonne.

The Company's share price has been highly correlated to the price of alumina.



Platts Alumina Price – last 5 years (US\$/t)



Alumina Limited share price – last 5 years (A\$)

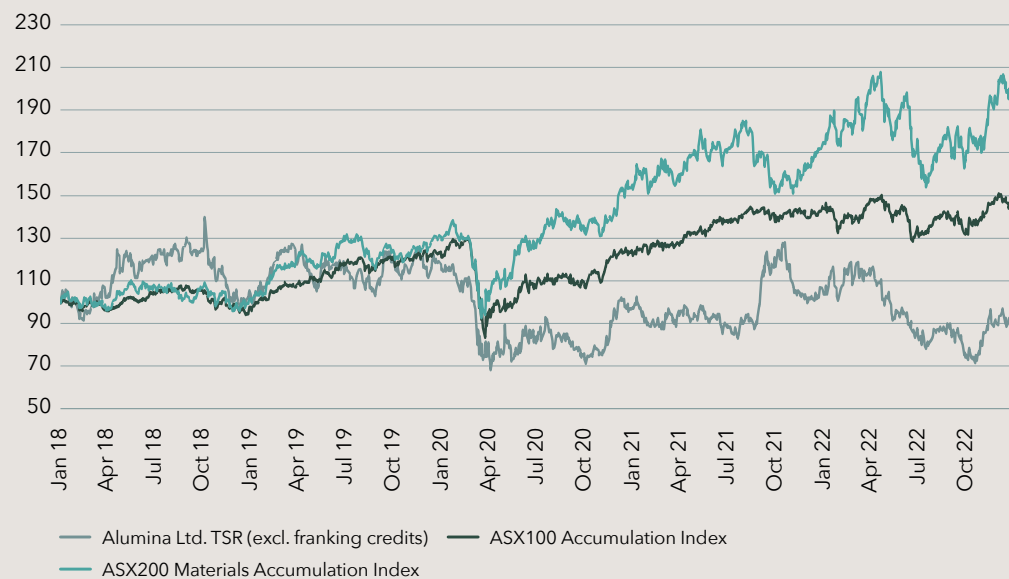




Alumina Limited's TSR compared to relevant ASX indices, demonstrate underperformance in recent years. However, in the longer term, we remain confident that the demand for aluminium will continue to grow to support global decarbonisation, which will result in greater demand for alumina.

Alumina Limited's unique direct and undiluted exposure to AWAC's portfolio, together with a tightly managed balance sheet, continue to underpin the Company's capacity to deliver strong long-term returns to shareholders over the volatile commodity market.

#### Alumina TSR vs. ASX indices – last 5 years



#### Historical company performance

	2022	2021	2020	2019	2018
Net Profit/(Loss) after tax (US\$ million)	104.0	187.6	146.6	214.0	635.4
Net Profit/(Loss) after tax (excluding significant items) (US\$ million)	109.3	226.0	146.5	326.6	689.9
Dividend declared (US cents per share)	4.2	6.2	5.7	8.0	22.7
Share price at the end of the period (AUD per share)	1.520	1.865	1.835	2.30	2.30
Total shareholder return – including franking credits (%)	(11.3)	9.0	(14.2)	15.5	7.7
Total shareholder return – excluding franking credits (%)	(13.5)	6.8	(16.0)	10.8	3.8



Remuneration decisions and outcomes for 2022

FIXED REMUNERATION

2022 outcomes	<p>Fixed remuneration for the CEO increased by 5% in 2022.</p> <p>Following the departure of the Company's CFO, Grant Dempsey, Ms Kraeva was appointed ICFO effective 1 January 2022 and as CFO from 1 July 2022. Ms Kraeva's fixed remuneration was set at \$550,000 per annum whilst acting as ICFO and \$600,000 on appointment as CFO. The ICFO/CFO package also includes an STI in a fixed amount at \$150,000 per annum whilst acting as ICFO and \$165,000 per annum on appointment as CFO.</p> <p>Fixed remuneration for the other executive KMPs increased by 4% in 2022, which was in line with the increases applied to the broader staff in the Company.</p> <p>From 2023, fixed remuneration for the CEO and Senior Executives (other than CFO) increased by 3.5% in line with inflation and the increases applied to the broader staff of the Company. CFO fixed remuneration set as \$625,000 (4.2% increase).</p>
---------------	---

LONG-TERM INCENTIVE

2022 outcomes	<p>The FY20 LTI was tested in 2022 (testing period December 2019 to December 2022), Alumina Limited's performance against the ASX and International Comparator Groups fell below the minimum required vesting threshold of 50<sup>th</sup> percentile ranking and therefore zero per cent of the potential entitlement vested. This outcome reflects the shareholder experience during the testing period and illustrates the LTI functioning as intended.</p>
---------------	--

SHORT-TERM INCENTIVE

2022 outcomes	<p>The ICFO/CFO STI was set at \$150,000 per annum whilst acting as ICFO and \$165,000 per annum on appointment as CFO. The STI award for the CFO is partly delivered in cash at the end of the financial year and partly in equity via Conditional Rights.</p> <p>The "Corporate Gate" requirements were satisfied and, therefore, STI was assessed based on 100% of the potential award.</p> <p>The Company Secretary/General Counsel was the only executive KMP (other than CEO and CFO) eligible to participate in the 2022 STI plan. Mr Foster's STI payment was assessed against a range of corporate objectives and individual performance measures, including long-term planning for the AWAC's operations, engagement with stakeholders on sustainability and climate change and alignment of sustainability disclosures to the recommendations of the TCFD. Mr Foster's performance against the above STI metrics resulted in 64% of the maximum STI being awarded.</p>
---------------	---

## Actual "take home" 2022 remuneration of continuing<sup>1</sup> Executive KMP

The actual remuneration awarded during the year comprises the following elements:

- Cash salary including superannuation benefits and any salary sacrifice arrangements, but excluding termination payments;
- Other short-term benefits comprised of the personal financial advice allowance and travel allowance
- STI cash payment;

- Conditional Rights vested (being the number of Conditional Rights that vested multiplied by the market price at the vesting date);
- LTI vested and exercised (being the number of Performance Rights that vested and exercised multiplied by the market price at the exercise date).

These values differ from the executive statutory remuneration table and have not been prepared in accordance with statutory requirements and Australian Accounting Standards.

	Year	Short-term benefits (A\$)			
		FAR including superannuation	STI	Other	Total
EXECUTIVE KMP					
Mike Ferraro	2022	1,438,100	-	13,763	1,451,863
	2021	1,369,600	-	-	1,369,600
Galina Kraeva <sup>2</sup>	2022	575,000	82,500	-	657,500
Grant Dempsey <sup>2</sup>	2021	899,400	-	-	899,400
Stephen Foster	2022	593,000	266,000	-	859,000
	2021	570,200	335,000	-	905,200
Total	2022	2,606,100	348,500	13,763	2,968,363
	2021	2,839,200	335,000	-	3,174,200

1. Mr Wood's employment with Alumina Limited ceased on 30 September 2022. His role was not replaced and is no longer included in the Executive KMP. 2. Following resignation of Mr Dempsey as the Company's CFO, Ms Kraeva commenced as a KMP on 1 January 2022.

- About Alumina Limited
- Chairman and CEO Report
- Sustainability
- Our people
- Remuneration Summary
- Condensed Consolidated Statement of Financial Position
- Financial History



Share based payments (A\$)			Total “take home” remuneration (A\$)	Total statutory remuneration (A\$)
Conditional Rights	Performance Rights	Total		
526,762	-	526,762	1,978,625	2,156,273
394,341	-	394,341	1,763,941	2,177,181
-	-	-	657,500	933,958
202,006	-	202,006	1,101,406	1,260,507
-	-	-	859,000	950,305
-	190,221	190,221	1,095,421	1,038,772
526,762	-	526,762	3,495,125	4,040,536
596,347	190,221	786,568	3,960,768	4,476,460

- [About Alumina Limited](#)
- [Chairman and CEO Report](#)
- [Sustainability](#)
- [Our people](#)
- [Remuneration Summary](#)
- [Condensed Consolidated Statement of Financial Position](#)
- [Financial History](#)

### CEO and Senior Executives statutory remuneration

The following table shows details of the remuneration expense recognised for the Group's Executive KMP for the current and previous financial year measured in accordance with the requirements of the Australian Accounting Standards. Amounts shown under share-based payments reflect the accounting expense recorded during the year with respect to awards that have or are yet to vest.

	Year	Short-term benefits (A\$)				
		FAR <sup>1</sup>	STI	Non-monetary <sup>2</sup>	Annual leave <sup>3</sup>	Other <sup>4</sup>
EXECUTIVE KMP						
Mike Ferraro	2022	1,416,882	-	-	(21,945)	13,763
	2021	1,346,969	-	-	79,016	-
Galina Kraeva <sup>9</sup>	2022	550,570	82,500	8,404	63,173	-
Grant Dempsey <sup>10</sup>	2021	876,769	-	-	24,215	-
Stephen Foster	2022	567,854	266,000	8,404	(22,333)	-
	2021	545,200	335,000	-	(8,772)	-
Andrew Wood <sup>11</sup>	2022	313,768	-	-	2,154	-
	2021	402,869	149,000	-	14,729	-
Total Executive Remuneration	2022	2,849,074	348,500	16,808	21,049	13,763
	2021	3,171,807	484,000	-	109,188	-

**1.** FAR is the total cash cost of salary and short-term compensated absences, exclusive of superannuation. **2.** Non-monetary benefits represent the value of the car park. **3.** The amounts disclosed in this column represent the movement in the annual leave provision year on year. **4.** Other short-term benefits include travel allowance. **5.** Superannuation and termination reflect the SGC contributions for all Executive KMP and termination payment for Mr Wood in 2022. More detail on the termination payment is included in section 4.5 of this report. **6.** The CEO's and CFO's remuneration packages include a Conditional Rights component. In accordance with AASB 2, the value attributed to the Conditional Rights represents the amortisation for the reporting period of the value at grant date of all previously granted Conditional Rights that have neither vested nor lapsed. **7.** In accordance with AASB 2, the value attributed to Performance Rights represents the amortisation for the reporting period of the value at grant date of all



Long-term benefits (A\$)	Post employment benefits (A\$)	Share based payments (A\$)		Total remuneration (A\$)
Long-service leave	Superannuation and termination <sup>5</sup>	Conditional Rights <sup>6</sup>	Performance Rights <sup>7,8</sup>	
43,682	21,218	472,800	209,873	2,156,273
34,146	22,631	472,800	221,619	2,177,181
58,776	24,430	75,000	71,105	933,958
29,024	22,631	242,200	65,668	1,260,507
(20,111)	25,146	-	125,345	950,305
20,816	25,000	-	121,528	1,038,772
13,924	725,096	-	56,216	1,111,158
10,609	22,631	-	68,048	667,886
96,271	795,890	547,800	462,539	5,151,694
94,595	92,893	715,000	476,863	5,144,346

previously granted Performance Rights that have neither vested nor lapsed. The value at grant date is amortised over a three-year period. **8.** The award of performance rights to the CEO is approved by shareholders at the AGM on 25 May 2022. **9.** Ms Kraeva was appointed an ICFO on 1 January 2022 and a CFO on 1 July 2022. Amounts shown above include all Ms Kraeva's remuneration during the reporting period, whether as ICFO or CFO. **10.** Mr Dempsey resigned as the Company's CFO, effective from 31 January 2022. In 2022, Mr Dempsey was paid FAR of \$87,544 including, superannuation of \$1,964 and leave entitlements of \$9,594. Mr Dempsey received Conditional Rights, granted in January 2021, which vested in January 2022 prior to cessation of the employment. No Conditional Rights were granted to Mr Dempsey in 2022. The accounting expense for unvested Performance Rights in 2022 was \$5,308. **11.** Mr Wood's employment with Alumina Limited ceased on 30 September 2022.



- [About Alumina Limited](#)
- [Chairman and CEO Report](#)
- [Sustainability](#)
- [Our people](#)
- [Remuneration Summary](#)
- [Condensed Consolidated Statement of Financial Position](#)
- [Financial History](#)

## NON-EXECUTIVE DIRECTORS REMUNERATION

### 2022 Non-Executive Directors Remuneration

The maximum remuneration for Non-Executive Directors is determined by resolution of shareholders. At the 2016 AGM, shareholders approved a maximum aggregate remuneration of \$1,500,000 per annum for Non-Executive Directors. A total of \$1,269,575 (inclusive of superannuation) was paid in Non-Executive Director fees in 2022. Other than the Chairman, who receives a single base fee of \$410,000 (inclusive superannuation), Non-Executive Directors receive a base fee plus additional fees for membership of Board Committees and superannuation contribution. Non-Executive Directors do not participate in incentive plans or receive any retirement benefits other than statutory superannuation contributions.

The remuneration packages for Non-Executive Directors are set out below. There will be no increase of fees payable to Non-Executive Directors in 2023. Superannuation contributions made by the Company on behalf of Non-Executive Directors are included in the fees amounts presented in the table below.

	2022 <sup>1</sup> A\$	2023 <sup>2</sup> A\$
Base fee	164,250	164,250
Compensation Committee – Chair	38,325	38,325
Compensation Committee – Member	10,950	10,950
Audit and Risk Management Committee – Chair	38,325	38,325
Audit and Risk Management Committee – Member	10,950	10,950
Sustainability Committee – Chair	–	–
Sustainability Committee – Member	10,950	10,950
Nomination Committee – Chair	16,425	16,425
Nomination Committee – Member	–	–

1. From 1 July 2022, the SGC rate increased from 10% to 10.5%. Non-Executive Directors fees (inclusive of superannuation) have not changed as a result of the rate change. 2. From 1 July 2023, the SGC rate will rise to 11%. Non-Executive Directors fees (inclusive of superannuation) will not be changed as a result of the rate change.

All Non-Executive Directors enter into a service agreement with the company in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration, relevant to the office of director.

The table below provides summary of the actual remuneration received by each Non-Executive Director and is prepared in accordance with statutory requirements and relevant accounting standards.

Non-Executive Director	Year	Short-term benefits (A\$)			Post employment benefits (A\$)	Total remuneration (A\$)
		Fees	Non-monetary	Total	Superannuation	
Peter Day	2022	385,570	-	385,570	24,430	410,000
	2021	387,369	-	387,369	22,631	410,000
Emma Stein <sup>1</sup>	2021	85,416	-	85,416	8,115	93,531
Deborah O’Toole	2022	203,606	-	203,606	20,869	224,475
	2021	204,534	-	204,534	19,941	224,475
Chen Zeng	2022	178,776	-	178,776	18,324	197,100
	2021	179,591	-	179,591	17,509	197,100
John Bevan	2022	193,674	-	193,674	19,851	213,525
	2021	194,557	-	194,557	18,968	213,525
Shirley In’t Veld <sup>2</sup>	2022	203,606	-	203,606	20,869	224,475
	2021	194,469	-	194,469	18,985	213,453
Total Non-Executive Director remuneration	2022	1,165,232	-	1,165,232	104,343	1,269,575
	2021	1,245,936	-	1,245,936	106,149	1,352,085

1. Ms Stein ceased to be a Non-Executive Director effective 25 May 2021. 2. Ms In’t Veld was appointed Chair of the Compensation Committee on 25 May 2021.

### Non-Executive Directors share holdings

Each Non-Executive Director is required to hold shares in the Company having a value at least equal to 50 per cent of their annual fees within five years from their appointment as a Director.

Non-Executive Director	Year	Number of shares as at 1 January <sup>1</sup>	Number of shares acquired during the year	Number of shares as at 31 December <sup>1</sup>	Date on which policy compliance achieved
Peter Day	2022	148,770	-	148,770	03/11/2014
	2021	133,770	15,000	148,770	
Deborah O’Toole	2022	70,000	-	70,000	20/12/2021
	2021	40,000	30,000	70,000	
Chen Zeng	2022	4,804	-	4,804	n/a <sup>-2</sup>
	2021	4,804	-	4,804	
John Bevan	2022	300,154	-	300,154	01/01/2018
	2021	300,154	-	300,154	
Shirley In’t Veld	2022	102,563	50,000 <sup>3</sup>	152,563	03/08/2020
	2021	102,563	-	102,563	
Emma Stein <sup>4</sup>	2021	84,794	-	-	24/02/2014

1. Number of shares held at 1 January and 31 December of the respective years include directly held shares, nominally held shares, and shares held by personally related entities. 2. Mr Zeng is a nominee of CITIC and CITIC holds 548,959,208 ordinary fully paid shares in Alumina Limited. 3. 50,000 purchase on 30 June 2022. 4. Ms Stein retired as a Non-Executive Director effective 25 May 2021. Number of shares held by Ms Stein has not changed between 1 January 2021 and the date of resignation.



## Reconciliation of ordinary shares held by KMP

	Year <sup>1</sup>	Number of ordinary shares					
		Total as at 1 January <sup>1</sup>	Acquired during the year under LTI <sup>2</sup>	Acquired during the year CEO and CFO Conditional Rights	Other shares acquired during the year	Sold during the year	Total as at 31 December
EXECUTIVE KMP							
Mike Ferraro	2022	968,627	-	256,957	-	-	1,225,584
	2021	764,833	-	203,794	-	-	968,627
Galina Kraeva	2022	126,357	-	-	-	-	126,357
Grant Dempsey	2021	49,842	-	104,396	-	-	154,238
Stephen Foster	2022	1,130,199	-	-	-	-	1,130,199
	2021	1,084,697	113,350	-	92,152	(160,000)	1,130,199
Andrew Wood <sup>3</sup>	2022	382,283	-	-	-	-	-
	2021	382,283	-	-	-	-	382,283

1. Number of shares held at 1 January and 31 December of the respective years include directly held, and nominally held shares, and shares held by personally related entities. For Ms Kraeva, the opening balance reflects the number of shares held when she commenced as ICFO/CFO. 2. December 2022 testing of 2020 Performance Rights resulted in zero per cent vesting of total potential entitlement. In 2021, 2019 Performance Rights that were tested in December 2021 resulted in zero percent vesting but the numbers include Rights vested in prior years, which were exercised in 2021. 3. Mr Wood ceased employment with Alumina Limited during the year and therefore his shareholding as at 31 December was not disclosed.

- [About Alumina Limited](#)
- [Chairman and CEO Report](#)
- [Sustainability](#)
- [Our people](#)
- [Remuneration Summary](#)
- [Condensed Consolidated Statement of Financial Position](#)
- [Financial History](#)

# CONSOLIDATED BALANCE SHEET

	US\$ million	
	2022	2021
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	3.8	9.1
Other assets	1.0	1.5
<b>Total current assets</b>	<b>4.8</b>	<b>10.6</b>
<b>NON-CURRENT ASSETS</b>		
Right of use asset	1.9	2.3
Investment in associates	1,656.0	1,741.8
<b>Total non-current assets</b>	<b>1,657.9</b>	<b>1,744.1</b>
<b>Total assets</b>	<b>1,662.7</b>	<b>1,754.7</b>
<b>CURRENT LIABILITIES</b>		
Payables	0.4	0.3
Provisions and other liabilities	0.9	1.2
<b>Total current liabilities</b>	<b>1.3</b>	<b>1.5</b>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	110.0	65.0
Lease liability	1.3	1.7
Provisions	0.7	0.9
<b>Total non-current liabilities</b>	<b>112.0</b>	<b>67.6</b>
<b>Total liabilities</b>	<b>113.3</b>	<b>69.1</b>
<b>Net assets</b>	<b>1,549.4</b>	<b>1,685.6</b>
<b>EQUITY</b>		
Contributed equity	2,706.7	2,706.7
Treasury shares	(0.8)	(1.2)
Reserves	(1,450.1)	(1,396.8)
Retained earnings	293.6	376.9
<b>Total equity</b>	<b>1,549.4</b>	<b>1,685.6</b>

# FINANCIAL — HISTORY

Alumina Limited and Controlled  
Entities as at 31 December

## US\$ MILLIONS

	2022	2021	2020	2019	2018
Revenue from continuing operations	0.7	-	0.1	2.5	1.6
Share of net profit of associates accounted for using the equity method	120.1	204.6	164.6	232.0	653.5
General and administrative expenses	(12.5)	(13.3)	(12.6)	(12.1)	(11.6)
Change in fair value of derivatives/foreign exchange losses	0.1	-	0.2	(1.0)	(1.4)
Finance costs	(4.4)	(3.7)	(5.2)	(7.3)	(6.7)
Income tax (expense)/benefit from continuing operations	-	-	(0.5)	(0.1)	-
Net profit/(loss) attributable to owners of Alumina Limited	104.0	187.6	146.6	214.0	635.4
Total assets	1,662.7	1,754.7	1,796.7	1,853.8	2,245.1
Total liabilities	113.3	69.1	62.1	71.7	109.3
Net assets	1,549.4	1,685.6	1,734.6	1,782.1	2,135.8
Shareholders' funds	1,549.4	1,685.6	1,734.6	1,782.1	2,135.8
Dividends paid	203.1 <sup>2</sup>	182.8	184.3	532.8	515.5
Dividends received from AWAC	360.6	191.1	171.4	381.7	657.2

## STATISTICS

Dividends declared per ordinary share	US4.2c	US6.2c	US5.7c	US8.0c	US22.7c
Dividend payout ratio	195.3%	97.4%	125.7%	249.0%	81.0%
Return on equity <sup>1</sup>	6.7%	11.2%	8.9%	11.0%	30.3%
Gearing (net debt to equity)	6.4%	3.2%	2.8%	3.0%	(4.3%)
Net tangible assets backing per share	\$0.45	\$0.50	\$0.51	\$0.53	\$0.66
Basic EPS (US cents)	3.6	6.5	5.1	7.4	22.1
End of year share price (AUD)	1.52	1.865	1.835	2.30	2.30
Franking of dividends	100%	100%	100%	100%	100%
Total shareholder return (including franking credits)	(11.3)%	9.0%	(14.2%)	15.5%	7.7%
Total shareholder return (excluding franking credits)	(13.5)%	6.8%	(16.0%)	10.8%	3.8%

1. Based on net profit/(loss) attributable to owners of Alumina Limited. 2. Final dividend for the financial year ended 31 December 2021, declared and paid in 2022 and interim dividend for the year ended 31 December 2022, declared and paid in 2022.



- About Alumina Limited
- Chairman and CEO Report
- Sustainability
- Our people
- Remuneration Summary
- Condensed Consolidated Statement of Financial Position
- Financial History



## ALUMINA LIMITED

ABN 85 004 820 419

**Registered Corporate Head  
Office and Postal Address**  
Level 36, 2 Southbank Boulevard  
Southbank Victoria 3006 Australia

**Telephone** +61 (0)3 8699 2600

**Facsimile** +61 (0)3 8699 2699

**Website** [www.aluminalimited.com](http://www.aluminalimited.com)

**Email** [info@aluminalimited.com](mailto:info@aluminalimited.com)

## AMERICAN DEPOSITARY RECEIPTS

BNY Mellon shareowner services telephone  
and internet correspondence:

**Toll free number (for callers within the USA)**  
1-888-BNY-ADRS (1-888-269-2377)

**Telephone (for non-US callers)**  
+1 201-680-6825

**Website**  
[www-us.computershare.com/investor](http://www-us.computershare.com/investor)

**Email**  
[shrrelations@cpushareownerservices.com](mailto:shrrelations@cpushareownerservices.com)

Shareowner correspondence  
should be mailed to:

**BNY Mellon Shareowner Services**  
P.O. Box 505000  
Louisville, KY 40233-5000

Overnight Shareowner correspondence  
should be mailed to:

462 South 4th Street Suite 1600 Louisville  
KY 40202 United States

## SHARE REGISTRY

**Computershare Investor Services Pty Limited**  
Yarra Falls 452 Johnston Street  
Abbotsford Victoria 3067 Australia

GPO Box 2975  
Melbourne Victoria 3001 Australia

**Telephone** +61(0)3 9415 4027

Or 1300 556 050 (for callers within Australia)

**Facsimile** +61(0)3 9473 2500

**Email** [web.queries@computershare.com.au](mailto:web.queries@computershare.com.au)

---

Neither Alumina Limited nor any other person warrants or guarantees the future performance of Alumina Limited or any return on any investment made in Alumina Limited securities. This document may contain certain forward-looking statements, including forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. The words "anticipate", "aim", "believe", "expect", "project", "estimate", "forecast", "intend", "likely", "should", "could", "will", "may", "target", "plan" and other similar expressions (including indications of "objectives") are intended to identify forward-looking statements. Indications of, and guidance on, future financial position and performance and distributions, and statements regarding Alumina Limited's future developments and the market outlook, are also forward-looking statements.

Any forward-looking statements contained in this document are not guarantees of future performance. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Alumina Limited and its directors, officers, employees and agents that may cause actual results to differ materially from those expressed or implied in such statements. Those risks, uncertainties and other factors include (without limitation): (a) material adverse changes in global economic conditions, alumina or aluminium industry conditions or the markets served by AWAC; (b) changes in production or development costs, production levels or sales agreements; (c) changes in laws, regulations or policies; (d) changes in alumina or aluminium prices or currency exchange rates; (e) Alumina Limited does not hold a majority interest in AWAC and decisions made by majority vote may not be in the best interests of Alumina Limited; and (f) the other risk factors summarised in Alumina Limited's Annual Report 2022. Readers should not place undue reliance on forward-looking statements. Except as required by law, Alumina Limited disclaims any responsibility to update or revise any forward-looking statements to reflect any new information or any change in the events, conditions or circumstances on which a statement is based or to which it relates.

