



Sustainability Report

2015

ABOUT THIS REPORT

Welcome to the sixth Qatargas sustainability report, covering the company's economic, environmental and social performance in 2015.

In preparing this report we have used a range of reporting guidelines, including the Global Reporting Initiative (GRI) G4 guidelines, the International Petroleum Industry Environmental Conservation Association (IPIECA) / America Petroleum Institute (API) / International Oil and Gas Producers Association (OGP) 2015 voluntary guidelines for sustainability reporting, and the Qatar Energy and Industry Sector Sustainability (QEISS) reporting guidelines.

This report has been prepared with the GRI G4 Guidelines. The report has also successfully completed the Content Index Service offered by the GRI. Further details on the preparation of this report and the GRI index can be found in Appendices A and B.

We invite all stakeholders to provide us with comments and feedback on the contents of this report and our sustainability performance, through the following channels:



sustainability@qatargas.com



www.facebook.com/qatargas



www.linkedin.com/company/23331



www.twitter.com/@Qatargas



www.youtube.com/channel/UCK-M7hLGKt5sUd5L-YikFtw



www.instagram.com/qatargas



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PERFORMANCE HIGHLIGHTS FROM 2015

98.4% LNG RELIABILITY	96.3% LNG AVAILABILITY	100% RELIABLE DELIVERIES TO CUSTOMERS	93% CUSTOMER SATISFACTION
NEW LONG TERM CONTRACT WITH PAKISTAN FOR LNG SUPPLY	7 YEARS OF OPERATION WITHOUT A LOST TIME INJURY AT QATARGAS' LOADING AND STORAGE FACILITY	6 YEARS WITHOUT A LOST TIME INJURY AND 2 YEARS WITHOUT A RECORDABLE INJURY AT LAFFAN REFINERY	1.6 MILLION MAN-HOURS WORKED ON EXECUTING 2 SHUTDOWNS, CONCLUDED AHEAD OF SCHEDULE, WITH ZERO RECORDABLE INJURIES
90% RECOVERY OF BOIL-OFF GAS DURING LNG LOADING AS PART OF THE FIRST FULL YEAR OF OPERATION OF OUR JETTY BOIL-OFF GAS RECOVERY (JBOG) FACILITY	76% REDUCTION IN GHG EMISSIONS FROM LNG LOADING RELATIVE TO 2013	SUCCESSFUL COMMISSIONING OF THE PILOT M-TYPE ELECTRONICALLY CONTROLLED - GAS INJECTION (ME-GI) PROJECT THAT ALLOWS HEAVY FUEL OIL IN LARGE Q-MAX VESSELS TO BE REPLACED WITH CLEANER LNG FUEL	43 NATIONAL TRAINEES AND 44 NATIONAL GRADUATES HAVE SUCCESSFULLY COMPLETED THEIR INDIVIDUAL DEVELOPMENT AND TRAINING PLANS
7.1 MILLION QR ALLOCATED FOR SCHOLARSHIPS FOR QATARI STUDENTS	332 EMPLOYEES RECEIVED 'LONG SERVICE AWARD'	QR 16.6 MILLION INVESTED IN CSR PROJECTS	

2015 AWARDS



GLOBE OF HONOUR AWARD AWARDED BY THE BRITISH SAFETY COUNCIL FOR EXCELLENCE IN ENVIRONMENTAL MANAGEMENT	SWORD OF HONOUR AWARD AWARDED BY THE BRITISH SAFETY COUNCIL FOR EXCELLENCE IN HEALTH AND SAFETY MANAGEMENT - ONE OF SEVEN COMPANIES WORLDWIDE TO RECEIVE IT JOINTLY WITH GLOBE OF HONOUR FOR TWO CONSECUTIVE YEARS
CHARTERED INSTITUTE OF PROCUREMENT & SUPPLY (CIPS) STANDARD CERTIFICATION AWARDED FOR OUTSTANDING PROCUREMENT POLICIES AND PROCEDURES	
GULF COOPERATION COUNCIL (GCC) ENVIRONMENTAL AWARD IN THE CATEGORY 'BEST INDUSTRIAL ESTABLISHMENT THAT COMPLIES WITH ENVIRONMENTAL REGULATIONS AND STANDARDS'	

MESSAGE FROM THE CEO

As a reliable provider of cleaner energy, we are committed to being the World's Premier LNG Company, and playing a pivotal role in helping the world meet its energy needs. We are adding to the energy diversity of countries in Asia, Europe, the Middle East, and the Americas, and we are committed to helping these countries reduce their environmental footprint by providing reliable, clean energy.

Qatargas' role in the global energy sector has become more important than ever with the State of Qatar joining 194 nations across the globe to be part of the truly historic international Climate Change Agreement signed in Paris in December 2015. In this agreement, the signatory countries have committed to decreasing greenhouse gas emissions to a level that will prevent the irreversible negative impact of climate change. Using reliable and cleaner energy sources has become a fundamental component of greenhouse gas mitigation strategies on a global level.

Our approach to premiership goes beyond securing a prominent space in the world energy market, toward setting leading standards in the way we add value for our internal and external stakeholders. Back in 2010, Qatargas established a set of challenging targets to be fulfilled by 2015 in order to demonstrate world-class economic, social, and environmental performance. By not only achieving those targets but setting best practices in the industry, and investing significant financial resources, we outperformed other industry players in all these areas.

An example of how we are setting new standards is the iconic USD 1 billion Jetty Boil-Off Gas (JBOG) recovery project, which completed its first full year of operation during 2015. Through JBOG, we recovered 90 per cent of the previously flared boil-off gas, saving a significant amount of energy, and reducing Qatargas' environmental impact. Our efforts in piloting the installation of LNG-based engines in LNG transport vessels are also creating new customers for our product while reducing the environmental impact of the shipping industry.



Qatargas has also demonstrated premier performance at the world's first fully integrated value chain LNG venture by achieving six years without lost time injuries (LTI) in Laffan Refinery, seven years without LTI in the LNG Storage and Loading facility, and two years without LTI in Qatargas 2. Furthermore, Qatargas' Shipping Department won the prestigious Sword of Honour and Globe of Honour awards for the second time in a row for its commitment to achieving excellent standards of health, safety, and environmental management.

Despite challenging times in the oil and gas market, Qatargas has maintained stability in operations and demonstrated leadership by focusing on long-term goals related to market expansion; customer satisfaction; operational efficiency and reliability; performance in safety, health, and environment; and the development of a high calibre workforce. We are confident that this far-sighted approach will help us further strengthen our leadership position.

We are proud of these achievements and now prepare ourselves to drive our 2020 vision forward, consolidating our position as the World's Premier LNG Company.


Khalid Bin Khalifa Al-Thani
CEO, Qatargas



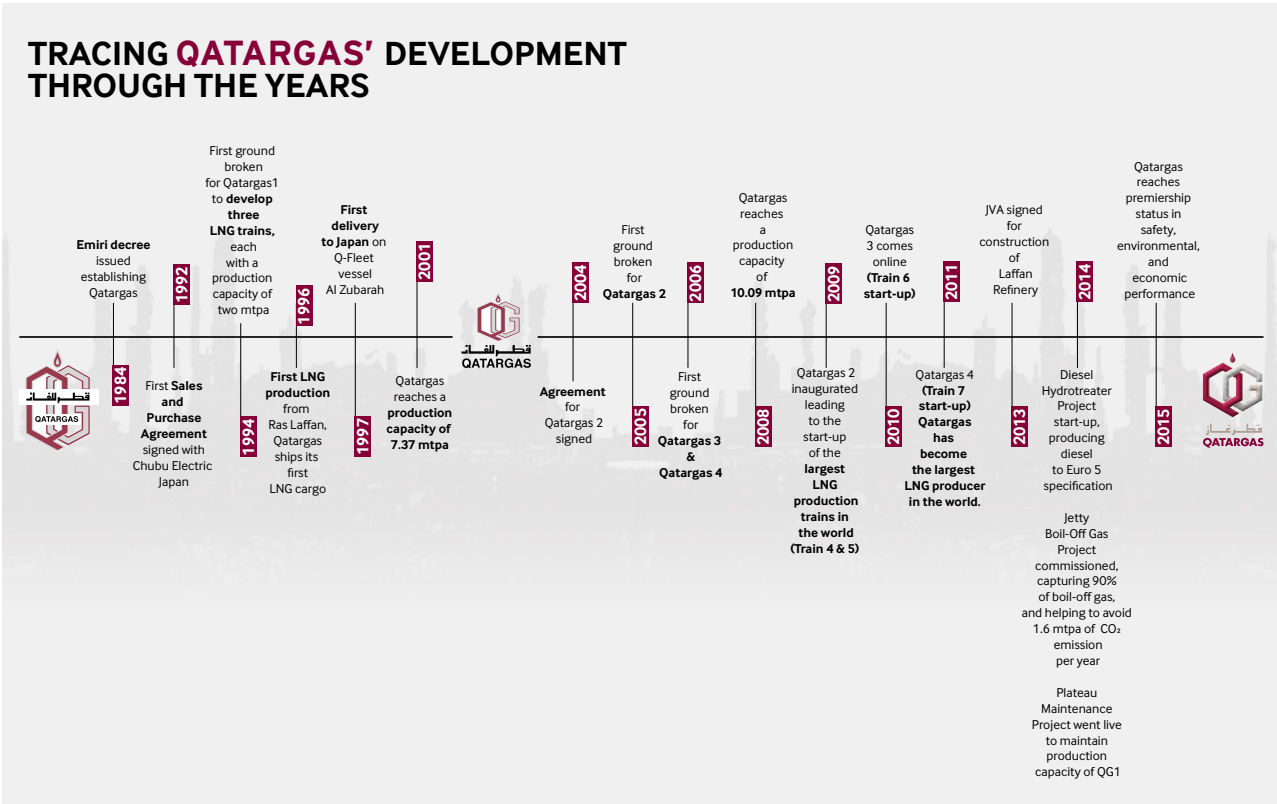
QATARGAS



Qatargas is the largest liquefied natural gas (LNG) producing company in the world, with a renewed vision of retaining its position as the World's Premier LNG Company. Thanks to the full engagement of our diverse, high-calibre workforce, we are setting new standards in safety and environmental performance, efficient and reliable operations and, as a consequence, setting the bar in terms of customer satisfaction and financial performance.

History and Operational Structure

2015 marked 31 years since Qatargas was established as an independent entity aiming to convert natural gas from the world's largest non-associate gas field (North Field) into LNG. The first cargo of LNG was delivered to Japan by Qatargas 1 (QG1) in 1997, five years after signing a Sales and Purchase Agreement (SPA) with Japan. An integrated model of LNG supply was set in 2005 when a 25-year SPA was signed with the United Kingdom, leading to the construction of Europe's largest LNG receiving terminal at South Hook, in Wales, UK.



Following production growth, Qatargas' expansion involved developing three other gas liquefying ventures (QG2, QG3, and QG4), building Laffan Refinery to refine condensate from the liquefaction process into further products, developing a dedicated fleet of ships to transport the LNG, and constructing a regasification terminal. The company continues to expand and is building a second refinery.

With the construction of the Diesel Hydrotreater Project, Qatargas has positioned itself as a producer of high-quality diesel products, compatible with the strictest European environmental requirements. In line with its premiership status for operating excellence and innovation, Qatargas commissioned in 2015 an iconic environmental project, the Jetty Boil-Off Gas Recovery Facility, allowing it to minimise flaring of boil-off gas, thus preventing the loss of energy and reducing greenhouse gas emissions. This project is unique in the LNG industry. Other environmental projects using state-of-the-art technologies directed at wastewater and waste treatment are currently in the implementation stage.

Vision

During the period of expansion, Qatargas remained committed to a Direction Statement articulating the Vision of becoming ‘the World’s Premier LNG Company’ by 2015. Achieving premiership status involved reaching challenging targets and setting the standard in five pillars of the Vision.

Qatargas Vision

We will be the World’s Premier LNG Company.

We will be known for our people, innovation, operating excellence, and corporate social responsibility.

We will set the standard for:

- Safety, Health and Environmental Performance;
- A High Calibre, Diverse Workforce;
- Efficient and Reliable Operations;
- Customer Satisfaction;
- Financial Performance.

Exceeding many targets ahead of time, Qatargas has reached premiership status. The company is now moving forward to maintain its status of ‘premiership’ in providing reliable and clean energy. We have established new targets for 2020, aspiring to exceed current achievements within the limits of expected LNG market development and operational capabilities.

Pillar of the Vision	KPI	2015 Actuals	2020 Target
Safety, Health, Environment Performance	Lost Time Incidents (LTI) ¹	4	0
	Tier 1 Process Safety Events ²	1	0
	Flaring (% of sweet gas)	0.52	0.30
High Calibre Workforce	Compliance to the Technical Competence Framework (%) ³	New	100
	Qatarization (%)	24.6	50 ⁴
Efficient and Reliable Operations	LNG Reliability (%)	98.4	98.4
	LNG Availability ⁵ (%)	96.3	95.7
	LNG Utilisation (%)	90.1	88.0
	LNG Unit Cost (USD/tonne)	11	13.7
Customer Satisfaction	Late Deliveries	0	0
	Off-spec Deliveries	0	0
Financial Performance	Enter New Niche LNG Segments (million tonnes)	New	0.5
	Optimisation Netback Uplift (%)	New	100
	Sales Volume (million tonnes)	60.1	61.6

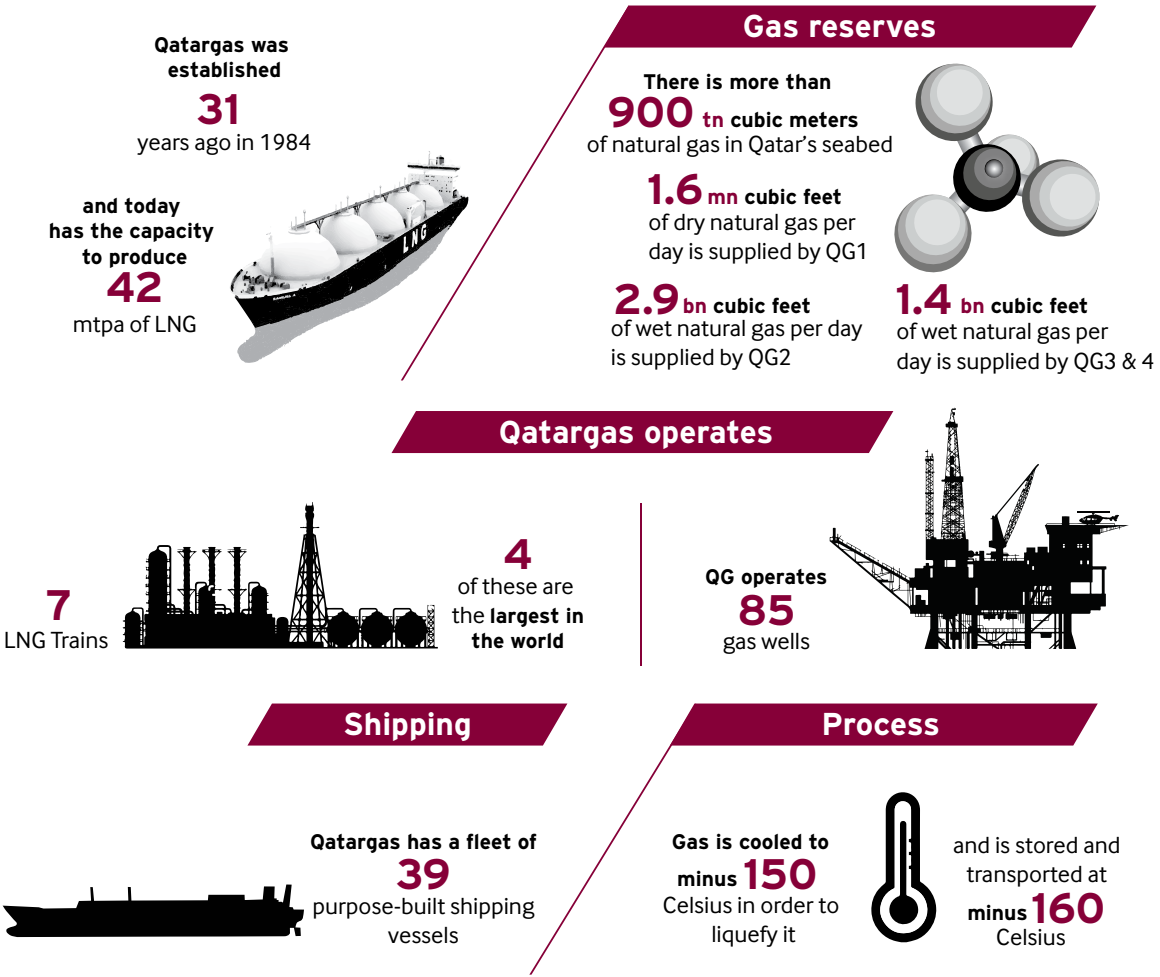
¹ LTI accounts for number of incidents that constrain a person’s capacity of coming to work the following day.
² Tier 1 Process Safety Events are unplanned or uncontrolled major releases of any material from a process.
³ Newly established KPI
⁴ 50% Qatarization target is to be achieved by 2030
⁵ Normalised for planned shutdowns

As the world’s first LNG company with a fully integrated value chain—managing the entire LNG cycle, from extraction to final delivery—Qatargas adopts a holistic management approach that views all interdependent components of the business as parts of a single enterprise. Each component is equally important for achieving ultimate performance success. Focused on best practices, the company is implementing numerous initiatives to ensure the most-qualified workforce, set an example of innovation in tackling industry-related sustainability concerns, excel in its operations, and play a good corporate citizenship role.

By integrating economic, environmental, and social aspects in day-to-day operations, Qatargas is truly following a sustainable approach in its business. As the largest contributor to Qatar’s economy and the largest LNG supplier in the world, Qatargas’ premiership status is of particular importance on the national and international levels.

At Qatargas, our mission is to safely, efficiently and reliably manage and operate all of our resources including people, reserves, facilities and the environment.

QATARGAS
IN NUMBERS



SUSTAINABILITY AT QATARGAS

Global demand for energy is growing and there is ever-increasing concern about the damaging impact of increased energy consumption on the environment. As a result, Qatargas plays a pivotal role in supplying reliable and clean energy.

Sustainability lies at the heart of Qatargas' operations. To demonstrate our commitment to contribute to Qatar's economic development while using national resources in a responsible manner, we have achieved the Vision of being the World's Premier LNG Company. Premier performance is embedded in the company's culture and in every aspect of its operations. Aiming to serve as a role model in business management, Qatargas integrates economic, environmental, and social considerations in every management decision and in every activity we undertake.

The pillars of Qatargas' Vision incorporate the company's approach to sustainable operation. Our focus is on setting the standard in safety, health, and environment.

Safe working conditions attract a high-calibre workforce, capable of ensuring efficient and reliable operations, which minimise impact on the environment. In turn, premier operational performance results in high levels of customer satisfaction, increasing the company's reputation for being a reliable partner, thus leading to successful financial performance.

Stakeholders

Qatargas identifies 10 major groups of stakeholders, presented in Figure 1. Numerous channels of engagement for involving stakeholders are used to communicate company priorities and receive input that is then used to tackle stakeholders' concerns. Continuous engagement with stakeholders is the basis for positioning Qatargas as an example of operating excellence, innovation, high calibre people and corporate social responsibility. More detailed information about channels of engagement and Qatargas' actions in addressing stakeholder priorities is presented in Appendix C - Stakeholder Map.

Implementation of the Qatargas Direction Statement, which captures our sustainability commitments, is the responsibility of every employee and it is communicated and reinforced at every opportunity.



Figure 1. Qatargas stakeholders

Materiality

Qatargas reports on its sustainability performance in line with the principle of prioritising the issues that are most material for the company. The issues communicated extensively in this report reflect the company’s significant economic, environmental, and social impacts or issues that substantively influence stakeholders’ assessments and decisions. The chapters of this report are structured around the focus areas of Qatargas’ sustainability framework, with materiality issues reflected in the chapters’ sections. This gives stakeholders and the public a structured way to access information related to the company’s actions and plans in relation to each materiality issue.

In 2015, following the trend of previous years, Qatargas conducted a materiality assessment to review any changes in issues considered to be material, based on:

- Materiality issues reported in the Sustainability Report 2014
- New materiality issues identified in the course of the stakeholders’ engagement workshop
- GRI G4 guidelines and supporting documents
- IPIECA guidelines and supporting documents
- Qatar Energy and Industry Sector priorities based on the sectoral sustainability reporting of 2014
- Issues of primary importance as set in the Qatar National Vision 2030 and National Development Strategy 2011-2016
- Qatargas’ Direction of sustaining premiership status

Material issues are structured around the five pillars of Qatargas’ Vision, reflecting the order of priority attributed to each area, as demonstrated in Figure 2. Material issues related to safety, health, and environmental performance form the basis of the operation, closely followed by material issues linked to the workforce and the society-related focus areas of the Vision. Efficient and reliable operations occupy the central place in the company’s performance, securing continuous, high-quality production at optimal cost. Successful management of these issues will effectively impact material issues related to acquiring a high level of customer satisfaction and economic performance.

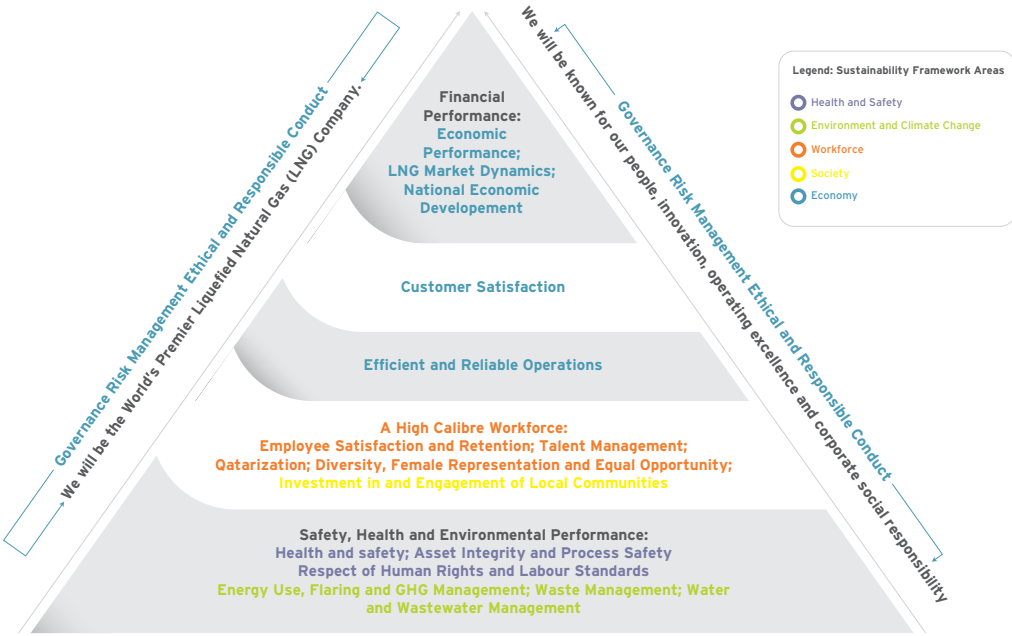


Figure 2. Material issues related to Qatargas activity

Qatargas’ governance ensures effective management of material issues by thoroughly monitoring performance in all areas of material concern and taking timely measures to address inconsistencies with the company’s strategic direction. The Management of the company uses risk management instruments at different levels of the company’s governance structure to effectively oversee issues of material concern related to the company’s fully integrated value chain. Ethical and responsible conduct serves as an underlying principle in the relationship with all Qatargas stakeholders.

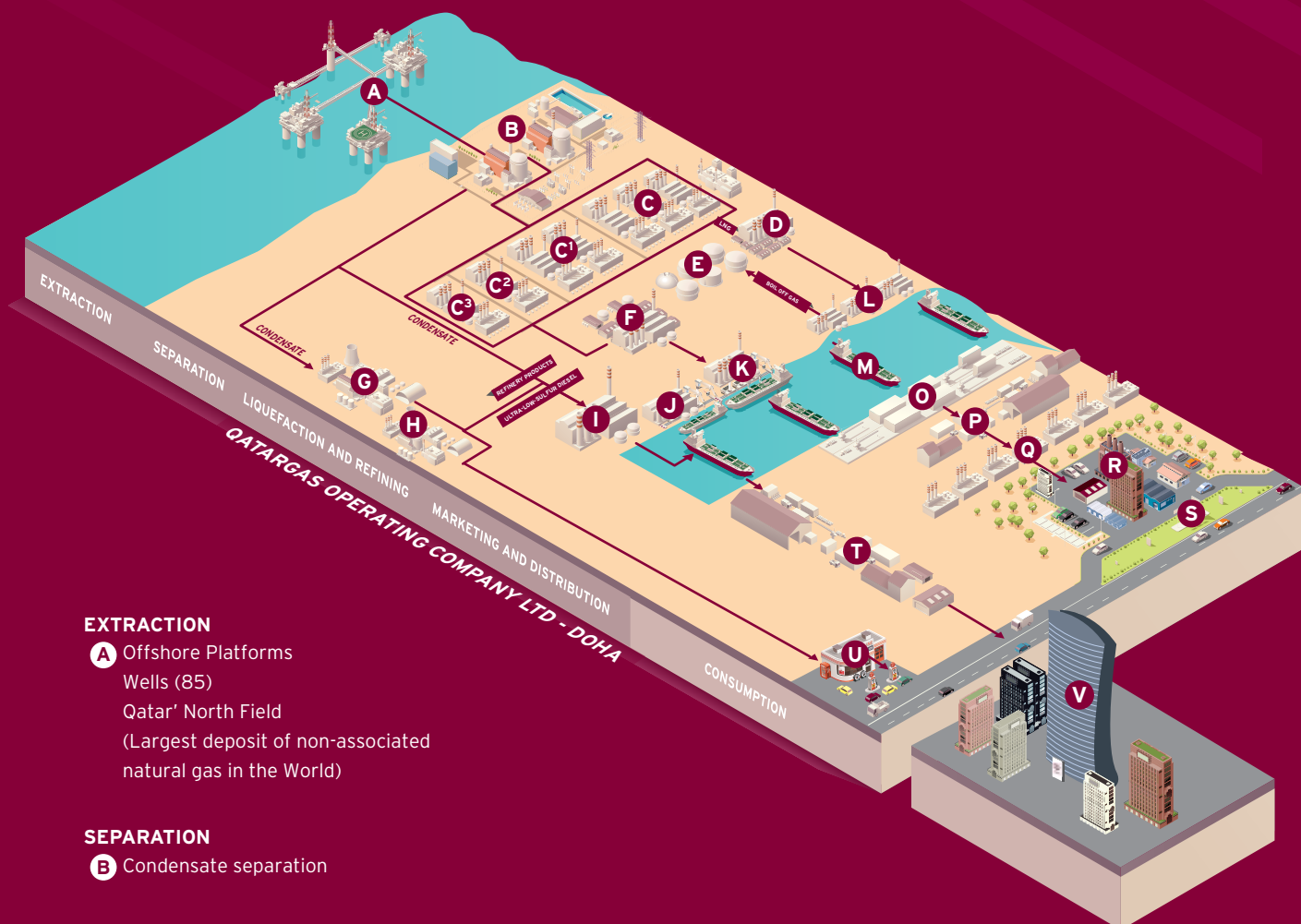
Sustainability Framework

QNV2030					
Sustaining the Environment for Future Generations					
Qatar Energy and Industry Sector Sustainability (QIESS) Programme					
	QIESS Indicators 2014	Sector 2014	LNG subsector (Dolphin, RasGas, Qatargas) 2014		
Energy and Climate Change Environment	GHG emissions	83,489,950	39,542,421		
	GHG emission intensity (tonne CO ₂ /tonne of production)	0.416	0.232		
	Flaring (MMSCF)	142,456	45,449		
	Total energy use	1,035,349,601	560,101,160		
Environment	Water consumption	38,214,977	24%		
	Water consumption intensity (m3/tonne of production)	0.18	0.06		
	Wastewater discharged to sea (m3)	24,478,333	958,996		
	Wastewater recycled (m3)	33,074,650	649,887		
	Waste generation	1,274,934	25,636		
	Waste recycled (tonnes or %)	412,788	11,082		
	Nox emissions	69,570	18,684		
	Sox emissions	172,416	18,624		
Health and Safety	Fatalities	5	0		
	Lost time injury frequency (employees and contractors)	0.31			
	Total recordable injury frequency (employees and contractors)	1.35			
	Occupational illness (employees)	0.34	0		
	Heat stress events	106	5		
	Loss of containment (spills)	22			
Promoting Human Development					
Workforce	Total workforce	42,384	7,218		
	Female (%)	8.90%	11.60%		
	Qatarization rate (%)	23.40%	30.10%		
	Average hours training/employee	35	37		
	Turnover rate (%)	6.65%	7.20%		
An Integrated Approach to Sound Social Development					
Society	Total social investment spending (QAR)	208,493,359	8,058,747		
Sustaining Economic Prosperity					
Economy	Production of LNG/Natural Gas (mln tonnes)		149.3		
	New jobs created in 2014	1,747	108		
	Percentage of procurement budget spent on locally-based suppliers	57.70%	53.30%		
Qatargas Sustainability Indicators					
Qatargas Sustainability Focus Areas		2012	2013	2014	2015
Environment and Climate Change	GHG emissions (tonnes CO2 eq.)	25,605,889	26,488,023	25,037,372	24,842,627
	GHG emission intensity (tonne CO ₂ /tonne of production)	0.46	0.47	0.432	0.433
	Flaring (MMSCF)	37,850	37,940	20,148	13,052
	Total energy use (GJ)	267,423,349	280,030,498	274,204,429	282,853,277
	Water consumption (m3)	267,423,349	4,329,053	4,505,991	4,504,140
	Water consumption intensity (m3/tonne of production)	0.11	0.10	0.11	0.11
	Wastewater discharged to sea (m3)	950,529	961,556	958,996	965,123
	Wastewater recycled (m3)				
	Waste generation	9,599	5,872	7,065	6,805
	Waste recycled (tonnes or %)	4,569	1,775	2,038	1,534
	Nox emissions	11,916	11,749	11,157	10,454
	Sox emissions	18,090	17,400	16,387	12,583
	Fatalities (employees and contractors)	7	0	0	0
	Lost time injury frequency (employees and contractors)	0.08	0.05	0.05	0.1
Health and Safety	Total recordable injury frequency (employees and contractors)	1.38	0.94	0.82	0.65
	Occupational illness (employees)	0	0	0	0
	Heat stress events (employees and contractors)	0	6	2	2
	Loss of containment (spills)	0	0	0	1
Workforce	Total workforce	2,850	2,995	3,043	3,080
	Female (%)	9.40%	9.60%	10.10%	10.30%
	Qatarization rate (%)	25.80%	26.10%	24.10%	25.80%
	Average hours training/employee	24.5	28.7	53.8	40
	Turnover rate (%)	7.50%	7.00%	6.50%	5.50%
A high calibre, diverse workforce					
Society	Total social investment spending (QAR)	7,350,000	12,670,000	17,317,500	16,609,966
Economy	Production (mln tonnes LNG)	40	40.9	40.4	41.4
	New jobs created		358	257	236
	Percentage of procurement budget spent on locally-based suppliers	57%	44%	80%	71%
	Late deliveries				0
	Customer satisfaction				93%
Pillars of Qatargas' Vision: we will set standard for:					
Vision Indicators 2020					
Safety, Health and Environmental performance					
	Flaring as % of sweet gas				0.3
	Lost time injuries				0

VALUE CHAIN

OUR VALUE CHAIN

Qatargas is a fully integrated LNG company with a value chain that runs from the well-head, off-shore Qatar, to our customers all around the world.



EXTRACTION

- A** Offshore Platforms
Wells (85)
Qatar' North Field
(Largest deposit of non-associated natural gas in the World)

SEPARATION

- B** Condensate separation

LIQUEFACTION AND REFINING

- C** Qatargas 1 Train 1 - 3.3 MTPA Train 2 - 3.3 MTPA Train 3 - 3.3 MTPA
- C¹** Qatargas 2 Train 4 - 7.8 MTPA Train 5 - 7.8 MTPA
- C²** Qatargas 3 Train 6 - 7.8 MTPA
- C³** Qatargas 4 Train 7 - 7.8 MTPA
- D** Common LNG Storage
- E** Jetty Boil-Off Gas (JBOG)
- F** Common Sulphur Facility
- G** Laffan Refinery 1
- H** Laffan Refinery 2 (under construction)
- I** Storage for condensate and other liquid products
- J** Liquid Products Berths
- K** Berths for Sulphur Loading

MARKETING AND DISTRIBUTION

- L** Ras Laffan Terminal LNG Loading Berths
- M** Ships
- O** Receiving terminals

CONSUMPTION

- P** Regasification
- Q** Power stations
- R** Homes, offices and factories
- S** Lights, appliances and cooking gas
- T** Distribution of by-products
- U** Local Markets (Petrol/Gas Stations)

- V** Qatargas Doha Head Office

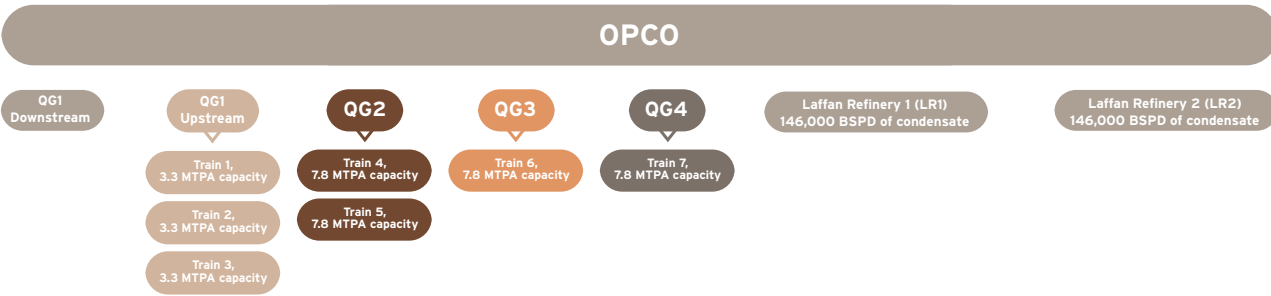


GOVERNANCE AND RISK MANAGEMENT

The role of corporate governance for Qatargas is to ensure long term viability and returns for shareholders, while preventing environmental and social risks related to company operations and maximising benefits for all stakeholders. Qatargas' governance management provides a holistic and long-term approach to company management. Corporate structure and ownership of the company, measures taken to maximise efficiency and minimise risks, and guiding principles for how the company functions are the core elements defining governance and risk management for Qatargas.

We (Qatargas) want to continue to be a profitable company, doing business in an ethical way; caring for our people, their families, the environment and the communities around us and conducting our business in a responsible manner.

Governance
 Qatargas Operating Company Limited (OPCO) operates one unincorporated and six incorporated joint venture companies, which together constitute the Qatargas family.



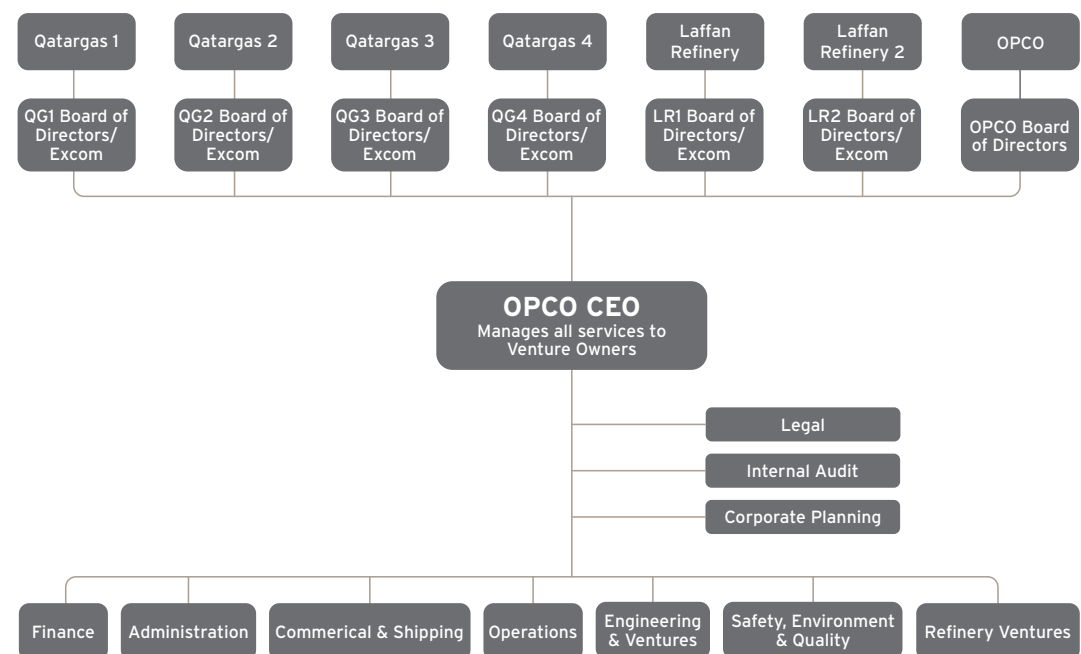
Each joint venture has a different ownership structure, with 70% of OPCO belonging to Qatar Petroleum, and 30% to the eight joint venture partners:



Governance and Operating Structure
 The OPCO Board of Directors has 11 members: three are representatives of Qatar Petroleum and eight are representatives of the other shareholders. 10 out of 11 Board members are non-executive and independent.

OPCO's Articles of Association and Joint Venture Agreement identify the roles and responsibilities of the members of the Board, and further delegate authority to the Chief Operating Officers of seven Groups within Qatargas and their relevant committees.

Sustainable company management is the responsibility of the Qatargas CEO. The diagram overleaf represents the structure of Qatargas governing bodies.



Internal Audit

Qatargas has multiple ventures with a wide range of activities managed by various departments, operating in accordance with the strategic direction provided by the Board of Directors. In order to assess the effectiveness in the performance of corporate activities and ventures, the Internal Audit Department collects and analyses information provided by cyclical internal audits of every company's department, at least once every four years. The results are communicated to the Board Audit Committee that, in turn, communicates them to the Board of Directors.

QGMS (Qatargas Management System)

Qatargas has established an integrated approach to company management, where the Vision objectives, Mission and related Covenants are embedded in the operational objectives of each department through a corporate management tool, the Qatargas Management System (QGMS). QGMS aligns the implementation of corporate objectives and business plans across the organisation through initiatives including benchmarking, best practices, optimum utilisation of resources and knowledge, availability and use of policies and procedures, open communication and others.

By the end of 2015, 80% of all Qatargas business processes had been redesigned and documented in accordance with the QGMS. Integrated functioning of the System formalises and organises interactions between interrelated processes, where different parts of Qatargas complement each other in reaching common company objectives. A culture of cross-functional teamwork continues to grow across Qatargas as a result of this transformation of business processes. At the same time, QGMS implementation involves revision of the administrative processes across departments, thus optimising efficiency of their operations and use of resources.

Adherence to International Standards

In the development of its management practices, Qatargas adheres to best practices' and international standards of quality pertinent to an area under management. Being compliant with internationally recognised standards provides Qatargas with these benefits :

- cost savings, due to optimised management processes,
- efficient and effective production due to enhanced management of risks for company assets,
- enhanced customer satisfaction, due to offering products that correspond to internationally recognised high quality standard,
- access to new markets, due to overcoming restrictions on product quality imposed by some markets,
- environmental benefits, due to reduced impact on environment.

Qatargas corresponds to international standards of quality in its different processes. Qatargas has received or been re-accredited for:

- ISO 9001 Quality Management
- ISO 14001 Environmental Management
- OHSAS 18001 Occupational Health and Safety Management
- ISO 31000 Risk Management
- ISO 22301 Business Continuity Management

Risk Management

Given that Qatargas is operating as a fully integrated LNG value chain, numerous external and internal risks could affect any segment of this chain and thus cause disruption to the stable functioning of the company's business, or could affect business as a whole. It is difficult for Qatargas to control all the risks, however the company monitors them, acknowledges them and is elaborating various reaction scenarios might those risks materialise in a serious impediment to the company's operational abilities. Internal risks enter into a sphere of Qatargas control, and thus undergo continuous evaluation regarding what

preventive measures are required and what reactive actions will be necessary in the unlikely event of such risks occurring. In order to ensure stable functioning of the company's business in accordance with the expectations of all stakeholders, Qatargas dedicates particular attention to managing the risks related to its value chain.

Enterprise Risk Management

The Enterprise Risk Management Programme rolled out in 2010 focuses on timely and effective risk prevention across Qatargas' value chain. It establishes a framework for identifying, reporting and managing risks related to Qatargas' operations.

Risk registers that manage corporate risks on strategic and operational levels are reviewed on quarterly basis to evaluate the risks and introduce corresponding measures in risk management. A major review of the risk management process began in January 2014, and its rollout across the Operations Groups had achieved 85% coverage by the end of 2015. The refined process introduced several improvements in areas such as risk identification, risk estimation and risk governance. In parallel, the migration of Excel-based risk registers to a centralised database solution was initiated in 2015. This will provide a single point of reference for all risk descriptions, actions and reports. Migration and related trainings on system utilisation are expected to be finalised by mid-2016.

The 'Operational Risk Management' study is another Qatargas initiative to enhance its risk management profile, and will continue in 2016. The study is focused on ensuring that opportunities for risk identification, management and escalation take place in daily procedures as required for safe and efficient operations.

Business Continuity

Business continuity is vital for a company with tightly related elements of the integrated value chain. Business Continuity Management (BCM) focuses on preventing any disruption along Qatargas' value chain. After being integrated across all departments in 2014, the BCM Programme continued to implement the agreed strategies in order to increase the resilience of the organisation. This campaign will continue running for a number of years and will rigorously test the workarounds that have been set out in departmental business continuity plans.

Based on the testing of BCM workarounds with several departments in 2015, the learnings were considered and required improvements were immediately introduced. Looking ahead, 2016 will be the year for institutionalising BCM by completing the implementation of all BCM-related strategies and meticulously testing them. In parallel we will further develop the skill set and competency of our workforce with regards to business continuity.

Crisis Management

The company's approach to risk management focuses on the effectiveness of preventive measures to avoid any risk happening. However, Qatargas is also ready to manage

any crisis that may arise due to unforeseen circumstances. The Emergency Management and Security Division is responsible for the implementation of the People, Environment, Asset and Reputation process (PEAR) which is described in more detail in the section Emergency Response and Security.

Ethical and Responsible Conduct

Qatargas expects its stakeholders to be guided by the principles of ethical and responsible behavior in the relationship with each other and regarding any issue related to the company's business. The company embeds these practices through the sets of rules, which are related to the appropriate conduct expected from everyone working for or with Qatargas. The rules are arranged in a number of codes adopted in accordance with international standards and professional practices. Qatargas has developed the following rules governing the conduct of all parties involved in Qatargas business:

- Direction Statement
- Code of Business Ethics
- Internal Audit Charter
- Employee Relations Policy
- Social Investment Policy and Procedure
- Safety, Health and Environment Committee Charter
- Enterprise Risk Management Process

Code of Business Ethics Policy

The Code of Business Ethics Policy is a set of rules regulating responsible and fair culture in the company, free of corruption, fraud and unethical behavior. The Ethics and Conflict of Interest Committee (ECIC) acts as a custodian of the Code and governs everyone's adherence to its rules. ECIC is responsible for resolving any issues arising in relation to violation of the Code's rules, and makes sure that everyone in the company is informed about expectations concerning ethical conduct when working for or with Qatargas.

Every employee goes through an induction on the rules of the Code, and signs an annual certification statement confirming they have understood the company's expectations in relation to ethical behaviour. Conflict of interest is evaluated through an annual Conflict of Interest Declaration regarding each employee's position relative to any personal circumstances that may affect their objectivity when acting on behalf of the company. Operating to the highest standards of integrity, Qatargas has zero tolerance of any behaviour that contradicts its ethical principles. The Code of Business Ethics states "All Qatargas Employees are expected to act in a manner that will enhance the Company's reputation for honesty, integrity and reliability".

In order to safeguard the respect of its ethical values, the company has a whistle-blowing mechanism, accessible for everyone through the company's website. Anyone, including external stakeholders, can anonymously report concerns and information regarding actual or potential fraud, corruption, illegal activity or unethical behaviour happening within the company.

ECONOMY

Qatargas has accomplished its Vision of becoming the World's Premier LNG Company, exceeding most of its targets and outperforming international industry players. We constantly strive to efficiently produce and deliver LNG and gas-derived products to our customers around the world, and to develop the innovations, synergies and capabilities to allow us to achieve that. As a result of our efforts, Qatargas' 2015 performance has been exceptional despite a challenging business environment. The company has maintained stable production of LNG and associated products, maintaining its position as the world's largest LNG supplier, and it continues to further expand its operational capacity. Qatargas is committed to setting the standard in customer satisfaction through highly efficient and reliable operations. During 2015, efficiency and reliability rates have been exceptionally high, as has our customer satisfaction rate. These achievements reflect Qatargas's recognition of the value of its people and their families as well as its shareholders, customers, suppliers, and communities.

98.4%
LNG reliability

96.3%
LNG availability

Constructing
Laffan
Refinery 2

CIPS
Standard Certification

3rd
Contractors' Forum

Zero late and off-spec deliveries

93.0%
Positive
responses
to customer
requests

LNG Market Dynamics

World Energy Market

Qatar is the world's third-largest producer of natural gas. With oil and gas accounting for 55% of Qatar's GDP, the country's economic development is particularly dependent on the world energy market. The future development of the world energy market, and of the natural gas market in particular, depends on many variables, including but not limited to geopolitical events, the level of oil production by OPEC countries, shale gas production in the U.S.A., the transition to renewable sources of energy, and the path of economic development in large energy-consuming economies, such as China and India.

Global natural gas consumption has grown by almost 50% in the past 40 years, making it the fastest growing fossil fuel. However, as the sector requires further investment in exploration and transportation infrastructure, diligent management is necessary to ensure its sustainable development.

Qatargas' Share of the World Energy Supply

Accounting for 17.5% of global LNG exports, Qatargas is the world's largest LNG supplier. To ensure sustainable growth of our business, we must be flexible and creative in our response to market circumstances. Qatargas' role in developing the country's economy is very significant: local business, employment, and social development are dependent to a large degree on the company's financial performance, requiring Qatargas to maintain stability and growth.

Qatargas Markets Served

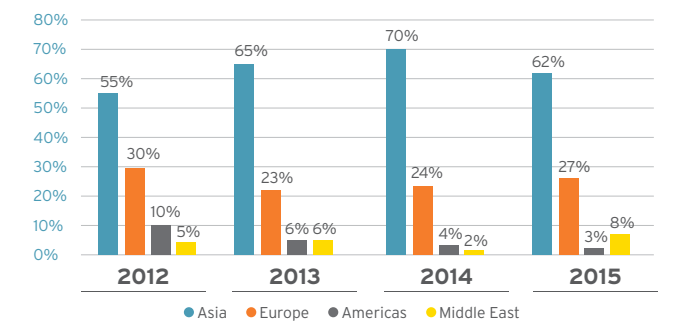


Figure 3. Regional distribution of markets for Qatargas products.

Qatargas continues to open new markets for its products, securing long-term LNG supply contracts that provide stable sources of income for the company and allow it to build a long-term investment strategy. At the end of 2015, Qatargas secured a long-term contract with Pakistan for supplying LNG to this rapidly growing market. Thus, Qatargas continues to expand its presence in the Asian market, which is the largest destination for its products, as Figure 3 shows. Argentina and Jordan have also been added to the world map of Qatargas markets, further expanding the company's presence in the Americas and Middle East.

⁶ U.S. Energy Information Administration, <https://www.eia.gov/beta/international/analysis.cfm?iso=QAT> (Accessed March 2016)

⁷ OPEC website http://www.opec.org/opec_web/en/about_us/168.htm (Accessed March 2016)

⁸ World Energy Outlook 2015, http://www.iea.org/publications/freepublications/publication/WEB_WorldEnergyOutlook2015ExecutiveSummaryEnglishFinal.pdf (Accessed March 2016)



To help more countries establish infrastructure that enables them to use LNG in their energy mix, Qatargas supports the construction of LNG terminals. So far, the company has helped commission 17 LNG terminals across the Americas, Europe, and Asia.

In order to get access to new customers, Qatargas targets new types of markets for LNG, offering the product as a cleaner alternative to fossil fuels. Thus, Qatargas' project directed on installing main engine gas injection (ME-GI) in one of its own large LNG carriers would set an example of using LNG instead of less environmentally friendly heavy fuel oil (HFO). This could open an opportunity for the use of LNG as a fuel for merchant vessels in the future.

Through the provision of reliable and cost-effective energy, Qatargas is playing an integral role in supporting the needs of economies and local communities all around the world.

Economic Performance

Production

Most of Qatargas' production is made up of LNG. When natural gas is delivered onshore for further processing, field condensate, found in raw natural gas, is separated and used as a feedstock in Laffan Refinery to produce naphtha, kerojet, gasoil, and LPG. In the last four years, the level of LNG production has remained stable, as seen in Figure 4, while that of other products depended on the operational capacity of Qatargas' production units.

Operational Capacities

Qatargas undertakes both maintenance projects and projects that add new production capacity to ensure long-term stable production levels for its various products. Consequently, the Plateau Maintenance Project (PMP), implemented at the end of 2014, is focused on maintaining the production capacity of Qatargas 1, the company's oldest production unit. This is being achieved through a combination of drilling offshore wells, adding new sulphur-handling facilities onshore, and introducing necessary modifications to LNG trains 1, 2, and 3.

LNG Production

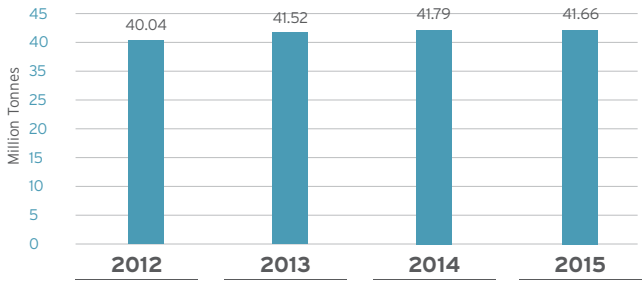


Figure 4. LNG Production

Two scheduled shutdowns took place in the LNG Train 2 and 4 in the first and second quarters of 2015, both completed ahead of schedule. Shutdowns are required for maintenance, and they are vital to maintaining the company's world-leading standards of safety and performance excellence. Currently, Qatargas is building its second refinery, Laffan Refinery (LR2). This refinery will effectively double the condensate-refining design capacity of the Laffan Refinery Complex to about 300,000 barrels per day. As a result, the country will consolidate its unique position as the largest condensate producer with the largest condensate refining capacity in the world. Supplying more refined products to domestic and international markets, LR2 will add to Qatargas' integrated value chain and contribute to the optimal utilisation of Qatar's natural resources.

Financial Performance

Despite challenging economic environment in terms of low oil prices, Qatargas remained profitable and continued to be a significant contributor to the economy of Qatar. Qatargas is a non-publicly listed company and is thereby not required to publicly disclose its financial performance data. Given that the Government of Qatar owns most of the company, full approval from the government and all shareholders is required for public financial disclosure.

Efficiency and Reliability of Operations

As a result of continuous operational process enhancement, Qatargas remains the industry pace-setter, with reliability and availability figures at 98.4% and 96.7%, respectively.

Efficiency and reliability of operations are important indicators of sustainable performance, as they represent a pillar of Qatargas' Vision, and it is a highly ranked material issue for 2015. Efficiency represents the company's ability to optimally manage its resources, and is tracked by such indicators as cost of production per unit and headcount. Reliability is expressed by the ability to operate plant without any unplanned shutdowns, thus ensuring full utilisation of capacity. Key performance indicators linked to efficiency and reliability are among the primary targets established by Qatargas in order to maintain its position as the premier LNG player.

To compare its performance relative to other leading companies in the LNG sector, Qatargas regularly benchmarks its performance in efficiency and reliability. Benchmarking studies also allow Qatargas to compare its activities in other performance indicators, such as environment, safety and health, manpower, asset management, and costs. This ensures that Qatargas is aware of the development of best practices and can evaluate whether to adopt them.

Development of National Economy

Qatargas' place in the local economy is of particular importance due to its considerable contribution to the country's GDP. Its supply chain activities also generate an important indirect economic impact through supporting and developing local business. Qatargas provides equal opportunity to its suppliers by adopting an open tendering strategy for most of its contracts, with a considerable focus on leveraging local content. All open tenders are advertised in the local print media and on Qatargas' website so local suppliers can participate in the tendering process. Local contractors and suppliers undergo the same level of evaluation and scrutiny as other contractors, and they often emerge as preferred suppliers by offering significant value due to the close proximity of available skills and resources. In 2015, 71% of contracts were spent on local suppliers, a 14% increase since 2012, as demonstrated in Figure 5. The company continues to focus on contracting with suppliers in the local market and has implemented a number of initiatives to encourage local businesses to align their activities with Qatargas' operations.

Customer Satisfaction

LNG is generally viewed more favorably than conventional hydrocarbon gas by natural gas off-takers, as it occupies only a fraction (1/600) of natural gas volume. It is therefore more economical to transport across large distances and can be stored in larger quantities. LNG can be redirected in a short time, in response to gas supply shortages.

In its efforts to promote increased efficiency and optimisation of shipping resources, Qatargas introduced in 2015 the supply method of delivering five cargos to multiple ports. This new development for the LNG industry sets a new benchmark against the established industry practice of loading a single cargo for delivery to a single location. The ability to deliver LNG to multiple ports from the same vessel results in the optimal utilisation of shipping capacity and uniquely positions the company's ability to support customers' needs in an ever-changing market. As a testimony to Qatargas' efforts to provide more flexibility in delivery, customer satisfaction in product delivery reached 93%, according to the latest survey. Qatargas has also been characterised as flexible in its response to the shifting environment and unplanned events, which has been positively reflected in customers' opinions. In line with its focus on being the World's Premier LNG Company, Qatargas proudly continued to deliver all cargo on time, and in accordance with customer specifications.

Local Procurement Spending

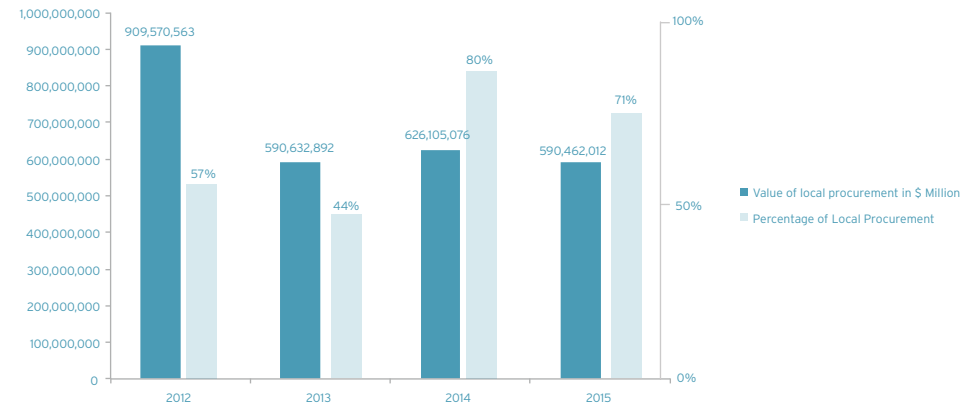


Figure 5: Local Procurement Spending

Contractors' Forum and Promoting Local Financing

One of the most prominent initiatives for engaging local contractors is the Contractors' Forum, which Qatargas organised and held for the third consecutive year. The forum saw extensive participation from local companies interested in potential contractual opportunities with Qatargas, as well as from other organisations, such as banks providing financial services to small and medium enterprises (SMEs). During the Forum, participants received insights into Qatargas' upcoming projects and operational needs so they could evaluate their capacity and interest in participating in upcoming tenders. The Forum facilitated direct communication between Qatargas, contractors and other stakeholders, giving everyone an opportunity to express their expectations and concerns. This forum is an open platform in which Qatargas can communicate its expectations when working with contractors and to hear contractors' expectations and feedback.

Several improvements in the Supply management process are being introduced, which includes initiatives such as:

- EPTW (Electronic Permit To Work) – a system to issue timely permits to work; debrief to contractors on award of high value contracts; more lead time for bidders to submit tender response and implementing a supplier pre-qualification solution to establish a formal supplier registration process.



Sustainable Procurement Practices

Sustainable procurement practices include socially and ethically responsible purchasing, minimising environmental impact through the supply chain, delivering economically sound solutions, and good business practice⁹. Qatargas aims to provide strong control and transparency in governing its supply chain to increase its efficiency and cost effectiveness and ensure its sustainable management. Qatargas is dedicated to ensuring that contractors are well informed about the company's expectations in terms of compliance with safety, environmental, and quality (SEQ) practices and adherence to Qatargas standards during their work. Tender application forms and contracts include SEQ clauses, informing potential and actual contractors about the legal framework they have to comply with when working with Qatargas. If SEQ requirements are breached, the contractor will be warned in accordance with the scorecard, depending on the severity of the violation and the number of breaches. Any contractor showing potential or actual violation of SEQ requirements that are critical for compliance with Qatargas SEQ standards will have its contract terminated.

Taking into account the price dynamics for oil and, consequently, for gas, Qatargas has reviewed the economics of its contracting and procurement practices. Some supply contracts are already linked to market price dynamics. Qatargas has also identified several other cost-reduction opportunities, including contract price renegotiation where possible or proactive structuring of longer-term contracts to include an embedded price volatility protection mechanism. As a result of this cost optimisation process, Qatargas managed to save approximately US\$100 million during 2015. Qatargas is also using synergies with RasGas by jointly pursuing multiple contracting and procurement activities, as RasGas is involved in similar projects and has similar operational requirements. Such synergies result in cost savings and the optimal utilisation of human and operational resources.

CIPS Standard Certification

Qatargas is continuously working on enhancing the sustainability of its supply chain. In recognition of its continued efforts to set the premier standard in supply chain management for LNG companies, Qatargas has received the Chartered Institute of Procurement & Supply (CIPS) worldwide prestigious Standard Award for its outstanding procurement policies and procedures.



CIPS corporate certification is a testament to a successful independent assessment of efficiency in supply and procurement practices within the company and demonstrates Qatargas' commitment to the CIPS values of good stewardship.

For decades, CIPS has assessed organisations and corporate entities in various sectors all over the world. Getting CIPS corporate certification demonstrates Qatargas' influence, control, and involvement across five dimensions related to procurement practices:



- Leadership and organisation
- Strategy
- People
- Processes and systems
- Performance measurement and management¹⁰

Having received the Standard Award, Qatargas is now sustaining the next leg of its journey to achieve subsequent stages of supply excellence. The company intends to attain higher grades of CIPS certification in the next few years. Having stages of supply excellence. The company intends to attain higher grades of CIPS certification in the next few years.



⁹ CIPS Sustainable Procurement review, September 2011, https://www.cips.org/Documents/Products/Sustainable_Procurement_Review_%20new_logo.pdf



¹⁰ CIPS website <http://www.cips.org/corporate-certification> (Accessed March 2016)

HEALTH AND SAFETY

Safety is a core value at Qatargas, and is one of the company pillars identified in the corporate Direction Statement. Every day thousands of people safely work across multiple onshore and offshore locations. Our mission is to manage all our resources—people, facilities, and environmental impacts, in a safe, efficient and reliable manner by maintaining the highest safety, health, quality, and environmental standards. This requires everyone working together as one team of empowered individuals, with the responsibility to speak up to stop and correct an unsafe situation.

Qatargas’ success in Health, Safety and Environment is a direct result of a culture where safety is the number one value and where Incident and Injury Free (IFF) is embraced by all employees as the normal way of doing business to prevent harm to people, the community and the environment. This commitment was reinforced in the Safe Start 2015 messages, with senior management providing personal top-level endorsement on the importance of guaranteeing a safe working environment for everyone. This message highlights the fact that keeping our workforce safe and maintaining the integrity of the company’s assets are engrained in the way we do business.

Personnel and Process Safety Achievements

We are proud to report that 2015 was our safest year yet, and we will continue to improve and sustain our premier safety culture



¹¹ Recordable injuries is a sum of fatalities, lost-time injuries (LTIs), restricted work cases, and medical treatment injuries.
¹² Total injuries is a sum of total recordable injuries (TRIs) and first-aid cases.

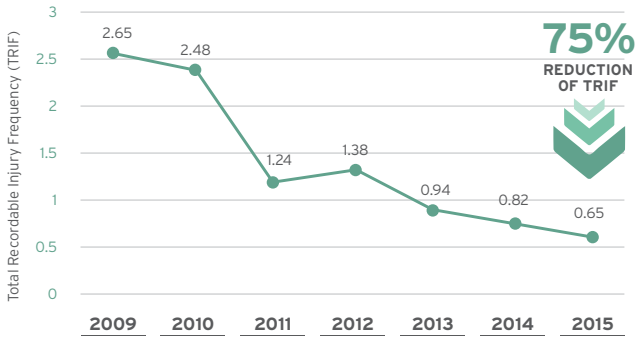
Managing Health and Safety

Occupational Safety

Qatargas has maintained momentum through 2015 and once again delivered record performance in health and safety. This was the result of employees and contractor dedication to integrating and following an incident and injury free culture. Through implementing safety focused programs such as line of fire, dropped objects, and heat stress management, the total number of injuries (including first aid cases) has been reduced by 30%, from 100 in 2014 to 70 in 2015. At the same time, the number of recordable injuries for employees and contractors has fallen by 19% since last year, driving the total recordable injury frequency (TRIF) rate down by 21%. Most injuries were of low severity, resulting from routine daily tasks such as walking, using ladders, and riding bicycles. Among other safety achievements, Qatargas completed two shutdowns in 2015, ahead of schedule and without recordable injuries. In total, an average of 6238 workers were mobilised daily during the shutdowns, working 1.6 million hours.

Safety Performance	2012	2013	2014	2015
Work hours				
Employees	5,887,472	12,215,468	12,241,736	12,242,570
Contractors	30,270,196	29,247,718	25,431,259	26,302,397
Total (employees and contractors)	36,157,668	41,463,186	37,672,995	38,544,967
Fatalities				
Total (employees and contractors)	7	0	0	0
Number of lost-time injuries (LTIs)				
Employees	1	1	0	3
Contractors	2	1	2	1
Total (employees and contractors)	3	2	2	4
Lost-time injury frequency (LTIF)				
Employees ¹³	0.17	0.08	0	0.25
Contractors	0.07	0.03	.08	0.04
Total (employees and contractors)	0.08	0.05	0.05	0.1
Number of recordable injuries				
Employees	5	9	3	6
Contractors	45	30	28	19
Total (employees and contractors)	50	39	31	25
Total recordable injury frequency (TRIF)				
Employees ¹⁴	0.68	0.74	0.25	0.5
Contractors	0.13	1.0	1.1	0.72
Total (employees and contractors)	1.38	0.94	0.82	0.65
Injuries ¹⁵				
Total (employees and contractors)	197	137	100	70

¹³ LTIF is based on the number of lost time injuries per 1,000,000 man-hours.
¹⁴ TRIF is based on the number of recordable injuries per 1,000,000 man-hours.
¹⁵ Injuries include recordable injuries and first-aid cases.



Qatargas' longer-term achievements are even more impressive, showing a 75% decrease in TRIF for employees and contractors since 2009. This raises the bar for the years to come, when Qatargas evolves an incident and injury free culture to sustain excellence in safety.

Qatargas 10 Life Saving Rules



WORK WITH A VALID WORK PERMIT WHEN REQUIRED



VERIFY GAS TESTS ARE CONDUCTED AS PER PERMIT



VERIFY ISOLATION BEFORE WORK BEGINS



NO CONFINED SPACE CERTIFICATE - NO ENTRY INTO CONFINED SPACE



OBTAIN AUTHORIZATION BEFORE OVERRIDING ANY SAFETY SYSTEM



PROTECT YOURSELF AGAINST A FALL WHEN WORKING AT HEIGHTS



ALWAYS WEAR YOUR SEATBELT



NEVER WALK UNDER A SUSPENDED LOAD



NO SMOKING



WHILE DRIVING, DO NOT USE YOUR PHONE AND DO NOT EXCEED SPEED LIMITS

Safety Programs and Campaigns

The 10 Life Saving Rules (LSR) were introduced in 2013. The Life Saving Rules set out simple and clear “dos” and “don’ts” covering activities with the highest potential safety risk for all employees and contractors involved in operations. Breaching any of the rules leads to investigation of the causes, and implementation of adequate measures, such as additional training, to ensure that such behaviour does not happen again. In many cases, infringement leads to the termination of the employee or contractor relationship. Choosing to break the rules is choosing to not work for Qatargas.

Last Minute Risk Assessment (LMRA) is another safety program that was implemented in 2015, LMRA requires personnel involved in a task to perform a brief, individual, mental hazard assessment of the task, which can also be done verbally with the members of the work crew. The LMRA is intended to focus a worker’s attention on the task. It is done by the worker(s) before and during the work. It helps identify any unsafe behaviors and hazardous conditions that may have been missed in preparation for the work or which may have developed during the job.



To reinforce our safety culture to all personnel, Qatargas launched the Incident and Injury Free (IIF) in Action Program in 2014 as we continued to evolve Iif Program introduced for the first time in 2002. Qatargas 2 and Laffan Refinery IIF in Action helped the company achieve one year with no recordable injuries at Qatargas 2 and two years at Laffan Refinery.

IIF in Action is based on the principle that all incidents are preventable if everyone completes each and every task safely. The program engages everyone by incorporating safety measures specifically tailored for each of three targeted groups: department heads and managers, supervisors, and workers. Since the start of IIF in 2002,

60,000 employees and project contractors have been trained in safety principles and practices. IIF in Action is led by Asset Managers and is supported by coaches who are trained to embed the program's safety principles in their departments.

In 2015, we successfully refreshed our Incident Injury Free In Action (IIFIA) in all Qatargas Assets. Fifty-five classroom sessions were delivered as a part of IIFIA, in addition to onsite training with significant focus on developing the IIF coaches' communication skills. In 2015, three simple terms were used to encourage IIF performance: Understand, Ask, and Speak Up.



UNDERSTAND

understanding the task that you have to accomplish, the hazards involved and how to protect yourself and others around you from these hazards.



ASK

asking questions before starting the task when any aspects of the job is not clear and using questions to identify understanding of people around you about the task.



SPEAK UP

appreciating safe work and speaking up when unsafe actions or conditions are observed, or when there is a safer way to do the work and feeling free to share your experience and knowledge.

Through Qatargas' operational excellence in developing projects, LR2 is adding value to the Company's production chain to ensure efficient energy supplies and create new markets for the country.

The 'IIF Action Card.' is the latest IIFIA product. The IIF Action Card offers a way to turn commitments into actions, where all employees and contractors are encouraged to intervene when witnessing either safe behaviors by recognising them or unsafe behaviors and conditions by correcting them before they can cause an incident. These observations and intervention are recorded on the IIF Action card and are analysed so that lessons learned can be shared with everyone.



Qatargas conducted a number of safety campaigns in 2015, such as 'Line of Fire', 'Dropped Objects', 'Heat Stress Management', and 'Last Minute Risk Assessment'. The company continually analyses safety performance gaps and takes corresponding actions to tackle safety risks. Qatargas also conducts a quarterly Safety, Health, and Environment (SHE) meetings with the Shareholders, as a result, some of the company's targeted campaigns are conducted jointly with its shareholders. For example, in 2015, the Line of Fire initiative was conducted jointly with ConocoPhillips and Shell. This campaign helped transform people's attitudes and behaviours towards safety, focused on identifying hazards from being in the pathway of energy released by a moving object. Training was structured in a cascade manner, with 20 safety trainers from Operations, Maintenance and Safety attending train-the-trainer sessions. The trainers were taught how to provide everyone with hands-on learning by demonstrating the consequences of hand and other bodily injuries when ignoring Line of Fire safety rules. 1,400 employees have benefited from the Line of Fire training workshops.



Another initiative is the EPTW (Electronic Permit to Work) which enabled the automated issuance of permits to work from any location, with real-time updates. This initiative increases efficiency in acquiring EPTW approval, which is one of the 10 Life Saving Rules requirements. EPTW has been piloted in Laffan Refinery and will be rolled out to other operational units

In 2015 Qatargas also delivered safety training for employee spouses and 250 students of the Al Khor Community School. The training, taught by an expert EMS fire training officer, offered spouses and students practical tips on how to prevent fires at home and the actions to take in case of a fire emergency.

Occupational Health

Qatargas is focused on maintaining premiership and meeting the objectives of the Qatar National Vision 2030 by ensuring occupational health protection, welfare and maintaining Fitness to Work for high calibre workforce. The company provides its workforce with quality medical services that cover occupational, emergency, and primary healthcare.

Occupational Health	2012	2013	2014	2015
Recordable Heat stress incidents - employees	0	1	0	1
First aid case (FAC)				
Recordable Heat stress incidents - contractors	0	5	2	1
Medical Treatment Case - (MTC)				
Occupational illnesses other than heat stress (employees and contractors)	0	0	0	0

Occupational Health surveillance is conducted on workforce relative on occupational exposure which may have potential health effect or determine, if any onset of early symptoms or prescribed occupational illness. This information is used to continuously improve prevention. Current health surveillance measures include:

- Periodic medical checkups
- Work injury classification registry and reporting
- Work-related illness reporting
- Focused health and safety campaigns
- Noise mapping
- Regular work site, camp, and food inspections
- An industrial hygiene program that assesses exposure to chemicals, noise, radiation, heat, and biological and respirable dust/fume agents

The Occupational Health Protection policy is implemented through programs on topics designed to prevent work-related illness and incidents, such as:

- Hearing conservation
- Chemical management
- Respiratory protection
- Heat stress
- Occupational health screening
- Food safety and hygiene inspection

In long periods of excessive heat, it is particularly important to prevent heat stress events. Qatargas has a comprehensive Heat Stress Management Strategy focused on managing employees' and contractors' ability to work in unfavourable weather conditions. The strategy includes communicating weather updates and the self-monitoring heat index so everyone is aware of high heat conditions, raising awareness of heat stress preventive actions, providing appropriate training to workforce supervisors, implementing monitoring and surveillance, and conducting fitness-to-work examinations to track suitability to work under given heat conditions.

All Operations and Maintenance personnel are required to undertake combined heat stress/first-aid/cardio pulmonary resuscitation training. Shutdown contractors have to undergo training and refresher training on managing heat stress and acclimatisation.

In 2015, the number of days on which the heat index exceeded 54°Celsius was 33% higher than in 2014. However, by implementing heat prevention practices and measures, we managed to keep heat stress events to a minimum. We will continue to focus on reaching 2012's result of zero heat-stress events, even during the prolonged periods of heat. Under the Food Safety and Hygiene Inspection program, 140 food safety inspections were conducted in all Qatargas facilities in RLIC, offshore, at the Doha headquarters, and in all contractor camps. Food safety specialists inspecting catering facilities ensure adherence to best international practices, such as hazard analysis critical control point (HACCP) and the ISO22000 standard. Catering staff received appropriate food safety and hygiene training.

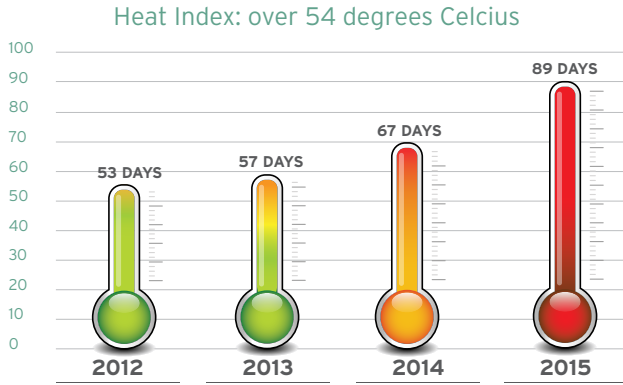
Respect of Human Rights and Labor Standards

Qatargas believes in a mutually supportive, respectful, and productive work environment for our most valuable asset—people. Everyone is important in every project, regardless of their rank, origin, or whether they are an employee or contractor. The company engaged thousands of contractors to work on its expansion projects in Qatargas 2, Qatargas 3 & 4, Laffan Refinery, Jetty Boil-Off Gas (JBOG), Plateau Maintenance Project (PMP) and Laffan Refinery 2. The safety and wellbeing of such a huge workforce is vital for Qatargas' success, so the company takes care to ensure people have appropriate living conditions and adequate healthcare. Qatargas ensures that the contractors with which it partners provide their workers with secure, comfortable living conditions. This means they must provide safety, water, food, telecommunications, hygiene, and recreation, in accordance with Qatargas Standards for Medical, Food and Camp Services for Contractors.

Living premises are regularly inspected. Subcontractor facilities providing food and beverage services to the project workforce and to workers' camps are inspected to ensure they meet health and sanitation requirements. The Head of Security has personally inspected lunch provided to the contracted guards, ensuring that contractor management takes appropriate actions to improve food quality and to ensure food is served in accordance with the guards' working schedule. After scheduled and surprise inspections, the people responsible for contractors' camps are informed about workforce treatment infringements. If a contractor company fails to rectify identified infringements, they may receive an additional warning or have their contract terminated. Doctors and nurses assigned to each camp conduct regular screenings of fitness for work. In 2015, a total of 11,303 members of the contractors' workforce underwent medical screenings to identify whether their health was suitable for accomplishing their assigned work. People are given work more suitable for their health conditions when necessary. Some workers come from countries where communication facilities are poor, so Qatargas introduced Home to Home. In this program, volunteers from workers' home countries connect with their families to deliver news about those working in Qatar.

Asset Integrity and Process Safety

The scale of Qatargas' offshore and onshore production complex is vast. Maintaining the integrity of its assets requires highly sophisticated skills and everyone's involvement. We have a risk based approach in preventing asset damage, and are fully prepared to deal with any emergencies that may arise. We continued focusing throughout the year on our Barrier Management Process to ensure the integrity of the barriers to major accident hazards identified in our SHE Cases. We also updated our SHE Cases to include our Jetty Boil-off Gas (JBOG) Facility and Diesel Hydro Treating (DHT) facilities and completed Hazard & Operability (HAZOP) revalidation studies for Qatargas 2 Onshore, Qatargas 2, Qatargas 3 and 4 Offshore, and RLTO Common Liquefied Petroleum Gas (CLPG) and Common Sulphur Plant (CSP). We commenced Safety Integrity Level (SIL) Studies for Laffan Refinery and QG1. These SIL studies will continue in 2016.



Qatargas has undertaken a variety of process safety enhancements, including the Sustain and Improve Plan, enhancements to alarm management, effectiveness of operators' rounds, and a loss of primary containment (LOPC) analysis and reduction.

Qatargas' priority is to operate safely and prevent incidents. However, should an incident occur, the company responds rapidly and effectively to protect people, assets, and the environment. Regrettably, one Process Safety Event (PSE) Tier 1 event occurred in 2015 due to a mechanical seal failure of a condensate tank mixer. Consequently, a number of measures have been taken to prevent similar events in the future such as; vibration survey for side entry mixers on storage tanks was initiated and is now an on-going program, the frequency of inspection program for side entry mixers was increased, the preventive maintenance (PM) plan was made more robust, and an engineering study was initiated to assess the possibility of removing the mixers from the storage tanks. There were also four PSE Tier 2 incidents involving a minor fire outside a turbine enclosure, a process gas tube leak inside a furnace, a hydrogen release from a flange of a heat exchanger, and a minor fire in an oily water drain pit of a condensate tank.

All of these incidents were thoroughly investigated by experts in and outside of Qatargas. On top of this, a dedicated team was formed to analyze Process Safety Events that occurred in Qatargas with the purpose of reducing PSE related incidents. Some of the activities initiated by the team are development of a flange management system, review of the adequacy of existing integrity programs addressing potential loss of containment, and reporting and monitoring of DOSS (demand on safety system).

Process Safety Events	2012	2013	2014	2015
Tier 1 process safety events	1	0	0	1
Tier 2 process safety events	5	1	6	4

Emergency Response and Security

In 2015 the Emergency Management Services (EMS) Department continued to strengthen the Incident Management Team (IMT) under the PEAR (People, Environment, Asset and Reputation) process, alignment of Emergency Response Plan (ERP's) revisions ensuring consistency across the organisation in which the way Qatargas responds to emergencies.

In 2015 the EMS Division received the distinguished "Accredited Agency" status from the Centre for Public Safety Excellence (CPSE) for meeting rigorous criteria set by the CPSE's Accreditation Commission in the areas of continuous quality improvement and enhancement of service delivery. Accreditation was achieved after an ongoing four-year assessment, verifying Qatargas' compliance with:

- Determining risk and safety needs
- Evaluating current performance
- Establishing a method for achieving continuous improvement

With this, Qatargas EMS became the first CPSE accredited department in the Middle East and the first in the Oil and Gas industry.

Under the CPSE accreditation model, Qatargas is required to maintain "active strategic planning and assessment of risks" to maintain its status in emergency management. The company is using the accreditation process proactively to identify areas for improvement and plan for the future of Qatargas' emergency management services.



In 2015 Security launched the International Travel Risk Mitigation system targeted towards regular business travellers within Qatargas and also the Overseas Liaison Office staff. The system provides risk mitigation information to Qatargas users allowing them to make informed decisions pertaining to business travel and offering information on precautionary measures. Additionally the system provides the traveller with real-time emergency assistance should the traveller find themselves in an emergency situation.

Product and Material Safety

Qatargas maintains high standards in product quality. In 16 years, we have received no complaints regarding product quality or consistency with specifications. This record was maintained in 2015, as all products were delivered to required specifications.

Qatargas Laboratory performs necessary controls at the production stage as well as before product is loaded for shipment to ensure that product quality meets specifications. Equipped with state-of-the-art technology, the laboratory conducts around 35,000 tests each month from 9,000 samples. The objective is to ensure that all products comply with Qatargas Safety, Health, Environmental and Quality Policy, while meeting customers' requirements. As a result, 95% of customers were reportedly satisfied with the laboratory's services.

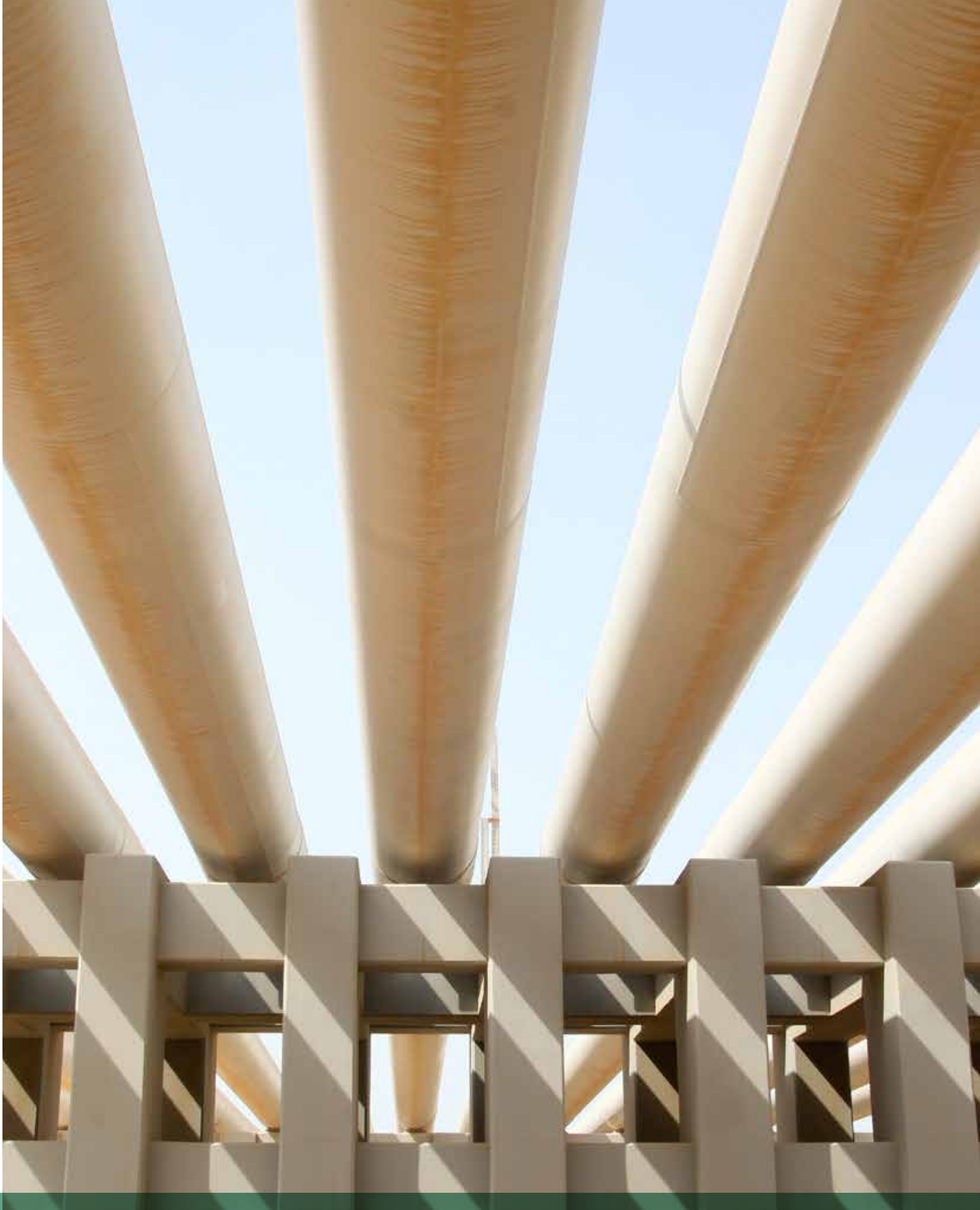
After a complex verification procedure, the laboratory was awarded international ISO 17025 certification.

As a result, the laboratory is responsible for keeping its management systems compliant with the ISO requirement in order to pass annual surveillance assessments. The laboratory has been recertified, extending its validity to December 2019.

Material data safety sheets (MSDSs) are used to provide information about a product's content and materials that could present a potential hazard if not handled properly. The MSDS database is accessible to employees, contractors, suppliers, and customers who come into contact with a given product. Qatargas' procedure on hazardous materials management establishes the rules for adopting MSDSs in accordance with the list of materials used during production.



Product Responsibility	2012	2013	2014	2015
Number of MSDSs	215	125	127	190
Number of new or updated MSDSs	5	85	3	60 additional approved MSDS



ENVIRONMENTAL PERFORMANCE



Being the World's Premier LNG Company means setting the standard in all aspects of our operations, including environmental management, therefore, minimising our environmental footprint is a key component of the Qatargas Direction Statement. We are proud to implement best-practice initiatives and promote the use of state-of-the-art solutions to reduce our impact on the environment.

In 2015, our key environmental achievements included:

- An overall **20%** reduction in flaring from 2014 levels¹⁶.
- Achieving **90%** recovery of boil-off gas during LNG loading as part of the first full year of operation of our Jetty Boil-Off Gas (JBOG) Recovery facility. This led to a **76%** reduction in Greenhouse Gas (GHG) emissions from LNG loading relative to 2013.
- Successful commissioning and start-up of our onsite Sludge and Slurry Waste Management Project.
- Initiation of ferrous and non-ferrous materials recycling at Qatar Steel.
- Completion of all Nitrogen Oxide (NOx) reduction projects at our Qatargas 1 LNG facilities.
- The Qatargas Shipping Department winning the Globe of Honour Award for excellence in environmental management and Sword of Honour Award for excellence in health and safety management for the second consecutive year.
- Completion of four new environmental awareness campaigns as part of the Qatargas Go Green initiative.
- Successful commissioning of the pilot M-Type Electronically Controlled - Gas Injection (ME-GI) Project that allows heavy fuel oil in large Q-Max vessels to be replaced with cleaner LNG fuel.

Qatargas received the prestigious Gulf Cooperation Council (GCC) Environmental Award in 2015 for 'Best Industrial Establishment that Complies with Environmental Regulations and Standards.'

“We are delighted to win this prestigious award, which is testament to Qatargas' robust environmental performance and its compliance with the international and local environmental standards and regulations. As a leader in the global energy industry, Qatargas has made significant contributions to a sustainable future for our country and the world at large. Over the past few years, we have made huge financial investments in reducing our carbon footprint, improving air quality, reducing and recycling waste, and making judicious use of water.”

Qatargas CEO, Khalid Bin Khalifa Al-Thani

Environmental Compliance and Management

Compliance with the State of Qatar's environmental regulations is a core requirement of our business. The primary regulatory document governing this compliance is the Consent to Operate (CTO), issued by the Qatar Ministry of Municipality and Environment (MME). Qatargas provides the MME with monitoring reports on key environmental parameters and updates on Compliance Action Plans (CAPs) and environmental improvement initiatives on a quarterly basis.

Qatargas currently has a total of 12 valid CTOs following successful combination of CTOs for the Laffan Refinery (LR) and Diesel Hydrotreater (DHT) in 2015. These CTOs are renewed on an annual basis and outline environmental compliance, monitoring, and reporting requirements for our operational units and facilities. In addition, Qatargas also maintains compliance with and reporting for three Consents to Construct (CTCs) issued by the MME for our engineering and expansion projects, including the Laffan Refinery 2 (LR2) and Wastewater Reduction and Reuse (WRR) Projects. Qatargas' Environmental Management System (EMS), which is ISO 14001-certified, provides the principal framework for environmental compliance and continual environmental improvement in our operational activities and services. Qatargas is currently finalising the integration of our EMS into the overall Qatargas Management System (QGMS). This will serve to streamline management of operational environmental impacts with QGMS principles, elements and requirements, while fulfilling the

¹⁶ Flaring performance as a percentage of sweet gas production.(Accessed March 2016)

Continuous Performance Improvement (CPI) requirement of an ISO 14001-compliant EMS. Qatargas is also transitioning its existing manual environmental data collection and reporting processes to an automated and centralised Environmental Data Management System (EDMS) capable of handling the large number of diverse environmental data streams inherent to Qatargas. The EDMS platform is currently undergoing extensive testing to ensure data completeness, accuracy and validation and will gradually replace our traditional, manual reporting processes in the near future.

Integrating EMS into QGMS

QGMS establishes minimum mandatory requirements for Qatargas’ business which must be followed by all employees, contractors and agents acting on behalf of the Company. These requirements are integrated into business processes and sustained through a Continuous Performance Improvement (CPI) process, supporting continuous risk reduction and embedding learning across the organisation to ensure that improvements are sustained. An important QGMS Process is ‘Manage Environmental Impact’, which facilitates assessment of environmental impacts as well as mitigation, monitoring and reporting of these impacts per regulatory requirements. This process (as outlined in Figure 6 below) provides a structured, documented and verifiable approach for key environmental activities with clearly defined roles and responsibilities for different functions and positions within Qatargas.

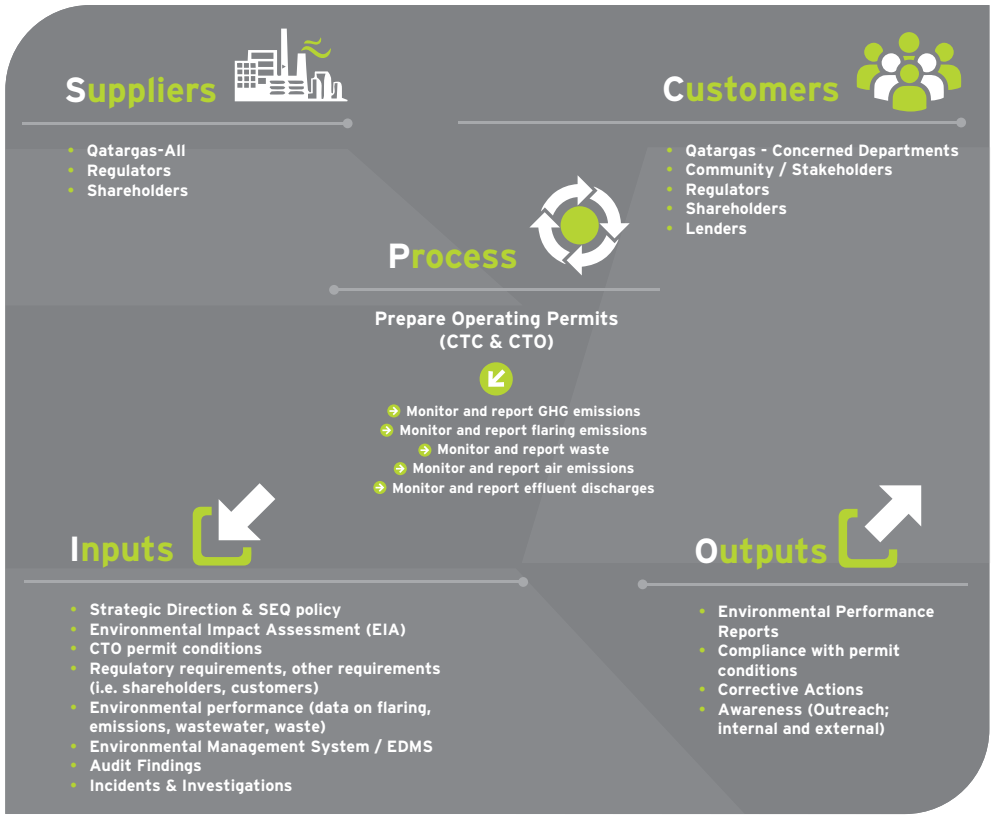


Figure 6 – QGMS SIPOC Process: Manage Environmental Impact

Energy Use

Qatargas uses fuel gas generated onsite to produce electricity, heat and steam required for the LNG production process while purchasing electricity from Kahramaa for its refinery and terminal operations.

Energy Consumption (GJ)	2012	2013	2014	2015
Direct Energy Consumption	266,778,927*	277,783,752	271,957,671	280,727,296
Indirect Energy Consumption	644,422	2,246,746	2,202,376	2,081,599
Energy Consumption Outside the Organisation	-	-	44,382	44,382
Total Energy Consumption	267,423,349	280,030,498	274,204,429	282,853,277

*Direct Energy Consumption for 2012 has been updated due to rectification of data

There was an overall 3.1% increase in energy consumption relative to 2014 due primarily to the following factors:

- 2015 represented the first full year of operation for the Plateau Maintenance Project (PMP), designed to sustain the production capacity of the Qatargas1 (QG1) LNG facility, and of the Diesel Hydrotreater (DHT) unit at Laffan Refinery (LR), which produces ultra-low sulphur diesel.
- LR also operated for the entire year without shutdowns as compared to two facility shutdowns in 2014.
- Higher energy use at our Qatargas 2 (QG2) facilities for the LNG process and at the QG2 Sulphur Recovery Units (SRUs) due to downtime of the Heat Recovery Steam Generators (HRSGs), which are designed to reduce fuel gas consumption by recovering heat from turbine exhaust gas and steam generation.
- The gas incinerated at the Ras Laffan Terminal Operations (RLTO) Common Volatile Organic Compound (CVOC) incineration facility, which is designed to incinerate VOC emissions from liquid product loading, was of reduced combustibility, thereby resulting in an increase in energy consumption.

Flaring

The primary flaring sources at Qatargas are its seven onshore LNG trains with minimal contributions from Laffan Refinery (LR), Ras Laffan Terminal Operations (RLTO) and offshore operations. The flare system is a critical process safety unit, designed to provide an uninterrupted path to gas release during process upsets as well as LNG train start-ups and shutdowns. A small amount of routine baseline flaring is also required during normal plant operations to continuously purge the flare system to prevent air ingress and explosion hazards.

The total flaring from Qatargas’ LNG assets between 2012 and 2015 is based on a ratio of flaring and sweet gas production and sub-divided into LNG process flaring and flaring from LNG loading (jetty boil-off gas flaring), as shown in Figure 7. The above figure shows a 58% reduction in flaring in 2015 relative to the baseline of 2012, and a 20% reduction when compared with 2014. This reduction was achieved through implementation of the Qatargas Flare Management System as well as engineering solutions, such as the QG2 and QG3&4 Purge Gas Reduction Project, which became operational in 2013, and the Qatargas JBOG Recovery Project, which came online in October 2014.

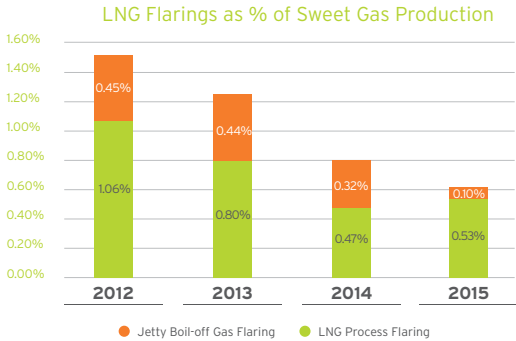


Figure 7: LNG Flaring as % of Sweet Gas Production (2012-2015)

58% reduction in flaring since 2012

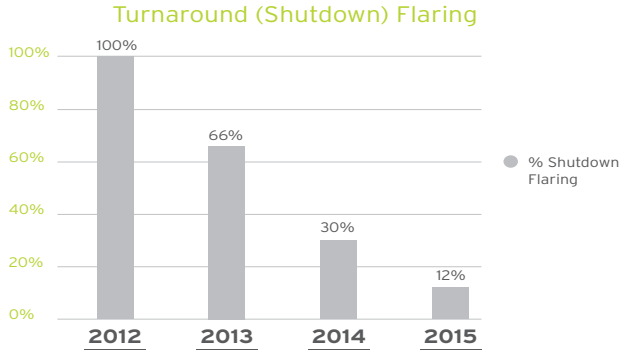


Figure 8: Qatargas Turnaround (Shutdown) Flaring Performance (2012 - 2015)

88% reduction in turnaround (shutdown) flaring since 2012

The Qatargas Flare Management System has established measures focused on enhancing operational management to minimise flaring during LNG production, which includes assessment of flaring sources and identification of flare reduction opportunities. Flare Management Teams (FMTs) have been established for each LNG asset to optimize production processes in order to reduce flaring. Regular monitoring and reporting have served to benchmark progress against flaring reduction targets set on an annual basis.

As an example, operational enhancement in LNG facility turnarounds (shutdowns) included development of turnaround-specific flare reduction plans, unit-specific flaring quantification, operational instructions to monitor and optimize flaring in line with flare reduction procedures and optimization of flaring in each phase of shutdown and start-up. As a result, flaring during Qatargas LNG facility turnarounds has been reduced by 88% since 2012 as shown in Figure 8.

A Flare Reduction Feasibility Study completed by Qatargas in 2011 also identified longer-term flare reduction opportunities for the mega-trains. These were further analysed and shortlisted based on their technical feasibility, practicality and expected magnitude of flare reduction. A dedicated Flare Reduction Project for the QG2 and QG3&4 LNG trains was initiated in 2013 to implement these opportunities.

The Qatargas JBOG Facility and its First Year of Operation

2015 represented the first full year of operation of the Qatargas JBOG facility, which resulted in the recovery of more than 90% of the boil-off gas generated during LNG ship loading. Since the facility became operational in October 2014, boil-off gas from over 1,000 LNG ships, equivalent to more than 535,000 metric tonnes of LNG, has been successfully recovered and reused.

It has been estimated that 600,000 tonnes of recovered LNG could generate enough energy to power 300,000 homes with an emissions offset of approximately 1.6 million tonnes of CO₂ per year, which is equivalent to the emissions of approximately 750,000 mid-size passenger vehicles. The JBOG facility provides a common recovery platform for six LNG berths operated by both Qatargas and RasGas at the world's largest LNG export terminal in RLIC. Costing USD 1 billion, the JBOG facility was Qatar's largest environmental project, with 3,500 people employed in its construction.

The JBOG Project was presented to the COP-21 UN Climate Change Conference in Paris as an exemplary achievement in the LNG sector and a key environmental project for flaring and GHG emissions reduction.

Greenhouse Gas (GHG) Management

Approximately 75% of Qatargas' Greenhouse Gas (GHG) emissions are attributed to fuel consumption by operational units. In 2015, the contribution of flaring to overall GHG emissions was 4% with the remainder (approximately 20%) attributed to inherent or formation CO₂ (i.e., CO₂ occurring naturally in offshore feed gas). With full year operation of the JBOG facility in 2015, GHG emissions from LNG loading were reduced by 76% compared to 2013 levels. GHG emissions from shipping also saw a reduction of 7% from 2013 totals. As a result, the overall GHG emissions depicted a marginal decrease of 1% relative to 2014 and a 6% decrease when compared to 2013 emissions.

The Qatargas GHG emissions inventory is based primarily on the European Union (EU) Monitoring and Reporting Guidelines (MRG2007) with reference to the internationally recognised World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) GHG Inventory Protocol. Our emissions inventories, accounting and reporting procedures are audited and certified annually by Qatar Petroleum (QP) and its external auditors.



GHG Emissions (tonnes CO ₂ -e)	2012	2013	2014	2015
Direct (Scope 1) GHG Emissions (All Qatargas facilities)	19,021,540	19,786,093	18,431,841	18,532,523
LNG loading GHG emissions ¹⁷		641,767	512,315	148,816
Indirect (Scope 2) GHG Emissions	274,982	567,618	561,197	572,739
Other Indirect (Scope 3) GHG Emissions	6,309,367	6,134,312	6,044,334	5,737,364
Total GHG Emissions	25,605,889	26,488,023	25,037,372	24,842,627

¹⁷ Incorporates JBOG facility operation from October 2014.

GHG intensity, based on Scope 1 GHG emissions, is a key Company KPI with performance targets set on an annual basis. The unplanned operational issues described in the [Energy Use](#) section resulted in the GHG intensity exceeding the 2015 Company target by 0.013 tonnes CO₂-e/tonne of LNG produced. However, since 2013, Qatargas has managed to reduce its overall GHG intensity by 7.8%, as shown in Figure 9. This has been achieved primarily through the Qatargas Flare Management System which resulted in an estimated GHG emissions reduction of 1.4 million tonnes between 2013 and 2015. It should be noted that the Qatargas GHG intensity KPI has been presented in a three decimal format since 2014 to provide better resolution for internal benchmarking purposes.

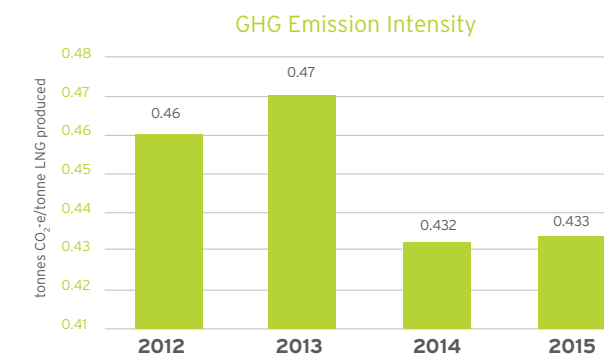
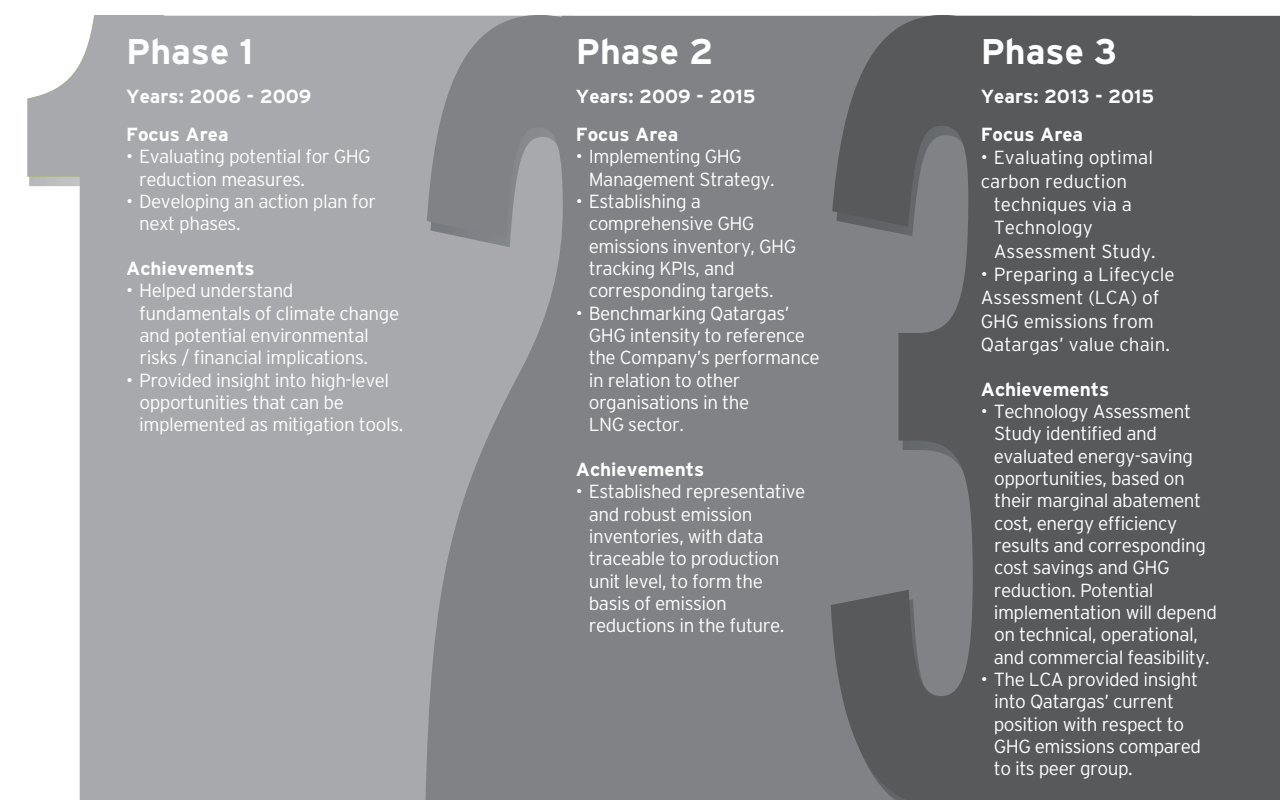


Figure 9. GHG emission intensity

In 2015, Qatargas completed Phase 3 of its GHG Management Strategy, which included a detailed assessment of GHG emission sources as well as opportunities for emission reduction.



Qatargas GHG Life Cycle Assessment (LCA)

Qatargas completed a GHG LCA Study to assess 'cradle-to-grave' impacts associated with the Company's LNG production, transportation and use. The LCA benchmarked GHG emission intensities of Qatargas LNG with other fossil fuels such as shale gas, natural gas and coal.

The LCA Study examined the option of sending LNG to different locations globally and demonstrated that, despite the large shipping distances, Qatargas LNG compared favorably to other types of natural-gas with GHG emissions significantly lower than the most efficient coal based power generation technology. This highlighted LNG and natural gas as cleaner fuels than other traditional fossil fuels.

Waste

A series of significant changes in how Qatargas manages its waste were implemented in 2015 with the formation of an effective Waste Management Team, improvement of waste management practices and procedures, and establishment of recycling and disposal pathways for our key waste streams. A Company-wide Waste Management Action Program, with short, medium and long term actions, was developed in collaboration with key stakeholders and teams within Qatargas. A summary of Qatargas’ waste management priorities in 2015 is presented in Figure 10.

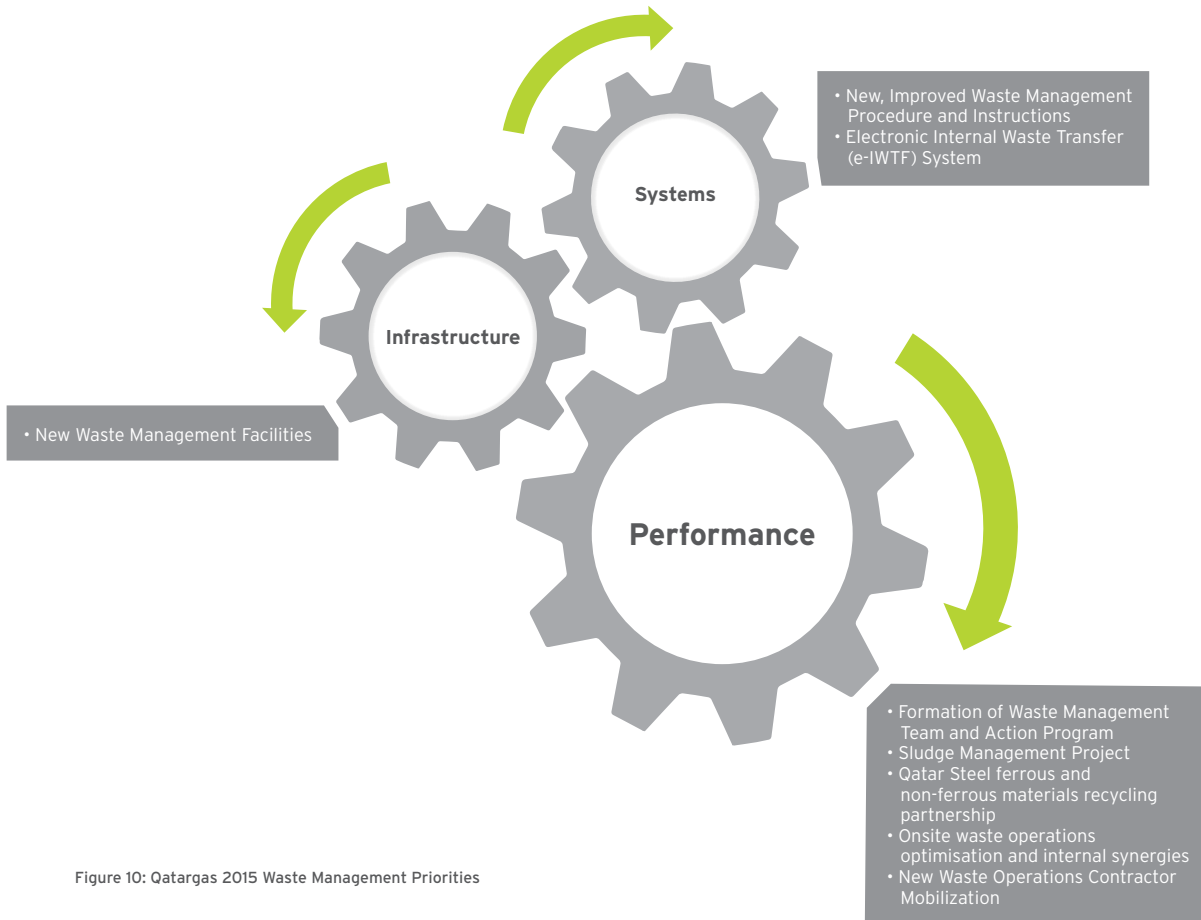


Figure 10: Qatargas 2015 Waste Management Priorities



Figure 11: The Qatargas Waste Management Team outside the Temporary Waste Handling Yard

Performance

A centrifuge system was commissioned in 2015 as part of the onsite Qatargas Sludge and Slurry Management Project to separate sludge and slurry into its constituent oil, water and solid streams which have established disposal pathways. Qatargas also entered into a partnership with Qatar Steel for recycling of ferrous and non-ferrous materials. Over 150 tonnes of ferrous and 160 tonnes of non-ferrous materials were transferred to Qatar Steel in 2015. In addition to the above, significant improvements in our waste handling and compliance were realised through the award of a long-term contract to a specialist waste management contractor to support our onsite waste operations.

Systems

In 2015, a new Waste Management Procedure was developed with defined roles and responsibilities, new process workflows and guidelines. The Company-wide utilisation of our electronic Internal Waste Transfer (e-IWTF) System, developed in-house, also reached 98% in 2015 with more than 1200 workflows processed. Building on the above, a key long-term goal for Qatargas is to expand its Waste Management System (WMS) to manage not only current but future waste streams as well.

Infrastructure

The increase in the volume and diversity of our waste streams, coupled with waste disposal infrastructure limitations has led to the decision to construct new Qatargas Waste Management Facilities. These facilities, expected to be completed in 2018, will allow safe and environmentally sound handling, segregation and storage of wastes.

Qatargas recognises the importance of a sustainable waste management approach as a key corporate objective.

2015 Qatargas Waste Management Performance

Waste Generation and Disposal	2012	2013	2014	2015
Hazardous Waste Generated (tonnes)	4,099	2,769	3,217	3,591
Non-hazardous Waste Generated (tonnes)	5,500	3,103	3,849	3,213
Total Waste Generated (tonnes)	9,599	5,872	7,065	6,805
Waste Recycled (tonnes)	4,569	1,775	2,038	1,534
Percentage of Recycled Waste Relative to Total Waste Generated	48%	30%	29%	23%

The overall waste volume generated in 2015 was lower than in the previous year. However, the volume of hazardous waste generated was higher than in 2014 due primarily to generation of hydrocarbon sludge from storage tank cleaning activities, which will be disposed of in 2016 as part of the Qatargas Sludge and Slurry Management Project. This increase was compensated by lower volumes of non-hazardous wastes generated such as concrete, wood, scrap metal and canteen waste. Although more waste oil and activated carbon streams were recycled, the reduced volumes of scrap metal and wood resulted in a lower overall recycling ratio for 2015 when compared to previous years.

Water and Wastewater

Water consumption levels remained relatively constant between 2014 and 2015. The only appreciable change was a marginal reduction in the use of treated water for irrigation in 2015 due to maintenance downtime at the Qatargas 1 boilers.

Water Use (m³)	2012	2013	2014	2015
Seawater used for non-contact, once-through cooling (onshore)	3,761,597,718	3,733,898,900	3,762,481,215	3,788,123,436
Desalinated water consumed	4,416,617	4,329,053	4,505,991	4,504,140
From Kahramaa	2,643,072	2,440,410	2,407,935	2,587,842
Generated on site from seawater	1,773,545	1,888,643	2,098,056	1,916,298
Process wastewater injected into subsurface formations	1,291,751	1,254,375	1,237,128	1,287,093
Process and sanitary wastewater discharged to sea (excluding non-contact seawater for once-through cooling)	950,529	961,556	958,996	965,123
Process and sanitary wastewater used for irrigation	74,062	60,181	104,868	93,609

In line with the Qatar National Vision (QNV 2030), and initiatives led by the MME targeting minimisation of wastewater discharge to sea and maximisation of water reuse in RLIC, Qatargas has implemented a Wastewater Management Strategy based on the following core principles:

- Reducing wastewater injection to deep well formations.
- Treating wastewater with advanced treatment technologies for reuse to minimise desalinated water intake.

Building upon the QG1 Membrane Bioreactor (MBR) facility, this strategy comprises a comprehensive program to design, engineer, and implement Wastewater Reduction and Reuse (WRR) projects at Qatargas’ LNG and LR facilities. As part of this program, MBR and Reverse Osmosis (RO) technologies will be installed to bring wastewater to desalinated water standards for eventual reuse within our plants.

The advanced wastewater systems demonstrated in Figure 12 below, are in various stages of implementation and are expected to recycle approximately 60-70% of wastewater currently discharged to the sea, and 50% of wastewater currently injected into subsurface formations, by the time they are completed.

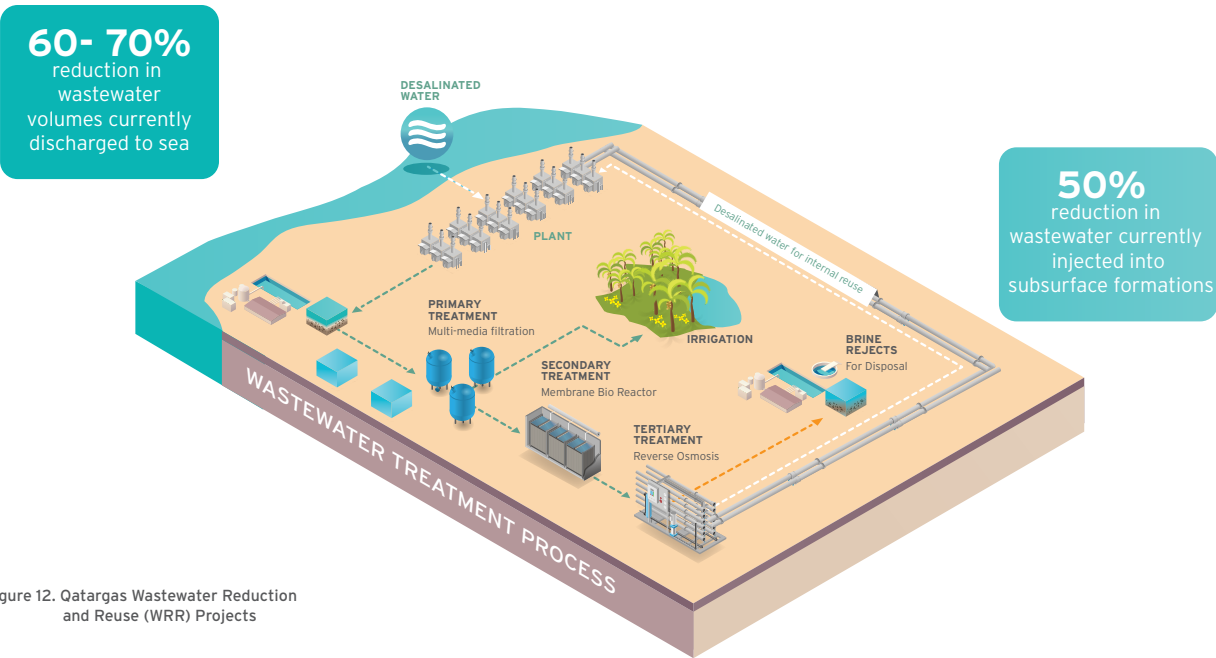


Figure 12. Qatargas Wastewater Reduction and Reuse (WRR) Projects

Air Emissions

Air Emissions (tonnes)	2012	2013	2014	2015
Nitrogen Oxides (NO _x)*	11,916	11,749	11,157	10,454
Sulphur Dioxide (SO _x)*	18,090	17,400	16,387	12,583
Volatile Organic Compounds (VOCs)	1,157	1,658	800	761

*NO_x and SO_x numbers were rectified for 2012-2014 due to corrections in the emission accounting method.

Qatargas monitors Nitrogen Oxides (NO_x) and other pollutants with extensive use of Continuous Emissions Monitoring Systems (CEMS). There are currently 75 CEMS installed throughout Qatargas facilities in RLIC at emission sources equal to or greater than 25MW heat input capacity.

NO_x emissions in 2015 were 6% lower relative to 2014. This can be attributed to the NO_x reduction projects implemented as part of the NO_x Mitigation Compliance Action Plan (CAP) at the QG1 LNG facilities. The CAP was completed in 2015 after the final boiler was equipped with low NO_x burners. The full-year operation of the JBOG facility has also contributed to lower NO_x emissions from boil-off gas flaring at the LNG loading berths.

Sulphur Dioxide (SO₂) emissions in 2015 were approximately 23% lower compared with 2014 emissions due to full-year operation of the (PMP) facility, which resulted in increased sulphur recovery at Qatargas 1. As a result of operational optimisation, fewer trips also occurred at Qatargas 1, Qatargas 2, Qatargas 3, Qatargas 4 and Laffan Refinery, leading to reduced SO₂ emissions associated with flaring.

The continued implementation of Qatargas’ Leak Detection and Repair (LDAR) program has resulted in an average 85% reduction in fugitive Volatile Organic Compound (VOC) emissions between annual ‘pre-repair’ and ‘post-repair’ LDAR cycles during the 2012-2015 period as shown in Figure 13. The LDAR program is focused on the surveillance of approximately 74,000 process components and implementing timely repair of identified fugitive VOC leaks. Annual LDAR implementation has also resulted in an average 50% reduction in ‘pre-repair’ VOC emissions between 2012 and 2015 which demonstrates the success of this program in reducing the overall number of leaking components at our LNG, LR and RLTO facilities.

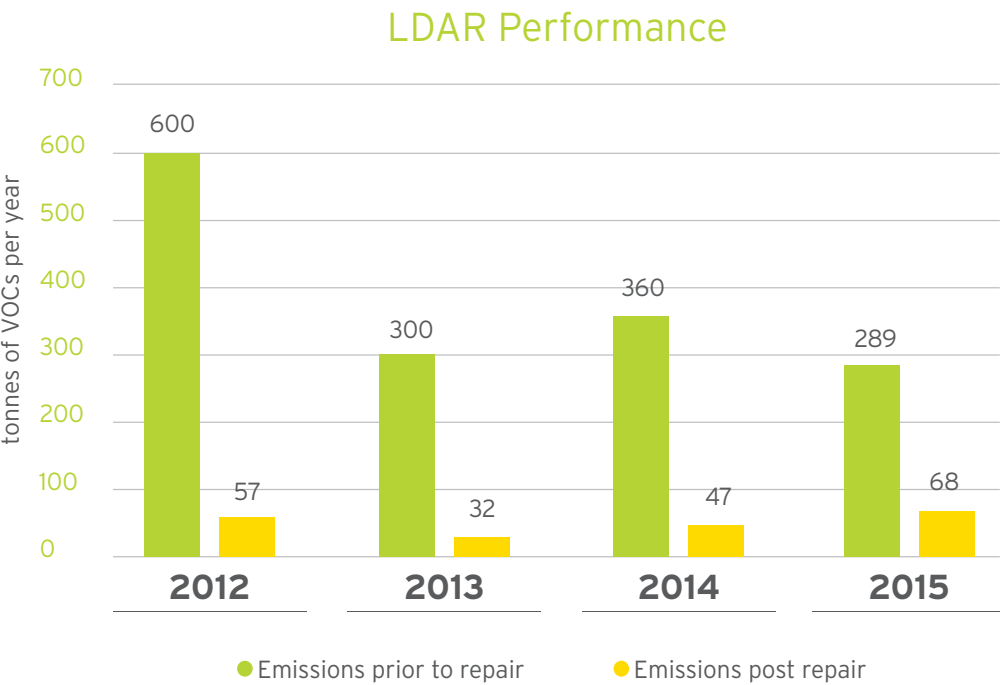


Figure 13. Qatargas LDAR Performance

Transportation

As the world’s largest LNG supplier, Qatargas uses the largest transporting fleet to deliver LNG to its customers. In April 2015, the 5,000th LNG cargo was loaded from the Qatargas Common LNG Storage and Loading Asset in RLIC. This achievement demonstrates the Company’s operational excellence and its commitment to safety.

The majority of LNG vessels are chartered and operated by Nakilat or other companies. Although Qatargas’ control over fleet operation ends with the loading of LNG, the Company, however, monitors the environmental performance of LNG vessels as transportation is an integral part of the Company’s value chain. Qatargas has also implemented initiatives to reduce the impact of LNG transportation on the environment and to improve the safety of our transportation operations.

TYPES OF LNG SHIPS

Q-MAX
263,000-
266,000 M³

Q-FLEX
210,000-
217000 M³

CONVENTIONAL
137,500-
154,000 M³



A total of 39 vessels used by Qatargas for transporting LNG are certified by Green Award, which demonstrates proactive implementation of industry best practices and internationally accepted legislation in operations safety, quality management, ship arrangements and environmental protection. By rewarding safety and environmental practices in shipping management, Green Award makes ship operation more attractive from an economic perspective too. The Green Award certification requires operators to adhere to sustainable practices, which was one of the reasons for the significant (on average 19%) reduction in the generation of waste of Categories A¹⁷ , B¹⁸ , C¹⁹ , and E²⁰ in 2015 relative to 2014.

Shipping Environmental ImpactShipping	2014	2015			
	TOTAL	QGI conventional	Q-Flex / Q-Max	In-Chartered vessels	TOTAL
Number of Vessels	49	11	28	8	47
Distance Travelled (nautical miles)	5,176,648	1,485,421	2,940,997	617,773	5,044,191
Energy Use Based on Fuel Consumption (GJ)	79,599,750	21,651,514	45,001,193	9,334,609	75,987,317
CO ₂ Emissions (tonnes)	6,037,414	1,472,776	3,523,146	734,523	5,730,444
NO _x Emissions (tonnes)	142,912	19,869	97,483	20,248	137,600
SO ₂ Emissions (tonnes)	101,319	12,985	69,631	14,765	97,381
Category A and other Waste Incinerated (m³)	1,697	396	582	268	1,246
Category B Waste Discharged to Sea (m³)	291	75	137	33	245
Categories A, C, E and other Waste Disposed Ashore (m³)	4,356	379	2,819	564	3,762
Ballast Water Exchanged and Discharged to Sea (tonnes)	32,249,057	5,902,424	19,647,210	5,324,307	30,873,942
Refrigerant Gas Replaced in Fridges and HVAC (kg)	8,667	1,019	7,436	2,148	10,602

¹⁷ Category A waste: plastic and other non-hazardous waste is either incinerated or disposed ashore.
¹⁸ Category B waste: food waste is disposed at sea at least 12 nautical miles from shore and outside the designated Special Sea Area.
¹⁹ Category C waste: domestic waste e.g. glass, metal, crockery, bottles, etc.
²⁰ Category E waste: incinerator ashes are disposed ashore.

In line with the Company’s commitment to protecting the environment, Qatargas announced the successful commissioning of a gas burning M-Type Electronically Controlled - Gas Injection (ME-GI) System during the second phase of gas trials on the chartered Q-Max vessel, Rasheeda, in October 2015. ME-GI is focused on converting slow speed diesel engines to burn LNG instead of heavy fuel oil as currently used. Given that around 80% of the Qatargas fleet (Q-Max and Q-Flex vessels) uses heavy fuel oil, successful piloting of the project could significantly reduce GHG emissions from transportation when the technology is implemented for all vessels. The significance of ME-GI is in proving the commercial use of this technology for maritime propulsion for the first time. This offers the potential for LNG-carrying vessels around the world to use LNG as a cleaner fuel as compared with other conventional fuels.

The completion of the JBOG Project and the ME-GI pilot, together with excellent results of extensive environmental management audit of the Qatargas Shipping Department, contributed to winning the prestigious Globe of Honour international award that recognizes excellence in environmental management. Jointly with the Sword of Honour, presented for demonstrating excellence in the management of health and safety, Qatargas has received these two prestigious awards twice in a row - in 2014 and 2015. Only seven organisations worldwide have achieved this result.



Biodiversity
Qatargas’ operations are located in the vicinity of ecologically sensitive areas, including the coral reefs of the Arabian Gulf, north-eastern beaches where hawksbill sea turtles nest and the Al-Dhakhira Nature Reserve, with its coastal mangroves area. Qatargas recognizes that preserving sensitive habitats and protecting endangered species are important elements of the Company’s commitment to environmental stewardship. Adherence to our ISO-14001 EMS requires implementing best practices to mitigate environmental impacts from operations. Qatargas has also supported beach clean-up activities within RLIC as well as other beaches in Qatar in conjunction with the MME and QP/RLIC. Qatargas was a key participant in the QP/RLIC-sponsored Beach Clean-up Day held on 9 April 2015 at the Northern Beach in RLIC. Traditionally, ship hulls have been painted with tin-based paint that is toxic to barnacles and other marine creatures. To protect the marine environment, Qatargas has switched to a special slippery, silicon-based paint for its LNG ships that prevents barnacle attachment to hulls and is non-toxic to the marine environment.

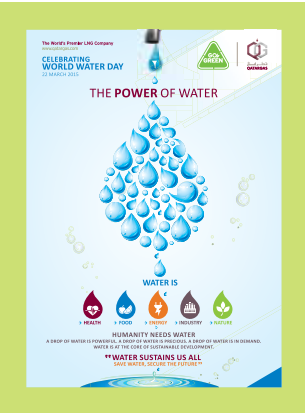
Environmental Awareness
The Qatargas Go Green program is intended to foster environmentally conscious attitudes and behaviours within our employees by enlightening them on the importance of preserving natural resources and reducing impacts on the environment.

Go Green 2015 focused on the following new topics:

- **Water Is Life:** Providing an overview of Qatargas’ wastewater reduction and reuse program.
- **Shop Right...Shop Green:** Providing examples of the environmental footprint required to produce everyday consumables and products, and encouraging employees to make environmentally conscious choices when shopping.
- **Green Your Commute:** Outlining alternative ways of transportation to and from work that can lead to lower emissions while saving costs.
- **CTRL+ ALT+ DEL Your e-Waste :** Highlighting methods and means for minimising e-waste generation as well as appropriate and environmentally friendly methods for e-waste disposal



This information is communicated through posters, the Qatargas Go Green Portal, email spotlights, and articles in the Company’s quarterly Pioneer magazine.





OUR WORKFORCE

Qatargas continually attracts, retains, develops, and motivates a high-calibre, and diverse workforce. Our workforce is our most valuable asset and is paramount to our success as the World's Premier LNG Company. In relation to our workforce,

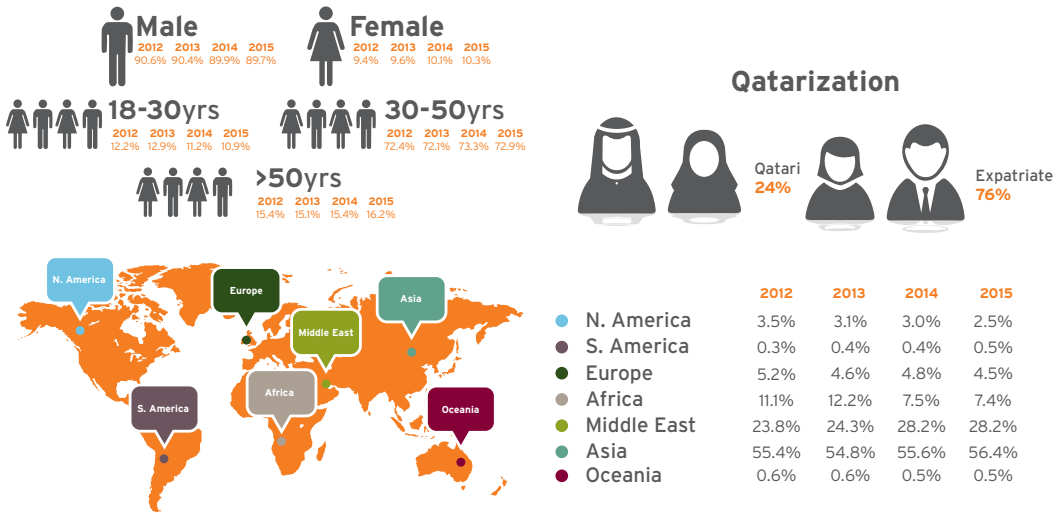
- we commit to:
- Using our diversity as a source of strength
 - Developing our people and fostering a culture of learning, innovation, and excellence
 - Trusting and empowering each other, encouraging initiative and assuming responsibility
 - Recognising, acknowledging, and rewarding accomplishments
 - Working in, and promoting, a spirit of active mutual support
 - Responsibly communicating and sharing information

'Employee satisfaction and retention,' 'Talent development,' and 'Diversity, female representation, and equal opportunities' are material issues that constitute the focus of Qatargas' responsibility toward its workforce. To maximize workforce potential, Qatargas introduces numerous programmes and initiatives focused on the development of human capital, manages its workforce talent to sustain the company's premiership status, and offers a variety of initiatives to keep the workforce engaged and satisfied, thus increasing loyalty to the company and ensuring business continuity.

Our dedication to becoming the world's premier LNG company means we continue to focus on becoming known for our people, innovation, operating excellence and corporate social responsibility. This forms the foundation of our approach to sustainability, an approach that continues to develop in alignment with the sector and national frameworks.

Diversity, Female Representation, and Equal Opportunities

Qatargas' workforce is represented by over 60 nationalities, with everyone entering the Qatargas family treated equally in terms of safety and professional development. The attention to diversity is particularly focused on in the Qatarization process, where the company applies all possible efforts to reach its challenging target (see more in the section Qatarization). The rate of female employment in the company is 10.3% and has been steadily growing over the past years. The relatively low rate of female employment can be attributed to the fact that work requirements, such as shift work and the need to travel long distances, are more challenging than in other economic sectors. However, Qatargas offers numerous non-technical positions to women in its Doha headquarters, and takes pride in contributing to the professional development of female employees that choose technical specialisation.



Qatarization

In line with the Human Development pillar of Qatar National Vision 2030, Qatargas is focused on creating a knowledge-based society that offers highly skilled professionals. Qatargas is going beyond pursuing its target of employing Qatari as part of its workforce by offering a variety of opportunities for professional development internally and supporting the development of future professionals externally.

Qatarization Trend	2012	2013	2014	2015
Number of Qatari employees	572	613	602	622
Qatarization rate	25.8%	26.1%	24.1%	24.6% ²¹
Qatarization of management ²²	40.1%	37.5%	44.4%	46.2%

²¹ Qatarization rate is calculated based on the headcount of permanent employees in Qatargas OPCO.

²² Qatarization of management is expressed by the percentage of Qatari employees in management positions relative to expatriates.

Following the Qatar National Vision 2030 to develop Qatari human capital, the industry-wide Strategic Qatarization Plan establishes a 50% target for Qataris to be employed in permanent positions in the energy and industry sector ²³. Qatargas has accordingly set its Qatarization target of 50% to be reached by 2030. This is a challenging target as the local employment market is very competitive, with numerous companies in Qatar providing highly attractive work and development conditions for Qatari Nationals. Qatargas, however, aims to be viewed as the employer of choice in the energy and industry sector, and among Qatari companies in general. Positioning itself as such is a gradual process; however, Qatargas is allocating resources to create an exemplary workforce development system that allows all National employees to maximise their potential for the benefit of the company and their own professional development.

Although the rate of Qatarization has been stable in recent years, with only minor annual variation, the Qatarization rate among company management has seen steady growth, with increasing numbers of Qataris leading units. This trend represents an important achievement as Qatargas is the main contributor to the Qatar economy, and it is of particular importance for the entire country in terms of being able to lead the development of its own economic resources.

Individual Development Plan

Qatargas helps National graduates and trainees establish personalised development milestones on their path to reaching the status of established professionals in their field. This progression is reflected in the Individual Development Plan (IDP) that every National graduate has to follow, accompanied by a periodic review of their progress toward IDP completion. As part of the IDP, an Individual Training Plan (ITP) and review process is established for each National trainee.

The ITP includes mandatory tasks and courses that must be accomplished to reach a targeted position grade and to develop necessary technical and behavioural skills. National graduates received an average of 77 training hours per person in 2015, which is almost double the total average hours of training delivered to other Qatargas employees.

This year we started the mandatory process of standardising IDPs for all target positions reserved for Nationals. This will ensure that highly skilled National professionals can fill those roles after completing their IDPs in a way that is consistent across the company. In 2015, 43 National trainees and 44 National graduates were recognised for successfully completing their individual development and training plans.



²³ <http://www.qatarization.com.qa/Qatarization/Qatarization.nsf/40278ec4e9ade91c4325725d003bc463/f6d73500302675e7432574500040a8c5?OpenDocument> (Accessed March 2016)

Support of Education and Recruitment

Fifteen new scholarships were allocated for Qatari students pursuing engineering degrees in universities in Qatar and the UK. Added to previous scholarships financed by Qatargas, the educational support in 2015 totaled 7.1 million QR (USD 1.95 million), which is an increase of almost 14% from 2014.

Qatargas actively participates in career fairs in Qatar and abroad to attract young talent. In 2015, over 500 students participated in career fairs in Education City, at Qatar University, and at a career fair in the United Kingdom. Scholarships were offered to five students. Twelve high school graduates were selected for participation in the Technical Preparation Programme (TPP) during the 'Hayyakum' recruitment fair, run by Qatargas. TPP is a three-year technical programme consisting of offsite theoretical training at the College of the North Atlantic, Qatar, (CNAQ), and practical training (known as 'Workplace Learning') at Qatargas' operational facilities. Similar recruitment of National graduates took place during the CNAQ TPP Campaign, where 26 students were selected for participation in the programme.



'Hayyakum' recruitment fair

Engagement of Qataris

CEO Forum

One of the important engagement opportunities for National graduates and trainees is the possibility of interacting directly with CEO Khalid Bin Khalifa Al-Thani during the Annual CEO Forum for National Graduates and Trainees. This year, the event took place for the 14th time and had the theme of 'Commitment to National Development.' The CEO Forum reflects the commitment made by senior management to its National workforce, and helps forge a strong relationship between young professionals and their coaches. Several Qatari employees shared their experience of successful career development, detailing their journeys from graduation to progressively building their professional skills through training and development programmes offered by Qatargas. As a result, they became successful professionals, distinguished by awards and advancement in their careers, a goal that can be reached by using personal motivation and taking advantage of development opportunities. During the Forum, the CEO recognised the best performers among graduates, trainees, and coaches in an award ceremony. The Forum has traditionally ended with a closed session of direct communication between graduates, trainees, and the CEO that is considered the highlight of the event. This direct communication provides an excellent engagement opportunity for young Qataris to share their concerns and experience with senior management and, in return, provide management with valuable feedback on how to improve the Qatarization process.



Qatarization Forum for National Graduates and Trainees

Another opportunity for directly engaging National graduates is the annual Qatarization Forum, which provides a platform to share their experiences and challenges with their coaches. The last Qatarization Forum was held under the theme 'Activating Leadership Potential' and saw participation of 78 National graduates. This process helps establish a better understanding of each other's roles and responsibilities, and provides an opportunity for Qatari National graduates to engage in open discussions with the Head of Qatarization and National Development. During the Forum, awards were given to the members of the Focus Group, another initiative that comprises representatives from each group of National graduates in Qatargas. It serves to enhance communication with the Learning and Development Department.



Talent Management

To better identify, promote, and retain talent and to increase performance, Qatargas continues its journey to adopt an integrated business solution for the talent management process. Presented below in more detail, it is based on a holistic management approach to activities and tools in the areas of performance management, talent development ('Develop Talent'), succession planning, and leadership development and training.

The structure of the talent management process allows managers and supervisors to define the skills, knowledge, and attitude required for different positions. It also provides them with a way to check, via assessment and performance appraisal, that employees across the company are fulfilling their roles.

Performance Management

The Performance Management System is implemented with the help of the SAP Talent Management Tool, allowing all Qatargas employees to document their assigned objectives and record their progress throughout the year. It also allows management to continually monitor the effectiveness of workforce performance.

In 2015, the compliance rate was 99%, with 2756 out of 2777 employees completing their performance appraisal on time.

Develop Talent

As part of the Technical Competence Framework, Qatargas identifies competence gaps by assessing employees' technical skills. Development plans are created and employees are directed to undertake appropriate actions to close those gaps. To maximise the learning experience, Qatargas applies the 70-20-10 approach when offering necessary workforce development activities as part of the Individual Development Model. The learning experience is maximised by ensuring that 70% of development activities are linked to real-life and on-the-job tasks and assignments, 20% to receiving feedback and observing role models, and 10% to formal training.

Using the technical skills assessment and corresponding skills development approach, Qatargas effectively closed most of the competence gaps among its workforce in 2013 and 2014. However, the company continues to tackle all remaining competence gaps, with 96% of eligible employees undergoing technical skills assessments in 2015.

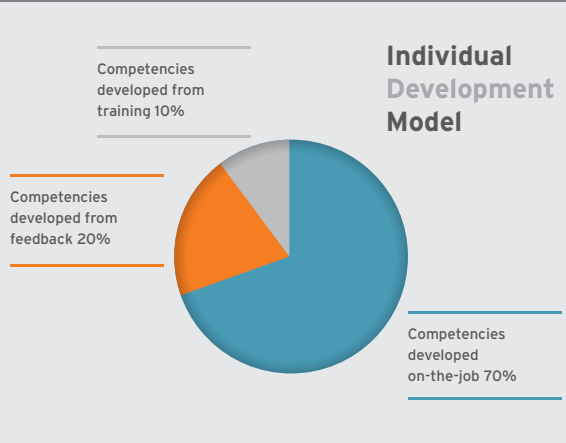
The success of the individual performance management model generated high interest from other organisations when it was presented at the SAP Conference in Milan in 2013 and at the 8th GCC Quality Human Development conference in Doha in 2015.

Extensive workforce development efforts at Qatargas have been recognised with the Gold Level accreditation from Investors in People (IiP). IiP is an internationally recognised best practice standard for people management administered by the UK Commission for Employment and Skills. Qatargas' Learning and Development Department is the only one to achieve this high level of recognition among LNG companies worldwide.

The IiP standard reflects an organisation's capacity for managing its people and evaluates an entity performance in three areas:



- Leading people in delivering outstanding results through motivating, empowering, and involving them, and integrating organisational values
- Supporting the work of people by managing and rewarding their performance, and structuring the workforce to deliver organisational objectives
- Improving workforce performance by building capability, delivering continuous improvement, and creating sustainable success



In 2016, Qatargas plans to activate the SAP Talent Management Tool for Technical Competence Framework, which will store all workforce technical qualifications and training records. The learning portfolio will provide decision makers with valuable information to identify and manage career development and succession opportunities, and map development and training needs in accordance with the job competencies required to achieve the company's objectives.

Qatargas has established KPIs to gauge employees' compliance with both the Performance Management System and Technical Competence Framework. The KPIs are monitored and reported to management monthly. The efficiency of the Performance Management System and Technical Competence Framework in enhancing the professional capacity of employees is further strengthened by aligning these mechanisms with the QGMS principles through a detailed process map.

Succession Planning

Regardless of how engaged Qatargas is in keeping its workforce motivated and satisfied, a certain rate of turnover is natural. To ensure business continuity in our operations, it is critical to be prepared to fill positions of high strategic importance without delay. With this aim, Chief Operating Officers (COOs) of all company groups review key positions annually to ensure timely replacements, working with the Learning and Development Department to identify succession candidates for each position.

Leadership Development

Activate Leadership Development Programme

Reputable research suggests that early engagement of young talent is a key contributor to maximising the human potential of a country. With this aim, Qatargas founded the Activate Leadership Development Programme, which consists of a two-day workshop designed to ensure that graduates have the necessary tools to become future leaders in the company. The programme focuses on providing the fundamental tools for leadership, teamwork, and communication through experiential learning. In 2015, 43 National graduates who were either in the final stages of their IDPs or had recently become professionals participated in the first phase. Workshop content focused on leadership competencies and included experiential leadership exercises accompanied by real-time feedback. Fourteen National graduates were selected for the second phase, where they took part in a business simulation with participants from the Cadre Leadership Development Programme.

Cadre Leadership Development Programme

The Cadre Leadership Development Programme is Qatargas' flagship leadership development programme. Now in its third year, the programme has seen 43 high-potential department heads and managers complete the first phase, which includes three modules structured around the themes of 'leading self,' 'leading others,' and 'leading in action.' In 2015, Cadre leaders worked alongside Activate participants in a business simulation for module three (Leading in Action). This three-day workshop included the Cadre leaders transferring knowledge to the Activate participants, thus embedding their learning, as well as working with the Activate participants to extract, sell, and market oil in a simulation. Phase two of the Cadre Leadership Development Programme gives some of the Cadre leaders the opportunity to attend an external leadership development programme by the Centre of Creative Leadership (CCL). In 2015, a total of 10 Cadre leaders attended the CCL programme at various locations around the world, including Singapore, Belgium, and the United States.

'Supervising the Qatargas Way' and 'Conversation 365'

In 2015, Qatargas launched the second phase of 'Supervising the Qatargas Way' (SQW), a programme designed for department managers, heads, and supervisors. The purpose of SQW is to provide individuals with the fundamental tools managers, heads, and supervisors require to drive and sustain the company's position as the World's Premier LNG Supplier.

Part of Phase 2 included condensing two workshops into a one-day 'Conversation 365' for managers and heads. It encourages managers and department heads to have day-to-day communication with their teams. This continuous interaction provides timely and open feedback on various issues related to work and interpersonal relationships, establishing an atmosphere of openness and mutual understanding within the team.

Training and Development

As the result of tackling workforce competence gaps through the Develop Talent programme, the need for training decreased in 2015, resulting in the provision of lower average hours of training per employee. The company also made more efficient use of its training budget by providing most training programs in-house, drawing on the excellent quality of internal resources.

Training	2012	2013	2014	2015
Total hours of training	42,914	86,000	137,601	115,856
Average hours of training per employee	24.5	28.7	53.8	40
Total cost of spending (QR)	6,406,290	8,117,729	8,741,908	6,918,602

One year has passed since the launch of the Learning Solution (LSO), a SAP-based centralised training system that has managed 2734 courses for employees to date. The system provides easy access to a vast array of training resources and tests in the format of classroom training, e-learning, and virtual training. Employees can choose to follow mandatory courses in accordance with their preferred schedule, and can select appropriate learning content in accordance with the qualifications required to perform a particular job efficiently. Managers and heads of departments use the system to track the training progress of their teams, ensure mandatory training KPIs are met, and ensure their teams are acquiring all knowledge necessary for effectively doing their work.

This automated approach aligns training courses and programmes with the company’s objectives to increase visibility in tracking the progress of mandatory and optional course completion, optimise the use of resources by taking advantage of all knowledge-transfer tools available in-house, and save training management time for administration. The system has been very well received among the workforce, with a staggering 22,578 course bookings made so far.

Employee Satisfaction and Retention

The mission of Qatargas is to be the employer of choice in the oil and gas industry. We have established and continue to develop various channels of multilateral communication among employees and supervisors to understand the needs of our workforce, and to provide them with timely guidance on company objectives. Providing an environment where every employee in the Qatargas family can thrive is a precondition for the sustainable performance of the company.

Engagement Channels

There are a variety of engagement channels and initiatives that give employees the opportunity to present their concerns or suggest improvements to their direct supervisors and to the CEO. The same channels allow senior management to communicate their views on what is needed to achieve the company’s objectives on an everyday basis. A range of engagement channels is presented in the diagram below.

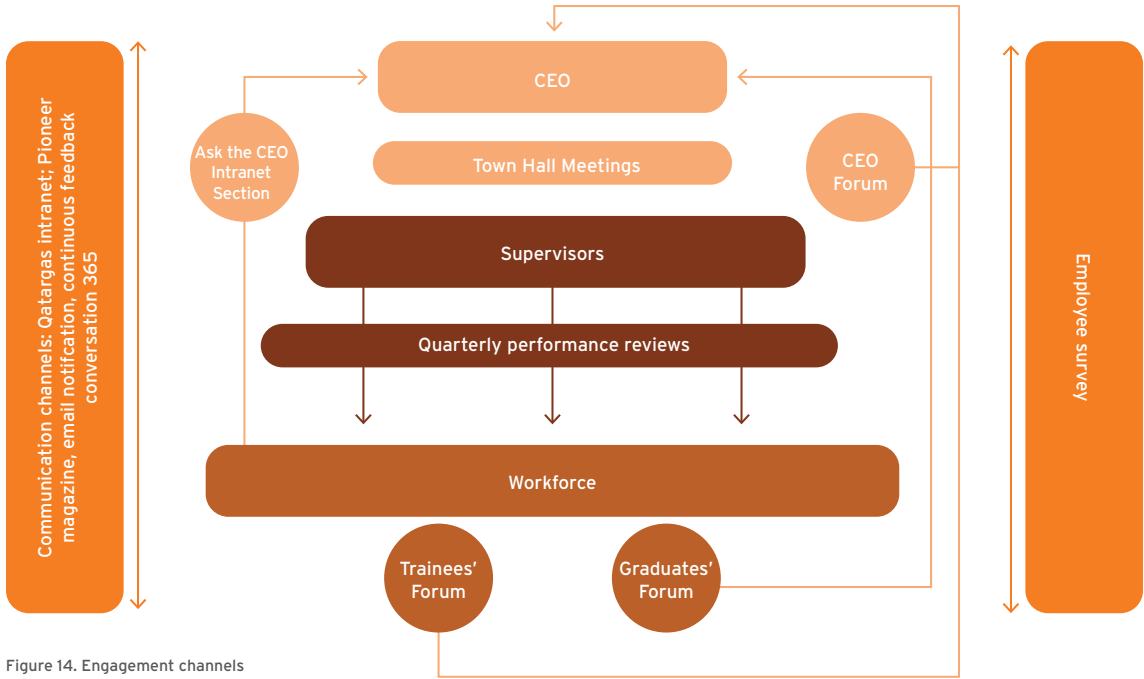


Figure 14. Engagement channels



Retention

Qatargas values the loyalty of its employees and invests heavily in earning the trust of its most valuable asset by supporting the aspirations of the workforce.

Traditionally, we reward employees who have been part of our company for more than 5, 10, 15, and 20 years on an annual basis. In 2015, the CEO personally handed the ‘Long Service Award’ to 332 employees for showing long-time loyalty to the company, while 189 employees received the ‘Shukran Award’ for outstanding performance in 2014.

Turnover	2012	2013	2014	2015
Turnover rate	7.5%	7.0%	6.5%	5.5%
Male	7.3%	7.1%	6.5%	5.4%
Female	8.8%	5.9%	6.9%	6.7%
18-30 years	6.3%	4.7%	6.7%	8.9%
30-50 years	6.6%	6.3%	4.8%	3.9%
>50 years	12.5%	12.4%	14.5%	10.6%

We are very proud to see the turnover rate falling consistently every year. In 2015, turnover rate was the lowest for the past four years. However, in light of possible turnover, we back up our human resources for key operational positions by planning succession ahead of time to ensure business continuity (see [Succession Planning](#) for more details).

Having seen a growing number of people aged 18 to 30 leaving the company, Qatargas keeps improving its talent management system to better evaluate the workforce’s professional needs and provide the necessary support for developing employee skills (see [Talent Management](#) for more details).



SOCIAL DEVELOPMENT

As the World's Premier LNG Company, Qatargas is committed to contributing positively to community development while demonstrating the highest standards of social practice. We have a robust Corporate Social Responsibility (CSR) programme, with numerous initiatives supporting and engaging communities.

We continuously work on streamlining our CSR work process to make it more efficient to implement, and more responsive to the needs of society. In 2015, Qatargas reorganised its Social Investment Policy and Procedure, clarifying the processes and procedures related to identifying and selecting social initiatives to support. The Social Investment Policy and Procedure defines responsibilities in managing social investment initiatives, establishes clear procedure for reviewing requests for support of social activities, and sets out criteria to be used for evaluating social investments.

'Investment in and engagement of local communities' is and will remain among the set of material issues for Qatargas and its stakeholders, given the company's significant role in Qatar's economy and its corporate responsibility to contribute to the development of the country. This chapter presents the size of Qatargas' investment in the development of local communities as well as the company's social engagement activities.

Our engagement with the community is not only dependent on the measure of visibility Qatargas receives but rather, what inspires us is the potential we find in our social investments and their power to add value to the objectives of the Qatar National Vision 2030.

Investment in Local Communities

In 2015, Qatargas spent 16.6 million QR on initiatives focused on the social development of the Qatar community, and on projects that contribute to the Community Outreach Programme. Social investment has more than doubled compared to four years ago and Qatargas continues to dedicate considerable financial resources to the developmental needs of the local community. As one of the pillars of the Qatar National Vision 2030, social development is part of the country's sustainable development, and it is Qatargas' responsibility to provide significant support to the country in this area. Its stakeholders, given the company's significant role in Qatar's economy and its corporate responsibility to contribute to the development of the country.

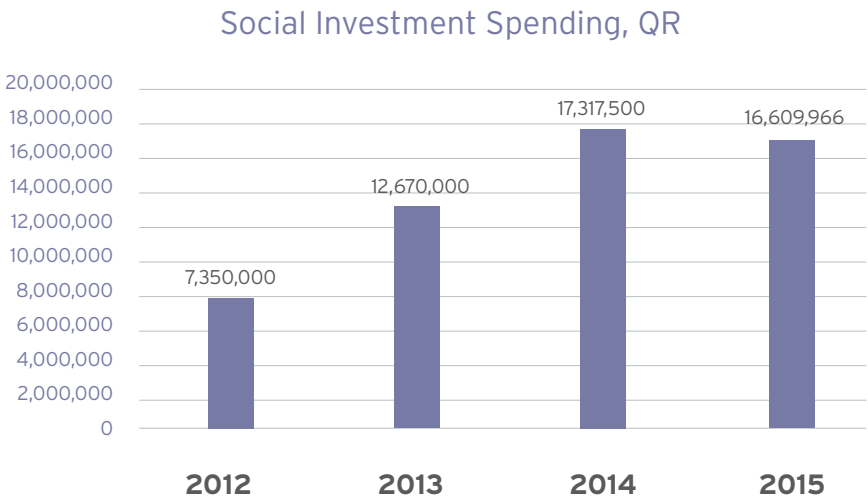


Figure 15. Social investment spending

Engagement of Local Communities


Community Outreach Programme

The Community Outreach Programme (COP) is a voluntary initiative established in 2010 that united seven companies operating in RLIC: Qatar Petroleum, Qatargas, RasGas, Oryx GTL, Pearl GTL, Al Khaleej Gas, and Dolphin Energy. The aim of the initiative is to serve the needs of the communities situated in the northern part of Qatar (Al Khor, Al Thakira, and others). Each year, around USD 7 million is used to support local community projects under the COP. The projects are developed in accordance with local community needs that fit into the three pillars of the COP’s activities: capacity building, health and safety, and education. The COP Working Group, which is the programme’s administrative body, selects project proposals according to the most urgent and important concerns communicated by members of the local society. Each company assumes a project management role for a certain number of community engagement initiatives, coordinating their implementation and spending. In 2015, Qatargas managed a project to expand the intensive care unit waiting area in Al Khor Hospital. In 2015, the COP Working Group undertook a survey in cooperation with the Social and Economic Survey Research Institute of Qatar University, focused on identifying local community needs that could be priorities for COP. A large sample of 2300 Qatari citizens and expatriates were interviewed about their awareness of the COP’s activities and their major concerns about living and working in northern areas. Thirteen civil society organisations operating in the northern area were included in the survey to develop an understanding of their activities and needs.


Residents and business owners identified lack of infrastructure, sanitation, and facilities as the major problems. According to the survey, environmental protection is more important for residents than economic growth. Pollution has been identified as a major environmental problem. The residents insist that RLIC companies take more responsibility for minimising pollution from their activities and dedicate more resources to significantly reducing this problem. Local business owners are ready to take greater responsibility for ensuring healthy, safe, and environmentally favourable conditions in their operational activities, and would like to see COP raising awareness of these issues by providing relevant training.

Qatargas, as part of COP, will use the results of the survey to select community investment initiatives that will fulfill the needs of the local community. Meanwhile, COP has been addressing specifically expressed needs of the northern community in the following ways:


Northern community needs:




Road safety issues in the northern area



Lack of greenery due to polluted environment



COP addresses by:



Qatargas has executed a road safety campaign under the COP in collaboration with the traffic department and the social police in the northern area.




COP has built a very attractive park for families living in the northern area. The park is staffed by security guards and cleaners, and contains a playing area for children and seating areas. More parks are planned for the future.

Qatargas CSR Programme

At the company level, Qatargas is engaged in initiatives that support various aspects of social life in Qatar, as we recognise that contributing to the formation of a healthy, well-educated society is of paramount importance. Subsequently, Qatargas is actively involved in initiatives focused on education, improvement of health, safety and environmental awareness in local communities, and promotion of sporting activities.

Knowledge and Education Initiatives

Qatargas is involved with a number of educational institutions, supporting research in the areas of process safety and gas processing, and promoting technical education in Qatar.

			
Name of the institution	Mary Kay O’ Connor Process Safety Center of the Texas A&M University, Qatar ²⁶	Qatar University, Gas Processing Centre	Qatar Independent Technical School (QITS)
Description of the institution	This prestigious, internationally acclaimed institution is the first of its kind in the Middle East. It was created to play a key role in developing and implementing education, research, and technology programmes. Its objective is to lead in preventing and minimising losses in the process industry and promoting safer practices.	The centre serves the community by addressing challenges and opportunities in the field of gas processing.	This is a secondary school with a specialisation in technical education.
Role of Qatargas	Member of the Process Safety Center	Founding member of the Gas Processing Centre	Qatargas’ Head of Qatarization and National Development sits on the Board of Trustees

To promote partnerships between universities and industry, Qatargas sponsored the Best Overall Prize for the 12th Annual Plant Design Competition, recently organized by Qatar University’s Chemical Engineering Department. The award provides chemical engineering students with the opportunity to work on a plant design project relevant to the industry, encouraging practical implementation of acquired theoretical knowledge.

Qatargas also supports institutions’ activities in the area of human capital development. The company is a member of the Training and Development Liaison Committee (TDLC), which promotes best practices in training and development in Qatar’s energy and industry sector. A representative of Qatargas also sits as a vice chair in the International Gas Union Task Force that looks after human capital development in the gas industry.

Qatargas recognises its role in supporting industry-related international scientific events that provide opportunities for industry leaders to share ideas, exchange technical knowledge, and discuss ongoing industry-related issues. In 2015, Qatargas was the Platinum Sponsor of the 3rd Middle East Turbomachinery Symposium (METS 2015), a biennial event organised by the Turbomachinery Laboratory of the Texas A&M Engineering Experiment Station, and hosted by Qatar Petroleum.

Qatargas also supports educational and awareness-raising activities among younger residents of Qatar. The company took part in organising the Gasna (meaning ‘Our Gas’) Competition for the academic year 2014-2015. This event focused on disseminating knowledge about the value of Qatar’s abundant natural resources amongst students. We believe that the competition will encourage the country’s younger generation to contribute to the development of innovative projects for gas and related product technologies.

²⁶ <http://www.petrotechnics.com/event/mary-kay-oconnor-process-safety-center-international-symposium-2015>

Health, Safety, and Environment Initiatives
Qatargas supports initiatives that improve quality of life in terms of health, safety, and the environment. The company takes part in several initiatives and sponsors organisations working to support people with health problems or living in disadvantaged circumstances. At the 17th annual Qatargas Golf Open, Qatargas organised fundraising for and provided an additional contribution to the Qatar Red Crescent Society, which undertakes humanitarian and social endeavours in and outside Qatar.

The Company organises four blood donation drives each year, two in Doha and two in Ras Laffan. In addition to helping the blood bank increase its supply of blood, Qatargas believes that such campaigns also help disseminate the culture of voluntary blood donation in the society. In addition, Qatargas supported the Hamad Medical Corporation's World Blood Donor Day celebration as a 'Gold Sponsor.' This event raises awareness about the importance of helping medical corporations add material to their blood banks so they can help people in a timely and effective manner.

We understand the humanitarian importance of helping people who cannot realise their full potential due to disadvantages associated with health conditions. Qatargas made a financial contribution to Shafallah Center for Children with Special Needs to support their 'Down Syndrome' campaign, due to the importance of integrating

children with Down Syndrome into society and providing the optimal conditions to care for them.

With safety being both a core value and a top priority in all areas of the company's business and operations, Qatargas recognises the importance of safe driving. Road traffic accidents have major societal, health, and environmental impacts, in addition to causing significant delays and traffic congestion. As Qatar's population increased, the number of vehicles on the roads grew from 130,000 in 1996 to 1,000,000 in 2014. In the same period, road accidents grew at a rate of 13% per year on average. Qatar has the fourth-lowest rate of accident fatalities in the Middle East, where, as a region, road fatalities have grown by an average of 5.6% annually since 1995 ²⁵.

To raise social awareness about the importance of safe driving, Qatargas launched a special Ramadan Road Safety TV commercial aimed at promoting safe driving behaviour and highlighting the dangers of using mobile phones while driving.

Qatargas also extended its 'Go Green' campaign to the community to raise environmental awareness among the local population (see more in the section [Environmental Awareness](#)).

²⁵ Statistics from <http://qrssc.qu.edu.qa/offices/research/qrssc/>



Supporting Sport
Sport brings numerous benefits to society, including the promotion of healthy lifestyles, social interaction, entertainment, and national pride. Sport plays a particularly important role in Qatar society and for the country's economy. Qatar hosts various international sporting events, and is working towards the honour of welcoming the 2022 FIFA World Cup.

Qatargas supports the development of sports that are quickly gaining popularity in Qatar, and aims to encourage children to engage in a diverse range of sporting activities. In 2015, the company provided financial and organisational support to badminton, football, cycling, golf, hockey, and chess.

Badminton



Qatargas sponsored the Qatargas Open Badminton Championship 2015, organised by the Qatar Badminton Association.

Football



As part of the country's preparation for the 2022 FIFA World Cup, Qatargas supports the 'Qatargas League,' which has 18 reserve and second division football teams.

Cycling



Qatar provides annual sponsorship for the activities of the Qatar Cycling Center.

Golf



Qatargas is a Gold Sponsor for the Doha Oilmen's Golf Tournament, and sent participants to join the tournament. For the fifth consecutive season, Qatargas has been sponsoring the QGA Junior Golf Programme in order to popularize golf amongst the younger generation.

Ice Hockey



Established in 2001, the Qatar Minor Ice Hockey Association is a non-profit amateur ice hockey league for youth. Qatargas supports the association as a Pearl Sponsor.

Chess



Qatargas has participated as a title sponsor in the Open Chess Championship, organised by the Qatar Chess Association.

As a traditional supporter of National Sports Day, Qatargas organised sporting activities for employees and their families in various locations: the state-of-the-art gymnasium at head office in Doha, Al Gharafa Sports Club, Doha Golf Club, Al Khor, and the company's winter camp in the Sealine Resort. Facilities were provided for participants to enjoy a variety of sports, including football, beach volleyball, basketball, table tennis, golf, and cricket, while children played on slides and bouncy castles. The company also provided the opportunity for participants to have their blood sugar level, blood pressure, and body mass index measured. Around 4,000 Qatargas employees and family members participated in the event.

APPENDICES

Appendix A - Report Scope and Boundaries

The development of this report has been guided by the Global Reporting Initiative (GRI) 4th Generation (G4) Sustainability Reporting Guidelines, and the International Petroleum Industry Environmental Conservation Association / American Petroleum Institute (IPIECA/API) Oil and Gas Industry Guidance on Voluntary Sustainability Reporting 2015. GRI G4 is a globally recognised framework for reporting on an organisation’s economic, social, and environmental performance whereas IPIECA/API guidance is considered as a reference in the oil and gas industry. A GRI Index is included in Appendix B.

How we Define Report Content

Materiality

The following material issues were identified during the materiality processes conducted in 2015. For each material aspect, aligned with the pillars of Qatargas strategic Vision and Sustainability Focus Areas of the Company, the boundary is provided below.

Pillars of Qatargas Vision	Sustainability Focus Areas	Aspect	Material within Qatargas	Excluding	Material outside of Qatargas
Safety, Health and Environmental Performance	Environment and Climate Change	Water and Wastewater Management	Yes		Neighbouring community (Qatar)
		Waste Management	Yes		
		Energy Use, Flaring and GHG Management	Yes	Qatargas HQ	Neighbouring community (Qatar) Environment (Globally)
	Health and Safety	Respect of Human Rights and Labour Standards	Yes		Suppliers and contractors (Qatar)
		Asset Integrity and Process Safety	Yes		
		Health and Safety	Yes		Neighbouring community (Qatar)
A High Calibre Workforce	Society	Investment in and Engagement of Local Communities	Yes		Neighbouring community (Qatar)
	Workforce	Diversity, Female Representation and Equal Opportunity	Yes		
		Qatarization	Yes		Neighbouring community (Qatar)
		Talent Management	Yes		
		Employee Satisfaction and Retention	Yes		

Pillars of Qatargas Vision	Sustainability Focus Areas	Aspect	Material within Qatargas	Excluding	Material outside of Qatargas
Efficient and Reliable Operations	Economy	Efficient and Reliable Operations	Yes	Qatargas HQ	
Customer Satisfaction		Customer Satisfaction	Yes		Customers (Globally)
Financial Performance		National Economic Development	Yes		State of Qatar
		LNG Market Dynamics	Yes		LNG Sector (Globally)
		Economic Performance	Yes		Shareholders (Globally)

Stakeholder Inclusiveness

As captured in Appendix C, we have identified and considered our key stakeholders, and we have outlined throughout the report how the company engages them, identifies their priorities and responds to the issues raised by them.

Sustainability Context

As much as possible we have tried to set the report content within the sustainability context of Qatar and the region. The most significant element of this is the influence of the Qatar Energy and Industry Sector Sustainability (QEISS) Programme, the Qatar National Vision 2030 and National Development Strategy 2011-2016. Whenever possible, Qatargas performance has been placed in comparison to sector performance or national goals set out in these frameworks.

Completeness and Boundaries of this Report

The report covers all our operations in Qatar - Qatargas 1 (QG1); Qatargas 2 (QG2); Qatargas 3 (QG3); and Qatargas 4 (QG4) - offshore platforms and onshore LNG Trains 1 to 7; the Laffan Refinery; Ras Laffan Terminal Operations (RLTO - the storage and loading facilities located at Ras Laffan port), as well as transportation activities to and from Qatar by our LNG ships. Qatargas activities and facilities outside Qatar are excluded from the scope of this report. Contractors, suppliers and clients' data are not included in this report unless otherwise stated. Qatargas does not publish an annual financial report.

How we Ensure Quality and Relevance

Balance

The report aims to present a balanced and unbiased picture of Qatargas. Data presented shows both positive and negative performance, with explanation of both.

Comparability

Whenever possible we have presented four or more years of performance data in order to determine trends and trajectory on material issues. We have also provided a summary of our performance from 2012 to 2015 on the top sustainability indicators.

Accuracy and Reliability

The data and information presented in this report has gone through an interactive review process to catch any potential inaccuracies, with an external consultant conducting a limited logic and context based review. Internal auditing of systems and processes used to measure performance has been conducted. In a limited number of cases we have had to restate data presented in our 2014 Sustainability Report. Reasons for any restatements are clearly noted in the relevant sections of the report.

Quantitative data disclosed in the report originates from various sources:

- Economic data is extracted from our finance IT system;
- Production data originates from our production database;
- Workforce data is extracted from our human resources IT tools;
- Environmental data is determined through direct measurement, calculation on the basis of specific or standard conversion factors and estimates depending on parameters. Our EDMS is also now providing an increasing amount of data and information.

Timeliness

Due to progressive involvement of a larger circle of internal stakeholders in the preparation of the Report, an extended period of time was necessary to complete an extensive consultation and verification process due to the complexity of Qatargas organisation. Nevertheless, the publication time should give us the opportunity to engage external stakeholders with a document that is relevant and timely.

Clarity

The report has been developed in a way that caters to the various users of the report. Clear signposting of content is provided throughout the report, and additional information is also marked for those requiring additional information. The report has also been translated into Arabic.

Cautionary Statement

The report contains forward-looking statements. All statements, other than statements of historical fact are, or may be deemed to be forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that could materially affect expected results of operations, cash flows and business prospects, because they relate to events and depend on circumstances that will or may occur in the future. Although every effort has been made to ensure the accuracy of these statements, readers should not place undue reliance on forward-looking statements which speak only as of the date of this report.



Appendix B- GRI G4 Content Index

GRI G4 Content Index for 'in accordance' option Core



GENERAL STANDARD DISCLOSURES		
General Standard Disclosures	Page	External Assurance
Strategy and Analysis		
G4-1	6	-
G4-2	6, 13, 14, 21	-
Organizational Profile		
G4-3	2, 9	-
G4-4	9, 24, 42	-
G4-5	17	-
G4-6	9	-
G4-7	19	-
G4-8	23	-
G4-9	11, 24, 51	-
G4-10	51	-
G4-11	0% as collective bargaining is not recognised in the State of Qatar	-
G4-12	17	-
G4-13	No Major Changes	-
G4-14	6, 21, 34, 35, 36, 42	-
G4-15	2, 14, 20, 61, 62, 63	-
G4-16	2, 63, 72	-
Identified Material Aspects and Boundaries		
G4-17	19, 20, 66	-
G4-18	14, 65, 66, 67	-
G4-19	14, 65, 66	-
G4-20	65, 66	-
G4-21	65, 66	-
G4-22	66	-
G4-23	14, 66	-
Stakeholder Engagement		
G4-24	13, 72	-
G4-25	13, 72	-
G4-26	72	-
G4-27	72	-
Report Profile		
G4-28	2015 Calendar Year	-
G4-29	2015 Sustainability Report	-
G4-30	Annual	-
G4-31	2	-
G4-32	2, 68, 69, 70, 71	-
G4-33	No external assurance was conducted	-
Governance		
G4-34	2, 20, 68	-
G4-35	20	-

G4-36	20	-	
G4-37	13, 14, 71, 72	-	
Ethics and Integrity			
G4-56	21	-	
SPECIFIC STANDARD DISCLOSURES			
DMA and Indicator	Page	Omissions	External Assurance
CATEGORY: ECONOMIC			
Material Aspect: Economic Performance			
G4-DMA	25		-
G4-EC4	None received		-
Material Aspect: Market Presence			
G4-DMA	23		-
G4-EC6	51		-
Material Aspect: Procurement Practices			
G4-DMA	26, 27		-
G4-EC9	26		-
CATEGORY: ENVIRONMENTAL			
Material Aspect: Energy			
G4-DMA	40, 41		-
G4-EN3	40, 41		-
G4-EN4	40, 41		-
G4-EN6	40, 41		-
Material Aspect: Water			
G4-DMA	45, 46		-
G4-EN8	45		
G4-EN10	45, 46		
Material Aspect: Biodiversity			
G4-DMA	49		
G4-EN11	49		-
G4-EN12	49		-
Material Aspect: Emissions			
G4-DMA	42, 43, 46, 47		-
G4-EN15	42		-
G4-EN16	42		-
G4-EN17	42		-
G4-EN18	43		-
G4-EN19	42, 43		-
G4-EN21	46, 47		-
Material Aspect: Effluents and Waste			
G4-DMA	44, 45		-
G4-EN22	45		-
G4-EN23	45		-
G4-EN24	16, 35		-
Material Aspect: Transport			
G4-DMA	47, 48		-
G4-EN30	48		-

CATEGORY: SOCIAL		
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK		
Material Aspect: Employment		
G4-DMA	57	-
G4-LA1	57 - region is considered Qatar	-
Material Aspect: Occupational Health and Safety		
G4-DMA	29, 30, 31, 32, 33, 34	-
G4-LA6	30	-
G4-LA7	33	-
Material Aspect: Training and Education		
G4-DMA	54, 55, 56	-
G4-LA10	55, 56	-
G4-LA11	54	-
Material Aspect: Diversity and Equal Opportunity		
G4-DMA	51	-
G4-LA12	51	-
Material Aspect: Supplier Assessment for Labour Practices		
G4-DMA	27, 34	-
G4-LA14	27, 34	-
Material Aspect: Labour Practices Grievance Mechanism		
G4-DMA	21	-
G4-LA16	21	-
SUB-CATEGORY: HUMAN RIGHTS		
Material Aspect: Investment		
G4-DMA	27, 34	-
G4-HR1	27, 34	-
Material Aspect: Supplier Human Rights Assessment		
G4-DMA	27, 34	-
G4-HR10	34	-
Material Aspect: Human Rights Grievance Mechanisms		
G4-DMA	21	-
G4-HR12	21	-
SUB-CATEGORY: SOCIETY		
Material Aspect: Local Communities		
G4-DMA	59, 60, 61, 62, 63	-
G4-SO1	59, 60, 61, 62, 63	-
G4-SO2	59, 60, 62	-
SUB-CATEGORY: PRODUCT RESPONSIBILITY		
Material Aspect: Product and Service Labelling		
G4-DMA	36	-
G4-PR3	36	-
OIL AND GAS SECTOR DISCLOSURES		
G4-OG5	45, 46	-
G4-OG6	41	-
G4-OG13	35	-

Appendix C- Stakeholder Map

The stakeholder groups identified below were selected to represent those entities, organisations or peoples that are most affected by, or affect Qatargas most. The table below summarises the priorities of that stakeholder group, the methods used to engage stakeholders and company’s response to stakeholders’ expectations ²⁷.

Stakeholders	Stakeholder Priorities	Engagement Method	Qatargas Response
Shareholders	<ul style="list-style-type: none">• Maintenance of safe & reliable operations• Process efficiency• Financial returns• Preserve QG reputation as a reliable LNG supplier• Participation in local economic and social development	<ul style="list-style-type: none">• Board and ExCom meetings• Annual shareholder market presentations• Shareholder meetings and discussions• Workshops to discuss opportunities for improvement• Shareholder relations• Official engagements - e.g. signings• Coordinated crisis communications• Liaison offices• Sponsorship collaboration (eg QMA, Exhibitions, etc...)• Qatargas contributions to QP Annual Report	<ul style="list-style-type: none">• Compliance with principles of transparency, ethical standards and good governance• Board meetings• Routine reports• Internal auditing• Strict SHE practices• Excellent standards of performance• Maximising Return on Investment
State of Qatar	<ul style="list-style-type: none">• Management of natural resources• Contribution to quality of life• Environmental protection• Financial returns• Development of national talent• Compliance with regulations	<ul style="list-style-type: none">• Job creation• Contribution to development of the State of Qatar’s new Environmental Guidelines• Participation in the Ministry of Energy’s “Quality Qatarization Strategy”• Through Qatar Petroleum• Coordinated crisis planning and communications	<ul style="list-style-type: none">• Alignment with State of Qatar 2030 Vision• Compliance with government regulations• Maximising profits• Commitment to Qatarization• Timely data reports for QP and government authorities• Routine SHE and sustainability reporting• Participation in national celebrations and functions
Local Community	<ul style="list-style-type: none">• Responsible business practices• Minimal environmental impacts• Employment opportunities• Safe operations• Development of national talent• Continuous engagement with local community	<ul style="list-style-type: none">• Social investment programs• Membership of RLIC Community Outreach Program (COP)• Contribution to local community• Sponsorship of social events• Engagement with local authorities• Educational/employment opportunities• Business opportunities for local small businesses• Site visits	<ul style="list-style-type: none">• Active social outreach and contributions• CSR compliance and initiatives• Participation in social events• Assistance to educational institutions• Environmental initiatives• Safe operations• Rewarding opportunities for local business partners
Employees	<ul style="list-style-type: none">• Safe and healthy working conditions• Competitive pay and benefits• Continuous career development• Open and transparent communications• No blame culture• Listening, supportive management	<ul style="list-style-type: none">• Internal Communications Strategy (incl. Communication Values)• Interactive security announcements and safety exercises• Regular departmental/team meetings• Qatargas_All Email• Website and portal• Objectives and Performance Appraisal System• Employee opinion surveys• Corporate newsletters - Pioneer• Town hall meetings• CEO Forums for Trainees and Graduates• Ask the CEO channel• CEO intranet address to new joiners• Employee/management self-service (Online)• HR Service Desk• Walk-in open clinics• Department away days• PR Spotlight• Monthly key messaging pack for managers• Quarterly key messaging pack for supervisors• Corporate welcome program• Lunch & Learn sessions• Learning Community Day• Learning Souq• Premier Leadership Events (PLEs)• Long-Service Awards, Spot Awards, CEO Awards, Farewell Awards• Social platforms (Gala Dinner, Family Days, National Sports Day, Social Clubs, Winter Camp)• Updated Policies and Procedures	<ul style="list-style-type: none">• Equal opportunities and fair treatment• Safe working conditions promoting employee health and welfare• Competitive salaries and rewards• Open and transparent communications• HR policies promoting personal and professional development, engagement and empowerment• Training programs• Acceptable standards of accommodation

²⁷ Information updates relatively to 2014 is highlighted in red.

Customers	<ul style="list-style-type: none">Reliable, timely supplies of LNG and associated productsQuality products	<ul style="list-style-type: none">Contracts and agreementsCountry Liaison OfficesRegular meetings and site visitsConference and exhibitionsContractual arrangementsSigning ceremoniesGeneral publicationsMaterial Safety Data Sheets (MSDS)	<ul style="list-style-type: none">Global customer relationsRegular, responsive dialogueCustomer satisfaction surveysProduction of quality productsReliable suppliesOn-time products loadingProvision of excellent logistics and services
Contractors / Suppliers	<ul style="list-style-type: none">Fair contract bidding/awardingOn time paymentGood working conditions	<ul style="list-style-type: none">WebsiteContractual arrangements and bidding/tendering processDay to day liaisonPrequalification meetingsThird-party endorsementSafety communications and related initiatives (e.g. Incident & Injury Free (IIF), Safety Training Observation Program (STOP), Hydration...)Medical inspections	<ul style="list-style-type: none">Ethical standardsFair bidding and awarding processEffective contractor managementPayment process improvement initiatives (Vendor Invoice Management, Contract Life Cycle Management)Contractor monitoring to assure health and welfare compliance
The Energy Industry	<ul style="list-style-type: none">Timely, responsible communicationInformation/Data sharingSynergies in cooperation	<ul style="list-style-type: none">Membership of official/global energy sector bodiesContractors ForumConference and exhibitionsEnergy-related publicationsDelivery of technical papersSponsorship collaborations (e.g. SIGTTO, etc...)Keynote speechesBest practice sharingCrisis management collaboration	<ul style="list-style-type: none">Data sharing and exchangeEthical relationshipsSynergy Charter with RasGas directed on common procurementAgreement with Qatar Steel on ferrous and non-ferrous material
The Media	<ul style="list-style-type: none">Strategic global media engagementTimely access to accurate company informationAccess to senior Company spokespersonsSpeedy access to corporate locations/facilities	<ul style="list-style-type: none">Strategic global media engagement programCommunication plansPress releasesHolding statementsMedia toursPress conferences and briefingsFast fact sheetsInterviewsRound tablesSocial media platforms	<ul style="list-style-type: none">Knowledgeable company spokespersonsAccurate, regularly updated publicity
Non-Governmental Organisations (NGOs)	<ul style="list-style-type: none">Responsive communicationsContribution support to local NGOs	<ul style="list-style-type: none">Presentations/BriefingsEducational programsNGO support strategy	<ul style="list-style-type: none">Knowledgeable company spokespersonsAccurate, regularly updated publicity
Pupils / Students / Potential Employees	<ul style="list-style-type: none">Accurate accessible information about career opportunitiesCompelling Employee Value Proposition (EVP)Contribution to Educational Establishments	<ul style="list-style-type: none">Targeted recruitment campaignsDonations to educational institutionsUniversity endowments - Faculty ChairsScholarshipsInternship opportunitiesSchool outreach programsCareer fairsEducational events (GASNA, etc...)Participation in curriculum committeesSponsored research activitiesGuest lecturesFaculty visits/assignmentsStudent projects	<ul style="list-style-type: none">Dynamic, supportive relationships with educational/academic communitiesClearly differentiated and compelling EVPTalent attraction and retentionEnhanced symbiosis between industry and academia

Appendix D- Glossary and Acronyms

BCM	Business Continuity Management
BSPD	Barrels Per Stream Day
CAP	Compliance Action Plan
CCL	Centre of Creative Leadership
CEMS	Continuous Emissions Monitoring Systems
CEO	Chief Executive Officer
CIPS	Chartered Institute of Procurement & Supply
CLPG	Common Liquefied Petroleum Gas
CNAQ	College of North Atlantic Qatar
COO	Chief Operating Officer
COP	Community Outreach Programme
CPI	Continuous Performance Improvement
CPSE	Centre for Public Safety Excellence
CSP	Common Sulphur Plant
CSR	Corporate Social Responsibility
CTO	Consent to Operate
CVOC	Common Volatile Organic Compound
DG	HSE Regulations and Enforcement Directorate
DHT	Diesel Hydrotreater
DHT	Diesel Hydro Treating
DOSS	Demand on Safety System
ECIC	Ethics and Conflict of Interest Committee
EDMS	Environmental Data Management System
EIA	Environmental Impact Assessment
e-IWTF	Electronic Internal Waste Transfer
EMS	Environmental Management System
EMS	Emergency Management Services
EPTW	Electronic Permit to Work
ERP	Emergency Response Plan
EU	European Union
EVP	Employee Value Proposition
FEED	Front End Engineering Design
FMT	Flare Management Teams
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GHG	Green House Gases
GJ	GigaJoules
GRI	Global Reporting Initiative
HACCP	Hazard Analysis Critical Control Point
HAZOP	Hazard Operational Analysis
HFO	Heavy Fuel Oil
HRSG	Heat Recovery Steam Generators
HVAC	Heating, Ventilation, and Air Conditioning
IDP	Individual Development Plan
IIF	Incident and Injury Free
IIFIA	Incident Injury Free In Action
IiP	Investors in People
IMT	Incident Management Team
IPIECA	International Petroleum Industry Environmental Conservation Association
ISO	International Organization for Standardization
ITP	Individual Training Plan
JBOG	Jetty Boil-off Gas Recovery Facility
JBOR	Jetty Boil-Off Gas Recovery
JVA	Joint Venture Agreement
KPI	Key Performance Indicator
LCA	Life Cycle Assessment

Condensate - A straw-coloured or colourless liquid hydrocarbon mixture of over approx. 500 API gravity, which may be recovered at the surface from some non-associated gas reservoirs.

Corporate Social Responsibility - Continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

Flaring - A process of safe disposal of waste or unused/unusable gases required to ensure the safety and integrity of the facility.

Greenhouse Gas - A gas that contributes to the greenhouse effect by absorbing infrared radiation. Atmospheric emissions of GHGs from oil and gas operations include CO2, CH4 and N2O emissions from combustion sources, gas flaring, or fugitive emissions.

LNG - Natural Gas can be liquefied, e.g., at atmospheric pressure by cooling to about - 160 oC (-256 oF). It consists of liquefied methane (C1) and ethane (C2) and sometimes includes propane (C3) and butane (C4).

LPG - Mixture of hydrocarbon gases (propane and butane) used as a fuel in heating appliances and vehicles. It is increasingly replacing chlorofluorocarbons as an aerosol propellant and a refrigerant to reduce damage to the ozone layer.

Naphtha - Any of several highly volatile, flammable liquid mixtures of hydrocarbons distilled from petroleum, coal tar, and natural gas and used as fuel, as solvents, and in making various chemicals.

Nitrogen Oxides - Chemical compounds of nitrogen and oxygen. NO_x are produced primarily from the combustion of fossil fuels and contribute to the formation of ground level ozone.

Recordable Injuries is a sum of fatalities, lost-time injuries (LTIs), restricted work cases, and medical treatment injuries.

Sulphur Dioxide - A colourless, extremely irritating gas produced by fuel combustion and by many industrial processes. In oil and gas activities, SO₂ results primarily from sulphur removal processes and the flaring of sour gas.

LDAR	Leak Detection and Repair
LMRA	Last Minute Risk Assessment
LNG	Liquefied Natural Gas
LOPC	Loss of Primary Containment
LP	Low Pressure
LPG	Liquefied Petroleum Gas
LR	Laffan Refinery
LSO	Learning Solution
LSR	Life Saving Rules
LTJ	Lost Time Injury
LTIF	Lost-Time Injury Frequency
MBR	Membrane Bio-Reactor
ME-GI	M-Type Electronically Controlled - Gas Injection
METS 2015	Middle East Turbomachinery Symposium
MME	Ministry of Municipality and Environment
MMF	Multi-media Filtration
MRG	Monitoring and Reporting Guidelines
MSDS	Material Safety Data Sheets
MTA	million tonnes per annum
MW	Mega Watt
NGOs	Non-Governmental Organisation
NOx	Nitrogen Oxide
OHSAS	Certificate
OPCO	Qatargas Operating Company Limited
OPEC	Organization of the Petroleum Exporting Countries
PEAR	People, Environment, Asset and Reputation
PM	Preventive Maintenance
PMP	Plateau Maintenance Project
PSE	Process Safety Event
QG	Qatar Gas
QGMS	Qatargas Management System
QNV 2030	Qatar National Vision
QP	Qatar Petroleum
RLIC	Ras Laffan Industrial City
RLTO	Ras Laffan Terminal Operations
RO	Reverse Osmosis
SEQ	Safety, Environment, Quality
SHE	Safety, Health, and Environment
SIL	Safety Integrity Level
SIPOC	Suppliers, Inputs, Process, Outputs, Customers process
SME	Small Medium Enterprise
SO2	Sulphur Dioxide
SPA	Sales and Purchase Agreement
SQW	Supervising the Qatargas Way'
SRU	Sulphur Recovery Unit
TDLC	Training and Development Liaison Committee
TPP	Technical Preparation Programme
TRI	Total Recordable Injury
TRIF	Total Recordable Injury Frequency
VIM	Vendor Invoice Management
VOC	Volatile Organic Compound
WBCSD	World Business Council for Sustainable Development
WMS	Waste Management System
WRI	World Resources Institute
WRR	Wastewater Reduction and Reuse

Total Injuries is a sum of total recordable injuries (TRIs) and first-aid cases.

Volatile Organic Compound - Any organic compound with a vapour pressure of 0.01 kPa or greater, a temperature of 293.15 Kelvin or a corresponding volatility under specific conditions of use.



