

SUSTAINABILITY REPORT 2018



**THE NEW QATARGAS
UNIQUELY POSITIONED TO ENHANCE
SUSTAINABILITY AND RELIABILITY**

Contents

About this report

This is the first version of Qatargas' Sustainability Report after the successful integration of Qatargas and RasGas.

The 2018 report covers Qatargas' economic, environmental, and social performance during the year. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option.

Qatargas invites stakeholders to share their questions and comments. Any feedback on the contents of this report and the Company's sustainability performance is welcome at the following email address: media@qatargas.com.qa



sustainability@qatargas.com.qa



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**QATARGAS
AWARDS AND
RECOGNITIONS**

**QATARGAS' JETTY
BOIL-OFF GAS RECOVERY
FACILITY WINS
SUSTAINABILITY AWARD AT
QATAR SUSTAINABILITY
WEEK 2018**

**SWORD AND GLOBE OF
HONOUR AWARDS FOR THE
FIFTH CONSECUTIVE YEAR**

**QATARGAS' LONG-TERM
CHARTERED LIQUEFIED
NATURAL GAS FLEET
ACQUIRES GREEN AWARD
CERTIFICATION**

PERFORMANCE HIGHLIGHTS FROM 2018		
Expanding to Meet Global Liquefied Natural Gas (LNG) Demand With 14 LNG trains, six of which are the largest in the world	0.46% Overall Flaring Performance 5% better than the projected target	18,896 Medical Screenings Conducted across all Qatargas operations
Zero Liquid Discharge Project Debuted successfully in Qatar under budget and with near-zero lost-time incidents	95.75% JBOG Flare Recovery Achieved	Joint Commission International (JCI) Qatargas Medical Department was accredited by JCI for the third time
Partnership with Petrobangla, Bangladesh A landmark LNG agreement supplying up to 2.5 million tonnes of LNG per annum over the next 15 years	98.4% Overall Plant Reliability Achieved 99.7% at Laffan Refinery ahead of current year targets	Zero High Potential Process Safety Events across all assets
British Safety Council Five-Star Audit Certification in both Occupational Health and Safety and Environmental Management	Successful Shutdowns Safely completed three major shutdowns	Emergency Response Time Maintained five minutes response time, 100% of the time
Delivering on Time With zero late or off-spec deliveries	0.35 Greenhouse Gas performance Better than the targeted 0.44	Fire Protection Equipment Zero failure on demand
95% Satisfaction Rate With Qatargas customers	0.35 Greenhouse Gas performance Better than the targeted 0.44	Gold Level Accreditation from Investor in People The international standard for people management, renewed with honors
>\$1.5 Million Annual Cost Savings Via cross-utilisation of contracts, waste recycling, optimised equipment calibration, and other strategies	Spill-Free in 2018 No externally-reportable spills in 2018	45.5% Qatarisation of Management In accordance with Qatar National Vision 2030
	Zero Occupational Illnesses For employees and contractors, other than heat stress	Hayyakum Recruitment Campaign Successfully implemented to attract Qatari talent

MESSAGE FROM THE CEO



In this period of dramatic change and progress in Qatar, Qatargas is proud to present the Sustainability Report 2018, a testament to our ongoing commitment to providing transparency into Qatargas' operations. Our organisation's core value of integrity demands nothing less, requiring us to maintain the highest standards in the industry and communicate our efforts openly. To achieve this, we work to provide accurate reports on our operational activities and detailed assessments of associated impacts on various stakeholders.

We are dedicated to preserving our status as the World's Premier Liquefied Natural Gas (LNG) Company; providing reliable, clean energy. As such, our strategy in sustainable growth and development is based on our drive to lead the international LNG industry in six key areas, or pillars as they are known within Qatargas. In order of priority, these include Health, Safety, and Environmental (HSE) Performance; High-Calibre Workforce; Efficient and Reliable Operations; Quality and Flawless Execution; Customer Satisfaction; and Financial Performance.

The pillars inform our priorities at Qatargas, and their interconnected nature requires us to set industry-leading standards which protects our position as a premier LNG company. Through our implementation of strict safety and health protocols at our facilities, we ensure that we attract and maintain a healthy workforce loyal to the Company. This guarantees that our operations are run with remarkable efficiency and reliability, enabling us to manufacture yields of the highest quality and on schedule. Our superior products will then secure high levels of customer satisfaction, which ultimately allow us to meet and exceed our financial targets.

Our short and medium-term strategic goals are developed to set high standards of performance while observing internationally-recognised standards of sustainability that contribute to long-term organisational strategy and success. Within our facilities, the primary goal is to expand and sustain LNG production and ensure a readiness to operate. This will be complemented by the accomplishment of our Qatargas Management Systems (QGMS) integration and its effective implementation to maintain premier performance. In turn, this will help us meet other strategic goals; namely improving uptime availability, reliability, and utilisation of the LNG plants to achieve full plant capacity and meet supply rights, as well as enhancing and promoting reliability culture across the organisation to drive efficiency.

All of these targets support our broader strategic goals. The Company aims to maximise revenue by penetrating new global markets. In 2018, we signed a new long-term Sale and Purchase Agreement (22 years) with PetroChina, China, and achieved new sales agreements with Petrobangla, Bangladesh, and Pavilion Gas, Singapore. We also focus on maximising customer satisfaction while retaining contractual and financial performance and gaining competitive advantages through flexibility, enabling us to build lasting partnerships throughout the world.

One of Qatargas' most significant achievements to date was the successful merger with RasGas. This process oversaw a smooth consolidation of both companies' assets, extensive organisational structures, and the combined talents of our workforces. After this integration, Qatargas is uniquely positioned in an ever-competitive and continuously-evolving market. We are in prime position to leverage the largest integrated asset portfolio in the LNG industry to create superior value for the State of Qatar and its stakeholders, upholding our reputation as The World's Premier LNG Company.

This has also been a particularly successful year in HSE Performance, the most crucial pillar of our Direction and Mission. As such, Qatargas maintained a strong flaring performance that excelled our targets, won the prestigious Qatar Sustainability Award for our Jetty Boil-Off Gas (JBOG) recovery facility, and completed the Zero Liquid Discharge project in Laffan Refinery 2 - signalling our ongoing commitment to exploring avenues that make our operations even more environmentally-friendly. Furthermore, we achieved best process safety performance with zero high potential incidents and safely completed three major shutdowns, highlighting our efforts to maintain the safety of our employees and the wider community.

Qatargas continued to enjoy success elsewhere in the organisation. We are undertaking the North Field Expansion Front End Engineering Design and Barzan Pipeline Engineering, Procurement, and Construction contracts on behalf of our shareholders. The Company also continued to maintain outstanding flexibility with no off-spec or late deliveries, earning Qatargas the trust of its customers as a reliable supplier.

Despite the merger process and its inevitable challenges, there were undoubtedly many successes to celebrate in the Company's various departmental activities. However, a special mention must be given to Qatargas exceeding its targets in its core business. In this regard, the Company managed to meet many of its goals, with the most notable being the Company's strong overall reliability performance of 97.6% and achieving a solid Laffan Refinery reliability of 99.7% ahead of the year's targets, all while keeping LNG production on track.

Qatargas is now in a stronger position than ever before. Moving forward, we will take advantage of this opportunity and leverage the most extensive integrated asset portfolio in the LNG industry to expand our operations and create superior value for the State of Qatar, our stakeholders, and the Company's shareholders. We currently have plans to increase production from 77 to 110 million tonnes per annum (MTPA) of LNG by building a fourth liquefaction train, adding to a long list of initiatives and projects that are in development within the Company. As The World's Premier LNG Company, we are proud of our commitment to maintaining sustainability in our operations while being more productive than ever before.

Khalid bin Khalifa Al-Thani
CEO, Qatargas

Qatargas-RasGas Integration

Vision

Qatargas and RasGas had both built reputations as world-class premier LNG suppliers, satisfying customer demand in competitive international markets, especially in Asia. As they sought to optimise and streamline their services to increase their operational efficiency, they found that they were natural partners, and soon worked to merge the two companies into one to focus Qatar's LNG production efforts and present a unified front for Qatar's LNG industry.

"Our aim was to integrate the two companies' resources and capabilities to create a truly unique global energy operator in terms of size, service, and reliability. We also aimed to create higher value for our stakeholders, and enhance the competitive position of the Qatari gas industry."

- His Excellency Mr. Saad Sherida Al-Kaabi, the Minister of State for Energy Affairs, President and Chief Executive Officer of Qatar Petroleum and Chairman of the Qatargas Board of Directors.

Timeline, Challenges, and Solutions

Plans for the merger were announced in December 2016, and the integration process began immediately. Existing joint ventures between both companies were not affected, and care was taken to preserve the flow of LNG supply to customers in Qatar and throughout the world.

Following successful completion of the integration with RasGas, Qatar Petroleum announced the official start of operations of the new Qatargas in January 2018, creating the largest LNG Company in the world.

One of the difficulties related to the merger process was deciding on best practices to be implemented in the new Qatargas organisation. As Qatargas and RasGas had developed their own best practices, this required extensive evaluation of the systems previously implemented by both organisations, including lengthy identification, agreement,

and implementation processes for the selected best practices. To complement their implementation, several Safety and Occupational Health Procedure Alignment workshops were conducted to facilitate the adoption.

Another challenge at the organisational level was the lack of familiarity with the new systems from employees. Most notable was the adoption of a new Human Resources (HR) system, which led to a significant volume of queries being directed to a new team that took time to become operationally efficient. The Company poured considerable resources into training Qatargas employees to become familiar with the Human Resources (HR) Customer Service Delivery model by hosting multiple information sessions.

The blend of two work cultures brought its own set of complications. As employees adapted to the new organisational structure, they brought along interpersonal relationships that informed differing people management and leadership styles in every department. To counter this, the Company oversaw the delivery of HR toolkit sessions that were part of a comprehensive training programme called Supervising the Qatargas Way (SQW), which was critical to establishing a consistent and fair supervisory style within the new Qatargas.

The increased workforce produced implications which required substantial consideration. The Company's post-merger headcount saw a dramatic increase of 88%, which greatly multiplied the Personnel Administration (PA) Division's work volume, leading to a 140% increase in employee queries. The PA Division worked to ensure

that the sudden influx of new employees did not impact productivity, as they organised a range of programmes that focused on user-orientation training and team development; familiarising the new employees with the organisation's systems.

It was a combination of Qatargas' meticulous planning and the quality of our employees - especially their openness and receptiveness to change - that were instrumental for the smooth integration process that allowed us to exploit the economies of scale related to the increased dimension of our activities in a relatively short timeframe. The integration of Qatargas and RasGas systems, processes, and culture was accomplished with minimal disruption to operations, a testament to the hard work of the many departments and individuals at the new Qatargas organisation.





Outcomes

“I am pleased to announce that we have accomplished our objective with great success, and on time. Qatargas will be the single entity exporting Qatari LNG to the world, under one shared vision, one management system, and one work culture.” - His Excellency Mr. Saad Sherida Al-Kaabi, the Minister of State for Energy Affairs, President and Chief Executive Officer of Qatar Petroleum and Chairman of the Qatargas Board of Directors.

The successful merger of the two leading LNG producers in the world has produced the largest LNG company in history, able to achieve economies of a scale unseen in the industry and providing production

capacity and savings of operating costs that are virtually unmatched. Moreover, Qatargas is the only entity exporting the Qatari LNG vision to the world, and Qatargas CEO, Khalid bin Khalifa Al Thani, was trusted to lead this new Qatargas organisation as it represents the Qatari LNG industry on the global stage.

Despite a challenging year full of structural changes, Qatargas’ departments, divisions, and teams have all maintained an admirable focus on increasing efficiency and productivity, all while highlighting business requirements as they planned enhancements to their work processes. One such example of this was the Personnel Administration Team’s efforts to increase productivity, accuracy, and data integrity as it sought to manage the sudden increase in the overall employee headcount. Meanwhile, the Company also established business requirements that will shape the many Information Technology (IT) system enhancements that will occur in 2019, a monumental task given the consolidation of two different companies’ organisational requirements.

Future Plans

While Qatargas has overseen a smooth integration, it will continue to supervise further processes as it seeks to provide enhanced services with increased reliability, efficiency, and effectiveness. This is in addition to ongoing improvements within its operational groups, all of which were unharmed by the integration, but were presented with opportunities to take further advantage of the consolidation of assets and personnel.

The Company also acknowledges that the integration of systems, processes, and best practices is an ongoing procedure, as Qatargas and RasGas built mature structures that brought about advantages at every level of the organisation which still require further evaluation before implementation in the new Qatargas organisation.

Integration between the two companies is not limited to technical systems and structures but also combining the unique work cultures that existed independent of each other before the merger. The Company is continuing to focus efforts on creating a singular culture that unites the workforce with a set of shared values and best practices: the Qatargas Culture.

Furthermore, in line with New Company Policy, enhancements are required for the many IT platforms (such as HR systems) and suitable business requirement outlines have been prepared to that effect.





THE NEW QATARGAS



VISION

MISSION

PILLARS

The World’s Premier LNG Company

Qatargas provides quality LNG and other hydrocarbon products to the global market. We proudly and safely operate and maintain our facilities to premier standard and are actively developing new facilities on behalf of our shareholders to sustain and expand our capacity.

Qatargas protects its people, assets, and the environment. Our partners and shareholders see consistently high value and return rates. We are proud to be known as a major contributor to the fulfilment of Qatar National Vision 2030 (QNV 2030) and the nation's future.

The direction statement is supported by six pillars, defining priorities that will assist Qatargas in sustaining it.

- 1. Safety, Health, and Environmental Performance
- 2. High-Calibre Workforce
- 3. Efficient and Reliable Operations
- 4. Quality and Flawless Execution
- 5. Customer Satisfaction
- 6. Financial Performance

These pillars work in unison to form the bedrock on which our sustainability strategy is planned. They are arranged in order of importance to the overall goal of ensuring sustainable operations at Qatargas. Under this model, we prioritise creating safe and healthy working conditions at our Company while minimising our impact on natural ecosystems, as this not only preserves the local environment but also attracts a socially-responsible and high-calibre workforce. In turn, our employees guarantee efficient and reliable operations at our facilities, which will produce products of the highest quality with flawless execution. This leads to high satisfaction among our customers, which will allow us to meet and exceed our financial performance targets.

VALUES

We value and respect all our stakeholders. We demonstrate this through:

Embracing Incident and Injury-Free: We care for and value people and process safety above all else and demonstrate it in our commitments and actions;

Valuing our People: We value, recognise, and appreciate all our people and their families; we foster teamwork and collaboration; we develop ourselves to be our best; and we trust and empower one another;

Upholding our Reputation: We always do what we say; we promote honest and transparent communication; and conduct our business ethically;

Striving for Premier Performance: We focus on quality in everything we do; we seek to innovate; we optimise business and financial performance and ensure continuous improvement; we always put the greater interest of the Company first;

Focusing on our Customer: We place all customers - both internal and external - at the heart of the business; and we deliver on our promises to customers.

Pillar of the Direction Statement	Key Performance Indicator (KPI)	2018 Actuals
Safety, Health, Environmental Performance	Lost Time Incidents (LTI) ¹	5
	Tier 1 Process Safety Events ²	3
	Flaring (% of Sweet Gas Production)	0.46
High Calibre Workforce	Qatarisation (%) ³	33.77
Efficient and Reliable Operations	LNG Reliability (%)	97.5
	LNG Availability (%) ⁴	95.2
	LNG Unit Cost (USD/Tonne of Saleable Product)	21
Customer Satisfaction	Late Deliveries (#)	0
Financial Performance	Sales Volume (Million Tonnes)	102

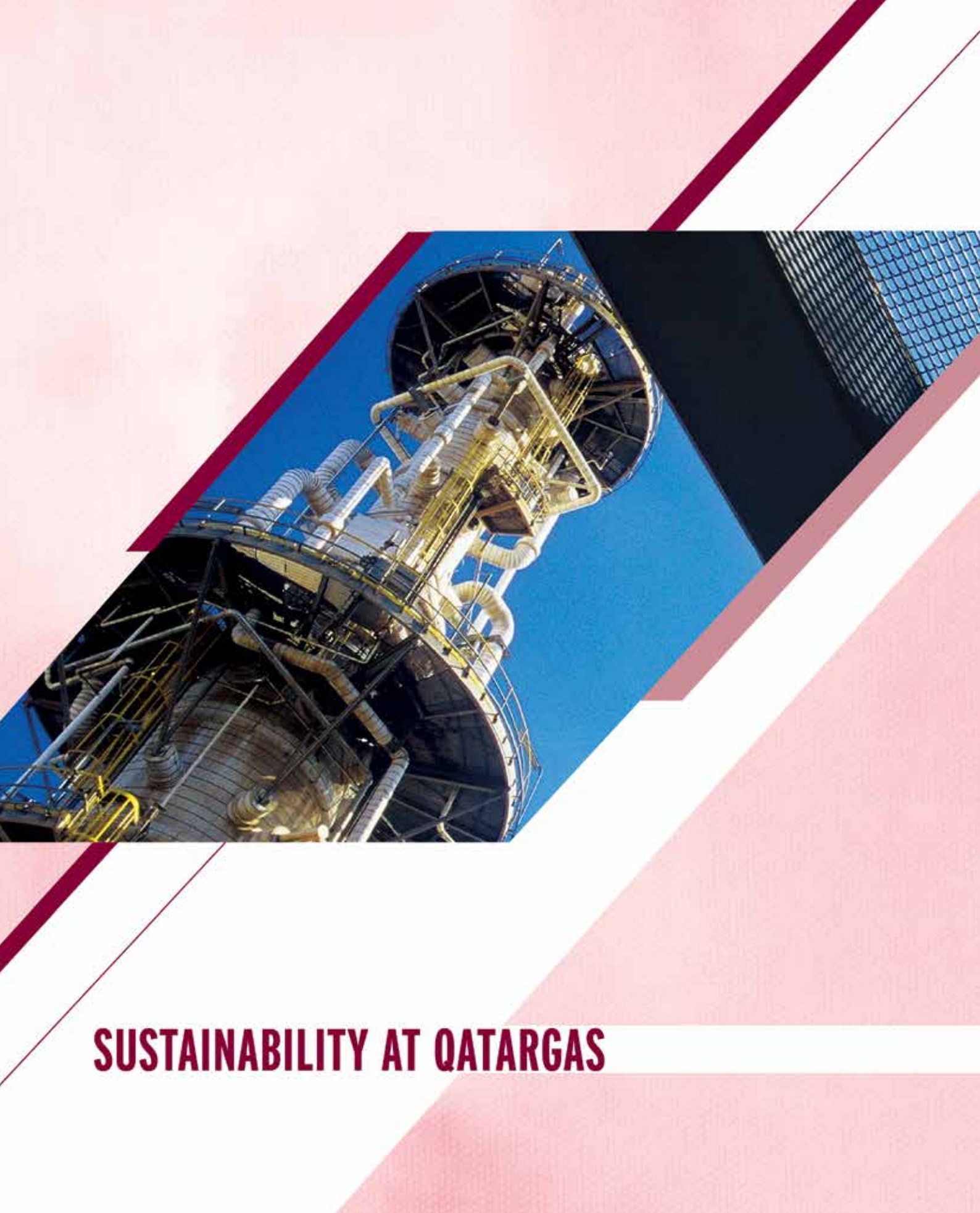
¹ LTI accounts for number of incidents that constrain a person’s capacity of coming to work the following day.
² Tier 1 Process Safety Events are unplanned or uncontrolled major releases of any material from a process.
³ Total Qatari headcount to ‘occupied permanent positions’
⁴ Normalised for planned shutdowns

Qatargas adheres to international standards of quality in its different processes and operations. Following established best practices in this sector has helped the Company gain several benefits, in addition to reduced environmental impact.

Optimised management and risk assessment processes have yielded in significant cost savings and more efficient and effective production. By ensuring our products and services meet internationally recognised quality standards, we have enhanced customer satisfaction and opened up new markets.

- Qatargas has received, or has been reaccredited for the following:**
- Joint Commission International
 - ISO 28000 accreditation for Qatargas North Security Operations
 - ISO 9001 Quality Management
 - ISO 14001:2004 Environmental Management System
 - OHSAS 18001 Occupational Health and Safety Management





SUSTAINABILITY AT QATARGAS

Throughout all of Qatargas’ departments and initiatives, our decision-making process is marked by our prioritisation of sustainability and its guiding principles. The Company’s responsibility to consistently produce long-term value for our shareholders, partners, and stakeholders through a mutual economic gain from our activities, is accompanied by our duty to preserve the safety of our workers and minimise the threat or risks to them, our operations, and our business. To achieve this, Qatargas invests significant efforts and resources into preparing elaborate risk management strategies that take any threat into account, considering a vast array of potential environmental, societal, and economic developments that threaten our operations. Our multi-layered approach ensures that Qatargas is prepared to tackle challenges of any nature while working to develop innovative preventive measures that are made possible by our rigorous threat monitoring processes.

Materiality

The Company has identified eight material topics across business, industry, and society that are of importance to Qatargas, local and international regulators, and industry observers. Additionally, Qatargas has considered other topics of significant importance to its stakeholders for inclusion, especially those which would impact decisions and attitudes in relation to the activities undertaken by the Company.

Eight material topics are defined below in the order of importance assigned to each topic in a given year to align Qatargas’ activities with its Direction Statement and to address stakeholder needs. Other topics, however, are also presented in this Sustainability Report in order to ensure continuity in reporting and to reflect the topics that are important within the context of Qatar’s energy and industrial sectors.

Material topic	Why the topic is material	Where the impacts related to material topics occur	The involvement of Qatargas with the impact (if the impact occurs outside Qatargas)	Any specific limitation in reporting on the topic
Workplace Health and Safety	<p>Health and safety is one of the core pillars of the Direction Statement of Qatargas.</p> <p>Fulfilling the commitment to health and safety can help ensure the wellbeing of our workforce, including employees and contractors, allowing them to work confidently and enjoy healthy rewarding lives.</p> <p>Taking care of the health and safety of our workforce is critical to preventing injuries and illnesses, maximising productivity, and meeting economic performance objectives.</p>	Within Qatargas employees, contractors, their families and our local communities.	At Qatargas, safety is a core value that defines everything we do. We are committed to the safety of our employees, contractors, and local communities. Our safety programmes are designed to reinforce the safety culture among all personnel. We operate on the principle that all incidents are preventable if everyone completes each task safely. Our programmes engage everyone by incorporating safety measures specifically tailored for each of three targeted groups: department heads and managers, supervisors, and workers.	No
Process Safety	<p>Process safety is an important component of the overall safety management at Qatargas.</p> <p>Process safety focuses on the prevention of major incidents or hazards (fires, explosions, etc.) that could arise from the release of hazardous materials and energy, equipment damage, and human errors, having a</p>	Within Qatargas processes and assets and neighboring communities.	Qatargas focuses on and improves the management of critical safety procedures and integrity programmes (such as inspection of equipment and piping, flanges, gaskets, corrosion, dead-leg, and vibration surveys) in addition to joint management and timely intervention from effective operator rounds.	No

Material topic	Why the topic is material	Where the impacts related to material topics occur	The involvement of Qatargas with the impact (if the impact occurs outside Qatargas)	Any specific limitation in reporting on the topic
Process Safety	negative effect on the health and safety of Qatargas' workforce, the Company's assets, the local communities, the environment, and could result in property damage or lost production.		<p>Qatargas frequently revalidates safety studies to ensure effective controls are in place to help mitigate operational risk.</p> <p>We conducted Quantitative Risk Assessment Studies for North Field Production Sustainability (NFPS) and North Field Expansion (NFE) Projects in 2018 and completed Hazard and Operability revalidation for Trains 6 and 7, Utilities and Off-Sites. We also developed an integrated Laffan Refinery 3 Manage Operations Risk Process and Integrated Safety Case Procedure and conducted a Laffan Refinery 2 Operations Safety Case and Ras Laffan Terminal Operations Fire Safety Assessment.</p>	No
Energy Efficiency, Flaring, and Greenhouse Gas (GHG) Emissions	<p>Being conscious of how the LNG industry operates, Qatargas has defined and implemented an ambitious plan to minimise the impact of its operations on the environment.</p> <p>Efficiency in the use of energy will have a positive impact on the level of GHG emissions and the cost of production, both of which are important for Qatargas and its wider stakeholders.</p>	Within Qatargas and at a national, regional, and global level.	Qatargas' efforts in reducing flaring (such as implementation of the Flare Management System and JBOG project implementation), and GHG reduction (through flaring reduction, GHG Life Cycle Assessment, among others) are directed at mitigating this impact on a regional and global level.	No
Efficient and Reliable Operations	<p>Efficient and reliable operations ensure safe production with minimum interruptions, providing a continuous revenue stream and satisfying customer needs.</p> <p>Resource management is at the heart of Qatargas' operational philosophy.</p>	Within Qatargas and at a national level.	N/A	No

[GRI 102-47]
[GRI 102-49]
[GRI 103-1: Economic Performance]
[GRI 103-1: Customer Health and Safety]
[GRI 103-1: Asset Integrity and Process Safety]

Material topic	Why the topic is material	Where the impacts related to material topics occur	The involvement of Qatargas with the impact (if the impact occurs outside Qatargas)	Any specific limitation in reporting on the topic
Local Supply Chain Development	<p>Procurement from local suppliers contributes to the development of Qatar's economy by stimulating activity across the nation.</p> <p>This helps provide the necessary services and materials needed for Qatargas operations.</p>	Within Qatargas and at a national level.	Qatargas provides opportunities to local suppliers by adopting an open tendering strategy for its contracts and procurement needs as a primary strategy, in order to maximise local content. All open tenders are advertised in the local print media, offering local companies an opportunity to participate in the tender process.	No
Qatarisation	<p>One of the pillars of "QNV 2030 is Human Development. It envisions the establishment of human capital that is able to develop Qatar's economy sustainably.</p> <p>The Qatar National Development Strategy, and the energy and industrial sector in particular, foresee the need to increase the targeted share of qualified Qatari nationals in the workforce. Qatargas, as one of the largest contributors to the national economy, plays an important role in the development of Qatari talent.</p>	Within Qatargas and at a national level.	Qatargas has programmes dedicated to the recruitment of Qatari graduates and professionals; programmes of professional development for Qatari employees and trainees within the Company; and communication forums and scholarship programmes.	No
Customer Satisfaction	Qatargas managed to attain the status of the world's largest LNG supplier by providing reliable and timely supplies of LNG and associated products that correspond to the quality requirements of our customers. It is essential for the stable development of our business that we continue to satisfy our customers and adopt innovative approaches in staying ahead of our competition.	Within Qatargas and at a global level in relation to our customers.	<p>Providing the highest quality products in accordance with international standards, on time and per specs requested.</p> <p>In addition, Qatargas has a multiport delivery system.</p>	No

[GRI 102-47]
[GRI 102-49]
[GRI 103-1: Procurement Practices]
[GRI 103-1: Local Communities]

Material topic	Why the topic is material	Where the impacts related to material topics occur	The involvement of Qatargas with the impact (if the impact occurs outside Qatargas)	Any specific limitation in reporting on the topic
Financial Performance	As one of the largest contributors to Qatar's economy, Qatargas' financial returns provide a significant contribution to the nation's development.	Within Qatargas and at a national level.	<p>Qatargas – as The World's Premier LNG Company – sustains its financial performance by efficiently managing its assets and natural gas resources of Qatar.</p> <p>Qatargas is the single entity exporting Qatari LNG to the world.</p>	No

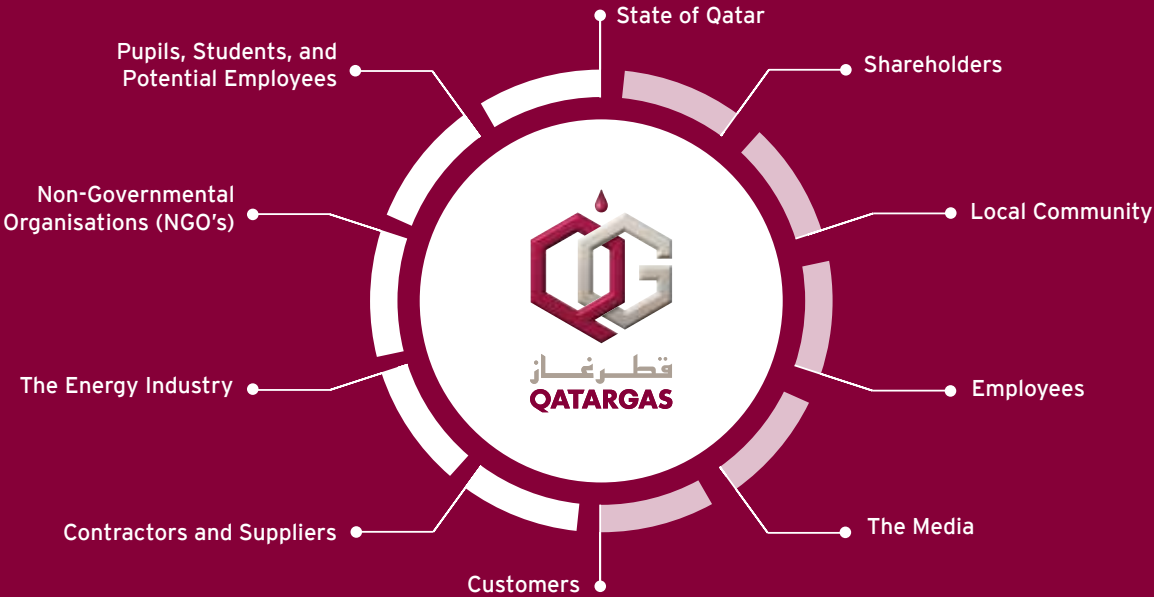
This report provides detailed information on the management approach for our eight material topics. Appendix A (page 75) provides an explanation, or references, to the way material topics are managed, and evaluation of the management approach where applicable, as required by the Global Reporting Initiative Standards.

Stakeholders

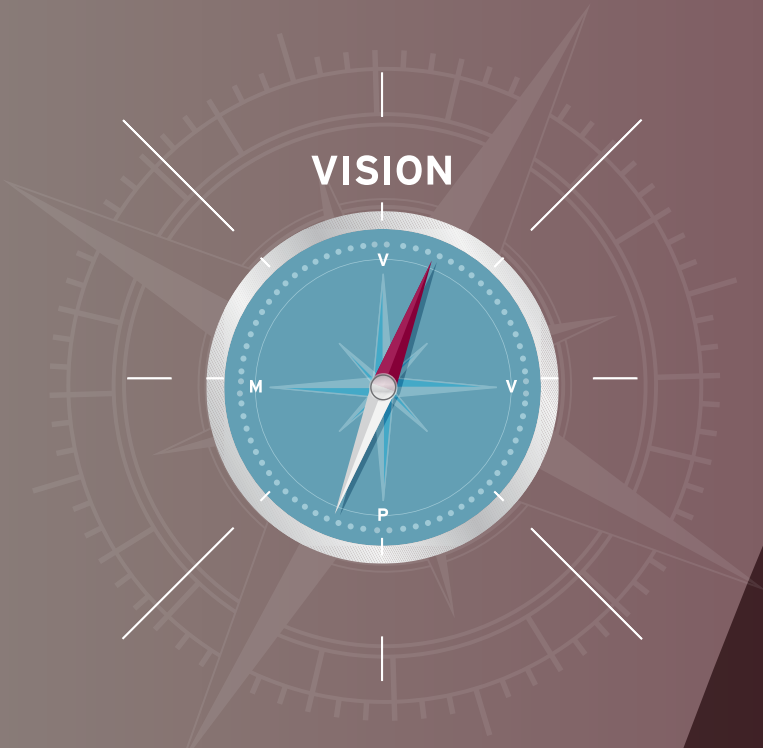
There are ten major stakeholder groups identified by Qatargas. The Company believes in remaining continuously engaged with its various stakeholder groups to maintain accountability, be mindful of their interests, and be a conscientious member of the community. By engaging with stakeholders, Qatargas ensures that it can safely manage its operations, provide a high quality of service, and be a major contributor to society. By including multiple stakeholder groups to

inform decision making, Qatargas ensures its operations are sustainable.

The diagram below demonstrates groups of stakeholders that are significantly affected by Qatargas' activities, products, and services, and have significant reciprocal influence. Qatargas uses various stakeholder engagement channels to account for stakeholder interests, and to anticipate any concerns by providing adequate solutions.



Count me in
for the journey ahead



MISSION • PILLARS • VALUES
The new Qatargas Direction Statement is our **compass**

Qatargas Direction Statement





GOVERNANCE AND RISK MANAGEMENT

Governance and Risk Management Introduction

Qatargas’ governance management regards its shareholders and stakeholders with the highest importance. The Company acknowledges its responsibility to maintain long-term viability and returns for its shareholders, as well as its duty to prevent the environmental and social impact of its operations in respect of the interests of the local and international community. Qatargas assumes a multifaceted approach in its corporate governance, taking care to outline a clear corporate structure and ownership of the Company,

identifying and implementing measures to improve its operations while reducing risks and promoting the guiding principles of the Company.

Governance and Operating Structure

Qatargas Operating Company Limited (OPCO) operates one unincorporated and ten 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 11 joint venture partners:

Shareholders

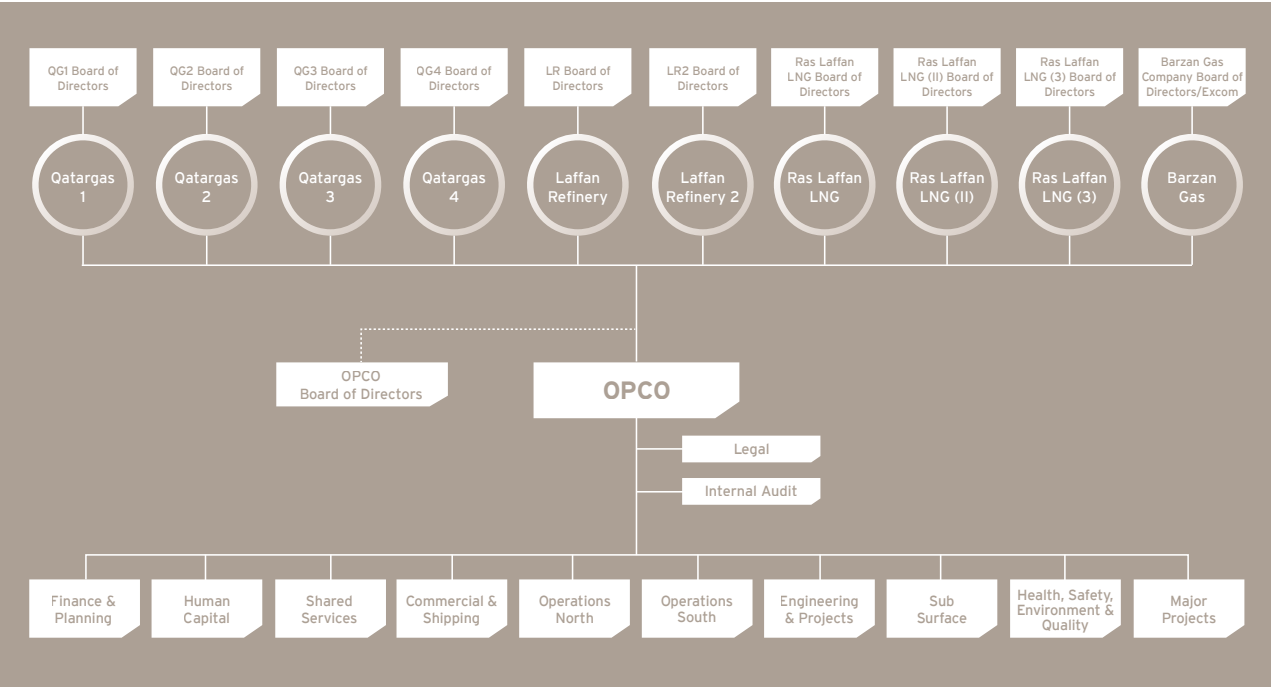


The OPCO Board of Directors has 14 members: three are representatives of Qatar Petroleum and eleven are representatives of the other shareholders. 13 out of 14 Board members are non-executive and independent.

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 Officers of ten groups within Qatargas and their relevant committees.

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



Internal Audit

In order to accurately assess and study the effectiveness of Qatargas’ ventures and activities, each of which is organised and managed by various departments, the Company has installed a comprehensive system that allows management to monitor the performance of its activities. Qatargas’ Internal Audit Department oversees this process, conducting cyclical internal audits of the Company’s departments at least once every four years and submitting these results to the Board Audit Committee, who then provides these reports to the Board of Directors.

Qatargas Management System

Qatargas has established an integrated corporate management tool, the Qatargas Management System (QGMS). QGMS establishes stringent standards throughout the company that ensure Qatargas retains its position as the World’s Premier Liquefied Natural Gas Company, while making it a safe, effective work environment where employees can be productive and excel in their work.

QGMS framework is built on the foundation of sound management system principles derived from the industry’s best practices and academic research. QGMS methodologies are uniquely designed to capture these practices which can be adapted as fit-for-Qatargas. QGMS encourages open cross-functional communication to break organisational silos, clarifies key roles and accountabilities, and delivers tangible and measurable improvement in business performance while optimising the efficiency of our operations and utilisation of resources.

All Qatargas business processes are documented in accordance with the QGMS. Integrated functioning of QGMS formalises and organises interactions between interrelated processes, where diverse parts of Qatargas complement each other in reaching common Company objectives.

QGMS has been the chief instrument for standardising business processes following the integration of Qatargas and RasGas; successfully standardising 70 non-operations or support business processes to date. The QGMS team works in close coordination with Integration Management Office to ensure that it has been implemented with minimal interruption to existing operations.

Ongoing performance assessment and continuous improvement are integral to the QGMS framework. Once all process standardisation work is completed, QGMS will continue to provide process assurance and, as needed, continuous improvement support to business process owners.

Enterprise Risk Management

The Enterprise Risk Management (ERM) Programme sets a robust risk management system throughout Qatargas’

operations. It provides a clear framework in which risk identification, reporting, and management processes are outlined, allowing for quick and effective risk prevention across Qatargas’ value chain. Mitigation plans for all identified risks are recommended at the ERM level. Identified risks, along with their assessment and mitigation plans, are reviewed and updated at least quarterly in all parts of the organisation. Risks which are deemed to be strategic are escalated to the Strategic risk register and reviewed by the Management Leadership Team.

The end of quarter one in 2018 was a notable milestone for ERM, as the department produced the Quarterly ERM Risk Report that combined the risks from the legacy operations of both Qatargas and RasGas. The reporting process started in 2017 when a number of significant challenges had to be solved during the merger. The most prominent of these challenges was the establishment of the Qatargas Risk Assessment Matrix (RAM), which required the Company to recalibrate risk definitions according to the new RAM, reallocate the ownership of these risks to the new Qatargas organisation, adjust risk management procedures to adopt best practices into legacy systems, and implement a new training programme to meet these needs.

Looking to the future, Qatargas is committed to continuing its reinforcement of standardisation and consistency post-merger; actively refining the process to support the evolving and growing needs of the Company and supporting plans for business expansion. The Company is committed to ensuring continuous improvement, thereby strengthening the resilience of the Qatargas business. To achieve this, the ERM Team has planned several tests and exercises, such as simulation and table-top, which will be conducted over the next three years. Additionally, the ERM Department is currently collaborating with the Crisis and Incident Management Team to develop an end-to-end crisis and business continuity exercise for a Tier 2 and Tier 3 event.

Business Continuity

Qatargas’ integrated value chain consists of multilateral relationships between its elements, each of which can experience disruption if business continuity is not properly organised. Therefore, the Company has a dedicated Business Continuity Management (BCM) Plan that protects the value chain within Qatargas.

To achieve the objectives set for business continuity in 2018, critical work was needed throughout the merger activities in 2017. The merger produced a much larger organisation, which resulted in a larger scope for both risks and BCM Plans. To ensure business readiness from day one of the new Qatargas, the ERM Team, along with the Integration Taskforce, developed and formalised 33 interim BCM Plans for critical departments. A comprehensive process mapping exercise was conducted to identify the critical processes and resources for optimal business recovery. Upon approval of these plans, the ERM team provided multiple training

sessions that focused on the integrated plans for more than 200 staff from both the legacy companies.

In order to standardise BCM Plans for all the newly integrated departments in 2018, the ERM Team conducted a Business Impact Analysis exercise for 41 corporate departments. Multiple workshops and training sessions were also piloted throughout the year to develop the final set of 34 BCM Plans for Qatargas.

In addition, Qatargas’ ERM Team presented a paper at the second Business Continuity and Resilience Conference, held in Qatar on 20 November 2018. The presentation was entitled “Integrating Risk Management and Business Continuity Management.” Furthermore, Qatargas’ ERM Department hosted the fourth Quarter Oil and Gas Sector Business Continuity Management Coordinators seminar at the Qatargas Doha Headquarters, a quarterly Qatar Petroleum initiative. Here, the ERM Team presented a paper entitled “BCM through the integration.” The events were an opportunity for risk and business continuity practitioners to get together to share best practices and key lessons learned from the field.

Crisis Management

Qatargas prioritises risk prevention, as preventive measures greatly limit the chance of crises taking place at the Company’s operations. However, Qatargas is also prepared to tackle crises born out of unforeseen circumstances, through the establishment of its own Emergency Management and Security Division, which supervises efforts to prevent and mitigate crises that affect people and the environment, as well as the Company’s assets and reputation.

Code of Business Ethics Policy


In order to promote and protect a culture of responsibility and fairness within Qatargas, the Code of Business Ethics Policy was established. It lists regulations that explicitly forbid corruption, fraud, and unethical behaviour. Enforcement of the Code is overseen by the Ethics and Conflict of Interest Committee, who enforce the regulations listed throughout all of Qatargas’ departments, resolve issues that arise out of violations of the regulations, and communicate the proper ethical conduct in which practices must be carried out while working as a Qatargas employee.

All employees go through an induction process on the rules of the Code, and they must sign an annual certification statement confirming that they understand the Company’s expectations in relation to ethical conduct. Conflicts of interest are evaluated on a case-by-case basis through an annual Conflict of Interest Declaration, examining whether an employees’ position relative to any personal circumstances may affect objectivity when acting on behalf of the Company. Qatargas is committed to upholding the highest standards of integrity throughout all of its activities, and as such is dedicated to the strict enforcement of the Code to guarantee that its employees adhere to the Company’s ethical principles.


As an added layer of protection against unethical behaviour in the Company, Qatargas possess a whistle-blowing mechanism that anyone, including external stakeholders, can access through its website. The mechanism allows for anonymous reports of concerns or information regarding any actual or potential fraud, corruption, illegal activity, or unethical actions related to the Company.

Ethical and Responsible Conduct


Qatargas adheres to strong ethical principles in all of its departments and all of the activities that it conducts. The Company values relationships built on ethical and responsible behaviour with its stakeholders, reflecting Qatargas’ respect for the values of both the local and international community. These principles are enshrined in the Company’s guidelines, which outline a code of conduct that every Qatargas employee is expected to follow in all of their practices. The Company designed these guidelines in order to meet international standards and business practices, while also keeping the values of Qatari society in mind, and has published a list of various regulatory documents that govern the conduct of everyone at Qatargas; outlined right:




Direction Statement




Code of Business Ethics Policy




Internal Audit Charter




Employee Relations Policy



Social Investment Policy and Procedure



Safety, Health, and Environment Committee Charter



Enterprise Risk Management Process.

[GRI 102-12] [GRI 102-15] [GRI 102-18] [GRI 102-45]
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[GRI 102-11] [GRI 102-16] [GRI 102-18] [GRI 205-2]
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ECONOMY

Economy

Introduction

The oil and gas industry experienced positive growth in 2018, fuelled by oil prices maintaining an upward trajectory through the first three quarters of the year. There was also a growth in LNG demand, underpinned by the proven economic and environmental benefits to its end-users. As the cleanest of the hydrocarbon fuels, LNG has seen increased popularity as individuals, companies, and governments seek to incorporate environmentally-friendly measures into their operational practices. The fact that LNG is suitable for transportation over long distances means that more and more customers around the world have access to the product. Qatargas is actively involved in efforts to increase flexibility for the customer, including multi-point delivery or ship-to-ship transfer offerings.

HIGHLIGHTS

Qatargas has shown exceptional performance on all fronts, ranging from its various safety initiatives to its financial performance. Despite the process of integrating RasGas assets, procedures, and personnel structures, the merger substantially increased production capacity and allowed for savings of operating costs.

As the only entity exporting Qatari LNG to the world, Qatargas took full advantage of its position and utilised the economies of scale that accompanied the increased dimension of the Company’s activities. The Company was able to expand into new markets and forge new international partnerships. In 2018, the Company delivered its first shipment to Pavilion Gas in Singapore. This was a milestone achievement as it is the first Qatargas delivery to be regasified and sold into Singapore’s domestic market through Pavilion Gas, who supply natural gas for one-third of the country’s industrial requirements. It also heralds the next phase in a strong relationship with the Company and the city-state. In the same year, the Company celebrated the delivery of its first LNG cargo to Bangladesh, signalling the start of a long-term Sale and Purchase Agreement (SPA) with Petrobangla.

Managing LNG Market Dynamics

By 2030, 540 to 560 million tonnes per annum (Mtpa) of LNG will be needed, driven by Asia, which will account for 86% of total growth¹. Projected population growth in developing economies, continuing high rates of global

urbanisation, and an increasingly environmentally-conscious public pushing for stricter air quality regulations, have all been driving demand. Moreover, LNG for commercial land-based transport and marine bunkering is forecasted to grow exponentially if policy initiatives currently under consideration are enacted at a national, regional, or global level. Qatargas reinforced its position as the World’s Premier LNG Company and continues to play a crucial role in maintaining sustainable performance and operations in-line with Qatar National Vision 2030 (QNV 2030). Qatargas is achieving sustainable performance by properly managing assets, capturing synergies with market players, maximising resources, ensuring reliability, practicing effective financial management, delivering on environmental promises, and streamlining project delivery.

Economic Performance

Production

At the start of 2018, Qatar Petroleum announced the official commencement of operations of the new Qatargas, marking the successful completion of the integration process with RasGas that started in December 2016. Qatargas’ consolidation of assets and operations place the Company at the forefront of the global LNG industry. Fed by the offshore operations of North Field Bravo and RasGas Alfa, Qatargas now has 14 LNG trains, six of which are the largest in the world. Known as megatrains, each has a production capacity of more than 7.8Mtpa. In addition, Qatargas operates two condensate refineries, two helium refineries, Ras Laffan Terminal (for all non-LNG products), two pipeline sales gas trains (for the domestic market), and a dedicated fleet of 70 chartered ships that carry reliable and clean LNG to customers throughout the world².

Qatargas is working to build on its success and is thus planning to increase production to from 77 to 110 million tonnes of LNG per annum.

The table below details the LNG production in further detail:

Indicator	Unit	2018
Production	Million Tonnes of LNG	79.2
Deliveries	#	0
Off-Specs deliveries	#	0

¹Source: Bloomberg NEF

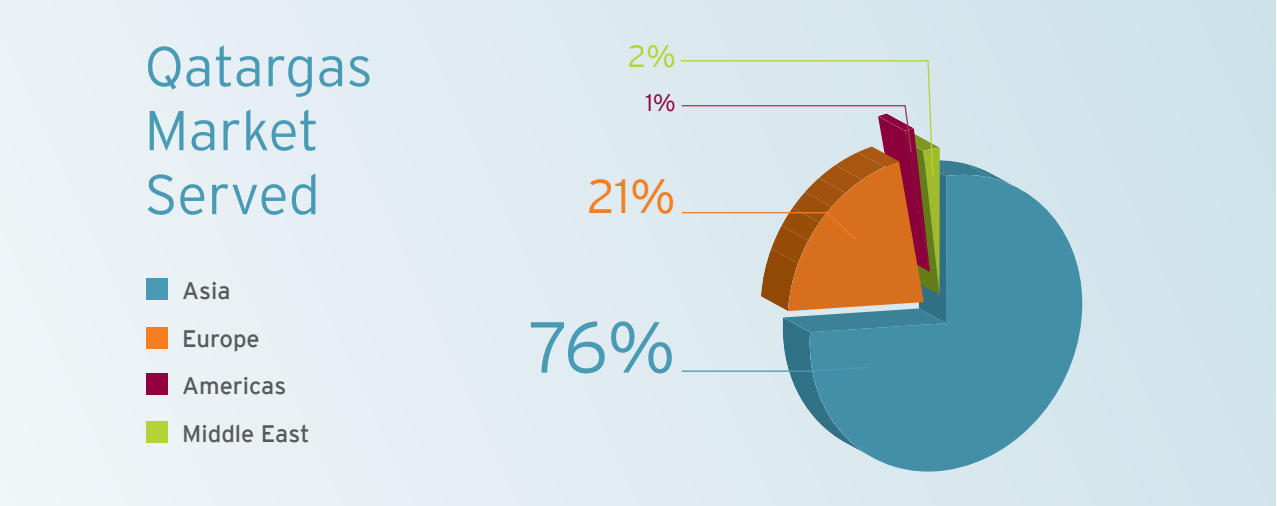
²Source: The Pioneer, Qatargas Expands to Meet Global LNG Demand, pages 4-7



Sales and Distribution

Through the provision of reliable and cost-effective energy, Qatargas is playing an integral role in supporting the needs of economies and local communities around the world. The Company possesses the largest fleet of LNG tankers by size and capacity on charter and has the ability to deliver LNG to multiple destinations during a single journey, granting Qatargas unparalleled flexibility in delivering LNG products to international markets. This allows Qatargas to explore and maintain

new markets across the globe for its products and satisfy the needs of multiple customers at the same time, securing long-term LNG supply contracts that provide stable sources of income for the Company and allowing it to build a long-term investment strategy. In line with its focus on being the World's Premier LNG Company, Qatargas proudly delivers all cargoes on time, and in accordance with customer specifications.



With recently signed SPAs and Memorandum of Understandings (MoU) with multiple prestigious international LNG clients, Qatargas has cemented its position as The World's Premier LNG Company.

Qatargas inked a long-term SPA with PetroChina International Company Limited to supply around 3.4Mtpa. Under the 22-year SPA, which runs until 2040, Qatargas will supply LNG from the Qatargas 2 project - a joint venture between Qatar Petroleum, ExxonMobil, and Total - to receiving terminals across the People's Republic of China¹.

To explore collaborative efforts in the LNG business, Qatargas signed a MoU with the Electricity Generating Authority of Thailand. The MoU focuses on enabling both parties to share knowledge and expertise in the procurement and transportation of LNG, as well as of floating storage regasification units².

Qatargas also successfully signed a SPA with Petrobangla which will see Qatargas supply up to 2.5Mtpa to Bangladesh for the next 15 years³. This agreement was significant as it is the Company's first long-term agreement to be delivered through ship-to-ship transfer in open water.

In addition, Qatargas forged a new partnership with Pavilion Gas in Singapore⁴, where the Company's LNG deliveries will be regasified and sold into Singapore's domestic market. Approximately 95% of the city-state's electricity is generated using natural gas, making Pavilion Gas an exciting partner located in an active LNG market.

Finally, Qatargas built on its long-standing relationship with Japan's lucrative gas industry by delivering its first LNG cargo to Japan's Hitachi LNG Terminal, meaning that the Company has now delivered LNG to 24 of Japan's 37 LNG regasification terminals. Under the long-term SPA, signed between Qatargas and a consortium of Japanese buyers in 1994, Qatargas has been delivering LNG to Japan since 1997 and dispatched more than 10Mtpa to Japan in 2017 alone⁵.

Efficiency and Reliability of Operations

Qatargas' Mission highlights the importance of sustaining reliability, ensuring asset integrity and plant availability through proactive and effective operations. The Company establishes reliability and availability targets and tracks related key performance indicators on an annual basis. In 2018, LNG reliability was at 97.5%, and LNG availability was at 95.2%.

Customer Satisfaction

Qatargas continues to maintain strong relationships with its customers, owing to the Company's drive to deliver products of the highest quality and on schedule. As a result, customer satisfaction in product delivery reached 97% in 2018, based on meeting requests and changes to the delivery schedule. Furthermore, there were no instances of late or recorded inconsistencies with deliveries in the year. As the LNG industry continues to grow, Qatargas sets itself apart from the competition by regarding customer satisfaction with the highest importance and developing lasting partnerships with its customers.

¹Source: The Pioneer, Landmark 22- LNG SPA Signed With PetroChina, page 10

²Source: The Pioneer, Thailand's EGAT And Qatargas Sign Partnership Memorandum, page 12

³Source: The Pioneer, Landmark LNG Delivery A First For Qatargas And Bangladesh, page 14

⁴Source: The Pioneer, First LNG Cargo Delivered To Singapore's Pavilion Gas, page 16

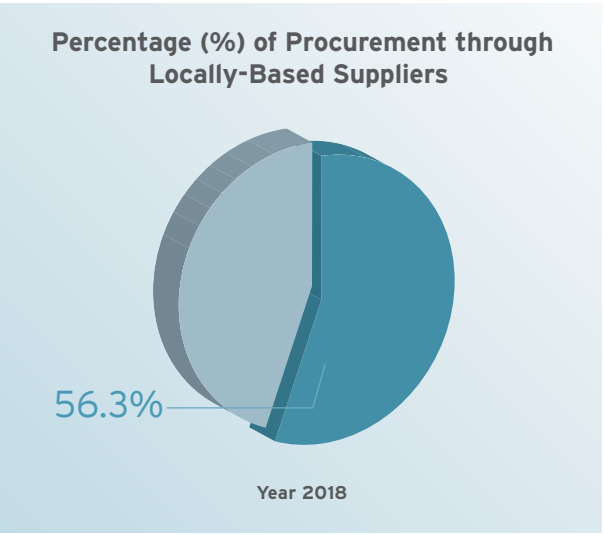
⁵Source: <http://www.qatargas.com/english/MediaCenter/The%20Pioneer/The%20Pioneer%20-%20November%2018.pdf>

Contribution to National Economic Development

Qatargas actively contributes to the State of Qatar's economic development by supporting the growth of local businesses. The Company provides opportunities for local suppliers by utilising an open tendering process to fulfil contracting and procurement needs. All open tenders are advertised in local print media outlets, offering local companies an opportunity to participate in the tender process.

Qatargas conducts a thorough review and evaluation when selecting its suppliers, paying particular attention to whether they conform to environmental standards in compliance with Qatari law. The Company's suppliers are required to take all necessary measures to comply with the applicable laws, rules, or regulations of the Qatari government, Ras Laffan Industrial City (RLIC), and other regulatory agencies, in order to prevent the discharge of any harmful materials or substances into the environment.

Local Procurement Spending



LOOKING AHEAD

After delivering impressive results and marking several key achievements in 2018, Qatargas is committed to ensuring the company experiences greater success in the future. As the World's Premier LNG Company, we set a series of objectives that inform how we lead the LNG industry and continue to bring continued prosperity to the State of Qatar.



1 Plant Operations: We aim to support the Company's operations by ensuring the timely procurement of critical materials and services



4 Processes and Systems: We have implemented a roadmap for continuous improvement to procedures and systems to improve the efficiency and effectiveness of internal processes



2 Major Projects: We actively undertake projects on behalf of our shareholders, such as NFE and NFPS, which will have a significant effect on the country's economy



5 Best Practices for Continuous Improvement: We will continue to pursue excellence in our operations by leveraging best practices and attaining higher grades of best-of-class certifications, such as the Chartered Institute of Procurement and Supply



3 Supplier Relationships: We work to maintain and enhance our partnerships with strategic suppliers



HEALTH AND SAFETY

At Qatargas, safety is a core value. Every day, thousands of employees and contractors adhere to Qatargas’ “Life-Saving Rules” (LSR), resulting in safe working practices. We are committed to the safety of our employees, our contractors, and our local communities. We ensure that safety comes first; our people do the rest.

After the integration of Qatargas and RasGas, the Company lived up to the legacy of its predecessors and achieved excellent personnel safety performance. Our safety programmes are designed to reinforce the safety culture among all personal. We operate on the principle that all incidents are preventable if employees and contractors have the tools required to complete each task safely. Our programmes engage our employees and contractors by incorporating safety measures specifically tailored for three targeted groups: department heads and managers, supervisors, and workers. Leadership plays an important role in making our incident and injury free workplace a reality. Leaders directly participate in coaching sessions, safety discussions, and workshops focused on ensuring safe and secure operations.

In one of the premier leadership events, which provided a positive touchstone for post-merger Qatargas, a blueprint for safety transformation was presented underlining the

current areas of focus: personal safety, process safety, and environmental performance.

In recognition of our efforts in Health, Safety, and Environment (HSE), Qatargas is one of 10 organisations worldwide to win the “double” by being awarded both the Sword of Honour and the Globe of Honour by the British Safety Council (BSC), one of the world’s premier occupational health and safety organisations. Furthermore, we received a BSC Five Star Audit certification in Occupational Health and Safety. The Five Star Audit is an internationally-acclaimed scheme wherein the BSC conducts a benchmarking of Safety Management Systems (SMS) and Environmental Management Systems (EMS) of companies against global standards, subsequently rating companies from one to five stars. Qatargas is the first and only Qatari company to receive Five-Star Status in either Occupational Health and Safety or EMS.

Health and Safety Performance

Personal Safety and Occupational Health Highlights

Qatargas continues to maintain a pristine track record in safety across all its facilities. In 2018, we successfully completed six plant shutdowns without any delays caused by Lost Time Injury (LTI); evidence of our employees adhering to stringent safety guidelines while carrying out incredibly complex tasks involving thousands of personnel. The Company also sought to tackle persistent risks to its employees - such as heat stress - which we addressed through the finalisation of the Heat Stress Programme. We launched the programme on a small scale while also conducting a Heat Index Pilot Study, monitoring the effects to determine its potential efficiency across all our facilities. This programme was a triumph and will see further implementation across all Qatargas facilities in 2019.

The Company prioritises a proactive approach to maintaining employee safety, introducing a series of initiatives that enable us to take better care of our employees while spreading effective workplace safety habits. In 2018, we conducted the Dropped Object Prevention Safety Campaign, bringing awareness of correct handling techniques in the workplace and held Safety and Occupational Health Procedure Alignment workshops to ensure that all departments were informed of the new procedures. The Company is committed to finding new ways to safeguard the health of its employees, evidenced by our completion of a pilot study trial focusing on mental well-being in the workplace in 2018. The results of this study will inform future mental health initiatives as we strive to guarantee the well-being of our employees in all aspects of our organisation.

HIGHLIGHTS



SIX PLANT SHUTDOWNS without
Lost Time Incident (LTI)



**HEAT STRESS
PROGRAMME LAUNCHED**



**DROPPED OBJECT
SAFETY CAMPAIGN**



**OCCUPATIONAL HEALTH
PROCEDURE WORKSHOP**

At Qatargas, our ongoing drive to discover innovative best practices in work safety is accompanied by our steadfast commitment to ensuring that every employee understands and follows these practices in their daily work. To achieve this, we launched the Fundamentals of Safety Training for frontline supervisors, promoting best practices directly to employees in the field. Elsewhere, we have established updated safety protocols, including newly-aligned Health, Safety, Environment, and Quality (HSE&Q) policies to ensure that they are in line with current best practices. We have also revised safe work practices for Qatargas employees involved in high-risk activities, minimising the risk to their health while they carry out crucial tasks. This level of attention extends to the contractors we work with, as we have launched a revamped Qatargas Contractor SMS, which was developed in cooperation with stakeholders and contractors to create a safe work environment for everyone at our facilities.

Occupational Safety

Qatargas is committed to creating a safe work environment for all its employees. Throughout the year, we have successfully deployed focused safety campaigns across our facilities, including Annual Heat Stress Management initiatives; Disciplined Adherence to Standards, including the proper following of procedures and practices; Power Tools Safety Campaign, focusing on hydro jetting and blasting activities; Prevention of Falling and Dropped Objects; and Risk Tolerance and Situational Awareness, with an emphasis on hazard identification.

All of these efforts allowed us to achieve a low total recordable injury rate of 0.53%, a much lower figure compared to the average across the oil and gas industry, which the International Association of Oil and Gas Producers estimated to be 0.96%.

Indicator	Unit	2018
Work Hours (Employees)	Hours	10,523,972
Work Hours (Contractors)	Hours	34,534,921
Total Work Hours (Employees and Contractors)	Hours	45,058,893
Fatalities (Employees and Contractors)	#	0
LTI (Employees) (LTI)	#	0
LTI (Contractors)	#	5
LTI¹ (Employees and Contractors)	#	5
LTI Frequency² (Employees) (LTIF)	#	0
LTI Frequency (Contractors)	LTI/Million Man-Hours	0.14
LTI Frequency (Employees and Contractors)	LTI/Million Man-Hours	0.11
Recordable Injuries (Employees)	#	3
Recordable Injuries (Contractors)	#	21
Recordable Injuries (Employees and Contractors)	#	24
Total Recordable Injury Frequency (Employees)	Recordable Injury/Million Man-Hours	0.28
Total Recordable Injury Frequency³ (Contractors) (TRIF)	Recordable Injury/Million Man-Hours	0.61
Total Recordable Injury Frequency (Employees and Contractors)	Recordable Injury/Million Man-Hours	0.53
Total Injuries⁴ (Employees and Contractors)	#	64

¹LTI accounts for number of incidents that constrain a person’s capacity of coming to work the following day.
²LTIF is based on the number of lost time injuries per 1,000,000 man-hours.
³TRIF is based on the number of recordable injuries per 1,000,000 man-hours.
⁴Injuries include recordable injuries and first-aid cases.

Qatargas executed several plant shutdowns successfully in 2018. Each shutdown is an immense undertaking, involving thousands of employees onsite and it is vital that procedures are carried to ensure safe practices.. As per Company requirements regarding HSE plans and mitigations in case of emergencies, Qatargas have developed a robust shutdown management system that helps facilitate the process. This system encompasses gate reviews and preliminary planning that starts 14-16 months before the shutdown, allowing for suitable planning for the unlikely event of an emergency while minimising the risk to Qatargas employees and assets. All contractors involved in the shutdown receive training and orientation on shutdown hazards to ensure the safe execution of every process.

The Company introduced a new element to the shutdown process in 2018. For the first time, independent reviews, known as cold eye safety reviews, were conducted throughout the plants before their scheduled shutdowns. These reviews supplemented our comprehensive safety protocols, while also guaranteeing that all Qatargas assets and employees carried out procedures according to international standards.

Qatargas ensures that every effort is made to mitigate the risk of radiation from all sources at its facilities. This is best exemplified through our Radiation Management Programme, ensuring that all radiation sources and activities at our operations are managed according to the Ministry of Municipality and Environment’s regulations.

Safety Programmes and Campaigns

Safety is a core value of Qatargas that is embedded within every process and programme. We extend every effort to promoting this mandate throughout all of our operations through a wide variety of safety-focused initiatives, including activities that promote our LSR and a revamped Incident and Injury Free (IIF) in Action programme. We also raised awareness of best practices in the workplace through our continuous improvement in process safety, enhancing risk management, and a stronger Permit to Work System Campaign; highlighting how safety is guaranteed through adherence to established Company procedures. These programmes, accompanied by the hard work and dedication to a safe working environment of our employees, allow us to maintain our stellar track record in safety.

In 2018, Qatargas sought to expand these in-depth programmes. The company enhanced its Contractor Safety Management systems (CSMS) by emphasizing safe handling of procedures and tools in the workplace, ensuring that every procedure at our facilities is conducted safely. In addition, we launched a Qatargas Safety Contractor Forum, providing us, our partners in the oil and gas industry, and stakeholders a platform to meet and share best practices in maintaining contractor safety and providing a new hub of safety knowledge in the country.

As the Company continues to discover innovative solutions to liquefied natural gas (LNG) production, it also prepares to handle any newfound risks. Our high-risk activities taskforce identified 12 undertakings at our facilities, developing safety checklists around each activity while designing controls that will be included in the relevant job safety analysis. Qatargas also encourages its employees to share any lessons in safety procedures through internal and external safety alerts, which notifies others in the



workplace about immediate risks and the steps necessary to mitigate them. These are supplemented by one-pager reports, which provide crucial safety insights in an accessible format and allow for quick implementation of appropriate measures.

The Role of the Management

Qatargas management recognises that accountability and objective decision-making are paramount to maintaining an excellent safety record throughout the Company’s activities. To accomplish this, the Company has created several committees that oversee various aspects of safety in the workplace, while also empowering first-line supervisors through extensive training programmes.

In 2018, the Company established the Ensure Protection Steering Committee (EPSC), tasked with providing governance and strategic guidance for HSE management as it carries out its assigned tasks and other associated responsibilities within the Qatargas Management System. The EPSC is a collaborative effort between leaders in Qatargas, as it consists of the Chief Officers from HSE&Q, Operations, Engineering and Projects, and Subsurface.

We also established the LSR Steering Committee, which is charged with enforcing compliance with the 10 LSR among the workforce according to our Fair Play Policy. This Committee includes manufacturing and maintenance managers, who are best positioned to monitor employees at Qatargas facilities. For the year, there was a 32% decrease in violations of LSR compared to 2017. Due to increased awareness, alerts, and reports, 60 incidents were reported in 2018 with 46 incidents confirmed as LSR violations involving 86 violators, out of which 17 resulted in terminations. There was also a significant reduction in speeding violations.

The Qatargas HSE Committee, which is chaired by the Chief Executive Officer, continues to play a crucial role in determining the direction of the Company's safety initiatives and guidelines. This Committee discusses monthly HSE highlights, major incidents, and lessons learned, and conducts regular site visits. Similarly, dedicated safety committees, which include representatives from all functions operating within the asset, inspect the asset's HSE performance. The committees also organise forums in which operators and maintenance personnel meet to discuss areas of mutual safety concern and share experiences; supported by a network of embedded safety champions and coaches.

The Company proceeded to hold Shareholders HSE Network meetings throughout 2018, which gave an opportunity for attendees to learn about our various health and safety initiatives and discuss future programmes for our employees.

Qatargas supports its supervisors on the frontline with the training they need to preserve high standards of safety at the Company's facilities. The Company introduced the Qatargas Fundamentals of Safety Training in 2018, targeting first-line supervisors. The two-day presentation and workshop sessions were designed to refine their HSE skills and behaviours; in line with the culture of workplace safety that we are cultivating at Qatargas.

Furthermore, we enhanced the IIF programme by incorporating new best practices in workplace safety into our existing curriculum. Designed to reinforce a culture of safety among all personnel, the programme engages

employees by incorporating safety measures specifically tailored for three targeted groups: department heads and managers, supervisors, and workers. Leaders at Qatargas teams are present throughout the programme, participating directly in coaching sessions, IIF discussions, and workshops focused on ensuring safe and secure operations.

Compliance with Life-Saving Rules

LIFE SAVING RULES

1

Work with a valid work permit when required

2

Conduct gas tests when required

3

Verify isolation and demonstrate zero energy before work begins. Use specified life protecting equipment

4

Obtain authorisation before entering a confined space

5

Obtain authorisation before overriding or disabling safety critical equipment

6

Protect yourself against a fall when working at height

7

Always wear your seat belt

8

Never walk under a suspended load

9

Do not smoke in prohibited areas

10

While driving, do not use your phone/radio and do not exceed speed limit

Qatargas' LSR are 10 concise and consistent rules that provide clear safety guidelines to our workforce. The LSR is a streamlined list of "dos and don'ts" that cover activities that hold the highest potential of risk to employees' health. Experience has shown that failure to comply with LSR is a significant factor in serious incidents and fatalities within the oil and gas industry.

Compliance is mandatory for everyone on Qatargas business, using Qatargas vehicles, or on Qatargas sites. Mass Computer-Based Training and contractor face-to-face training programmes were created to educate the workforce on changes to the LSR after the merger.

Training

To maintain knowledge on evolving requirements in health and safety, Qatargas upgraded its training methods and programmes for 2018 to better equip its employees. Chief among these was the establishment of the Train the Trainer programme, which empowered our contractors to deliver exercises in their native language. This benefitted both the trainers and trainees, as it made the learning process smoother and encouraged greater interaction.

The Company completed a Food Safety Training programme for our field safety officers, enabling them to better lead food safety inspections throughout Qatargas facilities and safeguarding the health of our employees. Existing programmes were also reviewed and improved wherever possible, as the Company developed and implemented a revised and aligned training expectation and training matrix across the Company's sites. They updated a series of training programmes to align with Qatargas best practices, highlighting our commitment to maintaining our track record and safety through the development of our employees.

Through the "My SEQ Training" (Safety, Environment, Quality) dashboard on the Qatargas centralised Learning Solution Portal, employees are able to monitor their safety-related training records and complete online safety training packages. Employees are alerted to mandatory training, while supervisors are given a high-level overview of their team's progress. Detailed metrics of training completion by department are available to managers and SEQ course administrators, allowing them to monitor employee performance and acquire insights for future improvement.

Involvement of Contractors in Safety Programmes

Qatargas understands that engaging contractors in its safety programmes is crucial in order to ensure an overall high level of safety, especially given that almost 88% of recordable injuries in 2018 were contractor incidents.

Our contractors undergo on-boarding sessions in which they are introduced to the Company's fundamental safety programmes. In addition, contractors are afforded the same level of safety training as our full-time employees, as they are required to complete courses on heat stress and acclimatisation, IIF, and LSR.

[GRI 102-12] [GRI 102-15] [GRI 403-1] [GRI 403-3]
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In 2018, 367 contractor security personnel underwent the IIF training course. Moreover, the Company developed the Short Service Worker procedure, which ensures contractors that are newly-introduced to the site are identified and supervised adequately. Lastly, Qatargas hosted the Qatargas Safety Contractor Forum to engage leadership in the contractor industry, fostering cooperative partnerships. Qatargas provided around 83,000 training seats in 2018 covering around 20 training topics.

Heat Stress Management

Qatargas recognises that management of heat stress incidents is of paramount importance at its facilities. The Company seeks to maintain its strong performance record regarding both heat stress incidents and occupational illnesses across all its assets.



In 2018, there were three minor Medical Treatment Cases (MTC) due to heat stress events at our facilities. All affected personnel returned directly to work following basic medical treatment. Adequate controls were in place at the site of every MTC, and investigation of these incidents led to improvements in the on-boarding process, acclimatisation, and management of pre-existing medical conditions.

Aside from handling immediate cases, the Company maintains a proactive approach to heat stress management. This is necessary as Qatargas operations are located in an environment that produces high heat stress working conditions for a considerable part of the year. The Company works to adequately prepare its workforce to manage their workload during such periods without endangering their health. Qatargas Heat Stress Management Procedure (HSMP) establishes the rules for how to work in hot conditions and how to react to heat-related incidents. The HSMP is based on the Heat Stress Guidelines set by Industrial Cities Directorate, IPIECA (International Petroleum Industry Environmental Conservation Association), Occupational Safety and Health Administration, and Supreme Council of Health recommendations.

Qatargas uses the following approach in establishing HSMP:

-  ensuring all employees and contractors are trained and annually retrained in heat stress management
-  ensuring supervisors are trained and retrained in Train the Trainer heat stress management, together with first aid training. Supervisors, in turn, train contractors
-  ensuring employees maintain ownership toward zero heat-related incidents at workplaces in the Operations Communication Forum
-  using lessons learned from heat-related incidents to enhance heat stress management strategies

Qatargas also sought to introduce new measures to aid heat stress management while tweaking existing guidelines based on new findings. In 2018, the Company piloted the use of air-conditioned rest shelters across Qatargas North (QGN) assets. The scheme was successful, as it provided a marked improvement heat stress management performance at QGN. Air-conditioned rest shelters will be implemented across all sites in 2019.










Furthermore, the Company aligned its Heat Index Flag System across sites and introduced localised measurements of heat index in specific work areas. We learned to record the end of the heat season to ensure that we are ready for situations where the heat season is extended. This foresight proved useful in 2018, as the heat season was extended to

mid-October - instead of September - pushing us to prolong necessary measures in order to preserve the health of our employees.

Qatargas continues to search for innovative ways to manage heat stress. In 2018, we partnered with Qatar Mobility Innovation Center to compare heat index trends across the Company's sites to establish a baseline and explore how we can improve the accessibility of the heat stress data to Qatargas employees. The Company is working to develop the heat index accessibility tool further to make it more reliable, effective, and sustainable, helping the Company's workforce monitor heat stress conditions and take appropriate and timely measures.

Occupational Health Examination

Qatargas has conducted the following evaluation of health risks associated with different types of work conducted by the Qatargas workforce and its contractors, and has therefore adopted the corresponding initiatives and measures to mitigate such risks:

	developed a comprehensive ergonomic checklist and conducted an ergonomic self-assessment survey in order to improve employees' posture		conducted regular inspections across Qatargas locations, as well as 59 food safety and hygiene inspections and 30 workers' welfare camp inspections
	monitored and surveyed all shutdown-related activities		conducted periodic noise monitoring at every unit to ensure employees and contractors are notified if noise levels are harmful to their hearing
	aligned personal protective equipment requirements across all Qatargas sites		surveyed radiation sources including non-destructive testing (radiography) and nucleonic gauges
	presented fatigue assessment and Healthy Heart Campaign initiatives to workers with heightened risk		surveyed and reviewed hazardous materials in regards to chemical safety data sheets for approval of new chemicals
	developed an Industrial Hygiene training programme to enable 15 participants to assess the quality of food delivered in their area. Training included personal hygiene rules, temperature control, and other vital aspects of food safety		

Inspection of Contractors’ Living Conditions

Qatargas is committed to treating its employees and contractors according to the highest International Labour and Human Rights Standards. As such, the Company carefully monitors food and hygienic safety with routine inspections in contractors’ camps, led by the Safety and Industrial Hygiene (IH) teams. The full suite of inspections cover areas including, but not limited to, kitchen, accommodation, medical services clinic, recreation facilities, bathrooms, and laundry areas. Detailed reports are prepared and delivered to the Qatargas contract host.

Non-conformance with regards to the related policy is stated in the reports with corresponding recommendations to address the issue. Should non-conformance arise, the Qatargas contract host immediately directs the related contractor to address the issue, with corrective action if necessary. Follow up inspections are conducted to check the status of the findings.

In 2018, the Company conducted two inspections of contractors’ accommodations. Hygiene issues pertaining to food storage were identified as non-conformances, and the contractor was duly instructed to provide catered food to the contractor security staff. Qatargas is closely monitoring this situation and is further dedicated to maintaining high living standards for its employees and contractors.

Medical Examination

Qatargas conducts various medical examinations to keep track of the health of their employees. Medical mass screenings are administered to ensure that all employees and contractors working within various Qatargas sites are fit to work. Participation in the screenings is mandatory before commencing work, whether they work at onshore or offshore sites. In addition, the Company requires its employees and contractors undergo Periodic Medical Examinations (PME), with contractors instructed to have these examinations carried out in licensed private medical facilities in accordance with the Company’s standards using Qatargas medical screening forms which then are reviewed and verified by our doctors to establish fitness for work.

Health screenings of our employees are performed at the Company’s own clinics in RLIC and Doha to ensure that the screenings adhere to strict health standards. Medical screening includes an annual fitness medical examination, fatigue assessments, and heart health assessments through the Healthy Heart Campaign. In addition, the Plant Medical Centre provides 24/7, health check services for employees and contractors.

In 2018, 3,383 PMEs were conducted to Qatargas employees and 15,513 medical screenings were reviewed and verified for contractors’ fitness to work. In 2019, the mass screenings will include tests for psychological mental health in the workplace.

We introduced new initiatives to aid compliance in these screenings. Qatargas security has made great efforts to enforce medical screening requirements at Qatargas facilities, preventing unfit contractors’ from accessing our sites. What’s more, the Medical Department hosted a “Health Check Booth” that conducted general health tests for employees and answered queries related to their health.

The Company takes steps to ensure that its employees benefit from world-class healthcare services in addition to comprehensive health checks. In 2018, all Qatargas medical facilities received re-accreditation from Joint Commission International, the world leader in accreditation standards for quality in hospital services and patient safety. Combined with our rigorous health requirements, this accreditation serves as proof of our commitment to guaranteeing the health and safety of all our employees.



Engagement of Employees’ Families

Qatargas conducted health campaigns that engage families of employees, such as:

	cardiopulmonary resuscitation and first aid training sessions for community residents in Arabic, Bahasa, English, and Urdu, aimed at spreading crucial life-saving knowledge throughout the community		Breast Cancer Awareness Day, screenings, and mammograms
	Healthy Heart Campaign, activated in six different locations to promote awareness of ways to preserve the heart		four blood donation campaigns at Al Khor, main office, Plant North, and Plant South
	health education events that informed residents on how to adopt healthy habits in their lives		SAHA - meaning “health” in Arabic - weight loss and healthy heart promotion
	interactive events on healthy diet to educate residents on recommended food and better eating habits		smoking awareness sessions at Al Khor International School (AKIS)
	“Ask the Dentist” event, highlighting healthy oral hygiene habits		school child health screening for all year one AKIS students
	an immunisation campaign to preserve the overall health of the community		flu vaccine campaign commenced in Al Khor Community (AKC) and Doha clinics

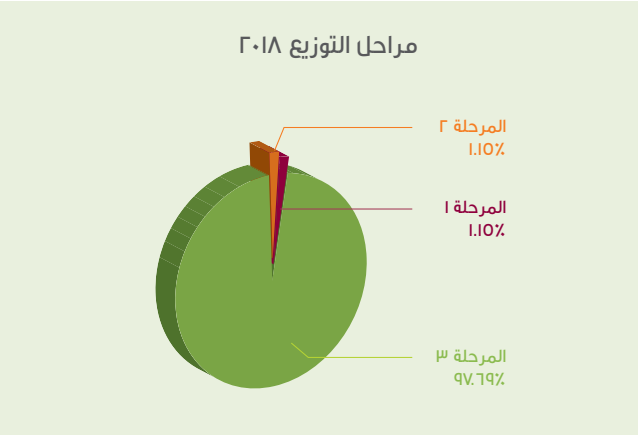
Asset Integrity and Process Safety

Process Safety and Risk Highlights

Qatargas places a high priority on preventing significant Ensure Process Safety (PRS) by enforcing compliance with its robust asset integrity management programmes, which outline stringent guidelines that secure hazardous material through a safe containment process.

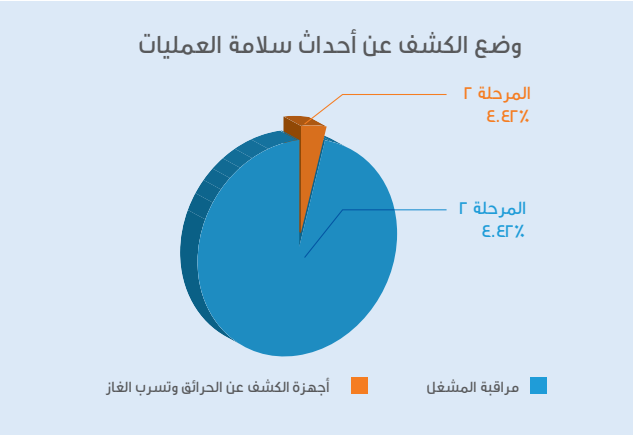
In our pursuit of PSE prevention, the Company has implemented exhaustive surveillance practices over its processes and operations as well as regular inspections, testing and maintaining our equipment in accordance with strict performance expectations and detailed equipment strategies.

Qatargas experienced three Tier 1 and three Tier 2 PSEs in 2018. There has been a downward trend in the cumulative number of Tier 1 and 2 PSEs during the past three years. The majority of PSEs were discovered in their early stages during field operator surveillance and were immediately controlled before the activation of the fire and gas detection systems. This demonstrates the effective implementation of field operators pro-active monitoring across all Qatargas assets.



Tier 1 events are categorised as corrosion-related leaks at the offshore flare header and propane vapour release from pressure transmitter tubing at LNG trains due to vibration issues.

A thorough incident investigation process is used to identify the root causes and learnings so that this can facilitate continuous improvement of our systems and processes and can prevent recurrences of such incidents.



After the integration process, significant efforts have been expended into harmonisation and integration of various process safety practices, including identification of risk-related processes, procedures, key performance indicators, etc. Furthermore, Qatargas continued with periodic revalidation studies such as Hazard and Operability Study, Safety Integrity Level, Quantitative Risk Assessment, and Safety Case.

The main themes identified from the 2018 Qatargas Annual Process Safety Insight Analysis are:

-  timely implementation of corrosion-related projects
-  safe isolation and compliance to zero energy demonstration
-  addressing human-related errors with regards to compliance with Management of Change
-  operating procedures



In 2019, one of the Company's key focus areas will be on operationalising safety cases, spearheaded by a pilot implementation of the barrier management process in selected assets. An integrated risk management process will be implemented across all Qatargas facilities along with the development of Ensure Process Safety (PRS) processes.

The key objective of PRS is to demonstrate throughout the lifecycle of assets that process safety risks associated with major accident hazards are managed to as low as reasonably practicable (ALARP) through effective buyers.

Hazardous Materials Management

Qatargas uses Material Safety Data Sheets (MSDS) to screen the chemical composition of materials used that contain potentially hazardous chemicals. Any unit using hazardous materials must seek approval from the Hazardous Materials Committee. Qatargas' Industrial Hygiene (IH) team takes the request forward through the review process, thoroughly checking for safety hazards in the material, such as asbestos, carcinogens, mutagenic, or other components that can precipitate adverse health effects upon exposure. If the material is deemed hazardous, it is promptly replaced. If this is not possible, appropriate control measures are established to protect workers and the environment from any adverse effects. The IH team also monitors the safe disposal of hazardous material following its use. The MSDS database is accessible to all employees and contractors. In 2018, 437 MSDSs were reviewed: 262 at QGN and 175 at Qatargas South (QGS).

The following product handling procedures have been updated to further enhance safety:

-  Transport Information for Sulphur was updated in accordance to International Maritime Dangerous Goods Code as well as the Document Control
-  Transport Information for Sodium Sulphide Solution International Bulk Chemical Code was updated in accordance with Shipment under Maritime Pollution 73/78 as well as the Document Control
-  Collective agreement with RasGas on MSDS of their product due to common loading with Qatargas

Emergency Response and Security

Achievements

Qatargas Emergency Response (ER) entered 2018 with a new directive, aiming to become an integrated department for Qatargas North (QGN) and Qatargas South (QGS). This newfound direction was based on the idea that prevention, protection, education, and incipient emergency response programmes must be integrated to have the greatest possible impact on safety at our facilities.

Qatargas maintained a five-minute response time in all instances when called upon in 2018 at both QGN and QGS. The department ensured that adequate equipment was available on all fire trucks to address ER performance objectives and maintained standardisation in inventory with mutual aid agencies in RLIC. The department also maintained Qatargas fire prevention code and fire equipment preventive maintenance strategies based on relevant National Fire Protection Association standards. The inspection and testing of fire protection equipment and building fire inspection programme for 2018 ensured total compliance with international standards. The discrepancies identified from this programme were recorded and a correction plan was generated to ensure that all equipment and buildings met the appropriate fire safety standards. The ER department reported no failures of fire protection equipment on demand, highlighting the readiness of its fire prevention efforts across all Qatargas facilities.

In 2018, exercises and training for ER were conducted as per the training and exercise program, with a special focus on confined space rescue. The emergency exercise conducted were instrumental in proving the readiness of the rescue team, prompt response equipment deployment, and the demonstration of effective on-scene command and control capabilities in place.

There were further efforts to train security personnel and upgrade security infrastructure to mitigate risk to ALARP. Six national security staff went through a "Critical Industrial Infrastructure Protection - Level One course," which was provided by experts from the Ministry of Interior (MOI). A security awareness programme was also organised in cooperation with the MOI to improve the general security awareness of residents in the Al Khor Community. Moreover, 25 training sessions were delivered to all Qatargas contractor security staff covering various topics, including integrated security procedures and daily operational issues by the in-house security team. New security access control modifications included the consolidation of both QGN and QGS access control systems into one common system, helping Qatargas security in its access control and security management duties. To facilitate this integration, 3,000 identification cards were replaced.

In addition, several security measures are now standardised through the help of the online Qatargas security portal, as a new format for material passes, vehicle passes, and photography permits for all Qatargas facilities was introduced, saving significant amounts of time in the approvals process.

Certifications

The Qatargas Fire and Rescue Emergency Services division received re-accreditation by the Center for Public Safety Excellence (CPSE) in 2018, showing its commitment to continued compliance with the accreditation programme and its core competencies. Accreditation by CPSE, the only accreditation programme for fire service organisations around the world, is an internationally-accepted standard of measuring organisational effectiveness. CPSE determined that Qatargas’ ER met its high standards and qualifications, a commendable distinction as Qatargas ER remains the only accredited fire department in the Middle East, and the only accredited fire department in the oil industry worldwide. This is a significant accomplishment for the organisation and the State of Qatar, as it signals a desire to continue to lead in the industry on the world stage.

In 2018, Qatargas security section maintained ISO 28000 accreditation for QGN and QGS. ISO 28000 is a global security standard for a supply chain security management systems, and re-accreditation signifies the Company’s continued commitment to securing its operations.

Qatargas also maintained the accreditation of HSE&Q management systems in compliance with ISO 9001, ISO 14001, ISO 28000, and OHSAS 18001 standards, passing the annual surveillance assessment with no non-conformities.

Qatargas Medical Department was accredit by the Joint Commission International (JCI) for the third time. JCI works to improve patient safety and quality of health care in the international community.



Qatargas regularly participates in national, regional, and international events dedicated to the health and welfare of the workforce, where the Company can share its experience and learn best practices from other companies. Thus, in 2018 Qatargas was present at:

- 1 The first Middle East Medical Humanities Global Conference
- 2 The fifth Annual American College of Physicians Internal Medicine Conference
- 3 The Qatar Petroleum Occupational Health and Wellness Forum
- 4 The Advanced Care Paramedicine Programme Advisory Committee Meeting

Looking for and Sharing Best Practices

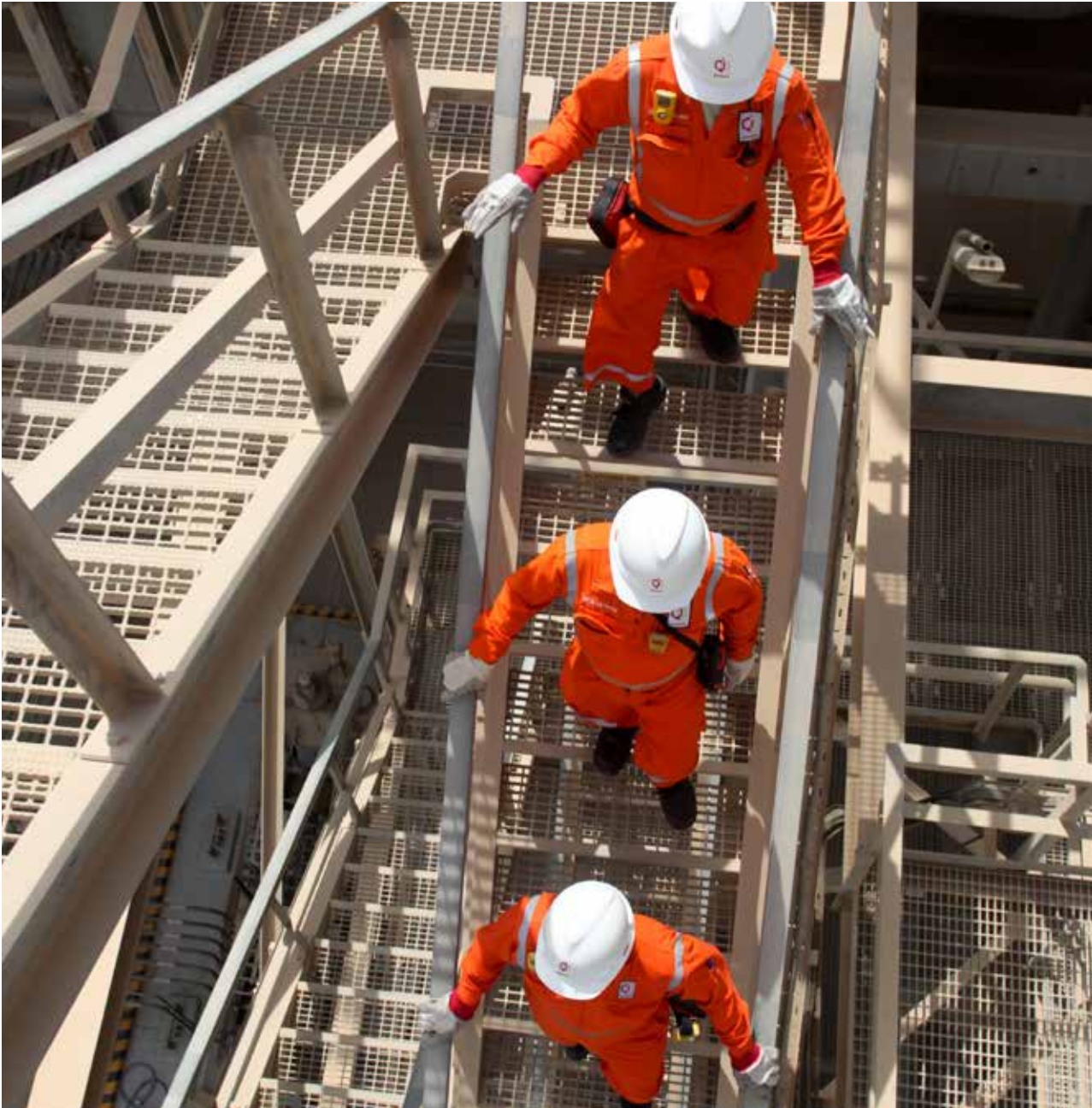
Stakeholders share their best practices through various forums, such as the Shareholders HSE Network, RLIC HSE Committee, and Laffan Environmental Society. Qatargas shares its successes in HSE practices through other channels, such as e-learning and routine activity campaigns.

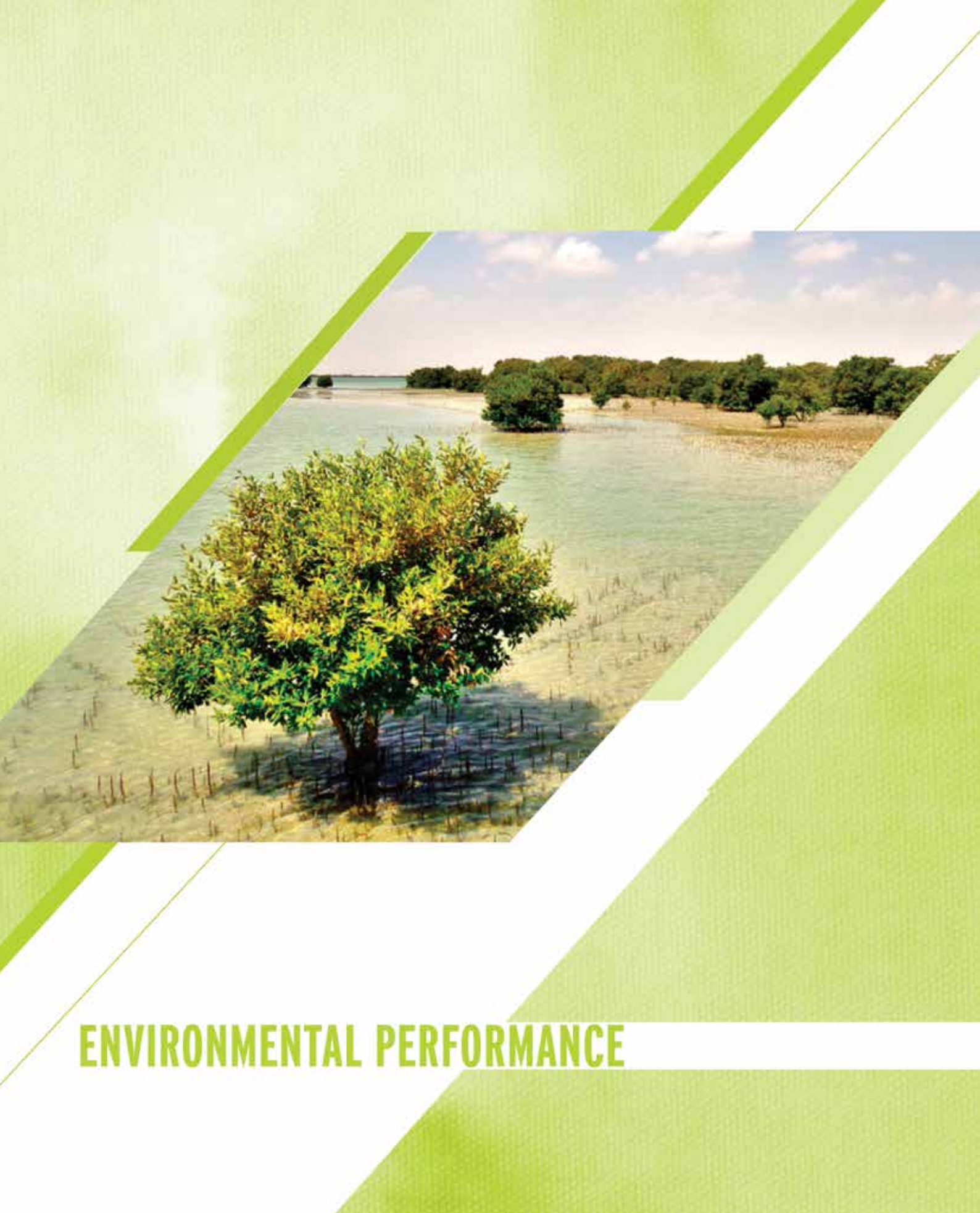
In 2018, Qatargas participated in the Qatar Process Safety Symposium (QPSS) under the theme of “Emergency Preparedness.” The event was hosted by ConocoPhillips Qatar and Texas A&M University at Qatar. QPSS is an annual platform that brings together leaders in industry and academia to share knowledge on success stories, best practices, and recent advances in research on process safety. During the event, Qatargas submitted a paper presentation titled: “Risk Management of Portable Buildings at Process Facilities.” Furthermore, Qatargas Chief HSE&Q Officer participated in a panel discussion, which focused on the topic: “Are we ready? By failing to prepare you are preparing to fail.”



Qatargas understands the value of academic research in protecting the health of our communities. We make it a priority to attend international events with the goal of contributing to medical research and clinical data sharing and contributing to the advancement of quality improvement and education standards in the healthcare sector.

All insights gained from these events inform the standards of our occupational health services, ensuring that healthcare provided to the Company and mandated for its contractors working onshore and offshore meet international standards of the highest level.





ENVIRONMENTAL PERFORMANCE

Energy Use, and Climate Change Impact

Introduction

Qatargas understands its responsibility to preserve and protect the environment. We are naturally aligned with QNV 2030 goal of sustaining the planet for future generations, as we continue to create and utilise innovative solutions that improve the environmental performance of our production facilities. Our main headquarters in the heart of Doha is Leadership in Energy and Environmental Design (LEED), achieving the Gold for Commercial Interiors and Operational Maintenance (LEED-CI v2009 GOLD) standard, demonstrating our commitment to preserving environmental sustainability while retaining our position as The World’s Premier Liquefied Natural Gas (LNG) Company.

We have identified six areas that will maximise our environmental management efforts: compliance, flare



reduction, greenhouse gas (GHG) and air emissions management, wastewater recycling and reuse, waste management, and environmental awareness. Together, they help us concentrate our efforts and resources into implementing a comprehensive strategy that minimises the impact of our operations.

In 2018, our focus was on ensuring Qatargas successfully integrated strategies and procedures post-merger. This included aligning the Health, Safety, and Environment (HSE) policies of Qatargas and RasGas, training employees on new policies and practices, and establishing one culture: the Qatargas culture.

Highlights

Qatargas’ commitment to meeting the highest environmental and quality standards has resulted in several outstanding achievements for the Company. We debuted the Near Zero Liquid Discharge Project at Laffan Refinery (LR) and Laffan Refinery 2 (LR2) aimed at reducing water

Near ZLD Project Highlights



Near **ZERO** discharge



Generated **383,000m³**



65% boiler feed & cooling water LR & LR2



35% for irrigation purposes RLIC

consumption and eliminating the discharge of treated industrial water to the sea. The project has generated approximately 220,000 m3 of recycled water for internal process use at LR and LR2, reducing the import of desalinated water from Kahramaa by 17%, while providing a further 131,000 m3 of irrigation quality water for Ras Laffan Industrial City (RLIC) irrigation use. The Company approved a new waste management strategy that helped integrate waste management operations across all sites, consolidate waste contracts and maximised backlog waste disposal. We have also implemented the Environmental Compliance Programme (ECP), which enables us to track environmental exceedances of Qatargas’ facilities against applicable environmental regulatory requirements, ensuring that our facilities have minimal impact on the environment. Overall, these efforts help us measure and improve our performance so that we can meet our rigorous environmental standards.

These efforts have gained recognition among communities in Qatar, both in Doha and in the northern parts of the country. Qatargas’ Jetty Boil-Off Gas (JBOG) Recovery Facility won a Qatar Sustainability Award during Qatar Sustainability Week 2018, presented by Qatar Green Building Council and seen as a project that exemplified sustainable development and environmental protection initiatives in the country.

Moreover, we have accomplished all of these feats while exceeding our financial targets. We generated significant cost savings through cross-utilisation of contracts, waste recycling and optimised equipment calibration, and enhanced strategy around Continuous Emissions Monitoring Systems Relative Accuracy Test Audits. This is proof of our ability to discover new measures that sustain the environment and execute them efficiently.



Hilal Saad Al Mohannadi (right), Head of Environment Regulatory and Compliance at Qatargas, receiving the award from Meshal Al Shamari, Director of Qatar Green Building Council.

Environmental Management

We seek to align our environmental management strategies with international standards, as we contribute to the preservation of our planet. Qatargas’ Environmental Management System (EMS) continues to maintain an ISO 14001:2015 Environmental Management Systems certification, demonstrating our adherence to an internationally-recognised environmental management standard that ensures optimal management of the immediate and long-term ecological impacts of our products, services, and processes.

The integration of Qatargas and RasGas required the review and consolidation of different environmental management and reporting approaches into a common Qatargas approach; significant progress in aligning these has been achieved further enhancements ongoing. Additionally, a common ECP was developed to track environmental

compliance. We are committed to continuing the alignment of all our procedures and reporting approaches going forward.

We also work closely with the local community to address any environmental concerns. Qatargas is a member of the Laffan Environment Society (LES), which was established jointly by RLIC and locally-based industries to monitor and provide services in the area of environmental management. Its primary services include the operation and maintenance of ambient air quality monitoring stations, conducting marine ecological surveys and handling the related data acquisition systems. The LES’s objectives are to promote open communication and knowledge sharing among members and to maintain outreach with neighbouring communities on environmental issues and social development.

Qatargas is also a member of the International Association of Oil and Gas Producers, the petroleum industry’s global forum where members can share knowledge and best practices in the fields of health, safety, social responsibility, and the environment. We recognise the importance of collaborating with other members of the industry when it comes to protecting the environment, mainly as it allows to disseminate and acquire knowledge of best practices, allowing us to further improve our own environmental management practices with feedback from other experienced members.

Energy Use

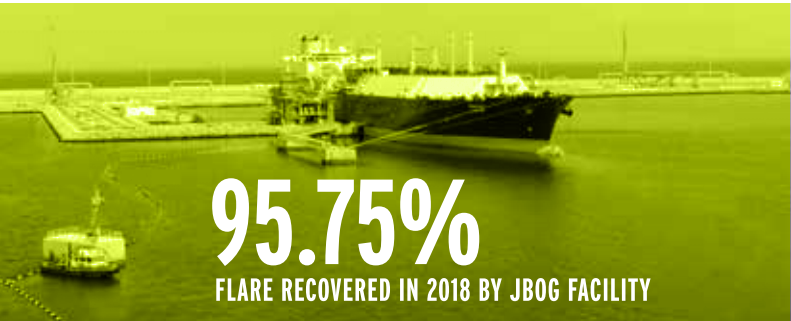
Energy Use	Unit (Gigajoules (GJ))	2018
Direct Energy Consumption	GJ	534,927,549
Indirect Energy	GJ	4,484,733
Energy Consumption Outside the Organization ¹	GJ	44,382
Total Energy Use	GJ	539,412,282
Energy Intensity	GJ/Tonne of LNG	5.81

Qatargas has carried out efforts to find opportunities to reduce direct and indirect energy consumption at the Company’s facilities. We have partnered with Qatar Petroleum to conduct an energy efficiency study, led by the Engineering Division at Qatargas, which identifies potential areas where energy savings can be made, particularly with Qatargas LNG assets. The comprehensive study will produce detailed outcomes that may potentially be implemented in the future.

Flaring

The Qatargas Flare Management System provides our facilities with methods to reduce operational flaring while also detailing engineering solutions that reduce flaring overall. The fully-fledged system helped simplify flare-related processes and reporting, which have combined to decrease Qatargas’ LNG flaring across all our operations. In 2018, Qatargas’ overall flaring performance of 0.46% was 5% better than the targeted 0.48%. Several assets met the 0.3% Ministry of MME flaring target, with a significant reduction in shutdown flaring; 20% for Qatargas 1 (QG1) and Qatargas 2 (QG2) and 62% for Ras Laffan (RL) 1, 2, and 3.

We are looking to take this further, as we envision our LNG facilities, achieving 0.3% of sweet gas production by 2020.



Jetty Boil-Off Gas Recovery Facility (JBOG)

Commencing operations in the fourth quarter of 2014, JBOG is the largest environmental project of its kind in Qatar with an investment of over a billion US dollars. This facility collects boil-off gas from LNG ships and compresses it at a central facility. The compressed gas is then sent to LNG producers to be consumed as fuel or converted into LNG.

In 2018, flare recovery of 95.75% was achieved, which was a significant improvement compared to the previous year.

Qatargas’ JBOG was awarded the prestigious Qatar Sustainability Award during the Qatar Sustainability Week in 2018. This was presented by the Qatar Green building Council, a member of Qatar Foundation, at a gala dinner held in honour of individuals, institutions, and organisations that have positively impacted society with the development of world-class sustainable initiatives.

Flaring	Unit	2018
Flaring	Million Standard Cubic Feet (Mmscf)	24,008
Flaring - JBOG Flaring	Production % of Sweet Gas	0.04
Flaring - LNG Process Flaring	Production % of Sweet Gas	0.46
Turnaround (Shutdown Flaring)	Million Standard Cubic Feet (Mmscf)	1,332

GHG Emissions

GHG Emissions ¹	Unit	2018
Direct (Scope 1) GHG Emissions (All Qatargas Facilities)	Tonnes CO ₂ Equivalent	35,335,584
Of which GHG Emissions Attributed to Flaring (Including LNG Loading)	Tonnes CO ₂ Equivalent	1,665,960
Of which GHG Emissions Attributed to LNG Loading	Tonnes CO ₂ Equivalent	122,316
Indirect (Scope 2) GHG Emissions	Tonnes CO ₂ Equivalent	828,285
Other Indirect (Scope 3) GHG Emissions	Tonnes CO ₂ Equivalent	8,079,305
GHG Emission Intensity	Tonnes CO ₂ /of Production	0.35
Total GHG Emissions (Covers Scope 1 & 2 only)	Tonnes CO ₂ Equivalent	36,163,869

The integration presented Qatargas with the task of standardising an enlarged reporting portfolio for conducting GHG inventory, particularly in forming a singular calculation approach towards emissions. Similar calculation blocks and data processing techniques were applied for all relevant emissions inventories. This system-based approach provides increased operational flexibility, as its ease of use and added functionality enables users

¹ Based on a constant, assumed, numbers related to the use of transportation.

¹Qatargas GHG emission inventory, accounting and reporting are audited and certified by Qatar Petroleum and its external auditors.

to see daily trends while streamlining the accounting and reporting processes significantly. As a result, Qatargas possess a robust, standardised data-set that provides a baseline on which further GHG emissions performance improvements can be planned.

We aim to limit overall GHG emissions from our facilities. Thanks to our enhanced JBOG operation and sustained flaring performance, our overall GHG emissions have decreased significantly throughout the years. Our performance of 0.43 tonnes of GHG per tonne of LNG was better than our target of 0.44.

Water and Wastewater Management

Water and Wastewater Management	Unit (Cubic Meters (m3))	2018
Water Consumption	m³	7,421,016
Water Consumption Intensity	m³/Tonnes of LNG Produced	0.076
Desalinated Water Consumed	m³	7,421,016
From Kahramaa	m³	2,536,839
Generated on Site from Seawater	m³	4,884,177
Process Wastewater Injected into Subsurface Formations	m³	2,326,108
Seawater used for Non-Contact, Once-Through Cooling (Onshore)	m³	6,642,200,701
Treated Process and Sanitary Wastewater used for Irrigation	m³	545,624
Treated Process and Sanitary Wastewater Discharged to Sea (Excluding Non-Contact Seawater for Once-Through Cooling)	m³	773,932
Wastewater Recycled	m³	545,624

Qatargas currently has an extensive Wastewater Reduction and Reuse (WRR) programme in place that serves to limit wastewater discharge and optimise water usage at our facilities. It focuses on three key targets: to reduce wastewater injection into deep well formations, reuse suitable streams of treated water for irrigation, and recycle water using advanced technologies. The WRR programme guarantees that our facilities meet wastewater targets set by the MME to generate recycled water to the standards that RLIC requires.

This approach has resulted in numerous projects, including upgrading existing treatment facilities to Membrane Bioreactors (MBRs) coupled with a tertiary system comprising of Multi-Media Filtration (MMF) and Reverse Osmosis (RO) units. The MMF-RO process will help our facilities meet their desalinated water requirements by treating wastewater, which will be used as polished water for utilities reuse, including boiler feed water and service water in our plant sites.

Our commitment to meet and exceed our wastewater management goals is ongoing. In 2018, we introduced the Common Sulphur Plant (CSP) Washdown Water Pilot Irrigation Project at the Ras Laffan Terminal Operations (RLTO) Port Offices in RLIC. The project repurposed washdown water from the CSP to irrigate approximately 100 trees and 2,000 shrubs along the perimeter of the RLTO Port Offices. The Project was a success, with a 95% plant survival rate and 6,000 m³ of CSP washdown water utilised for irrigation as of December 2018. A comprehensive soil and water sampling programme was also implemented which has continued to show no appreciable changes from baseline. This plantation scope is planned to be extended in 2019-2020 to utilise additional CSP washdown water for irrigation.

As evidenced by our spate of projects, Qatargas continues to invest in our existing methods of wastewater discharge mitigation, implementing strict monitoring plans to ensure that they will meet our wastewater management targets.

Debut of the Near Zero Liquid Discharge Project in Qatar

In 2018, Qatargas’ new Near-Zero Liquid Discharge Project debuted successfully at Laffan Refinery, catering to treating water for both Laffan Refinery (LR) and LR 2. Through the use of advanced technology, this Project will limit liquid waste at the end of the industrial or manufacturing process. Through this Project, 70% of the recycled water will be used as boiler feed and cooling water in the LR 1 and 2, and the remaining 30% will be sent to RLIC for irrigation purposes.

This Project is evidence of our ongoing commitment to environmental stewardship and the achievement of QNV2030. The Project, awarded in 2015, was completed under budget and with zero lost-time incidents.

Waste Management

Waste Management	Unit	2018
Total Waste Generated	Tonnes	14,986
Hazardous Waste Generated	Tonnes	7,600
Non-Hazardous Waste Generated	Tonnes	7,386
Percentage of Recycled Waste Relative to Total Waste Generated	%	28
Waste Recycled	Tonnes	4,137

Waste management and reduction are vital components of QNV2030, as the State of Qatar acknowledges that development and population growth requires a waste management system capable of meeting rising demand that uses sustainable methods and technologies.

Qatargas’ operating facilities have seen recent expansion that has resulted in a substantial increase in waste generation rates along with added diversity of hazardous waste streams. We have made it a corporate priority to develop a sustainable waste management approach for our facilities that will lead the way for waste treatment and disposal infrastructure in the country. In 2018, we revised our waste management strategy to reflect the Company’s vision and goals and to help Qatargas better align our plan with the QNV2030. The majority of hazardous waste accounts for either the sludge and molecular sieves generation. While the majority of non-hazardous waste generated by Qatargas accounts for either office waste, and construction debris. In order to adhere to Qatargas’waste management strategy, the Waste Management Team focuses on three main pillars; these being:

- **Performance:** To improve existing waste management practices onsite;
- **Systems:** To develop practical and systematic waste management procedures and instructions, establishing a comprehensive Qatargas Waste Management System; and
- **Infrastructure:** To progress the development of new Qatargas Waste Management Facilities designed and engineered to manage generated hazardous and non-hazardous waste streams.

Second Annual Waste Management Workshop

In December 2018, we held our second annual waste management workshop, attended by various stakeholders and local companies. During the sessions, we identified a number of local initiatives to improve our waste recycling performance, while also supporting the development of the local market. The implementation of these initiatives are progressing in 2019.



Performance

Qatargas continues to maintain high standards for its waste management operations, with efficient operations in 2018. With the successful implementation of the Qatargas waste management contracts strategy, which encompassed numerous complex short and long-term contracts across all our facilities with multiple stakeholders due to the diversity of the waste profile, the Company's waste management performance were further strengthened. This includes our Sludge Management Facility, which continued its sludge separation and management of subsequent waste streams disposal operations.

Post-merger, one of Qatargas' priorities was to ensure that waste operations continuity were sustained waste management operations across all of the Company's facilities, and non-core functions were assigned to the other responsible entities within Qatargas streamlining Company focus.



Systems

Qatargas waste management systems changed in 2018. The merger saw the company adopt a new approach that would be based on systematic risk management, providing a platform for sound waste management. Waste management operations were optimised and streamlined to maximise the cross-utilisation of available resources, therefore improving the operational efficiency and cost-effectiveness of Qatargas waste management activities.



Infrastructure

Qatargas is currently constructing Waste Materials Management Facility (WMMF), which will serve as the Hazardous Waste Hub for all of the Company's operations.

WMMF builds on the Company's considerable experience with efficient and sustainable waste operations and promises to bring further improvements to Qatargas' waste management operations. It will also deliver waste handling, temporary storage and treatment opportunities as well as more efficient waste transportation practices. Expecting to commence operations in 2019, it will come equipped afety and fire protection systems, and the first Qatargas Shelter in Place building which allows personnel on site to shelter in during emergencies.

Air Emissions

Air emissions	Unit	2018
Nitrogen Oxides (NOx) Emissions	Tonnes	15,041
Sulphur Dioxide (SO2) Emissions	Tonnes	19,339
Volatile Organic Compounds (VOCs)	Tonnes	1,714

Qatargas has achieved significant success in NOx and VOC management. This can be attributed to Qatargas' NOx reduction projects such as earlier retrofits of turbines and boilers with low NOx technology and our robust Leak Detection and Repair (LDAR) program.

LDAR Performance	Unit	2018
LDAR Performance (Emissions Prior to Repair)	Tonnes VOC	78
LDAR Performance (Emissions Post Repair)	Tonnes VOC	12

The LDAR programme is installed in the Company's LNG trains, RL, and tank farm facilities. It provides surveillance for approximately 115,000 components, leading to necessary repairs in identified VOC leakage sources.

Environmental Impact from Transportation

Qatargas charters the largest LNG transportation fleet in the world, a fact that holds great implications for current and future international infrastructure. As The World's Premier LNG Company, we bear a responsibility to implement advanced solutions that ensure efficient LNG transportation across the world in a manner that generates minimal environmental impact.

While we lead as a trend-setter in the maritime sector, we respect our duty to adhere to international regulations and standards. Qatargas is a proud member of the Society of International Gas Tanker and Terminal Operators - an international organisation through which all industry participants can share experiences, address common problems, and derive a consensus on criteria for best practices and acceptable standards.



Developing LNG as Marine Fuel

The Qatargas Shipping Department has been working on an innovative project that aims to develop LNG as a bunker fuel. This has vast potential to diminish the environmental impact of shipping, as vessels typically burn fuel oil which is less friendly to the environment. The Company has established multiple partnerships to explore the utilisation of LNG as a commercially-viable bunker fuel that is a suitable alternative to heavier fuels oil. Partnerships with our shareholders - Qatar Petroleum and Shell Qatar - have made Qatargas an industry leader in this effort.

The bunker fuel development initiative will aid Qatargas' preparations for stricter global sulphur cap requirements being drafted by the International Maritime Organisation (IMO), which is slated for ratification in 2020. A project on the use of M-type Electronically Controlled-Gas Injection has been undertaken to convert chartered long-term LNG carriers to use LNG as a fuel of this environmentally-friendlier alternative has the potential to reduce emissions of GHGs and other pollutants. The pilot project and the subsequent evaluation of this technology and its economic benefits are ongoing. The system has shown continuous improvements in reliability and operability, thus rendering this technology viable for implementation. Commercial and economic analysis is ongoing whereby the remained of the long-term fleet is being considered for conversion.

Qatargas' Shipping Department is a member of SEA/LNG. The multi-sector industry coalition aims to demonstrate, deliver, and amplify commercial opportunities for the accelerated development of LNG, as a bunker fuel. This helps to promote the use of cleaner and more environmentally-friendly fuels throughout the global shipping industry. SEA/LNG brings together key players in the LNG shipping value chain, including shipping companies, classification societies, ports, major LNG suppliers, LNG bunkering companies, infrastructure



Compliance with Environmental Regulations

To ensure that Qatargas' chartered fleet operates in a manner that prioritises worker safety and minimal environmental impact, the Company adheres to the global standard set by the Green Award. All 70 of the Company's long-term chartered LNG transportation vessels acquired the Green Award Certification after passing a meticulous procedure, including an audit of the Qatargas' long-term vessels operators as well as reviews and surveys of each vessel.

Qatargas' ongoing commitment to promote the Green Award's mission is exemplified through the Company's Shipping Manager, who serves as the Vice-Chairman on the Foundation's Board of Experts. Under this scheme, nine ports in Asia, Europe, and North and South America have voluntarily agreed to provide service incentives to Green Award certified ships in order to promote and support a comprehensive approach to quality, safety, and environmental performance across the industry. Qatargas respects our partners at Green Award and their drive to promote sustainable shipping practices, and we are proud to lend our support to this important initiative.

In 2017, the IMO declared that the International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM Convention) entered in force. It recognises that ballast water, while part of an integral practice in shipping operations around the world, can have a drastic impact on ecological, economic, and public health. Ballast water contains a variety of organisms from different regions around the world that become invasive species when released into new marine environments. To combat this, the convention mandates that all ships must implement ballast water management systems according to the IMO's Code for Approval of Ballast Water Management Systems, which was adopted by the Marine Environment Protection Committee during their 72nd meeting.

Qatargas is dedicated to working with its long-term chartered fleet ship operators to ensure that each vessel meets the IMO BWM Convention's D-2 performance



standard, which limits the amount of viable organisms that are allowed to be discharged through ballast water, including particular microbes that can harm human health. Some of our fleet ship operator's existing vessels will be able to meet this standard through the renewal of their International Oil Pollution Prevention certificate, while others will be installed with special equipment to meet this regulation. Eventually, all licensed ships throughout the world will have to conform to the D-2 standard.

Environmental Awareness

Qatargas understands that raising awareness among our communities is key to supporting environmental protection initiatives. We have partnered with the Ministry of Municipality and Environment to carry out campaigns in communities throughout Qatar aimed at raising awareness of important environmental topics such as air quality, flaring, and wastewater reuse and recycling, so that residents can better understand the scope of these issues while learning about the Company's efforts to lead the LNG industry in tackling them.

Biodiversity

In 2018, the MME announced Fasht RasGas under Qatar's protected natural reserve. The project, implemented in cooperation with the Ministry's Environmental Assessment Department, embodies the State of Qatar's commitment to protect and nourish a healthy marine environment, in line with the fourth pillar of Qatar National Vision 2030 (QNV 2030).

As part of this project, Qatargas has developed a new coral habitat with 2,800 relocated corals augmented with new substrate including artificial coral reef modules (known as majfara). The habitat has been very successful in terms of the coral health and recruitment of new corals. Also, the site has provided a welcome refuge for various fish populations in an area where there are few such locations. Qatargas hopes that its future development projects will add more corals to the new habitat and improve its long-term sustainability.





WORKFORCE

Taking Care of our Workforce

2018 KEY ACHIEVEMENTS:

- 1** **Effective management and implementation of Personnel Administration Information Technology projects:**
 - Foreign currency exchange protection allowance automation
 - Annual leave airfare automation
 - Timesheet workflow enhancements
- 2** **Effective completion of some phases in the Job Descriptions and Job Family Model development project:**
 - Finalised N-1 (14 chief officer level positions), N-2 (57 department manager positions), N-3 & N-4 (283 division manager and heads positions) job descriptions and job evaluation. Total of 354 positions
 - Review of frameworks, best practice Conventions and Policy Documentation (90% complete)
- 3** **Support the implementation and execution of Staffing Key Performance Indicator Projects for each group:**
 - Achieved plan for 2018 closure is 89%
- 4** **Effective Human Resource (HR) engagement and communication sessions:**
 - Offshore North and South visits
 - +18 school visits
 - Customer service delivery model - staff awareness sessions
 - Medical insurance
 - Operations and subsurface quarterly performance reviews
- 5** **Support overseas project offices, liaison/ representative offices, and training assignments:**
 - Japan Liaison Office, South East Asia Liaison Office, Beijing Representative Office, Korea Liaison Office, Italy, Malaysia, United Kingdom, United States of America, Canada, Australia, and India

- 6** **Support the completion of benchmarking studies**
 - Phillip Townsend Associates, Inc. Benchmarking Study
 - Solomon's Benchmarking Study
- 7** **Effective completion of Qatarisation Review meetings with Learning and Development Teams:**
 - Completed one cycle of group meetings across the organisation in 2018
- 8** **Effective management of Succession Planning process in 2018:**
 - The Succession Plan process was carried out across all departments in the newly-merged Qatargas for the first time, aimed at identifying personnel for all key roles within the company. This was done through detailed assessments to ascertain the readiness and discover future talent across the new Qatargas.
- 9** **Effective transfer of all RasGas sponsored and Al Khor International School employees into Qatargas sponsorship.**
- 10** **Updating several policies such as:**
 - Issuing Circulars
 - Transfer and assignment of Company employees to Projects Policy
 - Working Schedule Policy
 - End of Service Benefit Policy
 - Employee Relations Policy
- 11** **Amending old commercial registrations and trade licensees of legacy Qatargas and RasGas, to be aligned with the Qatargas New Company information including shareholders, the Board of Directors, addresses, and authorised signatory.**
- 12** **Attending conferences organised by the Ministry of Interior and Labour Department introducing some changes in the laws of the exit permits and new visa offices in some countries. This is in line with the government affairs role of keeping the Company up to date with the changes in laws and regulations which impact Qatargas.**

Introduction

At Qatargas, we recognise the value of our people and work to facilitate their development; fostering a culture of learning, innovation, diversity, and excellence. This is enshrined in our values: “We value, recognise, and appreciate all our people and their families; we foster teamwork and collaboration; we develop ourselves to be our best; and we trust and empower one another.” Qatargas remains committed to maintaining our employees’ wellbeing and helping them realise their full potential.

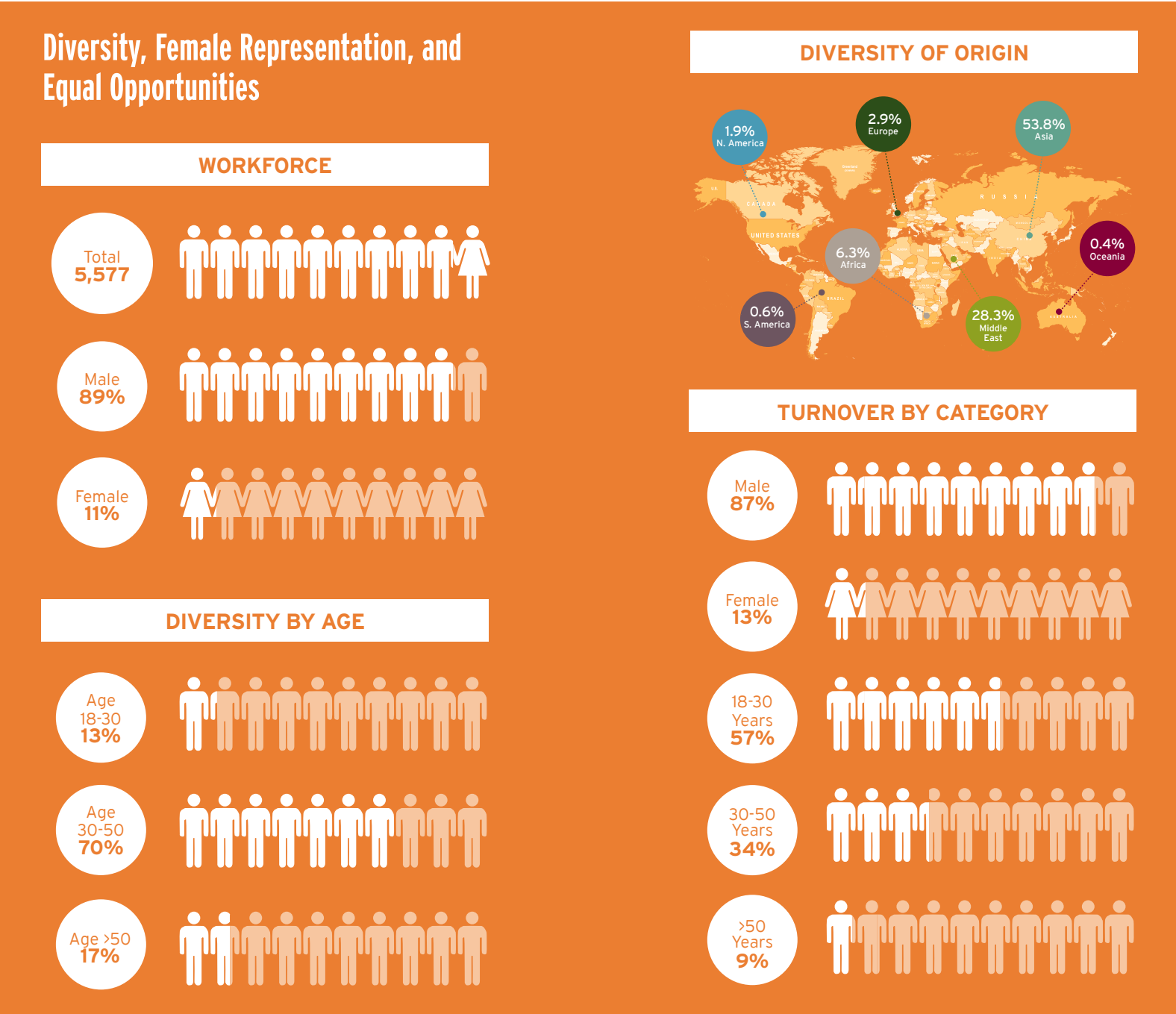
This obligation was highlighted after the smooth integration of Qatargas and RasGas when the Company worked to incorporate two unique work cultures, each with its own management and leadership styles. The Company hosted comprehensive training programmes for its employees, particularly in the Human Resources (HR) Department, in order to promote a unified work environment and guarantee efficient services for employees as the Company’s workforce grew dramatically.

Internally, there has been a focus on developing the Personnel Administration (PA) Division regarding processes and the delivery of employee services. Despite a challenging year, the PA division has maintained a focus on increasing productivity, accuracy and data integrity, and business requirements have been gathered in relation to the many Information Technology (IT) system enhancements that will occur in 2019.

The influx of new personnel from the merger presented the HR team with a large increase in the volume of work. The PA Division received an unprecedented and unanticipated number of employee requests during 2018. While the Qatargas headcount increased by 88%, the team were required to respond to a 140% increase in employee queries.

Additionally, we care about our commitment to increasing local visibility of the Qatargas brand for Qatari high school graduates through the outreach campaigns including cooperation with HR recruitment, Operations North and South, and the Public Relations (PR) Department.

“We value, recognise, and appreciate all our people and their families; we foster teamwork and collaboration; we develop ourselves to be our best; and we trust and empower one another.”



Constant assessment of overall workforce statistics, including diversity, is vital to Qatargas. Despite challenges arising from the integration, Qatargas’ attention to its workforce and business processes has helped the Company streamline operations and mitigate any adverse effects.

Several strategic pillars are in place to ensure diversity in the workplace; these include:

¹ Total Qatari headcount (HC) to occupied permanent positions
² Active managerial HC

Strategic Pillar	Objective
Health, Safety, and Environmental Performance	Ensure effective and efficient compliance with corporate mandatory policy requirements.
Efficient and Reliable Operations	Ensure efficient and effective implementation of Success Factors Talent Management System.
High-Calibre Workforce	Support Employee Performance Management and Compliance to Technical Competence Framework.
	Ensure effective and efficient management of programmes that support national graduates and trainees. Ensure successful management of the training programmes for gap closure.

Qatarisation

Qatarisation remains a strategic focus for Qatargas, in-line with Qatar National Vision 2030. The Company is positioning itself to occupy 50% of established positions in the organisation with Qatari nationals by 2030 - thus far, 33.77% has been achieved. To accomplish this target, Qatargas pays special attention to hiring, training, and retaining its Qatari employees and reducing reliance on an international workforce. Until then, the Company sets a target each year for the percentage of approved permanent budget positions to be held by Qataris.

In 2018, the Company continued with its Qatarisation efforts through the Hayyakum Outreach Plan, which included school visits and career and education fairs in order to promote the Company as an appealing employer and increase awareness of the Qatargas brand.

Indicator	Unit	2018
Qatarisation Rate	%	33.77 ¹
Qatari Employees	#	1,574
Qatarisation of Management	%	45.5 ²

Retaining Qatari nationals in key positions is also a strategic priority for Qatargas. In particular, the success of Qatarisation can be observed on a management level, where Qatari nationals currently hold 202 out of 444 active managerial positions.

Regular meetings are organised to update the Qatargas management on the progress of Qatarisation, taking into consideration the targets and Qatar’s attrition status. The different managerial staff provide updates on the progress of their developments, academic performance of their assigned scholars, and discussing related issues and challenges.

Rolled out in 2018, the Qatarisation Intake Plan focused on the recruitment of Qatari nationals and the continuation of the Qatarisation process. The Plan falls in line with the energy and industry sector’s Qatarisation strategy that seeks to promote greater Qatari representation in important positions in the sector. We were able to carry out an outreach plan that covered all of Doha’s independent schools, as well as schools in the northern part of the country.

Supporting National Graduates and Trainees

The Company’s national graduates and trainees are chosen for their track record of excellence in their studies and have all shown the potential to become leaders in the

industry. We consider it vital to support their professional development, and so we invest in learning and training programmes that will help them realise their potential.

National graduates are Qatari nationals who have obtained a bachelor degree or a higher national diploma through Qatargas' scholarship scheme, or recruited directly in technical and non-technical streams. Each national graduate receives a tailored Individual Development Plan (IDP) as per their agreed establishment position targets when they join the Company. We have constructed a robust support system for all our national graduates, comprising assigned coaches, department managers, and the dedicated Qatarisation team, providing them the ideal environment in which they can accomplish the goals set in their IDPs.

Most of the IDP-targeted positions for nationals under previous Qatargas groups were standardised and the initiative was completed successfully. However, due to the integration and a new organisational structure featuring new positions, all targeted positions for national graduates in the IDPs will be revisited for validation in 2019.

Moreover, despite the challenges faced during the integration of RasGas and Qatargas, all RasGas national graduates and their coaches were enrolled into the National Graduate Development Programme (NGDP) and their IDPs were transferred and launched successfully within the Qatargas IDP workflow. To achieve this, an E-learning, training, and awareness course detailing the NGDP and the IDP system was developed and launched for

all new national graduates and their coaches. In 2018, a total of 52 national graduates completed their IDP.

Qatargas also supports the career development of trainees who have obtained a high school diploma or technical certificate. These individuals enter either a Non-Technical Trainee Programme (NTTP) or Technical Certification Programme (TCP). Both include two phases of in-depth training, which is administered both in-house and through Qatar Petroleum. In 2018, 88 national trainees completed a variety of courses, for a total of 243 training days.

Qatargas graduates and trainees have many opportunities to communicate with the Company’s management. Among these is the annual Chief Executive Officer forum for National Graduates and Trainees (NGT). The event, the main feature of the Company’s employee engagement initiatives for the past 17 years, is an integral part of Qatargas’ Qatarisation strategy. Graduates and trainees are encouraged to voice feedback on their development programmes, which is incorporated when designing new IDPs and other initiatives. This fosters relationships between the young professionals, their mentors, and management, creating a cohesive team environment that better facilitates individual development. During the 2018 NGT, 14 national graduates, eight national graduates’ coaches, two trainees, four technician programme coaches, and 24 scholars were awarded for their high performance throughout the year. While the NTTP and TCP programmes

were awarded for Best Coaches, Best Trainees, Best Graduates, and Best Scholars.

Further communication between graduates and trainees takes place during a Qatarisation forum for national graduates, as well as two Qatarisation forums for trainees each year. In these forums, attendees are given the opportunity to speak to other Qatari national mentors about their experiences. The events serve to build an understanding of career goals and objectives for the graduates and trainees. The forums also deepens professional and personal ties between attendees and their designated coaches within the organisation, thus enhancing the individuals’ career paths at the Company. In 2018, the total number of trainees that finished their TCP was 53, while 26 trainees are still under development in College of the North Atlantic - Qatar (CNA-Q).

Additionally, Qatargas believes that seeking and exposing national graduates to operational best practices throughout the world will enable them to bring unique approaches and perspectives to the Company. In 2018, 30 nationals were provided with opportunities for overseas assignments in Italy, Japan, and the United States of America. These opportunities provide diverse international work experience for the participants, which empowers them with a broader understanding of operational best practices.



Supporting Education and Recruitment

Qatargas participates in a wide range of activities, including the Hayyakum Recruitment Campaign, career fairs, and other events; outlined below:



3. Career Fair, Qatar University

4. Qatar Foundation Networking Event



5. School Visits, Outreach Program - Omar bin Khattab School



School Visits, Outreach Program - Qatar Independent Technical School



School Visits, Outreach Program - Qatar Independent Technical School



6. Learning and Development

7. Technician Certification Program, Qatar Petroleum and College of North Atlantic-Qatar

The highly-successful Hayyakum Outreach Plan, conducted in 2018, attracted local talent into programmes that will benefit their professional development for years to come. By communicating directly with nationals, Qatargas aims to reach future professionals who fit the Company's values. 18 high schools in Doha and northern Qatar were engaged through Hayyakum.

The Hayyakum Campaign is Qatargas' platform designed to reach out and attract young nationals interested in developing their careers within the liquefied natural gas (LNG) industry, and encouraging them to consider Qatargas as their employer of choice. The Campaign uses many platforms such as social media, career fairs, and school visits to reach out to nationals in sharing information about opportunities such as scholarships, internships, and job vacancies.

The Hayyakum Campaign highlights the following 16 reasons to choose Qatargas:

Premier LNG Company

Largest LNG Trains in the World

Access to World-Class Shareholder Expertise

Project Exposure

Competitive Package

Qatargas Summer Internship

Qatargas Undergraduate Scholarship Programme

Safe Working Environment

Shareholder Attachments

Individual Training Plan for High School Graduates and Individual Development Plan for University Graduates

Strategic Qatarisation Planning Committee

CEO Forums for National Trainees and Graduates

Learning and Development Focus Group

Rewards and Recognition

Continuing Professional Development

Succession Planning

Supporting education is a key element of Qatargas' Corporate Social Responsibility initiatives. Qatargas believes that partnerships between industry and academia will help aspiring students to become qualified professionals that can tackle future challenges and handle growing demands from the Company. In 2018, Qatargas sponsored 21 new national employees for further studies (18 nationals for a Higher National Diploma at CNA-Q and three nationals for undergraduate study in the United Kingdom).

Qatargas also attended the Qatar Foundation Networking Event in November 2018, strengthening our network and forging new relationships across the educational sector in the country. Cultivating our ties with this sector falls in line with our goal of supporting education in Qatar.

Looking to the future, we hope to continue our steadfast commitment to increasing Qatargas' local visibility for Qatari high school graduates through the outreach campaigns including cooperation with HR recruitment, Operations North and South, and the PR Department.

Talent Management and Development

Our Learning and Development (L&D) Department have Gold Standard Accreditation from Investors in People. The accreditation is an achievement of world-class best practice in the field of employee development and is a testament to Qatargas' continued prioritisation of talent management and development.

Qatargas uses automated Technical Competence Assessment (TCA) software, to manage competence Framework and development processes. The TCA is a corporate objective set to guarantee that employees are equipped with the right technical skills to perform safely and efficiently in the role. It is an automated, two-step process managed using SAP technology. Employees complete their self-assessments, submit them to their supervisors for assessment, and then meet them face-to-face in order to verify the assessment and agree on the final outcome of their learning and development process, generate a technical competences gaps report, and then share it with the Training and Education Divisions as well as line supervisors.

All employees identified with competence gaps have a Competence Development Plan in place which is tailored to provide the most appropriate learning interventions to improve the employees' skill set. These plans are focused on improving the technical skills of employees. A 70-20-10 approach is applied in these cases: 70% of development activities are linked to real-

life and on-the-job tasks and assignments, 20% is linked to receiving feedback and learning from role models, and 10% is reserved for formal training.

As a result of integration, Qatargas possessed two TCA frameworks, both of which required a close review and then consolidation into one framework to be implemented across the Company. The framework applies to 737 distinct roles, from head positions and below, and excludes Operations Asset staff.

Learning Solution (LSO) is a tool used by Qatargas to manage training resources, including classroom lectures, E-learning, and virtual training. The system allows employees to tailor their training, and streamlines the process by which managers can supervise their team's progress. Qatargas uses SAP LSO for management of in-house training courses. The in-house courses are grouped into different domains type, topics, delivery method, and venue.

During 2018, 120 external training courses were attended by Qatargas staff. The external training requests are handled by Qatargas workflow systems as per defined approval levels of training policy. The Company offers external training to employees for the following purposes:

- Individual Development Plans
- critical business needs
- mandatory training courses assigned to the positions
- technical training courses due to technological enhancement

The L&D Team hosted a successful training event to engage participants in bite-sized learning sessions and stimulating interactive games and activities. Employees participated in both fun-filled learning exercises as well as

training sessions that aimed to increase their knowledge and sharpen their competitive edge. In addition, the L&D Department accommodated several post-integration training and team building exercises in order to facilitate the smooth integration of Qatargas and RasGas employees.

To further employee learning, 21 industry experts presented case studies including projects and innovation, integrity and reliability, and operations excellence at the 15th Qatargas Engineering Forum, hosted by Qatargas. The annual event saw engineers from Dolphin Energy Qatar, ExxonMobil Qatar, Qatargas, Qatar Petroleum, Qatar University, and Shell Qatar connect, network, and absorb knowledge from fellow professionals. Participants also shared their experiences and best practices shaped by their experience in the oil and gas industry in the country.

Qatargas is committed to automating its business processes, giving employees ownership of their own data and the ability to monitor performance compliance and development. In doing so, we empower employees to assume greater responsibility towards their own professional development, enabling them to track their progress and focus on areas in which greater improvement can be made.

Enhancing Workforce Performance

Qatargas use the Employee Performance Management System (EPMS) to organise and document employees' agreed objectives and level of performance. The Competence Development and Performance Management Division (CDPM) of the L&D support Qatargas employees throughout the phases of the Performance Management (PM) cycle, including an outline of objectives, mid-year review, and a year-end appraisal. The L&D is the custodian of the process utilising SAP technology as the system tool, the CDPM of L&D is responsible for advising the Management Leadership Team of the PM timeline, and to communicate to employees the key dates of PM phases.

In 2018 the Qatargas PM was rolled out to all Company newcomers with a 100% compliance rate for the three phases of the PM cycle. The current PM process has been reviewed and reassessed to reflect best practices used in the industry. It is a highly customised process built to meet Qatargas' performance management needs.

The PM Cycle has 3 Stages, first stage requires employees to set their specific, measurable, achievable, relevant, and time-based (SMART) objectives in the system. These must be approved by the employees' supervisor. The second stage, known as the mid-year review, requires the employee to provide feedback on their performance

relative to each objective. Then, they will meet with their supervisor to discuss their progress made toward achieving the objectives set; in addition, behavioural competencies are addressed. The third stage is the year-end appraisal; during this stage, the employee and supervisor discuss the overall performance, in addition to both technical and behavioural competencies. The supervisor will discuss whether the employee has accomplished his goals or not; the employee may provide evidence related to their work to support their claims. Finally, the overall performance rating is given to the employee.

Develop Talent

Qatargas recognises that the development of its human capital is critical to the sustained success of the Company. Empowering employees through leadership training initiatives is a significant part of this effort, as is preparing nationals and other employees to take on high-impact positions in the future.

Qatargas is currently working on implementing a Talent Management System (TMS). The new system integrates all Talent Management Modules, and delivers the following key benefits:

- a process based on best practices and innovative solutions
- enhanced functionalities with unique reporting capabilities and customisable dashboards
- user-friendly interfaces enabling time savings and resource efficiencies

Succession Planning and Leadership Development

At Qatargas, talent is identified by performance and potential. The Succession Plan (SP) is a standardised process that identifies employees with high potential that can meet the immediate and long-term succession needs of all key positions. The scope of the SP is distinct from other

workforces and organisation's development processes, as it builds on the foundation of the Qatargas HR framework for a robust and healthy pipeline of talent.

Succession planning is a facilitated process with Chief Officers and Department Managers reviewing and assessing the potential of talent pool entrants to identify development opportunities and successors for key roles. To minimise risk and ensure business continuity, a robust talent pipeline is categorised into three groups: ready now, ready in one-two years, and ready in two+ years. Those who will be ready for succession in one-two years are classified as talent priorities and are provided with opportunities for training, coaching, and mentoring designed to support their personal and professional development.

Given the first year post-integration, an extensive cycle for succession planning took place to review all key positions and talent in the new organisation. Fostering an environment that encourages leadership and personal development is highly important to our work culture. In 2018, we commenced phase one of our two-phase Activate Leadership Program. Reaching 52 employees over two different occasions, the sessions focused on self-leadership and experimental and practical learnings. Qatargas is currently under the process of selecting participants for phase two which is planned to be delivered during 2019.

In addition, Qatargas has also led the Cadre Leadership Development Programme, which includes three modules:

- Leading Self:** This module focuses on developing self-awareness and includes personality tests.
- Leading Others:** Includes coaching skills development and a 360-feedback report.
- Leading in Action:** Includes business simulation, coaching, and working with national graduates.

In 2018, we completed module three of Cadre, a three-day business simulation, which involved two teams competing over three days to win funding for their business venture. This included strategic planning, financial modelling, presenting to a panel of senior leaders from Qatargas, selling to markets, and running operations. Six heads and seven graduates from our Activate programme attended this module.

Additionally, 14 high-potential heads attended the final two modules from the Emerging Leaders Programme during 2018. Module two of the programme focused on understanding the business, presentation and communication skills, and high-performing teams. During this module, each participant gave a presentation about their area of business, team, challenges, and successes. Following these presentations, the group was split into three subgroups, where they had to complete a range of activities that required certain skills and behaviours to perform at the desired level. The third and final module required each group to deliver a workshop on lessons and techniques learned from previous modules.

Finally, during 2018, Qatargas conducted two HR Toolkit sessions and three coaching sessions aimed at supervisors and leaders. The bespoke awareness gatherings highlighted the HR processes across the Company.

Employee Satisfaction and Retention

Qatargas’ core mission is to be regarded as the employer of choice for professionals in the oil and gas industry. This can only be achieved with an updated knowledge base of our current employee satisfaction levels. To make this happen in 2018, the Integration Team conducted a Culture Climate survey on employee satisfaction in relation to various departments. These types of surveys are vital to compile feedback and improve inter-department efficiency.

Turnover	Unit	2018
Turnover Rate	%	4.54
Turnover Rate by Category		
Male	%	87
Female	%	13
18-30 years	%	57
30-50 years	%	34
>50 years	%	9

Employee engagement channels have also been used in the past year that were directed on creating an open dialogue between employees, trainees, and management. These consisted of:

HR presentations to Chief Executive Officer and Department Managers for Operations South and Subsurface

offshore visits to North Field Alpha and Bravo Platforms

participation in Subsurface and Operations North quarterly performance reviews

Employee Customer Service Delivery Model sessions

Medical Insurance communication sessions

Qatargas has a deep appreciation and respect for employees that have demonstrated long-term loyalty to the Company. The Company understands that efficiency and productivity are a result of time and experience, along with appropriate training. We strive to retain those who have shown great commitment to their work, and who are delivering on the core values espoused by Qatargas over the years.

The Company has shown its appreciation to its employees through several employee-focused events in 2018, outlined opposite:

- 1) Qatargas celebrated Qatar National Day with employees at multiple locations throughout Qatar, and at the Company’s liaison offices in China, Japan, South Korea, and Thailand. Qatargas liaison offices around the world celebrated the event with ceremonies and media advertisements wishing the government and people of the State of Qatar continued peace and prosperity.
- 2) Qatargas has recognised 1,203 employees at its annual Long Service Award ceremony. The Company uses its diverse workforce, as a source of strength and leverages the knowledge and expertise of its employees and shareholders. In particular, Qatargas is committed to developing its national workforce with its Qatarisation development plan, which prepares national employees with the knowledge and skills required to succeed in key roles in the Company.
- 3) Qatargas values its contractors, as highlighted by the Engineering, Procurement, and Construction (EPC) Forum, conducted in November 2018. Supporting local EPC contractors by getting feedback, capturing lessons learned, and best practices will improve overall employee performance.



SOCIAL DEVELOPMENT



Contributing to Social Development

Introduction

As the World's Premier LNG Company, Qatargas understands the importance of being a socially responsible organisation, and we are committed to building strong relationships with the community, local businesses, and Qatari society as a whole. To achieve this, we have developed a diverse range of activities and initiatives, organised by both our Social Investment Programme (SIP) and the Ras Laffan Industrial City (RLIC's) Community Outreach Programme (COP), of which of which Qatargas is a member along with five other companies operating in RLIC. The COP was established in 2010, with the goal of serving communities in the northern part of Qatar, and is separate from the SIP. We value the community in Qatar and understand that actively contributing to its development is essential to successfully engage and serve the needs of the people located near the Ras Laffan Industrial City (RLIC) and the rest of Qatar.

To achieve its Corporate Social Responsibility (CSR) goals, Qatargas is also a member of:

1

The Abdullah Bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development



2

TEEF
MARY KAY O'CONNOR
PROCESS SAFETY CENTER
The Mary Kay O'Connor Process Safety Center-Qatar, Texas A&M University at Qatar

3



Qatar Golf Association

4



Gas Processing Center, Qatar University

Investments in Local Communities

In 2018, Qatargas invested 4.2 million QR across all SIP and COP-related activities and initiatives. As Qatargas management focused on the smooth integration of RasGas' systems, assets, and workforce, this difference in the budget allocated and budget spent will be invested into new projects that align closely with Qatargas' goal of contributing to Qatar National Vision 2030's (QNV2030) Human Development goals.

Engagement of Local Communities

Community Outreach Programme

Established in 2010, COP is an enterprising initiative that aims to serve communities situated in the northern part of Qatar, which includes: Al Daayen, Al Kaaban, Al Khor, Al Shamal, Al Thakhira, and Smaisma. To support a wide range of capital-intensive community development projects, COP membership - which is voluntary - consists of six companies operating in the Ras Laffan Industrial Area:



Pearl GTL



Projects selected always adhere to the three guiding pillars of the programme - capacity building, health and safety, and education. Community leaders first bring their proposal to the local municipality which assesses the feasibility and social benefit of the project. Once the municipality completes its assessment, findings are submitted to the COP. Projects are selected by the COP Working Group, which is the official administrative body responsible for shortlisting proposals. The team assesses whether pressing community needs are addressed by the project and accounted for in the final proposal. Individual COP members then assume a project management role for a select number of community initiatives and coordinate project implementation and spending. Finally, upon completion, projects are handed over to the relevant municipalities who are tasked with future maintenance and oversight. Currently, twelve projects administered by the COP are under various stages of planning and execution.



Full list of projects under the COP:

1. Al Qarma Beach Park

Al-Qarma Beach Park is a designated space for women and children under the age of 10, providing them with a private area alongside a forest that houses a thriving ecosystem full of plant life. The area is 8,000 metres (m), including 4,000m of greenery and 3,000m of beach sand. The park features various playgrounds and seating spaces sheltered by bamboo trees.

2. Al Shuaa' Natural Reserve

Al-Shuaa' Natural Reserve encompasses an area spanning 13,000 square metres (m2), with lighting powered entirely by solar energy. The natural reserve is home to 62 trees, and a variety of animals and birds, including 132 ducks and geese, an Arabian oryx, four deer, three ostriches, three goats, 14 quails, and 110 pigeons.

3. Al Maqad Al-Duha

Organised by Qudorate center, the Al Maqad Al-Duha programme hosts gatherings for elderly women every Tuesday morning at Al-Duha, where they re-live the history of their families and restore Qatar's past with all its beauty and splendor. This programme promotes the exchange of experiences and stories, and brings

the country's past to life. At the same time, it spreads awareness of health, environmental, and social issues through lectures and courses provided to them by specialists, doctors, and educators.

4. Rowaad Al Wattan

Rowaad Al-Wattan is an initiative executed under the support of the Ministry of Education and Higher Education which aims to encourage residents to include positive habits in their daily lives.

Under this initiative, awareness workshops are conducted in schools across Qatar, which teaches students about traffic safety, life planning, and fosters positive habits in their lives to address challenges of the present and the future.

5. Al-Thakhira Walkway and Bicycle Lane

Al-Thakhira Walkway is a three-metre-wide walkway that offers a grand seaside view. It is accompanied by a bicycle track, which is around 2,000m long. The walkway is illuminated by 93 lights powered by solar energy and houses 60 benches for visitors. It also holds two big playgrounds lined with safety fences for children.

6. Al Khor Plaza

Al Khor Plaza is an area covering 22,500m2, including a green space encompassing 19,000 m2, a circular walkway for the garden and a 20 meter water fountain which operates automatically with water systems. 12,000 seasonal flowers, 8,000 soil coverings, 45 shade trees, and three ultra-violet umbrellas were planted in the garden.

7. Al-Sharq Park in Al-Thakhira

Al-Sharq Park in Al-Thakhira was built on a total area of 4,841m2. An automatic irrigation network was constructed to cover the green areas, which span 3,400m2. Flowers were planted in three different areas in the park along with 16 Sidra trees and various other plants. The park has been supplied with two children's playgrounds, along with lights and parking spaces for all visitors.

As part of a 2018 survey regarding public opinion on COP and issues in the community, residents of Al Khor identified the number of workers traveling to the center of Al Khor, which was causing a lot of traffic. In response, Qatargas completed a survey for the influx and have proposed several projects regarding this concern to be implemented in 2019. Varying additional projects have been planned to solve the disputes raised by the northern community, raised in a joint survey with RLIC.

Qatargas Corporate Social Responsibility Programmes

Knowledge and Education-Related Initiatives

We continue to support various research and education-oriented initiatives as part of our investment in human development.

Qatargas is closely involved as a member of the Gas Processing Center (GPC). The GPC was launched in 2007 by the College of Engineering at Qatar University to become a leading center for research that helps solve critical technical challenges in the industry. Research topics are determined by industry and community needs upon consultation with prominent oil and gas companies operating locally and globally.

The GPC's primary role is to conduct research that benefits core industry partners and the wider community. In close collaboration with our partners and investors, GPC has developed a well-earned reputation for successfully developing research solutions that leads to greater efficiency in production, distribution, and consumption of energy. Professional services offered by GPC have now expanded to include a diverse array of consultancy services on gas processing to its consortium of members.

This is in addition to testing services, technical workshops, academic training and competitions, and the International Gas Processing Symposium held biennially.

Collaboration between GPC and Qatargas has resulted in continued support for the long-running Annual Plant Design Competition at Qatar University’s Chemical Engineering Department. Having first begun in 2004 to provide students at the University an opportunity to work on a plant design project to develop Qatar’s local human capacity, the competition is now in its 15th year.

Qatargas is also a member of the Abdullah Bin Hamad Al-Attiyah International Foundation for Energy and Sustainable Development. Established in 2015, it is Qatar’s first foundation to deal with energy and sustainable development issues with support from His Highness the Father Amir Sheikh Hamad Bin Khalifa Al Thani. The Foundation delivers independent research and analysis that directly assists decision makers in the energy industry.

As part of its multifaceted efforts to ensure the operational safety of our employees, contractors, stakeholders, and members of the communities around our facilities, Qatargas has been an active member of the Mary Kay O’Connor Process Safety Center - Qatar. The Center is an internationally-renowned institution and the first of its kind in the Middle East, located at Texas A&M University at Qatar. The Center signed a five-year Memorandum of Understanding in 2013 with Qatargas to provide mutual support in the area of implementing industrial process safety to the highest international standards.

Finally, in early 2018, Al Khor International School (AKIS) successfully completed a two-year process to secure the full Council of International Schools (CIS) accreditation for all three schools licensed under Qatargas: Kindergarten, the Central Board of Secondary Education, India, and the British Curriculum. As a fully-fledged member of the CIS community, AKIS benefits from a worldwide educational network that will allow them to take advantage of a wealth of resources aimed at assisting students in their transition from school to university.

Environment-Related Initiatives

As a conscientious corporate citizen, Qatargas organises several initiatives designed to raise awareness of environmental issues in the community, as well as encouraging environmentally-friendly behaviour.

Qatargas regularly donates Information Technology equipment, such as computers, projectors, and electronic peripherals which have completed their professional life cycle at the Company. This serves the purpose of reducing electronic waste and provides those who lack financial

resources access to equipment they might otherwise not be able to procure.

The company also plays an active role in protecting the environment, as it has hosted numerous Ras Laffan beach clean-ups in the past few decades to protect Qatar’s endangered Hawksbill turtle; ensuring safe and easy access to nest on RLIC’s beaches. The Hawksbill turtles are an endangered species and extremely sensitive to any disturbances as they leave the ocean to lay their eggs. Hawksbills move along the beach by alternately sweeping their fore flippers backward. If they face any obstacles (such as litter) while doing so, they may return to sea and eject their eggs without burying them, giving them no chance to hatch a new generation of turtles. While the males spend their entire lives at sea, the females return to the land and visit their nests on several occasions from March to June in the same season, depositing an average of 100 eggs at a time. Clean and uncluttered beaches are therefore critical to their survival. The Company also supports the continued monitoring, identification, and protection of nesting site beaches and increased environmental awareness.

Health and Lifestyle-Related Initiatives

Building a healthy and productive society is a fundamental objective of the Human Development pillar of Qatar National Vision 2030 and Qatargas’ CSR initiatives.

Qatargas employees and contractors took part in a company-wide blood donation drive at the Qatargas headquarters in Doha, Ras Laffan North and South plants, and Al Khor Community (AKC) during April 2018. Held in cooperation with Hamad Medical Corporation (HMC), the objective of the initiative was to contribute to the national blood reserves. Qatargas has organised blood donation drives for the past 17 years in cooperation with HMC, and the annual event forms part of the Company’s CSR programme.

AKC residents organised a series of events through October and November 2018 to raise funds for the Qatar Cancer Society in support of their breast cancer awareness campaign, Think Pink. The community hosted a bake sale, bazaar, fashion show, and bingo game, with all proceeds being donated to the cause.

For the past 10 years, AKC has provided professional assistance to all residents interested in making positive lifestyle changes. Throughout the initiative, the AKC Medical Team regularly monitored more than 300 participants, catering to their individual needs. The Saha Team - meaning ‘health’ in Arabic - with its coaches, recreation staff, and a nutritionist, designed a variety of

fitness classes, supplemented by nutritional guidance. With 120 teams losing a grand total of 425.51 kilograms (kg) and 24 families losing a total of 158.3kg, SAHA was once again declared a massive success at the closing ceremony, held at the AKC Al Waha Club Ballroom.

Sports-Related Initiatives

Also committed to making a contribution towards the Human Development pillar of Qatar National Vision 2030, Qatargas continued to organise a variety of sporting activities and games in 2018.

The Company’s employees and their families participated in the Qatargas Sports Day, held on Qatar National Sport Day in February. Doha activities commenced with a walkathon, which ensured that all participants were sufficiently warmed up to take part in a selection of sports, including football, volleyball, basketball, table tennis, fun cricket, and mini golf at Al Gharafa Sports Club. Participants were also able to check their blood pressure, blood sugar levels, and body mass index at a dedicated health check area set up by the Qatargas Medical Department.

Qatargas has been sponsoring the country’s reserve and second division football league, in partnership with the Qatar Football Association, since 2013. Known as the Qatargas League, a total of 12 clubs participated in the 2018 season. The League, which continues to generate excitement in the resident community, helps contribute towards the local development of talented footballers, and sporting activity in general, prior to the 2022 FIFA World Cup to be held by Qatar.

The fifth Qatargas Chess Tournament, organised by the Qatar Chess Association and sponsored by Qatargas, saw 160 boys and girls across the Middle East between the ages of six and 16 take part in the intellectually-stimulating competition over three days. The competition adhered to

Swiss tournament rules for rapid chess, which features nine rounds that each last 25 minutes and gives participants only 10 seconds to make their moves.

The Company’s very own Qatargas Cricket team participated in the 2018 Oil and Gas Cricket Tournament, held in Dukhan in November 2018, where employees represented the Company and competed against teams fielded by members of the energy industry here in Qatar. The 23 Qatargas players put in a strong performance and made it to the semi-finals.

We also extended our support of the Junior Golf Programme in collaboration with the Qatar Golf Association. The programme has been supported by Qatargas for the past eight years and offers golf training, course etiquette, and competitions to those enrolled. It aims to encourage talented young golfers to join the national team and represent Qatar.

Security Awareness-Related Initiatives

Qatargas undertook an extensive security awareness programme in the AKC in cooperation with the Ministry of Interior Community Policing Division. The two-month programme - which included a series of lectures and practical sessions on a wide range of common security challenges - addressed residents, students, and security personnel in AKC.

Lectures delivered included topics such as School Violence, Dangers and Risks of Smoking, Fire Prevention, Dealing with Suspicious Acts in Public, Controlling Traffic at AKC, and Interaction with the Security Department. Security personnel at AKC were also briefed on the services of Community Police and how to more effectively engage them in dealing with different security challenges.





APPENDICES

Appendix A - Report Scope and Boundaries

This report has been prepared in accordance with the GRI Standards: Core option. The GRI Standards is a globally recognised framework for reporting on an organisation's economic, social, and environmental performance. A GRI Index is included in Appendix B.

How we Define Report Content

Management approach for material topics

The following material issues were identified during the materiality processes conducted in 2016. Management approach for each material topic is presented in the table below, following the requirements of the GRI Standards.

Material topic	How Qatargas manages material topic (103-2-a)	The purpose of the management approach (103-2-b)	Existing policies, commitments, goals, targets, responsibilities, resources, grievance mechanisms, processes, programs, or initiatives related to material topic (103-2-c)	Evaluation of the management approach (mechanisms used for evaluation, evaluation results, any related adjustments to the management approach) (103-3)	Reason for omission in disclosing managing approach for material topic
Energy Efficiency, Flaring and GHG Emissions	Qatargas has defined and implemented an ambitious plan to minimise impact of its operations on the environment. At the forefront are measures undertaken to reduce flaring as one of measures leading to more efficient energy use, reducing flaring and GHG emissions.	Mitigating impact of flaring and other activities that lead to GHG emissions. Enhancing positive impact of energy efficiency measures on reducing GHG emissions.	Flare Management System	Flare Management System includes regular monitoring and reporting by Flare Management Teams in order to benchmark progress against flaring reduction targets set on an annual basis.	No
			JBOG project implementation	JBOG project operations are continuously monitored in terms of recovered boil-off gas and consequent reduction of GHG.	
			Promoting LNG as a cleaner marine fuel.	Evaluation of the management approach directed on promoting LNG as a cleaner marine fuel is undertaken via testing M-type Electronically Controlled - Gas Injection (ME-GI) technology in a pilot project and estimating its economic benefits.	
			Corporate target in reducing sweet gas flaring to 0.30% by 2020.	Qatargas monitors on a continuous basis the progress of the company in reaching its corporate target by 2020.	

Material topic	How Qatargas manages material topic (103-2-a)	The purpose of the management approach (103-2-b)	Existing policies, commitments, goals, targets, responsibilities, resources, grievance mechanisms, processes, programs, or initiatives related to material topic (103-2-c)	Evaluation of the management approach (mechanisms used for evaluation, evaluation results, any related adjustments to the management approach) (103-3)	Reason for omission in disclosing managing approach for material topic
Qatarisation	In line with the national goal of developing highly qualified Qatari professionals, Qatargas has established targets on a corporate level corresponding to the Qatarisation target suggested for Energy and Industry sector. Corporate human resources activities and programmes, as well as recruitment policies are aligned with the goal of reaching Qatarisation targets.	Qatargas enhances the strategic direction set by the QNV 2030 and specified by Qatar NDS 2011 - 2016 to establish national human capital that is able to develop Qatar's economy in a sustainable manner and to increase the share of qualified Qatari nationals in the workforce.	Qatargas has programmes dedicated to the recruitment of Qatari graduates and professionals; programmes of professional development for Qatari employees and trainees within the company, and scholarship programmes.	Qatargas continuously monitors success of various programs and introduces adjustments and new programs in accordance with the latest international trends in the field of human resources development.	No
			Corporate target of Qatarisation is 50% by 2030.	Qatargas monitors on a continuous basis the progress of the company in reaching its corporate target by 2030, and introduces corresponding adjustments in the Company's strategy directed on attracting and developing Qatari workforce talents.	
Efficient and reliable operations	Qatargas ensures safe production with minimum interruptions, providing a continuous revenue stream and satisfying customer needs. Resource management is at the heart of Qatargas' operational philosophy.	Qatargas sustains efficient use of resources and ensures reliable operations that lead to stable production at minimum possible cost.	Efficient and Reliable Operations is one of the of the corporate Vision pillars. Within this pillar, Qatargas establishes 2020 targets for: - Reliability: 98.4%; - Availability: 95.7% - Utilisation: 88.0% - Unit Cost: 12.0 USD/tonne of saleable product.	KPIs related to corporate targets of Reliability, Availability, Utilisation, and Unit Cost are tracked on an annual basis. Corresponding adjustments in the technical and operational management of the production processes are introduced in accordance with the progress made fulfilling 2020 Vision targets.	No
Customer Satisfaction	Qatargas adopts innovative approaches in delivering our products to customers in order to stay ahead of our competition.	Maintain the status as the world's largest LNG supplier by providing reliable and timely supplies of LNG and associated products that correspond to the quality requirements of our customers.	In addition to providing the highest quality of products in accordance with international standards, Qatargas is actively developing innovative ways of delivering its products to customers such as its multiport delivery system.	Qatargas tracks the level of customer satisfaction through customer survey.	No
			Customer Satisfaction is one of the corporate Vision pillars. Qatargas established the following targets for 2020 in relation to this pillar: - 0 late deliveries - 0 off-spec deliveries - 0.50 million tonnes of smaller volume cargos supplied as niche LNG segments.	Qatargas continuously monitors KPIs related to Customer Satisfaction pillar in order to make sure they are aligned with the Vision targets.	

[GRI 102-8] [GRI 102-46] [GRI 102-47] [GRI 102-48]

Material topic	How Qatargas manages material topic (103-2-a)	The purpose of the management approach (103-2-b)	Existing policies, commitments, goals, targets, responsibilities, resources, grievance mechanisms, processes, programs, or initiatives related to material topic (103-2-c)	Evaluation of the management approach (mechanisms used for evaluation, evaluation results, any related adjustments to the management approach) (103-3)	Reason for omission in disclosing managing approach for material topic
Financial Performance	With low oil prices (that also impact gas prices), Qatargas - as The World's Premier LNG Company - sustains its financial performance by efficiently managing its assets and natural gas resources of Qatar.	As one of the largest contributors to Qatar's economy, Qatargas' financial returns provide a significant contribution to the nation's development. It is of material importance for Qatargas, as well as its stakeholders, to effectively ensure stable financial performance of the company.	Omitted (see last column)	Omitted (see last column)	1. Confidentiality constrains: Qatargas is a non-publicly listed company and is thereby not required to publicly disclose its financial performance. 2. Specific legal prohibitions: 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.
Local supply chain development	Qatargas gives preference to local suppliers provided they offer their services on-par with international service providers when it comes to quality and price.	Procurement from local suppliers contributes to the development of Qatar's economy by stimulating activity across the nation.	Qatargas adopts open tenders for its contracts and procurement needs in order to maximise opportunities for local participation.	Evaluation of supply and procurement practices is done in accordance with internal supply management policy, and taking into account internationally recognised best practices (such as those required for receiving certification from the Chartered Institute of Procurement and Supply (CIPSS)).	No
			On an occasional basis Qatargas organises large forums for local contractors where direct communication with local companies and financial institutions is facilitated.	As a result of feedback received during Contractors' Forums, Qatargas adopts numerous improvements in the supply management process.	
Contributing to Qatar National Vision (QNV) 2030	Qatargas' operational strategy is in congruence with QNV 2030 pillars, where we establish objectives and targets that would bring maximum contribution from the Company's side to the attainment of QNV 2030 objectives.	Being the world's largest LNG supplier, Qatargas sustains its role in the national economic development. The company has considerable impact on the successful attainment of goals outlined under four pillars of the QNV 2030: human, social, economic, and environmental.	Qatargas' operational strategy establishes targets to be reached by 2020 (and Qatarisation target to be reached by 2030), whose fulfillment will contribute to the objectives established by QNV 2030.	Qatargas continuously monitors KPIs related to the targets of the corporate Vision 2020.	No

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.

[GRI 102-46] [GRI 103-2: Procurement Practices] [GRI 103-3: Procurement Practices]
[GRI 103-2: Economic Performance] [GRI 103-2: Local Communities] [GRI 103-3: Local Communities]

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 2; 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 an 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.

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 2015 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 as an 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 Content Index

For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report. The service was performed on the English version of the report.



GRI Standard	Disclosure	Page number(s) and/or direct answers
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Organisational profile	
	102-1 Name of the organisation	Qatargas
	102-2 Activities, brands, products, and services	7-8, 20, 27-30
	102-3 Location of headquarters	Doha, Qatar
	102-4 Location of operations	17, 27-29
	102-5 Ownership and legal form	23
	102-6 Markets served	28-31
	102-7 Scale of the organisation	28-31, 57-60
	102-8 Information on employees and other workers	57-60, 76
	102-9 Supply chain	19, 43, 77
	102-10 Significant changes to the organisation and its supply chain	23, 27
	102-11 Precautionary Principle or approach	25, 34, 38
	102-12 External initiatives	Qatar Energy and Industry Sector Sustainability (QEISS) Programme, Qatar National Vision 2030, National Development Strategy 2011-2016 24, 36, 37, 39, 40, 47, 48, 55, 58, 69, 70, 71, 72
	102-13 Membership of associations	48, 54, 70, 72,
	Strategy	
	102-14 Statement from senior decision-maker	6-7
	102-15 Key impacts, risks, and opportunities	24, 27-29, 36, 38, 47-51, 54, 58, 69, 81, 82,
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	13-20, 25,
	102-17 Mechanisms for advice and concerns about ethics	25
	Governance	
	102-18 Governance structure	23-24
	102-19 Delegating authority	23-24
	102-23 Chair of the highest governance body	6-7, 23
	102-25 Conflicts of interest	25
	102-30 Effectiveness of risk management processes	24-25
	102-31 Review of economic, environmental, and social topics	17-20, 75-78
	Stakeholder engagement	
	102-40 List of stakeholder groups	20, 82-83
	102-41 Collective bargaining agreements	Trade Unions are prohibited in Qatar
	102-42 Identifying and selecting stakeholders	20, 82-83
	102-43 Approach to stakeholder engagement	20, 82-83
	102-44 Key topics and concerns raised	81-83
	Reporting practice	
	102-45 Entities included in the consolidated financial statements	23-24
	102-46 Defining report content and topic Boundaries	17, 75-78
	102-47 List of material topics	17-20, 75-76
	102-48 Restatements of information	76
	102-49 Changes in reporting	17-19
	102-50 Reporting period	January 1, 2018 - December 31, 2018

GRI Standard	Disclosure	Page number(s) and/or direct answers
GRI 102: General Disclosures 2016	Reporting practice	
	102-51 Date of most recent report	2017
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	2
	102-54 Claims of reporting in accordance with the GRI Standards	2, 75
	102-55 GRI content index	79-81
	102-56 External assurance	Not assured
Material Topics		
GRI 200 Economic Standard Series		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	19-20, 75-77
	103-2 The management approach and its components	19-20, 27-31, 75-77
	103-3 Evaluation of the management approach	19-20, 76-77
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	27
Market Presence		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	19-20, 75-77
	103-2 The management approach and its components	58-59, 19-20, 75-77, 82
	103-3 Evaluation of the management approach	58-59, 19-20, 75-77
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	59
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-20, 75-77
	103-2 The management approach and its components	18-20, 30-31, 75-77,
	103-3 Evaluation of the management approach	18-20, 30-31, 75-77
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	31
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	25
	103-2 The management approach and its components	25
	103-3 Evaluation of the management approach	25
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	25
GRI 300 Environmental Standards Series		
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-20, 75-77
	103-2 The management approach and its components	18-20, 75-77
	103-3 Evaluation of the management approach	18-20, 75-77
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	48-49
	302-2 Energy consumption outside of the organisation	48-49
	302-4 Reduction of energy consumption	48-49
Water		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	50
	103-2 The management approach and its components	50
	103-3 Evaluation of the management approach	50
GRI 303: Water 2016	303-3 Water recycled and reused	50

GRI Standard	Disclosure	Page number(s) and/or direct answers
Biodiversity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	54
	103-2 The management approach and its components	54
	103-3 Evaluation of the management approach	54
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	54
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	19-20, 75-77
	103-2 The management approach and its components	19-20, 47-49, 75-77
	103-3 Evaluation of the management approach	19-20, 47-49, 75-77
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	47-49
	305-2 Energy indirect (Scope 2) GHG emissions	47-49
	305-3 Other indirect (Scope 3) GHG emissions	47-49
	305-4 GHG emissions intensity	47-49
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	52
Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	47-54
	103-2 The management approach and its components	47-54
	103-3 Evaluation of the management approach	47-54
GRI 306: Effluents and Waste 2016	306-1 Water discharge by quality and destination	50
	306-2 Waste by type and disposal method	51
	306-3 Significant spills	5
	306-4 Transport of hazardous waste	41-42
	306-5 Water bodies affected by water discharges and/or runoff	53, 54
GRI 400 Social Standards Series		
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	82
	103-2 The management approach and its components	82
	103-3 Evaluation of the management approach	82
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	58
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33-45
	103-2 The management approach and its components	5, 33-45
	103-3 Evaluation of the management approach	33-45
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	33-44
	403-2 Hazard Identification, risk assessment, and incident investigation	15, 33-34
	403-3 Occupational health services	34-39
	403-4 Worker participation, consultation, and communication on occupational health and safety	8, 33-34
	403-5 Worker training on occupational health and safety	8, 33-34
	403-6 Promotion of worker health	33-34
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	34-35
	403-8 Workers covered by an occupational health and safety management system	35
	403-9 Work-related injuries	34

GRI Standard	Disclosure	Page number(s) and/or direct answers
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	61-67
	103-2 The management approach and its components	61-67
	103-3 Evaluation of the management approach	61-67
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	63-66
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	58-59
	103-2 The management approach and its components	58-59
	103-3 Evaluation of the management approach	58-59
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	59
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	69-73, 77, 82
	103-2 The management approach and its components	69-73, 77, 82
	103-3 Evaluation of the management approach	69-73, 77, 82
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	59, 69
Socioeconomic Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	82
	103-2 The management approach and its components	82
	103-3 Evaluation of the management approach	82
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	No incidents of non-compliance
Oil and Gas Sector Disclosures		
Asset Integrity and Process Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	5, 14
	103-2 The management approach and its components	5, 14
	103-3 Evaluation of the management approach	5, 14
OG13	Number of process safety events, by business activity	5, 13

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.¹

Stakeholders	Stakeholder Priorities	Engagement Method	Qatargas Response
Shareholders	<ul style="list-style-type: none">• Maintenance of safe and reliable operations• Process efficiency• Financial returns• Preserve Qatargas 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 collaborations• 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• Shareholders’ audit• Annual interview with shareholders in relation to strategy review
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• Participation in the Ministry of Energy's “Quality Qatarisation Strategy”• Contribution through the activity of Qatar Petroleum• Coordinated business continuity planning, crisis planning and communications	<ul style="list-style-type: none">• Alignment with State of Qatar 2030 Vision• Participation in national recruitment campaigns (such as Hayakum)• Compliance with government regulations• Maximising profits• Commitment to Qatarisation• Timely data reports for QP and government authorities• Routine SHE and sustainability reporting• Participation in national celebrations and functions• Responsible use of resources• Participation in annual Ministerial Technology/IT Disaster recovery exercises
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• Rewarding opportunities for local business partners• Raising environmental and safety awareness among local communities
Employees	<ul style="list-style-type: none">• Safe, secure 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• Incident & Injury Free (IIF) Cards• Periodic Medical Examination• Food Safety Inspection at canteens• 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	<ul style="list-style-type: none">• Equal opportunities and fair treatment• Safe working conditions, promoting employee health and welfare• Management support for safe working environment• Competitive salaries and rewards• Open and transparent communications• Employee satisfaction survey• Salary and benefits survey• HR policies promoting personal and professional development, engagement and empowerment• Training programs• Acceptable standards of accommodation

Information updates relatively to 2015 is highlighted in maroon.

Stakeholders	Stakeholder Priorities	Engagement Method	Qatargas Response
Employees		<ul style="list-style-type: none">• 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 (National Sports Day, Social Clubs)• Updated Policies and Procedures	
Customers	<ul style="list-style-type: none">• Reliable, timely supplies of LNG and associated products• Quality products	<ul style="list-style-type: none">• Contracts and agreements• Country Liaison Offices• Regular meetings and site visits• Conference and exhibitions• Contractual arrangements• Signing ceremonies• General publications• Material Safety Data Sheets (MSDS)	<ul style="list-style-type: none">• Global customer relations• Regular, responsive dialogue• Customer satisfaction surveys• Production of quality products• Reliable supplies• On-time products loading• Provision of excellent logistics and services
Contractors / Suppliers	<ul style="list-style-type: none">• Fair contract bidding/awarding• On time payment• Good working conditions	<ul style="list-style-type: none">• Website• Contractual arrangements and bidding/ tendering process• Day to day liaison• Prequalification meetings• Third-party endorsement• Safety 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 standards• Fair bidding and awarding process• Effective contractor management• Payment process improvement initiatives (Vendor Invoice Management, Contract Life Cycle Management)• Contractor monitoring to assure health and welfare compliance;• Food Safety, Medical and Camp Inspection• System directed on rewarding exemplary HSE practices among contractors
The Energy Industry	<ul style="list-style-type: none">• Timely, responsible communication• Information/Data sharing• Synergies in cooperation	<ul style="list-style-type: none">• Membership of official/global energy sector bodies• Conference and exhibitions• Energy-related publications• Delivery of technical papers• Sponsorship collaborations• Keynote speeches• Best practice sharing• Crisis management collaboration	<ul style="list-style-type: none">• Data sharing and exchange• Ethical relationships• Synergy Charter with RasGas directed on common procurement• Agreement with Qatar Steel on ferrous and non-ferrous material recycling
The Media	<ul style="list-style-type: none">• Strategic global media engagement• Timely access to accurate company information• Access to senior Company spokespersons• Speedy access to corporate locations/facilities	<ul style="list-style-type: none">• Strategic global media engagement program• Communication plans• Press releases• Holding statements• Media tours• Press conferences and briefings• Fast fact sheets• Interviews• Round tables• Social media platforms	<ul style="list-style-type: none">• Knowledgeable company spokespersons• Accurate, regularly updated publicity
Non-Governmental Organisations (NGOs)	<ul style="list-style-type: none">• Responsive communications• Contribution support to local NGOs	<ul style="list-style-type: none">• Presentations/Briefings• Educational programs• NGO support strategy	<ul style="list-style-type: none">• Timely, accurate communications• Knowledgeable and responsive company spokespersons
Pupils / Students / Potential Employees	<ul style="list-style-type: none">• Accurate accessible information about career opportunities• Compelling Employee Value Proposition (EVP)• Contribution to Educational Establishments	<ul style="list-style-type: none">• Targeted recruitment campaigns• Donations to educational institutions• University endowments - Faculty Chairs• Scholarships• Internship opportunities• School outreach programs• Career fairs• Educational events• Participation in curriculum committees• Sponsored research activities• Guest lectures• Faculty visits/assignments• Student projects	<ul style="list-style-type: none">• Dynamic, supportive relationships with educational/academic communities• Clearly differentiated and compelling EVP• Talent attraction and retention• Enhanced 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 Organisation for Standardisation
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 - 160º C (-256º F). 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
NFPS	North Field Production Sustainability
NFE	North Field Expansion
NOx	Nitrogen Oxide
OHSAS	Certificate
OPCO	Qatargas Operating Company Limited
OPEC	Organisation of the Petroleum Exporting Countries
PM	Preventive Maintenance
PMP	Plateau Maintenance Project
PSE	Process Safety Event
QG	Qatargas
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
TDLCL	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.



