## 2020 SUSTAINABILITY REPORT

Navigating unprecedented challenges

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قطرغاز QATARGAS

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# About this Report

Welcome to the Qatargas 2020 Sustainability Report covering our sustainability performance for the reporting period from 1 January 2020 to 31 December 2020. The scope of the report covers the Qatargas frameworks, procedures, processes, and initiatives that are in place to drive sustainability. The reporting boundary covers all the Qatargas operations under our direct control within the State of Qatar.

This report has been prepared in accordance with the GRI Standards: Core option. We report on topics that are more material to our business and stakeholder groups. This report has successfully completed the GRI Content Index Service. To view the GRI content index, please refer to Appendix B.

At Qatargas, we strive for continuous improvement with respect to our sustainability performance. We are committed to building on our sustainability reporting system in the future by capturing a broader data spectrum that further reflects our stakeholders' needs and expectations. This report will enable enhanced engagement with all our stakeholders. Therefore, we invite all stakeholders to share feedback on the contents of this report and Qatargas' sustainability performance across the below platforms:







# Our Business

#### About Us

Qatargas, headquartered in Doha, in the State of Qatar, is a unique global energy operator in terms of size, service, and reliability. Since 1984, Qatargas has been developing, producing, and marketing hydrocarbons from the world's largest non-associated natural gas field. Qatargas operates 14 Liquefied Natural Gas (LNG) trains with a total annual production capacity of 77 million tonnes. This makes Qatargas the largest LNG producer in the world. In addition to producing LNG, Qatargas is also a leading exporter of natural gas, helium, condensate, and associated products.

Today, Qatargas continues to set the benchmark in the LNG industry as it safely and reliably supplies energy to customers all over the world.

#### QATARGAS MARKETS SERVED



#### QATARGAS MARKETS SERVED



LNG trains with a total production capacity of 77 million tonnes per annum.



of the world's largest condensate refineries.



sales gas facilities.



helium plants.



A chartered fleet of 69 LNG vessels.

Through efficient and reliable operations, we can honour our commitment to customers and the environment, by supplying clean energy.



#### **Qatargas Direction Statement**

#### VISION

THE WORLD'S PREMIER LNG COMPANY.

#### MISSION

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 we 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 shareholders see consistently high value and return. We are proud to be known as a major contributor to the fulfilment of the Qatar National Vision (QNV) 2030 and the nation's future.

#### VALUES

- We embrace Incident and Injury-Free (IIF): We care for and value people and process safety above all else and demonstrate it in our commitments and actions.
- We value 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; we trust and empower one another.
- We uphold our Reputation: At Qatargas we always do what we say, we promote honest and transparent communication and conduct our business ethically.
- We strive for Premier Performance: We focus on quality in everything we do; we seek to innovate, optimise business and financial performance, and ensure continuous improvement; we always put the greater interest of the company first.
- We focus on our customer: We place all customers, both internal and external, at the heart of the business; we deliver on our promises to customers.



The Direction Statement pillars work in harmony to form the foundation 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 across Qatargas 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 aims to produce products of the highest quality with flawless execution. This leads to high satisfaction among our customers, allowing us to meet and exceed our financial performance targets.

# CEO Message

I am honoured to present to you the Qatargas 2020 Sustainability Report. This report provides a comprehensive and transparent overview of our sustainability management performance and summarises our focus to integrate sustainable practices whilst maintaining the highest industry standards. To accurately illustrate Qatargas' sustainability performance, we report on key issues that reflect Qatargas' significant economic, environmental, social, and governance-related impacts, as well as how they affect our stakeholders.

Although global natural gas production dropped in 2020, Qatar continued to play a significant role in the production of LNG and maintained its position as one of the world's leading LNG producers. Qatargas has been a pioneer in the LNG industry successfully developing, producing, marketing and delivering LNG to customers worldwide in Asia, Americas, and Europe. Qatargas accomplished this through its distinguished history of innovation, reliability, and exceptional standards of excellence in the LNG industry. Today, Qatargas serves as the world's premier LNG company.

Looking to the future, we are actively pursuing several major projects to sustain our current LNG production while dramatically expanding production from our current rate of 77 million tons per annum (MTPA) to 126 MTPA in the coming years. We are guided by the Qatar National Vision 2030 and our mission to meet the needs of our global customers for a more sustainable, lower carbon energy source that LNG provides. Despite the challenges presented to us by the COVID-19 pandemic and market disruptions during 2020, Qatargas responded with adaptation and resilience. During this period, we continued to work hard in our mission to maintain LNG supplies to our customers whilst ensuring the mental and physical health of our employees and contributing to the livelihood of the communities in which we operate.

In line with our corporate values, health and safety is our utmost priority. We continued to deliver outstanding safety performance, which is crucial to Qatargas' success and future expansion plans. To ensure the safety of our operations and manage occupational risk, we have implemented training programmes and adopted advanced systems that increase the competencies and awareness of our people.

We recognise the importance of creating a high calibre workforce, as our exceptional performance would not be possible without the contribution of our people. In 2020, we marked our efforts to lead, support and develop our workforce by obtaining 'We Invest in People' gold accreditation, the international standard for people management. We are also very pleased with the continuation of our Qatarisation drive, holding our first virtual CEO Forum for national graduates and trainees where participants were given the chance to discuss their career aspirations and development.

As a clean energy provider and industry leader, we realise the significant role Qatargas can have in driving environmental protection. With the international climate change agenda foremost in our minds, we have invested and implemented a range of environmental initiatives to reduce our greenhouse gas (GHG) emissions and our overall environmental footprint. In addition to our reputation for maintaining high standards in the LNG industry, quality and flawless execution have enabled us to be a leading force in sustainability.

The Qatargas 2020 Sustainability Report serves as a testament to our ongoing commitment to sustainability, as well as highlighting how our operations contribute to achieving our vision and mission. We have included our activities in this report, along with their impact on the economy, environment, and society for our stakeholders and the public. As a major player in the global LNG market, we present this report to share our accomplishments in pursuing and achieving our sustainable development goals.

#### Khalid bin Khalifa Al Thani

Chief Executive Officer, Qatargas

# COVID-19 Response

The COVID-19 pandemic presented a unique challenge to governments, companies, and societies. For Qatargas, the pandemic placed its employees, operations, and customers in especially difficult and daunting circumstances. As a top priority, Qatargas worked strenuously to ensure the safety of all its employees throughout the pandemic. This included regularly adopting and updating policies in line with guidance from international and Qatar health authorities. At the onset of the pandemic, Qatargas promptly implemented a variety of successful measures focused on its employees, operations, and customers which allowed the company to maintain its status as the world's premier LNG company.

#### Risk Planning and Maintaining Business Continuity

In March 2020, Qatargas established a dedicated COVID-19 Taskforce comprised of subject matter experts from across the organisation. Upon being formed, the Taskforce formulated and implemented a Pandemic Plan and an Organisation Resilience Plan, both designed to manage the challenges presented by the COVID-19 pandemic.

As a result of the pandemic, Qatargas' Business Continuity Management (BCM) Plan was also activated in collaboration with the company's Enterprise Risk Management (ERM) and Crisis Management Divisions. Together, they played a central role in coordinating the activation of the BCM



Plan and guiding each department to take on their specific roles, activities, and processes to cohesively manage the situation and maintain business continuity.

Qatargas was among the first companies in Qatar to establish a dedicated Taskforce to mitigate the risks resulting from the pandemic. Qatargas activated a

### QATARGAS TASKFORCE CONTAINMENT AND ISOLATION MODEL

PREVENTION	Education	
	Awareness	
	Behaviors	
MITIGATION	Restriction of Access	
	Restriction of Movement	
	Hyper-Sanitisation	
	Isolated Work Practices	
	PPE	
	Compartmentalised Workforce	
	Flow-Through Medical Checks	
RESPONSE	On-site isolation wards	
	PPE Protected Medics/Staff	
	After Action De-Con	
RECOVERY	Hospital / COC Isolation Treatment	
	At Home Quarantine	

'Tier 3' Crisis Management Team ultimately resulting in the creation of the Qatargas COVID-19 Taskforce. The Taskforce adopted a risk-based strategy for Qatargas, which is aligned with Qatar government and QatarEnergy regulations.

The Qatargas COVID-19 Taskforce, supported by the ERM Division, developed a robust approach for the identification, evaluation, mitigation, and action tracking of risks to provide the Qatargas Management Leadership Team (MLT) and shareholders visibility and assurance that the most critical risks faced by Qatargas during the pandemic were being adequately addressed and mitigated. Additionally, a common Qatargas Containment and Isolation Model was deployed across all areas of our business. Subsequently, a total of 16 teams were established, including eight teams to implement the model.

Qatargas' proactive management of risks and maintaining business continuity was well received by its stakeholders during 2020.

#### **Engaging with Stakeholders**

Engagement with stakeholders and community initiatives were disrupted in 2020 because of the challenges presented by COVID-19. In response, the Public Relations Department took responsibility for communicating with stakeholders through a variety of channels including press releases, internal employee communication tools, the sustainability report, the Tawasul newsletter, the Qatargas Pioneer magazine as well as social media platforms such as Twitter, Facebook, LinkedIn, YouTube, and Instagram.

#### Supporting our communities

The COVID-19 Taskforce was also responsible for overseeing and ensuring the health and safety of our stakeholders. In 2020, we conducted a vaccination campaign, through third-party contractors providing free vaccines to Qatargas employees, their families as well as the public. We also collaborated with Doha College, sponsoring the academy to establish its own COVID-19 testing facility and later developed our own polymerase chain reaction (PCR) testing facility for our people. More than 11,000 COVID-19 swab samples were screened for our employees, contractors, and dependents in our area. We have also developed a unique onsite offshore swab testing service that covers around 250 employees and contractors. The impacts of COVID-19 shed light behind the importance of sustainability in business strategy to build resilience. 'In 2020, we conducted a vaccination campaign, through third-party contractors providing free vaccines to Qatargas employees...'

#### Safeguarding our people

Qatargas, reacted quickly and effectively to ensure the health and safety of our people. We included COVID-19 response in our Safety Moments almanac in 2020. We also coordinated with the Contractor Management Taskforce to ensure contractor's accommodation facilities were compliant with the Qatari-Government COVID-19 regulations and requirements.

By March 2020, we implemented a work from home (WFH) policy and provided our employees with the technological solutions and tools to ease the transition. We also introduced the Traveller Questionnaire forum that became mandatory to be filled in by all employees and contractors returning from travel. We regularly issue informative communication regarding COVID-19 and how to stay safe to our stakeholders.

When a total curfew was likely affecting personnel in Ras Laffan Industrial City (RLIC) the COVID-19 Taskforce determined which critical personnel would be required to keep the plant in operation and applied for curfew passes to be issued to these personnel. For onsite personnel, proactive measures were undertaken to maintain low levels of infection across the plants, including provision of isolation rooms and onsite medical services.

This year, we also established a dedicated research facility with the Ministry of Public Health (MOPH) that focussed on researching the impacts of herd immunity. As a result, in collaboration with Weill Cornell Medicine and Hamad Medical Corporation, we published an article that describes how herd immunity will be seen in the future. Across the company, we applied procedures to mitigate the risk of contracting COVID-19, such as entry and exit requirements, temperature checks, social distancing measures and PCR testing. Additionally, the medical department regularly provided awareness sessions on the COVID-19 preventative measures and the life span of antibodies.

#### Endeavouring to achieve Environmental Success

Despite the threat to global crisis, we launched a Long-Term Environmental Strategy aligned with QNV 2030, QatarEnergy sustainability strategy 2030, and shareholder plans to formulate Qatargas' environmental vision for the future. This also seeks business continuity coordination and COVID-19 response.

#### **Training and Development**

To accelerate processes during the pandemic, we digitalised our trainings using our portal and other online applications.

The Petroleum Engineering Department introduced a series of virtual learning sessions to promote exchange of knowledge and enhance networking among staff during the COVID-19 pandemic. Five sessions were conducted which served as opportunities for employee engagement and offered a platform for continuous learning. Topics covered under these sessions included Engineers; Think Big!, Porosity and Permeability in Carbonates; and Pressure Transient Analysis.

As a result of the various efforts, our critical business operations were sustained, and we were able to meet all our customer commitments. There have been many lessons learned from the ongoing COVID-19 crisis, which will be incorporated into the Pandemic Plan and Resilience Plan as it becomes updated in 2021. 01

# Sustainability at Qatargas

# Sustainability at Qatargas

At Qatargas, our sustainability goal is to constantly drive performance improvements by managing company resources safely, efficiently, and reliably. We operate in full alignment with the company's economic, social, and environmental priorities, applying world class management systems, and maximising the value Qatargas generates for all its stakeholders.

In line with our Direction Statement, we integrate sustainability across every level of our business. To meet today's challenges and contribute to the solutions of the future, we have a defined sustainability framework and policy, incorporating activities and commitments that will support our robust action and provide accountabilities for all that we do.

We maintained our sustainability framework and policy, to further guide our practices and activities on these topics. Our sustainability policy prioritises sustainability at the centre of all our business decisions and ensures that our business activities are conducted in a sustainable manner and responsibly manage our economic, environmental, and social performance.

To reach our sustainability goal, we govern our activities and manage our sustainability performance through various committees and leadership review meetings. We establish objectives with corresponding Key Performance Indicators (KPIs) and targets for each of the core areas and develop a structured plan of actions directed at achieving these targets. Our leadership review meetings are convened to make sure we are achieving these objectives and meeting our targets by following the structured plan.



Our Sustainability Policy Commitments

# Stakeholder Engagement

Understanding the views and concerns of Qatargas' stakeholders informs our business practices and priorities. We regularly engage with our key stakeholder groups to help share and drive our sustainability ambitions and management processes. Through various communication channels, we list and seek feedback from our stakeholders.

Our objectives for effective stakeholder engagement include:

- Understanding our primary stakeholders to whom we are accountable.
- Positively impacting our stakeholders and ensuring their priorities are met.
- Collaborating with our stakeholders to create value.

The detailed Qatargas stakeholder map is provided in Appendix A.



# Materiality

We continuously seek to identify and respond to existing and emerging global and regional matters that present risks as well as opportunities for our business and key stakeholders. We have conducted a materiality assessment to review and update our key material issues through:



Identifying a list of potential material issues through desk-based research, including a review of peer companies, industry standards and employee interviews.

Prioritising the importance of the key issues based on Qatargas' views on the significance to economic, environmental, and social impacts.



Validating results internally within Qatargas management to ensure the list of material issues captures and is inclusive of all stakeholder perspectives.

In 2020, we reviewed our material issues to ensure that the key issues presented reflect the current level of significance and relevance to both our company and our stakeholders. The findings of our materiality assessment are presented below.



# Qatargas Sustainability Framework

The Qatargas sustainability framework encapsulates the essence of sustainability for the company by identifying the key areas that need to be addressed and well-adjusted. Our sustainability framework comprises six pillars that align with Qatargas' corporate mission and values as well as our material issues. The framework is linked to our material issues, the Sustainable Development Goals (SDGs) and the QNV 2030 pillars.





# 2020 Highlights



#### Zero

official concerns or grievances recorded during 2020.

Ran a pilot project that gave form to the Business Process Assurance (BPA) procedure and allocated resources, providing support to process owners with BPA activities from Qatargas Management System (QGMS) champions.



#### e-Bidding

Launched

as part of digitisation efforts to shift away from traditional bidding activities.

#### Produced

#### 77.51

million tons per annum (mtpa) of LNG

#### 99.8%

accuracy achieved an Inventory Count Accuracy achieved

Developed the

#### Compliance Strategy,

in association with the International Maritime Organization (IMO).



#### **Environmental** Strategy.

Successful implementation of Methane Leak Detection and Repair Programme (LDAR).

Successful start-up of QG2 and QG3&4 Wastewater Reduction and Reuse (WRR) facilities.

8% increase in water generated

on site from seawater.

#### 24%

reduction in process and sanitary wastewater discharged to sea



#### 0.28 (TRIR)

Achieved the lowest Total Recordable Incident Rate (TRIR) of 0.28 since 2012.

#### Zero

recorded cases of heat stress.

#### Zero

recordable occupational health illness.

#### 94%

satisfaction rate achieved on employee services.

Introduced a new

#### mentorship programme

Graduates.



#### Updated and enhanced

Individual Development **Programmes** (IDPs).

Maintained

#### **Gold Level**

Accreditation from Investors in People.

to support National

## Sj-Social Investments

Launched the first issue of

#### Tawasul Newsletter

Despite the COVID-19 challenges, we undertook

#### 8 Corporate Social Responsibility (CSR) and community engagement activities

both in Doha as well as in the Northern Qatari region through the Qatargas Ras Laffan Industrial City Community Outreach Programme

# Qatargas 2020 Awards

#### External awards and achievements

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#### QATARISATION CRYSTAL AWARD

In May 2020, Qatargas received the prestigious Crystal Award for supporting Qatarisation for Training & Development.



#### INTERNATIONAL PEOPLE MANAGEMENT GOLD ACCOLADE

Qatargas' Learning and Development (L&D) Department has earned the 'We Invest in People' gold accreditation from IiP, an international standard for people management.



#### Internal awards and achievements

#### INNOVATIVE THINKING THAT SAVES LIVES

One of our female Control Automation Engineer II was awarded for her "Emergency Drone" project. The drone delivers medical and essential aid required to remote locations. The drone was proven to be much faster and more reliable than traditional ambulances. It is linked to the country's 4G network and is controlled by an autopilot system.

#### VIRTUAL CEO FORUM HELD FOR QATARGAS NATIONAL GRADUATES AND TRAINEES

In providing support for digitisation due to global COVID-19 pandemic, we organised an annual event to provide an opportunity for national graduates and trainees to meet our CEO and Management Leadership Team.

The theme for this year's CEO Forum was 'Investing in Premier Nationals'. During the event, 11 national graduates, 12 coaches, two trainees and six scholars were presented with special awards for excelling in their respective areas.

#### **Qatargas Recognition**

We adhere to international standards of quality in our range of processes and operations. Management and risk assessment processes has yielded significant cost savings and led to more efficient and effective production. By making sure our products and services meet internationally recognised quality standards, we have enhanced customer satisfaction and opened new markets.

In 2020, we gained the following certifications:





Contributing to a sustainable future through cleaner energy

# Strategic Management

At Qatargas, we acknowledge our responsibility to maintain longterm viability and returns for our shareholders, while recognising our duty to prevent negative environmental and social impact of our operations on the local and international community. As such, our governance structure regards our shareholders and stakeholders with the highest importance. Our approach to corporate governance outlines a clear corporate and company ownership structure that would aim to identify and implement measures to improve our operations in line with our guiding pillars and values, while reducing and mitigating risks.

#### MATERIAL ISSUES COVERED

- Efficient and reliable operations
- Indirect economic impacts

# Governance & Enterprise Risk Management (ERM)

#### **Governance Structure**

Qatargas Operating Company Limited (OPCO) is the corporate vehicle for our operations and responsible for our corporate ventures. Qatargas OPCO operates one unincorporated joint venture company and ten incorporated joint venture companies, which constitute the Qatargas group of companies.

Each venture has its unique ownership structure, which in the case of OPCO is 70% ownership by QatarEnergy ("QE") (represented by three members of the Board), and the remaining 30% ownership by venture partners/ shareholders (each shareholder represented by one Board member). The OPCO Board consist of a total of 14 members, three are QE representatives and eleven are the shareholder representatives.

The roles and responsibilities of the members of the Board and the delegation of authority to Chief Officers and relevant committees are set out in OPCO's Articles of Association and each Joint Venture Agreement. The Board oversees both OPCO's financial and technical affairs, while adopting strategies and policies to provide support to OPCO's executives in strategic decision making. The responsibility of managing sustainability issues at the corporate level lies with the Qatargas Chief Executive Officer (CEO).

The Board of Directors appoint the Audit Committee who is responsible to assist the Board by reviewing the company's risks and risk management processes. In addition, the Audit Committee reviews the integrity of internal controls, corporate governance, accounting policies, financial statements, and financial reporting practices.

#### QATARGAS SHAREHOLDERS





#### QATARGAS GOVERNANCE STRUCTURE



The Board oversees OPCO's intellectual, financial, and technical affairs. It also adopts strategies and policies to prove support to the OPCO's executive and takes decisions to achieve objectives.

The manner in which we were able to manage risk and continue our business during the pandemic was well received. We also received favourable comment on the way our business process assurance progressed regardless of the pandemic.

During the pandemic, we have been working on developing our new strategy to facilitate the achievement of the Direction Statement and our vision to be World's Premier LNG company. The new strategy will be finalised in 2021 and will be followed by a Strategic Plan to translate this strategy into measurable execution plan to achieve the strategic goals and desired outcomes. Our strategy will focus on six strategic pillars that represent the key priorities and the focus areas where Qatargas will deploy resources and efforts for the next five years.





What I need to do to support the strategy

We engage with our stakeholders on a periodical basis to develop our annual and five-year strategic plan. This engagement includes a top-down approach through strategic input from our Board and includes a bottom approach through inputs from our middle management through workshops and from employee surveys. In addition to that our strategic review includes international benchmarks and external market surveys to review and modify corporate strategy.

#### **Risk Management**

Our Enterprise Risk Management (ERM) division has established a robust risk management system in Qatargas for all our operations, based on international standards.

The enterprise risk management system provides a framework to identify, report and manage risks to provide effective risk prevention and mitigation measures across the company's value chain. Our management approach is to ensure risk management is applicable enterprise-wide with risks being measured against key criteria, such as financial, reputational and Safety, Health and Environment (SHE) impacts. Risks are categorised in a multitude of ways, i.e., organisation unit, risk type, impact type, consequence, and probability. Risks are measured against corporate objectives driven by the Qatargas Direction Statement and the underlying six pillars. The main KPI of the FRM division is to ensure risks are evaluated. reported, and managed regularly, with corresponding actions followed up with regular reviews.

All our ERM procedures are aligned with best practices and ISO 31000. Verification of alignment with ISO 31000 is performed through a series of internal and external audits by stakeholders. The ERM division is audited on four levels: internally by Qatargas, by QE as the parent company, by its shareholders and by an independent third-party financial auditor. Mitigation plans and assessments for identified risks across the organisation are recommended at the ERM level and reviewed quarterly. The quarterly risk reviews involve regular meetings with almost all Qatargas divisions, representing our internal stakeholders. Another set of guarterly meetings involve our external stakeholder representatives that have shared positive feedback regarding the work of the ERM division. Risks classified as strategic are escalated to the Strategic Risk Register

'Mitigation plans and assessments for identified risks across the organisation are recommended at the ERM level and reviewed quarterly'

that is reviewed by our Management Leadership Team. The Management Leadership Team and our stakeholders also undertake a SWOT analysis annually which is an important opportunity to identify and discuss risks.

In 2020 the ERM division played a leading role in facilitating the mitigation and management of risks associated with the COVID-19 pandemic. It developed a robust approach for the identification, evaluation, mitigation, and action tracking of such risks, providing the MLT and shareholders visibility and assurance that the most critical risks faced by Qatargas in these challenging times were being adequately addressed.

#### **BUSINESS CONTINUITY**

Ensuring business continuity is a vital component in the sustainable operation of our businesses and protecting our value chain. Our integrated value chain consists of multilateral relationships between those elements, each of which can experience disruption that could potentially impact the entire value chain. All BCM procedures are aligned with best practices and ISO 22301.

In 2020, our Business Continuity Management (BCM) was activated during the COVID-19 pandemic crisis. The BCM team, who reports directly to ERM, played a central role in coordinating the activation of business continuity plans of every group and coordinating the network of Business Continuity Coordinators who activated local departmental business continuity plans. The result was that all our critical business operations were sustained, and we were able to meet all our customer commitments.

"...all our critical business operations were sustained, and we were able to meet all our customer commitments." There have been many lessons learnt from the ongoing COVID-19 crisis, which will be incorporated into the new Pandemic Plan and Resilience Plan in 2021.

#### CRISIS MANAGEMENT

Qatargas prioritises risk prevention, as preventive measures greatly limit the chance of crises taking place at the Company's operations. Qatargas is also prepared to tackle crises born out of unforeseen circumstances, through the establishment of the 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.

'Qatargas is also prepared to tackle crises born out of unforeseen circumstances, through the establishment of the Emergency Management and Security Division...'

During 2020, the BCM and crisis management protocols were activated because of the COVID-19 circumstances which had unprecedented impacts, globally. We formulated a risk-based approach to managing the crisis, focussing attention and resources on the key areas of exposure to mitigate potentially significant consequences. Our processes and procedures were successful in supporting with taking measures to safeguard our people and maintain business continuity throughout the radical changes occurring across the world. For more information on our COVID-19 response, please refer to Sustainability at Qatargas chapter.



# **Ethics and Principles**

The Qatargas Code of Business Ethics Policy fosters a culture of responsibility and fairness across the company. Corruption, fraud, and unethical behaviour are expressly forbidden. All employees are expected to abide by this Code to maintain and enhance Qatargas' reputation for honesty, integrity, and reliability through the series of listed rules, ethical behaviour expectations and elimination of conflict of interest arising between employee's private interests and company interest.

The operation of the Code is supervised by the Ethics and Conflict of Interest Committee. The Committee is responsible for enforcing the regulations distributed to all departments, resolving issues arising from violations and communicating the proper ethical conduct required of our employees. All employees undergo the mandatory annual Qatargas induction process which covers the Code to which all employees are required to sign an annual statement of compliance, confirming adherence to our principles of ethical conduct.

Where potential conflicts of interest arise, we deploy a Conflict-of-Interest Declaration. Conflicts are evaluated and then investigated on a case-by-case basis to sustain objectivity on our part. We remain committed to the highest standards of integrity across all our operations and activities which guarantees that our employees adopt a corporate culture that respects and upholds the company's ethical principles. In addition to the Code, Qatargas has in place a series of regulatory documents, policies, charters, and procedures that meeting international standards and industry best practices, tailored to the Qatari-society and the country's laws and regulations, which are expected to be implemented and followed by all employees. The avenues through which Qatargas' maintain ethical and responsible conduct, include:



#### Whistleblowing

We also have in place a whistle-blowing mechanism in place that allows anyone (including external stakeholders) to anonymously report concerns or information regarding any actual or potential fraud, corruption illegality or unethical conduct. Employees are encouraged to report on issues such as fraud, malpractice, or ethical misconduct that had been, or is likely to be committed.

#### **Qatargas Anonymous Reporting Form**

#### Internal Grievance Mechanism

All employees are provided with the opportunity to work in a supporting environment, which encourages and facilitates exceptional performance and achievement of business goals. An unresolved grievance may impact the morale of employees and effective operation of the corporation. Therefore, we promote open communication amongst all employees to express their grievances and concerns, which are resolved in a fair and prompt manner. Despite the challenges posed by the COVID-19 circumstances, **there were no official concerns or grievances recorded during 2020.** 

# Qatargas Management System (QGMS)

QGMS is aligned with industry best practices, which aims to retain Qatargas' position as the World's Premier Liquefied Natural Gas Company. QGMS Framework defines Principles, Elements and Requirements for premiership and governs the way our people execute their jobs and deliver value in a safe, effective, and collaborative manner, steering our journey to achieve and sustain the Qatargas vision.

QGMS applies a proprietary methodology using the best-in-class tools to consistently define and document all our business processes. Strong process orientation principle of QGMS allows for the various parts of our businesses to communicate and collaborate to achieve common objectives and goals. QGMS also defines key roles and accountabilities and delivers tangible and measurable improvement in business performance while optimising the efficiency of our operations and utilisation of resources. An integral part of the QGMS Framework is ongoing performance assessment and continuous improvement. In 2020, the QGMS continued to provide process assurance and continuous improvement to support business process owners, while also fine-tuning the Business Process Assurance (BPA) tools and methodology. We have conducted pilots across 6 major groups and incorporated learnings into new, improved procedure. With the training of QGMS Champions and Process Owners, in 2020, BPA will be launched as a corporate initiative across all business groups.

#### Internal Audit

To accurately assess and study the effectiveness of Qatargas' ventures and activities, each of which is organised and managed by various departments, Qatargas maintains a comprehensive system that allows management to monitor the performance of activities. The Qatargas Internal Audit Department oversees this process, conducting cyclical internal audits of the Company's departments at least once every four years. The audit results are submitted to the Board Audit Committee, which is subsequently shared with the Board of Directors.

'QGMS applies a proprietary methodology using the best-in-class tools to consistently define and document all our business processes.' "...Qatargas maintains a comprehensive system that allows management to monitor the performance of activities."



03

# Economic growth

At Qatargas, we adopt a sustainable business model to achieve financial and performance gains to retain our position as the world's leading LNG supplier. We aim to positively contribute to the economic vitality of Qatar, while ensuring overall attainments of the QNV 2030. By optimising our asset management practices, using our resources efficiently, upholding and improving our quality standards, and streamlining project deliveries, we aim to enhance the positive economic impact of Qatargas for our stakeholders.

#### MATERIAL ISSUES COVERED

- Financial Performance
- Customer Satisfaction
- Sustainable Procurement

# Market Dynamics

Throughout 2020, the global LNG market experienced high levels of volatility due to significant levels of oversupply and market tightness. Despite the price volatility of the market, global demand for LNG proved to be resilient by growing close to 1%, which compares favourably to the 3% decrease in global gas demand<sup>1</sup>. Global LNG imports were approximately 356.1 million tonnes (MT) in 2020, a slight increase from 354.7 MT in 2019<sup>2</sup>, and Qatar accounted for approximately 21.8% of global LNG imports in 2020. There are multiple drivers of LNG demand. Asia is expected to continue driving global LNG demand by creating a need for approximately 540 to 560 million tonnes per annum (MTA) by 2030. China will continue being an important contributor to demand up until 2035, when the South and South-East Asian regions are expected to become relatively more important drivers. Other important drivers include high global urbanisation rates, growing pressure for stricter air quality measures from an increasingly environmentally conscious public, population growth in developing countries and current national and global policy initiatives contributing towards the steady growth of LNG-related commercial ground transportation and marine bunkering.

#### MAJOR LNG FLOWS IN 2020



 Between 2 and 3 MT
 Between 3 and 5 MT
 Between 5 and 10 MT
> 10 MT

# 356.1m 🙆

approximate global LNG imports to Qatar, tonnes in 2020

Compared to other fossil fuels, the long-term outlook for LNG is positive. By 2050, the share of LNG in the global gas supply is projected to increase from 13% to 23%. Global LNG demand is projected to grow by 3.4% per annum until 2035, which will require an estimated 100 million metrics tonnes of additional liquification capacity (accounts for declining supplies from existing projects). Going further until 2050, growth in LNG demand is expected to slow, however, it is estimated that a further 200 million metrics tonnes of additional liquification capacity will be necessary to meet demand.

# 540-560m million

approximate demand for LNG from Asia

2 GIIGNL Annual Report. 2021.

<sup>1</sup> Global gas outlook to 2050. Energy Insights by McKinsey. 2021.

# **Economic Performance**

Throughout 2020, we continued to maintain production levels and quality standards as we efficiently supplied LNG to multiple international markets. This year, we produced 77.51 million tons per annum (mtpa) of LNG and delivered no off-spec or late deliveries using our fleet comprising 69 vessels and 12 backhaul vessels - one of the largest in the world. This allows us to explore and maintain new markets across the globe, satisfy the needs of multiple customers, secure long-term LNG supply contracts that provide stable sources of income for Qatargas, and to build a longterm investment strategy.

Our fleet collectively travelled a total distance of approximately 7,062,548 nautical miles and travelled to 22 countries. By providing cost-effective and reliable energy, Qatargas is playing an integral role in supporting the needs of local communities and economies around the world. In line with our focus on being the World's Premier LNG Company, Qatargas proudly delivers all cargos on time, and in accordance with customer specifications.

The Commercial & Shipping Department's mission is to ensure the safe, efficient, and reliable transportation of LNG in support of Qatargas' customer requirements. During 2020, the department was able to ensure its vessel operators maintained full compliance with all applicable international and national regulations, including IMO legislation such as the International Convention for the Prevention of Pollution from Ships (MARPOL), Regional Organisation of Protection of Marine Environment (ROPME) and the International Convention for the Safety of Life at Sea (SOLAS).

**23%** contract of LNG in the global gas supply by 2050



GRI 102-4, GRI 103-1, GRI 103-2, GRI 103-3, GRI 201-1

#### SALES DISTRIBUTION IN 2020



#### **QatarEnergy Shipbuilding Agreement**

This year, QatarEnergy entered into three agreements to reserve LNG ship construction capacity in the Republic of Korea to be utilised for QatarEnergy's future LNG carrier requirements, including those for the ongoing expansion projects in

the North Field and in the United States.

Under the agreements, the "Big 3" Korean shipyards - Daewoo Shipbuilding & Marine Engineering (DSME), Hyundai Heavy Industries (HHI) and Samsung Heavy Industries (SHI) - will reserve a major portion of their LNG ship construction capacity for QatarEnergy through the year 2027. QatarEnergy has entrusted Qatargas to manage this landmark shipping project. With the conclusion of these milestone agreements, we have everything in place to commence the largest LNG shipbuilding programme in history. We have secured approximately 60% of the global LNG shipbuilding capacity through 2027 to cater for our LNG carrier fleet requirements in the next 7-8 years, which could reach over 100 new vessels with a programme value more than 70 billion Qatari Riyals.

The new LNG vessels will be equipped with the latest generation slow speed dual fuel engines, utilising LNG as a fuel. This will ensure the most efficient performance and compliance with the latest global emission and environmental regulations.

#### WASTE MANAGEMENT

Fleet operation KPIs	2020
Daily ETA update (%)	100.0%
Pilot request issued on time (%)	99.7%
Voyage order issued on time (%)	97.0%
Load port ETA (%)	99.0%
Discharge port ETA (%)	99.9%
Initiation of deviation/ off-hire process on time (%)	95.0%
Request for bunkers on time (%)	100.0%
Suez transit as planned (%)	100.0%
Fuel volume saved total (MT)	14,614
Fuel cost saving actual (USD million)	4.86
Voyage optimisation cost saving (%).	58.0%

"The signing of today's agreements with the three esteemed Korean companies reflects our commitment to the North Field expansion projects, even during these extraordinary times. As I have previously stated, we are moving full steam ahead with the North Field expansion projects to raise Qatar's LNG production capacity from 77 million today to 126 MTA by 2027 to ensure the reliable supply of additional clean energy to the world at a time when investments to meet these requirements are most needed. These agreements will ensure our ability to meet our future LNG fleet requirements to support our expanding LNG production capacity and long-term fleet replacement requirements."

#### His Excellency Mr. Saad Sherida Al-Kaabi

Minister of State for Energy Affairs President and CEO of QatarEnergy Chairman of the Board of Directors of Qatargas

**60%** Å

approximation of the global LNG shipbuilding capacity through 2027 to cater for our LNG carrier fleet requirements in the next 7-8 years

#### Long Term Sales Purchase Agreements with Kuwait

In February 2020, Qatargas signed a new long-term LNG Sales and Purchase Agreement (SPA) with Shell to deliver 1 million tonnes per annum of LNG to the State of Kuwait, commencing the same year.

The SPA provides a win-win solution for both companies and deepens the relationship with a valued partner and shareholder. Qatargas is committed to meeting the clean energy needs of customers who depend upon reliable, flexible LNG deliveries. Earlier the same year, QatarEnergy and Kuwait Petroleum Corporation (KPC) entered a separate long-term SPA for the supply of up to 3 million tonnes per annum of LNG to the State of Kuwait. Under the 15-year agreement, LNG deliveries to Kuwait's new world-class LNG receiving terminal at Al-Zour Port will commence in 2022 to support meeting Kuwait's growing energy needs and demand, particularly in the power generation sector. "This new SPA also further underlines Qatargas' position as the market leader in LNG and demonstrates the Company's distinguished track-record of providing reliable LNG to the global marketplace and its continued ability to capture opportunities in a highly competitive environment.

**His Excellency Mr. Saad Sherida Al-Kaabi** Minister of State for Energy Affairs President and CEO of QatarEnergy Chairman of the Board of Directors of Qatargas



# Reliability and Availability of Operations

Qatargas' mission highlights the importance of sustaining reliability, ensuring asset integrity and plant availability through proactive and effective operations. We have established reliability and availability targets which are updated annually at a corporate level with related KPIs tracked on an annual basis that are reviewed by management.

#### **Customer Satisfaction**

We continue to maintain strong relationship with our customers, owing to Qatargas' drive to deliver products of the highest quality and on schedule. Customer satisfaction is measured by a set of KPIs, each focusing on different areas, such as product quality, compliance to SPA requirements and flexibility of our schedule and fleet.

At Qatargas, we have maintained flexibility towards our customers by accommodating their requests. As such, one of our KPIs covers "positive response to change requests", which monitors if our performance in meeting the changing needs of our customers was successfully met this year. In 2020, we positively responded to 410 customer requests and mitigated 12 cases of off-spec cargo.

As the LNG industry continues to grow, we set ourselves apart from the competition by regarding customer satisfaction with the highest importance and developing lasting partnerships with its customers. In 2020, we fulfilled our delivery obligations to customers despite the effects of COVID-19 pandemic as travel by air was reduced to the very minimum.

#### **CUSTOMER SATISFACTION**

Customer Satisfaction	2018	2019	2020
Positive responses to change requests - target (%)	85%	90%	90 - 100%
Positive responses to change requests - actual (%)	96%	90%	95%
Basis of customer satisfaction consideration	Flexibility of our delivery schedule		
tails of incidents of late/damaged deliveries 0 0		0	
Off-spec cargo delivered	0	0	0
Product responsibility requirements from customer	Quality requirements as per contract		



# Sustainable Procurement

Qatargas values its suppliers and contractors and is committed to maintain professional and ethical relationships with them. Qatargas has clear and fair tender procedures for contracting with suppliers and contractors for the procurement of materials and services. The procedures aim to deliver high standards of safety, quality, and timely delivery at optimum cost to Qatargas. It also aims to promote supplies and services from local suppliers and contractors.

We follow a zero-tolerance policy with regards to abuses of human rights within our value chain. We reserve the right to terminate business with suppliers that breach these policies as well as suppliers that fail to take corrective action within an agreed timeline.

#### **Supply Chain Process**

Across Qatargas, we conduct periodic reviews of all policies and procedures related to our supply chain processes and activities to capture customer's feedbacks and recommendations, audit-related improvements as well as benchmarking study results to ensure that we continuously follow best practices and enhance our customer satisfaction.

The Supply Chain department follows a roadmap which is revisited annually to articulate strategic thinking and provide the opportunity to include input and buy-in from various departments and stakeholders. The department's activities are aligned with the Economic Development pillar of QNV 2030. All Qatargas tenders are compliant with the Qatariapplicable laws and regulations including labour laws, insurance requirements, performance guarantee requirements, safety requirements and taxation. Our tenders are aligned with our 5-year demand plans. All bids received are evaluated by the tender committee and all tender documents and contracts specify the Qatargas requirements and regulations which we require all our suppliers to abide to. Our Supply Department reviews and selects suppliers based on end-user requirements and conformance to required legal, environmental and safety standards. This year, we launched an online platform (e-Bidding) to manage all biding activities in a digital manner.

#### **Supplier Assessments**

All new suppliers are required to fill in the Qatargas supplier registration form and share mandatory associated documents to become registered and be eligible to bid on our tenders.

All our suppliers are required to abide by the Qatargas Code of Business Ethics Policy. This ensures that not only Qatargas, but also its suppliers and vendors are fully committed to doing business in accordance with the highest standards of ethics and integrity, with professional business principles and in compliance with legal and regulatory rules and standards.

In 2020, we reviewed and updated all supply chain related job descriptions, including all scheduled training programmes covering the pre-award and post-award stage trainings. "...we reviewed and updated all supply chain related job descriptions, including all scheduled training programmes..."

#### Tawteen

Qatargas actively contributes to Qatar's economic development by supporting the growth of local businesses and thereby, supporting local communities. We provide 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 supports the Qatari Tawteen initiative which supports localisation strategies in Qatar and increase the share of In-Country Value (ICV) which largely support services across the energy sector in Qatar. Tawteen also offers investors opportunities for manufacturing value added products using feed stocks available from the Energy sector in Qatar. Through Tatween, we encourage suppliers and new investors especially Small and Medium Enterprises (SMEs) to have the opportunity and priority to participate in tenders.

Qatargas is highly engaged in the implementation of the ICV programme including the investment opportunities as instructed by QatarEnergy (our mother company). The programme aims to achieve its three main objectives, aligned with its three pillars covering: identification of new investment opportunities, supplier development initiatives and a new ICV policy. In March 2020, we launched the ICV Policy (PGS-000-POL-005) which came into full effect in July 2020.

# Environmental Responsibilities

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At Qatargas, we understand our responsibility in driving environmental protection. In line with our Direction Statement and QNV 2030, we are committed to reducing the impact of our operations on the natural environment. Over the years, Qatargas has taken major strides to address its environmental footprint across its value chain via reducing its emissions, minimising waste, recycling wastewater, spreading awareness, and mitigating risks related to climate change. We regularly invest in various environmental mitigation and improvement initiatives to reduce the impact of our operations on the natural environment.

#### MATERIAL ISSUES COVERED

- Energy Efficiency, and GHG Emissions
- Waste Management
- Water and Effluents

## **Environmental Leadership and Management**

As a leading energy operator and the largest LNG producer in the world, we have a leadership role in driving environmental protection. In line with our Direction Statement and the QNV 2030 goals and objectives, we have invested significantly in a range of environmental mitigation and improvement initiatives to reduce our environmental footprint.

In Qatargas, environmental leadership follows a hierarchical structure that delegates authority for environmental related activities. The structure assigns roles and responsibilities at all levels of the hierarchy, including Qatargas CEO, Chief Health, Safety, Environment and Quality (HSE&Q), Environmental Managers, department heads and department leads.

We communicate with our internal stakeholders on environmental issues. We also communicate our environmental performance with our external stakeholders, including shareholders, RLIC, Ministry of Municipality and Environment (MME) and the local community. We engage with our external stakeholders frequently through quarterly updates (e-mails and inperson meetings). Engagement of internal and external stakeholders is crucial to the development of new metrics and to drive progress continuously. We have multiple platforms to meet and discuss articles of interest and concern such as the SHE Committee, network meetings and Performance Leadership Events (PLE). In 2020, we participated in a series of environmentalrelated celebration activities including Qatar Environment Day 2020, Earth Day 2020: Climate Action and World Environment Day 2020. For further details on these events, please refer to Social Investment.



#### **Environmental Policies and Management Systems**

Qatargas is committed to managing environmental impacts and protecting natural resources. We have devised a series of policies, committees and initiatives dedicated to environmental issues focussing on environmental protection. The Qatargas SHE&Q Policy is certified against ISO 9001 for Quality management Systems, ISO 14001 for Environmental Management Systems, ISO 45001 for Occupational Health and Safety and ISO 28000 for Security Management Systems. For more information regarding the SHE&Q Policy, refer to Health and Safety. We have also formulated a SHE Committee responsible for overseeing the SHE performance of the company, as well as the Ensure Protection Steering Committee to provide governance and strategic guidance for SHE management. As part of our environmental commitment, we established a focussed Environmental Management and Sustainability team to support the existing environmental operations, regulatory and compliance, and waste management teams on environmental related issues. The main role of the team is to focus on strategic environmental initiatives, risk assessment and mitigation, stakeholder engagement, research, and innovation. EMSU is currently leading the development and implementation of Qatargas' Long-Term Environmental Strategy.



#### **Qatargas Environmental Strategy 2030**

As part of the Qatargas 2020-2025 Strategic Plan. we developed the Qatargas Long-Term Environmental Strategy 2030. The aim of the strategy is to achieve sustainable premier environmental performance. The strategy formulates Qatargas' environmental vision for the future and addresses key issues such as GHG emissions reduction, environmental footprint across our value-chain, future developments, and expansions, as well as opportunities to further highlight Qatargas' environmental achievements and the inherent clean nature of LNG as a fuel to stakeholders and customers in the global shift to low-carbon energy. It covers a 10year timeframe (2021-2030) and encompasses the full Qatargas value-chain. Moreover, the strategy is aligned with QatarEnergy sustainability and climate changerelated initiatives, as well as QNV 2030.

The information and concepts gathered through the strategy development process were analysed, assessed, prioritised, and subsequently organised within the four Pillars of the Environmental Strategy:

#### ENVIRONMENTAL STRATEGY KEY ELEMENTS





Through the Environmental Strategy, we developed key performance indicators with targets set out for the 2021 to 2030 period, designed to assist Qatargas achieve sustainable premier environmental performance.

KEY ISSUE	TARGET	INITIATIVES
GHG emission reduction	Reduce GHG emission intensity by 20%	<ul> <li>Carbon dioxide (CO<sub>2</sub>) injection</li> <li>Energy efficiency projects</li> <li>Flare and fugitive methane reduction</li> </ul>
Enhance wastewater recycled and reuse	Recycle and reuse >70% of wastewater generated	Enhancements for existing wastewater facilities     and reject water reuse
Sulphur dioxide emission reductions	To be defined as part of the Environmental Strategy Implementation Plan	· TBD
Enhance waste recycling	Achieve >50% recycling	<ul><li>Enhanced recycling initiatives</li><li>Circular economy</li></ul>

A comprehensive Environmental Strategy Implementation Plan will be developed as a key corporate initiative in 2021. It is expected that there will be significant gains during and following implementation of the strategy elements and concepts. The Environmental Strategy has been designed based on continual improvement, and as such, it will act as a live document, which will be regularly updated.

## EXPECTED ENVIRONMENTAL GAINS FROM THE ENVIRONMENTAL STRATEGY FOLLOWING IMPLEMENTATION OF ENVIRONMENTAL STRATEGY CONCEPTS



#### **EXPECTATIONS:**

- Sustain premier environmental performance
- Enhanced environmental performance across value chain
- Social benefits
- Positive economic impacts
- Integrated environmental management and sustainability

#### EXPECTED ENVIRONMENTAL GAINS FROM THE ENVIRONMENTAL STRATEGY: 2020-2030

#### CONTINUOUS BY 2022 BY 2026 Sustain excellent **BY 2030 & BEYOND** environmental Market position/ insight performance - critical in terms of environmental Increase LNG customer component performance base - lower emissions; • Reduced CO<sub>2</sub> (via • Uniform reporting • Value added branding and more market injection) and SO2 Corporate image environmentally inclined Lower energy use - Value chain Enhanced environmental corporate image lower emissions environmental gains culture • Energy savings Lower flaring Reduced plant-based/ • Corporate oversight and Enhanced water and shipping emissions clarity waste management/ Gains from digitalisation Positive value to society recycling Positive long-term and environment Sustainable approach; gains from collaboration harmony between in research economy - environment Significant gains from - society; significant enhanced/ integrated environmental gains energy efficiency options Benefit from industrial CO<sub>2</sub> use >70% • Understanding of risks wastewater recycling from changing global >50% energy transition waste recycling ~13 mpta of CO<sub>2</sub> reduction **Biodiversity projects** ~20% reduction in CO. intensitv

#### Qatargas' Environmental Management System (EMS)

The Qatargas Environmental Management System is ISO 14001 certified and is a major component of the QGMS. It forms a comprehensive approach to formal and structured environmental management in Qatargas. The EMS focusses on environment operations, regulatory and compliance and waste management.

The internal audit team undertakes regular and cyclic internal audits to ensure the EMS is adapted accurately across all our activities and operations. In 2020, we successfully completed internal audits to verify the implementation of our EMS. We also updated various environmental procedures to achieve the best environmental practices for our operations. There were zero non-conformance incidences observed and we did not receive any compliance related issues or enquiries.

#### **Environmental Compliance**

Qatargas recognises the paramount importance of complying with local and international environmental regulations. Our legal and regulatory environmental requirements include State of Qatar environmental laws and regulations, environmental construction, and operating permits as well as other governmental authorisations that we are legally obligated to comply with. Qatargas also complies with other local requirements such as Land Lease Agreement (LLA) conditions issued by RLIC, QatarEnergy corporate and shareholder requirements, as deemed applicable.

The primary environmental compliance document for Qatargas is the Consent to Operate (CTO) issued by the MME. Separate CTOs are issued for each Qatargas operating asset which specify environmental compliance, monitoring, reporting, and record keeping requirements. We have a team dedicated to environmental compliance and regulatory affairs that liaises closely with the MME and other national organisations to maintain Qatargas' leading position in environmental and regulatory compliance within the country and our operations. Qatargas also complies with international environmental requirements such IMO, ROPME and MARPOL, for marine-related activities.

We also work closely with our Major Projects and Engineering teams to ensure that environmental risks of construction, commissioning, Simultaneous Operations (SIMOPS), and operational phases of our expansion, engineering and environmental projects are adequately assessed and mitigated in compliance with applicable environmental regulations following Best Available Technology (BAT).

Qatargas follows a comprehensive environmental permitting process for each project with Environmental and/or Socio-economic and Health Impact Assessments (EIAs/ESHIAs) and related studies conducted, where applicable, to assess potential environmental impacts across each project's lifecycle and implement stringent environmental controls to minimise each project's environmental footprint in line with environmental regulations and BAT.

In 2020, we ensured that all our permitting systems (both new projects and existing permits) were completed in a timely manner despite government work restrictions due to the COVID-19 pandemic.

We maintain a dedicated Environmental Compliance Programme (ECP) to oversee an extensive and systematic approach to environmental compliance verifications across our operations and assets. In line with our ECP procedure, we completed annual environmental compliance verifications for all our operating assets during the reporting period against a full range of applicable environmental compliance requirements. We continued to maintain compliance through 2020 without any regulatory non-compliance issues or incidents.


## l Energy

As a leading LNG producer, our main source of energy consumption is fuel gas, which accounts for 99.2% of our total energy consumption. The fuel consumed is used to produce steam and power our operations. The remaining 0.8% of our energy consumption represents electricity received from the grid by Kahramaa.

Electricity is mainly used to power buildings, offsite areas and for various plant operations. At Qatargas, we appreciate that we operate in an energy intensive sector and play a crucial role in mitigating our emissions by managing our energy consumption responsibly and efficiently. Our main headquarters building in the heart of Doha is Gold certified under the Leadership in the Energy and Environmental Design (LEED) standard, which demonstrates our commitment to preserving environmental sustainability while retaining our position as the World's Premier LNG Company.

In addition, we have an ongoing comprehensive energy efficiency study on our LNG assets in partnership with QatarEnergy, which continued in 2020. The objective of the study is to better manage fuel gas, feed gas or flared gas to achieve energy savings, all part of our continual improvement journey.

Our total energy use in 2020 increased by nearly 2%, compared with 2019, attributed to an increase in direct energy consumption from fuel use.



#### **ENERGY CONSUMPTION**

Direct energy consumption (fuel)	Million GJ	535	529	539	
Indirect energy consumption (purchased electricity)		4.48	4.47	4.33	
Energy consumption outside of Qatargas		0.04	0.05	0.07	
Total energy use (direct + indirect)		539	533	543	
Total hydrocarbon production	Million tonnes	122.3	121.7	118.9	
Energy Intensity	GJ per tonne of LNG	4.41	4.38	4.57	
Values have been rectified					

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## Greenhouse Gas (GHG)

We are aware that the oil and gas sector is a significant contributor to total global GHG emissions. We realise that managing our emissions is a continuous process and we are committed to implementing proactive solutions to reduce them. As such, the Qatargas forward-looking GHG management programme helps establish a systematic approach to measure and track GHG emissions, benchmark our performance and identify opportunities for GHG emission reductions.

Our GHG Accounting and Reporting (A&R) process is a key component of our overall GHG management programme. Our emissions inventories for our value chain (plant and shipping) are based on the United Nations Intergovernmental Panel on Climate Change (IPCC) Guidelines for GHG Inventories. The plant-based inventories adhere to the QatarEnergy GHG Accounting and Reporting Procedures, which are in turn based on the 2012 European Union Monitoring and Reporting Regulations (MRR). Other guidelines that are followed and that form the basis of Qatargas calculations are the GHG Inventory Protocol established by the World Resources Institute and World Business Council for Sustainable Development (WRI/ WBCSD), and the API Compendium of GHG Emissions (2009). Our GHG A&R process helps us look at trends and approach future plans for emissions management.

We provide monthly and quarterly reporting on our performance internally to our leadership and externally to QatarEnergy. Our GHG A&R system across our offshore, LNG production, storage and loading processes

#### PHASE I

Understanding the GHG issue, its context and implications and developing a GHG management position

Analysing the potential impact of climate change on Qatargas' operations, and reviewing opportunities to reduce GHG emissions

#### PHASE II

Preparing procedures, manuals and detailed externally verified emissions inventories of all Qatargas facilities (LNG trains, AKG, Laffan Refinery, RLTO)

Benchmarking/ establishing KPIs

#### PHASE III

2

Carbon reduction opportunities and abatement techniques via sustainability assessment and engineering studies

3

Life Cycle Assessment for GHG emissions which also helped us benchmarking Qatargas with other LNG companies

Understanding the wider context of the global benefits of LNG

#### EMISSIONS

	Unit	2018*	2019*	2020
Direct (Scope 1) GHG Emissions	Million tonnes CO <sub>2</sub> eq	35.34	33.90	33.87
Indirect (Scope 2) GHG Emissions		0.83	0.82	0.86
Total GHG emissions (Scope 1 and Scope 2)		36.16	34.72	34.73
GHG Emissions attributed to flaring - including LNG loading	Million tonnes CO <sub>2</sub> eq	1.55	1.17	1.45
LNG loading GHG emissions	Million tonnes CO <sub>2</sub> eq	0.12	0.10	0.08
Values have been rectified.				

is externally audited by a 3rd party auditor through a process stewarded by QatarEnergy twice a year in accordance with ISO 14064-3:2006 for GHG emissions.

Scope 1 emissions are GHG emissions from sources that are owned or controlled by Qatargas - mainly our fuel

consumption. Our Scope 2 emissions result from the generation of purchased electricity from Kahramaa. In 2020, we maintained relatively stable emissions as the previous year.

Our GHG performance met its target of 0.36 tonne of  $CO_2$ /tonne of production, supported by our dedicated  $CO_2$  injection facility maintaining strong performance with over 1.34 million tonnes of  $CO_2$  injected during the year. We also implemented a new fugitive methane monitoring programme in line with QE requirements to measure and mitigate greenhouse gas impact.

#### **GHG EMISSION INTENSITY**

Tonnes CO<sub>2</sub>eq/ tonne of production



In April 2020, we successfully initiated a programme to use LNG boil-off gas at Japanese LNG terminals, to power chartered conventional LNG vessels during unloading. Commonly, LNG tankers are designed to carry natural gas in liquid form at a temperature of - 163 degrees Celsius (°C), close to the vaporisation temperature. This natural evaporation, as a natural gas, known as boil-off, is unavoidable and must be removed from the tanks to maintain the cargo tank pressure. By using boil-off instead of conventional fuel oil to power vessels, GHG and other emissions were significantly reduced during the discharge operation. We aim to use natural gas in this way to combat GHG and other pollutants.



#### LNG SUPPLY AND GHG EMISSIONS

To ensure that Qatargas is prepared to address GHG and other environmental requirements, a joint Working Group was established between the Commercial & Shipping Department and the Environmental Affairs & Regulatory Team to develop an environmental toolkit. The toolkit will include a methodology for the guantification and reporting of GHG emissions from wellhead to discharge terminal on a percargo basis. Once developed, the environmental toolkit will enable Qatargas and our customers to measure our carbon footprint associated with each LNG cargo delivered and, at the same time, facilitate our preparation for any commercial or regulatory requirements that may arise in the future. It will also highlight the efforts taken by Qatargas towards minimising GHG emissions and will showcase Qatargas as an environmentally responsible supplier of LNG to the world.



#### Flaring

Flare reduction is a key focus area across Qatargas' operations during normal plant conditions as well as during trips and planned turnarounds. While key contributors to flaring are from trips/upsets and planned turnarounds (shutdowns and start-ups), a certain volume of purge gas needs to be sent to the flare system continuously to keep the flare lines on positive pressure as an essential process safety requirement.

Qatargas is fully committed to implementing measures to keep flaring to a minimum while maintaining process safety. We have formulated a comprehensive Flare Management Programme that has proven to be robust, sustainable, and well-managed, resulting in our outstanding flare reduction results.

#### FIVE PILLARS OF THE QATARGAS FLARE MANAGEMENT PROGRAMME

Annual Benchmarking



QATARGAS FLARE REDUCTION PROGRAMME KEY DRIVERS



As a result of our commitment for reducing GHG emissions, a 12% reduction has been achieved to date, compared to our 2013 baseline. We have been able to reduce four million tonnes of  $CO_2$  per annum resulting from flare reduction projects (including Jetty Boil-Off Gas (JBOG)) and  $CO_2$  sequestration via deep well injection. These savings are equivalent to the  $CO_2$  sequestration capacity of 5.2 million acres of forest. However, total flaring reduction was not evident in 2020, as this was impacted by a rich LNG tank farm related flaring incident.

#### FLARING EMISSIONS

Million tonnes CO<sub>2</sub>eq



In 2020, due to a major tank farm related flaring event, our onshore flaring performance was 0.44% (flare as percentage of sweet gas production), higher than our annual target of 0.37%. Nevertheless, most of our

#### FLARING

	Unit	2018	2019	2020
Flaring	Million standard cubic feet per day (MMSCF)	24,008	19,837	22,673
Flaring - JBOG	(% of sweet gas production)	0.04	0.04	0.03
Flaring - LNG Process Flaring	% Sweet gas production	0.46	0.38	0.44
Turnaround (shutdown flaring)	MMSCF	1,332	1,694	1,643

assets met their annual flaring targets and our overall LNG site flaring was exceptional at 0.33% showcasing a combination of excellent plant reliability, outstanding shutdown flaring performance and the continued flare minimisation focus of our Flare Management Teams (FMTs). Our flaring during shutdowns was reduced by up to 48%, while our JBOG facility continued to sustain an excellent recovery of 95.4% as compared to its regulatory target of 90%.

In our journey to reduce flaring, we have invested in new projects, on existing systems, applied process and operational controls and reduced flaring during turnarounds and trips. Some of our major flare reduction initiatives include our \$1 billion JBOG facility, purge gas reduction at our LNG mega-trains, fuel gas consumption reduction for the flares and a passing valve monitoring program. Our Flare Reduction Project, which includes the installation of gas interconnections at some of our LNG mega-trains to help divert gas to other operating trains instead of flaring was completed and came online in 2020. Multiple options are being studied to further reduce flaring without compromising on process safety and plant reliability. Compared to 2011 (our baseline year), we achieved a total of 72% flaring reduction.

## QATARGAS' STEADY FLARE REDUCTION FROM 2011 TO 2020

Flare as a % of Sweet Gas Production



Qatargas' comprehensive approach to flare management has resulted in significant success in flare volume reduction.

#### **Green Award**

Qatargas adheres to the global standard set by the Green Award, awarded for companies with outstanding quality and safety standards as well as enhanced environmental performance. All 69 of our long-term chartered LNG transportation vessels acquired the Green Award Certification to ensure that fleet endorses minimal environmental impact. Obtaining this certification requires passing a meticulous procedure, including an audit of the Qatargas' long-term vessels operators as well as reviews and surveys of each vessel.

In addition to obtaining the Green Award Certificates for our LNG Fleet, we also installed light-emitting diodes (LEDs) lighting systems on QG4 vessels and Variablefrequency Drives (VFD) for cooling water pumps, generating significant power savings. Our future plans include a continual focus on the safe and efficient transportation of LNG to meet customer requirements.

#### Carbon Capture and Storage (CCS)

CCS is a worldwide proven technology that can prevent large quantities of  $CO_2$  from being released in the atmosphere from the use of fossil fuels. Qatargas' dedicated CCS facility was commissioned in February 2019 and represents the largest  $CO_2$  sequestration facility in the region with a total capacity to capture 2.2 million tonnes of  $CO_2$  per annum. In 2020, we captured 1.34 million tonnes of  $CO_2$  in this facility and this volume is expected to gradually increase to its existing full capacity 2.2 million tonnes of  $CO_2$ . Qatargas plans to increase its carbon sequestration capacity to 5-6 million tonnes by 2027 (for existing operations). Some of this  $CO_2$ , is also expected to be exported outside of Qatargas to be used towards enhanced oil recovery in the future.

#### TRANSPORTATION

	Units	2020			
Number of Vessels	#	24	45	12	81
Distance Travelled	nautical miles	2,468,472	4,398,446	195,630	7,062,548
Energy Use Based on Fuel Consumption	GJ	40,891,213	66,656,557	1,811,851	109,359,621
CO <sub>2</sub> Emissions	tonnes	2,774,314	5,251,723	114,590	8,140,627
NOx Emissions	tonnes	37,849	144,051	473	182,373
SO2 Emissions	tonnes	3,699	15,568	37	19,303
Category A <sup>1</sup> and other waste incinerated	Cubic metres (m3)	947	1,010	74	2,032
Category B <sup>2</sup> waste discharged to sea	m3	181	215	24	419
Categories A, C <sup>3</sup> , E <sup>4</sup> and other waste disposed ashore	m3	1,282	5,914	145	7,341
Ballast water exchanged and discharged to sea	tonnes	19,396,723	28,586,307	333,693	47,983,030
Refrigerant gas replaced in fridges and HVAC	Kilogram (kg)	3,466	8,580	192	12,238

#### **Air Emissions**

Qatargas has implemented a range of advanced emission controls as well as extensive monitoring and reporting requirements for emissions of Nitrogen Oxides (NOx), Sulphur Dioxide (SO2) and Volatile Organic Compounds (VOCs). In 2020, our NOx emissions were reduced by 0.74%, compared to 2019. Our Nitrogen Oxide (NOx) emissions intensity qualifies as a pacesetter (based on global industry benchmarking) with an 85% reduction in emissions intensity achieved since 2008 through retrofitting our older fired sources and implementing advanced NOx controls in our new facilities.

Similarly, our SO2 emissions decreased by 1% compared to the previous year, and our VOC emissions decreased during the reporting period by 13.4% compared to 2019 because of the LDAR programme we have adopted.

# 13.4%

decrease in VOC emissions compared to 2019

The LDAR programme provides surveillance of fugitive VOC emissions from piping components, leading to necessary repairs in identified leakage sources.

- 3 Category C waste: domestic waste e.g. glass, metal, crockery, bottles, etc.
- 4 Category E waste: incinerator ashes are disposed ashore.

<sup>1</sup> Category A waste: plastic and other non-hazardous waste is either incinerated or disposed ashore.

<sup>2</sup> Category B waste: food waste is disposed at sea at least 12 nautical miles from shore and outside the designated Special Sea Area.

#### TRANSPORTATION

Air Emissions	Unit	2018	2019	2020
NO <sub>x</sub> emissions	Tonnes	15,041	14,330	14,436
SO <sub>x</sub> emissions	Tonnes	19,339	23,688	23,441
VOCs	Tonnes	1,714	1,659	1,436
LDAR performance (emissions prior to repair)	Tonnes VOC	-	102	92
LDAR performance (emissions post repair)	Tonnes VOC	-	24	69

The programme is aligned with the United States Environmental Protection Agency (USEPA) 40CFR60/75 guidelines with annual monitoring, repair and remonitoring cycles and is one of the largest programmes of its kind in Qatar. While primarily addressing VOC emissions, components with associated methane emissions (as part of the overall hydrocarbon steam) are also monitored and repaired resulting in associated GHG emission reductions. In 2020, we expanded the LDAR programme to include components in dedicated methane service (in addition to existing VOC-service components) to reduce fugitive methane emissions.

As for our chartered fleet, we also seek to reduce our air emissions and started using extremely low sulphur fuel oil to run our LNG fleet in line with IMO requirements for a global sulphur limit of 0.5% in maritime fuel, which came into effect in 2020.



In November 2020, Qatargas participated in the QNRF ROS, presenting the company's latest air quality initiatives which include progressively improved design recovery efficiencies of Sulphur Recovery Units (SRUs) of Qatargas expansion facilities, implementation of plant-wide acid gas flaring minimising, use of train interconnections during SRU downtime to reduce acid gas flaring, SRU capacity enhancement and plant reliability continuous improvements. The seminar looked at various air quality related aspects. We also continue to focus on: studying further reductions in air emissions, including GHG and SO2; implementation of fugitive methane LDAR program; additional flaring optimisation and engineering solutions; optimising and improving air continuous emissions monitoring systems

## Water and Wastewater Management

Qatargas continues to implement its extensive wastewater reduction and reuse programme in line with the State of Qatar's objectives to maximise the efficient reuse of water to preserve precious resources. This approach has resulted in multiple projects, including upgrading existing treatment facilities to Membrane Bioreactors (MBRs) coupled with Reverse Osmosis (RO) units with the QG2 and QG3&4 WRR facilities which were included in 2020.

Water is consumed at Qatargas as cooling water or process water (desalinated). The cooling water is supplied from the sea and is recycled and used for heat exchange to cool other process streams. The total amount of cooling water used in 2020 amounted to 6.59 billion m3.

In 2020, we were able to obtain nearly 1.5 million m3 of desalinated water and 0.13 million m3 of irrigation quality water from our wastewater treatment plants symbolising almost 60% wastewater recycling. These savings represent the annual local water consumption of

## 5,600 people. 🎄

While our overall water use increased to 8.29 million cubic meters in 2020 from 7.33 million cubic meters in 2019 (increase of 13%), we were able to reduce water imports by 9% from recycling due to the steady performance of our Zero Liquid Discharge (ZLD) facility and the Treated Industrial Process Water (TIPW) facility. This water increase came primarily from stabilisation of our wastewater treatment plants that came online in 2020. There were challenges while stabilising the new wastewater treatment systems (considering holding time, storage tanks availability, biological seeding, etc); these were overcome using operational and engineering expertise. Due to our increased wastewater recycling capacities, we reduced our subsurface injection by 10%, and reduced our discharge to sea of reject water (meeting irrigation standards) by 24%.

We are addressing water management as a part of our Environmental Strategy implementation and are focused to reduce the consumption of fresh water and increase the reuse of wastewater. We are putting efforts to collaborate with shareholders and research organisations within Qatar to explore multiple wastewater management and conservation efforts.

#### WATER DISCHARGE BY SINK TYPE



## TOTAL WATER CONSUMPTION (M3) Cubic metres 2018 7,421,016 7,334,455 2020 8,290,377

24%

reduction of our discharge to sea of reject water

#### WATER

Indicators (unit)	Unit	2018	2019	2020
Total Water consumption	m3	7,421,016	7,334,455	8,290,377
Seawater used for non-contact, once-through cooling (onshore)		6,642,200,701	6,583,651,100	6,593,575,600
Desalinated water consumed		7,421,016	7,334,455	8,290,377
From Kahramaa		2,536,839	2,404,776	2,180,425
Generated on site from seawater		4,884,177	4,929,679	5,338,940
Process wastewater injected into subsurface formations		2,326,108	2,197,084	1,970,002
Process and sanitary wastewater discharged to sea (excluding non-contact seawater for once-through cooling)		773,932	937,573	713,785
Treated Process and sanitary wastewater used for irrigation		545,624	548,684	363,976
Water consumption intensity	m3 per tonne of LNG produced	0.076	0.079	0.091
Wastewater discharged to sea	m3	773,932	937,573	713,785
Wastewater recycled	m3	545,624	840,850	2,024,946

#### 3-D GROUNDWATER FATE AND DISTRIBUTION MODEL

In 2020, Qatargas executed three-dimensional (3D) Groundwater model with ExxonMobil Research Centre Qatar (EMRQ) with the objective to develop, calibrate, and validate a high resolution, 3D groundwater fate and transport model for risk management decisions. The twopart model uses hydrodynamics and physical/ chemical monitoring for fate and distribution. The overarching aim of the project was to develop an efficient, cloud-based environmental management solution that organises decades of environmental data, which will be utilised in unplanned release scenarios, proactive in risk assessment simulation exercises and support decision making.

By 2021, we are expecting to bring all wastewater treatment systems fully online and achieve stable operations. We ultimately are focusing to achieve more than 70% wastewater recycling.

**>70%** 

#### QATARGAS WASTEWATER REDUCTION AND REUSE (WRR) FACILITIES

In 2020, we successfully inaugurated the QG2 and QG3&4 Wastewater Reduction and Reuse (WRR) facilities. Therefore, we now have a total of four advanced wastewater facilities which are in stable operations. These facilities include QG2 and QG3&4 WRR's, Qatargas South TIPW, and Laffan Refinery ZLD facilities.

Approximately 64% treated wastewater recycled for plant reuse and irrigation while the refinery achieved 100% wastewater recycling.



## Waste Management

At Qatargas, we recognise the importance of managing our waste responsibly in line with QNV 2030 and best industry practices. Our operations generate various types of hazardous and non-hazardous waste streams, and we carefully evaluate waste management options for each of those streams internally and by partnering with local enterprises to promote further development of cross-industry synergies and waste management infrastructure.

The Qatargas Waste Management System was developed based on an integrated approach to waste focusing on efficient operations, management of waste facilities and robust systems and procedures. Qatargas uses the 4R principles:



Our Waste Management System is aligned on systems and risk management approach which provides a platform for sound waste management operations in the region. We established sustainable waste management and waste reduction as key corporate objectives in line with QNV 2030 and our Environmental Strategy.

In 2020, our hazardous waste generation reduced by 11%, while our non-hazardous wastes slightly increased by 4%. Overall, our total waste generation this year dropped by 5%. Nonetheless, we increased waste recycling by 47% and reduced waste disposal by 39%. By leveraging enhanced local recycling collaboration, all wastes disposed are handled by approved waste contractors, which are approved by the MME.

# Tonnes 7,600 7,386 7,508 5,791 5,791 6 2018 2019 2020 Hazardous waste generated Non-Hazardous waste generated

WASTE GENERATION, BY TYPE

#### WASTE MANAGEMENT

Waste management	Unit	2018	2019	2020
Total waste generation	tonnes	14,986	14,209	13,512
Percentage of Recycled Waste Relative to Total Waste Generated	%	28%	39%	58%
Waste recycled	tonnes	4,137	5,577	8,226



#### WASTE DISPOSAL VS. WASTE RECYCLING

## Biodiversity

At Qatargas, we support biodiversity and conservation programmes that reduce our impact on natural resources and promote environmental protection. Protection of biodiversity is a key objective within our Environmental Strategy, aligned with the QNV 2030 and the Qatar National Biodiversity Strategy 2015-2025.

Through our RLIC Community Outreach Programme (COP), we conduct environmental protection and biodiversity conservation programmes. For more information on the RLIC COP, please refer to Social Investments.

#### **Biodiversity projects with the MME**

Qatargas has been implementing numerous marine biodiversity projects in collaboration with the MME. Each project is aligned with the Environmental Development pillar of the Qatar National Vision 2030 and one of our first projects was conducted in 2007, where we successfully relocated approximately 4,500 live corals to a suitable recipient area during the construction of our LNG facilities. We have relocated more than 7,300 live corals since 2007.







## Health and Safety

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At Qatargas, we are committed to providing a culture of safety in the workplace, which remains a core value of the company. We maintain and encourage a safe working environment, that promotes a healthy lifestyle. Our values strive to embrace an IIF operational environment.

#### MATERIAL ISSUES COVERED

Workplace Health and SafetyProcess Safety

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## Health and Safety

The Qatargas health and safety procedures and processes are aligned with international best guidance, standards, and principles by the International Labour Organisation (ILO), Organisation for Economic Cooperation and Development (OECD), the World Health Organisation (WHO), as well as the Occupational Safety and Health Administration (OSHA), International Association of Oil & Gas Producers (IOGP), American Petroleum Institute (API) and Producers and Phillip Townsend Associates (PTAI).

In addition, our health and safety protocols are aligned with the applicable Qatari-laws and regulations that ensure the protection of the health and safety of the nation, as well as the Qatari-labour laws. We operate on the principle that all incidents are preventable. Our health and safety programmes engage all layers of the company by incorporating measures specifically targeted at leadership, supervision, and operations staff. Influential leaders play an important role in making our IIF workplace a reality.



## Occupational Health and Safety (OH&S)

The Incident and Injury Free (IIF) model of safety culture is the central driver for all our safety processes and serves as a backbone of all health and safety initiatives.

In 2020, our set targets were enhanced, leading to improved incident and observation reporting, along with introducing a culture of open reporting using the IFF Action report.

The IIF Action report serves as a tool for employees and contractors to report safety observations and concerns and contribute to the common goal of an IIF workplace. IIF training and coaching is regularly undertaken across all our operational sites. IIF training is also provided to newly recruited staff, as well as contractors to align them with our safety culture and expectations.

The Qatargas approach to continuously improving the occupational health and safety of performance is to acknowledge past success and embrace new challenges to sustain an IIF workplace by:

- Enhancing hazard identification and minimising our risk tolerance by improving quality of pre-task Toolbox Talks (TBTs) and Job Safety Analysis (JSA) implementation through enhancing supervisor safety accountability and knowledge.
- Continuously promoting our peer-to-peer safety intervention, such as utilising Stop Work Authority when observing unsafe acts or conditions.
- Further integration of our Qatargas and contractor safety teams to drive a 'one team' approach for safety representatives.

• Preventing high potential incidents by robust application of our Lessons Learned<sup>1</sup> process.

Across Qatargas, we utilise an SAP-based electronic Incident Reporting System (IRS), which is used to report and manage incidents, such as near misses and other safety observations, which is accessible to our employees and shareholders.

For OPCO, injury rate has been steadily dropping since 2017, and IIF days have been flat since 2016. Moreover, consecutive days without Injury have increased by 61% since 2018.

#### OCCUPATIONAL HEALTH AND SAFETY (INDICATORS)

	2018	2019	2020
Total hours worked (employees)	10,523,972	10,321,762	10,569,561
LTI (employees)	0	1.00	0
LTIF (employees)	0	0.10	0
Recordable injuries (employees)	3.00	5.00	1.00
TRIF (employees)	0.28	0.48	0.09





Lessons Learned is a process used for forging improvements in HSE and associated fields. The process aims to provide continuous improvement of processes throughout the business.



#### Life Saving Rules (LSR)

We reinforce our leadership commitment to occupational health and safety using Life Saving Rules (LSR), that provide safety guidelines to our workforce on site, and regularly promote communication through several channels. An accompanying LSR procedure exists to provide detailed information and implementation of the LSR. Compliance with LSR is mandatory for everyone, including contractors and suppliers in attendance at our sites. LSR training includes computer-based learning modules and face-to-face workshops to educate our workforce and contractors on the LSR, its importance, and the consequences of non-compliance.

Permit: Work with a valid Work Permit 01 € √ permit when required Conduct gas tests when required 02 Verify isolation and demonstrate 03 48 zero energy before work begins. Use specified life protecting equipment Obtain authorisation before overriding 04 or disabling safety critical equipment Obtain authentication before entering 05

a confined space





#### **Qatargas Management System (QGMS)**

The QGMS demands compliance with all legal and regulatory requirements. The QGMS covers 10 sub-processes that aim to ensure the highest safety standards not only within our operations and maintenance, compliance with environmental regulations, and incidents management and investigation but also the wellbeing of employees, contractors, and visitors. The QGMS processes are updated as required in a timely manner. In 2020, we did not record any cases of non-compliance.



#### THE 10 QGMS SUBPROCESSES TO 'ENSURE PROTECTION'



#### Health and Safety Organisational Structure

#### ENSURE PROTECTION STEERING COMMITTEE (EPSC)

The Ensure Protection Steering Committee (EPSC) was established to provide governance for all HSE&Q related processes. The EPSC committee charter defines its purpose as monitoring and ensuring the effective continuous improvement of the Ensure Protection, and other operational processes that may have a broad strategic impact on operations, by providing senior management with process reviews regarding process interfaces.

The Committee is led by top level management, including Chief Officers for HSE&Q. Operations, Subsurface, Engineering and Projects. The management teams at Qatargas maintain regular communication with EPSC to assist them in their annual process reviews that are reviewed to ensure the systems and processes in place are up to date and capture all potential risks. One of its programmes, Ensure Protection covers the ten QGMS processes that aim to provide highest safety standards in operations and maintenance, the well-being of our employees, contractors and visitors, compliance with environmental regulations, in addition to the management and investigation of incidents. It standardises the processes and procedures, practices, systems, and tools that recognise hazards, assess associated risks, and identifies and implements the required controls to mitigate those risks.

#### HSE&Q GROUP

To maintain the highest levels of health and safety across Qatargas, we have a dedicated HSE&Q Group responsible for ensuring the health and safety of our people, processes, operations, and society. The Group consists of five main divisions: Centre of Excellence, Environmental Affairs & Regulatory, Emergency Response & Security, Process Safety & Risk, and Safety and Occupational Health. The HSE&Q Group aims to assist in ensuring the QGMS processes are effective by monitoring and evaluating KPIs, facilitating process reviews, planning, and

coordinating annual Ensure Protection Assessments and correctly identifying attributions from high potential incident investigations.



The internal audit department conducts regular audits of the HSE&Q Group through a four-tiered internal audit programme, covering: corporate internal and external audits; protection assessment by independent Small and Medium Enterprises (SMEs); self-assessment by process owners; and self-inspections by process users. Tier 1 audits are internal audits that are carried out every two to three years. Tier 2 and 3 audits are conducted annually. Tier 1 audits verify compliance, whereas Tier 2 and 3 audits verify the degree to which the process is effectively implemented. Shareholder audits are conducted every one to two years, and ISO audits are conducted annually. In 2020, no non-conformities were observed during the ISO audits.

#### SAFETY, HEALTH AND ENVIRONMENT (SHE)

The quarterly SHE network meeting is a channel where our occupational health and safety performance is reviewed. Additionally, several HSE&Q reports are regularly shared with our shareholders, providing updates on various subjects of OH&S performance, including Lessons Learned reports, which help to maintain shareholder satisfaction.

Similarly, the Qatargas Asset SHE Committee, led by asset managers, and representatives from all functions operating within the asset, conduct monthly site visits at sites to recognise opportunities for further health and safety improvements.

#### LIFE SAVING RULES STEERING COMMITTEE

The LSR Steering Committee manages compliance with the LSR, by governing its implementation within the organisation. The committee conducts the implementation in accordance with the disciplinary action Fair Play Model and LSR Procedure. The committee consists of management from maintenance and manufacturing operations that closely monitor and promote LSR compliance from employees at Qatargas facilities. As a result of improved communication, awareness and site controls, there was 10% improvement in terms of LSR compliance in 2020 compared to the previous year. LSR compliance remains high on the HSE&Q agenda of Qatargas.

#### PLANT OPERATION SAFETY COMMITTEE (POSCO) AND HAZARDOUS MATERIAL COMMITTEE

POSCO meetings for the Qatargas South site are conducted on a monthly and quarterly basis, whereby operation staff share their safety concerns and challenges with operations management. Additionally, a Hazardous Material Committee works with the Industrial Hygiene team to regulate acceptance and use of chemical substances in the company.

#### Safety Campaigns

Qatargas releases a 'Safe Start' video every January broadcasting essential messages from the leadership team and highlighting our recent achievements along with the HSE&Q focus area for the coming year. The video includes a communication package that is shared with employees and contractors to highlight the importance in delivering the HSE&Q goals. Four safety campaigns are developed and delivered every year to our employees and contractors. In 2020, the safety campaigns organised for employees and contractors covered hand injuries and routine task activities;

SAFETY MOMENTS

hazard recognition; risk tolerance and awareness of circumstances; and disciplined adherence to procedures.

Safety meetings between management and employees, are held regularly to review safety performance and safety topics. This initiative was launched in 2019 and has since continued. Topics are centrally developed monthly and selected based on most valid observations and incidents. In 2020, the following Safety Moments were undertaken:



#### **SHE&Q** Policy

Qatargas' direction on occupational safety at the workplace for all our employees begins with the Safety, Health, Environment and Quality (SHE&Q) Policy endorsed and implemented by senior management. The current SHE&Q policy has been effective from March 2018 and is valid until March 2021.

In 2020, the SHE&Q Policy was reviewed and revised to reflect our Direction Statement as well as to integrate and align to international best practices including ISO 9001 for Quality management Systems, ISO 14001 for Environmental Management Systems, ISO 45001 for Occupational Health and Safety and ISO 28000 for Security Management Systems.

#### Health and Safety Management System

#### OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

At Qatargas, we have implemented an Occupational Health and Safety Management System which sets the foundation for all other management systems across the company. The system covers the management of occupational risk prevention, including road safety, crisis management, industrial safety and major accidents and emergencies, information security and the health of professionals.

#### CONTRACTOR HEALTH AND SAFETY MANAGEMENT SYSTEM

Our contractors are protected by an enhanced Contractor Safety Management System (CSMS) that consist of set safety procedures such as handling tools in the workplace. The system ensures that technical processes set by management for company facilities are respected and conducted in a safe manner. The CSMS is supplemented by a Qatargas Safety Contractor Forum which provides stakeholders, and other local companies in the oil and gas industry, the opportunity to meet, exchange knowledge and share best practices for maintenance of contractor safety. Due to the COVID-19 pandemic all meetings and trainings with stakeholders were held virtually. All our contractors receive the same level of safety trainings as our full-time staff, including courses on health-related topics such as heat stress and acclimatisation.

We have an incident investigation mechanism in place for our contractors and suppliers as well as an industrial hygiene process under which we maintain a health risk register and assess health risk assessment on a yearly basis. This year, there were 22 recorded incidents in Qatargas where contractors were injured.

In 2020, we carried out an evaluation of our health and safety performance covering all our contractors, including a technical evaluation of Personal Protective Equipment (PPE). This evaluation process ensured the correct documentation and evidence was in place as part of an effective management system. Inspections were carried out at contractor accommodations. Thirty-one worker welfare camp inspections were carried out. The camps located at RLIC were excluded from this owing to the pandemic. However, verification inspections were conducted by contractor owners, maintaining action plans to deal with the findings.

This year we undertook an internal assessment of the Health and Safety Management Systems to assess the effectiveness of their implementation and to identify areas for improvement. We encourage employees and contractors to make safety observations. They are reviewed for best value and recognised through the 'Best Catch' Award. The reports are evaluated and distributed throughout the business.



#### Health and Safety Trainings

At Qatargas we aim to review and maintain knowledge on evolving health and safety requirements, and accordingly upgraded our training programmes and methods. All employee training needs are managed through the Learning Management System (LMS).

In 2020, a total of 1.334 hours of health and safety related trainings were delivered to 3,472 employees and a total of 16.516 hours of health and safety related trainings were delivered to 106.195 contractors. These training session cover a variety of topics such as Plant Safety Induction, Life Saving Rules, H2S Effects and Escape Hood, Heat Stress Awareness, Confined Space Entry Awareness, Safety at Heights, Authorised Gas Tester, Defensive Driving, Work Management System, Job Safety Analysis, Incident Reporting and Investigation, Incident and Injury Free, Hazardous Materials, respiratory fit testing etc. Other technical trainings were provided to employees and contractors in 2020 covering topics such as the management of operational risks, hazard identification and risk assessment; management of major accident hazards, process safety KPIs and the incident risk analysis tool.

Under the Qatargas HSE&Q management system, we have a systematic procedure for turnarounds and shutdowns to be undertaken in a safe and efficient

#### INDICATORS (%)

	2019	2020
Regulatory compliance audits for radiation protection	100	95
Food safety and hygiene inspections	100	92
Health risk assessments	100	100
Total recordable occupational health illness (per million exposure hours) vs. target	0.07	0

1,334 🖵

hours of health and safety related trainings were delivered to 3,472 employees

manner. The key elements of this system are the Shutdown Contractor SHE Training Matrix, Mobilisation Plan, Training Requirements Plan, and Final Report. In addition to this, for each turnaround, a Shutdown Specific Induction training module is prepared, and it is mandatory for all personnel participating in the turnaround operation to compete this training module.

In 2020, five planned shutdowns were successfully undertaken, with a total workforce of 13,420. There were no reported injuries or incidents during these events. Contractors involved in shutdowns are given training and orientation on potential hazards that could be encountered.

However, for the employees participating in shutdowns, the Safety Training section provides the Shutdown Specific Induction module as a classroom session, or digitally as a computer-based training. These trainings ensure the safe execution of each shutdown process and procedure.

#### Heat Stress Management and Occupational Illness

Qatargas recognises that heat stress and associated incidents management is crucial to healthy working conditions and the safety of our workers. We have maintained a strong performance record regarding both heat stress incidents and occupational illnesses across the organisation. We maintain a proactive approach to heat stress management while ensuring immediate and effective handling of heat illness. This proactive approach is necessary as our operations exist in high temperature environments, and involve plant processes that generate high heat levels, all of which could contribute to potentially acute heat stress illnesses.

The Industrial Hygiene section is tasked with the responsibility of managing the Heat Stress Management Procedure (HSMP), which is regularly updated with the inputs of various stakeholders. The HSMP establishes rules for working in hot conditions, and how to manage heat stress-related incidents. The HSMP is based on the Heat Stress Guidelines set by Industrial Cities Directorate, International Petroleum Industry Environmental Conservation Association (IPIECA), Occupational Safety and Health Administration (OSHA), and Qatar's Supreme Council of Health recommendations.

In 2020, we carried out fatigue risk management awareness session and provided internal and external stakeholders with training on heat stress awareness, which focussed on turnarounds during the hot season. All training material are available to all staff on our electronic portal.

Mock drills were not carried out in 2020 due to the pandemic, although Qatargas participated as an observer in the Operating Company's laboratory chemical spill drill.

We undertake Health Risk Assessments, which are maintained in a health risk register. The Health Risk Assessment process provide an understanding of our key stakeholders' expectations. In 2020, we recorded two incidents of non-conformances as per the internal audits undertaken. These were minor non-compliances which were immediately actioned and closed out.

To safeguard our workers from radiation, we have implemented an integrated Radiation Management procedure. All radiation sources and related activities are managed and operated according to the regulations set by the MME. We also abide by the Supreme Council for the Environment and Natural Reserves (SCENR) regulations. To date, we have not been notified of any breaches.

#### **Process Safety and Asset Integrity**

The Process Safety and Risk Department is responsible for process safety and risk management at Qatargas. One of the ongoing tasks of the department is to routinely update their processes and procedures, and if necessary, introduce new procedures.

In 2020, we did not record any major Process Safety Events (PSEs) with high severity in terms of consequences to people, environment, or property. One Tier 1 and two Tier 2 incidents did however occur in 2020, which were categorised as Loss of Primary Containment (LOPC) with low severity consequences. The Tier 1 incident involved a gas leak from a gasket during a train start-up. The unit was safety isolated, and the gasket was replaced. The initial Tier 2 incident was a failure/ leak from a brazed aluminium heat exchanger. The unit was also safely isolated, and the heat exchanges were replaced. The operating procedures were revised to minimise thermal cycling and avoid reoccurrence. The second Tier 2 incident involved a sour gas leak through the band lock door of feed stock gas filter. The unit was similarly safely isolated, and the gasket was replaced with correct material.

#### PROCESS SAFETY EVENTS (PSES)



A thorough incident investigation process is used to identify the root causes and a Lessons Learned report is generated to facilitate continuous improvement of our systems and processes and prevent recurrences.

#### **Crisis Management**

The role of Crisis Management Team is to coordinate and maintain Qatargas globally-recognised crisis, emergency and disaster management standards, systems and training and to ensure Qatargas can effectively respond to any emergency incident regardless of complexity, duration or impact.

Qatargas Crisis Management system is based on three primary pillars; Readiness, Response and Recovery. Within these pillars, Crisis Management focuses on the development and integration of several key focus areas which generates increased incident response capability to ensure lost time from incident recovery is kept to a minimum. The CM team also governs the strategic performance standards for all Tier-1. Tier-2 and Tier-3 exercises for Qatargas and provides a standing State of Emergency Readiness (SOER) score for each Asset as well as the company as a whole. The Crisis Management team also maintains Qatargas active Incident Management Team roster and is the primary steward for the company's Emergency Notification System (ENS) which is the primary activation system whereby a strategic response to any incident can be deployed within 300 seconds.

#### **Hazardous Material Management**

The Industrial Hygiene team is responsible for updating the Hazardous Material Management procedure at Qatargas. Manufacturer's Material Safety Data Sheets (MSDS) are used to assess the chemical composition of materials used that contain potentially hazardous chemicals. Any unit using hazardous materials must seek approval from the Hazardous Materials Reviewers. Qatargas' Industrial Hygiene team is responsible for thoroughly checking safety hazards in substance, such as asbestos, carcinogens, mutagenic, or other components that can adversely affect worker health through exposure. Materials categorised as hazardous, are replaced where possible. If replacement is not possible, appropriate control measures as suggested by the MSDS are put in place to protect workers and the environment from adverse effects.



Management of hazardous waste is directed by the Environmental Department. An MSDS database is maintained which is accessible to all employees and contractors. To date, a total of 1,150 MSDS' are now available in a database.

#### **Emergency Response and Security**

The Emergency Response and Security (ERS) Department at Qatargas is a department of the HSE&Q Group and is composed of four main divisions, including: Emergency Response, Fire Protection, Al Khor Security, Safety & Environment (AKS) and Qatargas Security for managing RLIC and Doha facilities.

The ERS Department ensures compliance with the legal and regulatory requirements of the state and the industry. Legal requirements of Law 19 of 2009 -Regulation of Private Security Service are fully complied with whereas the applicability of Law 9 - Regulation of the use of Security Cameras is still under discussion with the Ministry of Interior.

#### EMERGENCY RESPONSE & FIRE PROTECTION

We have a comprehensive emergency response operations plan and trained personnel at each location to respond to anticipated local emergencies.

The ER and Fire Protection divisions are under the auspices of ERS, responsible for resources dealing with emergencies for both Qatargas North (QGN) and Qatargas South (QGS) as an integrated unit. In 2020, ER and Fire Protection Division responded to 253 emergency calls and participated in 183 Tiers 1 and 11 Tier 2 emergency exercises.

Moreover, 453 trainings were conducted for staff and contractors related to emergency preparedness, which include basic fire awareness, emergency response crew, fire watch and floor warden trainings. In 2020, we achieved an overall 98% achievement of the ER KPIs. No failures of the fire protection equipment were reported. We also implemented an Enhanced Fire Protection Impairment process and aligned the Fire Protection Inspection & Testing-Task Lists for QGN and QGS.

As per the ERS Department's milestones for 2020, a new pre-incident planning procedure was issued which provides the criteria to verify resources and procedures needed to meet specific demands within business units and their zones. In addition, a strategic plan was developed in 2020, for the ER and Fire Protection division for the next five years.

In 2020, we set up a fire protection monthly reporting system that provides guidance for fire protection readiness and impairment as well as risk reduction. The tool allows stakeholders to readily access accurate information on fire protection readiness and take corrective action immediately.

In 2020, the ER and Fire Protection Division carried out a self-assessment and evaluation on past, current, and future service levels, considering internal performance, fire protection practices and design philosophies and benchmarking them with industry best practices such as the National Fire Protection Association and the American Petroleum Institute and Centre for Public Safety Standards.

98% -

achievement of the ER KPIs



#### ER PROGRAMMES IN 2020 INCLUDED:

- Qatargas Emergency Response Services maintained accreditation from the US-based Commission on Fire Accreditation International (CFAI) for Qatargas North.
- Qatargas Emergency Response team achieved response time objectives, thus prevented escalation of emergencies by their immediate response with active fire protection and response mechanism.
- All impairments of Fire Protection System assessed, and contingency measures provided.
- Qatargas fire protection involved in the initial stage of NFE FEED to ensure fire strategies are consistent and Lessons Learned from previous projects are incorporated.
- Fire Prevention Awareness sessions to employees and their families to educate them on fire safety risks at home.
- Conducting basic fire awareness training, fire watch training and Fire Warden training with a special focus on fire awareness and rescue programmes.

#### SECURITY

At Qatargas we carry out initiatives such as the Toolbox talks, which are used to ensure safe operations, while rapidly addressing changes to new operational requirements, and/or address issues identified. We also use drills designed to determine system effectiveness as well as provide and/or reinforce training to relevant security staff. In 2020, various security trainings were carried out including 328 training sessions at RLIC, delivered through TBTs and drills. A further 240 security training sessions were conducted in Doha. A range of subjects were discussed and analysed during these sessions, including integrated security procedures and daily operational issues. Our activities are monitored using annual KPIs and monthly reports. We also review the Annual Legal Register to check compliance with applicable government regulations.

328 🖵

## training sessions at RLIC, delivered through TBTs and drills

During 2020, as a result of the pandemic, we increased our security personnel to assist our medical services with thermal screening at entrances to facilities, as well as with enhanced security measures, curfew passes and traveller questionnaire forms. We worked with the COVID-19 Task Force to identify the critical personnel required to keep plants operational. This included coordinating the collection of data, printing of curfew passes for both personnel and vehicles distributing them. For further information on COVID-19 related impacts, refer to COVID-19 response.

A Security Incident Reporting system is now being used by the QGN, QGS and Doha security operations to report all security related incidents. In addition, the Security Section has established an SMS notification system whereby security incidents can be reported to the Security Leadership team immediately for their information.

Security Section report monthly against KPIs, such as availability of perimeter physical security controls, availability of access control systems, functionality of the Qatargas security CCTV and security penetration testing and performance.

## SECURITY ACCESS CONTROL & SURVEILLANCE READINESS

	2020 Target	2020 Actual
Availability* of Perimeter Physical Security Controls	100%	100%
Availability* of Access Control Systems	100%	100%
Functionality of Qatargas Security Closed- Circuit Television (CCTV)	99%	98.1%
Security Penetration (testing)	0	0
Security Penetration (actual)	0	0

\* Including contingency measures.



#### **Medical Department**

The Medical Department aims to maintain and promote the physical, mental, and social wellbeing of Qatargas employees and their dependents by providing a range of quality medical services. Person centred and value based occupational medicine, emergency medicine and primary health care are adequately offered through the efficient and cost-effective management of Qatargas clinics at the Plant, Offshore, HQ in Doha and AKCMC.

We endeavour to strengthen the communication and cooperation with reputed medical bodies as well as on-going training of medical staff to capacitate the continuous improvement of services.

#### **COVID-19 MEDICAL RESPONSE**

From the very first phase of the pandemic, Qatargas Medical, under the MOPH and QE Medical umbrella, started to implement the necessary precautionary measures in high-risk areas with Laffan terminal operations as priority. Formation of the Qatargas task force then followed in which Qatargas Medical played a pivotal role with the team as the subject matter expert in clinical decisions. With the wise support from all colleagues in Qatargas, we proudly maintained the medical practice aligned with latest evidence and firmly protected our organisation against commercial bias and non-scientific approaches that globally flourished on the base of community anxiety and uncontrolled panic.

Qatargas Medical readiness to immediately install in-house functions of testing and vaccination exemplified utmost adaptability towards implementation of long-term novel techniques and new modalities in record time.

Aside to Qatargas Medical pivotal role in COVID Vaccination, our framework was crafted firmly on the following

7 pillars:

- COVID-19 PCR Testing
- COVID-19 Anti-body Testing Program
- Thermal Scanning Program
- COVID-19 Transportation System
- Health Education
- COVID-19 RAPID Response Team
- Preparation for COVID-19, 2nd Wave



1. Pre-employment, Periodic, Job Transfer and Exit Medical Examinations

2. Health Surveillance

3. Management of occupational illnesses and injuries

4. Fitness to work Assessment





#### THE VOICE OF THE CUSTOMER

Listening to the customer voice is one of our key tools to ensure sustainable quality improvement in clinical and non-clinical domains. The Pulse Survey is the cornerstone in this domain as it measures customer satisfaction indices on real time basis immediately after receiving care in all Qatargas medical and dental clinics.

Outcomes are compiled on regular basis and ordered to set the steppingstone of our quality improvement as high priority focus areas.

#### HEALTH EDUCATION

In 2020, we supported multiple campaigns to promote the health and wellbeing to all our stakeholders, examples include:



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The influenza vaccination campaign for the local community

The healthy heart campaign for employees and dependents.

Dental awareness session for students of the Al Khor International School

Breast cancer Awareness campaign

During the lock down, we provided online educational classes about the response to the pandemic, safety precautions to be taken by our employees, contractors, and dependents. For children, we initiated a Laugh to Live event to promote a healthy and happy life.

## PERIODIC MEDICAL EXAMINATIONS AND FITNESS TO WORK

Within the domain of occupational medicine, Qatargas Medical department encourages employees and contractors to undergo periodic medical examination and maintain their fitness for work. Pre-employment medical examination is mandatory for field and offshore workers every year or 2 years according to age and clinical profile. Regular surveillance for employees even if symptom free is a fundamental practice that we always maintain to ensure sustainability of operations.

#### MEDICAL DEPARTMENT PERFORMANCE

КРІ	2019	2020 performance
Total medical mass screenings	31,858	22,639
Medical screenings for employees	3,054	1,804
Medical screenings for contractors	28,804	20,835
Total periodic medical examinations (QGN, QGS and Doha HQ)	3,407	1,597

#### MEDICAL ANTI-COVID 19 ACTIVITIES

The communicable disease outbreak management plan constituted the backbone of the medical response until Qatargas Medical issued this procedure with collaboration from the Qatargas TF:



COVID-19 Vaccination procedure

#### CLINICAL AUDIT IN MEDICAL AND DENTAL PRACTICE



Qatargas Medical department clinical audit policy is the cornerstone for sustainable and continuous quality improvement in clinical practice. It delineates how the medical department monitors all clinical activities, highlights opportunities for improvement and demonstrates the most appropriate methods towards optimisation of clinical practice. Compliance with medical and dental Legal requirements is another sign of our thoughtfulness towards sustainability of medical operations.

#### ACCREDITATIONS

With a focus on sustainable quality improvement in clinical care, continuous accreditation with the world leading JCI, which is renewed every 3 years provided a tangible platform to maintain person centred and value-based care in all clinics.

'Qatargas Medical is the first network of primary care and occupational medicine centres, in Qatar to receive this award'

Qatargas Medical have achieved this accreditation through the Joint Commission International (JCI), in 2012, 2015, 2018, and we are currently preparing for the 2021 accreditation. JCI is the world leading accrediting body for quality in hospital services and primary care. Qatargas Medical is the first network of primary care and occupational medicine centres, in Qatar to receive this award, that included Offshore first aid stations for the first time ever.

Moreover, Qatargas Plant medical plant is recognised by the Royal College of Physicians of Ireland as an accredited post graduate training centre in Occupational Medicine.





LIQUEFACTION FACILITIES

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CATARGA

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#### ■ OFFSHORE PRODUCTION

Qatargas offshore operation facilities are located approximately 80 kilometres northeast of Qatar. A total of 182 wells supply approximately 16.5 billion standard cubic feet of gas per day, for Qatar's North Field.

> ded onto LNG loading

### - ONSHOR

The natural gas processed into Li

## Shaping Competitive Workforce

200

To Qatargas, it is of paramount importance to attract, develop and retain a talented workforce that enable us to fulfil our vision of being the world's premier LNG company. In addition to fostering fruitful relationships with our employees through attractive benefits, a fair work culture, training and development opportunities and leadership development opportunities, we strive to positively contribute to the QNV 2030 by offering professional development and training opportunities for Qatar's national workforce.

#### MATERIAL ISSUES COVERED

- Financial Performance
- Customer Satisfaction
- Sustainable Procurement



## Workforce Overview

By the end of 2020, our total workforce comprised 4,525 permanent employees and 796 temporary employees. Compared to 2019, there was a 27% reduction in temporary employees and the number of our permanent employees remained relatively the same. Temporary employees generally include trainees, project direct hire and project task force personnel and depending on operational needs, we also contract additional support services from third party manpower agencies.

The largest part of our operations is in RLIC and most of our employees, 70% of our total workforce, are in the same area. Our head office is in Doha and accounts for 24% of our total workforce. Our remaining employees are either based offshore, at the AI-Khor Community or in a Qatargas Overseas Office.

#### **Employee Benefits**

One of the ways Qatargas aims to attract and retain a talented workforce is through the range of employee benefits we offer. Our benefits have been documented and established across of variety of Human Resources (HR) related polices, such as our Allowances and Benefits policy, Salary Management Policy and Personal Accident Policy. Examples of the types of employment benefits we offer include tax-free salaries, housing allowances, transportation allowances, retirement plans, rent-free accommodation for certain employees, annual leave packages of 37 working days for senior staff and 24 working days for non-senior staff, annual return tickets

#### EMPLOYEES

Year	Employment Type	Al-Khor Community	Doha	Offshore	Overseas	Ras Laffan
2019	Permanent	61	999	215	27	3,256
	Temporary	2	361	23	41	657
2020	Permanent	52	916	200	15	3,342
	Temporary	0	379	18	17	382

for employees and their families, free medical and dental care, education assistance, training and development opportunities and more.

In response to the COVID-19 pandemic, we conducted a benchmarking exercise on certain HR policies and benefits, including salaries and rewards, to ensure we incorporated any regional and global adjustments to workplace practices. This helped Qatargas to keep up to date with developing trends and gain clarity on COVID-19 related impacts concerning travel restrictions, immigration, tax, and other relevant areas.

#### **Employee Engagement**

Through a variety of forms, Qatargas engages with its workforce to ensure that employee satisfaction levels are high and to foster mutually valuable and rewarding relationships. Annual Town Hall meetings are organised for our employees, which highlight and present all the progress Qatargas has made during the previous year, as well as discussing the future direction and areas we will be focusing on in the coming years. During 2020, our annual Town Hall meeting was held virtually, to prevent the transmission of the COVID-19 virus and included a guestion and answer session. CEO forums are annually held for our Qatari national graduates and trainees to interact with Qatargas senior management. The intent of these forums is to facilitate open discussions that allow the graduates and trainees to contribute towards decision making and to accelerate their professional development. The theme for the two 2020 CEO forums was "Investing in Premier Nationals", wherein a total of 11 graduates, two trainees, 12 coaches and six scholars were presented with special awards for excelling in their respective areas; graduate and trainee coaches and scholars are also recognised for their performance in providing training and coaching. The graduates and trainees also discussed their Development Plan and received career advice.

'Qatargas engages with its workforce to ensure that employee satisfaction levels are high and to foster mutually valuable and rewarding relationships' Employee surveys are conducted biennially, which allows our employees to provide confidential feedback regarding their experiences at Qatargas. The last survey we conducted was in 2019 and covered areas related to engagement, safety, ethics, development, innovation and communication. The results of the 2019 survey indicated that 94% of our employees were proud to work for Qatargas and we have been working throughout 2020 to address improvement areas that were identified. To address these improvement areas effectively, several "group representatives" have been assigned to provide context to the survey results and to assist us in developing and testing solutions.

In response to the COVID-19 pandemic, we conducted surveys for specific employee groups. The surveys attempted to gain responses on employee experiences regarding working from home, employee fatigue and wellness and other COVID-19-related areas. For survey results indicating that an area required attention, these areas were immediately reported to and addressed by the Qatargas COVID-19 Taskforce and other relevant stakeholders.

Other forms of employee engagement include visits to our offshore locations, HR representation at Group performance review sessions and conducting medical insurance communication sessions.

## **94%** <sup>^</sup>

of our employees were proud to work for Qatargas and we have been working throughout 2020 to address improvement areas that were identified



## **Diversity and Inclusion**

At Qatargas, we continue to monitor the diversity of our workforce, especially in terms of age, gender, and country of origin. We believe a diverse workforce enables Qatargas to benefit in several ways, including the adoption of better operational practices, knowledge transfer, different perspectives, and the overall improvement of organisational performance.

In 2020, most of our workforce hailed from countries located in Asia, followed by countries within the Middle Eastern region and Africa. There has been almost no change in the regional representation across our workforce compared to 2019.





We continue to recruit a high number of male employees each year; however, we are proud to report that the female composition of our total new hires has been steadily increasing over the past three years, accounting for approximately 14.8% of total new hires in 2020.

The age composition of our workforce has remained relatively stable over the past three years. Most of our workforce continues to be aged between 30 to 50 years and accounted for 48% of our total new hires in 2020.

21%

21%

WORKFORCE AGE COMPOSITION (2018 - 2020)

17%

#### MALE & FEMALE EMPLOYEES SEPARATING FROM THE COMPANY (2019 - 2020)



#### EMPLOYEE AGE GROUPS SEPARATING FROM THE COMPANY (2019 - 2020)



#### MALE & FEMALE WORKFORCE COMPOSITION (2020)



FEMALE COMPOSITION OF NEW HIRES (2018 - 2020)





**14.8% R** 

#### of total new hires in 2020 were female

GRI 102-8, GRI 103-2, GRI 401-1, GRI 403-1, GRI 405-1

## Qatarisation

Workforce nationalisation (Qatarisation) and providing nationals with high quality development opportunities are key to the Human Development Pillar of QNV 2030. Qatargas continues to strategically align itself with the Human Development Pillar by striving to achieve a 50% Qatarisation target by 2030. Annually, we develop Qatarisation plans, and certain initiatives have been implemented to improve our Qatarisation rate, including our National Graduate Development Programme (NGDP), Technician Certificate Programme, career fair participation, school visits and the offering of scholarships to high-school students.

The NGDP offers national graduates from college and university a structured, competence-based, development programme to prepare them with the skills and knowledge required for their first employment position with Qatargas. Each graduate is enrolled into a two-to-six-year IDP, which encompasses technical and behavioural training, job rotation, on-the-job learning, target setting and as of 2020, participation in a mentorship programme and mid-year review, which further supports and tracks the development of each graduate throughout the NGDP. During 2020, 55 national graduates completed their IDP.

Our Technician certificate programme provides national trainees the opportunity to attain a higher national diploma from the College of North Atlantic Qatar. The programme involves the delivery of in-depth training over four phases.

Qatargas usually participates in several career fairs throughout Qatar, however, due to COVID-19 factors. we were only able to attend the career fairs held at Qatar University and the AFG College with Aberdeen University in 2020. At these fairs, our goal is to introduce prospective applicants to Qatargas and to the range of opportunities we offer. We also participated in a "My Career, My Future" campaign, an Instagram livestream discussion jointly conducted with the Qatar Career Development Centre, which provided a platform for Qatargas to discuss and explain its range of career development opportunities and programmes to prospective applicants. Moreover, we have strengthened the relationships with Education institutes including Texas A&M Qatar. College of the North Atlantic Qatar. and Carnegie Mellon Qatar.

Throughout 2020, we conducted 18 school visits with the aim of introducing high school students to Qatargas and the range of opportunities we provide. The presentations delivered during these visits mostly provided information on our overall operations, development and career opportunities, including how we offer annual scholarships to national high-school students to pursue their bachelor's degrees at universities and colleges, provided that they agree to join Qatargas upon graduation. Through this scholarship programme in 2020, 22 scholarships were provided to nationals, with 16 of the 22 students chosen to study at universities in the United Kingdom, and 8 students completed their studies and joined Qatargas through our NGDP.

By the end of 2020, Qataris accounted for 33.91% of our total workforce and 47.90% of our management. The Qatarisation rate of our total workforce has remained relatively stable over the past three years, ranging

between 33.56% to 33.91%, and the Qatarisation rate of our management increased in comparison to 2019, increasing from 44.44% to 47.90% in 2020.

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Qatari rate for total workforce for 2020

#### QATARISATION RATE OF WORKFORCE (2019 - 2020)



## **Talent Management**

Our people are our greatest asset facilitating the growth and success of Qatargas. As such, a "High Calibre Workforce" is one of the six pillars of the Qatargas Direction Statement. We value, recognise, and appreciate all our people and their families. As per our values: We foster teamwork and collaboration; we develop ourselves to be our best; we trust and empower one another.

To ensure we effectively foster valuable and productive relationships with our employees, we review our HRrelated policies and procedures once every three years. During the most recent review cycle in 2020, we updated 17 HR-related policies and procedures.

To effectively set and manage employee expectations and increase productivity, we continue to review, update and develop our job descriptions. Managers are provided with training on job design, job analysis and job description to ensure all roles and responsibilities are appropriately identified, assigned, and documented. Employees can appeal updates to their job descriptions too; all such cases received during 2020 were reviewed, re-evaluated, and updated in the respective job descriptions. Throughout 2020, all job positions were assigned a job code and the job descriptions for certain codes were all reviewed and updated, which are subsequently uploaded to our Enterprise Resource Planning system (SAP) and can be accessed by the relevant employees.

#### Qatargas Talent Management System (QG TMS)

The Qatargas Talent Management System (QG TMS) aims to manage the overall performance and development of our employees effectively and efficiently through a variety of modules. As of 2020, the QG TMS included modules for Performance Management and Goal Management, Employee Profile and Learning Management System. Recruitment Management-related modules were developed throughout 2020 and included Onboarding, Recruiting Marketing and Job Profile Builder; these modules were launched in Q1 2021, in addition to future planned deployments of modules for Career and Development Planning, Succession Planning and Workforce Analytics which are part of the approved framework.

Employee performance management, handled through our QG TMS, has three main phases including objective setting, mid-year review and year-end appraisal. The first phase requires each employee to develop and agree on annual SMART (Specific, Measurable, Achievable, Realistic and Time-Bound) objectives with their respective supervisor. At the time of mid-year reviews, employees are to state and substantiate the progress they have made against each approved SMART objective. The final year-end appraisal phase includes each employee meeting with their supervisor to review and discuss the employee's annual performance, especially regarding achievements, evidence of activities, accomplished goals and feedback received, ultimately enabling each supervisor to arrive at an overall performance rating for an employee. During 2020, 99.5% of employees set SMART objectives, 93.52% of employees completed a mid-year review and 99.8% of employees completed a year-end appraisal.

#### **Human Rights**

Respecting human rights helps us better serve our customers, attend to our communities, and value our employees. We abide by the Qatari-labour laws which are derived from the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.



#### **Training & Development**

To help Qatargas support and develop its workforce. we continue to update our training and developmentrelated policies and programmes to help our employees grow. Our training and development activities are mostly governed by the Qatargas Leadership Development policy, Training policy, Training Approval and Registration policy and Evaluation of Training procedure. Our new Learning Management System, launched in January 2020 via our QG TMS, enables Qatargas to develop training strategies, manage the availability and delivery of internal training courses and to monitor the achievement of training objectives. Due to the COVID-19 pandemic, we had to converted the majority of our internal training courses from classroom to virtual. In addition, we had offered additional training using online platforms. This year, we provided the following 13 courses:

For the third time, the L&D Department at Qatargas maintained its Gold accreditation status of "We invest in people" from IIP, a globally recognised community interest organisation calling for a movement that puts people first. Only 17% of IIP-accredited organisations achieve this gold status, which means that the L&D Department has wellestablished policies in place to support its people and provides insight into how well the Company is leading, supporting, and developing its workforce.

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Better Communication Skills at Work Managing the Impact of Change 01 08 Creative Problem Solving NGDP Coaching Skills 02 09 & Decision Making Personal Impact Combined Creativity & Innovation 10 03 **Developing Emotional Intelligence** Stress Management 11 04 Effective Business & Report Writing Technical Report Writing Skills 05 12 Working Better in Teams Effective Planning & 13 06 (L)Time Management Skills Fundamentals of Project Management

To complement our Learning Management System, we use a Technical Competence (TC) Framework to ensure the relevant employees possess sufficient technical skills to perform their roles effectively and efficiently. The TC Framework is applied in three phases. The first phase, job profiling, defines the competency requirements and levels for a respective position. The second phase implements a technical competence assessment, which identifies competency gaps that are used as a basis to form development plans during the third and final phase of the TC Framework.

These development plans will soon be integrated into the QG TMS via the Career and Development module, planned for 2021, and throughout 2020, 2,449 employees were required to be assessed through our TC Framework, of which 96.2% underwent such assessments.

employees were required to be

assessed through our TC Framework

Numerous external training courses are also offered to our employees and due to the COVID-19 pandemic. most of these course offerings were delivered virtually and/or transferred to online platform.

07

#### Leadership Development

Our Leadership Development Policy oversees and governs the leadership development activities, courses and programmes implemented throughout Qatargas. The types of courses and programmes we offer include the Activate Programme, Emerging Leaders Programme, Cadre Leadership Development Programme, and workshops on 'Supervising the Qatargas Way'.

The Activate programme aims to develop the leadership capabilities of recently established Graduates who have completed the National Graduate Development Program (NGDP) within last year or those on the final stage of their Individual Development Plan (IDP). The Activate Leadership program (phase 1) consists of one module that focuses on Qatargas leadership philosophy of selfleadership. The second phase, eligible to graduates that completed the first phase, provides participants with a range of business experience opportunities to develop a more comprehensive understanding of the business activities at Qatargas. The business experiences are aligned with our strategic pillars and have previously included guarterly Premier Leadership Events (PLEs) and partnership events with the Al-Khor International School (AKIS). PLEs aim to provide participants with a strategic understanding of how Qatargas operates, whereas AKIS events provide opportunities for participants to practice their newly acquired leadership skills developed from the first phase of the programme.

Our Emerging Leaders Programme has been developed for our leads and supervisors and focuses on personal and team leadership. The programme is a two-day workshop with pre and post course assessments.

The Cadre Leadership Development Programme was developed in partnership with HEC Paris, a world-class business school. The programme comprises two modules focusing on the Qatargas leadership philosophy of leading self, leading others, and leading the business. The first module involves topics on personal leadership, team leadership, leadership styles, adaptation, leadership strengths and weakness, leadership culture and the role of networks. The second module involves topics on strategy and decision making, leading an organisation, competitive advantage, and operational excellence.

Workshops on 'Supervising the Qatargas Way' aim to provide supervisors and employee leads with the necessary knowledge and skills to achieve team objectives and contribute towards KPIs. The workshops in 2020 comprised two courses, including the HR Toolkit (Employee Relations Management) and Driving Premier Performance. The HR Toolkit course involves developing an awareness of the Qatargas employee relations policies and procedures, which covers areas relating to disciplinary actions, grievances, performance issues, diversity, cultural differences, inappropriate behaviour, termination, and team responsibilities. The Driving Premier Performance course involves developing the skills to get the best performance from teams while supervising in accordance with the 'Qatargas Way'; the areas it covers relates to direction statements, the communication of values, performance cycles, setting SMART objectives, behavioural management, and performance management.

We also offer our employees the opportunity to use our digital learning Harvard Manage Mentor tool. This tool helps to build the leadership capabilities of participants through engaging and inspiring high-quality leadership content.

Moreover, Succession Planning is a well-established process for Qatargas. The process identifies employees with high leadership potential to meet the immediate to long-term succession needs for specific key positions. 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.



07

## Social Investments

Qatargas demonstrates and promotes first-rate corporate citizenship by meeting social challenges in collaboration with our partners, to pave the way for a stronger and more cohesive society in Qatar. We value and invest in our stakeholders through continual collaboration and engagement as we strive to lead our industry and deliver a sustainable future to our nation.

#### MATERIAL ISSUES COVERED

• Local Communities


# **Community Engagement and CSR**

Qatargas seeks to effectively engage its regional communities and to create positive social impacts. Our corporate social responsibility (CSR) and community engagement programmes contributed a total of 4.43 million Qatari Riyals (QAR) during 2020. Despite the challenges posed by the COVID-19 circumstances, we managed to execute a series of social impact-related initiatives and programmes, whilst protecting our people and society.

In 2020, we updated our social investment procedure to ensure alignment of goals and processes which will take effect in 2021.

This year, our latest community expenditure was dedicated to sports and sport-related activities, community development and educational programmes, as well as culture and arts.

In 2020, we participated in the following sponsorships, events and memberships across Doha as well as the northern Qatar region.





#### QATARGAS SPONSORSHIPS

- "Warm Their Hearts" Campaign
- 2020 International Gas Research Conference

- IT Equipment Donation to Qatar Charity
- National Sports Day
- Qatargas U23 League
- Qatargas National Day Celebrations
- Qatar Environment Day
- Earth Day 2020: Climate Action
- World Environment Day 2020

#### QATARGAS MEMBERSHIPS

- Al-Attiyah Foundation
- Texas A&M Process Safety Center

#### RAS LAFFAN INDUSTRIAL CITY COMMUNITY OUTREACH PROGRAMME (RLIC COP)

- COVID-19 Puzzle Initiative
- Magad Al Duha
- COVID-19 awareness videos with the Social Police
- Al Bairaq (in collaboration with Qatar University)
- Al Gannas Association

<sup>1</sup> Global gas outlook to 2050. Energy Insights by McKinsey. 2021.

<sup>2</sup> GIIGNL Annual Report. 2021.

In 2020, we launched the introductory issue of the Qatargas employee communications newsletter. Tawasul serves as an information communication tool that benefits employees by keeping them up to date and engaged on updates across Qatargas. It regularly features recent achievements, milestones and upcoming special events, profiles of staff members, community involvement activities as well to share thoughts, ideas, and accomplishments. In addition to Tawasul, we communicate our corporate stories to customers and external stakeholders through our existing magazine, the Pioneer.

### **RLIC COP**

In 2010, the RLIC COP was initiated, in partnership with QatarEnergy (QE), ExxonMobil, Dolphin Energy, Oryx GTL and Shell. The Programme aims to provide exceptional community support to the Northern communities of Qatar, including Al Daayen, Al Kaaban, Al Khor, Al Shamal, Al Thakhira, and Smaisma.

Several projects were approved by the COP Working Group, which is responsible for assessing and approving social impact projects in the area, based on their feasibility and social benefits.

#### **COVID-19 PUZZLE INITIATIVE**

In cooperation with the General Directorate of Traffic, we initiated "Safe Journey" (part of the RLIC COP), which is 5-year programme (2019-2023) dedicated towards school students of the northern community to educate them on road safety awareness to change their behaviour on road safety and ultimately have lower accidents in the community.

# 12,850

individuals in guarantine this year



OATARGAS **Pearl GTL** دولغين 🗡 للطافة DOLPHIN فــــاز الخـليــج Al Khaleej Gas

The Programme aims to build communication bridges, based on trust and cooperation, between the industrial companies and supports several cultural, educational, health, environmental, security and safety initiatives. The Programme also provides direct support for local programmes in cooperation with community cultural centres, youth centres and women's associations.

affan Industrial City Community Outrea

As part of the five year agreement for Safe Journey, and due to lockdown situation as a result of the COVID-19 circumstances, we distributed puzzles this year to families and individuals in guarantine in the northern communities to support healthy and wholesome activities that bring families together. A total of 12,850 puzzles were distributed in 2020.

#### MAQAD AL DUHA

Magad Al Duha (part of the RLIC COP) is a development programme that provides support for female retirees and senior citizens in the northern area of Qatar. It encourages full participation of these women in community projects and meaningful activities to help ensure progress towards a developed and prosperous local community. The programme is intended to transfer the knowledge and experiences of elderly and retired women to a younger generation of Qataris, and activate their roles in the community as valuable contributing members.



### **COVID-19 AWARENESS VIDEOS** WITH THE SOCIAL POLICE

In partnership with Qatari social-police, we launched several COVID-19 awareness videos (part of the RLIC COP), in several languages, and some dedicated to children in an effort to raise awareness and promote



best practices to enhance the safety of community. The videos were shared on social media platforms, in addition to all energy sector channels in Qatar.



# AL BAIRAQ (IN COLLABORATION WITH QATAR UNIVERSITY)

Al Bairaq was established in 2010 with the vision of developing scientific, experimental and research skills of high school students in Qatar.

The programme builds appreciation and understanding of the role of scientists and researchers in real world, as they are driven to brainstorm solutions for real world technological problems. Moreover, the students are also motivated to look forward to empowering themselves in line with the sustainability goals of QNV 2030.

In 2020, two students from the programme were awarded gold medals in the 5th anniversary of the International Invention Innovation Competition in Canada (iCan), organised by the Toronto International Society of Innovation and Advanced Skills (TISIAS).

#### AL GANNAS ASSOCIATION

Since 2008, we launched the AI Gannas Association, which is a cultural association for hunters. It is dedicated to promoting traditional Arabic hunting and represents international and regional contents, events and initiatives. In 2020, AI Gannas Association arranged the 2nd Ras Laffan Falcon Championship. This championship involved competitions for falconers in the categories of "Young Falconers" and "Professional Falconers" organised by the Qatari AI Qannas Association under the sponsorship of the RLIC COP. The competition took place from 13 to 23 November 2020 in Aba AI Qararis area in AI Khor. As per the COVID-19 precautions, the event was held outdoor and masks and social distancing measures were made mandatory.







# Qatargas sponsorships

### "Warm Their Hearts" Campaign

The Qatargas South Korea Liaison Office (KLO) launched its winter-focused campaign to provide assistance to the Sundukwon and Angel's Haven orphanages located in Seoul, South Korea.

1,500 C

Qatargas extended its support to several orphans in foster care and disability facilities. The orphans are of different ages and are in dire need of love and warmth. Sundukwon and Angel's Haven have already raised and cared for over 1,500 children since 1965 and 1959 respectively and are currently looking after nearly 200 orphans.

"Qatargas is proud and delighted to launch this CSR activity for the children of Sundukwon and Angel's Haven. It gives us great pleasure to be able to touch these children's hearts and to bring them some warmth and joy this winter."

#### Mashel Al-Merekhi

General Manager & Representative, Korea Liaison Office 4,720

pieces of IT equipment donated to Qatar Charity as part of our CSR commitments and to promote community development



As temperatures in Seoul typically fall below zero degrees Celsius for most of the winter, these children benefited directly from various donations sponsored by Qatargas, such as winter clothes and other accessories including jackets, gloves, scarves, thermal blankets, and heated beds. The donations also include weatherproofing and improvements to the facilities such as indoor and outdoor heaters.

**IGRC** 2020

### 2020 International Gas Research Conference

In 2020, Qatargas participated in the International Gas Research Conference (IGRC 2020) in Muscat,

Oman. IGRC 2020's theme was "Gas Innovations for a Sustainable Future," reflecting the focus on innovative technologies that further the gas industry. Global natural gas consumption is expected to jump 40 percent by 2050, according to the US Energy Information Administration.

Qatargas participated as a Gold Sponsor of the conference and delivered a number of technical papers and posters. Topics included the maintenance and integrity of subsea pipelines, process wastewater treatment and reuse, flaring reduction and LNG manufacturing reliability. During this event, we presented the Qatargas flare reduction and the refinery zero-liquid discharge (ZLD) case studies. Support for the conferences aligns with Qatargas' commitment to operational excellence and serving as the World's Premier LNG Company.

## IT Equipment Donation to Qatar Charity

The Qatargas Information Technology (IT) department evaluated the performance of various IT equipment and chose to donate 4,720 pieces to Qatar Charity, as part of our CSR commitments and to promote community development. These pieces included workstations, plotter, printers, monitors, laptops, keyboards, card scanners, desk scanners, scanners, desktops, and dock stations.

## **National Sports Day**

As a continuous support to the national initiative encouraging active participating in sporting activities, Qatargas employees brought energy and a winning spirit as they participated in the Qatar National Sports Day event in February 2020 at both Aspire Zone Doha and AI Khor Community sports facility. The company showcased a wide variety of sporting options to appeal to all ages and all interests. In Doha, activities included football, volleyball, basketball, kickboxing, aerobics, and stationary exercise bikes. For younger participants, activities included a dribble challenge, jumping sacks and tug of war. Al Khor hosted similar activities, but also included badminton, cricket, a cycling race, 100m run, children's swimming and a martial arts demonstration.

"It cannot be emphasised enough the benefit of adopting and maintaining a healthy lifestyle. This highly anticipated annual event is an integral part of the company's commitment to promoting the health and well-being of its employees and their families."

**Khalid bin Khalifa Al Thani** CEO, Qatargas

To Qatargas, sport-related activities are a natural way to bring diverse people together with fun activities that translate to healthier lifestyles. Building a healthy and productive society is a key objective of the Human Development Pillar of QNV 2030, as well as an integral objective of Qatargas' CSR initiatives.

### **Qatargas U23 League**

Our partnership with the Qatar Football Association, Qatargas Under 23 (U23) League continued this year. The League comprises of a total of 12 clubs with a total of 132 matches played over a 22-week period. U23 generates excitement in the residential community, helps contribute towards the local development of talented footballers, and sporting activities in general, prior to the 2022 FIFA World Cup to be held by Qatar. Due to the COVID-19 lockdown situation that began in March 2020, it was



decided to hold the matches without the presence of any audience. Instead, coverage of the match was recorded and streamed through media platforms. However, as restrictions increased due to the COVID-19 circumstances, the matches were halted, and a winner was announced.

# **Qatar National Day Celebrations**

December 18th marks a very important occasion in the history of Qatar, where Qataris proudly celebrate the National Day in commemoration of the founding of the State of Qatar by the founder Sheikh Jassim bin Mohammed Al-Thani, in 1878.

In 2020, Qatargas participated in the Qatar National Day celebrations by sponsoring the National Day parade in the corniche.



# Qatar Environment Day 2020

We celebrated Qatar Environment Day to demonstrate our continuous achievements, initiatives and sustained environmental performance and compliance across all operating assets in 2020. This year, we focused on flare minimisation, environmental preparedness for start-up of new facilities, implementation of a new fugitive methane monitoring and reduction programme, and continued focus on waste reduction, recycling, and reuse.

# Earth Day 2020: Climate Action

We celebrated the 50th anniversary of Earth Day in 2020, considered to be the largest civic environmental event of its kind marked annually across the world since 1970. It provided us with an opportunity to reflect on our collective impact on the environment and the long-term effects and risks associated with climate change.



# World Environment Day 2020

The 47th United Nations (UN) World Environment Day was marked on 5 June 2020. This annual event commemorates the 1972 United Nations Resolution calling on all nations to reaffirm concern for environmental protection and preservation, while enhancing awareness of the key environmental issues facing the world today.

We promoted the event and highlighted the contribution we have made to preserving Qatar's rich biodiversity through implementing a range of dedicated environmental initiatives in recent years.

08

Appendices

# Appendix A. Stakeholder Map

Stakeholder	Key Concern	Channels of Engagement
State of Qatar	<ul> <li>QNV 2030</li> <li>Development of national talent</li> <li>Qatarisation</li> <li>Compliance with regulations</li> </ul>	<ul> <li>Meetings with government entities</li> <li>Partnerships with government entities</li> <li>Conferences and exhibitions</li> </ul>
Shareholders	<ul> <li>Maintenance of safe and reliable operations</li> <li>Process efficiency</li> <li>Financial returns</li> <li>Reputation</li> <li>Participation in local economic and social development</li> </ul>	<ul> <li>Quarterly meetings</li> <li>Annual interviews and shareholder market presentations</li> <li>Board and ExCom meetings</li> <li>Sponsorship collaborations</li> <li>Liaison offices</li> <li>Annual sustainability report</li> </ul>
Local Community	<ul> <li>Responsible business practices</li> <li>Minimal environmental impacts</li> <li>Employment opportunities</li> <li>Safe operations</li> <li>Development of national talent</li> </ul>	<ul> <li>Social Investment Programmes and sponsorships</li> <li>Membership of RLIC COP</li> <li>Public reports</li> <li>Job fairs</li> <li>Social media platforms</li> </ul>
Employees	<ul> <li>Safe, and safety</li> <li>Competitive pay and benefits</li> <li>Continuous career development</li> <li>Open and transparent communications</li> <li>Supportive management</li> </ul>	<ul> <li>Periodic Medical Examination</li> <li>Regular departmental/team meetings</li> <li>Employee opinion surveys</li> <li>Corporate newsletters</li> <li>Town hall meetings</li> <li>CEO Forums for</li> <li>Trainees and Graduates</li> <li>Ask the CEO channel</li> <li>HR Service Desk</li> <li>Annual sustainability report</li> </ul>
Media	<ul><li>Transparency</li><li>Health and safety</li></ul>	<ul> <li>Strategic global media engagement programme</li> <li>Press releases and press conferences</li> <li>Interviews and meetings</li> <li>Social media platforms</li> </ul>
Customers	<ul> <li>Reliable, timely supplies of LNG and associated products</li> <li>Quality products</li> </ul>	<ul> <li>Contracts and agreements</li> <li>Country Liaison Offices</li> <li>Conference and exhibitions</li> </ul>

Stakeholder	Key Concern	Channels of Engagement
Contractors and Suppliers	<ul> <li>Fair contract bidding/awarding</li> <li>Timely payments</li> <li>Good working conditions</li> </ul>	<ul> <li>Contractual arrangements and bidding</li> <li>Conferences and exhibitions</li> <li>Third-party endorsement</li> <li>Medical inspections</li> </ul>
Energy Industry	<ul> <li>Timely and responsible communication</li> <li>Information/Data sharing</li> <li>Synergies in cooperation</li> </ul>	<ul> <li>Membership of global energy sector bodies</li> <li>Conference and exhibitions</li> <li>Technical papers and publications</li> <li>Sponsorship collaborations</li> <li>Keynote speeches</li> </ul>
Non- Governmental Organisations (NGOs)	<ul><li>Responsive communications</li><li>Support to local NGOs</li></ul>	<ul><li>Presentations/Briefings</li><li>Meetings</li></ul>
Students and potential employees	<ul> <li>Accurate accessible information about career opportunities</li> <li>Compelling Employee Value Proposition</li> <li>Contribution to Educational Establishments</li> </ul>	<ul> <li>Recruitment campaigns</li> <li>Donations to educational institutions</li> <li>Scholarships</li> <li>Internship opportunities</li> <li>School outreach programmes</li> <li>Career fairs</li> <li>Educational events</li> <li>Guest lectures</li> </ul>

# 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.

GRI Standard	Disclosure	Page number(s) ,or direct answers
GRI 101: Founda	tion 2016	
GRI 102: General	Organisational Profile	
Disclosures	102-1 Name of the organisation	Qatargas
2016	102-2 Activities, brands, products, and services	4
	102-3 Location of headquarters	Doha, Qatar
	102-4 Location of operations	24, 25
	102-5 Ownership and legal form	17
	102-6 Markets served	4
	102-7 Scale of the organisation	17, 18
	102-8 Information on employees and other workers	64, 66, 67
	102-9 Supply chain	29
	102-10 Significant changes to the organisation and its supply chain	29, 33
	102-11 Precautionary Principle or approach	17 - 20
	102-12 External initiatives	73
	102-13 Membership of associations	73
	Strategy	
	102-14 Statement from senior decision-maker	6
	102-15 Key impacts, risks, and opportunities	7, 14
	Ethics and Integrity	
	102-16 Values, principles, standards, and norms of behavior	21
	Governance	
	102-18 Governance structure	18
	Stakeholder engagement	
	102-40 List of stakeholder groups	11

	102-41 Collective bargaining agreements	Collective bargaining is prohibited in Qatar.
	102-42 Identifying and selecting stakeholders	12
	102-43 Approach to stakeholder engagement	11, 79
	102-44 Key topics and concerns raised	12, 13
	Reporting practice	
	102-45 Entities included in the consolidated financial statements	17
	102-46 Defining report content and topic Boundaries	3
	102-47 List of material topics	12
	102-48 Restatements of information	37, 38
	102-49 Changes in reporting	3, 37, 38
	102-50 Reporting period	January 1, 2020, to December 31, 2020
	102-51 Date of most recent report	2019
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	3
	102-54 Claims of reporting in accordance with the GRI Standards	3
	102-55 GRI content index	80
	102-56 External assurance	No assurance is provided.
Aaterial Topics		
RI 200: Econom	nic	
conomic Perfor	mance	
RI 103:	103-1 Explanation of the material topic and its Boundary	25
lanagement	103-2 The management approach and its components	25 - 27
Approach 2016	103-3 Evaluation of the management approach	28

GRI 201:	201-1 Direct economic value generated and distributed	24 - 27
Economic Performance 2016	201-4 Financial assistance received from government	Not Available
Market Presence		
GRI 103:	103-1 Explanation of the material topic and its Boundary	24
Management	103-2 The management approach and its components	24
Approach 2016	103-3 Evaluation of the management approach	24
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	68
Indirect Economi	c Impacts	
GRI 103:	103-1 Explanation of the material topic and its Boundary	24
Management	103-2 The management approach and its components	25 - 27
Approach 2016	103-3 Evaluation of the management approach	27
GRI 203:	203-1 Infrastructure investments and services supported	28, 29
Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	28
Procurement Pra	ctices	
GRI 103:	103-1 Explanation of the material topic and its Boundary	29
Management	103-2 The management approach and its components	29
Approach 2016	103-3 Evaluation of the management approach	29
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	29
Anti-corruption		
GRI 103:	103-1 Explanation of the material topic and its Boundary	21
Management	103-2 The management approach and its components	21, 22
Approach 2016	103-3 Evaluation of the management approach	21, 22
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	21
	205-2 Communication and training about anti-corruption policies and procedures	21, 69
	205-3 Confirmed incidents of corruption and actions taken	21

GRI 300: Environmental		
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	31, 37
	103-2 The management approach and its components	32
	103-3 Evaluation of the management approach	32 - 34, 36
GRI 302: Energy	302-1 Energy consumption within the organisation	37
2016	302-2 Energy consumption outside of the organisation	37
	302-3 Energy intensity	37
	302-4 Reduction of energy consumption	37
Water and Effluer	nts	
GRI 103:	103-1 Explanation of the material topic and its Boundary	44, 45
Management	103-2 The management approach and its components	44, 45
Approach 2016	103-3 Evaluation of the management approach	44, 45
GRI 303: Water	303-1 Interactions with water as a shared resource	44, 45
and Effluents	303-2 Management of water discharge-related impacts	44, 45
2018	303-3 Water withdrawal	44, 45
	303-4 Water discharge	44, 45
	303-5 Water consumption	45
Biodiversity		
GRI 103:	103-1 Explanation of the material topic and its Boundary	47
Management	103-2 The management approach and its components	47
Approach 2016	103-3 Evaluation of the management approach	47
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products, and services on biodiversity	47
Emissions		
GRI 103:	103-1 Explanation of the material topic and its Boundary	33
Management	103-2 The management approach and its components	33, 34
Approach 2016	103-3 Evaluation of the management approach	33 - 35
GRI 305:	305-1 Direct (Scope 1) GHG emissions	38
Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	38
	305-3 Other indirect (Scope 3) GHG emissions	Not Available (Not Calculated)
	305-4 GHG emissions intensity	39
	305-5 Reduction of GHG emissions	38 - 43

Waste		
GRI 103: Management	103-1 Explanation of the material topic and its Boundary	44 - 46
	103-2 The management approach and its components	44 - 46
Approach 2016	103-3 Evaluation of the management approach	44 - 46
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	44 - 46
	306-2 Management of significant waste-related impacts	44 - 46
	306-3 Waste generated	44 - 46
	306-4 Waste diverted from disposal	44 - 46
	306-5 Waste directed to disposal	44 - 46
GRI 400: Social		
Employment 2016	6	
GRI 103:	103-1 Explanation of the material topic and its Boundary	64
Management	103-2 The management approach and its components	64 - 67
Approach 2016	103-3 Evaluation of the management approach	69
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	67, 68
Occupational Hea	alth and Safety 2018	
GRI 103:	103-1 Explanation of the material topic and its Boundary	49
Management	103-2 The management approach and its components	49 - 52
Approach 2016	103-3 Evaluation of the management approach	53 - 62
GRI 403: Occupational	403-1 Occupational health and safety management system	53 - 62
Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	50 - 56
	403-3 Occupational health services	58 - 62
	403-4 Worker participation, consultation, and communication on occupational health and safety	60, 61
	403-5 Worker training on occupational health and safety	60 - 62
	403-6 Promotion of worker health	59 - 62
	403-7 Prevention and mitigation of occupational health and safety management system	56
	403-8 Workers covered by an occupational health and safety management system	60 - 62

	403-9 Work-related injuries	50 - 56
	403-10 Work-related ill health	56, 57
Training and Educ	cation 2016	
GRI 103:	103-1 Explanation of the material topic and its Boundary	64
Management	103-2 The management approach and its components	70
Approach 2016	103-3 Evaluation of the management approach	70, 71
GRI 404:	404-1 Average hours of training per year per employee	68, 69
Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	70, 71
	404-3 Percentage of employees receiving regular performance and career development reviews	65
Diversity and Equ	al Opportunity 2016	
GRI 103:	103-1 Explanation of the material topic and its Boundary	66
Management	103-2 The management approach and its components	66 - 68
Approach 2016	103-3 Evaluation of the management approach	69
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	17 - 18, 66 - 68
Local Communitie	es 2016	
GRI 103:	103-1 Explanation of the material topic and its Boundary	73
Management	103-2 The management approach and its components	73 - 77
Approach 2016	103-3 Evaluation of the management approach	73 - 77
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	74 - 77
	413-2 Operations with significant actual and potential negative impacts on local communities	73 - 77
Socioeconomic C	ompliance	
GRI 103:	103-1 Explanation of the material topic and its Boundary	21, 25
Management Approach 2016	103-2 The management approach and its components	21, 25
Approacti 2016	103-3 Evaluation of the management approach	21, 25
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	56

# Appendix C. Acronyms

Abbreviation	Definition	
°C	degrees Celsius	
3D	three-dimensional	
A&R	Accounting and Reporting	
AKIS	Al-Khor International School	
AKS	Al Khor Security, Safety & Environment	
АМСР	Association of Marketing and Communication Professionals	
BAT	Best Available Technology	
BCM	Business Continuity Management	
BPA	Business Process Assurance	
CCS	Carbon capture and storage	
CCTV	Closed-Circuit Television	
CEMS	Continuous emission monitoring systems	
CEO	Chief Executive Officer	
CIPS	Chartered Institute of Procurement & Supply	
СМ	Crisis Management	
CNOOC	China National Offshore Oil Corporation	
CO <sub>2</sub>	Carbon dioxide	
CSMS	Contractor Safety Management System	
CSR	Corporate Social Responsibility	
СТО	Consent to Operate	
DSME	Daewoo Shipbuilding & Marine Engineering	
DTaP	diphtheria, tetanus, and whooping cough	
ECP	Environmental Compliance Programme	
EDMS	Environmental Data Management System	
EIAs/ESHIAs	Environmental and/or Socio-economic and Health Impact Assessments	
EMRQ	ExxonMobil Research Centre Qatar	
EMS	Environmental Management System	
EMSU	Environmental Management and Sustainability Unit	
EPSC	Ensure Protection Steering Committee	

Abbreviation	Definition
ER	Emergency Response
ERM	Enterprise Risk Management
ERS	Emergency Response and Security
FMTs	Flare Management Teams
GCC	Gulf Cooperation Council
GGFR	Global Gas Flaring Reduction
GHG	Greenhouse Gas
GJ	Gigajoules
HHI	Hyundai Heavy Industries
HR	Human Resources
HSE&Q	Health, Safety, Environment and Quality
HSMP	Heat Stress Management Procedure
iCan	Invention Innovation Competition in Canada
IChemE	Institution of Chemical Engineers
ICV	In-Country Value
IDPs	Individual Development Programmes
IET	Institution of Engineering Technology
IGRC	International Gas Research Conference
lif	Incident and Injury-Free
liP	Investors in People
ILO	International Labour Organisation
IMO	International Maritime organisation
IOGP	International Association of Oil & Gas Producers
IPCC	Intergovernmental Panel on Climate Change
IPIECA	International Petroleum Industry Environmental Conservation Association
IRS	Incident Reporting System
ISO	International Organisation for Standardisation
IT	Information Technology
JBOG	Jetty Boil-Off Gas

Abbreviation	Definition
JCI	Joint Commission International
JSA	Job Safety Analysis
kg	Kilogram
KPC	Kuwait Petroleum Corporation
KPIs	Key Performance Indicators
L&D	Learning and Development
LDAR	Leak Detection and Repair Programme
LEDs	Light-emitting diodes
LEED	Leadership in the Energy and Environmental Design
LLA	Land Lease Agreement
LMS	Learning Management System
LNG	Liquefied Natural Gas
LOPC	Loss of Primary Containment
LSR	Life Saving Rules
LTI	Lost time injury
LTIF	LTI frequency
m3	Cubic metres
MARPOL	International Convention for the Prevention of Pollution from Ships
MBRs	Membrane Bioreactors
MEA	Marine Environmental Assessment
ME-GI	M-type Electronically Controlled-Gas Injection
MLT	Management Leadership Team
MME	Ministry of Municipality and Environment
MMSCF	Million standard cubic feet per day
MOPH	Ministry of Public Health
MRR	Monitoring and Reporting Regulations
MSDS	Material Safety Data Sheets
MT	million tonnes
MTA	million tonnes per annum
MTCs	Medical Treatment Cases
NFE	North Field East
NGDP	National Graduate Development Programme

Abbreviation	Definition
NOx	Nitrogen Oxides
OECD	Organisation for Economic Cooperation and Development
OH&S	Occupational Health and Safety
OHSAS	Occupational Health and Safety Assessment Series
OPCO	Operating Company Limited
OSHA	Occupational Safety and Health Administration
PCR	Polymerase chain reaction
PLE	Performance Leadership Events
POSCO	Plant Operation Safety Committee
PPE	Personal Protective Equipment
ppm	parts per million
PSEs	Process Safety Events
PTAI	Phillip Townsend Associates
QAR	Qatari Riyals
QFA	Qatar Football Association
QG TMS	Qatargas Talent Management System
QGMS	Qatargas Management System
QGN	Qatargas North
QGS	Qatargas South
QNRF	Qatar National Research Fund
QNV	Qatar National Vision
RLIC	Ras Laffan Industrial City
RLIC COP	Ras Laffan Industrial City Community Outreach Programme
RLTO	Ras Laffan Terminal Operations
RO	Reverse Osmosis
ROPME	Regional Organisation of Protection of Marine Environment
ROS	Research Outcome Seminar
SCENR	Supreme Council for the Environment and Natural Reserves
SHE	Safety, Health and Environmental
SHE&Q	Safety, Health, Environment and Quality
SHI	Samsung Heavy Industries
SIMOPS	Simultaneous Operations

Abbreviation	Definition
SMART	Specific, Measurable, Achievable, Realistic and Time-Bound
SMEs	Small and Medium Enterprises
S02	Sulphur Dioxide
SOLAS	International Convention for the Safety of Life at Sea
SPA	Sales and Purchase Agreement
SRUs	Sulphur Recovery Units
SWOT	Strengths, Weakness, Opportunities and Threats
TBD	To be defined
TBTs	Toolbox Talks
ТС	Technical Competence
TIPW	Treated Industrial Process Water
TISIAS	Toronto International Society of Innovation and Advanced Skills
TRIF	Total Recordable Injury Frequency
TRIF	Total recordable injury frequency
TRIR	Total Recordable Incident Rate
U23	Under 23
USEPA	United States Environmental Protection Agency
VFD	Variable-frequency Drives
VOC	Volatile Organic Compounds
WBCSD	World Business Council for Sustainable Development
WFH	Work from home
WHO	World Health Organisation
WRI	World Resources Institute
WRR	Wastewater Reduction and Reuse
ZLD	Zero Liquid Discharge

