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ISSUE 153 – Quarter Three 2016









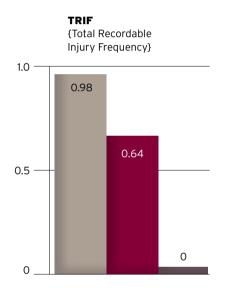
QATARGAS CORPORATE SCORECARD

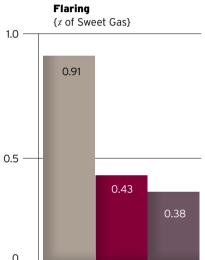
YEAR TO DATE SEPTEMBER 2016

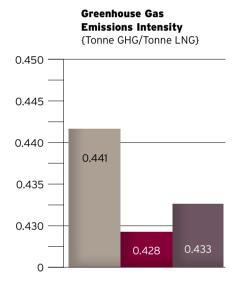


SAFETY, HEALTH AND ENVIRONMENTAL PERFORMANCE

Qatargas outperforming industry



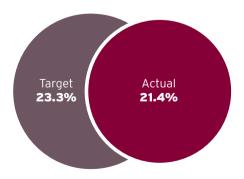




Industry Average Actual Target

QATARIZATION A High Calibre and Diverse Workforce {Total Headcount}

EFFICIENT AND RELIABLE OPERATIONS				
	Industry Average	Actual	Target	
LNG Reliability	96.5%	97.6%	97.5%	
LR Reliability	95%	98.9%	98.5%	
Expenditure vs Target	N/A	83%	N/A	



CUSTOMER SATISFACTION				
	Actual	Target		
Reliable Deliveries	100%	100%		
Positive Responses to Customer Change Requests	94%	85%		

FINANCIAL PERFORMANCE			
	Actual	Target	
Sales Volume (Million Tonnes)	44.6	44.1	

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PIONEER

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FORGING LASTING RELATIONSHIPS

BUILDING ON A REPUTATION FOR SAFETY, FLEXIBILITY AND RELIABILITY



The Qatargas Direction Statement embodies the Company's commitment to delivering Qatari LNG safely and reliably to customers

all over the world. Every day, we work tirelessly to bring the Direction Statement to life, thereby reinforcing our reputation for being the most reliable and flexible LNG Company in the

Throughout our journey to becoming the World's Premier LNG Company, exceptional customer service has always been a top priority. Our unwavering focus on building strong customer relationships has allowed Qatargas to strengthen existing ties with our valued customers, whilst simultaneously enabling expansion into new markets. Such focused efforts help us support the economic and social development of the State of Qatar, under the wise leadership of His Highness the Emir, Sheikh Tamim Bin Hamad Al Thani, and guided by the Qatar National Vision 2030.

From a new business perspective, I am delighted to announce two recent Sale and Purchase Agreements (SPA)

with UK-based entities. The first of these two deals was with Centrica for two million tonnes per annum (MTPA) of LNG. Centrica - an existing customer since 2001 - is a leading international energy and services company. The second deal was with Petronas LNG UK for 1.1 MTPA of LNG to the Dragon LNG Terminal in the UK. Bearing in mind that the UK pursues a national energy strategy which includes LNG as a vital component of their energy mix. these deals will bolster the UK's energy security for many years into the future.

In addition to our recent deals in the UK. Qatargas also welcomed RWE Supply & Trading (RWE) to our expanding client portfolio. RWE, a leading European electricity and gas concern, will receive up to 1.1 MTPA of LNG for the next seven and a half years. As one of the region's leading electricity and gas companies, serving millions of customers. RWE is a strong addition to Qatargas' European client portfolio.

Further afield, a long-term SPA has been signed between Qatargas and Global Energy Infrastructure Limited (GEIL) to supply 1.3 MTPA of LNG to Pakistan for 20 years. I am particularly pleased to strengthen our relationship with Pakistan, which continues to grow as an important LNG market, and I look forward to our respective teams

working together as we safely and reliably supply LNG to Pakistan.

I am also proud to present the Qatargas Sustainability Report 2015 a report which documents our leading position in sustainable initiatives and reporting. Now in its sixth edition, the Qatargas Sustainability Report details our achievements throughout the year under review, such as our Corporate Social Responsibility programme, and our Safety, Health and Environmental performance. Most importantly, this Report details our commitment to sustainable practices in the future.

This commitment to sustainable practices will continue to be a driving force within the Company. And I am convinced that when such practices are combined with our commitment to delivering Qatari LNG safely and reliably to customers all over the world, we will continue to build on our reputation for being the World's Premier LNG Company.

KHALID BIN KHALIFA AL-THANI CEO. QATARGAS

2 THE PIONEER QUARTER THREE 2016 QUARTER THREE 2016 THE PIONEER 3

QATARGAS SECURES QUADRUPLE SPA's



With recent Sale and Purchase Agreements with four prestigious international LNG clients, Qatargas has cemented its position as the World's Premier LNG Company.

CONTRACT EXTENSION WITH PETRONAS LNG UK

EXTENDS QATARGAS' DELIVERIES TO EUROPE

Qatargas has signed a new five-year liquefied natural gas (LNG) Sale and Purchase Agreement (SPA) with PETRONAS LNG UK Limited (PLUK). Under the terms of the new SPA, Qatargas will deliver LNG to PLUK until 31 December 2023, an extension of its current contract due to expire on 31 December 2018.

This new deal, which will see 1.1 million tonnes of LNG safely delivered to the UK per annum, extends the supply relationship with the UK-based entity to a decade. The LNG will be supplied from Qatargas 4 (Train 7), a joint venture between Qatar Petroleum and Shell, which started production in January 2011. The LNG will be delivered on board Q-Flex LNG vessels to the Dragon LNG terminal at Milford Haven, United Kingdom.

Saad Sherida Al-Kaabi, Qatar Petroleum President and Chief Executive Officer and Chairman of Qatargas Board of Directors, expressed his delight at the deal, the latest in a series of high level agreements secured by Qatargas in recent months.

Al Kaabi said: "Qatargas has extended its strong relationship with PETRONAS for many years into the future. This extension will enhance Qatar's leading position in the LNG market, and will further reinforce Qatargas' commitment to meeting the needs of its customers of this clean energy source. Most importantly, this agreement is a testament to our proven ability to safely and reliably deliver LNG to customers not only in the United Kingdom, but all



"Qatargas has extended its strong relationship with PETRONAS for many years into the future. This extension will enhance Qatar's leading position in the LNG market." - Saad

Sherida Al-Kaabi, Qatar Petroleum President and Chief Executive Officer and Chairman of Qatargas Board of Directors.

Commenting on the deal, Khalid Bin Khalifa Al-Thani, Chief Executive Officer, Qatargas, said: "Qatargas continues to win new business, and I am very pleased to extend our relationship with PETRONAS. At Qatargas, we are focused on building strong, long-term relationships with our customers, and reinforcing our reputation for being the most reliable and flexible supplier of LNG

Ahmad Adly Alias, PETRONAS Vice President of LNG Marketing and Trading, said that the extension of the agreement proves the value of a long-term LNG business relationship for both PETRONAS and Qatargas: "As a buyer and seller of LNG, PETRONAS looks forward to enhancing a mutually-beneficial partnership with Qatargas for value added opportunities amidst the current business environment."

PLUK is the Atlantic basin-focused LNG trading subsidiary of PETRONAS, the national oil and gas company of Malaysia. PLUK is also responsible for securing LNG supplies into the Dragon LNG terminal, in which PETRONAS owns 50% equity and capacity stake. PLUK LNG invests in regasification, natural gas storage and transportation gas-to-power tolling capacity and in reducing emissions and through these services homes and businesses throughout Western Europe.

NEW LNG DEAL EXPANDS

QATARGAS CLIENT PORTFOLIO

Qatargas has signed a flexible Sale and Purchase Agreement (SPA) with RWE Supply & Trading (RWE), a leading European electricity and gas concern. The Company will deliver up to 1.1 million tonnes of Liquefied Natural Gas (LNG) per annum to RWE for the next seven and a half years.



Oatargas chartered Q-Flex LNG vessels will deliver the LNG to RWE, at the Gate LNG Terminal in the Netherlands, with flexibility to use the Isle of Grain Terminal in the UK as an additional delivery point if the requirement arises

In signing this deal with a major European utility firm, Qatargas continues to expand its customer portfolio. As one of the region's leading electricity and gas companies, serving over 16 million electricity and 7 million gas customers and employing more than 1300 individuals from 40 countries, RWE is a strong addition to Qatargas' client portfolio in

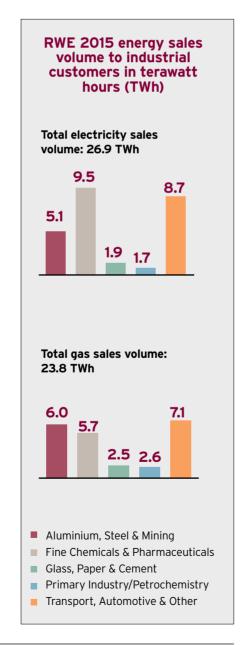
RWE combines energy trading with the procurement of energy commodities from market-leading sources such as Qatargas. Headquartered in Essen, Germany, with offices in Indonesia, Singapore, India, Czech Republic, the Netherlands and the United Kingdom and United States,

RWE acts as an interface to international wholesale markets, as well as a service provider for its own affiliate companies. which in turn develop these assets further.

The Qatargas LNG bound for RWE will be supplied from Qatargas 3, a joint venture between Qatar Petroleum, ConocoPhillips and Mitsui & Co. Ltd. Qatargas chartered Q-Flex LNG vessels will deliver the LNG to RWE at the Gate LNG Terminal in the Netherlands, with flexibility to use the Isle of Grain Terminal in the UK as an additional delivery point if the requirement arises.

Saad Sherida Al-Kaabi, Qatar Petroleum President and Chief Executive Officer, and Chairman of Qatargas Board of Directors, is optimistic about the future relationship between the two companies. "Qatargas is committed to providing reliable, clean energy to consumers all over the world," he said, "This new milestone underscores our commitment

"This new milestone underscores our commitment to building new partnerships with leading global companies." - Saad Sherida Al-Kaabi, Qatar Petroleum President and Chief Executive Officer, and Chairman of Qatargas Board of Directors.



"With the Middle East being one of our kev regions for development, the partnership with Qatargas is of particular significance to us." -

RWE Supply & Trading's Chief Executive Officer. Markus Krebber.



The amount of LNG per annum Qatargas will deliver to RWE for the next seven and a half vears.



Qatargas CEO, Khalid Bin Khalifa Al-Thani, along with senior Qatargas officials and staff, welcome a high-level delegation from RWE Supply & Trading, headed by its CEO Dr. Markus Krebber, during their recent visit to Qatargas to commemorate the signing of the SPA.

to building new partnerships with leading global companies. We hope Qatargas LNG will contribute to enhance Europe's energy supplies and energy security."

Upon the signing of the deal, Khalid Bin Khalifa Al-Thani, Qatargas Chief Executive Officer, said he was particularly pleased to welcome another European client to the Company's ever-expanding client portfolio, which he added clearly reinforces Qatargas' position as "the leading supplier of safe and reliable LNG to Europe, and indeed the whole world."

RWE executives also expressed their satisfaction at the historic signing and the bolstering of relations with Qatargas. "Our company has a strong commitment to building significant partnerships with major global energy companies and with the Middle East being one of our key regions for development, the partnership with Qatargas is of particular significance for us," added RWE Supply & Trading's Chief Executive Officer, Markus Krebber.

"We are pleased to welcome Qatargas as an important new partner for RWE and this agreement enhances the diversity of RWE's European gas portfolio," said Andree Stracke, Chief Commercial Officer at RWE Supply & Trading. "This agreement is the result of several years of close co-operation between Qatargas and RWE which has culminated in a contract which provides flexibility for both companies."

QATARGAS TO BUILD ON EXISTING LNG

SUPPLIES TO PAKISTAN



Qatargas-chartered Q-Flex vessels will deliver the LNG to

A long-term Sale and Purchase Agreement (SPA) has been signed between Qatargas and Global Energy Infrastructure Limited (GEIL) to supply 1.3 million tonnes per annum (MTPA) of Liquefied Natural Gas (LNG) to Pakistan for 20 years. The signing took place in a special ceremony hosted by Pakistan's Prime Minister Nawaz Sharif in Islamabad in September 2016.



Saad Al Kaabi, Chairman of Qatargas Board of Directors, and Furrukh Qayyum, CEO of GEIL, exchange copies of the SPA following the signing ceremony hosted by Pakistan's Prime Minster Nawaz Sharif in Islamahad

The agreement cements an already- GEIL has an office in Istanbul. Turkey

1.3 million

tonnes per annum of LNG to be delivered to GEIL as per the SPA.

Pakistan in 2018 by Qatargaschartered Q-Flex vessels and under the terms of the agreement the volume of deliveries can increase to 2.3 million tonnes per annum.

growing working relationship with the Pakistani energy sector, as

Qatargas dispatched its first

commissioning cargo to the

country in April 2015 and

earlier this year signed

a long-term SPA with

Pakistan State Oil

Company to supply

3.75 million MTPA of

The first cargo

Energy Infrastructure

Limited (GEIL) deal is

expected to be delivered to

of the recent Global

LNG over 15 years.

The LNG will be supplied from Qatargas 2, the world's first fully integrated LNG value chain and a joint venture between Qatar Petroleum, ExxonMobil and Total which started production in 2009.

and two offices in Pakistan - Islamabad and Karachi. GEIL is a division of the Global Energy Group,

a multinational group of companies active in the supply and infrastructure of energy worldwide.

The group currently focuses on longterm LNG supply and LNG downstream infrastructure investment.

SPA. The Qatari LNG
is expected to bolster
Pakistan's energy capacity,
which has experienced shortfalls
in recent years.

Stronger relationship

Saad Sherida Al-Kaabi, Chairman of Qatargas Board of Directors, reaffirmed the commitment of Qatargas to provide clean and reliable energy to customers. "We are proud to support countries in their desire to enhance their energy security," he said. "This new agreement reinforces our confidence in Pakistan as an energy market and in its potential. Qatar, as the world's largest exporter of LNG, has been able to achieve its strategic objective to diversify its export base to include major gas markets, and to be a leader in the supply of a clean energy source that will help reduce greenhouse gas emissions and protect the environment."

"I am particularly

strenathen our

relationship with Pakistan, which

continues to grow as an important

market in the LNG industry." - Khalid Bin Khalifa Al-Thani,

CEO, Qatargas.

pleased to

Commenting on the newly signed deal, Khalid Bin Khalifa Al-Thani, Chief Executive Officer of Qatargas, added: "Qatargas is delighted to announce a 20-year deal with GEIL for the supply of LNG into Pakistan. I am particularly pleased to strengthen our relationship with Pakistan, which continues to grow as an important market in the LNG industry. I would also like to welcome GEIL to Qatargas' expanding client portfolio, and I look forward to our respective teams working together as we safely and reliably supply further LNG to Pakistan."

"This agreement reinforces our confidence in Pakistan as a promising energy market. It also enables us to meet Pakistan's energy needs from the world's most reliable LNG producer, thus enhancing our long and historic brotherly relations."

Saad Sherida Al-Kaabi, Chairman of Qatargas Board of Directors. 2.3 million

tonnes per annum of LNG to which the SPA volume can be increased.

QATARGAS-CENTRICA DEAL BOLSTERS UNITED KINGDOM'S ENERGY SECURITY

As one of the world's largest consumers of gas, the recent signing of a new Sale and Purchase Agreement (SPA) between Qatargas and Centrica has strengthened the United Kingdom's energy security.



Qatargas-chartered Q-Flex and Q-Max LNG vessels will deliver the LNG to the Isle of Grain Terminal, in the UK.

"This new agreement reinforces Qatargas' position as the leading supplier of LNG to the United Kingdom."

Khalid Bin Khalifa Al-Thani, Chief Executive Officer, Qatargas.

In accordance with the SPA, Qatargas will deliver up to two million tonnes of Liquefied Natural Gas (LNG) per annum to UK-based Centrica from 2019 to 2023. The two companies are building on a relationship that began in 2011, with the signing of a three year deal for 2.4 million tonnes of LNG per annum, between Qatar and the UK.

In 2013, this deal was renewed by Centrica for four and a half years, and has now been renewed once more. "Qatargas is pleased to lengthen our existing partnership with Centrica", said Khalid Bin Khalifa Al-Thani, Chief Executive

Officer, Qatargas. "This new agreement reinforces Qatargas' commitment to building a strong relationship with customers, and our position as the leading supplier of LNG to the United Kingdom."

Centrica is a leading international energy and services company, supplying approximately 28 million customer accounts mainly in the United Kingdom, Ireland and North America. Among other energy-related firms in Europe and North America, Centrica owns the United Kingdom's largest gas supplier British Gas, which is the UK's leading energy supplier, delivering energy to

around 11 million homes and thousands of businesses.

Given that the UK pursues a national energy strategy which includes LNG as a vital component of their energy mix, this deal will certainly bolster the UK's future energy security.

Qatargas-chartered Q-Flex and Q-Max LNG vessels will deliver the LNG to the Isle of Grain Terminal, in the United Kingdom. Centrica Chief Executive, Iain Conn, said: "Centrica continues to grow its LNG portfolio, further developing its presence in the global LNG market. I am very pleased that our long-standing supply relationship with the world's biggest LNG producer will continue."



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The quarterly PLE event was attended by senior Qatargas leaders.

RELIABILITY AND REPUTATION **IN FOCUS AT QUARTER 2 PLE REVIEW**

The Corporate Planning Department of Qatargas recently conducted its second quarter Premier Leadership Event (PLE) at Al Khor Community, which was attended by senior Qatargas leaders. The event involved discussions around current performance, and featured a lively discussion on the relationship between reliability and reputation, and a look at what might be in store for the remainder of the year.

The event, the second of its kind this year, was attended by leaders of Qatargas, including CEO Khalid Bin Khalifa Al-Thani. Discussions covered the entire Qatargas value chain, starting with safety, then moving to operations performance and its impact on commercial deliveries, followed by the latest financial results.

The performance review also covered the Corporate KPIs and Corporate Initiatives, and included a strong focus on Cyber Security. A session was dedicated to discussions on Qatargas' SWOT (Strength, Weaknesses, Opportunities and

Threats) analysis, followed by a presentation by Qatar Shell on 'LNG as a Marine Fuel' which is set to be used as a basis for the MLT Strategic Review later this year.

Safety and sustainability

During the discussions, safety as the Company's number one priority was reinforced by Khalifa Al-Sulaiti, Safety and Risk Manager, who presented the statistics for the second quarter. These showed an increase of Total Recordable Injury Frequency (TRIF) from 0.39 in the first quarter to 0.68 in the second guarter, but this remained lower than the figure reported in the corresponding period in 2015.

However, there were no Lost Time Incidents (LTI) during the second quarter, as compared to four in the corresponding period of 2015. Despite injury rates during summer being historically higher, it was observed that heat stress incidents were contained thanks to the Heat Stress Management Programme. Al-Sulaiti attributed the increase in Life Saving Rules Violations (LSRV) to a change of reporting standard. Highlighting the outstanding performance in Process Safety, Al-Sulaiti said no Tier 1, Tier 2 or fire incidents had been reported.

On the environmental front, flaring reduction improved from the first quarter and is predicted to reach close to the initial target by year-end. Al-Sulaiti concluded his session by pointing out that the Jetty Boil-off Gas (JBOG) recovery has reached 94% overall for the year and that the Flaring Reduction Project, scheduled to be completed in 2019, would contribute further to the success of planned longterm emission reductions.

Reliability and reputation

For Operations, strong emphasis was placed on safety, reliability and availability across assets in order to maintain year-end targets. Qatargas 1's planned

For Operations. strong emphasis was placed on safety, reliability and availability across assets in order to maintain vear-end targets.

shutdown was carried out safely in time and Martiin van Hardeveld, Engineering Manager, reinforced the sentiment that only by proactively spotting threats and taking necessary actions, could any reliability issues continue to be structurally eliminated.

For Qatargas 2, Qatargas 3 and Qatargas 4 assets, production targets were forecasted to be met by year end. Laffan Refinery 1 performance remained high in the second quarter.

Highlighting the smooth collaboration between offshore and onshore teams, the Engineering Manager noted that this resulted in adequate Sulfur management during Sulfur Recovery Unit (SRU) 1 repairs. He added that the continuous focus on reliability and reputation would help Qatargas stay ahead of its

The finance presentation covered the year-to-date (July 2016) performance in terms of cost and revenue. The performance review was followed by an elaborate session on the Corporate Initiatives, with the focus on Cyber Security and associated activities currently being undertaken across Qatargas.

Lauran Wetemans, General Manager Downstream LNG at Shell, gave a presentation covering the LNG bunker market, its development, the available opportunities and how this fits into the wider market development. He stated that international regulations are expected to result in demand increase.

The day concluded with the regular Learning & Development session for the leaders. This was presented by Rebecca Grace, Head of Leadership and Succession Planning. During the session, participants discussed the importance of paying attention and placing focus on engaging people to help Qatargas achieve its corporate initiatives smoothly and successfully.

QUARTER 2 PLE REVIEW KEY MESSAGES



Continuous focus on safe and reliable operations remains the first priority for Qatargas



Financial performance must remain in line with budget, supported by cost



Efforts are underway to enter new markets and grow demand. LNG as a Marine Fuel, in collaboration with Shell and Maersk, is a new business opportunity



Following the SWOT analysis performed during the PLE, worldwide supply surplus remains one of the major threats to Qatargas



Motivation and engagement of the workforce is key to our success

FOCUSED ON

QATARGAS' ROOTS IN ITS HOME COUNTRY AND THE COMPANY'S COMMITMENT TO THE COMMUNITIES IT SERVES IS REFLECTED BOTH IN THE NAMES OF ITS SHIPS AND ITS CORPORATE SOCIAL RESPONSIBILITY PROGRAMMES.



Al Ruwais

As Qatargas' fleet travels to ports around the world delivering LNG to international clients, the names of the vessels reveal its home-spun heritage.

Each of the vessels in Qatargas' LNG fleet are named after towns, cities and regions in Qatar, the background to which will be explored in future issues of *The Pioneer*. For example, in the current fleet, the LNG vessel 'Al Ruwais' is named after the northernmost town of the Qatari peninsula, Al Ruwais (also spelled Ar Ru'ays), which is a longstanding fishing and pearling village, with a current population of 4000.

A century ago, Al Ruwais was described by the British government's *Gazetteer of* the Arabian Gulf as being inhabited by about 70 families of the Sadah tribe who owned 18 pearl boats, two other sea-going vessels, 10 fishing boats, four horses, and 20 camels.

Then, as now, the village was watched over by the AI Rakiyat Fort, while drinking water was sourced from the Umm Dha'an well, two kilometres inland.

IMPORTANT FACTS

Name: AL RUWAIS

Type: Q-Flex LNG vessel

Delivered: October 2007

Registered: Nassau, Bahamas

Ship Builder: DSME (Daewoo Shipbuilding & Marine Engineering Co,

Length: 315 metres

Cargo Capacity: 210,100m³

Call Sign: C6WF4

With a maximum speed of 19.5 knots, 'Al Ruwais' can complete the voyage from Ras Laffan, Qatar, to South Hook, United Kingdom and back again in 33 days. On 13 May 2016, 'Al Ruwais' delivered Qatargas' first spot cargo to the Futtsu LNG Terminal in Tokyo Bay, Japan.

COMMUNITY

4000

The population of Al Ruwais, a community in the north of Qatar.

FIFA 2022 venue

Situated at Qatar's northernmost point, AI Ruwais and its neighbouring towns and villages have a strategic location, close to Bahrain and facing onto the country's vast natural gas fields. Yet even today, as the State of Qatar continues its modernisation, AI Ruwais still feels like a quiet fishing village. The adjacent Abu Dhalouf family beach is one of Qatar's best-kept secrets, with local dhows rocking gently in the water. Nearby, the AI Jassassiyeh carvings – a collection of about 900 examples of rock art – provide a glimpse into the area's fascinating past.

Despite its small population, this 'City of the North' will serve as one of the 12 venues for the 2022 FIFA World Cup. Meanwhile, the LNG vessel 'Al Ruwais' continues to proudly carry the name of this low-key Qatari community across the globe.

COP Powers UpAl Shamal's Public Parks

A Qatargas-led project will provide mobile phone charging stations in parks and shaded areas at local beaches.

In line with the Qatar National Vision 2030, the Ras Laffan Industrial City's Community Outreach Programme (COP) contributes towards the long-term sustainability of local communities in Al Khor and Qatar's northern areas. Its latest project – managed by Qatargas on behalf of the COP – involves the installation of solar-powered charging stations for mobile phones in three public parks in the Al Shamal Area, as well as shaded areas with solar-powered lights at two local beaches.

The project forms part of Al Shamal Municipality's environmental conservation efforts and sustainability development initiatives, which focus on utilising solar energy as a renewable and clean source of energy. It includes installing 10 solar charging stations in public parks in Al Ruwais, Ain Sinan and Abu Dhalouf, and setting up 34 shaded areas with solar lights at the Abu Dhalouf and Al Ruwais beaches. The solar-powered mobile charging station is known as the 'Solar Multi-Function Charging Tree', and each 'tree' contains two light poles which can provide eight hours of continuous lighting.

The COP was established with the vision of creating meaningful partnerships that meet community needs. "Representing the energy industry in Qatar, we are supportive of developing and utilising alternative energy solutions for the common good," Qatargas Public Relations Manager Azzam Abdul Aziz Al-Mannai explained. "This initiative by Al Shamal Municipality is a commendable step in line with the objectives of the Qatar National Vision 2030 and we wholeheartedly support it as part of our corporate social responsibility programme."



SUSTAINING AN INCIDENT AND INJURY FREE WORKPLACE

OPERATIONS GROUP COMPLETES ONE YEAR WITHOUT LOST TIME INCIDENT



Several commendable safety milestones were recently achieved by Qatargas, including the Operations Group completing 13 million man-hours without a Lost Time Injury (LTI).

The Operations Group completed an entire vear without an LTI with all employees and contractors working safely at the Company's world class LNG facilities.

At Qatargas, safety is a vital component of the Company's mindset and a core value shared by all employees and contractors alike. These important milestones exemplify the Company's commitment to its Incident and Injury Free (IIF) culture, and the Company's management has spared no effort in providing systems, tools and a supportive environment to reinforce the importance of safety.

Dedication and teamwork

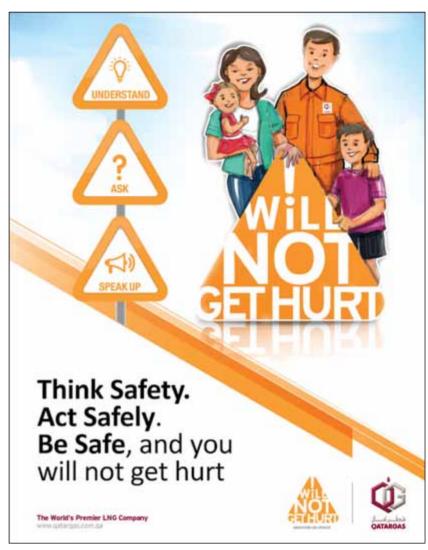
Within Qatargas, strong leadership, dedication to safe working practices, and exceptional teamwork from all employees and contractors make

such accomplishments possible. "I'm very proud of our people for their commitment to safety and continued efforts to make Qatargas an ever safer place to work," said Ahmad Helal Al-Mohannadi, COO-Operations. "I would like to congratulate and thank each and every one of you for your contribution to the safety of our people and reliability of our operations."

The main success factors behind this achievement were regular mandatory safety training programmes, targeted safety campaigns, and effective full time supervision. This achievement stems from the Qatargas Direction Statement, which details the Company's commitment to the core safety principle of sustaining an IIF workplace, and promoting mutual and genuine care for our people.



KEY SAFETY LESSONS IMPARTED TO 1,200 AT TEMPORARY SITE FACILITIES



Throughout the IIF training programme it is emphasised that the duty to remain observant toward safety protocols lies with each individual staff member or contractor.

Following Qatargas' objective of maintaining an Incident and Injury Free (IIF) Workplace, the IIF training programme is carried out across all Temporary Site Facilities (TSF). Through the TSF programme, more than 1200 Qatargas employees and project contractors are continually trained in safety principles and practices.

Among the many successful initiatives that have been implemented under the IIF initiative are the Life Saving Rules, stringent processes for Toolbox Talks, Last Minute Risk Analysis and Job

Safety Analysis reviews, worker welfare inspection and a weekly management IIF walk that includes every contractor. Stringent requirements for personal protective equipment for all employees and contractors are also monitored and adhered to by all.

Emergency response plan

Emergency response awareness programmes and drills are further key components of the IIF programme. In addition, successful traffic management programmes and other related awareness "Ensuring their own safety and the safety of their fellow workers is a key priority for every worker." - Khalid Hamad Al-Dosari. Ventures Manager, Qatargas.

campaigns have also been completed. In the area of emergency response, an Emergency Response Plan has been developed that features a Personal Protective Equipment Requirement Plan including compliance with masks and use of fast response cutters.

An important part of the TSF initiative has been the increase in security at entry points. At entry points there has also been an added emphasis on access control at all main TSF gates, as well as increased focus on general office safety and security upgrades.

Throughout the IIF training programme it was emphasised that the duty to remain observant toward safety protocols falls on each individual staff member or contractor.

The Company works on a strict safety policy that everyone should go home safely to their families at the end of their shift. It is up to everyone within Qatargas, regardless of their rank or the areas in which they work, to remain vigilant and report any conditions or acts they feel seem unsafe.

"Ensuring their own safety and the safety of their fellow workers is a key priority for every worker," reiterated Khalid Hamad Al-Dosari, Qatargas Ventures

The achieved objectives of the IIF training programme are clear within the TSF, as there have been several milestones and achievements recently, including zero heat related cases for the year to date and a clean slate of IIF walk downs - with zero lost time incidents.

LEADERS RECOGNISED FOR SUCCESSFUL PROJECT MANAGEMENT

Two Qatargas leaders were rewarded for their contribution to the successful and safe management of key Company projects.

During the Quarter 2 Premier Leadership Event (PLE), organised by Corporate Planning at Al Khor Community, two Qatargas leaders have been recognised by Qatargas CEO. Khalid Bin Khalifa Al-Thani. They were Ziad Yehya, NFPS Engineering Manager (E&V Group) and Maeen UR Rahman. Lead Project Engineer for shutdown projects (E&V Group).

Sheikh Khalid Bin Abdulla Al-Thani, COO-Engineering and Ventures, was present to support the Company's recognition of the two award winners. He described how Ziad had, through a thorough and professional selection process, established a strong team sourced from RasGas and Qatargas, to handle NFPS Engineering.

"Ziad managed to complete many NFPS feasibility studies using in-house resources from both RasGas and Qatargas, ahead of schedule and with financial savings for both companies," said Sheikh Khalid, adding that Ziad had

"Maeen's role of 1st Level Coordinator was of utmost importance in order to coordinate with all stakeholders and ensure the timely actions to complete the projects as per shutdown timeline."

- Sheikh Khalid Bin Abdulla Al-Thani, COO-Engineering and Ventures



Ziad Yehva, NFPS Engineering Manager (E&V Group).

also been instrumental to the successful completion of pre-FEED studies.

Sheikh Khalid also commended the next award recipient, namely Maeen UR Rahman, Lead Project Engineer for shutdown projects (E&V Group). He explained how Maeen had played a key role in two recent planned shutdowns at Train-6 in March and Train-3 in April.

"His role of 1st Level Coordinator was of utmost importance in order to



Maeen UR Rahman, Lead Project Engineer for

"Ziad managed to complete many NFPS feasibility studies using inhouse resources from both RasGas and Qatargas. ahead of schedule and with financial savings for both companies." -

Sheikh Khalid Bin Abdulla Al-Thani. COO-Engineering and Ventures

coordinate with all stakeholders and ensure the timely actions to complete the projects as per shutdown timeline," said Sheikh Khalid. "Maeen performed this role tremendously and to the entire satisfaction of all stakeholders."

Under Maeen's leadership, PEP team implemented 14 projects during the Train-6 shutdown and 24 Projects during the Train-3 shutdown. He also supervised the completion of the highly challenging project to replace QG1 Offshore Cranes, doing so with great safety, quality statistics, ahead of schedule, and on budget.

Adding that Maeen himself always emphasises how safety comes first, Sheikh Khalid concluded that this approach echoes the values of Qatargas. saying "customer satisfaction cannot be reached if safety performance is not at the maximum level. Despite all the operational challenges, safety cannot be compromised at all."

LEARNING & DEVELOPMENT ADOPTS AUTOMATED TECHNICAL COMPETENCE ASSESSMENT

With the addition of the automated technical competence assessment (TCA) within Qatargas' Learning and Development (L&D) Department, the Company is one step closer to full implementation of the SAP talent management system.

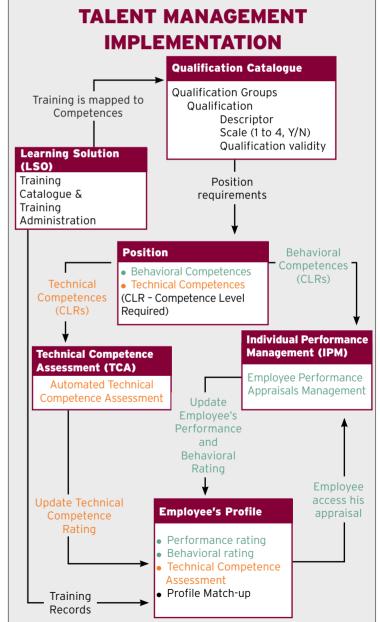
The TCA has been added to the activated set of talent management applications, Individual Performance Management (IPM) and Learning Solution (LSO) and covers job competence profiling (position requirements) to assessment (employee's profile) to identifying learning and development needs through a comprehensive gap analysis report.

The competences required for positions are stored in a central database (Qualifications Catalogue) and assigned from there to positions. TCA allows employees to complete their online self-assessments (Required vs Demonstrated), and supervisors to assess their direct reports. The outcome of the assessments gives the managers a view over the competence level of the staff. As a result, training needs are real, well identified and training budgets are planned and spent more effectively.

Competence gap closure can be properly planned using LSO whilst management is assured that each employee is competent to meet the requirements of the job and to perform at the desired level.

Benefits of Implementing Technical **Competence Assessment**

- Create a central Competence Database.
- Creates a consistent approach to manage both the competence assessment and competence development process.
- Identified learning interventions are based on actual needs of each employee.
- Ensure competent staff is in place to perform safely and effectively.
- Ensure TCA, IPM and LSO processes are integrated.
- Real Time information and better reporting and analysis.
- Available skills are known.
- Job Competence Profiles are updated not individually, but through the update of the competences in the catalogue which saves a considerable amount of time.



16 THE PIONEER QUARTER THREE 2016



Having realised its vision to become the World's Premier LNG Company in 2015, Qatargas is now committed to maintaining its leadership position and pursuing sustainable practices.

TOWARDS A SUSTAINABLE FUTURE

The 2015 Qatargas Sustainability Report demonstrates the Company's commitment to long-term excellence, and showcases how it has exceeded its sustainability and development goals.



In 2010, Qatargas set out its Vision to become the World's Premier LNG Company by 2015. Knowing that the global demand for energy was growing, and cognisant of the ever-increasing concern about the damaging impact of increased energy consumption on the environment, Qatargas recognised its pivotal role in supplying reliable and clean energy.

In 2015, Qatargas realised its targets and achieved premiership status, as outlined by CEO Khalid Bin Khalifa Al-Thani in the 2015 Sustainability Report. "In 2010, Qatargas established a set of challenging targets to be fulfilled by 2015 in order to demonstrate



world-class economic, social, and environmental performance. By not only achieving those targets but setting best practices in the industry, and investing significant financial resources, we outperformed other industry players in all these areas."

Now the focus shifts to the next five years, with new targets for 2020 and beyond.

Corporate Social Responsibility

Underpinning Qatargas' sustainability efforts is its commitment to community development. The Company has a diverse Corporate Social Responsibility (CSR) programme, and is continuously streamlining its CSR work to make it more responsive to the needs of the society it serves.

In 2015, Qatargas reorganised its Social Investment Policy and Procedure, defining the responsibilities in managing social investment initiatives, establishing a clear procedure for reviewing requests for support of social activities, and setting out criteria to be used for evaluating social investments. One of the Company's platforms for engaging with local communities is the Community Outreach Programme (COP), a voluntary initiative established in 2010, and shared by seven companies operating in Ras Laffan Industrial City (including Qatar Petroleum, RasGas, Oryx GTL, Pearl GTL, Al Khaleej Gas and Dolphin Energy). The COP serves the needs of the communities situated in Qatar's northern region, investing USD 7 million a year in community projects.

Safety, Health & Environment Performance

In 2015, Qatargas reported only four Lost Time Incidents (LTIs) and one Tier-1 Process Safety Event, making it the safest year in the Company's history. The target for 2020 is zero LTIs, a goal that relies on a corporate culture where priority is placed on safety and on preventing harm to people, the community and the environment.

From an environmental point of view, Qatargas also reported highly positive results. The Company received the prestigious Gulf Cooperation Council (GCC) Environmental Award in "Despite challenging times in the oil and gas market, Qatargas has maintained stability in operations and demonstrated leadership by focusing on longterm goals."

Qatargas CEO Khalid Bin Khalifa Al-Thani.

2015 for Best Industrial Establishment that complies with Environmental Regulations and Standards, and achieved remarkable success in flare reduction (down 20% on 2014 levels).

The first full year of operation of the Company's Jetty Boil-Off Gas (JBOG) Recovery facility led to a 90% recovery of boil-off gas during LNG loading, and a



Shutdown flaring reduction 88% Reduction in turnaround (shutdown) flaring since 2012. 100% 66% 30% 12% 2012 2013 2014 2015

76% reduction in Greenhouse Gas (GHG) emissions from LNG loading relative to 2013.

"Qatargas' role in the global energy sector has become more important than ever," CEO Khalid bin Khalifa Al-Thani said. "with the State of Qatar joining 194 nations across the globe to be part of the truly historic international Climate Change Agreement signed in Paris in December 2015. In this agreement, the signatory countries have committed to decrease greenhouse gas emissions to a level that will prevent the irreversible negative impact of climate

years

without lost time injury at Qatargas' loading and storage facility.

> change. Using reliable and cleaner energy sources has become a fundamental component of greenhouse gas mitigation strategies on a global level."

High Calibre Workforce

In line with the Human Development pillar of Qatar National Vision 2030, Qatargas is supporting the State of Qatar's efforts aimed at transforming Qatar into a knowledge-based society that is home to highly skilled professionals.

An important part of this social investment lies in the Company's Qatarization efforts. In 2015, the Company

achieved a Qatarization rate of 24.6%, which provides a sound platform for the goal of 50% by 2030.

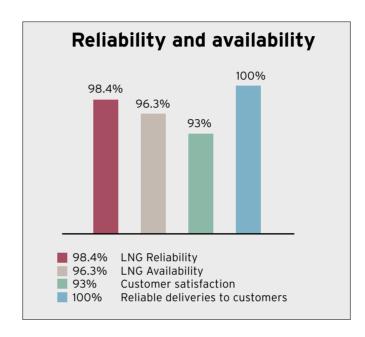
Qatargas' workforce is currently represented by over 60 nationalities. The Company is committed to using its diversity as a source of strength, developing people and fostering a culture of learning, innovation and excellence.



Qatargas is supporting the State of Qatar's efforts aimed at transforming Qatar into a knowledge-based society that is home to highly skilled professionals.

Efficient And Reliable Operations

Qatargas remains the industry leader, with impressive reliability (98.4%) and availability (96.7%) figures. These achievements are a result of continuous operational process enhancement, and remain among the Company's primary targets. Efficiency represents ability to optimally manage its resources, and is tracked by indicators like cost of production per unit and headcount. Reliability, meanwhile, represents the Company's ability to operate its plants to full capacity, without any unplanned shutdowns.



Customer Satisfaction

The simplest way to determine customer satisfaction is to measure the amount of late or off-spec deliveries. There were no late or off-spec deliveries in 2015. But customers also require flexibility, and to meet this need, Qatargas introduced the supply method of delivering five cargos to multiple ports in 2015.

By delivering LNG from the same vessel to multiple ports, Qatargas achieves optimal utilisation of shipping capacity and uniquely positions the Company to support customers' needs in an ever-changing market. These efforts to provide more flexibility in delivery saw customer satisfaction in product delivery reach 93%, according to the latest survey.

Financial Performance

Qatargas' role in the sustainable development of Qatar's economy cannot be overstated. The Company accounts for 17.5% of global LNG exports, and is the world's largest LNG supplier. As a result, local business, employment and social development all depend to a large degree on the Company's financial growth and stability.

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

Accelerating Sustainability

Since 2012, when Qatargas completed its first full year at near full capacity, the company has continued its drive towards sustainability and social engagement.

2012

First full year with all Qatargas ventures operating at near full capacity.

Qatargas wins Award for Excellence in Flaring Reduction from by Global Gas Flaring Reduction (GGFR) Partnership of the World Bank.

2014

CSR spending passes QAR 17 million.

Average of 53.8 hours of training per employee recorded.

2013

Qatargas employees and contractors record Lost-Time Injury frequency of just 0.05%.

Launch of 10 Life Saving Rules (LSR) for workplace safety.

2015

First full year of Jetty Boil-Off Gas (JBOG) Recovery facility achieves 90% recovery of boil-off gas during LNG loading.

Qatargas awarded GCC Environmental Award for Best Industrial Establishment that Complies with Environmental Regulations and Standards.

QATARGAS LEAK DETECTION AND REPAIR PROGRAMME (LDAR)

Qatargas' LDAR programme helps manage potentially harmful emissions of Volatile Organic Compounds (VOCs). VOCs can contribute to the formation of atmospheric smog, affecting air quality.

An important element of Qatargas' social responsibility is the protection of its natural environment, including the air.

Since 2008, Qatargas has been running a stringent Leak Detection and Repair (LDAR) programme at our LNG, Laffan Refinery and Tank Farm product storage facilities. This requirement is part of the respective Consent to Operate (CTO) permit prerequisites issued by the Ministry of Municipality and Environment (MME). Qatargas's LDAR programme monitors approximately 75,000 process components to identify VOC emissions (known as 'fugitive emissions'), ensuring that these emissions are minimised.

In addition to the LDAR programme, Qatargas is also operating a Common VOC Control system at its liquid products loading facility, eliminating these VOCs by combusting them.

HOW THE LDAR PROGRAMME WORKS

Process components that are used in VOC service are monitored to identify problem areas which might result in fugitive VOC emissions being released into the atmosphere. These components include all equipment and component piping systems that handle flows containing at least 10% by weight of VOCs.

The LDAR programme at each Qatargas facility includes the identification and marking of LDAR components on Process Flow Diagrams (PFDs), Piping and Instrumentation Diagrams (P&IDs), and verification and onsite tagging of these components with a unique identification number. Tagged components undergo annual

monitoring for fugitive emissions with a portable VOC analyzer.

What Are Vocs?

Volatile organic compounds are organic chemicals which have low boiling point

and a high vapour pressure. When these

vapours are released, they contribute to atmospheric photochemical reactions.

which can lead to the formation of

harmful, ground-level ozone gases.

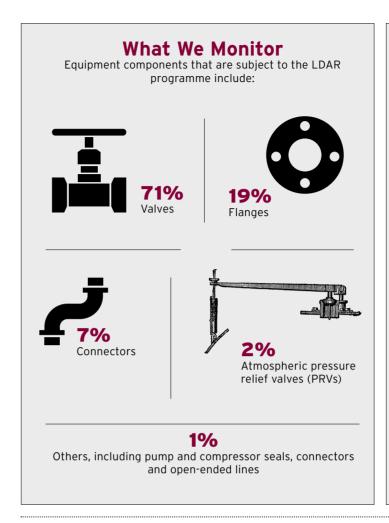
Components with parts per million by volume (ppmv) concentrations above 10,000 (found in our LNG facilities) and 500 ppmv (LR and RLTO facilities) are classified as leakers, and a maintenance schedule is established to repair and remonitor these leakers within a timeframe of 90 days. Component identification and associated monitoring and repair records for all facilities is maintained and managed through an LDAR database.

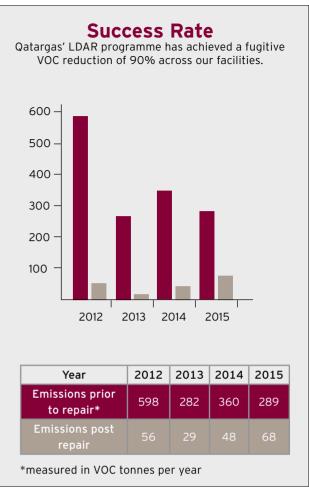
The programme will be extended to include future facilities commissioned at Qatargas. The LDAR programme is a continual improvement programme to ensure emissions reductions are sustained and compliance is maintained with applicable environmental permits and regulations.

The LDAR programme at each Qatargas facility includes the identification and marking of LDAR components on Process Flow Diagrams (PFDs), Piping and Instrumentation Diagrams (P&IDs), and verification and on-site tagging of these components with a unique identification number.

75,000

Qatargas' LDAR programme currently monitors approximately 75,000 process components for fugitive VOC emissions at its LNG, Laffan Refinery and Tank Farm product storage facilities.





GTL PROJECT WINS STUDENT PRIZE

Sponsored by Qatargas, Qatar University's Plant Design Competition produces fascinating winning entry.

Supporting and encouraging education is a core element of Qatargas' corporate social responsibility. Since 2004, the company has partnered with Qatar University to provide Chemical Engineering students the opportunity to work on a plant design project relevant to the industry. This year, Qatargas sponsored the Best Overall Prize for the University's 13th Annual Plant Design Competition.

The competition was a culmination of two semesters of work for the students. Eight teams participated, with each team's project evaluated by a panel of judges comprising industry representatives, including Qatargas Surveillance Engineering Division Manager Abdulla Radi Al-Hajri.

The winning team, which included students Shiva Yousefi, Dareen Dardor, Mariem Chamekh and Baraa Anayeh, presented a proposal for a Gas-to-Liquids (GTL) project. Their proposed plant would be capable of producing affordable, sulphur-free liquid fuel as an alternative to fossil fuel and coal by utilising natural gas.



 $\ensuremath{\mathsf{Qatargas}}$ and $\ensuremath{\mathsf{Qatar}}$ University officials with the winning team members.



THE DESERT IS ALIVE

PROTECT, PRESERVE AND RESPECT

Qatargas continues its Go Green campaign this month, turning our attention to Qatar's natural heritage and raising awareness about the need to conserve the peninsula's fragile desert ecosystems.

- Qatar is mostly comprised of a fragile desert or semi-arid terrestrial ecosystem that comprises hundreds of plant and animal species, including several vulnerable and endangered species.
- The AI Reem Biosphere Reserve is one of 24
 UNESCO-recognised Biosphere Reserves in the
- Middle East and home to the Arabian Oryx. Due to conservation efforts, the Oryx is the first animal to revert to Vulnerable status after previously being declared Extinct in Wild.
- Ecologically sensitive areas near Qatargas facilities include nesting areas for endangered hawksbill and green

turtles on Ras Laffan beaches, nearshore coral and seagrass beds and the coastal mangroves of Al-Dhakhira.

 Qatar is also home to many migratory birds such as flamingos and the vulnerable Houbara Bustard.

HELP PROTECT QATAR'S FRAGILE ECOSYSTEM - DO YOUR PART:



po not litter recreational areas. Clean up picnic spots after you are done.



Do not disturb animals and the natural environment.



Do not feed animals.



No hunting.



Falcon صقر (Endangered)



Houbara Bustard حباری/Houbara



Bulbul بلبل /*Bulbul*



Dove حمام /*Hamam*

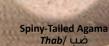


Oryx Al-Maha/ المها (Vulnerable)

Camel

Lote Tree السدرة /*Al-Sidra*

Snake ثعبان /*Thuban*



Truffles فقع /Faqeh



Mangrove القرم /*Al-Quram*



Corals //Al-Shiab Al-Murganya الشعاب المرجانية



Sea Grass //*Al-Ashab Al-Bahrya* الأعشاب البحرية



Sea Snake /*Thuban Al-Bahar* ثعبان البحر



Sea Turtles Sulahfat Al-Bahar/ سلحفاة البحر (Endangered)



Flamingo



Dugong Baqarat Al-Bahar/ بقرة البحر (Vuinerable)



Seagulls Al-Salal/ الصلال (Vulngrahla)