

THE MAGAZINE OF QATARGAS OPERATING COMPANY LIMITED

THE PIONEER

SPECIAL EDITION

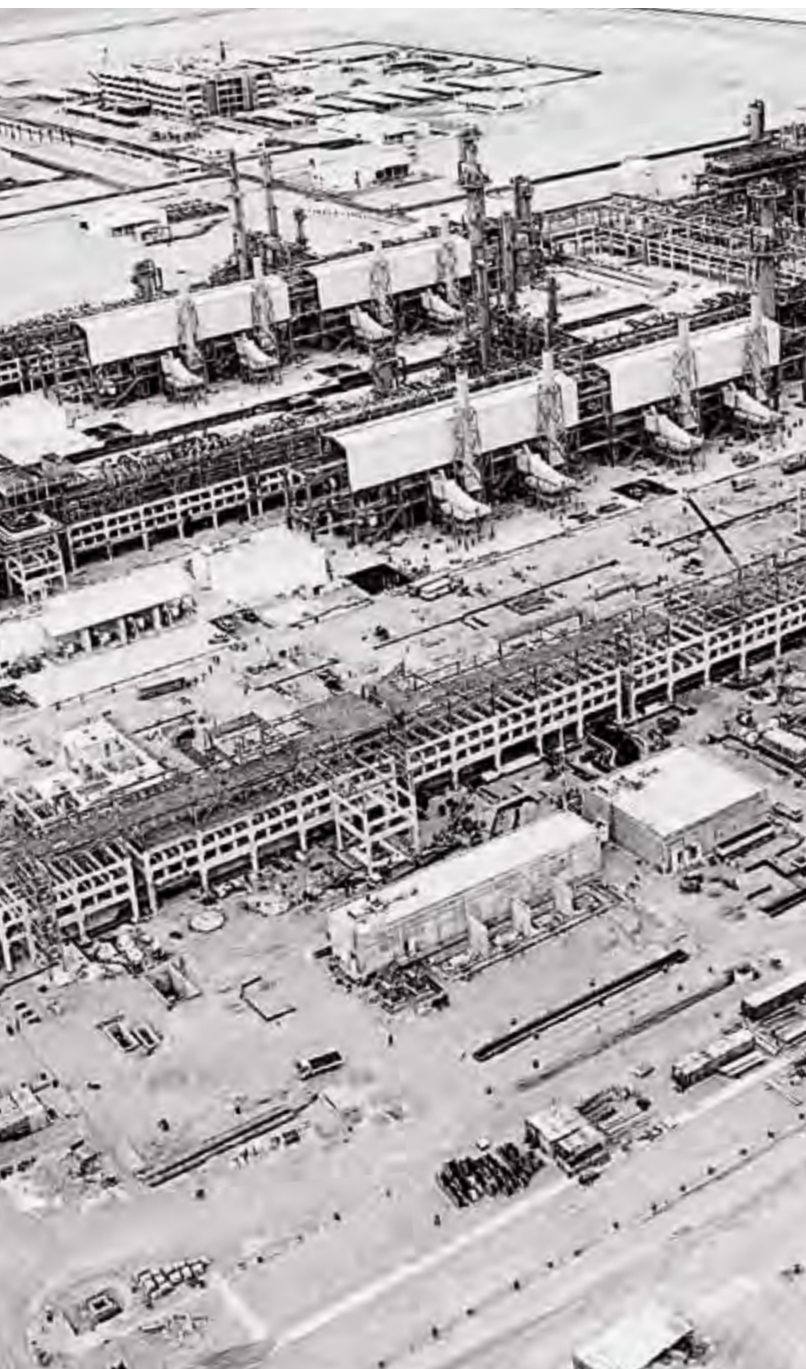
2015



A JOURNEY IN EXCELLENCE 30 YEARS OF QATARGAS

The World's Premier LNG Company





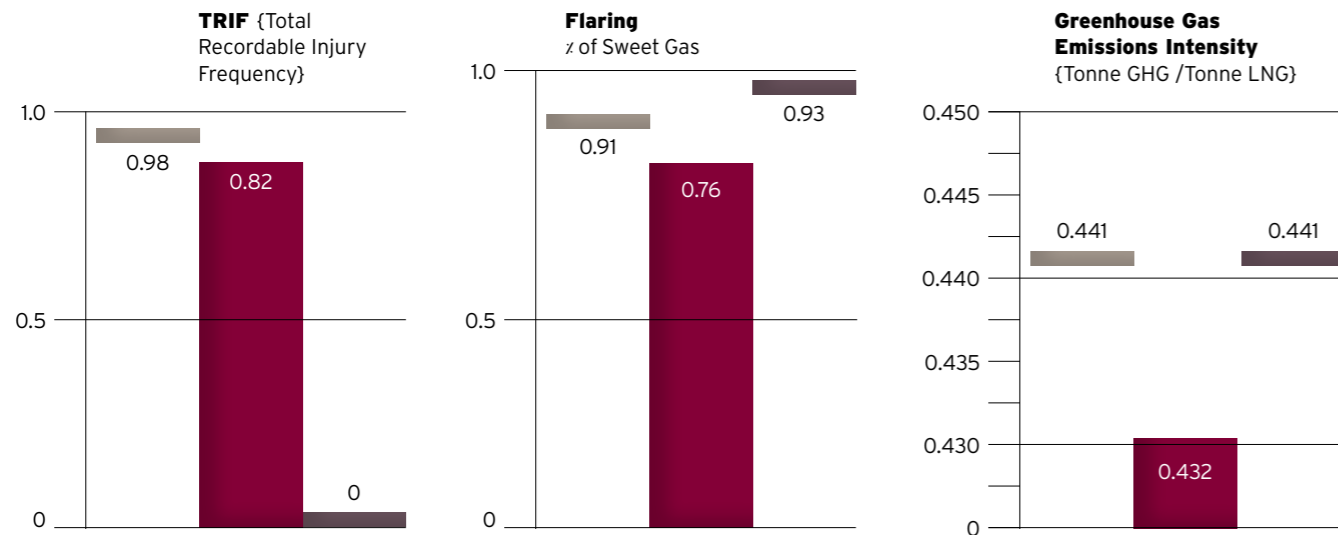
FROM VISION TO REALITY

QATARGAS CORPORATE SCORECARD

YEAR TO DATE DECEMBER 2014 

SHE PERFORMANCE

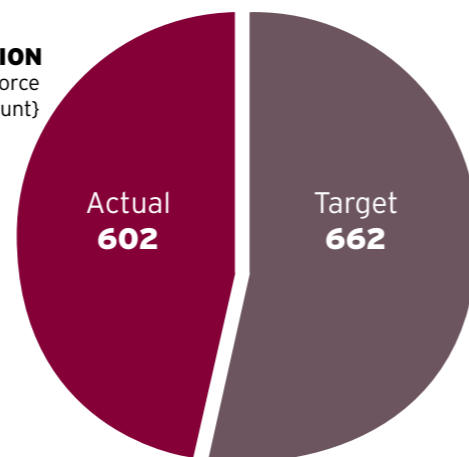
Qatargas outperforming industry



Industry Average
Actual
Target

QATARIZATION

A High Calibre and Diverse Work Force
{Total Headcount}



EFFICIENT AND RELIABLE OPERATIONS

	Industry Average	Actual	Target
LNG Reliability	96.5%	98.6%	97.2%
LR Reliability	98.5%	98.6%	98.5%
Expenditure vs Target	N/A	88%	N/A

CUSTOMER SATISFACTION

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

FINANCIAL PERFORMANCE

	Actual	Target
Sales Volume vs Target	99%	N/A

"QATAR, THE WORLD'S LARGEST LNG SUPPLIER"

30 YEARS OF SUCCESS



Qatar's LNG industry began on December 20th, 1984 with the establishment of Qatargas as the first LNG project in the region.

Since then, the enormous achievements by Qatargas have led the way for other Qatari gas-related enterprises, and made great contributions towards positioning Qatar as the world's largest LNG supplier.

We owe this great success to the inspirational far-sightedness of His Highness the Father Emir, Sheikh Hamad Bin Khalifa Al Thani, who recognised the potential of the North Field reservoir as a basis for securing Qatar's long-term economic well-being. It is this insight that is being pursued by the wise vision and leadership of His Highness the Emir Sheikh Tamim Bin Hamad Al Thani, who is leveraging our successes for higher growth and development.

The Qatargas project, as it was initially called, came into existence through the efforts of local and international partners, who provided the technical expertise and commitment necessary to build the LNG production facilities and market the company's gas products to the world.

Qatargas was initially conceived as a three-train LNG project with a production capacity of six million tonnes per annum (mtpa) to supply the Japanese market. But within 15 years of its first LNG production in 1996, Qatargas has grown to become the world's largest LNG producer with a total capacity of 42 mtpa, delivering safely and reliably to markets in four continents, and making a significant contribution to the sustainable economic development of the State of Qatar.

Today we look back at the past 30 years of Qatargas with great pride in everything that it has achieved and in everybody who was part of its success. We are proud of the pioneering spirit that has built and maintained a portfolio of satisfied customers in more than 20 countries around the globe. We are proud of those partners who worked with Qatar Petroleum to bring the Qatargas vision to life – both shareholders and dedicated employees. We are proud of the company's technical successes in the flawless and safe delivery of impressive groundbreaking projects, one after another, in quick succession. We are proud that Qatargas has commissioned more LNG terminals throughout the world than any other LNG company. We are proud of our extraordinary safety and environmental record.

This is the legacy of Qatargas. This is our driving force for the next 30 years.

SAAD SHERIDA AL-KAABI
CHAIRMAN, QATARGAS

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PIONEER

THE MAGAZINE OF QATARGAS OPERATING COMPANY LIMITED

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"INSPIRED VISION, COURAGEOUS DECISION MAKING"

QATARGAS - PIONEERING THE LNG INDUSTRY IN QATAR



Qatargas was formally established in December 1984 to develop the offshore North Field gas reservoir and monetise this enormous asset by processing, marketing and exporting LNG from Qatar for the first time.

The following years up to the delivery of Qatargas' first LNG cargo in early 1997 were marked by vigorous efforts to overcome a complex mix of infrastructural, technical, logistical, marketing and funding hurdles.

It needed to identify reliable partners with appropriate technical expertise and experience, develop trusting relationships with potential long-term buyers and secure the massive funding required to undertake such a groundbreaking initiative.

Moving forward to meet infrastructural needs, Qatar's top leadership gave the green light for construction of a giant gas export port at Ras Laffan. In 1992, having secured strong technical and financial backing, and with a world-class gas hub under construction, Qatar secured its first Sales and Purchase Agreement (SPA) with Chubu Electric of Japan for long-term supply of LNG. This gave impetus to the construction of the Qatargas 1 facility which was completed in 1996.

The years following were marked by a

succession of record-breaking expansion projects, bringing Qatargas' production capacity up to 42 million tonnes per annum (mtpa), the largest in the world. This achievement took bold planning and investment on the part of the State of Qatar, the support of world-class shareholders and partners, the commitment of the Qatargas management team and the efforts of a diverse, talented workforce drawn from all over the world.

Throughout the 30 years since its establishment, the Qatargas story has been one of inspired vision, courageous decision-making and relentless determination to overcome all obstacles – and there were many. The vision of His Highness The Emir and his determination to bring this vision to reality were paramount to the success of the Qatargas initiative. Finding a way to produce and deliver viable quantities of LNG to the world's energy markets took many years, deployment of numerous new technologies, an international pool of experts and a dedicated ongoing programme of innovation. But fundamental to the success of this venture has been the human element and the development of relationships. The sensitive cultivation of potential stakeholders and the trust, flexibility and positive collaborative spirit exhibited by all the parties involved in the Qatargas journey have been crucial in taking us to where we are today.

KHALID BIN KHALIFA AL THANI
CEO, QATARGAS

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30 YEARS

THE QATARGAS JOURNEY

Celebrating 30 years since the establishment of Qatargas Operating Company Limited, *The Pioneer* looks back at its beginnings, traces its development to becoming the largest LNG producing company in the world and also looks forward to the next era for Qatargas.

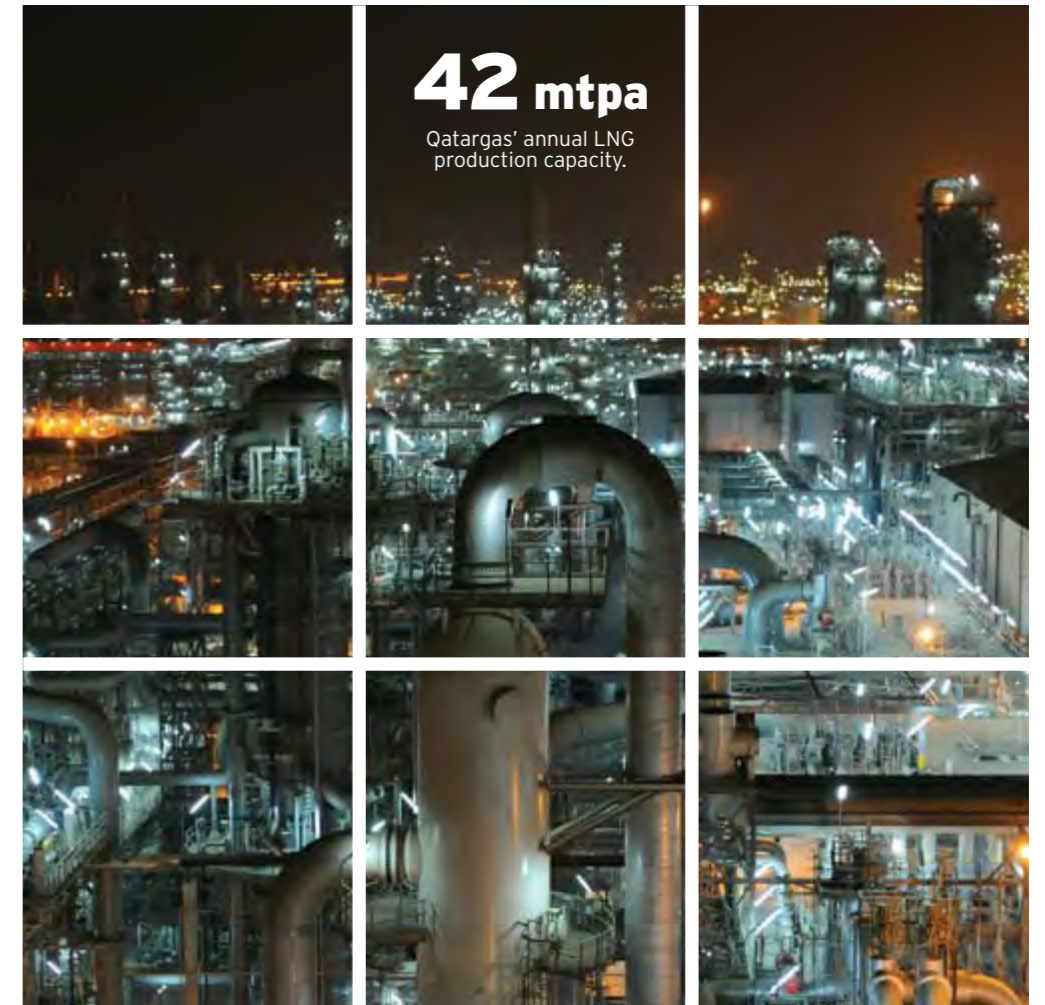
In the early 1970s the world's largest non-associated gas field with 900 trillion cubic feet of reserves was discovered 80 kilometres northeast of Qatar's mainland, known today as the North Field. At this time, Qatar Petroleum announced intentions of an LNG project to exploit this new field and subsequently an Emiri decree was issued in 1984, establishing Qatargas as an independent entity to bring this project to life.

Qatargas has since become the largest LNG producing company in the world, with an annual production capacity of 42 million tonnes per annum (mtpa). From its beginnings, when Qatargas 1 (QG1) delivered its first supply to Japan in 1997, expansion projects have included the development of Qatargas 2 (QG2), Qatargas 3 (QG3) and Qatargas 4 (QG4); the Laffan Refinery; a dedicated fleet of ships; a regasification terminal; and liaison offices in Japan, China and Thailand. Qatargas now operates seven LNG trains, four of which are the largest mega-trains in the world, each with a capacity of 7.8 mtpa.

From the beginning

For the decade after the Emiri decree was issued, feasibility studies were conducted and financing was secured by developing partnerships with key stakeholders and working with a consortium of national banks, until first ground was broken in 1994.

The signing of the first SPA (Sales and Purchase Agreement) with Japan in 1992 was Qatargas' first major milestone and this ultimately led to the development of QG1 with three LNG trains, each with a production capacity of two mtpa. The first gas was extracted from beneath the shining waters of the North Field in 1996, marking the beginning of LNG production in Ras Laffan Industrial City (RLIC), a first for Qatar. In December 1996 the first delivery of LNG left Qatar, reaching Japan in January 1997 and confirming the strong vision behind Qatar's pioneering decision to develop LNG at a time when its global market demand for the future was still unknown.



42 mtpa

Qatargas' annual LNG production capacity.

Since that historical shipment, the Qatargas journey evolved. By 2001, Qatargas had reached a production capacity of 7.37 mtpa and the first of its major expansion projects began with the launch of a debottlenecking project

to boost its existing train capacity. During this period further major expansion projects were also planned.

Major growth

From 2004, when the agreement for QG2 was signed, to 2011, Qatargas went

through a period of major growth. From 2005, there were several initiatives which went on in tandem – construction of QG2 started and agreements were signed to finance QG3. Qatar Petroleum (QP) and the Royal Dutch/Shell Group of Companies (Shell) signed a

The first gas was extracted from the North Field in 1996, marking the beginning of LNG production in Ras Laffan Industrial City (RLIC), a first for Qatar.



The first Sales and Purchase Agreement is signed with Chubu, Japan in April 1992, which lead to the development of QG1.

Qatargas' first major milestone was the signing of its first SPA (Sales and Purchase Agreement) with Japan in 1992, leading to the development of QG 1 with three LNG trains, each with a production capacity of two mtpa.



H.E. Abdullah Bin Hamad Al Attiyah, Qatar's Former Minister of Energy breaks ground for Qatargas 1 in April 1994. The first product was extracted in 1996.

Heads of Agreement (HOA) for the development of QG4. In the same year, a 25-year Sales & Purchase Agreement (SPA) to deliver 15.6 mtpa of LNG to the United Kingdom was signed and QG2, the world's first integrated LNG project, constructed Europe's largest LNG receiving terminal (South Hook, Milford Haven, Wales). In early 2006, the ground

breaking for QG3 and QG4 began and by 2008 the company had reached a production capacity of 10.09 mtpa, a 37 percent increase in capacity since its 2001 record. During this time Qatargas drafted a Direction Statement to be "the world's premier LNG company" that would be known throughout the LNG industry for its high quality, diverse

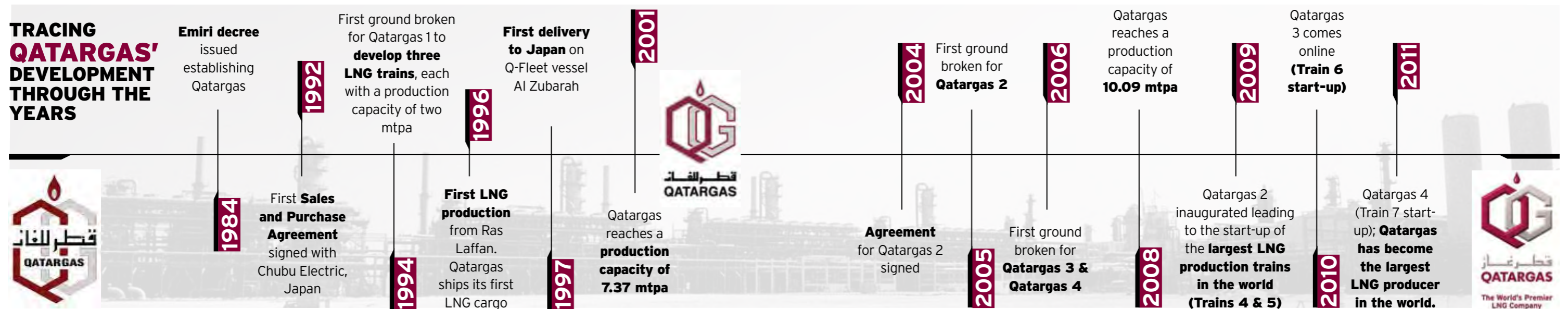
workforce and for setting the industry standard with regard to operating excellence and corporate social and environmental responsibility. Ambitions were set on achieving this vision by 2015 and a quick look at the Corporate Scorecard shows that Qatargas is already at or near the top of the scale in all these critical factors. In 2009, QG2 was

inaugurated, boasting the largest LNG production trains in the world. In quick succession QG3 and QG4 came online, in 2010 and 2011 respectively. A production capacity of 42 mtpa was reached on January 31, 2011 (first LNG produced) with the start-up of Train 7, and Qatargas officially became the largest LNG producer in the world.

In each of the ventures, Qatar Petroleum is the majority shareholder, partnering with one or more of the world's major LNG players such as ExxonMobil, Total, Mitsui, Marubeni, ConocoPhillips and Shell. Japan remained the company's largest long-term customer, with eight major Japanese buyers, namely, Chubu Electric Power Co.Inc., Tohoku Electric Power Co.Inc., The Tokyo Electric Power Co. Inc., The Kansai Electric Power Co. Inc., The Chugoku Electric Power Co. Inc., Tokyo Gas Co. Ltd., Osaka Gas Co. Ltd., Toho Gas Co. Ltd. But by this time, Qatargas had also signed spot purchase agreements with Gaz de France (France), Enagas (Spain), Botas (Turkey), Edison (Italy), Duke Energy and CMS (USA) and Korea Gas Corporation (Korea). Significant long-term agreements were also signed with companies across different countries, including the UK, Poland, Korea and China.



In 2004, the agreement was signed for Qatargas 2 and first ground was broken in 2005. First ground for QG3 and QG4 was broken in 2006, leading to the development of the world's largest LNG trains.



Qatargas today

Today, Qatargas customers are spread throughout the four corners of the globe in European, Asian and the American markets. The company is known for its people, innovation, operating excellence, environmental responsibility and corporate citizenship. To date, the company has helped commission 14 LNG receiving terminals across the Americas, Europe and Asia. Qatargas is now the largest supplier in the world, having successfully delivered more than 3800 cargoes of LNG since its first delivery in 1997, to 24 countries across four continents including newer LNG markets such as Thailand, Kuwait and the United Arab Emirates.

In addition to being the single largest LNG producer, Qatargas is also the world's leading condensate producer with a refinery capacity of 146,000 barrels per day. This will increase to 300,000 barrels per day with the Laffan Refinery expansion project due for completion in the third quarter 2016. This is of strategic importance, as it will contribute to diversifying

Qatar's energy mix, creating new market opportunities.

Qatargas sets high standards for safety performance, customer satisfaction, efficient and reliable operations, financial performance and successful and sustainable development. The company continues to build on its strong partnerships with the world's premier energy companies, all of them leaders in the global LNG industry; to deliver to the world's premier LNG customers; and it continues to attract the best employees from the global LNG community. Furthermore, Qatargas is committed to making a positive and lasting contribution towards capacity building at a local level, playing a significant role in providing opportunities for nationals to grow and prosper.

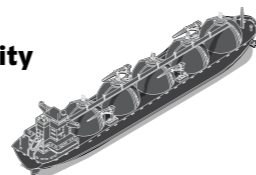
Throughout its 30 years, Qatargas has been pioneering, driven by the vision of H.H. the Emir, Sheikh Tamim Bin Hamad Al Thani and H.H. the Father Emir, Sheikh Hamad Bin Khalifa Al Thani, and has become a major and influential player in the global oil and gas sector.

Qatargas in numbers



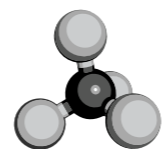
Qatargas was established **30** years ago in 1984

and today has the capacity to produce **42** mtpa of LNG



Gas reserves

There is more than **900 tn cubic metres** of natural gas in Qatar's seabed



4.3 bn cubic feet of wet natural gas is supplied daily by QG1

1.6 mn cubic feet of dry natural gas is

supplied daily across QG2, 3 & 4

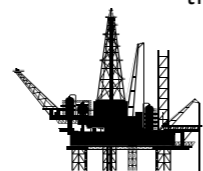
Qatargas operates

7 LNG trains



4 of these are the largest in the world

QG4 operates **85** gas wells



Shipping

Qatargas has a fleet of **43** purpose-built shipping vessels

10 of which transport LNG to Japan alone



Process

Gas is cooled to **minus 150° Celsius** in order to liquefy it



and is stored and transported at **minus 162° Celsius**.

Qatargas 1: Setting the scene

First ground was broken for Qatargas 1 in April 1994.



Qatargas 1 marks the beginning of what is a remarkable modern-day success story. Qatar sits on the largest gas accumulation in the world. The North Field holds 900 trillion cubic metres of reserves.

Following the signing of a SPA with Chubu Electric, Japan in 1992, Qatargas chartered a fleet of 10 LNG ships and the construction of QG1 began.

QG1 consists of three onshore LNG trains with a total combined capacity of 10 million tonnes (mtpa) per annum. The Qatargas offshore production, separation and treatment facilities on the North Field are located about 80 kilometres North-East of Qatar's mainland.

The scale of Qatargas' expansion was both massive and ambitious. Twenty production wells were drilled and completed to supply 1600 million standard cubic feet (45 million cubic metres) of raw natural gas per day from the field's reservoir, underneath the seabed. The processed gas is transferred to shore with the associated condensate via a single 32-inch sub-sea pipeline, where it becomes the feedstock for the onshore LNG plant.

The onshore LNG plant occupies a site within Ras Laffan Industrial City on a plot of land 3.7 square kilometres in area. The onshore plant consists of three LNG trains. Each of the trains is 300 metres long and the trains process the natural gas into the export product known as Liquefied Natural Gas or LNG.

The current capacity of 10 mtpa of LNG is the result of a successful debottlenecking project completed in 2005. The original nameplate capacity of the trains was two mtpa each. The QG1 shareholders are Qatar Petroleum, Exxon Mobil, Total, Mitsui and Marubeni.

On January 10, 1997 the first shipment of LNG was successfully delivered to Japan.



Ships

Qatargas 1 has a fleet of 11 purpose-built vessels, each with a capacity of 135,000 cubic metres (4.8 million cubic feet) currently in operation for the transportation of LNG from Qatargas to its Japanese buyers.

Each vessel contains five Moss-Rosenberg design spherical LNG tanks and its normal cruising speed is about 20 knots, which translates into a return voyage time between Qatar and Japan of about one month. Qatargas has selected

names of the LNG vessels to reflect the main cities and areas in Qatar, such as Doha and Duhail.

Liquefaction process

Taking raw natural gas from the seabed and turning it into LNG for export still follows the same liquefaction process today as it did when QG1 was first established. Extracted from the seabed 3000 metres below, the raw gas arrives onshore at Ras Laffan into a slug catcher to separate out the condensate from the gas before being sent to the liquefaction trains

for processing into LNG.

During the first phase of this process, sulfur compounds, carbon dioxide and water are removed in stages.

The gas is then chilled using propane and a mixed refrigeration process. The main cryogenic heat exchanger in each train then cools the gas close to minus 160 degrees Celsius at which point it becomes liquid, making it an incredible one six hundredth the original volume of the gas and thus economical for shipping around the world.

A view of one of the Qatargas 1 conventional vessels with five Moss-Rosenberg design spherical LNG tanks.



30TH
ANNIVERSARY
SPECIAL EDITION



The first product was extracted by Qatargas in 1996.

The successful expansion programme included the development of QG2, QG3 and QG4 and the inception of the world's largest mega-train.



MAJOR GROWTH

Since the establishment of Qatargas 1, a successful expansion programme that included the development of Qatargas 2, Qatargas 3 and Qatargas 4 projects has been completed, elevating Qatargas to the accolade of being the largest LNG producing company in the world.

Qatargas 2

was inaugurated in a special ceremony in April 2009 by His Highness the Emir, Sheikh Hamad Bin Khalifa Al Thani in the presence of His Royal Highness The Duke of York, Prince Andrew.

The project is the world's first fully integrated value chain LNG venture. It includes two world-class LNG trains each with a capacity of 7.8 million tonnes per annum

(mtpa) of LNG and 0.85 mtpa Liquefied Petroleum Gas (LPG), condensate production of 90,000 bpd, a fleet of 14 ships and a receiving terminal. Train 4 shareholders are Qatar Petroleum and ExxonMobil and Train 5 shareholders are Qatar Petroleum, ExxonMobil and Total. The project includes 30 offshore wells and three new platforms in Qatar's North Field. The offshore platforms are unmanned and produce

2.9 billion cubic feet of gas per day. Total production is piped to shore via two wet-gas pipelines.

The LNG is processed using Air Product's proprietary APX process technology. The use of this technology has allowed Qatargas to achieve a fundamental milestone for the LNG industry by increasing the size of the trains to a record new level of 7.8 mtpa for each train.

As part of the total expansion of Ras Laffan capacity, Qatargas 2 also led the construction of facilities for expanded LNG storage and loading, including five 145,000 cubic metre tanks and three LNG berths, a 12,000 tonne/day common sulfur system serving all Ras Laffan ventures and an export pipeline and mooring buoy for loading condensate ships some 55 kilometres offshore.



Value Chain

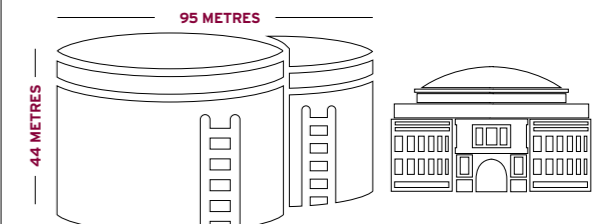
South Hook Terminal is now the largest in Europe allowing the import and regasification of LNG from Qatargas 2.

There are few projects in the UK that compare to the South Hook LNG Terminal in terms of pure scale of the physical infrastructure. The five storage tanks are the largest in the world at 95 metres in diameter and nearly 44 metres high – one tank could hold the Royal Albert Hall in London in its entirety.

The creation of the world's first fully-integrated LNG value chain changed the face of the global LNG industry. The United Kingdom and Europe were to be the main markets for QG2, a groundbreaking project in every way. From developing the mega-train and commissioning a fleet of the largest ships ever made, to developing the South Hook Terminal in the UK, Europe's largest regasification terminal, Qatargas had established an operational model that would catapult it to becoming the largest LNG producer in the world.

The first cargo was commissioned in March 2009 and QG2 has since delivered a total of 434 LNG cargoes to the UK, accounting for 20 percent of its total gas needs.

Submerged Combustion Vaporizers and other specialised technologies minimise air and water pollution, whilst safety standards have been taken to entirely new levels to ensure the comfort and security of the local community.



THE FACILITY HAS FIVE STORAGE TANKS

ONE TANK COULD HOLD THE ROYAL ALBERT HALL IN LONDON IN ITS ENTIRETY.



15.6

mtpa

The capacity of South Hook Terminal project in Milford Haven, Wales.

TYPES OF LNG SHIPS

Q-MAX
263,000 -
266,000 m³

Q-FLEX
210,000 -
216,000 m³

CONVENTIONAL
137,500 -
154,000 m³



How big can you build an LNG ship?

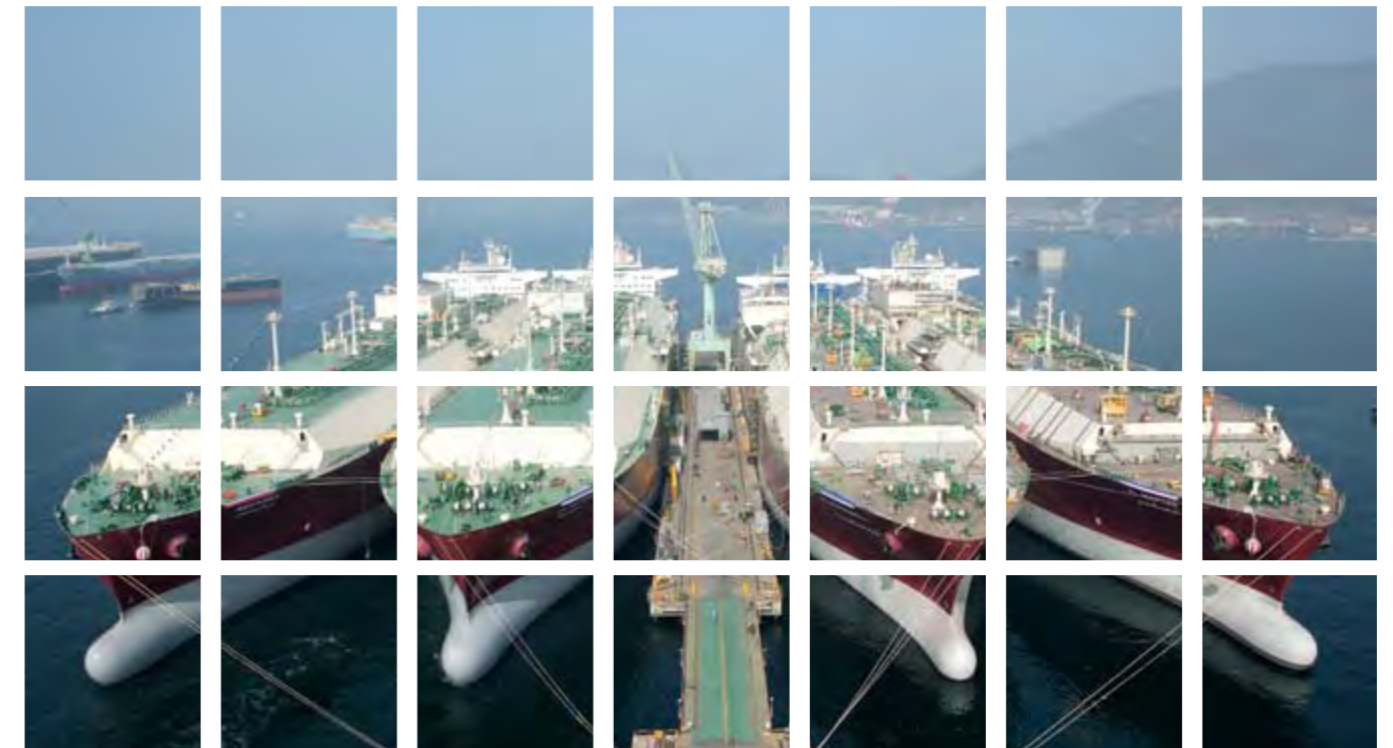
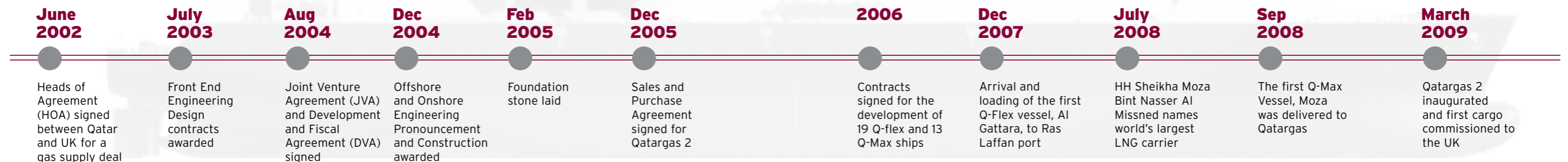
In answering this question, Qatargas led the way with a new generation of LNG tankers. The Q-Max and Q-Flex project made a quantum leap in the capacity of LNG carriers.

An extraordinary 80 percent larger than the original LNG fleet, each ship now has the capacity to carry between 210,000 and 266,000 cubic metres of natural gas, equivalent to fill London's Royal Albert Hall three times over. Just as importantly, each ship was designed

with a host of innovative features to maximise cargo deliveries and ensure the highest levels of safety and reliability, while reducing the cost of transportation by approximately 30 percent, and reducing CO₂ emissions by 30 percent per tonne of cargo carried.

Key Milestones

32 Q-Flex and Q-Max Vessels are now used to transport Qatargas LNG to markets around the globe and it is the largest fleet of LNG carriers in the world. Trace its development here.

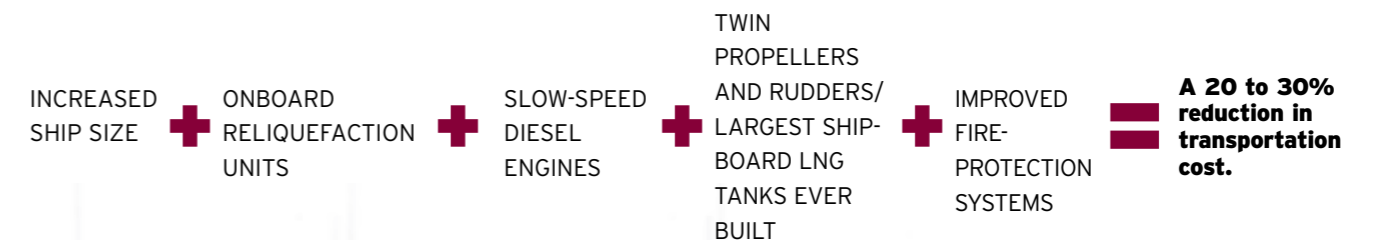


On-board reliquefaction plants

In addition to increasing the size of the ship, a major initiative was undertaken to design, test and implement the on-board reliquefaction plant that re-liquefies natural gas that is vaporised during transit, re-injecting it as liquid into the cargo tanks rather than using it as vaporised gas to power the tanker itself – allowing for delivery of nearly 100 percent of the cargo.

This is particularly beneficial for the long-haul voyages from Qatar to Europe and Asia. The on-board reliquefaction facilities created an opportunity to shift from steam boilers and turbines used for propulsion by conventional LNG ships to highly-efficient, slow-speed diesel engines. The Q-Max ships are equipped with two diesel engines driving twin propellers and rudders. This leads to more energy-efficient, reliable and maneuverable ships, reducing fuel consumption by up to one-third.

Pushing the boundaries of innovative thinking and technology, Qatargas has now differentiated itself from other global LNG producers – a modern-day success story.



Qatargas 3: Economies of scale

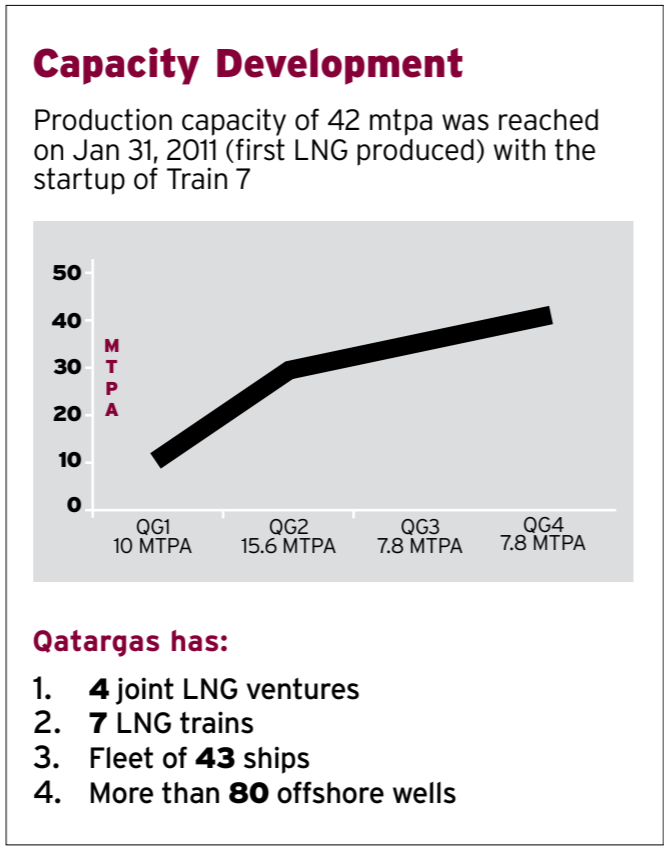
Qatargas 3 produces 1.4 billion standard cubic feet of gas per day, delivering LNG and substantial volumes of condensate and LPG. It utilises the same Air Products proprietary APX process technology as QG2. This helps to achieve economies of scale and integration, which puts Qatargas ahead of its competitors.

The LNG produced by QG3 is transported to market on a fleet of ten ships, each with a capacity of approximately 210,000 to 266,000 cubic metres. The upstream platforms and infrastructure consist of three unmanned

platforms, 33 wells and two subsea pipelines, all of which are shared with the Qatargas 4 project. QG 3 Train 6 ships its LNG predominantly to the United States, Asia and Europe. At full operational capacity, the train is capable of providing approximately one billion cubic feet of gas per day for 25 years. The QG3 and QG4 projects were developed and executed by a Joint Asset Development Team to capture synergies between the two projects.

The LNG produced by QG3 is transported to market on a fleet of ten ships, each with a capacity of approximately 210,000 to 266,000 cubic metres.

1bn
The Qatargas 3 train is capable of providing 1 billion cubic feet of gas per day.



Qatargas 4: Completing the vision

Qatargas 4 (QG4), which started producing LNG in January 2011, completes Qatargas' planned LNG expansion projects. The project QG4 involved the construction of a new LNG mega-train (Train 7), similar to QG2 and QG3 with a production capacity of 7.8 mtpa.

The upstream platforms and infrastructure consist of three unmanned platforms (each containing 11 wells) and two sub-sea pipelines, which are shared with QG3. QG4 can produce 1.4 billion standard cubic feet of gas per day, delivering LNG and substantial volumes of

condensate and LPG, as well as high purity grade sulfur. QG4 utilises the same Air Product's proprietary APX process technology as QG2 and QG3, helping to achieve economies of scale and integration not previously possible in the LNG industry. The LNG from QG4 is

transported to global markets via a fleet of eight Q-Flex or Q-Max ships (approximately 210,000 to 266,000 cubic metres capacity each) that have been constructed in Korean shipyards. Qatargas' seventh train predominantly supplies North America, the Middle East and Asia.

The upstream platforms and infrastructure consist of three unmanned platforms (each containing 11 wells) and two sub-sea pipelines, which are shared with Qatargas 3.



Environment initiatives

People, innovation, operating excellence and corporate social responsibility form the foundation of the company's approach to sustainability.

Qatargas upholds the highest standards of responsible energy management and energy conservation in everything it does. It has established a range of policies and procedures relating to its sustainability performance and has outlined a number of medium- to long-term goals to make the business more sustainable, such as the attention it gives to biodiversity and producing cleaner burning fossil fuels.

Qatargas employs cutting-edge technologies that whenever possible, minimise the effect on the environment. Initiatives such as the innovative Jetty Boil-Off Gas (JBOG) recovery project, designed to recover the gas that is typically flared off during LNG ship loading further enhances performance.

Flare reduction

Flare reduction has been a major focus of these goals and 2014 was the company's best year yet in terms of flare reduction achievements. Here are some of the numbers:

76%
reduction in total flaring from 2009 to 2014.

76%
reduction in LNG train shutdown flaring since 2012.

45%
reduction in LNG mega-train purge gas flaring from 2013 to 2014.

GHG MANAGEMENT STRATEGY
Qatargas strives towards improving operational performance and energy efficiency to reduce its Greenhouse Gas (GHG) emissions through an effective management strategy. The strategy has three phases:

PHASE 1 involves understanding the GHG issue, preparing an action plan and focusing on internal capacity building. It also analyses the impact of climate change on Qatargas' operations.

PHASE 2 focuses on a comprehensive GHG emissions inventory, benchmarking GHG efficiency per tonne of LNG produced and comparing company environmental performance relative to peer companies.

PHASE 3 assesses carbon reduction opportunities and abatement techniques via sustainability assessments and engineering studies. It also looks at an overall Life Cycle Assessment.

Wastewater management strategy

Qatargas long-term aim is to minimise water discharge and adopt best industry practices on sustainable wastewater use and reuse. The following strategies were applied:

Re-Use

suitable streams to meet irrigation water specifications with minimum treatment.

Recycle

suitable streams to produce either desalinated or polished water with appropriate treatments.

Reduce

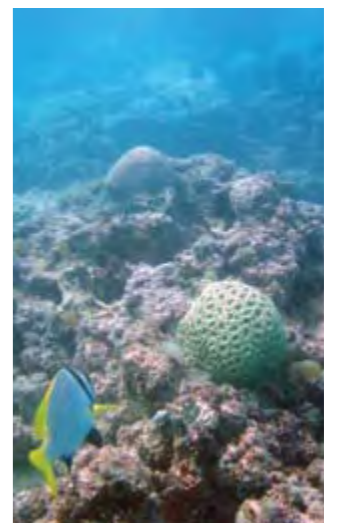
disposal by minimising flow to deep well injection by segregation of produced water from other waste water streams.

Coral relocation

In October 2006, Qatargas, with the Ministry of Environment, started implementing a unique environmental programme to save more than 4500 coral colonies in an area that would have been affected by the underwater pipeline laying activities related to Qatargas' expansion projects – Qatargas 2, Qatargas 3 and Qatargas 4.

The programme involved moving the corals from their existing location to a more suitable area south-east of Al Khor. In an operation that lasted over five months, scientists carefully detached the coral colonies from the seafloor, transported them safely to the new location and re-attached to the seafloor. The corals were then numbered and tagged for future monitoring.

Since then, Qatargas has been conducting regular environmental monitoring surveys to determine the success of the relocation programme and establish a baseline for the monitoring of the reef health and viability. The corals are currently monitored every six months. Two successive recent surveys have highlighted that the transplanted corals are reproducing successfully.



SAFETY

At Qatargas, safety is a core value that takes top priority. The company's exponential growth and development was achieved with an unwavering commitment to safety in all areas.



12 years
Of offshore operations
without a Lost Time
Incident (LTI).

Qatargas believes that all incidents are preventable and that everybody is important in every project regardless of their rank. Management's highest priority is for everyone to return home safely to their families after working on a Qatargas project. There is open communication with all ranks of workers and attention paid to accommodation, food and training. Moreover, any contractor that works with Qatargas has only one concern: the high safety standards.

Incident and Injury Free

Qatargas pioneered the Incident and Injury Free (IIF) Programme, which was introduced in 2002. It has seen over 60,000 employees and project contractors trained in safety principles and practices that firmly state "everyone has a right and responsibility to speak up to correct an unsafe situation". The IIF programme is endorsed and supported by Qatargas' management team

and is designed to encourage positive safety behaviour both in and outside of worksites.

Some of the safety initiatives at Qatargas include:

- Development of an Electronic Permit to Work system
- Safe Equipment Isolation and Simultaneous Operations policies
- Introduction of Contractor Safety Management System and integration of contractors into safety programme and culture
- An updated process for job safety analysis, toolbox talks and TapRoot accident investigation model
- Introduction of newer, more stringent requirements for personal protective clothing for employees and contractors
- Community HSE awareness programmes.

The programme of initiatives has driven and continues to drive a transformation in people's attitude and behaviour towards safety in all aspects of their work.

MAJOR PROJECTS

Qatargas has successfully delivered a series of world-class projects that display a commitment to technical and operational excellence while maintaining the highest environmental standards.



Laffan Refinery 1

The ambition to build the world's largest condensate refinery was achieved when it was officially opened in September 2009, helping to capture synergies and opportunities from the development of the North Field, Qatargas, RasGas and other Ras Laffan City ventures. The refinery consists of process units including utility systems, distillation units, naphtha and kerosene hydrotreaters, a hydrogen unit and a saturated gas plant producing naphtha, kerojet, gasoil and liquefied petroleum gas (LPG) from untreated gas condensate.

From its inception, the refinery was planned as an environmentally-friendly facility and was built in line with stringent environmental standards to reflect this concept in every detail. One such system is the gas recovery system, which captures and compresses gases generated during normal operations and recycles them as fuel gas.

Furthermore, the refinery's waste water treatment system enables reuse of treated water in various operations of the refinery. Under this system, as much as 40 percent of the effluent water is treated with the overall treatment capacity of the plant being 40 cubic metres per hour. Emission levels at the refinery are also low because of advanced

environment control programmes introduced within the facility that meet European Union standards.

Qatargas operates the refinery on behalf of the shareholders: Qatar Petroleum, Total, ExxonMobil, Cosmo, Idemitsu, Mitsui and Marubeni. Since the start-up of LR1 and the RALF facility, the State of Qatar has not imported any diesel from outside of the country.

Laffan Refinery 2

His Highness the Emir of Qatar Sheikh Tamim Bin Hamad Al Thani, formally laid the foundation stone for Laffan Refinery 2 (LR2) at a special ceremony in April 2014.

Laffan Refinery 2 will effectively double the condensate refining design capacity of the Laffan Refinery Complex to 300,000 barrels per day, solidifying the country's unique position as the largest condensate producer with the largest condensate refining capacity in the world.

The Laffan Refinery Project aims to build a bridge between present and future generations by optimising Qatar's natural resources and fostering sustainable growth. LR2 is a joint venture between Qatar Petroleum (QP), Total, and Japanese energy companies Idemitsu, Cosmo, Marubeni and Mitsui. Qatargas Operating Company Limited (Qatargas), as with LR1, will operate LR2. The construction works are scheduled for completion by the third quarter of 2016. Upon its completion, Qatar will have the capacity to process approximately 40 percent of the condensate from the North Field

The LR2 project, located at Ras Laffan Industrial City, will add to Qatargas' integrated value chain and will generate revenue from supplying the refined products into domestic and export markets.

Laffan Refinery 1, Qatar's first condensate refinery, started production in September 2009. It is designed to be one of the largest condensate refineries in the world.

Ras Laffan Terminal Operations

The equivalent of more than two billion barrels of product has been loaded by QatarGas through its Ras Laffan Terminal Operations (RLTO) since it was set up in 2006.

RLTO is responsible for the storage and loading of all non-LNG liquid hydrocarbon products and bulk sulfur in Ras Laffan Industrial City produced by the various end-users, including QatarGas, Qatar Petroleum, RasGas, Laffan Refinery, Al Khaleej Gas, Dolphin Energy Limited, Qatar Shell GTL, Oryx GTL, Ras Laffan Olefins Company and Barzan.

Conceptually developed as an RLC-led taskforce, RLTO was launched in 2006 for all liquid petroleum products storage and loading. It was established around a concept of shared storage, to reduce the overall investment in tanks, as well as shared access to berths to reduce the overall investment required in both capital and operational costs for the port expansion.

QatarGas was appointed as the SO and RLTO, a division within QatarGas, loaded its first cargo in January 2007. The 5000th cargo was loaded in October 2014.



Plateau Maintenance Project (PMP)

The PMP ensures that the production capacity of QatarGas 1 is maintained at 10 million tonnes per annum (mtpa) of LNG until 2021 and beyond.

All QG1 facilities were re-evaluated for their suitability to produce and process reservoir feedgas and to determine any required modifications. The project involved drilling and recompleting offshore wells, adding new onshore facilities for sulfur handling and modifying existing LNG production trains 1, 2 and 3. The project began initial operations in April 2011.

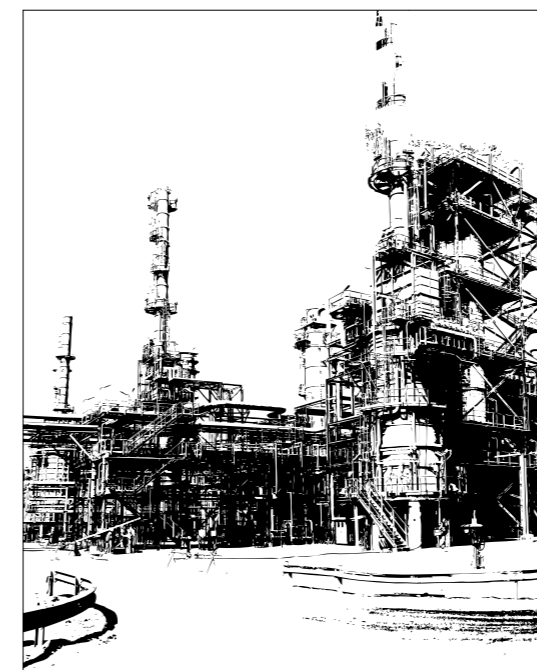
New acid gas removal and sulfur recovery unit facilities, with a new capacity of 1.7 billion cubic feet per day (bcfd) feedgas with two percent hydrogen sulfide (H₂S), were implemented as part of the onshore facilities component.

New storage tanks for liquid sulfur and AGRU processes were installed, along with additional instrument air compression and water softening and desalination utilities. The project also installed a new sulfur export line tying into the CSP header 1.5 km away, and the installation of new end flash gas compressors in the three QG1 LNG trains.

Common Sulfur Project

The Common Sulfur Facility is a sulfur process facility located within the RLC port area just south of the LNG loading berths operated by QatarGas. The facility includes a molten collection pipeline network that runs through Ras Laffan Industrial City with a daily average nominal capacity of 12,000 tonnes per day.

Sulfur comes from multiple natural gas, LNG and GTL facilities. This pipeline network can transport molten sulfur from 11 producers. The collected molten sulfur is transported to the sulfur berth area via this pipeline network where the primary processing will occur. Processing will consist of converting the sulfur from its molten liquid state to premium-grade solid granules, providing temporary storage and then loading the product onto ships for use in other industries.



DHT

Commissioned in Spring 2014, the Diesel Hydrotreater (DHT) facility at Laffan Refinery was recently completed under QatarGas' auspices. The DHT facility was executed within budget and without a Lost Time Incident (LTI). The DHT physically sits inside the Laffan Refinery fence-line and is designed to convert 54,000 barrels per stream day of light gasoil to ultra-low sulfur diesel with less than 10 parts per million (ppm) of sulfur.

Currently the DHT runs at 50 percent capacity by processing light gasoil from the existing LRI. As LR2 is brought online, the production rate will double.

The unit produces diesel for exclusive consumption in Qatar with less than 10 ppm of sulfur, with methodology under licence from a Danish firm (Haldor Topsoe) and exceeding the Best in Class Euro 5 Specifications. QatarGas is the first to have built such a facility here in the region.



JBOG Project

As one of the largest environment projects in the world, JBOG's largest environmental boon is the reduction of 1.6 million tonnes per annum of carbon dioxide emissions.

During the loading of LNG, a portion of the -160°C liquid boils off as it comes in contact with the warmer ship tank. Previously, this boiled-off gas would be flared at the berth because there was no outlet for the low-pressure gas.

Located in Qatar's Ras Laffan port area, the JBOG project is now part of the Common LNG Storage and Loading (CLNG S&L) Asset, and consists of a Central Compression Area (CCA), which is connected to all six LNG berths in the area through a 60-inch collection header. With this installed capacity, the CCA can recover 90 percent of the total flared gases at LNG berths.

In accordance with strict international standards, the JBOG project also recovers the loss of approximately 0.6 million tonnes of flared gas per day, producing 750 megawatts and generating enough energy to power roughly 300,000 homes. That saving translates to a cumulative windfall of one trillion cubic feet of gas over 30 years.

The landmark JBOG project also achieves the stipulated flaring standard of a 0.3 weight percentile in the total annual production of sweet gas, effectively decreasing the carbon footprint of Qatar's 77 mtpa LNG industry to a minimum.

90 %

LNG loading flare reduction from JBOG facilities.

JBOG's largest environmental boon is the reduction of 1.6 million tonnes per annum of carbon dioxide emissions.

30 YEARS

A JOURNEY IN EXCELLENCE

All of these achievements combine to make Qatargas the largest LNG producing company in the world with an annual LNG production capacity of 42 mtpa. It is through operating excellence, innovation in global energy and a high calibre workforce, that Qatargas is safely and reliably delivering LNG to its customers around the globe. This legacy has redefined the global LNG business, placing Qatar as the world's largest LNG producer, meeting global energy demand safely and reliably.

Our journey continues.

QATARGAS, THE WORLD'S PREMIER LNG COMPANY.

PIONEERING EVENTS:

The end of 2014 saw the staging of two successful industry-related events for the company and Qatargas participation was also strong in a number of international conferences.



CONTRACTOR FORUM

The Qatargas Contractor Forum was themed around 'One Team One Mission' with the main objective of supporting and developing the local market.

Welcoming participants, Qatargas CEO Khalid Bin Khalifa Al Thani said, "Our aim is to continue to contribute positively to the National Vision 2030, specifically to the pillar of achieving sustainable economic development through local market development."

The presentations covered project plans and work inside Ras Laffan Industrial City, Qatargas standards and expectations and the company's tendering process.



11TH ANNUAL ENGINEERING FORUM

The Engineering Forum, jointly organised by Qatargas and RasGas, provides an important opportunity to share technical expertise, discuss latest developments and highlight best practices underway in Qatar.

Qatargas Engineering Manager, Dean King, RasGas Manufacturing Manager Fahad Al Khater and ExxonMobil Qatar Inc, President and General Manager Barton Cahir addressed the delegates.

Forum presentations focused on Optimisation & Best Practices; Reliability; and Emerging Issues.



BECOMING THE LARGEST CONDENSATE PROCESSOR IN THE WORLD

The annual Condensate and Naphtha Forum provides a platform for discussion on the latest developments of key market trends, opportunities and challenges across the industry.

Qatargas CEO Khalid Bin Khalifa Al Thani highlighted the company's importance in the global field while Qatargas Refinery Ventures COO, Salman Ashkanani, delivered a keynote speech highlighting the company's condensate refining capacity, which will be doubled to approximately 300,000 barrels per day when LR2 comes online.



8th International PETROLEUM TECHNOLOGY CONFERENCE

Providing an excellent networking opportunity with industry peers from across the global LNG value chain, IPTC has become an important event in the Qatargas annual calendar. The Qatargas delegation to attend IPTC was led by Qatargas COO - Engineering & Ventures, Sheikh Khalid Bin Abdulla Al Thani and Qatargas COO - Administration, Ghanim Al Kuwari.

Qatargas delegates presented a variety of papers under the conference theme, 'Innovation and Collaboration: Keys to Affordable Energy.'

LEADERS IN SAFETY, HEALTH AND ENVIRONMENTAL PRACTICES

Qatargas has become the first Qatari company to win the two most prestigious awards in the area of LNG operations from the British Safety Council (BSC) – the Sword of Honour and the Globe of Honour.



Qatargas CEO Khalid Bin Khalifa Al Thani received the award from British Safety Council CEO Alex Botha at a special ceremony held at Drapers' Hall in London, United Kingdom.

Qatargas was one of only four organisations worldwide successful in winning both the Sword of Honour and Globe of Honour awards in 2014. It was one of 50 organisations worldwide that achieved a Sword of Honour for demonstrating excellence in the management of health and safety, and one of five organisations worldwide presented with a Globe of Honour for its excellence in environmental management.

Qatargas participated in the Occupational Health & Safety and Environment Management audits in 2013 and again in 2014. Success was attributable to strong management and leadership, team effort and support from various departments including Shipping, the Environmental Group and General Services.

On accepting the awards, Qatargas CEO Khalid Bin Khalifa Al Thani said, "We are deeply honoured to receive this prestigious recognition as evidence of our continued efforts to promote world-class standards and integrate best practices into our business performance. Through the hard work and dedication of the Qatargas Shipping Department, this is yet another milestone in achieving our vision to become the world's premier LNG Company."

"We are deeply honoured to receive this prestigious recognition as evidence of our continued efforts to promote world-class standards and integrate best practices into our business performance." –

Qatargas CEO, Khalid Bin Khalifa Al Thani.

Founded over 50 years ago, the British Safety Council is a registered charity that was created to promote the protection of life and the environment, following the manifesto "five steps for healthier and safer work activities". They provide training and consultation to organisations worldwide, and aligned with the goal of continuous improvement, have developed a unique five-star audit model that objectively evaluates the occupational health, safety and environmental management systems against current best practice. To compete for the awards, Qatargas first had to achieve the maximum five stars in these comprehensive audit schemes.

The audits highlighted a number of Qatargas' areas of strength, including:

- Safety and environmental management and leadership:

At Qatargas there is a high level of commitment to the protection of the workforce and the environment through implementing best practices. Safety is a priority at all management levels and funding is made available to support this.

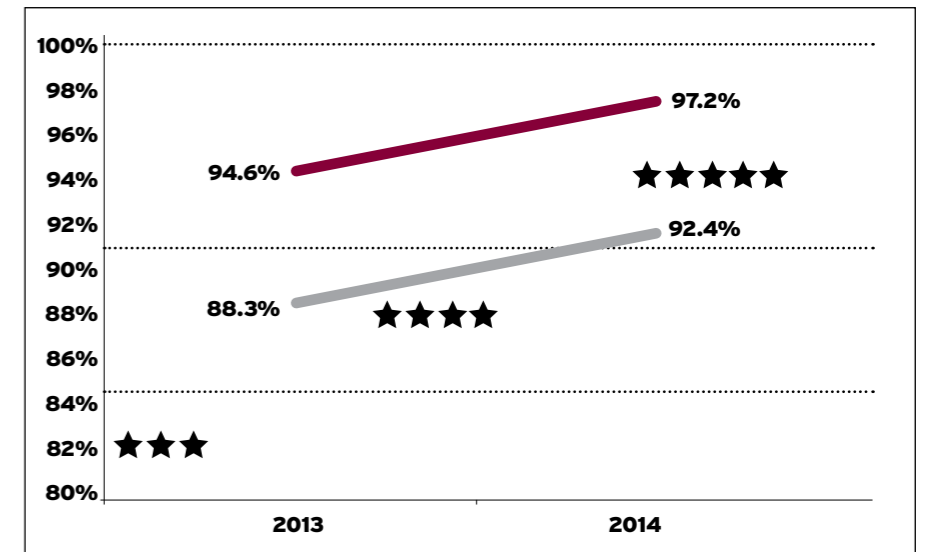
The importance of sustainability principles and the social impact of Qatargas operations are core values incorporated into the company's development.

- Setting clear goals and targets and stewarding performance against these: Safety and environmental goals are met by breaking them down into a series of challenging performance metrics. Regular monitoring ensures that any significant deviations are promptly addressed.
- Developing a strong and healthy safety culture and ethos: Adherence to safety and environmental regulatory and company requirements is evident across the company with a variety of communications mediums in place to constantly reinforce the messages.
- Management of change: Following a structured and systematic framework, all change management is clearly documented and clear procedures are in place.

After obtaining five-star status in the audits, the four key elements considered for securing the awards were:

- Strategic planning
 - Implementation and organisation
 - Performance measurement
 - Evaluation, review and improvement
- The awards are a verification of the

GRAPHIC PERFORMANCE OF SHIPPING DEPARTMENT'S OHS & ENVIRONMENTAL PERFORMANCE 2013 & 2014



effectiveness of Qatargas' health and safety management systems and underpin the company's environmental and sustainability performance. They position the company as an industry leader in safety, health and environmental leadership and management practices.

LINE OF FIRE

At Qatargas, safety is a core value and takes top priority. The company's programme of initiatives and change drives a transformation in people's attitude and behaviour towards safety in all aspects of their work.

In line with this commitment to safety, regular training sessions are held to reinforce the safety message. Most recently a series of 'Line of Fire' awareness training was conducted in cooperation with shareholder ConocoPhillips.

The 'Line of Fire' represents the path of the released energy of a moving object. Most accidents and injuries that occur in the workplace are caused by workers not identifying 'Line of Fire' hazards, and putting their body parts in harm's way, particularly their hands.

Randy Stadler, Qatargas Chief SEQ Officer, said, "Line of fire hazard continues to present a major challenge in protecting our employees and contractors. We are glad to partner with our shareholders to draw on their global expertise and resources to support our Qatargas safety programmes and initiatives."

Twenty Qatargas safety trainers from Operations, Maintenance and Safety

attended 'train the trainer' sessions facilitated by Shawn Xu, ConocoPhillips Safety Trainer. He explained the concept of hands-on learning by showing how to conduct interactive awareness sessions. He also demonstrated how to use artificial hands and specially constructed equipment during these sessions.

Over 1400 workers participated in safety stand-downs led by senior operations, maintenance and project managers. Mr. Xu and the Qatargas trainers demonstrated the consequence of hand injuries, challenged workers to identify the 'Line of Fire' hazards in their own work environment and discussed the best way to prevent injuries during these interactive stand-down sessions.

'Line of Fire' will continue to be a key focus area for 2015. The interactive training sessions will continue to ensure all workers across Qatargas assets and projects have a better understanding of how to identify hazards and keep their body parts out of harm's way.

1400
The number of employees who have already benefitted from the 'Line of Fire' training workshops.

LNG DELIVERIES: MORE FIRSTS

Qatargas has delivered its first cargoes of LNG to new customers in Thailand and China. Another first was the successful delivery of LNG aboard a Q-Max Vessel to the DUSUP Terminal at Jebel Ali Port, UAE.



Celebration of the first cargo delivery to Map Ta Phut LNG Receiving Terminal, Kingdom of Thailand.



The loading of the 64,000 cubic metre cargo onto the vessel LNG Lerici at Ras Laffan Port to be delivered to JOVO's LNG terminal located in the Guangdong Province, China.

1ST LONG-TERM AGREEMENT IN SOUTHEAST ASIA

The delivery to Thailand was Qatargas' first cargo delivery of LNG under the long-term Sales and Purchase Agreement (SPA) signed between Qatargas 3 and PTT Public Company Ltd in 2012. The delivery marks the commencement of Qatargas' first long-term agreement in South-East Asia.

A ceremony was held on the occasion attended by H.E. Narongchai Akrasanee, Minister of Energy of the Kingdom of Thailand, Dr. Pailin Chuchottaworn, President & CEO of PTT Public Company Limited, PTT senior management and representatives from PTT LNG (Terminal Operator). From

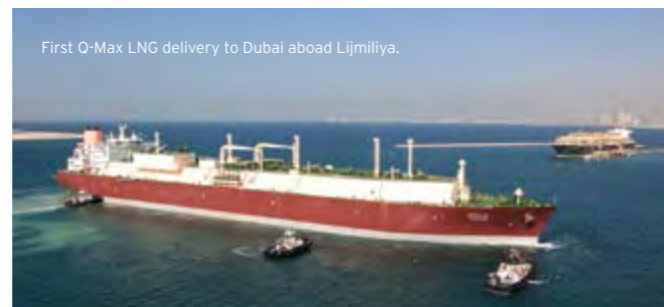
Qatargas, Khalid Bin Khalifa Al Thani, Qatargas Chief Executive Officer, H.E. Jabor Bin Ali Al Dosari, Ambassador of Qatar in the Kingdom of Thailand, and other Senior Management were also present.

Khalid Bin Khalifa Al Thani, Qatargas CEO, said, "Not only are we honoured to have been the first supplier of LNG to the Kingdom of Thailand, today we celebrate the delivery of the first LNG cargo under the SPA agreement which was signed back in 2012. This achievement highlights Qatargas' capability to supply LNG to customers around the globe safely and reliably."

SUCCESSFUL DELIVERIES TO CHINA AND UAE

Qatargas was also recently successful in securing its first LNG cargo delivery to JOVO, an independent importer from China. This represents the first deal of its kind concluded by

Qatargas with an independent and privately owned LNG importer in China where previously Qatargas has only supplied LNG to state-owned national oil and gas companies.



Also for the first time, Qatargas recently delivered LNG aboard a Q-Max Vessel to the Dubai Supply Authority (DUSUP) LNG Terminal located at the Jebel Ali Port. The Q-Max LNG Vessel Lijmiliya is one of the largest LNG vessel class in the world.

Qatargas and its partners followed a robust process of management of change in terms of due diligence in order to successfully berth the Q-Max in Jebel Ali Port, this being the first occasion for a Q-Max vessel to call at Jebel Ali.

OPEN COMMUNICATION

The Qatargas annual Town Hall meetings are designed to encourage open communications and sharing of information across the company. An overview of 2014 achievements in Operating Excellence, People, CSR and Innovation was presented by Corporate Planning.



Providing an open forum for employees to discuss company matters and seek clarification on a wide range of developments with senior management, the annual Town Hall meetings have been taking place for 14 years. Qatargas CEO Khalid Bin Khalifa Al Thani and members of the management leadership team attended the event.

OPERATING EXCELLENCE

Qatargas was one of only four organisations worldwide and the only Qatari company successful in winning both the Sword of Honour award for occupational health and safety management, and the Globe of Honour for environmental management from the British Safety Council in 2014.

In October, Qatargas announced the successful start-up of the Plateau Maintenance Project (PMP). The objective of the project is to ensure the production capacity of Qatargas 1 is maintained at 10 million tonnes per annum (mtpa) of LNG for many years to come.

This was closely followed by the successful start-up of the Jetty Boil-

off Gas Recovery (JBOG) Project. This landmark USD 1 billion environmental project is designed to eliminate flaring at the LNG Terminal.

2014 was also a year of outstanding safety performance for Qatargas, completing twelve years of operations on its offshore facilities and over 20 million man-hours across all of its assets and projects without a Lost Time Incident.

PEOPLE

Qatargas became the first company in Qatar, and one of the few distinguished companies worldwide, to be recognised as a Gold Partner of the Institute of Chemical Engineers (IChemE). This is the highest level of Corporate Partnership awarded by IChemE to companies that demonstrate a sustained commitment to the process industries and to career development.

In February 2014, Qatargas also became the only company in Qatar to achieve Gold level accreditation with Investors in People (IiP), an international business improvement tool administered by UK Commission for Employment and Skills and supported by the Department for Business, Innovation and Skills (BIS).

Also in 2014, Qatargas won the prestigious Qatarization Crystal Award in recognition of its efforts in Supporting Qatarization in the energy and industry sector, taking the company's tally of Qatarization awards to four in just five years.

CORPORATE SOCIAL RESPONSIBILITY

In October, Qatargas won the first place in the Large Size Enterprise category across the MENA region at the Arabia Corporate Social Responsibility (CSR) Award.

INNOVATION

In April, His Highness the Emir Sheikh Tamim bin Hamad Al Thani laid the foundation stone for Laffan Refinery 2 (LR2). LR2 will effectively double the condensate refining capacity of the Laffan Refinery to 300,000 barrels per day, solidifying the country's unique position as the largest condensate producer with the largest condensate refining capacity in the world. In October, LR2 completed five million man-hours without an LTI.

DEVELOPING THE NATIONAL WORKFORCE

The Qatarization programme is part of an ongoing commitment to building a competent and successful National workforce. Recent activities included the annual Qatarization Forum and the Establishment Ceremony for National Graduates and Trainees.

- Personal Impact – Essential Business Skills for National Graduates
- Induction Programme for Targeted Technical Preparation Programme (TPP) Trainees

Recognising National Graduates and Trainees

The Qatargas National Employees Establishment Ceremony was held to recognise the successful completion of the individual development and training plans of 43 National Trainees and 44 National Graduates. Furthermore, the graduates and trainees have received tokens of appreciation from Qatargas CEO Khalid

Bin Khalifa Al Thani who recognised them for successfully completing their individual development and training plans and moving into established positions.

Rotation Through Internal Audit

The Qatargas Internal Audit Department offers rotations to all employees on a single audit basis or for periods of between three months and three years, providing them with the opportunity to experience different parts of the business.

Abdulaim Ali Al Shemeri, (Shift Supervisor, Inlet Receiving) and Layla Abdulla Ashkanani, Accountant, Finance)

have been the most recent Nationals to successfully complete their rotational assignments. During the assignments, Abdulaim and Layla participated in a number of audits outside their normal areas of responsibility including Reservoir & Production Engineering, LNG Marketing and Ras Laffan Terminal Operations.

In a six-month rotation, candidates can expect to work on at least four audits, expanding their insight and knowledge of different processes. Candidates gain valuable awareness of the importance and application of internal controls, which they can take back and apply in their own departments.



National Graduates and coaches pictured at the annual Qatarization Forum held in December 2014. The Qatarization Forum reflects the company's commitment to the continuous development of the National workforce.



The annual Qatarization Forum for National Graduates was held around the theme 'Coaching National Graduates'. Seventy-eight National Graduates attended the Forums as well as the mentoring coaches.

The Forum provided the opportunity for Nationals and coaches to share their experiences and challenges. It focused on enhancing communication and feedback between the coaches and the National Graduates to promote a better understanding of each other's roles and responsibilities. It was also an opportunity to award the 2012-2014 Focus Group members who completed their membership for their outstanding efforts and contribution to the National Graduate community.

Focus Group plays an active role in discussing issues and concerns with National Graduates and in communicating these regularly to the Qatarization and National Development Division.

This Forum is one of several platforms, which provides an opportunity for Qatari National Graduates to engage in open discussions with the Head of Qatarization

and National Development. It reflects the commitment made by Qatarization and National Development Division and the Learning & Development Department to the continuous development of its National workforce, striving towards premier performance.

Qatarization initiatives in 2014

- Publicity and Sponsorship Abroad
- Qatargas' Internship Programmes
- Higher Education Diploma Sponsorship
- Undergraduate Scholarships for Secondary School Graduates
- Sponsorship for Scholarship Abroad
- Sponsorship for Scholarship in Qatar
- Office Administrative Diploma Sponsorship Programme
- Higher National Diplomas in Technical Fields
- Qatargas Assignments – Japan, Italy, UK
- Annual CEO Forum 2014
- Qatargas National Employees Establishment Ceremony
- Technical Competence Assessment and Development Plans
- Supervising the Qatargas Way

78

The number of National Graduates to participate in the annual Qatarization Forum.

QATARIZATION IN NUMBERS



In 2014:
27

Nationals from 10 high schools completed an internship with Qatargas.

this is a **69%** increase since 2013

10 school graduates

were sponsored in technical streams for degrees in Engineering Disciplines

40 were recruited for TPP (Targeted Technical Preparation Programme)

32

Higher National Diploma students studying Engineering Technology & Business Admin and

10 for Office Admin Diplomaas

90 National Graduates



33 National Trainees recognised at Forum

20 awards presented

10 Best Graduate
3 Best Trainee
4 Best Coach (Graduate)
3 Best Coach (Trainee)

In Qatargas:

233

Nationals in permanent positions with technical Competence Profiles in place

148

Nationals participated in SQW modules

7

Operating Staff sent on overseas assignments to Japan, Italy and UK



69 students

currently sponsored for scholarship in 18 disciplines

Qatargas Sponsorships for Degrees

10 Qatar

21 USA

37 UK

1 JAPAN

CADRE LEADERS PROGRAMME

Students from Al Khor International School (AKIS) participated in a three-day residential programme as part of its Cadre Leadership Development Programme, targeting Qatargas' highest potential leaders.



In just its second year running, the programme has already become an annual highlight in the school calendar and a core feature of the AKIS Student Leadership Development Programme. It provides the students with a rare opportunity to lead with integrity in a safe environment set outside of the traditional classroom model.

Dr. Farid Nouri, RasGas EDW Education Manager, commented on the programme's value for the students, "Qatargas' investment in the Cadre programme is far reaching, and students are already implementing what they have learnt to benefit the rest of the school."

Commenting on the leadership programme, Adnan Al Shaibi, Qatargas Learning

and Development Manager, said, "I am sure that as much as the students benefited from the experience, our Cadre Leaders also took away valuable learnings."

Namra Mir, Curie House Captain, AKIS student, spoke enthusiastically about the programme, "It was an amazing experience and we learnt a lot from the Cadre Leaders. It was not what we expected it to be as the Cadre Leaders were very involved with us and put in a lot of effort, giving it their all."

AKIS is a non-denominational and co-educational international school catering primarily to the children of employees of Qatargas and RasGas and offering the National Curriculum of England and the CBSE curriculum of India.

28

The number of AKIS students to participate in the three-day workshop.

Qatargas Cadre Leaders:

- Faisal Rashid Al Enazi, Raed Mustafa Al Mulla, Ahmed Ali Salh Al Fadhala and Khalifa Al Sewaidi – Operations
- Fahad Ali Salem Bahameish and Omar Kafood – Finance
- Ali Musa Sowailah and Mohsin Mueen Raja – SEQ
- Rahat Latif and Mete Kasim Birecikli – Corporate Planning
- David Rapley and Syed Imran – Admin
- Mahmoud Sami Diab – Engineering & Ventures
- Maha Hamad Al Hanzab – Commercial & Shipping
- Nazal Saadi Al Shammari – Maintenance
- Ali Haidar Al Kharraz – Laffan Refinery

ENVIRONMENTAL COMPLIANCE AND REPORTING

The EDMS was introduced in order to handle the large number of diverse environmental data streams in the company and to regulate the environmental data collection and reporting processes.



A multi-disciplinary Qatargas team comprising members from Environmental Affairs, IT and Public Relations worked closely with project consultant SAP to develop an automated and customised EDMS for environmental data management and reporting.

The EDMS marks a step change in environmental data collection, validation, analysis and reporting for the company.

As a responsible operator, compliance with environmental regulations and permit requirements is important for Qatargas. In order to demonstrate this compliance to the regulatory authorities, Qatargas utilises a range of environmental indices, monitoring data and reporting pathways.

The company's recent exponential growth has meant that the environmental compliance and reporting requirements increased substantially and efficient and verifiable environmental data

management became a key priority.

A multi-disciplinary Qatargas team comprising members from Environmental Affairs, IT and Public Relations worked closely with project consultant SAP to develop an automated and customised EDMS for environmental data management and reporting. A separate Sustainability Performance Management (SuPM) platform was also developed as an add-on to EDMS to support Qatargas' annual Sustainability

and Corporate Social Responsibility (CSR) reporting requirements.

In developing the system, the company's multiple operational assets and diversity of reporting requirements and data streams had to be taken into consideration. A range of factors such as air emissions, wastewater discharges and waste generation rates were all carefully measured to ensure nothing was overlooked when developing the system.

The new platform, which

went live in August 2014, is automated, centralised, transparent, easily verifiable and secure to handle the large number of diverse environmental data streams inherent to Qatargas.

The EDMS marks a step change in environmental data collection, validation, analysis and reporting for the company. Its versatility as an automated platform helps to promote compliance, facilitate analysis and evaluation and provides proactive inputs to future corporate planning and decision-making.

GO GREEN - A MOVE TO CHANGE CLIMATE CHANGE

Impacts of climate change include changes in Arctic temperatures, ocean salinity, wind patterns, droughts, precipitation patterns, frequency of heat waves and intensity of tropical cyclones.

Climate change refers to long-term changes in climate patterns. It can impact agricultural patterns, water systems and energy demands. Climate change mitigation is an important component of the Qatar National Vision (QNV 2030), which states that Qatar will adopt "a proactive and significant regional role in assessing the impact of climate change and mitigating its negative impacts".

Qatar is an active party in the climate change intergovernmental process and in 2012 Qatar hosted the 18th Session of the Conference of the Parties (COP18) and the 8th Session of the Conference of the Parties to the Meeting of the Parties to the Kyoto Protocol (CMP8). This led to the development of the Doha Climate Gateway covering, but not limited to extending the Kyoto Protocol, forming a climate change fund/technology centre, and accelerating climate change mitigation initiatives.

Qatargas has established a GHG Management Programme designed to quantify and track GHG emissions, as well as optimise

emission reductions for our existing operations and future facility developments. Our flare reduction initiatives have helped drive down GHG emissions and these reductions are expected to continue.

The Qatargas fourth quarter Go Green environmental awareness campaign for 2014 focuses on Climate Change. The integration of core principles of energy and water conservation and waste reduction, addressed in our earlier Go Green campaigns, lie at the heart of our efforts to mitigate the effects of climate change. Using less energy for your commute (eg. switching to public transportation, carpooling); switching off electrical equipment when not in use; using water efficiently; and applying the concept of reduce, reuse, recycle will go a long way in mitigating climate change effects.

We take this opportunity to remind one and all that each of us can make a difference to leave the earth a better place for our future generations.



Qatar will adopt "a proactive and significant regional role in assessing the impact of climate change and mitigating its negative impacts". - Qatar National Vision 2030

PRESTIGIOUS ARABIA CSR AWARD

Qatargas won first place in the Large Size Enterprise category across the MENA region at the coveted Arabia Corporate Social Responsibility (CSR) Awards.



Mansour Rashid Al Naimi, Qatargas Public Relations Manager, received the award on behalf of the Company from H.E. Dr. Mohammed Al Tawajri, Assistant Secretary General for Economic Affairs of The League of Arab States, and Habiba Al Marashi, President and CEO of The Arabia CSR Network.



"As a leader in the global energy industry, Qatargas has made significant contributions to a sustainable future for our country and the world at large." - Qatargas CEO Khalid Bin Khalifa Al Thani.

The Arabia CSR Awards is the most prestigious CSR and sustainability-related recognition in the region, honouring and showcasing organisations in the Middle East, Levant and North Africa region that demonstrate a clear strategy and effective implementation of CSR.

Commenting on the achievement, Khalid Bin Khalifa Al Thani, Qatargas Chief Executive Officer, said, "We are delighted to win this prestigious award, which is a testament to Qatargas' robust Corporate Social Responsibility programme focused on long-term, sustainable initiatives. As a leader in the global energy industry, Qatargas has made significant contributions to a sustainable future for our country and the world at large. Over

the past few years, we have made huge financial investments in reducing our carbon footprint, improving air quality, reducing and recycling waste, judicious use of water and, above all, community development at different levels."

Formed in 2004, the Arabia CSR Network (ACSRN) is the first multi-stakeholder platform that engages small and large businesses and government institutions to strengthen their commitment to sustainable development across the Arab world. Awards were presented in six different categories and a jury panel consisting of multinational experts in the field of CSR and sustainability selected the winners from a total of 155 applications submitted

by companies representing 25 industries from 12 countries in the MENA region.

Habiba Al Marashi, President & CEO, Arabia CSR Network, said, "Qatargas has gone through a structured process to put on track its sustainability journey by setting up long-term measurable targets as commitments to its stakeholder group, making them the winners of the large category." She added, "I would like to emphasise that sustainability goes beyond competition and is about collaboration of efforts in order to address economic, social and environmental issues that concern all." Qatargas' CSR initiatives are spread over five broad areas covering education, environment, health & safety, community development and sports.

Sports is a key area of focus in Qatargas' Corporate Social Responsibility (CSR) programme. The company supports different games and teams to promote sporting activities that are gaining popularity in Qatar.

JUNIOR ICE HOCKEY

Qatargas is Pearl Sponsor of the Qatar Minor Ice Hockey Association (QMIHA) for the 2014-2015 season. The season offers ice hockey for both boys and girls from five years right through to under-18s.

Mansour Rashid Al Naimi, Qatargas Public Relations Manager, said, "We believe that our support to ice hockey will help popularise the game in Qatar and introduce youngsters to this exciting sport."

Heather Ryan, QMIHA President, said, "I would very much like to thank Qatargas for extending its support of our organisation. This year we have 136 children playing ice hockey here in Doha, including a number of Qatari nationals."

QMIHA is a non-profit, amateur, youth ice hockey league established in 2001. Operated by volunteers, QMIHA focuses on community service and promoting sports for our youth.



CHESS CHAMPIONSHIP

Nearly 150 boys and girls between six and 16 years old participated in the second edition of the Qatargas Chess Championship, held recently by the Qatar Chess Association (QCA).

Hamad Ali Al Awi, A/Head of Public Relations Business Support, attended the prize-giving ceremony on behalf of Qatargas. He was joined by Mohammed Ahmed Al Medaihki, General Secretary, Amal Al Mannai, Board Member, and other senior officials of QCA.

The top three prizes were claimed by Canadian national Adnan Habib (9 points), Qatari national Abdullatif Al Hor (7.5 points – came second in tie breaker) and Indian national Rahul George Eapen (7.5 points) respectively. Qatari national players Salih Al Hor (7 points), Alla Hussain (7 points) Ghanem Al Shamari (6.5 points), Hamda Al Hajri (6 points), and Maryam Al Hajri (6 points) also showed strong promise.

The championship provides an excellent opportunity for young chess enthusiasts in Qatar to compete against each other and test their skills.



150 kids
participate in Chess
Championship.

ANNUAL GOLF TOURNAMENT

The 16th edition of the annual Qatargas Open golf tournament attracted over 350 golfers, including players of the Qatar Golf Association, employees of Qatargas, its stakeholders, companies based in Ras Laffan Industrial City, banks and embassies. In parallel to the main competition, there was also a competition for juniors on the Academy Course in which nearly 30 young golfers participated.

After the tournament Mr. Ghanim Al Kuwari, Qatargas Chief Operating Officer – Administration, and Mr. Alaa Abujbara, Qatargas Chief Operating Officer – Commercial and Shipping, presented the prizes to the winners.

Somposch Sang Orn claimed the overall winner's trophy with 40 points countback while Mary Jensen secured the top prize in the ladies category. Mani Atwal was declared the top player among the Qatargas employees. The team made up of Arnav Jain, Austin Tan and Cameron Morrice took home the winner's trophy in the Academy juniors scramble.

Mr. Ghanim Al Kuwari said, "The Qatargas Open is the oldest and one of the most popular corporate golfing events in Qatar, eagerly awaited by Qatar's golfing community."



PARTICIPATION IN THE MAERSK OIL & QP CHALLENGE

The third annual Maersk Oil & Qatar Petroleum Challenge (MOQP) raised USD 110,000 for Action on Diabetes (AOD).

A Qatargas team was amongst the 30 participating teams to compete over two exhilarating days. The event raised money for AOD, a public-private partnership which aims to help raise awareness of diabetes, assist those at risk to avoid it and help people already living with the condition better manage their health.

Each participating team made a donation of USD 5,000 to take part in the event, raising a total of USD 110,000 for Action on Diabetes. The money raised will be used to fund the Al Bawasil Camp, which hosts diabetic children from Qatar and the region to educate them about managing diabetes.



QATAR NATIONAL DAY

Qatar National Day, celebrated on December 18th, reinforces a collective national identity and promotes awareness of the country's traditions and culture.

Celebrated on December 18th, Qatar's National Day is a nation-wide celebration of our country's unification and independence. This holiday significantly contributes to developing a sense of national identity and promotes learning and awareness of Qatar's history and heritage.

Qatargas has continuously represented their commitment to celebrating this national occasion through their company initiatives and celebrations.

During the most recent National Day, 19,000 gift bags were distributed to employees and the general public at various locations around Qatar including Landmark Mall, Villagio Mall, The Mall, LuLu at Al Khor, Qatari embassies and across the Al Khor community, with a special focus on instilling national pride in our children. The gift bags comprised Qatar flags, National Day scarves, and creative badges.

Qatargas employees represent over 60 nations from across the world, who collectively partake in National Day celebrations offering the opportunity to learn more about the heritage and customs of their host country.



Qatargas has continuously represented their commitment to celebrating this national occasion through their company initiatives and celebrations.

