

Issue 138 - December 2012

THE

PIONEER

THE MAGAZINE OF QATARGAS OPERATING COMPANY LIMITED

LIFE SAVING RULES
10 SIMPLE RULES TO
KEEP YOU SAFE

QATARGAS WINS
PRESTIGIOUS GLOBAL
ENVIRONMENTAL
AWARD

QATARGAS COMPETENCE
DEVELOPMENT
FRAMEWORK:
QATARGAS HAS TALENT

THE PIONEER
EMPLOYEE
COMPETITION ★

TOWN HALL
GATHERING

JETTY BOIL-OFF
GAS RECOVERY
A FLARE FOR REDUCING
EMISSIONS

QATARGAS' ONGOING
COMMITMENT TO
ENVIRONMENTAL
PERFORMANCE AND
STEWARDSHIP



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Thank you!



As another momentous year for Qatargas draws to a close, I believe it is appropriate to reflect for a moment on where we stand as an organisation.

We note with pride the World Bank's recent "Award for Excellence in Flaring Reduction" recognising Qatargas' efforts to reduce our emissions and carbon footprint. Other major environment-based initiatives, including the wastewater management and reduction and Jetty Boil-off Gas (JBOG) projects have placed Qatargas at the forefront of innovation in the field. Taking care of our responsibilities to the environment has always been very important to us.

Qatargas is rightly proud of our customer relationships - a key performance indicator in any company. Throughout 2012 we have renewed sales and purchase agreements with much-valued foundation customers and secured substantial agreements with newer customers.

No organisation can succeed without efficient and reliable operations. This year we've successfully completed major shutdowns at QG1 and QG2 both ahead of schedule.

Whilst our achievements as an organisation have been truly inspiring, none of this would have happened without our people. In building an incredibly talented workforce we have laid the foundation for the future success of the Company. Looking ahead, I see an extremely bright future, but this doesn't mean that we can't improve.

Our Vision to become the world's premier LNG company has set the bar very high. With our strong customer focus, extensive knowledge of the industry, effective organisation and skilled, dedicated employees, we are already the world's number one supplier of LNG and clear market leaders. However, in celebrating this let us reflect seriously on our preparedness for the challenges ahead. Continuing success will depend on our commitment to safety, maintaining our unique record of operating excellence, reliability, flexibility.

Although we may already consider Qatargas a world-class company with a unique reputation in the energy sector, we need to take that reputation up several notches, to a point where, in the world's assessment, our quality and excellence are not issues for

conjecture, but indisputable facts. We intend to make all our stakeholders prouder than ever to be associated with Qatargas - the World's Premier LNG Company.

As a Company, we must never forget our employees who have made our corporate success a reality. As the new year dawns, I truly appreciate the work done by our Qatargas family to maintain our course towards achievement of our Vision. I would like to express my heartfelt thanks to all of you for that.

Thank you!

Khalid Bin Khalifa Al-Thani
Chief Executive Officer

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Life Saving Rules

10 simple rules to keep you safe

Qatargas is implementing 10 Life Saving Rules to protect you from serious injury or death

Analysis has shown that breaking a safety rule is the main contributing factor towards the majority of work-based fatalities and serious injuries. Following our 10 Life Saving Rules will help every employee at Qatargas prevent deaths and serious injuries in the workplace.

Having the same 10 Life-Saving Rules across Qatargas is a powerful way of ensuring a consistent culture of compliance. They will be fully enforced from February 1, 2013.

Compliance is mandatory for everyone working on Qatargas sites. We must still comply with all other safety rules. If any national law requires an even higher level of compliance we meet that national requirement. The Rules support our Incident and Injury Free Workplace.



Follow the 10 Life Saving Rules to keep you safe



Work with a valid work permit when required



Verify gas tests are conducted as per permit



Verify isolation before work begins



No confined space certificate - No entry into confined space



Obtain authorization before overriding any safety system



Protect yourself against a fall when working at heights



Always wear your seatbelt



Never walk under a suspended load



No Smoking



While driving, do not use your phone and do not exceed speed limits

You and I:

- Comply with the Life Saving Rules
- Intervene if you see an unsafe act
- If in doubt ask your supervisor / line manager

intervening when we see an unsafe or non-compliant action. Intervening will help us prevent accidents. If you see a Life Saving Rule being broken, we expect you to intervene if it is safe to do so.

If it is proven that anyone who was aware of a rule through training, experience or communication broke a Life Saving Rule, they will face maximum appropriate disciplinary action, in accordance with law. Existing relevant HR disciplinary policies and processes will be followed. For Qatargas employees this includes termination of employment. For contractors this includes removal from Qatargas sites and no longer working for Qatargas companies. If a Supervisor sets the conditions for rule-breaking, or fails to follow through if one is broken, they will face maximum appropriate disciplinary action in accordance with local law.

Life Saving Rule Violations

Failure to comply with any Life Saving Rule, or encouraging or tolerating Rule-breaking, will result in disciplinary action. In these situations, we will apply the principle that all reported violations will be investigated thoroughly, fairly, and on an individual basis in line with the established local policy and practice. This is a reminder of our IIF culture about

Mandatory training for everyone

We want people to go home safely every day. The rules are not new and most people comply with the rules every day. Life-Saving Rules are about having high standards and complying with them. By briefing everyone the aim is to ensure 100% compliance. In the coming months everybody working for Qatargas will be going through a mandatory training course to ensure all Qatargas employees and contractors are aware of these rules. This helps protect all of us as well as the communities in which we operate.

Safety comes first... Always!!

"Qatargas has a zero tolerance policy against Life Saving Rule violations."

Qatargas & IGU a history of collaboration



The what, when, where and who of IGU

The International Gas Union (IGU) was founded in 1931 with the objective of promoting the technical and economic progress of the gas industry. It is a worldwide non-profit organisation registered in Vevey, Switzerland and cooperates with many global energy conglomerates.



IGU membership is open to associations and entities of the gas industries in 82 countries. The IGU covers all domains of the gas industry from exploration and production of natural gas, onshore and offshore, pipeline and piped distribution systems to customers' premises and combustion of the gas at the market or end user.



Programmes developed for the World Gas Conference (WGC), which takes place every three years, are implemented by working committees of the IGU. The three-year period is referred to as a "triennium", with IGU voting charter members bidding to host the WGC at the completion of each triennium.

The current triennium covers 2012-15. There are five working committees, five programme committees, and three task force committees, all of whom will be planning the forthcoming WGC event in 2015. The topics covered will include every aspect of the natural gas industry.

For more information on the International Gas Union, visit www.igu.org



Qatargas & IGU Timeline

Dutch Triennium

Qatargas joined the IGU. During this initial period QG staff became familiar with the policies and procedures of the IGU.

2003 - 2006

Argentinian Triennium

Alaa AbuJbara Chief Operating Officer Commercial & Shipping was appointed as deputy chair of the PGC.D [LNG] committee. This committee studied several topics which were presented at the 2009 WGC in Buenos Aires. At the 2009 WGC, a World LNG Report was also presented on the LNG business. Providing data on the prior year with regards to LNG produced and sold, receiving terminals, and LNG ships. Paco Freens, Manager Economic Evaluation & Business Support, was instrumental in providing this report under the leadership of Alaa AbuJbara. The Qatargas CEO at that time was a keynote speaker.

2006 - 2009

Malaysian Triennium

Alaa AbuJbara was appointed as the Chairman of the LNG committee. Abdulla Al Hussaini, Marketing Director, was the committee secretary and Jupiter Ramirez, Head of LNG Marketing (QG3), was the committee coordinator. Azam Al Mannai, Head of LNG Marketing - WoS, was a Committee Member. Paco Freens and Jupiter Ramirez were members of the Task Force within the LNG Committee which produced the World LNG Report which has become a legacy document and is now being produced every year. Abdulaziz Al Mannai, Human Resources Manager, and Jupiter Ramirez were members of the TF1 (Human Capital) task force during this triennium.

2009 - 2012

IGU Council Meeting (Doha)

Qatargas hosted the major event where all 112 representatives met, in an UN assembly format, to review and discuss the IGU business. Qatargas also hosted one of the six LNG committee meetings in Doha, where 40 members from various companies and countries met to conduct LNG committee business. Qatargas sponsored the IGU biannual magazine.

2010

World Gas Conference

Qatargas was one of two principal event sponsors. During the 2012 WGC, Azam Al Mannai was a panel moderator. Khalid Bin Khalifa Al-Thani, Qatargas CEO, was a session speaker chair. Jupiter Ramirez was elected to the IGU Executive Committee.

2012

French Triennium

In the current triennium, Azam Al Mannai and Hamad Al Mohannadi, LNG Marketer 1, are PGC.D LNG committee members, Jupiter Ramirez is a deputy chair for PGC. D4 study group and Paco Freens and Jupiter Ramirez are members of the PGC.D Task Force, which will continue to produce the legacy World LNG Report. Marcellus Catalano, Senior Commercial Analyst, is a member of the PGC.E (Marketing & Communications). Abdulaziz Al Mannai, Human Resources Manager, was appointed as deputy chair of the TF1 (Human Capital) task force. Abdulaziz is to chair the TF1 during the triennium.

2012 - 2015

Working Committee 1 Exploration & Production	Study Group 1	Recent advances in natural gas exploration & production activities - Technology
	Study Group 2	Development of current & future natural gas exploration & production activities - Strategy
Working Committee 2 Storage	Study Group 1	Underground gas storage database
	Study Group 2	Techniques & new opportunities
	Study Group 3	Human resources: attracting students to work in gas storage
Working Committee 3 Transmission	Study Group 1	New transmission projects
	Study Group 2	Integrity management systems
	Study Group 3	Public acceptance & new technologies
Working Committee 4 Distribution	Study Group 1	Regulation of 3rd party access to gas distribution networks - A standard approach
	Study Group 2	Diversification of gas quality & non-conventional sources in a carbon-free future
	Study Group 3	Smart grids in gas distribution scope & purpose
Working Committee 5 Utilisation	Study Group 1	Industrial uses
	Study Group 2	Domestic & commercial uses
	Study Group 3	Natural gas vehicles
	Task Force 1	Renewable energy, CO ₂ emissions, hydrogen
	Task Force 2	Gas Quality
Programme Committee A Sustainability	Study Group 1	Carbon capture & Storage
	Study Group 2	Natural gas & renewable gas
	Study Group 3	LCA study of the natural gas chain
	Study Group 4	Environmental aspects of unconventional gas
Programme Committee B Strategy	Study Group 1	The world gas supplies demand & trade
	Study Group 2	Wholesale gas price formation
	Study Group 3	Strategy & regulation
	Study Group 4	2050 natural gas prospective
Programme Committee C Gas Markets	Study Group 1	Impact of natural gas of the worldwide anti-nuclear trend
	Study Group 2	Implication of expansion in unconventional gas
	Study Group 3	Security of gas supply & demand
	Study Group 4	Energy poverty & lack of access to gas
Programme Committee D LNG	Study Group 1	Remote LNG
	Study Group 2	LNG as a fuel
	Study Group 3	Small scale LNG
	Study Group 4	LNG lifecycle analysis
	Task Force	World LNG Report
Programme Committee E Marketing & Communications	Study Group 1	Natural gas advocacy
	Study Group 2	Competing with other energies
	Study Group 3	Marketing & promotion campaigns for natural gas
Programme Committee F R&D Innovation	Study Group 1	Technical program for the International Gas Research Conference
	Study Group 2	Enhancing the effectiveness of gas industry R&D
	Study Group 3	Role of gas in a sustainable energy future
	Task Force 1	Human Resources
	Task Force 2	Gas Advocacy
	Task Force 3	Geopolitics & natural gas

Qatargas wins prestigious Global Environmental Award

Qatargas wins prestigious award for “Excellence in Flaring Reduction” from the World Bank-led Global Gas Flaring Reduction Partnership (GGFR) at a high-profile gala ceremony in London.

The Global Gas Flaring Reduction (GGFR) Programme, an initiative led by The World Bank, is a globally recognised flare mitigation programme within the oil and gas industry. It brings together representatives of governments, state-owned companies and major international companies so they can overcome barriers to reducing gas flaring through the sharing of global best practice and the implementation of country specific guidelines.

Qatargas Chief Executive Officer, Khalid Bin Khalifa Al-Thani said, “We are delighted to win this prestigious award which bears testimony to our adherence to operational excellence and high environmental performance and stewardship. It shows that our approach to flare management is seen internationally as being in the top category of performance, and is particularly relevant at this time with Qatar hosting the international climate negotiations of the Conference of the Parties (COP18/CMP8).”

Khalid Bin Abdulla Al-Thani, Qatargas Chief Operating Officer, Engineering & Ventures, who collected the award on behalf of Qatargas continued, “Our key drivers to minimise flaring stem from a genuine desire to reduce our carbon footprint and to achieve operational excellence. We are



currently leading one of the largest entirely environmentally-friendly based projects in the world to recover gas being flared during the Liquefied Natural Gas (LNG) ship loading at Ras Laffan Port. The \$1 billion Jetty Boil-Off Gas (JBOG) Recovery Project will enable boil-off gas to be reclaimed from LNG ships and compressed at a central facility. The compressed gas will then be sent to the LNG producers to be consumed as fuel or converted back into LNG.”

“The JBOG project is a cornerstone of Qatargas’ overall flare management and reduction strategy.”

“The JBOG Project is a cornerstone of Qatargas’ overall flare management and reduction strategy and will be instrumental in our drive to reduce and maintain total flaring at regulatory target levels in the long term.”

10 million hours without LTI on JBOG Project

The Qatargas Jetty Boil-off Gas Recovery (JBOG) Project recently achieved a major safety milestone, completing ten million man-hours without any Lost Time Injury (LTI) incidents.

Nearly 3,000 people from around the world are working on the Qatargas Jetty Boil-off Gas Recovery Project, which aims to recover gas currently being flared during Liquefied Natural Gas (LNG) ship loading at the Port of Ras Laffan.

Construction of the JBOG Project started in earnest in 2010 and is currently on schedule. The project is part of the Common Facilities Projects at the facility at Ras Laffan Industrial City, in the north of Qatar. The process reclaims boiled-off gas collected from LNG vessels that would typically be flared off for safety. Collected compressed gas is returned to the LNG producers either to be used as fuel or converted back to its liquid form (LNG).

When fully operational, the JBOG project will recover the equivalent of some 1.6 million tonnes per year of LNG, which is sufficient natural gas to power over 300,000 homes.

Commenting on the milestone of ten million man-hours without a LTI incident, Khalid Bin Khalifa Al-Thani, Qatargas Chief Executive Officer, said: "Safety is a core value at Qatargas and an integral part of our culture at every level. I would like to commend all those who were involved in this achievement, which is a true testament to the commitment and dedication of the project team and contractors in embracing the strong safety culture that permeates our organisation. Our aim is to ensure that everyone goes home safely every day. We will continue our focus on safety and ensure that all our operations and projects are executed to the highest safety standards."

Khalid Bin Abdulla Al-Thani, Qatargas Chief Operating Officer, Engineering & Ventures, said, "Ten million man-hours without LTI is a remarkable milestone for the JBOG Project, reflecting our commitment to ensure that the safety of our people remains our highest priority. Our Incident and

Injury Free (IIF) Programme, which has improved the safety behaviour of everybody on the project, has been a major contributing factor towards this achievement. The JBOG Project has created a culture in which safety is a core value shared by us and our contractors. Congratulations to the project team on this outstanding achievement."

Bashir Mirza, JBOG Project Manager, added, "I am very proud of the Qatargas JBOG Project Management Team and all our contractors for keeping 3,000 workers safe from serious injury while clocking ten million man-hours on this project. This accomplishment is all the more satisfying because it spans nearly three years. Our teams are continuing to build a strong safety and 'Incident & Injury Free' culture within the JBOG Project which makes people look after each other to ensure that 'Everybody Goes Home Safely', day in and day out."

"Ten million man-hours without a LTI is a remarkable milestone for the JBOG Project, reflecting our commitment to ensuring that the safety of our people remains our highest priority."



Qatargas 3 signs 15-year agreement with Chubu

Qatargas' longstanding relationship with Japan is further cemented with a 15-year supply agreement between Qatargas 3 and Chubu Electric.

A new long-term Liquefied Natural Gas (LNG) Sales and Purchase Agreement (SPA) was recently signed between Qatar Liquefied Gas Company Limited (3) (Qatargas 3) and Chubu Electric Power Company Incorporated (Chubu Electric) of Japan.

This latest SPA with Chubu Electric is the third long-term contract concluded between Qatargas and Japanese buyers during 2012. Qatargas also signed a long-term SPA with Tokyo Electric Power Company (TEPCO) in June this year, followed by another agreement with Kansai Electric Power Company (KEPCO) in September 2012.

Under the terms of the agreement, Qatargas 3 has committed to deliver up to one million tonnes of LNG a year for 15 years starting from 2013.

At the signing ceremony, His Excellency Dr. Mohammed Bin Saleh Al-Sada, Minister of Energy and Industry and Chairman of the Board of Qatargas said, "Consistent with the vision of His Highness the Emir, Sheikh Hamad Bin Khalifa Al-Thani, this agreement is further testimony to Qatar's leading role in helping ensure the energy security of countries around the world. Chubu Electric has a unique place in Qatar's LNG success story. LNG

deliveries from Qatar to Japan started with the first cargo to Chubu Electric in 1997. This new agreement underlines our ongoing commitment to supply LNG to Japan well into the future."

Khalid Bin Khalifa Al-Thani, Chief Executive Officer of Qatargas Operating Company Limited, said, "This agreement opens a new chapter in our strong partnership with Chubu Electric, which started over two decades ago. Chubu Electric is our foundation customer and we greatly value our relationship with them. Qatargas

"This agreement opens a new chapter in our strong partnership with Chubu Electric, which started over two decades ago when we signed our first SPA in 1992."

remains committed to supporting Japan's growing demand for LNG for the long term."

Mr. Yuji Kakimi, Managing Executive Officer of Chubu Electric, commenting on the new contract, said, "It is our pleasure to execute this new SPA in this memorable year, which is the 40th anniversary of diplomatic relations between the State of Qatar and Japan. It is also the 20th anniversary

of the first SPA between the world's largest and most reliable LNG supplier, Qatargas, and Chubu Electric. We believe that this SPA has further strengthened the relationship between Qatargas and Chubu Electric."

This new agreement is in addition to several existing agreements between Chubu Electric and Qatargas. Chubu Electric was the first Japanese company to sign an SPA with Qatargas back in 1992 and was also one of eight Japanese power and utility companies that signed a multi-party contract with

Qatargas in 1994. In December 2011, Qatargas signed a tripartite agreement to supply LNG to Chubu Electric Power Company and Shizuoka Gas Company.

Japan is the largest importer of LNG in the world. This deal expands the continued partnership between the State of Qatar and Japan and reinforces Qatar's role as a secure and reliable supplier of LNG to Japan.

40 years strong

Minister of Energy and Industry reiterates Qatar's commitment to Japan at the Annual Qatargas Reception held in Tokyo on 15 October.

His Excellency, Dr. Mohammed Bin Saleh Al-Sada, Minister of Energy and Industry; Chairman & Managing Director, Qatar Petroleum and Chairman of Qatargas, addressed an elite audience of dignitaries and senior executives at the annual Qatargas Reception held in Tokyo.

The event was attended by His Excellency Abdullah Bin Hamad Al-Attiyah, Chairman, Administrative Control & Transparency Authority; Chairman of Qatar-Japan Joint Economic Committee, and Khalid Bin Khalifa Al-Thani, Chief Executive Officer of Qatargas. Also in attendance were a number of Arab ambassadors to Japan and top executives representing Qatargas' Japanese customers and shareholders. This was in addition to a high-level delegation from Qatargas, Qatar Petroleum and its affiliates accompanying Dr. Al-Sada on his official visit to Japan.

Highlighting the strong and lasting partnership between Qatar and Japan in the LNG business, Dr. Al-Sada said, "We in Qatar are very proud of the reliability of our LNG exports to Japan over the past fifteen years which has allowed us to contribute effectively in the security of energy supply to our valued Japanese customers. The LNG trade remains the backbone of our relations with Japan in the energy sector, not only in terms of value, but also in terms of significance since Japan was the founding importer of LNG from Qatar."

Dr. Al-Sada concluded his speech by thanking Qatargas' Japanese partners, shareholders, financial institutions, contractors and service providers for contributing to Qatargas' success, and reaffirmed Qatargas' continued

commitment to place the highest priority on maintaining a safe and reliable supply of LNG to Japan.

Commenting on Qatargas' relations with its Japanese customers, Khalid Bin Khalifa Al-Thani, Qatargas Chief Executive Officer said, "Japan, its people and our customers are very important to us. Qatargas is doing all we can to support Japan's requirement for stable supplies of energy, especially in the aftermath of the earthquake and resulting tsunami which struck Japan in March 2011. We have committed to delivering 20 million tonnes (MTA) of LNG over a period of several years to support Japan's increased energy requirements."

The Qatargas Annual Reception is held to meet Qatargas' Japanese customers and partners to acknowledge their support and cooperation. Japan is Qatargas' foundation customer and Qatar's LNG exports began with the first delivery to Chubu Electric from Qatargas in early 1997. Since then, Qatargas has delivered over 1,600 LNG cargoes to Japan. Qatargas signed its first Sales and Purchase Agreement (SPA) with Chubu Electric in 1992. This was followed by another SPA with Chubu Electric and seven other Japanese companies in 1994.

In December 2011, Qatargas signed a tripartite agreement with Chubu Electric and Shizuoka Gas. In June and September, Qatargas signed SPAs with Tokyo Electric Power Company (TEPCO) and Kansai Electric Power Company (KEPCO) respectively, both of which are part of the multi-party agreement signed in 1994.



Most recently, Qatargas signed a new SPA with Chubu Electric. These agreements reaffirm the continued partnership between the State of Qatar and Japan since the establishment of diplomatic relations 40 years ago.

"We have committed to deliver 20 million tonnes (MTA) of LNG over a period of several years to support Japan's increased energy requirements."



Celebration of the Process Safety Programme (PSP) implementation with COO - Operations and Ras Laffan operational staff

Shift Cycle Process Handover achieved at Laffan Refinery

A significant Process Safety Programme (PSP) milestone was achieved at the Ras Laffan Refinery on 11th November 2012 with the completion of the official Shift Cycle Process Handover.

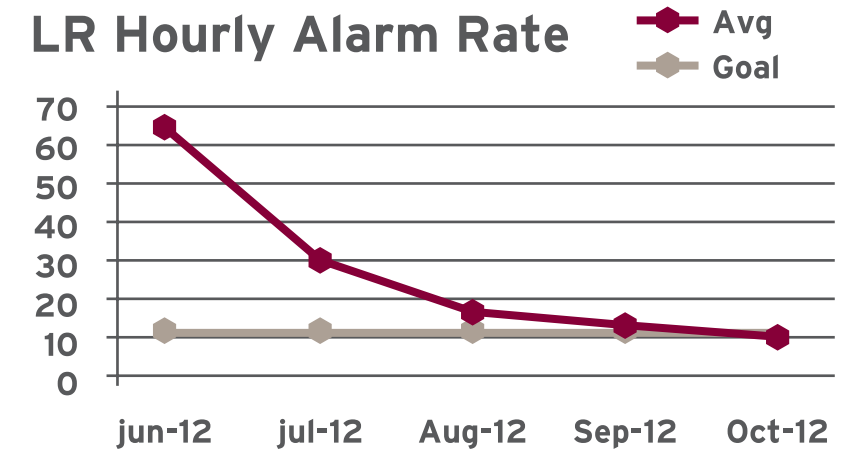
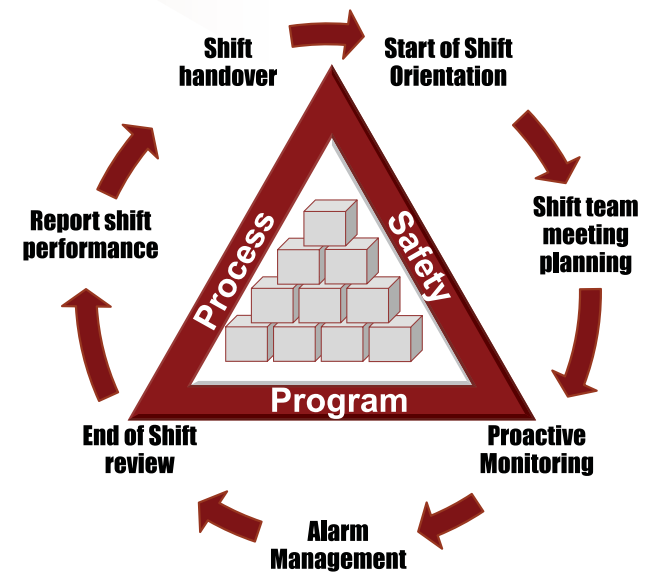
The completion of a successful handover procedure is the first layer of the Process Safety Programme, a structured programme designed to standardise all day-to-day operations at the refinery, and increase operational situation awareness between operational shift team members.

According to one Laffan Refinery operational staff member, introduction of the PSP has improved situational awareness, saying, "The shift daily routine has changed a lot over the last year with the introduction of the shift cycle process. The implementation of the white board with the shift plan really focuses the team on all key activities that everybody needs to be aware of every day."

The formal standardised handover process has now been rolled out in all operational assets, together with new tools such as electronic shift reports, handover checklists, and the standardised whiteboards for the shift team meeting/plan. All other operational assets will be celebrating the handover status as soon as they reach compliance to the new Shift Cycle Process.

In addition to the Shift Cycle Process, a new alarm management process has been introduced with cooperation between the E&V Department and Operations. The Assets review their current alarms and define the right priority and operator action required for each alarm.

This rationalisation has improved operator control, and a clear example of this is shown in the chart, which shows the dramatic reduction of alarms per hour per operator at the Laffan Refinery. Currently the team consistently reaches the target of 12 alarms per hour per panel operator - a big accomplishment for the multi-disciplinary team involved in this effort!



Human Resources Tiered Customer Service Delivery Model

In recent years, the Human Resources Department has invested heavily in technology as a key enabler to delivering a higher standard of customer service to all employees throughout their employment with Qatargas. This period of time is commonly known as the Employee Lifecycle.

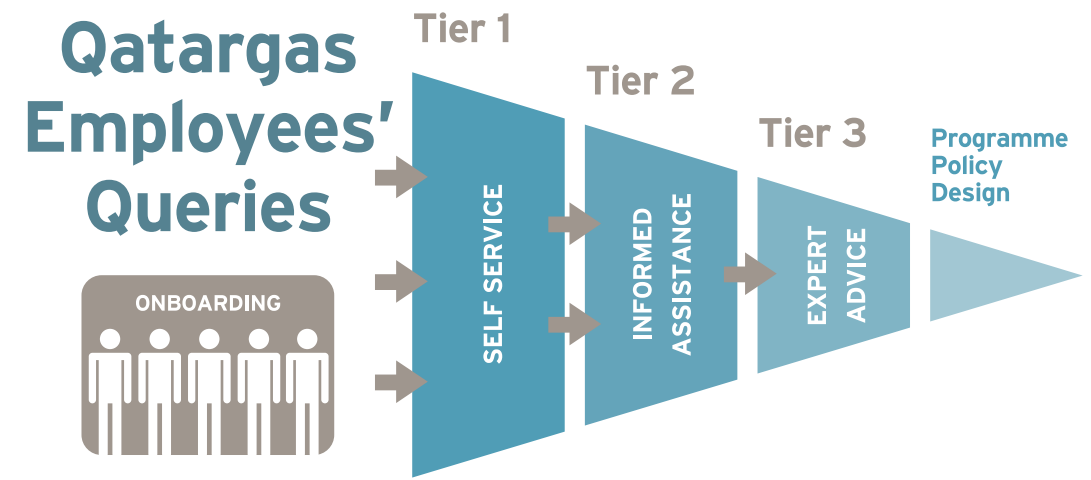
The Employee Lifecycle is a collection of Employee activities grouped into processes, reflecting key stages and core employee requirements. It provides focus for the Human Resources Department in defining and targeting improvement efforts and efficiencies.

The Human Resources Department's challenge has been to ensure that our

high calibre and diverse workforce enjoys a high level of customer satisfaction and empowerment, whilst embedding effective practices that can deliver on Employee expectations.

Emerging is our Tiered Customer Service Delivery Model, with aligned and integrated services and tools that Employees are encouraged to use continually throughout the Employee Lifecycle.

EMPLOYEE ACTIVITIES



Tier 1 - Self Service

Supported by knowledge based tools and includes Employee Self Service (ESS), HR Department Intranet, and Workflow. The majority of these tools are integrated technologies, providing a wealth of personal data and organisational information. This is the Employee's first port of call, answering their HR queries during the various Employee Lifecycle stages.

The primary benefit to Tier 1 is that an Employee can use these tools as and when required, with ongoing enhancements providing user friendly features and functionality to support new and evolving Employee needs.

Tier 2 - Informed Assistance

Supported through informed personal guidance in line with HR polices and uses case management tools, including the HR PA Service Desk. This provides a transparent and measured facility to respond effectively to individual Employee queries that cannot be answered by the current tools at Tier 1 level.

Tier 3 - Expert Advice

Supported by subject matter experts using test cases, legal advice and exceptional approvals. This provides an escalated level of expertise, ensuring

fair treatment when dealing with the unique circumstances of each Employee's case through to conclusion.

Using this Tiered Customer Service Delivery Model can support future HR Programme and Policy design as sensitivities at Tier levels can be monitored and measured. With effective alignment in the Employee Lifecycle, it can provide common themes for future investigation and action by the HR Department.

The HR Department aims to ensure that every Employee can leverage the benefits operating at these different Tiers. By having a good appreciation of the available tools, the Employee will be able to enjoy regular, consistent, positive experiences. This starts with the Onboarding Services for new joiners, and specifically the HR Induction, which includes material on our Tiered Customer Service Delivery Model and integrated services and tools.

Using feedback from Employees commenting on their experiences helps to drive improvement, including scoping future technical tool enhancements. We encourage direct feedback through the HR PA Service Desk.

"Since deploying the enhanced HR PA Service Desk in June 2012, monthly statistical analysis shows that 1,720 queries have come through Tier 2, with the top 3 queries from Employees focusing on Letter Provision, Personal Information Updates and HR Policy and Procedure application."

So you think you know the Tiered Customer Service Delivery Model? PROVE IT!

There are two activities on the tear out card for staff to complete, with some great prizes. The first correct crossword puzzle from the draw will win a Galaxy Tab, and the first two correct entries for the multiple choice quiz will each win an iPod Touch.

Participants should use the tear out card and complete the crossword and the multiple choice questions (or just one of them), including their name; department; staff number, and signature. All the crossword answers can be found by reading the article on the previous page. Answers to the

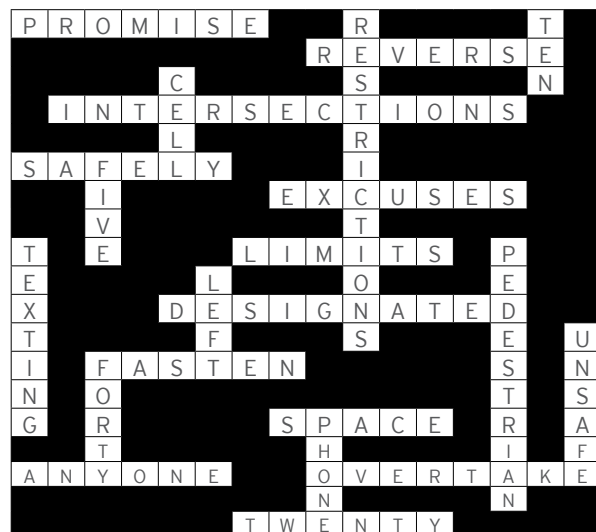
multiple choice questions can also be found in the Employee Lifecycle article or by viewing the HR intranet site. Staff should send the original completed card by internal mail, in a sealed envelope, no later than February 7th, 2013 addressed to: Camilla Neill, HR Department, 29th floor, Room 29-17 Qatargas Doha Head Office.

The emphasis is on staff participation; encouraging staff to read the article and learn about the new Customer Service Delivery Model; looking at the HR intranet site, but also having some fun at the same time. Remember,

you need to get 100% of the answers correct to be eligible to win.

Entries are open to all direct hires, secondees and contract staff employed by Qatargas Operating Company Ltd. We will accept only one entry per person. Entries should be from individual staff in their own handwriting, using their own endeavors. No team entries will be considered. The competition is open for one month from the date of official publication of the Pioneer magazine, and the draw will be soon after the closing date. Good luck and happy learning!

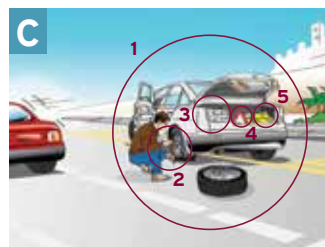
Previous Competition Answers



1. Using mobile phone while driving
2. Child standing on front seat.
3. Speeding/Exceeding the speed limit.
4. Wing mirrors closed.



1. Not reverse parked in Qatargas lot.
2. No parking decal on window.
3. Partially deflated tire.
4. Over designated parking spot lines.



1. Not pulled over to side of road.
2. Not wearing high-visibility clothing.
3. Hazard/Warning lights not on.
4. No reflector triangle.
5. No high-visibility vest

Why Reverse Parking?

Reversing into a parking space is proven to reduce accidents involving pedestrians and other vehicles. As far as Qatargas is concerned, it's the **ONLY** way to park.

What is reverse parking?

Reverse parking, also known as back-in parking, is similar to regular diagonal parking except the vehicle backs into the space instead of pulling forward into it.



Many companies now require this safety initiative to be practiced at their facilities and residential properties.

Reverse parking operates under the basic premise that it's always better to 'reverse into the known'. With regular parking, the driver is required to back out into the 'unknown' due to the obstruction of vision.

Go on then, show me how it's done.

Put on your right turn signal as you approach the parking space. Don't make any turns away from or into the spot before reversing, just continue along your normal path of travel, just outside the parking space. Pull past the parking space until the rear tires of your vehicle are even with the end of the parking space. Then turn your steering wheel to the right while

backing up. Use your mirrors to see the parking stripes to center yourself in the space. Use the front of your vehicle as a reference for how far you pull back - if you drive a pick-up truck or larger vehicle with a lot of overhang, be careful not to pull too far back.

Remember, practice makes perfect. It only takes a few attempts to get the hang of it. And when you get used to how easy it is to drive out of the space you'll start wondering why everyone isn't reverse parking.

Qatargas' HR Department is asking for your support and cooperation in this matter: reverse parking, seat belt safety, and refraining from using cell phones while driving and respecting Qatar's road safety rules are a part of being a Qatargas employee. Thank you and have a safe journey.

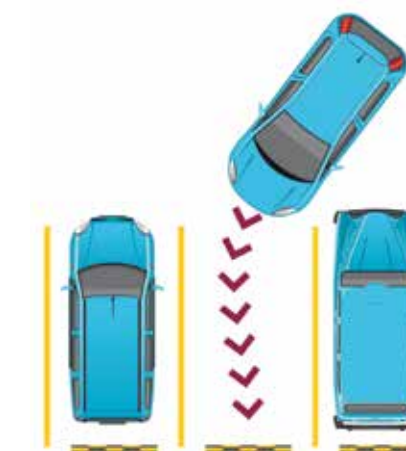
What are the benefits?

First, it's safer. A recent study shows there is a 25% reduction in the number of accidents as a result of reverse parking. The study also found a 43% reduction in accidents involving injuries related to parking. When pulling out of a reverse angle space, the driver has an unobstructed view of oncoming traffic. Second, it allows for more parking spaces within the same space, 25-30% more in fact. As more and more cars are on the road, all compete for the same limited number of parking spaces; reconfiguring existing parking layouts is vital to meeting demand for spaces that we all expect. If reverse parking is put into place in the appropriate areas we could gain many new parking spaces.

Why is it safer?

Reverse parking has proven itself time and time again not only in preventing vehicular damage but in saving lives.

INCORRECT!



CORRECT!



Shareholders' Spotlight:

An interview with Wael Sawan

Chairman and Managing Director, Qatar Shell Group



Can you please provide us with some information about yourself and your background in Shell?

I was born in Lebanon and hold both Lebanese and Canadian citizenship. I obtained my Masters Degree in Chemical Engineering from McGill University in Canada, and then an MBA from Harvard Business School.

I started my career at Shell as a Project Engineer in Oman in 1997. From there, I progressed through the organisation with various roles and international assignments in Europe, the Middle East and Asia.

In 2008, I was appointed Vice President for Commercial, New Business Development and LNG in Qatar. I am now the Chairman and Managing Director of Qatar Shell Companies with

overall responsibility for managing Shell's extensive business portfolio, ranging from LNG and GTL to upstream exploration and Chemicals.

My wife, Nicole, and I have 3 young boys who are our pride and joy. Nothing compares to the enjoyment I take from spending time with them.

What is a usual day for you like?

I'm up around 5:30am, and usually one or more of the kids are awake so we have breakfast together. I catch up on the news of the day first and then make my way to the office where 80% of my time is in meetings. (The rest is spent catching up on emails.) I try to be back home by 6:30pm to shower the kids; have dinner together before putting them to bed with a nighttime story. After that, my wife and I get some alone time to catch up.

Where will the most significant growth occur in Shell over the next few years?

Our operations in Qatar certainly represent one of the main growth engines for the Shell Group. Over the last six years we have invested close to \$21 billion to deliver two of the largest energy projects in the world in cooperation with our partner, Qatar Petroleum (QP). This includes Qatargas 4 (30% Shell - 70% QP) and our flagship project Pearl Gas to Liquids (GTL), the largest GTL plant in the world.

But we are also growing in exploration in Block D, as well as petrochemicals where QP and Shell signed a Heads of Agreement to jointly develop Al-Karaana Petrochemicals Project in Ras Laffan City.

What do you see as our energy industry's greatest challenge?

I think the greatest challenge facing our industry today is the increasing global demand for energy and the industry's ability to meet this demand. In order to keep pace with rising demand, the world will need to invest heavily in all energy sources, but also urgently tackle greenhouse gas emissions.

Cleaner energy sources will meet a growing share of demand, but even so, fossil fuels will continue to meet the bulk of global demand for decades.

We all know the necessity for our industry to develop tight gas and challenging locations to meet the energy challenge. Societal groups and NGOs are resisting our moves into these areas more vehemently than ever before. We need a common industry voice that is coherent, authentic and heard.

How do you see Shell's relationship with Qatargas?

Shell, as shareholder in Qatargas 4, is extremely proud of its partnership with Qatargas. Under the leadership of its CEO Khalid Bin Khalifa Al-Thani, Qatargas continues to go from strength to strength towards its vision of becoming the world's premier producer of LNG, and a mainstay of achieving Qatar's ambition to become the largest producer of LNG in the world.

In addition to our role as shareholders, Shell always stands ready to extend support to Qatargas including some of our top professionals who are seconded to Qatargas, in specific areas of technical support, or in areas that interface with Qatargas such as Shell's Master Agreement to support Nakilat in operating its Q-Flexes and Q-Maxes.

What is your company's main contribution to the Qatari energy sector?

I believe our main long-term contribution will be our focus on Qatarization within Qatar Shell. Today we have 270 Qatari Nationals employed in Shell, and we have focused programmes to develop that talent base both through our operations in Qatar but also through cross assignments to international locations where Shell operates. This human capital will be the legacy position that we hope to nurture for Qatar and for the benefits of its economy.

On the projects front, Shell is honored to develop a long-lasting partnership with the state of Qatar. Qatargas 4 enables the partners to leverage Qatar's status as the premier LNG supplier in the world and Shell's global network in the LNG markets. Pearl GTL is the largest energy project in Qatar. It is a game changer in the global gas market where on a major scale we convert natural gas into premium liquid fuels, lubricants and chemical feedstock.



What does the future hold for Shell in Qatar?

We are expanding our relationship internationally working with Qatar Petroleum International (QPI) - the international arm of Qatar Petroleum - to progress and mature overseas opportunities. What we see here is a special long-term partnership for our company and QP to flourish and build opportunities jointly.

In addition to business achievements, for me personally, the future is about leaving a legacy that we can be proud of in Qatar. We try to focus on the Qatar National Vision 2030, and we look at the four pillars of that. Qatar Shell has active programmes within the community, including sports, culture, road safety, research activities and capacity building initiatives.

"Over the last six years we have invested close to \$21 billion to deliver two of the largest energy projects in the world."



Qatargas Competence Development Framework

Qatargas has talent

Qatargas Competence Development Framework is part of a universal strategy to attain a high caliber workforce to support our Vision, Mission and Covenants, and to position Qatargas as the World's Leading LNG Company.

The success of any organisation is dependent on the quality of its people, which is why Qatargas has a system in place to assess and develop the competence of employees. It's called the Qatargas Competence Development Framework (QCDF).

QCDF is the foundation stone of our strategy to develop and maintain the performance of our high caliber workforce, and to ensure that Qatargas maintains a healthy talent pool, for the ongoing success of the Company.

The framework encompasses all distinct job roles in the organisation below the senior leadership level.

Each job role is given a competence profile, which includes the following pre-defined target levels to be demonstrated by employees assigned to the role: Awareness, Knowledge, Skills and Expertise. There are three types of behavioural competencies and technical competencies specific to each discipline within QCDF, these are:

Core - applied to all employee evaluations, these help drive alignment with Qatargas' core values.

Job Generic - these are dependent on the specific roles.

Leadership - these apply to senior levels of the organisation and form part of the criteria against which current performance and potential to progress to higher levels is assessed. Leadership competencies are also essential for a robust Corporate Succession Plan.

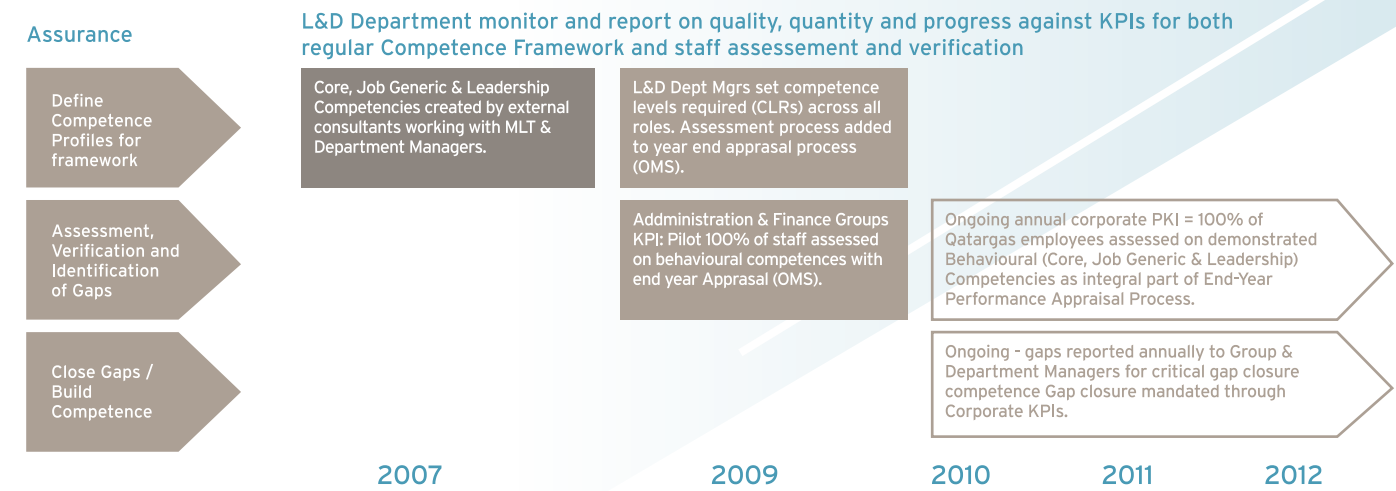
Technical - specific to each different discipline, these have been defined with subject matter experts in each area in order to ensure employees operate safely, efficiently and reliably, as fully competent in their roles. Can be developed to full competence for the good of the company, the stakeholders and their own career development.

How have we developed and tailored the QCDF?

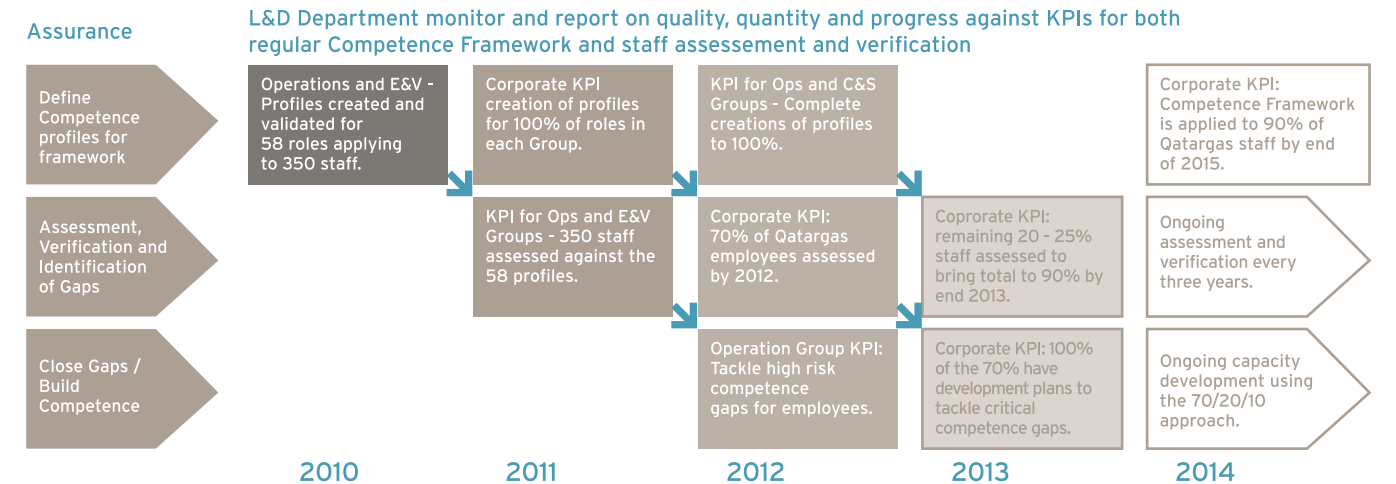
Defined Competence Profiles	Qatargas Learning & Development Department (L&D) competence professionals educate and facilitate each Group's Subject Matter Experts (SMEs) in 'best practice' standards of competence profile creation, monitor for compliance, quality assurance and progress and manage the competence repository.
Assessment, Verification & Gap Identification	Qatargas L&D competence professionals educate employees in how to self-assess & supervisor-assess against the defined behavioural and technical job competence profiles. L&D monitor assessment output for compliance, quality assurance and progress against KPIs then report on gaps to each Group Manager.
Close Gaps / Build Competence	Group and Department Managers prioritise which competence gaps should be closed as a priority Development Plans and objectives are set for employees with gaps, so that progress can be measured annually to ensure all employees are assessed and verified as fully competent in their roles.

What progress have we made in implementing the QCDF?

Behavioural Competence Framework Implementation Progress and Plans



Technical Competence Framework Implementation Progress and Plans



Across the employee population of Qatargas, 689 distinctly different technical roles were identified at the start of this stage of project in 2010. During 2011 and 2012, the Learning & Development Team has worked with subject matter experts in each area of technical specialism - from HR to Offshore Production - from Finance to Engineering - from Internal Audit to Medical, etc., in order to ensure we have comprehensive technical competence profiles for each of our 689 roles.

During 2012, the Corporate Key Performance Indicator (KPI) was to drive technical competence assessment of 70% of the employee population, against the technical competence profile for their role, and have their supervisors verify the assessments. As of December 2012, we have surpassed the KPI of 70% and have reached 88% completed, assessed and verified employees - out of a total of 2,200 employees in scope.

This has been a tremendous achievement for Qatargas, as it is key to achieving our Vision 2015 to continuously drive safety, efficiency and reliability improvements through an ever more competent workforce.

In 2013, the driving focus will be on analysing key gaps and closing them.

Town Hall gathering

Qatargas held its annual Town Hall meeting over two days in October, providing an open forum for employees to discuss matters relating to the Company and to seek clarification on key issues and developments.



Qatargas' annual Town Hall meeting proved a success, with employees from all departments attending to put forward suggestions, ask questions and openly communicate with senior management on a wide range of subjects.

Welcoming employees to the meeting, Khalid Bin Khalifa Al-Thani, Chief Executive Officer, Qatargas, said the annual event will reinforce the open communications policy adopted by Qatargas at every level. "The purpose of this forum is to address any issues concerning our employees, who are the foundation of our success. As we move ahead with our vision to become

the World's Premier LNG Company by 2015, it is very crucial for us to create opportunities for open dialogue among our people."

Urging staff to continue their commitment to safety, Khalid Bin Khalifa Al-Thani stated, "I would like to seize this opportunity to remind all of you about one of our core values - safety. We need to be alert at all times and cannot afford to be complacent when it comes to safety. Safety is a collective effort and each one of us is responsible. Ultimately, our aim is to make sure that everyone goes home safely, every day."

He went on to say, "The year 2012 has been a great year of accomplishments for us. We continue to operate our facilities efficiently, delivering LNG to our valued customers in all four corners of the world, safely and reliably. In over fifteen years of our operations we have never missed a single cargo. This would not have been possible without the help and contribution of our staff, customers and shareholders. Looking ahead, we should continue to enhance our safety performance and uphold our status as a reliable supplier of LNG to our customers around the globe."

The meeting included an overview of the accomplishments of Qatargas during 2012, which included the signing of three new long-term LNG Sales and Purchase agreements with Tokyo Electric, Kansai Electric and Chubu Electric of Japan; delivery of the first cargo of LNG to China National Oil Corporation's (CNOOC) Zhejiang LNG Terminal and the prestigious "Award for Excellence in Flaring Reduction" presented to Qatargas by the World Bank-led Global Gas Flaring Reduction Partnership (GGFR).



MAERSK Oil & QP Challenge Qatargas volunteers rise to the challenge

Two Qatargas employees sprung into action to help out at the first Maersk Oil & QP Challenge which raised over US\$100,000 for Action on Diabetes in Qatar.

Over 100 people took part in the first annual Maersk Oil & QP Challenge. Set amidst the stunning scenery of the Zekreet Desert, teams representing organisations from all over Qatar came together to compete throughout two intense, fun-packed days. The event offered participants an opportunity to develop their leadership, teamwork skills, and to network with other professionals while supporting a worthy charitable cause. The event

raised over US\$100,000 for Action on Diabetes, a not-for-profit organisation that supports diabetes awareness, prevention and treatment programmes throughout Qatar.

During the two days, teams were set four challenges themed around diabetes. Each unique challenge was designed to test mental agility, physical fitness and, most importantly, teamwork. Event organiser Joel Aston

of Red Rock International described the event as an innovative and dynamic approach to training, with a proven track record across the globe in developing high performance teams.

On hearing the event was short of volunteers, and following a quick telephone call to the PR Department, two Qatargas employees, Rebecca Grace and Tony Litson, decided to make the trip to Zekreet to volunteer their services.



A tense moment - participants discuss tactics during the Challenge



Each team's fitness, endurance and ingenuity is tested



Rebecca Grace, Succession Planning Specialist, L&D

Rebecca Grace (Succession Planning Specialist, L&D) said, "Our Direction Statement places value on Corporate Social Responsibility (CSR); we saw this as a great opportunity for representatives of Qatargas to contribute to the event and support a charity at the same time. Although we were not taking part in the challenge itself, we were rewarded with the feeling that we had made a direct contribution to the undeniable success of the event."

Tony Litson (Senior Supervisor Employee Relations, PA) explained how the event was designed to cater to all levels of fitness, saying, "We joined one of the teams at their table for lunch and it was clear they were having a great experience. None of them were super athletes, and some were clearly outside their comfort zone, but all were buzzing from excitement. Events

such as this are about more than just team building, they are about team development. The skills focused on and developed during the challenges are designed to be transferred back to the corporate environment. Not only does the charity benefit, but employers who enter teams enjoy a tangible return in the form of a move towards high performing teams in the workplace."

Such was the success of the event, Maersk & QP are planning a repeat of the Challenge next year. The 2013 challenge has been provisionally scheduled for the 16-17th November, so, come on Qatargas, let's get some teams together and rise to the challenge!

For further information about the Challenge and the work of Action on Diabetes, visit maerskoilandqpchallenge.com

Gold sponsorship

Arab Forum for the Blind recognises Qatargas partnership

The Arab Forum for the Blind, organised by the Qatar Social and the Cultural Centre for the Blind, under the patronage of His Excellency Dr. Hamad Bin Abdulaziz Al-Kuwari, Minister of Culture, Arts and Heritage, was held from 18 to 22 November.

Under the slogan 'Through our discernment, we give life to our society', the forum facilitates discussion on the latest issues in the field of visual disability and sheds light on the challenges facing the visually impaired.

At the event, several experts and specialists from 15 Arab countries participated in the discussions. Also present were Mansour Rashid Al-Naimi, Qatargas Public Relations Manager, Matar Abdullah Al Mansouri, General Secretary of the Qatar Social & Cultural Centre for the Blind, and Youssef Mouftah, Member of Directors of the Centre and its treasurer.

"Qatargas was recognised by the Arab Forum for the Blind in Doha for its support as a 'Gold Sponsor' and contribution towards society."

Qatargas Partners with Social & Cultural Centre for the Blind

Qatargas' support reinforces the important role various organisations in the country play in the lives of people with special needs.

Matar Abdullah Al Mansouri, General Secretary of the Qatar Social & Cultural Centre for the Blind, expressed his thanks and gratitude to Qatargas for the company's support, saying, "Qatargas' support of this important event is a clear demonstration of the company's social responsibility and, effectively, reinforces the important role various organisations in the country play in supporting people with special needs."

Mansour Rashid Al Naimi, Public Relations Manager at Qatargas, reiterated the point, "Corporate citizenship is one of our core strategic priorities at Qatargas. We are pleased to support the centre to help them achieve their goals of assisting the blind and partially sighted in their everyday lives."

The contribution forms part of Qatargas' continuing commitment to supporting the community, in particular those individuals with special needs. Qatargas helps various educational, sports and cultural programmes in Qatar as part of its corporate and social responsibility principles.



Because our Environment Matters

Qatargas is contributing to a more sustainable global energy mix, supplying efficient, clean LNG to customers around the world. Safely managing our business and ever-striving for better environmental performance.

Qatargas - creating more sustainable energy - because our environment matters.

Meet us at Qatar Sustainability Expo to learn more about our Environment programs at the Doha Exhibition Centre 27 November - 7 December.



The World's Premier LNG Company
www.qatargas.com.qa

GASNA Competition Open Day

Qatargas participated in the annual GASNA Competition Open Day to raise awareness of Qatar's valuable resources among young people and to empower future generations.

The GASNA competition, organised by the Gas Processing Centre (GPC) of Qatar University, is a schools initiative that aims to increase society's awareness of the nation's abundant and valuable natural resources, and to encourage young people to take ownership of the country's future by working towards the development of innovative projects for gas and related product technologies.

Rand Aga, Corporate Citizenship Officer, Public Relations Department, represented Qatargas at the Open Day, at which teachers from different schools were briefed about the competition and its requirements. A presentation was delivered on Qatargas as part of the sponsors' presentation to teachers.

All national, independent, and international schools within the State of Qatar are encouraged to participate in the competition, taking place at the beginning of each academic year. The competition is divided into the following award categories:

- **Category 1:** (KG1 - KG2) collage, posters, songs
- **Category 2:** (Year 1 - Year 3) posters, songs, short stories, plays
- **Category 3:** (Year 4 - Year 6) posters, short articles, movies, plays, models
- **Category 4:** (Year 7 - Year 9) articles, movies, plays, models
- **Category 5:** (Year 10 - Year 12) prototypes, models, movies, research papers



Each participating school holds an internal GASNA competition for each category. The first place winners are automatically recognised as finalists by the GPC for the national GASNA competition.

Being the World's largest LNG producer, Qatargas' association with the GASNA competition stems from our belief in the need to educate the younger generation about this significant industry. Educating the educators is the best way to do it. We find it a good opportunity to pass on our information to a larger audience.

"Qatargas has been a sponsor and active participant of the GASNA Competition since its launch in 2008."

Supporting the Qatar Society of Petroleum Engineers

Qatargas has announced its participation in supporting the Qatar Society of Petroleum Engineers, an organisation that supports and educates young engineers in Qatar.



"Developing our energy and petroleum industry through education and support of young professionals is paramount."

The announcement was made by Mansour Rashid Al-Naimi, Qatargas Public Relations Manager, during a brief ceremony held at Qatargas' Doha Head Office, in the presence of Abdullah Al-Sadah, QSPE's Young Professional Co-Chair.

At the event, Mr. Al-Naimi said, "We are pleased to aid the Qatar Society of Petroleum Engineers as the organisation provides a platform for us to participate in developing our energy and petroleum industry through the education and support of young professionals."

The Qatar Society of Petroleum Engineers supports the energy and petroleum industry by giving technical presentations, holding meetings and providing opportunities for young professional engineers to network.

Co-Chair of Qatar Society of Petroleum Engineers, Mr. Abdullah Al-Sadah, said, "We are very pleased to accept this sponsorship from Qatargas, which supports the ongoing programme between industry and the QSPE to realise Qatar's 2030 Vision."

The sponsorship not only aligns with Qatargas' ongoing strategy of supporting the local community, it also contributes to furthering education within our industry.

Jetty Boil-Off Gas Recovery

A flare for reducing emissions

Qatargas is pioneering the recovery of gas that would otherwise be flared during Liquefied Natural Gas (LNG) ship loading at Ras Laffan Port in Qatar with the \$1bn JBOG Project.

The Jetty Boil-Off Gas (JBOG) Recovery Project is part of the Common Facilities Projects at Ras Laffan Industrial City (RLC), and will enable boiled-off gas to be collected from LNG ships and compressed at a central facility. The compressed gas will then be sent to the LNG producers to be consumed as fuel or converted back into LNG.

Drive to reduce emissions

The JBOG Project is one of the cornerstones of Qatargas' overall flare management strategy and will be instrumental in the Company's drive

to reduce and maintain total flaring at regulatory target levels in the long term to protect the environment. The project, when fully operational, will recover the equivalent of some 0.6 million tonnes per year of LNG based on an expected 90% recovery efficiency during normal operations. In flaring units, this works out to approximately 29 billion standard cubic feet (BSCF) per year that would otherwise have been flared during LNG ship loading. This is enough natural gas to power more than 300,000 homes. In terms of Greenhouse Gas (GHG) emission reductions, the above flare recovery amounts to 1.6 million tonnes of CO₂ per annum.

With an estimated reduction of over 1 million tonnes of CO₂ per annum, the JBOG Project definitely ranks highly in terms of emissions reduction as well as overall environmental and air quality impact mitigation potential. In simple terms, it's a win-win for Qatargas and the environment.

Qatargas, Qatar Petroleum, and RasGas are focused on reducing emissions and energy usage to the lowest levels possible to meet or beat international standards. The project will, without question, contribute to reducing emissions. Qatargas Chief Executive Officer, Khalid Bin Khalifa Al-Thani said, "We are very pleased that Qatargas is able to lead this project on behalf of all the LNG producers at Ras Laffan Industrial City."

Current Status

With the design engineering completed, and most of the purchased equipment and material on site, the project is in the middle of its most critical phase, construction. Around 3,000 workers from Qatargas, Fluor, Qcon, Qatar Kentz, Medgulf and a host of other contractors are building the JBOG Project at Ras Laffan City.

The construction site is spread far and wide. The hub of activity is a small

piece of land adjacent to the huge RasGas LNG tanks in the port of Ras Laffan City. This area is termed the Central Compressor Area (CCA), and as the name suggests, houses six large compressors, which will compress the boiled-off gas from virtually atmospheric pressure to 47 bar(g).

Buildings and concrete structures have sprouted up in the CCA within the last twelve months, and compressors and other equipment have been put in place. Huge steel housings are being built to cover the compressors, while piping installation has started recently.

Around half of the construction work is outside the CCA, and spans the LNG berths at one end, to the QG plant at the other end, nearly 7 km away. Large sized piping loops have been erected, which are visible from a distance. Workers have to build bridges and drill holes to install the pipe and cables safely inside a maze of existing facilities.

The construction of this complex project is expected to be completed during 2014.

Well-being of JBOG People

JBOG Project takes pride in treating the safety and well-being of its workers as its number one priority. Building this project is a dangerous task, with people working at heights, handling heavy equipment and materials, using fragile hands to maneuver large objects, and dealing with live flames during pipe and steel welding. While the JBOG Project has developed, communicated and implemented a host of safety rules and guidelines, the most important factor

in keeping our people safe is the heightened awareness amongst the workers to look after themselves and their fellow workers.

The JBOG Project has implemented the "Incident and Injury Free" programme, which focuses on improving the behavior of people so that their threshold of risk taking is reduced to a minimum. The aim is to ensure that "Everybody Goes Home Safe", and the efforts to make this happen will continue until the last person leaves the project. The project team recently completed 10 million man-hours without a time loss injury, and is committed to continued discipline and vigilance which has brought them this far.

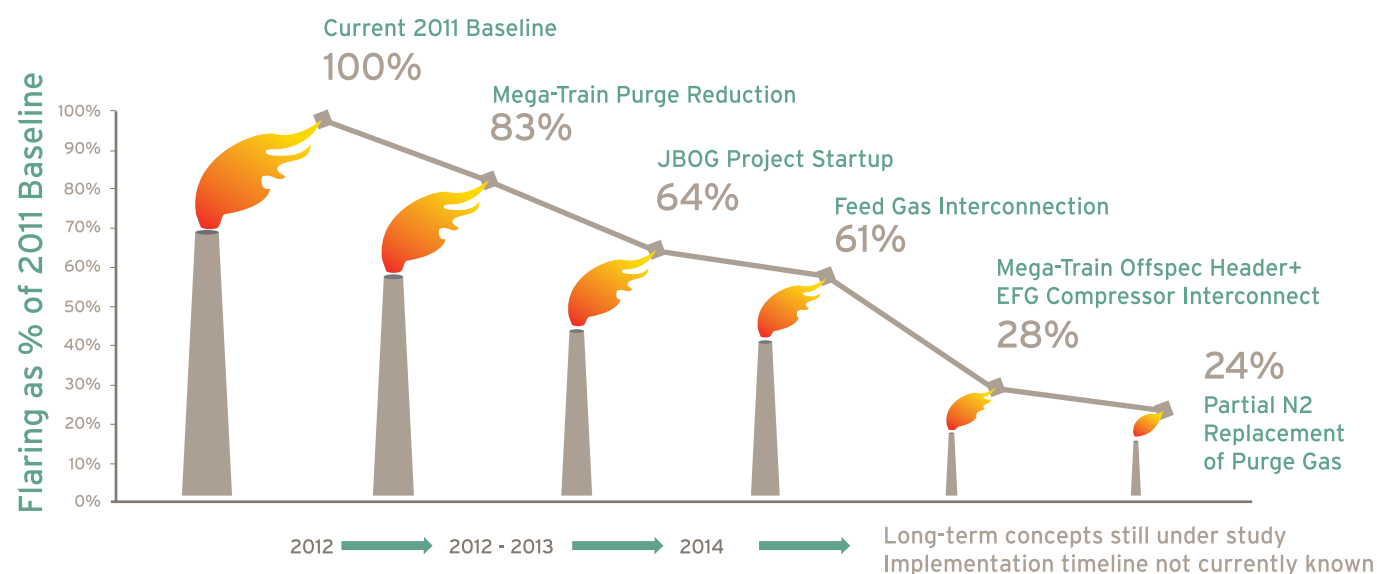
Living conditions of people play a big role in how they perform their functions. The JBOG Project is unique because it owns the camp in which its workers live. This gives the JBOG Project Management the ability to improve the rooms, food and recreation facilities to the maximum extent. A full-time doctor and nursing staff look after the health of all workers, and take care to follow up on any serious ailments. A recent survey showed that a vast majority of the workers liked their living arrangements on JBOG, and that is how we want to keep it.



Safety Day

On 29th November 2012, the JBOG Project team celebrated the 3rd JBOG Safety Day. The purpose of the celebration was to thank the workers for their exemplary safety record, as well as to take time to refocus on key safety messages.





The event commenced with a sumptuous lunch for everybody at the camp, followed by an opportunity for the leaders of the JBOG PMT and its contractors to express their views on safety to the workers. A raffle draw saw hundreds of coveted items handed to jubilant workers.

Sports events were held in cool and sunny weather, and teams from contractors competed cheerfully in several fun-filled competitions. During the evening, musical and comical entertainment was provided by JBOG's home grown talent.

Contribution to Environment

As an entirely environmentally beneficial project, the JBOG Team is determined to encourage activities aimed at improving environmental performance at all stages of project construction. The team has taken the lead in inviting volunteers to ensure that material washed up on the beaches at Ras Laffan City is collected ahead of the Hawksbill turtles nesting season, which assists the turtles in accessing Ras Laffan's beaches as they make their way out of the water to lay their eggs on the beaches. It also allows hatchlings unhindered access back into the water once they emerge from the nests.

The JBOG team broke new ground by bringing people together to plant one hundred Neem trees at the conservation facility developed by Ras Laffan City. JBOG used recycled wood to build shelters for the herds of oryx, deer and ostriches at the wooded area.

Partnering with Qatargas OpCo's Environmental Affairs Division, JBOG ensures that plastic, paper and electronic waste is recycled to the maximum extent practicable.

Environmental Exhibitions

The JBOG Project has had the privilege to showcase the project and its benefits to the environment at two major exhibitions during 2012.

In April, JBOG presented an interactive electronic tool at the QP Environment Fair. Members of the public visited the JBOG stand, and appreciated the merits of the project. His Excellency, the Qatari Minister of Energy, graciously spent time at the JBOG booth, and asked Qatargas to showcase the project at the UNFCCC Climate Conference in Doha in November.

The JBOG Project duly complied to His Excellency's wishes and built a working model of the project along with a special animated film to describe the objective

and process of the project. The model and animation was an instant hit at the COP18 QP Sustainability Expo, held from November 26 to December 8 in Doha. People from all over the world visited the model, learnt about JBOG's contribution to the environment, and left with a much better understanding of how the State of Qatar is fulfilling commitments to reducing its overall environmental footprint.

The JBOG Project Manager was honoured to be given the opportunity to present the project to a large audience at the exhibition.

Summary

The JBOG Project is set to become a landmark project for the State of Qatar, underlining the commitment of the Qatari people to balance industrial development with care for the environment. This huge investment in JBOG by Qatar Petroleum and its partners will reduce the carbon footprint of the 77 million tonnes per annum (MTPA) of LNG production facilities to the minimum practically possible. Qatargas is proud and privileged to have been asked to build and operate this flagship Qatari project.

COP18/CMP8:

The world meets to tackle climate change

What is COP18/CMP8

The 2012 United Nations Climate Change Conference was the 18th yearly session of the Conference of the Parties (COP) to the 1992 United Nations Framework Convention on Climate Change (UNFCCC) and the 8th session of the Meeting of the Parties (CMP) to the 1997 Kyoto Protocol.

The conference took place from Monday 26 November to Saturday 8 December 2012, at the Qatar National Convention Centre in Doha.

Defining COP and CMP

Since the United Nations Convention on Climate Change (UNFCCC) entered into force in 1995, the Conference of the Parties (COP) to the UNFCCC has been meeting annually to assess progress in dealing with climate change. Each year, the COP serves as the meeting of the Parties to the Kyoto Protocol (CMP), which also adopts decisions and resolutions on the implementation of its provisions. Successive decisions taken by the COP make up a detailed set of rules for practical and effective implementation of a worldwide convention on tackling climate change.

COP18/CMP8 Achievements

The conference reached an agreement to extend the life of the Kyoto Protocol, which had been due to expire at the end of 2012, until 2020. A new Protocol is set to be developed by 2015 and implemented by 2020. Another key development was the incorporation of the concept of "loss and damage". This means that signatory nations agreed in principle that richer nations could be financially responsible to other nations for their failure to reduce carbon emissions.

Looking ahead

The next meeting of the Parties (COP19/CMP9) will be in Poland and will firm up the agreements in principle that were achieved in Doha.

DOHA 2012

UN CLIMATE CHANGE CONFERENCE

COP18·CMP8

This year's climate change conference marked the first time that a Middle Eastern nation has hosted the conference since they began 18 years ago. This fact was significant in that many commentators and, in particular, the world press viewed the conference as an 'awakening' of the Arab world to the issues surrounding climate change and environmental sustainability.

In reality, it wasn't so much the Arab world waking up to climate change but the rest of the world catching up with the many initiatives and solid progress being made in this part of the world. COP18/CMP8 provided a showcase for many companies based in Qatar, including Qatargas, to demonstrate their environmental credentials to the world for the first time.

However, there is another reason why Qatar's selection to host the talks was an intelligent decision by the United Nations. As a coastal, relatively low-lying nation, Qatar is one of ten developing countries that is predicted to be most affected by rising sea levels. Water scarcity is a major issue, with virtually

all water sourced from the sea through desalination. Food security is also an issue, with the nation 95% dependent on technology and trade for its food.

All these factors mean that rather than being a rich nation able to stand aside while others feel the effects of climate change and related environmental issues, it is in Qatar's interests to engage earnestly in debate and encourage other nations to find common ground and agree on a way forward to tackle climate change.

Environmental sustainability is a key pillar of Qatar's National Vision 2030 and, as such, the nation's leadership on issues surrounding the environment, emissions reduction, and climate change is written into its constitution. Through the continuing investment and efforts of Qatar's trade, commerce and governmental sectors, and a general public willing to make the difficult lifestyle changes necessary, Qatar has demonstrated a strong commitment to tackling climate change. One that should be applauded across the world. This is the legacy of COP18/CMP8.

In December, Qatar welcomed the world when it hosted the COP18/CMP8 Conference of the Parties on Climate Change. The talks are now over but the legacy of the event lives on.

Qatargas' ongoing commitment to environmental performance and stewardship

For Qatargas, the focus is to become the world's premier LNG Company by 2015, where we will be known for our people, innovation, operating excellence, environmental responsibility and corporate social citizenship. We continue to demonstrate our ability as a reliable and safe global supplier of LNG and will add to the energy diversity of countries in Asia, Europe and the Americas. We are committed to helping these countries improve their energy security

by diversifying the long-term mix of their energy supplies.

Improving our operations to minimise our environmental footprint remains a top priority. As a result, we are committed to meeting and/or exceeding the most stringent government regulatory standards to promote environmentally friendly practices. We believe that sustaining our environment is an obligation we owe our future generations.

Over the next few pages you will find some of the initiatives and achievements that Qatargas has made in response to the green agenda we have set ourselves. This is by no means an exhaustive list; work continues on a daily basis to further extend and satisfy our commitment to the highest levels of environmental performance and stewardship.



Leading with education for a brighter future

Qatargas is proactive in promoting environmental education and awareness as part of its wider corporate social responsibility initiatives. Future generations will play a vital role in making the necessary changes and leading the way in environmental issues across every aspect of community, commercial and governmental life. For this reason, Qatargas believes the value of educating young people in this area is one of the most important contributions to the future of the planet.

Qatargas works closely with local schools and other environmental organisations to promote the message of environmental management and protection, acknowledging its role as a responsible energy provider.



Addressing emissions through a structured approach

When it comes to tackling one of the world's biggest issues such as greenhouse gas emissions, it takes a structured approach to first understand what the issues are and then to formulate an effective plan of action. This is precisely what Qatargas has done with its pioneering Greenhouse Gas (GHG) Management strategy, which aims to reduce the organisation's emissions of CO₂ and other gasses progressively over time.

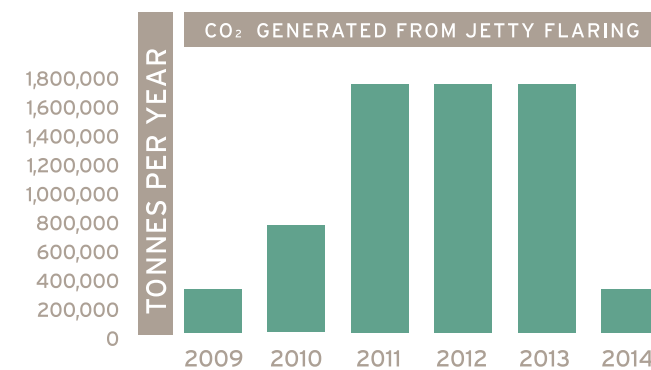
From the outset, the strategy was divided into three phases with Phase 1 involving investigation of the

issues surrounding GHG, its context within the operations of Qatargas and beyond to the immediate and general environment. Phase 1 also encompasses the development of a GHG Management position as well as structured framework for reviewing opportunities to reduce GHG emissions.

Phase 2 involves preparing procedures, manuals and detailed externally verified emissions inventories of Qatargas' facilities and plant, including LNG trains, the Laffan Refinery, RLTO, etc., covering Scope 1, 2 and 3 emissions. The phase was concluded by benchmarking and creating Key Performance Indicators (KPIs) to facilitate assessment and management of performance in Qatargas' ongoing reduction efforts.

The third and final phase is the action part of the strategy. Currently, Qatargas activities under Phase 3 include a highly successful ongoing flare reduction programme (which includes the award-winning JBOG Project - see page 30), assessment of carbon reduction opportunities across operations, and abatement techniques via sustainability assessment and engineering studies.

In addition to the phased strategy approach on greenhouse gases, Qatargas is embarking on a total lifecycle assessment of its entire operations, with specific emphasis on reducing carbon emissions, improving water management and limiting NO_x emissions.



The Jetty Boil-Off Gas (JBOG) Project

One of our early success stories, and an indication of the very real commitment Qatargas is making towards emissions reduction and the environment, is its Jetty Boil-Off Gas (JBOG) Project. The project, which so far represents an investment of \$1 billion, aims to recover gas currently being flared during LNG ship loading at the Port of Ras Laffan. It is anticipated to be completed in 2014, and will be a common facility for all six Qatargas and RasGas berths.

Recovering 90% of boil-off gas flared at the berths will lead to a reduction of 1.6 million tonnes of CO₂ per year which is equivalent to annual greenhouse emissions of 175,000 cars. Further, it will provide a flaring reduction of 29 billion standard cubic feet per year which is enough to power more than 300,000 homes.

Water gets the "Three Rs" treatment

There is no getting around the fact that industrialised processes use considerable amounts of water for steam generation, service water and cooling requirements. As a consequence, water and its management has a huge impact on the environment, and Qatargas has been active in researching ways of reducing the impact in this area.

LNG Mega-Trains use desalinated water for steam generation and cooling, that eventually results in wastewater requiring retreatment. To minimise this wastewater, Qatargas is developing a strategy based around the Three Rs - Reuse, Recycle and Reduce. Reuse involves using water that meets lower irrigation water specifications and requires minimum treatment. Recycling produces, with appropriate treatments, either desalinated water or polished water for recycling within the production process. Reduce is achieved through the above mentioned initiatives and through minimising deep well injection.





Environmental Performance linked to Operational Excellence

Qatargas has an approach to LNG production which focuses on a strong adherence to operational excellence and the highest standards of environmental performance. To support this, it has developed a forward-looking strategy to address environmental issues such as the management of greenhouse gasses and other emissions that could have an impact on the environment, energy conservation, reduction in carbon footprint, and the management of water use within the plant process.

Qatargas has the view that operational excellence and environmental performance are critically interrelated business objectives. Strong operational performance is centred around delivering business value in line with the Qatar National 2030 Vision of which one of the four defining pillars is the environment.

Green Award for emissions compliance of LNG fleet

In 2011, Qatargas received the first ever 'Green Award' for its fleet of LNG carriers' compliance with global environmental regulations and safety standards, where significant reductions in emissions are obtained for each molecule of LNG transported when compared to conventional LNG vessels. These emission reductions were possible through the introduction of pioneering onboard boil-off gas recovery systems. Further to this, onboard boil-off recovery systems are now a feature of the Q-Max and Q-Flex fleet.

An ongoing commitment to sustainability

As the world's largest LNG producer - delivering a cleaner-burning alternative to oil and coal for many customers and nations around the world - it would be easy for us to rest on our laurels so far as the environment is concerned. However, Qatargas has an ongoing commitment to sustainability and the environment. As an organisation, we have challenged ourselves to deliver the highest standards of social and environmental performance and stewardship. As a result, Qatargas is committed to meeting or exceeding the most stringent government regulatory standards and supports environmental responsibility.

Through improving our operations and remaining conscientious of the impact we as an organisation are having on the environment, our aim is to ensure that minimising our environmental footprint remains a top priority at Qatargas.