Sustainability Report 2013

قطرغاز
QATARGAS

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

ABOUT THIS **REPORT**

Welcome to the annual Sustainability Report for Qatargas, the largest Liquefied Natural Gas (LNG) company in the world. This report is an update on our performance for the year 2013, providing data from the past 4 years of operation where available, and insight into our strategy and direction as we move forwards.

In preparing this report we have used national and international reporting guidelines provided by the Global Reporting Initiative (GRI), International Petroleum Industry Environmental Conservation Association (IPIECA)/ American Petroleum Institute (API) and International Oil and Gas Producers Association (OGP), and the Qatar Petroleum Health, Safety and Environment Regulations and Enforcement Directorate. More details on report preparation, scope and boundaries can be found in Appendix A. This report achieves a GRI G3.1 application level A. This has been checked and confirmed by the GRI, as can be seen in the GRI Statement in Appendix C.

We invite you to provide us with comments and feedback on this report and our sustainability performance through any of the following channels:

email: sustainability@qatargas.com.qa

www.qatargas.com/English/FeedBack/Pages/FeedBack.aspx

http://www.facebook.com/qatargasmedia

www.linkedin.com/company/23331?trk=tyah&trkInfo=tas%3AQatargas%2Cidx%3A34-1-

http://www.twitter.com/QatargasMedia

http://www.youtube.com/channel/UCK-M7hLGKt5sUd5L-YikFtw

Qatargaspr

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

The annual preparation of our sustainability report provides us with an invaluable opportunity to reflect on how far we have come as a company. As we move into our 30th year of existence, I am proud to report that our impressive history continues to grow, and I am motivated by what the future holds for our Company and our Country.

Since 1984, we have been pioneers of the LNG industry in Qatar. Now, as the largest LNG company in the world, we are a leading provider of safe, reliable and cleaner-burning natural gas. With our products reaching new parts of the world every year, we play a crucial role in supporting more and more countries to diversify their energy mix and reduce their emissions. It is clear that the energy delivered by Qatargas is positively touching the lives of billions of people around the world every day.

As we continue to succeed globally with our expanding and integrated value chain, here in Qatar we are a driving force behind the development ambitions of the Country. By harnessing Qatar's natural resources, we provide the Country with a reliable source of revenue that is being invested in the people, society, environment and economy of Qatar. This investment is being made for the future and is based on the principles of sustainable development, securing our long-term prosperity.

Beyond its current economic role, the energy and industry sector continues to focus on improving its contribution to all elements of the national ambition. This commitment is being enhanced by a sector wide initiative called the Sustainable Development Industry Reporting (SDIR) Programme, which we have been a part of since its inception.

For Qatargas, our dedication to becoming the world's premier LNG company means we continue to focus on becoming known for our people, innovation, operating excellence and corporate social responsibility. This forms the foundation of our approach to sustainability, an approach that continues to develop in alignment with the sector and national frameworks.

Looking back at 2013 specifically, we managed to achieve some significant milestones including a reduction in flaring and water consumption, 20 million safe work hours for our flagship Jetty Boil-Off Gas Recovery Project, growth in Qatarisation and average hours of training per employee, and a significant rise in our community investment spending.

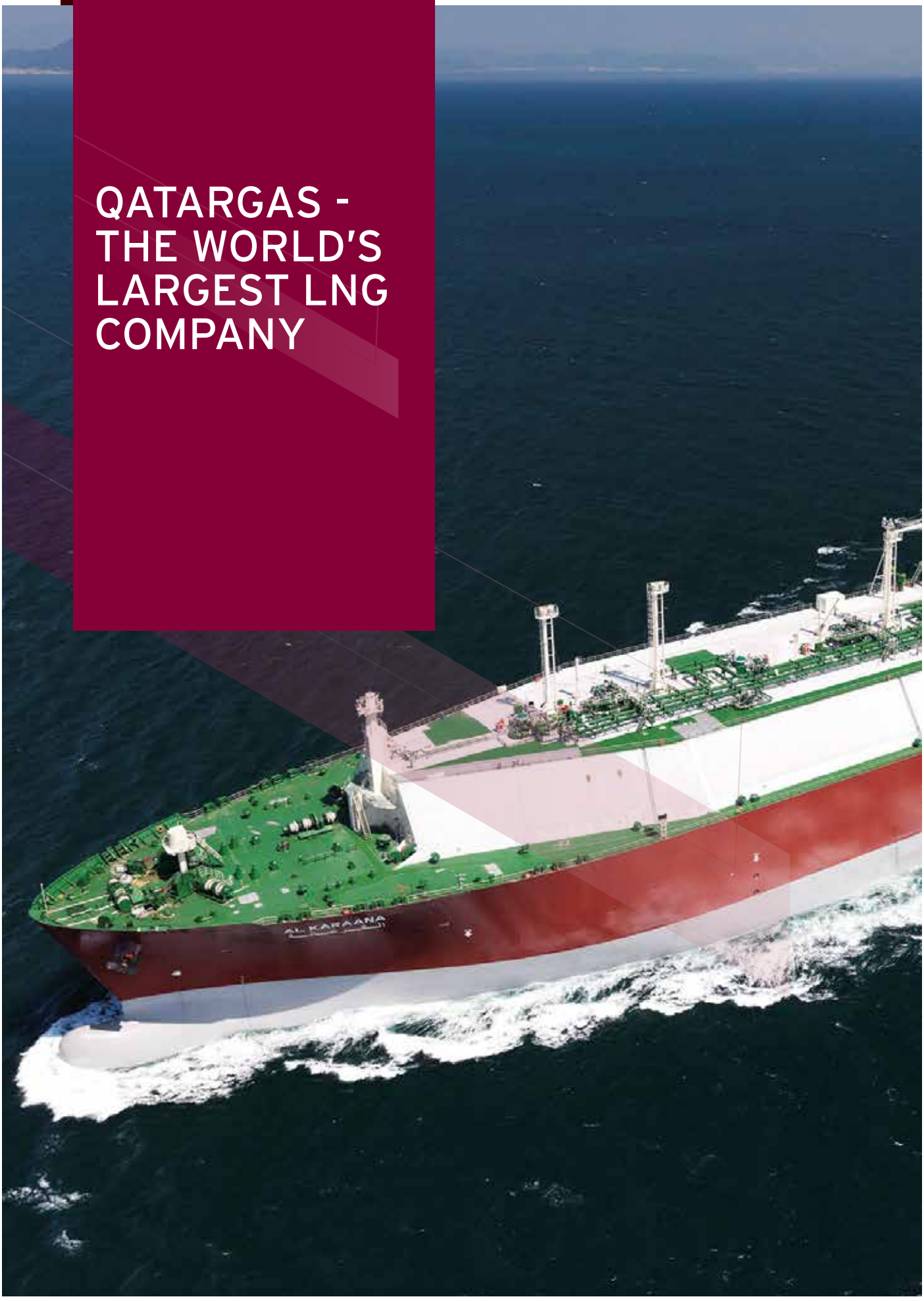
Much remains to be done before we reach our 2015 vision, but I am confident in the exceptional talent we have in place, the innovative projects currently being delivered and the ambitious plans we have for the future, all of which you can read about in this report.

In summary, it is clear that 2013 represented another significant chapter in the already impressive history of Qatargas, and I am excited by what the future will hold. I also thank you for taking the time to read our report, and I look forward to engaging with you further on our sustainability journey.

Khalid Bin Khalifa Al-Thani
Chief Executive Officer

> With our products reaching new parts of the world every year, we play a crucial role in supporting more and more countries to diversify their energy mix and reduce their emissions.

QATARGAS - THE WORLD'S LARGEST LNG COMPANY



WHO WE ARE

Established in 1984, Qatargas has always been a pioneer in the development of the Liquefied Natural Gas (LNG) industry, setting new standards and transforming Qatar. With a production capacity of 42 million tonnes per year, we are the largest LNG company in the world. Our integrated value chain stretches around the globe, which means people in Europe, Asia and the Americas are being powered by Qatargas every day.

Direction statement – we will be the world's premier LNG company.

Our vision – we will be known for our people, innovation, operating excellence and corporate social responsibility.

We will set the standard for:

- Safety, health and environmental performance.
- Customer satisfaction.
- A high calibre, diverse workforce.
- Efficient and reliable operations.
- Financial performance.

Our shareholders include some of the biggest oil and gas majors in the world including Qatar Petroleum, Total, ExxonMobil, Mitsui, Marubeni, ConocoPhillips, Shell, Idemitsu and Cosmo Oil.

For more information about who we are and our history, please visit our website at:

www.qatargas.com/English/MediaCenter/VideoLibrary/Pages/VideoLibrary2.aspx?itemId=11

WHAT WE DO

We produce, market and ship LNG and other gas derived products to customers across the globe in a timely and efficient manner. We are the only fully integrated LNG company in the world with a value chain that goes from the wellhead to the power station and beyond, so our size allows us to benefit from economies of scale and shared operations. To date we have delivered energy to 21 countries touching the lives of over 3.7 billion people.

Liquefied Natural Gas (LNG)	Other Gas Derived Products
Natural gas is a critical part of the global energy mix due to its clean-burning and lower emission qualities. Liquefied Natural Gas (LNG) is a way of delivering natural gas to all corners of the globe, safely and reliably. We deliver LNG through a fleet of ships to customers who are primarily utility companies that generate power and distribute gas to homes, factories and offices.	• Liquefied Petroleum Gas (LPG) • Condensate • Helium • Sulphur • Naphtha • Kerojet • Gas oil

For more information on our products, please visit our website at:

www.qatargas.com/English/AboutUs/Pages/OurProducts.aspx

OUR OPERATIONS

Qatargas headquarters are located in Doha, with our extraction operations situated on top of the largest deposit of non-associated natural gas in the world, the North Field located 80km Northeast of Qatar's mainland. Processing is undertaken at Ras Laffan Industrial City where we operate LNG trains, Laffan Refinery and other common facilities. LNG is then distributed to receiving terminals around the world, some of which form part of the Qatargas value chain. We also have liaison offices in China, Japan, Thailand and the United States of America (USA).

LNG OPERATIONS

Qatargas operates four LNG joint ventures that include onshore and offshore facilities. Raw natural gas is transported from over 80 offshore wells via subsea pipelines to seven onshore trains. Our offshore operations are co-ordinated from our North Field Bravo facility.

	Qatargas 1	Qatargas 2	Qatargas 3	Qatargas 4
Number of offshore wells	22	30	33	
Number of onshore LNG trains	3	2	1	1
Capacity of each train	3.3 MTA	7.8 MTA	7.8 MTA	7.8 MTA
Number of ships	11	14	10	8
Capacity of each ship	137,500 m3	210,000 - 266,000 m3		
Date of first cargo shipped	1996	2009	2010	2011
Main markets	Japan, Spain	UK, Europe, Asia	Global	Global

FLEET

Qatargas has the largest chartered fleet of liquefied natural gas carriers in the world. The majority of the fleet, including the 19 Q-Flex, 13 Q-Max and 11 conventional Q-Fleet ships are on long-term charters to Qatargas ventures. Additionally, short term chartered vessels are utilised as needed.

RECEIVING TERMINALS

Qatargas delivers to LNG receiving terminals around the world, some of which are purpose-built as part of the integrated value chain. The South Hook Terminal in Wales is the largest terminal of its kind in Europe and is part of the Qatargas 2 value chain.

LAFFAN REFINERY

Qatargas owns and operates the Laffan Refinery (Qatar's first condensate refinery) with a production capacity of 146,000 bpsd, producing naphtha, kerojet, gas oil and LPG using condensate from Qatargas and RasGas. Construction of Laffan Refinery 2, which will double current capacity, is already under way. It is expected to be fully operational by 2016.

COMMON FACILITIES

Qatargas also operates a number of common facilities used by multiple operators in Ras Laffan Industrial City. These include the CSP (Common Sulphur Plant), Common LPG (CLPG) facility, Common LNG Storage and Loading (CLNGSL) facility, Common Volatile Organic Compounds (CVOC) facility, Common Condensate Storage and Loading (CCSL) facility, Shell Harbour and Dolphin Energy Tank Farms.

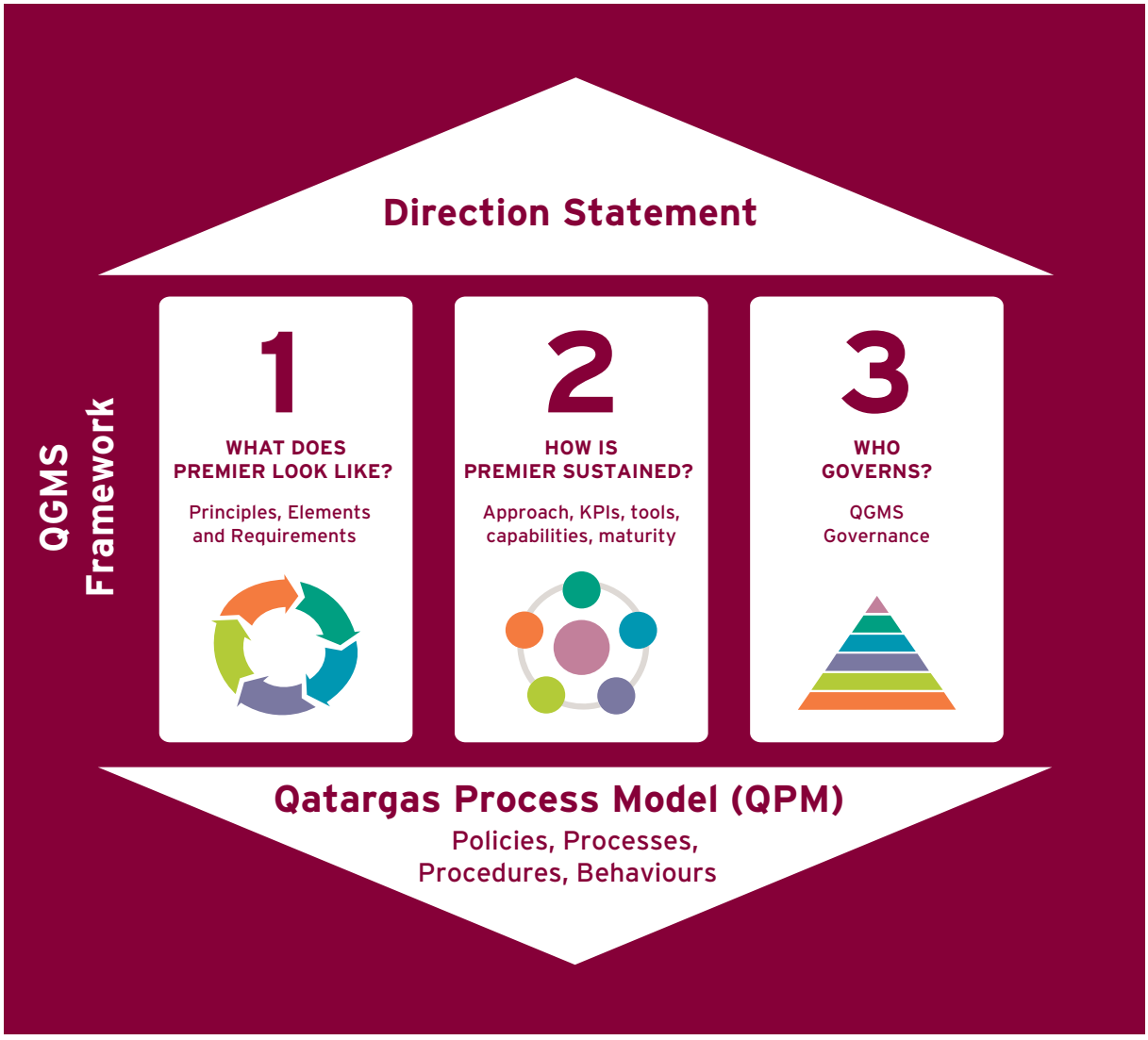
Further information on our operations can be found on our website at:

www.qatargas.com/English/AboutUs/Pages/CurrentOperationsD.aspx

ONE TEAM, ONE SYSTEM

Having become the world's largest LNG company, our vision is to become the world's 'premier' LNG company. Achieving this target requires the implementation of a comprehensive, integrated system that will regulate a premier 'Qatargas way' of doing business. This has led to the development and adoption of a new Qatargas Management System (QGMS) that will replace or integrate existing management systems.

The QGMS project began in 2011 with the core goal of linking our direction statement to our business processes, enabling us to deliver on the 2015 vision. Under the slogan of "One Team, One System", QGMS will not only enable us to improve our performance in safety, environment, reliability and efficiency but will also ensure that our employees, customers and stakeholders are proud to work with the world's premier LNG company.
The QGMS project is ongoing and due for completion in 2015.



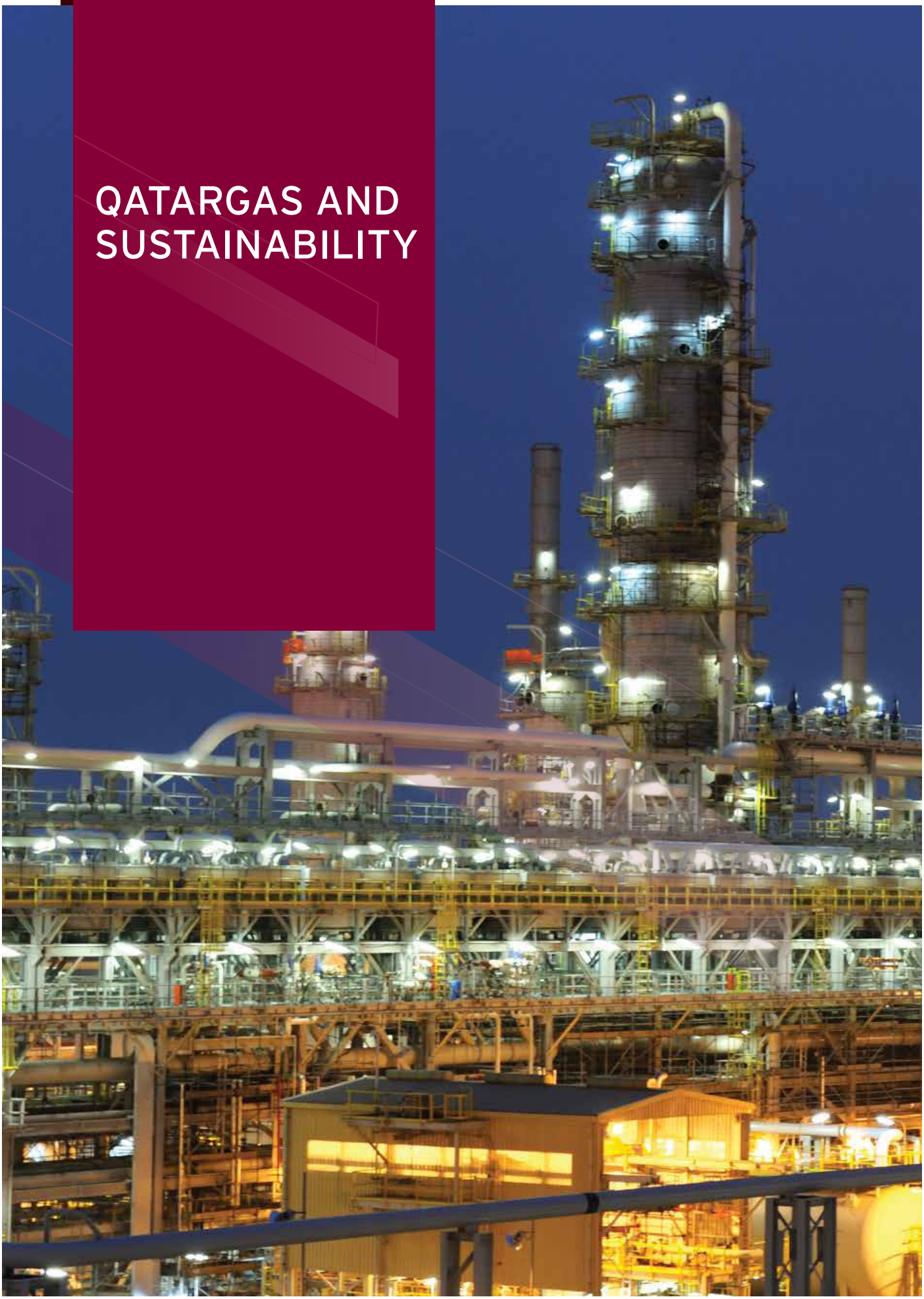
2013 HIGHLIGHTS

Qatargas continues to reach new heights, winning awards for our performance. Some of the key highlights include:

- Qatar Petroleum and partners signed a Joint Venture Agreement for Laffan Refinery 2 Project due to be operated by Qatargas.
- First LNG delivery to terminals in Singapore, Malaysia and two in China.
- Three new Sales and Purchase Agreements (SPAs) were signed.
- The Diesel Hydrotreater (DHT) project achieved 2 million work hours without any Lost Time Incidents (LTI).
- Jetty Boil-Off Gas Recovery Project accomplished 20 million safe work hours.
- 10 lifesaving rules were launched, and the first annual Contractors' Safety Forum was held.
- Electronic shift-management system was launched to improve communication and safety.
- Over 20% reduction in total hydrocarbon flaring from our LNG assets since 2012.
- QG2-QG3&4 (Mega-Train) Purge Gas Reduction Project completed - expected 10 - 15% reduction in mega-train flaring in 2014.
- Installation of low NOx combustion systems on QG1 boilers and gas turbine generators (GTGs) resulted in a 20% reduction in annual NOx emissions from 2012.
- Project launched to implement Environmental Data Management System (EDMS).
- Learning Olympics launched.
- 500 employees recognised at the Long Service Award ceremony.
- Sponsorship of the Qatar UK 2013 Year of Culture with 93 events held in Qatar and the UK.
- Signed 3-year sponsorship agreement with the Qatar Football Association (QFA) to become the name partner of the Q league, which is now known as Qatargas League.

Awarding Entity	Achievement
Qatar Petroleum	Qatargas won the **"Excellence in Sustainability Reporting and Performance Award"** in recognition of its energy and water management, and workforce health and well-being programmes. www.qatargas.com/English/MediaCenter/news/Pages/SustainabilityReportAward.aspx
The Oil & Gas Year	Qatargas was presented with the **"Sustainability Award of the Year"** for the development of the Jetty Boil-Off Gas Recovery Project (JBOG). www.qatargas.com/English/MediaCenter/news/Pages/SustainabilityAward.aspx
Green Award Foundation	**"The Green Award"** is used to recognise vessels and ports compliance with global environmental and safety standards. In 2013, all thirty-one (31) vessels that had previously been accepted into the Green Award Certification scheme successfully renewed their certification. www.qatargas.com/English/MediaCenter/news/Pages/Article_285.aspx
British Safety Council (BSC)	Qatargas Shipping received the highest award **(5 Stars) in Occupational Health and Safety**. It is the first time a Qatar based organisation has received this prestigious award. This achievement was complemented with the award of **4 Stars in Environmental Standards** and Practices. www.qatargas.com/English/MediaCenter/Publications/ThePioneer/Pioneer%20September%202013%20-%20English.pdf#search=BSC
Royal Dutch Shell	**Given the "PRIDE Award"** in recognition of the continuing year-on-year improvements to the work plan and budget (WP&B) process and proactive engagement with shareholders.
Ministry of Energy and Industry	**Awarded the "Support and Liaison with the Education Sector"** category of the Annual Qatarisation Awards. www.qatargas.com/English/MediaCenter/news/Pages/13MayQatarizationAward.aspx
Institute of Chemical Engineers (IChemE)	Qatargas earned the distinction of becoming the first company in Qatar to be recognized as a **Gold Partner of the Institute of Chemical Engineers (IChemE**). www.qatargas.com/English/MediaCenter/news/Pages/IChemE-Gold-Partnership.aspx
Investors in People	Qatargas achieved the **"Investors in People (IiP) Gold Award"** in Nov 2013. Qatargas is the only company in Qatar to achieve this and is also the only learning and development department in any LNG company in the world to receive this award. www.qatargas.com/English/MediaCenter/PressReleases/2014/Pages/Qatargas---only-company-in-Qatar-to-achieve-Gold-Award-with-%E2%80%98Investors-in-People%E2%80%99-.aspx
Qatar Petroleum	Qatargas won the **"Qatar Oil & Gas Industry HSE Excellence Awards"** for industry leading safety performance on the Jetty Boil-Off Gas (JBOG) project. www.qatargas.com/English/MediaCenter/PressReleases/2013/Pages/13MayHSEAward-PR.aspx
Association of Marketing and Communication Professionals (AMCP)	Qatargas won an international **"AVA Platinum Award (Best TV Commercial/CSR)"** in May 2013 for a road safety commercial produced in 2012 as part of the Company's annual road safety campaign. www.qatargas.com/English/MediaCenter/news/Pages/13MayTVCAward.aspx

QATARGAS AND SUSTAINABILITY



OUR APPROACH

Sustainability is fundamental to our Direction Statement, the core guiding document of Qatargas. It contains our vision, mission and covenants which clearly address our approach to social, environmental, economic and governance issues. These can be viewed on our website at:

www.qatargas.com/English/AboutUs/Pages/MissionVision.aspx

SUSTAINABILITY GOVERNANCE

All aspects of Company management including economic, environmental and social topics and everyday decision-making are undertaken by the CEO, except for matters required by the Articles of Association of the Company or the Joint Venture Agreement to be decided by the Shareholders or the Board of Directors. The CEO further delegates his authority to Chief Operating Officers, committees and business groups to manage economic, environmental and social topics.

Qatargas management is guided by strategies, plans and working programmes approved by shareholders through shareholder meetings, resolutions and working teams. Details of Qatargas' financial, social and environmental performance are presented to and discussed with the Board every quarter.

SUSTAINABILITY MANAGEMENT

As part of its vision of becoming the world's premier LNG company, Qatargas has declared its intention "to be known for its people, innovation, operating excellence and corporate social responsibility". To turn this vision into a reality, initiative teams were established, including a cross-functional Corporate Social Responsibility Initiative Team (CSRIT) co-ordinated by the Public Relations (PR) Department. Since 2009, this team has completed a sustainability audit, identified gaps, put an implementation plan in place, and has been monitoring progress towards it ever since. It is now responsible for the development of the annual Sustainability Report.

STAKEHOLDER ENGAGEMENT

Qatargas interacts with its stakeholders as frequently as possible through a multitude of channels to inform its approach to the day-to-day management of sustainability issues. A summary of our stakeholder mapping and channels of engagement can be found in Appendix D. Qatargas engaged with industry stakeholders and the public at a range of events during 2013 as shown in Table 1.

QP Environment Fair	LNG 17 Houston	CSR Qatar Conference 2013	Qatar Total Tennis Open
Numerous Careers Fairs (Qatar and UK)	8th Doha International Oil and Gas Exhibition	QP Industrial Cities Forum	Made in Qatar Exhibition
Qatar-Japan Business Forum	Flame Conference	3rd Regional Public Relations Conference	6th International Petroleum Technology Conference (IPTC)
World at Work (Joint Venture partner)	Expatriate Compensation (AirInc)	Mercer EMEA C&B Conference	2nd QP Occupational Health Conference
Hay Group International HR Conference	Society of Petroleum Engineers (SPE) – Applied Technology Workshop: Management of QHSE Risks in Brownfield Projects and Operations	Global Procurement and Supply Chain Management for the Oil and Gas Industry	HR Policies and Procedures Conference (IIRME)
2nd Doha Carbon and Energy Forum	10th Annual Qatargas-RasGas Engineering Forum	Treated Industrial Water (TIW) Workshops (administered by Ministry of Environment)	2nd Middle East Turbomachinery Symposium (METS)

Table 1 –2013 Events in which Qatargas participated

We are also actively involved in a range of industry associations and committees that focus on the sustainability of the Qatar energy and industry sector, including:

- Member of the **Training and Development Liaison Committee (TDLC)** that promotes best practice in training and development in Qatar's energy and industry sector.
- Member of the global oil and gas industry association for environmental and social issues (**IPIECA**).
- Sustaining member of the **American Society for Quality (ASQ).**
- Vice Chair on the **International Gas Union Taskforce** that looks after human capital development in the gas industry.
- Vice Chairman of the Board of Trustees at **Qatar Independent Technical School (QITS).**
- Founder Member of the **Qatar University Gas Processing Centre.**
- Member of the **Mary Kay O' Connor Process Safety Centre** of the Texas A&M University at Qatar.
- Founder Member of the **Laffan Environmental Society.**
- Member of the **Ras Laffan Industrial City (RLIC) Community Outreach Programme**.

DETERMINING WHAT IS MATERIAL

One of the first tasks of the CSRIT was to identify CSR and sustainability elements that are relevant to Qatargas. The team identified 42 topics in total (Figure 1) using international guidelines, the national direction, sector sustainability programme and stakeholder interests as input.

CSR AND SUSTAINABILITY ELEMENTS

ENVIRONMENT

- Environmental Policy
- Environmental Management System
- Energy Efficiency / Alternative Energy
- Climate Change / GHG Emissions
- Emissions to Air (non-GHG)
- Emissions / Discharges to Water
- Water Use / Efficiency
- Non-Hazardous Waste Management
- Hazardous Waste Management
- Biodiversity
- Environmental Impact of Products and Services
- Environmental Value Chain Management
- Green Purchasing / Procurement
- Material Use: Dematerialization / Efficiency & Hazardous / Toxics

SOCIAL

- Social Policy
- Social Management Systems
- Employees: Training
- Employees: Salaries & Benefits
- Employees: Working Conditions
- Employees: Health & Safety
- Employees: Non Discrimination
- Employees: Child Labour
- Employees: Forced Labour
- Employees: Freedom of Association
- Local Communities: Development
- Local Communities: Health & Safety
- Local Communities: Aboriginal People
- Social Impacts of Products & Services
- Social Value Chain Management
- Global Community: Human Rights

GOVERNANCE & CONDUCT

- Strategic Planning
- Financial Reporting & Disclosure
- Investor Relations
- Investments
- Risk Management
- Internal & External Reporting Systems
- Financial Planning & Analysis
- Customer Satisfaction
- Profitability
- Balance Sheet Strength
- Market Capitalization
- Productivity
- Economic Impact

FINANCIAL/ ECONOMICS

- High Level Commitment to Sustainability
- Ethics
- Governance & Accountability
- Corporate Sustainability Reporting
- Stakeholder Engagement

Figure 1 - CSR and sustainability elements identifies as relevant to Qatargas

CSR and sustainability elements identified as relevant to Qatargas

To focus our approach most effectively, we conducted a basic materiality assessment together with members of the CSRIT in 2013. The material topics and our organisation of them, as well as how they align to the sector programme and national objectives can be found on page 20 to 23.

POLICIES AND PROCEDURES

Beyond the Direction Statement, Qatargas has established a range of policies and procedures relating to our sustainability performance (Table 2). They cover the operations of the entire Company and have been developed in line with international standards and guidelines. The development of QGMS will further enhance the collection and implementation of all policies in the future.

Internal statement or code of conduct relevant to sustainability	Relation to internationally agreed standards
Code of Business Ethics Policy	N/A
Internal Audit Charter	Institute of Internal Auditors 'Code of Ethics' and 'Standards for the Professional Practice of Internal Auditing'.
Employee Relations Policy	N/A
Social Investment Procedure	N/A
Safety, Health, Environmental (SHE) & Quality Policy	ISO 9001/14001 and OSHAS 18001 Integrated System
Safety, Health and Environment Committee Charter	ISO14001 / OHSAS18001
Enterprise Risk Management Process	ISO 31000
Business Continuity Management Policy	ISO 22301
National Graduate Development Programme (NGDP) policy	N/A
Occupational Health Protection Policy	Regulation & Enforcement Directorate – HSE Legal Framework for Oil & Gas Sector, Qatar

Table 2 – Qatargas policies and procedures

TRAINING AND AWARENESS

Workshops for the CSRIT have been held annually to help develop the skills and knowledge of team members. Members of the PR Department have now attended certified training courses on sustainability and reporting. We also actively engage our employees and other stakeholders with the annual sustainability report to help raise awareness and understanding of sustainability at all levels.

SUSTAINABILITY OUTLOOK

Qatargas has a range of medium to long-term goals that will make our business more sustainable. The most prominent of these are outlined below to provide an insight into our forward-focused vision for sustainability.

2014

- Diesel Hydrotreater (DHT) project complete
- Helium 2 project complete
- Full operation of QG2-QG3&4 Purge Reduction Project: 10 - 15% reduction in current mega-train flaring
- Completion of Jetty Boil-off Gas Recovery (JBOG) Project – recovery of up to 90% of boil-off gas currently flared at LNG loading berths
- Launch of Environmental Data Management System
- Completion of GHG Phase 3 studies
- Completion of NO_x abatement projects

2015

- 57.1 MT sales volume
- No recordable incidents
- Expected completion of QG2-QG3&4 Flare Reduction Project: approximately 20% reduction in current mega-train flaring

2016

- Laffan Refinery 2 operational
- No recordable incidents
- Completion of Qatargas wastewater recycling and reuse projects: recycling of 60 - 70% of current treated wastewater discharged to sea

2020

- No recordable incidents
- 50% Qatarisation

ALIGNING OUR SUSTAINABILITY APPROACH AND PERFORMANCE

The Qatar energy and industry sector sustainability program continues to help standardise the measurement and reporting of economic, environmental and social performance, in alignment with the long term national ambition. The diagram inside is an initial snapshot of our performance set aside the performance of the sector in 2012, and its alignment to the national development strategy and national vision. We will continue to align our approach and benchmark our sustainability performance as the sector programme continues to mature.

QATARGAS PERFORMANCE SUMMARY

A summary of the Qatargas sustainability performance across our 5 main sustainability focus areas.

ECONOMIC

	2011	2012	2013
Production (million tonnes of LNG)	40.1	40.0	40.9
Late deliveries		0	0
Customer satisfaction			87%
New jobs created		95	145
Percentage of procurement budget spent on locally-based suppliers	56%	57%	44%

ENVIRONMENT AND CLIMATE CHANGE

	2011	2012	2013
Total energy consumption (GJ)	232,380,934	269,914,865	280,030,498
Total GHG emissions (tonnes CO_2e)	18,359,718	19,296,522	20,353,711
Flaring during routine causes (MMSCF)	22,039	22,663	18,141
Flaring during non-routine causes (MMSCF)	17,555	13,569	11,178
NO_x (tonnes)	13,272	11,555	9,229
SO_2 (tonnes)	8,679	14,032	12,953
Water consumed (m^3)	5,161,862	4,416,617	4,329,053
Treated waste water used for irrigation (m^3)	52,224	74,062	60,181
Total waste generated (tonnes)	3,798	9,599	5,872
Waste recycled (tonnes)	1,508	4,569	1,775

HEALTH AND SAFETY

	2011	2012	2013
Total work hours (employees and contractors)	13,203,970	36,157,668	41,463,186
Fatalities (employees and contractors)	0	7	0
Lost time injuries (employees and contractors)	0	3	2
Reportable injuries (employees and contractors)	15	50	39
Occupational illness (employees and contractors)	0	0	0
Tier 1 and tier 2 process safety events	1	6	1
Emergency response drills executed		238	239

WORKFORCE

	2011	2012	2013
Total workforce	2,755	2,850	2,995
Female (%)	8.7	9.4	9.6
18-30 (%)	13.1	12.2	12.9
Qatarisation rate (%)	25.7	25.8	26
Average hours of training per employee	23.5	24.5	28.7
Percentage who received a formal appraisal and review (%)	82.6%	97.4%	99.5%
Turnover rate (%)	3.3	7.5	7.0

SOCIETY

	2011	2012	2013
Total social investment spending (QAR)	6,900,000	7,350,000	12,670,000
Corruption and human rights incidents	0	0	0

ENERGY AND INDUSTRY SECTOR

A summary of the Qatar energy and industry sector sustainability performance for 2012 across 6 main sustainability focus areas.
For more information **www.hse-reg-dg.com/qeisr2012/WWW/index.html**

	Sustainable Development Industry Reporting (SDIR) Framework	Aggregated Sector Performance (with sector reporting coverage)	
			National Objective (1)
ECONOMY	Contribution to Qatar's economy	138 billion USD of revenues (69% coverage)	
	Production and expansion		
	Economic diversification		
	Direct local economic development	596 new jobs created (60% coverage)	
			National Objective (2)
ENERGY & CLIMATE CHANGE	GHG emissions	80,591,709 tons of CO_2e emissions (80% coverage)	
	Flaring	4,325 MMSCM (67% coverage)	
	Energy use and efficiency		
	Natural gas consumption		
	Investing in energy opportunities		
			National Objective (2)
ENVIRONMENT	Water management	43,160,000 m^3 water consumed (81% coverage)	
	Spills	16 oil spills (88% coverage)	
	Waste management	369,175 tons of waste disposed (76% coverage)	
	Air emissions	145,127 NO_x emissions (91% coverage)	
	Biodiversity		
			National Objective (3) National Objective (4)
HEALTH & SAFETY	Health	0.25 employee occupational illness rate (57% coverage)	
	Personal safety	11 employee and contractor fatalities (91% coverage)	
	Process safety	0.76 employee lost time injury rate (100% coverage)	
	Emergency response preparedness	6,956 emergency response drills (94% coverage)	
	Workforce engagement		
			National Objective (3) National Objective (4)
WORKFORCE	Qatarisation	25% Qatarisation (86% coverage)	
	Diversity and inclusion	9.9% female employment (83% coverage)	
	Training and development	36.2 hours of training per employee (69% coverage)	
	Welfare and engagement		
			National Objective (3) National Objective (4)
SOCIETY	National social development		
	Direct investment in society	61,800,000 USD invested in community (60% coverage)	
	Business ethics		

NATIONAL OBJECTIVES

A summary of the Qatar National Development Strategy 2011-2016, and Qatar National Vision 2030 – for more information **www.gsdp.gov.qa/portal/page/portal/gsdp_en/qatar_national_vision**

National Objective (1)

SUSTAINING ECONOMIC PROSPERITY

* Contribution to Qatar's economy
* Production and expansion
* Economic diversification
* Direct local economic development

Development of a competitive and diversified economy capable of meeting the needs of, and securing a high standard of living for, all its people both for the present and for the future

National Objective (2)

SUSTAINING THE ENVIRONMENT FOR FUTURE GENERATIONS

* Cleaner water and sustainable use
* Cleaner air
* Improved waste management
* Nature and natural heritage sustainability managed
* A healthier urban living environment
* An increasingly environmentally aware population
* Strategic partnerships
* Improved governance and outcomes

Management of the environment such that there is harmony between economic growth, social development and environmental protection

National Objective (3)

PROMOTING HUMAN DEVELOPMENT

* Nurturing a healthy population
* Building knowledge and skills
* Fostering a capable and motivated workforce

Development of all its people to enable them to sustain a prosperous society

National Objective (4)

AN INTEGRATED APPROACH TO SOUND SOCIAL DEVELOPMENT

* Strengthening family cohesion
* Safeguarding social protection and promoting inclusive development
* Enhancing public safety and security
* Promoting an active and sportive society
* Preserving and leveraging Qatar's heritage and culture

Development of a just and caring society based on high moral standards, and capable of playing a significant role in global partnerships for development

GOVERNANCE AND RISK MANAGEMENT

A modern international company cannot expect to have strong financial performance without responsible governance and risk management. Our 'Direction Statement' outlines our commitment to continually improve business, governance and operating performance as one.

OWNERSHIP

Qatargas Operating Company Limited operates all of its existing facilities on behalf of the shareholders of five separate joint venture companies. Qatargas leverages the experience and expertise of its shareholders and has been able to extract cutting edge knowledge and best practices to become the unique global LNG company it is today.

Shareholder	Percentage of ownership						
	QG1 Downstream	QG1 Upstream	QG2 Train 4	QG2 Train 5	QG3 Train 6	QG4 Train 7	Laffan Refinery
Qatar Petroleum	65%	65%	70%	65%	68.5%	70%	51%
ExxonMobil	10%	10%	30%	18.3%	-	-	10%
Total	10%	20%	-	16.7%	-	-	10%
Mitsui	7.5%	2.5%	-	-	1.5%	-	4.5%
Marubeni	7.5%	2.5%	-	-	-	-	4.5%
ConocoPhillips	-	-	-	-	30%	-	-
Royal Dutch Shell	-	-	-	-	-	30%	-
Idemitsu	-	-	-	-	-	-	10%
Cosmo	-	-	-	-	-	-	10%

Table 3 – Qatargas shareholders and ownership

GOVERNANCE AND OPERATING STRUCTURE

The Qatargas governance and operating structure differs for each Qatargas company and is organised as follows:

- **Qatargas Operating Company Limited (QG OPCO):** Board of Directors, Services Co-ordination Forum, Audit Committee, Chief Operating Officers (Engineering & Ventures, Administration, Finance, Operations and Commercial & Shipping);
- **QG1, QG2, QG3, QG4:** Board of Directors, Executive Committees, Chief Operating Officers;
- **Laffan Refinery:** Board of Directors, Executive Committee, Finance Committee, Chief Operating Officer;
- **Common Facilities:** CLLNG Management Committee, CSP Management Committee, CCSL Management Committee, CLPG Management Committee.

The operational structure of Qatargas is summarised in Figure 2 below.

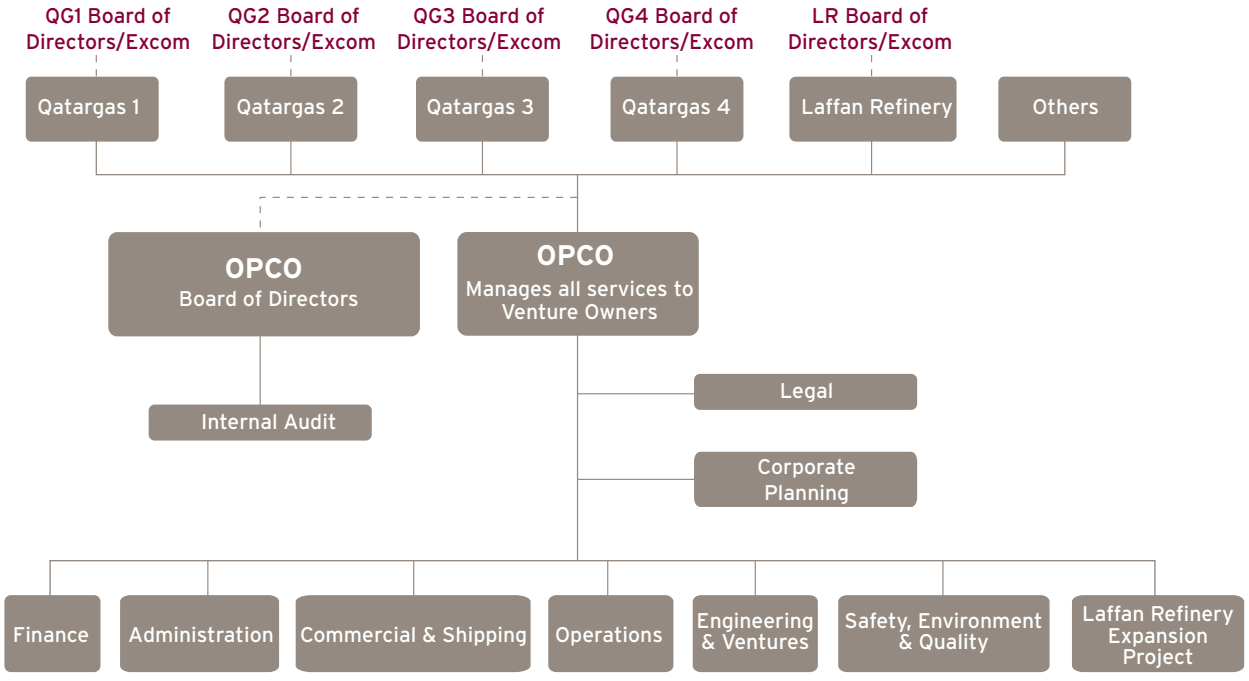


Figure 2 - Qatargas operational structure

The highest governance body for each Qatargas company is the Board of Directors. Members of the Board are nominated by the shareholders as per the relevant Joint Venture Agreement (JVA). Shareholders determine the qualifications and expertise of the individual nominees. The number of independent Board members for each company is summarised in Table 4.

Qatargas company	Board member independence
QG OPCO	10 independent, 1 executive
QG1	11 independent, 1 executive
QG2	12 independent, 1 executive
QG3	12 independent, 1 executive
QG4	10 independent, 1 executive
Laffan Refinery	10 independent, 1 executive

Table 4 – Qatargas Board of Directors independence

Independent Board members are members who do not form part of the executive management team. The Chairman of the Board of Directors is not an executive officer of the Company.

There is no linkage between compensation for board members, senior managers and executives and Qatargas' performance (including social and environmental performance), as remuneration is fixed. There is currently no formal process in place for evaluating the board members' own sustainability performance.

CONFLICT OF INTEREST

Qatargas' Code of Business Ethics Policy establishes clear rules of conduct to avoid conflicts of interest. As a general rule, employees or their immediate families shall not have direct or indirect interest in any entity or business enterprise that has current or prospective dealings with the Company.

Results of conflict of interest compliance and declarations are reported annually to the Qatargas Board. The annual compliance and declaration requirements cover both Qatargas employees and contractors' staff. The Code of Business Ethics applies to Board members.

For more information on our conflict of interest approach please view page 30 of our 2012 sustainability report

http://www.qatargas.com/English/CorporateCitizenship/Documents/QatargasSustainabilityEnglish2012.pdf.

INTERNAL AUDIT

All activities within Qatargas and its ventures are subject to an internal audit review, the purpose of which is to assess the adequacy and effectiveness of internal controls. Audits are planned within a 4 year rolling planning cycle and each area of the business is audited, at minimum, every 4 years. The activities of the Internal Audit Department are reviewed and approved by the Board Audit Committee (BAC). The audit reports are communicated to the management, the BAC and the Board of Directors.

Reviews of the following areas were completed during 2013:

- Legal Department
- QG2 Operations Process and Asset Integrity
- Cape East (Scaffolding) Contract Compliance
- DHT Project Construction
- Medical Facilities – Offshore / Ras Laffan
- IT Security and Cyber-attack Preventive Controls
- Offshore Operations, Maintenance & Logistics
- Corporate Documentation
- Medical Facilities at Al-Ahli Medical Center
- Shipping / Marine Operations
- OPCO Project & Facilities Accounting
- Government Affairs
- Financial Services
- Ship Pooling
- QG OpCo Laboratory
- QG1 Venture Accounting
- Contract Life Cycle
- Enterprise Risk Management
- Permit to Work - Onshore
- Cost Allocation
- Safety and Loss Prevention Engineering
- Jetty Boil-off Gas (JBOG) Project

Special reviews, investigations and consultancy are also conducted by the IA as required by the Management or the Board of Directors (represented by the Board Audit Committee).

ENTERPRISE RISK MANAGEMENT

The Qatargas Enterprise Risk Management (ERM) Programme, based on ISO31000:2009, was rolled out to the entire organisation in 2010. In the spirit of continuous improvement, a cold eyes review was conducted by one of our key shareholders early in 2013, followed by a more thorough assessment by a team of external consultants. Opportunities for improvement were identified, and implementation of improvements is currently underway.

BUSINESS CONTINUITY

The Business Continuity Programme (BCM) at Qatargas was launched in late 2012 to provide a framework for building organisational resilience with the capability of an effective response that safeguards the interests of key stakeholders, reputation, brand and value creating activities.

In 2013, the BCM Programme made significant progress in developing a preparedness framework, supported by a comprehensive business continuity strategy and a set of response plans and controls. A method fully customised for the unique requirements of Qatargas's complex business model and high customer relation standards produced a practical yet comprehensive and robust Business Continuity Plan (BCP). It sets out the procedures and systems necessary to continue or restore operations in the event of a disruption.

Since the integration of the BCM Programme with the overall Incident Response Structure of Qatargas is vital, improvements on the existing incident response scheme were necessary to ensure BCP's seamless interaction with key plans including Emergency Response Plans, the Corporate Response Management Plan, Standard Operating Procedures and so on.

Looking ahead, 2014 will be the year for embedding BCM into the organisation's culture while simultaneously realising and implementing the strategies that have been set out as part of the BCM Programme.

ECONOMY

HIGHLIGHTS
* 100% on-time delivery
* 3 new Sales and Purchase Agreements signed
* First shipments to 4 new LNG terminals

Sections
- Our Economic Impact
- Customers and Distribution
- Production and Expansion
- Local Procurement

OUR ECONOMIC IMPACT

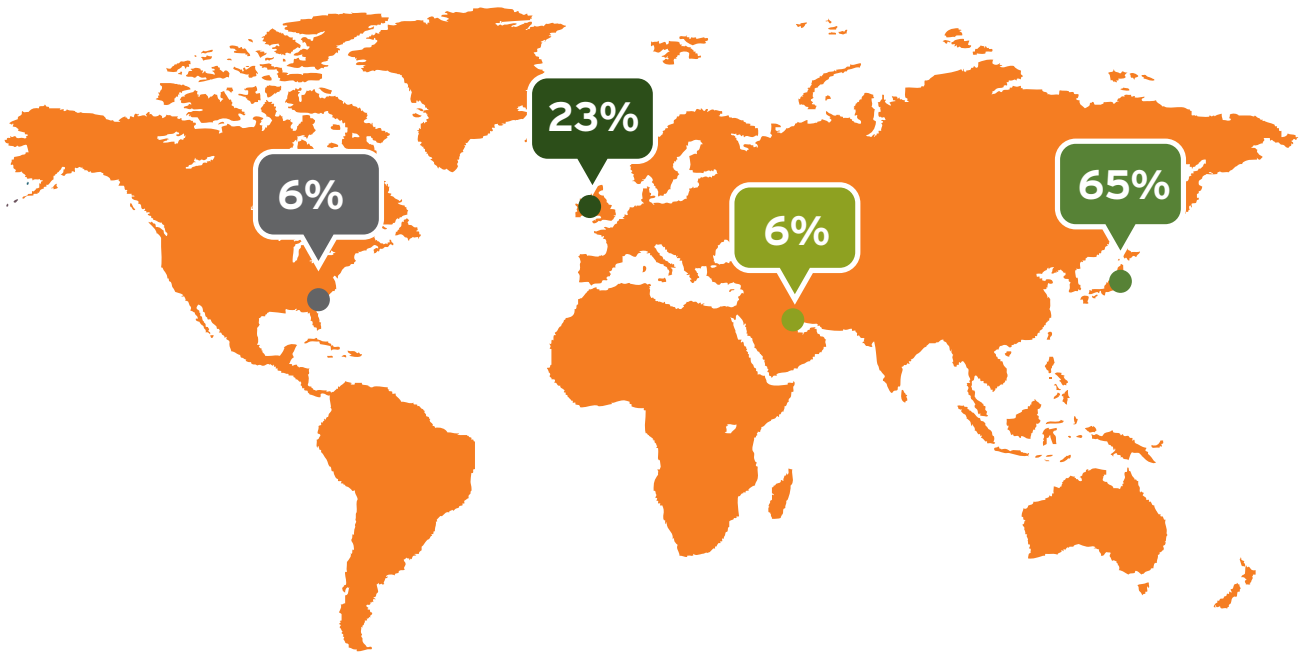
Since delivering our first shipment of LNG to Japan in 1996, Qatargas has been a stable and growing source of income for the State of Qatar. With Qatar Petroleum (QP) as our primary shareholder, we continue to unlock billions of dollars every year for investment in delivering Qatar's National Vision 2030.

Not constrained by pipelines, we have the flexibility to deliver our products all over the world and at the best market prices. Efficiency and economies of scale also ensure we deliver a strong return on investment, and long term agreements further reinforce our position as the most reliable supplier of LNG in the world. Our most significant economic impact, although indirect, continues to be the delivery of a cleaner-burning fuel that helps to bring power to people and businesses all over the world.

As a non-publicly traded company, and with QP as our majority shareholder, Qatargas is not required or able to publicly disclose financial performance data as per Qatari Law. We will continue to engage in constructive dialogue about this with our shareholders for future reporting years.

CUSTOMERS AND DISTRIBUTION

We deliver LNG and other products to our customers, which are mainly power and gas utility companies all over the world. Countries served include Japan, Spain, United Kingdom, France, USA, Canada, Mexico, United Arab Emirates (UAE), China, Greece, Netherlands and Thailand. Qatargas 2, our integrated value chain with Europe can supply 20% of the UK's natural gas requirements. The geographical breakdown of our distribution in 2013 is provided in the map below.



REACHING NEW MARKETS

In 2013, we delivered our first shipments of LNG to four new LNG terminals, including one in Singapore, one in Malaysia and two in China. Significantly, each of these shipments was used to commission an ever-growing list of LNG terminals being developed across Asia.

Qatargas has developed considerable expertise in supporting the commissioning of new LNG terminals globally, with China being the fourteenth such arrangement. The South East Asian LNG market is an increasingly important market and we intend to strengthen business activity in the region in the future.

SIGNING NEW AGREEMENTS

Three new Sales and Purchase Agreements (SPAs) were signed with some of the world's largest utility service providers in 2013. These agreements represent an expansion in our customer base and strengthening of existing relationships. The agreements included:

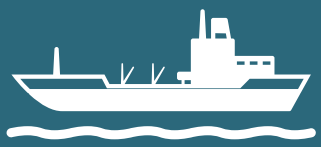
- **5-year SPA with E.ON**. This flexible agreement is for approximately 1.5 million tonnes of LNG per year for five years, commencing in 2014.
- **5-year SPA with PETRONAS LNG (UK).** This agreement is for an annual volume of 1.14 million tonnes of LNG commencing in 2014.
- **4-year SPA with Centrica LNG Company Limited.** This flexible agreement is for up to 3 million tonnes of LNG every year.

CUSTOMER SATISFACTION

The Company received an 81% positive response in a survey completed by our customers. This response was partially due to the increased shipping capacity derived from increased free on-board sales, allowing the ship's voyage to be diverted while the customer loads the vessel, as well as Qatargas' flexible response to the shifting environment and unplanned events. We continued to maintain a high standard of service and to reinforce our reputation for reliability by delivering all cargoes on time in 2013.

PRODUCTION AND EXPANSION

Our journey since 1996 has been one of continual expansion while demand for LNG increases, and we find new ways to extract greater value from the raw natural gas beneath Qatar's waters. We produce LNG close to the full capacity of our facilities and will continue to do so into the near future.



2011
40.1 Million tonnes of LNG

2012
40.0 Million tonnes of LNG

2013
40.9 Million tonnes of LNG

Over the next three years we will continue to expand our production of other gas derived products helping to deliver cleaner diesel to Qatar while also becoming the world's largest producer of helium.

LAFFAN REFINERY 2

In 2013, Qatar Petroleum and partners signed a Joint Venture Agreement for the Laffan Refinery 2 Project, due to be operated by Qatargas. Under the agreement, LR2 will be owned by QP with a 84% stake, Total (10%), Idemitsu (2%), Cosmo (2%), Marubeni (1%) and Mitsui (1%). The total cost of the project is estimated at USD 1.5 billion, and construction should be completed in the second half of 2016.

DHT Project – Greener Diesel
The Diesel Hydrotreater (DHT) project, due for completion in the summer of 2014, will produce diesel to Euro 5 specification (fuel with less than ten parts per million of sulphur content) and is being developed by Laffan Refinery Company, operated by Qatargas. The facility will process 54,000 barrels per stream day (BPSD) of straight run Light Gas Oil (LGO) feedstock from the existing Laffan Refinery 1 (LR1) and the second planned refinery (LR2). The DHT Unit will operate at 50 per cent of its designed capacity until the second refinery is operational. The processed diesel from the DHT Unit will be distributed within the State of Qatar.

THE WORLD'S LARGEST HELIUM PRODUCER

Qatargas is set to become the world's largest helium producer with the transfer of custody and care of the new Helium 2 Project. Helium is a scarce natural resource with many high-tech applications, and demand for it is on the increase worldwide. With the handover of the nearly completed Helium Extraction Facilities for Trains 4, 5, 6 and 7, we are able to seize the opportunity to be part of the new Helium 2 plant, the largest helium asset in the world.

Currently, global growth is expected to be three percent per year, and future growth in the consumption of helium should be driven by demand from electronics manufacturers. Purified helium has a range of applications due to its non-reactivity, low-temperature behaviour and boiling point. Helium has excellent uses for superconducting magnets, semiconductor and optical-fibre manufacturing. Also, being lighter than air, the gas is used for lifting applications such as balloons and blimps.

LOCAL PROCUREMENT

While the selling of our product generates significant revenues for the State of Qatar, we also seek to ensure value is retained within the Country through the local procurement of goods and services.

The Qatargas primary policy for procurement of materials and services is through open tender via local news media to encourage local suppliers and contractors. Advertisements are published in both English and Arabic newspapers.

LOCAL PROCUREMENT SPENDING

2013

44% Percentage of procurement budget spent on locally-based suppliers

2012

57% Percentage of procurement budget spent on locally-based suppliers

2011

56% Percentage of procurement budget spent on locally-based suppliers

As per the terms of the contract, main contractors should give price preference to Qatari sub-contractors to promote local sourcing.

In 2013, 44% of our procurement budget was spent on local-based suppliers and contractors. This is a decrease on previous years because a large contract was awarded to an international firm.

HEALTH AND SAFETY

HIGHLIGHTS

* 20 million safe work hours on the JBOG project
* 500,000 stop cards on PMP Project
* 239 emergency response exercise / drills completed

Sections

- One Team Approach
- Occupational Safety
- Occupational Health
- Process Safety and Asset Integrity
- Emergency Response and Security
- Product Material Safety Data Sheet

ONE TEAM APPROACH

Operating in a harsh desert environment and out at sea, we continue to construct, operate and maintain huge projects on a scale rarely seen anywhere else on the planet. Ensuring the health and safety of our employees, contractors and local communities is the single most important objective of the Company every day.

With tens of thousands of contractors supporting us in the field, we have adopted a One Team approach to managing health and safety that is based on clear and direct communication and engagement.

QATARGAS' 10 LIFE SAVING RULES

Launched at the beginning of 2013, the 10 Life Saving Rules have been the focus of our engagement with employees and contractors on health and safety topics.

OCCUPATIONAL SAFETY

Our safety approach is based on an 'Incident and Injury Free (IIF) Programme' which focuses on building a no-blame culture, under which everyone is encouraged to stop work for any safety concerns. An emphasis is placed on reporting all incidents no matter how minor they may appear, and lessons are shared with all employees and contractors. Ongoing trend analysis of incidents reported guide the varying focus of our year round safety campaigns that target all Company assets and projects.

Safety Performance	2011	2012	2013
Total work hours - employees	5,439,896	5,887,472	12,215,468*
Total work hours – contractors	7,764,074	30,270,196	29,247,718
Fatalities (employees and contractors)	0	7	0
Number of lost time injuries (employees)	0	1	1
Number of lost time injuries (contractors)	0	2	1
Number of reportable injuries – employees	5	5	9
Number of reportable injuries – contractors	10	45	30

*The significant rise in employee work hours is as a result of a new method of calculation based on OSHAS standards. Since the beginning of 2013 we have counted contractor hours delivered under direct supervision of a Qatargas employee as an employee work hour.

We completed over 41 million work hours in 2013, 6 million more than last year without any fatalities. We recorded two lost time injuries (detailed in Table 6) and 39 recordable injuries, all of which were investigated and actions taken to avoid similar events in the future.

Lost Time Injury	Actions Taken
A piece of door panel weighing approximately 20 kg detached from the doorframe (~ 1.5 metres high) and hit the worker's hand.	• All door panel hinges are to be fully secured to the door frame either by long thread screws or to be tack welded. • Regular inspections will be made on similar types of door panel. • A safety alert was issued to all QG assets.
A worker's left foot was pinched between the ground and towing bar jack while lowering a towing bar, causing a fracture to his left big toe.	• Established a documented method for manual handling of compressors and conducted onsite training. • Method statement/Job Safety Analysis to include manual handling and incorporate in the Task Instructions. • Injured worker will attend hazard identification refresher training. • Lessons learned will be shared with the workforce during the general toolbox talk.

Table 6 – Lost time injury incidents in 2013 and actions taken

SIGNIFICANT SAFETY MILESTONES ACHIEVED IN 2013

Some of our largest and most critical projects achieved significant safety milestones in 2013, including:

- The Diesel Hydrotreater (DHT) project achieved **2 million work hours without any Lost Time Incidents (LTI)**.
- Jetty Boil-Off Gas Recovery Project accomplished **20 million safe work hours** - To date, 100,000 hours of training have been imparted to thousands of workers by an integrated team of trainers from Qatargas, Fluor, Qcon and Qatar Kentz.
- Hosting the **first Annual Contractor Safety Forum** in addition to our Annual Contractor Forum. This was a great opportunity for the company and all contractors to engage on safety related topics together.
- The Plateau Maintenance Project Team has surpassed **500,000 STOP observation cards** since project inception. The project is not entirely injury and incident free (experiencing two lost time injuries in 35 million hours of heavy construction work within the operating plant), but the STOP programme has helped mitigate or avoid potential incidents.

"STOP observation cards are a true leading safety indicator as they document, as well as require mitigation of, unsafe conditions and behaviours before they result in incidents or injuries. The safety culture, and climate of PMP, is centred around our STOP programme." said Sheikh Khalid Abdullah Al Thani (QG COO E&V).

OCCUPATIONAL HEALTH

A healthy team is a motivated, productive and safe team. Our approach to occupational health covers both employees and contractors, and is outlined in our Occupational Health Protection Policy which focuses on:

- Occupational Health Screening
- Hearing Conservation
- Chemicals Management
- Respiratory Protection
- Heat Stress Prevention
- Food Safety and Hygiene

In 2013, we registered zero occupational illness incidents (not including heat stress incidents) across all employees and contractors. We recorded 6 heat stress related incidents in 2013, an increase from previous years. Steps are being taken to review procedures and worker engagement on this topic to avoid incidents in the future.

Occupational Health	2011	2012	2013
Occupational illness – employees and contractors (other than heat stress)	0	0	0
Number of recordable heat stress incidents (employees)	0	0	1
Number of recordable heat stress incidents (contractors)	1	0	5

HEALTH SCREENING

Pre-employment and periodic medical examinations are conducted on all new and existing employees to determine pre-existing medical conditions and potential changes to occupational health conditions. No significant medical issues or occupational health concerns were identified from exposure in the workplace during 2013.

In 2013, 1,912 employees went through a medical examination and 12,465 medical screenings were conducted for contractors working on a variety of projects.

RISK MONITORING AND INSPECTIONS

We continue to actively monitor an extensive range of workplace risks through our Occupational Risk Monitoring programme. In 2013, 84 out of 84 planned risk monitoring assessments were completed covering topics from noise to radiation, air quality and ergonomics.

A total of 149 food safety inspections were conducted, including 4 inspections being held at each of our contractor's worker camps. Contractors working for Qatargas adhere to clear and stringent standards for medical, food and camp services for their workers.

Other topics covered by our risk monitoring programme include periodic audiometric tests conducted on employees working at high noise areas, workplace or personal exposure monitoring, occupational health hazard identification, evaluation and controls, health risk assessment, PPE evaluation and maintenance, counselling and medical surveillance.

PROMOTING FITNESS

A newly developed Fitness Centre, the first such facility for an LNG company in the Middle East, was opened in 2013 and is expected to bring huge health benefits to employees at Qatargas Doha HO. After two years of planning, the new Fitness Centre opened its doors on 1st February in time for the National Sport Day, and has already proved popular among employees and secondees of Qatargas and Qatar Petroleum. The fitness centre is open seven days a week outside working hours, providing ample opportunity for all employees to use the facility. In keeping with local custom, the centre also schedules "ladies only" sessions throughout the week.

PROCESS SAFETY AND ASSET INTEGRITY

Process safety is the vitally important discipline of managing the integrity of systems and processes that handle hazardous substances. Ultimately we aim to prevent all possible incidents that could lead to a potential release of these substances and result in negative environmental and social impacts.

We began implementation of the Qatargas Process Safety Programme (QG-PSP) in 2012. In 2013, the programme (targeted for completion within four years) achieved 72% completion, and by the end of 2014, we expect to have achieved 85% implementation. The programme is focused on ensuring that we operate within well-defined and recognised operating limits, practise situational awareness, conduct proactive monitoring and manage abnormal situations.

Both leading and lagging process safety key performance indicators (KPIs) are set in a structured and systematic way within the whole process safety programme. They act as system guardians, providing assurance to confirm that risks are controlled and leading KPIs provide a warning if problems start to develop.

PROCESS SAFETY EVENTS

	2011	2012	2013
Tier 1	1	1	0
Tier 2	0	5	1

Tier 1 and 2 process safety events are defined in line with API Recommended Practice 754. In 2013, we experienced one tier 2 process safety event. A rover operator sustained injuries when a 2" hose, used for draining trapped hydrocarbon, dislodged from a coupling and hit him.

ELECTRONIC SHIFT MANAGEMENT SYSTEM (ESMS)

One of the major initiatives implemented as part of the QG-PSP in 2013 was the introduction of the Electronic Shift Management System (ESMS). Covering all assets, the primary function of the ESMS is to improve the flow of instructions between shifts and roles with a focus on safety, quality and business critical issues.

With ESMS, information and reports are made available to shift personnel in real time, considerably speeding up the process of reporting. This improved critical information transfer, improved accuracy and enhanced situational awareness across all operational levels, from Section level to Asset level and upwards to full Operations level. Users can update the system at any time and publish a report at the end of each shift. This not only ensures the accuracy of data entered, it also improves report quality and efficiency.

As well as improving performance within the various operating teams, the system has in-built accountability, ensuring users comply with required reporting duties. In addition, sensitive information is captured in the Shift Reports thereby protecting it from unauthorised changes or usage. Time previously spent on calculating, duplicating and entering data across other monitoring systems, and retrieving information is saved, making reporting less of a burden on management and personnel. Furthermore, the automatic monitoring of processes such as Temporary Defeat and Standing Instructions is an added safety feature.

EMERGENCY RESPONSE AND SECURITY

In the event of an emergency, we have a dedicated 24x7 emergency response team including ambulance service that serves the plant and other facilities operated by Qatargas. As part of our emergency response preparedness, emergency response drills and exercises are executed every year, with 239 completed in 2013, including 16 tier-2 and tier-1 level events.

Emergency Response	2012	2013
Emergency response exercises and drills executed	238	239

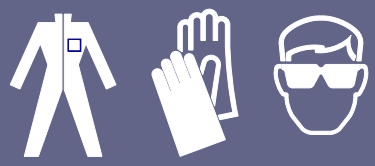
On top of the exercises and drills, 120 basic firefighting sessions reaching 2,233 employees, and two home safety sessions for local schools were also carried out. Furthermore, there is an effective Inspection Testing and Maintenance program in place to ensure operability and reliability of the fixed fire protection systems and other fire equipment in the plant and other facilities.

Security is handled by a team of 33 permanent staff and 200 contractors who ensure security controls at our main facility gates, Port and RLTO. They deliver gate passes to employees, visitors and contractors, manage the security card access control system and support the response to accident, incidents and emergency calls received on a twenty-four hour basis.

We continually train our security team to ensure they show respect for others during their duties, and we have trained them on how to intervene in a personnel conflict situation in order to de-escalate an altercation. We regularly inspect our guards' camps to ensure they meet legal, regulatory and QG policy requirements, and that our guards are healthy and content. Our senior security personnel are members of professional international security organisations and charities. We adhere to national laws on security and standard international security practice. Qatargas' Security operation comes under the umbrella of the State of Qatar's Security apparatus and, therefore adheres to international security standards such as ISO 28000 and the International Ship and Port Facility Security (ISPS) Code.

MATERIAL SAFETY

Part of our extended responsibility is to ensure that our products are used in a safe and responsible manner. Qatargas maintains a database of Material Safety Data Sheets (MSDS) for all products produced and used, so that effective health risk assessment and controls are in place to manage all materials safely.



Product Responsibility

	2011	2012	2013
Number of Material Safety Data Sheets	195	215	125
Number of new or updated MSDS	15	5	85

The MSDS database is a live document, continually updated to ensure that it is current and accurate. In 2013, significant changes were made to the MSDS database with the removal of chemicals no longer in use as a result of the completion of an expansion project, and 85 sheets were either updated or added.

ENVIRONMENT AND CLIMATE CHANGE

HIGHLIGHTS

* Forward looking GHG Management Program with technology and life-cycle assessments in advanced stages of completion
* Development and implementation of Environmental Data Management System (EDMS)
* Commencement of wastewater recycling and reuse projects. Projected 60-70% reduction in current wastewater discharges to sea by 2016.
* 60% reduction in hydrocarbon flaring since 2009. Ongoing flare reduction projects targeting further 40% reduction by 2016.
* 20% reduction in NOx and 8% reduction in SO2 emissions from 2012.

Sections

- Our Approach to Environmental Management
- Energy
- GHG Emissions and Climate Change
- Flaring
- Air Emissions
- Water
- Biodiversity
- Waste
- Spills
- Product Transport

OUR APPROACH TO ENVIRONMENTAL MANAGEMENT

As the global focus on climate change continues to grow, nations are looking to diversify their energy mix with a focus on clean-burning fuels. Qatargas is proud to play an important role in meeting this global demand for reliable and cleaner sources of energy. Responsible resource utilization and the highest standards of environmental protection are fundamental requirements enshrined in our Company Direction Statement and Vision. As a responsible energy producer, we continue to promote the use of state-of-the-art solutions to further improve the environmental performance of our production facilities.

The environmental issues of greatest direct significance for us stem from the inherent nature of our production processes and comprise air contaminant emissions, Greenhouse Gas (GHG) emissions, flaring, and water/wastewater management. In addition to these key focus areas, we also manage other environmental issues associated with our operations which include waste management, biodiversity protection, spill prevention, environmental awareness and resource conservation.

ENVIRONMENTAL COMPLIANCE

Compliance with environmental legislation and international conventions ratified by Qatar form the core of our business. All Qatargas facilities operate in accordance with environmental operating permits, also known as Consents to Operate (CTOs), issued by the Qatar Ministry of Environment (MoE) that form our primary environmental compliance documents. Qatargas currently complies with eleven separate CTOs that specify a range of environmental monitoring and reporting requirements, and are renewed on an annual basis. In addition to regulatory compliance, we are also key participants in several national environmental initiatives led by the State of Qatar including climate change and GHG management, flare minimisation, and wastewater recycling and reuse. This long-term co-operation has enabled us to build strong and beneficial working relationships with our regulators and industry bodies and allows us to remain on the forefront of environmental protection in Qatar.

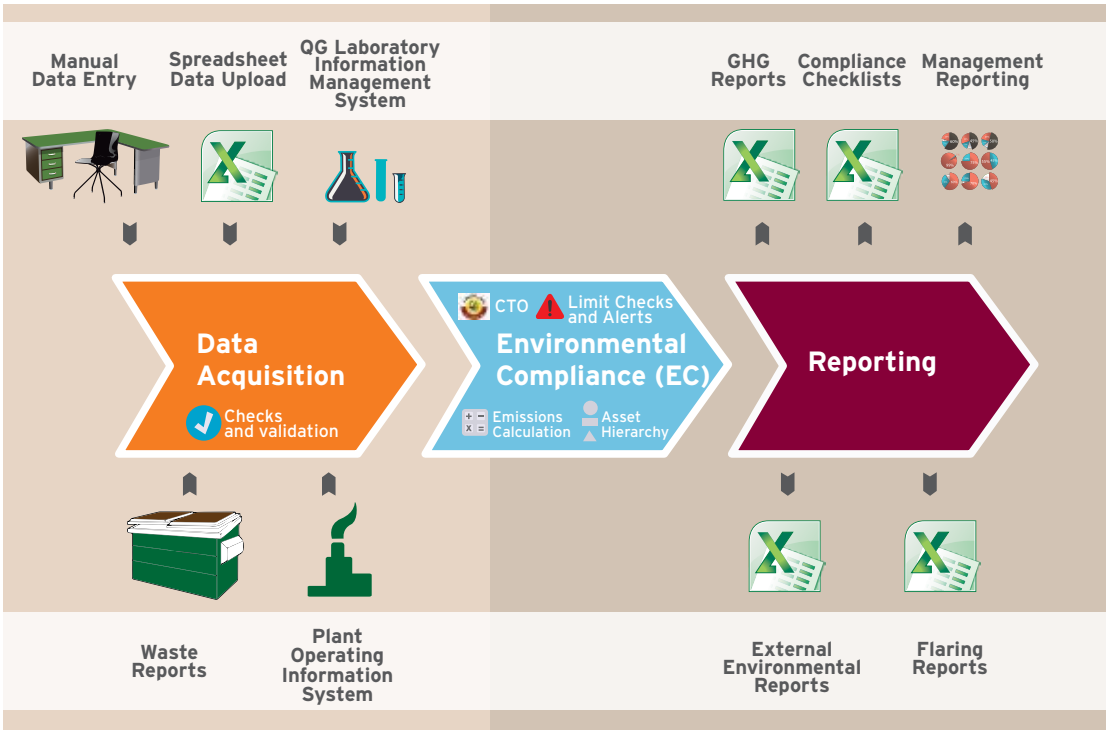
OUR SYSTEMS

We maintain an ISO 14001-certified Environmental Management System (EMS) that encompasses our main operational activities and services. The EMS principles adopted by Qatargas ensure that environmental issues are assessed through structured risk assessments and controls implemented to mitigate, minimise or eliminate environmental issues that could have the potential to cause significant impacts.

In 2013, we expanded the EMS scope and certification to include Qatargas 4 (QG4) operations. In addition, we also commenced implementation of a comprehensive Environmental Data Management System (EDMS) to optimize data collection, tracking and reporting of key environmental parameters associated with our operations.

ENVIRONMENTAL DATA MANAGEMENT SYSTEM

Environmental and sustainability reporting has traditionally relied on manual data input and calculations. To improve this process, we are implementing an Environmental Data Management System (EDMS). This comprehensive system will help us maintain consistency and better control of our environmental and sustainability data while optimising our internal and external reporting processes. The following diagram represents the high-level processes of the EDMS:



ENERGY

Direct energy is our primary form of energy consumption and refers primarily to internal fuel gas combusted for process and utility requirements in our LNG and LR facilities. Diesel is only used for on-site mobile sources (company vehicles, forklift trucks) and emergency generators, hence its consumption is negligible compared to fuel gas. Indirect energy refers to electricity and water purchased for plant utilities and operations and is utilized mainly at our Ras Laffan Terminal Operations (RLTO) common storage and loading facilities.

Energy	2011	2012	2013
Total energy consumption (GJ)	232,380,934	269,914,865	280,030,498
Direct energy (GJ)	231,763,070	269,270,443	277,783,752
Indirect energy (GJ)	617,864	644,422	2,246,746

Energy use rose by approximately 4% in 2013 as a result of increased production (shorter facility shutdowns and fewer process upsets and trips versus 2012), and the handover of several new common facilities as part of our Ras Laffan Terminal Operations (RLTO), including the Dolphin Energy and Shell Harbour Tank Farms. The increase in indirect energy (electricity) consumption is also attributed to increased availability and use of the Common VOC (CVOC) facility in 2013, and more complete operational datasets being available in 2013 for some of the other common facilities operated by RLTO including the CVOC, CCSL and CLPG facilities. LNG production is energy intensive and we are continuing to look for opportunities to become more efficient in our production processes.

GHG EMISSIONS AND CLIMATE CHANGE

As the world's largest LNG producer, we are improving operational performance and energy efficiency to reduce Greenhouse Gas (GHG) emissions through an effective, well-structured and maturing GHG Management Programme. This programme has three phases as captured in Figure 3.

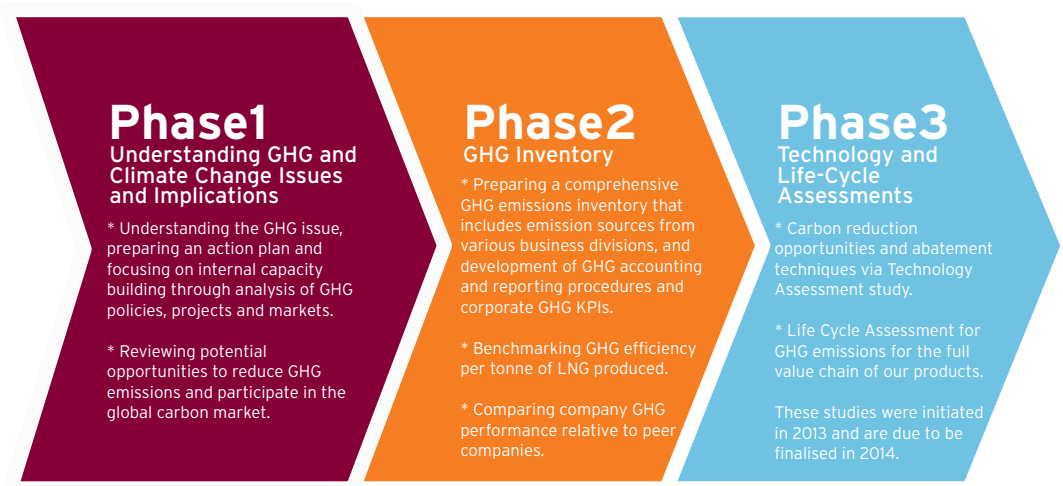


Figure 3 – GHG Management Programme

The Qatargas GHG emissions inventory is based primarily on the European Union (EU) Monitoring and Reporting Guidelines (MRG2007) with reference to the internationally recognised World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) GHG Inventory Protocol.

The inventory is designed to account for the Scope 1, 2 and 3 GHG emissions as outlined in the table below:

Scope 1 (Direct)	Scope 2 (Indirect)	Scope 3 (Other Indirect)
Direct GHG emissions from within our organisational boundaries. Our current focus is on Scope 1 GHG emissions that form the bulk of our GHG emissions footprint and are verified annually by QP and its external auditors.	Indirect GHG emissions from outside our organisational boundaries (usually purchased electricity).	Other indirect GHG emissions resulting mainly from product shipping and, to a lesser extent, business and employee travel.
Scope 1 and 2 emissions are determined directly from production and consumption data related to offshore gas production and onshore processing to produce LNG, related by-products including LPG, condensate, sulphur, and refined products including naphtha, kerojet, LPG and gas oil.		Scope 3 emissions are determined from data received via our chartered ships, as well as informed estimations of business and employee travel.

Figure 4 – Types of GHG Emissions

The GHG emissions inventory addresses the most relevant types of direct GHG emissions for LNG production and condensate refining, namely CO_2, CH_4 and N_2O. Total CO_2 emissions include inherent or formation CO_2 (naturally present in offshore gas), CO_2 generated from fuel combustion, and CO_2 resulting from fugitive emissions. Total CH_4 emissions include unburned CH_4 contained in combustion emissions and CH_4 resulting from fugitive emissions. All N_2O emissions are generated from combustion activities.

Our reported GHG emissions are a combination of CO_2, CH_4 and N_2O and are presented in units of CO_2-equivalent (CO_2e) (please see Table 7). Another metric that we utilize in trending performance of our Scope 1 LNG emissions (which represent the majority of our total GHG emissions) is GHG intensity. GHG intensity is expressed in terms of tonnes of GHG per tonne of LNG produced as shown in Table 7.

GHG Emissions	2011	2012	2013
Total GHG emissions (tonnes CO_2e)	24,416,968	25,605,889	26,488,023
Direct (Scope 1) GHG emissions (tonnes CO_2e)	18,053,714	19,021,540	19,786,093
Indirect (Scope 2) GHG emissions (tonnes CO_2e)	306,004	274,982	567,618
Other indirect (Scope 3) GHG emissions (tonnes CO_2e)	6,057,250	6,309,367	6,134,312
Scope 1 GHG Emissions Intensity (tonnes CO_2-e/tonne of LNG produced)	0.49	0.46	0.47

Table 7 – Qatargas GHG Emissions

Our total GHG emissions for 2013 represent a 3% increase above 2012 levels. This mirrors the 4% increase in energy consumption as a result of increased production, handover of new common storage and loading facilities, and increased usage and better accounting of energy consumption for our existing RLTO common facilities. As shown in Figure 5, the majority of our direct GHG emissions come from fuel combustion, with roughly 18% occurring naturally from offshore gas (inherent CO_2). GHG emissions attributable to flaring have been reduced from 14% in 2011 to 11% in 2013, and we are continuing to make investments to reduce this further, as discussed in the next section.

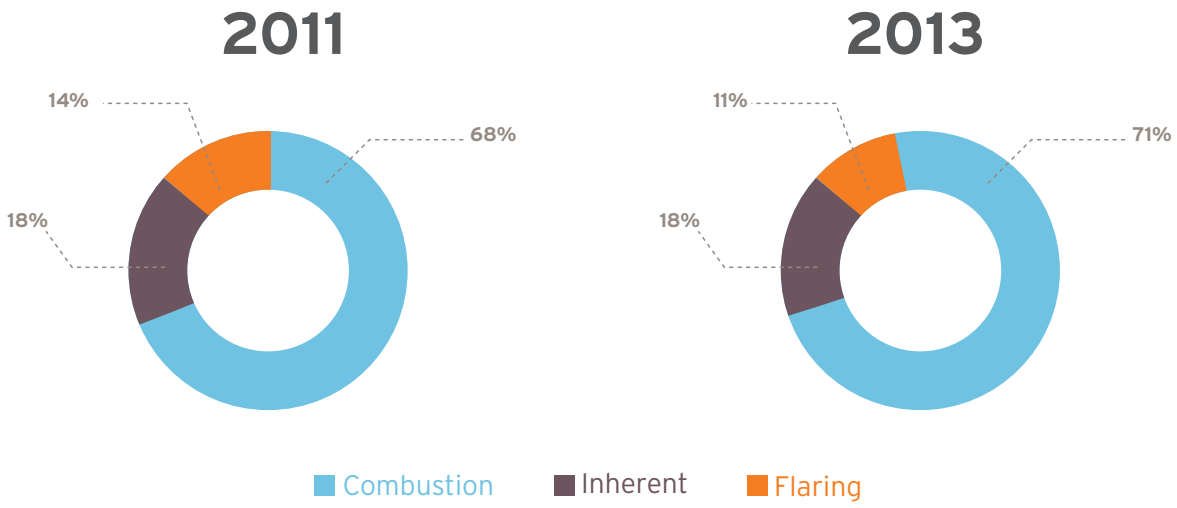


Figure 5 – GHG Management Programme

PHASE 3 – TECHNOLOGY AND LIFE-CYCLE ASSESSMENTS

As part of Phase 3 of our Greenhouse Gas (GHG) Management Programme, we are exploring possibilities for technological improvement and enhanced energy efficiency to further reduce our GHG footprint.

Our focus is on projects that are proven and can be practically implemented in the short to medium term (2-8 years). The potential GHG abatement for each project, capital and operating costs, energy savings, and cost benefit analysis of different options are being assessed in this study. During 2014, a shortlist of six options will be assessed for implementation.

Another aspect of Phase 3 of our GHG Management Program is a full Life Cycle Assessment (LCA) based broadly on principles and guidance from ISO 14040:2006 and ISO 14044:2006 lifecycle assessment standards. Best practice in sustainability requires a company to look beyond the boundaries of its operations to assess the effects of its product along the value chain. For us, this starts at gas production and ends at the final point of use with our customers (see Figure 6).

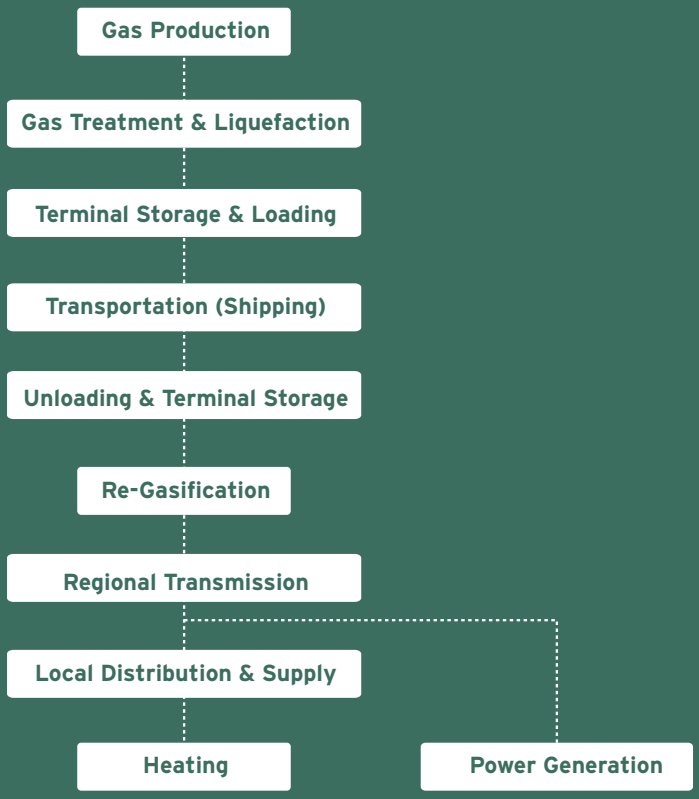


Figure 6 - Integrated LNG Value Chain for Natural Gas Use

FLARING

The flare system in a LNG plant is a critical process safety unit designed to prevent overpressure and protect equipment during process upsets as well as start-ups and shutdowns of the LNG trains. A small amount of routine baseline flaring is also required during normal LNG plant operations to continuously purge the flare system to prevent air ingress and consequent explosion hazards.

Due to our large number of operating assets and facilities, multiple flare systems are required. We currently operate six on-plot flare stacks for our LNG trains with 11 separate flare headers, and 13 off-plot flare stacks with 14 separate headers at our LR, RLTO, and LNG tankage and loading facilities.

Despite many technical challenges, we have been able to reduce our hydrocarbon flaring by approximately 60% since 2009. We are currently implementing a range of engineering projects that are expected to bring about a further reduction of 40% from current levels (60-70% from 2011 baseline) by 2016.

OUR FLARE REDUCTION CHALLENGE

The challenges faced by Qatargas in managing and reducing flaring are based primarily on the inherent nature of a LNG plant. LNG production units are connected in series, hence gas must be flared unless the next unit in series is operationally ready (warmed up) to receive gas or if its gas acceptance requirements are not met by the preceding unit. An upset in one unit in a LNG train typically results in rundown interruption (also called a 'trip') of downstream units that need to be restarted. There is no option to store or retain large amounts of off spec gas from a process upset. A limited amount of flared gas may be re-routed to other gas processing plants via the national grid but this is subject to strict specification requirements and capacity restrictions. Our four QG2 and QG3&4 LNG mega-trains (7.8 MTA LNG production each) are also twice the size of conventional LNG trains and their higher throughput translates into higher flaring volumes during trips and upsets.

FLARING MANAGEMENT APPROACH

Our Flare Management Approach has been developed to provide management and oversight of flare minimisation efforts at our LNG trains, while providing due consideration to operational flexibility, and safeguarding asset integrity and process safety.

QATARGAS FLARE MANAGEMENT

Enhanced Awareness, Monitoring and Reporting

- Flare Management Teams (FMTs) for each LNG asset.
- Increased internal awareness at all organisational levels.
- Better monitoring and reporting internally and externally.

Operational, Reliability and Maintenance Initiatives

- Operational source reduction and optimisation of shutdown and restart philosophy to reduce flaring.
- Increased plant and equipment reliability through Reliability Centred Maintenance (RCM) and robust preventative maintenance programmes.

Flare Reduction Capital Projects

- Jetty Boil-Off Gas (JBOG) Recovery Project – recovery and recycling of BOG flared during LNG ship loading.
- On plot engineering projects at mega-trains:
  - Short-term Purge Gas Reduction Project.
  - Long-term Flare Reduction Project, focused on re-routing and reuse of process gas during flaring events.

Figure 7 – Flaring Management Approach

FLARING PERFORMANCE

Qatargas' flaring performance for 2012 and 2013 is summarised in Table 8 below. Our flare reporting philosophy differentiates between hydrocarbon flaring during routine operations (baseline purge, LNG tankage and LNG jetty loading flaring), non-routine operations (trips, upsets and shutdowns), and non-hydrocarbon flaring streams which we encountered during 2012 and 2013 due to SRU refractory replacement at our QG1 facilities. This repair represented an exceptional, once in a process life-cycle event. These non-hydrocarbon streams (>95% CO_2) have therefore been reported separately from the routine and non-routine hydrocarbon flaring that Qatargas is actively working to manage and reduce.

	2012			2013		
Flaring (MMSCF)	Hydrocarbon Flaring During Routine Causes	Hydrocarbon Flaring During Non-Routine Causes	Non-Hydrocarbon Flaring – (QG1 SRU Refractory Replacement >95% CO2)	Hydrocarbon Flaring During Routine Causes	Hydrocarbon Flaring During Non-Routine Causes	Non-Hydrocarbon Flaring (QG1 SRU Refractory Replacement >95% CO2)
Total	**18,141**	**11,178**	**8,621**	**22,663**	**13,569**	**1,618**

Table 8 – Qatargas 2013 Flaring Performance

Our principal flaring sources are the seven onshore LNG trains, with only a negligible contribution from our LR and RLTO facilities. The flaring trend at our onshore LNG facilities from 2010 through 2013 is depicted in Figure 8 based on a ratio of total hydrocarbon flaring (excluding non-hydrocarbon streams) and total sweet gas production.

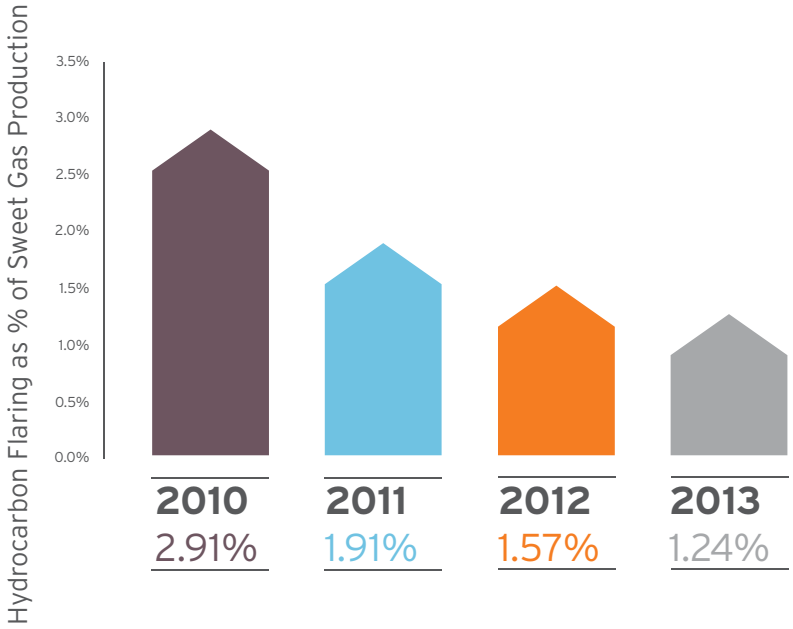


Figure 8: Hydrocarbon Flaring Trend (20102013-) at Qatargas Onshore LNG Facilities

As evident from Figure 9, which depicts our major hydrocarbon flaring events, we have been successful in reducing flaring from planned shutdowns and train and unit trips between 2011 and 2013. These reductions were achieved primarily through operational and management initiatives such as establishment of Flare Management Teams (FMTs) for each LNG asset, enhanced monitoring, tracking and reporting, and operational source reduction during trips, shutdowns and restarts. Consequently, Pillar 3 of our Flare Management Approach focuses on longer-term flare reduction engineering projects to reduce flaring from events which cannot be minimized through operational initiatives alone such as LNG shiploading (jetty flaring), baseline purge gas and train and unit trips.

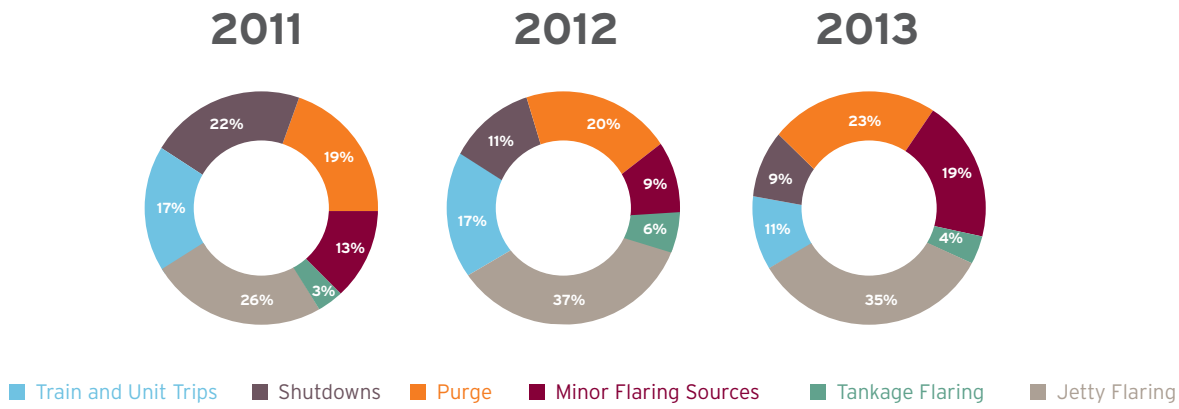


Figure 9: Hydrocarbon Flaring Sources (2011 - 2013) at Qatargas Onshore LNG Facilities

FLARE REDUCTION CAPITAL PROJECTS

Purge Gas Reduction Project

We completed a Flare Reduction Feasibility Study in 2011, which identified purge gas reduction at our QG2 and QG3&4 LNG mega-trains as a high-potential flare reduction opportunity. While purge gas flows are an essential requirement to prevent air ingress into the flare system, their rate can be optimised through engineering analysis.

The Mega-Train Purge Gas Reduction Project was initiated in 2012 in order to achieve:

- A reduction in purge rates to API 521 levels at wet and dry gas flare headers and use of existing steam-assisted tips and stack steam for burnback prevention rather than fuel gas.
- Installation of an emergency purge gas system on dry and wet flare header to address possible gas shrinkage after hot releases that may result in potential air ingress scenarios.

The Purge Gas Reduction Project became operational in late December 2013 and has resulted in an initial 45-50% reduction in mega-train purge rates.

Jetty Boil-off Gas Recovery (JBOG) Project

We are leading a major project to recover gas currently flared during LNG ship loading in Ras Laffan Port. The $1 billion JBOG Project is the largest project of its kind in Qatar and will enable BOG to be collected from LNG ships and compressed at a central facility. The compressed gas will then be sent to LNG producers to be consumed as fuel or converted back into LNG.

When fully operational in 2014, the JBOG Project is expected to recover more than 90% of gas currently flared at the six (6) berths or jetties in Ras Laffan Port, which are used by both Qatargas and RasGas for LNG export. This amounts to savings of approximately 0.6 MTA of LNG or the gas equivalent of 29 Billion Standard Cubic Feet (BSCF), which is enough natural gas to power 300,000 homes. In terms of GHG emissions, the above reduction equates to savings of approximately 1.5 million tonnes of CO_2 per annum.

Flare Reduction Project

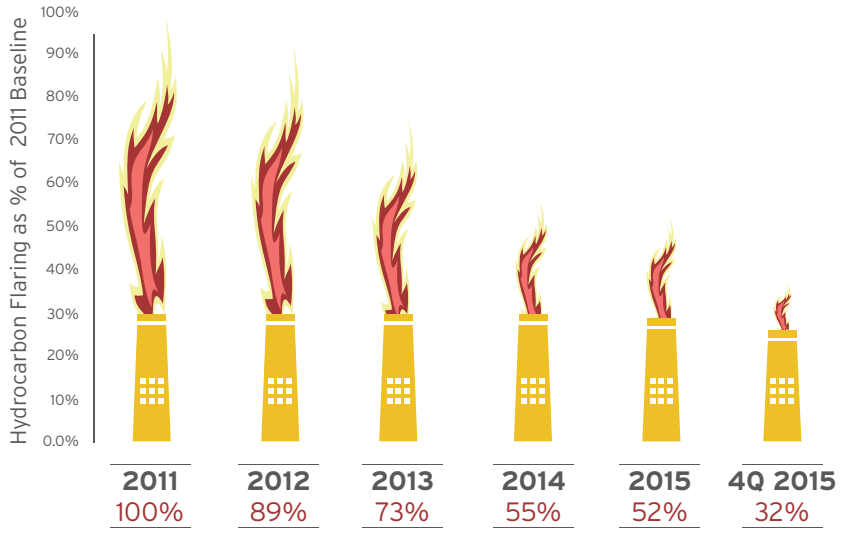
The Flare Reduction Feasibility Study completed in 2011 also identified a range of longer-term flare reduction opportunities for the QG2 and QG3&4 LNG mega-trains. A dedicated Flare Reduction Project was subsequently initiated in 2013 to implement the following main opportunities:

- Feed Gas Interconnection (Crossover): Upgrade of existing interconnection between QG2 and QG3&4 Inlet Reception (IR) facilities to avoid depressurization of offshore pipelines by flowing across the assets.
- Off-spec Gas Recycle: Recover and re-route offspec gas from train under start-up to running train within same asset or mega-train in other asset.
- Fuel Gas Compressor (K801) End Flash Gas Interconnection: Recover End Flash Gas to compressor in other running train instead of flaring.
- Recovery of Cool Down Gas: Recovery of cool down gas from Main Cryogenic Heat Exchanger (MCHE) to K801 fuel gas compressor.

The Flare Reduction Project is progressing to the Front End Engineering Design (FEED) phase and is tentatively expected to become operational by end 2015.

FLARE REDUCTION PROJECTION

A summary of our engineering projects and their expected flare reductions and implementation timelines is provided in Figure 10. Using 2011 flaring data as the baseline, the JBOG and QG2-QG3&4 Purge and Flare Reduction Projects are expected to reduce overall flaring by approximately 40% from current (2013) levels and 60-70% from our 2011 baseline.



2011 Baseline
(All QG Trains, incl. jetty flaring)

2012 Baseline
(All QG Trains, incl. jetty flaring)

2013 Baseline
(All QG Trains, incl. jetty flaring)

2014 Targets
- QG2, QG3&4 Purge Gas Reduction Project Start Up
- JBOG Project Start Up

2015 Full-Year JBOG Operation

4Q 2015 Expected Flaring
Start-up of QG2, QG3&4 Flare Reduction Project
1. Feed Gas Interconnection (Crossover)
2. Offspec Gas Recycle
3. Fuel Gas Compressor (K801) End Flash Gas Interconnection
4. Recovery of Cool Down Gas

Figure 10 - Summary of Qatargas Flare Reduction Projects

AIR EMISSIONS

The LNG production and condensate refining processes result in emissions of Nitrogen Oxides (NO_x) and Sulfur Dioxide (SO_2) to the atmosphere due to the operation of combustion units for energy and utility requirements. Volatile Organic Compounds (VOCs) which include a variety of chemicals are also emitted as a result of our operations, albeit in much smaller quantities. The Qatar Ministry of Environment (MoE) regulates these emissions, and we have made significant efforts to reduce them through engineering projects and operational improvements.

Air Emissions	2011	2012	2013
NO_x (tonnes)	13,272	11,555	9,229
SO_2 (tonnes)	8,679	14,032	12,953
VOCs (tonnes)	894	1,157	1,639

NO_x

We have continued to achieve significant reductions in our NO_x emissions year-on-year, resulting in a 30% reduction since 2011. The primary contributor to this reduction has been the installation of low NO_x combustion systems at our Qatargas 1 LNG facility process turbines, boilers and Gas Turbine Generators (GTGs).

Qatargas 1 NO_x Emissions Reductions Projects
We have been implementing a Compliance Action Plan (CAP) for NO_x Emissions Reduction at our older QG1 LNG facility to meet revised MoE NO_x emissions requirements. The CAP comprises the following main fired source groups:

- **Process Gas Turbines (PGTs)** –Installation of Lean Head End Liner (LHEL) technology between 2008 and 2010. Approx. NO_x emissions reduction: 20 - 40%.
- **Upstream Heaters** – Burner modifications completed in 2012. Approx. NO_x emissions reduction: 65 - 75%.

- **Gas Turbine Generators (GTGs)** –5 of 6 GTGs retrofitted with Low NO_x burners in 2013. Approx. NO_x emissions reduction: 70 - 80%. Remaining GTG to be equipped with Low NO_x burners in 2014.
- **Utility Boiler**s – Low NO_x burners installed on 4 of 5 boilers in 2013. Approx. NO_x emissions reduction: 40 - 50%. Remaining boiler to be equipped with Low NO_x burners in 2014.

SO_2

In 2013, we reduced our SO_2 emissions by 8% primarily due to QG2 achieving a significant reduction in overall flaring due to fewer trips and upsets. We also reduced sour gas flaring at LR, as a result of resolving operational issues that were encountered in 2012. In addition, the LR flare meters were also calibrated and validated in 2013 (along with all other Qatargas flare meters) that resulted in a correction in measured flaring volumes.

VOCs

Our established Leak Detection and Repair (LDAR) programs continue to provide us with more accurate and representative estimates of component leaks as well as post- repair emissions reductions as compared with our previous calculations based on industry-standard component count estimates. In addition, the extended flaring of offgas (<5% hydrocarbon content) for most of 2013 as a result of the one-off SRU refactory replacement at our QG1 facility, also contributed to the increase in VOC emissions reported for the year.

WATER

Our performance in 2013, as highlighted in Table 9, shows our ongoing commitment to minimising our impact on precious water resources. Consumption of water from the national utilities supplier (Kahramaa) and from the desalination of water onsite continues to be reduced, achieving a 16% reduction since 2011. In 2013, we saw a modest decrease due to operational reduction in water used for steam production and service water.

Our vision is to optimise resource utilisation and minimise potential impacts to the marine environment from water discharge. Consequently we commenced a comprehensive programme to design, engineer and implement advanced wastewater treatment, reuse and recycling facilities for our production facilities in 2013. This program is in line with the Qatar National Vision (QNV 2030) and its focus on sustainable water use as part of the National Development Strategy (NDS), and the MoE's initiatives to minimize water discharge to sea and maximise water recycling and reuse within RLC. Qatargas is committed to these national targets and we expect to recycle 60 to 70% of the wastewater that we currently discharge to the sea once our various engineering projects are completed.

The water that we generate from our production facilities comes primarily from dehydration of wet gas extracted from our offshore reservoirs before it is processed into LNG, condensate and blowdown from steam production required for process equipment operation, and desalinated water used for site cleaning and sanitary purposes. We currently employ a suite of discrete wastewater treatment systems based on physical, chemical and biological treatment processes. A large portion of this water is injected into subsurface formations (particularly for our QG2 and QG3&4 LNG mega-train assets), however, we treat and discharge the remainder to the sea (primarily clean process water streams).

Water Management	2011	2012	2013
Seawater used for non-contact, once-through cooling m^3	3,301,634,389	3,761,597,718	3,763,009,705
Desalinated water consumed m^3	5,161,862	4,416,617	4,329,053
- From Kahramaa m^3	3,252,155	2,643,072	2,440,410
- Generated onsite from seawater m^3	1,909,707	1,773,545	1,888,643
Treated process wastewater injected into subsurface formations m^3	1,242,659	1,291,751	1,254,375
Treated process and sanitary wastewater discharged to sea (excluding non-contact seawater for once-through cooling) m^3	962,064	950,529	961,556
Treated process and sanitary wastewater used for irrigation m^3	52,224	74,062	60,181

Table 9 – Qatargas Water Management Performance

WASTEWATER RECYCLING AND REUSE PROJECTS

Based on the success of the QG1 Membrane Bioreactor (MBR) project detailed in our 2012 Sustainability Report, the wastewater treatment approach adopted by Qatargas (see Figure 11) upgrades our existing treatment facilities for secondary treatment using MBRs coupled with a tertiary treatment system comprising Multi-Media Filtration (MMF) and Reverse Osmosis (RO) units. The permeate from the RO-MMF process is expected to meet desalinated water requirements and will be re-used as boiler feed water and service water. The feed to these upgraded systems will be sanitary and will process wastewater from our LNG trains and LR. In order to reduce the load on our existing deep injection wells at the QG2 and QG3&4 LNG facilities, oily wastewater, Low Pressure (LP) sour water and chemical wastewater will be separated from produced water and also sent to these reuse and recycling units.

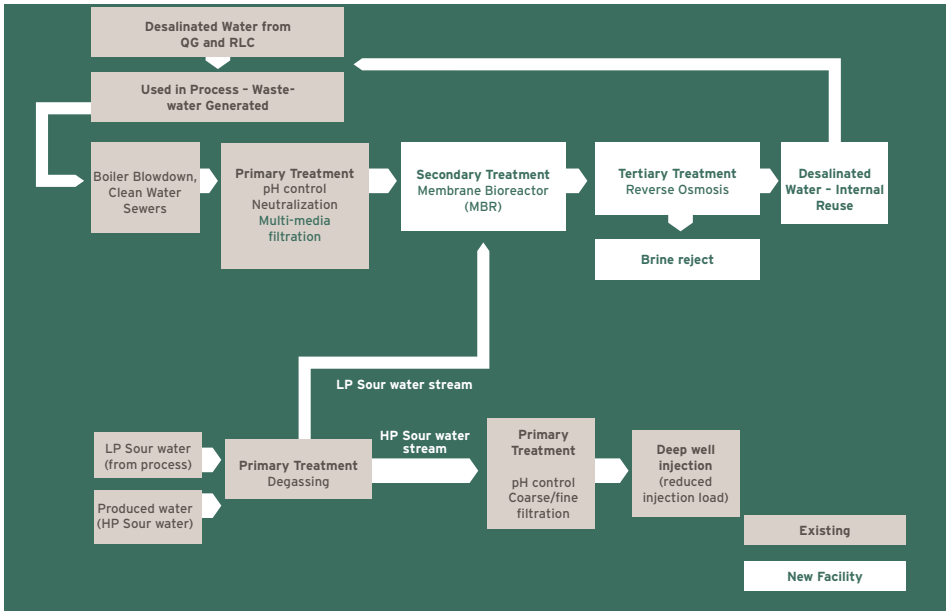


Figure 11: Qatargas Wastewater Recycling and Reuse – Overall Approach

Our wastewater recycling and reuse projects, while treating the water to tertiary standards, will also generate a concentrated reject (or 'brine') stream. This reject stream (~3000-5000 ppm Total Dissolved Solids (TDS)) can have different pathways for treatment and disposal such as injection into subsurface formations, discharge via non-contact cooling water system, evaporation lagoons and salt recovery. We are currently supporting a RLC-wide study to assess various options for management of the brine stream.

BIODIVERSITY

Qatargas understands the importance of Qatar's biodiversity mix. Preserving sensitive habitats and protecting endangered species are important elements of the Qatar National Vision 2030 as well as our commitment to environmental stewardship.

We recognise that our operations are in continuous interaction with the environment and that our onshore facilities in RLC and offshore platforms could affect marine and terrestrial biodiversity in the vicinity of our activities. We operate in or near ecologically sensitive environments, in particular the Arabian Gulf and our commitment to biodiversity protection takes form through the various initiatives highlighted below.

Coral Relocation – We relocated approximately 4,500 living hard corals from nearshore pipeline routes in 2007 to a coral reef area known as Fasht Al Hurabi and have been working with the Ministry of Environment to monitor the success of this coral translocation through twice-annual monitoring surveys. Our Coral Relocation Project won the 2009 "Excellence in Environmental Protection Projects and Products" Award (Offshore Arabia 2009 Conference, Dubai, UAE, 11-13 January 2009).

Laffan Environmental Society - As founding members of the Laffan Environmental Society (LES), we have supported industry-wide programmes for turtle monitoring and beach protection during the past several years.

Environmental Management Planning - Qatargas has an ISO 14001-certified Environmental Management System (EMS) that provides the framework for managing and mitigating environmental impacts from our existing facilities. Qatargas adopts international best practices when planning and implementing projects and constructing and commissioning new facilities. This includes conducting species (including endangered species) assessments as part of our environmental and other regulatory and financial approvals. Qatargas also conducts Environmental Impact Assessments (EIAs) to augment conservation regulations for new projects.

Awareness and Education - Qatargas is engaged in a range of environmental education programmes with schools in Qatar. This highlights the important role that industry should play to ensure responsible development and biodiversity protection, and advocates good corporate citizenship by passing on knowledge and industry expertise. We continue to support the annual QP Environment Fair which focuses on helping children and students to understand the importance of environmental conservation.

Partnerships - Our environmental protection efforts involve close co-operation with wildlife authorities, the Ministry of Environment, the local community, and other key interested parties to ensure proper planning and execution of environmental protection measures. We take pride in our beach clean-up campaigns to protect the ecologically sensitive Ras Laffan North Beach. In 2013, we instituted an Annual Beach Clean-up Day in conjunction with the Ministry of Environment.

WASTE

As part of our production processes we generate a range of hazardous and non hazardous wastes. Hazardous wastes include used oil, spent process filters, sludge, molecular sieves and spent chemicals and sulphur. Non-hazardous wastes include scrap metal and other inert materials and office and canteen waste.

Qatargas and our contractors use MoE-approved companies and disposal facilities. We recycle several waste streams such as scrap metal, used oil, office waste paper and cardboard, empty drums and broken concrete. We continue to minimise waste storage onsite as far as reasonably practical. We do not transport and dispose of hazardous waste outside Qatar. As evident from Table 10, our total waste generation in 2013 (primary scrap metal and molecular sieves) was lower than 2012 due to less complex facility maintenance shutdowns.

Waste	2011	2012	2013
- Hazardous waste generated (tonnes)	1,172	4,099	2,769
- Non-hazardous waste generated (tonnes)	2,626	5,500	3,103
Total waste generated (tonnes)	3,798	9,599	5,872
Waste recycled (tonnes)	1,508	4,569	1,775

Table 10 – Waste Generation and Disposal

Our aim is to minimise waste generation and align our current operations with international best practices. Moving into 2014, our focus will be on the development of a comprehensive Qatargas Waste Management System that will encompass our existing and future operations, identify and implement best practices, improve efficiency and minimise costs. Key elements of this program will involve Best Practicable Environmental Option (BPEO) assessments of our current major waste streams, long-term forecasting and waste profiling, and workforce capacity building. We will also look to advance the design and construction of state of the art onsite waste management facilities that will meet our needs and ensure long-term compliance and alignment with State of Qatar legislation and vision.

SPILLS

We have implemented a management framework to support escalated incidents, including major spills, in conjunction with our various production asset-based Emergency Response Plans (ERPs) and our Corporate Response Management Plan. Qatargas has well-established asset integrity and equipment inspection plans to ensure maintenance of primary containment. For continuous improvement, annual reviews of our asset ERPs are conducted including emergency preparedness exercises that simulate various types of incidents, including spills and hydrocarbon releases. In 2013, there were zero reportable environmental spills and hydrocarbon releases.

ENVIRONMENTAL EXPENDITURE

In 2013, our expenditure on environmental issues and activities was over 11 million USD. It should be noted that the expenses provided in Table 11 comprise primarily short-term projects and activities that form the core of our compliance and monitoring-based environmental programmes.

2013
Environmental
Expenditure (USD)

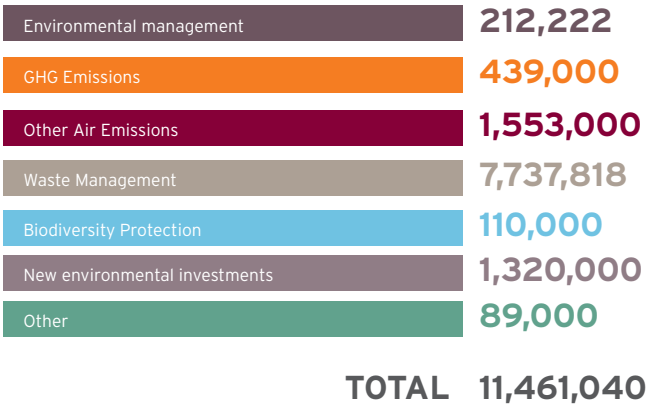


Table 11 - Qatargas 2013 Environmental Expenditure

In addition to our short-term and compliance-based environmental expenditures as shown in Table 11, we have invested in longer-term engineering projects to minimize our environmental footprint. Our Jetty Boil-Off Gas Recovery (JBOG) Project entails a $1 billion capital commitment while our other flare reduction, NO_x abatement and wastewater reduction and recycling projects also represent multi-million dollar investments.

TRANSPORT

Qatargas continues to study options to further reduce emissions of NO_x, SO_2 and CO_2 from our LNG vessels. An option being piloted is the conversion of slow speed diesel engines to Main Engine Gas Injection ME-GI utilising LNG as a fuel source. A final investment decision to pilot this technology by installing ME-GI on a single Q-Max vessel was made in late 2013. Once the results of this pilot application are available, they will be evaluated and a decision made on expanding the use of ME-GI to other vessels in the fleet. Although product shipping represents the majority of our environmental impacts from transportation, we also continue to explore opportunities to further enhance efficiency and reduce potential impacts from business travel and employee commuting.

Qatargas 1 utilises a Q-Fleet that consists of 11 conventional vessels, each with a capacity of 137,500 m^3, and an additional short-term chartered vessel with a capacity of 125,600 m^3. QG2 and QG3&4 utilise 21 Q-Flex and 12 Q-Max chartered vessels specifically built for Qatargas; these are more efficient with lower air emissions on a cargo-ton mile basis (as detailed in our 2012 Sustainability Report). The Q-Max is 80% larger than the conventional Q-Fleet ships and consumes 40% less energy per cargo-ton mile. During 2013, Qatargas also utilised one short-term in-chartered conventional vessel. Key environmental parameters and data for 2013 for the Qatargas shipping fleet are summarised in Table 12.

IMPACT	QG-1 conventional	Q-Flex / Q-Max*	In-Chartered vessels	TOTAL
Number of vessels	12	33	1	**46**
Distance Travelled (nautical miles)	1,554,666	3,546,677	74,890	**5,176,233**
Energy use based on fuel consumption (GJ)	24,215	57,581	808	**82,604**
NO_x emissions (tonnes)	18,680	123,037	238	**141,955**
SO_2 emissions (tonnes)	11,903	88,538	164	**100,605**
CO_2 emissions (tonnes)	1,637,127	4,440,119	52,198	**6,129,444**
CAT B waste discharged to sea (m^3)	94	196	3	**293**
CAT A and other waste incinerated (m^3)	449	1,659	20	**2,128**
CAT A, C, E and other waste disposed ashore (m^3)	443	3,747	20	**4,210**
Ballast water exchanged and discharged to sea (tonnes)	5,871,647	22,318,607	273,268	**28,463,522**
Refrigerant gas replaced in fridges and HVAC (kg)	1,349	6,440	0	**7,789**

*The Q-Flex / Q-Max vessels are owned by Nakilat who also report their environmental data in their own Sustainability Report.

Table 12 – Shipping Fleet Environmental Performance

WORKFORCE

HIGHLIGHTS

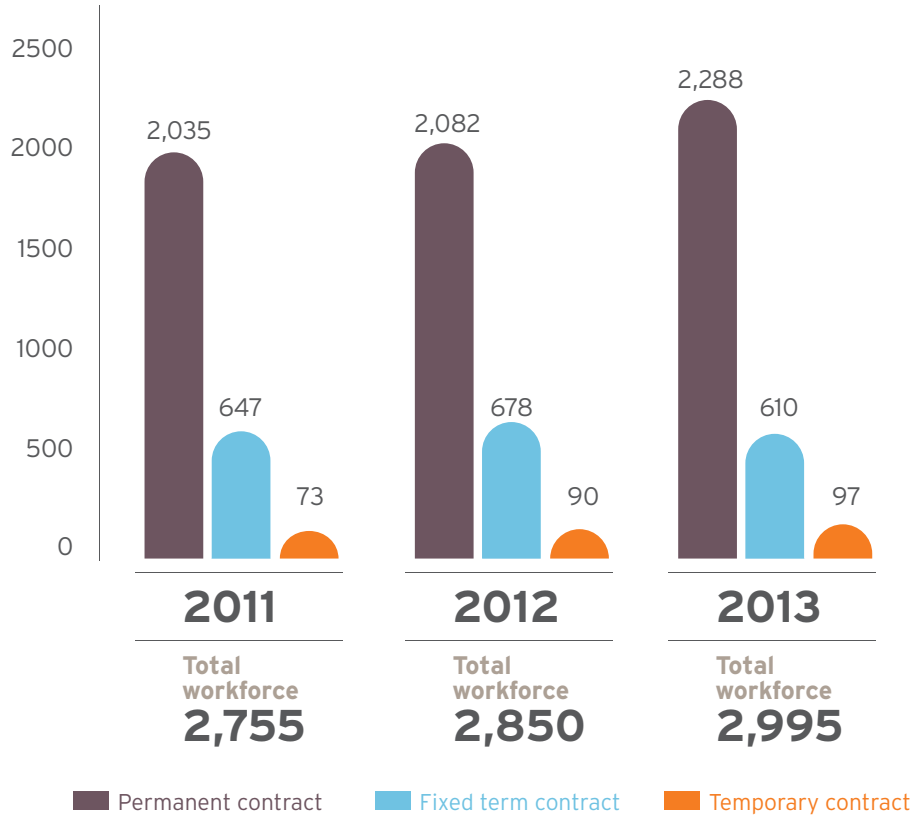
* One team of 2,995 people from 70 countries
* 86,000 hours of training delivered
* 26.1% Qatarisation

Sections

- One Team
- Qatarisation
- Learning and Development
- Performance and Career Development
- Engagement, Satisfaction and Retention

ONE TEAM

Qatargas is driven forward by one team of almost 3,000 highly talented individuals from more than 70 countries, each dedicated to advancing the Company's and Country's vision. Recognising that our team is what makes our Company premier, our mission is to attract, develop, motivate and retain a high calibre, diverse workforce, reaching our Qatarisation target of 50% by 2020. We do this by focusing on developing new recruitment strategies, and through our training and development programmes and Qatarisation programme, managed by our Human Resources (HR) Department and Learning and Development (L&D) Department.



RECRUITMENT AND BENEFITS

In 2013, the Qatargas team grew by 145 people, reflecting recent expansions that have required substantial recruiting efforts. Sourcing competent candidates from the global marketplace requires diversity in recruitment methods. We continue to utilise indirect approaches through third parties as well as investing in reaching active candidates directly through career fairs and events.

To find out more about our job opportunities, please visit

www.qatargas.com/English/JobOpportunities/Pages/default.aspx

All employees are provided with competitive employment packages. The standard benefits provided include:

- Life insurance (under Qatargas insurance scheme);
- Health care (medical and dental coverage);
- Disability/invalidity (under Qatargas insurance scheme);
- Leave policies (which include annual, sick, compassionate, maternity and paternity leave);
- Retirement provisions (pensions for nationals and end of service benefits for non-nationals);
- Education assistance (for primary and secondary school, but currently not for university);
- Accommodation (monthly allowance or residence leased by Qatargas).

In 2013, 100% of females who took maternity leave returned to work, and the percentage of females still in employment 12 months after maternity leave in 2012 was 90.9%. Qatargas has a pension scheme for nationals, although at present there is no retirement plan policy. For non-nationals, an end of service benefit is in place in accordance with the Qatar Labour Law.

DIVERSITY AND EQUAL OPPORTUNITY

Qatargas employees are a diverse group of individuals representing more than 70 countries from all continents. As one team, equal opportunities must always remain a core part of our business.

In 2013, the number of females on the team grew by 21 to 289, representing 9.6% of the total workforce. To further encourage females to join the Company and sector as a whole, Qatargas is an active participant of the Energy and Industry Sector 'Women in the Workforce' Initiative. Salary grades and basic salaries, including minimum amount paid, are the same for male and female employees. There is no differentiation based on gender or profession.

Male

2011	2012	2013
91.3%	90.6%	90.4%

Female

2011	2012	2013
8.7%	9.4%	9.6%

18-30yrs

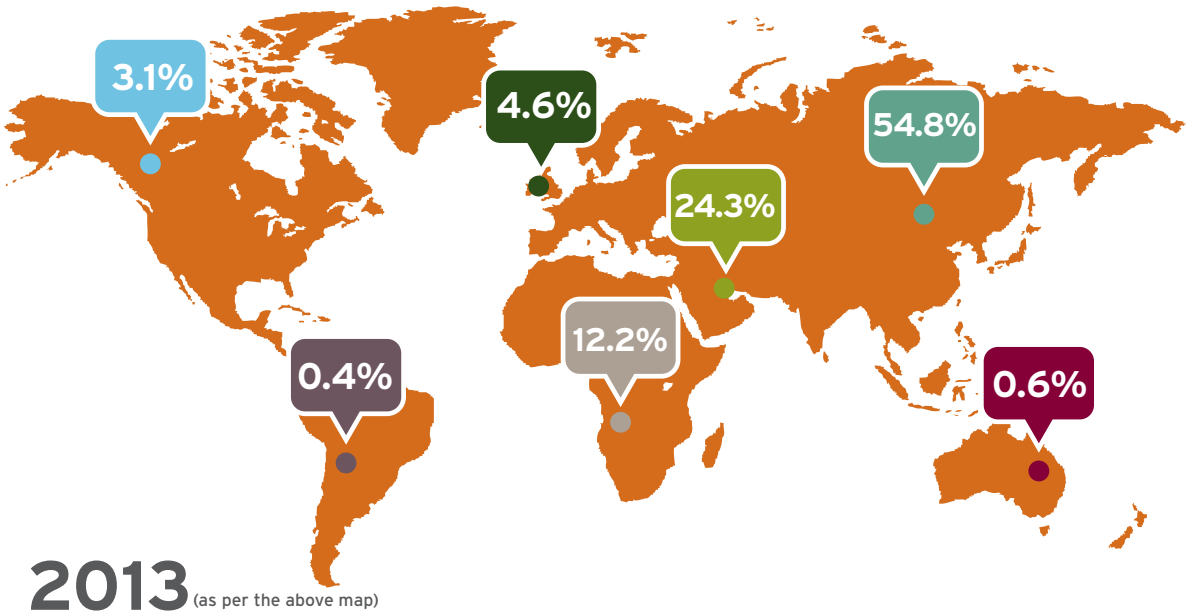
2011	2012	2013
13.1%	12.2%	12.9%

30-50yrs

2011	2012	2013
72.1%	72.4%	72.0%

>50yrs

2011	2012	2013
14.8%	15.4%	15.1%



2013 (as per the above map)

Asia 54.8% | South Americas 0.4% | Middle East 24.3% | Oceania 0.6%
Europe 4.6% | North Americas 3.1% | Africa 12.2%

2012

Asia 55.4% | South Americas 0.3% | Middle East 23.8% | Oceania 0.6%
Europe 5.2% | North Americas 3.5% | Africa 11.1%

2011

Asia 55.2% | South Americas 0.6% | Middle East 23.8% | Oceania 0.5%
Europe 5.6% | North Americas 3.5% | Africa 10.7%

Discrimination is addressed within our Ethics Policy and the Employee Relations Policy. The Company is committed to providing an environment that enables all employees to pursue their careers free from any form of discrimination. The Company recruits its personnel solely on the basis of its requirements and the qualities of individual candidates relevant to the Company's needs. Neither the Company, nor any employee, nor any person acting on behalf of the Company shall discriminate against any person with regard to employment or because of their race, religious beliefs, creed, colour, sexual orientation, physical disability, mental disability, marital status, age, ancestry or place of origin. The foregoing requirement does not apply with respect to an employee selection process based on a bona fide occupational business requirement and for hiring of Qatari nationals.

Discrimination will not be tolerated and Qatargas is taking the following action to avoid discrimination in the workplace:

- Ensure that there is no preferential treatment of any employee.
- Extend the same employment opportunities and consistently apply the same policies for each employee.
- Immediately address any discriminatory behaviour and ensure that any subsequent employee conflicts or moral problems are resolved effectively and in a confidential manner.
- Ensure employees are made aware how to conduct themselves in an appropriate manner and to be careful, sensitive and knowledgeable about avoiding discriminatory actions or comments in the workplace.
- As per this policy, employees, managers and supervisors shall deal with any discriminatory problems in a timely manner.

Two incidents of harassment were reported, both were formally investigated and disciplinary sanctions were applied in accordance with Company policy.

QATARISATION

We remain committed to building a competent and successful national workforce within Qatargas that reflects the skills and talents required to meet our business objectives. Our target of 50% Qatarisation has been developed at a departmental level, mapping out our expected staffing requirements through until 2020.

Qatarisation	2011	2012	2013
Qatarisation rate (%)	25.7	25.8	26.1
Qatarisation of management positions (%)	47.0	40.1	37.5

2011 and 2012 figures adjusted due to revised methodology

As of the end of 2013, we employed 613 Qatari nationals, an increase of 41 since 2012. Our Qatarisation rate also continues to increase, reaching 26.1% in 2013. Although the number of Qatari nationals in management positions has increased, the percentage is down as a result of structural changes and an increased number of management positions. In order to hit our ambitious goal of 50% Qatarisation, we have put in place a range of recruitment, development and retention initiatives.

RECRUITING NATIONALS

To recruit the best nationals, we have a well-established scholarship and intern programme and continue to actively engage with the education sector, both through outreach activities and representation on education bodies. Targeting national graduates through career fairs also provides both female and male graduates equal opportunities to engage with Qatargas. Please see Table 13 for a roundup of our initiatives in 2013.

Initiative	Description
Summer Internship Programme	18 nationals successfully completed internships with Qatargas. The Internship programme provides students with practical work experience with professionals from diverse backgrounds and cultures as a prelude to embarking on a lifetime career.
Summer Career Boot Camp	Qatargas participated in the first ever Summer Career Boot Camp organised by the Qatar Career Fair (QCF) in partnership with Hamad Bin Khalifa University (HBKU) and the Supreme Council of Information and Communication Technology (ictQATAR). The event showcased the internship opportunities and future career prospects available in Qatargas and over fifty students benefited from career orientation related workshops.
Qatari Career Fair in the UK	8 new sponsorships were awarded to nationals studying in the UK as a result of our support and attendance of the event. In 2013, 41 Qatari nationals studied at various colleges in the UK as part of Qatargas' Overseas Scholarship Programme.
Marine Engineering Recruitment Drive	15 scholarship applications were received and 3 candidates awarded Marine Engineering scholarships in the UK as a result of Qatargas' recruitment drive that focused on filling key Marine Engineering positions through 2020. The Marine Engineering Recruitment Drive visited the following international schools: • Awsaj Academy • Qatar International School • Doha British School • Qatar Academy • International School of Choueifat • Sherborne Qatar
Qatar Career Fair 2013	As Diamond sponsors of the 6th annual fair, Qatargas recruited 7 nationals. Our message to the thousands of aspiring Qatari graduates and job seekers visiting the fair this year was "Change Your Future – Change the World".
Qatar International College Fair	Qatargas participated in the Fair that was organised by the Higher Education Institute (HEI) of the Supreme Education Council held under the theme "Towards diversification to encourage creativity and innovation".
Outreach Programme	We continue to promote career development opportunities for nationals, identify high potential national graduates and offer incentives that lead to their recruitment. In 2013, the programme visited over 15 universities and schools in Qatar.

Table 13 – Qatargas 2013 Qatarisation Initiatives

DEVELOPMENT AND RETENTION OF OUR NATIONALS

A competence-based Development Programme has been implemented which focuses on progressing national graduates to become fully qualified professionals by following an Individual Development Plan (IDP), or for national trainees, an Individual Training Plan (ITP), before they move into an established position. We have developed a system of recognising and rewarding nationals for special contributions, with awards such as 'Best National under Development' and 'Best National under Training'.

The National Graduate Development Programme (NGDP) policy was further enhanced in 2013 and applies to all national graduates. The procedure provides a framework of standards and effective guidelines for a competence-based training and development programme that enables a Qatari graduate to become a fully qualified professional.

In 2013, The Trainee Preparation Programme (TPP) for national trainees was enhanced to increase the workplace-learning period and to shorten the probation period so that national process trainees become established earlier. Success of this initiative is important since the expected result will be to have national trainees established as Rover Operators upon completion of the TPP programme.

Qatargas has several other programmes to support the development of the Qatari national workforce, including:

- **The National Development Programme (NDP)** provides opportunities for short and long term attachments and assignment programmes with shareholders. These provide exciting opportunities to learn from experienced professionals at Qatargas' shareholder companies through exposure to best practices and technologies that may not be available in Qatar.
- **The Personal Impact – Essential Business Skills for National Graduates** is an internal training course designed to develop positive behaviours, attitudes and ethics to help national graduates build a positive reputation. It also helps graduates to build confidence and introduces them to communication techniques that will enable them to develop mutually respectful relationships with their Coach/ Supervisors. As many as 68 national graduates attended the two-day Personal Impact course during 2013.
- **Full-time General English Training courses** continue to be available to national employees at the College of North Atlantic, Qatar, a premier tertiary educational facility with highly qualified teaching staff. These courses are designed to rapidly upgrade the language proficiency skills of those nationals with gaps of two levels or more. A total of 13 national employees attended English courses at CNAQ in 2013.
- **Continuing Professional Development (CPD)** - Qatargas supports all ambitious national graduates seeking international recognition by registering them with specific international professional institutions. As an example, Hessa Al Nesf, Corporate Planning Analyst in Qatargas' Planning Division, has become the first national and the first female in Qatar to be awarded the position of Incorporated Engineer (IEng) with the Institute of Chemical Engineers (IChemE).
- **Scholarships and sponsorships** at leading international universities and colleges in Qatar and abroad, in specialised disciplines that are critical for Qatargas' business success.
- **Development opportunities offered through a technical and further education (TAFE) programme** for operators and technicians, and clerical preparatory programmes for non-technical national candidates.

Nationals are consistently engaged through an annual CEO Forum, a Qatarisation Forum, bite-sized training sessions, quarterly, monthly or daily counselling sessions, and a dedicated Qatarisation Service Desk.

LEARNING AND DEVELOPMENT

A dedicated Learning and Development Department provides our employees with support in training, education, competency development, performance management and leadership development. 'Fit for purpose' effective and structured development of our high calibre and diverse workforce are actively encouraged and facilitated.

Training	2011	2012	2013
Average hours of training per employee	23.5	24.5	28.7
Total cost of spending (QAR)	10,931,750	6,406,290	8,117,729

In 2013, employees received 86,000 hours of training at a cost of over eight million Qatari Riyals. On average this equates to 28.7 hours of training per employee, with the lowest average of 20.5 hours for senior management. Three of the flagship programmes delivered in 2013 included Supervising the Qatargas Way (SQU), Leadership Development and the Learning Olympics.

SUPERVISING THE QATARGAS WAY (SQW)

The curriculum is designed to deliver the skills and knowledge to support Department Managers, Department Heads and Supervisors. Beginning in 2012, the programme was developed as a result of Employee Opinion Survey findings as well as management direction. Running until 2015, the course should help with:

- The drive towards attaining the Company's 2015 Vision of becoming the world's premier LNG Company.
- Strengthening the 5 pillars of the QG Direction Statement.
- Building on the foundation of our Communication Values.

Premier SQW Modules
Driving Premier Performance* – having the premier conversations to bring the Performance Cycle alive.
Premier Coaching for Performance* – a conversation with structure and focus.
HR Toolkit* - The Supervisor's role in job handover, disciplinary and termination procedures.
Finance for Non Finance Supervisors**
Delivering Work* –** building and managing effective and diverse teams, work planning and tracking, delegation, problem solving and decision-making.

*For all Managers, Heads and Supervisors, **For a specific list of employees, ***Optional for all

LEADERSHIP DEVELOPMENT

Targeting leaders at senior levels and aligned to critical positions in the company-wide Succession Plan, we have internally designed and delivered leadership development programmes addressing behaviours expected of Qatargas leaders.

1. **Executive Leadership Development** for CEO direct reports and members of Management Leadership Team.
2. **Senior Manager Development Programme** for all Department Managers.
3. **Cadre Leadership Programme** for high-potential Head-level leaders (targeting nationals).

All programmes involve psychometric self-assessments and 360 feedback exercises followed up with 1:1 development conversations with the leadership development team and focused relevant development plans.

The Learning Olympics

Launched in 2013, over 500 employees participated in a range of learning-based activities designed to engage and involve the individual in stimulating ways. Held over two days, activities included:

- Mid-year Review and Competency Race – testing employee and manager knowledge of the subject.
- Quick Company Quiz – a computer based quiz about the company.
- Raise a Ticket/Take a Wicket – guidance on how to raise a Qatarisation Customer Support Ticket.
- Wrestling with Words – English language activities.
- Shoot for the Stars – a Who's Who of Qatargas.

PERFORMANCE AND CAREER DEVELOPMENT

Regular performance and career development reviews refer to performance targets and reviews based on criteria known to and agreed between the employee and his/her supervisor. This is a continuing conversation throughout the year to ensure performance progress leads towards achievement of individual objectives. This may include an evaluation by the employee's direct supervisor, peers, or a wider range of employees.

Performance	2011	2012	2013
Number of employees required to be appraised	2,276	2,774	2,921
Percentage of Qatargas employees who received a formal appraisal and review (%)	82.6%	97.4%	99.5%

In 2013, 99.5% of Qatargas employees received a formal employee appraisal. 16 employees were exempt from performance appraisal due to being on special assignments, sick leave or availing of other leave.

PERFORMANCE REVIEW:

- At the beginning of each year, our Management Leadership Team, supported by our Corporate Planning Department, adjust the Business Plan and create corporate Key Performance Indicators (KPIs) that will drive delivery of the required results. Each Chief Operating Officer creates their personal KPIs / objectives from the Corporate KPIs, which are then cascaded down through the Department Managers, translating them into individual S.M.A.R.T (Specific-Measurable-Achievable-Relevant-Time-based) objectives for every employee. In January, employees set up S.M.A.R.T objectives to be agreed with their supervisors. Individual objectives must be aligned to the Corporate/Group/Department KPIs for the Company to achieve its Vision 2015.
- The Management Leadership Team and Department Managers submit progress updates to our Corporate Planning Department on a quarterly basis, using a traffic light notation. At our quarterly leadership events, each member of the Leadership Team explains any RED or AMBER items in their area, and the actions they plan to mitigate.
- At mid-year, a directive is issued requiring employees and supervisors to conduct a face-to-face meeting to review performance progress against their objectives, and to take action on employee concerns and challenges.
- At the end of the year, a final appraisal discussion takes place between the employee and supervisor, focusing on the overall performance evaluation against objectives and appraisal of the employee's required level of core and job generic competences prescribed by Qatargas. Managers who report directly to COOs are assessed against the established core and Leadership competences.
- To ensure fair and accurate employee appraisal, departmental rating sessions are conducted requiring Division Heads and Managers to provide evidence to support their employees' assessment. The outcomes of the departmental rating sessions are presented to the Management Leadership Team for approval. Employees' performance evaluations are then finalised; employees are informed of their final appraisal; then the annual performance reward process is initiated.
- For an employee who did not achieve his/her objectives or failed to demonstrate the required level of competences, he/she participates in a Performance Improvement Plan (PIP) process, governed by our Employee Performance Management System.

CAREER DEVELOPMENT REVIEW:

Qatargas has a Talent Management and Corporate Succession Plan Process. This consists of the following elements:

- Assessment of consistent strong performers against three key indicators of potential (thinking, delivering and influencing skills). Those assessed with potential to progress to higher levels in the organisation become part of the Qatargas Talent Pool.
- Within the Corporate Succession Planning process, each Group's leadership Team identifies their key / critical roles and maps potential successors from the Talent Pool.
- Career Development Plans are created for members of the Talent Pool to help them accelerate their leadership and technical skills so they can be ready to progress to a number of roles in the Corporate Succession Plan.

The status of Career Development Plans for members of the Talent Pool and the risks and mitigating activities associated with key/critical roles are reviewed and discussed by the Leadership Team bi-annually.

EMPLOYEE ENGAGEMENT, SATISFACTION AND RETENTION

We strive to maintain a culture of open and honest two-way communication and engagement in order to ensure employees are proud to work for Qatargas.

ENGAGEMENT

All members of the team are encouraged to speak out without fear of retaliation on any issue concerning them prior to CEO Town Hall meetings, quarterly performance review meetings, employee surveys, and other channels of communication. Women's forums, annual trainee and graduate forums encourage active and honest feedback on issues affecting the parties involved. A range of internal communications channels is also available such as the QG intranet, internal magazine and regular email notifications.

Events are held on an annual basis including the annual company dinner for employees and their families, where the 'CEO Award of Excellence' is presented. In 2013, 21 employees received the award in recognition of their outstanding contributions during 2012 towards achieving the Company's vision. Other awards and recognition available include Spot Awards of which over 3,000 were distributed in the first half of 2013 alone.

This year's Sport Day activities took place at Al Gharafa Sports Club, Al Khor Community, Doha Golf Club, Sealine and Qatargas HQ Gymnasium. Over 3,500 employees and their families participated in the events, and special praise must go to the team of over 100 volunteers who made sure that the events ran smoothly and everyone had a wonderful experience.

As we continue to grow, one of our goals is to ensure that we are doing our utmost to integrate new employees into the Qatargas culture and take full advantage of everyone's experience and ideas. To do this we have developed a range of welcome and induction programmes for new joiners and their families, including an expatriate integration and induction programme.

GRIEVANCE

Qatargas has a formal grievance procedure embedded within the Employee Relations policy; all employees are covered by the policy. In 2013 seven grievance cases were formally logged, six of which were resolved and one investigation is ongoing. None of the cases were related to labour practices.

Employees have the right to appeal against disciplinary action for dismissal and to escalate grievances to a higher authority within Qatargas.

SATISFACTION

We take the satisfaction of our employees seriously, and accordingly conduct annual Employee Opinion Surveys. In 2013, issues raised by employees were related to management style, total reward model (pay, benefits and rewarding high performance), career progression and image within the local community. A Corporate Employee Opinion Action Plan has been developed with a deadline of completion for December 2014 to address these issues.

RETENTION

In 2013, over 500 employees received long service awards, with the CEO presenting certificates and mementos as a token of appreciation to employees who have completed five, ten, fifteen and twenty years of service with the Company.

Retention	2011	2012	2013
Turnover rate (%)	3.3	7.5	7.0
Male (%)	3.1%	7.3%	7.1%
Female (%)	5.4%	8.8%	5.9%
18-30 (%)	3.6%	6.3%	4.7%
30-50 (%)	3.3%	6.59%	6.3%
>50 (%)	3.2%	12.5%	12.4%

Our retention rate for 2013 was 93%, a slight improvement on 2012. Of particular note is the fact that our female and youth employee attrition both dropped in 2013, a trend we hope will continue.

SOCIETY

HIGHLIGHTS

* QAR 12.67 million invested in the community.
*Title sponsor of the new Qatargas football League
* 72% of new suppliers screened for labour practices, 3 terminated as a result.

Sections

- Our Place in Society
- Community Engagement and Investment
- Ethical and Responsible Conduct

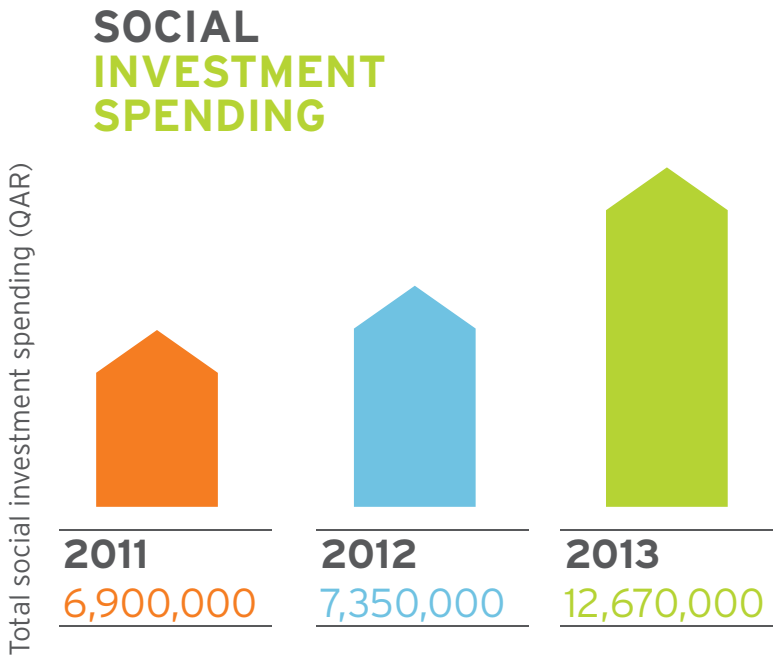
OUR PLACE IN SOCIETY

Our primary social impact as a company is in the form of revenue generation for the State of Qatar to implement the national vision of social, human, environmental and economic prosperity. We also impact society on a global scale as a provider of energy for communities around the world. Closer to home we continue to engage and invest in our local communities and ensure that we operate in an ethical and responsible manner.

COMMUNITY ENGAGEMENT AND INVESTMENT

Qatargas has adopted a social development strategy by following a set of guidelines on how to move beyond pure financial performance measures into a wider social spectrum. This strategy envisages integrated development of the community both internal and external. Internally we are committed to the development and care of our employee community, including their families as outlined in the Workforce chapter. Our external community focus is on:

- Economic Growth (as covered in the Economic Chapter of this report)
- Education (covered in this chapter)
- Health and Safety (covered in the Health and Safety Chapter of this report)
- Sports (covered in this chapter)
- Arts and Culture (covered in this chapter)
- Support for non-governmental organisations and relief funds (covered in this chapter)



In 2013, we invested over 12 million Qatari Riyal in sponsorships, events and programmes across the focus areas of our social development strategy. This represents a 72% increase from 2012 and a commitment to the further development of our communities and country. Each investment was made in accordance with the Social Investment Policy and Procedure that we developed and implemented in 2012.

RAS LAFFAN COMMUNITY OUTREACH PROGRAMME

Ras Laffan Industrial City (RLIC) is the location of onshore facilities associated with the North Field gas and condensate development. RLIC is a State initiative to provide master planning, co-ordination, infrastructure (including a major port) and security for gas-based hydrocarbon processing and export projects. Currently there are a series of major new construction and expansion projects being developed by RLIC-based companies (referred to as end-users) through to 2014. The growth of these developments and expansion projects in combination with associated activities and resultant issues are of increasing concern to local and fence line communities in northern Qatar.

The Ras Laffan City Community Working Group was established to work with the RLIC fence line communities to implement and conduct the RLIC Community Outreach Programme (COP). The working group consists of members from the end-user companies within RLIC: Qatargas, RasGas, Qatar Petroleum, ExxonMobil, Qatar Shell GTL, Dolphin Energy and ORYX GTL.

The purpose of Ras Laffan Industrial City's Community Outreach Programme (RLIC COP) is to co-ordinate and align the community engagements of RLIC and RLIC COP member end-users with Al Khor, Al Thakira and other Northern Qatar communities.

RLIC COP's vision and objective is to create a respectful, trust-based partnership between industry and the community through:

- Building meaningful relationships with the community, and managing stakeholder expectations through continual two-way dialogue;
- Managing impacts of operations both real and perceived – these may include issues such as air quality, health and workforce presence in the community;
- Delivering benefits through partnerships that complement community needs and business objectives, for example building capacity, skills development and local business participation;
- Ensuring that all parties in the communities are well informed through proper dissemination of information;
- Actively linking into and complementing the Qatar National Vision 2030.

The community outreach office serves as the link between the industry and the community. It is an information centre that provides the community with regular updates about the latest activities of the RLIC, it offers development and capacity building opportunities and holds educational and social events that bring together all community members.

The goal is to form positive relationships that are not only determined by what a company does but also by how it operates. Moreover, it is a recording centre that collects data about the community, its issues, and the projects and activities taking place.

EDUCATION

Qatargas has a long-standing relationship with Qatar University and has been sponsoring a Research Engineering Chair with the objective of promoting genuine research in the field of gas processing technologies. Qatargas is also supporting several other educational initiatives at the University such as the Gas Processing Centre Consortium, GASNA competition, Plant Design Contest, seminars, workshops and symposia organised by the university. Qatargas also extends its support to other educational initiatives such as its sponsorship of a technical annexe at the Qatar Independent Technical School. We also support the Process Safety Centre of the Texas A&M University at Qatar.

The GASNA competition is a national initiative for schools organised by the Gas Processing Centre (GPC) of Qatar University that aims to increase society's awareness about the country's abundant and valuable natural resources. It encourages children to take ownership of the country's future by working towards the development of innovative projects for gas and related product technologies. As part of our sponsorship of the GASNA competition for schools, Qatargas recently organised a tour of the LNG production facilities in Ras Laffan for a group of teachers representing various schools in Qatar.

ENVIRONMENT

'Clean Energy for a Sustainable World' was our message at this year's Qatar Petroleum Environment Fair. We highlighted the importance of water and energy conservation with a Qatargas pavilion providing visitors with useful tips on how to conserve water and energy at home. It featured interactive activities to engage children in the hope that they will become environmental ambassadors in the future.

First Beach Clean Up and Desert Plantation Days
In April, over 250 employees volunteered for our first beach clean-up at Al Fuwairit, located 80km North of Doha. In 2013, we also launched an annual Desert Plantation initiative, when over 150 employees volunteered their time at the Umm Garn Nature Reserve about 30km north of Doha. Up to 130 'Wild Sidra' seedlings were planted in an area stretching nearly 1.5 kilometres inside the reserve.

The desert plantation initiative uses an innovative irrigation technology called 'Jelly Water' that ensures the plants get a proper supply of water. The system uses water containers deposited in pits where the trees are planted which supply a mixture of jelly and enriching bacteria for up to 40 days at a time.

HEALTH AND SAFETY

Qatargas strongly believes that health and safety are priorities that deserve the highest measure of attention. Over the years we have allocated considerable resources to support activities and campaigns that focus on this message and we are committed to maintaining this emphasis for the future.

There has been a continual focus on investment in health and safety within the community, in particular in the promotion of sport as one of the best forms of preventative health care. Investments in 2013 included:

- "Don't kill their dreams" – the hard hitting TV commercial run during Ramadan in support of the Ministry of Interior's national road safety campaign 'One Second'.
- Two Blood Donation days for employees, the thirteenth year we have helped to replenish the nation's blood reserves.
- Sponsorship of the annual Occupational Health Conference organised by Qatar Petroleum for the past two years.
- Support for the US-based Children's Brain Tumour Foundation for the third year running.
- Title sponsor for the biggest open badminton championship organised by Qatar Badminton Association.
- Hosting the 15th edition of 'The Qatargas Open' a Golf tournament held at Doha Golf Club.
- Pearl Sponsor of the Qatar Minor Ice Hockey Association for the 20213 - 2014 season.
- Signing a three-year deal with Qatar Football Association to become the Title Sponsor of the new Qatargas League. Previously known as the Q League, the agreement changes the name of the league to the "Qatargas League" and will include the participation of 18 reserve and second division teams.

ARTS AND CULTURE

Qatargas was a Platinum Sponsor of the Qatar Museums Authority Qatar UK 2013 Year of Culture initiative, supporting upcoming arts and cultural events and boosting the British Council-backed initiative to promote links between Qatar and the UK.

To mark Qatar UK 2013 Year of Culture, Ben Barbour, a Doha-based British artist made an inspirational voyage to the UK aboard one of Nakilat's Q-Flex vessels. During his time on the vessel, the artist charted and painted the key features of this traditional trade route. Exhibitions of his work were subsequently arranged in both Qatar and UK.

RELIEF EFFORTS

Humanitarian efforts are an integral part of the Qatargas Corporate Social Responsibility (CSR) programme and we have always been responsive to supporting communities around the world who need immediate assistance. Our most recent humanitarian initiatives involve donations to Somalia, the Philippines and Syria.

A Helping Hand in Syria - So far, we have delivered various kinds of aid including food, shelter and medical support to more than 100,000 refugees as part of the Help Us campaign.

QR1 Million in Solidarity – this year we contributed to the Solidarity Day campaign by donating one million Qatari Riyals to Qatar Charity to support the humanitarian efforts being undertaken to help victims of the recent natural disasters in Somalia and the Philippines.

ETHICAL AND RESPONSIBLE CONDUCT

We have a duty to conduct our business with integrity and in an ethical manner, complying with all laws and regulations, and beyond that safeguarding the business from risk of corruption and malpractice within the supply chain.

The management has a responsibility to ensure that the code of business ethics is understood, enforced and implemented by all employees. Managers and supervisors have a responsibility to set an example of the highest standards of ethical conduct and to monitor compliance with the policy by all employees who report to them. Employees are responsible for:

- Seeking guidance from their manager or supervisor when any issue arises in respect of business ethics policy. Any employee may request the ECIC's advice on any matter of ethics or implementation of the Policy
- Immediately reporting any violation of the business ethics Policy, illegal act or unethical behaviour to the Ethics and Conflict of Interest Committee. Reporting is considered confidential and no employee will suffer retaliation due to a report being made in good faith.

If an employee has any doubt about the existence of a conflict of interest, the employee must consult his/her Line Manager, Supervisor or the ECIC.

HUMAN RIGHTS

Qatargas has addressed human rights issues as part of its Code of Business Ethics Policy. There is currently no separate Human Rights policy, goals and objectives in Qatargas.

In accordance with Qatari Law, Qatargas maintains compliance with all laws prohibiting child and forced labour; and undertakes to suppress the use of child, forced or compulsory labour in all its forms.

INVESTMENT AND PROCUREMENT PRACTICES

Suppliers of materials and services are subject to thorough evaluation before any contract is awarded. Major service contractors are pre-qualified and then safety, health and environmental performance is evaluated separately for the bidding process. This evaluation includes safety track records, contractor safety policies, systems, trainings etc. Only contractors who pass this evaluation will be considered for further evaluation.

All contracts include clauses on human rights topics and all significant contracts contain business ethics provisions.

CORRUPTION

Corruption poses a limited risk due to implementation of appropriate policies and controls. The Ethics and Conflict of interest Committee investigates and assesses actual or potential situations of corruption or conflict of interest. In 2013 reported incidents of non-compliance with policies and procedures related to fraud were investigated appropriate disciplinary actions were taken by Qatargas management.

The Ethics Policy addresses fiscal integrity (section 4.1) and Bribery (section 4.4, paragraph 4.). Contractors and suppliers are expected to adhere to a code of conduct equivalent to company ethics policy. Company contract staff are required to complete the Annual Conflict of Interest Declaration and Annual Certification Statement. Business ethics provisions are incorporated in Company contracts.

No formal anti-corruption training and awareness programmes have been conducted to date. In previous years, ECIC has conducted training sessions on the ethics policy. An online ethics training programme was developed by ECIC and Learning & Development Department and was posted on the Qatargas intranet at the end of 2011.

Any violation of the Ethics Policy could lead to criminal or civil proceedings and/or disciplinary actions including termination of employment. Company disciplinary procedure includes penalties escalating up to termination of services for violations of Company polices.

PUBLIC POLICY

We liaise with appropriate authorities and consultants when exploring new product markets, especially when associated with terminal construction. Qatargas is not involved in significant public policy development and lobbying activities.

Contribution to political parties is not allowed as per section 4.7 'Political Activities' of the Ethics Policy. Political activities that employees are prohibited from doing while acting on behalf of the Company include:

- Contributions of Company funds, cash or in-kind, or other resources in support of political activities, organisations, political candidates, parties or officials in the State of Qatar or anywhere else in the world;
- Solicitation of political contributions from individual employees;
- Political activity in the countries in which he/she is not entitled to exercise civic rights.

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance with laws and regulations is addressed in section 4.6 of the Ethics Policy. It is the Company's policy to conduct its business in compliance with all laws, regulations and other legal requirements applicable to the Company in whatever world jurisdiction the Company is doing business. The Company will also endeavour to ensure that its agents, partners and associates comply with such laws, regulations and other legal requirements in any jurisdiction in which they are working with or for the Company.

Unlawful acts or breaches of Company Policies or Procedures are not acceptable, whatever the jurisdiction. Good motives are not an excuse for committing illegal acts or breaches in Company Policies and Procedures.

Under Qatari Law the Company is obligated to report certain breaches of Qatari law or regulation associated with wrongdoing to the appropriate State authority. This includes employee fraud, theft, and disclosure of confidential information as part of the larger investigative process.

Qatargas has not identified any non-compliance with international, national, regional and local laws and regulations in 2013.

APPENDICES

Appendix A –
Report Scope and Boundaries

The development of this report has been guided by the Global Reporting Initiative (GRI) 3rd Generation (G3.1) Sustainability Reporting Guidelines 2011, and the International Petroleum Industry Environmental Conservation Association / American Petroleum Institute (IPIECA/API) Oil and Gas Industry Guidance on Voluntary Sustainability Reporting 2010. GRI G3.1 is a globally recognised framework for reporting on an organisation's economic, social, and environmental performance whereas IPIECA/API guidance is considered as a reference in the oil and gas industry. A GRI and IPIECA/API content index is included in Appendix B.

HOW WE DEFINE REPORT CONTENT

MATERIALITY

At the beginning of 2014 we took the first steps toward the implementation of a comprehensive Qatargas sustainability materiality assessment. Engaging with the members of the CSR Initiative Committee (who represent all major internal and external stakeholders) we have capture and then prioritise the aspects that would influence a stakeholder's decision or significantly impact the business. Although not presented in this report, we have used this matrix to further focus our reporting, comprehensively covering all of the most material core and additional indicators of the above guidance documents.

STAKEHOLDER INCLUSIVENESS

As captured in Appendix D, we have identified and considered our key stakeholders, and we have outlined throughout the report how the company engages them, identifies their priorities and responds to the issues raised by them.

SUSTAINABILITY CONTEXT

As much as possible we have tried to set the report content within the sustainability context of Qatar and the region. The most significant element of this is the influence of the Qatar Energy and Industry Sector, Sustainable Development Industry Reporting (SDIR) Programme, and the Qatar National Vision 2030 and National Development Strategy 2011-2016. Our alignment to these national level frameworks of covered in detail within the "Qatargas and Sustainability" Chapter.

COMPLETENESS AND BOUNDARIES OF THIS REPORT

The report covers all our operations in Qatar - Qatargas 1 (QG1); Qatargas 2 (QG2); Qatargas 3 (QG3); and Qatargas 4 (QG4) - offshore platforms and onshore LNG Trains 1 to 7; the Laffan Refinery; Ras Laffan Terminal Operations (RLTO - the storage and loading facilities located at Ras Laffan port), as well as transportation activities to and from Qatar by our LNG ships. Qatargas activities and facilities outside Qatar are excluded from the scope of this report. Contractors, suppliers and clients' data are not included in this report unless otherwise stated.

HOW WE ENSURE QUALITY AND RELEVANCE

We continue to work to improve the quality of our sustainability reporting process and sustainability report content.

BALANCE

The report aims to present a balanced and unbiased picture of Qatargas. Data presented shows both positive and negative performance, with explanation of both.

COMPARABILITY

Whenever possible we have present three years of performance data in order to determine trends and trajectory on material issues. This year we have also provided a summary of our performance from 2011 to 2013 on the top sustainability indicators.

ACCURACY AND RELIABILITY

The data and information presented in this report has gone through an iterative review process to catch any potential inaccuracies, with an external consultant conducting a limited logic and context based review. Internal auditing of systems and processes used to measure performance has been conducted as detailed on page 27. Some has also been externally assured, and this has been stated whenever it is the case.

In a limited number of cases we have had to restate data presented in our 2012 Sustainability Report. Reasons for any restatements are clearly noted in the relevant sections of the report.

Quantitative data disclosed in the report originates from various sources:

- Economic data is extracted from our finance IT system;
- Production data originates from our production database;
- Workforce data is extracted from our human resources IT tools;
- Environmental data is determined through direct measurement, calculation on the basis of specific or standard conversion factors and estimates depending on parameters. We are currently automating this as detailed on page 39.

TIMELINESS

The report is due to be released at the end of May 2014, at a dedicated event for the whole Qatar Energy and Industry Sector. This should give us the opportunity to engage stakeholders with a document that is relevant and timely.

CLARITY

The report has been developed in a way that caters to the various users of the report. Clear signposting of content is provided throughout the report, and additional information is also marked for those requiring additional information. The report has also been translated into Arabic.

CAUTIONARY STATEMENT

The report contains forward-looking statements. All statements, other than statements of historical fact are, or may be deemed to be forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that could materially affect expected results of operations, cash flows and business prospects, because they relate to events and depend on circumstances that will or may occur in the future. Although every effort has been made to ensure the accuracy of these statements, readers should not place undue reliance on forward-looking statements which speak only as of the date of this report.

Appendix B –
GRI, IPIECA and SDIR Index

Chapter	Section	Page	SDIR	IPIECA	GRI (G3.1)
About this report		3			2.1, 3.1, 3.3, 3.4
Statement from the CEO		6			1.1, 1.2, 4.11
Qatargas – The World's Largest LNG Company	Who we are	9			
	What we do	10			2.2
	Our operations	10-12			2.2, 2.4, 2.5
	One team one system	13			
	2013 highlights	14-15			2.9, 2.10
Qatargas and Sustainability	Our approach	17			
	Sustainability governance	17			4.4, 4.8, 4.9, 4.10, 4.11
	Sustainability management	17-20			1.2, 4.11, 4.13, 4.15, 4.16, 4.17
	Aligning our sustainability approach and performance	22-25			2.8
	Sustainability outlook	21			
Governance and Risk Management	Ownership	27			2.3, 2.6, 2.9, 4.1, 4.4
	Governance and operating structure	27-29			2.3, 2.6, 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.10
	Enterprise risk management	29			
	Business continuity	29			
Economy	Our economic impact	31			EC1, EC9, DMA-EC
	Customers and distribution	31-32			2.7, PR5
	Production and expansion	32	2		OG1
	Local procurement	33	3	SE5, SE7	EC6
Health and Safety	One team approach	35	35	HS1	LA6
	Occupational safety	35-36	23, 34, 25, 26, 27, 28, 29, 30	HS3	LA7
	Occupational health	37-38	31, 32	HS2	LA7, LA8
	Process safety and asset integrity	38-39	33	HS5	OG13
	Emergency response and security	39	34	SE10	LA8, EC8, HR8, SO10
	Product material safety data sheet	39		HS4	PR1, PR3, SO10, DMA-PR

Environment and Climate Change	Our approach to environmental management	41			DMA-EN
	Energy	42	4, 5	E2	EN3, EN4, EN5, EN7
	GHG emissions and climate change	42-44	8, 9	E1	EN16, EN17, EN18, EN19, EN26, DMA-PR
	Flaring	45-49	10	E4	EN18, OG6
	Air emissions	49-50	17, 18	E7	EN20
	Water	50-51	12, 13, 14, 15, 16	E6, E9	EN8, EN9, EN10, EN21, EN25, OG5
	Biodiversity	51-52		E5	EN11, EN12, EN13, EN14, OG4
	Waste	52	21, 22	E10	EN22, EN24
	Spills	52	19	E8	EN23
	Environmental expenditure	53			EN30
	Transport	53		E1, E2, E10	EN29
Workforce	One team	55-57	36, 38	SE15	LA1, LA3, LA13, LA14, LA15, EC3, HR4, DMA-LA
	Qatarisation	57-59	37	SE5, SE6	EC7
	Learning and development	60	40	SE17	LA10, LA11
	Performance and career development	60-62		SE17	LA11, LA12
	Engagement, satisfaction and retention	62-63	39	SE16, SE18	LA2
Society	Our place in society	65		SE1, SE4	EC9, DMA-SO
	Community engagement and investment	65-67	41	SE4	EC8, SO1, SO9, OG10
	Ethical and responsible conduct	68-69	42	SE8, SE9, SE11, SE12, SE14	HR1, HR2, HR6, HR7, SO3, SO5, SO6, SO7, SO8, DMA-HR
Appendices	Report scope and boundaries	71-72			3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11, 3.13
	GRI, IPIECA and SDIR index	73-74			3.12
	GRI statement	75			
	Stakeholder engagement mapping	76-78			4.14, 4.16, 4.17
	Glossary and acronyms	79-80			

Appendix C –
GRI Statement

This report has been checked by the GRI for the application of the G3.1 guidelines - a copy of their statement is provided below.

Global Reporting Initiative™

Statement
GRI Application Level Check

GRI hereby states that **Qatargas** has presented its report "2013 Sustainability Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 23 April 2014

GA GRI REPORT GRI CHECKED

Ásthildur Hjaltadóttir
Director Services
Global Reporting Initiative

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

***Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 14 April 2014. GRI explicitly excludes the statement being applied to any later changes to such material.*

Appendix D –
Stakeholder Engagement Mapping

Stakeholders	Stakeholder Priorities	Engagement Method	Qatargas Response
Shareholders	• Financial returns • Maintenance of safe & reliable operations • Preserve QG reputation as a reliable LNG supplier • Participation in local economic and social development	• Board Meetings • Annual Shareholder Market Presentations • Shareholder Meetings, Discussions • Shareholder Relations • Official Engagements – e.g. Signings • Coordinated Crisis Communications • Liaison Offices • Sponsorship Collaboration (eg QMA, Exhibitions, etc...) • Qatargas Contributions to QP Annual Report	• Compliance with principles of transparency, ethical standards and good governance • Board Meetings • Routine Reports • Internal Auditing • Strict SHE practices • Excellent standards of performance • Maximizing Return on Investment
State of Qatar	• Management of natural resources • Contribution to quality of life • Environmental protection • Financial returns • Development of national talent • Compliance with government regulations	• Participation in Qatar National Vision 2030 • Job Creation • Contribution to development of the State of Qatar's new Environmental Guidelines • Participation in the Ministry of Energy's "Quality Qatarisation Strategy" • Through Qatar Petroleum • Coordinated Crisis Planning & Communications	• Alignment with State of Qatar 2030 Vision • Compliance with government regulations • Maximizing profits • Commitment to Qatarisation • Timely data reports for QP and government authorities • Routine SHE and sustainability reporting • Participation in national celebrations and functions
Local Community	• Responsible business practices • Minimal environmental impacts • Employment opportunities • Safe operations • Development of national talent • Continuous engagement with local community	• Social Investment Programs • Membership of RLIC Community Outreach Program (COP) • Contribution to local community • Sponsorship of social events • Engagement with local authorities • Educational/Employment opportunities for locals • Business opportunities for local small businesses • Site Visits	• Active social outreach and contributions • CSR compliance and initiatives • Participation in social events • Assistance to educational institutions • Environmental initiatives • Safe operations • Rewarding opportunities for local business partners

Employees	• Satisfactory safe and healthy working conditions • Competitive pay and benefits • Continuous career development • Open and transparent communications • No blame culture • Listening, supportive management	• Internal Communications Strategy (incl. Communication Values) • Interactive Security Announcements & Safety Exercises • Regular departmental/team meetings • Qatargas_All Email • Website & Portal • Objectives & Performance Appraisal System • Quarterly Performance Reviews (Group Sessions) • Employee Opinion Surveys • Corporate Newsletters • Town Hall Meetings • CEO Forums for Trainees and Graduates • Ask the CEO Channel • CEO Intranet Address to New Joiners • Employee/Management Self-Service (Online) • HR Service Desk • Walk-in Open Clinics • Department Away Days • PR Spotlight • Monthly Key Messaging Pack for Managers • Quarterly Key Messaging Pack for Supervisors • Corporate Welcome Program • Lunch & Learn Sessions • Learning Community Day • Learning Souq • Premier Leadership Events (PLEs) • Employee Communications – News Updates (Online) • Long-Service Awards, Spot Awards, CEO Awards, Farewell Awards • Social Platforms (Gala Dinner, Family Days, National Sports Day, Social Clubs, Winter Camp) • Updated Policies & Procedures	• Equal opportunities and fair treatment • Safe working conditions promoting employee health and welfare • Competitive salaries and rewards • Open and transparent communications • HR policies promoting personal and professional development, engagement and empowerment • Training programs • Acceptable standards of accommodation
Customers	• Reliable, timely supplies of LNG and associated products • Quality products	• Ongoing Communications • Country Liaison Offices • Regular Meetings & Site Visits • Conference & Exhibitions • Contractual Arrangements • Customer Meetings/Presentations (e.g. in Japan) • Signing Ceremonies • General Publications • Material Safety Data Sheets (MSDS)	• Global customer relations • Regular, responsive dialogue • Customer satisfaction surveys • Production of quality products • Reliable supplies • On-time products loading • Provision of excellent logistics and services

Contractors / Suppliers	• Fair contract bidding/awarding • On time payment • Good working conditions	• Website • Contractual Arrangements & Bidding/Tendering Process • Day to Day Liaison • Prequalification Meetings • Third-Party Endorsement • Safety Communications and related initiatives (e.g. Incident & Injury Free (IIF), Safety Training Observation Program (STOP), Hydration • Medical Inspections	• Ethical Standards • Fair Bidding & Awarding Process • Effective contractor management • Contractor monitoring to assure health and welfare compliance
The Energy Industry	• Timely, responsible communication • Information/Data sharing	• Membership of official/global Energy Sector bodies • Conference and Exhibitions • Energy-related publications • Delivery of technical papers • Sponsorship Collaborations (e.g. SIGTTO, etc...) • Keynote Speeches • Best Practice Sharing • Participation in Lessons Learnt Forum • Crisis Management Collaboration	• Data sharing and exchange • Ethical relationships
The Media	• Strategic global media engagement • Timely access to accurate company information • Access to senior Company spokespersons • Speedy access to corporate locations/ facilities	• Strategic global media engagement program • Communication plans • Press Releases • Holding Statements • Media Tours • Press Conferences/Briefings • Fast Fact Sheets • Interviews • Round Tables	• Knowledgeable company spokespersons • Accurate, regularly updated publicity
Non-Governmental Organizations (NGOs)	• Responsive communications • Contribution support to local NGOs	• Presentations/Briefings • Educational programs • NGO Support Strategy	• Timely, accurate communications • Knowledgeable and responsive company spokespersons
Pupils / Students / Potential Employees	• Accurate accessible information about career opportunities • Compelling Employee Value Proposition (EVP) • Contribution to Educational Establishments	• Targeted Recruitment Campaigns • Donations to Educational Institutions • University Endowments - Faculty Chairs • Scholarships • Internship & Work Familiarization Opportunities • School Outreach Programs • Career Fairs • Educational Events (GASNA, etc...) • Participation in Curriculum Committees • Sponsored Research Activities • Guest Lectures • Faculty Visits/Assignments • Student Projects	• Dynamic, supportive relationships with educational/ academic communities • Clearly differentiated and compelling EVP • Talent attraction and retention • Enhanced symbiosis between industry and academia

Appendix E – Glossary & Acronyms

API	American Petroleum Institute
BAC	Board Audit Committee
BAT	Best Available Technique
Bbls	Barrels
BCM	Business Continuity Management
BIA	Business Impact Analysis
BOD	Board of Directors
Bpsd	Barrels Per Stream Day
CDM	Clean Development Mechanism
CDP	Career Development Programmeme
CEO	Chief Executive Officer
CER	Certified Emission Reductions
CFC	Chlorofluorocarbon
CH4	Methane
CNOOC	China National Offshore Oil Corporation
CO2	Carbon Dioxide
COO	Chief Operating Officer
CoP	Conference of Parties
COP	Community Outreach Programmeme
COSHH	Control of Substances Hazardous to Health
CPR	Cardio Pulmonary Resuscitation
CSP	Common Sulphur Project
CSR	Corporate Social Responsibility
CTO	Consent To Operate
DEFRA	UK Department for Environment, Food and Rural Affairs
DG	HSE Regulations and Enforcement Directorate
ECIC	Ethics and Conflict of Interest Committee
EDMS	Environmental Data Management System
EMS	Emergency Management Services
EPC	Engineering, Procurement and Construction
ERM	Enterprise Risk Management
ESIA	Environmental and Social Impact Assessment
ESS	Employee Self Service
EU	European Union
FEED	Front-End Engineering Design
FMP	Flare Management Plan
FMT	Flare Management Team
FSC	Forest Stewardship Council
GGFR	Global Gas Flaring Reduction
GHG	Greenhouse Gas
GIS	Geographic Information System
GRI	Global Reporting Initiative
GWP	Global Warming Potential
HCFC	Hydrochlorofluorocarbon
HFC	Hydrofluorocarbon
HFO	Heavy Fuel Oil
HND	Higher National Diploma
HR	Human Resources
HRA	Health Risk Assessment
HSE	Health, Safety and Environment
HVAC	Heating, Ventilation and Air Conditioning
IA	Internal Audit Function
IChemE	The Chartered Institution of Chemical Engineers
IDP	Individual Development Plan
IET	The Institution of Engineering and Technology
IIF	Incident & Injury Free
IPCC	International Panel on Climate Change
IPIECA	International Petroleum Industry Environmental Conservation Association
ISO	International Organisation for Standardisation
IT	Information Technology
ITP	Individual Training Plan
IUCN	International Union for Conservation of Nature
JBOG	Jetty Boil-Off Gas
JCI	Joint Commission International
JVA	Joint Venture Agreement
KEPCO	Kansai Electric Power Company
KPI	Key Performance Indicator
L&D	Learning and Development
LCA	Life Cycle Assessment
LDAR	Leak Detection and Repair
LEF	Living Earth Foundation
LES	Laffan Environmental Society
LLGM	Low Load Gas Model
LNG	Liquefied Natural Gas
LOPC	Loss Of Primary Containment
LPG	Liquefied Petroleum Gas
LSFO	Low Sulphur Fuel Oil
LSMGO	Low Sulphur Marine Gas Oil
LTI	Lost Time Injury
MBR	Membrane Bio Reactor
MDO	Marine Diesel Oil
MLT	Management Leadership Team
MM	Million
MMScf	Million Standard Cubic Foot
MOC	Management of Change
MoE	Ministry of Environment
MoI	Ministry of Interior
MRG	Monitoring and Reporting Guidelines
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
MTA	Million Tonnes Per Annum
N2O	Nitrous Oxide
NDS	National Development Strategy
NGO	Non Governmental Organisation
NOx	Nitrogen Oxide
OGP	International Oil and Gas Producers Association
OHSAS	Occupational Health and Safety Assessment Series
OPCO	Operating Company
PFC	Perfluorocarbon
PIP	Performance Improvement Plan
PLE	Premier Leadership Event
PMP	Plateau Maintenance Project
PSI	Process Safety Incident
QAR	Qatar Rial
QDMC	Qatargas Doha Medical Centre
QG	Qatargas
QG-PSP	Qatargas Process Safety Programmeme
QITS	Qatar Independent Technical School
QMSI	Qatargas Management System for Continuous Improvement
QNV	Qatar National Vision
QP	Qatar Petroleum
QPR	Quarterly Performance Review
QRC	Qatar Red Crescent
RALF	Receiving And Loading Facility
RCS	Risk Control System
RLIC	Ras Laffan Industrial City
RLTO	Ras Laffan Terminal Operations
RMC	Risk Management Co-ordinator
SAP	System Application and Products
SEQ	Safety, Environment and Quality
SHE	Safety, Health and Environment
SF6	Sulphur Hexafluoride
SIGTTO	Society of International Gas Tanker and Terminal Operator
SME	Subject Matter Expert
SO2	Sulphur Dioxide
SPA	Sales and Purchase Agreement
tCO2eq	Tonnes Carbon Dioxide Equivalent
TAFE	Technical And Further Education
TAMUQ	Texas A&M University at Qatar
TDLC	Training and Development Liaison Committee
TEPCO	Tokyo Electric Power Company
TRIF	Total Recordable Injury Frequency
UAE	United Arab Emirates
UK	United Kingdom
UN	United Nations
US/USA	United States of America
USD	United States Dollar
VPSHR	Voluntary Principles on Security and Human Rights
VOC	Volatile Organic Compounds
WBCSD	World Business Council for Sustainable Development
WRI	World Resources Institute

Butane
Either of two isomers of a gaseous hydrocarbon, C4H10, produced synthetically from petroleum and used as a household fuel, refrigerant, and aerosol propellant and in the manufacture of synthetic rubber.

Carbone Dioxide
CO2 is a colourless gas and the main greenhouse gas of concern as per the Kyoto Protocol. In oil and gas activities, CO2 is mainly associated with fuel combustion and flaring.

Chlorofluorocarbon
Any of various halocarbon compounds consisting of carbon, chlorine, and fluorine, once used widely as refrigerants in cooling systems. CFCs are listed in Annex A or B of the Montreal Protocol on Substances that Deplete the Ozone Layer.

Condensate
A straw-coloured or colourless liquid hydrocarbon mixture of over approx. 500 API gravity, which may be recovered at the surface from some non-associated gas reservoirs.

Corporate Social Responsibility
Continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

Flaring
A process of safe disposal of waste or unused/unusable gases required to ensure the safety and integrity of the facility.

Global Warming Potential
Total contribution to global warming resulting from the emission of one unit of a given gas relative to one unit of the reference gas, carbon dioxide, which is assigned a value of 1.

Greenhouse Gas
A gas that contributes to the greenhouse effect by absorbing infrared radiation. Atmospheric emissions of GHGs from oil and gas operations include CO2, CH4 and N2O emissions from combustion sources, gas flaring, or fugitive emissions.

Helium
A colourless, odourless, tasteless, non-toxic, inert, monatomic gas present in natural gas and extracts and sold as a by-product.

Hydrochlorofluorocarbon
A compound composed of hydrogen, chlorine, fluorine, and carbon atoms; used as replacement for CFCs as refrigerants because of its lower ozone depletion potential.

Hydrofluorocarbon
Compound consisting of hydrogen, fluorine, and carbon; it is a fluorocarbon emitted as a by-product of industrial manufacturing that contributes to the greenhouse effect.

LNG
Natural Gas can be liquefied, e.g., at atmospheric pressure by cooling to about - 160 ºC (-256 ºF). It consists of liquefied methane (C1) and ethane (C2) and sometimes includes propane (C3) and butane (C4).

LPG
Mixture of hydrocarbon gases (propane and butane) used as a fuel in heating appliances and vehicles. It is increasingly replacing chlorofluorocarbons as an aerosol propellant and a refrigerant to reduce damage to the ozone layer.

Methane
An odourless, flammable greenhouse gas, which is the major constituent of natural gas. In the oil and gas industry, CH4 is mainly associated with fuel combustion, flaring, venting and fugitive emissions.

Naphtha
Any of several highly volatile, flammable liquid mixtures of hydrocarbons distilled from petroleum, coal tar, and natural gas and used as fuel, as solvents, and in making various chemicals.

Nitrogen Oxides
Chemical compounds of nitrogen and oxygen. NOx are produced primarily from the combustion of fossil fuels and contribute to the formation of ground level ozone.

Nitrous Oxide
A colourless greenhouse gas which is emitted as a combustion process by-product.

Ozone Depleting Substance
A compound that contributes to stratospheric ozone layer depletion.

Propane
A colourless gas, C3H8, found in natural gas and petroleum and widely used as a fuel.

Sulphur Dioxide
A colourless, extremely irritating gas produced by fuel combustion and by many industrial processes. In oil and gas activities, SO2 results primarily from sulphur removal processes and the flaring of sour gas.

Venting
Process by which gas is released to atmosphere from an open pipe without combustion.

Volatile Organic Compound
Any organic compound with a vapour pressure of 0.01 kPa or greater, a temperature of 293.15 Kelvin or a corresponding volatility under specific conditions of use.

For more definitions, please consult our online glossary at:
http://www.qatargas.com/English/MediaCenter/Glossary/A/Pages/default.aspx