



قطر للبترول
Qatar Petroleum

SUSTAINABILITY REPORT 2016



WELCOME TO THE QATAR PETROLEUM (QP) 2016 SUSTAINABILITY REPORT.

This report aims to provide a balanced, accurate and accessible assessment of our strategy, performance and opportunities in relation to economic, social, environmental and governance issues as of December 31, 2016. The report contains a detailed discussion of the material matters that could substantially affect our ability to create value in the short, medium or long term.

This report has been prepared in accordance with the GRI Standards: Core option. References to which standards have been used can be found in Appendix A. In preparing our Sustainability Report, we were guided by the Integrated Reporting (IR) framework, published by the International Integrated Reporting Council (IIRC) in December 2013. The information in this report is subject to careful review by responsible departments and approved for publication. All Health, Safety, and Environment (HSE) and Quality information is subject to verification by the Corporate HSE Department during periodic internal audits.

REPORT SCOPE

The sustainability data presented in this report focuses on QP’s 100%-owned operations; however, the report also explores the key achievements of QP subsidiaries and joint ventures, many of which produce their own public sustainability and integrated reports.

CONTENTS

MESSAGE FROM THE PRESIDENT AND CEO	5
WHO WE ARE	6
QATAR PETROLEUM	7
QP INVESTMENT PORTFOLIO	8
THE DIRECTION OF OUR BUSINESS	10
HOW WE GOVERN THE BUSINESS	11
HOW WE MANAGE THE BUSINESS	14
OUR SENIOR MANAGEMENT TEAM THAT HELPS US CREATE VALUE	16
OUR RISK MANAGEMENT LANDSCAPE	17
HOW WE CREATE VALUE	18
BUSINESS MODEL AND OUTPUTS IN QATAR	21
QP IN QATAR	22
BUSINESS MODEL AND OUTPUTS AROUND THE WORLD	24
OUR STRATEGY	26
THE NEW CORPORATE STRATEGY	27
OUR STRATEGIC THEMES	28
OUR STRATEGIC ENABLERS	29
OUR MATERIAL ISSUES AND PERFORMANCE	30
OUR MATERIAL ISSUES	30
OUR PERFORMANCE: CONTRIBUTE TO LONG-TERM ECONOMIC PROSPERITY	32
OUR PERFORMANCE: MANAGE OUR ENVIRONMENTAL IMPACTS	36
OUR PERFORMANCE: SUPPORT THE WELLBEING OF OUR WORKFORCE AND WIDER SOCIETY	43
OUR 2016 OPERATIONAL REVIEW	50
HARNESSING QATAR’S HYDROCARBON RESOURCES	51
ADDING VALUE DOWNSTREAM	53
MANAGING INDUSTRIAL CITIES	59
GROWING OUR INTERNATIONAL PRESCENCE	60
APPENDIX A: GRI CONTENT INDEX	62
APPENDIX B: ACRONYMS	65
APPENDIX C: STAKEHOLDER MAPPING	67

MESSAGE FROM THE PRESIDENT AND CEO

It is my pleasure to welcome you to our third annual sustainability report, presenting our environmental, economic, and social performance for the year 2016.

In the year 2016 Qatar Petroleum moved ahead with great strength and determination to achieve its mission and vision to become one of the best national oil companies (NOC) in the world, with roots in Qatar and a strong international presence amidst the period of low global oil price.

One of the most important steps towards realizing our goal in 2016 was the creation of a new corporate strategy to set QP's direction and identify the key priorities to achieve our vision and corporate objectives. The six main elements of our strategy, which you can explore in this report, are designed to position Qatar Petroleum as a leading and competitive global energy producer with greater benefits for Qatar and the world, maximizing the value we create across the pillars of sustainable development.

One of the key themes of this strategy is to reinforce our LNG and global gas position, which will also allow us to strengthen our contribution to the global effort to combat climate change. In the current global energy transition, natural gas will continue to be the bridge to a lower-carbon future as the cleanest, most efficient, and versatile fossil fuel. With the "2015 United Nations Climate Change Conference" – Conference of the parties (COP21) targets made legally binding in late 2016, it is expected that natural gas will be the fastest growing fossil fuel between now and 2030.

Our optimism for a bright future is driven by the motivation and hard work of our unique and talented human capital, QP's most valuable asset and one of the key enablers of our corporate strategy. We have continued to implement our QP People Agenda in 2016 in our effort to attract, develop and retain people with the required technical and leadership skills, with a particular emphasis on the development of Qatari nationals. The Human Capital Service Center roll out is nearly complete, and a new Recruitment Management System (RMS) has been implemented. Multiple workshops have been conducted with leaders from across QP to co-design the QP Leadership Framework, which will include the values and leadership behaviors that we need to become one of the best NOCs in the world.

To continue to ensure our economic sustainability in the present lower oil price environment, we have taken a number of steps to optimize costs to ensure alignment with our corporate strategy and efficiency in delivery. These steps have resulted in a capex saving of QAR 23.6 billion in 2016. A group cost optimization program initiated with our subsidiaries and joint ventures has also resulted in savings amounting to QAR 3.2 billion.

We continue to focus on diversification and development of downstream value-adding industries, and the creation of a large-scale, value-adding, growing international upstream portfolio. In 2016, we also acquired a 30% participating interest in three deep-water offshore leases in the Kingdom of Morocco, and received a new exploration license in Cyprus.

Another key component of our new strategy with environmental and economic benefits is to promote energy efficiency and the optimum energy mix in Qatar. We are working with our operations and subsidiaries to utilize all applicable means for increasing efficiency of production while reducing costs and increasing the competitiveness of Qatari hydrocarbon products. This included the continued implementation of our Operations Excellence Program launched in 2015 to capitalize on synergies between our four main upstream operations, as well as revitalizing the Offshore Operators Forum (OOF) to reduce costs and resource consumption by identifying and harnessing synergy among all offshore operators in Qatar. In addition, we have taken action to meet a greater portion of domestic energy demand with renewable sources by signing a Memorandum of Understanding with Qatar Electricity and Water Company for a joint venture solar project that will aim to generate one Giga watt of solar energy. We have also established Siraj Energy Company to generate up to 600MW of solar power in phases from 2018 to 2021, utilizing photovoltaic technology at QP's Dukhan Concession area, and thereby reducing CO2 emissions by over 500,000 tonnes per year.

In 2016, QP took an important step towards strengthening its leadership position in the global gas industry with its decision to integrate the activities of Qatargas and RasGas operating companies under a single entity. The integration will create a truly unique global energy operator in terms of size, service and reliability that will serve as a single face for Qatari LNG in the global market. The year 2016 also concluded with another important and strategic milestone for Qatar's gas industry: the commercial start-up of Laffan Refinery 2, marking a major achievement in the expansion of refining capacity in the State of Qatar. This project will refine 146,000 barrels per day of condensate from the North Field to produce low sulfur Euro-V specifications products for local and international markets.

Looking ahead, we will continue to focus on critically reviewing and enhancing our processes, ensuring that we have the competencies to achieve our mission. Above all, we will continue to work to maximize the value we create for all of our stakeholders in the short and long term through the implementation of our corporate strategy across our businesses.

Best regards,



Saad Sherida Al-Kaabi
President & CEO

OUR BOARD OF DIRECTORS

**H .E. Dr. Mohammed
Bin Saleh Al-Sada**
Minister of Energy & Industry
Chairman

**H.E. Sheikh Ahmed
Bin Jassim Al-Thani**
Minister of Economy and Commerce
Vice Chairman

H.E . Ali Shareef Al Emadi
Minister of Finance
Member

H.E. Dr. Ibrahim Al- Ibrahim
Member

Hamad Rashid Al-Mohannadi
Member

Nasser Khalil Al-Jaidah
Member

Eng. Saad Sherida Al-Kaabi
President & CEO of Qatar Petroleum
Member

WHO WE ARE

QP is an integrated national oil corporation that stands at the forefront of efforts for the long term sustainable development, utilization and monetization of oil and gas resources in the State of Qatar.

QATAR PETROLEUM

In our efforts to become one of the best national oil companies in the world, QP's activities and those of its subsidiaries and joint ventures encompass the entire spectrum of the oil and gas value chain locally, regionally, and internationally. They include the exploration, refining and production, marketing, and sale of oil and gas, liquefied natural gas (LNG), natural gas liquids (NGL), gas to liquids (GTL) products, refined products, petrochemicals, fertilizers, steel and aluminum.

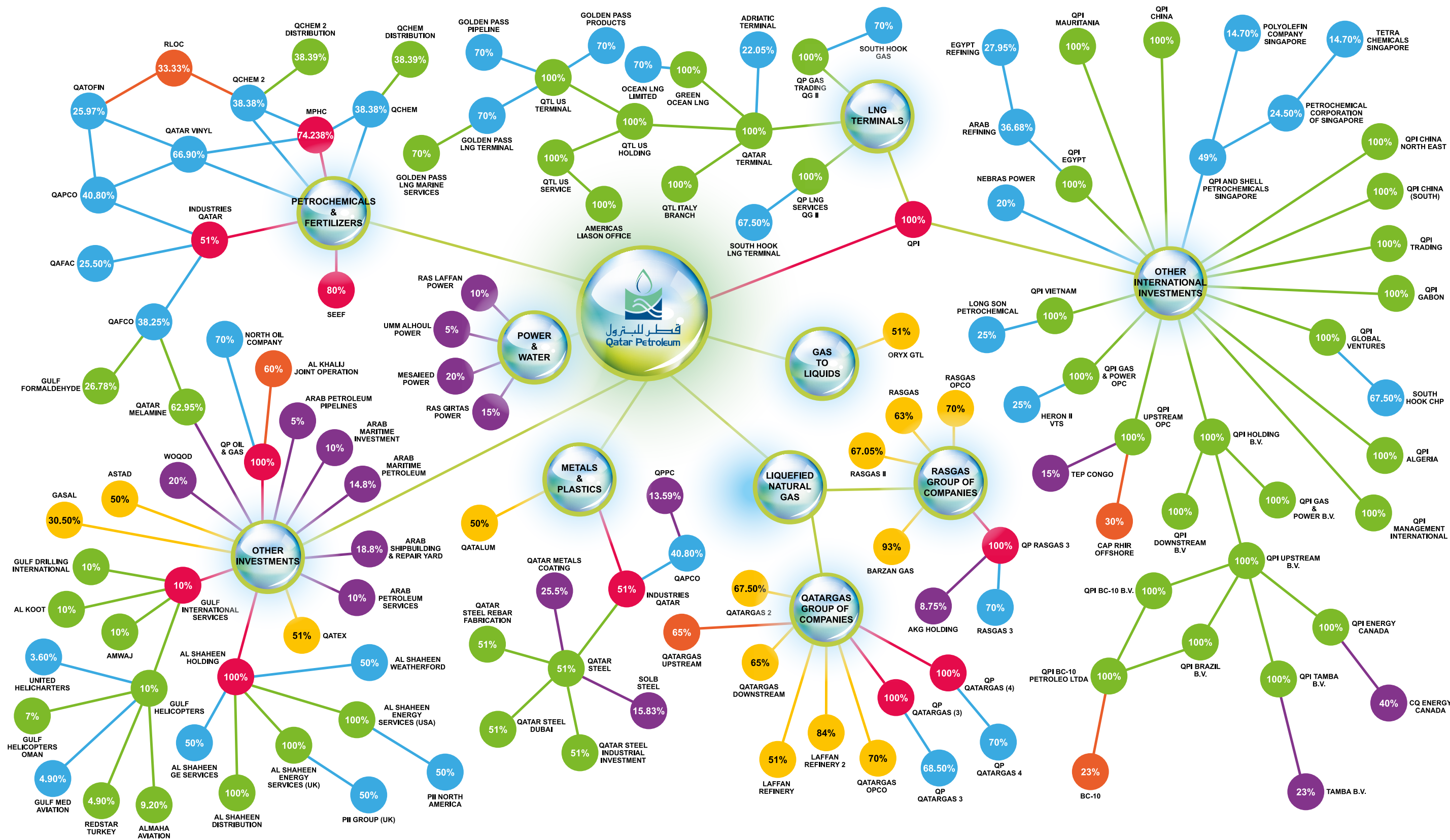
QP's operations and activities are conducted at various onshore locations, including Doha, Dukhan, Mesaieed and Ras Laffan Industrial Cities; and at various offshore areas, which include Halul Island and the North Field, which is the largest single non-associated gas reservoir in the world covering an area of 6,000 square kilometers. The utilization of this field's massive reserves has become a primary national goal to continue the development and prosperity of the country.

QP pays the utmost attention to the health and safety of its employees, contractors, visitors and the local communities where it operates. From drilling to construction, operations to decommissioning, QP's health, safety and environment policy forms an integral part of the corporation's daily business and long-term planning.

QP is committed to contribute to a better future by meeting today's economic needs, while safeguarding our environment and resources for generations to come. Thriving on innovation and excellence, QP is bound to the highest levels of sustainable human, socio-economic, and environmental development in Qatar and beyond.

QP is committed to contribute to a better future by meeting today's economic needs, while safeguarding our environment and resources for generations to come.

QP INVESTMENT PORTFOLIO



THE DIRECTION OF OUR BUSINESS

We have a clear vision for our business...

To become one of the best National Oil Companies in the world, with roots in Qatar and a strong international presence.

...AND WE'LL REACH IT BY FOLLOWING OUR SIX-PART CORPORATE STRATEGY... [Read more on page 27](#) →

1.

Strengthen QP's technical capabilities and operating model in Qatar

2.

Maximize upstream value for the state of Qatar

3.

Create a large-scale, value-adding, growing international upstream portfolio

4.

Reinforce LNG and global gas position

5.

Maximize added value of Qatar's downstream businesses

6.

Promote energy efficiency and optimum energy mix in Qatar

...BUILT ON OUR FOUR STRATEGIC ENABLERS...

[Read more on page 29](#) →



Human Capital



Business Process and Corporate Governance



Assets Portfolio Management



Commercial and Mergers and Acquisitions (M&A) Capabilities

...WHICH ARE INFORMED BY THE MATERIAL SUSTAINABILITY ISSUES THAT AFFECT US...

[Read more on page 30](#) →

Contribute to long-term economic prosperity

- Improve operational efficiency
- Achieve sustainable economic performance
- Lead upstream and downstream development and strategic national and international investments
- Support local value chains

Manage our environmental impacts

- Maximize energy efficiency and promote optimum energy mix
- Mitigate and adapt to climate change
- Manage water resources
- Reduce, reuse and recycle waste
- Reduce other air emissions
- Protect biodiversity

Support the well-being of our workforce and wider society

- Achieve world-class health and safety standards
- Train and develop all employees
- Employ and develop Qatari nationals
- Invest in society
- Promote worker welfare and behavioural safety
- Implement effective change management

...AND MEASURED VIA OUR KEY PERFORMANCE INDICATORS...

[Read more on page 32](#) →

- Total refinery throughputs
- Gas operations production
- Percentage of goods and services sourced locally
- Total procurement spending on suppliers based in Qatar

- Upstream direct energy intensity
- Upstream scope 1 GHG emissions intensity
- Upstream flaring intensity
- Water discharged to sea
- Percentage of waste recycled
- NO_x emissions
- SO₂ emissions

- Lost time injury rate for employees and contractors
- Total recordable injury rate for employees and contractors
- Average hours of training provided per employee
- Share of Qatari employees in the total workforce
- Share of Qatari employees in management positions



HOW WE GOVERN THE BUSINESS

CORPORATE GOVERNANCE AND COMPLIANCE FRAMEWORK

In 2016, QP developed and commenced implementation of a new Corporate Governance and Compliance Framework, a key part of supporting the realization of QP's new corporate strategy. The framework focuses on transformation of governance in QP, and governance and oversight of joint ventures and subsidiaries. It provides the procedural framework underlying QP's corporate strategy themes, and identification, mitigation and management of the compliance and regulatory risks affecting QP.

The framework also establishes governance for effective implementation, oversight and monitoring of a QP compliance program with a focus on creating an ethical and legally compliant culture. It will assure integrity of process and compliance with QP policies and regulatory requirements. The compliance framework will be based on international and industry standards and best practices.

QATAR HIGH PERFORMANCE BOARDS PROGRAM

In 2016, as part of its efforts to develop Qatari leaders in corporate governance management, QP launched its 'High Performance Boards Program'. The program was launched in association with the internationally renowned Global Board Center of IMD Business School in Switzerland.

Over a period of 9 months, the QP High Performance Boards Program will take over 100 Qatari board directors through five modules covering ethics, corporate governance, finance and risk, strategy and leadership, all tailored to the role and responsibilities of board members. The program, held in partnership with IMD, is expected to provide a transformational journey for more than 100 board directors of QP and other major Qatari companies, laying the foundations for enhanced corporate governance in the future.

INTERNAL AUDIT

Internal Audit continues to provide independent and objective assurance to the Board Audit Committee on the effectiveness of QP's governance, risk management and control practices through a structured program of risk based internal audits.

In 2016, several documents were updated and implemented, including the Regulations for Procurement and Disposals.

QP is committed to acting professionally, fairly and with integrity at all times and in all its business dealings and relationships wherever it operates by implementing and enforcing effective systems to counter fraud, corruption, bribery, unethical behavior, or reporting non-compliance with Qatar's laws and regulations, and QP's regulations, policies and procedures. QP's policy is to review all allegations received through the fraud hotline as well as the allegations that are reported directly to management and to investigate these as approved by the President and CEO.

Internal Audit conducted various investigations into the allegations received in 2016 and issued reports to the President and CEO. The reports identified the non-compliances or violations committed by QP employees and/or contractors, and included recommendations for corrective action, including referring employees to an investigation committee or suspension/disqualification of contractors, in line with QP's regulations, policies and procedures.

QP Management took corrective action on all the cases that were investigated and on which a report was issued, and, where applicable, instituted appropriate action plans to address outstanding issues. There is a follow-up process to track all outstanding issues regularly, and follow up reports are issued to the President and CEO and to the QP Board Audit Committee on a quarterly basis.

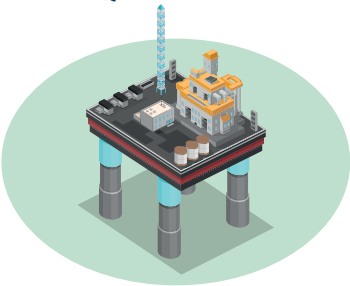
“QP IS COMMITTED TO ACTING PROFESSIONALLY, FAIRLY AND WITH INTEGRITY AT ALL TIMES AND IN ALL ITS BUSINESS DEALINGS AND RELATIONSHIPS WHEREVER IT OPERATES”



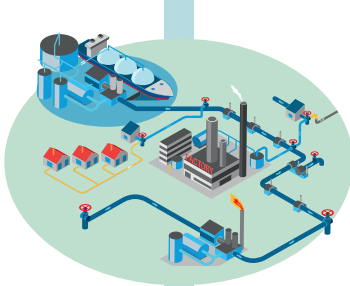
HOW WE MANAGE THE BUSINESS

Our collaborative structure and “one QP” mentality helps us add value locally and internationally and is essential to achieving our vision.

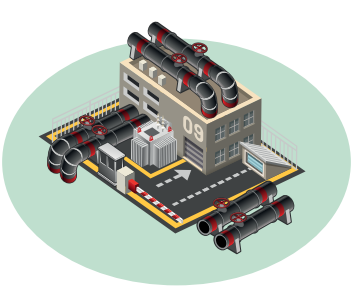
HARNESSING QATAR'S HYDROCARBON RESOURCES



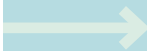
- FIELD DEVELOPMENT AND EXPLORATION**
- Drilling
 - Gas development
 - Development and exploitation of QP-operated fields (MM, BH and Dukhan)
 - Exploration and management of PSA and JV fields
 - Management of upstream and integrated development for EPSA, DPSA & JV projects



- OPERATIONS**
- Land and marine crude production and asset integrity
 - Refining
 - Major assets management
 - Management of cross-country pipelines and pipelines corridor
 - Uninterrupted supply of oil, gas and refined products



- DOWNSTREAM DEVELOPMENT**
- Technical evaluation and market intelligence
 - Operational excellence
 - Focus on refining and GTL, metals, crackers and derivatives, fertilizers and methanol, power and water



MARKETING



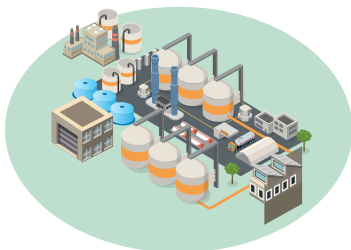
- MARKETING**
- Marketing and sales of non-regulated petroleum products and crude oil
 - Supplying domestic market with petroleum products
 - Shipping and chartering services

CEO OFFICE



- CEO OFFICE**
- Public relations
 - Privatized companies affairs

INDUSTRIAL CITIES



- INDUSTRIAL CITIES**
- Managing land, infrastructure, facilities, utilities and services
 - Emergency response coordination
 - Environmental monitoring
 - Firefighting
 - Medical services
 - Security

INVESTING AROUND THE WORLD



- COMMERCIAL AND BUSINESS DEVELOPMENT**
- Portfolio assessment and economic evaluation
 - Commercial optimization
 - Management of upstream and downstream business strategies and development, mergers, acquisitions and divestments in Qatar and internationally

KEY CORPORATE FUNCTIONS



- GENERAL COUNSEL AND BOARD SECRETARY**
- Provide legal advice and support on all legal risks and issues
 - The provision of General Secretariat services to the Board and its Sub-committees
 - Maintain QP's Corporate Compliance and Governance Frameworks
 - Support negotiation of all agreements and contracts



- INTERNAL AUDIT**
- Provision of independent and objective assurance
 - Performing audits and investigations
 - Monitoring and reporting agreed actions



- PROJECTS, ENGINEERING, AND PROCUREMENT**
- Planning and management of capital projects, infrastructure and civil projects
 - Comprehensive management of integrated supply chain process
 - Engineering design and innovative solutions



- FINANCE AND PLANNING**
- Strategy and planning
 - Budgeting, financial management and control
 - Enterprise risk management



- HUMAN CAPITAL**
- Growing talent and resourcing
 - Driving organizational excellence
 - Enhancing employee welfare and management



- HSE & BUSINESS SERVICES**
- Corporate HSE&Q governance
 - Information technology and security
 - Facilities management
 - Healthcare

OUR SENIOR MANAGEMENT TEAM THAT HELPS US CREATE VALUE



"Effective as of December 2016"

OUR RISK MANAGEMENT LANDSCAPE

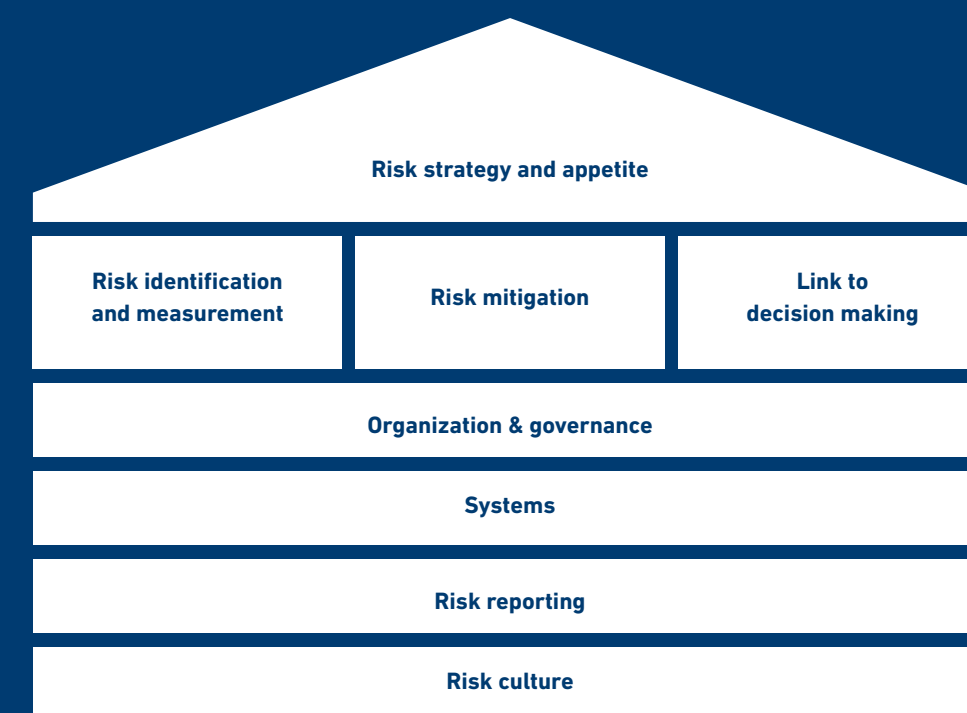
Managing risk is a key priority within QP. Enterprise Risk Management (ERM), a structured approach to managing all business risks, is an integral component of QP's management processes and decision making, and is the foundation for a risk-aware culture across the organization.

The QP ERM framework is composed of eight critical elements which address strategic, financial, operational and compliance risks across QP's business (refer to page 14). QP's ERM approach identifies top risks based on likelihood and impact criteria, and establishes appropriate mitigation measures. Significant risks to corporate objectives are monitored and reported on a regular basis.

During 2016, a major initiative was undertaken to streamline and enhance the tools and methodologies used for risk management. QP issued its ERM Policy and Manual at the end of 2016. This will be periodically reviewed to align with QP's risk strategy and appetite.

QP will roll out and embed its ERM system over the next two years. QP's ERM team has established a "center for excellence" to provide advice, guidance and support to implement its comprehensive ERM framework across the corporation.

“During 2016, a major initiative was undertaken to streamline and enhance the tools and methodologies used for risk management”



HOW WE CREATE VALUE

QP creates value by harnessing Qatar’s abundant hydrocarbon resources, converting these into added value downstream products and services, and investing in the development of an integrated energy value chain around the world.



INPUTS AND OUTCOMES

A range of inputs that flow into this business model allow us to create value across the four pillars of the Qatar National Vision 2030 – human, social, economic and environmental.

INPUTS

HUMAN CAPITAL

- Skilled, knowledgeable, dedicated employees
- A strong leadership team with decades of experience
- Service providers providing expert inputs, and delivering against agreed terms and conditions
- Enhanced employee welfare and engagement

SOCIAL CAPITAL

- Effective partnerships with subsidiaries, joint ventures, business peers, sector organizations and research bodies
- Constructive engagement with government representatives and regulators
- An evident social license to operate
- Collaborative relationships with customers and suppliers, based on mutually agreed terms of engagement, and a shared commitment to innovate and excel
- Open channels of communication and positive relationships with neighbouring communities, non-governmental organizations and the media

ECONOMIC CAPITAL

- Assets, plants, and equipment
- Extensive and reliable infrastructure networks, including pipelines, storage facilities, and utilities
- Technologies and their applications
- Policies and processes driving the production process
- Interest earned from investments
- Capital investments and operating expenditure and supplier support

ENVIRONMENTAL CAPITAL

- Crude oil
- Natural gas
- Energy
- Water
- Land
- Air quality

VALUE CREATED ACROSS THE QNV 2030

HUMAN OUTCOMES

- High calibre employment creation
- A capable and motivated national workforce resulting from building knowledge, skills and employment of Qataris
- Knowledge and skills developed through training and coaching of employees
- Healthy and safe employees and families across the energy and industry sector

SOCIAL OUTCOMES

- Stronger mutually beneficial national and international relationships with government, regulators, customers, subsidiaries, joint ventures, peers and suppliers
- Increased opportunities and vocational support for Qatari women
- Socioeconomic development in local communities delivered through community investment and outreach programs
- Greater public safety and security through road traffic safety research, education and campaigns and emergency response services
- An active and sporting culture promoted through investment in sports events and activities
- Preservation and leverage of Qatar's heritage and culture through investment in cultural events and activities

ECONOMIC OUTCOMES

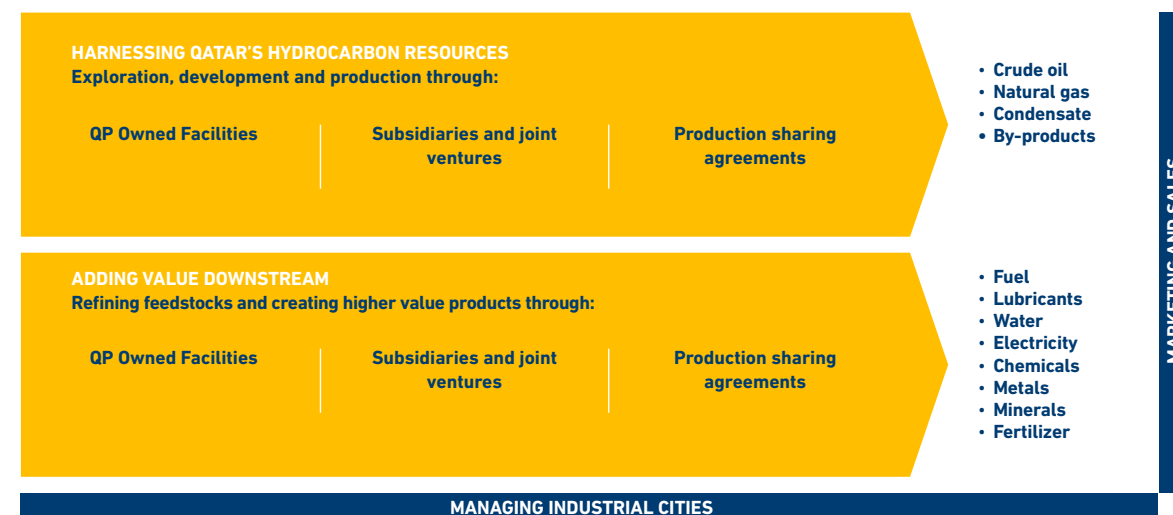
- Profit and wage payments generation which add direct economic value and support government expenditure
- Indirect economic value and employment generated via supply chains
- A larger, more efficient, better connected and increasingly diverse Qatar economy
- Responsible exploitation of Qatar's oil and gas reserves
- Attraction of foreign investment into Qatar and expansion of Qatar investments across the world
- New knowledge and technologies created or enhanced for the oil and gas sector and the wider economy

ENVIRONMENTAL OUTCOMES

- Emissions to air, and management of effluents and waste
- Achievement of national goal to reduce flaring
- Pollution prevention and control
- Biodiversity protection and development



BUSINESS MODEL AND OUTPUTS IN QATAR



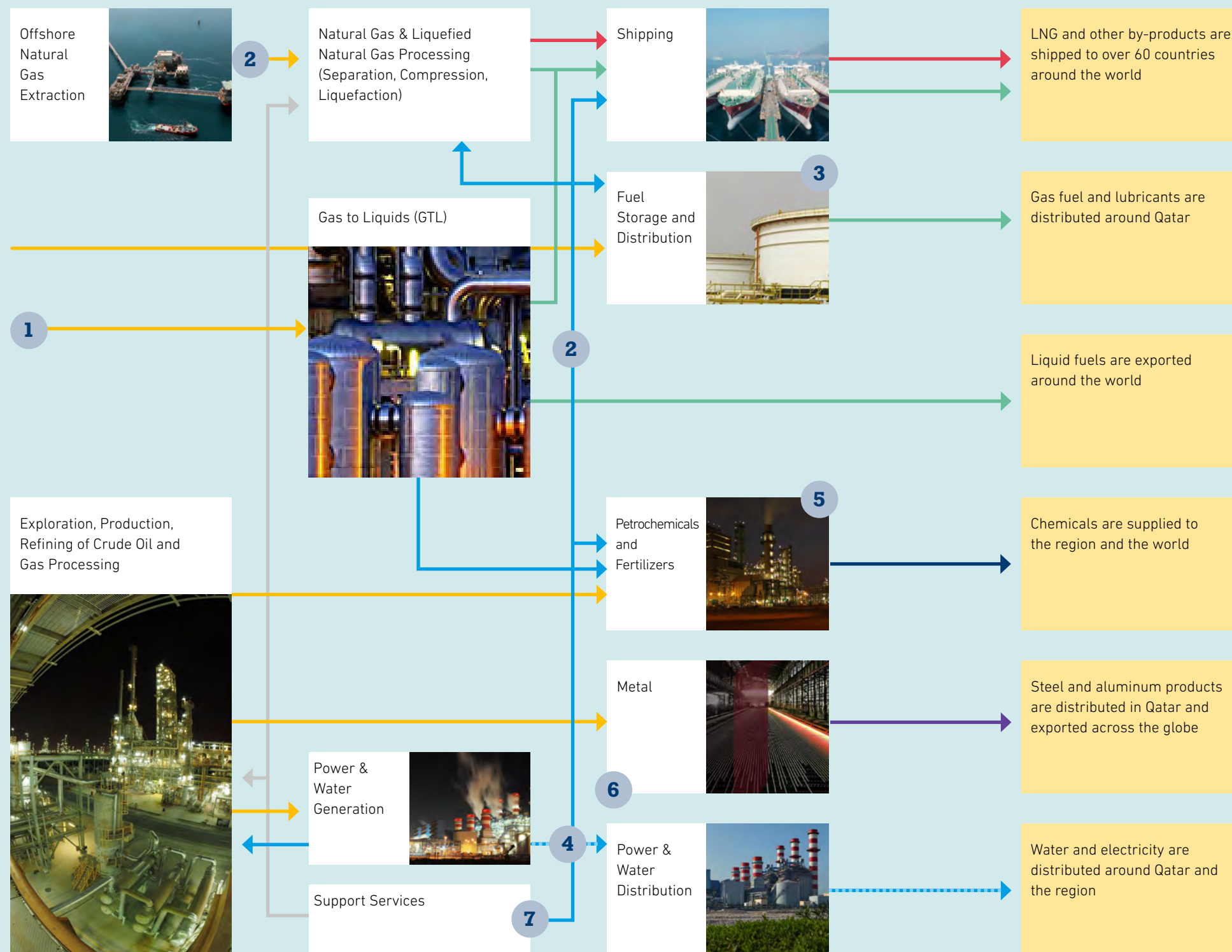
QP is responsible for all phases of the oil and gas industry in the State of Qatar. Its national investment portfolio includes some of the most influential companies that are critical to the achievement of the country's national vision and goals for sustainable development. To develop Qatar's reserves and increase upstream oil and gas production capacity, QP has signed many production-sharing agreements with major international oil companies. At the same time, QP's Downstream Development Directorate has been the driver of petrochemical and downstream sector development in the State of Qatar for more than 40 years, building a multi-billion-dollar business across five industry sectors. In addition to QP's activities in the field of oil and gas exploration and production, and downstream development, the corporation has also

established many specialized companies in the areas of fuel distribution, supply services, transportation and insurance. The majority of the operations in Qatar are conducted within a number of critical industrial cities which have been developed and are managed by QP.

The 2016 review of our operations in Qatar begins on page 51.



QP AND ITS INVESTMENTS IN QATAR



- 1 Exploration, Drilling & Production**
- Gulf Drilling International (GDI)
 - QP through Exploration and Production Sharing Agreements (EPSAs) & Development and Production Sharing Agreements (DPSAs).
- 2 Refining & Gas Processing**
- Qatargas
 - RasGas
 - Oryx GTL
 - QP
- 3 Storage & Transportation**
- Qatargas
 - RasGas
 - Woqod (Qatar Fuel)
 - Qatex
 - QP
- 4 Power & Utilities**
- Ras Laffan Power Company (RLPC)
 - Mesaieed Power Company (M Power)
 - Ras Girtas Power Company (RGPC)
 - Um Al-Houl Power
- 5 Petrochemicals & Fertilizers**
- Qatar Petrochemical Company (QAPCO)
 - Qatar Fuel Additives Company (QAFAC)
 - Qatar Vinyl Company (QVC)
 - QATOFIN
 - Ras Laffan Olefins Company (RLOC)
 - Qatar Chemical Company (Q-CHEM)
 - SEEF
 - Qatar Fertilizer Company (QAFCO)
 - Gulf Formaldehyde
 - Qatar Melamine
- 6 Metals**
- Qatar Aluminium (Qatalum)
 - Qatar Steel
- 7 Support Services**
- Gasal
 - Al-Shaheen Distribution
 - Al-Shaheen Weatherford
 - Al-Shaheen GE Services
 - Gulf Helicopters
 - AMWAJ
 - Al Koot Insurance & Reinsurance Company
 - QP

KEY

- LNG
- Oil and Natural Gas
- Fuel and Lubricants
- Water and Electricity serving others in the sector
- Chemical Products
- Metal
- Water and Electricity distributed around Qatar and the region
- Support

BUSINESS MODEL AND OUTPUTS AROUND THE WORLD

While maintaining our focus as a national oil corporation, QP's vision is to continue to build its international presence with investments that provide opportunities for QP to build on its core competencies, diversify its portfolio and extract further value for QP and the State of Qatar across the oil and gas value chain. QP's international investment portfolio includes 10 joint ventures spanning four continents and the oil and gas value chain. QP's international assets include upstream (gas and oil exploration), midstream (LNG terminals) and downstream (refining hydrocarbon into derivative products) operations based in the USA, Canada, UK, Italy, Greece, Singapore, Egypt, Morocco, Republic of Congo, and Brazil.

Further details of our international operations are provided on page 60.

INVESTING AROUND THE WORLD

Investing in international ventures
creating an integrated value chain
and future prosperity



Profits

Integrated value chain



OUR STRATEGY



THE NEW CORPORATE STRATEGY

In 2016, QP adopted a new corporate strategy with the purpose of achieving its vision, “To become one of the best National Oil Companies in the world, with roots in Qatar and a strong international presence”. This strategy will guide QP in navigating a new course of development with a new and reorganized structure, helping it to face the challenges presented by the current industry down-cycle and a very competitive business environment.

The new strategy is grounded in a deep analysis of the world economy, the state of global oil and gas supply and demand, a competitor analysis, and an extensive Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis.

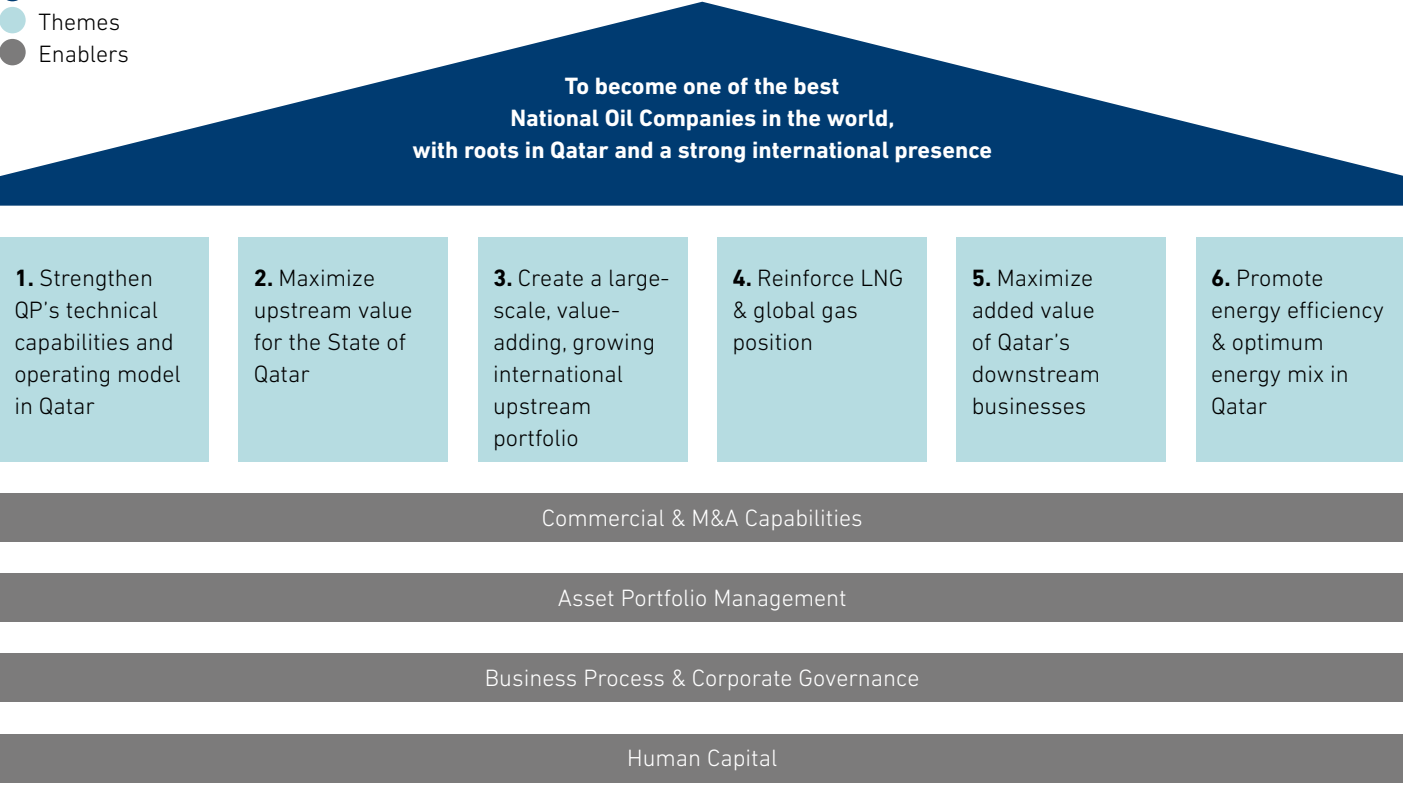
The six main themes of our strategy are designed to position QP as a leading and competitive global energy producer with greater benefits for Qatar and the world.

OUTLOOK OF OUR NEW CORPORATE STRATEGY

From 2017 and beyond, QP will focus on:






- The creation of Business Strategies for Upstream, Downstream and LNG, which will also set long-term quantified goals for QP;
- The translation of these goals into corporate Key Performance Indicators (KPIs) to help track QP's performance, followed by alignment of all Directorate/Department KPIs; and
- The use of business strategies and agreed KPIs to drive the assets and directorates' 5-year business plans 2018-22, which will show in detail how the corporation's objectives will be achieved.

- Vision
- Themes
- Enablers







OUR STRATEGIC THEMES

The six strategic themes of the corporate strategy set out the areas QP must focus on to achieve its vision. These themes and their implementation plans all contribute to increasing the value created by QP, boosting outcomes across all four of the value creation pillars that are in alignment with the QNV 2030.

STRATEGIC THEME	2016 PROGRESS	LINK TO VALUE CREATION MODEL
1. Strengthen QP's technical capabilities and operating model in Qatar	<ul style="list-style-type: none"> Took over operatorship of Al Rayyan field Renewed the Al Shaheen venture as a JV with Total (70% QP ownership) instead of a DPSA with a third-party operator (Maersk) 	<ul style="list-style-type: none"> Human outcomes Economic outcomes 
2. Maximize upstream value for the state of Qatar	<ul style="list-style-type: none"> Progressed a new field development plan for Al Shaheen 	<ul style="list-style-type: none"> Economic outcomes 
3. Create a large-scale, value-adding, growing international upstream portfolio	<ul style="list-style-type: none"> Farmed-in to Chevron offshore exploration license in Morocco 	<ul style="list-style-type: none"> Economic outcomes 
4. Reinforce LNG and global gas position	<ul style="list-style-type: none"> Progressed U.S. permit approval process for the conversion of our Golden Pass import terminal to a liquefaction and export terminal 	<ul style="list-style-type: none"> Economic outcomes Social outcomes 
5. Maximize added value of Qatar's downstream businesses	<ul style="list-style-type: none"> Made available an additional 1,000 tonnes/day of ethane to IQ companies (10% increase) Evaluated options for additional ethane use for Qatar petrochemicals sector 	<ul style="list-style-type: none"> Economic outcomes 
6. Promote energy efficiency and optimum energy mix in Qatar	<ul style="list-style-type: none"> Signed an MOU with Qatar Electricity and Water Company for a joint venture solar project that will aim to generate 1 Giga watt of solar energy under a \$500 million collaborative initiative Established Siraj Energy company, whose mission is to generate up to 600MW of solar power in phases from 2018 to 2021, utilizing PV technology at QP's Dukhan Concession area (and thereby reducing CO₂ emissions by over 500,000 tonnes per year) 	<ul style="list-style-type: none"> Environmental outcomes Economic outcomes 

OUR STRATEGIC ENABLERS

The key "enablers" of the strategy are the necessary foundation required to achieve the 6 strategic themes. These enablers can also be linked to our value creation model, highlighting how QP is increasing positive outcomes as a part of its business model.

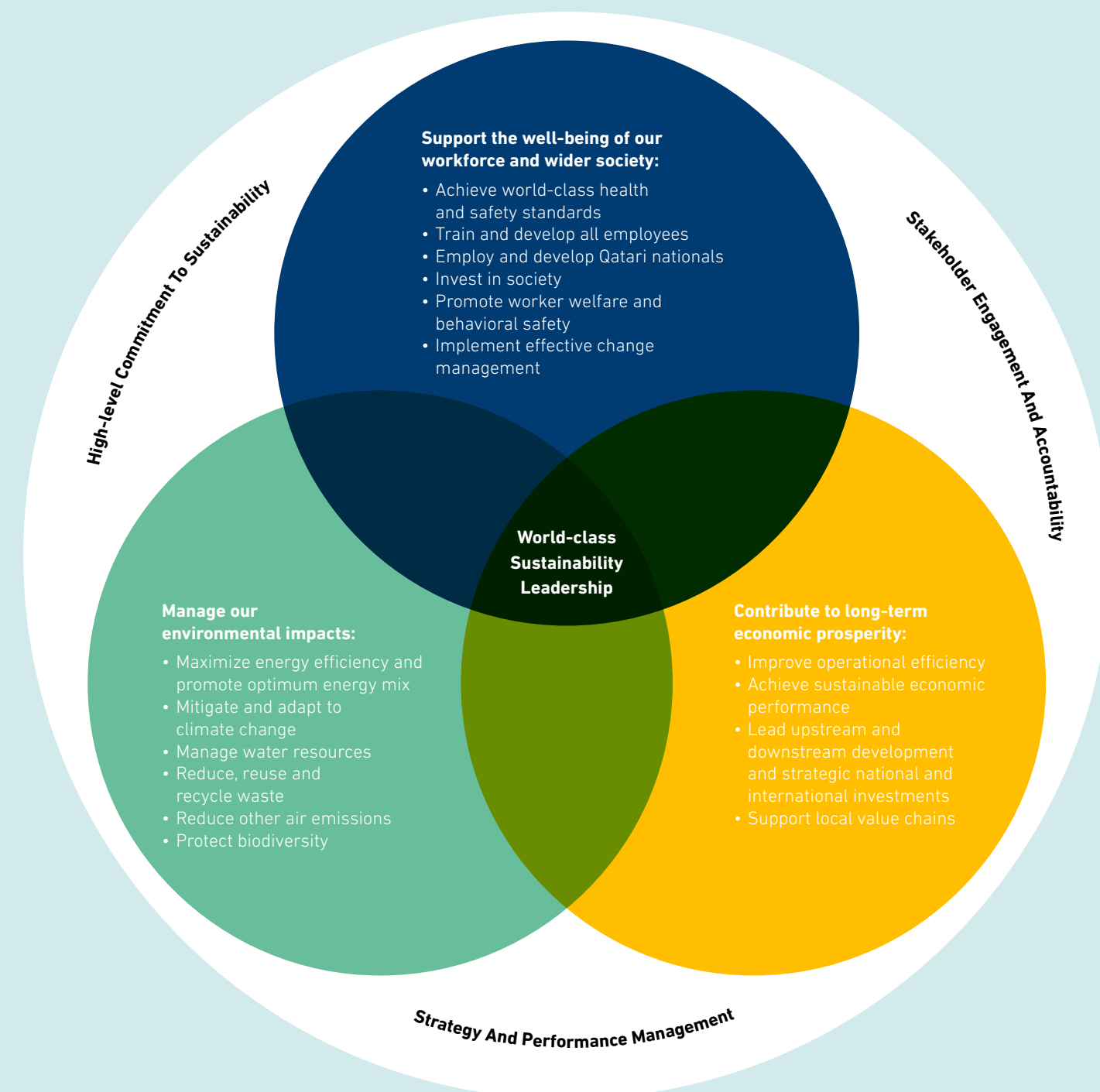
STRATEGIC ENABLER	IMPLEMENTATION APPROACH	LINK TO VALUE CREATION MODEL
Human Capital	<ul style="list-style-type: none"> Recruit, retain and invest in the development of a larger technical workforce, especially in subsurface, project management and engineering Create a working environment that is motivating, recognizes and rewards talent and encourages employees to feel involved, motivated to deliver their best and remain loyal to the corporation Create a dynamic human capital policy that encourages employees to undertake positions in international assets and transfer knowledge within QP 	<ul style="list-style-type: none"> Human outcomes 
Business Process and Corporate Governance	<ul style="list-style-type: none"> Business planning and performance management Operational excellence Project development and governance Procurement effectiveness and efficiency Project execution (safety, timely delivery and cost management) Efficient and effective ICT to help QP advance its business and operational processes 	<ul style="list-style-type: none"> Social outcomes Economic outcomes 
Assets Portfolio Management	<ul style="list-style-type: none"> Assets governance to ensure maximum return to QP Cost estimation of future projects Tax optimization for international assets Risk analysis (reservoir, project, political and operational risks) Strategic alignment of assets to the overall portfolio Optimal financial and commercial structures to reduce risk and enhance project economics 	<ul style="list-style-type: none"> Economic outcomes 
Commercial and Mergers and Acquisitions (M&A) Capabilities	<ul style="list-style-type: none"> Proactively identify and develop opportunities and partnerships that deliver QP strategic objectives Develop M&A processes in QP to enhance M&A governance Develop project economics guidelines and business case guidelines 	<ul style="list-style-type: none"> Social outcomes Economic outcomes 

OUR MATERIAL ISSUES AND PERFORMANCE

OUR MATERIAL ISSUES

The successful delivery of the QP corporate strategy depends on our ability to identify, measure and manage a range of economic, social and environmental risks and opportunities. We consider those issues that could have an impact on our ability to create and add value for our business and our stakeholders to be material issues for management.

The material issues listed below were identified through a process which involved considering how each relevant issue affects our ability to achieve our corporate vision, and affects our stakeholders' perceptions of our business.



OUR PERFORMANCE: CONTRIBUTE TO LONG-TERM ECONOMIC PROSPERITY

The most material economic sustainability issues facing QP include the need to achieve sustainable financial returns, continually improve operational efficiency, diversify into value added sectors, and invest in the localization of the supply chain. Measuring and managing these issues helps to support the achievement of the corporate strategy, and ultimately create more value for the corporation and the country.



ACHIEVE SUSTAINABLE ECONOMIC PERFORMANCE

Value creation outcomes
ECONOMIC

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
Given the significant impact QP has on the national economy, it is vital that revenues and profitability are reliable and predictable irrespective of changes to global energy markets.	<ul style="list-style-type: none">• Implementation of a Capex optimization initiative to screen over 1,000 projects to ensure alignment with corporate strategy and efficiency in delivery.• Pursuant to the steep decline in hydrocarbon prices in December 2015, we developed an "Oil Price Mitigation Strategy" to respond to different oil price scenarios and deploy appropriate measures to mitigate the impact on cash distributions to the State.• We continue to focus on diversification and development of downstream value-add industries which can provide stable returns.• A group cost optimization program similar to the oil price mitigation strategy was initiated with our subsidiaries and joint ventures in coordination with respective chief financial officers.
RESULTS AND THE VALUE WE HAVE CREATED	
Capex optimization initiative has resulted in a capex saving of QAR 23.6 billion in 2016.	
Our "Oil Price Mitigation Strategy" resulted in making available an additional QAR 3.0 billion to the State of Qatar.	
The Group cost optimization exercise resulted in savings amounting to QAR 3.2 billion.	

IMPROVE OPERATIONAL EFFICIENCY

Value creation outcomes
ECONOMIC AND HUMAN

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
Especially in uncertain economic times, it is vital for QP to maximize the value of oil and gas production while reducing operational costs – becoming more and more efficient at what we do best – and increasing resources available for the sustainable development of the State.	<ul style="list-style-type: none">• Continued implementation of our Operations Excellence Program launched in 2015 to capitalise on synergies between the four main upstream operations.• Continued work on the next generation of reservoir models.• Revitalizing the Offshore Operators Forum (OOF) to reduce costs by identifying and harnessing synergy among all offshore operators.• Completing a full field redevelopment study to enhance production at Maydan Mahzan.• Integration of Qatar Petroleum for the Sale of Petroleum Products Company Limited (QPSP), formerly Tasweeq, into QP.• Initiated integration of Qatargas and Rasgas operating companies under a single entity named 'Qatargas' to consolidate Qatar's position in the global LNG market in the face of increasing competition.
RESULTS AND THE VALUE WE HAVE CREATED	
The range of programs and integrations outlined above are ongoing and expected to deliver incremental improvements in output and financial results over the coming few years. Initiatives are not only focused on cost optimization; the Operations Excellence Program aims to establish effective collaboration by adopting standardized best practice and the sharing of expertise. This delivers human outcomes in the form of knowledge and skills development, creating motivated and higher-performing employees and teams which in turn creates better economic outcomes.	
The QP restructuring program has spring-boarded the effective utilization of in-house capabilities in Petroleum Lab analysis, performing tasks that would otherwise be outsourced to third party petroleum laboratories. The Petroleum Lab started its operation at the QP Support Facility Area (QPSFA), Dukhan in October 2016, achieving over 300 analyses per quarter, thus realizing significant cost savings to QP.	

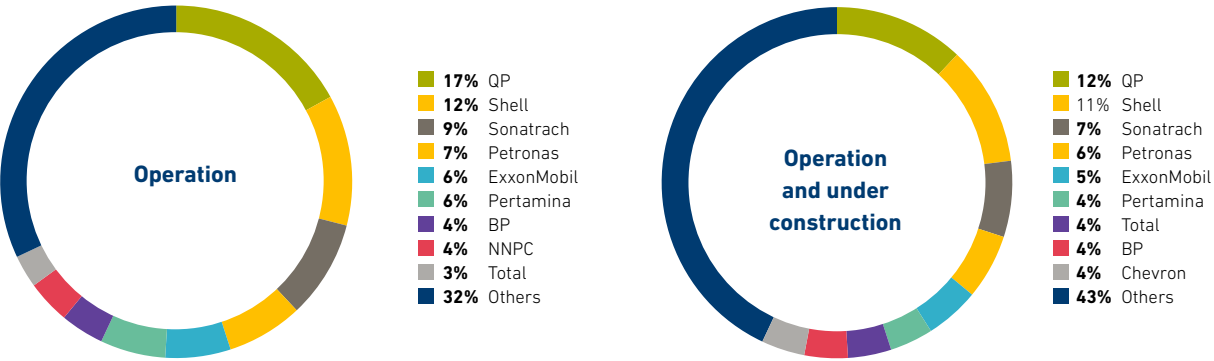
TABLE 1: OPERATIONAL PRODUCTION					
	2012	2013	2014	2015	2016
Crude oil production (bpd)	284,900	262,400	234,200	232,600	234,400
North Field lean gas (mmscf/d)	787	774	723	580	788
Refinery throughput (thousands bpd)	124.766	114.815	120.838	114.911	121.203

LEAD UPSTREAM AND DOWNSTREAM
DEVELOPMENT AND STRATEGIC NATIONAL
AND INTERNATIONAL INVESTMENTS

Value creation outcomes
ECONOMIC AND SOCIAL

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
Investing up and down the value chain in Qatar and overseas allows QP to create an integrated energy value chain leading to better coordination, improvement in efficiency, reliability and ultimately increasing the sustainability of financial returns for the State.	<ul style="list-style-type: none">Signing an agreement with Chevron Morocco Exploration Ltd. to acquire a 30% participating interest in three deep-water offshore leases in the Kingdom of Morocco.Establishment of Ocean LNG Limited to market the future international LNG supply portfolio sourced outside of the State of Qatar.Formation of a LNG marine fuelling venture to develop infrastructure at strategic shipping locations across the globe.Establishment of a joint company for the generation of electricity from solar power.Development of Umm Al Houl combined cycle power plant generating 2,520 megawatts of power and 136.5 million gallons of drinking water per day.
RESULTS AND THE VALUE WE HAVE CREATED	
Qatar continues to pioneer and lead the global LNG industry as highlighted by The International Energy Agency (IEA) in its Global Gas Security Review 2016 report.	

OWNERSHIPOFLNGEXPORTCAPACITY,OPERATIONALANDUNDERCONSTRUCTIONASOF2016



The Qatargas Laffan Refinery 2 project was completed in 2016 and began operations on the 21st of December. The new refinery will process 146,000 barrels per day of condensate from the North Field, producing low sulfur Euro-V specifications products such as naphtha, jet-A1, ultra-low sulfur diesel, propane and butane for local and international markets.

Ocean LNG Limited signed its first long-term LNG sale and purchase agreement (SPA) with Brazil based Centrais Elébricas de Sergipe S.A. ("CELSE"). Ocean LNG is now the first supplier to deliver LNG to Brazil under a long-term contract, representing an enhancement in QP's position as a global LNG leader, extending its reach to all markets.

SUPPORT LOCAL VALUE CHAINS

Value creation outcomes
ECONOMIC AND SOCIAL

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
Localizing the QP supply chain increases security of supply while also supporting the development and diversification of the national economy. We envision capturing and leveraging best practices through collaboration and innovation to meet the challenges of an increasingly advanced and evolutionary business and technological environment. We also recognize the importance of managing risks, embracing sustainability and implementing strategies that extract maximum benefits from economies of scale.	<ul style="list-style-type: none">Ensuring the integrity of the supply chain through comprehensive risk and business continuity management.Being a strategically driven business that focuses on efficiencies and cost optimisation.Implementing sustainable practices that are consistent with the Qatar National Vision 2030.Ensuring the integration of health, safety and environmental excellence in the supply chain.Building local supplier capacity and ability to deliver through training and development.Focus on engagement and the development of SMEs that can meet QP's standards.Creation of a national energy sector EMDAD committee and network that focuses on strategic supply chain initiatives and economies of scale.Engagement with international procurement sustainability expertise such as the Chartered Institute of Purchasing and Supply in the United Kingdom.

RESULTS AND THE VALUE WE HAVE CREATED

Every year, QP spends billions of Qatari Riyals procuring the products and services it needs to function. Since 2012, the percentage spent on locally-based suppliers has increased from 68% to 85%. This signifies that our efforts to localize the supply chain are working and that local businesses are continuing to evolve and respond to our needs. The economic outcomes generated from the increase in local procurement are significant for the State of Qatar and can include job creation, increased consumer spending and reinvestment of profits into new products, services and technologies that continue to diversify the national economy.

TABLE 2: PROCUREMENT

	2012	2013	2014	2015	2016
Total procurement spending (billions QAR)	10.7	7.93	12.03	5.81	8.74
Total procurement spending on suppliers based in Qatar (billions QAR)	7.24	4.42	9.15	4.23	7.42
Goods and services sourced locally (%)	68	56	76	73	85
Number of registered suppliers	7,870	8,290	8,624	8,882	9,530
Number of registered suppliers based in Qatar	3,398	3,568	3,687	3,783	3,960

OUR PERFORMANCE: MANAGE OUR ENVIRONMENTAL IMPACTS

QP is committed to protecting our shared natural environment by aligning with world-class environmental standards and practices like such as ISO 14000 (2004) and ISO 14054 (part 1 & 3). This is an approach that makes good business sense, particularly in a region suffering from water scarcity, low air quality and fragile natural habitats. To achieve this, we use proactive environmental management, implement optimization programs and invest in leading technologies and large-scale ground-breaking projects which are recognised around the world. Measuring and managing a range of material environmental issues help support the achievement of the corporate strategy, and create value for the corporation and the country.



MAXIMIZE ENERGY EFFICIENCY AND PROMOTE OPTIMUM ENERGY MIX

Value creation outcomes
ENVIRONMENTAL AND ECONOMIC

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
Becoming more efficient in the use of energy to extract, refine and further develop hydrocarbons leads to positive economic and environmental outcomes for QP and Qatar. This win-win scenario provides an overwhelming case for the strategic drive to improve energy efficiency.	<ul style="list-style-type: none">• Our Offshore Operators Forum (OOF) has implemented a range of energy saving initiatives across oil and gas field development and production activities.• A study into streamlining aviation logistics has recommended the development of a Joint Helicopter Project for a more collaborative and demand-based approach across all offshore operators.• Implementation of systems to accurately measure total electricity consumption across QP.• Implementation of an energy efficiency and management program by monitoring electricity consumption throughout QP's facilities.• Installation of sensors on most of our electrical equipment which allows lights and equipment not in use to be switched off or put to sleep mode particularly at the end of each workday and weekends.

RESULTS AND THE VALUE WE HAVE CREATED
Overall direct energy consumption has fallen from 81 million GJ in 2015 to 68 million GJ in 2016. During this time, QP was also able to slightly increase hydrocarbon production which resulted in a significant improvement in our upstream energy intensity.

TABLE 3: ENERGY CONSUMPTION			
	2014	2015	2016
Upstream direct energy consumption (GJ)	39,415,375	38,505,713	36,673,826
Downstream direct energy consumption (GJ)	32,682,266	42,747,452	31,097,370
Direct energy consumption (GJ)	72,097,641	81,253,165	67,771,196
Upstream direct energy intensity (GJ/tonnes of hydrocarbon produced)	1.41	1.43	1.34

MITIGATE AND ADAPT TO CLIMATE CHANGE

Value creation outcomes
ENVIRONMENTAL AND ECONOMIC

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
We share the concerns of governments and the public about climate change risks and recognize that the use of fossil fuels to meet the world's energy needs is a contributor to rising greenhouse gases (GHGs) in the earth's atmosphere.	<ul style="list-style-type: none">Established a joint venture solar power company.Continued efforts to maintain minimum gas flaring level across exploration, production and transportation of hydrocarbons.Continued to improve the Jetty Boil-off Gas (JBOG) project to increase recovery of gas from all LNG berths.Continued to implement the Al-Shaheen Oil Field Gas Recovery and Utilization Project, contributing to the State's energy efficiency efforts by increasing the power supply without raising fossil fuel consumption.
RESULTS AND THE VALUE WE HAVE CREATED	
Between 2015 and 2016, QP achieved a reduction in scope 1 GHG emissions of 307,685 tonnes of CO ₂ e. That equates to removing, on average, the annual emissions of 65,465 cars, according to the U.S. Environmental Protection Agency. However, part of this reduction in scope 1 emissions is offset by increased scope 2 emissions from increased electricity consumption; accordingly, our upstream GHG emissions intensity has remained relatively consistent with past years.	

TABLE 4: GHG EMISSIONS AND FLARING

	2014	2015	2016
Scope 1 GHG emissions (tonnes of CO ₂ e)	4,941,866	5,439,143	5,131,458
Scope 2 GHG emissions (tonnes of CO ₂ e)		112,974	125,529
Upstream GHG emissions intensity (tonnes of CO ₂ e/tonne of hydrocarbon produced)	0.100	0.103	0.105
Flaring (mmscm)	284.1	266.5	293.2
Upstream flaring intensity (tonnes of hydrocarbon flared/thousand tonnes of hydrocarbon produced)		6.91	9.14

The Jetty Boil-off Gas (JBOG) recovery from all LNG berths improved to an average of 92.4% for 2016 from 88.2% for 2015. The continued efforts to reduce offshore emissions is delivering improved financial results for the corporation.

UPDATE ON AL-SHAHEEN GAS RECOVERY AND UTILIZATION PROJECT

The Al-Shaheen Oil Field Gas Recovery and Utilization Project is contributing to the State's energy efficiency efforts by increasing the power supply without raising fossil fuel consumption. The aim of the project is to reduce CO2 emissions to the tune of around 24 million tonnes by 2021 from the baseline emissions of the year 2007. The project is the first of its kind registered from Middle East and is one of the few large flare reduction Clean Development Mechanism (CDM) projects in the world. The project under CDM registered under UNFCCC on May 29th, 2007 for a crediting period of seven years, and got renewal in 2014 for another seven years until 2021.

Emission reductions achieved until 2016 during 2nd crediting period of Al-Shaheen CDM Project:

Parameter	2014 -2015	2016
Emission Reductions- tCO2 e	1,155,497	804,136

MANAGE WATER RESOURCES

Value creation outcomes
ENVIRONMENTAL

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
Given that QP operates in one of the most water-stressed regions in the world, and that water scarcity is an increasingly urgent global issue, water conservation is of great importance to our business.	<ul style="list-style-type: none">Implementing a Treated Industrial Water Project to achieve the national policy of zero liquid discharge to sea.Detailed Produced Water Re-Injection (PWRI) performance evaluation underway.Onshore oil field development operations started a Produced Water Re-Injection Project in 2012, which continued in 2016 to eliminate produced water disposal into the Umm El Radhuma aquifer and support powered water injection in Dukhan.Integrating an API Oil-Water Separator which will treat oily water before disposal, recovering suspended oil and improving waste water quality to meet environmental standards.Promoting various studies on water reduction and efficient use within our facilities as well as selection of optimum treatment facility for produced water re-injection in order to minimize water disposal.
RESULTS AND THE VALUE WE HAVE CREATED	
Within our field development operations, the successful application of swell packer technology in the ISND (Idd El Shargi North Dome) and the ISSD (Idd el-Shargi South Dome) provided improved zonal isolation which led to a reduction in the volume of water produced and saved costs.	
Efforts to reduce water discharge to the sea, in line with recent national environmental regulations, are ongoing and yielding positive results. The amount of water discharged to the sea in 2014 and 2016 is significantly higher than other years due to emergency discharges by the Halul terminal.	

TABLE 5: WATER DISCHARGE (M³)

	2012	2013	2014	2015	2016
Water discharged to sea (excluding non-contact cooling water)	12,166	12,295	99,847	9,844	560,338
Water discharged other than to sea	15,478,598	9,338,291	8,801,221	8,855,939	9,579,156



REDUCE, REUSE AND RECYCLE WASTE

Value creation outcomes
ENVIRONMENTAL AND ECONOMIC

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
Qatar has set a national objective to increase the percentage of waste that is diverted from landfill by reducing waste creation through design or reusing and recycling waste once it is created.	<ul style="list-style-type: none">• Development and implementation of waste management standards.• Monitoring levels of drilling waste from onshore and offshore operations.• Ensuring strict regulatory compliance with Ministry of Municipality & Environment (MME) licensing requirements for Naturally Occurring Radioactive Materials (NORM) Waste Storage Yard.• Carrying out periodic inspections of our hazardous waste facilities.• Organizing training for personnel on environmental awareness and waste management.• Ensuring that new printers have the option of printing on both sides to reduce paper consumption.

RESULTS AND THE VALUE WE HAVE CREATED
The total amount of waste generated increased in 2016 due to a rise in non-hazardous waste generated. QP did manage to reduce hazardous waste production between 2015 and 2016, and increase the volume of total waste recycled by 32%, the majority of which was non-hazardous. QP continues to seek opportunities to reduce, reuse and recycle materials as closing the loop will help to avoid negative environmental outcomes, and in many cases, could lead to cost savings or new forms of revenue as has been demonstrated by some of our downstream investments such as Qatum.

TABLE 6: WASTE		
	2015	2016
Non-hazardous waste generated (tonnes)	42,997	46,830
Hazardous waste generated (tonnes)	6,014	5,769
Total waste generated during the year (tonnes)	49,011	52,599
Total waste recycled (tonnes)	980	1,290
Recycled waste as a percentage of total waste generated	2%	2%

REDUCE OTHER AIR EMISSIONS

Value creation outcomes
ENVIRONMENTAL

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
Meeting and exceeding air emissions standards and guidelines in Qatar help to protect the health and wellbeing of employees, contractors, the local environment, and local community.	<ul style="list-style-type: none">• Two sulphur recovery projects are in the final stages of commissioning in Dukhan and Mesaieed.• A NO_x compliance assessment was completed and the results shared with the Ministry of Municipality and Environment.• Mesaieed Operations undertook a Leak Detection and Repair (LDAR) project reducing emissions by 47% from plants and facilities.• A calibration review of air emissions monitoring equipment has begun.• Development of international best practice Continuous Emissions Monitoring System (CEMS) and LDAR standards for all operations to comply with is underway.• Installation of a vapour recovery system is ongoing to reduce Volatile Organic Compounds (VOC) emissions from crude oil to acceptable levels.• Monitoring of stack emissions and promoting studies on NO_x mitigation from combustion sources.

RESULTS AND THE VALUE WE HAVE CREATED
Levels of SO ₂ emissions have fallen 17% in 4 years from 25,416 tonnes in 2012 to 21,202 tonnes in 2016. Steady reductions were achieved in NO _x and VOC emissions between 2012 and 2015; however, due to changes in calculation methodology, 2016 saw a rise in both types of air emissions.
Total air emissions continue to fall across QP operations, despite the change in calculation methodology, as improvements in monitoring and leak detection and repair programs continue to be implemented. The reductions help QP to meet or exceed regulatory requirements, improve the air environment within industrial cities and Qatar, and in some cases, improve production through a reduction in leaks.

TABLE 7: AIR EMISSIONS					
	2012	2013	2014	2015	2016
SO ₂ emitted (tonnes)	25,416	21,142	22,636	23,153	21,202
NO _x emitted (tonnes)	7,400	7,119	6,806	6,901	7,119
VOC (tonnes)	2,491	2,082	2,142	1,811	2,468*

* The calculation methodology for this indicator changed in 2016

PROTECT BIODIVERSITY

Value creation outcomes
ENVIRONMENTAL

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
QP recognizes the urgent need to safeguard the country's plant and animal life, and acknowledges the disruption to natural habitats inherent in oil and gas activities. To that end, QP invests in several initiatives to protect wildlife and enhance biodiversity in Qatar.	<ul style="list-style-type: none">Promoting studies on conservation, such as the on-going marine turtle conservation and monitoring project.Providing public awareness on various measures being taken to conserve the Hawksbill turtles of Qatar.
RESULTS AND THE VALUE WE HAVE CREATED	
We have promoted a very good understanding of the Hawksbill turtle in Qatar and increased turtle hatching events based on support and monitoring provided. The establishment of a turtle information center at Fuwairit is also helping to raise awareness within the local and visiting community.	



OUR PERFORMANCE:
SUPPORT THE WELLBEING OF
OUR WORKFORCE AND WIDER SOCIETY

Our workforce and society ambitions start with a focus on providing a safe and healthy working environment, ensuring that employees, contractors and the wider community are protected from harm within what is traditionally a harsh industry. Beyond this, QP offers challenging and meaningful jobs, and presents opportunities for professional development and training to attract and retain the best talent at both local and international levels. Measuring and managing a range of social and human issues helps to support the achievement of our corporate strategy, and helps to create more value for the corporation and the country.

SUPPORT THE WELL-BEING OF OUR WORKFORCE AND WIDER SOCIETY:

- Achieve world-class health and safety standards
- Train and develop all employees
- Employ and develop Qatari nationals
- Invest in society
- Promote worker welfare and behavioral safety
- Implement change management

LINK TO CORPORATE STRATEGY THEMES

14

VALUE CREATION

Social outcomes

Human outcomes

Economic outcomes



ACHIEVE WORLD-CLASS HEALTH AND SAFETY STANDARDS

Value creation outcomes
HUMAN AND SOCIAL

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
A strong culture of safety is what will ensure our employees and contractors go home safely to their family and friends every day.	<ul style="list-style-type: none"> Working towards the goal of zero injuries. Enhancing the behavioural safety programme for relaunch in 2017. Implementing our Business Continuity Management (BCM) Framework. Three crisis management / emergency preparedness and response exercises completed with stakeholders. 1,071 of audit days to identify non-conformities were completed in 2016. Fitness to work (FTW) examination services provided. Implementation of guidelines, training and awareness on the use of the Heat stress index and implementation of controls. Evolution of our HSE Governance Framework and effective implementation of our annual audit plans. Strengthening of the QP HSE recognition process to ensure it is representative and transparent.

RESULTS AND THE VALUE WE HAVE CREATED

QP employees and contractors worked over 90 million hours in 2016, a rise of 2% from the previous year. During this time QP recorded zero work-related fatalities for its employees. Unfortunately, one contractor fatality did occur due to burn injuries from a fire incident at a rig-site in the Dukhan area, sustained whilst the contractor was preparing for a rig-move. The incident was thoroughly investigated; immediate and root causes found, and recommendations implemented to prevent re-occurrence. Such measures include:

- Strengthening of procedures through revision of existing ones and development of new ones as necessary
- Better risk identification and mitigation for rig-move activities
- Closer supervision and control of concurrent operations
- More rigorous implementation of procedures and work instructions, such as verification of Mud-Gas Separator (MGS) flushing, and continuous gas monitoring during MGS rig down
- Re-emphasis on implementation of the Stop-Work policy by the contractor

Our combined employee and contractor recordable injury rate and lost time injury frequency rate both reached their lowest levels in comparison to the last 5 years, and compare favorably to the average performance reported by members of the International Association of Oil & Gas Producers (IOGP) in 2015. These results provide positive signs that our ongoing efforts to learn from every incident and continue to improve our HSE practices and culture are yielding results. As we strive to achieve zero injuries, we keep in mind that every incident avoided protects human value, builds social value and delivers economic value for QP.

Table 8: Safety

	2012	2013	2014	2015	2016
Employee fatalities	0	0	0	0	0
Contractor fatalities	0	1	1	0	1
Lost time injury rate (employees) *	0.46	0.62	0.32	0.39	0.11
Lost time injury rate (contractors) *	0.43	0.87	0.31	0.40	0.28
Lost time injury rate (employees and contractors) *	0.43	0.78	0.31	0.40	0.24
Total recordable injury rate (employees) *	0.95	0.95	1.08	0.87	0.50
Total recordable injury rate (contractors) *	1.25	1.29	0.86	0.71	0.68
Total recordable injury rate (employees and contractors) *	1.18	1.17	0.91	0.75	0.64

*per 1 million working hours

PROCESS SAFETY

There was a total of 404 leak incidents reported in 2016, a significant rise from previous years due to the enhancement of reporting processes and capabilities in this area. Most incidents are classified as tier 3 which consist of minor leaks of oil, gas, hydrocarbons and water. With improvements in reporting of these incidents, QP is better prepared to preempt and remedy future incidents.

Table 9: Process safety events

	2012	2013	2014	2015	2016
Tier 1 process safety events			1	0	3
Tier 2 process safety events			1	0	1
Tier 3 process safety events	274	228	255	250	400
Critical asset damage incidents		183	201	246	150

Out of the 18 occupational health cases reported in 2016, 5 were heat stress related, 6 were categorized as musculoskeletal disorders (primarily affecting office based employees), and the remaining 7 were other work and on work related illnesses. Heat stress has previously been one of the most dangerous work-related illnesses employees and contractors face. Due to extensive focus on this issue, 2015 - 2016 have delivered record low heat-stress incidents.

Table 10: Health

	2015	2016
Occupational health cases reported (employees and contractors)	-	18
Heat stress events (employees)	7	1
Heat stress events (contractors)	42	4

HSE INCIDENT MANAGEMENT KPI DASHBOARD AS AT END 2016 (QP CORPORATE)

Recordable incident ratio: Number of recordable incidents compared to the total number of incidents reported over a given period

Risk potential ratio: Number of reported incidents that have been classified using the Risk Assessment Matrix (RAM) compared to the total number of incidents reported over a given period

Corrective actions indicator: Number of corrective and preventive actions identified compared to the total number of incidents reported over a given period

Corrective actions completion index: Number of corrective and preventive actions implemented within the agreed target date compared to the total number of corrective and preventive actions identified



RECRUIT, TRAIN AND DEVELOP ALL EMPLOYEES

Value creation outcomes
HUMAN AND SOCIAL

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
The right employees equipped with the right knowledge and skills will be best placed to perform in a safe and highly efficient manner. That is why we actively focus on the recruitment and development of our direct workforce, joint venture or subsidiary partners and contracted workers.	<ul style="list-style-type: none">• A new Recruitment Management System (RMS) was implemented.• The Human Capital Service Centre was revamped to enhance employee welfare and engagement.• A range of workshops were conducted with leaders across QP to help co-design the QP Leadership Framework, a model of values and behaviours required to support QP in becoming one of the best NOC's in the world.• Over 200 technical and non-technical programs run in-house.• Over 3,000 online courses available to employees.• A new Technical Program (TP) was launched in September 2016 to reflect the technological advances made in the industry and address challenges QP and its partners can expect to face in the future, which reducing the duration of the program from 3.5 years to 2

RESULTS AND THE VALUE WE HAVE CREATED

A highlight in 2016 was the roll out of the Human Capital Service Centre (HCSC). This is an example of QPs drive to enhance employee welfare and engagement. The HCSC consists of a helpdesk, an E-helpdesk and a call center. The HCSC provides employees with support and advice on HR and learning and development. The HCSC also provides recruitment related information and assistance to people interested in a career in QP. Feedback received has been very positive.

We have also implemented a new onboarding process as of September 2016, and strengthened our recruitment process by putting in place a robust education verification process, using an expert provider. Another major milestone, related to leadership development, was the design of leadership competencies and values.



EMPLOY AND DEVELOP QATARI NATIONALS

Value creation outcomes
HUMAN AND SOCIAL

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
As a central part of the QNV 2030, Qatarization builds the knowledge and expertise of the country, providing opportunities for the local population, while also providing consistency and security for the corporation.	<ul style="list-style-type: none">• Providing a range of vocational training, work experience and a graduate development program.• Supporting university students studying petroleum and other specialist industry fields.• Providing a university scholarship program for nationals that have completed their secondary education.• Ongoing management of the Tafawoq Program to develop national project management professionals.• Organizing the Annual Qatarization Awards to recognize partners that exhibited Qatarization excellence.• Establishment of the following training programs:<ul style="list-style-type: none">- Clerical Preparation Program (CPP)- Fireman Preparation Program (FPP)- Marine Preparation Program (MPP)- Security Preparation Program (SPP)- Tailor-made Program (TMP)- Technician Preparation Program (TPP)

Results and the value we have created

In 2016, QP continued striving to meet its Qatarization targets by identifying and preparing Qataris to enter the workforce at all levels. As the coordinator of the Energy and Industry (E&I) sector Qatarization program, QP has monitored Qatarization over the years; the number of Qataris employed by the energy and industry sector has tripled.

QP has been supporting Qatari national graduates of different disciplines since 2010. This continues to boost the knowledge and technical capabilities of the national workforce, a key contribution to the QNV 2030 vision of shifting to a knowledge-based economy.

INVEST IN SOCIETY

Value creation outcomes
SOCIAL

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
As an important player in Qatar's socio-economic development, QP takes pride in its role in contributing to the sustainable development of local communities.	<ul style="list-style-type: none">• Supporting local programs related to culture and heritage, health awareness, and sports development.• Sponsoring regional and international events focusing on various aspects of the energy sector.• Implementing a wide range of social development projects as a member of the Ras Laffan Community Outreach Program.• Launching various initiatives related to community development, environmental protection, and road safety.
Results and the value we have created	
QP contributes to the continued development of the communities where it operates, and it leads Qatar's energy and industry sector in the implementation of CSR programs for the benefit of local communities. The corporation takes its responsibility seriously in promoting health and safety, education and training, environmental awareness, as well as sports and fitness. In 2016, among the various programs and activities supported or sponsored by the corporation were the Qatar National Day celebrations, a conference on breast cancer, the "Safe Journey Campaign" as well as the "Tree Week" in Ras Laffan.	

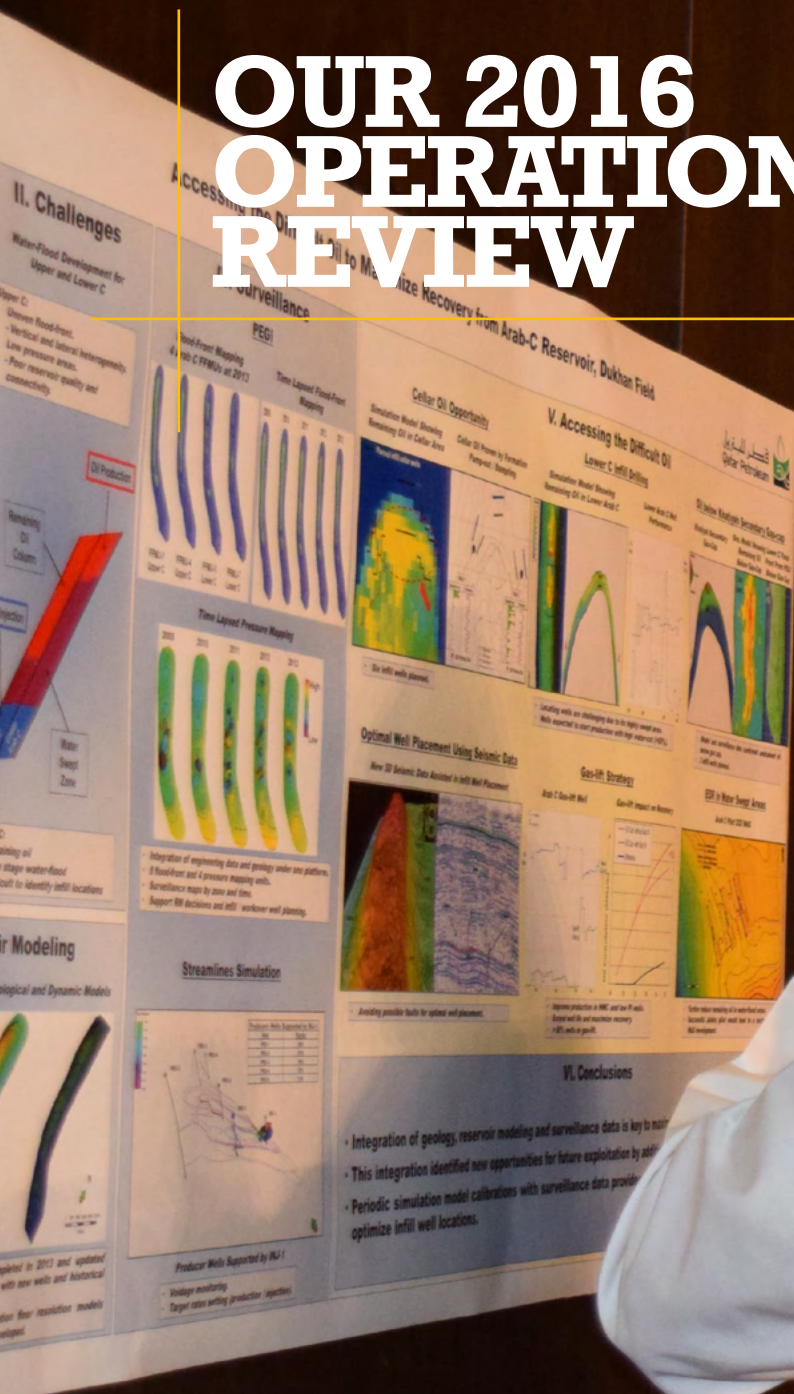
PROMOTEWORKERWELFAREANDBEHAVIORALSAFETY

Value creation outcomes
HUMAN AND SOCIAL

WHY IT'S IMPORTANT	HOW WE ARE RESPONDING
Keeping employees healthy and engaged in the business is central to retaining talent and ensuring employees deliver high performance.	<ul style="list-style-type: none">• Conducted a Workers' Welfare and Healthy Lifestyle Forum.• Organised a Food Control and Hygiene Awareness Session focusing on the prevention and control of foodborne illness.• Launch of Mesaieed TALK (MES.TALK) inspired by TED talks to provide a platform for innovative ideas and interesting topics. Two events were conducted in 2016.• Organizing a range of sport activities for employees and their families annually during the National Sports Day.
Results and the value we have created	
QP's Healthcare Department received its Certificate of Accreditation from Accreditation Canada in recognition of its "meeting international standards of excellence in quality care and service".	



OUR 2016 OPERATIONAL REVIEW



HARNESSING QATAR'S HYDROCARBON RESOURCES

The State of Qatar holds huge reserves of natural gas, ranking it third in the world. Covering an area of 6,000 square kilometers off the northeast shore of the Qatari peninsula, the country's North Field has 900 trillion standard cubic feet of recoverable gas, and is the largest single non-associated gas reservoir in the world. Qatar also possesses significant onshore and offshore proven oil reserves, estimated to amount to more than 25 billion barrels. The harnessing of these resources, central to the development and prosperity of the country, is the primary mission of QP.



OIL FIELD DEVELOPMENT AND PRODUCTION

Qatar's current proven oil reserves are distributed across one onshore and 12 offshore oil fields. QP is the custodian of these resources, managing them through a combination of direct operation and partnership with major international oil and gas companies through production sharing agreements (PSAs). PSAs between QP and these international players have been key to successful development of the more difficult reservoirs in Qatar by bringing in investment and the latest

technology; the production from these fields has provided a significant boost to the country's crude oil production.

QP's actual annual production of crude oil and natural gas is based on reservoir management requirements. Some of the oil and by-products extracted are supplied as feedstock for domestic downstream companies; the remainder is sent to Mesaieed Terminal (onshore) or Halul Island (offshore) for export.

INTELLIGENT OIL FIELD (IOF) PROGRAM

The QP Intelligent Oil Field (IOF) Program, established in 2010, aims to implement real-time reservoir management, employing well surveillance instrumentation that is linked to reservoir simulation models. This tool will enable optimization of critical reservoir performance. The IOF business process pilot was initiated in 2016 to develop a scaled model of a working IOF system (or virtual Real Time Operations Center) to serve as a baseline for deployment of IOF throughout QP. Working prototypes of the final product for Phase 1 of IOF processes was delivered for Dukhan operations, covering gaslift optimization, waterflood management, well planning and geosteering. Completion of these processes is expected in 2017.

GAS FIELD DEVELOPMENT AND PRODUCTION

Development and production of gas from Qatar's North Field is also managed by QP through a combination of direct operation (in North Field Alpha); oversight of its wholly-owned subsidiaries Qatargas and RasGas; and partnership with major international oil and gas companies through PSAs and joint ventures in the cases of the Barzan Gas Project, the Dolphin Gas Project, the Al-Khaleej Gas Project, and the Pearl GTL Project. Some of this gas is supplied to the local market to power stations and industries in Qatar and provide feedstock for the gas-to-liquids (GTL) industry,

some is exported to power stations in the UAE through the Dolphin Energy pipeline, and some is converted to liquified natural gas (LNG) for export around the world. A portion of the gas produced from North Field Alpha is also re-injected into the country's strategic contingency reserve in Dukhan. Condensate is used for local refining or export, ethane is supplied to the local petrochemical industry, and sulfur and associated liquid hydrocarbons are supplied to both local and international markets.

HARNESSING SYNERGIES ACROSS OFFSHORE OPERATIONS: OFFSHORE OPERATORS FORUM (OOF)

To optimize costs under the present market conditions, QP has revitalized the Offshore Operators Forum (OOF) to identify opportunities for harnessing synergy among all offshore operators in Qatar. The Forum includes three subgroups focusing on HSE, Operations and Maintenance, and Logistics, comprising all operator representatives from similar specialized fields.

In 2016, this Forum successfully identified a number of opportunities. The Logistics subgroup completed a preliminary study revealing the significant saving potential of a Joint Helicopter Project (under an umbrella contract) streamlining aviation logistics and adopting a more effective demand-based approach. The HSE subgroup initiated the improvement of collaborative Emergency Response resources and processes for Tier 2 & 3 incidents for all offshore operators.

Significant cost savings were also realized across oil and gas field development and production activities in Qatar in 2016 through the implementation of energy efficiency initiatives, enhancement of equipment performance, organizational efficiency, and facilities' uptime, optimization of preventive maintenance programs, greater acclimatization to risk-based inspection programs, and promotion of a cost-conscious culture across QP and its partners, joint ventures, and subsidiaries.

ADDING VALUE DOWNSTREAM

QP multiplies the value derived from upstream development of Qatar's oil and gas resources through the development of a thriving downstream sector in Qatar, refining its crude oil and processing and purifying its raw natural gas, as well as manufacturing products derived from crude oil and natural gas.

QP does this through its own refinery and NGL operations, as well as through investment in a large portfolio of downstream subsidiaries and joint ventures in Qatar spanning the refining and gas-to-liquids (GTL), cracker and derivatives, fertilizers and methanol, power and water, and metals industries.

QP's Downstream business production in a variety of products is around 10 million tonnes per annum, which meets Qatar's local demand as well as those from 120 different countries, thus supporting their economies and impacting people's lives.





REFINING AND GAS-TO-LIQUIDS

PRODUCTS

- LNG
 - Condensate (field and plant)
 - Sulfur
 - Ethane
 - Propane
- Butane
 - Naphtha
 - Kerojet
 - Gasoil
 - Paraffin
 - Helium

IMPACT

These products provide the fuels we use every day to travel by car, train, ship or plane, and to manufacture and transport goods.



CRACKER AND DERIVATIVES

PRODUCTS

- Ethylene
 - Polyethylene
 - Ethylene dichloride
 - Vinyl chloride monomer (VCM)
 - Caustic soda
- Normal alpha oleffins
 - Benzene

IMPACT

Polyethylene, the most common plastic, is found in all facets of modern life, from plastic bottles and dishes to phones, computers and cars. Polyethylene also plays a key role in green building solutions. VCM is used to make polyvinyl chloride (PVC) resins, which are used in pipes, flooring, packaging film and sheet, and bottles, while caustic soda is used in the production of soap, detergent, paper and aluminum.



FERTILIZERS AND METHANOL

PRODUCTS

- Methanol
- Urea
- Urea formaldehyde
- Ammonia
- Melamine
- Fuel additives

IMPACT

Methanol provides alternative and cleaner fuel options in addition to being used as a raw material in packaging, paints, refrigerants, and carpeting. Urea fertilizer, the most popular nitrogen fertilizer source, is applied across the world to maintain soil fertility and improve crop development, yield and quality to produce the food we eat.



POWER AND WATER

PRODUCTS

- Electricity
- Water

IMPACT

The power and water produced supplies homes and businesses across Qatar.



METALS

PRODUCTS

- Aluminium
- Steel

IMPACT

Qatar Steel's steel rebar is used in concrete for infrastructure construction of all types throughout Qatar and internationally; in museums, schools, homes, offices, hospitals, bridges, and pavement. Qatalum's aluminum goes primarily to the automotive industry.



REFINERY OPERATIONS

The QP Refinery receives crude oil and condensate from Dukhan and produces LPG, super and premium gasoline, jet fuel, diesel, marine fuel oil, decant oil and straight run fuel oil. The refinery has the responsibility of satisfying local demand for petroleum products, and exports its surplus.

The refinery also supplies raw material, utilities and other services to SEEF, QAPCO and QAFCO, and owns and operates an 18-inch, multi-product pipeline to Woqod's terminal in Doha, a 16-inch Jet A1 pipeline to Hamad International Airport, a 6-inch LPG pipeline to Woqod's bottling plant and Berth 6 at Mesaieed Port

for import/export of petroleum fuels. A 24-inch Jet A1 pipeline from Ras Lafan to Hamad International Airport is under implementation to meet the increasing demand for Jet A1.

QP produced a total of 121 thousand bpd of derivatives at its refinery in 2016. Super gasoline, diesel, and jet fuel are the principal products, accounting for more than half of the barrels produced per day. Over the past five years, QP's production has remained relatively consistent with no significant changes in the total refinery throughputs.

TABLE 11: REFINERY OPERATIONS PRODUCTION (THOUSAND BARRELS PER DAY)

	2012	2013	2014	2015	2016
Super gasoline	27.759	25.340	29.090	25.960	27.342
Diesel	26.246	22.509	25.821	24.164	26.108
Jet fuel	23.258	21.492	22.856	21.598	25.296
Premium gasoline	14.167	12.566	15.462	14.497	18.169
Naphtha	17.210	17.187	14.517	12.422	12.802
Liquefied petroleum gas (LPG)	4.205	3.635	4.665	4.341	4.486
Decant oil	3.508	2.916	3.478	2.943	3.329
SRFO	1.551	3.356	0.252	3.861	0.241
Sulfur (metric tonne per day)	0.070	0.057	0.061	0.072	0.076
Total refinery throughputs	124.766	114.815	120.838	114.911	121.203

MESAIEED OPERATIONS

QP’s Mesaieed Operations encompasses a gas processing complex and a crude oil tank farm in Mesaieed, as well as QP’s countrywide hydrocarbon transmission and distribution system, cross-country pipelines and pipeline corridors. The corporation’s four NGL plants produce propane, butane and condensate mainly for export, as well as sweet gas supplied to power plants and other industries in Mesaieed.

Work continued in 2016 on the Sulfur Recovery Unit (SRU) Upgrade project at the NGL-3 plant to achieve 99.5% sulfur recovery by installing a new Acid Gas Enrichment Unit (AGEU) and Tail Gas Treatment Unit (TGTU). This project will bring environmental benefits in terms of reduced sulfur emissions to the atmosphere, and will also increase the sulfur available for export.

TABLE 12: GAS OPERATIONS PRODUCTION					
	2012	2013	2014	2015	2016
NF Lean Gas (mmscf/d)	787	774	723	580	672
Offshore Stripped Associated Gas (OFFSAG) (mmscf/d)	77	61	67	62	54
Ethane Rich Gas (ERG) (mt/d)	4,033	4,508	4,151	3,917	4,120
Propane (mt/d)	3,519	3,643	3,214	2,974	3,039
Butane (mt/d)	2,690	2,671	2,366	2,140	2,240
NGL Condensates (mt/d)	1,322	1,353	1,295	1,113	1,241
North Field Stabilized Condensates (NFC) (mb/d)	23.2	23.0	21.3	19.5	9.8
Sulfur (mt/d)	182	0	86	143	174
LPG + Condensate Production (mb/d)	109	110	99	90	101

DOWNSTREAM INVESTMENTS

QP continues to invest in the expansion of the downstream oil and gas sector in Qatar, and to look for opportunities to improve the performance of its existing downstream assets.

LAFFAN REFINERY 2

In the refining and GTL industry, QP has supported the expansion of refining capacity in Qatar through the development of Qatargas’ Laffan Refinery 2, which began operations at the end of 2016. The project will refine an additional 146,000 bpd of condensate from the North Field, producing low sulfur Euro-V specifications products such as naphtha, jet-A1, ultra-low sulfur diesel (ULSD), propane and butane for local and international markets.

POWER AND WATER

In the power and water industry, QP is currently invested in the construction of the Um Al-Houl Power Plant, a new high-efficiency combined cycle power plant generating 2500-megawatt together with more than 500,000 m3 of water production per day.

SOLAR POWER COMPANY

QP is also engaged in developing renewable energy projects based on Qatar’s solar resources, to not only reduce the country’s carbon footprint but also to utilize saved natural gas for other value-added products.





MANAGING INDUSTRIAL CITIES

Qatar's industrial cities are key state assets that play an important role in supporting, complementing and contributing to the development of Qatar's hydrocarbon resources to meet the economic growth objectives of the State of Qatar.

Dukhan Concession Area (DCA) is the hub for oil and gas production facilities in Qatar. Mesaieed Industrial City (MIC) is the hub for petrochemicals, chemical fertilizers, oil refining, metallurgical and primary building materials industries in Qatar. Ras Laffan Industrial City (RLIC) is the hub for natural gas-based industries specializing in LNG, GTL, gas processing, condensate refining, petrochemicals and downstream industries in Qatar.

QP is responsible for the management and development of infrastructure, facilities, utilities, land and other key services within the Industrial Cities. As part of the reorganization program, QP's functions were realigned to focus on providing services to QP and its affiliates in the Industrial Cities and exit functions that are not core to QP's oil and gas business, including managing Ras Laffan Emergency & Safety College and the light and medium industries areas in Mesaieed, which were transferred to Manateq for management in 2016.



GROWING OUR INTERNATIONAL PRESENCE



QP seeks to build its international presence with investments that build on its core competencies, leveraging its technical, commercial and financial capabilities, while ensuring effectiveness and efficiency in the use and deployment of its resources. It has partnered with leading global players to form a portfolio of 10 joint ventures across four continents and aims to grow this portfolio in line with QP's corporate strategy.

QP currently maintains a principal role as a proactive non operator internationally, but has initiated development of an international basin and hydrocarbon resource-led exploration portfolio. In 2016, QP sought to better manage international assets by constructively challenging asset operators' on-going activities, and by focusing on high-value upstream opportunities and recommending proposals for the greatest value creation. Most importantly, it placed greater importance on optimizing offshore developments and efficient project execution.

In 2016, QP expanded its international portfolio through the acquisition of a 30% participating interest in three deep-water offshore leases operated by Chevron in the Kingdom of Morocco. Chevron holds a 45% interest in the leases, while Morocco's Office National Des Hydrocarbures Et Des Mines holds the remaining 25% interest.

QP also announced the establishment of Ocean LNG Limited in 2016 for marketing its future international LNG supply portfolio sourced outside of the State of Qatar. Ocean LNG Limited entered into a long-term LNG sale and purchase agreement (SPA) with Brazil based Centrais Elétricas de Sergipe S.A. ("CELSE").

APPENDIX A
GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Organizational profile	
	102-1 Name of the organization	Qatar Petroleum
	102-2 Activities, brands, products, and services	18-19
	102-3 Location of headquarters	Doha, Qatar
	102-4 Location of operations	18, 19, 22, 23, 24, 25,
	102-5 Ownership and legal form	QP is a state-owned public corporation.
	102-6 Markets served	21-25
	102-7 Scale of the organization	21-25, 43, 51-61
	102-8 Information on employees and other workers	43-49
	102-9 Supply chain	35
	102-10 Significant changes to the organization and its supply chain	No significant changes.
	102-11 Precautionary Principle or approach	36-42
	102-12 External initiatives	35, 44, 47, 48, 66
	102-13 Membership of associations	None.
	Strategy	
	102-14 Statement from senior decision-maker	5
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	11-12
	Governance	
	102-18 Governance structure	11-17
	Stakeholder engagement	
	102-40 List of stakeholder groups	67-68
	102-41 Collective bargaining agreements	No law to support collective bargain.
	102-42 Identifying and selecting stakeholders	67-68
	102-43 Approach to stakeholder engagement	67-68
	102-44 Key topics and concerns raised	67-68
	Reporting practice	
	102-45 Entities included in the consolidated financial statements	8-9. Data covers only QP direct operations
	102-46 Defining report content and topic Boundaries	2
	102-47 List of material topics	30, 31
	102-48 Restatements of information	There have been no restatements of data in this report.
	102-49 Changes in reporting	There have been no significant changes to the report Scope and Aspect Boundaries.
	102-50 Reporting period	Jan 1 - Dec 31, 2016
	102-51 Date of most recent report	2015
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	Manager, HSE&Q dept
	102-54 Claims of reporting in accordance with the GRI Standards	2
GRI 102: General Disclosures 2016	102-55 GRI content index	62-64
	102-56 External assurance	No external assurance

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
Material Topics		
GRI 200 Economic Standard Series		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	32
	103-2 The management approach and its components	32
	103-3 Evaluation of the management approach	32
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	32
Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-19
	103-2 The management approach and its components	18-19
	103-3 Evaluation of the management approach	18-19
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	18-19, 34, 59, 14
	203-2 Significant indirect economic impacts	18, 19, 20
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	35
	103-2 The management approach and its components	35
	103-3 Evaluation of the management approach	35
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	35
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	12
	103-2 The management approach and its components	12
	103-3 Evaluation of the management approach	12
	205-1 Operations assessed for risks related to corruption	12
GRI 300 Environmental Standards Series		
Materials		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	40
	103-2 The management approach and its components	40
	103-3 Evaluation of the management approach	40
	301-2 Recycled input materials used	40
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	37
	103-2 The management approach and its components	37
	103-3 Evaluation of the management approach	28, 37
GRI 302: Energy 2016	302-1 Energy consumption within the organization	37
	302-3 Energy intensity	37
	302-4 Reduction of energy consumption	37
Biodiversity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	42
	103-2 The management approach and its components	42
	103-3 Evaluation of the management approach	42
	304-3 Habitats protected or restored	42
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	38, 41
	103-2 The management approach and its components	38, 41
	103-3 Evaluation of the management approach	38, 41

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	38
	305-2 Energy indirect (Scope 2) GHG emissions	38
	305-4 GHG emissions intensity	38
	305-5 Reduction of GHG emissions	38
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	41
Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	40
	103-2 The management approach and its components	40
	103-3 Evaluation of the management approach	40
GRI 306: Effluents and Waste 2016	306-1 Water discharge by quality and destination	39
	306-2 Waste by type and disposal method	40
	306-4 Transport of hazardous waste	40
Environmental Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	36
	103-2 The management approach and its components	36
	103-3 Evaluation of the management approach	36
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	36
GRI 400 Social Standards Series		
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	44
	103-2 The management approach and its components	44
	103-3 Evaluation of the management approach	44
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	44
	403-3 Workers with high incidence or high risk of diseases related to their occupation	44
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	46
	103-2 The management approach and its components	46
	103-3 Evaluation of the management approach	46
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	46
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	43
	103-2 The management approach and its components	48
	103-3 Evaluation of the management approach	48
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	48

APPENDIX B
ACRONYMS

AGEU	Acid Gas Enrichment Unit
API	American Petroleum Institute
Bcf/d	Billion cubic feet per day
BCP	Business Continuity Plan
BH	Bul Hanine
Bpd	Barrels per day
CDM	Clean Development Mechanism
CELSE	Centrais Elétricas de Sergipe S.A.
CEMS	Continuous Emissions Monitoring Systems
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CO2eq	Carbon dioxide equivalent
COP	Community Outreach Program
CPP	Clerical Preparation Program
CSR	Corporate Social Responsibility
DIC	Dukhan Industrial City
DPSA	Development and Production Sharing Agreement
E&I	Energy and Industry
EPSA	Exploration and Production Sharing Agreement
ERG	Ethane Rich Gas
ERM	Enterprise Risk Management
FPP	Fireman Preparation Program
FTW	Fitness to work
GDI	Gulf Drilling International
GE	General Electric
GHG	Greenhouse gas
GJ	Gigajoule
GRI	Global Reporting Initiative
GTL	Gas-To-Liquid

HCSC	Human Capital Service Centre
HSE	Health, Safety, and Environment
ICT	Information and Communications Technology
IEA	International Energy Agency
IIRC	International Integrated Reporting Council
IMD	International Institute for Management Development
IOF	Intelligent Oil Field
IOGP	International Association of Oil and Gas Producers
IQ	Industries Qatar Q.S.C.
IR	Integrated Reporting
ISND	Idd El-Shargi North Dome
ISSD	Idd el-Shargi South Dome
JBOG	Jetty Boil-off Gas
JV	Joint venture
KPI	Key Performance Indicators
LDAR	Leak Detection and Recovery
LNG	Liquified Natural Gas
LPG	Liquefied Petroleum Gas
M POWER	Mesaieed Power Company
M&A	Mergers and Acquisitions
M3	Cubic meter
Mb/d	Million barrels per day
MES	Mesaieed Environmental Society
MGS	Mud-Gas Separator
MIC	Mesaieed Industrial City
MM	Maydan Mahzam
MME	Ministry of Municipality and Environment
Mmscf/d	Million standard cubic feet per day

APPENDIX C
STAKEHOLDER MAPPING

Mmscm	Million standard cubic meters
MOU	Memorandum of Understanding
MPP	Marine Preparation Program
Mt/d	Metric ton per day
MW	Megawatts
NFC	North Field Stabilized Condensate
NGL	Natural Gas Liquids
NOC	National Oil Company
NORM	Naturally Occurring Radioactive Materials
NOx	Nitrogen oxide
OFFSAG	Offshore Stripped Associated Gas
OOF	Offshore Operators Forum
PSA	Product Sharing Agreement
PVC	Polyvinyl Chloride
PWRI	Produced Water Re-injection
QAFAC	Qatar Fuel Additives Company
QAFCO	Qatar Fertilizer Company
QAPCO	Qatar Petrochemical Company
QAR	Qatari Riyal
QATALUM	Qatar Aluminium
Q-CHEM	Qatar Chemical Company
QNV	Qatar National Vision
QP	Qatar Petroleum
QPSFA	QP Support Facility Area
QVC	Qatar Vinyl Company
RAM	Risk Assessment Matrix
RGPC	Ras Girtas Power Company
RLIC	Ras Laffan Industrial City

RLOC	Ras Laffan Olefins Company
RLPC	Ras Laffan Power Company
RMS	Recruitment Management System
SME	Small and Medium-sized Enterprises
SO2	Sulfur dioxide
SPP	Security Preparation Program
SRFO	Straight Run Fuel Oil
SRU	Sulfur Recovery Unit
SWOT	Strengths, Weaknesses, Opportunities and Threats
TED	Technology, Entertainment, Design
TGTU	Tail Gas Treatment Unit
TMP	Tailor-made Program
TPP	Technical Preparation Program
ULSD	Ultra-Low Sulfur Diesel
UNFCCC	United Nations Framework Convention on Climate Change
VCM	Vinyl Chloride Monomer
VOC	Volatile Organic Compound

STAKEHOLDERS	EXPECTATIONS	ENGAGEMENT METHOD
Employees	<ul style="list-style-type: none">• Safe and secure working conditions• Competitive salary and benefits• Access to personal and career development and training• Open and transparent communications• Listening, supportive management• Responsible and ethical business practices• Equal opportunity	<ul style="list-style-type: none">• Performance appraisals• Recognition and awards programs• Employee satisfaction surveys• Feedback and suggestion systems• Internal newsletters• Email, QP website, and intranet• Corporate events• Corporation policies and project management system• Training and development opportunities• Technological support• Regular departmental meetings
Government Bodies and Regulators	<ul style="list-style-type: none">• Effective management of hydrocarbon resources• Contribution to social and economic development and quality of life in Qatar• Environmental protection• Strong financial performance• Development of national talent• Compliance with laws and regulations• Emergency preparedness• Business continuity• Safe, reliable and efficient operations• Input to policy and regulatory development• Protection of all basic international human rights for all relevant stakeholders• Timely reporting of performance	<ul style="list-style-type: none">• Representation on the Board of Directors and its advisory committees, including regular board meetings• Regular reporting on corporation performance• Interaction and regular communication with regulatory agencies• Qatar e-government website• Corporation publications
Contractors and Suppliers	<ul style="list-style-type: none">• Support for local suppliers• Fair contract bidding and awarding• On-time payments• Good working conditions• Ethical business dealings• Collaboration to ensure workers welfare	<ul style="list-style-type: none">• QP website – Supply Management• Bidding and tendering• Collaborative monitoring of project delivery• Customer surveys• Audits and site visits• Incident reports and investigations
Subsidiaries, Joint Ventures and Wider Energy and Industry Sector	<ul style="list-style-type: none">• Joint working, shared knowledge• Development of best practice• Elevation of industry standards• Sharing of technical data, knowledge and expertise• Leadership of industry-wide initiatives• Collaboration to address emergencies• Effective management of industrial cities	<ul style="list-style-type: none">• Exploration and Production Sharing Agreements (EPSA)• Development and Production Sharing Agreements (DPSA)• Subsidiary web portal• Regular meetings and workshops• Shared initiatives• Conferences, exhibitions and knowledge sharing forums• Interactive dialogue• Reporting

STAKEHOLDERS	EXPECTATIONS	ENGAGEMENT METHOD
		<ul style="list-style-type: none">• Cost sharing agreements• Memoranda of Understanding• Joint crisis and emergency preparedness exercises• Sponsorship collaborations• Papers in energy-related publications• Drilling Operations Incident Review Committee (DOIRC)• Management of industrial cities
Investors	<ul style="list-style-type: none">• Clearly defined corporate governance• Proactive risk management• Business continuity• Transparency and disclosure of information• Cost effective operations• Strong financial performance	<ul style="list-style-type: none">• Annual reports• Press releases and newsletters• Website• Exploration and Production Sharing Agreements (EPSA)• Development and Production Sharing Agreements (DPSA)
Clients and Customers	<ul style="list-style-type: none">• Reliable and efficient operations and high-quality products at acceptable prices• Excellent customer service• Business continuity	<ul style="list-style-type: none">• QPSPP manages marketing and other commercial aspects of refinery products sales• Contracts and agreements• Customer satisfaction surveys• Feedback through ongoing sales engagement
Education and Research Institutions	<ul style="list-style-type: none">• Assistance to educational institutions in preparing students to enter the workforce• Scholarship grants• Technical support to promote research and innovation	<ul style="list-style-type: none">• Joint research initiatives• Public reports• One-to-one meetings
Communities and Associations	<ul style="list-style-type: none">• Investment in the community and social development• Development of national talent• Employment opportunities• Regular engagement with the community• Minimal environmental impacts• Safe operations• Minimization of the impact of operations on local communities• Investment in infrastructure• Compliance with laws and regulations• Timely access to accurate company information	<ul style="list-style-type: none">• Joint charitable initiatives supporting important local causes and events• Public reports as required• Media relations activities• Career fairs, school visits, and internships at QP• Community Outreach Programme (Ras Laffan COP)• Social media



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