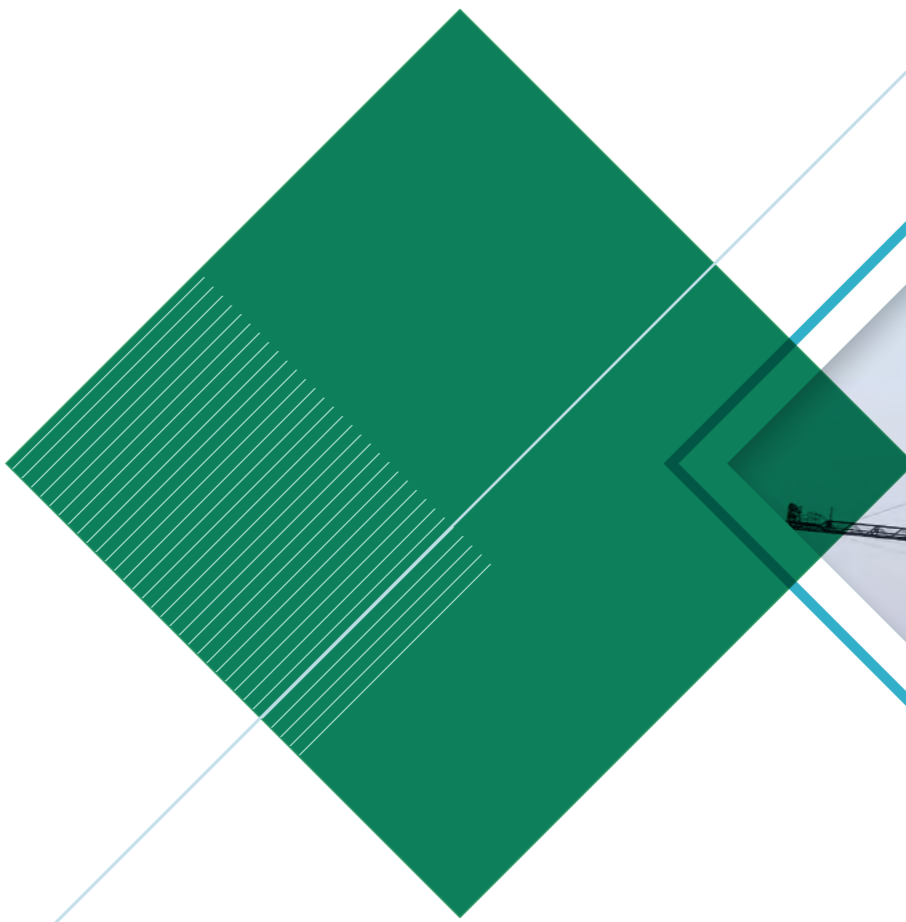


SUSTAINABILITY REPORT 2017



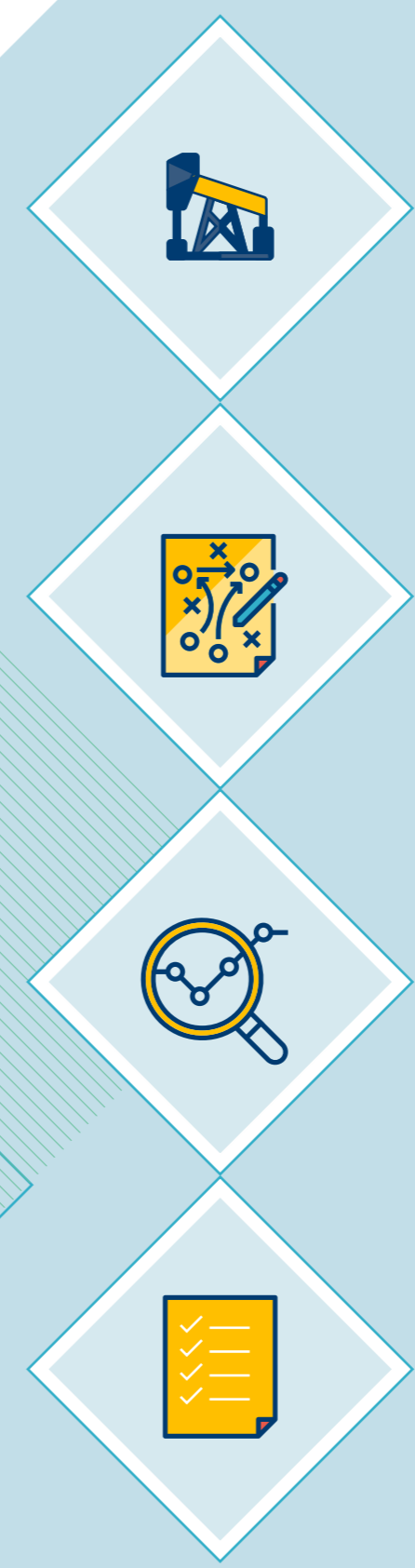
▶ WELCOME TO OUR 2017 SUSTAINABILITY REPORT

Building a better business. Creating a better world.

We at Qatar Petroleum view these as intertwined paths on our journey of sustainability, as we strive to deliver positive social, environmental and economic value for our diverse stakeholders. This report highlights our progress in 2017.



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▶ ABOUT THIS REPORT

SUSTAINABILITY IS A JOURNEY OF CONTINUOUS LEARNING, PROGRESS AND IMPROVEMENT AT QP. WITH THIS REPORT, WE AIM TO PROVIDE OUR STAKEHOLDERS WITH A BALANCED, ACCURATE AND TRANSPARENT ACCOUNT OF OUR SUSTAINABILITY IMPACTS AND PERFORMANCE IN 2017.

MATERIALITY

The report contains a detailed discussion of the material issues that could substantially affect our ability to create value in the short, medium or long term. A listing of these topics is provided on pages 28. Through our latest materiality assessment, conducted in 2017 and which helps to shape our sustainability strategy, we determined these are the issues that are most important to our internal and external stakeholders.

REPORT SCOPE

This is our fourth annual Sustainability Report. The sustainability data presented in this report focuses on QP's 100%-owned operations. In addition, we highlight the key achievements of some QP subsidiaries and joint ventures, many of which publish their own sustainability and integrated reports. All measures, activities and key figures refer to QP's financial year (January 1, 2017 to December 31, 2017).

REPORT QUALITY

The information in this report was prepared and confirmed through a rigorous process, including careful review by relevant departments and support from external sustainability consultants. All health, safety, environment and quality information is subject to verification by our Corporate HSE Department during periodic internal audits. This report was not assured by an external auditor.

REPORTING FRAMEWORK

This report has been prepared in accordance with the "core option" of the Global Reporting Initiative's (GRI) Standards. As recommended by these guidelines, our report discloses information on the specific topics that are most material to our organization and our stakeholders. Our GRI table is provided on page 94. In addition, we used the Integrated Reporting (IR) framework, published by the International Integrated Reporting Council (IIRC) in December 2013, as a guide.

TELL US YOUR THOUGHTS!

For feedback and suggestions on our Sustainability Report, please contact us at:

Tel: 401-32555 or 401-31588

Email: sss_alnaimi@qp.com.qa

Learn more about our activities:

www.qp.com.qa





01

OVERVIEW

PERFORMANCE HIGHLIGHTS



Safety for All

38%

Reduction in lost time injury frequency rate (employees and contractors) from 2016

2,700+

Employees and contractor staff completed our new Health, Safety and Environment training program

33%

Decrease in tier 1 process safety incidents from 2016

Employee wellness

Held bi-annual healthy lifestyle forums for employees



Respect for Our People

1,268

Long-serving employees received recognition for working 10 or more years for QP

134,000

Hours of training provided to QP employees

5,300+

Employees used our new Human Capital Service Center, designed to enhance employee welfare and engagement

84

Different nationalities represented in our workforce



Excellence in Our Operations

232,300

Barrels per day of crude oil production

78 MTPA

of LNG production - surpassing previous records

SAP Transformation Program

Launched to improve operational efficiency



Responsibility for the Environment

11.5%

Reduction in direct GHG emissions from 2016

7.5%

Decrease in direct energy consumption from 2016

4.3%

Reduction in hazardous waste generated from 2016



Collaboration with Business Partners

\$11.5 billion

Spent on goods and services from our suppliers

83%

of procurement with local suppliers in Qatar – up from 56% five years ago

100%

of primary schools in Mesaieed, Qatar received environmental learning on the reduce-reuse-recycle approach



Integrity in Our Governance

100+

leaders at QP and other Qatar companies participated in our High Performance Boards Program, enriching their governance skills

Stronger ethical standards

Launched new Business Ethics & Integrity Management Framework to reinforce corporate culture of integrity

Joint venture governance

Developed and piloted new governance framework for our joint ventures

▶ MESSAGE FROM THE PRESIDENT & CEO

WELCOME TO QATAR PETROLEUM'S 2017 SUSTAINABILITY REPORT. LAST YEAR, REPRESENTED SIGNIFICANT PROGRESS IN TERMS OF MEETING OUR COMMITMENTS TO OUR STAKEHOLDERS, DESPITE A VOLATILE PERIOD FOR THE OIL AND GAS INDUSTRY. I AM PLEASED THAT, THROUGH OUR DEDICATION TO RUNNING A SUSTAINABLE OIL AND GAS CORPORATION, WE CONTINUED TO GENERATE LONG-TERM ECONOMIC VALUE, INVEST IN OUR PEOPLE AND COMMUNITIES, AND MAKE POSITIVE CONTRIBUTIONS TO THE STATE OF QATAR.

There is no question that the days of companies focusing solely on financial results are long gone. Today sustainability is an essential component of running a responsible and responsive enterprise that thrives over the long term. We have a proud history of taking a broader approach to business, aiming for superior environmental, social and economic performance as we develop and operate our oil and gas facilities. In addition, we continue to evolve our business in response to changing times and shifting stakeholder priorities.

SUSTAINABILITY: A STRATEGIC IMPERATIVE

As a leading oil and gas business, sustainable development is of strategic importance to us. It is vital to our corporate brand and long-term viability, our competitive advantage on the global stage and our relationships with stakeholders. In a spirit of openness and transparency, this report is full of examples of the actions we took last year to operate sustainably and to generate value for all our stakeholders. Let me point out a few achievements:

- **Safety for all:** Through ongoing safety improvements, training and communication, for the third straight year we reduced both the lost-time injury rate and the total recordable injury rate for employees and contractors combined, to 0.23 and 0.63 respectively per 1 million working hours.
- **Respect for our people:** Human capital, with special attention to Qatari development, remains another top area of focus, and has continued to make progress toward our Qatarization goal. Our Qatarization plan features a multi-faceted approach to attracting and inspiring top Qatari talent, with vocational training, university scholarships, personal development plans and one-on-one mentoring.

- **Excellence in our operations:** We introduced the SAP Transformation Program, with the aim of deploying state-of-the-art systems and technologies that will directly impact our current ways of working and will improve our effectiveness and efficiency in our business activities and processes.
- **Responsibility for the environment:** On the environmental front, we also made good progress. We reduced our GHG emissions by 11.5%, lowered our energy consumption by 7.5% through a variety of eco-efficiency measures, and decreased hazardous waste by 4.3%. In 2017, we are also spearheading a countrywide initiative to shift the State of Qatar from conventional liquid fuel to CNG. As initial steps, we have formed a steering committee and working group of relevant stakeholders in the country to develop a strategy and an implementation plan. This long-term project will unfold over several years. Phase 1 (from 2018 to 2022), will focus on converting all public transport stations and vehicles to CNG, which will significantly reduce our CO2 emissions by the transportation sector.
- **Sustainability roadmap:** To help us measure and manage our impacts in an integrated way, we took a significant stride forward last year by aligning our sustainability framework with our corporate strategic objectives and core values, creating a more sustainable business. In addition to that, we unveiled a new and enhanced Health, Safety, Sustainability, Environment and Quality Policy that articulates our commitments in each of those areas.

- **Collaboration with our partners:** Increasing local procurement has been a priority for several years now. I am pleased that approximately 83% of our total procurement spending in 2017 was with suppliers based in Qatar, up from 56% in 2013.
- **Integrity in our governance:** As part of our governance and compliance transformation, an initiative started in 2016, we implemented a new Business Ethics & Integrity Management Framework to reinforce a culture of responsible behaviour, created a strong governance framework for our joint ventures, and put members of our management team through our High Performance Board Program.

RESPONDING TO CHALLENGES

2017 was not without formidable challenges. The oil and gas sector, for example, continued to experience global market volatility. We also had an unexpected test to business facing unfair and unjustified blockade against Qatar.

We responded to all the challenges that surfaced as a result of the blockade by activating comprehensive business continuity plans, for example we maintained uninterrupted oil and gas production and delivery to our customers. In doing so, we sent a strong message of our strength and resilience. I would like to express my gratitude to our employees for their dedication to ensure our smooth operation and ongoing success.

LOOKING TO THE FUTURE

Entering 2018, we have great momentum and a clear set of priorities to build on our achievements. Our voyage of sustainability is continuous and evolving.

To thrive in today's oil and gas industry, we are focused on continually assessing ourselves. That includes listening to our diverse stakeholders for feedback and ideas on improving our sustainability performance. To that end, we are an active member of, and contributor to, many national and international organizations that work to strengthen business sustainability practices. In early 2018, we committed to International Guiding Principles on reducing methane emissions across our natural gas value chain – the first Middle East national oil corporation to do so.

As the country's custodian and developer of oil and gas resources, QP is at the forefront in helping to achieve Qatar's vision for sustainable social, economic, human and environmental development. Our sights are firmly set on creating a sustainable present and future for our business, as well as for the State of Qatar.

Thank you,

SAAD SHERIDA AL-KAABI
PRESIDENT & CEO



Developing Qatar's Energy Resources for the World



▶ QP AT A GLANCE

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.

WHO WE ARE

Established in 1974, QP is a state-owned public corporation responsible for all phases of the oil and gas industry in the State of Qatar. Our activities and those of our subsidiaries and joint ventures encompass the entire spectrum of the oil and gas value chain locally, regionally and internationally. These activities 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

WHERE WE OPERATE

Our 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 6,000 square kilometers. Harnessing this field's massive reserves has become a primary national goal to further the development and prosperity of Qatar.



OUR INVESTMENT PORTFOLIO

We have an extensive portfolio of investments in Qatar and worldwide. Our 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, we have signed several production-sharing agreements with major international oil companies. At the same time, our 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, we have 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.

While maintaining our focus as a national oil corporation, we continue to build an international presence with investments that provide opportunities for us to build on its core competencies, diversify our portfolio and extract further value for QP and the State of Qatar across the oil and gas value chain:

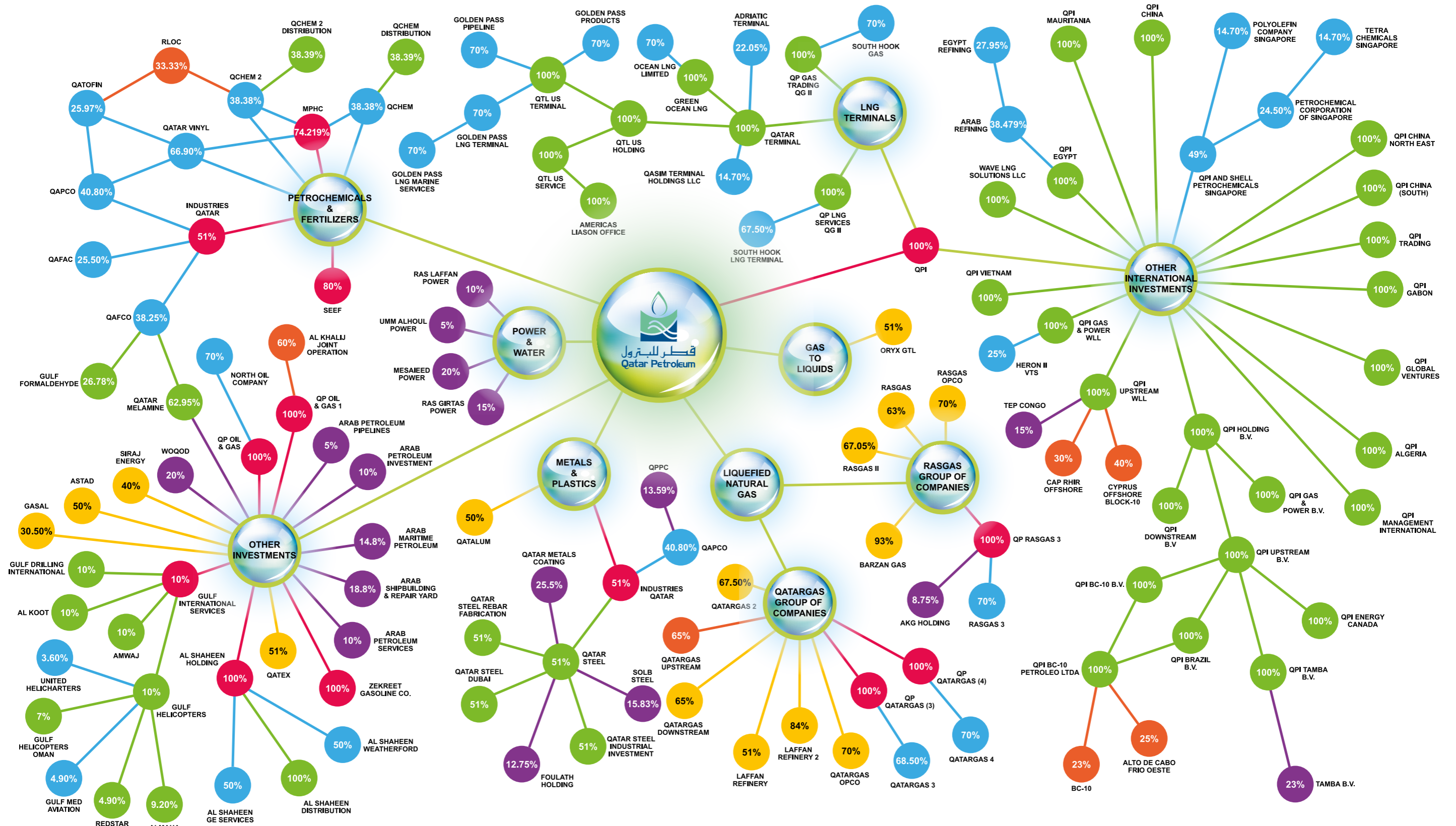
- Our international investment portfolio includes joint ventures spanning four continents and the oil and gas value chain.
- Our international assets include upstream (gas and oil exploration), midstream (LNG terminals) and downstream (refining hydrocarbon into derivative products) operations in several countries around the world, including the USA, Canada, UK, Italy, Greece, Singapore, Egypt, Morocco, Republic of Congo and Brazil.



QP INVESTMENT PORTFOLIO

KEY

- Subsidiaries of QP Subsidiaries
- Joint Ventures of QP Subsidiaries
- Joint Operations
- Subsidiaries
- Joint Ventures
- Associates



QP INTERNATIONAL INVESTMENTS



KEY

- ^ Upstream
- Midstream
- ∨ Downstream

▶ HOW WE CREATE VALUE

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.

▶▶ Inputs

▶▶ Business Model

▶▶ Outputs

▶▶ Value Created



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.



OUR APPROACH

BUSINESS AND SUSTAINABILITY

02



▶ OUR CORPORATE STRATEGY

IN 2016, WE ADOPTED A NEW CORPORATE STRATEGY WITH THE PURPOSE OF ACHIEVING OUR VISION, "TO BECOME ONE OF THE BEST NATIONAL OIL COMPANIES IN THE WORLD, WITH ROOTS IN QATAR AND A STRONG INTERNATIONAL PRESENCE". THIS ROADMAP IS LEADING US ON A FRESH PATH OF DEVELOPMENT, ENABLING US TO FACE AN INCREASINGLY COMPETITIVE MARKETPLACE AND THE CHALLENGES PRESENTED BY THE CURRENT INDUSTRY DOWN-CYCLE.

Our corporate strategy defines our ambition, where we wish to invest, priorities for improvement and implementation plans as we enter a new era of growth. The strategy revolves around six major "themes" underpinned by four strategic "enablers":

- Vision
- Themes
- Enablers

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

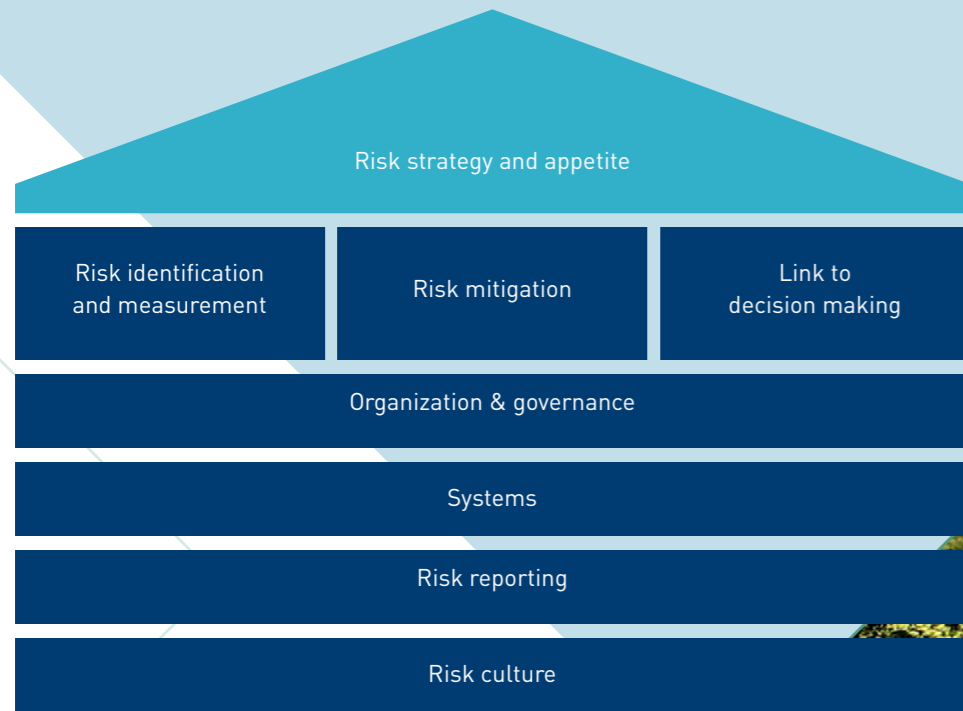
1. Strengthen QP's technical capabilities and operating model in Qatar
2. Maximize upstream value for the State of Qatar
3. Create a large-scale, value-adding, growing international upstream portfolio
4. Reinforce LNG & global gas position
5. Maximize added value of Qatar's downstream businesses
6. Promote energy efficiency & optimum energy mix in Qatar

- Commercial & M&A Capabilities
- Asset Portfolio Management
- Business Process & Corporate Governance
- Human Capital

RISK MANAGEMENT

Managing risk is a key priority because the success of our business and corporate strategy depends on effective risk management. Enterprise Risk Management (ERM), a structured approach to managing all business risks, is an integral component of our management processes and decision making, and is the foundation for a risk-aware culture across the organization.

Our ERM framework is composed of eight critical elements, which address strategic, financial, operational and compliance risks across our business. Our 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. As part of our ERM framework, we have an ERM Policy and Manual that sets out our risk strategy and appetite, and an ERM team that serves as a "center for excellence" to provide risk-related advice, guidance and support.



▶ OUR SUSTAINABILITY FRAMEWORK

SUSTAINABILITY IS EMBEDDED INTO ALL FACETS OF OUR BUSINESS. AS THE CUSTODIAN AND DEVELOPER OF OUR COUNTRY'S OIL AND GAS RESOURCES, WE ARE AT THE FOREFRONT IN HELPING ACHIEVE QATAR'S VISION FOR SUSTAINABLE SOCIAL, ECONOMIC, HUMAN AND ENVIRONMENTAL DEVELOPMENT.

We believe real leadership and action are critical to build a healthier, sustainable world. Society is facing unprecedented economic, environmental and social challenges, forcing companies to rethink what they do and how they measure success. That is why we are evolving our business in bold and strategic ways, to ensure our organization remains resilient and prosperous on the path of sustainable development. We are also finding opportunities to help employees, communities and other stakeholders thrive in the midst of this change.

Thriving on innovation and excellence, we are committed to the highest levels of sustainable human, socio-economic and environmental development in Qatar and beyond. Our culture is based on responsible behavior and we integrate sustainability considerations into the way we plan and manage our business activities. In 2017, we refreshed our sustainability framework by creating a new blueprint, anchored on six pillars that reflect our six core values: safety for all; respect for our people; excellence in our operations; responsibility for the environment; collaboration with business partners; and integrity in our governance. Within each pillar we have articulated policy statements to provide clear direction on sustainability activities (refer to diagram on next page).

Endorsed by QP's leadership and overseen by our sustainability team, our sustainability pillars align with our corporate strategy and core business, including

operational, development and exploration activities and relationships with contractors, suppliers and partners. We conduct and use a materiality assessment (see page 28) to identify the most important issues to our stakeholders, then embed these issues into our sustainability priorities and reporting.

IN AN INCREASINGLY INTERCONNECTED AND FRAGILE WORLD, ENSURING THAT OUR BUSINESS INTERESTS AND SOCIETAL INTERESTS ARE ALIGNED IS MORE VITAL THAN EVER. THROUGH OUR UPDATED SUSTAINABILITY FRAMEWORK, WE ARE HARNESSING OUR TALENT, EXPERTISE AND INVESTMENTS TO DRIVE POSITIVE SUSTAINABILITY IMPACTS WORLDWIDE, AND USING STAKEHOLDER INPUT AND BEST PRACTICES TO BETTER OUR PERFORMANCE IN THE SERVICE OF GOOD CORPORATE CITIZENSHIP."

**Saif Al-Naimi, Manager,
Corporate HSE & Q Department**

SAFETY FOR ALL

- Achieve world-class health and safety standards
- Deliver behavioral safety

RESPECT FOR OUR PEOPLE

- Train and develop all employees, with focus on Qatari nationals
- Promote worker welfare
- Implement effective change management

EXCELLENCE IN OUR OPERATIONS

- Ensure reliable financial performance
- Drive innovation through research and development
- Improve operational efficiency
- Maximize energy efficiency & promote energy mix



INTEGRITY IN OUR GOVERNANCE

- Ensure compliance with obligations
- Engage our stakeholders

COLLABORATION WITH BUSINESS PARTNERS

- Promote strategic national and international investments in oil & gas
- Lead upstream and downstream development in Qatar
- Diversify through alternative energy
- Support local value chains
- Invest in society
- Improve trade relations

RESPONSIBILITY FOR THE ENVIRONMENT

- Mitigate and adapt to climate change
- Reduce other air emissions
- Manage water resources
- Reduce, reuse and recycle waste
- Protect biodiversity and ecosystems

▶ STAKEHOLDER ENGAGEMENT

WE HAVE A DIVERSE RANGE OF STAKEHOLDERS WITH WHOM WE INTERACT IN MANY WAYS, AS OUTLINED IN THE CHART BELOW. TO THRIVE IN TODAY'S OIL AND GAS INDUSTRY, IT IS ESSENTIAL THAT WE ENGAGE WITH OUR STAKEHOLDERS AND CONTINUALLY ASSESS OURSELVES AGAINST THEIR EXPECTATIONS.

STAKEHOLDERS	WAYS WE ENGAGE	EXPECTATIONS/PRIORITIES
Employees	<ul style="list-style-type: none"> • Performance appraisals • Recognition and awards programs • Employee satisfaction surveys • Feedback systems • Internal newsletters (QP Pulse) • Email, QP website and intranet • Corporate events • Training and development opportunities • Regular departmental meetings • Roll out of strategy and management initiatives 	<ul style="list-style-type: none"> • Safe and secure working conditions • Competitive salary and benefits • Access to personal and career development opportunities • Open and transparent communications • Managers who are supportive and listen • Responsible and ethical business practices • Equal opportunity
Contractors and Suppliers	<ul style="list-style-type: none"> • QP website – Supply Management • Bidding and tendering process • Collaborative monitoring of project delivery • Surveys • Audits and site visits • Incident reports and investigations 	<ul style="list-style-type: none"> • Support and opportunities for local suppliers • Fair contract bidding and awarding practices • On-time payments • Good working conditions • Ethical business dealings • Collaboration to ensure workers welfare
Government / Regulators	<ul style="list-style-type: none"> • Representation on the Board of Directors and its advisory committees, including regular board meetings • Regular reporting on corporate performance • Interaction and regular communication with regulatory agencies • Qatar e-government website • Corporate publications 	<ul style="list-style-type: none"> • Executive reporting on the management of hydrocarbon resources • Contributing to social and economic development and quality of life in Qatar • Environmental protection • Sustainable and 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

STAKEHOLDERS	WAYS WE ENGAGE	EXPECTATIONS/PRIORITIES
Subsidiaries, Joint Ventures and Wider Energy and Industry Sector	<ul style="list-style-type: none"> • Exploration and Production Sharing Agreements • Development and Production Sharing Agreements • Joint Venture and related Agreements • Creating synergies among the facilities • Technical Services and License Agreements • Subsidiary web portal • Regular meetings, workshops and dialogue • Shared initiatives • Conferences and industry events • Reporting • Cost sharing agreements • Memoranda of Understanding • Joint crisis and emergency preparedness exercises • Sponsorship collaborations • Papers in energy-related publications • Drilling Operations Incident Review Committee • Management of industrial cities 	<ul style="list-style-type: none"> • Joint working, shared knowledge • Development of best practices • Reduced capital and operating costs • 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
Investors	<ul style="list-style-type: none"> • Annual reports • Press releases and newsletters • Website • Exploration and Production Sharing Agreements • Development and Production Sharing Agreements 	<ul style="list-style-type: none"> • Clearly defined corporate governance • Proactive risk management • Business continuity • Transparency and disclosure • Cost effective operations • Strong financial performance
Clients	<ul style="list-style-type: none"> • Marketing and sales discussions • Contracts and agreements • Customer satisfaction surveys • Feedback through ongoing sales engagement 	<ul style="list-style-type: none"> • Reliable and efficient operations • High-quality products at acceptable prices • Excellent customer service • Business continuity
Communities (non-profit groups, educational institutions, community members)	<ul style="list-style-type: none"> • Research initiatives • Public reports • One-to-one meetings • Community partnerships and charitable initiatives • Media relations activities • Career fairs, school visits and internships at QP • Community Outreach Programme • Social media 	<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 • Investment in community and social development • Development of national talent • Employment opportunities • Regular engagement with local communities • Minimal environmental impacts • Safe operations • Positive impacts on local communities • Investment in infrastructure • Compliance with laws and regulations • Timely access to accurate company information

OUR MATERIAL TOPICS

THE SUCCESSFUL DELIVERY OF BOTH OUR CORPORATE STRATEGY AND OUR SUSTAINABILITY 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.

2017 MATERIALITY ASSESSMENT

In 2017, we conducted a materiality assessment that encompassed industry research, benchmarking and stakeholder engagement via a workshop to identify and prioritize issues deemed of highest importance. This process involved considering how each relevant issue affects our ability to achieve our corporate vision and stakeholders' perceptions of our business. Our sustainability team reviewed and validated the materiality assessment findings.

Our assessment resulted in 21 material topics, which are illustrated on the Materiality Matrix below from lowest to highest priority. We have used these results to inform our sustainability priorities and shape the content of this report.



RANK	ASPECT	GROUP
1	Workplace health and safety	Social
2	Asset integrity and process safety	Social
3	Operational efficiency and reliability	Economic
4	Financial performance	Economic
5	Emergency preparedness	Social
6	Energy efficiency	Environment
7	Sustainability of investment portfolio	Environment
8	Talent attraction, retention, and engagement	Social
9	Qatarization	Social
10	Climate change mitigation and adaptation	Environment
11	Air emissions	Environment
12	Ethics, governance and transparency	Social
13	Workers' welfare	Social
14	Water stewardship	Environment
15	Effluents and waste management	Environment
16	Training and education	Social
17	Community engagement and investment	Social
18	Local procurement and supplier development	Economic
19	Innovation in research and development	Economic
20	Diversity and equal opportunity	Social
21	Biodiversity and ecological impacts	Environment

● Very Material ● Material

MAPPING OUR MATERIAL TOPICS TO OUR CORE VALUES

<h3>Safety for All</h3> <ul style="list-style-type: none"> Workplace health and safety Business continuity management Asset integrity and process safety 	<h3>Respect for Our People</h3> <ul style="list-style-type: none"> Talent attraction, retention and engagement Training and education Qatarization Workers' welfare Diversity and equal opportunity
<h3>Excellence in Our Operations</h3> <ul style="list-style-type: none"> Economic performance Innovation in research and development Operational efficiency and reliability 	<h3>Responsibility for the Environment</h3> <ul style="list-style-type: none"> Climate change mitigation and adaptation Other air emissions Energy efficiency Water stewardship Effluents and waste management Biodiversity and ecological impacts
<h3>Collaboration with Business Partners</h3> <ul style="list-style-type: none"> Sustainability of investment portfolio Local procurement: supplier and contractor development Community engagement and investment 	<h3>Integrity in Our Governance</h3> <ul style="list-style-type: none"> Ethics, governance and transparency

ALIGNMENT WITH QATAR NATIONAL VISION

QATAR PETROLEUM'S APPROACH TO SUSTAINABILITY MANAGEMENT IS INSPIRED AND DIRECTED BY THE FOUR PILLARS OF THE QATAR NATIONAL VISION (QNV) 2030 AND THE NATIONAL DEVELOPMENT STRATEGY (NDS) 2018 - 2022, WHICH IS FULLY REFLECTED IN OUR CORPORATE VISION AND OBJECTIVES.

QNV 2030	NDS 2018-2022	EXPECTATIONS/PRIORITIES	QP'S CONTRIBUTION
Human Development			
Development of all its people to enable them to sustain a prosperous society.	An Educated Population	Education and training	<ul style="list-style-type: none"> Supporting vocational learning to provide technical and administrative training Offering non-technical education programs to help employees improve their performance and develop skills Delivering ongoing awareness-building campaigns to ensure staff are educated on important company and societal issues and developments Supporting educational sponsorships for high-potential Qatari students and our trainees
	A Healthy Population: Physically and Mentally	Nurturing a healthy population Managing occupational health and safety information to monitor and assess the health status of all employees	<ul style="list-style-type: none"> Maintaining a Health, Safety, Sustainability and Environmental Policy and providing ongoing safety training, workshops and communication Supporting sector compliance with health requirements Providing health education for employees, which they can then share with their families Launching a new Safety Excellence Initiative to better coordinate safety-related initiatives across QP Offering various employee wellness initiatives, such as our bi-annual healthy lifestyle forums, to promote mental, physical and emotional well-being Providing occupational hygiene programs and procedures to help prevent occupational illnesses Implementing programs like Asset Integrity Management and Process Safety Management, which reflect our commitment to protecting human life and the natural environment Having procedures in place such as protocols and alarm management systems to prevent and contain major hazards such as fires, explosions and toxic clouds
Social Development			
Development of a just and caring society based on high moral standards, and capable of playing a significant role in the global partnership for development.	Social Care and Protection	Social protection	<ul style="list-style-type: none"> Practicing corporate social responsibility and being transparent about our social, economic and environmental impacts through annual sustainability reporting Hosting a Workers' Welfare-Contractors Awareness Forum to enhance awareness around workers' welfare Consulting with community members to identify local needs and concerns Collaborating with community partners such as non-profit organizations and schools to support programs related to culture and heritage, health awareness and sports development
	A Sound Social Structure	Enhancing public safety and security	<ul style="list-style-type: none"> Providing employees and contractors with ongoing Health, Safety and Environment training Maintaining business continuity plans and management Investing in various public infrastructure projects, such as the construction of a new primary school in Dukhan Township

QNV 2030	NDS 2018-2022	EXPECTATIONS/PRIORITIES	QP'S CONTRIBUTION
Economic Development			
Development of a competitive and diversified economy capable of meeting the needs of, and securing a high standard of living for, all its people for the present and for the future.	Sound Economic Management	Development of economic infrastructure	<ul style="list-style-type: none"> Investing in national energy and industry companies Ensuring innovation in research and development Improving operational efficiency and reliability Cultivating business opportunities with local suppliers and contractors in Qatar Issuing the QP Measurement Guidelines Version 2.0 for all oil and gas companies operating in Qatar, to ensure they follow a consistent set of governance protocols and standards.
	Responsible Exploitation of Oil and Gas	Efficient use of natural resources, which includes energy, oil and gas Reducing oil and gas costs to maximize efficiency	<ul style="list-style-type: none"> Improving efficiency to increase resources available for the sustainable development of the State of Qatar Reducing the offshore logistics costs for the industry Reducing operating costs
	Suitable Economic Diversification	Building a diversified economy	<ul style="list-style-type: none"> Attracting foreign investment into Qatar and expanding Qatar investments across the world Cultivating business opportunities with local suppliers and contractors in Qatar Focusing on innovation to identify new market/product potential (e.g., alternate, cleaner fuels)
Environmental Development			
Management of the environment such that there is harmony between economic growth, social development and environmental protection.	A Balance between Development Needs and Protecting the Environment	Sustainable environment	<ul style="list-style-type: none"> Managing and measuring our environmental footprint, from energy consumption to responsible use of water, materials and natural habitats Investing in various energy savings and efficiency programs
		Reducing emissions	<ul style="list-style-type: none"> Continually finding opportunities to reduce our direct and indirect GHG emissions, including through investment in cleaner forms of energy (e.g., LNG, GTL technologies and CNG) and maintaining a Continuous Emissions Monitoring System Implementing submarine cables from Ras Laffan to Halul Island to supply power, helping to reduce our carbon footprint Monitoring the GHG accounting, reporting and verification for all companies operating in Ras Laffan Industrial City Establishing a photovoltaic solar power plant in Qatar Introducing a blended diesel in Qatar with up to 50% ultra-low sulphur GTL diesel
		Cleaner water and improved waste management	<ul style="list-style-type: none"> Ensuring water stewardship through efficient and responsible use of water, including by operating water treatment facilities at each of our sites Managing effluents and waste, including through recycling programs and periodic inspections of our hazardous waste facilities Upgrading the capabilities of our Dukhan Sewage Treatment Plant
	Conservation of biodiversity	<ul style="list-style-type: none"> Investing in local community initiatives such as a five-year fish rescue project and a turtle conservation effort Conducting marine eco-surveys at regular intervals to assess the environmental impacts of our operations Undertaking two major coral relocation and monitoring projects around Halul Island and Ras Laffan Industrial City 	
Management of the environment such that there is harmony between economic growth, social development and environmental protection.	A Balance between Development Needs and Protecting the Environment	An increasingly environmentally aware population	<ul style="list-style-type: none"> Creating environmental awareness through activities such as QP's Waste Recycle Awareness event and Turtle Beach Clean Up Day.
		Promoting sustainable environmental practices Improved governance and outcomes	<ul style="list-style-type: none"> Organizing hands-on campaigns such as tree plantings that engage both employees and citizens in environmental stewardship. Fostering strong ethics, governance and transparency through a range of company-wide policies (including an Environmental Policy), a set of overarching corporate values and a new Business Ethics & Integrity Management Framework In partnership with the Global Board Center of IMD Business School in Switzerland, offering the High Performance Boards Program covering key aspects of corporate governance

SUSTAINABILITY PERFORMANCE:

THE YEAR IN REVIEW

03



▶ 1. SAFETY FOR ALL

SAFETY IS ONE OF OUR CORE VALUES. PART OF BEING A SUSTAINABLE BUSINESS IS ENSURING THE SAFETY OF ALL STAKEHOLDERS WHO ARE TOUCHED BY THE ORGANIZATION. WE ARE COMMITTED TO PROTECTING THE SAFETY OF OUR WORKFORCE, INCLUDING EMPLOYEES, CONTRACTORS AND SERVICE PARTNERS, IN ADDITION TO THE SAFETY OF COMMUNITIES CLOSE TO OUR FACILITIES, SO THAT THOSE OPERATIONS DO NOT HARM THEM NOR THE AIR, WATER OR LAND UPON WHICH THEY DEPEND.

By fulfilling our commitment to health and safety, we can help ensure the well-being of our people and the broader population of Qatar. We can also maintain our reputation as a safe and reliable energy producer and realize the vision of being one of the best national oil companies in the world.

MATERIAL TOPICS IN THIS CHAPTER:



- Workplace Health and Safety
- Emergency Preparedness
- Asset Integrity and Process Safety

2017 PERFORMANCE HIGHLIGHTS



38%

Reduction in lost time injury frequency rate (employees and contractors) from 2016



2,700+

employees and contractor staff completed our new Health, Safety and Environment training program



33%

Decrease in tier 1 process safety incidents from 2016



▶ WORKPLACE HEALTH AND SAFETY

WHY IT IS IMPORTANT

Exploring and producing hydrocarbons involves considerable safety and health risks, such as working with large, powerful equipment and flammable materials. Identifying and mitigating these risks is critical to preventing injuries and illnesses, maximizing our operational productivity and meeting economic performance objectives. A strong safety culture among employees and contractors ensures that they can work confidently, enjoy healthy, rewarding lives and contribute to their family well-being.

RELEVANT QP STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Strengthen QP's technical capabilities and operating model in Qatar
- Maximize upstream value to State of Qatar
- Promote energy efficiency and optimum energy mix in Qatar

STRATEGIC ENABLER

- Business process and corporate governance



MANAGEMENT APPROACH

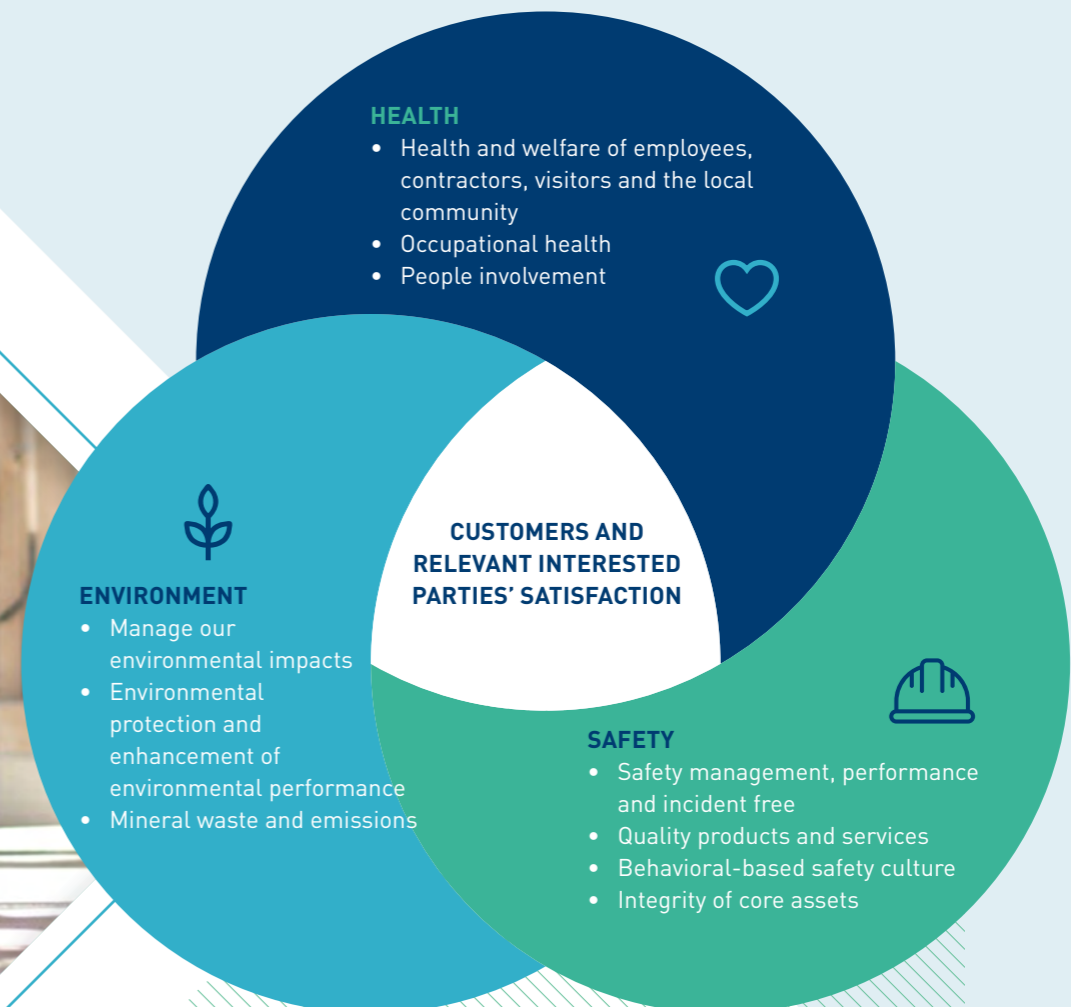
We care for our people and see safety as a priority for everyone. We are committed to an incident-free, secure, safe and healthy environment for our employees, stakeholders, partners and communities where we operate. With our sights set on exemplifying world-class safety performance, we have long had a Health, Safety, Sustainability and Environmental (HSE) Policy to guide our efforts, based on international best practices and applicable national and local regulations, including the necessary management systems, policies and procedures to deliver this program effectively. In 2017, we integrated the HSE program into our new Health, Safety, Sustainability, and Environmental & Quality Policy (HSSEQ).



Our goal is a work environment free from fatalities and serious injuries. To achieve this, we have a multi-faceted health and safety strategy in place, which includes:

- building a workplace safety culture to ensure behavioral and occupational safety of workers
- ongoing safety training, workshops and communication
- disciplined risk management practices, including safety risk identification and remediation so as to continuously improve our safety performance
- occupational hygiene programs and procedures to help prevent occupational illnesses
- employee wellness initiatives that focus on promoting mental, physical and emotional well-being
- Focusing on the safe management, operation and monitoring of our facilities and assets, and the quality of our products and services, which can impact the broader public.

WORLD-CLASS SUSTAINABILITY PERFORMANCE & MANAGEMENT



PERFORMANCE IN 2017

We continued to build on our safety performance in 2017. There were no fatalities, and we achieved a 38% decrease in our combined employee and contractor lost time injury frequency rate (from 0.24 in 2016 to 0.15 in 2017). This is our lowest level in six years. We also achieved a slight drop in our combined recordable injury rate for employees and contractors, from 0.64 in 2016 to 0.63 in 2017. These positive results suggest our ongoing health and safety efforts are proving effective, and benchmarking shows that we performed very well compared to the International Association of Oil & Gas Producers Association's average performance.

Out of the 15 occupational health cases reported in 2017 by employees and contractors, 14 were heat stress related. Heat stress has previously been one of the most dangerous work-related illnesses employees and contractors face.

We organized a dietary road show, entitled "Make a Summer Day a Healthy Day", in various QP locations to showcase nutrition tips and encourage healthy food choices. These events attracted the participation of many employees.

In Ras Laffan Industrial City – which is home to our vast infrastructural facility to support Qatar's North Field gas reserves – we earned an Outstanding Health, Safety and Environmental Certificate for achieving 15 million man-hours without lost time injury from 2014 to 2017.

Key 2017 initiatives:

- All our facilities within Dukhan oil and gas fields and Dukhan Concession Area were inspected to identify areas of non-compliance with our fire and safety policy. Based on the findings, we are upgrading fire and gas detection systems where necessary to reduce the potential threat to human safety and capital assets.
- We established and implemented a competence-based Health, Safety and Environment training program for 2,709 QP staff, end-users and contractors.
- We successfully activated and implemented our Crisis Management Plan as a result of the unjust blockade by some regional countries.
- To promote broader employee wellness, we held bi-annual healthy lifestyle forums for employees in each industrial city and worked with the Offshore Operators Forum to develop a medical fitness program for our offshore workforce in Qatar, including a joint industry enhanced offshore medical clearance card.

SAFETY INCIDENTS	2013	2014	2015	2016	2017
Lost-time injury rate (employees)*	0.62	0.32	0.39	0.11	0.23
Lost-time injury rate (contractors)*	0.87	0.31	0.40	0.28	0.13
Lost-time injury rate (employees and contractors)*	0.78	0.31	0.40	0.24	0.15
Total recordable injury rate (employees)*	0.95	1.08	0.87	0.50	0.68
Total recordable injury rate (contractors)*	1.29	0.86	0.71	0.68	0.61
Total recordable injury rate (employees and contractors)*	1.17	0.91	0.75	0.64	0.63
Employee fatalities	0	0	0	0	0
Contractor fatalities	1	1	0	1	0

OCCUPATIONAL ILLNESSES	2015	2016	2017
Occupational health cases reported (employees and contractors)	-	18	15
Heat stress events (employees)	7	1	5
Heat stress events (contractors)	42	4	9

*Per 1 million working hours



2018 PRIORITIES

- Develop relevant new HSE standards/procedures and revise existing ones to further strengthen our HSE Management system.
- Align HSE Risk Management component with Enterprise Risk Management Framework.
- Integrate management system audits of our facilities, vendors and third-party certification/inspection agencies.
- Identify HSE course materials that require revision and develop and update in line with the latest QP standards and current operational practice.



▶ BUSINESS CONTINUITY MANAGEMENT

WHY IT IS IMPORTANT

Operational incidents, external developments or natural disasters can strike at any time resulting in serious disruptions to our business. Maintaining a Business Continuity Management System (BCMS) enhances our resilience to address any business disruption.

RELEVANT QP STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Strengthen QP's technical capabilities and operating model in Qatar
- Maximize upstream value to the State of Qatar
- Maximize added-value of Qatar's downstream business

STRATEGIC ENABLER

- Business process and corporate governance

MANAGEMENT APPROACH

We take comprehensive efforts to prevent incidents that could compromise safety and address business disruptions. We have developed a comprehensive BCMS that includes crisis management, emergency preparedness and response, business continuity planning and information technology (IT) resilience.

We dedicate resources to developing and implementing the BCMS, so that in the case of an event, we can:

- respond in a timely and effective manner and minimize any potential harm
- providing accurate information to public authorities about the remediation actions taken to protect or re-establish health, safety and environment
- continue with delivery of products and services

Our efforts and the effectiveness of the overall system is regularly tested and exercised against pre-defined requirements.

With the world and us becoming increasingly digital, we have increased our vigilance against cyber threats, including employee education campaigns focused on online security.

PERFORMANCE IN 2017

- Upon the economic blockade against Qatar imposed by a number of countries, we immediately activated our business continuity plans to ensure the continuous safe and reliable energy supply to all our customers across the globe. This allowed us to remain in a "business as usual" mode despite the sudden challenges facing us. We turned these challenges into opportunities, such as introducing a vessel-borne marine fueling facility for all ships lifting any Qatari import or export cargoes, to enhance our self-reliance in fuel-oil bunkering solutions.
- In the Dukhan Field, we introduced real-time wellhead monitoring systems at all stations. These will alert operators to dangerous conditions and allow them to take corrective actions before failures and well blowouts occur (see case study below).
- During the annual Business Continuity Awareness Week, we delivered training related to business continuity management and conducted an awareness-building campaign to educate staff about cyber security issues.

CASE STUDY

REAL-TIME SAFETY MONITORING OF REMOTE WELLHEADS

THE CHALLENGE

In 2017, we introduced a real-time monitoring system network to improve safety at our Dukhan Field wells and better protect on-site personnel and equipment.

With more than 605 wellheads at Dukhan Field spread across a vast, 85 by 20 kilometre area, it was previously difficult to monitor pressure levels of the wellheads, creating a risk of sudden pressure build-up or pressure loss that could trigger well casing failures and dangerous blowouts. In addition to the large number of remote wells that required continuous supervision, a number of the wells are approximately 50 years old and could only be checked manually by examining individual pressure gauges.

HOW WE SUCCEEDED

To resolve the issue, we introduced a Supervisory Control and Data Acquisition (SCADA) network with sensors at each wellhead to track conditions and relay reports to a central control station.

As a result, operators will receive immediate warnings of any pressure build-up, so they have time to take corrective actions and either prevent or respond quickly to hazardous situations. This enables us to better relay emergency information and coordinate evacuation instructions to local staff.



2018 PRIORITIES

- Complete installation of the remaining platform safety/intrusion warning signs at Al Shaheen Field.
- Enhance communication protocols, as proposed by the Offshore Operators Forum, to cover emergency responses to all operators in Qatar offshore locations.
- Introduce more rigorous monitoring of personnel exposure to harmful emissions through a Leak Detection and Repair Study, periodic Naturally Occurring Radioactive Materials (NORM) studies of drilling equipment, and an employee communications campaign regarding occupational hazards at Halul and Al-Khalij Fields.
- Fully automate the business continuity management system.

ASSET INTEGRITY AND PROCESS SAFETY

WHY IT IS IMPORTANT

In an industry like ours, there is a high risk of major incidents that could arise from the release of hazardous materials and energy, potentially harming employees, the public, the environment and our assets. To mitigate these risks, leading companies in the petrochemical oil and gas industry have diligently worked to develop and implement robust process safety and asset integrity management systems. It is important to have such frameworks in place with well-structured processes and systems to prevent the occurrence of unplanned incidents and to mitigate the situation if they do occur.

RELEVANT QP STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Strengthen QP's technical capabilities and operating model in Qatar
- Maximize upstream value to the State of Qatar
- Maximize added value of Qatar's downstream business

STRATEGIC ENABLER

- Business process and corporate governance

MANAGEMENT APPROACH

Process safety is a disciplined framework for managing the integrity of operating systems and processes handling hazardous substances by applying good design principles, engineering and operating practices. Process safety is an important component of our overall safety management and focuses on preventing and containing major hazards – such as fires, explosions and toxic clouds from the releases of hazardous chemical substances – at all our onshore facilities and offshore installations, which could ultimately result in serious injuries, property damage, lost production and environmental impact.

Reflecting our commitment to protecting human life, safeguarding the natural environment and our business interests, we are implementing programs like Asset Integrity Management and Process Safety Management, which help ensure adherence to Qatar's Law No. 4 of 1977 and are aligned with relevant global standards, best practices and regulatory requirements.

We have in-depth emergency procedures to respond to major incidents if they occur, and we test the procedures regularly to ensure they are understood, suitable, effective and up to date. We have also established key performance indicators to regularly collect, collate and analyze data relating to incidents and performance of the management system.



Participants at our Process Safety and Risk Management Workshop.

PERFORMANCE IN 2017

There were 12 Tier 1 & 2 process safety incidents reported in 2017, up from four incidents reported in 2016. Most of the other incidents were classified as Tier 3 and consisted of minor leaks of oil, gas, other hydrocarbons, non-hydrocarbon chemicals and water. The increase in number of reported incidents is a result of process safety awareness campaigns led by regional management and safety personnel with support from corporate HSE&Q. By improving reporting and investigation of these process safety incidents, we learn valuable lessons that help us better prepare to pre-empt and remedy future incidents.

- To enhance risk management within Ras Laffan Industrial City, we created a Health Safety and Environment (HSE) Risk Management Strategy for this location. The plan will help ensure that HSE risks are effectively managed and aligned with international best practices in land use planning, engineering design and operational discipline.

- In Ras Laffan Industrial City (RLIC), we held our first Process Safety and Risk Management Workshop with representatives from the RLIC major asset operators (pictured, left). Participants shared knowledge and experiences in developing Process Safety Management systems to support safe and sustainable operations. These workshops will be held annually going forward.
- We began developing a process safety incident database to collect data from asset operators in RLIC relating to key performance indicators.
- We implemented an Alarm Management System at Idd El-Shargi Field North Dome, to reduce fatigue among plant control room operators and improve focus on managing critical alarms.

PROCESS SAFETY EVENTS	2013	2014	2015	2016	2017
Tier 1 process safety events	-	1	0	3	2
Tier 2 process safety events	-	1	0	1	10
Tier 3 process safety events	228	255	250	400	645
Critical asset damage incidents	183	201	246	150	154

QP Refinery in Mesaieed



CASE STUDY

PROTECTING ASSETS THROUGH SAFETY EXCELLENCE

In May 2017, we launched a Safety Excellence Initiative to help manage the implementation of all safety-related initiatives and programs across the Corporation. Led by Mr. Ahmad Saif Al-Sulaiti, Executive Vice President of Operations, and an executive steering committee, this initiative will enable us to leverage various pockets of excellence within the organization to improve our overall safety performance.

With the "One QP" mentality, this program will focus on creating synergies and alignment among all safety initiatives and drive effective implementation with the end goal of assuring stakeholders that, "Our assets are safe, we know it and can demonstrate it."



2018 PRIORITIES

- Implement the QP Major Accident Hazards Management Framework (MAHMF) requirements across our operations and deliver awareness sessions to educate relevant staff.
- Improve process safety management within our assets/facilities, with a focus on identifying process safety leading and lagging KPIs.
- Develop corporate standard for 'Management of Change' that will contribute to improving process safety in all our projects and operations.
- Establish robust process safety management by integrating current processes and addressing missing areas required for a well-established, integrated and structured management of risks associated with our assets and operations.

CASE STUDY

DEVELOPMENT OF REGIONAL ACCEPTANCE CRITERIA FOR QP FIXED OFFSHORE STRUCTURE

Our production fields play a crucial role in meeting the oil production and gas export targets by maintaining Corporation's marine crude oil production commitments. These platforms produce crude oil, associated gas and condensate. Oil and condensate are transferred through pipelines to Halul Island for storage and export, while associated gas is compressed and sent to Mesaieed via our PS-1 production station.

In 2018, we shall explore the possibility of developing Regional Acceptance Criteria and carry out the Structure Integrity Assessment for all our offshore platforms. To that end, we have set up a working group from our respective departments to prepare the project scope of work. The project execution plan will be implemented in phases with expected completion date in mid-2020.



2. RESPECT FOR OUR PEOPLE - THE QP PEOPLE AGENDA

TO ACHIEVE OUR VISION TO BE ONE OF THE BEST NATIONAL OIL COMPANIES IN THE WORLD, WE ARE IMPLEMENTING A MAJOR CHANGE PROGRAM, CALLED THE 'QP PEOPLE AGENDA'.

The QP People Agenda consists of several initiatives (projects) which are critical to the successful achievement of QP's Vision. Together, these initiatives will deliver a new way of managing people in QP, in line with international standards.

The initiatives within the QP People Agenda are summarized into 3 Focus Areas, each supporting the journey towards our Vision.

Growing Talent & Resourcing: growing a highly capable and motivated workforce, with emphasis on Qatari development.

This Focus Area relates to building and connecting all elements of talent management and ensuring that they align to international standards: workforce, succession and replacement planning, resourcing and recruitment, onboarding and offboarding, leadership development, professional development, learning, performance management and engagement & rewards.

Competencies, the knowledge, skills and behaviors needed to do a job up the required standard, will connect our talent processes and will be used to build the capabilities required for our business. Human Capital, cloud-based technology, SAP SuccessFactors, will be used as another means to connect these talent processes.

Driving Organisation Excellence: driving sustained performance within QP; its structure, processes, systems, policies, people and culture.

Examples of initiatives in this Focus Area are: the introduction of a common way to manage change, based on international standards ('the Change Management Toolkit) and the introduction of an Integrated Organisation Design Framework (IODF) which ensures a standardized and integrated approach towards the redesign of organizational structures, mandates, job descriptions and job evaluation.

Enhancing employee Welfare and Engagement: enhance the affiliation of employees with QP and their commitment to collaborate thereby leading to increased performance.

Examples of initiatives in this Focus Area are the creation of the Human Capital Service Centre (consisting of a Human Capital helpdesk, a Human Capital call centre, a Human Capital E-helpdesk and related processes) and holding multiple engagement events with staff such as townhalls, gallery walks, workshops and other events.

HUMAN CAPITAL FOCUS AREAS		
Growing Talent & Resourcing	Driving Organizational Excellence	Enhancing Employee Welfare & Engagement
Growing a highly capable and motivated workforce with emphasis on Qatari development	Driving sustained performance of QP's organization; its structure, processes, systems, policies, people and culture	Enhancing the affiliation of employees with QP and their commitment to collaborate, leading to increased performance
Key principles: <ul style="list-style-type: none"> • Right number of people with the required competencies. • Capability building through fit for purpose development interventions for employees. • Diversity of our people as a source strength. 	Key principles: <ul style="list-style-type: none"> • Systematic and transparent organizational structure which supports the long term business goals. • Changes managed appropriately • Employee processes and data managed appropriately • Clearly defined responsibilities in relation to people policies. • Robust, transparent and equitable people policies. 	Key principles: <ul style="list-style-type: none"> • Employee feedback and contribution is valued. • Onboarding which makes new joiners feel valued and respected. • Inclusive work environment which encourages open and respectful dialogue. • High performance is recognized. • Effective and timely customer service.
QP PEOPLE AGENDA		

2017 PERFORMANCE HIGHLIGHTS



1,268

Long-serving employees received recognition for working 10 or more years for QP



134,000

Hours of training provided to QP employee

MATERIAL TOPICS IN THIS CHAPTER:

- Talent Attraction, Retention and Engagement
- Training and Education
- Qatarization
- Workers' Welfare



2017 Open house poster session

INTEGRATED TALENT MANAGEMENT

WHY IT IS IMPORTANT

We will be well positioned to achieve our vision if we have the best quality people. By attracting and developing top talent, by motivating them to contribute their best work, and by encouraging them to build their careers at QP, we can create a high-performing team that will deliver our corporate strategy.

MANAGEMENT APPROACH

Integrated Talent Management is essential to the success of the QP People Agenda, in particular the 'Growing Talent and Resourcing focus area. The visual below shows the talent processes it includes which cover the entire employee 'life cycle.' Our talent processes are aligned to the corporate strategy and business plans and will be connected through Human Capital, cloud-based software.

RELEVANT QP STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

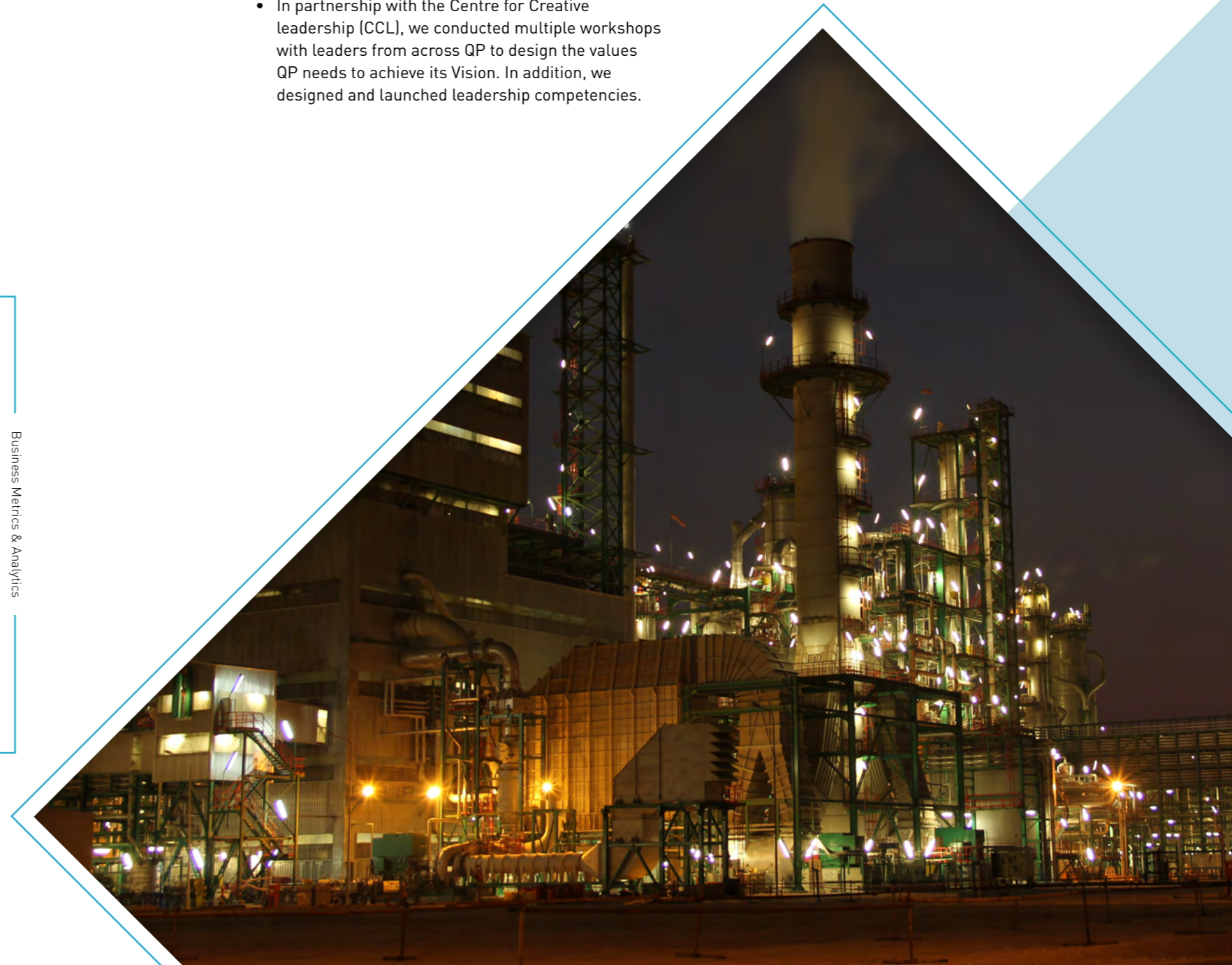
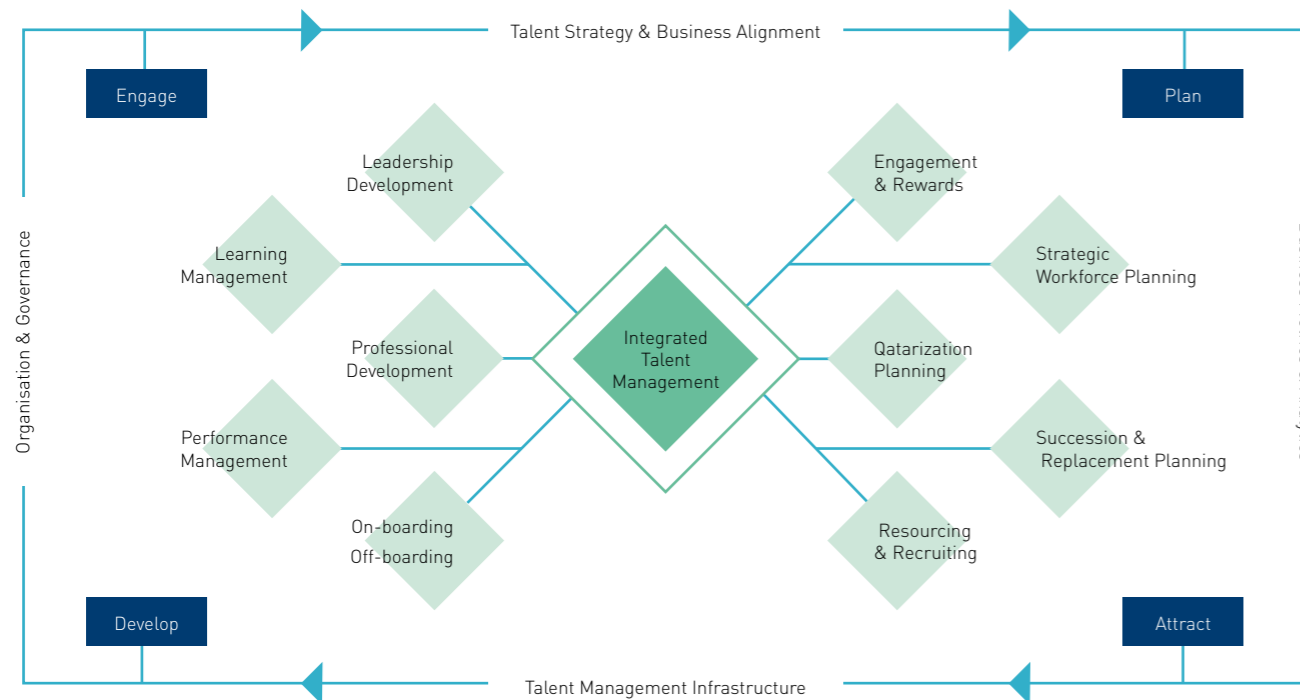
- 1 Strengthen QP's technical capabilities and operating model in Qatar

STRATEGIC ENABLER

- 4 Human capital
Commercial and M&A capabilities

PERFORMANCE IN 2017

- To bring our new People Agenda to life, we began reviewing our talent processes, and aligning them to international standards. For example, we reviewed how we develop our vocational trainees, ensured it met business requirements and reduced the time for these trainees to take up their first role. We also overhauled our English language training program.
- In partnership with the Centre for Creative leadership (CCL), we conducted multiple workshops with leaders from across QP to design the values QP needs to achieve its Vision. In addition, we designed and launched leadership competencies.
- In collaboration with Insead business school and Cranfield University, we designed development programs for our leaders, based on these leadership competencies. The first programs started in 2017.



- We unveiled a new onboarding program to better integrate new employees into the organizational culture and engage them as productive members in the shortest possible time. The program is comprehensive, providing new employees with various forms of professional, cultural, social and developmental support. The satisfaction rate of new employees who underwent the onboarding program in 2017 was 97%
- To ensure we have a healthy talent pipeline of future leaders, we designed a new succession planning process. A pilot was successfully completed in 2017.
- We identified jobfamilies (jobs which share a common purpose) and kicked off the work to map their competencies, with priority given to technical jobfamilies.
- Furthermore, under our Operations Excellence initiative, we created two new programs to enhance the effectiveness and efficiency of our human capital: "Competency Development and Assessment" for talent management, and "Frontline Staff Alignment and Engagement" for effective communication. The latter program aims to ensure consistent, clear and timely communication to all staff on targets, progress, results and issues, so that we foster an open workplace.
- QP hosted a series of Continuous Service Awards Ceremonies to recognize the contributions of our long-term employees. Held at the QP headquarters in West Bay, employees represented various directorates and departments, and included a wide range of nationalities. A total of 367 employees were acknowledged for their 20, 25, 30, and 35 years of service, including 30 employees who achieved a career milestone of 40 years of service at QP. In addition, 871 employees were recognized for completing 10 and 15 years of service with QP.

2017 CONTINUOUS SERVICE AWARDS

YEARS OF SERVICE	NUMBER OF RECIPIENTS
10	585
15	286
20	192
25	90
30	37
35	48
40	30



2018 PRIORITIES

- Roll out the Strategy and Values across the company
- Continue the implementation of leadership programs (top-mid-level and front line leaders)
- Roll out the succession planning process
- Complete design of technical competency frameworks
- Configure and test the technology which will integrate and connect our talent processes

▶ LEARNING AND DEVELOPMENT

WHY IT IS IMPORTANT

Learning and development is crucial because it provides our people with the necessary competencies to do their job to the required standard. It also drives employee engagement and affiliation with QP.

MANAGEMENT APPROACH

We put great emphasis on our leading role in talent management in the Energy and Industry sector of Qatar. We are dedicated to advancing knowledge and learning as important tools for the development of our corporation and the Sector. To do so, we support vocational learning to provide technical and administrative training to young Qataris and new trainees through a variety of internationally-recognized vocational programs, including a diploma program, technical certificate program and fireman certificate program, in addition to workplace learning.

We run short technical and non-technical programs to help current employees improve their performance and develop skills to enable them to better align with corporate goals. We provide and maintain professional training resources and facilitate local and overseas training. These programs are available in a variety of delivery methods from traditional and virtual classrooms to instructor-led or self-paced methods. There is a two-level training evaluation system to ensure continual development and high-quality training services.

RELEVANT QP STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- 1 Strengthen QP's technical capabilities and operating model in Qatar

STRATEGIC ENABLER

- 4 Human capital

PERFORMANCE IN 2017

- We continued to advance the capabilities of our people through training and development.
- More than 490 technical and non-technical training programs were run in-house, and over 100 online courses were available to employees.
- Building leadership capability remained a priority last year, and we ran several executive education courses and sponsored business management programs.
- We supported youth and new professionals through work-integrated learning programs and internships.

2018 PRIORITIES

- Continue roll out of the leadership programs
- Prepare for the introduction of a new learning management system with refreshed content

▶ QATARIZATION

WHY IT IS IMPORTANT

In support of the QNV 2030, Qatarization is an integral part of Qatar Petroleum's strategic workforce planning. This process ensures that a 5-year workforce plan is developed so that the right positions are available at the right time for our Qatari talent. It also enables us to assess demand for Qatari nationals over the planning period and feed into development decisions.

RELEVANT QP STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- 1 Strengthen QP's technical capabilities and operating model in Qatar

STRATEGIC ENABLER

- 4 Human capital
Commercial & M&A Capabilities

MANAGEMENT APPROACH

We are actively involved in an industry-wide undertaking to implement the first comprehensive Strategic Qatarization Plan developed for the energy and industry sectors. Specifically, the Quality Qatarization program aims to develop Qataris to a standard comparable to their counterparts around the world. It emphasizes developing key, sensitive positions at QP by applying competency-based, not time-based, training and development.

To do so, our Learning and Development Department manages the intake for the majority of Qataris and coordinates core training through a variety of programs. Some Qataris join the company at either senior staff or junior staff levels depending on their qualifications either as a direct hire or in a development capacity, where they receive a tailored development plan targeted for a future position.

To measure QP's progress in supporting the Strategic Qatarization Plan, we regularly monitor, review and update our internal plans and provide regular updates to an overseeing, industry-wide Steering Committee and sub-committees dealing with recruitment and training and development.

Many key elements of the program are managed by our Learning and Development Department. They include:

- Attracting, recruiting, training and preparing Qatari high school and university students to assume posts in QP and the energy and industry sector in general
- Supporting the recruitment, educational sponsorship and development of Qatari nationals
- Managing educational sponsorships for high-potential Qatari students and our trainees
- Designing oil and gas competency-based vocational, academic and professional training programs in

collaboration with our functional leaders and in line with strategic priorities and objectives

- Facilitating the placement, career progression and professional development of Qatari nationals in line with our Qatarization plans
- Delivering development programs on effective leadership and design individual development plans for our future leaders as part of the corporation's Leadership Development Framework.

To further support the workforce needs of the energy and industry sector and develop a larger pool of academically-certified Nationals with qualifications for specific specialization, we offer scholarships to eligible Qatari students and employees to pursue university study program. Our Academic Affairs group helps recruit, select and induct new students into university programs, monitor and support their academic performance and works with Human Resources and other relevant departments to integrate sponsored students into internship programs within our workforce.



PERFORMANCE IN 2017

We held our first Mustaqbalna ("our future") event for our employees who are Qatari Nationals, to better involve and align these individuals under our corporate strategy, business plan and future direction. (See case study on next page)

- In December 2017, we honored Qatari graduates who joined the company's employee ranks. Specialized in 24 different disciplines, these honorees successfully completed their academic and training programs under our scholarship program, including studies at distinguished universities in Qatar, France, the US and the UK. All graduates were presented with certificates of appreciation, while outstanding graduates in their fields of specialization also received symbolic gifts from our President and CEO Mr. Saad Sherida Al-Kaabi (pictured, right).
- We introduced the E-Progress Report (E-PR) for Nationals on Development to improve the efficiency and quality of monitoring Qatari performance. The E-PR automated process will aid the planning of assignments, align workflow and enable auditable tracing of development progress by Nationals. Workshops were conducted across all our work locations to inform users in all directorates and corporate departments on how to use the new system.

- We took part in the 17th Annual Qatarization Review Meeting for the Energy and Industry sector, to recognize companies for their accomplishments in the field of Qatarization. Currently, 36 companies are participating in the Strategic Qatarization Plan. The number of Qataris employed by the energy and industry sector has more than tripled in 17 years.
- More Qatari students pursuing studies in various academic disciplines have benefited from our sponsorship program in 2017.



QP President and CEO, Mr. Saad Sherida Al-Kaabi, gave recognition to Qatari nationals during our graduate recognition ceremony.

2018 PRIORITIES

- Achieve our Qatarization targets
- Invest strategically in the professional and personal development of Qatari employees and students.

CASE STUDY

QP'S FIRST EVER 'MUSTAQBALNA' ENGAGES NATIONAL EMPLOYEES

As part of our commitment to augmenting the leadership capabilities of Qatari Nationals under development, we organized our first annual 'Mustaqbalna' (our future) event for more than 400 Nationals employed at various QP locations. The event was designed to show Nationals that they are valuable contributors to our future, by enabling them to meet members of the Executive Leadership Team and selected managers to increase their knowledge of our corporation's strategy and future direction.

For example, during a panel discussion led by Mr. Saad Sherida Al-Kaabi, President & CEO, employees gained knowledge of our corporation's activities over the past three years as well as insights into future developments on topics such as global energy demand, the role of renewables in our strategy and plans to raise LNG capacity. Newcomers were also presented with a holistic view of their roles, the main challenges and the future they hope to shape. The interactive setting also empowered participants to address any concerns and learn what is expected of them.

Participants enjoyed the opportunity to meet leaders from various departments, share experiences and build their own networks among their peers for future collaboration.

400+ NATIONALS PARTICIPATED IN OUR MUSTAQBALNA EVENT

"WE ARE DEPENDING ON YOU AS THE NEXT GENERATION OF LEADERS TO TAKE THIS CORPORATION INTO THE FUTURE. OUR NEW CORPORATE STRATEGY FOCUSES ON DEVELOPING A HIGHLY CAPABLE AND MOTIVATED WORKFORCE ACROSS THE WHOLE ORGANIZATION WITH SPECIAL EMPHASIS ON QATARI DEVELOPMENT. OUR PEOPLE ARE OUR TRUE STRENGTH."

-Saad Sherida Al-Kaabi, QP President and CEO



▶ WORKERS' WELFARE

WHY IT IS IMPORTANT

Protecting the welfare of our workers, including treating them with respect, dignity and in accordance with universally accepted principles of human rights, is essential to creating a best-in-class workplace and serving as an example to other employers. Qatar's National Vision embodies the principles of the Permanent Constitution, which 'protect public and personal freedoms, promote moral and religious values and traditions, and guarantee security, stability and equal opportunities'.

RELEVANT QP STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME
1 Strengthen QP's technical capabilities and operating model in Qatar

STRATEGIC ENABLER
4 Human capital



MANAGEMENT APPROACH

We are committed to complying with international standards regarding worker welfare, workplace conditions and associated human rights, first and foremost to act in alignment with our core values.

PERFORMANCE IN 2017

- We launched the Human Capital Service Center, one of the initiatives of our new People Agenda. Designed to enhance employee welfare and engagement, the center consists of a helpdesk at our headquarters, an E-helpdesk and a call center to provide employees with support and advice on various human resources and learning and development services.
- Our health team developed and launched a new portal on QP's intranet, with interactive and informative tools for all staff, including health calculators, tips and presentations.
- In Dukhan, we hosted a Workers' Welfare-Contractors Awareness Forum (see case study on next page).
- We deployed new cafeteria services in four buildings, with plans to add another two cafeterias shortly, to provide employees with full-fledged services that include a wide range of healthy options, beverages and snacks at reasonable prices.



In line with nation-wide celebrations of National Sports Day in Qatar, we organized a range of sport activities for employees and their families. The fun festivities attracted a larger number of people who reaped health benefits.

- Marking World Health Day, we held a health awareness event at our corporate headquarters. The event focused on a "healthy heart" to raise awareness of heart diseases and preventative measures, including good lifestyle choices.
- In line with nation-wide celebrations of National Sports Day in Qatar, we organized a range of sport activities for employees and their families. Our fun festivities attracted a larger number of people who reaped health benefits.
- At our operations in Mesaieed, we organized our fourth annual Food Control & Hygiene Awareness Session, aimed at promoting a safe and secure food safety environment.
- We launched shuttle bus services between our buildings in the West Bay area to help ease employee travel.



A representative of our Human Capital Service Center offers advice on QP services for employees.

CASE STUDY

FOCUSING ON WORKERS' WELFARE

More than 140 attendees, including QP staff, contractors and business partners, took part in a Workers' Welfare-Contractors Awareness Forum at the Dukhan Concession Area (DCA), to learn about efforts to secure the social welfare of workers in the QP industrial cities.

Hosted by QP in collaboration with the Ministry of Interior (MOI), the event was organized to enhance awareness about issues related to workers' welfare. In addition to presentations about the proposed emergency response measures for all temporary site facilities in DCA, participants also learned about the functions of the MOI's Exit Permit Grievances Committee. Following the presentations, employees raised issues during a question and answer session with QP and MOI representatives.

PARTICIPANTS AT OUR WORKERS' WELFARE-CONTRACTORS AWARENESS FORUM.



2018 PRIORITIES

- Continue promoting and supporting the welfare of our employees, with a focus on human rights.

DIVERSITY & EQUAL OPPORTUNITY

WHY IT IS IMPORTANT

In QP we consider diversity as a source of strength. We value the inherent differences of our workforce, including gender, age, religion and nationality. We foster a culture of inclusiveness, exemplified by behaviors that welcome and embrace diversity. A diverse workforce brings together a wide range of perspectives and experiences, which helps to achieve organizational goals through collaborative decision making and teamwork. This enables employees to feel valued and respected.

MANAGEMENT APPROACH

We have imbedded respect as one of our core values to transform the working culture, shared mindset and behaviors. This demonstrates that we value our diversity and each individual's contribution.

PERFORMANCE IN 2017

- Our workforce consists of 84 different nationalities as of the end of 2017.

RELEVANT QP STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

1 - Strengthen QP's technical capabilities and operating model in Qatar

STRATEGIC ENABLER

4 - Human Capital



3. EXCELLENCE IN OUR OPERATIONS

FROM OUR ROOTS AS A LOCAL CORPORATION INITIATING OIL PRODUCTION 70 YEARS AGO, WE HAVE DEVELOPED INTO A MAJOR ENERGY PLAYER WITH A STRONG INTERNATIONAL PRESENCE ACROSS THE FOUR CORNERS OF THE GLOBE.

Through our evolution, we have always focused on excelling in our operations, as a key platform for our economic prosperity. Economic success – through a focus on achieving sustainable financial returns, continually improving operational efficiency and investing strategically in innovation, creates significant value for us and for Qatar as a whole.

MATERIAL TOPICS IN THIS CHAPTER:

- Economic Performance
- Innovation in Research and Development
- Operational Efficiency and Reliability

2017 PERFORMANCE HIGHLIGHTS

232,300
Barrels per day of crude oil production

SAP
transformation program, launched to improve operational efficiency



ECONOMIC PERFORMANCE

WHY IT IS IMPORTANT

Our success depends on achieving positive and sustainable economic performance. When our organization performs well, we generate significant socio-economic benefits for our stakeholders. Given the considerable impact we have on the national economy, it is vital that revenues and profitability are reliable and predictable irrespective of changes to global energy markets.

MANAGEMENT APPROACH

Our goal is to deliver positive, consistent fiscal performance that generates economic benefits for all of our stakeholders and ensures we have adequate financing and investment to support and grow our oil and gas operations. To achieve this, we:

- Operate an integrated business model across the value chain.
- Focus on diversification and development of downstream value-added industries, which can provide stable returns.
- Maintain an oil price mitigation strategy to respond to different oil price scenarios and deploy appropriate measures to mitigate the impact on cash distribution to the State.
- Follow a group cost optimization program with our subsidiaries and joint ventures.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Maximize upstream value to the state of Qatar
- Create large scale value adding, growing international portfolio
- Maximize added value of Qatar's downstream business

STRATEGIC ENABLER

- Commercial and M&A capabilities
- Asset portfolio management
- Business process and corporate governance



PERFORMANCE IN 2017

The past few years have been tough for the oil and gas sector globally due to weak demand and low prices, and 2017 was no different. Additionally, last June an unprecedented blockade imposed against the State of Qatar by several surrounding countries challenged the economic fortunes of all organizations and the entire country.

We continued to effectively conduct our business through these challenges. Our strategic positioning helped reduce the impact, which ensured the continuous safe and reliable supply of energy to all of our customers across the globe.

- Our crude oil production was 232,300 barrels per day (bpd), down slightly from 234,400 bpd the previous year.
- Through continued implementation of the Operation Excellence Program with LNG joint ventures, we achieved LNG production of 78 MMTPA – surpassing previous records.
- We announced our intention to double the size of our new gas development in the southern sector of the North Field, which will effectively raise Qatar’s annual LNG production from 77 million to 100 million tonnes by 2022-23. This will further enhance our position as the world’s largest LNG producer and exporter and our international reputation as a reliable energy provider.

- We delivered new projects with substantial revenue potential, which will help build and sustain our operations for the future. For example, we acquired a 30% participating interest in an exploration and development project in the offshore Sultanate of Oman, and together with Shell and China National Offshore Oil Corporation, we won a bid to explore part of the Santos hydrocarbon basin offshore Brazil, considered one of the most promising hydrocarbon prone areas in the world.
- To reduce the offshore logistics costs for the industry, our Offshore Operators Forum – whose objective is harnessing synergy, enhancing efficiency and sharing insights from the various operations to achieve excellence in terms of safety, operational expenses and performance efficiency – established a Joint Aviation Operation Centre for realizing better use of helicopters and achieving significant cost savings for the operators. A similar initiative has been initiated for marine logistics.
- We successfully handed over the operatorship of Al-Shaheen field from Maersk Oil Qatar (MOQ) to a new venture North Oil Company (NOC), effective 14th July 2017.

OPERATIONAL PRODUCTION	2013	2014	2015	2016	2017
Crude oil production (barrels per day)	262,400	234,200	232,600	234,400	232,300
North Field lean gas (mmscf/d)	774	723	580	788	701
Refinery throughput (thousand barrels per day)	114.815	120.838	114.911	121.203	116.012

2018 PRIORITIES

- Implement programs to sustain oil and gas production levels at all our facilities with special focus on Al-Shaheen and ISSD/ISND.
- Through the Offshore Operators Forum, make efficient use of offshore logistics to realize potential cost savings and explore opportunities for sharing/optimizing offshore accommodation and construction vessels amongst the operators.
- Implement the findings from the Dukhan facilities upgrade study.
- Reduce operating costs.
- Address well integrity at Al-Shaheen, Al-Karkara & Bunduq.
- Conduct extensive asset integrity activities at Al-Khalij, Al-Shaheen, ISND/ISSD, Al-Karkara and Bunduq fields and improve corrosion management practices at Al-Shaheen and Al-Khalij.

CASE STUDY

DUKHAN FACILITIES UPGRADE STUDY

To sustain and enhance oil and gas production from Dukhan Fields, we undertook an integrated study in 2017 to identify and evaluate multiple opportunities of secondary and tertiary Enhanced Oil Recovery (EOR) techniques.

Based on the findings, in 2018 we will proceed to develop the most promising techniques and procure and install adequate facilities to meet the production forecast.



Dukhan Fields offers promising long-term oil and gas development opportunities for QP.



▶ INNOVATION IN RESEARCH AND DEVELOPMENT



Our Field Development Poster session during the 2017 Open house

RELEVANT QP STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Strengthen QP's technical capabilities and operating model in Qatar
- Maximize upstream value for the State of Qatar
- Create a large-scale, value adding, growing international upstream portfolio

STRATEGIC ENABLER

Business Process and Corporate Governance

WHY IT IS IMPORTANT

As the oil and gas market continues to be tough, innovation in research and development is a key enabler to unlock potential opportunities, reduce our environmental footprint, ensure safer ways of doing business and secure our future as an energy producer. Organizations that can innovate will be most competitive and successful in the future.

MANAGEMENT APPROACH

We are dedicated to continuous improvement of our operating process and as such, we periodically review all our operating procedures in line with emerging proven technologies and best international practices. We also generate new models to ensure world-class management of our fields. For example, New Generation Models were developed for our Dukhan field in 2016 and in 2017; the fields were re-optimized based on the new models.

As part of our continuous improvement drive, we carry out structured risk assessments and use a criteria-based approach to mitigate key risks identified from the assessment. This approach supports well integrity management during well operations as well as enables proper well abandonment at the end of well's life or in the event of lost well integrity.

PERFORMANCE IN 2017

- In April 2017, we conducted our second In-House Technology Open House (pictured), aimed at showcasing and sharing the department's technical accomplishments, capabilities and novel workflows/innovations.
- We performed an in-house study to optimize our Dukhan matrix stimulation program and improve wells' productivity/injectivity. The optimized stimulation parameters determined from the study are under implementation.
- We conducted a field-wide system review to optimize gas lift performance at well and network levels.
- A workflow was developed and implemented for optimizing horizontal wells lateral via combining reservoir simulation output with wellbore simulation using a newly acquired software application tool.



At our technology open house, participants learned about innovations at QP.



2018 PRIORITIES

- Implement the 2017 Field Development Plan and the Reservoir Management Plan based on the New Generation Models previously developed.
- Continue with our knowledge-sharing program and expand it to cover more topics from other disciplines.
- Extend our 3D geo-mechanical model and keep it evergreen.

▶ OPERATIONAL EFFICIENCY AND RELIABILITY



Our Field Development Poster session during the 2017 Open house

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Maximize upstream value to the state of Qatar
- Maximize added value of Qatar's downstream business
- Promote energy efficiency and optimum energy mix in Qatar

STRATEGIC ENABLER

- Business process and corporate governance

WHY IT IS IMPORTANT

Especially in uncertain economic times, it is vital for us to maximize the value of oil and gas production. In addition, it is essential that we reduce operational costs, and become more efficient at what we do best, to increase resources available for the sustainable development of the State of Qatar.

MANAGEMENT APPROACH

Achieving and sustaining gains in operational efficiency and performance are ongoing priorities. We continue to identify ways to improve production processes, streamline operations and reduce energy and water intensity, all of which help optimize costs.

We have a range of strategies and programs in place to deliver continuous improvements in these areas. A centerpiece of this effort is our Operations Excellence Program. Launched in 2015, the program aims to capitalize on synergies between our four main upstream operations – Dukhan, Offshore Fields, Mesaieed Operations and Refining – and establish effective collaboration by adopting standardized best practices and sharing expertise. This initiative is a major business transformation over a five-year timeframe, driven by the motto of **“doing the right thing in the right way, everyday.”**

To ensure the reliability of our operations into the future, we invest in the next generation of reservoir models as well as our in-house capabilities, such as our recently launched Petroleum Lab that performs analyses previously outsourced to third party laboratories.



Our Field Development Poster session during the 2017 Open house

PERFORMANCE IN 2017

During 2017, we continued to realize operational efficiencies through various steps. For example, we launched the SAP Transformation Program, with the aim of deploying state-of-the-art systems and technologies that will directly impact current ways of working and will improve our effectiveness and efficiency in our business activities and processes. There are six projects under the scope of the program, including:

- The Mobile Work Manager Project, which is focused on implementing a cloud-based mobility solution covering the processes of fire truck inspection, fire/safety equipment inspection and performance testing of fire/safety equipment.
- The Management of Change project, which aims to improve the processes of plant change requests, minor impact changes and system changes.
- Completing installation of safety/intrusion warning signs on platforms at Al-Shaheen.
- Enhancing the Alpha Seven Sierra (A7S) communication protocol as proposed by the Offshore Operators Forum (OOF), to cover emergency response for all offshore operators in Qatar.
- More rigorous monitoring of personnel exposure to harmful emissions via the Leak Detection and Repair (LDAR) Study.
- A structured risk assessment was performed for the purpose of restoring well integrity by running 5” liner/casing for wells with corroded 7” casing. For mitigating key risks identified from the assessment, a criteria-based approach was developed and is under implementation. This approach will support well integrity management during well operations as well as enable proper well abandonment at the end of well's life or in the event of lost well integrity.
- Well integrity investigation and integrity repair workovers continued during 2017. Workovers were identified, prioritized and executed at dedicated rigs.

We initiated and implemented cost reduction initiatives by:

- Internally evaluating and ranking the project portfolio of new drill and workover projects.
- Reviewing Data Acquisition Plans and ranking them based on value of information for cost optimization

This strategy led to substantial contractual cost reductions for data acquisition activities via enabling competitive bidding coupled with a structured negotiation approach.

Research is ongoing to find opportunities to improve operational procedures. Last year, for instance, we completed an in-house study to optimize our Dukhan matrix stimulation program and improve wells' productivity/injectivity. The optimized stimulation parameters determined from the study are under implementation. In addition, we performed a structured risk assessment to support well integrity management during well operations as well as enable proper well abandonment at the end of a well's life.

Also in 2017, we continued to re-organize our company – through our new corporate strategy and new people agenda – to be more focused, cohesive and adaptive. These initiatives are discussed in other areas of this report.

CASE STUDY

CO₂ WAG (WATER ALTERNATING GAS) INJECTION PILOT PROJECT AT DUKHAN

To sustain and enhance oil and gas production from Dukhan fields, we conducted a study (Dukhan Field Integrated Study - DFIS) that identified and evaluated multiple opportunities of secondary and tertiary Enhanced Oil Recovery (EOR) techniques. The selected techniques will be implemented in a phased manner.

The project will add value economically and environmentally as more oil will be recovered and part of the injected CO₂ will be sequestered in the reservoir, resulting in less CO₂ emissions into environment.

2018 PRIORITIES

- Continue to implement our Operations Excellence Program.
- Realize cost savings through efficient use of offshore logistics and accommodation sharing.

▶ 4. RESPONSIBILITY FOR THE ENVIRONMENT




WE ARE COMMITTED TO PROTECTING OUR SHARED NATURAL ENVIRONMENT BY ALIGNING WITH WORLD-CLASS ENVIRONMENTAL STANDARDS AND PRACTICES.

We believe this makes good business sense, particularly in a region suffering from water scarcity, finite hydrocarbon resources, low air quality and fragile natural habitats. To achieve this, we use proactive environmental management, implement optimization programs, and invest in leading technologies and ground-breaking projects that are recognised internationally. Measuring and managing a range of material environmental issues supports the achievement of our corporate strategy, and creates value for our Corporation and the country.

MATERIAL TOPICS IN THIS CHAPTER: 🔍

- Climate Change Mitigation and Adaptation
- Air Emissions
- Energy Efficiency
- Water Stewardship
- Effluents and Waste Management
- Biodiversity and Economic Impacts

2017 PERFORMANCE HIGHLIGHTS

-  **11.5%**
Reduction in direct GHG emissions from 2016
-  **7.5%**
Decrease in energy consumption from 2016
-  **4.3%**
Reduction in hazardous waste generated from 2016

▶ CLIMATE CHANGE MITIGATION AND ADAPTATION

WHY IT IS IMPORTANT

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. The impacts of a changing climate affect our own business operations, as well as communities in Qatar and regions around the world, since these issues have no boundaries.

our operations. We also manage air quality and the release of GHG emissions (including methane) as well as sulphur dioxide (SO₂) and hydrogen sulfide (H₂S) into the atmosphere.

In addition to addressing our own GHG emissions, the State of Qatar has given us the unique responsibility of acting as the GHG controller for the entire Ras Laffan Industrial City. We monitor GHG accounting, reporting and verification for all companies operating here to ensure effective performance around lowering GHG emissions.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS
STRATEGIC THEME <ul style="list-style-type: none"> - Strengthen QP's technical capabilities and operating model in Qatar - Reinforce LNG and global gas position - Promote energy efficiency and optimum energy mix in Qatar
STRATEGIC ENABLER <ul style="list-style-type: none"> - Asset portfolio management - Business process and corporate governance

ADAPTATION

We are adapting our organization by building resilience to a changing climate. For example, we realized the need to protect our shoreline facilities and initiated the Coastal Erosion and Shoreline Protection of our facility at Halul Island. The Halul Island is a strategically important island due to its use as a storage and export terminal, for marine crude oil from our offshore oil fields. Regions of the island's shoreline are retreating due to coastal erosion. We introduced defenses to prevent damage to this infrastructure from erosion, and from wave overtopping and the inundation of low-lying areas.

PERFORMANCE IN 2017

- We achieved an 11.5% reduction in our direct GHG emissions (scope 1) to about 4.6 million tonnes CO_{2eq} from 5.1 million tonnes CO_{2eq} in 2016.
- Our indirect GHG emissions (scope 2) from our downstream operations increased by nearly 2.2% to 346,916 tonnes CO_{2eq}, from 339,590 tonnes CO_{2eq} in 2016. This is due to a slightly higher demand for electricity from Kharamaa in our downstream operations.
- We launched our new and enhanced Health, Safety, Sustainability, Environment and Quality Policy. It sets out commitments to addressing climate change by managing our environmental impacts.
- Construction of the Jetty Boil-off Gas Recovery Project continued, which will help reduce our carbon footprint since it will recover LNG that is normally lost from flaring during the gas loading process.
- We commissioned a major power supply project

MANAGEMENT APPROACH

We are committed to understanding the implications of climate change, taking concrete steps to manage and reduce our carbon footprint, and being transparent about our performance. Our approach addresses both dimensions of climate change: mitigation and adaptation.

MITIGATION

We are finding opportunities to reduce our direct and indirect GHG emissions. For example, we have made significant investments in cleaner forms of energy, namely liquefied natural gas (LNG) and gas-to-liquids (GTL) technologies, as the cleanest fossil fuels. We are the world's leading producer of LNG product.

We are in the process of developing a corporate flaring philosophy, which will include standardization of flare volume determinant, and reporting, it will also support identification of flare reduction opportunities across

through submarine cables from Ras Laffan to Halul Island in Jul-2017. The project can supply up to 100 MW of stable electric power from Kahramaa Grid to Halul Island and provides many environmental and safety benefits, including reducing of our carbon footprint by eliminating combustion emissions from the less efficient power generation turbines on Halul Island. In addition, we undertook a coral relocation initiative to protect marine life.

- In partnership with Qatar Electricity and Water Company (QEWC), we established Siraj Energy for the development of a photovoltaic (PV) solar power plant in Qatar. Solar power production will help reduce Qatar's carbon footprint while diversifying the country's energy mix.
- As part of our flare management plans, we continued to focus on monitoring and minimizing flaring across our operations. Industrial cities under our management were not left out. Most operators initiated or completed various flare reduction projects in 2017, and we limited flare quantity at all sites to below 0.3% vol (in line with Qatar regulations), with the exception of our Qatar Shell Gas-To-Liquid site which was slightly below 0.8% vol. Despite these reduction efforts, our total flaring increased from 293.2 million of standard cubic metres (MMSCM) in 2016 to 604.4 in 2017. Company-wide SO₂ emissions increased substantially over our 2016 performance. This was primarily due to:
 - The persistent acid gas flaring at Mesaieed Operations, due to a breakdown at our NGL-3 production station followed by an extended repair period. During this time, 4,941 mmscf of acid gas was flared. This unseen event will also impact our 2018 performance.

- Our company-wide NO_x emissions increased by 59%, as compared to 2016. This increase can be attributed in large part due to the shutdown of a downstream gas consumer in early 2017 due to a mechanical failure, which resulted in the flaring of 8,679 mmscf of gas from our NGL-1 and NGL-2 production stations. This event was unavoidable but has highlighted the importance and need for gas recycling or recirculation options.
- During 2017, we took back responsibility for the operation and maintenance of PS-1 from Occidental Petroleum. The emissions from this production station are included from Q2 2017 onward.
- We invested in the Egyptian Refining Company (ERC) to support a hydrocracking complex in Cairo, Egypt, which will serve to diversify and extend our downstream refining portfolio globally. The project – currently under construction with planned launch at the end of 2018 – will convert atmospheric residue to high value cleaner fuel (middle and light distillates).
- We introduced a blended diesel in the domestic market, with up to 50% ultra-low sulphur GTL diesel. This clean-burning alternative fuel will help reduce local high sulphur emissions from diesel engines, without the need for vehicle modification.
- We took a proactive approach to upgrade our domestic fuel (gas and diesel) specifications in Qatar to meet new Euro V requirements internationally. While our company isn't subject to the Euro V regulations, we recognize the benefits of compliance, including a reduction in GHG emissions and a cleaner environment in Qatar benefitting public health.

GHG EMISSIONS AND FLARING		2014	2015	2016	2017
Scope 1 GHG emissions	(tonnes of CO _{2e})	4,941,866	5,439,143	5,155,602	4,563,638
Scope 2 GHG emissions	(tonnes of CO _{2e})		112,974	339,590	346,916
Upstream GHG emissions intensity	(tonnes of CO _{2e} /tonne of hydrocarbon produced)	0.100	0.103	0.112	0.101
Flaring	(mmscm)	284.1	266.5	293.2	604.4
Upstream flaring intensity	(tonnes of hydrocarbon flared/thousand tonnes of hydrocarbon produced)		6.81	9.14	7.39

CASE STUDY

OUR SUCCESSFUL EFFORTS AT REDUCING QP'S OVERALL REFINING OPERATION FLARING

Refinery facilities with many pressurized systems needs a reliable flare system for efficient and safe combustion disposal of hydrocarbons. The flare system shall always be on with purge gas flows to avoid burnback and ingress of air into flare headers. Purge gas flow volumes is determined by design based on the given load for the safe operation of the flare and the facility.

After reviewing the historical data, it decided to take action to reduce the flaring not only during normal operation but also during special activity such as shutdown of one unit or reactor. Flare Minimisation Plan with several operational initiatives, have progressively reduced overall flaring by approximately 24 percent between year 2016 and 2017.

Historically (pre-2011), flaring during normal operation were as high as 4 - 4.5 tonnes/hour and the flare mass flow meters were non-functional. Initially a target of 2.5 tonnes/hr was set based on a mass flow basis based on purge gas flows.

Subsequently the flare system was reviewed, and adjustments were made in purge gas flows without violating the design purge flow. This helped to reduce the flaring during normal operation from an excess of 4.5 tonnes/hr to 2.5 tons/hr as new target. Once 2.5 tonnes/hr target was achieved, the target was revised to 1.4 tonnes/hr based on purge gas flows only.

Subsequently, the flare during normal operation was further reduced by implementing the methodology of increasing reliability of equipment/instruments, identifying bad actors and fugitive emissions, prioritizing maintenance of the bad actor, modifying shutdown/startup procedure and quantifying flaring activity during routine activities, which was resulting in flaring.

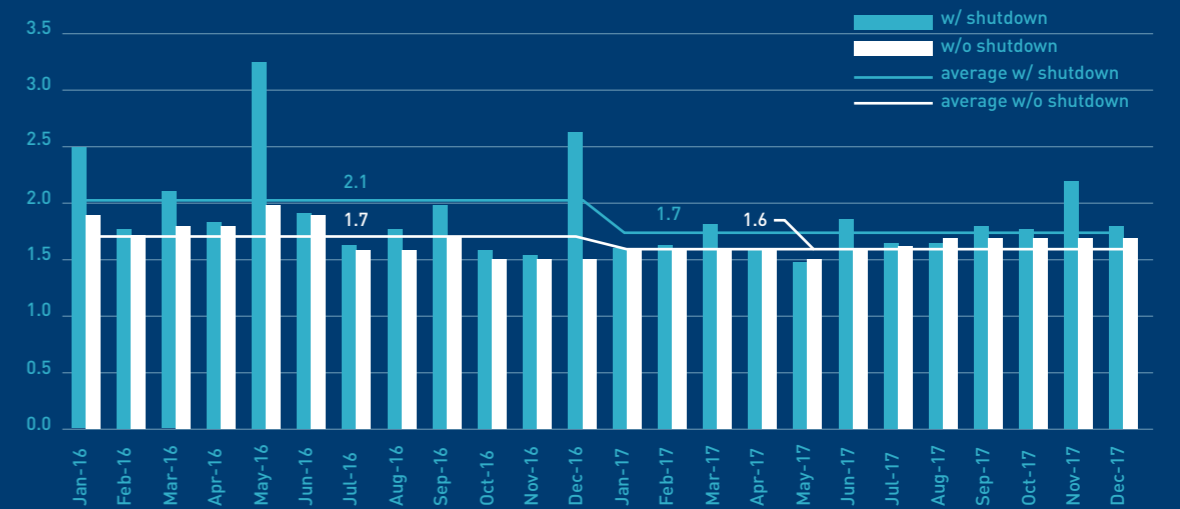
The higher reduction (24% in 2017, compared to 20% since 2011 - 2016) has reduced overall QP Refining Operation flaring in 2017. Unplanned shutdown was the main contributor in 2016 flaring and by excluding this unplanned shutdown, flare reduction can have achieved 6% in 2017 compare to 2016.

In terms of reducing emissions of GHGs, the flare minimization plan offsets approximately 6.2 ktonnes of carbon dioxide (CO₂) per annum.

Presently, with all above effort the current flaring of 1.4 - 1.6 ton/hr is the optimum performance without compromising the safety of facility.

All this 2017 reduction was achieved by optimising the purging, close monitor the flare header to find out losses, modification to reroute some streams to fuel gas system, optimising equipment handover during catalyst change and maintenance of the compressor packing as well as pump seal.

FLARING 2016 - 2017 (TONNES/HR)



CASE STUDY

AL-SHAHEEN "CLEAN DEVELOPMENT" PROJECT BOOSTS ECO-EFFICIENCY EFFORTS

The Al-Shaheen Oil Field Gas Recovery and Utilization Project is contributing to the State of Qatar's energy efficiency efforts by increasing the power supply without raising fossil fuel consumption. The initiative is the first of its kind in the Middle East and is one of the few large flare reduction Clean Development Mechanism (CDM) projects in the world.

The project registered under UNFCCC in 2007 for a crediting period of seven years and was renewed in 2014 for another seven years until 2021. The aim of the project is to reduce CO_{2eq} emissions to around 8.4 million tonnes by 2021. Emission reductions achieved in 2017

2018 PRIORITIES

- Reduce scope 1 and 2 GHG emissions and the carbon and energy intensity of our oil and gas business activities.
- Develop Photovoltaic (PV) solar power plant with a capacity of 500 MW or more in phase I. Phase II will incorporate a capacity addition of 200 MW.
- Minimize routine flaring across our operations.
- Reduce methane emissions from our upstream and downstream operations as per the Guiding Principles signed by our CEO
- In our role as the country's GHG controller, continue to verify the GHG emissions of companies doing business in Ras Laffan Industrial City.

CASE STUDY

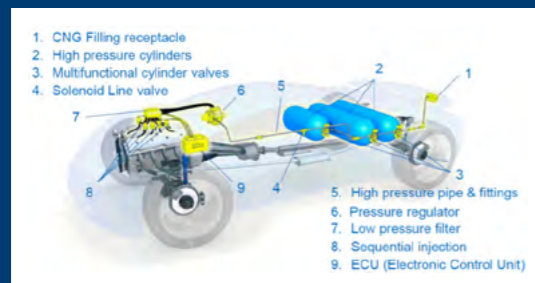
ALTERNATE FUEL PROMISES TO TRANSFORM QATAR'S TRANSPORTATION SECTOR

Around the world, the search for alternative, more environmentally friendly fuels continues to gain momentum, as evidence-based research elevates public understanding of climate change impacts. Curbing GHG emissions is essential to a sustainable planet.

Compressed natural gas (CNG) is one alternative to traditional fuels that's made by compressing natural gas to high pressures. CNG is a clean-burning fuel that results in a dramatically lower carbon footprint and reduced harmful emissions such as smoke and particulate matter.

In 2017, we were charged with spearheading a country-wide initiative to shift the State of Qatar from conventional liquid fuel to CNG. As initial steps, we formed a steering committee and working group of relevant stakeholders in the country to develop a strategy and an implementation plan.

This long-term project will unfold over several years, and phase 1, from 2018 to 2022, focuses on converting all public transport stations and vehicles to CNG.



OTHER AIR EMISSIONS

WHY IT IS IMPORTANT

Meeting and exceeding air emissions standards and guidelines helps to protect the health and wellbeing of employees, contractors, the environment and local communities.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Promote energy efficiency and optimum energy mix in Qatar

STRATEGIC ENABLER

- Business process and corporate governance

MANAGEMENT APPROACH

Besides GHG emissions, we are working to reduce other air emissions including sulphur dioxide (SO₂), nitrogen oxides (NO_x) and volatile organic compounds (VOCs). Doing so help us meet or exceed regulatory requirements, improve the environment within industrial cities and Qatar, and in some cases, improve production through a reduction in leaks. Among our efforts:

- Based on international best practices, we have a Continuous Emissions Monitoring System in place at all operations.
- Our vapor recovery system helps reduce VOC emissions from crude oil to acceptable levels.
- We monitor stack emissions and promote studies on NO_x mitigation from combustion sources.

PERFORMANCE IN 2017

- Company-wide SO₂ emissions increased substantially over our 2016 performance. This was primarily due to the persistent acid gas flaring at Mesaieed Operations, due to a breakdown at our NGL-3 production station followed by an extended repair period. During this time, 4,941 mmscf of acid gas was flared. This unseen event will also impact our 2018 performance.
- Our company-wide NO_x emissions increased by 59%, as compared to 2016. This increase can be attributed in large part due to the shutdown of a downstream gas consumer in early 2017 due to a mechanical failure, which resulted in the flaring of 8,679 mmscf of gas from our NGL-1 and NGL-2 production stations. This event was unavoidable but has highlighted the importance and need for gas recycling or recirculation options.
- During 2017, we took back responsibility for the operation and maintenance of PS-1 from Occidental Petroleum. The emissions from this production station are included from Q2 2017 onward.
- We invested in the Egyptian Refining Company (ERC) to support a hydrocracking complex in Cairo, Egypt, which will serve to diversify and extend our downstream refining portfolio globally. The project – currently under construction with planned launch at the end of 2018 – will convert atmospheric residue to high value cleaner fuel (middle and light distillates).
- We introduced a blended diesel in the domestic market, with up to 50% ultra-low sulphur GTL diesel. This clean-burning alternative fuel will help reduce local high sulphur emissions from diesel engines, without the need for vehicle modification.

CRITERIA POLLUTANTS	2013	2014	2015	2016	2017
SO ₂ emitted (tonnes)	21,142	22,636	23,153	21,202	272,415
NO _x emitted (tonnes)	7,119	6,806	6,901	7,119	11,314
VOC (tonnes)	2,082	2,142	1,811	2,468*	2,205



▶ ENERGY EFFICIENCY

WHY IT IS IMPORTANT

Becoming more efficient in the use of energy to extract, refine and further develop hydrocarbons leads to positive economic and environmental outcomes for us and Qatar since lower energy consumption has a lower impact on natural resources, reduces our GHG output and lowers our costs of operations. This win-win scenario provides an overwhelming case for the strategic drive to improve energy efficiency.

- Our Offshore Operators Forum has implemented a range of energy saving initiatives across oil and gas field development and production activities.

PERFORMANCE IN 2017

- Our direct energy consumption fell by 7.5% mainly because of the shutdown of some fuel-powered stationary combustion sources in our offshore and refinery operations.
- Our upstream energy consumption dropped by 2.7% due to the shutdown of stationary combustion sources used to generate electricity in Halul Island. In 2017, Halul island started to import electricity from Kahramaa via underwater cable.
- Energy consumption from our downstream-operated assets was about 27 million gigajoules (GJ), 13% lower than in 2016. We continued to work with Ras Laffan operating companies to maximize energy efficiency.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Strengthen QP's technical capabilities and operating model in Qatar
- Promote energy efficiency and optimum energy mix in Qatar

STRATEGIC ENABLER

- Asset portfolio management
- Business process and corporate governance

MANAGEMENT APPROACH

We have invested in a range of energy efficiency programs. For example:

- We monitor electricity consumption throughout our facilities and look for opportunities to decrease energy use. For example, we have sensors on some of our electrical equipment and office buildings that allow lights and equipment not in use to be switched off or put to sleep mode, particularly at the end of each workday and weekends.

2018 PRIORITIES

- Continue to work with our businesses to drive energy efficiency at all of our facilities.
- Understand the energy details of our upstream and downstream-operated assets by executing energy assessments across our operations. Minimize routine flaring across our operated assets.

2018 PRIORITIES

- Commence an air shed management study for Mesaieed Industrial City.
- Develop a corporate "flaring philosophy" to standardize our approach to determining flaring volumes across all operations, in line with international best practice.
- Investigate flare minimization options for our operations.

ENERGY CONSUMPTION	2014	2015	2016	2017
Upstream direct energy consumption (GJ)	39,415,375	38,505,713	36,673,826	35,699,238
Downstream direct energy consumption (GJ)	32,682,266	42,747,452	31,573,662	27,463,022
Direct energy consumption (GJ)	72,097,641	81,253,165	68,247,488	63,162,260
Upstream direct energy intensity (GJ/tonnes of hydrocarbon produced)	1.41	1.43	1.41	1.38

WATER STEWARDSHIP

WHY IT IS IMPORTANT

Given that we operate 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.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS
STRATEGIC THEME
- Strengthen QP's technical capabilities and operating model in Qatar
STRATEGIC ENABLER
- Business process and corporate governance

MANAGEMENT APPROACH

Efficient and responsible use of water is a priority at each of our sites. We use water from a variety of sources and have systems in place to manage and minimize water consumption.

Water discharged through our operations is closely monitored to minimize environmental impact. Our goal is to achieve the Qatar national policy of near zero liquid discharge to sea. To meet these and other environmental standards, we operate water treatment facilities at each of our sites. These facilities treat process wastewater, produced water and cooling water before disposal, recovering suspended oil and improving wastewater quality.

WATER DISCHARGE (M ³)	2013	2014	2015	2016	2017
Water discharged to sea (excluding non-contact cooling water)	12,295	99,847	9,844	560,338	16,658
Water discharged other than to sea	9,338,291	8,801,221	8,855,939	9,579,156	7,290,345

PERFORMANCE IN 2017

- Efforts to reduce water discharge to the sea, in line with recent national environmental regulations, are ongoing and yielding positive results. During 2017, our total wastewater discharge to sea decreased to 16,658 m³.
- Across our operations in Ras Laffan Industrial City (RLIC), we launched water management projects to comply with new requirements established by the State of Qatar's Ministry of Municipality and Environment (MME). During 2017, the MME directed all ventures in RLIC to recover and reuse process and wastewater from their respective operations. As a result, we initiated construction on several initiatives: at Qatargas, a treated industrial and process water plant and a waste water reduction and recycle project; and at Dophin Energy Limited, an industrial waste water management project. Completion of these projects is expected in 2018.
- We implemented several initiatives to reduce our water consumption, such as a water re-injection project and a water separation facility.

2018 PRIORITIES

- Find opportunities to optimize year-over-year water consumption.
- Enhance the produced water treatment systems at Al-Shaheen, Al-Karkara and Al-Khalij oil fields.

EFFLUENTS AND WASTE MANAGEMENT

WHY IT IS IMPORTANT

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. The benefits are both economic and environmental.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS
STRATEGIC THEME
- Strengthen QP's technical capabilities and operating model in Qatar
STRATEGIC ENABLER
- Business process and corporate governance

MANAGEMENT APPROACH

As an oil and gas producer, we generate both hazardous waste and non-hazardous waste:

- Hazardous waste, which represents a small percentage of our waste output. We carry out periodic inspections of our hazardous waste facilities and ensure strict regulatory compliance with the Qatar Ministry of Municipality & Environment licensing requirements for Naturally Occurring Radioactive Materials (NORM) Waste handling, transportation, treatment, storage and disposal.

- Non-hazardous waste includes paper and other urban solid waste, as well as drilling waste from onshore and offshore operations. We apply a consistent, company-wide approach to managing non-hazardous waste.

Additionally, we train our people on environmental awareness and waste management.

PERFORMANCE IN 2017

- Our total waste generated increased to 48,701 tonnes in 2017, from 46,830 the previous year. This was due to a rise in non-hazardous waste produced at our facilities.
- We continued to reduce the amount of hazardous waste generated, from 5,769 tonnes in 2016 to 5,523.
- Approximately 2.6% of our total waste was recycled, up from 2.0% the previous year. We continue to seek opportunities to reduce, reuse and recycle materials, since closing the loop will help to avoid negative environmental outcomes, and in many cases, will lead to cost savings or new forms of revenue.
- In partnership with the Offshore Operators Forum, we undertook an industry survey to identify best practices for handling and disposing of Naturally Occurring Radioactive Materials (NORM) in Qatar. As a result of this work, guidelines were developed that will be mandatory for all companies operating in the country.

WASTE	2015	2016	2017
Non-hazardous waste generated	42,997	46,830	48,701
Hazardous waste generated	6,014	5,769	5,523
Total waste generated during the year (tonnes)	49,011	52,599	54,224
Non-hazardous waste recycled	256	NA	688
Hazardous waste recycled	724	NA	711
Total waste recycled (tonnes)	980	1,290	1,399
Recycled waste as a percentage of total waste generated (%)	2	2	2.6

CASE STUDY

CREATING ENVIRONMENTALLY-SAFE SEWAGE TREATMENT

In 2017, we began work to upgrade the treatment capacity of our Dukhan Sewage Treatment Plant (STP), more than doubling its capacity from 3,420 m³/d to 8,600 m³/d.

The upgrades are needed to accommodate projected demand flow increases as the region and population grow.

The selected treatment processes represent environmental best practices and will harness reliable technology to ensure robust operations. Relevant personnel will be trained in the safe and environmentally-conscious operation of the upgraded facility at the end of construction.

The Dukhan STP Upgrade Project adds essential value to the sustainable and environmental-safe operations of domestic sewage treatment operations in Dukhan and its surrounding



Used water management in Mesaieed Industrial City

industrial support facilities, enabling its continued functionality as one of our industrial cities and growth centers. Simultaneously, it ensures that there is no spillage of sewage due to capacity constraints, and that the quality of effluent is suitable for irrigation purposes.



2018 PRIORITIES

- Continue reducing hazardous waste while finding opportunities to lessen overall waste.

▶ BIODIVERSITY



Protected animals in RLIC, where efforts continue to fulfil our commitment to protect the wildlife near our sites.



Rescued fish in RLIC, where efforts continue to fulfil our commitment to protect the wildlife near our sites.

WHY IT IS IMPORTANT

Biodiversity is integral to global sustainability. We recognize the need to safeguard Qatar's plant and animal life and acknowledge the disruption to natural habitats inherent in oil and gas activities.

MANAGEMENT APPROACH

We support effective management of ecosystems because good performance in this area helps ensure business continuity under increasing stringent environmental regulations, while protecting and enhancing biodiversity and maintaining positive relationships with stakeholders.

Each year we invest in initiatives to protect wildlife and enhance biodiversity in Qatar. We conduct marine eco-surveys at regular intervals (every three years) to assess the environmental impacts from the oil and gas facilities of our offshore operation. We are committed and take pride in leading and investing in environmental conservation efforts.

Most of our environmental initiatives support Qatar's richest marine biodiversity especially at Halul Island, which presents the most beautiful coral reefs in Qatar. While maintaining our focus as a national oil and gas corporation, such projects stand out in the forefront of our efforts for sustainable development.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Strengthen QP's technical capabilities and operating model in Qatar

STRATEGIC ENABLER

- Business process and corporate governance



A diver from QP photographs and tags coral around Halul Island.

PERFORMANCE IN 2017

A diver from QP photographs and tags coral around Halul Island.

- We continued to fulfill our commitment to protect the wildlife on Halul Island through ongoing management, the provision of veterinary services and supplying animal food. The dedicated preservation area in Halul has been designed to enable all animals there to live freely in their natural environment. Additionally, we completed a coral relocation in 2017 – see case study on page 81.
- Teams from our Ras Laffan Industrial City have been involved in a five-year fish rescue project to safely relocate fish species trapped inside the RLF port. After a 2013 study by Qatar University identified the endangered fish population, the RLF environmental, safety, security, port and other departments worked together over six, week-long campaigns between 2013 and 2017 to conduct a comprehensive fish rescue program, successfully catching and releasing more than 440 hamour fish in open water.

On the International Day of Forests, Mr. Salem A. Al-Wehaibi, Manager of Mesaieed Industrial City, was on hand to help raise awareness of the importance of

trees to children and teachers in the area.

- To celebrate the International Day of Forests, we organized a tree-planting event in Mesaieed Industrial City, where our employees and local school representatives planted trees. We organized a similar tree planting campaign at Dukhan Golf Course that also engaged the participation of QP employees and school students.

2018 PRIORITIES

- Support Qatar Whale Shark Research projects.
- Conduct underwater noise dispersion modelling study at Al-Shaheen to assess impact of seismic and drilling activities to marine habitats.
- Perform ecological survey for Al-Karkara, A-North and A-South fields with focus on water, air and sediment quality as well as marine ecology. Khalij oil fields.

CASE STUDY

CORAL RELOCATION MAINTAINS MARINE HEALTH

The Halul island coral reef represents Qatar's richest marine biodiversity. In 2013-2014, we undertook two major coral relocation activities and monitoring campaigns around Halul Island and Ras Laffan Industrial City to minimize the impacts on marine life from our projects.

Underwater power and telecom cables from two major capital offshore projects to Halul were passing through a coral-rich precinct of seabed and affecting the corals, especially in shallow waters closer to shore. Using an ecological survey and satellite mapping, A Coral Management Plan (CMP) was prepared for mitigating the impacts on corals to as low as practicable.

As per the CMP, coral colonies were extracted from the submarine cable corridors and transplanted – most of them on the recipient site located in close vicinity on the South-East coast of Halul island. The others – the heaviest colonies, were relocated and cemented outside of the cable corridors. Emphasis was to narrow the cable corridor to as small a width as possible, by adopting appropriate cable-laying methodologies. The period chosen for transplantation avoided peak summer timings.

The transplanted corals, over 6,000 in total, were tagged and monitored at half-yearly intervals for three years from 2014 to 2017, with the final assessment completed in May 2017. As per the assessment, more than 77% of the transplanted coral colonies have survived and the new ones are blooming around.



77%

of the transplanted coral colonies have survived and the new ones are blooming around

CASE STUDY

TURTLE BEACH CLEAN UP DAY

Protecting Qatar's hawksbill turtles has been a key focus for us. We promote studies on conservation, such as the ongoing marine turtle conservation and monitoring project, and promote public awareness on various measures being taken to conserve the turtles.

In 2017, we organized Turtle Beach Clean Up Day in partnership with major companies and contractors in Ras Laffan Industrial City. The event was held at Ras Laffan's northern beach, and attracted approximately 300 volunteers from QP and other companies. The main objective was to clean and preserve one of the best nesting spots for hawksbill turtles, since the area accounts for close to 30% of the total nests in Qatar. This initiative also helped enhance the participants' awareness of environmental issues by involving them in the protection of nature and biodiversity.




The hawksbill turtle is classified as "critically endangered", according to the IUCN Red List of Threatened Species. The species is indigenous or native to many countries including Qatar, with Ras Laffan being one of its important nesting sites in the country.

▶ 5. COLLABORATION WITH OUR PARTNERS

COLLABORATION IS ONE OF OUR SIX CORE VALUES AND A KEY PILLAR OF OUR SUSTAINABILITY FRAMEWORK. THAT IS BECAUSE PARTNERSHIPS AND TEAMWORK ARE ESSENTIAL TO CREATING SHARED VALUE AND ACHIEVING OUR STRATEGY.

Through collaboration with commercial, industry and government partners, we can introduce best business and operational practices to help modernize and build our internal capabilities, creating a more sustainable business and contributing to Qatar's socio-economic development.

For us collaboration takes many forms: supporting local suppliers, forming alliances with leading oil and gas companies and industry associations, working with community groups to address social and environmental issues, and partnering with other investors to make responsible investments.

MATERIAL TOPICS IN THIS CHAPTER: 

- Sustainability of Investment Portfolio
- Local Procurement
- Community Engagement and Investment

2017 PERFORMANCE HIGHLIGHTS

-  **\$11.5b**
Spent on goods and services from our suppliers
-  **83%**
of procurement with local suppliers in Qatar – up from 56% five years ago
-  **100%**
of primary schools in Mesaieed, Qatar received environmental learning on the reduce-reuse-recycle approach



▶ SUSTAINABILITY OF INVESTMENT PORTFOLIO

WHY IT IS IMPORTANT

We are responsible for all phases of the oil and gas industry in the State of Qatar, placing great importance on ensuring the sustainability of the investments we make. Our national investment portfolio includes some of the most influential companies that are critical to achieve the country's national vision and goals for sustainable development.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS
STRATEGIC THEME
<ul style="list-style-type: none"> – Maximize upstream value to the state of Qatar – Create large scale value adding, growing international portfolio – Reinforce LNG and global gas position – Maximize added value of Qatar's downstream business
STRATEGIC ENABLER
<ul style="list-style-type: none"> – Commercial and M&A capabilities – Asset portfolio management

MANAGEMENT APPROACH

To develop Qatar's reserves and increase upstream oil and gas production capacity, we have signed many production-sharing agreements with major international oil companies. At the same time, our 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 industry sectors.

In addition to our activities in the field of oil and gas exploration and production, and downstream development, we have 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 us.

PERFORMANCE IN 2017

In June 2017, our Wave LNG Solutions signed a framework agreement with Shell Gas & Power Developments B.V. to develop liquefied natural gas (LNG) marine fueling "bunkering" infrastructure at key shipping locations in Europe, the Middle East and East Asia. This partnership between Shell and us will enable the two organization to supply the shipping industry with a new fuel source that can replace traditional marine fuels, in response to tighter sulfur and nitrogen oxide emissions regulations. Global demand for this clean energy source is expected to reach up to 50 million tonnes per year by 2030.

2018 PRIORITIES

- Find opportunities to increase sustainability of our investment choices.



LOCAL PROCUREMENT: SUPPLIER & CONTRACTOR DEVELOPMENT

WHY IT IS IMPORTANT

Localizing the supply chain increases security of supply while stimulating the vitality and diversification of the national economy through job creation, business support and increased consumer spending.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Strengthen QP's technical capabilities and operating model in Qatar
- Maximize upstream value to the state of Qatar
- Maximize added value of Qatar's downstream business

STRATEGIC ENABLER

- Business process and corporate governance

MANAGEMENT APPROACH

We strive, where feasible, to acquire goods and services from suppliers and contractors in Qatar. To do business with us, we have criteria that must be adhered to which is consistent with the Qatar National Vision 2030. This includes commitments associated with health, safety, environmental and governance across the supply chain. Moreover, by recognizing the importance of developing the local market we have actively engaged in a number of strategic initiatives that will provide targeted support to suppliers and contractors.

Our 'Emdad' Coordination Committee's engagement with the national oil and gas sector supply chain leadership provides sustained objectives in areas such as strategic supply chain initiatives and economies of scale. We continue to develop best practice knowledge sharing in international sustainable procurement with organizations such as the Chartered Institute of Purchasing and Supply in the United Kingdom.

PERFORMANCE IN 2017

- To support our business activities, in 2017 we spent \$11.5 billion procuring goods and services.
- Approximately 83% of the total procurement spend was awarded to suppliers and contractors based in Qatar. From 56% in 2013, we have significantly increased the percentage spent locally. This demonstrates that our efforts to localize the supply chain are proving successful and that local businesses are continuing to evolve and respond to our ever-increasing requirements.

2018 PRIORITIES

- Increase the percentage of locally sourced goods and services where feasible.

PROCUREMENT	2013	2014	2015	2016	2017
Total procurement spending (billions QAR)	7.93	12.03	5.81	8.74	11.5
Total procurement spending on suppliers based in Qatar (billions QAR)	4.42	9.15	4.23	7.42	9.5
Goods and services sourced locally (%)	56	76	73	85	83
Number of registered suppliers	8,290	8,624	8,882	9,530	10,194
Number of registered suppliers based in Qatar	3,568	3,687	3,783	3,960	4,102



▶ COMMUNITY ENGAGEMENT & INVESTMENT

WHY IT IS IMPORTANT

As an important player in Qatar's development, we are closely interconnected with society. That gives us an opportunity – and responsibility – to use our time, skills and resources to build and nurture strong communities and to help address some of the most pressing socio-economic challenges facing our country. As well as benefitting communities, our philanthropic investments help us forge better stakeholder relationships and make employees feel proud and more engaged.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

– Strengthen QP's technical capabilities and operating model in Qatar

STRATEGIC ENABLER

– Asset portfolio management

MANAGEMENT APPROACH

We strive to generate shared value. To create sustainable, long-term social impact, we take a multi-faceted approach that includes:

- Consulting with community members to identify local needs and concerns
- Collaborating with community partners such as non-profit organizations and schools to support programs related to culture and heritage, health awareness and sports development
- Inspiring and engaging our people to support our community activities
- 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
- Sponsoring regional and international events focusing on various aspects of the energy sector

PERFORMANCE IN 2017

- As part of our CSR initiatives to promote national pride and to preserve our country's culture and heritage, we provided strong support to the Qatar National Day 2017 celebrations, the Librtha Heritage Festival, as well as to the Qatar Museums Authority.



Creating environmental awareness at MESAIEED International School during QP's Waste Recycle Awareness event. Each school was provided with free bins for waste segregation.



- We also extended assistance to the Education City Summer Camp 2017 and to Teach for Qatar in line with our long-standing commitment to support the education and training of many Qatari nationals.
- In addition, we supported the Qatar Society for Rehabilitation of Special Needs in their project during the holy month of Ramadan.
- As a member of the Ras Laffan Industrial City Community Outreach Program (RLIC COP), we also played a key role in the implementation of various projects benefitting the local communities in Qatar's northern areas.
- Among the projects completed by RLIC COP in 2017 were the installation of solar charging stations in Al Shamal Municipality as well as the development and improvement of public parks such as Al-Ghshaleya and Tawasol Hill.
- The RLIC COP also funded the Magad Al Duha Project, which has been supporting female retirees and the elderly, and it also financed the Malaeb



Children engage in environmental learning at MESAIEED Primary Preparatory and Secondary Independent School for Girls.

Ferjaan Project, which provided facilities for the youth to engage in sports and have a healthy lifestyle.

Among our community efforts last year:

- We organized a waste recycle awareness day in cooperation with the local government for all primary schools in MESAIEED. The event focused on educating children on different types of waste and handling options, based on the 3 R's concept (reuse, reduce and recycle), and featured a presentation and cleanup activities.
- In collaboration with community partners such as the Doha Film Institute and Qatar Museum, we sponsored several social and education events at Texas A&M University at Qatar. The university offers undergraduate and graduate programs with a special focus on engineering.

2018 PRIORITIES

- QP and all other members of the RLIC COP will be developing the Al Khor Nature Reserve, which will showcase the local wildlife of the State of Qatar. We will also build the Al Khor Plaza Park and the Al Qurma Garden to provide safe recreational spaces for community residents.
- The RLIC COP will also continue to support the FabLab Qatar, a project proposed by the Supreme Education Council and aims to train students on how to turn their ideas into tangible products.

CASE STUDY

NEW PRIMARY SCHOOL IN DUKHAN TOWNSHIP

We believe strongly in the value of education to setting children on the path to future success.

Reflecting our commitment, last year we invested in the construction of a new primary school in Dukhan Township. Once completed, the school will accommodate 1,050 students from pre-school through to year 6 and include classrooms, play areas, a library, assembly hall and offices. This is a fast track project in order to be ready for the next school year starting in August 2018.




Completion of the new primary school in Dukhan Township will add vital value to the sustainable and safe operations of community schooling in the area, while also addressing safety concerns related to the existing temporary facility. The school will also provide QP staff working in Dukhan with direct access to high-quality education for their children.

▶ 6. INTEGRITY IN OUR GOVERNANCE

ON THE WORLD STAGE, THE EXPECTATIONS AND DEMANDS PLACED ON GLOBAL ORGANIZATIONS LIKE OURS HAVE NEVER BEEN GREATER. THAT IS WHY FOSTERING A STRONG, SELF-SUSTAINING CULTURE OF INTEGRITY IS IMPERATIVE TO OUR SUCCESS.

As we manage our activities, enter new markets and embrace fresh ways of operating, we continue to be guided every day by our high standards of conduct. Doing business responsibly, and being open and transparent about our activities, helps us gain stakeholder trust, earn a social license to operate and build shared prosperity over the long-term.

MATERIAL TOPICS IN THIS CHAPTER: 

- Ethics, Governance and Transparency

2017 PERFORMANCE HIGHLIGHTS

-  **100+**
leaders at QP and other Qatar companies participated in our High Performance Boards Program, enriching their governance skills
-  **Stronger ethical standards**
Launched new Business Ethics & Integrity Management Framework to reinforce corporate culture of integrity
-  **Joint venture governance**
Developed and piloted new governance framework for our joint ventures



▶ ETHICS, GOVERNANCE AND TRANSPARENCY

WHY IT IS IMPORTANT

A well-run organization driven by effective leadership and a culture of integrity is essential to earning the confidence of both national and international stakeholders, from employees and contractors to regulators, investors and suppliers. These critical elements of good governance support our corporate success and the sustainability of our business, while enhancing our ability to expand in a globalized marketplace.

responsibilities, as well as establishes oversight of our corporate compliance program and internal controls, which reflect our policies and regulatory requirements. With a zero-tolerance approach to corruption in all of its forms, we implement and enforce effective systems to counter fraud, bribery, conflicts of interest and other types of unethical behavior.

Following corporate and statutory expectations at all times calls for vigilance on the part of all of our employees. Every member of our organization, from board directors to employees, understands their ethical responsibilities; it's about always choosing to do the right thing.

We have a whistleblower hotline in place to receive – on a confidential and anonymous basis – reports of possible non-compliance with internal regulations and legal requirements. We review all allegations received through the hotline and/or reported directly to management and investigate those deemed valid.

Our Internal Audit team plays a key role in monitoring internal systems and employee compliance, in accordance with relevant standards such as the Institute of Internal Auditors International Professional Practices Framework. This team provides independent and objective assurance to the Board Audit Committee on the effectiveness of our governance, risk management and control practices through a structured program of risk-based internal audits.

RELEVANCE TO OUR STRATEGIC THEMES AND ENABLERS

STRATEGIC THEME

- Strengthen QP's technical capabilities and operating model in Qatar
- Maximize upstream value to the state of Qatar
- Create large scale value adding, growing international portfolio
- Maximize added value of Qatar's downstream business

STRATEGIC ENABLER

- Business process and corporate governance

CONDUCTING BUSINESS ETHICALLY AND TRANSPARENTLY HAS TOP PRIORITY AT QP."

MANAGEMENT APPROACH

We are dedicated to acting professionally, fairly, honestly and with integrity in all of our business dealings and relationships wherever we operate. Various policies and standards are in place to articulate our commitments and expectations.

Based on international and industry best practices, our **Corporate Governance and Compliance Framework** outlines our governance practices, accountabilities and



OUR VALUES

To cultivate and sustain a strong culture as 'one team', we have developed a set of six core values. These serve as the pillars of our work culture and aim to focus the capabilities, behaviors and decision-making of our people.

SAFETY

We care for our people and see safety as a priority for everyone. We are committed to an incident-free, secure, safe and healthy environment for our employees, stakeholders, partners and communities where we operate.

INTEGRITY

We place the highest importance on honesty and ethical behavior, always choosing to do the right thing. We value transparency in our dealings with each other and stakeholders. Through this we build strong and successful relationships. We believe results matter, but how we achieve those results also matters.

RESPECT

We respect our colleagues, stakeholders, partners and communities and act with care and consideration to build trusting relationships. We value our diversity and each individual's contribution.

EXCELLENCE

We continually improve our processes to achieve greater efficiency, productivity and higher performance. We generate and are open to new

ideas. We learn from both our successes and mistakes. Each of us is accountable for the quality, efficiency and effectiveness of our work.

RESPONSIBILITY

We are committed to operating in a socially responsible manner, caring for the environment and the communities we impact and our employees. We manage our people and assets responsibly, serving as a catalyst for growth to ensure the prosperity of future generations. We develop everyone for the benefit of QP and the country with a special emphasis on the capabilities of Qataris.

COLLABORATION

We communicate across all areas and levels, sharing information and considering diverse viewpoints to achieve our common goals. We empower others, build ownership, create accountability and enhance cooperation. We recognize and appreciate those who work across teams and groups to achieve QP's vision and strategy.



Our executive leadership team gathered in Dukhan to meet with managers and staff.

- Investing in our leadership, we strengthened the governance skills and expertise of board members through our High Performance Boards Program (see case study below). We also launched a training program to help 14 Qatari staff become certified internal auditors by the internationally recognized Institute of Internal Auditors. The program provides 17 days of full-time training and ongoing support during the period.
- Our Internal Audit team conducted various investigations into allegations received in 2017 and issued a number of reports to the President & CEO. The reports identified the non-compliances or violations committed by our employees and/or contractors, and included recommendations for corrective action and, where considered appropriate referring employees to an investigation committee or suspension/disqualification of contractors, in line with our regulations, policies and procedures.
- In 2017, we issued the "QP Measurement Guidelines Version 2.0" for immediate adoption by all oil and gas companies operating in Qatar. These guidelines are designed to ensure all companies follow a consistent set of governance protocols and standards. To ensure effective implementation, during the year we assessed 12 businesses and plan to assess an additional 18 in the coming year.
- Transparent reporting of our economic, environmental and social impacts represents an important part of our sustainability commitment, and we are making progress in this area. This is our Fourth Sustainability Report and includes expanded disclosures.

PERFORMANCE IN 2017

- We continued our journey of governance and compliance transformation, an initiative introduced in 2016. In 2017, an independent advisory team reviewed our governance, regulatory and compliance (GRC) practices and identified opportunities for improvement. The assessment involved stakeholder interviews, in-depth process reviews, data analysis and benchmarking against international standards. We will implement the recommendations during 2018 and beyond.
- Commensurate with the above work, our Internal Audit team in collaboration with other departments worked to review and develop a new Business Ethics & Integrity Management Framework, which serves as the cornerstone of QP's compliance program and reinforces a culture of responsible

behaviour within the organization. The framework includes related policies and procedures such as our Code of Conduct, Ethics Policy and Conflict of Interest Policy, risk mitigation measures, and a training and awareness program.

- We also developed a governance framework for our joint ventures. The objective is to direct and manage the business and affairs of joint ventures in ways that enhance business prosperity, corporate accountability and long-term value for us, while taking into account the interests of other stakeholders. Our legal and compliance teams piloted the new framework among four joint ventures in 2017, and we will be using the results to fine-tune the framework before full implementation later in 2018.

2018 PRIORITIES

- Implement the recommendations for updating and enhancing the organization's governance, regulatory and compliance practices.
- Incorporate the new joint venture governance framework across all of our joint ventures.
- Create new directorate entitled "Surface Development" that integrates several departments to better support our strategy and governance needs.
- Assess 18 business areas for compliance with the QP Measurement Guidelines Version 2.0.

CASE STUDY

CULTIVATING HIGH PERFORMING BOARDS

As part of our efforts to develop leaders and ensure strong corporate governance, for the second consecutive year we ran our High Performance Boards Program. Offered in partnership with the Global Board Center of IMD Business School in Switzerland, the specialized nine-month executive education course benefited more than 100 board directors at QP and other major Qatari companies.

Participants completed an in-depth suite of five modules covering corporate governance, ethics, finance and risk, strategy and leadership. Participation in the program was designed for board members of our organization, but was extended to board members and directors of Qatar's oil & gas industry as well as other strategic entities within Qatar, such as the Ministry of Finance, Qatar Foundation, Qatar Investment Authority, Qatar National Bank and the Pension Authority.



Saad Sherida Al Kaabi, QP's President and CEO, speaking at the High Performance Boards Awards Ceremony, which marked the conclusion of a specialized training program for Qatari board directors.

High performing boards have a strong strategic orientation. It is a culture of regular performance assessment, accountability and healthy attention to recruitment and development of Directors. Therefore, it is important that a clearly defined role and a well-focused approach are adopted in order to ensure high performance."



APPENDICES

▶ GRI INDEX

04



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	17 - 18
	102-3 Location of headquarters	Doha, Qatar
	102-4 Location of operations	13, 14, 16, 17, 18
	102-5 Ownership and legal form	QP is a state-owned public corporation.
	102-6 Markets served	10 - 16
	102-7 Scale of the organization	10 - 16
	102-8 Information on employees and other workers	46 - 58
	102-9 Supply chain	83 - 84
	102-10 Significant changes to the organization and its supply chain	No significant changes.
	102-11 Precautionary Principle or approach	67 - 80
	102-12 External initiatives	51, 52, 83, 84
	102-13 Membership of associations	None.
	Strategy	
	102-14 Statement from senior decision-maker	9
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	22
	102-17 Mechanisms for advice and concerns about ethics	Not reported
	Governance	
	102-18 Governance structure	87-91
	Stakeholder engagement	
	102-40 List of stakeholder groups	27 - 28
	102-41 Collective bargaining agreements	No law to support collective bargain.
	102-42 Identifying and selecting stakeholders	29
	102-43 Approach to stakeholder engagement	27 - 29
	102-44 Key topics and concerns raised	27, 28, 30
	Reporting practice	
	102-45 Entities included in the consolidated financial statements	13-14. Data covers only QP direct operations
	102-46 Defining report content and topic Boundaries	4



GRI Standard	Disclosure	Page number(s) and/or URL(s)
	102-47 List of material topics	29 - 30
	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, 2017
	102-51 Date of most recent report	2016
	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	5
	102-55 GRI content index	95 - 96
	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	60
	103-2 The management approach and its components	60
	103-3 Evaluation of the management approach	60
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	61
Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	17 - 18
	103-2 The management approach and its components	17 - 18
	103-3 Evaluation of the management approach	17 - 18
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	13 - 18, 60
	203-2 Significant indirect economic impacts	17 - 19
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	83
	103-2 The management approach and its components	83
	103-3 Evaluation of the management approach	83
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	84
Anti-corruption		

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	88
	103-2 The management approach and its components	88
	103-3 Evaluation of the management approach	88
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	88
GRI 300 Environmental Standards Series		
Materials		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	75 - 76
	103-2 The management approach and its components	75 - 76
	103-3 Evaluation of the management approach	75, 77
GRI 301: Materials 2017	301-2 Recycled input materials used	75 - 77
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	73 - 74
	103-2 The management approach and its components	73 - 74
	103-3 Evaluation of the management approach	73 - 74
GRI 302: Energy 2016	302-1 Energy consumption within the organization	73 - 74
	302-3 Energy intensity	73 - 74
	302-4 Reduction of energy consumption	73 - 74
Biodiversity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	78
	103-2 The management approach and its components	78
	103-3 Evaluation of the management approach	78
GRI 304: Biodiversity 2018	304-3 Habitats protected or restored	78 - 80
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	67 - 72
	103-2 The management approach and its components	67 - 72
	103-3 Evaluation of the management approach	67 - 72
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	69
	305-2 Energy indirect (Scope 2) GHG emissions	69
	305-4 GHG emissions intensity	69
	305-5 Reduction of GHG emissions	67 - 69
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	72
Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	75 - 76
	103-2 The management approach and its components	75 - 76
	103-3 Evaluation of the management approach	75 - 76

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 306: Effluents and Waste 2016	306-1 Water discharge by quality and destination	75
	306-2 Waste by type and disposal method	76
	306-4 Transport of hazardous waste	76
Environmental Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	67, 68, 70, 76
	103-2 The management approach and its components	67, 68, 70, 76
	103-3 Evaluation of the management approach	67, 68, 70, 76
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	67, 68, 70, 76
GRI 400 Social Standards Series		
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	35 - 36
	103-2 The management approach and its components	35 - 36
	103-3 Evaluation of the management approach	35 - 36
GRI 403: Occupational Health and Safety 2017	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	38
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	46, 47, 48, 50
	103-2 The management approach and its components	46, 47, 48, 50
	103-3 Evaluation of the management approach	46, 47, 48, 50
GRI 404: Training and Education 2017	404-2 Programs for upgrading employee skills and transition assistance programs	46, 47, 48, 50
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	85
	103-2 The management approach and its components	85
	103-3 Evaluation of the management approach	85
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	85 - 86

GLOSSARY & ACRONYMS

AGEU	Acid Gas Enrichment Unit	MM	Maydan Mahzam
API	American Petroleum Institute	MME	Ministry of Municipality and Environment
Bcf/d	Billion cubic feet per day	Mmscf/d	Million standard cubic feet per day
BCP	Business Continuity Plan	Mmscm	Million standard cubic meters
BH	Bul Hanine	MOU	Marine Preparation Program
Bpd	Barrels per day	MW	Megawatts
CDM	Clean Development Mechanism	NA	Not available
CELSE	Centrais Eléctricas de Sergipe S.A.	NFC	North Field Stabilized Condensate
CEMS	Continuous Emissions Monitoring Systems	NGL	Natural Gas Liquids
CO_{2eq}	Carbon dioxide equivalent	NOC	National Oil Company
DCA	Dukhan Concession Area	NORM	Naturally Occurring Radioactive Materials
DPSA	Development and Production Sharing Agreement	NO_x	Nitrogen oxide
EPSA	Exploration and Production Sharing Agreement	OFFSAG	Offshore Stripped Associated Gas
ERG	Ethane Rich Gas	OOF	Offshore Operators Forum
GDI	Gulf Drilling International	PSA	Product Sharing Agreement
GHG	Greenhouse gas	PVC	Polyvinyl Chloride
GJ	Gigajoule	PWRI	Produced Water Re-injection
GRI	Global Reporting Initiative	QAFAC	Qatar Fuel Additives Company
GTL	Gas-To-Liquid	QAFCO	Qatar Fertilizer Company
HSE	Health, Safety, and Environment	QAPCO	Qatar Petrochemical Company
ICT	Information and Communications Technology	QAR	Qatari Riyal
IEA	International Energy Agency	QATALUM	Qatar Aluminium
IMD	International Institute for Management Development	Q-CHM	Qatar Chemical Company
IOF	Intelligent Oil Field	QNV	Qatar National Vision
IOGP	International Association of Oil and Gas Producers	QP	Qatar Petroleum
IQ	Industries Qatar Q.S.C.	QPSFA	QP Support Facility Area
ISND	Idd El-Shargi North Dome	QVC	Qatar Vinyl Company
ISSD	Idd el-Shargi South Dome	RAM	Risk Assessment Matrix
JBOG	Jetty Boil-off Gas	RGPC	Ras Girtas Power Company
JV	Joint venture	RLIC	Ras Laffan Industrial City
KPI	Key performance indicator	RLOC	Ras Laffan Olefins Company
LDAR	Leak Detection and Recovery	RLPC	Ras Laffan Power Company
LNG	Liquefied Natural Gas	RMS	Recruitment Management System
LPG	Liquefied Petroleum Gas	SO₂	Sulfur dioxide
M POWER	Mesaieed Power Company	SRFO	Straight Run Fuel Oil
M&A	Mergers and Acquisitions	SRU	Sulfur Recovery Unit
M³	Cubic meter	TGTU	Tail Gas Treatment Unit
Mb/d	Million barrels per day	ULSD	Ultra-Low Sulfur Diesel
MES	Mesaieed Environmental Society	UNFCCC	United Nations Framework Convention on Climate Change
MGS	Mud-Gas Separator	VCM	Vinyl Chloride Monomer
MIC	Mesaieed Industrial City	VOC	Volatile Organic Compound