

قطر للبترول  
Qatar Petroleum



# SUSTAINABILITY REPORT

2018

PASSION AND POSSIBILITIES  
FOR SUSTAINABLE GROWTH

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# MESSAGE FROM H.E. THE PRESIDENT & CEO

I am pleased to introduce Qatar Petroleum's 2018 Sustainability Report and to note the continued achievements in our efforts to enhance our competitive position in the global oil and gas industry. This momentum places our corporation firmly on the road to realizing our vision of becoming one of the best national oil companies in the world and helping reinforce Qatar's continued economic growth and expansion.

Under the leadership of His Highness Sheikh Tamim bin Hamad Al Thani, the Amir of the State of Qatar, our country is moving with great determination towards sustainable social, economic, human and environmental development.

Qatar Petroleum is at the forefront of contributing to achieve the objectives of Qatar National Vision 2030. The wide spectrum of our oil and gas activities aims to create a prosperous future for Qatar and its people, building a modern infrastructure and creating a sustainable knowledge-based economy.

The year 2018 was marked with multiple milestones towards the sustainable development of Qatar's abundant oil and gas resources. We have decided to further expand our new project in the North Field to increase LNG production capacity by 43% to 110 million tons per annum. This reflects the tremendous momentum at which our growth plans are moving forward. The North Field Expansion Project will further strengthen our competitive position as the world's largest LNG producer and exporter. We have also initiated efforts to further grow and develop our downstream industries and strengthen our position in the global petrochemical markets.

Despite the weight and volume of our responsibilities, we have never taken our eyes off the need to operate safely as well as to protect and preserve the environment. Our commitment to achieving world-class Health, Safety and Environmental (HSE) performance was demonstrated by excellent safety records. Also in 2018, we signed the Guiding Principles on reducing methane emissions across the natural gas value chain. As the world's leading LNG producer, we are sending a clear message that protecting the environment and combating climate change are a core commitment for us and part of a wider responsibility enshrined in our corporate values and operational standards.

The year 2018 also marked the start of the roll out of our new Corporate Strategy and Values, which are designed to place us on the road to achieving our 'vision'. The Strategy will help to strengthen Qatar Petroleum's technical capability and operating model, maximize upstream value, create a large-scale value-adding international portfolio, reinforce Qatar's LNG and global gas position, maximize downstream added-value, and promote energy efficiency and optimum energy mix in Qatar. Our core Values are Integrity, Safety, Excellence, Collaboration, Responsibility and Respect. They describe the standards of behavior that will shape the desired corporate culture.

We continued to demonstrate our commitment to the development of national human resources by placing great emphasis on the development of a new generation of professionals that will lead Qatar Petroleum into a successful future. In that respect, I was proud to join over 280 of our Qatari nationals under development at the annual "Mustaqbalna" forum and to engage with them on a wide-ranging discussion around the present and future of Qatar Petroleum and their role in shaping it.

In line with our vision to have "a strong international presence" and as part of our international upstream strategy, Qatar Petroleum has continued to build its world-class portfolio of exploration acreage. We participated successfully with our international partners in several international exploration bid rounds and concluded a number of key international upstream acquisitions and farm-ins. On the marketing front, Qatar Petroleum expanded its footprint into the growing markets of Southeast Asia by signing long-term supply agreements with Vietnam and India, which reflect our customers' trust in Qatar Petroleum as a reliable supplier.

In the coming years, I am confident that we will continue to thrive in the oil and gas industry and actively shape a sustainable and prosperous present and future for our company, the State of Qatar and its people.

**Saad Sherida Al-Kaabi**  
**Minister of State for Energy Affairs**  
**President & CEO**



# ABOUT THIS REPORT

## 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 page 27. Through our latest materiality assessment, conducted in 2018 and which helps to shape our sustainability strategy, we have determined these are the issues that are most important to our internal stakeholders.

## REPORT SCOPE

Our annual Sustainability Report including financial statements is established in accordance with the QP Information Classification Standard QSTD-VBC-001 and classified as public. 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, 2018 to December 31, 2018).

## 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 & Quality Department during periodic internal audits. This report was not assured by an external auditor nor has QP engaged the services of an external, sustainability advisory panel.

## 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 81. In addition, we used the Integrated Reporting (IR) framework, published by the International Integrated Reporting Council (IIRC) in December 2013, as a guide.

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

**Tel:** +974-401-34895 | +974-401-34896

**Link:** <http://www.qp.com.qa>

Learn more about our activities:

**[www.qp.com.qa](http://www.qp.com.qa)**

<https://www.facebook.com/qatarpetroleum>

<https://twitter.com/qatarpetroleum>

<https://www.youtube.com/user/QPQATAR>

<https://instagram.com/qatarpetroleum>

<https://www.linkedin.com/company/qatar-petroleum/>

### Cautionary Message

This report contains statements that may be deemed as "forward-looking statements" that express the way in which QP intends to conduct its activities. Forward statements could be identified by the use of forward-looking terminologies such as "plans", "aims", "assumes", "continues", "believes", or any variations of such words that certain actions, events or results "may", "could", "should", "might", "will", or "would" be taken or be achieved.

QP has made every effort to ensure that the report is as accurate and truthful as possible. However, by their nature, forward-looking statements are qualified to inherent risks and uncertainties surrounding future expectations that could cause actual results to differ materially from these projected or implied statements. Such statements are subject to risks that are beyond QP's ability to control and therefore do not represent a guarantee that the events implied in these forward-looking statements will actually occur.

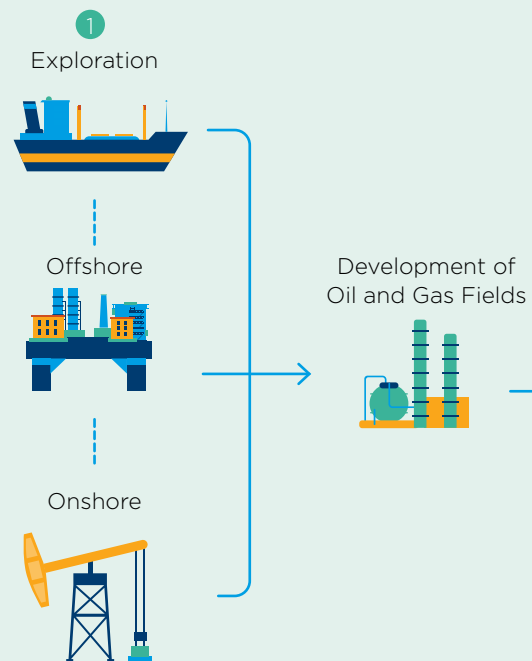


## QP AT A GLANCE

QP IS AN INTEGRATED NATIONAL OIL AND GAS 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.

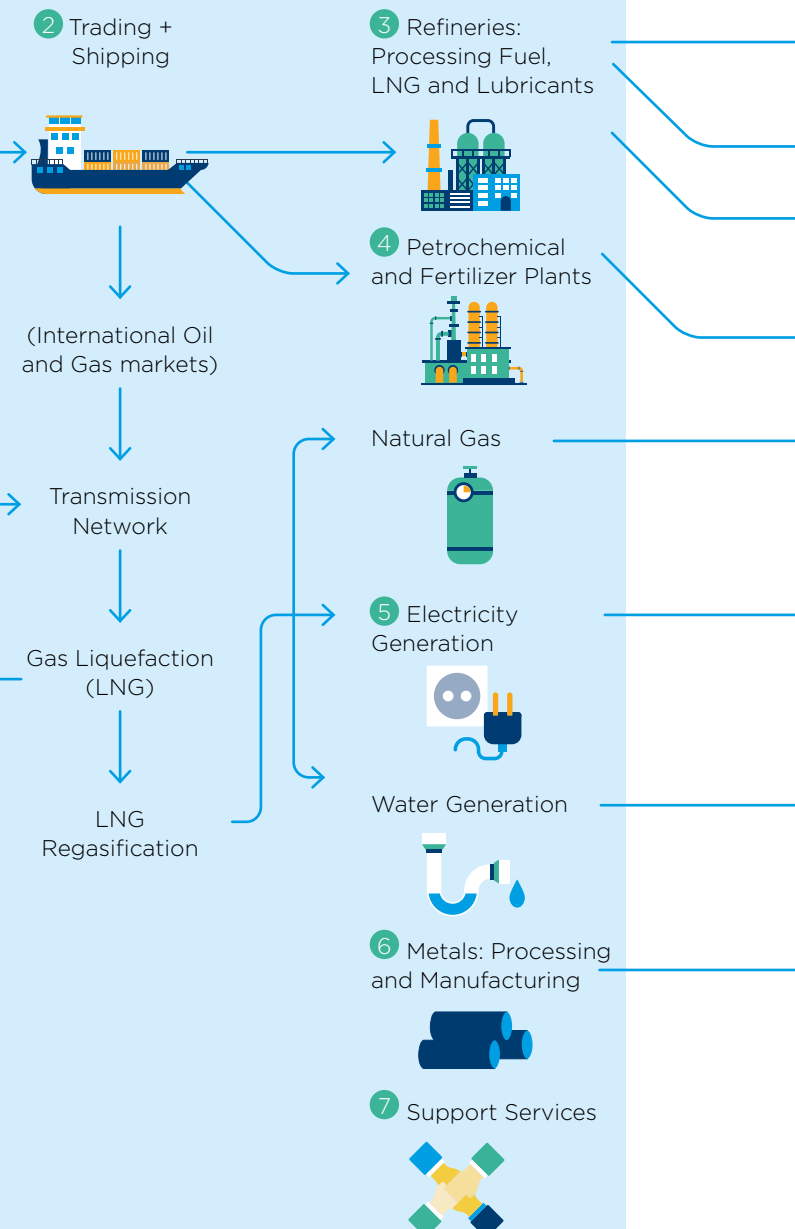
## UPSTREAM

Exploration, development and extraction of crude oil and natural gas



## MIDSTREAM-DOWNSTREAM

Transport and storage of hydrocarbons,  
refining and distribution of products



## FINAL MARKET

Final products and sales in the Qatari, regional and international markets.

LNG and other by-products are shipped to over 60 countries around the world.

Liquid gas fuels are exported around the world.

Lubricants are distributed around Qatar.

Chemical products are supplied to the region and the world.

Gas fuel is distributed around Qatar.

Electricity is distributed around Qatar.

Water is distributed around Qatar.

Steel and aluminium products are distributed in Qatar and across the globe.

## OUR HISTORY

QP was established in 1974 as 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, and 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 aluminium

## 1 EXPLORATION, DRILLING & PRODUCTION

- Gulf Drilling International (GDI) (10%)
- QP through Exploration and Production Sharing Agreements (EPSAs), Development and Production Sharing Agreements (DPSAs) and Joint Operations.

## 2 STORAGE & TRANSPORTATION

- Qatargas
- Woqod (Qatar Fuel) (20%)
- Qatex (51%)
- QP

### 3 REFINING & GAS PROCESSING

- Qatargas
- Oryx GTL (51%)
- QP

## 4 PETROCHEMICALS & FERTILIZERS

- Qatar Petrochemical Company (QAPCO) (40.8%)
- Qatar Fuel Additives Company (QAFAC) (25.5%)
- Qatar Vinyl Company (QVC) (62.07%)
- Qatofin Company Limited (25.97%)
- Ras Laffan Olefins Company (RLOC) (31.04%)
- Qatar Chemical Company (Q-CHEM) (34.1%)
- SEEF Limited (100%)
- Qatar Fertilizer Company (QAFCO) (38.25%)
- Gulf Formaldehyde Company (26.78%)
- Qatar Melamine Company (62.95%)

## 5 POWER & UTILITIES

- Ras Laffan Power Company (RLPC) (10%)
- Mesaieed Power Company (M Power) (20%)
- Ras Girtas Power Company (RGPC) (15%)
- Um Al-Houl Power (5%)

## 6 METALS

- Qatar Aluminium (Qatalum) (25.5%)
- Qatar Steel (51%)

## 7 SUPPORT SERVICES

- Gasal (30.5%)
- Al-Shaheen Distribution (100%)
- Al-Shaheen Weatherford (50%)
- Al-Shaheen GE Services (50%)
- Gulf Helicopters (10%)
- AMWAJ (10%)
- Al Koot Insurance & Reinsurance Company (10%)
- QP



# OUR BOARD OF DIRECTORS

In line with our governance framework and our establishment law, we have restructured the Board of Directors in 2018. We recognize the illustrious contribution of the former Board of Directors who have facilitated great progress for QP and the State of Qatar during their tenure. We are without doubt in a better position presently due to their hard work and contributions.

Moving forward, the combined vision of our new Board members will help us grow the organization to newer heights whilst ensuring that QP's corporate vision and strategy are always working towards achieving the Qatar National Vision (QNV) 2030.

**H.H. SHEIKH ABDULLAH  
BIN HAMAD AL THANI**  
**The Deputy Amir**  
Chairman of the Board

**H.E. SAAD SHERIDA AL-KAABI**  
**Minister of State  
for Energy Affairs**  
Vice Chairman and  
President & CEO

**H.E. ALI SHAREEF  
AL-EMADI**  
**Minister of Finance**  
Member

**H.E. ALI BIN  
AHMED AL-KUWARI**  
**Minister of Commerce  
and Industry**  
Member

**SHEIKH KHALID BIN KHALIFA BIN  
JASSIM AL-THANI**  
**CEO of Qatargas**  
Member

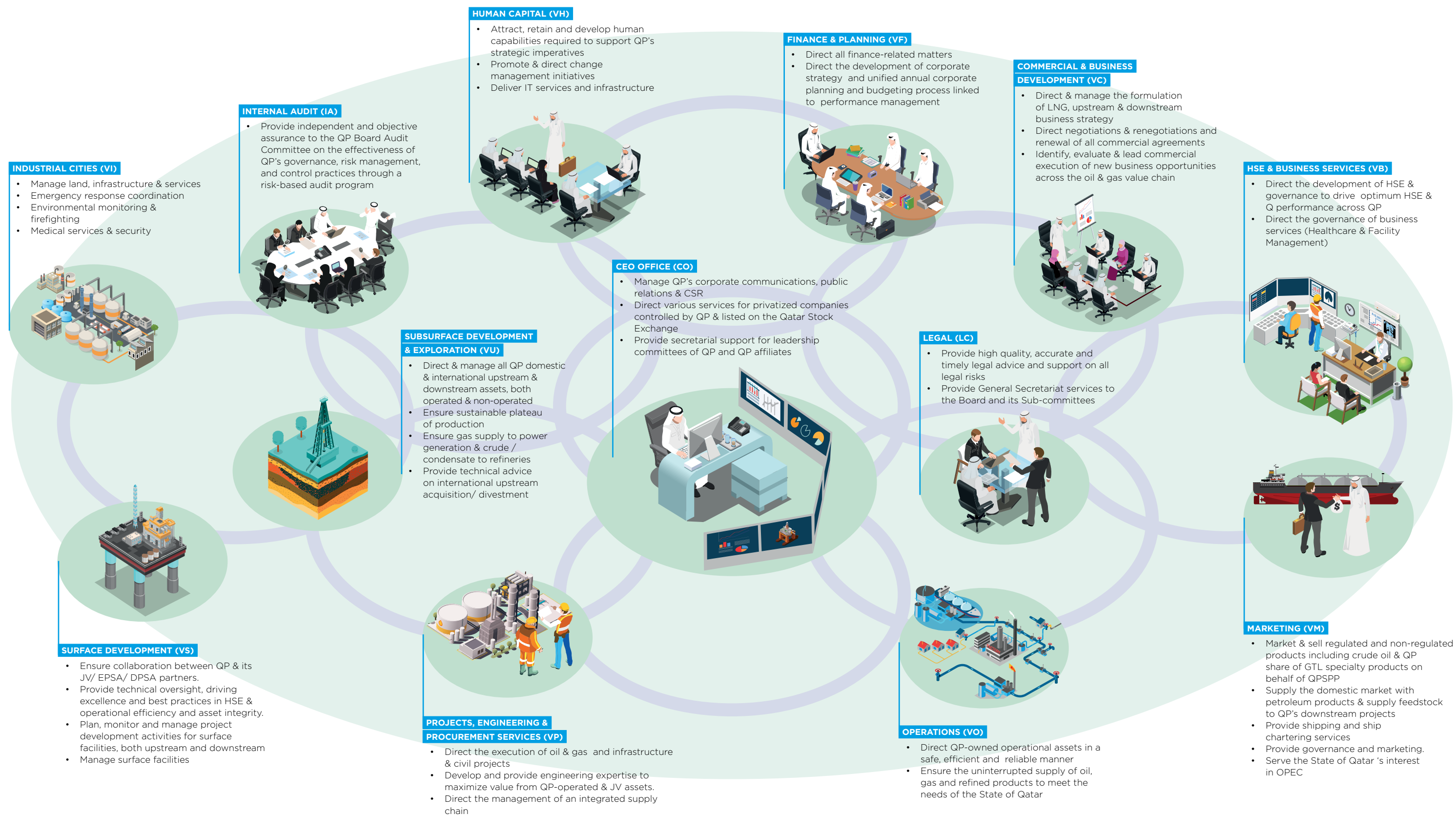
**MR. NASSER  
KHALIL AL-JAIDAH**  
Member

**MR. SAEED MUBARAK  
AL MUHANNADI**  
Member





# OUR ORGANIZATIONAL STRUCTURE



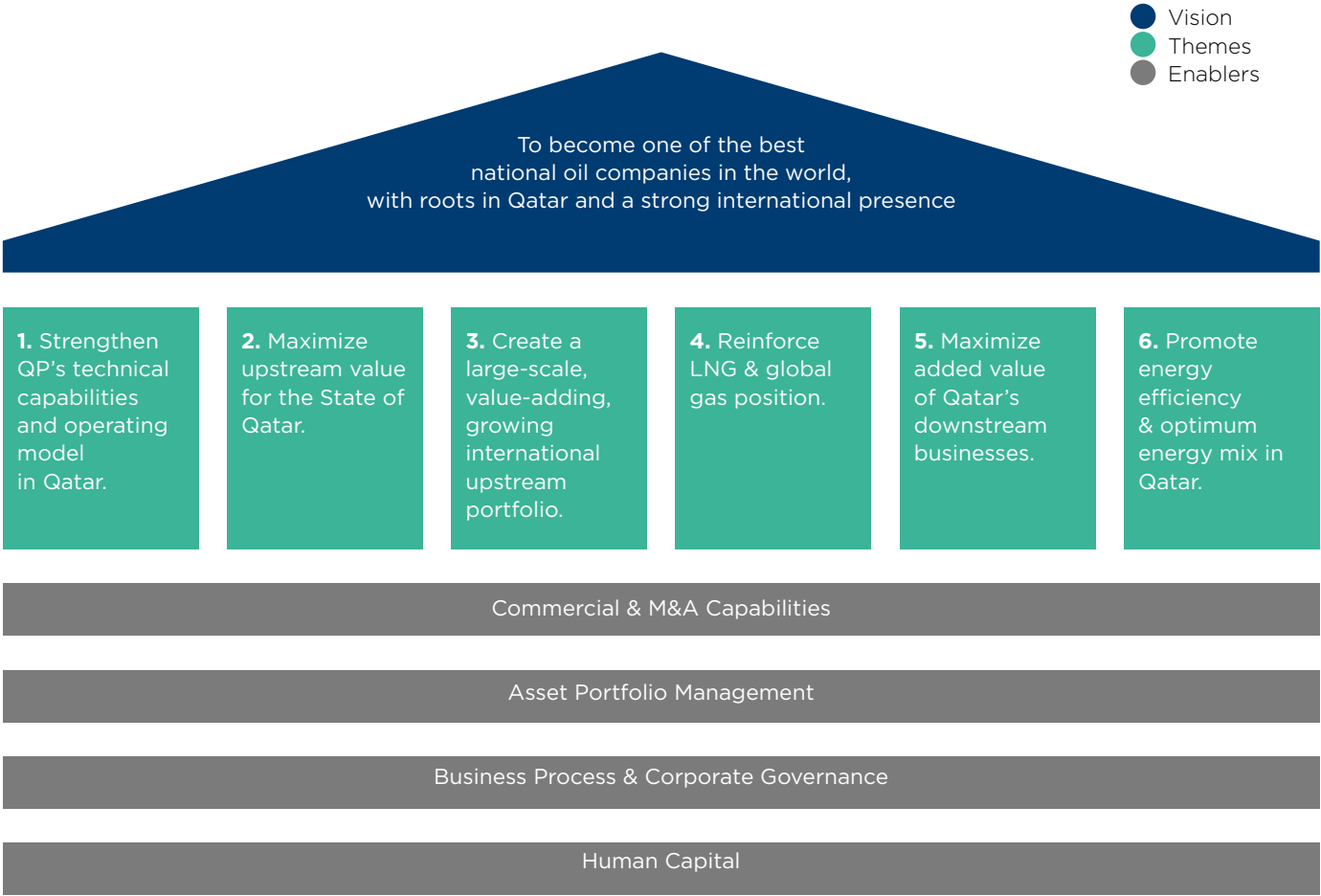


# OUR VISION, VALUES AND STRATEGY

In 2018, we rolled out our new corporate strategy and the values which underpin our vision:

**“TO BECOME ONE OF THE BEST NATIONAL OIL COMPANIES IN THE WORLD, WITH ROOTS IN QATAR AND A STRONG INTERNATIONAL PRESENCE.”**

Our corporate strategy is designed to strengthen our technical capability and operating model, maximize upstream value to the State of Qatar, create a large-scale value-adding international portfolio, reinforce Qatar’s LNG and global gas position, maximize downstream added value, and promote energy efficiency and optimum energy mix in Qatar. These six major “themes” are underpinned by four strategic “enablers”: our strong commercial and M&A capabilities, successful asset portfolio management, robust business process and corporate governance as well as human capital.



THE QP VALUES WERE LAUNCHED IN CONJUNCTION WITH THE NEW STRATEGY. THESE VALUES DESCRIBE THE STANDARDS OF BEHAVIOR THAT SHAPE OUR CORPORATE CULTURE AND WILL BE KEY TO ACHIEVING OUR VISION.

## 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.

### 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.

### 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.

### 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.

### 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.

### 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.

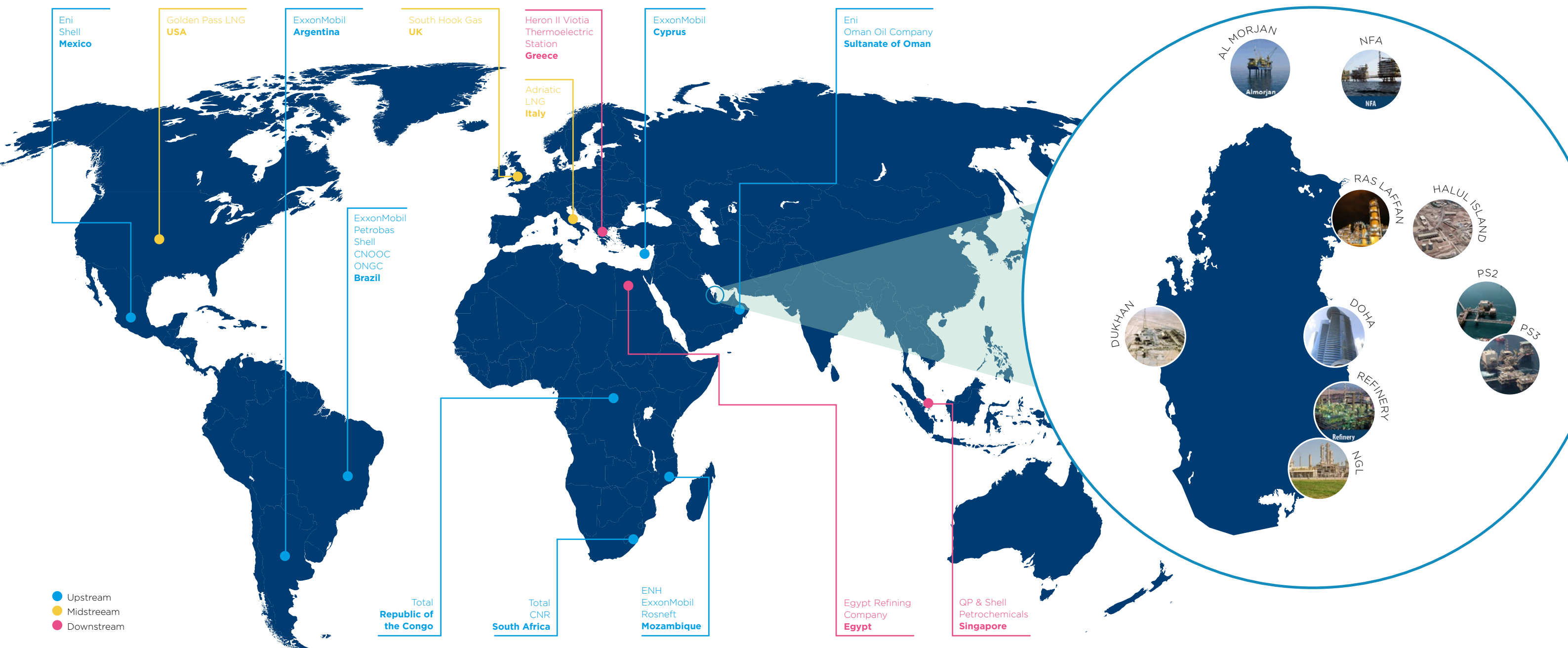


We have delivered programs to integrate our new strategy and values into the day-to-day business life of our employees. More than 80 ‘Change Champions’ received training on the new strategy and values and have taken this across all levels of the organization, delivering more than 200 face-to-face engaging workshops to approximately 8,000 employees across multiple locations.

# WHERE WE OPERATE

WE OPERATE REGIONALLY BUT ALSO ON AN INTERNATIONAL BASIS. OUR OPERATIONS AND ACTIVITIES IN QATAR ARE CONDUCTED AT VARIOUS ONSHORE LOCATIONS, INCLUDING DOHA, DUKHAN, MESAIEED AND RAS LAFFAN INDUSTRIAL CITIES AS WELL AS THREE OFFSHORE AREAS, HALUL ISLAND AND THE NORTH FIELD. THE NORTH FIELD IS THE LARGEST SINGLE NON-ASSOCIATED GAS RESERVOIR IN THE WORLD, COVERING 6,000 KM<sup>2</sup>.

**As illustrated on the map,** our extensive investment portfolio stretches beyond Qatar and includes joint ventures in North and South America, Europe, Africa and Asia. While we currently maintain a principal role as a proactive non-operator internationally, we have initiated the development of an international basin and hydrocarbon resource-led exploration portfolio, partnering with leading global players.





# OUR INVESTMENT PORTFOLIO

OUR NATIONAL INVESTMENT PORTFOLIO INCLUDES PARTNERSHIPS WITH SOME OF THE WORLD'S MOST CAPABLE COMPANIES, WHICH IS CRITICAL TO THE ACHIEVEMENT OF THE COUNTRY'S NATIONAL VISION AND GOALS FOR SUSTAINABLE DEVELOPMENT.

We have signed several production-sharing agreements and joint ventures with major international oil companies to develop Qatar's reserves and increase upstream oil and gas production capacity. At the same time, our Surface Development Directorate has been the driver of petrochemical and downstream sector development in the State of Qatar for more than 40 years, building a multibillion-dollar business across five industry sectors. In addition, we have established many specialized companies in the areas of fuel distribution, supply services, transportation and insurance. Most of our operations in Qatar are conducted within industrial cities which have been developed and are managed by QP.

While maintaining our focus as a national oil corporation, we continue to build a global presence. Our international investments provide us with opportunities to build on and further develop our 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 assets include upstream (gas and oil exploration), midstream (LNG terminals) and downstream (converting hydrocarbon into derivative products) operations in several countries around the world, including the USA, UK, Italy, Greece, Singapore, Egypt, Morocco, Brazil, Mexico, Argentina, Congo, Mozambique and South Africa.





# OUR VALUE CHAIN

We create value by harnessing Qatar's abundant hydrocarbon resources, converting these into added-value downstream products and services, and investing in the development of an integrated energy value chain around the world. A range of inputs that flow into our business model allow us to create value across the four pillars (Human, Social, Economic and Environmental) of the Qatar National Vision (QNV) 2030 and the 17 goals of the United Nations Sustainable Development Goals (SDGs).

## INPUTS

### HUMAN CAPITAL

- Integrated talent management
- Organizational excellence (the right structure, processes, systems, people and culture)
- Enhanced employee welfare and engagement

### SOCIAL CAPITAL

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

### ECONOMIC CAPITAL

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

### ENVIRONMENTAL CAPITAL

- Crude oil
- Natural gas
- Energy
- Water
- Land
- Air quality
- Hazardous and non-hazardous wastes

## OPERATIONAL PROCESS

## OUTCOMES

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

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

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

- Reduced air emissions, and management of effluents and waste
- Achievement of national goal to reduce flaring
- Pollution prevention and control
- Biodiversity protection and conservation
- Integrated waste management system

## ALIGNMENT WITH UN SDGs





## 02

## OUR SUSTAINABLE BUSINESS PRACTICES

SUSTAINABILITY IS EMBEDDED INTO ALL FACETS OF OUR BUSINESS. AS THE CUSTODIAN AND DEVELOPER OF OUR COUNTRY'S OIL AND GAS RESOURCES,

We believe that real leadership and action are critical to building 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 that our organization remains resilient and prosperous on the path to sustainable development. We are also finding opportunities to help employees, communities and other stakeholders thrive in times of 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.



## OUR SUSTAINABILITY POLICY AND FRAMEWORK

IN ORDER TO ACHIEVE OUR SUSTAINABILITY GOALS, QP HAS DEVELOPED A SUSTAINABILITY POLICY AND FRAMEWORK THAT ARE ALIGNED TO OUR VISION AND CORPORATE STRATEGY AND CORE VALUES.

### Support the well-being of our workforce and wider society.



- We play a leading role in advancing human development in Qatar by protecting the health, safety, and rights of our employees and contractors.
- We leverage our organizational strengths and assets to maximize our positive impact on the needs of communities linked to our operations.

### Manage our impacts on the natural environment.



- We protect the environment for future generations by continuously reducing the use of natural resources, pollution and hazardous waste, spills and emissions from our direct operations and value chains.
- We collaborate with our partners to innovate solutions to explore alternative sources of energy and protect our productive assets and people from environmental risks.

### Fuel the long-term economic prosperity of Qatar.



- We contribute to long-term economic prosperity in Qatar by supporting its transition to a knowledge-based economy.
- We are committed to the efficient, profitable and responsible use of our country's energy resources, the development of successful business ventures, and targeted international investments that demonstrate leading sustainability credentials.

### Managing our Talent



- We PLAN for our future, so we have the right people with the right skills at the right time and ensure that we remain competitive in a changing world.
- We ATTRACT the best talent locally and globally and make sure we make them feel at home and able to contribute quickly.
- We DEVELOP all our people to ensure we have a highly capable team, with the skills and experience to make our vision become reality.
- We ENGAGE our employees to inspire high performance and work towards our common goals.

### Governance and Accountability



- We manage our business in alignment with the QP values and business principles outlined in our Code of Ethics and by engaging with a wider group of stakeholders that are impacted by our business.
- We demonstrate our accountability by reporting periodically the impact and value created by our sustainability performance, risk assessment and forward-looking strategy.



Our **sustainability framework** identifies the most material sustainability issues for our business in alignment with our corporate, national and international development objectives, and it also provides a summary of our sustainability activities across our value chain, symbolic for our status as a key contributor to Qatar's economy.

#### SUPPORT THE WELL-BEING OF OUR WORKFORCE AND WIDER SOCIETY.

- Achieve world-class health and safety standards
- Promote human rights
- Support local value chains
- Invest in society
- Stakeholders engagement

#### GOVERNANCE AND ACCOUNTABILITY

- Executive leadership commitment
- Goals, strategies and policies
- Performance monitoring & reporting

#### MANAGING OUR TALENT

- We PLAN for our future
- We ATTRACT the best talent locally and globally
- We DEVELOP all our people
- We ENGAGE our employees to inspire high performance and work towards our common goals

#### MANAGE OUR IMPACTS ON THE NATURAL ENVIRONMENT.

- Respond to climate change
- Promote energy efficiency
- Manage water resources
- Protect biodiversity
- Reduce other emissions and waste

#### FUEL THE LONG-TERM ECONOMIC PROSPERITY OF QATAR.

- Achieve reliable financial performance
- Lead upstream/ downstream development and strategic international investments
- Improve operational efficiency

## SUSTAINABILITY GOVERNANCE

WE MANAGE OUR BUSINESS IN ALIGNMENT WITH THE QP VALUES AND THE BUSINESS PRINCIPLES OUTLINED IN OUR CODE OF ETHICS AND BY ENGAGING WITH A WIDER GROUP OF STAKEHOLDERS THAT ARE IMPACTED BY OUR BUSINESS.

We have an Executive Leadership Team, and a pool of experts from across our business units makes up QP's sustainability team and helps us embed sustainability into our business by actively implementing our corporate strategy and evaluating our performance to ultimately achieve our targets.

Their roles include coordinating the development of this Sustainability Report, updating the Sustainability Reporting Procedure and validating the issues that are material to QP year after year.

We are in the process of building corporate-wide awareness on the principles and practices of sustainability by developing an online sustainability awareness course for all our employees. As part of a broader governance transformation initiative, we are also working with an external advisor who will review and critique our sustainability framework and governance practices. We are looking forward to receiving their feedback in 2019.

#### SPOTLIGHT:

#### RAS LAFFAN ENVIRONMENTAL SUSTAINABILITY INITIATIVES AND ACHIEVEMENTS WORKSHOP

Ras Laffan Industrial City organized in 2018 the first RLIC Environmental Sustainability Initiatives and Achievements Workshop at the Ras Laffan Emergency and Safety College. The workshop was attended by a large number of participants representing asset operators, the Ministry of Municipality and Environment, QP's Corporate HSE & Quality Department and the Surface Development Directorate.

As part of the workshop, Lakes Environmental Software and Olfasense introduced their latest air emission modeling and odor management

services, respectively, which use the most comprehensive modeling software and state-of-the-art equipment.

Topics covered included wastewater management, flare minimization projects, approaches to air quality monitoring and air emissions reduction, greenhouse gas (GHG) accounting, as well as reporting and reduction opportunities.





# STAKEHOLDER ENGAGEMENT

To thrive in today's oil and gas industry, it is essential that we engage with our internal stakeholders and continually assess ourselves against their expectations. We have a diverse range of internal stakeholders with whom we interact in many ways. These interactions are crucial to us, identifying and enabling us to respond effectively to sustainability challenges and opportunities affecting our business and operations.

For a summary on ways of engagement and our internal stakeholders' expectations and priorities, please see Appendix C.



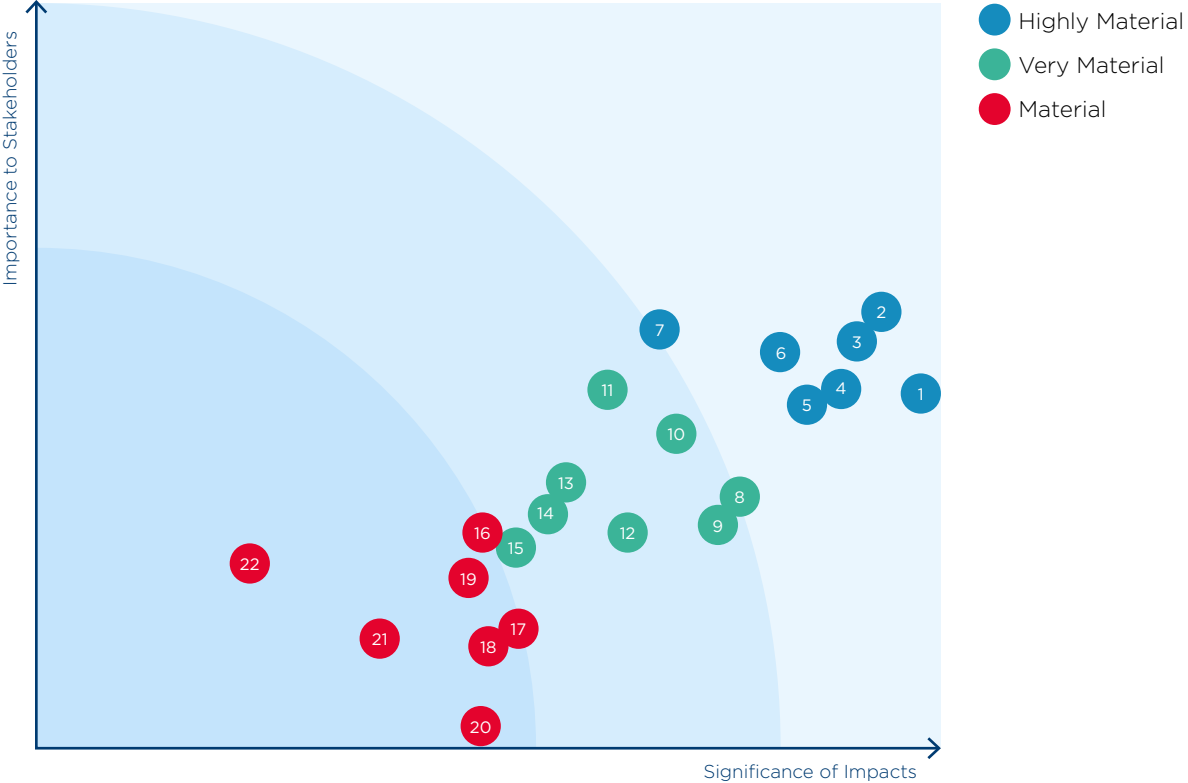
# MATERIALITY ASSESSMENT

THE SUCCESSFUL DELIVERY OF BOTH OUR VISION AND CORPORATE STRATEGY DEPENDS ON OUR ABILITY TO IDENTIFY, MEASURE AND MANAGE A RANGE OF ECONOMIC, SOCIAL AND ENVIRONMENTAL RISKS AND OPPORTUNITIES.

A formal materiality process enables us to identify emerging sustainability topics, both in terms of importance to our business and of highest concern to our internal stakeholders. We capture the resulting priority topics in a matrix, which provides a snapshot of the challenges, opportunities and connections between those sustainability topics. Each year we re-evaluate these topics and update our materiality matrix, following these three steps:

- 1. **Identification:** We update our existing list of material topics with research on the latest industry trends and national and international developments, peer benchmarking and internal stakeholder engagement.
- 2. **Prioritization:** Through the course of a workshop, we prioritize those topics deemed of highest importance and rank them accordingly. This process involves considering how each relevant topic affects our ability to achieve our corporate vision as well as our internal stakeholders' perceptions of our business.
- 3. **Validation:** Once the materiality analysis is completed, the results are reviewed by our sustainability team and management to ensure that our list of most material topics is complete and reflecting the perspectives of our company as well as our internal stakeholders.

Our 2018 assessment resulted in 22 material topics, which are illustrated in our materiality matrix on the next page. These material topics guide our sustainability priorities and strategies, align closely to our sustainability framework and shape the content of this report.



MATERIAL TOPICS	SUSTAINABILITY FRAMEWORK AREAS
1 Economic performance	Contributing to Economic Prosperity
2 Asset integrity and process safety	Support the Well-being of Our Workforce and Society
3 Air pollution control	Environmental Stewardship
4 Occupational health and safety	Support the Well-being of Our Workforce and Society
5 GHG emissions reduction	Environmental Stewardship
6 Emergency preparedness and business continuity management	Support the Well-being of Our Workforce and Society
7 Operational efficiency and reliability	Contributing to Economic Prosperity
8 Energy use	Environmental Stewardship
9 Water use and effluents	Environmental Stewardship
10 Sustainability of investment portfolio	Contributing to Economic Prosperity
11 Risk management	Contributing to Economic Prosperity
12 Integrity, governance and transparency	Contributing to Economic Prosperity
13 Talent attraction, retention and engagement	Development of Our Workforce
14 Workers' welfare	Support the Well-being of Our Workforce and Society
15 Workforce development	Development of Our Workforce
16 Waste generation and management	Environmental Stewardship
17 Local value chain and business development	Support the Well-being of Our Workforce and Society
18 Biodiversity	Environmental Stewardship
19 Qatarization	Development of Our Workforce
20 Workforce diversity and inclusivity	Development of Our Workforce
21 Innovation in research and development	Contributing to Economic Prosperity
22 Community engagement and investment	Support the Well-being of Our Workforce and Society









# CONTRIBUTING TO NATIONAL AND INTERNATIONAL SUSTAINABILITY GOALS





IN 2015, COUNTRIES AROUND THE WORLD ADOPTED THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT AND ITS 17 SUSTAINABLE DEVELOPMENT GOALS (SDGs).

The 2030 Agenda for Sustainable Development provides a global blueprint for dignity, peace and prosperity for people and the planet, now and in the future. Over the next fifteen years, with these new goals that universally apply to all, countries will mobilize efforts to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind. To us, the SDGs are an important reference to frame our sustainability actions and set them in a global

context, showing our contribution to this very important international initiative.

On a local level, our sustainability management approach is inspired and closely related to the four pillars of the Qatar National Vision (QNV) 2030 and the Second National Development Strategy (NDS) 2018 - 2022. The table below maps our activities against the SDGs, the QNV 2030 and the recent NDS.

SDG	QNV 2030	NDS 2018-2022	QP's Contribution
<b>ENVIRONMENTAL DEVELOPMENT</b> 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"><li>Managing and measuring our environmental footprint, from energy consumption to responsible use of water, materials and natural habitats</li><li>Investing in various energy savings and efficiency programs.</li><li>Establishing a solar power plant in Qatar.</li></ul>
		Reducing emissions	<ul style="list-style-type: none"><li>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 adopting industry best practices.</li><li>Monitoring the GHG accounting, reporting and verification for all companies operating in Ras Laffan Industrial City.</li><li>Introducing a blended diesel in Qatar with up to 50% ultra-low sulphur GTL diesel.</li><li>Continually assessing options to retrofit or replace equipment to reduce SOx and NOx emissions.</li></ul>
	Cleaner water and improved waste management		<ul style="list-style-type: none"><li>Ensuring water stewardship through efficient and responsible use of water, including operating water treatment facilities at each of our sites.</li><li>Managing effluents and waste, including through recycling programs and periodic inspections of our hazardous waste facilities.</li><li>Upgrading the capabilities of our Dukhan Sewage Treatment Plant.</li><li>Establishment of a comprehensive hazardous waste management and industrial non-hazardous waste management facility, in addition to domestic waste transfer station in RLIC.</li></ul>
		Conservation of biodiversity	<ul style="list-style-type: none"><li>Investing in local community initiatives such as a five-year fish rescue project and a turtle conservation effort.</li><li>Conducting marine eco-surveys at regular intervals to assess the environmental impacts of our operations.</li><li>Undertaking two major coral relocation and monitoring projects around Halul Island and Ras Laffan Industrial City.</li><li>Maintaining established animal conservation areas in RLIC.</li></ul>
	An increasingly environmentally aware population		<ul style="list-style-type: none"><li>Creating environmental awareness through activities such as QP's Waste Recycle Awareness event and Turtle Beach Clean Up Day.</li></ul>
		Promoting sustainable environmental practices	<ul style="list-style-type: none"><li>Organizing hands-on campaigns such as tree plantings that engage both employees and citizens in environmental stewardship.</li></ul>
	Improved governance and outcomes		<ul style="list-style-type: none"><li>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 &amp; Integrity Management Framework.</li><li>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.</li></ul>

SDG	QNV 2030	NDS 2018-2022	QP's Contribution
<b>HUMAN DEVELOPMENT</b> 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"><li>Supporting vocational learning to provide technical and administrative training.</li><li>Offering non-technical education programs to help employees improve their performance and to develop their skills.</li></ul>
		Improving knowledge transfer mechanisms	<ul style="list-style-type: none"><li>Supporting youth and new professionals through work-integrated learning programs and internships, such as our new knowledge-sharing lecture program.</li></ul>
	A Healthy Population: Physically and Mentally	Nurturing a healthy population	<ul style="list-style-type: none"><li>Maintaining a Health, Safety, Sustainability and Environmental Policy and providing ongoing safety training, workshops and communication.</li><li>Supporting sector compliance with health requirements.</li><li>Providing health education for employees, which they can then share with their families.</li><li>Launching a new Safety Excellence Initiative to better coordinate safety-related initiatives across QP.</li><li>Offering various employee wellness initiatives, such as our bi-annual healthy lifestyle forums, to promote mental, physical and emotional well-being.</li><li>Providing occupational hygiene programs and procedures to help prevent occupational illnesses.</li><li>Implementing programs like Asset Integrity Management and Process Safety Management, which reflect our commitment to protecting human life and the natural environment.</li><li>Having procedures in place such as protocols and alarm management systems to prevent and contain major hazards such as fires, explosions and toxic clouds.</li></ul>
		Managing occupational health and safety information to monitor and assess the health status of all employees	
	A Capable and Motivated Workforce	Increased and diversified participation of Qataris in the workforce	<ul style="list-style-type: none"><li>Implementing the Strategic Qatarization Plan, an industry-wide initiative to develop Qataris to a standard comparable to their counterparts globally.</li><li>Supporting the recruitment, educational sponsorship and development of Qatari nationals.</li><li>Cultivating business opportunities with local suppliers and contractors in Qatar.</li><li>Leading the Annual Qatarization Review Meeting for the Energy and Industry Sector, to recognize companies for their accomplishments around Qatarization.</li><li>Applying performance-based training and development.</li><li>Building leadership capability through leadership programs for top, mid-level and frontline leaders with a focus on the development of nationals.</li><li>Conducting events/programs such as Mustaqbalna and Tas'ees, which aim to engage and develop Qatari nationals.</li></ul>

<b>SOCIAL DEVELOPMENT</b> 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"><li>Practicing corporate social responsibility and being transparent about our social, economic and environmental impacts through annual sustainability reporting.</li><li>Hosting a Workers' Welfare-Contractors Awareness Forum to enhance awareness around workers' welfare.</li><li>Consulting with community members to identify local needs and concerns.</li><li>Collaborating with community partners such as non-profits and schools to support programs related to culture and heritage, health awareness and sports development.</li></ul>
	A Sound Social Structure	Enhancing public safety and security	<ul style="list-style-type: none"><li>Providing employees and contractors with ongoing Health, Safety and Environment training.</li><li>Maintaining business continuity plans and management.</li><li>Investing in various public infrastructure projects, such as the construction of a new primary school in the Dukhan Township.</li></ul>

<b>ECONOMIC DEVELOPMENT</b> 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"><li>Investing in national energy and industry companies.</li><li>Supporting innovation in research and development.</li><li>Improving operational efficiency and reliability.</li><li>Cultivating business opportunities with local suppliers and contractors in Qatar.</li></ul>
	Responsible Exploitation of Oil and Gas	Efficient use of natural resources, which include energy, oil and gas	<ul style="list-style-type: none"><li>Improving efficiency to increase resources available for the sustainable development of the State of Qatar.</li><li>Reducing the offshore logistics and operating costs for the industry via the Offshore Operators Forum (OOF), a common platform to promote operational excellence in offshore functionalities in terms of HSSE performance, operating costs, as well as the availability and reliability of upstream assets.</li><li>Promoting anti-bribery and anti-corruption measures.</li><li>Attracting foreign investment into Qatar and expanding Qatar's investments across the world.</li><li>Cultivating business opportunities with local suppliers and contractors in Qatar.</li></ul>
		Reducing oil and gas costs to maximize efficiency	<ul style="list-style-type: none"><li>Focusing on innovation to identify new market/product potential (e.g., alternative, cleaner fuels).</li></ul>
	Suitable Economic Diversification	Building a diversified economy	





# 03

## ENVIRONMENTAL STEWARDSHIP

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

We believe that environmental stewardship makes good business sense, particularly in a region suffering from water scarcity, finite hydrocarbon resources, low air quality and fragile natural habitats. Our proactive environmental management ranges from optimization programs to investments in leading technologies and ground-breaking projects that are recognized internationally. Measuring and managing a range of material environmental issues support the achievement of our corporate strategy and creates value for our corporation and the State of Qatar.

### Performance Highlights

4.4%

decrease in upstream direct energy intensity compared to 2015



10%

of water recycled or reused in 2018



12%

decrease in VOCs compared to 2015



35%

reduction in hazardous waste generated in 2018 compared to 2015



4x

more non-hazardous waste recycled in 2018 than in 2015



### Material issues covered in this chapter

- Greenhouse gas emissions reduction
- Energy use
- Water use and effluents
- Waste generation and management
- Biodiversity



## CLIMATE CHANGE MITIGATION AND ADAPTATION

CLIMATE CHANGE IS ARGUABLY THE MOST PRESSING GLOBAL CHALLENGE OF OUR TIME. QATAR AND OTHER COUNTRIES IN THE GULF REGION WILL INCREASINGLY EXPERIENCE THE NEGATIVE IMPACTS OF CLIMATE CHANGE, MAINLY RELATED TO SEA LEVEL AND TEMPERATURE RISE. BOTH WILL AFFECT QATAR'S INFRASTRUCTURE AND POPULATION IN SEVERAL WAYS, WITH POSSIBLE RISKS RANGING FROM THE SALINATION OF SURFACE OR GROUND WATER AND FLOODING IN COASTAL AREAS TO INCREASED STRESS ON HUMANS, BIODIVERSITY AND INFRASTRUCTURE DUE TO HIGHER TEMPERATURES.

The State of Qatar is addressing climate change challenges and has identified environmental development as one of the priorities in Qatar's National Development Strategy (NDS), making a clear commitment towards a cleaner and more energy-efficient environment.

### OUR APPROACH

We support the efforts of our government towards climate change 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. As a company primarily engaged in the oil and gas business, we are committed to taking actions to manage and reduce our GHG emissions, while being transparent about our performance.

As part of our strategic approach to transition into a sustainable energy producer, we are in the process of developing an emission reduction plan, which aims to minimize our emissions, in particular related to flaring during exploration, production and transportation, and to identify opportunities for energy efficiency/energy conservation and renewable energy investments.

Our approach addresses both dimensions of climate change: mitigation and adaptation.

### MITIGATION

Climate change mitigation refers to activities that help reduce emissions and stabilize the levels of greenhouse gases in the atmosphere, either by reducing the sources of these gases, e.g. reducing the burning of fossil fuels or enhancing the so-called 'sinks' that accumulate and store these gases, such as our oceans, forests and soil.

At QP, this translates to identifying opportunities to continuously improve our energy efficiency while seeking to identify opportunities to reduce our direct and indirect GHG emissions, other emissions and flaring.

### ADAPTATION

Climate change adaptation relates to actions that help in adapting to life in a changing climate and in coping with the potentially negative consequences.

At QP, we are working towards adapting our organization, facilities and infrastructure to a changing climate, particularly rising sea levels since many of our operations are located in the vicinity of coastal areas.

Our activities to enhance marine biodiversity, in particular our reef development projects around Halul Island, directly contribute to our adaptation efforts.



#### SPOTLIGHT:

### CLIMATE CHANGE ADAPTATION AT QP - COASTAL EROSION AND SHORELINE PROTECTION IN HALUL ISLAND

Parts of the shoreline of Halul Island were retreating due to coastal erosion which, in time, may result in land loss, damage to infrastructure and cause environmental consequences. As part of our adaptation strategy, we initiated a study as far back as 2010 to look into the issues of coastal erosion, to examine long-term stability of Halul Island and to suggest coastal defense measures that could be applied to mitigate damage occurring to the Halul infrastructure from coastal erosion, or by overtopping and flooding of low-lying coastal areas. The study led to the identification and concept design of 11 coastal protection schemes. The majority of schemes comprise a rock armour revetment, either aligned along the present coastline or set further seawards incorporating an area of land reclamation behind. The project was commissioned in 2016 and the current progress is at 82% completion. The forecasted time of completion of the project is the first half of 2020 (QP is not under any obligation to meet the stated completion dates of projects highlighted in this report as those dates are estimated completion date and might be influenced by circumstances beyond our control).

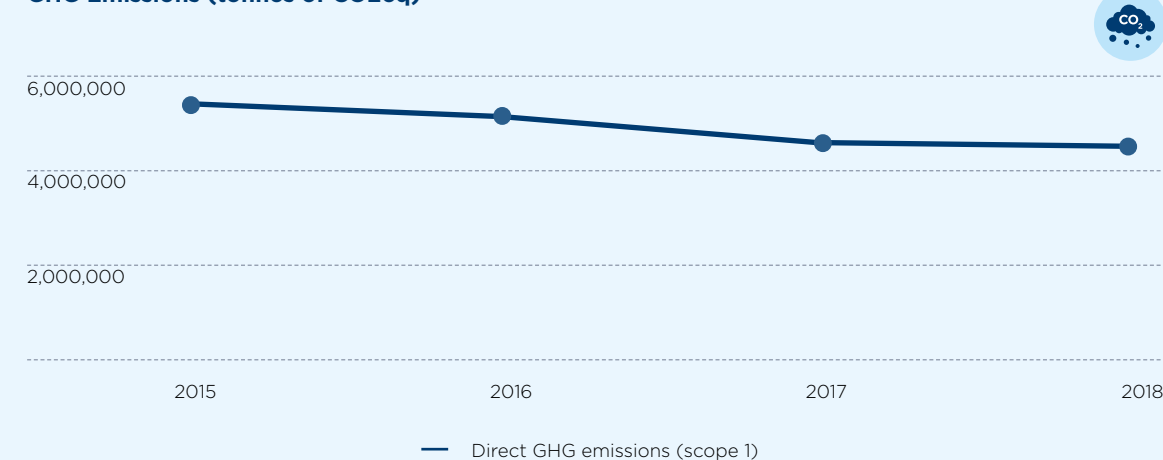
**“Thriving on innovation and excellence, QP Offshore Projects is committed to contribute to a better future by meeting today’s economic needs, while safeguarding our environment, assets and resources for our future generations. Such projects strengthen QP’s technical capabilities and its operating model, promote efficiency, mitigate environmental impacts, add value and enhance the overall image of QP”**

**Mohammed Al-Mohammed**

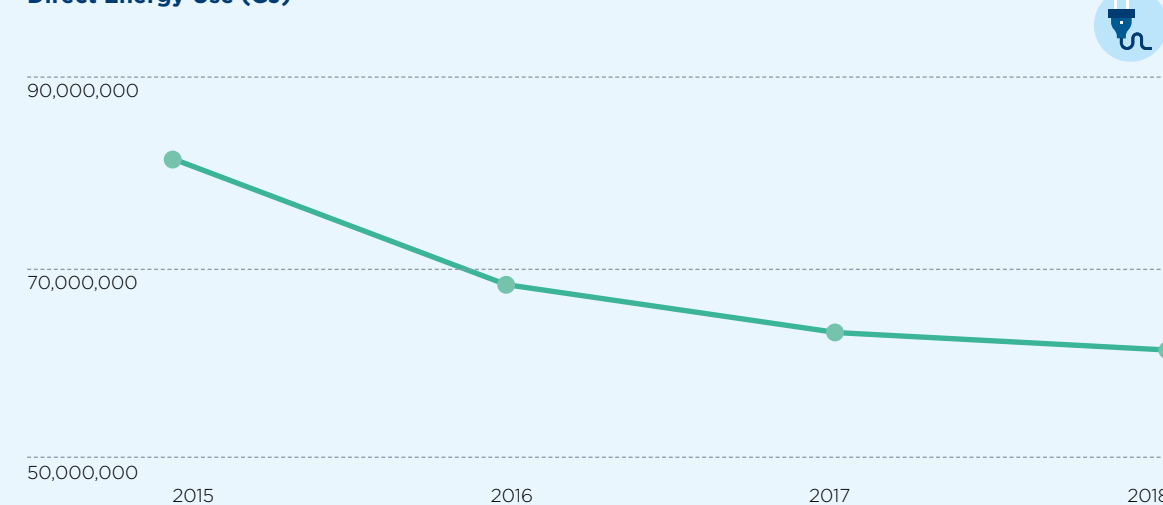
Manager, Offshore Projects Department, (PO)

#### OUR PERFORMANCE IN 2018

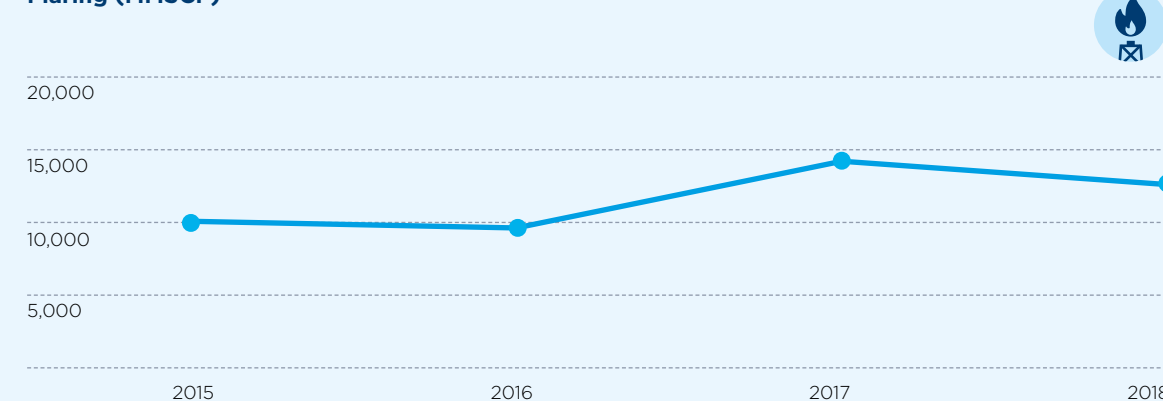
##### GHG Emissions (tonnes of CO<sub>2</sub>eq)



##### Direct Energy Use (GJ)



##### Flaring (MMSCF)





ENERGY USE

Qatar’s energy demand, particularly for cooling, is predicted to further rise as its population increases. Fortunately, more climate-friendly sources of energy are becoming increasingly relevant to support the increase in energy demand. Enhancing energy efficiency is also another key component of our climate strategy, which can contribute to improved productivity, lower operating costs and reduced environmental impacts. Energy efficiency and conservation also have the potential to extend the availability of our natural resources. That is why the efficient use of energy is an important prerequisite for the optimized use of Qatar’s hydrocarbon resources.

OUR APPROACH

QP’s commitment in the efficiency of its production assets is now gaining more momentum. Structural interventions have been carried out to make production activities more energy efficient. QP has successfully developed an energy efficiency monitoring tool whose main purpose is to monitor energy usage and identify gaps to further improve energy efficiency, besides monitoring the overall energy consumption.

OUR PERFORMANCE IN 2018

To demonstrate our commitment, we have invested in a range of energy efficiency programs, including the following:

- 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 into sleep mode, particularly at the end of each workday and during weekends. A reduced consumption has a lower impact on natural resources, reduces our GHG output and lowers the costs of operations.
- Our Offshore Operators Forum has implemented a range of energy-saving initiatives across their oil and gas field development and production activities.

- We continued to work with Ras Laffan operating companies to maximize energy efficiency.
- We developed a Guideline on Energy Conservation / Energy Efficiency Best Practices for QP Facilities, which was approved by our President & CEO in 2018.

Despite increasing our production capacities, we have become more efficient in the way we produce hydrocarbon. For every ton of hydrocarbon produced, we needed 1.37 GJ of direct energy in 2018, a 4% decrease compared to the 1.43 GJ that was needed back in 2015.

In addition to our energy efficiency efforts, we are seeking alternative sources of energy to help reduce Qatar’s carbon footprint while diversifying the country’s energy mix. Our projects include the following:

- We have made significant investments in liquefied natural gas (LNG) and gas-to-liquids (GTL) technologies, which are considered the cleanest fossil fuels. We are now the world’s leading producer of LNG and GTL products.
- We replaced 320 street lights with energy-efficient LED lamps in Dukhan and installed new plastic bodies to enhance the street illumination levels and reduce energy consumption.
- In partnership with Qatar Electricity and Water Company (QEWCo), we established Siraj Energy for the development of a solar power plant that will come on stream with a capacity of 750MW by 2023.
- In order to improve power supply reliability at our Dukhan production plant, we have implemented preventative maintenance activities, such as live line washing, insulator hand cleaning, replacing old cable termination, strengthening overhead lines pole conditions and replacing obsolete switchgears, to reduce overhead lines failure. The statistic of overhead lines failure has been reduced significantly since the activities started. In addition, the installation of capacitor banks for power factor correction at QP’s main substations has improved the voltage regulation, reduced the technical losses, and enhanced the reliability and efficiency of our power distribution system in the Dukhan Concession Area (DCA).

ENERGY CONSUMPTION

	2015	2016	2017	2018
Direct energy consumption (GJ)	81,253,165	68,247,488	63,162,260	61,247,627
Direct energy intensity (GJ/tonnes of hydrocarbon produced)	1.43	1.41	1.38	1.37

SPOTLIGHT:

QP - THE FIRST MIDDLE EAST COMPANY TO SIGN THE GUIDING PRINCIPLES ON REDUCING METHANE EMISSIONS

In line with our principles on environmental stewardship, we have signed the Guiding Principles on reducing methane emissions across the natural gas value chain. By joining leading international companies like Shell, ExxonMobil, Total and others, we are sending a clear message that protecting the environment and combating climate change are a core commitment and part of a wider responsibility enshrined in our corporate values and operational standards.



“By signing the Guiding Principles on reducing methane emissions across the natural gas value chain, we are sending a stronger message of our continued commitment to be a responsible environmental steward by running our operations safely while minimizing environmental impacts. We take this responsibility seriously and we are pleased to join our international industry peers in adopting the guiding principles to help achieve global climate goals.”

H.E. Saad Sherida Al-Kaabi  
Minister of State for Energy Affairs  
Qatar Petroleum President & CEO

Greenhouse Gas Emissions

For our type of business, our energy use makes up the most significant portion of our greenhouse gas emissions. In 2018 we emitted 4.8 million tons of CO2eq. Our direct GHG emissions have declined since 2015, notably by 17.7%.

Greenhouse gas emissions monitoring is one crucial part of our GHG management approach. 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 in RLIC to ensure effective performance in lowering GHG emissions.

GHG EMISSIONS

	2015	2016	2017	2018
Total GHG emissions (tonnes of CO2eq)	5,439,143	5,495,192	4,910,554	4,801,552
Scope 1 - Direct GHG emissions (tonnes of CO2eq)*	5,439,143	5,155,602	4,563,638	4,477,063
Scope 2 - Indirect GHG emissions (tonnes of CO2eq)*	N/A	339,590	346,916	324,489
Direct GHG emissions intensity (tonnes of CO2eq/ tonnes of hydrocarbon produced)	0.10	0.11	0.10	0.10

\*Direct and indirect emissions are classifications for carbon emissions. Direct emissions are those produced directly from a company’s source such as on-site boilers or steam generators, while indirect emissions are emissions from company activities but are emitted from sources owned or controlled by a third party, such as purchased electricity. Type of energy used includes only fossil fuels (natural gas and diesel)

FLARING AND OTHER EMISSIONS

Flare Minimization

Gas flaring is one of the major sources of GHG and methane emissions, which have severe impacts on global warming. In this regard, QP launched a Flaring Mitigation initiative in 2012 for facilities in Ras Laffan Industrial City (RLIC). Over the years, this initiative has resulted in halving the flaring intensity for Ras Laffan facilities to around 0.6% of sweet gas production.

Methane Emissions

QP signed a set of Guiding Principles on reducing methane emissions across the natural gas value chain stretching from production to the final consumer on 22nd March 2018. With this signing, QP becomes the first Middle East national oil company to join the wider efforts by the global energy industry to ensure that natural gas continues to play a critical role in helping meet future energy demand while addressing climate change. The principles aim to continually reduce methane emissions, advance strong performance across gas value chains, improve the accuracy of methane emissions data, advocate sound policies and regulations on methane emissions, and increase transparency. Our Surface Development Directorate (VS) was actively involved in the development of Policy Principles and Policy Objectives with the direction of the steering committee.

Other Air Emissions

Our aim is to reduce other air emissions including nitrogen oxides (NOX), sulfur dioxide (SO2) and volatile organic compounds (VOCs) which are mainly linked to our production activities. These pollutants may cause chemical reactions that produce particulate matter, which are also released from natural (dust) or anthropogenic (industrial) activities, and can be harmful to human health, especially when they are fine and ultrafine particles. Hence, complying with air emissions standards and requirements is important and helps us to protect the health and well-being of employees, contractors, the environment and local communities.

OUR APPROACH

As part of our flare management plans, we continued to focus on monitoring and minimizing flaring across our operations and industrial cities under our management. Improved reporting, awareness and detailed flaring event investigations have resulted in reduced routine flaring volumes. We have Continuous Emissions Monitoring Systems (CEMS) in place at all our operations. Analysis of long-term emission trends allow for proactive management of equipment approaching emission limits. Our vapor recovery system helps reduce VOC emissions from crude oil to acceptable levels and we also monitor stack emissions and promote studies on NOX

mitigation from combustion sources. We employ an airshed approach to ambient air quality management, ensuring that the cumulative impact of emissions from our operations remains below national ambient air quality standards.

OUR PERFORMANCE IN 2018

Due to the prolonged breakdown at Mesaieed Operations (NGL-3) Sulphur Recovery Unit (SRU), our SO2 emissions in 2017 and 2018 peaked compared to previous years. Overall flaring decreased by 11% compared to 2017 and 23% over the past five years. Our VOC emissions also follow a positive trend, having decreased by 12% since 2014. In 2018 we have implemented the following projects to further improve our performance related to air emissions:

- During 2018 we undertook Relative Accuracy Test Audits (RATA) of our CEMS at Mesaieed Operations and the QP Refinery. All CEMS successfully passed the audits and were found to be operating within the prescribed limits of reliability for regulatory reporting of emissions.
- We developed a corporate flaring philosophy to standardize our approach to determining flaring volumes across all operations, in line with international best practice. The philosophy also supports the identification of flare reduction opportunities across our operations.
- The Ambient Air Carrying Capacity Study that was completed for RLIC concluded that the particulate matter average concentration was generally in compliance. Due to the current conditions in Qatar, common exceedances mainly originate from dust storms. However, particulate matter may also be generated from industrial sources in RLIC. Hence, a study was initiated with the aim to analyze the increase in particulate matter and distinguish between particulate matter of natural and industrial sources, for both PM2.5 and PM10.
- The Ambient Air Carrying Capacity Study for MIC progressed in 2018. All inputs for the dispersion modelling study have been provided and the study is scheduled for completion by the fourth quarter of 2019.
- RLIC initiated a collective study including all industrial cities to identify and quantify possible odor emission sources and associated pollutant parameters (SO2, H2S, VOCs etc.), to assess the potential risk and to identify solutions to control such odor nuisance. Nuisance odor has been observed and is detectable by humans at very low concentrations, reported to be at 100's times below the odor threshold limits. The findings of the study will help to in the development of an odor management plan to control odor and ultimately reduce any potential risks.

FLARING AND AIR POLLUTANTS

	2015	2016	2017	2018
Flaring (MMSCF)^	9,999	9,544	14,058	12,496
SO2 emitted (tonnes)	23,951*	20,409*	272,351*	220,776
NOX emitted (tonnes)	6,901	7,119	11,314	9,360
VOC (tonnes)	1,762*	2,452*	2,194*	1,883

^ Numbers were restated due to a change of unit from MMSCM to MMSCF to comply with MME requirements.  
\* Restated numbers are due to improved calculation methodology and data availability.  
\* Production tonnes of hydrocarbon flared/thousand tonnes of hydrocarbon produced).

SPOTLIGHT:

AL-SHAHEEN CLEAN DEVELOPMENT MECHANISM (CDM) PROJECT

Al-Shaheen CDM project is one of the largest flare reduction projects in the world and the first one in the region to be registered with the United Nations Framework Convention on Climate Change (UNFCCC). The project was registered in 2007 for a crediting period of seven years and renewed in 2014 for another seven years until 2021. The expected annual amount of emission reduction is 1.20 million tonnes of CO2eq, and the total emission reduction until May 2021 is expected to reach more than 17 million tonnes of CO2eq. The Certified Emission Reductions (CERs) can either be sold in the carbon market or used as carbon offset for events, such as the 2022 FIFA World Cup.

Prior to 2004, associated gas at the Al-Shaheen oil field was primarily flared, with the remaining gas utilized for onsite consumption (approx. 3%). The project activity captures and processes associated gas that was previously flared. Through this project flaring has been reduced by about 80%.





## OUR GOALS



- QP is planning to align all stakeholders in developing unified standards for methane accounting and reporting, including the development of a baseline methane emissions intensity. This is in line with industry best practices to ensure effective planning and execution of abatement plans.
- Use energy efficiency as a tool to reduce operating costs, improve productivity and reduce environmental impact.
- Continue to work with our businesses to drive energy efficiency at all our facilities.
- Conduct a study to analyze the increase in particulate matter to be able to distinguish between particulate matter of natural and industrial sources, covering both PM2.5 and PM10. The study will conduct chemical speciation of particulate matter and will be a baseline for future health impact studies. The study will cover all industrial upstream and downstream activities in RLIC and nearby communities and will help RLIC to implement a Particulate Matter Monitoring and Management Plan.
- Understand the energy details of our upstream and downstream-operated assets by executing energy assessments across our operations.
- Finalize the scope and design basis of Phase 1 of the CNG stations project.
- Roll out the emission-monitoring program for all other downstream surface facilities.
- Minimize routine flaring across our operated assets.
- Improve the Jetty Boil-off Gas Recovery (JBOG) project, which is designed to recover the gas flared during LNG loading at Ras Laffan Port.
- Continue working on our Flaring Mitigation initiative at RLIC to achieve a target of 0.3% by 2021 and to the absolute minimum technically feasible beyond 2023.

## SPOTLIGHT:

## JBOG PROJECT

The Jetty Boil-Off Gas (JBOG) Recovery facility was initiated by QP to contribute to GHG reduction by minimizing flaring at the liquefied natural gas (LNG) loading berths in Ras Laffan Port. This facility commenced operations in October 2014 and recovers more than 96% of the boil-off gas, which was previously flared near the jetties. Total JBOG project cost is more than \$800Million.

In terms of GHG reduction, the facility achieves a total CO2 emissions reduction of approximately 1.6 million tons per annum. The reduction in CO2 emissions is equivalent to the emissions of 175,000 cars. To date, JBOG recovered about 2.3 million tons of jetty boil-off gas. As a result, the JBOG facility supports the environmental protection and sustainability targets of the Qatar National Vision (QNV) 2030, and it also supports the State of Qatar's commitment to curb climate-changing carbon emissions.

## SPOTLIGHT:

## SPOTLIGHT: CO2 EXPORT PROJECT

The CO2 export project is another QP initiative, which aims at exporting the captured CO2 from Qatargas-South to the Dukhan Field for enhanced oil recovery (EOR). The resultant CO2 will be treated and then exported to Dukhan via a dedicated 16-inch pipeline (156 km). The net CO2 capture potential during the first phase will be about 2.1 million tons of CO2 per annum and will increase to 3.75 million tons per annum during the full development phase.

## WATER USE AND EFFLUENTS

DRAWING HEAVILY UPON GROUNDWATER AND DESALINATED SEA WATER. QATAR IS - AND WILL REMAIN - ONE OF THE MOST WATER-STRESSED COUNTRIES IN THE WORLD, ACCORDING TO THE WORLD RESOURCES INSTITUTE. HENCE, WATER CONSERVATION IS OF GREAT IMPORTANCE TO OUR BUSINESS.

## OUR APPROACH

Water is used for many of our processes, such as drilling, refining, processing gas and producing electricity. Hence, the efficient and responsible use of water are a priority at each of our sites. Our goal is to ultimately achieve the Qatar national policy of near zero liquid discharge to sea.

We use water from a variety of sources and have systems in place to manage and minimize water consumption. The Dukhan Water Network System (DWNS) stores and distributes potable, fire and distilled water to all our facilities in the Dukhan Concession Area (DCA) and surroundings, which includes all production, drilling fields and support services. The DWNS receives water from Kahramaa and the Dukhan Desalination Plant (DDP) and stores it at the Jebel Tank Farm (JTF). The storage capacity is 70,000m<sup>3</sup>, which can cover around 6 days of demand at DCA in case of any outages. Another major storage area is under construction at the Dukhan Support Services Area (DSSA), and its storage capacity of 18,000m<sup>3</sup> will be able to cover around 9 days of demand at DSSA in case of any outages.

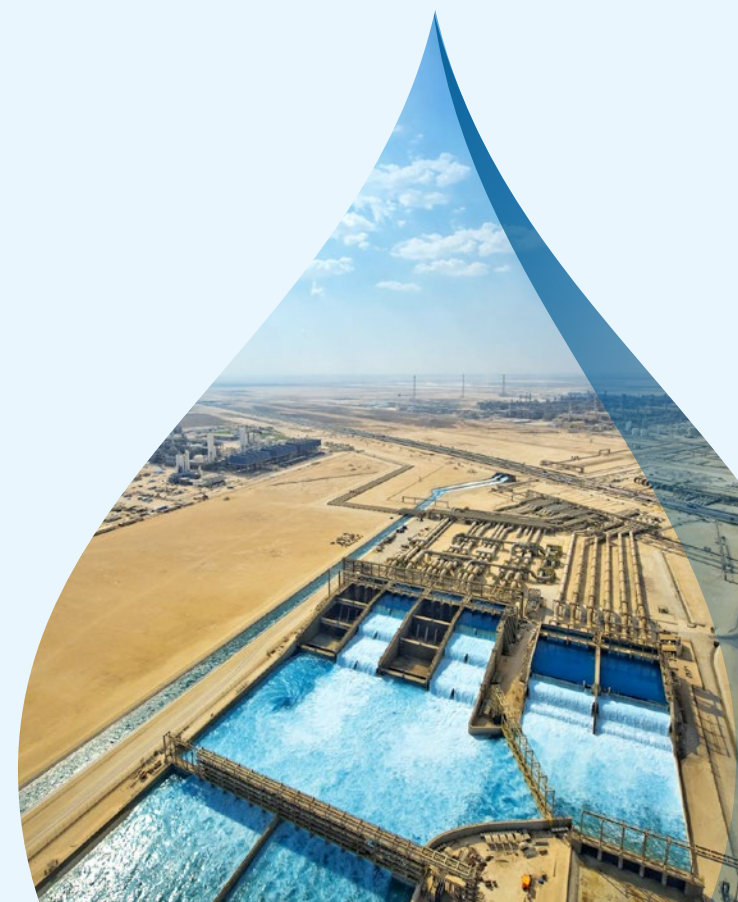
Water discharge is closely monitored to minimize environmental impact. To meet all local regulations and environmental standards, we operate water treatment facilities at each of our sites. These facilities treat process wastewater, produced water and cooling water before disposal, recovering suspended oil and improving wastewater quality.

We also closely monitor groundwater and have implemented several waste management and environmental protection programs at our facilities to eliminate soil and groundwater contamination. If contaminated groundwater is detected, it is treated to remove contaminants and clean water is then returned to the environment.

## OUR PERFORMANCE IN 2018

While we have been able to steadily decrease that proportion over the past years, our discharge to the sea saw an increase in absolute and relative terms in 2018, due to upsets in produced water injection into Umm Er-Radhuma at Halul, an increase in water cut from onshore and offshore exploration operations as well as an overall increase of water cut at Al-Rayyan Field due to higher oil production levels.

Responding to the direction of the Ministry of Municipality and Environment (MME) to recover and reuse process and wastewater, we launched several water management projects across our operations in Ras Laffan Industrial City (RLIC). The industrial waste water management project at Dolphin Energy Limited was completed in 2018, whereas both the treated industrial and process water plant and the waste water reduction and recycle project at Qatargas are expected to be completed in 2019.



WATER DISCHARGE

	2015	2016	2017	2018
Water discharged to UER Aquifer in m3	7,974,250*	7,298,345*	11,030,714*	13,630,788
Water discharged to sea (excluding non-contact cooling water) in m3	151,084	136,007	168,510	295,105
Water recycled or reused in m3	1,438,093	1,453,878	1,501,936	1,552,201

\* Restated numbers are due to improved calculation methodology and data availability.

OUR GOALS



- Implement water conservation campaigns to create awareness.
- Maximize the use of TSE (Treated Sewage Effluent) for non-potable water requirements.
- Meet Qatar’s future water demand.
- Propose water rationing for all the new housing contracts to promote the rational use of water.

USES OF WATER



Drilling



Refining



Processing gas



Producing electricity



# WASTE GENERATION AND MANAGEMENT

QATAR HAS SET A NATIONAL OBJECTIVE TO INCREASE THE PERCENTAGE OF WASTE THAT IS DIVERTED FROM LANDFILLS BY REDUCING WASTE CREATION THROUGH DESIGN OR REUSING AND RECYCLING WASTE ONCE IT IS CREATED. HENCE, 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.

OUR APPROACH

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

- Hazardous waste: Oily sludge, wastewater, NORM, toxic heavy metals, etc. We carry out periodic inspections of our hazardous waste facilities and ensure strict regulatory compliance with the Ministry of Municipality & Environment’s licensing requirements for waste handling, transportation, treatment, storage and disposal.
- Non-hazardous waste: This 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 which is aligned with the universal waste hierarchy: encouraging the implementation of preferred practices (i.e. pollution prevention, re-use, recycling) before the implementation of the least preferred options (i.e. landfill disposal).

Additionally, our people receive regular training on environmental awareness and waste management.

OUR PERFORMANCE IN 2018

In 2018, we produced 48.961 tonnes of waste, 8% of which was hazardous. While our non-hazardous waste increased slightly over the past four years, we decreased our hazardous waste by 35% compared to 2015. We are particularly proud that we recycled half of our hazardous waste in 2018, a significant improvement compared to the previous years. This is mainly due to a new agreement with a cement company for the reuse and blending of 1,693 tons of our spent RFCC catalyst waste in their cement. The initiative resulted in savings of approximately QAR 1.2 million, based on disposal costs that would have been charged had the waste been sent for disposal at Mesaieed Industrial City – Hazardous Waste Treatment Center (MIC-HWTC).

In addition, we implemented the following initiatives in 2018:

- We continued our project to upgrade the treatment capacity of our Dukhan Sewage Treatment Plant (DSTP), more than doubling its capacity from 3,420 m3/day to 8,600 m3/day to meet rising demand. The extension is planned to be commissioned in mid-2019. The expanded capacity will help handle the current overcapacity and also to meet additional MME treatment requirements arising from increased water demand from the Dukhan Township and other users. The treated effluent will continue to be used for irrigation to improve the landscape within the Dukhan Township.
- In addition, a five-year contract for the disposal of oily sludge and unidentified waste from the Dukhan Field was awarded to dispose all wastes that are not accepted by MIC-HWTC. A total of 2,211 drums of oily sludge were already removed, and all the accumulated waste from Dukhan will be disposed of by 30 March 2019.
- We conducted many awareness sessions for our employees and contractors in 2018. In particular, 14 NORM awareness sessions were attended by 146 people, and 12 sessions on radiation sources in the oil and gas industry saw a total of 112 attendees.
- In an effort to raise public awareness and encourage recycling, Mesaieed Industrial City hosted a Recycle Waste to Products Campaign following the motto ‘Reduce, Reuse, Recycle’. In a number of workshops, kids from Mesaieed International School brought to life old tires and wooden pallets and created colourful new objects and furniture that were later exhibited at QP’s Central Office Building.



**SPOTLIGHT:**  
**NORM WASTE**

It has been established that Naturally Occurring Radioactive Materials (NORM) may accumulate at various locations during the oil and gas production process. Components such as wellheads, separation vessels, pumps, and other processing equipment can become contaminated, and NORM can accumulate in the form of sludge, scale, scrapings and other waste media. This can create a potential radiation hazard to the environment and to workers, e.g. via inhalation, ingestion or absorption, if certain controls are not established.

At QP, exposures are generally quite low and below established regulatory action levels. However, in some situations, exposure to low-level ionizing radiation may result in adverse health effects, even though no acute and severe effects similar to those associated with exposure to high radiation levels from man-made sources are observed.

To comply with International Atomic Energy Agency (IAEA) and national radiation protection regulations (State of Qatar Radiation Protection Law No. 31 for 2002 and MME decision no. 45 of 2013 for NORM management), QP has developed a NORM Management Standard (QP-SAF-STD-002) and is implementing a comprehensive strategy to address all aspects of NORM management, including monitoring, controlling of contaminated equipment, waste handling, transportation, safe storage and disposal as well as worker protection, awareness, and training.

Currently, a total of 237 barrels and two tanks of NORM-contaminated waste materials are safely stored at QP. Once the storage threshold of 2,000 barrels will be achieved in the coming five years, the waste will be re-injected into abandoned wells in line with MME requirements.

In 2018, an estimated 1,500 drums of NORM waste from Halul Island and an additional 87 drums from Ras Laffan were shipped to a specialist facility in England for onward processing and treatment. The safe disposal of NORM waste is one of the great challenges in any industry or country, relating to compliance with our corporate procedures, the standards of the MME as well as with the guidelines on packing, loading and transporting dangerous goods and hazardous materials by road. Besides, approvals from all countries and ports en route need to be obtained, in addition to the final destination country.

The recent successful transportation of NORM waste from Qatar to the UK demonstrated our QP values of safety, collaboration and responsibility. The transport was accomplished without any incident and through the excellent support and close cooperation of QP HSSE, Offshore Operations, RLIC, MME, the Ministry of Interior, and Qatar's General Authority of Customs, the UK Environment Agency and local logistics organizations. As one of the best practices in QP and the State of Qatar, it can serve as a model in future NORM removal management.

**WASTE**

	2015	2016	2017	2018
Total waste generated during the year (tonnes)	49,012	52,599	57,921	48,961
Non-hazardous waste generated (tonnes)	42,997	46,830	48,701	45,033
Hazardous waste generated (tonnes)	6,014	5,769	9,220	3,927
Percentage of hazardous waste generated	12.3%	11.0%	15.9%	8.0%
Non-hazardous waste recycled (tonnes)	256	592	668	1,034
Percentage of non-hazardous waste recycled	0.6%	1.3%	1.4%	2.31%
Hazardous waste recycled (tonnes)	724	698	711	1,974
Percentage of hazardous waste recycled	12.0%	12.1%	7.7%	50.3%

**OUR GOALS**

- Continue to reduce hazardous waste while finding opportunities to lessen overall waste.
- Continue the project to upgrade the treatment capacity of our Dukhan Sewage Treatment Plant.



# BIODIVERSITY

WE RECOGNIZE THE NEED TO SAFEGUARD QATAR'S PLANT AND ANIMAL LIFE AND ACKNOWLEDGE THE DISRUPTION TO NATURAL HABITATS DUE TO OIL AND GAS ACTIVITIES. WE THUS AIM TO AVOID IMPACTS ON BIODIVERSITY AND THE ECOSYSTEM WHENEVER POSSIBLE, OR AT LEAST MINIMIZE OUR IMPACT.

**OUR APPROACH**

We support the effective management of ecosystems because not only does it protect and enhance biodiversity, but it also helps us maintain a positive relationship with our local stakeholders and ensure business continuity under increasingly stringent environmental regulations.

Each year we invest in initiatives to protect wildlife and enhance biodiversity in Qatar. We conduct marine eco-surveys every three years to assess the environmental impacts from the oil and gas facilities of our offshore operations. Most of our environmental initiatives support Qatar's rich marine biodiversity, especially at Halul Island, which is home to the most beautiful coral reefs in Qatar.

**OUR PERFORMANCE IN 2018**

In 2018 we continued our efforts to support 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.

In addition, we implemented the following projects:

- In April 2018 volunteers from major industries and contractors participated in our annual Turtle Beach Clean-Up Day in Ras Laffan. The clean-up activity is aimed at preserving one of the best nesting spots for the endangered hawksbill turtles in Qatar, as well as enhancing the participants' knowledge and awareness on environmental protection.
- A "Tree Day" was held on March 19, and it featured the planting of a large number of trees at the Ras Laffan Conservation Area. The tree planting activity was done with the support of representatives from the Ministry of Municipality and Environment (MME), coinciding with the ministry's annual "Tree Week" celebration. QP also hosted a community project with kids from Mesaieed International School and their teachers to hang bird houses in the trees of the community, to make our cities a greener, healthier and happier place to live on the "International Day of Forest"(March 21).
- We conducted ecological surveys at NFA, PS2 and PS3 to ensure that the surrounding marine environment of our operational areas was in satisfactory environmental health. The surveys assessed the condition of water quality, sediment quality, biotoxicology, benthic infauna, zooplankton and phytoplankton. Levels of contaminants, such as metal and radionuclides, were measured at these field stations, and a majority of the data collected and analyzed was consistent with previous studies and fell within relevant Qatari and international environmental standards and guidelines. The knowledge created by this project will help us understand the impact of our operational activities and enable us to identify effective measures to protect the marine life found there.





**SPOTLIGHT:**

### ARTIFICIAL REEF BALLS DEPLOYED AT HALUL ISLAND

The Halul Island coral reef, located around 42 miles northeast of Doha, represents Qatar's richest marine biodiversity. In 2018 we requested the Environmental Science Center to investigate the status of the 50 reef balls that were deployed in the vicinity of Halul Island in 2007.

The first few years had already shown good progress in biodiversity and ecosystem development, with many sponges, sea slugs and shells growing on the artificial balls. The recent investigation revealed that for the first time in Qatar, stony corals successfully established on the reef balls. Two new colonies of stony coral species (*Acropora downingi* and *Siderastrea radians*) were found on the surface of the reef balls.

This is a great success and very promising, since reef balls can be deployed at sites suffering from bleaching in transplantation experiments. If successful, dedicated locations in the Qatar Marine Zone can be selected to establish a natural reef.

**SPOTLIGHT:**

### MARINE TURTLE PROJECT

Marine turtles are integral components of marine ecosystems and have cultural and historical value to the people of Qatar. The hawksbill turtle is classified as "critically endangered", according to the IUCN (International Union for Conservation of Nature) Red List of Threatened Species.

In Qatar, significant monitoring and conservation practices have been employed to conserve the native hawksbill turtle in the country. Protecting Qatar's hawksbill turtles has been a key focus for our eight sites--namely, Ras Laffan Industrial City, Ras Rikken, Umm Taes, Al Gharrya, Fuwairit, Al Marrouna, Halul Island and Sheraouh Island. All the coastlines in these eight areas are protected during Turtle Nesting and Hatchling Emergence season from March to September each year, ensuring the survival of the indigenous population. The initiatives involve a tagging program, satellite tracking, DNA analysis and monitoring a beach clean-up event carried out by commercial companies and local schools. This project provides valuable scientific information to support innovative positive mitigation measures to ensure the long-term survival of the hawksbill turtle in the region.

QP has partnered with a scientific team from the Environmental Science Center (ESC) at Qatar University, and supports the implementation and funding of the project on field. Since its inception, a total of 5,010 turtle hatchlings were released at the end of the nesting season last year from these eight sites.

### OUR GOALS

- We are currently working towards a number of initiatives to promote the conservation of Qatar's ecosystem, the sustainable use of natural resources and to raise public awareness in order to ensure business continuity and meet Qatar's National Biodiversity Strategy and Action Plan (NBSAP) as well as the guiding principles of QNV 2030.







# 04

## CONTRIBUTING TO ECONOMIC PROSPERITY

OUR SUCCESS DEPENDS ON ACHIEVING POSITIVE AND SUSTAINABLE ECONOMIC PERFORMANCE. WHEN OUR ORGANIZATION PERFORMS WELL, WE GENERATE SIGNIFICANT SOCIO-ECONOMIC BENEFITS FOR OUR STAKEHOLDERS.

### Performance Highlights

228,649



barrels of crude oil produced per day on average

101,656



Total refinery throughput (barrels per day)

694



North Field Alpha lean gas (KMMBTU/day)

108,794,786



Total revenues (QAR in 000)

80,436,409



Net profit of the year (QAR in 000)

### Material issues covered in this chapter

- Economic performance
- Innovation in research and development
- Operational efficiency and reliability
- Integrity, governance and transparency
- Risk management



## ECONOMIC PERFORMANCE

THROUGH OUR INTERNATIONAL INVESTMENT PORTFOLIO, WHICH INCLUDES PARTNERSHIPS WITH SOME OF THE MOST INFLUENTIAL COMPANIES, WE HAVE A CONSIDERABLE IMPACT ON THE NATIONAL ECONOMY, MAKING IT VITAL THAT REVENUES AND PROFITABILITY ARE RELIABLE AND PREDICTABLE IRRESPECTIVE OF CHANGES TO GLOBAL ENERGY MARKETS.

### OUR APPROACH

We aim to deliver positive, consistent fiscal performance that generates economic benefits for all 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;
- Develop 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.

### OUR PERFORMANCE IN 2018

We continued to conduct our business effectively in 2018 while facing some testing challenges, including uncertainty in global markets, international economic instability and the continuation of the economic blockade against the State of Qatar. Our strategic positioning helped reduce the impact of these issues, which ensured the continuous safe and reliable supply of energy to our customers across the globe.

Our crude oil production was 228,649 barrels per day, down by 2% compared to 2017. Our total refinery throughput amounted to 101,656 barrels per day, a 9.5% decrease compared to the previous year due to refinery shutdown in 2018 for about a month.

During 2018 we announced and started a number of projects that will help us achieve our corporate vision, while some key milestones were already met during the year.

- We announced our intention to develop a new world-scale Petrochemicals Complex at Ras Laffan Industrial City. The Petrochemicals Complex will include an ethane cracker with a capacity of more than 1.9 million tons per annum (MTPA) of ethylene, making it the largest ethane cracker in the Middle East and one of the largest in the world. The complex will also include derivative plants, which will consolidate Qatar's position among the world's leading petrochemicals producers.

- We announced plans to increase the capacity of Qatar's LNG expansion project by adding a fourth liquefaction train. When the North Field Expansion (NFE) project is completed, Qatar's LNG production capacity inclusive of our partners' shares will reach 110 million tons per annum (MTPA), representing an increase of around 43% from the current production capacity of 77 MTPA. The NFE project will produce about 32 MTPA of LNG, 5,000 tons per day of ethane, 287,000 barrels per day of condensate, and 12,500 tons/day of liquefied petroleum gas (LPG), in addition to approximately 2,800 tons per day of sulfur and 20 tons of pure helium.
- We also announced the offer of 49% of our shares in Qatar Aluminium Limited (Qatalum) for public offering to enable Qatari nationals to have shares in state-sponsored companies. Qatalum, which is jointly owned by QP and the Norwegian company Hydro, is one of our most successful joint ventures, with a total revenue of QAR 5.1 billion and a net profit of QAR 660 million in 2017.
- We announced that QP would take over the operatorship of the Idd El Shargi - North Dome offshore field from Occidental Petroleum of Qatar when the current development and production sharing agreement expires in 2019. We will continue to develop the field in the future.
- We signed a concession agreement with the Abu Dhabi Supreme Petroleum Council (on behalf of the Government of Abu Dhabi), Abu Dhabi National Oil Company (ADNOC), United Petroleum Development Co Ltd (Japan), and Bunduq Company Limited (operator) for the continued development and operation of the shared El-Bunduq offshore oil field. This offshore oil field, located on the maritime border of Qatar and the UAE, was discovered in 1965 and commenced production in 1975.



- In line with our growth plans and strategy to expand our international footprint, particularly in Latin America, and to create a large scale, value-adding international portfolio, we achieved some major milestones in 2018. We acquired a 25% interest in Total's offshore Exploration Block 11B/12B in South Africa and a 10% share in three offshore exploration blocks in Mozambique, and we also entered

into an agreement with Eni to acquire a 35% participating interest in three offshore oil fields in Mexico. We also won the exploration rights for five offshore blocks in Mexico's Perdido and Campeche basins as part of a consortium comprising Shell and Eni, respectively, as well as for the Tita offshore block in Brazil in one of most prospective basins in the world, partnering with ExxonMobil.

OPERATIONAL PERFORMANCE

	2014	2015	2016	2017	2018
Crude oil production (barrels per day)*	234,220	232,540	234,697	230,394	228,649
North Field Alpha lean gas (KMMBTU/day)*	702	558	652	681	694
Total refinery throughput (barrels per day)*	116,458	109,786	117,772	113,264	101,656
Total revenue (QAR in 000)**	168,661,173	99,160,599	88,003,196	95,217,970	108,794,786
Total expenses (QAR in 000)***	111,665,960	72,297,226	54,098,208	55,872,271	63,671,248
Net operating profit (QAR in 000)	56,995,213	26,863,373	33,904,888	39,345,699	45,123,538
Share in profits of joint ventures and associates (QAR in 000)	98,189,586	55,188,508	29,432,091	34,104,224	50,320,760
Net profit for the year (QAR in 000)	112,612,946	64,171,160	49,536,531	58,404,836	80,436,409

\*Slight changes in reported numbers due to data accuracy after audit  
\*\*Includes oil and gas re-sales and entitlement from Production Sharing Agreements  
\*\*\*Includes oil and gas purchases for re-sale

OUR GOALS

- Take over the operatorship of the Idd El-Shargi North Dome field and continue its safe operation,
- Progress plans for LNG capacity expansion.
- Continue to implement the recommendations from the Dukhan facilities upgrade study.
- Focus on reducing operating costs.
- Deliver the Petrochemicals Complex in Ras Laffan.



INNOVATION IN RESEARCH AND DEVELOPMENT

INNOVATIONS IN RESEARCH AND DEVELOPMENT ARE KEY ENABLERS OF FUTURE GROWTH AND COMPETITIVENESS. NEW APPROACHES CAN DISCOVER OPPORTUNITIES, REDUCE OUR ENVIRONMENTAL FOOTPRINT, ENSURE SAFER WAYS OF WORKING, AND SECURE OUR FUTURE AS AN ENERGY PRODUCER.

OUR APPROACH

As part of our continuous improvement drive, we regularly review our operating procedures in line with emerging proven technologies and best international practices. We generate new models to ensure world-class management of our fields. We have also carried out structured risk assessments and use a criteria-based approach to mitigate key risks identified from the assessments. This approach supports well integrity management during well operations and enables proper well abandonment at the end of a well's life or in the event of lost well integrity.

OUR PERFORMANCE IN 2018

- We continued to explore opportunities for the use of drones (unmanned aerial vehicles) within our operations to carry out hazardous tasks, such as inspection of hard-to-reach structures. The use of these technologies, which continue to develop rapidly, offers major benefits in terms of safety, reliability and cost efficiency.

- We took part in the 50th Offshore Technology Conference (OTC 2018) in Houston in 2018, and were one of the major sponsors and exhibitors at the event. OTC 2018 featured over 40 national oil companies, 2,500 exhibitors and thousands of conference delegates representing over 100 countries worldwide.
- As a "Strategic Partner", we participated in the Gastech 2018 Conference and Exhibition, held in Barcelona, Spain. The four-day event featured a multi-streamed conference with more than 350 speakers and 250 technical presentations as well as an international exhibition that attracted the participation of over 700 exhibitors from more than 90 countries worldwide.

OUR GOALS

- Implement the 2017 Field Development Plan and the Reservoir Management Plan based on the New Generation Models that were 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.
- Launch and embed a world-class ethics and compliance program in 2019 that will engage the hearts and minds of all QP employees and key stakeholders.





## OPERATIONAL EFFICIENCY AND RELIABILITY

TO ENSURE OUR CONTINUING BUSINESS SUCCESS, IT IS ESSENTIAL THAT WE KEEP TIGHT CONTROL ON OPERATIONAL COSTS AND BECOME EVER-MORE EFFICIENT AT WHAT WE DO BEST, TO INCREASE THE RESOURCES AVAILABLE FOR THE SUSTAINABLE DEVELOPMENT OF THE STATE OF QATAR.

### OUR 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 manage 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 Operational 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 by 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, every day.”

### OUR PERFORMANCE IN 2018

The continuous pursuit of operational efficiencies is a feature of how we do business. In addition to developing new facilities, we are always seeking to improve the efficiency of our existing assets. In 2018, we continued to take action on a range of projects which arose from a feasibility and concept optimization study for

upgrades to our Dukhan production facilities. The recommendations will be acted on over a number of years, including phases that will run from 2027-29.

- Many of the actions we take to enhance operational efficiency work hand in hand with efforts to improve environmental and safety performance. For example, our Refining Operations team undertook Leak Detection and Repair (LDAR) activities in 2018 using in-house resources. The 2018 leak rate was 0.3% against the US EPA benchmark leak rate of 1.3% and the EU benchmark of 0.5%. Of the identified leaks, our team managed to repair 32% of the leaks, with the repair of remaining leaks currently in progress.
- Operational efficiency is increasingly driven by the huge potential in improved data management. We began the implementation of the Meridium Asset Performance Management (APM) package in 2018, an internationally used set of work processes to maximize physical asset performance, mitigate risk, and optimize cost in a business enterprise. Meridium APM will form part of the Asset Performance Management System (APMS) initiative, which is seeking to deliver effective and harmonized implementation of software across the organization. By

introducing Meridium APM, we aim to standardize processes, records, terminologies, and information exchange mechanisms; integrate all APM-related processes and adopt industry standard best practices and benchmarking with global players.

- We began the rollout in 2018 of the APMS project as well as the ongoing digital transformation across our operations. The implementation of APMS will facilitate the implementation of the Operational Excellence program across QP. APMS software connects disparate data sources and uses advanced analytics to turn data into actionable insights while fostering collaboration and knowledge management across an organization. The first phase of the APMS project is now nearing completion, with all of five modules of the system already live and ready for use. The project has involved a lot of hard work and collaborative efforts from various teams, especially since the implementation follows a unified central strategy and plan across four sites in the Operations Directorate (Dukhan, Mesaieed, refinery and offshore) and two sites in the Industrial Cities Directorate (Ras Laffan and Dukhan). As part of the APMS project
- activities, a three-day Change Management Workshop was held at QP Headquarters, attended by Change Champions for the Frontline Staff Alignment and Engagement initiative of the Operational Excellence program.
- We also progressed the “Tatweer Project”, which seeks to effect a transformation in project management in QP. Having set out the plans for how the initiative is going to work, effort has focused on the four key Tatweer work scopes: Stage Gate Approval, Commissioning and Handover, Management of Change, and Project Master Plan. Ten interdepartmental procedures have been modified and subsequently approved by the executive management to underpin the implementation of these work scopes. A wide range of projects are continuing throughout 2019. An important component of the Tatweer implementation is to ensure effective communication to all staff where these changes will have an impact on their activities. Meetings have been held to present the Tatweer findings to staff in all of the affected directorates.

### SPOTLIGHT:

#### USE OF GEOGRAPHIC INFORMATION SYSTEMS

The Engineering Services Department, which is under the Projects, Engineering & Procurement Services Directorate, celebrated the 2018 GIS Day to raise awareness of the applications of geographic information systems (GIS) technology and how it is making a difference to our operations. GIS Day was first observed in 1999 and is now held annually.

It is estimated that 80% of all business data contains a location component. Properly analyzing a location can provide insights that can support and improve decision-making. Qatar is one of the first countries in the world to set up a comprehensive nationwide GIS. About 60 government and semi-government organizations presently share data across a nationwide network named Qatar GISNet, which is managed by the Center for Geographic Information Systems (CGIS).

We are part of this network, which enables our GIS users to visualize or analyze our asset data in the context of Qatar GISNet data. We also have a state-of-the-art GIS with geo-information covering all operational areas, which is accessible through desktops, web applications or the Enterprise GIS Portal. Services provided include spatial analysis, data conversion and updates, geo-information access, maps and charts as well as surveying services and GIS project support.



**SPOTLIGHT:****OFFSHORE OPERATORS FORUM**

In light of the aspiration of offshore operators in Qatar to be a role model in the oil and gas industry, Qatar Petroleum formed the Offshore Operators Forum (OOF) as a common platform to promote operational excellence in offshore functionalities in terms of HSSE performance, operating costs, as well as the availability and reliability of upstream assets.

Under the OOF, offshore operators in Qatar jointly participate in initiatives for harnessing broader synergies across the entire offshore sector, including support services and marine logistics. The vision is to extend the scope to combine onshore and offshore synergy programs under a single umbrella to make the OOF more efficient and cost effective in achieving overall operational excellence.

An example of work carried out by the OOF in 2018 was an initiative to centralize the communication protocol used during emergency responses for all offshore operators in Qatar.

**OUR GOALS**

- Complete the Front-End Engineering Design required to increase Qatar's LNG capacity to 110 MTA.
- Progress the North Field Expansion Project, through tendering activities.
- Continue to implement the Operational Excellence Program.
- Take further action under the auspices of the Offshore Operators Forum, focusing on the development of the Joint Marine and Port Logistics Operations Center.
- Progress various projects under each of the four scope areas of the Tatweer program to drive fundamental change in our project management approach.
- Develop projects to recover and re-use process and wastewater from Qatargas and Dolphin Energy operations.
- Identify opportunities and work with the Ras Laffan operating companies for greater energy efficiency and the use of excess fuel gas with no flaring.

# INTEGRITY, GOVERNANCE AND TRANSPARENCY

GAINING THE CONFIDENCE OF A WIDE RANGE OF STAKEHOLDERS REQUIRES GOOD CORPORATE GOVERNANCE AND DISCLOSURE PRACTICES WITH A CONTINUOUS FOCUS ON PRINCIPLED BUSINESS CONDUCT THAT ALIGNS WITH QP'S CORE VALUES. THESE STANDARDS AND OUR COMMITMENT TO THEM UNDERPIN OUR CORPORATE SUCCESS AND THE SUSTAINABILITY OF OUR OPERATIONS. THEY LIKEWISE CONTRIBUTE TO OUR ABILITY TO EXPAND IN AN INCREASINGLY GLOBALIZED AND COMPETITIVE MARKET.

**OUR APPROACH**

Effective governance is at the heart of every successful company. Our Board of Directors and Executive Leadership Team ensure that we maintain high governance standards that aligns our growth to the Qatar National Vision 2030. Encouraged by our corporate vision and objectives, we are in the process of enhancing our governance, integrity and transparency models via new Business Ethics and Integrity, and Corporate Governance and Compliance Frameworks.

Conducting business ethically and transparently has always been imperative for us, even more so as we ramp up our international investments. Our expansion into new markets introduces new challenges and inspires us to improve upon both our operating model and management approach. Together, these improvements will lead to a more efficient organisation which, in turn, will lead to QP becoming a more sustainable organization.

With our advancements, we have found opportunities to improve our overall governance and compliance across the organization. To support this, we have launched the Governance Transformation Office (GTO), ran a program to update the Code of Ethics, and developed a roadmap to enable QP to become one of the world's most transparent national oil companies. In our efforts to always improve, we also conducted several training sessions for our staff on high-risk compliance topics as relevant to their specific roles. These topics include anti-bribery and corruption, competition laws, business ethics, sanctions and trade compliance as well as confidentiality.

We are committed to behaving professionally, fairly, honestly and with integrity in all of our business dealings and relationships wherever we operate. As mentioned, a number of frameworks (Corporate Governance and Compliance Framework, and Business Ethics and Integrity Framework) and policies (Code of Ethics and Conflict of Interest Regulations) are in place to articulate our commitments and expectations in this regard.

Our Corporate Governance and Compliance Framework is based on international and industry best practices. It outlines our governance oversight and accountabilities, internal controls, policies and regulatory and compliance requirements. As a part of the implementation of the framework, QP will update its policies, procedures and practices. These will be key initiatives for us during 2019.

We have zero-tolerance for corruption, and we implement and enforce various internal controls to counter fraud, bribery, conflicts of interest and other types of unethical or illegal behaviors. We recognize, however, that we have more work ahead of us as we commence the adoption of an enhanced suite of related policies and procedures.

We emphasize the importance of always choosing to do the right thing. This requires vigilance and it is essential for every member of our organization, from board members to employees, to understand their ethical responsibilities in regards to compliance with QP's Code of Ethics and its related policies and procedures.

We have a whistle-blower hotline in place to receive – on a confidential and anonymous basis – reports of possible non-compliance with internal regulations. All allegations received through the hotline are reviewed in accordance with QP's internal allegation reporting and management process.

Our Internal Audit team plays an integral 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 assessment.





## OUR PERFORMANCE IN 2018

### GOVERNANCE AND COMPLIANCE

With our ever-increasing international footprint, we recognize the relevance to strengthen our governance and compliance across the organization to reduce risks and enhance decision-making. Our objective to improve governance and compliance in the organization was supported by the initiation of a governance, regulatory and compliance (GRC) initiative aiming to align our internal corporate processes and practices with the requirements of our corporate strategy. Subsequently, a Governance Transformation Office (GTO) was launched to further support the enhancement of governance and compliance across important sections of the organization. The GTO's mandate is to manage the implementation of the recommendations through the centralized coordination and oversight of transformation initiatives.

### TRANSPARENCY AND DISCLOSURE

The year 2018 marks the fifth issue of the QP Sustainability Report, building on previous years disclosures around our economic, environmental and social impacts. Although our sustainability reports have been developed to a high standard, we strive to further enhance our disclosure practices as we aim to become a more open and transparent organization.

During 2018, we worked with the Administrative Control and Transparency Authority (ACTA) as we sought to improve Qatar Petroleum and the State of Qatar's transparency ratings within a transparency index conducted by a prominent and independent non-profit organization that promotes sustainable and inclusive development.

To address this, we engaged with the non-profit organization on several occasions, including a meeting with them in London. We commissioned an external consultant to review our current reporting and disclosure procedures comparing them with national and international oil companies. After a thorough review of their findings, we realized that we have room for improvement in terms of our disclosure practices. We hope to rectify these issues in 2019.

### CODE OF ETHICS

We conduct all our business in line with our Code of Ethics and its related policies and procedures. This year we continued the work that commenced in 2017 through the Business Ethics & Integrity Framework, and embarked on an initiative to update our Code of Ethics. The new Code will be updated to align with international best practices, and will be a more comprehensive document. It will be launched in the first quarter of 2019. By virtue of updating our Code and training our staff, we look to educate our workforce and mitigate any risk of ethical, procedural, legal and/or regulatory misconduct.

### REGULATORY COMPLIANCE

At QP, compliance with local regulatory authorities in all locations where we operate is imperative in how we run the company. In 2018 the European Commission opened a formal investigation to assess whether supply agreements between QP companies exporting liquefied natural gas and European importers have hindered the free flow of gas within the European Economic Area. The European Commission is concerned about a potential breach of European Union antitrust rules. QP takes any allegations against it very seriously and is working with the European Commission to address any queries or concerns they may have.



## OUR GOALS



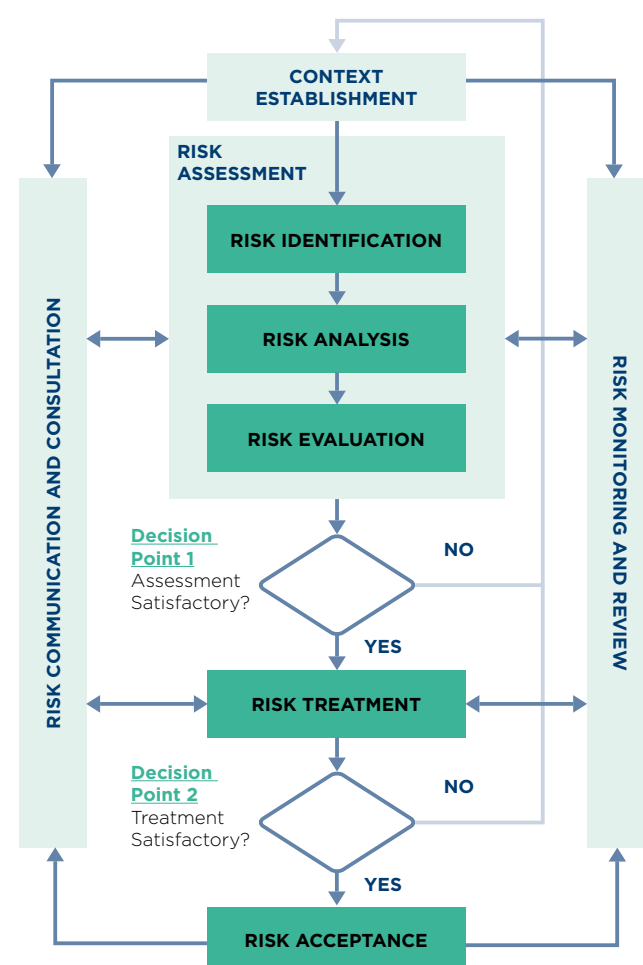
- **Governance and Compliance:** We are aiming to continue the progress that we have made through the GTO, continuing to develop detailed designs through the involvement of organization-wide, in-depth process reviews, data analysis and benchmarking against best practices. 2019 will see us move forward by focusing more on the detailed design and implementation of the initiatives.
- **Transparency and Disclosure:** In line with the recommendations provided in the transparency and disclosure review, we will look to increase and improve our transparency – in this Sustainability Report, our Annual Review, our public website and through other channels.
- **Code of Ethics:** We will be launching a world-class ethics and compliance program in 2019 that will engage the hearts and minds of all QP employees and key stakeholders. This will include the launch of our new Code of Conduct in the first quarter of 2019.
- **Regulatory Compliance:** As may be expected, third parties can often account for an organization's increased compliance risk. With vendors and partners carrying our reputation globally, 2019 will see us put an emphasis on minimizing the risk associated with third-party compliance. We will look to manage our relations by continuing a project that started in the tail end of 2018, by reviewing our relationship with key stakeholders at every stage, including vendor due diligence, training of staff, procurement, contracting and payment best practices.
- We will continue to work with the European Commission to resolve the ongoing antitrust investigation and any other concerns they may have regarding our business practices.

# RISK MANAGEMENT

QP IS COMMITTED TO EFFECTIVELY AND TRANSPARENTLY MANAGE ALL SIGNIFICANT RISKS. OUR ENTERPRISE RISK MANAGEMENT (ERM) SYSTEM ALLOWS US TO HOLISTICALLY AND SYSTEMATICALLY ADDRESS RISKS ACROSS OUR BUSINESSES IN A CLEAR, CONSISTENT AND COORDINATED MANNER. IT SETS THE FOUNDATION FOR RISK-BASED DECISION MAKING.

Our ERM framework contains eight elements, which address strategic, financial, operational and compliance risks across our business. Our approach identifies key risks based on likelihood and impact and establishes appropriate mitigation measures. Significant risks to corporate objectives are monitored and reported on regularly. As part of our 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.

## ERM FRAMEWORK



On a regular basis, risks are registered and updated to verify the current controls. We also identify the mitigation actions that are essential to reduce the risk level and track progress for each action.

## OUR PERFORMANCE IN 2018

- We conducted a workshop with QP's top management to identify high risks and to fill the gaps in the existing risk register.
- As part of a wider process, for the first time ever, we conducted ELT reporting in April, September and November, improved the risk register template to get better quality results, introduced a segregation of duties for Risk Owners and the Risk Accountable Authority, and introduced a bow-tie tool for cross-directorate validation of risks.
- In addition, we implemented various sessions to improve awareness around the ERM Process, Tools and Responsibilities for managers, focal points and SMEs.

## OUR GOALS

Among the key focus areas for 2019 are to:

- Procure an ERM software application for the ERM process;
- Implement an ERM overlay for targeted decision-making processes;
- Implement a training process for ERM;
- Implement a regular reporting regime at various levels in QP for ERM.







# 05

## WELL-BEING AND DEVELOPMENT OF OUR WORKFORCE

AS ONE OF THE LARGEST EMPLOYERS IN QATAR AND A MAJOR CONTRIBUTOR TO THE LOCAL ECONOMY, WE ARE AWARE OF OUR RESPONSIBILITY TO CONDUCT OUR OPERATIONS IN A SAFE MANNER AND TO SHAPE THE FUTURE OF OUR COUNTRY, ITS PEOPLE, BUSINESSES AND COMMUNITIES

### Performance Highlights

0

fatalities among employees and contractors in 2018

16%

improvement of LTIR since 2014

34%

improvement in TRIR over the past five years

### Material issues covered in this chapter

- Occupational health and safety
- Asset integrity and process safety
- Emergency preparedness and business continuity management
- Growing talent and resourcing
- Enhancing employee welfare and engagement
- Qatarization



## OCCUPATIONAL HEALTH AND SAFETY

EXPLORING, PRODUCING AND PROCESSING HYDROCARBONS REQUIRE CAREFUL MANAGEMENT OF THE HEALTH AND SAFETY RISKS OF OUR ACTIVITIES. IDENTIFYING AND MITIGATING THESE RISKS ARE CRITICAL TO PREVENTING INJURIES AND ILLNESSES, MAXIMIZING OUR OPERATIONAL PRODUCTIVITY AND MEETING ECONOMIC PERFORMANCE OBJECTIVES.

### OUR APPROACH

We are committed to achieving world-class safety performance, with an incident-free, secure, safe and healthy environment for our employees, stakeholders, partners and in the communities where we operate. We care for our people and see safety as a priority for everyone. Our Health, Safety, Sustainability and Environmental (HSSE) Policy is based on international best practices and applicable national and local regulations. It is underpinned by internationally certified management systems and procedures to help deliver our programs effectively. We are currently certified to:

- ISO 14001:2015
  - Drilling & Completions Department
  - Industrial Cities Directorate (VI)
  - Operations Directorate (VO)
- OSHAS 18001:2007
  - Industrial Cities Directorate (VI)
  - Operations Directorate (VO)
- ISO 9001:2015
  - QP QMS
- ISO 22301:2012
  - QP BCMS

To achieve our goal of having a work environment free from fatalities and serious injuries, 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;
- Disciplined risk management practices, including safety risk identification and remediation so as to continuously improve our safety performance;
- Ongoing safety training, workshops and communication;
- Occupational hygiene programs and procedures to help prevent occupational illnesses and
- Employee healthy lifestyle forums that focus on promoting mental, physical and emotional well-being.

### OUR PERFORMANCE IN 2018

Our safety performance, as measured by our key personal safety performance indicators, was not where we aspired to be in 2018. While there were no fatalities in our operations, our employee and contractor lost time injury rate increased to 0.26 compared to 0.15 in 2017. This was partly due to incidents during a shutdown at the QP Refinery, a higher number of lost time injuries in our Offshore Operations, some uncommon incidents elsewhere as well as overall improved accuracy of the data reported. The long-term trend, however, remains positive. Our total recordable injury rate for employees and contractors improved as well, from 0.63 to 0.60 since 2017, which can be partly attributed to more robust efforts including the updating of our Corporate Management System Manual and the revision of top-tier corporate procedures.

- We launched the “Seven Star Contractor Programme” in RLIC, which involves in-depth examinations of contractors’ Health and Safety Management Systems and associated arrangements. A principal aim of the program is to ensure that QP’s contractual obligations relating to HSE risks are adhered to and that all contractors are working in compliance with QP requirements, in line with QP’s Managing HSE in Contracts procedure. The programme involves audits of key aspects of managing occupational health and safety in the workplace and offers a structured path for continuous improvement.
- Our Healthcare Department participated in a large-scale emergency response exercise in collaboration with the HSSE Department of Ras Laffan Industrial City, the Qatar Civil Defence, Hamad Medical Corporation’s Ambulance Services, and the General Directorate of Industrial Security. The exercise was the first of its kind to cover emergency-response capabilities in the event of a HAZMAT (hazardous materials) and multi-casualty incident. The response was successfully practiced and tested during the exercise as part of capacity building activities and mutual aid support.

- We implemented the 'Dropped Objects' training in our Drilling & Completions Department to tackle one of the most serious workplace risks. The training was provided for staff and contractors covering all land rigs operating in the Dukhan Field. The sessions involved the use of the Dropped Objects Prevention Scheme (DROPS) container and classroom materials as well as group discussions on how to position, fasten and secure equipment, secondary retention, risk assessments, the requirements of systematic review, and identification of 'at risk' job positions. Discussions included reactive measures like challenging investigation teams to identify dropped objects and a retrospective review of dropped-object incidents.
- We conducted sessions on road safety awareness for staff in our Learning and Development Department, Corporate HSE&Q Department, Legal Department, Messaied Operations Department, and Transmission and Distribution Department, to improve awareness of road safety risks, defensive driving techniques, and global and local statistics related to traffic accidents and fatalities.

With our human capital as our most important asset, we provide all QP employees and their dependents with extensive healthcare services, including general practice, laboratory, radiology, pharmacy and dental clinics. Ambulance, paramedic and emergency response capabilities ensure that we can quickly respond to emergencies and treat any injuries with speed and care.

We also provide a wide range of wellness programs, including periodic medical checkup for early detection, dietitian clinic, weight loss, smoking cessation and travel health clinic. In addition, we organize regular health events including education, activities and screening in order to empower employees to adopt healthy lifestyle changes, and we conduct awareness-building campaigns tailored to the interests and needs of our employees.

## SAFETY AND OCCUPATIONAL HEALTH

	2014	2015	2016	2017	2018
<b>Total employee work hours</b>	22,181,762	20,715,363	18,051,393	17,599,470	16,364,732
<b>Total contractor work hours</b>	70,787,879	67,448,687	72,154,510	62,158,310	59,225,391
<b>Employee lost time injuries</b>	7	8	2	4	9
<b>Contractor lost time injuries</b>	22	27	20	8	11
<b>Total lost-time injury rate (LTIR) of employees and contractors) (per 1 million working hours)</b>	0.31	0.40	0.24	0.15	0.26
<b>Lost-time injury rate (LTIR) of employees (per 1 million working hours)</b>	0.32	0.39	0.11	0.23	0.55
<b>Lost-time injury rate (LTIR) of contractors (per 1 million working hours)</b>	0.31	0.40	0.28	0.13	0.19
<b>Employee total recordable injuries</b>	24	18	9	12	16
<b>Contractor total recordable injuries</b>	61	48	49	38	29
<b>Total recordable injury rate (TRIR) of employees and contractors (per 1 million working hours)</b>	0.91	0.75	0.64	0.63	0.60
<b>Total recordable injury rate (TRIR) of employees (per 1 million working hours)</b>	1.08	0.87	0.50	0.68	0.98
<b>Total recordable injury rate (TRIR) of contractors (per 1 million working hours)</b>	0.86	0.71	0.68	0.61	0.49
<b>Total fatalities</b>	1	0	1	0	0
<b>Employee fatalities</b>	0	0	0	0	0
<b>Contractor fatalities</b>	1	0	1	0	0
<b>Work related illnesses (employees and contractors) per 1 million hours worked<sup>1</sup></b>	Not reported	Not reported	0.07	0.19	0.22
<b>Heat stress events (employees and contractors)</b>	Not reported	Not reported	5	14	13

<sup>1</sup>The calculation methodology of this KPI was changed in 2018 and historic data was restated accordingly.

## OUR GOALS

- Continue to pursue our Safety Excellence Initiative, introduced in 2017, through the implementation of a company-wide program focusing on Leadership, Behavior, Organization, Systems and Communication.
- Build and develop the HSE function through the implementation of an HSE job family.
- Further improve data accuracy and launch an online system for reporting contractor man-hours.
- Improve and enhance HSE risk identification and management in line with the corporate ERM system.





# ASSET INTEGRITY AND PROCESS SAFETY

IN OUR INDUSTRY, IT IS VITAL TO GUARD AGAINST MAJOR INCIDENTS THAT COULD ARISE FROM THE RELEASE OF HAZARDOUS MATERIALS AND ENERGY, POTENTIALLY HARMING EMPLOYEES, THE PUBLIC, THE ENVIRONMENT AND OUR ASSETS. AS ONE OF THE LEADING COMPANIES IN THE PETROCHEMICAL AND OIL AND GAS INDUSTRY WE HAVE WORKED DILIGENTLY TO DEVELOP AND IMPLEMENT ROBUST PROCESS SAFETY AND ASSET INTEGRITY MANAGEMENT SYSTEMS TO MITIGATE THESE RISKS.

OUR 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 release of hazardous chemical substances – at all our onshore facilities and offshore installations. Such events could ultimately result in serious injuries, property damage, lost production and environmental impact.

We continue to implement programs on Asset Integrity Management (AIM) and Process Safety Management (PSM), which help to ensure adherence to Qatar’s Decree-Law No. 4 of 1977 and which are aligned with global standards and industry best practices.

If major incidents do occur, we have detailed emergency procedures to respond to them. We test these procedures regularly to ensure that they are understood, suitable, effective and up-to-date. We collect, collate and analyse key performance indicators relating to process safety which gives us an insight into the performance of our management systems.

OUR PERFORMANCE IN 2018

We continued steps to improve the reporting and recording of process safety incidents and data by providing training and raising the awareness of our employees. The total number of recorded loss of primary containment (LOPC) events was 20% lower in 2018 in comparison to 2017. We experienced one ‘Tier 1’ event (those incidents with greater consequence or potential consequence) compared to two in 2017.

While these improvements are welcome, our aim is to continue to reduce the number and severity of process safety incidents by pursuing continuous improvement and by implementing Process Safety and Asset Integrity Management.

- Our Industrial Cities HSSE Risk Department hosted a day-long Process Safety Management conference to share process safety knowledge, experience and best industry practices. The conference was attended by representatives from QP and major asset operators in Ras Laffan and Mesaieed Industrial City, who described real-time experiences and challenges for implementing a comprehensive Process Safety Management system within their organizations.
- We carried out staff awareness sessions at all levels of the organization on the Major Accident Hazard Framework. This seeks to ensure that all major accident hazards are identified and assessed throughout our facilities and installations and that the associated risks are reduced to a level which is as low as reasonably practicable (ALARP) and managed by a robust process safety management system.
- We continued to develop our capability to gather and review process safety incident data. In line with IOGP and other international best practice, we use lagging and leading indicators to monitor process safety performance. These indicators provide information on incidents that have already occurred, such as accidents and injuries, as well as data that show the effectiveness of proactive activities and programs to prevent future incidents and improve safety. Data on our process safety performance is provided in the following page.

PROCESS SAFETY EVENTS

	2014	2015	2016	2017	2018
Number of Tier 1 process safety incidents	1	0	3	2	1
Number of Tier 2 process safety incidents	1	0	0	10	8
Number of Tier 3 process safety incidents	255	250	400	645	525

Tier 1 and Tier 2 : As per IOGP Report 456, an unplanned or uncontrolled Loss of Primary Containment (LOPC) is deemed to be a tier 1 or a tier 2 incident based on the severity of the harm or damage caused, and the amount of material released.  
Tier 3 : Most incidents are classified as tier 3 incidents, which consist of minor leaks of oil, gas, hydrocarbons and water.

SPOTLIGHT:

SAFE STORAGE, HANDLING & DISTRIBUTION OF PETROL & DIESEL

Our Inspection and Certification Division conducted 46 audits, 106 follow-ups, 66 status verifications and 99 compliance visits to monitor the safe storage, handling and distribution of petrol and diesel fuel in the State of Qatar.

Moreover, the division continued to provide technical guidance to the Petrol Station Executive Committee (PSEC) in maintaining HSE standards in design, construction, commissioning, operation and decommissioning of petrol stations across Qatar, as well as to develop an effective system to keep risks associated with petrol stations towards people, assets and environment ALARP.

OUR GOALS

- Continue to implement the Major Accident Hazards Management Framework (MAHMF) across our operations, establishing it as part of the Process Safety Asset Integrity Management Framework.
- Continue to drive improvements in process safety performance, supported by increased use of leading and lagging performance indicators.
- Manage and provide support for the development of corporate process safety and asset integrity requirements as part of the continuing drive for operational excellence.
- Establish the Corporate Process Safety and Asset Integrity Management System as the governance system to provide for corporate requirements on process safety and integrity issues within all QP facilities/installations and locations. The management system will provide policy, objectives and minimum requirements applicable to all QP facilities and installations and will specify the minimum requirements at an operational level.





# EMERGENCY PREPAREDNESS AND BUSINESS CONTINUITY MANAGEMENT

OPERATIONAL INCIDENTS, EXTERNAL DEVELOPMENTS OR NATURAL DISASTERS CAN STRIKE AT ANY TIME, WITH THE POTENTIAL TO CAUSE SERIOUS DISRUPTION TO OUR BUSINESS. MAINTAINING A BUSINESS CONTINUITY MANAGEMENT SYSTEM (BCMS) ENHANCES OUR RESILIENCE TO ADDRESS ANY BUSINESS INTERRUPTION.

## OUR APPROACH

We take comprehensive efforts to prevent incidents that could compromise safety and to address business disruptions. Our Business Continuity Management System (BCMS) includes crisis management, emergency preparedness and response, business continuity planning and information technology resilience. An integrated fire & rescue emergency response plan and related resources are made available and considered top QP emergency response priorities.

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 business disruption;
- Provide accurate information to public authorities about the remediation actions taken to protect or re-establish health, safety and environment;
- Continue with the delivery of products and services.

We regularly test and run exercises on the effectiveness of the system against pre-defined requirements. We have increased our vigilance against cyber threats and have provided regular briefings and guidance in 2018 to employees, alerting them to the need for robust online and digital security practices.

## OUR PERFORMANCE IN 2018

- In accordance with our Business Continuity Management (BCM) Policy, we hosted a workshop on the lessons learned by Qatar's oil and gas sector as a result of the economic blockade against the State of Qatar since 2017. A wide range of participating companies and QP joint ventures agreed to pursue a continuing dialogue to ensure that a cohesive supply chain strategy can be maintained at all times.

- We brought business continuity experts together from across the industry in an event designed to strengthen cooperation, coordination and alignment on crisis management and emergency preparedness and response. The meeting aimed to further enhance the resilience and ability of Qatar's oil and gas sector to handle major business disruptions. It provided an opportunity for the participants to meet sector representatives from different locations and departments, to share lessons learned and to build collaborative networking groups as a step towards further BCM integration and alignment between QP and other sector companies.



## OUR GOALS



- Complete the 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's offshore locations.
- Introduce a 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 Island and Al-Khalij Field.
- Fully automate the business continuity management system.

**“Applying direct community engagement into emergency planning is critical to protect the people in Dukhan and institute a resilience culture.”**

**Mohamed Ibrahim Al Sada**  
DCA Manager

## SPOTLIGHT:

### NEW COMMUNITY EMERGENCY PREPAREDNESS PROGRAM

The Dukhan Township and the surrounding public area are the home to more than 5,000 residents, comprised of QP employees and their families, contractors and local businesses. In this regard, the Dukhan Concession Area (DCA), as the provider of fire and rescue services, is also responsible for ensuring the adequate readiness of the community to deal with emergency situations. We believe that open and direct communication with household members, employees, contractors and the public will enhance understanding of the emergency actions required by community members.

In order to institute a culture of community resilience in Dukhan, DCA has developed a holistic Community Emergency Preparedness Program to promote partnerships among QP departments and the local community. The program includes a number of initiatives aimed at reaching Dukhan community members. These include:

1. An Emergency and Safety Open Day in the Dukhan Township attended by more than 300 people. The activities directly

engaged the community with interactive educational lectures on what to do in case of an emergency at home or in the office. The event also included national responders such as the Qatar Civil Defense, Community Police, and QP departments.

2. Three community Emergency and Safety Awareness Training Sessions attended by more than 400 people.
3. Email and flyer campaigns targeting employees, families and contractors to promote the Dukhan emergency numbers.
4. Firefighting awareness and practical training session targeting the township's household members and attended by other 200 female participants.

The program is a long-term and continuous project, with a number of initiatives already being planned for 2019, including fostering more induction and awareness trainings to new residents and launching e-awareness campaigns.



## QP PEOPLE AGENDA

THE QP PEOPLE AGENDA CONSISTS OF SEVERAL INITIATIVES AND PROJECTS WHICH ARE CRITICAL TO THE SUCCESSFUL ACHIEVEMENT OF OUR 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 THREE FOCUS AREAS, EACH SUPPORTING THE JOURNEY TOWARDS OUR VISION:





### Growing Talent & Resourcing:

Building and connecting all elements of talent management and ensuring that they are aligned to international standards. These elements are workforce, succession and replacement planning, resourcing and recruitment, onboarding and offboarding, leadership development, professional development, learning, performance management and engagement & rewards. This also involves diversity of talent, particularly with a focus on the development of Qataris. The Human Capital cloud-based technology will be used as another means to connect these talent processes.

QP offers competitive salaries and benefits to attract, retain, and reward the talent it needs. The benefits for our employees include medical insurance, education assistance, housing and transport allowances, and pension for eligible employees. In addition, we provide allowances to address specific business needs, such as the shift and location allowance.

### Driving Organization Excellence:

Driving sustained performance within QP; its structure, processes, systems, policies, people and culture. Examples of initiatives include the introduction of a common way to manage change, based on international standards (Change Management Toolkit) and the introduction of an Integrated Organization 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:

Enhancing the affiliation of employees with QP and their commitment to collaborate, thereby leading to increased performance. This includes initiatives such as the creation of the Human Capital Service Centre (consisting of a Human Capital helpdesk, a Human Capital call center, a Human Capital E-Helpdesk and related processes) and holding multiple engagement events with staff, such as town halls, gallery walks, workshops and other events.



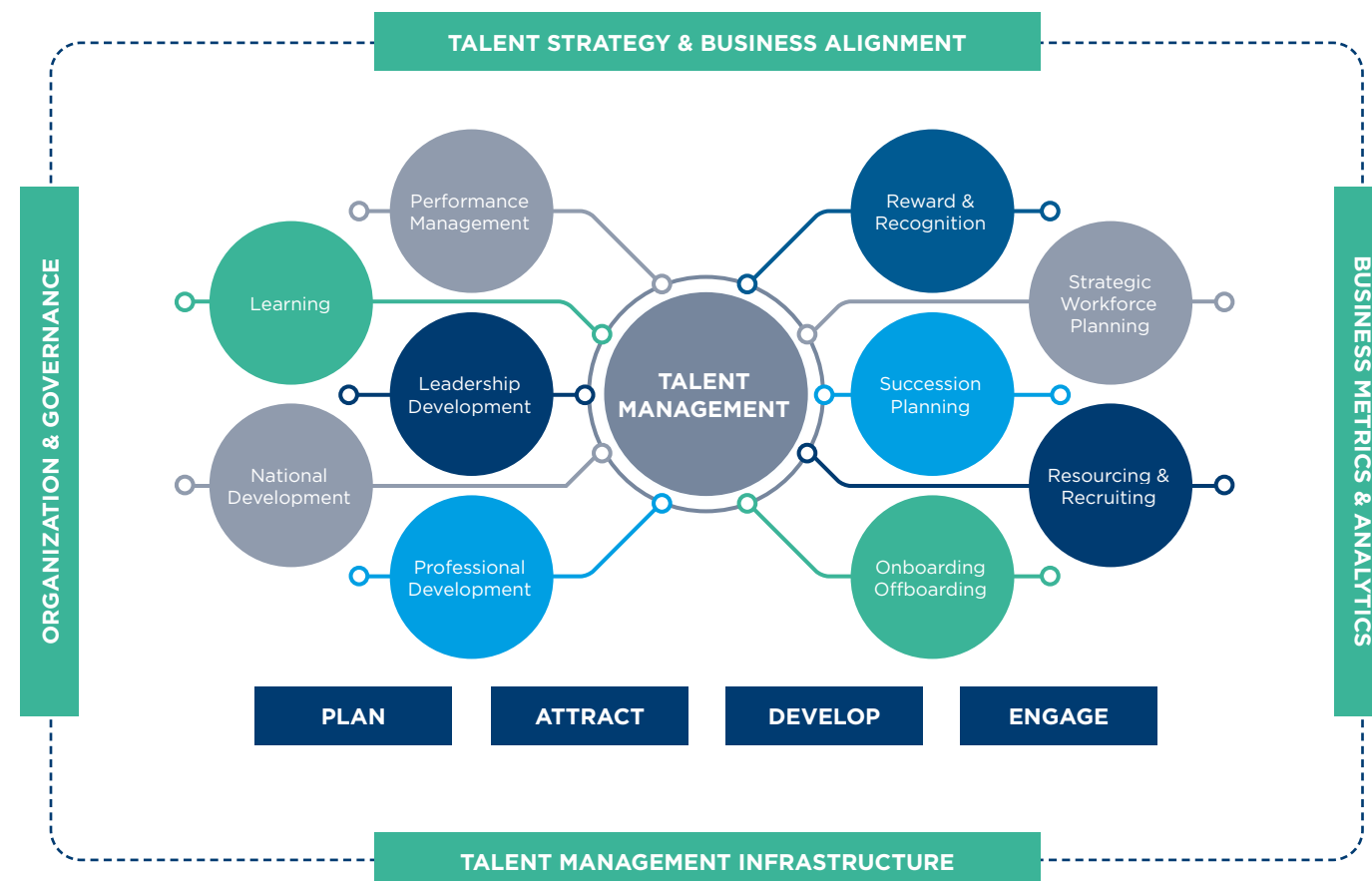
# GROWING TALENT AND RESOURCING

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.

### OUR APPROACH

Our activities around growing talent and resourcing are closely aligned to our corporate strategy and business plans, and are managed through our new cloud-based Human Capital software. The below Talent Strategy depicts the design and implementation of the talent processes covering the entire employee life cycle and entails that:

- We **PLAN** for our future, so we have the right people with the right skills at the right time and ensure that we remain competitive in a changing world.
- We **ATTRACT** the best talent locally and globally and make sure we make them feel at home and they are able to contribute quickly.
- We **DEVELOP** all our people to ensure we have a highly capable team, with the skills and experience to make our vision become reality.
- We **ENGAGE** our employees to inspire high performance and work towards our common goals.





OUR PERFORMANCE IN 2018

In 2018 we implemented various projects around leadership development, learning and professional development and succession planning. In addition, as every year, we honored our long-serving employees with our Continuous Service Awards.

LEADERSHIP DEVELOPMENT

We believe that talent management starts with competent, effective leadership. Our leaders must drive our strategic priorities, champion change and inspire and develop the next generation of leaders and professionals to reach our goals.

We recognize that our ambitious corporate strategy places new demands on our leaders and employees. To strengthen the performance of our organization, we aligned on 12 leadership competencies and the six corporate values required to achieve our vision and began to design solutions to embed the competencies and culture we need. We continued to further enhance leadership competencies, learning and culture change through several activities:

- We cascaded our strategy and values to all our employees to ensure everyone is aware of our direction and knows about the behaviors required for us to achieve our vision.
- Senior managers (EVPs, subsidiary CEOs and QP managers) attended a “Top 120 Senior Leaders Workshop” on our new strategy and values in February 2018. Other leaders participated in 17 dedicated workshops. Over 75 Change Champions facilitated 200 workshops on the same topic to reach more than 97% of our employees.
- We introduced our first-ever signature leadership program based on our strategy, competencies and values, starting with five pilot programs for senior, mid-level and frontline leaders. Throughout the year, over 750 leaders were enrolled in at least one signature program. Each program contains competency assessment and feedback, face-to-face modules, project work, peer learning and executive coaching. Participation rates exceeded 90% across all programs. Senior leaders already completed their program in November 2018, while programs for mid-level leaders, frontline leaders and the ‘Top Team’ (executives) will continue throughout 2019.
- Over 1,200 leaders were trained in talent management as preparation for the start of the rollout of our new talent processes. Online training materials were also provided.

TRAINING

	2016	2017	2018
Employee headcount	8,682	8,468	8,142
Training hours	106,649	117,056	193,073
Average hours of training per employee	12.28	13.82	23.71

Our leaders must drive our strategic priorities, champion change and inspire and develop the next generation of leaders and professionals to reach our goals.



LEARNING AND PROFESSIONAL DEVELOPMENT

At QP, we believe that learning opens the door to new possibilities. 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.

Besides, we strongly focus on professional development as an investment to enhance our technical capabilities. This is key to our business strategy and key to the careers of our employees. As part of our new approach, every job at QP is part of a job family. These families, which cut across organizational boundaries, consist of people doing similar work activities that require a common set of competencies, such as petroleum engineering, mechanical engineering or management. For each job role within a job family, there is a list of professional competencies that relate to the skills, knowledge or experience that employees need in a particular job role.

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.

SUCCESSION PLANNING

To ensure that we have candidates ready and able to fill leadership roles or other critical positions whenever it becomes necessary, we identify internal talent who are “ready now” or who will be “ready soon” for further development. The primary focus is on Qatari nationals, but expats can also be a part of a succession plan. Our senior leaders endorse the succession plans, which highlights the strong commitment to developing the next generation of talent. Succession planning is a key input to resourcing for any vacant position.

In 2018, succession planning was rolled out to several directorates and succession plans for these directorates have been put in place. These plans will provide input in the development planning for the employees who have been identified as ‘ready soon’ candidates.

DIVERSITY AND EQUAL OPPORTUNITY

At QP we consider diversity a source of strength, bringing together a wide range of perspectives and experiences, through which collaborative decision-making and teamwork help achieve organizational goals and make our employees feel valued and respected. We value the inherent differences of our workforce, including gender, age, religion and nationality, and strive to foster a culture of inclusiveness that welcomes and embraces diversity. As of 2018, our workforce consists of people of 85 different nationalities.

OUR GOALS



- Continue to implement more programs and new types of leadership development throughout 2019 to address emerging priorities and needs amongst our current and future, formal and informal leaders.
- Continue progress around identifying and defining competencies and roll out the first job families throughout 2019.
- Put in place succession plans for the remaining directorates.



# ENHANCING EMPLOYEE WELFARE AND ENGAGEMENT

EMPLOYEE WELFARE ENTAILS EVERYTHING FROM SERVICES, FACILITIES AND BENEFITS THAT WE PROVIDE TO OUR EMPLOYEES TO BENEFIT THEIR HEALTH AND WELL-BEING, AND ULTIMATELY MOTIVATE THEM TO BE PRODUCTIVE AND CONDUCT THEIR WORK WITH CARE.

OUR APPROACH

As part of the QP People Agenda, we also wish to enhance how we engage our employees. Within this context, we recently introduced the People Portal. The People Portal is an internal website and user-friendly platform that provides a single source for all services and information related to Human Resources and Learning & Development. The People Portal also serves as the gateway to Employee Central, where every employee can access all HR services, such as leave requests, performance management system, and more.

Recognition is another important feature of our employee engagement approach. Every year we host a series of Continuous Service Award ceremonies to recognize the contributions of our long-serving employees.

As part of the many benefits we offer to our employees, the “QP Privilege Program” offers our staff special discounts on products and services from a wide range of companies. These exclusive discounts are posted on our intranet, thus giving companies the opportunity not only to promote their products and services but also to further widen their customer base and to boost their sales in the process.

Until today, we have partnered with more than 90 companies in Qatar, covering 30 business sectors, including restaurants, airlines, department stores, events and many more.

OUR PERFORMANCE IN 2018

- Together with our partners in Ras Laffan Industrial City, we organized a forum on Workers’ Welfare and Healthy Lifestyles, which was attended by 141 participants. The aim of the forum was to enhance awareness on workers’ welfare and well-being and to tackle current health-related challenges facing our staff, end users, business partners and contractors. The theme “Together we maintain sustainable workers’ well-being” was chosen with the objective to highlight the implementation and enforcement of QP’s well-being strategy. Presentations by a range of companies covered topics including first aid and skills practice, worker well-being, hearing protection, how occupational health supports business process, the importance of psychological support, emergency evacuation, and food shelf life.

- The annual Continuous Service Award ceremony was held at our headquarters in West Bay, bringing together employees from various directorates, departments and nationalities. In 2018, a total of 1,232 employees were honored for having completed 10 years or more of service. 16 employees were awarded for 40 years of serving QP.
- On November 14, the Healthcare Department hosted an awareness campaign around World Diabetes Day, highlighting the associated risks of diabetes and promoting the importance of maintaining a healthy weight, doing regular physical activity, making healthy food choices, managing blood pressure and cholesterol levels as well as not smoking.

OUR GOALS



- Continue to enhance employee welfare and engagement using various channels and tools.
- Continue the rollout of our renewed talent processes.
- Develop a permanent worker accommodation facility at the Dukhan Support Services Area (DSSA), planned to house 2,800 contractor workers by 2021 (Milestone 1), with a potential extension to house up to 8,000 workers by 2025 (Milestones 2 & 3).

SPOTLIGHT:

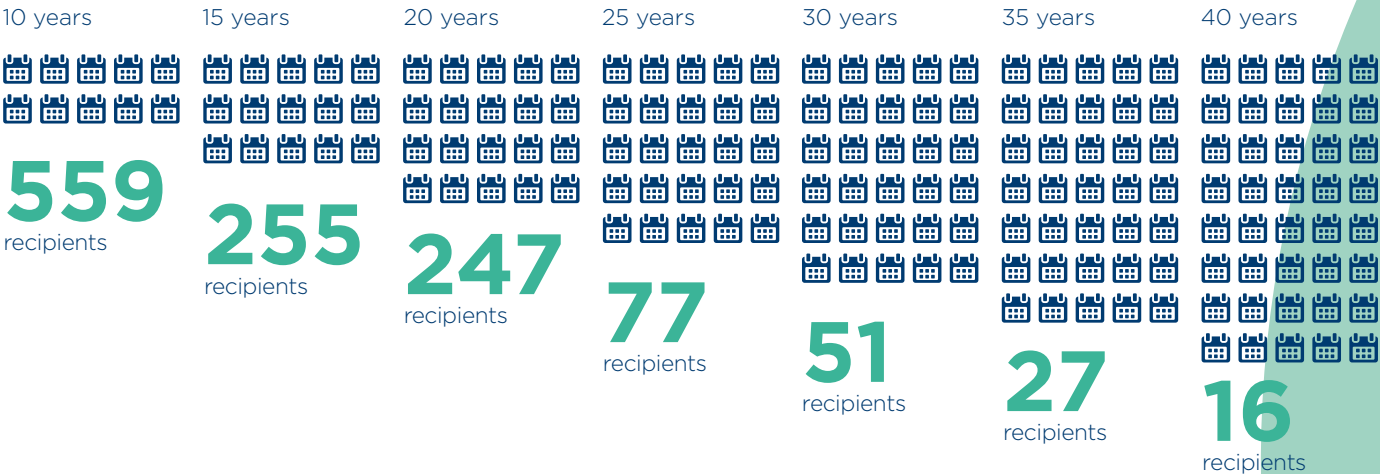
QP INTRODUCES ITS CLOUD-BASED HUMAN CAPITAL SOFTWARE

In 2018, we introduced a new Human Capital cloud-based software. This new, user-friendly platform will be used to host our talent processes, starting with the performance management process and stretching to include the onboarding process and the Personal Development Planning (PDP) process in 2019.

Employees were already able to have their first experience with the new technology through the launch of the People Portal, an internal website to provide all employees with access to all services, information and resources related to human resources and learning.



CONTINUOUS SERVICE AWARD RECIPIENTS





# QATARIZATION

UNDER THE LEADERSHIP OF H.H. SHEIKH TAMIM BIN HAMAD AL-THANI, AMIR OF THE STATE OF QATAR, AND UPON THE DIRECTIVE FROM THE MINISTER OF ENERGY AND INDUSTRY, THE FIRST COMPREHENSIVE STRATEGIC QATARIZATION PLAN HAS BEEN DEVELOPED FOR THE ENERGY AND INDUSTRY SECTOR.

## OUR APPROACH

In support of the Qatar National Vision 2030, Qatarization is an integral part of Qatar Petroleum's strategic workforce planning and another key element of our Talent Strategy. Our five-year workforce plan ensures that the right positions are available at the right time for our Qatari talent. It also enables us to assess the demand for Qatari nationals over the planning period and to design recruitment and development plans to meet that demand. It emphasizes developing Qatari nationals for key, sensitive positions at QP by applying competency-based, not time-based, training and development.

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

To measure our 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.

## The features of our Qatarization approach are:

- 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 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 designing individual development plans for our future leaders as part of the corporation's Leadership Development Framework.

## OUR PERFORMANCE IN 2018

- We introduced Tas'ees, an onboarding program developed to improve employees' knowledge of the oil and gas industry, increase awareness of QP, enhance employees' individual effectiveness skills, and lastly, to raise awareness of QP's values. The program specifically targets national employees on development.
- To support Qatarization more widely, we organized the 18th Annual Qatarization Review Meeting for the Energy and Industry Sector, to recognize companies for their accomplishments in the field of Qatarization. A total of 35 companies are now participating in the Strategic Qatarization Plan.
- We aim to develop a larger pool of academically-certified nationals with qualifications for specific specializations, and therefore offer scholarships to eligible Qatari students and employees to pursue university study programs. Our Academic Affairs group helps recruit, select and induct new students into university programs, monitors and supports their academic performance. In close coordination with Human Resources and other relevant departments, the sponsored students are integrated into our internship programs.

- On top of managing the vocational students for the energy and industry sector, we also took over the management of university students for the entire sector in 2018. These students are attending courses in petroleum and other engineering disciplines and a wide range of other specialized fields. Throughout the year, the Learning and Development Department closely monitors their academic performance and workplace learning to ensure that they have the required support to successfully complete their program and join the workforce.
- In 2018 we honored Qatari graduates who joined the company's employee ranks. These honorees successfully completed their academic training programs under our scholarship program, including studies at distinguished universities in Qatar, France, the US and the UK.

## OUR GOALS

- Continue to work towards our Qatarization target.
- Continue to invest strategically in the professional and personal development of Qatari employees and students.
- Move towards a fully competency-based, standardized development path for all nationals in development.



## SPOTLIGHT:

### QP'S SECOND "MUSTAQBALNA" FORUM TO EMPOWER YOUNG FUTURE QATARI LEADERS

In November 2018, we held our second "Mustaqbalna" (meaning "our future" in Arabic) forum, which gave over 280 Qatari nationals under development the opportunity to engage with the Executive Leadership Team and get further insights into our strategy, business plan, and future direction.

Mustaqbalna is designed to underline the role of young Qatari employees under development in shaping the future of our company and ensuring our continued growth and success. This year's two-day event was held under the theme "Empowerment". It featured an interactive format that enabled the participants to discuss how being empowered can make a positive difference in their career to effectively contribute to the growth and development of Qatar Petroleum.

The forum also featured a question-and-answer session with His Excellency Mr. Saad Sherida Al-Kaabi, Minister of State for Energy Affairs and President & CEO of Qatar Petroleum, as well as other members of QP's Executive Leadership Team and senior officials. The panel session provided an opportunity for all Qatari nationals on development to ask questions related to their careers and professional development, the current operations and ongoing projects of QP, and its strategic plans for the future.

Addressing the participants, H.E. Mr. Al-Kaabi said: "It is my greatest pleasure to see the future leaders of this great institution, and I am proud of the quality of Qatari talent that is playing an important and critical role in shaping Qatar Petroleum as it moves into a new chapter in its history. I am also pleased to see this great level of engagement with the leadership team, which helps you to get a feel of what is going on in terms of strategy and direction as well as of the values that we stand for as Qatar Petroleum."







# 06

## CORPORATE SOCIAL RESPONSIBILITY

QP HAS AN UNWAVERING SUPPORT FOR PROMOTING CORPORATE SOCIAL RESPONSIBILITY AS QATAR'S NATIONAL OIL COMPANY. WE DEMONSTRATE OUR SUPPORT BY MANAGING COMMUNITY RELATIONS, SPONSORING EVENTS AND SOCIAL ACTIVITIES.

Performance Highlights

38M  
Community Investment



4.8B  
Spending on Local suppliers



42%  
Percentage of Qatari registered suppliers



Material issues covered in this chapter

- Local procurement
- Community engagement and investment



## LOCAL PROCUREMENT

WORKING WITH LOCAL SUPPLIERS AND HELPING TO DEVELOP THEIR CAPACITY INCREASE SECURITY OF SUPPLY AND STIMULATE DIVERSIFICATION WITHIN THE NATIONAL ECONOMY - A GOAL OF QNV 2030. SUPPORTING THE LOCAL SUPPLY CHAIN ALSO GENERATES JOBS, SUPPORTS BUSINESS VITALITY AND HELPS TO INCREASE CONSUMER SPENDING.

OUR APPROACH

Our Supply Chain Department provides strategic direction and regulates all contracting and procurement processes related to QP's integrated supply chain activities including the acquisition of works, services and goods. It also undertakes associated commercial commitment management for and on behalf of QP in accordance with the QP Regulations for Procurement and Disposal (RPD).

We strive, where feasible, to acquire goods and services from suppliers and contractors in Qatar. Suppliers who want to do business with us must meet a number of clear criteria, which include commitments associated with health, safety, environmental protection and governance. We have actively engaged in a number of strategic initiatives that will provide targeted support to local suppliers and contractors.

We are an important part of strategic supply chain initiatives in the oil and gas sector and represent an important player in achieving 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.

OUR PERFORMANCE IN 2018

To support our business activities, we spent approximately QAR 8.4 billion in procuring goods and services in 2018. 58% of the total procurement spend was awarded to suppliers and contractors based in Qatar. Just over 40% of our registered suppliers are based in Qatar.

PROCUREMENT

	2014	2015	2016	2017	2018
Total procurement spending (billions QAR)	12.03	5.81	8.74	11.5	8.4
Total procurement spending on suppliers based in Qatar (billions QAR)	9.15	4.23	7.42	9.5	4.8
Percentage of local procurement spending (%)	76%	73%	85%	83%	58%
Number of registered suppliers	8,624	8,882	9,530	10,194	10,055
Number of registered suppliers based in Qatar	3,687	3,783	3,960	4,102	4,262
Percentage of Qatari registered suppliers (%)	43%	43%	42%	40%	42%

OUR GOALS

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





# COMMUNITY ENGAGEMENT AND INVESTMENT

OUR PHILANTHROPIC INVESTMENTS HELP LOCAL COMMUNITIES IN A WIDE VARIETY OF WAYS AND ENABLE US TO FORGE BETTER RELATIONS WITH OUR STAKEHOLDERS. THEY ALSO HELP TO BUILD A SENSE OF PRIDE AND ENGAGEMENT AMONG OUR EMPLOYEES, MANY OF WHOM VOLUNTEER THEIR TIME AND SUPPORT.

**OUR APPROACH**

To create a sustainable, long-term social impact, we take a multi-faceted approach to delivering shared value. Our actions include:

- 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 Industrial City Community Outreach Program (RLIC COP);
- Launching various initiatives related to community development, environmental protection and road safety;
- Sponsoring regional and international events focusing on aspects of the energy sector.

**OUR PERFORMANCE IN 2018**

- In line with our objectives to further promote national pride and to contribute in preserving our country's culture and heritage, we were among the major sponsors of the Qatar National Day 2018 celebrations.
- We organized a Blood Donation Campaign for Doha-based employees at QP Headquarters, Al Handasa Building and Qatar Navigation Tower. The initiative was held in partnership with Hamad Medical Corporation's Blood Donor Center. Its objective was to show solidarity and support to the national center by encouraging our employees to donate blood to serve the needs of patients requiring blood transfusions. The initiative also aimed to promote a culture of voluntary blood donation within QP.
- We also supported the programs and activities of Teach for Qatar as well as the research centers of Qatar University as part of our long-

standing commitment to support the education and training of Qatari nationals.

- In addition, we continued to extend assistance to the Qatar Society for Rehabilitation of Special Needs, and we also supported the various activities of Al Jumailiya Youth Center.
- We also helped in the continued growth and development of local businesses with our support to Made in Qatar 2018 in Oman and the Qatar Business & Investment Forum 2018, as well as with our sponsorships of technical conferences and international seminars.
- As a member of the RLIC COP, we were involved in various projects related to the continued growth and development of communities in Qatar's northern areas.
- Among the projects completed by RLIC COP in 2018 were the refurbishment of the Al-Qurma Beach Park in Al Khor and the establishment of the Al Khor Plaza Park and Al Khor Nature Reserve.
- The RLIC COP also continued to support female retirees and the elderly through the Magad Al Duha Project, and it also financed the construction of a swimming pool exclusively for women at the Simaisma Youth Club.
- The RLIC COP also supported the second phase of FabLab Qatar, a project that aims to develop the skills of students in science, math and robotics and to train them on how to turn their ideas into tangible products.

COMMUNITY INVESTMENT

	2014	2015	2016	2017	2018
Amount spent for CSR projects (QAR)	43,437,000	46,683,000	28,000,000	34,000,000	38,120,000
Number of projects	35	11	14	15	16

**SPOTLIGHT:**  
**DUKHAN ENVIRONMENTAL AWARENESS CAMPAIGN**

A campaign was organized by Dukhan HSSE Department for the cleanup of the Dukhan Public Beach on 4th March 2018. The campaign was coordinated by our staff and involved 179 students and 18 teachers from the Dukhan English School. The objective of the campaign was to increase awareness of environmental protection through active participation. Our staff addressed the students and voiced their concerns related to coastal pollution. In general, the importance of managing waste at source was emphasized not only at the beach, but everywhere around us. The students and staff exhibited great enthusiasm and were keen to join our future environmental campaigns.








SPOTLIGHT:  
SUPPORTING EDUCATION

We supported the Dukhan community in the official opening of a new primary school building at Dukhan English School (DES). The ceremony was attended by several distinguished guests from QP as well as a large number of students, staff, and parents. Many of them had been involved in the design and construction of the new building.

1,050   
Students could potentially be accommodated at the new building

The transition to the new school from the old building, one of the very first international schools in the country, took place within the agreed timescales. The new building, which is set to accommodate up to 1,050 students from preschool to grade 6, was open for students to occupy their new classrooms from the start of the new school term. We are confident that the school will provide a long-standing legacy, enabling teachers and students to realize their full potential in a world-class learning environment. The next challenge is to complete the secondary school in a similar manner by the beginning of the 2020 academic year.



OUR GOALS



- For the next two years, we will be sponsoring the Katara Traditional Dhow Festival, which is held annually to prominently showcase Qatar’s rich maritime traditions.
- Through our leading role in the RLIC COP, we will also continue to implement a wide range of projects for the benefit of local communities in Qatar’s northern areas.

APPENDICES  
APPENDIX A  
GRI INDEX

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Organizational profile	Design pages
	102-1 Name of the organization	Qatar Petroleum
	102-2 Activities, brands, products, and services	6-7, 12-19
	102-3 Location of headquarters	Doha, Qatar
	102-4 Location of operations	14-15
	102-5 Ownership and legal form	QP is a state-owned public corporation
	102-6 Markets served	12-19
	102-7 Scale of the organization	14-16, 46-49
	102-8 Information on employees and other workers	67-75
	102-9 Supply chain	76-77
	102-10 Significant changes to the organization and its supply chain	No significant changes.
	102-11 Precautionary Principle or approach	56-57
	102-12 External initiatives	18-19, 28-29, 78-79
	102-13 Membership of associations	None
Strategy		
	102-14 Statement from senior decision-maker	3
Ethics and integrity		
	102-16 Values, principles, standards, and norms of behavior	12-13
	102-17 Mechanisms for advice and concerns about ethics	53-55
Governance		
	102-18 Governance structure	8-11
	102-22 Composition of the highest governance body and its committees	8-11
	102-23 Chair of the highest governance body	8
Stakeholder engagement		
	102-40 List of stakeholder groups	24, 85-86
	102-41 Collective bargaining agreements	No law to support collective bargaining.
	102-42 Identifying and selecting stakeholders	26
	102-43 Approach to stakeholder engagement	24-27, 85-86
	102-44 Key topics and concerns raised	26-27, 85-86



GRI 102: General Disclosures 2016	Reporting practice	
	102-45 Entities included in the consolidated financial statements	14-16
	102-46 Defining report content and topic Boundaries	4
	102-47 List of material topics	27
	102-48 Restatements of information	37, 61
	102-49 Changes in reporting	No significant changes to report scope and boundaries
	102-50 Reporting period	Jan 1 - Dec 31, 2018
	102-51 Date of most recent report	2017
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	4
	102-54 Claims of reporting in accordance with the GRI Standards	4
	102-55 GRI content index	81-83
	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	46-47
	103-2 The management approach and its components	46-47
	103-3 Evaluation of the management approach	46-47
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	46-48
Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	18-19
	103-2 The management approach and its components	18-19
	103-3 Evaluation of the management approach	18-19
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	41-42, 50-51
	203-2 Significant indirect economic impacts	18-19
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	77
	103-2 The management approach and its components	77
	103-3 Evaluation of the management approach	77
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	77, 79
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	53
	103-2 The management approach and its components	53
	103-3 Evaluation of the management approach	53
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	53-54
	205-2 Communication and training about anti-corruption policies and procedures	53-55
GRI 300 Environmental Standards Series		
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	30-31, 34
	103-2 The management approach and its components	30-31, 34
	103-3 Evaluation of the management approach	34

GRI 302: Energy 2016	302-1 Energy consumption within the organization	34
	302-3 Energy intensity	34
	302-5 Reductions in energy requirements of products and services	34
Water		
GRI 303: Management Approach 2018	303-2 Management of water discharge-related impacts	39
GRI 303: Water 2018	303-4 Water discharge	40
Biodiversity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	30-31, 43
	103-2 The management approach and its components	30-31, 43
	103-3 Evaluation of the management approach	43
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	43-44
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	30-31, 35
	103-2 The management approach and its components	30-31, 35
	103-3 Evaluation of the management approach	35-38
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	35
	305-2 Energy indirect (Scope 2) GHG emissions	35
	305-4 GHG emissions intensity	35
	305-5 Reduction of GHG emissions	35
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	37
Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	41
	103-2 The management approach and its components	41
	103-3 Evaluation of the management approach	41
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	42
	306-4 Transport of hazardous waste	41-42
GRI 400 Social Standards Series		
Occupational Health and Safety		
GRI 403: Management Approach 2018	403-5 Worker training on occupational health and safety	59-60
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	61
	403-10 Work-related ill health	61
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	67-71
	103-2 The management approach and its components	67-71
	103-3 Evaluation of the management approach	67-71
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	68-71
Local Communities		
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 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	74-75, 78-79



# APPENDIX B

# 2018 PERFORMANCE DATA

THE DATA IN THE TABLE BELOW REPRESENTS QP'S 100%-OWNED OPERATIONS.

Energy Consumption	2014	2015	2016	2017	2018
Direct energy consumption (GJ)	N/A	81,253,165	68,247,488	63,162,260	61,247,627
Direct energy intensity (GJ/tonnes of hydrocarbon produced)	1.41	1.43	1.41	1.38	1.37
Total GHG emissions (tonnes of CO2eq)	4,941,866	5,439,143	5,495,192	4,910,554	4,801,552
Scope 1 – Direct GHG emissions (tonnes of CO2eq)	4,941,866	5,439,143	5,155,602	4,563,638	4,477,063
Scope 2 – Indirect GHG emissions (tonnes of CO2eq)	N/A	N/A	339,590	346,916	324,489
Direct GHG emissions intensity (tonnes of CO2eq/ tonnes of hydrocarbon produced)	0.10	0.10	0.11	0.10	0.10
Flaring and Air Pollutants	2014	2015	2016	2017	2018
Flaring (MMSCF)	16,290	9,999	9,544	14,058	12,496
SO2 emitted (tonnes)	22,636	23,951	20,409	272,351	220,776
NOX emitted (tonnes)	6,806	6,901	7,119	11,314	9,360
VOC (tonnes)	2,142	1,762	2,452	2,194	1,883
Water Discharge	2014	2015	2016	2017	2018
Water discharged to UER Aquifer in m3	7,312,763	7,974,250	7,298,345	11,030,714	13,630,788
Water discharged to sea (excluding non-contact cooling water) in m3	163,193	151,084	136,007	168,510	295,105
Water recycled or reused in m3	1,563,421	1,438,093	1,453,878	1,501,936	1,552,201
Waste	2014	2015	2016	2017	2018
Total waste generated during the year (tonnes)	N/A	49,012	52,599	57,921	48,961
Non-hazardous waste generated (tonnes)	N/A	42,997	46,830	48,701	45,033
Hazardous waste generated (tonnes)	N/A	6,014	5,769	9,220	3,927
Percentage of hazardous waste generated	N/A	12.3%	11.0%	15.9%	8.0%
Non-hazardous waste recycled (tonnes)	N/A	256	592	668	1,043
Percentage of non-hazardous waste recycled	N/A	0.6%	1.3%	1.4%	2.31%
Hazardous waste recycled (tonnes)	N/A	724	698	711	1,974
Percentage of hazardous waste recycled	N/A	12%	12%	8%	50.3%
Operational Performance	2014	2015	2016	2017	2018
Crude oil production (barrels per day)	234,220	232,540	234,697	230,394	228,649
North Field Alpha Lean Gas (KMMBTU/day)	702	558	652	681	694
Total refinery throughput (barrels per day)	116,458	109,786	117,772	113,264	101,656
Total revenue (QAR in 000)	168,661,173	99,160,599	88,003,196	95,217,970	108,794,786
Total expenses (QAR in 000)	111,665,960	72,297,226	54,098,208	55,872,271	63,671,248
Net operating profit (QAR in 000)	56,995,213	26,863,373	33,904,888	39,345,699	45,123,538
Share in profits of joint ventures and associates (QAR in 000)	98,189,586	55,188,508	29,432,091	34,104,224	50,320,760
Net profit for the year (QAR in 000)	112,612,946	64,171,160	49,536,531	58,404,836	80,436,409

Safety and Occupational Health	2014	2015	2016	2017	2018
Total employee work hours	22,181,762	20,715,363	18,051,393	17,599,470	16,364,732
Total contractor work hours	70,787,879	67,448,687	72,154,510	62,158,310	59,225,391
Employee lost time injuries	7	8	2	4	9
Contractor lost time injuries	22	27	20	8	11
Total lost-time injury rate (LTIR) of employees and contractors (per 1 million working hours)	0.31	0.4	0.24	0.15	0.26
Lost-time injury rate (LTIR) of employees (per 1 million working hours)	0.32	0.39	0.11	0.23	0.55
Lost-time injury rate (LTIR) of contractors (per 1 million working hours)	0.31	0.4	0.28	0.13	0.19
Employee total recordable injuries	24	18	9	12	16
Contractor total recordable injuries	61	48	49	38	29
Total recordable injury rate (TRIR) of employees and contractors (per 1 million working hours)	0.91	0.75	0.64	0.63	0.6
Total recordable injury rate (TRIR) of employees (per 1 million working hours)	1.08	0.87	0.5	0.68	0.98
Total recordable injury rate (TRIR) of contractors (per 1 million working hours)	0.86	0.71	0.68	0.61	0.49
Total fatalities	1	0	1	0	0
Employee fatalities	0	0	0	0	0
Contractor fatalities	1	0	1	0	0
Work related illnesses (employees and contractors) per 1 million hours worked	Not reported	Not reported	0.07	0.19	0.22
Heat stress events (employees and contractors)	Not reported	Not reported	5	14	13
Process Safety Events	2014	2015	2016	2017	2018
Number of Tier 1 process safety incidents	1	0	3	2	1
Number of Tier 2 process safety incidents	1	0	0	10	8
Number of Tier 3 process safety incidents	255	250	400	645	525
Procurement	2014	2015	2016	2017	2018
Total procurement spending (billions QAR)	12.03	5.81	8.74	11.5	8.4
Total procurement spending on suppliers based in Qatar (billions QAR)	9.15	4.23	7.42	9.5	4.8
Percentage of local procurement spending (%)	76%	73%	85%	83%	58%
Number of registered suppliers	8,624	8,882	9,530	10,194	10,055
Number of registered suppliers based in Qatar	3,687	3,783	3,960	4,102	4,262
Percentage of Qatari registered suppliers (%)	43%	43%	42%	40%	42%
Community Investment	2014	2015	2016	2017	2018
Amount spent for CSR projects (QAR)	43,437,000	46,683,000	28,000,000	34,000,000	38,120,000
Number of projects	35	11	14	15	16

# APPENDIX C

## CALCULATION METHODOLOGIES USED FOR ENVIRONMENTAL INDICATORS

CALCULATION METHODOLOGIES

Environmental Indicator	Standards, Methodologies, and Assumptions Used	pg.no.
Water and effluent discharge	<p>The minimum standards set for the quality of effluent discharge are according to the CTO of each different operations and work location. All types of water and effluents are treated to meet Consent-To-Operate (CTO) requirements and treatment facilities are designed according to the same limits. Our discharged limits for water parameters are governed by environmental regulations and CTO requirements. However, we have some incidents of non-compliance with discharge limit due to upset in operations</p>	pg. 41
Habitats protected or restored	<p>Marine Turtle Project - One of the objectives of this project is to implement conservation and monitoring efforts for marine turtles to meet the standards of the Marine Turtle Specialists Group (MTSG) of the International Union for Conservation of Nature (IUCN). A total of 5,010 turtle hatchlings (baby turtles) were released by the end of the nesting season last year from eight sites in Qatar. It is anticipated that, if integrated and consistent with the existing regional and global initiatives reflected by the guidelines developed by the MTSG of IUCN, this will lead to the enhancement and protection of marine turtles and their habitats in the State of Qatar. This project also comes within the framework of the efforts of the MME to preserve wildlife, in accordance with the Ministerial Resolution No. (37) of 2010 on the conservation of turtles and seabirds from extinction.</p> <p>Marine Ecological Survey - The deployment of reef balls in Halul has been proven to be highly successful in enhancing the fish habitat by providing structures for fish and other marine organisms. The marine ecological survey comes in line with the State of Qatar's environmental laws and shall comply with the country's environmental standards as well as QP specifications and guidelines regarding waste management and environmental incident reporting.</p>	pg. 45
GHG emissions	<p>QP uses the SANGEA™ software to report on greenhouse gas (GHG) emissions based on the Corporate Accounting and Reporting Standard, Revised Edition, published by the World Resources Institute and the World Business Council for Sustainable Development. GWP (global warming potential) is based on 4th AR of IPPC with 100-year time horizon.</p> <p>The gases used are CO2, CH4 and N2O and reported as CO2 equivalent. All emission factors used in calculations are based on US EPA information contained in the AP-42 emission factor document</p>	pg. 35
Waste disposal	<p>Waste is quantified using a weigh bridge. The weigh bridge is calibrated regularly and a recent internal audit verified this. Where there is no access to a weigh bridge, volumes are used and weights estimated based on averages and waste densities (for specific wastes).</p>	pg. 43





# APPENDIX D

## STAKEHOLDER ENGAGEMENT

EMPLOYEES	CONTRACTORS AND SUPPLIERS	GOVERNMENT / REGULATORS	SUBSIDIARIES, JOINT VENTURES AND WIDER ENERGY AND INDUSTRY SECTOR	INVESTORS	CLIENTS	COMMUNITIES <small>(non-profit organizations, educational institutions, community members)</small>
<p><b>WAYS OF ENGAGEMENT</b></p> <ul style="list-style-type: none"><li>• Performance appraisals</li><li>• Recognition and awards programs</li><li>• Feedback systems</li><li>• Internal newsletters (QP Pulse)</li><li>• Email, QP website and intranet</li><li>• Corporate events</li><li>• Training and development opportunities</li><li>• Regular departmental meetings</li><li>• Town halls</li></ul> <p><b>STAKEHOLDER EXPECTATIONS AND PRIORITIES</b></p> <ul style="list-style-type: none"><li>• Safe and secure working conditions</li><li>• Competitive salary and benefits</li><li>• Access to personal and career development opportunities</li><li>• Open and transparent communications</li><li>• Managers who are supportive and listen</li><li>• Responsible and ethical business practices</li></ul>	<p><b>WAYS OF ENGAGEMENT</b></p> <ul style="list-style-type: none"><li>• QP website – Supply Management</li><li>• Bidding and tendering process</li><li>• Collaborative monitoring of project delivery</li><li>• Surveys</li><li>• Audits and site visits</li><li>• Incident reports and investigations</li></ul> <p><b>STAKEHOLDER EXPECTATIONS AND PRIORITIES</b></p> <ul style="list-style-type: none"><li>• Support and opportunities for local suppliers</li><li>• Fair contract bidding and awarding practices</li><li>• On-time payments</li><li>• Good working conditions</li><li>• Ethical business dealings</li><li>• Collaboration to ensure workers' welfare</li></ul>	<p><b>WAYS OF ENGAGEMENT</b></p> <ul style="list-style-type: none"><li>• Representation on the Board of Directors and its advisory committees, including regular board meetings</li><li>• Regular reporting on corporate performance</li><li>• Interaction and regular communication with regulatory agencies</li><li>• Qatar e-government website</li><li>• Corporate publications</li><li>• Environmental permit applications</li></ul> <p><b>STAKEHOLDER EXPECTATIONS AND PRIORITIES</b></p> <ul style="list-style-type: none"><li>• Executive reporting on the management of hydrocarbon resources</li><li>• Contributing to social and economic development and quality of life in Qatar</li><li>• Environmental protection</li><li>• Sustainable and strong financial performance</li><li>• Development of national talent</li><li>• Compliance with laws and regulations</li><li>• Compliance with national environmental standards</li><li>• Compliance with applicable regional and international standards, protocol and conventions</li><li>• Emergency preparedness</li><li>• Business continuity</li><li>• Safe, reliable and efficient operations</li><li>• Input to policy and regulatory development</li><li>• Protection of all basic international human rights for all relevant stakeholders</li><li>• Timely reporting of performance</li></ul>	<p><b>WAYS OF ENGAGEMENT</b></p> <ul style="list-style-type: none"><li>• Exploration and Production Sharing Agreements</li><li>• Development and Production Sharing Agreements</li><li>• Joint ventures and related agreements</li><li>• Creating synergies among facilities</li><li>• Technical services and license agreements</li><li>• Subsidiary web portal</li><li>• Regular meetings, workshops and dialogue</li><li>• Shared initiatives</li><li>• Conferences and industry events</li><li>• Reporting</li><li>• Cost-sharing agreements</li><li>• Joint crisis and emergency preparedness exercises</li><li>• Sponsorship collaborations</li><li>• Papers in energy-related publications</li><li>• Drilling Operations Incident Review Committee</li><li>• Management of industrial cities</li><li>• Land lease and permit to work system</li></ul> <p><b>STAKEHOLDER EXPECTATIONS AND PRIORITIES</b></p> <ul style="list-style-type: none"><li>• Joint working, shared knowledge</li><li>• Development of best practices</li><li>• Reduced capital and operating costs</li><li>• Elevation of industry standards</li><li>• Sharing of technical data, knowledge and expertise</li><li>• Leadership of industry-wide initiatives</li><li>• Collaboration to address emergencies</li><li>• Effective management of industrial cities</li><li>• HSE support in general and emergency response, fire &amp; rescue services in particular</li></ul>	<p><b>WAYS OF ENGAGEMENT</b></p> <ul style="list-style-type: none"><li>• Annual reviews</li><li>• Press releases and newsletters</li><li>• Website</li><li>• Exploration and Production Sharing Agreements</li><li>• Development and Production Sharing Agreements</li><li>• HSE performance (environment and safety incidents record)</li></ul> <p><b>STAKEHOLDER EXPECTATIONS AND PRIORITIES</b></p> <ul style="list-style-type: none"><li>• Clearly defined corporate governance</li><li>• Proactive risk management</li><li>• Business continuity</li><li>• Transparency and disclosure</li><li>• Cost-effective operations</li><li>• Strong financial performance</li><li>• High HSE performance</li><li>• Clean environmental and safety records</li></ul>	<p><b>WAYS OF ENGAGEMENT</b></p> <ul style="list-style-type: none"><li>• Marketing and sales discussions</li><li>• Contracts and agreements</li><li>• Customer satisfaction surveys</li><li>• Feedback through ongoing sales engagement</li></ul> <p><b>STAKEHOLDER EXPECTATIONS AND PRIORITIES</b></p> <ul style="list-style-type: none"><li>• Reliable and efficient operations</li><li>• High-quality products at acceptable prices</li><li>• Excellent customer service</li><li>• Business continuity</li></ul>	<p><b>WAYS OF ENGAGEMENT</b></p> <ul style="list-style-type: none"><li>• Research initiatives</li><li>• Public reports</li><li>• One-to-one meetings</li><li>• Community partnerships and charitable initiatives</li><li>• Media relations activities</li><li>• Career fairs, school visits and internships at QP</li><li>• Community Outreach Programme</li><li>• Social media</li><li>• Conferences and workshops</li></ul> <p><b>STAKEHOLDER EXPECTATIONS AND PRIORITIES</b></p> <ul style="list-style-type: none"><li>• Assistance to educational institutions in preparing students to enter the workforce</li><li>• Scholarship grants</li><li>• Technical support to promote research and innovation</li><li>• Investment in community and social development</li><li>• Development of national talent</li><li>• Employment opportunities</li><li>• Regular engagement with local communities</li><li>• Minimal environmental impacts</li><li>• Safe operations</li><li>• Positive impacts on local communities</li><li>• Investment in infrastructure</li><li>• Compliance with laws and regulations</li><li>• Timely access to accurate company information</li><li>• Emissions mitigation plan</li></ul>



# APPENDIX E

# ACRONYMS

<b>ADNOC</b>	Abu Dhabi National Oil Company
<b>AIM</b>	Asset Integrity Management
<b>ALARP</b>	As Low As Reasonably Practicable
<b>API</b>	American Petroleum Institute
<b>APMS</b>	Asset Performance Management System
<b>BCM</b>	Business Continuity Management
<b>BCP</b>	Business Continuity Plan
<b>CDM</b>	Clean Development Mechanism
<b>CEMS</b>	Continuous Emissions Monitoring Systems
<b>CER</b>	Certified Emission Reductions
<b>CNG</b>	Compressed Natural Gas
<b>CO2eq</b>	Carbon dioxide equivalent
<b>DCA</b>	Dukhan Concession Area
<b>DDP</b>	Dukhan Desalination Plant
<b>DES</b>	Dukhan English School
<b>DPSA</b>	Development and Production Sharing Agreement
<b>DROPS</b>	Dropped Objects Prevention Scheme
<b>DSSA</b>	Dukhan Support Services Area
<b>DSTP</b>	Dukhan Sewage Treatment Plant
<b>DWNS</b>	Dukhan Water Network System
<b>ERM</b>	Enterprise Risk Management
<b>GDI</b>	Gulf Drilling International
<b>GHG</b>	Greenhouse gas
<b>GIS</b>	Geographic Information System
<b>GJ</b>	Gigajoule
<b>GRI</b>	Global Reporting Initiative

<b>GTL</b>	Gas-To-Liquids
<b>GTO</b>	Governance Transformation Office
<b>HAZMAT</b>	Hazardous Materials
<b>HS(S)E</b>	Health, Safety, (Sustainability) and Environment
<b>IIRC</b>	International Integrated Reporting Council
<b>IMD</b>	International Institute for Management Development
<b>IODF</b>	Integrated Organisation Design Framework
<b>IOGP</b>	International Association of Oil and Gas Producers
<b>IR</b>	Integrated Reporting
<b>IUCN</b>	International Union for Conservation of Nature
<b>JBOG</b>	Jetty Boil-off Gas
<b>JTF</b>	Jebel Tank Farm
<b>JV</b>	Joint venture
<b>KAHRAMAA</b>	Qatar General Electricity and Water Corporation
<b>KPI</b>	Key Performance Indicator
<b>LDAR</b>	Leak Detection and Recovery
<b>LED</b>	Light Emitting Diode
<b>LNG</b>	Liquefied Natural Gas
<b>LPG</b>	Liquefied Petroleum Gas
<b>LTIR</b>	Lost-Time Injury Rate
<b>M&amp;A</b>	Mergers and Acquisitions
<b>M3</b>	Cubic meter
<b>MAHMF</b>	Major Accident Hazards Management Framework
<b>MES</b>	Mesaieed Environmental Society
<b>MIC</b>	Mesaieed Industrial City
<b>MIC-HWTC</b>	Mesaieed Industrial City – Hazardous Waste Treatment Center
<b>MIS</b>	Mesaieed International School
<b>MME</b>	Ministry of Municipality and Environment
<b>MMSCF</b>	Million standard cubic feet
<b>MMSCM</b>	Million standard cubic meters
<b>MTPA</b>	Metric ton per annum



NDS	National Development Strategy
NGL	Natural Gas Liquids
NORM	Naturally Occurring Radioactive Materials
NOx	Nitrogen oxide
OOF	Offshore Operators Forum
PSEC	Petrol Station Executive Committee
PSM	Process Safety Management
PV	Photovoltaic
Q-CHEM	Qatar Chemical Company
QAFAC	Qatar Fuel Additives Company
QAFCO	Qatar Fertilizer Company
QAPCO	Qatar Petrochemical Company
QAR	Qatari Riyal
QATALUM	Qatar Aluminium
QNV	Qatar National Vision
QP	Qatar Petroleum
QVC	Qatar Vinyl Company
QWEC	Qatar Electricity and Water Company
RAM	Risk Assessment Matrix
RGPC	Ras Girtas Power Company
RLIC	Ras Laffan Industrial City
RLOC	Ras Laffan Olefins Company
RLPC	Ras Laffan Power Company
SDG	Sustainable Development Goals
SO2	Sulfur dioxide
TRIR	Total Recordable Injury Rate
TSE	Treated Sewage Effluent
UNFCCC	United Nations Framework Convention on Climate Change
US EPA	United States Environmental Protection Agency
VOC	Volatile Organic Compound

