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

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

REPORT SCOPE

The sustainability data presented in this report focuses on QP’s 100%-owned operations; however, the report also explores the key achievements of QP subsidiaries and joint ventures, many of which produce their own public sustainability and integrated reports.
It is my pleasure to welcome you to our third annual sustainability report, presenting our environmental, economic, and social performance for the year 2016.

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

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

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

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

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

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

Best regards,

President & CEO
Parent & CEO of Qatar Petroleum

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

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

H.E. Ali Shareef Al Emadi
Minister of Finance

H.E. Dr. Ibrahim Al Ibrahim

Hamad Rashid Al Mohannadi

Nasser Khalil Al Jaidah

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

Member

Member

Member

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

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

QP pays the utmost attention to the health and safety of its employees, contractors, visitors and the local communities where it operates. From drilling to construction, operations to decommissioning, QP’s health, safety and environment policy forms an integral part of the corporation’s daily business and long-term planning. QP is committed to contribute to a better future by meeting today’s economic needs, while safeguarding our environment and resources for generations to come. Thriving on innovation and excellence, QP is bound to the highest levels of sustainable human, socio-economic, and environmental development in Qatar and beyond.

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

We have a clear vision for our business...  
To become one of the best National Oil Companies in the world, with roots in Qatar and a strong international presence.

...AND WE’LL REACH IT BY FOLLOWING OUR SIX-PART CORPORATE STRATEGY...

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

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

Human Capital  
Business Process and Corporate Governance  
Assets Portfolio Management  
Commercial and Mergers and Acquisitions (M&A) Capabilities

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

Contribute to long-term economic prosperity  
• Improve operational efficiency  
• Achieve sustainable economic performance  
• Lead upstream and downstream development and strategic national and international investments  
• Support local value chains

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

Support the well-being of our workforce and wider society  
• Achieve world-class health and safety standards  
• Train and develop all employees  
• Employ and develop Qatari nationals  
• Invest in society  
• Promote worker welfare and behavioural safety  
• Implement effective change management

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

• Total refinery throughputs  
• Gas operation production  
• Percentage of goods and services sourced locally  
• Total procurement spending on suppliers based in Qatar  
• Upstream direct energy intensity  
• Upstream scope 1 GHG emissions intensity  
• Upstream flaring intensity  
• Water discharged to sea  
• Percentage of waste recycled  
• NOx emissions  
• SOx emissions  
• Lost time injury rate for employees and contractors  
• Total recordable injury rate for employees and contractors  
• Average hours of training provided per employee  
• Share of Qatari employees in the total workforce  
• Share of Qatari employees in management positions

Read more →
Read more on page 27
Read more on page 29
Read more on page 30
Read more on page 32
CORPORATE GOVERNANCE AND COMPLIANCE FRAMEWORK

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

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

QATAR HIGH PERFORMANCE BOARDS PROGRAM

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

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

INTERNAL AUDIT

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

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

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

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

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

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

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

HARNESSING QATAR’S HYDROCARBON RESOURCES

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

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

DOWNSTREAM DEVELOPMENT
• Technical evaluation and market intelligence
• Operational excellence
• Focus on refining and GFL, metals, cracking and derivatives, fertilizers and methanol, power and water

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

CEO OFFICE
• Public relations
• Privatized companies affairs

ADDING VALUE DOWNSTREAM

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

INVESTING AROUND THE WORLD

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

GENERAL COUNSEL AND BOARD SECRETARY
• Provide legal advice and support at strategic, operational and JV, Sale & Services levels
• The provision of General Secretarial services to the Board and its Sub-committees
• Maintain QP’s Corporate Compliance and Governance Frameworks
• Support negotiation of all agreements and contracts

INTERNAL AUDIT
• Assurance of independent and objective assurance
• Performing audits and investigations
• Monitoring and reporting agreed actions

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

FINANCE AND PLANNING
• Strategic and planning
• Budgeting, financial management and control
• Enterprise risk management

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

HSE & BUSINESS SERVICES
• Corporate Health & Safety
• Information technology and security
• Facilities management
• Healthcare

KEY CORPORATE FUNCTIONS

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

CEO OFFICE
• Public relations
• Privatized companies affairs

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• Managing land, infrastructure, facilities, utilities and services
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• Growing talent and resourcing
• Driving organizational excellence
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HSE & BUSINESS SERVICES
• Corporate Health & Safety
• Information technology and security
• Facilities management
• Healthcare
Managing risk is a key priority within QP. Enterprise Risk Management (ERM), a structured approach to managing all business risks, is an integral component of QP’s management processes and decision making, and is the foundation for a risk-aware culture across the organization.

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

During 2016, a major initiative was undertaken to streamline and enhance the tools and methodologies used for risk management. QP issued its ERM Policy and Manual at the end of 2016. This will be periodically reviewed to align with QP’s risk strategy and appetite. QP will roll out and embed its ERM system over the next two years. QP’s ERM team has established a “center for excellence” to provide advice, guidance and support to implement its comprehensive ERM framework across the corporation.

"During 2016, a major initiative was undertaken to streamline and enhance the tools and methodologies used for risk management."
QP creates value by harnessing Qatar’s abundant hydrocarbon resources, converting these into added value downstream products and services, and investing in the development of an integrated energy value chain around the world.

**Inputs**
- Human Capital
- Social Capital
- Environmental Capital
- Economic Capital

**Business Model**
- HARNESSING QATAR’S HYDROCARBON RESOURCES
  - Exploration, development and production through:
    - QP Owned Facilities
    - Subsidiaries and joint ventures
    - Production sharing agreements
  - Crude oil
  - Natural gas
  - Condensate
  - By-products

**Outputs**
- ADDING VALUE DOWNSTREAM
  - Refining feedstocks and creating higher value products through:
    - QP Owned Facilities
    - Subsidiaries and joint ventures
    - Production sharing agreements
  - Fuel
  - Lubricants
  - Water
  - Electricity
  - Chemicals
  - Metals
  - Minerals
  - Fertilizer

**Value Created**
- MARKETING AND SALES
  - KEY CORPORATE FUNCTIONS
  - MANAGING INDUSTRIAL CITIES
  - INVESTING AROUND THE WORLD
  - Profits
  - Integrated value chain

**Value Chain**
- Managing Industrial Cities
- Investing Around the World
- Marketing and Sales
- Adding Value Downstream
- Harnessing Qatar’s Hydrocarbon Resources

**Key Corporate Functions**
- Managing Industrial Cities
- Investing Around the World
- Marketing and Sales
- Adding Value Downstream
- Harnessing Qatar’s Hydrocarbon Resources
**INPUTS**

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

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

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

**ENVIRONMENTAL CAPITAL**
- Crude oil
- Natural gas
- Energy
- Water
- Land
- Air quality

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

**VALUES CREATED ACROSS THE QNV 2030**

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

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

**ECONOMIC OUTCOMES**
- Profit and wage payments generation which add direct economic value and support government expenditure
- Indirect economic value and employment generated via supply chains
- A larger, more efficient, better connected and increasingly diverse Qatar economy
- Responsible exploitation of Qatar’s oil and gas reserves
- Attraction of foreign investment into Qatar and expansion of Qatar’s oil and gas sector and the wider economy

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

GP is responsible for all phases of the oil and gas industry in the State of Qatar. Its national investment portfolio includes some of the most influential companies that are critical to the achievement of the country’s national vision and goals for sustainable development. To develop Qatar’s reserves and increase upstream oil and gas production capacity, GP has signed many production-sharing agreements with major international oil companies. At the same time, GP’s Downstream Development Directorate has been the driver of petrochemical and downstream sector development in the State of Qatar for more than 40 years, building a multi-billion-dollar business across five industry sectors. In addition to GP’s activities in the field of oil and gas exploration and production, and downstream development, the corporation has also established many specialized companies in the areas of fuel distribution, supply services, transportation and insurance. The majority of the operations in Qatar are conducted within a number of critical industrial cities which have been developed and are managed by GP.

The 2016 review of our operations in Qatar begins on page 51.
QP AND ITS INVESTMENTS IN QATAR

1. Exploration, Drilling & Production
   - Gulf Drilling International (GDI)
   - QP through Exploration and Production Sharing Agreements (EPSAs) & Development and Production Sharing Agreements (DPSSAs).

2. Refining & Gas Processing
   - Qatargas
   - RasGas
   - Oryx GTL
   - QP

3. Storage & Transportation
   - Qatargas
   - RasGas
   - Woqod (Qatar Fuel)
   - Qatex
   - QP

4. Power & Utilities
   - Ras Laffan Power Company (RLPC)
   - Mesaieed Power Company (M Power)
   - Ras Girtas Power Company (RGPC)
   - Um Al-Houl Power

5. Petrochemicals & Fertilizers
   - Qatar Petrochemical Company (QAPCO)
   - Qatar Fuel Additives Company (QAFAC)
   - Qatar Vinyl Company (QVC)
   - QATOFIN
   - Ras Laffan Olefins Company (RLOC)
   - Qatar Chemical Company (Q-CHEM)
   - SEEF
   - Qatar Fertilizer Company (QAFCO)
   - Gulf Formaldehyde
   - Qatar Melamine

6. Metals
   - Qatar Aluminium (Qatalum)
   - Qatar Steel

7. Support Services
   - Al-Shaheen Distribution
   - Al-Shaheen Weatherford
   - Al-Shaheen GE Services
   - Gulf Helicopters
   - AMWJ
   - Al Koot Insurance & Reinsurance Company
   - QIP

Offshore Natural Gas Extraction

Natural Gas & Liquefied Natural Gas Processing (Separation, Compression, Liquefaction)

Gas to Liquids (GTL)

Shipping

Fuel Storage and Distribution

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

Gas fuel and lubricants are distributed around Qatar

Liquid fuels are exported around the world

Chemicals are supplied to the region and the world

Steel and aluminum products are distributed in Qatar and exported across the globe

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

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

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

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

OUTLOOK OF OUR NEW CORPORATE STRATEGY

From 2017 and beyond, QP will focus on:

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

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

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## OUR STRATEGIC THEMES

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

<table>
<thead>
<tr>
<th>STRATEGIC THEME</th>
<th>2016 PROGRESS</th>
<th>LINK TO VALUE CREATION MODEL</th>
</tr>
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</table>
| 1. Strengthen QP’s technical capabilities and operating model in Qatar | • Took over operatorship of Al Rayyan field  
• Renewed the Al Shaheen venture as a JV with Total (70% QP ownership) instead of a DPSA with a third-party operator (Maersk) | • Human outcomes  
• Economic outcomes |
| 2. Maximize upstream value for the state of Qatar | • Progressed a new field development plan for Al Shaheen | • Economic outcomes |
| 3. Create a large-scale, value-adding, growing international upstream portfolio | • Farmed-in to Chevron offshore exploration license in Morocco | • Economic outcomes |
| 4. Reinforce LNG and global gas position | • Progressed U.S. permit approval process for the conversion of our Golden Pass import terminal to a liquefaction and export terminal | • Economic outcomes  
• Social outcomes |
| 5. Maximize added value of Qatar’s downstream businesses | • Made available an additional 1,000 tonnes/day of ethane to IQ companies (11% increase)  
• Evaluated options for additional ethane use for Qatar petrochemicals sector | • Economic outcomes |
| 6. Promote energy efficiency and optimum energy mix in Qatar | • Signed an MOU with Qatar Electricity and Water Company for a joint venture solar project that will aim to generate 1 Giga watt of solar energy under a $501 million collaborative initiative  
• Established Siraj Energy company, whose mission is to generate up to 600MW of solar power in phases from 2018 to 2021, utilizing PV technology at QP’s Dukhan Concession area (and thereby reducing CO₂ emissions by over 500,000 tonnes per year) | • Environmental outcomes  
• Economic outcomes |

## OUR STRATEGIC ENABLERS

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

<table>
<thead>
<tr>
<th>STRATEGIC ENABLER</th>
<th>IMPLEMENTATION APPROACH</th>
<th>LINK TO VALUE CREATION MODEL</th>
</tr>
</thead>
</table>
| Human Capital | • Recruit, retain and invest in the development of a larger technical workforce, especially in subsurface, project management and engineering  
• Create a working environment that is motivating, recognizes and rewards talent and encourages employees to feel involved, motivated to deliver their best and remain loyal to the corporation  
• Create a dynamic human capital policy that encourages employees to undertake positions in international assets and transfer knowledge within QP | • Human outcomes |
| Business Process and Corporate Governance | • Business planning and performance management  
• Operational excellence  
• Project development and governance  
• Procurement effectiveness and efficiency  
• Project execution (safety, timely delivery and cost management)  
• Efficient and effective ICT to help QP advance its business and operational processes | • Social outcomes  
• Economic outcomes |
| Assets Portfolio Management | • Assets governance to ensure maximum return to QP  
• Cost estimation of future projects  
• Tax optimization for international assets  
• Risk analysis (reservoir, project, political and operational risks)  
• Strategic alignment of assets to the overall portfolio  
• Optimal financial and commercial structures to reduce risk and enhance project economics | • Economic outcomes |
| Commercial and Mergers and Acquisitions (M&A) Capabilities | • Proactively identify and develop opportunities and partnerships that deliver QP strategic objectives  
• Develop M&A processes in QP to enhance M&A governance  
• Develop project economics guidelines and business case guidelines | • Social outcomes  
• Economic outcomes |
OUR MATERIAL ISSUES

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

The material issues listed below were identified through a process which involved considering how each relevant issue affects our ability to achieve our corporate vision, and affects our stakeholders’ perceptions of our business.
**OUR PERFORMANCE: CONTRIBUTE TO LONG-TERM ECONOMIC PROSPERITY**

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

**CONTRIBUTE TO LONG-TERM ECONOMIC PROSPERITY:**

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

**VALUE CREATION**

1 2 3 4 5 6

**LINK TO CORPORATE STRATEGY THEMES**

**ACHIEVE SUSTAINABLE ECONOMIC PERFORMANCE**

**WHY IT’S IMPORTANT**

- Given the significant impact QP has on the national economy, it is vital that revenues and profitability are reliable and predictable irrespective of changes to global energy markets.

**HOW WE ARE RESPONDING**

- Implementation of a Capex optimization initiative to screen over 1,000 projects to ensure alignment with corporate strategy and efficiency in delivery.
- Pursuant to the steep decline in hydrocarbon prices in December 2015, we developed an “Oil Price Mitigation Strategy” to respond to different oil price scenarios and deploy appropriate measures to mitigate the impact on cash distributions to the State.
- We continue to focus on diversification and development of downstream value-add industries which can provide stable returns.
- A group cost optimization program similar to the oil price mitigation strategy was initiated with our subsidiaries and joint ventures in coordination with respective chief financial officers.

**RESULTS AND THE VALUE WE HAVE CREATED**

Capex optimization initiative has resulted in a capex saving of QAR 23.6 billion in 2016.

Our “Oil Price Mitigation Strategy” resulted in making available an additional QAR 3.0 billion to the State of Qatar.

The Group cost optimization exercise resulted in savings amounting to QAR 3.2 billion.

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**IMPROVE OPERATIONAL EFFICIENCY**

**WHY IT’S IMPORTANT**

Especially in uncertain economic times, it is vital for QP to maximize the value of oil and gas production while reducing operational costs - becoming more and more efficient at what we do best - and increasing resources available for the sustainable development of the State.

**HOW WE ARE RESPONDING**

- Continued implementation of our Operations Excellence Program launched in 2015 to capitalise on synergies between the four main upstream operations.
- Continued work on the next generation of reservoir models.
- Revitalizing the Offshore Operators Forum (OFF) to reduce costs by identifying and harnessing synergy among all offshore operators.
- Completing a full field redevelopment study to enhance production at Maydan Mahzan.
- Integration of Qatar Petroleum for the Sale of Petroleum Products Company Limited (QPSPP), formerly Tasweeq, into QP.
- Initiated integration of Qatargas and Rasgas operating companies under a single entity named ‘Qatargas’ to consolidate Qatargas’ position in the global LNG market in the face of increasing competition.

**RESULTS AND THE VALUE WE HAVE CREATED**

The range of programs and integrations outlined above are ongoing and expected to deliver incremental improvements in output and financial results over the coming few years. Initiatives are not only focused on cost optimization; the Operations Excellence Program aims to establish effective collaboration by adopting standardized best practice and the sharing of expertise. This delivers human outcomes in the form of knowledge and skills development, creating motivated and higher-performing employees and teams which in turn creates better economic outcomes.

The QP restructuring program has spring-boarded the effective utilization of in-house capabilities in Petroleum Lab analysis, performing tasks that would otherwise be outsourced to third party petroleum laboratories. The Petroleum Lab started its operation at the QP Support Facility Area (QPSFA), Dukhan in October 2016, achieving over 300 analyses per quarter, thus realizing significant cost savings to QP.

**TABLE 1: OPERATIONAL PRODUCTION**

<table>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude oil production (bpd)</td>
<td>284,900</td>
<td>262,400</td>
<td>234,200</td>
<td>232,600</td>
<td>234,400</td>
</tr>
<tr>
<td>North Field lean gas (mmscf/d)</td>
<td>787</td>
<td>774</td>
<td>723</td>
<td>580</td>
<td>788</td>
</tr>
<tr>
<td>Refinery throughput (thousands bpd)</td>
<td>124,766</td>
<td>114,815</td>
<td>120,838</td>
<td>114,911</td>
<td>121,203</td>
</tr>
</tbody>
</table>
OWNER’SHIP OF LNG EXPORT CAPACITY, OPERATIONAL AND UNDER CONSTRUCTION AS OF 2016

WHO IT’S IMPORTANT

Investing up and down the value chain in Qatar and overseas allows QP to create an integrated energy value chain leading to better coordination, improvement in efficiency, reliability and ultimately increasing the sustainability of financial returns for the State.

HOW WE ARE RESPONDING

- Signing an agreement with Chevron Morocco Exploration Ltd. to acquire a 30% participating interest in three deep-water offshore leases in the Kingdom of Morocco.
- Establishment of Ocean LNG Limited to market the future international LNG supply portfolio sourced outside of the State of Qatar.
- Formation of a LNG marine fuelling venture to develop infrastructure at strategic shipping locations across the globe.
- Establishment of a joint company for the generation of electricity from solar power.
- Development of Umm Al Houl combined cycle power plant generating 2,520 megawatts of power and 136.5 million gallons of drinking water per day.

RESULTS AND THE VALUE WE HAVE CREATED

Qatar continues to pioneer and lead the global LNG industry as highlighted by The International Energy Agency (IEA) in its Global Gas Security Review 2016 report.

SUPPORT LOCAL VALUE CHAINS

WHY IT’S IMPORTANT

Localizing the GP supply chain increases security of supply while also supporting the development and diversification of the national economy. We envision capturing and leveraging best practices through collaboration and innovation to meet the challenges of an increasingly advanced and evolutionary business and technological environment. We also recognize the importance of managing risks, embracing sustainability and implementing strategies that extract maximum benefits from economies of scale.

HOW WE ARE RESPONDING

- Ensuring the integrity of the supply chain through comprehensive risk and business continuity management.
- Being a strategically driven business that focuses on efficiencies and cost optimisation.
- Implementing sustainable practices that are consistent with the Qatar National Vision 2030.
- Ensuring the integration of health, safety and environmental excellence in the supply chain.
- Building local supplier capacity and ability to deliver through training and development.
- Focus on engagement and the development of SMEs that can meet GP’s standards.
- Creation of a national energy sector EMDAD committee and network that focuses on strategic supply chain initiatives and economies of scale.
- Engagement with international procurement sustainability expertise such as the Chartered Institute of Purchasing and Supply in the United Kingdom.

RESULTS AND THE VALUE WE HAVE CREATED

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

TABLE 2: PROCUREMENT

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Total prosecution (billions QAR)</td>
<td>10.7</td>
<td>7.93</td>
<td>12.03</td>
<td>5.81</td>
<td>8.74</td>
</tr>
<tr>
<td>Total prosecution spending on suppliers based in Qatar (billions QAR)</td>
<td>7.24</td>
<td>4.42</td>
<td>9.15</td>
<td>4.23</td>
<td>7.42</td>
</tr>
<tr>
<td>Goods and services sourced locally (%)</td>
<td>68</td>
<td>56</td>
<td>76</td>
<td>73</td>
<td>85</td>
</tr>
<tr>
<td>Number of registered suppliers</td>
<td>7,870</td>
<td>8,290</td>
<td>8,624</td>
<td>8,882</td>
<td>9,530</td>
</tr>
<tr>
<td>Number of registered suppliers based in Qatar</td>
<td>3,398</td>
<td>3,568</td>
<td>3,647</td>
<td>3,783</td>
<td>3,960</td>
</tr>
</tbody>
</table>

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

Ocean LNG Limited signed its first long-term LNG sale and purchase agreement (SPA) with Brazil based Centrais Elétricas de Sergipe S.A. (“CELSE”). Ocean LNG is now the first supplier to deliver LNG to Brazil under a long-term contract, representing an enhancement in GP’s position as a global LNG leader, extending its reach to all markets.
OUR PERFORMANCE: MANAGE OUR ENVIRONMENTAL IMPACTS

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

MAXIMIZE ENERGY EFFICIENCY AND PROMOTE OPTIMUM ENERGY MIX

Becoming more efficient in the use of energy to extract, refine and further develop hydrocarbons leads to positive economic and environmental outcomes for GP and Qatar. This win-win scenario provides an overwhelming case for the strategic drive to improve energy efficiency.

- Our Offshore Operators Forum (OOF) has implemented a range of energy saving initiatives across oil and gas field development and production activities.
- A study into streamlining aviation logistics has recommended the development of a Joint Helicopter Project for a more collaborative and demand-based approach across all offshore operators.
- Implementation of systems to accurately measure total electricity consumption across QP.
- Implementation of an energy efficiency and management program by monitoring electricity consumption throughout QP’s facilities.
- Installation of sensors on most of our electrical equipment which allows lights and equipment not in use to be switched off or put to sleep mode particularly at the end of each workday and weekends.

RESULTS AND THE VALUE WE HAVE CREATED

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

<table>
<thead>
<tr>
<th>TABLE 3: ENERGY CONSUMPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<tr>
<td>2014</td>
</tr>
<tr>
<td>Upstream direct energy consumption (GJ)</td>
</tr>
<tr>
<td>Downstream direct energy consumption (GJ)</td>
</tr>
<tr>
<td>Direct energy consumption (GJ)</td>
</tr>
<tr>
<td>Upstream direct energy intensity (GJ/tonnes of hydrocarbon produced)</td>
</tr>
</tbody>
</table>

VALUE CREATION

<table>
<thead>
<tr>
<th>WHY IT’S IMPORTANT</th>
<th>HOW WE ARE RESPONDING</th>
</tr>
</thead>
</table>

- Value creation outcomes
  - Environmental outcomes
  - Economic outcomes
  - Social outcomes

LINK TO CORPORATE STRATEGY THEMES

- Environmental outcomes
- Economic outcomes
- Social outcomes

Value creation outcomes

- Environment
- Economic
- Social

4 5 6

QP is committed to protecting our shared natural environment by aligning with world-class environmental standards and practices like such as ISO 14000 (2004) and ISO 14054 (part 1 & 3). This is an approach that makes good business sense, particularly in a region suffering from water scarcity, low air quality and fragile natural habitats. To achieve this, we use proactive environmental management, implement optimization programs and invest in leading technologies and large-scale ground-breaking projects which are recognised around the world. Measuring and managing a range of material environmental issues help support the achievement of the corporate strategy, and create value for the corporation and the country.
WHY IT'S IMPORTANT
We share the concerns of governments and the public about climate change risks and recognize that the use of fossil fuels to meet the world's energy needs is a contributor to rising greenhouse gases (GHGs) in the earth's atmosphere.

HOW WE ARE RESPONDING
• Established a joint venture solar power company.
• Continued efforts to maintain minimum gas flaring level across exploration, production and transportation of hydrocarbons.
• Continued to improve the Jetty Bui-off Gas (JBOG) project to increase recovery of gas from all LNG berths.
• Continued to implement the Al-Shaheen Oil Field Gas Recovery and Utilization Project, contributing to the State's energy efficiency efforts by increasing the power supply without raising fossil fuel consumption.

RESULTS AND THE VALUE WE HAVE CREATED
Between 2015 and 2016, QP achieved a reduction in scope 1 GHG emissions of 307,685 tonnes of CO\textsubscript{2}e. That equates to removing, on average, the annual emissions of 65,465 cars, according to the U.S. Environmental Protection Agency. However, part of this reduction in scope 1 emissions is offset by increased scope 2 emissions from increased electricity consumption; accordingly, our upstream GHG emissions intensity has remained relatively consistent with past years.

TABLE 4: GHG EMISSIONS AND FLARING

<table>
<thead>
<tr>
<th>Parameter</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1 GHG emissions (tonnes of CO\textsubscript{2}e)</td>
<td>4,941,866</td>
<td>5,439,143</td>
<td>5,131,458</td>
</tr>
<tr>
<td>Scope 2 GHG emissions (tonnes of CO\textsubscript{2}e)</td>
<td>112,974</td>
<td>125,529</td>
<td></td>
</tr>
<tr>
<td>Upstream GHG emissions intensity (tonnes of CO\textsubscript{2}e/tonne of hydrocarbon produced)</td>
<td>0.100</td>
<td>0.103</td>
<td>0.105</td>
</tr>
<tr>
<td>Flaring (mmscm)</td>
<td>284.1</td>
<td>266.5</td>
<td>293.2</td>
</tr>
<tr>
<td>Upstream Flaring Intensity (tonnes of hydrocarbon flared/thousand tonnes of hydrocarbon produced)</td>
<td>6.91</td>
<td>9.14</td>
<td></td>
</tr>
</tbody>
</table>

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

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

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

<table>
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<tr>
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</thead>
<tbody>
<tr>
<td>Emission Reductions - tCO\textsubscript{2}e</td>
<td>1,155,697</td>
<td>804,136</td>
</tr>
</tbody>
</table>

MANAGE WATER RESOURCES

WHY IT’S IMPORTANT
Given that QP operates in one of the most water-stressed regions in the world, and that water scarcity is an increasingly urgent global issue, water conservation is of great importance to our business.

HOW WE ARE RESPONDING
• Implementing a Treated Industrial Water Project to achieve the national policy of zero liquid discharge to sea.
• Detailed Produced Water Re-Injection (PWRI) performance evaluation underway.
• Onshore oil field development operations started a Produced Water Re-Injection Project in 2012, which continued in 2016 to eliminate produced water disposal into the Umm El Radhuma aquifer and support powered water injection in Dukhan.
• Integrating an API Oil-Water Separator which will treat oily water before disposal, recovering suspended oil and improving waste water quality to meet environmental standards.
• Promoting various studies on water reduction and efficient use within our facilities as well as selection of optimum treatment facility for produced water re-injection in order to minimize water disposal.

RESULTS AND THE VALUE WE HAVE CREATED
Within our field development operations, the successful application of swell packer technology in the ISND (Idd El Shargi North Dome) and the ISSD (Idd el-Shargi South Dome) provided improved zonal isolation which led to a reduction in the volume of water produced and saved costs.

Efforts to reduce water discharge to the sea, in line with recent national environmental regulations, are ongoing and yielding positive results. The amount of water discharged to the sea in 2014 and 2016 is significantly higher than other years due to emergency discharges by the Halul terminal.

TABLE 5: WATER DISCHARGE (M\textsuperscript{3})

<table>
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<tbody>
<tr>
<td>Water discharged to sea (excluding non-contact cooling water)</td>
<td>12,166</td>
<td>12,295</td>
<td>99,847</td>
<td>9,844</td>
<td>560,338</td>
</tr>
<tr>
<td>Water discharged other than to sea</td>
<td>15,478,598</td>
<td>9,338,291</td>
<td>8,801,221</td>
<td>8,855,939</td>
<td>9,579,156</td>
</tr>
</tbody>
</table>

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

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

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</tr>
</thead>
<tbody>
<tr>
<td>Emission Reductions - tCO\textsubscript{2}e</td>
<td>1,155,697</td>
<td>804,136</td>
</tr>
</tbody>
</table>
WHY IT'S IMPORTANT HOW WE ARE RESPONDING

Meeting and exceeding air emissions standards and guidelines in Qatar help to protect the health and wellbeing of employees, contractors, the local environment, and local community.

• Two sulphur recovery projects are in the final stages of commissioning in Dukhan and Mesaieed.
• A NOx compliance assessment was completed and the results shared with the Ministry of Municipality and Environment.
• Mesaieed Operations undertook a Leak Detection and Repair (LDAR) project reducing emissions by 47% from plants and facilities.
• A calibration review of air emissions monitoring equipment has begun.
• Development of international best practice Continuous Emissions Monitoring System (CEMS) and LDAR standards for all operations to comply with is underway.
• Installation of a vapour recovery system is ongoing to reduce Volatile Organic Compounds (VOC) emissions from crude oil to acceptable levels.
• Monitoring of stack emissions and promoting studies on NOx mitigation from combustion sources.

RESULTS AND THE VALUE WE HAVE CREATED

Levels of SO2 emissions have fallen 17% in 4 years from 25,416 tonnes in 2012 to 21,202 tonnes in 2016. Steady reductions were achieved in NOx and VOC emissions between 2012 and 2015; however, due to changes in calculation methodology, 2016 saw a rise in both types of air emissions.

Total air emissions continue to fall across QP operations, despite the change in calculation methodology, as improvements in monitoring and leak detection and repair programs continue to be implemented. The reductions help QP to meet or exceed regulatory requirements, improve the air environment within industrial cities and Qatar, and in some cases, improve production through a reduction in leaks.

TABLE 7: AIR EMISSIONS

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</tr>
</thead>
<tbody>
<tr>
<td>SO2 emitted (tonnes)</td>
<td>25,416</td>
<td>21,142</td>
<td>22,636</td>
<td>23,153</td>
<td>21,202</td>
</tr>
<tr>
<td>NOx emitted (tonnes)</td>
<td>7,400</td>
<td>7,119</td>
<td>6,806</td>
<td>6,901</td>
<td>7,119</td>
</tr>
<tr>
<td>VOC (tonnes)</td>
<td>2,491</td>
<td>2,082</td>
<td>2,142</td>
<td>1,811</td>
<td>2,468*</td>
</tr>
</tbody>
</table>

* The calculation methodology for this indicator changed in 2016

REDUCE OTHER AIR EMISSIONS

WHY IT'S IMPORTANT HOW WE ARE RESPONDING

Qatar has set a national objective to increase the percentage of waste that is diverted from landfill by reducing waste creation through design or reusing and recycling waste once it is created.

• Development and implementation of waste management standards.
• Monitoring levels of drilling waste from onshore and offshore operations.
• Carrying out periodic inspections of our hazardous waste facilities.
• Organizing training for personnel on environmental awareness and waste management.
• Ensuring that new printers have the option of printing on both sides to reduce paper consumption.

RESULTS AND THE VALUE WE HAVE CREATED

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

TABLE 6: WASTE

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-hazardous waste generated (tonnes)</td>
<td>42,997</td>
<td>46,830</td>
</tr>
<tr>
<td>Hazardous waste generated (tonnes)</td>
<td>6,014</td>
<td>5,769</td>
</tr>
<tr>
<td>Total waste generated during the year (tonnes)</td>
<td>49,011</td>
<td>52,599</td>
</tr>
<tr>
<td>Total waste recycled (tonnes)</td>
<td>980</td>
<td>1,290</td>
</tr>
<tr>
<td>Recycled waste as a percentage of total waste generated</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>
WHY IT’S IMPORTANT
QP recognizes the urgent need to safeguard the country’s plant and animal life, and acknowledges the disruption to natural habitats inherent in oil and gas activities.

To that end, QP invests in several initiatives to protect wildlife and enhance biodiversity in Qatar.

• Promoting studies on conservation, such as the on-going marine turtle conservation and monitoring project.
• Providing public awareness on various measures being taken to conserve the Hawksbill turtles of Qatar.

RESULTS AND THE VALUE WE HAVE CREATED
We have promoted a very good understanding of the Hawksbill turtle in Qatar and increased turtle hatching events based on support and monitoring provided. The establishment of a turtle information center at Fuwairit is also helping to raise awareness within the local and visiting community.

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

SUPPORT THE WELL-BEING OF OUR WORKFORCE AND WIDER SOCIETY:
• Achieve world-class health and safety standards
• Train and develop all employees
• Employ and develop Qatari nationals
• Invest in society
• Promote worker welfare and behavioral safety
• Implement change management

LINK TO CORPORATE STRATEGY THEMES
Social outcomes
Human outcomes
Economic outcomes

VALUE CREATION
ACHIEVE WORLD-CLASS HEALTH AND SAFETY STANDARDS

WHY IT’S IMPORTANT

A strong culture of safety is what will ensure our employees and contractors go home safely to their family and friends every day.

HOW WE ARE RESPONDING

• Working towards the goal of zero injuries.
• Enhancing the behavioural safety programme for relaunch in 2017.
• Implementing our Business Continuity Management (BCM) Framework.
• Three crisis management / emergency preparedness and response exercises completed with stakeholders.
• 1,071 of audit days to identify non-conformities were completed in 2016.
• Fitness to work (FTW) examination services provided.
• Implementation of guidelines, training and awareness on the use of the Heat stress index and implementation of controls.
• Evolution of our HSE Governance Framework and effective implementation of our annual audit plans.
• Strengthening of the QP HSE recognition process to ensure it is representative and transparent.

RESULTS AND THE VALUE WE HAVE CREATED

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

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

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

Table 8: Safety

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee fatalities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Contractor fatalities</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Lost time injury rate (employees) *</td>
<td>0.46</td>
<td>0.62</td>
<td>0.32</td>
<td>0.39</td>
<td>0.11</td>
</tr>
<tr>
<td>Lost time injury rate (contractors) *</td>
<td>0.43</td>
<td>0.87</td>
<td>0.31</td>
<td>0.40</td>
<td>0.28</td>
</tr>
<tr>
<td>Lost time injury rate (employees and contractors) *</td>
<td>0.43</td>
<td>0.78</td>
<td>0.31</td>
<td>0.40</td>
<td>0.24</td>
</tr>
<tr>
<td>Total recordable injury rate (employees) *</td>
<td>0.95</td>
<td>0.95</td>
<td>1.08</td>
<td>0.87</td>
<td>0.50</td>
</tr>
<tr>
<td>Total recordable injury rate (contractors) *</td>
<td>1.25</td>
<td>1.29</td>
<td>0.86</td>
<td>0.71</td>
<td>0.68</td>
</tr>
<tr>
<td>Total recordable injury rate (employees and contractors) *</td>
<td>1.18</td>
<td>1.17</td>
<td>0.91</td>
<td>0.75</td>
<td>0.64</td>
</tr>
</tbody>
</table>

*per 1 million working hours

HUMAN AND SOCIAL

Value creation outcomes

PROCESS SAFETY

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

Table 9: Process safety events

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 process safety events</td>
<td>1</td>
<td>0</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier 2 process safety events</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tier 3 process safety events</td>
<td>274</td>
<td>228</td>
<td>255</td>
<td>250</td>
<td>400</td>
</tr>
<tr>
<td>Critical asset damage incidents</td>
<td>183</td>
<td>201</td>
<td>246</td>
<td>150</td>
<td></td>
</tr>
</tbody>
</table>

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

Table 10: Health

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupational health cases reported (employees and contractors)</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>Heat stress events (employees)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heat stress events (contractors)</td>
<td>42</td>
<td>4</td>
</tr>
</tbody>
</table>

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

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

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

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

Corrective actions completion index: Number of corrective and preventive actions implemented within the agreed target date compared to the total number of corrective and preventive actions identified...
### Recruit, Train and Develop All Employees

**Why It's Important**

The right employees equipped with the right knowledge and skills will be best placed to perform in a safe and highly efficient manner. That is why we actively focus on the recruitment and development of our direct workforce, joint venture or subsidiary partners and contracted workers.

**How We Are Responding**

| • A new Recruitment Management System (RMS) was implemented. |
| • The Human Capital Service Centre was revamped to enhance employee welfare and engagement. |
| • A range of workshops were conducted with leaders across QP to help co-design the QP Leadership Framework, a model of values and behaviours required to support QP in becoming one of the best NOC’s in the world. |
| • Over 200 technical and non-technical programs run in-house. |
| • Over 3,600 online courses available to employees. |
| • A new Technical Program (TP) was launched in September 2016 to reflect the technological advances made in the industry and address challenges QP and its partners can expect to face in the future, which reducing the duration of the program from 3.5 years to 2 |

### Results and the Value We Have Created

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

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

### Employ and Develop Qatari Nationals

**Why It’s Important**

As a central part of the QNV 2030, Qatarization builds the knowledge and expertise of the country, providing opportunities for the local population, while also providing consistency and security for the corporation.

**How We Are Responding**

| • Providing a range of vocational training, work experience and a graduate development program. |
| • Supporting university students studying petroleum and other specialist industry fields. |
| • Providing a university scholarship program for nationals that have completed their secondary education. |
| • Ongoing management of the Tafawoq Program to develop national project management professionals. |
| • Organizing the Annual Qatarization Awards to recognize partners that exhibited Qatarization excellence. |
| • Establishment of the following training programs: |
  - Clerical Preparation Program (CPP) |
  - Fireman Preparation Program (FPP) |
  - Marine Preparation Program (MPP) |
  - Security Preparation Program (SPP) |
  - Tailor-made Program (TMP) |
  - Technician Preparation Program (TPP) |

### Results and the Value We Have Created

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

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

**WHY IT’S IMPORTANT**
As an important player in Qatar’s socio-economic development, QP takes pride in its role in contributing to the sustainable development of local communities.

**HOW WE ARE RESPONDING**
- Supporting local programs related to culture and heritage, health awareness, and sports development.
- Sponsoring regional and international events focusing on various aspects of the energy sector.
- Implementing a wide range of social development projects as a member of the Ras Laffan Community Outreach Program.
- Launching various initiatives related to community development, environmental protection, and road safety.

**Results and the value we have created**
QP contributes to the continued development of the communities where it operates, and it leads Qatar’s energy and industry sector in the implementation of CSR programs for the benefit of local communities. The corporation takes its responsibility seriously in promoting health and safety, education and training, environmental awareness, as well as sports and fitness. In 2016, among the various programs and activities supported or sponsored by the corporation were the Qatar National Day celebrations, a conference on breast cancer, the “Safe Journey Campaign” as well as the “Tree Week” in Ras Laffan.

### PROMOTE WORKER WELFARE AND BEHAVIORAL SAFETY

**WHY IT’S IMPORTANT**
Keeping employees healthy and engaged in the business is central to retaining talent and ensuring employees deliver high performance.

**HOW WE ARE RESPONDING**
- Conducted a Workers’ Welfare and Healthy Lifestyle Forum.
- Organised a Food Control and Hygiene Awareness Session focusing on the prevention and control of foodborne illness.
- Launched the Mesaieed TALK (MES. TALK) inspired by TED talks to provide a platform for innovative ideas and interesting topics. Two events were conducted in 2016.
- Organizing a range of sport activities for employees and their families annually during the National Sports Day.

**Results and the value we have created**
QP’s Healthcare Department received its Certificate of Accreditation from Accreditation Canada in recognition of its “meeting international standards of excellence in quality care and service”.

![Certificate of Accreditation](image)
The State of Qatar holds huge reserves of natural gas, ranking it third in the world. Covering an area of 6,000 square kilometers off the northeast shore of the Qatari peninsula, the country’s North Field has 900 trillion standard cubic feet of recoverable gas, and is the largest single non-associated gas reservoir in the world. Qatar also possesses significant onshore and offshore proven oil reserves, estimated to amount to more than 25 billion barrels. The harnessing of these resources, central to the development and prosperity of the country, is the primary mission of QP.
Qatar’s current proven oil reserves are distributed across one onshore and 12 offshore oil fields. QP is the custodian of these resources, managing them through a combination of direct operation and partnership with major international oil and gas companies through production sharing agreements (PSAs). PSAs between QP and these international players have been key to successful development of the more difficult reservoirs in Qatar by bringing in investment and the latest technology; the production from these fields has provided a significant boost to the country’s crude oil production.

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

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

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

Significant cost savings were also realized across oil and gas field development and production activities in Qatar in 2016 through the implementation of energy efficiency initiatives, enhancement of equipment performance, organizational efficacy, and facilities’ uptime, optimization of preventive maintenance programs, greater acclimatization to risk-based inspection programs, and promotion of a cost-conscious culture across QP and its partners, joint ventures, and subsidiaries.
REFINERY OPERATIONS
The QP Refinery receives crude oil and condensate from Dukhan and produces LPG, super and premium gasoline, jet fuel, diesel, marine fuel oil, decant oil and straight run fuel oil. The refinery has the responsibility of satisfying local demand for petroleum products, and exports its surplus.

The refinery also supplies raw material, utilities and other services to SEEF, QAPCO and QAFCO, and owns and operates an 18-inch, multi-product pipeline to Woqod’s terminal in Doha, a 16-inch Jet A1 pipeline to Hamad International Airport, a 6-inch LPG pipeline to Woqod’s bottling plant and Berth 6 at Mesaieed Port for import/export of petroleum fuels. A 24-inch Jet A1 pipeline from Ras Laffan to Hamad International Airport is under implementation to meet the increasing demand for Jet A1.

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

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

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Super gasoline</td>
<td>27.759</td>
<td>25.340</td>
<td>29.090</td>
<td>25.960</td>
<td>27.342</td>
</tr>
<tr>
<td>Naphtha</td>
<td>17.210</td>
<td>17.187</td>
<td>14.517</td>
<td>12.422</td>
<td>12.802</td>
</tr>
<tr>
<td>Liquefied gasoline (LPG)</td>
<td>4.205</td>
<td>3.635</td>
<td>4.665</td>
<td>4.341</td>
<td>4.486</td>
</tr>
<tr>
<td>Decant oil</td>
<td>3.508</td>
<td>2.916</td>
<td>3.478</td>
<td>2.943</td>
<td>3.329</td>
</tr>
<tr>
<td>SRFO</td>
<td>1.551</td>
<td>3.356</td>
<td>0.252</td>
<td>3.861</td>
<td>0.241</td>
</tr>
<tr>
<td>Sulfur (metric tonne per day)</td>
<td>0.070</td>
<td>0.057</td>
<td>0.061</td>
<td>0.072</td>
<td>0.076</td>
</tr>
<tr>
<td>Total refinery throughputs</td>
<td>124.766</td>
<td>114.815</td>
<td>120.838</td>
<td>114.911</td>
<td>121.203</td>
</tr>
</tbody>
</table>
MESAIEED OPERATIONS
QP’s Mesaieed Operations encompasses a gas processing complex and a crude oil tank farm in Mesaieed, as well as QP’s countrywide hydrcarbon transmission and distribution system, cross-country pipelines and pipeline corridors. The corporation’s four NGL plants produce propane, butane and condensate mainly for export, as well as sweet gas supplied to power plants and other industries in Mesaieed.

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

TABLE 12: GAS OPERATIONS PRODUCTION

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>NF Lean Gas (mmscf/d)</td>
<td>787</td>
<td>774</td>
<td>723</td>
<td>580</td>
<td>672</td>
</tr>
<tr>
<td>Offshore Stripped Assoc. Gas (OFFSAG) (mmscf/d)</td>
<td>77</td>
<td>61</td>
<td>67</td>
<td>62</td>
<td>54</td>
</tr>
<tr>
<td>Ethane Rich Gas (ERG) (mt/d)</td>
<td>4,033</td>
<td>4,508</td>
<td>4,151</td>
<td>3,917</td>
<td>4,120</td>
</tr>
<tr>
<td>Propane (mt/d)</td>
<td>3,519</td>
<td>3,643</td>
<td>3,214</td>
<td>2,974</td>
<td>3,039</td>
</tr>
<tr>
<td>Butane (mt/d)</td>
<td>2,690</td>
<td>2,671</td>
<td>2,366</td>
<td>2,140</td>
<td>2,240</td>
</tr>
<tr>
<td>NGL Condensates (mt/d)</td>
<td>1,322</td>
<td>1,353</td>
<td>1,295</td>
<td>1,113</td>
<td>1,241</td>
</tr>
<tr>
<td>North Field Stabilized Condensates (NFC) (mb/d)</td>
<td>23.2</td>
<td>23.0</td>
<td>21.3</td>
<td>19.5</td>
<td>9.8</td>
</tr>
<tr>
<td>Sulfur (mt/d)</td>
<td>182</td>
<td>0</td>
<td>86</td>
<td>143</td>
<td>174</td>
</tr>
<tr>
<td>LPG + Condensate Production (mb/d)</td>
<td>109</td>
<td>110</td>
<td>99</td>
<td>90</td>
<td>101</td>
</tr>
</tbody>
</table>

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

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

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

SOLAR POWER COMPANY
QP is also engaged in developing renewable energy projects based on Qatar’s solar resources, to not only reduce the country’s carbon footprint but also to utilize saved natural gas for other value-added products.
Qatar’s industrial cities are key state assets that play an important role in supporting, complementing and contributing to the development of Qatar’s hydrocarbon resources to meet the economic growth objectives of the State of Qatar.

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

QP is responsible for the management and development of infrastructure, facilities, utilities, land and other key services within the Industrial Cities. As part of the reorganization program, QP’s functions were realigned to focus on providing services to QP and its affiliates in the Industrial Cities and exit functions that are not core to QP’s oil and gas business, including managing Ras Laffan Emergency & Safety College and the light and medium industries areas in Mesaieed, which were transferred to Manateq for management in 2016.
QP seeks to build its international presence with investments that build on its core competencies, leveraging its technical, commercial and financial capabilities, while ensuring effectiveness and efficiency in the use and deployment of its resources. It has partnered with leading global players to form a portfolio of 10 joint ventures across four continents and aims to grow this portfolio in line with QP's corporate strategy.

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

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

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

**GRI CONTENT INDEX**

**GRI STANDARD** | **DISCLOSURE** | **PAGE NUMBER(S) AND/OR URL(S)**
--- | --- | ---
**GRI 101: Foundation 2016** |  | 
**General Disclosures** |  | 
GRI 102-1 Name of the organization | Qatargas |  
GRI 102-2 Activities, brands, products, and services | 18-19 |  
GRI 102-3 Location of headquarters | Doha, Qatar |  
GRI 102-4 Location of operations | 18, 19, 22, 23, 24, 25 |  
GRI 102-5 Ownership and legal form | QP is a state-owned public corporation. |  
GRI 102-6 Markets served | 21-25 |  
GRI 102-7 Scale of the organization | 21-25, 43, 51-61 |  
GRI 102-8 Information on employees and other workers | 43-49 |  
GRI 102-9 Supply chain | 35 |  
GRI 102-10 Significant changes to the organization and its supply chain | No significant changes. |  
GRI 102-11 Precautionary Principle or approach | 36-42 |  
GRI 102-12 External initiatives | 35, 44, 47, 48, 66 |  
GRI 102-13 Membership of associations | None. |  
**Strategy** |  | 
GRI 102-14 Statement from senior decision-maker | 5 |  
**Ethics and integrity** |  | 
GRI 102-16 Values, principles, standards, and norms of behavior | 11-12 |  
**Governance** |  | 
GRI 102-18 Governance structure | 11-17 |  
GRI 102-19 Stakeholder engagement | 67-68 |  
GRI 102-20 List of stakeholder groups | 67-68 |  
GRI 102-21 Collective bargaining agreements | No law to support collective bargaining. |  
GRI 102-22 Identifying and selecting stakeholders | 67-68 |  
GRI 102-23 Approach to stakeholder engagement | 67-68 |  
GRI 102-24 Key topics and concerns raised | 67-68 |  
**Reporting practices** |  | 
GRI 102-25 Entities included in the consolidated financial statements | 8-9. Data covers only QP direct operations |  
GRI 102-26 Defining report content and topic Boundaries | 2 |  
GRI 102-27 List of material topics | 30, 31 |  
GRI 102-28 Restatements of information | There have been no restatements of data in this report. |  
GRI 102-29 Changes in reporting | There have been no significant changes in the report Scope and Aspect Boundaries. |  
GRI 102-30 Reporting period | Jan 1 - Dec 31, 2016 |  
GRI 102-31 Date of most recent report | 2018 |  
GRI 102-32 Reporting cycle | Annual |  
GRI 102-33 Contact point for questions regarding the report | HSE&Q dept |  
GRI 102-34 Claims of reporting in accordance with the GRI Standards | 2 |  
**GRI 102: General Disclosures 2016** |  | 
GRI 102-55 GRI content index | 62-64 |  
GRI 102-56 External assurance | No external assurance |  

**GRI STANDARD** | **DISCLOSURE** | **PAGE NUMBER(S) AND/OR URL(S)**
--- | --- | ---
**GRI 103: Management Approach 2016** |  | 
GRI 103-1 Explanation of the material topic and its Boundary | 32 |  
GRI 103-2 The management approach and its components | 32 |  
GRI 103-3 Evaluation of the management approach | 32 |  
GRI 201: Economic Performance 2016 |  | 
GRI 201-1 Direct economic value generated and distributed | 32 |  
**Indirect Economic Impacts** |  | 
GRI 103-1 Explanation of the material topic and its Boundary | 18-19 |  
GRI 103-2 The management approach and its components | 18-19 |  
GRI 103-3 Evaluation of the management approach | 18-19 |  
GRI 203: Indirect Economic Impacts 2016 |  | 
GRI 203-1 Infrastructure investments and services supported | 18-19, 24, 59, 14 |  
GRI 203-2 Significant indirect economic impacts | 18, 19, 20 |  
**Procurement Practices** |  | 
GRI 103-1 Explanation of the material topic and its Boundary | 35 |  
GRI 103-2 The management approach and its components | 35 |  
GRI 103-3 Evaluation of the management approach | 35 |  
GRI 206: Procurement Practices 2016 |  | 
GRI 206-1 Proportion of spending on local suppliers | 35 |  
**Anti-corruption** |  | 
GRI 103-1 Explanation of the material topic and its Boundary | 12 |  
GRI 103-2 The management approach and its components | 12 |  
GRI 103-3 Evaluation of the management approach | 12 |  
GRI 205-1 Operations assessed for risks related to corruption | 12 |  
**GRI 300 Environmental Standards Series** |  | 
**Materials** |  | 
GRI 103: Management Approach 2016 |  | 
GRI 103-1 Explanation of the material topic and its Boundary | 40 |  
GRI 103-2 The management approach and its components | 40 |  
GRI 103-3 Evaluation of the management approach | 40 |  
GRI 301-2 Recycled input materials used | 40 |  
**Energy** |  | 
GRI 103: Management Approach 2016 |  | 
GRI 103-1 Explanation of the material topic and its Boundary | 37 |  
GRI 103-2 The management approach and its components | 37 |  
GRI 103-3 Evaluation of the management approach | 37 |  
GRI 302: Energy 2016 |  | 
GRI 302-1 Energy consumption within the organization | 37 |  
GRI 302-2 Energy intensity | 37 |  
GRI 302-4 Reduction of energy consumption | 37 |  
**Biodiversity** |  | 
GRI 103: Management Approach 2016 |  | 
GRI 103-1 Explanation of the material topic and its Boundary | 42 |  
GRI 103-2 The management approach and its components | 42 |  
GRI 103-3 Evaluation of the management approach | 42 |  
GRI 304-3 Habitats protected or restored | 42 |  
**Emissions** |  | 
GRI 103: Management Approach 2016 |  | 
GRI 103-1 Explanation of the material topic and its Boundary | 36, 41 |  
GRI 103-2 The management approach and its components | 36, 41 |  
GRI 103-3 Evaluation of the management approach | 36, 41 |
APPENDIX B
ACRONYMS

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

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

<table>
<thead>
<tr>
<th>STAKEHOLDERS</th>
<th>EXPECTATIONS</th>
<th>ENGAGEMENT METHOD</th>
</tr>
</thead>
</table>
| Employees    | • Safe and secure working conditions  
• Competitive salary and benefits  
• Access to personal and career development and training  
• Open and transparent communications  
• Listening, supportive management  
• Responsible and ethical business practices  
• Equal opportunity | • Performance appraisals  
• Recognition and awards programs  
• Employee satisfaction surveys  
• Internal newsletters  
• Email, QP website, and intranet  
• Corporate events  
• Corporation policies and project management system  
• Training and development opportunities  
• Technological support  
• Regular departmental meetings |
| Government Bodies and Regulators | • Effective management of hydrocarbon resources  
• Contribution to social and economic development and quality of life in Qatar  
• Environmental protection  
• Strong financial performance  
• Development of national talent  
• Compliance with laws and regulations  
• Emergency preparedness  
• Business continuity  
• Safe, reliable and efficient operations  
• Input to policy and regulatory development  
• Protection of all basic international human rights for all relevant stakeholders  
• Timely reporting of performance | • Representation on the Board of Directors and its advisory committees, including regular board meetings  
• Regular reporting on corporation performance  
• Interaction and regular communication with regulatory agencies  
• Qatar e-government website  
• Corporation publications |
| Contractors and Suppliers | • Support for local suppliers  
• Fair contract bidding and awarding  
• On-time payments  
• Good working conditions  
• Ethical business dealings  
• Collaboration to ensure workers welfare | • QP website – Supply Management  
• Bidding and tendering  
• Collaborative monitoring of project delivery  
• Customer surveys  
• Audits and site visits  
• Incident reports and investigations |
| Subsidiaries, Joint Ventures and Wider Energy and Industry Sector | • Joint working, shared knowledge  
• Development of best practice  
• Elevation of industry standards  
• Sharing of technical data, knowledge and expertise  
• Leadership of industry-wide initiatives  
• Collaboration to address emergencies  
• Effective management of industrial cities | • Exploration and Production Sharing Agreements (EPSA)  
• Development and Production Sharing Agreements (DSPSA)  
• Subsidiary web portal  
• Regular meetings and workshops  
• Shared initiatives  
• Conferences, exhibitions and knowledge sharing forums  
• Interactive dialogue  
• Reporting |
<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Expectations</th>
<th>Engagement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investors</td>
<td>• Clearly defined corporate governance • Proactive risk management • Business continuity • Transparency and disclosure of information • Cost effective operations • Strong financial performance</td>
<td>• Annual reports • Press releases and newsletters • Website • Exploration and Production Sharing Agreements (EPSA) • Development and Production Sharing Agreements (DPSA)</td>
</tr>
<tr>
<td>Clients and Customers</td>
<td>• Reliable and efficient operations and high-quality products at acceptable prices • Excellent customer service • Business continuity</td>
<td>• QPSPP manages marketing and other commercial aspects of refinery products sales • Contracts and agreements • Customer satisfaction surveys • Feedback through ongoing sales engagement</td>
</tr>
<tr>
<td>Education and Research Institutions</td>
<td>• Assistance to educational institutions in preparing students to enter the workforce • Scholarship grants • Technical support to promote research and innovation</td>
<td>• Joint research initiatives • Public reports • One-to-one meetings</td>
</tr>
<tr>
<td>Communities and Associations</td>
<td>• Investment in the community and social development • Development of national talent • Employment opportunities • Regular engagement with the community • Minimal environmental impacts • Safe operations • Minimization of the impact of operations on local communities • Investment in infrastructure • Compliance with laws and regulations • Timely access to accurate company information</td>
<td>• Joint charitable initiatives supporting important local causes and events • Public reports as required • Media relations activities • Career fairs, school visits, and internships at QP • Community Outreach Programme (Ras Laffan COP) • Social media</td>
</tr>
</tbody>
</table>