

2023 SUSTAINABILITY REPORT

SUSTAINABILITY
THROUGH VISION
AND ACTION



ABOUT THIS REPORT

We are proud to release our 10th Annual Sustainability Report for the year 2023. This report is an opportunity for us to enter into an active dialogue with our stakeholders and demonstrate our commitment to providing information regarding our impact on the environment, society and economy. Our performance is disclosed for the three facilities under our operation: Qatar Chemical Company Ltd. (Q-Chem); Qatar Chemical Company II Ltd. (Q-Chem II); and Ras Laffan Olefins Company Ltd. (RLOC).

REPORTING PERIOD

This report covers the 2023 calendar year and highlights the events and initiatives during this period. Relevant data from previous years are also included where needed.

REPORTING GUIDELINES

This report has been prepared following the Environmental, Social, and Governance (ESG) Reporting Guidelines provided by the Qatar Stock Exchange, while also referencing the applicable Global Reporting Initiative (GRI) Standards. It aligns with our support of the United Nations Sustainable Development Goals (SDGs) and Qatar National Vision 2030.

FEEDBACK & INQUIRIES

We welcome your feedback on this report and our performance. Please send your comments to:

 Publicarelations@qchem.com.qa

 Amwal Tower, Omar Al Mukhtar St,
Al Dafna, Doha,
Qatar Chemical Co. Ltd. (Q-Chem)
B.O. Box 24646
Phone: (+974) 4484-7111
Fax: (+974) 4483-7379

CAUTIONARY MESSAGE

This report contains statements that may be deemed as “forward-looking statements” that express the way in which Q-Chem intends to conduct its activities. Forward statements can be identified by the use of forward-looking terminology such as “plans”, “aims”, “assumes”, “continues”, “believes”, or any variations of such words that certain actions, events or results “may”, “could”, “should”, “might”, “will”, or “would” be taken or be achieved. Q-Chem has made every effort to ensure that this report is as accurate and truthful as possible. However, by their nature, forward-looking statements are qualified by inherent risks and uncertainties surrounding future expectations. These could cause actual results to differ materially from these projected or implied in the relevant forward-looking statements. Such statements are also subject to risks that may be beyond the Company’s ability to control and therefore do not represent a guarantee that events, outcomes or results implied will actually occur.

CONTENTS

| | |
|---|----|
| ABOUT THIS REPORT | ii |
| CONTENTS | 1 |
| A MESSAGE FROM OUR CHAIRMAN | 2 |
| A MESSAGE FROM OUR CEO | 3 |
| ABOUT Q-CHEM | 4 |
| OUR APPROACH TO SUSTAINABILITY | 6 |
| 2023 HIGHLIGHTS | 8 |
| OPERATIONAL EXCELLENCE | 10 |
| GOVERNANCE, ETHICS, AND COMPLIANCE | 12 |
| RISK MANAGEMENT | 13 |
| INFORMATION SECURITY | 14 |
| NURTURING HUMAN CAPITAL | 16 |
| HEALTH AND SAFETY | 18 |
| EMPLOYEE ENGAGEMENT AND RETENTION | 21 |
| QATARIZATION | 22 |
| PEOPLE DEVELOPMENT | 22 |
| ENVIRONMENTAL PERFORMANCE | 26 |
| ENERGY MANAGEMENT AND CLIMATE CHANGE | 28 |
| WASTE MANAGEMENT | 31 |
| WATER MANAGEMENT | 33 |
| SUSTAINABLE GROWTH | 34 |
| ECONOMIC PERFORMANCE | 36 |
| PRODUCT STEWARDSHIP | 37 |
| SUSTAINABLE SUPPLY CHAIN | 37 |
| COMMUNITY ENGAGEMENT | 38 |
| APPENDIX: QATAR STOCK EXCHANGE (QSE) ESG GUIDELINES | 40 |



It is with great pleasure and pride that I present to you Q-Chem's 10th Sustainability Report for the year 2023. This report shares the progress, achievements, and initiatives undertaken by our company in the pursuit of sustainability and corporate responsibility across our sustainability and business strategies.

Throughout the past year, Q-Chem has remained steadfast in its commitment to sustainable practices, recognising the vital importance of balancing economic growth with environmental stewardship and social responsibility. Our dedication to sustainability is not merely a corporate obligation but a core value that guides all our actions.

This report provides a comprehensive overview of our sustainability efforts, including environmental conservation, community engagement, employee well-being, and ethical governance. From educational initiatives aimed at nurturing future leaders to projects focused on enhanced reliability, safety, environmental wellbeing, and sustainability, each endeavour reflects our unwavering commitment to creating positive impacts for our stakeholders and the wider community.

At Q-Chem, we firmly believe that any sustainability commitment should ultimately benefit society as much as it benefits the environment, as the two are inextricably connected. As such, we place a strong emphasis on the well-being and development of our employees and communities. The launch of the Technical Competency Framework Project exemplifies our commitment to investing in our human capital. This initiative aims to standardise and update technical skill requirements across roles, ensuring our workforce is well equipped to tackle the challenges and opportunities that arise from our anticipated intense business growth in 2024 and beyond. By nurturing the skills and capabilities of our employees, we are not only driving business success but also empowering individuals to reach their full potential and contribute meaningfully to society.

Externally, our commitment to society is evident in our record-breaking community engagement efforts. In 2023, Q-Chem completed an impressive 44 community engagement projects and contributed 1,291 volunteering hours, demonstrating our unwavering dedication to community welfare and sustainable social development. These initiatives span various domains, from educational programmes aimed at nurturing future leaders to projects focused on enhancing reliability, safety, environmental well-being, and sustainability. Each endeavour reflects our steadfast belief that by uplifting the communities in which we operate, we can create a more inclusive, equitable, and sustainable society.

As we navigate the challenges and opportunities of an ever-evolving global landscape, Q-Chem remains firmly committed to upholding the highest standards of corporate responsibility and sustainability. We believe that by aligning our business objectives with the principles of social equity, environmental stewardship, and ethical governance, we can create enduring value for our shareholders, employees, and society at large.

I invite you to explore this report and join us in celebrating the milestones and accomplishments achieved in our journey towards a more sustainable and socially responsible future. Together, let us continue to work collaboratively, innovate boldly, and drive positive change for generations to come.

Abdulrahman Al-Suwaidi
Chairman of the Board of Directors



As we reflect on the achievements and milestones of the past year, I am pleased to reaffirm our unwavering commitment to sustainability as a fundamental theme of Q-Chem's vision, mission, and values. At Q-Chem, sustainability is not merely an aspiration but an integral part of our DNA, guiding our decisions and actions in every facet of our operations.

In line with the Qatar National Vision 2030, we remain dedicated to contributing to the nation's economic diversification and sustainable development goals. Our commitment to sustainability is evident in the establishment of a dedicated Sustainability Department, ensuring focused efforts and the application of significant resources towards environmental stewardship and social responsibility. This strategic move has also bolstered our ongoing Climate Action and Energy Optimisation Study, which has been underway since 2023 and has thus far identified 40 significant sustainability imperatives and opportunities for Q-Chem and 16 for RLOC over a 17-year sustainability roadmap. This, coupled with our new Sustainability Department, marks a significant step towards a highly cohesive and comprehensive sustainability strategy for our organisation.

Q-Chem's dedication to environmental sustainability reached new heights over the past year. Our stringent spill prevention measures resulted in zero reportable spills for the second consecutive year, showcasing our commitment to environmental responsibility. Furthermore, we intensified our waste recycling efforts, achieving a remarkable 47% increase in recycled waste. Our waste management initiatives were also bolstered, enabling us to minimize waste sent to landfills and reduce our environmental footprint significantly. These accomplishments underscore Q-Chem's unwavering commitment to preserving and protecting the natural resources upon which we all rely.

In the realm of energy and climate, we have undertaken diverse initiatives to enhance energy efficiency and reduce our carbon footprint. This includes an impressive 86% decrease in ethylene flaring intensity as well as various other energy efficiency measures. These efforts not only contribute to a healthier planet but also drive greater economic value for our organisation and our stakeholders, and I look forward to sharing details about this enhanced value in our sustainability reports in the years to come.

On behalf of the Board and executive leadership of Q-Chem, I would like to extend our heartfelt thanks to our employees, whose dedication and hard work have been instrumental in driving our sustainability efforts forward. Your commitment to excellence and your passion for making a difference are an inspiration to all of us. We also express our gratitude to our stakeholders, including our valued partners, suppliers, customers, and the communities in which we operate. Your collaboration, support, and constructive feedback are invaluable as we continue to advance our sustainability goals.

As we look ahead, let us remain steadfast in our pursuit of sustainability, embracing innovation, collaboration, and responsible stewardship to create lasting value for all. Together, we can build a brighter, more sustainable future for Q-Chem, and the people and communities we serve.

Khalid Sultan Al-Kuwari
Chief Executive Officer



ABOUT Q-CHEM

Qatar Chemical Company Ltd. (Q-Chem) was established in 1997 and began commercial operations in 2004. It is a joint venture between Mesaieed Petrochemical Holding Company (MPHC), Chevron Phillips Chemical International Qatar Holdings LLC (Chevron Phillips Chemical (CPCChem) Qatar), and QatarEnergy.

Q-Chem and its associated company, Qatar Chemical Company II Ltd. (Q-Chem II), are located in Mesaieed Industrial City, while Ras Laffan Olefins Company Ltd. (RLOC) is situated in Ras Laffan Industrial City. Our processes for the production of ethylene, polyethylene,

1-hexene, and normal alpha olefins are conducted with a strong focus on safety and environmental responsibility, the provision of growth opportunities for our employees, and value generation for our customers, shareholders, and the State of Qatar.



OUR VISION

To grow sustainably, in alignment with Qatar National Vision and become the leader of world class operators in the petrochemical industry by 2027.



OUR MISSION

We are a Joint Venture between Mesaieed Petrochemical Holding Company, Chevron Phillips Chemical International Qatar Holding LLC and QatarEnergy, operating in the petrochemical industry. We aim to produce polyethylene, 1-hexene and normal alpha olefins in a safe and environmentally conscious manner, creating opportunities for our employees and value for our customers, shareholders and the State of Qatar.



OUR VALUES

Our corporate Vision and Mission are guided by seven core values that dictate expected behaviors and actions within Q-Chem. Each value is linked to our sustainability management efforts.



Safety



Care and respect for all people



Pursuit of Excellence



Accountability



Green Company



Social Responsibility



Trust and Integrity



MEMBERSHIPS

- Mesaieed Industrial City (MIC) Environmental, Safety, Emergency Response & Community Outreach Working Subcommittee
- Ras Laffan Community Outreach Programme and Laffan Environmental Society (LES)
- Gulf Petrochemicals and Chemicals Association (GPCA)
- European Petrochemical Association (EPCA)
- GPCA Industrial Waste Subcommittee and Operation Clean Sweep® (OCS) Taskforce
- GPCA Digitalization Group
- Responsible Care®, Supply Chain, International Trade, Research and Innovation, Procurement and Gulf Safety & Quality Assessment for Sustainability



RC 14001

Responsible Care Management System



ISO 14001

Environmental Management System

CERTIFICATIONS



ISO 45001

Occupational Health and Safety Management System



ISO 17024

Testing and Calibration Laboratories Accreditation



ISO 9001

Quality Management System



AWARDS

Q-Chem received two Operational Excellence Initiative Awards from CPCChem for the implementation of innovative ideas to improve health, safety, reliability, and quality and contribute to environmental sustainability.

The awards were given to Q-Chem for the following initiatives:

- Non-metallic braces installation without hot work
- New filter in PE catalyst charge vessel

Q-Chem was also honored with the prestigious Crystal Award for "Supporting Learning and Development" in the energy sector at the 2023 Annual Qatarization Review Meeting. This annual Qatarization Award recognizes companies that demonstrate exceptional commitment to advancing and achieving Qatarization goals within the energy sector.



OUR APPROACH TO SUSTAINABILITY

Sustainability is at the core of Q-Chem's vision, mission, and values. We embrace a holistic approach, embedding sustainability principles across all facets of our operations to foster positive outcomes for our stakeholders and the communities we serve.

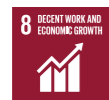
Our sustainability framework rests on the four pillars of sustainable growth, operational excellence, environmental performance, and human capital development. This report delves into each pillar, underpinned by our commitment to transparency and accountability.

Our approach aligns with both the Qatar National Vision 2030 and the United Nations' Sustainable Development Goals (SDGs). We have identified ten SDGs that closely resonate with Q-Chem's operations, guiding our efforts towards meaningful impact and progress.



SUSTAINABLE GROWTH

- Economic performance
- Product stewardship
- Community engagement
- Sustainable supply chain



OPERATIONAL EXCELLENCE

- Governance, ethics, and compliance
- Risk management
- Information security



ENVIRONMENTAL PERFORMANCE

- Energy management and climate change
- Waste management
- Water management



NURTURING HUMAN CAPITAL

- Health and safety
- Human welfare
- Training and development



ENGAGEMENT WITH OUR STAKEHOLDERS

At Q-Chem, we recognise that fostering meaningful relationships with our stakeholders is integral to achieving our sustainability goals. Our approach to stakeholder engagement is characterised by openness, inclusivity and responsiveness.

We employ a variety of channels and mechanisms to engage with our diverse stakeholders, including but not limited to, regular meetings, consultations, surveys, and

feedback mechanisms. Through these interactions, we actively seek to understand and address the needs, concerns, and expectations of our stakeholders, ensuring that their voices are heard and valued in our decision-making processes.





2023 HIGHLIGHTS



Completed
8th
annual Enterprise Risk
Management (ERM)
cycle



1,291
volunteering hours



13,647
hours of formal training
for employees



A record
44
community
engagement projects



Zero
reportable spills



231
employees recognised
with long service
awards



Zero
total recordable injury
rate for both employees
and contractors



Zero
fatalities



Zero
occupational and
heat-related illnesses
for the 16th year in a row



86%
decrease in ethylene
flaring intensity



8,950
beneficiaries
from our Corporate Social
Responsibility (CSR)
programs



**"Total
Energies
Safety
Award"**
for the RLOC facility



47%
increase in recycled
waste



+1.3
million tonnes of
derivatives produced
and sold



Over
60%
of employees have been
with Q-Chem for 10
years or more



73.5%
of our procurement
expenditure is on goods
and services sourced
locally



26%
increase in training
hours



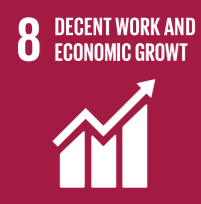
OPERATIONAL EXCELLENCE

Q-Chem is committed to Operational Excellence (OE) by consistently doing the right things in the right way. This commitment means prioritizing the well-being of our people, assets, the environment, and the communities where we operate, as well as actively engaging our customers in our business activities. Our primary goal is to achieve zero injuries and support the 'Our Journey to Zero' program across all our facilities. We adhere to all applicable laws and regulations and align our operations with international best practices such as ISO standards and the Responsible Care® Management System (RC).

MATERIAL ISSUES COVERED

- Governance, Ethics and Compliance
- Risk Management
- Information Security

SUSTAINABLE DEVELOPMENT GOALS





GOVERNANCE, ETHICS AND COMPLIANCE

At Q-Chem, integrity, ethics, and legal compliance are paramount, guiding our interactions with stakeholders, partners, and regulatory bodies. We recognise that our reputation is a cornerstone of our success, and we are unwavering in our dedication to upholding our principles. To reinforce this commitment, we have implemented a robust governance framework, meticulously designed to oversee all facets of Q-Chem's operations and foster a culture of adherence to the most stringent standards of integrity and compliance.

BOARD OF DIRECTORS

The governance structures of Q-Chem, Q-Chem II, and RLOC are meticulously designed to ensure effective oversight and aligned strategic direction. Each board comprises a diverse group of individuals, including a chairman designated by MPHC, a Board Secretary selected by the Board, and a vice chairman who serves as both a board appointee and a representative of MPHC. Additionally, representation from CPCChem is integral to the boards of Q-Chem and Q-Chem II. For RLOC, the chairman is appointed by QatarEnergy, and the vice chairman is an appointee of the board. Other members of the board are chosen by Q-Chem II or Qatofin, with each entity appointing two representatives.

Importantly, the CEO is an active member of the boards of both Q-Chem and Q-Chem II, contributing valuable insights and expertise to board discussions and decision-making processes. While the CEO does not hold the position of chairman or serve as the acting chairman of any board committee, his or her presence is aimed at enhancing collaboration and alignment between the executive leadership team and the board. Through extensive research and engagement initiatives, Q-Chem has identified key channels for engaging with shareholders, thereby fostering transparency, trust, and collaboration to drive long-term value creation and sustainable growth.

| RLOC | Q-Chem | Q-Chem II |
|-----------------|-----------------|-----------------|
| Chairman | Chairman | Chairman |
| Board Secretary | Board Secretary | Board Secretary |
| Deputy Chairman | Deputy Chairman | Deputy Chairman |
| Board Member | Board Member | Board Member |
| Board Member | Board Member | Board Member |
| Board Member | Board Member | Board Member |



KEY SHAREHOLDERS AND MAIN ENGAGEMENT CHANNELS



- BOD meetings for Q-Chem, Q-Chem II, and RLOC.
- BOD Business Risk Committee meeting.
- Quarterly co-ordination meeting with QatarEnergy.
- Annual budget meeting with shareholders.
- Quarterly Board Audit Committee meetings



OPERATIONAL EXCELLENCE SYSTEM

Q-Chem has developed a comprehensive Operational Excellence (OE) system aimed at enhancing standardization, efficiency, and compliance across various domains, including environmental stewardship, health, safety, reliability, and quality. The system adheres to global standards and best practices, offering a structured framework to guide and drive operational initiatives. Our approach facilitates improvement planning and a culture of continuous learning. Anchored in leadership commitment, it promotes engagement with regulatory enhancement, seamless integration with business and environmental strategies, and system resilience. Key components include policy formulation, guiding principles, targeted focus areas, process optimizations, and rigorous compliance verification and management.

COMPLIANCE

Q-Chem has instituted a comprehensive Regulatory Compliance Program, crafted to ensure adherence to pertinent laws, regulations, and ethical norms. The program is modeled on the guiding principles detailed in the ISO 37001 Compliance Management System, ensuring robust, vigilant, and meticulous compliance management. To bolster our compliance efforts, we have established an array of policies and procedures, including a universally applicable Code of Conduct. Both of which underscore our ethical standards and expectations for our employees, suppliers, business partners, and contractors. The Code of Conduct serves as the ethical framework for the governance of operations, enhancing the managerial values, practices, and risk control strategies to safeguard compliance, protect vital interests, and instill the principles of awareness and responsibility in our workforce.

RISK MANAGEMENT

Since the inception of Enterprise Risk Management (ERM) in 2014, Q-Chem has developed a robust framework for identifying, assessing, and mitigating risks across our operations, reflecting our dedication to operational excellence and strategic growth. By integrating both “bottom-up” operational and “top-down” strategic risk management methodologies, we ensure comprehensive risk oversight, align operational risks with strategic objectives and foster a cohesive risk management framework. Notably, the deployment of an in-house Enterprise Risk Management application has propelled Q-Chem's digital transformation, enhancing capabilities in data analytics, reporting, and strategic decision-making.

In 2023, we celebrated the successful completion of our 8th annual ERM cycle, reinforcing our commitment to bolstering our risk management framework and enhancing stakeholder value. We also made significant strides in the Business Continuity Management (BCM) project, with meticulous Business Continuity Plan (BCP) tests conducted across key operational teams to align with the ISO 22301 standard, showcasing our focus on resilience and continuous improvement.

Looking ahead to 2024, we remain dedicated to advancing our Enterprise Risk Management capabilities and prioritising technology development, resilience, and proactive risk management, including Geopolitical Risk Management. This proactive stance will allow us to capture emerging risks and deliver sustainable value to our stakeholders, thereby further solidifying our position as a resilient and dynamic industry leader.



Top-Down:
Strategic Risk Management



**Integrated
Enterprise Risk
Management**

Bottom-Up:
Operational Risk
Management



BUSINESS CONTINUITY

Throughout 2023, we continued to fortify our organisation's resilience despite a dynamic and fast-changing business landscape. We conducted Crisis Management and Business Continuity drills to enhance organisational preparedness for any unforeseen disruptions. We also participated in Qatar's National

Cybersecurity Drill again and achieved a higher score than in the previous year. Insights gleaned from these exercises have been integrated into our existing management systems, further strengthening our resilience.

INFORMATION SECURITY

Q-Chem prioritises secure and optimised information systems and Industrial Control Systems (ICS) to uphold safe, reliable, and efficient operations. Aligned with Qatar's regulations, we have adopted and implemented the Qatar 2022 Cybersecurity Framework, which involved the development of security policies and procedures, the implementation of security controls, and the formulation of an incident response plan. Additionally, we enlist the expertise of consultants to ensure compliance with Qatar's Personal Data Privacy Protection Law, further fortifying our commitment to data security and privacy. These measures are geared towards enhancing business resilience and ensuring the continuity of our information services and plant operations.

As part of our commitment to keeping our stakeholders informed, we provide biannual Information Security updates to the Board Risk Committees of both Q-Chem and RLOC, fostering transparency and accountability in our security practices. Our cybersecurity awareness programme extends to all users in our organisation, educating them on the latest threats and providing tips on maintaining a secure workplace.

Looking ahead, we are planning to implement Qatar's National Information Assurance Policy (NIAP), known as the Information Security Management System. This policy will apply across Q-Chem, with detailed information made available through our document management system, facilitating adherence and accountability across the organisation.

The Information Systems (IS) Department supports Q-Chem's CSR initiatives by donating IS assets to charities. This includes laptops, desktops, and other equipment for underprivileged communities. In recent years, IS has donated over a hundred items, preventing them from becoming e-waste.



CYBERSECURITY

Cybersecurity is a top priority for Q-Chem, and we employ various measures to safeguard our IT infrastructure and data integrity. Penetration and Vulnerability Assessments are conducted regularly to evaluate the security of our servers, systems, networks, applications, and data. Through these assessments, potential vulnerabilities are identified and addressed promptly with appropriate mitigations, ensuring robust protection against cyber threats.

Notably, Q-Chem has not been subject to any data breaches to date. This underscores our commitment to maintaining the confidentiality, integrity, and resilience of our data assets and reflects the effectiveness of our cybersecurity measures and the diligence of our security teams in monitoring and safeguarding against potential threats. Moving forward, we remain steadfast in our efforts to uphold the highest standards of cybersecurity to protect our organisation and stakeholders from evolving cyber risks.

DIGITALISATION

Q-Chem successfully crafted its Digital Transformation Framework in 2022, which has since become central to our operational model. In 2023, we not only implemented, but also expanded, various initiatives under this digital office, leveraging the framework to its fullest potential. This robust framework significantly enhances Q-Chem's capacity to drive transformative changes, navigate complexities, mitigate risks, and

make informed, data-driven decisions, while aligning our stakeholders to a unified vision. The framework also allows us to leverage technology more effectively and efficiently across all facets of our operations. Our digital transformation plan encompasses a comprehensive roadmap delineating key objectives and challenges, including the prioritisation of user and stakeholder needs, the evaluation of digital technologies to enhance user experiences, the visualisation of future IT architecture, and ongoing monitoring of progress with timely corrective actions as required. Q-Chem is also an active member of GPCA's Digital Transformation Group, where we are co-developing a survey to build the foundation for digital transformation in the Gulf. Our role includes consolidating and transferring knowledge across borders, fostering the exchange of expertise, and driving regional growth through shared experiences and insights.

We have made significant strides in our digitalisation journey, achieving notable milestones in 2023 that underscore our commitment to excellence and innovation. These include the successful implementation of Data Classification and Data Labelling protocols, the design of an Identity and Access Control Framework, the deployment of a Vulnerability Management solution tailored to our unique needs, and the establishment of a robust Data Privacy Framework. Each of these initiatives contributes to bolstering our digital infrastructure, enhancing cybersecurity measures, and ensuring the privacy and integrity of our data assets.

Through the use of DocuSign by transitioning to electronic signatures and digital document management, we have significantly decreased our reliance on paper, reducing waste and conserving natural resources. This initiative not only streamlines our operations but also supports our sustainability goals by lowering our carbon footprint and promoting environmentally friendly practices across all departments. In 2023, we saved a total of 139,114 pages of paper, equivalent to approximately 50 trees.



CASE STUDY: DATA CLASSIFICATION AND LABELLING

In safeguarding Q-Chem's sensitive data, our approach centres on understanding the diverse data landscape and its users, ensuring the protection of our most valuable information. Through comprehensive analysis, we have implemented robust security measures, fostering a culture of security consciousness among users and enhancing their habits and behaviours related to data security. Our Data classification and labelling initiative, supported by various partners including contractors and cooperating companies, enabled us to achieve complete visibility into our data ecosystem and identify necessary protections. Moving forward, our focus remains on refining data protection policies within the Data Leak Prevention programme to stay ahead of evolving security threats. This initiative has fortified our data security measures, instilled a sense of responsibility among users, and provided invaluable insights into our data landscape, ensuring the ongoing protection of our data assets.



NURTURING HUMAN CAPITAL

At Q-Chem, we prioritise the nurturing of our human capital, recognising the pivotal role our people play in our success and sustainable growth. Our focus is on health and safety, employee engagement and retention, diversity and inclusion and people development, aligned with the Qatar National Vision 2030. Our strategic initiatives in these areas aim to empower our workforce, promote employee wellbeing, enable professional growth and engagement, and cultivate a skilled, healthy, and adaptable workforce capable of thriving in a dynamic environment.

MATERIAL ISSUES COVERED

- Health and Safety
- Human Welfare
- Training and Development

SUSTAINABLE DEVELOPMENT GOALS





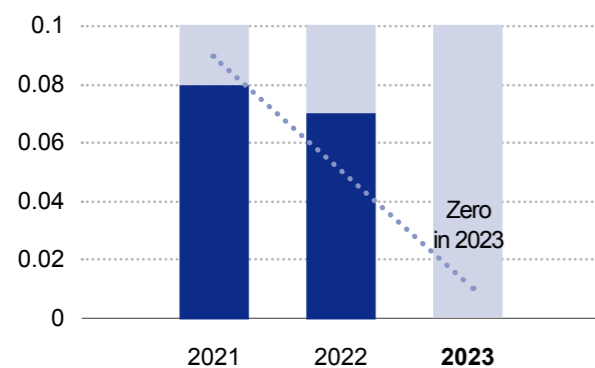
HEALTH AND SAFETY

At Q-Chem, our unwavering commitment to health and safety is central to our operations.

In 2023, we achieved significant milestones in health and safety, marking a historic year for occupational well-being. For the first time in our company's history, we celebrated a calendar year free of any occupational injuries or illnesses, resulting in an impressive Recordable Injury Rate (RIR) of zero, encompassing employees and partners across 8.25 million man-hours. We also proudly reached our 16th consecutive

year without any injury or illness related to heat stress, demonstrating our steadfast commitment to employee welfare and proactive measures to prevent workplace hazards. Additionally, the Dock Jetty upgrade project, encompassing over 1.48 million man-hours with no recordable injuries or illnesses, is a testament to our unwavering focus on safety.

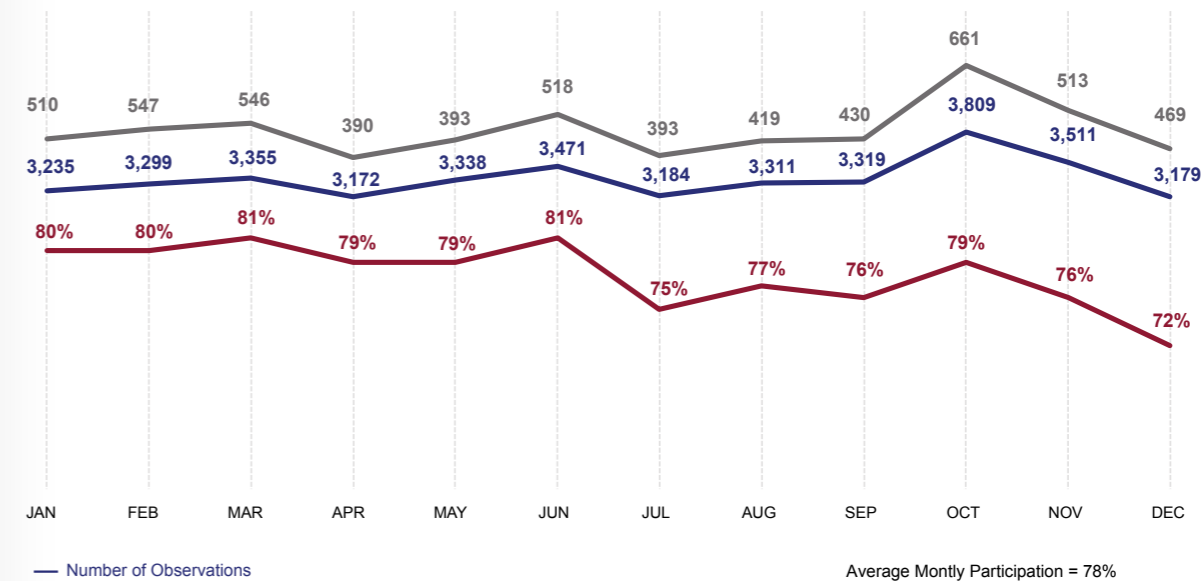
Total Recordable Incident Rate



Q-SAFE PROCESS

Our Q-Safe initiative embodies a proactive approach to safety, instilling a culture of vigilance and accountability among employees and contractors. Through systematic observation and personalised coaching, the programme empowers individuals to cultivate and uphold safe practices in the workplace. This was demonstrated in 2023, which was the first calendar year in Q-Chem history without any occupational injury or illness, thereby contributing to our achievement of zero RIR.

To promote engagement across all facilities, we acknowledge the outstanding safety contributions of staff through our "Q-Safe Observer of the Month" award. This initiative underscores our dedication to fostering a safer work environment in partnership with our employees and encourages continuous improvement in safety practices across our organisation.



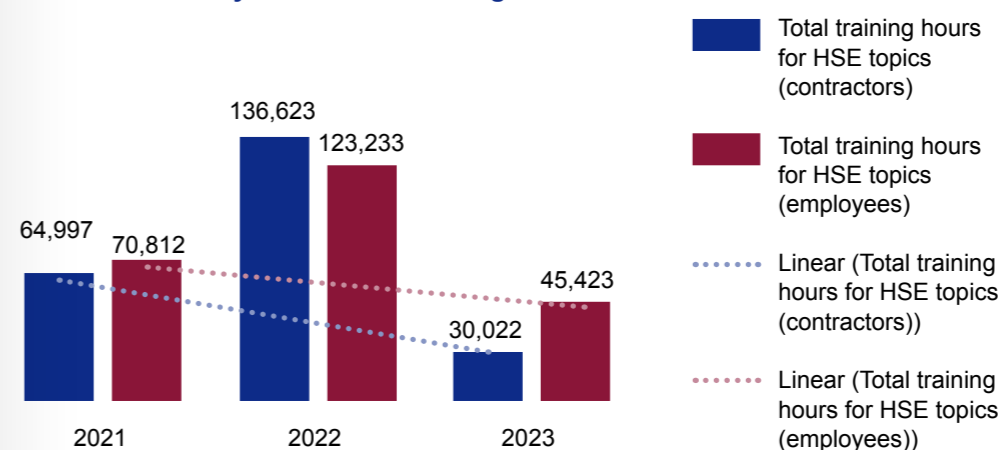
TRAINING AND AWARENESS ON HEALTH AND SAFETY

As part of our commitment to prioritising health and safety, we have implemented various initiatives aimed at enhancing training and awareness across our workforce. We celebrated "World Safety Day," with unprecedented employee and contractor participation, showcasing our dedication to a safety culture. Under the banner of "Youm Al-Salama" ("Safety Day"), we tailored safety initiatives, including customised safety gear displays and engaging "Fun & Learn" activities. Our inaugural "Emergency Response" campaign aimed to bolster awareness among our workforce regarding emergency response tools and protocols, ensuring preparedness in critical situations. A total of 38 emergency drills were carried out in 2023. (18 drills in Q-Chem and 20 drills in RLOC)

Recognising the pivotal role of our partners, our Safety Department organised targeted initiatives to foster better engagement. From initiatives like our Housekeeping Competitions to recognition programmes like "Safety Officer of the Month" and "Safety Officer of the Year," we keep our partners motivated and engaged. Additionally, we held year-end recognition ceremonies and facilitated safety campaigns within partner organisations.

Through focused training on Hazard Identification & Rectification and the development of multiple observation checklists and guidelines, we strive for consistency and excellence in safety practices across our operations.

Health and Safety Awareness Trainings



HOUSEKEEPING GUIDELINES

At Q-Chem, housekeeping goes beyond merely keeping the workplace clean; it encompasses maintaining orderly work areas, eliminating slip and trip hazards, and removing waste materials and fire hazards. Good housekeeping is essential for incident and fire prevention. It is an integral part of routine and non-routine work activities throughout the year. In 2023, RLOC developed a comprehensive guideline to promote a housekeeping culture across our organisation, particularly during the winter season, and provide clear expectations regarding housekeeping of our facilities.

MIND ON TASK

At Q-Chem, we prioritise safety through our unique “Mind on Task” programme, an initiative dedicated to promoting hand safety awareness. This programme serves as a platform to maintain focus on task safety and vigilance with regard to hand-related accidents. Through interactive “toolbox meetings” and observational sessions, we equip our employees with insights into the impact of personal behaviours such as rushing, fatigue, and complacency on workplace safety. By providing practical strategies to mitigate these behaviours, we empower our workforce to contribute to a safer work environment.

INTEGRATED WORK ETHOS

Our Integrated Work Ethos (IWE) programme has revolutionised safety practices, bridging the gap between Q-Chem employees and partners to achieve zero recordable injuries in 2023 - a first in our company’s history. In the face of challenges like ineffective communication and safety compliance gaps, IWE has transformed the partnership dynamic, fostering collaboration and mutual responsibility for safety. Through weekly meetings and focused drives, Q-Chem and partner safety representatives worked as one team, directly reporting to Q-Chem’s Safety Department. This streamlined approach empowered safety officers and ensured swift resolution of safety discrepancies. Looking ahead, we plan to expand IWE integration, enhance partner competency, and sustain our commitment to safety excellence.

Q-STEP

At Q-Chem, our dedication to safety extends to addressing and mitigating slip and trip hazards through our Winter of Safety program, Q-Step. Through this initiative, our leadership team actively engages in raising awareness about the risks associated with these hazards and emphasises the potential consequences. Additionally, we have introduced innovative elements such as the ‘Walk to Win’ game, which educates individuals on safe walking practices in hazardous areas. We also implemented the ‘Unsafe Condition Identification and Tracking’ system to proactively identify and prevent hazardous conditions. Through these efforts, we strive to ensure a safe and secure work environment for all.

PROCESS SAFETY

Process safety is paramount at Q-Chem, reflecting our dedication to safety excellence. Achieving zero Tier I or II process safety events for five consecutive years highlights our commitment to minimising major incidents. Our focus on enhancing leading indicators for Tiers III & IV resulted in our highest-ever Process Safety Management (PSM) performance dashboard score in 2023.

Through proactive measures such as process hazards analysis revalidation studies and PSM sensitisation training, we continuously enhance our process safety performance. Our efforts, coupled with ongoing training and improvement initiatives, reinforce our culture of vigilance and accountability, ensuring the safety of our employees, communities, and assets.

EMPLOYEE ENGAGEMENT AND RETENTION

Q-Chem is committed to nurturing the growth and advancement of every individual in our workforce, fostering a culture of inclusion and diversity. Our internal promotion process prioritises existing employees, providing opportunities for professional development and growth. We have implemented a robust recruitment and workforce planning policy to reflect the diverse communities we serve, and our talent identification process cultivates the most promising talents, ensuring career progression for all.

Our internal selection process is transparent and fair, upholding diversity, inclusion, and non-discrimination. The “Talent Stewardship Committee,” comprising leaders and senior managers from across the organisation, identifies and promotes the most qualified individuals across departments and groups.

We place an emphasis on employee retention, conducting engagement surveys to gauge progress and ensure overall satisfaction and well-being. We maintain an active employee engagement process throughout the employment lifecycle, including new hire orientation, monthly education sessions, quarterly senior management engagement sessions, and regular surveys to guide interventions and enhance employee engagement.

| Workforce | 2021 | 2022 | 2023 |
|--|-------|-------|-------|
| Total number of employees in senior management | 8 | 8 | 8 |
| Total number of employees in middle management | 91 | 95 | 89 |
| Total number of employees as senior staff | 371 | 384 | 374 |
| Total number of employees as non-senior staff | 569 | 559 | 640 |
| Total number of employees | 1,039 | 1,046 | 1,111 |

| Workforce Retention | 2021 | 2022 | 2023 |
|--|-------|-------|-------|
| Turnover rate | 2.70% | 2.77% | 2.70% |
| Number employed with Q-Chem for more than 15 years | 180 | 212 | 134 |



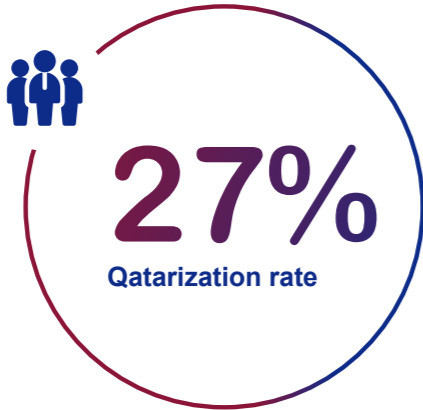


QATARIZATION

Q-Chem is committed to the Qatar National Vision 2030 and we strive for meaningful Qatarization through our National Employee Value Proposition, which rests on the following four pillars:



By leveraging these four pillars, we have made steady progress in Qatarization over the past three years. Our total number of Qatari employees has increased from 224 in 2021 to 252 in 2023. In addition, our Qatarization rate has shown consistent improvement, rising from 25% in 2021 to 27% in 2023.



| Qatarization | 2021 | 2022 | 2023 |
|----------------------------|------|------|------|
| Total Qataris in Workforce | 224 | 234 | 245 |
| Qatarization rate | 25% | 26% | 27% |

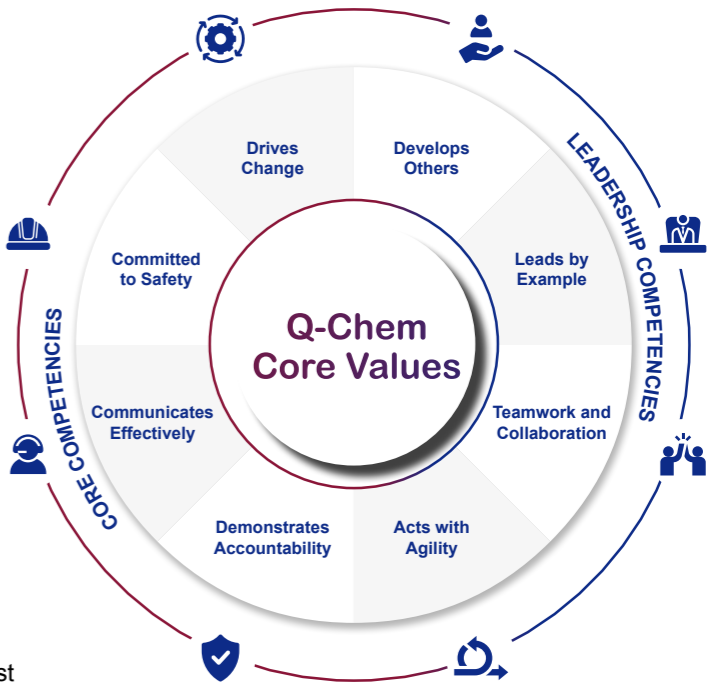
PEOPLE DEVELOPMENT

At Q-Chem we prioritise People Development to drive business success, offer an engaging Employee Value Proposition (EVP), and sustain a strong company culture. In 2023, we intensified our workforce development efforts with strategic initiatives aimed at enhancing skills and capabilities. A key initiative was the company-wide implementation of our Behavioural and Leadership Competency Framework, empowering our employees to grow and succeed.

We foster a culture of ownership, excellence, and collective success through core competencies like Demonstrating Accountability and Effective Communication. Our leadership competencies, such as Developing Others and Leading by Example, equip our workforce to drive sustainable growth. By aligning these competencies with our core values, we cultivate a workforce that not only excels in their roles but also champions our commitment to sustainability, agility, and innovation.

In 2023, we introduced our Behavioral and Leadership Competency programs, offering a suite of skill diagnostics, face-to-face and e-learning courses. We also enhanced our coaching skills of line managers through Coaching Skills Programs.

As a result of all these initiatives, we achieved a commendable number of training hours across the total workforce in the year in review, and the highest average training hours per employee to date.



| Training and development | 2021 | 2022 | 2023 |
|---|--------|--------|----------|
| Average hours of training per year | 3.30 | 10.38 | 12 |
| Average hours of training per year for female employees | 8.26 | 19.77 | 25.00 |
| Average hours of training per year for male employees | 2.97 | 9.67 | 11.35 |
| Total number of training (hours) | 3,434 | 10,859 | 13,647 |
| Average cost of training per employee (QAR) | 339.99 | 905.95 | 1,359.92 |



We launched the Technical Competency Framework Project to standardise and update technical skill requirements across roles, preparing for rapid and intense business growth in 2024. As part of this initiative, we plan on integrating role-specific technical competencies into all elements of the employee experience.

We also facilitated international mobility opportunities, enriching employees with diverse experiences and perspectives. Leadership development remained a priority, with tailored programmes aimed at nurturing competencies for future success. We ensured first-time line managers and leaders who are new to Q-Chem were trained through our Leadership Essentials Programme and activated an assessment-based Leadership Development Initiative for Senior Leaders.



CASE STUDY: ASSESSMENT-BASED COMPETENCY AND LEADERSHIP DEVELOPMENT

In 2023, Q-Chem ran an assessment-based competency and leadership development initiative aimed at enhancing organisational learning and better understanding leadership bench strength. Through psychometrics, leadership assessments, and internationally benchmarked success profiles, we aligned with global best practices to conduct the assessment. Deliberate change management efforts, including communication from our CEO and stakeholder engagement sessions, ensured participant buy-in.

Accredited external assessors provided detailed feedback reports, guiding the development of Individual Development Plans with certified coaches. Hyper-personalised development activities, following the 70/20/10 learning model, emphasised on-the-job assignments, individual coaching, and formal leadership programmes.

The initiative complemented internal assessment methodologies, resulting in promotions for 20% of Qatari Nationals within the succession pipeline. The initiative's success is exemplified by feedback from a beneficiary, emphasising the value of assessment-based leadership development for personal growth and ongoing leadership development.

"...I had the privilege of being part of a Leadership Development Program, comprising three key elements: a thorough leadership assessment conducted by certified external assessors, an insightful feedback and coaching session with a professional coach, and a comprehensive Individual Development Plan that has given me the tools to steer my leadership growth in a manner that aligns with my strengths. This, along with personalized development interventions, including formal programs and coaching, set to unfold in the coming months.

What impressed me most about this journey is the depth of insight the assessment report provided. It felt like they understood me even better than I understood myself. Embracing areas for improvement within my strengths was equally enlightening.

...the next phases of my development plan... includes participation in a program with global leaders hosted by one of the world's top international business schools. Additionally, ...one-on-one coaching with a certified expert as I strive to be the best leader I can be.

For anyone presented with the opportunity to be in an assessment-based leadership development program, I recommend being open to it. The value it offers for personal growth and ongoing leadership development is truly remarkable. And remember, being open to feedback is the only way for us to improve".

Abdulhadi Al-Marri,
Maintenance Manager



ASSESSMENT-BASED DEVELOPMENT



ASSESSMENT

Best-in-class Behavioural and Leadership Assessments conducted through an internationally recognised Assessment Partner.

1



FEEDBACK

Comprehensive individual assessment report and assessment-based development plan.

2



COACHING

Individual development coaching sessions with certified, accredited Assessor and Coach.

3



70/20/10 DEVELOPMENT

Holistic and integrated development solutions based on the 70/20/10 principle:
70% = in the flow of work curated learning experiences
20% = coaching & mentoring
10% = formal learning programs

4



EVALUATION

Ongoing progress tracking, participant feedback, and program evaluation.

5



ENHANCEMENT & REVISION

Ongoing 'After-Action Reviews' for continuous enhancement and program revision(s) as required.

6





ENVIRONMENTAL PERFORMANCE

Environmental stewardship is at the core of Q-Chem's operations. We are committed to minimising our environmental footprint and mitigating climate change risks through proactive initiatives on various fronts. From energy management and climate action to waste and water management, we prioritise sustainability and our innovative strategies and continuous improvement efforts ensure that we maintain operational excellence while preserving natural resources and reducing emissions.

MATERIAL ISSUES COVERED

- Energy Management and Climate Change
- Waste Management
- Water Management

SUSTAINABLE DEVELOPMENT GOALS





ENERGY MANAGEMENT AND CLIMATE CHANGE

Effective energy management and contributing to climate change mitigation efforts are fundamental components of Q-Chem’s sustainability strategy. In 2023, we took significant strides towards enhancing our energy efficiency and reducing our carbon footprint.

Our focus on energy and climate actions was intensified through the development of a comprehensive sustainability plan aimed at prioritising initiatives to mitigate our environmental impact. Leveraging the expertise of our sustainability partners, we conducted Marginal Abatement Cost Curves (MACC) analyses to identify and prioritise key initiatives and projects for energy management and climate change mitigation.

ENERGY MANAGEMENT

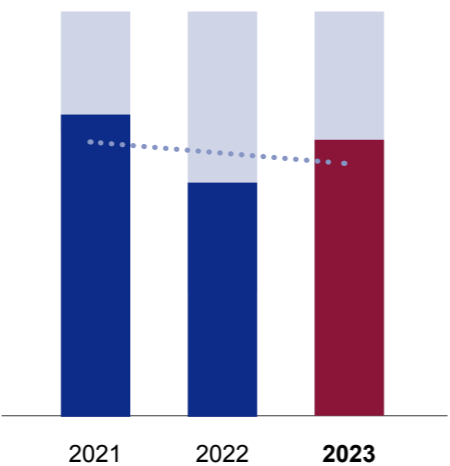
Energy efficiency and sustainable energy practices are central to Q-Chem’s operations. By prioritising energy efficiency initiatives, we not only minimise our environmental impact but also drive operational excellence and cost savings. As such, we employ innovative technologies and embrace best practices to actively promote energy efficiency across our organisation.

Our environmental management system (EMS), certified under ISO 14001 Environmental Management System and RC 14001 Responsible Care Management System, underscores our dedication to conducting our operations in a responsible manner.

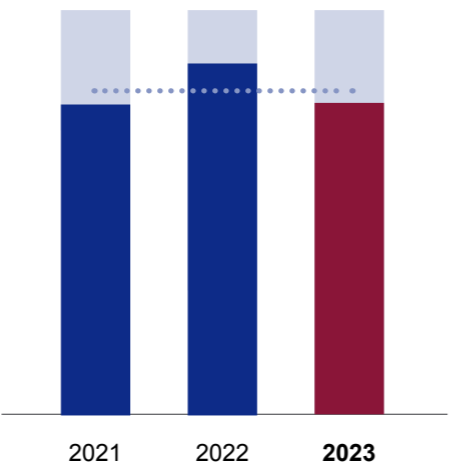
Through strategic investments in energy-efficient technologies and processes, we aim to optimise resource utilisation and reduce energy consumption across our facilities.

In 2023, one of the key challenges we faced was preparing the resources required for the environmental operational readiness of the new plant, Ras Laffan Petrochemicals (RLP). Through diligent planning and effective collaboration, we overcame this challenge and ensured that RLP was equipped to meet rigorous environmental standards and regulations from inception.

Total energy use (GJ)



Energy use intensity (GJ/ton of production)

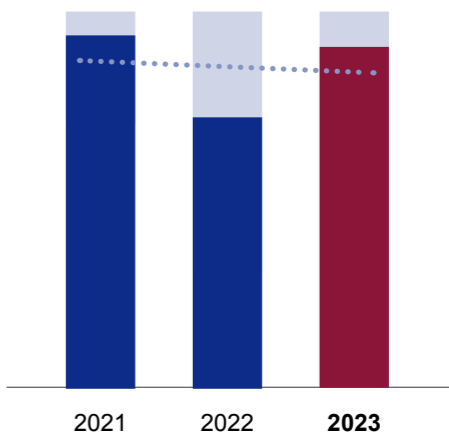


GREENHOUSE GAS EMISSIONS

At Q-Chem, we combine innovative technologies, global best practices and other rigorous measures to manage and minimise emissions and enhance environmental performance across our operations.

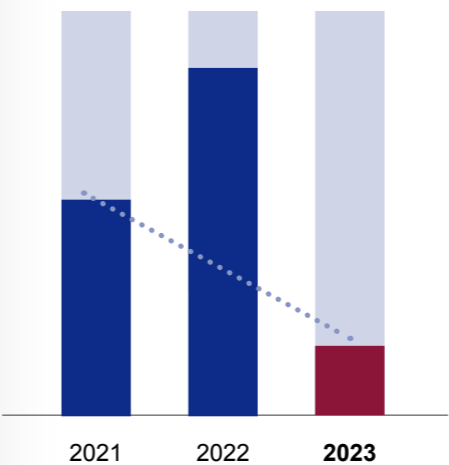
As a result of the shutdown during 2022, and the high emissions associated with stopping and then restarting operations, it is most appropriate to compare total GHG emissions for 2023 with those of 2021. Such comparison reveals a nominal reduction in GHG emissions.

Total GHG emissions (tons CO₂e)

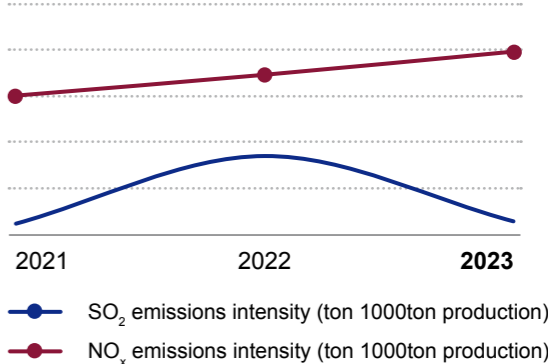


Thanks to concerted efforts, we also achieved the lowest level of ethylene flaring in Q-Chem’s history, with emissions reduced by 72% compared to 2022.

Ethylene flared (MT)



SO_x and NO_x emissions intensity (ton/1000 ton production)



We remain committed to exploring innovative new ways to track monitor and reduce our emissions, including the digitisation and automation of environmental emissions calculations and reporting processes. By harnessing

cutting-edge technology, we intend streamlining our environmental monitoring and reporting efforts, enhancing accuracy, efficiency, and transparency in our sustainability initiatives.



CASE STUDY: ORGANISATION-WIDE COLLABORATION ON CLIMATE ACTION AND ENERGY OPTIMISATION

In a collaborative effort to bolster sustainability practices, Q-Chem initiated a comprehensive initiative in Q3 of 2021, engaging cross-departmental subject matter experts (SMEs) and the Chevron Phillips Chemical (CPChem) Sustainability Team. The process began with a self-assessment conducted by the Sustainability Taskforce, outlining opportunities across various themes and seeking solutions from SMEs in Process Engineering, Production & Planning, Environment, Maintenance, and Projects. SMEs were asked to identify initiatives, build cases, and explore technical feasibility.

The identified initiatives formed the baseline for an Ideation Session with the CPChem Sustainability Team, which flew to Doha to review the self-assessment and identify new opportunities for Q-Chem. The result was approximately 150 identified opportunities, which were then refined and prioritised into low-, medium-, and high tiers. The identified opportunities ranged from energy efficiency and flaring reduction to electrification and ambitious ventures like carbon capture.

Following the Ideation Session, a comprehensive Climate Action Study was conducted in 2023, aiming to identify energy optimisation and climate action opportunities at Q-Chem's complexes in Mesaieed and Ras Laffan. The study involved extensive site surveys, interviews, model reviews, and technical exchanges.

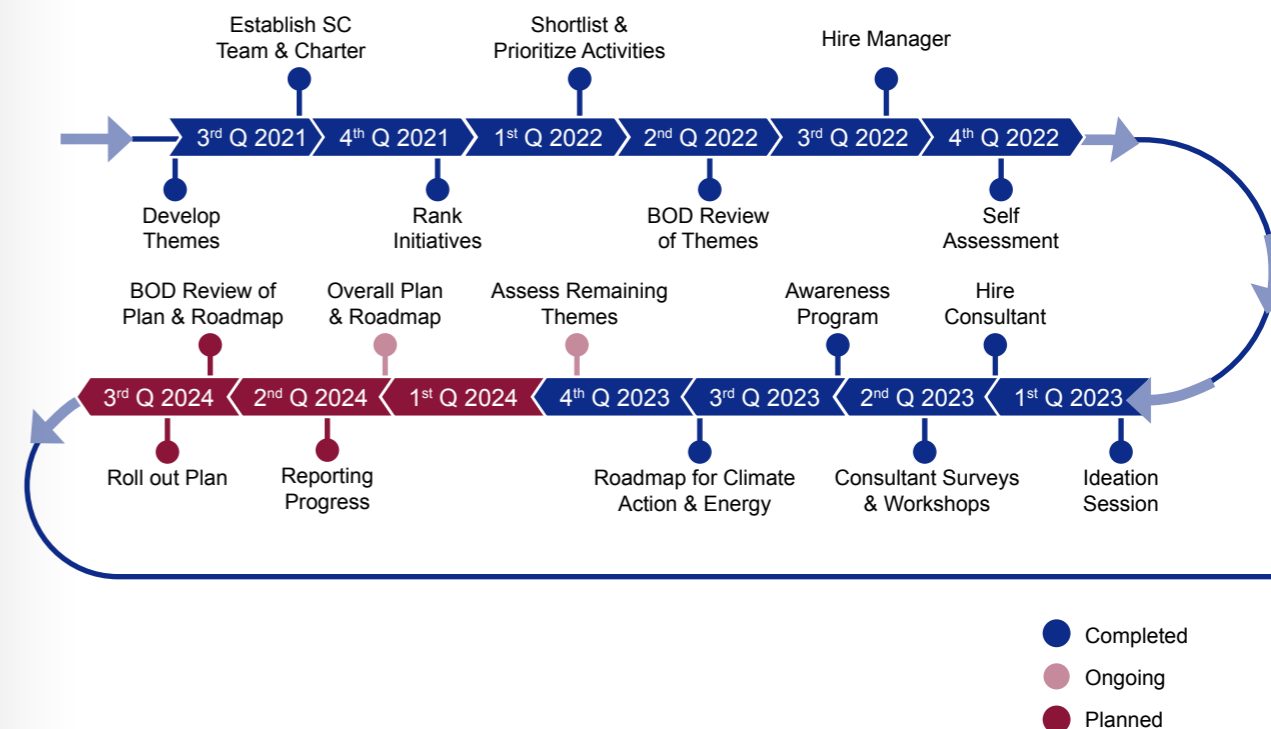
Using specialised simulation software, the study constructed an energy and emissions model to assess the collective impact of sustainability initiatives on the CO₂ equivalent (CO₂e) and energy footprint of the sites over the projected project lifecycle from 2023 to 2040. The study identified 29 opportunities for Q-Chem and 16 for RLOC over a 17-year sustainability roadmap, categorised into Quick-Win, Medium-Term, and Front-End Engineering and Design (FEED) opportunities. The FEED opportunities require in-depth exploration of the project's nature, technological aspects, impact on personnel, procedures, and existing protocols of critical business processes, necessitating collaboration with Original Equipment Manufacturers (OEMs), process licensors, and Engineering, Procurement, and Construction (EPC) entities for comprehensive insights and precise cost estimation.



The study aligns with national sustainability objectives, including those outlined in Qatar National Vision 2030, and provides a roadmap for implementation. Potential benefits arising from the identified opportunities include energy savings, emissions reductions, improved monitoring capabilities for decision making, and reliability improvements. Marginal Abatement Cost Curves (MACC) were developed to prioritise projects based on financial cost per ton of CO₂e abated, ensuring maximum efficiency and impact.



Plan Development Schedule



WASTE MANAGEMENT

Q-Chem is dedicated to reducing waste generation, maximising recycling and minimising our environmental footprint through effective waste management practices. In 2023, we made significant progress in advancing our waste management initiatives.

We continued to implement our monthly waste segregation and housekeeping programmes with a focus on inviting innovative ideas and sharing successful practices across the organisation. This concerted effort led to enhanced waste segregation and management practices, driving efficiency, and reducing our environmental impact.

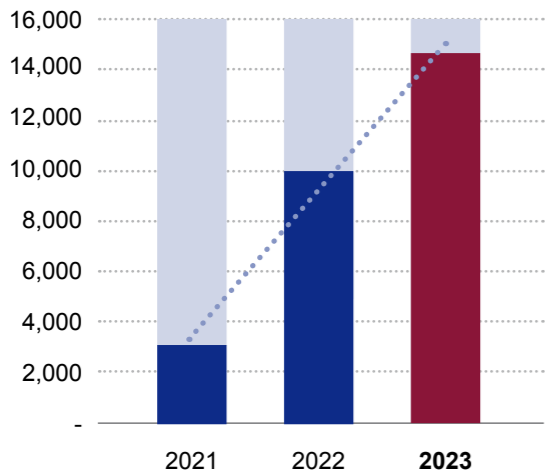
Q-Chem facilities initiated major projects in 2022 and 2023 that needed multiple sites' clearance and preparations, which led to increase in waste generation

in these two years. However, we also intensified our waste recycling efforts. Through strategic partnerships and innovative solutions, we awarded new contracts for the recycling, reuse, and responsible disposal of chemicals, catalysts, and additives. Our waste recycling rates increased to 18.95%, a 4.61% improvement on the previous year.

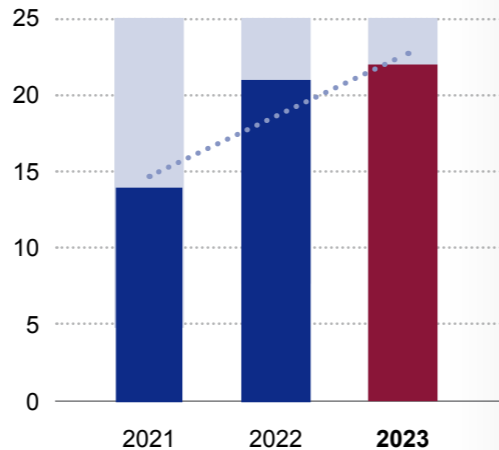
Another notable milestone achieved in 2023 was a reduction in water pollution load (COD load) to the environment for the third consecutive year.



Total waste recycled (tons)



Waste Generation Intensity (tons/1000 tons production)



CASE STUDY: CHEMICALS, CATALYSTS, ADDITIVES (CCA) RECYCLING PROGRAM

Q-Chem, Q-Chem II, and RLOC face the challenge of safely disposing of spent or expired Chemicals, Catalysts, and Additives (CCA) in Qatar's limited recycling landscape. To tackle this, Q-Chem has developed a comprehensive approach, including categorising waste streams, checking recycling feasibility with manufacturers, and partnering with Sustainable Waste Management (SWM). Through this initiative, a total of 340 tons of waste from Q-Chem and Q-Chem II, and 71 tons from RLOC were diverted from landfills in 2023, resulting in cost savings of 184,000 QAR and 22,000 QAR, respectively. Plans for 2024 include expanding recycling efforts to include additional materials. The programme aims to significantly reduce waste management costs as well as the amount of waste reaching landfills, while also exploring alternative uses for waste streams. Looking ahead, we aim to secure agreements with catalyst manufacturers to recycle precious metals, further advancing our sustainability goals through effective waste management.

SPILLS

Our commitment to environmental responsibility is evident in the remarkable improvements made in spill management over the years. From 2021 to 2023, there has been a significant reduction in spills and environmental incidents, reflecting the effectiveness of our proactive measures and continuous improvement

efforts. Loss of containment incidents and the number of reportable spills was zero in 2023, the second consecutive year this has been achieved. This represents a substantial improvement in Q-Chem's spill prevention and response efforts in recent years.

| Indicator | 2021 | 2022 | 2023 |
|--|------|------|------|
| Loss of Containment and Reportable Spills | 2 | 0 | 0 |
| Environmental events (company responsible) | 3 | 0 | 2 |

Q-Chem was the first company in Qatar to partner with the Gulf Petrochemicals and Chemicals Association in support of the international initiative, Operation Clean Sweep® (OCS), which aims to prevent plastic spills from manufacturing, storage and shipping to environment.

WATER MANAGEMENT

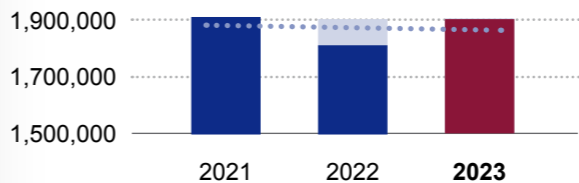
Q-Chem's dedication to sustainable water management spans all facilities, driving significant progress through innovative initiatives. At the RLOC plant, measures have been implemented to reduce freshwater usage, such as reprogramming irrigation systems for efficiency. Additionally, using recycled water for irrigation conserves water while also reducing the need for fertilizers, thereby advancing environmental sustainability.

We have also undertaken two pivotal projects in the form of the Q-Chem Near Zero Liquid Discharge and RLOC Near Zero Liquid Discharge initiatives, both of which aim to minimise wastewater discharge and maximise freshwater recovery. These projects involve advanced wastewater treatment and filtration facilities capable of reclaiming up to 70% of treated water.

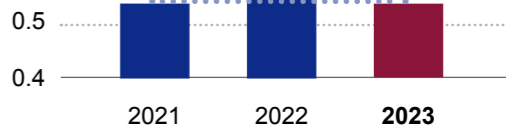
Notably, at the RLOC plant, a retrofit of the process wastewater aeration system is enhancing the biological process and maintaining steady treatment effluent parameters.

Freshwater usage experienced a marginal increase of approximately 5% from 2022 to 2023, while water use intensity has remained constant over the past three years.

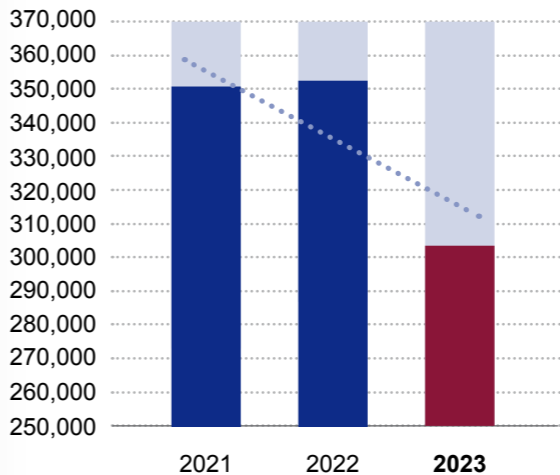
Total wastewater recycled (tons)



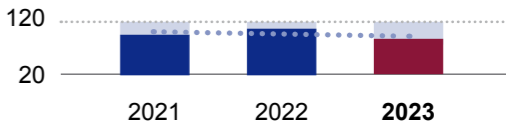
Water use intensity (m³/ton production)



Water recycled or reused (m³)



Water recycling intensity (m³/ton of production)





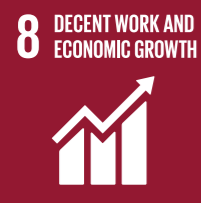
SUSTAINABLE GROWTH

At Q-Chem, we prioritise economic performance, product stewardship, sustainable supply chains, and community engagement to drive positive impacts. Through sound financial practices, responsible product development, ethical sourcing, and meaningful community initiatives, we create long-term value for our business as well as the communities in which we operate.

MATERIAL ISSUES COVERED

- Economic Performance
- Product Stewardship
- Sustainable Supply Chain
- Community Engagement

SUSTAINABLE DEVELOPMENT GOALS





ECONOMIC PERFORMANCE

Consistently strong economic performance is crucial to our sustainability strategy. Good financial results allow us to meet shareholder expectations and contribute to Qatar's development. Since our establishment in 2004, our production growth has driven steady and substantial revenue, significantly contributing to the nation's overall prosperity. In 2023, we expanded our investments to enhance production, safety, and environmental compliance. Looking ahead, we remain committed to investing in projects that sustain our success and uphold our vision of solid economic performance built on sustainability, resilience and reliability.

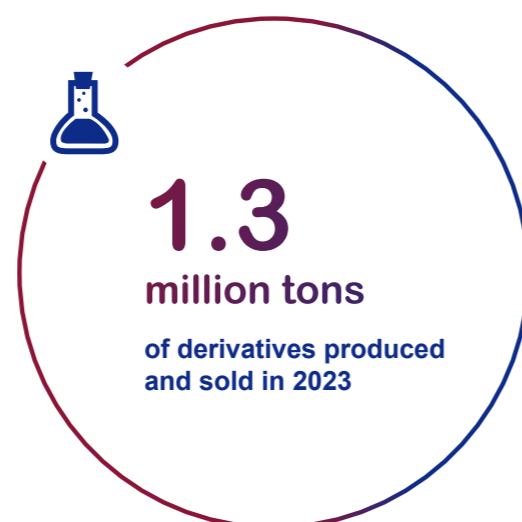
PRODUCTION AND SALES

In 2023, Q-Chem spearheaded significant process improvement initiatives to enhance operational efficiency across various facets of its operations. Notable improvements include:

- During the QChem pitstop, the hot oil heater utilized the purged Ethylene from the unit as a fuel. This approach has reduced fuel gas and loss of Ethylene, contributing to energy conservation.
- We've achieved a notable improvement in the DSG run length and a reduction in cleaning frequency, moving from 6 cleanings to just 3 annually. This efficiency has minimized downtime and enhanced our operational productivity.
- In the Ethylene unit, co-firing in SRU thermal reactors reduced air emissions, positively impacting our environmental footprint.
- Steam trap survey across all units and replacing some defective steam traps have ensured optimal steam system performance, contributing to energy conservation and system reliability.

- Achieved smokeless flaring throughout the year, demonstrating our commitment to reducing emissions and protecting the environment.

Further advancements in the past year included: smokeless flaring; the installation of mesh screens in stormwater channels to eliminate pellet slippage and contribute to our zero plastic waste management efforts; reuse of waste catalysts; and co-firing in thermal reactors to reduce air emissions.



PRODUCT STEWARDSHIP

Q-Chem is at the forefront of the Middle East's Polyethylene Resins, Normal Alpha Olefins (NAO), and 1-Hexene production, catering to both local and global markets spanning Asia, Africa, and Europe. As active members of the Gulf Petrochemicals and Chemicals Association (GPCA), we embrace the ethos of responsible product stewardship. Aligned with this commitment, we endorse the GPCA Responsible Care® and Gulf SQAS initiatives, prioritising product safety, health, and environmental preservation. Embracing Operation Clean Sweep® (OCS) principles,

we diligently implement systems to curtail plastic loss and minimise our environmental footprint. Our dedicated Product Risk Management Team ensures rigorous oversight to guarantee product safety. All of our facilities are accredited with ISO 9001 Quality Management Standard and RC 14001® Responsible Care standards. Customers can access and download the product Safety Data Sheets and Product Stewardship Summaries from our website. For the convenience of our clientele, safety data sheets and product stewardship summaries are readily accessible on our website.

SUSTAINABLE SUPPLY CHAIN

Q-Chem's Commercial Group centrally oversees procurement for Q-Chem, Q-Chem II, and RLOC. In 2023, a pivotal objective was the transformation of the procurement function into two new key functions, namely Strategic Procurement and Procurement Operations, deploying a category management approach and aligning with global best practices to bolster supply chain resilience and capture strategic long-term value.

To ensure adherence to stringent safety, health, and ethical standards, we use a supplier qualification self-audit questionnaire and require all bidders to demonstrate compliance with our rigorous criteria before commencing any on-site activities. This practice underscores our commitment to safety, quality, and environmental responsibility, and our alignment with Qatar's vision for sustainable economic growth.

We require comprehensive HSE plans from suppliers, and conduct thorough audits and visits to ensure adherence to regulations and ethical practices. This is particularly the case for tenders with substantial manpower supply requirements.

Our commitment to Qatar's economic development is further demonstrated by our support of the In-Country Value (ICV) programme and our policies that prioritise local suppliers. In 2023, local procurement accounted for 73.5% of our total spend.





COMMUNITY ENGAGEMENT

We remain steadfast in our commitment to community engagement, focusing on supporting local entities and implementing socially responsible initiatives to positively impact the people of Qatar.

With a strong emphasis on CSR, our social sustainability strategy aims to promote a healthy society, foster community engagement, and enhance stakeholder relations. Educational initiatives took centre stage in 2023, with 31 diverse activities undertaken including career fairs, school visits, competitions, and educational talks.

In 2023, we also delivered the highest number of initiatives and sponsorships to date, with record expenditures on 44 sports, education, and employee engagement activities.



EDUCATIONAL INITIATIVES

In 2023, we prioritised educational initiatives, forging collaborations between educational institutions and our Human Capital department. Activities included participation in career fairs such as Qatar University Career Fair and Carnegie Mellon University (CMU-Q), along with workshops like “How to Succeed in Your First Job” at UDST and Qatar University. Additionally, we engaged in school and college visits and conducted educational talks like the “Texas Talks - Industrial Talk with Engineering Students” at Texas A&M Qatar University. These efforts are aimed at providing guidance, support, and career opportunities to students, and helping to foster a culture of learning and development.

COMMUNITY WELFARE INITIATIVES

In 2023, we continued our support of community welfare through a range of initiatives aimed at supporting local entities and fostering community engagement. These efforts included blood donation campaigns held in Doha and Mesaieed, with plans for another campaign to be held at RLOC in 2024. We also organised annual events like Townhall Meetings, Qatar National Day celebrations, and National Sports Day activities to engage employees and promote team building. Our collaborations with environmental teams to conduct campaigns such as beach clean campaigns and tree planting in RLOC contributed to environmental sustainability and community well-being.

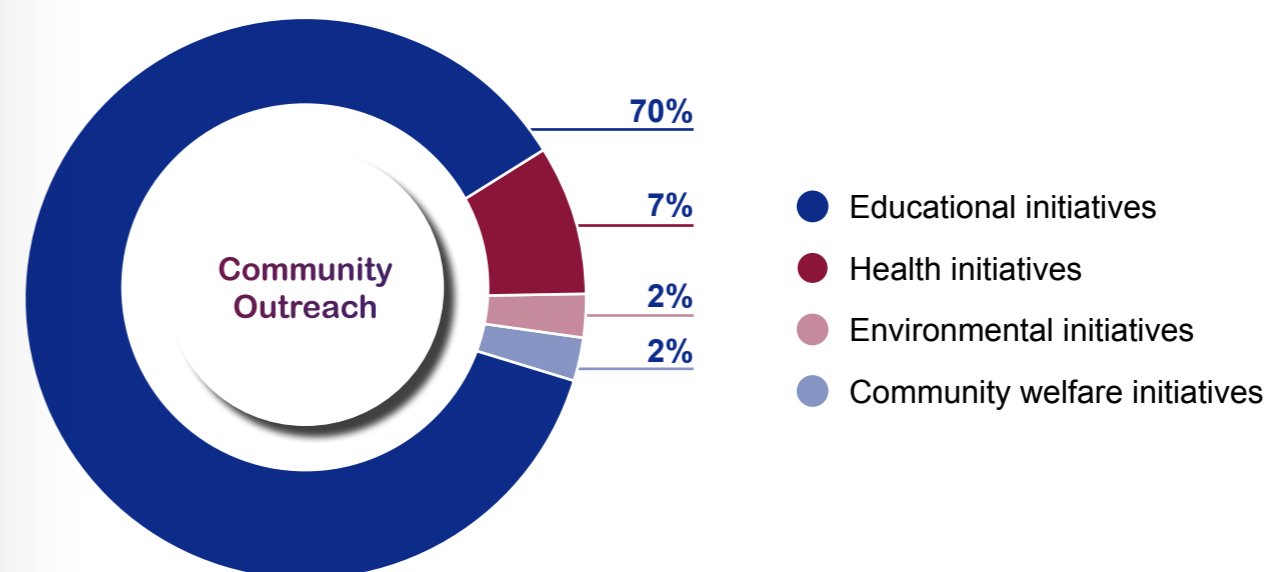


HEALTH INITIATIVES

We prioritised health initiatives in 2023, focusing on employee well-being and community health. We also organised or hosted various events throughout the year to promote employee health and well-being, including health talks, fitness activities, and wellness programs.

ENVIRONMENTAL INITIATIVES

Q-Chem remains committed to environmental sustainability, as demonstrated by our many initiatives aimed at reducing environmental impact and promoting eco-friendly practices. In addition to the previously mentioned beach clean-up and tree planting campaigns in RLOC, we implemented various sustainability awareness campaigns to promote eco-friendly practices both in the workplace and at home. These initiatives underscored our commitment to partnering with our employees and communities to promote environmental stewardship and sustainability.





APPENDIX: QATAR STOCK EXCHANGE (QSE) ESG GUIDELINES

| QSE KPI # | ESG KEY PERFORMANCE INDICATORS | MEASUREMENT ANNUAL, UNLESS INDICATED OTHERWISE | QNV PILLAR | PAGE # |
|----------------------|--------------------------------------|--|-------------|---------|
| Environmental | | | | |
| 1 | Environmental Policy | Does the company publish and follow an environmental policy? | Environment | N/A |
| 2 | Environmental Impacts | Any legal or regulatory responsibility for an environmental impact? | Environment | 28 |
| 3 | Energy Consumption | Total amount of energy usage in MWh or GJ | Environment | 28 |
| 4 | Energy Intensity | Amount of energy used per m3 of space, and per FTE | Environment | 28 |
| 5 | Carbon/GHG Emissions | Total amount of Carbon and Green House Gas emissions in metric tons | Environment | 28 |
| 6 | Primary Energy Source | Specify the primary source of energy used by the company | Environment | N/A |
| 7 | Renewable Energy Intensity | Specify the percentage of energy used that is generated from renewable sources | Environment | N/A |
| 8 | Water Management | Total amount of water consumption, and details in respect of recycling if any, in m ³ | Environment | 33 |
| 9 | Waste Management | Total amount of waste generated, recycled, or reclaimed, by type and weight | Environment | 32 |
| Social | | | | |
| 10 | Full-Time Employees | Number of full-time employees | Human | 21 |
| 11 | Employee Benefits | Total amount of employee wages and benefits | Human | N/A |
| 12 | Employee Turnover Rate | Percentage of employee turnover | Human | 21 |
| 13 | Employee Training Hours | Total number of hours of training for employees divided by the number of employees | Human | 19 & 23 |
| 14 | Health | Does the company publish and follow a policy for occupational and global health issues? | Human | N/A |
| 15 | Injury Rate | Total number of injuries and fatal accidents relative to the number of FTEs | Human | 18 |

| QSE KPI # | ESG KEY PERFORMANCE INDICATORS | MEASUREMENT ANNUAL, UNLESS INDICATED OTHERWISE | QNV PILLAR | PAGE # |
|--------------------------------|--------------------------------------|---|------------|---------|
| 16 | Human Rights Policy | Disclosure and adherence to a Human Rights Policy | Social | N/A |
| 17 | Human Rights Violations | Number of grievances about human rights issues filed, addressed, and resolved | Social | N/A |
| 18 | Child & Forced Labor | Does the company prohibit the use of child or forced labour throughout the supply chain? | Social | N/A |
| 19 | Women in the Workforce | Percentage of women in the workforce | Social | N/A |
| 20 | Qatarization | Percentage of Qatari nationals in the workforce | Human | 22 |
| 21 | Community Work | Number of hours spent, and/or other community investments made as a percentage of pretax profit | Social | 38 & 39 |
| 22 | Local Procurement | Percentage of total procurement from local suppliers | Economic | 37 |
| Governance | | | | |
| 23 | Board – Diversity | Percentage of Board seats taken by women | Social | N/A |
| 24 | Board – Independence | Percentage of Board seats taken by independent directors | Social | N/A |
| 25 | Board – Separation of Powers | Specify whether the CEO is allowed to sit on the Board, act as the Chairman, or lead committees | Social | 12 |
| 26 | Voting Results | Disclosure of the voting results of the latest AGM | Social | N/A |
| 27 | CEO Pay Ratio | Ratio of CEO salary and bonus against the median FTE salary and bonus | Social | N/A |
| 28 | Gender Pay Ratio | Ratio of median male salary to median female salary | Social | N/A |
| 29 | Incentivised Pay | Specify the links between (executive) remuneration and performance targets | Economic | N/A |
| 30 | Ethics Code of Conduct | Does the company publish and follow an Ethics Code of Conduct? | Social | 13 |
| 31 | Supplier Code of Conduct | Does the company publish and follow a Supplier Code of Conduct? | Social | 13 |
| 32 | Bribery/Anti-Corruption Code | Does the company publish and follow a Bribery/Anti-Corruption Code? | Social | 13 |
| ESG Reporting Generally | | | | |
| 33 | Sustainable Reporting Frameworks | Does the company publish a GRI, CDP, SASB, IIRC, or UNGC report? | Social | 1 |
| 34 | External Assurance | Are the company's ESG disclosures assured by an independent third party? | Social | N/A |



شركة قطر للكيماويات المحدودة
QATAR CHEMICAL COMPANY LTD



شركة راس لفان للأوليفينس المحدودة
Ras Laffan Olefins Company Limited