



2024 Sustainability Report



شركة قطر للإضافات
البتروولية المحدودة
QATAR FUEL ADDITIVES
COMPANY LIMITED

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Introduction

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About This Report

Welcome to Qatar Fuel Additives Company's (QAFAC) 14th annual sustainability report, this report showcases the organization's performance on environmental, social and governance (ESG) and economic topics of material importance to the company. The report covers QAFAC's activities in these areas in the calendar year January 1, to December 31, 2024

Reporting Framework

This report has been prepared in accordance with the GRI Standards 2021, including two additional disclosures from the GRI 11: Oil & Gas Sector Standard 2021. The report is also aligned with the Sustainability Accounting Standards Board (SASB) Oil and Gas Sector Standard, the International Petroleum Industry Environmental Conservation Association (IPECA), Gulf Petrochemicals and Chemicals Association (GPCA) and Qatar Stock Exchange (QSE) Environment, Social and Governance (ESG) Guidance. The report details the company's contribution to supporting the achievement of the United Nations Sustainable Development Goals (UN SDGs) and the Qatar National Vision (QNV) 2030.

Reporting Topic Boundaries

This report includes information and data related to our activities in Qatar, including the Head Office, Methanol plant, Utility facility, and the Methyl Tert-Butyl Ether (MTBE) plant. Sales and transportation of products are excluded from the reporting boundaries as we do not manage these directly. Data from contractors and suppliers are not included in this report unless otherwise stated.

Information Covered

This report focuses on our performance in relation to the topics that have been identified as having a material impact on both our business and our stakeholders. We have highlighted some of the key initiatives and achievements of 2024 which have helped us improve our performance on these topics and assisted us in accomplishing our goals and targets.

Data Collection and Reporting Approach

The information and data disclosed in this report have been gathered in accordance with the GRI Standards 2021, SASB, GPCA, IPECA, and Industries Qatar (IQ). Where possible, we have stated our strategy for data collection, calculation methodologies and assumptions, if any. Greenhouse gas (GHG) emissions data has been validated by a consultant appointed by QatarEnergy. While external assurance has not been conducted on this report, the data and information have been subjected to a rigorous review process to identify any potential inconsistencies and ensure reliability.

Disclaimer

QAFAC is not legally responsible for any typographical errors, calculation inaccuracies, or reference issues.



Let us hear from you

We continually seek to improve our sustainability reporting and welcome your feedback on the contents of this report and our reporting methodology.

Feedback can be provided via:



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Message from our Chairman



Sheikh Thani Bin Thamer Al-Thani
CHAIRMAN, QATAR FUEL ADDITIVES COMPANY

Dear Stakeholders,

I am pleased to share QAFAC's 2024 Sustainability Report. This is our fourteenth consecutive annual sustainability report and illustrates QAFAC's commitment to transparent reporting of our sustainability performance.

QAFAC practices responsible environmental stewardship, and sustainability is fundamental to our corporate strategy. The entrenchment of sustainable principles and practices into our corporate culture ensures that we make a positive impact on addressing issues such as climate change, resource management, diversity, equal opportunities, and community development.

Sustainability requires QAFAC to be dynamically responsive to change and to adopt the requirements of the rapidly evolving regulatory landscape. Through strategic foresight and innovation, we can meet these challenges and continue to create value for all our stakeholders.

Recently the impact of climate change is increasingly visible, evident by frequent extreme weather events occurring globally. Geopolitical conflict and economic uncertainty have also presented global challenges to sustainability.

Sustainability and energy security are key to business survival in the 21st century. QAFAC is focused on creating value while ensuring the maintenance of a reliable, accessible, and affordable energy supply and reducing energy waste and encouraging the transition to renewable energy where possible. QAFAC is ready to satisfy rising energy demands in a sustainable manner and to continue to contribute to economic growth.

QAFAC's Board of Directors and Management Team are committed to the implementation and maintenance of sustainable practices and principles in all our activities.

I wish to thank all of you for your continued support on our sustainability journey and wish you continued success in the year ahead.



"Responsible environmental stewardship and sustainability are fundamental to QAFAC's corporate strategy to create value for stakeholders."

Message from our CEO



Ahmed Abdulqader Al-Ahmed

CHIEF EXECUTIVE OFFICER,
QATAR FUEL ADDITIVES COMPANY

I am pleased to share QAFAC's 14th Annual Sustainability Report for 2024, an illustrative commitment to incorporating sustainability into our actions and practices to create a sustainable global future.

At QAFAC we implement sustainable business practices that enhance sound governance, efficient resource management, environmental protection, and excellent health and safety performance. In 2024, QAFAC achieved an impressive safety milestone of 24 million safe working hours.

QAFAC is aligned with Qatar's National Vision 2030 and the UN Sustainable Development Goals and contributes to the achievement of the climate action commitments of QatarEnergy.

We are focused on effective resource management by adopting circular economy principles, implementing efficient waste management systems, and identifying lean operational techniques that require the optimization of equipment, material usage, waste reduction, and awareness training on resource efficiency and energy conservation.

QAFAC views asset reliability as not just operational optimization but also as a fundamental pillar for the sustainable future of the industry. The focus on achieving optimal performance is clearly demonstrated by the QAFAC Methanol plant achieving a world-leading utilization rate of 98.81%.

QAFAC is fully committed to achieving Qatar's national Qatarization goals and emphasizes providing training, education, and career development opportunities to build a strong skilled local workforce. Qatarization at QAFAC reached 29% across the organization and significantly 71% within the senior management sector during 2024.

QAFAC has a robust business continuity plan that addresses the complex risk environment and mitigates the prevalent risk of climate change, global geopolitical risk, and other economic challenges.

We will continue to explore new sustainable initiatives while creating value for our stakeholders and delivering the services and products to meet our customers' needs.



"QAFAC will continuously strive to reduce our carbon footprint, conserve natural resources, and support environmentally responsible practices throughout the operation with a sustainability mindset at the heart of our business."

QAFAC Overview

About QAFAC

Founded in 1991 as a joint venture, Qatar Fuel Additives Company Limited (QAFAC) commenced operations in 1999. As of 2024, QAFAC was owned by Industries Qatar, OPIC Middle East Corp., International Octane L.L.C., and LCY Middle East Corporation. At the time of writing this report (March 2025), QAFAC has become fully Qatari-owned, following QatarEnergy's acquisition of a 50% ownership stake, while Industries Qatar (IQ) retains its existing 50% stake.. The company's headquarters are in Doha, Qatar, with a production plant in Mesaieed Industrial City producing Methanol and methyl tert-butyl ether (MTBE).

Domestically, our products are sold to the Gulf Formaldehyde Company Q.S.C., a subsidiary of Qatar Fertilizer Company (QAFCO), and QatarEnergy. International sales are carried out by the Qatar Chemical and Petrochemical Marketing and QatarEnergy Marketing (previously known as Muntajat).

QAFAC fulfils the MTBE requirements for all domestic petrol sold in Qatar. Our Methanol is sent to the Gulf Formaldehyde Company Q.S.C, where it is transformed into formaldehyde for producing Urea Formaldehyde, which is sold locally. Our products are also sold in the Middle East, the Americas, Europe and Asia.



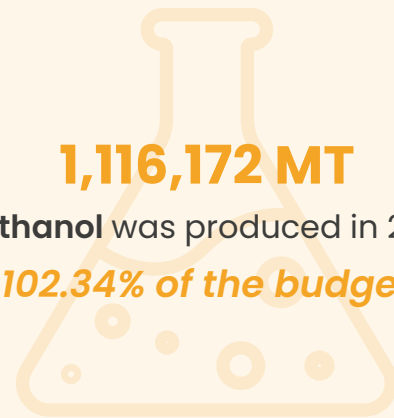
Methanol

- **Commodity product**
- **QAFAC plant is designed to produce 2,950 metric tonnes per day**
- **Basic chemical building block used in the creation of numerous goods**
- **Used as an additive for transportation and marine fuel**

1,116,172 MT

Methanol was produced in 2024

102.34% of the budget



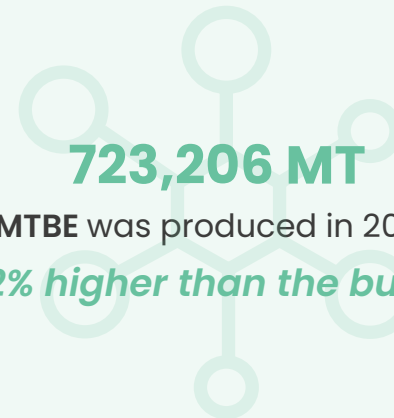
MTBE

- **Specialty product**
- **QAFAC plant is designed to produce 1,830 metric tonnes per day**
- **Used as an emissions-reducing additive in petrol for Qatar and clients worldwide**

723,206 MT

MTBE was produced in 2024

102% higher than the budget



Methanol

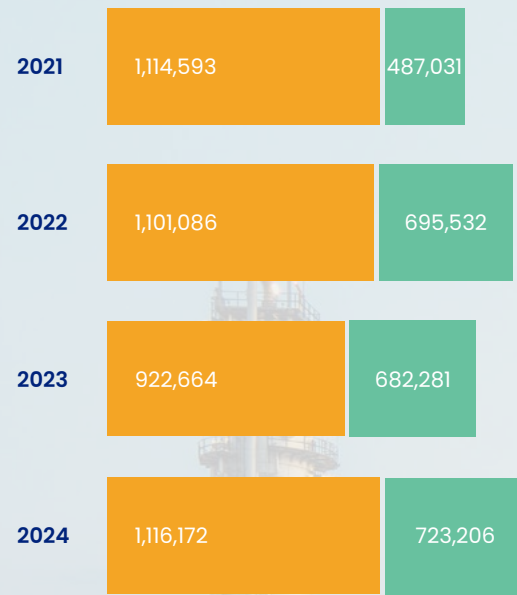
Methanol is a versatile chemical compound derived from natural gas, coal, biomass or recycled carbon dioxide. It has numerous applications, primarily as a chemical additive in many products.

MTBE

MTBE is a chemical compound manufactured by the chemical reaction of Methanol and isobutylene. It is used almost exclusively as a fuel additive in petrol.



Plant Production and Achievements



QAFAC METHANOL AND MTBE PRODUCTION
(MT/YEAR)

— Methanol — MTBE

Methanol Plant achievements in 2024:

- The annual production target of 1,090,637 MT was met on 24th December 2024, with a total production of 1,116,172 MT, achieving 102.34% of the budget.
- Specific consumption for operating days was 29.47 GJ/MT, close to the target of 31 GJ/MT.
- The highest average daily production of 3,252 MT since the plant's inception was recorded in January 2024.
- Availability and reliability reached 98.81%, exceeding the 96.5% target.
- Product quality compliance was maintained at 100%, with no quality issues reported.
- Full IMS compliance was achieved, with internal and external audits conducted without major observations.
- An external insurance survey for renewal found no major findings or recommendations.

MTBE Plant achievements in 2024:

- The annual production target of 708,826 MT was successfully met on 24th December 2024.
- A new highest production record for MTBE was set on 19th December 2024, reaching 698,941 MT, surpassing the previous record of 698,211 MT from 2018.
- Reliability and availability reached 99.18%, exceeding the 96.5% budget target.
- Specific Butanes consumption was 0.731, outperforming the budget target of 0.750.
- 100% compliance with MTBE product quality standards was maintained.
- Full IMS compliance was achieved, with internal and external audits conducted without major observations.
- An external insurance survey for renewal identified no major findings or recommendations.

QatarEnergy, aims to expand exports of liquefied natural gas from 77 MMT to 142 MMT by 2030. To achieve this, QatarEnergy requires its subsidiaries to pursue investments, allocate resources and explore innovative ways to increase revenue and new ways to monetize their assets. In alignment with QatarEnergy's

long-term vision, QAFAC, in collaboration with QatarEnergy, is conducting studies to explore opportunities beyond Methanol and MTBE, aiming to maximize the return on our allocated feedstock. These opportunities may include the production of derivatives of Methanol, C4 or isobutylene.

Methanol's Role in a Low-Carbon Economy

Methanol, along with liquefied natural gas (LNG) and ammonia, can be used as an alternative to transition energy solutions to help emerging and developing economies shift from using coal to meet their power and transportation energy requirements. While global demand for petrochemicals and the transportation of goods continues to grow, there is increasing pressure to reduce or eliminate the carbon footprint of these products and activities.

The stories below illustrate ways in which Methanol can help tackle this challenge.

- As an additive in marine fuel, Methanol is helping the shipping industry transition to a more sustainable future. Methanol reduces both sulfur and nitrogen oxide emissions, helping to reduce greenhouse gas emissions and improve air quality.
- Methanol is helping developing economies to decarbonize. With energy demand rapidly increasing in these societies, Methanol offers a viable and cost-effective alternative to traditional fossil fuels as, for example, an essential component in the production of biodiesel. It can be produced from a variety of sources and in many different parts of the world, making it an ideal fuel for regions lacking access to traditional energy sources. It can also be transported and stored using existing infrastructure such as pipelines, tanks and ships, so it can be easily integrated into existing energy systems.

Vision, Mission, & Values



Vision

TO BE A LEADING PRODUCER OF METHANOL AND MTBE, RECOGNIZED FOR OUR RELIABILITY AND THE QUALITY OF OUR PRODUCTS.



Mission

TO PRODUCE HIGH-QUALITY METHANOL, MTBE AND OTHER DERIVATIVES BY DEVELOPING OUR TALENT, FOSTERING OUR CULTURE OF EXCELLENCE AND MAINTAINING THE HIGHEST HSE STANDARDS. WE CREATE VALUE FOR ALL OUR STAKEHOLDERS AND CONTRIBUTE TO THE QATAR NATIONAL VISION 2030.



Our Values

Safety

"WE ENSURE SAFETY IN EVERYTHING WE DO."

WE PLACE THE HIGHEST PRIORITY ON THE HEALTH AND SAFETY OF ALL OUR EMPLOYEES AND CONTRACTORS, THEIR FAMILIES AND THE COMMUNITIES AROUND US. WE STRIVE FOR INCIDENT-FREE WORKPLACES.

People

"WE CARE ABOUT PEOPLE."

WE PROMOTE TRUST, RESPECT, EMPOWERMENT AND TEAMWORK TO LEVERAGE OUR COLLECTIVE STRENGTHS.

Excellence

"WE STRIVE FOR CONTINUOUS IMPROVEMENT IN ALL DIMENSIONS."

WE ALWAYS SEEK TO ENHANCE OUR PROCESSES AND SYSTEMS TO ACHIEVE GREATER EFFICIENCY, PRODUCTIVITY AND PERFORMANCE.

Integrity

"WE ALWAYS CHOOSE TO DO THE RIGHT THING."

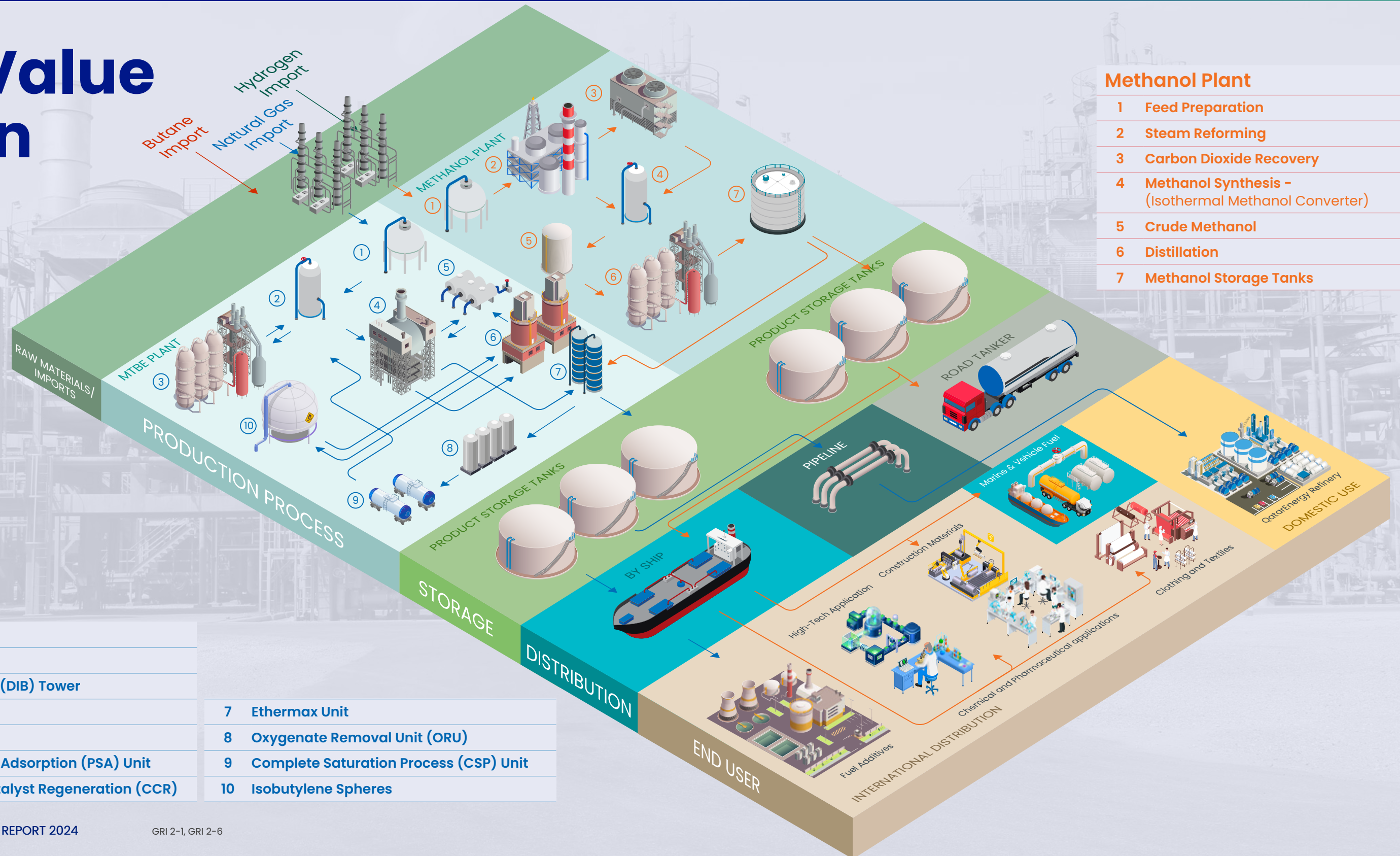
WE GOVERN OUR ACTIONS BY HONESTY, ETHICS, TRANSPARENCY AND FAIRNESS.

Responsibility

"WE CARE DEEPLY FOR THE ENVIRONMENT AND ALL THE COMMUNITIES WE IMPACT."

WE COMMIT TO OPERATE IN A SUSTAINABLE AND SOCIALLY RESPONSIBLE MANNER

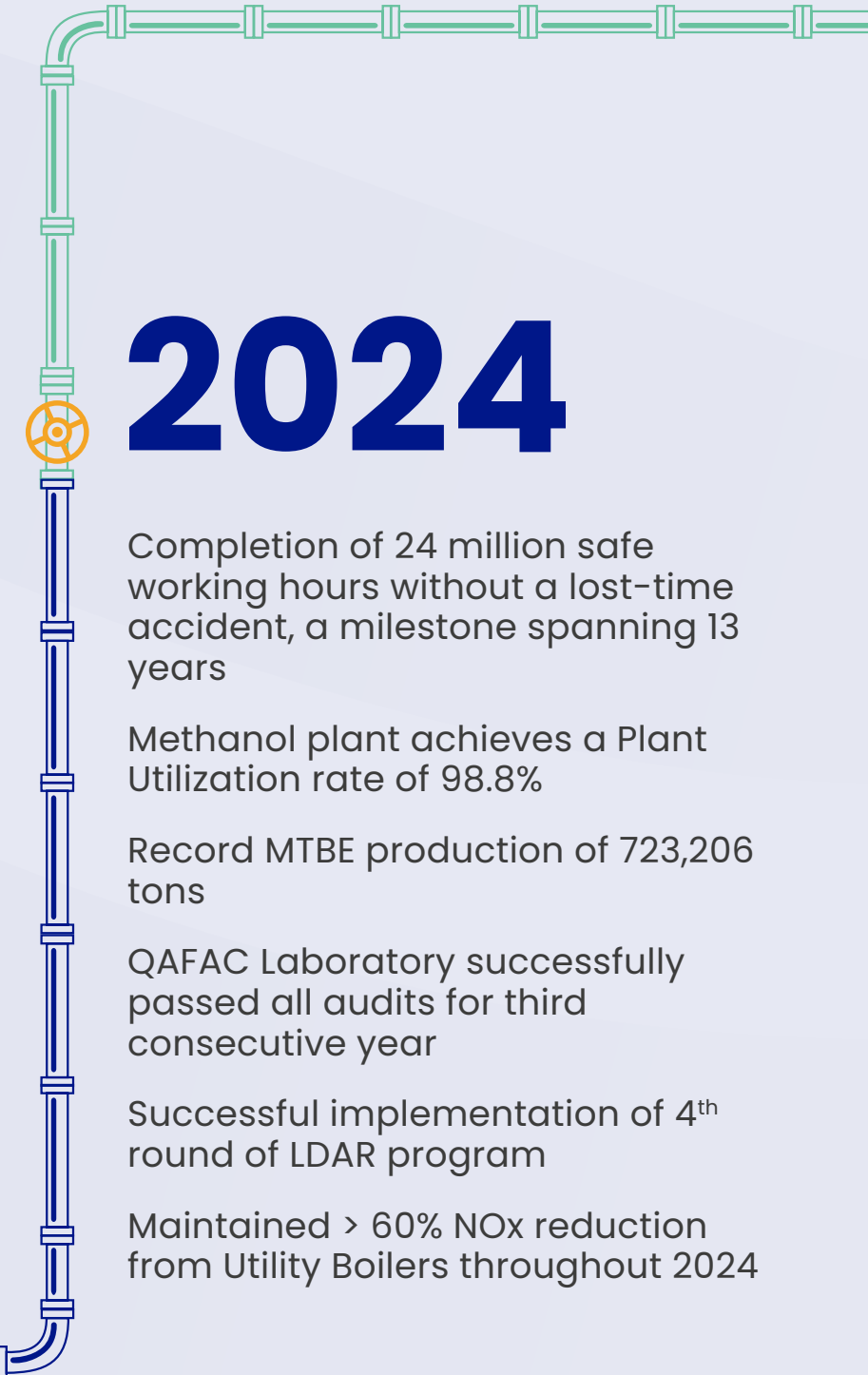
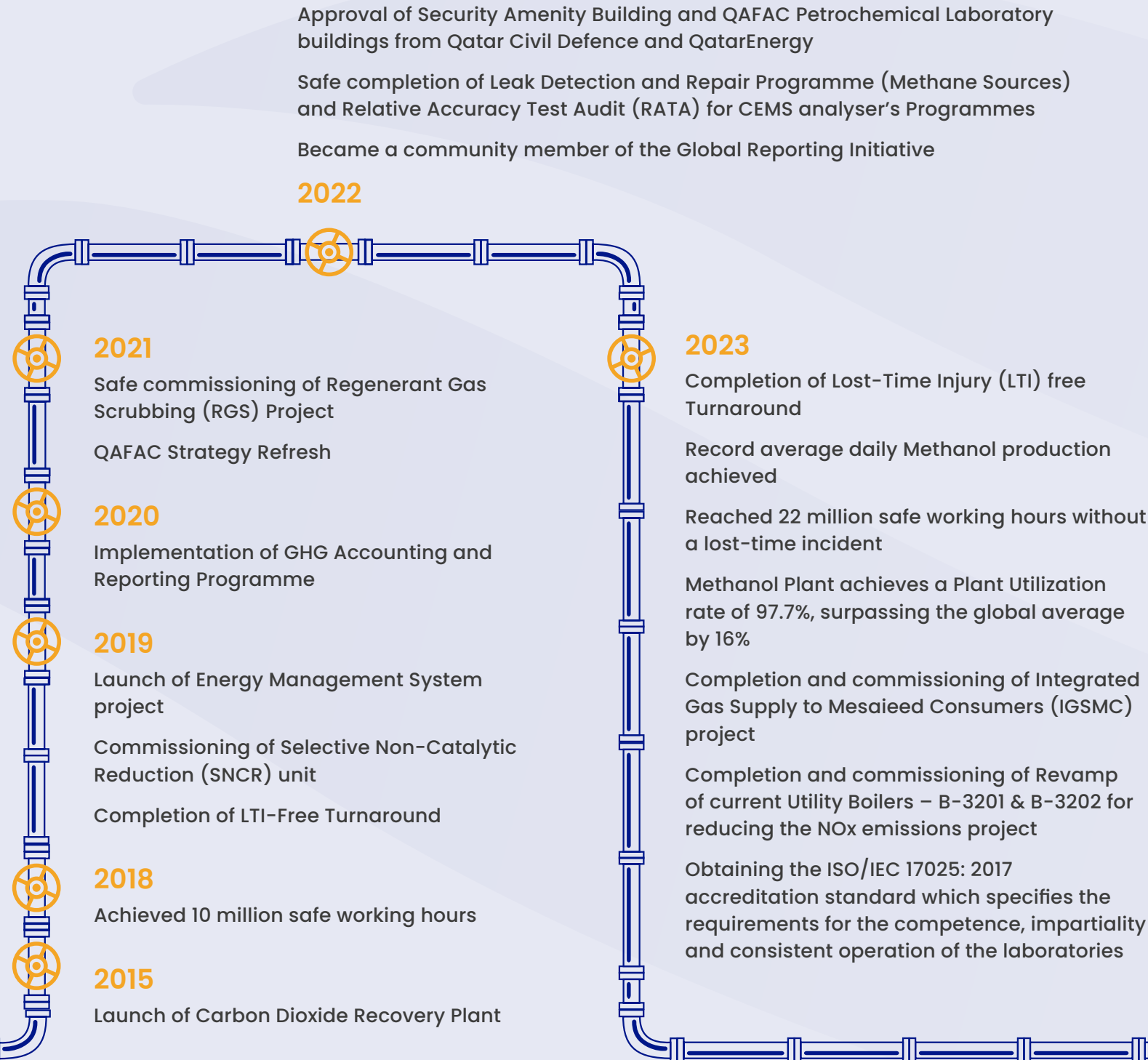
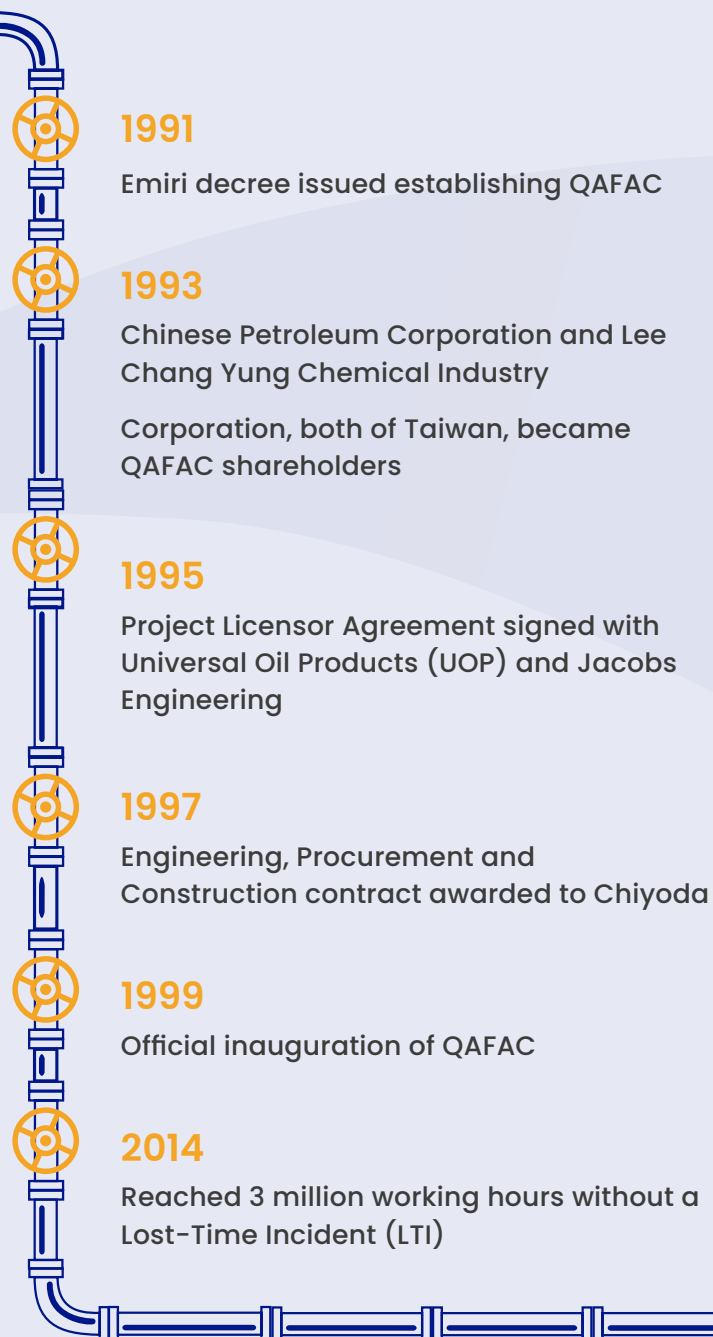
Our Value Chain



MTBE Plant	
1	Fresh Butanes
2	Deisobutanizer (DIB) Tower
3	Butamer Unit
4	Oleflex Unit
5	Pressure Swing Adsorption (PSA) Unit
6	Continuous Catalyst Regeneration (CCR)
7	Ethermax Unit
8	Oxygenate Removal Unit (ORU)
9	Complete Saturation Process (CSP) Unit
10	Isobutylene Spheres

Methanol Plant	
1	Feed Preparation
2	Steam Reforming
3	Carbon Dioxide Recovery
4	Methanol Synthesis - (Isothermal Methanol Converter)
5	Crude Methanol
6	Distillation
7	Methanol Storage Tanks

Our Journey



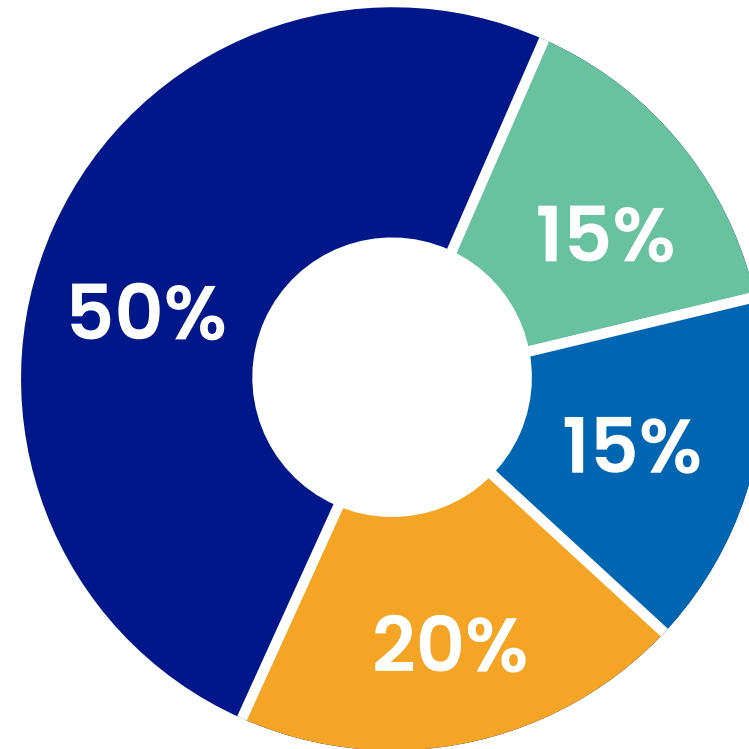
Our Shareholders

Industries Qatar (IQ) – 50%

A joint stock company registered and incorporated in the State of Qatar as a Qatari Public Shareholding Company (Q.P.S.C.). In 2003, QatarEnergy transferred the entire shareholding in QAFAC to IQ. QatarEnergy owns 51% of IQ. QatarEnergy is the state-owned corporation of Qatar, engaged in all phases of the hydrocarbon industry in Qatar and abroad, including the exploration and production of oil and gas, and in downstream industries such as QAFAC.

LCY Middle East Corp. (LCYMEC) – 15%

A wholly owned subsidiary of LCY Investments Corp., which is, in turn, a wholly owned subsidiary of the LCY Chemical Corp. (LCY), founded in 1965 and committed to science innovations for a sustainable future. The product portfolio of LCY includes synthetic rubber and performance plastics, electronic-grade chemicals, bioscience, and Methanol and solvents. LCY operates with integrity, teamwork, innovation, and accountability and has footprints across Asia, North America, and the Middle East.



OUR SHAREHOLDERS

- Industries Qatar (IQ)
- LCY Middle East Corp. (LCYMEC)
- OPIC Middle East Corporation (OMEC)
- International Octane LLC (IOLLC)

Important to Note:

At the time of writing this report and as of March 11, 2025, QatarEnergy acquired a 50% ownership stake in QAFAC, with Industries Qatar (IQ) retaining the other 50%. Since QatarEnergy holds a 51% stake in IQ, its effective ownership in QAFAC has increased to 75.5%. Notably, QAFAC is now entirely Qatari-owned, following the expiration of the QAFAC Joint Venture Agreement (JVA) on June 9, 2024, and the departure of its foreign shareholders—CPC, IOL, and LCY.

International Octane LLC (IOLLC) – 15%

A DUTCO Group of Companies member with interests in civil, mechanical, and electrical engineering, manufacturing, hospitality, real estate, oil, and gas production, and the renewable energy sector, both in the UAE and globally. IOL was established to develop business opportunities worldwide in the rapidly growing MTBE and Methanol markets. IOL was the developer of the QAFAC project jointly with QatarEnergy.

OPIC Middle East Corporation (OMEC) – 20%

A wholly owned subsidiary of Overseas Petroleum and Investment Corporation, which in turn is beneficially owned by the CPC Corporation of Taiwan (CPC). CPC is a state-owned enterprise involved in exploring, refining, storing, and distributing oil and natural gas and manufacturing petrochemical raw materials.

Our Members & Associations

We hold memberships of a number of regional and global organizations, including:



The Royal Society for the Prevention of Accidents (RoSPA)



The Gulf Petrochemicals and Chemicals Association (GPCA)



Global Reporting Initiative (GRI)



Methanol Institute (MI)

Governance at QAFAC




Corporate Governance

QAFAC's Board of Directors (BoD) is the Company's highest governing body. It supports and oversees the QAFAC's legal and statutory compliance, the establishment of internal controls and the management of risks. The Board is also responsible for the approval of strategic issues such as the direction, plans and priorities for the Company, as well as monitoring the organization's performance.

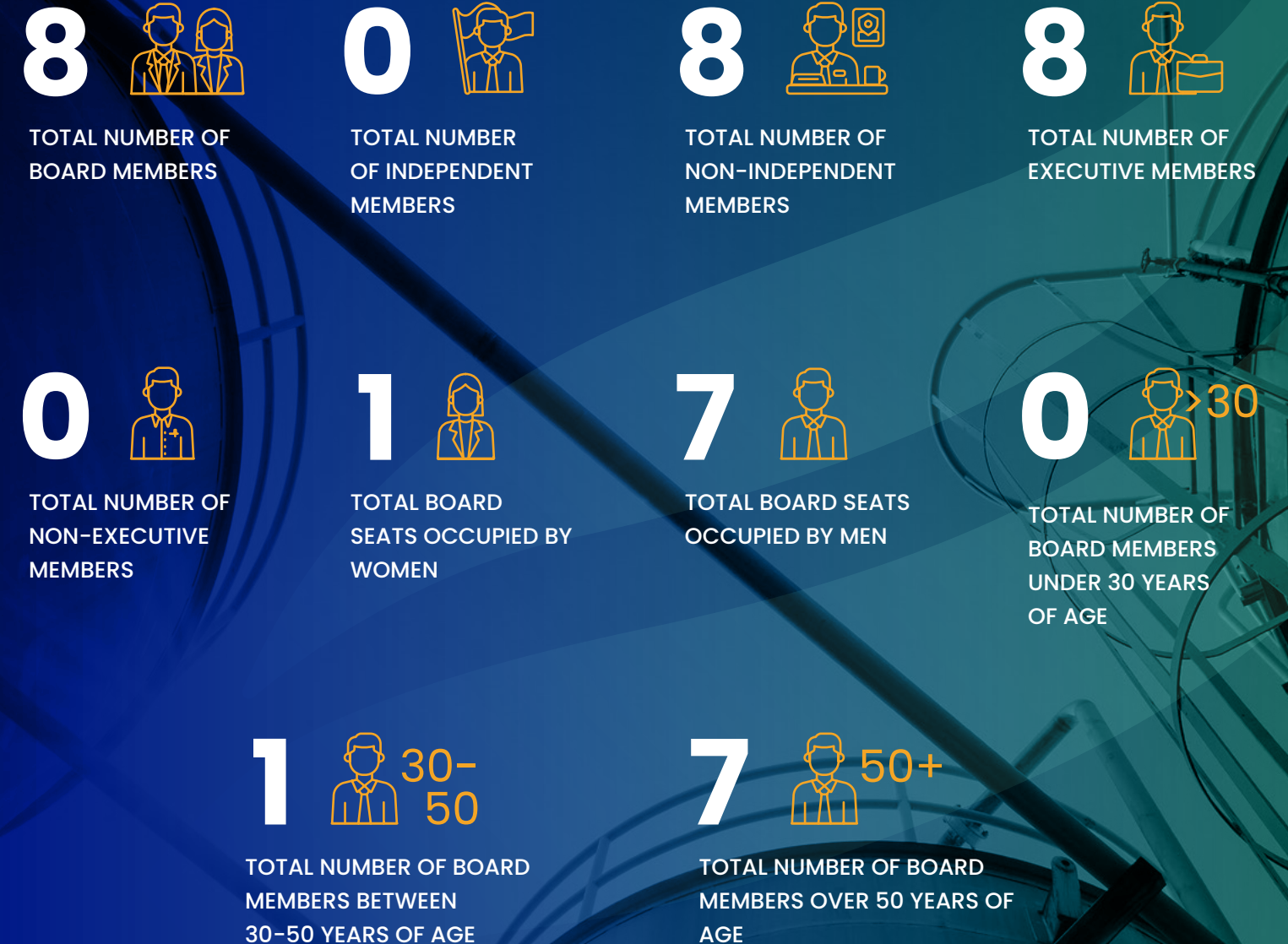
The Board comprises the Chairman, Vice-Chairman, Chief Executive Officer (CEO) and five other directors who represent all shareholders. In compliance with commercial companies law, an annual general meeting (AGM), referred to as an Ordinary General Assembly (OGA), takes place with shareholders each year. Matters related to the Board's remuneration are discussed at the annual OGA and approved through a shareholders' resolutions.

Committees

The Board is supported in its work by four committees:

- 
Audit and Risk Committee (ARC):
 Responsible for evaluating and managing risks. The ARC is chaired by the Vice Chairman of the Board. The Internal Audit function reports functionally to the ARC and administratively to the CEO. The Internal Audit and Enterprise Risk Management (ERM) function reports to the ARC on a quarterly basis.
- 
Policies and Procedures Committee (PPC):
 Responsible for reviewing and updating company policies. The PPC is chaired by the General Counsel.
- 
QAFAC Tender committee (QTC):
 Responsible for the procurement process. The QTC is chaired by the CEO.
- 
Business Conduct Committee (BCC):
 Responsible for compliance with our ethical standards.

Board of Directors



Organizational Structure



Our Directors



Leadership Team



Management of the Legal and Regulatory Environment

The Methanol and MTBE industry is heavily regulated, with strict mandates on air emissions, water discharge, and safety protocols. Adapting to evolving regulations is crucial, as it impacts product demand, manufacturing costs, and brand reputation. While financial stakeholders may face uncertainties, entities with robust regulatory strategies can enhance shareholder value and provide job security for employees. However,

challenges arise for affected stakeholders, including regulators navigating enforcement hurdles, local communities grappling with environmental impacts, and customers demanding safer products. However, there are also opportunities for collaboration between stakeholders, fostering innovation and promoting sustainable practices for long-term industry viability.

Business Ethics & Anti-Corruption

For financial stakeholders, such as shareholders and employees, participation in legislative and regulatory decision-making processes enables businesses to advocate policies that support their interests and contribute to a favorable regulatory environment. This engagement can enhance shareholder value and job stability by shaping policies that facilitate business growth.

However, if public policy engagement lacks transparency, it can lead to reputational risks and undermine stakeholder trust. Negative perceptions of political involvement may impact shareholder confidence and employee morale.

For affected stakeholders, including regulators, local communities, media, customers, suppliers, and non-governmental organizations, transparent engagement ensures accountability and fosters trust in the company's actions. By openly addressing concerns and considering diverse viewpoints, businesses can build positive relationships with stakeholders and contribute to the development of inclusive and effective public policies.


Certifications

As part of QAFAC's assurance activities, all business processes and procedures are reviewed by our Internal Audit division. Internal Audit answers directly to the CEO before reporting to the Board. Periodic internal audits are conducted and adhered to as required by applicable standards.

In addition to internal audits throughout 2024, QAFAC successfully maintained the following ISO certifications by external third parties:

 **ISO 9001:2015**
QUALITY MANAGEMENT SYSTEM

 **ISO 45001:2018**
OCCUPATIONAL HEALTH AND SAFETY
MANAGEMENT SYSTEM

 **ISO 22301:2019**
BUSINESS CONTINUITY MANAGEMENT
SYSTEM

 **ISO/IEC 17025:2017**
LABORATORY ACCREDITATION

 **ISO 14001:2015**
ENVIRONMENTAL MANAGEMENT SYSTEM

 **ISO/IEC 27001:2013**
INFORMATION SECURITY MANAGEMENT
SYSTEM

QAFAC's Strategy

VISION

Be a leading producer of Methanol & MTBE recognized for our reliability and the quality of our products.

MISSION

To produce high quality Methanol, MTBE and other derivatives by developing our talent, fostering our culture of excellence and maintaining the highest HSE standards. We create value for all our stakeholders and contribute to Qatar National Vision 2030.

STRATEGIC PRIORITIES



Strategy and Risk Management



Strategy

QAFAC aims to meet its customers' requirements through the efficient management of its leadership economics, operational safety and reliability. The Company continually prepares for and adapts to changes in the marketplace and in customer preferences. QAFAC's corporate strategy activities are aligned with the policies and procedures of its parent company, QatarEnergy, as well as QAFAC Management Guidance, QAFAC Risk Management and QAFAC Operational Excellence.

The Company's strategy has three key priorities designed to drive cost optimization, operational excellence, and safety and reliability:

 **Leadership economics**

 **Growth engines**

 **Sustainability**

Key performance indicators (KPIs) are continuously monitored to enable the Company to measure its performance. Each department submits monthly KPI progress reports, with quarterly and annual overall strategic reviews, and progress against KPIs is reviewed by the CEO and QAFAC Leadership Team.



The Strategy Journey

2019

- Launch of Project Advance to refresh QAFAC's corporate strategy.
- Approval of strategy by QAFAC management, QatarEnergy management and the Board members.

2022

- Strategy implementation, monitoring, and reporting Focus on recognizing and communicating employee and program success, instilling a sense of pride amongst QAFAC workforce.

2023

- Strategy enhancement to meet QAFAC's vision and mission. Focusin on QAFAC values by initiatives provided by value ambassadors.

2020

- Planned strategy roll-out deferred (to 2021) due to the onset of COVID-19.

2021

- Strategy roll-out completed through virtual off-sites, i.e., exclusive one-on-one meetings with all departments at QAFAC to communicate the refreshed corporate strategy. Discussions included brainstorming on implementation of risks and mitigation plans.

2024

- Learning points from 2023 Plant Turnaround incorporated to achieve improvements to plant efficiency and safety.
- Successful execution of new agreements related to feedstock and domestic sales.



Risk Management

QAFAC is committed to fostering a culture of risk awareness and resilience throughout the Company, enabling us to navigate the complex risk landscape with confidence and determination.

Our Enterprise Risk Management (ERM) framework is aligned with the latest industry best practices and global standards. With risks continually evolving in QAFAC's business environment, effective risk management is essential to protect the organization against potential losses and adverse impacts, while ensuring its enduring resilience and success.

A risk assessment workshop involving senior and executive management enabled the Company to identify and analyze potential risks over a five-year timescale. From this, we developed a robust plan to address these risks comprehensively and in a timely manner.

Key risk indicators tailored have been implemented to monitor and evaluate identified risks effectively. By establishing comprehensive risk evaluation criteria, we have proactively provided all organizational departments with the necessary tools to quantify and manage risks across the entire business.

Through its ISO 31000:2018 Enterprise Risk Management Framework, QAFAC has identified seven major risk categories:

Financial Risk

- INACCURATE BUDGETING/FORECASTING AND INSUFFICIENT LIQUIDITY

Human Capital Risk

- RISK OF KNOWLEDGE CAPITAL AND/OR INTELLECTUAL ASSETS LOSS DUE TO AGEING WORKFORCE NEARING RETIREMENT, INSUFFICIENT DOCUMENTATION, EMPLOYEE TURNOVER AND LACK OF SYSTEMATIC PROCESS FOR KNOWLEDGE TRANSFER
- RAPID ADVANCEMENTS IN OPERATION TECHNOLOGY, MARKET COMPETITION AND LIMITED AVENUES TO ACQUIRE RELATED TECHNICAL EDUCATION MAY CAUSE DELAYS IN ACQUISITION AND RETENTION OF HUMAN RESOURCES

Technology (IT and OT) Risk

- INEFFECTIVE IT INFRASTRUCTURE TO MANAGE HARDWARE AND SOFTWARE FAILURES, VIRUSES, DATA PROTECTION AND CYBER ATTACKS
- BUSINESS DISRUPTION DUE TO DEPENDENCY ON SINGLE TELECOM SERVICE PROVIDER WHICH MAY LEAD TO SINGLE POINT OF FAILURE OF NETWORK SERVICES

Strategic and Reputational Risk

- GROWTH RISK FOR MTBE SALES CAUSED BY SUBSTITUTES AND ALTERNATIVES
- GEOPOLITICAL INSTABILITY LEADING TO DISRUPTIONS
- VOLATILITY/FLUCTUATION IN FEEDSTOCK PRICES IMPACTS ON PRODUCTION COSTS
- MARKET VOLATILITY/FLUCTUATION IN METHANOL AND/OR MTBE PRICES IMPACTS ON REVENUE STREAM

Operational Risk

- MAINTAINABILITY OF AGING PLANT
- INBOUND SUPPLY CHAIN DISRUPTIONS
- UNPLANNED SHUTDOWN DUE TO UTILITY SUPPLY DISRUPTION
- NON-ACCEPTANCE OF CONVENTIONALLY PRODUCED METHANOL DUE TO SHIFT IN CONSUMER PREFERENCE AND CHANGES IN ENVIRONMENTAL LAWS

Legal and Regulatory Compliance Risk

- EXPIRING OPERATIONAL AGREEMENTS MAY IMPACT BUSINESS CONTINUITY
- LITIGATION OR LOSS INCURRED DUE TO NEGLIGENCE IN COMPLIANCE WITH MARKET REGULATIONS

Health, Security, Safety & Environment (HSSE) Risk

- RISK ASSOCIATED WITH FAILURE TO IMPLEMENT A ROBUST SYSTEM HEALTH, SECURITY, SAFETY AND ENVIRONMENT MANAGEMENT SYSTEM TO PROACTIVELY IDENTIFY HAZARDS, PREVENT INCIDENTS OR INJURIES, PROMOTE A SAFE AND HEALTHY WORK ENVIRONMENT, AND ENSURE EFFECTIVE ENVIRONMENTAL PROTECTION.

Ethics and Culture

QAFAC's corporate culture is derived from its core values of Safety, People, Excellence, Integrity and Responsibility. These values are incorporated into every decision the Company makes, in line with our objectives and business goals. QAFAC is guided in its actions by its Code of Conduct, 'The Chemistry of Our Business'. The Code consists of 19 policies addressing QAFAC's ESG focus areas and dealing with all aspects of business conduct, conflict of interest, and legal and regulatory compliance. These policies encompass QAFAC's commitments as an organization and its expectations of everyone who works at and with the Company. They embody QAFAC's Values and underline the organization's commitment to ethical leadership, sustainable business practices and operational excellence.

During the year, 100% of employees and governance body members received communication on QAFAC's Anti-corruption Policy and five Board members received anti-corruption training.

Code of Conduct

In 2024, QAFAC launched an e-learning course to train all employees on the Code of Conduct and its associated policies. This encompasses periodic refresher training to reinforce the importance of compliance with the Code. All QAFAC contractors are also required to comply with the Code.

Every employee received a booklet in 2024 detailing the Code, and it has also been made available on the QAFAC website. A video presenting key messages

from the Code is displayed in the lobby of QAFAC's headquarters and Code of Conduct messages provide screensavers on desktop screens.

To further reinforce the importance of the Code, a series of email communications called Compliance Moments was distributed to all employees in 2024. These included educational materials on subjects such as anti-bribery, anti-fraud, climate change, a respectful workplace, and sustainability. Such communications raise awareness of our policies and help everyone within the organization to understand their role in maintaining the highest standards of integrity.

Looking ahead, QAFAC will continue to run awareness-raising sessions and workshops to maintain employee compliance with the Code. Plans are also underway to develop a separate Code of Conduct for Suppliers.



QAFAC's Code of Conduct was introduced in 2023. As part of its roll-out, in 2024 an e-learning course, together with a website and suite of intranet pages,

was launched to provide employees with a detailed awareness of the Code.

The Code encompasses a set of 19 policies:

1. Anti-Money Laundering Policy
2. Climate Change Policy
3. Competition Policy
4. Confidential Information Policy
5. Conflict of Interest Policy
6. Environment Policy
7. External Communication and Disclosure Policy
8. Human Rights Policy
9. Occupational Health & Safety Policy
10. Privacy of Personal Information Policy
11. Regulatory Compliance Policy
12. Respectful Workplace Policy
13. Speaking Up Policy
14. Stakeholder Engagement Policy
15. Sustainability Policy
16. Trade Compliance Policy
17. Asset Protection Policy
18. Anti-Fraud Policy
19. Anti-Bribery and Corruption Policy



"I trust that QAFAC and its employees will always seek to operate effectively, successfully and with high integrity. That is what we have always done. Our Code and our efforts to identify, discuss and address compliance risks will seek to continue that strong tradition."

Mr. Ahmed Al-Ahmed
CEO OF QAFAC



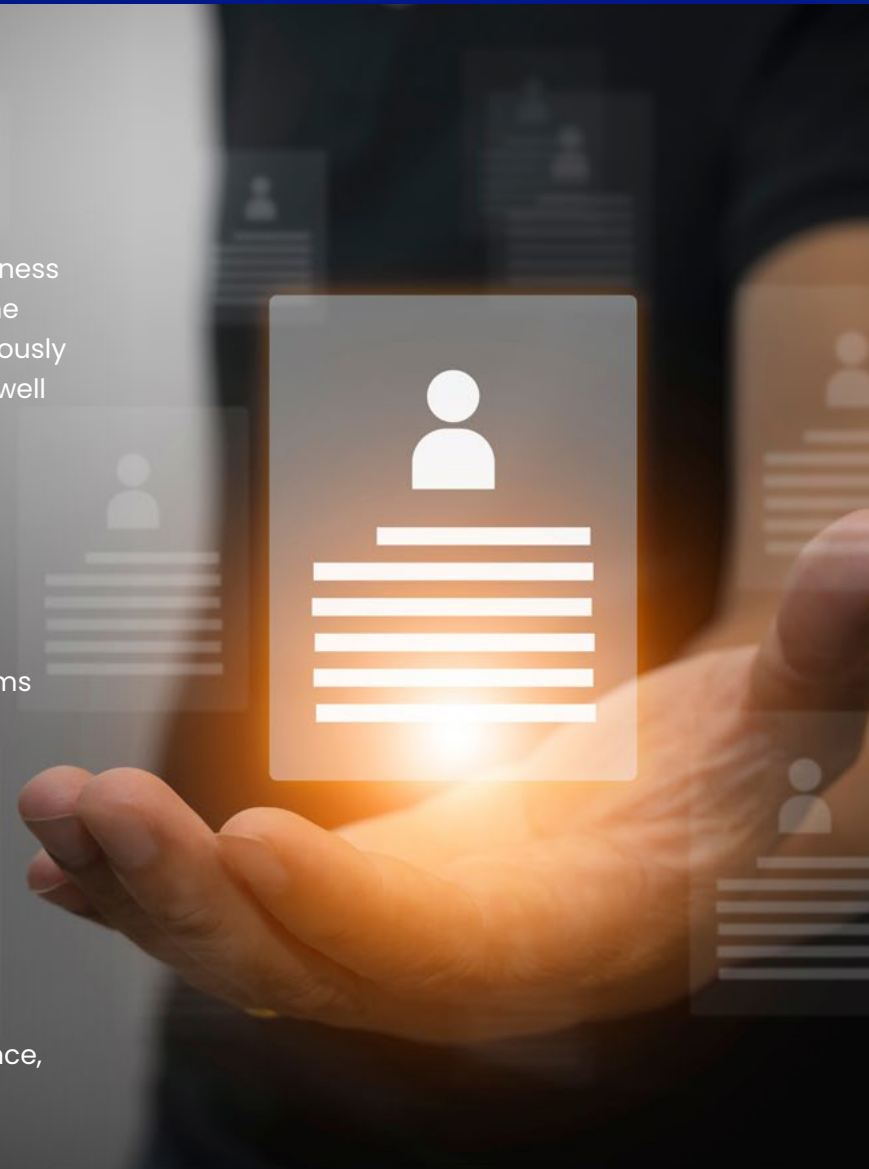
Business Conduct Committee

To further support the Code of Conduct, a new Business Conduct Committee (BCC) was created in 2024. The new committee has responsibility for matters previously covered by the Conflict-of-Interest Committee, as well as matters pertaining to the Code of Conduct.

The BCC's role is to:

- Foster a culture of integrity
- Monitor compliance with the Code of Conduct
- Endorse changes to the Code of Conduct
- Support various ethics and compliance programs
- Review, investigate, and report breaches of the Code of Conduct and advise the CEO of such breaches
- Oversee the annual Code of Conduct certification process and review of declarations
- Receive and evaluate compliance risk.

The committee includes cross-functional representation, with members from the Legal, Finance, and HR departments.



Approach to Sustainability

QAFAC's sustainability framework and strategy are rooted in the organization's core values and strategic commitments and aligned with its material topics. QAFAC's corporate strategy includes a dedicated pillar – Prepare for long-term sustainability –that reinforces the Company's commitment to sustainable operations.

To achieve its goals, QAFAC's operations are aligned with six sustainability enablers (see QAFAC strategy on page 17 above).

The Company's Sustainability Policy, launched in 2023 and included in the Code of Conduct rollout to all employees throughout 2024, underscores the Company's commitment to sustainable growth and development and the generation of stakeholder value.

Through the policy, QAFAC:

- Integrates sustainability into planning and business management processes.
- Monitor Company performance in line with Global Reporting Initiative (GRI) standards
- Supports the United Nation's Sustainable Development Goals and Qatar National Vision 2030.
- Supports the well-being and training of our workforce.
- Takes action to reduce our carbon footprint and combat climate change.
- Chooses sustainable investment practices and delivers social and economic benefits to our communities.

QAFAC is also developing a Sustainability Framework and related KPIs. Progress against these will be regularly monitored, along with their impact on Methanol and MTBE production.



'The new Business Conduct Committee will ensure that QAFAC sets the tone from the top by fostering a culture of integrity while monitoring compliance with QAFAC's standards for business conduct as outlined in its Code of Conduct' **Dave Samaroo**, GENERAL COUNSEL



Stakeholder Engagement and Transparency

QAFAC's relationship with its stakeholders is based on culture of transparency, proactiveness and responsiveness. The Company recognizes the need for a healthy and active synergy between both upstream (suppliers, investors) and downstream (customers, communities) stakeholders. In support of this, QAFAC's Stakeholder Engagement Policy aims to create trust-based relationships through engagement with our people, business partners, local communities, civil society, educational institutions and the government. This process reinforces internal and external communication regarding sustainability matters.

Materiality Assessment

QAFAC conducted a comprehensive update of its materiality assessment in 2024. This involved reviewing information from a range of relevant sources, including sector-specific sustainability reporting standards from SASB, multiple ESG rating agency criteria, and the material sustainability areas captured across a range of ESG-leading and regional peers. We also implemented the 'double materiality' concept to identify and prioritize material topics against which future performance should be disclosed.

QAFAC's Material Issues



ENVIRONMENT

WASTE

RESOURCE EFFICIENCY

WATER

CLIMATE CHANGE

BIODIVERSITY



SOCIAL

HEALTH & SAFETY

HUMAN RIGHTS & LABOR STANDARDS

LEARNING & DEVELOPMENT

DIVERSITY & EQUAL OPPORTUNITY

EMPLOYEE ENGAGEMENT, ATTRACTION, & RETENTION

COMMUNITY ENGAGEMENT & INVESTMENT

QATARIZATION



GOVERNANCE

ECONOMIC GROWTH

INNOVATION AND DIGITAL TRANSFORMATION

BUSINESS ETHICS & ANTI-CORRUPTION

OPERATIONAL RELIABILITY & BUSINESS CONTINUITY

SUSTAINABILITY IN THE SUPPLY CHAIN

PRODUCT RESPONSIBILITY

MANAGEMENT OF THE LEGAL & REGULATORY ENVIRONMENT

STAKEHOLDER ENGAGEMENT & TRANSPARENCY

CUSTOMER PRIVACY & DATA SECURITY

2024 Sustainability Highlights



24 million
safe working hours

completed without a lost-time accident, a milestone spanning 13 years.



50–60%
approximate reduction

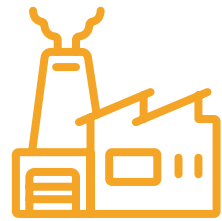
in Reformer and boilers NOx emissions (from 2022 baseline) after installation of Ultra Low NOx Burners



106 recipients
of long service awards



ZERO
reported incidents
of discrimination



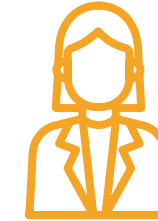
98.8%
Methanol plant
reliability



99.18%
MTBE plant
reliability



6,227 hrs
of employee training,
at an average of 15.5 hours
per person



33%
of all newly hired
employees were
female

Our Growth



Economic Growth

Innovation, & Digital Transformation

Operational Reliability & Business Continuity

Sustainability in the Supply Chain

Product Responsibility

Key Enablers to Our Strategic Priority 'Prepare for Long-term Sustainability'



Be a high-performing organization, focusing on talent management, Qatarization and succession planning



Strengthen stakeholder alignment



Support shaping regulations that impact our products



Boost digitalization to become a 'reference' in our industry



Material Topics

MATERIAL TOPIC	Alignment to Global and National Reporting Frameworks, Goals and Targets			
	QNV 2030	UN SDGs	GRI	QSE
Economic Growth	• ECONOMIC DEVELOPMENT	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• GRI 418	
Innovation and Digital Transformation	• ECONOMIC DEVELOPMENT • SOCIAL DEVELOPMENT	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE		
Operational Reliability and Business Continuity	• ECONOMIC DEVELOPMENT	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• GRI 416, • GRI 417 • GRI O&G STANDARD	
Sustainability in the Supply Chain	• ECONOMIC DEVELOPMENT • SOCIAL DEVELOPMENT • ENVIRONMENTAL DEVELOPMENT	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• GRI 204, • GRI 308, • GRI 414	• QSE S 22
Product Responsibility	• ECONOMIC DEVELOPMENT • SOCIAL DEVELOPMENT • ENVIRONMENTAL DEVELOPMENT	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• GRI 416 • GRI O&G STANDARD	• QSE E 2, S 14

Economic Growth

In 2024, QAFAC achieved revenue of QAR 2.85 billion which is 8% higher than the previous year.

QAFAC's financial performance is overseen by the Chief Finance Officer (CFO). Financial performance, metrics, targets and practices are governed by the Company's Cost Optimization Policy and Strategy.


For day-to-day financial management and reporting, QAFAC uses integrated management software, aligned with the International Financial Reporting Standards (IFRS).

This software assists executive management in taking strategic decisions and facilitates the setting of budgets, forecasts, taxes, cash flows, and investment levels.

An Internal Financial Control Framework maintains necessary checks and balances, helping to ensure financial reliability. The framework operates in line with leading internal practices, such as those of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal control framework.

QAFAC appoints an external auditor each year to conduct an independent assurance on the Company's annual financial statement. This guarantees quality, credibility, and transparent disclosure of our financial data.

To promote transparency and engagement, QAFAC shares daily market reports and weekly market highlights and newsletters with all employees.

 **QAFAC's 2024 revenue grew by 8% from QAR 2.64 billion to QAR 2.85 billion**



Innovation and Digital Transformation

QAFAC’s IT protocols and procedures are aligned with the National Cybersecurity Agency, Ministry of Interior (Mol), State of Qatar and the Qatar Cybersecurity Framework, established by the Supreme Committee of Delivery and Legacy.

QAFAC has a Privacy of Personal Information Policy, setting out the high standards required for the management of employee and external stakeholders’ information and defining minimum compliance requirements.

Qatar’s Ministry of Information assists in identifying and countering cybersecurity threats to QAFAC. A joint

continuous feedback system enables both parties to exchange information on QAFAC’s exposure to such threats as well as enhancing information security, control mechanisms and other related elements.

QAFAC holds ISO 27001:2013 Information Security Management System accreditation. Our IT department, Business Continuity Management Team and Corporate Risk Management Team conduct risk management simulations to ensure robust defenses are in place. The effectiveness of this was confirmed in 2024, when, despite 346,915 attempted cyberattacks on QAFAC, none resulted in an actual attack.

Data Security

Companies’ handling of personal data is evaluated on various factors, impacting both financial and affected stakeholders. Financial stakeholders, including shareholders and employees, are concerned with the company’s adherence to privacy regulations and its ability to protect personal data, as non-compliance and data breaches can lead to financial losses and reputational damage. Increased scrutiny and enforcement of privacy regulations may also affect shareholder value and job security.

Similarly, affected stakeholders, such as regulators, local communities, media, customers, suppliers, and non-governmental organizations are concerned with data privacy and security practices.

They rely on companies to safeguard personal data and comply with evolving regulations to protect individual rights and maintain trust. Robust systems for protecting personal data contribute to maintaining stakeholder confidence and upholding the company’s reputation, benefiting both financial and affected stakeholders.

STRATEGIC PRIORITIES	CATEGORY	KPI	TARGETS IN 2024	PERFORMANCE IN 2024
BOOST DIGITALIZATION TO BECOME A 'REFERENCE' IN OUR INDUSTRY	DIGITAL PROJECTS FUNNELING	Number of digital projects in pre-feasibility study phase with completed prefeasibility assessments	08	08
		Number of digital projects in the final implementation phase/ successful launch	04	04


CYBER ATTACKS	UNIT	2021	2022	2023	2023
ATTEMPTED CYBERATTACKS	#	81,501	701,031	425,138	346,915
ACTUAL CYBERATTACKS	#	0	1*	0	1*

Notes:
 * This incident involves the exposure of credentials for an individual user. It was reported by NCSA, verified, reviewed, and preventive actions were taken. It has been confirmed that there was no impact. Alerts pertaining to QAFAC’s internal network are also included in the count.

In 2024, QAFAC made significant progress in implementing its Intelligent Electronic Document Management System (EDMS) integrated with 3D plant modeling.

This system will consolidate all content into a unified, centrally hosted repository, ensuring data security and a single source of truth. The EDMS will streamline electronic record management, facilitating easy upload and retrieval, and establishing automated workflows for interactive review, revision commentary, and stakeholder approvals. Laser scanning of the QAFAC plant has been completed, and the 3D modeling process, which will integrate technical data, system applications, and product information, is currently in progress.

The QAFAC plant maintains robust safety and security through comprehensive CCTV monitoring. Strategically placed cameras throughout all operational areas, particularly near critical equipment, provide operators with real-time visibility into equipment status. This CCTV footage serves a dual purpose: it enables proactive operational oversight and provides a valuable resource for incident investigation and the development of corrective actions. To further enhance surveillance capabilities, QAFAC is expanding its CCTV installation and monitoring infrastructure throughout the plant's operational areas in 2024 and continuing into 2025. This expansion will provide increased visibility and improved monitoring capabilities.



ESG IT Application

ESG IT APPLICATION

GRI Report ESG Program ESG Indicators

Scope 1 Scope 2 Scope 3

- Set up ESG Framework
- ESG KPI Mapping
- Set up Auto data collection for KPI
- Manual Data Collection
- KPI Calculation
- Deviation Management
- Audit Trail for KPI
- Customized Internal and External Reports

Leveraging Digitalization to Transform Business Applications

In today's fast-paced digital landscape, businesses are embracing digitalization to enhance their operations, improve efficiency and elevate the overall user experience. Digitalization in applications involves integrating digital technologies and tools into different facets of applications to streamline processes, automate tasks and leverage data-driven insights.

In 2024, QAFAC embarked on a comprehensive digitalization initiative to develop key applications, including:

- **Material Master Data Management**
- **Transformation of Contractor Performance Assessment**
- **SAP Success Factor Performance Management**
- **Internal Audit Application**
- **Upgrading SAP Applications**
- **Integration Between SAP and Active Directory**
- **Adobe Learning Manager**
- **Code of Conduct and Conflict of Interest Declaration**
- **Finance Reports**
- **BI Reports and Dashboards**

The implementation of these digital initiatives has seen significant business improvements, including greater efficiency and productivity, improved data accuracy and accessibility, and an enhanced user experience for employees and stakeholders, highlighting the transformative impact of digitalization.

Harnessing Virtualization for Sustainability: QAFAC IT Technology Transformation

QAFAC's IT Infrastructure Team undertook a significant technology transformation initiative, prioritizing both operational optimization and environmental sustainability. Recognizing the limitations of traditional physical network infrastructure, they implemented VMware virtualization to modernize key systems. This involved a strategic shift from physical firewalls to VMware's VM-Series firewalls, the migration of physical wireless network controllers to virtual counterparts, and the transition of physical voice gateways to virtual voice gateways.

This 'sustainable leap' from physical to virtual infrastructure yielded several key benefits:

- **Reduced Energy Consumption:**
Virtualization significantly lowered the energy footprint of their IT operations.
- **Effortless Manageability:**
Virtualized systems offered simplified management and maintenance.
- **Enhanced Portability and Cloud Readiness:**
The virtual environment facilitated greater flexibility and prepared the infrastructure for future cloud integration.
- **Improved Resource Efficiency:**
Virtualization optimized hardware utilization, maximizing resource allocation.

- **Scalability and Agility:**
The new infrastructure provided enhanced scalability and agility to adapt to evolving business needs.
- **Reduced Rack Space Requirements:**
Virtualization minimized the physical hardware footprint, freeing up valuable rack space.
- **Extended Hardware Lifespan:**
By optimizing resource utilization, the virtualization project extended the lifespan of existing hardware.

This initiative demonstrates QAFAC's commitment to sustainable practices. By leveraging VMware technologies, they not only achieved operational efficiencies but also set a precedent for other organizations seeking to minimize their environmental impact through strategic IT modernization.

Strengthening Cybersecurity and Audit Protocols

Cybersecurity and audit are essential for safeguarding digital assets, sensitive information, and ensuring regulatory compliance. The following key practices are implemented to prevent cyber incidents and maintain response readiness:

1. **Risk-Based Approach**
2. **Comprehensive Policies and Procedures**
3. **Advanced Threat Detection and Prevention**
4. **Incident Response Readiness:**
(24*7 – SOC Monitoring)
5. **Continuous Monitoring and Compliance:**
(24*7 – SOC Monitoring)

In April 2024, QAFAC was honored in the bronze category for demonstrating professionalism in the NCSA Cyber Drill 2023.

Rollout of the Information Classification Tool (Microsoft Azure Information Protection – AIP-) across QAFAC. This tool marks a significant step forward in our commitment to safeguarding our sensitive data and maintaining our high standards of security.

QAFAC IT Technology Transformation –
QAFAC IT achieved substantial operational efficiencies and environmental benefits by strategically implementing VMware virtualization. This initiative involved migrating critical infrastructure components – physical firewalls to VM-Series, wireless controllers to virtual, and voice gateways to virtual – resulting in a modernized and sustainable IT environment.

Pilog-MDRM Project Implementation at QAFAC

The Pilog-MDRM (Master Data Record Management) project is the first Tawteen initiative implemented at QAFAC, marking a significant milestone in adopting a cloud-based, digitized governance solution for master data management. This project exemplifies the alignment of cutting-edge technology with operational efficiency, delivering transformative benefits across multiple dimensions.

Key Features of the Pilog-MDRM Project:

- **Governance Solution for Master Data**
- **Digital Approvals and Paperless Processes**
- **Data Cleansing and Transformation**
- **Centralized Document Accessibility**
- **Integration of UNSPSC Codes**
- **Availability of high-quality graphic images of Materials**

Benefits:

- **Improved Data Quality**
- **Operational Efficiency**
- **Enhanced Reporting Capabilities**
- **Sustainability and Resource Optimization**

The successful implementation of the Pilog-MDRM project at QAFAC highlights the transformative impact of digitization in master data management. By integrating advanced governance solutions, digital processes, and standardized coding frameworks, the project has achieved enhanced data quality, operational efficiency, and accessibility. This initiative serves as a benchmark for future digital transformation projects in similar industrial settings.

Digitalization of Internal Audit Process

QAFAC implemented a custom digital application to streamline its internal audit process, eliminating manual tracking and enhancing efficiency. This end-to-end solution automates audit actions, follow-ups, and approvals, providing comprehensive reporting and improved visibility.

Key Features:

- **Digital Close-Out and Extension:**
Process owners can digitally submit evidence and request date extensions, triggering automated approval workflows.
- **Automated Approval Workflow:**
The system manages approval processes, generating detailed close-out and revision forms.
- **Automated Follow-Up:**
The application automates follow-up reminders to process owners.

Benefits Achieved:

- **Digitalization of audit processes.**
- **Improved data integrity.**
- **Automated approval routing.**
- **Increased efficiency and simplicity.**
- **Enhanced reporting and actionable results**

Transformation of Contractor Performance Assessment Process

QAFAC transformed its manual, paper-based contractor performance assessment process to an ERP-driven application, addressing significant challenges like reporting delays, inconsistent evaluations, and data fragmentation.

Challenges of the Previous System:

- Delays in reporting due to manual data collection.
- Inconsistent evaluations from subjective judgments.
- Lack of data integration across multiple sources.

Objectives of the Transformation:

- Improve accuracy and consistency of assessments.
- Automate the assessment process.
- Enhance transparency and data-driven decision-making.

Results and Value Added:

- **Quantitative Improvements:**
 - Increased time efficiency in reporting.
 - Enhanced consistency in evaluations.
- **Qualitative Feedback:**
 - Improved stakeholder satisfaction.
 - Increased trust and transparency.
- **Operational Impact:**
 - Enhanced decision-making capabilities.
 - Improved scalability for future growth.

The transition to an ERP-based system successfully eliminated delays, inconsistencies, and data silos, resulting in improved operational efficiency, transparency, and scalability. This transformation has positioned QAFAC for better contractor management and strategic growth.

QAFAC's Digital Transformation Committee

was established to drive digitalization initiatives and projects to improve the efficiency, productivity and performance of our systems. The Hub plays an integral role in furthering QAFAC's digital transformation.

The Digital Project Management Office will be responsible for initiating and executing digital projects through the following defined phases in digital projects management process.

1.

Ideation & Initial Screening

Idea evaluation and selection, Determine potential benefit based on prioritization criteria.

2.

Proof of concept & Planning

Translate selected ideas into testable concepts, Refine business case based on PoC output

3.

Design & Development

Design system architecture and develop the application, Conduct user acceptance testing (UAT).

4.

Scale & Roll-out

Develop deployment and rollback plans, migrate data, continuously refine business case.



Digital Transformation Vision

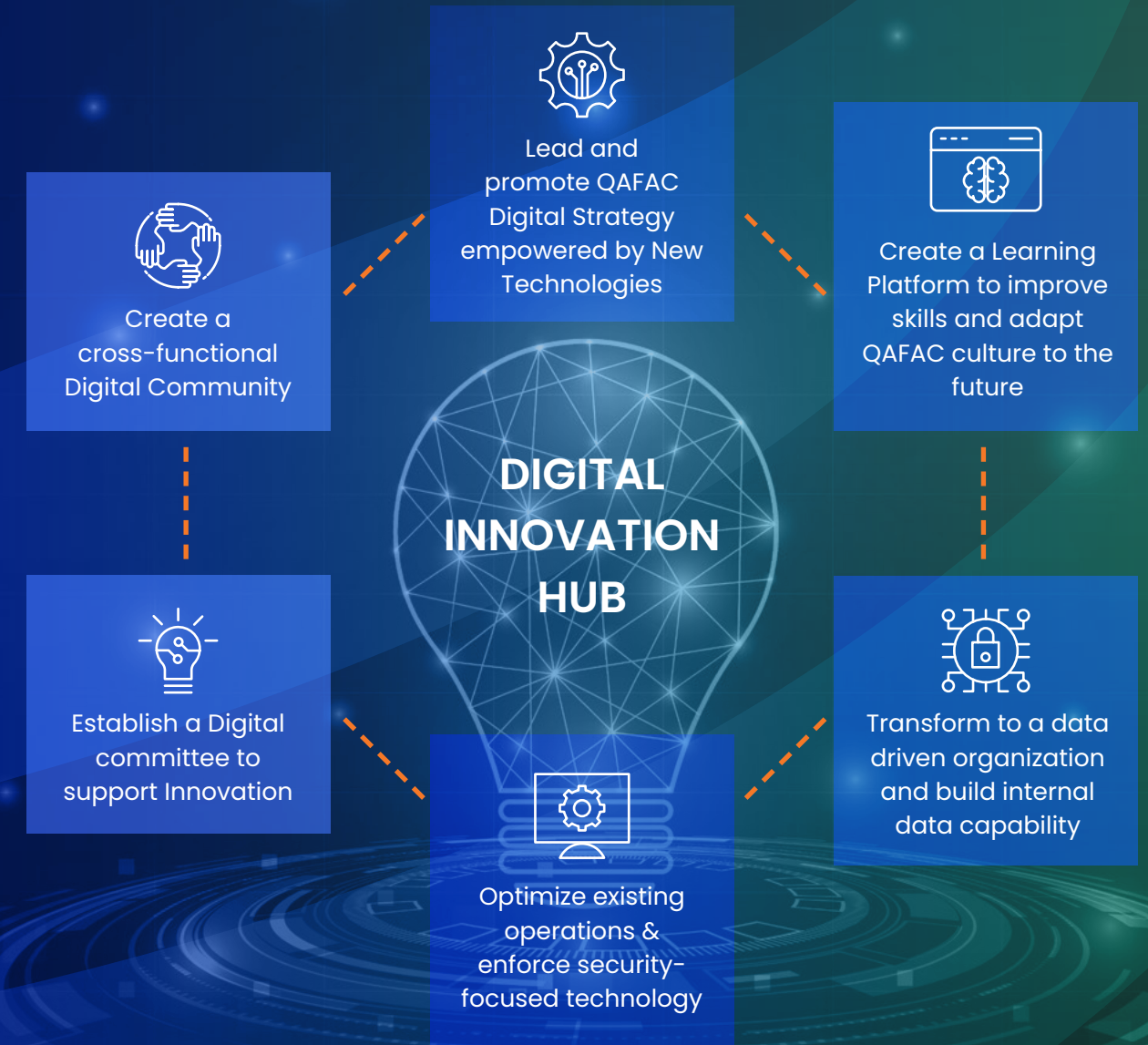
To inspire internal and external customers by driving agile technology transformation through innovative, collaborative and cost-effective cutting-edge digital solutions in a secure, safe and sustainable environment.



Digital Transformation Vision

To inspire internal and external customers by driving agile technology transformation through innovative, collaborative and cost-effective cutting-edge digital solutions in a secure, safe and sustainable environment.

The key strategic pillars of the Digital Innovation Hub are:



QAFAC continues to expand digitalization across our operations.

Current initiatives include introducing task automations and wearable devices, such as smart watches, that allow our employees to share and view company data.

Operational Reliability & Business Continuity

QAFAC has rigorous processes to maintain high levels of operational reliability and efficiency by continuously monitoring our assets to avoid failures.

This includes standard operating procedures for all production processes. A risk-based inspection strategy enables us to deliver value by mitigating risks associated with unplanned operational interruptions, including a schedule of inspection and maintenance activities.

QAFAC also has governing procedures, committees and projects to maintain and improve its operational reliability and plant productivity, These include the KPI Review Committee, chaired by the Chief Operating Officer, which meets monthly to evaluate all operational and sustainability KPIs.

Annual KPIs for plant reliability, complemented by annual reliability assessments, help to drive progress towards our targets and enable us to identify discrepancies between targets and actual performance. Our Operational Excellence Program uses a range of metrics to assess, monitor, and provide recommendations for the effective operation of QAFAC assets

Production in 2024

In 2024, production at QAFAC was primarily influenced by external factors such as higher natural gas prices, which impacted profitability. Internally, the plant’s operational capacity was limited by increased vibrations in the Synthesis Gas Compressor Turbine, which restricted the plant’s load.

The trend of higher natural gas prices negatively impacted the profitability of QAFAC products. This increase in prices influenced both the Company’s revenue generation capabilities and the feedstock allocation decisions made by QatarEnergy.

The improvement action plan from the 2023 turnaround included significant upgrades such as the revamp of existing utility boilers to Ultra Low NOx burners, which are now performing satisfactorily. Additionally, the reformer’s lower ammonia lances and the upper lance tips were replaced to enhance efficiency and reduce emissions. The next planned turnaround is scheduled for 2027.

The year saw the successful completion of the performance monitoring system for the utility boilers combustion, using Historian software. This includes real-time boiler efficiency calculations and detailed monitoring of operational parameters, enabling enhanced energy management and improved decision-making processes within the operational framework.

An internal audit was successfully completed in 2024, with just two medium observations for action and closure.

On December 19, 2024, QAFAC surpassed its previous annual MTBE production record, set in 2018, by producing 698,941 metric tonnes, with twelve production days remaining in the year. The yearly target for MTBE production was achieved on December 24, 2024, with seven days of production remaining. The yearly target for Methanol production was reached on December 23, 2024, with eight days of production remaining. These accomplishments were achieved despite challenges such as plant shutdowns and production limitations.

Other achievements during the year included:

- No product quality issues arose and there were no reprocessing requirements, meaning 100% adherence to quality was achieved
- The Natural Gas specific consumption was below target, indicating optimal plant operation
- The Butane specific consumption was below the target, indication optimal MTBE plant operation
- Engine-driven fire water pumps were replaced
- A Cathodic Protection system upgrade was carried out for one MTBE product storage tank; a second tank upgrade is ongoing.



Plants’ Reliability Performance

	UNIT	2022	2023	2024
METHANOL PLANT AVAILABILITY & RELIABILITY	%	100	98.5	98.8
MTBE PLANT AVAILABILITY & RELIABILITY	%	98.5	100	99.2

Sustainability in the Supply Chain

QAFAC continually seeks to improve supply chain operations and thereby build a competitive advantage. We do so by minimizing related costs, achieving market and economic value and enhancing customer service.

In line with the Qatar National Vision 2030, QAFAC aims to source from local suppliers. Our Procurement Policy states a preference for engaging with Qatari-owned or controlled companies where the cost does not exceed 10% of non-Qatari equivalents. In addition, QatarEnergy is developing metrics for awarding local contracts based on ICV (In-Country Value) ratings for all our suppliers. We also leverage the knowledge of other QatarEnergy subsidiaries to improve our procurement processes by onboarding approved and qualified local vendors.

QAFAC subscribes to the Ta'win Synergy Development Program. Run in partnership with QatarEnergy subsidiaries, the program prioritizes large aggregate orders to obtain preferential pricing and build a sustainable and efficient supply chain. Supply chain-related data, including payments to suppliers, contractors, and local suppliers is monitored and tracked by our Procurement team. During our tendering process, tenders are floated either by QAFAC or in collaboration with QatarEnergy as part of the Tawteen Initiative to reduce our costs.

Our commitment to environmental and social responsibility is reflected in our Procurement Policy, which requires all contractors and suppliers to maintain high standards of social, environmental, economic practices. Our Supplier Performance Evaluation Procedure applies a systematic approach to evaluating suppliers and contractors, using criteria such as technical and commercial competencies, delivery performance, ISO certifications and their relationships with Qatari companies in the oil and gas industry. Through this process, we are able to identify and prioritize high-performing suppliers. Our Code of Conduct policy suite includes a dedicated Stakeholder Engagement policy, through which we seek to create trust-based relationships and foster dialogue with suppliers and business partners. We are currently developing a specific Supplier Code of Conduct, which is planned for implementation in 2025.

In 2024, 90% of QAFAC's suppliers were locally based and the proportion of spend with local suppliers was QAR 2.9 billion.

We are pleased to report that no suppliers had contracts terminated due to audit findings in 2024.



Procurement Contribution

	UNIT	2022	2023	2024
LOCAL SUPPLIERS	QAR ('000)	2,938,510	2,863,634	2,938,510
PROPORTION OF SPENDING ON LOCAL SUPPLIERS	%	88%	91%	90%



Product Responsibility

QAFAC ensures the quality of its products through rigorous monitoring of plant parameters and strict adherence to Standard Operating Procedures (SOPs).

Additionally, quality control measures include confirming check tank samples before transferring them to the main product tanks to ensure that only products meeting quality standards reach customers.

For Methanol, QAFAC adheres to the International Methanol Producers and Consumers Association (IMPCA) standards and the Bureau of Indian Standards (BIS). Our Quality Management System is ISO 9001:2015 certified, confirming that our products satisfy all regulatory requirements and product quality standards. Comprehensive checks are conducted during production processes to ensure our customers' needs are met.

In addition, we have a Safety Data Sheet (SDS) system, developed in line with the Globally Harmonized System of Classification and Labelling and available on our website. This system ensures we have the correct information available at all times to ensure the highest safety standards for material and product handling.

To assess and mitigate our HSE impacts and also to protect employees and customers who handle our products, we conduct regular Health, Safety and Environmental (HSE) impact assessments on our products. This enables us to identify and mitigate any potential hazards. We also conduct regular system temperature and pressure checks, label pipes and valves to indicate flow direction, and storing our production above ground in tank farms.

An audit was conducted on November 2024 with no non-compliance issues found.

In 2024, we recorded zero incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of our products.

QAFAC Corporate Planning, in coordination with QAFAC Production and QatarEnergy, is continuously assessing opportunities to enhance the monetization potential of existing assets. This includes evaluating incremental expansions to current production and the sequential production of Methanol or butane derivatives. These initiatives have the potential to optimize capital expenditure, improve the environmental footprint of our operations, and deliver enhanced value in alignment with Qatar's Third National Development Strategy (NDS3).



Ensuring Quality Excellence: QAFAC Laboratory's Commitment to International Standards

QAFAC's Laboratory is the primary source of quality control at QAFAC's Plant, performing rigorous testing and quality assurance from feedstock receipt to final product delivery. The Laboratory adheres strictly to national and international standards, ensuring accuracy, reliability, impartiality, confidentiality, personnel competency, compliance, and customer satisfaction.

The Laboratory maintains distinct standards for its products:

- Methanol is tested per IMPCA standards for international markets and BIS IS 517:2020 for the Indian market.
- Annually, multiple audits verify the Laboratory's compliance. Consistently achieving audits without Non-Conformities or Observations demonstrates the Laboratory's commitment to regulatory authorities, including Qatar's Ministry of Environment and Climate Change and QatarEnergy, enhancing both internal and external customer satisfaction and trust.
- QAFAC's Laboratory holds ISO/IEC 17025:2017 accreditation, covering fuel, wastewater, and product-specific parameters. It is internationally recognized by ILAC-MRA, authorized to use the "Accredited CAB Combined ILAC MRA Mark," which promotes global confidence and acceptance of its test reports.

Benefits of ILAC-MRA recognition:

- Supports international trade through universal acceptance of accredited test reports.
- The ILAC MRA enhances the acceptance of products across the national borders & removing the need for additional testing of the exports products. In this way, the free-trade goal of accredited once, accepted everywhere.
- Provides governments a credible framework for international trade agreements.
- Gives regulators an internationally recognized validation of compliance.
- Assures industry users of report accuracy and reliability.
- Enhances consumer confidence through independently verified testing practices.

Additionally, the Laboratory has significantly expanded its analytical capabilities by fully implementing the Organic Acids Method in water matrix samples, utilizing High-Performance Liquid Chromatography (HPLC). This specialized analysis includes key organic acids such as Glycolate, Formate, Propionate, and Acetate, supporting Plant Studies, RCA requirements, environmental monitoring, and additional quality control measures.

Our Environment

Resource Efficiency

Climate Change

Waste

Water

Biodiversity

Key Enablers to Our Strategic Priority 'Prepare for Long-term Sustainability'























Strive for excellence in environmental protection



Boost digitalization to set a benchmark in our industry



Material Topics

MATERIAL TOPIC	Alignment to Global and National Reporting Frameworks, Goals and Targets			
	QNV 2030	UN SDGS	GRI	QSE
Resource Efficiency	• ENVIRONMENTAL DEVELOPMENT	 	• GRI 301	
Climate Change	• ENVIRONMENTAL DEVELOPMENT	      	• GRI 302, • GRI 305 • GRI O&G STANDARD	• QSE E1-E7
Water	• ENVIRONMENTAL DEVELOPMENT	 	• GRI 303 • GRI O&G STANDARD	• QSE E8
Waste	• ENVIRONMENTAL DEVELOPMENT	     	• GRI 306 • GRI O&G STANDARD	• QSE E9
Biodiversity	• ENVIRONMENTAL DEVELOPMENT	  	• GRI 304 • GRI O&G STANDARD	

Resource Efficiency

QAFAC’s material management policies emphasize resource efficiency and the sustainable use of raw materials, particularly natural gas and butane, which are essential feedstocks in Methanol and MTBE production. The company focuses on efficient utilization and waste minimization, adopting circular economy principles to optimize resource use and promote recycling. Innovation in material management is continuously pursued through technological advancements, enhancing material efficiency and aligning with the Qatar National Vision 2030.

Climate change and heightened geopolitical tensions are seeing an increased emphasis on the development of renewable and alternative energy sources, and on the availability and accessibility of traditional fuel sources. At the same time, the spread of circular economy concepts is enabling businesses to gain a better understanding of the benefits of effective resource management.

At QAFAC, we are committed to diversifying our energy mix and achieving the optimal utilization of our natural resources. To this end, we have developed a range of projects and initiatives. These include Regenerant Gas Scrubber technology, which enables gas at our MTBE plant to be recycled, reducing overall consumption of Natural Gas by 4.2 metric tonnes per hour.

Developing a new gas supply network

Station S, is the hub of the Gas Distribution System (GDS), which supplies gas to Mesaieed consumers (Industrial and power plants) and power stations outside Mesaieed Industrial Complex (MIC). This Station is identified as the most critical element of GDS. The availability and reliability of the Station is crucial for smooth operation of MIC industries.

To counter this, an additional gas supply network was developed, including the construction and commissioning of a new supply source, Station SI, with a new piping network and metering stations.

The Integrated Gas Supply to Mesaieed Consumers (IGSMC) project was initiated by QatarEnergy to ensure uninterrupted gas supply to all Mesaieed consumers.

The main objectives of the project include:

- Installation of additional gas supply network in Mesaieed with all the required facilities
- Tidying the area by removing some of the existing individual pipelines to the consumers from Station S.
- Provide custody flow metering to ensure accurate metering of gas supply to Mesaieed consumers.

QAFAC, as part of this project, was responsible for:

- All the piping network (existing and new) between QAFAC’s existing metering station and the new QatarEnergy metering station.
- Providing two (normal and emergency) power supplies to station, interfacing QAFAC’s Schneider Electric power supply with QatarEnergy’s ABB’s power supply.
- Providing fiber optic connections from QAFAC to the Station, interfacing QAFAC’s Honeywell DCS system with QatarEnergy’s Yokogawa SCADA system for exchanging the required signals.
- Providing Instrument air to station.



Materials Used by Weight Consumption

	UNIT	2022	2023	2024
TOTAL NATURAL GAS (FEED + FUEL FOR ENERGY GENERATION)	MT	838,796	716,900	848,661
NATURAL GAS AS PROCESS FEED	MT	621,137	528,307	604,128
BUTANE	MT	509,569	464,934	528,558



Climate Change

QAFAC shows concern and respect for our environment and seeks ways to achieve prudent use of our resources. We aim to minimize environmental impacts and pollution through waste reduction and management, conservation of water, emissions reduction, and biodiversity protection, and develop and encourage practices to reduce greenhouse gas emissions. We follow all applicable laws and regulations for environmental protection; when such regulations do not exist, we set a high standard for our actions.

We also work with local communities and governments to monitor and manage any environmental impacts. We focus on preventing leaks, spills, and other risks, and manage any potential impacts with a rapid and comprehensive response. We conduct environmental due diligence in our supply chain and with contractors and other third-party partners, and we encourage those partners to prevent pollution and protect the environment.

Our Climate Change Policy, aligned with QatarEnergy's climate change policy commitments, supports the goals of the Paris Agreement. The policy highlights QAFAC's commitment to responsible stewardship to combat the effects of climate change. It sets out the principles underpinning our approach and identifies necessary actions we can take to build climate change resilience.

QAFAC's separate Environmental Policy underscores our commitment to environmental protection, and compliance with international standards. The policy incorporates initiatives aimed at reducing emissions, controlling pollution, managing waste, and conserving biodiversity.

We adhere to environmental regulations enforced by Qatar's Ministry of Environment and Climate Change (MoECC). These include compliance with standards related to emissions, waste management, and water usage, such as using Ultra-Low NOx burners to meet air pollution regulations. We also adhere to guidelines from national and international bodies for biodiversity management.

In line with our Environmental Policy, all relevant departments are required to:

- Set environmental objectives and targets and monitor progress toward them
- Implement environmental-related procedures, guidelines and plans
- Routinely inspect and report on systems, processes and performance
- Provide a comprehensive response to protect people and the environment incase an incident occurs.

Energy

QAFAC is committed to continual improvement in managing its energy use efficiently. We aim to use energy-efficient products and services, set and review energy management targets and objectives, and monitor and improve our performance by measuring and analyzing our energy consumption to identify where it can be enhanced. We also promote energy-saving measures and awareness to employees, encouraging behavior such as turning off equipment and lighting when not in use, reporting energy wastage, and participating in energy-saving initiatives.

The majority (96%) of energy consumed by QAFAC is created from fuels including natural gas, other gases and diesel; the remaining 4% comes from regenerated gas that is used as a fuel in some of the combustion units.

We are currently implementing a company-wide ISO 50001 Energy Management System. This project is nearing completion, with relevant policies and procedures already developed.

These include an Energy Management Manual, Energy Planning and Review process and Energy Management Improvement procedure.

In 2024, QAFAC’s overall energy consumption increased by 17%, reaching 26,477,336 GJ. This rise is attributed to the plant’s consistent operation throughout 2024, contrasting with 2023, which included a planned turnaround that likely resulted in lower energy consumption.

Our RGS unit’s operation successfully reduced off-spec gas flaring by 45%, leading to a 46% (for flaring activity only) decrease in CO₂e emissions since 2021. Utility Boilers achieved significant NOx emission reductions, with B-3201 achieving a 62% reduction and B-3202 showing a 59% reduction against a 2022 baseline). Our leak detection and repair program saw fugitive emissions reduced by 175,517 kg per year. This was achieved by inspecting 110,399 sources and identifying and repairing 128 out of 251 leaks; while the remaining 123 are being monitored and will be repaired in the next available opportunity.



Energy Consumption

	UNIT	2022	2023	2024
DIRECT ENERGY CONSUMPTION (NATURAL GAS, DIESEL, PURGE GAS & OFF GASES USED AS FUEL)	GJ	23,499,094*	20,700,391*	24,227,612
INDIRECT ENERGY	GJ	903,871	809,860	914,323
TOTAL DIRECT AND INDIRECT ENERGY CONSUMPTION	GJ	24,402,965*	21,510,251*	25,141,936
ENERGY INTENSITY	GJ/TON PRODUCTION	13.58	13.87	13.67

*Values are restated due to recalculation



Flaring of Off-Spec Gases

	UNIT	2022	2023	2024
FLARING OF OFF-SPEC GASES	MM SCM	45.9	66.5	67.7

Energy Management System

QAFAC is working to implement a new ISO 50001 Energy Management System, covering our Methanol, MTBE and utility production plants, as well as product storage and shipment. The scope of the multi-function project covers all processes and plant operations, maintenance, and relevant new projects, as well as equipment and offices.

The new system will provide a range of key benefits, helping QAFAC to:

- review and approve energy management targets
- integrate energy management goals into broader initiatives and objectives
- ensure compliance with all legal and regulatory requirements related to energy use
- inform the procurement of energy-efficient equipment and services
- provide accurate data for energy management monitoring and reporting.

A number of key steps have been completed so far, including a review of our energy management policy, manual and procedures, and integrated management system procedures. In 2024, we completed a review of our energy use and consumption, analyzing current, past and future consumption, energy performance and opportunities for improvements. Energy review workshops were held to raise employee awareness around energy management system, and our internal auditors have been fully trained in the new system.

QAFAC EnMS Boundary



MTBE Production Plant



Methanol Production Plant



Utilities Plant



Product Storage & Shipment (Jetty)

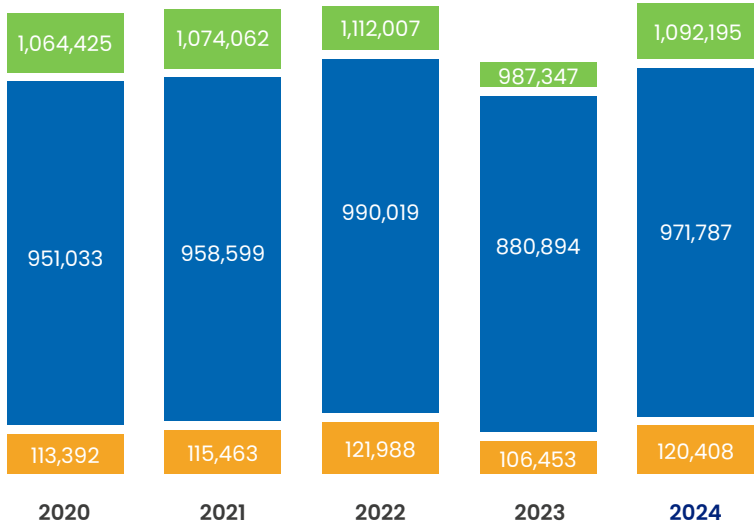
GHG Emissions

QAFAC seeks to achieve a continual reduction in the greenhouse gas (GHG) emissions from its operations. Data is monitored in real-time, with ongoing tracking and verification, guided by a set of KPIs.

An important tool in the Company’s efforts is our Carbon Dioxide Recovery unit. This reduces GHG emissions by capturing carbon dioxide and converting it to Methanol, which both aids emissions reduction and optimizes resource usage. In 2024, QAFAC successfully captured 174,782 metric tonnes of carbon dioxide and converted it into Methanol via the unit.

In line with the QatarEnergy directive, we have implemented a GHG Accounting and Reporting procedure. This follows European Union and Intergovernmental Panel on Climate Change guidelines to ensure accurate emissions reporting.

In 2024, total GHG emissions were 1,092,195 MTCO₂e. While this is an 11% increase from last year, the comparison is not direct as emissions in 2023 were much lower than normal due to a plant Turnaround. Emissions actually fell by 1.5% in 2024 when compared to the last non-Turnaround year, 2022.



GHG EMISSIONS
(TCO₂e)

- Direct GHG Emissions (Scope 1)
- Indirect GHG Emissions (Scope 2)
- Total GHG Emissions

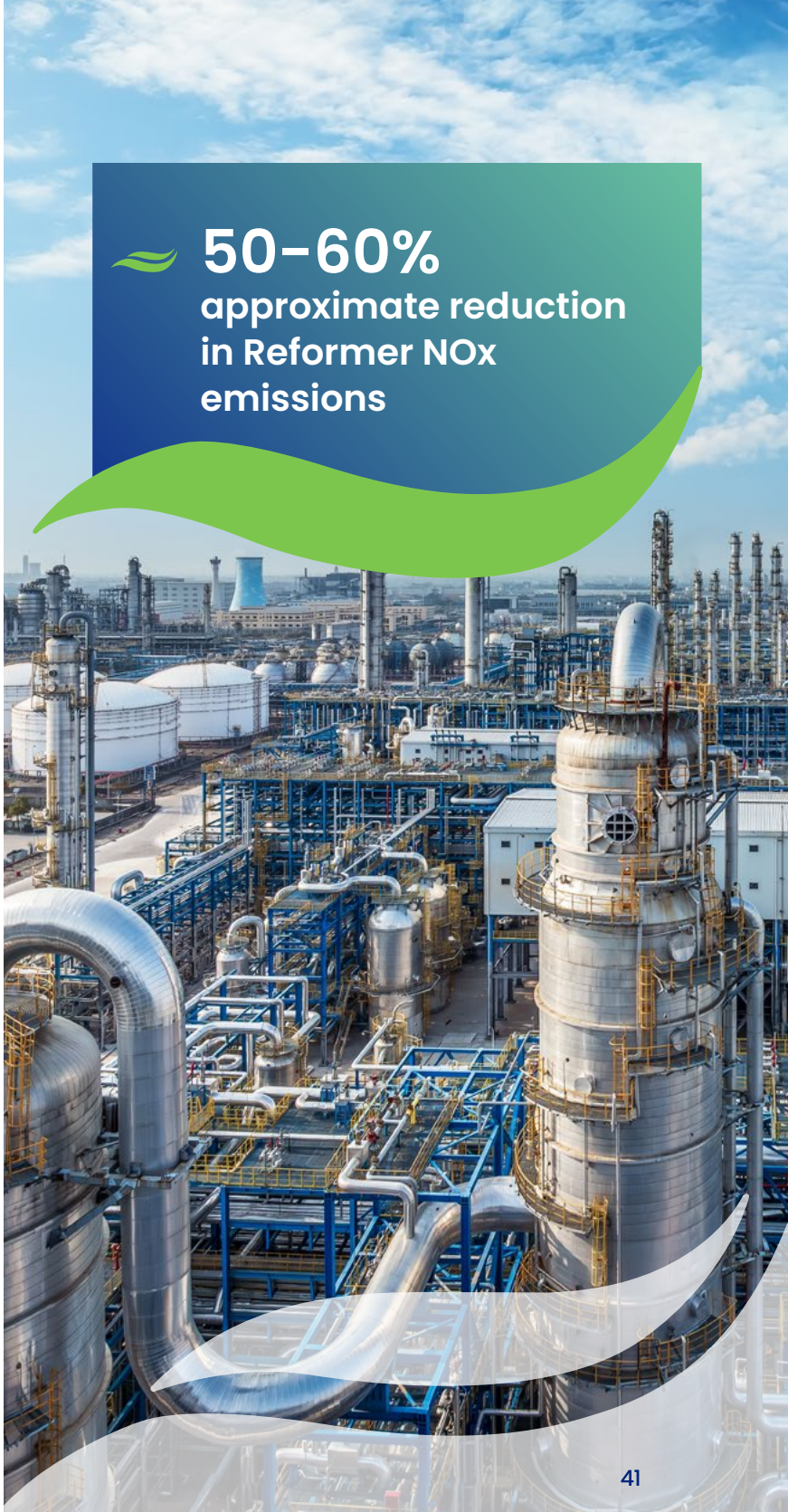
As well as GHG emissions, QAFAC seeks to reduce other harmful and toxic air emissions, such as through our selective non-catalytic reduction system to reduce NO_x emissions.

QAFAC has also taken measures, through our leak detection and repair (LDAR) program, to prevent the leaks of fugitive volatile organic compounds and hazardous air pollutants, as these can degrade air quality and pose health risks.

The program also monitors methane emissions. Through the LDAR, in 2024 we carried out an exercise to monitor all potential sources of leaks.

As a result, fugitive emissions were reduced by 175,517 kg per year. Some 110,399 sources were inspected, and we identified and repaired 128 out of 251 leaks, with the remaining 123 being monitored ahead of being repaired in the next turnaround.

50-60% approximate reduction in Reformer NO_x emissions are witnesses after commissioning of SNCR plant in 2019 at QAFAC Methanol plant.



50-60%
approximate reduction
in Reformer NO_x
emissions



GHG Emissions

	UNIT	2022	2023	2024
GHG INTENSITY	TCO ₂ e/TON OF PRODUCTION	0.62	0.64	0.59

A Successful LDAR Program

Leak detection and repair, is a crucial program implemented in industries to identify and rectify equipment leaks which release harmful substances into the atmosphere. This year, QAFAC embarked on a comprehensive LDAR program aimed at minimizing our environmental impact and ensuring operational safety.

Through the program, we identified and assessed 110,399 potential emission sources across our operations.

The initial leak detection phase led to the identification of 251 emission sources requiring attention.

In response, we promptly initiated repair efforts and were able to significantly reduce the number of leaks to 121 after the first round of repairs.

This represents a 51.79% decrease in the number of active leaks. The remaining leaks are being monitored and are scheduled to be addressed during the next plant Turnaround.

The successful implementation of our LDAR program has yielded significant benefits. We have witnessed a substantial reduction in emissions, contributing to improved air quality and a healthier environment. Additionally, the program has enhanced operational efficiency by preventing equipment failures and optimizing resource utilization.



A total of
175,517 kg/yr
was saved through
repair activities

Indoor Air Quality Monitoring

Indoor air quality (IAQ) is important, as it affects the health, comfort, and work performance of building occupants. IAQ is characterized by the concentrations of pollutants in indoor air, as well as air temperature and humidity. Gases, chemicals, molds and particulate matters can all impact IAW, as can hazardous substances emitted by plant operations, use of equipment, heating and cooling systems and building construction materials. Health issues can be experienced soon after exposure to poor IA, or many years later. Understanding and controlling common pollutants indoors can help reduce the risk of such concerns.

As most people spend the majority of their time indoors, especially in Qatar which experiences extreme heat, IAQ is a very real and significant concern. The US Environmental Protection Agency has listed it as one of the top five risks to public health. Good IAQ, on the other hand, can improve occupants' overall experience within a building and can contribute to a more productive working environment.

As part of QAFAC's environment monitoring program, regular IAQ monitoring is conducted to verify that indoor air parameters are within permissible levels. IAQ is assessed against a range of standards and guidelines, including:


- Annexes of Executive By-Law for Environment Protection Law – Qatar
- US Environmental Protection Agency
- US Occupational Health and Safety Administration CFR 29
- World Health Organization
- American Conference of Governmental Industrial Hygienists
- National Institute for Occupational Safety and Health



People spend approximately
90% of their time
indoors, making indoor air quality
a critical factor for overall health

Waste

As QAFAC’s operations can result in a significant amount of hazardous and non-hazardous waste, we have our duty to ensure it is managed responsibly.



Hazardous Waste

- Spent catalysts
- Spent resin
- Spent salt
- Oily sludge
- Activated carbon
- Spent oil filters



Non-Hazardous Waste

- Domestic waste
- Electronic waste (100% recycled)

QAFAC complies with the operational requirements established by the MoECC and its performance is evaluated through specific KPIs. We engage specialist waste management contractors to handle the transport and disposal of different types of waste in a safe manner, including hazardous, electronic, incinerable and medical waste, along with general garbage. Non-hazardous waste, such as food, wood, garden, concrete, paper, and cardboard, is disposed of in designated waste containers with non-paper/ cardboard waste estimated by container size and paper and cardboard waste weighed accurately by the responsible contractor.

In 2024, QAFAC successfully met its targets of 100% of waste materials being for recycling being collected. In addition to this 100% of hazardous waste was sent for disposal to external approved landfill under 90 days. There were no significant spills across our operations during the year.

QAFAC’s Recyclable Waste Management Program helps to drive effective waste management and raise employees’ awareness of proper waste disposal and the importance of recycling. In 2024, 530 kg of recyclable waste was collected through this initiative.



Enabler: Strive for Excellence in Environmental Protection

KPI		2023	2024
WASTE DISPOSAL/SPILLS	COLLECTION OF WASTE MATERIALS FOR RECYCLING (%)	100	100
	RETENTION OF HAZARDOUS WASTE IN QAFAC STORAGE TO BE UNDER 90 DAYS (%)	100	100
	SIGNIFICANT SPILLS (#)	0	0



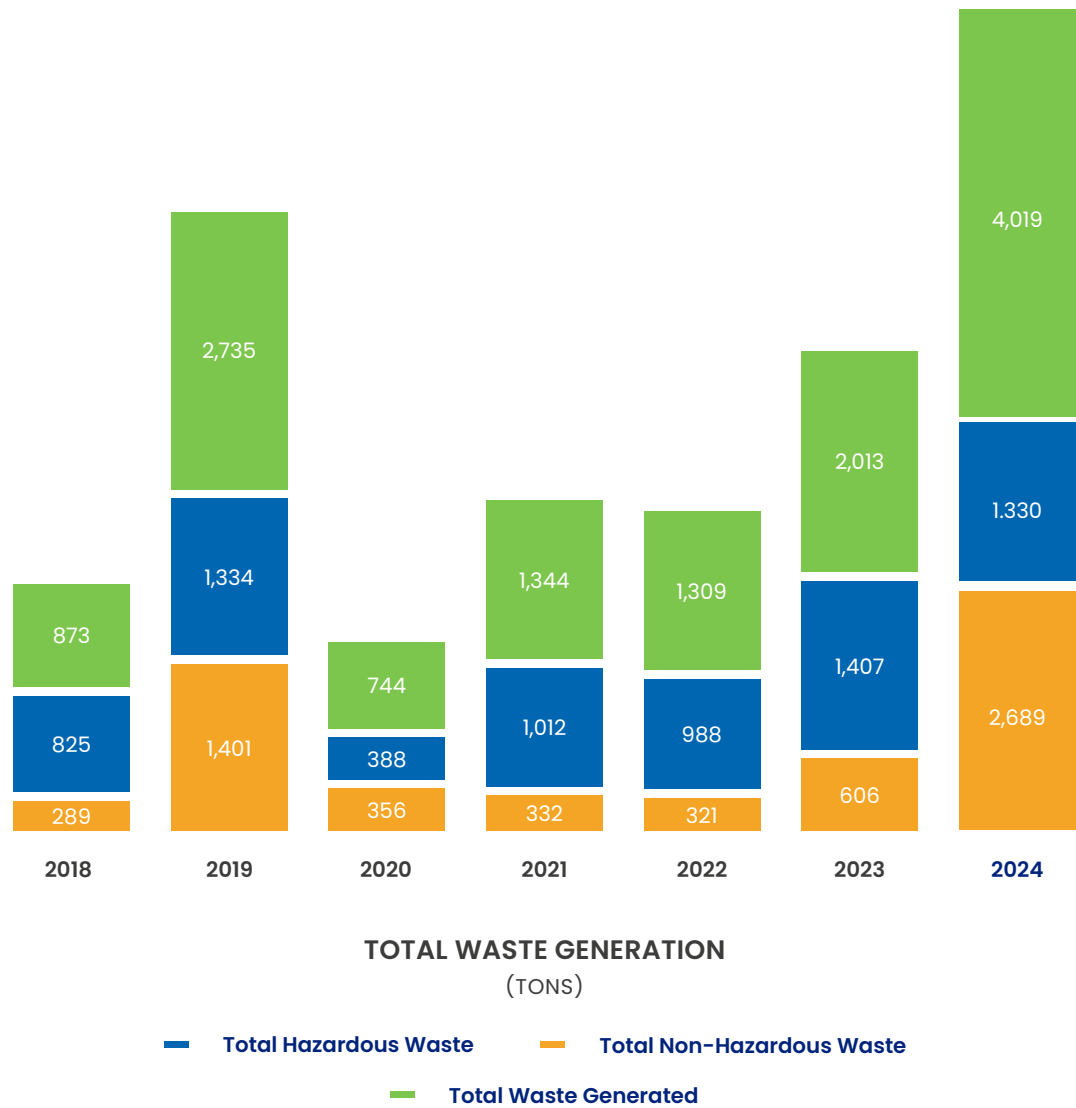
Type of waste

	UNIT	2022	2023	2024
PAPER/CARTON	KG	1,270*	110	301
PLASTIC BOTTLES	KG	25	42	38
ALUMINUM CANS	KG	15	-	191
TOTAL WASTE	KG	1,310	152	530

NOTE:
 * Paper generation was higher in 2022, because some departments at QAFAC initiated disposal of obsolete documents

In 2024, QAFAC generated a total of 1,330 tonnes of hazardous waste. This amount remained relatively consistent with the previous year.

This near-consistency is notable considering the significant catalyst replacement and disposal activities that followed the 2023 turnaround (TA-2023) and continued into 2024.



Total waste by disposal method

	KPI	2022	2023	2024
INCINERATION	TONS	702	521	383
SOLID HAZARDOUS WASTE TREATMENT PRIOR TO LANDFILLING	TONS	273	845	920
RECYCLING	TONS	15	44	32
DIRECT LANDFILLING (DOMESTIC WASTE)	TONS	318	602	2,689 *

*Domestic waste figures in 2024, have increased significantly due to the implementation of actual weight measurement, replacing previous estimations based on container volume

The table provided below provides further insight into QAFAC's waste disposal pathways:



Type of waste

	TYPE OF WASTE	DISPOSAL PATHWAY
*HAZARDOUS WASTE	INDUSTRIAL WASTE	SENT TO MESAIEED INDUSTRIAL CITY (MIC) HAZARDOUS WASTE TREATMENT CENTRE
	AMINE WASTE	INCINERATION VIA WASTE MANAGEMENT CONTRACTOR
	OIL WASTE	RECYCLING VIA WASTE MANAGEMENT CONTRACTOR
NON-HAZARDOUS RECYCLABLE WASTE	DOMESTIC WASTE, E-WASTE	RECYCLING VIA WASTE MANAGEMENT CONTRACTOR

Water

Qatar, where QAFAC is based, has an arid environment and is a water-stressed region. There are no rivers or lakes in Qatar, so rainfall and groundwater provide the main sources of freshwater and there is widespread use of desalinated water.

As a major industrial company, QAFAC requires water for many purposes, among them creating steam for process needs. This means that good water management is essential. QAFAC employs water-efficient methods within its environmental management approach. KPIs are in place to guide water usage, which is meticulously monitored. Performance is reported bi-monthly and quarterly by executive management and audited annually by third-party ISO management systems.

Before discharging process wastewater streams, QAFAC treats its wastewater on site. Treated wastewater is analyzed against MoECC standards and we regularly monitor water effluent parameters in compliance with our consent to operate permit.

QAFAC is striving to reduce wastewater discharge levels. At present, discharge levels are estimated. However, a large portion of wastewater is recycled to ensure the safe discharge of wastewater and effluents. All treated sanitary wastewater is utilized internally for irrigation purposes in our designated green belt area.

The effluents released as a result of QAFAC's operations are categorized as:

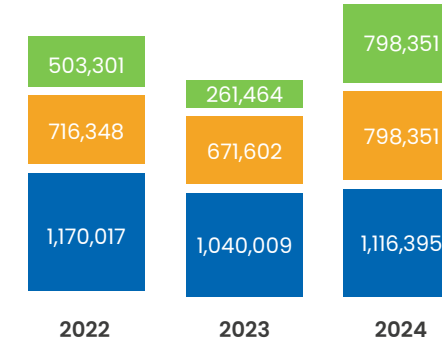
1. Oily wastewater
2. Process wastewater
3. Demineralized wastewater
4. Sanitary wastewater

In 2024, water discharged increased by 56% to 351,131 m³ due to plant continuous and consistent operation in 2024 as compared to 2023 where we have a planned turnaround for both plants. Despite that we were able to increase recycled water by more than double compared to previous year with 798,351 m³.



Water Discharge

	UNIT	2022	2023	2024
WATER DISCHARGED, INCLUDING NON-CONTACT COOLING WATER	M ³	264,165	224,251	351,131
RECYCLED WASTEWATER DISCHARGED TO THE GREEN BELT	M ³	265,885	233,725	285,693



DISTRIBUTION OF FRESHWATER CONSUMED (M³)

- Freshwater Used
- Freshwater Used, Company Generated
- Water Recovered & Reused from CDR Plant

Near-Zero Liquid Discharge (NZLD) Project

QAFAC initiated the 3rd phase of NZLD project in Nov-2024. This wastewater treatment plant would manage the treatment and utilization of the effluents such as oily wastewater, process wastewater and demineralized wastewater. The project aims to promote water conservation and gain commercial benefit by using the treated effluent. This could result in an annual saving of 604,440 m³ of water and 69 m³ per hour load of water sourced from the state's water supplier, Kahramaa, with estimated cost savings of approximately QAR 3.5 million.

The NZLD plant would be equipped with systems to treat the process wastewater streams and upgrade them to potable water standards. The plant will be equipped with advanced automation, and it is being implemented in three phases. By the end of 2024, Phases 1 and 2 were both complete, with equipment delivered to QAFAC's site. The project has now entered Phase 3, with completion scheduled in 3rd Qtr. 2027.

Once fully operational, the plant will recover approximately 85% of QAFAC's wastewater for utilization as makeup water in our demineralization plant. The remaining 15%, which is mainly brine water, will be disposed of at sea. The plant will provide efficient and circular processes, reducing the need for resource use with minimal impacts on land and marine ecosystems. Additional benefits are process efficiency and resource reduction.

Biodiversity

QAFAC is committed to the protection of biodiversity, the mitigation of impacts that affect biodiversity, and the investment to limit those impacts. Provisions for biodiversity management are included in our Environment Policy and our commitments are aligned with Qatar's National Biodiversity Strategy Action Plan (NBSAP).

Examples of our initiatives to boost biodiversity include reducing effluent discharges into marine water bodies as part of our NZLD project, and other efforts to minimize impacts on marine ecosystems. We also focus on avoiding spills, maintaining a strong record of zero reportable spill incidents. Additionally, QAFAC participates in joint environmental studies within Mesaieed Industrial City (MIC) to better understand and preserve local biodiversity. We collaborate on conservation programs, studies, and other initiatives through our involvement in MIC's environmental sub-committee, aimed at protecting the environment.



Our People

Health and Safety

Workforce Overview

Employee Engagement, Attraction, & Retention

Learning & Development

Human Rights & Labour Standards

Diversity and Equal Opportunity

Qatarization

Community Engagement & Investment



Key Enablers to Our Strategic Priority 'Prepare for Long-term Sustainability'



High-performing organization, focus on talent management, Qatarization and succession planning



Sustain top-quartile health and safety performance.



Boost digitalization to set a benchmark in our industry.



Material Topics

MATERIAL TOPIC	Alignment to Global and National Reporting Frameworks, Goals and Targets				
	QNV 2030	UN SDGS	GRI	QSE	
Health and Safety	<ul style="list-style-type: none">SOCIAL DEVELOPMENT	<div><div>3 GOOD HEALTH AND WELL-BEING</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div>	<ul style="list-style-type: none">GRI 403GRI 416	<ul style="list-style-type: none">GRI 417GRI O&G STANDARD	<ul style="list-style-type: none">QSE S14, 15
Human rights and labour standards	<ul style="list-style-type: none">HUMAN DEVELOPMENT	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div></div>	<ul style="list-style-type: none">GRI 409		<ul style="list-style-type: none">QSE S 16, 17, 18
Employee engagement, attraction, and retention	<ul style="list-style-type: none">HUMAN DEVELOPMENT	<div><div>3 GOOD HEALTH AND WELL-BEING</div><div>5 GENDER EQUALITY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>10 REDUCED INEQUALITIES</div></div>	<ul style="list-style-type: none">GRI 401GRI 404		<ul style="list-style-type: none">QSE S 10, 11, 12
Learning and development	<ul style="list-style-type: none">HUMAN DEVELOPMENT	<div><div>4 QUALITY EDUCATION</div><div>5 GENDER EQUALITY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>10 REDUCED INEQUALITIES</div></div>	<ul style="list-style-type: none">GRI 404		<ul style="list-style-type: none">QSE S 13
Diversity and equal opportunity	<ul style="list-style-type: none">HUMAN DEVELOPMENT	<div><div>5 GENDER EQUALITY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div></div>	<ul style="list-style-type: none">GRI 405		<ul style="list-style-type: none">QSE S 19
Nationalization	<ul style="list-style-type: none">HUMAN DEVELOPMENT	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div>	<ul style="list-style-type: none">GRI 202		<ul style="list-style-type: none">QSE S 20
Community engagement and investment	<ul style="list-style-type: none">SOCIAL DEVELOPMENT	<div><div>1 NO POVERTY</div><div>2 ZERO HUNGER</div></div>	<ul style="list-style-type: none">GRI 413GRI O&G STANDARD		<ul style="list-style-type: none">QSE S 21

Health & Safety

QAFAC's health and safety principles are aligned with international frameworks and standards such as the Organization for Economic Cooperation and Development's Environment, Health, and Safety Program, the International Labour Organization's Occupational Safety and Health Convention and its accompanying recommendations, and the safety standards of the American Petroleum Institute, Occupational Safety and Health Administration and National Fire Protection Association (NFPA). All our safety procedures and processes conform to the ISO 45001 occupational health and safety standard.

As well as following international standards and best practices, QAFAC pays close attention to national health and safety provisions. These include Qatar's Labor Law, the policies of its National Committee of Occupational Health and Safety within the Ministry of Administrative Development, Labor and Social Affairs, and the social development pillar of the Qatar National Vision 2030.

QAFAC's Occupational Health and Safety (OHS) Policy was rolled out in 2023 as part of our Code of Conduct launch. The Policy encompasses our approach to safety and is a guiding document for all our employees. We continually strive to identify and mitigate potential risks, and to educate our workforce through targeted safety information and programs. This includes our nine Life-Saving Rules, which aim to protect people against life-threatening injuries, illnesses and accidents.

As a member of the Gulf Petrochemicals and Chemicals Association (GPCA), we participate in the Association's Gulf Process Safety Network.

In 2024, we achieved another safe year with zero Lost Time Incidents. We have now achieved 24 million safe working hours over 13 years of operations. We delivered 5,672 training hours on HSE topics to our employees as well as 3,302 hours to contractors, confirming commitment to health and safety in the workplace. In all, 1,835 HSSE observations were received during the year, testimony to the alertness of our employees.

During the year, twelve joint HSE inspections were carried out, along with one emergency exercise conducted in collaboration with QatarEnergy. Additionally, two night-shift emergency exercises were held to assess the preparedness and responsiveness of the Emergency Response Team (ERT) during potential night-time incidents.

In 2024, a total of 5,758 Permit-to-Work (PTW) applications were authorized, with 19% of these permits audited. All observations identified during the audits were promptly addressed and successfully closed in time.

Digitalization of HSSE Processes

As part of QAFAC's digitalization strategy, in 2024 we began extending the digitalization process of the Health, Safety, Security and the Environment Department.

The initial phase, from 2024-25, involves consolidating all HSSE applications onto a specialized platform that will integrate diverse processes into a cohesive, streamlined framework.

This will:

- Aid operational ease and data consistency across the Company
- Provide real-time visibility of our HSSE Matrix and KPIs
- Enhance safety and compliance
- Provide a mobile app to empower field personnel and enhance responsiveness.

QAFAC has chosen the Intelex solution to provide the platform, as it has a proven track record within our industry and has the wide functionality, integration capabilities and scalability that we need. Among many other features, the system will:

- combine HSSE observations and Behavioral Based Safety (BBS) observations into a single, streamlined process—simplifying reporting, encouraging greater participation, improving hazard identification, and promoting safer behaviors. By reducing duplication and consolidating safety data in one place, it supports more informed decision-making and proactive risk management
- enable us to transition audit and inspection results to digital platforms
- enable efficient recording and management of waste handling and disposal
- support digital management of clinical and health programs, including employee medical checkups and fitness assessments
- provide a unified tool for tracking actions across all HSSE applications
- streamline data collection for sustainability reporting.

The outcomes of this project will be a comprehensive safety management system that will assist QAFAC to maintain our top-quartile health and safety performance and, we hope, help make us a reference point in our industry.

Health and Safety Governance

QAFAC employs a multi-tiered approach to Health, Safety, Security, and Environment (HSSE) governance.

The HSSE governance structure comprises various levels of committees, each serving specific purposes and contributing to the overall safety management system. These committees and subcommittees play critical roles in formulating safety policies, analyzing safety information, promoting employee participation, and driving continuous improvement in HSSE and process safety performance across QAFAC's operations.

The main committees are:

- **HSSE Central Committee**

Chaired by the CEO, the Central Committee oversees and manages a network of structured committees, including process safety management (PSM) subcommittees and departmental meetings. This meeting ensures that HSSE remains a top priority at the highest level, driving a strong safety culture, regulatory compliance, and operational excellence. It serves as a high-level platform to review and evaluate HSSE performance on a quarterly basis, and drive continuous improvement in performance across the organization.

- **Level 2: HSSE Level 2 Committee**

Chaired by the COO, this committee, part of the integrated HSSE & PSM structure, reviews HSSE and PSM activities to ensure effective implementation. It assists site management in establishing HSSE and process safety guidelines, recommending training, and auditing performance across essential elements of HSSE and process safety management systems.

- **Level 3: Departmental Meetings**

These meetings, chaired by departmental managers, aim to promote a systematic, integrated, and participatory management process. They involve all levels of the organization to achieve excellence in HSSE and ensure compliance with HSSE policy, legal principles, and regulatory requirements.

- **PSM Subcommittee Meetings**

Chaired by a dedicated Chairmen, there are four such subcommittees:

- Incident Investigation & Root Cause Analysis Subcommittee, which focuses on investigating incidents, reviewing identified root causes, and implementing corrective actions to prevent recurrence.
- Procedures Subcommittee (SOP & SWP), which reviews and updates standard operating procedures (SOPs) and safe work practices (SWPs) to ensure alignment with safety standards and regulations.
- PSI / PHA Subcommittee, which addresses process safety information (PSI) and conducts process hazard analysis (PHA) to identify and mitigate potential hazards.
- Mechanical Integrity and Quality Assurance (MIQA) Subcommittee, which ensures the integrity of equipment and systems through quality assurance processes, inspections, and maintenance activities.

HSSE Integrated Governance Structure



HIGHLIGHT STORY

QAFAC's Participation in the 18th Annual GPCA Forum

The 18th Annual GPCA Forum, held in December at the Oman Convention & Exhibition Centre in Muscat, Oman, highlighted the imperative for the Arabian Gulf's chemical and petrochemical industry to adapt to a new era of sustainability and innovation. As the industry transitions towards a more circular economy and a focus on sustainable materials, it must navigate challenges and seize opportunities to ensure continued growth and prosperity. The forum, hosted by OQ and themed "Industry's Next Chapter: Driving Sustainable Advancement for Global Progress," brought together a diverse group of stakeholders, including government officials, industry leaders, technology providers, and young professionals.

Among the attendees was executives from QatarEnergy & the CEO of QAFAC, a prominent member of the association. QAFAC's participation underscores its commitment to sustainability and its role in driving the industry's transition towards a more sustainable future. By attending this influential forum, QAFAC aims to contribute to the global dialogue on sustainable chemical production and to showcase its innovative solutions and best practices.



Process Safety Management

Process Safety Management (PSM) is a systematic approach to preventing catastrophic incidents in industries that handle hazardous materials and processes. PSM focuses on managing hazards that can lead to major accidents involving the release of potentially dangerous materials or energy (such as fire or explosion). It aims to prevent leaks, spills, overpressure, equipment malfunction, excessive temperatures, metal fatigue, corrosion, and other similar conditions by applying good engineering and design principles.

QAFAC's PSM program is based on the Occupational Safety and Health Administration (OSHA) standard 29 CFR 1910.119, which provides guidelines for chemical companies to identify highly hazardous chemicals and maintain a safe workplace.

By adhering to these guidelines and prioritizing employee safety, companies can create a safer work environment and reduce the risk of hazardous incidents.

QAFAC began implementing the OSHA 14 PSM elements standards via Project AMAN in 2016. Since then, the entire management and line management team have put significant effort into implementing the foundational elements. Management's commitment to ensuring continuous improvement remains visible.



Process Safety Fundamentals

Developed by the International Association of Oil and Gas Producers and at the guidance of GPCA, Process Safety Fundamentals (PSFs) are basic principles for frontline workers, supervisors and managers. Informed by data, they emphasize existing good practices

to draw attention to situations that could lead to process safety incidents and even fatalities. PSFs do not exhaustively address all process safety risks and hazards in our industry but complement underlying systems for process safety management.



We respect hazards



We apply procedures



We maintain safe isolation



We stay within operating limits



We control ignition resources



We walk the line



We respect hazards



We recognise change



We stop when unexpected occurs



We watch for weak signals

Combine Quantitative Risk Analysis Study for Mesaieed Industrial City

Highlight Story - Combine Quantitative Risk Analysis Study for Mesaieed Industrial City

In 2023, QatarEnergy engaged a third party to conduct an integrated Quantitative Risk Assessment (QRA), including the Asset Specific QRA for Mesaieed Industrial City (MIC). The QRA was completed in 2024.

The QRA evaluated the risk due to Major Accident Hazards (MAHs) associated with loss of containment scenarios resulting in fires, explosions, and toxic dispersions. In addition, transportation and occupational hazards are also evaluated in this QRA.

The Individual Risk Per Annum (IRPA) for all worker groups falls within the "Tolerable if As Low As Reasonably Practicable (ALARP)" category. The societal risk in the report, which is represented by F-N Curves, also falls within this category.

All sixteen occupied buildings within QAFAC's premises have been assessed to have fire impairment frequencies below the acceptance criteria of $1E-04$ per year. The toxic impairment frequencies for all occupied buildings were also found to be below the acceptance criteria. In addition, all occupied buildings had explosion impairment frequencies below the acceptance criteria at 50mbar.

Given the case where sensitivity analysis is performed, evaluated risk shall be compared against the QatarEnergy risk acceptance criteria to ensure risk mitigation/ reduction is able to be brought down to safe or ALARP levels.

Key focus areas of the process were reviewed to see the effectiveness of PSM system & to identify the opportunities for improvements. Improvements related to these activities were recommended and implemented. For future reference a database analysis & actions tracking register was prepared.

HAZCHEM Loading/ Unloading Activities Joint Risk Review

Hazardous material loading and unloading refers to the process of handling and transferring dangerous substances, such as chemicals, gases, flammable hydrocarbon, between transportation vehicles (trucks, trains, ships) and storage facilities. It is essential to have proper process safety management protocols in place during these operations to prevent accidents, spills, or exposure to harmful substances. Given the potential for these incidents to occur, QAFAC's PSM section carried out a review of such loading / unloading activities on the Company's premises. This initiative was taken jointly (including all operations department like HSSE, Production, Technical & Maintenance) to review the existing risk and controls implemented during loading/unloading of hazardous chemicals at QAFAC facility.

Key focus areas of the process were reviewed to assess the effectiveness of the PSM system and to identify opportunities for improvements. Recommendations were subsequently made and implemented, and a database analysis and actions tracking register set up.



HSSE Indices

HSSE INDICIES	NUMBER
FAT	0
LTI	0
MTC	0
RWDC	1
PSE TIER 1	0
PSE TIER 2	1
FIRE	3
FIRST AID CASE + HEAT ILLNESS	2
PROPERTY DAMAGE	0
ENVIRONMENT/SPILL /LOPC	0
VEHICLE	3
PSE TIER 3	8
NEAR MISS	3
UNSAFE CONDITION	1,010
UNSAFE ACT+ BEHAVIOR	246
HSSE OBSERVATION	1,835
BBS OBSERVATION	711

GRI 3-3, GRI 403-2, GRI 403-3, GRI 403-6, GRI 403-7, GRI 403-9

HSSE Team Initiatives in 2024

In 2024, QAFAC's safety team was instrumental in helping the Company achieve the milestone of over 24 million safe working hours without a Lost Time Accident (LTA) dating back to 2011. This accomplishment was the result of a multifaceted approach that prioritized proactive safety management, robust systems, and a culture of continuous improvement. Of this total of hours, around 70% were contributed by contractors.

Also, during the year, the team enhanced a structured Contractor Safety Management System, beginning with HSSE evaluations at the bid stage. Contractors underwent a rigorous pre-mobilization phase including training to align them with QAFAC's safety expectations. High-risk activities were managed through detailed Method Statement and Job Hazard Analysis, ensuring that contractors operated within a controlled, safe environment. The HSSE team met all its KPI targets for the year, including holding 12 joint safety inspections of plant.

The Behavior-Based Safety program run by the Safety team in 2024 resulted in 711 observations. These were followed by immediate feedback and corrective actions, helping to foster a culture of awareness and accountability. The team strengthened emergency preparedness through the Istijaba Program and worked closely with QatarEnergy to develop Pre-Determined Attendance (PDA) plans for high-risk areas, detailing emergency management procedures and resources. An emergency exercise was conducted in coordination with QatarEnergy MIC to evaluate the effectiveness of emergency response and coordination, particularly in scenarios requiring support from QatarEnergy and neighboring companies.

In all, there were 1,835 HSSE observations in 2024, comfortably exceeding the annual target of 1,000, indicating a high level of safety engagement by employees and contractors.



Initiatives in 2024

QAFAC provides regular, ongoing health and safety training for all its employees and contractors. In 2024, we delivered more than 8,974ours of training, with courses covering:

- ERT Trainings
- Permit to Work (Awareness)
- Heat Stress Awareness
- Emergency Response Plan Awareness
- Safety Induction
- Basic Firefighting
- Chemical Handling
- Basic First Aid Training
- Fire Marshall
- Noise Management
- Radiation Safety
- Food safety and HACCP training

HSE Training hours

	UNIT	2022	2023	2024
TOTAL HSE TRAINING HOURS FOR EMPLOYEES	HRS.	4,625	3,371	5,672
TOTAL HSE TRAINING HOURS FOR CONTRACTORS	HRS.	2,067	19,253	3,302

HSSE Training Conducted in 2024

TRAINING NAME	TYPE	DESCRIPTION	NO. OF TRAINEES ATTENDED	TRAINING HOURS
ERT TRAINING	INTERNAL	Build the capacity of emergency responders and improve their preparedness, technical skills, making better coordination while performing emergency management and response effectively	315	2,520
PERMIT TO WORK (AWARENESS)	INTERNAL	Explain the purpose of permits to work within QAFAC and what type of high-risk activities may require them, roles and responsibilities of PTW key personnel and explain Job Hazard Analysis (JHA).	183	1,464
HEAT STRESS AWARENESS	INTERNAL	Refresh the knowledge and understand Heat Stress, identify symptoms of Heat Stress, actions to take if employee or co-worker suffers from Heat Stress and know how to prevent or minimize the effects.	285	285
EMERGENCY RESPONSE PLAN AWARENESS	INTERNAL	It is designed to educate people on emergency response awareness. Define the roles and responsibilities in relation to the emergency response procedure. Enhance emergency awareness and to maintain a high level of preparedness among QAFAC employees, contractors, vendors and other visitors. Accelerate the resumption of normal operations.	170	340
SAFETY INDUCTION	INTERNAL	Provide new employees with an overview of QAFAC work health, safety and environment principles, emergency response and QAFAC Life Saving Rules that will encourage them to work more safely.	2,797	2,797
BASIC FIREFIGHTING	INTERNAL	It is designed to educate people on the safe and effective use of fire extinguishers in the event of a fire. The training also covers the types of fires and the different types of fire extinguishers that are available, along with their proper use and limitations.	69	276

TRAINING NAME	TYPE	DESCRIPTION	NO. OF TRAINEES ATTENDED	TRAINING HOURS
CHEMICAL HANDLING	INTERNAL	This type of training provides the employees knowledge on how to safely handle chemicals, how to identify potential hazards, and how to respond appropriately in case of an emergency. The training typically covers topics such as the proper use of personal protective equipment, labeling and handling requirements for different types of chemicals, and best practices for storage and disposal.	69	276
BASIC FIRST AID TRAINING	INTERNAL	It provides employees with the necessary knowledge and skills to respond promptly and appropriately to medical emergencies that may occur in the workplace. The training program is designed to provide employees with the confidence and competence to handle emergency situations effectively.	227	454
FIRE MARSHALL	INTERNAL	It is designed to teach employees about fire prevention, emergency response, and evacuation procedures. The training covers various topics such as identifying fire hazards, using fire extinguishers, and creating an emergency evacuation plan.	5	10
NOISE MANAGEMENT	INTERNAL	These programs are designed to educate employees on the dangers of excessive noise exposure and how to minimize its impact. The programs typically cover topics like the anatomy of the ear, how sound is measured, and the effects of noise on hearing. Additionally, training include strategies for reducing noise levels, such as engineering controls, administrative controls, and personal protective equipment.	106	212

TRAINING NAME	TYPE	DESCRIPTION	NO. OF TRAINEES ATTENDED	TRAINING HOURS
RADIATION SAFETY	INTERNAL	Provide for the protection of QAFAC employees, contractors, general public, and environment against radiation hazards associated with Radiation Point source possession, use, transportation, and disposal of radioactive material.	106	212
FOOD SAFETY & HACCP TRAINING	EXTERNAL	A comprehensive training program necessary to maintain high standards of food safety. It primarily focuses on identifying potential hazards and implementing control measures to prevent them. It also involves proper handling, storage, processing, and distribution of food products.	8	128
YEARLY TOTAL (YTD)			4,340	8,974



HSSE Dashboard

We use KPIs to assess our health and safety management performance and to translate our commitments to quantifiable insights.

These KPIs are continuously tracked and monitored by management and all carry targets of zero cases.



HSE Indices

	UNIT	2022	2023	2024
HEAT STRESS EVENTS	#	0	12	1
LOSS OF CONTAINMENT (LOC) / PROCESS SAFETY INCIDENTS	#	0	8	0
EMERGENCY RESPONSE DRILLS	#	12	12	12
SAFETY INCIDENT INVESTIGATION INITIATED	#	4	7	14
SAFETY INCIDENT INVESTIGATION COMPLETED	#	4	5	14
PROCESS SAFETY TOTAL INCIDENT SEVERITY RATE (PSTISR)	#	0	0	0.12
SAFE ACTS OBSERVED AT SITE	#	8,528	8,260	7,898
AT RISK ACTS CORRECTED AT SITE	#	652	931	622

HSSE reward and recognition

QAFAC aims to recognize and reward employees and contractors for adhering to health, safety, security and environment rules and procedures in their day-to-day activities. This includes acknowledging their efforts in identifying unsafe acts or conditions and submitting suggestions for HSSE improvements. Contributions are formally acknowledged at quarterly HSSE central committee meetings, chaired by the CEO and bi-monthly HSSE meetings which is chaired by the COO.

We also recognize and appreciate the needs and contributions of contractors. Contractors' workers who consistently demonstrate outstanding safety compliance are rewarded both by their own company and by QAFAC at monthly mass safety meetings and bi-monthly contractor HSSE meetings. This encourages the setting of good examples in adhering to safety rules and help build a culture of health and safety across our operations.

Candace Carnahan championing workplace safety

In November 2024, QAFAC hosted three sessions of the Candace Carnahan Championing Workplace Safety event. Co-organized by QAFAC, Qatalum, QAPCO and Gasal, the sessions were attended by large number of employees and their families.

Candace Carnahan is a motivational speaker who shared her life experiences after a workplace incident that resulted in losing her leg. In a world where workplace injuries are often overlooked, Carnahan has emerged as a powerful voice.

Recognized in 2024 by Atlantic Business magazine as one of the 25 most powerful women in business, she is now a sought-after motivational speaker advocating workplace health and safety around the world.

In her sessions at QAFAC, she delivered important messages about the importance of each worker prioritizing safety in the workplace, for themselves, their coworkers and their families.



Contractor Safety Management

QAFAC's safety commitments extend to all our contractors. This is enforced by a structured contractor management program and our Contractor Leadership Management, a collaborative management commitment to encourage and improve contractor safety performance.

Through an annual Contractors Leadership Management meeting, QAFAC meets with senior management from our contractor companies, updating them on contractor performance and addressing any challenges faced either by contractors or by QAFAC.

QAFAC has a robust Contractor Safety Management system, that has made a significant contribution to enhancing safety performance among contractors. Of the Company's 24 million safe working hours since 2011, 70% were by contractors, reflecting the effectiveness of QAFAC's structured processes,

proactive engagement, and comprehensive contractor safety management programs tailored to contractors involved in diverse and high-risk activities.

In line with QAFAC's safety standards, the HSSE evaluation for contractors begins at the bid stage. Contractors are required to complete a detailed HSE evaluation questionnaire, submit supporting documentation, and qualify in the evaluation process before being shortlisted.

Following the award of contracts, an HSSE kick-off meeting is held to communicate our safety requirements and expectations, ensuring that contractors are well-informed before they commence work with us.

Training forms a core component of contractor safety management. Contractors are mandated to complete essential training programs, such as Permit

to Work (PTW), incident reporting and investigation, HSSE observation reporting, and emergency response management, before commencing any job. Emergency preparedness is reinforced through practical exercises, ensuring contractors are familiar with response protocols during real emergencies.

QAFAC also equips contractors' safety officers with dedicated communication tools like radios to enhance coordination during day to day or any critical activities.

In 2024, QAFAC set clear KPIs for contractors, which included 12 joint safety inspections, 12 PTW audits, 12 PPE checks, one contractor facility inspection, four safety campaigns, heat stress management training for all workers, our reward and recognition program, monthly mass safety meetings, bi-monthly HSSE meetings, and a contractor leadership safety meeting. Contractors had completed all these KPIs during 2024 as per schedule and plan. Daily safety meetings with

contractor safety officers further reinforced safety planning and maintained a consistent focus on critical activities throughout the day.

The impact of this comprehensive safety program is evident through measurable outcomes. Contractors actively participated in HSSE observations, contributing significantly to the HSE observations submitted during the year. QAFAC's reward and recognition program includes contractors, ensuring they remain engaged with and committed to safety excellence. The combination of structured safety processes, regular inspections, and open communication has created a collaborative environment where contractors and QAFAC work together to address challenges and celebrate achievements.





Contractor KPIs

	KPI (2024)	TARGET UNTIL DEC 2024	ACTUAL UNTIL DEC 2024	ACHIEVED (YES/NO)
PTW AUDIT	12	12	12	YES
PPE AUDIT	12	12	12	YES
JOINT HSSE INSPECTION	12	12	12	YES
TOOLS & EQUIPMENT INSPECTION	12	12	12	YES
HSSE OBSERVATION	600	600	966	YES
MASS SAFETY MEETING OF WORKERS	12	12	12	YES
REWARD & RECOGNITION	12	12	12	YES
SAFETY CAMPAIGN	4	4	4	YES
BI-MONTHLY HSSE MEETING	4	4	5	YES
CONTRACTOR MANAGEMENT MEETING	1	1	1	YES
HEAT STRESS MANAGEMENT TRAINING & PLAN	Compliance with Heat Stress management program	100%	100%	YES

Permit to Work System

The Permit to Work (PTW) system at QAFAC is a vital part of the safety management framework, designed to control and mitigate risks for all activities. PTW is meticulously structured to ensure that each activity is carefully planned, executed, and continuously monitored to prevent accidents and ensure the safety of all involved individuals.

QAFAC's HSSE team plays a pivotal role in ensuring the PTW system is applied effectively to mitigate risks in all activities, with special attention given to high-risk activities. Before any high-risk work is carried out, a thorough Job Hazard Analysis (JHA) is conducted to evaluate potential risks associated with the job. A multidisciplinary team critically review each step of job and associated hazards and proposes controls measures. The safety team ensures that the hierarchy of controls is followed, starting with the elimination of hazards where possible, followed by substitution, engineering controls, administrative controls, and finally, personal protective equipment (PPE) as a last line of defense. The JHA is then passed through relevant stakeholders for signature and, when it is approved, the work permit is granted.

While the PTW authorizes the work to proceed, it also has specific requirements that must be met, including safety measures that must be followed throughout the activity. There is always clear documentation of what work is authorized and the conditions under which it can take place. In addition, before the work begins, it is ensured that a Last-Minute Risk Assessment (LMRA) is conducted to confirm that all hazards have been mitigated and that the work area is safe.

After work commences, random site visits are undertaken to monitor compliance with the PTW requirements, so any potential safety issues can be addressed before they escalate into incidents. Any deviations from the permit conditions are immediately reported, and corrective actions taken.

The company's major Turnaround in 2023 provided valuable insights into the effectiveness of the PTW system. A number of review sessions were held, and the insights gained were instrumental in refining the system to better meet the needs of all stakeholders involved, ensuring the PTW process is not only effective but also easier to implement in real-world scenarios.



Behavioral-Based Safety (BBS)

At QAFAC, safety systems, policies, and equipment form the foundation of a secure workplace. However, the actions and decisions of individuals remain pivotal in preventing incidents and maintaining a hazard-free environment. To strengthen this approach, QAFAC has adopted the Behavior-Based Safety (BBS) program, a proactive safety initiative specifically designed for leadership and senior-level employees to observe and evaluate how workers perform their tasks.

BBS focuses on identifying unsafe acts or behaviors that could potentially lead to harm. As part of the program, various parameters were outlined for observation. For 2024, QAFAC set a target of 720 BBS observations; 711 BBS observations were reported. Most of these observations highlighted safe behaviors, particularly in the use of PPE, followed by worker positioning and posture.

However, the most frequently observed behavioral issue was related to housekeeping, with workers often failing to maintain clean and organized workspaces. This issue has been a recurring discussion topic during daily contractor meetings to ensure continuous improvement.

While the majority of observations fall under the safe category, indicating a strong safety culture overall, the risk observations serve as reminders of potential vulnerabilities. Addressing these risks through targeted interventions, such as training, improved communication, and stricter compliance checks, can help further enhance workplace safety and help create a safer, hazard-free environment.

BBS CATEGORY	BBS SUB CATEGORY	SAFE	RISK
A – POSITION OF PEOPLE	Striking against or getting struck by	217	20
	Caught in or between objects	172	11
	Falling/could fall	206	60
	Could contact extreme temperatures	148	11
	Could contact electric current	205	4
	Could be exposed to hazardous substance	198	16
	Manual handling	282	30
	Awkward Position	176	28
	Repetitive Motions	123	5
	Could be exposed to pressure	153	3

BBS CATEGORY	BBS SUB CATEGORY	SAFE	RISK
B – PERSONAL PROTECTIVE EQUIPMENT	Head Protection	436	17
	Face Protection	252	17
	Eyes Protection	409	44
	Respiratory Protection	123	18
	Ears Protection	281	13
	Full Body Protection	170	15
	Hands & Arms Protection	376	36
	Legs and Feet Protection	336	5
	Personal Gas Monitor	116	1
C – TOOLS AND EQUIPMENT	Fall Protection	132	15
	Suitability	319	6
	Condition	309	12
	Usage	308	20
	Availability	212	2
	Storage	176	6
	Quality / Accuracy	134	2
	Impact of external factors	92	6
	Calibration	108	2
D – PROCEDURES/SOP	Procedure Availability	305	6
	Procedure Validity & adequacy	282	3
	Procedure understanding	284	49
	Procedure compliance	282	62
E – HOUSEKEEPING	Housekeeping awareness	287	31
	Housekeeping Condition	289	46
Total:		7,898	622

HSSE Observations

The HSSE Observation Program at QAFAC is designed to enhance Health, Safety, Security, and Environmental (HSSE) standards by actively involving employees and contractors. The program encourages them to identify potential hazards, suggest improvements, and report safety concerns, fostering a proactive safety culture.

By gathering valuable insights from the workforce, QAFAC aims to continuously improve workplace safety, minimize risks, and ensure compliance with industry best practices.



HSSE Observations

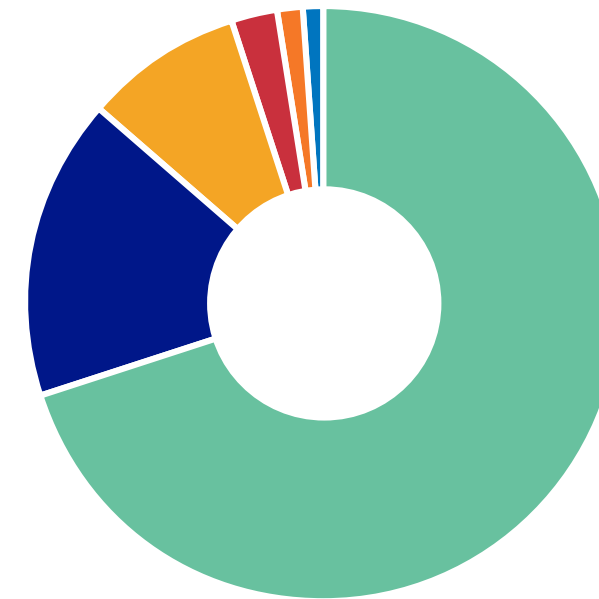
	UNIT	2023	2024
EMPLOYEES	#	489	869
CONTRACTORS	#	2,228	966
TOTAL	#	2,717	1,835



Safety Performance Statistics

	UNIT	2022	2023	2024
NUMBER OF EMPLOYEE FATALITIES	#	0	0	0
NUMBER OF CONTRACTOR FATALITIES	#	0	0	0
EMPLOYEE LOST TIME INJURIES	#	0	0	0
CONTRACTOR LOST TIME INJURIES	#	0	0	0
EMPLOYEE TOTAL RECORDABLE INJURIES	#	0	0	0
CONTRACTOR TOTAL RECORDABLE INJURIES	#	0	0	0
EMPLOYEE OCCUPATIONAL ILLNESS	#	0	0	0

HSSE OBSERVATIONS IN 2024



NATURE OF OBSERVATIONS	NUMBER OF OBSERVATIONS
Unsafe Condition/Act/Behavior	1,288
Security Observation	17
Safe Condition/Act/Behavior	299
Process Improvement Suggestion	46
HSSE Improvement Suggestion	161
Life Saving Rule Compliance	24

In 2024, QAFAC reached **24 million** safe working hours

since our last lost-time accident, on June 24, 2011. Of this total, 70% of the working hours were by contractors, who play major role in completing various critical activities in QAFAC's daily operations.



Work Hours

	UNIT	2022	2023	2024
EMPLOYEE	HOURS	585,680	704,926	641,653
CONTRACTORS	HOURS	688,460	2,718,543	920,310
TOTAL	HOURS	1,274,140	3,423,469	1,561,963

Project Istijaba

QatarEnergy's Istijaba Project addresses the absence of sector-wide emergency response standards by establishing a unified framework to enhance emergency management across the energy sector. This comprehensive program focuses on improving emergency and fire response capabilities for QatarEnergy and its asset operators, both onshore and offshore, and introduces a common standard for prevention, preparedness, response, and recovery. A standardized incident command, control, and coordination system ensures effective response management. Emergency Coordination Centers (ECCs) covering MIC, RLIC, and DCA are supported by a new incident reporting system and emergency line for improved communication. Asset operators' emergency readiness will be assessed against new standards focusing on rapid intervention, fire protection, and equipment requirements.

Enhancements include scenario planning, standardized emergency data, and improved resource deployment strategies. Practical assessments will evaluate operators' response capabilities and coordination with QatarEnergy services.

The project introduces significant changes in emergency management, ECC centralization, asset operator assessment, and fire operations, supported by detailed guidelines and procedures as stated below.

The introduction of the Istijaba Program significantly contributed to enhancing QAFAC's emergency preparedness within Mesaieed Industrial City. Following the implementation of Istijaba, QAFAC updated its emergency response procedures, revised its pre-plans, and developed a comprehensive training program in line with the new standards.

Integrating Istijaba further reinforced QAFAC's robust emergency preparedness system by improving coordination and mutual aid collaboration with other entities in the region. This included aligning our emergency response protocols with the standardized frameworks and procedures used by QatarEnergy and other asset operators. This ensures they adhere to industry best practices and that QAFAC can work seamlessly with neighboring companies' emergency response teams.

Emergency Preparedness

In 2024, QAFAC made significant improvements to its emergency response capabilities, driven largely by lessons learned from the 2023 turnaround activities. Given the scale of the turnaround, which saw the integration of over 4,000 new workers from various countries into the workplace, the focus on emergency preparedness became even more critical. Ensuring safety during such a high-intensity period, while adhering to stringent safety protocols, required a comprehensive review and enhancement of the emergency response systems already in place.

One of the key areas identified for improvement was the readiness and capacity of the emergency response team. The 2023 turnaround also revealed the need for improvements in emergency rescue equipment, particularly for situations involving workers at elevated heights. The emergency response team faced challenges when trying to rescue individuals from elevated platforms, which are common in industrial settings like QAFAC. It became clear that a specialized basket was needed to safely and efficiently rescue workers from such heights. The basket needed to be versatile enough to be used in both vertical and horizontal positions and to allow rescuers to lift victims with minimal effort. Furthermore, QAFAC identified that cranes or elevated trucks should be stationed on-site during critical jobs at elevated areas. These vehicles, equipped with elevated baskets, would enable the swift evacuation of workers from high platforms.

It was crucial that crane operators and truck drivers were trained and familiarized with emergency rescue procedures, ensuring they could be mobilized quickly in case of an emergency.

Regular visits by QatarEnergy's emergency team to QAFAC facilities further strengthened mutual aid capabilities. These visits allowed QatarEnergy personnel to familiarize themselves with QAFAC's plant layout, emergency infrastructure, critical routes, and the chemical processes and different high hazards at the plant site. This shared understanding was crucial in aligning response protocols and ensuring the interoperability of resources during joint operations. The arrangement fostered trust and collaboration, setting the stage for a unified response to potential emergencies. By integrating joint emergency exercises, regular visit by emergency response team of QatarEnergy with resources, comprehensive revised pre-plans, and robust PDAs, QAFAC significantly enhanced its ability to manage emergencies efficiently. These initiatives ensured alignment with QatarEnergy's best practices, improved resource coordination, and reinforced operational resilience, setting a high standard for emergency preparedness and response management.

After 2024 combined QRA recommendations, Emergency pre-plans are meticulously being reviewed to also align with QatarEnergy's Istijaba guidelines and recommendations. These pre-plans incorporated hazard-specific strategies considering various credible worst case scenarios.

Workforce Overview

QAFAC employs a mix of permanent and temporary workers. The majority of the workforce is based at the Mesaieed Plant, while others operate from the Doha headquarters. The organization supports a flexible work scheme and leverages a digital system for comprehensive workforce management, which encompasses recruitment and ongoing employee services. The company is guided by a Personnel Policies Manual, which clearly delineates the rights, responsibilities, and management practices related to all employees.

QAFAC aims to be a great place to work and an employer of choice. By offering outstanding opportunities and career options, we strive to provide an attractive, rewarding, and welcoming atmosphere in which people can enjoy fulfilling careers.

Employment at QAFAC is governed by the Personnel Policies Manual. This provides details for all aspects of employee management-related practices, as well as the prospects and rights of QAFAC employees. The Manual is designed to build mutual respect and consideration in attaining the shared objectives of the organization, as well as a harmonious and collaborative relationship between management and employees.

Workforce performance data is managed by a digital system, enabling our Personnel Administration to track and manage KPIs and staff performance. An app enables employees to access all work-related processes from their mobile phones. This includes leave requests, pay slips, training, work mails, employee lookup, team calendars, and other useful work items. The Manarah2 application acts as QAFAC’s intranet and provides unified access to the Company’s policies and procedures, employee profiles, and the latest developments in the company.

QAFAC hires both permanent and temporary employees. In 2024, the total direct workforce headcount was 351. Employees can move between our headquarters in Doha and our operating plant in Mesaieed Industrial City (MIC). There are usually around 35 to 40 staff based at Doha, with everyone else at MIC.



Workforce

	UNIT	2022	2023	2024
TOTAL NUMBER OF EMPLOYEES	#	323	360	351
EMPLOYEES PER GENDER				
Female Employees	#	25	28	32
Male Employees	#	298	332	319
EMPLOYEES PER AGE GROUP				
Under 30 years old	#	41	26	26
30–50 years old	#	152	186	182
Over 50 years old	#	130	148	143
EMPLOYEES PER EMPLOYMENT LEVEL				
Senior Management	#	13	14	14
Middle Management	#	23	23	23
Staff	#	287	323	314

* 2023 values are restated due to recalculation

Turnover

	UNIT	2022	2023	2024
TOTAL NUMBER OF EMPLOYEES WHO LEFT THE ORGANIZATION	#	10	9	18
PER GENDER				
Females	#	0	0	0
Males	#	10	9	18
PER AGE GROUP				
Under 30 years old	#	1	2	0
30-50 years old	#	2	2	3
Over 50 years old	#	7	5	15
PER EMPLOYMENT				
Senior management	#	1	0	0
Middle management	#	1	0	1
Staff	#	8	9	17
Turnover rate	%	3.1	2.5*	5.1

*Value in 2023 is restated due to recalculation

New Hires

	UNIT	2022	2023	2024
TOTAL NUMBER OF EMPLOYEES WHO JOINED THE ORGANIZATION	#	15	15	9
PER GENDER				
Females	#	0	0	3
Males	#	15	15	6
PER AGE GROUP				
Under 30 years old	#	4	1	0
30-50 years old	#	11	14	9
Over 50 years old	#	0	0	0
PER EMPLOYMENT				
Senior management	#	0	0	0
Middle management	#	0	0	0
Staff	#	15	15	9

Employee Engagement, Attraction, & Retention

Attracting and retaining high-performing employees is for a key ingredient for the long-term sustainability of a business. QAFAC takes actions that help us to identify

and recruit high-quality employees and provide them with opportunities that enable them to grow, develop and advance their careers.

Employee recruitment

Our Recruitment, Placement and Selection Policy is designed to help us attract a diverse range of employees.

As well as traditional job advertising, we use mainstream social networks in our recruiting. Our presence on LinkedIn and our service agreement with them have enabled us to build a strong brand presence on the platform and reach a wide audience. LinkedIn's added features support the work of our recruitment team by enabling us to easily sort and filter the best-qualified candidates in the market.

The Human Capital Services & Recruitment Section assesses and evaluates candidates' technical competencies through practical assessments, tests, and exercises. These materials are developed in coordination with recruiting departments and offer reliable measures to complement and validate candidates' qualifications and informing the final hiring decision. We strictly follow educational verification checks and attestation of certificates and clearances to ensure that all formal recruitment procedures and requirements are adhered to.

Employee retention

To help retain our employees, QAFAC offers a range of employee benefits, including engagement activities, rewards, annual awards, and training and development programs. We also provide special events, such as celebrating Qatar National Day, honouring the nation's culture and legacy.

We acknowledge our long-serving employees through our annual Long Service Awards program, which celebrates employees who have completed five, ten, fifteen and twenty years of service.

In gratitude for their dedicated time within the Company, we offer bonuses for employees who are nearing the end of their tenure, based on the number of years they have worked for the organization.

Our Employee Relations Policy, along with the Allowances and Benefits Policy, ensures that all employees are provided with equal opportunities, enjoy benefits, are treated and compensated fairly, and are always protected from discrimination, harassment and abuse.



There were
106
recipients of long
service awards in 2024.

Learning & Development

QAFAC believes in investing in the growth and development of its employees to ensure continuous learning. Throughout an employee's career, we support them in their personal and professional development through training, academic programs, employee engagement activities, and continual enhancement of their competencies.

Our Learning and Development Department oversees a range of policies and schemes designed to help employees develop and progress in their careers. These include:

- Training Policy
- Talent career progression
- Grade progression for Qataris
- Internship programs
- Training processes and procedures
- Succession planning
- Personal development programs for Qatari developers.

Together, these set out the opportunities available to employees for personal and career progression and development. Our offerings help employees to build the right skill sets, expand their knowledge, become competitive, and ultimately contribute to the company's success.

Training needs within QAFAC are carefully analyzed. Disparities between current training initiatives and employee skill sets are identified by a training needs assessment performed by the Personal Administration Division. The Training and Nationalization division monitors and manages the training programs and ensures that employees complete their designated training in line with their competency development requirements. All training programs are also subject to feedback and review for continual improvement.

Empowering Sustainability: QAFAC's GRI Awareness Training

To ensure GRI Sustainability Reporting Standards are effectively implemented across the business, QAFAC organized a comprehensive GRI awareness training program in 2024. Conducted by a third-party expert, the program equipped QAFAC's employees with the necessary knowledge and skills to effectively implement the standards, which provide a structured approach to sustainability reporting.

A key aspect of the training focused on materiality assessment, a process that involves identifying the most significant economic, environmental, and social impacts of an organization's activities. By prioritizing material issues, QAFAC can allocate resources effectively and focus on areas that have the greatest impact.

Data collection and analysis provided another crucial component of the training. Participants learned how to gather accurate and reliable data, ensuring the credibility and integrity of their sustainability reports. The training also covered data visualization techniques, enabling QAFAC to communicate complex information in a clear and engaging manner.

Moreover, the training emphasized the importance of effective report writing and disclosure. Participants were guided on how to structure their reports, present data in a compelling way, and engage with stakeholders effectively. By adopting a clear and concise communication style, QAFAC can enhance its reputation and build trust with its stakeholders.

Through this GRI awareness training, we aim to empower our employees to become sustainability champions.



Succession planning

Succession planning is a key feature in determining training needs at QAFAC. A progressive succession plan for all critical roles is essential to maintain seamless continuity of our operations, especially as more than 40% of QAFAC’s workforce is above the age of 50. We identify those senior roles that could pose a significant risk to our business if unfilled or that would not be easy to fill quickly through external hiring. Our Succession Planning program helps us to forecast the retirement of a large section of the workforce over the coming years and to prepare accordingly, including identifying potential successors. We follow a systematic approach to selecting motivated and talented individuals suitable for development through this program and strive to develop their capabilities for the critical roles identified.

Our Talent and Career Progression Program and Shadowing Program aim to prepare employees for future roles. We also conduct employee performance and career development reviews, which inform people’s learning and development plans.

QAFAC operates an e-learning platform called Percipio, which acts as a one-stop-shop for all learning-related activities. We also employ e-learning tools such as Adobe Captivate, Phishme, and National Agency training.



Learning & Development

	UNIT	2022	2023	2024
TRAINING HOURS	HOURS	9,942	5,976	6,227
AVERAGE HOURS OF TRAINING PER EMPLOYEE*	HOURS/ EMPLOYEE	30.8	16.6	15.5
TOTAL COST OF TRAINING*	QAR ('000)	1,574	3,264	3,852
AVERAGE COST OF TRAINING PER EMPLOYEE*	QAR/EMPLOYEE	4,873	9,039	10,974

* Values restated due to recalculation

6,227 Hours
of employee training, at
an average of 15.5 hours
per person

Human Rights & Labor Standards

Respect for human rights is a core value for QAFAC.

We ensure all our workers and contractors receive fair treatment and that their rights are upheld. This includes conducting routine audits at contractors' premises. We also aim to support human rights and labor rights throughout our operations and supply chain.

To promote decent work for all our employees we have adopted the guidelines of the International Labour Organization. While QAFAC is not subject to Qatar's labor law, we are guided by its principles as a minimum. We aim to go beyond the legal requirements, creating an ethical environment in which our employees are empowered to play an equally important role in making sustainable business decisions.

Our Human Rights policy, inspired by the Universal Declaration of Human Rights and guided by the constitution of Qatar, reinforces our commitment to:

- treat those working for and with us, fairly and with dignity and respect
- not discriminate based on race, age, disability, gender, political or religious beliefs
- comply with applicable human rights laws
- not work with business partners involved in human trafficking or forced labour
- provide safe, healthy, and secure working conditions.

We also operate a Respectful Workplace Policy, which sets out our expectations for when colleagues work with each other, with business partners and with other external stakeholders.

We are proud to report that there were no instances or grievances involving violations of human rights, discrimination against employees, or forced or compulsory labor during 2024, nor have there been since our foundation.

Grievances

Our Personnel Policy Manual outlines our grievance mechanism and problem resolution procedure. We operate a reporting line for employees and investigations are carried out when needed. Employees are encouraged to speak up, without fear of retaliation, when they see incidents of unfair practices, including unscrupulous employment, workplace discrimination, sexual harassment, concern about wages and other relevant issues. QAFAC has a Speaking Up Policy and we have implemented a Speak Up hotline to enable employees to report concerns in strict confidence. All reports are followed up promptly and professionally.

ZERO
reported grievances
in 2024



Diversity & Equal Opportunity

QAFAC strives to build a diverse workforce that includes individuals from a range of nationalities, racial backgrounds, gender identities and employable ages. We look for individuals who are not just the best fit but who also bring a unique value proposition, skills, and technical know-how to our business.

ZERO
reported incidents
of discrimination
during 2024

We are committed to fostering a progressive, welcoming, and growth-oriented workplace culture across our company. QAFAC believes that one of the important factors in our success as a business is to embrace diversity, inclusivity and a global mindset.

Our Diversity Policy has helped us to identify ways to nurture a diverse and inclusive workforce, such as initiatives to promote equity and inclusion, training and career development opportunities for women, as well as address the challenge of youth unemployment.

Our Employee Relations Policy, along with the Allowances and Benefits Policy, ensures that all employees are provided with equal opportunities, enjoy benefits, are treated and compensated fairly, and are always protected from discrimination, harassment and abuse.

Improving gender diversity is a focus area for QAFAC, and we have implemented initiatives to empower our female employees. In 2024, female employees accounted for 9% of our total workforce, up from 8% in 2023. QAFAC also aims to improve female representation in senior management positions.

33%
of all new hired
employees are
females



Diversity

	UNIT	2022	2023	2024
EMPLOYEES PER GENDER				
Female Employees	#	25	28	32
Male Employees	#	298	332	319
EMPLOYEES PER AGE GROUP				
Under 30 years old	#	41	26	26
30-50 years old	#	152	186	182
Over 50 years old	#	130	148	143

Qatarization

Qatarization is a government initiative to increase the proportion of Qataris working in the public and commercial sectors. At the turn of the 21st century, the expatriate population in Qatar had grown significantly but the native Qatari population was showing only marginally growth. To reduce the nation’s reliance on foreign labor, the government introduced the policy of Qatarization.

In line with the National Vision 2030, QAFAC is committed to increasing the number of its Qatari employees, which also helps preserve the company’s Qatari cultural identity. In recent years, we have maintained an annual average Qatarization rate of approximately 30%.

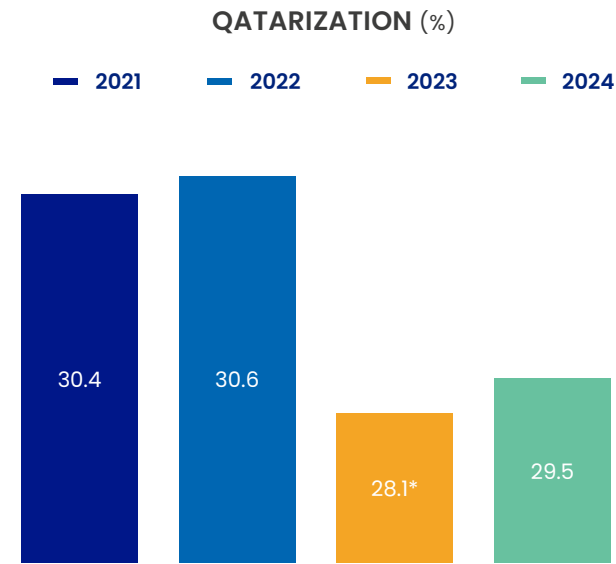
QAFAC has an internal Qatarization Committee headed by the CEO and comprising senior management members. As part of our Qatarization plans, we host annual job fairs to attract and encourage Qatari college and high school students to join us. We have also developed training programs, monitored by our Learning and Development division, which support skills development for Qataris and improve their employment opportunities. In 2024, QAFAC provided 17 trainees with an opportunity to join QAFAC and gain experience from our team of professionals.

We measure progress across the company through metrics such as the overall number of national employees, national trainees, and the minimum number of Qataris that must be employed to meet our goals.

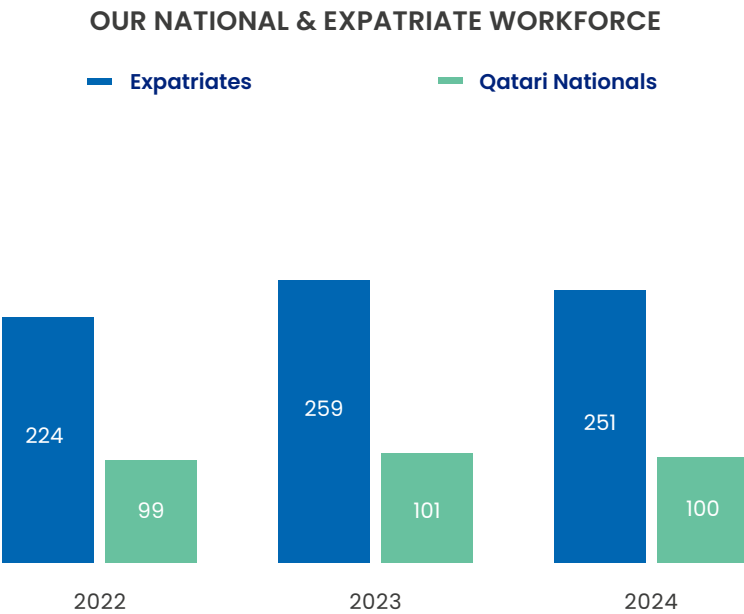
QAFAC’s Qatarization rate in 2024 is 29.5% against a target of 40%. This is based on 100 Qatari employees (including 18 developpees) out of a total headcount of 351.



28%
of Qatari employees
are in management
level



* 2023 value is restated due to recalculation



Developing Qatari Talent

	UNIT	2021	2022	2023	2024
NUMBER OF QATARI STUDENTS SPONSORED TO STUDY IN UNIVERSITIES ABROAD	#	2	4	6	5
NUMBER OF QATARI STUDENTS SPONSORED TO STUDY IN UNIVERSITIES AND TECHNICAL SCHOOLS IN THE STATE OF QATAR	#	0	1	1	1
NUMBER OF QAFAC EMPLOYEES SUPPORTED TO COMPLETE THEIR EDUCATION	#	5	3	3	5
NUMBER OF INTERNS AND TRAINEES SUPPORTED	#	39	41	33	17

Community Engagement & Investment

In line with our commitment to the National Vision 2030, QAFAC has a duty and responsibility to contribute positively to Qatari society. We have a long-standing Corporate Social Responsibility (CSR) policy and a CSR Committee, which oversees our contributions to the local communities.

The committee looks to support potential CSR projects in four areas: health, education, environmental awareness and sports. Proposals in these categories are reviewed by the committee to determine their alignment with QNV 2030 and with the UN SDGs' aim

of addressing the needs of society. Priority is given to those suggestions with the highest potential to improve lives within the communities.

QAFAC also organizes educational presentations and training in the community to share information on waste management and guidance on how local communities can practice environmentally sustainable living.

In 2024, we increased our community investment by 31% to reach QAR 1,525,880.



Impact Area

	CONTRIBUTION (IN QAR)	CONTRIBUTION (IN %)
SPEND ON SAFETY INITIATIVES	46,931	1
SPEND ON HEALTH INITIATIVES	21,503	3
SPEND ON OTHER INITIATIVES	1,457,446	96
TOTAL	1,525,880	100



APPENDICES



Appendix A. – Stakeholder Engagement

Appendix B. – GRI Content Index

Appendices – A



Stakeholder Engagement

STAKEHOLDER	FOCUS AREA	CHANNELS OF ENGAGEMENT
STATE OF QATAR & REGULATORY BODIES	<ul style="list-style-type: none"> QNV 2030 Development of national talent Qatarization Compliance with regulations 	<ul style="list-style-type: none"> Meetings with government entities Partnerships with government entities Conferences and exhibitions Performance reports to regulatory bodies Annual sustainability report
SHAREHOLDERS	<ul style="list-style-type: none"> Maintenance of safe and reliable operations Process efficiency Financial returns Reputation Participation in local economic and social development 	<ul style="list-style-type: none"> Monthly meetings with shareholder representatives Quarterly meetings Shareholder market presentations Board meetings Annual sustainability report
LOCAL COMMUNITY	<ul style="list-style-type: none"> Responsible business practices Minimal environmental impacts Employment opportunities Safe operations Development of national talent 	<ul style="list-style-type: none"> Interaction with employees and their families Educational awareness sessions Public reports Career fairs

STAKEHOLDER	FOCUS AREA	CHANNELS OF ENGAGEMENT
EMPLOYEES	<ul style="list-style-type: none"> Health and safety Competitive pay and benefits Continuous career development Open and transparent Communications Supportive Management 	<ul style="list-style-type: none"> HSSE Newsletter Regular departmental/team meetings Employee satisfaction surveys Email communications QAFAC newsletter Annual sustainability report
MEDIA	<ul style="list-style-type: none"> Transparency Health and safety 	<ul style="list-style-type: none"> Annual Sustainability Report (Online Version) Press Releases (as needed)
CUSTOMERS & QATARENERGY MARKETING	<ul style="list-style-type: none"> Reliable, timely supplies of Methanol and MTBE Supply chain management Service excellence Quality products 	<ul style="list-style-type: none"> Contracts and agreements Offtake requirements (issued by QatarEnergy Marketing) Meetings with QatarEnergy Marketing Conference and exhibitions Customer feedback surveys Memberships in industry associations
CONTRACTORS AND SUPPLIERS	<ul style="list-style-type: none"> Fair contract bidding/awarding Timely payments Good working conditions 	<ul style="list-style-type: none"> Contractual arrangements and bidding Conferences and exhibitions Third-party endorsement Medical screening for contractors
NON-GOVERNMENTAL ORGANISATIONS	<ul style="list-style-type: none"> Responsive communications Support to local NGOs 	<ul style="list-style-type: none"> Presentations/Briefings Meetings

Appendices – B



CONTENT INDEX
ESSENTIALS SERVICE

2025



SDG ADD-ON

2025

STATEMENT OF USE QAFAC has reported in accordance with the GRI Standards for the period 1/1/2024 till 31/12/2024

GRI 1 USED GRI 1: Foundation 2021

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. This service was performed on the English version of the report. GRI Services reviewed the correct mapping of the GRI disclosures presented in the GRI content index to Sustainable Development Goals (SDGs), based on the ‘Goals and targets database’ tool available from GRI website.



GRI Content Index

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
GENERAL DISCLOSURES				
GRI 2: GENERAL DISCLOSURES 2021	2-1 Organizational details	7-12		
	2-2 Entities included in the organization’s sustainability reporting	4		
	2-3 Reporting period, frequency and contact point	4		
	2-4 Restatements of information	39, 63, 64, 67, 70		
	2-5 External assurance	This report has not been externally assured		
	2-6 Activities, value chain and other business relationships	10		

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
GRI 2: GENERAL DISCLOSURES 2021 _(CONT)	2-7 Employees	63, 64		
	2-8 Workers who are not employees	63		
	2-9 Governance structure and composition	13-15		
	2-10 Nomination and selection of the highest governance body	13		
	2-11 Chair of the highest governance body	13		
	2-12 Role of the highest governance body in overseeing the management of impacts	13		

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
GRI 2: GENERAL DISCLOSURES 2021 _(CONT)	2-13 Delegation of responsibility for managing impacts	13		
	2-14 Role of the highest governance body in sustainability reporting	21		
	2-15 Conflicts of interest	20, 21		
	2-16 Communication of critical concerns	68		
	2-17 Collective knowledge of the highest governance body	13		
	2-18 Evaluation of the performance of the highest governance body	19		
	2-19 Remuneration policies	Not disclosed		Confidentiality constraints - privacy concerns, regulatory and legal constraints
	2-20 Process to determine remuneration	13		
	2-21 Annual total compensation ratio	Not disclosed		Confidentiality constraints - competitive sensitivity, privacy concerns and legal constraints

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
GRI 2: GENERAL DISCLOSURES 2021 _(CONT)	2-22 Statement on sustainable development strategy	5-6		
	2-23 Policy commitments	20		
	2-24 Embedding policy commitments	20		
	2-25 Processes to remediate negative impacts	19		
	2-26 Mechanisms for seeking advice and raising concerns	68		
	2-27 Compliance with laws and regulations	16, 19		
	2-28 Membership associations	12		
	2-29 Approach to stakeholder engagement	22		
	2-30 Collective bargaining agreements	68		

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
MATERIAL TOPICS				
GRI 3: MATERIAL TOPICS 2021	3-1 Process to determine material topics	22		
	3-2 List of material topics	22		
WASTE				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	44, 45		
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	44	SDG 3, SDG 6, SDG 12	
GRI 306: WASTE 2020 (CONT)	306-2 Management of significant waste-related impacts	44	SDG 3, SDG 6, SDG 12	
	306-3 Waste generated	45	SDG 3, SDG 6, SDG 12, SDG 15	
	306-4 Waste diverted from disposal	45	SDG 3, SDG 12	
	306-5 Waste directed to disposal	45	SDG 6, SDG 15	

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
RESOURCE EFFICIENCY				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	37		
GRI 301: MATERIALS 2016	301-1 Materials used by weight or volume	37	SDG 8, SDG 12	
WATER				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	48		
GRI 303: WATER & EFFLUENTS 2018	303-1 Interactions with water as a shared resource	48	SDG 6, SDG 12	
	303-2 Management of water discharge-related impacts	48	SDG 6	
	303-3 Water withdrawal	48	SDG 6	
	303-4 Water discharge	48	SDG 6	
	303-5 Water consumption	48	SDG 6	

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
CLIMATE CHANGE				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	38-43		
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	39	SDG 7, SDG 8, SDG 12, SDG13	
	302-3 Energy intensity	39	SDG 7, SDG 8, SDG 12, SDG13	
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	41	SDG 3, SDG 12, SDG 13, SDG 14, SDG 15	
	305-2 Energy indirect (Scope 2) GHG emissions	41	SDG 3, SDG 12, SDG 13, SDG 14, SDG 15	
	305-4 GHG emissions intensity	41	SDG 13, SDG 14, SDG 15	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	41	SDG 3, SDG 12, SDG 14, SDG 15	

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
BIODIVERSITY				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	47		
GRI 304: BIODIVERSITY 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	47	SDG 6, SDG 14, SDG 15	
	304-2 Significant impacts of activities, products and services on biodiversity	47	SDG 6, SDG 14, SDG 15	
	304-3 Habitats protected or restored	47	SDG 6, SDG 14, SDG 15	
GRI 304: BIODIVERSITY 2016 (CONT)	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	47	SDG 6, SDG 14, SDG 15	
HEALTH & SAFETY				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	50-62		

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
GRI 403: OCCUPATIONAL HEALTH & SAFETY 2018	403-1 Occupational health and safety management system	51	SDG 8	
	403-2 Hazard identification, risk assessment, and incident investigation	50, 51, 52, 54, 59, 60, 62	SDG 8	
	403-3 Occupational health services	54, 55	SDG 8	
	403-4 Worker participation, consultation, and communication on occupational health and safety	51	SDG 8, SDG 16	
	403-5 Worker training on occupational health and safety	55, 56	SDG 8	
	403-6 Promotion of worker health	52-57	SDG 3	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	52-54, 58-62	SDG 8	
	403-8 Workers covered by an occupational health and safety management system	50		

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
GRI 403: OCCUPATIONAL HEALTH & SAFETY 2018 (CONT)	403-9 Work-related injuries	54, 57, 59, 61	SDG 3 SDG 8, SDG 16	
HUMAN RIGHTS & LABOUR STANDARDS				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	68		
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	68	SDG 8	
LEARNING & DEVELOPMENT				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	66		
GRI 404: TRAINING & EDUCATION 2016	404-1 Average hours of training per year per employee	67	SDG 4, SDG 5, SDG 8,SDG 10	
GRI 404: TRAINING & EDUCATION 2016 (CONT)	404-2 Programs for upgrading employee skills and transition assistance programs	66	SDG 8	
DIVERSITY & EQUAL OPPORTUNITY				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	69		

GRI STANDARDS / OTHER SOURCES	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	13	SDG 5, SDG 8	
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	69	SDG 5, SDG 8	
EMPLOYEE ENGAGEMENT, ATTRACTION, & RETENTION				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	65		
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	64	SDG 5, SDG 8, SDG 10	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	65	SDG 3, SDG 5, SDG 8	
COMMUNITY ENGAGEMENT & INVESTMENT				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	71		
GRI 413: LOCAL COMMUNITIES 2016	413-1 Operations with local community engagement, impact assessments, and development programs	71		

GRI STANDARDS	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMISSION
QATARIZATION				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	70		
GRI 202: MARKET PRESENCE 2016	202-2 Proportion of senior management hired from the local community	70		
QSE S20: QATARIZATION	Percentage of Qatari nationals in the workforce	70		
BUSINESS ETHICS & ANTI-CORRUPTION				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	16, 20		
GRI 205: ANTI-CORRUPTION 2016	205-2 Communication and training about anti-corruption policies and procedures	20		
OPERATIONAL RELIABILITY & BUSINESS CONTINUITY				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	32		
DISCLOSURE: NON-GRI KPI	Plant Reliability of Methanol and MTBE	32	SDG 8, SDG 9	

GRI STANDARDS	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMMISION
SUSTAINABILITY IN THE SUPPLY CHAIN				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	33		
GRI 204: PROCUREMENT PRACTICES 2016	204-1 Proportion of spending on local suppliers	33	SDG 8	
PRODUCT RESPONSIBILITY				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	34		
GRI 416: CUSTOMER HEALTH & SAFETY 2016	416-1 Assessment of the health and safety impacts of product and service categories	34		
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	34	SDG 16	
CUSTOMER PRIVACY AND DATA SECURITY				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	28		
GRI 418: CUSTOMER PRIVACY 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	28	SDG 8	

GRI STANDARDS	DISCLOSURE	PAGE AND/OR DIRECT ANSWER	SUSTAINABLE DEVELOPMENT GOAL	OMMISION
ECONOMIC GROWTH				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	26		
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	26	SDG 8, SDG 9	
	201-3 Defined benefit plan obligations and other retirement plans	26, 65		
MANAGEMENT OF THE LEGAL & REGULATORY ENVIRONMENT				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	16		
STAKEHOLDER ENGAGEMENT & TRANSPARENCY				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	22		
INNOVATION & DIGITAL TRANSFORMATION				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	27-32		



شركة قطر للإضافات
البتروولية المحدودة
QATAR FUEL ADDITIVES
COMPANY LIMITED