NAKILAT ناقلات

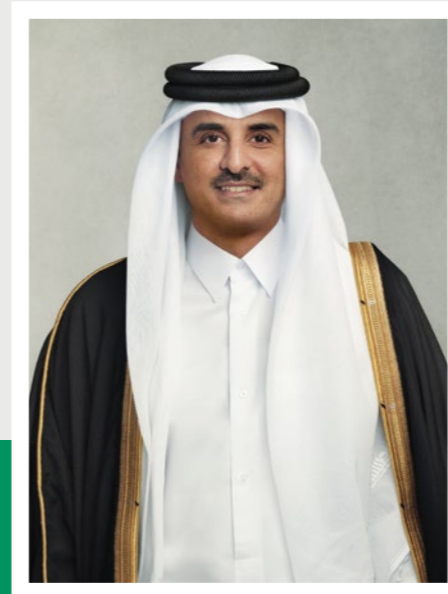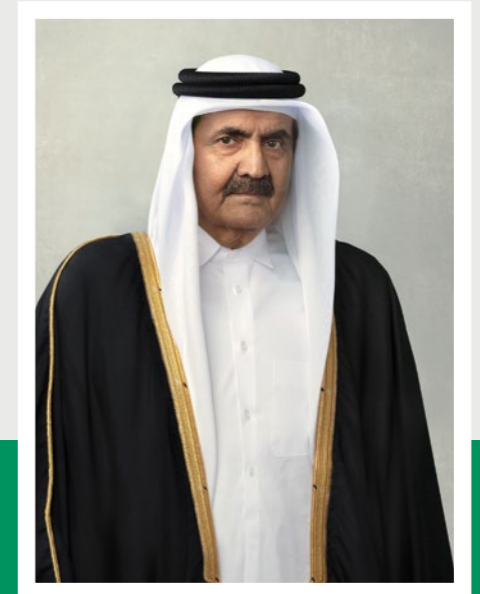# ENVIRONMENTAL SOCIAL AND GOVERNANCE (ESG) REPORT

2022

**IN THE NAME OF ALLAH
THE MERCIFUL AND THE GRACIOUS**

**His Highness
Sheikh Tamim Bin Hamad Al Thani**

Amir of the State of Qatar

**His Highness
Sheikh Hamad Bin Khalifa Al Thani**

Father Amir

CONTENT

1.1 About this Environmental, Social and Governance (ESG) Report

2022 ESG Report is the third annual ESG Report issued by Nakilat (Qatar Gas Transport Company, Symbol: QGTS) to inform our internal and external stakeholders about Nakilat's management approach, strategy, and performance for key environmental, social and governance risks and opportunities, and the progress made during the year 2022. This report complements Nakilat's 2022 Annual Report and 2022 Corporate Governance Report, which integrate ESG information. The report content was developed to align with our most material ESG topics and ESG strategy, across our operations, supply chains, and the communities where we live and work. Nakilat remains committed to transparency through public disclosure of accurate and reliable non-financial performance data.

Reporting Period

This 2022 ESG Report covers Nakilat's most ESG topics from January 1st, to December 31st, 2022, in line with the financial reporting period. The ESG Report intends to inform Nakilat's stakeholders of the implemented management approach for key corporate ESG elements, challenges and trends, as well as the progress against our ESG strategy and goals throughout the year of 2022. The 2021 ESG Report was published in January 2022.

Reporting Standards

This report has been prepared in accordance with the GRI Standards for the period from January 1st 2022 to December 31st 2022, indexed on page 121. As a testament to our commitment to proactive transparency, we have also taken into our consideration other internationally recognized external frameworks and standards, including Sustainability Accounting Standards Board (SASB), UN Global Compact (UNGC), and Sustainable Development Goals (SDGs). Furthermore, we disclose Greenhouse Gas (GHG) emissions data based on the GHG Protocol Corporate Accounting and Reporting Standard; the European Union (EU) Monitoring, Reporting and Verification (MRV) of CO_2 emissions; and the International Maritime Organization's (IMO) Data Collection System (DCS) on fuel consumption. This year's report does not entail any significant changes in the reporting scope (topic boundaries) compared to our previous ESG Report 2021. The list of material topics has been updated as per the GRI Universal Standards 2021 (GRI sector standards for Oil and Gas sector 2021).

Scope and Boundaries

Our reporting principles are based on those set out in the GRI Standards and the report boundaries apply to all Nakilat group entities, unless stated otherwise. In 2022, Nakilat's shipping segment represented more than 90% of Nakilat's revenues. In addition, Nakilat's fleet internationally operates (load and discharge) at different countries' terminals in Europe, Asia, and North America, among others.

Currency

All financial data within this ESG Report is shown in Qatari Riyals (QAR), unless stated otherwise.

External Assurance

Our external auditor KPMG provided an independent limited assurance under ISAE 3000 (Revised) on the preparation of this ESG Report in accordance with the GRI Standards. Furthermore, EY provided independent third-party assurance on Financial Statements and Corporate Governance Report for the year 2022. Nakilat's ESG Committee, composed of Nakilat executives, endorsed Nakilat's ESG Report to receive external assurance.

Feedback

We welcome feedback on this report and any aspect of our ESG performance.

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> "
> WE BELIEVE THAT BY WORKING TOGETHER, WE CAN CREATE A MORE SUSTAINABLE AND EQUITABLE WORLD FOR GENERATIONS TO COME

Eng. Abdullah Al-Sulaiti
Chief Executive Officer

On behalf of Nakilat, I am pleased to present Nakilat's 2022 Environmental, Social, and Governance (ESG) Report, which highlights our commitment to sustainability and responsible business practices.

At our company, we understand that sustainable practices as ESG actions are not just a moral imperative, but a business necessity, as we recognize our significant role in promoting responsible environmental stewardship throughout the maritime value chain. Since the company's inception, Nakilat's Board of Directors and senior management have been committed to continuously providing the required and expected transparency to meet its stakeholders' long-term expectations, as we have been producing our sustainability reporting since 2014.

This year's report is a testament to our progress towards sustainability approach to address ESG's prominent issues for sustainable operations, including elements related to climate change, social responsibility, supply chain management, as well as cybersecurity, and good governance. For determining our material topics for ESG Report 2022, we have extensively consulted a wide range of stakeholders, recognizing that their unique insights provide valuable and continuous contribution to Nakilat in this regard. The identified material topics are not solely based on internal considerations but also aligns with our stakeholders' perspectives and interests. Such consultative approach fortifies our commitment to transparency, accountability, and sustainability.

ESG matters continue to pave the way for us and have been embedded in our commitment to deliver clean energy to the world consistently, reliably, and sustainably. In all these years, Nakilat has been consistently compliant with the policies and regulations of the International Maritime Organization (IMO) and we will continue to be compliant with IMO's revised regulations including its ambition for greenhouse gas (GHG) emissions to reduce shipping's total annual GHG emissions. All these IMO industry decarbonization measures will ensure GHG emission reductions in the short, medium, and long-term.

Our focus is on the sustainable development of Nakilat's fleet beyond 2030, which contributes towards the realization of Qatar National Vision 2030.

We intend to continue investing in the most technologically advanced ships, industry pilot projects, and partnerships that have the potential to enable further decarbonization of our energy transportation.

Despite an unprecedentedly high-interest rate environment, tightening monetary policy, and geopolitical uncertainty, Nakilat continues to meet the growing clean energy transportation demand responsibly, by balancing the environmental, social and governance aspects of sustainability, steered by addressing climate-related risks, excellence in health and safety environment, solid governance, and ethical business practices. As a recognition of the company's commitment to effectively manage its health and safety risks, we were awarded, consecutively for the fifth time, the Sword of Honor Award by the British Safety Council, which represents the pinnacle of achievement in the world of health and safety management. Winning the award for five consecutive years shows consistency in maintaining HSE standards in line with industry best practices. All these efforts come as part of Nakilat's drive to become a global maritime sustainability leader and to make a positive impact on the world.

Nakilat's Board of Directors and senior management believe that transparency and accountability are critical to achieving our ESG goals, and this report is a demonstration of our commitment to both. Our ESG Report is more than just a document - it is a reflection of our values and a roadmap for our future. We recognize that sustainability is a journey, and we are committed to continuously improving our practices and performance. We believe that by working together, we can create a more sustainable and equitable world for generations to come.

We look forward to many more milestones in the sustainable growth of our company.

74 vessels

NSQL operated vessels

69* LNG carriers

4 LPG carriers

1 FSRU

25 LNG carriers

4 LPG carriers

1 FSRU

*includes 1 newbuild
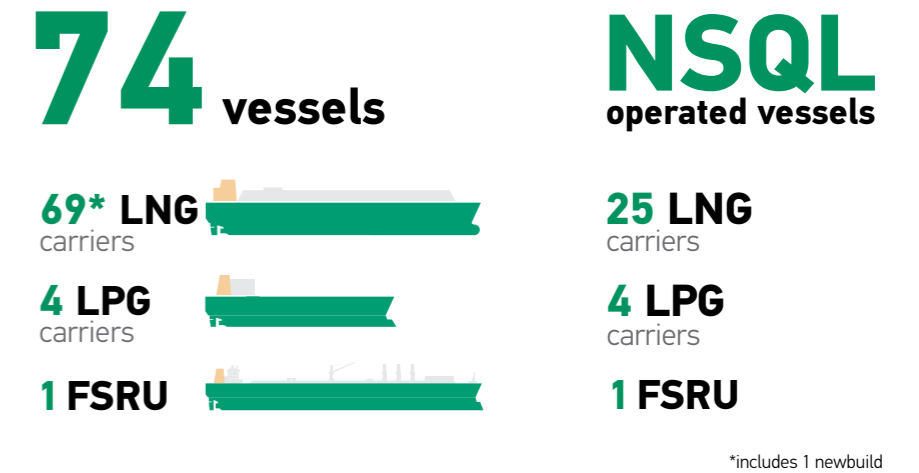
ONE OF THE WORLD'S LARGEST GAS FLEET

- Technologically Advanced
- Environmentally Sound
- Cost Efficient
- Majority on Long-Term Charter Agreements

2.1 About Nakilat

Established in 2004, Nakilat is a shipping and maritime company based in the State of Qatar. A global leader in energy transportation, Nakilat owns one of the world's largest Liquefied Natural Gas (LNG) shipping fleet, consisting of 69 LNG carriers, 4 LPG carriers and one floating storage regasification unit (FSRU), providing the essential transportation link in Qatar's LNG supply chain. Through its wholly owned subsidiary, Nakilat Shipping Qatar Limited (NSQL), the company manages 25 LNG carriers, as well as owns, manages and operates one (FSRU and four Very Large LPG carriers (VLGCs).

In addition to its core shipping activities, Nakilat operates the Erhama Bin Jaber Al Jalahma Shipyard in Ras Laffan Industrial City, providing comprehensive ship repair and offshore fabrication services through N-KOM and Qatar Fabrication Company (QFAB). It also provides shipping agency services through Nakilat Agency

Company (NAC) at all Qatari ports and terminals, as well as towage and other marine support services through its joint venture NSW. The company's Vessel Support Unit (VSU) offers chandlery, storage, and logistics services for vessels operating in Qatari waters.

Markets and Customers Served

Nakilat's headquarters is in Doha, Qatar, while transportation services are offered in various locations internationally. Nakilat's LNG vessels have loaded in 26 countries and discharged in 26 countries in more than 95 terminals in 2022.

Our customers are predominantly LNG producers and major international energy companies.
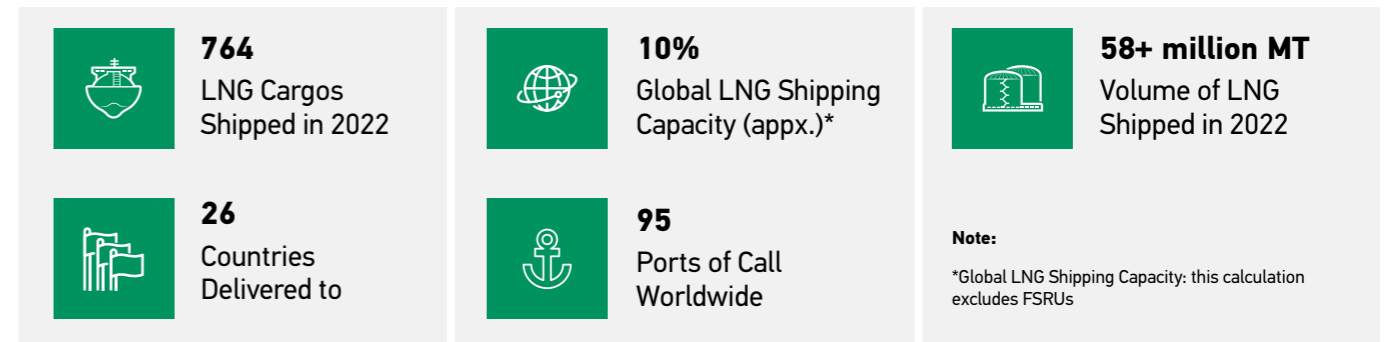
Customer Engagement

Nakilat's market dominance directly stems from our unwavering commitment to customer centricity. Creating value for our customers is at the center of our operations, enabling us to make significant contributions to every aspect of the maritime services. Our strategic formula hinges in maintaining close customer engagement to continually enhance our brand's value. With the help of an annual customer satisfaction survey, we gather feedback from Nakilat's strategic and priority customers. This survey includes elements to capture our customers' insight into our commercial operations, responsiveness to their needs, flexibility in meeting their market requirements, and our ability to provide proactive solutions to the customers' challenges. This enables Nakilat to recalibrate, striving for perpetual improvements while identifying and monitoring our customers' expectations and needs; hence, providing them with high-quality services and products.

Our customers enjoy the flexibility to engage in open, direct, and seamless communication with their respective stakeholders or counterparts within Nakilat. For instance, customers can directly communicate with Nakilat's operations team(s) for vessel

operational matters, associated with specific voyages or the charter. Broadly and formally, the current typical channel of communication and escalations is Nakilat's commercial department. Nevertheless, we are currently exploring the adoption of a formal management approach to customer engagements and managing customer relationships. The anticipated enhancements in customer engagement would enable Nakilat to gain a deeper level of insight into the market forces, emerging technologies, risks and other factors affecting customer expectations and needs.

Nakilat is committed to offering exceptional customer service, and this approach involves delivering effective and reasonable solutions to their grievances. Historically, Nakilat's customer grievances have been addressed in a structured manner, with the establishment of an appropriate baseline honoring the mutually agreed contractual terms, and a further investigation into any concerns. Customer grievances are handled by qualified and experienced teams and escalated to appropriate levels of management as needed.

764 LNG Cargos Shipped in 2022

10% Global LNG Shipping Capacity (appx.)*

58+ million MT Volume of LNG Shipped in 2022

26 Countries Delivered to

95 Ports of Call Worldwide

Note:

*Global LNG Shipping Capacity: this calculation excludes FSRUs

Setting the Purpose, Values and Strategy

An annual off-site meeting is convened involving the CEO and the Senior Management Team (SMT) to review Nakilat's strategy and to deliberate on potential internal and external opportunities and business risks. Preceding to the meeting, internal and external information is collected from employees across various levels, departments and key customers. The outcomes of the off-site meeting are documented and presented to the entire organization. These results constitute of a pivotal component of the strategy update and the new business development plan.

Values	Definition
• Integrity: Honesty with sound moral principles	We are honest with others and ourselves. We meet the highest ethical standards in all business dealings. We accept responsibility and hold ourselves accountable for our work and our actions. Our leaders encourage this virtue within the workforce by fostering an open dialogue on all issues among all employees. At Nakilat, we regard and reward employees for demonstrating integrity.
• Respect: Value other's diversity and perspective	We respect and support each other, and we strive to earn the complete trust of our colleagues and partners. We are committed to maintaining an environment of trust, built upon honesty, ethical behavior, respect, and candor.
• Safety: Incident and injury free	We place the highest priority on the health and safety of our workforce and strive for the protection of our assets and the environment in which we operate. Nakilat's constant attention to safety is the cornerstone upon which we build success. We are committed, individually and as a team, to protecting the public health and safety of our team members, and our assets.
• Encouragement: Be motivated and motivate people around you	We encourage and value the uniqueness of individuals and the varied perspectives and talents they provide. Nakilat's most powerful asset for achieving its mission success is a multidisciplinary team of diverse, competent individuals across the organization. Our approach to teamwork is based on the philosophy that each team member brings unique experiences and important expertise to the organization.
• Passion: Strong commitment towards continuous improvement	We are committed to excellence and are passionate about achieving results that exceed expectations. To achieve the highest standards in safe energy transportation, Nakilat is committed to nurturing an organizational culture in which individuals make valuable use of their time, talent, and opportunities to pursue excellence.

Direct Economic Value Generated and Distributed

The consolidated financial statements of the Group have been prepared in accordance with the International Financial Reporting Standard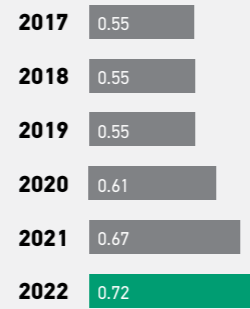s (IFRS) issued by the International Accounting Standards Board (IASB) and in compliance with Qatar Commercial Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021, as applicable.
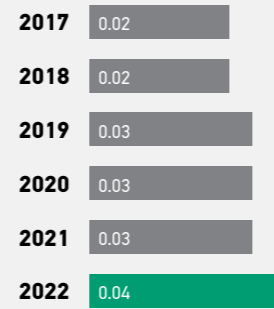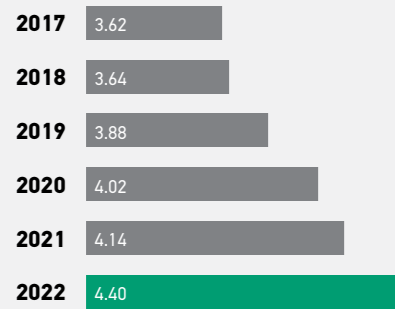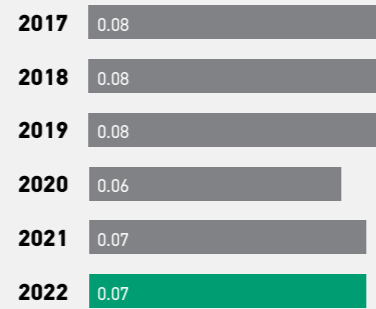
Operating Costs
(billion QAR)

Year	Value
2017	0.70
2018	0.68
2019	0.70
2020	0.73
2021	0.75
2022	0.76
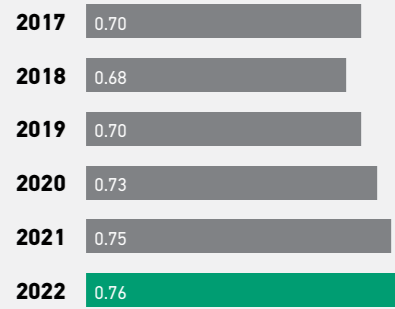
Paid Dividends
(billion QAR)

Year	Value
2017	0.55
2018	0.55
2019	0.55
2020	0.61
2021	0.67
2022	0.72

Social and Sports Fund Contribution
(million QAR)

Year	Value
2017	0.02
2018	0.02
2019	0.03
2020	0.03
2021	0.03
2022	0.04

Total Income
(billion QAR)

Year	Value
2017	3.62
2018	3.64
2019	3.88
2020	4.02
2021	4.14
2022	4.40

G&A Employees Costs*
(billion QAR)

Year	Value
2017	0.08
2018	0.08
2019	0.08
2020	0.06
2021	0.07
2022	0.07

* G&A Employees Costs includes cost items directly related to the employee's job function, such as training.

3.1 ESG Strategy and Statement

Our Environmental, Social and Governance (ESG) strategy consists of within our company and across our value chain. Our commitment to these strategic focus areas is formalized through our ESG statement.

ESG Statement

As a company with one of the world's largest gas fleet delivering clean energy globally, Nakilat is continuously committed to the Qatar National Vision 2030, which serves as a transformative roadmap for Qatar, harmonizing economic growth with the sustainable management of its human and natural resources, thus propelling the nation towards a prosperous future. This vision constitutes a beacon that guides economic, social, human and environmental development of the country in the coming decades, so that it is inclusive and beneficial for the citizens and residents of Qatar in various aspects of their lives.

In line with Nakilat's Vision and Mission statements, Code of Business Ethics and Conduct, and Safety, Health, Environment and Quality (SHEQ) policy, our ESG commitments cover all areas of operations, including:

Safety, Health and Environment:

- Ensure the health and safety of all our employees, prevent occupational injuries, and ensure employees' well-being
- Adopt measures to minimize environmental impacts of our operations including energy, GHG emissions, waste, and biodiversity

Economic Impacts and Supply Chain:

- Improve and sustain our financial position to maintain the shared value with all the economies we serve, including the State of Qatar
- Ensure responsible sourcing of goods and services and prohibit any kind of human rights or environmental infringement in our supply chain

Employees:

- Ensure career development, training, life-long learning, and employability
- Provide an excellent workplace, which includes promoting social welfare, respecting of ergonomics and caring for employee's wellbeing and reducing stress

Governance, Ethics and Compliance:

- Operate ethically by maintaining the highest levels of fairness, integrity, transparency and accountability in all markets where we operate
- Prevent any kind of misconduct including fraud, conflict of interest, anti-corruption, or anti-competition

Responsible and sustainable business practices are integral to our long-term success and our dedication to ESG principles. Our business strategy revolves around this commitment, and we strive to continually enhance our performance in these domains. We firmly believe that by prioritizing ESG, we do not only secure our own prosperity but also contribute to the wellbeing of the communities we serve.

Nakilat's ESG Committee has the following key responsibilities:

- Oversee the ESG strategy, policies, and business practices throughout the Group
- Oversee ESG reporting and external disclosures, in accordance with international standards and industry best practices
- Ensure the Group compliance with applicable laws and regulations concerning ESG
- Oversee the ESG due diligence process for potential investment and provide recommendations on outcomes
- Review and approve ESG topics of strategic importance to the company
- Assess feedback from external stakeholders regarding to material ESG topics and provide guidance and direction to senior management
- The CEO, who serves as the Chairman of the ESG Committee, updates the Board of Directors on ESG related impacts on the company and progress made in ESG risk mitigation

When appropriate, the Committee may delegate all, or a portion of its duties and responsibilities, to one or more sub-Committees when deemed appropriate. Each sub-Committee shall have the full power and authority of the Committee, regarding the matters delegated.

By emphasizing transparency, ethical conduct, and responsible leadership, we aim to foster a culture of sustainability and resilience throughout our business. Below we provide a comprehensive overview of how we uphold and integrate ESG considerations into our decision-making processes, organizational structure, and accountability frameworks.

ESG Committee Charter

The ESG Committee comprises of Nakilat's Executives. The committee provides regular updates to the Board of Directors, who holds overall accountability for all ESG-related matters across the Group.

The ESG Committee meets regularly and at least twice a year and is responsible for maintaining oversight of the company's strategies, policies and risks related to environment, social and governance topics. This encompasses all these topics identified as having a material impact on the business such as climate change, GHG emissions, energy consumption, health and safety, human capital, human rights, good corporate governance, and community engagement.

The Committee is supported by the ESG Task Force composed of senior employees who represent each ESG pillar (Environment, Social, and Governance) and are responsible for the day-to-day management of Nakilat's ESG reporting, data collection and consolidation. The ESG Task Force reports to the ESG Committee and meets regularly to drive continuous improvement in the management of Nakilat's ESG performance. Further, the ESG Task Force also engages in discussions on the prevalent global and national ESG developments, disclosure requirements, and their impacts on Nakilat.

In 2021, Nakilat established the 'Environmental Working Group' (EWG) to further extend support to the ESG Committee, in the capacity of a subject matter expert for Nakilat's material environmental topics. The EWG was established to provide relevant environmental information and recommendations to the ESG Committee, including policies, strategies, initiatives, measurements, and monitoring of actions to enhance the environmental component of Nakilat's ESG performance. Nakilat seeks excellence in all areas across the organization by pushing the boundaries to explore opportunities beyond the compliance requirements with the aim of reducing the environmental impact in line with the Paris Agreement, IMO GHG strategy and Qatar Vision 2030.

ESG Organogram

Engaging with stakeholders is crucial to Nakilat's success and the development of our sustainable strategy and efforts. Nakilat's ESG strategy and approach were developed following extensive consultation with key internal and external stakeholders. The engaged include customers, investors, shareholders, employees, suppliers, students, community members, and government entities.

The channels for engagement can be found in the figure below:

STAKEHOLDER GROUP	WHO THEY ARE	ENGAGEMENT PLATFORM ACTIVITIES
Business Partners and Joint Venture Companies	Leading shipping and maritime companies from around the world who collaborate with Nakilat to meet our growth strategy	• Regular forums and meetings with business partners • Close contact with charterers is maintained through regular meetings and participation in key industry events • Periodic audits
Customers	Major charterers (local and international companies)	• Close contact with charterers is maintained through regular quarterly meetings and a customer satisfaction survey twice per year
Employees	Pillars of the organisation 200+ employees at Nakilat and 1100+ total crew	• Annual employee forum, regular surveys and questionnaires
Suppliers and Service Providers	Vendors and businesses whom we procure goods or services from 200+ suppliers	• Timely updates on business requirements, with an emphasis on procurement from the local market
Investors	Any person or other entity who commits capital with the expectation of receiving financial returns	• Nakilat is a Qatari listed company that owns, operates and manages LNG/LPG vessels, provides shipping and marine-related services to a range of participants within the Qatari hydrocarbon sector, and serves international customers • Nakilat strives to protect the interests of investors by way of following corporate governance and keeps them informed about its financial state of affairs by publishing quarterly and annual financial reports on the Qatar Exchange and issuing annual governance report
Government and Regulatory Authorities	Policy makers	• Conformance to laws and regulations towards operating in safe, efficient and reliable manner, as well as spurring local socio-economic growth
Local Community	Communities within the area of our operations	• Implement various initiatives aimed at contributing to the society at large (corporate social responsibility)

Materiality assessment is a critical process for our organization to identify and prioritize the most prominent ESG issues relevant to our business operations, stakeholders, and overall sustainability strategy.

Nakilat undertakes a periodic evidence-based review of its material on ESG topics in accordance with the GRI Standards. This entails industry analysis, peer benchmarking, external stakeholder surveys, and internal validation by the ESG Committee.

In 2022, as part of the identification of key ESG risks and opportunities, we conducted a high-level overview of our activities and business relationships, the sustainability context, and an overview of our stakeholders, which provided us with information for identifying actual and potential impacts, if any. To help identify material ESG impacts, we engage through various methods and processes transparently and through open communication channels every two years across our activities and business relationships with internal and external stakeholders, including groups and individuals. These stakeholder groups include shareholders, investors, suppliers, joint ventures partners, charterers, ship classification societies, employees, ESG specialists and ESG rating agencies, among others. Through this stakeholder dialogue, we assess and map the relevance of ESG topics that impact our business and the wider society.

We employ various methods to gather inputs from stakeholders. We conduct surveys to collect information, enabling us to gain a broad understanding of their priorities. We also engage discussions to delve deeper into market experiences and expectations. These interactive sessions allow us to capture the nuances and complexities of their viewpoints.

Throughout the consultation process, we listen attentively, valuing every voice and opinion. We seek to understand the unique perspectives and interests of each stakeholder group, appreciating that their input will enrich our decision-making and shape our future actions.

By extensively consulting our stakeholders, we ensure that the process of determining material topics is not a unilateral exercise but a collaborative effort. The most significant ESG topics for our stakeholders form the basis for the development of Nakilat's ESG Report, and subsequently, respective disclosures of the material topics. The prioritization also helps inform the evolution of Nakilat's ESG strategy and level of ambition for certain topics.

In 2022, based on the results from the assessment process, twelve material topics were prioritized and generated Nakilat's ESG materiality matrix, plotting the company's priority topics against stakeholder importance, and the significance of impact on Nakilat's business. This prioritization followed the assessment of GRI's sector standards (Oil and Gas Sector 2021), the GRI's topic standards, industry benchmarking, analysis of selected international ESG rating agencies and assessment of stakeholder surveys. The materiality matrix forms the basis for reporting and disclosure of the organization's sustainability approach, providing a clear and transparent overview of the company's sustainability risks, opportunities, and performance.

Nakilat's ESG materiality assessment process below illustrates how we identify, engage, and take action surrounding the key identified material topics of greatest interest to our stakeholders regarding Nakilat's environmental, social, and governance performance. In addition, Nakilat has internally tested and reviewed its selection of material topics against the topics in the applicable GRI Sector Standards for Oil and Gas Sector 2021.

The Process of Nakilat's Materiality Assessment:

Identification and benchmarking

Following the use of GRI's sector standards and considering topics and impacts described in the GRI sector standards (Oil and Gas Sector 2021), benchmarking was then conducted encompassing shipping industry peers across sector leaders to further identify relevant ESG topics and best practices. We utilize industry recognized external ESG rating assessments to assist this process.

Categories of the material issues:

1. Environment
2. Human rights
3. Human resources and labor practices
4. Corporate governance, compliance and risk management
5. Social and community relations

Assessment and stakeholder engagement

We engaged with internal and external stakeholders through surveys and engaging sessions to assess identified ESG topics.

Examples of external and internal stakeholder groups

- Investors
- Shareholders
- Ship Classification Societies
- Suppliers
- JV Partners
- Charterers
- Brokers
- Financial Institutions
- Insurers and P&I Club
- Flag State
- C-Suite Executives
- ESG Committee
- ESG Task Force
- Middle-Management
- Employees

Prioritization and determining material topics

The identified ESG material topics are tested and prioritized based on their importance to stakeholders and Nakilat's business. Nakilat's ESG Committee and ESG Task Force have overseen the process, reviewed and approved the material topics.

NAKILAT'S ESG MATERIAL TOPICS:

Social

- Occupational health and safety
- Employment practices
- Responsible procurement and supply chain
- Diversity and inclusion
- Local communities

Nakilat's Material ESG Topics

Governance

- Corporate governance and compliance
- Anti-bribery and anti-corruption
- Risk and crisis management
- Information security/cyber security

Environment

- Energy efficiency and resource use
- GHG and air emissions
- Biodiversity and ocean health

HIGH

Stakeholder Relevance

Risk and Crisis Management

Energy Efficiency and Resource Use

Anti-Bribery and anti-corruption

Occupational Health and Safety

GHG and Air Emissions

Corporate Governance and Compliance

Biodiversity and Ocean Health

MEDIUM

Information Security / Cyber Privacy

Responsible Procurement and Supply Chain

Employment Practices

Diversity and Inclusion

Local Communities

LOW   MEDIUM   HIGH

Significance of Impact

International and National Frameworks

The State of Qatar has placed an emphasis on environmental protection and sustainable development, with all of the country's stakeholders committed to achieving the objectives of Qatar National Vision (QNV) 2030 and the United Nations' Sustainable Development Goals. At Nakilat, we are committed to the objectives of Qatar National Vision 2030 and the United Nations' Sustainable Development Goals, which is underscored by the fact that we have closely aligned and developed our corporate and ESG strategies to reflect and achieve these objectives.

Qatar National Vision (QNV) 2030

Launched in October 2008 by the General Secretariat for Development Planning in the State of Qatar, QNV 2030 is a development plan aimed to transform Qatar into an advanced society capable of achieving sustainable development by 2030. To aid with its implementation, QNV is supported by the National Development Strategy, which is set every 5 years. QNV 2030 consists of four interconnected pillars:

PILLARS OF THE QATAR NATIONAL VISION 2030

Economic Development
Development of a competitive and diversified economy capable of meeting the needs of, and securing a high standard of living for, all its people both for the present and for the future

Environmental Development
Management of the environment such that there is harmony between economic growth, social development and environmental protection

Social Development
Development of a just and caring society based on high moral standards, and capable of playing a significant role in global partnerships for development

Human Development
Development of all its people to enable them to sustain a prosperous society

United Nations Sustainable Development Goals (UN SDGs)

The UN Sustainable Development Goals (SDGs) are the overarching framework for sustainability, with 17 goals and 169 targets to be achieved by 2030. The SDGs seek to coordinate efforts to reduce inequality, combat climate change, end all forms of poverty, and promote sustainable economic growth. The objectives are general and apply to all industries. While our sustainability efforts contributed to most 17 SDGs, at Nakilat, we prioritize the SDGs that are most in line with our corporate objectives and ESG strategy. We consider the risks and possibilities that our business face, our worldwide impact and the importance of our stakeholders' interests.

The International Maritime Organization (IMO) is a specialized organization of the United Nations tasked with ensuring the safety and security of ships as well as mitigating ship-related marine and atmospheric pollution. The activities of the IMO directly aid in achieving the UN Sustainable Development Goals.

Crew Welfare

The success of an organization relies on the people who form its foundation, as they play a vital role in achieving operational excellence. Seafarers' welfare remains one of the company's highest priorities. We have implemented practical steps and initiatives toward solutions that aim to achieve work-life balance for all of our seafarers by introducing additional junior engineers, cadetship programs, and several other measures that support an improved lifestyle onboard, combined with enhancement of cybersecurity, to further cement our seafarers' protection from malicious attacks. During the fleet officers' meetings, the management pledged to continue the company's efforts in operating transparency and responsibly leading the way toward sustainable growth across our operations, which will positively impact our people, community and environment while creating value for our stakeholders and shareholders.

External Initiatives and Membership Organizations

The International Seafarers' Welfare and Assistance Network (ISWAN)

ISWAN is a membership organization that promotes and supports the welfare of seafarers worldwide. It has a 24-hour, multilingual helpline called 'Seafarer Help' which has been provided to Nakilat's seafarers as a direct welfare service that can support mental health onboard. ISWAN also provides routine health information that we share with the vessels to make seafarers aware of the issues affecting them and the support they can receive if required. Nakilat's wholly owned subsidiary, Nakilat Shipping Qatar Limited (NSQL), has been an active member of ISWAN since 2018.

Society of Gas as a Marine Fuel (SGMF)

Nakilat is a founding member of the SGMF, a nongovernmental international organization (NGO) established a decade ago to promote safety and industry best practices in the use of gas as a marine fuel. The Society is the definitive information resource for industry. It has consultative status with the International Maritime Organization (IMO) and is the definitive information resource for industry. Nakilat's Chief Operating Officer, Mr. Samir Bailouni, is the President of SGMF. The UK-based SGMF is the leading international body for the use and adoption of gasses as fuel for shipping and associated supply infrastructure. Furthermore, the society is governed by a representative Board and driven by three principal committees: Technical, Environmental, and APAC. The SGMF has several working groups at any one-time solving issues and producing outputs such as formal publications and technical guidance notices for the industry. In 2022, SGMF published several new guidelines to improve the safety of LNG-fueled ships. The guidelines are intended to assist in greater standardization of crew competency and vessel design.

The Society of International Gas Tanker and Terminal Operators (SIGTTO)

SIGTTO is an international organization established for the exchange of safety and technical information and experience, between industry members involving gas tankers and terminals, to enhance the safety and operational reliability of gas tankers and terminals. Nakilat has been a member since 2007.

External Awards

British Safety Council's Occupational Health and Safety

Nakilat has been awarded '**Sword of Honour**' by the British Safety Council, UK for **the fifth consecutive year**. By receiving this award for five consecutive years, Nakilat has demonstrated that its safety standards have been continually improving and thus maintained at par with the global standard of excellence.

Nakilat has consistently maintained its commitment towards, health, safety, and general welfare of staff members and contractors throughout these years, despite many challenges, with COVID-19 being a prominent challenge. Nakilat adopted robust health and safety measures during the pandemic, which lasted for close to 3 years, without lowering its guard toward personnel safety. The 'Injury and Incident Free' initiative has always been a prominent fixture in all HSE endeavors of the company for the past few years, to instill a culture of zero injuries or damage. A few of these endeavors included in-house and external training programs, HSE campaigns in coordination with external ministerial bodies of Qatar, welfare measures during the pandemic, and motivational spot award schemes to encourage staff to become IIF.

In 2022, Nakilat's JV partner, N-KOM, achieved a 5-Star rating in the British Safety Council's Occupational Health and Safety Audit in its very first attempt. Subsequently, owing to its consistent efforts in implementing and maintaining high standards in health, safety and wellbeing of its workforce, N-KOM was also awarded the British Safety Council's 'Sword of Honor'.

British Safety Council's Environmental Sustainability

Nakilat has achieved a five-star grade in its first attempt from Five Star Environmental Audit conducted by the British Safety Council in December 2022.

The company underwent a detailed, quantified, and objective evaluation of our environmental management system. The audit measured our performance against several of key best practice indicators and achieved the highest available rating.

The British Safety Council's Five Star Environmental Audit provides organisations with a worldwide benchmark of their environmental management systems against the current best practices to enable continual improvement. The audit specification was revised in 2021 to recognize the importance of an integrated approach toward environmental sustainability and its links to other management disciplines within an organisation in this respect.

Voluntary Green Awards Program[1]

Nakilat LNG vessels, that make regular calls to NW (Northwest) Europe, are recipients of the Green Award, a voluntary program that symbolizes surpassing industry standards in terms of safety, quality and environmental performance, and acts as a quality mark which brings benefits to its holders. The program is endorsed by ports, shipping organizations and maritime service providers that want to support and enhance the environmental and safety performance of ships and to promote the highest quality standards.

Seatrade Maritime Awards

Nakilat's Global series vessel was one of the top 3 finalists nominated for 'Ship of the Year' at the Seatrade Maritime Awards in London.

Annual Qatarization Crystal Award

- 2021 – Annual Qatarization Crystal Award for 'Support for Learning and Development at the Energy Sector's 2021 Strategic Qatarization Plan awarded in June 2022

- 2020 – Annual Qatarization Crystal Award for 'Supporting Qatarization' at the Energy Sector's 2020 Strategic Qatarization Plan awarded in July 2021

- 2018 – Annual Qatarization Crystal Award for 'Supporting Training and Development' at the Energy and Industry Sector's 2018 Annual Qatarization awarded in May 2019

International Standards

Nakilat holds certification in the following Integrated Management System (IMS) standards with Lloyds Register:

- ISO 9001:2015 (Quality Management)
- ISO 14001:2015 (Environmental Management) and
- ISO 45001:2018 (Occupational Health and Safety)

This integrated approach empowers us to ensure the highest level of international quality standards, enhancing customer satisfaction, confidence, occupational health and safety focusing on hazard identification, risk assessment including control measures to prevent incidents, protect workers' wellbeing and environmental management throughout its operations. This framework enables Nakilat to consistently deliver reliable and efficient LNG transportation services while continuously improving its operational efficiency and effectiveness.

The integration of these three standards into Nakilat's management system ensures a cohesive and comprehensive approach to quality, health, safety, wellbeing and environmental management. It enables us to optimize its processes, reduce duplication of efforts, and foster a culture of continuous improvement across the organization.

Through our established integrated management system, Nakilat demonstrates its commitment to operational excellence, employee wellbeing, and environmental sustainability, positioning itself as a leader in the LNG shipping industry.

Additionally, Nakilat holds also certifications for ISO 27001:2013 (Information Security Management) and ISO 22301:2019 (Business Continuity Management).

[1]https://www.greenaward.org/sea-shipping/certificate-holders-ships/list-of-certificate-holders/

4.1 Environmental Management and Compliance

Environmental management and compliance are vital aspects of sustainable business operations, demanding immediate attention from all stakeholders. They entail implementing strategies and best practices aimed at reducing the environmental impact of Nakilat's overall business activities. Due to its global LNG shipping operations, Nakilat is subject to an extensive array of regulations and requirements related to environmental management. Guided by robust risk management practices and corporate policies, Nakilat undertakes a multitude of measures to safeguard the environment and ensures compliance with international standards and internal governance mechanisms. In alignment with Qatar National Vision 2030 and the United Nations Sustainable Development Goals, Nakilat has developed proactive environmental commitments striving towards a sustainable future.

Nakilat actively contributes to the development of industry best practices and adheres to the following practices as a minimum:

Responsible waste management and disposal both on-land and ships (off-shore)

- Comprehensive policies and procedures to prevent oil spills and effectively manage them with minimum impact

- Prompt reporting of incidents, followed by thorough investigations and lessons learnt

- Proactive maintenance of equipment on vessels and within shipyards

- Regular updates of environmental management system in line with Nakilat's vision, local and international rules and regulations

- Ongoing training for shore and vessel staff

- Strict compliance with local and international pollution prevention regulations

- Active engagement in sustainable initiatives organised by external stakeholders

Environmental Management at Nakilat is guided by our SHEQ policy which defines the company's commitment towards 'Quality of Services', 'Health and Safety at Workplace' and 'Environmental Protection'.

The SHEQ Policy was developed keeping Nakilat's vision and core values as a foundation and incorporating all applicable elements of ISO 9001, ISO 14001 and ISO 45001. Nakilat is committed to a continuous improvement of the safety of our people, our customers, the communities, and the environment in which we operate. This policy applies equally to all employees whether temporary, permanent, office or site based, as well as service providers, clients, visitors, and company representatives.

The policy also considers the environmental impact of Nakilat's operations and ensures the highest standards of quality are delivered across the business in all JVs and projects. The policy is approved and formalized by the CEO and is accessible to all employees through the Nakilat SharePoint. This policy is reviewed annually by the senior management and is revised as necessary to reflect changing operational conditions, new technologies, regulations and legislation.

In December 2022, Nakilat's environmental commitments, approved by the CEO, were officially released. These commitments establish Nakilat's dedication to minimizing its environmental footprint and fostering sustainable practices throughout the organization. They encompass a range of objectives, including reducing greenhouse gas emissions, enhancing energy efficiency, implementing effective waste and water management strategies, promoting awareness, and actively supporting Qatar's National Climate Change Action Plan 2030. Additionally, Nakilat aligns itself with the International Maritime Organization's revised greenhouse gas reduction strategy as per Marine Environment Protection Committee (MEPC 80), 3-7 July 2023.

Cooperation and efforts of all employees is essential for achieving these commitments. Nakilat therefore requires its entire workforce to integrate sustainable practices into existing processes and daily work.

As part of its environmental commitments, Nakilat has directed its efforts to achieve significant milestones in the development of a carbon footprint calculation and long-term reduction strategy. This strategy includes a comprehensive, long-term action plan until 2030 that encompasses all operational functions within Nakilat.

Combining the goals of continuous development in a rapidly evolving energy market with a significant reduction of its carbon footprint, Nakilat's long-term strategy takes full commitment to reducing all GHG emissions from company's operations (Scopes 1, 2, and and part of scope 3).

NAKILAT'S COMMITMENT TO THE ENVIRONMENT

"ACTIONS FOR A SUSTAINABLE WORLD"

As a global leader in energy transportation with an extensive business portfolio providing a wide range of maritime services, Nakilat is committed to environmental protection in line with the IMO GHG strategy, UNFCCC Paris Agreement accord and Qatar National Vision 2030.

As a responsible corporate citizen, Nakilat recognizes the importance of giving back to society and protecting the environment by:

1. Ensuring compliance with local and international environmental laws, regulations, and standards, and implementing best practices to improve environmental performance

2. Identifying and adopting responsible practices to manage the environmental performance of operating activities, including greenhouse gas emissions, energy management, waste management, water management, and biodiversity, with an enhanced focus on protected areas

3. Working towards minimizing the use of pollutants that have a negative impact on our operating environment

4. Setting objectives with clear targets to protect the global environment and biodiversity

5. Providing clear roles and procedures to drive efficient utilization of resources, energy saving, material recycling and reducing waste generation

6. Raising awareness of environmental issues among employees, customers, joint venture partners and the community

7. Monitoring and reporting our progress in continuously improving environmental performance, aiming to be an industry leader in environmental protection

8. Collaborating with stakeholders on environmental issues

9. Supporting Qatar National Climate Change Action plan 2030

Eng. Abdullah Al-Sulaiti
Chief Executive Officer

Corporate Policies — Level 1

Level 2 — Departmental Policies and Procedures

Manuals, Work Instructions, Handbooks, Plans, Protocols and Guidelines — Level 3

Level 4 — Circulars, Memos and Letters

Level 5

Forms, Templates and Records
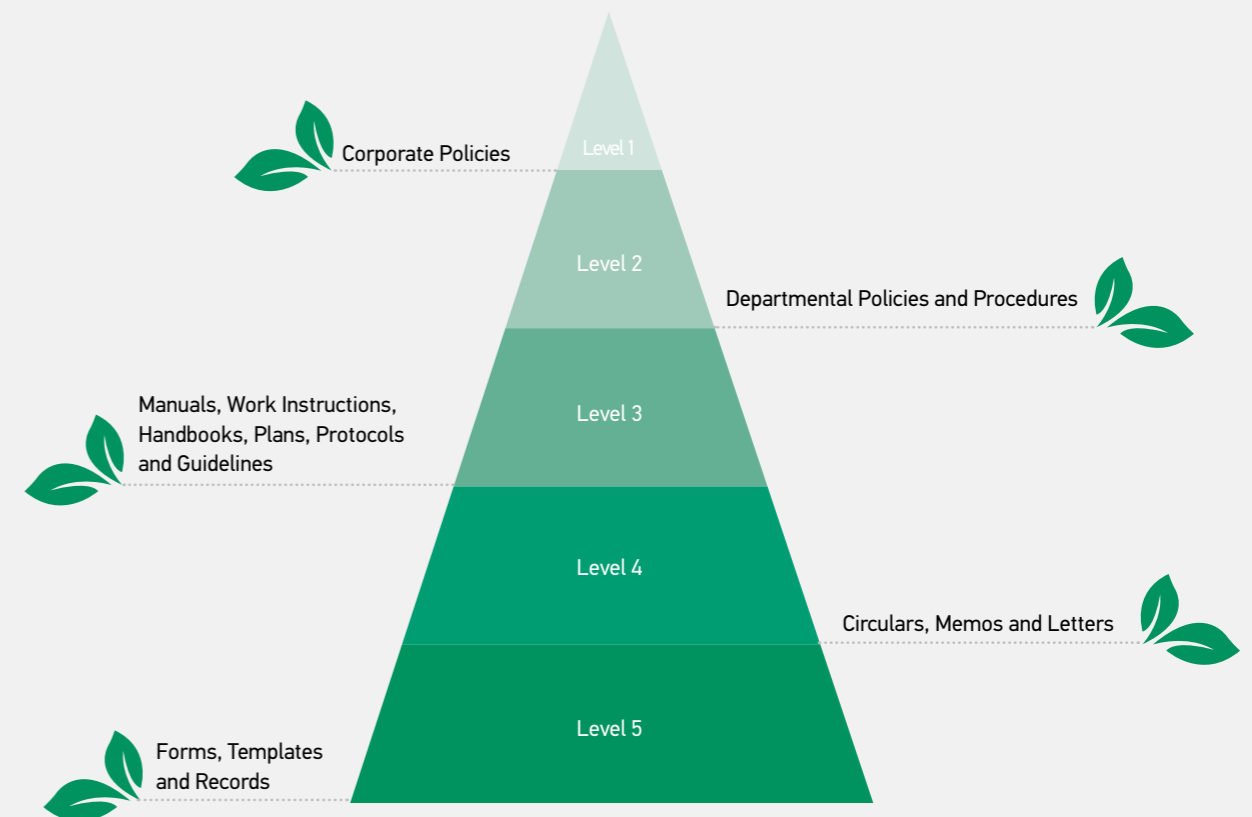
Nakilat has established and maintains procedures to discern the environmental aspects of its activities, products, and services, those that it can control and those that it can influence, to determine those which have or may have a significant impact on the environment, considering the life cycle perspective.

The procedure to identify the significant environmental impacts considers the following points:

- Changes, including planned or new developments, and new or modified activities, products, or services.

- Both normal and abnormal conditions, including potential emergency situations.

Furthermore, the procedure to identify the significant environmental impacts considers, where applicable:

- Air emissions

- Water pollution

- Waste management

- Contamination of land

- Impact on communities

- Resources use (raw material, energy, water, chemicals, etc.)

- Other local environmental issues

We maintain thorough documentation concerning all environmental impacts and take significant impacts into consideration when setting our environmental objectives. We also communicate significant environmental aspects and impacts among the various levels and functions of the company, as required.

Nakilat's SHEQ Management System and Integrated Management System (IMS)

Within the Nakilat IMS, Nakilat has also established, documented, implemented, and maintained a SHEQ management system which is continually improved for its effectiveness in accordance with the requirements of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. This is achieved through the following measures:

- Identifying the process necessary for SHEQ and applying them to all relevant areas and situations within the organization.

- Determining of the sequence and interaction of the fundamental SHEQ processes within each department.

- Determining and applying criteria and methods for effective operation and control of these processes. Nakilat ensures that both the operation and control of these processes are effective by monitoring, measuring, and having performance indicators in place.

- Ensuring the availability of resources and information necessary to support the operations and monitoring of these processes.

- Assigning responsibilities and authorities for these processes.

- Implementing actions required to achieve planned results and continuously improve these processes.

- Identifying Nakilat's business risks and opportunities to enhance business performance.

- Improving the processes and the SHEQ management system.

Nakilat's SHEQ performance is enabled and guided by the use of an effective Integrated Management System (IMS) that incorporates Quality Management System (QMS), Environment (EMS), and Occupational Health and Safety (OHS) Management Systems, in conformance with the respective internationally certified standards (ISO 9001:2015, ISO 14001:2015, ISO 45001). In accordance with these policies and regulations, each group company sets its compliance management items to be observed by its business divisions and sites.

The scope of Nakilat's Integrated Management System is to 'manage, operate, and provide corporate services and due diligence for a fleet of gas and related products' vessels, company joint ventures, agency and vessel support'. All Nakilat employees and contractors are responsible for complying with the requirements of the IMS. This is communicated effectively through the following channels to ensure effective implementation:

- SHEQ Committee meetings

- Departmental meetings

- SHEQ induction

- Toolbox talks

- SHEQ policy and procedures communications

Training and mass toolbox talks are conducted at least once every quarter and covering topics such as waste management, control of substances hazardous to health, safety data sheets, reduce/reuse/recycle, environmental aspects and impact analysis, and others. This also includes risk assessment, risk management, and risk communication.

SHEQ Committee Meeting

Auditing

An annual management review of the IMS is conducted every first quarter of the financial year. Further, Nakilat's Corporate SHEQ department conducts annual internal and external audits of Nakilat's IMS, in conjunction with the International Safety Management (ISM) code. While the annual internal audit of the IMS is conducted and verified by the Chief SHEQ Officer, the external audits are conducted by an external agency Lloyd's Register. Additionally, the group companies (N-KOM, QFAB and NSW independently) manage their own annual internal and external audit regime in line with IMS.

Environmental Compliance

Management Approach

Environmental sustainability stands as a fundamental pillar of Nakilat's business model and corporate strategy. Our approach is long-term – reflecting our long-term commitment – and we steer environmental sustainability through our decision-making processes and across our global operations. Environmental compliance is a material topic for our operations across all regions. However, regulations largely vary between regions and countries. Nakilat delegates the responsibility for environmental compliance to all operating joint venture entities. They all have to sustain a management system according to ISO 14001, which includes legal compliance and a compliance assurance mechanism with internal and external controls.

During management review, each joint venture entity assures that no compliance failures have occurred, or fines have been incurred, and is verified periodically. Nakilat perceives this approach as effective in view of the absence of the receipt of a summons, citations or legal action related to environmental non-compliance against any of its joint ventures or subsidiaries.

Compliance

Nakilat adopts a proactive approach to all compliance-related matters. With respect to environmental matters, Nakilat's OHS and environment procedures and statutory, regulatory and other OHS and environmental requirements register are the guiding procedural documents, enabling Nakilat to remain compliant with the applicable laws, rules, and regulations. The following legal and other requirements are applicable to Nakilat:

- International Maritime Organization (IMO) Conventions
- Qatar Environment Protection Law
- Ras Laffan Port Information and Regulation Guide
- Mesaieed Port Information and Regulations
- Ras Laffan City (RLC) Health, Safety and Environment Requirements
- Environmental Regulations for Ras Laffan Industrial City (RLIC)
- Classification Societies
- United States Coast Guard (USCG)
- European Maritime Safety Agency (EMSA)

Nakilat has developed necessary mechanisms, such as, ISO certified management systems and related procedures, for identifying and accessing statutory, regulatory, and other applicable HSE and related requirements.

Nakilat has identified the sources through which EMS/OHS, legal and other requirements are identified and regularly liaises with industry subject matter experts to keep abreast with amendments to the existing acts/rules or the introduction of new legislation.

Aligned with its commitments to adhere to all applicable regulatory and other OHS requirements, Nakilat has a procedure for internal audit which defines the SHEQ internal audit process and ensures that:

- Nakilat's internal requirements related to its SHEQ management system are met.
- Planned arrangements and the requirements of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 are met.
- The SHEQ management system has been effectively implemented and maintained.

The audit and verification programs are planned, established, implemented, and maintained by Nakilat taking into consideration the quality, environmental, occupational health and safety importance of the operations concerned, changes affecting the company and the results of previous audits.

Internal audits are meticulously planned to ensure that all SHEQ processes are audited minimum once a year. These internal audits are conducted by qualified internal auditors, independent of the process being audited. Audit procedures are established, implemented, and maintained, that address:

- The responsibilities and requirements for planning and conducting audits, reporting results and retaining associated records
- The determination of audit criteria, scope, frequency and methods.

The audit findings are documented and promptly communicated to all relevant parties in a timely manner to facilitate prompt correction, corrective/preventive actions, and to enable verification of their effectiveness.

Environmental Laws and Regulations

No relevant fines and no non-monetary sanctions have been imposed on Nakilat due to non-compliance with environmental laws and regulations in this and previous reporting years. Nakilat strives for full legal and regulatory compliance, which are the foundation of its business. Therefore, all subsidiaries are ISO certified and have a process in place to help them understand regulatory requirements and changes. Those subsidiaries uphold certified management systems according to ISO 9001 (Quality), ISO 14001 (Environment), and OHSAS 45001 (Health and Safety).

ISO 14001 mandates companies to follow up on new legislation and implement legal requirements accordingly. Subsidiaries are audited by legal and internal audit for compliance. Each joint venture is obliged to strictly adhere to applicable legislation and to supervise the subsidiary accordingly. Each year, they have to verify the level of compliance in their company together with their management teams and confirm it through a global reporting system (the compliance confirmation).

KPIs

Environmental Compliance	2020	2021	2022	Scope
Noncompliance with environmental laws and regulations				
Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulation	0	0	0	Nakilat Group

Regulations

Nakilat Shipping Qatar Limited (NSQL) provides safe, competitive, and reliable shipping services, to meet the needs of its customers while minimizing the impact on the environment. As a socially responsible company, Nakilat adheres to all local, regional or international environmental regulations as applicable.

IMO and UN SDGs

Nakilat complies with all IMO regulations and conventions, listed hereunder. Hence, we have established adequate controls mandated by IMO. Further, we have established the linkages between the organization's technical assistance work and the UN SDGs with the help of the IMO SDG brochure.

Overview of IMO regulations mapped against the United National Sustainable Development Goals (UN SDGs)

Category	Control in Place	International Convention / Regulation	Sea Area
GHG Emissions	EEDI (Energy Efficiency Design Index)	MARPOL Annex VI	Open Sea
	EEXI (Energy Efficiency Existing Ship Index)	MARPOL Annex VI	Open Sea
	CII (Carbon Intensity Index)	MARPOL Annex VI	All Areas
	DCS (IMO Data Collection System)	MARPOL Annex VI (Fuel Oil Data Collection)	All Areas
	MRV (EU Monitoring, Reporting and Verification)	Regulation (EU) 2015/757	Open Sea and in Port
	SEEMP (Ship Energy Efficiency Management Plan)	MARPOL Annex VI	All Areas
Air Emissions	NOx (Nitrogen oxides)	MARPOL Annex VI	ECA
	SOx (Sulphur oxides)	MARPOL Annex VI	SECA (max 0.1% Sulphur)
			Open Sea (max 0.5% Sulphur)
	PM (particulate matter)	MARPOL Annex VI	SECA
Biodiversity	SOPEP (Shipboard Oil Pollution Emergency Plan)	'MARPOL (Maritime Pollution) Convention – Annex I - Prevention of Pollution by OIL'	Open Sea
	Ballast Water	Ballast Water Management System (BWMS) Code	Open Sea
	Sewage Treatment	MARPOL (Maritime Pollution) Convention - Annex IV - Prevention of Pollution by Sewage from Ships	All Areas
	Garbage Management	MARPOL (Maritime Pollution) Convention - Annex V - Prevention of Pollution by Garbage from Ships	All Areas
	Hull Fouling	International Convention on the Control of Harmful Anti-fouling Systems on Ships (AFS), 2001	Open Sea
Recycling	Ship Recycling	The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009	All Areas
	IHM (Inventory of Hazardous Material)	- Regulation (EU) No. 1257/2013 of the European Parliament and of the Council of 20 November 2013 on Ship Recycling (EU SRR) - Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 SR/CONF/45 (HKC)	All Areas
Verification	Regulatory Surveys (Annual, Periodical, Intermediate, Renewal 5 Yearly)	IMO and Flag State requirements (SOLAS, LSA, FSS, IGC, MARPOL, ISM, ISPS, COLREG)	All Areas
	Classification Surveys (Annual, Intermediate, Renewal 5 Yearly)	Classification Societies (ABS, BV, DNV, LR) and IACS (International Association of Classification Societies) Requirements	All Areas
	Ship Inspection Report Program (SIRE)	Oil Companies International Marine Forum (OCIMF) Requirement	All Areas

Plans and Procedures

In compliance with the previously-mentioned regulations, Nakilat has established the following environmental plans and procedures to enable robust management of the company's shipping activities.

These plans are incorporated within the Safety Management System and encompass the following environmental facets:

- Garbage management
- Oil pollution emergency response plan
- Energy efficiency management
- Emission reporting to regulatory authorities (IMO DCS and EU MRV)
- Emergency preparedness

- Navigation and passage planning to minimize environmental risks
- Cargo handling and management
- Ballast water management
- Bunkering procedures
- Incident reporting and management
- Reporting of environmental non-conformances

The plans incorporated within the shore joint ventures include, but is not limited to:

- SHEQ policy
- Waste management plan

- Operation environmental management plan
- Material safety data sheets

Objectives and Targets

Nakilat establishes SMART (Specific, Measurable, Achievable, Relevant and Time-Bound) objectives across all levels within the organization, which are derived from the company's annual business plan and strategic corporate objectives, and ensures it is within the framework of SHEQ Policy. Based on these strategic objectives, the Fleet department sets specific targets and/or key performance indicators (KPIs).

These KPIs are systematically monitored through 'AMOS' application. A comprehensive monthly review is carried out for the entire fleet and then shared through NSQL fleet scorecard with all the managed vessels. Additionally, a monthly performance benchmark is also carried out among all the JV partners. During scheduled bi-annual management review the fleet scorecard is also reviewed, with new targets then set for the subsequent year.

Performance and Environmental Targets 2022-2023:

CATEGORY	KPI*	2022	2023 TARGET
ENVIRONMENT	Annual Efficiency Ratio (AER)	LPG – 8.4	LPG <7.5
		DSME QMAX – 8.2	DSME QMAX <9.5
		DSME QFLEX – 8.9	DSME QFLEX <9.5
		HHI QFLEX – 10.2	HHI QFLEX <9.5
		SHI QFLEX – 10.1	SHI QFLEX <9.5
		SHI QMAX - 9.0	SHI QMAX <9.5
		GLOBAL – 8.5	GLOBAL <7.5
	Garbage Reduction	5%	5%
	Oil Spill to Water	0	0
	Number of Environmental Incidents	0	0

*See appendix for KPI definitions

Nakilat's Focus Areas on Environmental Management Include:

To ensure adherence to applicable international standards, all the vessels managed by Nakilat Shipping Qatar Limited (NSQL) comply with international environmental standards, our strategic approach on reducing the environmental impact of our ongoing operations.

Building on our ISO 14001 and IMO guidelines, we have identified the following environmental focus areas to enable us to stay focused on Nakilat's material environmental impacts:

- Energy efficiency – Optimizing energy consumption and sourcing environmentally friendly materials responsibly
- Water management - Responsible and prudent water consumption
- Waste reduction – Increasing practices to diminish generated waste and minimize disposal
- Greenhouse gas emissions - Sustainable development in the shipping industry by supporting IMO's efforts to reduce ship emissions, contributing to climate change

The aforementioned focus areas were approved by Nakilat's management in agreement with all Nakilat interest entities, i.e., key stakeholders.

An environmental report is generated by all Nakilat interest vessels for monitoring and measuring information to support the performance of Nakilat environmental management. The report is structured as a minimum to:

- Provide status of environmental management programs designed to fulfil environmental objectives and targets
- Provide status of performance indicators as related to targeted timeframes
- Provide compliance status of environmental operating permits issued by environmental regulatory agencies

As for Nakilat shore entities, environmental data is regularly compiled and monitored through established mechanisms and environmental reporting is performed during management review meetings.

Nakilat undertakes planned inspections of its premises on a regular basis and as necessary. Line supervisors and managers or nominated persons conduct regular checks at work sites to monitor the implementation and effectiveness of key operational procedures. Regular inspections facilitate dialogue between the supervisor/manager and the work group (outsourced company/contractor, if any) and enable the sharing of best practices. In addition, internal audits and annual ISO 14001 audits are also used for monitoring and measurement of processes. The output of these audits/inspections are taken for management reviews, corrective/preventive action, review of risk assessments and analysis of data.

Environmental Aspects and Effects

Nakilat has established effective procedures, such as Nakilat OHS and Environment policy and procedure that enable us in identifying the environmental aspects of relevance to our business activities, products, and services. By employing these procedures, it guides us in controlling and determining the best practices for the environment, considering a life cycle perspective.

The aspects (interaction with the environment) and impacts (any change to the environment) of Nakilat's core business activities are assessed and appropriate operational controls are established to introduce any opportunity for improvement. To ensure the effective implementation of the Nakilat OHS and environment policy and procedure, monitoring processes are in place to check and measure the efficiency of our controls. The company communicates the identified significant environmental aspects among the various levels and functions of the company, as required.

Within Nakilat's shipping and fleet division, the key environmental aspects identified that require specific monitoring to enable evaluation of environmental performance are:

- Air emissions and pollution: NOx, SOx, CO_2, CHFCs, HCFCs, CFCs, VOCs
- Fuel consumption, energy efficiency and associated GHG emissions
- Potential cargo and bunker spills harmful to marine life and biodiversity
- Waste disposal: solid, liquid, special and hazardous

Concerning Nakilat's non-shipping segment, various programs are undertaken to support the initiatives on the environment, such as monitoring of environmental parameters, reductions in electricity consumption and plastic usage, water conservation, digitization of records, beach cleaning, tree planting, and minimizing office paper usage. In addition, waste segregation and disposal are carried out in an environmentally friendly manner and Nakilat enforces the "3R's" waste hierarchy principles of 'Reduce, Reuse and Recycle' while handling its waste.

The comprehensive SHEQ manual maintained at Nakilat meticulously encompasses all of the above elements in detail. Nakilat maintains documented information on all environmental impacts and considers significant impacts when developing management plans and setting its environmental objectives.

In pursuit of environmental excellence, Nakilat consistently maintains communication and constructive relation with internal and external stakeholders for the identification of statutory, regulatory, and voluntary guidance related to Nakilat environmental aspects.

Nakilat management, employees and contractors are committed to the protection of the environment. We provide appropriate and sufficient resources, including training to comply with legal and other requirements in order to achieve set environmental targets and objectives.

Periodic audits and reviews of the environmental management system are carried out to identify opportunities for improvement of the system and environmental performance.

Nakilat **cares** about Health and Safety, Environment and Quality and conveys a strong message of its commitment through following.

C	**A**	**R**	**E**	**S**
Comply with applicable Health and Safety, Environmental regulations, and statutory requirements	Achieve SHEQ objectives and targets	Reduce pollution; prevent personal exposures to health and safety hazards and prevent injury	Educate our staff, contractors, and the community	Strive for continual improvement
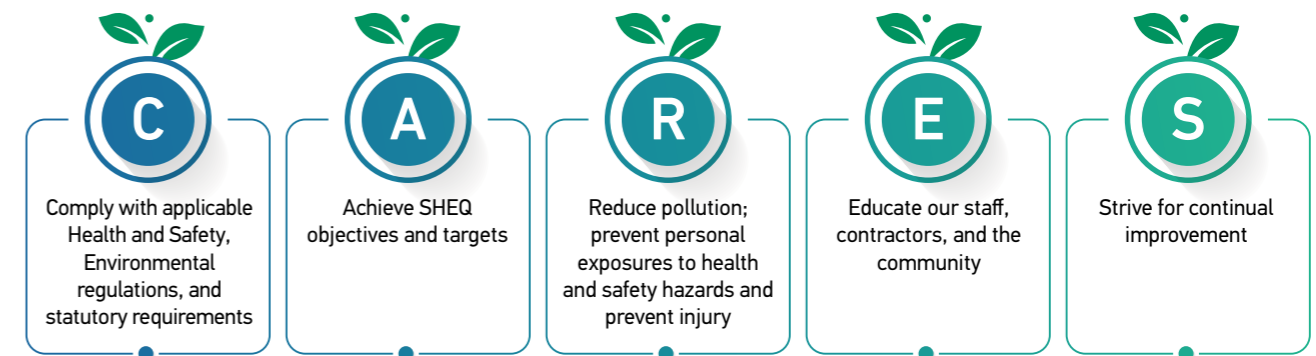
Management Approach and Progress

Nakilat is committed to sustainable development within the shipping industry and supports IMO's efforts to reduce ship emissions. Our efforts are concentrated on optimizing the fuel efficiency of the fleet, where our largest carbon dioxide (CO_2) emissions occur. This is achieved through detailed attention to engine/boiler performance, hull/propeller fouling, speed policy, and schedule optimization.

Greenhouse Gases and their Global Warming Potential

Nakilat has successfully completed the transition to zero Ozone Depletion Potential (ODP) in 2020. All refrigeration systems using refrigerant HCFC R22 have been upgraded to use R410A which is classed as a zero ODP refrigerant. However, Nakilat's newbuild vessels have onboard systems that use HFCs, such as R407C, R410A, R417A and R134A (HFCs), which despite being zero-ozone depleting, still have global warming potential (GWP) of around 1,300-1,600 (CO2 GWP = 1). R404A has a very high GWP of 3,260 and is not acceptable to Class for EP notation. Currently, there are no restrictions on equipment or use of the above-mentioned refrigerants.

Nakilat aims to minimize any losses from the systems by continuous monitoring. The vessels are reporting their refrigerant inventory monthly. Any losses are considered as a loss of primary containment (LOPC) triggering an internal deficiency report. Each deficiency requires an investigation, corrective, and preventive measures to be satisfactorily closed. There has been only one leakage case reported from a vessel in 2022.

Refrigerant	2021	2022
Refrigerant Consumption	6,692 Kg	7,754 Kg

Sulphur Oxides (SOx) and Low Sulphur Fuels

The main changes to MARPOL Annex VI have brought a progressive reduction in SOx emissions from ships, with the global sulphur cap reduced initially to 3.5%, effective from 1 January 2012; then progressively to 0.50%, effective from January 2020. The limits applicable in Sulphur Emission Control Areas (SECA) were reduced to 1.00%, from 1 July 2010, then further reduced to 0.10%, effective from 1 January 2015 onward.

All vessels in Nakilat's fleet adhere the new sulphur caps using compliant low-sulphur fuels, as mandated by IMO sulphur 2020 regulations. To comply with these new global sulphur caps set under the regulations, the transition to low-sulphur fuels posed certain risks arising from strict regulatory requirements, as identified below:

1. Risk of fuel supply shortage due to new IMO fuel sulphur caps

2. Compatibility issues of new low sulphur (LS) fuels

3. Combustion/operational issues of new low sulphur (LS) fuels

To manage the risks identified as a result of a change to SOx emissions regulatory requirements, the organization has taken the following steps to reduce the impact of the subject regulations on its operations:

1. An independent study was carried out by Lloyd's Register across the fleet to assess market availability, compatibility issues and operational issues related to new low sulphur fuel. The study highlighted the challenges of compatibility between fuels of different origins and production from different processes. Nevertheless, the proposed operational mitigation measures were found to be robust to address any compatibility issue that might arise. Our operational procedures have been amended to reflect Lloyd's study findings and recommendations.

2. A local supply agreement for low sulphur fuels has been secured in collaboration with our main charterer.

3. The possibility of carrying modifications on existing fuel storage, transfer and treatment systems was assessed.

Nitrogen Oxides (NOx)

Nakilat complies with IMO Marpol Annex VI regulation 13 NOx requirement on all new ships built after 1 January 2000 (Part of EP notation). All our vessels built after this date must have an Engine International Air Pollution Prevention (EIAPP) Certificate or International Air Pollution Prevention (IAPP) Certificate. Measurements have been done on board Nakilat vessels to enable calculations to be made of the NOx emissions per vessel. In the reporting year, there were no significant VOC emissions across our shipping fleet.

Nakilat Shipping Fleet Annual Efficiency Ratio (AER) and Energy Efficiency Operational Indicator (EEOI)

We support the IMO's revised Green House Gas Strategy 2023 in its overall level of ambition of reaching net-zero emissions by 2050 or earlier as possible and on following checkpoints:

1. Reduction in carbon intensity (CO2 emissions per transport work), as an average across international shipping, by at least 40% by 2030, compared to 2008*.
    Nakilat is already reporting carbon intensity metrics, AER and EEOI, for its operated fleet.

2. Reduction of the total annual GHG emissions from international shipping by at least 20%, striving for 30%, by 2030, compared to 2008*; and

3. Reduction of the total annual GHG emissions from international shipping by at least 70%, striving for 80%, by 2040, compared to 2008*.

*Note: As indicated, IMO emissions' reduction targets are not intended for individual ships nor for individual companies and will be translated into specific targets for different shipping segments through new specific guidelines after more work at the IMO.

KPIs (Shipping)

Climate Change and Emissions to Air	2020	2021	2022	Scope
Greenhouse Gas (GHG) emissions[2]				
Gross direct (Scope 1) GHG emissions (TCO$_2$)[3]	5,564,216	5,353,949	5,812,436	
GHG emissions intensity[4] (TCO$_2$/Nm)	1.26	1.12	1.06	
Organization-specific metric chosen to calculate the intensity ratio: Total Sailing Distance[5] (Nautical Mile [Nm])	5,493,714	6,579,066	7,378,156	Shipping
Nitrogen oxides (NOx), sulfur oxides (SOx), CH4 and other significant air emissions (tons)				
NOx	138,610	128,659	138,404	
SOx	15,961	13,942	14,767	
Particulate matter	11,975	10,897	11,688	
CH4 (GRI 11-1- ref. Note 1)	466	433	466	

Despite the increase in gross direct (Scope 1) GHG emissions within the shipping segment from 2021 to 2022, stemming from the increase in the level of shipping activities, the GHG emissions intensity decreased in 2022 compared to 2021.

This data represents our entire shipping fleet (wholly owned and Joint venture). Our reported GHG emissions data are based on the GHG Protocol, European Union (EU) Monitoring, Reporting and Verification (MRV) of CO_2 emissions, and IMO Data Collection System (DCS) on fuel consumption.

Note 1: Total CH4 emission data (as per above table) under SCOPE-1 are regarded as from fuel combustion process on ships.

The calculation of these data uses conversion factors from the following standards: IPCC 2006 / ENTEC / CORINAIR / MEPC 686 and ISO conversion factors for Lower Calorific Value (LCV) indicated below: LCV MGO= 42.7GJ/T, LCV HFO= 40.6GJ/T, LCV Fuel Gas= 50.0GJ/T. The GHG accounting and disclosure is based on equity share.

KPIs (Non-Shipping)

Climate Change and Emissions to Air	2020	2021	2022	Scope
Greenhouse Gas (GHG) emissions				
Gross direct (Scope 1) GHG emissions (TCO$_2$)[6]	20,834	22,935	24,872	Non-shipping

The rise in gross direct (Scope 1) GHG emissions between 2021 and 2022 in the non-shipping segment is primarily attributed to the increased level of business activities at QFAB.

Note: This data represents emissions from fuel used by our non-vessel Joint ventures including fuel used for business purposes by corporate office. The majority of non-shipping fuel is used by tugs for harbour operations and so the calculation of these data uses conversion factors for MDO from the following standards: IPCC 2006

**This is only non-shipping data under scope 1. Types of fuels included within figures: Diesel (Density-0.8213) and LPG (Conversion Factor-MJ to KG: 1 MJ = 0.02 kg of LPG).

[2]It is to be noted that GHG emissions data for the mentioned years have been restated following availability of missing quantity.

[3]Shipping data is declared only under scope 1 as all GHG emissions are produced by the vessels when generating their own energy to sustain their respective operation. Only CO$_2$ is included in this calculation. Declaration is based on equity share.

[4]For ships: Emissions Intensity = Total Emissions / Total Sailing Distance. Equity share doesn't apply to intensity.

[5]Total Sailing Distance SASB (TR-MT-000.B). Equity Share doesn't apply to distance sailed.

[6]Non-Shipping data shown separately under scope 1.

N-KOM Ambient Air Quality Monitoring

To ensure that emissions to the ambient air remain within statutory limits as provided and monitored by Qatar Ministry of Environment and Climate Change, through regular monitoring, N-KOM tracks and ensures that its operations produce minimal pollutants as demonstrated in the data provided below. In 2022, Nakilat has successfully managed to keep emission values for NOx, SOx, PM2.5 and PM10 well within limits prescribed by Qatar's Ministry of Environment and Climate Change (MOECC) with the help of initiatives, detailed in the 2022 objectives and targets table below.

In 2021, we also commenced disclosing Carbon Monoxide (CO), Volatile Organic Compounds (VOC) and aromatic hydrocarbons for N-KOM. Nakilat aims to achieve air emissions reductions and remain well below the prescribed limits by Qatar's Ministry of Environment and Climate Change (MOECC).

This reporting year, we shall also begin disclosure on carbon monoxide (CO), volatile organic compounds (VOC) and aromatic hydrocarbons for N-KOM. Nakilat aims to achieve air emissions reductions and remain well below the prescribed limits by Qatar's Ministry of Environment and Climate Change (MOECC).

Emissions to Air	2020	2021	2022	MME Limits[7]	Scope
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions[8]					
NOx	20.75 ug/m^3	27.00 ug/m^3	30.00 ug/m^3	150 ug/m^3	
SOx	12.50 ug/m^3	24.75 ug/m^3	24.00 ug/m^3	365 ug/m^3	
Particulate matter (PM2.5)	22.75 ug/m^3	18.25 ug/m^3	25.00 ug/m^3	35 ug/m^3	
Particulate matter (PM10)	72.75 ug/m^3	77.00 ug/m^3	95.00 ug/m^3	150 ug/m^3	Non-shipping
CO	n/a	423.5 ug/m^3	467.25 ug/m^3	10,000 ug/m^3	
VOC	n/a	11.75 ug/m^3	11.00 ug/m^3	160 ug/m^3	
Aromatic hydrocarbons	n/a	8.54 ug/m^3	7.00 ug/m^3	160 ug/m^3	

Note: N-KOM data only. The source of NOx, SOx, PM, CO, VOC and aromatic hydrocarbon are due to air emissions from the shipyard's operations. Monitoring requirements and the respective limits are prescribed by the Qatar Ministry of Environment and Climate Change (MOECC).

In 2022, Nakilat Shipyard, N-KOM enhanced its in-house capabilities to deliver Sustainable Shipping Solutions and Services as per the below:

Compliance with Carbon Intensity Indicator (CII) & Energy Efficiency Existing Ship Index (EEXI) in 2 Ways:

1. Air Lubrication Systems Installation with Silverstream Technologies

A memorandum of understanding (MoU) was signed with Silverstream Technologies (UK) in the field of Air Lubrication Systems (ALS) installation on LNG vessels.

This MoU strengthens N-KOM's regional capacity in sustainable green shipping solutions. The MoU was signed during Posidonia 2022.

[7]Ministry of Environment and Climate Change (MOECC).

[8]Each parameter is averaged for the year 2020.

2. Waste Heat Recovery Systems Installation with Alfa Laval

N-KOM initiated Technical and Business-to-Business engagements with Alfa Laval on Waste Heat Recovery Systems (WHRS) installation on LNG vessels.

The discussions have progressed towards the development of an MoU that is targeted to be signed in 2023.

3. 3D Cadmatic Modelling Software for Marine and Offshore Projects

N-KOM's acquisition of the Cadmatic 3D modelling software package enabled us to enhance our in-house engineering capabilities and provide value-added turnkey solutions for marine and offshore projects.

N-KOM has successfully used the Cadmatic software to complete several BWTS upgrades and cooler replacements for LNG carriers, cargo system piping for an FSO conversion, a fresh water- cooling system upgrade, and an air lubrication system layout feasibility study to meet EEXI regulations.
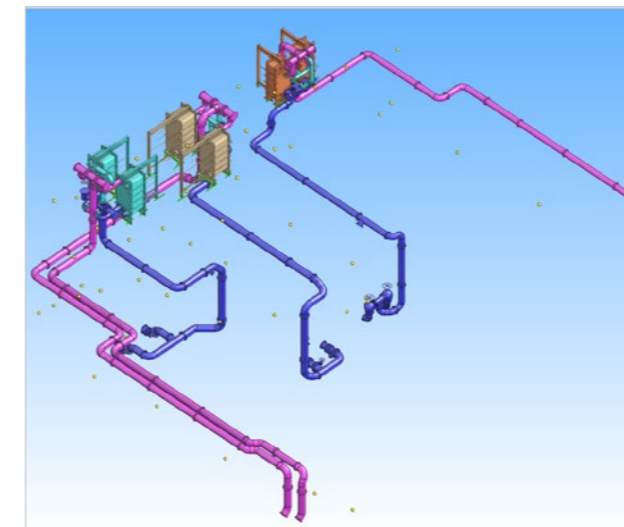
4. Ballast Water Treatment System (BWTS) after Sales Service Station

N-KOM has established partnerships with major global BWTS vendors for after-sales and project support to meet EEXI regulations.

2022 Objectives and Targets (N-KOM):

EMP* Risk Focus Area	Objective	Target/KPI	Negative Environmental Impact Mitigation Measures
Emissions to air	To ensure control measures are in place to mitigate risks associated with emissions to air.	To ensure that air emissions from the yard are within the legislative limits and implement mitigation measures if results are above regulatory limits.	**(a) Air pollutants** - Activities which produce air pollutants are controlled via enclosed chambers, extraction systems and filtration. Examples: blasting chamber, fume hoods and extraction fan - Machinery and equipment which produce air pollutants are serviced and maintained on a stipulated basis as per government regulations/OEM guidelines **(b) Spray painting at open locations** - performed under encapsulation of canvas cover **(c) Grit blasting outside the docks** - performed either under encapsulation or using wet grit blasting medium **(d) Ambient air quality** - monitoring is done by 3rd party contractor **(e) Quarterly environmental monitoring report** - monitoring requirements and the respective limits are prescribed by the Ministry of Environment and Climate Change (MOECC) and stated in the Consent to Operate (CTO) license granted to the shipyard

*Environmental Management Plan

Emissions of Ozone-Depleting Substances (ODS) - Exclusive to N-KOM

N-KOM neither produces, imports, nor exports any ODS. The details of all refrigerant products procured in 2020 and up to date in 2022 are tabulated below. Ozone Depleting Substances are Refrigerants used in the Yard HVAC systems.

These substances are regularly monitored during preventive and corrective maintenance.

No	Material Description	Tank Size (s)	Quantity Purchased / Under Order	Y2020 Total Quantities	Y2021 Total Quantities	Y2022 Total Quantities
1	R-22 (Chlorodifluoromethane)	13.6KG	210 CYL	120 CYL	130 CYL	70 CYL
2	R-22 (Chlorodifluoromethane (Halocarbon 22)) – CHCLF2					
3	R-134A (Tetrafluoroethene), Norflurane, HFC-134a-P, Refrigerant Gas R134a, HFC134a, HFC134a-P, F134a, Dymel®134a/P.	13.6KG	150 CYL	90 CYL	72 CYL	195 CYL
4	R-404A (Pentafluoro ethane (HFC-125) 1,1,1-Trifluoroethane (HFC- 143a) 1,1,1,2-Tetrafluoroethane (HFC- 134a)	10.9KG	40 CYL	30 CYL	8 CYL	10 CYL
5	R-407C (Difluoromethane (HFC-32) Pentafluoro ethane (HFC-125) 1,1,1,2-Tetrafluoroethane (HFC-134a)	13.0KG	105 CYL	50 CYL	50 CYL	25 CYL
6	R-410A (Difluoromethane) (Pentafluoro ethane)	11.0KG	180 CYL	110 CYL	80 CYL	45 CYL

Nakilat Shipyard, N-KOM Enhanced its Range of In-House Capabilities, Solutions and Services

1. Stern Tube Seals Supply, Repair and Propulsion Solutions with Aegir Marine

N-KOM established a partnership with Aegir Marine LLC for stern tube seals supply and repair during Posidonia 2022. The partnership enhances N-KOM's capability of offering cost-effective and reliable after-sales solutions for ship propulsion systems.

Nsw Environmental Objectives and Target -2022

Objective/Ambition	Target	Measures
To ensure that environmental aspects of activities and services from the company are controlled and mitigated so that there is no potential of adverse impact on the environment	1. Reduce fuel consumption by 2%	1. Installing GPS tracker/monitoring system to control vehicle movement 2. Advance planning of tasks for efficient and economic logistics arrangement 3. Crew arrival and departure on selective days during the week - reducing transport requirements 4. Reducing vessels' standby/slow steaming time 5. Avoid aggressive maneuvering while on operation 6. Vessels to use economical steaming while demobilizing 7. Coordinated with QatarEnergy for additional shore power installations for vessels while alongside 8. Use public transportation. 9. Monitor preventive maintenance schedule will increase fuel economy
	2. Reduce fuel consumption by 2%	1. Make use of LED lights 2. Run AC at room temperature and reduce cooling outside office hours 3. Switch off lights, electrical appliances outside the office hours 4. Unplug the cable from the socket when not in use 5. Utilizing renewable energy
	3. Reduce waste/ garbage generation by 2%	1. Eliminate the single-use plastic water bottle 2. Eliminate the single-use plastic utensils 3. Eliminate the use of paper cups 4. Improving staff knowledge and skills through competence, training and awareness 5. Bring a refill bottle 6. Purchase products with simple or little packaging such as reusable over single-use packaging to deliver provision on board 7. Avoid toilet paper and use water instead 8. Print as little as necessary
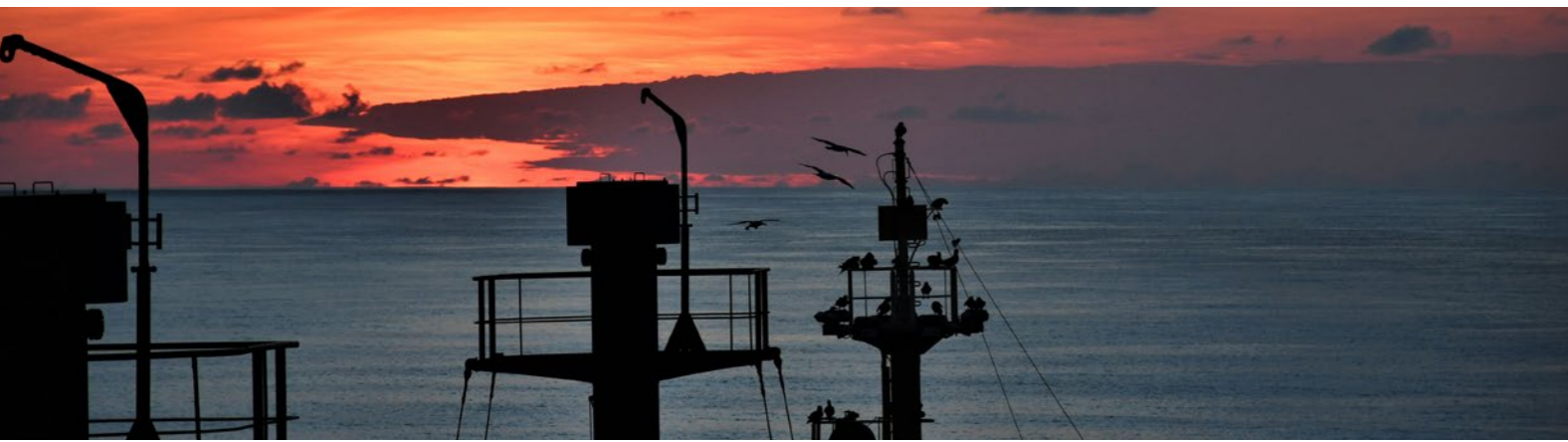
Energy Efficiency

Management Approach and Progress

In line with Nakilat's general business principles, we continually look for ways to reduce the environmental impact of our operations, products, and services. All managed ships are operated in the most energy-efficient and safe manner possible.

We have effective procedures, such as Energy Efficiency Policy and Procedure that enable us in identifying the environmental aspects of relevance to our business activities, products, and services. These procedures guide us in controlling and determining the best practices for the environment, considering a life cycle perspective.

The aspects (interaction with the environment) and impacts (any change to the environment) of Nakilat's core business activities are assessed and appropriate operational controls are established to introduce any opportunity for improvement. To ensure the effective implementation of policy and procedure, monitoring processes are in place to check and measure the efficiency of our controls. The environmental goals and targets are set by the management and monitored/reviewed regularly. The company communicates the identified significant environmental aspects among the various levels and functions of the company, as required.

Ship Energy Efficiency Management Plan (SEEMP)

Each vessel, maintains and complies with a SEEMP. SEEMPs are developed as ship-specific plans by Nakilat, which seeks to improve every ship's energy efficiency by following the steps of planning, implementation, monitoring, self-evaluation and improvement. These components play a critical role in the continuous cycle of improvements that lead to effective ship energy management.

Fleet energy targets are set during the scheduled annual management review. Depending on vessel type, trade pattern and each vessel's operational profile, a set of measures are adopted to meet the set KPIs. Some of the operational energy efficiency measures implemented for Nakilat's fleet are:

- Voyage management in close cooperation with charterers
- Cargo conditioning management
- Trim optimization
- Weather routing
- Engine power limitation (EPL)

Environmentally Friendly and Higher Performance Hull Coating Systems

As a result of a continuous advanced voyage performance analysis of an upgraded coating system trialed over five years on one ship, the hull fouling was found to be very limited, resulting in only 1.5% speed loss over five-year period without hull cleaning. All Nakilat's LNG vessels' hulls have been coated with this upgraded coating system since 2012.

Enhanced and Integrated Hull Performance Monitoring

Nakilat's intend to integrate hull performance monitoring regime in line with the ISO 19030: Ships and Marine Technology standard on performance monitoring. Existing onboard performance monitoring equipment was first upgraded to ensure timely recording and forwarding of data to shore at established intervals for selected performance parameters. Shore analysts produce either monthly or per-voyage performance monitoring reports primarily focusing on emissions related performance. Guided by the performance reporting, the vessels' hull scrubbing, and propellers polish can then be decided and documented. An average hull clean and propellers polish intervals were established and implemented using the most advanced ocean-friendly remotely operated vehicle (ROV) system as soon as the performance deteriorated to a predetermined set point.

Fleet Digitalization

Innovations in technology have the potential to make sailing safer and more efficient. The rapid and dynamic growth of technologies and innovations and their different applications in recent years is creating more opportunities for adaptation to systems onboard vessels.

Digitalization in this context is about making the vessels and the systems onboard more efficient. Fleet digitalization enhances vessel performance through effective monitoring and timely evaluation and is therefore of a strategic importance to Nakilat, our partners and customers.

It allows us to continuously improve our service efficiency to achieve operational excellence. In addition, automation of processes onboard, allows the crew to operate the vessel in a safer and more efficient manner and eventually reduces the reporting's workload.

The current and future complex maritime regulatory frameworks incentivized Nakilat to expand the scope of our own digitalization programs to incorporate high- frequency data acquisition and machine learning. These tools are expected to offer detailed insights on the ship's operational profile for crew , shore operators and to our customers.

Insights from upgraded digitalization will allow rapid assessments of new technologies trialed on board our vessels, which in turn will help informed decision making for deployment fleet wide of the technologies providing the best improvements. The digitalization project has also a component for predictive maintenance that will be rolled out for GAS compressors initially, and if this pilot experience proves to be successful, it will be then extended to other key machinery and equipment on board.

Joint Development Project CO_2 Capture Onboard LNG Vessels

In 2021, Nakilat engaged in a collaboration with a major LNG shipping company, a major classification society and a leading Korean shipyard to work on the next generation of carbon capture systems and further contribute to the classification society rules for LNG vessels funnel emissions treatment.

This joint development project (JDP) had the following initial outcomes in 2022:

- The Approval in Principle of the CO2 absorption technology on board LNG carriers by the Classification society partner.

- A preliminary retrofit impact study on machinery arrangements was performed for a conventional size LNG carrier.

- The benefit on the carbon emissions intensity per transport work was evaluated against current regulations and against potential future strengthened regulations.

Propeller Super-Polish and Edge Modification

Our twin-engine, twin-propeller LNG vessels were delivered with coated propellers which faced the same fouling issue similar to the hull whilst in operations. In 2012, an independent study was conducted to determine the root cause of premature overloading of the engines in slight sea conditions, as additional fuel consumption had been observed to achieve the vessels' design revolutions per minute (rpm). After due diligence and consultation with the original makers and industry experts, a decision was made to trim the propellers, remove the propeller coating and super-polish the surfaces to further improve vessel performance. Upon recommendation, vessels underwent propellers blade edges modification to 'lighten' the propellers, a process also known as increasing LRM (Light Running Margin). Adequate LRM indicates better propeller performance. These refits ensure that our vessels operate more efficiently with lower fuel consumption to achieve the design speed. For some vessels, this was accomplished while the vessel was in service through utilization of certified underwater diving companies. Meanwhile, for other vessels, this has been carried out during their routine dry docking.

Accommodation Block Heat Insulation

The company started a pilot project in 2022 to implement reflective coating on the monkey island to reduce the temperature within the accommodation and reduce air conditioning/heating energy consumption. The project was successful and reflective coating will be applied across the fleet and included as a standard requirement in the new sea stock contract.

LED Lights Installation

The company is gradually replacing all lights in the engine rooms, accommodation and deck with LED lights.

N-KOM: Power Demand Protocols

There are maximum demand level requirements agreed upon and set within the Bulk Supply Agreements for Power from the national government supplier, Kahramaa. In 2022, N-KOM exceeded the maximum demand level by 1.05 MW in 1 month due to project load requirement. This is a significant improvement over 2021 where N-KOM exceeded the maximum demand level by an average 3.4 MW for 7 out of 12 months. The requisite management control protocols have been initiated to ensure Nakilat's high consumption/demand assets such as the two dry docks and the floating dock are not operated simultaneously, as it would result in overconsumption.

KPIs (Shipping)

Energy	2020	2021	2022	Scope
Energy consumption				
Total fuel consumption within the organization from non-renewable sources (GJ)[9]	74,015,625	73,694,908	80,204,392	
Total fuel consumption within the organization from renewable sources (GJ)	0	0	0	
Total energy consumption within the organization (GJ)	74,015,625	73,694,908	80,204,392	Shipping
Energy intensity				
Energy intensity ratio [10] (GJ/Nm)	17.30	15.79	14.90	
Organization-specific metric chosen to calculate the intensity ratio: Total Sailing Distance[11] (Nautical Mile [Nm])	6,023,833	6,579,066	7,378,156	

Note: This data represents our entire shipping fleet (in-house and joint ventures).

KPIs (Non-Shipping)[12][13]

Energy	2020	2021	2022	Scope
Electricity consumption				
Total electricity consumption (kWh) Corporate	935,517	1,169,485	1,067,695	
Total electricity consumption (kWh) N-KOM	63,400,000	69,400,000	72,830,000	
Total electricity consumption (kWh) QFAB	7,460,000	6,505,700	8,173,611	
Total electricity consumption (kWh) NSW	n/a	1,956,150	2,260,278	
TOTAL ELECTRICITY CONSUMPTION (kWh) Corporate, N-KOM, QFAB and NSW	**71,795,517**	**79,030,635**	**84,331,584**	
Total electricity consumption (GJ) Corporate	3,368	4,210	3,844	
Total electricity consumption (GJ) N-KOM	228,240	249,840	262,188	
Total electricity consumption (GJ) QFAB	26,856	23,418	29,425	
Total electricity consumption (GJ) NSW	n/a	7,042	8,137	
TOTAL ELECTRICITY CONSUMPTION (GJ) Corporate, N-KOM, QFAB, NSW	258,464	284,510	303,594	
Fuel consumption				
Total fuel consumption (GJ) Corporate	734	329	190	
Total fuel consumption (GJ) N-KOM	37,339	43,147	55,190	
Total fuel consumption (GJ) QFAB	393	333	5,297	
Total fuel consumption (GJ) NSW	287,742	315,385	327,182	
TOTAL FUEL CONSUMPTION (GJ) Corporate, N-KOM, QFAB, NSW	326,208	359,194	387,859	
Total energy consumption (electricity + fuel)				
Total energy consumption (GJ) Corporate	4,102	4,539	4,034	
Total energy consumption (GJ) N-KOM	265,579	292,987	317,378	Non-Shipping
Total energy consumption (GJ) QFAB	27,249	23,751	34,722	
Total energy consumption (GJ) NSW	287,742	322,428	335,319	
TOTAL ENERGY CONSUMPTION (GJ) Corporate, N-KOM, QFAB, NSW	584,672	643,705	691,453	
Energy intensity[14][15]				
Energy intensity ratio (Electricity + Fuel consumption (GJ) / per employee) Corporate	16.6	16.5	16.1	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) Corporate	250	275	250	
Energy intensity ratio (Electricity + Fuel consumption (GJ) / employee N-KOM	204.3	225.4	200.1	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) N-KOM	1,300	1,300	1,586	
Energy intensity ratio Electricity + Fuel consumption (GJ) / per employee) QFAB	317.2	349.3	108.9	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) QFAB	86	68	319	
Energy intensity ratio (Electricity + Fuel consumption (GJ) / per employee) NSW[16]	846.3	942.8	986.2	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) NSW	340	342	340	
Total energy intensity ratio (Electricity Consumption + Fuel (GJ) / per employee) Corporate, N-KOM, QFAB and NSW	295.9	324.3	277.1	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) corporate, N-KOM, QFAB, NSW	1,976	2,016	2,495	

[9]This is only shipping data under scope 1. Types of fuels included within figures: HFO, MGO, LNG.

[10]For SHIPS: Energy Intensity = Total Energy/ Total sailing Distance. Intensity is declared in total.

[11]Total sailing Distance SASB (TR-MT-000.B). Equity Share doesn't apply to distance sailed.

[12]2020 fuel figures are restated, and difference can be noted due to diesel oil consumption figures which are made available by N-KOM for 2019 onwards.

[13]This is only non-shipping data under scope 1. Types of fuels included within figures: Diesel (Density-0.8213) and LPG (Conversion Factor-MJ to KG: 1 MJ = 0.02 kg of LPG).

[14]All energy intensity ratios represent electricity and fuel usage, except for QFAB and NSW (see below).

[15]Energy Intensity Ratio has been restated in GJ/No. of employee for alignment.

[16]NSW Electricity data not available in 2020 and so only fuel data used.

Reduction of energy consumption	2020	2021	2022	Scope
Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives (fuel and electricity)				
Total energy reductions (GJ) Corporate	2,501	2,363	12,256	Non-Shipping
Total energy reductions (GJ) N-KOM	16,804	16,804	16,804	
Total energy reductions (GJ) QFAB	26,856	24,048	n/a	
Total energy reductions (GJ) NSW	n/a	n/a	n/a	
Total energy reductions (GJ) Corporate, N-KOM, QFAB and NSW	**46,161**	**43,112**	**29,060**	

Electricity sold	2020	2021	2022
Total electricity sold (GJ)- (N-KOM)*	5,246	25,029	15,930

*Electricity sold to vessels in dock via metered connections.

WATER CONSUMPTION

Management Approach and Progress Shipping

Water is an essential element of life, and ensuring its availability for everyone is a global challenge recognized by UN Sustainable Development Goal (6). As a company operating in a water-stressed region, Nakilat, through its 'Commitment to Environment' aims to reduce water consumption with proper management and to the best of its ability for the benefit of our operations as well as of the environment and community. We also support Qatar climate change action plan 2030 to ensure sustainable and integrated management of water resources exploring keys areas of opportunities to ensure water security for our country and company.

Nakilat adopts a responsible and prudent approach to water consumption. Our vessels do not withdraw or discharge any fresh water, nor consume water from a third party. Fresh water is produced on board from waste heat energy and water is discharged back into sea through treatment systems. Water fountains are fitted onboard. We have discontinued single-use plastic water bottles, and water samples are regularly landed ashore for analysis to ensure quality onboard.

In addition, all the company vessels closely monitor the electric power consumption for the most efficient use and intervene to devise power management planning.

Non-Shipping

Potable water for domestic use is supplied by Kahramaa to Nakilat's office, via Ras Laffan Industrial City infrastructure controlled by QatarEnergy. All sewage water is discharged into the municipal sewage system in accordance with Ministry of Environment and Climate Change regulations. QatarEnergy provides treated industrial water for the use of Nakilat's operating units in industrial processes. Industrial water runoff within the docks is treated via our Contaminated Water Treatment Plant (CWTP).

N-KOM's CWTP plant facilitates contaminated water generated from washing of vessels at the dry docks to be filtered, purified, and tested for conformance (as per Qatar's Ministry of Environment and Climate Change (MOECC) guidelines and parameters) before discharges of water are released into the sea as per the Consent to Operate (CTO) certificate requirements. N-KOM also submits quarterly reports of CWTP treatment to MOECC.

KPIs (Shipping)

Water	2020	2021	2022	Scope
Water withdrawal and discharge[17]				
Total seawater withdrawal (megaliters)	28,398	25,056	24,959	Shipping
Total seawater discharge (megaliters)	28,398	25,056	24,959	

Note: This data represents our entire shipping fleet. The reported data are aggregated values from wholly owned and JV vessels for seawater used for ballasting the vessels. The ballast water figure that has been used indicates that the ballast water has either been treated according to IMO Ballast Water Convention D2 for vessels fitted with a treatment system. For other vessels which are still to be fitted with a treatment system the ballast water has been replenished through exchange during the voyage as per IMO Ballast Water Convention D1. The same quantity of seawater that is loaded in discharge ports is discharged afterwards in loading ports. Only seawater for ballasting is discharged. Calibrated remote sounding system and approved ballast tank tables have been used to calculate ballast water quantities declared. Seawater salinity and density is determined from international oceanographic tables.

At NSW (Nakilat SvitzerWijsmuller), encourages all vessels and shore staff through a campaign to take the following measures and initiatives to reduce or to help save water consumption.

- Use water-efficient appliances: Water-efficient faucets and showerheads in vessel accommodation can help reduce water consumption significantly. These appliances are designed to use less water without sacrificing performance. Ensure that all appliances are in good working order, and repair leaks immediately to avoid wasting water.

- Limit water usage or turn off the taps when you are not using them. Encourage crew members to be mindful of their water usage. Simple steps, such as turning off the water when brushing teeth or washing dishes, can go a long way in reducing water consumption. When possible, wash dishes in a basin rather than running the water continuously.

- Only run washing machines when full: Running these appliances when they are only partially full wastes water and energy.

[17]It is to be noted that seawater data for the mentioned years have been restated in 'megaliters' than earlier shown unit of 'tonnes'.

- Use seawater for non-potable purposes: Utilize seawater for non-potable purposes such as flushing toilets and washing decks. This can significantly reduce freshwater usage.

- Educate all crew members on water conservation: Ensure that all crew members are aware of the importance of water conservation and understand how they can contribute to this effort. Simple steps such as fixing leaks, turning off the water when not in use, and reusing water can have a significant impact on water conservation efforts.

KPIs (Non-Shipping)

Water	2020	2021	2022	
Water consumption				
Freshwater/ Potable water consumption (megaliters) Corporate	0.73	0.61	1.28	
Freshwater/ Potable water consumption (megaliters) NSW	11	11.49	11.58	
Freshwater/ Potable water consumption (megaliters) N-KOM	248	304	444	
Freshwater/ Potable water consumption (megaliters) QFAB	52.2	33.6	53.4	Non-shipping
Total Freshwater/ Potable consumption	**312**	**350**	**510**	
Industrial water consumption (megaliters) N-KOM	100	100	41	
Industrial water consumption (megaliters) QFAB	52	0.03	0	

*Water is supplied by Kahramaa, a third-party.

Management Approach and Progress

Biodiversity is a fundamental element of Qatar's heritage, culture and future. It serves as the foundation for food security and for sustainable agriculture development. Nakilat actively participates in maintaining biodiversity in close liaison with its private and public stakeholders by actively participating in all the initiatives to preserve ocean health and biodiversity. Through its 'Commitment to Environment' and well-developed policies/procedures, Nakilat supports Qatar's national biodiversity strategy and action plan based in Qatar National Vision 2030 which aims to prevent, minimize and offset potential damage to ecosystems while at the same time adapting biodiversity to climate change.

Spill Management

Oil and chemical spills may arise from many different sources and activities in the shipyard, such as the oil discharged from vessels, bunkering, facility maintenance, blasting and painting operations, yard's machinery, and mobile equipment operation and maintenance, as well as administrative processes. To mitigate this risk, Nakilat has developed oil and chemical spill contingency plans covering the entirety of our vessels; operations and the Erhama Bin Jaber Al Jalahma Shipyard. These plans detail ways to minimize the potential harm of oil and chemical spills to people and the environment by ensuring timely and coordinated responses. All JVs have developed an emergency preparedness procedure in alignment with these plans. There are seven spill kits of different sizes located in strategic places around the whole yard which are inspected every month and replenished as and when necessary. Throughout the year 2022, we have not recorded any spills.

Nakilat Fleet

Nakilat fleet of vessels have ship specific, and Class approved Shipboard Oil pollution Emergency Plan (SOPEP). USCG approved Nontank Vessel Response Plan (NTVRP), Vessel General Permit (VGP) and contracts with National Response Corporation (NRC) and with Oil Spill Response Organization (OSRO) for spill management.

Ballast Water Treatment System (BWTS)

In order to meet the recommendations of the IMO assembly resolution A.868(20), 'Guidelines for the control and management of ships' ballast water to minimize the transfer of harmful aquatic organisms and pathogens', Nakilat's fleet of vessels have ship-specific Ballast Water Management Plan(s), approved by Class. Nakilat is 100% compliant with the Ballast Water Management System (BWMS) Convention. Newbuild vessels were fitted with a BWTS at the shipyard, and BWTS systems are being retrofitted to existing ships.

Low Sulphur Fuel Selection

Nakilat complies with sulphur emissions caps of IMO 2020 by using lower sulphur fuels rather than employing exhaust gas scrubber systems which have the potential to increase pollutant discharges to the ocean environment.

N-KOM's Marine Water Quality Monitoring to Protect Ocean Health

N-KOM conducts water quality monitoring at five locations along its shore. Water samples from each location are tested for the same parameters such as Total Suspended Solids (TSS) and pH value. On average, N-KOM's TSS value did not cross 5.0 mg/l when compared with the Ministry of Environment and Climate Change limit of 35 mg/l. Also, N-KOM pH value has always been within 6-9, as per Qatar's Ministry of Environment and Climate Change (MOECC) regulation.

The full lists of limits are as follows: pH - 6.5 - 9.0; TSS - 400 mg/l; TDS - 1750 mg/l; BOD – 260 (average) – 400(max) mg/l; COD - 760 mg/l; Oil & Grease - <10 mg/l; NH3-N- 40 mg/.

KPIs (Non-Shipping)

2022 Objectives and Targets (N-KOM):

EMP* Risk Focus Areas	Objective	Target	Negative Environmental Impact Mitigation Measures
Environmental Impact Assessment (EIA)	To ensure that environmental aspects of activities, products and services from the company are controlled and mitigated so that there is no potential for adverse impacts on the environment.	(a) To have zero high environmental impact rated operational activities. (b) To reduce environmental impacts of high and medium rated activities to as low as reasonably achievable.	(a) EIA - covers all activities per production section (b) HSSE Audit - conducted annually for each production section Reference for (a) • IMS-HSSE-P-0003, identification and analysis of environmental aspects and impacts procedure. • IMS-HSSE-F-0014, environmental aspects and impacts identification and assessment form.
Discharges to Sea	To filter waste / contaminants of water from dry docks 1 & 2	To maintain the discharged water at environmentally acceptable / regulatory limits as per Ministry of Environment and Climate Change (MOECC).	(a) Contaminated water from dry docks and Phase 5 washing bay undergo regular treatment at the Contaminated Water Treatment Plant (CWTP). Within the CWTP contaminated water is processed through several stages of purifications. (b) Treated water - Prior to discharge, samples are sent to third-party laboratories for verification of water constituents. Treated water is discharged to the sea only if the results are within the regulatory limits. (c) Environmental monitoring report - Quarterly monitoring requirements and respective limits are prescribed by the Ministry of Environment and Climate Change (MOECC) and stated in the Consent to Operate (CTO) License granted to the shipyard.
Marine Water Monitoring	To monitor marine water quality at different locations.	To ensure concentrations of pH and Total Suspended Solids (TSS) of the marine water are within the Ministry of Environment and Climate Change (MOECC) regulatory limits.	(a) Vessels are under RLC and N-KOM regulations – No discharges allowed to sea other than treated ballast water. (b) Vessel activities which produce pollutants that can contaminate marine environment and docks. Within the dry docks, all liquid and semi-solid discharges are contained within incorporated systems of the docks which either treat or hold pollutants for collection. (c) Waste disposal requirements - managed via licensed waste management contractors. (d) Environmental monitoring report - Quarterly monitoring requirements and respective limits are prescribed by the Ministry of Environment and Climate Change (MOECC) and stated in the Consent to Operate (CTO) license granted to the shipyard.

N-KOM only.

*Environmental Management Plan

Description	Target / KPI	2022 Performance
Marine Water Quality Monitoring at Different Locations To ensure concentrations of pH and Total Suspended Solids (TSS) of marine water are within the Ministry of Environment and Climate Change (MOECC) regulatory limits	Levels should not cross: TSS = 35 (mg/l)	TSS = <5 (mg/l) (see note below)
	pH: 6 - 9	pH = 8.0 (see note below)
Contaminated Water Treatment To ensure that contaminated water from dry docks 1 and 2 are filtered of waste/contaminants before the water is released back into the sea	pH: 6 - 9	pH: 7.5 (see note below)
To maintain the discharged water at environmentally acceptable/regulatory limits as per the Ministry of Environment and Climate Change (MOECC)	BOD: 50	BOD: 24 (see note below)
	COD: 150	COD: 96 (see note below)
	TSS: 50	TSS: <3.5 (see note below)
	Oil and grease: 10	Oil & grease: <1 (see note below)
To ensure that contaminated water from dry docks 1 and 2 are filtered	Cd: 0.1	Cd: <0.02 (see note below)
	Pb: 0.1	Pb: <0.01 (see note below)
	Ni: 0.5	Ni: 0.04 (see note below)
	Cu: 0.5	Cu: 0.09 (see note below)
To maintain the discharged water at environmentally acceptable/regulatory limits as per the Ministry of Environment and Climate Change (MOECC)	Cr: 0.2	Cr: <0.001 (see note below)
	Fe: 1	Fe: 0.09 (see note below)
	Mn: 0.05	Mn: <0.01 (see note below)
	Phosphate: 30	Phosphate: 3.8 (see note below)
	Sulfide: 0.1	Sulfide: <0.1 (see note below)

N-KOM only.

Note: Monitoring requirements and the respective limits are prescribed by Qatar's Ministry of Ministry of Environment and Climate Change (MOECC) and stated in the Consent to Operate (CTO) license granted to the Shipyard.
*PM_{10}, SO_2 and NO_x - 99.7% of all daily measurements taken during the period of one calendar year
**CO - 99.8% of all eight (8) hour measurements taken during the period of one calendar year
***Aromatic Hydrocarbon - Ras Laffan Industrial City (RLIC) Standards for non-methane hydrocarbons
****$PM_{2.5}$ - United States Environmental Protection Agency (USEPA) Standards for $PM_{2.5}$

Conserving our Environment

As part of our commitment to practice environmental conservation, our staff participated in 2 activities organized by QatarEnergy, Ras Laffan Industrial City.

1. Beach Clean-Up 2022

On 9 March, N-KOM staff participated in marine life conservation through the 'Turtle Beach Clean-Up'. The activity focused on ensuring that the RLIC beach which is home to the Hawksbill Sea turtles could offer a conducive environment for them to nest.

The beach clean-up event is performed annually around the turtle nesting season to ensure that the nesting grounds are free from waste and safe for the turtles to nest within, thus ensuring continued flourishing of the turtle species.

2. Tree Planting Drive

On 6 March, Nakilat Shipyard, N-KOM staff volunteered for the 'Tree Planting Drive'. The activity sought to develop the Ras Laffan Industrial City (RLIC) boundaries with a 'green belt' of trees, thereby improving the air quality.

The purpose of the trees planted in this zone is to serve as an air purification system which maintains a clean quality of air and provides a degree of cooling to the general air temperature.

This green belt serves to enhance the air quality not only within RLIC but also in the public cities and zones neighboring RLIC.

Management Approach and Progress

Making Ship Recycling Safer with Inventory Hazardous Materials (IHM)

The European Union (EU) pursues an ambitious policy to make ship recycling greener and safer. The EU legislation on Inventory Hazardous Materials (IHM) came into force on 30th December 2020. IHM is a structured system to control hazardous materials onboard ships. Occupational health risks can be identified during ship operations to inform crew, as well as repair and conversion yards about any hazardous materials onboard for incident preparedness and response. This enables advanced planning to ensure that ship decontamination activities must be conducted by trained workers, appropriate equipment and adequate plans for the removal and disposal of any hazardous materials (HAZMATs). Nakilat has obtained the IHM certification and inventory of hazardous material for fleet vessels. Nakilat has also conducted extensive surveys involving the assessment of the hazardous materials samples in the laboratories for potential risks.

In addition to all mandatory certifications, our vessels maintain voluntary compliance certification with Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships. Compliance with this requirement enables Nakilat to maintain a record of all potentially hazardous materials onboard, which is maintained throughout the operational life of the ships.

Shipping (Onboard) Waste Management

Waste generation, and its subsequent impacts, are related to domestic waste generated by on board crew during the ship's operational activities, such as plastic, paper, metal, and food waste. The waste is collected onboard and segregated as per the approved vessel's garbage management plan. The data is then reported on the vessel's flag approved garbage logbook maintained onboard. All the waste generated onboard our vessels is segregated before being disposed of ashore to an approved facility. Only a fraction of this waste is incinerated onboard in an IMO-approved incinerator.

Chest freezers are provided for biodegradable materials for discharge outside Arabian Gulf in compliance with MARPOL Annex V. No Single-use plastics (plastic bags and bottles) onboard.

Non-Shipping Waste Management

Nakilat has made conscious efforts to reuse and recycle waste where possible to reduce the amount of waste generated or disposed. There are seven major types of waste generated by Nakilat and its local joint venture partners' operational activities, which are categorized as follows: General, wood, food, hazardous, metal, paper, electrical/electronic. Nakilat has a contractual agreement with approved local contractors for the transportation and disposal of all types of waste. Recycling is in line with the local regulatory requirements.

At N-KOM, all major blasting activities are conducted at graving docks and floating dock; grit blasting is suspended during high wind speed conditions above 25 knots to prevent the spread of grit dust. When grit blasting is performed on small vessels at the phase 5 washing bay area, wet blasting technique is applied.

For blasting of loose items, outfitting and other small structures, blasting chamber facility is used while onsite ballasting operation of small items requires encapsulation of the full structure along with engineering controls - dust collector, dehumidifier and vacuum machine that are mandatory, as open blasting is not allowed.

N-KOM has a contract with the Ministry of Environment and Climate Change (MOECC) approved waste treatment factory to collect and dispose waste. As per the contract, the contractor is required to collect, transport, and dispose waste as per established local authority (MOECC) regulations. The respective N-KOM Sections' person in charge are responsible for daily waste collection at yard and coordination activities with the third-party contractors for waste disposal.

All wastewater from vessels washing at the shipyard is treated via the shipyard's contaminated water treatment plant and returned to the sea within the regulatory limits. Monitoring of environmental parameters are performed for treated water, seawater, drinking water and air quality. All analyses are performed and validated by third party contractors. All contractors to the company are pre-audited and assessed based on set criteria covering necessary environmental certifications and compliance.

QFAB has implemented a waste management plan to specify a waste management system for all QFAB processes that produce waste to ensure that the waste is effectively controlled, handled, transported, and responsibly disposed to protect and safeguard the environment and to further reduce the risk of current and future liabilities. In all instances and in line with the QHSES policy and procedures, the most environmental-friendly approach will be utilized as far as reasonably practicable. The fabrication operations general superintendent is considered as the principal waste producer for all construction activities within QFAB and has a 'Duty of Care' to ensure that all waste generated is properly handled and disposed complying with the applicable regulatory requirements.

NSW has implemented initiatives such as eliminating the use of single-use plastic water bottles and instead providing all employees with dedicated approved drinking bottles.

At NSW[18], all shipboard generated garbage, domestic waste, food waste, bilge waste and waste oil products are recorded and disposed in a controlled, safe and legal manner.

In accordance with MARPOL Annex V, Garbage Management Plan is implemented onboard NSW vessel which provide guidance to the master and crew on board the ship on the procedures for collecting, storing, processing and disposing of garbage, including the use of the equipment onboard. All vessels are equipped with adequate garbage storage in the designated color codes fire retardant bin for different types of waste generated onboard vessels. Proper guidance been provided to crew on vessel in the form of placards/poster on garbage disposal.

NSW always ensures the compliance with OVMSA (Offshore Vessel Management and Self-Assessment) in the fleet and additionally drives awareness coaching sessions with crew to ensure compliance with Garbage Management Plan and international/local maritime regulations. To verify the regulatory compliance, vessels are being audited regularly by internal and external authorities.

KPIs (Shipping):

Waste	2020	2021	2022[19]	Scope
Waste generated				
Total weight of waste generated (m3), and a breakdown of this total by composition (CAT[20]) of the waste[21]	**Total = 6,895 m3** Cat 1 = 2,044 m3 Cat 2 = 333 m3 Cat 3 = 2,233 m3 Cat 4 = 155 m3 Other = 2,129 m3	**Total = 6,879 m3** Cat 1 = 1,939 m3 Cat 2 = 326 m3 Cat 3 = 2,199 m3 Cat 4 = 161m3 Other = 2,254 m3	**Total = 7,805 m3** Cat A = 1,984.08 m3 Cat B = 334.67 m3 Cat C = 2,534.57m3 Cat D = 1.20 m3 Cat E = 127.66 m3 Others = 2,822.86 m3	Shipping
Waste disposal				
Total weight of waste directed to disposal in cubic meter, and a breakdown of this total by composition of the waste[22]	**Total = 6,895 m3** Cat 1 = 2,044 m3 Cat 2 = 333 m3 Cat 3 = 2,233 m3 Cat 4 = 155 m3 Other = 2,129 m3	**Total = 6,879 m3** Cat 1 = 1,939 m3 Cat 2 = 326 m3 Cat 3 = 2,199 m3 Cat 4 = 161m3 Other = 2,254 m3	**Total = 7,805 m3** Cat A = 1,984.08 m3 Cat B = 334.67 m3 Cat C = 2,534.57m3 Cat D = 1.20 m3 Cat E = 127.66 m3 Others = 2,822.86 m3	
Incineration onsite (without energy recovery) (m3)	775	1,061	1,545	
Total waste disposal offsite (m3)[23]	6,120	5,818	6,261	

Note: This data represents our entire shipping fleet.

It is to be noted that 2020 data has been re-categorized between the Joint Venture partners to align with NSQL. Nevertheless, the total waste generated remains the same.

[18]NSW- Nakilat SvitzerWijsmuller

[19]2022 onwards-Garbage on ships are classified into the following categories as per MARPOL Annex V:

- Category A: Plastics
- Category B: Food Waste
- Category C: Domestic Waste
- Category D: Cooking Oil
- Category E: Incinerator Ashes
- Category F: Operational Waste
- Category I: E-Waste

[20]Until 2021-Garbage on ships is classified into the following categories (Cat): 1-Plastics; 2- Floating dunnage, lining, and packing material; 3- Ground down paper products, rags, glass, metal bottles, and crockery; 4-Domestic waste; 5- Incinerator ash; 6- Normal paper products, rags, oily rags, glass, and metal scrap; 7-Operational waste; 8- Animal Carcasses onboard livestock carrier; 9- E-Waste; 10- Cooking oil waste produced in the galley; 11- Cargo residues onboard ships carrying solid cargo in bulk which are not harmful to the marine environment (Non-HME); 12- Cargo residues onboard ships carrying solid cargo in bulk which are harmful to the marine environment (HME); Others" encompass all what is not listed between cat 1 and cat 12.

[21]Total waste (disposed to sea + incinerated + landed ashore) in m3. Data provided in cubic meter and not in tons as reported by the vessels and approved by the flag state.

[22]Bilge doesn't fall under garbage requirement.

[23]The rest of the segregated waste is disposed to an approved shore facility for processing.

KPIs (Non-Shipping)

Waste	2020	2021	2022	Scope
Total weight of waste generated (m3 or tons), and a breakdown of this total by composition (CAT [22]) of the waste - N-KOM	**Total = 16,271 m3, 7,082 tons & 365,000 gallons** Cat A, B, C & F (General) = 12,817 m3 Cat C & F = 2,360 m3 Cat C & F = 2,104 tons Cat I = 12.62 tons Other = 1,094 m3 Other = 4,965 tons Other = 365,000 gallons	**Total = 19,200 m3 & 9,681 tons** Cat A, B, C & F (General) = 13,566 m3 Cat C & F = 3,520 m3 Cat C & F = 3,077 tons Cat I = 22.86 tons Other = 2,114.16 m3 Other = 6,581.36 tons	**Total = 19,054 m3, 34,492 tons & 1,195,790 gallons** Cat A, B: 14,434 m3 Cat C: 4,620 m3 Cat F: 2,301 tons Cat I: 25.13 tons Other: 211.15 tons Other: 31,836 tons Other: 118.51 tons Other: 1,195,790 gallons	Non-shipping
Total weight of waste generated (m3 or tons), and a breakdown of this total by composition (CAT) of the waste - NSW	**Total = 67.86 m3** Cat C & F (General) = 18.297 m3 Cat A (Plastic) = 4.361 m3 Others (Oily waste) = 45.20 m3	**Total = 125.11 m3** Cat C & F (General) = 30.691 m3 Cat A (Plastic) = 9.59 m3 Others (Oily waste) = 84.825 m3	**Total = 173.26 m3** Cat C & F (General) = 57.150 m3 Cat A = 12.783 m3 Others = 103.327 m3	
Total weight of waste generated (m3 or tons), and a breakdown of this total by composition (CAT) of the waste - QFAB	**Total = 48.98 m3 & 2.85 tons** Cat A, B, C & F (General) = 48.98 m3 Cat C & F = 2.58 m3 Cat C & F = 2.85 tons Cat I = 0 tons Other = 0 m3 Other = 0 tons Other = 0 gallons	**Total = 18.88 tons & 264 Gallons** Hazardous waste = 2.16 tons CAT A & B (General) = 10.785 tons Cat C & F = 5.94 tons Other (Oily waste) = 264.0 gallons	**Total = 786.61 tons** CAT A & B (General) = 158.652 tons Cat C & F = 627.957 tons	
Total weight of waste generated (m3 or tons), and a breakdown of this total by composition (CAT) of the waste - Corporate	**Total = 2.73 m3** Cat C & F (General) = 0.51 m3 Cat I = 2.22m3	**Total = 0.59 m3** Cat C & F (General) = 0.56 m3 Cat I = 0.012 m3 Hazardous waste = 0.02 m3	**Total = 0.27 m3** Cat A = 0.27 m3	

[24]Garbage on shore is classified into the following categories (CAT A & B: General; CAT C & F: Wood & Metal; CAT I: Batteries; CAT OTHER- Spent Grit, Paint Drums, Sludge, Oily Water & Oily Rags)

Waste	2020	2021	2022	Scope
Total weight of waste diverted from disposal in metric tons, and a breakdown of this total by composition of the waste. - N-KOM	NA	**Total = 3,099.86 tons** CAT C & F = 3,077 tons CAT I = 22.86 tons	**Total = 34,492 tons** Cat F: 2,301 tons Cat I: 25.13 tons Others: 32,166 tons	
Total weight of hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations -SOLD- N-KOM	NA	**CAT I = 22.86 tons**	**Cat I: 25.13 tons**	
Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations SOLD- N-KOM	NA	**CAT C & F= 3,077 tons**	**Cat F: 2,301 tons**	
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste - N-KOM	**Total = 16,271 m3, 7,082 tons & 365,000 gallons** Cat A, B, C & F (General) = 12,817 m3 Cat C & F = 2,360 m3 Cat C & F = 2,104 tons Cat I = 12.62 tons Other = 1,094 m3 Other = 4,965 tons Other = 365,000 gallons	**Total= 19,200.16 m3 & 9,681.22 tons** Cat A, B, C & F (General) = 13,566 m3 Cat C & F = 3,520 m3 Cat C & F = 3,077 tons Cat I = 22.86 tons Other = 2,114.16 m3 Other = 6,581.36 tons	**Total: 19,054 m3, 34,492 tons & 1,195,790 gallons** Cat A, B: 14,434 m3 Cat C: 4,620 m3 Cat F: 2,301 tons Cat I: 25.13 tons Other: 211.15 tons Other: 31,836 tons Other: 118.51 tons Other:1,195,790 gallons	Non-Shipping
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste - NSW	Other (Oily waste) = 45.20 m3	**Total = 125.11 m3** Cat C & F (General) = 30.691 m3 Cat A (Plastic) = 9.59 m3 Others (Oily waste) = 84.825 m3	**Total = 173.26 m3** Cat C & F (General) = 57.150 m3 Cat A = 12.783 m3 Others = 103.327 m3	
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste - QFAB	NA	**Total = 18.88 tons & 264 gallons** Hazardous Waste = 2.16 tons CAT A & B (General) = 10.785 tons Cat C & F= 5.94 tons Other (Oily waste) = 264.0 gallons	**Total = 786.6 tons** Non-hazardous Waste=786.6 tons	
Total waste disposal – landfill (m3 or tons) N-KOM	**Total: 15,177 m3 & 4,903 tons** General = 12,817 m3 Wood = 2,360 m3 Spent Grit = 4,903 tons	**Total: 17,086 m3 & 6,425.74 tons** CAT A, B, C & F (General) = 13,566 m3 CAT C & F = 3,520 m3 Other = 6,425.74 tons	**Total: 19,054 m3 & 32,167 tons** Cat A, B & C: 19,054 m3 Other: 32,167 tons	

Waste	2020	2021	2022	Scope
Total waste disposal – landfill (m3 or tons) QFAB	NA	12.945 tons	203.147 tons	Non-Shipping
Total waste disposal – recycling (m3 or tons) QFAB	NA	60.225 tons	583.46 tons	
Total waste disposal – recycling (m3 or tons) QFAB	NA	NA	0.84 tons (paper)	

2022 Objectives and Targets (N-KOM):

EMP Risk Focus Areas*	Objective	Target	Negative environmental impact mitigation measures
Waste	To ensure that, in accordance with legislation, waste will be managed in a sustainable manner following the waste hierarchy of prevention, reuse, recycling, and disposal to ensure the reduction in waste is sent to landfill.	To maintain baseline waste recycling rate of **80%** for recyclable waste.	Waste management plan: (a) Contracts - in place with licensed waste contractors to dispose waste at government approved waste treatments centres. (b) Scrap metal - sold to interested companies for reuse. (c) HSE walkthroughs and environmental Inspections - conducted to ensure waste is managed in a sustainable manner. Reference • IMS-HSSE-F-0120, Health and Safety Inspection Record • IMS-HSSE-F-0131, Environmental Inspection Report • IMS-HSSE-P-0004, Waste Management Procedure

N-KOM only

*Environmental management plan

Materials (Non-Shipping):

Nakilat's facilities do not consume or use raw materials in its operations, given the nature of its business offerings. The recurring materials employed are limited to corporate-use or specific material use. Materials are sourced from Original Equipment Manufacturers (OEMs) and other suppliers. These materials, such as paper, are used to support the retail and service nature of the entity operations.

Materials that have a high impact on the environment are monitored. Nakilat is constantly exploring more environmentally friendly products/materials where available.

Materials	2020	2021	2022	Scope
Material used by weight and volume				
Paper (kg) - Corporate	2,216	1,248	2,515	Non-shipping
Paper (kg) - N-KOM	6,394	6,475	9,962	
Copper Slag (tons)-N-KOM	4,928	12,857	40,664	
Steel (tons)-QFAB	n/a	n/a	18,000	
Paper (kg) - QFAB	n/a	570	5,050	
Paper (kg) - NSW	n/a	n/a	1,400	

Note: Nakilat office, N-KOM, NSW and QFAB data only.

5.1 Health, Safety and Wellbeing

Management Approach and Progress

Nakilat and its joint ventures (JVs) are committed to health and safety at the workplace for our employees, temporary personnel, and contractors in line with the requirements established under Qatar National Vision 2030 and Nakilat's Safety, Health, Environment and Quality (SHEQ) policy. We ensure compliance with applicable legal and other requirements pertaining to health and safety in all our activities.

We spare no efforts to advance in strengthening safety in all our operations and thus reduce risks to our employees and workers. We place consistent focus on injury prevention and seek to enhance our safety culture through number of initiatives including an Incident and Injury Free (IIF) environment campaign continued in 2022 and Hand and Finger Safety campaign started in 2022. The whole idea is to raise awareness and change mindset about safety. It's a way of thinking that avoids incidents and injuries, making safety a high priority on both a personal and organizational level.

Policy

For SHEQ policy, please refer to section 4.1 of this report.

We place SHEQ at the top of our agenda to ensure that we operate in a safe, reliable, and efficient manner within our society and natural environment. The fundamentals of how we deliver safe and reliable operations remain our number one priority. We believe that all incidents and injuries are preventable; hence we strive to create an Incident and Injury Free (IIF) environment, both at the workplace and at home. Our SHEQ policy ensures the achievement of these commitments within the organization. It is accessible to all employees and contractors within Nakilat through SharePoint, company website and is also physically displayed at several prominent locations within office premises. Nakilat ensures the policy's compliance, effectiveness, and suitability by continuously reviewing it during the management review meetings.

Governance

Nakilat's SHEQ Committee, consisting of all department chiefs and the CEO, governs and oversees occupational health, safety, wellbeing, and Environment in the organization. The SHEQ Committee is responsible for decision-making and implementation of key OHS strategies within the organization. Management teams maintain regular communication to ensure systems and processes in place are up to date and capture all potential risks. Nakilat has an Occupational Health and Safety Management System (OHSMS) in place, and it is certified against ISO 45001:2018 standard by Lloyd's Register as a third-party certification body. The certificate is valid for 3 years with annual audits. Hazard identification, incident investigation and risk assessments are carried out in accordance with a detailed procedure.

Regarding incident updates, Nakilat JV partners and NSQL share these updates on a weekly and on a monthly basis along with exposure hours and other information related to near miss/unsafe act/condition reports in a running log. Nakilat's SHEQ department is responsible for the verification of incident information, categorization and follow-up on the incident investigation and for sharing the lessons learnt.

Additionally, the senior management Team (SMT), which includes all departments' chiefs and the CEO, is responsible for following up on all the HSE matters on a weekly basis and the actions taken as well as providing high-level guidance.

As for the safety performance, the SMT, headed by the CEO, conducts a performance review twice a year where the overall safety performance is discussed and actions to be taken are identified to close the gaps as part of investigations. The board is then responsible for reviewing the safety performance which is presented to them on a quarterly basis including the follow-up actions that were taken during that period of time. The safety performance presented includes both overall performance and that of individual entities within Nakilat.

Further, Nakilat underwent the British Safety Council's Five Star OHS audit and achieved a 5-Star rating with a score of 96.39%. The audit focused on key aspects of managing occupational health and safety in the workplace and offered a structured path for continual improvement towards best practice status. This audit is the most comprehensive, contemporary, quantified audit process available, which allows any organization to test its health and safety performance against the latest legislation, recognized standards and best practice techniques. It provides a quantified outcome with detailed recommendations against a contemporary best practice specification (including the requirements of ISO 45001) over and above the current Occupational Health and Safety Management Systems (OHSMS) standard requirements.

Safety Moments:

At Nakilat, HSE moments sessions are conducted at the commencement of each organizational meeting. These sessions involve brief safety discussions aimed at increasing awareness of potential hazards and fostering a safe work environment and healthy practices. HSE moments serve to prioritize safety and encourage employees to take personal responsibility for their wellbeing and that of their colleagues. They are held not only at the beginning of meetings but also whenever employees gather together, reinforcing the significance of safety in all aspects of our operations.

HSE moments cover a range of topics, including workplace hazards, near misses, best practices for safe behavior, in addition to the importance of following safety protocols, health, and environmental protection, among others. They are delivered in a variety of formats, such as stories, videos, or interactive discussions. The goal is to make the HSE moments engaging and relevant to the employees, so they are more likely to remember the key messages.

In addition to raising awareness about health and safety, HSE moments also promote a culture of safety in the workplace. When employees see that safety is a priority for the company, they are more likely to take safety seriously and to speak up when they see unsafe behavior or conditions.

To make safety moments effective, Nakilat SHEQ plans them in advance and makes them a regular part of the workplace routine. At Nakilat, we believe that it is also important to create a safe and supportive environment where employees feel comfortable discussing safety concerns and sharing their experiences.

In 2022, more than 400 HSE moments were conducted covering a wide range of topics on health, safety, environment, and quality management.

Conducted HSE Moments

Q1	Q2	Q3	Q4
JAN Safety and Security in Office Premises/Visitors	**APR** Health & Safety During Ramadan	**JUL** Heat Stress	**OCT** Cybersecurity Awareness
FEB First Aid/Medical Treatment	**MAY** Incident & Injury Free (IIF)	**AUG** Travel Safety	**NOV** Emergency Evacuation
MAR CPAR/Near Miss Reporting	**JUN** Green Habit to Save Planet	**SEP** Workplace Communication	**DEC** Personal Protective Equipment (PPE)

Safety Performance Track Record for the Nakilat Group (Nakilat, NSQL, Shore and Fleet JVs and Nakilat wholly Owned Vessels)

Nakilat has made significant investments in our people, processes, and equipment, which directly impacts Nakilat's safety performance. We have witnessed a continuous improvement in our safety performance, leading to the achievement of better results in comparison to the benchmarked average of our peer group and ITOSF.

LTIF (Lost Time Injury Frequency)	2020	2021	2022	Scope
Benchmark-ITOSF*	0.39	0.41	0.38	All Nakilat and NAC and Joint Ventures (JVs)
Nakilat - KPI**	0.43	0.41	0.31	
Actual	0.39	0.19	0.37	

TRCF (Total Recordable Case Frequency)	2020	2021	2022	Scope
Benchmark-ITOSF*	1.03	1.16	1.30	All Nakilat and NAC and Joint Ventures (JVs)
Nakilat - KPI**	1.21	1.15	1.09	
Actual	0.63	1.11	1.14	

*ITOSF- Informal Tanker Operators' Safety Forum
**KPI- Key Performance Indicator

Key Safety Performance Highlights

The company's solid safety performance reflects the effort and dedication of staff both at sea and ashore. Nakilat's prime objective is to achieve an 'Incident and Injury Free (IIF)' work environment and our 2022 safety results greatly complement our commitment toward being IIF. Nakilat's wholly owned, joint venture and in-house operated vessels have demonstrated first-class operational and safety performance despite the demanding operations worldwide. Key highlights of our industry-leading vessel safety performance are as follows:

Nakilat's Fleet	**0.37 LTIF and 1.14 TRCF** Nakilat's Fleet achieved an overall LTIF of 0.37 and a TRCF of 1.14, both below the benchmark averages of those metrics.
Nakilat Agency Company (NAC)	**17 years LTI-free** NAC continued its track record and remained LTI-free for 17 years since its inception.
Nakilat Svitzer-Wijsmuller (NSW)	**13.4 million safe man-hours** NSW accumulated more than 13.4 million exposure hours with zero LTIs and TRCs in 2022.

Nakilat and its JV partners continued with their commitment to implement the IIF campaign, a safety leadership program that empowers people to foster a safer working environment.

- Conducted online e-learning and training programs as part of the commitment towards being IIF. Six mandatory e-learning programs were launched for shore-based employees which are regularly monitored and updated with new content.

- Training sessions to raise awareness of employees and to enhance their knowledge on the respective subjects:

  - Understanding of health and safety risk assessment

  - Difference between SHEQ audit and internal audit

  - Familiarization of SHEQ mandatory trainings/programs

- The company's efforts at being IIF were recognized with Nakilat being awarded the Sword of Honor by the British Safety Council for the fifth consecutive year. This award represents the pinnacle of achievement in the world of Health and Safety Management and is also a recognition of the company's commitment towards effectively managing its health and safety risks.

Case Study: Flu Vaccination Campaign

Nakilat conducts flu vaccination campaign for its staff every year as it is important that people take suitable measures to protect themselves and their families against the flu. Flu is a serious disease that can lead to hospitalization and sometimes, even death. The annual seasonal flu vaccine is the best and safest way to reduce the chances of catching the flu and potentially spreading it to the families. Vaccination to prevent influenza is particularly important for people who are at high risk for the flu and its complications. This includes the elderly, young children, pregnant women and people with certain medical conditions.

Case Study: Safety During FIFA

Nakilat conducted safety sessions for its employees in close coordination with Supreme Committee for Delivery and Legacy to ensure safety and wellbeing of its employees. Given the huge influx of fans from all over the world for the FIFA World Cup, there were significant disruptions in Qatar regarding traffic movement, and diversions along with specific restrictions.

Nakilat ensured that all its employees are made aware of such changes in order to maintain business continuity and their safety.

Caring for our Staff, Contributing to our Environment

Nakilat's JV company, N-KOM Recreation Committee (NKRC) organized a tree planting event at our workforce accommodation at the Ras Laffan Global Village on 23rd September 2022. During the event, our staff and subcon volunteers had fun planting more than 150 trees saplings along a green belt around the accommodation blocks. The aim behind this initiative was to demonstrate care for our staff and contribute to our environment.

Case Study: Nakilat Safety Climate Survey 2022

Nakilat uses the United Kingdom (UK), Health and Safety Executive (HSE) to conduct the Safety Climate Survey tool. The safety climate survey tool provides powerful insights into the safety climate of a workplace.

It is an essential tool for companies to evaluate their safety culture and identify areas that need improvement. It is a questionnaire that is designed to assess employees' perceptions and attitudes towards health and safety in the workplace while guaranteeing anonymity within an organization. This survey measures the employees' understanding of safety policies, the level of communication about safety, and the employees' participation in safety activities. The safety climate tool delivers an objective measure of Nakilat's safety culture - the 'way things are done' in the organization when it comes to health and safety. This is a powerful tool to continually improve and raise standards.

The survey is conducted for shore employees as well as for ship crew at Nakilat by informing employees about the survey in advance, providing them with an opportunity to ask questions, and ensuring that the survey is anonymous and confidential. Once the survey is completed, it generates a comprehensive report and provides guidance that helps Nakilat to develop action points for each factor and the identified issues in collaboration with all department managers. The plan is communicated to all employees onshore and ashore. Based on the result, a detailed presentation is drawn up along with an action plan to address areas where improvements can be made. All employees are then given a proper cascade of the results and planned action which also includes action owner and timeline for completion.

Case Study: N-KOM Launches Monthly Stakeholder Incentive Program

In 2022, N-KOM Management introduced the Monthly Stakeholder Incentive program. The aim of this program is to accord company-level recognition to staff, sections/departments through the following monthly public incentivization/awards:

- Safe Worker
- Monthly Zone Champion
- Monthly Workshop Champion
- Best Worker - Blue-Collar Operations Staff and White-Collar Staff from all Sections
- Best Department

This initiative to boost stakeholder recognition and engagement has received positive feedback from the employees.

Monthly HSSE Meetings with Subcontractors

N-KOM regularized meetings with its contractors. The four-fold aim of monthly meetings attended by subcontractors' management and supervision are:

- To align subcontractors' occupational health and safety systems with N-KOM's HSE standards and practices
- To raise the standards of N-KOM stakeholders beyond compliance
- To bring about tangible improvements across all sections employing subcontractors
- To deliver value to our clients through the conduct of safe, reliable and efficient maintenance, servicing and repair operations by our staff and subcontractors alike
- The meetings have been well-received and positive outputs have been noted from the subcontractors engaged in the forum

At NSW, safety culture embraces learning and continual improvement through employee engagement and support. We are committed to driving continuous improvement in health and safety and the environment. We take responsibility for promoting awareness training, knowledge sharing and a proactive approach to our own health and safety and to the wellbeing of others being supported by the following initiatives taken by NSW:

- Safety competitions to promote the health and safety culture within the organization
- Celebrating Global Safety Day annually
- 'Mariner of the Month' program is in place to recognize crew members for their extraordinary efforts
- Organizing year ending celebration as crew welfare program promoting 'Stop Work Authority' culture through Safety posters containing family members' pictures

NSW annually conducts 'Global Safety Day' which is a yearly event to mark safety in an organisation, first initiated in 2013. 'Global Safety Day' instigates an approach to managing safety, securing an aligned and companywide approach, formalizing, and adapting same tools and methodologies across all operations, implementing 'Harmonized Safety Management',

Through NSW's safety management system, we have continuously applied further actions and initiatives to improve the safety culture.

'Global Safety Day' in 2022 was celebrated September 1st with theme 'we learn and adapt' and focused on our top and most critical risks to our operations. Amongst others this addressed mooring operations, safe access, and personnel transfer at sea.

Adhering to COVID protocols, several sessions were conducted onboard vessels, as well as with shore-based teams, facilitated by onshore leadership team members establishing effective engagement and sharing of ideas and experiences on the topics.

To further engage our team members, NSW launched a competition inviting all to express their individual comprehension of what 'Learn and Adapt' means to them, illustrating this with posters, slogans or by sharing stories/experiences. NSW's team members showed great engagement with high contribution to the competition, in turn recognized and appreciated by NSW, awarding prizes for contributions.
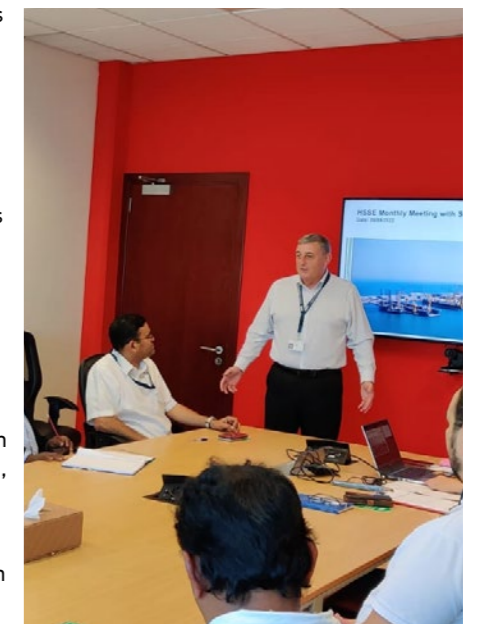
Pictures of NSW Safety Day Celebration

NSW-Global Safety Day

NSW-Toolbox Talk with Workshop

NSW-Morning Toolbox Talk

NSW-Toolbox Talk on Vessel

Customized E-Learning

Using the existing partnership with external agencies, Nakilat has added more e-learning modules of established occupational health and safety awareness programs for its employees.

Course modules that were added in 2021 include:
- Lifesaving rules
- Fire safety
- Integrated Management System (IMS)
- Management of change

These training courses were introduced in a phased manner, through the company's online learning module.

Conducting Tabletop Exercises On COVID-19 Pandemic Response

A comprehensive tabletop exercise was conducted with all stakeholders involved in the pandemic response. The drill focused on business continuity in the event of an outbreak. Actions assigned to each department were defined and established during the exercise. Specific measures tested and successfully implemented include:
- Identification and contact tracing of close contacts
- Disinfection routines
- Back-to-office guidelines
- Fit to work screening post quarantine
- Awareness sessions for frontline staff (ex: housekeeping staff, security, IT service desk support staff, etc.)

Comprehensive Risk Assessments

Specific risk assessments were carried out to identify the risks arising as a result of the pandemic, and appropriate mitigation actions that were required to be implemented. A detailed action plan with timelines were assigned against each control. Risk assessments that were undertaken include:
- Risk assessment for Nakilat agents boarding vessels at Ras Laffan
- Review of biological risks in the wake of the pandemic
- Assessment on crew transfer between Doha and Ras Laffan and related transportation arrangements
- Evaluation of risks for operations and measures post de-escalation

KPIs

With the help of the Lost Time Injury Frequency (LTIF) indicator, we are able to record the rate of work-related injuries or illnesses that renders the injured person temporarily unable to perform his work on the day after the day on which the injury occurred. On the other hand, the Total Reportable Case Frequency (TRCF) indicator allows us to record all work-related incidents. The latter is defined as injuries that result from an event or exposure in the work environment and occurred during the course of work being done or aggravated a pre-existing injury or illness. Work-related accidents are considered relevant if they occur on the vessels, on business premises or during business travel.

Objectives and Targets

KPI	2020 Target	2021 Target	2022 Target	2023 Target
Loss Time Injury Frequency (LTIF)	0.43	0.41	0.31	0.31
Safety Climate Survey	3.85	3.90	3.95	3.85
Number of major safety incidents	0	0	0	0
Percentage compliance with select international industry standards (British Safety Council: membership, 5-star rating, Sword of Honour)	BSC 5 Star rating – 96% Obtain Sword of Honour Prepare for Globe of Honour	Obtain BSC Sword of Honour and Globe of Honour Award	Participate in Royal Society for Prevention of Accidents Award Scheme	Obtain BSC Sword of Honour and BSC Globe of Honour Award
% of Number of completed recommendations on Nakilat incidents, CPARS, and Audit	100%	95%	95%	95%

Nakilat SHEQ policy applies to all Nakilat personnel, including contractors and visitors on all our sites, without exceptions. Sites are audited on a regular basis for compliance with health and safety regulations as well as policies. These audits are conducted by internal and third-party auditors. Lessons learned and best practices are shared across the wider business.

Occupational Health and Safety	2020	2021	2022	Scope
For all employees and workers				
Number of lost time injuries[25]/incidents	10	5	11	All Nakilat and NAC and Joint Ventures (JVs)
Lost-time injury rate (LTIF)[26]	0.39	0.19	0.37	
Number of work-related fatalities	0	0	0	
Number of recordable cases	16	29	34	
Total Recordable Case Frequency[27] (TRCF)[28]	0.63	1.11	1.14	
The main types of work-related injury	Minor Cuts and Bruises/Sprains and Strain/Foreign Particle in eye	Caught in/Between, Cuts/Laceration/ Puncture, Heat Exhaustion, Strain/ Sprain and Struck by/ Against	Caught in/Between, Burn/ Rash, Caught in/Between, Strain/ Sprain. Foreign Particles and Struck by/ Against	
The number of hours worked[29]	25,526,586	26,027,630	29,940,323	

403-10: Work related Ill Health	2020	2021	2022	Scope
For all employees and workers				
Fatalities as a result of work-related ill health-Number	0	0	0	All Nakilat and NAC and Joint Ventures (JVs)
Fatalities as a result of work-related ill health-Rate	0	0	0	
Recordable work-related ill health-Number	0	0	0	
Recordable work-related ill health-Rate	0	0	0	
Main types of work-related ill health	There were no cases of work-related ill health reported			

Nakilat has procedures in place for the ongoing identification of hazards, assessment of risks, and implementation of necessary control measures. We proactively identify sources or situations arising from the company's activities, procedures, and services, with potential to cause work-related injury or ill health using proactive tools such as process hazard analysis, prestart-up safety review and job safety analysis. Additionally, post-event hazard analysis is conducted using root cause analysis to identify action to prevent recurrence.

Nakilat maintains risk registers that document all identified hazards and responsible persons who ensure risks associated with each hazard are managed to 'As Low as Reasonably Practicable' (ALARP).

[25]Lost-time Injury represents the high-consequence work related injuries.
[26]Injury Rate at 1,000,000 hours worked.
[27]Excluding first-aid incidents as they do not result in more than one day of absence or do not impose restriction on working ability.
[28]First-aid incidents are not included in the TRCF since these usually do not result in more than one day of missed work or impose any restriction on the working ability of an employee.
[29]Exposure hours shows the time an employee is exposed to work related hazards and risks. Data is submitted by each entity on monthly basis.

A Safety climate survey was also completed to identify opportunities and develop actions to address the improvement areas. Nakilat's 10 golden rules were developed and adopted across the organization which are about changing how we act as individuals and as a team.

Nakilat has revised lifesaving rules to align with the International Association of Oil & Gas Producers (IOGP) recommendations. IOGP launches a simplified set of life-saving rules to provide workers in the industry with the actions they can take to protect themselves and their colleagues from fatalities. IOGP aims to improve the level of industry-wide adoption across the global oil and gas industry. They are for mandatory compliance by all employee and contractors while on Nakilat business.

Nakilat safety scores are well below the industry average which is due to various measures being taken and maintained to manage workplace hazards as below:

- Health surveillance enhancement program
- Safety campaign: hand and finger safety and dropped object campaign
- Enhanced near miss reporting
- Enhanced quality of toolbox talks (TBT)
- HSE Training Programs - Risk assessment and risk management training, Control of Substances Hazardous to Health (COSHH) assessment training and defensive driving training, to name a few
- Advanced firefighting training and basic life support/ first aid course/training (CPR, AED and First Aid) for HSSE personnel
- Development and sharing of heat index forecast followed by implementation of effective controls in the workplace
- HSSE inspections and walkthroughs
- Safe worker awards presentation and commendable performance - rewards and recognition
- Core HSE trainings to N-KOM identified workforce
- HSSE audits of departments/sections and contractors
- Safety campaigns/programs
- Health campaigns/programs
- Environment campaigns/programs
- Sharing lessons learnt and working on actions
- Visible felt leadership tours (senior management)
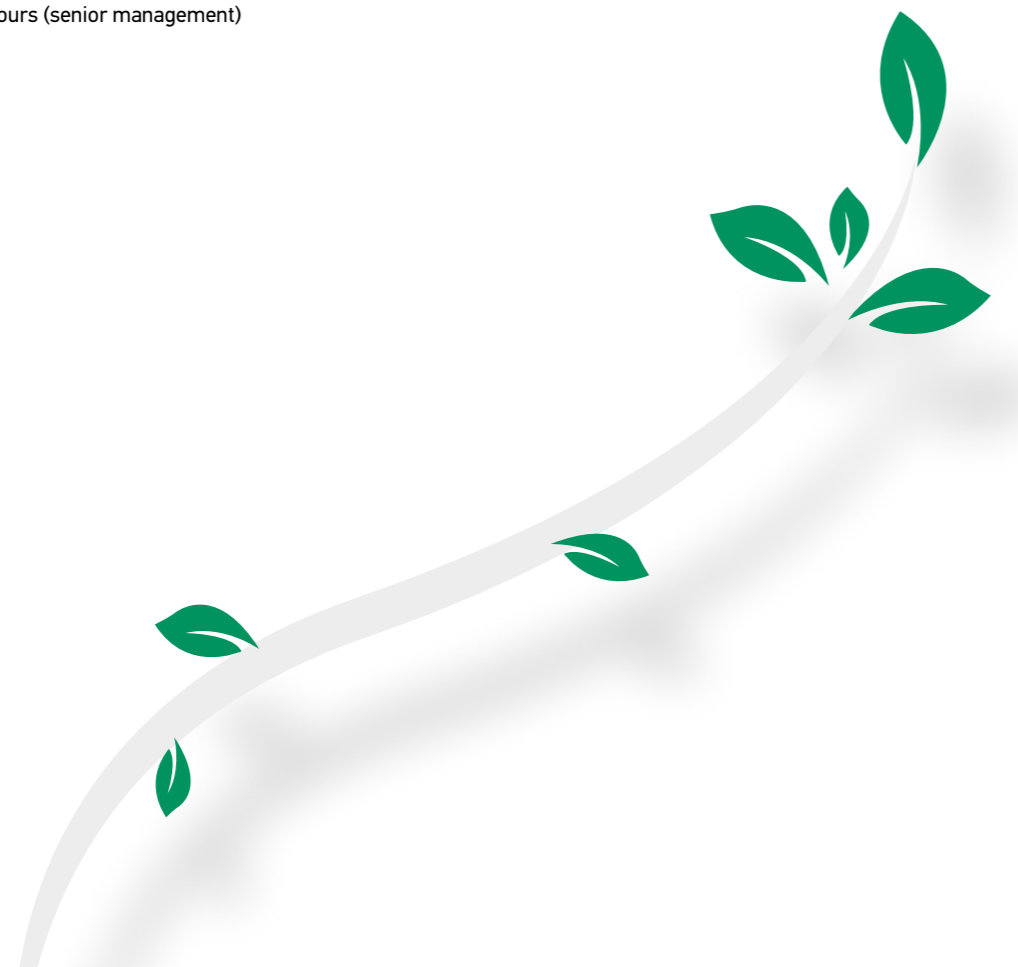
Life Saving Rules

Bypassing Safety Controls

Obtain authorisation before overriding or disabling safety controls

- I understand and use safety-critical equipment and procedures which apply to my task
- I obtain authorisation before:
  - disabling or overriding safety equipment
  - deviating from procedures
  - crossing a barrier

Confined Space

Obtain authorisation before entering a confined space

- I confirm energy sources are isolated
- I confirm the atmosphere has been tested and is monitored
- I check and use my breathing apparatus when required
- I confirm there is an attendant standing by
- I confirm a rescue plan is in place
- I obtain authorisation to enter

Driving

Follow safe driving rules

- I always wear a seatbelt
- I do not exceed the speed limit, and reduce my speed for road conditions
- I do not use phones or operate devises while driving
- I am fit, rested and fully alert while driving
- I follow journey management requirements

Energy Isolation

Verify isolation and zero energy before work begins

- I have identified all energy sources
- I confirm that hazardous energy sources have been isolated, locked and tagged
- I have checked there is zero energy and tested for residual or stored energy

Hot Work

Control flammables and ignition sourcese

- I identify and control ignition sources
- Before starting any hot work:
  - I confirm flammable material has been removed or isolated
  - I obtain authorisation
- Before starting any hot work in a hazardous area I confirm:
  - a gas test has been completed
  - gas will be monitored continually

Line of Fire

Keep yourself and others out of the line of fire

- I position myself to avoid:
  - moving objects
  - vehicles
  - pressure releases
  - dropped objects
- I establish and obey barriers and exclusion zones
- I take action to secure loose objects and report potential dropped objects

Safe Mechanical Lifting

Plan lifting operations and control the area

- I confirm that the equipment and load have been inspected and are fit for purpose
- I only operate equipment that I am qualified to use
- I establish and obey barriers and exclusion zones
- I never walk under a suspended load

Work Authorisation

Work with a valid permit when required

- I have confirmed if a permit is required
- I am authorised to perform the work
- I understand the permit
- I have confirmed that hazards are controlled and it is safe to start
- I stop and reassess if conditions change

Working at Height

Protect yourself against a fall when working at height

- I inspect my fall protection equipment before use
- I secure tools and work materials to prevent dropped objects
- I tie off 100% to approved anchor points while outside a protected area

Occupational Health – Nakilat Shipyard - N-KOM

As part of N-KOM's ongoing commitment to enhance all stakeholders' health, safety and wellbeing, a series of holistic occupational wellbeing studies were commenced by the N-KOM medical team. Support was provided by QatarEnergy and N-KOM top management. These studies included the identification of potential hazards that arise in the business from workload, work activities, environmental heat stress factors, along with seasonal humidity. N-KOM IMS-HSSE-P-007 Rev 4 Hazard Identification and Risk Assessment Procedure was utilized for the identification of all of the above in so far as mental health and wellbeing are concerned. This formed the basis of the studies.

A clear, documented procedure for the setting of mental health and wellbeing objectives was established in IMS HSSE procedures, Policies and Forms Part 3 – Health Manual. The process for the objective setting includes top management leadership and commitment, identification of roles and responsibilities, and participation of all relevant stakeholders. Consideration of legislative and sector requirements, outcomes of risk assessment and risk profiling outcomes together with outputs from management reviews was included in the revisions.

Part 1 – System Elements and Procedures

Part 2 – Safe System of Work

Part 3 – Health Manual

Part 4 – Emergency Preparedness and Response

Culture that Supports Good Mental Health

Nakilat shipyard, N-KOM top management identified and facilitated (through the BSC) Mental Health First Aid training for section managers and Human Resources personnel. This training established a baseline understanding for recognition of the signs and symptoms of mental health issues in the workplace and provided the skills for successful intervention.

A Health and Wellbeing Committee was formed within each section of the business with identified health champions nominated as representatives. The Health and Wellbeing Committee meeting is conducted quarterly and is attended by section management, the senior nursing officer, and a member of top management.

The introduction of stress management training was identified during the assessment stage. The training was developed with medical and HR and is conducted by the N-KOM Training Center for all employees. In-house psychologist consultation service is available within the employee accommodation - 6 days per week and is free to all.

Stress Management Workshop

Health Champion Meeting

Medical Examination

Health surveillance is provided for all trades which is detailed in N-KOM IMS- HSSE-P-0060 'Health Surveillance Procedure'. This procedure facilitates monitoring for early signs of ill health, prevention and early diagnoses along with physical and mental health effects that may be linked to workplace hazards.

Medical screening includes an annual health surveillance, fatigue assessments, pre-employment fitness to work review and case management. The 'fitness to work' examination procedure is in coordination with QatarEnergy Occupational Health.

In addition, the yard health facility with attached ambulance paramedic provides 24x7 walk-in health check for employees and contractors, ensuring that all who need medical care are able to receive it immediately and will respond to medical emergencies within the KPI of QatarEnergy, Ras Laffan.

Working together for a Safer and Healthier Shipyard - Nakilat

Health programs and initiatives are facilitated throughout the year and include: - Influenza and COVID-19 vaccines (for employees and subcontractors), healthy lifestyle awareness programs such as diabetes, cancer, hand hygiene, smoking cessation awareness, mobile health screening, and others.

Health awareness campaigns are also communicated through posters, health alerts, electronic broadcasting through company emails, and communications translated into the main languages spoken in the shipyard (Tamil, Malayalam, Hindi, Bengali, and Tagalog).

Wellbeing objectives including a stand-alone health and wellbeing policy are being developed for inclusion in the 2023 objectives, targets and KPIs.

Health KPI	Unit of Measure (UOM)	2022
To maintain the number of health surveillance conducted in 2021 All black trades/mechanical engineers are to undergo an annual Health surveillance	Number of health surveillance conducted by health/medical team	362
To conduct a healthy lifestyle program among employees by the end of Q3 2022 Includes smoking cessation, employee assistance programs and reduction of alcohol consumption	Number of healthy lifestyle program conducted	12
To conduct a program for medical drills by the end of Q1 2022 includes communicable diseases, heat stress, trauma and medical Illness	Number of medical drills conducted	8
To enhance the staff health and welfare forum across all trades by Q2 2022 To be included the monthly department HSSE meeting and will include subcontractors	Number of staff health and welfare forum/ health champion	3

Health and Safety Trainings

Nakilat encourages employees to enhance their skills and knowledge with an extensive array of training courses. We provide our employees with several health and safety trainings to educate and empower them to ensure their behaviors are safe at all times, while present on Nakilat's premises. Please refer to the case study for more information on Nakilat's N-KOM Shipyard training center.

Case Study: N-KOM Shipyard Training Center

The shipyard is a manpower-centric organization and training is a critical node in ensuring the desired safe performance of shipyard activities.

The training center was established since the beginning of the shipyard, and it was revamped in 2019 as the Shipyard Training Center (STC). It delivers competency requirements for the organization, develops internal training contents on safety awareness and facilitates skills training that are required to elevate the competence status of our workforce. STC continues to deliver health, safety and environment training and other technical/ operational training to the employees. In addition, STC conducts safety induction on HSSE and International Ship and Port Facility Security Code (ISPS) awareness for all newcomers to the shipyard including sub-contractors and business partners engaged in our business.

Based on competency requirements identified annually by department managers and as per changing business requirements pertaining to health, safety and environment, trainings needs are identified and organized as per the below:

N.	Type of Courses	Total Personnel Trained*
**Total No. Trainings Conducted in 2022**	
1	HSSE Induction and ISPS Awareness Training	6,423
2	Fire Watchman Training	1,159
3	Confined Space Attendant / Rescue and Gas Meter Carrier Training	1,320
4	Shipyard Safety Training	455
5	Work at Height Training	555
6	Fire Fighting Training	88
7	Hydrogen Sulphide / Breathing Apparatus Training (OPITO**)	33
8	Tropical - Basic Offshore Safety Induction Emergency Training (OPITO**)	44
9	Incident Injury Free (IIF) Training	203
10	Hazard Elimination & Reporting Programme	168
	TOTAL TRAINED	**10,448**

*Including employees and sub-contractors
**Offshore Petroleum Industry Training Organization (OPITO)

N-KOM – Confined Space Attendant Rescue and Gas Meter Carrier Training

N-KOM – Shipyard Safety Training

N-KOM – Fire Watchman Training

NSW – Firefighting Training

N-KOM – Working at Height Training

NSW – Man Overboard Training

Management Approach and Progress

Employment – Attracting, Recruiting and Retaining Talent

Nakilat's organizational values aptly reflect our belief that our employees are the most powerful asset, enabling Nakilat to achieve its mission success. The multidisciplinary team of diverse, competent individuals across the organization, are the driving force behind the growth and impact of Nakilat. This requires us to not only retain our best talent, but to continue attracting young, dynamic, and further, experienced talent as needed.

The Human Resources (HR) department governs employment, and it is guided by the recruitment policy which covers the compensation, allowances and benefits offered to its employees at all levels. Nakilat conducts reviews of policies, procedures, processes every three (3) years, in line with the company's standard. Career plans are reviewed annually to achieve our commitment towards our employees. This approach also guides our in-house recruitment team which is responsible for acquiring new talent through a robust recruitment process that ensures hiring qualified, competent, skilled talent fairly and consistently, and reduce the risk of discrimination.

Nakilat believes that the retention of talent is paramount to its success, and it strives to surpass the career aspirations of its employees to support the achievement of its vision and mission to foster a positive work environment that values employee feedback and encourages open communication between management and staff. We also strive to maintain a competitive position as the employer of choice for our employees. Nakilat is committed to motivating and recognizing its employees for their contributions and commitments as well as aligning their annual compensation with the company's long-term interest. Retention is managed by implementing industry best practices, exposure to cutting-edge projects and the latest technology systems, offering attractive and competitive salary packages and career progression, enabled by systematic and transparent processes.

Nakilat extensively works on enhancing its Employer Value Proposition (EVP) by utilizing a combination of platforms to attract and hire the best talents such as an internal talent pool, corporate website, online recruitment portals, newspapers, online media, social media, career fairs, as well as employee referrals. Job applications are accepted all year round to maintain a strong pool of potential candidates.

Nakilat continues to invest in the development of its workforce, which is a critical aspect of any company's growth and success, by providing a plethora of interventions to address learning requirements and further development. With a total investment of QAR 3,781,137 invested in 2022, employees were provided with continuous training through various platforms such as e-learning, face-to-face training, and internal coaching. Nakilat has also continued its investment in designing custom competency development plans for post holders and developees, developing them towards continuous improvement and specific target positions respectively. By investing in the development of our workforce, Nakilat creates a culture of lifelong learning and growth; attracts and retains top talent; and positions for the company's long-term success in a rapidly changing business environment.

Case Study: Nakilat's Approach to Succession Planning

Phase 1:

- Evaluate senior positions, specifically at Chief (N-1) and Manager (N-2) levels, to identify the critical positions by evaluating each position in terms of their business impact.
- Screen and ratify the employees that were nominated.
- These successors complete the development center's assessments, including personality, ability, and competency-based assessments.
- In conjunction with the results of these assessments as well as the input from the learning needs analysis, development plans are developed to address technical and behavioral competency gaps to facilitate their growth and leverage their potential for possible future opportunities.
- Development is ongoing and will continue with regular reviews and revalidations to ensure readiness.

Phase 2:

- This phase is for N-3 level positions where the latter were reviewed, and successors were nominated for these positions.

Identification of Critical Positions (1)	Nomination of Successors (2)	Mapping Successors to Critical Positions (3)	Facilitation of Talent Forum (4)	Development of Successors (5)

Key stakeholders:

Activity/Step	Facilitated by	Participants
• Identification of critical positions	• Head of L&D and HRM	• Chiefs/Line manager
• Nomination of potential successors and mapping	• Head of L&D, and L&D team	• Chiefs/Line managers
• Talent forum	• HRM and Head of L&D	• Chiefs
• Development of successors and monitoring of progress on development plans	• L&D specialist	• Line managers and employees

- During 2022, the review of the progress and the development of nominated successors has continued as well as the continuation of Phase 2 rollout to ensure the nomination of potential successors and mapping is complete.
- During 2021, the implementation of succession planning continued in terms of assessing successors to identify development needs and to generate comprehensive development plans to facilitate their growth and leverage their potential for possible future opportunities. Based on the extensive analysis, the development of the nominated successors is ongoing and will continue with regular reviews and revalidations conducted to ensure readiness. Phase 2 of the rollout was also initiated in identifying potential successors for additional roles in the organization.

KPIs

Total Number of Employees / Workforce	2020	2021	2022	Scope
Total number of employees	270	278[(1)]	272[(1)]	
Full time	270	278	272	
Part time	0	0	0	
Breakdown by contract type				
Indefinite or permanent contracts	213	216	210	All Nakilat and NAC employees
Fixed-term or temporary contracts	57	62[(2)]	62[(2)]	
Breakdown by career level				
Senior management	12	12	12	
Middle management	59	51	48	
Non-management	199	215	212	

(1) Total employees in Nakilat and NAC (direct hire and through third-party agency)
(2) Secondees (6) to JVs are included

Employee Benefits

Nakilat provides its employees with competitive benefits in line with its HR – Rewards and Organizational Development (R&OD) policy to compensate for their efforts and to ensure their commitment to achieving the company's goals. These benefits include:

- **Educational Assistance** - The main objective of this benefit is to secure a level of schooling for all its employees (both nationals and expats) with standards comparable to what the children would have received in their home country. Nakilat supports them financially in school education and hostel facility dues.
- **Life Insurance** is provided to all employees in both cases, death and disability.
- **Health Insurance** is provided to all employees and their dependents where they receive medical treatment/coverage.
- **Pension Contribution** is provided to Qatari and GCC nationals within the company.
- **End of Service Benefits (EBS)** are provided to both expatriate employees and national employees where upon termination, expatriate employees are entitled to these benefits for all the years that they served in the company, whereas national employees are entitled to these benefits after completing 20 years of service. EBS is commonly known as a gratuity or severance payment, and it is paid by Nakilat to its employees upon the completion of the work relationship where the leave and notice periods are inclusive of whether they were worked or not.
- **Monetary and Non-Monetary Awards** such as long service awards, team awards, outstanding achievement awards, etc.
- **Annual Merit and Performance Bonus** are determined based on Nakilat's performance in the qualifying year, employees' performance, set budget and applicable eligibility criteria.

Notice Period

The notice period for both the company and the employees, either due to resignation, or new acquisition and business restructuring is established contractually and in line with the recruitment policy. The established notice period, unless defined otherwise in the employment contract, is as follows:

- On probation to 1 year of employment: Notice period of 1 month
- 1 year and up to 5 years of employment: Notice period of 2 months
- Exceeding 5 years of employment: Notice period of 3 months

KPIs

During 2022, 34 new employees were hired, of which 85% were male, and 15% were females. In comparison to 2021, the total number of new hires decreased by 21% due to a relatively stable workforce established and following optimization of manpower costs, few new roles were introduced during 2022.

New Hires and Turnover	2020	2021	2022	Scope
Number of new hires[1]				
Breakdown by Age				
18-30 years old	3	3	7	
31-50 years old	17	33	22	
51+ years old	2	7	5	
Breakdown by Gender				
Male	19	43	29	
Female	3	0	5	
Total number of new hires*	**22**	**43**	**34**	
Number of employees leaving employment during the reporting period (voluntary and involuntary)				
Breakdown by Age				
18-30 years old	1	7	4	
31-50 years old	19	20	26	
51+ years old	4	7	4	
Breakdown by Gender				
Male	18	30	24	All Nakilat and NAC employees
Female	6	4	10	
Total number of employees leaving employment during the reporting period (voluntary and involuntary)*	**24**	**34**	**34**	
Employee turnover rate (voluntary and involuntary)	**9%**	**12%**	**13%**	
Number of employees leaving employment during the reporting period (voluntary)				
Breakdown by Age				
18-30 years old	0	3	14	
31-50 years old	5	9	3	
51+ years old	1	2	3	
Breakdown by Gender				
Male	4	11	15	
Female	2	3	5	
Total number of employees leaving employment during the reporting period (voluntary)*	**6**	**14**	**20**	
Employee turnover rate (voluntary)	**2%**	**5%**	**7%**	

(1) Total employee in Nakilat and NAC (Direct hire and through third party agency, excluding outsourced

*All Nakilat's employees are based in the region of Middle East (Qatar)

Parental Leave

Nakilat offers maternity and paternity leaves for its female and male employees who demonstrates the company's commitment to supporting employees through major life events to improve employee morale and productivity. In the case of female employees, this leave is to enable their recovery following their delivery and to take proper care of their new-borns. Paternity leave, i.e., the parental leave for male employees, is to support their family and their new-borns. In addition, Nakilat grants its female employees a one-hour nursing time daily after getting back from their maternity leave for a period of one year.

Nakilat grants its employees a maternity leave of 60 Calendar days and a paternity leave of 1 day.

KPIs

Parental Leave	2020	2021	2022	Scope
Number of employees that were entitled to parental leave				
Breakdown by Gender				
Female	46	25[1]	34	
Male	224	202[1]	236	
Number of employees that took parental leave				
Breakdown by Gender				
Female	5	3	4	
Male	4	4	4	
Number of employees that returned to work after parental leave				
Breakdown by Gender				All Nakilat and NAC employees
Female	5	3	4	
Male	4	4	4	
Retention Rate				
Total number of employees returned from parental leave who were still employed twelve months after return to work	9	7	8	
Return to work rate	100%	100%	100%	
Retention rate	**100%**	**100%**	**100%**	

(1) The numbers are reported for all married employees only. Numbers reported in past years include all employees, irrespective of their marital status.

Human Rights and Grievances

Nakilat respects and upholds international standards on human rights and does not engage in any conduct that hinders or interferes with them. Nakilat avoids infringing on the human rights of others and endeavors to address adverse impacts, which the company may be associated with as part of its operations. Nakilat is committed to human rights where it will not engage, tolerate, or work with business partners that employ children or minors or engage in human trafficking, forced, bonded or compulsory labor.

Nakilat also believes that its employees must be treated fairly and equally to achieve its commitments towards integrating a multinational group of employees into a cohesive and effective workplace, establishing a healthy working environment and maximizing employees' contribution to the efficiency and productivity of the company.

Nakilat's Code of Business Ethics and Conduct ensures its commitment to human rights and summarizes the standards that guide our actions towards achieving these commitments. These standards represent the company's policy and establish conditions for Nakilat's employment. Additionally, Nakilat adopts a policy of fair dealing and integrity in all aspects of its business. It is the responsibility of Nakilat's employees to comply with human rights laws, behave with integrity, and treat all organizations and people in a fair and honest manner. Nakilat's suppliers and contractors are expected to adhere to the Code of Business Ethics and Conduct equivalent to the provisions of the adopted policy. The Learning and Development Policy refers to the Grievance Policy under the Employee relations policy and procedures manual for details on the grievance handling procedure.

In order to achieve fairness and equality among its employees, the company has established proper communication channels for dealing with employees' individual problems and grievances and has established a clear policy and procedure for corrective guidance and disciplinary procedure, subject to a review once in 3 years.

At Nakilat, the performance management grievances are raised when any employee disagrees with the final ratings that have been provided after the calibration process that is conducted with the divisional chiefs. To resolve these grievances, input is required from the employee and the line manager to validate the ratings that have been provided and to clarify the differences in ratings. Recommendations are then made to Human Resources Manager (HRM) and Chief Administration Officer (CAO) to review the evidence before a final decision is made in resolving the disagreement.

We continuously monitor and track the effectiveness of our response regarding our final decision, with transparent reporting and communication on how impacts are addressed. To improve performance management with respect to decreasing the number of grievances, we have planned for a whole company training on 'How to conduct Performance Management Effectively' before the mid-year process to ensure that managers can develop their abilities to give effective feedback and measure performance accurately, with the aims of decreasing the grievances raised due to mis-alignment of ratings. Furthermore, a year-end mandatory training is conducted to ensure that managers and employees understand the performance management appraisal process and how to manage feedback discussions and provide fair and accurate ratings.

KPIs

Nakilat always ensures to treat all employees fairly and equally. In 2022, no incident of discrimination has been reported.

Grievances*	2020	2021	2022	Scope
Number of grievances filed in the reporting period	5	6	1	All Nakilat and NAC employees
Number of grievances addressed or resolved	5	6	1	
Number of grievances filed prior to the reporting period that were resolved during the reporting period	0	0	0	

*Grievances listed in the table are in relation to performance management grievances only and raised at the end of the performance management cycle of each year (in December of each reporting year)

Security (Contractors)

Security services for Nakilat headquarters in Doha are outsourced to trusted third-party contractors through rigorous technical and commercial exercises. Crisis communications response training and awareness session was conducted for all the security personnel to help them in understanding their role, and to provide them with the necessary skills and knowledge to interact effectively with individuals from diverse backgrounds to ensure that any violations that do occur are addressed and remedied promptly. These contractors are managed by the General Services Department within Nakilat.

Learning and Development

Nakilat is committed to developing and retaining talent and to fulfill employee potential that will support Nakilat in the achievement of its strategic direction and operational requirements. All learning and development initiatives ensure and support the engagement, retention, and competence of employees as per the illustration below.

Nakilat's Learning and Development policy guides these initiatives by defining the processes related to performance management and learning and development requirements of learning need analyses, annual training plans, certifications, management of training service providers, training evaluations, and learning management systems. The policy is reviewed every 3 years by the Head of Learning and Development and Human Resources Manager. Any changes to the policy are then managed and updated through the SHEQ MOC process. The implementation of the policy is managed by the Learning and Development team and the Head of Learning and Development.
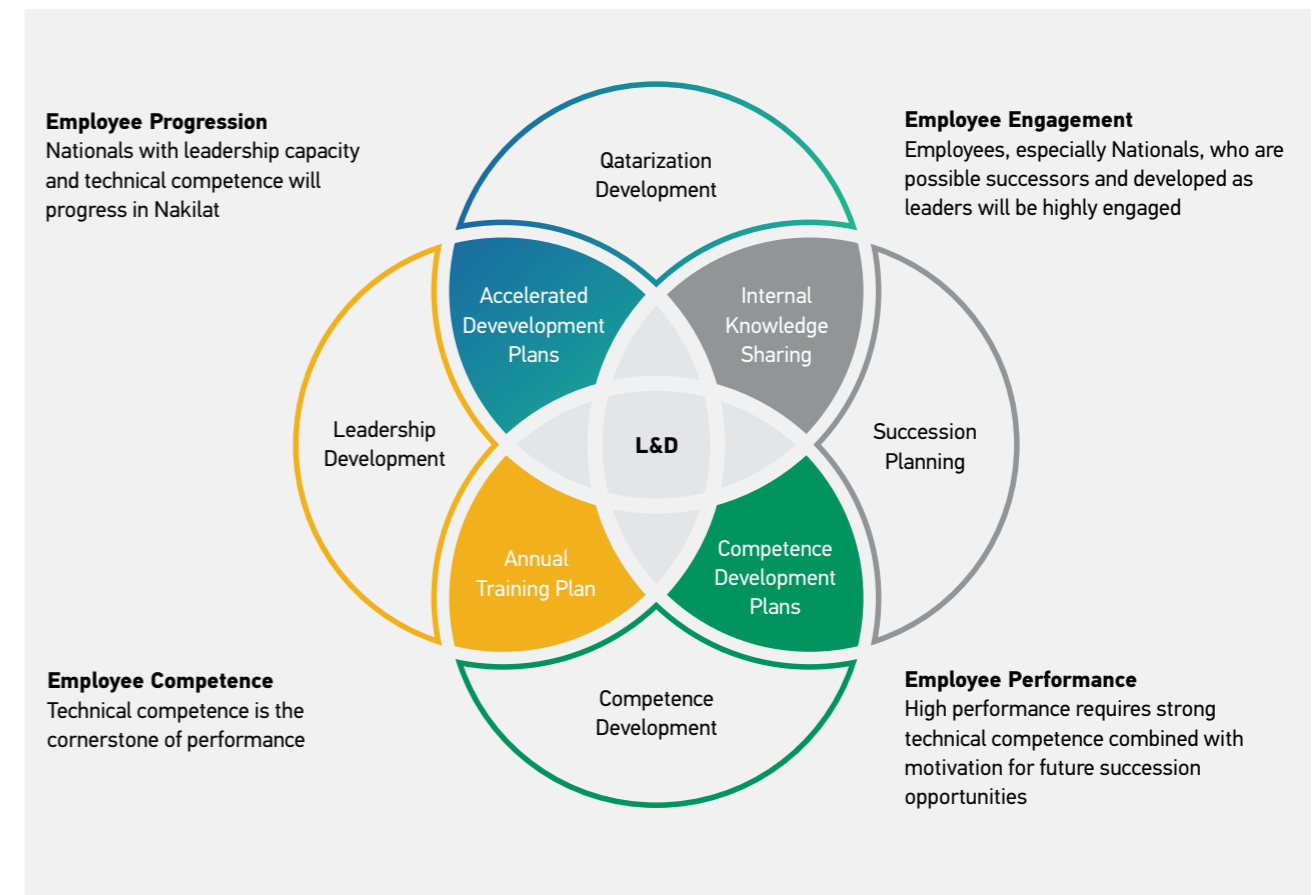
To achieve these objectives, we provide our employees with world-class learning and development opportunities across all aspects of our business. A foundational process in this regard is the learning needs analysis where we conduct a detailed gap analysis for both the technical and behavioral competencies of our staff. This analysis is conducted on an annual basis whereby line managers evaluate the proficiency level of the behavioral and technical competencies of our staff as defined by the employee's job description. After identifying these gaps, the development approach to address them is indicated by the line manager, and development interventions are defined accordingly including training, coaching, and mentoring and/or on the job training. To further improve this analysis process, a learning needs analysis training is provided to line managers to ensure they are able to provide effective input regarding the requirements for training.

Given Nakilat's aim to develop a culture of high performance and continuous learning, this assessment of learning and development needs, as well as additional mandatory business training requirements informs the customization of development opportunities to enhance employee competencies for current and future organizational needs. In this regard, learning interventions align to the following framework.

1. Technical Training
2. Behavioral and Interpersonal Skills Training
3. Safety, Security and Compliance Training
4. Induction, Orientation and New Joiner Mandatory Training
5. Leadership and Personal Effectiveness Training
6. Language Training
7. Information Technology and Risk Management Training
8. Internal Knowledge Sharing and Capabilities Training

Training Categorization	Applicable Population	Learning Objectives	Assessment Method	Types of Trainings	2022 Update
Technical Training	All Staff	Technical competencies for each role are at the required level	Learning Needs Analysis/ Development Centre	SAP ADM328 HANA Conversion, Certified Cloud Security Professional, Finance for Non-Finance Professionals, ISO 45001:2018 Lead Auditor, E&Y IFRS Update and many more.	– Delivered 67 technical training programs to 81 employees with 127 training occurrences. – Our Shipyard Training Centre delivered technical training programs for staff working on our shipping Joint Venture companies in areas such as mechanical, piping, electrical, welding and maintenance.
Behavioral and Interpersonal Skills Training	All Staff	Behavioral competencies for each role are at the required level	Learning Needs Analysis / Development Centre	Soft skills and technical competence applications with each role.	285 courses were offered in 2022 with topics such as being an effective team member, public relations foundations, Microsoft power apps feedback skills, development of trust, communication skills, project management and personal effectiveness, etc.
Safety, Security and Compliance Training	All Staff	Ensure the continuation of an Incident and Injury Free workplace. Compliance with safety standards and legislation	Mandatory SHEQ Training Curriculum	Health and safety training programs, delivered by internal trainers and external consultants.	Delivered 20 mandatory courses which equated to just over 1100 hours of training. Courses included topics such as defensive driving, incident and accident reporting, lifesaving rules, and information security.

Training Categorization	Applicable Population	Learning Objectives	Assessment Method	Types of Trainings	2022 Update
Induction, Orientation and new joiner mandatory Training	New Staff	Integration of new joiners into the organization culture and familiarization with critical training programs	Mandatory Learning Foundations Training Curriculum	Health and safety training, courses for all new staff according to their role and seniority.	Completed 24 new joiners mandatory training from ER, as well as the Learning Foundation Programme.
Leadership and Personal Effectiveness Training	Management Grades (Managers/ Heads and high potential managing leaders)	Enhancement of management core competencies and the development of leadership capabilities	Learning Needs Analysis / SMT Corporate Program	Executive 1-2-1 coaching from a professional coach.	44 employees successfully completed the Leadership Development Programme last Feb 2023. This leadership development programme was launched in 2021 and continues in 2022 and completed 2023. All three cohorts completed the programme compiled of facilitated experiential learning and executive coaching.
Language Training	Non-Native English Speakers	Competence in verbal and written English language skills to IELTS level 5.5	Learning Needs Analysis / Development Centre	English Language courses	2 Nationals completed English Training.
Information Technology and Risk Management Training	All Staff and Specialist IT Staff	Ensure effective use of IT systems and programs, and development of the latest technology in support of operations	Learning Needs Analysis / System Upgrades	SAP UX 100 SAP Fiori Foundation, SAP UX400 Developing Uis with SAPUI5, Comptia Project+, Certified Secure Software Lifecycle Professional, Microsoft Course Identity with Windows Server 2016	14 IT Courses were delivered in 2022.
Internal knowledge sharing and capabilities Training	All Staff	Cross-fertilization and transfer of knowledge internally to create greater synergy among departments and groups	Core Process and Procedure Requirements	Nakilat Internal Capabilities Enhancement (NICE) program to share knowledge and insights related to the different business operations and to enable the improvement of presentation and public speaking skills.	Delivered 36 topics with 38 NICE session specialized trainings; 794 man-hours of training conducted by our staff in their respective expertise areas on common processes and practices that could impact other operations.

Enhancing Skills and Knowledge of Qatari Nationals to Access Jobs in the Shipping Industry

Nakilat is committed to enhancing the skills and knowledge of Qatari nationals as well as helping them access jobs within the shipping industry. Our commitments are achieved through raising awareness of the opportunities present within the industry, including raising awareness about career paths and professional development opportunities within Nakilat.

Our annual internship program enables university and school students to get hands-on knowledge and an opportunity to learn from subject matter experts in the business for a 6-week period. In 2022 we hosted 2 interns who were university students in the Finance and SHEQ departments respectively. Furthermore, our recruitment program aims to raise awareness about the marine sector and available jobs in the sector and we provide the opportunity for students to study as Marine Cadets on sponsorship where upon graduation, the marine cadets are certified to go on deck ships and be part of the fleet on deck operating these vessels. Nakilat also provides customized development plans to ensure a structured and tailored approach to increasing their competencies and skills.

Our National Development Program is implemented to develop Qatari nationals that have graduated but have less than two years of work experience and raise their awareness on the shipping industry. It is designed to develop them professionally within targeted business positions in the industry, through on-the-job experience as well as coaching from subject matter experts to ensure that they are developing the required competency skills. It is a 2-year plan that is phased, and each phase has specific development objectives to ensure that they are developing towards their target positions effectively.

Nakilat also provides secondment (inbound/outbound) opportunities, to employees within energy/shipping companies, in order to enhance their knowledge and skills within those sectors.

KPIs

Training hours increased by 52% in 2022 as compared to 2021 due to the implementation of closer monitoring for mandatory trainings, the completion of the leadership development programme and an increase in the type of training available. Additionally, the online learning academy was launched, and it included the learning foundations curriculum for new joiners at Nakilat. In 2022, employees returned to their offices and normal business hours were resumed; thus, more face-to-face trainings were offered in comparison to 2021 where the COVID-19 pandemic forced the cancellation and postponement of a number of courses and trainings.

Learning and Development	2020	2021	2022	Scope
Total training hours	4,125	7,438	11,269	
Average training hours per employee	15	27	42	
Breakdown by career level				
Senior Management	12	12	12	
Total training hours	93	293	156	
Average training hours per employee	8	24	13	
Middle Management	59	51	48	
Total training hours	805	1,728	2,936	
Average training hours per employee	14	34	61	
Non-management	199	215	210	
Total training hours	3,227	5,417	8,177	
Average training hours per employee	16	25	39	
Breakdown by Gender				All Nakilat and NAC employees
Male				
Total training hours	3,228	5,725	9,064	
Average training hours per employee	14	24	38	
Female				
Total training hours	897	1,712	2,205	
Average training hours per employee	19	41	65	
Performance reviews				
Total number of employees receiving regular performance and career development reviews	220	229	226	
Percentage of employees receiving regular performance and career development reviews (%)	81%	82%	84%	
Breakdown by Gender				
Female	36	37	34	
Male	184	192	236	

Budget Spent on Learning and Development*

Thousands Qatari Riyal

- 2020: 969
- 2021: 2,362
- 2022: 3,781

*Budget spent on learning and development includes training costs of Developees
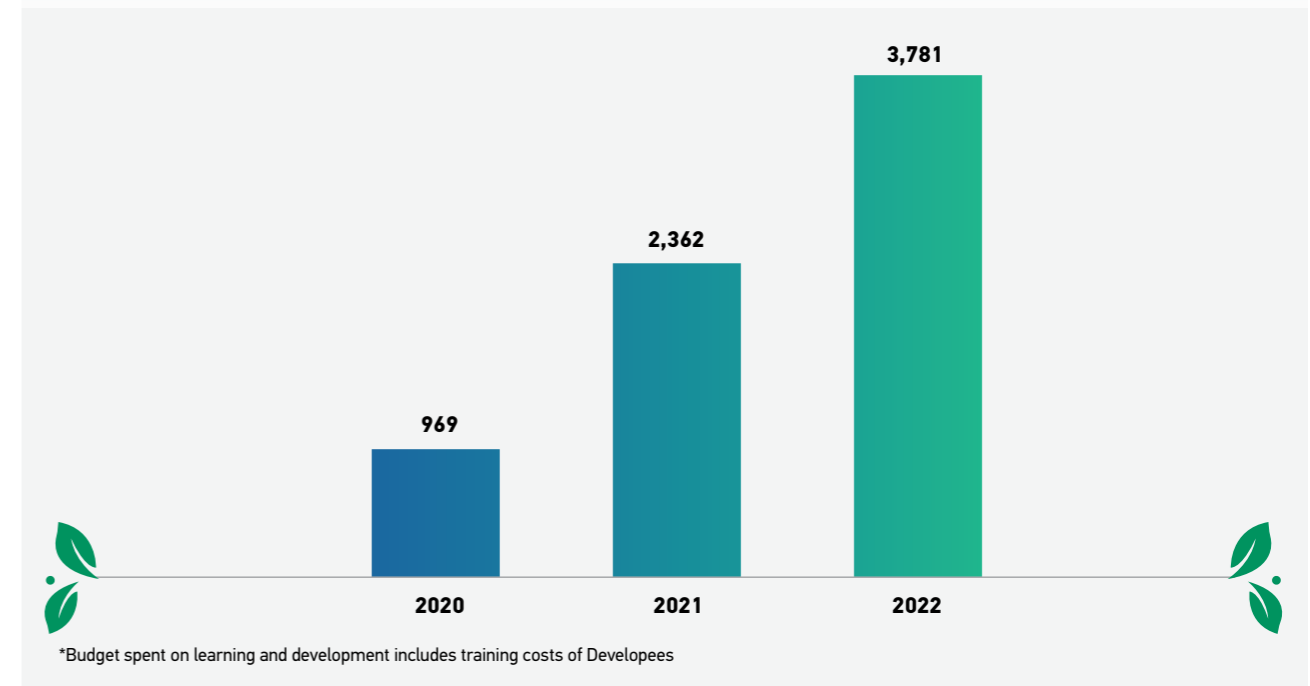
Management Approach and Progress

Nakilat is committed to providing a workplace where our employees are respected and treated fairly in line with our Code of Business Ethics and Conduct.

Nakilat hires, evaluates, transfers, compensates, and promotes employees based on skills and performance. Employees facing discrimination have the right to voice their concerns to their supervisor, a member of the management, human resources contact, or a member of the Ethics Committee. Reprisals or retribution against an employee who lodges a complaint in good faith is not tolerated.

Nakilat's approach to managing diversity in the workplace is with actionable tips and advice, and by maintaining effective communication with employees. Policies, procedures, safety rules and other important information are designed to overcome language and cultural barriers.

Equal Pay

The company conducts market surveys to ensure fair and competitive pay in comparison to its peers. The ratio of the entry-level wage is equal to 1 (as a minimum) or above the Qatar minimum wage, for both male and female employees. Nakilat conducts applicable reviews to ensure compliance with this requirement and rectifies any cases if found.

KPIs

In 2022, the youth employment rate decreased by 2%, with six graduates and emerging talent joining the business. The female employment rate decreased by 2% in 2022. Nakilat adopts an equal opportunity approach when hiring, and considers candidates based on their skills, experience, and competencies to meet the job requirement.

Diversity and Inclusion (Employees)	2020	2021	2022	Scope
Breakdown by age				
18–30 years old	45	35	31	All Nakilat and NAC employees
31–50 years old	199	209	196	
51+ years old	26	34	43	
Youth employment rate	17%	13%	11%	
Breakdown by gender				
Male	224	236	236	
Female	46	42	34	
Female employment rate	17%	15%	13%	
Breakdown by nationality				
Qatarization*	34%	30%	30%	

*Percentage of all Qatari nationals (including JVs) against the total of Nakilat's established position.

Female Employment	2020	2021	2022	Scope
Total number of employees with disabilities (number)	0	0	0	
Total % of employees with disabilities (%)	0	0	0	
By career level				
Board of Directors				
Number of female employees	0	0	0	
Percentage of female employees	0%	0%	0%	
Senior management				All Nakilat and NAC employees
Number of female employees	0	0	0	
Percentage of female employees	0%	0%	0%	
Middle management				
Number of female employees	7	6	3	
Percentage of female employees	12%	12%	6%	
Non–management				
Number of female employees	39	36	31	
Percentage of female employees	19%	17%	15%	
Equal Pay				
Gender pay ratio (Ratio of basic salary* and remuneration of women to men)	0.82 to 1	1.03 to 1	1.17 to 1	N-KOM and QFAB not included

*Median male salary to median female salary

Nakilat ensures an alignment with the recruitment policy where it has a diverse workforce of 38 nationalities as represented in the table below.

Workforce Nationalities	No.	%
Pakistani	15	6%
Filipino	23	8%
British	24	9%
Qatari	56	21%
Other Nationalities	72	26%
Indian	80	30%

Nakilat Supply Chain:

The stages of Liquefied Natural Gas (LNG) supply chain consist of natural gas production and exploration, liquefaction and storage, shipping and receiving, regasification and distribution. Nakilat's business and operations in the shipping services within the LNG supply chain play a major role in providing the essential transportation link in Qatar's LNG supply chain, enabling access to cleaner energy to various countries around the world.

Nakilat Scope of Operations
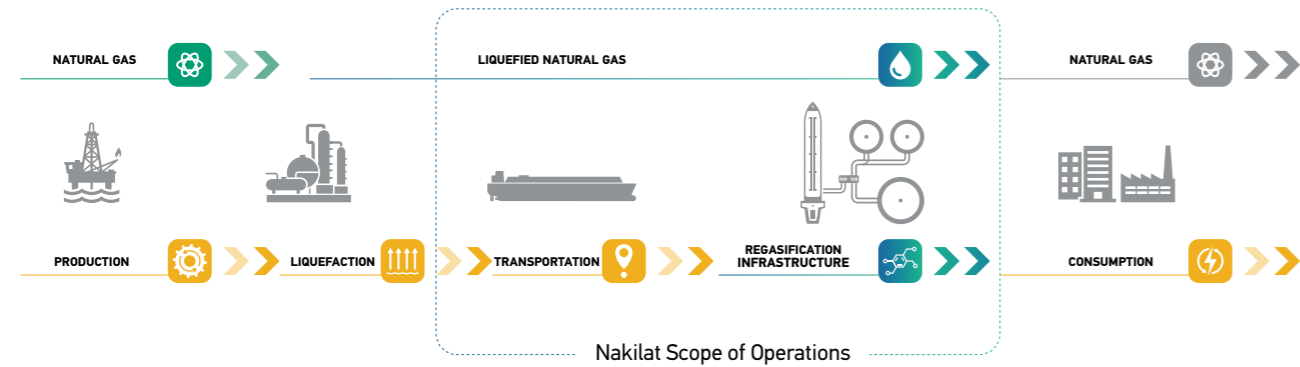
Nakilat's Supply department is one of the main stakeholders in various projects across our company as it provides a diverse range of spare parts and services to the end users, including Nakilat's marine, corporate, and joint ventures.
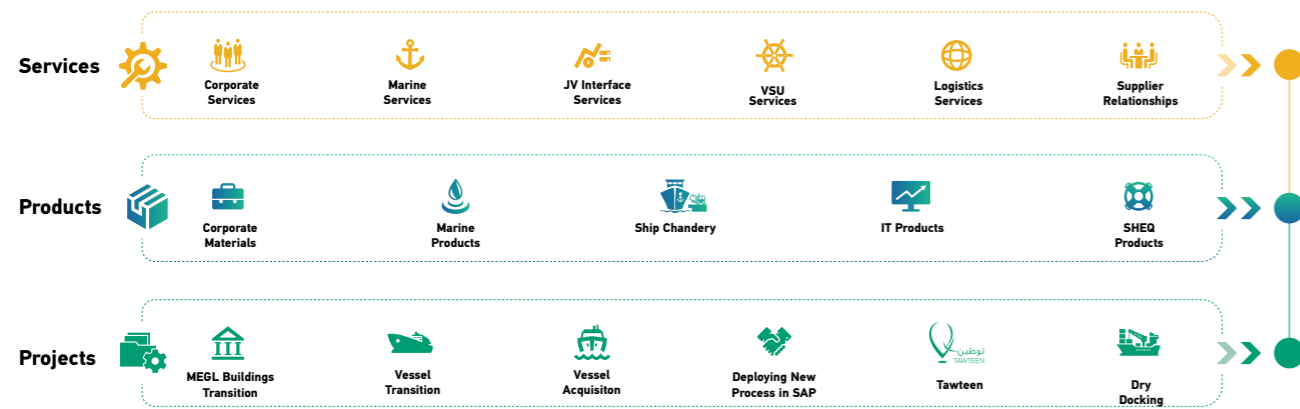
For the marine segment, Nakilat's Supply department offers a variety of services, spares or consumables needed for our vessels to move cargo from the loading point to the discharging point and vice versa, including:

- Marine services: maintenance and repairs, dry docking, classification societies, overhaul, and inspection
- Marine products: original equipment manufacturer spares for any type of machinery and equipment available on board
- Marine consumables and ship chandlery: safety equipment, lubricating oil, paint, chemical and gases, tools, gasket and food
- Marine logistics: to supply the service and the goods to the vessel

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The corporate products and services procured by Nakilat are:

- IT products
- SHEQ products
- Various corporate products, including food, table and chairs
- Various corporate services, including rental of premises, electricity and cleaning services

In addition to the services provided, the Supply department assists with the following, as per the illustrative image on the right:

Management Approach and Progress

Nakilat maintains close and mutually beneficial relationships with its suppliers and contractors as a direct result of our commitment to long-term collaborations with business partners who share our values and commitment to rigorous ESG standards, maintaining a view on safety, quality, business resilience, environmental emissions, and the ultimate goal of continuously improving our business operations and processes. We continue to support the local economy through procurement from local suppliers whenever possible.

IT Investments

IT infrastructure, enterprise applications, and communications are critical area of importance to Nakilat that enable the productivity of the company. Nakilat continues to invest in the latest technologies, such as cloud data centers, software services, and satellite communications to meet market expectations. Through close collaboration with IT specialists, we take advantage of innovation, acquiring the latest and most reliable software and hardware to facilitate our day-to-day activities. In 2021, we invested in Artificial Intelligence (AI) for invoice processing, robotics automation processing (RPA), and enterprise content management to meet the increased demand for fleets under Nakilat ship management, thereby boosting our operational excellence. Our ERP system was migrated into the latest available edition to support the new business demands. Our satellite communications onboard the vessels were upgraded with KA band capabilities and unlimited Fleet Xpress connectivity solutions to improve the onboard experience, exemplified by our crew entertainment services with enhanced internet speeds so that they can keep in contact with their loved ones. As a result, Nakilat's IT expenses increased by 64% between 2021 and 2022, reaching a total value of QAR 15.4 million.

Information Security and Data Privacy	2020	2021	2022	Scope
IT expenses (QAR millions)	7.9	9.3	15.4	Nakilat Group
Breaches of customer privacy and losses of customer data (number)	0	0	0	

*Yearly average

IT Investments* (millions QAR)

7.9 — 2020
9.3 — 2021
15.4 — 2022

* Yearly average
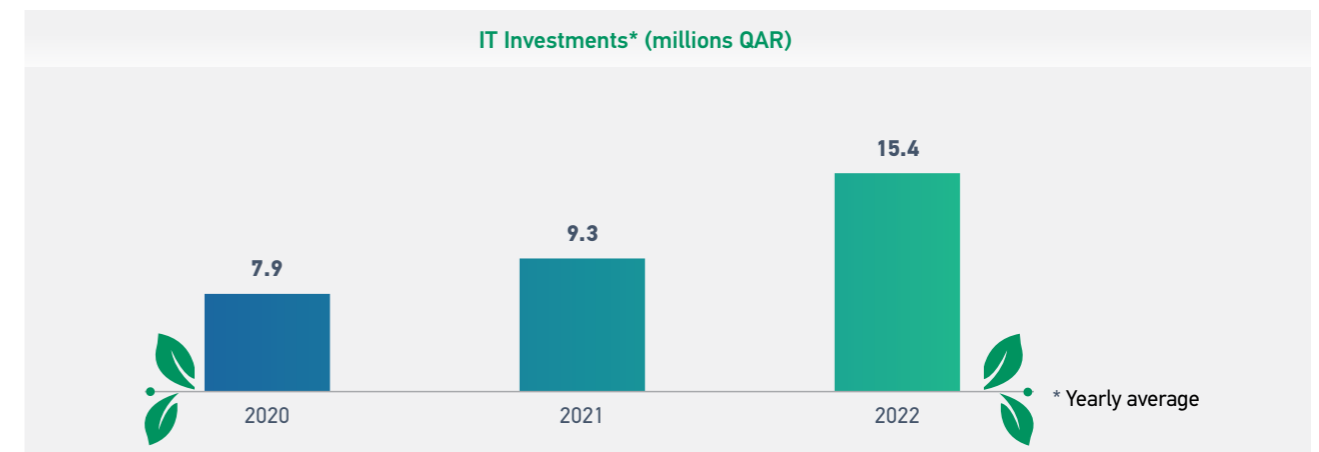
Third-Party Code of Conduct

Nakilat has integrated a third-party supplier code of conduct in the template of its contracts, terms and conditions and invitation to tender. Vendors are requested to provide a signed version of the document or to confirm their acceptance. The third-party code of conduct encompasses social aspects, including human rights, labor laws, child labor, health, and safety matters. Additionally, our suppliers are requested to provide their certifications, including ISO 14000 (Environmental Management), which is vetted for accuracy prior to the entity's registration as an approved supplier. To ensure their compliance with international standards, suppliers are also required to complete the vendor questionnaire which includes our ESG requirements.

In a bid to support the company's green procurement initiatives, Nakilat consolidates group demand, resulting in the maximization of work efficiency and the minimization of paperwork and effort. In addition, we purchase products and services that support our sustainability vision.

Local Procurement

As part of Nakilat's ESG strategy, we engage responsibly and ethically with our suppliers to foster direct and indirect job creation and increase shared value across the supply chain. Nakilat works with different suppliers and vendors, national as well as international from both emerging and developed economies. Our foreign suppliers include UK, USA, Singapore, Netherlands, South Korea, Norway, and other countries from different regions.

In 2022, Nakilat's activities generated a wide range of direct and indirect jobs worldwide. In 2022, the company engaged 329 suppliers globally, representing 56% of total suppliers. That same year, the value of purchased goods and services amounted to approximately USD 302 million, of which approximately 69% have been paid directly to foreign countries due to end-user requirements. The percentage of total procurement from local suppliers increased by 36% in comparison to 2021 with a value of purchased goods and services amounting to approximately USD 94 million.

Local Procurement				
Year	2020	2021	2022	Scope
Value of goods and services (USD)				
from local suppliers	80,204,110	69,194,899	94,050,214	Nakilat and NSQL
from foreign suppliers	105,696,606	132,659,162	207,830,245	
Percentage of total procurement from local suppliers	43.1%	34.2%	31.2%	
Number of suppliers				
Local	292	251	255	
Foreign	300	326	329	

Value of Goods and Services (Millions USD)

Year	QATAR	FOREIGN
2020	80	106
2021	69	133
2022	94	208

Number of Suppliers

Year	QATAR	FOREIGN
2020	292	300
2021	251	326
2022	255	329
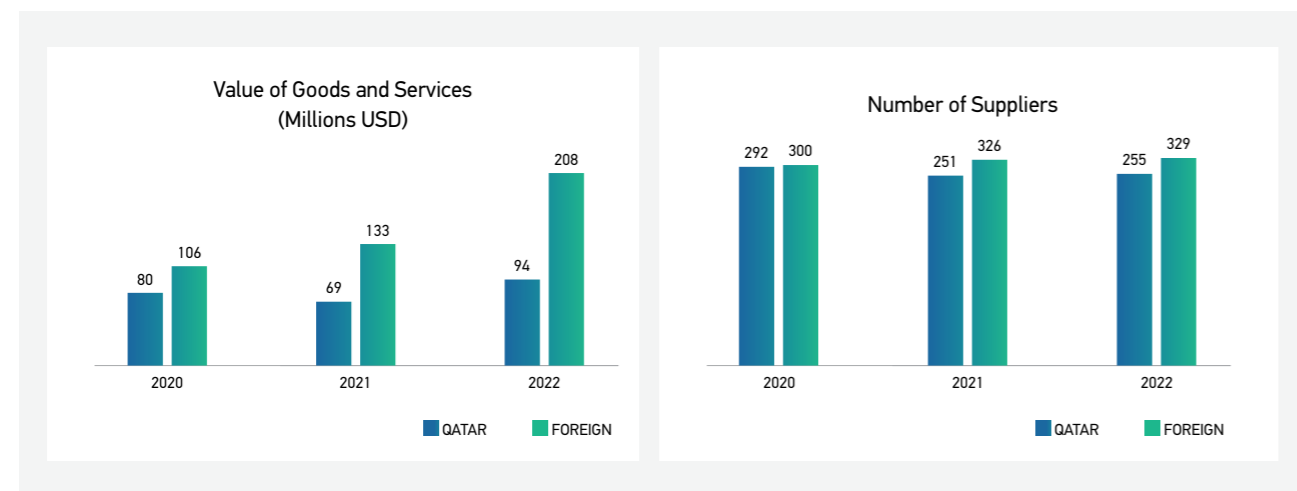
Supplier Environmental Assessment:

Nakilat has in place a procedure for supplier assessment on environmental matters. Nakilat is responsible for effectively managing and overseeing the performance of its suppliers. This includes establishing, controlling, and updating the approved suppliers used. By doing so, Nakilat ensures that the anticipated value and benefits identified during the contracting strategy development phase are duly realized.

Implementing Supplier Performance Management (SPM) brings advantages to the business. These include enhanced Safety, Health, and Environment (SHE) practices, improved efficiency, higher quality standards, access to innovative technologies, increased competency, and cost savings. SPM plays a pivotal role in optimizing supplier relationships and driving overall performance excellence within Nakilat.

KPIs (Shipping)

Responsible Procurement and Supply Chain	2020	2021	2022	Scope
Supplier environmental assessment				
New suppliers assessed for environmental impacts (%)	100%	100%	100%	Shipping
Suppliers identified as having significant actual and potential negative environmental impacts (number)	0	0	0	

KPIs (Non-Shipping)

N-KOM: Pre-qualification of all new suppliers includes environmental certification as part of the evaluation criteria

NSW: Vendor questionnaire updated to include ESG requirements. Pre-qualification of all new suppliers includes environmental certification as part of the evaluation criteria

QFAB: Vendor questionnaire updated to include ESG requirements

Corporate: The new vendor questionnaire has been updated to include the ESG requirements

No suppliers have been reported to have a significant actual or potential negative impact on the environment.

Responsible Procurement and Supply Chain	2020	2021	2022	Scope
Supplier environmental assessment				
Suppliers assessed for environmental impacts (number)	10	20	18	Non-shipping
Number of suppliers identified as having significant actual and potential negative environmental impacts	0	0	0	
Significant actual and potential negative environmental impacts identified in the supply chain	0	0	0	
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment	0	0	0	
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why	0	0	0	

Note: The data in this table refers to N-KOM and QFAB only.

Management Approach and Progress

Nakilat's Corporate Social Responsibility (CSR) framework comprises of four key pillars: Education, Community, Health and Environment. In the coming years, we aim to conduct social impact assessments across the four pillars, taking into consideration ethnic background, indigenous descent, gender, age, migrant status, socioeconomic status, literacy levels, disabilities, income level, infrastructure availability or specific human health vulnerabilities which may exist within the stakeholder community.

We are proud to increase our social and sports fund contribution in 2022 by 6% in comparison to 2021.

Education

Putting an emphasis on youth development, Nakilat launched a student outreach program targeting local school and university students. The program aims to provide the students with career advice and guidance, as well as expose them to the growing maritime industry in Qatar. In this program, students learn how to effectively write a professional Curriculum Vitae (CV) from the company's Learning and Development (L&D) team. As part of the program, Nakilat representatives also regularly share their personal career journeys and experiences through student engagement sessions, encouraging the students to adopt a lifelong learning approach towards achieving their goals in the future. However, as a result of the COVID-19 pandemic, this program has been concluded this reporting year.

We also have long-standing partnerships with different universities in Qatar including Qatar University (QU), Northwestern University (NU-Q), Georgetown University (GU-Q), Carnegie Mellon University (CMU-Q) and Texas A&M University, extending support in the completion of management projects to final year students. Nakilat provides these students with relevant information on our management and operations, by revealing our company's multiple facets; thus, fostering strong student relationships. In 2021, 3 students from CMU-Q studying Bachelor of Science Major in Information Systems were hosted at Nakilat where they had exposure to the Information Technology department for a 3-month internship.

In 2022, we continued working closely with Georgetown University Qatar (GU-Q) for the Leadership Development Program (LDP), which gives us direct access to Qatar and USA faculty who teach the program. We strengthened our formal partnership agreement with GU-Q by launching our in-depth LDP for our management groups including Qataris and we agreed to support their undergraduate students in their final year research projects. The 12-month program has been customized and tailor-made to develop and meet the Nakilat leadership's needs, including a one-to-one executive coaching embedded program. We consider this program an important point in its investment in the development of the human element.

Community

Community is at the heart of our operations at Nakilat. In accordance with the Qatar National Vision 2030, Nakilat is focusing on community development and engagement that facilitates the development of our people in Qatar; thus, promoting a prosperous society and achieving the Vision's goal of human development.

In 2022, the company worked closely with several organizations across Qatar to conduct a number of community outreach initiatives. We collaborated with Earthna, a member of Qatar Foundation, and presented our contributions to a sustainable maritime sector at the Awsaj Academy. The presentation discussed new technologies to achieve low emission targets, CSR initiatives and training and development in the workplace. We continued association with Qatar Museums as a Patron Sponsor of the children's adventure park at the National Museum of Qatar.

A roadmap of life-balance success is yet another pillar to a successful employee engagement strategy. In 2022, Nakilat held its annual Townhall, bringing together all employees across Nakilat and its joint ventures in person and in one place for the first time since the COVID-19 pandemic, when the Townhall was last held virtually. The Townhall provided an excellent opportunity to recognize and award longest-standing employees as well as engage in open dialogue and address questions to Nakilat's Senior Management Team. Nakilat also engaged its workforce through the celebration of the FIFA World Cup Qatar 2022, where it organized football-themed activities for its employees.

Health

As part of our CSR commitment towards championing the health of our workforce and the community, we conducted several activities in alignment with QNV 2030, to promote the creation of a healthy and sustainable population in the country.

The COVID-19 pandemic gave rise to many challenges to our business functions. The main priority of the company has been to safeguard the health and safety of its people while maintaining safe and reliable operations. The COVID-19 Awareness and Prevention Plan and General Guidelines were established to minimize the risk to our employees and operations. Nakilat successfully managed to navigate the pandemic with minimum impact on our staff's health and wellbeing. By July 2021, the company achieved a 95% staff vaccination rate. Nakilat ensured continuity of its operations despite the logistical hurdles posed by the pandemic owing to the testing regime, travel restrictions and quarantine requirements.

Nakilat also conducted a seasonal 'Flu Vaccination Drive' at our corporate office and shipyard facility where we administered flu shots to all our staff in coordination with Ministry of Public Health (MoPH). The vaccination drive was extended to the families of our employees to significantly reduce the chances of getting the flu and thereby prevent it from spreading. Additionally, we organized a health and wellbeing campaign in partnership with Naseem Medical; thus, allowing our employees to avail a basic medical check-up as part of our efforts to promote health and wellbeing amongst all staff. Check-ups included medical assessments, physician consultations, eye and ear check-up, dermatology and dental consultations. The campaign was organized by Nakilat HQ to encourage employees to take a moment for themselves and monitor their own health and wellbeing.

In 2022, Nakilat also conducted cancer awareness talk for all employees including JV employees by a specialist speaker from Qatar Cancer society, informing employees about the early signs and symptoms of cancer. Some cancer symptoms can be difficult to talk about, so opening a conversation about them can help recognise the importance of early detection and seeking medical advice, even if they feel embarrassed. By following these guidelines, and being better informed about cancer, people can significantly reduce their health risk, and enjoy a healthy and happy life.

Adittionally in 2022, we also arranged for diabetic session for all our employees in collaboration from Qatar Diabetes society to raise awareness about the disease, as well as ensure the employees have the necessary knowledge, skills, and confidence to successfully manage their diabetes and support those who care for a family member with diabetes. The session also talked about various programs to lower risk of having a heart attack or stroke, improve your health, help you feel more energetic, and even reverse your prediabetes diagnosis.

For the remainder of the year 2022, Nakilat ran a Hand and Finger Safety Campaign for all its frontline workers both ashore and onboard in coordination with all its Joint venture companies.

At Nakilat, we also promote an active lifestyle among our employees and across our community by launching different sports activities that help reduce their stress. As a result of this commitment, we established a partnership with Aspire Zone. This partnership provides access to sports infrastructure and facilities to communities in Qatar; thus, creating and enabling sustainable lifestyles. We have an agreement with Aspire Zone where our employees are equipped with memberships to access their sporting facilities in Doha and participate in customized activities such as Marathons. Due to the COVID-19 pandemic and restrictions on public gathering, this has been put on hold temporarily.

At Nakilat, employee safety is our top priority. We are committed to providing safe and healthy work environment, ensuring our employees return home to their families safely.

Environment

At Nakilat, we aim to minimize the environmental impact of our operations and give back to the community by organizing outreach activities such as tree planting and by engaging with students at local schools to raise awareness on the importance of trees, environmental protection, and its role in protecting the earth. Supported by Qatar's Ministry of municipality nursery and Ras Laffan Industrial Complex, N-KOM participated in a tree plantation drive near Ras Laffan Complex buffer zone. Qatar Fabrication Company commemorated World Cleanup Day by organizing a beach clean-up activity at the Al Khor beach, with over 100 staff and family members volunteering to create a sustainable environment.

N-KOM also participated in the conservation of marine life through the 'turtle beach clean-up' initiative. The activity focused on ensuring that the beach could offer a conducive environment for the Hawksbill sea turtles to nest.

6.1 Corporate Governance, Compliance and Ethics

Management Approach and Progress

Corporate governance is described as the systems of rules, practies and processes by which companies are governed and ensures that companies follow an appropriate and transparent decision-making process, and that the interests of all stakeholders and shareholderes are protected. The company's board of directors and executive senior management strives to build long-term relationships and commitment among various Nakilat's stakeholders to meet the company's goals and objectives, and to stand in support of our sustainable success based on strong principles of governance.

Nakilat believes that adopting best governance practices and standards will enable us to realize transparency, integrity, trust and enhance the confidence of debtors, lenders, and shareholders in the company, as well as assist investors to make well-informed investment decisions. Nakilat identifies governance as a framework to align the interests of all our stakeholders behind its purpose to unlock the power to delivering clean and reliable energy to enhance quality of life for everyone around the world.

Recognizing the relationship between good governance and sound financial performance, Nakilat strives to adhere to leading and best governance practices and complies with Qatar Financial Markets Authority (QFMA) governance code. Nakilat's issued governance report has been prepared in compliance with QFMA governance code reflecting Nakilat's effort to meet all relevant regulatory requirements, and it is shared with all concerned stakeholders and the public on Nakilat's webiste.

Nominating and Selecting the Highest Governance Body

In addition to the Nomination Committee's main duties reported in Nakilat's Corporate Governance Report, the Nomination Committee also recommends to the Board suitable candidates and ensures that the shareholders have criteria in place to help them in electing the most suitable candidates for board membership. The selection process considers the existing Board structure, size, composition, and diversity (including independence, skills, knowledge, educational backgrounds, and areas of expertise) and senior executives following Nakilat's ESG strategy. The Nomination Committee assesses the functional and operational skills required to be suitable for the position, including, but not limited to, current or past ESG and sustainability experience. Regarding diversity in broader terms, Nakilat assesses the age of its executives and directors, their leadership stability (represented by the frequency of executive and director turnover) their background and their international exposure in different industries and sectors. The Nomination Committee conducts an annual self-assessment of the board's performance, and then presents its evaluation to the board, identifying gaps and areas of improvement, if any.

Collective Knowledge of Economic, Environmental, and Social Topics

The board of directors has a balanced and right mixture of skillset, education, knowledge, and expertise to effectively manage and protect the best interests of the company, partners, shareholders, and other stakeholders.

Nakilat's corporate governance report presents a list of programs at Nakilat to enhance the executive and board-level collective knowledge of economic, environmental, and social topics. In addition, regular awareness-raising programs are provided to the ESG Committee members to hone their understanding and keep them up to date with the latest trends and emerging themes, whenever it is required, including, specific 'Deep Dive' presentations on ESG topics.

Furthermore, all Board members collectively have strong expertise in the oil and gas and marine transportation industry; as well as ESG expertise, including risk management, through their current and past executive positions and serving on the Boards of large complex multinational companies, including Nakilat.

For more information on our approach to corporate governance, please refer to Nakilat's Code of Business Ethics and Conduct, Annual Report and Corporate Governance Report.

Communicating Critical Concerns

Quarterly Performance Review (QPR) meetings are conducted with the CEO and the Senior Management Team (SMT) to review updates on corporate and departmental KPI performance targets and corporate initiative progress. The focus of the meetings is to highlight any major deviations from the target and review the mitigation plans being undertaken to get back on track. Major actions are captured and circulated to the SMT and CEO for follow-up.

Nakilat complies with the laws of the State of Qatar and abides by all the applicable laws of the countries where it operates. Nakilat is listed on the Qatar Stock Exchange and complies with the Qatar Financial Markets Authority law and associated regulations. Nakilat's compliance with Qatar's Financial Markets Authority (QFMA) governance code is audited by external auditors.

By the nature of its activities, Nakilat's vessels operate in a highly regulated environment and comply with the requirements of the laws of the Flag State and with the international declarations, conventions and treaties such as the International Convention for the Safety of Life at Sea (SOLAS, 1974, as amended) and the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto and by the Protocol of 1997 (MARPOL), amongst others related to the transportation of LPG and LNG. In addition, Nakilat complies with the requirements imposed by regulatory authorities, governmental organizations, classification societies and standards imposed by our charterers that are applicable to Nakilat's business.

Nakilat's Code of Business Ethics and Conduct highlights the importance of compliance with laws and international standards concerning the social and economic area, including accounting and prevention of tax fraud, corruption, bribery, ensuring and promoting fair competition, the provision of products and services, and avoiding workplace discrimination, among others.

Compliance with Nakilat's Code of Business Ethics and Conduct is of utmost importance. Any breach or potential breach is investigated and may result in the termination of employment, or of the relationship with the concerned third parties including vendors, suppliers, and contractors.

In 2022, we have not identified any non-compliance with any laws and/or regulations concerning the social and economic area.

Remuneration

For the remuneration of senior executives, we follow the standard applicable policies and procedures of the company. There is a comprehensive policy and procedure in place for employees' compensation, allowances and benefits at all levels including the executive management.

Nationals are eligible for pension upon their retirement, whereas expatriates are eligible for end-of-service.

The senior executives follow the same performance criteria applicable to other company employees, as per the learning and development policies and procedures in place, which are linked with the remuneration policies and procedures in terms of merit, bonus, and other awards eligibility.

Political Activities

Political activities that employees are prohibited from doing while acting on behalf of the company include:

a.   Contributions of company funds, cash or in-kind, or other resources in support of political activities, organizations, political candidates, parties or officials in the state of Qatar or anywhere else in the world, unless permitted by law and approved by the Board of Directors.

b.   Solicitation of political contributions from individual employees.

c.   Political activity in the countries in which he is not entitled to exercise civic rights.

d.   Contributions, donations or support to organizations that have social, cultural, educational or artistic missions are excluded from this definition.

e.   Signing petitions, letters or statements, that would prejudice the reputation and prestige of the State of Qatar or adversely affect relations with other countries.

f.   Inducing others to join in similar type pf political activities.

g.   Distributing flyers or other publications related to political messaging.

Ethics Committee

Ethics Committee (Constitution Mandate)

The Ethics Committee shall report directly to the Chief Executive Officer of the company. Its composition, responsibilities and procedures shall be as follow:

Composition

Nakilat CEO shall appoint the voting members, consisting of six (6) Members; a chairman and five (5) other members.

Members of the Ethics Committee shall be company employees, who collectively have broad knowledge of and experience with the company's business activities and discipline and occupy managerial positions to facilitate fair, objective and impartial judgment.

The members of the Ethics Committee cannot delegate their roles. Each Committee member is appointed for a term of four (4) years, which is reviewed bi-annually. An appointment to the Ethics Committee may be revoked only by a written resolution of all the other Committee members. A copy of any such resolution must be addressed to CEO for endorsement.

A quorum for the purpose of any meeting is as per the following schedules:

Number of Member	Quorum
4	3
5	3
6	4

In the event of a tied vote, the Chairman will cast the final vote.

Responsibilities

The Ethics Committee, which reports to CEO, shall deal with all questions related to the Code of Business Ethics and Conduct. Its major responsibilities are:

a. Assist CEO and/or HR with reviewing and providing consultancy services to matters in violation to the Code of Business Ethics & Conduct as referred to by HR.

b. Draw matters within its mandate to the attention of the CEO as occasion requires.

c. Act where appropriate as the Disciplinary Hearings Committee.

d. Review those cases reported through the anonymous reporting (whistleblowing) channels and referred to the Ethics Committee by the Chief Internal Auditor.

e. Conduct or authorize investigations into any matters as it shall deem appropriate, including the authority to request any Employee or external party working under an agreement with the company to meet with the Committee.

f. Run periodical campaigns through publications to increase the level of awareness to the Code of Business Ethics and Conduct.

g. Review and assess all the report periodically to ascertain campaigns are also designed on emphasizing cases of frequent breaches to the Code of Business Ethics and Conduct.

Whistleblowing – Reporting Issues to Designated Authorities

All employees are expected to assume the responsibility, to ensure that any concerns and observations, which deviate from our values and contradict to the code of Business Ethics and Conduct, shall be reported immediately to the designated authorities.

If any employee reasonably believes that any policy, procedure, practice, or action of the company or any of its employees is in violation of the laws, regulations, or the Code of Business Ethics and Conduct, he or she should report the violation immediately.

In the first instance, employees shall address the concern, to their manager, but if it is not feasible or employee is unsatisfied to approach the manager (either line supervisor, department manager or group chief), then he/she shall approach Internal Audit department within human resources department.

Following are examples of issues, which shall be addressed to Head of HR Shared Services of his delegate:

a. Head of the department/section reporting about his direct subordinate.

b. Employee who is the victim of misconduct/behavior from peers or other employee within the company.

c. Employees observation with regards to the policy and procedure practices in the company, which violates any governmental regulations of Code of Business Ethics and Conduct.

d. Employee reasonably believed that an employee is involved in practices, which contravened to this policy.

e. Employee is approached by external vendors, seeking favor or offering gifts.

If the employee is not satisfied with any of the above options, or if the employee wishes to make an anonymous report, then he shall report through whistleblowing channels at: compliance_reporting@nakilat.com

Management Approach and Progress

Anti-Bribery and Anti-Corruption

Nakilat is committed to conducting business in compliance with the principles established in its Code of Business Ethics and Conduct and the laws and regulations applicable in the countries where it operates. Likewise, the company is committed to the highest standard of ethical business conduct with zero tolerance for any form of bribery or corruption. Nakilat works pro-actively to ensure that corruption does not occur throughout its operations, both within the State of Qatar and globally.

It is the policy of Nakilat that all employees, consultants and agent are prohibited from offering, authorizing, giving, paying, soliciting, accepting or receiving, either directly or indirectly, any bribe to or from any employee, official or agent of any government, public or commercial entity, or individuals, in connection with the business or activities of Nakilat. This includes the giving or receiving of an improper advantage through undue influence, preferential treatment or any other form of illegal payment. Nakilat wholly owned subsidiaries must also comply with this requirement.

These prohibitions do not apply to the situations where an individual's health, life and liberty are at risk.

Anti-Corruption Laws

Anti-Corruption laws of most developed countries contain two important provisions: (1) that it is a crime to bribe any person anywhere in the world to influence a decision to obtain or retain business or gain a business advantage; and (2) a requirement that companies must have good accounting standards, accurately record transactions in their books and records, and maintain adequate internal controls.

Bribery is a crime in Qatar and the law imposes penalties for public officials convicted of taking action in return for monetary or personal gain, or for other parties who take actions to influence or attempt to influence a public official through monetary or personal gain. The current Penal Code governs corruption law and stipulates that individuals convicted of corruption may receive up to ten years' imprisonment and/or a fine of 5,000 Qatari riyals. Corruption investigations are handled by the Qatar State Security Bureau (QSS) and Public Prosecution, which is under the Attorney General's authority. Final judgments are made by the Criminal Court.

As a member of the Qatar Exchange, Nakilat is bound to its Corporate Governance Code for Companies Listed in Markets Regulated by the Qatar Financial Markets Authority. This code requires all companies to adopt good accounting standards in accordance with International Financial Reporting Standards, accurately record all transactions in their books and records, and maintain adequate internal controls.

Anti-Money Laundering Laws

Nakilat is committed to comply with applicable anti-money laundry law and regulations wherever it conducts business. It will only perform financial transactions with verified recipients and financial institutions for legitimate and substantiated expenses and in accordance with properly executed contractual commitments.

Money laundering occurs when the proceeds of crime are hidden in legitimate business dealings, or when legitimate funds are used to support criminal activities, including terrorism. Nakilat employees, consultants and agents must be cognizant of suspicious transactions involving numerous or unusual counter-parties and/or monetary transfers. It expects all such relationships and/or exchanges to undergo a rigorous review in accordance with Nakilat's due diligence standards. This includes for all customers, suppliers, joint venture partners or any other third parties, especially whereby unusual or suspicious monetary requests are sought.

Concerns around the source or use of funds, irregular payments or unusual transactions must be brought to the attention of Nakilat Legal department as and when the concerns present themselves. This means that employees, consultants and agents need to be familiar with and understand the identity of the people and organizations with which Nakilat does business.

Fair Competition Laws

Competition or antitrust laws are designed to ensure a fair and competitive free-market system. While Nakilat will compete vigorously in the marketplace, we will comply with the applicable competition and antitrust laws wherever we do business. This means that we will compete on the merits of our products and services, the prices we charge and the customer loyalty we earn.

Some of the most serious competition offenses occur between competitors, such as agreements to fix prices or to divide customers, territories or markets. It is therefore important to avoid discussions with competitors regarding pricing, terms and conditions, costs, marketing or production plans, customers and any other proprietary or confidential information. Competition laws also may apply in other circumstances, like benchmarking efforts, trade association meetings or strategic alliances involving competitors.

Be accurate and truthful with customers, and take particular care when describing the quality, features or availability of our products and services. Be similarly careful if you describe a competitor's products or services. It is unwise to criticize a competitor to a customer, and it is inappropriate to interfere with any contract between a competitor and a customer of the competitor.

Qatar has issued a law entitled Protection of Competition and Prohibition of Monopoly Practices, which deals with fair competition within Qatar and stipulates any person who violates the provisions of this law shall be punished with a fine of not less than QAR 100,000 and not more than QAR 5,000,000.

All business partners are introduced to and are aware of Nakilat's anti-corruption policies through the business code of ethics and declaration form that is signed by all employees annually. All business partners must complete the declaration form each January.

KPIs

Anti-Bribery and Anti-Corruption	2020	2021	2022	Scope
Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to	100%	100%	100%	
Total number and percentage of governance body members that have received training on anti-corruption	No Anti Bribery Corruption Conducted for Chiefs	75% (9 Chiefs)	25% (3 Chiefs)	All Nakilat and NAC employees
Total number and percentage of employees that have received training on anti-corruption	3% (8 employees)	56% (156 employees)	32% (82 employees)	
Confirmed incidents of corruption and actions taken	0	0	0	
Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant	0	0	0	

Management Approach and Progress

Nakilat's risk governance approach is continuously enhanced through the adoption of leading practices related to Enterprise Risk Management (ERM), Information Security Management, Business Continuity Management (BCM), and Compliance. Having robust governance enables Nakilat to shield the company from internal and external uncertainties and minimize any adverse impact or exposure on the company's performance. Nakilat aims to create a more risk-focused culture to provide reasonable assurance for the achievement of its core strategic objectives.

ISO/IEC 27001 Certification Information Security Management System

- Nakilat recertified
- NAC, NSW and QFAB certified

A recognition of our commitment towards information security maturity and demonstration of compliance according to best practices.

ISO 22301 Certification Business Continuity Management

- Nakilat, NSQL and NAC certified reaffirm our commitment to comply with international best practices, providing assurance to our stakeholders that we have the appropriate business continuity arrangements in place in mitigating the effects of any disruptive incidents. This is especially important as we expand our in-house fleet management, safeguarding the safety, reliability, efficiency and continuity of our operations.

Business Continuity Management (BCM)

Nakilat's BCM has been built and established at Nakilat to ensure organizational resiliency towards unexpected adverse events and opportunities, and excel in managing incidents, crises, and disasters. The Business Continuity Management System (BCMS) and Framework has geared the organization by ensuring the continuity of business operations with minimal disruption and retain stakeholder's confidence in Nakilat's services. This has been achieved by continuously evolving our BCM approach by identifying interdependencies among departments to create end-to-end Business Continuity Plans.

Nakilat, Nakilat Shipping Qatar Ltd. (NSQL) and Nakilat Agency Company (NAC) have been certified for ISO 22301 Business Continuity Management System (BCMS) awarded by Lloyd's Register. The ISO 22301 is an international management systems standard that assists organizations to provide a systematic approach to strengthen the continuity and resilience of the company. This reaffirms our commitment to comply with international best practices in business continuity management and recognizes the steps that Nakilat and its Subsidiaries have taken to implement processes and standards which provide continuity and organizational resiliency.

Enterprise Risk Management (ERM)

The ERM program in Nakilat is established to assist the strategic decision-making process that shall contribute to the achievement of Nakilat's strategic objectives, by evaluating, prioritizing, and managing potential risks to drive value creation. As part of Nakilat's continuous improvements towards enhancing the maturity level of its ERM program, an integrated link has been established between Nakilat's 5-year strategy and risk management. This integration encompasses the assessment of emerging and existing risks associated with strategic initiatives, new projects, and corporate and departmental objectives to ensure implementation of effective mitigation plans. The ERM function strives to oversee, adopt, and facilitate leading risk management practices to build confidence and assurance to Nakilat's stakeholders and help Nakilat's management in making informed business decisions.

Compliance

Nakilat is dedicated towards compliance with applicable rules, laws, regulations, standards, to ensure our business activities are always conducted in utmost conformity to avoid any potential negative impact on the company. Thus, Nakilat has established a compliance function to provide holistic oversight of the compliance requirements in addition to existing risk disciplines such as Risk Management and Internal Audit. The compliance function collaboratively works with all departments towards implementing the required measures, in order to identify existing or foreseen compliance prerequisites to gain valuable insight and drive better detection and resolution of issues.

Nakilat Risk Management Framework ➤

Nakilat Risk Management Framework
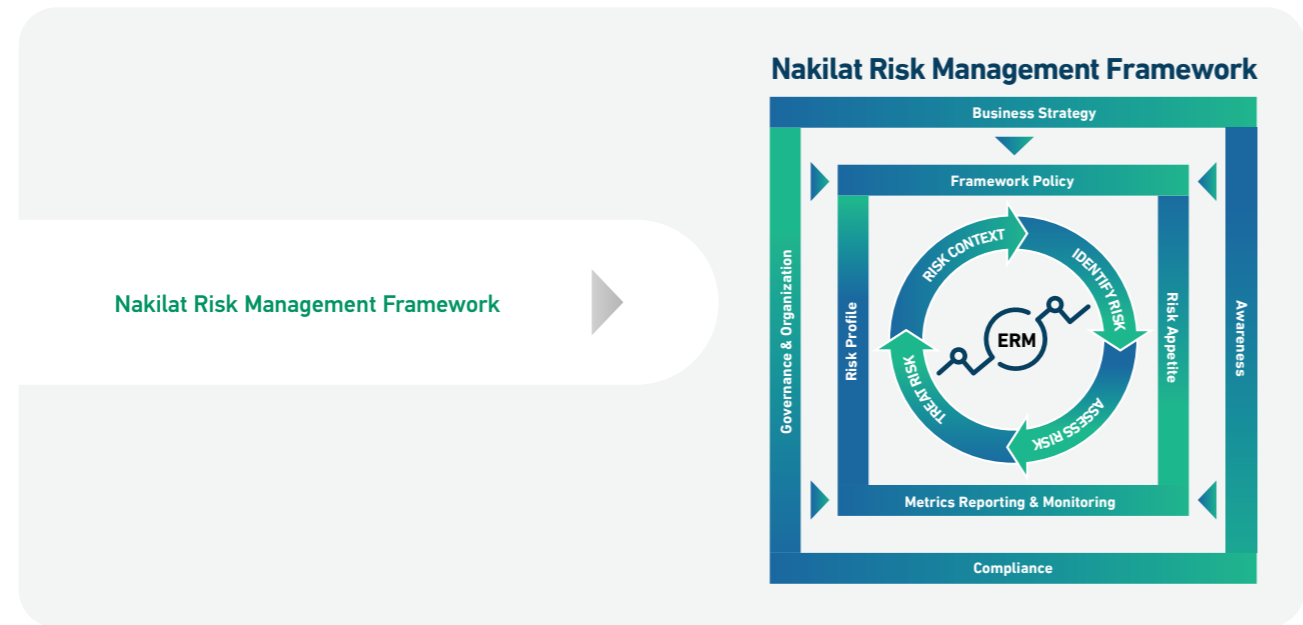
Risk Governance

Nakilat has established a robust ERM governance structure that consists of four risk committees. Nakilat has an Operational Risk Sub-Committee, a Financial Risk Sub-Committee, and a Continuity Risk Sub-Committee, all of which report to the main Risk Management Committee chaired by Nakilat's CEO. These committees have clear roles and responsibilities that are detailed in the Risk Committees Charter, which is part of the appendix in the ERM manual. In addition, Nakilat reports its Top Risks on an annual basis to the Board of Directors through the annual Business Plan. We also have an established quarterly reporting cycle to the Board of Directors on the progress and updates of the risk initiatives.

Below is the scope of activities of the committees:

- To review and approve the strategies, policies, frameworks, and procedures in place
- To govern the risk identification, risk analyzation, risk evaluation, risk treatment and risk monitoring processes in Nakilat
- To define and endorse the organization's overall risk tolerance and strategy relating to key risks, including strategic, operational, business continuity, and financial risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks

- To monitor current and emerging risks and approve risk treatment plans for the identified risks
- To ensure that relevant risk treatment plans are implemented on a timely basis, and are managed successfully for all Top Risks
- To review Nakilat's Top Risks profile annually and update them, when necessary, to ensure that key risks are identified, analyzed, evaluated, treated and monitored
- To promote a risk-aware culture and risk management competence across Nakilat
- To ensure there is a system/process of risk assessment across the organization on an ongoing basis
- To review reports on selected risk topics as the committees deem appropriate from time to time

Nakilat's Risk department frequently and regularly reports to the Risk Management Committees where all types of risk assessments whether departmental, ad-hoc/project based, or Top Risks are reported with assessments of performance. In addition, the Risk Team reports on a quarterly basis to the Planning team on the performance of the departmental objectives and KPIs, which are then presented to Nakilat's senior management team during quarterly performance meetings.

Nakilat Risk Management Governance
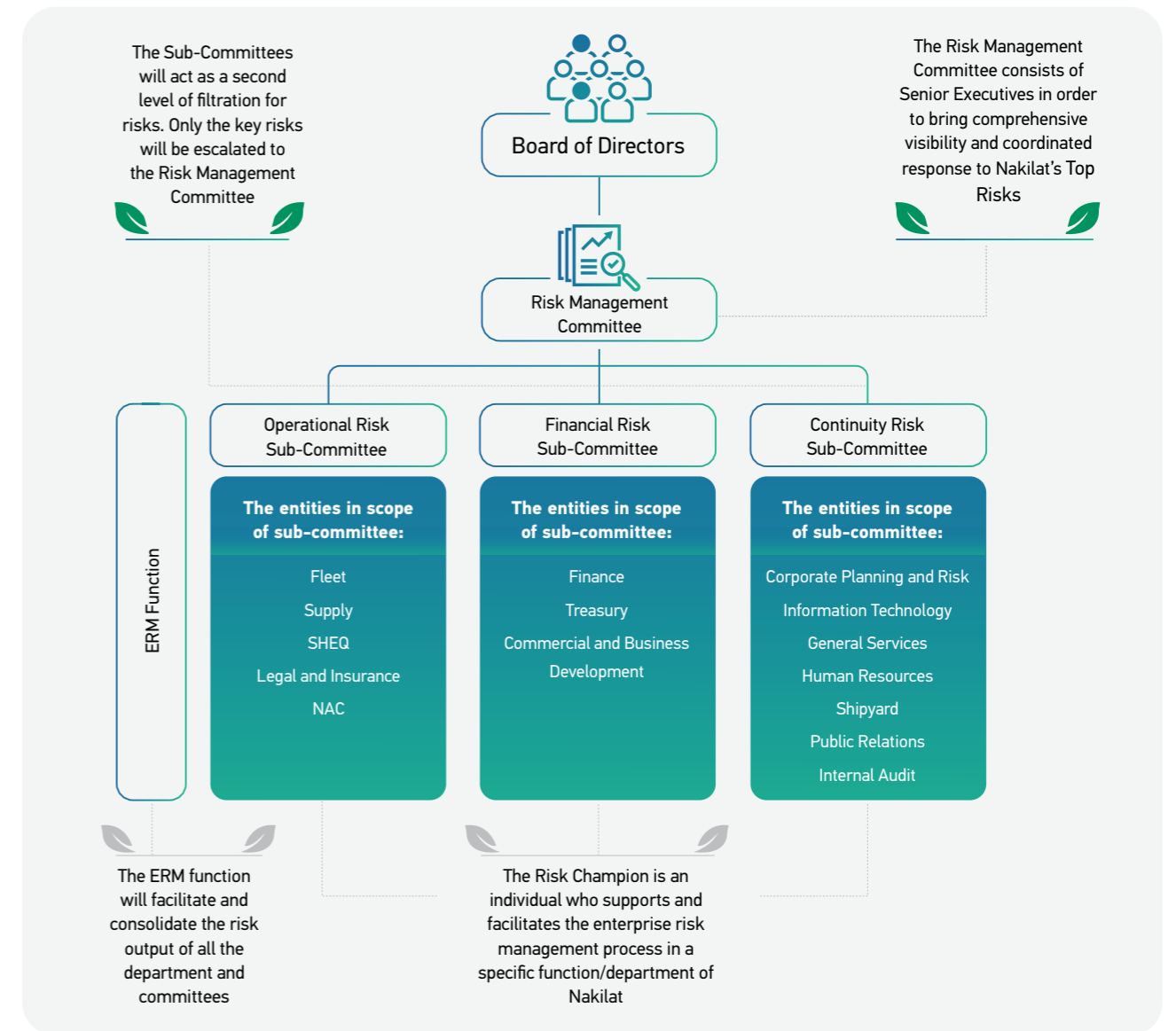
The figure above illustrates Nakilat's Risk Management Governance

Process for Assessing Key Impacts, Risks and Opportunities

The Top Risks assessment is an annual process where the Risk Team starts by mapping the corporate strategy with the identified risks that can potentially hinder Nakilat's ability to achieve its strategic objectives and ultimately, its vision to be a global leader. The Risk Team then starts developing the definitions for each Top Risk, as well as the quantification of the impact and likelihood ratings. This quantification requires obtaining information from all departments, which the Risk Team then analyses, filters, draws conclusions from, and is utilized to support the Top Risks ranking and severity levels. This mapping, with all relevant data, is then presented to several subject matter experts and the four Risk Committees in Nakilat, for their approval and endorsement. Once the Top Risks are approved, the Risk Team works with respective risk owners to identify controls and develop treatment/mitigation plans. All this data is then consolidated and presented in a full package to the four Risk Committees.

The Risk Committee role is to review the Top Risks identification, severity levels and mitigation plans from a holistic perspective, and provide an unbiased opinion. The Risk Committees have the right to ask for any additional information deemed missing, and the Risk Team works towards developing this information accordingly. After rounds of reviews and challenging discussions, the Risk Committees endorse the Top Risks and the treatment plans on an annual basis. The final report on the Top Risks is then submitted to the Board of Directors for approval.

Approach to Prioritizing Challenges and Opportunities

Nakilat has adopted the ISO 31000 Enterprise Risk Management (ERM) framework as a guideline for the basis of its framework and governance structure. The purpose of risk evaluation is to help Nakilat make decisions regarding how it will address the outcomes of risk analysis. These decisions include determining which risks require treatment and determining the priority of treatment implementation. Nakilat adopts a 5 by 5 matrix for the evaluation of the impact and likelihood of its risks, where residual risks rankings are then plotted on a heat map according to their agreed assessments and evaluations, ranking from low, to medium, high, or severe.

ERM is designed to provide a framework for adequate decision-making and to create value for shareholders, employees, customers, and the organization. The Risk Management process involves seven steps through which risks are continuously identified, analyzed, evaluated, treated, and monitored that ensures the management of risks and opportunities:

Nakilat Risk Assessment Process
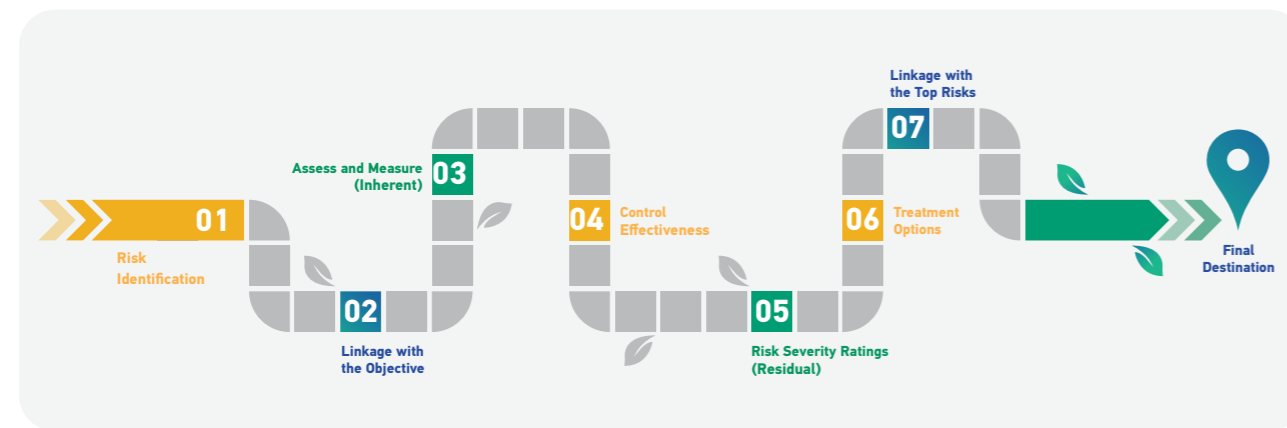
The ERM practices are explained in detail within the ERM manual and captures the process for performance and how risk assessment is conducted in relation to change. In addition, Nakilat has a separate process called Management of Change (MOC) that is run by the SHEQ department. The MOC process governs any change that happens in the company whether it be minor or major, and whether it is temporary or permanent. The MOC is integrated within the risk assessment process, where there are specific criteria for the kind of change that will require to undergo the risk assessment process. The Planning team is responsible for tracking and reporting on all the corporate performance targets in the company.

Impact of ESG risks

Impacts on Nakilat from any perspective (financial, regulatory, business disruption, sustainability and reputational etc.) are defined as per our departmental Risk Registers and the Top Risks.

The departmental Risk Registers process is similar to the Top Risks process, but instead of linking it to strategic objectives, it is linked to departmental objectives, so they are more of operational risks. This exercise is done with all departments within Nakilat. The Risk Registers are developed by the departments and are then reviewed and challenged by the Risk Team and the Risk Committees. Each department has dedicated Risk Champions who have been trained and equipped to utilize the risk management tools provided. The departmental Risk Registers are reviewed on a bi-annual basis to check the status of the treatment plans, and if there are any emerging or new risks that should be brought to the attention of the Risk Team. The purpose of the departmental risk registers is to ensure that any potential risk that may hinder a department's ability to achieve its objective is reduced to an acceptable level. The Risk Team has also created a synergy with the Audit Team who utilize the departmental Risk Registers during their audits.

Nakilat ESG risks and opportunities

Nakilat ESG RISKS AND OPPORTUNITIES

Risk
- Increasing pace of changes in emission rules
- Global decarbonization trend reducing natural gas demand in the long-term

Opportunity
- Reducing environmental impct (i.e. emissions during transport) to become prefered service provider
- Mid-term demand increase for natural gas as transition fuel

Impact
Increase of operation's complexity due to changing market patterns and changes in technical requirements

Risk
- Recruiting opportunities for and retention of national seafarers

Opportunity
- Nationals to grow in the gas industry

Impact
Additional activities required to meet Qatar's 2030 national vision and Qatarization targets

Risk
- Widening pace and spectrum of rules and regional differences

Opportunity
- Adhere to the most stringent regulations to be globally active and ahead of the market

Impact
Increased operational and financial implications to ensure regulations compliance

Objectives and Targets

Nakilat has a corporate strategy in place that details the corporate objectives. The Risk Team has achieved all its objectives and targets during 2018, 2019, 2020, 2021, and 2022. The performance of all KPIs and targets are under the custody of the Planning team.

Risk Team Objectives for 2018:

1- Eliminate obstacles: Assessed the risks related to opportunities i.e., process change, organizational change, infrastructure upgrades and others

2- Support any emerging projects by facilitating risk assessments

3- Facilitate the workshops with Chiefs and subject matter experts for top risks to identify further consequences, controls, and treatment plans

4- Establish risk response strategy implementation plan based on the Top Risks identified

5- Present Top Risks and treatment plans to Risk Management Committee for endorsement and approval

Risk Team Objectives for 2019:

1- 100% readiness of the business continuity program as per the plan

2- 100% closure of information security observations in the OT-System as per the plan

3- 100% of treatment plans Top Risk successfully implemented as per the agreed plan

Risk Team Objectives for 2020:

1- 100% readiness of the business continuity program as per the plan

2- 100% closure of information security observations in the OT-System as per the plan

3- 100% of treatment plans Top Risk successfully implemented as per the agreed plan

Risk Team Objectives for 2021:

1- 100% readiness of the business continuity program as per the plan

2- 100% of treatment plans Top Risk successfully implemented as per the agreed plan

3- Risk and business continuity awareness sessions

Risk Team Objectives for 2022:

1- 100% readiness of the business continuity program as per the plan

2- 100% of treatment plans Top Risk successfully implemented as per the agreed plan

3- Risk and business continuity awareness sessions

4- Execution of business continuity drills and actioning lessons learn

Management Approach and Progress

Nakilat has maintained the Information Security Management System (ISMS) as a commitment to effectively foster security consciousness using internationally recognized standards such as the ISO 27001. Nakilat and its joint ventures, N-KOM, QFAB, NSW and NAC have achieved the ISO 27001 certification from Lloyd's Register Quality Assurance (LRQA), which affirms our continuous efforts at managing information security risks and implementation of appropriate controls to collect, store and handle information, which could help to prevent potential data loss or information leakage.

The implementation of the ISMS strives to continuously provide assurance that our business is running in a safe and secure environment by assuring the confidentiality, integrity, and availability of the company's information. Adherence to such internationally recognized standards sends a valuable boost of confidence to our shareholders, partners, and clients, especially in these challenging times as the world shifts to a virtual working environment and information security becomes more important than ever before.

Nakilat is committed to securing and protecting its customers' and external parties' data. For the last five years, no complaints were reported concerning breaches of customer privacy and losses of customer data.
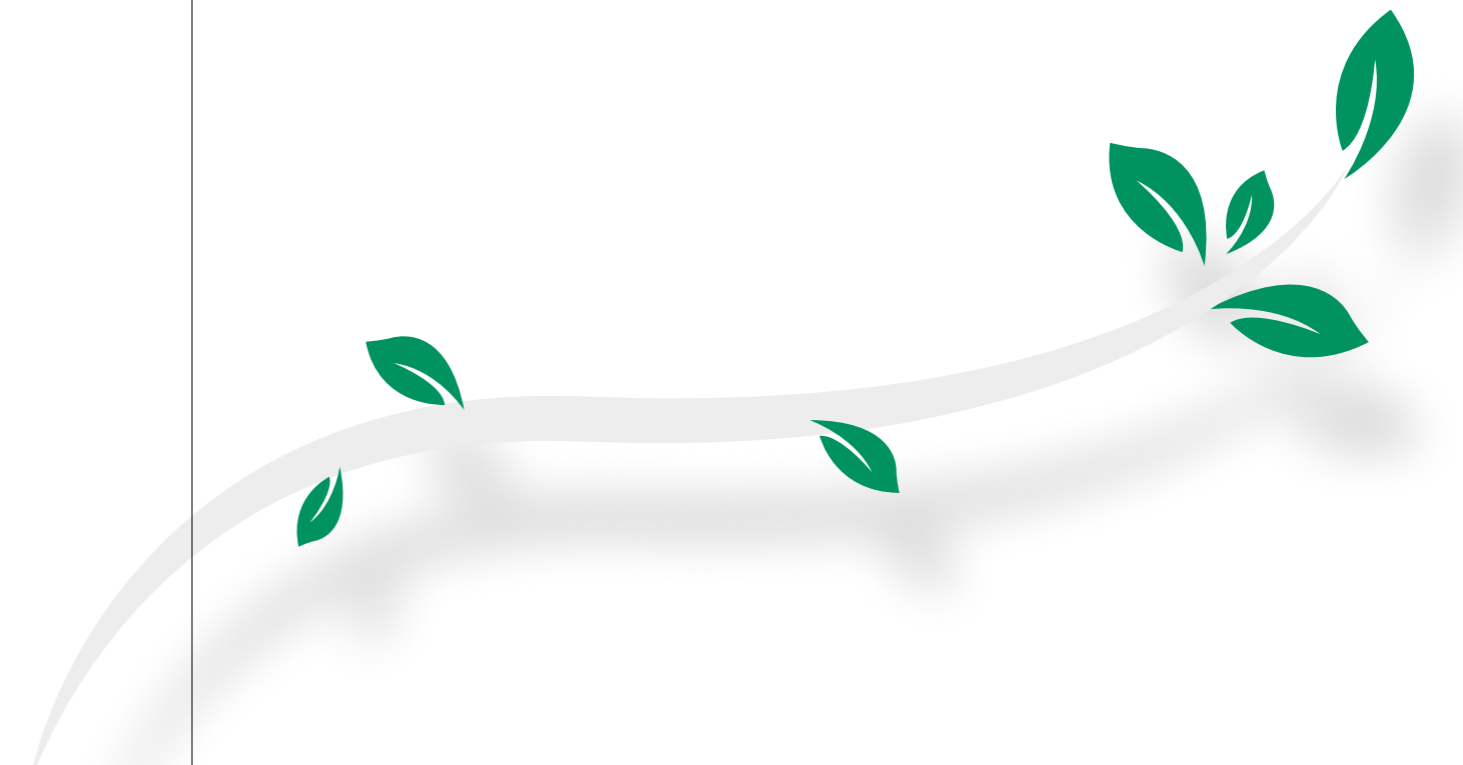
Management Approach and Progress

Nakilat takes a responsible and transparent approach to the management and control of taxation issues by following both Qatari and international tax laws.

As part of Nakilat's compliance process, Nakilat abides and respects all the required deadlines set by Qatar's General Tax Authority and other tax authorities relevant to the group's operations globally.

In 2022, Nakilat paid QAR 4.1 million as withholding tax and pension payment. In the interest of transparency and fiscal responsibility, Nakilat implements and maintains robust whistleblowing channels for stakeholders to report misconduct, unethical behavior, or any manner of concern relating to Nakilat's operations, functions, and safety. The same mechanisms are available to stakeholders to report any concerns with respect to taxation.

Payments to Qatar General Tax Authority and Pension Authority and Social and Sports Fund Contribution			
Financial Year (FY)	2020	2021	2022
Withholding tax and pension payment (Thousands QAR)	4,205	4,262	4,058
Social and Sports Fund Contribution (Thousand QAR)	29,005	33,837	35,973
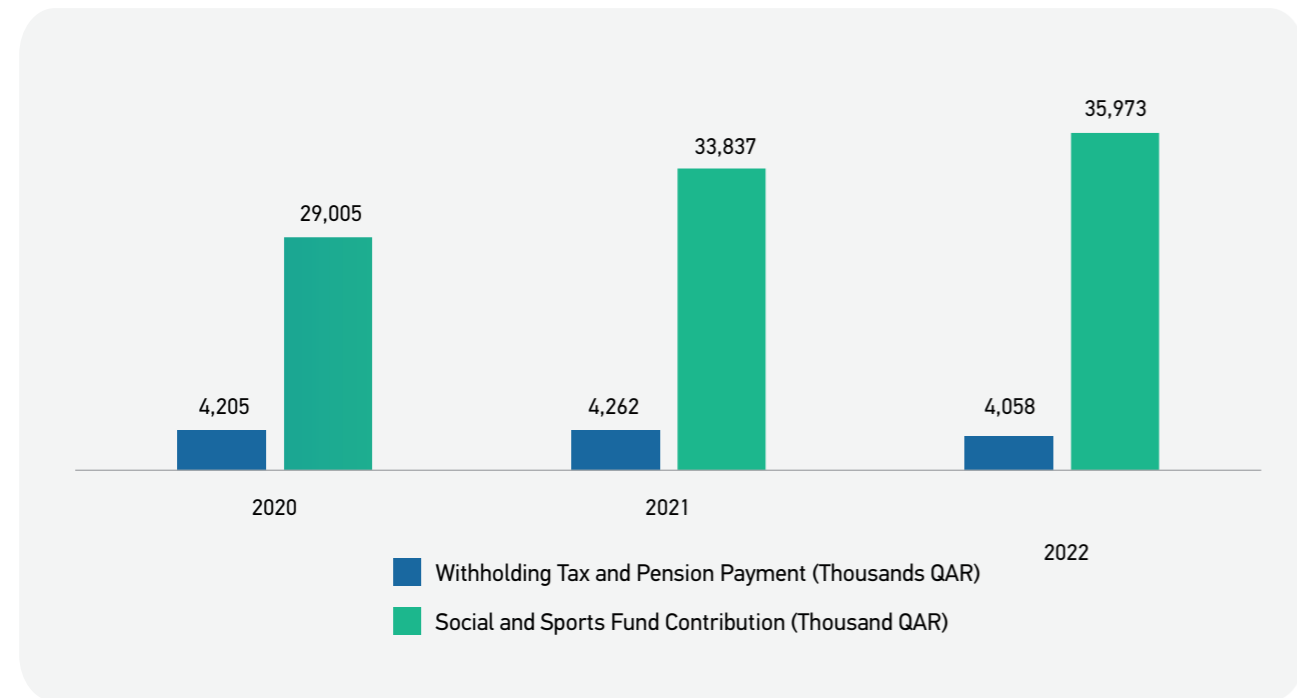
Financial Assistance Received from Government

In 2022, Nakilat did not receive any financial assistance from any government.

7.1 Independent Limited Assurance Statement

We have been engaged by the Board of Directors of Qatar Gas Transport Company Ltd. ("Nakilat") to provide limited assurance in respect of Nakilat's Environmental and Social Performance Indicators as identified below for the year ended 31 December 2022. The Assured Sustainability Indicators are included in Nakilat's ESG Report for the year ended 31 December 2022 (the "ESG Report").

The environmental and social performance indicators covered by our Limited Assurance Engagement are:

- Disclosure 302-1: Energy consumption within the organization
- Disclosure 305-1: Direct (Scope 1) GHG emissions
- Disclosure 401-1: New employee hires and employee turnover
- Disclosure 403-9: Work-related injuries
- Disclosure 404-1: Average hours of training per year per employee

Our conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and the evidence obtained, as described below, nothing has come to our attention that causes us to believe that the environmental and social performance indicators, as defined above, for the year ended 31 December 2022, have not in all material respects, been prepared with reference to the Global Reporting Initiative (GRI) 2021 Standards.

Management's responsibility

Management is responsible for the preparation of the Limited Assurance Environmental and Social Performance Indicators with reference to the Global Reporting Initiative (GRI) 2021 Standards.

These responsibilities include establishing such internal controls as management determines are necessary to enable the preparation of the Limited Assurance Environmental and Social Performance Indicators that are free from material misstatement whether due to fraud or error and selecting Global Reporting Initiative (GRI) 2021 Standards, as the criteria against which to measure/evaluate the Sustainability Parameters.

Management is responsible for preventing and detecting fraud and for identifying and ensuring that Nakilat complies with laws and regulations applicable to its activities.

Management is also responsible for ensuring that staff involved with the preparation of the description and ESG Report are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the preparation of the Limited Assurance Environmental and Social Performance Indicators included in the ESG Report, as defined above.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants, (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

ISAE 3000 (Revised) requires that we plan and perform the engagement to obtain limited assurance about whether the Limited Assurance Environmental and Social Performance Indicators are free from material misstatement.

A limited assurance engagement in accordance with IASE 3000 (Revised) involves assessing the risks of material misstatement of the Limited Assurance Environmental and Social Performance Indicators, whether due to fraud or error, responding to the assessed risks as necessary in the circumstances of the engagement. The nature, timing and extent of procedures selected depend on our understanding of the Limited Assurance Environmental and Social Performance Indicators and other engagement circumstances, and our consideration of areas where material misstatements of the Limited Assurance Environmental and Social Performance Indicators are likely to arise.

In developing our understanding of the Limited Assurance Environmental and Social Performance Indicators and other engagement circumstances, we have considered the process used to prepare the Limited Assurance Environmental and Social Performance Indicators order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of Nakilat's internal control over the preparation Limited Assurance Environmental and Social Performance Indicators.

Our engagement also included: assessing the appropriateness of the Limited Assurance Environmental and Social Performance Indicators, the suitability of the criteria used by Nakilat in preparing the Limited Assured Sustainability Parameters in the circumstances of the engagement, evaluating the appropriateness of the quantification methods, reporting policies and procedures, and models used in the preparation of the Limited Assurance Environmental and Social Performance Indicators and the reasonableness of estimates made by Nakilat.

Procedures Performed

Our limited assurance engagement on the Limited Assurance Environmental and Social Performance Indicators consisted of making enquiries, primarily of persons responsible for the preparation of the Limited Assurance Environmental and Social Performance Indicators, and applying analytical and other procedures, as appropriate. These procedures were based on our professional judgement and included:

- interviews with senior management and relevant staff at corporate and selected site level concerning sustainability strategy and policies for material issues, and the implementation of these across the business;

- enquiries of management to gain an understanding of Nakilat's processes for determining material issues for Nakilat's key stakeholder groups;

- enquiries of relevant staff at corporate and selected site level responsible for the preparation of the Limited Assurance Environmental and Social Performance Indicators;

- enquiries about the design and implementation of the systems and methods used to collect and report the Limited Assurance Environmental and Social Performance Indicators, including the aggregation of the reported information;

- comparing the Limited Assurance Environmental and Social Performance Indicators to relevant underlying sources on a sample basis to determine whether all the relevant information has been appropriately included in the ESG Report;

- reading the Limited Assurance Environmental and Social Performance Indicators presented in the ESG Report to determine whether they are in line with our overall knowledge of, and experience with, the sustainability performance of Nakilat;

- reading the remainder of the Sustainability Report to determine whether there are any material misstatements of fact or material inconsistencies based on our understanding obtained as part of our assurance engagement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance conclusion on the Limited Assurance Environmental and Social Performance Indicators.

Purpose of Our Report

In accordance with the terms of our engagement, this assurance report has been prepared for Nakilat for the purpose of assisting Board of Directors in determining whether Nakilat's Limited Assurance Environmental and Social Performance Indicators are prepared with reference to the Global Reporting Initiative (GRI) 2021 Standards, and for no other purpose or in any other context.

Inherent Limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the ESG Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation of the Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Yacoub Hobeika
Audit Registry No. 289
KPMG Qatar

Date: 21 June 2023

Climate Change and Emissions to Air	2020	2021	2022	Scope
Greenhouse Gas (GHG) emissions[31]				
Gross direct (Scope 1) GHG emissions (TCO$_2$)[32]	5,564,216	5,353,949	5,812,436	
GHG emissions intensity[33] (TCO$_2$/Nm)	1.26	1.12	1.06	
Organization-specific metric chosen to calculate the intensity ratio: Total Sailing Distance[34] (Nautical Mile [Nm])	5,493,714	6,579,066	7,378,156	Shipping
Nitrogen oxides (NOx), sulfur oxides (SOx), CH4 and other significant air emissions (tons)				
NOx	138,610	128,659	138,404	
SOx	15,961	13,942	14,767	
Particulate matter	11,975	10,897	11,688	
CH4 (GRI 11-1- ref. Note-1)	466	433	466	

This data represents our entire shipping fleet (inhouse and joint venture). Our reported GHG emissions data are based on the GHG Protocol, European Union (EU) Monitoring, Reporting and Verification (MRV) of CO2 emissions, and IMO Data Collection System (DCS) on fuel consumption.

Note 1: Total CH4 emission data (as per above table) under SCOPE-1 are regarded as from fuel combustion process on ships.

The calculation of these data uses conversion factors from the following standards: IPCC 2006 / ENTEC / CORINAIR / MEPC 686 and ISO conversion factors for Lower Calorific Value (LCV) indicated below: LCV MGO= 42.7GJ/T, LCV HFO= 40.6GJ/T, LCV Fuel Gas= 50.0GJ/T. The GHG accounting and disclosure is based on equity share.

Climate Change and Emissions to Air	2020	2021	2022	Scope
Greenhouse Gas (GHG) emissions				
Gross direct (Scope 1) GHG emissions (TCO$_2$)[35]	20,834	22,935	24,872	Non-shipping

Note: This data represents emissions from fuel used by our non-vessel Joint ventures including fuel used for business purposes by corporate office. The majority of non-shipping fuel is used by tugs for harbour operations and so the calculation of these data uses conversion factors for MDO from the following standards: IPCC 2006

** This is only non-shipping data under scope 1. Types of fuels included within figures: Diesel (Density-0.8213) and LPG (Conversion Factor-MJ to KG: 1 MJ = 0.02 kg of LPG).

Emissions to Air	2020	2021	2022	MME Limits[36]	Scope
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions[37]					
NOx	20.75 ug/m^3	27.00 ug/m^3	30.00 ug/m^3	150 ug/m^3	
SOx	12.50 ug/m^3	24.75 ug/m^3	24.00 ug/m^3	365 ug/m^3	
Particulate matter (PM$_{2.5}$)	22.75 ug/m^3	18.25 ug/m^3	25.00 ug/m^3	35 ug/m^3	
Particulate matter (PM$_{10}$)	72.75 ug/m^3	77.00 ug/m^3	95.00 ug/m^3	150 ug/m^3	Non-shipping
CO	n/a	423.5 ug/m^3	467.25 ug/m^3	10,000 ug/m^3	
VOC	n/a	11.75 ug/m^3	11.00 ug/m^3	160 ug/m^3	
Aromatic hydrocarbons	n/a	8.54 ug/m^3	7.00 ug/m^3	160 ug/m^3	

Note: N-KOM data only. The source of NOx, SOx, PM, CO, VOC & Aromatic Hydrocarbon are due to air emissions from the shipyard's operations. Monitoring requirements and the respective limits are prescribed by the Qatar Ministry of Environment and Climate Change (MOECC).

[31] It is to be noted that GHG emissions data for the mentioned years have been restated following availability of missing quantity.

[32] FShipping data is declared only under scope 1 as all GHG emissions are produced by the vessels when generating their own energy to sustain their respective operation. Only CO2 is included in this calculation. Declaration is based on equity share.

[33] For ships: Emissions Intensity = Total Emissions / Total Sailing Distance. Equity share doesn't apply to intensity.

[34] Total Sailing Distance SASB (TR-MT-000.B). Equity Share doesn't apply to distance sailed.

[35] Non-Shipping data shown separately under scope 1.

[36] Ministry of Environment and Climate Change (MOECC).

[37] Each parameter is averaged for the year 2020.

Energy	2020	2021	2022	Scope
Energy consumption				
Total fuel consumption within the organization from non-renewable sources (GJ)[38]	74,015,625	73,694,908	80,204,392	
Total fuel consumption within the organization from renewable sources (GJ)	0	0	0	
Total energy consumption within the organization (GJ)	74,015,625	73,694,908	80,204,392	Shipping
Energy intensity				
Energy intensity ratio[39] (GJ/Nm)	17.30	15.79	14.90	
Organization-specific metric chosen to calculate the intensity ratio: Total Sailing Distance[40] (Nautical Mile [Nm])	6,023,833	6,579,066	7,378,156	

Note: This data represents our entire shipping fleet. Data for mentioned year is restated following availability of missing data.

Energy	2020	2021	2022	Scope
Electricity consumption				
Total electricity consumption (kWh) Corporate	935,517	1,169,485	1,067,695	
Total electricity consumption (kWh) N-KOM	63,400,000	69,400,000	72,830,000	
Total electricity consumption (kWh) QFAB	7,460,000	6,505,700	8,173,611	
Total electricity consumption (kWh) NSW	n/a	1,956,150	2,260,278	
TOTAL ELECTRICITY CONSUMPTION (kWh) Corporate, N-KOM, QFAB and NSW	71,795,517	79,030,635	84,331,584	
Total electricity consumption (GJ) Corporate	3,368	4,210	3,844	
Total electricity consumption (GJ) N-KOM	228,240	249,840	262,188	
Total electricity consumption (GJ) QFAB	26,856	23,418	29,425	
Total electricity consumption (GJ) NSW	n/a	7,042	8,137	
TOTAL ELECTRICITY CONSUMPTION (GJ) Corporate, N-KOM, QFAB, NSW	258,464	284,510	303,594	
Fuel consumption				
Total fuel consumption (GJ) Corporate	734	329	190	Non-Shipping
Total fuel consumption (GJ) N-KOM	37,339	43,147	55,190	
Total fuel consumption (GJ) QFAB	393	333	5,297	
Total fuel consumption (GJ) NSW	287,742	315,385	327,182	
TOTAL FUEL CONSUMPTION (GJ) Corporate, N-KOM, QFAB, NSW	326,208	359,194	387,859	
Total energy consumption (electricity + fuel)				
Total energy consumption (GJ) Corporate	4,102	4,539	4,034	
Total energy consumption (GJ) N-KOM	265,579	292,987	317,378	
Total energy consumption (GJ) QFAB	27,249	23,751	34,722	
Total energy consumption (GJ) NSW	287,742	322,428	335,319	
TOTAL ENERGY CONSUMPTION (GJ) Corporate, N-KOM, QFAB, NSW	584,672	643,705	691,453	

[38] This is only shipping data under scope 1. Types of fuels included within figures: HFO, MGO, LNG.

[39] For SHIPS: Energy Intensity = Total Energy/ Total sailing Distance. Intensity is declared in total.

[40] Total sailing Distance SASB (TR-MT-000.B). Equity Share doesn't apply to distance sailed.

Energy	2020	2021	2022	Scope
Energy intensity[41] [42]				
Energy intensity ratio (Electricity + Fuel consumption (GJ) / per employee) Corporate	16.6	16.5	16.1	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) Corporate	250	275	250	
Energy intensity ratio (Electricity + Fuel consumption (GJ) / employee N-KOM	204.3	225.4	200.1	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) N-KOM	1,300	1,300	1,586	
Energy intensity ratio Electricity + Fuel consumption (GJ) / per employee) QFAB	317.2	349.3	108.9	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) QFAB	86	68	319	Non-Shipping
Energy intensity ratio (Electricity + Fuel consumption (GJ) / per employee) NSW[43]	846.3	942.8	986.2	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) NSW	340	342	340	
Total energy intensity ratio (Electricity Consumption + Fuel (GJ) / per employee) Corporate, N-KOM, QFAB and NSW	295.9	324.3	277.1	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) corporate, N-KOM, QFAB, NSW	1,976	2,016	2,495	

Reduction of Energy Consumption	2020	2021	2022	Scope
Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives (fuel and electricity)				
Total energy reductions (GJ) Corporate	2,501	2,363	12,256	
Total energy reductions (GJ) N-KOM	16,804	16,804	16,804	
Total energy reductions (GJ) QFAB	26,856	24,048	n/a	Non-Shipping
Total energy reductions (GJ) NSW	n/a	n/a	n/a	
Total energy reductions (GJ) Corporate, N-KOM, QFAB and NSW	**46,161**	**43,112**	**29,060**	

Electricity Sold		2020	2021	2022
Total Electricity Sold (GJ)- (N-KOM)*		5,246	25,029	15,930

*Electricity sold to vessels in dock via metered connections

Water	2020	2021	2022	Scope
Water withdrawal and discharge[44]				
Total seawater withdrawal (megaliters)	28,398	25,056	24,959	Shipping
Total seawater discharge (megaliters)	28,398	25,056	24,959	

Note: This data represents our entire shipping fleet (inhouse and Joint ventures). The reported data are aggregated values from wholly owned and JV vessels for seawater used for ballasting the vessels. The ballast water used has either been treated according to IMO Ballast Water Convention D2 for vessels fitted with a treatment system. For other vessels which are still to be fitted with a treatment system the ballast water has been replenished through exchange during the voyage as per IMO Ballast Water Convention D1. The same quantity of seawater that is loaded in discharge ports is discharged afterwards in loading ports. Only seawater for ballasting is discharged. Calibrated remote sounding system and approved ballast tank tables have been used to calculate ballast water quantities declared. Seawater salinity and density is determined from international oceanographic tables.

[41]All energy intensity ratios represent electricity and fuel usage, except for QFAB and NSW (see below).

[42]Energy Intensity Ratio has been restated in GJ/No. of employee for alignment.

[43]NSW Electricity data not available in 2020 and so only fuel data used.

[44]It is to be noted that seawater data for the mentioned years have been restated in "megaliters" than earlier shown unit of "Tonnes'.

Water	2020	2021	2022	Scope
Water consumption				
Freshwater/ Potable water consumption (megaliters) Corporate	0.73	0.61	1.28	
Freshwater/ Potable water consumption (megaliters) NSW	11	11.49	11.58	
Freshwater/ Potable water consumption (megaliters) N-KOM	248	304	444	Non-shipping
Freshwater/ Potable water consumption (megaliters) QFAB	52.2	33.6	53.4	
Total Freshwater/ Potable consumption	**312**	**350**	**510**	
Industrial water consumption (megaliters) N-KOM	100	100	41	
Industrial water consumption (megaliters) QFAB	52	0.03	0	

*Water is supplied by Kahramaa, a third-party.

Waste	2020	2021	2022[45]	Scope
Waste generated				
Total weight of waste generated (m3), and a breakdown of this total by composition (CAT[46]) of the waste[47]	**Total = 6,895 m³** Cat 1 = 2,044 m3 Cat 2 = 333 m3 Cat 3 = 2,233 m3 Cat 4 = 155 m3 Other = 2,129 m3	**Total = 6,879 m³** Cat 1 = 1,939 m3 Cat 2 = 326 m3 Cat 3 = 2,199 m3 Cat 4 = 161m3 Other = 2,254 m3	**Total = 7,805 m³** Cat A = 1,984.08 m3 Cat B = 334.67 m3 Cat C = 2,534.57m3 Cat D = 1.20 m3 Cat E = 127.66 m3 Others = 2,822.86 m3	
Waste disposal				Shipping
Total weight of waste directed to disposal in cubic meter, and a breakdown of this total by composition of the waste[48]	**Total = 6,895 m³** Cat 1 = 2,044 m3 Cat 2 = 333 m3 Cat 3 = 2,233 m3 Cat 4 = 155 m3 Other = 2,129 m3	**Total = 6,879 m³** Cat 1 = 1,939 m3 Cat 2 = 326 m3 Cat 3 = 2,199 m3 Cat 4 = 161m3 Other = 2,254 m3	**Total = 7,805 m³** Cat A = 1,984.08 m3 Cat B = 334.67 m3 Cat C = 2,534.57m3 Cat D = 1.20 m3 Cat E = 127.66 m3 Others = 2,822.86 m3	
Incineration onsite (without energy recovery) (m3)	775	1,061	1,545	
Total waste disposal offsite (m3)[49]	**6,120**	**5,818**	**6,261**	

[45]G2022 onwards-Garbage on ships are classified into the following categories as per MARPOL Annex V:

- Category A: Plastics
- Category B: Food Waste
- Category C: Domestic Waste
- Category D: Cooking Oil
- Category E: Incinerator Ashes
- Category F: Operational Waste
- Category I: E-Waste

[44]Until 2021-Garbage on ships is classified into the following categories (Cat): 1-Plastics; 2- Floating dunnage, lining, and packing material; 3- Ground down paper products, rags, glass, metal bottles, and crockery; 4-Domestic waste; 5- Incinerator ash; 6- Normal paper products, rags, oily rags, glass, and metal scrap; 7-Operational waste; 8- Animal Carcasses onboard livestock carrier; 9- E-Waste; 10- Cooking oil waste produced in the galley; 11- Cargo residues onboard ships carrying solid cargo in bulk which are not harmful to the marine environment (Non-HME); 12- Cargo residues onboard ships carrying solid cargo in bulk which are harmful to the marine environment (HME); Others" encompass all what is not listed between cat 1 and cat 12.

[47]Total waste (disposed to sea + incinerated + landed ashore) in m3. Data provided in cubic meter and not in tons as reported by the vessels and approved by the flag state.

[48]Bilge doesn't fall under garbage requirement.

[49]The rest of the segregated waste is disposed of at an approved shore facility for processing.

Waste	2020	2021	2022	Scope
Waste generated				
Total weight of waste generated (m3 or tons), and a breakdown of this total by composition (CAT[50]) of the waste - N-KOM	**Total = 16,271 m3, 7,082 tons & 365,000 gallons** Cat A, B, C & F (General) = 12,817 m3 Cat C & F = 2,360 m3 Cat C & F = 2,104 tons Cat I = 12.62 tons Other = 1,094 m3 Other = 4,965 tons Other = 365,000 gallons	**Total = 19,200 m3 & 9,681 tons** Cat A, B, C & F (General) = 13,566 m3 Cat C & F = 3,520 m3 Cat C & F = 3,077 tons Cat I = 22.86 tons Other = 2,114.16 m3 Other = 6,581.36 tons	**Total: 19,054 m3, 34,492 tons & 1,195,790 gallons** Cat A, B: 14,434 m3 Cat C: 4,620 m3 Cat F: 2,301 tons Cat I: 25.13 tons Other: 211.15 tons Other: 31,836 tons Other: 118.51 tons Other: 1,195,790 gallons	
Total weight of waste generated (m3 or tons), and a breakdown of this total by composition (CAT) of the waste - NSW	**Total = 67.86 m3** Cat C & F (General) = 18.297 m3 Cat A (Plastic) = 4.361 m3 Others (Oily waste) = 45.20 m3	**Total = 125.11 m3** Cat C & F (General) = 30.691 m3 Cat A (Plastic) = 9.59 m3 Others (Oily waste) = 84.825 m3	**Total = 173.26 m3** Cat C & F (General) = 57.150 m3 Cat A = 12.783 m3 Others = 103.327 m3	
Total weight of waste generated (m3 or tons), and a breakdown of this total by composition (CAT) of the waste - QFAB	**Total = 48.98 m3 & 2.85 tons** Cat A, B, C & F (General) = 48.98 m3 Cat C & F = 2.58 m3 Cat C & F= 2.85 tons Cat I = 0 tons Other = 0 m3 Othe r = 0 tons Othe r = 0 gallons	**Total = 18.88 tons & 264 gallons** Hazardous waste = 2.16 tons CAT A & B (General) = 10.785 tons Cat C & F = 5.94 tons Other (Oily waste) = 264 gallons	**Total = 786.61 tons** CAT A & B (General) = 158.652 tons Cat C & F = 627.957 tons	Non-shipping
Total weight of waste generated (m3 or tons), and a breakdown of this total by composition (CAT) of the waste - Corporate	**Total = 2.73 m3** Cat C & F (General) = 0.51 m3 Cat I = 2.22 m3	**Total = 0.59 m3** Cat C & F (General) = 0.56 m3 Cat I = 0.012 m3 Hazardous waste = 0.02 m3	**Total = 0.27 m3** Cat A = 0.27 m3	
Total weight of waste diverted from disposal in metric tons, and a breakdown of this total by composition of the waste. - N-KOM	**NA**	**Total = 3,099.86 tons** CAT C & F = 3,077 tons CAT I = 22.86 tons	**Total: 34,492 tons** Cat F: 2,301 tons Cat I: 25.13 tons Others: 32,166 tons	

[50]Garbage on shore is classified into the following categories (CAT A & B: General; CAT C & F: Wood & Metal; CAT I: Batteries; CAT OTHER- Spent Grit, Paint Drums, Sludge, Oily Water & Oily Rags).

Waste	2020	2021	2022	Scope
Waste generated				
Total weight of hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations -SOLD- N-KOM	**NA**	**CAT I = 22.86 tons**	**Cat I: 25.13 tons**	
Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations -SOLD- N-KOM	**NA**	**CAT C & F= 3,077 tons**	**Cat F: 2,301 tons**	
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste - N-KOM	**Total = 16,271 m3, 7,082 tons & 365,000 gallons** Cat A, B, C & F (General) = 12,817 m3 Cat C & F = 2,360 m3 Cat C & F = 2,104 tons Cat I = 12.62 tons Other = 1,094 m3 Other = 4,965 tons Other = 365,000 gallons	**Total= 19,200.16 m3 & 9,681.22 tons** Cat A, B, C & F (General) = 13,566 m3 Cat C & F = 3,520 m3 Cat C & F = 3,077 tons Cat I = 22.86 tons Other = 2,114.16 m3 Other = 6,581.36 tons	**Total: 19,054 m3, 34,492 tons & 1,195,790 gallons** Cat A, B: 14,434 m3 Cat C: 4,620 m3 Cat F: 2,301 tons Cat I: 25.13 tons Other: 211.15 tons Other: 31,836 tons Other: 118.51 tons Other: 1,195,790 gallons	
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste - NSW	Other (Oily waste) = 45.20 m3	**Total = 125.11 m3** Cat C & F (General) = 30.691 m3 Cat A (Plastic) = 9.59 m3 Others (Oily waste) = 84.825 m3	**Total = 173.26 m3** Cat C & F (General) = 57.150 m3 Cat A = 12.783 m3 Others = 103.327 m3	Non-shipping
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste - QFAB	NA	**Total = 18.88 tons & 264 gallons** Hazardous Waste = 2.16 tons CAT A & B (General) = 10.785 tons Cat C & F = 5.94 tons Other (Oily waste) =	**Total= 786.6 tons** Non- hazardous Waste= 786.6 tons	
Total waste disposal – landfill (m3 or tons) N-KOM	Total: 15,177 m3 & 4,903 tons General = 12,817 m3 Wood = 2,360 m3 Spent Grit = 4,903 tons	**Total: 17,086 m3 & 6,425.74 tons** CAT A, B, C & F (General) = 13,566 m3 CAT C & F = 3,520 m3 Other = 6,425.74 tons	**Total: 19,054 m3 & 32,167 tons** Cat A, B & C: 19,054 m3 Other: 32,167 tons	
Total waste disposal – landfill (m3 or tons) QFAB	NA	12.945 tons	203.147 tons	
Total waste disposal – recycling (m3 or tons) QFAB	NA	60.225 tons	583.46 tons	
Total waste disposal – recycling (m3 or tons) QFAB	NA	NA	0.84 tons (paper)	

Waste	2020	2021	2022	Scope
Total waste disposal – landfill (m3 or tons) QFAB	NA	12.945 tons	203.147 tons	
Total waste disposal – recycling (m3 or tons) QFAB	NA	60.225 tons	583.46 tons	Non-Shipping
Total waste disposal – recycling (m3 or tons) QFAB	NA	NA	0.84 tons (paper)	

LTIF (Lost Time Injury Frequency)	2020	2021	2022	Scope
Benchmark-ITOSF*	0.39	0.41	0.38	
Nakilat KPI**	0.43	0.41	0.31	All Nakilat and NAC and Joint Ventures (JVs)
Actual	0.39	0.19	0.38	

TRCF (Total Recordable Case Frequency)	2020	2021	2022	Scope
Benchmark-ITOSF*	1.03	1.16	1.30	
Nakilat- KPI**	1.21	1.15	1.09	All Nakilat and NAC and Joint Ventures (JVs)
Actual	0.63	1.11	1.14	

*ITOSF- Informal Tanker Operators' Safety Forum

**KPI- Key Performance Indicator

Occupational Health and Safety	2020	2021	2022	Scope
For all employees and workers				
Number of lost time injuries[51]/incidents	10	5	11	
Lost-time injury rate (LTIF)[52]	0.39	0.19	0.37	
Number of Work-related fatalities	0	0	0	
Number of recordable Cases	16	29	34	
Total Recordable Case Frequency[53] (TRCF)[54]	0.63	1.11	1.14	All Nakilat and NAC and Joint Ventures (JVs)
The main types of work-related injury	Minor Cuts and Bruises/Sprains and Strain/ Foreign Particle in eye	Caught in/Between, Cuts/Laceration/ Puncture, Heat Exhaustion, Strain/ Sprain and Struck by/ Against	Caught in/Between, Burn / Rash, Caught in/ Between, Strain/Sprain. Foreign Particles and Struck by/Against	
The number of hours worked[55]	25,526,586	26,027,630	29,940,323	

403-10: Work related Ill Health	2020	2021	2022	Scope
For all employees and workers				
Fatalities as a result of work-related ill health-Number	0	0	0	
Fatalities as a result of work-related ill health-Rate	0	0	0	All Nakilat and NAC and Joint Ventures (JVs)
Recordable work-related ill health-Number	0	0	0	
Recordable work-related ill health-Rate	0	0	0	
Main types of work-related ill health	There were no cases of work-related ill health reported			

[51]Lost-time Injury represents the high-consequence work related injuries.

[52]Injury Rate at 1,000,000 hours worked.

[53]Excluding first-aid incidents as they do not result in more than one day of absence or do not impose restriction on working ability.

[54]First-aid incidents are not included in the TRCF since these usually do not result in more than one day of missed work or impose any restriction on the working ability of an employee.

[55]Exposure hours shows the time an employee is exposed to work related hazards and risks. Data is submitted by each entity on monthly basis.

Total Number of Employees / Workforce	2020	2021	2022	Scope
Total number of employees	270	278[1]	272[1]	
Full time	270	278	272	
Part time	0	0	0	
Breakdown by contract type				
Indefinite or permanent contracts	213	216	210	All Nakilat and NAC employees
Fixed-term or temporary contracts	57	62[2]	62[2]	
Breakdown by career level				
Senior management	12	12	12	
Middle management	59	51	48	
Non-management	199	215	212	

(1) Total employee in Nakilat and NAC (Direct hire and through third party agency)

(2) Secondees (6) to JVs are included

New Hires and Turnover	2020	2021	2022	Scope
Number of new hires				
Breakdown by Age				
18-30 years old	3	3	7	
31-50 years old	17	33	22	
51+ years old	2	7	5	
Breakdown by Gender				
Male	19	43	29	
Female	3	0	5	
Total number of new hires*	**22**	**43**	**34**	
Number of employees leaving employment during the reporting period (voluntary and involuntary)				
Breakdown by Age				
18-30 years old	1	7	4	
31-50 years old	19	20	26	
51+ years old	4	7	4	
Breakdown by Gender				
Male	18	30	24	
Female	6	4	10	All Nakilat and NAC employees
Total number of employees leaving employment during the reporting period (voluntary and involuntary)*	24	34	34	
Employee turnover rate (voluntary and involuntary)	**9%**	**12%**	**13%**	
Number of employees leaving employment during the reporting period (voluntary)				
Breakdown by Age				
18-30 years old	0	3	14	
31-50 years old	5	9	3	
51+ years old	1	2	3	
Breakdown by Gender				
Male	4	11	15	
Female	2	3	5	
Total number of employees leaving employment during the reporting period (voluntary)*	6	14	20	
Employee turnover rate (voluntary)	**2%**	**5%**	**7%**	

*All Nakilat's employees are based in the region of Middle East (Qatar)

Parental Leave	2020	2021	2022	Scope
Number of employees that were entitled to parental leave				
Breakdown by gender				
Female	46	25[1]	34	
Male	224	202[1]	236	
Number of employees that took parental leave				
Breakdown by gender				
Female	5	3	4	
Male	4	4	4	
Number of employees that returned to work after parental leave				All Nakilat and NAC employees
Breakdown by gender				
Female	5	3	4	
Male	4	4	4	
Retention rate				
Total number of employees returned from parental leave who were still employed twelve months after return to work	9	7	8	
Return to work rate	100%	100%	100%	
Retention rate	100%	100%	100%	

(1) The number are reported for all married employees only. Numbers reported in past years includes all employees, irrespective of their marital status.

Grievances*	2020	2021	2022	Scope
Number of grievances filed in the reporting period	5	6	1	
Number of grievances addressed or resolved	5	6	1	All Nakilat and NAC employees
Number of grievances filed prior to the reporting period that were resolved during the reporting period	0	0	0	

*Grievances listed in the table are in relation to performance management grievances only and raised at the end of the performance management cycle of each year (in December of each reporting year).

Learning and Development	2020	2021	2022	Scope
Total training hours	4,125	7,438	11,269	
Average training hours per employee	15	27	42	
Breakdown by career level				
Senior management	12	12	12	
Total training hours	93	293	156	
Average training hours per employee	8	24	13	
Middle management	59	51	48	
Total training hours	805	1,728	2,936	
Average training hours per employee	14	34	61	
Non-management	199	215	210	
Total training hours	3,227	5,417	8,177	
Average training hours per employee	16	25	39	All Nakilat and NAC employees
Breakdown by gender				
Male				
Total training hours	3,228	5,725	9,064	
Average training hours per employee	14	24	38	
Female				
Total training hours	897	1,712	2,205	
Average training hours per employee	19	41	65	
Performance reviews				
Total number of employees receiving regular performance and career development reviews	220	229	226	
Percentage of employees receiving regular performance and career development reviews (%)	81%	82%	84%	
Breakdown by gender				
Female	36	37	34	
Male	184	192	236	

Diversity and Inclusion (Employees)	2020	2021	2022	Scope
Breakdown by age				
18-30 years old	45	35	31	
31-50 years old	199	209	196	
51+ years old	26	34	43	
Youth employment rate	17%	13%	11%	
Breakdown by gender				
Male	224	236	236	All Nakilat and NAC employees
Female	46	42	34	
Female employment rate	17%	15%	13%	
Breakdown by nationality				
Qatarization*	34%	30%	30%	

*Percentage of all Qatari nationals (including JVs) against the total of Nakilat's established position.

Female Employment	2020	2021	2022	Scope
Total number of employees with disabilities (number)	0	0	0	
Total % of employees with disabilities (%)	0	0	0	
By career level				
Board of Directors				
Number of female employees	0	0	0	
Percentage of female employees	0%	0%	0%	
Senior management				All Nakilat and NAC employees
Number of female employees	0	0	0	
Percentage of female employees	0%	0%	0%	
Middle management				
Number of female employees	7	6	3	
Percentage of female employees	12%	12%	6%	
Non-management				
Number of female employees	39	36	31	
Percentage of female employees	19%	17%	15%	
Equal Pay				
Gender pay ratio (Ratio of basic salary* and remuneration of women to men)	0.82 to 1	1.03 to 1	1.17 to 1	N-KOM and QFAB not included
*Median male salary to median female salary				

Information Security and Data Privacy	2020	2021	2022	Scope
IT expenses (QAR millions)	7.9	9.3	16.4	Nakilat Group

Local Procurement				
Year	2020	2021	2022	Scope
Value of goods and services (USD)				
from local suppliers	80,204,110	69,194,899	94,050,214	
from foreign suppliers	105,696,606	132,659,162	207,830,245	
Percentage of total procurement from local suppliers	43.1%	34.2%	31.2%	Nakilat and NSQL
Number of suppliers				
Local	292	251	255	
Foreign	300	326	329	

Responsible Procurement and Supply Chain	2020	2021	2022	Scope
Supplier environmental assessment				
New suppliers assessed for environmental impacts (%)	100%	100%	100%	Shipping
Suppliers identified as having significant actual and potential negative environmental impacts (number)	0	0	0	

Responsible Procurement and Supply Chain	2020	2021	2022	Scope
Supplier environmental assessment				
Suppliers assessed for environmental impacts (number)	10	20	18	
Number of suppliers identified as having significant actual and potential negative environmental impacts	0	0	0	
Significant actual and potential negative environmental impacts identified in the supply chain	0	0	0	Non-shipping
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment	0	0	0	
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why	0	0	0	

Anti-Bribery and Corruption	2020	2021	2022	Scope
Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region	100%	100%	100%	
Total number and percentage of governance body members that have received training on anti-corruption, broken down by region	No Anti Bribery Corruption Conducted for Chiefs	75% (9 Chiefs)	25% (3 Chiefs)	All Nakilat and NAC employees
Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region	3% (8 employees)	56% (156 employees)	32% (82 employees)	
Confirmed incidents of corruption and actions taken	0	0	0	
Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant	0	0	0	

Payments to Qatar General Tax Authority and Pension Authority and Social and Sports Fund Contribution			
Financial Year (FY)	2020	2021	2022
Withholding tax and pension payment (Thousands QAR)	4,205	4,262	4,058
Social and Sports Fund Contribution (Thousand QAR)	29,005	33,837	35,973

GRI STANDARD

GRI 2: General Disclosures 2021

GRI 2: General Disclosures 2021	Indicator and Disclosure	Report Section/ URL	Page Number in this Report	Omissions / remarks
The organization and its reporting practices	2-1 Organizational details	1.1	01	
	2-2 Entities included in the organization's sustainability reporting	2.1	05	
	2-3 Reporting period, frequency and contact point	1.1	01	
	2-4 Restatements of information	2.1	05	
	2-5 External assurance	2.1	05	
Activities and workers	2-6 Activities, value chain and other business relationships	1.2	03	
	2-7 Employees	5.2, 5.3	73, 83	
	2-8 Workers who are not employees	5.2, 5.3	73, 83	
Governance	2-9 Governance structure and composition	6.1 - Corporate Governance Report 2022 - p31-32, 39, 51-53 (article 6, 18) ESG Committee Charter	92	
	2-10 Nomination and selection of the highest governance body	6.1 - Corporate Governance Report 2022 - page 44 (8-8), 51-54 (article18 & 19), 39 (article 6), page 31-32	92	
	2-11 Chair of the highest governance body	Corporate Governance Report 2022 - page 31-32	-	
	2-12 Role of the highest governance body in overseeing the management of impacts	6.1, 3.4 - Corporate Governance Report 2022 - p31-32, 39, 51-53 (article 6, 18) ESG Committee Charter	15, 92	
	2-13 Delegation of responsibility for managing impacts	Corporate Governance Report 2022 - p31-32 Risk Committee: Corporate Governance Report 2022p 36 (4-4), p41-42 (8-2-4), p42-46 (8-10), p56 (22-1, 22-6) ESG Committee Charter	-	
	2-14 Role of the highest governance body in sustainability reporting	3.2	11	
	2-15 Conflicts of interest	6.1	92	
	2-16 Communication of critical concerns	6.1	92	
	2-17 Collective knowledge of the highest governance body	Corporate Governance Report 2022 - Page 38-39 (5), p45 (9-4), p44 (8-10)	-	
	2-18 Evaluation of the performance of the highest governance body	5.2, 5.3, 6.1	73, 83, 92	

GRI 2: General Disclosures 2021	Indicator and Disclosure	Report Section/ URL	Page Number in this Report	Omissions / remarks
Governance	2-19 Remuneration policies	5.2, 5.3	73, 83	
	2-20 Process to determine remuneration	5.2, 5.3	73, 83	
	2-21 Annual total compensation ratio	5.2, 5.3	73, 83	
Strategy, policies and practices	2-22 Statement on sustainable development strategy	3.1	10	
	2-23 Policy commitments	4.1, 5.1, 5.2, 6.1	22, 55, 73, 92	
	2-24 Embedding policy commitments	4.1, 5.1, 5.2, 6.1	22, 55, 73, 92	
	2-25 Processes to remediate negative impacts	4.1, 5.1, 5.2, 6.1	22, 55, 73, 92	
	2-26 Mechanisms for seeking advice and raising concerns	6.1	92	
	2-27 Compliance with laws and regulations	4.1, 5.1, 5.2, 6.1	22, 55, 73, 92	
	2-28 Membership associations	3.5	19	
Stakeholder engagement	2-29 Approach to stakeholder engagement	3.3, 3.4	13, 15	
	2-30 Collective bargaining agreements	0% covered	-	

GRI 3: Material Topics 2021

Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
3-1 Process to determine material topics	3.4	15	
3-2 List of material topics	3.4	15	

GRI 11: Oil and Gas Sector 2021

Likely Material Topics	Report Section/Omissions /Remarks
Topic 11.1 GHG emissions	4.2
Topic 11.2 Climate adaptation, resilience, and transition	Nakilat is closely coupled to Qatar's Liquefied Gases value chain, which is a vital part of the economy. In all Qatar Energy scenarios, there will be an increased demand for Liquefied Gas shipping. Nakilat continually evaluates further opportunities to diversify. Nakilat finds the Representative Concentration Pathways (RCP) and Shared Socioeconomic Pathways (SSP) scenarios analysis in the International Maritime Organization 4th GHG study as a credible reflection of increasing demand for Liquefied Gases shipping.
Topic 11.3 Air emissions	4.2
Topic 11.4 Biodiversity	4.4
Topic 11.5 Waste	Waste is not a material topic for Nakilat. Nakilat is not involved in the oil and gas extraction, development, production and processing activities. The generated waste by the company's activities is considered insignificant and does not have negative impacts on environment and human health.
Topic 11.6 Water and effluents	Water and effluents is not a material topic for Nakilat. The amount of water withdrawn and consumed by Nakilat and the quality of its discharges does not have any significant long-term impacts on ecosystems and biodiversity, cause health and development problems for humans, and impair food security. Water supply and discharge is governed by Qatar's Ministry of Environment and Climate Change regulations.
Topic 11.7 Closure and rehabilitation	Closure and rehabilitation is not a material topic for Nakilat. Nakilat is not expected to close assets, facilities and rehabilitate operational sites. Furthermore, Nakilat does not have offshore structures to decommission and dismantle. In addition, Nakilat is not involved in oil and gas fields and has no related impacts on impacts on the environment, local communities, and workers.

GRI 11: Oil and Gas Sector 2021	
Likely Material Topics	**Report Section/Omissions /Remarks**
Topic 11.8 Asset integrity and critical incident management	5.1, 5.5
Topic 11.9 Occupational health and safety	5.1
Topic 11.10 Employment practices	5.2
Topic 11.11 Non-discrimination and equal opportunity	5.2, 5.3
Topic 11.12 Forced labor and modern slavery	Forced labour and modern slavery is not a material topic for Nakilat. Nakilat's workers rights are being respected and the company has never been involved on any violations of human rights or other instances of exploitation. In addition, Nakilat has never been involved with any incidence of forced labor and modern slavery as a result of its joint ventures and other business relationships.
Topic 11.13 Freedom of association and collective bargaining	Freedom of association and collective bargaining is not a material topic for Nakilat. Nakilat's workers rights are being respected and the company has never been involved in cases of interference with freedom of association and collective bargaining including, detention of managers and other employees, invasion of privacy, not adhering to collective agreements, and preventing trade union access to workplaces to assist workers.
Topic 11.14 Economic impacts	5.4, 5.5
Topic 11.15 Local communities	5.5
Topic 11.16 Land and resource rights	Land and resource rights is not a material topic for Nakilat. Nakilat's projects are located in uninhabited areas, and there are no plans to start projects in new areas.
Topic 11.17 Rights of indigenous peoples	Rights of indigenous peoples is not a material topic for Nakilat. The company's business activities are not in proximity to indigenous communities.
Topic 11.18 Conflict and security	Conflict and security is not a material topic for Nakilat. The company does not operate in locations and situations of conflict.
Topic 11.19 Anti-competitive behavior	Anti-competitive behavior is not a material topic for Nakilat. Nakilat is not involved on actions which may result in collusion with potential competitors, abuse of dominant market position or exclusion of potential competitors, thereby limiting the effects of market competition.
Topic 11.20 Anti-corruption	6.2
Topic 11.21 Payments to governments	Payments to governments is not a material topic for Nakilat. Nakilat does not lack of transparency about payments to governments. Nakilat is committed to abiding by the tax law. Nakilat takes a responsible and transparent approach to the management and control of taxation issues by following both Qatari and international tax laws.
Topic 11.22 Public policy	Public policy is not a material topic for Nakilat. The company does not participate in public policy development, directly or through an intermediary organization, by means of lobbying or making financial or in-kind contributions to political parties, politicians, or causes.

GRI 201: ECONOMIC PERFORMANCE 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Economic Performance	201-1 Direct economic value generated and distributed	2.2, Nakilat Annual Report	09	
	201-3 Defined benefit plan obligations and other retirement plans	5.2	73	
	201-4 Financial assistance received from government	6.5	105	

GRI 202: MARKET PRESENCE 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	5.3	83	
	202-2 Proportion of senior management hired from the local community	5.2	73	

GRI 203: INDIRECT ECONOMIC IMPACTS 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Indirect Economic Impacts	203-1 Infrastructure investments and services supported	2.2, 5.2, 6.4	09, 73, 104	
	203-2 Significant indirect economic impacts	2.2, 5.2, 6.4	09, 73, 104	

GRI 204: PROCUREMENT PRACTICES 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Procurement practices	204-1 Proportion of spending on local suppliers	5.4	85	

GRI 205: ANTI-CORRUPTION 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Anti-corruption	205-2 Communication and training about anticorruption policies and procedures	6.2	96	
	205-3 Confirmed incidents of corruption and actions taken	6.2	96	

GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Anti-competitive behavior	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices	6.2	96	

GRI 207: TAX 2019	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Management approach disclosures	207-1 Approach to tax	6.5	105	
	207-2 Tax governance, control, and risk management	6.5	105	
	207-3 Stakeholder engagement and management of concerns related to tax	6.5	105	
Topic-specific disclosures	207-4 Country-by-country reporting	6.5	105	

GRI 301: MATERIALS 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Material	301-1 Materials used by weight or volume	4.5	50	

GRI 302: ENERGY 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Energy	302-1 Energy consumption within the organization	4.3	39	
	302-3 Energy intensity	4.3	39	
	302-4 Reduction of energy consumption	4.3	39	
	302-5 Reductions in energy requirements of products and services	4.3	39	

GRI 303: WATER AND EFFLUENTS 2018	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Topic management disclosures	303-1 Interactions with water as a shared resource	4.3	39	
	303-2 Management of water discharge-related impacts	4.3	39	
Topic disclosures	303-1 Water withdrawal by source	4.3	39	
	303-2 Water sources significantly affected by withdrawal of water	4.3	39	
	303-3 Water recycled and reused	4.3	39	

GRI 304: BIODIVERSITY 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
	304-2 Significant impacts of activities, products, and services on biodiversity	4.4	46	
	304-3 Habitats protected or restored	4.4	46	

GRI 305: EMISSIONS 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
	305-1 Direct (Scope 1) GHG emissions	4.2	33	
	305-4 GHG emissions intensity	4.2	33	
	305-5 Reduction of GHG emissions	4.2	33	
	305-6 Emissions of ozone depleting substances (ODS)	4.2	33	
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	4.2	33	

GRI 306: WASTE 2020	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Topic management disclosures	306-1 Waste generation and significant waste-related impacts	4.5	50	
	306-2 Management of significant waste-related impacts	4.5	50	
Topic disclosures	306-3 Waste generated	4.5	50	
	306-4 Waste diverted from disposal	4.5	50	
	306-5 Waste directed to disposal	4.5	50	

GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Supplier environmental assessment	308-1 New suppliers that were screened using environmental criteria	5.4	85	
	308-2 Negative environmental impacts in the supply chain and actions taken	5.4	85	

GRI 401: EMPLOYMENT 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Employment	401-1 New employee hires and employee turnover	5.2	73	
	401-2 Benefits provided to fulltime employees that are not provided to temporary or part-time employees	5.2	73	
	401-3 Parental leave	5.2	73	

GRI 402: LABOR / MANAGEMENT RELATIONS 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Labor / management relations	402-1 Minimum notice periods regarding operational changes	5.2	73	

GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Management approach disclosures	403-1 Occupational health and safety management system	5.1	55	
	403-2 Hazard identification, risk assessment, and incident investigation	5.1	55	
	403-3 Occupational health services	5.1	55	
	403-4 Worker participation, consultation, and communication on occupational health and safety	5.1	55	
	403-5 Worker training on occupational health and safety	5.1	55	
	403-6 Promotion of worker health	5.1	55	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.1	55	
Topic-specific disclosures	403-8 Workers covered by an occupational health and safety management system	5.1	55	
	403-9 Work-related injuries	5.1	55	
	403-10 Work-related ill health	5.1	55	

GRI 404: TRAINING AND EDUCATION 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Training and education	404-1 Average hours of training per year per employee	5.2	73	
	404-2 Programs for upgrading employee skills and transition assistance programs	5.2	73	
	404-3 Percentage of employees receiving regular performance and career development reviews	5.2	73	

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Diversity and equal opportunity	405-1 Diversity of governance bodies and employees	5.3	83	
	405-2 Ratio of basic salary and remuneration of women to men	5.3	83	

GRI 406: NON-DISCRIMINATION 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	5.2	73	

GRI 408: CHILD LABOR 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Child labor	408-1 Operations and suppliers at significant risk for incidents of child labor	5.4, Nakilat Code of Conduct and Ethics	85	

GRI 410: SECURITY PRACTICES 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Security practices	410-1 Security personnel trained in human rights policies or procedures	5.2	73	

GRI 413: LOCAL COMMUNITIES 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Local communities	413-1 Operations with local community engagement, impact assessments and development programs	5.5	89	

GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Supplier social assessment	414-1 New suppliers that were screened using social criteria	5.4	85	

GRI 418: CUSTOMER PRIVACY 2016	Indicator and Disclosure	Report Section	Page Number in this Report	Omissions / remarks
Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	6.4	104	

Human Rights

Principle	Relevant Report Section / Link
Principles 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	5.2, 5.4
Principle 2: make sure that they are not complicit in human rights abuses.	5.2, 5.4

Labor

Principle	Relevant Report Section / Link
Principle 4: the elimination of all forms of forced and compulsory labor;	5.2, 5.4, Nakilat Code of Conduct and Ethics
Principle 5: the effective abolition of child labor; and	5.2, 5.4, Nakilat Code of Conduct and Ethics
Principle 6: the elimination of discrimination in respect of employment and occupation.	5.2, 5.4, Nakilat Code of Conduct and Ethics

Environment

Principle	Relevant Report Section / Link
Principle 7: Businesses should support a precautionary approach to environmental challenges;	4.1
Principle 8: undertake initiatives to promote greater environmental responsibility; and	4.1-4.5
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	4.3

Anti-Corruption

Principle	Relevant Report Section / Link
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribe	6.2

SASB Marine Transportation Disclosures – (Scope: Shipping)

Code	Topic	Accounting Metric	Category	Units of Measure	2020	2021	2022	Comment
TR-MT-110a.1	Greenhouse Gas Emissions	Gross global Scope 1 emissions	Quantitative	Metric tons (t) CO_2-e	5,563,390	5,357,396	5,812,436	
TR-MT-110a.2	Greenhouse Gas Emissions	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	-	-	-	
TR-MT-110a.3	Greenhouse Gas Emissions	(1) Total energy consumed,	Quantitative	Gigajoules (GJ)	74,015,625	73,847,933	80,204,392	
		(2) percentage heavy fuel oil	Quantitative	Percentage (%)	73.28%	68.23%	73.36%	
		(3) percentage renewable	Quantitative	Percentage (%)	0%	0%	0%	
TR-MT-110a.4	Greenhouse Gas Emissions	Average Energy Efficiency Design Index (EEDI) for new ships	Quantitative	Grams of CO_2 per ton-nautical mile	5.371	5.208	5.092	
TR-MT-120a.1	Air Quality	Air emissions of the following pollutants: - (1) NOx (excluding N2O)	Quantitative	Metric tons (t)	138,610	128,659	138,404	
		Air emissions of the following pollutants: - (2) Sox	Quantitative	Metric tons (t)	15,961	13,942	14,767	
		Air emissions of the following pollutants - (3) particulate matter (PM10)	Quantitative	Metric tons (t)	11,975	10,897	11,688	
TR-MT-160a.1	Ecological Impacts	Shipping duration in marine protected areas or areas of protected conservation status	Quantitative	Number of travel days	-	-	-	
TR-MT-160a.2	Ecological Impacts	Percentage of fleet implementing ballast water - (1) exchange	Quantitative	Percentage (%)	77%	78%	30%	
		Percentage of fleet implementing ballast water - (2) treatment	Quantitative	Percentage (%)	23%	22%	70%	

Code	Topic	Accounting Metric	Category	Units of Measure	2020	2021	2022	Comment
TR-MT-160a.3	Ecological Impacts	(1) Number and (2) aggregate volume of spills and releases to the environment	Quantitative	Number, Cubic meters (m³)	0	0	0	
TR-MT-320a.1	Employee Health and Safety	Lost time incident rate (LTIR)	Quantitative / Rate	NSQL	0.36	0.27	0.26	
				STASCO	0.28	0	0	
				TK2	0	0	0	
				TK3	0	0	0	
				MOL	0	0	0	
				NYK1	0	0	0	
				NYK2	1.01	1.01	0.98	
				KLINE	1.77	1.8	1.88	
				PRONAV	0.97	0	1.83	
				MGM	0.26	0	0	
				ILT3	0	0	0	
TR-MT-510a.1	Business Ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Number	0	0	0	
TR-MT-510a.2	Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Reporting currency	0	0	0	
TR-MT-540a.1	Accident and Safety Management	Number of marine casualties, percentage classified as very serious	Quantitative	Number, Percentage (%)	0	0	0	
TR-MT-540a.2	Accident and Safety Management	Number of Conditions of Class or Recommendations	Quantitative	Number	0	0	4	
TR-MT-540a.3	Accident and Safety Management	Number of port state control - (1) deficiencies	Quantitative	Number - NSQL	2	5	32	
				Number - STASCO	0	2	2	
		Number of port state control - (2) detentions	Quantitative	Number - NSQL	0	0	0	
				Number - STASCO	0	0	0	

*Note: This data represents our entire shipping fleet.

**Shipping SASB- Energy and Fuel data for mentioned year is restated following availability of missing quantity.

SASB Activity Metrics Disclosures – (Scope: Shipping)

Code	ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	2020	2021	2022	Comment
TR-MT-000.A	Number of shipboard employees	Quantitative	Number	3,362	3,017	3,409	
TR-MT-000.B	Total distance travelled by vessels	Quantitative	Nautical miles (nm)	5,493,714	6,579,066	7,378,156	
TR-MT-000.C	Operating days	Quantitative	Days	26,583	26,605	13,296	
TR-MT-000.D	Deadweight tonnage[56]	Quantitative	Thousand deadweight tons	7,878,487	7,974,870	8,076,621	
TR-MT-000.E	Number of vessels in total shipping fleet	Quantitative	Number	70	73	74	
TR-MT-000.F	Number of vessel port calls	Quantitative	Number	764	1,434	1,174	
TR-MT-000.G	Twenty-foot equivalent unit (TEU) capacity	Quantitative	TEU	n/a	n/a	n/a	Company fleet does not carry containers

*Note: This data represents our entire shipping fleet.

**Note: Deadweight tonnage data has been restated following the correct reporting from JV partners, there is no effect on any other value..

SASB – Industrial Machinery and Goods– (Scope: N-KOM)

Code	Topic	Accounting Metric	Category	Units of Measure	2020	2021	2022
RT-IG-130a.1	Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	1) 265,579 GJ 2) 100% 3) 0%	1) 292,987 GJ 2) 100% 3) 0%	1) Electricity - 262,188,000 MJ/262,188 GJ 1) Total: LPG - 40,655L & Diesel - 1,493,968 L) 2) 100% 3) 0%
RT-IG-320a.1	Employee Health and Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	Rate	1) 0.65 2) 0	1) 1.43 2) 0	1) 17 TRCs (TRCF - 2.45; TRIR - 0.49) 2) 0 3) NA
RT-IG-410a.1	Fuel Economy and Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Gallons per 1,000 ton-miles	N-KOM does not have any medium and heavy-duty vehicles in its Inventory	N-KOM does not have any medium and heavy-duty vehicles in its Inventory	N-KOM does not have any medium and heavy-duty vehicles in its Inventory
RT-IG-410a.4	Fuel Economy and Emissions in Use-phase	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines2	Quantitative	Grams per kilowatt-hour	N-KOM does not have (a), (b), (c) & (d) in its Inventory	N-KOM does not have (a), (b), (c) & (d) in its Inventory	N-KOM P&M does not monitor fuel efficiency for non- road equipment
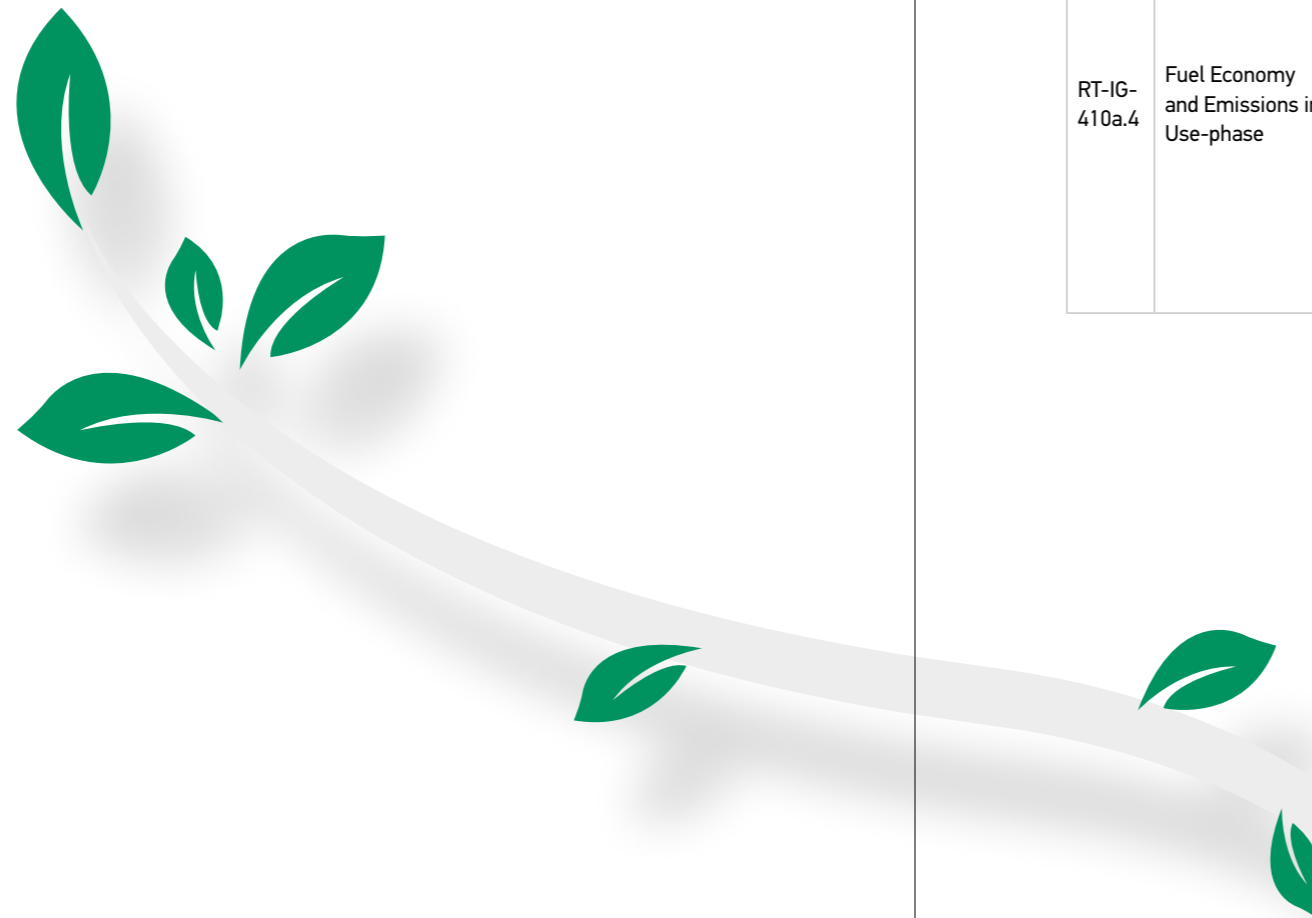
[56] Correction made on TR-MT-000.D data.

Code	Topic	Accounting Metric	Category	Units of Measure	2020	2021	2022
RT-IG-440a.1	Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	Pre-qualification for the suppliers includes the Environmental Certification criteria. Furthermore, stock replenishments for critical materials through Material Resource Planning system also considered to minimize associated risks	Pre-qualification for the suppliers includes Environmental Certification criteria. Furthermore, stock replenishments for critical materials through Material Resource Planning system are also considered to minimize associated risks	Pre-qualification for the suppliers includes the Environmental Certification criteria. Furthermore, stock replenishments for critical materials through Material Resource Planning system also considered to minimize associated risks
RT-IG-440b.1	Remanufacturing Design and Services	Revenue from remanufactured products and remanufacturing services	Quantitative	Reporting currency	N-KOM does not engage in remanufactured products and services	N-KOM does not engage in remanufactured products and services	N-KOM does not engage in remanufactured products & services
RT-IG-000.B	Number of employees	Quantitative	Quantitative	Number	1,300	1,300	1,586

SASB – Industrial Machinery and Goods– (Scope: QFAB)[57]

Code	Topic	Accounting Metric	Category	Units of Measure	2021	2022
RT-IG-130a.1	Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	1) 53,640 GJ 2) 100% 3) 0%	1) 34,722 GJ 2) 100% 3) 0%
RT-IG-320a.1	Employee Health and Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	Rate	1) 0 2) 0 3) 0	1) 0 2) 0 3) 2.34
RT-IG-410a.1	Fuel Economy and Emissions in Use-phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Gallons per 1,000 ton-miles	QFAB does not have any medium and heavy-duty vehicles in its Inventory	QFAB does not have any medium and heavy-duty vehicles in its Inventory
RT-IG-410a.4	Fuel Economy and Emissions in Use-phase	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines2	Quantitative	Grams per kilowatt-hour	QFAB does not have (a), (b), (c) & (d) in its Inventory	QFAB does not have (a), (b), (c) & (d) in its Inventory
RT-IG-440a.1	Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	Pre-qualification for the suppliers includes Environmental Certification criteria. QFAB doesn't procure any critical material.	Pre-qualification for the suppliers includes Environmental Certification criteria. QFAB doesn't procure any critical material.
RT-IG-440b.1	Remanufacturing Design and Services	Revenue from remanufactured products and remanufacturing services	Quantitative	Reporting currency	QFAB does not do remanufacturing design and services	QFAB does not do remanufacturing design and services
RT-IG-000.B	Number of employees	Quantitative	Quantitative	Number	90	319

[57] 2021 SASB is the First declaration from QFAB.

SASB – Oil and Gas – (Scope: NSW)[58]

Code	Topic	Accounting Metric	Category	Units of Measure	2021	2022
EM-SV-110a.1	Emissions Reduction Services and Fuels Management	Total fuel consumed used in: (1) on-road equipment and vehicles	Quantitative	Gigajoules (GJ),	4,068	4,076
		Percentage renewable, percentage used in: (1) on-road equipment and vehicles		Percentage (%)	0	0
		Total fuel consumed, used in: (2) off-road equipment		Gigajoules (GJ),	n/a	n/a
		Percentage renewable, percentage used in: (2) off-road equipment		Percentage (%)	n/a	n/a
EM-SV-110a.2	Emissions Reduction Services and Fuels Management	Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	Discussion and Analysis	n/a	SMS 10-003 Environmental management	SMS 10-003 Environmental management
EM-SV-110a.3	Emissions Reduction Services and Fuels Management	Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	Quantitative	Percentage (%)	n/a	11,590
EM-SV-140a.1	Water Management Services	(1) Total volume of fresh water handled in operations	Quantitative	Thousand cubic meters (m³),	11,494	0
		(2) percentage recycled		Percentage (%)	0	n/a
EM-SV-140a.2	Water Management Services	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	Discussion and Analysis	n/a	n/a	n/a
EM-SV-150a.1	Chemicals Management	Volume of hydraulic fracturing fluid used, percentage hazardous	Quantitative	Thousand cubic meters (m³), Percentage (%)	n/a	n/a
EM-SV-150a.2	Chemicals Management	Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts	Discussion and Analysis	n/a	n/a	n/a
EM-SV-160a.1	Ecological Impact Management	Average disturbed acreage per (1) oil	Quantitative	Acres (ac)	n/a	n/a
		Average disturbed acreage per (2) gas well site	Quantitative	Acres (ac)	n/a	n/a
EM-SV-160a.2	Ecological Impact Management	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	Discussion and Analysis	n/a	n/a	0

Code	Topic	Accounting Metric	Category	Units of Measure	2021	2022
EM-SV-320a.1	Workforce Health and Safety	(1) Total recordable incident rate (TRIR)	Quantitative	Rate	0.68	0
		(2) Fatality rate	Quantitative	Rate	0	0
		(3) Near miss frequency rate (NMFR)	Quantitative	Rate	0	0
		(4) Total vehicle incident rate (TVIR)	Quantitative	Rate	0	1,814
		(5) Average hours of health, safety, and emergency response training for (a) full- time employees,	Quantitative	Rate	1,595	n/a
		Average hours of health, safety, and emergency response training for (b) contract employees,	Quantitative	Rate	n/a	n/a
		Average hours of health, safety, and emergency response training for (c) short-service employees	Quantitative	Rate	n/a	n/a
EM-SV-320a.2	Workforce Health and Safety	Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	Discussion and Analysis	n/a	NSW is certified to the following Integrated Management System (IMS) standards with GCL International. - ISO 9001:2015 Quality Management System - ISO 14001:2015 Environmental Management System and - ISO 45001:2018 Occupational Health and Safety Management System	NSW is certified to the following Integrated Management System (IMS) standards with GCL International. - ISO 9001:2015 Quality Management System - ISO 14001:2015 Environmental Management System and - ISO 45001:2018 Occupational Health and Safety Management System
EM-SV-510a.1	Business Ethics and Payments Transparency	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Reporting currency	n/a	n/a

[58] 2021 SASB is the first declaration from NSW.

Code	Topic	Accounting Metric	Category	Units of Measure	2021	2022
EM-SV-510a.2	Business Ethics and Payments Transparency	Description of the management system for prevention of corruption and bribery throughout the value chain	Discussion and Analysis	n/a	NSW has defined its commitment to excellence in Safety, Environment and Quality in its Safety and Sustainability Policy. This is supported by the A.P. Moller – Maersk Core Values and the APMM Commit (governance framework)	NSW has defined its commitment to excellence in Safety, Environment and Quality in its Safety and Sustainability Policy. This is supported by the A.P. Moller – Maersk Core Values and the APMM Commit (governance framework)
EM-SV-530a.1	Management of the Legal and Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	n/a	IMO - MARPOL convention and protocols	IMO - MARPOL convention and protocols
EM-SV-540a.1	Critical Incident Risk Management	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Discussion and Analysis	n/a	SMS 09-15 Risk Management - Safe System of Work	SMS 09-015 Risk Management - Safe System of Work
EM-SV-000.A	-	Number of active rig sites	Quantitative	Number	n/a	n/a
EM-SV-000.B	-	Number of active well sites	Quantitative	Number	n/a	n/a
EM-SV-000.C	-	Total amount of drilling performed	Quantitative	Meters(m)	n/a	n/a
EM-SV-000.D	-	Total number of hours worked by all employees	Quantitative	Number	n/a	n/a

Vessel Name	Propulsion	Cargo Capacity CBM	Year built	Technical management	Nakilat's Ownership	Annual Efficiency Ratio (AER)* 2020	Annual Efficiency Ratio (AER)* 2021	Annual Efficiency Ratio (AER)* 2022	EEOI (gr/ton Cargo-nm) ** 2020	EEOI (gr/ton Cargo-nm) ** 2021	EEOI (gr/ton Cargo-nm) ** 2022
AAMIRA	Motor	266,000	2010	STASCO	100%	10.41	8.89	10.17	23.43	20.00	22.90
AL AAMRIYA	Motor	210,168	2008	MOL	40%	9.20	9.52	9.20	24.57	25.44	24.58
AL AREESH	Steam	148,786	2007	TK	30%	13.11	12.21	11.87	36.77	34.25	33.27
AL BAHIYA	Motor	210,100	2009	STASCO	100%	8.86	8.71	9.60	23.67	23.29	25.65
AL DAAYEN	Steam	148,853	2007	TK	30%	13.29	13.03	11.96	37.25	36.52	33.52
AL DAFNA	Motor	266,366	2009	NSQL	100%	9.03	8.82	8.65	22.36	21.85	21.42
AL GATTARA	Motor	216,200	2007	NSQL	100%	10.39	10.19	11.06	25.09	24.61	26.70
AL GHARIYA	Motor	210,150	2008	PRONAV	45%	9.82	9.91	9.87	26.22	26.46	26.35
AL GHARRAFA	Motor	216,200	2008	NSQL	100%	10.27	9.70	9.93	24.85	23.47	24.01
AL GHASHAMIYA	Motor	217,591	2009	NSQL	100%	9.11	9.58	9.65	22.31	23.48	23.64
AL GHUWAIRIYA	Motor	263,300	2008	NSQL	100%	7.98	8.05	8.68	21.61	21.82	23.51
AL HAMLA	Motor	216,200	2008	NSQL	100%	11.10	10.64	10.69	26.80	25.68	25.80
AL HUWAILA	Motor	217,000	2008	TK	60%	12.11	10.90	11.35	28.13	25.32	26.38
AL JASSASIYA	Steam	145,700	2006	MGM	40%	15.38	13.39	13.02	41.14	35.82	32.69
AL KARAANA	Motor	210,100	2009	STASCO	100%	9.14	8.89	9.07	24.46	23.78	24.27
AL KHARAITIYAT	Motor	216,300	2009	NSQL	100%	10.09	9.39	10.70	24.45	22.76	25.93
AL KHARSAAH	Motor	217,000	2008	TK	60%	10.57	11.77	10.71	24.55	27.34	24.88
AL KHATTIYA	Motor	210,150	2009	STASCO	100%	8.41	8.31	9.26	22.47	22.20	24.73
AL KHUWAIR	Motor	217,000	2008	TK	60%	11.08	10.64	9.63	25.76	24.73	22.39
AL MAFYAR	Motor	266,370	2009	NSQL	100%	8.79	8.44	9.07	21.78	20.90	22.46
AL MARROUNA	Steam	149,539	2006	TK	30%	12.40	13.54	11.12	34.61	37.78	31.04
AL MAYEDA	Motor	266,000	2009	NSQL	100%	9.22	8.59	9.10	22.84	21.28	22.53
AL NUAMAN	Motor	210,100	2009	STASCO	100%	8.40	9.37	9.42	22.43	25.02	25.16
AL ORAIQ	Motor	210,200	2008	KLINE	40%	8.91	9.43	9.65	23.84	25.21	25.82
AL REKAYYAT	Motor	216,293	2009	NSQL	100%	10.25	10.65	9.96	24.84	25.80	24.13
AL RUWAIS	Motor	210,150	2007	PRONAV	45%	9.83	10.07	9.18	26.23	26.87	24.50
AL SADD	Motor	210,200	2009	NSQL	100%	8.82	8.99	9.06	23.56	24.01	24.20
AL SAFLIYA	Motor	210,150	2007	PRONAV	45%	9.85	10.29	9.81	26.28	27.47	26.19
AL SAHLA	Motor	216,200	2008	NYK	40%	12.29	11.60	10.82	27.40	25.86	26.21
AL SAMRIYA	Motor	263,300	2009	NSQL	100%	7.90	6.50	8.06	21.41	17.62	21.83
AL SHAMAL	Motor	217,000	2008	TK	60%	10.68	11.72	11.34	24.82	27.22	26.34
AL SHEEHANIYA	Motor	210,200	2009	NSQL	100%	9.10	9.13	9.44	24.32	24.41	25.22
AL THUMAMA	Motor	216,200	2008	NYK	40%	12.74	12.14	11.15	28.40	27.08	24.86
AL UTOURIYA	Motor	215,000	2008	NYK	40%	11.03	12.92	11.28	24.70	28.93	25.25

Vessel Name	Propulsion	Cargo Capacity CBM	Year built	Technical management	Nakilat's Ownership	Annual Efficiency Ratio (AER)* 2020	Annual Efficiency Ratio (AER)* 2021	Annual Efficiency Ratio (AER)* 2022	EEOI (gr/ton Cargo-nm) ** 2020	EEOI (gr/ton Cargo-nm) ** 2021	EEOI (gr/ton Cargo-nm) ** 2022
AL WUKIR**	Motor	82,491	2008	NSQL	50%	7.93	7.74	9.03	18.05	17.62	20.53
ASEEM	DFDE	155,003	2009	ILT3	20%	10.48	8.76	8.74	26.97	22.54	22.51
BU SAMRA	Motor	266,000	2009	NSQL	100%	8.97	8.41	9.38	22.29	20.91	23.30
BU SIDRA**	Motor	82,419	2008	NSQL	50%	8.58	8.22	8.76	19.54	18.72	19.96
DUHAIL	Motor	210,150	2008	PRONAV	45%	9.86	9.66	10.37	26.31	25.79	27.68
EJNAN	Steam	145,000	2007	NYK	30%	14.43	15.67	12.44	35.93	39.00	30.97
EXQUISITE – FSRU	FSRU	83,163	2009	NSQL	55%	NA	NA	NA	NA	NA	NA
FRAIHA	Motor	210,100	2008	MOL	40%	9.71	8.81	9.00	25.94	23.53	24.04
GLOBAL ENERGY	MEGI	173,400	2020	NSQL	60%	11.74	6.88	6.47	29.52	17.30	16.27
GLOBAL SEA SPIRIT	XDF	173,400	2021	NSQL	60%	NA	5.89	6.21	NA	14.56	15.35
GLOBAL SEA LINE	XDF	173,400	2022	NSQL	60%	NA	NA	5.14	NA	NA	12.64
GLOBAL STAR	MEGI	173,400	2021	NSQL	60%	NA	6.60	5.81	NA	16.60	14.62
LIJMILIYA	Motor	263,300	2009	NSQL	100%	8.33	8.01	8.24	22.60	21.74	22.35
LUBARA**	Motor	82,452	2009	NSQL	50%	8.03	8.58	8.53	18.27	19.54	19.40
MARAN GAS ACHILLES	DFDE	174,000	2016	MGM	40%	6.46	6.17	8.29	15.84	15.13	17.48
MARAN GAS ALEXANDRIA	DFDE	161,870	2015	MGM	40%	6.81	6.45	7.73	17.54	16.59	17.48
MARAN GAS APOLLONIA	DFDE	161,870	2014	MGM	40%	6.58	6.54	7.81	16.93	16.82	17.63
MARAN GAS ASCLEPIUS	Steam	145,822	2008	MGM	40%	17.07	12.36	10.36	45.64	33.03	30.51
MARAN GAS CORONIS	Steam	145,700	2012	MGM	40%	13.25	12.29	11.22	35.50	32.92	32.81
MARAN GAS DELPHI	DFDE	159,800	2014	MGM	40%	7.41	7.39	6.72	19.15	19.09	16.92
MARAN GAS EFESSOS	DFDE	159,800	2014	MGM	40%	6.76	6.97	7.19	17.48	18.01	19.31
MARAN GAS LINDOS	DFDE	161,870	2014	MGM	40%	7.96	6.46	6.47	20.23	16.42	17.04
MARAN GAS POSIDONIA	DFDE	161,870	2014	MGM	40%	6.06	8.05	7.45	15.59	20.68	19.76
MARAN GAS SPARTA	DFDE	159,800	2015	MGM	40%	6.46	7.03	6.63	16.83	18.30	17.62
MEKAINES	Motor	266,476	2009	NSQL	100%	8.58	9.09	9.13	21.19	22.46	22.56
MESAIMEER	Motor	216,312	2009	NSQL	100%	12.33	10.79	11.04	29.87	26.14	26.76
MOZAH	Motor	266,253	2008	NSQL	100%	9.24	8.89	9.17	22.88	22.02	22.72
MURWAB	Motor	210,100	2008	MOL	40%	9.32	8.96	9.92	24.89	23.94	26.48
ONAIZA	Motor	210,150	2009	NSQL	100%	8.42	8.34	8.49	25.27	25.02	25.49
RASHEEDA	Motor	266,276	2010	STASCO	100%	10.57	8.99	9.48	23.79	20.24	21.35
SHAGRA	Motor	266,276	2009	STASCO	100%	9.99	9.44	10.16	22.46	21.22	22.83
SIMAISMA	Steam	145,889	2006	MGM	40%	14.05	12.45	11.07	37.63	33.33	32.61

Vessel Name	Propulsion	Cargo Capacity CBM	Year built	Technical management	Nakilat's Ownership	Annual Efficiency Ratio (AER)* 2020	Annual Efficiency Ratio (AER)* 2021	Annual Efficiency Ratio (AER)* 2022	EEOI (gr/ton Cargo-nm) ** 2020	EEOI (gr/ton Cargo-nm) ** 2021	EEOI (gr/ton Cargo-nm) ** 2022
TEMBEK	Motor	216,200	2007	NSQL	100%	10.41	10.15	10.16	25.14	24.50	24.54
UMM AL AMAD	Motor	210,200	2008	KLINE	40%	8.55	9.25	8.95	22.80	24.67	23.86
UMM BAB	Steam	145,000	2005	MGM	40%	14.56	11.87	10.03	39.14	31.91	30.46
UMM LAQHAB	Motor	82,408	2008	NSQL	50%	8.18	8.51	8.64	24.93	25.92	26.34
UMM SLAL	Motor	265,978	2008	NSQL	100%	8.99	8.53	9.18	16.66	15.81	17.01
WOODSIDE GOODE	DFDE	159,800	2013	MGM	40%	7.06	6.89	5.71	18.34	17.90	15.33
WOODSIDE ROGERS	DFDE	159,800	2013	MGM	40%	7.50	8.22	7.90	19.48	21.40	21.17
ZARGA	Motor	266,000	2010	STASCO	100%	9.62	9.21	10.17	21.63	20.71	22.86

Note:

*(AER) Annual Efficiency Ratio with Formula:

$\sum$ **(Total CO2 emissions in grams) / $\sum$ (Deadweight in tons x Distance in nm)**

**(EEOI) The Energy Efficiency Operational Indicator (gr/ton Cargo-nm) with formula:

$\sum$ **(Total CO2 emissions in grams) / $\sum$ (98.5% Cargo capacity in tons x Distance in nm x 50%)**

Denominator multiplied by 50% to make average adjustment for ballast voyages.

***EEOI Figures has been restated for year 2020 and 2021 using above EEOI formula.

LIST OF ABBREVIATIONS	
ABC	Anti-Bribery and Corruption
ABMS	Anti-Bribery Management System (ISO 37001:2016)
ABS	American Bureau of Shipping
AGM	Annual General Meeting
AER	Annual Efficiency Ratio
API	American Petroleum Institute
BWM	Ballast water management
BWMS	Ballast Water Management System
BWTS	Ballast Water Treatment System
CAPEX	Capital expenditure
cbm	Cubic meter
CEO	Chief Executive Officer
CFO	Chief Finance Officer
CG	Corporate governance
COLREG	IMO Collision Avoidance Regulations
COO	Chief Operating Officer
CWTP	Contaminated Water Treatment Plant
DCS	Data Collection System
DFDE	Dual Fuel Diesel Electric
DSME	Korean Shipyard
DWT	Deadweight tonnage
ECA	Emissions Control Area (designated by IMO)
EEDI	IMO Energy Efficiency Design Index (New ship)
EEOI	IMO Energy Efficiency Operational Index
EEXI	IMO Energy Efficiency Design Index (Existing ship)
EMS	Enterprise Management System
EMSA	European Maritime Agency
ERM	Enterprise Risk Management
ESG	Environmental, social and governance
ETA	Estimated Time of Arrival
EU	European Union
FSS Code	IMO Fire Safety System Code
GHG	Greenhouse gas
HHI	Korean Shipyard
HR	Human Resource
HSE	Health, safety and environment
HSSEQ	Health, safety, security, environment and Quality

IMO	International Maritime Organization
IMS	IMO Integrated Management System
IOPP	International Oil Pollution Prevention
ISO	International Organization for Standardization
ISM	IMO International Safety Management Code
ISPS	International Ship and Port Facility Security Code
JV	Joint venture
KPI	Key performance indicator
LOPC	Loss of Primary Containment
LNG	Liquefied natural gas
LPG	Liquefied Petroleum Gas
LSA Code	IMO Life Saving Appliance Code
LTI	Lost time injury
LTIF	Lost time injury frequency
MARPOL	IMO Marine Pollution Convention
MDO	Marine Diesel Oil
MGO	Marine Gas Oil
MGM	Maran Gas Maritime
MRV	Monitoring, Reporting and Verification
NGO	Non-Governmental Organisation
NSQL	Nakilat Shipping Qatar Ltd.
OCIMF	Oil Companies International Marine Forum
ODS	Ozone Depleting Substance
OHS	Occupational Health and Safety
OWS	Oily Water Separator
P&I	Protection and indemnity
PDPA	Personal Data Protection Act
PSC	Port State Control
QMS	Quality Management System
QMax/ QFlex	Size category of largest LNG ships in the world
ROV	Remotely Operated Vehicle
RLIC	Ras Laffan Industrial City
SECA	Special Emissions Control Area (designated by IMO)
SOLAS	IMO Safety of Life at Sea Convention
SCR	Selective Catalytic Reduction
SDG	Sustainable Development Goal
SEEMP	IMO Shipboard Energy Efficiency Management Plan

List of Abbreviations	
IFRS	International Financial Reporting Standards
IGC Code	IMO International Gas Carrier Code
IGF Code	International Code of Safety for Ships using Gases or other Low-flashpoint Fuels
IHM	Inventory of Hazardous Material
ILO	International Labour Organization
IMCA	International Marine Contractors Association
PM10 / PM2.5	Particulate Matter
SOx	Sulphur Oxides
NOx	Nitrogen Oxides
VOC	Volatile Organic Compounds
dBA	Decibels, A weighted
pH	potential of hydrogen
COD	Chemical Oxygen Demand
Pb	Lead
Cu	Copper
Fe	Iron

SGMF	The Society for Gas as a Marine Fuel.
SHI	Korean shipyard
SHEQ	Safety Health Environment Quality
SIRE	Ship Inspection and Reporting acc. OCIMF system
SMART	Specific, Measurable, Achievable, Relevant, Time Based
STASCO	Shell Trading and Shipping Company
STCW	Standards of Training, Certification and Watchkeeping
TCO2	Tonnes CO2
TMSA	Tanker Management and Self-Assessment
TRCF	Total recordable case frequency
UN	United Nations
ug/m3	Micro gram per cubic meter
mg/l	Milligram per liter
CO	Carbon Monoxide
TSS	Total Suspended Solids
BOD	Biological Oxygen Demand
Cd	Cadmium
Ni	Nickel
Cr	Chromium
Mn	Manganese

– KPI Definitions

Accidents:	An accident is an unplanned / unwanted event, resulting in loss to people, damage to property or process loss. Almost every accident is the result of a combination of causes.
Environmental Incident:	An unplanned event or chain of events that has or could have a negative impact on the Environment. For reporting purposes following to be recorded: Releases to shore, Oil & chemical releases of 10 kgs. and above; Releases to sea, all releases, regardless of quantity; Releases to air, gas releases of 10kgs and above (Refrigerant releases shall be recorded separately, reference as below)
Exposure hours:	Exposure hours shows the time an employee is exposed to work-related hazards and risks. Exposure hours are used for the calculation of the safety performance indicators.
FAC (First Aid Case):	This is any one-time treatment and subsequent observation or minor injuries such as bruises, scratches, cuts, burns, splinters, etc. First aid may or may not be administered by a physician or registered professional.
FAT (Fatality):	A fatality is a death directly resulting from a work injury regardless of the length of time between the injury and death. Note: Fatalities are included in the Lost Time Injury (6000 man-days lost for one fatality).
Incident	An incident is a general term of any unplanned event, or chain of events, which has, or could have caused, injury, illness, damage or loss. It is used to include all accident and near misses.
LTI (Lost Time Injury)	Is any work-related injury or illness that renders the injured person temporarily unable to perform their work on the day after the day on which the injury occurred. The day after includes rest day, weekend day, scheduled holiday, public holiday or subsequent day after ceasing employment. For the purposes of classification an LTI includes Fatalities (FAT), Permanent Partial Disabilities (PPD), Permanent Total Disabilities (PTD) and Lost Work Case (LWC). LTI = (FAT + PTD + PPD + LWC) Note: if, in a single Incident 20 people receive lost time injuries, then it is accounted as 20 LTI's (not 1 LTI)
LTIF:	Lost Time Incident Frequency (LTIF) is defined as the number of work-related injuries that have resulted in lost time. $$LTIF = \frac{\text{Total number of LTI's X 1 Million}}{\text{Total exposure hours}}$$

Major Incidents (Other than personnel Injury)

Major Incidents are defined as those that have been classified as Tier II or above, Major, such other classification, as defined in the organisations Emergency Response Procedures / Plans. Such incidents would typically defined by:

- Country or region wide with extended media coverage and interest.
- Larger incident and requiring significant measures to bring under control, with a possibility of escalating further.
- Site Equipment insufficient to deal with the incident. External aid and assistance are required to bring under control.
- Not Restricted to Company/ Customer /contractor Property.
- Incident will have an impact on organisations business functions, reputation or financial position.

MTC (Medical Treatment Case)

This is any work related loss of consciousness (unless due to ill health), injury or illness requiring more than First-Aid treatment by a physician, dentist, surgeon or registered medical personnel, e.g., Nurse or paramedic, under standing orders of a physician.

MTC includes the following :

- Injuries which result in loss of consciousness even if the individual resumes work after regaining consciousness (Note : This does not cover loss of consciousness due to ill health)
- Sutures for non-cosmetic purpose
- Use of casts, splints or other means of immobilisation
- Any general surgical treatment
- Removal of embedded objects from eye by surgical means
- Use of a series of compressions for treatment of bruises, sprains or strains. MTC's exclude the following:
- First Aid Cases, LTI's and RWC's.
- Hospitalisation from observation without treatment.
- One off tetanus injections.
- Consultative visit to, or examination by a physician or registered professional for the purpose of a confirmatory check.

– KPI Definitions

NM (Near Misses)	Any unexpected or undesired event or sequence of events that could have resulted in an incident involving injury, illness, damage to assets, environment or Company reputation or consequential business loss, but did not.
Occupational Injury	Occupational injury is any injury such as a cut, fracture, sprain, amputation, etc., which results from a work accident or from an exposure involving a single incident in the work environment.
Occupational Illness	Any abnormal condition or disorder, other than one resulting from an occupational injury, caused by exposure to environmental factors associated with employment. It includes acute and chronic illnesses or diseases which may be caused by inhalation, absorption, ingestion, or direct contact.
Unsafe Acts:	It is the action of a person or persons that, if continued, might lead to an accident, incident or injury.
Unsafe Condition:	It is an existing physical condition in the workplace which, if not corrected, might lead to an accident, incident or injury to personnel.
RWC (Restricted Work Case)	This is an injury which results in an individual being unable to perform all normally assigned work functions during a scheduled work shift or being assigned to another job on a temporary or permanent basis on the day following.
TRC (Total Recordable Cases)	It is the sum of all work related Lost Time Injuries (LTI's), Restricted Work Cases (RWC's) and Medical Treatment Cases (MTC's). **(TRC's = LTI's + MTC's + RWC's)**
TRCF	Total Recordable Case Frequency (TRCF) is defined as the number of major HSE incidents (TRC's) per million-man hours. TRC's are defined using a strict classification system and have major implications to fleet management. Procedures and new initiatives are often introduced as a result of TRC's in order to pursue the group objective of Goal Zero. $$TRCF = \frac{\text{Total number of LTI's X 1 Million}}{\text{Total exposure hours}}$$
Oil Spill to Water	Number of oil spill incidents, any amount.
Annual Efficiency Ratio (AER)	The ratio of a ship's carbon emissions per actual capacity- distance (e.g., dwt/nm sailed). The AER uses the parameters of fuelconsumption, distance travelled, and design deadweight tonnage. $$AER = \frac{\sum_i C_i}{\sum_i dwt\, D_i}$$ Where C_i is the carbon emissions computed using the fuel consumption and carbon factor for each type of fuel, **dwt** is the design deadweight of the vessel, and D_i is the distance travelled in a year.
Energy Efficiency Operating Indicator (EEOI)	Measurement of the fuel efficiency of a ship in operation. It is a carbon intensity indicator "CII" and represents the demand for transport work. $$EEOI = \frac{\sum_j FC_j \times C_{fj}}{m_{cargo} \times D}$$ Calculation being done using simplified average approach for whole year. Where: • j is the fuel type; • FC_j is the mass of consumed fuel j ; • CF_j is the fuel mass to CO2 mass conversion factor for fuel j; • m_{cargo} is cargo carried (tonnes) basis 98.5% capacity of vessel. • D is the distance in nautical miles adjusted by 50% to make average adjustment for ballast voyages.