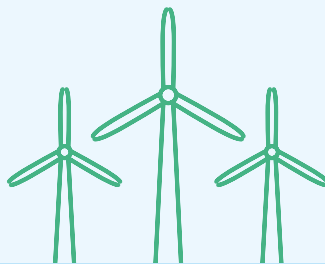
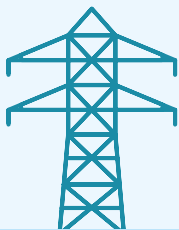
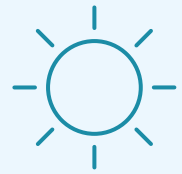
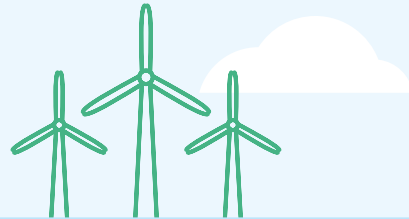


CREATING VALUE RESPONSIBLY

QAPCO'S INTEGRATED REPORT 2022





His Highness
Sheikh Tamim Bin Hamad Al Thani
Amir of the State of Qatar



His Highness
Sheikh Hamad Bin Khalifa Al Thani
The Father Amir

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At QAPCO, we are conscious that our continued success relies upon us taking ambitious climate action, that encompasses the fundamentals of circularity and integrating environmental, social and governance (ESG) principles into all aspects of our business operations.

In delivering on this, the communities where we operate, our customers, partners and the broader industry are assured of our commitment to **Create Value Responsibly.**

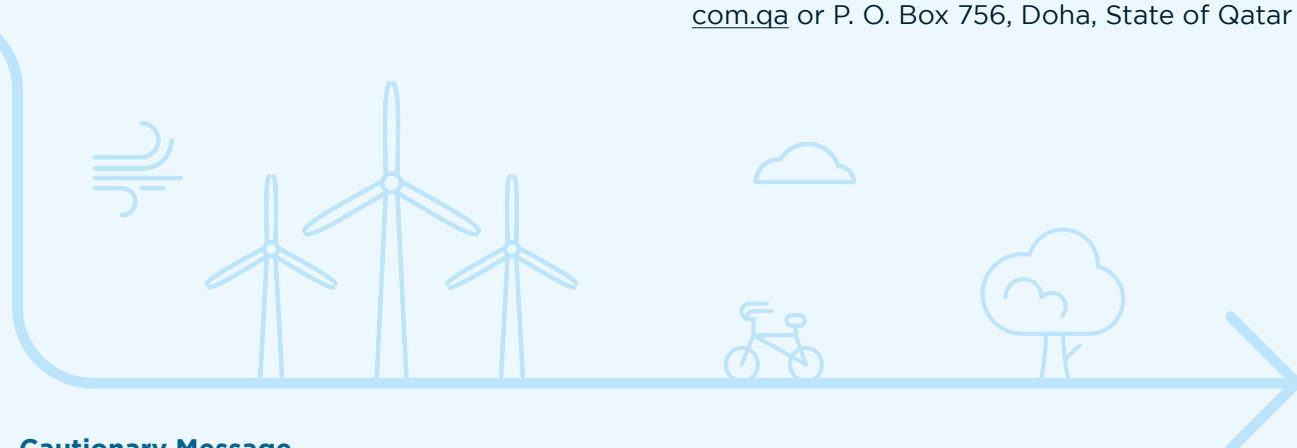
Welcome

We are proud to present our 2022 Integrated Report. Inside, you will find our financial performance, alongside non-financial progress on ESG priorities. Unless otherwise stated, all information is for the 2022 calendar year (ending 31 December).

The report has been prepared in accordance with the highest standards of disclosure and responsible business principles, namely the GRI Sustainability Reporting Standards (see our GRI Content Index – Essentials in Appendix B), the Value Reporting Foundation (see our integrated management model on pages 20 and 21), the United Nations' (UN) Sustainable Development Goals (SDGs) and the Qatar National Vision 2030 (QNV 2030).

Data is presented for QAPCO and the two majority-owned and/or operated joint ventures: Qatofin Company Limited Q.P.J.S.C. and Qatar Vinyl Company Limited (QVC) Q.P.J.S.C. Data for other joint ventures and external contractors, suppliers and clients are not included, unless stated otherwise. All financial data is expressed in Qatari Riyals (QAR). All restated data, together with reasons and impacts of the restatements, are provided in the final chapter of the report.

In line with our commitment to transparency, we share our achievements alongside areas of future improvement. We welcome all feedback on this report: sustainability@qapco.com.qa or P. O. Box 756, Doha, State of Qatar



Cautionary Message

This report contains statements that may be deemed as “forward-looking statements” that express the ways in which QAPCO intends to conduct its activities. Forward-looking statements could be identified using terminology such as “plans,” “aims,” “assumes,” “continues,” “believes,” or any variations of such words that certain actions, events, or results “may,” “could,” “should,” “might,” “will,” or “would” be taken or be achieved.

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



Message From The Chairman



Mr. Abdulaziz Jassim M. Al-Muftah
Chairman of the Board of Directors

I am delighted to welcome you to our sixth Integrated Report. As shown in the financial and non-financial (ESG) performance data within, 2022 was a year in which we not only flourished financially, but we did so by sharing value widely with stakeholders and wider society. The principle of *Creating Value Responsibly* goes to the heart of QAPCO's ethos and is backed by evidence and case examples.

For the petrochemical industry, the past three years have been marked by disruption and volatility. From the unpredictable events of the last few years which increased the demand for household goods and consumer products, while disrupting supply availability; to rising commodity prices and the war in Ukraine. Together, these have catalysed global inflation and the risk of recession in many countries—all while societies continued to recover from the worst of the pandemic.

In 2022, we saw an easing of supply chain constraints, but we also saw regional disparities and natural gas-linked chemicals volatility. Such trends have accelerated national appetites for energy security, as well as raising awareness of the wider importance of ESG to doing business responsibly and resiliently.

The first half of the year was marked by record-high revenues for petrochemical companies. This was driven by strong demand recovery from the pandemic, supply chain constraints from container shipping and tight markets linked to a major winter storm. The combination of these geopolitical trends led to relatively high prices and margins.

In the second half of 2022, however, profits began to return to pre-pandemic levels. A key factor in this was the easing of supply chain constraints as fleet capacity increased and global demand for consumer goods waned. Thanks to our mega turnaround the previous year, we were able to respond with agility and speed, implementing a series of modifications to increase plant productivity. These led to record production levels and backed business continuity and growth of revenues (+5.9% year-on-year). In the face of such profound global and sectoral trends, we can be proud of our resilience and proactivity. The nation depends on businesses like this for economic growth and sustainable development.

Alongside economic value, we have worked hard across our environmental and social priorities to deliver wider positive change in society. Maintaining a constant and open dialogue with stakeholders has been fundamental to this. The strength of these partnerships, and the strategic investment we make directly in local communities, is testament to the weight that my Board places on ESG. Lastly, you will see through this report that we are supporting a thriving natural environment in Qatar as well, by managing emissions and use of precious resources.

There is undoubtedly much work to do on this agenda, but the Board and I are passionately devoted to it. In the year ahead, we will continue to channel resources and commitment into the sustainable economic development of Qatar. We can only do so by *Creating Value Responsibly*.

Message From The MD&CEO

2022 was an extraordinary year for QAPCO, marked by the return to full productivity after the 2021 mega turnaround and by achieving record production. Throughout, we have retained a sharp focus on ESG and our sustainability mission.

This Integrated Report covers a year in which we amplified ESG efforts consistently around the organization. The foundation of this was embedding ESG priorities within our Corporate Strategy. We can now confidently say that non-financial value sits side-by-side with financial value within QAPCO's short, medium and long-term plans.

The second key milestone was the launch of a new Sustainability Framework built on four ESG pillars: Environmental and Climate Stewardship; Maximizing Value; Safety and Wellbeing of our People; and Robust Governance. The strategy positions QAPCO to make a much wider contribution, namely to the QNV 2030 and the SDGs.

Across our sustainability work, we are confident that the investments we make will deliver both financial and non-financial benefits. For example, on environmental and climate stewardship, we have earmarked QAR 6.3 million for innovation R&D, which will reap commercial rewards for the business. Likewise, by deploying smart technologies that save energy, capture carbon and recycle water, we see bottom-line advantages, while protecting Qatar's precious natural resources.

Keeping our people safe is at the heart of how we *Create Value Responsibly*. In 2022, we achieved the lowest injury rate in 10 years, with no fatalities among employees or contractors. This is testament to the rigour of our systems and processes, and to our awareness campaigns to build a culture of Safety First. Ever committed to growing local skills and talent, we are pleased to see an increasing Qatarization rate, now standing at 28%. We have more than doubled the hours of training per employee by raising learning and development investment by over 70%.



Dr. Mohammed Yousef Al-Mulla
Managing Director and CEO

Such interventions, alongside our efforts to promote gender diversity, have reduced the rate of voluntary turnover in recent years.


Robust Governance underpins our Sustainability Framework, and it was timely that we raised further awareness around our Code of Conduct in 2022. The Code sets out how we do business in line with our values, making ethical behaviours and integrity critical to how we mitigate risk, and in turn grow and prosper as an organization.

On behalf of the Management Team, I would like to extend my sincerest gratitude to our people, customers, business partners and all friends of QAPCO for their ongoing support on this important journey. I look forward to seeing what we can achieve in the year ahead.


Highlights Of The Year

In 2022, a number of milestones were achieved in our journey to creating financial and non-financial value for stakeholders and society. Below are just a few highlights of our commercial and sustainability achievements.


Environmental and Climate Stewardship




Reduction
in GHG intensity



64%
Reduction in gas flaring




Zero
spills for 4 years




First LDAR
campaign quantified
and reported on*


Maximizing Value




QAR 9.3bn
Sales



QAR 9.5bn
Economic value distributed



QAR 2.0bn
Spending on local suppliers



Highest ethylene
production,
since inception of company

Safety and Wellbeing of Our People



50,741
Hours training delivered



+70%
Average cost of training
per individual



28%
Qatarization rate



Injury rate
lowest in 10 years



Operational
Excellence
Award from TotalEnergies

Robust Governance



11th Qatarization
Crystal
in supporting education sector



External
assessment
of director performance
conducted



100%
Controls recommended by
supreme committee for 2022
for FIFA World Cup tested for
adequacy & effectiveness

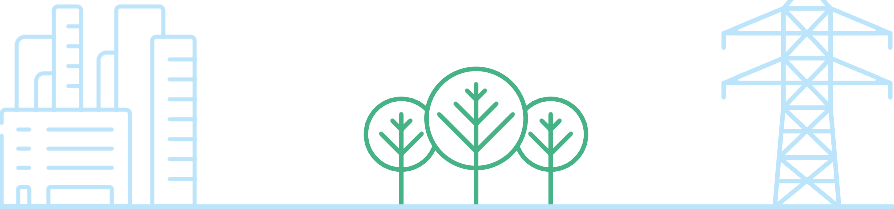


Code of
Conduct
aligned with our shareholders



QAR 2.9m
Invested in CSR projects

*LDAR campaigns have been conducted for the past decade but as from 2022 QAPCO has quantified the leaks and has reported on them.



IN ACTION

2022 FIFA World Cup and QAPCO

Alongside the nation, we were proud to celebrate the FIFA World Cup season. To help get employees in the tournament spirit, we created a dedicated Activation Campaign, to kick off the World Cup around our HQ office and at our plant in Mesaieed.

This continued with weekly World Cup-themed emails throughout the tournament. On FIFA World Cup Value Days, employees were given 'football fun' hours to celebrate their countries' achievements, we also created an opportunity to 620 employees to attend the world cup matches with their family by participating in the world cup tickets lucky draw.

QATAR PETROCHEMICAL COMPANY (QAPCO) Q.P.J.S.C:

Creating Value Responsibly

Founded almost half a century ago, Qatar Petrochemical Company (QAPCO) Q.P.J.S.C is today one of the world’s largest and most successful producers of Low-Density Polyethylene (LDPE). In 2022, 80% of shares were held by Industries Qatar (IQ), with the remaining 20% held by TotalEnergies.

Our main product, LDPE, is considered as the most commonly used type of plastic. Thanks to its innovative applications, it makes our daily lives more practical, safe, and sustainable. Some of the more well-known applications of LDPE include:

- Food packaging
- Agricultural films
- Extrusion and coating lamination films
- High-clarity films
- Injection moulding
- Cables, wires, foam and other products
- Green building solutions

Since July 2013, our products have been marketed and sold exclusively through Qatar Chemical and Petrochemical Marketing and Distribution Company (Muntajat) Q.P.J.S.C. under the Lotrène brand.

Muntajat is a leading global marketing and distribution company, specializing in fertilizers, chemicals, and polymers. The company distributes products produced by various Qatari companies to different regions, including North Africa, Europe, the Middle East, India, and South-East Asia. One of the most prominent companies whose products Muntajat distributes is QAPCO, with a significant portion of QAPCO’s products being sold worldwide.

Vision

To become a world class petrochemical solution partner



Mission

We are a sustainable, responsible producer of Petrochemical solutions, focusing on excellence and product development.



Values



SAFETY



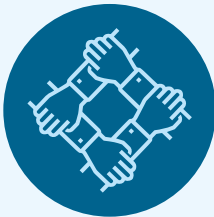
RESPONSIBILITY



RESPECT



INNOVATION



COLLABORATION



INTEGRITY

Find out more about our [vision, mission and values](#)

Our products



LDPE

Low-Density Polyethylene (LDPE)



Ethylene

Ethylene from ethane coming from different sources of the Oil and Gas industry



LLDPE

Linear Low Density Polyethylene (LLDPE) grades suitable for all thermoplastics



Sulfur

Sources of sulfur are gathered from two neighbouring facilities (QatarEnergy and NGL), treated and exported. Its purity and low moisture content, make it a high demand product.

Find out more about [our products](#)

Joint Ventures

We have invested directly and indirectly in ventures that develop and diversify Qatar's downstream petrochemical market. In doing so, we support the Qatar National Vision 2030 (QNV2030), catalysing revenue creation and employment opportunities. Our current joint ventures are:



Qatofin Company Limited Q.P.J.S.C.:

Established in 2010, the company seeks to optimise ethane feedstock by developing the country's natural gas resources. We are the majority shareholder (63%), alongside TotalEnergies Petrochemical France (36%) and QatarEnergy (1%).



Qatar Vinyl Company Limited (QVC) Q.P.J.S.C.:

We have been operating QVC's plants since 2017, with a shareholding of 31.9%. The majority shareholder is Mesaieed Petrochemical Holding Company (55.2%). QatarEnergy holds 12.9%.



Ras Laffan Olefins Company Limited:

Supplying ethylene feedstock, we are a 45.69% shareholder, with Q-Chem II holding the majority (53.31%) and QatarEnergy holding 1%.



Qatar Plastic and Wooden Products Co. :

Specialising in manufacturing wood plastic composite, shrinkable films and hood, construction trash bags and general-purpose foil, we are one of two shareholders: QAPCO (33.34%) and QIMC (66.66%).



Corporate Strategy

In 2022, QAPCO developed a Balanced Scorecard Strategy aimed at amplifying excellence and sustainability, while diversifying and growing the business. The strategy was initiated in 2022, with the core focus on sustainability, which is at the heart of the organization’s mission and vision.

The organization embarked on an in-depth analysis of its internal and external environment to gain a deep understanding of its strengths and weaknesses, together with threats and opportunities in the industry. The analysis allowed the organization to define aspects of sustainability that present great opportunities and to mitigate risks that could hinder the implementation of the strategy. Based on such analysis, the organization identified four ESG strategic priorities, which are: environmental footprint, safety, compliance, and risk exposure. These priorities are aimed at enhancing sustainability, diversifying the business, and improving financial value creation.

The organization recognized the need to increase its efforts to improve its environmental performance and extend this concept to the impact of its products. The initiatives identified to achieve this priority include the reduction of waste and greenhouse gas emissions, the adoption of sustainable practices, and the development of environmentally friendly products.

Safety of its people is a core value of the organization, and the initiatives identified to achieve this priority include the development of a safety culture, training of employees on safety measures, and the adoption of technologies that enhance safety.

To measure performance regularly and rigorously against the set targets and goals QAPCO has set itself, the organization has identified KPIs for each strategic priority.

QAPCO deeply believes that this newly developed strategy will enhance reporting, stakeholder engagement, and productivity, in turn, leading to improved financial value creation.



ESG strategic priorities: Environmental footprint; Safety; Compliance; Risk exposure.



Corporate Strategy Map



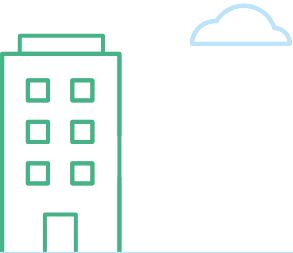
Sectoral Outlook

With the demand for petrochemicals slowing, heightened global competition, supply chain challenges and rising freight costs, it is likely that our business and wider sector will face a more challenging operating environment in the year ahead.

In Q3 2022, quarterly profits in the sector decreased and returned to the average levels of 2019. Supply chain constraints and high freight costs (especially from Asia to Europe and North America), which forced petrochemical markets to operate on a regional basis over the past four-to-six quarters, have eased and global competition has returned. This heralds the end of a period of low leverage in 2021-2022, which was supported by high cashflow generation due to robust demand for petrochemicals and tight supply.

The ongoing war in Ukraine is holding interest rates and inflation at high levels, hampering economic growth and industrial production in almost every market. This is forcing petrochemical prices down. European producers' margins are particularly affected as their production costs have surged in line with energy and gas prices, contrary to the dynamics in place in the Middle East, supporting QAPCO's competitiveness.

The current situation also offers opportunities for companies in the petrochemical sector to explore new markets and products, while adopting more efficient and sustainable practices internally. As a leading petrochemicals producer in the Gulf region, QAPCO is well positioned to harness these opportunities and explore new markets and products.

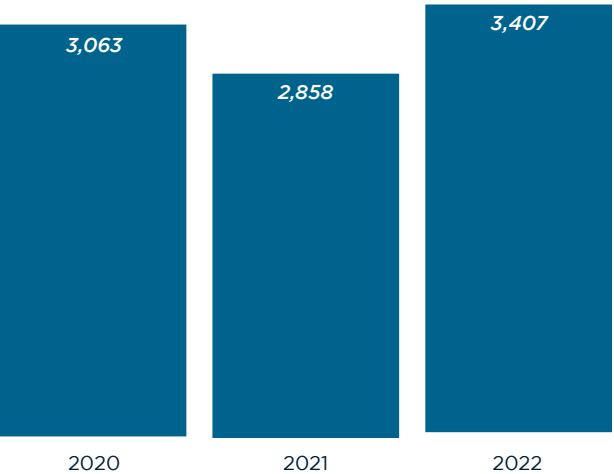


Integrated Value Creation Framework

Our strategy ultimately aims to drive financial and non-financial value for all stakeholders. Our Integrated Value Creation Framework shows how we apply financial, manufactured, intellectual, human, and natural capital to deliver positive outcomes for diverse stakeholders, including revenue creation.

The Framework is integrated into all the business processes to maximize revenues by optimising assets. This was evident in 2022 when we expanded production capacities across all materials, achieving a 19.2% increase in productivity overall.

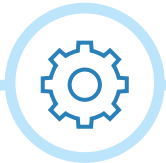
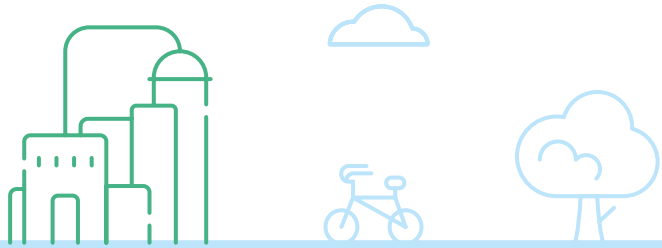
Total Production, kt



We broke daily and monthly Ethylene production records and managed a smooth start-up/stabilisation of the plant after the 2021 mega turnaround. Further production highlights included:

- Successfully handling the export of 2.7 Mt of product and the import of 0.6 Mt of raw materials
- Our first loading of the 'Al Majd' vessel, our highest ever container-loaded single vessel
- Modifying our ethylene loading arm to accept 12,000 Mt vessels, double its previous capacity

These are testament to our rigorous implementation of our Value Creation Framework to maximize productivity and unlock additional value from within our operations. Going forward, we will be replicating aspects of these successes in order to achieve wider productivity optimisation. Detailed data regarding production and logistics is included on page 101.



19.2%

increase in productivity

Our Integrated Value Creation Framework

INPUTS

Financial

- QAR 7,088m in total equity

Manufactured

- QAR 4,407m in properties, plant and equipment

Intellectual

- QAR 6.33m R&D budget

Human

- Total n° of employees: 1,201
- Total hours of training: 50,741

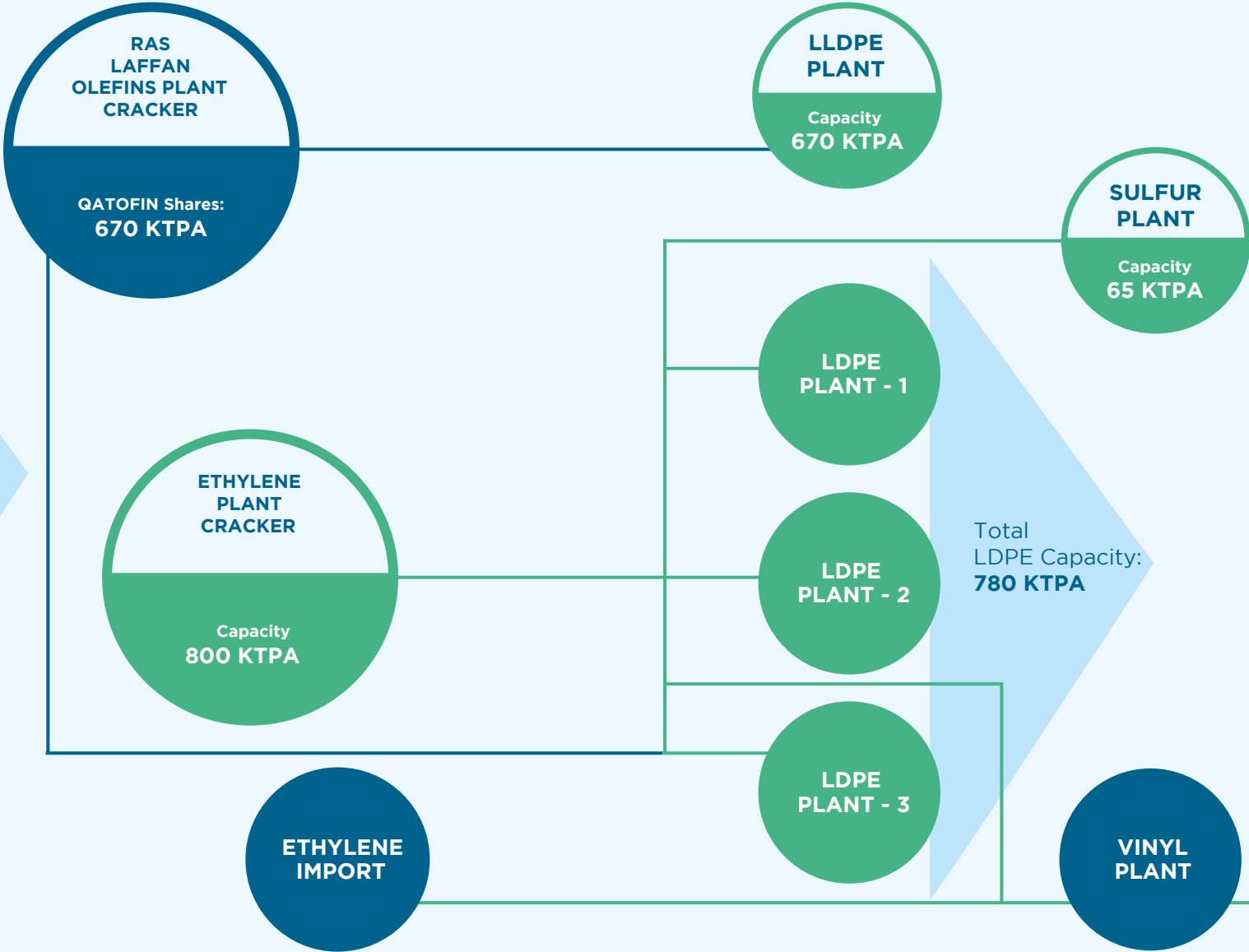
Stakeholder Network

- Stakeholder engagement plan, as described on p. 91

Natural Resources

- 39,140 TJ Fuels
- 2,088 TJ electricity
- 1,081 KT of Ethane

ETHANE FEEDSTOCK FROM OIL & GAS INDUSTRY IN QATAR



ROBUST CORPORATE GOVERNANCE

INVESTING IN OUR PEOPLE

ADVANCING OUR OPERATIONS

REDUCING ENVIRONMENTAL IMPACT

OUTPUTS

Financial

- QAR 7,519m in total equity

Manufactured

- QAR 4,319m in properties, plant and equipment

Intellectual

- 13 R&D projects – 1 patent application – 1 provisional patent – 3 peer-reviewed articles published in journals

Human

- 350+ active OJT Blueprints
- 10 certified courses carried out
- 28% Qatarization

Stakeholder Network N°

- 4 major events held
- No. 8 strategic partnerships with local universities and organizations
- No monetary and non-monetary sanctions

Natural Resources

- 3,404 KT of products

Sustainability At QAPCO

Strategically prioritising sustainability ensures that we not only solidify our stewardship of the planet, but that we maximize value creation for investors and stakeholders, while managing risks and contributing to the broad mandates of QNV 2030.

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Our Approach

Sustainability at QAPCO

At a strategic level, our 14 material issues are the foundation for how we contribute to the SDGs and to accelerating sustainable solutions to the world’s biggest challenges. The SDGs represent a universal commitment for peace and prosperity for people and the planet now and into the future.

We have made a Global Sustainability Commitment – a corporate-level strategy that delineates the guiding principles for preserving our planet and advancing society, while also pursuing our business growth and prosperity.

We take intentional and ambitious action aligned with achieving our objectives by following a roadmap for the commitments and actions under each pillar, with the SDGs in mind. We have ensured we have the resources to work towards our goals by expanding our sustainability team. We understand that each goal is inherently and deeply interconnected, and the actions taken on one goal can support or hinder the achievement of others.

Identifying and addressing the interconnectivities between each of these goals helped us identify our 14 material issues. Created using a systems-thinking approach, they too should be viewed holistically.



Sustainability Framework

Our strategic Sustainability Framework is divided into four ESG pillars and 14 material issues. In 2022, we mapped the issues to 10 out of 17 UN SDGs. The specific actions related to each material issue are described in detail in the following chapters of the report.

The 14 material ESG issues shown in the Framework have been identified via robust materiality analysis. In 2022, we refreshed this process, confirming an updated list of material issues verified through peer benchmarking and analysis of industry standards, while realigning to our new corporate strategy.

Stakeholder engagement is key to how we deliver positive impact, and we engage with eight groups on an ongoing basis:



Government



Shareholders



Customers



Community-based Organizations



Academia



Industry Associations



Employees



Suppliers

Our priority is to balance their evolving concerns and expectations over time. A detailed stakeholder engagement plan is included on page 91.



	Material Issues	GRI 3: Material Topics Disclosure 3-2 List of Material Topics	UN SDG	KPI
Environmental and climate stewardship	Climate Action and Energy Management	Energy Emissions	13 CLIMATE ACTION	<ul style="list-style-type: none">• Energy intensity, GJ/total production• Tons of CO2/ Tons of Total Production• Process water recycled, %
	Air Emissions (non-GHG)	Emissions	13 CLIMATE ACTION	
	Ecological Impact and Waste Management	Waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 14 LIFE BELOW WATER 15 LIFE ON LAND	
	Water Management	Water and Effluents	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 14 LIFE BELOW WATER	
Maximizing value	Financial Performance	Economic Performance	8 DECENT WORK AND ECONOMIC GROWTH	<ul style="list-style-type: none">• R&D budget, mQAR• Number of approved patents• Economic Value Distwributed, mQAR
	Research, Innovation, and Digitalization	-	8 DECENT WORK AND ECONOMIC GROWTH 17 PARTNERSHIPS FOR THE GOALS	
	Product Stewardship and Customer Satisfaction	Customer Health and Safety Marketing and Labelling Customer privacy	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
	Sustainable Sourcing	Procurement Practices Supplier Environmental Assessment Supplier Social Assessment	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	
Safety and wellbeing of our people	Training and Development	Training and Education	4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH	<ul style="list-style-type: none">• Number of fatalities as a result of work-related injury or illness (employees and contractors)
	Health and Safety	Occupational Health and Safety	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH	
	Talent Attraction and Retention	Employment	8 DECENT WORK AND ECONOMIC GROWTH	
	Diversity and Inclusion	Market Presence Diversity and Equal Opportunity Non-discrimination	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	
Robust governance	Corporate Governance, Risk, and Business Ethics	Anti-corruption	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	<ul style="list-style-type: none">Number of data security breachesNumber of policies published in accordance with Code of ConductNumber of operations assessed for risks related to corruptionTotal social investment spending, mQAR
	Contribution to Community	-	8 DECENT WORK AND ECONOMIC GROWTH 17 PARTNERSHIPS FOR THE GOALS	

Environmental & Climate Stewardship

As a leading player in the petrochemical industry, we have a profound responsibility to support a healthy environment and stable planet. As the first strategic pillar of our Sustainability Framework, environmental and climate stewardship is about mitigating risks as well as harnessing opportunities for a more sustainable future.

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Our Approach

Environmental and Climate Stewardship

In recent years we have accelerated our environmental and climate efforts. We proactively set sustainability targets to reduce greenhouse gas (GHG) emissions intensity, increase water and energy efficiency and reduce material loss. We have also embarked on the development of a holistic sustainability strategy that will guide our long-term goals.

We continue to undertake efforts to improve how we measure our GHG footprint, baselining and capturing the emissions from our operations. We continue to increase our research in circular economy solutions and support the development of advanced recycling technologies that will create value from waste, while reducing emissions.

Working with our R&D partners is critical to how we improve our own impact and engage the petrochemical industry towards common goals. This is why we continue to invest in innovation and new product development that will support a greener future.

Strategy Pillar	Strategic KPIs	Units	2020	2021	2022
Environmental and climate stewardship	Energy intensity	GJ of Energy Consumed/ Tonnes of Total Product	18.27	17.17	17.74
	GHG Intensity	TonCO ₂ eq/Tonnes of Total Product	1.41	1.36	1.22
	Process water recycled	%	0	0	19.06



Climate Action & Energy Management

Our GHG emissions management strategy is twofold: establishing accurate and complete accounting and reporting plans and identifying projects to reduce GHG emissions.

We manage and report GHG emissions as carbon dioxide equivalent (CO_{2eq}) in line with the QatarEnergy GHG Accounting and Reporting Programme, which in turn aligns with the European Union Commission Regulation No 601/2012.

Emission factors for major source streams are calculated from fuel analysis data performed on daily or weekly basis, while emission factors used for Scope 2 Electricity emissions are provided by QatarEnergy. Global Warming Potentials used are for methane (CH₄) and nitrous oxide (N₂O) are based on the [Intergovernmental Panel on Climate Change fifth assessment report](#). Activity data (fuel

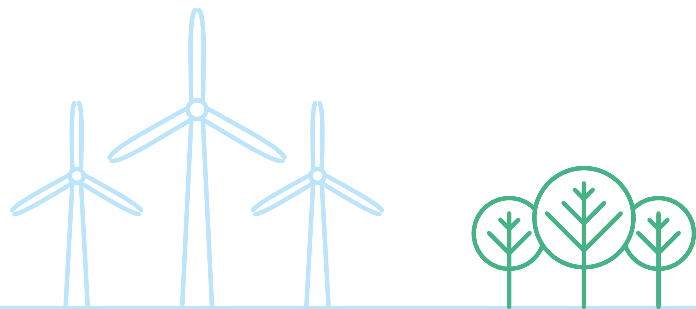
consumption) is derived from flow meter measurements for all sources. For fidelity of our measurement and accounting process, all our energy and emissions data are yearly verified through an independent third-party carbon auditor.

In order to ensure continuous improvement and compliance, in 2022 we deployed fuel gas sampling systems on GTs (power plant) and boilers fuel systems, and we installed new state-of-the-art flow meters on our flare headers. Such steps provide us with more accurate and higher fidelity measurements. We have also invested in a third-party LDAR fugitive emissions management software, designed to collect and analyse data from our LDAR program, enabling us to have accurate and central collection of data on fugitive emission management program. Furthermore, this allows us to expand quantification of Scope 1 emissions as from this reporting cycle by including methane fugitive emissions.

IN ACTION

Eliminating Methane Leaks

Methane is an extremely potent GHG, with an impact on climate change far more intense than CO₂. Identifying leaks is therefore not only critical to how we drive down overall emissions, but it can offer economic opportunities¹ by reducing material losses. In 2022, we launched a Leak Detection and Repair programme covering all QAPCO, Qatofin and QVC plants. We are now taking forward the findings to eliminate fugitive methane emissions.



1 The International Energy Agency estimates that methane leaks from global fossil fuel operations, if captured and marketed, could offer an additional 180 billion cubic metres of gas to the market, helping to address fuel crises in Europe.

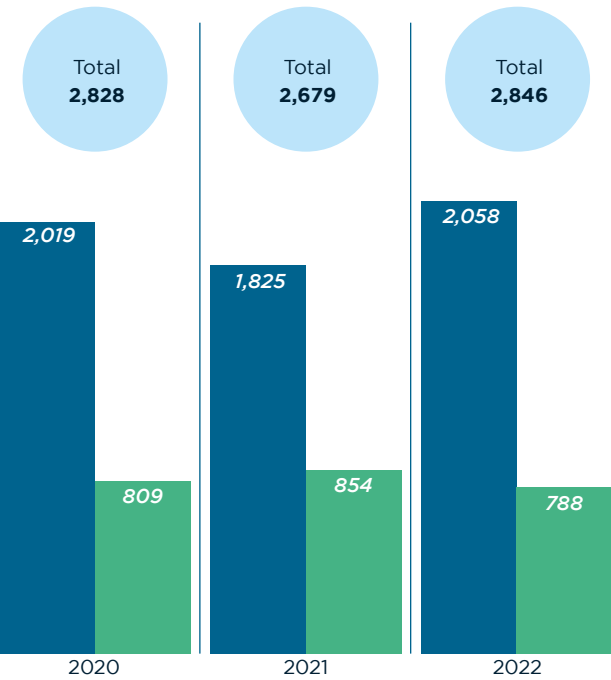
GHG Emissions Performance

We disclose direct and indirect GHG emissions, defined as Scopes 1 and 2 under the [GHG Protocol](#)², for QAPCO, Qatofin, and QVC. In 2022, QAPCO and Qatofin saw a very marginal increase in total GHG emissions compared to 2020 (please note that for QAPCO and Qatofin comparison should be made between 2022 and 2020, as during 2021 the mega turnaround took place which means data is not significant for comparison).

QVC however saw a decrease in its emissions. When analysed by carbon intensity (total emissions divided by total production), we see a clear downward trend in emissions, thanks to increased efficiency achieved as a consequence of actions carried out during the 2021 mega turnaround.

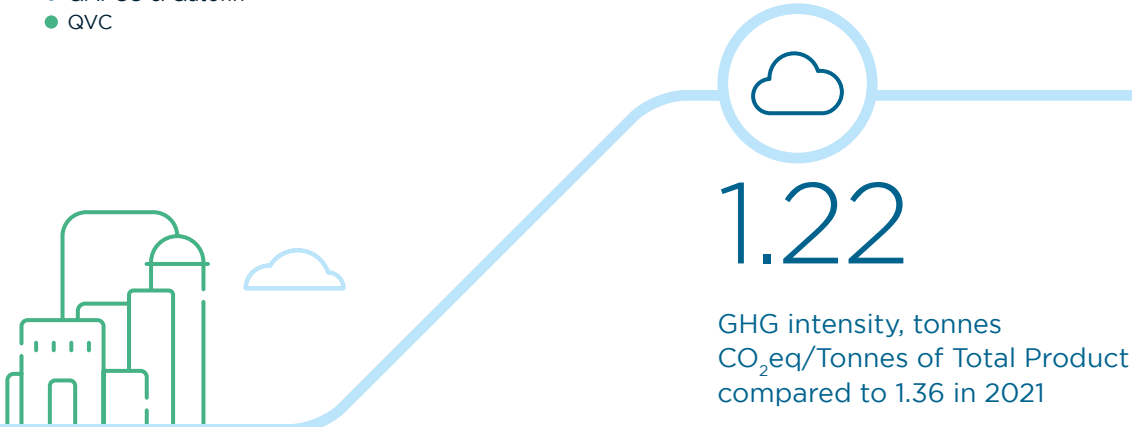
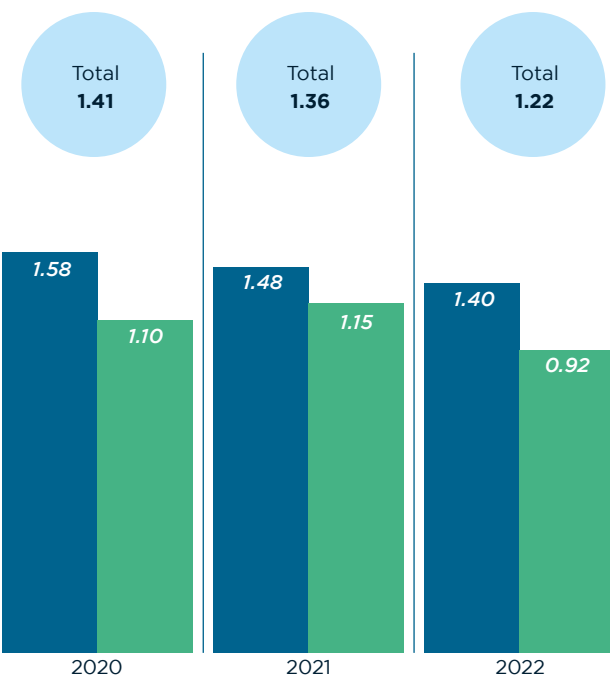
See all performance data on pages 93 and 94.³

Total Emissions (Scopes 1 & 2), Ktonnes CO_{2eq}



● QAPCO & Qatofin
● QVC

GHG Intensity, Tonnes CO_{2eq}/Tonnes of Total Product³



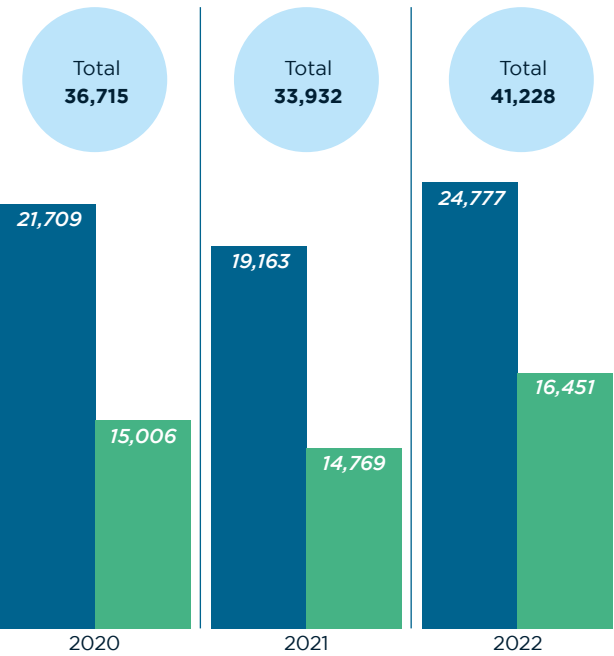
2 Scope 1: direct CO₂, CH₄ and N₂O from combustion of fuels and CH₄ emissions from the process ; Scope 2: indirect emissions deriving from electricity consumption.
3 Production is identified as ethylene and polyethylene production for QAPCO and Qatofin, as QVC's production for QVC, and as the sum of these for the organization's intensity calculations. All intensity data going forward in the report will be calculated based on these production volumes, unless otherwise stated.

Energy Consumption Performance

In 2022, all reporting entities saw increases in total energy consumption⁴. Since this is primarily due to increased productivity, when data is normalised per tonne of material produced, energy consumption remains largely unchanged for QAPCO and Qatofin, while QVC reduced energy intensity year-on-year. Note, this comparison is largely with respect to 2020 as stated earlier. As for the GHG emissions, the reduction in energy intensity can be brought back to the activities carried out during the 2021 mega turnaround.

See all performance data on pages 93 and 94.

Total Energy Consumption, TJ



● QAPCO & Qatofin
● QVC

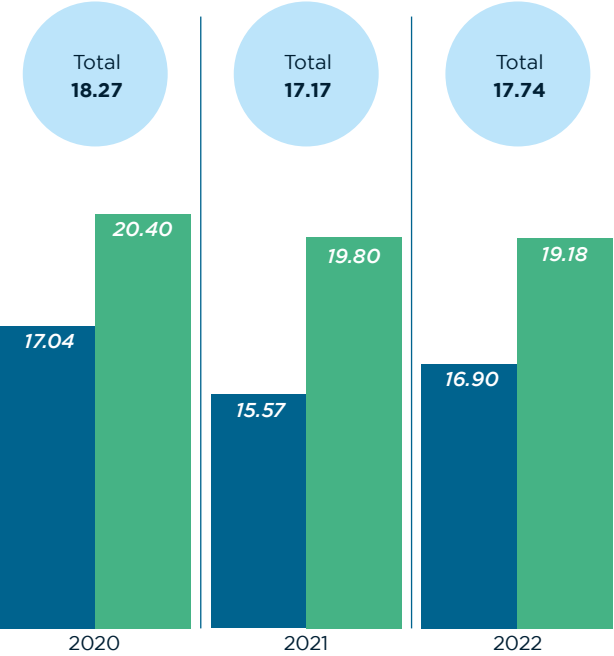
Reducing GHG Emissions

To address our second strategic priority above (identifying projects to reduce GHG emissions), in 2022 we amplified efforts to reduce direct fuel consumption and indirect electricity consumed and partially re-sold. This included progressing in our investment to upgrade QVC's gas turbines by deploying Heat Recovery Steam Generation (HRSG) systems:

- HRSG – 1: estimated to avoid more than 217,000 tonnes of CO₂ emissions annually, with a 92% reduction in boiler fuel use. Completion date estimated in Q2 2023.
- HRSG – 2: estimated annual savings of nearly 106,000 tonnes CO₂, completion date estimated in Q2 2024.

Both projects will also contribute to reducing non-GHG air emissions, particularly NO_x.

Energy Intensity, GJ/Tonnes of Total Product



Air Emissions (Non-GHG)

In parallel with our activities to reduce GHGs, we also monitor and seek to avoid other harmful emissions to air – notably, nitrogen oxides (NO_x), sulphur oxides (SO_x) and flared gas⁵.

In 2022, we completed the upgrade of our Sulphur Recovery Unit, enabling us to reduce gas flaring by 64%. A new project in the pipeline, which is still in the feasibility phase, is the installation of a flare gas recovery which will allow to further reduce QAPCO's gas flaring.

Meanwhile, QAPCO's continuous emissions monitoring system helped us closely following on NO_x emissions control which resulted in emissions reductions over last two-years⁶ of 17% in NO_x and of 38% in SO_x, as shown in the charts.

See all performance data on pages 94 and 95.

Air emissions, tonnes		2020	2021	2022
QAPCO & Qatofin	SO _x	275	165	171
	NO _x	1,075	750	888
	Flared gas*	321	355	126
QVC	NO _x	169	256	294
Air emissions, intensity ⁷				
QAPCO & Qatofin	SO _x	0.35	0.27	0.21
	NO _x	1.35	1.22	1.10
	Flared gas*	160	196	58
QVC	NO _x	0.23	0.34	0.34

*Please note that quantity of flared gas is expressed in Million Standard Cubic Meters.



4 Total energy consumption is the sum of fuel consumption and electricity consumed. Fuel is measured by meters allocated in the plants and adjusted using mass and energy balances, while electricity consumption is assumed as per the provider's (Kharamaa) invoices. No other form of energy (steam or hot water) is imported from third parties, but it is all produced and consumed internally.

5 QAPCO's Consent To Operate (CTO) mentions the following relevant air emissions: NO_x, SO_x, Particulate Matter (PM), CO, and flared gas.
6 A comparison to 2021 would be inaccurate due to a pause in processes for approximately two months that year due to the mega turnaround.
7 QAPCO and Qatofin's SO_x and NO_x intensities are calculated using as a denominator total Ethylene production, in kilo tonnes. QVC's NO_x intensity is calculated using as a denominator total QVC production expressed in kilo tonnes. Flared gas intensity is expressed as Standard Cubic Meters of gas flared over tonnes of ethylene and polyethylene produced.

Ecological Impact & Waste Management

All environmental impacts are assessed as part of the company's integrated management system (IMS), which is certified to international standards of environment, health, safety, and quality: ISO 14001, RC 14001, ISO 9001, ISO 45001.

Impact identification and assessment is conducted using company risk assessment procedures with all impacts recorded in company risk registers, where mitigation and control measures are identified and implemented. The risk register is reviewed and updated periodically.

KPIs are set to monitor the impacts and compliance to relevant requirements. Regular internal and external IMS audits are conducted as per the annual audit plan that covers all areas of the organization. The Internal Audit department also conducts annual compliance audits and further ad hoc audits and inspections are conducted by the Qatar Ministry of Environment and Climate Change (MoECC).

“
Our IMS is certified to ISO 14001, RC 14001, ISO 9001, ISO 45001
”

Environmental Impact Assessments are carried out for all new projects, with all recommendations assessed and implemented. We continue to invest in environmental management measures, against our QAR 300 million budget 2023-2025.

Raising awareness of ecological impact and waste management is an important aspect of our approach. We engage employees and business partners on a regular basis so that they understand our very high expectations with regard to environmental protection. This includes internal awareness sessions and communication campaigns on waste minimisation, resource efficiency, water conservation and environmental protection and preservation.

Zero 
spills in four years



IN ACTION

Upholding The Highest Ecological Standards

We are proud to have achieved zero minor or significant spills for the past four years. This is testament to the effectiveness of our IMS and emergency preparedness procedures and tools. These include spill kits at chemical handling locations and emergency showers throughout plants.

We also ensure specialist personnel receive hazardous materials incident training certified to National Fire Protection Agency standards, while our memorandum of understanding with port authorities is designed to contain pollution at sea in case of spills.

In 2022, a major groundwater decontamination project was underway around our ethylene plant, showing promising results so far. Meanwhile, QVC completed a detailed assessment of groundwater contamination in the vinyl plant area, and further steps will be taken after detailed assessment of the contamination levels.



IN ACTION

Using Innovation To Solve The Plastic Recycling Conundrum

For nearly a century, the petrochemical industry has been supplying essential polymer-based materials to the world. These materials, known as plastics, have had a positive impact on our quality of life and made significant contributions to the global economy. Due to a combination of lightweight, flexibility, durability and other unique properties, plastics have revolutionized many industries such as packaging, health care, agriculture and transportation. Furthermore, the plastics industry has created jobs and driven economic growth, providing employment opportunities, and supporting local communities. Plastic waste in the environment, however, remains an issue to be solved especially as recycling rates remain very low at a global average around 10%.

In addition to promoting the responsible use of plastics, the development of new and innovative plastic products by the industry has also driven innovation in new recycling solutions, many of which have the potential to significantly reduce plastic waste and its

impact on the environment. There are several emerging technologies aimed at recovering energy and raw materials from plastic waste, including innovations related to Mechanical Recycling, Chemical Recycling, Pyrolysis, Gasification and Biodegradation. Innovations also extend to advanced sorting techniques and waste management systems. Despite the challenges, these emerging technologies offer promising solutions for reducing the amount of plastic waste in the world. However, their widespread adoption will depend on their feasibility, cost-effectiveness, and environmental impact.

Solving the issue of plastic waste will require a holistic approach based on collaboration between all stakeholders across the value chain and significant investments in research & innovation. QAPCO is working in collaboration with universities, technology providers and the innovation eco-system in Qatar with several initiatives aimed at converting plastic waste into value-added products with promising results.

Waste Management

Our waste management procedures ensure rigorous compliance with law and cover waste generation, disposal, and treatment. Records are managed via Systems Applications and Products (SAP) software whereby data is analysed, and regular reports generated for internal improvement and compliance. Our waste is managed by a fully compliant third party and we also ensure the following:

-  All waste entering a waste transit area is labelled and inspected, with final disposal at compliant treatment or disposal facilities
-  A Waste Manifest system is followed at all times
-  The waste contractor submits disposal certifications
-  Contractors are selected by following strict technical evaluation criteria (see supplier management on page 56), with regular performance reviews
-  Periodic visits to waste disposal facilities are conducted

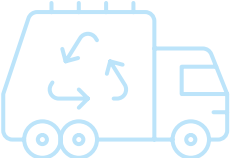
QAPCO and our subsidiaries measure every hazardous waste stream and roughly estimate the volume of non-hazardous waste produced (in 2022, QAPCO and Qatofin produced together around 9,380 m³ of non-hazardous waste and QVC 2,250 m³).

All hazardous and non-hazardous waste is sent to landfill, with some hazardous waste streams being subject to other disposal operations (for details please see pages 95 to 98). Used oil is instead segregated and sent to recycling facilities and waste streams that have a residual value (such as metal scrap) are managed through an auction process and are sold for recycling. Catalysts that contain precious metals are sold to vendors in order to extract and recycle these metals.

Overall, hazardous waste generated and managed has increased in the past three years due to activities linked to shutdown of the plants, such as the 2021 mega turnaround and some minor shutdown activities that took place in 2022.

See all performance data on pages 95 to 98.

Hazardous waste managed, Mt	2020	2021	2022
QAPCO & Qatofin	577	1,642	710
QVC	220	253	342
Hazardous waste intensity			
QAPCO & Qatofin	0.29	0.91	0.33
QVC	0.30	0.34	0.40



Water Management

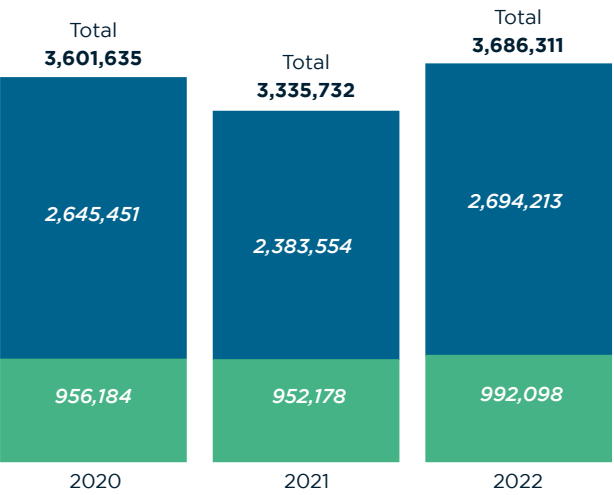
Water-related impacts are identified, assessed, and recorded in risk registers. Our impact in terms of freshwater withdrawal is limited as all water used is derived from seawater, which is either used directly in plant cooling (where it is returned to the sea following strict monitoring for free residual chlorine and temperature differential as per the requirements from the MoECC), or indirectly as desalinated water for process steam generation, certain processes, and human consumption.

Wastewater streams are adequately treated and partially recycled/reused. The resultant effluent discharge is assessed by collecting regular samples and analysed in an onsite laboratory to ensure MoECC pollutant standards are strictly observed. A Laboratory Information Management System (LIMS) enables us to periodically report data to management and MoECC. Process wastewater is sent to a treatment unit, which was upgraded in 2022 to enable water recycling in the process. A significant quantity of sanitation wastewater is treated in our sewage treatment plant where it is returned for reuse in landscape irrigation. The remaining is sent to an external treatment plant.

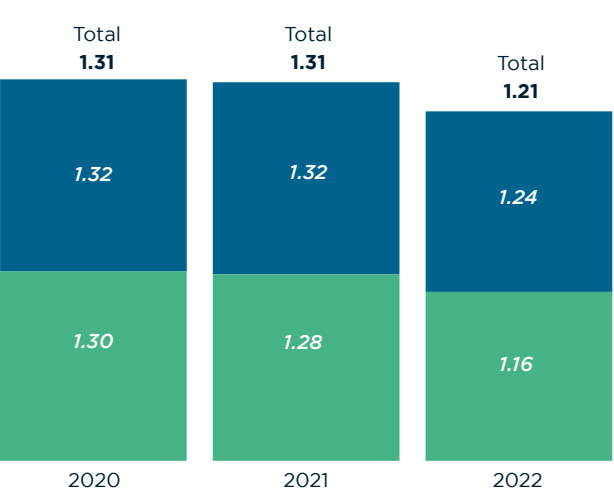
In 2022, freshwater consumption at QAPCO and Qatofin slightly increased at an absolute level but decreased around 5% in terms of intensity. At QVC too, we saw a slight increase in absolute water consumption, yet intensity decreased by over 10%, indicating improved water efficiency processes by minimizing leaks and adopting water conservation. We also began reporting seawater withdrawal and freshwater recycling for the first time and look forward to analysing trends from this year forward.

See all performance data on pages 98 and 99.

Total freshwater consumption (m3)



Freshwater consumption intensity



● QAPCO & Qatofin
● QVC

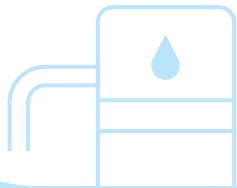


IN ACTION

Recycling Process Wastewater

At QAPCO, we are acutely aware that we operate in a region of extreme water scarcity – an issue that is likely to be exacerbated by climate change. Therefore, we continue to find ways to play our part in reducing, reusing, and recycling precious water resources. In 2022, we upgraded our U45 process wastewater treatment unit. The renovations have not only increased its capacity but mean that wastewater can be treated to potable grade by deploying tertiary processes.

We are pleased to report that we now discharge significantly less treated effluent to sea and meet around 26% of freshwater demand from recycled/reused water. Our aim is to achieve 45% in 2023.





Looking Ahead on Environment & Climate Stewardship



Mr Paul Gerardus Vermeiren
Chief HSEQ Officer

Looking ahead to the upcoming year, we anticipate achieving significant milestones in our Heat Recovery Steam Generator (HRSG-1 and HRSG-2) projects, which are scheduled to conclude by 2024. This progress is not only beneficial for our organization’s financials but also contributes to a substantial enhancement in energy efficiency and a reduction in our carbon footprint.

However, our endeavours extend beyond these accomplishments. We are diligently monitoring flaring activities and other air emissions such as nitrogen oxides (NOx) and sulphur oxides (SOx) to ensure strict control over our operations. By doing so, we strive to maintain a responsible and environmentally friendly approach.

Additionally, we have recently enhanced our Leak Detection And Repair (LDAR) project, a venture that fills us with excitement. Preliminary assessments indicate a remarkable 29% decrease in Methane Fugitive Emissions and their corresponding greenhouse gas emissions compared to previous levels. This achievement signifies a considerable step forward in our commitment to reducing our environmental impact.

Our focus goes beyond air emissions, as we are actively engaged in the effective management of waste and water usage. We aim to improve our entire value chain, placing special emphasis on waste management. We have compelling initiatives in progress, such as circularity and environmental management, which promise exciting developments. We eagerly anticipate sharing further details about these initiatives throughout the upcoming year.

Maximizing Value

We aspire to achieve sustainable growth for our business and our nation. As an innovator, collaborator, and responsible business, we maximize and share the value we create, building trust within which our shareholders and with the communities within which we operate. These strategic commitments extend to our supply chain.

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Our Approach

Maximizing value

Maximizing value begins with maintaining a strong financial position and meeting our customers’ needs with safe, high-quality products. It also means looking to the future by investing strategically in R&D technologies and partnerships that help us create products with environmental or social benefits. All the while, we invest in local economic stability through national procurement and sustainable supplier partnerships.

Our refreshed Corporate Strategy supports financial stability by outlining how we will increase sales revenues and reduce costs through increased efficiency and reliability within plants. At the same time, we will increase the contribution margin by diversifying our portfolio, increasing the production of speciality products, and improving customer satisfaction rates.

We remain committed to building a sustainable supply chain, and we continually push ourselves and our partners to improve responsible buying practices.

Strategy Pillar	Strategic KPIs	Units	2020	2021	2022
Maximizing Value	R&D budget	[mQAR]	4.67	6.40	6.33
	Number of approved patents	[N]	0	1 provisional patent	1 provisional patent
	Economic Value Distributed	[mQAR]	6,840	9,737	9,575



Financial Performance

In 2022 the high sales revenues continued in the petrochemicals sector during the first half of the year, driven by external factors including higher crude prices and higher demand.

However, in the second half of the year, prices started to decline mainly due to new capacity installed in the market, which increased the supply, while the demand increase from China, India, and other markets was fragile and weak (see page 8 [chairman statement] and 18 [Sectoral outlook]). Despite this scenario, we were proud to record around 5.9% uplift in revenues. This reflects the resilience of our business model, our investments in risk mitigation and our future-focused mindset.

Economic value distributed is a measure of how we share the value we create, and it has steadily increased over three years (plateauing in 2022). It captures our spending in salaries, purchase of goods, community investments, and more.

See our performance data on page 100 and our complete financial statements starting from page 111.

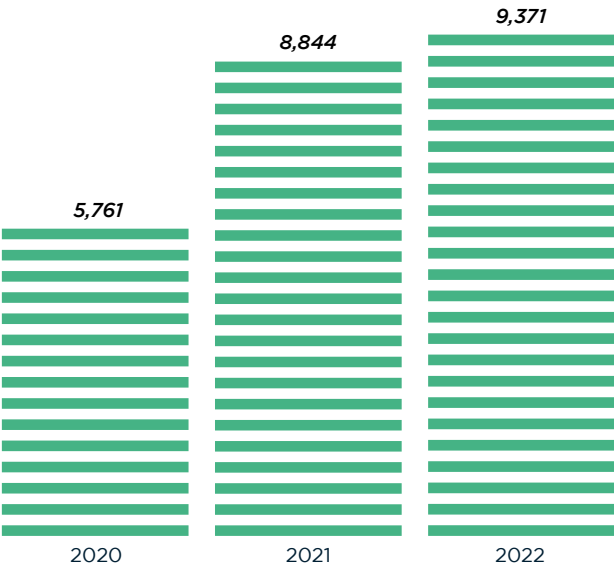
Financial Performance, mQAR	2020	2021	2022
Revenues	5,761	8,844	9,371
Economic Value Distributed	6,840	9,737	9,575
Economic Value Retained	-1,403	-162	462
Social spending	1.0	1.7	3.4



+5.9% 

year-on-year revenues

Revenues



Product Stewardship & Customer Satisfaction

Serving over 3,000 customers in 135 countries, we provide Qatar’s downstream industries with added-value goods.

Comprised of in-house experts in LDPE and LLDPE applications, characterisation and processability, our technical customer service team provides responsive and knowledgeable support. It is dedicated to establishing and maintaining a partnership between our customers and the company; identifying non-compliance in connection with product behaviour; providing technical solutions to help customers improve the properties of the final articles; and handling and investigating customers claims and complaints regarding product quality and processing problems.

All marketing, distribution and sales are managed by Muntajat, a Qatari-owned distribution company.

Responsible product stewardship means delivering high quality products, while respecting the safety and health of employees, contractors, communities, and the environment. We are proud to hold an international Responsible Care accreditation, the chemical industry’s stamp of continuous improvement and excellence in environment, health, safety and security performance. In 2022, we were able to significantly increase productivity without compromising our responsible care standards.

See all performance data on pages 101 and 102.

3,000 

Customers

135 

Countries

Product Safety & Quality

Our Responsible Care accreditation reflects the emphasis we place on developing and delivering our products with safety as our utmost priority. This applies from raw material sourcing to customer use. We ensure the timely registration of products and/or ingredients with all applicable international or national regulatory bodies. For example, where plastic end use may involve contact with food, a regulatory team verifies that all raw materials comply with applicable food contact plastic regulations. We also employ a regulatory consultant to conduct analytical tests and risk assessments where required. All Lotrène grades are evaluated and compliant to food contact application as standard. When receiving our goods, customers can access technical data sheets and material safety data sheets. Validated by our Quality Department, these documents include information on handling and storage, potential hazards, and other issues.

QAPCO has built a solid reputation as a provider of high-quality products in the global market. The company’s focus on quality has grown along with its expanding operations. QAPCO’s quality control system is based on ISO 9001 requirements to ensure value chain traceability and that customer expectations are constantly met. It includes practicing responsible manufacturing and quality control, with raw material sampling, testing and automated and/or visual inspections of the product at various manufacturing stages. In 2022, we increased the percentage of prime-grade product across LDPE and LLDPE (see page 101). A further achievement was registering with the Bureau of Indian Standards, which required rigorous evidence of quality audits and compulsory testing. IS 7328- 2020 currently applies for our LDPE and LLDPE, with more in development.

See all performance data on pages 101 and 102.



100% 

of products assessed for labelling compliance

Zero 

non-compliances found by the Bureau of Indian Standards








Research, Innovation & Digitalization

Innovation and Collaboration are two out of five Company Values. We strive to continually improve our processes to achieve greater efficiency, productivity, and performance, and each of us at QAPCO is accountable for the quality, efficiency, and effectiveness of our work.

Reflecting our strategic five-year plan to implement initiatives across product portfolio diversification, plastics recycling, and circular economy, in 2022 we dedicated QAR 6.33m to our R&D activities. This enabled us to formally integrate sustainability into product design and development, as well as wider processes and new projects.


Below are examples of some of our R&D Product and Applications Development projects moving towards commercialisation, strategic objectives and positive ESG outcomes.

-  Use of locally produced **recycled polyethylene as asphalt binder modifier** for roads in Qatar in collaboration with TAMUQ. For this project, the patent application has been submitted and field trial planning underway.
-  Production of **sustainable bioplastics from industrial wastewater** in collaboration with Hamad Bin Khalifa University (HBKU).
-  Green3SPCM: this project aims at developing efficient and effective heat-absorbing and heat-releasing materials from recycled polymeric waste which, after installation in a greenhouse, will passively contribute to conserve energy.
-  Development of sustainable polymers for 3D printing in collaboration with Texas A&M University at Qatar (TAMUQ).
-  Development of recycled Lotrene grades (R-Lotrene)

Engineering Overview


Our Engineering Department focuses on the design and implementation of projects that deliver efficiency, while prioritising safety and environmental protection.

Our Engineering Department chairs the TATWEER Working Committee to establish state-of-the-art innovation centres in Qatar.




Heat Recovery Steam Generators

- Aim: Improve energy efficiency, environmental performance and reliability.
- Completion date: 2024
- Project Budget: QAR 249.34m




Heavy Oil Collection

- Aim: Improve drain safety.
- Completion date: 2024
- Project Budget: QAR 10.5m



Continuous Emissions Monitoring

- Aim: Improve accuracy of stack emissions monitoring and heighten environmental compliance.
- Completion date: 2023
- Project Budget: QAR 8.5m




Ethylene Plant Flare Gas On-Line Analysers

- Aim: Track composition of flared gas.
- Completion date: 2023
- Project Budget: QAR 4.9m



LLDPE Wastewater Improvement

- Aim: Improve quality of wastewater.
- Completion date: 2023
- Project Budget: QAR 3.5m



Redundant Liquid Sulphur Tank

- Aim: Avoid acid gas flaring.
- Completion date: 2025
- Project Budget: QAR 22.0m

IN ACTION

Using Digitalization to Accelerate Our Sustainability Journey

Sustainability has become an essential element of modern business operations, and its integration into the petrochemical industry has created significant opportunities for progress. As the world moves towards a more sustainable future, QAPCO must accelerate its sustainability journey to meet the evolving expectations of our stakeholders. Over the last decade, industry has been undergoing significant transformations, including a transition away from carbon-intensive fossil fuel-based processes. This transformation will enable the industry to create a more sustainable marketplace, but it is not without risk. QAPCO has started working towards a robust digital roadmap keeping sustainability a one of core ambitions. Some of the key initiatives are:

- Data analytics and Artificial Intelligence (AI) enable QAPCO to collect and analyse vast amounts of data from our operations, supply chains, and stakeholders. Data analytics and AI can help identify areas for improvement and optimize processes to reduce waste, increase energy efficiency, and lower emissions.
- The Internet of Things (IoT) enables us to collect real-time data from equipment and devices, enabling QAPCO to monitor operations, identify potential issues and optimize their processes. IoT sensors can monitor emissions, energy consumption, and waste generation to thus manage environmental impacts on their operations.
- Digital Supply Chain Management also helps QAPCO improve supply chain management by providing real-time visibility into supply chain operations. This visibility enables us to optimize our logistics, reduce transportation emissions, and better manage their inventories.

- Use of data analytics and AI with the help from our tech partners like AVEVA and Microsoft to predict when equipment is likely to fail, enabling us to perform maintenance proactively rather than reactively. By implementing Predictive Asset Maintenance (PAM), we plan to reduce downtime, minimize waste, and optimize energy consumption. PAM can also be used to monitor the performance of assets in real-time, enabling us to identify and address inefficiencies that may be contributing to the environmental impact of our operations.



As the world moves towards a more sustainable future, QAPCO must accelerate its sustainability journey to meet the evolving expectations of our stakeholders



At QAPCO we believe AI can help us in improving all our business goals and make organization ready for future challenges. Digital technologies are not just a necessary tool for industry to continued success but also a key factor in building a sustainable future for our planet and we at QAPCO remain committed to it.



Sustainable Sourcing

Our dedication to Maximizing Value responsibly extends to our suppliers. By working closely together for positive ESG outcomes, we contribute to the QNV 2030, the In-Country Value policy and Tawteen supply chain localisation programme for the energy sector. Since 2020, spending on local suppliers has increased by around 35%.

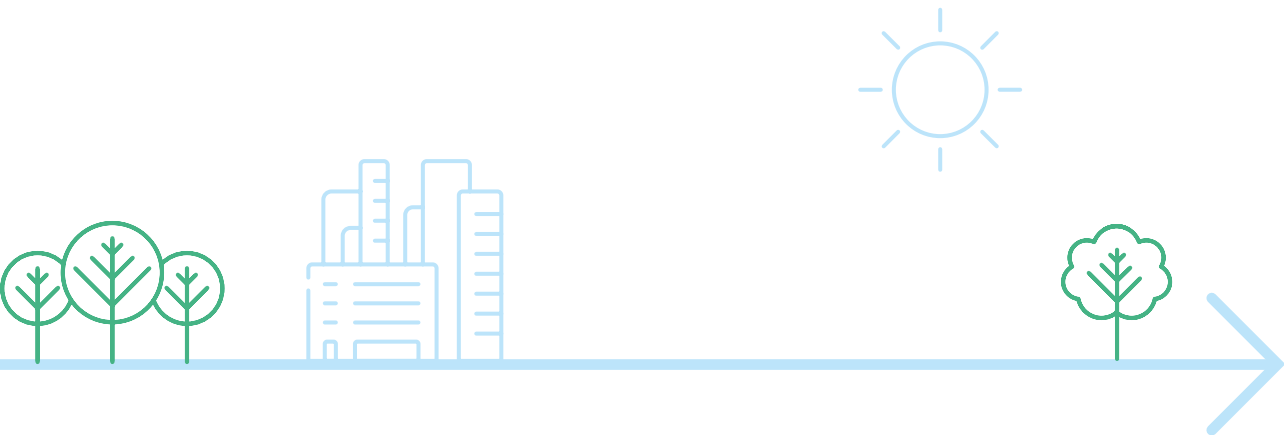
Prior to selection, suppliers must undergo a technical evaluation, which includes ESG criteria, such as health, safety, environmental and product quality requirements. In 2022, we added contractor safety management criteria to new tenders. Furthermore, standard contract templates and scope of works include further expectations on labour practices and human rights. All contracts state clearly that suppliers and providers shall comply with Qatar labour laws as a minimum requirement. In addition, environmental and labour rights are addressed in the technical evaluation criteria for manpower tenders. The welfare of contractor personnel is addressed in contracts, covering salary, health care, uniform, transportation, accommodation, catering, medical insurance, and safety.

Between 80 and 100 suppliers are assessed each year for their social and environmental impacts. In 2022, we found only around five percent with significant impacts. In these instances, we held face-to-face meetings and defined action plans to improve performance, prior to termination of any contract.

See all performance data on pages 102 and 103.



Sustainable Sourcing	2020	2021	2022
Number of local suppliers engaged	366	381	376
Total purchases on local goods and services, mQAR	1,483	2,007	2,008



Looking Ahead to Maximize Value




Mr Vincent Raymond Magne
Chief Operations Officer

Looking ahead, QAPCO is positioned to continue to make strides towards enhanced operational efficiency and sustainable growth. Our primary objective for the year, will be to optimize our production mix by maximizing the output of ethylene, a key intermediate in our production process, while maintaining overall production volumes. This focus is intended to ensure we align with market demand and improve profitability.

Our commitment to production optimization extends beyond immediate returns. Through careful resource allocation and systematic upgrades to our processes and plants, we are making sustainable investments in our future capacity and profitability. We are confident that these ongoing improvements will ensure that QAPCO remains at the forefront of the industry.

In the long run, our strategic focus on these operational and structural enhancements will empower us to adapt to market trends, drive consistent growth, and deliver value to our stakeholders. Our vision is clear, and we are excited to continue this journey of innovation, growth and excellence in the year ahead.



Dr Yousuf Abdulla Rebeeh
Chief Engineering Officer

In 2023, we shall continue to embark on transformative engineering projects designed to increase efficiency, boost productivity, and reduce our greenhouse gas emissions. From a strategic standpoint, our goals include the deployment of critical technologies and engineering solutions for process optimization and new plant expansions/offerings.

Furthermore, with regards R&D, our focus will continue to be on developing novel systems and processes that will unlock value

for our organization. As such, we're actively working on innovative plastic recycling techniques and energy-efficient methods, which in the not-too-distant-future should bear fruit and offer a competitive advantage. Additionally, our partnerships with leading research institutions are set to grow, driving advancements in our capabilities.

The integration of these large projects and collaborations underscores our commitment to a sustainable future in the petrochemical industry, as we continue to strive towards innovation, engineering excellence and efficiency.



Mr Hamad Ahmad Al-Hijji
Chief Financial Officer

As we look ahead to 2023, we expect a year of mixed fortunes. The petrochemical industry continues to see robust demand which is likely to bolster revenue and sales. However, ongoing geopolitical instability and fluctuating crude oil prices present potential headwinds that may influence costs and margins. Additionally, environmental regulations and societal shifts toward perceived green alternatives could start to impact consumer behaviours in our sector.

Inflationary pressures, increased logistics costs, and the potential for supply chain disruptions are also being factored into our outlook. We are being proactive and resilient in our approach, optimising operations and focusing on efficiency and innovation.

Successfully navigating this landscape requires a strategic focus on risk management, cost control, and enhancing operational efficiency. As CFO, I remain committed to driving sustainable profitability and value creation for our shareholders in these challenging times.

Safety & Wellbeing Of Our People

With more than 1,200 talented people directly contributing to the success of our business, our employees are our greatest asset. They deserve to come to work knowing they will be kept safe, empowered to grow and supported to be part of an inclusive and collaborative team.

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Our Approach

Safety and Wellbeing of our People

Our corporate value and foremost priority is the health and safety of all the people that work with us, direct employees and contractors. We have in place rigorous processes and procedures that mitigate occupational and process safety risks for employees and contractors. These systems are supported by ongoing training, awareness drives and health campaigns.

Furthermore, as an organization, we invest in our people and provide opportunities for them to grow, develop new skills and thrive within and beyond QAPCO. Training and developing our workforce is an investment in the productivity and innovation of our business.

We are proud of our resilient and high-performing workforce that has enabled the business to Create Value Responsibly over the years.

Strategy Pillar	Strategic KPIs	Units	2020	2021	2022
Safety and wellbeing of our people	Number of fatalities as a result of work-related injury or illness (employees)	[N]	0	0	0
	Number of fatalities as a result of work-related injury or illness (contractors)	[N]	0	0	0



Health & Safety

At QAPCO, our number one priority is keeping people safe. In fact, safety is the first of our five Corporate Values: “ensure the safety of our employees, contractors, assets and communities; taking a proactive approach to safety, we relentlessly seek ways to improve our safety performance and culture.”

We are delighted to have achieved our lowest injury rate in 10 years, with a Total Recordable Injury Rate (TRIR) of 0.25. No fatalities resulting from work-related injuries or illnesses were reported for a third consecutive year for employees and contractors.

During the year, we recorded one ‘tier 1’ (severe) event on an oxygen line at QVC and one ‘tier 2’ event at our ethylene plant⁸. We also registered two incidents in relation to working at height and equipment isolation. In both cases, internal procedures were applied, and appropriate actions taken to eliminate such hazards, such as replacing all A-type ladders with platform ladders.

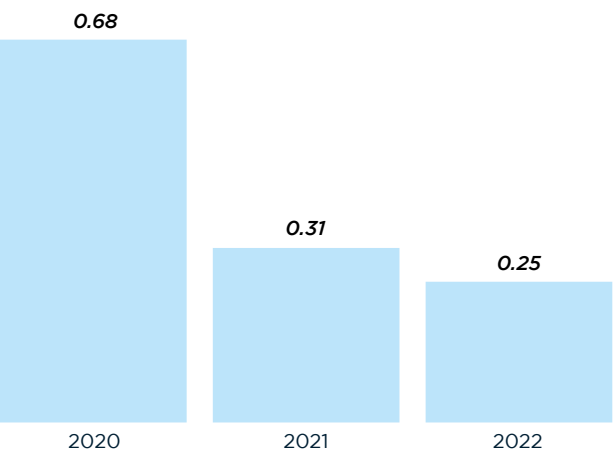
See all performance data on pages 104 and 105.

Operational Excellence

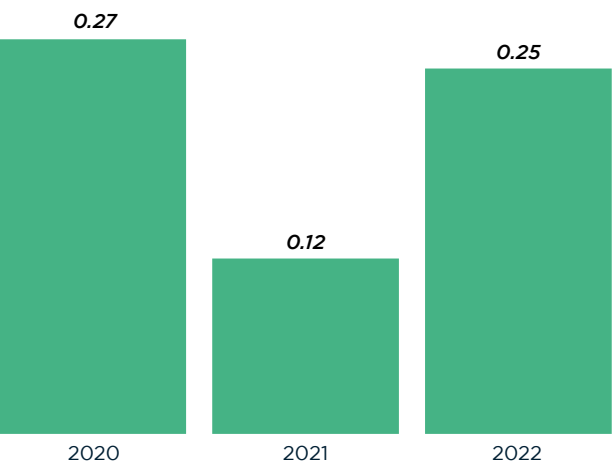
Award from TotalEnergies



Total recordable injury rate (TRIR), employees and contractors



Lost time injury rate (LTIR), employees and contractors



Process Safety

The nature of our industry exposes us to multiple work-related hazards that may cause injury. These include handling hazardous and toxic chemicals, isolation and de-isolation of process equipment, working at height, electrical hazards, vehicular movement inside the process plant, manual handling and high noise. Our Health, Safety, Environment and Quality (HSEQ) is certified ISO 45001 and audited both internally and externally. It extends beyond direct employees to cover contract workers, with 100% workforce coverage, and it also applies to project and turn around activities. Through the system, we are able to identify, assess and mitigate such hazards for employees and contractors. It is supported by further processes to assess and mitigate risk, including:

- Job safety analysis conducted by experts and area owners to identify hazards of non-routine activities and apply mitigation measures.
- A permit-to-work system for maintenance and project activities to identify hazards related to specific tasks and mitigate them.
- Process hazard identification studies, such as HAZOP and Layers of Protection Analysis.

Regular field compliance audits are carried out, with results shared with the Process Safety Central Taskforce and the Occupational Safety Central Taskforce.

In cases of work-related incidents, a robust investigation process is commissioned. This HSE Incident Management system requires to investigate incidents based on severity. For low severity incidents we apply the ‘5 Why Method’, whereas for high severity events we apply a detailed investigation protocol involving a multidisciplinary independent investigation team and a ‘Why Tree’ analysis to identify the root causes of the incident. All high severity incident investigations and preventative actions are reviewed by senior management and learnings are always reflected in the HSEQ system. The process described applies to all HSE-related events, which include occupational safety, process



safety and environmental incidents.

In our philosophy of continual learning and improvement, we made a number of improvements to our safety management system during 2022. These included:

- Extending ‘Lock Out-Tagout and Try’ to ethylene plants⁹ to protect workers by preventing others from turning on equipment or releasing energy while working on or servicing equipment and machinery.
- Launching the Safe Place to Engage and Achieve the Result campaign to sustain the results achieved with the high-performance safety culture and *Salamah* (safety in Arabic) programmes. The first focused on spreading safety culture and the second on process safety management in the workplace.
- Applying Quantitative Risk Assessment-based scenarios to create pre-incident plans in case of emergency.
- Reconditioning the fire-fighting water sprinkler system at our new sulphur storage site.

⁸ Tier 1 events are a loss of primary containment (LOPC) with the greatest consequence; tier 2 are of lesser consequence; tier 3 are so-called ‘near misses’.

⁹ The system was already in place at our LLDPE, Vinyl, Logistics, Utilities and LDPE plants.

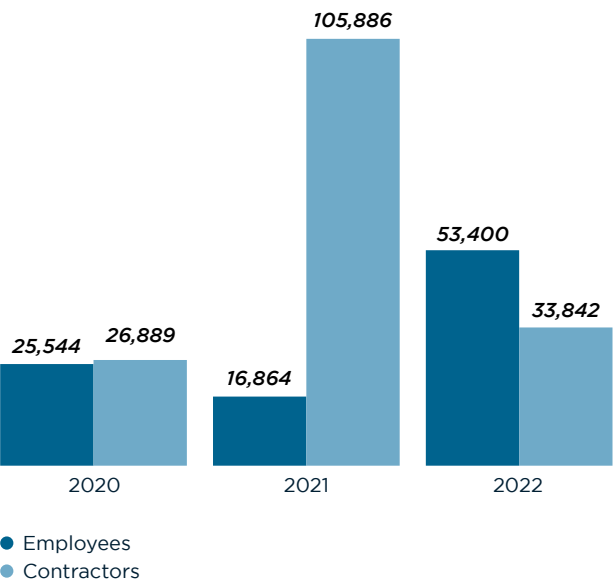
Occupational Health

Occupational health hazards are identified through a comprehensive health risk assessment of all activities, followed by structured monitoring programmes and advanced health surveillance. All findings above permissible exposure limits are mitigated through engineering controls and administrative controls (e.g., training, rotation/tour of duty and personal protective equipment).

We offer medical insurance covering outpatient, inpatient, dental, optical, and maternity benefits, with worldwide coverage. We regularly raise awareness around chronic diseases such as diabetes, high blood pressure, high cholesterol and low vitamin D through standing banners, screen savers and emails.

We are pleased to report zero work-related ill health incidents among employees or contractors in 2022.

Health & Safety Training Hours



	2020	2021	2022
Safety observations reports issued	82	6,367	8,669
Tier 1&2 process safety incident rate	0.14	0.06	0.25

Engaging Our People

A key aspect of our safety management system is training on key safety procedures. With topics spanning risk assessment and job safety analysis, to heat stress or respiratory protection – all employees are trained on relevant policies and processes, as well as our 12 Golden Rules. Any employee involved in ‘redline’ violations of the rules is sanctioned, as per the defined procedure.

Comparing 2022 with 2020¹⁰, we see an increase in employees’ HSE training of almost 110% and for contractors of over 25%.

The significant increase in safety observation reports over the last three years is testament to the efforts we make in building a safety culture. Here are just some of the ways in which we proactively encourage employees and contractors to raise safety concerns, many of which offer anonymity:

- HSEQ helpdesk,
- Regular Safety Talks
- SAP software reporting of hazardous events and work-related hazards
- Regular HSEQ governance meetings for supervisors and technicians
- Management safety walks around the plants
- Town hall and contractor management meetings
- Contributing to updates of our safety procedures and processes

10 2021 was mega turnaround year, therefore exceptional.

IN ACTION

Hosting our First Process Safety Forum

We were delighted to host our first Process Safety Forum in 2022. The objective was to lay a solid foundation for sustainable improvements in process safety management, while engaging with stakeholders, including industrial partners and academics.

The Forum brought together industry experts and academia to discuss the key issues faced by the process safety community. It attracted more than 200 attendees. The importance of international standards was reiterated, with lessons shared from industry experts.

We shared best practices at further events during the year, including the Mesaieed Industrial City Safety Forum, the Qatar Process Safety Symposium and the GPCA Process Safety Forum.



Training & Development

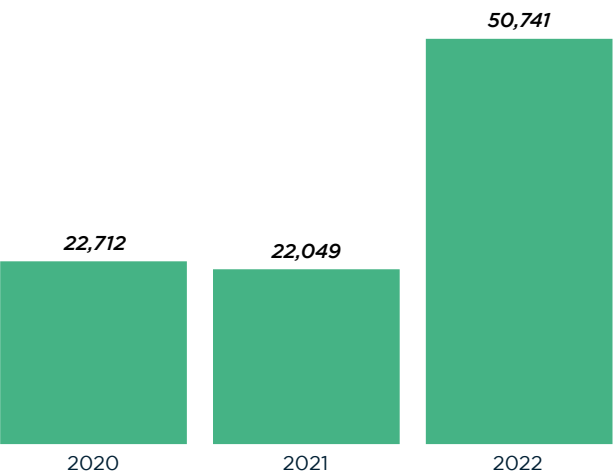
We offer excellent technical and non-technical opportunities so that employees can grow with us and realize their full potential.

Our training strategy is aligned with our business plans and development goals, which are clearly defined as per each employee training needs. Each training plan is designed to the Individual needs that was created based on a gap analysis of the previous year in consultation with their managers.

In 2022, we are proud to have delivered more training than ever – a total of 50,741 training hours were delivered. Our female workforce received on average 61 hours of training and male 44 hours during the year. Overall, 98% of employee training plans were completed, with an average investment per employee of QAR 2,799.

See all performance data on page 106.

Workforce training, hours



Training per employee, hours average	2020	2021	2022
Male	22	19	44
Female	10	22	61

Technical courses range from operations, maintenance and troubleshooting to gas turbine technologies; while non-technical topics include technical report writing, presentation skills and achieving competency excellence. We also offer external certifications on key topics, with the following offered in 2022:

- ISO 45001:2018 Lead Auditor
- ISO 14001:2015 Lead Auditor
- ISO 22000:2018 Lead Auditor (Food Safety Management System)
- ISO 31000 Foundation Risk Management
- International Certification in Warehousing and Inventory Management
- Certified Supply Chain Professional
- Certified Logistics, Transportation and Distribution
- Certified Train the Trainer
- Certified Data Protection Officer
- Certified Hazard and Operability Analysis Leader

On-the-job training acts as a building block for the organization’s new Management of Change – Personnel process at individual employee level. This is because such training builds employee capacity around the knowledge and skills to support in case of internal transfer or new job opportunities. It also helps prepare employees for change at the organization level.

Talent Attraction & Retention

As we grow our business, attracting and retaining talented individuals is critical to our competitiveness. In 2022, we welcomed 32 new members to the QAPCO family, while voluntary turnover continued to fall to its lowest rate in three years (see pages 106 and 107).

To attract new talents QAPCO engaged in several activities during the year, such as the Qatar University and UDST Career Fairs, and launched programs such as the “Welcome to Industry Programme” and the “QAPCO Summer Internship Programme 2022 - A Great Summer of Learning”.





We also want to ensure our employees have a fulfilling experience in QAPCO, and to do so we have in place several policies and procedures that are consistent with our Integrated Management System. To ensure the system is continuously improved, periodically documents are updated. In 2022, HR focused on improving the “On Call policy”, “Duty and Training Mission class of travel” and “Conflict of Interest” policies.

Additionally, every two years we conduct a detailed employee engagement survey to understand and address levels of satisfaction among our workforce. Due to Covid, in 2021 we were not able to carry it out and we therefore look forward to conducting the next survey in May 2023.

“A Great Summer of Learning internship programme was launched in 2022”



In 2022, we made a number of improvements to our HR systems that will help us to attract and retain talent, including:

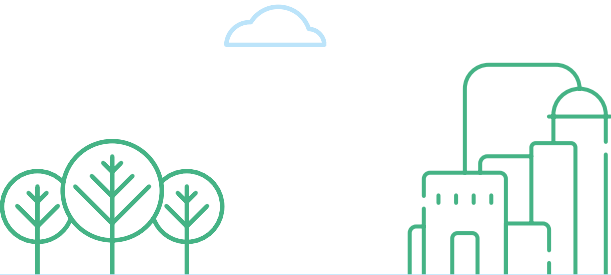
-  Automating promotions and transfers processes,
-  Integrating probation confirmations with the on-the-job training, which are now both online,
-  Moving the onboarding check list for new recruits online, and
-  Enhancing insider declarations so requestors can easily update declarations based on their previous request.

Empowering our team to adapt and flex to organizational change is an important priority for us and we have developed a dedicated process whereby the Human Resources (HR) department identifies and assesses any critical changes in personnel, working closely with all parties to identify the required learning process, knowledge transfer and eventual risk mitigation measures needed. This takes place over three months. We are currently enhancing our succession planning processes to make organizational change even smoother.

Overall, working at QAPCO means working in an organization that strives to demonstrate best practices and expertise, recognizes that there is always a room for improvement and pushes employees to always express their ideas. A large variety of benefits are available to all employees¹¹, competitive salaries, housing, transportation, recreational activities and flexible working hours.

Performance Management

Every individual receives an annual performance review based on a technical and non-technical skills assessment. These appraisals are based on objective SuccessFactor software, which enables goal setting to be cascaded from organization to department to employee, alongside mid-year reviews. The final review of employee business goals is the basis for annual salary and bonus calculations.



11 All full-time employees are entitled to housing allowance, furniture grant, education assistance, medical insurance, travel assistance for employees and their family members, marriage loan (for Qatari employees only), special loans and car loan.

Diversity & Inclusion

Respect is one of our five corporate values: “we respect our colleagues, stakeholders, partners and communities and we act with care and consideration to build trusting relationships. This includes valuing diversity and each individual’s contribution”. We strive to be an inclusive employer, ensuring equal opportunities for all. Any form of discrimination within the company is treated as a breach of our Code of Conduct (see page 107).

At QAPCO, we apply equal basic salaries for all our people and we systematically ensure that all our employees, as well as contract workers, are paid above the legal minimum wage. Salaries are defined through a clear salary scale applied to all employees, despite gender or ethnicity and in full compliance with our policies and national law.

Gender Diversity

Due to the legacy of our industry attracting male workers, we continue to work to redress historic gender imbalances. For instance, we have improved various policies to support and attract female employees, including maternity leave.

In 2022, only five percent of employees were women, indicating that there is much more work to do. Reversing historic trends in our industry will take time as the future pipeline of female talent works its way into the organization and through management levels. We are optimistic that the programmes we have in place, spanning recruitment to leadership development, will in time deliver visible results and redress historic gender imbalances.





IN ACTION

International Women's Day – Break The Bias

In 2022, our female workforce came together to mark International Women's Day with two special events at the University of Aberdeen and the University of Doha for Science and Technology. These conferences convened women from diverse professions and backgrounds to celebrate the achievements of women in Qatar – and the world.

On the theme of #BreakTheBias, an elite group of women leaders joined a panel discussion. QAPCO was represented by Ms Fatima Al Saadi, our Capability Building Manager. She shared insights and her own experiences of women's empowerment and contribution to communities.

Qatarization

In line with the Qatar National Vision 2030, we proactively invest in Qatari talent through recruitment, training, sponsorships and scholarships. These are overseen by a dedicated Strategic Qatarization department. In 2022, we employed 288 Qatari nationals (28% of the workforce, meaning we are on track for our 2023 target of 30%). Among them, 63 were in senior management positions and 47 (21.8%) were women.

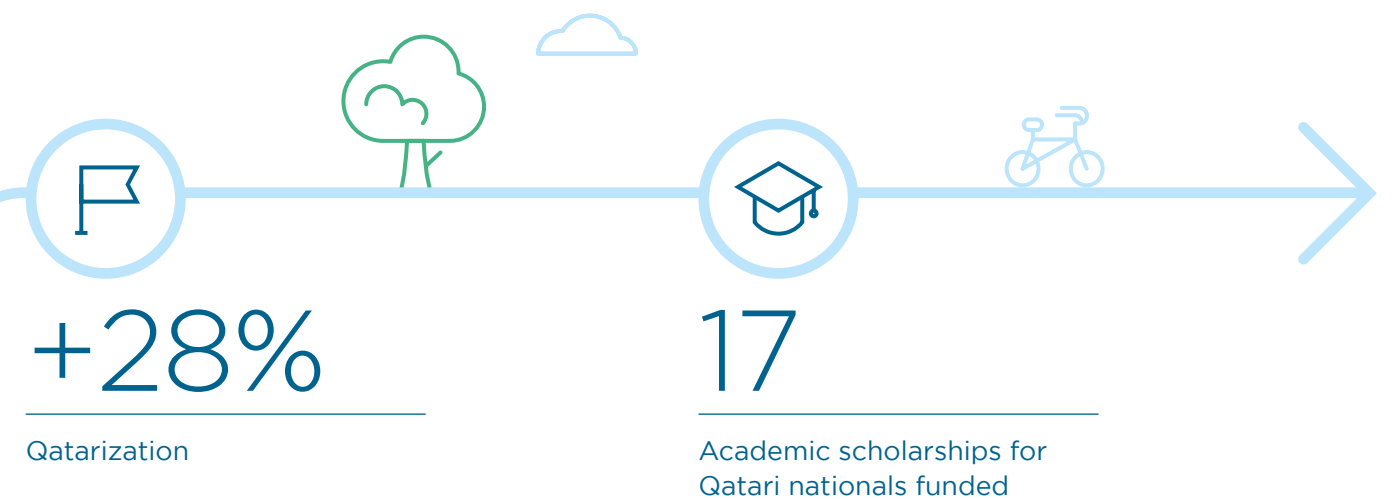
See all performance data on page 108.



In 2022, we invested QAR 1.7 million in Qatari students and nearly QAR 110,000 in Qatari employee specialist education grants. Our Qatari talent development programs went from strength to strength, including:

- LEAD (Learn, Engage, Achieve, Develop) which is a customised training programme designed to provide the necessary competencies for each selected participant, welcoming 18 'developees'.
- ACE (Achieving Competency Excellence) Programme, aimed at developing behavioural competencies in Qatari employees, which involved 91 employees covering a total of 2,912 training hours in year 2022.
- Eight new scholarships for bachelor's degrees in computer sciences and engineering.

Find out more about how we support the Qatar National Vision in the community on page 14.



Partnerships & Collaborations

Partnerships with expert organizations, governmental bodies and sectoral initiatives are fundamental to our innovative approach. For example, we are a member of a consortium assessing plastics waste in Qatar and we are excited to be playing a role in developing innovative circular resource solutions within the country.

We work closely with the Gulf Petrochemicals and Chemicals Association (GPCA) on the future of fuels, including engaging young talent in the industry. We are an active member of GPCA Research and Innovation Committee, and a member of the Thought Leadership task force under RIC. In 2022, we sponsored and partnered on a number of events with GPCA:



GPCA Research & Innovation Conference

The 7th GPCA Research and Innovation Conference was on the theme of ‘Catalysing a Sustainable Future through R&I’. It showcased the latest innovations in the chemical industry and aimed at cementing a sustainable future, with a focus on industry-academia collaboration. We were proud to sponsor the event Guide package and to contribute to the Qatar education sector participation and GPCA innovation award.

This competition promotes innovation among university students in the Arabian Gulf Region. The competition aimed at bridging the gap between industry and academia and stimulating applied research and innovation in the field of chemistry which is an integral part of our strategy.



Sponsoring The 16th GPCA Forum

The Annual GPCA Forum brings together international industry executives to share perspectives on current challenges and opportunities for the downstream chemical industry. As titanium sponsor, we got behind the theme ‘Managing net-zero ambitions in the energy sector with growth.’

Delegates discussed policies to moves towards clean energy sources through innovative strategies, including carbon circular and hydrogen economies.

As part of the Forum, GPCA inaugurated its first Youth Forum on the theme ‘For The Youth. By The Youth.’ It brought together 30 university students and young working professionals with business leaders and trailblazers from the region, including women breaking barriers of diversity. Dr. Mohammed Al-Mulla, our MD&CEO, was among those sharing their career journey and discussing the role of the youth in advancing sustainability.



GPCA Innovation Awards

In 2022, we supported the Education Sector Appreciation Gathering GPCA Innovation Award, to recognize all participating students and finalists from Qatar universities.

Participation was outstanding, with 30 student submissions and seven Qatari-based students were selected to attend the final competition in Dubai, with three overall student winners and two finalists.



IN ACTION

Supporting Education in Qatar

With education one of our three CSR themes (see page 86), we offer internships, scholarships, and sponsorships for local youngsters (see page 72), with a particular focus on building skills in polymer science and materials.

At QAPCO we understand that it is vital that academia and industry work together to create a robust and vibrant educational environment that actively promotes Industrial training for students as well as encouraging R&D. This commitment to supporting the Education sector has been recognized and rewarded by the Energy Sector with the company winning 11 Crystal Awards for its services to education and Qatarization.

We partner with Qatar University, the University of Doha for Science and Technology, TAMUQ and Carnegie Mellon University Qatar, among others. These include professional chairmanships at the University

of Doha for Science and Technology and Qatar University.

Some of the successful initiatives implemented in 2022 were:

- A new initiative with Qatar University Young Scientists Centre.
- Supporting Teach for Qatar with its Maths Roadshow.
- Joining a vocational workshop at the Michael Debakey School.
- Delivering an Industry and Business Master Class series.
- Renewing our sponsorship of the Polymer Innovation Programme at Texas A&M University Qatar.
- Renewing our Agreement for the Emergent Material Journal with Qatar University.

11 

Crystal Awards for our
service to education and Qatarization to date



QAR 6.3m

R&D budget

3 

Peer-reviewed articles
published in journals

Award 

from the Qatar National Research Fund

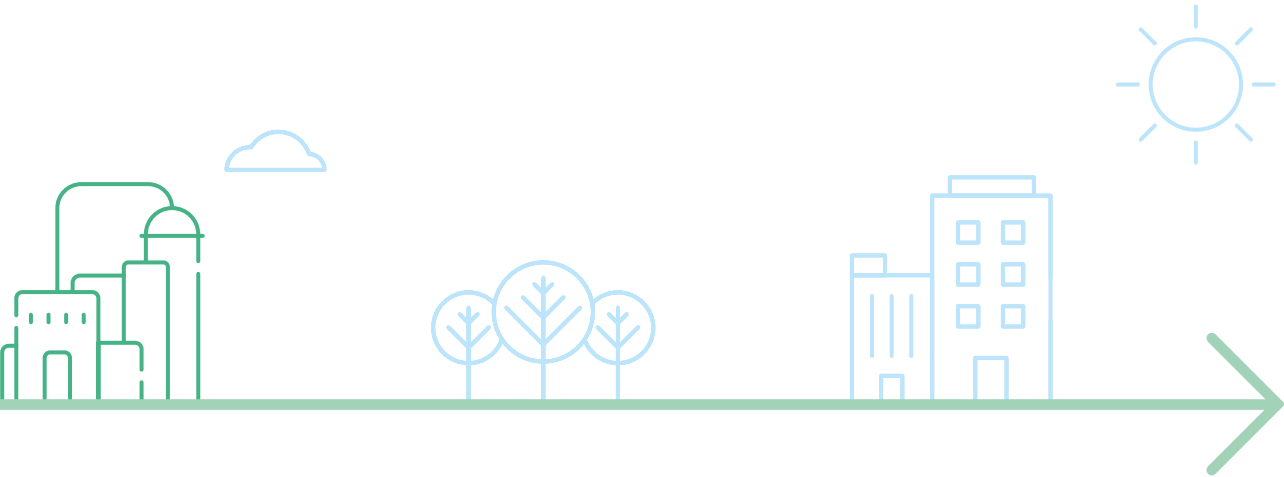
1 

Patent application and 1 provisionally
approved patent

Best 

Master Thesis Award
by Qatar University

“
Achievement award for peer
reviewed article as top-10
most-downloaded articles
focusing on the development of
sustainable asphalt formulations
”



Looking Ahead in Safety and Wellbeing of our People



Mr Paul Gerardus Vermeiren
Chief HSEQ Officer

As we venture into 2023, safety will remain our utmost priority. We are steadfast in our mission to achieve zero Total Recordable Incident Rate (TRIR) by 2025, continually refining our safety protocols and practices. The year will see us continue to invest in advanced safety monitoring technologies and proactive reporting systems to identify and mitigate risks before they manifest.

Learning from near-miss incidents will continue to inform our safety strategies, fostering a culture of continuous improvement. We will undertake mindset and behaviour exercises to instil a safety-first mentality across all levels of the organization.

Our commitment to health and safety extends beyond just policies and procedures. We aim to create an environment where every individual feels responsible for their own safety and that of their co-workers, driving us toward our zero-incident goal.



Mr Abdulla Ahmed Naji
Chief Human Capital Officer

In the year ahead, our human capital strategy will focus on promoting the holistic well-being and welfare of our employees. We're committed to enhancing our human resource capabilities to better support our team, through targeted training initiatives and mentorship programs that drive personal and professional development.

In line with our national commitment, we will accelerate our efforts towards Qatarization, attracting and nurturing local talent, fostering their growth into future industry leaders.

Corporate Social Responsibility remains a priority as we aim to strike a balance between achieving business objectives and creating a positive social impact. Through volunteer programs and community engagement initiatives, we will continue to foster a culture that values giving back to society.

Looking ahead, we remain dedicated to cultivating a sustainable, inclusive, and empowering environment for all our employees.

Robust Governance

We want to be a trusted partner, not only for our customers, but for all stakeholders. Delivering on this requires high standards of integrity and ethical conduct, consistent with our company values. Robust governance extends to how we act as a good neighbour in our communities.

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Our Approach

Robust Governance

At QAPCO, responsible and ethical systems of governance are the bedrock of all internal processes and external partnerships.

Our principles of ethics and integrity are outlined in our Code of Conduct and its eight underlying policies, we were formally aligned with our shareholders approach in 2021. A new Policies Embedment Taskforce seeks to ensure that all policies, procedures and documents align with the Code, and that all employees are fully aware of our expectations. As a result of the embedment process a new committee has been established under the name of “ **Business Conduct Committee**” to provide executive oversight and report to MD&CEO that QAPCO and companies operated by QAPCO are operating in principled manner and provide assurance that QAPCOs ethics and compliance program is effective. The committee consists of members from several functions such as Legal, Strategy, Procurement , Finance, Risk, HR and Operation.

Meanwhile, we demonstrate transparency in our governance structures, from the Board to ESG management. Rigorous risk management systems inform all key decision-making, including material risks around data privacy, security and human rights. Finally, good business practices extend to our communities in our role as a responsible corporate citizen and good neighbour. We give generously to local causes, with a focus on Education; Environment; and Sports and Health. In doing so, we contribute to the QNV 2030 and SDGs.

Strategy Pillar	Strategic KPIs	Units	2020	2021	2022
Robust Governance	Data security breaches	[N]	0	0	0
	Operations assessed for risks related to corruption	[N]	7	6	8
	Total social investment spending	[mQAR]	1.0	1.7	3.4
	N° of policies published in accordance with the Code of Conduct	[N]	1	8	8



Corporate Governance

The Board possesses the widest authority to represent the Company and conduct its affairs except for those expressly reserved in the Protocol of Association, Memorandum of Association, Articles of Association and Board Charter.

The Board may establish committees as necessary or appropriate to which it may delegate authority under the Board’s responsibility. The Board will set forth the authority, purposes, goals and responsibilities of the committees as well as qualifications of committee members, procedures for committee, member appointment and removal, committee structure and operations and committee reporting to the Board. In 2022, there were eight non-executive Board members and one executive member. There were no independent Directors on QAPCO’s Board during the year.

See all performance data on page 109.

Nomination & Remuneration

Members of the Board are appointed by their respective shareholders and will serve as Director until removed from the shareholder who appointed him. Any shareholder of at least 5% of the share capital of the Company is entitled to appoint a Director. There is no specific tenure for Directors.

The Board shall consist of nine members, seven of whom shall be appointed by Industries Qatar and two by TotalEnergies Petrochemical France. No Director is required to hold shares in the Company or to deposit such shares with a bank as a security for performance of his obligation.

Class A Shares shall designate the Chairman of the Board and shall have power at any time to revoke or vary such appointment. The Chairman is not a senior executive in the organization. The Board shall appoint the Managing Director (MD) from a list of candidates proposed by Industries Qatar with a majority including the votes of the Director representing TotalEnergies. The Board shall determine the powers of the MD, who though will attend all Board Meetings but have no vote unless appointed Director. The Board shall also appoint the Chief Operation Officer.

Directors’ performances are based on the output of a self-assessment tool that each Director fills in on an annual basis. The Board Secretary then prepares an executive summary of the results and an outline of the next steps or an agreement on an action plan. In addition, there is an external assessment of Directors’ Performance done every three years. The latest engagement was conducted in 2022. The remuneration of the Board of Directors shall be determined annually by the General Assembly, as a percentage of the net profit of the company.

Board Committees

Board committees include:



Audit
Assists the Board in fulfilling its oversight responsibilities and has the authority to conduct or authorize investigations into any matters within its scope of responsibility.



Governance, Risk, and Compliance (GRC):
Assists Petrochemicals Shared Services (PSS) management in the performance of its responsibilities relating to legal requirements, governance, risk and compliance matters.



Cross-Company Executive and Operating:
Assists and resolves governance and any operating issues and eliminates potential conflict of interest between PSS and the Assets Company at Board level. It also provides guidelines on operating decisions and ensuring excellence in technical processes.



Tender:
Assists PSS management in the performance of its responsibilities relating to PSS procurement activities.

Our Board Of Directors



**Mr. Abdulaziz Jassim
M. Al-Muftah**
Chairman



**Sheikh. Khalid Abdulla
M. A. Al-Thani**
Vice Chairman



**Dr. Mohammed
Yousef Al-Mulla**
Managing Director & CEO



**Mr. Hamad Salah
A. M. Albaker**
Board Director



**Mr. Fahad Mohd
A. Al-Khater**
Board Director



**Mr. Khalid Khalifa M. K.
Al-Jalahma**
Board Director



**Mr. Yousef Mubarak
A. B. Al-Sulaiti**
Board Director



Mr. Francois Good
Board Director



Mr. Ghazi Jamil Shahin
Board Director



Conflict Of Interest

Our Board Charter states that each Director must avoid any situation where he, or one of his relatives, has a direct or indirect personal interest conflicting with the interest of the Company (a 'Conflict of Interest'). It also describes how this should be managed: any question about a Director's actual or potential Conflict of Interest should be brought promptly to the attention of the Board, which will review the question and determine an appropriate course of action.

Each Director facing an actual or potential Conflict of Interest should disclose it promptly to the Board and should refrain from taking part in any discussion or decision relating thereto. Transactions approved by the Board in which a Director has a Conflict of Interest should be disclosed either to the shareholders in the next general meeting or in the annual Conflict of Interest Declaration.

ESG Governance

QAPCO's senior executives are responsible for developing, approving, and updating the organization's purpose, value and mission statements, strategies, policies, and goals related to sustainable development. They submit these to the Board of Directors for final endorsement and approval.

The Board of Directors receives detailed quarterly reports on HSEQ, Operations, Finance, Engineering, HR and IT, in addition to reports on specific activities of committees.

The HSEQ Committee is a non-Board committee that steers activities and alignment with regulations and standards.

Furthermore, QAPCO's Internal Audit Department has been established to enhance and protect the organization's value by providing risk-based and objective assurance, advice and insight. The Internal Audit Department helps QAPCO accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.



Risk Management

Identifying and mitigating risk is part of our business strategy and Sustainability Framework.

Our Risk Management Approach

At QAPCO, we are committed to managing and reporting risks that may impact our strategic objectives. Our comprehensive Enterprise Risk Management (ERM) system, aligned with industry standards (COSO and ISO31000), focuses on proactive risk management and seizing opportunities. It facilitates risk identification, assessment, and analysis, informing appropriate risk management strategies integrated into decision-making and key business functions. Through short-, medium-, and long-term actions, we minimize risks, ensuring effective management and regular reporting to the Governance Risk and Compliance (GRC) Committee and the Board. The Board of Directors maintains risk accountability and provides governance through the GRC for our ERM System. Our internal audit offers independent assurance within our combined assurance framework for the effectiveness of our internal controls.

Business Continuity & Resilience

QAPCO is dedicated to safeguarding people, business operations, and delivering sustainable value to stakeholders. We proactively mitigate risks, prioritize workforce safety, and maintain an agile supply chain. Our business continuity framework, aligned with industry standards (ISO22301, ISO22317 & GPG:2018), combined with advanced technology and data-driven insights, has successfully guided us through challenges like the COVID-19 pandemic and geopolitical issues. We invest in critical infrastructure, supply chain resilience, and cybersecurity measures. Continuously enhancing our resilience capability, we strengthen adaptability by investing in talent, technology, and infrastructure. With proactive risk management and a resilient corporate culture, we are confident in achieving sustainable growth.

Climate-related Risks & Opportunities

We are committed to implementing innovative programs to mitigate environmental, reputational and financial risks related to climate change. Failure to mitigate climate risk may result in low premiums, increased taxes, financial penalties and poor productivity. We are mitigating such risks by investing in strategic initiatives to reduce GHGs (see page 30) and with new initiatives in the R&D phase (see page 52).

IN ACTION

Our Golden Code

Our Code reflects our commitment to ethical decision-making and integrity. When we conduct business for QAPCO, our Code acts as an important tool and supports our effort to always do the right thing.

At QAPCO, we always choose to do the right thing. QAPCO's Code of Conduct, is a tool to help us address risks and seek help when we have questions.

Our Code applies to all of us at QAPCO and its subsidiaries, including our directors, officers, employees, independent consultants, seconded personnel, agents, intermediaries or others acting on QAPCO's behalf. This includes all companies operated by QAPCO.

- Follow The Law
- Follow Our Code
- Do The Right Thing
- Speak Up

Learn more about [OUR GOLDEN CODE](#)

Data Privacy & Cyber Security

With digitalization key to our innovative edge, vigilance around privacy and data security is paramount. Our information security and industrial control systems, policies and procedures address vulnerabilities and threats through continuous risk assessment and treatment. Aligned with our enterprise Risk Management Framework, these systems enable us to:

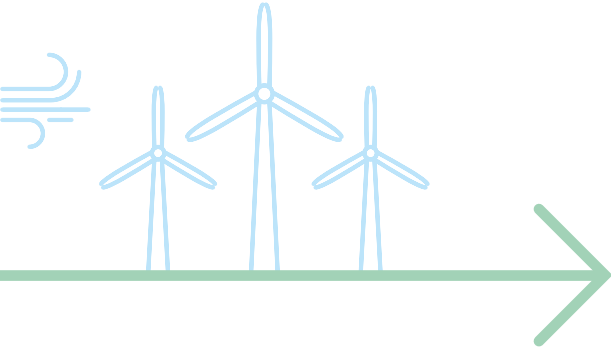
- Identify critical business services, processes and associated information assets, as well as key risks
- Analyse information security risks
- Select controls for risks treatment
- Review risks and control effectiveness on an ongoing basis

We deploy controls for prevention, detection, and response, with verification processes in place within Finance and Procurement departments to detect and defend against payment fraud schemes and phishing/vishing. Security awareness training, including simulated phishing campaigns, is ongoing. Our systems are certified to ISO27001 and in 2022 we saw zero data security breaches for the third year in a row. We remain a member of the Advisory Committee for the Qatar Energy Sector incident response community, led by QatarEnergy.

See all performance data on page 92.

Anti-Corruption

Our Anti-Corruption and Anti-Bribery policy makes clear our zero-tolerance stance on bribery and corruption, in line with Qatari and international law. In 2022, we participated in a conference on Sanctions, Anti-Corruption and Export Controls in the Middle East. In 2022, we assessed eight operations for risk of corruption, finding no cause for concern.



Zero 

data security breaches for the third year in a row

97% 

Compliance with Qatar FIFA Cyber Security Capability Framework

IN ACTION

Joining The National Cyber Drill

In 2022, we participated in the National Cyber Drill, alongside more than 1,000 participants from 12 sectors. It included technical exercises to verify, test and improve organizational capabilities, processes and technologies for cyber security.

Business Ethics

Integrity and responsibility are two of our five company values. We place the highest importance on honesty and ethical behaviour, always choosing to do the right thing.

We value transparency in our dealings with each other and stakeholders. We believe results matter, but how we achieve those results also matters. We act in a responsible manner that benefits not only our shareholders but also our society and the environment in which we operate. We contribute to the welfare of society and the environment.

Our Code of Conduct outlines our values and expectations for all stakeholders, supporting a collaborative culture of integrity and trust. In 2022, we completed our formal alignment with QatarEnergy Code of Conduct policies, principles and standards. Approved by the Board of Directors, our eight Code of Conduct policies are:

In particular, the Speaking Up policy describes the grievance process for both internal and external stakeholders and is part of all contract documents. It clearly states that an objective of the policy is to outline how breaches to the organization's policies and procedures can be raised in confidence and without fear of retaliation.

 Corporate Governance	 Speaking Up	 Anti-Bribery & Corruption	 Anti-fraud
 Compliance	 Confidential Information	 Competition	 Conflict Of Interest

Contribution To Community

Qatar is the home we share with a broader family – the communities in which we operate. We are committed to supporting our neighbours to join our own journey of growth and opportunity.

Our Corporate Social Responsibility (CSR) strategy therefore commits to sharing our value, playing our part in Vision 2030 and upholding our reputation as a responsible corporate citizen. Our wide-ranging social responsibility and engagement programmes focus on three core themes: Education; Environment; and Sports and Health. Each theme is underpinned by our commitment to the QNV 2030 and to developing Qatari Nationals and local capacities.

Overall, our social spending was equal to QAR 3.4m in 2022, with a +100% increase compared to 2021.

We also held 21 events to promote our CSR approach internally, raising awareness about social engagement, safety and leadership with workshops and events, while also promoting sports and World Cup engagement.

In 2022, we invested QAR 2.9 million in CSR projects, including vital funds and wider support to the following local charities:

- Qatar Society for Rehabilitation of Special Needs
- Qatar Red Crescent
- Abdulla bin Hamad Foundation
- Qatar Cancer Society
- Audio Education Complex Boys
- Dream Empowerment for the Orphans



QAR 3.4m

Invested in social spending



Looking Ahead With Robust Governance



Mr Ahmad Murtada Al-Hashemi
Chief Strategy, Procurement and IS Officer

For the year ahead, our key objective will be the rigorous implementation of our strategic plans, to navigate the unfolding and challenging business climate marked by economic turmoil, inflation, supply chain disruptions, and cybersecurity threats. We are focusing on proactive management of supply chain risks to build resilience, thereby ensuring minimal disruption to our operations.

Our commitment to actioning business continuity plans is unwavering, and we will be redoubling our efforts to fortify our digitalization strategy and make our IT systems robust. This involves enhancing cybersecurity measures, streamlining data management, and embracing the potential of emerging technologies.

While these headwinds are significant, by addressing them directly and effectively, we aim to not merely sustain our operations, but to drive meaningful growth for the company. Our strategy is comprehensive and holistic, designed to navigate these challenges and ensure the continued success of our organization.

Data & Disclosures

Data collection, analysis and disclosure is a strategic component of how we Create Value Responsibly. We are committed to reporting with transparency and the highest international standards of accuracy, quality, and rigour, including the GRI Sustainability Reporting Standards.

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Our Approach

Data is presented for QAPCO and for the two majority-owned and/or operated joint ventures: Qatofin Company Limited Q.P.J.S.C. and Qatar Vinyl Company Limited (QVC) Q.P.J.S.C. Data for external contractors, suppliers and clients is not included, unless stated otherwise. All financial data are expressed in QAR.

In 2022, the materiality assessment was refreshed, including identifying the most relevant GRI standards (or others, where GRI was not available) and preparing data collection sheets. The Sustainability Team, with the support of third-party expert consultants, engaged across the organization to build momentum around the need for detailed disclosure and each department’s role in providing quantitative and qualitative data.

Data has been analysed and qualitative information copywritten by specialist ESG experts, in close consultation with the QAPCO Sustainability Team. The report has been approved by the CEO.

Stakeholder Engagement

Name of Stakeholder	Channels of Engagement	Sustainability Interest
Government	<ul style="list-style-type: none">Meetings, conferences and collaborative projectsPublication of annual integrated reportInternational affairs function	<ul style="list-style-type: none">QAPCO’s contribution to the Sustainability of Qatar’s economyRegulatory compliance
Shareholders	<ul style="list-style-type: none">Quarterly meetings to generate mandatory government reportsBoard meetingsPublication of annual integrated reportBusiness updates	<ul style="list-style-type: none">Financial sustainabilityCorporate governanceReputationQatarization and sustainability KPIsRegulationsSharing of knowledge and information
Customers	<ul style="list-style-type: none">Customer satisfaction surveysMarketing and mediaWebsitePublicationsParticipation at key industry events	<ul style="list-style-type: none">Pricing and supply of productsProduct safety and securityGlobal citizenshipProduct innovationCost optimization
Community-based Organizations	<ul style="list-style-type: none">Involvement in organized eventsEmployee volunteeringSponsorships	<ul style="list-style-type: none">Support for communityJob creationImpact on environment
Academia	<ul style="list-style-type: none">Involvement in organized eventsResearch projectsSponsorship programsInternship programsApprenticeship program	<ul style="list-style-type: none">Support for research and product development projectsSupport for students’ industry and Academia collaboration
Industry Associations	<ul style="list-style-type: none">Committee meetingsPublication of annual integrated reportAttendance at events and conferences	<ul style="list-style-type: none">Impact on environmentSupport for local causesDownstream industry development
Employees	<ul style="list-style-type: none">InterviewsIntranet and newslettersEmployee surveyTeam building exercisesInternal engagement events	<ul style="list-style-type: none">Employee rewards and benefitsCareer growthOn the job training program (OJT)Employee retentionCapacity building
Suppliers	<ul style="list-style-type: none">Procurement process (SRM)Clarification meetingsPublication of annual integrated report (QAPCO ONLY)	<ul style="list-style-type: none">Quality of service and quality controlHSSE policiesVendor welfare for staffGreen environmental policies

DATA TABLES

Sustainability Performance
against Strategic KPIs

Strategy Pillar	Material Issue	KPI	2020	2021	2022
Environment and Climate Stewardship	Climate action and energy management	Energy intensity, GJ/Tonnes of Total Product	18.27	17.17	17.74
		GHG intensity, tonne CO _{2eq} /Tonnes of Total Product	1.41	1.36	1.22
	Water management	Process water recycled, %	0	0	19.06
Maximizing Value	Research, Innovation, and Digitalization	R&D budget [mQAR]	4.67	6.40	6.33
		Number of approved patents	0	1 provisional patent	1 provisional patent
Safety and Wellbeing of our People	Health and Safety	Number of fatalities as a result of work-related injury or illness (employees)	0	0	0
		Number of fatalities as a result of work-related injury or illness (contractors)	0	0	0
		Number of data security breaches	0	0	0
Robust Governance	Corporate Governance, Risk, and Business Ethics	Number of operations assessed for risks related to corruption	7	6	8
		Number of policies published in accordance with Code of Conduct	1	8	8
		Economic Value Distributed, mQAR	6,840	9,737	9,575
	Contribution to Community	Total social investment spending, mQAR	1.0	1.7	3.4

Environment and
Climate Stewardship

Energy

Energy	2020	2021	2022
QAPCO, Qatofin			
Total fuel consumption, non-renewables within the organization, GJ	19,957,216	17,421,120	23,014,317
Total direct energy, GJ	19,957,216	17,421,120	23,014,317
Electricity Purchased, GJ	1,775,223	1,791,649	1,817,895
Electricity Sold, GJ	23,817	49,740	55,368
Total indirect energy, GJ	1,751,406	1,741,909	1,762,527
Total energy consumption within the organization, GJ	21,708,622	19,163,029	24,776,844
Organization specific metric – Tonnes of Total Product	1,274,004	1,230,476	1,465,751
Energy intensity, GJ/Tonnes of Total Product	17.04	15.57	16.90
QVC			
Total fuel consumption, non-renewables within the organization, GJ	14,878,252	14,540,146	16,125,360
Total direct energy, GJ	14,878,252	14,540,146	16,125,360
Electricity Purchased, GJ	142,355	236,389	330,128
Electricity Sold, GJ	14,494	7,640	4,367
Total indirect energy, GJ	127,861	228,748	325,761
Total energy consumption within the organization, GJ	15,006,113	14,768,894	16,451,121
Organization specific metric – Tonnes of Total Product	735,454	745,839	857,814
Energy intensity, GJ/Tonnes of Total Product	20.40	19.80	19.18

Air Emissions & Flaring

GHG Emissions	2020	2021	2022
QAPCO, Qatofin			
Direct CO ₂ emissions - Scope 1, tonnes CO ₂ e	1,782,156 ¹	1,584,763	1,806,997
Direct CH ₄ emissions – Scope 1, tonnes CO ₂ e (Incomplete Combustion)	855	712	857
Direct CH ₄ emissions – Scope 1, tonnes CO ₂ e (Fugitive Emissions)	N.A.	N.A.	4,211
Direct N ₂ O emissions - Scope 1, tonnes CO ₂ e	810	674	811
Total direct GHG emissions - Scope 1, tonnes CO ₂ e	1,783,821	1,586,150	1,812,876
Indirect CO ₂ emissions - Scope 2, tonnes CO ₂ e	234,761*	238,508	245,082
Scope 3 GHG emissions, tonnes CO ₂ e	N.A.	N.A.	N.A.
Total GHG (Scope 1 and 2), tonnes CO ₂ e	2,018,581*	1,824,658	2,057,958

GHG Emissions	2020	2021	2022
Organization specific metric – Tonnes of Total Product	1,274,004	1,230,476	1,465,751
GHG intensity, tonnes CO ₂ e/Tonnes of Total Product	1.58*	1.48	1.40
GHG emissions reduced as a direct result of reduction initiatives, tonnes CO ₂ e	0	0	0
Notes: 1. Direct, indirect, and total CO ₂ emissions corrected for 2020 due to miscalculation. No significant impact due to the correction, updated GHG intensity consistently.			
QVC			
Direct CO ₂ emissions - Scope 1, tonnes CO ₂ e	789,076	821,830	741,419
Direct CH4 emissions – Scope 1, tonnes CO ₂ e (Incomplete Combustion)	389	406	366
Direct CH4 emissions – Scope 1, tonnes CO ₂ e (Fugitive Emissions)	N.A.	N.A.	6.2
Direct N2O emissions - Scope 1, tonnes CO ₂ e	368	384	346
Total direct GHG emissions - Scope 1, tonnes CO ₂ e	789,833	822,620	742,131
Indirect CO ₂ emissions - Scope 2, tonnes CO ₂ e	18,922	31,469	45,990
Scope 3 GHG emissions, tonnes CO ₂ e	N.A.	N.A.	N.A.
Total GHG (Scope 1 and 2), tonnes CO ₂ e	808,755	854,088	788,127
Organization specific metric – Tonnes of Total Product	735,454	745,839	857,814
GHG intensity, tonnes CO ₂ e/Tonnes of Total Product	1.10	1.15	0.92
GHG emissions reduced as a direct result of reduction initiatives, tonnes CO ₂ e	0	0.	0

Other Air Emissions	2020	2021	2022
QAPCO, Qatofin			
Flaring, MMSCM	321	355	126
Organization specific metric – Tonnes of ethylene and polyethylene	2,008,397	1,808,896	2,179,193
Flaring intensity, SCM/tonnes of ethylene and polyethylene	159.94	196.10	57.98
SO _x , tonnes	275	165	171
Organization specific metric – kilo tonnes of ethylene	798	617	808
SO _x intensity, tonnes/ kilo tonnes of ethylene	0.35	0.27	0.21
NO _x , tonnes	1,075	750	888
Organization specific metric – kilo tonnes of ethylene	798	617	808
NO _x intensity, tonnes/ kilo tonnes of ethylene	1.35	1.22	1.10
Production of ODS, metric tons of CFC-11 (trichlorofluoromethane) equivalent.	0	0	0
Import of ODS, metric tons of CFC-11 (trichlorofluoromethane) equivalent.	0	0	0
Export of ODS, metric tons of CFC-11 (trichlorofluoromethane) equivalent.	0	0	0
QVC			
NO _x , tonnes	169	256	294
Organization specific metric – kilo tonnes of QVC production	735	746	858
NO _x intensity, tonnes/ tonnes of QVC production	0.23	0.34	0.34
Production of ODS, metric tons of CFC-11 (trichlorofluoromethane) equivalent.	0	0	0
Import of ODS, metric tons of CFC-11 (trichlorofluoromethane) equivalent.	0	0	0

Other Air Emissions	2020	2021	2022
Export of ODS, metric tons of CFC-11 (trichlorofluoromethane) equivalent.	0	0	0

Spills

Spills	2020	2021	2022
QAPCO, Qatofin			
Significant oil spills (> one barrel)	0	0	0
Volume of spills, m litres	0	0	0
QVC			
Significant oil spills (> one barrel)	0	0	0
Volume of spills, m litres	0	0	0

Waste Management

Hazardous Waste Management, million tonnes (unless otherwise stated)	2020	2021	2022
QAPCO, Qatofin			
Hazardous waste generated during the year	573	1,608	744
Hazardous waste carried over from previous year	40	38	4
Hazardous waste stored – to manage in next reporting year	38	4	38
Total hazardous waste managed	575	1,642	710
Hazardous waste diverted from disposal (used oil recycled)	243	404	40
Hazardous waste diverted from disposal, %	42.3	24.6	5.6
Total hazardous waste directed to disposal, offsite	333	1,238	676
Hazardous waste sent to landfill, offsite	N.A.	N.A.	612
Hazardous waste incinerated with no energy recovery, offsite	N.A.	N.A.	26
Hazardous waste incinerated with energy recovery, offsite	N.A.	N.A.	0
Hazardous waste to other disposal operation, offsite	N.A.	N.A.	38
QVC			
Hazardous waste generated during the year	241	251	327
Hazardous waste managed during the year	220	253	342
Hazardous waste diverted from disposal	0	0	0
Hazardous waste diverted from disposal, %	0	0	0
Total hazardous waste directed to disposal, offsite	N.A.	N.A.	343
Hazardous waste sent to landfill, offsite	220	253	342
Hazardous waste incinerated with no energy recovery, offsite	N.A.	N.A.	3
Hazardous waste incinerated with energy recovery, offsite	N.A.	N.A.	0
Hazardous waste to other disposal operation, offsite	N.A.	N.A.	0
Notes: Waste data updated in 2020 and 2021 for miscalculation, with no significant impact.			

<i>Hazardous Waste Generated-Breakdown, million tonnes</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
QAPCO, Qatofin			
Furnace Decoking Residue	1	6	6
Spent Activated Carbon	19	27	26
Spent Resin	31	0	1
Spent Molecular Sieves	7	280	27
Ceramic Balls & materials	8	12	5
Waste Sulphur+Sand+Gravel	48	50	15
Process Sludge	6	11	0
Process waste - liquid	0	0	6
Oily Sludge	17	113	25
Tar Sludge	13	114	11
Spent Additives (Talc)	4	1	4
Dry Chemical Powder	4	5	2
Expired FF Foam Liquid	25	1	0
Waste Perlite	0	27	1
Contaminated Soil / Sand - Oil	5	23	17
Spent Aluminium Oxide	65	106	0
Expired-Sodium Hydroxide	0	20	0
Used Oils	202	410	73
Expired Catalyst	8	110	2
Refractory Bricks Cont. Sulfur	0	13	0
Preblend	0	1	0
Bio Sludge contain Activated Carbon	53	195	479
Waste Grease	1	0	0
Expired Chemicals	1	32	13
Filters Cartridge	16	16	27
Contaminated Cotton rags / gloves	11	25	12
Waste Ethylene Glycol Solution	6	8	0
Waste Preblend - 9	1	2	0
QVC			
Sludge-Oxy	37	23	18
Coke Containing Residue	4	9	3
Coke Containing Residue-Acidic	2	0	0
Sludge-Biosludge	9	12	13
Sludge-Wet Pit(12)Sludge	5	24	5
Used Resin from DM Water Plant	7	17	0
Filters-Dry Chlorine	6	0	3
Spent Catalyst-Gamma Alumina	0	2	0

<i>Hazardous Waste Generated-Breakdown, million tonnes</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
Spent Molecular Sieves	16	0	0
Contaminated GRP Pipe	17	31	0
Spent-Activated Carbon	6	2	4
Contaminated GRP Pipe-Chlorine Plant	17	1	26
Sludge-Brine Cake	115	130	226
Waste Catalyst	0	0	29
<i>Notes:</i> <i>Kindly note that the sum of the waste generated may not equal the value shown in the previous table due to rounding of the figures.</i>			
<i>Hazardous Waste Directed to Disposal-Breakdown, million tonnes</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
QAPCO, Qatofin			
Furnace Decoking Residue	2	7	6
Spent Activated Carbon	19	27	26
Spent Resin	17	14	1
Spent Molecular Sieves	7	280	27
Ceramic Balls & materials	6	13	5
Waste Sulphur+Sand+Gravel	43	59	15
Process Sludge	10	15	0
Process waste - liquid	0	0	6
Oily Sludge	13	113	25
Tar Sludge	13	118	11
Spent Additives (Talc)	5	1	4
Dry Chemical Powder	3	6	2
Expired FF Foam Liquid	24	2	0
Waste Perlite	0	27	1
Contaminated Soil / Sand - Oil	5	20	16
Spent Aluminium Oxide	65	106	0
Expired-Sodium Hydroxide	0	20	0
Expired Catalyst	8	110	2
Refractory Bricks Cont. Sulfur	0	13	0
Preblend	0	1	0
Bio Sludge contain Activated Carbon	53	195	479
Waste Grease	1	0	0
Expired Chemicals	1	32	13
Filters Cartridge	15	17	26
Contaminated Cotton rags / gloves	11	25	12
Waste Ethylene Glycol Solution	7	8	0
Waste Preblend - 9	0	4	0

<i>Hazardous Waste Directed to Disposal-Breakdown, million tonnes</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
QVC			
Sludge-Oxy	32	30	17
Coke Containing Residue	2	11	3
Coke Containing Residue-Acidic	2	0	0
Sludge-Biosludge	7	13	11
Sludge-Wet Pit(12)Sludge	5	2	25
Used Resin from DM Water Plant	0	23	0
Filters-Dry Chlorine	6	0	3
Spent Catalyst-Gamma Alumina	0	2	0
Spent Molecular Sieves	16	0	0
Contaminated GRP Pipe	17	31	0
Spent-Activated Carbon	0	9	4
Contaminated GRP Pipe-Chlorine Plant	17	1	26
Sludge-Brine Cake	115	130	226
Waste Catalyst	0	0	29
Notes:			
Kindly note that the sum of the waste generated may not equal the value shown in the previous table due to rounding of the figures.			

Water Management

<i>Water management, cubic meters, m³(unless otherwise stated)</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
QAPCO, Qatofin			
Total Water withdrawal:	629,677,524	530,886,307	607,849,851
- Seawater (1)	628,193,782	529,505,371	607,548,993
- Third party (Karamaa), freshwater	1,483,742	1,380,936	300,858
Total freshwater consumption (2)	2,645,451	2,383,554	2,694,213
Organization specific metric – Tonnes of ethylene and polyethylene	2,008,397	1,808,896	2,179,193
Freshwater consumption intensity – m³/ tonnes of ethylene and polyethylene	1.32	1.32	1.24
Freshwater recycled	0	0	702,628
Freshwater recycled, %	0	0	26.08
Seawater discharged to sea (3)	596,085,229	502,169,396	574,939,349
Freshwater discharged to sea	1,487,669	1,069,712	424,733
Freshwater discharged to third party (4)	65,316	80,099	76,651
Note:			
2020 and 2021 data relating to freshwater consumption and discharge have been updated due to miscalculations. No significant impact, updated water intensity consistently.			
QVC			
Total Water withdrawal:	117,173,487	113,182,268	122,797,043
Seawater (5)	116,181,303	112,230,090	121,804,945

<i>Water management, cubic meters, m³(unless otherwise stated)</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
Third party (Karamaa, QAPCO), freshwater	956,184	952,178	992,098
Total freshwater consumption	956,184	952,178	992,098
Organization specific metric – Tonnes of QVC production	735,454	745,839	857,814
Freshwater consumption intensity – m³/ tonnes QVC production	1.30	1.28	1.16
Freshwater recycled	0	0	0
Freshwater recycled, %	0	0	0
Seawater discharged to sea	116,181,303	112,230,090	121,804,945
Freshwater discharged to sea (6)	77,729	78,330	68,491
Freshwater discharged to third party (4)	15,463	19,173	18,189
(1) This amount is equal to the sum of seawater used for cooling purposes and then discharged to the sea and seawater used in the desalination plant to produce freshwater.			
(2) Freshwater consumed is the sum of freshwater purchased from third party (Karamaa), freshwater produced by desalination of seawater in internal plant and, as from 2022, recycled water from unit U45. From this amount, the quantity sold to QVC is then cut back.			
(3) This amount refers to the cooling water used and does not take into consideration the amount of saline water from the desalination plant that is discharged to sea, as this is not quantified			
(4) This amount refers to the sanitary wastewater sent to third-party treatment.			
(5) QVC uses seawater only for cooling purposes.			
(6) The balance between the net freshwater consumed and the freshwater discharged to sea is equal to the sum of the freshwater sent to third party treatment and the freshwater consumed by the process itself.			

Maximizing Value

Financial Performance

Financial Performance, million QAR(unless otherwise stated) ¹	2020	2021	2022
QAPCO, Qatofin			
Revenues	4,643	6,943	7,177
Operating costs (including Cost of Goods Sold, employees' wages and benefits, administrative costs and sales costs)	3,170	4,097	4,673
Payments to local shareholders (dividends paid)	726	1,804	1,359
Payments to foreign shareholders (dividends paid)	253	999	501
Gross taxes	1,179	971	870
National developpee investment (community investments)	55	44	40
Social spending	0.8	1.6	2.7
Economic Value Distributed	5,369	7,918	7,447
Revenues from JVs of QAPCO	-325	730	666
Economic Value Retained ²	-1,050	-245	396
Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/ beneficiary			
	0	0	0
QVC			
Revenues	1,118	1,901	2,194
Operating costs (including Cost of Goods Sold, employees' wages and benefits, administrative costs and sales costs)	882	1,030	1,273
Payments to local shareholders (dividends paid)	298	480	528
Payments to foreign shareholders (dividends paid)	0	0	0
Gross taxes	281	301	320
National developpee investment (community investments)	9.2	7.5	6.6
Social spending	0.2	0.1	0.7
Economic Value Distributed	1,471	1,819	2,128
Economic Value Retained	-353	82	66
Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/ beneficiary			
	0	0	0
Notes:			
1. Figure have been updated for 2020 and 2021 figures due to changes in the IFRS presentation.			
2. Economic Value Retained for QAPCO is equal to: Revenues + Revenues from JVs – Economic Value Distributed			

Product Stewardship & Customer Satisfaction

Production, tonnes	2020	2021	2022
QAPCO, Qatofin, QVC			
LDPE	796,308	702,982	788,360
LLDPE	414,328	488,953	582,347
Ethylene	797,761	616,769	808,487
Sulphur	9,167	923	31,126
Gross Ethylene Dichloride	376,891	386,109	449,668
Vinyl Chloride Monomer	309,673	312,347	328,421
Caustic Soda 100%	296,515	305,280	350,954
32% Hydrochloric Acid Solution ¹	8,379	7,219	274
C3 - C4 cut	38,455	25,448	43,106
Pygas	15,746	12,170	20,813
TOTAL	3,063,223	2,858,200	3,403,556
Notes:			
1. The drop in production in 2022 is associated with unavailability of specific equipment.			
Logistics, tonnes			
202020212022			
QAPCO, Qatofin, QVC - Exports			
Polyethylene	N.A.	1,176,172	1,378,111
Sulphur	N.A.	78,566	99,219
Soda Solution	N.A.	583,387	696,760
Ethylene Dichloride	N.A.	123,480	183,705
Vinyl Chloride Monomer	N.A.	316,440	325,950
QAPCO, Qatofin, QVC - Imports			
Salt	N.A.	513,007	558,012
Ethylene	N.A.	86,304	64,787
Hydrochloric Acid Solution	N.A.	N.A.	347
Product Safety			
202020212022			
QAPCO, Qatofin, QVC			
Products for which health and safety impacts are assessed for improvement, %	N.A.	N.A.	30
Incidents of non-compliance with regulations concerning the health and safety impacts of products and services resulting in a fine or a penalty	N.A.	N.A.	N.A.
Incidents of non-compliance with regulations concerning the health and safety impacts of products and services resulting in a warning	N.A.	N.A.	N.A.
Incidents of non-compliance with voluntary codes concerning the health and safety impacts of products and services	N.A.	N.A.	N.A.
Products covered by and assessed for compliance with company procedures for labelling, %	N.A.	N.A.	100

<i>Product Safety</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
Incidents of non-compliance with regulations concerning product and service information and labelling, resulting in a fine or penalty	N.A.	N.A.	0
Incidents of non-compliance with regulations concerning product and service information and labeling, resulting in a warning	N.A.	N.A.	0
Incidents of non-compliance with voluntary codes concerning product and service information and labeling	N.A.	N.A.	0

<i>Product Quality, %</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
QAPCO, Qatofin, QVC			
Ethylene yield	75.21	74.31	75.42
Prime grade (LDPE 1)	96.57	96.15	94.45
Prime grade (LDPE 2)	98.98	96.20	98.58
Prime grade (LDPE 3)	97.01	96.08	97.21
Prime grade (LLDPE)	99.68	99.71	99.87

<i>Customer Satisfaction</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
QAPCO, Qatofin, QVC			

Research, Innovation & Digitalization

<i>Research, Innovation and Digitalization</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
QAPCO, Qatofin, QVC			
Total R&D Budget, mQAR	4.67	6.40	6.33
Ratio of R&D budget in revenue	0.081%	0.072%	0.068%
Number of R&D Projects	11	13	13
Number of patent applications	0	1	1
Number of approved patents	0	1 provisional patent	1 provisional patent
Number of peer-reviewed articles published in journals	3	4	3

Sustainable Sourcing

<i>Sustainable Sourcing</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
QAPCO, Qatofin, QVC			
Local suppliers engaged, N	366	381	376
Total procurement spending, mQAR	1,901	2,804	2,718
Total purchases on local goods and services, mQAR	1,483	2,007	2,008
Total purchases on local goods and services, %	78.0	71.6	73.9
Suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment, %	100	100	100

<i>Sustainable Sourcing</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
Suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment, %	100	100	100
Suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, %	0	0	0
Suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, %	0	0	0
Number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant	0	0	0
Notes: 1. 2021 data adjusted for minor miscalculation with no significant impact.			

Safety & Wellbeing Of Our People

Workforce Composition

Workforce Composition	2020	2021	2022
QAPCO, Qatofin, QVC			
Full-time Employees	1,183	1,210	1,201
Part-time Employees	0	0	0
Non-managerial staff	652	659	656
Non-managerial staff, %	55	54	55
Middle management	467	485	481
Middle management, %	39	40	40
Senior management	64	66	64
Senior management, %	5	5	5
Under 30	164	125	111
Under 30, %	14	10	9
Between 30 and 50	780	818	806
Between 30 and 50, %	66	68	67
Above 50	239	267	284
Above 50, %	20	22	24

Health & Safety

Health and Safety Management System (1)	2020	2021	2022
QAPCO, Qatofin, QVC			
Employees and workers (non-employees) covered by the system	4,000	120,000	4,000
Employees and workers (non-employees) covered by the system, %	100	100	100
Employees and workers (non-employees) who are covered by such a system and has been internally audited	4,000	120,000	4,000
Employees and workers (non-employees) who are covered by such a system and has been internally audited, %	100	100	100
Employees and workers (non-employees) who are covered by such a system and has been audited or certified by an external party	4,000	120,000	4,000
Employees and workers (non-employees) who are covered by such a system and has been audited or certified by an external party, %	100	100	100

Notes:
1. The higher numbers in 2021 are due to the activities related to the mega turnaround

Health and Safety Performance	2020	2021	2022
QAPCO, Qatofin, QVC			
Employees and Contractors			
Lost time injury rate (LTIR)	0.27	0.12	0.25
Total recordable injury rate (TRIR)	0.68	0.31	0.25
Total Safety Observations reports	82	6367	8669
Safety Observations/reporter ratio	0.065	4.75	1.9
Tier 1&2 process safety incident rate	0.14	0.06	0.25
Employees			
Total work hours	1,885,856	2,297,005	2,070,615
Basis for calculating the rates	1 million m-hr	1 million m-hr	1 million m-hr
Number of fatalities resulting from work-related injury	0	0	0
Rate of fatalities resulting from work-related injury	0	0	0
Number of high-consequence work-related injuries	0	0	0
Rate of high-consequence work-related injuries	0	0	0
Number of recordable work-related injuries	0	1	1
Rate of recordable work-related injuries	0.00	0.43	0.48
Number of employee lost time injuries	0	0	1
Number of fatalities resulting from work-related ill-health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Absence due to sickness, %	0.49	1.03	1.40
Contractors			
Total work hours	5,481,738	13,881,414	5,974,891
Basis for calculating the rates	1 million	1 million	1 million
Number of fatalities resulting from work-related injury	0	0	0
Rate of fatalities resulting from work-related injury	0	0	0
Number of high-consequence work-related injuries	0	0	0
Rate of high-consequence work-related injuries	0	0	0
Number of recordable work-related injuries	5	4	1
Rate of recordable work-related injuries	0.91	0.29	0.17
Number of contractor lost time injuries	2	2	1
Number of fatalities resulting from work-related ill-health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Absence due to sickness, %			
Health and Safety Training			
QAPCO, Qatofin, QVC			
Health and Safety training hours, employees and contractors	52,433	122,750	87,242
Health and Safety training hours, employees	25,544	16,864	53,400
Health and Safety training hours, contractors	26,889	105,886	33,842

Training & Development

<i>Training and Development</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Employees trained	1,071	1,122	1,127
Workforce training, hours	22,712	22,049	50,741
Male employees trained	1,030	1,070	1,067
Female employees trained	41	52	60
Average hours of training per male employee, hours	22	19	44
Average hours of training per female employee, hours	10	22	61
Average hours of training per senior management, hours	13	15	32
Average hours of training per middle management, hours	17	20	54
Average hours of training per staff, hours	27	18	40
Average hours of training per individual employee, hours	19	19	45
Average cost of training per individual, QAR	1,250	1,620	2,799
Training plan achievement, %	96	96	98

Attraction & Retention

<i>New Hires</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Total new hires	83	58	32
Non managerial staff	65	32	13
Middle management	14	21	16
Senior management	4	5	3
Males	80	49	27
Females	3	9	5
Under 30	17	22	17
Between 30 and 50	58	31	14
Above 50	8	5	1

<i>Turnover</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Employees that left the organization	144	31	48
Non-managerial staff	92	13	14
Middle management	45	16	26
Senior management	7	2	8
Males	141	30	44
Females	3	1	4
Under 30	4	8	3

<i>Turnover</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
Between 30 and 50	88	15	16
Above 50	52	8	29
Voluntary turnover rate, %	1.78	1.42	1.03

<i>Career Development Review, %</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Employees that received a career a regular performance and career development review	100	100	100
Male employees that received a career a regular performance and career development review	100	100	100
Female employees that received a career a regular performance and career development review	100	100	100
Senior management that received a career a regular performance and career development review	100	100	100
Middle management that received a career a regular performance and career development review	100	100	100
Non-managerial staff that received a career a regular performance and career development review	100	100	100

<i>Discrimination</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Total number of incidents	0	0	0
Incidents reviewed by the organization	N.A.	N.A.	N.A.
Remediation plans being implemented, %	N.A.	N.A.	N.A.
Remediation plans that have been implemented, with results reviewed through routine internal management review processes	N.A.	N.A.	N.A.
Incidents no longer subject to action, %	N.A.	N.A.	N.A.

<i>Diversity and Inclusion</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Male full-time employees	1,131	1,150	1,140
Male full-time employees %	96	95	95
Female full-time employees	52	60	61
Female full-time employees, %	4	5	5
Male non-managerial staff %	97	97	97
Female non-managerial staff, %	3	3	3
Male middle Managment %	93	92	92
Female middle Management	7	8	8
Male senior Management %	97	97	95
Female senior Management %	3	3	5

<i>Parental Leave</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Female employees entitled to parental leave, N	52	60	61
Male employees entitled to parental leave, N	0	0	0
Female employees entitled to parental leave, %	100	100	100
Male employees entitled to parental leave, %	0	0	0
Employees who took parental leave, N	3	3	4
Employees who returned to work in the reporting period after parental leave ended, %	3	3	4
Employees that returned to work after parental leave ended, that were still employed 12 months after their return to work, N	3	3	4
Return to work rate of employees that took parental leave, %	100	100	100
Retention rate of employees that took parental leave	100	100	100

<i>Qatarization</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Qatari national headcount, N	272	276	288
QAPCO Qatarization, % ¹	26	27	28
Qatari nationals in senior management positions, N	58	53	63
Qatari nationals in senior management positions, %	56	60	58
Female National full-time employees, N	39	45	47
Male National full-time employees, N	234	232	241
Investment in sponsorships and scholarships for Qatarization, mQAR ²	4.79	3.11	1.79
Scholarships and students sponsored ² , N	19	20	8
University/educational institutes partnerships, N	16	17	17

1. As per Qatar Energy definition

2. The decreasing figures for 2022 reflect the manpower needs of the business

Robust Governance

Board of Directors

<i>Composition of Board of Directors</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Executive members, N	1	1	1
Non-executive members, N	8	8	8
Males, N, N	9	9	9
Females	0	0	0

<i>Composition of Board Committees</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Executive members	-	11	11
Non-executive members	-	9	9
Males	-	20	20
Females	-	0	0

Compliance with laws and regulations

<i>Compliance with Laws and Regulations</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>QAPCO, Qatofin, QVC</i>			
Significant instances of non-compliance with laws and regulations for which fines were incurred, N	0	0	0
Significant instances of non-compliance with laws and regulations for which non-monetary sanctions were incurred, N	0	0	0
Fines for instances of non-compliance with laws and regulations that were paid during the year for instances of non-compliance with laws and regulations that occurred, N	0	0	0
Monetary value of fines for instances of non-compliance with laws and regulations that were paid during the year for instances of non-compliance with laws and regulations that occurred, mQAR	0	0	0
Fines for instances of non-compliance with laws and regulations that were paid during the year for instances of non-compliance with laws and regulations that occurred in previous years, N	0	0	0
Monetary value of fines for instances of non-compliance with laws and regulations that were paid during the year for instances of non-compliance with laws and regulations that occurred in previous years, mQAR	0	0	0

Risk Management

Cybersecurity and Data Protection	2020	2021	2022
QAPCO, Qatofin, QVC			
Data security breaches, N	0	0	0
Substantiated complaints received concerning breaches of customer privacy, received from outside parties and substantiated by the organization, N	0	0	0
Substantiated complaints received concerning breaches of customer privacy, received from regulatory bodies, N	0	0	0
Identified leaks, thefts, or losses of customer data, N	0	0	0

Anti-Corruption	2020	2021	2022
QAPCO, Qatofin, QVC			
Operations assessed for risks related to corruption, N	7	6	8
Operations assessed for risks related to corruption, %	1.0	0.1	1.1
Confirmed incidents of corruption, N	0	0	0
Confirmed incidents in which employees were dismissed or disciplined for corruption, N	0	0	0
Confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption, N	0	0	0

Financial Statements



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QR. 82544

RN: 433/SA/FY2023

INDEPENDENT AUDITOR’S REPORT

To the Shareholders of
Qatar Petrochemical Company (QAPCO) Q.P.J.S.C.
Doha, Qatar

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Qatar Petrochemical Company (QAPCO) Q.P.J.S.C. (“the Company”), which comprise the statement of financial position as at December 31, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Company’s financial statements in Qatar, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and applicable provisions of Qatar Commercial Companies Law, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with *those charged with governance* regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


Report on Other Legal and Regulatory Requirements

Further, as required by the Qatar Commercial Companies Law, we report the following:

- We are of the opinion that proper books of account were maintained by the Company and physical inventories verification has been duly carried out.
- We obtained all the information and explanations which we considered necessary for our audit.
- To the best of our knowledge and belief and according to the information given to us, no contraventions of the applicable provisions of Qatar Commercial Companies Law and the Company's Articles of Associations were committed during the year which would materially affect the Company's financial position or its financial performance.

Doha - Qatar
February 1, 2023

For Deloitte & Touche
Qatar Branch

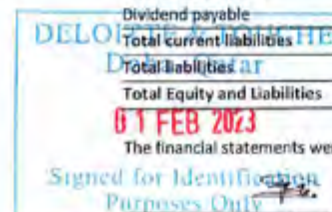

Midhat Salha
Partner
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Qatar Petrochemical Company (QAPCO) Q.P.J.S.C.

Statement of Financial Position
As at 31 December 2022

	Notes	2022 QR'000	2021 QR'000
Assets			
Non-current assets			
Property, plant and equipment	5	4,319,468	4,406,750
Intangible assets	6	40,241	53,926
Right-of-use assets	7	123,807	159,999
Deferred tax asset	8	80,217	69,765
Investment in joint ventures	9 (a)	2,108,711	2,122,654
Investment in an associate	9 (b)	48,324	44,480
Total non-current assets		6,720,768	6,857,574
Current assets			
Inventories	10	539,233	481,448
Due from related parties	11	888,135	801,286
Other receivables and prepayments	12	115,596	173,092
Cash and cash equivalents	13	1,619,609	1,263,007
Total current assets		3,162,573	2,718,833
Total Assets		9,883,341	9,576,407
Equity and Liabilities			
Equity			
Share capital	14	436,000	436,000
Legal reserve	15	87,200	87,200
Retained earnings		6,996,222	6,564,746
Total equity		7,519,422	7,087,946
Liabilities			
Non-current liabilities			
Lease liabilities	16	114,045	151,575
Employees' end of service benefits	17 (a)	194,980	185,731
Provision for pension obligations	17 (b)	118,287	108,489
Total non-current liabilities		427,312	445,795
Current liabilities			
Lease liabilities	16	29,254	30,680
Due to related parties	11	531,266	227,359
Trade and other payables	18	256,095	659,113
Income tax payable	8	476,992	531,514
Dividend payable	19	643,000	593,000
Total current liabilities		1,936,607	2,041,666
Total Liabilities		2,363,919	2,488,461
Total Equity and Liabilities		9,883,341	9,576,407



Mr. Abdulaziz Jassim M. Al-Muftah
Chairman of the Board of Directors

Dr. Mohammed Yousef A. Al-Mulla
Managing Director and Chief
Executive Officer

Mr. Hamad Ahmad Al-Hijji
Chief Finance
Officer

The attached notes 1 to 28 form an integral part of these financial statements

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Qatar Petrochemical Company (QAPCO) Q.P.J.S.C.			
Statement of Profit or Loss and Other Comprehensive Income			
For the year ended 31 December 2022			
	Notes	2022 QR'000	2021 QR'000
Revenue	22	4,385,769	4,098,192
Cost of goods sold	23	(2,843,155)	(2,413,418)
Gross profit		1,542,614	1,684,774
Administration expenses	24	(189,484)	(197,906)
Selling expenses	25	(104,310)	(84,280)
Foreign exchange gain		7,734	6,095
Finance income		33,999	16,977
Finance expense from leases	16	(4,389)	(5,669)
Share of profit from joint ventures	9 (a)	657,104	723,686
Share of profit from an associate	9 (b)	8,929	6,834
Other income	26	41,985	80,203
Profit for the year before income tax		1,994,182	2,230,714
Taxation	8	(470,626)	(525,961)
Profit for the year after tax		1,523,556	1,704,753
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement loss on provision for pension obligations	17(b)	(21,080)	(1,117)
Total comprehensive income for the year		1,502,476	1,703,636

DELOITTE & TOUCHE
Doha - Qatar
01 FEB 2023
Signed for Identification
Purposes Only



Qatar Petrochemical Company (QAPCO) Q.P.J.S.C.
Statement of changes in Equity
For the year ended 31 December 2022

	Notes	Share capital QR'000	Legal reserve QR'000	Retained earnings QR'000	Total QR'000
Balance at 1 January 2021		436,000	87,200	6,660,110	7,183,310
Profit for the year		-	-	1,704,753	1,704,753
Other comprehensive loss for the year		-	-	(1,117)	(1,117)
Total comprehensive income for the year		-	-	1,703,636	1,703,636
Transactions with owners in their capacity as owners:					
Dividend paid	19	-	-	(1,206,000)	(1,206,000)
Dividend payable	19	-	-	(593,000)	(593,000)
Balance at 31 December 2021		436,000	87,200	5,564,746	7,087,946
Profit for the year		-	-	1,523,556	1,523,556
Other comprehensive loss for the year		-	-	(21,080)	(21,080)
Total comprehensive income for the year		-	-	1,502,476	1,502,476
Transactions with owners in their capacity as owners:					
Dividend paid	19	-	-	(428,000)	(428,000)
Dividend payable	19	-	-	(643,000)	(643,000)
Balance at 31 December 2022		436,000	87,200	6,896,222	7,519,422

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Doha - Qatar
01 FEB 2023
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GRI Content Index  **CONTENT INDEX ESSENTIALS SERVICE** **2023**

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report.

GRI STANDARD	DISCLOSURE	LOCATION and/or DIRECT ANSWER
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational details	12
	2-2 Entities included in the organization's sustainability reporting	6
	2-3 Reporting period, frequency and contact point	6
	2-4 Restatements of information	94, 95, 98, 100, 103
	2-5 External assurance	No external assurance performed
	2-6 Activities, value chain and other business relationships	12-14
	2-7 Employees	104-105 The organization does not employ temporary or non-guaranteed hours employees
	2-8 Workers who are not employees	The only workers that are not employees of the organization are contractors. The relationship with these workers is managed through specific contracts (p. 56)
	2-9 Governance structure and composition	79, 80, 109
	2-10 Nomination and selection of the highest governance body	79
	2-11 Chair of the highest governance body	79
	2-12 Role of the highest governance body in overseeing the management of impacts	82
	2-13 Delegation of responsibility for managing impacts	82
	2-14 Role of the highest governance body in sustainability reporting	82
	2-15 Conflicts of interest	82
	2-16 Communication of critical concerns	82
	2-17 Collective knowledge of the highest governance body	82
	2-18 Evaluation of the performance of the highest governance body	79
	2-19 Remuneration policies	79
	2-20 Process to determine remuneration	79






	2-21 Annual total compensation ratio	Omitted due to confidentiality constraints
	2-22 Statement on sustainable development strategy	8, 9
	2-23 Policy commitments	85
	2-24 Embedding policy commitments	85
	2-25 Processes to remediate negative impacts	85
	2-26 Mechanisms for seeking advice and raising concerns	85
	2-27 Compliance with laws and regulations	109
	2-28 Membership associations	Gulf Petrochemicals and Chemicals Association (GPCA) Abdulla Bin Hamad Alattiya Foundation
	2-29 Approach to stakeholder engagement	91
	2-30 Collective bargaining agreements	Collective bargaining agreements are illegal in Qatar.
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	24, 26, 27
	3-2 List of material topics	27
Economic performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	46, 48, 49
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	100
Market presence		
GRI 3: Material Topics 2021	3-3 Management of material topics	71
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	108
Procurement practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	56
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	56, 102
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	83, 84
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	110
	205-3 Confirmed incidents of corruption and actions taken	110
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 34
GRI 302: Energy 2016	302-1 Energy consumption within the organization	93
	302-3 Energy intensity	93

Water and effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	40, 41
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	40, 41
	303-2 Management of water discharge-related impacts	40, 41
	303-3 Water withdrawal	98, 99
	303-4 Water discharge	98, 99
	303-5 Water consumption	98, 99
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	32, 33, 35
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	93, 94
	305-2 Energy indirect (Scope 2) GHG emissions	93, 94
	305-4 GHG emissions intensity	93, 94
	305-6 Emissions of ozone-depleting substances (ODS)	94, 95
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	94
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GRI 3: Material Topics 2021	3-3 Management of material topics	36-39
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	38, 39
	306-2 Management of significant waste-related impacts	38, 39
	306-3 Waste generated	95-97
	306-4 Waste diverted from disposal	95
	306-5 Waste directed to disposal	97, 98
Supplier environmental assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	56
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	103
	308-2 Negative environmental impacts in the supply chain and actions taken	56, 103
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GRI 3: Material Topics 2021	3-3 Management of material topics	60, 67, 68
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	106, 107
	401-3 Parental leave	108
Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	62-65

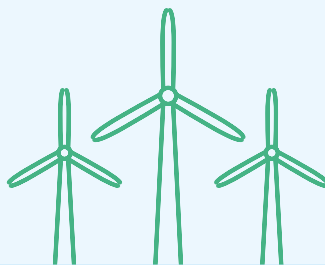
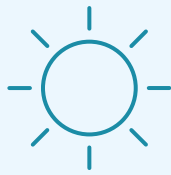
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	62-64, 104
	403-2 Hazard identification, risk assessment, and incident investigation	63
	403-3 Occupational health services	64
	403-4 Worker participation, consultation, and communication on occupational health and safety	64
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GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	106
	404-2 Programs for upgrading employee skills and transition assistance programs	66
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GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	107, 109
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GRI 3: Material Topics 2021	3-3 Management of material topics	69
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	107
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GRI 3: Material Topics 2021	3-3 Management of material topics	56
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	103
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Customer health and safety		
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GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	101
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GRI 3: Material Topics 2021	3-3 Management of material topics	50, 51
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	102
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GRI 3: Material Topics 2021	3-3 Management of material topics	83
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	110

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