NAKILAT ناقلات

ENVIRONMENTAL SOCIAL AND GOVERNANCE (ESG) REPORT 2020

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1. Introduction

1.1 About this ESG Report

Nakilat ESG Report 2020 serves to inform our stakeholders about the management approach and performance for key environmental, social and governance (ESG) risks and opportunities, and the progress made throughout 2020. This report complements Nakilat's 2020 Annual Report and 2020 Corporate Governance Report.

Reporting Period

This annual ESG report covers Nakilat's performance in the context of our most relevant Environmental, Social and Governance topics for the financial year January 1st, to December 31st, 2020. The data published in the ESG report is intended to inform Nakilat's stakeholders of the management approach implemented for key ESG elements, and the progress made throughout the year of 2020.

Reporting Standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core option, which is indexed on page 119. The GRI Standards are designed to enhance the global comparability and quality of non-financial data, thereby enabling greater transparency and accountability. Additionally, our efforts contribute and align with external frameworks and standards detailed within, including the Sustainability Accounting Standards Board (SASB), UN Global Compact (UNGC) and the Poseidon Principles. Furthermore, our reported Greenhouse Gas (GHG) emissions data are based on the GHG Protocol, the European Union (EU) Monitoring, Reporting and Verification (MRV) of CO_2 emissions, and the International Maritime Organization's (IMO) Data Collection System (DCS) on fuel consumption.

Scope and Boundaries

Our reporting principles are based on those set out in the GRI Standards and the report boundaries apply to all Nakilat Group entities, unless stated otherwise. In 2020, Nakilat's shipping segment represented more than 90% of Nakilat's revenues. In addition, Nakilat's fleet internationally operates (load and discharge) at many different countries' terminals across Europe, Asia and North America.

Currency

All financial data within this ESG Report is shown in Qatari Riyal (QR) unless stated otherwise.

External Assurance

Our external auditor Ernst & Young provided an independent limited assurance under ISAE 3000 (Revised) on the preparation of this ESG report in accordance with the GRI standards. Furthermore, Nakilat appointed an external auditor (KPMG), who provided third party assurance on Financial Statements and Corporate Governance Report for 2020.

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

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Eng. Abdullah Al-Sulaiti
Chief Executive Officer

1.2 Embracing ESG Disclosure

I am delighted to introduce Nakilat's inaugural Environment, Social and Governance (ESG) report, detailing our strategy, management approach, and performance in the issues most relevant to our business operations and our stakeholders. This report acknowledges the magnitude of the climate change challenge, social responsibility, good governance and how Nakilat is addressing all ESG issues.

Nakilat, as one of the world's largest LNG shipping company, plays a vital role in the LNG shipping industry by leading the way it delivers cleaner and reliable energy across the world. Since Nakilat's inception, we have always advocated for safe and responsible environmental stewardship throughout the maritime value chain. We have always been committed to the International Maritime Organization's (IMO) ambition to reduce carbon emissions across the industry and address climate-related risks and opportunities.

In support of the IMO ambition, Nakilat has reported the carbon emission intensity of our fleet, encompassing both wholly owned and joint venture operated vessels, in our ESG report 2020. Looking ahead, we will continue to work towards decarbonizing our fleet throughout this decade to help tackle climate change. Nakilat fully supports the IMO's decarbonization target for 2050 and the operational targets that need to be achieved from now until that date.

The past year has seen unprecedented challenges, with the impact of the COVID-19 pandemic disrupting people's lives and businesses around the world. I am immensely proud that despite the challenges the world has faced, with borders closed and air travel stopped, Nakilat continued to deliver cleaner energy to our customers in 27 countries during 2020. The company's strong business continuity plans and infrastructure enabled us to adapt swiftly and meet the essential energy demands of societies around the world.

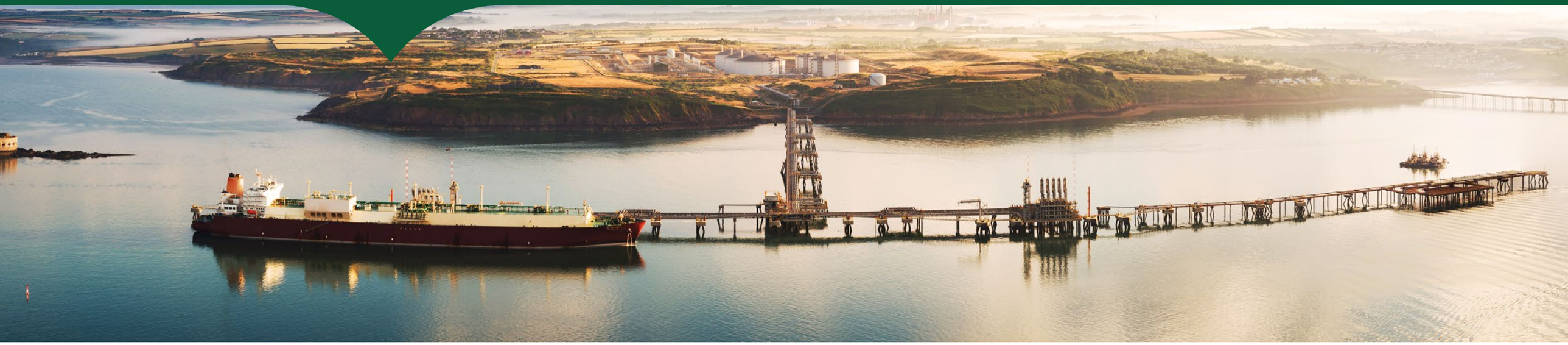
Since the pandemic, we have witnessed an ever-greater sense of urgency from our stakeholders to adopt sustainable business practices and increase the level of transparency regarding ESG issues. As a result, we conducted an ESG materiality assessment in line with the recommendations of the Global Reporting Initiative (GRI) to review our core sustainability priorities. This has strengthened our ESG strategy and approach, which support the objectives of Qatar National Vision 2030 and United Nations Sustainable Development Goals (UNSDGs). Furthermore, we proactively engaged leading global ESG ratings agencies to provide investors and other external stakeholders with greater insights of our sustainable business practices.

LNG has a crucial role to play in the global transition to a low carbon economy. When used in power generation, natural gas emits 45% to 55% lower greenhouse gases emissions than coal. Moreover, LNG has begun to gain prominence as a cleaner fuel source for shipping, leading to further reductions in carbon and other harmful emissions to air that impact people and the planet. This has resulted in LNG directly contributing to the IMO's strategy to reduce the carbon intensity of ship propulsion.

The health, safety and wellbeing of our employees and subcontractors remains paramount to our business. Throughout the COVID-19 pandemic, the company has taken extensive measures to ensure the health and safety of all our employees, especially our crew onboard, who are integral assets to our global operations. In addition, we continued the implementation of our 'Injury and Incident Free' campaign to embed a culture of zero harm throughout our workforce and supply chain partners. I am proud to announce these efforts have been recognized externally, and Nakilat achieved a 'Five-Star' audit grading and the Sword of Honour Award for the third consecutive year from the British Safety Council (BSC).

The future holds much promise for Nakilat, and we are confident that our commitment to continuous improvement and proactive approach to integrating ESG considerations across the company will further strengthen Nakilat's business resilience and create long-term stakeholder value.

2. Business Overview

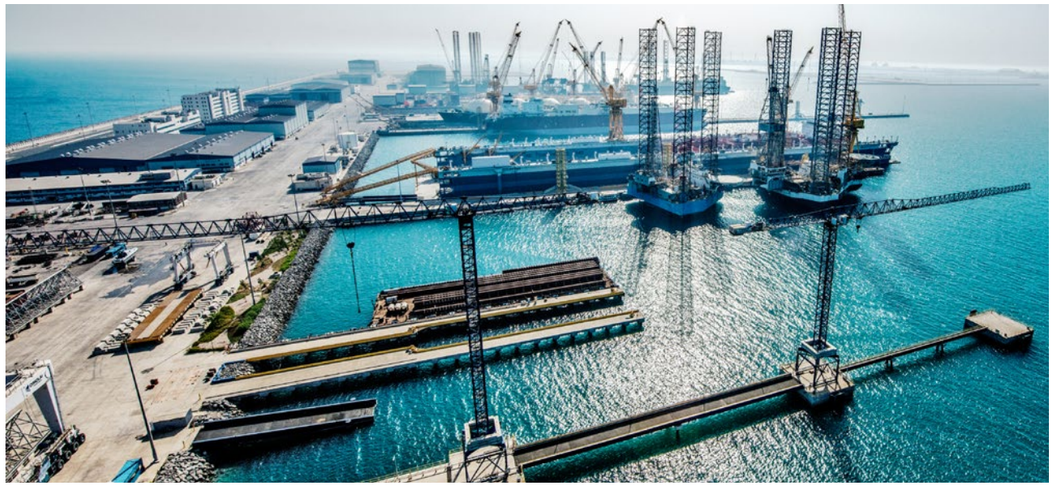


2.1 About Nakilat

Established in 2004, Nakilat is a shipping and maritime company based in the State of Qatar. With the world's largest Liquefied Natural Gas (LNG) shipping fleet by capacity, comprising of 69 LNG carriers, the company provides the essential transportation link in Qatar's LNG supply chain. Through its wholly-owned subsidiary Nakilat Shipping Qatar Limited (NSQL), the company manages and operates 22 LNG, 4 LPG carriers and 1 Floating Storage Regasification Unit (FSRU).

In addition to its core shipping activities, Nakilat operates the Erhama Bin Jaber Al Jalahma Shipyard in Ras Laffan Industrial City, providing comprehensive ship repair and offshore fabrication services via strategic joint ventures: Nakilat-Keppel Offshore & Marine (N-KOM) and Qatar Fabrication Company (QFAB).

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



KEY STRENGTHS

74
Fleet Size
(*3 newbuilds)

Listed on QSE
(since 2005)

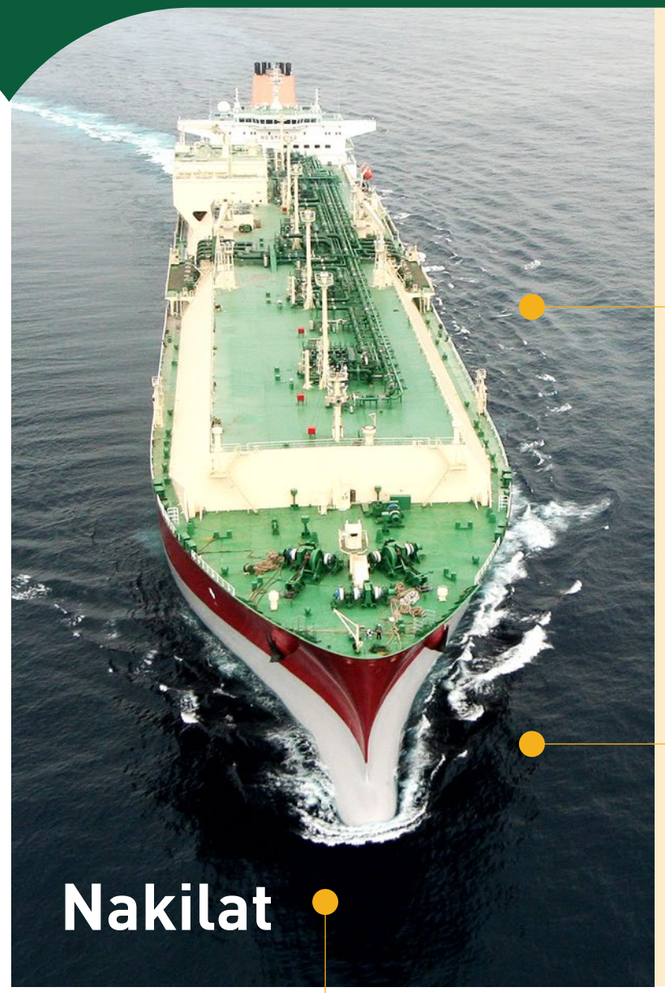
World's largest
LNG shipping fleet
by capacity

9
Vessels Transitioned

1 LNG carrier
newbuild delivery

7 LNG carriers
transitioned to in-house management

1 FSRU
transitioned to in-house management



Shipyard

- **N-KOM** — Repair, conversion, maintenance & fabrication
  Marine vessels & onshore and offshore structures
- **QFAB** — Fabrication, construction & assembly of offshore and onshore structures

Nakilat Fleet

69	4	1
LNG CARRIERS	LPG CARRIERS	FSRU

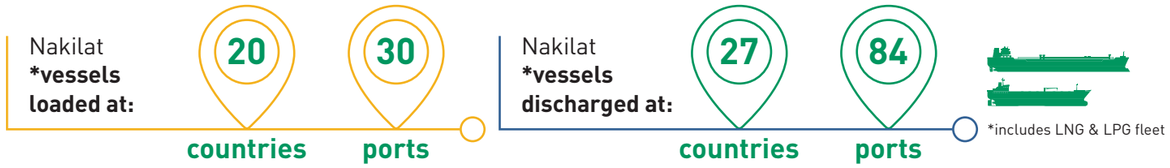
Marine Services

- **NSW** — Towage & marine support services
  Operating a fleet of vessels including tug & pilot boats
- **Nakilat Agency Company** — Shipping agency, marine & logistics services
  All ports & terminals in Qatar and globally through sub-agents
- **VSU** — Provisions, materials logistics, warehousing & coordination of repairs

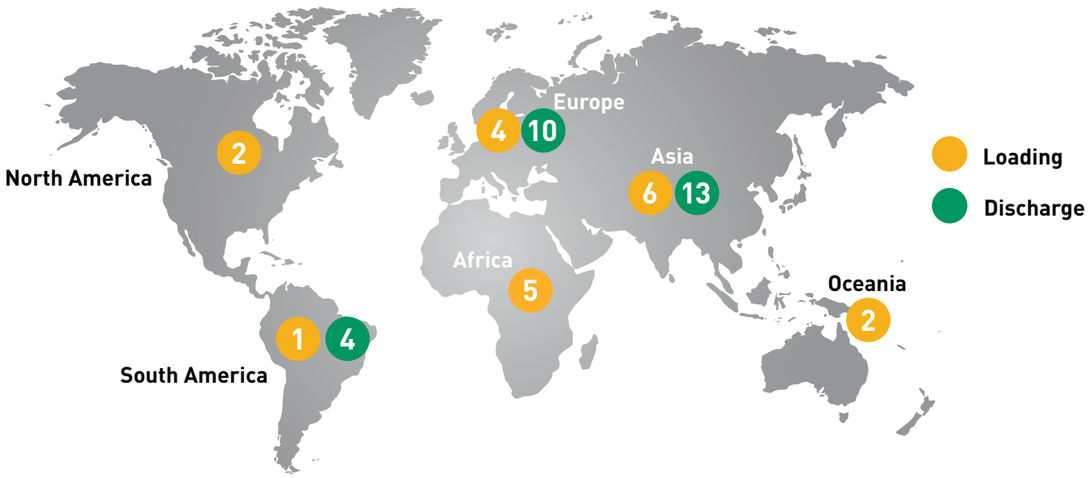
2. Business Overview (continued)

Markets and Customers Served

Headquartered in Doha, Qatar, Nakilat's transportation services are offered in various locations internationally. Nakilat's LNG vessels have loaded in 20 countries and discharged at 27 countries and 77 terminals in 2020. Our customers are predominantly LNG producers and major international energy companies.



Countries where Nakilat vessels discharged/loaded at:



Our Strategy

To ensure our focus on arriving at the strategic destination, four strategic themes were defined to serve as the architecture of Nakilat's strategy map. Three of the themes within the strategy map represent Nakilat's core activities, with each theme hosting a stream of strategic objectives plotted in an upward relational logic. Nakilat's strategic themes draw a bigger picture of the company's direction and portray our story in a concise manner.

Sustainable Growth

While we have achieved the largest global LNG shipping market share, we aspire to continue our profitable dominance in the industry landscape. We will achieve our growth targets through delivering integrated services that cover the maritime value chain. Our delivery model shall be reinforced by high-end market intelligence capabilities that will grant us competitive advantage in targeting our customers and fulfilling their needs.

Operational Excellence

We operate in a dynamic industry with fierce competition and high price elasticity where only top performers endure in the long run. Our field of play mandates the highest levels of operational and cost efficiency with no compromise on our standards of safety, reliability and quality. We aim to achieve excellence on the operational level through bespoke operational monitoring and evaluation while streamlining our core processes to deliver on our promise.

Customer Engagement

We believe that our brand is our identity and we understand that maintaining market dominance is a function of customer centricity. Our strategic focus revolves around instilling a culture of value creation for our customers, thereby reflecting that merit in our corporate image as a company that enriches customer experience and adds value in every aspect of the maritime services field. Our strategic formula relies on valuable customer engagement to elevate our brand value.

Organizational Performance Enablement

At Nakilat, we believe that our success has been, and shall continue to be, internally generated through a high-caliber workforce that constitutes our most valuable asset. Our corporate support functions will continue to be instrumental in delivering their services and provisions to support our core operations in the most efficient of manners. Whilst the entire organization shall be operating in harmony and alignment, our strategy will be our focus and our enabling compass that drives efficiency and effectiveness.

VISION

	Sustainable Growth	Operational Excellence	Customer Engagement
Outcome	• Boost profit • Increase market share	• Nakilat to be one of the top performers	• Improve brand value
Customer	• Deliver complete/integrated energy transportation & maritime solutions	• Provide a safe, reliable and cost-effective service	• Add value to enrich customer experience
Internal	• Materialize profitable business opportunities • Build market intelligence capabilities to develop a growth strategy	• Improve cost efficiency • Streamline core operational processes • Enhance performance through effective monitoring & evaluation	• Promote corporate image • Establish a customer value-creation culture
Enablers	**Organizational Performance Enablement**		
	• Attract, retain & develop high quality employees	• Ensure lean, cost-efficient, and customer-oriented support functions	• Build a strategy focused organization

Values: Safety ▸ Respect ▸ Integrity ▸ Passion ▸ Encouragement

Setting the Purpose, Values and Strategy

We conduct an annual offsite meeting to review the Nakilat strategy, policies, objectives and goals. This encompasses workshops with a diverse range of employees across different levels and departments. As a result of the full study, we collect and analyze all the data to create an executive presentation with the critical points that need to be addressed. This is submitted to the Senior Management Team for discussion with the CEO, prior to approval of the upcoming strategy.

VALUES

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

2.2 Financial Performance Summary

REVENUE | **4,016.6** QAR million

PROFIT | **1,160.9** QAR million

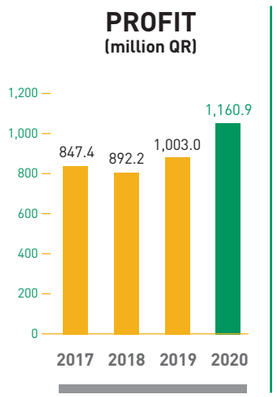
MSCI

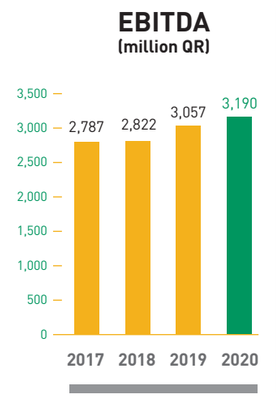
Added to Morgan Stanley Capital International Emerging Markets Large Cap Index as a constituent of the MSCI Qatar Large Cap index

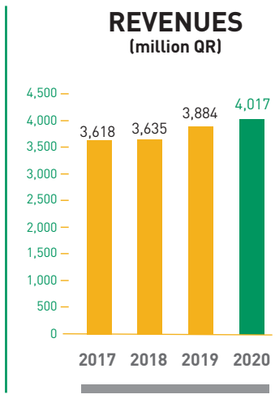
TOTAL ASSETS | **32.7** QAR billion

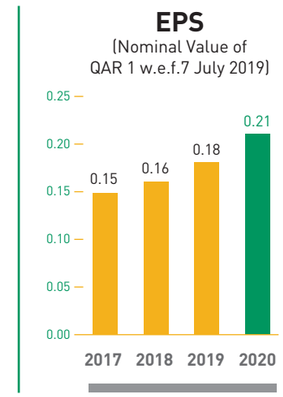
EARNINGS PER SHARE | **0.21** QAR

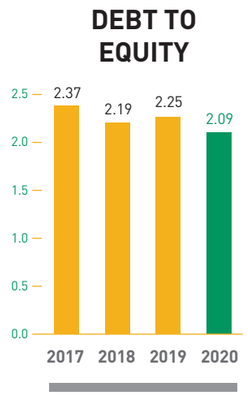
- The company recorded net profit of QAR 1,160.9 million, the highest since its inception; demonstrating its strength as key player in the global LNG transportation.
- Total assets of Nakilat as of December 31, 2020 were QAR 32.7 billion compared to QAR 32.4 billion as of December 31, 2019. Current assets, including cash and bank balances stood at QAR 3.9 billion as of December 31, 2020. Noncurrent assets, consisting mainly of investments in LNG carriers, property and equipment and other assets were QAR 28.7 billion as of December 31, 2020. Total assets of Nakilat, including share of its joint venture assets were QAR 45.4 billion. In addition, Nakilat also has an economic interest, full operational and management responsibilities in the QAR 10.6 billion Erhama Bin Jaber Al Jalahma Shipyard, with funding by QatarEnergy in the Port of Ras Laffan, giving a total assets value of QAR 56 billion managed by Nakilat.
- Total borrowing as of December 31, 2020 was QAR 20.9 billion compared to QAR 21.2 billion as of December 31, 2019. QAR 0.9 billion loan added for new business opportunities, while QAR 1.2 billion loan was repaid during 2020.
- Total equity before hedging reserve and non-controlling interests as of December 31, 2020 QAR 10.0 billion compared to QAR 9.4 billion as of 31st December 2019.

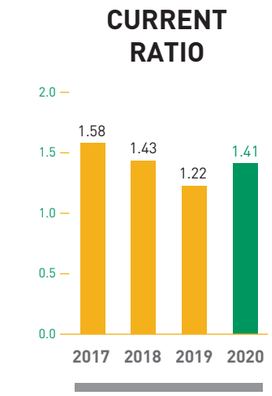


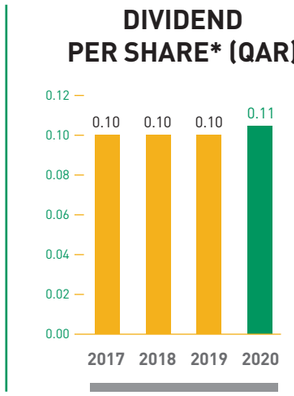










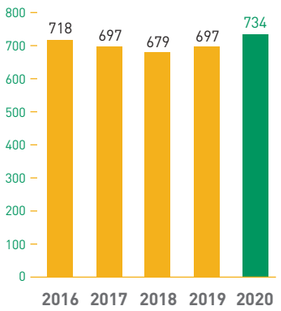


* 2016 to 2018 adjusted to nominal value of QAR1 per share w.e.f. 7 July 2019

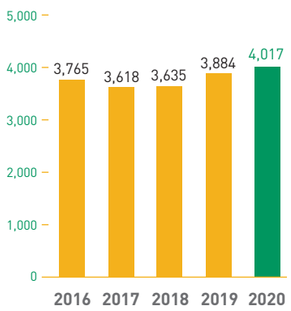
Direct Economic Value Generated and Distributed

The preparation of Nakilat's consolidated financial statements is in conformity with the International Financial Reporting Standards (IFRS). Nakilat's reported direct economic value generated and distributed (EVG&D) is on an accruals basis. Nakilat's distributed economic value generated can be found in Human Capital, Responsible Procurement and Supply Chain, and Information Security and Data Privacy.

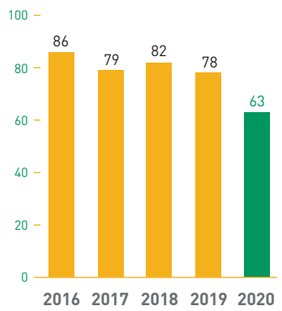
OPERATING COSTS
(million QR)



TOTAL INCOME
(million QR)

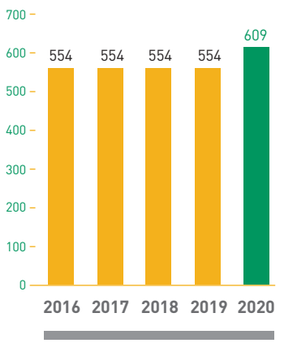


G&A EMPLOYEES COSTS*
(million QR)

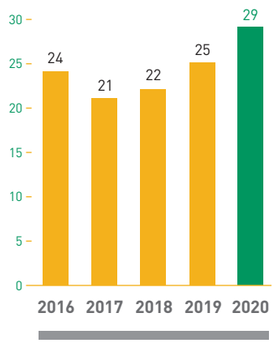


* G&A Employees Costs includes cost items directly related to the employee's job function, such as training.

PAID DIVIDENDS
(million QR)



SOCIAL AND SPORTS FUND CONTRIBUTION
(million QR)



3.1 ESG Strategy and Statement

Our environmental, social and governance (ESG) strategy consists of **four cornerstones to propel sustainable business practices** within our company and across our value chain.

Our commitment to these strategic focus areas is formalized through our sustainability statement.

ESG Statement

As one of the world's largest LNG shipping company delivering cleaner energy worldwide, Nakilat is committed to the Qatar National Vision 2030 to preserve the environment and its natural balance to achieve comprehensive and sustainable development for all generations and the communities we serve.

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

Safety, Health and Environment

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

Employees

- Ensure career development, training, life-long learning and employability
- Provide an excellent workplace including the respect of ergonomics and care for employees' well-being and reduce stress

Economic Impacts & Supply Chain

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

Governance, Ethics and Compliance

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

3.2 ESG Governance

ESG Committee Charter

Nakilat has established an ESG Committee composed of Nakilat's executives, of which provides regular updates to the Board of Directors, who holds overall accountability of all ESG-related matters across the Group.

The committee meets regularly, at least twice a year, and is responsible for maintaining oversight of the strategies, policies and risks related to ESG topics. This encompasses all topics identified as having a material impact on the business such as climate change, CO_2 emissions, energy consumption, health and safety, human capital, human rights, good corporate governance and community engagement.

The committee is supported by a newly formed ESG Task-Force composed of senior professionals who represent each ESG Pillar (Environment, Social, and Governance) and are responsible for the day-to-day management of Nakilat's ESG corporate reporting activities. The ESG Task-Force meets minimum every month to drive continuous improvement of ESG matters, disclosure, and developments, and reports monthly to the ESG Committee.

The Committee has the following key responsibilities:

- Oversee the ESG strategy, policies, and business practices across the Group
- Oversee the ESG reporting and external disclosures, in accordance with international standards and industry best practices
- Ensure that the group complies with applicable laws and regulations and considers adhering to non-binding rules, codes and standards
- Oversee the ESG due diligence process on any potential investment and provide recommendations on the outcomes
- Review and approve ESG risks and opportunities that are of strategic importance to the company
- Review and assess feedback from external stakeholders in relation to material ESG topics and provide guidance and strategies to senior management to limit related risks that may arise
- The CEO, as Chair of the ESG Committee, reports to the Board of Directors on ESG topics impacting the company and progress on ESG risk mitigation at least once a year
- Receive periodic briefings from relevant management teams on significant business risks identified and mitigating control measures implemented to effectively address them

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

ESG Organogram

3.3 Stakeholder Management

Nakilat's ESG strategy and approach was developed following extensive consultation with key internal and external stakeholders. These include customers, investors, shareholders, employees, regulators, suppliers, students, community members, and government entities.

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

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

3.4 Materiality Assessment

Nakilat undertakes a periodic evidence-based review of its material ESG topics in accordance with the GRI standards. This entails industry analysis, peer benchmarking, external stakeholder surveys, and internal validation by the ESG Committee. On a yearly basis, we engage through a wide range of methods with all our stakeholders to capture ESG risks and priority topics. This includes shareholders, investors, suppliers, JV partners, charterers, classification societies, employees, ESG specialists and ESG rating agencies etc. As part of the identification of key ESG risks and opportunities, Nakilat engages transparently and through open communication with internal and external stakeholders. Through this dialogue we assess and map the relevance of ESG topics impacting our business and wider society.

This approach enables us to identify those topics of most importance to our stakeholders and forms the basis for the development of Nakilat's non-financial ESG report and disclosures. The prioritization also helps inform the evolution of Nakilat's ESG strategy and level of ambition in certain topics.

Following extensive industry benchmarking, analysis of select international ESG rating agencies and assessment of stakeholder surveys, the generated Nakilat ESG materiality matrix plots the company's priority topics against the degree of stakeholder importance, and the significance of impact on Nakilat's business.

The Process of Nakilat's Materiality Assessment:

Benchmarking

Benchmarking was conducted encompassing shipping industry peers across sector leaders to identify relevant ESG topics and best practice. We utilize industry recognized external ESG rating assessments to assist this process.

Categories of the Universe:

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

Stakeholder Engagement

We engaged with internal and external stakeholders through surveys and focus group sessions to prioritize key identified ESG topics.

Examples of External Stakeholder Groups:

1. Investors
2. Shareholders
3. Classification Societies
4. Suppliers
5. JV Partners
6. Charterers

Examples of Internal Stakeholder Groups:

1. C-Suite Executives
2. ESG Committee
3. ESG Task Force
4. Middle-Management
5. Employees

Validation of Materiality Matrix

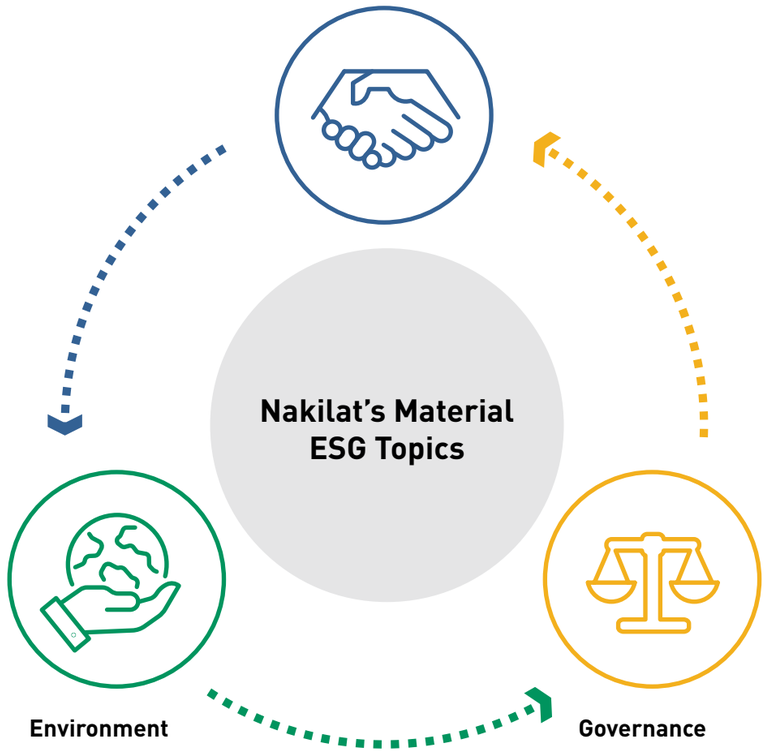
The identified material ESG topics are mapped on a materiality matrix, based on a weighted score from internal and external stakeholders' engagement results.

The final materiality matrix is validated by the ESG Committee, based on the ESG risks and opportunities justifications.

3. Approach to ESG Management (continued)

Social

- Health, Safety and Well being
- Human Capital/Employee Relations
- Diversity and Inclusion
- Responsible Procurement and Supply Chain
- Community Engagement

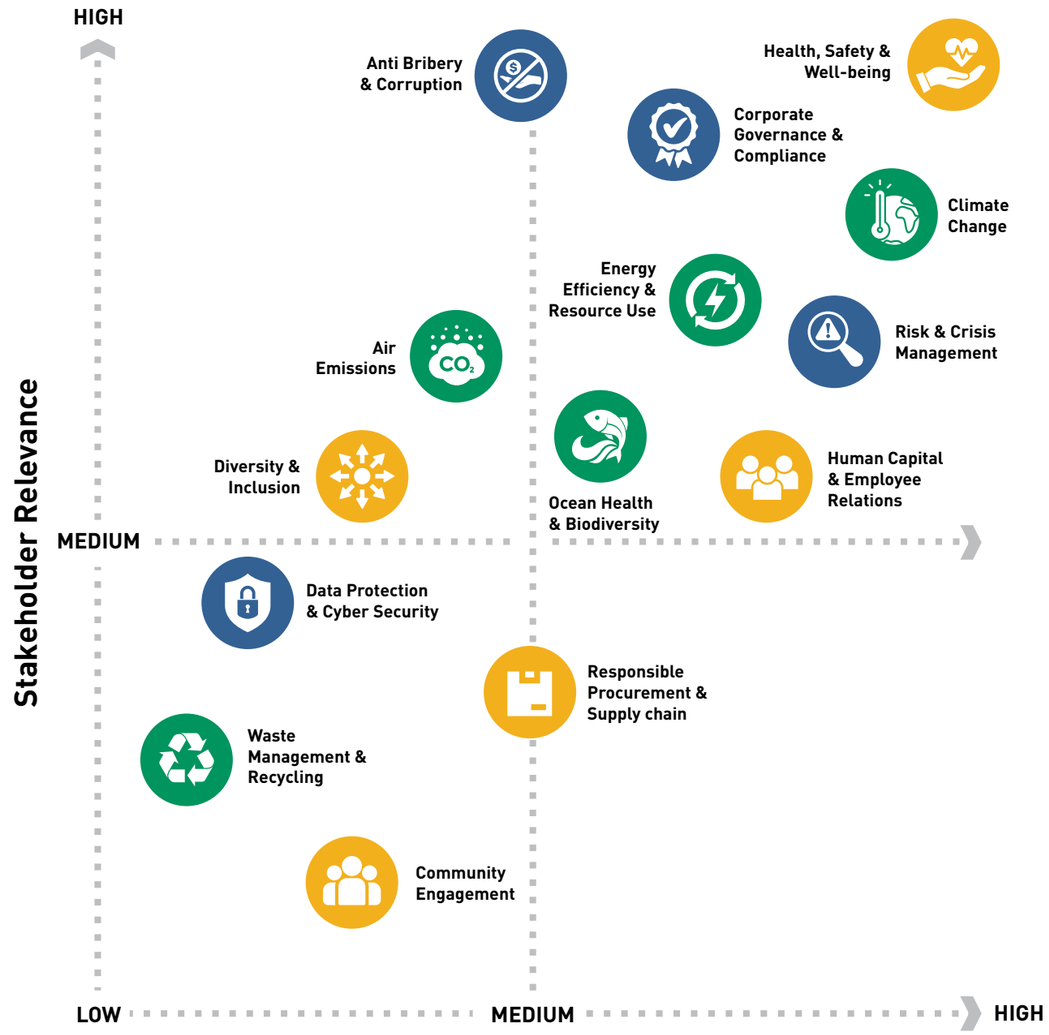


Environment

- Climate Change
- Energy Efficiency and Resource Use
- Air Emissions/Quality
- Ocean, Health and Biodiversity
- Waste Management and Ship Recycling

Governance

- Corporate Governance and Compliance
- Anti-bribery & Corruption
- Risk and Crisis Managemnt
- Information Security/Cyber Security



3.5 External ESG Commitments and Partnerships

International and National Frameworks

The State of Qatar has a major focus on environmental stewardship and sustainable development, with all stakeholders expected to contribute so that the nation can accomplish its Qatar National Vision (QNV) 2030 goals. We are committed to the objectives of the Qatar National Vision 2030 and the United Nations Sustainable Development Goals. Our ESG strategy has been developed in line with these national and international frameworks.

Qatar National Vision (QNV) 2030

QNV 2030 is a development plan launched in October 2008 by the General Secretariat for Development Planning in the State of Qatar. The aim of QNV 2030 is to "transform Qatar into an advanced society capable of achieving sustainable development" by 2030. To support its implementation, QNV is supported by the National Development Strategy, set every five years. The National Vision consists of four interconnected pillars:

Pillars of the Qatar National Vision 2030

Economic Development

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

Environmental Development

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

Social Development

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

Human Development

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

UN Sustainable Development Goal (SDGs)

The UN SDGs are the global framework for sustainability, with 17 goals underpinned by 169 targets through to 2030. The SDGs aim to mobilize efforts to end all forms of poverty, fight inequalities, tackle climate change and promote sustainable economic growth. The goals are universal and apply to all sectors. While our sustainability efforts contribute to the majority of the 17 SDGs, we drive progress by prioritizing the SDGs that have material alignment to our business priorities and our ESG strategy.

External Initiatives and Membership Organizations

The International Seafarers' Welfare and Assistance Network (ISWAN)

ISWAN is a membership organization that promotes and support the welfare of seafarers all over the world. ISWAN has a 24-hour, multilingual helpline called 'Seafarer Help' which has been communicated to Nakilat's seafarers as a direct welfare service that can help to tackle mental health onboard. ISWAN also provide routine health information that we are able to share with the vessels to make seafarers aware of the issues affecting them and the support they can obtain if required. Nakilat's wholly-owned subsidiary, Nakilat Shipping Qatar Limited (NSQL), has been an activate member since 2018.

Society of Gas as Marine Fuel (SGMF)

Nakilat is a founding member of the SGMF, a nongovernmental organization (NGO) established to promote safety and industry best practice in the use of gas as a marine fuel. Formed in 2013, it has consultative status with the International Maritime Organization (IMO) and is the definitive information resource for the industry. Nakilat's Chief Operating Officer, Mr. Samir Bailouni, is the President of SGMF, the UK based SGMF is the leading international body for the use and adoption of gases as fuel for shipping and the ensuing supply infrastructure. Furthermore, the society is governed by a representative Board and driven by three principal Committees; Technical, Environmental and APAC. SGMF has several Working Groups at any one time solving issues and producing outputs such as formal publications and Technical Guidance Notices for the industry.

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

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

The Abdullah Bin Hamad Al Attiyah Foundation for Energy and Sustainable Development

A non-profit organization focused on providing valuable insights on global energy and sustainable development topics, including climate change, for partners within Qatar. Nakilat has been a member since 2016.

External Awards

British Safety Council

Nakilat was honored to be awarded its third consecutive "Sword of Honour Award" by British Safety Council UK, a prestigious recognition for organizations that have reached the pinnacle of excellence in health, safety and environmental management.

Voluntary Green Awards Program

All of our LNG vessels are recipients of the Green Award, a voluntary program that signifies going above and beyond the industry standards in terms of safety, quality and environmental performance, and acts as a quality mark which brings benefits to its holders. This program is recognized and promoted by ports, shipping organizations and maritime service providers that want to support and enhance environmental and safety performance of ships and to promote the highest quality standards.

International Standards

Nakilat is certified to the following Integrated Management System (IMS) standards with Lloyds Register.

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

In addition, Nakilat is also certified to ISO 27001:2013 (Information Security Management) and ISO 22301:2019 (Business Continuity Management).

4. Environment

4.1 Environmental Management and Compliance

Environmental management is a growing concern that requires the immediate attention of all stakeholders. Nakilat is subject to a wide range of regulations and requirements related to environmental management due to our global LNG shipping network. Guided by robust risk management practices, Nakilat implements various measures to protect the environment through compliance with international standards and internal governance mechanisms. Furthermore, Nakilat contributes to the development of industry best practices.

Integrated Management System (IMS)

Nakilat has established and maintains an Integrated Management System (IMS) that incorporates Quality (QMS), Environment (EMS), and Occupational Health & Safety (OH&S) Management Systems and conforms to all applicable elements of the relevant internationally certified standards (ISO 9001:2015, ISO 14001:2015, ISO 45001).

The scope of Nakilat's Safety, Health, Environment & Quality (SHEQ) Management System is to "Manage, operate, and provide corporate services and due diligence for a fleet of gas and related products' vessels, company joint ventures, agency and vessel support".

All Nakilat employees and contractors are responsible for complying with the requirements of the SHEQ Management System. It is communicated through the following channels to ensure effective implementation:

- SHEQ Committee meetings;
- Departmental meetings;
- SHEQ induction;
- Tool Box Talks; and
- SHEQ Policy and Procedures communications

An Annual Management Review is conducted, chaired by the CEO, to ensure the SHEQ Management System is fit for purpose and to drive continuous improvements throughout Nakilat.

Auditing

In addition to the Annual Management Review, an annual internal audit of the EMS is undertaken by the SHEQ Department, in conjunction with the International Safety Management (ISM) Code audit, and verified by the Head of SHEQ. Furthermore, external audits are conducted by and Lloyds Register which result in Corrective Preventive Action Requests (CPAR) being identified and actioned.

Policy

Nakilat's SHEQ Policy defines its commitment towards ''Quality of Services', 'Health and Safety at Workplace' and 'Environmental Protection'. It is accessible to all employees and contractors and is understood within the organization. It is also publicly displayed at several prominent locations and is reviewed for continuing suitability during the Management Review Meetings.

The SHEQ Policy is:

Nakilat Shipping Qatar Limited (NSQL) is committed to provide safe shipping services; while minimizing the impact of environment.

NSQL will comply with all Health, Safety, Security, Environment and Quality (HSSEQ) requirements, as specified in the Safety Management System, operate to and contribute to the development of industry best practices and commit to the following objectives.

- Continuous improvement in safety towards an incident and injury free environment
- Protect the environment wherever we work
- Setting targets for Safety, Health, Environment and Quality improvement, and measure, appraise and report HSSEQ performance to drive continual improvement
- Clear accountability and responsibility of all staff towards managing HSEQ as critical business activities
- Striving to be innovative and continually improve performance, by sharing best practices and implementation of lessons learnt
- The empowerment of staff and contractors at all levels to lead by example, to stop work if they identify an unsafe condition, to stop all unsafe acts they see and to help others to be safe by engaging and caring for their safety
- Complying with applicable Safety, Health, Environment, Quality, Legal and other requirements related to our activities
- Providing adequate resources and leadership to effectively implement the company Safety Management System and achieve HSSEQ objectives

The Key Aspects of Nakilat's ISO14001 Environmental Management Systems (EMS) are:

- To recognize that environmental management is among the highest organizational priorities
- To establish and maintain communication and constructive relations with internal and external stakeholders
- To identify the statutory requirements, and the voluntary guidance to which the organization subscribes, that relate to Nakilat environmental aspects
- To ensure the commitment of management and all employees and contractors working for or on behalf of Nakilat for the protection of the environment, with clear assignment of accountability and responsibility
- To encourage environmental planning throughout the long-term future of Nakilat
- To establish a process for achieving environmental objectives and targets
- To provide appropriate and sufficient resources, including training, to comply with applicable legal requirements and with other requirements to which Nakilat subscribes, and thereby to achieve the environmental objectives and targets that have been set
- To evaluate environmental performance against Nakilat environmental policy, objectives and targets and seek improvement where appropriate
- To establish a management process to audit and review the environmental management system and to identify opportunities for improvement of the system and resulting environmental performance
- To encourage contractors and supplier to establish an EMS

Nakilat's focus areas

on environmental management include:

Compliance to international standards

All Nakilat Shipping Qatar Limited (NSQL) managed vessels completed the Inventory of Hazardous Material in compliance with the IMO Hong Kong Convention, and Ballast Water Treatment System are installed on NSQL fleet vessels.

Energy Efficiency

Optimize energy consumption and responsible sourcing of environmentally friendly materials

Water Management

Responsible and prudent water consumption

Waste Reduction

Increased recycling thereby reducing waste generated and sent for disposal

Greenhouse gas emissions

Nakilat is committed to sustainable development in the shipping industry and supports the IMO efforts to reduce ship emissions contributing to climate change

4. Environment (continued)

Environmental Aspects and Effeccts

The company has established and maintains procedures to identify the environmental aspects of its business activities, products and services, that it can control and determine best practices for the environment, considering the life cycle perspective.

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

In shipping and fleet, the key environmental aspects identified that require specific monitoring to enable evaluation of environmental performance are:

- Air emissions and pollution: NOx, SOx, CO_2, CHFC's, HCFC's, CFC's, VOC's
- Fuel consumption, energy efficiency and associated GHG emissions
- Potential cargo and bunker spills harmful to marine life and biodiversity
- Waste disposal: solid, liquid and special Waste disposal: solid, liquid and special/ hazardous

For the non-shipping segment, various programs are undertaken to support initiatives for the environment. These include reducing electricity consumption, water conservation, digitization of records, beach cleaning, tree planting and minimizing office paper usage. In addition, waste segregation and disposal are carried out in an environmentally friendly manner and Nakilat enforces the "3R's" waste hierarchy principles of 'Reduce, Reuse and Recycle' in waste management. The SHEQ manual maintained at Nakilat covers all of the above elements in detail.

Nakilat maintains documented information of all environmental impacts and considers significant impacts when developing management plans and setting its environmental objectives.

Plans and Procedures

For the company's activities that affect the environment, a plan is implemented to monitor and mitigate the negative impacts. The plan is incorporated within the Fleet Management Manual (FMM) and includes, but is not limited to:

- Garbage management plan
- Monitoring, Verification and Recording (MRV)
- Shipboard Oil Pollution Emergency Plan (SOPEP) & Vessel Response Plan (VRP)
- Emergency preparedness
- Navigation and passage planning to minimize environmental risks
- Cargo handling and management
- Ballast water management
- Oily Water Separator (OWS) operation
- Bunkering procedures
- Liquid waste discharges
- Discharges to atmosphere
- Recording of incidents and performance
- Use of refrigerants
- Reporting of environmental non-conformances
- Monthly environmental reports
- Contractor's obligations and onboard Health, Safety and Environment (HSE) policy letters

Objectives and Targets

Nakilat establishes SMART (Specific, Measurable, Achievable, Realistic & Time Bound) objectives at all levels within the organization derived from the company Annual Business Plan & Strategic Corporate Objectives, and ensures it is within the framework of SHEQ Policy. Based on these strategic objectives, the in-house SHEQ Department sets specific targets and/or Key Performance Indicators (KPIs).

These KPIs are monitored through our planned maintenance program modules "AMOS". A monthly review is carried out for the entire fleet then shared through NSQL Fleet Scorecard with all the managed vessels. A monthly performance benchmark is also carried out among all the JV partners. During scheduled management review the Fleet scorecard is also reviewed, with new targets then set for the following year.

Environmental Targets 2020-2021

CATEGORY	KPI*	2020 TARGET	2021 TARGET
ENVIRONMENT	Average Energy Efficiency Operational indicator (EEOI) CO_2 Index	LNG: <11.7 LPG: <11.5	LPG <10 DSM QMAX <13 DSM QLEX <12 HHI QLEX <12 SHI QLEX <10.5 SHI QMAX <13 GLOBAL <2
	Garbage reduction	3%	5%
	Oil spill to water	0	0
	Number of environmental incidents	0	0
RELIABILITY & ASSURANCE	Availability	>99.5%	>99.5%
	Port Compliance	>98%	>98%
	SIRE Score	1.8	1.6
	Navigational Audit Score	3.6	3.2
	PSC Detention	0	0
	No Delays to Load/Disch port	>99.5%	>99.5%
ASSURANCE	PSC Inspections without Deficiency	100%	100%
	PSC Deficiency (Code 17)	0	0
	Flag State Inspection without Deficiency	100%	100%

*See appendix for KPI definitions

Environmental Compliance

Nakilat has developed necessary mechanisms for identifying and accessing Qatar legal HSE and other compliance requirements which are applicable as well as may become applicable as a result of new legislation, or amendment of existing Acts/Rules. The following legal and other requirements are applicable to Nakilat:

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

Nakilat has identified the sources through which EMS/ OH&S, legal and other requirements are identified and is in communication with them to keep abreast with the amendments to the existing acts/rules or introduction of new legislation. The company has a review mechanism to ensure compliance of all legal requirements.

This proactive approach to compliance is documented in our OHS & Environment Procedures and Statutory, Regulatory and Other OHS & Environmental Requirements Register.

4. Environment (continued)

Regulations

Nakilat Shipping Qatar Limited (NSQL) provides safe, competitive, and reliable shipping services. Meeting the needs of its customers while minimizing the impact on the environment and respecting our neighbors. As a socially responsible company, Nakilat adhere to all applicable environmental regulations.

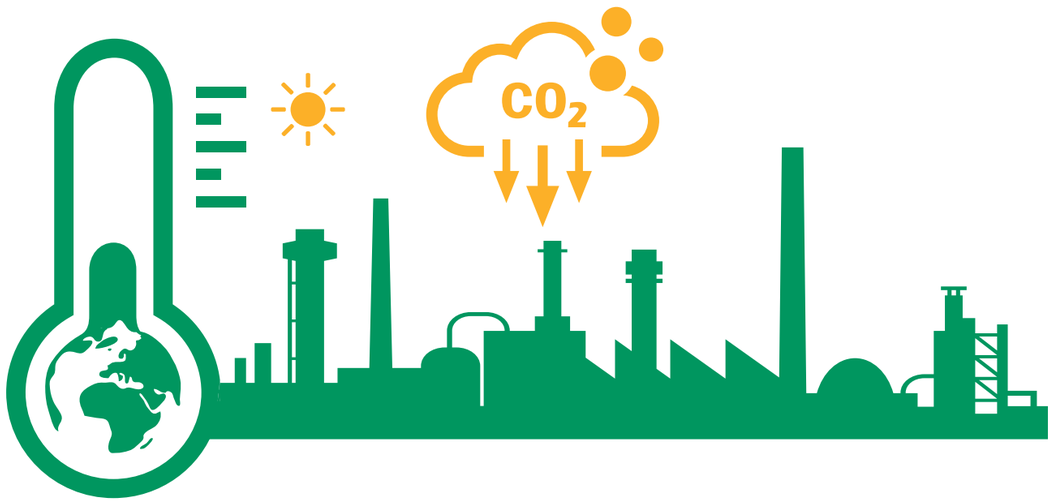
Figure below shows an overview of IMO regulations mapped against the United National Sustainable Development Goals (SDGs)

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

KPIs

Environmental Compliance	2018	2019	2020
Non-compliance with environmental laws and regulations			
Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulation	0	0	0

4.2 Climate Change and Emissions to Air



Management Approach and Progress

Nakilat is committed to sustainable development in the shipping industry and supports the IMO efforts to reduce ship emissions.

Our efforts are concentrated on optimizing the fuel efficiency of the fleet, where our largest carbon dioxide (CO_2) emissions occur. This is achieved through detailed attention to engine/boiler performance, hull/propeller fouling, speed policy, and schedule optimization.

Greenhouse Gases and their Global Warming Potential

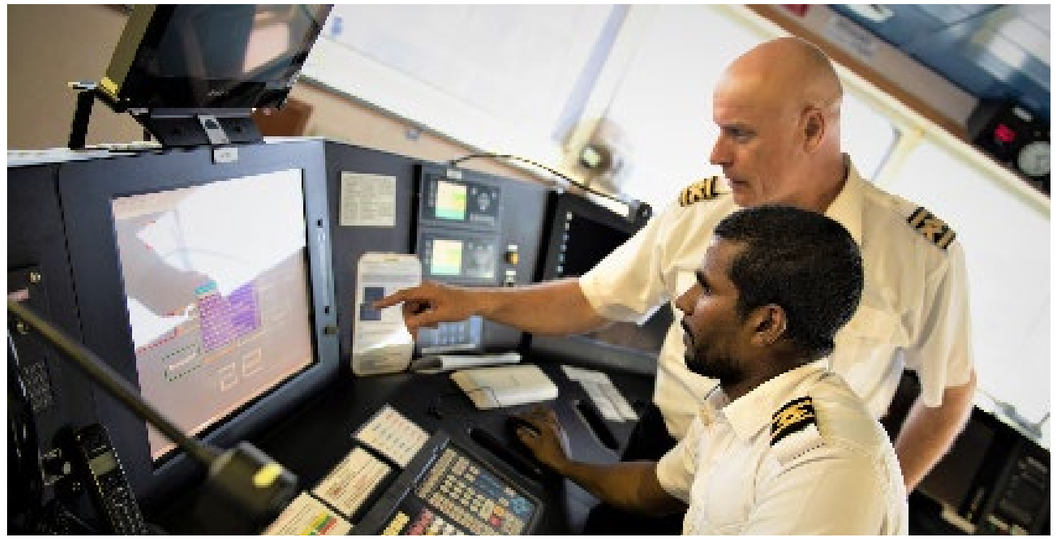
All greenhouse gases (GHGs) have what is called a Global Warming Potential (GWP). This value is used to compare the abilities of different greenhouse gases to trap heat in the atmosphere. GWPs are based on the heat-absorbing ability of each gas relative to that of CO_2 as well as the decay rate of each gas (the amount removed from the atmosphere over a given number of years). By assigning a GWP value it allows policy makers to compare the impacts of emissions and reductions of different GHG. For instance, methane is a significant contributor to the greenhouse effect and has a GWP of 21. This means methane is approximately 21 times more heat-absorptive than carbon dioxide per unit of weight.

Some older vessels still use the refrigerant HCFC R22, which has a relatively low GWP but it is being phased out because it has an Ozone Depleting Potential (ODP) of 0.05. We are in the process of transitioning to zero ODP Hydrofluorocarbons (HFCs).

Newbuild vessels have systems onboard that use HFCs such as R407C, R410A, R417A and R134A (HFCs) which are all zero-ozone depleting, but they still have GWP of around 1,300-1,600 (CO2 GWP = 1). R404A has a very high GWP of 3260 and is not acceptable to Class for EP notation. Currently there are no restrictions on equipment or use of those refrigerants. The aim for Nakilat is to minimize any loses from the systems by continuous monitoring.

Sulphur Oxides (SOx) and Low Sulphur Fuels

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



To comply with the new global sulphur cap of 0.5% set by IMO for marine fuels, the organization has identified the following risks that resulted from strict regulatory requirements aimed to reduce SOx emissions:

1. Risk of fuel supply shortage due to new IMO fuel sulphur cap of 0.5%
2. Compatibility issues of new low sulphur (LS) fuels
3. Combustion/operational issues of new LS fuels

All vessels in Nakilat's fleet are in compliance with the new sulphur cap using compliant fuels.

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

1. An independent study was carried out by Lloyd's Register across the fleet to assess market availability, compatibility issues and operational issues related to new LS fuel
2. A Local Supply agreement for LS fuels has been secured in collaboration of our main charterer
3. The possibility of carrying modifications on existing fuel storage, transfer and treatment systems was assessed
4. Our operational procedures have been amended to reflect Lloyd's study findings and recommendations

Nitrogen Oxides (NOx)

Nakilat complies with IMO Marpol Annex VI regulation 13 NOx Requirement on all new ships built after 1 January 2000 (Part of EP notation). All our vessels built after this date must have an Engine International Air Pollution Prevention (EIAPP) Certificate or International Air Pollution Prevention Certificate (IAPP) Certificate. Measurements have been done on board NSQL vessels to enable calculations to be made of the NOx emissions per vessel.

There are no significant VOC emissions across our shipping fleet.

4. Environment (continued)

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

In support of the IMO's carbon intensity reduction targets, to reduce CO_2 emissions per transport work by at least **40%** by **2030**, and **70%** by **2050** compared to 2008 baseline figures, Nakilat is tracking and monitoring the energy efficiency of the fleet. The below data is in accordance with the Poseidon Principles for disclosure.

Vessel Name	Propulsion	Cargo Capacity CBM	Year built	Technical management	Nakilat's Ownership (%)	AER* 2019	AER 2020	EEOI** 2019	EEOI 2020
AAMIRA	Motor	266,000	2010	STASCO	100%	12.81	11.00	25.57	24.10
AL BAHIYA	Motor	210,100	2009	STASCO	100%	9.87	9.09	30.20	24.54
AL KARAANA	Motor	210,100	2009	STASCO	100%	9.66	9.06	29.76	26.15
AL KHARAITIYAT	Motor	216,300	2009	NSQL	100%	10.22	10.62	24.89	25.49
AL KHATTIYA	Motor	210,150	2009	STASCO	100%	9.48	8.82	30.37	21.19
AL MAYEDA	Motor	266,000	2009	NSQL	100%	9.49	9.75	22.71	27.46
AL NUAMAN	Motor	210,100	2009	STASCO	100%	9.54	8.54	28.95	23.64
AL REKAYYAT	Motor	216,293	2009	NSQL	100%	11.11	10.90	25.66	24.86
AL SADD	Motor	210,200	2009	NSQL	100%	10.17	10.35	29.97	28.51
AL SAMRIYA	Motor	263,300	2009	NSQL	100%	7.96	7.82	22.36	26.51
BU SAMRA	Motor	266,000	2009	NSQL	100%	9.36	9.77	22.06	12.16
LIJMILIYA	Motor	263,300	2009	NSQL	100%	7.80	8.24	22.53	27.99
RASHEEDA	Motor	266,276	2010	STASCO	100%	10.51	11.14	25.23	25.51
SHAGRA	Motor	266,276	2009	STASCO	100%	9.70	10.18	22.65	24.86
ZARGA	Motor	266,000	2010	STASCO	100%	9.15	10.13	22.92	21.34
AL DAFNA	Motor	266,366	2009	NSQL	100%	9.79	10.02	27.62	28.25
AL GATTARA	Motor	216,200	2007	NSQL	100%	11.41	11.00	29.11	25.68
AL GHARRAFA	Motor	216,200	2008	NSQL	100%	11.73	10.75	30.13	25.88
AL GHASHAMIYA	Motor	217,591	2009	NSQL	100%	10.27	9.30	28.78	20.98
AL GHUWAIRIYA	Motor	263,300	2008	NSQL	100%	8.97	7.76	34.86	26.38
AL HAMLA	Motor	216,200	2008	NSQL	100%	11.56	11.77	28.59	21.20
AL MAFYAR	Motor	266,370	2009	NSQL	100%	9.52	9.49	30.70	27.50
AL SHEEHANIYA	Motor	210,200	2009	NSQL	100%	9.38	9.00	31.62	23.83
MEKAINES	Motor	266,476	2009	NSQL	100%	9.11	9.08	22.85	22.74
MESAIMEER	Motor	216,312	2009	NSQL	100%	9.35	12.76	23.90	24.87
MOZAH	Motor	266,253	2008	NSQL	100%	10.06	9.99	25.22	28.14
ONAIZA	Motor	210,150	2009	NSQL	100%	8.86	9.33	32.95	22.88
TEMBEK	Motor	216,200	2007	NSQL	100%	9.94	10.94	22.07	19.64
UMM SLAL	Motor	265,978	2008	NSQL	100%	9.53	9.79	21.49	31.55
GLOBAL ENERGY	MEGI	173,400	2020	NSQL	60%	NA	6.56	NA	31.94
AL WUKIR	Motor	82,491	2008	NSQL	50%	8.31	7.70	23.29	30.60
BU SIDRA	Motor	82,419	2008	NSQL	50%	7.96	8.26	26.98	63.48
LUBARA	Motor	82,452	2009	NSQL	50%	8.99	8.09	35.87	40.45
UMM LAQHAB	Motor	82,408	2008	NSQL	50%	9.53	8.00	51.27	32.96
AL ORAIQ	Motor	210,200	2008	KLINE	40%	8.84	9.28	17.6	17.47
UMM AL AMAD	Motor	210,200	2008	KLINE	40%	7.17	8.70	14.85	10.71
AL AAMRIYA	Motor	210,168	2008	MOL	40%	11.49	11.42	30.98	25.4
MURWAB	Motor	210,100	2008	MOL	40%	11.67	11.57	23.14	24.78
FRAIHA	Motor	210,100	2008	MOL	40%	11.93	12.05	20.72	24.97
EJNAN	Steam	145,000	2007	NYK	30%	16.08	15.76	31.14	30.32
AL SAHLA	Motor	216,200	2008	NYK	40%	11.91	12.30	23.54	25.08
AL THUMAMA	Motor	216,200	2008	NYK	40%	10.60	11.19	24.77	29.04
AL UTOURIYA	Motor	215,000	2008	NYK	40%	10.19	11.03	21.48	25.44
AL AREESH	Steam	148,786	2007	TK	30%	13.0	13.1	35.0	36.8
AL DAAYEN	Steam	148,853	2007	TK	30%	12.9	13.3	32.6	38.8
AL MARROUNA	Steam	149,539	2006	TK	30%	13.0	12.4	34.6	31.7
AL HUWAILA	Motor	217,000	2008	TK	40%	10.5	12.1	25.3	27.3
AL KHARSAAH	Motor	217,000	2008	TK	60%	10.2	10.6	23.6	26.7
AL KHUWAIR	Motor	217,000	2008	TK	60%	10.6	11.1	26.7	28.6
AL SHAMAL	Motor	217,000	2008	TK	60%	10.6	10.7	21.8	27.9
ASEEM	DFDE	155,003	2009	ILT3	20%	9.62	10.48	8.06	7.58
AL GHARIYA	Motor	210,150	2008	PRONAV	45%	10.71	9.78	21.29	29.42
DUHAIL	Motor	210,150	2008	PRONAV	45%	10.76	9.83	30.53	24.03
AL RUWAIS	Motor	210,150	2007	PRONAV	45%	9.34	9.78	26.69	27.75
AL SAFLIYA	Motor	210,150	2007	PRONAV	45%	8.68	9.79	26.11	31.67
AL JASSASIYA	Steam	145,700	2006	MGM	40%	12.35	15.38	30.93	37.39
MARAN GAS ACHILLES	Steam	174,000	2016	MGM	40%	6.74	6.46	14.80	18.12
MARAN GAS ALEXANDRIA	Steam	161,870	2015	MGM	40%	6.65	6.81	12.41	18.12
MARAN GAS APOLLONIA	Steam	161,870	2014	MGM	40%	6.59	6.58	19.07	17.58
MARAN GAS ASCLEPIUS	Steam	145,822	2008	MGM	40%	13.36	17.07	32.08	42.39
MARAN GAS CORONIS	Steam	145,700	2012	MGM	40%	13.23	13.25	36.68	25.08

Vessel Name	Propulsion	Cargo Capacity CBM	Year built	Technical management	Nakilat's Ownership (%)	AER* 2019	AER 2020	EEOI** 2019	EEOI 2020
MARAN GAS DELPHI	Steam	159,800	2014	MGM	40%	6.63	7.41	15.16	17.74
MARAN GAS EFESSOS	Steam	159,800	2014	MGM	40%	9.98	6.76	19.00	22.79
MARAN GAS LINDOS	Steam	161,870	2014	MGM	40%	7.74	7.96	18.00	21.30
MARAN GAS POSIDONIA	Steam	161,870	2014	MGM	40%	6.38	6.06	11.61	19.03
MARAN GAS SPARTA	Steam	159,800	2015	MGM	40%	7.55	6.46	19.01	19.19
SIMAISMA	Steam	145,889	2006	MGM	40%	13.35	14.05	34.64	37.51
UMM BAB	Steam	145,000	2005	MGM	40%	16.77	14.56	35.01	38.73
WOODSIDE GOODE	DFDE	159,800	2013	MGM	40%	7.32	7.06	17.85	17.86
WOODSIDE ROGERS	DFDE	159,800	2013	MGM	40%	7.89	7.50	17.10	15.74

KPIs (Shipping)

Climate Change and Emissions to Air	2018	2019	2020
Greenhouse Gas (GHG) emissions			
Gross direct (Scope 1) GHG emissions (TCO_2e)[2]	4,677,574	5,175,137	5,553,475
GHG emissions intensity[3] (TCO_2e/Nm)	1.17	1.21	1.21
Organization-specific metric chosen to calculate the intensity ratio: Total Sailing Distance[4] (Nautical Mile [Nm])	5,425,099	5,988,508	6,286,888
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			
NOx	115,624	128,017	138,902
SOx	155,855	257,455	133,152
Particulate matter	9,958	11,023	12,020

Note: This data represents our entire shipping fleet, except for ships NYK1 & NYK2 for the year 2018. Our reported GHG emissions data are based on the GHG Protocol, European Union (EU) Monitoring, Reporting and Verification (MRV) of CO2 emissions, and IMO Data Collection System (DCS) on fuel consumption.

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

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

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

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

KPIs (Non-Shipping)

Climate Change and Emissions to Air	2018	2019	2020
Greenhouse Gas (GHG) emissions			
Gross direct (Scope 1) GHG emissions (TCO_2)[5]	20,069	19,301	19,928

Note: This data represents emission from Fuel used by our non-vessel Joint ventures including fuel used for business purpose by corporate office. Majority of non-shipping fuel is used by tugs for Harbour Operations and so the calculation of these data uses conversion factors for MDO from the following standards: IPCC 2006

N-KOM Ambient Air Quality Monitoring

In order to ensure that emissions to the ambient air are within statutory limits, N-KOM monitors several ambient air quality parameters. Through regular monitoring, N-KOM tracks and ensures that its operations produce minimal pollutants as demonstrated in the KPI tables.

2020 objectives and targets (N-KOM):

EMP* Risk Focus Area	Objective	Target/KPI	Negative environmental impact mitigation measures
Emissions to air	To ensure control measures are in place to mitigate risks associated with emissions to air.	To ensure that air emissions from the yard are within the legislative limits & implement mitigation measures if results are above regulatory limits.	a) Activities which produce air pollutants are controlled via enclosed chambers, extraction systems, and filtration. Examples: Blasting chamber, fume hoods & extraction fans b) Machinery & equipment which produce air pollutants are serviced & maintained on a stipulated basis as per government regulations.

*Environmental Management Plan

Emissions to Air	2018	2019	2020	2020 Targets
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions[6]				
NOx	n/a	24.25 ug/m^3	20.75 ug/m^3	*NOx – 150 ug/m^3
SOx	n/a	14.75 ug/m^3	12.50 ug/m^3	–
Particulate Matter (PM2.5)	n/a	23.25 ug/m^3	22.75 ug/m^3	*PM2.5 – 35 ug/m
Particulate Matter (PM10)	n/a	67.5 ug/m^3	72.75 ug/m^3	*PM10 – 150 ug/m^3

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

[5] Non-Shipping data shown separately under scope 1

[6] Each parameter is averaged for the year 2019 & 2020

4.3 Energy Efficiency and Water Consumption

Energy Efficiency

Management Approach and Progress

In-line with the Nakilat General Business Principles, we continually look for ways to reduce the environmental impact of our operations, products and services. All managed ships are therefore operated in the most energy efficient and safest manner possible.

Ship Energy Efficiency Management Plan (SEEMP)

Each vessel shall develop, maintain and comply with a SEEMP. SEEMPs are developed as a ship-specific plan by Nakilat and seek to improve a ship's energy efficiency through four steps: planning, implementation, monitoring, and self-evaluation and improvement. These components play a critical role in the continuous cycle to improve ship energy management.

Fleet energy targets are set during the scheduled Annual Management Review. Depending on vessel type, trade pattern and each vessel operational profile, a set of measures are adopted to meet the set KPIs.

Some of the Operational Energy Efficiency Measures implemented are:

- Voyage management in close cooperation with charterers
- Cargo conditioning management
- Trim optimization
- Weather routing
- Switching off lights during Unattended Machinery Space (UMS) periods

Environmentally Friendly & Higher Performance Hull Coating Systems

All Nakilat's LNG vessels have been coated with the environmental friendliest and high-performance coating systems, with the latest available technology at the time of delivery. Nevertheless, a gradual drop in hull performance can be observed causing increased fuel consumption for the same speed. As can be verified from the voyage performance analysis over the last five years, a slight fouling[6], has shown to cause a significant drop in speed leading to increased fuel consumption (hence, increased emissions) to achieve the same speed. In order to overcome the later drop in existing coating performance due to hull fouling, Nakilat rolled out an upgrade hull paint scheme to the entire fleet with a more advanced and higher performance coating during the planned vessels drydocking, to further minimize the performance deterioration rate.

The performance of the new coating system has proven results with very little or no hull fouling, with vessels completing a full in-service cycle of 5 years. Comparative data analysis is continuously carried out, and it can be safely claimed that approximately 1.5% speed loss with the confirmed reduction has been realized in propulsive fuel consumption.

Enhanced & Integrated Hull Performance Monitoring

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

Innovative Remote Operated Vehicle (ROV) Solutions

In addition to the established hull performance monitoring process, Nakilat together with Ras Laffan Industrial City (RLIC), QatarEnergy and the Ministry of Environment (MoE), have worked on assessing the viability to introduce an innovative means of hull cleaning within the Qatari territorial waters and port facilities. The ROV system comprises of a high-pressure water jet and vacuum, associated with an on-barge separation system to collect the fouling without adverse impact to the environment. This environment permit was granted, and the system was successfully introduced within the Ras Laffan Port limits as a fully fledged service. Initially, a trial was carried out on a number of vessels and the system proved to be very environmentally friendly, rejecting only clean sea water overboard. Presently a well referenced service provider was permanently established, and service is available within RLIC vicinity.

Fleet Digitalization

Innovations and inventions provide technology to make sailing safer and more efficient. Integrating new systems on vessels to improve vessel performance and minimize the risk of human factor, is an example of digitalization. Because technology is innovating fast, there are chances to improve or adapt inventions or systems on board of vessels. Digitalization in this context is about making the current systems on vessels more efficient or developing new systems to improve performance and minimize the risk of human factor. Fleet digitalization enhances vessel performance through effective monitoring and timely evaluation, and is therefore of strategic importance to the company, its partners and customers. It allows Nakilat to continuously improve its service efficiency to achieve operational excellence. In addition, automation of processes onboard allows the crew to operate the vessel in a safer and more efficient manner.

Propeller Super-Polish & Edge Modification

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

N-KOM: Power Demand Protocols

Within the Bulk Supply Agreements for Power from the national government supplier, Kahramaa, there are maximum demand level requirements agreed and set. Certain protocols have been put in to place to ensure that high consumption/demand assets such as the two dry docks and the floating dock are not operated simultaneously which would result in such over consumption. Our target is to ensure that we do not exceed the maximum demand level and to reduce energy usage in tandem with yard operation requirements. We have managed to not exceed the maximum demand level for 80% (48 out of 60 months between 2016 & 2020).

[6] Hull fouling is a natural occurance and a well-known issue affecting vessels trading in warm water ports and is the result of marine growth on the hull.

4. Environment (continued)

KPIs (Shipping)

Energy	2018	2019	2020
Energy consumption			
Total fuel consumption within the organization from non-renewable sources (GJ)[7]	63,179,490	67,806,690	74,982,199
Total fuel consumption within the organization from renewable sources (GJ)	0	0	0
Total energy consumption within the organization (GJ)	63,179,490	67,806,690	74,982,199
Energy intensity			
Energy intensity ratio[8] (GJ/Nm)	12.65	13.16	16.76
Organization-specific metric chosen to calculate the intensity ratio: Total Sailing Distance[9] (Nautical Mile [Nm])	5,425,099	5,988,508	6,286,888

Note: This data represents our entire shipping fleet, with the exception of ships NYK1 & NYK2 for the year 2018.

KPIs (Non-Shipping)

Energy	2018	2019	2020
Electricity consumption			
Total electricity consumption (kWh) Corporate	1,284,221	1,237,412	935,517
Total electricity consumption (kWh) N-KOM	63,000,000	68,500,000	63,400,000
Total electricity consumption (kWh) QFAB	n/a	n/a	7,460,000
TOTAL ELECTRICITY CONSUMPTION (kWh) Corporate, N-KOM, QFAB	64,284,221	69,737,412	71,795,517
Total electricity consumption (GJ) Corporate	4,623	4,455	3,368
Total electricity consumption (GJ) N-KOM	226,801	246,600	228,240
Total electricity consumption (GJ) QFAB	n/a	n/a	26,856
TOTAL ELECTRICITY CONSUMPTION (GJ) Corporate, N-KOM, QFAB	231,424	251,055	258,464
Fuel consumption			
Total fuel consumption (GJ) Corporate	204	415	734
Total fuel consumption (GJ) N-KOM	597	820	174
Total fuel consumption (GJ) QFAB	n/a	n/a	393
Total fuel consumption (GJ) NSW	290,282	278,711	287,742
TOTAL FUEL CONSUMPTION (GJ) Corporate, N-KOM, QFAB, NSW	291,083	279,945	289,043

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

8 For SHIPS: Energy Intensity = Total Energy/ Total sailing Distance. Intensity is declared in total

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

Energy	2018	2019	2020
Total energy consumption (electricity + fuel)			
Total energy consumption (GJ) Corporate	4,827	4,869	4,102
Total energy consumption (GJ) N-KOM	227,398	247,420	228,414
Total energy consumption (GJ) QFAB	n/a	n/a	27,249
Total energy consumption (GJ) NSW	290,282	278,711	287,742
TOTAL ENERGY CONSUMPTION (GJ) Corporate, N-KOM, QFAB, NSW	522,507	531,000	547,507
Energy intensity[10]			
Energy intensity ratio (Electricity consumption (MJ) / per employee) Corporate	18,494	17,820	13,472
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) Corporate	250	250	250
Energy intensity ratio (Electricity consumption (MJ) / employee N-KOM	174,462	189,692	175,569
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) N-KOM	1,300	1,300	1,300
Energy intensity ratio Electricity consumption (MJ) / per employee) QFAB	n/a	n/a	312,279
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) QFAB	n/a	n/a	86
Energy intensity ratio (Fuel consumption (MJ) / per employee) NSW	853,770	819,738	846,300
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) NSW	340	340	340
TOTAL Energy intensity ratio (Electricity Consumption (MJ) / per employee) Corporate, N-KOM & QFAB	122,446	132,833	130,801
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) corporate, N-KOM, QFAB, NSW	1,890	1,890	1,976

Reduction of Energy Consumption	2018	2019	2020
Amount of reduction in energy consumption achieved as a direct result of conservation and efficiency initiatives (Fuel and Electricity)			
Total energy reduction (GJ) Corporate	2,501	2,501	2,501
Total energy reduction (GJ) N-KOM	16,804	16,804	16,804
Total energy reduction (GJ) QFAB	n/a	n/a	26,856
Total energy reduction (GJ) Corporate, N-KOM, QFAB	**19,305**	**19,305**	**46,161**

10 All energy intensity ratios represent electricity and fuel usage, expect NSW which only covers fuel usage

Water Consumption

Management Approach and Progress

Shipping

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

Nakilat is 100% compliant with the Ballast Water Management System (BWMS) Convention. Newbuilt vessels are fitted with a BWTS at the shipyard. See biodiversity section for further information on BWMS.

Non-Shipping

Potable water for domestic use is supplied by Kahramaa, via Ras Laffan City infrastructure controlled by QatarEnergy to Nakilat's office. All Sewage water is discharged into Municipal sewage system in accordance with Ministry of Municipality and Environment regulations. QatarEnergy provides treated industrial water for the use of Nakilat's Operating Units in industrial processes. Industrial water runoff within the docks is treated via our Contaminated Treatment Plant and all discharges of water are controlled and disposed of in accordance with Qatar Ministry of Municipality and Environment (MME) guidelines and parameters, as per the Consent to Operate (CTO) certificate. All discharges are monitored for compliance and reported to the MME in accordance with the CTO requirements.

KPIs (Shipping)

Water	2018	2019	2020
Water Withdrawal and Discharge			
Total seawater withdrawal (megaliters)	27,187,651	30,007,243	29,250,355
Total seawater discharge (megaliters)	27,187,651	30,007,243	29,250,355

Note: This data represents our entire shipping fleet, with the exception of ships NYK1 & NYK2 for the year 2018. The reported data are aggregated values from wholly owned and JV vessels for seawater used for ballasting the vessels. The ballast water used has either been treated according to IMO Ballast Water Convention D2 for vessels fitted with a treatment system. For other vessels which are still to be fitted with a treatment system the ballast water has been replenished through exchange during the voyage as per IMO Ballast Water Convention D1. The same quantity of seawater that is loaded in discharge ports is discharge afterwards in loading ports. Only seawater for ballasting is discharged. Calibrated remote sounding system and approved ballast tank tables have been used to calculate ballast water quantities declared. Seawater salinity and density is determined from international oceanographic tables.

KPIs (Non-Shipping)

Water	2018	2019	2020
Water consumption			
Freshwater/ Potable water consumption (megaliters) Corporate	1.72	1.69	0.73
Freshwater/ Potable water consumption (megaliters) NSW	11	11	11
Freshwater/ Potable water consumption (megaliters) N-KOM	398	375	248
Freshwater/ Potable water consumption (megaliters) QFAB	n/a	n/a	52.2
Total Freshwater/ Potable consumption	**411**	**388**	**312**
Industrial water consumption (megaliters) N-KOM	85	83	100
Industrial water consumption (megaliters) QFAB	n/a	n/a	52

*Water is supplied by Kahramaa and there are no instances of consumption in water stress areas

4.4 Ocean Health and Biodiversity

Management Approach and Progress

Spill Management

Oil and chemical spills may arise from many different sources and activities in the Shipyard, such as the oil discharged from vessels, facility maintenance, blasting and painting operations, yard's machinery and mobile equipment operation & maintenance, as well as administrative processes. To mitigate this risk, Nakilat has developed oil and chemical spill contingency plans applicable throughout its operations for vessels and at the Erhama Bin Jaber Al Jalahma Shipyard. These plans detail ways to minimize potential harm of oil and chemical spills to people and the environment by ensuring timely and coordinated responses. All JVs have developed an emergency preparedness procedure in alignment with these plans.

There are seven spill kits of different sizes located in strategic places around the whole yard which are inspected every month and replenished as and when necessary. Throughout the year 2020, we have not recorded any spill.

Ballast Water Treatment System (BWTS)

In order to meet the recommendations of the IMO assembly resolution A.868(20), 'Guidelines for the control and management of ships' ballast water to minimize the transfer of harmful aquatic organisms and pathogens', all vessels have a completed ship specific Ballast Water Management Plan and this is approved by Class.

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

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

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

KPIs (Non-Shipping)

2020 Objectives and Targets (N-KOM):

EMP* Risk Focus Areas	Objective	Target	Negative Environmental Impact Mitigation Measures
Environmental Impact Assessment (EIA)	To ensure that environmental aspects of activities, products & services from the company are controlled & mitigated so that there is no potential for adverse impacts to the environment.	(a) To have zero high environmental impact rated operational activities. (b) To reduce environmental impacts of high & medium rated activities to as low as reasonably achievable.	(a) EIA per Section (b) Review of EIA by HSSE
Discharges to Sea	To Filter waste / contaminants of water from dry docks 1 & 2	To maintain the discharged water at environmentally acceptable / regulatory limits as per MME.	(a) Regular treatment of contaminated water from dry docks 1& 2. and Phase 5 washing bay at the Contaminated Water Treatment Plant (CWTP). (b) Within the CWTP contaminated water is processed through several stages of purifications. (c) Prior to discharge of the treated water, samples are sent to third party laboratories for verification of water constituents. Only if the results are within the regulatory limits, the treated water is discharged to the sea.
Marine Water Monitoring	To monitor marine water quality at different locations.	To ensure concentrations of pH and Total Suspended Solids (TSS) of the marine water are within the Ministry of Municipality and Environment (MME) regulatory limits.	(a) Vessels are under RLC & N-KOM regulations against any discharges to sea other than tested ballast water. (b) Vessel activities which produce pollutants which can contaminate the marine environment are only carried out within the dry docks. Within the dry docks all liquid and semi-solid discharges are contained within incorporated systems of the docks which either treat or hold pollutants for collection and disposal via authorized contractors.

*Environmental Management Plan

4. Environment (continued)

Description	Target / KPI	1Q 2020	2Q 2020	3Q 2020	4Q 2020
Marine Water Quality Monitoring at different locations To ensure concentrations of pH and Total Suspended Solids (TSS) of marine water are within the Ministry of Municipality and Environment (MME) regulatory limits	Levels should not cross: TSS = 35 (mg/l)	TSS = <5 (mg/l) (See Note below)	TSS = <5 (mg/l) (See Note below)	TSS = <5 (mg/l) (See Note below)	TSS = <5 (mg/l) (See Note below)
	pH: 6 - 9	pH = 8.2 (See Note below)	PH = 8.2 (See Note below)	PH = 8.0 (See Note below)	PH = 7.9 (See Note below)
Contaminated Water Treatment To ensure that contaminated water from dry docks 1 and 2 are filtered of waste/ contaminants before the water is released back into the sea	pH: 6 - 9	pH: 7.8 (See Note below)	PH: 6.9 (See Note below)	PH: 7.63 (See Note below)	PH: 6.9 (See Note below)
To maintain the discharged water at environmentally acceptable/regulatory limits as per the Ministry of Municipality and Environment (MME)	BOD: 50	BOD: 22 (See Note below)	BOD: 17 (See Note below)	BOD: 28 (See Note below)	BOD: 28 (See Note below)
	COD: 150	COD: 94 (See Note below)	COD: 68 (See Note below)	COD: 113 (See Note below)	COD: 105 (See Note below)
	TSS: 50	TSS: 2 (See Note below)	TSS: 4 (See Note below)	TSS: 8 (See Note below)	TSS: 3 (See Note below)
	Oil and grease: 10	Oil & grease: <1 (See Note below)	Oil & grease: <1 (See Note below)	Oil & grease: <1 (See Note below)	Oil & grease: <1 (See Note below)
To ensure that contaminated water from dry docks 1 and 2 are filtered	Cd: 0.1	Cd: <0.02 (See Note below)	Cd: <0.02 (See Note below)	Cd: <0.02 (See Note below)	Cd: <0.02 (See Note below)

Description	Target / KPI	1Q 2020	2Q 2020	3Q 2020	4Q 2020
To maintain the discharged water at environmentally acceptable/regulatory limits as per the Ministry of Municipality and Environment (MME)	Pb: 0.1	Pb: <0.01 (See Note below)	Pb: <0.01 (See Note below)	Pb: <0.01 (See Note below)	Pb: <0.01 (See Note below)
	Ni: 0.5	Ni: 0.006 (See Note below)	Ni: 0.005 (See Note below)	Ni: 0.006 (See Note below)	Ni: 0.009 (See Note below)
	Cu: 0.5	Cu: 0.06 (See Note below)	Cu: 0.05 (See Note below)	Cu: 0.06 (See Note below)	Cu: 0.07 (See Note below)
	Cr: 0.2	Cr: <0.001 (See Note below)	Cr: <0.001 (See Note below)	Cr: <0.001 (See Note below)	Cr: <0.001 (See Note below)
	Fe: 1	Fe: 0.07 (See Note below)	Fe: 0.06 (See Note below)	Fe: 0.08 (See Note below)	Fe: 0.4 (See Note below)
	Mn: 0.05	Mn: <0.01 (See Note below)	Mn: <0.01 (See Note below)	Mn: <0.01 (See Note below)	Mn: <0.01 (See Note below)
	Phosphate: 30	Phosphate: 1 (See Note below)	Phosphate: 1 (See Note below)	Phosphate: 17 (See Note below)	Phosphate: 1.9 (See Note below)
	Sulfide: 0.1	Sulfide: <0.1 (See Note below)	Sulfide: <0.1 (See Note below)	Sulfide: <0.1 (See Note below)	Sulfide: <0.1 (See Note below)

Note: Monitoring requirements and the respective limits are prescribed by Qatar's Ministry of Municipality and Environment (MME) and stated in the Consent to Operate (CTO) License granted to the Shipyard.

* 99.7 % of all daily measurements taken during the period of one calendar year

** 99.8 % of all eight (8) hour measurements taken during the period of one calendar year

*** Ras Laffan Industrial City (RLIC) Standards for non-methane hydrocarbons

**** United States Environmental Protection Agency (USEPA) Standards for PM2.5

4.5 Waste Management and Ship Recycling

Management Approach and Progress

Making Ship Recycling Safer with Inventory Hazardous Materials (IHM)

The European Union (EU) pursues an ambitious policy to make ship recycling greener and safer. The recently introduced EU Legislation on Inventory Hazardous Materials (IHM) came into force on 30th December 2020. IHM is a structured system to control hazardous materials onboard ships. Risks can be identified during ship operations to inform crew, as well as repair and conversion yards about any hazardous materials onboard for incident preparedness and response. This enables advanced planning to ensure that any decontamination activities must be deployed by trained workers, appropriate equipment and adequate plan for the removal and disposals of any hazardous materials (Hazmats).

Nakilat has started obtaining IHM certification for its vessels and has made good progress on this recently implemented EU legislation, which requires ships to have an inventory of hazardous material on board. Extensive surveys have been completed, with samples taken and analyzed in the lab.

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

Shipping (Onboard) Waste Management

Waste generation, and its subsequent impact, concerns domestic waste generated by the crew onboard during vessel operations. The waste is collected onboard and segregated as per the vessel's approved garbage manual. The data is then reported on the vessel's flag-approved garbage logbook maintained onboard.

All the waste generated onboard our vessels are segregated before being disposed ashore to an approved facility. Only a fraction of this waste is incinerated onboard in an IMO approved incinerator.

The organization has taken few actions during recent years to manage and reduce the impact of the waste generated from its shipping such as:

- Installation of drinking water fountains to reduce single use plastic bottles
- Use of garbage compactors to reduce the volume of waste generated and ease its management onboard

Non-Shipping Waste Management

Nakilat has made conscious efforts to reuse and recycle waste where possible to reduce the amount of waste disposed. There are seven major types of waste generated by Nakilat and its local Joint Venture partners' operational activities, which are categorized as follows: General Waste, Wood, Waste Food, Waste Hazardous, Waste Metal, Waste Paper, Waste Electrical/ Electronic waste. Nakilat has contractual agreements with approved local contractors for the transportation and disposal of all types of waste. Recycling is in line with the local regulatory requirements.

KPIs (Shipping)

Waste	2018	2019	2020
Waste Generated			
Total weight of waste generated (m3), and a breakdown of this total by composition (CAT[11]) of the waste[12]	**Total = 6,653.55 m^3** Cat 1 = 2,251.52 m^3 Cat 2 = 290.65 m^3 Cat 3 = 2,165.77 m^3 Cat 4 = 182.96 m^3 Other = 2,126.004 m^3	**Total = 7,363.13 m^3** Cat 1 = 2,155.18 m^3 Cat 2 = 329 m^3 Cat 3 = 2,272.73 m^3 Cat 4 = 272.62 m^3 Other = 2,253.336 m^3	**Total = 6,894.52 m^3** Cat 1 = 2,110.05 m^3 Cat 2 = 255.5 m^3 Cat 3 = 2,280.76 m^3 Cat 4 =191.535 m^3 Other = 2,135.475 m^3
Waste Disposal			
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste[13]	**Total = 6,653.55 m^3** Cat 1 = 2,251.52 m^3 Cat 2 = 290.65 m^3 Cat 3 = 2,165.77 m^3 Cat 4 = 182.96 m^3 Other = 2,126.004 m^3	**Total = 7,363.13 m^3** Cat 1 = 2,155.18 m^3 Cat 2 = 329 m^3 Cat 3 = 2,272.73 m^3 Cat 4 = 272.62 m^3 Other = 2,253.336 m^3	**Total = 6,894.52 m^3** Cat 1 = 2,110.05 m^3 Cat 2 = 255.5 m^3 Cat 3 = 2,280.76 m^3 Cat 4 =191.535 m^3 Other = 2,135.475 m^3
Incineration onsite (without energy recovery) (m^3)	900	1,163	775
Total waste disposal offsite (m^3)[14]	5,754	6,200	6,120

Note: This data represents our entire shipping fleet, with the exception of ships NYK1 & NYK2 for the year 2018.

KPIs (Non-Shipping)
2020 Objectives and Targets (N-KOM):

EMP Risk Focus Areas*	Objective	Target	Negative environmental impact mitigation measures
Waste	To ensure that, in accordance with legislation, waste will be managed in a sustainable manner following the waste hierarchy of Prevention, Reuse, Recycling, & Disposal to ensure the reduction in waste is sent to landfill.	To maintain baseline waste recycling rate of 80% for recyclable waste.	Waste Management Plan: (a) Contracting with Waste contractors that have license with Government Approved Waste Treatments Centers. (b) Scrap metal is sold to interested companies for reuse.

*Environmental Management Plan

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

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

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

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

4. Environment (continued)

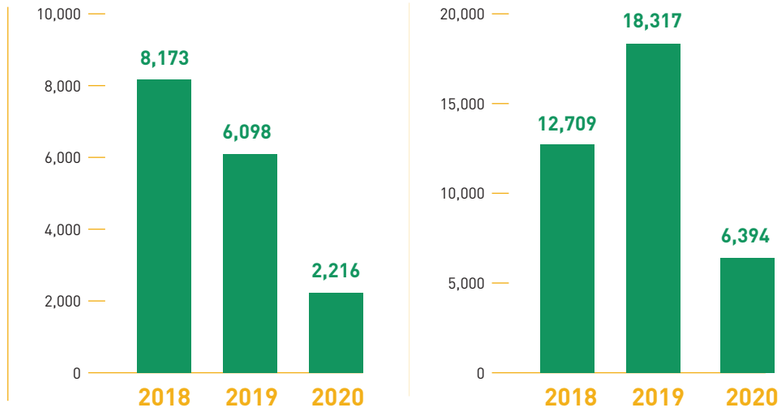
Waste	2018	2019	2020
Waste generated			
Total weight of waste generated (m^3 or Tons), and a breakdown of this total by composition (CAT[15]) of the waste – N-KOM	**Total = 12,625 m^3, 28,551 tons & 630,000 gallons** Cat A, B, C & F (General) = 10,815 m^3 Cat C & F = 1,500 m^3 Cat C & F = 2,162 tons Cat I = 27.68 tons Other = 310 m^3 Other = 26,361 tons Other = 630,000 gallons	**Total = 20,930 m^3, 16,393 tons & 1,110,000 gallons** Cat A, B, C & F (General) = 16,443 m^3 Cat C & F = 3,540 m^3 Cat C & F = 2,999 tons Cat I = 34.22 tons Other = 947 m^3 Other = 13,360 tons Other = 1,110,000 gallons	**Total = 16,271 m^3, 7,082 tons & 365,000 gallons** Cat A, B, C & F (General) = 12,817 m^3 Cat C & F = 2,360 m^3 Cat C & F = 2,104 tons Cat I = 12.62 tons Other = 1,094 m^3 Other = 4,965 tons Other = 365,000 gallons
Total weight of waste generated (m^3 or Tons), and a breakdown of this total by composition (CAT) of the waste – NSW	**Total = 71.542 m^3** Cat C & F (General) = 14.956 m^3 Cat A (Plastic)= 5.94 m^3 Others (Oily waste) = 50.646 m^3	**Total = 65.08 m^3** Cat C & F (General) = 16.938 m^3 Cat A (Plastic)= 4.266 m^3 Others (oily waste) = 43.876 m^3	**Total = 67.858 m^3** Cat C & F (General) = 18.297 m^3 Cat A (Plastic)= 4.361 m^3 Others (Oily waste) = 45.20 m^3
Total weight of waste generated (m^3 or Tons), and a breakdown of this total by composition (CAT) of the waste – QFAB	n/a	n/a	**Total = 48.98 m^3 & 54.416 tons** Cat A, B, C & F (General) = 48.98 m^3 Cat C & F=2.58 m^3 Cat C & F= 2.85 tons Cat I= 0 tons Other= 0 m^3 Other= 0 tons Other= 0 gallons
Total weight of waste generated (m^3 or Tons), and a breakdown of this total by composition (CAT) of the waste – Corporate	**Total = 1.58 m^3** Cat C&F (General) = 1.58 m^3 Cat I = 0.75 m^3	**Total = 1.08 m^3** Cat C&F (General) = 1.05 m^3 Cat I = 0.03 m^3	**Total = 2.73 m^3** Cat C&F (General) = 0.51 m^3 Cat I = 2.22m^3

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

Waste	2018	2019	2020
Waste disposal			
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste - N-KOM	**Total = 12,625 m^3**, 28,551 tons & 630,000 gallons	**Total = 20,930 m^3**, 16,393 tons & 1,110,000 gallons	**Total = 16,271 m^3**, 7,082 tons & 365,000 gallons
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste - NSW	Other (Oily Waste) = 50.646 m^3	Other (Oily waste) = 43.876 m^3	Other (Oily waste) = 45.20 m^3
Total waste disposal – landfill (m^3 or tons)	General = 10,815 m^3 Wood = 1,500 m^3 Spent Grit = 26,191 tons	General = 16,443 m^3 Wood = 3,540 m^3 Spent Grit = 13,079 tons	General = 12,817 m^3 Wood = 2,360 m^3 Spent Grit = 4,903 tons
Total waste disposal – recycling (m^3 or tons)	n/a	n/a	n/a

Materials used by weight or volume

Materials (Non-Shipping): **Paper Usage**



Paper (kg) – Corporate

Paper (kg) – N-KOM

Note: Nakilat office and N-KOM data only

5. Social

5.1 Health, Safety and Wellbeing

Management Approach and Progress

Nakilat and its joint ventures (JVs) are committed to Qatar National Vision 2030, which outlines the development of a sustainable future for the State of Qatar. As an organization, we conduct various safety and internal development programs to ensure the creation of a safe and reliable workforce, while our robust corporate social responsibility (CSR) framework aims to enrich the lives of local communities and preserve our natural environment.

Safety

Nakilat places Safety, Health, Environment and Quality (SHEQ) at the top of our agenda to ensure that we operate in a safe, reliable and efficient manner within our society and natural environment. The fundamentals of how we deliver safe and reliable operations remain our number one priority.

We believe that all incidents and injuries are preventable, hence we strive to create an Incident & Injury Free (IIF) environment at both the workplace and home. Through significant investment in our people, processes, and equipment, Nakilat's safety performance continues to improve and has led to the achievement of better results in comparison to the benchmarked average of our peer group.

Extensive IIF Program

Nakilat continued to implement its Incident and Injury Free (IIF) campaign, a safety leadership program that empowers people to foster a safer working environment throughout the company. The campaign introduces effective intervention skills to challenge the status quo to achieve safe, Incident and Injury Free operations

- Nakilat continued conducting online e-learning and training programs as part of its commitment towards being IIF.
- A dedicated Nakilat Helpline Service with Interactive Voice Response System (IVR) was launched to assist staff requiring support related to key services like Health & Safety, Govt. Liaison, General Services, Employee Relations, and IT support.
- The company's efforts at being IIF was recognized, with Nakilat being awarded the Sword of Honor by the British Safety Council for the third consecutive year. This award represents the pinnacle of achievement in the world of Health & Safety Management, and is also a recognition for the company's commitment towards effectively managing its health and safety risks. Nakilat was one of 84 companies awarded worldwide.

Quality – Integrated Management System

Nakilat successfully underwent its first Integrated Management System surveillance audit post transition to the revised ISO standards (ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018).

- **Nakilat Safety Climate Survey**

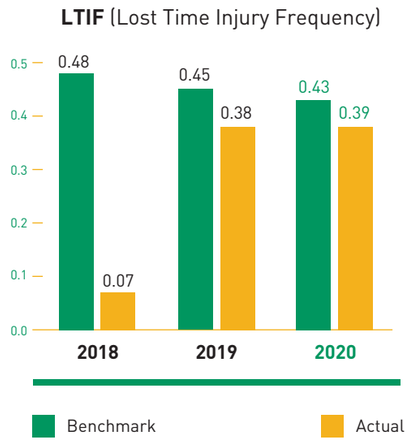
  As a follow up to the third Safety Climate Survey conducted in November 2019, Nakilat diligently continued with action plans and implementation to further improve the company's Safety climate. The company's Safety climate remains among the highest in the benchmarked group.

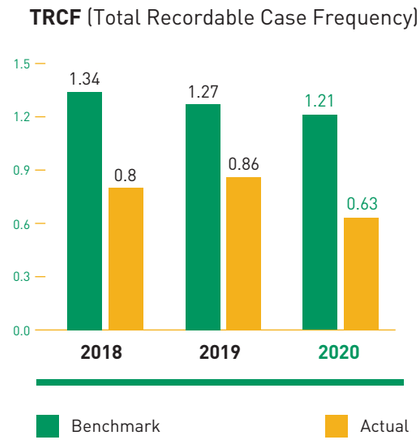
- **5-star Audit**

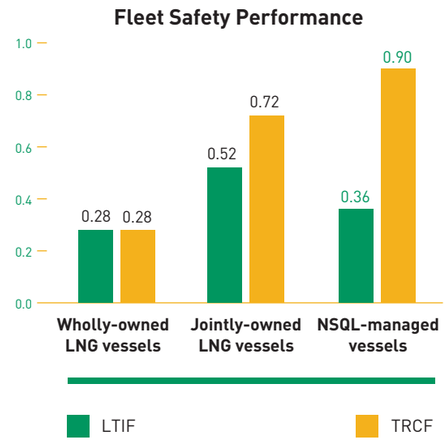
  Nakilat achieved a 5-Star Rating by the British Safety Council for the third consecutive year with widened scope (NSQL included). The audit focused on key aspects of managing occupational health and safety in the workplace and offers a structured path for continual improvement towards best practice status. This audit is the most comprehensive, contemporary, quantified audit process available, which allows any organization to test their Health and Safety performance against the latest legislation, recognized standards and best practice techniques. It provides a quantified outcome with detailed recommendations against a contemporary best practice specification (including the requirements of ISO 45001) over and above the current Occupational Health & Safety Management Systems (OHSMS) standard requirements.

5. Social (continued)

Safety performance track record for the Nakilat Group (Nakilat, NSQL, shore & fleet JVs and Nakilat wholly owned vessels).







Safety Performance

The company's solid safety performance reflects the effort and dedication of staff both at sea and ashore. Nakilat's prime objective is to achieve an 'Incident and Injury Free (IIF)' work environment and our 2020 safety results greatly complement our commitment toward being IIF.

Nakilat's wholly-owned, joint-venture and in-house operated vessels have demonstrated first-class operational and safety performance despite the demanding operations worldwide. Key highlights of our industry-leading vessel safety performance are as follows:

Nakilat achieved an overall Lost Time Injury Frequency (LTIF) of 0.39 and a Total Recordable Case Frequency (TRCF) of 0.63, both below the benchmark averages of those metrics.

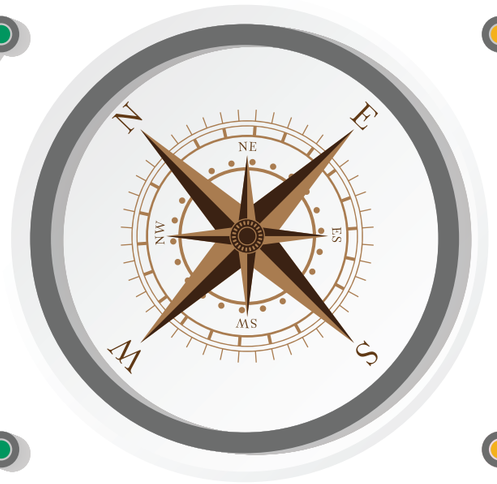
Nakilat
0.39 (LTIF)
0.63 (TRCF)

Nakilat Agency Company (NAC) continued its track record and remained LTI-free for 15 years since its inception.

Nakilat Agency Company (NAC)
15 years LTI-free

Nakilat SvitzerWijsmuller (NSW) accumulated more than 10 Million exposure hours with zero LTIs and TRCs in 2020.

Nakilat Svitzer-Wijsmuller (NSW)
10 million safe man-hours



0.28 (LTIF)
0.28 (TRCF)
8 vessels

Wholly-owned vessels
Our wholly owned vessels achieved a Lost Time Injury Frequency (LTIF) of 0.28 year-to-date and Total Recordable Case Frequency (TRCF) of 0.28 year-to-date

0.36 (LTIF)
0.90 (TRCF)
27 vessels

NSQL-managed vessels
Nakilat-managed LNG and LPG fleet achieved a Lost Time Injury Frequency (LTIF) of 0.36 year-to-date and Total Recordable Case Frequency (TRCF) of 0.90 year-to-date

0.52 (LTIF)
0.72 (TRCF)
36 vessels

Joint-venture LNG vessels
Our joint-venture LNG vessels have achieved a Lost Time Injury Frequency (LTIF) of 0.52 year-to-date and Total Recordable Case Frequency (TRCF) of 0.72 year-to-date

*as of 31 December 2020

Celebrating Excellence in Health, Safety & Environmental Management

Our sustainability commitment comprises several key elements, and among our highlights this year include:

Health & Wellness Initiatives

As we navigate through the global COVID-19 pandemic, Nakilat and its joint ventures remains committed to first and foremost ensure the health, safety, and wellbeing of all our people, onshore and onboard the vessels. Since the onset of the virus outbreak, we have taken immediate measures and proactive steps to minimize the risk of exposure and reduce the risk of transmission to all our employees, contractors and clients, while ensuring no disruption to our daily operations, highlighting our business resilience.

COVID-19 Preventive Measures Onshore & Onboard the Vessels

- Ensured smooth operations while maintaining 20% workforce in the office, in accordance with COVID-19 governmental guidelines
- Regular employee communications on the latest COVID-19 guidelines and precautionary measures
- Temperature screening for all employees, contractors and visitors across all our facilities (HQ, shipyard, Employee accommodation, onboard the vessels)
- Face-to-face meetings restriction, encouraging employees to conduct virtual online meetings
- Provision of necessary PPEs and adequate supplies of hand sanitizers are made available at all our working sites
- Regular and thorough disinfection exercise the employees' accommodations, workshops and all around the workplace areas
- Employee health declaration for all employees and contractors, including pre-embarkation for all seafarers
- Activation of special work arrangement for employees to work from home
- Contact tracing of positive cases and isolation of suspected cases; immediate liaising with Communicable Disease Center (CDC) for conducting COVID-19 tests for all suspected cases
- Personnel movement restriction to essential areas only at the shipyard
- Reinforce social distancing at all times; be it queuing during meal time, boarding transportation, or whilst on the transportation
- Mandatory installation of EHTERAZ application on all employees phones to support the country's efforts in combating COVID-19
- Organized a Seasonal Influenza Vaccination drive for staff at company HQ
- Held awareness sessions for employees on mental health and coping during COVID-19

"Nakilat's fleet maintained a COVID-free status throughout 2020, including throughout all crew changes. We continue to place the highest priority on the health & safety of our workforce, as well as protection of the environment and our assets wherever the company operates."

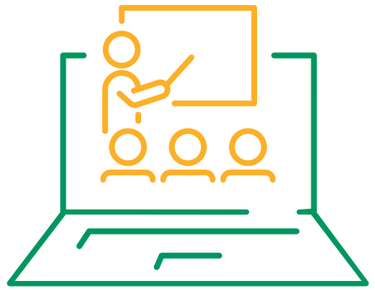
Policy

Nakilat has a comprehensive SHEQ Policy which sets the framework for Occupational Health and Safety (OHS) as below:

- Placing Safety, Health, Environment and Quality (SHEQ) at the top of our agenda, with the aim of causing no harm to people and the environment. An Incident & Injury Free Program has been established to emphasize the same. IIF is a safety leadership program that empowers people to foster a safer working environment throughout the company, introduce effective intervention skills to challenge the status quo to achieve safe, Incident and Injury Free operations.
- Setting targets for Safety, Health, Environment and Quality improvement, and measure, appraise and report SHEQ performance to drive continual improvement
- Providing adequate resources and leadership to effectively implement the company SHEQ management system and achieve SHEQ objectives
- Maintain the highest level of integrity with our stakeholders
- Treating employees, partners and customers with respect and dignity
- Encouraging teamwork and collaboration in order to support our mission goals
- Recognizing and rewarding accomplishments
- Striving to be innovative and continually improve performance, by sharing best practices and implementation of lessons learnt
- Encouraging entrepreneurship and empowering individuals to lead and take responsibility
- Openly communicating and sharing related information within the corporation
- Complying with applicable Safety, Health, Environment, Quality, Legal and other requirements related to our activities

Governance

Occupational Health and Safety (OHS) is governed by the Nakilat SHEQ Committee which contains all the Department Chiefs and SHEQ Department being the fulcrum of this committee. The Committee is responsible for all the decision making and implementation of key OHS strategies within the organization. The OHS Management System (OHSMS) of Nakilat is assured against ISO 45001:2018 standard by Lloyd's Register as the third-party certification body. Hazard identification, Incident investigation and risk assessments are carried out in accordance with a detailed procedure drafted by our SHEQ department.



Customized E-Learning

An awareness initiative with the objective of familiarizing the staff with significant Health & Safety elements was introduced via customized E-Learning courses and communicated to all staff. As part of this initiative, Nakilat partnered with an external agency to design safety training exclusively tailor-made for Nakilat and filmed in the company's premises so that the training modules are of relevance. Course modules that were introduced include:

- Office safety training;
- Defense driving practices;
- Basic fire safety & emergency evacuation;
- Management of change;

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

Conducting Tabletop Exercises on COVID-19 Pandemic Response

A comprehensive tabletop exercise was conducted with all stakeholders involved in the Pandemic response. The drill focused on business continuity in the event of an outbreak. Actions against each department were defined and established during the exercise. Specific measures tested and successfully implemented include:

- Identification and contact tracing of close contacts.
- Disinfection routines
- Back to office guidelines
- Fit to work screening post quarantine
- Awareness sessions for frontline staff (ex: Housekeeping staff, security, IT ServiceDesk support staff, etc.)

Comprehensive Risk Assessments

Specific risk assessments were carried out to identify the risks arising as a result of the pandemic and appropriate mitigating actions that are required to be implemented. A detailed action plan with timelines was assigned against each control. Risk assessments that were undertaken include:

- Risk assessment for Nakilat agents boarding vessels at Ras Laffan
- Review of biological risks in the wake of the pandemic
- Assessment on crew transfer between Doha & Ras Laffan and related transportation arrangements
- Evaluation of risks for operations and measures post de-escalation

KPIs

Objectives and Targets

KPI	2020 Target	2021 Target	2022 Target	2023 Target
Loss Time Injury Frequency	0.43	0.41	0.39	0.37
Safety Climate Survey	3.85	3.90	3.95	4.2
Number of major safety incidents	0	0	0	0
Percentage compliance with select international industry standards (British Safety Council: membership, 5-star rating, Sword Of Honour)	BSC 5 Star rating – 96%. Obtain Sword of Honour. Prepare for Globe of Honour	Obtain BSC Sword of Honour and Globe of Honour Award	Participate in Royal Society for Prevention of Accidents Award Scheme	Participate in Royal Society for Prevention of Accidents Award Scheme
% of Number of completed recommendations on Nakilat incidents, CPARS, & Audit	100%	95%	95%	95%

Occupational Health and Safety	2018	2019	2020	Scope
The number of lost time injuries/incidents	2	12	10	All Nakilat & NAC employees, and Joint Ventures (JVs)
Employee lost-time injury rate	0.07	0.38	0.39	
Employee work-related fatalities	0	0	0	
Number of lost days caused by occupational accidents	5	936	649	
Number of occupational accidents	23	27	16	
Total Recordable Case Frequency (TRCF)	0.80	0.86	0.63	
The main types of work-related injury	Minor Pinch and Twist Injuries	Sprains / Minor Cuts & Bruises / Pinch Injuries	Minor Cuts & Bruises/Sprains & Strain/Foreign Particle in eye	
The number of hours worked during	28,712,279	31,416,743	25,526,586	

5.2 Human Capital and Employee Relations

Management Approach and Progress

Employment – Attracting, Recruiting and Retaining Talent

Corporate shipping personnel are recruited by Nakilat's in-house recruitment team through a robust recruitment process to ensure hiring the best qualified, competent & skilled talent to support the achievement of its Vision and Mission. Nakilat extensively works on developing its Employer Value Proposition (EVP) utilizing a variety of mediums to attract & hire best talents such as, internal talent pool, corporate website, recruitment online portals, newspapers, online media, social media, career fairs, as well as employee referrals. Job applications are accepted all year round to maintain a strong pool of potential candidates.

Nakilat believes that the retention of talent is paramount to the success and strives to surpass the career aspirations of employees with regular reviews of policies, procedures, processes and career plans. Retention is managed by implementing industry best practices namely; exposure to cutting edge projects and the latest technology systems, offering attractive and market competitive salary packages and career progression with systematic and transparent processes.

Development of employees is heavily invested in with varied learning solutions delivered throughout the year. We have grown our interventions to include innovations in eLearning, virtual learning, peer learning and performance coaching. The courses range from basic to advanced levels to address all proficiency levels. Competence Development Plans for postholders, developees and trainees are designed collaboratively with line managers and employees, ensuring dedicated focus to career planning for employees is established.

During 2020, Succession Planning has been established and implemented in Nakilat, with critical positions identified and ratified by the Senior Management Team. In 2021, we will conclude the process of nominating successors for these critical positions. State-of-the-art Development Centers were rolled out to create in-depth employees' skills and competency profiles. Based on the extensive analysis, development of the nominated successors is ongoing and will continue with regular reviews and revalidations conducted to ensure readiness.

KPIs

Total Number of Employees / Workforce	2018	2019	2020	Scope
Total employees (number)	281	275	270	All Nakilat & NAC employees
Full time employees (number)	281	275	270	
Part time employees (number)	NA	NA	NA	
Broken down by contract type				
Indefinite or permanent contracts (number)	220	211	213	
Fixed term or temporary contracts (number)	61	64	57	
Broken down by career level				
Senior management employees (number)	12	12	12	
Middle management employees (number)	53	54	59	
Non-management employees (number)	216	209	199	
Broken down by age				
Employees age 18-30 (number)	51	51	45	
Employees age 31-50 (number)	204	199	199	
Employees age 51+ (number)	26	25	26	
Youth employment rate (%)	18%	19%	17%	
Broken down by gender				
Male employees	233	225	224	
Female employees	48	50	46	
Female employment rate (%)	17%	18%	17%	
Nationalization				
Qatarisation (%)*	41%	37%	34%	

*as a percentage of total Nakilat staff

Employee Benefits

Nakilat provides its employees with competitive benefits to compensate for their efforts and commitment to achieve company's goals, such as:

- **Education Assistance** is provided to employees' children in Qatar.
- **Life Insurance** is provided to all employees in the case of death and disability.
- **Health Insurance:** The company provides local and international Health Insurance for their employees and their dependents to receive various treatments/ coverage.
- **Pension Contribution:** Nakilat provides pension contribution for nationals and GCC nationals.
- **End of Service Benefits:** On separation, expatriate employees are entitled for End of Service benefits for all years that they served in the company. National employees receive the end of service benefits after completing 20 years of service.
- **Monetary and non-Monetary Awards** such as long service awards, team awards, outstanding achievement awards, etc.

Nakilat Annual Merit & Performance Bonus

The company aims to:

- Enhance financial position and maximize shareholders value through motivating and recognizing employees by aligning the long-term interest of the company and shareholders', with the employees' annual compensation.
- Maintain competitive position as the employer of choice for talented, engaged, competent, and skilled employees among its peers.
- Compensate employees for their contribution and commitment to a major cost optimization initiative within the company, its subsidiaries and joint ventures.

The annual merit increase and performance bonus are determined based on Nakilat performance on the qualifying year, employees' performance, set budget and applicable eligibility criteria.

Notice Period:

Both the company and the employees (either due to resignation, or new acquisition and business restructuring, etc) provide a notice of separation as established contractually. The established notice periods, unless defined otherwise in the employment contract, are as follows:

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

KPIs

New Hires and Turnover	2018	2019	2020	Scope
Total new employee hires (number)				All Nakilat & NAC employees
Age 18-30	12	12	3	
Age 31-50	27	19	17	
Age 51+	2	2	2	
Male	32	27	19	
Female	9	6	3	
Total*	41	33	22	
Total employee turnover (voluntary and involuntary) (number)				
Age 18-30	12	5	1	
Age 31-50	27	18	19	
Age 51+	11	9	4	
Male	36	28	18	
Female	14	4	6	
Total*	50	32	24	
Total Employee turnover (voluntary and involuntary) (%)	18%	12%	9%	
Total employee turnover (voluntary) (number)				
Age 18-30	5	3	0	
Age 31-50	11	18	5	
Age 51+	6	3	1	
Male	17	20	4	
Female	5	4	2	
Total*	22	24	6	
Employee turnover (voluntary) (%)	7.83%	8.73%	2.22%	

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

5. Social (continued)

Parental Leave

Maternity Leave is offered to female employees for recovery following the delivery and to take care of the new-borns. In addition, daily one hour nursing time is granted to female employees after delivery for a period of one year.

Paternity Leave is granted to male employees to support the family and new-borns.

KPIs

Parental Leave	2018	2019	2020	Scope
Number of female employees entitled to leave	48	50	46	All Nakilat & NAC employees
Number of male employees entitled to leave	233	225	224	
Number of female employees that took parental leave	0	2	5	
Number of female employees who returned to work after parental leave ended (return to work)	0	2	5	
Number of male employees that took parental leave	5	7	4	
Number of male employees who returned to work after parental leave ended (return to work)	5	7	4	
Number of male and female employees returned from parental leave who were still employed twelve months after return to work (retention)	5	9	9	
Return to work rate (%)	100%	100%	100%	
Retention rate (%)	92%	91%	94%	

Human Rights and Grievances

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

To enforce this Nakilat's Code of Business Ethics and Conduct summarizes the standards that must guide our actions. These standards represent company's policy and establish conditions for our employment. The company is committed to a policy of fair dealing and integrity in all aspects of its business. When acting on the company's behalf, employees must comply with all laws, behave with integrity and treat all organizations and people in a fair and honest manner. The company expects its suppliers and contractors to adhere to a code of conduct equivalent to provisions of this policy.

Nakilat believe that its employees must be treated fairly and consistently in order to integrate a multinational group of employees into a cohesive and effective workplace, establish a healthy working environment and maximize Employee's contribution to the efficiency and productivity of the company. In order to achieve this, the company has established proper communication channels for dealing with Employee's individual problems and grievances, and has established clear policy and procedure for corrective guidance and disciplinary procedure.

Nakilat ensure to treat all employees equally and there has been no incident of discrimination reported in 2020.

Security

Security services are outsourced to a trusted third party contractors through rigorous technical commercial exercises. Crisis Communications Response Training & Awareness session was conducted for all the security personnel.

KPIs

Grievances	2018	2019	2020	Scope
Number of grievances filed in the reporting period	9	9	5	All Nakilat & NAC employees
Number of these grievance addressed or resolved	9	9	5	
Number of grievances filed prior to the reporting period that were resolved during the reporting period	0	0	0	

Learning and Development

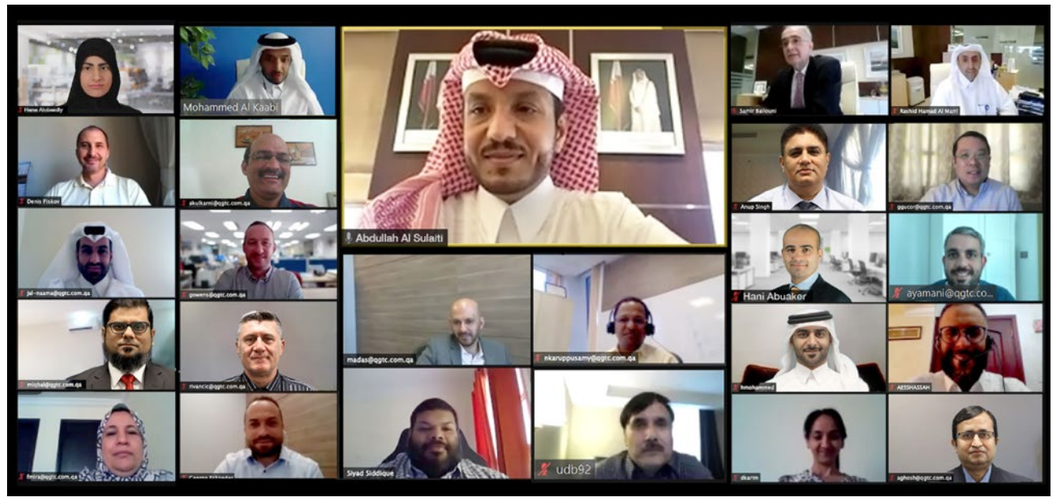
Conducted 4,025 hours (more than 200 training courses) online throughout COVID-19 pandemic in 2020

Professional and personal development of our most strategically important assets, our employees, remained in sharp focus during 2020. Nakilat continued to utilize our blended learning approach despite the challenges posed by COVID-19, utilizing digital platforms to continue the delivery of our trainings virtually.

Over 4,000 hours of training content was delivered by subject matter experts from across our business during NICE sessions. Innovative new virtual Masterclasses and webinars were also conducted, catering to a wide range of business topics with external training providers both in Qatar and overseas, including Harvard Business School. A new program designed and delivered this year by Nakilat-certified coaches was the ICON coaching program, which consisted of almost 100 virtual hours of one-to-one performance coaching to 13 young Qatari Nationals, in support of their career goals and alignment with our Qatarization strategy. Over 200 courses were delivered virtually during the year, fully utilizing the platforms and technologies at our disposal to ensure continued development of our employees.

Nakilat also welcomed three additional Qatari Nationals to the rank of Officer as Deck Officers (DOOW) and Engineering Officers (EOOW) during 2020, after having successfully completed their academic studies as well as all sea-training time and competence assessments.

In 2020, we continued our focus on developing the next level of leaders in our business through our succession planning process, which culminated in an agreed succession plan for 2021 for Nakilat. Facilitated by the creation of bespoke development plans for each successor, their advancement and growth will be the key focus for 2021, principally with the launch of our extensive and comprehensive Leadership Development Program.



NAKILAT FAMILY VIRTUAL MEETING WITH CEO

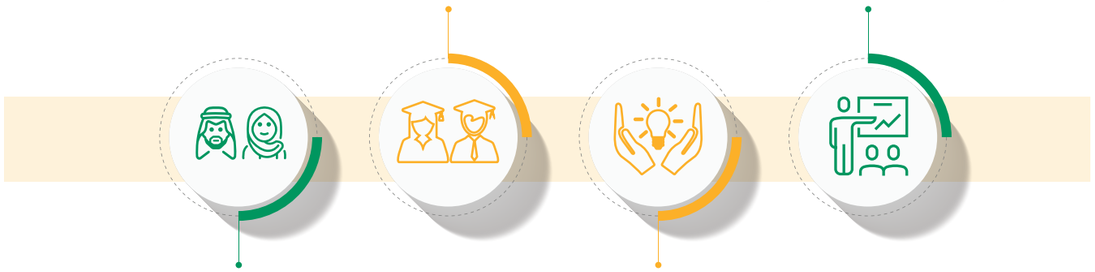
2020 Highlights

4 interns

Welcomed 4 university students as graduate interns

500+ NICE hours

Over 500+ learning hours on business-critical topics were delivered virtually in 27 Sessions to over 120 employees through the Nakilat Internal Capability Enhancement (NICE) Program



33.98%

Achieved Qatarization Rate

BEDAYA Campaign

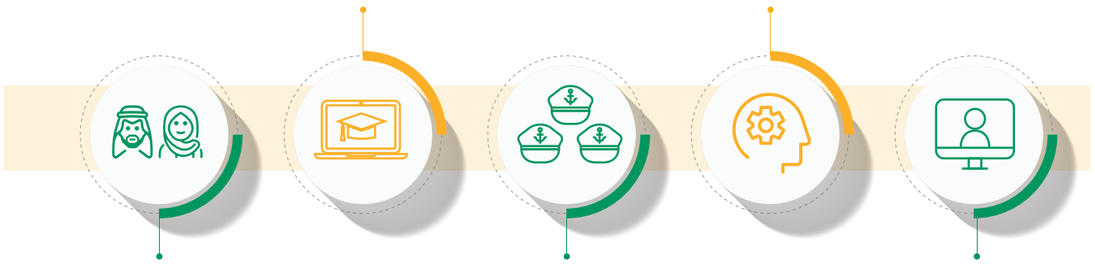
Nakilat continued with the Thursday Majilis pre Covid19 restrictions facilitating new beginnings that will shape their career success.

204 Training Courses Delivered

Total of 4,025 hours of training conducted by staff.

Succession Planning

Nakilat have finalized a Succession Plan for 2021 with Critical Positions and Successors ratified by the SMT. Development actions will take place to facilitate readiness of successor for critical roles.



ICON Coaching Program

Nakilat HR delivered 100 hours of 1-2-1 performance coaching to 13 selected Nationals during a 16-week Program to support our Qatarization strategy and their growth and development.

3 Qatari Cadets

have completed the academic studies, sea-training time, and certificate of competence to conclude their Nakilat Cadetship Program. They will join our Fleet in the ranks of 3rd Officers and 4th Engineer.

Virtual Learning

Nakilat has delivered more than 200 courses virtually utilizing technology in complying with COVID-19 restrictions on gatherings in 2020.

In Nakilat, we provide our employees with world-class learning and development opportunities across all aspects of our business. We operate a very tailored and targeted approach to technical and behavioral development needs responding to the unique circumstances and capabilities of each of our staff members. We have invested heavily in the development of our staff with 99% of employees receiving training each year.

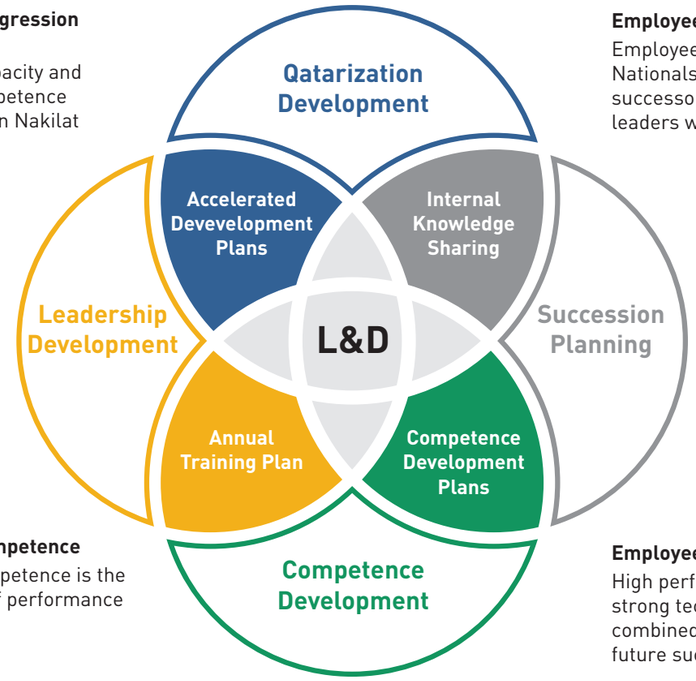
Our ongoing Learning Needs Analysis process ensures we have detailed gap analysis information on the capabilities both technical and behavioral of our staff. Complementary to this are technical and mandatory trainings including SHEQ that are supplied to all staff. These courses are aligned to the work requirements of specific roles and the hazardous nature of some aspects of our operations. Safety is one of our core values and our impressive safety records are testament to the continued effectiveness of SHEQ trainings delivered.

Leadership capabilities as well as the development and progression of our Qatari workforce are also key pillars of our development platform. The advent of the Global Covid-19 Pandemic has allowed us to focus on virtual delivery of training programs having transitioned many of our programs to this type of delivery channel. As a company, we support the education of our staff through Student Sponsorship Programs for Undergraduate, Post-Graduate and Master's Programs. We also have a Marine Cadet Student Sponsorship Program designed to meet our ambitions to have more Qatari Officers onboard our vessels leading our core operations.

The Strategic Components of how Nakilat supports employee Engagement, Retention, Progress & Competence are illustrated in the figure below.

Employee Progression
Nationals with leadership capacity and technical competence will progress in Nakilat

Employee Engagement
Employees, especially Nationals, who are possible successors and developed as leaders will be highly engaged



Employee Competence
Technical competence is the cornerstone of performance

Employee Performance
High performance requires strong technical competence combined with motivation for future succession opportunities

Learning & Development Framework

Nakilat strives to develop a culture of high performance and continuous learning by regularly assessing the learning and development needs of all employees and providing appropriately customized development opportunities to enhance their competencies in line with current and future organizational needs. This achieved through effective and integrated implementation of the company's frameworks for Performance Management, Development, Learning and Training.

Our Learning and Development Framework consists of eight elements:

1. Technical training
2. Behavioral training
3. Safety training
4. Orientation / new joiner training
5. Leadership and management training
6. Language training
7. Information technology & security
8. Internal knowledge sharing & capabilities trainings

Training Categorization	Applicable Population	Learning Objectives	Assessment Method
Technical	All Staff	Technical competencies for each role are at the required level	Learning Needs Analysis
Behavioral	All Staff	Behavioral competencies for each role are at the required level	Learning Needs Analysis / Development Centre
Safety	All Staff	Ensure the continuation of an Incident & Injury Free workplace. Compliance with safety standards and legislation	Mandatory SHEQ Training Curriculum
Orientation/new joiner	New Staff	Integration of new joiners into the organization culture and familiarization of critical training programs	Mandatory Learning Foundations Training Curriculum
Leadership / management	Management Grades	Enhancement of management core competencies and the development of leadership capabilities	Learning Needs Analysis / SMT Corporate Program
Language	Non-Native English Speakers	Competence in verbal and written English language skills to ITELS level 5.5	Learning Needs Analysis / Development Centre
Information technology & security	All Staff & Specialist IT Staff	Ensure effective use of IT systems and programs, and development of latest technology in support of operations	Learning Needs Analysis / System Upgrades
Internal knowledge sharing & capabilities	All Staff	Cross fertilize and transfer knowledge internally to create greater synergy among departments and groups	Core Process & Procedure Requirements

Technical Training

The technical training requirements of the Company are derived from the Learning Needs Analysis process. This process solicits the evaluation of managers on their team's Technical Competence Framework for the respective role in the organization. Compliance, systems, or regulatory developments in the coming year are also requested and noted by management so that learning programs can be sourced or designed to meet these changes. Technical training courses cover all departments of our business encompassing, Computer Aided Audit Techniques (CAATS), Certified Disaster Recovery Manager, Finance for Non-Financial Professionals, GTT LNG Cargo Operations, International Cash & Treasury Management and many more. In 2020, we delivered 75 technical training programs to over 100 staff. Our new Shipyard Training Centre has delivered technical training programs during 2020 for staff working on our shipping Joint Venture companies in areas such as mechanical, piping, electrical, welding and maintenance. The Shipyard Training Centre was Awarded the ISO 9001:2015 Quality Management Systems certified by Lloyds Register.

A Marine Cadet Program is also in place to support students to study towards Marine Officer Degrees to create a future pipeline of skills for Nakilat's Fleet. In 2020, 4 Marine Cadets successfully completed their training to become Marine Officers. A developee program is also in place and this aims to develop Qatari graduates to fulfil key roles in the business. In 2020, 2 developees completed their developee program to be placed successfully in their target roles, and 1 new developee was appointed to start their development program.

Behavioral Training

Our Company has developed a Behavioral Competency Framework which consists of 7 core behavioral competencies applied to each unique role in our organization. These 7 core competencies are sub-divided by proficiency levels, rising in complexity from individual contributors to senior executives. Management & leadership roles typically have corresponding level 3 & 4 proficiencies assigned to them. Typically addressing more of the soft skills of each role, many of these competencies are developed to support the technical competence applications with each role. For example, the technical competence of Commercial Business Development is supported by behavioral competencies such as customer orientation and interactive communications.

Safety Training

Quality, Health & Safety training is a core fundamental in Nakilat achievement with safety statistics over the recent years and the award of the British Safety Council Sword of Honour for the past three consecutive years. Nakilat has developed a safety training matrix for all staff broken down to each individual and/or groups of staff across our business. In 2020, we launched a fully refurbished Shipyard Training Centre which is in our Ras Laffan Port and provides an extensive suite of Health & Safety training programs. Delivered by internal trainers as well as external consultants this training center is fully equipped to conduct Fire Evacuation, Manual Handling, Fire Fighting,

Orientation / New Joiner Training

New joiners go through a company orientation program which is delivered by various internal focal points from IT, SHEQ, Information Security & HR. In our Shipyard Training Centre, Induction programs are also delivered to staff attending to the port operations in Ras Laffan. This induction covers mandatory Health & Safety Trainings to ensure the safety of staff working in hazardous environment. A new initiative called Learning Foundations has been implemented which mandates a suite of courses for all new staff depending on their role and seniority. Each course is automatically assigned to staff for completion within their probation period of three months.

Leadership Development

Leadership development is offered to all managers/ heads within our business and high potential emerging leaders. In 2020, Nakilat delivered several leadership skills enhancement programs, namely, Leadership Traits and Behaviors, Managing, Resolving, and preventing conflict at work, Stress Management, Managing Teams.

Nakilat has entered into a training consultancy agreement with a US Ivy League Business School to develop and deliver a 10-module training program for over 70 emerging, high potential and executive leaders over an 18-month period. The program will be supported and integrated with an executive coaching program to allow for greater assimilation of the information and techniques examined on the course. Each participant will receive 10 hours of executive 1-to-1 coaching from a professional coach.

Many of our high potential and management grade staff have attended an intensive Development Centre Assessment process. The Development Centre (DC) assessed the behavioral and management competencies of the participants, as well as their cognitive ability in numbers, verbal, and abstract reasoning. Supporting this assessment process is a psychometric personality assessment to establish preferences and potential for a individual's future roles and duties within the organization. All these sources of data are combined into a Competence Development Plan (CDP) delivered through a Career Talk with the employee and their line manager.

Language Training

Nakilat is a company with a diverse and multi-cultural workforce which brings together a varied blend of languages. While English is the business language, we understand that the language can have challenges for certain staff and therefore we support staff who require additional training or support through paid classes in English and extra tuition as required. We also assess candidates on verbal reasoning capabilities during our Career Development Centre conducted to support our Qatarization and Succession Planning processes. Language courses for those exhibiting low levels of competence in English literacy will have language training incorporated into the Competence Development Plans created thereafter.

Information Technology & Security

Information Technology (IT) and Information Security (IS) are critical functions within our organization as the use, frequency and complexity of systems becomes ever changing, and keeping up with this change is a constant challenge. The development of our internal IT teams' capabilities is paramount to supporting the successful management of our various systems such as, SAP, SuccessFactors, AMOS, Citrix, MS Applications etc. which serve to facilitate the communication and data collection requirements of our organization. Training for end users in the use of communication platforms was a primary focus during 2020 due to the forced working from home arrangements imposed due to COVID-19 pandemic. Nakilat trained all staff in the use of MS Teams & Zoom, as well as collaboration platforms supported by MS Sharepoint and PowerBI Dashboards. SAP HANA and bespoke SAP Module courses were delivered to our IT Operations,

Applications, and Infrastructure teams. Cyber security is a vital area of vigilance for our company and all staff have a mandatory Information Security Awareness Training Session assigned to them annually to keep this aspect at the forefront of our staffs' minds. In addition, our IS team attend training on the latest threats and attacks being perpetrated on our industry & country.

Internal Knowledge Sharing & Capabilities Training

Nakilat is diverse with different subject matter experts functioning all across our business. There is a deep level of knowledge held in the minds of these experts which is shared via our internal program called Nakilat Internal Capabilities Enhancement (NICE) program. During 2020, we delivered 28 specialized trainings; 540 man-hours of training conducted by our staff in their respective expertise-areas on common processes and practices that could impact other operations. The genesis of the program is to cross-fertilize knowledge around the business operations. The program also allows for the development of staff in presentation skills and public speaking as part of their development plans. These programs are very well attended and were delivered virtually during 2020 due to Covid-19 restrictions on gatherings.

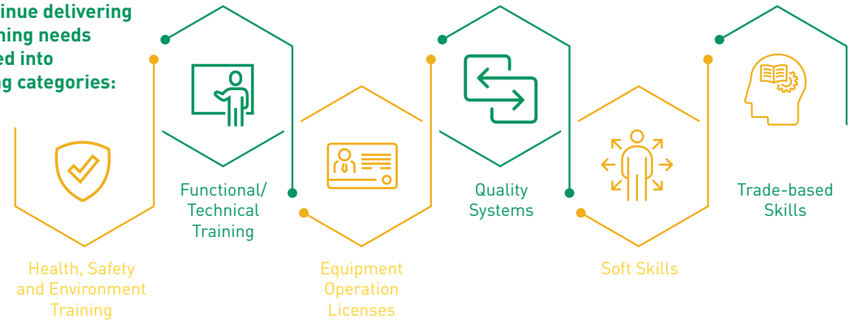
N-KOM Shipyard Training Centre overview

Established since the beginning of the Shipyard and revamped again in 2019 as the Shipyard Training Centre (STC), here we deliver the competency requirements for the organization.

We have been developing internal training contents on safety awareness and continue to excel in facilitating trade-based skills trainings required to elevate the competence stats of operatives.

In early 2020, to streamline our training activities and to emphasize on the quality in delivery of our training services, we implemented ISO 9001:2015 specifically to STC on "Trade-based technical training courses such as Machinery, Electrical, Piping, Shipwright and Steelworks, Health, Safety, Security and Environment (HSSE) training programs, as well as soft skills training courses".

We continue delivering the training needs classified into following categories:



In addition, we induct all newcomers to the Shipyard, including the sub-contractors/ business partners engaged in N-KOM on HSSE and International Ship and Port Facility Security Code (ISPS) awareness.

Health, Safety and Environment Training

Based on the competency requirements identified by the department managers during the start of the year, and as per the changing business requirements pertaining to Health, Safety and Environment, trainings are organized as internal and external trainings. Trainings include:

- Shipyard Safety training
- Confined Space Attendant & Gas Meter Carrier
- Enhanced Take 5
- Fire Watchman Training
- Advanced Fire Fighting Training
- Authorized Gas Tester Training
- Confined Space Assessor
- SCBA Training
- Scaffolding Inspector
- First Aid at Work Training (New)
- Basic Supervisory Skills Training
- T-BOSIET (OPITO) Training
- Banksman / Flagman
- H2S (OPITO / QatarEnergy Approved) Training

Year	Company	Total Training Manhours	Total Personnel Trained
2020	N-KOM	2,658	798
	Sub-Contractors	479	131

Functional/ Technical Training/ Equipment Operation Licenses

This includes the set of trainings which are essential for everyday operations, in addition to operation of heavy vehicles, cranes, forklifts etc. which can require government licenses and third-party licenses. To support production activities in the shipyard, trainings include:

- Basic Rigging and Signaling Training
- Gangway Tower Operation Training
- Basic Rigging & Signaling Revalidation
- Lifting Supervisor
- EOT Crane Operation (Cabin Control)
- EOT Crane Operation (Pendant Control)
- Tower Crane Operator
- Floating Dock Operation Training
- Battery Stacker Operation
- Jib Crane Operation Training
- Forklift - Operator (Third Party)
- Manlift Operation Training
- Forklift - MOI Certification
- Mobile Crane Operator Training (MOI)

Year	Company	Total Training Manhours	Total Personnel Trained
2020	N-KOM	4,003	228

Soft Skills Training (STC)

These are the trainings which are delivered to employees to upscale the behavioral competencies of employees. Amidst the pandemic N-KOM STC managed to develop 11 short soft skill courses which were assigned to users in SuccessFactors. The following courses were delivered:

- Assertiveness Skills
- Improving Team Performance
- Supervisory Skills
- Customer Service
- Facilitation Skills
- Interpersonal Skills
- Train the Trainer
- Performance Coaching
- Business Writing – Overview
- Negotiation Skills
- Time Management & Organization Skills

Year	Company	Total Training Manhours	Total Personnel Trained
2020	N-KOM	240	58

Trade Based Skills Training

A platform to gain in-depth knowledge on different facets of technical aspects in the shipyard. This enables an employee to gain expertise in their area of interest and attain knowledge on other inter-disciplinaries. The following courses were delivered:

- Overhauling of Valves
- Mooring Winch Operation
- Cable Glanding & Termination
- Overhauling of Condenser
- Basic Scaffolding
- Floating Dock Operation
- Overhauling of Pumps
- Overhauling of 4S diesel engine unit
- Fabrication of technique
- Hauling winch operation
- Calibration of gauge pressure & temperature
- Overhauling hydraulic cylinder
- Spray Painting Course
- Cold Insulation Work – K Flex
- Overhauling of Brake bands
- Grit Blasting Course
- Motor & Pump Alignment
- Basic knowledge on tools, gaskets, packings, lifting gears, compounds
- HP washing course
- Motor overhauling

Year	Company	Total Training Manhours	Total Personnel Trained
2020	N-KOM	393	203

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

Nakilat's strategy to enhance skills and knowledge of Qatari nationals, and to access jobs within the shipping industry is through raising awareness of the opportunities within this exciting and fast-paced industry. This includes the various career paths within Nakilat and the offer of continuous professional development within the company. Nakilat has previously organized various Corporate Social Responsibility initiatives with Qatar University such as the Career Talks with first year students where employees spoke about their careers to students and fielded questions.

We provide an annual internship program that enables university and school students to get hands-on knowledge and job shadowing for a 3-month period. Furthermore, there is a recruitment program established to raise awareness about the marine sector and jobs. This program is designed to attract students to become sponsored to study as Marine Cadets. Upon graduation, the Marine Cadets are certified to go on deck ships and Nakilat provides customized development plans, ensures a structured and tailored approach to increasing their competencies and skills.

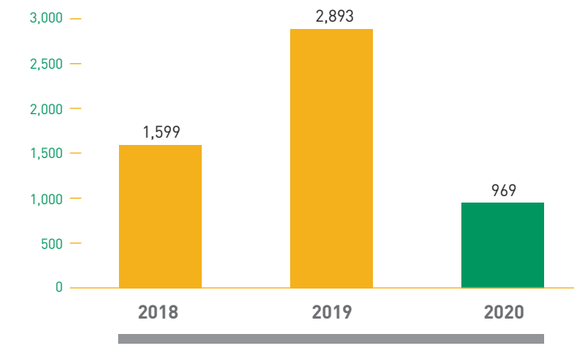
The National Development Program is implemented to raise awareness and develop fresh graduates in the shipping industry. The program is designed for Qatari nationals to professionally develop within targeted business positions across the business, through on the job experience as well as coaching from subject matter experts, to ensure that they are developing the required competency levels.

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

KPIs

Training and Education	2018	2019	2020	Scope
Total training hours (number)	6,971	5,156	4,125	All Nakilat & NAC employees
Average training hours provided per employee (number)	25	19	15	
Training hours broken down by career level				
Senior management employees (number)	12	12	12	
Total hours of training of senior management (number)	174	236	93	
Average training hours of senior management (number)	15	20	8	
Middle management employees (number)	53	54	59	
Total hours of training of middle management (number)	2,086	1,205	805	
Average training hours of middle management (number)	39	22	14	
Non-management employees (number)	216	209	199	
Total hours of training of non-management (number)	4,710	3,716	3,227	
Average training hours of non-management (number)	22	18	16	
Training hours broken down by gender				
Total training hours of male employees (number)	5,761	3,807	3,228	
Average training hours of male employees (number)	25	17	14	
Total training hours of female employees (number)	1,210	1,349	897	
Average training hours of female employees (number)	25	27	19	
Investment in learning and development				
Spend on learning and development of our people (QAR)	1,599,426	2,892,761	969,484	
Performance reviews				
Total number of employees receiving regular performance and career development reviews (number)	186	213	220	
Female Employees (number)	32	36	36	
Male Employees (number)	154	177	184	
Percentage of employees receiving regular performance and career development reviews (%)	66%	77%	81%	

Budget spent on Learning and Development*
(thousands QR)



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

Note: The decrease of 2020 budget is mainly due to COVID-19 restrictions and preventative measures to protect the health and the safety of our human capital and community as a whole.

5.3 Diversity and Inclusion

Management Approach and Progress

All employees want and deserve a workplace where they feel respected and appreciated. Our policies are designed to ensure that employees are treated fairly and with respect, by the company and each other.

Nakilat will hire, evaluate, transfer, compensate and promote employees based on skills and performance, and not on any unlawful considerations. Any employee who feels he/she is a victim of discrimination, has the right to voice their concerns through their supervisor or any other member of management, their Human Resources contact, or a member of the Ethics Committee. Reprisals or retribution against an employee who lodges a complaint in good faith will not be tolerated.

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

Equal Pay

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

KPIs

Diversity and Inclusion	2018	2019	2020	Scope
Total number of female employees (number)	48	50	46	All Nakilat & NAC employees
Total % of female employees (%)	17%	18%	17%	
Total number of employees with disabilities (number)	n/a	n/a	n/a	
Total % of employees with disabilities (%)	n/a	n/a	n/a	
By career level				
Women on the Board of Directors (number)	0	0	0	
Women on the Board of Directors (%)	0%	0%	0%	
Women in senior management (number)	0	0	0	
Women in senior management (%)	0%	0%	0%	
Women in middle management (number)	6	6	7	
Women in middle management (%)	11%	11%	12%	
Women in non-management (number)	42	44	39	
Women in non-management (%)	19%	21%	19%	
Equal pay				
Gender pay ratio (Ratio of basic salary* and remuneration of women to men)	0.78 to 1	0.93 to 1	0.82 to 1	N-KOM and QFAB not included

*Median male salary to median female salary

Nakilat's recruitment ensure a diverse workforce by hiring different nationalities as this is a part of our recruitment policy.

Workforce nationalities	No.	%
Algerian	4	1%
American	3	1%
Argentinian	1	0%
Australian	1	0%
Azerbaijani	2	1%
Bangladeshi	3	1%
Belgian	2	1%
British	14	5%
Canadian	4	1%
Croatian	2	1%
Danish	1	0%
Dutch	1	0%
Egyptian	8	3%
Eritrean	1	0%
Filipino	23	9%
French	2	1%
Greek	4	1%
Indian	75	28%
Indonesian	4	1%
Irish	1	0%

Workforce nationalities	No.	%
Japanese	1	0%
Jordanian	4	1%
Malaysian	2	1%
Moroccan	2	1%
Norwegian	1	0%
Omani	1	0%
Pakistani	13	5%
Palestine	3	1%
Polish	2	1%
Portuguese	1	0%
Qatari	63	23%
Russian	1	0%
Singaporean	1	0%
South African	1	0%
Sri Lankan	11	4%
Syrian	2	1%
Tunisian	1	0%
Turkish	1	0%
Ukrainian	2	1%
Grand Total	**269**	**100%**

5.4 Responsible Procurement and Supply Chain

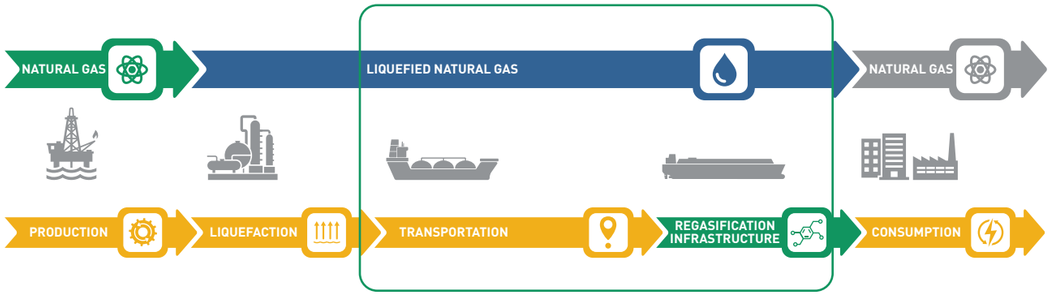
Management Approach and Progress

Nakilat's business and operations plays a major role in the LNG Supply Chain. Natural gas production and exploration, liquefaction and storage, shipping, and receiving, regasification and distribution are the different stages of the LNG Supply Chain. With one of the largest LNG shipping fleets in the world comprising of 69 LNG carriers, Nakilat provides the essential transportation link in Qatar's LNG supply chain. The company delivered clean energy to 27 countries in 2020. Through its wholly owned subsidiary Nakilat Shipping Qatar Limited (NSQL), the company manages and operates 22 LNG, 4 LPG carriers and 1 Floating Storage Regasification Unit (FSRU) as of December 31, 2020.

Nakilat has close ties and healthy relationships with its suppliers and contractors. The company is committed to establish long-term collaborations with suppliers who share our values in line with good ESG standards, while considering among other criteria, safety, quality, business resilience, emissions and continuous improvement.

Nakilat's Supply Department provides a wide range of spares and services to the end user, for Marine, Corporate and support to Joint Ventures. Supply is also included as one of the main stakeholders in the various project of the company.

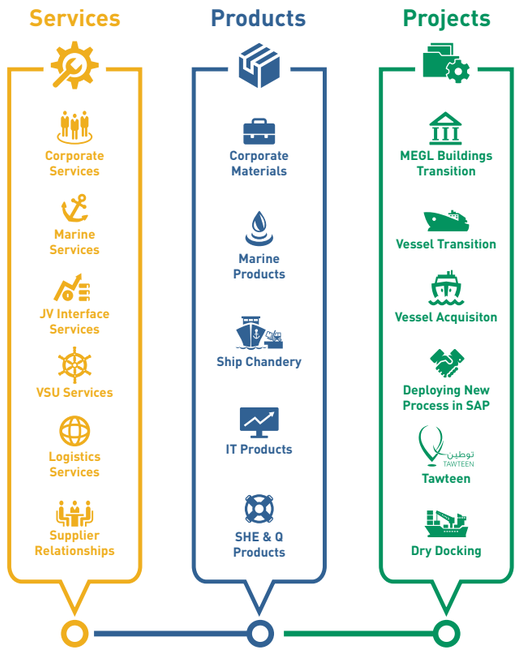
Whenever possible, Nakilat consolidates the Group demand in order to place single contracts to support our green procurement initiative since it removes much paperwork, effort and increases work efficiency. In addition, we purchase products and services that support our vision to sustainability, as ESG responsible procurements. We purchase different products and services, and we continue to care about the local economy through procuring items locally as far as possible.



Nakilat Scope of Operations

To support our shipping business, the Supply department provides a wide range of services, spares and consumables needed for our vessels to move cargo from loading to discharging points and vice versa. This includes but is not limited to the following activities:

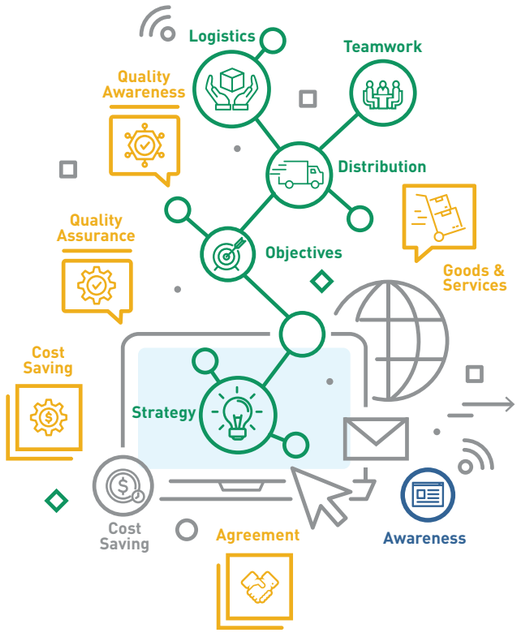
- **Marine Services:** Dry docking, classification societies, overhaul and inspection
- **Marine Products:** Maker spares and Original Equipment Manufacturer spares for any type of machineries and equipment available on board
- **Marine Consumables and Ship chandlery:** Safety equipment, lubricating oil, paint, chemical and gases, tools, gasket and food
- **Marine Logistics:** Supply of services and goods to the vessel



To support our Corporate business, the following products and services are typically procured by the Supply department:

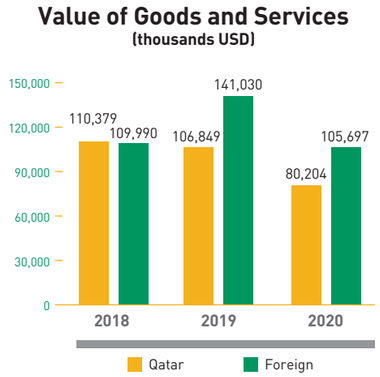
- IT products
- SHEQ products
- Any kind of corporate products such as food, table, chairs, etc.
- Any kind of Corporate Services such rental of premises, electricity, cleaning gang, etc.

In addition to the services provided above, the Supply department also provides the following support:



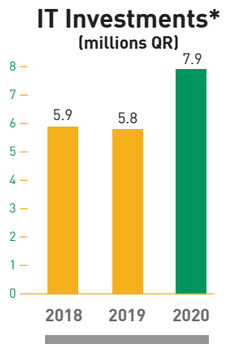
Employment impacts in the supply chain

As part of Nakilat's ESG strategy, we engage responsibly and ethically with our suppliers to foster job creation and increase shared value across the supply chain. Nakilat works with different suppliers and vendors both within Qatar and internationally, including emerging and developed economies. Nakilat's activities generate a wide range of direct and indirect jobs worldwide. In 2020, the company engaged 300 suppliers in more than 35 countries outside of Qatar, representing 50.6% of our total number of suppliers. In 2020, the value of purchased goods and services amounted USD 186 million, on which 56.8% have been paid directly to foreign suppliers.



IT Investments

Nakilat considers IT infrastructure as a critical area of importance to sustain the productivity of the company. Nakilat continues to invest through the years in the latest technologies to meet market expectations. We collaborate with IT specialists and take advantage of innovations and acquire the latest, reliable software and hardware, for our day-to-day activities. Nakilat's IT investments, which includes among other things, vessel hardware and software upgrade, and IT licenses and maintenance, have reached a total value of QAR 7.9 millions in 2020.



* Yearly average

Third Party Code of Conduct

Nakilat has integrated a third-party/ supplier code of conduct in the template of its contracts, terms and conditions and invitation to tender. Vendors are requested to provide a signed version of the document or to confirm their acceptance. The third-party code of conduct encompasses social aspects, including human rights, labor laws, child labor, safety and health. All our suppliers are requested to supply their certifications, including ISO 14000 (Environmental Management), prior to being registered as approved suppliers. The documentation supplied is then vetted for accuracy. The Vendor Questionnaire includes ESG requirements.

KPIs (Shipping)

Responsible procurement and supply chain	2018	2019	2020
Supplier environmental assessment			
Suppliers assessed for environmental impacts (%)	100%	100%	100%
Suppliers identified as having significant actual and potential negative environmental impacts (number)	0	0	0
Local procurement			
Percentage of total procurement from local suppliers	50.1%	43.1%	43.1%

KPIs (Non-Shipping)

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

NSW
Supplier Qualification Questionnaire to include Environmental Certification as part of evaluation criteria

QFAB
Pre-qualification for all new suppliers includes Environmental certification as evaluation criteria

Corporate
The New Vendor Questionnaire has been updated to include the ESG requirements

No suppliers have been reported of having significant actual or potential negative impact on the environment

Responsible procurement and supply chain	2018	2019	2020
Supplier environmental assessment			
Suppliers assessed for environmental impacts (number)	10	10	10
Number of suppliers identified as having significant actual and potential negative environmental impacts.	0	0	0
Significant actual and potential negative environmental impacts identified in the supply chain.	0	0	0
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment.	0	0	0
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why.	0	0	0

Note: the date in this table refers to N-KOM and QFAB only

5. Social (continued)

Nakilat and NSQL suppliers (by country):

2020		2019		2018	
Australia	2	Australia	1	Australia	1
Belgium	1	Austria	2	Austria	1
Bermuda	4	Belgium	2	Bangladesh	1
Brit.Virgin Is.	1	Bermuda	4	Belgium	2
Canada	1	Brit.Virgin Is.	1	Bermuda	3
Cayman Island	1	Canada	2	Brit.Virgin Is.	1
China	6	Cayman Island	1	Canada	2
Croatia	2	China	4	China	5
Cyprus	5	Croatia	1	Cyprus	3
Denmark	10	Cyprus	2	Denmark	8
Finland	2	Denmark	12	Finland	1
France	7	Finland	1	France	9
Germany	11	France	9	Germany	10
Gibraltar	1	Germany	11	Ghana	1
Greece	8	Gibraltar	1	Greece	3
Hong Kong	1	Greece	3	Hong Kong	1
India	9	Hong Kong	2	India	3
Ireland	3	India	8	Indonesia	1
Isle of Man	1	Ireland	2	Ireland	3
Italy	1	Isle of Man	1	Isle of Man	1
Japan	7	Italy	1	Japan	9
Jordan	1	Japan	9	Jordan	1
Lebanon	1	Jordan	1	Kuwait	1
Malta	1	Kuwait	1	Netherlands	12
Netherlands	21	Lebanon	1	Norway	21
Norway	15	Malta	1	Oman	3
Oman	2	Netherlands	17	Poland	3
Pakistan	1	Norway	19	Qatar	312
Philippines	1	Oman	2	Romania	1
Panama	2	Pakistan	2	Singapore	42
Poland	1	Panama	1	South Africa	1
Qatar	292	Philippines	1	South Korea	17
Singapore	39	Poland	3	Spain	5
South Africa	1	Qatar	322	Sweden	1
South Korea	24	Singapore	40	UAE	10
Spain	5	South Africa	1	United Kingdom	73
Sweden	1	South Korea	17	USA	22
Taiwan	0	Spain	6		
UAE	0	Sweden	1		
United Kingdom	73	UAE	2		
USA	27	United Kingdom	87		
		USA	26		
Total	**592**	**Total**	**631**	**Total**	**594**

5.5 Community Engagement

Management Approach and Progress

The company's all-encompassing Corporate Social Responsibility (CSR) framework comprise of four key pillars: education, community, health, environment. Incorporating elements of these guiding pillars, our social impact assessment takes into consideration ethnic background, indigenous descent, gender, age, migrant status, socioeconomic status, literacy levels, disabilities, income level, infrastructure availability or specific human health vulnerabilities which may exist within stakeholder communities.

Education

Putting an emphasis on nurturing youths, Nakilat launched a Student Outreach Program targeting local school and university students. The program aims to provide the students with career advice and guidance, as well as expose them to the growing maritime industry in Qatar. Students had the opportunity to learn how to effectively write a professional Curriculum Vitae from the company's Learning & Development (L&D) team. Nakilat representatives also shared personal career journey and experiences through the engagement sessions, as well as encouraged them to adopt a life-long learning approach towards achieving their goals in the future.

In collaboration with Qatar University, Nakilat engaged undergraduates from the University's College of Business and Economics to create a project called "Inspiring Sustainability Challenge", whereby the company became a case study during their courses. Such initiatives demonstrate how the company contributes towards the development of the youth in Qatar and thereby supporting the goals of human capital development of Qatar National Vision 2030.

Community

In the spirit of the holy month of Ramadan, Nakilat partnered with Education Above All to raise funds and provide educational assistance to underprivileged children living in Qatar. This comes in alignment with the Qatar National Vision 2030, to ensure the development of the people of Qatar to promote a prosperous society as part of the human development goal.

Education Above All (EAA) is a foundation founded in 2012 by Her Highness Sheikha Moza bint Nasser. Its aim is to contribute to human, social and economic development through the provision of quality education. With a particular focus on those affected by poverty, conflict and disaster, it champions the needs of children, youth and women to empower them to become active members of their communities. Through capacity-building, resource mobilization, and multi-sectoral partnerships and alliances, EAA addresses educational issues both locally and internationally, with a special commitment to the most underserved populations of the world.

Health

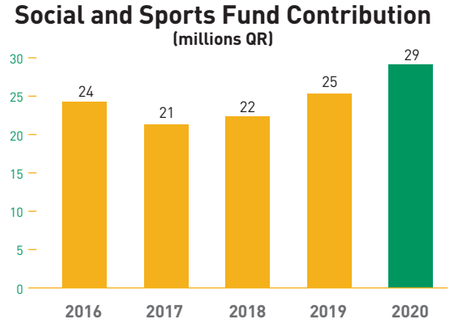
As part of our CSR commitment towards championing the health of our workforce and the community, the company has conducted several activities in alignment with Qatar National Vision 2030, to promote the creation of a healthy and sustainable population in the country.

Nakilat has previously partnered with Qatar Cancer Society and sponsored the Thyroid Cancer Conference held in April, which provides a platform for raising awareness about the available services in Qatar for problems of thyroid gland, methods of self-examination and medical consultation for skin care for people with thyroid cancer. Nakilat also partners with the Blood Unit of Hamad Medical Corporation (HMC) annually to organize a blood donation drive for employees and other tenants at its headquarters. The company also partners with HMC to administer annual flu shots to all employees as part of the annual seasonal flu vaccination drive.

In 2020, Nakilat ran a COVID-19 awareness campaign on social media. This campaign was beneficial in informing the community about minimizing the spread of the pandemic and what could be done/avoided to stay safe. Furthermore, Nakilat ensured that 80% of its workforce worked from home during the COVID-19 pandemic in 2020 to minimize the risk of workforce contracting the virus or spreading the virus while using public transportation and public areas. Regular bulletins and awareness sessions were conducted online to educate and keep our workforce updated on the Covid-19 situation.

Nakilat cares about the health of its communities, including its employees who are a part of it. As such, the company aims to promote active and healthy lifestyle by having different sports activity that could reduce the stress for both genders, such as through its partnership with Aspire Zone. Aspire Zone aims to provide some of the world's finest sports infrastructure and facilities to communities in Qatar, in alignment with Qatar's National Vision 2030 to create a sustainable lifestyle for the coming generations. Nakilat has an agreement with Aspire to provide our employees with access to their sporting facilities in Doha and provide customized activities such as Marathons to promote health and wellness amongst our employees. Due to the COVID-19 pandemic and gathering restrictions, this has been put on hold temporarily.

KPIs



Environment

As a responsible corporate citizen, Nakilat aims to minimize the environmental impact of its operations and gives back to the community through organizing outreach activities such as tree planting and engaging students at local schools to raise awareness on the importance of Sustainability.

Employees of Nakilat and joint venture companies joined Ashghal in a tree-planting activity organized at Al Khor Coastal Road Development Project, along with their families and students from Al Khor Middle School for Boys. The activity comes as part of the "Qatar Beautification and Our Kids Planting Trees" campaign launched by the Supervisory Committee of Beautification of Roads and Public Places in Qatar, an excellent way to support the Ministry and Ashgal's efforts in raising awareness for the importance of environmental protection while also creating a safe and healthy environment for citizens and residents in Qatar. This is aligned with the goals of Qatar National Vision 2030 which espouses environmental protection and preservation for generations to come, and also aligned with the country initiative "Tashjeer" aiming to plant 1 million trees in support of the global initiative to tackle climate change.

6. Governance

6.1 Corporate Governance, Compliance and Ethics

Management Approach and Progress

Nakilat profoundly believes that good corporate governance creates a business environment conducive to long-term growth. Nakilat employs a variety of policies and processes to uphold high ethical standards and promote transparency. Our efforts are underpinned by a board of directors that provides strategic and independent oversight of our corporation's affairs.

Recognizing the relationship between good governance and sound financial performance, Nakilat strives to adhere to leading governance practices and complies to Qatar Financial Markets Authority (QFMA) governance guidelines. Nakilat governance report has been prepared in compliance with QFMA governance code and its shared with all concerned stakeholders and the public on Nakilat's website.

Our Board of Directors considers the interests of our shareholders as well as our other stakeholders. We see no contradiction between pursuing our business interests and investing into our long-term sustainability. Engagement with our shareholders through our roadshows, investor meetings and analyst calls has sharpened our focus on our core priorities, strategic vision and governance. We continue to listen to all our shareholders and other stakeholders. We see governance as a framework to align the interests of all our stakeholders behind our purpose to unlock the power of delivering clean and reliable energy to enhance quality of life for everyone around the world.

Nominating and Selecting the Highest Governance Body

In addition to the Nomination Committee's main duties reported in Nakilat's Corporate Governance Report, the Nomination Committee also recommends to the Board suitable candidates. The selection process takes into account the existing Board structure, size, composition and diversity (including independence, skills, knowledge, educational backgrounds and areas of expertise) and senior executives following Nakilat's ESG strategy. The Nomination Committee assesses the functional and operational skills required to be suitable for the position, including, but not limited to, current or past ESG experiences. Regarding diversity in broader terms, Nakilat assesses the age of its executives and directors, their leadership stability (represented by the frequency of executive and director turnover) and the geographic diversity of its directors.

Collective Knowledge of Economic, Environmental, and Social Topics

In addition to the programs reported in our Corporate Governance Report to enhance the executive and board-level collective knowledge of economic, environmental, and social topics, regular awareness-raising programs are provided to ESG Committee members to further enhance their understanding and keep them up to date with latest trends and emerging themes. Specific 'Deep Dive' presentations on ESG topics are held when required by the ESG Committee.

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

Communicating Critical Concerns

We conduct four Quarter Review Meetings for the Senior Management Team (SMT) and the CEO throughout the year. In that meeting, we collect all data updates for the departmental objectives and KPIs. We then evaluate the performance of the company as a whole and develop an executive summery where we highlight the critical concerns of the departments and find solutions to improve performance.

In the four Quarter Review Meetings, we focus on highlighting the major critical internal concerns where we focus on people, goals and performance. As for external critical concerns, we focus on operation and market status. At the end of each quarter performance review meeting, we create an action sheet which details the delegated department responsible for each action. Subsequently, we focus on following up and closing out all the critical concerns and actions on that list prior to sharing with the Chief Corporate Planning and Risk Office and the CEO.

Nakilat complies with the laws of the State of Qatar and abides by all the applicable laws of the countries where it operates.

Nakilat is listed on the Qatar Stock Exchange and complies with the Qatari Financial Markets Authority law and associated regulations. Nakilat's compliance with Qatar's Financial Markets Authority (QFMA) governance code is audited by external auditors.

By the nature of its activities, Nakilat's vessels operate in a highly regulated environment and comply with the requirements of the laws of the Flag State and with the international declarations, conventions and treaties related to the transportation of LPG and LNG. In addition, Nakilat complies with the requirements imposed by regulatory authorities, governmental organizations, classification societies and standards imposed by our charterers that are applicable to Nakilat's business.

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

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

We have not identified any non-compliance with any laws and/or regulations concerning the social and economic area.

Remuneration

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

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

Political Activities

Political activities that Employees are prohibited from doing while acting on behalf of the Company include:

a. Contributions of Company funds, cash or in-kind, or other resources in support of political activities, organizations, political candidates, parties or officials in the State of Qatar or anywhere else in the world, unless permitted by law and approved by the Board of Directors
b. Solicitation of political contributions from individual Employees
c. Political activity in the countries in which he is not entitled to exercise civic rights
d. Contributions, donations or support to organizations that have social, cultural, educational or artisic missions are excluded from this definition
e. Signing petitions, letters or statements, that would prejudice the reputation and prestige of the State of Qatar or adversely affect relations with other counries
f. Inducing others to join in similar types of political activities
g. Distributing flyers or other publicaitons related to political messaging

Ethics Committee

The Ethics Committee reports directly to the Chief Executive Officer of the Company. Its composition,

responsibilities and procedures are as follows:

Composition

- Nakilat CEO shall appoint the voting members, consisting of six (6) Members, a Chairman and five (5) other members
- Members of the Ethics Committee shall be Company Employees, who collectively have broad knowledge of and experience with the Company's business activities and disciplies and occupy managerial positions to facilitate fair, objective and impartial judgement
- The members of the Ethics Committee cannot delegate their roles. Each committee member is appointed for a term of four (4) years, which is renewed bi-annually. An appointment to the Ethics Committee may be revoked only by a written resolution of all the other committee members. A copy of any such resolution must be addressed to CEO for endorsement

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

Number of EC Members	Quorum
4	3
5	3
6	4

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

Responsibilities

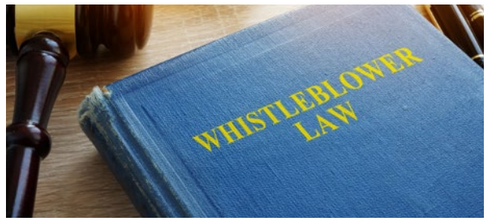
The Ethics Committee, which reports to CEO, shall deal with all questions related to the Code of Business Ethics & Conduct. Its major responsibilities are:

a. Assist CEO and/or HR with reviewing and providing consultancy services to matters in violation to the Code of Business Ethics & Conduct as referred to by HR
b Draw matters within its mandate to the attention of the CEO as occasion requires
c. Act where appropriate as the Disciplinary Hearings Committee
d. Review those cases reported through the anonymous reporting (whistleblowing) channels and referred to the Ethics Committee by the Chief Internal Auditor
e. Conduct or authorise investigations into any matters as it shall deem appropriate, including the authority to request any Employee or external party working under an agreement with the Company to meet with the Committee
f. Run periodical campaigns through publications to increase the level of awareness to the Code of Business Ethics & Conduct
g. Review and access all report periodically to ascertain campaigns are also designed on emphasizing cases of frequent breaches to the Code of Conduct

Whistleblowing - Reporting Issues to Designated Authorities

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

If any Employee reasonably believes that any policy,



procedure, practice, or action of the Company or any of its Employees is in violation of the laws, regulations, or the Code of Business Ethics & Conduct, he or she should report the violation immediately.

In the first instance, Employees shall address the concern, to their manager, but if it is not feasible or Employee is unsatisfied to approach the manager (either Line Supervisor, Department Manager or Group Chief), then he/she shall approach HR Shared Services Section within Human Resources Department.

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

a. Head of the Department/Section reporting about his direct subordinate
b. Employee who is the victim of misconduct/behaviour from peers or other Employee within the Company
c. Employees' observation with regards to the policy and procedure practiced in the Company, which violates any governmental regulations or Code of Business Ethics & Conduct
d. Employee reasonably believes that an Employe is involved in practices, which contracted to this policy
e. Employee is approached by external vendors, seeking favour or offering gifts

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

6.2 Anti-Bribery, Corruption and Fair Competition

Management Approach and Progress

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

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

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

Anti-corruption Laws

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

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

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

Fair Competition Laws

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

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

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

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

All business partners are introduced and aware about Nakilat anti-corruption policies and procedures to ensure that policies are communicated to any other employees and third parties.

KPIs

Anti-bribery and corruption	2018	2019	2020	Scope
Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region.	100%	100%	100%	All Nakilat & NAC employees
Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.	67% (8 "chiefs")	No Anti Bribery Corruption Conducted for Chiefs	No Anti Bribery Corruption Conducted for Chiefs	
Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.	60% (162 employees)	3% (8 employees)	3% (8 employees)	
Confirmed incidents of corruption and actions taken	0	0	0	
Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant	0	0	0	

6.3 Risk and Crisis Management

Management Approach and Progress

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

ISO/IEC 27001 Certification
Information Security Management System

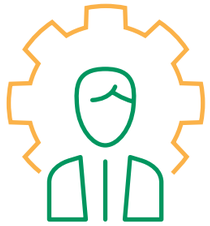
- Nakilat recertified
- NAC, NSW and QFAB certified

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

ISO 22301 Certification
Business Continuity Management

- Nakilat, NSQL and NAC certified

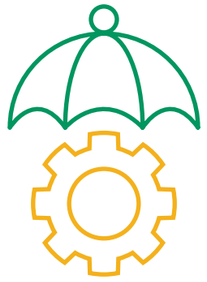
Reaffirm our commitment to comply with international best practices, providing assurance to our stakeholders that we have the appropriate business continuity arrangements in place in mitigating the effects of any disruptive incidents. This is especially important as we expand our in-house fleet management,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



Business Continuity Management (BCM)

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

2020 has been an exceptionally challenging year but having a robust Business Continuity Management System has proven our organizational resiliency amidst a global pandemic. Consequently, a huge milestone has been achieved where Nakilat, Nakilat Shipping Qatar Ltd. (NSQL) and Nakilat Agency Company (NAC) have been certified for ISO 22301 Business Continuity Management System (BCMS) awarded by Lloyd's Register. The ISO 22301 is an international management systems standard that assists organizations to provide a systematic approach to strengthen the continuity and resilience of the company. This remarkable achievement reaffirms our commitment to comply with international best practices in business continuity management and recognizes the steps that Nakilat and its Subsidiaries have taken to implement processes and standards which provide continuity and organizational resiliency. Achieving this significant milestone during a global pandemic proves that our plans are effective to accommodate, mitigate, and minimize the effects of any disruptive and unexpected adverse events to our business operations and people, as well as providing assurance to our customers and investors, especially as we expand our in-house fleet management and operations, demonstrating our commitment towards safeguarding the safety, reliability, resiliency, and continuity of our operations.



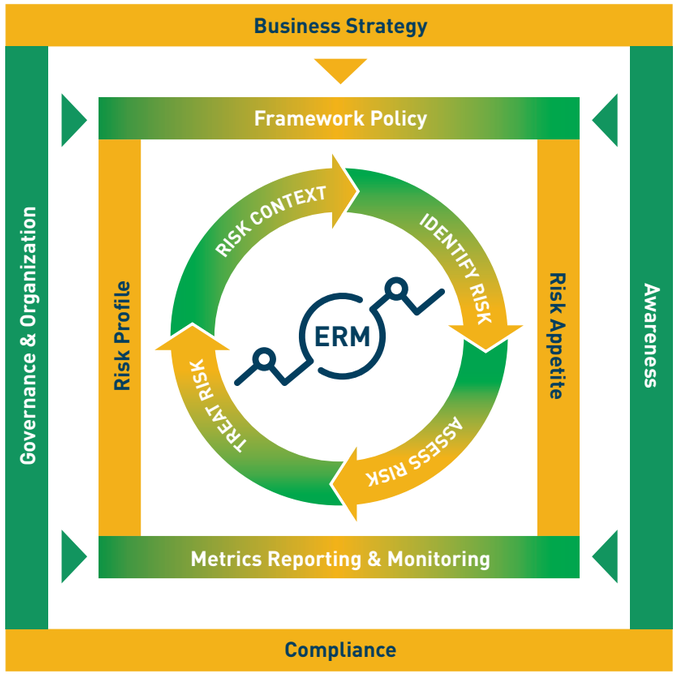
Enterprise Risk Management (ERM)

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

Compliance

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

Enterprise Risk Management Framework



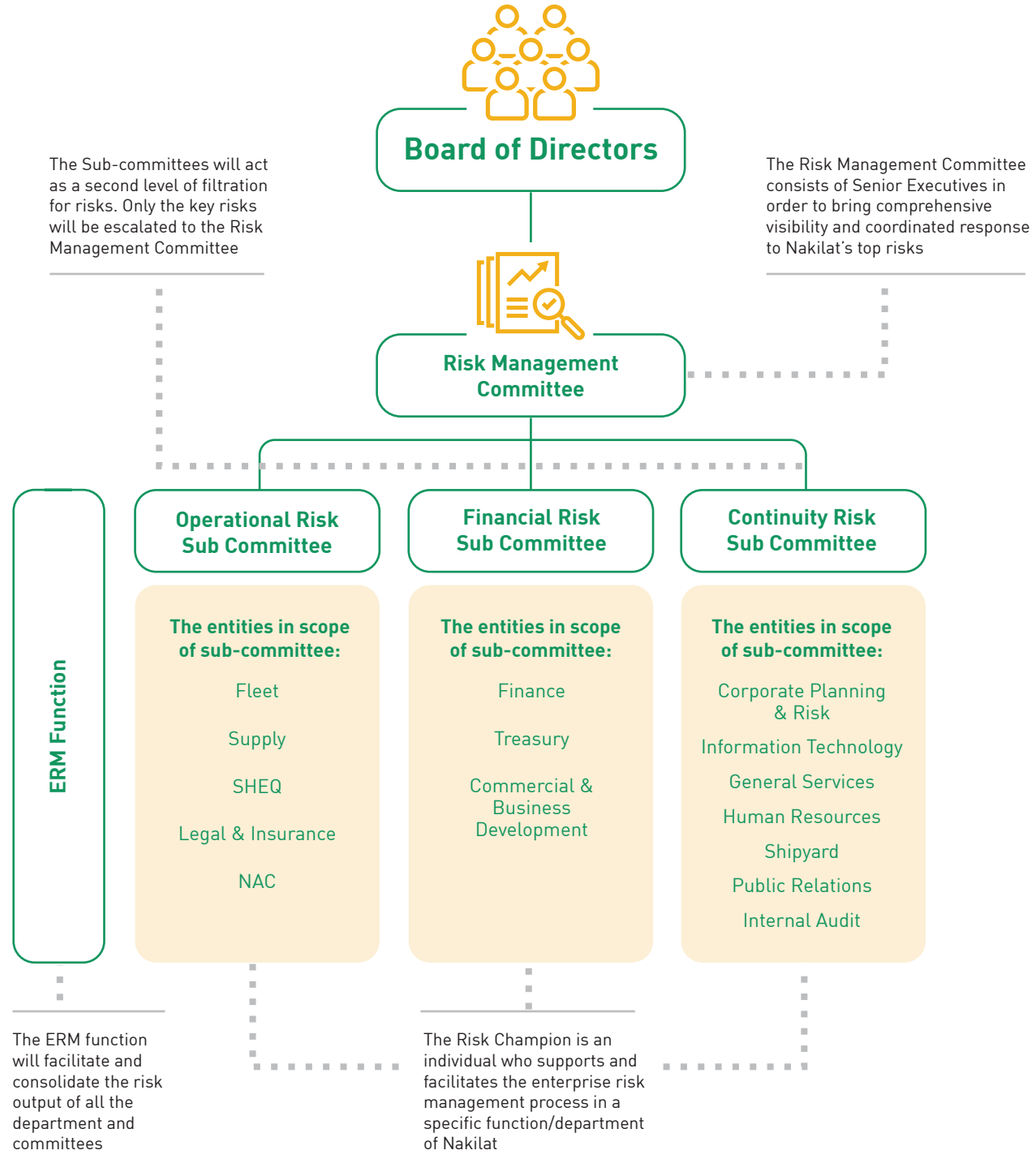
Risk Governance

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

Below are the scope of activities of the committees:

- To review and approve the strategies, policies, frameworks, and procedures in place to govern the risk identification, risk assessment, and risk management processes in Nakilat
- To define and endorse the organization's overall risk tolerance and strategy relating to key risks, including strategic, operational, business continuity, and financial risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks
- To monitor current and emerging risks and approve risk treatment plans for the identified risks
- To ensure that relevant risk treatment plans are implemented on a timely basis and they are managed successfully for all top corporate risks
- To review Nakilat' top risks profile annually and update them when necessary, to ensure that key risks are identified, assessed, and managed
- To promote a risk aware culture and risk management competence across Nakilat
- To ensure there is a system/ process of risk assessment across the organization on an on-going basis
- To review reports on selected risk topics as the Committees deem appropriate from time to time

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



The figure above illustrates Nakilat's Risk Management Governance

6. Governance (continued)

Process for Assessing Key Impacts, Risks and Opportunities

The Top Risks assessment is an annual process where the Risk team starts by mapping the 5-year strategy with the identified risks that can potentially hinder Nakilat's ability to achieve its strategic objectives and ultimately, its vision to be a global leader. Each Top Risk is mapped and integrated with a respective strategic objective. The Risk team then starts developing the definitions for each Top Risk, as well as the quantification of the impact & likelihood ratings. This quantification requires obtaining information from all departments, which the Risk team then analyses, filters, draws conclusions from, and is utilized to support the Top Risks ranking and severity levels. This mapping, with all relevant data, is then presented to a number of subject matter experts and the four Risk Committees in Nakilat, for their approval and endorsement. Once the Top Risks are approved, the Risk team works with respective risk owners to identify controls and develop treatment/mitigation plans. All of this data is then again consolidated and presented in a full package to the four Risk Committees.

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

Approach to Prioritizing Challenges and Opportunities

Nakilat has adopted the ISO 31000 Enterprise Risk Management (ERM) framework as a guideline for the basis of its ERM framework and governance structure. ERM is defined as the process through which an organization's risks are continuously identified, analyzed, evaluated, treated, and monitored. Risk evaluation is the process of comparing the results of risk analysis with risk criteria to determine whether the risk and its severity level are acceptable or tolerable. The purpose of risk evaluation is to help Nakilat make decisions regarding how it will address the outcomes of risk analysis. These decisions include determining which risks require treatment and determining the priority of treatment implementation. Nakilat adopts a 5 by 5 matrix for the evaluation of the impact and likelihood of its risks, where residual risks rankings are then plotted on a heat map according to their agreed assessments and evaluations, ranking from low, to medium, to high, or to severe.

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

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

Impact of ESG risks

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

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

Nakilat
Risk Assessment Process

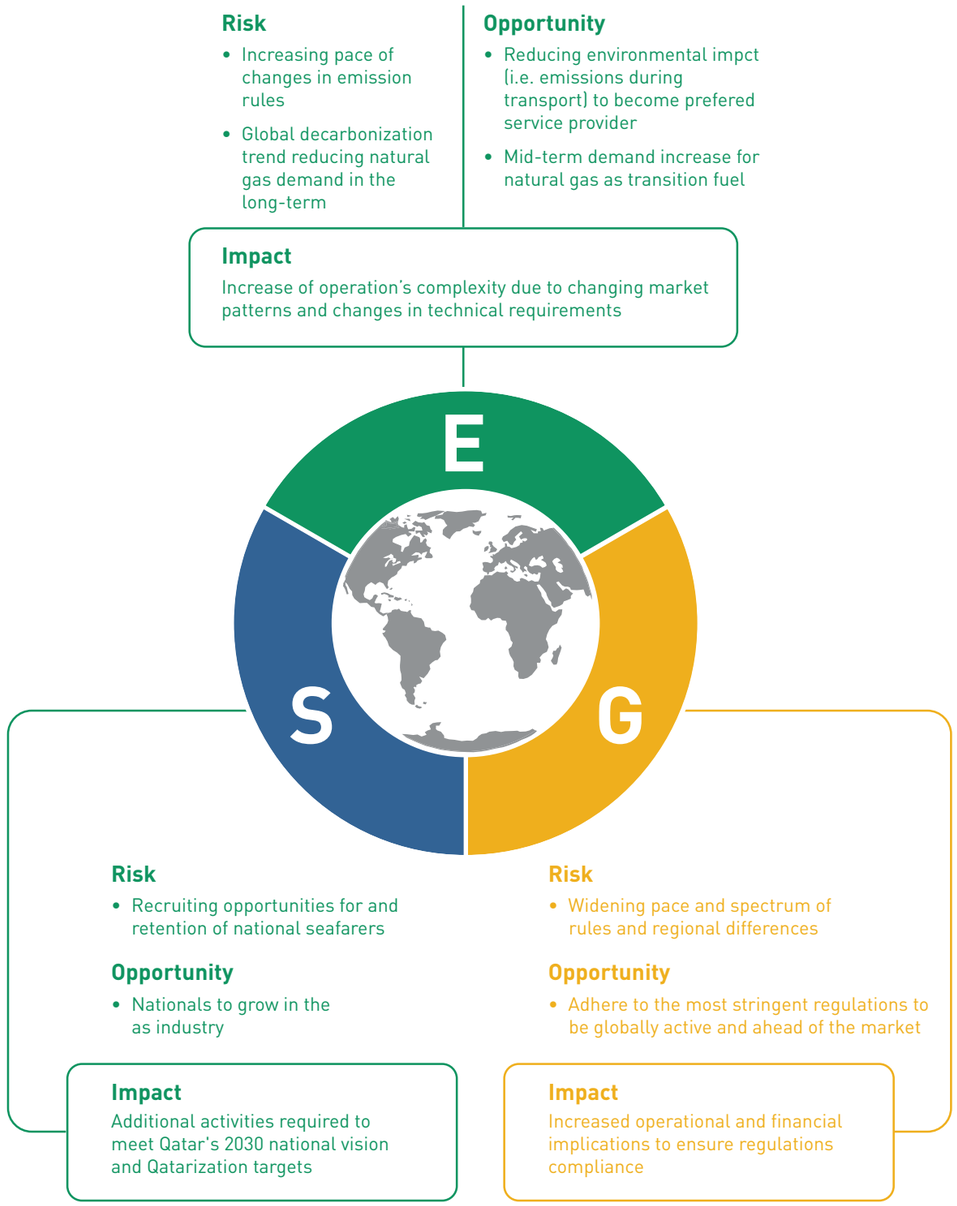


Fig 4. Nakilat ESG risks and opportunities

Objectives and Targets

Nakilat's has a 5-year strategy in place that details the corporate objectives. The Risk team has achieved all its objectives and targets during 2018, 2019, and 2020. The performance of all KPIs and targets are under the custody of the Planning team.

Risk Corporate Objectives for 2018:

1. Eliminate Obstacles: Assessed the risks related to opportunities i.e. process change, organizational change, infrastructure upgrades and others
2. Support any emerging projects by facilitating risk assessments.
3. Facilitate the workshops with Chiefs and Subject Matter Experts for top risks to identify further consequences, controls and treatment plans.
4. Establish risk response strategy implementation plan based on the Top Risks identified.
5. Present top risks and treatment plans to Risk Management Committee for endorsement and approval.

Risk Corporate Objectives for 2019:

1. 100% readiness of the Business Continuity Program as per the plan
2. 100% closure of information security observations in the 'OT-System' as per the plan
3. 100% of treatment plans "Top Risk" successfully implemented as per the agreed plan.

Risk corporate objectives for 2020:

1. 100% readiness of the Business Continuity Program as per the plan
2. 100% closure of information security observations in the 'OT-System' as per the plan
3. 100% of treatment plans "Top Risk" successfully implemented as per the agreed plan.

Looking ahead:

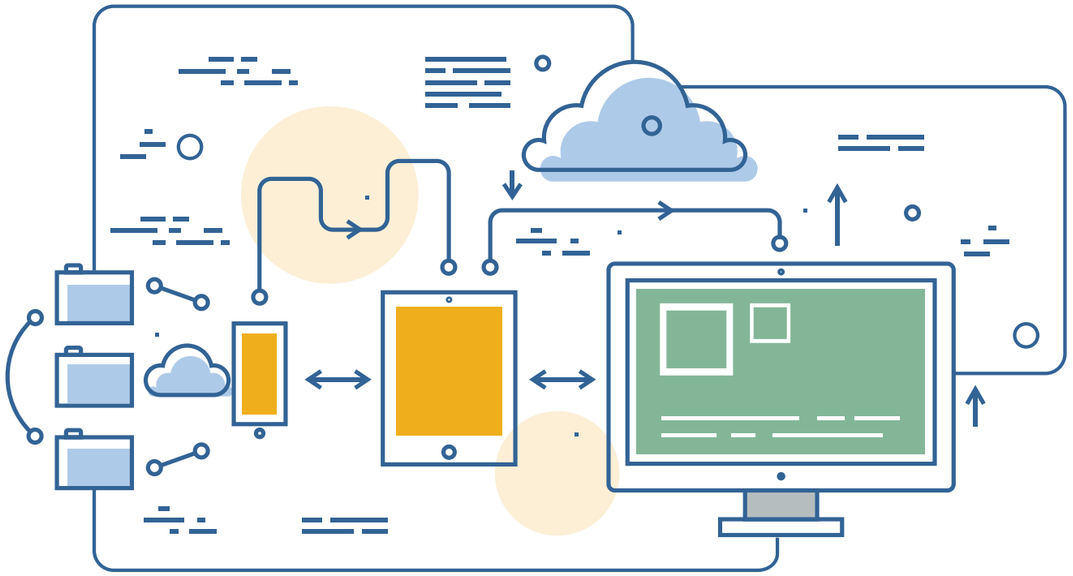
Lesson learnt workshops for risk and business continuity are due to be undertaken throughout 2021, to reflect back on the gaps identified during 2020 and develop action plans to close these gaps.

The Risk team have also conducted three brainstorming workshops with the Business Recovery Team, both the Primary & Secondary, and the Risk Champions, with an objective to identify the lessons learned from the Working From Home Strategy in order to develop an action plan and improve the Business Continuity plans. It has been a year since the Working From Home (WFH) Business Continuity Strategy has been invoked due to the global pandemic.

The session discussed the following perspectives:

1. Technology: laptops / applications accessibility / connectivity / IT service desk support / video and audio software's / printers and scanners
2. Logistics: delivering and receiving documents / signatories / legal stamps / HO & RLIC accessibility / Port restrictions
3. Process: business operations / interdependencies with departments / process timeliness / process flexibility while working from home
4. Information: requirements of process documentation
5. External stakeholders: third-party support / feedback timeliness
6. Business Continuity Process: opportunities for improvement
7. Others: areas not covered above

The Risk team then developed a full action plan identifying the lessons learned and the recommendations or action to close the gaps. The Risk team presented this action plan to the Continuity Risk Sub-Committee, where upon it was endorsed. The Risk team are currently discussing the action plan with respective owners and follow-up on closure of items accordingly.



6.4 Information Security and Data Privacy

Management Approach and Progress

Nakilat has maintained the Information Security Management System (ISMS) as a commitment to effectively foster security consciousness through the use of internationally recognized standards such as the ISO 27001. Nakilat has been recertified for ISO 27001:2013 while our joint ventures Qatar Fabrication Company (QFAB), Nakilat SvitzerWijsmuller (NSW) and Nakilat Agency Company (NAC) have achieved the initial certification from Lloyd's Register Quality Assurance (LRQA), which affirms our continuous efforts at managing information security risks and implementation of appropriate controls to collect, store and handle information, which could help to prevent potential data loss or information leakage. The implementation of the ISMS strives to continuously provide assurance that our business is running in a safe and secure environment by assuring the confidentiality, integrity and availability of the company's information. Adherence to such internationally recognized standards sends a valuable boost of confidence to our shareholders, partners and clients, especially in these challenging times as the world shifts to a virtual working environment and information security becomes more important than ever before.

Nakilat is committed to secure and protect its customers' data, for that last five years no complaints were reported concerning breaches of customer privacy and losses of customer data.

Data Privacy Implementation in Nakilat

Nakilat follows solid administrative and technical controls in the regards of data privacy (which includes users and customers data). Below is a selection of the controls already implemented within the business:

- Compliance with the following Laws and regulations related to data privacy as applicable and/or in establishing best practice:
  - o General Data Protection Regulation (GDPR)
  - o Qatar Law No. 13 of 2016 for Personal Data Privacy
  - o Qatar National Information Assurance Policy (NIAP)
  - o National cyber-security framework (FIFA 2022)
- Nakilat and its Joint Ventures (NSW, NAC, QFAB) are ISO 27001:2013 certified
- Information classification with Business Impact Analysis to identify, list and evaluate all the business data, criticality, storage location, owner etc. Sophisticated and comprehensive processes allow Nakilat's teams to apply the required controls to secure data, and to ensure data availability in case of any disaster
- Non-Disclosure Agreements are signed with external parties in case any data will be shared / exchanged.
- Detailed confidentiality clauses are part of our contracts and agreements with third parties
- Internal and external audits for data privacy
- Continuous users awareness trainings and workshops

Examples of the data privacy policies which already exist, are published, implemented and regularly updated and audited:

- Access Management Policy
- Data Privacy Policy
- Segregation of Duties Policy
- Information classification
- Digital evidence management

In addition, below are examples of the implemented technical controls which are directly related to data privacy:

- Data Leakage Prevention
- Data and Files labelling, classification and protection systems
- Cloud App Security system
- NG Firewalls, Intrusion Detection Systems, Intrusion Prevention Systems
- Security Operations Centre
- Multi Factor Authentication
- Vulnerability Management Systems
- External and independent cyber security assessments
- Threat intelligence systems
- Data communication encryption

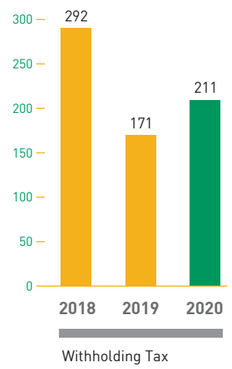
6.5 Tax Transparency

Management Approach and Progress

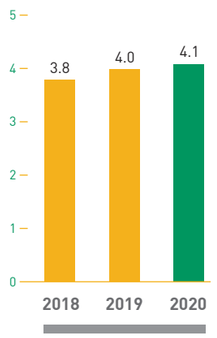
As part of our continuous engagement with Government, communities and different stakeholders, Nakilat is committed to abide with tax laws and ensure high levels of transparency. Nakilat takes a responsible approach to the management and control of taxation issues by following Qatar Tax Law. An external Tax Consultant is advising Nakilat in its approach and provides guidance on the tax strategy. In addition, Nakilat's external Tax Advisor is responsible for reviewing and approving the tax strategy in line with Qatar Tax Law. Furthermore, the tax consultant provides expert advice on Nakilat's approach to stakeholder engagement on the topic and supports with addressing any tax queries.

Nakilat closely follows Qatar's announcements regarding taxes and executive regulations announced through the Qatar General Tax Authority. As part of this process, Nakilat abides and respects all the deadlines set by tax authorities. In 2020, Nakilat paid QAR 210 thousand and QAR 4 million as withholding tax and pension payment respectively.

Payments to Qatar General Tax Authority
(thousands QR)



Payments to Pension Authority
(millions QR)



Financial Assistance Received from Government

Nakilat did not receive any financial assistance from any government including: tax relief and tax credits, subsidies, investment grants, research and development grants, awards, royalty holidays, financial assistance from Export Credit Agencies (ECAs), financial incentives, or any other financial benefits received or receivable from any government for any operation.

Nakilat. Fiscal year concerned: For the period ended 31 December 2019 (QAR)						
Tax Jurisdiction	**Revenues**	**Profit (Loss) before income tax**	**Income tax paid (on cash basis)**	**Income tax accrued - current year**	**Number of employees**	**Tangible assets other than cash and cash equivalents**
Qatar	220,173,322	(281,594,706)	–	–	266	301,433,416
Marshall Islands and others*	3,677,635,999	982,206,190	–	30,468	–	23,383,248,865
TOTAL	**3,897,809,321**	**700,611,483**	**–**	**30,468**	**266**	**23,684,682,282**

*Marshall Islands profit represents ~99% of reported actual profit

7. Assurance Report

Nakilat strives to enhance its levels of disclosure, demonstrate commitments towards ESG reporting best practices and depth in the reporting of ESG topics across all its operations. To demonstrate this commitment, Ernst & Young provided an independent limited assurance under ISAE 3000 (Revised) on the preparation of this report in accordance with the GRI standards.

7.1 Independent Limited Assurance Statement

Building a better working world

To the Board of Directors and Management of Qatar Gas Transport Company Limited

Scope
We have been engaged by **Qatar Gas Transport Company Limited** – hereafter referred to as **Nakilat** – to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the 'Engagement', to report on **Nakilat's** environmental and social performance indicators in the 2020 ESG Report (the Report) including Five (5) disclosures below:

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

(the "Subject Matter") for the year 01 January 2020 and ended 31 December 2020.

Other than as described in the preceding paragraph, which sets out the scope of our Engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Nakilat
In preparing the **Subject Matter**, **Nakilat** applied the Global Reporting Initiative Standards (GRI) (the **Criteria**).

Nakilat's responsibilities
Nakilat's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities
Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our Engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this Engagement as agreed with **Nakilat** on 29 September 2021.

Those standards require that we plan and perform our Engagement to obtain limited assurance about whether, in all material aspects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control
We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed
Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems. Our work did not include physical visits to any of Nakilat' s operating facilities, operating assets, or Nakilat' s joint ventures' facilities or assets.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Five (5) disclosures mentioned above and related information and applying analytical and other appropriate procedures.

Our procedures included:

a) Conducting interviews with personnel to understand the business and reporting process
b) Conducting interviews with key personnel to understand the process for collecting, collating, and reporting the subject matter during the reporting period
c) Checking whether the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
d) Undertaking analytical review procedures to support the reasonableness of the data
e) Identifying and testing assumptions supporting calculations
f) Undertaking reviews of the presentation of the Subject Matter in the Report
g) Testing, on a sample basis, underlying source information to check the accuracy of the data

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion
Based on our procedures and the evidence obtained, no matters have come to our attention that causes us to believe that the Subject Matter information for the year ended 31 December 2020 **is not prepared, in all material aspects**, in accordance with the applicable Criteria.

Imtiaz Ibrahim
Partner
Ernst & Young (Qatar Branch)

04 November 2021
Doha - Qatar

8. Appendix: ESG Contents Reporting Frameworks and Data

8.1 ESG data summary

Environmental compliance	2018	2019	2020	Scope
Noncompliance with environmental laws and regulations				Nakilat Group
Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulation	0	0	0	

Climate change and emissions to air	2018	2019	2020	Scope
Greenhouse Gas (GHG) emissions				Shipping
Gross direct (Scope 1) GHG emissions (TCO_2e)[17]	4,677,574	5,175,137	5,553,475	
GHG emissions intensity[18] (TCO_2e/Nm)	1.17	1.21	1.21	
Organization-specific metric chosen to calculate the intensity ratio: Total Sailing Distance[19] (Nautical Mile [Nm])	5,425,099	5,988,508	6,286,888	
Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions				
NOx	115,624	128,017	138,902	
SOx	155,855	257,455	133,152	
Particulate matter	9,958	11,023	12,020	

Climate change and emissions to air	2018	2019	2020	Scope
Greenhouse Gas (GHG) emissions				Non-shipping
Gross direct (Scope 1) GHG emissions (TCO_2)[20]	20,069	19,301	19,928	

Note: This data represents emission from Fuel used by our non-vessel Joint ventures including fuel used for business purpose by corporate office. Majority of non-shipping fuel is used by tugs for Harbour Operations and so the calculation of these data uses conversion factors for MDO from the following standards: IPCC 2006 .

Emissions to air	2018	2019	2020	Scope
Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions[21]				Non-shipping
NOx	n/a	24.25 ug/m^3	20.75 ug/m^3	
SOx	n/a	14.75 ug/m^3	12.50 ug/m^3	
Particulate Matter (PM2.5)	n/a	23.25 ug/m^3	22.75 ug/m^3	
Particulate Matter (PM10)	n/a	67.5 ug/m^3	72.75 ug/m^3	

**N-KOM Data only*

17 Shipping data is declared only under scope 1 as all GHG emissions are produced by the vessels when generating their own energy to sustain their respective operation. Only CO_2 is included in this calculation. Declaration is based on equity share

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

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

20 Non-Shipping data shown separately under scope 1

21 Each parameter is averaged for the year 2019 & 2020

Energy	2018	2019	2020	Scope
Energy consumption				Shipping
Total fuel consumption within the organization from non-renewable sources (GJ) [22]	63,179,490	67,806,690	74,982,199	
Total fuel consumption within the organization from renewable sources (GJ)	0	0	0	
Total energy consumption within the organization (GJ)	63,179,490	67,806,690	74,982,199	
Energy intensity				
Energy intensity ratio[23] (GJ/Nm)	12.65	13.16	16.76	
Organization-specific metric chosen to calculate the intensity ratio: Total Sailing Distance[24] (Nautical Mile [Nm])	5,425,099	5,988,508	6,286,888	

Energy	2018	2019	2020	Scope
Electricity consumption				Non-shipping
Total electricity consumption (kWh) Corporate	1,284,221	1,237,412	935,517	
Total electricity consumption (kWh) N-KOM	63,000,000	68,500,000	63,400,000	
Total electricity consumption (kWh) QFAB	n/a	n/a	7,460,000	
TOTAL ELECTRICITY CONSUMPTION (kWh) Corporate, N-KOM, QFAB	64,284,221	69,737,412	71,795,517	
Total electricity consumption (GJ) Corporate	4,623	4,455	3,368	
Total electricity consumption (GJ) N-KOM	226,801	246,600	228,240	
Total electricity consumption (GJ) QFAB	n/a	n/a	26,856	
TOTAL ELECTRICITY CONSUMPTION (GJ) Corporate, N-KOM, QFAB	231,424	251,055	258,464	
Fuel consumption				
Total fuel consumption (GJ) Corporate	204	415	734	
Total fuel consumption (GJ) N-KOM	597	820	174	
Total fuel consumption (GJ) QFAB	n/a	n/a	393	
Total fuel consumption (GJ) NSW	290,282	278,711	287,742	
TOTAL FUEL CONSUMPTION (GJ) Corporate, N-KOM, QFAB, NSW	291,083	279,945	289,043	

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

23 For SHIPS: Energy Intensity = Total Energy/ Total sailing Distance. Intensity is declared in total

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

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

Energy	2018	2019	2020	Scope
Total energy consumption (electricity + fuel)				
Total energy consumption (GJ) Corporate	4,827	4,869	4,102	
Total energy consumption (GJ) N-KOM	227,398	247,420	228,414	
Total energy consumption (GJ) QFAB	n/a	n/a	27,249	
Total energy consumption (GJ) NSW	290,282	278,711	287,742	
TOTAL ENERGY CONSUMPTION (GJ) Corporate, N-KOM, QFAB, NSW	522,507	531,000	547,507	
Energy intensity[25]				
Energy intensity ratio (Electricity consumption (MJ) / per employee) Corporate	18,494	17,820	13,472	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) Corporate	250	250	250	
Energy intensity ratio (Electricity consumption (MJ) / employee N-KOM	174,462	189,692	175,569	Non-shipping
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) N-KOM	1,300	1,300	1300	
Energy intensity ratio Electricity consumption (MJ) / per employee) QFAB	n/a	n/a	312,279	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) QFAB	n/a	n/a	86	
Energy intensity ratio (Fuel consumption (MJ) / per employee) NSW	853,770	819,738	846,300	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) NSW	340	340	340	
TOTAL Energy intensity ratio (Electricity Consumption (MJ) / per employee) Corporate, N-KOM & QFAB	122,446	132,833	130,801	
Organization-specific metric chosen to calculate the intensity ratio (average number of employees) corporate, N-KOM, QFAB, NSW	1,890	1,890	1,976	

25 All energy intensity ratios represent electricity and fuel usage, expect NSW which only covers fuel usage

Water	2018	2019	2020	Scope
Water withdrawal and discharge				
Total seawater withdrawal (megaliters)	27,187,651	30,007,243	29,250,355	Shipping
Total seawater discharge (megaliters)	27,187,651	30,007,243	29,250,355	

Water	2018	2019	2020	Scope
Water consumption				
Freshwater/ Potable water consumption (megaliters) Corporate	1.72	1.69	0.73	
Freshwater/ Potable water consumption (megaliters) NSW	11	11	11	
Freshwater/ Potable water consumption (megaliters) N-KOM	398	375	248	Non-shipping
Freshwater/ Potable water consumption (megaliters) QFAB	n/a	n/a	52.2	
Total Freshwater/ Potable consumption	411	388	312	
Industrial water consumption (megaliters) N-KOM	85	83	100	
Industrial water consumption (megaliters) QFAB	n/a	n/a	52.2	

**Water is supplied by Kahramaa and there are no instances of consumption in water stress areas*

Waste	2018	2019	2020	Scope
Waste generated				
Total weight of waste generated (m^3), and a breakdown of this total by composition (CAT[26]) of the waste[27]	Total = 6,653.55 m^3 Cat 1 = 2,251.52 m^3 Cat 2 = 290.65 m^3 Cat 3 = 2,165.77 m^3 Cat 4 = 182.96 m^3 Other= 2,126.004 m^3	Total = 7,363.13 m^3 Cat 1 = 2,155.18 m^3 Cat 2 = 329 m^3 Cat 3 = 2,272.73 m^3 Cat 4 = 272.62 m^3 Other=2,253.336 m^3	Total = 6,894.52 m^3 Cat 1 = 2,110.05 m^3 Cat 2 = 255.5 m^3 Cat 3 = 2,280.76 m^3 Cat 4 =191.535 m^3 Other = 2,135.475m^3	
Waste disposal				
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste.[28]	Total = 6,653.55 m^3 Cat 1 = 2,251.52 m^3 Cat 2 = 290.65 m^3 Cat 3 = 2,165.77 m^3 Cat 4 = 182.96 m^3 Other = 2,126.004m^3	Total = 7,363.13 m^3 Cat 1 = 2,155.18 m^3 Cat 2 = 329 m^3 Cat 3 = 2,272.73 m^3 Cat 4 = 272.62 m^3 Other = 2,253.336m^3	Total = 6,894.52 m^3 Cat 1 = 2,110.05 m^3 Cat 2 = 255.5 m^3 Cat 3 = 2,280.76 m^3 Cat 4 =191.535 m^3 Other = 2,135.475m^3	Shipping
Incineration onsite (without energy recovery) (m^3)	900	1,163	775	
Total waste disposal offsite (m^3) [29]	5,754	6,200	6,120	

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

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

28 Bilge doesn't fall under garbage requirement.

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

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

Waste	2018	2019	2020	Scope
Waste generated				
Total weight of waste generated (m^3 or Tons), and a breakdown of this total by composition (CAT[30]) of the waste - NKOM	Total = 12,625 m^3, 28,551 tons & 630,000 gallons Cat A, B, C & F (General)=10,815 m^3 Cat C&F=1,500 m^3 Cat C&F=2,162 tons Cat I = 27.68 tons Other = 310 m^3 Other = 26,361 tons Other = 630,000 gallons	Total = 20,930 m^3, 16,393 tons & 1,110,000 gallons Cat A, B, C & F (General)=16,443m^3 Cat C&F=3,540 m^3 Cat C&F=2,999 tons Cat I = 34.22 tons Other = 947 m^3 Other = 13,360 tons Other = 1,110,000 gallons	Total = 16,271 m^3, 7,082 tons & 365,000 gallons Cat A, B, C & F (General)=12,817m^3 Cat C&F = 2,360 m^3 Cat C&F= 2,104tons Cat I = 12.62 tons Other = 1,094 m^3 Other = 4,965 tons Other = 365,000 gallons	
Total weight of waste generated (m^3 or Tons), and a breakdown of this total by composition (CAT) of the waste - NSW	Total = 71.542 m^3 Cat C & F (General) = 14.956 m^3 Cat A (Plastic) = 5.94 m^3 Others (Oily waste) = 50.646 m^3	Total = 65.08 m^3 Cat C & F (General) = 16.938 m^3 Cat A (Plastic) = 4.266 m^3 Others (oily waste) = 43.876 m^3	Total = 67.858 m^3 Cat C & F (General) = 18.297 m^3 Cat A (Plastic) = 4.361 m^3 Others (Oily waste) = 45.20 m^3	
Total weight of waste generated (m3 or Tons), and a breakdown of this total by composition (CAT) of the waste - QFAB	n/a	n/a	Total = 48.98 m^3 & 54.416 tons Cat A, B, C & F (General)=48.98 m^3 Cat C&F=2.58 m^3 Cat C&F = 2.85 tons Cat I = 0 tons Other = 0 m^3 Other =0 tons Other = 0 gallons	Non-shipping
Total weight of waste generated (m^3 or Tons), and a breakdown of this total by composition (CAT) of the waste - Corporate	Total = 1.58 m^3 Cat C&F (General) = 1.58 m^3 Cat I = 0.75 m^3	Total = 1.08 m^3 Cat C&F (General) = 1.05 m^3 Cat I = 0.03 m^3	Total = 2.73 m^3 Cat C&F (General) = 0.51 m^3 Cat I = 2.22m^3	
Waste disposal				
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste - NKOM	Total = 12,625 m^3, 28,551 tons & 630,000 gallons	Total = 20,930 m^3, 16,393 tons & 1,110,000 gallons	Total = 16,271 m^3, 7,082 tons & 365,000 gallons	
Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste - NSW	Other (Oily Waste) = 50.646 m^3	Other (Oily waste) = 43.876 m^3	Other (Oily waste) = 45.20 m^3	
Total waste disposal – landfill (m^3 or tons)	General = 10,815 m^3 Wood = 1,500 m^3 Spent Grit = 26,191 tons	General = 16,443 m^3 Wood = 3,540 m^3 Spent Grit = 13,079 tons	General = 12,817 m^3 Wood = 2,360 m^3 Spent Grit = 4,903 tons	
Total waste disposal – recycling (m^3 or tons)	N/A	N/A	N/A	

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

Materials	2018	2019	2020	Scope
Materials used by weight or volume				Non-shipping (QGTC and NKOM only)
Paper (kg) - Corporate	8,173	6,098	2,216	
Paper (kg) - N-KOM	12,709	18,317	6,394	

Occupational health and safety	2018	2019	2020	Scope
The number of lost time injuries/incidents	2	12	10	All Nakilat & NAC employees, and Joint Ventures (JVs)
Employee lost-time injury rate	0.07	0.38	0.39	
Employee work-related fatalities	0	0	0	
Number of lost days caused by occupational accidents	5	936	649	
Number of occupational accidents	23	27	16	
Total Recordable Case Frequency (TRCF)	0.80	0.86	0.63	
The main types of work-related injury	Minor Pinch and Twist Injuries	Sprains / Minor Cuts & Bruises / Pinch Injuries	Minor Cuts & Bruises/ Sprains & Strain/ Foreign Particle in eye	
The number of hours worked during	28,712,279	31,416,743	25,526,586	

New hires and turnover	2018	2019	2020	Scope
Total new employee hires (number)				All Nakilat & NAC employees
Age 18-30	12	12	3	
Age 31-50	27	19	17	
Age 51+	2	2	2	
Male	32	27	19	
Female	9	6	3	
Total*	41	33	22	
Total employee turnover (voluntary and involuntary) (number)				
Age 18-30	12	5	1	
Age 31-50	27	18	19	
Age 51+	11	9	4	
Male	36	28	18	
Female	14	4	6	
Total*	50	32	24	
Total employee turnover (voluntary and involuntary) (%)	18%	12%	9%	

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

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

New hires and turnover	2018	2019	2020	Scope
Total employee turnover (voluntary) (number)				All Nakilat & NAC employees
Age 18-30	5	3	0	
Age 31-50	11	18	5	
Age 51+	6	3	1	
Male	17	20	4	
Female	5	4	2	
Total*	22	24	6	
Employee turnover (voluntary) (%)	7.83%	8.73%	2.22%	

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

Parental leave	2018	2019	2020	Scope
Number of female employees entitled to leave	48	50	46	All Nakilat & NAC employees
Number of male employees entitled to leave	233	225	224	
Number of female employees that took parental leave	0	2	5	
Number of female employees who returned to work after parental leave ended (return to work)	0	2	5	
Number of male employees that took parental leave	5	7	4	
Number of male employees who returned to work after parental leave ended (return to work)	5	7	4	
Number of male and female employees returned from parental leave who were still employed twelve months after return to work (retention)	5	9	9	
Return to work rate (%)	100%	100%	100%	
Retention rate (%)	92%	91%	94%	

Grievances	2018	2019	2020	Scope
Number of grievances filed in the reporting period	9	9	5	All Nakilat & NAC employees
Number of these grievance addressed or resolved	9	9	5	
Number of grievances filed prior to the reporting period that were resolved during the reporting period	0	0	0	

Training and education	2018	2019	2020	Scope
Total training hours (number)	6,971	5,156	4,125	All Nakilat & NAC employees
Average training hours provided per employee (number)	25	19	15	
Training hours broken down by career level				
Senior management employees (number)	12	12	12	
Total hours of training of senior management (number)	174	236	93	
Average training hours of senior management (number)	15	20	8	
Middle management employees (number)	53	54	59	
Total hours of training of middle management (number)	2,086	1,205	805	
Average training hours of middle management (number)	39	22	14	
Non-management employees (number)	216	209	199	
Total hours of training of non-management (number)	4,710	3,716	3,227	
Average training hours of non-management (number)	22	18	16	
Training hours broken down by gender				
Total training hours of male employees (number)	5,761	3,807	3,228	
Average training hours of male employees (number)	25	17	14	
Total training hours of female employees (number)	1,210	1,349	897	
Average training hours of female employees (number)	25	27	19	
Investment in learning and development				
Spend on learning and development of our people (QAR)	1,599,426	2,892,761	969,484	
Performance reviews				
Total number of employees receiving regular performance and career development reviews (number)	186	213	220	
Female Employees (number)	32	36	36	
Male Employees (number)	154	177	184	
Percentage of employees receiving regular performance and career development reviews (%)	66%	77%	81%	

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

Diversity and inclusion	2018	2019	2020	Scope
Female employment				All Nakilat & NAC employees
Total number of female employees (number)	48	50	46	
Total % of female employees (%)	17%	18%	17%	
Total number of employees with disabilities (number)	NA	NA	NA	
Total % of employees with disabilities (%)	NA	NA	NA	
By career level				
Women on the Board of Directors (number)	0	0	0	
Women on the Board of Directors (%)	0%	0%	0%	
Women in senior management (number)	0	0	0	
Women in senior management (%)	0%	0%	0%	
Women in middle management (number)	6	6	7	
Women in middle management (%)	11%	11%	12%	
Women in non-management (number)	42	44	39	
Women in non-management (%)	19%	21%	19%	
Equal pay				NKOM and QFAB not included
Gender pay ratio (Ratio of basic salary* and remuneration of women to men)	0.78 to 1	0.93 to 1	0.82 to 1	

**Median male salary to median female salary.*

Responsible procurement and supply chain	2018	2019	2020	Scope
Value of goods and services				Nakilat and NSQL
Value of goods and services (USD) - Qatar	110,378,501	106,849,283	80,204,110	
Value of goods and services (USD) - Foreign	109,990,041	141,029,749	105,696,606	
Number of suppliers				
Number of suppliers - Qatar	312	322	292	
Number of suppliers - Foreign	282	309	300	

Responsible procurement and supply chain	2018	2019	2020	Scope
Supplier environmental assessment				Shipping
Suppliers assessed for environmental impacts (%)	100%	100%	100%	
Suppliers identified as having significant actual and potential negative environmental impacts (number)	0	0	0	
Local procurement				
Percentage of total procurement from local suppliers	50.1%	43.1%	43.1%	

Responsible procurement and supply chain	2018	2019	2020	Scope
Supplier environmental assessment				Non-shipping
Suppliers assessed for environmental impacts (number)	10	10	10	
Number of suppliers identified as having significant actual and potential negative environmental impacts.	0	0	0	
Significant actual and potential negative environmental impacts identified in the supply chain.	0	0	0	

Responsible procurement and supply chain	2018	2019	2020	Scope
Supplier environmental assessment				Non-shipping
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment.	0	0	0	
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment, and why.	0	0	0	

Community engagement	2018	2019	2020	Scope
Sports and Social Fund Contribution (QAR millions)	22	25	29	Nakilat Group

Anti-bribery and corruption	2018	2019	2020	Scope
Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region.	100%	100%	100%	All Nakilat & NAC employees
Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.	67% (8 "chiefs")	No Anti Bribery Corruption Conducted for Chiefs	No Anti Bribery Corruption Conducted for Chiefs	
Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.	60% (162 employees)	3% (8 employees)	3% (8 employees)	
Confirmed incidents of corruption and actions taken	0	0	0	
Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant	0	0	0	

Information security and data privacy	2018	2019	2020	Scope
Breaches of customer privacy and losses of customer data (number)	0	0	0	Nakilat Group
IT expenses (QAR millions)	5.9	5.8	7.9	

Tax transparency	2018	2019	2020	Scope
Payments to Qatar General Tax Authority				Nakilat Group
Withholding Tax (QAR)	291,945	171,268	210,779	
Payments to Pension Authority				
Pension payment (QAR)	3,849,187	3,994,633	4,073,592	

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

8.2 Global Reporting Initiative (GRI) Content Index

GRI STANDARD

GRI 100: UNIVERSAL STANDARDS

GRI 102: General Disclosures 2016	Indicator and Disclosure	Report Section	Omissions/ remarks
Organizational profile	102-1 Name of the organization	1.1	
	102-2 Activities, brands, products and services	2.1	
	102-3 Location of headquarters	1.1	
	102-4 Location of operations	2.1	
	102-5 Ownership and legal form	2.1	
	102-6 Markets served	2.1	
	102-7 Scale of the organization	2.1.5.2	
	102-8 Information on employees	5.2	
	102-9 Supply chain	5.4	
	102-10 Significant changes to the organization and its supply chain	5.4	
	102-11 Precautionary principle or approach	6.3	
	102-12 External initiatives	3.5	
	102-13 Membership of associations	3.5	
Strategy	102-14 Statement from senior decision-maker	1.2	
	102-15 Key impacts, risks and opportunities	4.1, 6.3	
Ethics and integrity	102-16 Values, principles, standards and norms of behavior	2.1	
	102-17 Mechanisms for advice and concerns about ethics	5.2, 6.1	
Governance	102-18 Governance structure	3.2, 6.1	
	102-19 Delegating authority	3.2	
	102-20 Executive-level responsibility for economic, environmental and social topics	3.2	
	102-21 Consulting stakeholders on economic, environmental and social topics	3.3	
	102-22 Composition of the highest governance body and its committees	6.1, Nakilat Corporate Governance Report 2020 - page20 (10-1), 24-27 (Article 18&19), 2-5	

GRI 102: General Disclosures 2016	Indicator and Disclosure	Report Section	Omissions/ remarks
Governance	102-23 Chair of the highest governance body	6.1, Nakilat Corporate Governance Report 2020 - page20 (10-1), 24-27 (Article 18&19), 2-5	
	102-24 Nominating and selecting the highest governance body	6.1, Nakilat Corporate Governance Report 2020 - page20 (10-1), 24-27 (Article 18&19), 2-5	
	102-25 Conflicts of interest	6.1, Corporate Governance Report 2020 - page20 (10-1), 24-27 (Article 18&19), 2-5	
	102-26 Role of highest governance body in setting purpose, values, and strategy	2.1	
	102-27 Collective knowledge of highest governance body	6.1, Nakilat Corporate Governance Report	
	102-28 Evaluating the highest governance body's performance	6.1, Nakilat Corporate Governance Report	
	102-29 Identifying and managing economic, environmental, and social impacts	3.4	
	102-30 Effectiveness of risk management processes	3.2, 6.3	
	102-31 Review of economic, environmental and social topics	3.4	
	102-32 Highest governance body's role in sustainability reporting	3.2	
	102-33 Communicating critical concerns	6.1, 6.2	
	102-35 Remuneration policies	6.2	
	102-36 Process for determining remuneration	6.1	
	102-37 Stakeholders' involvement in remuneration	6.1	
Stakeholder engagement	102-40 List of stakeholder groups	3.3	
	102-41 Collective bargaining agreements	0% covered	
	102-42 Identifying and selecting stakeholders	3.4	
	102-43 Approach to stakeholder engagement	3.3	
	102-44 Key topics and concerns raised	3.3	

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

GRI 102: General Disclosures 2016	Indicator and Disclosure	Report Section	Omissions/ remarks
Reporting practice	102-45 Entities included in the consolidated financial statements	1.1	
	102-46 Defining report content and topic boundaries	1.1	
	102-47 List of material topics	3.4	
	102-48 Restatements of information		n/a as first ESG report
	102-49 Changes in reporting		n/a as first ESG report
	102-50 Reporting period	1.1	
	102-51 Date of most recent report	1.1	
	102-52 Reporting cycle	1.1	
	102-53 Contact point for questions regarding the report	1.1	
	102-54 Claims of reporting in accordance with the GRI Standards	1.1	
	102-55 GRI content index	7.2	
	102-56 External assurance	1.1	

GRI 200 - ECONOMIC STANDARDS

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

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

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

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

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

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

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

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

GRI 300 - ENVIRONMENTAL STANDARDS

GRI 301: MATERIALS 2016	Indicator and Disclosure	Report Section	Omissions/ remarks
Material	301-1 Materials used by weight or volume	4.6	

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

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

GRI 304: BIODIVERSITY 2016	Indicator and Disclosure	Report Section	Omissions/ remarks
Energy	304-2 Significant impacts of activities, products, and services on biodiversity	4.5	
	304-3 Habitats protected or restored	4.5	

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

GRI 306: WASTE 2020	Indicator and Disclosure	Report Section	Omissions/ remarks
Management approach disclosures	306-1 Waste generation and significant waste-related impacts	4.6	
	306-2 Management of significant waste-related impacts	4.6	
Topic-specific disclosures	306-3 Waste generated	4.6	
	306-4 Waste diverted from disposal	4.6	
	306-5 Waste directed to disposal	4.6	

GRI 307: ENVIRONMENTAL COMPLIANCE 2016	Indicator and Disclosure	Report Section	Omissions/ remarks
Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	4.1	

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

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

GRI 400 - SOCIAL STANDARDS

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

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

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

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

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

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

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

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

GRI 412: HUMAN RIGHTS ASSESSMENT 2016	Indicator and Disclosure	Report Section	Omissions/ remarks
Human rights assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	5.2	
	412-2 Employee training on human rights policies or procedures	5.2	
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	5.2	

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

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

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

GRI 419: SOCIOECONOMIC COMPLIANCE 2016	Indicator and Disclosure	Report Section	Omissions/ remarks
Socioeconomic compliance	419-1 Non-compliance with laws and regulations in the social and economic area	6.2	

8.3 United Nations Global Compact

Human rights

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

Labor

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

Environment

Principle	Relevant Report Section/Link
Principle 7: Businesses should support a precautionary approach to environmental challenges;	4.1
Principle 8: undertake initiatives to promote greater environmental responsibility; and	4.1-4.6
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	4.3

Anti-Corruption

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

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

8.4 Sustainability Accounting Standards Board (SASB)

SASB Marine Transportation Disclosures – (Scope: Shipping)

Code	Topic	Accounting Metric	Category	Units of Measure	2018	2019	2020	Comment
TR-MT-110a.1	Greenhouse Gas Emissions	Gross global Scope 1 emissions	Quantitative	Metric tons (t) $CO\text{-}e_2$	4,677,574	5,175,137	5,553,475	NYK1 & NYK2 not included for 2018
TR-MT-110a.2	Greenhouse Gas Emissions	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	–	–	–	
TR-MT-110a.3	Greenhouse Gas Emissions	(1) Total energy consumed,	Quantitative	Gigajoules (GJ)	63,179,490	67,806,690	74,982,199	NYK1 & NYK2 not included for 2018
		(2) percentage heavy fuel oil	Quantitative	Percentage (%)	75.8%	78%	80%	NYK1 & NYK2 not included for 2018
		(3) percentage renewable	Quantitative	Percentage (%)	0%	0%	0%	
TR-MT-110a.4	Greenhouse Gas Emissions	Average Energy Efficiency Design Index (EEDI) for new ships	Quantitative	Grams of CO_2 per ton-nautical mile	–	–	5.371	
TR-MT-120a.1	Air Quality	Air emissions of the following pollutants: - (1) NOx (excluding N_2O)	Quantitative	Metric tons (t)	115,624	128,017	138,902	NYK1 & NYK2 not included for 2018
		Air emissions of the following pollutants: - (2) SOx	Quantitative	Metric tons (t)	155,855	257,455	133,152	NYK1 & NYK2 not included for 2018
		Air emissions of the following pollutants - (3) particulate matter (PM10)	Quantitative	Metric tons (t)	9,958	11,023	12,020	NYK1 & NYK2 not included for 2018
TR-MT-160a.1	Ecological Impacts	Shipping duration in marine protected areas or areas of protected conservation status	Quantitative	Number of travel days	–	–	–	
TR-MT-160a.2	Ecological Impacts	Percentage of fleet implementing ballast water - (1) exchange	Quantitative	Percentage (%)	97%	78%	78%	
		Percentage of fleet implementing ballast water - (2) treatment	Quantitative	Percentage (%)	3%	22%	22%	
TR-MT-160a.3	Ecological Impacts	(1) Number and (2) aggregate volume of spills and releases to the environment	Quantitative	Number, Cubic meters (m^3)	0	0	0	
				NSQL	0.4	0	0.36	

Code	Topic	Accounting Metric	Category	Units of Measure	2018	2019	2020	Comment
TR-MT-320a.1	Employee Health & Safety	Lost time incident rate (LTIR)	Quantitative / Rate	STASCO	0	0.87	0.28	
				TK2	0	0	0	
				TK3	0	0	0	
				MOL	0	0	0	
				NYK1	0	0	0	
				NYK2	0	0	1.01	
				KLINE	0	0	1.77	
				PRONAV	0	0	0.97	
				MGM	0	0	0.26	
				ILT3	0	0	0	
TR-MT-510a.1	Business Ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Number	0	0	0	
TR-MT-510a.2	Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Reporting currency	0	0	0	
TR-MT-540a.1	Accident & Safety Management	Number of marine casualties, percentage classified as very serious	Quantitative	Number, Percentage (%)	0	0	0	
TR-MT-540a.2	Accident & Safety Management	Number of Conditions of Class or Recommendations	Quantitative	Number	0	0	0	
TR-MT-540a.3	Accident & Safety Management	Number of port state control - (1) deficiencies	Quantitative	Number -NSQL	5	2	2	
				Number - STASCO	15	9	0	
		Number of port state control - (2) detentions	Quantitative	Number -NSQL	0	0	0	
				Number - STASCO	0	0	0	

**Note: This data represents our entire shipping fleet, with the exception of ships NYK1 & NYK2 for the year 2018.*

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

SASB Marine Transportation Disclosures – (Scope: Shipping)

Code	Activity Metric	Category	Unit of Measure	2018	2019	2020	Comment
TR-MT-000.A	Number of shipboard employees	Quantitative	Number	3,201.11	3,248.38	3,361.71	
TR-MT-000.B	Total distance travelled by vessels	Quantitative	Nautical miles (nm)	5,425,099	5,988,508	6,286,888	NYK1 & NYK2 not included for 2018
TR-MT-000.C	Operating days	Quantitative	Days	24,626.39	24,679.10	26,582.88	
TR-MT-000.D	Deadweight tonnage	Quantitative	Thousand deadweight tons	9,080,670.10	9,080,670.10	9,342,063.80	
TR-MT-000.E	Number of vessels in total shipping fleet	Quantitative	Number	68	68	69	
TR-MT-000.F	Number of vessel port calls	Quantitative	Number	736	786	764	
TR-MT-000.G	Twenty-foot equivalent unit (TEU) capacity	Quantitative	TEU	N/A	N/A	N/A	Company fleet doesn't carry containers

**Note: This data represents our entire shipping fleet, with the exception of ships NYK1 & NYK2 for the year 2018.*

SASB Oil & Gas – Services – (Scope: N-KOM)

Code	Topic	Accounting Metric	Category	Unit of Measure	2018	2019	2020
RT-IG-130a.1	Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	1) 227,398 GJ 2) 100% 3) 0%	1) 247,420 GJ 2) 100% 3) 0%	1) 228,414 GJ 2) 100% 3) 0%
RT-IG-320a.1	Employee Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	Quantitative	Rate	1) 9 2) 0	1) 14 2) 0	1) 3 2) 0
RT-IG-410a.1	Fuel Economy & Emissions in Use-phase	Sales-weighted fleet fuel efficiency formedium-and heavy-duty vehicles	Quantitative	Gallons per 1,000 ton-miles	N-KOM does not have any medium and heavy duty vehicles in its Inventory	N-KOM does not have any medium and heavy duty vehicles in its Inventory	N-KOM does not have any medium and heavy duty vehicles in its Inventory

SASB Oil & Gas – Services – (Scope: N-KOM)

Code	Topic	Accounting Metric	Category	Unit of Measure	2018	2019	2020
RT-IG-410a.4	Fuel Economy & Emissions in Use-phase	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines2	Quantitative	Grams per kilowatt-hour	N-KOM does not have (a), (b), (c) & (d) in its Inventory	N-KOM does not have (a), (b), (c) & (d) in its Inventory	N-KOM does not have (a), (b), (c) & (d) in its Inventory
RT-IG-440a.1	Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	n/a	Pre-qualification for the suppliers includes the Environmental Certification criteria. Furthermore, stock replenishments for critical materials through Material Resource Planning system also considered to minimize associated risks.	Pre-qualification for the suppliers includes the Environmental Certification criteria. Furthermore, stock replenishments for critical materials through Material Resource Planning system also considered to minimize associated risks.	Pre-qualification for the suppliers includes the Environmental Certification criteria. Furthermore, stock replenishments for critical materials through Material Resource Planning system also considered to minimize associated risks.
RT-IG-440b.1	Re manufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	Quantitative	Reporting currency	N-KOM does not engage in remanufactured products & services	N-KOM does not engage in remanufactured products & services	N-KOM does not engage in remanufactured products & services
RT-IG-000.B	Number of employees	Quantitative	Quantitative	Number	1300	1300	1300

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

8.5 Poseidon Principles

Vessel Name	Propulsion	Cargo Capacity CBM	Year built	Technical management	Nakilat's Ownership (%)	AER* 2019	AER 2020	EEOI** 2019	EEOI 2020
AAMIRA	Motor	266,000	2010	STASCO	100%	12.81	11.00	25.57	24.10
AL BAHIYA	Motor	210,100	2009	STASCO	100%	9.87	9.09	30.20	24.54
AL KARAANA	Motor	210,100	2009	STASCO	100%	9.66	9.06	29.76	26.15
ALKHARAITIYAT	Motor	216,300	2009	NSQL	100%	10.22	10.62	24.89	25.49
AL KHATTIYA	Motor	210,150	2009	STASCO	100%	9.48	8.82	30.37	21.19
AL MAYEDA	Motor	266,000	2009	NSQL	100%	9.49	9.75	22.71	27.46
AL NUAMAN	Motor	210,100	2009	STASCO	100%	9.54	8.54	28.95	23.64
AL REKAYYAT	Motor	216,293	2009	NSQL	100%	11.11	10.90	25.66	24.86
AL SADD	Motor	210,200	2009	NSQL	100%	10.17	10.35	29.97	28.51
AL SAMRIYA	Motor	263,300	2009	NSQL	100%	7.96	7.82	22.36	26.51
BU SAMRA	Motor	266,000	2009	NSQL	100%	9.36	9.77	22.06	12.16
LIJMILIYA	Motor	263,300	2009	NSQL	100%	7.80	8.24	22.53	27.99
RASHEEDA	Motor	266,276	2010	STASCO	100%	10.51	11.14	25.23	25.51
SHAGRA	Motor	266,276	2009	STASCO	100%	9.70	10.18	22.65	24.86
ZARGA	Motor	266,000	2010	STASCO	100%	9.15	10.13	22.92	21.34
AL DAFNA	Motor	266,366	2009	NSQL	100%	9.79	10.02	27.62	28.25
AL GATTARA	Motor	216,200	2007	NSQL	100%	11.41	11.00	29.11	25.68
AL GHARRAFA	Motor	216,200	2008	NSQL	100%	11.73	10.75	30.13	25.88
ALGHASHAMIYA	Motor	217,591	2009	NSQL	100%	10.27	9.30	28.78	20.98
AL GHUWAIRIYA	Motor	263,300	2008	NSQL	100%	8.97	7.76	34.86	26.38
AL HAMLA	Motor	216,200	2008	NSQL	100%	11.56	11.77	28.59	21.20
AL MAFYAR	Motor	266,370	2009	NSQL	100%	9.52	9.49	30.70	27.50
ALSHEEHANIYA	Motor	210,200	2009	NSQL	100%	9.38	9.00	31.62	23.83
MEKAINES	Motor	266,476	2009	NSQL	100%	9.11	9.08	22.85	22.74
MESAIMEER	Motor	216,312	2009	NSQL	100%	9.35	12.76	23.90	24.87
MOZAH	Motor	266,253	2008	NSQL	100%	10.06	9.99	25.22	28.14
ONAIZA	Motor	210,150	2009	NSQL	100%	8.86	9.33	32.95	22.88
TEMBEK	Motor	216,200	2007	NSQL	100%	9.94	10.94	22.07	19.64
UMM SLAL	Motor	265,978	2008	NSQL	100%	9.53	9.79	21.49	31.55
GLOBAL ENERGY	MEGI	173,400	2020	NSQL	60%	NA	6.56	NA	31.94

Vessel Name	Propulsion	Cargo Capacity CBM	Year built	Technical management	Nakilat's Ownership (%)	AER* 2019	AER 2020	EEOI** 2019	EEOI 2020
AL WUKIR	Motor	82,491	2008	NSQL	50%	8.31	7.70	23.29	30.60
BU SIDRA	Motor	82,419	2008	NSQL	50%	7.96	8.26	26.98	63.48
LUBARA	Motor	82,452	2009	NSQL	50%	8.99	8.09	35.87	40.45
UMM LAQHAB	Motor	82,408	2008	NSQL	50%	9.53	8.00	51.27	32.96
AL ORAIQ	Motor	210,200	2008	KLINE	40%	8.84	9.28	17.6	17.47
UMM AL AMAD	Motor	210,200	2008	KLINE	40%	7.17	8.70	14.85	10.71
AL AAMRIYA	Motor	210,168	2008	MOL	40%	11.49	11.42	30.98	25.4
MURWAB	Motor	210,100	2008	MOL	40%	11.67	11.57	23.14	24.78
FRAIHA	Motor	210,100	2008	MOL	40%	11.93	12.05	20.72	24.97
EJNAN	Steam	145,000	2007	NYK	30%	16.08	15.76	31.14	30.32
AL SAHLA	Motor	216,200	2008	NYK	40%	11.91	12.30	23.54	25.08
AL THUMAMA	Motor	216,200	2008	NYK	40%	10.60	11.19	24.77	29.04
AL UTOURIYA	Motor	215,000	2008	NYK	40%	10.19	11.03	21.48	25.44
AL AREESH	Steam	148,786	2007	TK	30%	13.0	13.1	35.0	36.8
AL DAAYEN	Steam	148,853	2007	TK	30%	12.9	13.3	32.6	38.8
AL MARROUNA	Steam	149,539	2006	TK	30%	13.0	12.4	34.6	31.7
AL HUWAILA	Motor	217,000	2008	TK	40%	10.5	12.1	25.3	27.3
AL KHARSAAH	Motor	217,000	2008	TK	60%	10.2	10.6	23.6	26.7
AL KHUWAIR	Motor	217,000	2008	TK	60%	10.6	11.1	26.7	28.6
AL SHAMAL	Motor	217,000	2008	TK	60%	10.6	10.7	21.8	27.9
ASEEM	DFDE	155,003	2009	ILT3	20%	9.62	10.48	8.06	7.58
AL GHARIYA	Motor	210,150	2008	PRONAV	45%	10.71	9.78	21.29	29.42
DUHAIL	Motor	210,150	2008	PRONAV	45%	10.76	9.83	30.53	24.03
AL RUWAIS	Motor	210,150	2007	PRONAV	45%	9.34	9.78	26.69	27.75
AL SAFLIYA	Motor	210,150	2007	PRONAV	45%	8.68	9.79	26.11	31.67
AL JASSASIYA	Steam	145,700	2006	MGM	40%	12.35	15.38	30.93	37.39
MARAN GAS ACHILLES	Steam	174,000	2016	MGM	40%	6.74	6.46	14.80	18.12
MARAN GAS ALEXANDRIA	Steam	161,870	2015	MGM	40%	6.65	6.81	12.41	18.12

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

Vessel Name	Propulsion	Cargo Capacity CBM	Year built	Technical management	Nakilat's Ownership (%)	AER* 2019	AER 2020	EEOI** 2019	EEOI 2020
MARAN GAS APOLLONIA	Steam	161,870	2014	MGM	40%	6.59	6.58	19.07	17.58
MARAN GAS ASCLEPIUS	Steam	145,822	2008	MGM	40%	13.36	17.07	32.08	42.39
MARAN GAS CORONIS	Steam	145,700	2012	MGM	40%	13.23	13.25	36.68	25.08
MARAN GAS DELPHI	Steam	159,800	2014	MGM	40%	6.63	7.41	15.16	17.74
MARAN GAS EFESSOS	Steam	159,800	2014	MGM	40%	9.98	6.76	19.00	22.79
MARAN GAS LINDOS	Steam	161,870	2014	MGM	40%	7.74	7.96	18.00	21.30
MARAN GAS POSIDONIA	Steam	161,870	2014	MGM	40%	6.38	6.06	11.61	19.03
MARAN GAS SPARTA	Steam	159,800	2015	MGM	40%	7.55	6.46	19.01	19.19
SIMAISMA	Steam	145,889	2006	MGM	40%	13.35	14.05	34.64	37.51
UMM BAB	Steam	145,000	2005	MGM	40%	16.77	14.56	35.01	38.73
WOODSIDE GOODE	DFDE	159,800	2013	MGM	40%	7.32	7.06	17.85	17.86
WOODSIDE ROGERS	DFDE	159,800	2013	MGM	40%	7.89	7.50	17.10	15.74

** (AER) Annual Efficiency Ratio*
***(EEOI): The Energy Efficiency Operational Indicator*

8.6 List of Abbreviations and Definitions

LIST OF ABBREVIATIONS	
ABC	Anti-Bribery and Corruption
ABMS	Anti-Bribery Management System (ISO 37001:2016)
ABS	American Bureau of Shipping
AGM	Annual General Meeting
API	American Petroleum Institute
BWM	Ballast water management
CAPEX	Capital expenditure
cbm	Cubic metre
CEO	Chief Executive Officer
CFO	Chief Finance Officer
CG	Corporate governance
COO	Chief Operating Officer
DCS	Data Collection System
DWT	Deadweight tonnage
EMSA	European Maritime Safety Agency
ERM	Enterprise risk management
ESG	Environmental, social and governance
EU	European Union
FID	Final investment decision
FLNG	Floating liquefied natural gas
FPS	Floating production system
FPSO	Floating production, storage and offloading
FPU	Floating production unit
FSO	Floating, storage and offloading
FSRU	Floating storage regasification unit
FSU	Floating storage unit
GHG	Greenhouse gas
HR	Human Resource
HSE	Health, safety and environment
HSSEQ	Health, safety, security, environment and Quality
IFRS	International Financial Reporting Standards
IGF Code	International Code of Safety for Ships using Gases or other Low-flashpoint Fuels
IHM	Inventory of Hazardous Material
ILO	International Labour Organization
IMCA	International Marine Contractors Association
PM_{10} / $PM_{2.5}$	Particulate Matter
IMO	International Maritime Organization
IOPP	International Oil Pollution Prevention
ISO	International Organization for Standardization
ISPS	International Ship and Port Facility Security Code
JV	Joint venture
KPI	Key performance indicator
LOPC	Loss of Primary Containment
LNG	Liquefied natural gas
LTI	Lost time injury
LTIF	Lost time injury frequency
MARPOL	Marine Pollution Convention
MDO	Marine Diesel Oil
MRV	Monitoring, reporting and verification
MoE	Ministry of Environment
NSQL	Nakilat Shipping Qatar Ltd.
OCIMF	Oil Companies International Marine Forum
ODS	Ozone Depleting Substance
P&I	Protection and indemnity
PDPA	Personal Data Protection Act

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

LIST OF ABBREVIATIONS	
PSC	Port State Control
ROV	Remotely Operated Vehicle
RLIC	Ras Laffan Industrial City
RSO	Recognized Security Organization
SCR	Selective Catalytic Reduction
SGMF	The Society for Gas as a Marine Fuel.
SIGTTO	Society of International Gas Tanker and Terminal Operators Ltd.
SIRE	Ship Inspection Report
STCW	Standards of Training, Certification and Watchkeeping
TMSA	Tanker Management & Self Assessment
TRCF	Total recordable case frequency
UCUA	Unsafe Condition Unsafe Act
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNSDG	United Nation's Sustainable Development Goals
USD	United States Dollar
USG	United States Coastguard
VOC	Volatile Organic Compounds
ug/m^3	micro gram per metric cube
SO_2	Sulphur Dioxide
NOx	Nitrogen Oxide
VOC	Volatile Organic Compounds
dBA	Decibels, A weighted
pH	potential of hydrogen
COD	Chemical Oxygen Demand
Pb	Lead
Cu	Copper
Fe	Iron
mg/l	milligram per litre
CO	Carbon Monoxide
TSS	Total Suspended Solids
BOD	Biological Oxygen Demand
Cd	Cadmium
Ni	Nickel
Cr	Chromium
Mn	Manganese

Nakilat Fleet Scorecard - KPI Definitions

TRCF
Total Recordable Case Frequency (TRCF) is defined as the number of major HSE incidents (TRC's) per million-man hours. TRC's are defined using a strict classification system and have major implications to fleet management. Procedures and new initiatives are often introduced as a result of TRC's in order to pursue the group objective of Goal Zero.

$$\text{TRCF} = \frac{\text{Total number of TRC's X 1 Million}}{\text{Total exposure hours}}$$

LTIF
Lost Time Incident Frequency (LTIF) is defined as the number of work-related injuries that have resulted in lost time (as stated in IMS OMM: WP.3.05.15.08) per million man hours.

$$\text{LTIF} = \frac{\text{Total number of TTI's X 1 Million}}{\text{Total exposure hours}}$$

Major (Actual)
Any incident resulting in serious personnel injury (PTD, Fatality) with irreversible effects or incident involving Fire, Explosion, Collision/Allision, Grounding / Stranding resulting in major damage, or spill to sea with moderate environmental effect, piracy / hijacking or major damage to reputation (as stated in NSQL IMS OMM WP.3.05.15.08). PTD - Permanent Total Disability.

LOPC (→10Kg Cargo)
Loss of Primary Containment is the release of cargo (LNG or LPG) in an unplanned event from its primary containment system or storage unit.

Oil Spill to Water
Number of oil spill incidents, any amount.

Availability
Percentage of total number of days the vessels were available to charterers during the evaluation period Definition of availability:

At SEA:
- When the vessel is stopped and neither of the engines are running for more than one hour on her sea passage due to breakdown or non-functionality of equipment.
- When the vessel has been partially prevented from efficient working causing net delay of more than three hours. (Regardless of meeting ETA or not)

At BERTH: (After First Line Ashore till cast-off)
- When the load/discharge operation is stopped for more than 1 hours.
- When the loading operation continued but slowed down resulting in net delay of more than one hour. (Regardless of meeting time allowed for loading /discharging)

Other:
- When the vessel is unavailable to Charterers for more than one hour or the partial breakdown caused delay of more than 3 hours to planned voyage

$$\text{Availability} = \frac{\text{Total days - Unavailable days X 100}}{\text{Total days}}$$

Port Compliance
Percentage of eventless cargo port call out of total cargo port calls in evaluation period. Definition of "Event" in formula: Between First Line Ashore and last line cast off, any vessel incurred delay/incident leading to terminal compliance/complaints, which results in an LOP being issued by the Terminal is to be recorded as an "Event".

Note: LOPs received from Pilots/Tugs are not included as an 'Event" in Terminal Compliance & Complaints.

$$\text{Port Compliance} = \frac{\text{Eventless port cargo operations calls (Load \& Disch.) X 100}}{\text{Total number of cargo port calls}}$$

8. Appendix: ESG Contents Reporting Frameworks and Data (continued)

SIRE Score (Final)
The Ship Inspection Report (SIRE) is a survey of the condition and safety of the vessel. These inspections are conducted by external companies. For the purposes of the KPIs the main focus is on the final score.

$$\text{SIRE Score} = \frac{\text{Total Final Score}}{\text{Number of SIRE}}$$

Nav Audit Score (Final)
Navigation Audits assess the navigation skills and teamwork of the Captain and the deck officers. As with SIRE inspections, the main focus is on the final score.

$$\text{Nav. Audit Score} = \frac{\text{Total Final Score}}{\text{Number of Nav. Audits}}$$

PSC - Detention
This KPI expresses the company's Port State Control Performance. The KPI counts the number of Port State Control Inspections resulting in detention.

$$\text{Delay to Load/ Disch Port/ Terminals} = \frac{\text{Total Load/Disch call - Number of delays (events)}}{\text{Total load/Disch Terminals called}}$$

Delays to Load / Disch Port (Terminals)
This KPI counts the percentage where the vessel was not able to meet the Scheduled Arrival Time to loading and discharging terminals, due to any event or incident related to vessel reliability.

GREEN ≤ 100%
AMBER > 100% ≤ 105%
RED > 105%

OPEX Budget Variation
Operational Expenditure (OPEX) covers the day to day running costs of the ship. This includes items such as manning, lube oil, stores & supplies, repairs / maintenance & spares and Agency disbursement.

GREEN ≤ 100%
AMBER > 100% ≤ 105%
RED > 105%

Claims actual (Off-hire)
Number of Off-Hire claims raised in the calendar year.

Claims actual (Performance)
Number of Performance claims raised in the calendar year.

Benchmarking Position
Benchmarking position based on performance of Seven Q-Flex Operators, in the following five categories (Safety/Reliability/Cost): 1) Safety (LTI), 2) Unavailability, 3) Not meeting ETA/ ETD, 4) Controllable OPEX & 5) OPEX per ton mile. *Benchmarking figures are for guidance purposes only and based on the previous recorded figures for JV's. This will be verified bi-annually by the C&P team and scorecard updated accordingly.*

PSC - Deficiency (Code-17)
This KPI expresses the company's Port State Control Performance. The KPI counts the number of Port State Control Inspections resulting in code 17 deficiency being reported during the calendar year. To ensure that the Manager is not being adversely penalized by erroneous inspectors, any code 17 deficiency recorded here will need to be substantiated with objective evidence that vessel is not in compliant of IACS regulations, Flag requirement or PSC MOU enhanced inspection criteria.

PSC Inspections without Deficiency
This KPI expresses the company's Port State Control Performance. The KPI counts the number of times where Port State Control Inspections are conducted without any **observations** being reported and divides this number by the total number of PSC inspections conducted during the same period.

Flag State Inspection without Deficiency
This KPI expresses the company's Flag State Inspection Performance. The KPI counts the number of times where Flag State Inspections are conducted without any **observations** being reported and divides this number by the total number of inspections conducted during the same period.

Fleet TMSA Score
TMSA stands for Tanker Management and Self-Assessment and is run through the Oil Companies International Marine Forum (OCIMF). It consists of a grading framework that rates various aspects of ship management from a lowest of 1 to the highest of 4.

Garbage Reduction
This KPI captures the reduction in the quantity of garbage generated onboard. Baseline is taken as the average of last three years with a target reduction of 5%. Garbage includes discharged to sea, landed ashore and incinerated onboard.

Average CO_2 Index
The EEOI is an indicator expressing the energy efficiency of the ship in operation and it is estimated by the equation below

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