



قطر ستيل  
**QATAR STEEL**



# SUSTAINABILITY

## REPORT 2014

COMMITTED TO SUSTAINABLE STEEL

[www.qatarsteel.com.qa](http://www.qatarsteel.com.qa)











حضرة صاحب السمو الشيخ

تميم بن حمد آل ثاني

أمير البلاد القطري

**H.H. Sheikh Tamim Bin Hamad Al-Thani**  
Emir of the State of Qatar







حضرة صاحب السمو الشيخ  
حمد بن خليفة آل ثاني  
الأمير الوالد

H.H. Sheikh Hamad Bin Khalifa Al-Thani  
The Father of Emir



# ABOUT THIS REPORT

Welcome to Qatar Steel's Sustainability Report for the calendar year 2014. Our fourth sustainability report since we began tracking sustainability progress in 2011 provides a comprehensive update of our 2014 sustainability performance, including comparable data for the years 2011, 2012, and 2013, where available.

This report contains Standard Disclosures from the Global Reporting Initiative (GRI)'s Sustainability Reporting Guidelines (G4 Reporting Guidelines). We have prepared the report in accordance with 'Core' requirements of GRI G4 Guidelines. The GRI G4 Content Index and the Materiality Disclosure Service Icon can be found on page 82.

Qatar Steel is committed to annual reporting on the sustainability issues of greatest concern to its stakeholders. We encourage you to share your ideas and comments by contacting us directly at:

[sustainability@qatarsteel.com.qa](mailto:sustainability@qatarsteel.com.qa)





## QATAR STEEL AWARDED FOR "INNOVATIVE WASTE RECYCLE/WASTE MANAGEMENT PRACTICES"

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## MESSAGE FROM THE MANAGING DIRECTOR AND GENERAL MANAGER

Qatar Steel is positioned to play a crucial role in building the sustainable cities of the future. Our steel makes up the backbone of new buildings, large public infrastructure projects, and other flagship initiatives such as the stadiums for the Qatar 2022 Football World Cup.

At the same time as the international and local steel industry is experiencing an increased demand for high-quality steel products, we are witnessing an increased supply of Chinese steel production, driven by the slowdown in China's economy. This has impacted international prices of steel, and presents new opportunities and challenges for our business. But it is not just the business environment that matters to our stakeholders. The way that we conduct our affairs and our business, as well as the quality and sustainability of our products, is also of great importance to our stakeholders. We are thus committed to responsible operations and upstanding conduct across our operations.

In this, our fourth sustainability report, we highlight our achievements and challenges in 'making steel matter' through operational and environmental efficiency, profitable growth, and good corporate citizenship. Our sustainability concerns go beyond our direct operations; they also focus on innovation, the development of more sustainable products and recycling solutions, and the creation of a healthy and safe environment for our people. It is all of these, taken together, that are encompassed by the idea of 'sustainable steel'.

With this in mind, I am very proud of the steps we took in 2014 towards leading sustainability management. We brought online our fifth Electric Arc Furnace (EAF5), with a production capacity of 1.04 million tonnes per annum. We also managed to develop a new variety of high-strength steel which reduces the consumption of construction materials and carries great environmental benefits. Additionally, we succeeded in initiating several programmes to recycle our waste, such as the dust produced by our plants, and also to recycle waste from Qatar Petroleum, Q-Chem, QAFCO, Qatalum, and Qatargas which we use as an input for our own production.

While we continue to maintain our high health and safety standards via the certification of OHSAS18001:2007, we have also experienced some important challenges. We were deeply saddened to have witnessed one fatality among our staff in 2014, a tragedy which has greatly affected our Qatar Steel family. We have carried out an extensive examination of the

accident's causes, and have put into place a range of measures designed to ensure that such a situation can never arise again.

Acknowledging that better performance comes from stronger strategic commitment, we have worked in 2014 to integrate sustainability priorities into our Corporate Strategy and into our balanced scorecard. Our approach to sustainability management ensures that all of our departments now have solid tasks assigned to them which will ensure that they work as a single unit to enhance our sustainability performance. Looking ahead, we will work in 2015 to develop a Sustainability Roadmap which will provide further clarity of our five-year sustainability objectives and targets, as well as the action plans necessary to achieve those targets.

We recognise that transparency is crucial to the fostering of trust in our performance. That is why this year we improved our materiality analysis which has helped us to identify sustainability areas on which to focus our reporting and accountability. We will continue to report publicly through our sustainability report and to actively participate in the Qatar Energy and Industry Sector Sustainability (QEISS) Programme, harnessing our past achievements to improve our sustainability performance in the future.

I acknowledge and applaud the progress that has been achieved by my colleagues at Qatar Steel, but also recognise that sustainability is a journey for us and that we will need to continue to adapt to our changing landscape and stakeholder expectations. I would like to invite you to be part of this journey by providing us with your views on our performance.

Finally, I want to take this opportunity to thank our Board of Directors and stakeholders for their contributions to our ongoing success.

**Ali Bin Hassan Al-Muraykhi**  
Managing Director and General Manager




The image shows a vast industrial steel mill. On the left, a large, dark, cylindrical overhead crane hangs from a complex network of white steel beams. In the center and right, a large industrial furnace or converter is visible, with a bright orange glow emanating from its base, suggesting molten metal. The ceiling is high and filled with a dense grid of steel trusses and various pipes. The overall atmosphere is industrial and brightly lit by overhead lights.

# ABOUT QATAR STEEL

Qatar Steel is a recognised and established leader in the steel industry within the GCC region.

Founded in 1974 as the first integrated steel plant in the Arabian Gulf Area, Qatar Steel operates an expansive mill site located in the heart of Mesaieed Industrial City (MIC) in the southern part of Qatar's capital city, Doha. Since 2003, Qatar Steel has been fully owned by Industries Qatar (IQ).





Qatar Steel has a committed and skilled workforce of over 2,000 individuals in both operational and administrative roles. Their tasks range from research, engineering, and manufacturing to marketing, selling, and distributing the company's products throughout the Gulf Cooperation Council (GCC) region and the world.

## OUR VISION

We endeavour to be universally recognised as a leading and a constantly growing force in the steel industry of the region, to be admired for our business culture, for building value for our shareholders and customers, and to bring inspiration to the people of Qatar.

## OUR MISSION

We will continue to be the first name in the region's steel industry by harnessing our assets and resources to achieve profitable growth, operational and organisational excellence and good corporate citizenship.

## OUR VALUES

A 'Principal' Player.

The drivers of our ambition:

- Trustworthy
- Reliable
- Dynamic
- Creative
- Perceptive

## OUR PURPOSE

- To reach a league where we will matter beyond normal commercial objectives.
- To become the standard for quality enterprise and to exude a winning attitude in order to make a difference in our environment.

## OUR MAIN PRODUCTS



Using state-of-the-art production technology, Qatar Steel produces Cold Direct Reduced Iron (DRI), Hot Briquetted Iron (HBI), Steel Billets, and Reinforcing Steel Construction Bars (Rebar).



(DRI)



(HBI)



(Steel Billet)



(Re-bar)

## OUR PRODUCTION FACILITIES

We have established our operating facilities utilising the best international technology in order to ensure efficient and high-quality production. Qatar Steel's site consists of several operational plants working together in synchronisation to produce a constant stream of high-quality steel products. These operational plants comprise:

1. Direct Reduction (DR) plants (DR1 and DR2)
2. Steelmaking plant, which includes:
  - Electric Arc Furnaces (EAFs) and Ladle Furnaces (LFs), as follows: EAF1, EAF2, EAF3 with LF3, EAF4 with LF4, and EAF5 with LF5
  - Continuous Casting (CC) plants (CC1, CC2, CC3, CC4, and CC5)
3. Rolling Mill (RM) plants (RM1, RM2)
4. Calcined Limestone Plant (KILN1, KILN2, and Limestone Pulverising Plant)

In 2014, Qatar Steel began steel production in its fifth Electric Arc Furnace (EAF5) with a production capacity of 1.04 million tons per annum. Subsequently, the EAF1&2 facilities were mothballed by the end of 2014, as per the Business Plan 2014–2018 and in consideration of the prevailing market conditions.



### TOTAL SALES

	2011	2012	2013	2014
DRI (mt)	31,000	230,097	111,863	90,968
HBI (mt)	155,000	156,974	64,452	0 <sup>(1)</sup>
Steel billets (mt) <sup>(2)</sup>	471,000	468,166	504,533	981,385
Rebar (mt)	1,569,501	1,707,926	1,753,857	1,687,791
Other – by-products (mt) <sup>(3)</sup>	219,000	1,126,000	140,992	159,182

(1) Qatar Steel stopped selling HBI in 2014 in order to use it internally for the company's Sponge Blending Ratio pattern.

(2) Billet Sales include supply to our subsidiary Qatar Steel Co. FZE, Dubai.

(3) Including iron oxide, mill scale, processed iron ore fines, and raw slag.

## OUR SUBSIDIARIES

### Qatar Steel Company FZE (Dubai, UAE)



Qatar Steel Company FZE was established to meet the growing demand for rebar and steel wire rods, both within the GCC and internationally. The company operates two primary facilities at its 60,000 m<sup>2</sup> Jebel Ali Free Zone site in the UAE. The Wire Rod Mill has a design capacity of 240,000 mt per year, and the advanced rebar mill has a design capacity of 300,000 mt per year.

### TOTAL SALES

	2011	2012	2013	2014
Wire Rod and Re-bar in Coil (mt)	134,000	111,523	160,283	146,630
Re-bar (mt)	249,955	304,916	352,632	368,205

### Qatar Metals Coating Company w.L.L. (Q-Coat) (Mesaieed, State of Qatar)



Qatar Metals Coating Company W.L.L. (Q-Coat) was established in 1990 as a joint venture between Qatar Steel and Qatar Industrial Manufacturing Company (QIMC). Its mandate was to solve the problem posed by concrete reinforcement corrosion, and it achieved this mission via the development of a new product: fusion-bonded epoxy coating on Qatar Steel rebar products. The production capacity of the Q-Coat facility is 100,000 metric tons per year.



# HISTORY AND RECOGNITION

In more than three decades of operation, Qatar Steel has built an outstanding reputation for unrivalled quality, consistency, and reliability.

## 1981

- Qatar Steel achieves a total production of one million metric tons from its DR, EAF, CC, and RM plants.

## 1991

- Qatar Steel obtains the Japanese Industrial Standards (JIS) Certificate. (Currently, there is no renewal for this certificate as it is a one-time certification.)

## 1995

- Qatar Steel receives ISO 9000 certification for its Quality Management System. (This was then updated to ISO 9001 in 2004, and renewed in 2012.)

## 1997

- Qatar Steel becomes fully owned by the Government of Qatar.

## 1999

- Qatar Steel obtains the ISO 14001 designation for its Environmental Management System.

## 2003

- Qatar Steel becomes fully owned by Industries Qatar (IQ).
- Qatar Steel obtains Saudi Arabian Standards Organisation (SASO) Certification.



# 2006

- Qatar Steel receives UKCARES for Quality Management System and Product Conformity in Steel for Reinforcement of Concrete Certificate (BS 4449:1997 Gr460B) for sizes varying from 10.0mm~40.0mm.

# 2008

- Qatar Steel obtains Dubai Central Laboratory (DCL) Product Conformity in Steel for Reinforcement of Concrete Certificate (ASTM A615 Grade 60 and BS 4449:1997 Grade 460B) for sizes varying from 10.0mm~40.0mm.

# 2009

- Qatar Steel receives UKCARES Product Conformity in Steel for Reinforcement of Concrete Certificate (BS 4449:2005 Grade B500B) for sizes varying from 10.0mm~40.0mm.

# 2010

- Qatar Steel obtains Dubai Central Laboratory (DCL) Product Conformity in Steel for Reinforcement of Concrete Certificate (BS 4449:2005 Grade B500B) for sizes varying from 10.0mm~40.0mm.

# 2011

- Qatar Steel receives UKCARES Sustainable Reinforcing Steel Certification.

# 2012

- Qatar Steel receives UKCARES Sustainable Reinforcing Steel Re-certification.
- Qatar Steel releases its first sustainability report, which covers the company's operational, environmental, social, and economic performance for the period 2009–2011.
- Qatar Steel becomes the first steel company in the region to be inducted into Palladium's Hall of Fame for Strategy Execution.

# 2013

- Qatar Steel receives Qatar Petroleum's Award for Excellence in Sustainability Reporting for 2011.
- Qatar Steel receives UKCARES Sustainable Reinforcing Steel Re-certification.
- Qatar Steel releases its second Sustainability Report, for the year 2012.
- Qatar Steel obtains Dubai Central Laboratory (DCL) Product Conformity in Steel for Reinforcement of Concrete Certificate (ISO 6935-2:2007 B500B-R) for sizes varying from 10.0mm~40.0mm.

# 2014

- Qatar Steel receives the Innovation in Waste Management Award in the Qatar Energy and Industry Sector Sustainability Programme Awards for the year 2013.
- Qatar Steel's new plant, EAF5, comes online in January 2014, with a total capacity of 1.04 million tons per annum.
- Qatar Steel Laboratory obtains ISO/IEC 17025:2005 accreditation from Dubai Accreditation Centre (DAC).



# QATAR STEEL'S APPROACH TO SUSTAINABILITY MANAGEMENT

## THE CONTEXT OF OUR SUSTAINABILITY MANAGEMENT APPROACH

Our planet is facing major environmental, economic, and social challenges. These challenges range from climate change and overuse of natural resources to poverty and changing lifestyle expectations. In line with Qatar's National Vision (QNV) 2030, Qatar Steel's primary goal is to maintain high levels of economic growth and human development while nurturing a cohesive society and sustaining the environment for future generations.

Steel and steel-based products are present everywhere in modern life, generating great opportunities as well as huge challenges and responsibilities for steel companies. Steel has the potential to be one of the most sustainable materials on Earth; it is flexible and strong and can be recycled infinitely, ensuring that innovation in steel production will continue to be vital to global sustainability. Increasing the energy efficiency and reducing the emissions of steel production remains a challenge, however, one that must be met and overcome for steel to truly live up to its sustainability potential.

Qatar Steel understands these challenges and opportunities, and is committed to meeting the demands of its customers in the most sustainable way possible. We are focused on constantly improving our business sustainability, including our wider impact on the communities, environments,

and economies in which we operate. Our sustainability management efforts concentrate on increasing efficiency in the use of natural resources, reducing and recycling waste, protecting and developing our human capital, and supporting a growing business and responsible supply chains. In particular, we are determined to capitalise on great opportunities to contribute to the sustainable development of the State of Qatar, in alignment with QNV 2030 and the National Development Strategy (NDS) 2011–2016. Such opportunities include the need for more sustainable materials for various flagship projects and infrastructure, such as the Qatar 2022 Football World Cup.

Qatar Steel's sustainability management aims to identify those areas of greatest importance to its stakeholders. It is imperative that we add value to each of these areas in a balanced and sustained manner, optimising the value generated by our sustainability efforts. In this section of the report we present our management approach to sustainability and how it is integrated into our corporate strategy. In addition, we present the particular sustainability issues that are of highest importance to our business and to our stakeholders, which, in alignment with our sustainability framework, provide the backbone for our approach to sustainability reporting.

## INTEGRATION OF SUSTAINABILITY IN QATAR STEEL CORPORATE STRATEGY

Qatar Steel's theme-based Corporate Strategy Map for the period 2012–2014 provides the company with objectives and targets that will allow it to continue competing in local and international markets. The Map contains corporate objectives under each of five strategic themes: Integrated Business Portfolio, Market Pioneer, Operational Excellence, High Performing Organisation, and Commitment to QNV 2030.

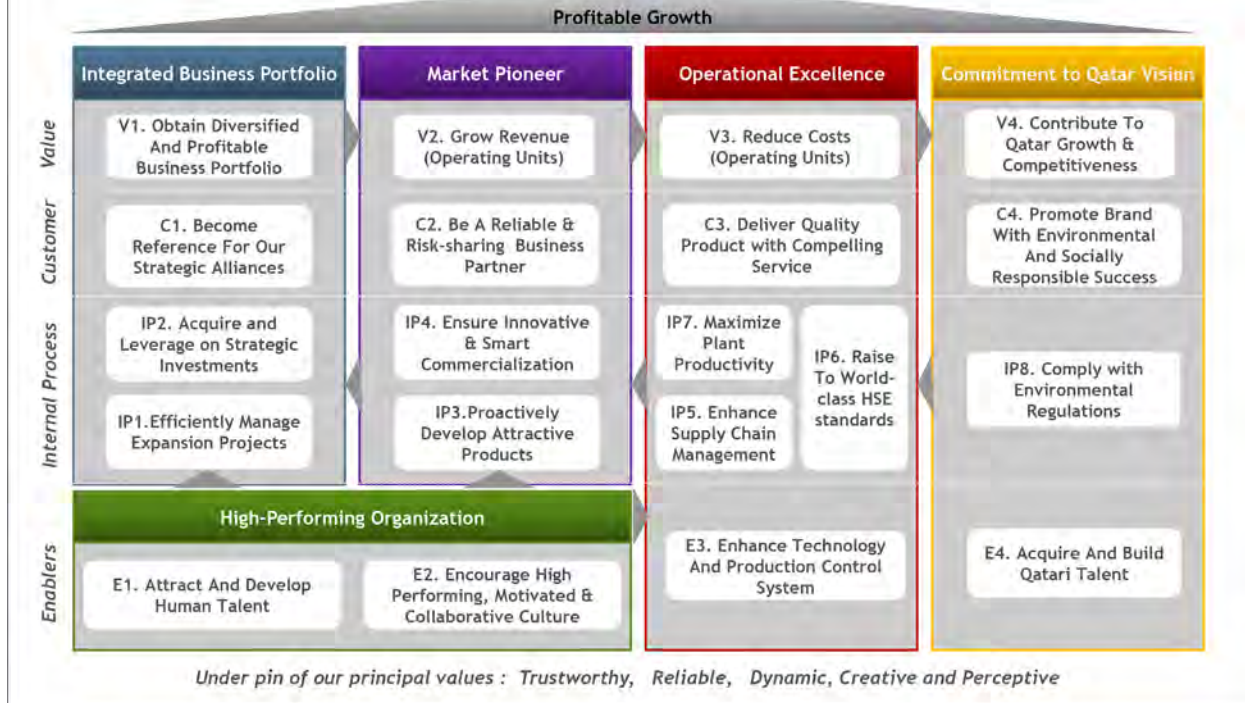
As part of our sustainability management programme we have also made it a priority to ensure that sustainability is included in our corporate strategy and daily operations. We have conducted a review of our Corporate Strategy Map to address material sustainability issues for our business. The review guarantees that these issues are prioritised and managed by every department.

Sustainability is integral to our Business Strategy, as it both feeds from and influences our sustainability management programme. This is demonstrated through the wider stakeholder input that has gone into the formulation of the Corporate Strategy Map, and also through the coverage of key operational areas which are crucial for Qatar Steel's sustainability. Such areas include our pioneering of new products and our achievement of operational excellence. The Strategy Map translates our stakeholder expectations into corporate objectives, which are then tracked and managed through a set of key performance indicators (KPIs). These indicators are then integrated into a Balanced Scorecard at personal, department, division, and corporate levels, allowing the entire organisation to align with our Corporate Strategy Map.



## Qatar Steel Strategy Map 2012 - 2014

*"We endeavor to be universally recognized as a leading and constantly growing force in the steel industry of the region, to be admired for our business culture, for building value for our shareholders and customers, and for bringing inspiration to our people"*



ON THE WAY TO SUSTAINABLE STEEL



## OUR SUSTAINABILITY FRAMEWORK: A REPORTING TOOL

Building on the foundation of our Corporate Strategy Map, we developed Qatar Steel's Sustainability Framework to facilitate external reporting of our sustainability priorities and performance. The framework identifies seven areas, covered by our Corporate Strategy Map, that are of particular relevance to our sustainability management programme.

These seven areas form a compelling, practical, and ambitious focal lens through which to view, and with which to sharpen, our sustainability performance on all fronts: how we make steel and use resources; our development of value-adding products for our customers; and our support for our people and communities. At the core of these seven areas is 'Making Steel Matter', a slogan which captures the essence of our sustainability efforts: the production of increasingly more sustainable steel.



**Qatar Steel's Sustainability Framework**

## PLANS TO DEVELOP A SUSTAINABILITY ROADMAP

While our Corporate Strategy Map and its priorities drive our sustainability agenda, we have identified the need to develop a concrete Sustainability Roadmap. The Roadmap is a simple way of further specifying five-year objectives across our most material sustainability issues, to be followed by ambitious targets and well-thought-through action plans outlining the achievement of those objectives.

As part of this process, we will benchmark our sustainability performance against that of other relevant companies in the region and internationally. The Roadmap will also be informed by international best practice and industry trends, investor expectations, sustainability performance from past years, our materiality analysis and wider strategic context, and the Enterprise Risk Management (ERM) analysis began in 2014.

Qatar Steel believes that this approach will result in key benefits:

- Increasing our degree of accountability by having well-defined and agreed-upon commitments
- Enhancing our alignment with and contribution to the QNV 2030, the NDS, and QEISS goals and priorities
- Supporting the development and achievement of our Corporate Strategy
- Helping us to better address key material sustainability issues and stakeholder expectations.

## ENGAGING WITH STAKEHOLDERS

### G4-24, G4-25, G4-26, G4-27

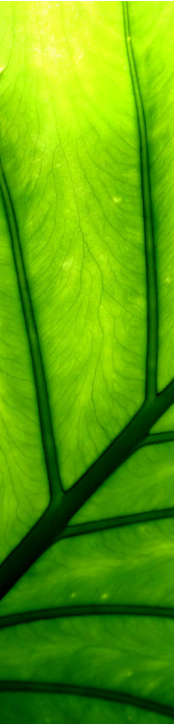
Comprehensive understanding of stakeholders and their needs is essential to Qatar Steel's sustainability management. We keep all communication channels open in order to maximise our ability to listen to and engage with our stakeholders, and we strive to respond diligently to their views and concerns. Stakeholder input is a valuable source of feedback to us, and is important for balancing and improving upon our competing expectations.

In 2013, we committed to assembling a Stakeholder Advisory Group, comprised of representatives from our key stakeholders, to act as an advisory body during our journey toward sustainability. In 2014, we made progress in developing a charter for the Group, by mapping the external and internal representatives of different stakeholder groups and by establishing internal governance structures for effective engagement with the Group.

In 2015, we plan to hold an important meeting with our Stakeholder Advisory Group. The objectives of the meeting will be to discuss the role of the Group, agree on the governance charter, and gather initial feedback on our approach to sustainability.







## OUR SUSTAINABILITY PRIORITIES IN 2014

### G4-17, G4-18, G4-19, G4-20, G4-21, G4-22

Dedicated focus on Qatar Steel's most material sustainability issues, for both the company and its stakeholders, is the key to achieving the greatest positive impact.

As part of our improved sustainability management programme, and in order to increase our understanding of our stakeholders' most important issues, we conducted a detailed materiality assessment in 2014. The assessment's results have guided us in the formulation of areas upon which to focus our sustainability reporting, organised under each of the pillars of our Sustainability Framework. In addition, they will act as a fundamental building block in the creation of our Sustainability Roadmap.

The Materiality Matrix represents the outcome of this assessment. It combines the results of our 2014 survey of our senior managers and sustainability team with our own extensive analysis of the impact of relevant issues on our business. 44 potential issues were identified at the start of the process, of which 20 were identified by our stakeholders as high-priority material issues. We have discussed our performance and initiatives across these issues throughout this Sustainability Report.

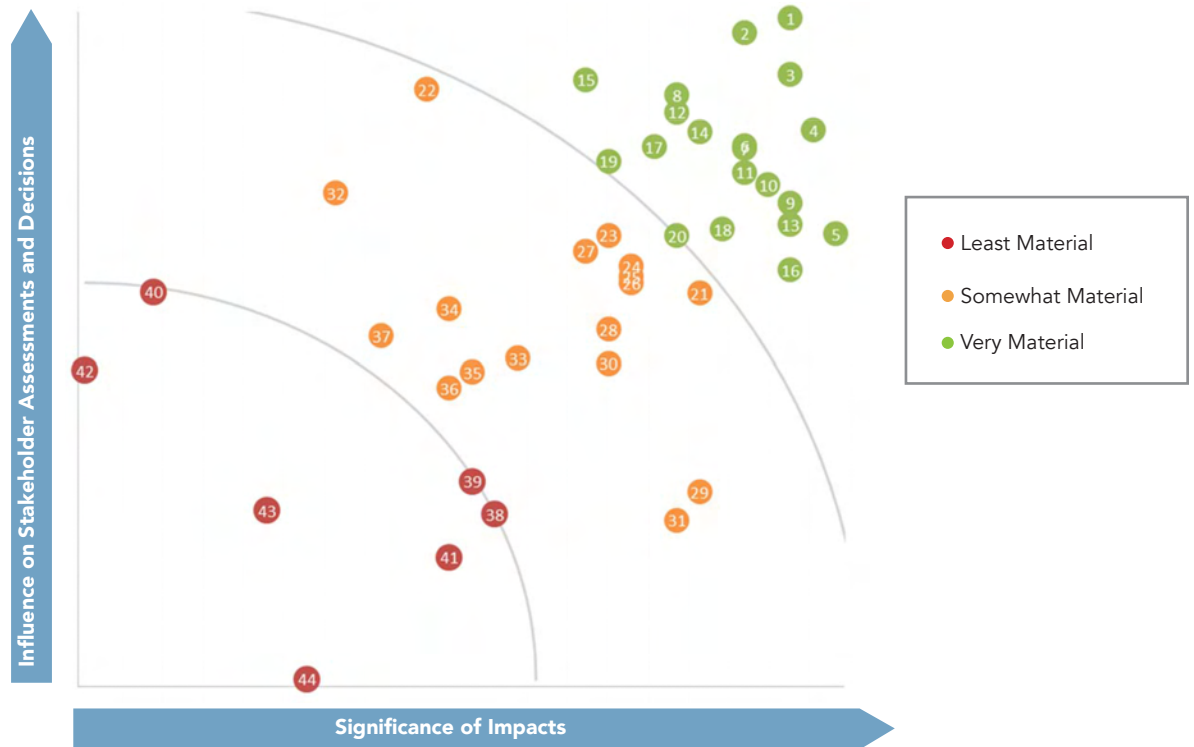




# G4-17, G4-18, G4-19, G4-20, G4-21

## Materiality Matrix

Qatar Steel (2014)



### Most material sustainability issues for Qatar Steel

#### Top 20

- |                                   |                                  |                             |   |                          |
|-----------------------------------|----------------------------------|-----------------------------|---|--------------------------|
| 1 Financial performance           | 2 Product quality                | 3 Product innovation        | 4 Employee safety                             | 5 Customer satisfaction  |
| 6 Emergency response preparedness | 7 Waste management and recycling | 8 Energy consumption        | 9 GHG emissions                               | 10 Risk management       |
| 11 Contractor safety              | 12 Product traceability          | 13 Operational efficiency   | 14 Occupational health                        | 15 Qatarization          |
| 16 Corporate governance           | 17 Water consumption             | 18 Training and development | 19 Performance-based compensation and rewards | 20 Strategic investments |

# MAKING STEEL MATTER

The core of Qatar Steel's sustainability framework is 'Making Steel Matter', a slogan that captures the essence of the company's sustainability objectives. Making Steel Matter means delivering top-quality and innovative steel products that meet and exceed customer expectations in the most efficient and reliable manner possible.

## SUSTAINABILITY MATERIAL ASPECTS

- PRODUCT QUALITY<sup>(\*)</sup>
- PRODUCT INNOVATION<sup>(\*)</sup>
- PRODUCT TRACEABILITY<sup>(\*)</sup>
- CUSTOMER SATISFACTION<sup>(\*)</sup>
  - Customer Satisfaction Survey
- OPERATIONAL EFFICIENCY<sup>(\*)</sup>

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(\*) Top 20 material aspects



## PRODUCT QUALITY<sup>(\*)</sup>

Steel production is the heart of Qatar Steel's operations, and product quality is therefore of the highest importance. 'Quality' at Qatar Steel includes several important elements: full understanding of and conforming to the requirements of our customers; delivery of defect-free products; and timely service. We achieve quality via two broad strategies: 1) use of only high-quality raw materials as input for our operations, and 2) implementation of rigorous quality-control systems.

All products, including reinforcing bars, are manufactured from selected raw materials with defined chemical compositions pre-tested for quality at different stages of the production cycle. We have long-term contracts with our suppliers for key raw materials that allow uninterrupted operations in our manufacturing facilities. Inspections of samples are conducted throughout the manufacturing process, with 'sample testing' of output performed to ensure compliance with quality standards and customer requirements. Qatar Steel also uses sophisticated quality-control laboratories to ensure delivery of high-quality products. Our labs are ISO17025 accredited, and are equipped with modern computerised testing and analytical instruments, including chemical testing analysers and mechanical testing machines.





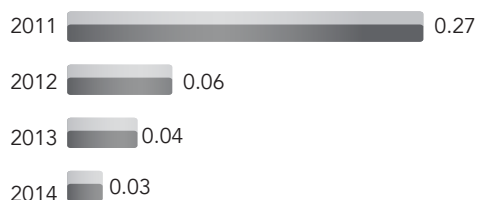
## MAINTAINING PRODUCT QUALITY THROUGH CERTIFICATIONS

Use of stringent quality-control systems qualifies Qatar Steel for several international management systems and certifications, listed below.

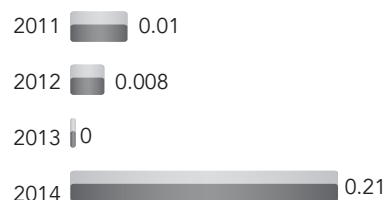
Management System / Certification	Description
BS EN ISO 9001:2008 Quality Management System	One of the world's most respected quality frameworks, implemented at Qatar Steel in order to effectively manage and meet customers' requirements and achieve improved customer satisfaction, staff motivation, and continual improvements. Qatar Steel has maintained its quality certification since 1995.
UK CARES Quality and Operations Assessment Schedule	The CARES Quality and Operations Assessment Schedule is centred around the essential elements of the quality management system, and additionally incorporates requirements for process control and product testing agreed upon by all relevant sectors of industry. The Schedule consists of the application of three main elements of CARES Product Certification: <ul style="list-style-type: none"> <li>• The manufacturers' management system as defined by BS EN ISO 9001.</li> <li>• Full requirements of the relevant product standards.</li> <li>• Control of the manufacturing process to produce a consistent level of compliance.</li> </ul> Qatar Steel has maintained compliance with the CARES Quality and Operations Assessment Schedule since 2006.
ISO/IEC 17025: 2005 Laboratory Accreditation	This certification was attained in 2014. It specifies the general requirements for competence in carrying out tests and/or calibrations, including sampling. The accreditation covers testing and calibration performed using standard methods, non-standard methods, and laboratory-developed methods, and is designed for development of laboratory management systems for quality, administrative, and technical operations.
UK CARES Product Certification	CARES Product Certification was developed to meet the needs of customers using steel products for the reinforcement of concrete. CARES has acquired extensive experience in designing and operating certification schemes which cater to the reinforced concrete industry.
Saudi Standards, Metrology and Quality Organization (SASO)	By attaining this certificate, Qatar Steel has ensured that its products meet SASO standards and can be exported to the Saudi market.
Dubai Central Laboratory	The Dubai Central Laboratory was established in 1997, guided by a simple objective: 'Enhancement of Quality of Life in Dubai'. Qatar Steel ensures that its products are aligned with the standards (BS 4449:2005B500B & ISO 6935-2:2007 B500B-R) and can be exported to the Dubai market.

### Product Quality

% of billets scrapped due to quality parameters



% of rebar scrapped due to quality parameters



*Qatar Steel scrapped only 0.21% of its rebar production and 0.03% of its billets production for quality-control purposes in 2014. This achievement was due in part to an improved focus on quality and improvement, and in part to Qatar Steel's decision to scrap old non-moving rebar stock imported from Turkey & QS FZE. This outdated stock did not meet quality parameters in areas such as colouration and material integrity.*

# PRODUCT INNOVATION<sup>(\*)</sup>

As the demand for sustainability in construction materials increases, the steel industry needs to outdo mere recyclability of products and set new trends in the field of sustainable construction and ecological innovation. In recognition of this need, Qatar Steel aims to develop products that provide its customers with eco-efficiency gains along with increased profitability. Our consideration of ecological progressiveness and business development drives us forward to our overall goal of increased production sustainability.

At Qatar Steel, we develop value-added products, working alongside our customers to meet their needs and anticipate future trends. Our Research & Development department, established in 2012, focuses its efforts on the development of high-strength rebar tailored for markets in GCC region, an area in which we have successfully developed cutting-edge solutions. This adds value in a number of different ways: it strengthens our business potential for market access and sales, it bolsters our contributions to the Qatari economy, and it provides our construction clients with more environmentally friendly and profitable solutions.



'At Qatar Steel, we see operations' efficiency as an integral part of our pursuit of sustainable steel.

We invest in developing and enhancing products that are not only efficient in their material consumption, but also help us in creating products that reduce the environmental footprint of our customers.'

**Yousef Abdulla Al-Emadi**  
Production Division Manager



## DEVELOPMENT OF HIGH-STRENGTH REBAR

Qatar Steel has focused its recent efforts on the development of a new high-strength rebar with yield strength >600Mpa.

In the past, Qatar Steel has produced rebar with yield strengths of 420MPa, 460MPa, and 500MPa, complying with BS 4449/ASTM A 615 specifications. Eager for innovation and improvement, however, and in acknowledgment of the benefits of higher yield-strength rebar, Qatar Steel has managed to successfully develop a new high-strength rebar with a yield strength of 600MPa, conforming to ASTM Gr. 80 and above.

This new high-strength rebar is considered to be a cost-efficient product. By leading to reduction in column size of heavily loaded structures, its use will relieve rebar congestion and further reduce steel consumption in construction by approximately 20-25%, in addition to lowering the overall cost. Thus the product provides savings to our clients by reducing both the amount of rebar needed and the amount of construction materials (e.g. concrete) required to support the rebar. In addition, the reduction in column size frees up greater floor space for use by building developers, resulting in greater overall profitability.



## WIRE ROD FOR STICK WELDING ELECTRODE APPLICATION

In 2014, Qatar Steel successfully developed wire rod (EWN/DIN 17145 S1) in 5.5mm sections for stick welding to serve potential customers in Qatar and the GCC region. Qatar Steel developed this product for the first time to cater to customers who were previously importing this grade of steel from China, India, and other countries. Our customers now benefit both from this higher quality of steel and from our commitment to on-time delivery at competitive prices.



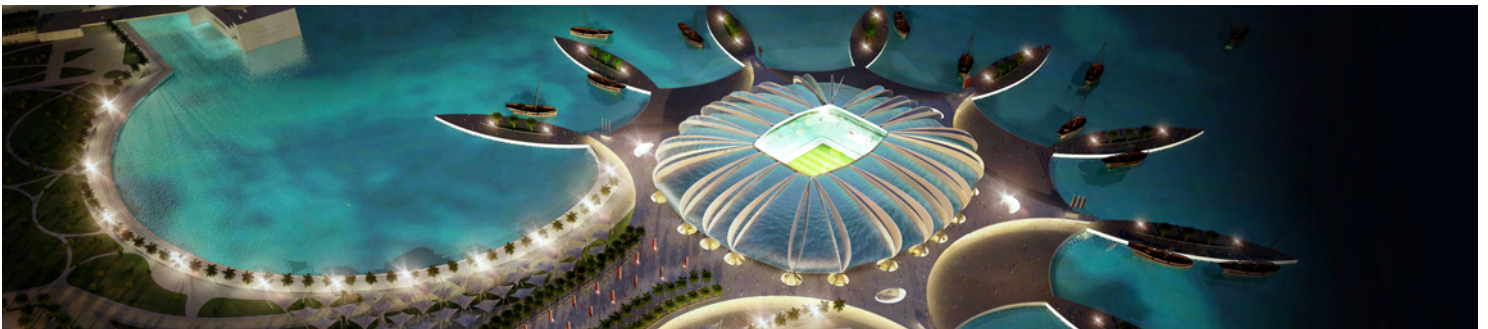
## EPOXY-COATED REBAR – THE PERFECT SOLUTION FOR CORROSION IN QATAR & IN THE GCC REGION

Epoxy-coated rebar (ECR) is designed for use in concrete subjected to corrosive conditions, such as de-icing salts or marine environments. ECR is utilised in the following structures:

- Buildings
- Bridges
- Parking
- Pavement
- Marine
- Repair work



ECR is particularly suitable for projects in the GCC region subject to high temperature & humidity. Our subsidiary Q-Coat started producing ECR in 1990, and since then it has supplied ECR for the Ras Laffan Common Cooling Project, the Museum for Islamic Art in Doha, the Kahramaa Awareness Park, and the new Kahramaa Water Reservoir Project. The latter project entails construction of five potable water mega-reservoir sites and an interconnecting network of large-diameter water pipes.



## PRODUCT TRACEABILITY<sup>(\*)</sup>

Traceability is an important concern for structural steel companies. Our construction clients want to be able to track all components of their projects, including incorporation and use of steel. They want to know how our steel got to their sites and where it came from.

We make it easy to trace the Qatar Steel products by adding a charge number to each billet and bar we produce. By knowing the charge number of a bar which is part of our material test certificate supplied along with products that facilitates tracking the history of the whole process. This number is allocated at molten steel stage (EAF) during the production process of the EAF, which is further tracked downward till bar stage. The charge number is used as part of a serial number beginning with A, B, or C, followed by a four-digit number. This serial number is subsequently used as a batch number for billets and bars. The serial number falls within a range from 0001 to 9999. The charge number is also used as a prefix for the year of production.

The iron ore used for our production is sourced from reputable companies located in different parts of the world, all of which are ISO14001 Environmental Management System and ISO9001 Quality Management System certified. Companies with this certification tend to have clear environmental objectives and processes in place to achieve them.

In addition, by applying Life Cycle Assessment (LCA) to its products, Qatar Steel is fully aware of the environmental impacts of its products throughout all stages of their life cycle, from mining to manufacturing, transport, use and recycling or disposal. We aim to take full advantage of steel's infinite recyclability by recycling steel scrap generated in Qatar, in order to further reduce the environmental impacts of our products.

LCA provides us with the necessary data to benchmark the environmental performance of our products, and acts as structural support for our environmental decision-making. We believe that understanding and improving the lifecycle performance of our products is a crucial way in which we can contribute to a more sustainable economy.





## Environmental Product Declaration

BREG EN EPD No.: 000042  
ECO EPD Ref. No.: 000160

Issue: 01

This is to certify that this verified Environmental Product Declaration provided by:

**Qatar Steel Company (Q.S.C.) (member of UK CARES)**

Is in accordance with the requirements of:

**EN 15804:2012+A1:2013**

This declaration is for:

**Carbon Steel Reinforcing Bar (Direct Reduced Iron production route)**




### Company Address

P.O. Box 50090

Mesaieed



  
Signed for BRE Global Ltd

Derek Hughes  
Operator

30 March 2015  
Date of this Issue

30 March 2015  
Date of First Issue

30 July 2016  
Expiry Date



This verified Environmental Product Declaration is issued subject to terms and conditions (for details visit [www.greenbooklive.com/terms](http://www.greenbooklive.com/terms)). To check the validity of this EPD please visit [www.greenbooklive.com/check](http://www.greenbooklive.com/check) or contact us.

BRE Global Ltd., Garston, Watford WD25 9XX.  
T: +44 (0)333 32188 11 F: +44 (0)1923 664603 E: [Enquiries@breglobal.com](mailto:Enquiries@breglobal.com)



Qatar Steel conducted a lifecycle assessment of its products in accordance with EN 15804:2012+A1:2013. This environmental product declaration for Qatar Steel was conducted by a recognised international body.

This study will help Qatar Steel to benchmark the environmental impact of its products with other international steel companies.

# CUSTOMER SATISFACTION<sup>(\*)</sup>

Prominent among our customers are distributors who make deliveries to end-users in Qatar and across the GCC region, and their satisfaction is one of our primary concerns. Qatar Steel's customer service efforts include both conventional interactions with customers and distributors and the continuous improvement of our Customer Portal System, which enables our customers to more easily place their orders and track their shipments to ensure on-time delivery of products.

Qatar Steel consistently records high sales performance, largely due to the company's longstanding customer relations, efficient communication strategies, and market intelligence.

Market Share for Rebar (%)				
	2011	2012	2013	2014
Qatar	98.05	97.33	96.63	88.00
Exports (GCC)	7.47	8.70	8.30	7.00
Overall GCC	13.87	16.03	16.29	15.00

Despite increased competition in local markets, in 2014 Qatar Steel was able to sustain a high market share of 88% in Qatar and 15% of the total GCC rebar market.

Qatar Steel strives to maintain positive relations with its distributors, who are ideally positioned to ensure that the end-user receives the highest-quality products and services. Therefore, the Customer Relationship Management (CRM) section of our Marketing Department implements an efficient non-conformity tracking system to ensure the satisfaction of our customers.

As part of our marketing strategy to strengthen ties with local and regional accredited traders, we host an annual gathering attended by our management staff, including the Managing Director and General Manager. In 2014, Qatar Steel celebrated the 11th Annual Gathering at the Ritz Carlton – Doha, Qatar, an event honouring all of Qatar Steel's distributors and their dedicated efforts.

## CUSTOMER SATISFACTION SURVEY

Additional efforts to maintain outstanding customer relations include the tracking of customer satisfaction through an annual survey. This helps us to identify both our key strengths and areas where our customer relationships could be improved.

### Customer satisfaction index (out of 100)



In 2014, Qatar Steel's overall customer satisfaction reached a 5-year high of 83%.

# OPERATIONAL EFFICIENCY<sup>(\*)</sup>

Our approach to plant operational efficiency is twofold: we use only the most modern and efficient technology available, and we implement an advanced maintenance system to prevent unplanned interruptions in the production and operational process. Regular assessment of our performance and setting of clear initiatives and targets help to ensure continued operational efficiency.



## Qatar Steel Continuous Improvement Team

Under the current competitive market conditions, control of costs through best operating practices and the building of new capabilities is crucial for value creation. As a company with over 35 years of strong credentials, we relentlessly strive to identify and explore new frontiers of operations excellence. This, along with our recognition of the importance of seizing and adapting to opportunities, is one of the pillars of our corporate strategy. With the help of external consultants, we identified in 2014 a number of areas ripe for cost optimisation and improvements, representing savings in excess of 200 million QR. By the end of the year, 26 million QR of savings had already been realised. Attaining other cost savings is a challenging task, as many such opportunities lie at the interface between divisions and functions. Therefore, Qatar Steel is launching a Continuous Improvement Team, designed to find new ways to improve company operations and drive production efficiency in a cost-efficient manner.

In 2014, Qatar Steel implemented several improvement and modification projects at different plants. The goal of the projects was to improve productivity, enhance process control and plant safety, and stabilise product quality. These operational efficiency projects included, among others:

- Beginning production in our new Electric Arc Furnace (EAF5).
- Conducting modifications of one of our steel casting machines, resulting in cost reduction, enhanced safety of operations, and a better employee working environment.
- Replacement of new burner lines, resulting in productivity improvements and easier process control at the Direct Reduction Plant (DR).



## Updating Our Plant with Best-in-class Technologies – EAF5

In 2014, Qatar Steel began operations in its fifth Electric Arc Furnace (EAF5). This represented a milestone in our ongoing efforts to seek new means and technologies to achieve efficiency in our production, while meeting the increased demand for our products. EAF5 increases our steel production capacity by an additional 1.04 million tonnes per annum.

EAF5 was constructed using modern technology, and is fully automated. It utilises an innovative combination of electrical and chemical energy, resulting in minimal energy consumption, and its furnace is equipped with an efficient fume-extraction system that makes it more environmentally friendly. In order to decrease heat and physical load, the furnace is also equipped with a robotic gunning machine for refractory hot repair in addition to an automatic temperature measurement and sampling device.

EAF5 is considered to be one of the most energy-efficient electric arc furnaces in the world. It consumes approximately 540 kWh for each tonne of steel produced. This represents huge efficiency gains for Qatar Steel, as EAF5 has replaced EAF1 and EAF2, each of which consumed around 700 kWh per tonne of production.

Qatar Steel Maintenance has made a paradigm shift, from time-based maintenance to condition-based maintenance, on most critical assets. This shift has improved identification of operational problems, enhanced the life of equipment, decreased production loss, and improved plant reliability and availability, thereby boosting overall productivity.



Productivity				
(Tons/Day)	2011	2012	2013	2014
DR productivity	6,677	7,159	7,151	7,521
EAF productivity	6,370	6,693	6,948	9,519
CC productivity	6,092	6,466	6,716	9,093
RM productivity	4,681	4,832	4,967	5,136

*In 2014, we managed to increase productivity of our DR and EAF plants, while maintaining acceptable levels of productivity from the CC plant.*



# CONTRIBUTING TO QATAR'S DEVELOPMENT

Steel is an important component of Qatar's current physical and economic development. It also plays a vital role in the country's long-term social, human, and environmental development. Qatar Steel aims to continue to be a positive force contributing to sustainable development in Qatar.

## SUSTAINABILITY MATERIAL ASPECTS

### - QATARIZATION<sup>(\*)</sup>

- Attracting Qatari Nationals
- Development and Retention of Qatari Employees

### - LOCAL PROCUREMENT<sup>(\*\*)</sup>

### - COMMUNITY INVESTMENTS<sup>(\*\*)</sup>

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(\*) Top 20 material aspects

(\*\*) Other material aspects





# QATARIZATION<sup>(\*)</sup>

Our Qatarization strategy consists of attracting Qatari nationals to work at Qatar Steel, developing the skills and qualifications of each Qatari employee through a clear training and development plan, and retaining Qatari employees by providing competitive benefit plans. These efforts are overseen by Qatar Steel's Qatarization Steering Committee.

## Qatarization



In 2014, our Qatarization rate reached 9.9% with the addition of 5 new Qatari employees to our workforce.

## ATTRACTING QATARI NATIONALS

At Qatar Steel, we work continuously to attract more Qatari talent to our workforce. This is accomplished through several channels that combine to enhance Qatar Steel's visibility to all Qataris as an employer of choice. Our goal is to achieve an overall 10% increase in Qatarization each year. We acknowledge that this target presents some difficulties, but we are confident that our focus on attracting, developing, and retaining Qataris will help us meet our goal.

In 2014, Qatar Steel participated in approximately 6 events and open days focused on prospective Qatari employees, and the company received over 411 CVs, 12 of which were accepted.

### QATAR STEEL CAREER OPEN DAY

In pursuit of greater Qatarization, Qatar Steel organised a career open day on 27th September 2014, at the Marriott Hotel in Doha. The aim of the event was to familiarise Qatari graduates with available job opportunities and the academic qualifications required for each, as well as to brief them on available training programmes. A team from our Human Resources and Learning & Development departments met the students and responded to their questions.

After the event, applications were assessed and categorised according to the disciplines involved, including qualifications in different areas. The total number of applicants of both genders was 136, including a combination of university graduates, secondary education graduates, diploma holders, and master's degree holders. We also received applications for our scholarship and internship programmes.



'Our HR Department constantly and persistently does its utmost with a view to raising the percentage of Qatari manpower. Qatar Steel provides promising job opportunities to young Qataris and grants them attractive job benefits, helping them to be successful in their careers.'

**Mr. Kefah Mustafa Al-Mulla**  
Administration Division Manager



## DEVELOPMENT AND RETENTION OF QATARI EMPLOYEES

Attracting Qatari nationals is only one part of our Qatarization efforts. It is also vital to ensure that we retain Qatari talent by offering competitive pay packages and ongoing career development opportunities. We work diligently to build Qatari human resources by providing highly specialised training and development programmes with the right balance of theory, practical application, and industry best practices. An example of such opportunities includes, specialised language tutors to support Qataris in improving their skills in speaking and writing the English language.

We also encourage our Qatari employees to pursue higher education. In 2014, Qatar Steel sponsored 17 Qatari employees and provided scholarships to 6 Qatari students, enabling them to pursue education in universities in Qatar, the United Arab Emirates, Egypt, the United States of America, the United Kingdom, and Jordan.

## SPONSORSHIP AND SCHOLARSHIP PROGRAMME: FOR QATARIS

To support the career development objectives of Qatari nationals, Qatar Steel offers scholarships to those who are highly motivated to take up university studies, including Qatar Steel employees with a high school qualification seeking higher positions.

We also sponsor Qatari students' education in universities and colleges, both inside and outside Qatar, which are accredited by the Supreme Education Council (SEC). As required, administrative and financial support is provided to all sponsored students to ensure that the highest standards of education are attained, allowing the students to both develop their careers successfully and contribute effectively to Qatar Steel's future growth.

In 2014, Qatar Steel provided 6 scholarships to Qatari students and 17 sponsorships to Qatari employees.

Country	Category of Degree	Sponsorships	Scholarships
Qatar	Administration	2	--
	Technical	8	--
	Environment	1	--
UAE	International Relations	--	1
	Technical	1	--
Egypt	Administration	1	--
USA	Technical	1	1
	Administration	--	1
UK	Technical	2	3
Jordan	Administration	1	--





## QATARI INTERNSHIP TRAINING PROGRAMME

Qatar Steel's Internship Training Programme provides Qatari students of universities or technical schools with the opportunity to learn about work in technical and non-technical departments at Qatar Steel. Lasting up to two months, the programme is designed to complement students' academic education with practical implementation of knowledge through direct exposure to real-time work experiences. It also helps to increase students' awareness and knowledge of different functions and processes at Qatar Steel.

In 2014, Qatar Steel hosted a total of 17 applicants as part of its Internship programme to help prepare students to work effectively in the business world after graduation, gaining real-world experience, by observing and participating in day-to-day operations in professional settings. The majority of these internships were granted to students from Qatar University (5 students) and Qatar Independent Technical School (4 students).

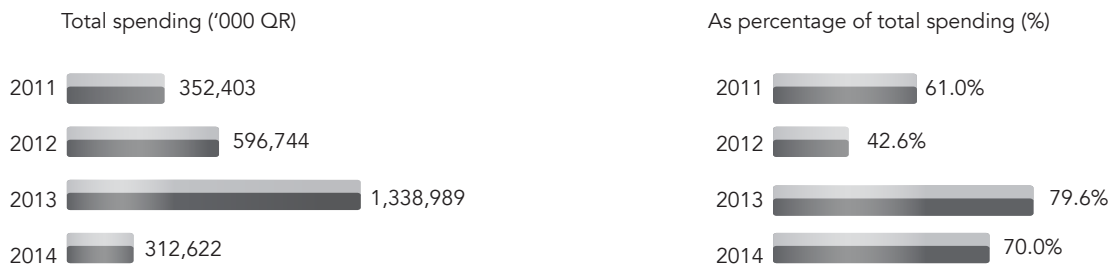
During the writing of this report, Qatar Steel was awarded the 2014 Annual Qatarization Certificate for Supporting Qatarization during a ceremony held by His Excellency Dr. Mohammad Bin Saleh Al Sada, Minister of Qatar Energy and Industry.



# LOCAL PROCUREMENT<sup>(\*\*)</sup>

At Qatar Steel, we aim to support local suppliers and contractors, recognising that such support is one of the main ways in which we can contribute to the Qatari economy. We obtain all of our natural gas requirements from Qatar Petroleum, and we source our materials locally whenever local suppliers can compete in price and quality. This local sourcing includes all scrap steel and office supplies. We also accept and use a significant amount of waste material from other companies in Qatar, helping them to reduce their environmental footprint while providing us with valuable production input. It is true, however, that many of our raw materials and equipment are not available locally, which requires us to purchase them from other countries.

## Spending on locally based contractors and suppliers



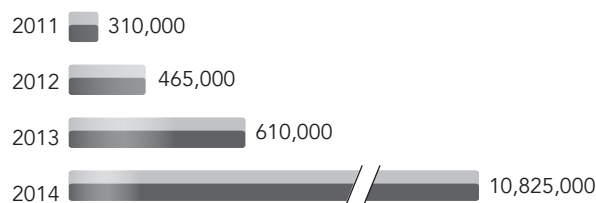
In 2014, our spending on locally based contractors and suppliers reached approximately 312,622 QR, representing 70% of our total spending on contractors and supplier. These figures include local distributors and excludes the procurement of raw materials.

# COMMUNITY INVESTMENTS<sup>(\*\*)</sup>

Qatar Steel invests in various initiatives in the local community, with a focus on society, culture, health, sports, and environment. All of our community investment activities are thematically linked, and we intend to honour our 2014 commitment to establish a community investment programme, though this has been delayed until 2015. This community investment scheme will allow us to align our donations and sponsorships with our sustainability programmes.

In 2014, Qatar Steel sponsored and participated in several community activities. We remain devoted to supporting important social causes, in line with our promise to enrich the social lives of our communities.

## Community Investments (QR)



In 2014, Qatar Steel spent over 10.8 million QR on its community investment projects, compared to 610,000 QR in 2013. The majority of this increase stemmed from the company's 10 million QR sponsorship of the 2015 World Handball Championship.

### Sponsorship of Blood Donors Honouring Ceremony

Qatar Steel was platinum sponsor of the 2014 ceremony to honour blood donors. The ceremony is organised annually by Hamad Medical Corporation's Blood Donation Centre on the International Day for Blood Donation (June 12). The event was designed to create societal awareness of the importance of donating blood and its role in saving lives.



### Sponsorship of Ice Hockey Tournament

On the occasion of National Sports Day, Qatar Steel remained visible and vibrant by sponsoring an Ice Hockey Tournament held in Qatar. The Qatar national ice hockey team is a member of the International Ice Hockey Federation.



### Donation to Ramadan Project

As a socially responsible corporate citizen, Qatar Steel extended financial assistance of 30,000 QR to projects undertaken during the holy month of Ramadan. The project was undertaken by the Qatar Society for Rehabilitation of Social Needs.

### Participation in the National Heritage Festival

The National Heritage Festival is an annual event organised by Al Khor Sports Club. Qatar Steel sponsored the festival, committing 100,000 QR to the event.

### Sponsorship of the World Handball Championship

During 2014, Qatar Steel became one of the main sponsors of the 2015 World Handball Championship to be held in Doha. The sponsorship amount of 10 million QR was routed through IQ (Industries of Qatar).

### Sponsorship of Volunteer Activities

As part of its corporate social responsibility, and in order to further support community activities, Qatar Steel sponsored voluntary activities organised by Qatar Centre.

### Donation to Syria

In recognition of its membership of a global community, and out of sympathy for the plight of the Syrian people, Qatar Steel contributed 200,000 QR in social services through Qatar Charity. This donation helped to improve the lives of men, women, and children in beleaguered Syrian communities.

### Donation to School

As part of its corporate social responsibility to facilitate developmental activities in schools, Qatar Steel donated to Al Khor Independent Model School.

### Sponsorship of Annual Handicraft Exhibitions

To remain visible and further extend a warm and friendly hand to local communities, Qatar Steel sponsored the Annual Exhibition for Handicrafts organised by the Qatar Society for Rehabilitation of Social Needs.



# REDUCING ENVIRONMENTAL IMPACT

Qatar Steel works constantly to reduce its environmental impact by investing in cutting-edge technology and efficiency improvements. These actions reduce Qatar's environmental impact, enhance customer loyalty, and support Qatar Steel's promise of Making Steel Matter.

## SUSTAINABILITY MATERIAL ASPECTS

### - ENVIRONMENTAL MANAGEMENT SYSTEM

### - ENERGY AND EMISSIONS

- Energy Consumption<sup>(\*)</sup>
- GHG Emissions<sup>(\*)</sup>
- Air Emissions<sup>(\*\*)</sup>

### - EFFICIENT USE OF NATURAL RESOURCES

- Material Consumption<sup>(\*\*)</sup>
- Water Consumption<sup>(\*)</sup>
- Biodiversity<sup>(\*\*)</sup>

### - WASTE MANAGEMENT & RECYCLING(\*)

- Dust Management
- Recycling and Reuse Efforts
- Effluents

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(\*) Top 20 material aspects

(\*\*) Other material aspects



# ENVIRONMENTAL MANAGEMENT SYSTEM

Qatar Steel's Environmental Management System (EMS) was developed since 1999 in alignment with ISO 14001. Implementation of this system ensures careful management of our environmental impact, largely achieved via our 'Identification and Evaluation of Environmental Aspects' policy. Additionally, Qatar Steel's Environmental Monitoring Programme ensures compliance with all applicable external requirements and regulations, such as the Ministry of Environment (MoE)'s Consent to Operate, and provides Qatar Steel's management with up-to-date information on the company's environmental impact and mitigation.

Our HSE Department conducts a yearly internal audit of all concerned departments to ensure compliance with the EMS. The audits are conducted by certified internal auditors. Our Environmental Management System additionally lays out clear commitments to improving our environmental performance. These commitments include improving our efficient use of energy, reducing our greenhouse gas (GHG) emissions, optimising our use of natural resources, and reducing and recycling waste generated from our operations.

## ENERGY AND EMISSIONS

Steel is fundamental to the sustainability of the global economy, yet the steel industry is known for its heavy consumption of energy and associated GHG emissions. Qatar Steel has therefore created a two-fold approach to managing energy and GHG emissions: 1) the company is determined to continue taking steps to increase energy efficiency while remaining competitive in the global steel marketplace, and 2) the company is committed to investing in new products that help to reduce indirect emissions by reducing use of other construction materials. (For further details regarding our development of new products, please see page 28.)

### ENERGY CONSUMPTION<sup>(\*)</sup>

Qatar Steel uses energy both directly in its operations as well as indirectly via its supply chain. The fuel consumed by our transport fleet and the natural gas used in our daily plant operations make up our direct use of energy; additionally, our indirect energy consumption comes from electricity supplied by Kahramaa and is used in various processes.

### ENHANCING OUR OPERATIONS FACILITIES

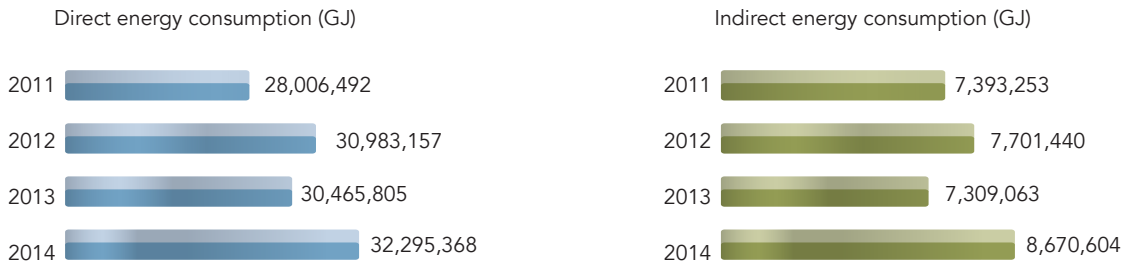
One of Qatar Steel's main achievements in 2014 was launching steel production in its new EAF5 plant, which has increased capacity and enabled Qatar Steel to shut down the older EAF1 and EAF2 plants. The new EAF5 plant relies upon chemical reactions, and therefore is much more energy-efficient than the EAF1 and EAF2 plants; energy consumption in EAF5 is estimated to be 540 kW of energy per tonne of production, compared to 700 kW per tonne of production in EAF1 and EAF2.



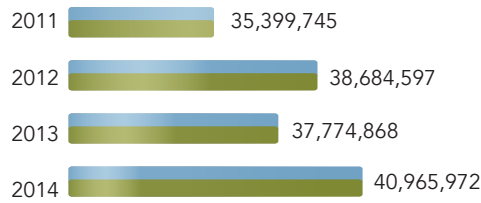


## 5% Reduction In Energy Consumption Per Tonne Of Steel Sold

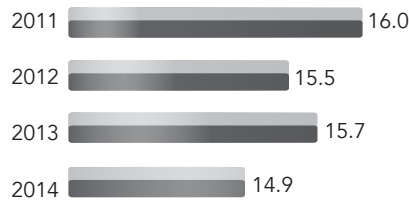
### Direct and indirect energy consumption (GJ)



### Total Energy Consumption (GJ)



### Energy intensity (GJ/tonne of Sales)



In 2014, our total direct energy consumption increased by 8.4% compared to the previous year. This increase was due to greater production and total sales. However, our operations achieved notable gains in efficiency; energy intensity (defined as energy consumption per tonne of steel sold) decreased by 5% in 2014 compared to the previous year, reaching 14.9 GJ per tonne of steel sold.

## GHG EMISSIONS<sup>(\*)</sup>

The steel manufacturing process generates GHG emissions from both our direct and indirect energy use. At Qatar Steel, we are committed to managing our GHG emissions and working to reduce them by implementing various energy-efficiency programmes.



## RECOGNITION FOR QATAR STEEL CO2 EMISSIONS REPORTING

Qatar Steel is an active member of the World Steel Association. We successfully participated in the World Steel Association's CO<sub>2</sub> Data Collection Programme in 2012, 2013, and 2014.

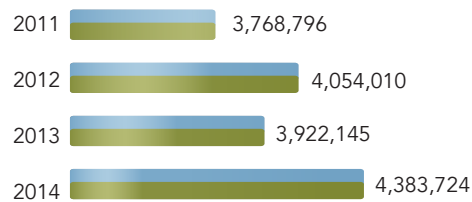


### GHG Emissions (Mt of CO<sub>2</sub>)

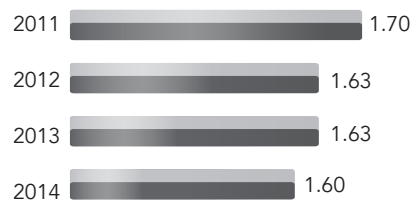


<sup>(1)</sup> Figures from previous years have been amended due to an enhancement in calculation method.

### Total GHG emissions



### GHG emissions intensity (tonnes CO<sub>2</sub> equivalent/tonne of steel sold)



In 2014, Qatar Steel's operations (including natural gas consumption in all plants, vehicle fuel consumption, and electricity consumption) resulted in 4,383,724 Mt of GHG emissions, compared to 3,922,145 Mt of GHG emissions in 2013. This is an increase of 11.8%, in line with the company's increase in overall energy consumption in the same year. The GHG emissions intensity (defined as GHG emissions per tonne of steel sold) decreased by 1.8%, reaching 1.6 tonnes of CO<sub>2</sub> per tonne of steel sold.

## AIR EMISSIONS<sup>(\*\*)</sup>

In order to continue reducing the air emissions produced by our operations, we work to ensure that all such emissions remain compliant with Qatar’s Ministry of Environment regulations. To this effect, Qatar Steel conducted a study in 2014 to measure its emissions and ambient air quality. The study concluded that Qatar Steel emissions and ambient air emissions are in line with MoE standards.

Other Air Emissions (average tonnes per year)				
	2011	2012	2013	2014
NO <sub>x</sub>	642	498	657	903 <sup>(1)</sup>
SO <sub>x</sub>	45	21	12	46 <sup>(1)</sup>
Particulate matter	52	41	25	153 <sup>(1)</sup>

(1) In 2014, we included our Electric Arc Furnace plants in our air emission calculations. This was not included in previous years’ calculations.





# EFFICIENT USE OF NATURAL RESOURCES

## MATERIAL CONSUMPTION<sup>(\*\*)</sup>

Qatar Steel uses different materials in its operations, according to the needs of various development projects. Our materials consumption has a significant impact on the environment, primarily in the forms of mining and production; we therefore work constantly to reduce all such impacts. Qatar Steel is proud to confirm that none of its production utilises the burning of coal, a critical achievement that significantly reduces the company's negative environmental footprint.

The iron ore used for our production is sourced from reputable companies located in different parts of the world, all of which are ISO14001 Environmental Management System certified. Insisting on this certification increases the likelihood that our source companies prioritise low-harm environmental objectives and have processes in place to achieve those objectives.

Materials Used				
	2011	2012	2013	2014
Raw materials for operations (mt)	3,686,088	3,990,908	3,940,837	6,580,502
<b>Operation Gases</b>				
Natural gas (NM <sup>3</sup> )	698,084,208	771,962,522	758,735,391	806,035,444
Oxygen (NM <sup>3</sup> )	59,743,104	66,608,837	76,965,439	117,285,034
Nitrogen (NM <sup>3</sup> )	6,373,635	5,800,526	8,733,544	13,055,236
Compressed Air (NM <sup>3</sup> )	147,198,503	159,560,203	175,912,059	207,874,716
Argon (NM <sup>3</sup> )	241,890	250,420	265,857	387,487
Utility and Maintenance Material (kg)	354,360	399,808	443,468	663,940
Utility and Maintenance Material (litres)	429,145	320,936	362,492	354,001

### *Use of recycled materials and waste from other companies*

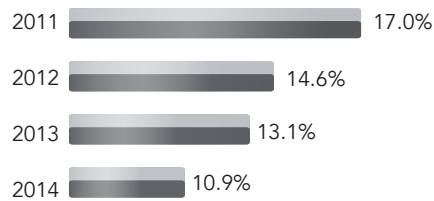
In response to the increased demand on our planet's limited natural resources, global industry is moving away from the 'take-use-dispose' model of consumption. Instead, a more circular approach is being embraced, one in which as little as possible is wasted and as much as possible is recycled or reused. As a responsible member of our industry, we continue to explore ways to reuse scrap steel as input material whenever possible, capitalising on steel's infinite recyclability. However, we are determined not to compromise the quality of our products while undertaking such explorations. In addition, as explained in the insert below, we continue to explore ways to reuse the waste of other companies as inputs in our manufacturing processes.

### Operating Responsibly – Reusing Scrap as Input Material

Qatar Steel works diligently to collect scrap from local markets and to recycle all scrap generated from its operations. In 2014, 358,475 mt of total scrap was consumed in our operations, of which 253,836 mt was purchased from local markets. Qatar Steel recycles nearly 100% of all of its scrap generated in the State of Qatar instead of sending it to landfills. By so doing, Qatar Steel reaffirms its commitment to improving the environmental sustainability of Qatar.

## 10.9% of all input steel came from recycled scrap

Percentage of scrap from total steel input



In 2014, 10.9% of our total steel input was scrap metal, a decrease of 2.2% compared to 2013. This was due to a decrease in the availability of scrap for reuse in the local market accompanied by an increase in the price of scrap.

### Sustainability in action: recycling synergy among Neighbouring Companies

In 2013, Qatar Petroleum initiated a synergy alliance between Qatar Steel and Qatalum, in the form of a programme for recycling Qatalum's carbon waste at Qatar Steel furnaces. After this successful collaboration, Qatar Steel began to contact other 'Neighbouring Companies'—Qatar Petroleum Refinery Waste Management, Q-Chem, QAFCO, and Qatargas—to study the feasibility of recycling their waste. This produced a list of waste material from Neighbouring Companies which may be feasibly recycled at Qatar Steel furnaces, as follows:

Company name	Waste Materials
<b>Qatar Petroleum</b>	Activated carbon, refinery filter bags, steel scrap
<b>Q-Chem</b>	Activated carbon, palladium catalysts, alumina catalysts (used as constables), steel scrap
<b>QAFCO</b>	Activated carbon, iron oxide bed catalysts, ammonia HTS catalysts, steel scrap
<b>Qatargas</b>	Activated carbon, steel scrap

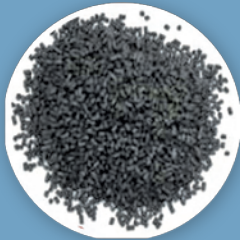
Following the feasibility study and resulting materials list, we reached a mutual agreement with Qatar Gas, QAFCO, Q-Chem and QP Refinery Waste Management Company, enabling us to obtain their waste products for recycling at Qatar Steel. This process has created a number of benefits:

- A substantial decrease in the amount of waste previously earmarked for disposal by Neighbouring Companies.
- Reduction of the environmental impact associated with such disposal.
- Savings for partner companies, as Qatar Steel recovers the waste free of cost.
- Lowered production costs for Qatar Steel, as the company obtains significant amounts of input at minimal cost (paying only to recover waste from neighbouring sites).

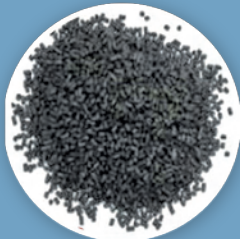
Overall, we believe our synergy efforts in this regard serve as a leading example of how an environmentally efficient multi-company lifecycle can work to achieve the economic development and environmental protection pillars of the QNV 2030.

# SUSTAINABILITY IN ACTION: RECYCLING SYNERGY AMONG NEIGHBOURING COMPANIES

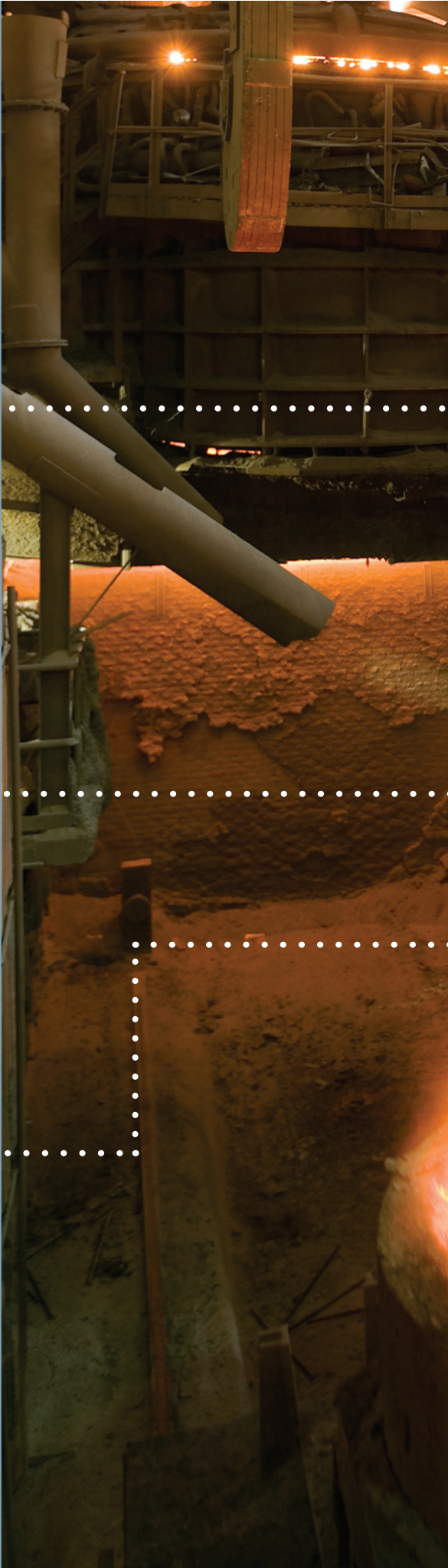
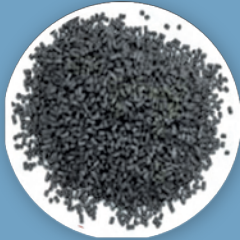
Qatar Petroleum  
Activated carbon



Q-Chem  
Activated carbon



QAFCO  
Activated carbon



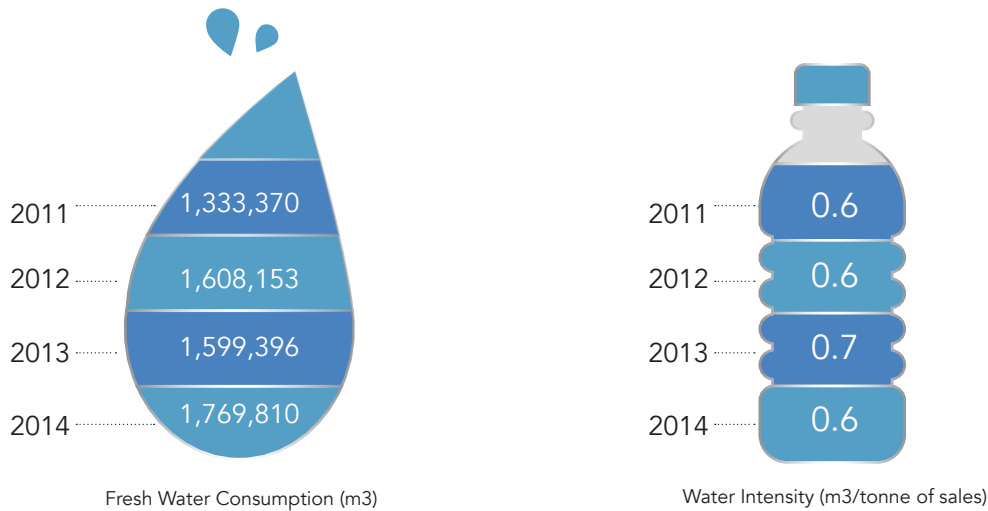




Ladle Furnace

## WATER CONSUMPTION<sup>(\*)</sup>

Qatar Steel uses seawater in its production operations as well as fresh water in its offices. Seawater is used as non-contact cooling and is then returned to the sea.



In 2014, Qatar Steel's fresh water consumption increased by 10.7%, in line with the company's increase in production and sales.

## BIODIVERSITY<sup>(\*\*)</sup>

Qatar Steel's area of operations is not considered to have high biodiversity value. No species from the International Union for Conservation of Nature (IUCN) Red List have habitats in the area, and national conservation policies do not apply to Qatar Steel's facilities. The Species' Biological Taxonomy and Conservation States Plan is also inapplicable to Qatar Steel.

In accordance with new guidelines from the MoE, we have developed a plan to halt the discharging of blow-down water (wastewater from DR1 and DR2) to the sea. Presently, our blow-down water is partially recycled and used in the following applications:

- EAF3 Spray Water system within EAF3 Fume Treatment Plant
- EAF3, EAF4, & EAF5 Slag Quenching Wastewater Spray System
- New Briquetting Plant, under construction
- EAF5 Quenching Tower within EAF5 Fume Treatment Plant

Plans for our remaining unutilised wastewater have already been considered by our 'ZERO LIQUID DISCHARGE' project, which is expected to be implemented by the end of 2016.

## WASTE MANAGEMENT & RECYCLING<sup>(\*)</sup>

At Qatar Steel, we believe that waste is a resource that can be harnessed with the appropriate technologies and coordination. We diligently investigate ways of reusing and recycling waste, whenever and wherever possible, in order to minimise the amount of waste required for disposal.

Our current efforts include work to reduce operational waste, such as steel scrap, EAF slag, and various operational by-products. Steel scrap and EAF slag remain the most significant solid waste generated by our activities. Dust is another by-product of our operations, one that has a serious impact on the environment and on the health of people located near our plants.

## 60% increase in waste recycled between 2013 and 2014

Operational Waste Generated and Disposed of				
	2011	2012	2013	2014
Total waste generated (mt)	586,644	607,079	545,620	825,324
Operational waste generated and disposed of (mt)	261,816	281,342	298,423	458,895
Operational waste generated and sold to third parties as by-products for reuse or recycling (mt)	324,828	325,737	247,197	394,645
% of waste generated and sold as by-product	55%	54%	45%	48%

In 2014, Qatar Steel's total waste reached 825,324 mt, of which 48% was recycled or resold as by-products. Total waste recycled increased by 60%, reaching 394,645 mt, compared to 247,197 mt in 2013.

## DUST MANAGEMENT

Over the past 25 years, the use of new technology has significantly reduced the amount of dust generated by typical steel plants. Staying up to date with such technology requires significant capital expenditure, and each year we set aside large sums of money for this purpose, with positive results; in 2014 we implemented several programmes to reduce and then reuse the dust generated from our operations. In addition to these improvements, initialisation of the EAF5 plant and mothballing of the older EAF1 and EAF2 plants has allowed Qatar Steel to further reduce dust generation, resulting in operations that are largely dust-free.

### Dust Management at Qatar Steel

We acknowledge that dust is an inevitable by-product of our operations, and that dust has significant negative environmental and health impacts. Qatar Steel has therefore implemented several projects in 2014 to eliminate most of the dust generated from its operations, and has also worked to reuse or recycle any remaining dust generated. These initiatives include:

#### Installation of Dust Pit with Proper Enclosure at DDU-1 Hopper Bottom

The Oxide De-dusting Unit (DDU-2) collects oxide dust from the K\_F04 A/B, K\_F10, K\_F11, K\_F12 & K\_F05 transferring chutes. The heavier dust particles become trapped in the bag filter and are then discharged from the hopper bottom, while the lighter air particles are vented to the atmosphere through the stack. Previously, there was no proper tool for collecting the oxide dust from the hopper bottom, resulting in dust spreading in this area. This project also required creation of a vehicle path allowing proper removal of the collected dust from this area. The oxide dust collection project was successfully implemented in September of 2014.

#### Installation of an Enclosure at Product Dust Collection Pit

Heavier dust collected in the product dust bin is emptied into the dust pit, which results in substantial amounts of dust flying through the air and polluting the general area. To eliminate this, a proper trapping enclosure has been installed at the product dust pit.

## RECYCLING AND REUSE EFFORTS

Qatar Steel works continually to find ways of reusing and recycling most of the waste generated by its operations. This is done both to further ensure maximisation of operational value and to increase the amount of waste by-products available for use by the company's other facilities.

100% of our steel scrap, which accounts for most of the by-product generated by our operations, is entirely utilised. This is done through collecting and classifying all steel scrap, storing it in designated areas, and finally using the scrap as raw material in our operations. Additionally, other waste generated from our operations is currently reused and/or recycled by selling it as by-products to third parties.



## SAFE DISPOSAL AND REUSE OF DUST AS INPUT IN QATAR STEEL OPERATIONS – COLD BRIQUETTING PLANT

Qatar Steel has awarded a contract to Korean company JEIL to supply and erect a cold briquetting plant. Upon completion, this project will further enhance Qatar Steel's waste recycling efforts. All iron-bearing by-product and waste (EAF dust, mill scale, DR slurry, DR dust, and iron oxide fine) will be briquetted and re-melted in the electric arc furnace. The expected benefits of this project are as follows:

- 140,000 tons of extra steel produced by recycling 200,000 tons of by-product annually
- Reduction in volume of raw material procurement
- Reduction in carbon footprint in line with QNV 2030
- Qatar Steel will be the first recycling facility in the GCC region
- 600 X 60 meter space presently occupied by different by-products will be free
- Burden on export system and equipment will be reduced drastically
- Amount of EF dust generation will be reduced drastically
- Recycling will generate additional revenue compared to by-product sale and import of raw materials

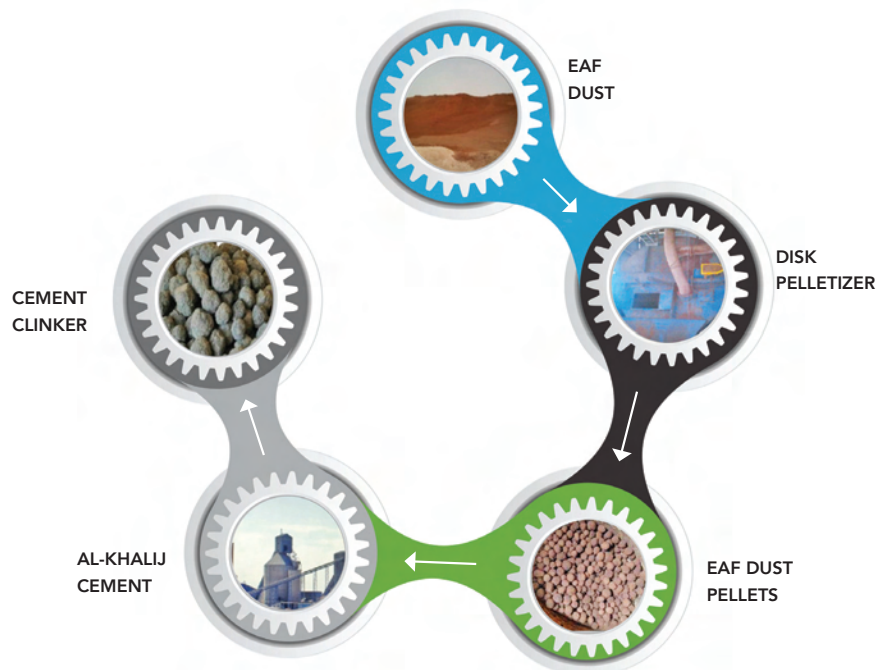
Initial facility erection and equipment performance tests have already been completed. Following a PGT (Performance Guarantee Test) planned for the end of June 2015, the briquetting plant will be in operation.

## RECYCLING OF QATAR STEEL EAF DUST FOR CEMENT CLINKER PRODUCTION

In its efforts to collaborate with other industries for better environmental management of waste, Qatar Steel initiated a project with a neighbouring cement producer, M/s Al Khalij Cement, to recycle Qatar Steel's EAF dust in clinker production.

In this project, EAF dust was pelletized for easy handling purposes and around 10Kg of pellet samples were sent to M/s Al Khalij Cement for laboratory scale trial. Trial production was successfully carried out, and the results were encouraging. Consequently around 50 T of EAF dust pellets were sent to M/s Al Khalij Cement Company for commercial scale production trial. These EAF dust pellets were charged to RAW MILL along with limestone, sand, bauxite, and partially iron ore to produce blend mix, which is a raw material for production of cement clinker.

As a result of the successful trial, Qatar Steel and M/s Al Khalij Cement will sign a long-term contract for Al Khalij to recycle all of Qatar Steel's EAF dust as a partial replacement of iron ore imported for clinker production. In the future it is expected that M/s Al-Khalij Cement would consume approximately 300 T/day of Qatar Steel's EAF dust for cement clinker production.



## EFFLUENTS

*Qatar Steel regularly assesses the quality of the effluents produced by its plants to ensure that they meet all regulatory requirements. This assessment includes regular monitoring of processed water and wastewater quality parameters, effective chemical dosing, and treatment and testing prior to discharge.*

Recycling of blow-down water is a key component of our wastewater reclamation efforts. We have successfully implemented procedures for utilising blow-down water from our DR1 plant; this water is currently being used for various purposes at most of our operation sites. Similar procedures are being created to utilise blow-down water from DR2, and the balance quantities have already been considered under our new 'ZERO LIQUID DISCHARGE' project, which is expected to be implemented by the end of 2016.

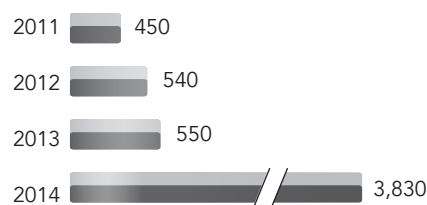
### 56% increase in total recycled DRI blow-down water since 2013

Water Discharge				
	2011	2012	2013	2014
DR1 & DR2 processed water discharged to the sea (m <sup>3</sup> )	784,993	856,812	826,152	859,215
Total recycled DRI blow-down water in slag area (m <sup>3</sup> )	--	28,665	71,898	112,078
Sewage water discharged (m <sup>3</sup> )	62,640	60,090	61,532	66,352 <sup>(1)</sup>

*In 2014, Qatar Steel's water discharged to the sea increased by 4%, in line with the company's production increase. However, our total amount of recycled DRI blow-down water in slag areas increased by 56%, reaching 112,078 m<sup>3</sup> at the end of 2014. Qatar Steel sewage water discharge has also increased by 8% due to the removal of wastewater from EAF5 holding tanks, an additional line of production added in 2014.*

Qatar Steel neutralises its chemical waste by adding caustic soda and processing at the MIC waste treatment facility. Our company has experienced no oil or chemical spills during the past six years, and we will continue to take all precautions to maintain that record.

#### Chemical waste generated and disposed of (litres)



*In 2014, Qatar Steel utilised additional chemicals for its production due to production quality changes for exports products. These chemicals have been used for billet etching. All such chemical waste is safely disposed of at the MIC waste treatment facility.*

# ENSURING A SAFE AND HEALTHY WORK ENVIRONMENT

The safety of employees, contractors, and physical assets is of vital importance to Qatar Steel. Making health and safety a top priority ensures that everyone shares in Qatar Steel's success.

## SUSTAINABILITY MATERIAL ASPECTS

### - A SAFE WORK ENVIRONMENT

- Employee Safety<sup>(\*)</sup>
- Contractor Safety<sup>(\*)</sup>
- Emergency Response Preparedness<sup>(\*)</sup>

### - OCCUPATIONAL HEALTH<sup>(\*)</sup>

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(\*) Top 20 material aspects





# A SAFE WORK ENVIRONMENT

At Qatar Steel, we know that nothing pays better dividends to our company, stakeholders, and productivity than providing a safe and secure work environment for our personnel. We are determined to investigate every possible opportunity to increase the safety of our employees and contractors. Nevertheless, we face continued challenges in creating a working environment that is totally free from harm. Qatar Steel has a strict commitment to zero incidents in its operations, and the company continues to work towards that goal.

Qatar Steel places great emphasis on the health and safety of its employees and contractors. It has taken strict measures to ensure that both have adequate knowledge of potential work hazards and behaviours. These measures require us to work on three different fronts: 1) creating clear company protocols and procedures to ensure staff and contractor safety as well as maintenance of safety and performance standards at the plant; 2) continuous strengthening of technical and operational integrity in identifying risk areas; and 3) building greater safety capacity and improving the safety behaviours of our employees and contractors.

Qatar Steel has a well-established Safety Management System in place, and in 2014 the company achieved OHSAS 18001:2007 Certification.

To ensure safe working conditions for all Qatar Steel employees, safety and environmental site inspections are regularly conducted by HSE officials throughout all operating facilities. Complementing these inspections are our HSE motivation awards, which acknowledge outstanding HSE behaviours and conditions. HSE motivation awards at Qatar Steel include:

- Quarterly and yearly near-miss reporting awards (cash and certificate)
- Yearly 'No Lost-Time Accident (LTA)' awards (cash and trophies)
- Housekeeping awards
- Safety Slogan Competition Awards (cash)
- Safety and environment poster competition awards (cash)
- Yearly safety performance awards (cash and trophies)
- Internal auditors motivation awards (cash)
- Safety committee and representatives appreciation awards

## EMPLOYEE SAFETY<sup>(\*)</sup>

In our quest to fully engage our employees in our corporate HSE efforts, we have continued to rely on our HSE Committee as our main tool for communicating with our 53 representatives from different departments. The HSE committee is responsible for:

- Promoting and communicating safety issues to increase safety awareness among employees
- Reviewing workplace safety inspections
- Reviewing accident and injury reports
- Promoting plant safety activities
- Providing training on specific business activities
- Identifying workplace hazards and instructing employees in the performance of effective accident investigation
- Forecasting possible accidents and taking precautions to avoid them
- Reviewing safety proposals with top management

We believe that measuring performance is the first step to enhancing performance. This view led us to install an Online Incident Tracking System in 2014. Using this system, our HSE Department will be better able to track and record incidents that occur in our facilities in a real-time manner, thereby ensuring faster response times.

## Online Incident Tracking System

Qatar Steel's incident tracking system is an application used to track incidents across all its plants. The system's development resulted from an initiative begun by our Health, Safety, and Environment (HSE) department, designed for the improvement of plant processes and the greatest possible avoidance of industrial accidents.

The Incident Tracking System user guide describes the external behaviour associated with the system. The document details the stages of an incident lifecycle, from its reporting to closure, and will help end-users to better understand the system.





Qatar Steel also ensures that its employees and contractors receive constant training and updating on the latest safety policies and procedures. This training guarantees that our workers are well equipped to efficiently combat any safety hazards they may encounter. In 2014, we conducted the following safety trainings:

- Induction training for VIPs and visitors – training was conducted for 400 visitors
- Refresher training for existing Qatar Steel employees – training was conducted for 700 employees
- OHSAS 18001:2007 training
- Safety risk assessment training
- Radiation training

## HSE Day 2014

Qatar Steel celebrated HSE Day with its employees and contractors at its plant in Mesaieed Industrial City. 500 participants were in attendance, including Qatar Steel employees and representatives from 15 contractor companies.

The event featured several presentations and training, including:

- Defensive driving skills, tyre safety, & drunken driving demonstration presented by Mr. Salim Sainulabdeen, driving Instructor from Karwa
- Road & traffic safety presented by Colonel Mahmood from the Traffic Police
- Fire and fire-fighting tips
- Heat stress and life-saving tips
- First aid and Cardiopulmonary Resuscitation (CPR) tips and training
- Security controls

The event also included a health assessment for contractors' employees, conducted by the Red Crescent staff, which included check-ups on BMI, blood sugar, and blood pressure.



### Safety Performance – Employees

	2011	2012	2013	2014
Fatalities	0	0	0	1
Lost-Time Injuries Frequency (LTIF)	2.7	0.5	0.9	2.2
Total Recordable Cases Frequency (TRCF)	20.0	14.8	10.2	11.0

In 2014, we were shocked and saddened to experience a fatality among our staff. We have carried out an extensive review into the causes of the fatality, and we have implemented a range of measures to guarantee that the situation does not happen again. In addition, our 2014 Lost-Time Injuries Frequency (LTIF) rate, which measures the total number of injuries occurring in one year per one million employee working hours, increased by more than double. This increase is mainly attributable to employee misconduct during work processes. Qatar Steel aims to initiate a programme to enhance behavioural safety procedures in 2015, which was postponed from 2014.

### CONTRACTOR SAFETY <sup>(\*)</sup>

At Qatar Steel, we hold ourselves accountable for the safety of our contractors, whom we hire for low-risk support services such as cleaning, catering, security, and maintenance. We have been proactive in mitigating health risks posed to such contractors by increasing training requirements, incorporating new safety technologies and equipment, and implementing additional procedures. Our efforts begin by limiting our hires to contractors who boast good safety performance, and who hold strict safety management systems, which we ensure through the pre-qualification stage of Qatar Steel's contractor screening. We continue our efforts by providing high levels of safety precautions to contractors. In order to address potential safety threats, Qatar Steel will continue to work with its contractors to enhance their safety performance and data-gathering.

### Safety Performance – Contractors

	2011	2012	2013	2014
Fatalities	0	1	0	0
Lost-Time Injuries Frequency (LTIF)	N/A	2.32	0.62	N/A
Total Recordable Cases Frequency (TRCF)	N/A	N/A	1.6	N/A

*In 2015 Qatar Steel plans to initiate a programme to enhance behavioural safety procedures with contractors.*





# EMERGENCY RESPONSE PREPAREDNESS





## EMERGENCY RESPONSE PREPAREDNESS<sup>(\*)</sup>

We maintain a tight focus on fire safety, and we constantly search for ways to strengthen our fire safety procedures. To ensure the best emergency preparedness, we:

- increased the frequency of emergency drills in 2014 (including night drills and surprise drills),
- hired Red Crescent Paramedics,
- increased the number of Red Crescent fleets for emergency response (to compensate for increases in manpower and infrastructure), and
- adopted the Fire Marshal Concept.

Qatar Steel maintains plans for preventing, reducing, controlling, or otherwise mitigating emergencies. We also promote fire preparedness by improved training and by introducing new, improvised fire-fighting equipment. To reduce our overall risk of fire, we conducted several trainings and awareness sessions for our employees and contractors in 2014, including: induction training, do's and don'ts during emergencies, and job-related contractor safety training. Training priority was given to measures which are crucial to the safety of our employees and the protection of their livelihood, including prevention, detection, and quick response to potential fires.

Type of Drill	Date of Drill
Rescue Drill for accidents with serious injuries and fatalities	2/1/2014
Fire in Dust Collection System	4/2/2014
Fire & Rescue Drill	7/3/2014
Rescue Drill	12/3/2014
Fire Drill	8/4/2014
Evacuation Drill	29/4/2014
Gas Leak and Fire	28/5/2014
Rescue Drill	17/6/2014
Radiation Drill	21/9/2014
Fire in Electrical Installation	30/9/2014
Chemical Spill	14/10/2014
Tabletop exercise with MIC (Fire in Warehouse)	16/10/2014
Fire & Rescue Drill	26/11/2014

## OCCUPATIONAL HEALTH<sup>(\*)</sup>

At Qatar Steel, we actively promote good health among our personnel. This helps us to maintain a productive and positive workplace for our employees and contractors, and promotes general healthy living among our people.

In addition to preventing accidents, our safety protocols also focus on eliminating occupational incidents. Our approach to this elimination involves promoting healthy lifestyles and fostering employee wellbeing via frequent awareness campaigns. All Qatar Steel employees and contractors are required to participate in health and safety awareness sessions and training as part of their orientation. Specific campaigns are also implemented to help reduce or mitigate ailments such as heat stress. To protect the hearing of our employees and contractors, a regular survey is conducted to measure noise in high-risk areas. Additionally, an exploratory committee is currently investigating ways to limit source-noise levels.

Our onsite facilities offer immediate treatment of minor injuries. The onsite clinic also conducts pre-employment and periodic medical exams for employees. To better serve our people, Qatar Steel is also working on a future initiative to expand the clinic to handle more medical responsibilities.

Occupational Health Indicators				
	2011	2012	2013	2014
Employee occupational illnesses	4	30	8	5
Occupational risk monitoring assessment (completed vs. planned)	60.0%	72.9%	84.7%	87.7%
Health screening (completed vs. planned)	88.6%	87.3%	90.7%	82.7%

# DEVELOPING A HIGH-PERFORMING AND MOTIVATED TEAM

Qatar Steel's highly skilled team consistently delivers quality products to satisfy its valued customers. We invest heavily in our employees through training and development, and we aim to continuously engage and reward them.

## SUSTAINABILITY MATERIAL ASPECTS

- OUR WORKFORCE
- TRAINING & DEVELOPMENT<sup>(\*)</sup>
- PERFORMANCE-BASED COMPENSATION & REWARDS<sup>(\*)</sup>
- EMPLOYEE ENGAGEMENT & RETENTION<sup>(\*\*)</sup>
- EMPLOYEE & CONTRACTOR WELFARE<sup>(\*\*)</sup>

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(\*) Top 20 material aspects

(\*\*) Other material aspects





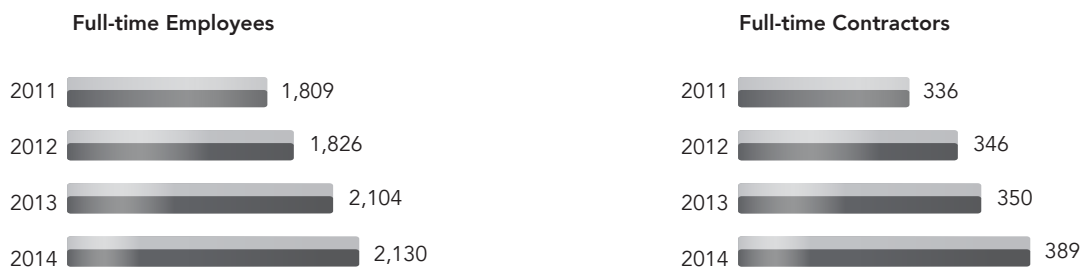
# OUR WORKFORCE

At Qatar Steel, we fully understand that our business's future success and sustainability depend upon attracting, developing, and retaining the best talent. Employee development, via intensive engagement, training, and support, is one of Qatar Steel's highest priorities. Through focused human resource management systems and planning, Qatar Steel strives to develop increasingly more skilled, motivated, and satisfied teams in order to construct a highly efficient and productive 'steel' community.

Qatar Steel's management approach revolves around developing a high-performing and motivated team and maintaining a diversified workforce, which the company sees as the engine for its overall success.

At Qatar Steel, we seek to recruit the best talent in the labour market, to both continue our tradition of excellence and meet our increasing expansion in production and sales. Our recruiting procedures ensure that we hire only the best available talent with no discrimination against race or gender, while also giving priority to qualified Qatari nationals and recent Qatari graduates, in line with the QNV 2030 and NDS 2011–2016. For our short-term support service contracts, we hire external contractors who work full-time in various support activities at the plant and at our main offices.

## Total Employees



New hires				
	2011	2012	2013	2014
Number of new employee hires – Total	125	75	339	73
Number of Qatari new hires	7	5	7	8
# of female new hires	2	0	1	6
# of male new hires	116	70	331	67
New hires 18-30 years of age	46	33	208	36
New hires 31-40 years of age	59	38	118	31
New hires 41-50 years of age	17	2	13	5
New hires 51-60 years of age	3	2	0	1
New hires 60+ years of age	0	0	0	0

By the end of 2014, our total full-time workforce reached 2,130 employees, an increase of 1.2% compared to 2013. This increase is in line with our expansion efforts.

# TRAINING AND DEVELOPMENT<sup>(\*)</sup>

At Qatar Steel, we view the knowledge and expertise of our people as the key to maintaining our competitive position in the market.

Our training regimens and activities are designed to improve employees' ability to perform daily duties safely and effectively. Built upon the modelling and self-application concept, training is an integral part of employment at Qatar Steel. Upon joining our company, all new employees undergo an initial Familiarisation Programme orientation, in order to define and clarify work assignments, roles, and the responsibilities of each Qatar Steel department. At all times during their tenure with us, all employees have access to weekly English and business distance learning facilities, while some Qatari employees receive additional English language tutoring. We also offer specific technical, H&S, interpersonal, and IT training to our employees to better enable them to conduct their jobs in the most efficient manner and to advance their personal skills. In 2014, we provided over 85 training courses to our workforce.



## QATAR STEEL FAMILIARISATION PROGRAMME

The objective of our Familiarisation Programme is to groom and develop employees into 'complete executives', armed with the requisite knowledge, skills, and abilities to work as part of Qatar Steel's team. Specifically, the programme:

- Introduces employees to the organisation as a whole (Structure, Purpose, and Values),
- Defines and clarifies work assignments, roles, and responsibilities of each department,
- Familiarises employees with the company's environment and physical facilities,
- Informs employees of a broad range of company policies and processes which affect all aspects of their work and their relationship with the organisation, and
- Sparks and encourages employee excitement at becoming part of the organisation and motivates them to do the best job possible.

In sum, the Programme has been designed to provide new employees with a broad idea of the work environment at Qatar Steel. In addition to learning about the operations of the company, new employees also gain knowledge of Qatar Steel's policies, procedures, and management systems.

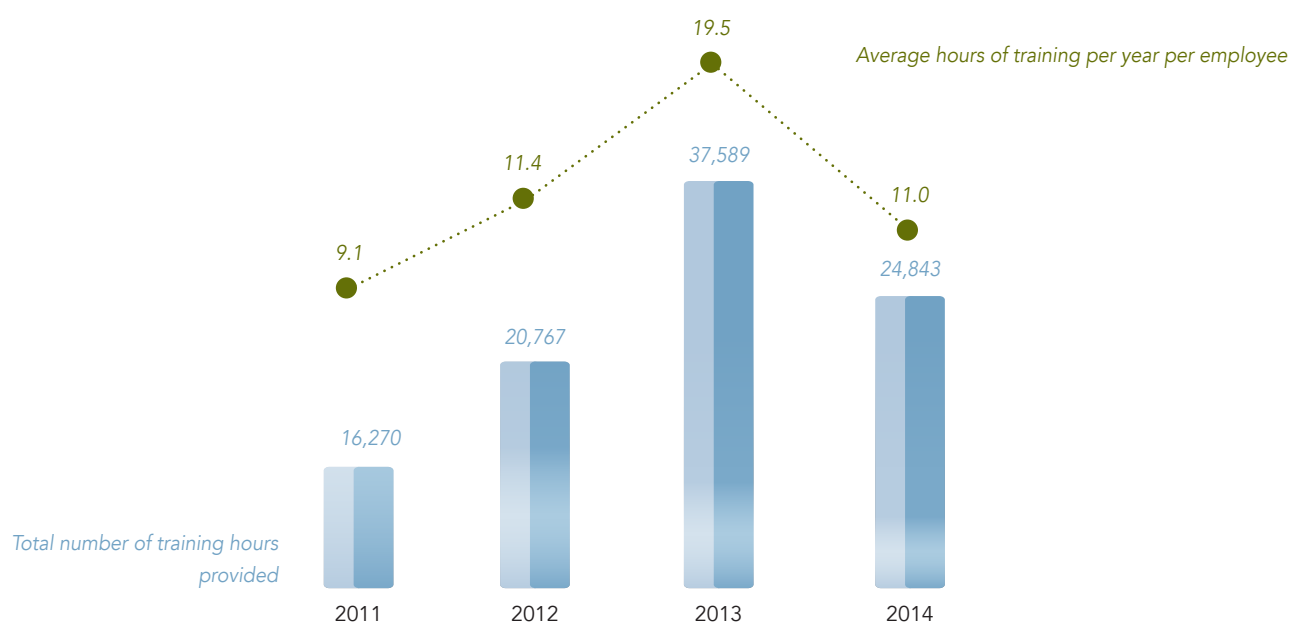


## CAREER DEVELOPMENT PROGRAMME

Our career development programme aims to increase the knowledge, skills, and abilities of our Qatari employees, identifying and strengthening their professional qualities and better equipping them to earn promotions or higher pay.

Qatar Steel employees follow pre-determined steps along their career path in order to develop expertise in managing different types of organisational situations, thereby improving their ability to attain their career goals. Periodic checks evaluate their progress, determining what further training and experience are needed to continue on to their next steps. Such experience includes training, job enrichment, and development.

## Training Hours



### Average Hours of Training per Employee by Gender

	2011	2012	2013	2014
Average hours of training per year for female employees	2.5	0.0	0.1	0.5
Average hours of training per year for male employees	9.0	11.4	19.4	10.5

### Average Hours of Training per Employee by Employee Category

	2011	2012	2013	2014
Average hours of training for senior management	8.0	61.6	1.7	21.9
Average hours of training for management	9.6	5.9	3.3	26.1
Average hours of training for staff	9.0	11.2	14.5	9.7

### Training Cost

	2011	2012	2013	2014
Total cost of training (QR)	1,555,417.0	2,565,912.0	4,611,939.0	3,439,337.0
Average cost of training per employee (QR)	860.3	1,405.2	2,192.0	1,517.0

A total of 24,843 hours of training were completed by December 2014, with an average of 11 hours of training per employee. This represented a drop from 2013 levels, due to various shut-downs that Qatar Steel experienced in 2014, in addition to commissioning and start-up of EAF5. Moreover, average hours of training for managers has significantly increased in 2014, due to the fact that several new plants and machinery have been into place. According to Qatar Steel practice, senior managers are the first level of employees to be trained on such new equipment.

# PERFORMANCE-BASED COMPENSATION AND REWARDS<sup>(\*)</sup>

Qatar Steel uses the Balanced Scorecard system for all departments and operations, setting performance targets that are aligned with company-wide business strategy and employee capabilities. We help employees to reach these targets by developing specific and informative job descriptions, which assist employees in understanding their duties and managers in correcting deviations or misunderstandings.

To achieve better organisational performance, Qatar Steel conducts yearly performance appraisals and rewards the best performers with merit increases and bonuses. Employee compensation is calculated according to a basic scheme of salary, bonuses, and awards and recognition. Additional allowances for Qatari and non-Qatari employees are granted when appropriate.

We reward our best-performing employees through different channels, including the QC-Circle reward for best-performing teams, an annual bonus, and HSE-related awards.

# EMPLOYEE ENGAGEMENT AND RETENTION<sup>(\*\*)</sup>

At Qatar Steel, we realise that continual engagement with a focus on sharing useful information for employees and the development of social networks key to building team spirit and loyalty. This is why we organise periodic meetings between employees and senior management where technical and non-technical issues are discussed.

We honour and respect the trust that our employees have in us. Their trust is as a beacon, a guiding light that motivates and symbolises our engagement with employees to ensure their continued satisfaction and loyalty.

Qatar Steel conducts employee satisfaction surveys on a periodic basis. This survey allows us to identify areas of strength and weakness, better enabling us to implement improvements during the following two years. In addition, Qatar Steel measures its employees' satisfaction level through overall turnover rates, viewing this statistic as a proxy measure of employee satisfaction.

Employee satisfaction (out of 5)	
2009	2014
3.41	3.64

## QATAR STEEL'S HONOURING OF LONG-SERVING EMPLOYEES IN 2014

In 2014, Qatar Steel honoured 131 employees who have served the company for 10, 15, 20, 25, 30, and 35 years, in appreciation of their devoted efforts and dedication. At the end of the ceremony, the honoured employees were awarded certificates of appreciation. Speaking on behalf of the award recipients, administration division manager Kefah Mostafa al-Mulla, one of the honourees, delivered a speech. He extended thanks and appreciation to the company's top management for its support and encouragement and for creating a dynamic and welcoming work environment, one where mutual respect and friendly employee relations prevail.



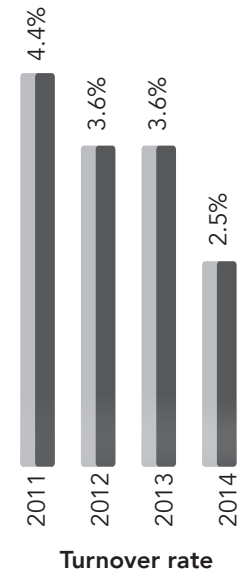
'It is our practice at Qatar Steel to honour long-serving employees, which demonstrates our appreciation of and pride in our personnel, who are the pillars in achieving our sustainable growth and in marching towards progress and development.'

**Ali Bin Hassan Al-Muraikhi**  
Managing Director and General Manager



## 30% reduction in overall turnover rate between 2013 and 2014

Turnover				
	2011	2012	2013	2014
Total # of employees leaving the organisation	80	66	76	53
# of employees leaving the organisation, by level				
# of Senior Management	3	2	4	2
# of Middle Management	12	8	21	6
# of Staff	65	56	51	45
# of employees leaving the organisation, by gender				
# of Women	1	1	2	1
# of Men	79	65	74	52
# of employees leaving the organisation, by age group				
18-30	33	23	15	16
31-40	24	22	23	17
41-50	13	16	15	9
51-60	10	5	12	6
60+	0	0	11	5



In 2014, the total number of employees who left Qatar Steel was 53, reducing overall company turnover rate to 2.5% from 3.6% in 2013.

## EMPLOYEE AND CONTRACTOR WELFARE<sup>(\*\*)</sup>

Qatar Steel holds itself responsible for the living accommodations of its employees and their families. We strive to provide our people with quality living facilities, including access to club memberships and entertainment activities. Bachelor accommodation is also offered, with several recreational facilities for basketball, football, and cricket. We also offer a gym, a reading room, and areas for indoor recreational activities, such as table tennis and snooker.

Qatar Steel complies with all laws and regulations concerning the labour and living conditions of its employees. Our Code of Ethics and Business Conduct treats 'fairness' with great weight, citing our consistent standards of equal treatment of individuals. We have controls in place to manage our compliance with all labour standards – child or compulsory labour is strictly prohibited, and no cases of either have been reported during our company's operations. Similarly, we received no reports of discrimination from any employee or stakeholder in 2014.

Further, in line with best practices, in 2014 we reduced working hours from 8.5 to 8 hours of work per day for all employees.





## SCREENING OUR MANPOWER CONTRACTORS

We appreciate that our responsibility toward our supply chain goes beyond purchasing and transactions. In 2014, as part of our new pre-qualification system, we began careful screening of our contractors. Qatar Steel obtained applications from approximately 150 potential suppliers. We started on-site evaluations in March 2015, with 2 contractors to be visited each week.

As mandated by this new system, all manpower contractors are required to complete a pre-qualification application, in which the contractor must disclose technical information. This information includes how closely employee living arrangements follow proper HSE procedures and the degree to which employees are provided with hygienic and comfortable accommodation.

Following this application, Qatar Steel sends representatives to conduct on-site visits to the camps of shortlisted contractors, those who at least fulfil government employee living standards. On-site evaluations involve benchmarking contractors on the decency and legal compliance of living conditions, as well as on health and safety performance.

# INSTILLING GOOD GOVERNANCE AND ACCOUNTABILITY

Maintaining a solid base of integrated management systems and an informed and experienced Board of Directors helps Qatar Steel to achieve better results, remain accountable to all relevant parties, and meet stakeholders' expectations.

## SUSTAINABILITY MATERIAL ASPECTS

### - CORPORATE GOVERNANCE<sup>(\*)</sup>

- Accountability and Ethics

### - MANAGEMENT SYSTEMS

- Risk Management<sup>(\*)</sup>
- Internal Audit<sup>(\*)</sup>

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(\*) Top 20 material aspects





# CORPORATE GOVERNANCE<sup>(\*)</sup>

We are committed to the highest standards of ethical business conduct. Good governance practices are vital to ensuring that we achieve our corporate objectives and meet the expectations of our stakeholders.

Our Board of Directors is the decision-making body for all matters identified as material to the strategic and financial functioning of the company. The Board consists of seven highly qualified individuals selected by our shareholder, Industries Qatar (IQ), under a General Assembly resolution ensuring that chosen members possess the relevant and necessary experience.

The Board reviews Qatar Steel's performance during General Assembly meetings, where reports on the previous year's results and future prospects are presented for discussion. The General Assembly meeting further provides an opportunity to discuss potential discharging of Board members. The Board is mandated to meet at least four times per year.

## Board of Directors\*

NAME	POSITION
Mr. Saad Rashid Al-Muhannadi	Chairman
Mr. Abdulla Ghaith Al-Kuwari	Vice Chairman
Mr. Ali Bin Hassan Al-Muraikhi	Managing Director and General Manager
Sh. Saoud Bin Abdulrahman Al-Thani	Director
Mr. Ibrahim Akbar Ali Mulla	Director
Mr. Rashid Ali Al-Dosari	Director
Mr. Abdulla Mohamed Al-Mahmoud	Director

\* With effect from April 26th, 2015

*In 2015 we will create additional structures to help us to better govern our external stakeholder engagement and implementation of our sustainability priorities.*

## Board Committees

Our Board committees are formed by the Board in accordance with the company's strategic and organisational requirements. We currently have three such committees:

1. Tender Committee – a permanent committee that searches for methods of procurement with prescribed financial limits.
2. Audit Committee – a committee that reviews the effectiveness of the Internal Audit function.
3. Ethics Committee – a committee that oversees compliance with the ethics and business conduct policy.

## ACCOUNTABILITY AND ETHICS

At Qatar Steel, we firmly believe in accountability and ethics. This requires our strict adherence to honesty and transparency and our commitment to the ethics of fair dealing, open transparency, and conduct integrity. This commitment is based on the requirements of law, and more importantly is grounded in the moral values of honesty and fairness.

Qatar Steel has adopted sound ethical standards as part of its unending quest for excellence in every aspect of its work. Our Code of Ethics and Business Conduct represents a key tool in our efforts to make Qatar Steel a shining example of good corporate governance. It serves as the foundation of the superior organisational culture to which we aspire.

All employees and members of Qatar Steel's Board of Directors are expected to conduct their operations and discharge their duties and responsibilities in a manner consistent with the company's Code of Ethics & Business Conduct and with all applicable laws. According to this policy, 'the company will not permit and has never permitted a conflict of interest on the part of its employees nor its Directors. Accordingly, no employee or Director shall knowingly become involved in a conflict of interest, or upon discovery thereof, allow such a conflict of interest to continue.'

## MANAGEMENT SYSTEMS

Qatar Steel's management system has achieved two ISO certifications: ISO 14001 for its Environmental Management System (EMS) in 1999 and ISO 9000 for its Quality Management System (QMS) in 1995. The continued excellence of the company's management systems is reflected in Qatar Steel's certifications, and retention of this level of reliability is reflected in the company's Quality Management System.

### RISK MANAGEMENT<sup>(\*)</sup>

Qatar Steel's vision of Risk Management holds that all significant obstacles to the achievement of its strategic objectives must be identified, assessed, and managed within acceptable levels. In order to achieve this vision, Qatar Steel is determined to create and maintain an environment in which risk monitoring is embedded in the company's culture, planning, decision-making, and business-as-usual activities.

In 2015, Qatar Steel will categorise risks by their impact types and nature. This will address many of the company's material sustainability areas. In addition, a risk register will be configured for use in an online system implemented across all departments. This process will heavily support the management of our sustainability risks and priorities, and will influence the development of Qatar Steel's Sustainability Roadmap.

As an integral part of sound corporate governance, Qatar Steel in 2014 engaged external consultants to implement an effective Enterprise Risk Management (ERM) framework. ERM at Qatar Steel encompasses practices relating to Identification, Assessment, Monitoring, and Mitigation of various risks impacting business objectives.

In its journey towards effective ERM, Qatar Steel in 2015 has appointed a Chief Risk Officer and formed a Risk Management Committee (RMC) at the Management Level. The RMC will function as an executive committee to drive risk analysis functions, with the Managing Director and General Manager serving as chairman.

### INTERNAL AUDIT<sup>(\*)</sup>

Internal Audit continues to play a prominent role in Qatar Steel's governance and management systems. Its vigilance provides assurance that:

- satisfactory systems, policies, and procedures are in place and being followed to ensure that the company's assets are safeguarded and the company objectives are being met,
- financial systems and procedures are in place and being followed to provide timely and accurate financial information to the Directors, Management, and Stakeholders, for use in determining that the company's financial objectives are being met, and
- policies and practices are in place to communicate and monitor the company's compliance with appropriate laws and regulations.

The Board Audit Committee also continues to support the Board in its oversight responsibilities, particularly those relating to: 1) the integrity of the company's financial statements and financial reporting process; 2) effectiveness of the company's internal accounting and financial controls systems; 3) the internal audit process for monitoring compliance with laws and regulations; and 4) business codes, ethics, and conduct.

# ACHIEVING PROFITABLE GROWTH

Profitable growth is achieved by maintaining business excellence, meeting increasing consumer demand through expansion and growth, and by contributing to Qatar's infrastructure development.

## SUSTAINABILITY MATERIAL ASPECTS

- FINANCIAL PERFORMANCE<sup>(\*)</sup>
- STRATEGIC INVESTMENTS<sup>(\*)</sup>

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(\*) Top 20





# FINANCIAL PERFORMANCE<sup>(\*)</sup>

Qatar Steel takes an integrated approach to business, one that emphasises the balance between the economy, environment, and society. Strategic growth not only benefits the company but also contributes to the development of Qatar's economy.

A well-structured management reporting process has been established to provide all appropriate information to management. Qatar Steel prepares periodic financial reports and statements according to International Financial Reporting Standards (IFRS), which are externally audited by a third-party assurance firm.

Qatar Steel has experienced growth in its business over the past four years, reflected in the volume of products produced and the healthy levels of profitability. This performance is mainly driven by the increasing strength of Qatar's economy, which leads to higher levels of investment in infrastructure. At the same time our business was also affected by the decline in international steel prices.

As a foremost player in the MENA region, Qatar Steel is committed to creating value for its stakeholders by realising and implementing various business opportunities. For this purpose, Qatar Steel has made strategic investments in other steel companies, in addition to setting up new plants. These efforts have resulted in healthy shareholders' funds/assets over time, results that are expected to continue into the future.

## Economic Performance

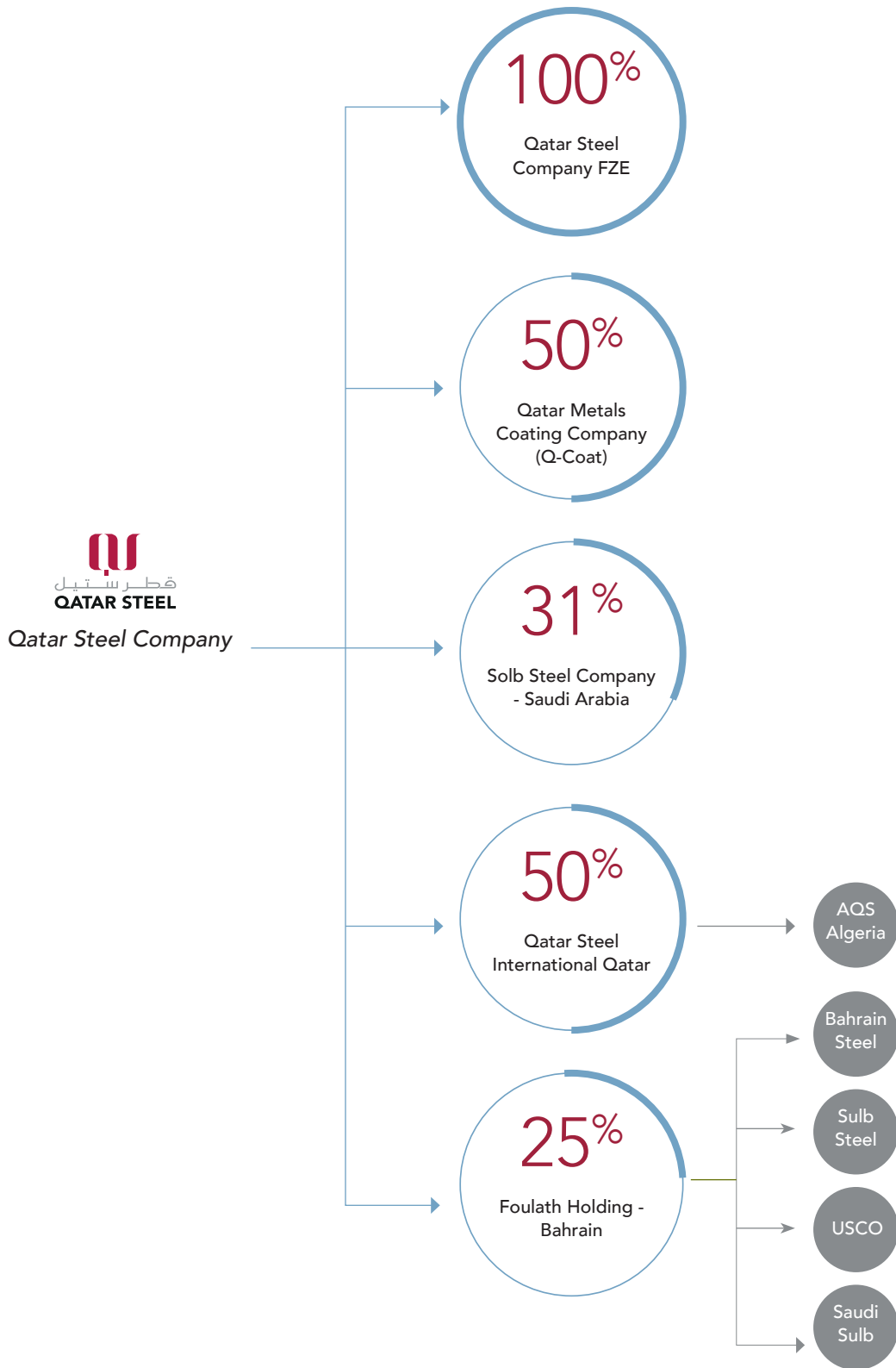
	2011	2012	2013	2014
Revenues (million QR)	6,312	6,820	6,439	6,201
Net profit (million QR)	1,594	1,520	1,648	1,276
Other income (including investment returns, interest income, by-product and scrap sales, and other miscellaneous income) (million QR)	142	106	120	234
Operational costs (million QR) <sup>(1)</sup>	4,210	4,548	4,183	4,296

<sup>(1)</sup> 'Operational costs include neither 'employee wages and benefits' nor 'depreciation'.

# STRATEGIC INVESTMENTS<sup>(\*)</sup>

Qatar Steel continues to grow by way of production capacity expansions in Qatar and Dubai facilities as well as through strategic investments in the form of acquisitions and joint ventures in iron ore and steel-related production facilities. Additional benefits include allowing us to secure raw materials for production and enabling us to realise further opportunities for down-stream products. Qatar Steel's growth strategies are addressed in the company's five-year business plan, which is re-examined and updated annually.

**QATAR STEEL'S STRATEGIC INVESTMENTS**



*Qatar Steel also has shares in Qatar Navigation, Qatar Electricity and Water Company (Kharamaa), Barwa Real Estate, and Vodafone.*

# APPENDICES





# APPENDIX A: SCOPE OF THE REPORT

## **Profile:**

This is Qatar Steel's follow-up sustainability report; it reflects the company's updated sustainability performance for 2014 and provides comparable data for 2011, 2012, and 2013, where available. The report covers a number of environmental, social, and economic aspects.

## **Scope and boundary of the report:**

Qatar Steel has analysed sustainability issues within Qatar, the industry, and the region, and has identified its sustainability material issues in all environmental, social, and economic areas, taking into consideration the QNV 2030, the National Development Strategy 2011–2016, and the SDI initiative. Qatar Steel has prioritised its key material and sustainability issues to develop its sustainability approach. This report covers Qatar Steel's performance in Qatar, and does not reflect subsidiaries' performance in their environmental, social, and economic aspects.

This report was developed based on the Global Reporting Initiative (GRI) framework and indicators. Qatar Steel has also added an index for the International Petroleum Industry Environmental Conservation Association (IPIECA).

## **Stakeholder inclusiveness:**

Based on Qatar Steel's understanding of the importance of stakeholder engagement, the company has developed its stakeholder map identifying key stakeholder groups, their priority issues, methods of stakeholder engagement, and Qatar Steel's response to stakeholder input. Qatar Steel believes that this report covers and communicates with all of the company's key stakeholders, and Qatar Steel believes that all identified stakeholders would be interested in reading the company's sustainability report. Qatar Steel also encourages stakeholders to provide feedback on the company's sustainability performance by contacting us via email: [Sustainability@qatarsteel.com.qa](mailto:Sustainability@qatarsteel.com.qa).

## **Comparability and balance:**

This report provides data that covers Qatar Steel's performance in 2011, 2012, 2013, and 2014, presenting Qatar Steel's successes as well as main economic, environmental, and social challenges. This report uses the GRI G4 guidelines, which provide clear comparisons.

## **Accuracy and reliability:**

Qatar Steel has made all efforts to ensure that all information provided in this report is of the highest level of accuracy and reliability, through its Balanced Scorecards, meetings with concerned departments, and other management systems to gather the information included in this report.

## **Clarity of information:**

Qatar Steel has tried to clearly communicate its sustainability information in this report, besides using the GRI framework, which helps ease report reading and understanding.

## **Assurance:**

The report was not externally assured.





## APPENDIX B: GRI G4 CONTENT INDEX

The table below provides the discloser of GRI content for 'In accordance' – Core for our report. Further explanation for each indicator is present online at <https://g4.globalreporting.org/Pages/default.aspx>

Table Key      ● Reported      ○ Not Reported

Indicator	Page reference (or direct response in case of omission)	External Assurance
<b>GENERAL STANDARD DISCLOSURES</b>		
<b>Strategy and Analysis</b>		
G4-1	● 11	Not Assured
G4-2	● 18-23	
<b>Organizational Profile</b>		
G4-3	● 7	Not Assured
G4-4	● 14	Not Assured
G4-5	● 90	Not Assured
G4-6	● 79	Not Assured
G4-7	● 12	Not Assured
G4-8	● 31	Not Assured
G4-9	● 15, 66	Not Assured
G4-10	● 66	Not Assured
G4-11	● Trade unions are prohibited in Qatar	Not Assured
G4-12	● 29, 40, 48	Not Assured
G4-13	● No changes	Not Assured
G4-14	● 44	Not Assured
G4-15	● 27, 30, 44, 58	Not Assured
G4-16	○	--
<b>Identified Material Aspects and Boundaries</b>		
G4-17	● 22, 23	Not Assured
G4-18	● 22, 23	Not Assured
G4-19	● 22, 23	Not Assured
G4-20	● 22, 23	Not Assured
G4-21	● 22, 23	Not Assured
G4-22	● No change	Not Assured
G4-23	● No Change	Not Assured

Indicator	Page reference (or direct response in case of omission)	External Assurance
<b>GENERAL STANDARD DISCLOSURES</b>		
<b>Stakeholder Engagement</b>		
G4-24	● 21	Not Assured
G4-25	● 21	Not Assured
G4-26	● 21	Not Assured
G4-27	● 21	Not Assured
<b>Report Profile</b>		
G4-28	● 7, 81	Not Assured
G4-29	● 7, 81 Qatar Steel 2013 Sustainability Report	Not Assured
G4-30	● 7, 81	Not Assured
G4-31	● 7	Not Assured
G4-32	● 82	Not Assured
G4-33	● This report was not checked by third-party.	Not Assured
<b>Governance</b>		
G4-34	● 74, 75	Not Assured
G4-35	● 74	Not Assured
G4-36	● 74	Not Assured
G4-37	● 21	Not Assured
G4-38	● 74	Not Assured
G4-39	● 74	Not Assured
G4-45	● 75	Not Assured
G4-46	● 75	Not Assured
<b>Ethics and Integrity</b>		
G4-56	● 13	Not Assured
G4-58	● 75	Not Assured

# APPENDIX B: GRI G4 CONTENT INDEX

Table Key

● Reported

○ Not Reported

Indicator	Page reference (or direct response in case of omission)	External Assurance
<b>SPECIFIC STANDARD DISCLOSURES</b>		
<b>CATEGORY: ECONOMIC</b>		
<b>Material Aspect: Economic Performance</b>		
G4-DMA	● 78	Not Assured
G4-EC1	● 78	E&Y Assured
G4-EC4	● No assistance received from Government	E&Y Assured
<b>Material Aspect: Indirect Economic Impacts</b>		
G4-DMA	● 36-41	Not Assured
G4-EC8	● 36-41	Not Assured
<b>Material Aspect: Procurement Practices</b>		
G4-DMA	● 40	Not Assured
G4-EC9	● 40	Not Assured
<b>CATEGORY: ENVIRONMENTAL</b>		
<b>Material Aspect: Materials</b>		
G4-DMA	● 48	Not Assured
G4-EN1	● 48	Not Assured
G4-EN2	● 48	Not Assured
<b>Material Aspect: Energy</b>		
G4-DMA	● 44, 45	Not Assured
G4-EN3	● 44, 45	Not Assured
G4-EN5	● 44, 45	Not Assured
G4-EN7	● 44, 45	Not Assured
<b>Material Aspect: Water</b>		
G4-DMA	● 52, 55	Not Assured
G4-EN8	● 52, 55	Not Assured
G4-EN9	● 52, 55	Not Assured
G4-EN10	● 52, 55	Not Assured
<b>Material Aspect: Biodiversity</b>		
G4-DMA	● 52	Not Assured
G4-EN11	● 52	Not Assured
G4-EN12	● 52	Not Assured
G4-EN13	● 52	Not Assured
G4-EN14	● 52	Not Assured
<b>Material Aspect: Emissions</b>		
G4-DMA	● 45, 46	Not Assured
G4-EN15	● 45, 46	Not Assured
G4-EN16	● 45, 46	Not Assured
G4-EN18	● 45, 46	Not Assured
G4-EN18	● Zero	Not Assured
G4-EN21	● 45, 46	Not Assured

Indicator	Page reference (or direct response in case of omission)	External Assurance
<b>Material Aspect: Effluent and Waste</b>		
G4-DMA	● 52, 55	Not Assured
G4-EN22	● 55	Not Assured
G4-EN23	● 52, 53	Not Assured
G4-EN24	● Zero	Not Assured
G4-EN24	● Zero	Not Assured
<b>Material Aspect: Products and Services</b>		
G4-DMA	● 28-30	Not Assured
G4-EN27	● 28-30	Not Assured
G4-EN28	● 49	Not Assured
<b>Material Aspect: Compliance</b>		
G4-DMA	● 44	Not Assured
G4-EN29	● Zero	Not Assured
<b>SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK</b>		
<b>Material Aspect: Employment</b>		
G4-DMA	● 66	Not Assured
G4-LA1	● 66	Not Assured
G4-LA2	● 70	Not Assured
<b>Material Aspect: Occupational Health and Safety</b>		
G4-DMA	● 58	Not Assured
G4-LA6	● 58-61	Not Assured
<b>Material Aspect: Training and Development</b>		
G4-DMA	● 67	Not Assured
G4-LA9	● 28-30	Not Assured
G4-LA10	● 28-30	Not Assured
G4-LA11	● 28-30	Not Assured
<b>Material Aspect: Diversity and Equal Opportunity</b>		
G4-DMA	● 66	Not Assured
G4-LA12	● 66	Not Assured



# APPENDIX B: GRI G4 CONTENT INDEX

Table Key

● Reported

○ Not Reported

Indicator	Page reference (or direct response in case of omission)	External Assurance
<b>SUB-CATEGORY: HUMAN RIGHTS</b>		
<b>Material Aspect: Non-discrimination</b>		
G4-DMA	● 66	Not Assured
G4-HR3	● Zero	Not Assured
<b>Material Aspect: Child Labor</b>		
G4-DMA	● 66	Not Assured
G4-HR5	● Zero	Not Assured
<b>Material Aspect: Forced of Compulsory Labor</b>		
G4-DMA	● 66	Not Assured
G4-HR6	● Zero	Not Assured
<b>Material Aspect: Supplier Human Rights Assessment</b>		
G4-DMA	● 66, 71	Not Assured
G4-HR11	● 71	Not Assured
<b>SUB-CATEGORY: SOCIETY</b>		
<b>Material Aspect: Anti-corruption</b>		
G4-DMA	● 74, 75	Not Assured
G4-SO4	● 74, 75	Not Assured
<b>SUB-CATEGORY: PRODUCT RESPONSIBILITY</b>		
<b>Material Aspect: Customer Health and Safety</b>		
G4-DMA	● 27-31	Not Assured
G4-PR6	● None	Not Assured
G4-PR7	● None	Not Assured
<b>Material Aspect: Marketing Communication</b>		
G4-DMA	● 27-31	Not Assured
G4-PR6	● None	Not Assured
G4-PR7	● None	Not Assured

# APPENDIX C: IPIECA INDEX

Chapter	IPIECA
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About This Report

Message from the Managing Director and General Manager

Who We Are

Qatar Steel's Approach to Sustainable Development

Making Steel Matter

HS4

Contributing to Qatar's Development

SE1, SE4, SE5, SE6, SE7

Reducing Environmental Impact

E1, E2, E5, E6, E7, E8, E9, E10

Ensuring a Safe and Healthy Work Environment

HS1, HS2, HS3, HS5

Developing a High-Performing and Motivated Team

SE8, SE9, SE15, SE16, SE17, SE18

Instilling Good Governance and Accountability

SE95, SE95

Achieving Profitable Growth

## APPENDIX D GLOSSARY

**Climate Change** A significant and lasting change in the statistical distribution of weather patterns over periods ranging from decades to millions of years.

**Corporate Governance** The system by which companies are directed and controlled. It involves regulatory and market mechanisms and the roles and relationships between a company's management, its board, its shareholders, and other stakeholders, and the goals toward which the corporation is governed.

**G4 Reporting Guidelines** A GRI framework, issued in 2014, for reporting on an organisation's economic, environmental, and social performance.

**Global Reporting Initiative (GRI)** A network-based organisation that produces a comprehensive sustainability reporting framework widely used around the world with the aim of mainstreaming disclosure on environmental, social, and governance performance. GRI is committed to the framework's continuous improvement and application worldwide.

**Greenhouse Gas Emissions** Gas emissions, which contribute to the trapping of heat inside the atmosphere (resulting in the phenomenon of global warming).

**Gulf Cooperation Council (GCC)** A political and economic union of the Arab states bordering the Persian Gulf and located on or near the Arabian Peninsula, namely Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.

**Qatarization** An initiative by the government of Qatar to increase the number of Qatari nationals in all joint-venture industries and government departments.

**Qatar National Vision 2030** A long-term national vision built on the guiding principles of Qatar's Permanent Constitution. It reflects the aspirations of the Qatari people and the resolve of their political leadership, and envisages a vibrant and prosperous country with economic and social justice for all, in which nature and humans are in harmony.

**Stakeholders** Groups or individuals who affect and/or could be affected by an organisation's activities, products, services, or associated performance.

**Sustainability** A state where the current generation can meet their needs without compromising the ability of future generations to meet their own needs.

**Sustainability Management** The integrated management of economic, social, and environmental issues in a way that maximises value for all stakeholders.

## APPENDIX E: ACRONYMS

AAQMS	Ambient Air Quality Monitoring Systems	KILN	Calcined Limestone
AISU	Arab Iron and Steel Union	m <sup>3</sup>	Cubic metre
ASTM	American Society for Testing and Materials	MAP	Mutual Aid Plan
CC	Continuous Casting	mg/Nm <sup>3</sup>	Milligram per normal cubic metre
CEMS	Continuous Emissions Monitoring System	MIC	Mesaieed Industrial City
CRM	Customer Relations Management	mm	Millimetre
DCL	Dubai Central Laboratory	MoE	Ministry of the Environment
DG	Regulations and Enforcement Directorate	MoU	Memorandum of Understanding
DR	Direct Reduction	MPa	Megapascal
DRI	Direct Reduced Iron	MT	metric ton
EAF	Electric Arc Furnace	MWh	Megawatt-hour
EIA	Environmental Impact Assessment	NDS	National Development Strategy 2011–2016
EMS	Environmental Management System	NO <sub>x</sub>	Nitrogen oxides
ERP	Enterprise Resource Planning	PHE	Process Hazard Evaluations
Foulath	Gulf United Holding Company	PLC	Programmable Logic Controller
FZE	Free Zone Establishment	ppm	Parts per million
GCC	Gulf Cooperation Council	Q-Coat	Qatar Metals Coating Company W.L.L.
GIIC	Bahrain, Gulf Industrial Investment Co.	QEISS	Qatar Energy and Industry Sector Sustainability Programme
GJ	Gigajoule	QMS	Quality Management System
GRI	Global Reporting Initiative	QNV	Qatar National Vision 2030
HBI	Hot Briquetted Iron	QR	Qatari Riyal
HMI	Human Machine Interface	RM	Rolling Mill
HSE	Health, Safety, and Environment	SASO	Saudi Arabian Standards Organisation
IFRS	International Financial Reporting Standards	SDI	Sustainable Development Industry
IQ	Industries Qatar	SEAISI	South East Asia Iron and Steel Institute
ISO	International Organisation for Standardisation	SMS	Steel Melting Shop
IUCN	the International Union for Conservation of Nature	SMS	Sustainability Management Systems
JIS	Japanese Industrial Standards	SO <sub>x</sub>	Sulphur oxides
Kg	Kilogram	TRCF	Total Reportable Cases Frequency
kWh	Kilowatt-hour	UAE	United Arab Emirates
LF	Ladle Furnaces	Worldsteel	World Steel Association
LOC	Loss of Containment	XRF	X-Ray Fluorescence Spectrometer
LTIF	Lost-Time Injury Frequency	UKCARES	UK Certification Authority for Reinforcing Steels



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