Sustainability Report 2017

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QATAR STEEL


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

His Highness
Sheikh Hamad Bin Khalifa Al Thani
The Father Amir

About the Report

Welcome to Qatar Steel's 7th annual sustainability report. This report reflects Qatar Steel's commitment to sustainability and the effort to maximize our positive environmental, social and economic impacts, while minimizing any negative impacts resulting from our operations. This report is a comprehensive review of what the company has achieved and its progress in sustainability in alignment with the Qatar National Vision 2030 and the GRI Standards in the year 2017. This report is also consistent with the International Petroleum Industry Environmental Conservation Association (IPIECA), the International Oil and Gas Producers Association (IOGP) and the American Petroleum Institute (API) Oil and gas industry guidance on voluntary sustainability reporting (2015). This report has been prepared in accordance with the GRI Standards: Core option.

There are performance benchmarks and guidance for stakeholders regarding the material indicators that are relevant to Qatar Steel's stakeholders and business operations within this report.

We welcome your feedback on this report and our performance.
To reach us, please contact: sustainability@qatarsteel.com.qa

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Message from the Managing Director and General Manager

Welcome to Qatar Steel's seventh annual sustainability report. It is a pleasure to share Qatar Steel's achievements for the year 2017. All our efforts are devoted to contributing to the sustainable development of Qatar's ever-growing economy, in line with the Qatar National Vision 2030.

In the face of regional geopolitical circumstances, 2017 was a challenging year. After the blockade on Qatar, we were quick to act to sustain business, thanks to a devoted team and the strong business relationships we have developed. The company was able to maintain seamless operations through aggressive supply chain management and the successful penetration of products to new markets that unlocked new growth potential opportunities exceeding our expectations.

Qatar Steel's business continuity and risk management processes helped exponentially in protecting the company from changing market conditions and positioned us as a more resilient company and played an important role on placing safeguards to protect our assets and people.

Qatar Steel's corporate strategy and sustainability management approach guided us in optimizing performance and ensuring long-term growth. These holistic strategies are implemented at every level of operations and contribute to protecting financial, operational, as well as human capital.

In the year 2017, the focus was on creating a cultural change and building a stronger behavioral safety culture through the "AMAN Safety Transformation Program." Qatar Steel has embarked on a journey to foster a safer working environment for its employees and contractors, as they are the heart and soul of the company. It is of the utmost importance to us, that our staff returns home safely at the end of each working day.

Qatar Steel is proud of its achievements this year, and we look forward to the company's continued success, in collaboration with all of its stakeholders.

Mohammed Nasser M A Al-Hajri
Managing Director and General Manager

About Qatar Steel

A proud Qatari steel manufacturer, Qatar Steel was established in 1974 as the first integrated iron and steel plant in the Arabian Gulf. Since its inception, Qatar Steel has made strides contributing to the development of Qatar's economy and infrastructure. The company's plant consists of direct reduction modules, electric arc furnaces, ladle furnaces, continuous billet casting machines and rolling mills, which produce direct reduced iron, steel billets and reinforcing steel bars.

Qatar Steel is fully owned by Industries Qatar (IQ), and has a subsidiary, Qatar Steel FZE, which operates wire rod and rebar production facilities in Jebel Ali Free Zone, Dubai, UAE.

With a vision to provide a solution to concrete reinforcement corrosion, Qatar Metals Coating Company WLL (Q-Coat), was founded in 1990 as a joint venture between Qatar Steel and Qatar Industrial Manufacturing Company (QIMC) to produce Fusion Bonded Epoxy (FBE) coated rebar, which is considered by many researchers and engineers as the most cost-effective technique for combating the corrosion of rebar.

Vision

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

Mission

We will continue to be the first name in the region's steel industry as a sustainable producer, safeguarding Health, Safety & Environment, maximizing stakeholder value and contributing to Qatar National Vision 2030.

Values

The drivers of our ambition:

- Trustworthy
- Reliable
- Dynamic
- Creative
- Perceptive

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.

Qatar Steel 2017 Highlights

32% of processed water recycled

79% reduction in total SO_x emissions from 2016

13 hours of training per employee

14,072 hours of HSE trainings

81% of total waste recycled

4.0% decrease in energy intensity from 2016

6% increase in scrap input from 2016

10% Qatarization rate

2.6% attrition rate for year 2017 compared to 5.27% for year 2016.

2.4% decrease in total carbon injection from 2016

1.31 metric tonnes CO_2eq – GHG emissions intensity compared to year 2016

Over 70% reduction in the lost time injury frequency rate (LTIFR) since AMAN Safety Transformation Program began

High strength rebar-QS 600 certified by CARES UK

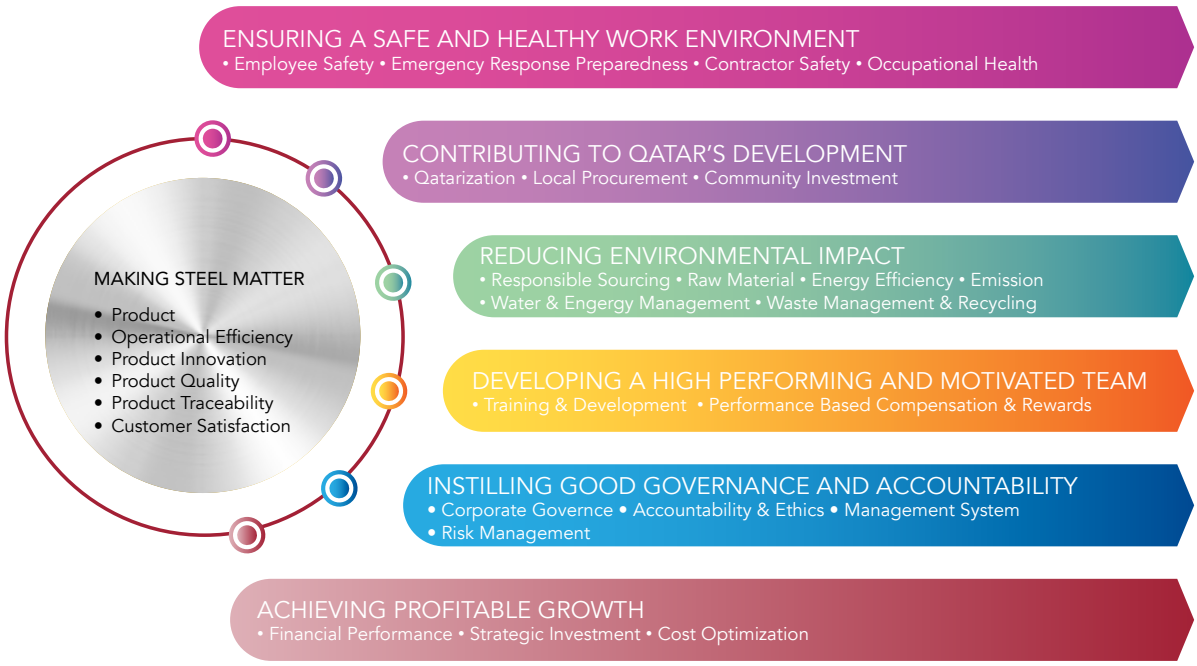
Sustainability Management Approach

Qatar Steel's sustainability management approach is the foundation of sustainability within the company. The approach is based on the integration of the company's material topics, Sustainability Framework, Strategy Map and Sustainability Roadmap 2020. These tools work together to enable Qatar Steel to measure its progress and continuously improve upon its sustainability efforts in line with stakeholders' opinions and the Qatar National Vision 2030.

Sustainability Framework

Qatar Steel's Sustainability Framework is based upon seven pillars, which we envision have the greatest impact on our company and stakeholders.

The pillars of this framework provide the foundation for this sustainability report. Each of the seven pillars has pertinent material issues, which are further discussed throughout this report.



Material Sustainability Issues

As a part of the sustainability management, Qatar Steel revises its material issues biennially. In an evaluation of stakeholder and company interests, Qatar Steel revised its material issues in 2016.

Maintaining World Class HSE Standards
- Employee safety
- Emergency preparedness
- Contractor safety
- Occupational health

Operational Efficiency

Waste Management and Recycling

Customer Satisfaction

Product Development
- Product Quality
- Product Innovation
- Product Traceability

Water & Energy Management
- Energy Consumption
- Water Consumption

Emissions
- GHG Emissions

Corporate Governance

Risk Management

Qatarization

Ensuring Continuous Growth and Profit
- Financial Performance
- Strategic Investment

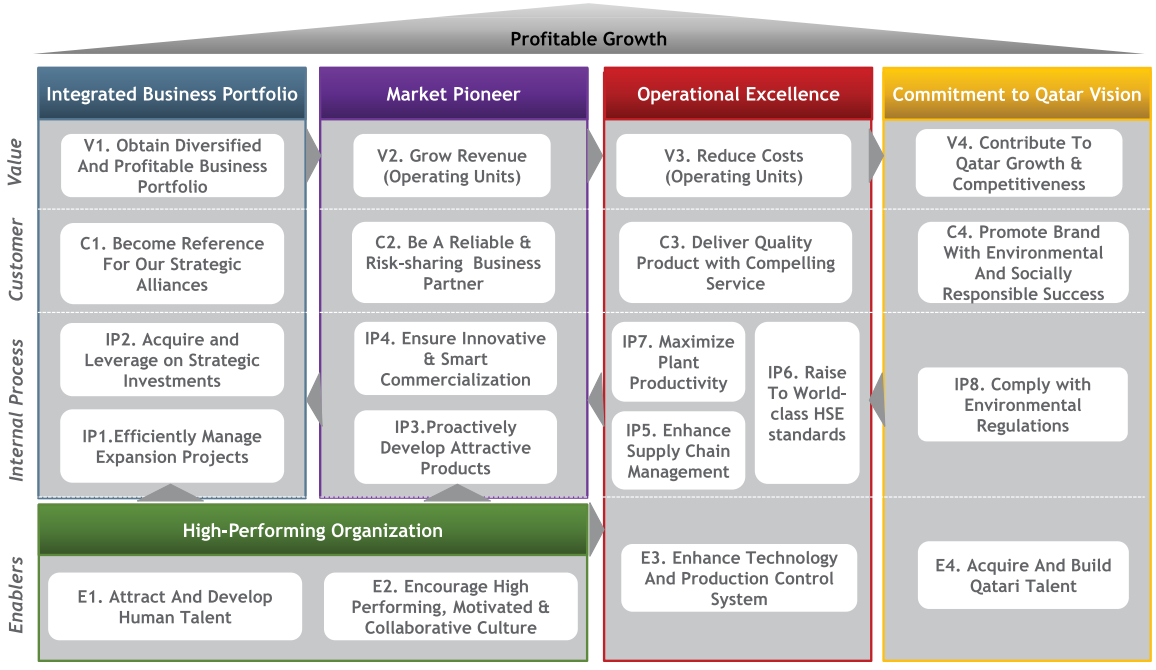
Workforce and Capacity Building
- Training and Development
- Performance Based Compensation and Rewards

Strategy Map

Qatar Steel's Strategy Map is integral to the continued success of our business. Greatly influenced by its sustainability management approach, Qatar Steel's Strategy Map provides a holistic approach to business management, as it consists of key priorities, identified through consultation with internal and external stakeholders. These priorities are further dissected into key performance indicators, which are in turn monitored and measured in balanced scorecards and regularly reviewed at all levels of our organization from the employee to the corporate level.

Qatar Steel Strategy Map 2015 – 2017

"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"



Under pin of our principal values : Trustworthy, Reliable, Dynamic, Creative and Perceptive

Sustainability Roadmap 2020

The year 2017 marked the second year of Qatar Steel's Sustainability Roadmap 2020. The roadmap was created to outline the performance targets to be achieved from the year 2016 to 2020 and is an important step in Qatar Steel's sustainability journey. This five-year plan is based on six thematic objectives.

Six thematic objectives:
1. Sustainable steel supplier of choice in the region
2. Breakthrough low carbon footprint steel industry
3. World-class energy consumption rates for the steel industry
4. Leader in recycling and reusing among companies in the Qatar's energy and industry sector
5. Zero-harm culture and performance
6. Leading water management practices for Qatar and the steel industry internationally

The five-year plan is built upon Qatar Steel's Sustainability Framework.

Framework Focus Area	Objective 1	Objective 2	Objective 3	Objective 4	Objective 5	Objective 6
Making Steel Matters	√	√	√	√		√
Contributing to Qatar's Development	√				√	√
Reducing Environmental Impact	√	√	√	√		√
Ensuring Safe and Healthy Work Environment					√	
Developing a High-Performing & Motivated Team					√	
Instilling Good Governance and Accountability	Overall Framework					
Achieving Profitable Growth	√	√	√	√	√	√

Culminating our second year of the Sustainability Roadmap, Qatar Steel examined its progress along each objective. As of this year, the following has been achieved:

Sustainability Roadmap Progress as of 2017		
Objective Number	**Sustainability Roadmap Objective**	**Progress in 2017**
1	Sustainable steel supplier of choice in the region	Qatar Steel has received Product Conformity Certification for its newly developed product, High Strength Rebar – QS 600 (10-32mm) from UK CARES.
2	Breakthrough low carbon footprint steel industry	The company's GHG emissions intensity has decreased from 1.34 metric tonne CO_2eq/metric tonne of molten steel in 2016 to 1.31 metric tonne CO_2eq/metric tonne of molten steel in 2017, a decrease of 2.2% due to a reduction in the total direct energy consumption, the generated by-products management as well as the operational improvements (Including revamping and/or installation of the dust collections systems) at EAF-3, EAF-5 and the Briquetting operation in 2017.
3	World-class energy consumption rates for the steel industry	The company's total Energy Intensity has been decreased from 15.32 GJ/metric tonne of molten steel in the year 2016 to 14.71 GJ/metric tonne of molten steel in the year 2017, a reduction of 4.0% due to the reduction in the total direct energy consumption in the year 2017.
4	Leader in recycling and reusing among companies in the Qatar's energy and industry sector	Qatar Steel has successfully commissioned the Byproducts Briquetting Plant in October 2015. By the end of 2017, around 126,000 metric tonnes of briquettes (RBQ) with DRI dust and DRI fines were produced and recycled in the electric arc furnaces. Trial of briquetting lime and dololime fines without binder was conducted successfully and subsequently recycled at steel making. As a part of a by-product synergy with Aluminum Smelter (Qatalum), 14,479 metric tonnes of their carbon material and cryolite was recycled at Qatar Steel as an alternate raw material. Around 95,000 metric tonnes of EAF dust has been co-processed at a local cement company for clinker production.
5	Zero-harm culture and performance	Phase 1 of the Safety Transformation Program "AMAN" has met the expectations and milestones focusing on hazard identification and risk mapping.
6	Leading water management practices for Qatar and the steel industry internationally	Around 32% of processed water has been recycled, surpassing the baseline target of 16.5%. Tender for Near Zero Liquid Discharge (NZLD) Project was floated in December 2017.

Ensuring a Safe and Healthy Work Environment

The year 2017 was marked by a strong focus on safety across all levels of Qatar Steel's operations, with the goal to not only improve safety figures, but also to change behaviors and the company's culture. In cooperation with Qatar Petroleum (QP), Qatar Steel is now applying all of QP's health and safety rules, in order to share these best practices and incorporate their strategies into Qatar Steel's own operations. The company is in the process of integrating UK CARES management procedures into its operations, in addition to its current certification for OHSAS 18001 by Applus+.

AMAN Safety Transformation Program

In an effort to enhance the safety culture at Qatar Steel, and in-line with the company's objective to effectively address key risks in day-to-day activities and create a "Zero Harm Culture," Qatar Steel embarked on the Safety Transformation Program "AMAN" in April 2016, in order to transform the company as one of the safest steel making companies and ensure world-class safety for our employees.

The AMAN Program is designed over two main phases:

- Phase 1: Contains risks in day-to-day operations
- Phase 2: Builds the system, and enhance organizational capabilities and safety culture

Qatar Steel has partnered with **DuPont Sustainable Solutions,** the operational consulting arm of DuPont, to accelerate the company's safety transformation journey by leveraging their expertise in running their own 200+ sites worldwide and in supporting many steel companies in improving their safety performance.

Employee and Contractor Safety

Since the introduction of the AMAN Safety Transformation Program in 2016, Qatar Steel has experienced great improvements in its employee safety performance. In 2016, the focus was on the first phase of the program, in which a top-down approach was adopted and driven by the leadership. Concurrently, a bottom-up approach was adopted, addressing shop-floor employees to strengthen the safety culture. A Risk Identification and Mitigation Program was launched, that formed task teams across different departments to go in the field and identify the risks. Then, a mitigation plan was developed and followed up on in weekly meetings.

Qatar Steel leadership engaged in a Safety Leadership Development Program. During the program, the top 40 executives and managers of the company demonstrated their commitment and passion for safety through Visible Felt Leadership coaching sessions in the field. The company also increased its senior management presence in the field by instating a weekly Management Safety Walk to identify and mitigate risks at sites.

In 2017, the focus shifted towards building the systems and to enhance the capabilities required to support a cultural transformation within the company.

Management Safety Walk

Building Safety Systems

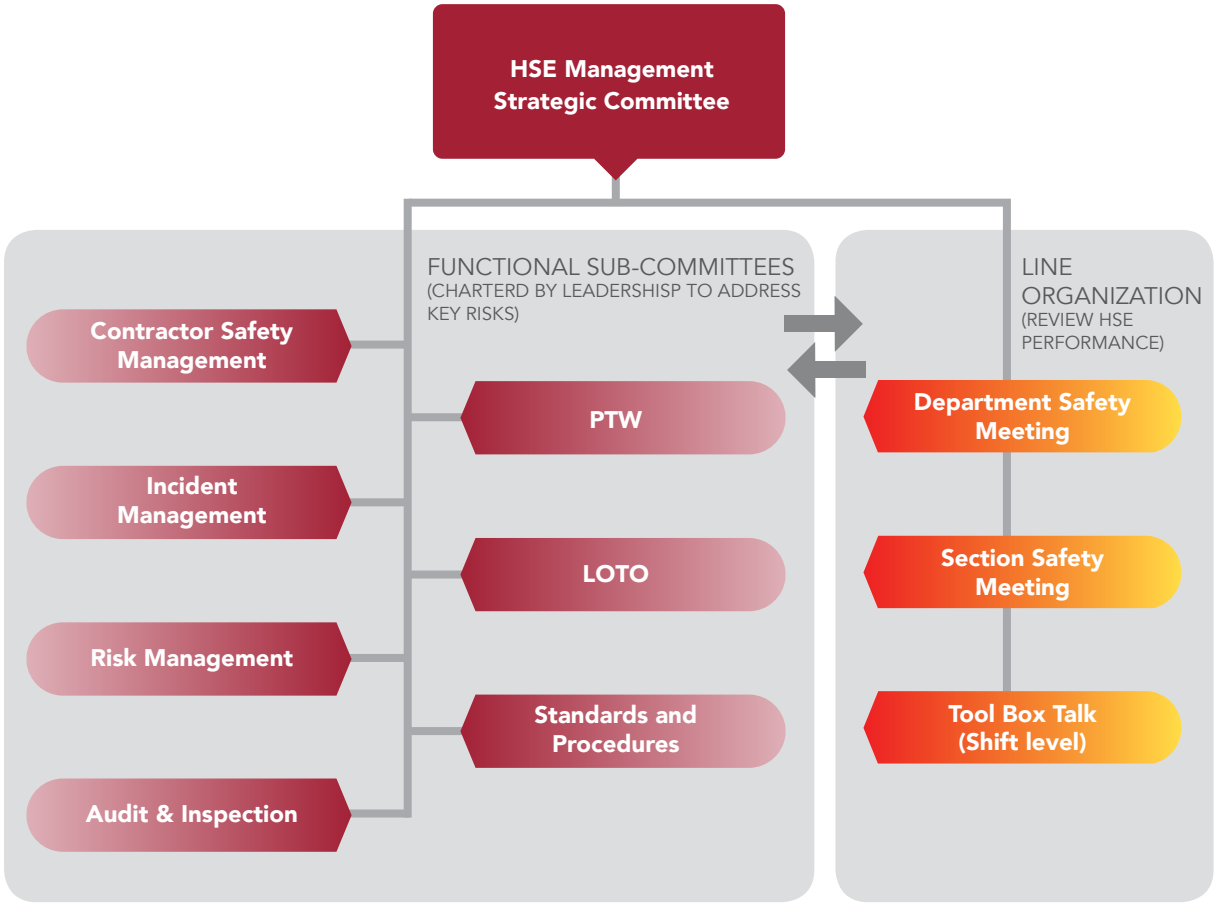
Qatar Steel has developed and reinforced key safety systems, which were achieved through cross-functional task teams covering all departments while tailoring best-practices to the specific needs of the business. The following highlights some of the key systems implemented as part of the AMAN program:

- **Permit to Work:** Qatar Steel upgraded its permit to work system to take it from a paperwork exercise to an impactful system ensuring that work is recorded and conducted in a safe, coordinated and consistent manner. This was done by making site risk assessment essential for the start of work as well as ensuring that both the issuing and executing agency are involved in site verification before and after the work is done. Moreover, execution supervision is required at all times in the new system to ensure work is executed in a safe manner and process steps are complied with.
- **Risk Assessment:** Qatar Steel revamped the way that risks are assessed in the plants by shifting from a compliance-based process to a risk-based one with a clear process flow and roles & responsibilities. The revamped system is aimed at effectively and sustainably reducing the risk in the field beyond the documentation of hazards and risks.

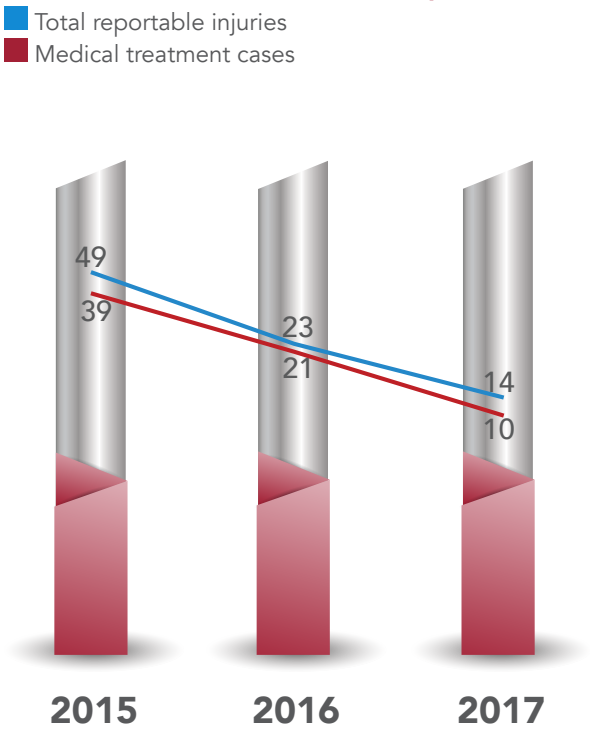
- **Lock-Out and Tag-Out (LOTO):** Qatar Steel introduced a positive isolation system named Lock-Out and Tag-Out to strengthen and safeguard our maintenance jobs, which is a major breakthrough for the company. Our leadership took the decision to implement the system regardless of all the technical challenges, strongly placing employees' lives and well-being at the top of its agenda.

- **Contractor Safety Management:** Qatar Steel put together a comprehensive system to manage contractors, not only during job delivery, but across the entire value chain from pre-selection to contract signature, training, execution and feedback. The system is equipped with a pre-qualification scoring mechanism that will evaluate contractors during the tendering stage.

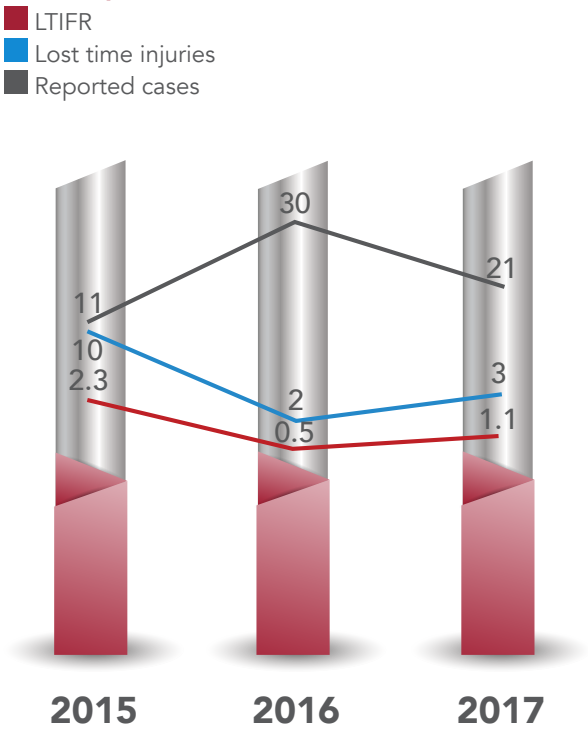
- **Safety Governance:** Qatar Steel developed a robust governance structure that links top management to shop floor in a structured manner, with clear reporting lines and mechanisms. The purpose of the upgraded governance structure is to drive messages, concerns and progress from the bottom-up, and cascade decisions top-down while ensuring an effective process. The governance system is equipped with a set of leading and lagging KPIs and dashboards to measure and monitor safety performance in an effective, structured and sustainable manner to drive decision making.



Safety Indicators - Employees



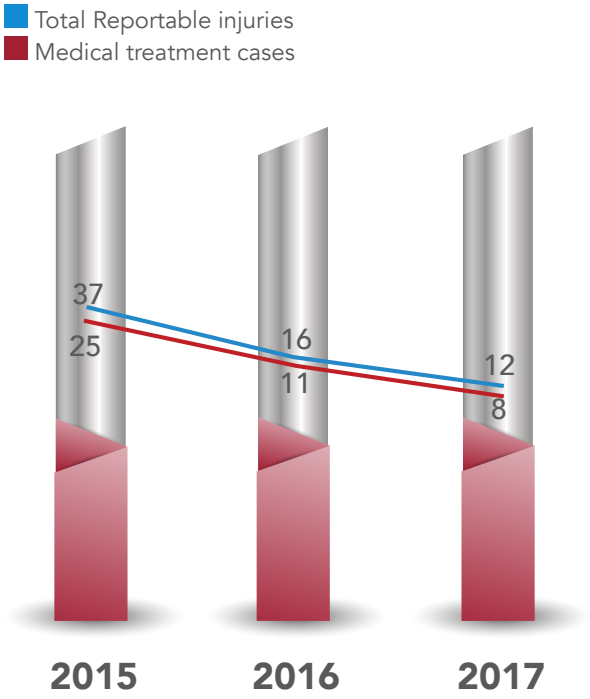
Employee Lost Time Injuries



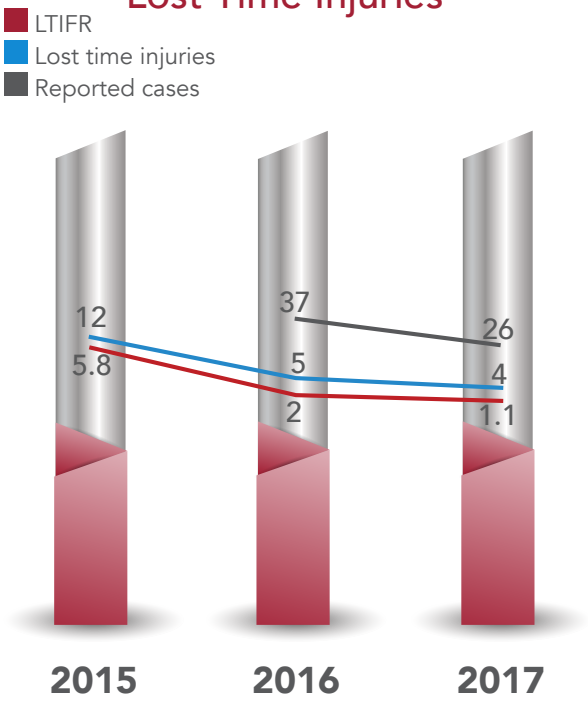
Safety Performance - Employees			
	2015	2016	2017
Work-Related Fatalities	0	0	1
Lost Time Injury Frequency Rate (LTIFR)	2.3	0.5	1.1
Reportable Injuries	49	23	14
Reportable Cases (TRC)	11	30*	21
Man-Hours Worked	4,340,327	3,943,960	3,743,864
Lost Time Injuries	10	2	3
Medical Treatment Cases	39	21	10
Near Missed Reported	326	811	451
First Aid Cases	25	7	7

* This figure is reported differently from that in the 2016 report, as a result of improvements in our calculation methodology.

Safety Indicators - Contractors



Contractor Employee Lost Time Injuries



Safety Performance - Contractors			
	2015	2016	2017
Work-Related Fatalities	2	0	0
Lost Time Injury Frequency Rate (LTIFR)	5.8	2.0	1.1
Reportable Injuries	37	16*	12
Reportable Cases (TRC)	-	37*	26
Man-Hours Worked	2,059,200	2,544,671*	3,521,458
Lost Time Injuries	12	5	4
Medical Treatment Cases	25	11*	8
Near Missed Reported	0	384	451
First Aid Cases	20	21	14

*These figures are reported differently from those in the 2016 report, as a result of improvements in our calculation methodology.

Safety Training and Emergency Response Preparedness

Building the Capabilities and Culture

Following the upgrade of critical safety systems, Qatar Steel led training and coaching sessions on the introduced systems to the relevant stakeholders at Qatar Steel. Qatar Steel successfully conducted the following:

- Engaged a third-party training agency that trained over 1,500 resources on the new permit to work system and initiated a training program for 1,000 resources on the new isolation and Lock-Out & Tag-Out system.
- Trained key resources on the new incident investigation process and coached a pool of senior resources from all departments through real incident investigations which developed incident investigation champions to lead the efforts moving forward.
- Trained relevant employees on the new risk assessment system and conducted coaching sessions with each production department to guide them through live examples of Hazard Identification & Risk Assessment (HIRA), Job Safety Analysis (JSA), and Man-Machine Interface (MMI) to ensure we achieve the required quality to effectively mitigate the risks in the field.
- Currently engaged in training and coaching across the organization on how to utilize the rest of the revamped systems. These capacity building exercises are essential to ensuring everyone is aware of the safety criteria and practices that support the sustainability of Qatar Steel. These include confined space entry, working at height, audits and the safety governance systems.

Qatar Steel engaged in an intensive communication campaign where banners, outdoor stands and handouts were distributed strategically across Qatar Steel's facilities and in 4 different languages to raise the awareness around the Life-Saving-Rules. All resources have been trained by their department management on the importance of these rules to save their lives as well as the lives of their peers

Qatar Steel Life-Saving Rules

Qatar Steel also took a strategic decision to enhance the size and the capabilities of its safety team within the HSE department by redesigning its organization's structure and attracting talent globally. These new positions include a mixture of engineers, subject matter experts and front-line inspectors. This enhancement will support the organization in reaching and exceeding its cultural safety transformation objective.

Finally, Qatar Steel has revamped its safety rewards and recognition process, aimed at promoting the desired safety culture and mindset in the organization, and linked it to its HSE objectives. The upgraded reward system and process has a clear set of guidelines and principles, a clear evaluation criteria, and covers all levels of the organization, including contractors. It is designed to provide the right level of motivation to the safety staff and recognize them for outstanding safe behavior.

These combined efforts have led to a reduction in Qatar Steel's lost time injury frequency rates (LTIFR) by over 70% since the program started, which is below the World Steel Association level.

Occupational Health

The mission of Qatar Steel's Occupational Health Center (OHC) is to nurture and facilitate a healthy workforce. OHC covers three domains: Primary Health Care, Occupational Health Services, and Emergency Medicine. The center aims to maintain and improve employees' health and well-being through pre-employment medical exams, periodic medical exams, and special exams for employees exposed to hazards. While the focus has been to cover those exposed to hazards, the center is planning to expand this focus to examine all employees over the age of 40.

Qatar Steel's Health, Safety, and Security department provides training on topics such as heat stress, health and hygiene, the dangers of smoking, and ergonomics. As part of the company's focus on preventative medicine, its clinics provide one-on-one consultations for employees, conduct vaccination campaigns, and regularly check staff for Vitamin D deficiency.

Qatar Steel periodically measures the health and safety indicators, which are reviewed during the company's quarterly meetings. In 2018, these efforts will be expanded further through the creation of a newer and larger health clinic, which will be similar to a small intensive care unit. OHC intends to create an on-site pharmacy, and is currently working with local authorities in order to gain the proper permits necessary to dispense medication. This will be of great benefit to Qatar Steel employees, as they will not need to travel to the pharmacy after working hours to pick up certain medications.

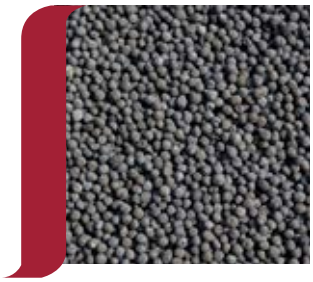
Occupational Health Indicators			
	2015	2016	2017
Employee Occupational Illnesses	4	2	31*
Health Screening (completed vs planned) (%)	77	106	129
*This number has increased due to a new set of tested parameters, like age and nature of job, which were added to the list of screening for the employees during periodic medical examinations.			

Making Steel Matter

Qatar Steel's objective is to become the sustainable steel supplier of choice in the region, while focusing on the quality, innovation, and traceability of its products, as well as operational efficiency.

Qatar Steel's iron making units are Direct Reduced plants (DR1 and DR2), steelmaking's Electric Arc furnaces (EAF3, EAF4 and EAF5) and rolling mill facilities (RM1 and RM2) have a yearly production capacity of 2.5 million metric tonnes of DRI and semi-finished product (billets), and 1.7 million metric tonnes of finished product (rebar). The company's auxiliary units comprise of calcination KILN's (Kiln1 & Kiln2), which produce quick lime and dololime.

Qatar Steel Products



CDRI

Billet

Rebar

Wire Rod

Epoxy Coated Rebar

The year 2017 marked a historic year for Qatar Steel, as the company reached record production numbers, despite facing geopolitical challenges. The company successfully upgraded its supply chain efficiency by procuring and commissioning a new unloader. Increased production and profits have already occurred as a result of these initiatives under operational excellence.

Production			
	2015	2016	2017
Qatar Steel (in metric tonnes)			
Direct Reduced Iron (DRI)	2,573,973	2,478,481	2,547,916.00
Hot Briquetted Iron (HBI)	57,342	27,457	-
Steel Billets	2,593,662	2,520,751	2,644,991
Reinforcement Steel Bars (rebar)	1,784,350	1,893,052	1,745,143
Byproducts (Oxide Fines, DR Dust, DR Slurry, Classifier Dust, Alloy Dust, EAF Dust, Limestone Fines, Dolostone Fines)	210,703	219,139	285,286
Qatar Steel FZE (in metric tonnes)			
Reinforcement Steel Bars (rebar)	377,602	379,365	298,701
Wire Rod and Rebar in Coil	162,932	172,780	118,187

Operational Efficiency

Qatar Steel is dedicated to its continued economic success, while maintaining a foundation of social and environmental responsibilities. Key to this priority is the company's commitment to achieving operational excellence, through constant innovation to improve efficiency in-hand with sustainable development criteria.

Operational Efficiency Highlights 2017:

- The oxygen jets were upgraded by the in-house facilities in order to conserve energy in the EAF3 fume extraction system that was commissioned in 2016. In addition, the Continuous Emission Monitoring System installation was successfully commissioned to monitor and control the dust emission levels at EAF3 plant.
- All conveying systems in Qatar Steel's DR1 plant were introduced with wind guard protection. This project works to eliminate fugitive dust emissions and raw material and product loss.
- In order to ensure the energy optimization probabilities in all of the high energy consumption sources and to comply with the statutory requirements from KAHRAMAA, Qatar Steel engaged in a consultancy service for power factor improvements.
- To monitor and control the probable loss of natural gas and to identify the source of massive fire incidents, Qatar Steel's gas leak detection stations identified 22 leaks across 11 locations as part of a quantitative risk assessment.
- Qatar Steel introduced SO_2 and NO_X monitoring systems at EAF5 main furnace de-dusting system to monitor and control dust emission levels to ambient levels. This project is under progress and is expected to be completed by mid of 2018.
- Qatar Steel conducted a feasibility study and revamped the cold briquetting plant's dust collection system.

Product Innovation

Led by its Research and Sustainability (R&S) department, Qatar Steel's efforts in innovation are outlined in its Sustainability Roadmap and center on four key objectives: new product development, recycling and sustainability, process improvement, and cost reduction. The department works across all levels of operations to improve product innovation, development and sustainability.

High Strength Rebar (QS 600 Rebar)
In 2017, Qatar Steel received the Product Conformity Certification for its newly developed product, high strength rebar QS 600 (10 to 32 mm) from CARES, UK.

Over the years, rebar with yield strength 420MPa, 460MPa, 500MPa, etc., conforming to BS 4449/ASTM A 615 specifications, were available in Qatar. Rebar with higher strength (i.e. YS>600MPa) reduces the steel consumption by around 20 – 25% in construction, which in turn lowers the overall cost of structure. Using high strength rebar can also lead to a reduction in the column size of heavily loaded structures, and there is relief from rebar congestion. In line with this aim, the R&S department explored and successfully developed high strength rebar QS 600 to cater to the Qatari and international markets.

CERTIFICATE OF APPROVAL

Responsible sourcing of construction products

BES 6001

Rating
VERY GOOD

This is to certify that

Qatar Steel Company (QSC)

at its establishment at

Mesaieed, Qatar

has been approved by the Authority to the requirements of BES 6001 Issue 3.0 using the processes and procedures registered with the Authority. This responsible Sourcing certification has been carried out under license using BRE's Responsible Sourcing scheme methodology, scheme documentation and underpinning processes. The scoring table is shown in a separate appendix to this certificate.

BRE BES 6001 Issue 3.0

Scope of certification:
Production of continously cast steel bilets. Production of hot rolled steel bar for the reinforcement of concrete.

This certificate remains the property of the Authority and is issued subject to the Regulations of the Authority. This certificate is uncontrolled when printed. To check the validity of this certificate please visit www.ukcares.com or contact us on +44 1732 450000.

CERTIFICATE NUMBER	FIRST APPROVAL	ISSUE DATE	EXPIRY DATE
1451	**July 2016**	**20 July 2016**	**20 July 2019**

SIGNED FOR UK CERTIFICATION AUTHORITY FOR REINFORCING STEELS

Lee Brankley,
Chief Executive Officer

UKAS PRODUCT CERTIFICATION 002

The use of the Accreditation Mark indicates accreditation in respect of those activities covered by the accreditation certificate number 002.
UK Certification Authority for Reinforcing Steels, Pembroke House, 21 Pembroke Road, Sevenoaks, Kent, TN13 1XR, UK.
A Company Limited by Guarantee. Registered in England No. 1762448.
Cert. Ref: AllC112010 43401 603

Steel Slag Optimization

In April 2017, Qatar Steel's R&S department presented its research on the optimization of steel slag in construction and road asphalting. The department conducted this research project in collaboration with TRL-UK, the Qatari Ministry of Municipality and Environment (MME) and Ashghal. During the seminar, key stakeholders presented the outcome of this research, proving that steel slag is usable as an aggregate in construction applications and is compliant with Qatar Construction Specifications (QCS 2014).

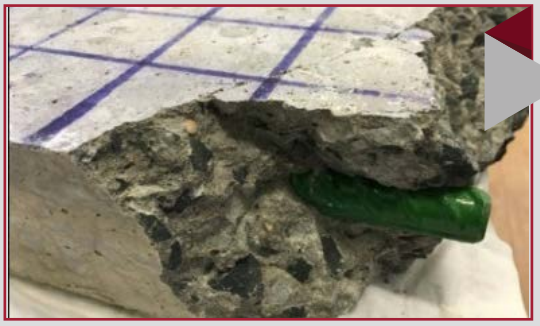
Speakers from MME, Ashghal, TRL

Presentation from Dr. Saif Al-Khuwari -MME

Research on Corrosion Performance of Epoxy Coated Rebar:

In collaboration with the Center for Advanced Materials (CAM), Qatar University conducted research on the corrosion performance of epoxy coated rebar produced at Qatar Metals Coating Company (Q-Coat) and published a detailed project report highlighting the corrosion performance of epoxy coated rebar in the Qatari marine environment. The report was shared extensively with many construction companies and contractors to promote awareness on the benefit of using ECR in a saline environment.

Severe corrosion in black bar



No traces of rust/corrosion in epoxy coated rebar with and without controlled damage.

The condition of rebar samples retrieved from concrete blocks after 2 years of exposure to continuous drying and wetting cycles in a salt spray chamber, simulating actual environmental conditions in Qatar.

Dololime Fines Briquetting

In 2017, the R&S department successfully conducted a briquetting trial to produce dololime briquettes from dololime fines generated from Qatar Steel's Lime Calcination Plant. Briquettes are produced on a regular basis as and when required at Qatar Steel's Byproducts Briquetting Plant, and eventually consumed in the steelmaking furnaces.

Dololime Fines Briquettes

EBT Automatic Filing System

A notable safety improvement project, Qatar Steel is working to create an Eccentric Bottom Tap (EBT) automatic filling system in 2018, which would increase operators' safety. The EBT automatic filing system would avoid manual operations from the top of the EBT panel, after tapping, and reduces the exposure of EAF operators to the hazards of slips, trips, and working under high thermal load during filling or inspection of EBT.

Product Quality and Traceability

Qatar Steel strives to provide its customers with the best steel products that meet and exceed international standards. The use of stringent quality-control system qualifies Qatar Steel for several international management systems such as ISO 9001, ISO 14001, OHSAS 18001, BRE BES 6001 and product certifications like CARES product certifications (BS 4449 2005 Grade B500C, BS 4449 2005 Grade B500B, BS 4449 1997 Grade 460B, QS600 and Nuclear Grade Applications certified). The company also develops the best quality steel for its customers through its work with local and international educational institutions.

Qatar Steel has ISO 17025 certified quality control laboratories equipped with modern computerized testing and analytical instruments to ensure only high-quality products are delivered to the customer.
In line with this fact, Qatar Steel's products have full traceability. Each billet and rebar produced has a charge number that is allocated during production at the molten steel stage, EAF. Each product has a distinct charge number, which allows the company to trace its complete production history for the customers.

As part of the Sustainability Summit 2017, Qatar Steel received the Certificate of Sustainability Excellence from the Gulf Organization for Research and Development (GORD). The Certificate is certified under the Gulf Green Mark - Environmental Product Declaration and recognizes Qatar Steel's efforts and results in acting as a responsible company.

Customer Satisfaction

Always working to meet the needs of a growing customer base, Qatar Steel seeks new opportunities to communicate with and learn from its clients. In 2017, the company conducted a customer satisfaction survey. Qatar Steel rated well above its target, scoring 4.16 points out of a 5-point scale, with its highest score in "Consistent Quality." Overall performance in export markets and delivery time rated higher in 2017 than in 2016, and the company's wire rods and rebar in coils rated on par with targets, in terms of overall performance.

In 2017, Qatar Steel's sales mobile application was launched for customers, providing a user-friendly interface for clients to connect with the company and monitor their orders.

In 2018, all sales and marketing will move to Qatar's Chemical and Petrochemical Marketing and Distribution Company (Muntajat) Q.J.S.C. Muntajat will add value to both Qatar Steel and its clients, as it houses centralized sales and marketing activities for Qatari products. Additionally, Muntajat will facilitate communication and collaboration, as it has local marketing offices internationally. This will benefit Qatar Steel, especially as it expands to new global markets. Furthermore, sales and marketing employees previously employed by Qatar Steel will transfer to Muntajat, ensuring that customer relationships and expertise will be maintained under the new arrangement.

Contributing to Qatar's Development

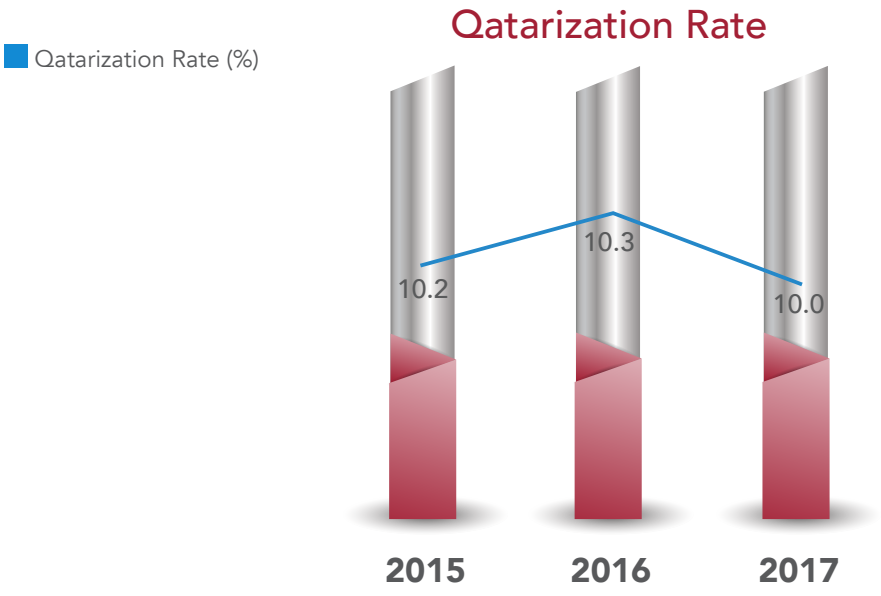
The steel industry plays a vital role in Qatar's ever-growing economy. As a proud Qatari company, Qatar Steel strives to align its priorities with Qatar National Vision 2030, with an emphasis on the successful social, economic, human, and environmental development of Qatar.

Qatar Steel is integrated into all aspects of Qatari society. The company is embedded in Qatar's foundation, not only physically, as the base for much of Qatar's physical infrastructure, but also among its people, through employment and procurement opportunities, community investment programs and collaboration with academic institutions.

Qatarization

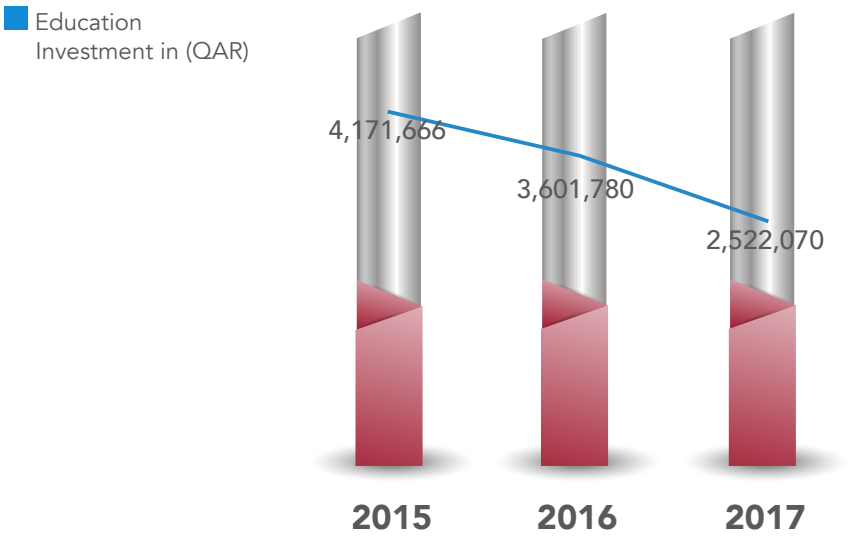
In line with the Qatar National Vision 2030, Qatar Steel is committed to maintaining a solid and growing base of Qatari employees. The company has maintained a Qatarization rate of about ten percent for the past several years and aims to continue to meet and exceed this rate in the coming years.

Qatar Steel seeks to hire Qatari nationals through career events at various educational institutions in the State of Qatar, such as Qatar Steel Open Day, Qatar's Technical Independent School and Al Wakrah Independent School.



Qatarization			
	2015	2016	2017
Qatari Employees	191	187	182
Qatarization Rate (%)	10.2	10.3	10.0
Qatari Senior Management (New Hire)	0	2	0
Qatari New Hires	-	5	3

Sponsorship/Scholarship Education Investment



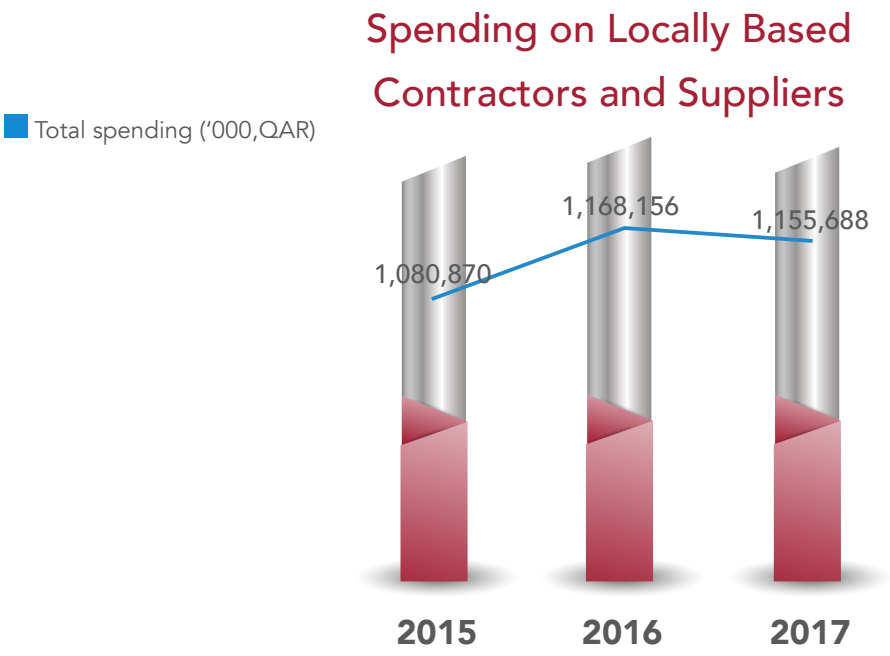
Investment in Education			
	2015	2016	2017
Sponsorship/Scholarship Education Investment (QR)	4,171,666	3,601,780	2,522,070

Local Procurement

Local procurement not only reduces delivery time and cost, it also contributes to Qatar's local economy by providing new opportunities for capacity development in the Qatari workforce and industry.

Qatar Steel has a preference, wherever possible, to select local suppliers. In 2017, most consumables, including all scrap, natural gas, diesel, and petrol, were locally purchased.

In 2017, Qatar Steel experienced an increase in the total amount of spending on local suppliers. There was, however, a decrease in the percentage of total spending on local suppliers. This was a result of the change in oil prices and broader cost optimization measures as well as an overall reduction on spending.



Spending on Locally Based Contractors and Suppliers			
	2015	2016	2017
Total Spending ('000,QAR)	1,080,870*	1,168,156*	1,155,688*

* This figure is reported differently from that in the 2016 report, as a result of improvements in our calculation methodology.

Community Investment

When investing in the community, Qatar Steel employs a focused approach, directly investing in organizations which will have the greatest impact on the local community. Organizations requesting support submit proposals to the company. Qatar Steel experienced a decrease in its community investment budget for 2017; however, this budget is expected to increase in 2018.

The sustainable development of the Qatari community is a priority for Qatar Steel. This year, the company supported the Qatar's Charity for Rehabilitation of Special Needs with clothing and food assistance.

Qatar Steel also provided support to the Qatar's Society for Rehabilitation and Special Needs. The donation was used to purchase wheelchairs for those in need. Lastly, Qatar Steel's staff visited the children's section of Hamad Medical Corporation (HMC) to distribute traditional Ramadan Garangoa bags.

Qatar Steel organized a blood donation drive with the Hamad Medical Corporation at its plant site in Mesaieed Industrial City. This blood donation drive aimed to raise health awareness and a sense of humanity toward the community, as it brought employees of various departments together for the cause.

This year, Qatar Steel participated in the Waste Free Environment Day at Al-Wakra City. During the event, staff volunteered to clean the beach, in support of the environmental awareness campaign "Waste Free Environment" (WFE), launched by the Gulf Petrochemicals and Chemicals Association (GPCA). The event is heavily attended by students from schools in Qatar with the aim of building awareness about environmental protection and recycling, including fun activities such as contests, games and quizzes for the young participants.

Community Investments			
	2015	2016	2017
Community Investments (QAR)	341,000	121,750	65,680

Reducing Environmental Impact

Minimizing the environmental impact of operations is important to Qatar Steel. In an effort to protect the needs of future generations, the company aims to meet present needs, while minimizing its environmental impact.
Qatar Steel's Environmental Management System is compliant with all local regulations and regulatory bodies, including the Ministry of Municipalities and Environment, as well as with ISO 14001 and OHSAS 18001, and is integrated into all levels of operation. This is not a one-level approach; the entire company works together to minimize its environmental impact. Always working to improve its standards, Qatar Steel achieved third party accreditation for its Health and Safety Management system last year.

In alignment with the Qatar National Vision 2030, Qatar Steel strives to improve the efficiency of natural resource inputs to help the country maintain strategic reserves to meet the needs of national security and sustainable development. Moreover, the company works to preserve and protect the environment through being an innovative company.

Responsible Sourcing and Material Consumption

Qatar Steel is committed to improving the environmental, social, and economic impacts of its operations, including throughout the supply chain. Evidence of this commitment, Qatar Steel has achieved a responsible sourcing of construction products certificate from UK CARES.

Qatar Steel integrates Life Cycle Assessments (LCAs), which provide a "cradle-to-grave" analysis in order to meet the international accreditations in manufacturing for the company's high-grade steel. Qatar Steel also has a CARES Environmental Product Declaration (EPD), which quantifies the environmental impact of products, and it is publicly available. In line with best practices, transport impact data are regularly collected and reported as a part of this declaration, through a transport impact assessment.

Many of Qatar Steel's suppliers also conduct LCAs on the materials sourced from them; iron ore is sourced from four globally recognized companies, all of which are ISO 14001 and ISO 9001 certified. In 2015, Qatar Steel completed an LCA on its products through a third-party evaluator, BRE Global, in accordance with the requirements of EN15804:2012 + A1:2013. This certification and information facilitate responsible sourcing practices, and provides clear benchmarks and guidance on product sustainability. Additionally, Qatar Steel produces its products in line with the sustainability principles of the UK CARES's Sustainable Constructional Steel Scheme.

Qatar Steel's Sustainability Management Policy directly addresses efforts in continually reducing the environmental impact of assets and operations, especially those associated with the transport of materials, goods and people involved in operations. As a part of these efforts, Qatar Steel assessed the transport distance of its products by land and by sea. A similar study for sold materials was also conducted. As a result, the company aims to shift the balance toward sea transport.

As recommended in the National Biodiversity Strategy and Action Plan 2015-2025, Qatar Steel is committed to preserving Qatar's natural environment. Consultants and studies have ensured that Qatar Steel's operations are not conducted in areas of high biodiversity value and do not have a harmful impact on the biodiversity in its region.

If you would like to access Qatar Steel's EPD Certificate, please visit: www.greenbooklive.com

Production Inputs

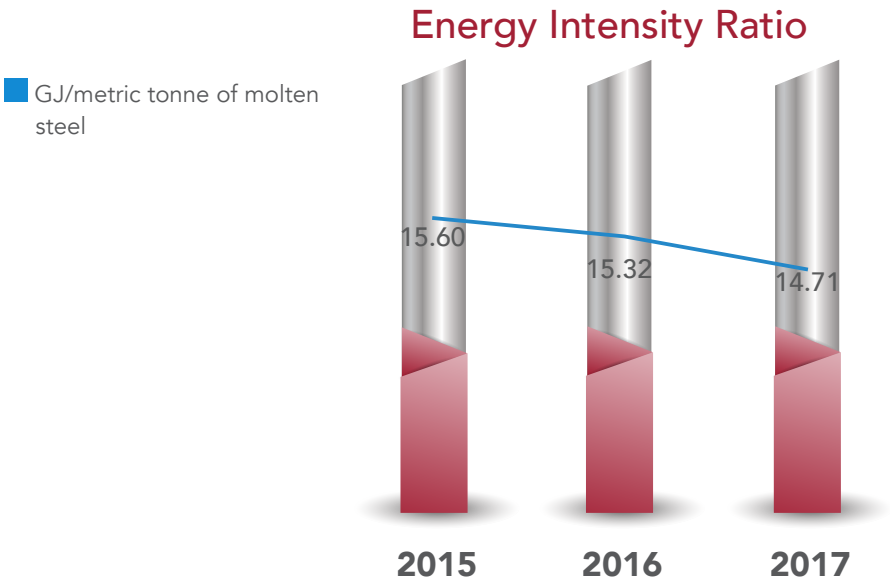
As a leader of sustainable steel in the region, Qatar Steel continuously aims to improve efforts under environmental responsibility. Since 2016, the total carbon injection within the company has decreased by 2.4%, from 41,057 metric tonnes in 2015 to 40,068 metric tonnes in 2017. 14,479 metric tonnes of spent carbon and cryolite from the Aluminum Smelter was recycled as a partial replacement of lump coke and fluorspar. Additionally, the company aims to increase the use of scrap in the steel production. Scrap input increased by 5.9%, from 429,382 metric tonnes in 2016 to 454,693 metric tonnes in 2017.

Production Inputs			
(in metric tonnes)	2015	2016	2017
Standard Material Input			
Iron Ore Pellets	3,807,685	3,554,668	3,662,666
DRI	2,442,848	2,297,613	2,517,450
HBI	115,909	73,648	0
Alloys	36,515	33,225	35,334
Additives (I.e. Lime and Dololime)	137,300	132,441	136,758
Recarburizer	5,676	4,900	6,226
Carbon Injection	45,198	41,057	40,068
Recycled Material Input			
RBQ (Reduced Briquettes)	8,431	73,438	36,567
Scrap (Purchased and Internally Generated Scrap)	391,394	429,382	454,693
Lump Coke	19,055	13,339	22,402

Efficient Energy Usage

Reducing operational energy consumption is important to Qatar Steel, as it both benefits the environment and improves profitability. Internationally, burning coal is the most used energy source in steel production; however, this method has the greatest negative environmental impact. Qatar Steel uses natural gas, a much cleaner source of energy, putting the company ahead of competitors in terms of environmental impact. The company also follows a DR-EAF route for the production of steel, which is less energy intensive than other steelmaking routes followed widely in other parts of the world (i.e. BF (Blast Furnace)-BOF (Basic Oxygen Furnace)). In 2017, the company further reduced the energy intensity of its operations to 14.71 GJ/metric tonne of molten steel, a 4.0% reduction compared to 2016.

Indirect and Direct Energy Usage			
	2015	2016	2017
Direct Energy			
Natural Gas (Nm^3)	825,118,745	786,452,400	786,311,362
Vehicle And Equipment Fuel Consumption (Litre)	3,087,397	2,806,444	2,515,796
Indirect Energy			
Electricity Consumption (kWh)	2,151,850,894	2,069,256,278	2,154,822,422
Energy Intensity			
Energy Intensity Ratio (GJ/Metric Tonne of Molten Steel)	15.60	15.32	14.71

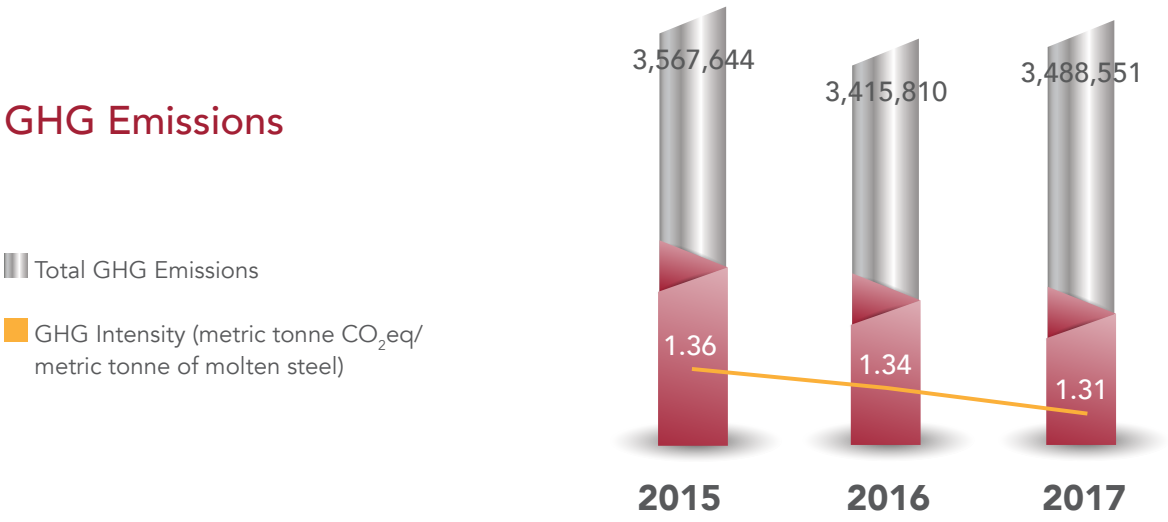


Reducing GHG Emissions

Greenhouse Gas (GHG) emissions present one of the greatest environmental challenges in the steelmaking industry. Although several gases make up GHG gases, Carbon dioxide (CO2) comprises the majority of global GHGs.

Qatar Steel strives to be an environmental leader in the industry. Although the company's overall GHG emissions increased in the year 2017, GHG emissions intensity decreased by 2.2% from 2016 to an intensity of 1.31 metric tonne CO_2eq/metric tonne of molten steel in 2017.

GHG Emissions



GHG Emissions			
	2015	2016	2017
Direct GHG Emissions (Metric Tonne CO_2eq)	1,711,383	1,630,798	1,629,727
Indirect GHG Emissions (Metric Tonne CO_2eq)	1,856,261	1,785,012	1,858,825
Total Emissions (Metric Tonne CO_2eq)	3,567,644	3,415,810	3,488,551
GHG Emission Intensity (Metric Tonne CO_2eq/Metric Tonne of Molten Steel)	1.36	1.34	1.31

Reducing Air Emissions

Qatar Steel prioritizes the health and well-being of all its employees and stakeholders through its unceasing endeavors to enhance the State of Qatar's environmental quality and managing of the various emissions of its operations. By achieving this purpose, Qatar Steel has reduced the SO_x emissions by 79.0% and the particulate matters by 88.0% in the year 2017 due to the operational upgrading of the EAF-3 Plant's dust collection system, which was achieved at the end of the year 2016. In addition, the improvement of the Continuous Emission Monitoring Systems (CEMS) at Qatar Steel plant has led to a better controlling of the emissions' measurements. This can be reflected in the measured values of SO_x, NO_x, and the particulate matter for the year 2017.

Relevantly, Qatar Steel uses low NO_x Combustion Technology and Energy Saving Measures in its operations which have resulted in a clear reduction in the emitted amount of NO_x, a reduction by 7.8% in the 2017.

Air Emissions			
(in metric tonnes)	2015	2016	2017
NO_x Emissions	839	549*	506
SO_x Emissions	737	1,349*	282
PM (Particulate Matter)	1,940	2,477*	292

*These figures are reported differently from those in the 2016 report, as a result of improvements in our calculation methodology.

Water Consumption and Effluents

As a company operating in a water-scarce region, Qatar Steel aims to reduce water consumption to the best of its ability, for the benefit of operations, as well as of the community and environment. Qatar Steel uses water in the form of freshwater, seawater, and recycled water in its operations as a cooling agent.

Qatar Steel's water management approach focuses on three objectives:
1. Decrease Freshwater Consumption;
2. Reduce Wastewater Discharge;
3. Increase the Recycling Rate of Processed Water.

In 2017, Qatar Steel successfully increased the quantity of recycled or reused water by 112.8%, from 151,565 m^3 in 2016 to 322,519 m^3 in 2017.

In line with the guidelines released by the Qatar Ministry of Municipality & Environment (MME), Qatar Steel aims to minimize the amount of waste water discharged to the sea. In 2017, a project for achieving a Near Zero Liquid Discharge (NZLD) system began, with the provision of a Zero Liquid Discharge (ZLD) system. Qatar Steel hired consultants to conduct a feasibility study for recycling process waste water from DR2 plant.

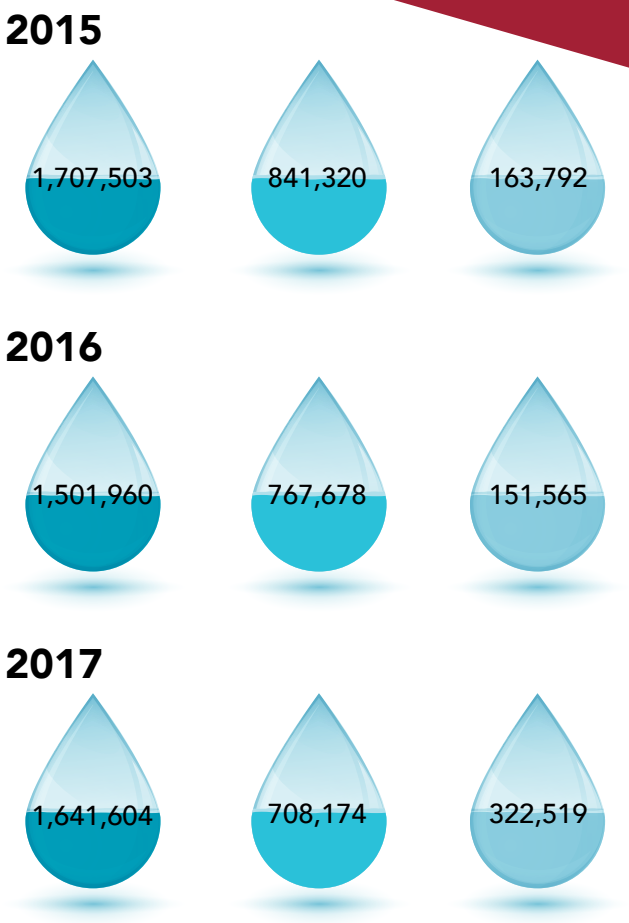
The treatment plant for NZLD is being created to recycle the wastewater generated from the DR2 plant, by treating this water to the desired quality and then pumping the treated effluent to the process water sump. The NZLD process aims to maximize wastewater recovery and achieve NZLD in the plant.

In 2017, Qatar Steel's operations consumed 1,641,604 m^3 of freshwater. The freshwater consumption is being controlled in-house; however, this control program is affected by the need to sustain production requirements. With the implementation of the Qatar Steel's NZLD/ZLD project, a further reduction of freshwater use by as much as 40% is expected.

Water Management			
Unit in m^3	2015	2016	2017
Freshwater Used (purchased)	1,707,503	1,501,960	1,641,604
Water Discharged (to sea)	841,320	767,678	708,174
Water Recycled or Reused	163,792	151,565	322,519
Water Recycled (%)	16.3	16.5	31.7

Water Management

- Fresh water consumption
- Water discharged to sea
- Water recycled or reused



Waste Management and Recycling

Under sustainability and profitability initiative, Qatar Steel aims to reduce waste through reuse and recycling. Steel scrap, EAF dust, and EAF slag are the most significant solid waste generated by the steel making operations. As such, Qatar Steel's focus is to increase the recycling efforts and results in regard to these products.

In 2017, Qatar Steel has successfully dispatched 95,000 metric tonnes of EAF dust to a local cement company for reuse in their operations. Similarly, all scrap is purchased locally, which increases the amount of reused material in operations and decreases the environmental impact of transportation. EAF slag is a major byproduct of the steelmaking process. The use of this slag has been tested in base, sub-base and asphalting of road construction within Qatar Steel's premises in the Mesaieed Industrial Complex in Qatar. So far, there have been no issues with the performance of the pavement with trafficking. If this continues to be successful, the recycling project will result in partial replacement of imported aggregates for road construction in the State of Qatar.

Overall, 733,090 metric tonnes, or 81% of total waste generated, was recycled/sold to a third party in 2017. Since 2015, Qatar Steel has increased the amount of waste recycled/sold to a third party by 140%.

Waste Management			
(in metric tonnes)	2015	2016	2017
Total Waste Generated	791,410	777,441	902,995
Operational Waste Generated and Disposed	461,573	105,273	152,147
Operational Waste Recycled/ Sold to Third Parties as byproduct	304,505	768,805	733,090
Percentage of Operational Waste Recycled/Sold to Third Parties as byproduct for Recycling	38%	99%	81%

Detailed Solid Waste Management Performance in 2017				
Non-hazardous waste	Total generated quantity (in metric tonnes)	Total recycled quantity (in metric tonnes)	Recycled quantity (%)	Method of handling/disposal
Oxide Fines	94,511	77,324	82	Sold to sintering plant
Mill Scale	24,845	30,526	123	Sold to sintering plant
DR Slurry and Classifier Dust	31,742	153,739	484	Sold to sintering plant
DR Fines / HBI fines	56,132	23,955	43	Recycled at Qatar Steel Briquetting Plant
DR Dust	27,120	16,725	62	Recycled at Qatar Steel Briquetting Plant
EAF Dust	29,072	94,672	326	Recycled at neighboring cement plant
Alloy Dust	4,668	0	0	Planning to recycle it at Qatar Steel Briquetting Plant
EF Slag	465,600	185,757	40	Recycled to produce aggregates
LF Slag and Collected Dust	33,461	0	0	Stored in Qatar Steel Stack Yard / under research & investigation
Undersize Limestone (PM-LSF)	12,495	7,998	64	Sold to local construction company
Undersize Dolostone (PM-DSF)	29,525	14,209	48	Sold to local construction company
Hydrated Lime (BP-CLF)	0	15	--	• Actions taken to eliminate lime and dolo fines generation • Previous year stock was recycled by briquetting and consuming in EAF
Lime Fines - Pulverized Lime	0	749	--	
Dololime Fines (BP-DLF)	0	0	--	
Return Scrap and SSPM	90,767	113,988	126	Recycled at EAF's
Bricks / Refractories / Roof / Tundish	546	0	0	Stored in Qatar Steel Stack Yard / under research & investigation
Byproduct from Aluminum Smelter (Recarburizer, Lumpcoke and Cryolite)	0	14,479	--	Recycled at EAF's and LF's as partial replacement of imported lumpcoke, recarburizer and flourspar
Plastic, Paper and other Waste	2,512	130	5	Plastic and paper waste are sold to a local recycler
Grand Total	**902,995**	**734,266**	**81**	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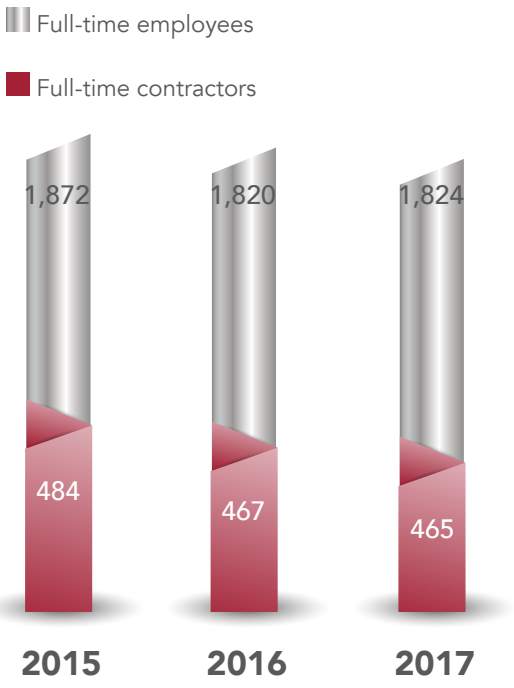
Developing a High Performing and Motivated Team

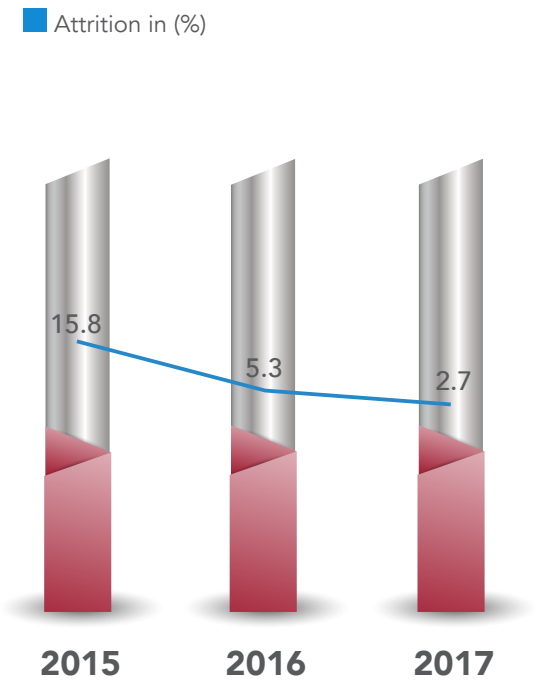
In line with the Qatar National Vision 2030, Qatar Steel aims to develop its team to meet their full potential, contribute to the company's success, and promote human development within Qatar by providing high-quality training opportunities. Qatar Steel is proud to provide competitive employment packages and development opportunities for both its Qatari and expatriate staff. The company's aim is to attract, develop, and retain quality employees, and is currently creating a competency framework to streamline the hiring process in order to access the most qualified candidates for positions within the company.

Qatar Steel's hiring philosophy is not to discriminate against race, gender, or age, and encourage the recruitment of a skilled and diverse team. In 2017, a cultural survey was conducted, the result was released on 29th July 2018. Moving forward an action plan has been planned to close all the identified gaps.

Total Workforce



Attrition Rate



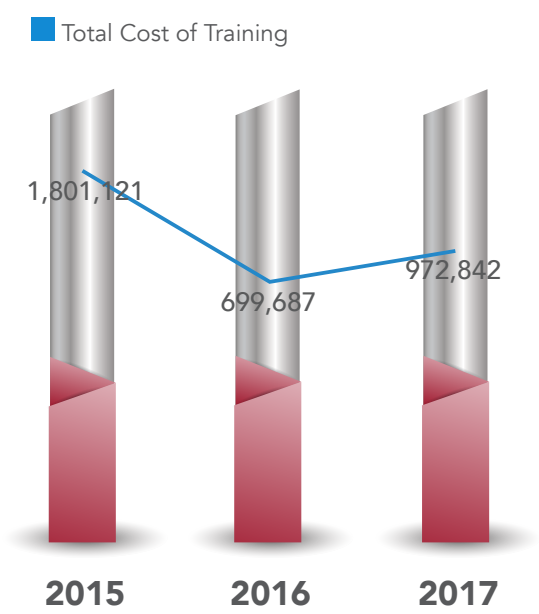
Workforce			
	2015	2016	2017
Total Employees			
Full-Time Employees	1,872	1,820	1,824
Full-Time Contractors	484	467	465
New Hires			
Total New Hires	30	44	52
Qatari New Hires	6	5	3
Female New Hires	0	0	1
Male New Hires	30	44	51
Attrition			
Attrition Rate (%)	15.8	5.3	2.7
Total Attrition	295	96	49
Attrition, By Level			
Management	9	7	1
Senior Staff	37	7	6
Intermediate Staff	249	82	42
Total	295	96	49
Attrition, By Age Group			
18-30	49	10	8
31-40	82	23	19
41-50	63	17	11
51-60	66	25	3
60+	35	21	8
Attrition, By Gender			
Women	9	4	1
Men	286	92	48

Training and Development

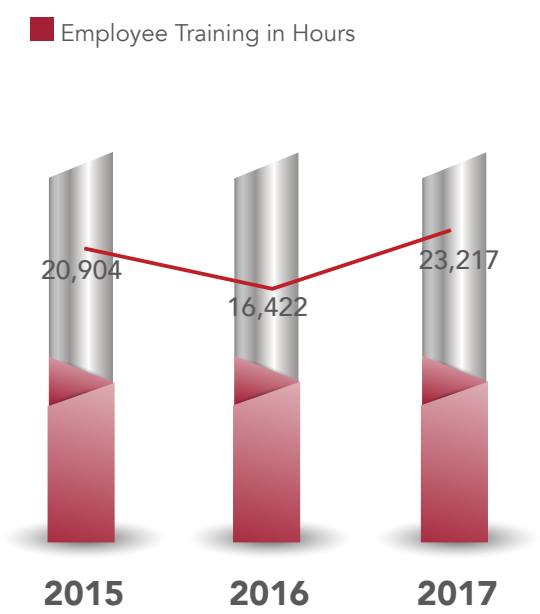
Qatar Steel aims to attract, develop, and retain skilled talent. In line with the Qatar National Vision 2030, employees' personal growth is valued, and they are provided with ample training and development opportunities. In 2017, each of Qatar Steel's employees received an average of almost 13 hours of training. The safety and wellbeing of employees is of great importance to Qatar Steel. The company conducted a total of 15,792 hours of HSE trainings in 2017.

Qatar Steel invests in the training of current staff, as well as in that of the leaders of Qatar's future steel industry. In 2017, 13 students from Qatar University and Texas A&M University at Qatar participated in our summer internship program.

Total Cost of Training



Employee Training

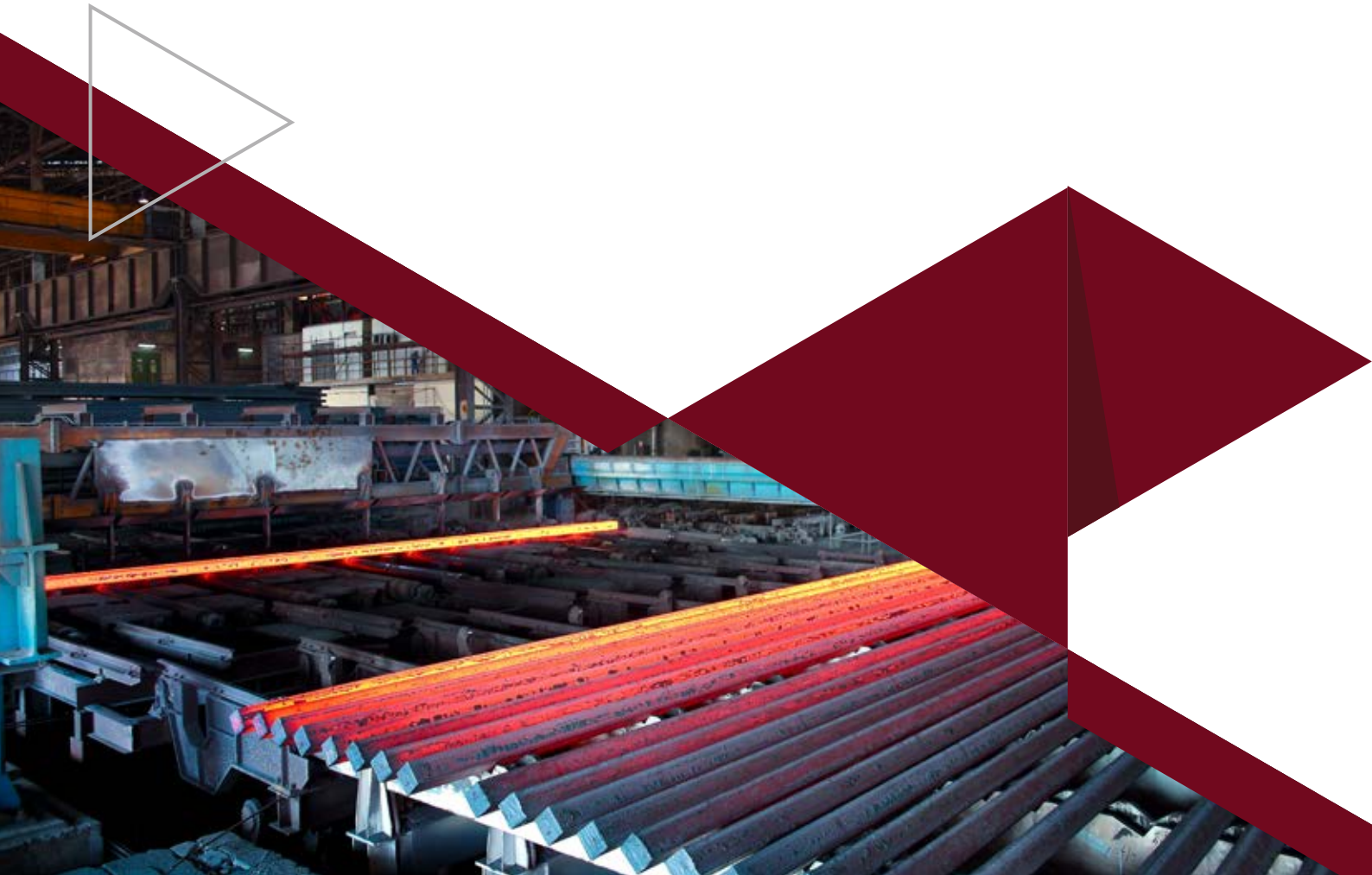


Training			
	2015	2016	2017
Total Training Hours For Females	15	0	0
Total Training Hours For Males	20,889	16,422	23,217
Total Training Hours For Total Workforce	20,904	16,422	23,217
Average Hours of Training Per Year For Female Employee	0.02	0	0
Average Hours of Training Per Year For Male Employee	10.2	9.0	12.7
Average Hours of Training Per Year For Employee	10.2	9.0	12.7
Total Cost of Training (QR)	1,801,121	669,687	972,842

Performance Based Compensation and Rewards

Qatar Steel's Balanced Storecard are in line with its corporate strategy. It covers all aspects related to financial, internal business processes, customer satisfaction, learning and growth. These scorecards are later cascaded and transformed into employee's KPIs. It helps all employees to better understand and align their roles with the company's strategy. To measure staff performance, these KPIs are reviewed periodically with the employees to ensure the progress of each individual. The achievement of KPIs are used during yearly performance reviews and the employees are rewarded based on this mechanism.

Qatar Steel's Quality Control Circle (QC Circle) is an initiative that fosters a culture of quality at all levels of operation and encourages employee engagement in improving the working conditions that directly affect them. This year, the 33rd QC Circle was held in Al Reem Club in Mesaieed Industrial City. The event consisted of six technical presentations, the best of which won an award.



Instilling Good Governance and Accountability

Integral to Qatar Steel's smooth operation, transparency in governance ensures honesty and equal treatment across all levels. The company has procedures in place to facilitate an honest and responsible governance structure which is not only good for Qatar Steel in the effective management of risks, but also in improving relationships with employees and the community.

In alignment with the Qatar National Vision 2030, Qatar Steel strives to support a business atmosphere capable of attracting foreign funds and encouraging national investments.

Corporate Governance

Corporate Governance is the system by which companies are directed and controlled. Boards of Directors are responsible for the governance of the company. The shareholders' role in governance is to appoint the directors and the auditors and to satisfy themselves that an appropriate governance structure is in place. Considering importance of transparency and compliance with laws, regulations and the shareholders' resolutions, Qatar Steel has adopted Corporate Governance Manual and it depicts the responsibilities of the board of directors and management which include setting the company's strategic aims, providing the leadership to put them into effect, supervising the management of the business and reporting to shareholders on their stewardship. Qatar Steel, being a subsidiary of Industries of Qatar (as Shareholder), is responsible for ensuring that its activities are carried out, to the satisfaction of the Shareholder and in the long term interests of Qatar Steel, the local community and business partners, and is doing this safely, securely and reliably.

Board of Directors

Saad Rashid Al-Muhannadi
Chairman

Abdulla Mohamed Al-Mahmoud
Vice-Chairman

Mohammed Nasser Al-Hajri
Managing Director & General Manager

Khalid Jaham Al-Kuwari
Director

Adel Abdulla Al-Rumaihi
Director

Khalid Thamer Al-Hemaidi
Director

Khalid Mohammed Al-Hitmi
Director

Accountability and Ethics

Accountability and ethics are embedded into Qatar Steel at all levels, from senior management to intermediate staff. Annual and sustainability reports publicly demonstrate the company's commitment to this priority. Additionally, there are processes in place within each department to further ensure that these principles of accountability and ethics are upheld.

Qatar Steel's Governance Charter and Procurement Policies enforce best practices in governance and supply chain management, facilitating fruitful collaboration, both within the company and with external stakeholders.

Management Systems

Essential to Qatar Steel's corporate governance strategies are its management systems. Continuously working to improve business practices that comply and even exceed international best practices, Qatar Steel holds ISO 14001 certification for its Environmental Management System (EMS) and ISO 9001 for its Quality Management System (QMS).

Internal Audit

The Internal Audit team continues to play a prominent role in the company'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. It ensures financial systems and procedures are in place and being followed to ensure timely and accurate financial reporting to the directors, management, and stakeholders that help ensure the company's financial objectives are being met. Additionally, it assures that the 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) The 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.

Risk Management

Changes in the business environment are increasing rapidly, along with an increasing level of competition, resulting in a variety of business risks that could affect the company's performance. In this VUCA (Volatility, Uncertainty, Complex & Ambiguous) world, Qatar Steel recognizes that the effective management of business risks is crucial to our continued growth and success. Apart from that, there are several critical drivers for having a risk management framework, including:

- Greater transparency
- Security and technology issues
- Globalization in a continuously competitive environment

Qatar Steel has an integrated Enterprise Risk Management (ERM) framework, which is in place to manage business risks.

To further enhance business resiliency, Qatar Steel established a comprehensive Business Continuity Management System (BCMS) in 2017. QS BCMS provides a clear framework as to how to identify potential business continuity risks and its management. QS BCMS allows the company to quickly respond to any unplanned incident, and thus, minimize its potential negative impacts on the company. Furthermore, as part of this program, necessary trainings and awareness initiatives are being conducted.

Achieving Profitable Growth

In the current scenario, achieving sustainable and profitable growth is essential in order to ensure the long-term stability of business operations. Following the blockade, Qatar Steel was able to swiftly diversify exports into new markets. This quick action allowed the company to maintain, and even expand the size of its market, with minimal impact on revenues. Qatar Steel FZE, a subsidiary of Qatar Steel located in the UAE, is operating at normal capacity despite the blockade and without any major impacts.

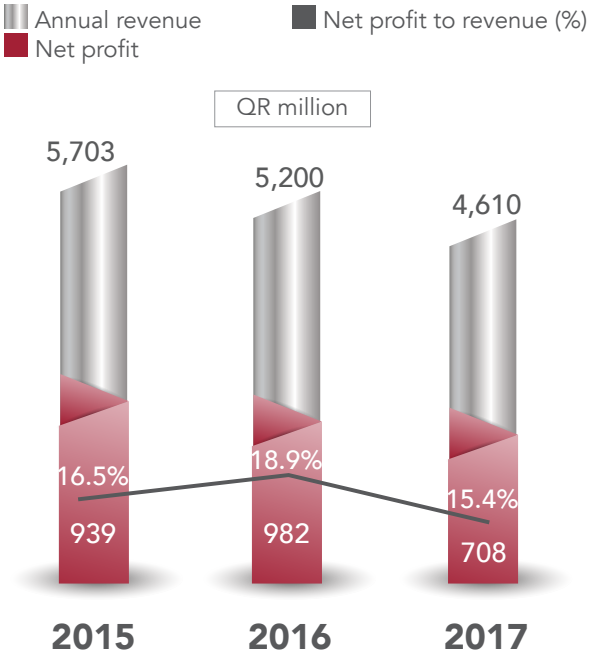
Supporting the Qatar National Vision 2030, Qatar Steel strives to create reasonable, sustained rates of growth to contribute to national socio-economic development, which helps to secure a high standard of living for present and future generations.

Financial Performance

The year 2017 was marked by geopolitical challenges. Despite this, Qatar Steel has successfully managed its assets and was able to divert to new markets, minimizing the impact on its profits while presenting significant growth opportunities. Our strategy and planning teams manage financial goals that are in line with the requirements of Industries Qatar and respond to market needs.

Expenditures

Financial Performance



Direct Economic Value Generated and Distributed			
(in QR million)	2015	2016	2017
Annual Revenue	5,703	5,200	4,610
Net Profit	939	982	708
Net Profit To Revenue (%)	16.5	18.9	15.4
Capital Expenditure	151	147	82
Other Incomes	128	142	358
Operational Costs	4,033	3,487	3,318
Employees' Wages and Benefits	597	559	549
Community Investment	0.34	0.12	0.07

Strategic Investments

In order to meet the needs of a changing market, Qatar Steel puts emphasis on investing in high-quality materials that take long-term market demand and resource availability into account. By diversifying in the market and investing in partnerships with international companies and efficient infrastructure, Qatar Steel consistently finds ways to unlock new market potential.

SOLB Steel Company

Qatar Steel owns 31.03% of SOLB Steel Company. Formerly the South Steel Company, SOLB Steel Company began its commercial operations of a 1.0 mtpa Steel Melt Shop and a 0.5 mtpa Rolling Mill in January 2013.

In 2017, the Steel Melt Shop operated at an average capacity level of 37%, and the Rolling Mill operated at an average capacity level of 33%

Qatar Metal Coating Company W.L.L.

In a joint venture, Qatar Steel and Qatar Industrial Manufacturing Company established the Qatar Metals Coating Company W.L.L. (Q-Coat) in 1990. Qatar Steel and Qatar Industrial Manufacturing Company each own 50% of Q-Coat which has a production capacity of 100,000 metric tonnes per year. In 2017, the plant operated at an average capacity level of 44%.

Foulath Holding B.S.C.

Qatar Steel owns 25% of Foulath Holding B.S.C. Established in June 2008, Foulath Holding B.S.C. was formerly Gulf United Steel Holding Company B.S.C. and currently invests in the growth of the steel industry in the Gulf Cooperation Council (GCC) countries and Middle East and North African (MENA) region. The group comprises of the following company:

Bahrain Steel B.S.C. was formerly the Gulf Industrial Investment Company and is fully owned by the Foulath Holding B.S.C. The company was established in 1984 and, with a total capacity of 11 mtpa, is a leading producer of iron ore pellets in the GCC and one of the four major merchant pelletizing producers in the international market. In 2017, the plant operated at an average capacity level of 51% and its performance is expected to improve from 2018 onwards.

Cost Optimization

Qatar Steel's strategy aslo centers on innovation that increases operational efficiency and reliability, thereby decreasing costs.

As global output continues to grow, by 3.7% in 2017, Qatar Steel's cost optimization program aims to maintain the company's status as the sustainable steel supplier of choice in the region. This cost optimization strategy is an ongoing process, integrated at all levels of the company, balancing cost savings and innovation for optimal results.

Following the blockade on Qatar, these cost optimization strategies were essential. Qatar Steel successfully avoided the disruption of business by diversifying into new markets outside the GCC, predominantly in ASEAN-5 countries. The sale of billet and rebar in these new markets offset any potential sale loss. Qatar Steel foresees a continued focus in the coming years on raising HSE standards, seizing growth opportunities through prudent investments in line with IQ's strategies, and increasing cost efficiencies. Through organizational and operational improvements, the company expects to achieve these goals while optimizing costs.

Appendices

Appendix A: Reporting Scope and Material Topic Boundaries

This report reflects the company's updated sustainability performance for 2017 and provides comparable data for 2015 and 2016 where available, on material, environmental, social and economic issues. This report covers Qatar Steel's performance in Qatar only, and does not reflect the social or environmental performance of its subsidiaries. We have considered our material topics and identified their boundaries in the table below.

Qatar Steel Material Issue	Topic Boundary
Employee Safety	Employees, Shareholders, Environment
Emergency Preparedness	Shareholders, Environment, Society, Employees
Contractor Safety	Employees, Shareholders, Environment
Occupational Health	Shareholders, Employees, Society
Operational Efficiency	Shareholders, Employees
Waste Management and Recycling	Shareholders, Environment, Society
Customer Satisfaction	Shareholders, Customers
Product Quality	Shareholders, Customers, Environment, Society
Product Innovation	Shareholders, Customers, Environment, Society
Product Traceability	Shareholders, Customers
Energy Consumption	Shareholders, Environment
Water Consumption	Shareholders, Environment, Society
GHG Emissions	Shareholders, Environment, Society
Corporate Governance	Shareholders, Employees
Risk Management	Shareholders, Employees
Qatarization	Shareholders, Environment, Society
Financial Performance	Shareholders, Customers, Environment, Society, Employees
Strategic Investment	Shareholders, Employees
Training and Development	Shareholders, Employees
Performance Based Compensation and Rewards	Shareholders, Customers, Environment, Society

Appendix B: Materiality and Maturity Assessments

Materiality Assessment

Qatar Steel's sustainability reporting is guided by a materiality process. Qatar Steel conducts a materiality assessment to identify and prioritize its most material sustainability issues, which are reviewed against the changing context of the industry, emerging trends, and stakeholder feedback. Critical issues are always reflected in reporting as they arise.

Qatar Steel's materiality assessment consists of five core steps, which are demonstrated below. The process is used to identify, select, and rank the topics addressed throughout the sustainability report.

1. Identifying material issues.
Qatar Steel relies on multiple sources to help identify material issues of potential relevance for the company and its stakeholders.

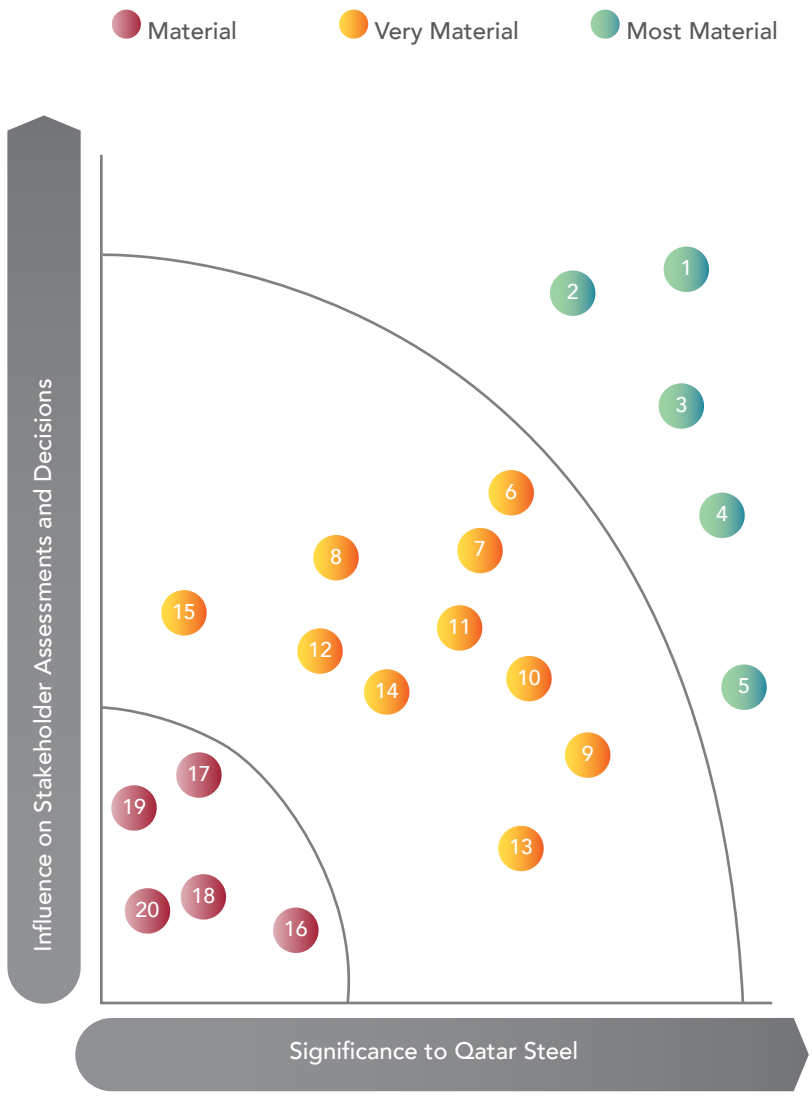
The sources referred to include:

- Material issues identified by internal stakeholders across the organization;
- Material issues identified by peer companies in the steel sector;
- Material issues identified in the Qatar National Vision 2030;
- Material topics identified by using the Global Reporting Initiative (GRI) Standards relevant to Qatar Steel's business operations; and
- Material topics identified by IPIECA.

2. Organizing materiality issues around Qatar Steel's sustainability focus areas.
3. Categorizing issues in accordance with the relevance for a given stakeholder.
4. Obtaining feedback from internal stakeholders regarding priority of material issues relevant to them and to external stakeholders whom they communicate with on a regular basis. Qatar Steel communicates with its stakeholders via interviews with all key functional areas of its operations.
5. Final prioritization
Material issues within each sustainability focus area are ranked in accordance with the feedback received

	Top Material Issues
1	Employee Safety
2	Emergency Preparedness
3	Contractor Safety
4	Occupational Health
5	Operational Efficiency
6	Waste Management and Recycling
7	Customer Satisfaction
8	Product Quality
9	Product Innovation
10	Product Traceability
11	Energy Consumption
12	Water Consumption
13	GHG Emissions
14	Corporate Governance
15	Risk Management
16	Qatarization
17	Financial Performance
18	Strategic Investment
19	Training and Development
20	Performance Based Compensation and Rewards

Materiality Matrix Qatar Steel (2017)



Maturity Assessment

As part of Qatar Steel's certification process for UK CARES, operational performance is assessed against UK CARES Sustainable Construction Steel Scheme Principles using a maturity matrix to gauge the company's sustainability progress. The maturity assessment below highlights its findings:

Sustainable development maturity matrix for continual improvement of Qatar Steel certification of their products:

Qatar Steel assesses its level of performance against CARES Sustainable Constructional Steel Scheme Principles using a maturity matrix.

PRINCIPLES AND PRACTICES		CHARACTERISTICS OF THE APPROACH TO SUSTAINABILITY IN DEVELOPING ORGANIZATIONS OBSERVATIONS			OBSERVATIONS
		MATURITY			
		IMMATURE	ADEQUATELY ENGAGED	FULL ENGAGEMENT	
INCLUSIVITY	Stakeholder engagement and issue identification	- No issue identification	- Issues that create a competitive advantage are addressed and used for publicity	- Relationships with stakeholders nurtured through continued engagement and issues are clearly addressed.	1. Engaged with MME to ensure compliance with all applicable external regulations & requirements for CTO. 2. Continual engagement of employees through satisfaction surveys and code of ethics that helps the management in identifying their main concerns. 3. Annual stakeholder mapping for identifying channels of engagement, main concerns, and response to them. 4. Development of Stakeholder Advisory Group comprising representatives from key stakeholders to act as an advisory body is in process and developed internal governance structures for effective engagement. 5. Qatar Steel actively gathers feedback on its sustainability reporting and its performance through a form available on website from all stakeholders. 6. Certified for ISO 9001, ISO 14001, OHSAS 18001, Sustainability, Responsible Sourcing (BES 6001), ISO 17025, and Product certification.

PRINCIPLES AND PRACTICES		CHARACTERISTICS OF THE APPROACH TO SUSTAINABILITY IN DEVELOPING ORGANIZATIONS OBSERVATIONS			OBSERVATIONS
		MATURITY			
		IMMATURE	ADEQUATELY ENGAGED	FULL ENGAGEMENT	
INTEGRITY	Key Drivers	- Reactive: driven by regulatory, EA, shareholder and/or investor pressures and cost/return decisions	- Sustainable development part of reputation/ risk management	- Proactive planning and seeking out opportunities	1. Engaged with MME to ensure all targets agreed in the CTO are managed and reported correctly. 2. Certified for its Sustainability Excellence by Gulf Organization for Research and Development (GORD) 3. Environmental Monitoring Program are in place to ensure compliance with all applicable regulations. 4. Qatar Steel has integrated Sustainability in its corporate strategy and has implemented a sustainability roadmap that identifies opportunities/ risks associated, which is quarterly reviewed in Balance Score Card meeting. 5. An integrated Enterprise Risk Management (ERM) framework is in place to manage business risks. 6. To further enhance business resiliency, Qatar Steel established a comprehensive Business Continuity Management System (BCMS) in 2017.
	Leadership	- Adhere to at least one sustainable development standard	- Stay appraised of changes in practice, standards and legislation	- Lead the market sector on sustainable issues. - Sustainable development policy and objectives integrated with organizational purpose, vision and values.	1. Adhered to UKCARES Quality and Operations Assessment Schedule, BSEN ISO 9001, Quality Management System, and UK CARES Product Certification since 2006. 2. Sustainability Policy and objectives developed through the Management Systems (QMS, EMS, OHSAS) are in place. Additionally, there is a well developed sustainability framework and commitments. 3. Maintains certificates for Sustainability and Responsible sourcing (BES 6001) certified by UKCARES.
	Managing Risk	- Compliance by the book	- Main risks identified and managed but possibly not integrated with sustainable development management system	- Sustainable development policies fully integrated with risk management system. - Seek to adhere to the principles of risk management rather than simply do the minimum for compliance	1. Adopted EMS complying to ISO 14001 and HSMS according OHSAS 18001. 2. Adopted a comprehensive and integrated Enterprise Risk Management (ERM) framework for mitigating the various risks to which the businesses are exposed to, in the course of their operations and strategic actions.

PRINCIPLES AND PRACTICES		CHARACTERISTICS OF THE APPROACH TO SUSTAINABILITY IN DEVELOPING ORGANIZATIONS OBSERVATIONS			OBSERVATIONS
		MATURITY			
		IMMATURE	ADEQUATELY ENGAGED	FULL ENGAGEMENT	
STEWARDSHIP	Sustainable development culture	- See sustainable development as a PR issue only. - Only implement sustainable development initiatives with low cost/impact	- See a business advantage in sustainable development but still PR/ marketing focused. - Develop internal/ external education program	- Culture of sustainable development is embedded at all levels. - Share know-how outside the organisation	1. Culture of sustainable development is fully integrated in all levels. Sustainability objectives are well integrated in all departmental level, and its performance is being monitored through Balanced scorecard system. 2. Sustainability Team is in place that works as focal points for their departments who links departmental sustainability objectives with the organizational sustainability roadmap 3. Qatar Steel has a dedicated budget for community investment.
	Building capability	- Grant employees statutory only	- Stimulate innovative learning and empower employees	- Continual reappraisal and training including training that builds capability for future expansion. - Recognise and reward innovation in sustainable development	Training plan including theoretical and practical training regarding quality, environment, H&S and Sustainability is in place.
	Supply chain	- Lowest prices suppliers. -Latest possible payment	- Supplier rating based on technical compliance, cost and delivery time, and possibly sustainable development factors	- Recognise that the supply chain has common longterm interests and take those into account. - Assistance given to lower tiers where necessary	Suppliers are selected based on technical compliance, cost, delivery time, environmental, safety and human rights performance criteria. Further developments on this are expected in the coming year.
	Environmental assessment	- Minimal awareness. - Defensive posture	- Education and training. - Apply environmental policies and standards	- Comprehensive environmental impact/risk, audit integrated in decision making and valued. - Prevention rather than cure approach	1. Qatar Steel conducts EMS, OHSAS and sustainability materiality assessment on an annual basis to identify key issues for stakeholders. 2. Dedicated Risk Management functions that also investigate environmental risks in the organization and communicates to the board level through Audit Committee.

PRINCIPLES AND PRACTICES		CHARACTERISTICS OF THE APPROACH TO SUSTAINABILITY IN DEVELOPING ORGANIZATIONS OBSERVATIONS			OBSERVATIONS
		MATURITY			
		IMMATURE	ADEQUATELY ENGAGED	FULL ENGAGEMENT	
TRANSPARENCY	Review	- Conventional reporting only	- Needs if stakeholders analysed	- Periodic review and adjustment	1. Management Review meeting is undertaken annually and objectives/ targets are set to reflect continual improvement as a part of Sustainability Management. 2. Reporting on progress of sustainability is part of the corporate balanced scorecard. Each Department is integrating sustainability performance in its objectives with targets. 3. Qatar Steel have been issuing sustainability reports since 2011, providing a transparent channel of its sustainability performance to its stakeholders. 4. Sustainability Road Map is reviewed quarterly during Balance Score Card meeting.
	Building confidence	- Minimal communication with stakeholders	- Selective reporting to predetermined ends	- Stakeholders receiving regular and appropriate reporting. - Building understanding in the stakeholder community	Development of Stakeholder Advisory Group comprising representatives from key stakeholders to act as an advisory body is in process and developed internal governance structures for effective engagement. 2. Qatar Steel actively gathers feedback on its sustainability reporting and its performance through a form available on website from all stakeholders. 3. Qatar Steel Code of Ethics and Business conduct reaffirms its commitment to the highest ethical and legal principles of accountability, excellence, fairness, honesty and respect.

Appendix C: GRI Content Index and IPIECA Index

GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	**Organizational profile**	
	102-1 Name of the organization	Qatar Steel
	102-2 Activities, brands, products, and services	7, 24
	102-3 Location of headquarters	Doha, Qatar
	102-4 Location of operations	7
	102-5 Ownership and legal form	7
	102-6 Markets served	24, 30
	102-7 Scale of the organization	7, 24-25, 47, 52
	102-8 Information on employees and other workers	46-47
	102-9 Supply chain	34, 37
	102-10 Significant changes to the organization and its supply chain	Qatar Steel has ceased procuring goods from the United Arab Emirates, Saudi Arabia, Bahrain and Egypt.
	102-11 Precautionary Principle or approach	The precautionary approach is embedded in Qatar Steel's sustainability management approach.
	102-12 External initiatives	Qatar National Vision 2030
	102-13 Membership of associations	Arab Iron and Steel Union, World Steel Association, and South East Asia Iron and Steel Institute
	Strategy	
	102-14 Statement from senior decision-maker	5-6
	102-15 Key impacts, risks, and opportunities	51, 53
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	8, 50
	Governance	
	102-18 Governance structure	50
	Stakeholder engagement	
	102-40 List of stakeholder groups	54
	102-41 Collective bargaining agreements	Trade unions are prohibited in Qatar.
	102-42 Identifying and selecting stakeholders	55
	102-43 Approach to stakeholder engagement	55
	102-44 Key topics and concerns raised	56

GRI Standard	Disclosure	Page number(s) and/or URL(s)
General Disclosures		
GRI 102: General Disclosures 2016	**Reporting practice**	
	102-45 Entities included in the consolidated financial statements	Financial statements include the activities of Qatar Steel. No other entity is included.
	102-46 Defining report content and topic Boundaries	54
	102-47 List of material topics	56
	102-48 Restatements of information	19-20, 40
	102-49 Changes in reporting	No significant changes
	102-50 Reporting period	January 1, 2017 – December 31, 2017
	102-51 Date of most recent report	2016
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	3
	102-54 Claims of reporting in accordance with the GRI Standards	3
	102-55 GRI content index	62-66
	102-56 External assurance	Not assured

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Material Topics		
GRI 200 Economic Standard Series		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	52
	103-2 The management approach and its components	52
	103-3 Evaluation of the management approach	52
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	52
Market Presence		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	32
	103-2 The management approach and its components	32
	103-3 Evaluation of the management approach	32
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	32
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34
	103-2 The management approach and its components	34
	103-3 Evaluation of the management approach	34
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	34

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Material Topics		
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	51
	103-2 The management approach and its components	51
	103-3 Evaluation of the management approach	51
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Zero
GRI 300 Environmental Standards Series		
Materials		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	36-37
	103-2 The management approach and its components	36-37
	103-3 Evaluation of the management approach	36-37
GRI 301: Materials 2016	301-1 Materials used by weight or volume	37
	301-2 Recycled input materials used	37
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	38
	103-2 The management approach and its components	38
	103-3 Evaluation of the management approach	38
GRI 302: Energy 2016	302-1 Energy consumption within the organization	38
	302-3 Energy intensity	38
Water		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	41-42
	103-2 The management approach and its components	41-42
	103-3 Evaluation of the management approach	41-42
GRI 303: Water 2016	303-4 Water discharge	41-42
	303-5 Water consumption	41-42
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	39-40
	103-2 The management approach and its components	39-40
	103-3 Evaluation of the management approach	39-40

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Material Topics		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	39
	305-2 Energy indirect (Scope 2) GHG emissions	39
	305-4 GHG emissions intensity	39
	305-7 Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	40
Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	43
	103-2 The management approach and its components	43
	103-3 Evaluation of the management approach	43
GRI 306: Effluents and Waste 2016	306-1 Water discharge by quality and destination	42
	306-2 Waste by type and disposal method	43-45
GRI 400 Social Standards Series		
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	46-47
	103-2 The management approach and its components	46-47
	103-3 Evaluation of the management approach	46-47
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	46-47
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	16-18
	103-2 The management approach and its components	16-18
	103-3 Evaluation of the management approach	19-20
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	19-20, 22

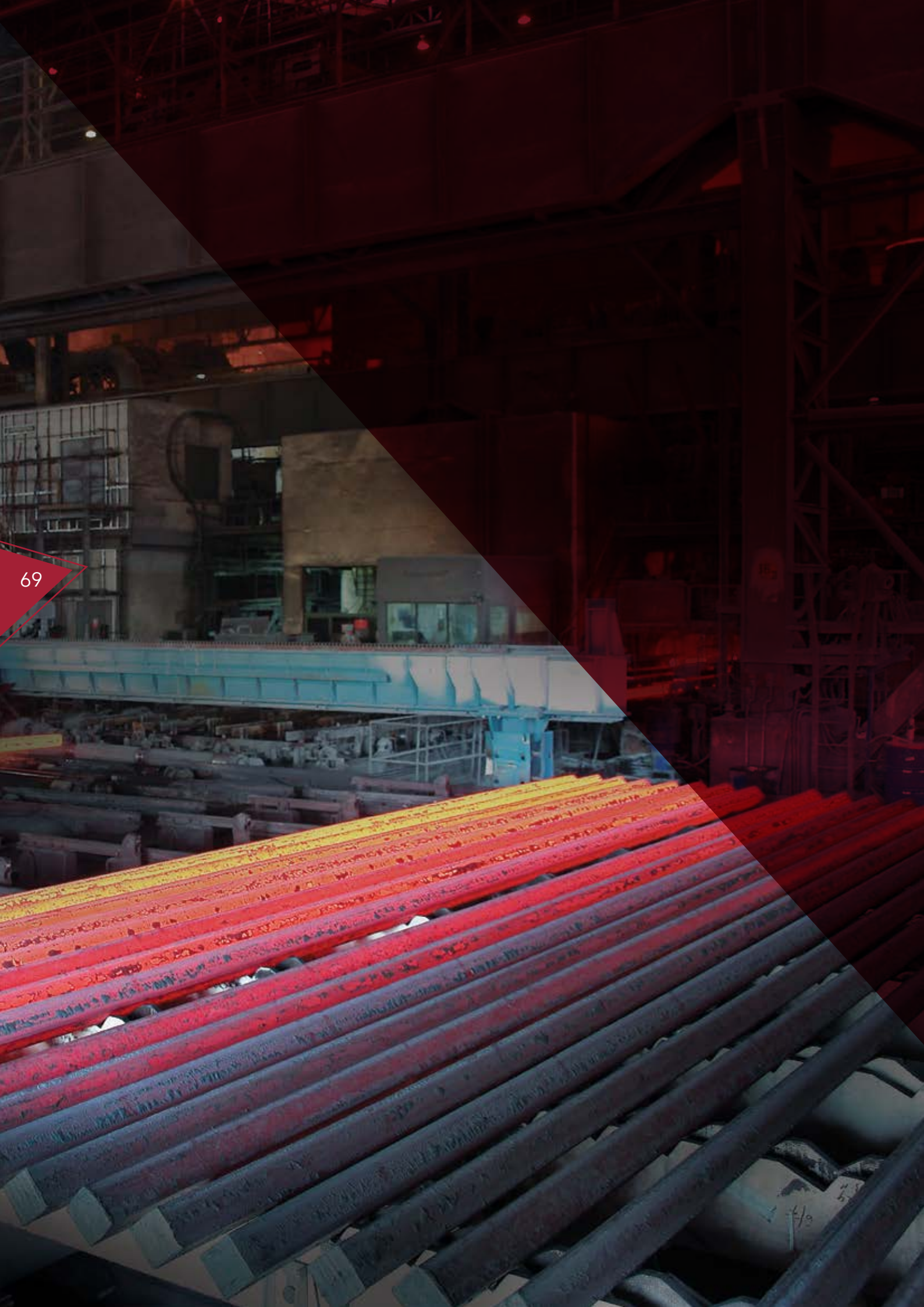
GRI Standard	Disclosure	Page number(s) and/or URL(s)
Material Topics		
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	48
	103-2 The management approach and its components	48
	103-3 Evaluation of the management approach	48
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	48
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	46
	103-2 The management approach and its components	46
	103-3 Evaluation of the management approach	46
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	50
Non-discrimination		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	50-51
	103-2 The management approach and its components	50-51
	103-3 Evaluation of the management approach	50-51
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Zero
Marketing and Labeling		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	29
	103-2 The management approach and its components	29
	103-3 Evaluation of the management approach	29
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	No incidents of non-compliance

IPIECA Index

Report Chapter	Indicator Covered
About Qatar Steel	
Sustainability Management Approach	
Ensuring a Safe and Healthy Work Environment	HS1, HS2, HS3, HS5
Making Steel Matter	HS4
Reducing Environmental Impact	E1, E2, E5, E6, E7, E8, E9, E10
Develop a High Performing and Motivated Team	SE8, SE9, SE15, SE16, SE17, SE18
Instilling Good Governance and Accountability	SE11
Achieving Profitable Growth	

Appendix D: Acronyms

API	American Petroleum Institute	HBI	Hot Briquetted Iron
ASTM	American Society for Testing and Materials	HIRA	Hazard Identification & Risk Assessment
BCMS	Business Continuity Management System	HSE	Health, Safety, and Environment
BF	Blast Furnace	IOGP	International Oil and Gas Producers Association
BOF	Basic Oxygen Furnace	IPIECA	International Petroleum Industry Environmental Conservation Association
CAM	Center for Advanced Materials	IQ	Industries Qatar
CO_2eq	Carbon Dioxide Equivalent	ISO	International Organization for Standardization
DR	Direct Reduction	JSA	Job Safety Analysis
DRI	Direct Reduced Iron	Kg	Kilogram
EAF	Electric Arc Furnace	kWh	kilowatt-hour
EBT	Eccentric Bottom Tap	LCA	Life Cycle Assessment
EMS	Environmental Management System	LF	Ladle Furnaces
EPD	Environmental Product Declaration	LOTO	Lock-Out and Tag-Out
ERM	Enterprise Risk Management	LTIFR	Lost-time Injury Frequency Rate
FBE	Fusion Bonded Epoxy	m^3	Cubic metre
FZE	Free Zone Establishment	MENA	Middle East and North African
GCC	Gulf Cooperation Council	mg/Nm^3	Milligram per normal cubic metre
GHG	Greenhouse Gas	MMI	Man-Machine Interface
GJ	Gigajoule	Muntajat	Qatar Chemical and Petrochemical Marketing and Distribution Company
GORD	Gulf Organization for Research and Development	NO_x	Nitrogen oxides
GPCA	Gulf Petrochemicals and Chemicals Association	NZLD	Near Zero Liquid Discharge
GRI	Global Reporting Initiative	Rebar	Reinforcement steel bar or Reinforcing steel
OHC	Occupational Health Center	R&S	Research and Sustainability Department
Q-Coat	Qatar Metals Coating Company WLL.	RM	Rolling Mill
QC Circle	Qatar Steel's Quality Control Circle	SO_x	Sulfur oxides
QIMC	Qatar Industrial Manufacturing Company	TRCF	Total Reportable Cases Frequency
QMS	Quality Management System	UAE	United Arab Emirates
QNV 2030	Qatar National Vision 2030	UK CARES	UK Certification Authority for Reinforcing Steels
QP	Qatar Petroleum	VUCA	Volatility, Uncertainty, Complex & Ambiguous
QR	Qatari Riyal	WFE	Waste Free Environment Program
RBQ	Reduced Briquettes	ZLD	Zero Liquid Discharge



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