

VOYAGES.

NAKILAT QATAR | ISSUE 19 | APRIL 2018

NAKILAT EXPANDS LNG FLEET

ALSO IN THIS ISSUE

**MARINE
CONSERVATION
AWARENESS**

**CELEBRATING
QATARI
ACHIEVEMENTS**



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



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



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



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



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CEO MESSAGE



Eng. Abdullah Al Sulaiti
Chief Executive Officer

We have much to be proud of as an organization, with so much that has been accomplished in the recently concluded quarter. Not only does Nakilat continue to be profitable and deliver value to our shareholders, but also, we have established ourselves as a world-class organization with the highest safety standards and continue to expand our footprint in the competitive global LNG industry.

Reporting strong net profits of QAR 847 million for the year 2017 amidst the regional situation and industry challenges, we can attribute this success to our resilience to market volatility, as well as cost effective and reliable business operations. Our relentless efforts at driving superior performance and establishing a strong safety culture across the organization has earned Nakilat the prestigious 5-star rating, which is the highest rating attainable in the comprehensive Occupational Health and Safety audit by British Safety Council (BSC).

This milestone accomplishment is testament to the company's steadfast commitment to achieving safety excellence for its employees, clients and stakeholders wherever we operate.

The most recent joint venture expansion with Maran Ventures Inc. to include two additional Liquefied Natural Gas (LNG) carriers further strengthens our strategic alliance, thereby growing our international portfolio. We took advantage of Doha International Maritime Defence Exhibition & Conference (DIMDEX) 2018 to showcase our maritime expertise in both the naval and commercial sectors, projecting our integrated operations at the world-class Erhama bin Jaber Al Jalahma Shipyard.

Nakilat recognizes that investing in human capital and developing talents is the foundation that will continue to propel the company forward. During the Annual Qatarization Forum 2018, Nakilat celebrated the achievements of young national talents who had undergone extensive development, including several of our sponsored marine cadets. As an integrated shipping and maritime company, we are committed in enhancing our talent development programs, utilizing knowledge sharing platforms and technology for continuous improvement, also advocating our shared values for the creation of sustainable workforce to support the company's growth.

We enter 2018 with persevered focus and continued discipline to maximize shareholder returns with strategic business plans and growth initiatives, towards maintaining our global leadership in energy transportation.

NAKILAT RECOGNIZES THAT INVESTING IN HUMAN CAPITAL AND DEVELOPING TALENTS IS THE FOUNDATION THAT WILL CONTINUE TO PROPEL THE COMPANY FORWARD.

CORPORATE SCORECARD Q1, 2018

QATARIZATION RATE

41.06%



FLEET PERFORMANCE

Nakilat wholly-owns and jointly-owns a massive fleet of **65 LNG VESSELS** and **4 LPG VESSELS**.

| DATA AS OF Q1 2018 | LNG CARRIERS (65 VESSELS) | LPG CARRIERS (4 VESSELS) |
|-----------------------------------|--|--------------------------|
| Number of Cargoes Delivered | 166 | 18 |
| Estimated Cargo Volume (MT) | 14,408,841 | 296,981 |
| Estimated Distance Travelled (Nm) | 684,639 | 21,507 |
| Reliability (%) | 99.5% ¹ 100% ² | 99.5% |

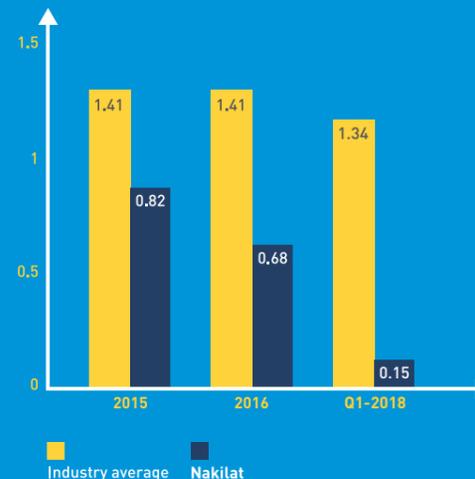
Note: Average Round Trip for LNG Vessel = 8,800 Nm

¹ Data for 29 vessels, which are wholly-owned or operated in-house by Nakilat Shipping Qatar Ltd. (NSQL)

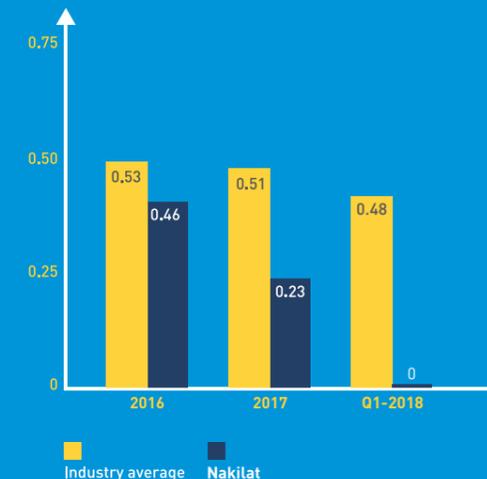
² Data for 36 vessels, which are jointly-owned and operated by others

SAFETY PERFORMANCE

TRCF Total Recordable Case Frequency



LTIF Lost Time Injury Frequency



FROM QATAR TO THE WORLD ❄️

LNG transportation at a glance

Natural gas was initially transported in a highly pressurized condition through complex network of pipelines.

Technological advancement of converting natural gas into liquid form is one of the key transformations in the energy world, which enables greater flexibility to the gas market. In liquid form, LNG is far easier and safer to transport worldwide, allowing countries to expand their energy sources and shift towards cleaner energy.

Today, majority of the worldwide LNG exports take place at an intercontinental level where shipping LNG across the ocean is often required.

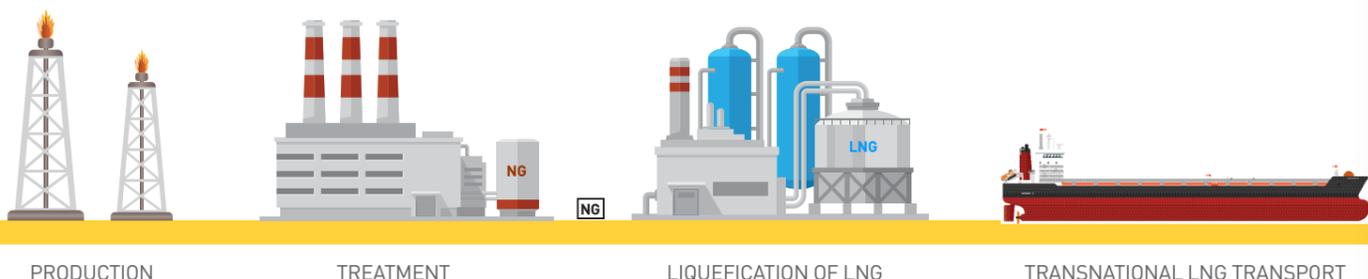
Nakilat, owning the largest LNG carrier fleet in the world, transport enormous quantities of LNG between export and import terminals. Our Q-Max and Q-Flex are the world's largest types of LNG vessels, carrying up to 80% more capacity than conventional vessels.

A Q-MAX VESSEL CAN CARRY ENOUGH LNG TO MEET THE NATURAL GAS NEEDS OF

140,000 HOMES FOR A YEAR!



Let's explore what a typical process entails!



COLD CONDITION

Vessel must retain approximately 700m³ of cargo to keep the tanks cold

WARM CONDITION

When the vessel is not carrying any cargo

BALLAST PASSAGE

Vessel has cargo loaded during voyage

LOADED PASSAGE

Vessel is not loaded during voyage



VESSEL PREPARATION

In order to transport natural gas through shipping, the process begins with liquifying the gas by cooling it to approximately -161.5 °C.

The vessel arrives at the load terminal in 'cold condition' to receive the cargo.



LOADING

After the reliquefaction process, ship shore arms/loading arms will be connected, and the LNG will be pumped from an onshore tank through cryogenic pipelines into the vessel tanks. The pumped LNG flows at a controlled rate.

If the vessel is in 'cold condition', the process usually takes less than a day. Alternatively, charterers may request vessels to return in 'warm condition', which results into additional time required to cool tanks before starting the loading process.



UNLOAD CARGO

The vessel arrives at the discharge port. Discharge arms connect to the vessel and the cargo will be pumped ashore using the vessel's pump.

As the LNG is being pumped ashore, vapor and gases will return to the vessel's tanks. The cargo quantities at the discharge port is approved by the receiver, shipper, and a third party independent surveyor.

THE SHIPYARD'S QUALITY WORKMANSHIP & EFFICIENCY ✨

Earning trust from repeat clientele

N-KOM continues to be the preferred shipyard for LNG carrier repairs, with an 50% increase in the number of such vessels repaired at the facility in 2017 as compared to 2016.

These vessels mainly underwent routine drydocking and repairs, including hull treatment and painting, cargo tank examination, mechanical and electrical work as well as safety inspections and tests.

Among the clients were NSQL, Teekay Shipping, NYK LNG Shipmanagement, MOL LNG Transport, Maran Gas Maritime and Shipping Corporation of India.

Nakilat - Keppel Offshore & Marine (N-KOM)

770+ MARINE & OFFSHORE PROJECTS COMPLETED

170+ GAS CARRIERS REPAIRED

60+ OFFSHORE & ONSHORE PROJECTS COMPLETED

The yard also saw its small vessel repair business increase by almost 35% in the last year, with repair and maintenance projects for offshore support vessels, tugboats and the likes, from clients such as Halul Offshore, Stanford Marine, Pacific Radiance, Bourbon Offshore, RK8 Offshore Shipmanagement, Posh Fleet, Smit Lamnalco, Global Marine Services and Topaz Marine.

EARNING CLIENT'S TRUST THROUGH EFFICIENT & QUALITY DELIVERY



1 Nakilat CEO Eng. Abdullah Al Sulaiti with Maran Gas Chairman Mr. John Angelicoussis

2 Nakilat and Maran Ventures Inc. senior management following a successful signing ceremony

FLEET EXPANSION REPRESENTS GROWTH

Nakilat has expanded its joint venture partnership with Greek shipping company Maran Ventures Inc., to include two additional LNG vessels, signalling growth for the company. Maran Nakilat Co. Ltd. was first established in 2005 with four jointly-owned LNG vessels, and was further expanded on several occasions.

This new agreement increases the number of vessels jointly-owned by Nakilat and Maran Gas from 13 to 15 vessels, and brings the overall Nakilat fleet size to 69 vessels.

The two newly added vessels, Woodside Rogers and Woodside Goode, are equipped with modern technology and Dual Fuel Diesel-Electric (DFDE) propulsion models, and on long-term charter to an Australian LNG operator.



WOODSIDE ROGERS



Type of ship: Conventional
Ship owner: Nakilat/Maran Gas
Ship Manager: Maran Gas
Capacity: 159,800 cbm
(LOA)*: 294.2m / * Length Over All
Shipbuilder: Daewoo Shipbuilding & Marine Engineering
Delivered: 2013

WOODSIDE GOODE



Type of ship: Conventional
Ship owner: Nakilat/Maran Gas
Ship Manager: Maran Gas
Capacity: 159,800 cbm
(LOA)*: 294.2m / * Length Over All
Shipbuilder: Daewoo Shipbuilding & Marine Engineering
Delivered: 2013

SHOWCASING MARITIME EXPERTISE AT DIMDEX 2018 ✨



NAKILAT WAS HONORED TO HOST H.E DR. KHALID BIN MOHAMED AL-ATTIYAH DEPUTY PRIME MINISTER AND THE MINISTER OF STATE FOR DEFENCE AFFAIRS DURING DIMDEX



- 1 Nakilat team during the exhibition
- 2 Explaining about our comprehensive maritime services to a visitor
- 3 Nakilat was honoured to receive a visit from the Qatari Navy
- 4 Nakilat hosted a delegation of government officials from the Republic of Mali



Nakilat displayed its extensive range of services offered at the Erhama Bin Jaber Al Jalahma Shipyard at the Doha International Maritime Defence Exhibition and Conference (DIMDEX). In its sixth edition, **DIMDEX 2018** was held between **12 to 14 March**, under the patronage of His Highness Sheikh Tamim bin Hamad Al-Thani, Emir of the State of Qatar.

The company's various business interests across Qatar offer great commercial and economic opportunities for local businesses.

The exhibition also provided an excellent opportunity to exchange military, technical and commercial expertise as well as capture potential business opportunities for the company.

Our world-class services and maritime expertise in both the commercial maritime and naval sectors is well aligned with Qatar's ambition to diversify its economy and establish itself as a maritime hub in the region.



EXCELLENCE IN SAFETY, HEALTH, ENVIRONMENT & QUALITY 🌿



Five Stars for Occupational Health & Safety Audit

Following a recent in-depth Occupational Health and Safety Audit conducted by British Safety Council (BSC), Nakilat achieved the highest attainable rating of 'Five Stars'. This is a milestone achievement for the company earned on its first BSC audit, thereby reaffirming our world-class safety standards.

The British Safety Council's Five Star Occupational Health and Safety Audit provides organizations with a worldwide benchmark of their safety management systems against current best practices. During the audit, Nakilat underwent an in-depth, detailed, quantified and objective evaluation of its occupational health and safety management system, and had its performance measured against numerous key best practice indicators such as Leadership, Stakeholder engagement, Risk management, Organizational health and safety culture and Continual improvement.



DID YOU KNOW?



Nakilat has successfully completed an audit by Lloyd's Register to upgrade its integrated management systems (IMS) to comply with the requirements of the 2015 ISO standards for **ISO 9001 (Quality Management System)** and **ISO 14001 (Environmental Management System)** and be certified for the newly launched **ISO 45001 (Occupational Health and Safety Management System)**.

N-KOM Receives Shell Safety Award

Nakilat-Keppel Offshore & Marine Ltd. (N-KOM) was awarded with the Best Behavioral Safety Initiative 2017 during the 'Partners in Safety HSSE Contractor Workshop' organized and hosted by Shell. This people-choice award recognizes the best behavioral safety initiative that has been implemented amongst Shell's global partners in the year 2017.



Health, Fitness & Nutrition Talks

In the spirit of National Sport Day, Nakilat partnered with Qatar Petroleum's Occupational Health Department and Diet Delights to engage employees with a series of talks about leading a healthy lifestyle. Employees received useful advisory on health, fitness and nutritional information during the interactive sessions, as well as tips on how to find a balance in their daily activities with regular exercise and meal plans.

- 1 Our HR Manager during a health assessment conducted at our headquarter office.
- 2 Blood pressure check-up for our Chief Financial Officer

Seasonal Flu Vaccination Drive

Seasonal flu vaccination drive was organized for employees at Nakilat headquarters and the shipyard to administer flu shots, in cooperation with Ministry of Public Health (MoPH). This initiative was extended to family members to significantly reduce the chances of catching the bug and prevent from spreading.

PRESERVING MARINE LIFE



THE OCEAN
COVERS
ABOUT OF
THE ENTIRE
GLOBE



FISHERIES
SUPPORT
MORE THAN
170 mil
JOBS



OCEAN PLANTS
PRODUCE ALMOST
HALF OF THE
OXYGEN
FOR THE PLANET



OCEANS ARE
THE LARGEST
ECOSYSTEMS
ON EARTH AND ARE
THE LIFEBLOOD OF THE
PLANET AND HUMANKIND

MARINE SPECIES PROVIDE IMPORTANT ECOSYSTEM SERVICES AND LIVELIHOOD SUCH AS FOOD, MEDICINE, LIVELIHOODS, TOURISM AND RECREATIONAL ACTIVITIES AROUND THE WORLD



Beach Clean-Up

Volunteers from Nakilat and joint ventures demonstrated their commitment to environmental protection by taking part in the seasonal beach clean-up in Ras Laffan Industrial City (RLIC). Typically held ahead of the turtle nesting season, the initiative aims to spread awareness for environmental protection and cultivate a culture of volunteerism across the organization, as well as create a safe environment for the turtles and their hatchlings.

There are around five species of turtles living in Qatari waters, among which are the Hawksbill turtles. These shy creatures typically nest at the beaches of Qatar each year, and the beach at RLIC is their favourite nesting place, with over 100 nests every year. Plastic bags, waste materials, solid wastes and other debris are amongst the biggest threats to the turtles' survival, therefore the activity went a long way towards ensuring the preservation of Qatar's marine ecosystem.



Marine Conservation Awareness

Given Nakilat's nature of business, we naturally have a close connection to the environment, none more so than the oceans and seas. In conjunction with Qatar's National Environment Day on 26 February 2018, a talk was organized in coordination with Qatar's Ministry of Municipality and Environment, to create awareness for environmental preservation amongst our employees.

The informative session was delivered by an Environmental expert from the Ministry, Dr. Mohammad Abdulmoati, who provided insights into the importance of protecting marine environment ecosystems and its impact on our lives.

Such targeted awareness sessions demonstrate Nakilat's commitment in promoting environmental sustainability and marine conservation for future generations, and support towards the Environmental Development aspirations within the Qatar National Vision 2030.

**COMMITTED IN
PROMOTING
ENVIRONMENTAL
SUSTAINABILITY AND
MARINE CONSERVATION**





HEALTH AND WELLBEING OF EMPLOYEES ARE SIGNIFICANT IN ENHANCING PRODUCTIVITY LEVELS

- 1 Enjoying soccer game with the children at the park
- 2 Employees showing off their table tennis skills
- 3 Among the fun activities made available for children on the day

PROMOTING HEALTH & WELLNESS THROUGH SPORTS

In the weeks leading up to National Sports Day, Nakilat held a series of health and wellness programs for its employees, aimed at cultivating interest and raising awareness on how to lead a healthy lifestyle.

Celebrating National Sport Day 2018

In the weeks leading up to National Sport Day, Nakilat Cup featuring Foosball and Table Tennis tournaments was held for its employees to promote wellness through sports. Employees took part in the tournaments after work hours, competing to be crowned champions!

Along with the entire country, Nakilat organised its celebration of Qatar National Sport Day 2018 for employees and family members at the New Onaiza Park, where hundreds turned up to take part in the various fun-filled activities.

Nakilat believes that the health and wellbeing of its employees is significant in enhancing productivity levels and ensuring the creation of a sustainable workforce. The company actively advocates wellness and healthy lifestyle among its employees and families through various initiatives throughout the year.



“National Sport Day is a positive way for the nation to encourage people to be active, which will definitely bring about team spirit among the employees.”
Chandrapakash, Finance Department

“This is a great initiative by Qatar. You can see everybody around playing sports. Sports is a part of our lives, embedded in our culture.”
Mohammed Al Kaabi, Human Resource

“I have always loved to attend the Sport Day because when we keep both our body and mind healthy, we will be productive in our jobs.”
Fotios, Commercial & Planning





EVOLVING HUMAN CAPITAL

Celebrating Qatari Achievements

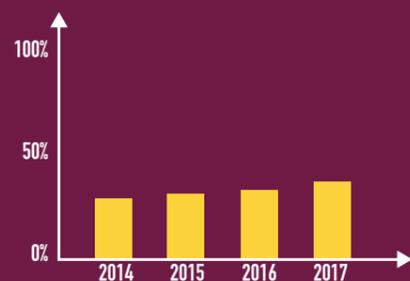
Nakilat's fourth Annual National Forum for National employees continues to be a valuable platform for the company to engage with its Qatari workforce. Held on 27 March 2018, the forum gathered all Nakilat's National employees, developpees and sponsored cadets for a series of presentations, where they gained insights on the company's strategy and growth, ongoing initiatives and key achievements.

The engaging presentations also included comprehensive details on career development opportunities and plans, which are aimed at promoting life-long learning and developing our existing talent pool towards reaching their full potential to become key contributors to the company and Qatar's maritime industry.

"NAKILAT IS COMMITTED TOWARDS THE DEVELOPMENT OF SUSTAINABLE QATARI WORKFORCE, CONTINUOUSLY INVESTING TO NURTURE THE POOL OF NATIONAL TALENTS FOR THE SHIPPING AND MARITIME INDUSTRY".

1 Qatari National employees and marine cadets with Nakilat CEO during the Annual National Forum 2018

Growing Qatarization rate over the years



National Development at Nakilat

NATIONALS MAKE UP **50%** OF THE MANAGEMENT ACROSS NAKILAT

4 KEY PROGRAMS TO DEVELOP NATIONALS AS PART OF ITS QATARIZATION EFFORTS

NDP CURRENTLY **11 DEVELOPEES** UNDERGOING THE PROGRAM, **XX** HAVE GRADUATED SINCE IT WAS FIRST LAUNCHED IN 2011

MCP FIRST LAUNCHED IN 2012 WITH **3 CADETS** ENROLLED, TODAY, THERE ARE **5 STUDENTS** PURSUING STUDIES AT INTERNATIONAL MARITIME COLLEGE OMAN AND **13 HAVE GRADUATED** IN 2017

NCE (NATIONAL CONTINUOUS EDUCATION) **2 NATIONALS** PURSUING DIPLOMA IN HRM AND BACHELORS IN BUSINESS ADMINISTRATION AT LOCAL EDUCATIONAL INSTITUTES



Amna Al-Mulla – Finance Department
The well-structured development plan, support and constructive feedback has not only deepened my interest in the finance field but also, enabled me to grow as a professional.



Bader Al Bader – Commercial & Planning
I am pleased that this program empowers young nationals to develop ourselves for future leadership roles in the maritime industry.



Mohammed Al Jaber – Fleet Department
As a marine personnel developpee, I find that the company's holistic program has provided me numerous opportunities to accelerate my professional development and enabled me to gain new skills that will greatly contribute to my future.



Naeyf Al Mahmoud – Information Technology
Through the National Development Program, I am empowered to use my passion and creativity for highly-advanced IT systems to improve process efficiencies throughout the company. I am proud to be given this opportunity to drive change within the company at such an early stage in my career!



Get to know: our marine cadets!

In line with Qatar's National Vision 2030, the development of a sustainable Qatari workforce is one of the key priorities at Nakilat.

We offer a unique Marine Cadet Program (MCP) for National high school students, sponsoring them to undertake higher studies at reputable international maritime colleges. The MCP is typically a three to a four-year study program in either Nautical Studies or Marine Engineering, which includes training periods onboard Nakilat vessel at sea. - Upon successful completion of the Marine Cadetship, Cadets will be conferred the title of either Junior Deck Officers or Junior Engineer Officers.

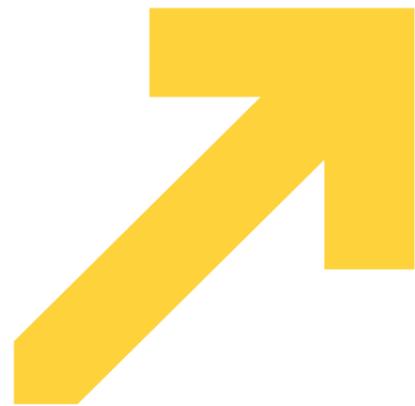
The team behind Voyages interviewed two of our sponsored cadets, Abdulrahman Al Muraikhi (AM) & Nasser Al Jaber (NJ), whom are graduating soon from the International Maritime College of Oman, on their experience in the program and what they look forward as future officers onboard Nakilat's vessels.



GIVEN THAT THE MARITIME INDUSTRY IS UPCOMING AND PROMISING, AND AS A QATARI, I AM PLEASED TO BE PART OF SUCH A REWARDING JOURNEY.

Nasser Al Jaber ↗

Abdulrahman Al Muraikhi ↗



1. How did you become interested in the maritime industry?

(AM)
I always had a passion for the sea, so when Nakilat visited our school and presented the Marine Cadet Program, I was automatically intrigued and curious to know more about the program. I found this opportunity perfect for developing and enhancing my knowledge about the maritime industry.

(NJ)
Adventure has always been in my nature, so I thought this would be the - great opportunity, especially since it is something new and unusual. Not only did I gain valuable insights about the maritime industry, but I was exposed to many opportunities.

2. How did you find your first experience at sea?

(AM) & (NJ)
When I was assigned to my first voyage, I was anxious because I was not sure what to expect. The duration was almost three months! I was overwhelmed by the massive size of the Q-Max vessel and the amount of responsibility that comes with being a deck officer. However, I was pleasantly surprised with the support from the crew onboard and having other cadets with me really enriched my overall experience.

(NJ)
During voyage, we got a chance to visit some of the locations where the vessel discharges/loads cargo. Being exposed to diverse cultures and cities really enhanced our first experience at sea. My confidence has increased so much, through meeting new people and all the skills I've gained, which will come in useful later in life.

3. What sort of tasks do you execute daily?

(AM) & (NJ)
As a deck officer, our responsibilities vary from maintaining watches on the bridge at-sea, and maintenance and cargo operations when in port. As you can imagine, safety is a vital aspect in ensuring the vessels safe navigation and maintaining the cargo. Being responsible for such tasks on the vessel is truly a riveting experience.

4. What kind of challenges do you face?

(AM)
One of the challenges that I faced early on was the distance from my family, especially since they were hesitant about me being a cadet and being away from home for prolonged periods of time. Fortunately, the vessels are equipped with outstanding technology that allowed us to stay connected with our families.

(NJ)
When I was informed about the duration of the voyage, my main concern was that there will not be enough activities to engage in. However, the crew were putting in seamless efforts to ensure that we were always occupied. Such efforts include library, pools, and other entertainment platforms. Not only were we able to enjoy ourselves, but we also had opportunities to get to know the crew on a personal level.

5. What's next?

(AM) & (NJ)
I am eager to be part of the Nakilat seafarer's family. I hope to see myself in a few years' time as one of the Captains on Nakilat's vessels. Given that the maritime industry is upcoming and promising, and as a Qatari, I am pleased to be part of such a rewarding journey.



1



2



3



4

PHOTO GALLERY



5

5 Employees attended a Paradigm session, an internal knowledge sharing platform



6

GRADUATIONS 2017

Mohammed Al Shamir



7

6 Celebrating achievements of Qataris at Annual National Forum



8

8 Employees reading up on health and nutrition after a seminar, in the spirit of National Sports Day



9

9 Environmental talk about Conservation of Marine Environment by Qatar's Ministry of Municipality and Environment

1 Children enjoying themselves during National Sports Day

2 Nakilat Annual General Meeting (AGM) held in March

3 Turtle beach clean-up by volunteers at Ras Laffan

4 Showcasing expertise at DIMDEX 2018

