

Sustainability













2009





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“As Abu Dhabi charts its long term economic vision, the implementation of sustainability principles and their impact on the environment, the diversification of our economy and the continued progress of our society will continue to transform and modernize the emirate for the benefit of future generations.

We are building upon the strong legacy of the late founding father of the UAE, Sheikh Zayed Bin Sultan Al Nahayan and the vision of the UAE president, HH Sheikh Khalifa Bin Zayed Al Nahayan. By taking a balanced approach to economic and social development while ensuring environmental sustainability, we will preserve a better quality of life in our beloved homeland.”

HH General Sheikh Mohamed Bin Zayed Al Nahayan,
Crown Prince of Abu Dhabi and Chairman of the Executive Council





Message from the Chairman

Respect for the environment and sustainable development is a long standing part of our tradition. The late Sheikh Zayed Bin Sultan Al Nahayan captured this in his own beliefs;

“We cherish our environment because it is an integral part of our country, our history and our heritage. On land and in the sea, our forefathers lived and survived in this environment. They were able to do so only because they recognized the need to conserve it, to take from it only what they needed to live, and to preserve it for succeeding generations.”

HH Sheikh Khalifa Bin Zayed Al Nahayan, President of the United Arab Emirates and Ruler of Abu Dhabi articulated the importance of sustainability within his vision:

“To achieve sustainable development, build a cohesive society and an open economy capable of global competitiveness.”

As we continue to move forward, it is important that sustainable development remains at the centre of our efforts to secure beneficial growth for future generations. Sustainability management is our means of working towards sustainable development. It is the integrated management of economic, social and environmental considerations in a manner that creates optimal value for our stakeholders in a socially and ecologically responsible manner. By embedding sustainability management across our company, we can minimize our environmental impacts and maximize our involvement and economic and social impacts within the communities in which we operate.

HH Sheikh Hamdan Bin Zayed Al Nahayan
Chairman





Message from the CEO

HH Sheikh Khalifa Bin Zayed Al Nahayan, President of the United Arab Emirates and Ruler of Abu Dhabi and HH General Sheikh Mohamed Bin Zayed Al Nahayan, Crown Prince of Abu Dhabi and Chairman of the Executive Council mandated the development of the Abu Dhabi Economic 2030 Vision. Key priorities established within the 2030 Vision include the need for Abu Dhabi to build a sustainable economy and show it has the ability to transform itself to meet the needs of tomorrow. Aligned to this, Abu Dhabi will ensure that social and regional development is balanced to bring the benefits of economic growth and well being to the entire population of the Emirate.

Dolphin Energy is in business to create value for our joint venture partners and stakeholders through the appraisal, development, production, transportation and marketing of hydrocarbon resources in a safe, efficient and environmentally responsible manner. We are committed to business processes that focus on efficiency, investment in people, correct ethical conduct, social responsibility, profit and growth. A key element in the area of corporate social responsibility is our pledge to conduct our business in a manner that embeds sustainability across our company and promotes continuous improvement in all our business practices and operations. Dolphin Energy is a founding member of the Abu Dhabi Sustainability Group which was established in June 2008 and comprises leading government, private sector and non-profit organizations under the stewardship of the Environment Agency - Abu Dhabi.

Sustainable management and corporate social responsibility are intrinsic to sound business practice. Within Dolphin Energy, being a good corporate citizen is not merely good for business – it is everyone's business. A fundamental responsibility of an engaged company is to listen to our stakeholders and then creatively devise mutually beneficial solutions. Being responsible means supporting our many stakeholders, e.g. shareholders, employees, contractors, suppliers, customers, governments, regulators, lenders and the communities in which we operate. Being responsible means being transparent and informing, explaining, listening and dialoguing to secure business excellence. Our goal is to ensure that wherever Dolphin Energy conducts its activities, we are the partner of choice, the employer of choice and neighbor of choice.

I am therefore delighted to welcome you to the first sustainability report prepared by Dolphin Energy.

Ahmed Ali Al Sayegh
Chief Executive Officer

Summary of 2009 Performance and 2010 Goals

2009 Performance

Minimizing Environmental Impacts <ul style="list-style-type: none"> Decreased flaring at onshore facilities from 19% of available gas for sale in 2007 to 1.1% in 2009 Reduced unplanned flaring from 4% of available gas for sale in February 2009 to less than 0.5% in August 2009 Contributed over \$650,000 to the World Wide Fund for Nature (WWF) in support of research and mapping of corals over the three year period from 2004 to 2007
Creating Economic Opportunity <ul style="list-style-type: none"> Exceeded 2009 revenue target Exceeded sales target for gas and sulphur Permanent financing completed securing \$4.1 billion of debt. Conventional loan and Islamic loan of \$3.45 billion settled
Being Employer of Choice <ul style="list-style-type: none"> Achieved 40% Emiratization and 22% Qatarization 93% of total workforce underwent a performance appraisal and career review
Ensuring Efficient Operations <ul style="list-style-type: none"> Met plant availability targets for 6 out of 7 modules with regard to planned operational shortfalls, and all 7 modules with regard to unplanned operational shortfalls
Community Engagement and Optimizing Social Impacts <ul style="list-style-type: none"> Maintained active involvement in Abu Dhabi Sustainability Group along with other important initiatives including support for Emirates Foundation and Qatar Foundation
Ensuring Safe Operations <ul style="list-style-type: none"> Three years of operations with zero fatalities Exceeded targets for Total Recordable Incidence Rate (TRIR) and Lost Time Incident Rate (LTIR) for employees

Performance against all Key Performance Indicators (KPIs) and 2009 targets can be found on page 18.

2010 Goals

Meeting Customer Expectations <ul style="list-style-type: none"> Initiate a structured process to measure customer satisfaction, including creation of a customer satisfaction index
Ensuring Efficient Operations <ul style="list-style-type: none"> Maintain an average overall availability of the facilities above 95%
Minimizing Environmental Impacts <ul style="list-style-type: none"> Achieve less than 0.3% flaring of sweet gas production Establish a Leak Detection and Repair (LDAR) program to determine fugitive emissions, and continue minimization of other leaks and spills
Being Employer of Choice <ul style="list-style-type: none"> Work towards achieving 50% Nationalization by 2012 Conduct performance appraisal and career review for 100% of employees
Ensuring Safe Operations <ul style="list-style-type: none"> Conduct major emergency training program on quarterly basis Conduct two major external and two minor internal emergency drills
Contractor and Supplier Relations and Practices <ul style="list-style-type: none"> Take additional steps to ensure contractor compliance with procurement and contracts policies and procedures

GRI Application Level and IPIECA/API

This report uses the leading international guidelines for sustainability reporting, namely the Global Reporting Initiative (GRI), and the International Petroleum Industry Environmental Conservation Association / American Petroleum Institute (IPIECA/API) reporting guidance. Dolphin Energy self-declares this report to meet GRI Application Level A. The GRI Index can be found on page 86, and the IPIECA/API index on page 88.

GRI checked this report against the criteria for the GRI Application Level A, and GRI has qualified it as Application Level A.





About Dolphin Energy

Dolphin Energy is a unique strategic energy initiative involving the production and processing of natural gas from Qatar's North Field, and transportation of the refined gas by subsea pipeline across joint United Arab Emirate (UAE)-Qatari waters to the UAE and the Sultanate of Oman. Gas production began in July 2007. Dolphin Energy was the first bilateral gas

364 km subsea export pipeline. The longest and largest high pressure subsea pipeline in the Middle East

transmission project in the region, and has since become the region's first and only trilateral gas grid. The overall investment in constructing the Dolphin Gas Project – wells, sea lines, processing plant, export pipeline and receiving facilities – has made it one of the largest energy-related ventures ever undertaken in the Middle East.

Dolphin Energy aims to be a leading, safe and reliable supplier of clean energy in a socially responsible manner. Business decisions and operations are guided by a set of core values comprising fiscal responsibility, integrity, respect, social responsibility, teamwork and excellence ("F.I.R.S.T. for Excellence"). The company's ambition is to support the development of substantial long-term new industries throughout the region creating sustainable wealth, economic growth and employment opportunities for the citizens of the region far into the future.

Dolphin Energy Limited was established by the Abu Dhabi government as a joint venture owned partially by the government of Abu Dhabi (Mubadala, 51 %) and two international shareholders (Total and Occidental (Oxy), 24.5 % each). The headquarters of Dolphin Energy are in Abu Dhabi, the capital of the United Arab Emirates, with operational offices located in Taweelah, UAE as well as Doha and Ras Laffan, Qatar.



Products and Market

Dolphin Energy's core business involves the appraisal, development, production, transportation and marketing of premium quality methane, ethane, propane, butane and associated hydrocarbon condensate and sulphur. In addition to providing gas supplies to the UAE, Qatar and Oman; condensate, Liquefied Petroleum Gas (LPG) and sulphur are consumed internationally.

Dolphin Energy is the operator in the production of substantial quantities of raw natural gas from 24 deep wells drilled in Qatar's offshore North Field. This upstream operator role for Dolphin Energy is part of the Development and Production Share Agreement (DPSA) with the Qatari Government and undertaken on behalf of Dolphin Energy's shareholders. The gas is processed onshore at Dolphin Energy's Gas Processing Plant in Qatar's Ras Laffan Industrial City (RLIC). Valuable by-products such as LPG, condensate, ethane and sulphur are removed for

sale and sold in world markets, with the exception of ethane which is sold in Qatar. About 2 billion standard cubic feet of gas per day (scf/day) is now being delivered downstream through the export pipeline to Dolphin Energy's customers in the UAE and Oman. Subject to future agreement between the Qatari and Abu Dhabi governments, Dolphin Energy intends to expand its current downstream throughput to 3.2 bscf/day.

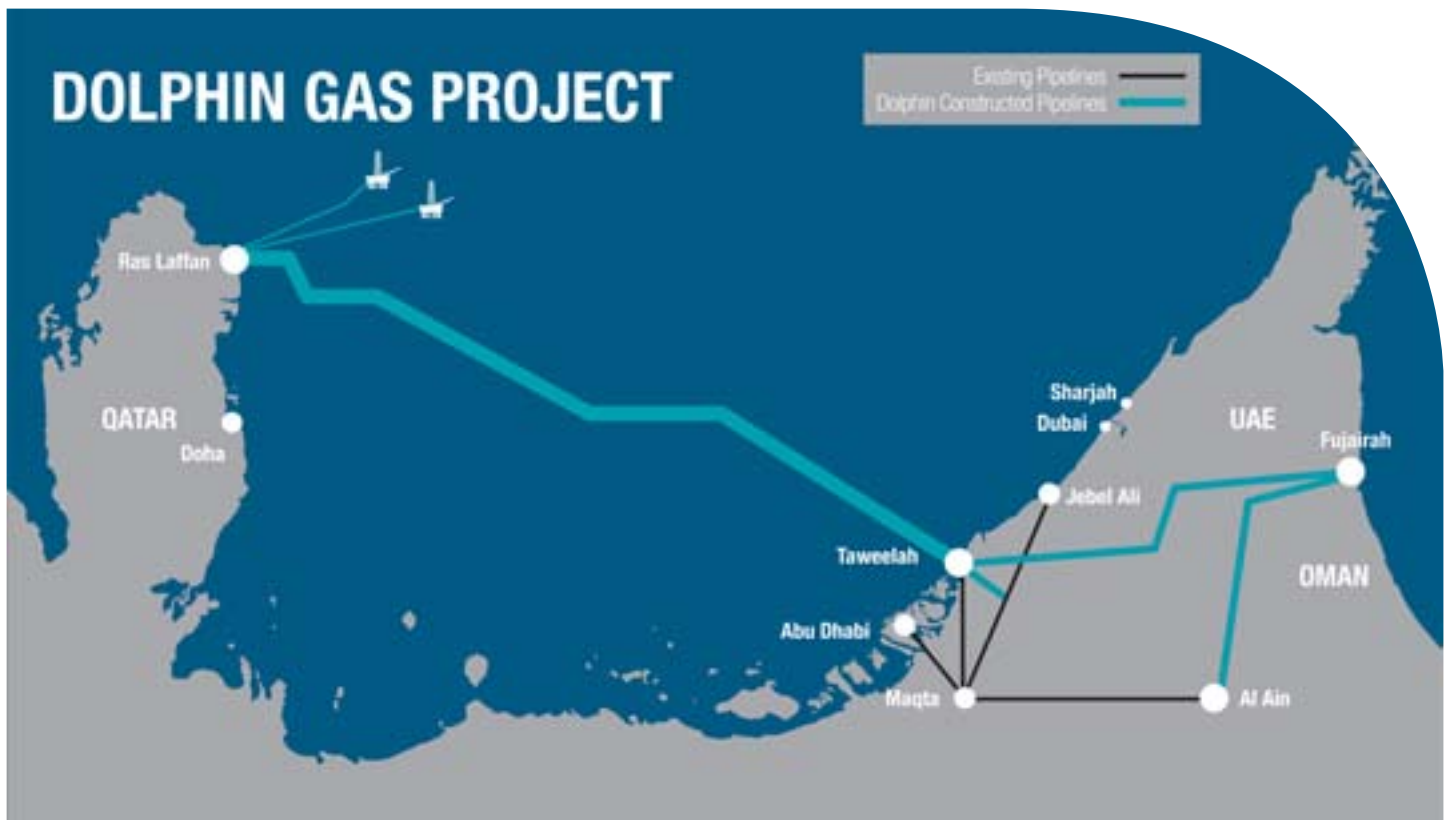


Our Facilities

Dolphin Energy's operations are carried out within a system of state-of-the-art energy infrastructure facilities. The main infrastructure comprises:

- **Production facilities:** Two offshore platforms and production pipelines
- **Shared storage and export facilities:** Onshore processing, compression, storage and export facilities at Ras Laffan, and receiving facilities at Taweelah
- **Gas transmission pipelines:** Export and distribution pipelines

DOLPHIN GAS PROJECT



Dolphin Energy Production Facilities

- **Offshore Platforms:** Dolphin Energy installed two Offshore Production Platforms, DOL-1 and DOL-2. Each platform handles the extraction of gas from 12 wells, making 24 wells in total. Each platform produces some 1.3 (bscf/day) of 'raw' gas for transportation by dedicated sea lines to Ras Laffan for processing.
- **Sea lines:** The sea lines rest in relatively shallow water (30-40 meters) and they transport between them up to 2.6 bscf/day of raw gas to Ras Laffan when Dolphin Energy's 24 gas wells are producing at the full rate.
- **Umbilical:** Twin subsea umbilical lines, respectively 88 and 72 kilometers in length, link offshore platforms DOL-1 and DOL-2 with Dolphin Energy's Gas Processing Plant at Ras Laffan.
- **Gas Processing and Compression Plant:** The largest single build plant in the world is central to Dolphin Energy's activities and makes up the core element in its operations.
- **Export Pipeline:** This 48-inch, 364-kilometer pipeline is the largest and longest high pressure submarine gas pipeline in the Middle East.
- **Taweelah Receiving Facilities:** Dolphin Energy gas produced in Qatar arrives at the company's Taweelah Receiving Facilities in Abu Dhabi where it is depressurized for distribution.

Ras Laffan City Shared Storage and Export Facilities

- **Condensate Storage and Export:** Dolphin Energy has constructed three 500,000 barrel storage tanks for condensate at Ras Laffan. These are among the largest in the world. A fourth 500,000 barrel storage tank and two 660,000 barrel tanks are scheduled for completion in the first quarter in 2010. Upon completion, this facility will be shared with other operators.
- **Liquids Storage and Export:** Dolphin Energy's Propane and Butane production is held in new shared storage tanks operated by the Rasgas Company Limited (Rasgas)
- **Sulphur Storage and Export:** From September 2007, Dolphin Energy is sharing a 14,000 tons capacity sulphur storage system with Qatargas and Rasgas.

Gas Transmission Pipelines

- **Al Ain to Fujairah Pipeline:** The 24-inch, 182-km pipeline supplies gas to the power and desalination plants in Fujairah of Abu Dhabi Water and Electricity Company (ADWEC)
- **Eastern Gas Distribution System (EGDS):** Dolphin Energy EGDS pipelines network which are between 18 and 48 inches in diameter and provide gas to Abu Dhabi, Oman Oil Company (OOC) and customers in the Northern Emirates (leased from ADNOC)
- **Taweelah - Fujairah Pipeline:** This 48 inch pipeline will cross some 240 kilometers of the country

Recognized Performance Leadership

Dolphin Energy is committed to achieving excellence across all aspects of business. The company is honored to have had its performance recognized in 2009 by receipt of the following awards:

- The Excellence in Project Integration Award from the International Petroleum Technology Conference (IPTC) (December 2009), a joint gathering of the American Association of Petroleum Geologists (AAPG); the European Association of Geoscientists and Engineers (EAGE); the Gas Processors Association (GPA); the Society of Exploration Geophysicists (SEG); and the Society of Petroleum Engineers (SPE)¹.
- The Middle East Excellence in Energy Awards - Project of the Year and Industry Innovator (2009), and Best Company in Gas (2008)
- Middle East Oil and Gas Project Finance Deal of the Year 2009 (EuroMoney)
- The Qatar Today Green Awards - Environmental Vision in Energy Sector (October 2009)
- The Gas Supplier of the year award from Abu Dhabi National Oil Company (ADNOC), Abu Dhabi Gas Industries Ltd. (GASCO), and Institute of Gas Engineers and Managers (January 2009)

Awards received previously

- Middle East Excellence in Energy Awards: Excellence in Energy Project, (2002 and 2005); Best Company in Environment (2004 and 2006)
- Offshore Arabia Excellence in Environmental Projects and Products Award, Regional Clean Sea Organization (December 2006)
- A Code of Ethics award from the Business Software Alliance (BSA), the leading regional organization dedicated to promoting a safe and legal digital world, recognizing the company's contribution to upholding Intellectual Property Rights (IPR) in its projects in the UAE
- A commemorative award from the Emirates Foundation acknowledging the company's significant contribution to its projects and programs.

¹ The IPTC Awards Committee has acknowledged the high levels of excellence at each stage of the project from inception to completion; the local, regional and international impact the project has made; the new technology that was applied at key stages; and execution on schedule, on budget, and in compliance with health, safety, security and environmental regulations (December 2009)

Memberships and Engagements

Dolphin Energy aims to be widely engaged in society. The company is an active member of many institutions and initiatives including:

<ul style="list-style-type: none"> • Abu Dhabi Sustainability Group (ADSG) 	The ADSG, of which Dolphin Energy is a founding member and part of the general secretariat, promotes the uptake of sustainability in Abu Dhabi, with signatories committed to adopting sustainability management and reporting
<ul style="list-style-type: none"> • Oil and Gas Producers Association (OGP) 	OGP is an organization that aims to improve the industry through accessible reliable sources, present and advocate industry views by developing effective proposals, and develop and disseminate best practice in Health, Safety, and Environment (HSE), engineering and operations among its members
<ul style="list-style-type: none"> • Abu Dhabi Emergency Support Committee for Offshore Operators (ADESCO) 	This committee was established to coordinate arrangements to ensure all participants are kept updated on the procedures and capabilities of participating companies for providing or requesting assistance in case of major emergency
<ul style="list-style-type: none"> • Ras Laffan Environmental Society (RLES) 	RLES, which is a non-profit organization aimed at ensuring that all ventures at Ras Laffan are informed about and adopts best practice environmental and health standards in their operations
<ul style="list-style-type: none"> • Ras Laffan Community Outreach Programme (RLIC COP) 	RLIC COP is an industry led initiative focused on creating a respectful, trust-based partnership between industry and the community. It focuses on ensuring a two-way engagement process that allows for collective innovation and decision-making.
<ul style="list-style-type: none"> • Emirates Environmental Group (EEG), including its Arabian CSR Network 	EEG, including its CSR Network, which aims to contribute positively to the advancement of sustainable development in UAE and assist concerned authorities where possible to increase the level of public awareness on all local and global environmental issues
<ul style="list-style-type: none"> • Gas Center at Qatar University 	This new educational center, of which Dolphin Energy is a founding member, aims to study the problems, challenges and opportunities facing the State of Qatar in its ambition to become the 'Gas Capital of the World'.

Dolphin Energy and Sustainability

From the beginning, Dolphin Energy has been committed to being a responsible corporate citizen across all its operations and activities. Dolphin Energy is, at its core, an initiative focused upon bringing the world's cleanest fossil fuel energy to market, and in so doing creating environmental, economic and social benefits for regional and global stakeholders.

Sustainability management helps Dolphin Energy strengthen and continuously advance this commitment. The company defines sustainability management as the systematic, integrated management of economic, environmental and social performance – with the goal of optimizing benefits for both business and society in an environmentally sustainable manner.

Optimizing these benefits requires a full understanding of the company's stakeholders: who they are, their interests and perspectives, and the opportunities available to work with them to continuously improve results. It is only through this understanding that Dolphin Energy can set the overall framework for sustainability management, along with appropriate priorities and performance targets.

Sustaining CSR = Balance



Stakeholders



Stakeholders are defined as any party with a legitimate interest in a project. Dolphin Energy's stakeholders are identified using a systematic approach to determine the corporate and operations area of influence and identify who might be affected and in what way.

The following table captures Dolphin Energy's key stakeholders, methods of engagement, understanding of their priorities, and an introduction to how the company is responding.

Dolphin Energy is continuously striving to improve stakeholder engagement techniques and learn from leading international practices and standards. The quality of engagement is critical if Dolphin Energy is genuine in saying that the convergence and consideration of a wide range of stakeholder interests shapes its corporate strategy and sustainability framework.

Stakeholder	Methods of Engagement	Stakeholder Priorities	Dolphin Energy's Response
Shareholders Mubadala 51%, Total 24.5% and Oxy 24.5%	<ul style="list-style-type: none"> Through their representation on the Board of Directors, including regular board meetings Through their representation and active involvement as members of the senior management team 	<ul style="list-style-type: none"> Operating with complete integrity and protecting national and corporate reputations Achieving financial targets Maintaining reliable, efficient, safe and responsible operations Contributing to broader economic and social development 	<ul style="list-style-type: none"> Board committees Ensuring and monitoring compliance with CBC and laws and regulations through the Compliance, Legal and Internal Audit departments
State of Qatar	<ul style="list-style-type: none"> Development and Production Sharing Agreement (DPSA) Through their representation at the Management Committee 	<ul style="list-style-type: none"> Management of national resources 	<ul style="list-style-type: none"> Ensuring and monitoring compliance with DPSA and laws and regulations of the State of Qatar
Employees 1,175 full-time employees based both in UAE and Qatar	<ul style="list-style-type: none"> Regular meetings Performance appraisals Employee satisfaction surveys Grievance system Suggestion boxes 	<ul style="list-style-type: none"> Attractive financial package and benefits, and excellent quality of living Good, safe working conditions Employment and development of UAE and Qatar nationals Training opportunities Merit-based opportunities for promotion 	<ul style="list-style-type: none"> Implemented a recognition and awards program Prepared a five year plan to attract and develop Qatari and UAE nationals Conducted benefits and compensation market survey

Stakeholder	Methods of Engagement	Stakeholder Priorities	Dolphin Energy's Response
<p>Clients/customers Primarily power providers who purchase Dolphin Energy gas, and in turn meet water and electricity production requirements and support ongoing regional economic and industrial development. They are Abu Dhabi Water and Electricity Company (ADWEC), Dubai Supply Authority (DUSUP), Oman Oil Company (OOC), Sharjah Electricity Water Authority (SEWA), Federal Electricity and Water Authority (FEWA), and Ras Al Khaimah (RAK). Hydrocarbon liquids and sulphur are also sold on the international spot market through Tasweeq</p>	<ul style="list-style-type: none"> • Ongoing operations engagement • Regular meetings to review operational performance • Feedback through follow up servicing and ongoing sales engagement 	<ul style="list-style-type: none"> • Reliable gas and liquids supply • Product quality • Quality, timeliness, reliability of by-products 	<ul style="list-style-type: none"> • Regular dialogue with customers
<p>Regulators Authorities whose decisions influence operations, primarily the Ministry of Environment and Water, Environment Agency - Abu Dhabi (EAD), Qatar Ministry of Environment (MoE), Ras Laffan City (RLC), Environment and Protected Areas Agency (EPAA) Sharjah, Environment Protection and Development Authority (EPDA)- Ras Al Khaimah (RAK), Environment Protection and Development Department (EPDD), Fujairah Municipality, Ministry of Labor, and Abu Dhabi Accountability Authority</p>	<ul style="list-style-type: none"> • Regular reporting • Inspections • Meetings and workshops 	<ul style="list-style-type: none"> • Compliance with government regulations • Support to their initiatives where applicable 	<ul style="list-style-type: none"> • Maintain close working relationship with regulators and assessment of any new regulations • Routine reporting of environmental management and timely notification of significant incidents • Regular interface with regulators on collective initiatives
<p>Suppliers/contractors Engineering Procurement and Construction (EPC) and D&B contractors, supply vendors and service providers based in Qatar, UAE, Middle East and internationally</p>	<ul style="list-style-type: none"> • Bidding and tendering • Collaboration and monitoring of delivery • Regular feedback surveys • Visits to suppliers • Quarterly meetings held between QHSE&S and contractors 	<ul style="list-style-type: none"> • Fair contract bidding/award process • On-time payment • Consistent business dealings • Open and transparent communication 	<ul style="list-style-type: none"> • Implemented a P&C management system to ensure the bidding, evaluation and award processes follow Dolphin approved policies and procedures, as well as industry best practice and are in line with international protocols (e.g. IBRD, USAID)
<p>Lenders and insurers Banks and other institutions such as the International Finance Corporation (IFC)</p>	<ul style="list-style-type: none"> • Loan covenants • Routine reporting • Periodic meetings 	<ul style="list-style-type: none"> • Investment security • Asset protection • Reputational risk • Repayment • Compliance with international laws and agreements 	<ul style="list-style-type: none"> • Cooperation in a transparent manner in all inquiries and due diligence
<p>Contracted staff Catering and general services office staff, most of whom are contracted through specialist service providers</p>	<ul style="list-style-type: none"> • Via service providers • Directly through trainings including orientation training and health and safety training • Directly through on-site work-related activities 	<ul style="list-style-type: none"> • Adequate working conditions and living wage • Respect for all internationally accepted human rights • Safe working conditions 	<ul style="list-style-type: none"> • Routine inspection of worker camps and discussions with workers regarding their welfare and conditions.
<p>Adjacent communities Communities located alongside facilities or pipelines</p>	<ul style="list-style-type: none"> • Community engagement meetings • Through those employees whose families live in the local communities 	<ul style="list-style-type: none"> • Safety of operations • Minimal environmental impacts • Creation of jobs and economic opportunities • Contributing to community social development • Local human resource development • Transparent and ongoing community engagement 	<ul style="list-style-type: none"> • Implemented community liaison officer to improve communication • Undertook Environmental and Social Impact Assessments (ESIAs) in early planning stages • Member of RLIC Community Outreach Programme

Stakeholder	Methods of Engagement	Stakeholder Priorities	Dolphin Energy's Response
Industry Groups Organizations and associations such as Qatar Petroleum (QP), RLC, The Supreme Petroleum Council (SPC), ADNOC, ADESCO, OGP, Ras Laffan Environmental Society, and others	<ul style="list-style-type: none"> Regular meetings and workshops Shared initiatives Knowledge sharing forums Interactive dialogue Reporting 	<ul style="list-style-type: none"> Adopting industry best practices Develop common consensus on issues of concern Provide benchmarking opportunities Provide mutual support and aid 	<ul style="list-style-type: none"> Active participant within industrial forums and keen to enhance regional reputation and alignment with best industry practices
Society At one level, this includes economies and societies of UAE and Qatar; at another level, it includes local stakeholder groups such as Abu Dhabi Sustainability Group, Emirates Environmental Group and Emirates Wildlife Society, as well as global and regional non-governmental organizations (NGOs)	<ul style="list-style-type: none"> Joint charitable initiatives Joint research initiatives Engagement with governments Engagement with Industry bodies Participation in Abu Dhabi Sustainability Group (including role on the general secretariat) Engagement and collaboration with wide variety of NGOs 	<ul style="list-style-type: none"> Contribute directly to national economic and human resources development Provide energy to the marketplace Development of cleaner energy Minimizing environmental impacts (flaring, spills, carbon emissions) Adherence to, and protection of, all basic international human rights 	<ul style="list-style-type: none"> Made donations to different community institutions Contributed to capacity building through financial and technical programs

Priority Sustainability Issues

The preceding stakeholder considerations cut across economic, environmental and social realms. The importance of sustainability to the company is not only the individual areas of economic, social and environmental performance, but also their interaction, and the opportunity to simultaneously create value by looking across these three areas.

Dolphin Energy recognizes that environmental and social performance gains can and should contribute directly

to financial, reputational, and operational gains. This is the essence of optimizing value for all key stakeholders.

Based on the above-listed stakeholder considerations, and after implementing a materiality test using best global practice, (where Dolphin Energy identified the significant economic, environmental and social impact which would influence substantively the decisions made by stakeholders), Dolphin Energy captured its key sustainability issues in ten main points.



Key Issue	Dolphin Energy's Perspective	Key Performance Indicators
Good Governance, Management and Integrity	Maintaining integrity and trust is the most fundamental success factor in maintaining "social" license to operate. It requires increasingly higher levels of engagement, transparency, performance and accountability.	<ul style="list-style-type: none"> • Number of regulatory incidents • Number of ethical incidents • Percentage of independent directors • Level of GRI-based reporting • Number of stakeholder groups assessing report
Providing Cleaner Energy and Optimizing Byproducts	Dolphin Energy is a leading and reliable supplier of cleaner energy, a unique energy initiative that brings together three countries – Qatar, UAE, and Oman – to help meet the energy needs of the UAE and Oman. Dolphin Energy is the first and only international gas network in the region.	<ul style="list-style-type: none"> • Export of Lean Gas • Condensate • Propane • Butane • Ethane • Sulphur
Meeting Customer Expectations	Dolphin Energy understands that its customers rely on it for a reliable supply of gas, and have millions of customers who rely on them.	<ul style="list-style-type: none"> • Number of unplanned supply disruptions to customers • Customer satisfaction index
Ensuring Efficient Operations	Ensuring efficient operations is the best way of meeting customer expectations while minimizing environmental impacts.	<ul style="list-style-type: none"> • TRF Downtime • Availability of the facilities due to non operational shortfalls • Ratio of corrective maintenance to preventative maintenance - Ras Laffan • Corrective maintenance as a percentage of total - Taweelah
Creating Economic Opportunity	Dolphin Energy supports the development of substantial long term new industries throughout the region and will create sustainable wealth, economic growth and employment opportunities for the citizens of the region far into the future	<ul style="list-style-type: none"> • Net Sales Revenues • Amount paid to human resources • Amount spent on local contracting
Minimizing Environmental Impacts	Dolphin Energy is committed to protecting the environment and minimizing its impacts on climate change	<ul style="list-style-type: none"> • Flaring –total volume flared • Flaring - percentage of available gas for sale • NOx emissions • SOx emissions • CO2 equivalent GHG emissions
Community Engagement and Optimizing Social Impacts	Dolphin Energy is committed to engaging and supporting the development of the communities affected by its operations, and to maintaining safe operations. Dolphin Energy aims to contribute to the overall development of UAE and Qatar society.	<ul style="list-style-type: none"> • Number of local community engagements • Percentage pre-tax profit invested in community
Being Employer of Choice	Dolphin Energy aims to be the employer of choice for top talent, offering world-class human resource programs, excellent opportunities, a strong team environment, and respectful engagement and dialogue. Dolphin Energy is committed to significantly exceeding national targets for providing opportunities to locals.	<ul style="list-style-type: none"> • % Qatarization/Emiratization • % of Female (employees; management) • Unplanned employee turnover • % Absenteeism • Employee satisfaction index • Employee satisfaction with engagement • % employees having performance review • Graduate Associate and Youth internships offered
Ensuring Safe Operations	The safety of employees, contractors, communities and ecosystems is of paramount importance.	<ul style="list-style-type: none"> • TRIR for employees, contractors, and combined • LTIR for employees, contractors, and combined • Fatalities
Contractor and Supplier Relations and Practices	Dolphin Energy's concern for integrity, safety, worker rights, and the highest standards of performance extend to its contractors and supply chains	<ul style="list-style-type: none"> • # of reviews and checks for contractor compliance • # of contractor integrity breaches

Sustainability Performance

Dolphin Energy backs up its commitments to priority areas with clear objectives and performance tracking. Below is a summary of performance. Details can be found in the relevant sections of this report.

Sustainability Performance Snapshot

Sustainability issue	Indicator	Performance			2009 Target		
		2007	2008	2009	2009	Completion	
Good Governance, Management and Integrity	Number of regulatory incidents	0	0	0	0	Met	
	Number of ethical incidents	0	0	0	0	Met	
	Percentage of independent directors	89	89	89	89	Met	
	Level of GRI-based reporting	New Indicator		A	A	Met	
	Number of stakeholder groups assessing report	New Indicator					
Providing Cleaner Energy and Optimized Byproducts	Export of Lean Gas (BCF)	135	701	728	716	Met	
	Condensate (MMbbls)	7.4	35.1	35.6	35.7	Met	
	Propane (Kt)	98	781	813	826	Not Met	
	Butane (Kt)	72	482	496	510	Not Met	
	Ethane (Kt)	125	1124	1296	1176	Not Met	
	Sulphur (Kt)	8	232	252	250	Met	
Meeting Customer Expectations	Number of unplanned supply disruptions to customers	0	0	1	0	Not Met	
	Customer satisfaction index	New Indicator					
Ensuring Efficient Operations	TRF Downtime (hours)	NR*	0	0	0	Met	
	Availability of facilities due to non operational shortfalls (%)	NR	NR	99.56	100	Not Met	
	Ratio of corrective to preventative maintenance - Ras Laffan	NR	0.9	1.42	1.0	Not Met	
	Corrective maintenance as a percentage of total - Taweelah	NR	19.80	25.67	<55	Met	
Creating Economic Opportunity	Net sales revenues (US \$000s)	123,182	662,726	726,358	NT *	NA *	
	Amount paid to human resources (US \$000s)	22,214	33,419	36,861	NT	NA	
	Amount spent on local contracting (US \$000s)	New Indicator					
Minimizing Environmental Impacts	Flaring – total volume flared (MMscf)	25,806	15,288	8,648	2,184	Not Met	
	Onshore Flaring - percentage of available gas for sale	19	2.1	1.1	0.3	Not Met	
	NOx emissions (tons)	903	3,246	3,072	NT	NA	
	SOx emissions (tons)	11	33	31	NT	NA	
	CO ₂ equivalent GHG emissions (Kt)	2,228.3	3,688.3	3,362.1	NT	NA	
Community Engagement and Optimizing Social Impacts	Number of local community engagements**	7	20	17	NT	NA	
	Percentage of pre-tax profit invested in community	1.05	0.85	1.2	1.0	Met	
Being Employer of Choice	Percentage Emiratization	37	37	40	45	Not Met	
	Percentage Qatarization	12	18	22	25	Not Met	
	Percentage of Female - Employees		12	11	12.5	NT	NA
		- Management	0	3.6	4.4	NT	NA
	Percentage unplanned turnover (% of workforce)	8	5	6	<8	Met	
	Percentage absenteeism	0	0	0	0	Met	
	Employee satisfaction index (%)***	NR	72	NR	NT	NA	
	Employee satisfaction with quality of engagement with management***	NR	72	NR	NT	NA	
	Percentage employees having performance review	37	88	93	100	Not Met	
Youth internships offered	28	30	23	NT	NA		
Ensuring Safe Operations	Fatalities	0	0	0	0	Met	
	TRIR Employees	3.11	1.72	0.54	2	Met	
	TRIR Employees and Contractors	0.92	1.38	1.77	2	Met	
	LTIR Employees	2.22	0.43	0	0.5	Met	
	LTIR Employees and Contractors	0.36	0.55	0.88	0.5	Not Met	
Contractor and Supplier Relations and Practices	Number of reviews and checks for contractor compliance	NR	NR	NR	NT	NA	

* NR: Not Recorded; NT: No Target; NA: Not Applicable ** excluding environmental programs; *** survey only conducted every two years

The Sustainability Journey

Dolphin Energy understands sustainability to be a process of continuous improvement and transition. While the company believes it has made sound progress in its short history, it recognizes there is much more to be done to maximize its contribution to sustainable development.

In 2010 we will conduct a full review of our business priorities and goals in the context of sustainability and sustainability management, with the aim of identifying new opportunities to further enhance performance and create additional value for stakeholders.





Priority

Good Governance Management and Integrity

Key Issues

Governance

Management and Integrity





Board Members

- His Highness Sheikh Hamdan Bin Zayed Al Nahayan (Chairman)
- Mohamed Al Bowardi (Vice Chairman)
- Ahmed Al Sayegh (CEO – Dolphin Energy)
- Suhail Al Mazroui - (Mubadala)
- Mohammed Al Mazrouei (Mubadala)
- Glenn Vangolen (Oxy)
- Sandy Lowe (Oxy)
- Jean-Luc Guiziou (Total)
- Ladislav Paszkiewicz (Total)

Governance

The Board of Directors is the highest governing body within Dolphin Energy and consists of nine members who are appointed by the shareholders; 89% are independent¹, with the Chief Executive Officer (CEO) the only member of the management team serving on the Board. The Board oversees Dolphin Energy's strategy, integrity, risk management and performance, and has the authority to appoint the company's CEO.

The Board normally meets twice a year. These meetings include engagement with representatives of the different business units to discuss the company's economic, environment, and social performance, as well as any opportunities, risks and compliance issues arising throughout the year.

These meetings serve as the communication channel between the Board of Directors and shareholders as well as employees, via management. The Board also communicates with management and employees through the meetings of the Board committees and circulation of written resolutions.

Dolphin Energy's Board has established committees that review and recommend the best options for crucial company decisions. These committees are:

- **Audit committee:** Assists the Board in fulfilling their oversight responsibility to the shareholders, and others relating to: (1) the Company's financial statements and the financial reporting process, (2) the systems of internal accounting and financial controls, (3) the internal audit function, (4) the annual external audit of the Company's financial statements and (5) the legal

compliance including all agreements and the Code of Business Conduct as established by management and the Board.

- **Finance committee:** Oversees the financial affairs of the company and reviews and provides relevant recommendations to the Board.
- **Production review committee:** Advises the Board regarding the company's production and operational affairs. Also discusses and evaluates any proposed project and determines if it warrants approval.

Dolphin Energy's Code of Business Conduct (CBC), approved by the Board of Directors, outlines policy and procedures to help ensure that the Board of Directors, management and all Dolphin employees conduct business in a legal and ethical manner and avoid any conflicts of interest. In addition, all Dolphin Energy's contracts and agreements are required to contain conflict of interest clauses and compliance with the CBC is a condition of doing business with Dolphin.

The legal department of the company has a role of ensuring compliance with laws, regulations and code of conduct and the General Counsel is the Compliance Officer. Dolphin Energy is also committed to various reporting obligations under loan covenants with lenders and investors.

The performance of the Board of Directors is evaluated at the annual shareholder meeting (General Assembly). Members of the Board of Directors are compensated on an annual basis, with the amount determined by the shareholders.

¹ Non executive and drawn from the three shareholders and in this way retain independence from Dolphin Energy.

Management and Integrity

The Foundation: Insisting on Integrity

Integrity is the foundation of the way Dolphin Energy conducts business. Dolphin Energy's expectations - and its strict procedures - relating to ethics and integrity are laid out in a Code of Business Conduct (CBC) and in our P&C procedures. Computer based interactive training on the CBC is provided annually to all staff, and every employee is required to annually declare his/her compliance with the CBC.

The process of annual declaration started in 2009, when a declaration by all employees pertaining to 2008 was rolled out and signed off (electronically). In addition, all newly hired employees signed off on a conflict of interest checklist. The

training proved its effectiveness as there were no job dismissals or contract non-renewals due to CBC issues at Dolphin Energy in 2009.

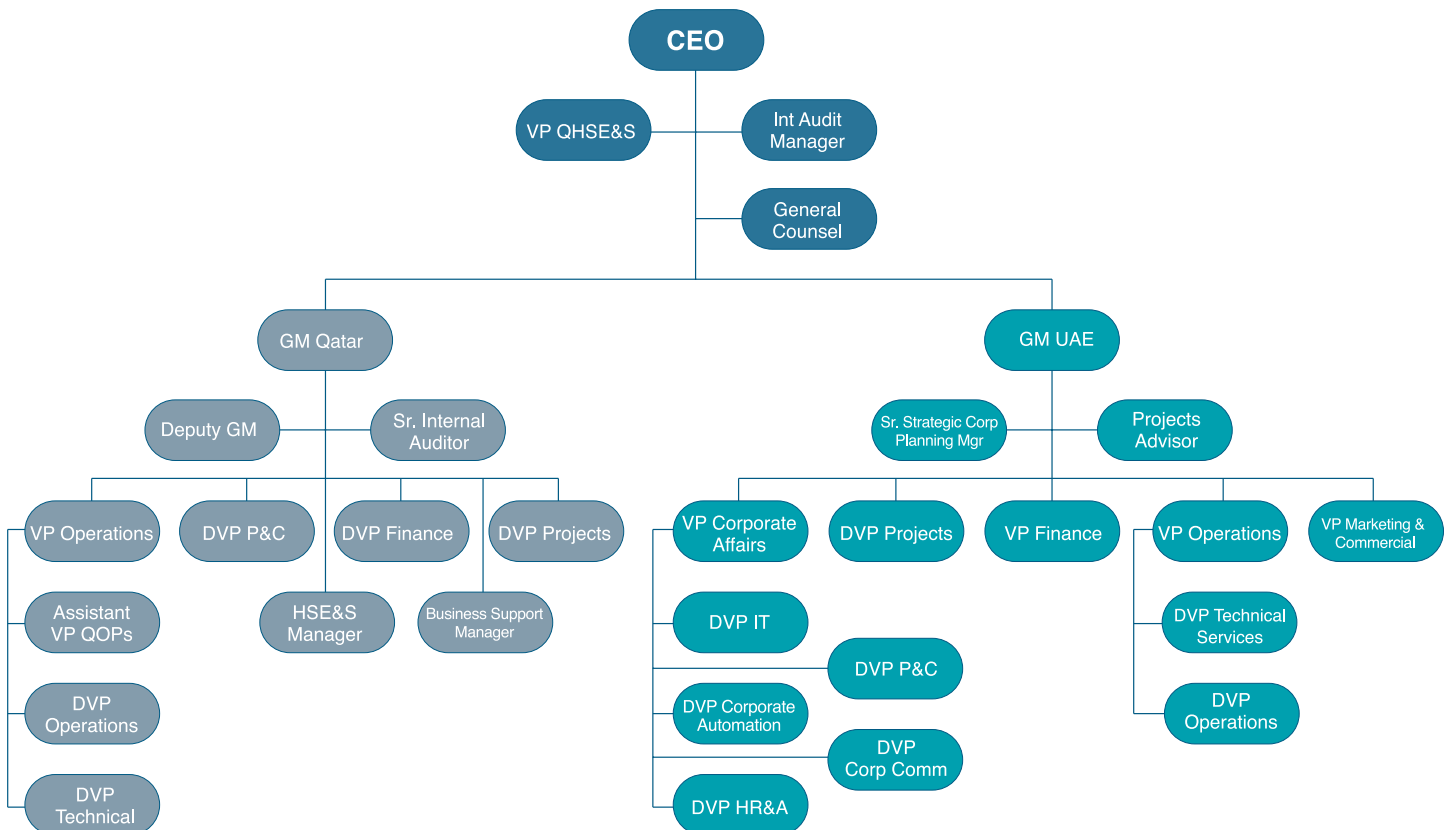
One of the key issues addressed by the CBC is anti-corruption. This includes, inter alia, the rules in dealing with third parties and for contractual arrangements. Corruption or fraud risk is considered in the formal risk assessment exercise conducted by the internal audit across the organization analyzing all business units for potential risks and any corruption incidence. No ethical incidences have occurred in 2009, nor has there been any legal prosecution on the basis of corruption against Dolphin Energy in 2009.

Organizational Structure

Each of Dolphin Energy's two geographical areas, Qatar and UAE, operate their own decentralized organizational structure, with General Managers (GMs) on top of the command chain in each location. The GM of each operational location reports directly to the CEO of Dolphin Energy, and

is supported by functional subordinate managers. In addition to country GMs, the CEO is assisted by an internal audit manager, General Counsel, and Vice President for Quality, Health, Safety, Environment and Security Division (VP-QHSE&S).

Management Team



Management Systems: An Integrated Approach to Quality, Health, Safety, and Environment

“Dolphin Energy is committed to safeguarding the environment and minimizing the health and safety risks to our employees, contractors and citizens of the communities in which we operates. Our commitment to quality and the protection of health, safety and the environment ranks equally with all other primary business objectives, and we strive for continuous improvement in our performance in each of these areas.

QHSE Accountability Standards

1. Leadership
2. Compliance
3. Knowledge and Change Management
4. HSE Risk Management
5. Contractor QHSE Management
6. Workplace Health, Safety and Security
7. Environment and Social Responsibility
8. Crisis and Emergency Management
9. Incident Reporting and Investigation
10. Measurement, Evaluation and Improvement

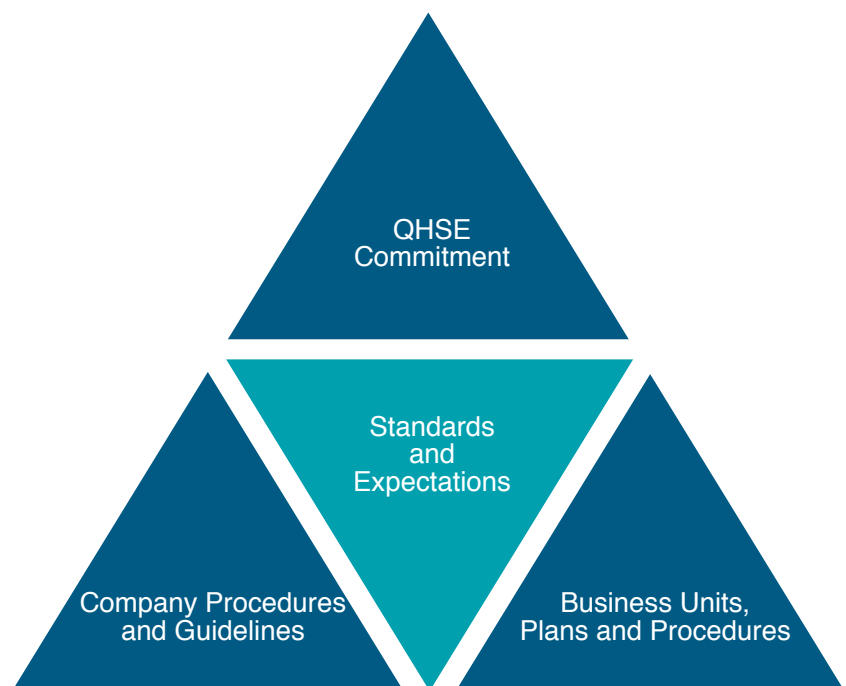
Attaining QHSE excellence is a primary management objective and the responsibility of every employee.”

In order to achieve this policy’s goals, the QHSE Management System, since

2003, provides a broad-based set of expectations integrated into ten standards of accountability.

The QHSE Management System was updated in 2008 to reflect the transition from a project to an operating production company. It has been built on the strengths of existing leadership systems, including those used by Dolphin Energy’s shareholders. This framework helps line managers focus on critical activities in an organized and systematic manner so that Dolphin Energy consistently delivers improved performance. It has significantly contributed to ensuring safe and environmentally responsible design, superior workplace health and safety records; continual regulatory compliance and robust Health, Safety, and Environment (HSE) risk management programs. It allocates responsibilities among three different levels in the company:

- Executive management is responsible for endorsing the system’s commitments, values and policies, and delegating appropriate responsibilities for the QHSE Management System among the company’s line managers and ensuring that sufficient resources are provided to meet the necessary standards and requirements.



QHSE Management System Structure





- Line Management is responsible for implementation of Dolphin Energy’s QHSE culture within the business units and participating in the monitoring of QHSE performance.
- The third level of responsibility lies with the QHSE&S division, which takes the lead in the different implementation phases of the system and through the VP QHSE&S reports to the CEO. The system also allocates responsibilities to the entire workforce of the company, and describes individual obligations towards the implementation of the QHSE Management System.

The key QHSE implementation tools and steps are as follows:

- Realize the commitment – by embracing the QHSE values and policy
- Meet the intentions of the QHSE policy – by meeting the standards
- Ensure the standards are met – through the implementation tools
- Deploy the implementation tools – by developing processes, procedures and guidelines

Dolphin Energy strives to conduct its business in a way that creates value and achieves QHSE excellence based on established quality management principles. The Quality Continuum represents a continuous journey as Dolphin Energy’s endeavors to improve its performance. The key stages of the Quality Continuum model can be summarized as Commit, Plan, Do, Check, Learn and Improve.

Following the Quality Continuum model the QHSE Management System provides for measurement, evaluation and improvement requirements, where the performance of the company as a whole as well as individual business units and facilities, is checked, measured and evaluated against the objectives and targets of the QHSE Management System.

The next step in Management Excellence: Embedding Sustainability

In 2009, Dolphin Energy initiated an internal sustainability work group to evolve the QHSE Management System and overall approach to business to include all aspects of sustainability. The sustainability work group acts as an internal cross-functional vehicle charged with embedding sustainability management practices across all business units.

The stated objectives of the sustainability work group are as follows:

- Become familiar with sustainability management practices
- Capture and validate critical business data related to social, environmental and economic performance indicators as outlined within the Global Reporting Initiative (GRI)

- Raise awareness and understanding of the principles of sustainability, encourage the integration of these practices into the company's business model, and help ensure performance gains
- Provide a forum for learning and knowledge sharing and exploring relevant topics of sustainability management practices, including good governance and sustainability reporting

The sustainability working group members, along with a small number of other internal stakeholders, received third party training in 2009. As an informed team they have led the development of this sustainability report, consolidate the company's priority areas and understand its baseline performance across a wide range of economic, environmental and social performance criteria.





Goals for 2010

- Incorporate newly proposed sustainability-related indicators into corporate management and tracking systems, and embed sustainability into management decision-making processes
- Commit to a review of all business priorities, goals, and underlying systems in the context of sustainability, seeking new insights into opportunities for improvement
- Provide ongoing sustainability training and support for all Dolphin Energy business units



Priority

Providing Cleaner Energy and Optimizing Byproducts

Key Issues

Providing Cleaner Energy

Optimizing Byproducts



Providing Cleaner Energy and Optimized Byproducts

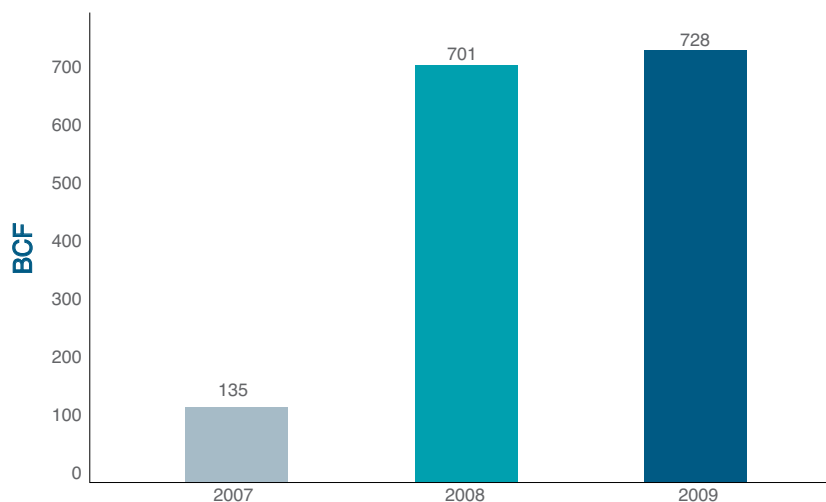
Cleaner Energy

By Dolphin Energy's nature, the company is producing and transporting the world's cleanest fossil fuel. Dolphin Energy's principal product is a sweet, dry, high grade 97% pure methane gas. This natural gas produces less carbon dioxide (a climate warming, greenhouse gas (GHG)) per joule delivered than either coal or oil and far fewer pollutants than other fossil fuels.

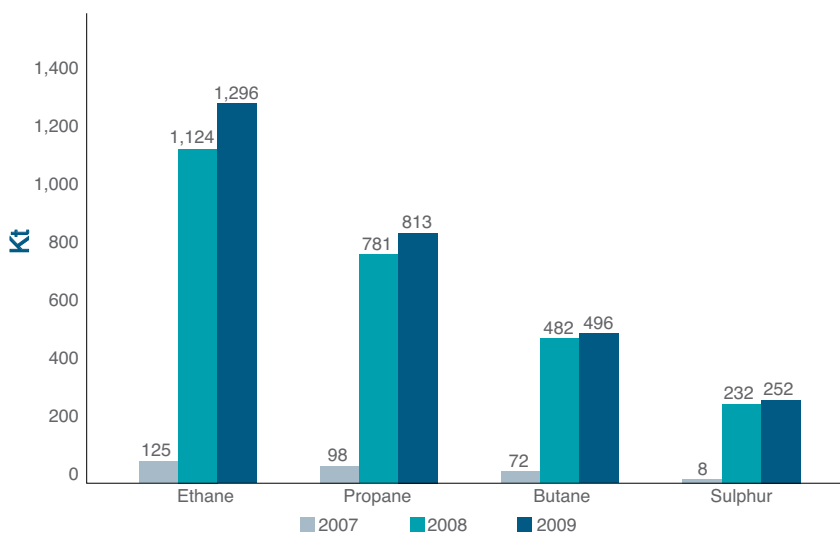
As world energy demand grows, Dolphin Energy is helping meet energy demand with a more environmentally friendly product. Natural gas does, however, also emit greenhouse gases and contributes to global warming both in its production, and when used by clients.

Dolphin Energy is working diligently to reduce the environmental impacts of this product by dramatically reducing onshore flaring as a proportion of sales gas from 19% in 2007 to 1.1% in 2009.

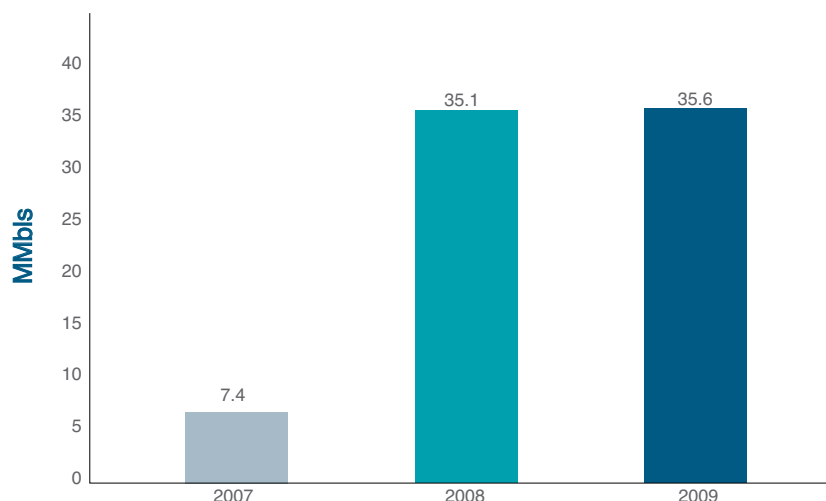
Export of Lean Gas



Production Output



Condensate



Optimizing Byproducts

Dolphin Energy also seeks to further reduce the impact of the main product by optimizing and capturing the byproducts of the production process. This not only dramatically reduces waste, but provides multiple additional lines of revenue. The byproducts are separated, processed and optimized for distribution. The main byproducts optimized include condensate, LPG, ethane and sulphur.

Condensate

Low sulphur condensate is an ultra-light form of oil that is a valuable by-product of Dolphin Energy's raw gas production and processing. The condensate is sold on term or spot basis to customers and cargos are loaded at Ras Laffan for shipment to end destinations. The average daily production amounts to between 90,000 and 100,000 barrels of condensate. First cargos were sold during July 2007 for shipment in August 2007. In 2008 Dolphin Energy announced the award of a 212 million USD contract to double the capacity of Qatar's low sulphur condensate storage facilities.

Liquefied Petroleum Gas (LPG)

The liquefied petroleum gases propane and butane are valuable by-products of Dolphin Energy's gas processing facilities at Ras Laffan. The average annual production of LPG is 1,322 Kt. Propane and butane are used as fuel for industrial, domestic, automotive and agricultural processes worldwide, as well as in petrochemicals production. Butane also has specialized uses in gasoline blending.

Ethane

Ethane is extracted during gas processing. The average annual production of ethane is 318 Kt. Ethane is utilized as feedstock for the ethane cracker in Qatar.

Sulphur

Sulphur has to be extracted from the raw natural gas during processing to comply with international health, safety and environmental standards. Dolphin Energy's average annual production of sulphur is 236 Kt. Sulphur is sold worldwide and largely used for the fertilizers production.

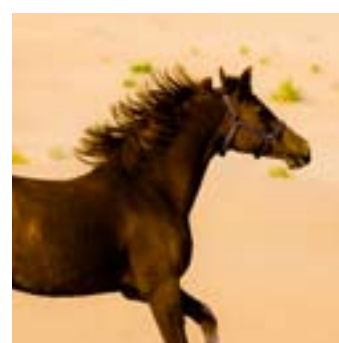
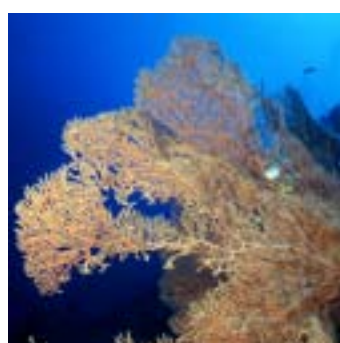
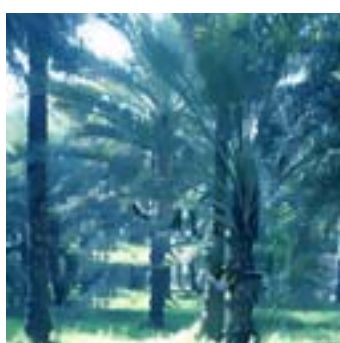
Sales per product			
	2007	2008	2009
Total Gas Sold (BBTU)	138,858	732,350	763,418
Gas imbalance under the swap agreement (MMBTU)	0	102	2,240
Free Gas to QP (MMBTU)	0	0	0
Actual (net gas) volumes versus Planned EGSPA volumes – GAS (yearly) (BCF)	135	701	728
Actual volume – Ethane (Kt)*	80	327	309
Actual volume – Propane (Kt)	41	797	825
Actual volume – Butane (Kt)	43	489	533
Actual volume – Sulphur (Kt)	NA	218	254
Actual volume – Condensate (MMbbls)	6.9	35.4	35.1

* These are the volumes of the ethane sales to QP, and do not include volumes reinjected to export gas for downstream customers

Goals for 2010

In 2010, Dolphin Energy aims to meet or exceed its 2010 targets for the following KPIs:

KPIs	2010 Target
Export of Lean Gas (BCF)	730
Condensate (MMbbls)	36
Propane (Kt)	836
Butane (Kt)	506
Export Ethane to QP (Kt)	1,161
Sulphur (Kt)	256





Priority

Meeting Customer Expectations

Key Issues

Continuity of Supply

Customer Satisfaction



Meeting Customer Expectations

Dolphin Energy has two sets of valued customers – one with long-term requirements, the other with immediate requirements. The sale of Dolphin Energy's natural gas is mostly under long-term Gas Sales Agreements (GSAs) to customers in the UAE and Oman, while condensate, LPG, and sulphur by-products are sold in the short-term and spot market.

Unplanned supply disruptions (for more details, see "Ensuring Efficient Operations" section, p. 35)

2007	2008	2009
0	0	1

Continuity of Supply

Dolphin Energy customers receive gas either under an interruptible or non-interruptible GSA. For non-interruptible GSAs, continuity of supply is the number one priority indicator for the customer. As such, Dolphin Energy tracks unplanned supply disruption with several critical KPIs.

Dolphin Energy had no unplanned supply disruptions to customers for the last three

years except in October 2009, when a hot tap cutting machine jammed in the Al Ain Fujairah pipeline (AFP), and for safety purposes it was necessary to depressurize the line. Affected customers were notified immediately and they switched from gas to diesel feed to the power plants in order to maintain their electricity-generating capacity.





Customer Satisfaction

Dolphin Energy takes its commitments to its customers extremely seriously. The company has a limited number of customers: two upstream and six downstream. The company maintains good client relations, keeping close contact and open communication channels on commercial and operational levels. Based on this detailed and ongoing engagement, Dolphin Energy believes it has a good understanding of its customers' needs and requirements and the company permanently strives to respond effectively to them.

Over the past year, Dolphin Energy's customers have continuously indicated informally at our coordination meetings their satisfaction with our services and products, and there is no record of any customer complaints regarding breaches of customer privacy. Dolphin Energy's marketing department adheres to the provisions of the signed agreements with its customers and also to Dolphin Energy's CBC. The company strictly observes all applicable laws relating to advertising, promotion and sponsorship.

Goals for 2010

While Dolphin Energy has a close relationship with customers, it is in the process of developing a more structured process to seek and benchmark customers' feedback relating to satisfaction. Dolphin Energy aims to initiate this systematic feedback process in 2010, including the creation of a "Customer Satisfaction Index".

Dolphin Energy also aims to meet or exceed its 2010 targets for the following KPIs:

KPIs	2010 Target
Number of unplanned supply disruptions to customers	0
Customer satisfaction index	Develop an index



Priority

Ensuring Efficient Operations

Key Issues

Plant Availability

Facility Maintenance





Ensuring Efficient Operations

Plant Availability

Dolphin Energy's customers' top priority is a reliable supply of product, and facilities availability is the primary contributor to overall plant reliability.

The company's plant availability is influenced by operational and non-operational shortfalls. Despite non-operational shortfalls due to external factors such as limited customer demand in March and December 2009, Dolphin

Energy achieved 99.56% availability compared to 2009 target of 100% availability. As for the operational shortfalls, the company accounts for planned and unplanned operational shortfalls and set availability targets for each along the production process. In 2009, Dolphin Energy met its availability targets for 6 of 7 indicators under the planned operational shortfalls and all targets for the 7 unplanned operational shortfall indicators.

RLC Plant availability (%)			
	2007	2008	2009
Availability of the facilities due to non-operational shortfalls	NR	NR	99.56

Planned operational shortfalls (availability)			
DOL1 platform and sealine	NR	NR	97.7
DOL2 platform and sealine	NR	NR	98
Stream 1	NR	NR	94.6
Stream 2	NR	NR	100
Utilities	NR	NR	100
Offsites	NR	NR	100
EGC availability for production	NR	94.4	97.4*

Unplanned operational shortfalls (availability)			
DOL1 platform and sealine	NR	NR	100
DOL2 platform and sealine	NR	NR	100
Stream 1	NR	NR	99.6
Stream 2	NR	NR	99.9
Utilities	NR	NR	100
Offsites	NR	NR	100
EGC availability for production	NR	94.4	100

* 2009 target not met



Facility Maintenance

To ensure maximum efficiency and safety of its operations, Dolphin Energy implements a standard maintenance program that includes pre-planned temporary shutdowns to ensure the highest standards of safety, maintenance and environmental protection in all areas of the company's business. Such pre-planned shutdowns are standard procedure in the industry, the outcomes of which enhance operational performance

and increase facilities' productivity. In January 2009, Dolphin Energy began one such planned shutdown. This procedure was announced one year earlier and was completed successfully five weeks later, allowing for essential maintenance work to be carried out, and resulting in a gradual increase in the supply of natural gas through the export pipeline linking Qatar to UAE.

Maintenance frequency by location			
	2007	2008	2009
Maintenance Backlog – Ras Laffan (week)	NR	4.08	4.41
Ratio of corrective to prevent-ative maintenance - Ras Laffan	NR	45.50	1.42
Maintenance Backlog – Taweelah (days)	NR	6	24.33
Corrective maintenance as a percentage of total – Taweelah	NR	19.80	25.67
TRF Downtime (hours)	NR	0	0

Goals for 2010

- Establish centralized maintenance workshop at Taweelah Receiving Facility (TRF)
- Meet or exceed Dolphin Energy's 2010 targets for the following KPIs:

KPIs	2010 Target
TRF Downtime (hours)	0
Average overall availability of the facilities due to non-operational shortfalls	>95%
Ratio of corrective to preventative maintenance - Ras Laffan	1.25
Corrective maintenance as a percentage of total – Taweelah	55%





Priority

Creating Economic Opportunity

Key Issues

Creating Wealth for Shareholders

Strengthening Regional Economies

Indirect Economic Impacts



Creating Economic Opportunity

Dolphin Energy’s core objectives are to create economic wealth and opportunities for Qatar and the UAE both now and for generations to come. The Dolphin Gas Project will bring a long term supply of large quantities of competitively priced, environmentally acceptable fuel gas. Dolphin Energy is committed to the development of the region by creating industry partnerships and adding to the growth of local expertise.

as well as other aspects of marketing. Existing and potential customers are regularly visited and internal market analyses routinely performed to stay abreast of market conditions and to identify opportunities. In addition Dolphin Energy actively participates in industry related forums and conferences.

To achieve its economic objective; Dolphin Energy has an entire division specifically in place to address market presence



Plant Economics (US \$000s)			
(includes financial data for upstream and downstream operations, where upstream data does not form part of Dolphin Energy financial statements)			
	2007	2008	2009
Gas revenues (\$) – downstream	380,337	1,449,294	1,574,681
Condensate revenues (\$)	329,324	1,284,871	854,620
Propane Revenues (\$)	18,514	235,058	177,593
Butane revenues (\$)	19,860	146,505	120,218
Ethane revenues (\$)	5,922	22,130	15,004
Sulphur revenues (\$)	NA	37,549	(4,109)
Operating cost & overheads	135,043	388,299	341,027



Direct Economic Value Generated and Distributed (US \$000s)			
(pertains to downstream operations and forms part of Dolphin Energy financial statements)			
	2007	2008	2009
Direct economic value generated			
Net Sales Revenues	123,182	662,726	726,358
Economic value distributed			
Operating costs	12,938	35,296	47,651
Employee wages and benefits	22,214	33,419	36,861
Payments to providers of capital	41,492	286,367	372,546
Payment to government - gross taxes	-	-	-
Community investment	330	2,197	2,537
Depletion, depreciation and amortization	15,071	46,794	52,367
Economic value retained	31,137	258,653	214,396

Fiscal Responsibility			
	2007	2008	2009
(% Gas Sales performance versus forecasted revenue target)	NR	147	121

Creating Wealth for Shareholders

Dolphin Energy generates economic value for its shareholders, namely Mubadala, Oxy, and Total. Dolphin Energy has a fiscal responsibility to deliver against stated objectives and has thus far consistently delivered financial results that exceed budgeted goals: In 2008 the company exceeded gas revenue target by 47% and in 2009 by 21%. The company also achieved a major financial milestone in 2009 when permanent financing was completed, securing \$4.1 billion of debt, while settling a conventional loan and Islamic loan of \$3.45 billion.

Dolphin Energy's finance department (13 staff) is also responsible for ensuring that all management, shareholder and statutory requirements are met. The company has put in place strong internal controls with clear segregation of duties and appropriate financial systems, policies and procedures.

Dolphin Energy uses Systems Applications and Products (SAP) financial systems and

act as a main user in new developments and upgrades, optimizing the utility of these systems.

The company's financial statements are prepared following the International Financial Reporting Standards (IFRS) and are subject to a third party audit. Dolphin Energy produces its financial statements on a quarterly basis, which are third party audited, shared with shareholders, and approved by the Board of Directors and shareholders. The company also has a Strategic and Corporate Planning department that prepares economic evaluations and monitors the investments of the company to help assure that the monies the company spends are used in an economically prudent manner. Dolphin Energy continuously develops its finance staff with necessary skills and knowledge, with special emphasis in developing Qatari and UAE nationals.



Strengthening Regional Economies

In addition to direct flow of profits, Dolphin Energy contributes positively and directly to the economies of UAE and Qatar in terms of employment of national staff, local payment of salaries, procurement, and

direct fees. The sums of these flows to the company's stakeholders are also captured in the previous "Direct Economic Value Generated and Distributed" table.

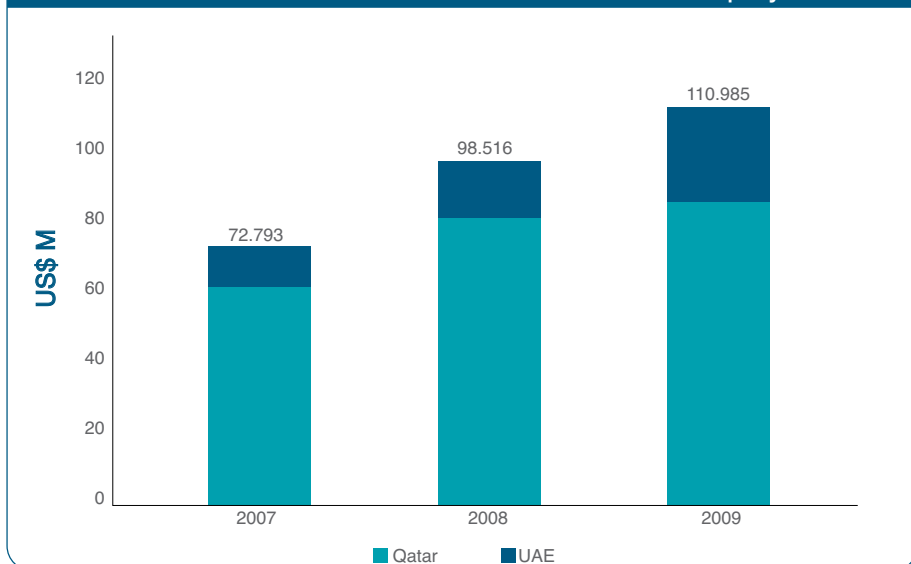
Contributing to Local Employment

Dolphin Energy is committed to the Emiratization and Qatarization policies of the UAE and Qatar governments. These policies request that employers hire, train and develop nationals, including into senior positions. Targets for the percentage of nationals employed are set on a sector by sector basis. Dolphin

Energy takes this policy a step further by attempting to hire from within adjacent communities wherever possible. Dolphin Energy's nationalization target is currently set at 50% by 2012. More information on the company's current performance is included in the section "Being Employer of Choice".



Local Remuneration & Insurance Costs for Employees





Local Procurement

The source and origin of Dolphin Energy's procured goods and services necessary for operations are not restricted to specific geographic areas. Any technically competent local vendor is invited to participate in the tender process for the supply of services and materials. Suppliers are selected using particular

qualification criteria carefully drafted to suit each procurement, with local sourcing being one of the decision-making factors where appropriate. Dolphin Energy strives to enhance the region's industrial and technical capacities through its local procurement as appropriate.

Fees for Infrastructure and Utilities

Dolphin Energy's processing and production facilities in the UAE and Qatar are located within designated industrial zones. As one of several operators, annual financial contributions are made

through land lease agreements and communal service providers to assist the development of the requisite infrastructure and utilities for the industrial complexes.

Indirect Economic Impacts

Dolphin Energy provides significant economic benefits to Qatar, UAE and Oman and the communities its product serves by providing a reliable source of abundant clean gas at a reasonable price to its customers. For example, Dolphin Energy gas is being used by a significant proportion of UAE power providers to meet water and electricity production requirements and to support

ongoing regional economic and industrial development.

Beyond powering development, Dolphin Energy's ambition is to support the development of substantial long-term new industries throughout the region creating sustainable wealth, economic growth and employment opportunities for the citizens of the region far into the future.

Goals for 2010

- Improved identification and tracking of hiring from local communities, and opportunities to improve local hiring
- Improved identification and tracking of contribution being made to the community by local procurement, and opportunities to improve that contribution



Priority

Minimizing Environmental Impacts

Key Issues

Climate Change and Related Emissions

Resource Management

Biodiversity





Minimizing Environmental Impacts

Management Approach

Dolphin Energy is committed to running its operations in an environmentally conscious manner that minimizes the impacts on the natural environment.

As part of the QHSE Management System, environmental performance standards are established covering all the significant environmental impacts of the company's operations, including emissions management, energy reduction, biodiversity protection, waste management, product and service enhancement, byproduct optimization, water management and resource consumption. The standards are supplemented by project and operations specific procedures and management plans.

Significant environmental impacts are determined through a comprehensive program of environmental and social impact assessments (ESIAs) and the continuous update of the Environmental Aspect and Impact Registers with ongoing monitoring and evaluation. This starts from the earliest stages of planning by carrying out detailed ESIs, to business strategy decisions and all phases of operations.

The assessment process includes a detailed review of regulations for compliance purposes. Governmental regulations of each country in which Dolphin Energy operates are strictly followed. The corporate QHSE&S division maintains a centralized legislation and regulation database. The database relates to legal and regulatory obligations for business activities in the UAE and Qatar, as well as any consent, permits or no objection certificates issued by local or federal agencies. It is supplemented by international protocols, guidelines and regulations ratified by the UAE, Qatar or energy industry associations (e.g. OGP) representing industry best practice or lender obligations (e.g. Equator Principles or IFC performance standards). The database is updated as new regulations come into effect, and a full review is undertaken every two years to ensure all new or amended laws, permits or consents have been included.

Beyond direct regulatory responsibilities, Dolphin Energy plays a constructive part in the proceedings of the region's leading environmental and technical organizations. For example, Dolphin



Energy's senior managers have taken part in Environmental Impact Assessment (EIA) technical review panels for both the Environment Agency - Abu Dhabi (EAD) and the Ministry of Environment (MoE) in Qatar.

Impact assessments also include consultation with representatives of affected communities, generating valuable insights into potential impacts and opportunities to mitigate them. See the text box for an example of this process.

After assessing impacts and risks, actions are prioritized and key performance indicators are agreed upon to track progress, with stretch targets established annually as part of the company business plan. Progress against these targets is subsequently monitored and evaluated on a regular basis. through the weekly GM meetings, monthly QHSE reports, shareholder project review meetings and, where necessary, at Board level. These are supplemented by HSE bulletins, emails, letters, and GM meetings as required.

Employees are essential participants in the process of improving environmental performance. To improve the understanding of the environmental context of the operations, employee training is provided in the form of a comprehensive induction program. This includes presentations and brochure material on the QHSE Management System and environmental programs, as well as one-on-one briefings by the QHSE specialists to key management and

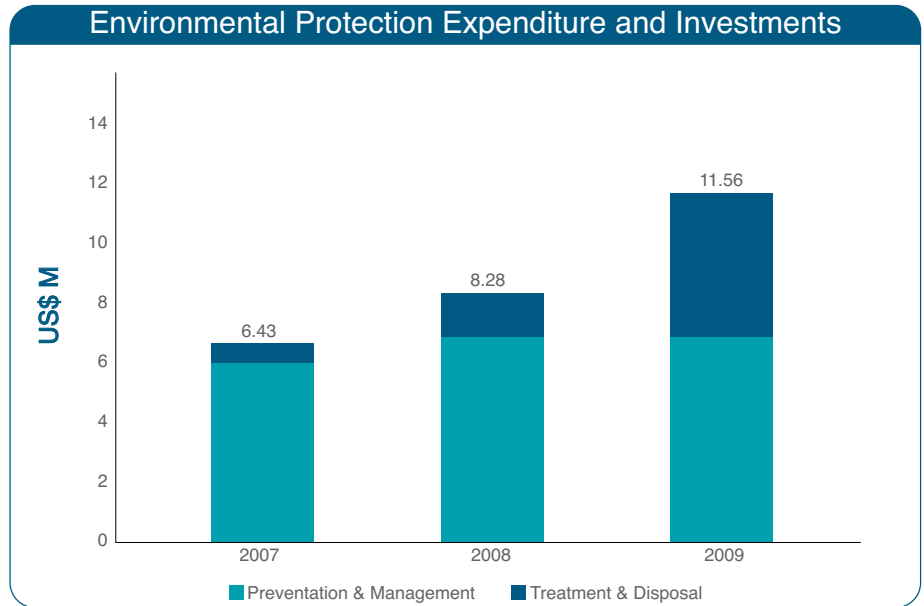
technical employees.

Moreover, the company routinely enforces environmental awareness through intranet bulletins, a company newsletter, HSE alerts, poster campaigns and regular employee lunchtime presentations. The programs include waste minimization, recycling, energy efficiency, ergonomics, biodiversity and others. Since 2006, HSE Champion Awards have been issued for both employees and contractors who, through initiative and proven achievements, have demonstrated strong commitment to HSE and community outreach programs. Apart from temporary deviations for unplanned emissions, compressor modification or releases

which have immediately been reported to the regulatory authorities, no incidents of non-compliance have been identified for combustion units at Ras Laffan or Taweelah.

Safety flaring at Ras Laffan is closely monitored and reported to the authorities. Since the start of operations there have been no fines or sanctions placed against Dolphin Energy by any regulatory authorities.

Overall, Dolphin Energy has spent more than US\$26 million on environmental protection expenditure and investment since 2007.



Our approach in practice:

In 2008/2009 an ESIA was conducted as part of the design process for the Taweelah- Fujairah Pipeline project. This has been one of the first ESIA's to be conducted in the UAE and was the first for the Abu Dhabi energy sector. The study was conducted in line with the performance standards of the International Finance Corporation and Equator Principles. In addition to environmental impacts, it included a significant focus on community and societal elements. The UAE Community Liaison Officer met with representatives from affected communities throughout the project area to introduce Dolphin Energy, outline the project scope and

listen to any concerns. Community representatives welcomed the consultation opportunity and responded positively. At one stage of this process a route change was proposed, this change was carefully studied and evaluated. The conclusion was that a revised route in the proposed area would allow future development of the settlement, while being of commercial and technical benefit to Dolphin Energy.

This win-win example demonstrates the value of this public consultation process and contribution to effective ESIA studies.



Key Environmental Issues

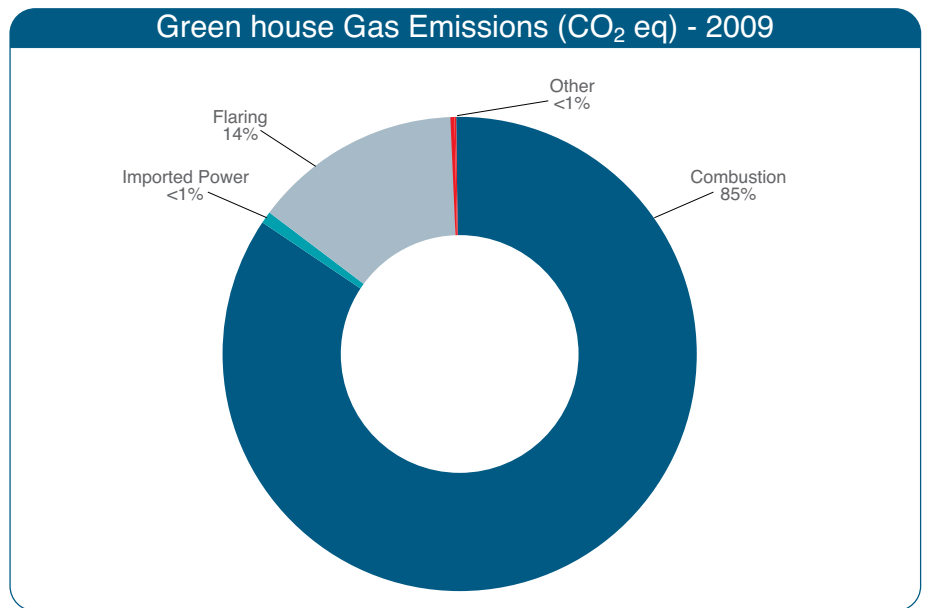
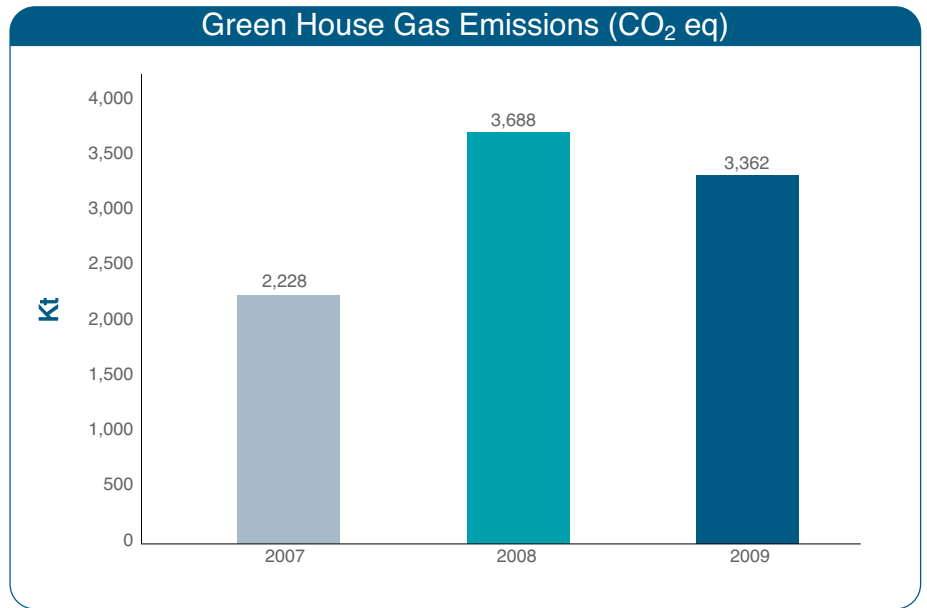
Climate Change and Related Emissions
Resource Management
Biodiversity



Climate Change and Related Emissions

Climate change refers to the rise in temperature of the earth's atmosphere resulting from man-made emissions of "greenhouse gases". Greenhouse gases such as carbon dioxide and methane are created in the production and use of fossil fuel energy. Natural gas is a relatively cleaner burning fossil fuel, thereby providing energy consumers with energy that has a lower contribution to climate change. Nonetheless, the production and consumption of natural gas does create greenhouse gases. The company's goal is to continuously reduce the creation of greenhouse gases in business processes.

The most significant greenhouse gas emissions are generated from combustion of fuel gas for processing, flaring and venting. Other greenhouse gas emissions are generated from the use of imported power, diesel used in remote pumps and generators, fuel consumption for transportation, truck emissions from the transfer of granulated sulphur, from the plant to RLC port (this transfer is done through a contractor and currently these emissions are not tracked), vehicle emission for the transfer of staff from home to their workplace and business-related travel.



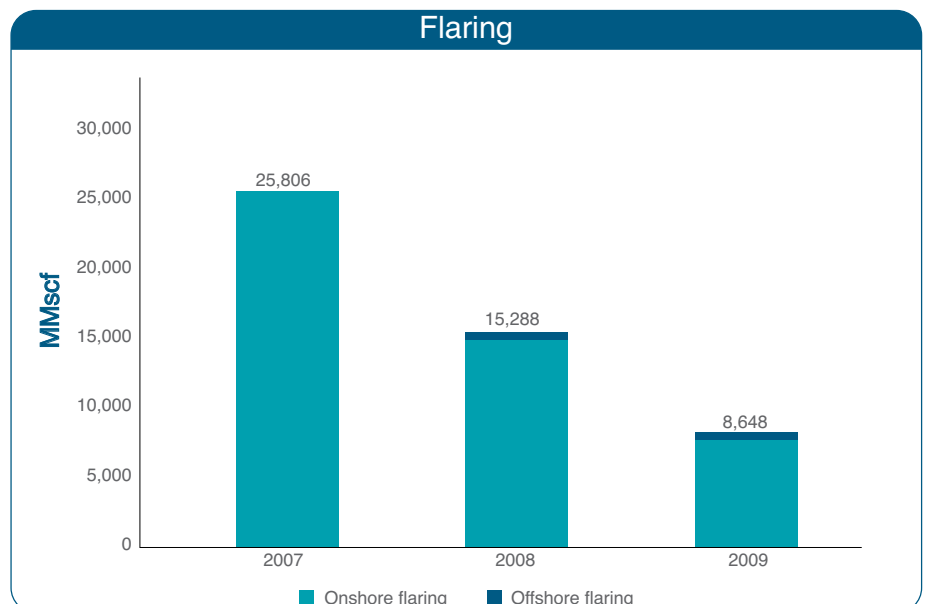


Reducing Emissions

The company's effort to control its greenhouse gas emissions began at the most important stage – the design stage, to ensure planned facilities incorporated the Best Available Technology (BAT) and adopted the Best Practicable Environmental Option (BPEO). These initial investments have had a major impact on the overall environmental

impacts including greenhouse gas emissions of operations.

In 2009 the company continued to take steps towards further reducing its greenhouse gas emissions. The main emissions sources, and actions taken, are outlined below.



Flaring and Venting of GHG Emissions

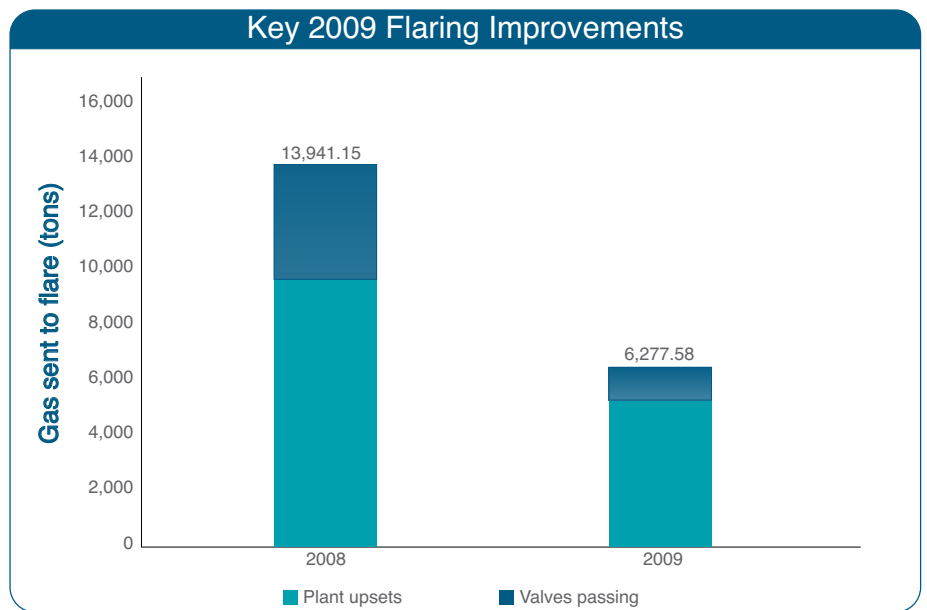
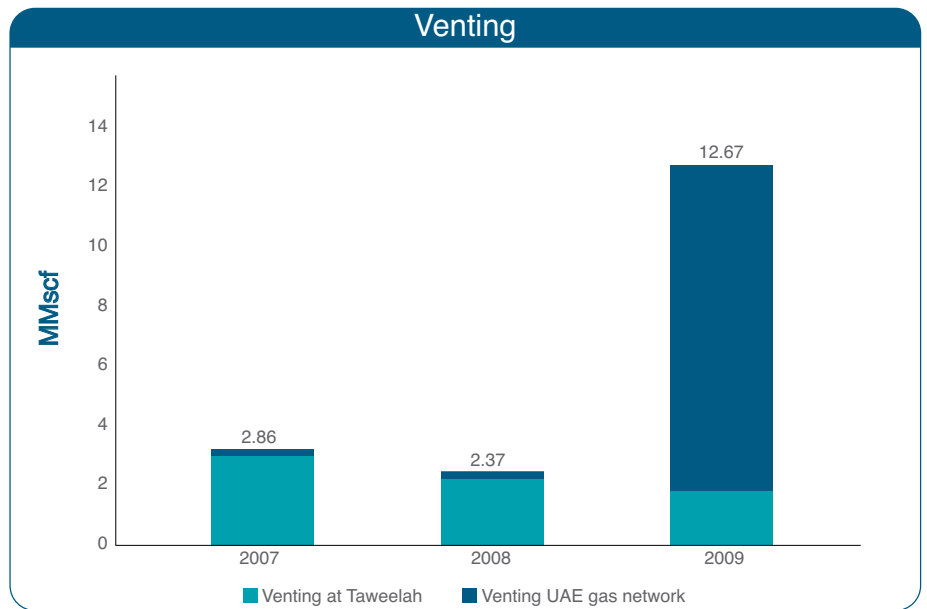
Globally, flaring and venting of natural gas from oil and gas wells is a significant source of greenhouse gas emissions. As a result of industry efforts, its global contribution to greenhouse gases has declined by three-quarters in absolute terms since the 1970s, but still accounts for 0.5% of all man-made carbon dioxide emissions. At Dolphin Energy, significant progress has been made in reducing flaring and operational venting since the beginning of operations.

In 2009, Dolphin Energy spearheaded an integrated taskforce comprising suppliers, operation personnel, technical services and QHSE&S division to identify opportunities to minimize gas flaring and GHG emissions caused by unplanned process upsets and export gas compressor (EGC) availability, which had been identified as a major source of flaring. A comprehensive work program was subsequently initiated calling for the following action items:

- Repairing of passing valves
- Optimization of purge gas rate to flare
- Improvement of reliability of Export Gas Compressor (operations and avoiding trips to flare)
- Calibration of flare meters

As a result of actions taken, the monthly percentage of processed gas sent to the flare was significantly reduced from 4% in February 2009 to less than 0.5% in August 2009.

Unfortunately, in 2009 an emergency occurred during hot tapping activities on the AFP pipeline in the UAE that required venting of 30km of pipeline. This accounted for 11.26 MMscf of the total 11.44 MMscf of UAE network venting in 2009.



In 2010 Dolphin Energy intends to further reduce gas flaring and venting through:

- Maintaining ongoing surveillance by the task force of the performance of the repaired export compression facilities
- Initiating a Leak Detection and Repair (LDAR) system at RLC to reduce fugitive emissions
- Undertaking a full analysis to determine the technologies and costs required to achieve zero flaring
- Undertaking a planned shut down that will allow for fine-tuning and commissioning of work on any equipment to ensure that it performs within designed specifications.
- As a result of the above, target 0.3% flaring of sweet gas production in 2010.





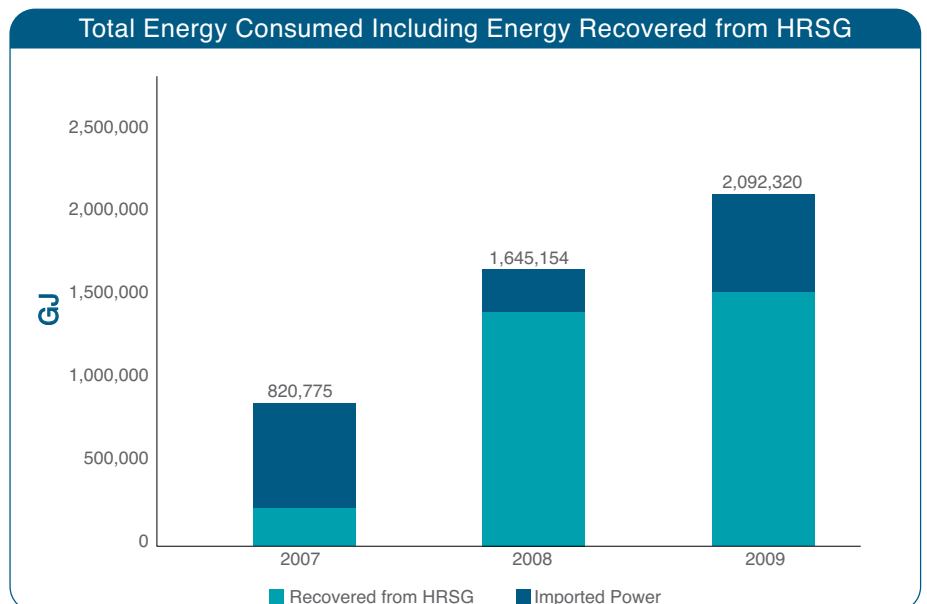
Operational fuel and energy consumption emissions

Besides using fuel gas for operations, power from the electricity grid is used. The total energy required from the Qatar Kahramaa grid is reduced through the use of Heat Recovery Steam Generator (HRSG) units.

In 2009, the HRSG units generated 420,552 MWh of electricity, equivalent to 1,513,987 Gigajoules (GJ) of energy not

purchased from the grid. This saving is a 9% improvement on the 2008 numbers.

The company also takes into account energy consumption for office facilities and has initiated an energy efficiency assessment of administration buildings and local transportation requirements, the results of which are to be assessed and actioned as appropriate in 2010.



Transport-related GHG emissions

Dolphin Energy utilizes several types of transport in its business. These include trucks for transferring granulated sulphur from the plant to the RLC port, vehicles for transferring staff to/from the workplace and other business travel, and airline travel. Qatar vehicle fleet consists of 101 vehicles, and The UAE fleet consists of 68 vehicles broken down as per the adjacent table.

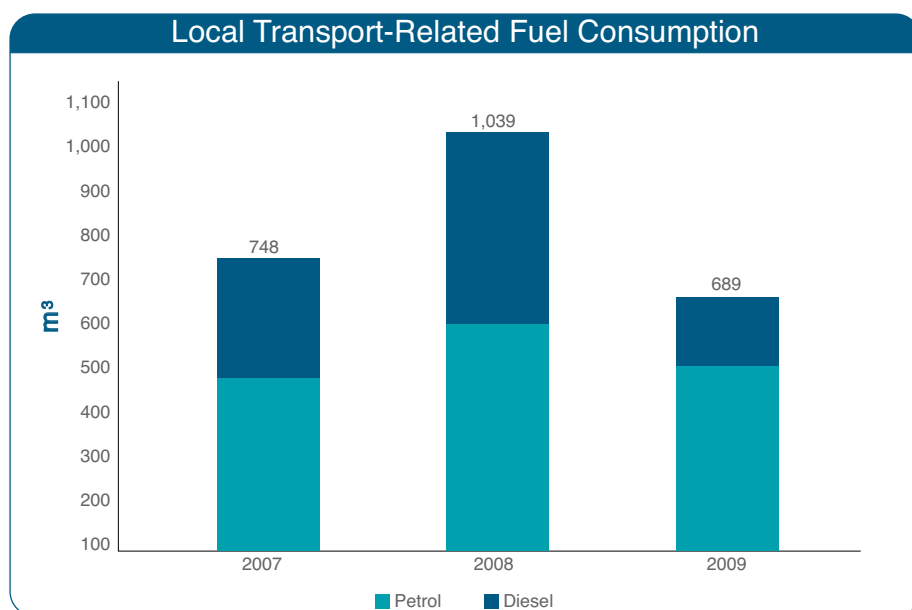
In Qatar, 21 vehicles out of the 56 diesel vehicles are leased and the fuel provided directly by the contractor; therefore, the diesel consumption of the leased vehicles is not included in the energy and GHG emission calculations. For UAE, all 68 vehicles are petrol vehicles and leased; but their diesel consumption and GHG emissions is tracked as the company provides the fuel for these leased vehicles.

All of these forms of transport contribute to greenhouse gas emissions. Dolphin Energy has taken several actions in 2009 with regard to these emissions:

Vehicles Fleet			
	Diesel vehicles	Petrol vehicles	Total No. of vehicles
2009 - Qatar	56	45	101
2009 - UAE	NA	68	68

- Started tender process for construction of a liquid sulphur pipeline to transfer sulphur from the plant to RLC port instead of relying on trucking. The company aims to commission this pipeline in 2011;
- Increased car pooling of company vehicles for transporting employees from their home to work and some business-related travel;
- Provided company buses for commuting from Doha or Abu Dhabi to facilities at Ras Laffan or Taweelah respectively;
- Increased videoconferencing as a means of reducing travel, saving time and improving productivity.

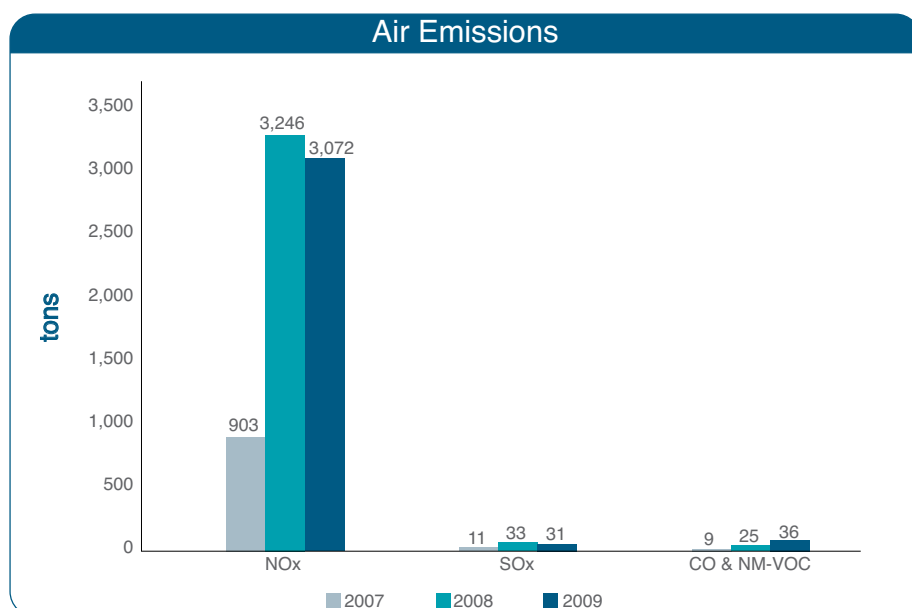
As a result of these efforts, a 45% reduction was achieved in diesel consumption in 2009 versus 2008 consumption.

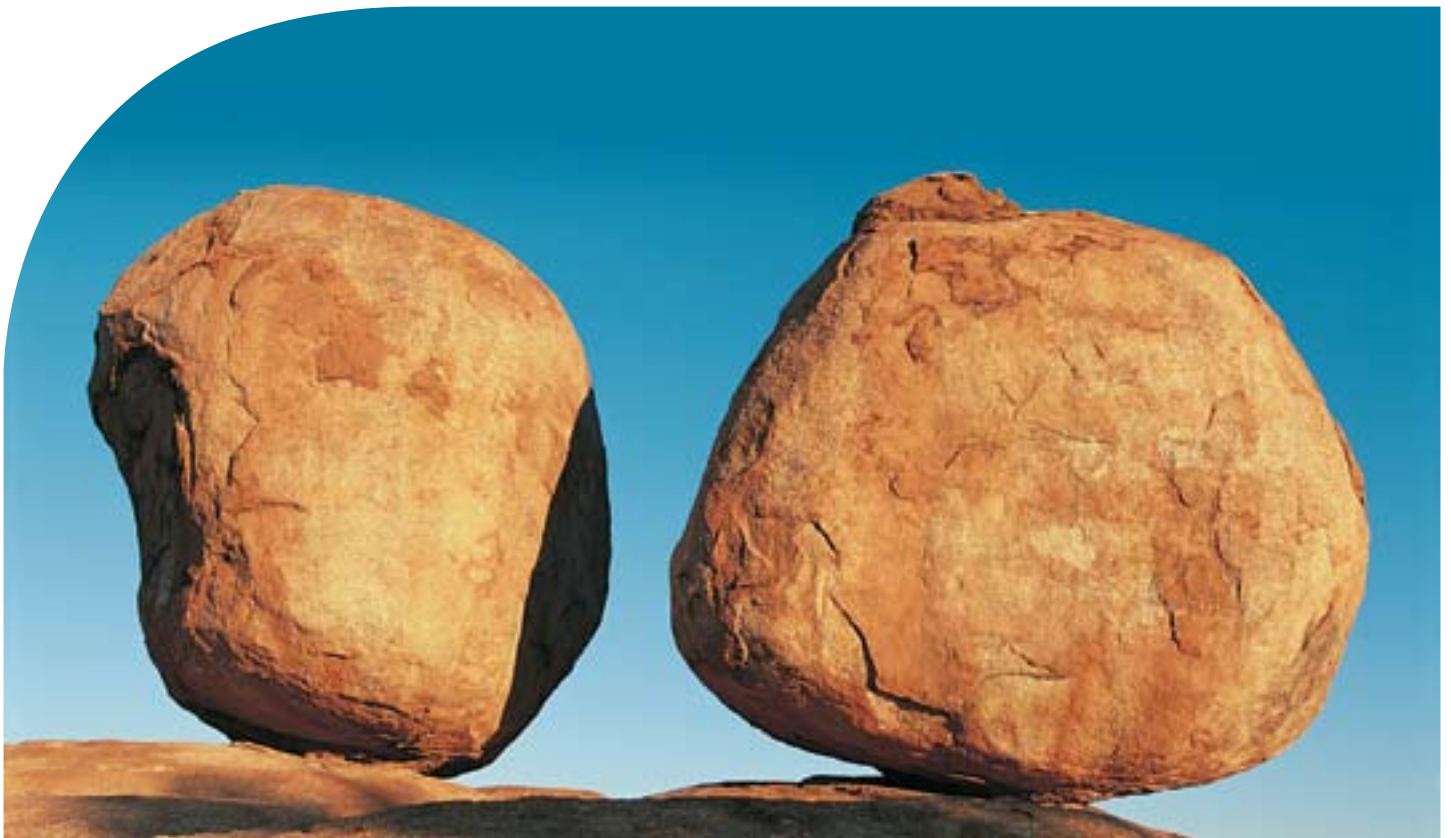


Other Emissions

Many of the above-mentioned emissions sources also generate other emissions such as nitrogen oxides and sulphur oxides. The production process is optimized in a manner through which sulphur content in the raw gas supply is separated and stored for future sale, thus avoiding the majority of potential Sulphur Oxides (SOx) emissions.

Other above-mentioned initiatives such as reduced truck usage and car-pooling are also contributing to a reduction in these types of emissions.





Resource Management

The conscientious minimization of resource usage is another priority for Dolphin Energy that contributes to both environmental and economic gains. This encompasses material consumption, water consumption, and waste reduction and management.

Material Consumption

Materials Used in Production - Raw wet gas			
	2007	2008	2009
Raw wet gas (MMscf)	185,160	845,599	867,219

The main production process uses raw wet gas extracted from gas fields to produce natural gas and other valuable byproducts. In 2009 Dolphin Energy processed 867,219 MMscf of raw wet gas.

Water

Desalinated process water for operations is provided through Kahramaa, Qatar's water and electricity provider, and where possible the process water is retained in the production process.

Separate from the process water, non-contact cooling water is provided through the shared services group of RLC. All cooling water is returned to the common cooling water channel and there is no consumption within the plant. The water

is subject to stringent testing upon receipt and before disposal back to the common cooling water channel. No other sources of water are used at Ras Laffan.

In the UAE, water is provided by the Abu Dhabi Water and Electricity Authority (ADWEA) from desalination. Domestic water is recycled through onsite sewage treatment facilities at both locations and used for reticulation of landscaped areas.



In the office facilities, the company provided for the installation of water saving faucets, which is expected to result in an 80% reduction in water consumption. From a company-wide perspective, Dolphin Energy has run several environmental

awareness campaigns, reaching out to employees, their families and stakeholders on ways and means to reduce electricity and water consumption, whether within or outside Dolphin Energy.

Water Withdrawal by Source (1000m ³)			
	2007	2008	2009
From Kahramaa - Qatar	1,000.41	1,257.49	1,085.08
From ADWEA –UAE	0.02	11.95	21.60
Total consumption	1,000.43	1,269.45	1,106.68
Non contact cooling water	31,267	109,999	105,434

Water Discharge			
	2007	2008	2009
Water release (grey) m ³	0	0	0
Water release (contaminated) m ³	0	0	0
Deep well injection of highly contaminated wastewater m ³	186.94	488.05	520.46
Total volume of water discharged (m ³)	186.94	488.05	520.46
Non contact cooling water (1000 m ³)	31,267	109,999	105,434

Water Recycling			
	2007	2008	2009
Percentage of water recycled or reused	7	11	12
Total water reused or recycled (1000 m ³)	44.2	131.8	131.5



Waste

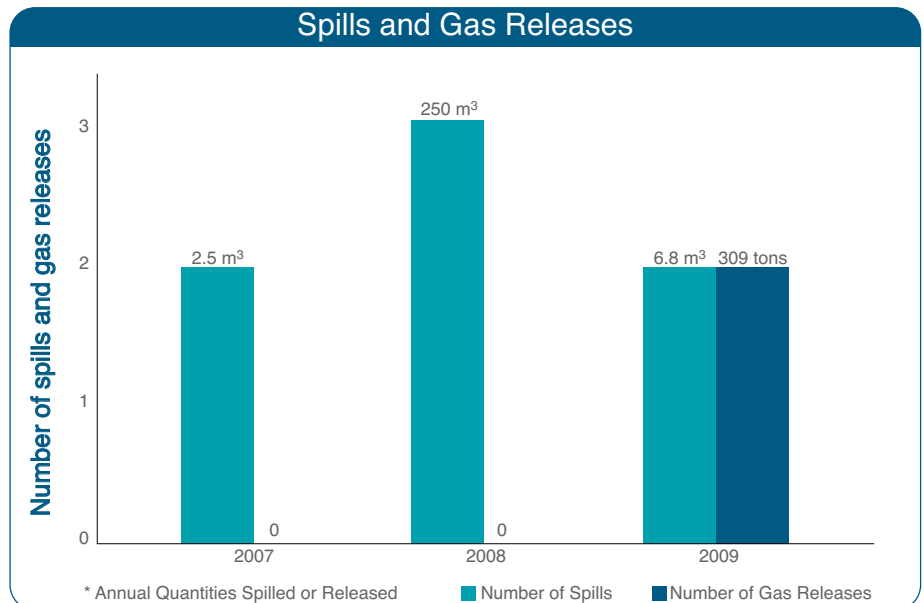
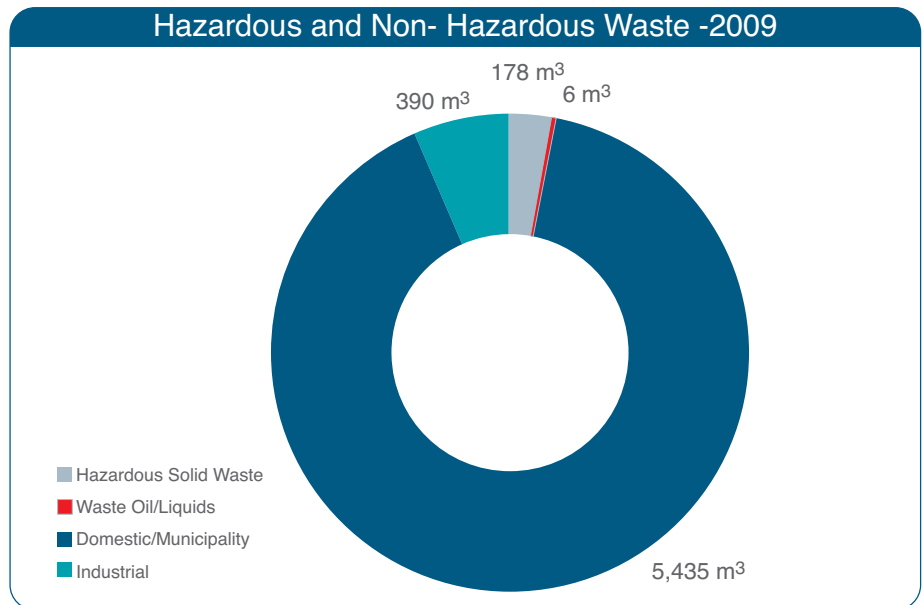
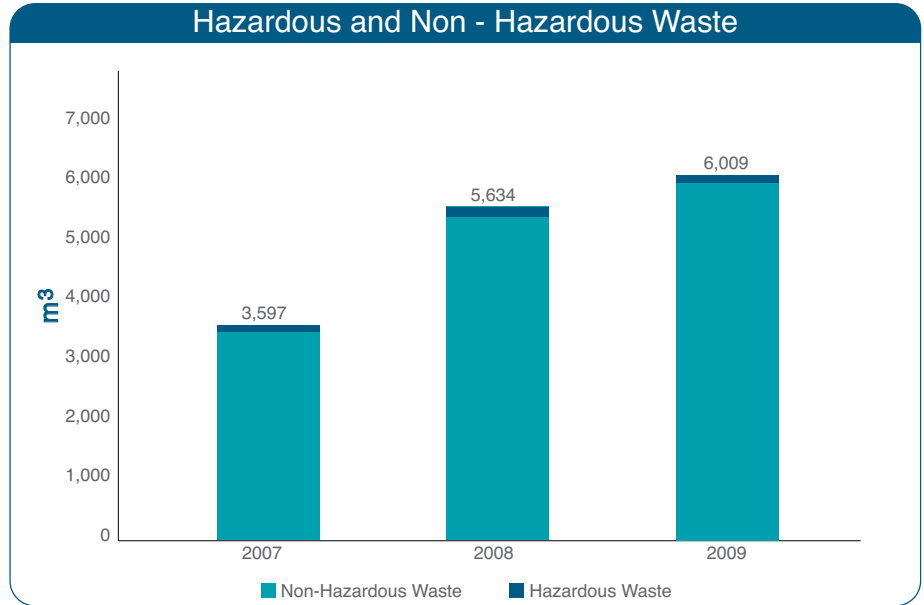
Dolphin Energy's facilities generate domestic non-hazardous waste for which disposal is managed by the local municipalities. The non-hazardous industrial waste, including alumina catalyst and activated carbon, is sent to land filling sites managed by private contractors under a waste manifest. The hazardous waste includes liquid waste oil and solid waste such as soiled sulphur, process sludge and process filters. The liquid oil is sent for recycling and the solid hazardous material is separated and stored in engineered temporary hazardous storage facilities pending availability of permanent government treatment and process facilities.

Office waste includes paper, toners, tin cans, plastic products, organic materials from food, and other items. To reduce office waste, Dolphin Energy has implemented an office waste recycling program. Since 2003, the company has recycled almost 107 tons of paper, equivalent to saving 1,800 trees. In addition to paper product recycling, toners, aluminum cans and plastic products have been collected on daily basis, resulting in 35 tons of plastic waste, 1,400 toner cartridges and 900kg of cans being recycled. The program was accompanied with a parallel communication plan to raise awareness among the staff on how and where to dispose the different types of waste.

This program was first implemented in UAE operations, followed by Qatar operation to include Dolphin Tower in Doha and the plant and project site in Ras Laffan Industrial City. In 2010 Dolphin Energy plans to extend the program to its offices in Al Khor city. In general, the recycling industry is still in the very early stages in both Qatar and UAE, but service availability is steadily improving and the company will continue to support new recycling initiatives as they become available - e.g. batteries.

Dolphin Energy also implements measures to reduce the risk of spills and gas releases, and mitigate the negative environmental impacts should any incidence of spill and/or gas release occur. Dolphin Energy had two significant spills in 2008, which accounted for 97% of the total annual spillage. The first spill was due to an inadvertent drainage of Disulphide Oil (DSO) to an open basin that took place during the start up of the DSO incineration unit, and the second spill accrued during a performance test of the buried AFFF foam ring main, which ruptured.

As a result of these incidents, in 2009 additional measures were implemented to reduce the risk of spills and gas releases,



and improve response time to mitigate any negative environmental impacts. In 2009 there were no significant spills and the two

acid gas releases were due to process upsets which required the emergency depressurization of the affected modules.

Biodiversity

Dolphin Energy has a longstanding commitment to protecting biodiversity; ensuring not only that its operations not negatively affect biodiversity, but that it also contributes positively to the prosperity

and sustenance of biodiversity as a natural resource. The company's two areas of greatest effort and importance include coral habitat conservation and turtle protection.

Coral habitat conservation

During design and construction phase, Dolphin Energy was extensively involved in the study of coral habitat and its protection. Dolphin Energy contributed over \$650,000 to the World Wide Fund for Nature (WWF) in support of detailed and original research and mapping of corals from 2004 to 2007 and it undertook a significant role in project planning. Consequently the distribution, diversity, status and sustainable development of coral reefs throughout Abu Dhabi and Eastern Qatar are now much better understood. One of the most direct outcomes of this project, along with influence of other community engagement dialogues, was that the company rerouted the pipeline corridors to avoid sites of high

ecological, historical and cultural value.

The findings of this three year long research were published in a unique research and photographic work called "CORAL in the Southeastern Arabian Gulf". Not only did the study improve the company's understanding of this resource, but it also contributed to raising awareness among the public, whether academic or professional, on this issue. Further studies have since been undertaken into artificial reefs - so as to identify suitable locations for artificial systems within Qatar and possibly the UAE to assist coral reef rehabilitation.

Turtle protection

During the pre construction phase of Dolphin Energy's plant at RLC, the company identified the potential for disturbance of significant turtle nesting grounds on the beach north of the plant site where the pipelines would come onshore. In response, a monitoring and nest relocation program has been developed in close cooperation with the Environment Department of Ras Laffan City. International turtle experts, in consultation with Qatar's Ministry of the Environment, assisted Dolphin Energy develop a "Turtle Nest Relocation Protocol" to transfer nests which may be disturbed by construction activities to safer sections of the Dolphin Beach area. During

the May to June nesting season, 4-5 night patrols tagged all nesting activities and conducted detailed scientific assessments of the nests prior to relocation. Over 50 nests were relocated and innovative protection measures of the remainder avoided successful raiding of the nests by predatory desert foxes from 80% to 15%. The protocol has since become the standard for all turtle nest relocation activities at Ras Laffan. In addition, Dolphin Energy implemented a research program to study the impact of light on successful nesting and subsequently shared the results with the worldwide scientific community through international journals.

The monitoring program continued for 2 years after pipeline construction and beach rehabilitation. The survey findings confirmed that the nesting frequency at the Dolphin site had been fully restored. Other biodiversity initiatives include support for the development of a national conservation strategy for dugongs and their habitat within the State of Qatar. Dolphin Energy continues to be involved in monitoring all these issues through participation in the RLES, a grouping of RLC, QP and RLIC operators to develop joint initiatives on the management and protection of environmental resources within and adjacent to the RLC industrial complex, and through other associations and engagements.

Goals for 2010

As captured above, priority environmental goals for 2010 include:

- Optimize plant operations and minimize process upsets and consequential unplanned flaring. The 2010 target is to achieve 0.3% flaring of sweet gas production
- Establishment of an LDAR program to determine fugitive emissions, and continued minimization of other leaks and spills
- Initiate construction of the liquid sulphur pipeline to transfer liquid sulphur from the plant to RLC port to avoid truck emissions
- Development of a GHG register based on approved guidelines and protocols
- Increase recycling and improve resource management and efficiency
- Undertake a broader assessment of the company's ecological footprint, and identify highest leverage opportunities for improvement



Priority

Community Engagement and Optimizing Social Impacts

Key Issues

Community Engagement

Community Contributions





Community Engagement and Optimizing Social Impacts

Management Approach

Dolphin Energy engages with and invests in the communities and societies where it operates. Dolphin Energy aims to be a proud contributor to these societies, engaging in long-term partnerships with local stakeholders. Goals include safe and environmentally friendly operations, targeted community initiatives, respect for and contribution to preserving the heritage and culture of the region, supporting institutional capacity building of government agencies, and helping build new long-term industries that create local economic growth, employment opportunities, professional development and social development opportunities for the citizens of the region.

Dolphin Energy uses stakeholder engagement as a key means of identifying and prioritizing relevant risks, opportunities, impacts, and

stakeholder interests. The company has formalized several stakeholder engagement mechanisms, as outlined in the “Community Engagement” section below. eral stakeholder engagement mechanisms, as outlined in the “Community Engagement” section below.

When evaluating these stakeholder considerations in relation to ongoing business activities and potential future initiatives, the QHSE Management System ranks societal issues equal in importance with economic, environmental and ethical factors.

Dolphin Energy also periodically assesses the social impacts of its operations during performance appraisals of the Operations Environmental Management Plans (OEMP) and when developing or updating the Aspects and Impacts register.



Community Engagement

Engagement at the community level

Dolphin Energy has put in place a Community Liaison Officer (CLO) in the UAE who liaises with local municipalities and communities on project-related matters and who assesses the impacts of operations or decommissioning activities. The CLO is responsible for maintenance of the stakeholder engagement register and its update either through the Engineering Procurement and Construction (EPC) contractor/ESIA consultant or during the operational phase with the UAE Operations HSE team.

At Ras Laffan in Qatar, Dolphin Energy participates in regular coordination with local communities through the RLES, RLC, and RLIC COP. RLC is the government agency managing Ras Laffan, and is the principal interface with the surrounding communities and through which all communications are directed. Through RLC, operators including Dolphin Energy are able to collectively engage with and respond to community concerns and share responsibility for resultant mitigation measures. Any operational impacts are assessed and any mitigation measures are discussed with the plant operations team before committing to unrealistic expectations.

Being a good neighbor is good business

This process of engagement with the community at Ras Laffan has been formalized in the RLIC Community Outreach Programme, an industry led initiative focused on creating a respectful, trust-based partnership between industry and the community. It focuses on ensuring a two-way engagement process that allows for collective innovation and decision-making. The RLIC COP has established a charter with the following goals:

- Build meaningful relationships with the community and manage stakeholder expectations, through continual two-way dialogue
- Manage impacts of our operations both real and perceived
- Deliver benefits through partnerships that complement community needs and our business objectives
- Actively link into and compliment the Qatar National Vision 2030.



Engagement at the national and international level

Emirates Foundation and Qatar Foundation

In 2005, Dolphin Energy was one of the founding sponsors of the Emirates Foundation, a leading philanthropic foundation in the UAE today. The Emirates Foundation represents a unique, multi-stakeholder and multi-sector effort to create new opportunities for the people of the UAE and address key challenges. Through philanthropic projects within its six core areas of interest (education; science and technology; arts and culture; social development, environmental development, and public awareness), the Foundation seeks to engage individuals and groups throughout the nation in a new era of mutual achievement. In many cases, the successes of its projects are dependent on large-scale public participation. Dolphin Energy therefore not only continues its financial commitment to the Emirates Foundation, but also uses it as a vehicle for collaborative stakeholder engagement and civic participation.

Since 2007, Dolphin Energy has become a major sponsor in the Qatar Foundation and it's support for the development and enhancement of educational, institutional

and cultural values within the State of Qatar. This has led to the company participating in education initiatives with local universities, career fairs and community programs.

Influencing the take-up of Sustainability

As part of Dolphin Energy's active engagement and involvement in society, the company aims to contribute to influencing the take-up of sustainability in the UAE and Qatar. Dolphin Energy not only follows governmental legislation and industry practice, it plays a constructive part in the proceedings of the region's leading environmental and technical organizations. These include particularly:

- Industrial Associations such as the OGP and ADESCO
- Associations and NGOs such as EEG, RLES
- Sustainability Initiatives: such as the EEG CSR Forum and the AD SG

Dolphin Energy's senior managers have also taken part in EIA technical review panels for both the EAD and the Ministry of Environment in Qatar.

Community Contributions

As a part of its overall role in society, Dolphin Energy contributes to projects focusing on education, arts and culture, community development (including sport, health, special needs, and other areas) and sciences. Between 2002 and 2009,

excluding environmental projects, the company has donated over US\$ 8 million to community activities and initiatives programs, with over 40% being spent since 2007.

Community contributions (as % of economic value retained)		
2007	2008	2009
1.05	0.85	1.2



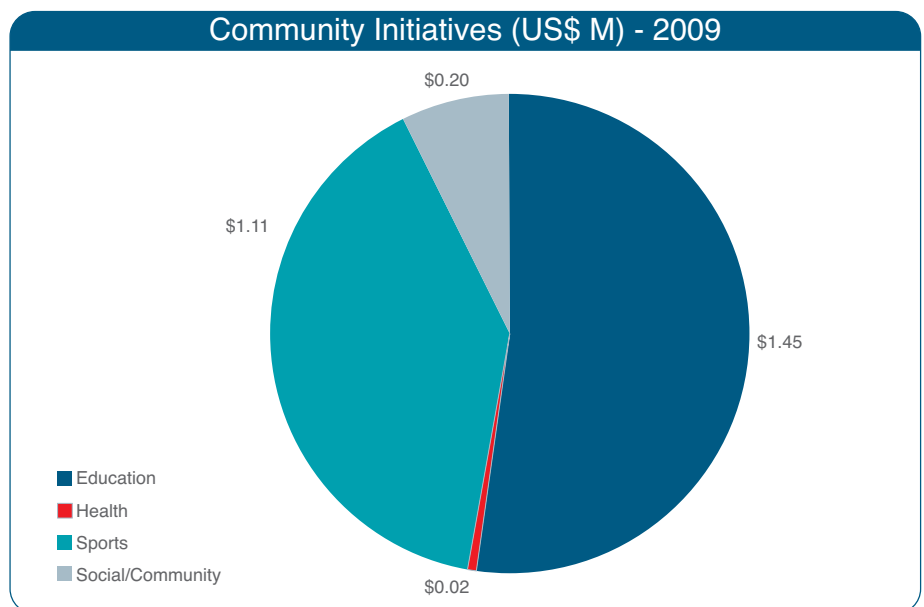
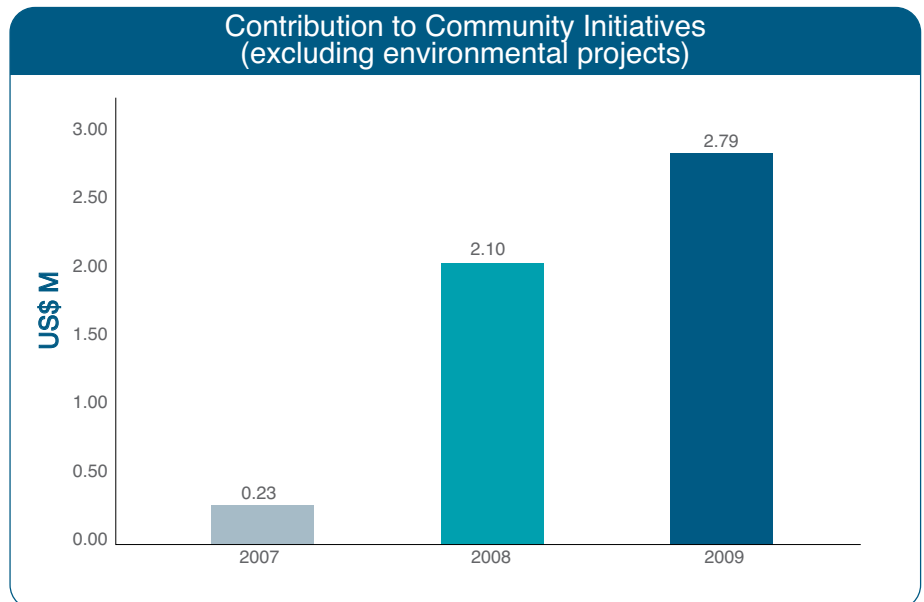


Education

In addition to the training and development programs for national staff as outlined in the human resources section, Dolphin Energy also invests in education and human resource development programs that extend beyond employment ranks.

Since 2004 Dolphin Energy has offered internship programs for undergraduate students from universities and higher colleges. This has given scores of young people an opportunity to gather practical workplace experience, while supporting the development of a talent pipeline of future qualified recruits. Dolphin Energy is also a supporter of Tawteen, an Emirates Foundation initiative set up to prepare young Emirati men and women for careers in the private sector by developing skills and unlocking their potential. Tawteen enlists private and public sector support in creating and delivering specialist pilot programs. Dolphin Energy played a key role in inviting the UAE Higher Colleges of Technology for the design and implementation of the theoretical part of an oil and gas program. Since the program started, 23 female students attended and graduated from this 100 hour oil and gas sector course focused on soft skills needed for the industry. Dolphin Energy has also been a sponsor of the Maa'bar Al-Najaah or 'Bridge to Success' program which supported the recruitment of Emirati women into positions within the energy sector.

Dolphin Energy also supports community awareness programs on the environment. For example, Dolphin Energy has sponsored a pilot environmental program for the collection of expired batteries at 10 schools in the Abu Dhabi Emirate. The schools selected are both government and private, with three of them in Al Ain.





Arts and Culture

Dolphin Energy sponsors select cultural preservation projects. The company has given specific attention to archeology, particularly as the company's pipeline routes from Al Ain to Fujairah and from Taweelah to Fujairah have skirted ancient sites of significant cultural value and historical significance. Mapping and surveying projects of archaeological sites within Abu Dhabi, Sharjah, Ras Al Khaimah and Fujairah have been sponsored by Dolphin Energy with funding for overseas post-graduate training of UAE national archaeologists.

Dolphin Energy has also sponsored high quality books on the natural history and culture of the region in an effort to build and maintain the cultural identity, as well as cultural events including art exhibitions, theatre and other performing arts.

For example, Dolphin Energy has sponsored the Abu Dhabi Music and

Arts Festival since 2008, and in 2009 we sponsored the Abu Dhabi International Book Fair. These events provide a perfect platform for the emirate to further its ambitions in becoming a leading destination for arts and culture. Dolphin Energy's involvement endorses those plans and compliments its commitment to programs that create cultural understanding and awareness.

In addition, Dolphin Energy has produced several publications. The illustrated book 'Dolphin' (2007) demonstrates, in large-format, every stage of a Dolphin's life cycle through the use of stunningly dramatic photographs from around the world. The book 'Coral' (2008) documents and richly illustrates the three year regional coral studies sponsored by Dolphin Energy in celebration of the International Year of the Reef.

Community Development

In addition to investments in community development initiatives through the Emirates Foundation and Qatar Foundation, Dolphin Energy supports other initiatives through collaborations with other community institutions and non-governmental organizations (NGOs).

Sports

Sport plays an important role in community. Sport-related support includes a three year sponsorship of the Qatar Masters Golf tournament, support of the Qatar Exxon Mobil Tennis tournament and ongoing support for the Al Jazira Sports and Cultural Club in the UAE. Dolphin Energy aims to provide opportunities for the wider community to enjoy world class sporting events, raise awareness of the benefits of playing sport and encourage participation.

Special needs

Dolphin Energy has supported the establishment of special needs centers in the UAE and Qatar, besides contributing to international humanitarian aid programs through the Red Crescent. In Qatar, Dolphin Energy has sponsored important societies such as the Qatar National Cancer Society (QNCS), the Qatar Society for Rehabilitation of Special Needs, the Qatar Paralympics Committee (QPC), Qatar diabetes association's diabetes conference for Children and Teenagers, and the Arab Union for the Blind.



Sciences

A large part of Dolphin Energy's scientific support has been given to the study of coral reefs in the southern Gulf, as captured in the Biodiversity section of the Environment chapter of this report.

Too little is still known about these delicate and often endangered formations, which are known to play a vital role in the functioning marine eco-systems of these shallow waters. Further studies have since been undertaken into artificial reefs – so as to identify suitable locations for artificial systems within Qatar and possibly the

UAE to assist reef rehabilitation. More recent investigations have looked at coral re-growth on a variety of natural and artificial substrate to identify the most suitable practical solution to regenerate coral habitat.

Other programs supported by Dolphin Energy have dealt with turtle protection during construction activities (also described in the Biodiversity section), and technical support for the development of a dugong conservation initiative within Qatar.

Goals for 2010

- Improve the company's ability to assess its social impact, including creation and tracking of relevant KPIs
- Measure not only the number of community engagements, but quality of engagement as measured from perspective of the stakeholder
- In achieving the above, Dolphin Energy aims to measure, then meet or exceed 2010 targets for the following KPIs:

KPIs	2010 Target
Number of local community engagements	Target to be determined
Stakeholder assessment of quality of engagement	Target to be determined
Percentage of pre-tax profit invested in community	>1%





Priority

Being Employer of Choice

Key Issues

Job Nationalization and Capacity Building

Employee Benefits and Compensation

Communication and Engagement

Human Rights





Being Employer of Choice

Management Approach

Dolphin Energy is committed to providing a competitive and attractive working environment for its current and future staff. Dolphin Energy strives to systematically invest in people's professional development, foster commitment to performance, and enhance company-wide dialogues that promote a culture of responsibility, ownership, and belonging.

Dolphin Energy's human resource management function is supported by a designated HR division with a team in Qatar and the UAE. Furthermore, in January 2009, a shared-services function has been implemented between UAE and Qatar that includes compensation and benefits, policies and procedures and training to provide increased focus and standardization. By the end of 2009 there was a 90% alignment between the UAE and Qatar.

An essential commitment and responsibility of the human resource strategy is the nationalization of the company's workforce. Dolphin Energy has adopted specific hiring and retention policies to serve this purpose, while

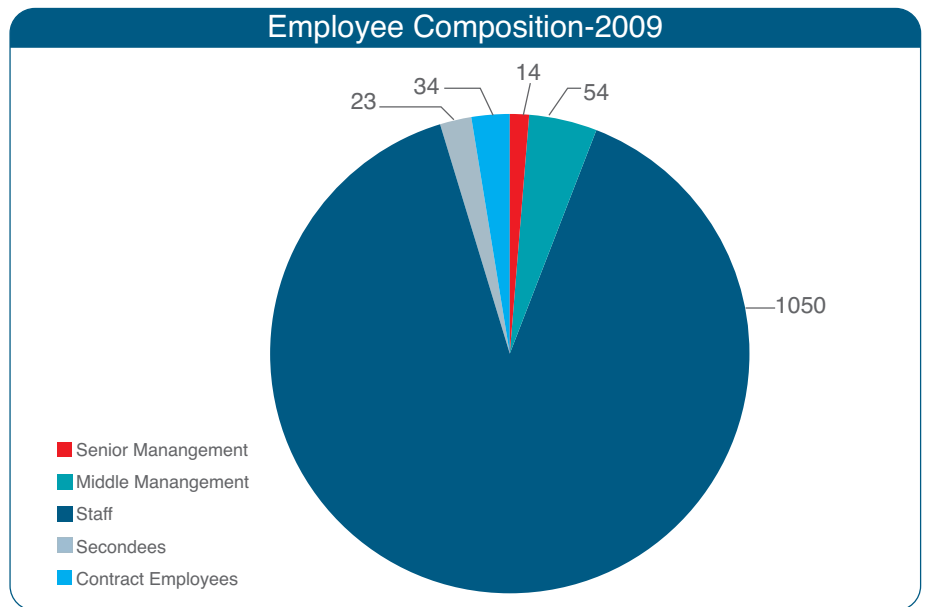
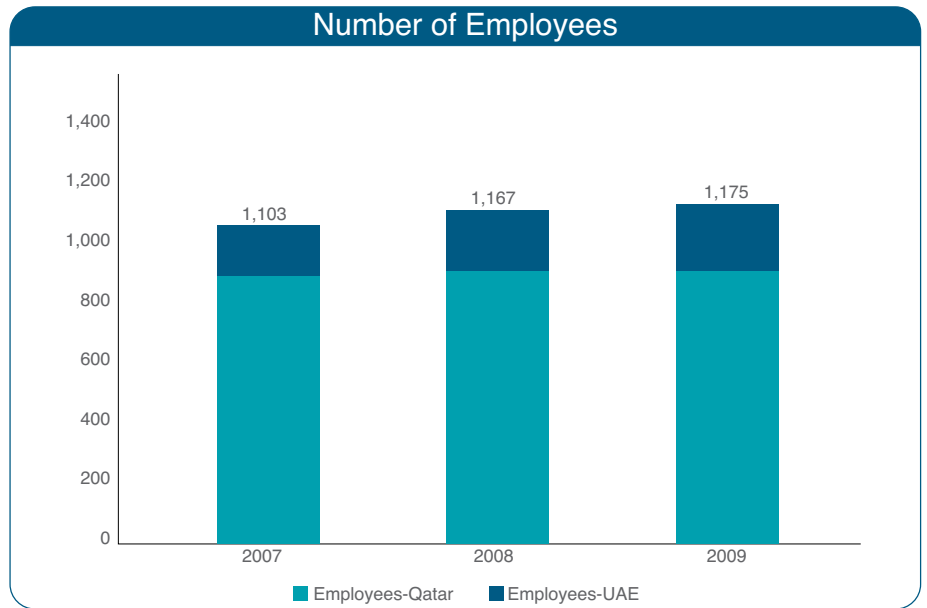
also investing in capacity building for its employed nationals. Dolphin Energy also invests in talented nationals outside of its workforce by working with local communities and universities on various sponsorships for students.

Just as critical is the company's commitment to human rights, which forms an integral part of the corporate culture. Dolphin Energy is committed to promoting and continuously improving the conditions of its workforce, ensuring fair treatment of employees and contractors.



Workforce

Dolphin Energy has almost 1,200 full-time employees, of which nearly 80% work in Qatar. The workforce is highly diverse with employees from local, regional and international origins. As a relic of tradition in the sector, the workforce is largely dominated by a male presence, yet current hiring policy aims to increase women employment at different levels of operations.





Full-time employment by level			
	2007	2008	2009
Number of Senior Management positions	4	7	9
- UAE			
- Qatar	6	3	5
Number of Middle Management positions	15	23	29
- UAE			
- Qatar	17	22	25
Number of staff - UAE	158	172	186
- Qatar	757	868	864

Number of Service Contractors			
	2007	2008	2009
UAE	21	19	18
Qatar	79	27	16

Number of Secondees			
	2007	2008	2009
UAE	13	10	10
Qatar	31	15	13

Number of Special Contracts			
	2007	2008	2009
UAE	2	1	0
Qatar	0	0	0





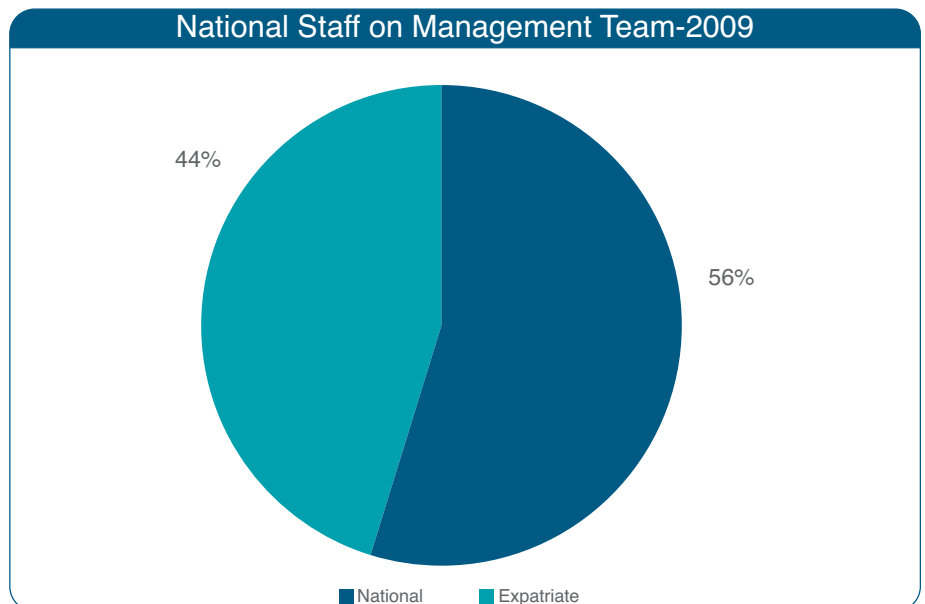
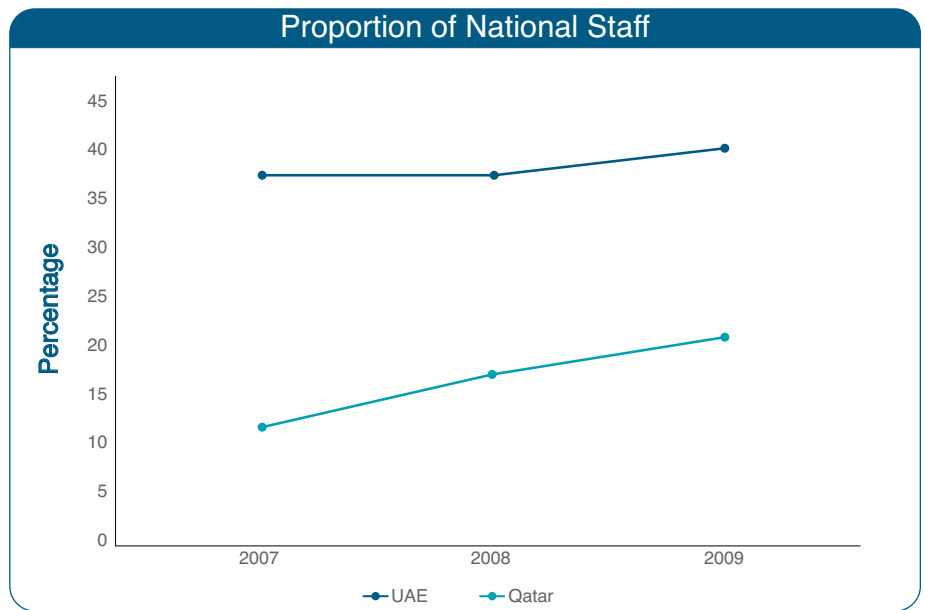
Job Nationalization and Capacity Building

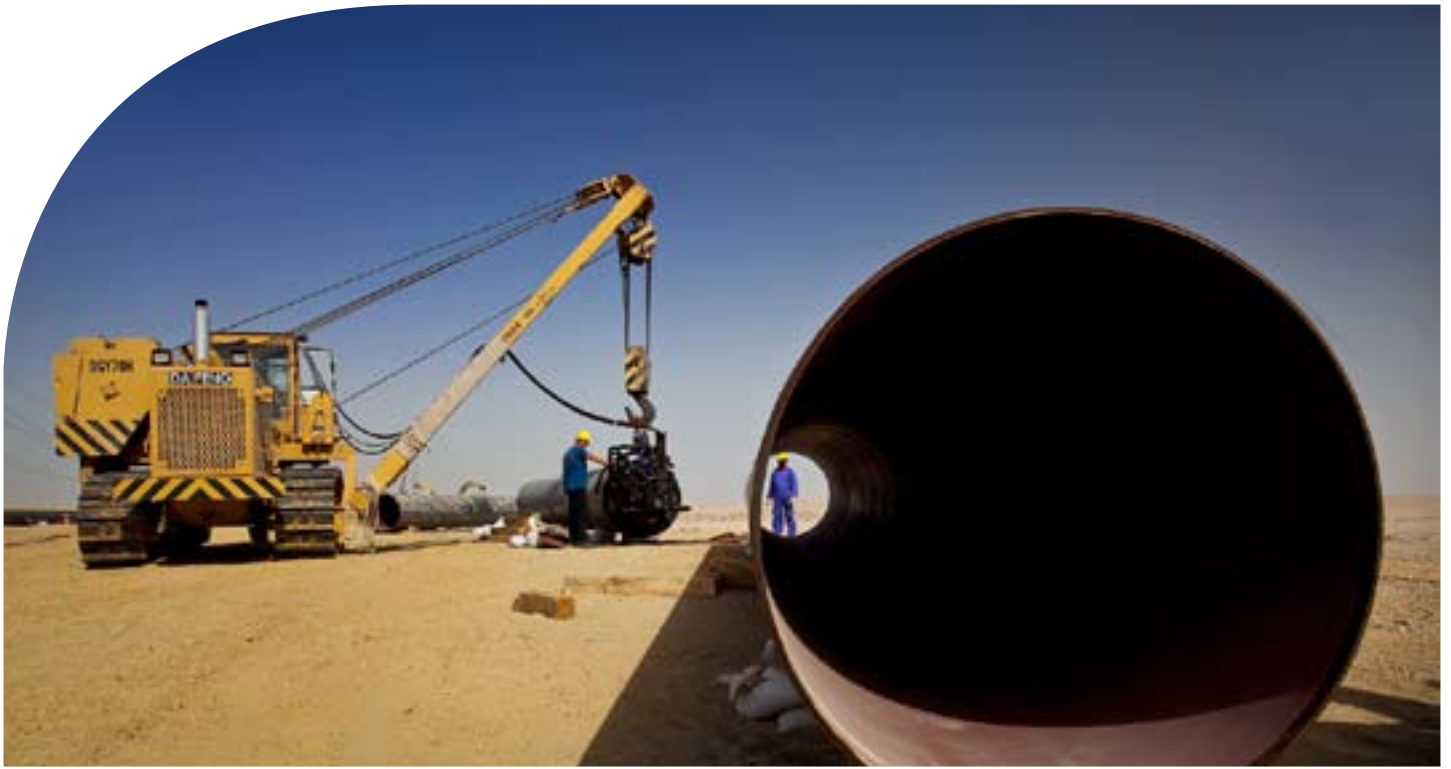
Nationalization Performance

The nationalization of Dolphin Energy's workforce is a strategic business objective, aligned with the national objectives of both the Qatari and UAE governments. To reach the targets, preference is given to national employees in hiring for all vacancies, unless the position is highly technical and suitable local candidates are not available. In case of replacement of existing expatriate employees, local candidates are given preference for sourcing and hiring.

In 2009, 38 of 68 middle and senior managers were either UAE or Qatari nationals. This is equivalent to 56% of the management team. In terms of total workforce, UAE operations successfully achieved 34% Emiratisation, while Qatar operations achieved 22% Qatarization.

Dolphin Energy attributes its improving performance on this issue in Qatar to the establishment of a dedicated nationalization section, along with a new five-year Qatarization strategy, focusing on attracting Qataris to the company's Doha and Ras Laffan operations. A similar section has now been established in the UAE.



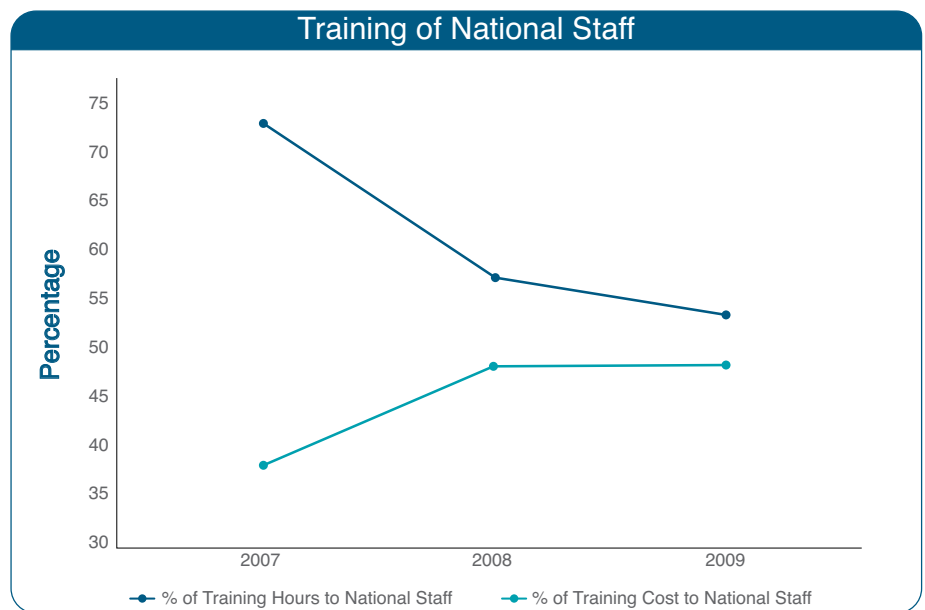


Capacity Building for Nationals

Dolphin Energy strives to provide an attractive work environment for local employees, where they are assured continuous improvement of their skills, careers and benefits. Each national staff member's performance is regularly reviewed formally and informally for means of extending technical knowledge and skills to enhance job performance and increase opportunities to rise in the organization. Total has collaborated with Dolphin Energy to provide Master of Business Administration (MBA) degree opportunities to a selection of the company's UAE and Qatari national employees. Six national employees at Dolphin Energy have undertaken or are in the process of undertaking their Master's qualification. Another shareholder, Occidental Petroleum, provided six months of oil and gas field training in the USA to one of Dolphin Energy's top Emirati managers.

As part of the company's strategy to improve nationalisation rates over the long term, Dolphin Energy increasingly focuses on promoting, attracting and developing young local talent. This builds on a tradition of efforts by Dolphin Energy in this area.

In 2009, Dolphin Energy sponsored two major programs, the 'Tawteen' Program of the Emirates Foundation, and expanded the company's internship programs for undergraduate students, a key initiative since 2004. Since 2003 Dolphin Energy has also implemented an associate program where new graduates join the company as associates



and embark on a two year fast-track development program with planned vocational training and mentoring from line managers and professional colleagues, before transitioning to become full time employees. Through this program, some associates have already assumed senior technical and middle management positions within the company. Interns from local universities and higher colleges also participate in the intern program where they are assigned to the company to gain work experience for periods of up to 3 months.

Dolphin Energy also supports a study leave program in the UAE, where select young nationals who have been with the

company for two years as associates or employees take a two year study leave to further their education. Salary and benefits are paid by Dolphin Energy during this period, while government pays the education fees. Upon completion of studies each study leaver will return to work at Dolphin Energy for a minimum period of two years.

Beyond Dolphin Energy's internal efforts, the company is also participating in the Technical Proficiency Program (TPP) that is developing a significant number of Qatari high school graduates into technicians and field operators for the sector.

Investing in National Youth				
		2007	2008	2009
Associates offered	- UAE	5	0	9
	- Qatar	16	20	11
	- Total	21	20	20
Scholarships offered	- UAE	2	1	0
	- Qatar	2	1	3
	- Total	4	2	3
Youth internships offered	- UAE	22	20	14
	- Qatar	6	12	9
	- Total	28	32	23
Other national initiatives	- Study leavers, UAE	0	0	7
	- Technical Proficiency Program, Qatar	30	36	5
	- Total	30	36	12

Nationals versus Expatriates			
	2007	2008	2009
National	187	250	289
Expatriates	916	917	886
Total	1,103	1,167	1,175

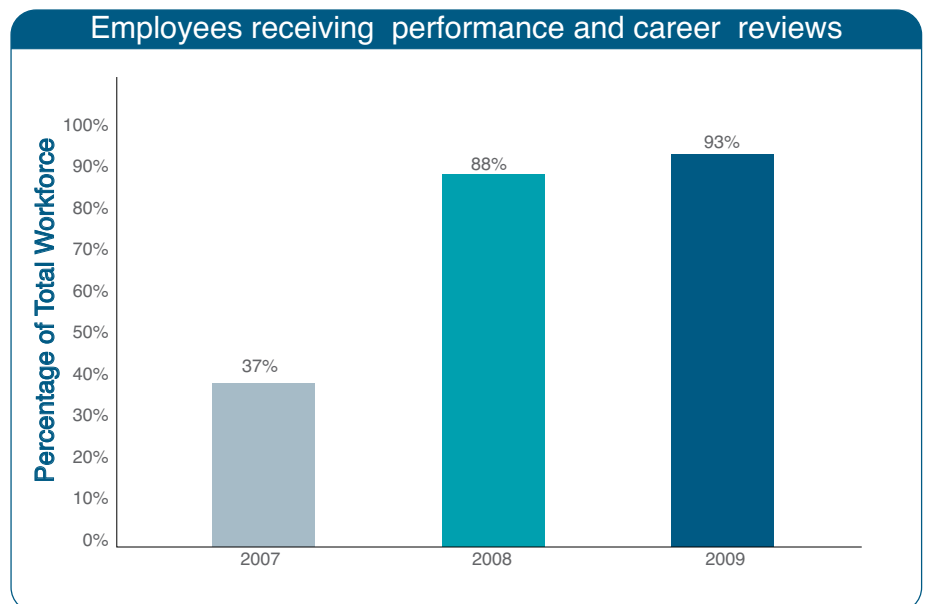
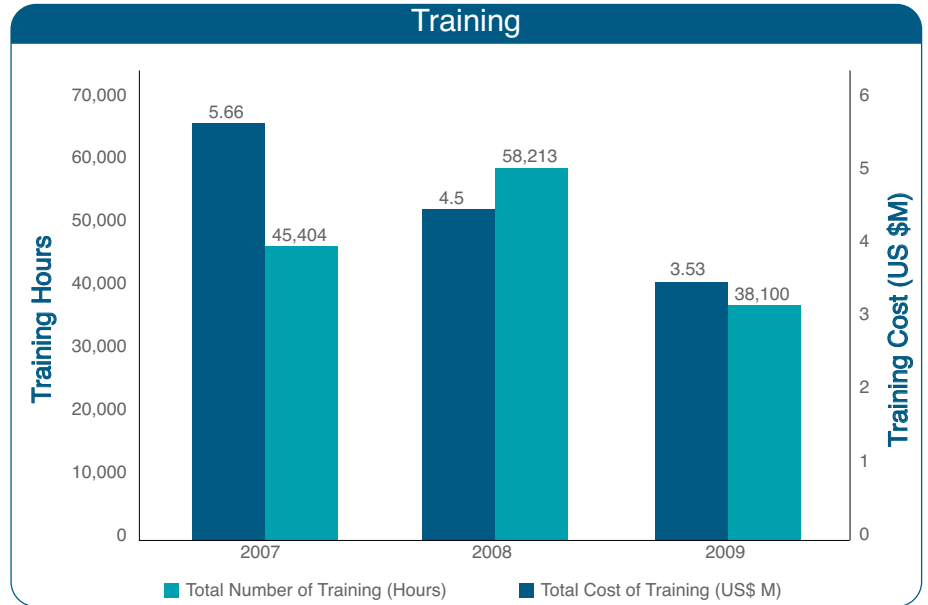
Location of Employment by Region (Number of Individuals)			
	2007	2008	2009
Staff in Abu Dhabi and Doha	375	404	452
Staff in other areas (Al Ain, Fujairah, Taweelah, Ras Laffan)	728	763	723
Total	1,103	1,167	1,175



Company-Wide Training and Capacity Building

Dolphin Energy's focus on capacity building extends to its entire workforce. Dolphin Energy recognizes that the workforce is a main asset to the company, an asset that should be developed and improved through continuous and consistent capacity building programs. For this reason, Dolphin Energy has created several training plans and programs which cater to the specific needs of the workforce, and aim to improve the skills of the company's leaders as well as all the employees at various levels. As outlined above, Dolphin Energy has created and implemented a wide variety of training and development programs for its national staff. Dolphin Energy has an in-house HR training team that concentrates on both long-term and short-term career planning and development for both specialist and management roles.

Dolphin Energy also employs an annual performance appraisal system which includes all of the employees at different levels. All employees have a comprehensive written job description outlining roles and responsibilities and duties, against which performance is assessed. 93% of the total workforce underwent a performance appraisal and career review in 2009.



Recognition and Awards Program

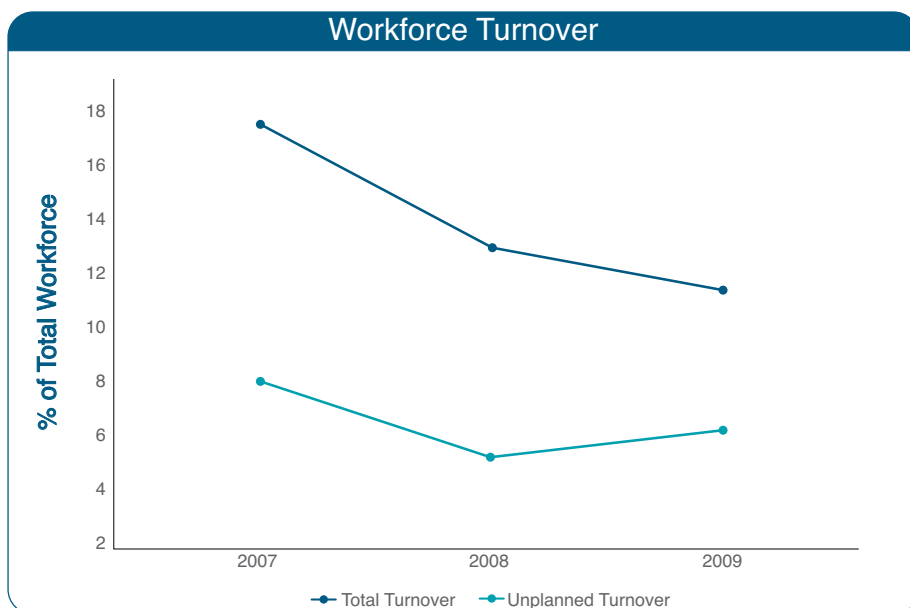
Dolphin Energy recently unveiled a new Recognition and Awards Program that highlights individual and team performances that positively impact the mission and operational objectives. The initiative is being implemented across Dolphin Energy and was the company's response to the Hewitt survey, which indicated that performance recognition is an area where the company could improve.

The program uses a recognition matrix distributed among employees and division heads, to identify individual employees or teams that are eligible to receive recognition and/or awards based on the criteria stipulated. The awards comprise monetary and nonmonetary rewards, ranging from 300 to 20,000 United Arab Emirates dirhams (AED) for monetary awards, and award certificates and gifts for nonmonetary awards.

Turnover and Absenteeism

Turnover rates and absenteeism are often considered to be proxy measures for employee satisfaction and health. Low turnover rates can also create benefits to the company in terms of a stable workforce, lower hiring and training costs, and higher productivity.

Dolphin Energy's employee retention strategy has successfully maintained a declining trend of total turnover from 17% in 2007 to 11% in 2009. Furthermore, and despite a highly competitive energy sector job market, the company has maintained the unplanned turnover rate at 6% in 2009. Absenteeism rates, after taking into consideration leave entitlements, are essentially zero.



% Turnover by Employment Level ¹			
	2007	2008	2009
Senior Management	30	20	14
Middle Management	19	4	13
Staff	12	8	9
Service Contractors	52	89	53
Secondees	27	76	17
Special Contracts ²	0	400% ³	NA ⁴
Total	17	13	11

¹ Calculation used: Turnover Level of (Senior Managers) = Number of (Senior Managers) Leaving/ Total Number of (Senior Managers) at Year End

² Excluding temporary contracts

³ Total workforce values were calculated as year-end values. Turnover figures were measured throughout the course of the year. Turnover of Sp. Contracts is 4 in 2008, Head Count is 1 due to alternate calculative methods for turnover and total workforce. $4/1 = 4 \times 100 = 400\%$.

⁴ Total workforce values were calculated as year-end values. Turnover figures were measured throughout the course of the year. Head Count of Special Contracts in 2009 was 0 while turnover was 1 due to a special contractor transferring to direct hire. $(1/0) \times 100 = \text{Undefined}$.

% Turnover by Age			
	2007	2008	2009
18-30	13	7	6
31-40	12	10	9
41-50	16	9	10
51-60	30	44	24

% Turnover by Gender			
	2007	2008	2009
Females	24	14	7
Males	16	13	11

Absenteeism			
	2007	2008	2009
% of total scheduled workdays	0	0	0

Employee Benefits and Compensation

To maintain a competitive edge within the employment market, Dolphin Energy implements an annual compensation and benefits survey. This survey supports efforts in competing in the top market bracket in terms of salary and benefits. Regarding the latter, Dolphin Energy has prepared a comprehensive benefit plan for full-time employees covering the following:

- Medical and dental care
- Life insurance
- Workmen's compensation
- Education assistance
- Car and personal loans

- Various leave policies (annual, sick, maternity, compassionate, escort, Hajj, Al Uddah, leave without pay, marriage and study)
- Pension fund or end of service compensation.

For our most junior staff, Dolphin Energy's minimum wage is in line with market rates for the energy sector. There is no minimum wage legislation in either the UAE or Qatar. The company's overtime policy provides for supplementary remuneration for applicable staff, while service contract employees on daily wages are compensated for the additional days worked in a timely manner.

Communication and Engagement

Dolphin Energy implements an extensive employee engagement strategy, ensuring that the company keeps clear and open channels of communication with all employees. Dolphin Energy conducts meetings with employees on a regular basis to discuss issues of importance to them. In both the UAE and Qatar, quarterly staff meetings take place with GM and senior management, where employees are encouraged to voice opinions and make suggestions to improve the workplace and efficiency of the organization.

Issues raised by employees in these meetings and in general staff meetings are investigated for possible actions. Status on actions is updated to employees in the next meeting. These meetings are supplemented annually by a staff meeting with the CEO. In addition, the GM and leaders of Dolphin Energy practice an open door policy whereby employees can approach them at any time regarding issues or concerns. These meetings are supplemented annually by a staff meeting with the CEO.



Employee Satisfaction Survey			
	2007	2008	2009
Employee satisfaction index	NA*	72%	NA
Employee satisfaction with the quality of engagement	NA	72%	NA

* The survey is to be conducted every two years.

To evaluate the level of satisfaction among employees, Dolphin Energy conducts bi-annual employee satisfaction surveys. Six of the highest priority areas identified in the most recent survey in 2008 were: recognition, compensation, career opportunities, company reputation and

work tasks. In response, the company prepared an action plan to improve the performance and resolve the issues raised by its employees in the survey in a systematic manner, and have initiated actions on several of these issues.

Focus Area	Action Steps
Recognition	(1) Fair and transparent recognition programs (2) Formalizing the process of promotions from within.
Compensation	(1) Creating a fair and transparent compensation philosophy (2) Providing analysis and performance management linked to compensation
Career opportunities	(1) Initiating a mentoring program (2) Developing career opportunities, and succession planning for national and expatriates
Company reputation	(1) Providing donations to benefit the community (2) Enhancing the level of sponsorships
Work tasks	(1) Maintaining professional standards (2) Providing challenging assignments to stretch targets for employees

The Company also offered three major workshops during the months of March and April in 2008 to strengthen cooperation and relationships within Dolphin Energy's leadership in both the UAE and Qatar. The

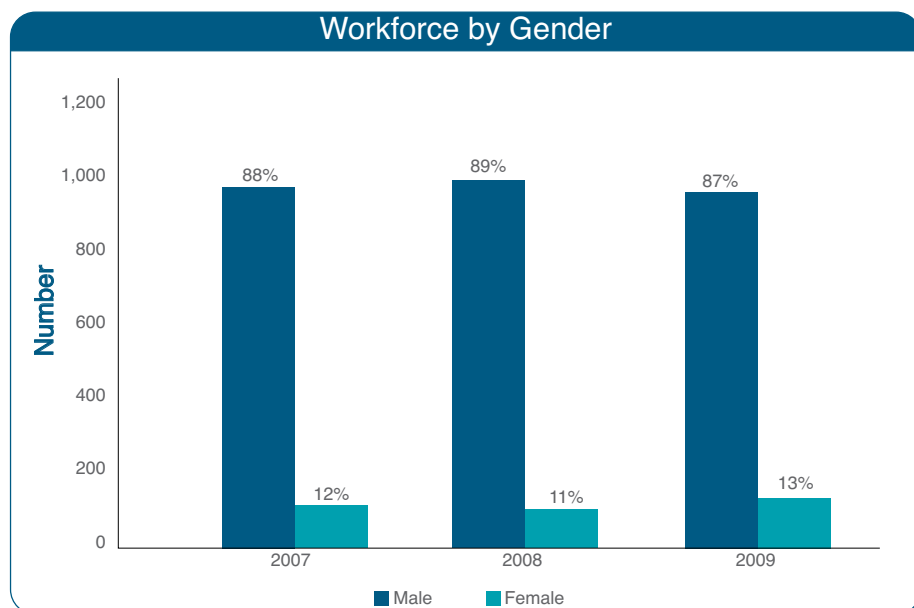
overall objective was to develop a high performing and unified leadership team and to strengthen relationships across all Dolphin Energy's locations.



Human Rights

Upholding and promoting basic human rights are an important part of Dolphin Energy's culture. The company follows national regulations for human rights in the areas where it operates, and as a company owned by multinationals in a joint venture, Dolphin Energy is aware of international human rights expectations under the Equator Principles and other international agreements and reports back to the Dolphin Energy Board of Directors accordingly.

All employees have intranet access to the corporate Human Resources Manual and corresponding elements on human rights. To ensure fair treatment of employees and to maintain communication regarding any violations of human rights that might occur, Dolphin Energy has implemented a grievance process whereby employees or a concerned public can communicate their complaints verbally or in writing and express their concerns to HR department, which in turn communicates such complaints to the relevant department.



Dolphin Energy does not allow nor tolerate compulsory or child labor, and no incidences of either have been recorded. The company has also never engaged in the practice of retaining employees' passports during the period of employment.

With contractors, general contract conditions cover some aspects of human rights issues, and particular conditions are issued to recruitment agencies for service contractors, outlining working terms and conditions.

Equal Opportunities

As a relic of tradition in the extractive energy sector, the company's workforce is largely dominated by a male presence, comprising almost 87% of total workforce. In UAE operations almost 21% of the total workforce are female employees, while in Qatar the percentage is closer to 11% of the total workforce. In the UAE the company has female representation in middle and senior management.

salary rates for new staff with similar qualifications and experience for all positions within Dolphin Energy are identical irrespective of gender.

It is important to note that given the nature of the energy industry; the ratio of the years of experience between female and male staff within Dolphin Energy is 65%, which is consistent with the salary ratio.

Female Participation in the Organization (Number of Individuals) UAE			
	2007	2008	2009
Employees	44	44	50
Middle Management	0	2	2
Senior Management	0	0	1

Female Participation in the Organization (Number of Individuals) Qatar			
	2007	2008	2009
Employees	86	87	97
Middle Management	0	0	0
Senior Management	0	0	0
Senior Management	0	0	1

Female Participation in the Organization (Number of Individuals) Total			
	2007	2008	2009
Staff	130	131	147
Middle Management	0	2	2
Senior Management	0	0	1
Total	130	133	150





Anti-Discrimination

Dolphin Energy has an internal anti-discrimination policy governed and monitored by the HR department. No incidences involving alleged discrimination on the basis of race, color, sex, religion, political opinion, national extraction, or social origin have been reported.

Labor Unions

Dolphin Energy has no existing policy regarding labor unions, as there is no concrete legislation allowing for the formation of labor unions. However, article 154 of the UAE Fed law refers to collective work disputes and article 116 of Qatari labor law refers to workers organizations. Dolphin Energy abides by all relevant laws and regulations.

Goals for 2010

- Working towards achieving 50% Nationalization by 2012
- Initiate externally recognized certificate in HR practices
- Measure, understand and respond to strategic issues related to employee engagement
- Attending careers fairs targeting Emirate and Qatari graduates
- Conduct a review of employee benefits package to ensure fairness of pay and benefits
- Integrate sustainability performance and criteria into the job descriptions and performance reviews of the sustainability team members
- Provide targeted sustainability training and discussion workshop on the key sustainability issues for each operating department
- Also, Dolphin Energy aims to meet or exceed its 2010 targets for the following KPIs:

KPIs	2010 Target
Percentage Emiratization	47%
Percentage Qatarization	27%
Percentage female: - Employees	20%
- Management	6%
Percentage unplanned turnover	<8%
Percentage absenteeism	0
Employee satisfaction index	72%
Employee satisfaction with quality of engagement with management	72%
Percentage of employees having performance review	100%
Youth internships offered	40



Priority

Ensuring Safe Operations

Key Issues

Employee Health and Safety

Product Safety and Responsibility

Emergency Preparedness and Crisis Management



Ensuring Safe Operations

Management Approach

Dolphin Energy is committed to ensuring the health and safety of its workforce (both employees and contractors) as well as the security of personnel and its assets. HSE and security risk is inherent in almost everything the company does, and therefore it is important that potential hazards and risks are correctly identified, analyzed and quantified as appropriate. Thereafter, Dolphin Energy ensures that suitable methods to eliminate or reduce these risks to acceptable levels are implemented.

A key expectation of the company's QHSE Management System is to harness the collective experience and knowledge of managers, supervisors, and members of the workforce combined with the specialist skills of the company's HSE advisors, to jointly conduct regular risk assessments and review the outcomes such that appropriate risk reduction measures and administrative controls are then developed and implemented so that workplace hazards and risks are eliminated or minimized to the lowest practicable level.

Communication of the existence of such hazards and risks are regularly provided to affected employees along with instructions

on how best to eliminate the hazards and reduce such risks - whether in terms of influencing employee behavior, adopting engineering controls, developing new or updated work processes or the use of special HSE equipment.

As for security, standards and procedures are established to ensure the security of personnel, facilities, property and information. The procedures also ensure that the human rights of people who may be affected are not violated.

The main safety risks have been identified during the Dolphin Gas Project design phase using industry best practices/ methods and are compiled in a corporate risk inventory. This risk inventory is presently being updated to verify operational assumptions and reflect actual operational experience. Identified risks are mainly managed by design elimination/ reduction or mitigated by operation and maintenance procedures.



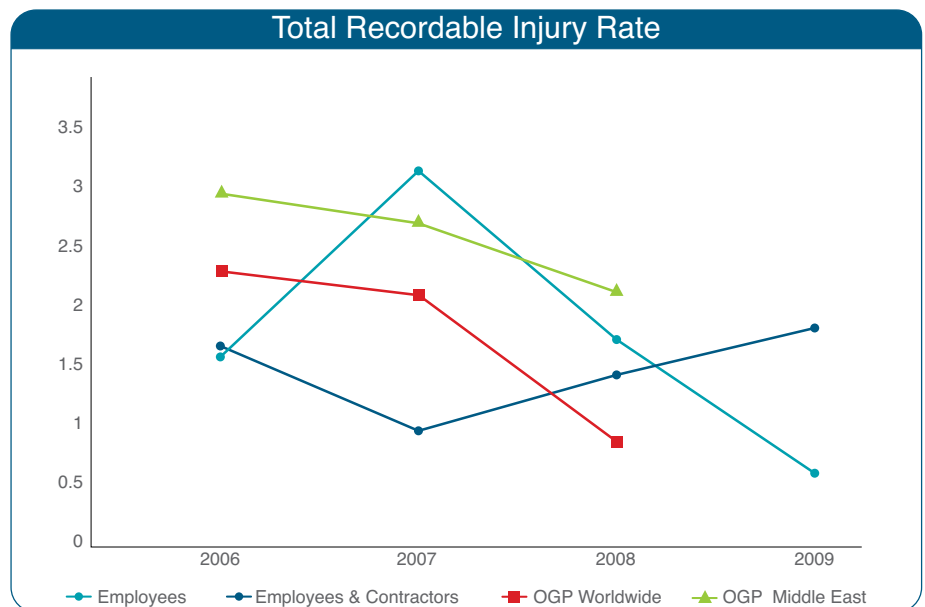


Employee Health and Safety

As part of its ongoing efforts to provide safe systems of work for employees, Dolphin Energy implements a program of HSE and security training to improve employee knowledge and promote hazard awareness and eliminate potential occupational risks in the workplace. Ensuring effective hazard recognition and proactive risk reduction are routinely implemented helps to secure a safe place of work for the workforce across the different facilities and operations the company manages.

Within its industry, Dolphin Energy measures the safety performance by adopting a number of leading and lagging key performance indicators. A key measurement within safety involves recording the total number of injury- or illness-related incidents that the company experiences per million hours worked - the Total Recordable Incident Rate (TRIR).

Additionally, Dolphin Energy records the Lost Time Incident Rate (LTIR) which tracks the number of incidents that result in a lost time injury or illness per million hours worked. The graphs compare Dolphin safety performance with OGP member companies on a world-wide basis and within the Middle East region.

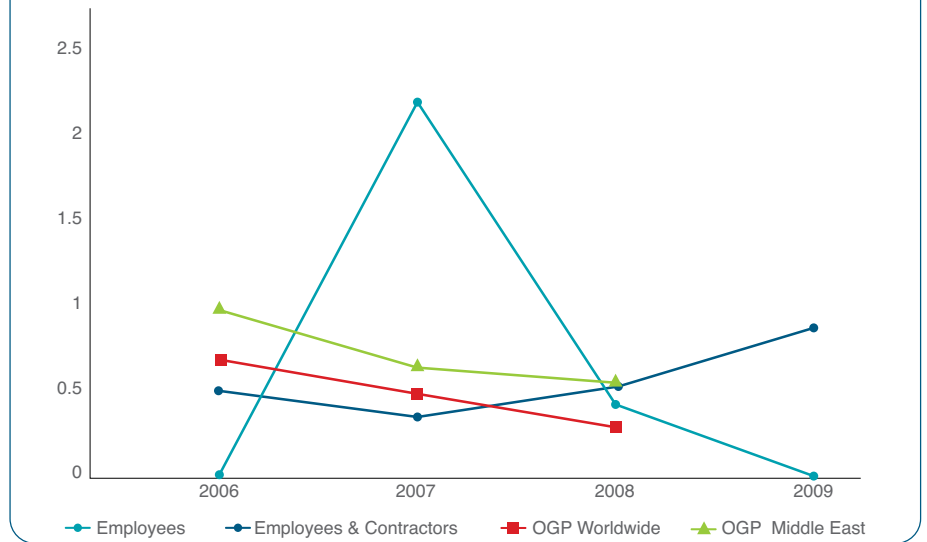


For comparison purposes, the QHSE&S division benchmarked Dolphin Energy's results against established petroleum industry adopted standards of the International Association of Oil and Gas Producers (OGP). From 2003 through to 2009, Dolphin Energy employees and contractors have worked in excess of 160 million hours in project and operational activities. Over the last seven years the combined TRIR has been 1.92. The graph compares Dolphin's safety performance based on TRIR and LTIR with other OGP member companies on a worldwide basis and within the Middle East region for the last three years.

Dolphin Energy's regular wellness programs have been ongoing for several years and are organized by QHSE division in conjunction with the Training and Development team. Employees are encouraged to attend the wellness program meetings and are allowed to bring one member of their family as a guest.

In addition to the wellness programs Dolphin Energy prepares and distributes HSE campaigns related to road safety, heat stress, stopping smoking, diet, recycling, housekeeping, security awareness, pandemics and diabetes to name a few. Employees are encouraged to

Lost Time Incident Rate



Dolphin Energy 2009 year end Health and Safety Accomplishments

These units have reached the below milestones without an LTI:

- UAE Operations employees: 5.95 years work
- UAE Operations contractors: 2.9 years work
- Dolphin offices UAE and Qatar: 4.25 years work
- EGDS Contractors: 3.7M+ man-hours
- Qatar Operations offshore employees: 2+ years
- Qatar Operations onshore employees: 2M+ man-hours
- CLSCSEF Contractors: 5M+ man-hours

share the content of these campaigns with their families and friends as appropriate. Additionally, company occupational nursing staff is available to provide advice to staff, and where applicable treatment for serious diseases is provided to employees and their families under the applicable terms and conditions of the company medical assistance program. On the other hand, according to the local laws serious diseases such as HIV/AIDS and Hepatitis are systematically tested for with expatriates, and expatriates are not allowed to reside in the country and would be deported if the disease is diagnosed.

Dolphin's concern for employees' welfare is not restricted to its employees, but also to those who work for its contractors. Dolphin's HSE obligations under the main contract are also obligatory to all contractors and their subcontractors. As such Dolphin expects its HSE standards to

be universally applied and fully enforced. During 2009, one contractor accounted for 73% of all lost time incidents although only responsible for 16% of all hours worked. This level of poor HSE performance is un-acceptable and Dolphin management has taken a number of remedial actions to improve this situation. Corrective actions taken include regular meetings with the Contractor's executive management to develop urgent HSE improvement plans comprising of increased levels of field supervision and sub-contractor management, more inspections and audits, direct engagement with all sub-contractor representatives and field personnel to enhance communication and improve workplace health and safety. For more information on relationships with contractors, please see the "Contractor and Supplier Relations and Practices" section of the report.

Assistance Programs

	Education / Training		Counseling		Prevention / Risk Control		Treatment	
	Yes	No	Yes	No	Yes	No	Yes	No
Program recipients	Y		Y			N	Y	
Staff	Y			N		N	Y	
Staff families	Y			N		N	Y	
Community members		N		N		N		N



Process Safety and Risk Management

Process safety focuses on preventing fires, explosions and accidental chemical releases in chemical process facilities or other facilities dealing with hazardous materials such as offshore platforms, pipelines, plants, gas production and distribution systems. Dolphin Energy uses

best industry practices during design and modification, and during operations to ensure process safety. Issues with process safety are communicated through training and by making the information available to all employees.

Road Safety

Transportation of goods and personnel form a significant aspect of the company's operations, consequently road safety represents amongst the highest occupational health and safety risk to employees and contractors.

Road safety also represents a global concern, and even more so in the local arena in both the UAE and Qatar, where governments and other community institutions are committed to raise awareness among the public regarding the hazards of poor driving for both drivers and pedestrians.

Dolphin Energy marked world Road Safety Days by distributing road safety

campaign material for all staff, which complemented the UAE government's campaign on the subject. The company is also in the process of implementing a comprehensive road safety program in the UAE and Qatar.

Dolphin Energy's QHSE&S division instigated this program covering eight areas of focus, including; management commitment, driving policies, driving training and communications, vehicle maintenance and specifications, accident reporting and investigation, journey management, reward and disciplinary programs and auditing.

Security

Maintaining security represents a challenging mission for any company operating in the petroleum sector. In Dolphin Energy, security is handled internally but supplemented with outside specialists as and when necessary, and external security of facilities is handled by regulatory, municipal or civil defense experts such as the Critical National Infrastructure Authority (CNIA) or RLC Shared Services.

A company-wide initiative has been undertaken to improve Information Security. The recent publication of detailed policies was backed up by related memos from both the UAE and Qatar GMs and from QHSE&S division. Information Technology and Automation (IT&A) have conducted an awareness campaign through presentations to staff at each of the company's main locations, and a "Usage Charter" has been distributed.

Health Campaigns

The company has developed a strong focus on health awareness and preventative health measures, in support of a balanced family and work life for employees; Dolphin Energy has

implemented several initiatives and programs that aim to improve the health and safety of employees and their families. These include:

Initiative	Description
<ul style="list-style-type: none"> First Aid Training, Cardio Pulmonary Resuscitation (CPR) and Automated External Defibrillation (AED) 	<p>Medic First Aid Plus is a fundamental training program in emergency care, designed to provide students with life saving skills. All floor wardens and security personnel have been trained and certified by the Occupational Health department. The basic plus certificate is valid for two years and allows trained employees to provide first aid, CPR and AED. Seventy-four floor wardens and security personnel have so been trained and certified.</p>
<ul style="list-style-type: none"> Healthy Lifestyle Campaign 	<p>The Dolphin Energy Tower and QOP Occupational Health Clinics conducted a three month 'Healthy Lifestyle' campaign to raise awareness of health related issues.</p> <p>A questionnaire was issued to participating staff, relating to current and past medical conditions, family medical history, current diet and physical activities. Occupational Health staff also collected baseline medical statistics including height, weight, body fat analyzer, and blood pressure and blood sugar levels. To conclude the campaign, Occupational Health staff assisted participants to set goals for improving their health, which also included diet counseling. A total of 57 employees participated from Dolphin tower.</p>
<ul style="list-style-type: none"> Blood Donations 	<p>The Mobile Red Cross blood donation van was parked on the ground floor of Dolphin tower. Many employees attended and gave blood to help those in need.</p>
<ul style="list-style-type: none"> Influenza Vaccinations 	<p>In line with Dolphin Energy's commitment to continuous health protection for all employees, occupational health Services – together with Qatar Petroleum– held an Influenza Vaccine drive at the Dolphin tower occupational Health Clinic. The campaign was a success, with a total of 49 employees vaccinated.</p>
<ul style="list-style-type: none"> Diabetic Awareness Campaign 	<p>Diabetes is a serious illness with lifelong complications. And while there are more than 38,000 people with diabetes in Qatar, we identified diabetes as one health and safety threat that deserves attention and requires us to instigate preventative awareness among employees.</p> <p>For this, Ms. Rawhia from the national Health Authority in Qatar delivered a presentation on diabetes and diet that included valuable information on how to prevent diabetes through diet and exercise. Twenty-seven employees from Dolphin tower attended this informative presentation.</p>
H1N1 Swine Flue	<p>Dolphin Energy has responded to the international call for preventative measure in the spread of the H1N1 virus, and the QHSE&S division's team coordinates their efforts to monitor the spread of the virus and assesses any potential impact on the health of its employees, their families as well as the risk on business continuity.</p> <p>A special task force team with representatives from Operations, Human Resources, QHSE&S and Corporate Communications, was convened when the breakout of the virus began in April 2009. The team assumed the responsibility of following the Pandemic Response Plan, which is already in place, and maintained timely communications with Health Departments in both the UAE and Qatar to ensure update information regarding the virus, are properly communicated to the Company's staff.</p>



Employee Health and Safety Committees

In addition to the National HSE committee, Dolphin Energy's UAE and Qatar operations have their own HSE forums to discuss issues related to operational and site activities, after which any major issues of concern can be raised promptly at the weekly GM meeting. Such committees provide a complete representation of the workforce and maintain an open channel of communication between employees and the management at Dolphin Energy.

Product Safety and Responsibility

Dolphin Energy's products are premium quality hydrocarbon gas and liquids, and as hazardous materials, strict QHSE controls are exercised at all stages of production, processing and dispatch for export for liquids and distribution of gas. Thereby it is essential to ensure that products are of the highest quality, meet customer H&S criteria and provide

appropriate HSE protection for staff, assets, local communities and the surrounding environment.

There is no record of any incidence of non-compliance with product health and safety regulations. Where unplanned releases or spills have occurred the responsible authority has been notified immediately.

Life Cycle Assessment – Health and Safety

	Yes	No
Development of product concept	Y	
Research and Development (R&D)	Y	
Certification	Y	
Manufacturing and production	Y	
Marketing and promotion	Y	
Storage distribution and supply	Y	
Use and service	Y	
Disposal, reuse or recycling	Y	

Emergency Preparedness and Crisis Management

Dolphin Energy has integrated crisis and emergency management into QHSE&S Management System, whereby emergency arrangements based on potential risks are established, covering all company facilities, locations, activities and operations. Key support functions include crisis communication and human resources. It is important that the company is fully prepared to respond to all such situations in order to protect its people, limit the damage to the environment and its facilities and maintain its reputation.

The crises and emergency management arrangements are designed to respond and control an emergency situation, prevent escalation and mitigate any losses that might accompany such situations. Exercises are also conducted at regular intervals to test emergency preparedness and ensure that the people involved are aware of their responsibilities, and provided with suitable ongoing training. Such arrangements are exposed to continuous review and improvements to include any recently identified emergency or crisis risks.





Goals for 2010

- Conduct HSE leadership programs
- Conduct Security Awareness program
- Conduct Major Emergency Training Program on quarterly basis.
- Conduct two major (external) and two minor (internal) emergency drills
- Also, Dolphin Energy aims to meet or exceed its 2010 targets for the following KPIs:

KPIs	2010 Target
Fatalities	0
TRIR Employees	1.8
TRIR Employees and Contractors	1.8
LTIR Employees	0.5
LTIR Employees and Contractors	0.5





Priority

Contractor and Supplier relations and practices

Key Issues

Contractor Safety

Human Rights Screening





Contractor and Supplier Relations and Practices

Management Approach

Dolphin Energy procures goods and services necessary for the efficient and reliable operation of Dolphin Energy's facilities. The company's dealings with

contractors and suppliers form an integral part of operations. It is essential that they are properly selected and managed to mitigate potential risks.

Number of suppliers			
	2007	2008	2009
Number of significant suppliers UAE	115	164	182
Number significant suppliers Qatar	944	1,659	843
Total number of significant suppliers	1,059	1,823	1,025

Under the QHSE&S Management System, the capabilities and competencies of contractors, including suppliers of goods and services, are subject to appropriate levels of assessment to ensure they meet the applicable company standards. Contractors who could be involved in critical activities are assessed against the highest levels of established business and QHSE&S criteria, and specific performance requirements are clearly stated in contractual documents. This

assessment governs all contractual bases with contractors, and is undertaken as a prequalification of award of contract or during the term of the contract. Performance against these requirements is regularly assessed. Dolphin Energy's QHSE&S division runs a senior-level quarterly meeting with contractors to emphasize focus on safety and related expectations, assess performance and discuss key issues.

Contractor Safety

Contractors are informed of all hazards and risks they could come across when working under Dolphin Energy control or on company facilities and they are required

to take all measures to prevent risks. For more information, please see the "Ensuring Safe Operations" section.



Human Rights Screening

Dolphin Energy's agreements with suppliers or contractors require them to adhere to all relevant laws. Suppliers are selected using particular qualification criteria carefully drafted to suit specific requirements.

In 2009, Dolphin Energy took a firm position with its main UAE contractors for the Taweelah Fujairah Pipeline (TFP) Project regarding recent changes to the UAE law and contractor compliance related to living conditions within worker construction camps. Dolphin Energy has furthermore taken steps across all of its operations to enhance oversight of worker camps. The company's project management teams conduct audits and

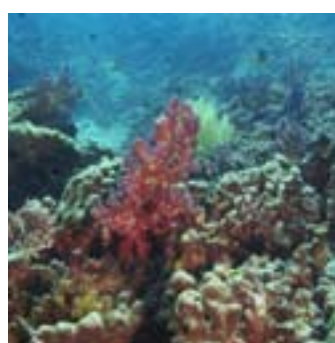
inspections of proposed contractor and subcontractor camp facilities prior to mobilization of the main project workforce. In the case that any camp does not meet Dolphin standards, in addition to all local authority approvals, then Dolphin Energy issues very explicit instructions to not use the camp. Follow up visits are conducted to ensure continued suitability of the camps, with findings routinely presented at Dolphin Energy executive management meetings. Dolphin Energy also takes significant steps to ensure contractor performance with regard to proper and timely payment to workers, avoidance of forced or compulsory labor, and other labor standards and human rights aspects.

Screening on human rights of suppliers			
	2007	2008	2009
Number of significant suppliers UAE	115	164	182
Number significant suppliers Qatar	944	1,659	843
Total number of significant suppliers	1,059	1,823	1,025
Percentage of total suppliers screened	0	0	0
Percentage of contracts declined	0	0	0
Number of reviews/checks for contractor compliance with the health and safety and other labour standard	0	0	0
Number of contractor integrity breaches	0	0	0

Goals for 2010

- Enhance procurement and contractors' policies and procedures to directly address human rights and environment-related performance expectations, well beyond the letter of the law. This includes incorporating sustainability practices of contractors into the assessment of contractor proposals, further enhancements to camp criteria, increased frequency and extent of camp visits and audits, improved tracking of these reviews and checks, clearly defined criteria for contractor performance or integrity breaches, provision of procurement workshops with contractors to emphasize expectations, and other improvement steps.
- In achieving the above, Dolphin Energy aims to meet or exceed 2010 targets for the following KPIs:

KPIs	2010 Target
Number of reviews and checks for contractor compliance	Target to be set after assessing current number of reviews and checks
Number of contractor integrity breaches	0
Average contractor sustainability performance score	Target to be set after developing a scoring framework



Annexes

Annex A: GRI Index

GRI	Page(s)	GRI	Page(s)	GRI	Page(s)
1.1	p. 5-7	EC1	p. 42-45	LA2	p. 77-78
1.2	p. 8	EC2	p. 30	LA3	p. 78
2.1	p. 9	EC3	See full report	LA4	No policy exist covering collective bargaining agreements
2.2	p. 10	EC4	Dolphin Energy is a private company and does not receive financial assistance from the government and as a UAE based company is not liable to tax.	LA5	Minimum time period is stipulated in writing in each individual's contract.
2.3	p. 22-23	EC5	p. 74-76	LA6	p. 89
2.4	p. 9	EC6	41 and see full report	LA7	p. 85-86
2.5	p. 9-11	EC7	p. 73-76	LA8	p. 88
2.6	p. 9	EC8	p. 73-76	LA9	Not applicable - as trade unions do not exist
2.7	p. 10	EC9	p. 73-76	LA10	p. 74-76
2.8	p. 30,42-43,71	Environment - Overall Management Approach Disclosure – p. 24-25, 48-49		LA11	Dolphin Energy typically goes beyond legal requirements to support individuals in transition
2.9	p. 8 and see full report	EN1	p. 56-57	LA12	p. 76
2.10	p. 12	EN2	Not Applicable in the production and processing of natural gas	LA13	See full report
3.1	p. 101	EN3	p. 54	LA14	p. 80
3.2	p. 101	EN4	p. 54	Human Rights - Overall Management Approach Disclosure - p. 80	
3.3	p. 101	EN5	p. 54-55	HR1	p. 80-81
3.4	p. 101	EN6	p. 55	HR2	p. 95
3.5	p. 101	EN7	p. 52-55	HR3	Dolphin Energy does not at this point offer any training on human rights issues
3.6	p. 101	EN8	p. 56-57	HR4	p. 80-81
3.7	p. 101	EN9	p. 57	HR5	Employee associations such as unions, and collective bargaining are not present in the UAE and Qatar. Dolphin Energy takes extensive steps to engage employees individually and collectively as outlined on page 78
3.8	p. 101	EN10	p. 57	HR6	Dolphin Energy does not have operations where there is significant risk of child labor. The company furthermore does not hire anyone under the legal working ages in UAE (15) and Qatar (16).
3.9	p. 101	EN11	p. 59	HR7	Dolphin Energy adheres to all laws relating to worker rights and follows international guidelines. Overtime is duly compensated, and employee passports are not retained. The company also takes significant steps to help ensure that there are no violations of worker rights, including no forced or compulsory labor, amongst contractors.
3.10	No re-statements as first report	EN12	p. 59	HR8	Zero
3.11	Not relevant as first report	EN13	p. 59	HR9	Zero
3.12	p. 96-97	EN14	p. 59	Society - Overall Management Approach Disclosure - Community (p.62), Anti-corruption (p.23), Compliance (p.22-23). The company's public policy efforts are consistent with its sustainability approach, and the company does not engage in anti-competitive behavior.	

GRI	Page(s)	GRI	Page(s)	GRI	Page(s)
3.13	p. 101	EN15	p. 59	SO1	p. 62
4.1	p. 22	EN16	p. 51	SO2	see full report
4.2	p. 22	EN17	p. 51	SO3	p. 23
4.3	p. 22	EN18	p. 52-53, for more details, see full report	SO4	Dolphin Energy did not have any corruption incident. Any corruption incident must be reported to the Compliance Officer.
4.4	p. 22	EN19	No ozone depleting substances are knowingly used in Dolphin Energy	SO5	p. 11, 13-15, 22-23
4.5	See full report	EN20	p. 55	SO6	Dolphin Energy did not provide any financial support for any political party
4.6	p. 22	EN21	p. 57	SO7	There have been no legal actions against Dolphin Energy
4.7	It is taken into account amongst a range of areas of expertise required for the role	EN22	p. 58	SO8	There have been no legal actions against Dolphin Energy
4.8	p. 7,22-23	EN23	p. 58	Product Responsibility - Overall Management Approach Disclosure – p.29-31	
4.9	p. 22-23, 80	EN24	No hazardous materials are reported to have been removed from operational sites	PR1	p. 89-90
4.10	See full report	EN25	p. 56-57	PR2	Dolphin Energy is not aware of any voluntary or regulatory non compliance issues related to products and services
4.11	p. 22-25	EN26	p. 48-49	PR3	Costumers' specifications are strictly met and product material safety data sheet is available which recognize environmental and social concerns, meets standards and accepted practices. p. 89
4.12	p. 23, 48-49	EN27	Not applicable - Gas is transferred in pipelines and liquids are shipped in tankers	PR4	Dolphin Energy is not aware of any voluntary or regulatory non compliance issues related to products and services information and labeling
4.13	p. 12	EN28	Zero	PR5	p. 35
4.14	p. 14-16	EN29	p. 51, 55 and 58	PR6	p. 34-35
4.15	p. 14-16	EN30	p. 49	PR7	None
4.16	p. 14-16	Labor - Overall Management Approach Disclosure – p. 70		PR8	p. 35
4.17	p. 14-16	LA1	p. 71	PR9	No fines or monetary sanctions
Economic - Overall Management Approach Disclosure – p.42-45					

Annexes

Annex B: IPIECA/API Oil and Gas Industry Guidance on Voluntary Sustainability Reporting

IPIECA/API		Page(s)	IPIECA/API	Page(s)
Environmental Performance Indicators			SOC-1	p. 80
ENV-1	p. 58		SOC-2	p. 22-23
ENV-2	p. 56-57		SOC-3	Dolphin Energy did not provide any financial support for any political party
ENV-A1	p. 58		SOC-A1	Dolphin Energy is a member of the ADSG and as such represents a lobby group and resource centre for the adoption of sustainability principles in government, private and NFP organizations throughout the UAE. On a regional level this commitment is maintained by the company's participation within the Arabian CSR Network which is helping to expand the concept throughout the region.
ENV-A2	p. 57		SOC-4	p. 80-81
ENV-A3	p. 58		SOC-A2	p. 69-81
ENV-A4	p. 58		SOC-5	p. 73-76
ENV-A5	p. 57-58		SOC-6	p. 78-80
ENV-3	p. 51-53, 55		SOC-A3	p. 73-75
ENV-4	p. 52-53		SOC-7	p. 78-81
ENV-A6	p. 55		SOC-8	p. 61-67
ENV-5	p. 54		SOC-A4	p. 64-67
ENV-A7	p. 57		SOC-A5	p. 64-65
ENV-A8	Dolphin Energy is not pursuing renewable energy sources in its present operations, but is looking at ways to get LEED accreditation for the new Corporate HQ which may consider solar.		SOC-A6	p. 61-67
ENV-6	p. 24-25		SOC-A7	Through a comprehensive system of community and stakeholder engagement; Dolphin Energy has successfully avoided the need to resettle individuals or communities. On some occasions it has been necessary to acquire land for pipeline corridors. This land has been acquired through government agencies who have handled all compensation payments in accordance with federally agreed tariffs and compensation protocols.
ENV-A9	p.59		SOC-9	p. 88
Health and Safety Performance Indicators			Economic Performance Indicators	
H&S-1	p. 24, 84-88, 49		ECO-1	Dolphin Energy is a private company and does not receive financial assistance from the government and as a UAE based company is not liable to tax.
H&S-2	p. 84-88		ECO-A1	p. 41-43
H&S-3	p. 84-88		ECO-2	p. 43
H&S-4	p. 85-86		ECO-A2	p. 43-44
H&S-5	p. 87-89		ECO-3	p. 42-43
Social Responsibility Performance Indicators			ECO-A3	The indicator Payments to providers of capital includes; interest payment on loans, loan facilitation costs and any performance based supplementary payments

Annexes

Annex C: Acronyms

ADESCO	Abu Dhabi Emergency Support Committee for Offshore Operators	HRSRG	Heat Recovery Steam Generators
ADNOC	Abu Dhabi National Oil Company	HSE	Health, Safety and Environment
ADSG	Abu Dhabi Sustainability Group	IBRD	International Bank for Reconstruction and Development
ADWEA	Abu Dhabi Water and Electricity Authority	IFC	International Finance Corporation
ADWEC	Abu Dhabi Water and Electricity Company	IFRS	International Financial Reporting Standards
AED	United Arab Emirates dirham	IPIECA	International Petroleum Industry Environmental Conservation Association
AED	Automated External Defibrillation	IPTC	International Petroleum Technology Conference and Exhibition
AFP	Al Ain Fujairah Pipeline	IT&A	Information Technology and Automation
API	American Petroleum Institute	KPI	Key Performance Indicators
BAT	Best Available Technology	Kt	Kilo tons
BBTU	Billion British Thermal Unit	LPG	Liquefied Petroleum Gas
BoD	Board of Directors	LTIR	Lost Time Incident Rate
BPEO	Best Practicable Environmental Option	M ³	Cubic meter
bscf	Billion standard cubic feet	MMbbls	Million Barrels
CBC	Code of Business Conduct	MMscf	Million of standard cubic feet
CEO	Chief Executive Officer	MoE	Ministry of Environment
CLO	Community Liaison Officer	M US\$	Million United States Dollars
CNIA	Critical National Infrastructure Authority	MWh	Mega watt hour
CO ₂	Carbon Dioxide	NGO	Non-governmental organization
CPR	Cardio Pulmonary Resuscitation	NOx	Nitrogen Oxides
CSR	Corporate Social Responsibility	OEMP	Operations Environmental Management Plans
D&B	Design and Build	OGP	Oil and Gas Producers Association
DPSA	Development and Production Share Agreement	OOC	Oman Oil Company
DUSUP	Dubai Supply Authority	QHSE	Quality, Health, Safety and Environmental management system
EAD	Environment Agency – Abu Dhabi	QHSE&S	Quality, Health, Safety, Environment and Security division
EEG	Emirates Environmental Group	QP	Qatar Petroleum
EGC	Export Gas Compressors	RAK	Ras Al Khaimah
EIA	Environmental Impact Assessment	RLC	Ras Laffan City
EPAA	Environment and Protected Areas Agency	RLES	Ras Laffan Environmental Society
EPC	Engineering Procurement and Construction	RLIC	Ras Laffan Industrial City
EPDA	Environment Protection and Development Authority	RLIC COP	Ras Laffan Industrial City Community Outreach Programme
EPDD	Environment Protection and Development Department	scf	Standard cubic feet
ESIA	Environmental and Social Impact Assessment	SEWA	Sharjah Electricity Water Authority
FEA	Federal Environment Agency	SOx	Sulphur Oxides
FEWA	Federal Electricity and Water Authority	SPC	The Supreme Petroleum Council
FIRST	Fiscal responsibility, Integrity, Respect, Social responsibility, and Team work excellence	P&C	Procurement and Contracts
GASCO	Abu Dhabi Gas Industries Ltd	TRF	Taweelah Receiving Facility
GHG	Greenhouse Gas	TRIR	Total Recordable Incidence Rate
GJ	Gigajoules	TFP	Taweelah Fujairah Pipeline
GM	General Manager	UAE	United Arab Emirates
GPA	Gas Processors Association	USAID	United States Agency for International Development
GRI	Global Reporting Initiative	UWEC	Union Water and Electricity Company
GSA	Gas Sales Agreement	WWF	World Wide Fund for Nature

Annexes

Annex D: Glossary

Abu Dhabi Sustainability Group	A network consisting of fifteen Abu Dhabi organizations who are committed to introducing sustainability management and reporting practices within their own organizations
Byproduct	A secondary or incidental product derived from a manufacturing process
Climate Change	Describes changes in the variability or average state of the atmosphere over time scales ranging from decades to millions of years
Condensate	A low-density mixture of hydrocarbon liquids that are present as gaseous components in the raw natural gas produced from many natural gas fields
Corporate Governance	The set of processes, customs, policies, laws, and institutions affecting the way a corporation (or company) is directed, administered or controlled
Emiratization	A national program initiated by the government of the United Arab Emirates to proactively increase the number of Emirati nationals in the public and private sectors to empower nationals and reduce dependency on foreign workers
Environmental Management System	The management of environmental programs in a comprehensive, systematic, planned and documented manner. It includes the organizational structure, planning and resources for developing, implementing and maintaining policy for environmental protection.
Ethane	At standard temperature and pressure, Ethane is a colorless, odorless gas with chemical formula C ₂ H ₆ , isolated on an industrial scale from natural gas, and as a byproduct of petroleum refining. Its chief use is as petrochemical feedstock for ethylene production
Flaring	Combusting waste gas released by pressure relief valves during unplanned over-pressuring of plant equipment
Gas Venting	The release of gas into the atmosphere through a vent pipe leading to the outside air from a gas furnace or other gas-fired equipment for removal of gaseous products of combustion
Global Reporting Initiative	A long-term multi-stakeholder, international process whose mission is to develop and disseminate globally applicable sustainability reporting guidelines
Global warming	The increase in the average temperature of earth's near-surface air and oceans since the mid-20th century and its projected continuation
Greenhouse Gas Emissions	Gas emissions, which contribute to the trapping of heat inside the atmosphere (resulting in the Global Warming phenomenon). These gases include carbon dioxide, methane or hydro fluorocarbon emissions
G3 Reporting Guidelines	A framework for reporting on an organizations' economic, environmental and social performance, created by the GRI Forum
Key Performance Indicator	A measure of performance commonly used to help an organization define and evaluate its success, typically in terms of making progress towards its long-term organizational goals
Liquefied Petroleum Gas	A mixture of hydrocarbon gases used as a fuel in heating appliances and vehicles, and increasingly replacing chlorofluorocarbons as an aerosol propellant and a refrigerant to reduce damage to the ozone layer, inferring that it is flammable
Natural Gas	A gas consisting primarily of methane. It is found associated with fossil fuels, in coal beds, as methane clathrates, and is created by methanogenic organisms in marshes, bogs, and landfills. It is an important fuel source, a major feedstock for fertilizers, and a potent greenhouse gas
Occupational Health and Safety	A cross-disciplinary area concerned with protecting the safety, health and welfare of people engaged in work or employment
Onshore Drilling	Refers to the land based discovery and development of oil and gas resources
Offshore Drilling	Refers to the discovery and development of oil and gas resources which lie underwater through drilling a well. Most commonly, the term is used to describe oil extraction off the coasts of continents, though the term can also apply to drilling in lakes and inland seas
Qatar Vision 2030	A statement of Qatar's long-term strategy for modernization and economic growth. It defines the long-term outcomes for the country and provides a framework within which national strategies and implementation plans can be developed
Qatarization	A national program initiated by the government of Qatar to proactively increase the number of Qatari nationals in the public and private sectors to empower nationals and reduce dependency on foreign workers
Stakeholder Engagement	The process by which a firm's stakeholders engage in dialog to improve a firm's decision-making and accountability toward sustainable development and achieving the triple bottom line
Stakeholders	A party that affects or can be affected by the actions of the business
Sustainability	The definition of Sustainability derives from the definition of Sustainable Development; Sustainable Development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs
Sustainability Reporting	The voluntary public presentation of information about an organization's environmental, social, and economic performance over a time frame, usually released annually. International standards around reporting, such as GRI, make sustainability reporting a platform for sharing and benchmarking individual company, as well as sector wide performance. Sustainability reporting may be published as a stand-alone document, on a company web site or incorporated into an annual report.

Annexes

Annex E: About This Report

This is Dolphin Energy's first sustainability report, reporting on performance in the year 2009. It also provides comparative information for 2008 and 2007, and in some cases earlier years, where possible.	
Process for defining report content	
This report focuses on Dolphin Energy's priority areas, which were identified through a process incorporating GRI's principles and the IPIECA/API reporting guidelines for defining report content, including:	
Materiality	Dolphin Energy believes the report covers all major issues that reflect Dolphin Energy's significant economic, environmental and social impacts, or the issues that would substantively influence the assessments and decisions made by our stakeholders.
Stakeholder inclusiveness	Dolphin Energy has identified and considered all key stakeholders, and has outlined how the company engages them, identifies their priorities, and responds.
Sustainability context	Dolphin Energy has considered global trends in sustainability for the oil and gas sector, and has also taken into account the regional and local contexts of its operations.
Completeness and boundaries of this report	The company has attempted to make this report as complete as possible. The report pertains to Dolphin Energy's 2009 performance, covering all our operations in the United Arab Emirates and Qatar unless stated otherwise. There are no excluded operations.
Reporting cycle	Dolphin Energy will report on its sustainability progress annually.
Ensuring quality in our sustainability reporting	
Dolphin Energy recognizes that insuring the quality and credibility of the information presented in this report is of the utmost importance, and have used the GRI "principles for defining quality".	
Balance	The report seeks to demonstrate transparency, presenting achievements while also highlighting the areas where Dolphin Energy believes there is an opportunity to improve.
Comparability	The report provides three years of comparable data for the majority of indicators.
Accuracy and reliability	Every effort has been made to ensure that the performance data is as accurate as possible, and to the best of the company's knowledge is of a very high level of accuracy.
Clarity	This report targets a wide range of stakeholders with varying levels of awareness of sustainability. Dolphin Energy has strived to make the report easily understandable for all anticipated readers.
Assurance	This report has not been externally assured.
Cautionary Statement	
Dolphin Energy Sustainability Report 2009 contains certain forward-looking statements. All statements, other than statements of historical fact are, or may be deemed to be forward-looking statements. By their nature forward-looking statements involve known and unknown risks and uncertainties that could materially affect expected results of operations, cash flows and business prospects, because they relate to events and depend on circumstances that will or may occur in the future. All forward looking statements contained in this report are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements which speak only as of the date of this report.	
Contact Information and Feedback Request	
As an ongoing endeavor to engage stakeholders and to improve performance, Dolphin Energy welcomes your feedback. Please send your feedback and comments to: graham.rae@dolphinenergy.com	



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