



Sustainability Report **2012**

All It Takes Is Positive Energy





About this Report

Dolphin Energy Limited is proud to present its fourth annual sustainability report, covering the calendar year 2012. In preparing this report, Dolphin Energy used the Global Reporting Initiative (GRI-G3.1) Guidelines and the International Petroleum Industry Environmental Conservation Association / American Petroleum Institute (IPIECA/API) Reporting Guidelines. Dolphin Energy self-declares this report to meet GRI Application Level A, Page 72 contains a statement from the GRI confirming the A-level application. The GRI and IPIECA/API Indices are located in Appendices A and B respectively.



Sustainability Framework

Since 2011, Dolphin Energy has utilized a consistent and effective framework to communicate the company’s performance on key sustainability issues to internal and external stakeholders. The framework organizes Dolphin Energy’s most material sustainability issues into three key areas: economic sustainability, social sustainability, and environmental sustainability, all gathered under the overarching topic of “sustainability management.” Please refer to page 22 and 23 for more information on Dolphin Energy’s sustainability management approach.

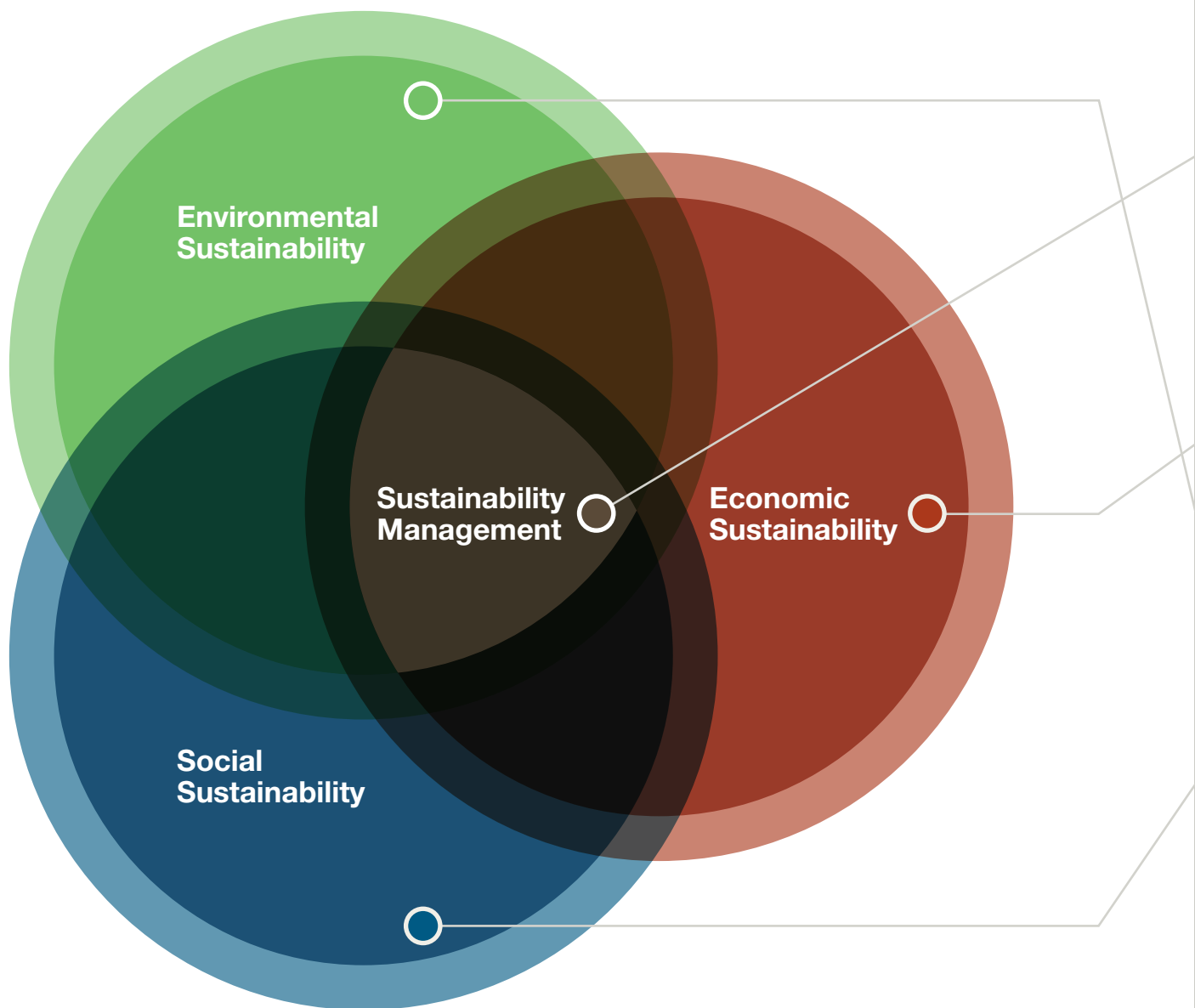


Table of Contents

7	9	10	12	14
A Message from the Chairman	A Message from the CEO	Dolphin Energy	Dolphin Energy Products and Customers	Summary of Performance, Commitments, & Achievements
<hr/>				
1	Sustainability Management			20
Approach to Sustainability				22
Good Governance				25
Integrity				26
Organizational Structure				27
<hr/>				
2	Economic Sustainability			28
Direct Economic Impact				30
Indirect Economic Impact				32
Customer Satisfaction				33
<hr/>				
3	Social Sustainability			34
Becoming Employer of Choice				36
Health & Safety				43
Product Safety & Responsibility				44
Community				46
Human Rights				49
<hr/>				
4	Environmental Sustainability			50
Energy Consumption				52
Emissions				55
Biodiversity				58
Resource Management				58
Environmental Expenditures				61
<hr/>				
62	68	69	70	71
Appendix A: GRI Index	Appendix B: IPECA/API Index	Appendix C: Report Parameters	Appendix D: Acronyms	Appendix E: Glossary



Message from the Chairman

His Highness Sheikh Hamdan Bin Zayed Al Nahayan
Chairman

The long-term goals of the Emirate of Abu Dhabi are outlined in the Abu Dhabi National Vision 2030. The Vision 2030 provides a roadmap to these goals, helping to create a safe and secure society with a dynamic and open economy. Achieving these goals requires dedication to five priority areas: economic development, social and human resources development, infrastructure development, environmental sustainability, and optimization of government operations.

The Abu Dhabi Economic Vision 2030 envisions **“Abu Dhabi as a sustainable, diversified, high-value-added economy that encourages enterprises and entrepreneurship and is well integrated in the global economy, leading to better opportunities for all.”**

Dolphin Energy continues to play a role in achieving the goals of the Abu Dhabi National Vision 2030, contributing to the economic, social, and environmental well-being of the Emirate of Abu Dhabi. These contributions are made through the company’s commitment to delivering value to stakeholders and shareholders by embracing sustainability across economic, social, and environmental disciplines.

The principles and practices of sustainability provide a framework and direction from which Dolphin Energy continues to find new opportunities to amplify excellence within its operations. Moving forward, Dolphin Energy will focus on achieving the goals and commitments outlined in this report to extend the company’s success into the future.



Message from the CEO

Ahmed Ali Al Sayegh
Chief Executive Officer

Dolphin Energy's commitment to business practices that amplify efficiency, growth, investment in people, correct ethical conduct, social responsibility, and profit is put into action every day by the company's dedicated employees and management team. Sustainability is integral to Dolphin Energy's operations, creating new opportunities that allow it to continue to foster excellence.

Dolphin Energy continues to deliver value to its stakeholders and shareholders. As part of its commitment to success, Dolphin Energy has pledged to conduct business in a manner that embeds sustainability within all its organizational elements and promotes continuous improvement in all business practices and operations.

I am proud to welcome you to Dolphin Energy's 2012 sustainability report which showcases Dolphin Energy's focus on performance by highlighting the three tiers of Sustainability Management: Economic Sustainability, Social Sustainability, and Environmental Sustainability. You are encouraged to provide your feedback as a means to help us strengthen our business.

Dolphin Energy

Dolphin Energy Limited was created to develop substantial energy projects throughout the Gulf Cooperation Council (GCC) and to create long-term wealth and new business opportunities for citizens of the region, now and far into the future.

Dolphin Energy's major strategic initiative is the Dolphin Gas Project. Commissioned in July 2007, the Project involves the production and

processing of natural gas from Qatar's North Field and transportation of the dry gas via sub-sea export pipeline from Qatar to the UAE. One of the largest energy-related business ventures ever undertaken in the Middle East, the Dolphin Gas Project is the region's only trilateral gas grid.

Ownership

Mubadala Development Company	51%
Total	24.5%
Occidental Petroleum Corp. ('Oxy')	24.5%



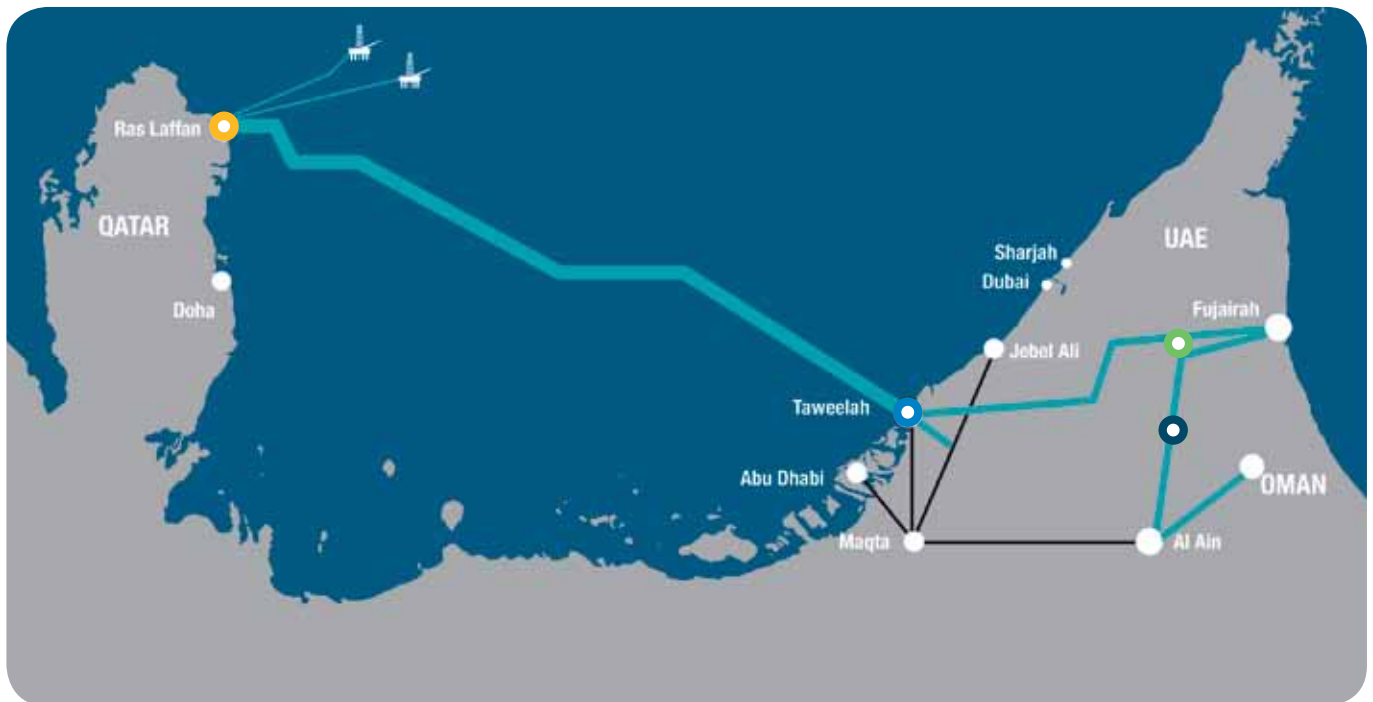
Areas of Operation

Headquarters
Abu Dhabi, UAE
Doha, Qatar

Operational Offices
Taweelah, UAE
Ras Laffan, Qatar



About the Dolphin Gas Project



Ras Laffan

Raw natural gas is collected from undersea wells by two offshore platforms, DOL1 and DOL2. The gas is then transferred via twin sealines to the Gas Processing and Compression plant at Qatar's Ras Laffan Industrial City, the largest single-build plant of its type in the world.

Taweelah

Dolphin Energy gas produced in Qatar arrives at the company's Taweelah Receiving Facilities in Abu Dhabi, UAE, at an average rate of 2 billion standard cubic feet per day.

Al Ain–Fujairah Pipeline (AFP)

The AFP is a 24 inch, 182 km gas pipeline that connects Al Ain with the Emirate of Fujairah. Commissioned in January 2004, the AFP project inaugurated Dolphin Energy as a gas supply company.

Taweelah–Fujairah Pipeline (TFP)

The TFP is a 48 inch, 244 km gas pipeline that conveys natural gas from Taweelah across the UAE to power and desalination plants in Fujairah.

Eastern Gas Distribution System

Designed and built by Abu Dhabi National Oil Company (ADNOC), the system was refurbished and upgraded and is now managed by Dolphin Energy.

— Existing Pipelines
 — Dolphin Constructed Pipelines

Dolphin Energy Products and Customers

Dolphin Energy supplies natural gas, predominantly under long-term contract, to customers in the UAE and Oman. Valuable by-products of the company’s Gas Processing Plant in Qatar are also sold regionally and internationally. These by-products include condensate, liquefied petroleum gas (LPG), sulfur, and ethane.

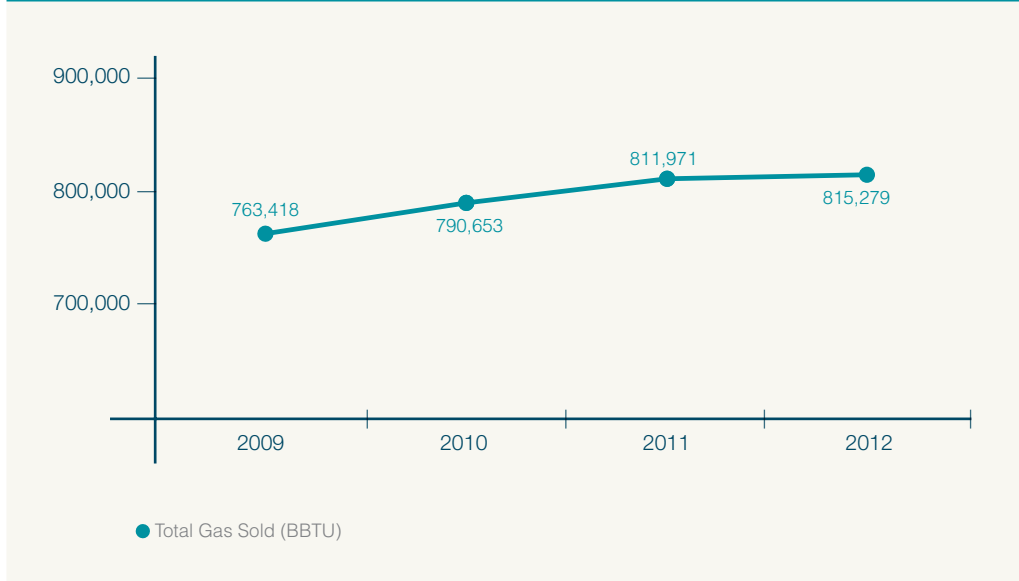
Natural Gas

As one of the region’s leading natural gas suppliers, Dolphin Energy prides itself on producing clean, pure, high-quality natural gas to satisfy the energy needs of its customers and society. Natural gas emits

significantly lower emissions than other fossil fuels, and is often described as a “transition fuel” in reference to the eventual goal of achieving a low-carbon economy. Dolphin Energy’s methane gas is sweet, dry,

high-grade, and 97% pure. In addition to production, Dolphin Energy oversees every aspect of the gas handling, including appraisal, development, transportation, and marketing.

Production Sales Highlights



Dolphin Energy provides gas to local markets in the UAE and Oman. Three gas sales agreements have been reached, securing the supply and sale of agreed quantities for the remainder of the contract tenure.

Commission, Dubai Supply Authority, and Sharjah Electricity and Water Authority. To help meet the increasing demand from customers in the UAE and Oman, Dolphin

Energy now also receives significant quantities of interruptible third-party gas from Qatar Petroleum.

Short-term, interruptible gas sales agreements are also currently in place with the UAE Federal Electricity & Water Authority, Ras Al Khaimah Natural Gas

Customer	Average Volume per Day
ADWEC (Abu Dhabi Water and Electricity Company)	994 million SCF/day
DUSUP (Dubai Supply Authority)	730 million SCF/day
OOC (Oman Oil Company)	200 million SCF/day
Total	1.924 billion SCF/day

Natural Gas By-products

Condensate

Low-sulfur condensate is a valuable ultra-light oil by-product that results from Dolphin Energy's raw gas production and processing. It is sold on the international term or spot markets, with all export product cargos shipped from Ras Laffan to their end destinations.

Liquefied Petroleum Gas (LPG)

Propane and butane are liquefied petroleum gases used as fuels by industrial, commercial, residential, automotive, and agricultural sectors worldwide. Butane also has specialized uses in gasoline blending.

Ethane

Ethane is extracted during gas processing and is utilized as feedstock for the ethane cracker at the Ras Laffan Olefin Company (RLOC) in Qatar.

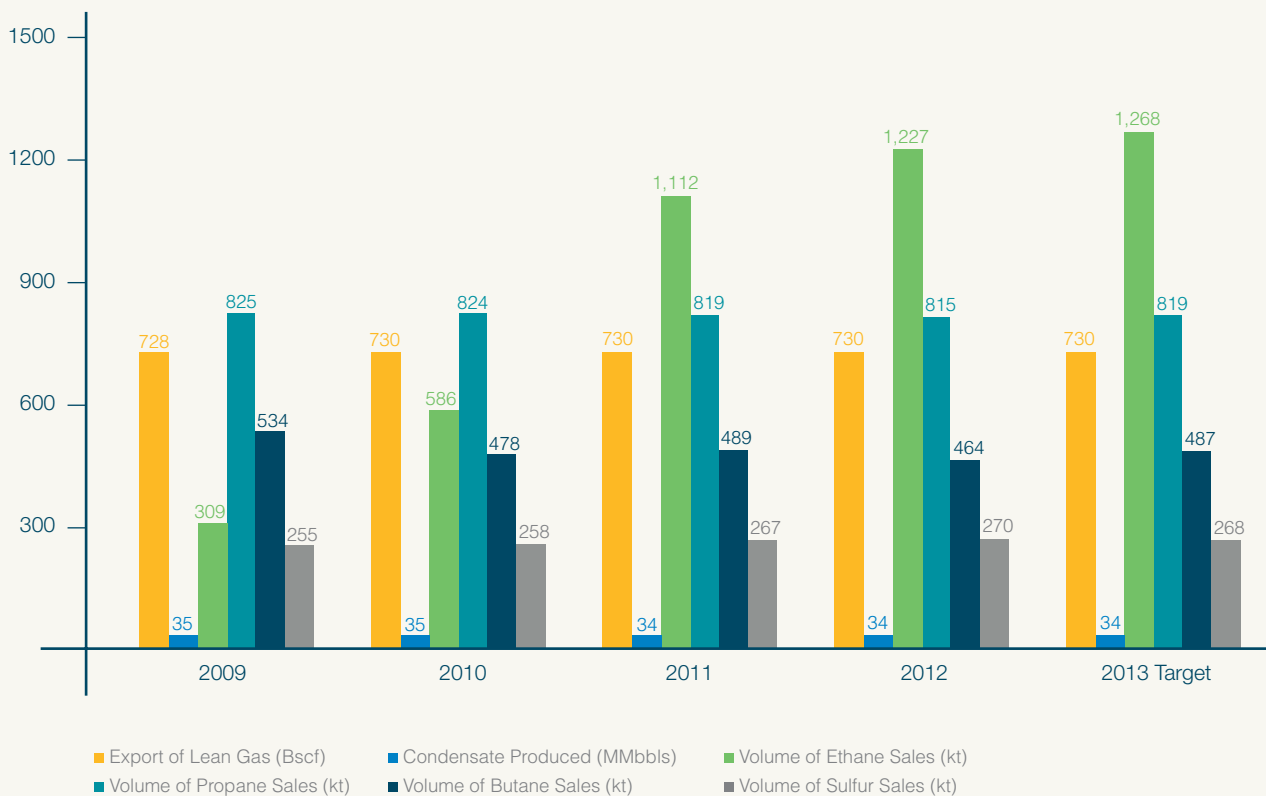
Sulfur

In order to comply with international health, safety, and environmental standards, sulfur must be extracted from raw natural gas during processing. Sulfur is sold on world markets and is largely used in the production of fertilizers and chemicals.

Average Annual Production*	Customers	Average Annual Production*	Customers	Average Annual Production*	Customers	Average Annual Production*	Customers
34,849,958 barrels	Worldwide	1,301,560 MT	Worldwide	808,304 MT	RLOC, Qatar	262,160 MT	Worldwide

*Average Annual Production 2009-2012

Production Sales Highlights*



* For details concerning revenue from by-products, refer to the "Economic Sustainability" chapter on pg 28.

Summary of Performance, Commitments and Achievements

Significant Achievements

In 2012, Dolphin Energy...

- Issued US\$1.3 billion in 10-year bonds, an increase from the initial US\$1 billion offering, as a result of overwhelming investor demand.
- Awarded a US\$136 million contract to Rolls Royce for the supply of 3 new Trent gas compressor and turbine units.
- Awarded a US\$250 million engineering, procurement, and construction (EPC) contract to Larsen & Toubro of India, for upgrading the gas processing plant in Ras Laffan, Qatar.
- Held its 5th annual Qatar HSE Contractors' Meeting, awarding seven local contractors in recognition of their outstanding HSE processes, performance, and communication strategies.
- Experienced its 9th successive year featuring zero LTIs (Lost-Time Incidents) in the UAE.
- Defined the list of leading and lagging process safety metrics and completed the gathering and reporting of monthly data.
- Accrued over 34 million LTI-free man-hours worked in Qatar by year-end 2012.
- Achieved the 2012 target of 730 Bcf in net sales gas to the UAE.
- Installed infrared cameras on the Ras Laffan flare system in order to facilitate reduction in routine flaring.
- Issued its Corporate Governance Manual and completed 14 business process audits.
- Trained majority of the UAE staff on Defensive driving and produced a company-wide Road Safety handbook.
- Completed the 2nd year of Fugitive Emissions Monitoring Campaign for the Ras Laffan plant.
- Turned over operatorship of the Low Sulfur Condensate Facilities to Ras Laffan Terminal Operations successfully on 1st January 2013.
- Completed the 2012 subsea pipelines inspection survey.
- Completed enhanced cleaning and intelligent pigging of the Subsea Pipeline from Dolphin Platform One.
- Completed a new 3D Geological Model.
- Completed and commissioned the tie-in to Common Sulfur Project in Ras Laffan.

Awards

- The Qatarization Certificate in the Field of Training and Development, from Qatar's Minister of Energy and Industry.
- The Bronze Award in the Joint Venture Category at the Qatar Oil and Gas Industry Safety Excellence and Innovation Awards, hosted by Qatar Petroleum.
- UAE National Winner of the 2012 MEED Quality Award for Oil & Gas Project of the Year.
- Winner at the Association of Corporate Treasures (ACT) Middle East Awards, for the timing and demand of the 2012 bond issue.
- Award for Excellence in Sustainability Reporting from the Minister of Energy & Industry and Chairman & Managing Director of Qatar Petroleum, HE Dr. Mohammed bin Saleh Al Sada.
- "Middle East Oil & Gas Midstream Deal of the Year 2012" awarded by Project Finance Magazine.
- Emirates Environmental Group 2012 Appreciation Award for Valued Support.

Ras Laffan Export Gas Compressor Upgrade Project

Dolphin Energy took a strong step toward advancing and improving its operations and services by announcing the upgrade project for its facilities in Ras Laffan. The project will increase overall reliability and availability of the plant and enhance the transmission capacity of the plant by allowing full utilization of the export pipeline to the UAE.

The Ras Laffan facility receives natural gas from

offshore extraction facilities and processes it for exporting via the subsea export pipeline to the UAE and Oman. The Export Gas Compressors (EGC) facilities consist of 6 Rolls Royce compressors able to process up to 2.2 billion standard cubic feet per day (BSFCD). The new project will add three similar new compressors, each rated at 52 megawatts, increasing export gas transmission capacity to 3.2 BSCFD.

In November 2012, a US\$250 million Engineering, Procurement, and Construction (EPC) contract for the project was awarded to Larsen & Toubro Limited, the largest construction company in India. The commissioning of the project is planned for the first quarter of 2015.

To ensure complete worker safety and protection of the surrounding environment, the project team will

ensure that best industry practices are followed during implementation of the project.

The success of the project is essential to the continued development of Dolphin Energy's operations. The project represents the company's emphasis on investing in success, and consequently on providing value to local economies.



Performance against 2012 Commitments

The 2011 Dolphin Energy Sustainability Report contained a range of sustainability commitments for 2012, clustered into the four main focus areas: Sustainability Management,

Economic Sustainability, Environmental Sustainability, and Social Sustainability. In keeping with the principles of transparency and accountability, the table below captures

Dolphin Energy's progress in achieving these commitments. 80% of the 2012 commitments were completed, matching 2011's performance against 2010 targets.

Commitment	Status
Sustainability Management	
<ul style="list-style-type: none"> Integrate sustainability performance and criteria into the performance reviews of the Sustainability Working Group (SWG) members 	○
<ul style="list-style-type: none"> Ensure that ≥75% of all goals set in the 2011 report are achieved and reported on in the 2012 Sustainability Report 	●
<ul style="list-style-type: none"> Refine and expand Dolphin Energy's Sustainability Strategy 	●
<ul style="list-style-type: none"> Create an online e-learning module for the annual employee training on Dolphin Energy's Code of Business Conduct (CBC) 	●
<ul style="list-style-type: none"> Develop a Fraud Control Policy 	●
Economic Sustainability	
<ul style="list-style-type: none"> Maintain Key Performance Indicators (KPIs) for Procurement & Contract (P&C) 	●
<ul style="list-style-type: none"> Conduct 2 Relationship Enhancement Meetings with all customers in the UAE, Oman, and Qatar 	●
<ul style="list-style-type: none"> Score ≥7 in the biennial Customer Satisfaction Survey 	●
<ul style="list-style-type: none"> Achieve 0 downtime hours for the Taweelah Receiving Facility (TRF) 	○
Social Sustainability	
<ul style="list-style-type: none"> Achieve target of 50% Emiratization in 2012, in line with government requirements 	○
<ul style="list-style-type: none"> Achieve target of 33% Qatarization in 2012, in line with government requirements 	○
<ul style="list-style-type: none"> Conduct performance appraisals for 100% of employees 	●
<ul style="list-style-type: none"> Enhance Internal Communications Program and support development of HR's Branding Strategy 	●
<ul style="list-style-type: none"> Establish a program for promoting a sustainable and socially responsible company culture 	●
<ul style="list-style-type: none"> Identify and prioritize high points of failures in operation as part of business continuity management 	●
<ul style="list-style-type: none"> Conduct 4 emergency response drills: 1 Crisis and 3 Major 	●
<ul style="list-style-type: none"> Improve the Occupational Health & Hygiene systems 	◐
<ul style="list-style-type: none"> Review and revise the list of Leading and Lagging Process Safety Indicators (PSIs) 	●
<ul style="list-style-type: none"> Achieve a Total Recordable Injury Rate (TRIR) of 1.5 for employees and contractors 	●
<ul style="list-style-type: none"> Achieve a 1.25 ratio of corrective-to-preventive maintenance at Ras Laffan 	●
<ul style="list-style-type: none"> Achieve less than 55% corrective-to-preventive maintenance at Taweelah on a monthly basis 	●

Commitment	Status
Environmental Sustainability	
• Conduct an assessment of the company's air quality and emissions control programs	●
• Sustain onshore flaring at a level below CTO commitment (0.3% of the production of sweet gas)	○
<ul style="list-style-type: none"> • Flaring Reduction: <ul style="list-style-type: none"> - Install 4 Infrared (IR) Closed Circuit Televisions (CCTVs) to continuously monitor flaring from the LP and HP/MP flare risers of Stream 1 & 2, to minimize flow of purge gas - Perform a "flaring reduction" feasibility and cost assessment study, per Ministry of Energy and Industry requirements 	●
• Perform the planned CO2 capture feasibility study per QP requirements	◐
• Meet air emissions limits per Qatar Ministry of Environment and QP permit requirements	●
• Engineer and implement modifications to the HP steam boilers as required to attain NOx emissions limits, per the Ministry of Environment Consent to Operate permit	◐
• Conduct an assessment of the company's waste management programs	●
• Construct a dedicated CCTV monitoring room for the entire UAE gas network	○
• Conduct one contractor HSE performance review meeting per location	●
• Perform the 2012 Pipeline Inspection Gauge (PIG) cleaning and inspection program	●



Summary of Sustainability Performance

		GRI	Unit	2009	2010	2011	2012
SUSTAINABILITY MANAGEMENT							
Governance, Management, and Integrity	Number of Regulatory Incidents	SO8	#	0	0	0	0
	Percentage of Independent Directors	4.3	%	89	89	89	90
	Level of GRI-based Reporting	----	-	A	A	A	A
	Percentage of Dolphin Energy's Business Units Analyzed for Corruption	SO2	%	100	100	100	100
	Incidents of Non-compliance	PR4	#	0	0	0	0
	Regulatory Fines paid	PR7	#	0	0	0	0
	Number of Stakeholder Groups Assessing Report	----	#	3	3	3	3
ECONOMIC SUSTAINABILITY							
Direct Economic Impact*	Fiscal Responsibilities	EC9	%	121	128	123	127
	Revenue (millions)	EC1	USD	1,576	1,874	2,353	2,570
	Economic Value Distributed (millions)	EC1	USD	1,362	1,629	2,194	3,235
	Economic Value Retained (millions)	EC1	USD	214	245	159	(665) ¹
	Payments to Providers of Capital (millions)	EC1	USD	372	465	641	1,414
Indirect Economic Impact	Local Contracting Spending (thousands)	HR2 EC9	USD		402,309	314,253	265,063
	Number of Local Contractors	HR2 EC9	#		792	847	860
Customer Satisfaction	Supply Disruptions to Customers	----	-	1	0	0	0
	Customer Satisfaction Rating in 2011	PR8	-		6.9	7.9	--
	TRF Downtime Incidents	----	-	0	0	0	1
SOCIAL SUSTAINABILITY							
Workforce in Numbers****	Number of Full-time Employees	LA1	#	1,175	1,213	1,247	1,199
	% of Females – total employees	LA13	%	13	14	14	14
	% of Females – management	LA13	%	4.4	4.1	9	8.7
	% of Youth (18–30)	LA13	%	23	22	22	21
	Total Turnover (%)	LA2	%	11	7	6	8
	% of Unplanned Turnover (% of workforce)	LA2	%	6	4	4	6
	Employees Examined via Performance Reviews	LA12	%	93	100	100	100
	Employee Satisfaction Index (biennial)	4.16	%	No Survey	73	No Survey	65
Capacity-building	Total Training (hours)	LA10	Hrs	38,100	42,493	48,353	43,207
	Total Training (cost)	LA10	USD	3,530	4,260	5,070	4,480
	Average Hours of Staff Training per Individual	LA10	Hrs	38	47	42	41
	Average Cost of Staff Training per Individual	LA10	USD	2,068	2,183	4,368	4,215
	Youth Internships Offered	LA10	#	23	19	32	28
Benefits & Compensation**	Total Wages and Benefits (thousands) – Qatar	EC9	USD	84,477	106,922	125,077	138,812
	Total Wages and Benefits (thousands) – UAE	EC9	USD	22,005	39,371	47,644	55,524
Nationalization***	Percentage Emiratisation	EC7	%	34	45	48	49
	Percentage Qatarization	EC7	%	22	27	31	32
	% of Training Hours for National Staff	EC7	%	47	56	57	60
	% of Training Cost for National Staff	EC7	%	53	69	61	57

		GRI	Unit	2009	2010	2011	2012
Health and Safety	Fatalities	LA7	#	0	0	0	0
	TRIR (Total Recordable Injury Rate) for Employees	LA7	#	0.54	1.21	0.82	0.29
	TRIR for Employees and Contractors	LA7	#	1.77	2.35	0.64	0.34
	LTIR (Lost-Time Incidents Rate) for Employees	LA7	#	0	0.3	0	0
	LTIR for Employees and Contractors	LA7	#	0.78	1.57	0	0
	Ratio of Corrective-to -Preventive Maintenance – Ras Laffan	2.8	#	1.42	1.36	1.41	1.00
	Corrective Maintenance as a Percentage of Total – Taweelah	2.8	%	25.7	32.3	30.4	31.0
	Total Monthly QHSES Audits for Contractors	HR2	#	11	139	80	116
Product Safety and Responsibility	Total # of Reportable Spills	EN23	#	2	1	0	1
	Total # of Reportable Gas Releases	EN23	#	2	1	2	0
	Volume of Spills	EN23	m ³	6.8	2	0	8.8
	Amount of Gas Released	EN23	Tons	309	51	15	0
Community	Amount of Investment in the Community (000s)	S06	USD	2,772	3,041	5,528	6,379
Human Rights	Number of Incidents Involving Human Rights	HR9	#	0	0	0	0
ENVIRONMENTAL SUSTAINABILITY							
Energy Consumption****	Total Electricity	EN6	MWh	106,078	105,317	101,552	128,289
	Electricity Generated by plant	EN6	MWh	420,552	431,977	413,827	374,701
	Energy Offset by Plant Generated Electricity	EN6	GJ	1,513,987	1,555,117	1,489,777	1,348,924
	Total Direct Energy Consumption	EN3	GJ	31,343	27,739	28,787	22,892
	Total Indirect Energy Consumption	EN4	GJ	381,881	379,141	365,587	461,840 ²
Emissions	Flaring – total volume flared	EN20	MMscf	8,648	4,846	3,686	3,373
	Onshore Flaring – % of available gas for sale	EN20	%	1.1	0.59	0.40	0.36
	No _x Emissions	EN20	Tons	3,072	579	742	718
	So _x Emissions	EN20	Tons	30	257	244	189
	GHG Emissions	EN16	Tons	3,329,672	3,057,481	2,916,238	2,781,352
Resource Management	Raw Wet Gas	EN1	MMscf	873,182	872,519	862,326	861,391
	Total Water Consumed (000s)****	EN8	L	1,175	1,243	1,213	1,237
	Recycled Water	EN10	%	12	13	13	13

* Pertains to Downstream Operations Only

** 2009 figures do not include benefits

*** 2011 nationalization percentage calculation is as follows:
(total number of nationals / total number of established positions)

**** Previous years' figures have been recalibrated

1 This is a result of Dolphin Energy's bond issue in February 2012. Excess cash was distributed to shareholders due to the bond issuance.

2 Qatar Petroleum directed Dolphin Energy to receive more electrical power from the Kahramaa grid and generate less power at the Ras Laffan plant for export in 2012



1

Sustainability Management

Key Issues:

Sustainability Approach

Good Governance

Integrity

Organizational Structure



2013 Commitments

- Implement Online Training and Certification for the Code of Business Conduct
- Approve and implement the Corporate Investigation Policy
- Approve and implement the revised Sustainability Strategy
- Conduct sustainability awareness training sessions at the Abu Dhabi, Taweelah, Doha, and Ras Laffan company locations

Dolphin Energy's Approach to Sustainability

Sustainability is a core element of Dolphin Energy's existence. Its vision to supply reliable and clean energy to the region has been creating sustainable economic value and employment opportunities since 2007.

At the heart of Dolphin Energy's decision to implement sustainability management and reporting is the desire to demonstrate tangibly the company's

continued value creation, social responsibility, environmental excellence, and overall organizational best practices. Sustainability helps to achieve these goals while ensuring that Dolphin Energy is prepared for all current and emerging regional trends, risks, and opportunities.

Dolphin Energy defines "sustainability management" as the integration of

economic, social, and environmental factors into its strategy and operations, in a way that delivers tangible value to all of the company's stakeholders. The overall goal of sustainability is the optimization of these factors so as to impact positively business, society, and the environment alike.

Stakeholders

Below is a summary of Dolphin Energy's most material stakeholders, those most relevant to the given definition of sustainability management.

Shareholders

Mubadala (51%),
Total (24.5%),
Oxy (24.5%)

Employees

Over 1200 full-time employees based in Qatar and the United Arab Emirates.

Government

Dolphin Energy is a strategic energy project initiated and shared by the governments of Qatar and Abu Dhabi. In 2001, a Development and Production Sharing Agreement (DPSA) was signed covering the production, processing, and supply of substantial quantities of natural gas from offshore Qatar to the United Arab Emirates and Oman over the following 25 years.

Clients and Customers

Primarily power providers who purchase Dolphin Energy's gas in order to meet water and electricity production requirements, and to support ongoing regional economic and industrial development. Customers include:

Abu Dhabi Water and Electricity Company (ADWEC), Dubai Supply Authority (DUSUP), Oman Oil Company (OOC), Sharjah Electricity and Water Authority (SEWA), Ras Al Khaimah Natural Gas Commission (RAKNGC) and Federal Electricity and Water Authority (FEWA).

Hydrocarbon liquids and sulfur are also sold on the international market through Tasweeq, a Qatari marketing company.

Regulators

Authorities whose decisions influence operations, e.g. the Ministries and Agencies for Environment, Energy, etc. in each respective market.

Suppliers and Contractors

Registered suppliers and contractors are listed in Dolphin Energy's procurement database, and include Engineering Procurement and Construction (EPC) and D&B contractors, supply vendors, and service providers based in Qatar, the UAE, the Middle East, and internationally.

Society

Societal stakeholders are categorized into two levels. First are the economies and societies of the UAE and Qatar, including communities located alongside facilities or pipelines, such as at Ras Laffan. Second are local stakeholder groups such as Abu Dhabi Sustainability Group (ADSG), Ras Laffan Community Outreach Program, Ras Laffan Environmental Society (RLES), Emirates Environmental Group, and Emirates Wildlife Society, as well as global and regional non-governmental organizations (NGOs).

Industry Groups





Organizations and associations within the oil & gas industry, such as Qatar Petroleum (QP), RLC, The Supreme Petroleum Council (SPC), Abu Dhabi National Oil Company, ADESCO, OGP, Ras Laffan Environmental Society, and others.

Sustainability Framework

In order to structure its approach to and communication of sustainability topics, Dolphin Energy uses a dedicated and consistent sustainability framework. The framework captures the company's 17 most material sustainability issues under the four listed key sections, each with corresponding initiatives and indicators as outlined in the beginning of this report.

Key sustainability issues were determined by analyzing the company's priorities as well as the needs of Dolphin Energy's most material stakeholders, and are listed in the table below:



Sustainability Pillars	Key Issues	Relevant Stakeholders	Report Page
 Sustainability Management	<ul style="list-style-type: none"> • Sustainability Approach • Good Governance • Integrity • Organizational Structure 	All Stakeholders	20
 Economic Sustainability	<ul style="list-style-type: none"> • Direct Economic Impact • Indirect Economic Impact • Customer Satisfaction 	Shareholders, Customers, Government, and Society	28
 Social Sustainability	<ul style="list-style-type: none"> • Becoming Employer of Choice • Health & Safety • Product Safety & Responsibility • Developing Communities • Human Rights 	Employees, Society, and Regulators	34
 Environmental Sustainability	<ul style="list-style-type: none"> • Energy Consumption • Greenhouse Gas (GHG) Emissions • Biodiversity • Resource Management • Environmental Expenditures 	The Environment, Customers, and Society	50

Alignment with National Strategies and Sustainability Initiatives

Qatar and the United Arab Emirates have ambitious long-term visions and medium-term strategies that map out a pathway towards a prosperous and

sustainable future. Dolphin Energy's development of its sustainability approach is aligned with these strategies. The company's performance, as summarized

on page 14 and presented throughout this report, showcases Dolphin Energy's contributions to the achievement of these national visions.



United Arab Emirates Vision 2021	Knowledgeable and innovative Emiratis will build a competitive and resilient economy within a union that is strong and secure. The UAE will thrive as a cohesive society bonded to its identity, enjoying the highest standards of living within a nurturing and sustainable environment.
Qatar National Vision 2030	The Qatar National Vision 2030 (QNV 2030), launched in October 2008, was created to build a bridge from Qatar's present to its future. It aims to transform Qatar into a fully developed country, one capable of sustaining its own progression and providing a high standard of living to all of its citizens, now and for generations to come. The QNV 2030 foresees a vibrant and prosperous Qatar with economic and social justice for all citizens, and envisages all Qataris working together in pursuing these aspirations with strong Islamic and family values guiding their collective energies.
Abu Dhabi Economic Vision 2030	Based on the principles laid out in the government's Policy Agenda published in August 2007, the Abu Dhabi Economic Vision 2030 is in alignment with the economic vector of the United Arab Emirates Vision 2021, charting a path toward the emirate's economic progress.
Qatar National Development Strategy 2011–2016	The Qatar National Development Strategy 2011–2016 is a clear development plan for achieving the goals envisioned in the QNV 2030. It serves as a comprehensive approach and pathway to Qatar's economic, social, cultural, and environmental development.



Qatar Petroleum (QP) Sustainable Development Industry Reporting (SDIR) Program



Dolphin Energy has been a leading participant in the QP SDIR Program, which is moving into its third year and continues to take a leading role in regional energy sector transparency. The program

focuses on increasing and improving the sustainability reporting of Qatar's Energy and Industry Sector. Based on 36 companies' sustainability performance, the QP Health, Safety,

and Environment (HSE) Directorate General (DG) now produces an annual sector-wide sustainability report. This report can be used for benchmarking performance, as demonstrated below.

Abu Dhabi Sustainability Group



As a founding member of the Abu Dhabi Sustainability Group, Dolphin Energy continues to take an active interest in the Group's development and growth. The Group's membership has grown in recent years

and 2013 is set to be a groundbreaking year due to a new statute requiring all members to produce a sustainability report. The resulting wealth of new sustainability data will provide Dolphin Energy

with new opportunities for benchmarking its performance, allowing it to seek further opportunities for collaboration and adopt best industry practices.

Good Governance

Dolphin Energy is fully answerable to its shareholders, who act through a General Assembly that meets annually to review and approve the Board report, annual company report, external auditors' report, and the appointment of the companies' external auditors.

The Board of Directors is Dolphin Energy's governing body. It appoints executive management, approves the annual budget and work program proposed by management, and ensures that the company acts with integrity. The Board comprises representatives of all shareholders, 90% of whom are independent of the company's operations (with the sole exception of the CEO).

The Board meets twice per year, and Directors

are compensated with a standard annual fee. The Board's primary focus is the company's risk management and overall performance, consisting of the company's economic, environmental, and social performance; efforts in this regard include a review of all opportunities, risks, and compliance issues arising throughout the year.

Furthering the company's commitment to an "open-door policy", Dolphin Energy has created mechanisms allowing all employees and shareholders to provide recommendations to the Board. In addition to the Board representation granted to all major shareholders, a Project Review Committee (PRC) made up of non-Board members has been created to allow all of Dolphin Energy's shareholders to provide direct recommendations to the

Board. Furthermore, General Manager (GM)'s Meetings, at which employees can present questions and suggestions directly to their respective GMs, are held in both Qatar and the UAE. Questions and suggestions may also be communicated during CEO-staff meetings, which are also held once a year in both countries.

In 2012, Dolphin Energy's Corporate Governance Manual was approved by its CEO and GMs. It includes clear guidance from the Board on all governance matters, Executive Management authority and responsibilities, and financial reporting, as well as covering the Code of Business Conduct (CBC) and all related policies and agreements.

BOARD OF DIRECTORS

Members: 10

Independent Members: 90%

Female Members: 0%

Board Committees: 3

Audit, Risk, and Compliance Committee

Finance Committee

Project Review Committee

BOARD MEMBERS

HH Sheikh Hamdan Bin Zayed Al Nahayan
Ruler's Representative in the Western Region of Abu Dhabi Emirate - Chairman

HE Mohamed Ahmed Al Bowardi
Member of the Executive Council, of Abu Dhabi Emirate, Vice Chairman

Ahmed Ali Al Sayegh
CEO of Dolphin Energy Limited

Suhail Mohamed Al Mazroui
Deputy CEO and EVP New Business Development, Mubadala Oil & Gas

Mohammed Saif Al Mazrouei
Advisor to the Chairman – Offsets Program Bureau

Maurizio La Noce
CEO, Mubadala Petroleum

Glenn Vangolen
Senior Vice President Middle East, Oxy

Edward A. (Sandy) Lowe
President for International Operations, Oxy

Jean-Luc Guiziou
Vice President Middle East, Total

Arnaud Breuillac
Senior Vice President Middle East, Total

Integrity

Dolphin Energy's Code of Business Conduct (CBC) outlines policies and procedures intended to ensure that the company conducts itself in a legal and ethical manner and avoids all conflicts of interest. The CBC is approved by the Board of Directors, and all employees are required to complete an annual Professional Conduct Declaration, confirming understanding of their

responsibilities. Dolphin Energy's Compliance Officer assumes responsibility for the CBC, monitors its implementation and adheres to all policies, including those concerning staff communication and training.

In 2013, Dolphin Energy will implement online training and certification for its annual CBC employee certification requirement.

To ensure immediate and unimpeded reporting of any violations of Dolphin Energy's CBC, an Integrity Helpline and e-mail address allow employees to disclose any malpractice or misconduct without fear of reprisal. In 2012, the Helpline and e-mail address received zero reports of concerns.

Code of Business Conduct Policy Statement

- Dolphin Energy follows world-class standards in all areas of its operations and considers professionalism and integrity to be core values.
- The success of Dolphin Energy hinges upon its reputation for enterprise, fair dealing, and professionalism.
- Dolphin Energy is committed to the highest standards of legal and ethical conduct in its business dealings, and complies with all applicable laws, regulations, and codes wherever it conducts business.
- The company's assets, such as office equipment, production equipment, and products, may not be used for personal reasons, except as may be specifically authorized by company policies. These assets may not be removed from company facilities unless necessary and authorized in connection with company work. Dolphin Energy, its directors, and its employees will utilize no intellectual property (e.g. copyright, patent, or software) belonging to another without the prior agreement of the owner.

Suppliers and Vendors

In order to safeguard the integrity of the organization, Dolphin Energy refuses to conduct business with vendors or suppliers in which directors or close family members of employees have vested interests, or which may award to directors, employees, or employee relatives benefits wholly or partially derived from Dolphin Energy's business.

All vendors and contractors with single or cumulative commitments or potential yearly business with Dolphin exceeding US\$50,000

must receive a copy of the CBC and acknowledge compliance in writing. Full compliance with this policy is a condition of entering into business with Dolphin Energy, and violations will be regarded as a material breach of agreement.

In 2012, no incidents of alleged corruption arose across any corporate function, including financial fines or non-financial sanctions. There were no breaches of integrity by contractors that led to termination of contracts,

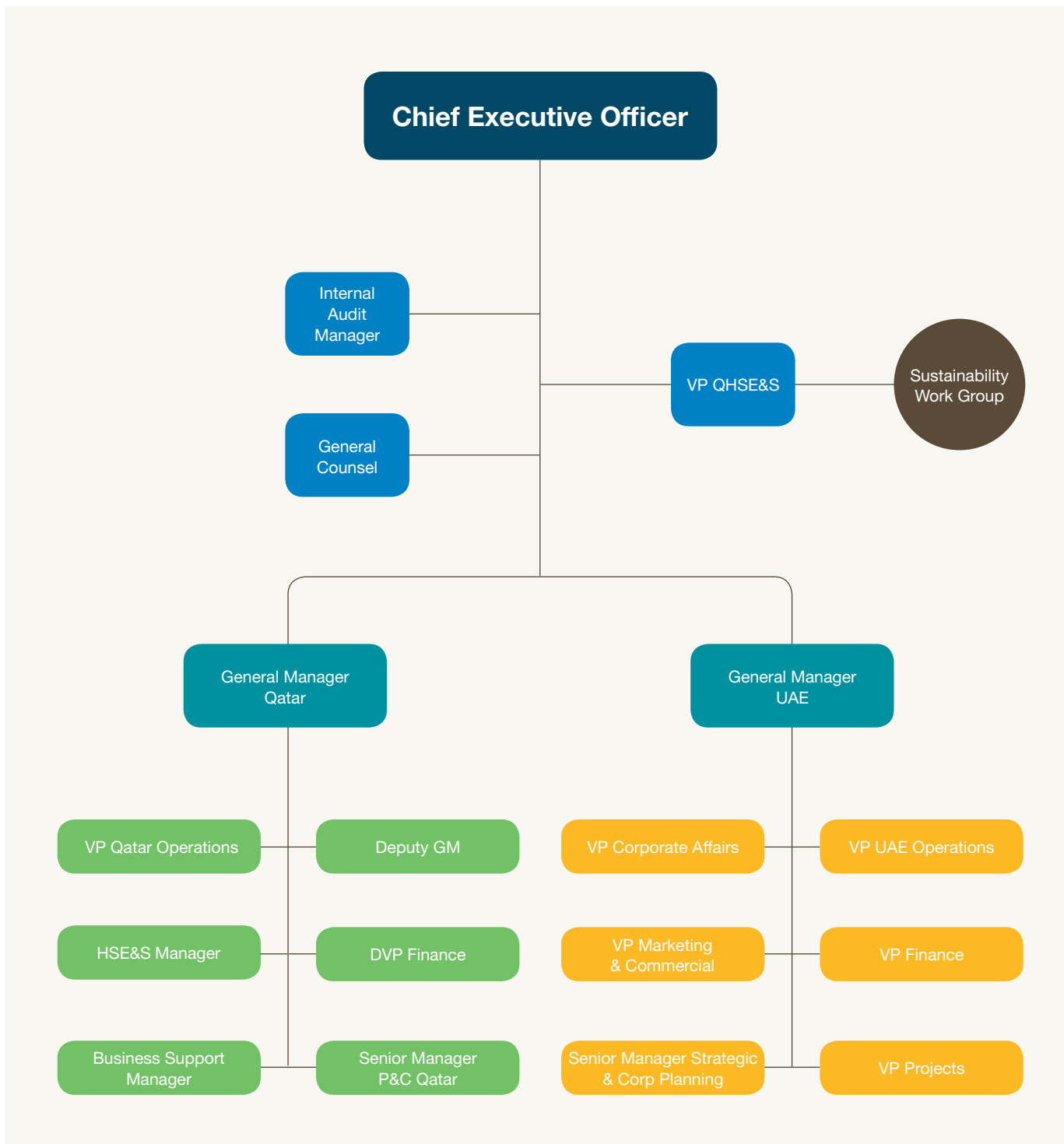
and all business units were covered in Dolphin Energy's annual risk assessment, which includes an analysis of corruption. A Fraud Control Policy was developed following a fraud scenario analysis conducted in 2012. In 2013, Dolphin Energy plans to finalize a Corporate Investigation Policy to guide investigations of alleged incidents of corruption or fraud and to ensure integrity and accountability within the core of the company's governance.

Organizational Structure

Dolphin Energy’s internal management structure places equal emphasis on its two key geographical areas of operation, Qatar and the UAE. This decentralized approach allows the General Managers (GMs) in each

location to focus on the varied operations in each country, reporting directly to the CEO. The Sustainability Working Group (SWG), comprises members in both Qatar and the UAE, and those tasked with

incorporating sustainability management into Dolphin Energy, are all managed under the Vice President of Quality, Health, Safety, Environment, & Security (VP QHSE&S), who reports directly to the CEO.



2

Economic Sustainability

Key Issues:

Direct Economic Impact

Indirect Economic Impact

Customer Satisfaction



2013 Commitments

Indirect Economic Impact

- Launch the public vendor e-registration system

Customer Satisfaction

- Achieve zero unplanned natural gas supply disruptions to customers

Direct Economic Impact

Dolphin Energy's continued robust performance, evidenced by a successful issuance of US\$1.3 billion in new bonds, contributes substantially to the growth of the economies of the UAE and Qatar. Dolphin Energy is recognized as a vital component of these economies, providing salaries and compensation, generating revenue,

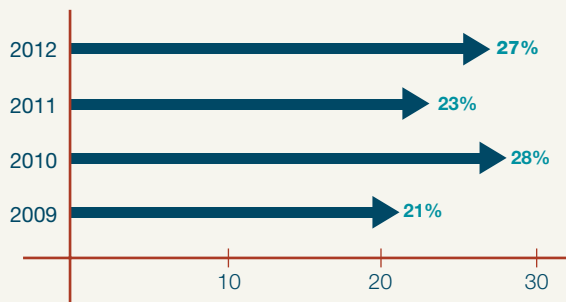
and producing essential energy products. Going forward, Dolphin Energy is well positioned to maintain its strong financial performance and reinforce its positive role in the social and economic development of the communities in which it operates.

Dolphin Energy's strong financial performance in

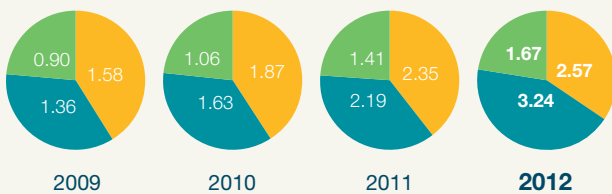
2012 is reflected in its 9% increase in revenue. The company's shareholders received strong dividends after the successful bond issue, leading to a significant increase of more than 120% in value paid to providers of capital

Governance and Integrity Performance (Downstream Operations only)

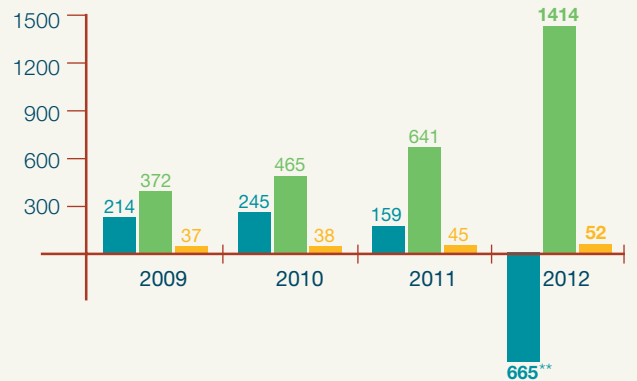
Percentage in Excess of Target Forecast



■ Revenue plus Net Sales (billions USD)
■ Economic Value Distributed (billions USD)
■ Amount Paid in Operating Costs (billions USD)



■ Economic Value Retained (millions USD)
■ Amount Paid to Providers of Capital (millions USD)
■ Amount Paid in Salaries and Benefits to Employees (millions USD)*



* Represents employees in operations and support excluding third part contractors.

** This is a result of Dolphin Energy's bond issue in February 2012. Excess cash was distributed to shareholders due to the bond issuance.

Plant Revenue (millions USD) *

	2009	2010	2011	2012
Gas Revenue	1,574.7	1,872.7	2,239.4	2,568.5
Condensate Revenue	854.6	1,065.2	1,194.5	953.9
Propane Revenue	177.6	223.7	218.6	188.8
Butane Revenue	120.2	131.0	138.5	110.5
Ethane Revenue	15.0	22.0	32.4	29.9
Sulfur Revenue	-4.1	8.6	16.5	11.7

* For details on our products, refer to Pg 12 and 13

Successful Bond Issue

“The level of initial demand and the performance of the bonds in the secondary market demonstrate the great job our staff and sponsors have done in telling Dolphin Energy’s story to investors. The capital markets recognize the strength of the business and appreciate our high credit quality and increased transparency.”

On February 7th 2012, Dolphin Energy issued US\$1.3 billion in ten-year bonds. The initial bond issue was for US\$1 billion however, due to high demand in bids of over US\$9 billion; US\$300 million was added. The bonds, set to mature in December 2021, received the highest rating of A+ and A1 from rating companies Fitch and Moody respectively.

As noted by Dolphin Energy’s CEO, Ahmed Al Sayegh, “The level of initial demand and the performance of the bonds

in the secondary market demonstrate the great job our staff and sponsors have done in telling Dolphin Energy’s story to investors. The capital markets recognize the strength of the business and appreciate our high credit quality and increased transparency.”

The success of Dolphin Energy’s bond issue will allow the company to invest significantly in developing its operations and coordinating its future success, and will thus contribute directly to the economies of the UAE and Qatar.

Interview with Abdulla Al Hashemi, Vice President Finance



Sustainability takes many forms at Dolphin Energy. Abdulla Al Hashemi, Vice President Finance at Dolphin Energy, offered the following thoughts on how the company’s commitment to sustainability can be understood through the lens of finance. Al Hashemi views sustainability as a ‘going concern’, a financial term used to identify issues of great importance to Dolphin Energy.

What does “sustainability” mean to you?

It’s making sure that if we use resources, we’re not exhausting them for future generations.

I consider sustainability to be a ‘going concern’ for everyone

Dolphin Energy has been integrating sustainability principles within its operations since 2009. How do you see its progress and development in this arena?

It helps us to deliver sustainable growth during challenging times, although we must ensure short-term changes aren’t detrimental to an organization’s long-term future. Hence the emphasis is on sustainable growth.

What do you think are the most critical challenges in terms of sustainability within the context of finance at Dolphin?

To respond to market volatility by focusing on cost control and reduction, cash flow, and risk management.

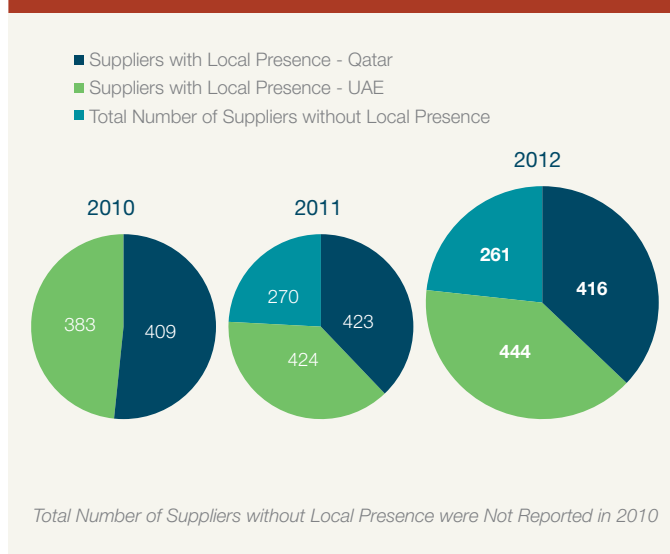
Indirect Economic Impact

Dolphin Energy’s impact on the economies of Qatar and the UAE extends well beyond the direct economic value distributed. Procurement contracting represents a pivotal opportunity for Dolphin Energy to engage with local communities and magnify the company’s indirect economic impact. As evidence of Dolphin Energy’s commitment to supporting local economies, the company has increased its number of suppliers with local presence year on year.

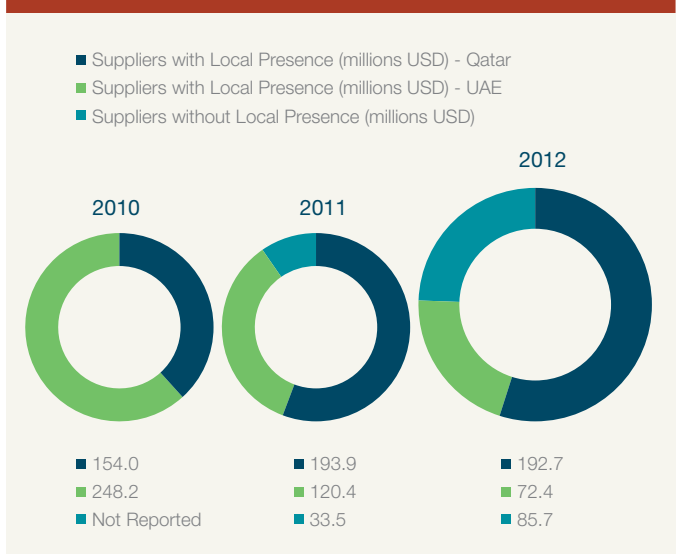
In 2012, Dolphin Energy launched a pilot project to ease and facilitate its efforts to develop local markets through enhanced partnerships and encouraging local suppliers. The e-Registration pilot program was launched for 50 suppliers and vendors, who were invited to register their information—services, expertise, technical capacities, products, etc.—in an online directory. The system’s intuitiveness simplifies the

registration process and encourages participation, enabling Dolphin Energy’s procurement department to make Requests for Proposals available to vendors and suppliers electronically. When the program is publically released, in early 2013, it will provide Dolphin Energy with greater opportunities to satisfy its demand from within the local market. This will further enhance the company’s stimulation of the local economy and communities.

Number of Suppliers, Contractors, and Service Providers*



Amount Spent on Local Suppliers*



*2008 and 2009 data are not available, as these indicators have been re-defined and recorded beginning in 2011.

Customer Satisfaction

Dolphin Energy is determined to meet and exceed its customers’ expectations. The company’s 2011 customer satisfaction survey, completed in 2012, indicated an overall improvement in satisfaction; however, the customers’ main concerns remain the same: plant availability and greater

openness in communication, with a preference for face-to-face interaction.

In 2012, Dolphin Energy achieved 99.93% plant availability, an improvement over 2011’s availability of 99.89%, and the company’s customers enjoyed a total lack of supply disruption.

Continuous flow of gas was maintained, despite a single incident of downtime at the Taweelah Receiving Facilities; this incident resulted in a planned 80-minute maintenance shutdown, during which time third-party gas was made available to ensure continuous supply for the customers.

Customer Satisfaction

	2009	2010	2011	2012
Customer Satisfaction Score (conducted for the first time in 2010)	-	6.9	7.9	_*
Supply Disruptions to Customers	1	0	3	0
Downtime Incidents at the Taweelah Receiving Facilities (TRF), in UAE	0	0	0	1

*Customer satisfaction surveys will be conducted biennially moving forward. The next survey will be conducted for 2013.

Meeting Customers in Ras Laffan

Dolphin Energy continues to implement new programs and initiatives to strengthen customer relationships. Site tours of the upstream processing facilities in Ras Laffan are proving to be a useful recent addition to our customer satisfaction drive. The visits help our customers, especially those on Interruptible Gas Supply and Purchase Agreements

(IGSPAs), learn exactly how the systems and processes work, helping them to understand the factors that affect gas supply.

During 2012, Oman Oil Company Exploration & Production LLC, Federal Electricity and Water Authority, and Ras Al Khaimah Gas Commission were invited to visit the

company's gas processing facilities in Ras Laffan. The visit also helped our customers to better understand the complexity and nuances of Dolphin Energy's operations, thus enhancing ultimately customer awareness and satisfaction.

The visitors, accompanied by senior staff from Dolphin

Energy, toured the plant witnessing real-time plant processes and procedures used to send natural gas from Qatar to the downstream markets.

The trips proved to be highly valuable to the visitors. They expressed enthusiasm for additional interaction that would benefit all involved.

Customer Satisfaction Survey

Dolphin Energy continues to strengthen its communication channels with its customers, as part of an ongoing quest for transparent and sustainable customer relationships. In early 2012, the second annual customer satisfaction survey was held, reaching out to all customers with an expanded criteria scope.

The first quarter of 2012 featured face-to-face interviews and questionnaires covering the following dimensions relevant to Dolphin Energy's 2011 performance: commercial relations, maintenance programs, operational relations, safety and environment protection, and perception of the company.

Overall customer satisfaction in 2011 increased to 7.9 out of 10, from 2010's score of 6.9 out of 10. A score between 7 and 8 is rated "good," while a score of 9 or higher is classified as "excellent."

Summary conclusions of the survey were as follows:

- All but one customer rated their overall satisfaction more highly than in the previous year.
- The only customer to indicate lower overall satisfaction emphasized the need for further communication regarding the environment and safety practices of Dolphin Energy, as well as for further communication and sharing of best practices within the industry.
- Customers acknowledged the overall improvement in relations as well as the increased volumes of gas supplied.
- Though significantly improved since the previous year, maintenance and availability concerns remain those most emphasized by customers. Numerous survey responses suggested that Dolphin Energy share its long-term forecast of availability and maintenance with customers.
- In response to the strong customer focus on building relations and continual communication through face-to-face interaction, Dolphin Energy has recommended a set of training curricula to enhance its representatives' capacity to achieve excellence in customer relations.



3

Social Sustainability

Key Issues:

Becoming Employer of Choice

Health & Safety

Product Safety & Responsibility

Community

Human Rights



2013 Commitments

Becoming Employer of Choice

- Achieve 51% Nationalization in the UAE
- Achieve 35% Nationalization in Qatar

Health & Safety

- Continue full reporting and verification of all Process Safety indicators
- Achieve a Total Recordable Injury Rate (TRIR) of 1.29 for employees and contractors

Product Safety & Responsibility

- Conduct four HSE network inspection activities throughout the UAE gas network
- Conduct four Emergency Response drills: one major drill and three minor drills
- Improve the gas network surveillance by enhancing the CCTV monitoring system

Community

- Develop a Community Investment guidance document that can be used to evaluate the sustainability aspects of community investment opportunities

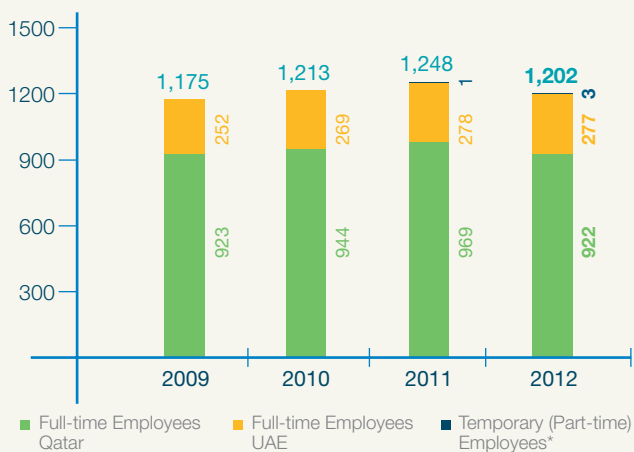
Becoming Employer of Choice

For Dolphin Energy, being a regional “employer of choice” means attracting and retaining the best talent, with primary focus on hiring Emirati and Qatari nationals. To achieve this status, Dolphin Energy offers its employees the chance to be part of a diverse and dynamic team with unrivalled growth

opportunities, backed by world-class human resource development programs. The resulting excellence in performance speaks for itself, and Dolphin Energy continues to pursue even greater results by increasing nationalization, reducing turnover, and investing in its people through training and HR management systems.

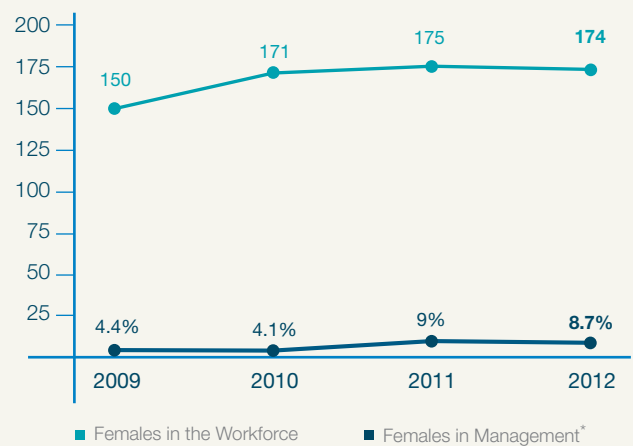


Workforce in Numbers



*2011 numbers were revised in the 2012 report.

Female Employment



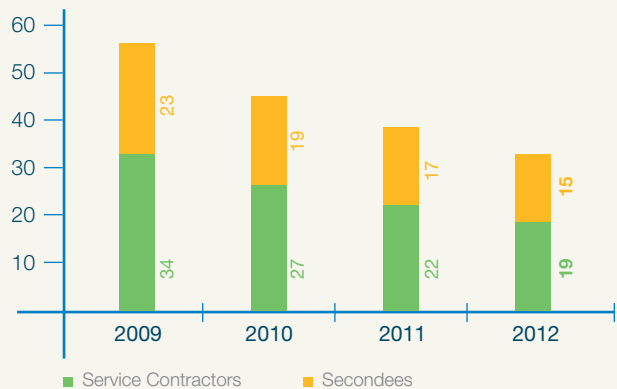
*2011 and 2012 results were based on a new formula: females in management / total management.

Employment by Level

	2009	2010	2011	2012
Senior Management	14	16	10	10
Middle Management*	54	41	62	13
Staff	1,050	1,109	1,176	1,179

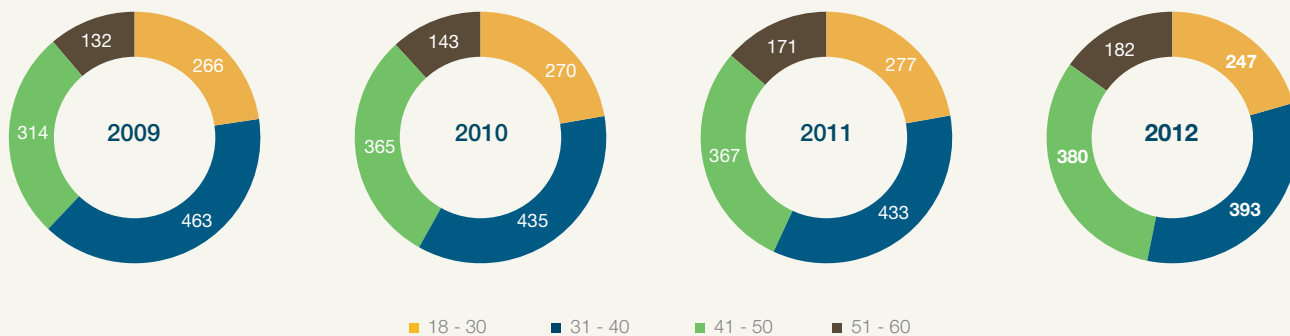
*Levels classifications have internally changed. 2012 numbers reflect the new levels.

Other Employment Level Categories*



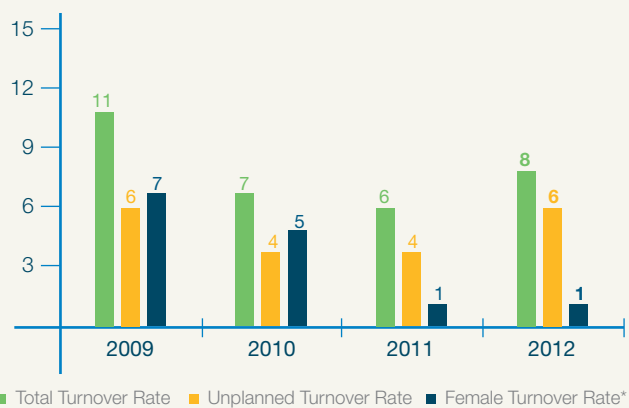
* The calculation of categories changed in 2011. “Total employees” is now a sum of senior mgmt, middle mgmt, and staff. Service contractors, secondees, and part-time workers are included in the first 3 categories.

Workforce by Age



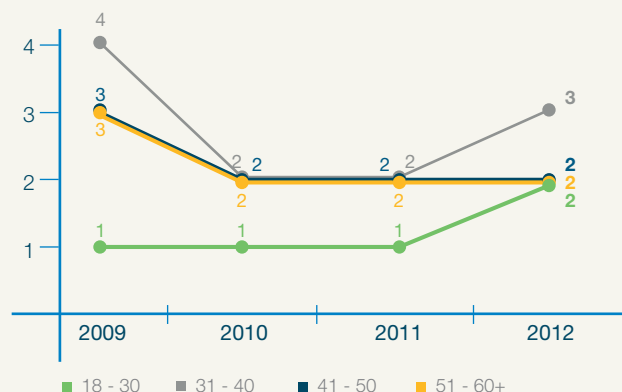
Employee Turnover Rate

Turnover Highlight (%)



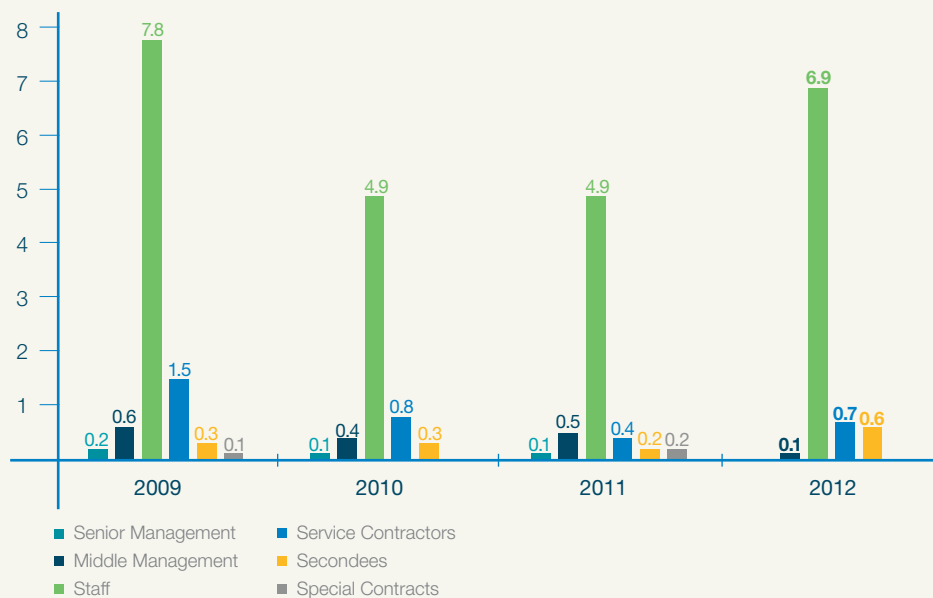
* A change in formula calculation took place in 2011. Now, Female Turnover = female turnovers / total number of employees.

Turnover by Age (%)*



*Percentages are rounded to the nearest whole number

Turnover Level of Employment (%)



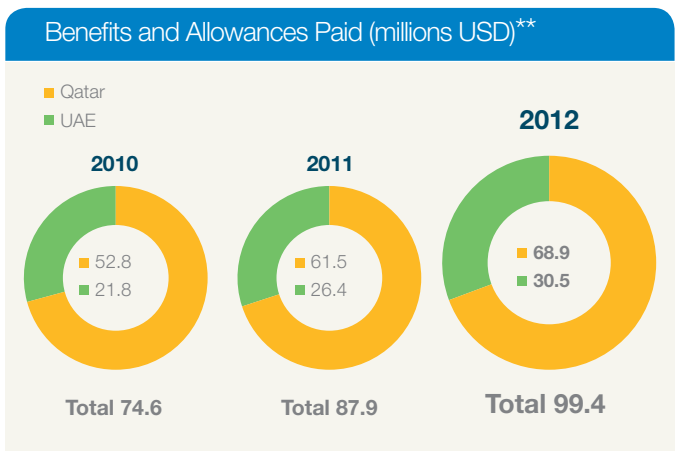
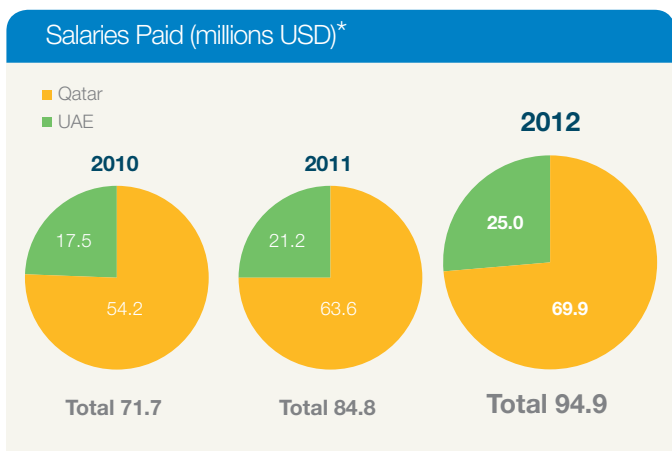
Benefits & Compensation

Dolphin Energy provides salaries and benefits that are highly competitive within both the energy sector and the GCC region. To ensure that its compensation package retains its competitive edge, Dolphin Energy participates in an annual compensation and benefits survey, collecting market data used

for planning employee programs. The company's management relies on this data when making compensation and benefits decisions.

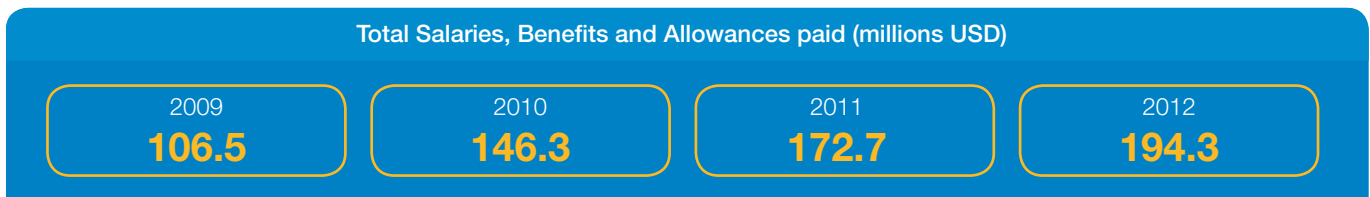
For the company's most junior staff, the compensation and benefits package is aligned with that of the energy sector. The

company's overtime policy provides supplemental remuneration to those who qualify, and service contract employees are compensated for additional days worked. Compensation is determined based on job roles and responsibilities, men and women are treated equally in the salary administration process.



*Salary and benefits details between Qatar and UAE were recorded starting in 2010. Before 2010, only totals are available.

**Represents manpower-related costs, which include all costs except wages & salary, pension, end-of-service gratuity, medical, and life insurance, as well as benefits for temporary, secondeed, and service contractor manpower.



Interview with Fares Chemouni, Vice President Corporate Affairs

The Corporate Affairs division spans HR&A, Corporate Communications, Procurement & Contracts, and IT. Fares Chemouni, VP Corporate Affairs, offered his thoughts on Dolphin Energy's sustainability commitments.



Dolphin Energy has been integrating sustainability management principles into its operations since 2009. How do you assess the progress made so far?

I believe that we have come a long way – our staff understands the concept and appreciates what they can do to support the principles. The teams across Corporate Affairs have aligned their objectives and strategies to support sustainability management.

*They're with us for the journey and have delivered tangible results in their respective domains of activity – energy footprint reduction, nationalization, community outreach strategies and support and supply chain management. **Employees want to work for companies that commit to addressing environmental, safety, and community issues and our employees are our best sustainability consultants!***

How have senior management and employees responded to the Green IT initiative?

The senior management has been very supportive of this initiative and has helped mobilize the response from the company by explaining the importance of the program to their teams. One illustration of the level of support was the recognition the Green IT Initiative received from the management team at the 2013 Annual Staff Meeting.

The Green IT Initiative is one of those programs where everyone can play their part; this helps to explain its success. It's not just about what we do it's about how we do it.

What is your vision for steadfast progress on the Nationalization programs within Dolphin Energy?

We are currently operating at 49% in the UAE and 32% in Qatar and working hard to meet our targets. These efforts have been recognized in both the UAE and Qatar. In the UAE our commitments are helping build relationships with important institutions such as the Ministry of Presidential Affairs. We have partnered with them to support the Absher Initiative, which will see 100 UAE Nationals join our workforce over the next five years.

In Qatar, Dolphin Energy was recognized for its commitment by receiving the prestigious Qatarization Certificate in the field of Training and Development from His Excellency Dr. Mohammed Bin Saleh Al Sada, the Minister of Energy and Industry in the State of Qatar. Another part of our success is that we have been able to demonstrate the opportunities open to UAE and Qatari nationals; when they talk to us we are able to show how we train, develop and nurture national talent; we are able to point to our succession planning statistics, to the development programs we have because of the strong partnerships we

*have built with educational institutions and our shareholders. **Put simply, we walk the talk.***

How has Dolphin Energy created workplace culture that has contributed to success?

By ensuring we are true to our values and being open and honest. We reward good work and share success when the opportunity arises. We have a strong sense of community support, which is appreciated by our employees. Above all, we are respectful. Many nationalities are represented at Dolphin Energy – we respect the customs and cultures of all.

How important are the company's contributions to the communities of Qatar and Abu Dhabi?

Our CEO put it best when he said, "Being a good neighbour is good business". We have a moral obligation to support the communities in which we operate. This is reflected in the funds we allocate every year for community outreach.

We choose to focus on education, the environment, sport, culture and the arts. This gives us the opportunity to cover a wide range of activities and events, which the community places value in. Community outreach also helps to drive reputation, which in turn has a positive impact in critical areas such as investor relations and employee recruitment and retention.

Communication and Engagement

Central to its goal of achieving “employer of choice” status, Dolphin Energy continues to invest heavily in the engagement of employees across all business sectors. Internal communications tools, such as newsletters, intranet, and management meetings, are continually being evolved to help employees connect

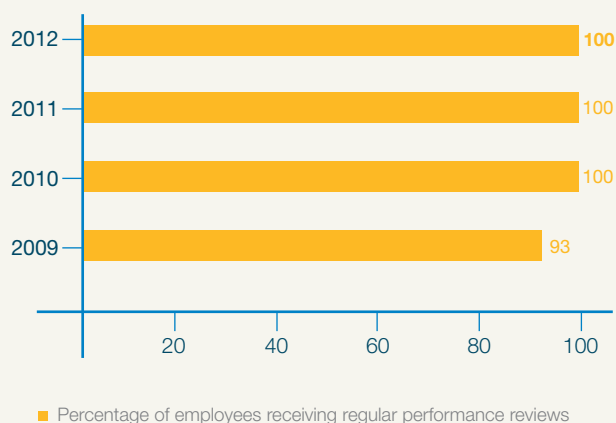
more effectively with each other and with the organization. Team-building sessions for each department are also conducted frequently. In 2012, a new employee handbook was completed and distributed to all new and existing staff. The E-performance appraisal system was also upgraded, improving its user-friendliness

and ensuring its use by every line and team manager, from the top to the bottom of the company’s hierarchy.

Every two years, an employee engagement survey is conducted to ensure continual improvement in the company’s interaction with its employees, both professionally and personally.

The survey from 2010 garnered a 73% participation rate; the 2012 survey saw this change to 65%, with results still remaining in the ‘Best Employer’ range. An action will be developed to address any issues that arose out of the survey accordingly.

Employee Reviews



Employee Recognition Awards

	2010		2011		2012	
	Qatar	UAE	Qatar	UAE	Qatar	UAE
Individual Awards	1	8	26	9	23	10
“National Developee” Awards	1	1	1	0	0	0
“Team Recognition” Awards	16	21	13	5	14	2
“Unique Contribution” Awards	1	4	1	2	2	3

Capacity-building

Dolphin Energy believes that well-rounded, capable employees are strong contributors to the company’s success. Building the competencies, capabilities, and capacities

of employees is a primary objective of the Talent Management department. Employee development needs are identified by managers via the performance appraisal

process; based on their merit, employees are offered various opportunities including internal and external training, cross-posting opportunities, scholarships, as well as

specific development programs for UAE and Qatari nationals. To ensure long-term development as well as business continuity, succession planning was launched in 2012.

Capacity-building

	2009	2010	2011	2012
Total Training (hrs)	38,100	42,493	48,353	43,207
Total Cost of Training (millions USD)	3.53	4.26	5.07	4.48
Average Training Hours per Employee (hrs/employee)	38	47	42	41
Average Training Cost per Employee (USD)	2,068	2,183	4,368	4,215
Youth Internships Offered	23	19	32	28

UOP Professional Competencies Program



Through a unique partnership between HR's Talent Management department and the UAE Operations division (UOP), and as an extension of Dolphin Energy's Core Competencies, a 'Professional Competencies Program' was launched in 2012. This initiative aims to develop and implement a list of professional competencies for 112 technical staff within UOP.

Headed by the UOP Internal Technical Training Committee (UITTC), a total of 42 competencies were selected and developed in multiple workshops involving all members of the committee and taskforce. Using this

competency model as a foundation, the participating employees' capabilities will be evaluated and then assigned development plans. In addition, training and development activities will be scheduled in 2013 to close the gaps between the employees' actual capabilities and the competency model.

Though they are tailored to the technical nature and specific needs of the UAE Operations team, these competencies draw upon the essence of Dolphin Energy's Core Competency model, which was developed in 2011. A "competency" in

this context represents a knowledge, skill, behavior, or quality that can be developed, observed, and measured. The combination of competencies required for a specific job is referred to as a "success profile." It is the development of these success profiles that Dolphin Energy's Core Competency model focuses upon.

This pioneering work on competency identification and development will set the direction for similar programs in other divisions and departments at Dolphin Energy.

Launching the Learning Management System

In 2012, Dolphin Energy launched the Learning Management System, an SAP Learning Solution designed to replace the previous paper-based method of handling training and conference attendance requests. In addition to reducing delays and smoothing the approval process, the new system will help to track the learning and development of employees via documentation of their training and conference attendance history. Automating the process will also contribute to Dolphin Energy's environmental ambitions, particularly the successful Green IT initiative to reduce printing, paper usage, and associated electrical consumption. Dolphin Energy will continue to increase its automation of HR processes in order to further consolidate and virtualize talent management functions.

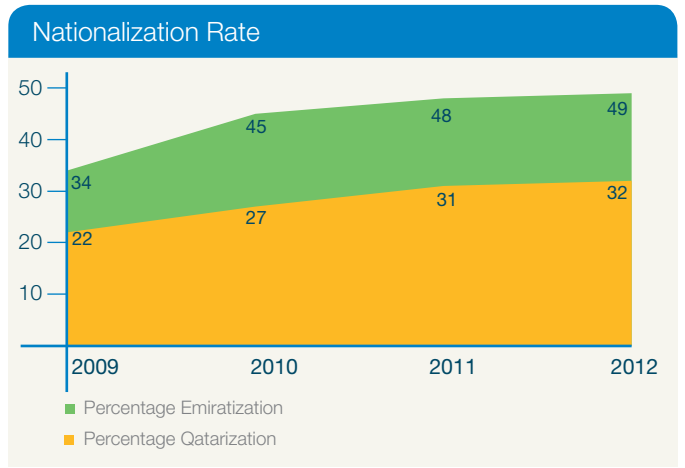
Nationalization

In alignment with national targets and ambitions, Dolphin Energy is dedicated to continually increasing its nationalization rates through the training, recruitment,

and retention of UAE and Qatari nationals. In 2012, Dolphin Energy achieved 49% Emiratisation and 32% Qatarization. The company's focus on the

recruitment and development of youth within the UAE and Qatar contributed strongly to achieving this strong nationalization performance. In 2012, 60% of staff training

hours and 57% of staff training costs were delivered to Emirati and Qatari staff.



	2009	2010	2011	2012
Associate Opportunities Offered	20	53	60	55
Qatar	11	32	44	45
UAE	9	21	16	10
Scholarships Offered	3	5	8	6
Qatar	3	4	6	4
UAE	0	1	2	2
Youth Internships Offered	23	19	32	28
Qatar	9	9	26	20
UAE	14	10	6	8

Nationalization Engagement

Dolphin Energy works with educational institutions and sponsors specialized events that promote its commitment to nationalization.

- Summer internship programs for university students.
- Associate program - hiring of fresh graduates with leadership potential, to work under a two-year individual development plan at Dolphin Energy.
- Participation in 16 career fairs in Qatar and the UAE.
- Partnerships and collaboration with local universities, such as Qatar University and Texas A&M – Qatar, through support of initiatives at the Qatar University College of Engineering as well as participation in professional networking events.



Health & Safety

The health and safety of employees and contractors is fundamental to the success of Dolphin Energy, and to the company's vision of

proper organizational ethics. Health and safety systems, processes, and performance are continually reviewed and evolved to meet the highest

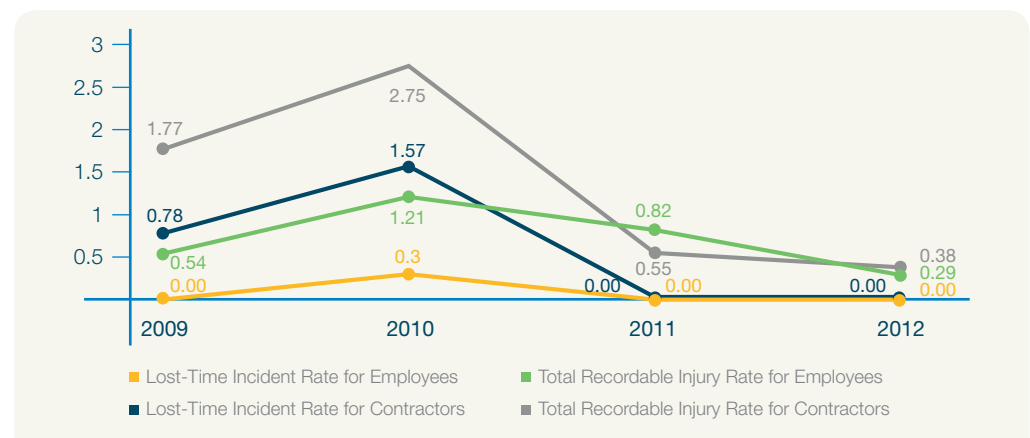
international standards, with new initiatives placing further emphasis on the company's health and safety commitments.

Employee and Contractor Safety

Dolphin Energy is proud to report a second consecutive year featuring a Lost-Time Incident Rate (LTIR) of zero.

Another significant 2012 success took the form of Total Recordable Injury Rates (TRIRs) of 0.29 and

0.38 for employees and contractors respectively, far superior to the company's TRIR target of 1.5.



	2009	2010	2011	2012
Total Monthly QHSES Audits	11	139	80	116

Process Safety

The safety and integrity of plant equipment and the prevention of major loss-of-containment incidents is the primary focus of Dolphin Energy's ongoing

implementation of Process Safety Management (PSM). A core element of process safety is the company's preventative maintenance program, whereby routine

maintenance is performed on a planned interval to prevent sudden unplanned failures in critical equipment. This program ensures equipment reliability and integrity.

Preventative Maintenance Program

	2009	2010	2011	2012
Corrective Maintenance as a Percentage of Total Maintenance – Taweelah	25.67	32.3	30.4	31.0
Ratio of Corrective-to-Preventive Maintenance – Ras Laffan	1.42	1.36	1.41	1.00

A total of 1.1 million man-hours of maintenance work were completed in 2012, with zero Lost-Time Incidents (LTIs) experienced. Finalization of indicators for the measurement and

monitoring of process safety has been completed, with nine lagging and leading process safety metrics identified and their measurements tracked in 2012. In 2013, the list

of leading and lagging process indicators will be consolidated and reporting on all nine indicators will continue.

Product Safety and Responsibility

Product safety and responsibility are at the core of Dolphin Energy's operations. As producers of premium quality hydrocarbon gas and liquids, Dolphin Energy adheres to strict safe-handling controls in all stages of production, processing, exporting (of liquids), and distribution (of gases). The company has recorded zero incidents of non-compliance with product health and safety regulations.

Only one loss-of-containment incident occurred in 2012: a contained spill of liquid sulfur

within the process facilities. No negative impact to the environment or facilities resulted from this incident. Dolphin Energy is committed to the safe and responsible operation of its facilities. Many 2013 activities are scheduled that will help to maintain and strengthen this commitment. In the UAE, Dolphin Energy will conduct targeted HSE inspections along the entire gas network. Additionally, the company will continue to improve the readiness of its emergency response capability throughout the year, by

holding various emergency drills in both the UAE and Qatar. This will enable the company to respond quickly to any incidents, thereby minimizing potential impacts. A schedule of daily patrols by operators in vehicles comprises one method by which the safety and integrity of the UAE natural gas pipeline distribution network is monitored. Dolphin Energy also uses a comprehensive surveillance system throughout the pipeline network.

	2009	2010	2011	2012
Number of Reportable Gas Release Incidents	2	1	2	0
Number of Reportable Spills	2	1	0	1

Health & Safety Life Cycle Assessments

PRODUCT LIFE CYCLE STAGE	ASSESSMENT CONDUCTED
Development of Product Concept	✓
Research and Development (R&D)	✓
Certification	✓
Manufacturing and Production	✓
Marketing and Promotion	✓
Storage, Distribution, and Supply	✓
Use and Service	✓
Disposal, Reuse, or Recycling	✓



Emergency Management

Emergency and crisis preparedness continued to be a major focus for Dolphin Energy in 2012. Activities included the implementation of wide-reaching internal and external training sessions, preparedness checking of Site Emergency Control Centers (ECCs), Emergency Management Centers (EMCs) as well as other Emergency Centers belonging to HRA, CC and PR teams, and updating and issuance of emergency response & management plans and procedures.

Dolphin Energy conducted a range of emergency drills in 2012, from regular local fire drills in the head office to on-the-ground simulation drills. A large-scale corporate-wide Crisis Drill was conducted in 2012, as well as two major exercises, one each in the UAE and Qatar. One such major exercise was a simulated explosion on the Al Ain–Fujairah pipeline, held in October 2012. Various stakeholders, including civil defense teams, worked together to increase cooperation and mutual

learning in order to better prepare for real emergencies, enabling crises to be dealt with as swiftly and safely as possible.

An extensive training program was offered to HRA at both locations and the Corporate Communications & PR teams, in order to ensure they are ready in the event of drills or emergencies.

In 2012, an emergency procedures campaign was launched in the Dolphin

Energy Abu Dhabi. Desktop pamphlets were issued to all employees and placed in all meeting rooms to educate employees on a range of emergency procedures for a variety of potential eventualities. This included medical emergencies, power elevator failures, people and property threats, and others. An evacuation drill of the Abu Dhabi office was also held in December 2012.

Occupational Health

Occupational health continues to be an area of increased investment of resources, in recognition of the fact that a healthy workforce is a safer and more prosperous workforce. In 2012, Dolphin Energy published an Occupational Health and Hygiene Handbook for all current and new employees, contractors, and visitors. The launch of a wellness campaign to tackle different health topics each month also helped to increase significantly awareness of key topics that can affect all employees.

In addition to improvements to the wellness campaigns, the focus of the Occupational Health and Hygiene program is being expanded to include greater occupational monitoring and increased emphasis on the standard medical checkups provided by the company.

Month	Topic
February	Personal Hygiene
April	Hepatitis
May	Travel and Health Heat Stress
June	Cervical Cancer
July	Breastfeeding and Blood Donation
December	“Together for Health”



Community

Dolphin Energy's primary contribution to the community is its direct and indirect economic, social, and environmental impact,

as discussed throughout this report. Dolphin Energy also continues to engage in a range of community-based initiatives, relevant

conferences and events, and generous contributions to worthy causes throughout each year.

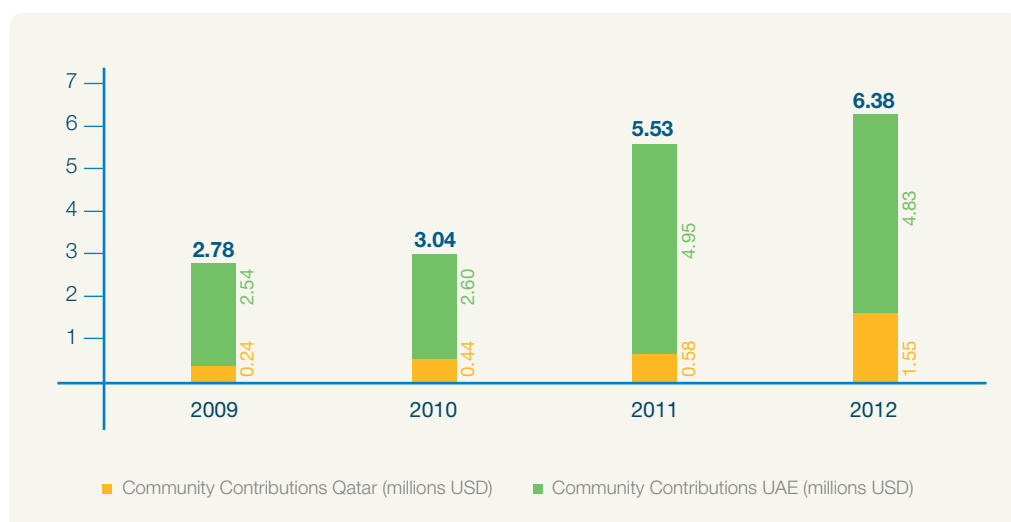
Community Contribution

Since 2009, Dolphin Energy has contributed increasing amounts of its overall profits to various initiatives that promote the environment, education, arts, health, sports, and culture. In 2012, the company invested

US\$6.38 million into the key initiatives highlighted in the timeline below.

Prior to investment, Dolphin Energy gives careful consideration of each initiative it supports. The

company is in the process of further structuring its approach to community engagement and investment, to be detailed in the 2013 report.



2012 Events, Initiatives, and Donations

The timeline below provides an overview of some of the major events and community initiatives and donations made by Dolphin Energy throughout 2012.

Initiative	Description	Date
5th World Future Energy Summit	Dolphin Energy was an exhibitor at the annual World Future Energy Summit in Abu Dhabi	January
Qatar Engineer 2030	This initiative is designed to prepare and develop engineers for the future	January
Qatar National Sport Day	A public holiday is held every year in Qatar to encourage the community to engage in sporting activities and events. Dolphin Energy joined forces with Oryx GTL to hold activities and events for employees and their families	February
Qatar Masters	Funds were raised for the Shafallah Center for Children with Special Needs through a donation program involving the golfers over the four day event	February
Abu Dhabi Festival	Dolphin Energy supported the event that is integral to developing Abu Dhabi's cultural and artistic agenda	February

Initiative	Description	Date
Student Engineers Council Texas A&M Doha, Qatar	Sponsored by Dolphin Energy the initiative is designed to provide future engineers from Texas A&M with the tools and information needed to take their first steps in the working world	February
Charitable Donations	Donations were made to: Qatar Red Crescent, Al Khor, Qatar Society for the Rehabilitation of Special Needs, and Qatar Al Tamakon for Comprehensive Education	March
Arab Union for the Blind	Dolphin Energy provided sponsorship that supports the organization's 12 million members around the Arab world	March
IT Equipment Raffle	Proceeds were donated to Abu Dhabi Center for Language and Speech Disorder	March
Earth Hour	Dolphin Energy participated in the event to raise awareness of climate change and the importance of energy efficiency	March
3rd International Gas Processing Symposium held in Doha, Qatar	Dolphin Energy has a strong track record of supporting the Gas Processing Symposium and the efforts to strengthen the link between academia and industry	March
Qatar Career Fair	As a gold sponsor of the event which is integral to its Qatarization outreach efforts, Dolphin Energy provided online facilities for participants to submit their CVs and receive on-the-spot interviews	April
Qatar Petroleum Environment Fair	Dolphin Energy participated for the third year in a row, demonstrating its environmental initiatives and commitments	April
Carbon Capture Workshop at Texas A&M Doha, Qatar	Dolphin Energy sponsored the gold slot to support the event which looked at the important area of carbon capture	April
Life Is Engineering	Created by Qatar University and supported by Dolphin Energy, the project helps skilled nationals to lead in the field of engineering	April
World Future Energy Summit held in Abu Dhabi, UAE	Dolphin Energy sponsored this event, contributing to the debate on the role of future energy	May
5th Dolphin Qatar Annual Contractors' HSE Meeting	Held every year, the meeting featured awards for contractors that demonstrated excellence in HSE	May
Blood Donation	60 Dolphin Energy employees donated blood in conjunction with Hamad Medical Corporation	June
Plant Design Awards	Working closely with Qatar University, this four year program helps build knowledge and design experience for budding engineers	June
Sustainability Week	Dolphin Energy held its first ever 'Sustainability Week' to engage with employees and families; a series of competitions and activities were run to highlight the importance of sustainability	July
Suhoor Donation	Dolphin Energy UAE made a donation to the Emirates Foundation Ramadan Project on behalf of every employee	August
Abu Dhabi Science Festival	Dolphin Energy was the main sponsor of the event which is designed to encourage youth to engage in science, technology and innovation	October
Blood Donation	A second blood donation drive was organized for Dolphin Energy employees and contractors, in conjunction with Hamad Medical Corporation. More than 100 people participated	October
Play for Life	The company participated in the annual Abu Dhabi football tournament, encouraging health and fitness among Dolphin Energy employees	October
8th Annual HSE Forum in Energy	Dolphin Energy sponsored the forum which is held to help drive HSE standards for the energy industry	October
Emirates Film Competition	Dolphin Energy sponsored the film competition to help foster talent and demonstrate the value of film in cultural and social development	October
ADIPEC	Dolphin Energy sponsored the Abu Dhabi International Petroleum Exhibition and Conference, the Arab region's largest oil and gas event	November
COP18/CMP8	Dolphin Energy participated in the UN's global climate change conference which was held in Doha, Qatar for the first time ever	November
Abu Dhabi Art	Dolphin Energy is an annual supporter of this event which is now well established in the emirate's cultural and arts calendar	November
Maersk Oil and QP Challenge	A selection of Dolphin Energy employees participated in the Challenge, making donations to Qatar's Action on Diabetes in the process	November

Sustainability Week Launched

In July, Dolphin Energy organized Sustainability Week, drawing attention to the 2011 Sustainability Report, asking staff to rate the report and to provide suggestions for future initiatives. Prizes were offered and three employees were commended for their ideas.

- Stefan Batory (Adviser) suggested that Dolphin Energy employees take a lead role in the development of an annual volunteering program focused on specific charitable themes. The themes would support community initiatives and could be changed periodically to keep the program fresh.
- Samuel Adame (Operations Technical Officer) suggested that Dolphin Energy include in the next Sustainability Report, definitions and descriptions of each Sustainability KPI along with an explanation of each.
- Katia Saddikni (Corporate Communications Assistant) was awarded with the top prize for her suggestion to raise sustainability awareness by sending 'pop up' messages across the Dolphin Energy network and soliciting feedback to the messages via a Dolphin Energy sustainability website.

To raise awareness of the importance of Sustainability for future generations, a contest for employee's children was also organized to add to the festivities. A different theme was introduced for each age group asking the children to draw their interpretation of the subject.

Winners:

- Ages 5-8 (importance of recycling) Ghadi Hanna (son of Katia Saddikni – Abu Dhabi); Haya Ragib (daughter of Samra Mahboob – Qatar); Ahmed Ismail Mohamed Ahmed (son of Ismail Mohamed Ahmed Ismail – Qatar)
- Ages 9-12 (importance of water conservation) Mahmoud Ismail Mohamed Ahmed (son of Ismail Mohamed Ahmed Ismail – Qatar); Nicole D'Silva (daughter of Christabel D'Silva – Qatar)
- Ages 13-16 (impacts of climate change) Manal Zulfiqar Ali (daughter of Ali Zulfiqar - Qatar)



Memberships and Engagements

Abu Dhabi Sustainability Group (ADSG)

Dolphin Energy is a founding and past member of the ADSG's general secretariat. The Group's signatories have all committed to adopting sustainability management and reporting.

Oil and Gas Producers Association (OGP)

The OGP is an organization that aims to improve the industry through the provision of accessible resources and best practices in Health, Safety, and Environment (HSE), engineering, and operations.

Abu Dhabi Emergency Support Committee for Offshore Operations (ADESCO)

ADESCO is an ADNOC Group of Companies Mutual Aid committee established to coordinate emergency response and assistance programs for offshore emergencies.

Ras Laffan Environmental Society (RLES)

RLES is a non-profit organization that aims to ensure that all ventures at Ras Laffan adopt environmental best practices and maintain the highest health standards in their operations.

Ras Laffan Community Outreach Program (RLIC COP)

RLIC COP is an industry-led initiative focused on ensuring a two-way engagement process with the community, allowing for collective innovation and decision-making.

Emirates Environmental Group (EEG)

EEG and its CSR network aim to contribute positively to the advancement of sustainable development in the UAE, helping concerned authorities to increase the level of public awareness on all local and global environmental issues.

Human Rights

Dolphin Energy follows all local laws and regulations relating to human rights in the areas where it operates, and its multinational shareholder structure informs the company of dialogue on international human rights expectations under international agreements and resources.

All Dolphin Energy employees are granted intranet access to the corporate Human Resources (HR) Manual and its corresponding sections concerning human rights. To ensure fair treatment of employees and to maintain communication regarding any reported violations of human rights, the company has implemented a grievance process whereby employees or concerned individuals from

the public can communicate their complaints or concerns to the company's HR department, verbally or in writing. The HR department, in turn, communicates any such complaints to the relevant company division or department for investigation and resolution.

Dolphin Energy neither condones nor permits compulsory or child labor, and no instances of either practice have been reported.

Dolphin Energy has never engaged in the practice of retaining employees' passports during their periods of employment.

Dolphin Energy's internal anti-discrimination policy is governed and monitored by

its HR department. During 2012, no incidents involving alleged discrimination on the basis of race, color, sex, religion, political opinion, nationality, or social origin have been reported.

Dolphin Energy's agreements with its contractors also address human rights issues. When working with service contractors, clauses outlining working terms and conditions are included in the contractual conditions.



Environmental Sustainability

Key Issues:

Energy Consumption

Emissions

Biodiversity

Resource Management

Environmental Expenditures



2013 Commitments

General

- Develop a five-year environmental program improvement plan

Emissions

- Conduct energy conservation surveys at all office locations
- Survey fleet vehicle usage in the UAE
- Complete the design of, and order the replacement burners for, the high-pressure steam boilers
- Conduct a review of the Continuous Emissions Monitoring Systems to identify opportunities to improve data quality
- Complete and submit the Carbon Capture feasibility study to Qatar Petroleum

Resource Management

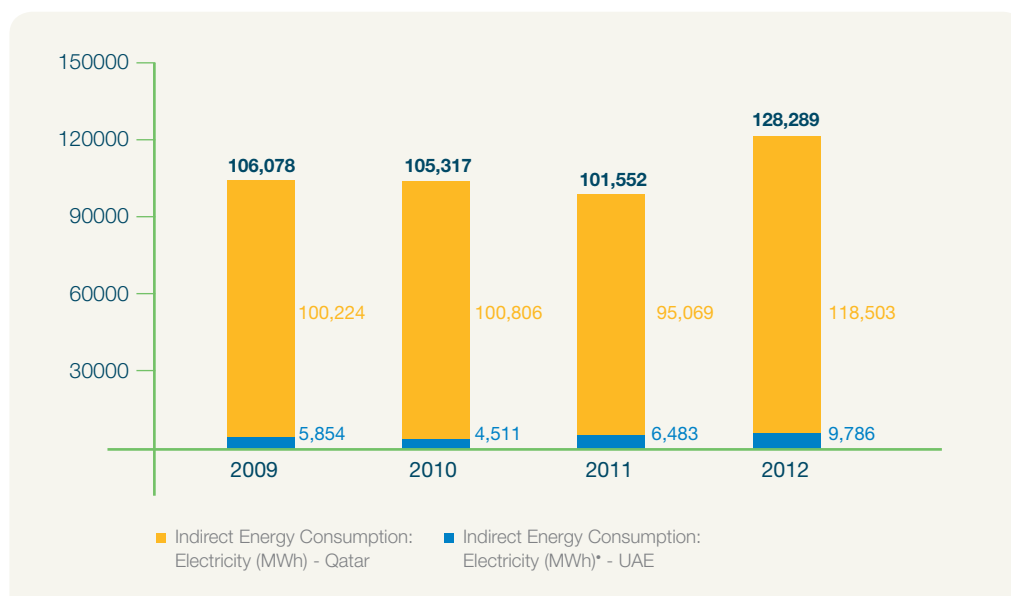
- Complete an engineering study and select a technology to achieve Kinetic Hydrate Inhibitor removal from the Ras Laffan plant wastewater

Energy Consumption

Energy consumption is a necessary element of Dolphin Energy's operations. In recognition of this fact, Dolphin Energy has chosen to approach its energy consumption as an outlet for discovering opportunities to achieve energy savings and reductions in energy

consumption. Measuring and monitoring of energy consumption from electricity, vehicle fuel, process fuel combustion, flaring, and venting are critical components of the company's energy profile analysis. Opportunities for savings and reductions

continue to be realized throughout Dolphin Energy, bringing operational efficiency and innovation to the forefront. This improves the quality of the company's products, benefitting both the customers and the environment.



Direct Energy Consumption – UAE and Qatar

	2009	2010	2011	2012
Diesel used for Operations (1000 liters)	1,458	1,235	1,241	1,205
Diesel used for Transportation (1000 liters)	194	45	27	21
Petrol used for Transportation (1000 liters)	735	791	842	680

Total Energy Consumption – UAE and Qatar

	2009	2010	2011	2012
Total Indirect Energy Consumption (GJ)	381,881	379,141	365,587	461,840**
Total Direct Energy Consumption (GJ) *	31,343	27,739	28,787	22,892
Total Energy Consumption (GJ) *	413,224	406,880	394,374	484,732

*Previous years' numbers have been updated for accuracy

**Qatar Petroleum directed Dolphin Energy to receive more electrical power from the Kahramaa grid and generate less power at the Ras Laffan plant for export in 2012

Dolphin Energy Vehicle Fleet		2009	2010	2011	2012
UAE	Diesel	N/A	1	1	1
	Petrol	68	69	61	50
Qatar	Diesel	56	51	48	48
	Petrol	45	39	35	26

Plant Generated Electricity

	2009	2010	2011	2012
Electricity Generated by Plant (MWh)	420,552	431,977	413,827	374,701
Energy Offset by Plant Generated Electricity (GJ)	1,513,987	1,555,117	1,489,777	1,348,924

Green IT Initiative

Over the last three years, Dolphin Energy has greatly increased the optimization of its IT systems' energy consumption through the Green IT Initiative. The program featured the

creation of a set of proactive conservation measures in 2010, which resulted in tangible 2011 savings: a total of 256 MWh were saved out of a total IT energy consumption of 1.36GWh.

The Initiative was enhanced in 2012 by a broader adoption of strategies and complete integration into Dolphin Energy's IT protocols.

Dolphin Energy's Green IT strategy is structured around the following pillars, which were considerably strengthened in 2012:

- Reduction of energy and carbon footprint
- Optimization of procurement and lifecycle management
- Adoption of Green IT best practices and standards
- Enhancement of communication and collaboration solutions
- Implementation of donation and recycling practices



Building on the achievements of 2011, and pursuant to the objective of widening the scope of Green IT practices, **a total of 421 MWh of Dolphin Energy's IT energy consumption was saved in 2012. This is equivalent to 228 tons of CO₂.**

	2012 Target	2012 Actual	2013 Target
Energy savings	350 MWh	421 MWh*	500 MWh
Number of toners recycled	350	340 **	350
Paper sheets saved	600,000	552,000 **	600,000
% of color printing	40	35	50
% of physical servers	40	35	30

* 2012 energy savings have been measured as follows: (1) Server consolidation and virtualization: 237 MWh; (2) Auto shutdown of PCs: 90 MWh; (3) Managed Print Services in UAE: 94 MWh.

** This figure is explained by the considerable reduction of printing (less 160,000 prints) in the UAE in 2012, due to additional printing policies.

In 2013, Dolphin Energy's IT department will explore new areas of energy consumption optimization by examining the entire data center's environment (UPS, cooling, et al.), improving manufacturers' recycling processes, and implementing enhanced communication solutions to reduce the amount of travel between the UAE and Qatar.

In 2012...		In 2013...	
We said		We have	We will
Energy and carbon footprint reduction	we would pursue energy consumption reduction with an objective of 350 MWh in savings	met and exceeded the initial objective, achieving 421 MWh in energy savings on IT equipment over the year	continue to expand Green IT best practices to all IT equipment and also to the data center, targeting a total of 500 MWh in savings
Procurement and lifecycle management optimization	we would align IT refresh and upgrade cycles to optimize energy consumption of IT equipment	developed a global refresh and upgrade roadmap for IT equipment favoring highest green ratings	anchor Green IT principles in IT procurement rules and technical evaluation procedures
Green IT best practices and standards adoption	we would develop a comprehensive carbon footprint and energy savings measurement framework	developed a global measurement framework including an energy consumption profile of each piece of IT equipment in use	align with industry best practices and evaluate our Green IT principles and results against peers
Communication and collaboration solutions enhancement	we would design and implement online collaboration and unified communication solutions	designed a unified communications solution (web conferencing, PC-to-PC videoconferencing) at the company level	deploy unified communications to all users and pursue the development of online collaboration solutions
Donation and recycling practice implementation	we would extend IT donations to employees and charity organizations	donated a total of 185 pieces of IT equipment to employees and charities (Abu Dhabi Center for Language & Speech Disorder and Emirates Autism Center)	structure recycling processes with IT vendors to develop end-to-end IT equipment lifecycle management

Emissions

Greenhouse gas (GHG) emissions are universally recognized as a significant contributor to the earth's changing climate. As part of its commitment to environmental sustainability, Dolphin Energy is actively working to reduce its emissions of GHG. Highlights of the company's emission reduction initiatives include monitoring of flaring using infrared cameras to detect flaring that is invisible to the naked eye and the initiation of numerous studies

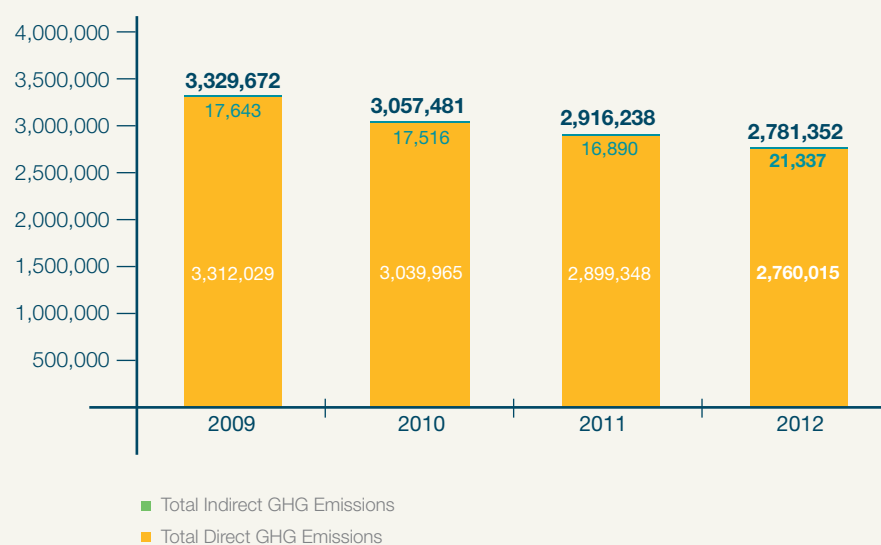
assessing the feasibility of natural carbon capture opportunities.

In order to help monitor the company's carbon footprint, Dolphin Energy follows EU guidelines to account for and report GHG emissions. Additionally, Dolphin Energy is an active member of the Qatar Petroleum GHG Accounting and Reporting program and the Qatar Petroleum Global Gas Flaring Reduction Initiative, formed to develop and implement

methods to reduce flaring and venting volumes.

These initiatives enabled Dolphin Energy to reduce its total GHG emissions by 4.6% from 2011 to 2012. In the same period flaring decreased by 8.5% as a result of several programs, including the implementation of infrared cameras that allow for lower flare purge volumes and more accurate monitoring of flare tip flame presence.

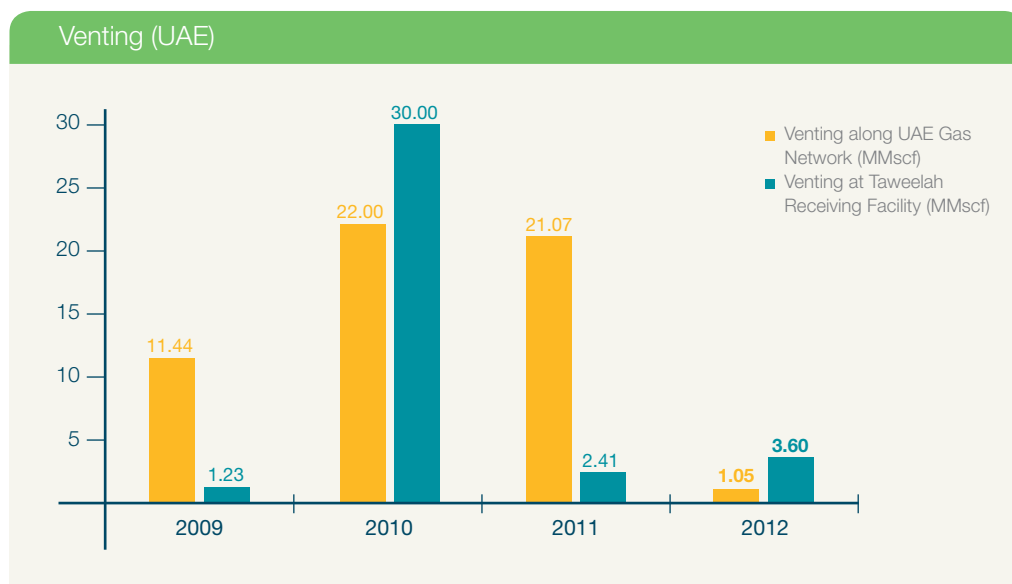
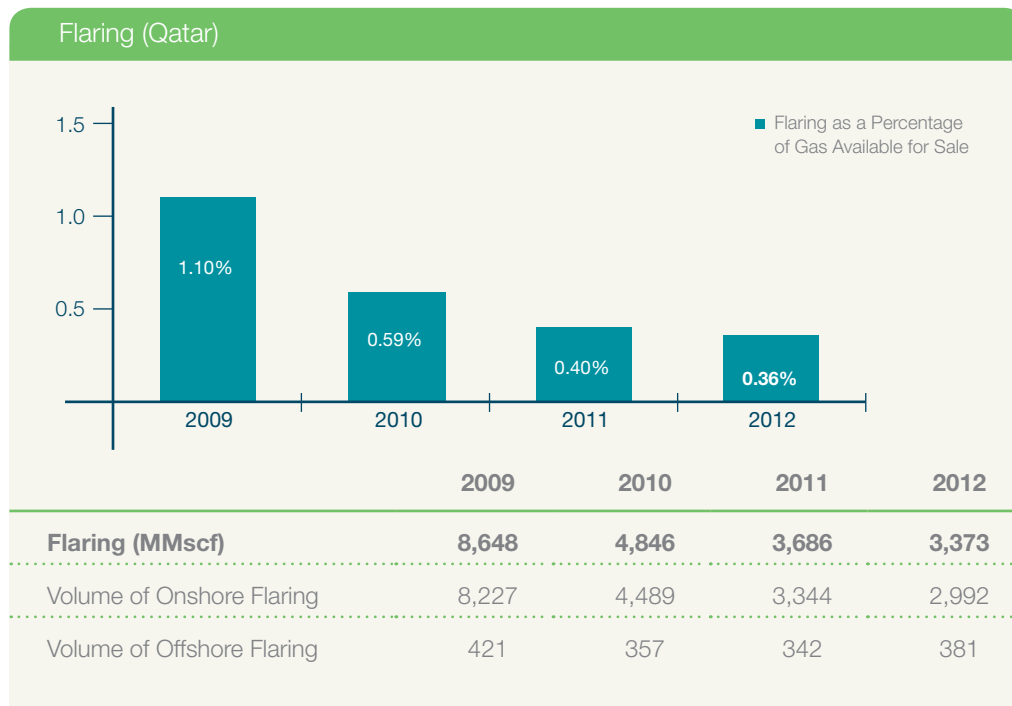
GHG Emissions (tons CO₂ Equivalent)*



* Indirect GHG emissions are from imported electrical power

Direct GHG Emissions

	2009	2010	2011	2012
Vehicle Petrol Consumption (Qatar)	688	391	335	370
Vehicle Petrol Consumption (UAE)	918	1,337	1,504	1,115
Vehicle Diesel Emissions (Qatar)	498	114	70	31
Operations (Qatar)	3,283,000	3,021,000	2,878,000	2,747,000
Operations (UAE)	26,925	17,123	19,434	11,494
Plant & Offshore Diesel Generator Emissions (Qatar)			5	5



* Venting of natural gas is done to clear the pipeline for routine maintenance work

Dolphin Energy’s operations result in emissions of other non-greenhouse gases, including nitrogen oxides (NOx) and sulfur oxides (SOx). Qatar’s Consent to Operate agreement requires companies to adhere to strict limits on these types of emissions.

Dolphin Energy employs Continuous Emissions Monitoring Systems (CEMS) on 22 of its onshore combustion emissions sources. These monitors operate continuously recording data on NOx and

SOx emissions. In 2012 a project was initiated to ensure that the raw data collected by the CEMS and stored in the Real Time Data Base (RTDB) system is properly utilized to provide valid and reliable emissions data. This project was initiated because some errors were discovered in the emissions data. A specialist consultant has been retained to review and revise any errors in logic and programming.

The Ministry of Environment in Qatar requires that CEMS

are tested annually based on USEPA Relative Accuracy Test Audit (RATA) protocols. This testing checks the CEMS against a certified test instrument to ensure that accurate data is being collected by the CEMS. As preparation to begin this test program Dolphin Energy will be conducting a review of its CEMS against the RATA protocols to determine if any deficiencies exist that must be corrected before the test program can begin. The review will take place in 2013.

To ensure Dolphin Energy’s readiness to meet future compliance requirements, a strategic air program review was completed in 2012, resulting in the recommendation of a five-year environmental program improvement plan. This plan will focus on improving Dolphin Energy’s ability to meet all future expectations regarding air emissions and management of waste and wastewater.

Total Air Emissions - Tons*				
	2009	2010	2011	2012
NOx (tons)	3,072	579	742	718
Qatar	3,062	572	737	714
UAE	10	7	5	4
SOx (tons)	30	257	244	189
Qatar	30	257	244	189
UAE	<1	<1	<1	<1
Total Air Emissions (tons)	3,102	836	986	907

* Numbers from previous years have been updated

Flaring Reduction

“Flaring”, the controlled combustion of excess gas, is a necessary and essential component of gas refinery operations, despite being one of the main contributors to oil and gas companies’ carbon footprint. Flaring is used to eliminate waste gas or as a safety system to release non-waste gas; the latter is necessary to ease the strain on equipment and protect it from damage due to overpressure, especially when restarting production. Reduction of flaring while maintaining optimal safety and productivity is a goal of all oil and gas companies.

Dolphin Energy’s flaring

rates rank among the best of all oil and gas companies in Qatar. In 2012, Dolphin Energy’s flaring volume was 3,373 MMscf reflecting a reduction of 8.5% from the 2011 volume.

During normal operations, the flares are continuously lit by pilot flames so that any gas released to the flares will be ignited safely. These pilot flames are maintained by a steady supply of natural gas, referred to as “purge gas.” In early 2012, a safety review of flare operations raised a concern over the potential for the pilot flame to extinguish during high wind conditions. Since the only available

method of assuring the pilot flame’s presence was by visual observation, Dolphin Energy increased the flow of natural gas to the flares so that the pilot flame could be observed by operators in the control room. This additional purge gas sufficiently increased the overall amount of gas flared in 2012 to result in non-compliance with the company’s overall flaring rate of 0.3% of sweet gas production.

This issue was resolved in December 2012 via the installation of infrared cameras. The cameras enable the operators to view the pilot flame in the infrared

spectrum, allowing Dolphin Energy to reduce significantly the flow of purge gas while guaranteeing constant presence of the pilot flame.

Installation of these infrared cameras has resulted in a significant reduction in routine flaring amounts. This incorporation of new equipment and alteration of Dolphin Energy’s operating practices is representative of the company’s environmentally responsible policies.

Fugitive Emissions Monitoring Update

Beginning in 2011, Dolphin Energy’s Qatar Operations implemented a Volatile Organic Compounds (VOCs) Fugitive Emissions Monitoring (FEM) program for equipment and components at the onshore gas plant in Ras Laffan City (RLC), as mandated by the Qatar Ministry of Environment.

Field monitoring of identified potential leakage sources is carried out once per year, in alignment with US EPA

requirements for tagging, monitoring, and repair of VOC leaks from equipment at onshore Natural Gas Processing Plants. FEM fieldwork applies to all equipment and components “in VOC service,” including connections, compressor seals, flanges, pump seals, valves, open-ended lines, and sample points.

Approximately 82,000 sources within the plant were identified as potential

locations of measurement. In 2011, the first year of monitoring, only 0.2% of the accessible sources were found to contain leaks, as defined by the requirements.

The 2012 FEM campaign began in May. The contractor began the campaign by updating and revising the 2011 inventory of VOC emission sources, and then monitoring was conducted and completed in December 2012.

Biodiversity

Dolphin Energy has a longstanding commitment to protect biodiversity. Since the inception of the Dolphin Gas Project, the company has made concerted efforts to limit its activities' impact on biodiversity surrounding

its facilities. Such efforts focus largely on coral habitat conservation and turtle protection programs. Although the projects were successfully concluded in 2010, the company remains committed to

further nurturing biodiversity. During 2013 Dolphin Energy will review the latest report on the progress of the "EcoReef" modules to determine if any future actions will be considered.



Resource Management

Resource optimization represents a strategic opportunity for Dolphin Energy to improve its environmental performance and create cost savings in its operations. Optimization goals include active reduction of the consumption of water, paper, and other operations materials. Effective waste management, including recycling, is also an

important factor in resource optimization.

During 2013, Dolphin Energy will conduct energy conservation surveys at each of its four office locations in Doha and Ras Laffan, Qatar and in Taweelah and Abu Dhabi, UAE. The aim of the surveys is to develop a list of opportunities for further reductions in energy usage.

The use and operation of fleet vehicles necessary to patrol the extensive UAE gas distribution network adds to Dolphin Energy's carbon footprint. A survey of fleet vehicle usage will be conducted in 2013 to identify opportunities to reduce this footprint.

Materials Consumption

The company's main production process uses raw, wet gas extracted from subsea gas fields to produce natural gas and other valuable by-products.

Materials Consumed

	2009	2010	2011	2012
Raw Wet Gas (MMscf)	873,182	872,519	862,326	861,391

Water

Water consumption is a necessary component of Dolphin Energy's operations in Qatar and the UAE. Recognizing the environmental and economic value of fresh water within these countries, Dolphin Energy is committed to developing programs that minimize the use of fresh water through recycling and greater operational efficiency. As part of this commitment, Dolphin Energy has developed a wastewater treatment system for its operations in Qatar. Currently, domestic sanitary effluents, rainwater, and wash water are collected, treated, and mixed with steam boiler blow-down purge water; the resulting water is used for irrigation purposes. The LP steam condensates are recycled as feed water for the steam boilers.

Offshore production water and onshore process water are both treated at the on-

site wastewater treatment facilities and re-injected into onshore water-bearing reservoirs via two wastewater injection wells. Cooling seawater is returned to the common cooling seawater network, following cooling of the closed-loop Tempered Cooling Water network; this leads to an absence of consumption within the plant.

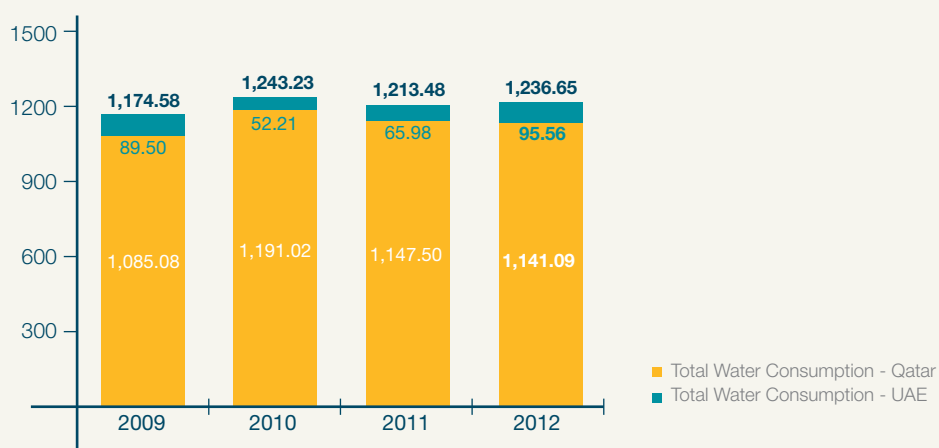
Dolphin Energy's facilities in Qatar utilize desalinated water provided through the Kahramaa energy grid. This water is used to replace any water used by the fire-fighting water system and water lost in the blow-down purges of the high-pressure steam boilers, as well as to produce potable water.

In Dolphin Energy's UAE facilities, water is provided by the Abu Dhabi Water and Electricity Authority (ADWEA) from desalination plants.

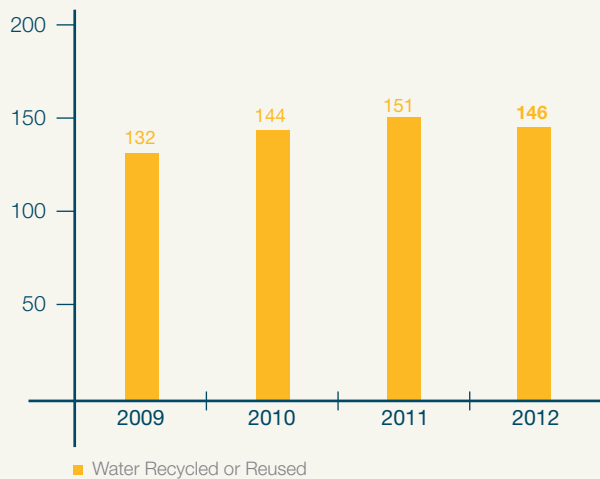
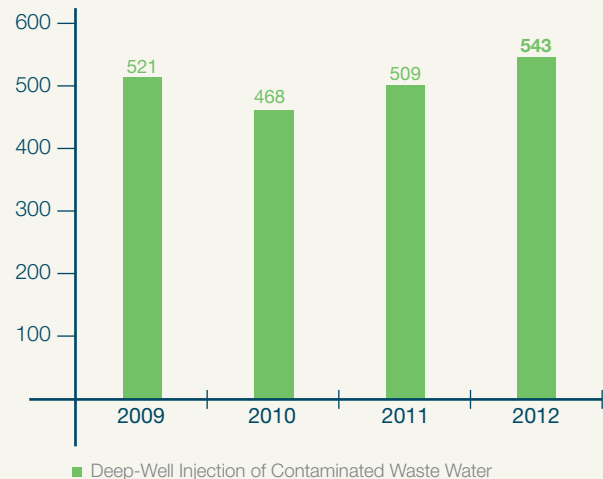
In 2012, Dolphin Energy's Qatar Operations division

implemented a modification of the wastewater treatment unit to enhance the quality and filtration of reinjection water prior to deepwell injection. Additionally, an engineering study is in progress to determine the feasibility of removing Kinetic Hydrate Inhibitor (KHI) chemicals from wastewater. This work will continue in 2013, with the conclusion of the engineering study and a review and pilot project to choose the best technology to achieve the separation of KHI from wastewater.

Total Water Consumption (1,000 m³)*



* From ADWEA and Kahramaa

Process Water Consumption (1,000 m³)Deep-Well Injection - Qatar (1,000 m³)

Waste Management

Dolphin Energy ensures that all waste is disposed of in an environmentally responsible manner, in accordance with local laws and industry standards. Non-hazardous

waste disposal is managed by local municipalities, utilizing approved landfills. Hazardous waste, which includes liquid waste oil and solid waste such as solid

sulfur and process sludge, is either recycled (as is the case for liquid oil) or stored in temporary hazardous waste storage facilities for disposal at authorized locations.

Waste Management

	2009	2010	2011	2012
Total Non-hazardous Waste (m ³)	5,822	6,290	7,079	7,082
Total Hazardous Waste (m ³)	183	575	626	540

Materials Recycling

In 2012, Dolphin Energy enhanced its commitment to its recycling program, now in its third year, and increased the amount of recycled

materials. Collection and processing of all recyclable wastes increased by 87%, and continued refinement and integration of the

Green IT initiative produced significantly increased recycling of electronics.

Total Recycled Material

	2010	2011	2012
Paper & Cardboard (kg)	47,212	74,817	103,996
Industrial Recyclables (wood, metal, scraps, drums, etc.) (kg)	118,106	155,892	225,036
Plastic (kg)	10,123	13,117	16,075
Aluminum cans (kg)	735	857	1,094
Electronics (kg)		1,000	112,918
Total Recyclable Material (kg)	176,176	245,683	459,119
Toner (number of individual pieces recycled) *	288	1,335	2,219

* Toner cartridges are not weighed; they are counted individually.

Tie-in to Common Sulfur Project

Ras Laffan Industrial City commissioned the Common Sulfur Project (CSP) in 2007 to act as a central storing and processing facility for sulfur produced and exported from Ras Laffan companies.

Due to the high environmental risk of transporting sulfur to the central area by truck, it was decided that all producers, including Dolphin Energy, would connect to the common facility via

electrically heated pipelines. The continuity of this pipeline is critical to environmental safety as well as to continuous gas production at Dolphin Energy; any shutdowns in the operation of the pipelines would lead to negative environmental impacts as well as a scale-back of gas production. To minimize the potential of such an occurrence, Dolphin Energy installed successfully two dual-redundant six-inch Skin Effect Electrically Heat Traced (SEETH) pipelines,

fully insulated to ensure continuous operation at an operating temperature of 135 Celsius, which is sufficient to keep the sulfur in an adequate state for storage at the CSP.

Now operational, the CSP is able to process 12,000 tons per day of sulfur into granules for export using 11 granulators. Extra granulators are available, allowing the facility to expand its capacity to an average of 14,300 tons.

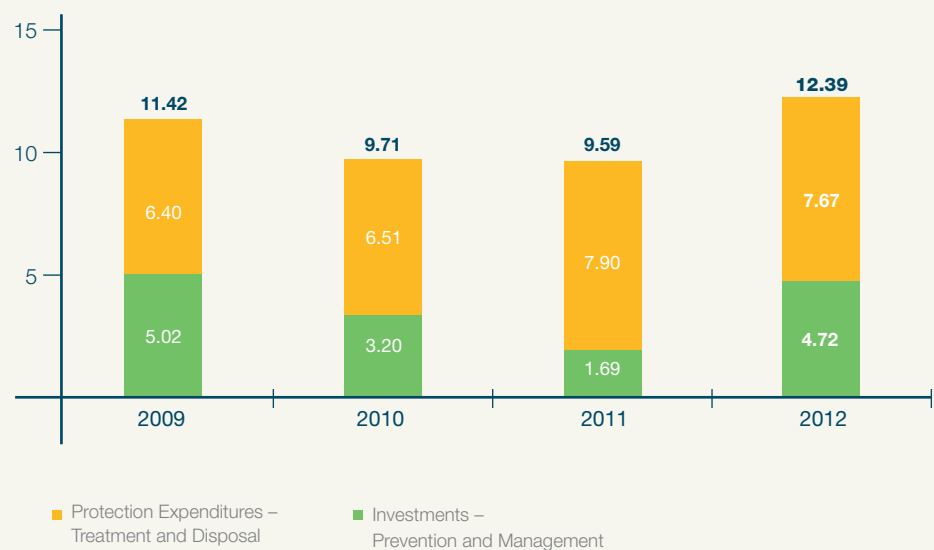
Environmental Expenditure

In 2012, Dolphin Energy completed an Environmental Impact Assessment (EIA) for the Export Gas Compressors (EGC) upgrade project. The detailed study identified all

environmental impacts that could occur as a result of the project, and presented appropriate actions and mitigation options for consideration throughout the

project. This has contributed significantly to the company's 180% increase in protection expenditure, to US\$4.72 million.

Environmental Expenditures (millions USD)*



* All figures from previous years have been updated

Appendix A: GRI Index

GRI	Indicator Definition	Page / Description
1.1	Statement from the most senior decision-maker of the organization	7-9
1.2	Description of key impacts, risks, and opportunities	7,8,9-23
2.1	Name of the organization	10
2.2	Primary brands, products, and/or services	10,11
2.3	Operational structure of the organization, including main divisions, operating companies, and subsidiaries	22-27
2.4	Location of organization's headquarters	10
2.5	Number of countries in which the organization operates, and names of countries that either contain major operations or are relevant to the specific sustainability issues	10
2.6	Nature of ownership and legal form	10
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	11-13
2.8	Scale of the reporting organization	12-13,30-31,36
2.9	Significant changes that occurred during the reporting period, regarding size, structure, or ownership	25-27
2.10	Awards received in the reporting period	11
3.1	Reporting period (e.g., fiscal/calendar year) for information provided	69
3.2	Date of most recent previous report (if any)	69
3.3	Reporting cycle (annual, biennial, etc.)	69
3.4	Contact point for questions regarding the report or its contents	73
3.5	Process for defining report content	69
3.6	Boundaries of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	69
3.7	Specific limitations on the scope or boundaries of the report (see completeness principle for explanation of scope)	69
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and others	69
3.9	Data-measurement techniques and the bases of calculations, including assumptions and techniques	69
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons	All restatements have been identified within the report
3.11	Significant changes from previous reporting periods in the scope, boundaries, or measurement methods	All restatements have been identified within the report
3.12	Table identifying the location of the Standard Disclosures in the report	66
3.13	Policy and current practice with regard to seeking external assurance for the report	69
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	22-27
4.2	Indication of whether or not the Chair of the highest governance body is also an executive officer	22-27
4.3	For organizations that have a unitary board structure, statement of the number of members of the highest governance body that are independent and/or non-executive members	22-27
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	22-27
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance)	Board Compensation is not linked to organizational performance.
4.6	Processes in place for the highest governance body to ensure avoidance of conflicts of interest	25-26
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics	This is taken into account, as one of a range of areas of expertise required for the role.
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance, and the status of their implementation	22-27

GRI	Indicator Definition	Page / Description
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence to or compliance with internationally agreed standards, codes of conduct, and principles	22-27
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	22-27, The board of Directors evaluates Dolphin Energy's Business Plan performance, into which sustainability indicators have been incorporated.
4.11	Explanation of whether or not, and how, the precautionary approach or principle is addressed by the organization	7,9-23
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	46-49
4.13	Memberships in associations (such as industry associations), and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic	49
4.14	List of stakeholder groups engaged by the organization	22
4.15	Basis for identification and selection of stakeholders with whom to engage	22
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	22-23
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	22-23
Labor Indicators		
LA1	Total workforce by employment type, employment contract, and region	36-37
LA2	Total number and rate of employee turnover by age group, gender, and region	37
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	37, only 1 part time employee at Dolphin Energy
LA4	Percentage of employees covered by collective bargaining agreements	No policy covering collective bargaining agreements exists.
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	Minimum time period is stipulated in writing in each individual's contract.
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	43-45
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities by region	Zero absenteeism rate. Zero occupational disease rate.
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members suffering from serious diseases	43-45
LA9	Health and safety topics covered in formal agreements with trade unions	Not applicable – trade unions do not exist and are illegal in the UAE.
LA10	Average hours of training per year per employee, by employee category	40
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Dolphin Energy typically goes beyond legal requirements to support individuals in transition.
LA12	Percentage of employees receiving regular performance- and career-development reviews	40
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	36-37
LA14	Ratio of basic salary of men to women by employee category	38 – Dolphin Energy is equal opportunity employer; pay is not dependent on gender or race.
LA15	Return to work and retention rates after parental leave, by gender.	To be reported in the next reporting period.
PR1	Life-cycle stages in which the health and safety impact of products and services is assessed for improvement, and percentage of significant products and services categories subject to such procedures	44
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impact of products and services, by type of outcome	Dolphin Energy is not aware of any voluntary or regulatory non-compliance issues related to products and services.

Appendix A: GRI Index

GRI	Indicator Definition	Page / Description
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	Customers' specifications are strictly met, and a product material safety data sheet is available. This sheet recognizes environmental and social concerns, and meets standards and accepted practices.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcome	Dolphin Energy is not aware of any voluntary or regulatory non-compliance issues related to products and services information and labeling.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	33
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	33, Dolphin adheres to all UAE and Qatari laws and regulations
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcome	Zero
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	No complaints regarding breaches of customer privacy or loss of customer data were recorded.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No fines or monetary sanctions.
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations, and other community investments, retained earnings, and payments to capital providers and governments	30-33, as a UAE based company Dolphin Energy has no tax liabilities.
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	22 – Climate change implications are significant factor in Dolphin Energy's Sustainability Approach
EC3	Coverage of the organization's defined benefit plan obligations	38-40. Dolphin Energy provides the UAE and Qatar nationals with a pension plans. And, an end of service gratuity for foreign expats.
EC4	Significant financial assistance received from government	Dolphin Energy is a private company and does not receive financial assistance from the government. As a UAE-based company, it has no tax liability.
EC5	Range of ratios of standard entry-level wage compared to local minimum wage at significant locations of operation	38 - -The UAE has no minimum wages. However, entry level compensations are on-par or more competitive compared to the Oil and Gas industry in the region. Dolphin Energy is an equal opportunity employer and entry level salaries does not depend on gender.
EC6	Policy, practices, and proportion of spending on locally based suppliers at significant locations of operation	30-33
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	42
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	30-49 –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.
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	30-33
EN1	Materials used by weight or volume	58-62
EN2	Percentage of materials used that are recycled input materials	Not applicable in the production and processing of natural gas.
EN3	Direct energy consumption by primary energy source	52-54
EN4	Indirect energy consumption by primary energy source	52-54
EN5	Energy saved due to conservation and efficiency improvements	52-54
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives	52-54 –Dolphin Energy utilizes solar panels to power few operational outposts.
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	54
EN8	Total water withdrawal by source	58-59
EN9	Water sources significantly affected by withdrawal of water	58-59

GRI	Indicator Definition	Page / Description
EN10	Percentage and total volume of water recycled and reused	58-59
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	58
EN12	Description of significant impact of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	58
EN13	Habitats protected or restored	58
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	58
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	58
EN16	Total direct and indirect greenhouse gas emissions by weight	55-57
EN17	Other relevant indirect greenhouse gas emissions by weight	55-57
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	55-57
EN19	Emissions of ozone-depleting substances by weight	No ozone-depleting substances are knowingly used by Dolphin Energy.
EN20	NOx, SOx, and other significant air emissions by type and weight	55-57
EN21	Total water discharge by quality and destination	58-59, no grey or contaminated water released.
EN22	Total weight of waste by type and disposal method	58-59
EN23	Total number and volume of significant spills	44
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	No hazardous materials were reported to have been removed from operational sites.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	58-59 – no liquid or solid waste is discharged into any water body.
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	46-49,57
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	Not applicable – gas is transferred in pipelines and liquids are shipped in tankers.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Zero – Dolphin Energy did not pay any fines for sanctions or non-compliance issues.
EN29	Significant environmental impact of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	53-54
EN30	Total environmental protection expenditures and investments by type	61
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	49
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	49
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Dolphin Energy does not at this point offer any training on human rights issues.
HR4	Total number of incidents of discrimination and actions taken	49- no incidents of discriminations were reported
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	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 34
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	Dolphin Energy does not have operations where there is significant risk of child labor. Furthermore, the company does not hire anyone under the legal working ages in UAE (15) and Qatar (16).
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of forced or compulsory labor	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 forced or compulsory labor, among contractors.

Appendix A: GRI Index

GRI	Indicator Definition	Page / Description
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	Zero
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	Zero
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Pg. 49
HR11	"Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms."	Zero
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	46
SO2	Percentage and total number of business units analyzed for risks related to corruption	18-26, Zero
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	26, All employees are trained via the CBC Manual.
SO4	Actions taken in response to incidents of corruption	Dolphin Energy had no incidents of corruption. Any corruption incidents must be reported to the Compliance Officer. See page 26.
SO5	Public policy positions and participation in public policy development and lobbying	49
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	Dolphin Energy provided no financial support to any political party.
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices, and their outcomes	There have been no legal actions against Dolphin Energy.
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	There have been no legal actions against Dolphin Energy.
SO9	Operations with significant potential or actual negative impacts on local communities	None of Dolphin Energy operations inertly pose a significant negative impact on local communities
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	Any accidents pose significant risk to the community. Strong measures are taken to stop such accidents and control them if they occur. Pg. 49-49

G3 DMA	Description	Cross-Reference / Direct Answer
DMA EC	Disclosure on Management Approach Economic (EC)	Pg. 30-33
DMA EN	Disclosure on Management Approach Environment (EN)	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, by-product optimization, water management and resource consumption.
DMA LA	Disclosure on Management Approach Labor Practices (LA)	Dolphin Energy's human resource management function is supported by a designated HR division with a team in each of Qatar and the UAE. Furthermore, a shared-services function was implemented between UAE and Qatar that includes compensation and benefits, policies and procedures and talent management to provide increased focus and standardization. The HR division seeks to instill a culture of capacity building at the organization. Dolphin Energy is an equal opportunity employer that seeks to improve diversity while at the same time meet Abu Dhabi and Qatar national visions.
DMA HR	Disclosure on Management Approach Human Rights (HR)	Pg. 49
DMA SO	Disclosure on Management Approach Society (SO)	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.
DMA PR	Disclosure on Management Approach Product Responsibility (PR)	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. 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.

Oil and Gas Sector Supplement

Indicator	Description	Page/Direct Answer
Economic		
Economic performance		
OG1	Volume and type of estimated proved reserves and production.	The project is based on 25 years of production at 2.2 BSCF/day.
Environmental		
Materials		
OG2	Total amount invested in renewable energy.	Zero
OG3	Total amount of renewable energy generated by source.	Zero
Biodiversity		
OG4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored.	100% of operating sites.
Emissions, effluents and waste		
OG5	Volume of formation or produced water.	59-60
OG6	Volume of flared and vented hydrocarbon.	55-57
OG7	Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal.	N/A – Dolphin is not involved in any drilling operations currently.
Products and services		
OG8	Benzene, lead and sulfur content in fuels.	Sulfur content is checked routinely throughout the process. Organics and heavy metals are analyzed in the process at Ras Laffan. However, current data is unavailable. To be reported in next reporting period.
Social: Human Rights		
Indigenous rights		
OG9	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place	49
Social: Society		
Local communities		
OG10	Number and description of significant disputes with local communities and indigenous peoples.	Zero disputes with local communities
OG11	Number of sites that have been decommissioned and sites that are in the process of being decommissioned.	Zero.
Involuntary Resettlement		
OG12	Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process.	Zero.
Asset Integrity and Process Safety		
OG13	Number of process safety events, by business activity.	43-44
Social: Product Responsibility		
Fossil Fuel Substitutes		
OG14	Volume of biofuels produced and purchased meeting sustainability criteria.	Dolphin does not purchase any biofuel.

Appendix B: 2010 IPIECA/API Oil and Gas Industry Guidance on Voluntary Sustainability Reporting

KPI	Indicator Definition	Page / Description
Environmental Indicators		
E1	Greenhouse Gas Emissions	55-57
E2	Energy Use	52-54
E3	Alternative energy sources	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 power.
E4	Flared Gas	55-57
E5	Bio-diversity	58
E6	Freshwater Use	58-59
E7	Other Operational Air Emissions	55-57
E8	Spills to the Environment	44
E9	Discharges to Water	58-59
E10	Waste	60
Health and Safety Performance Indicators		
HS1	Employee Participation	40-42
HS2	Workforce Health	43-45
HS3	Occupational Injury and Illness Rates	43-45
HS4	Product-related Health Risks	43-45
HS5	Process safety	43
Social and Economic Indicators		
SE1	Local community impacts and engagement	46-49
SE2	Indigenous people	46-49
SE3	Involuntary resettlement	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.
SE4	Social Investments	46-49
SE5	Local content practices	46-49
SE6	Local hiring policies	46-49
SE7	Local procurement and supplier-development	30-33
SE8	Human rights due diligence	49
SE9	Human rights and suppliers	49
SE10	Security and human rights	49
SE11	Bribery and Corruption	22-27
SE12	Preventing corruption involving business partners	22-27 zero
SE13	Transparency of Payments	46-49
SE14	Political Lobbying and Advocacy	Dolphin Energy is a member of the ADSEG and as such represents a lobby group and resource center 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.
SE15	Workforce diversity and inclusion	49
SE16	Workforce engagement	40
SE17	Workforce training and Development	40
SE18	Non-retaliation and Grievance System	49

Appendix C: Report Parameters

This is Dolphin Energy's fourth sustainability report, reporting on performance in the year 2012. It also provides comparative information for 2011, 2010, and 2009 where possible. Dolphin Energy has produced a Sustainability Report each year since 2010.

Process for defining report content

This report focuses on Dolphin Energy's priority areas, which were identified through a process incorporating GRI's principles, including the Oil and Gas Sector supplement, 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 its 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	Dolphin Energy has attempted to make this report as complete as possible. The report pertains to Dolphin Energy's 2012 performance (January 1st to December 31st 2012), covering all its 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 sustainability reporting

Dolphin Energy recognizes that ensuring the quality and credibility of the information presented in this report is of the utmost importance, and thus has 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 to four 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. Where previous years' reported data were found to be erroneous, Dolphin Energy has restated them with an explanation in the given section of the report. On any indicators with unique calculations or techniques to Dolphin Energy, the calculation is reported alongside each KPI.
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's 2012 Sustainability Report 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. Readers should not place undue reliance on forward-looking statements which speak only as of the date of this report.

Appendix D: Acronyms

ADESCO	Abu Dhabi Emergency Support Committee for Offshore Operators	Kg	Kilogram
ADSG	Abu Dhabi Sustainability Group	KPI	Key Performance Indicators
ADWEA	Abu Dhabi Water and Electricity Authority	Kt	Kilo Tons
ADWEC	Abu Dhabi Water and Electricity Company	LTI	Lost Time Incident
AFP	Al Ain Fujairah Pipeline	LTIR	Lost Time Incident Rate
API	American Petroleum Institute	M3	Cubic meter
BAT	Best Available Technology	MM	Million
BBTU	Billion British Thermal Unit	MMbbls	Million Barrels
BCF	Billion Cubic Feet	MMBTU	Million British Thermal Units
BPEO	Best Practicable Environmental Option	MMscf	Million Standard Cubic Feet
bscf	Billion Standard Cubic Feet	MWh	Megawatt Hour
CBC	Code of Business Conduct	NGO	Non-Governmental Organization
CEO	Chief Executive Officer	NOx	Nitrogen Oxides
CIPD	Chartered Institute of Personnel Development	OEMP	Operations of The Environmental Management Plans
CLO	Community Liaison Officer	OGP	Oil and Gas Producers Association
CLSCSEF	Common Low Sulfur Condensates Storage and Export Facilities	OIW	Oil in Water
CSR	Corporate Social Responsibility	QHSE	Quality, Health and Safety and Environmental Management System
EAD	Environment Agency – Abu Dhabi	QHSE&S	Quality, Health and Safety, Environment and Security division
EEG	Emirates Environmental Group	QP	Qatar Petroleum
EPC	Engineering Procurement and Construction	R&D	Research and Development
EPDD	Environment Protection and Development Department	RLC	Ras Laffan City
EMT	Emergency Management Team	RLES	Ras Laffan Environmental Society
GCC	Gulf Cooperation Council	RLIC	Ras Laffan Industrial City
GHG	Greenhouse Gas	RLIC COP	Ras Laffan Industrial City Community Outreach Program
GJ	Gigajoules	RLOC	Ras Laffan Olefin Company
GM	General Manager	SOx	Sulfur Oxides
GRI	Global Reporting Initiative	P&C	Procurement and Contracts
GSA	Gas Sales Agreement	PMT	Project Management Team
HR	Human Resources	TFP	Taweelah Fujairah Pipeline
HRSG	Heat Recovery Steam Generators	TRF	Taweelah-Receiving Facility
HSE	Health, Safety and Environment	TRIR	Total Recordable Incidence Rate
IFRS	International Financial Reporting Standards	TSS	Total Suspended Solids
IPIECA	International Petroleum Industry Environmental Conservation Association	UAE	United Arab Emirates
		USD	United States Dollar

Appendix E: 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
By-product	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 by-product 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
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
Gulf Cooperation Council	A political and economic union involving the six Arab states of the Arabian Gulf with many economic and social objectives
G3 Reporting Guidelines	A framework for reporting on an organization's 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
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
Oil Platform	A large structure used to house workers and machinery needed to drill wells in the ocean bed, extract oil and/or natural gas, process the produced fluids, and ship or pipe them to shore
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
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



Statement GRI Application Level Check

GRI hereby states that **Dolphin Energy** has presented its report "All It Takes is Positive Energy" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 11 March 2013

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a large, faint watermark of the GRI globe logo.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 4 March 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

Feedback Form

Contact Information and Feedback Request

As an ongoing endeavor to engage stakeholders and to improve performance, Dolphin Energy welcomes your feedback. You can mail/email the form below, or email with any feedback at: sustainability@dolphinenergy.com

I am

- | | |
|--|--|
| <input type="checkbox"/> a Government Representative | <input type="checkbox"/> a Dolphin Energy Supplier or Contractor |
| <input type="checkbox"/> an Employee | <input type="checkbox"/> an Industry Group Representative |
| <input type="checkbox"/> a Dolphin Energy Customer | <input type="checkbox"/> member of Local Community |

The report communicates the sustainability performance at Dolphin Energy:

- | | | |
|---------------------------------|---------------------------------------|--|
| <input type="checkbox"/> Poorly | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Exceptionally |
|---------------------------------|---------------------------------------|--|

The details of information in the report are:

- | | | |
|--|-----------------------------------|-------------------------------------|
| <input type="checkbox"/> Comprehensive | <input type="checkbox"/> Adequate | <input type="checkbox"/> Inadequate |
|--|-----------------------------------|-------------------------------------|

The quality of design and layout of the report is:

- | | | | |
|------------------------------------|-------------------------------|----------------------------------|-------------------------------|
| <input type="checkbox"/> Excellent | <input type="checkbox"/> Good | <input type="checkbox"/> Average | <input type="checkbox"/> Poor |
|------------------------------------|-------------------------------|----------------------------------|-------------------------------|

Please rate the following elements of the report:

	Very Poor	Poor	Average	Good	Excellent
Transparency					
Clarity					
Readability					
Informative, Interesting Reading					
Visually Appealing					

In what areas would you like to see additional information?

.....

.....

What would you improve in the report? How?

.....

.....

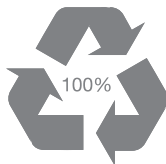
Additional suggestions or comments?

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