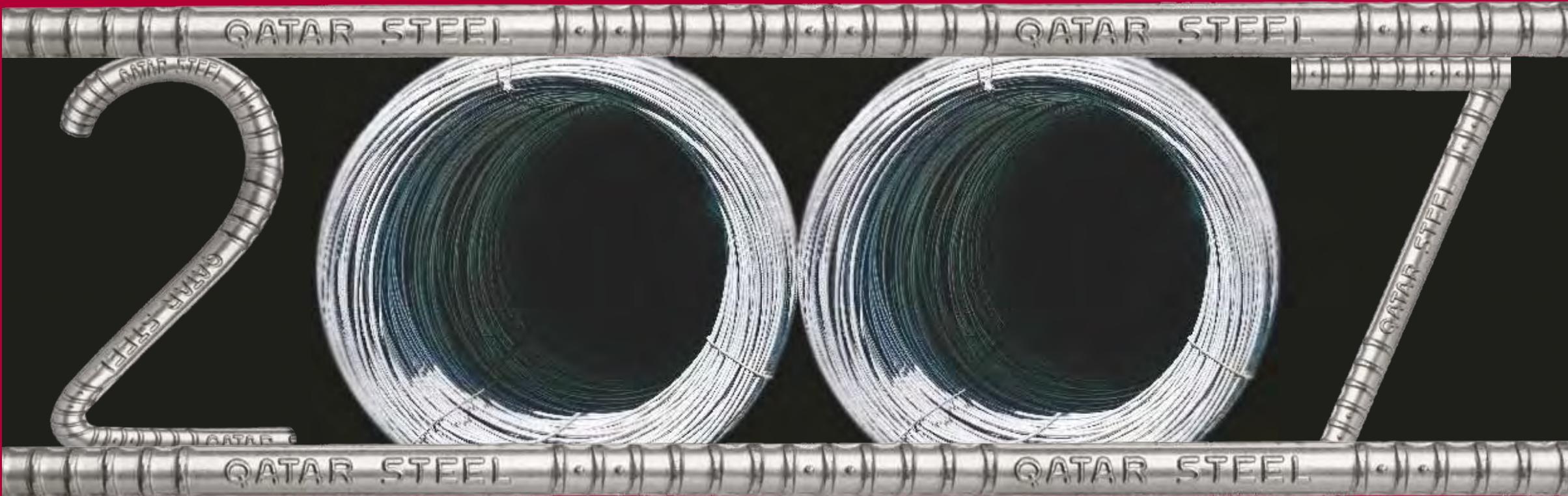


# Annual Performance Report



WE MAKE STEEL MATTER

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**Qatar Steel Company (Q.S.C.)**

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*In the Name of Allah,  
the Most Compassionate, the Most Merciful*



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





H.H. Sheikh Tamim Bin Hamad Al-Thani  
Heir Apparent



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# 1974

Qatar Steel was established on 14th October.

## Board of Directors



H.E. Yousef Hussain Kamal  
Chairman



H.E. Dr. Mohammed Saleh Al-Sadah  
Vice Chairman



Sh. Nasser Bin Hamad Al-Thani  
Director



Mr. Fahad Hamad Al-Mohannadi  
Director

WE MAKE STEEL MATTER



Mr. Abdel Rahman Ahmed Al-Shaibi  
Director



Dr. Nasser Mubarak Shafi Al-Shafi  
Director



Mr. Mohamed Hitmi Ahmed Al-Hitmi  
Director



# 1981

Achieved one million tons of production for DR, EF, CC & RM.

# Senior Management



**Eng. Mohammed Tahir Al-Hammadi**  
Projects Division Manager



**Mr. Ali Bin Hassan Al-Muraikhi**  
Commercial Division Manager



**Mr. Saad Rashid Al-Mohannadi**  
Procurement & Warehousing  
Division Manager



**Sh. Nasser Bin Hamad Al-Thani**  
Director & General Manager



**Mr. Yousef Abdulla Q. Al-Emadi**  
Production Division Manager



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



**Mr. Husein Hassan Murrar**  
Business Development Manager



**Mr. Remy Rowhani**  
Finance Division Manager



**Dr. Idris I. Gamil**  
Senior Legal Advisor & Board Secretary



**Mr. Malek Hamdieh**  
IT Manager

# 1989

Achieved five million tons of production  
from all plants.



## Chairman's Message



H.E. Yousef Hussain Kamal  
Chairman

I have immense pleasure in informing you that 2007 was a successful year for Qatar Steel, especially with strong demand in its markets and high prices for its products. Qatar Steel increased its production by successfully commissioning its new DRI, RM and SMS plants and exhibited remarkable growth in sales.

In 2007 the Consolidated Net Income of Qatar Steel reached QR 858 million compared to QR 534 million in 2006 and the Net Cash Income increased to QR 933 million from QR 602 million in 2006.

### 2007 Performance Highlights

Total shipments reached 1,784 KMT, of which rebars accounted for 1,473 KMT, billets accounted for 176 KMT and DRI/HBI accounted for 135 KMT. Domestic shipments surpassed the 2006 shipments by 22% or 166 KMT and reached 917 KMT. At the same time, export shipments increased by 16% from the 2006 figure of 747 KMT and reached 867 KMT.

Total DRI Production in 2007 was 1,296 KMT compared to 877 KMT achieved in 2006 (302 operating days in DRI-1).

Production of Molten Steel in the EF Plants was 1,175 KMT against the budgeted figure of 1,163 KMT and the 2006 actual production figure of 1,039 KMT. The billet production from the CC Plant was also higher at 1,147 KMT compared to the budgeted figure of 1,142 KMT and the 2006 actual production figure of 1,013 KMT.

During the year, 302 new employees were added to our total manpower strength, after considering attritions.

Finally I would like to thank the management and staff of Qatar Steel for their continuous dedication towards developing and improving the Company's performance in all aspects. I would also like to emphasize that the exceptional progress that Qatar Steel has achieved over the recent years is essentially driven by the stupendous growth of the Qatari economy under the leadership of His Highness Sheikh Hamad Bin Khalifa Al-Thani, the Emir and His Highness Sheikh Tamim Bin Hamad Al-Thani, the Heir Apparent. I would like to take this opportunity to express our sincere gratitude to the leaders of this country for their unwavering support and inspiring leadership. I would like to conclude by once again thanking the employees of Qatar Steel for their contributions towards this marvelous success and I urge them all to maintain the momentum of growth in order to achieve even better results in the coming years.

Yousef Hussain Kamal  
Chairman

1991

JIS mark certification acquired.



# Director and General Manager's Message



**Sh. Nasser Bin Hamad Al-Thani**  
Director and General Manager

We take great pleasure in presenting you the fourth annual report of Qatar Steel Company. The year 2007 was one of our most successful years of operation. At the year end, our total production reached around 1,295,503 tons of Sponge Iron; 1,174,917 tons of Molten Steel; 1,146,686 tons of Steel Billets and 958,156 tons of Steel Bars.

During the year we delivered 185,000 tons of billets and 1,473,000 tons of reinforced steel bars. The production of Qatar Steel Dubai stood at 118,185 tons of coil.

What makes these achievements more distinguished is the fact that we encountered numerous challenges and successfully overcame them.

The record output levels of our various production units in 2007, including the direct reduction, electric furnaces, continuous casting and rolling mill units is a direct reflection of the increasing demand for our products. It has been noticed that the steel produced at Qatar Steel has placed the Company in a prominent position as one of the prime producers of the best steel varieties in the world. In this context, Qatar Steel is exerting its utmost efforts to maintain the best quality standards in its daily operations and activities, starting from contacting the clients till meeting their requirements in compliance with their expectations. The Phase 1 Expansion Project consisting of the Direct Reduction Plant, Electric Arc Furnace, Continuous Casting Unit and Rolling Mill has been completed. The project was initiated in 2005 at a total cost of US\$ 575 million. Commissioning and start-up of all plants were launched in the second half of 2007. Upon completion of Phase 1, total production of DRI will reach 2.4 MTPA, steel billets will reach 1.6 MTPA and steel bars will reach 1.45 MTPA.

The Company is currently initiating a new project for adding a 4th Electric Arc Furnace, an affiliated Continuous Casting Unit with an annual production capacity of 1.2 MTPA of steel billets and a new Rolling Mill at a capacity of 800,000 TPA of steel bars. Upon completion of the Phase II Project, the total production of steel bars will reach 2.25 MTPA and the billets available for sale will be 180,000 TPA.

The Company is determined to pursue its future growth plans aimed at producing 4 million tons of steel annually during the next 5 years. We are also working diligently on increasing our production capacity and developing our business further by entering into overseas joint venture projects in the Mining and Pelletization sector in order to ensure a steady supply of raw materials needed for increasing the production capacity. Gulf Industrial Investment Company (GIIC) in Bahrain and El Aouj Project in Mauritania

are two examples of such projects. With a view towards strengthening our relationship with El Aouj partners, we purchased a stock investment of around 10% in Sphere Investment Ltd. in Australia.

The Qatar Steel joint venture project in Bahrain – United Stainless Steel Company (USCO) – was completed and commissioning and start-up activities have begun. Commercial production of cold rolled stainless steel coils and sheets will commence from this facility in the 2nd quarter of 2008.

## 2007 Performance Highlights

During 2007, our sales exceeded the budget and production was close to the budget or equivalent to the planned levels. This can be summarized as follows:

Total shipments reached 1,657,000 MT, of which rebars accounted for 1,473,000 MT and billets 185,000 MT. Domestic shipments surpassed the 2006 figure by 22% or 164,000 MT and reached 917,000 MT. Export sales also increased over the 2006 figure of 489,000 MT and reached 556,000 MT, an increase of 12%.

Our 1.5 million Mega-module DR Plant went on stream on 1st July, 2007. The plant is designed to simultaneously produce both Hot Briquetted Iron (HBI) and Cold Direct Reduced Iron (CDRI). It is considered to be the first of its kind in the region and the entire world.

After the tweaking of equipment, processes and operations, the plant passed the Performance Guarantee Tests (PGT) by the end of November. In December, it also passed the Operation Tests (OT) required by the Lenders Technical Advisor (LTA).

The new plant produced 332,781 MT of CDRI and 91,067 MT of HBI.

The existing DR plant produced 867,549 MT of DRI against the budget of 770,423 MT. The production rate is 4.3% higher than 2006.

Production in EF and CC Plants was on target and was higher than the 2006 actuals.

Various modifications and development projects were undertaken to reduce costs. A new EF2R, Ladle Furnace (LF2R) and new CC2R were commissioned during the year. This is expected to further enhance productivity and quality in 2008.

Rolling Mill recorded a production of 959,000 MT in 2007 compared to 730,000 MT in 2006.

Qatar Steel places great emphasis on the recruitment and training of qualified and skilled Qatari nationals. We certainly consider our manpower to be a priceless treasure, and hence spare no effort in upgrading their skills to the highest possible standards. The working conditions and safety levels of our employees rank among the best in the industry. Training is imparted to employees at various levels and they are constantly inspired and motivated to raise their aspiration levels and behave as model corporate citizens. Qatari nationals presently occupy over 17% of the managerial positions and over 10% of other positions.

The Consolidated Net Income of Qatar Steel was QR 858 million in 2007 compared to QR 534 million in 2006.

During 2007, Qatar Steel further upgraded the employees' compensation packages to competitive levels.

**Nasser Bin Hamad Al-Thani**  
Director and General Manager



## Brief about Qatar Steel



Qatar Steel Company, which was established in 1974 as the first integrated steel plant in the Arabian Gulf, commenced commercial production in 1978. Since then, the Government of Qatar acquired complete ownership of the Company and transferred the same to Qatar Petroleum (QP), which in turn transferred its shares to Industries Qatar (IQ). Today, Qatar Steel is recognised as a leading and constantly growing force in the steel industry of the region, and is admired for its business culture, for building value for its shareholders and customers, and for inspiring its employees.

With a committed, skilled and well-trained workforce of about 1,900 employees, and excellent plants, Qatar Steel produces and sells a wide range of bars, billets and DRI/HBI throughout the

GCC area and neighbouring countries. Over the last three decades that Qatar Steel has been in operation, it has earned a remarkable reputation for unrivalled quality, flexibility and reliability for all its product and service offerings.

Qatar Steel also operates a fully owned subsidiary – Qatar Steel Company FZE Dubai – that produces steel bars and coils. Qatar Steel also has a sizeable stake in three associated companies - United Stainless Steel Company (USCO), Bahrain; Gulf Industrial Investment Co. (GIIC) and Qatar Metals Coating Company W.L.L. (Q-Coat). USCO manufactures cold rolled stainless steel coils and sheets. GIIC is engaged in the pelletization of iron ore, which is an essential raw material for Qatar Steel and Q-Coat manufactures epoxy coated bars.



# DR Department



During 2007, Qatar Steel's Direct Reduction Plant successfully commissioned and commenced operation of its DRI/HBI Combo Plant, the first of its kind in the world (Module-2). The mega module plant, which was handed over to Qatar Steel by the EPC Contractor on 29 November 2007, is presently producing DRI and HBI according to the production plan and market demand.

## Operation Results of Module-1 in 2007

### Best Plant Safety

Fifty months of plant operation without any personnel accident.

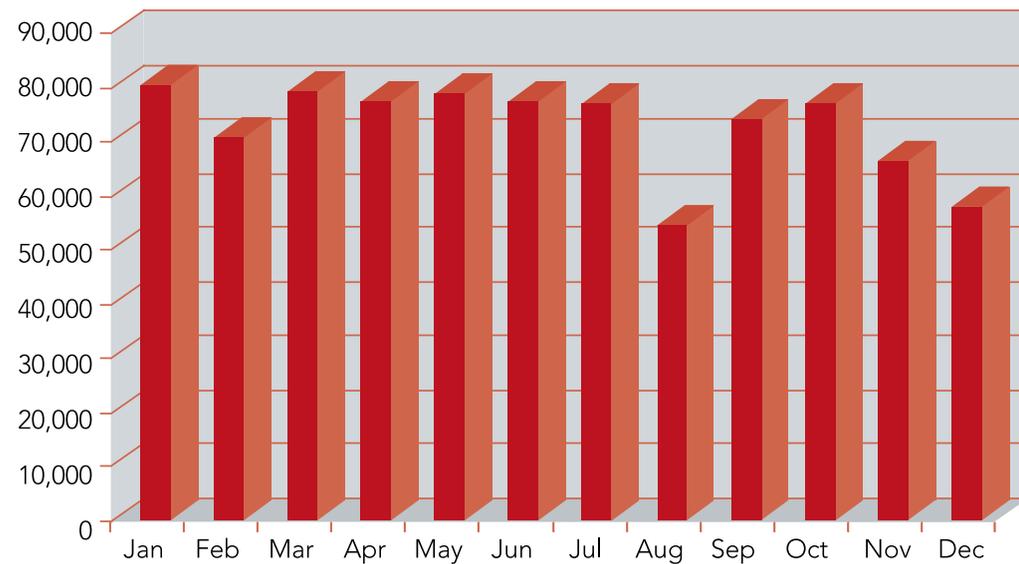
### Two Daily Production Records

Best daily production record was surpassed twice and the highest daily production record of 2,632 MTPD was achieved on 13 January 2007.

### Monthly Production Record

Monthly production record of 80,072 MT was achieved in January 2007, surpassing the previous record of 79,566 MT established in December 2006.

DR1 Production (T/Month)





1997

Qatar Steel became fully owned  
by the Government of Qatar.

# Material Control Department



## New facilities/equipment, added during the expansion projects

Storage Yards 5 & 6	Storage of iron ore pellets
Storage Yard 7	Export product storage yard
Storage Yard 8	By-product storage yard
Stacker/Reclaimer Equipment (02)	1,000/3,000 MT/Hour (For iron ore)
Stacker (01)	400 MT/Hour (For product stacking)
Soft Loader (SL-02)	1,000 MT/Hour
Movable Type Hoppers (LH01&02)	Material reclaiming to DR-02
Fixed Type Hoppers (LH03~06)	For loading/exporting cargo

Qatar Steel marked the year 2007 with a number of achievements, including the successful commissioning and start-up of its second Direct Reduction Plant and its new Electric Arc Furnace, EF2R. The Material Control Department played a vital role in the commissioning of both these plants by consistently maintaining the material supply and facilitating other requirements.

During the year, the import of iron ore & alloys was doubled, thereby drastically increasing the handling/storage of material. It is quite a challenge to supply end-users with the required raw material feed, especially with their increased intake. Our efforts immensely contributed to the success of the downstream production departments and enabled them to establish new production records.

On 1st October 2007, we successfully loaded the first consignment of Qatar Steel's new product – sponge iron – on to M/V Madre which sailed for the port of Al Ain Al Sukhna, Egypt. Since then and till 31st December 2007, a total of 10 shipments (5 each for Sponge Iron & HBI) have been successfully loaded and despatched. The overwhelming support we received from all the concerned departments, who worked as one team, helped us to achieve these landmarks.



## Achievements

### Carbon Pneumatic Conveying System

In order to fulfil the carbon injection system requirement of EF3 & EF2R, a new carbon pneumatic system was commissioned by the Engineering Department and was handed over to the Material Control Department.

### Change in Organisational Set-up

Taking into consideration the upcoming new projects and the expected increase in responsibilities, the three groups under the Material Control Department were re-structured to form four new sections. This will facilitate a comprehensive system and improved handling techniques & logistics support that are required to ensure overall effectiveness and minimise cost of operation and maintenance. This will further enable us to exercise proper control at various stages of operation and allocate individual responsibilities to each section.

The Department has enhanced its abilities with a commitment to serve the operation departments by employing a strategy of synergistic integration.

# Manufacturing Department EF-CC-RM & Logistics



## Production Performance

Plant		Capacity in tons	2007 Result in tons
ELECTRIC ARC FURNACE	EF 1 & 2	420,000	546,304
	EF3	384,000	496,241
	EF2R	666,000	132,372
	<b>EF TOTAL</b>	<b>1,470,000</b>	<b>1,174,917</b>
CONTINUOUS CASTING	CC 1 & 2	526,800	585,400
	CC3	705,317	486,022
	CC2R	615,000	75,262
	<b>CC TOTAL</b>	<b>1,847,117</b>	<b>1,146,684</b>
ROLLING MILL	RM1	740,000	723,586
	RM2	700,000	234,570
	<b>RM TOTAL</b>	<b>1,440,000</b>	<b>958,156</b>

Note: EF2R commissioning started during the month of June 2007.  
CC2R commissioning started during the month of September 2007.  
RM2 commissioning started during the month of May 2007.

## Electric Arc Furnace

The overall performance of the Electric Arc Furnace was quite impressive during the year 2007. The Shop realised a higher production than the budget and achieved many production milestones.

### Process Innovations during 2007

1. Dololime was introduced in all the three Electric Arc Furnaces in order to reduce the furnace refractory erosion, thereby increasing the furnace availability by increasing the EF wall refractory life. As a result of this, the EF1 and EF2 wall life reached up to 787 heats from the previous 600 heats.
2. The new EF2R and LF2R Ladle Refining Furnace was commissioned during 2007. This will increase the production by 660,000 tons per year.
3. Use of Celox for instantaneous Carbon/Oxygen percentage measurement was continued in EF3 and its full benefit in increasing productivity was achieved during 2007. The same was implemented in EF2R also.
4. In order to reduce production cost, modifications in operational procedures have been carried out in EF3 and EF2R. One of them was to reduce the blocking of FeMn in the furnace by 50%. After the successful trials in EF3, the same procedure was implemented in EF2R also. This has resulted in the saving of 3 to 4 kg of Ferromanganese, per ton of liquid steel.

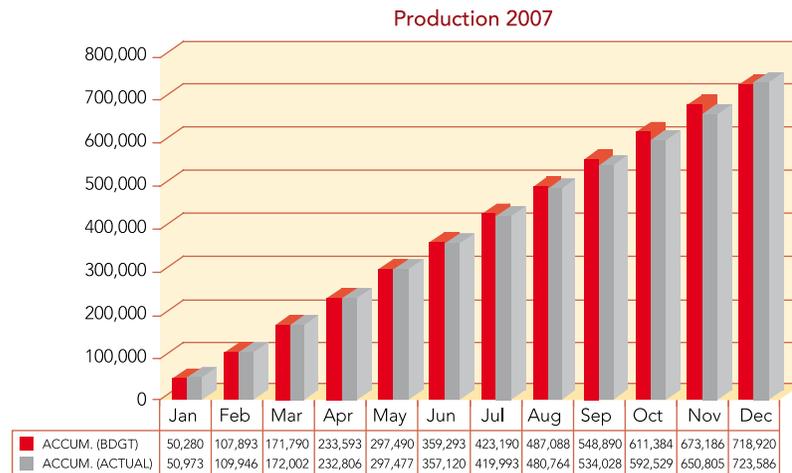
## Continuous Casting

Qatar Steel successfully commissioned its state-of-art billet casting machine in September 2007. The plant will add 700,000 metric tons to the existing capacity. The new casting machine is supplied by Danieli, Italy and is equipped with a high speed casting facility, dynamic secondary cooling, variable hydraulic oscillator and others. The machine is also suitable for value-added grades like low & high carbon steel and is capable of producing 130, 150 and 200 mm size of billets.

The overall performance of continuous casting was quite impressive during 2007. The Shop realised a higher production than the budget and achieved many production milestones.

### Developmental Activities during the Year:

1. CNC (nozzle changing) device is being used in CC3 and CC2R to achieve the highest CCC ratio. This has increased the yield.
2. Effective steps were taken by implementing the above for reducing the conversion cost.
3. By routing the heats through the ladle furnace, the super heat in the casting and the breakout were reduced.



## Rolling Mill 1

### 2007 Milestones

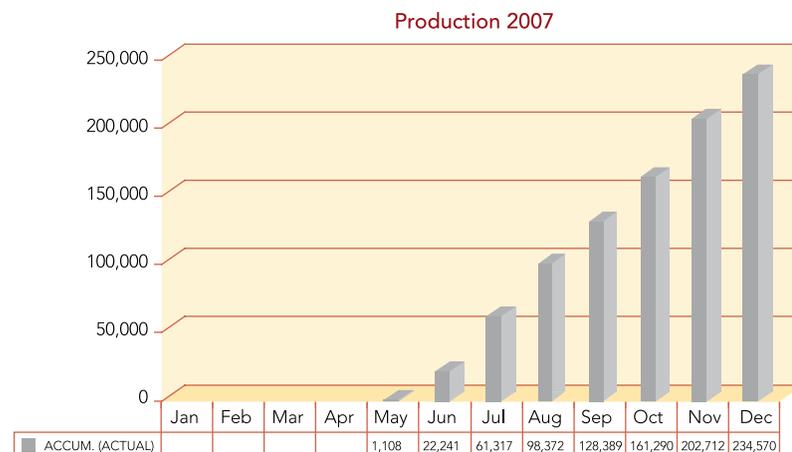
- New daily production records were established twice, for the sizes 18 & 22.
- The highest monthly production of 72,781 tons was achieved in December 2007, surpassing the previous figure of 70,463 recorded in May 2005.



## Rolling Mill 2

Qatar Steel successfully commissioned its second rolling mill facility during May 2007. The mill has an annual rolling capacity of 700,000 tons.

The new rolling mill consists of an 18-stand continuous train, in horizontal-vertical configuration, with 2 convertible stands and a cooling bed of 120 meters. It has a walking hearth and a gas fired reheating furnace, with a discharge capacity of 130 tons/hr, in 12 meter billets.



This mill incorporates various up-to-date technology like, Red Ring Type Housing Less Stands, Minimum Tension Control (MTC), Vertical Loopers, Quenching System, Final Product Length Optimization, On-line Cold Shear and Screw Bar Counter.

It employs a 3-strand rolling technique for sizes from D8 to D14 and a 2-strand technique for sizes from D16 to D20 and a single strand technique for sizes from D25 to D40. This method of rolling reduces the rolling time thereby increasing the productivity. The Pomni Quenching System (PQS) induces the required mechanical properties at a lower chemical composition, thereby saving on cost.

## Logistics

Developmental Activities during the Year:

1. In order to improve the availability of ladles and facilitate the production from the four furnaces, along with the commissioning of the new EF2R, a new slide gate preparation stand was developed & installed. This has resulted in the production of an additional one heat in EF everyday (approx. 27,000 tons extra production per year) by eliminating daily reported ladle delays and improving plant logistics.
2. Increased the ladle-free opening percentage from 60% to 90%.
3. Increased the purging plug life from 3 heats to 12 heats.
4. Increased the inner nozzle life in the slide gate system to 20 heats.

# Commercial Affairs Department

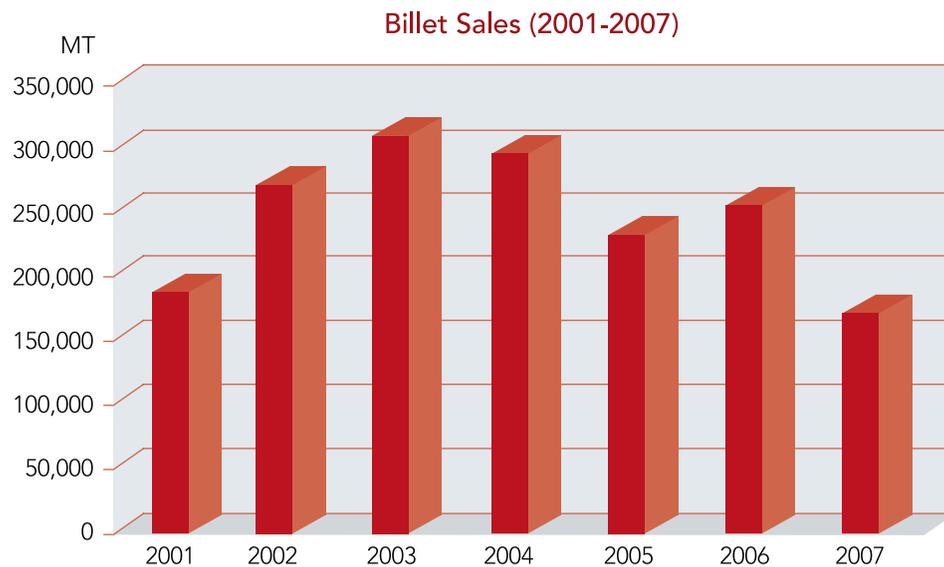
Ingenious planning and strong foresight backed by robust business intelligence and efficient execution of plans have been the essence of the Commercial Affairs Department's efforts to stay ahead of the competition on price, delivery and quality standards. As a pioneering steel maker in the GCC region with ambitious plans in a growing competitive market, they had undertaken a comprehensive branding exercise, synergizing expertise with strategy to evolve a distinct corporate identity thereby enabling a high brand equity. These efforts led to the successful launch of the new corporate identity – QATAR STEEL – on 10th April 2007, under the auspices of H.E. Dr. Mohammed Saleh Al-Sadah, Vice Chairman of Qatar Steel Company.

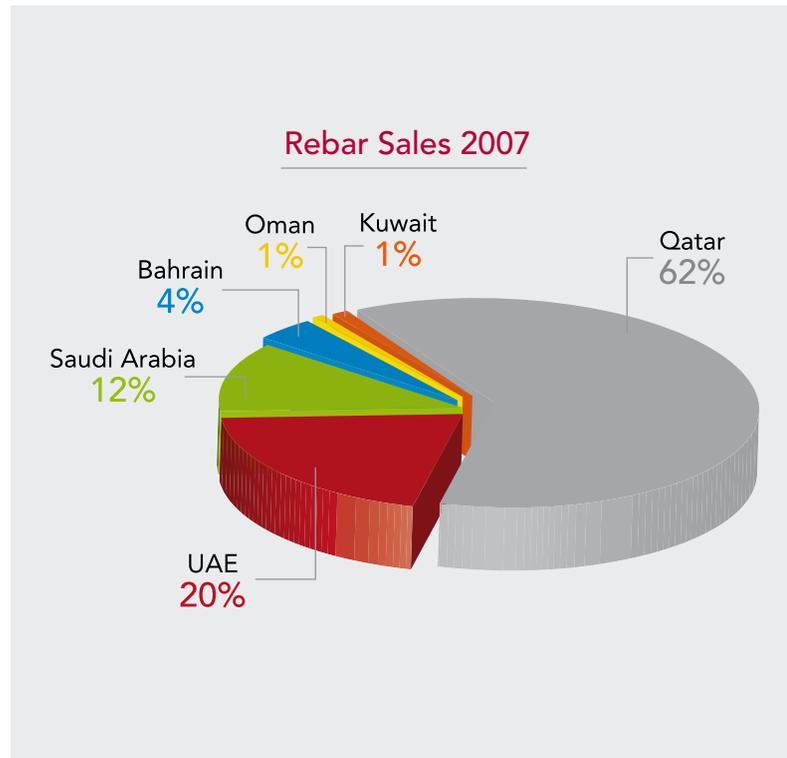
Projects worth US\$ 1.3 trillion, which are at various stages of implementation in the GCC region, enabled Qatar Steel to boost its sales this year. The year also witnessed exceptional prices. The increased construction activity in the US and Europe early this year pushed the prices to higher levels globally. The rising international prices, coupled with strong fundamentals

in the GCC region raised the prices in the region. As result the Department realised high revenues during the year.

Demand in the Qatari market, our primary market, was quite high during the year, mainly due to the fast-tracking of major infrastructure projects, oil/gas projects and rising commercial/residential building projects. Our supplies to the domestic market during the year was 914,768 MT, a growth of 22% from the previous year. Gross quantity sales in 2007 went up by 19% from last year's sales and reached 1.471 million tons. Along with maintaining regular supplies to the domestic market, we have optimised our share in each of the GCC countries. High rebar demand in all the GCC markets have assisted the maintenance of high rebar prices across the markets.

Global demand for Metallics has been on the rise since early 2007, after major scrap exporters, CIS, reduced their exports. Demand for Metallics in the Middle East region has also been rising. This facilitated the sale of the entire 135,000 MT of merchant billet and DRI, that was available this year, mostly within the MENA region itself. With the commissioning of the second rebar mill and the high demand for rebars in the GCC region, most of the billets produced are being used for production operations. Hence the merchant billets available have been limited. The Company achieved a sales of 175,566 MT in billets, catering primarily to the UAE market.





The impressive commercial performance of this year was reinforced with excellent customer support. The introduction of the customer portal solution, the first of its kind in the region, which would enable customers to take advantage of e-commerce, is a step in this direction. The customer portal has completed its testing phase and is due for launch shortly.

In an effort to enhance the brand visibility after the launch of its new corporate identity, the Commercial Affairs Department developed a strong brand strategy to manage the brand internally as well as externally. As a part of managing the brand internally, a brand adaptation drive was launched immediately after the launch. A special edition of the in-house bimonthly magazine – *Alsob* – dedicated to the historic brand launch event was circulated internally and to our customers. Our efforts to promote the new identity in the external market, saw Qatar Steel receiving the award for the ‘Best Stand Design’ at the Gulf Bid 2007 exhibition

that was held in Bahrain in May 2007. This milestone achievement was followed by extensive advertising campaigns in all the leading business and economic magazines, construction related magazines and in-flight magazines, in both English and Arabic, and a campaign in one of the high-value publications, ‘The Golden Book of Qatar’. With an unlimited opportunity to broaden its competitive advantage, Qatar Steel sponsored certain high-profile events like Success Forum 2007 in Dubai, Middle East Steel Conference 2007 held in Dubai and organised by MEED and also became part of the Dubai Gold & Commodities Exchange seminar coined as ‘DGCX Steel Rebar Futures Contract’. Qatar Steel continued to remain visible in the region when they sponsored another high profile event, the 11th Middle East Iron & Steel Conference, held in December 2007 in Dubai and organised by Metal Bulletin.

The overall performance of the Commercial Affairs Department was impressive throughout 2007 as they met all the desired targets.



# 1999

EAF3 commissioned with a capacity of 622,000 MT.



# Health, Safety & Environment Department

## HSE Training

Safety education and training is an ongoing process. During 2007, basic HSE training was imparted to 356 employees of Qatar Steel.

In addition to this, refresher HSE training courses were frequently conducted for the employees of Qatar Steel. Area-specific and job-specific in-house HSE training courses were recommended to the Training Department and the same were conducted.

An advanced fire fighting course was conducted in two batches for the employees of the MC Department who handle hot slag.

HSE induction training, which is mandatory for all contractor employees, was conducted in various languages – English, Arabic, Hindi, Malayalam and Tamil.

## Heat Stress Management

Campaigns on the hazards of heat stress, pamphlets on the 'do's & don'ts to beat the heat', an awareness training programme on heat stress by a Medical Officer and Safety Engineer and the auditing of heat stress management at work places by HSE representatives were part of the heat stress management initiatives.

## Motivation

The involvement of employees in HSE was highly encouraged through various motivational programmes like safety posters, safety slogans, HSE quizzes and suggestions.

Qatar Steel has an integrated HESQ Policy and to improve the awareness and knowledge of it, an online quiz competition was conducted during this year. The response was very impressive and the winning employees were presented with attractive cash awards.

## Communication

Communication is one of the major tools for a better HSE Management System, and all the information regarding accidents and the safety performance of each and every section or department is communicated to all the concerned departments. HSE is one of the departments that use the services of our Intranet portal as a medium of communication.

The HESQ policy signed by the Director and General Manager is available on the HSE portal in both English & Arabic. In addition to this, all HES related news, messages, monthly statistics, department-wise hazards, risk register based on the hazards, incident/near miss reports, PPE standards, environment standards and ongoing EMPs and a number of useful details on HES are available on this portal.

## Environment

The Supreme Council for Environment and Natural Reserves felicitated Qatar Steel with a trophy, certificate and memento for their participation in the 2007 Environment Day. Addressing the guests, the Secretary General of SCENR, expressed his gratitude for making the event a success. Mr. Al-Ali thanked all the organisations, including Qatar Steel, for making the event a success.





# 2001

Qatar Steel achieves the GCC Environmental Award for the best company in the GCC that implemented environmental standards and measurements.



## Human Resources Department



The aim and objective of the Human Resources Department is to increase employees' productivity and efficiency and enable them to enjoy a fuller and richer life with adequate economic gains. The Human Resources Department undertook many important initiatives in 2007 and completed a number of major projects which contributed positively towards developing employee relationships.

**The following are the accomplishments of the Human Resources Department during 2007:**

1. Revised employees' salaries and allowances to competitive levels and implemented sound employee policies and practices.
2. 90% of the human resources policies were reviewed.
3. Implemented manpower planning & budget procedures.
4. Implemented Oracle Time & Labour in order to automate the entry of overtime and absences.
5. HR was able to attract and recruit the required number of employees (414) for the expansion projects.
6. HR concentrates on defining objectives for all senior and supervisory level intermediate employees and compares and directs their performance against the pre-set objectives. HR aims to improve the performance of the organisation by matching organisational goals with the objectives of subordinates throughout the entire organisation. Employees are encouraged to involve themselves in the process of identifying their objectives and the period required to accomplish these objectives.

# 2003

Qatar Steel achieves SASO certification.



# Industrial Relations Department

## Improving the services and satisfying the requirements of Qatar Steel employees

With a view towards ensuring that our employees are well-motivated in their endeavour to become productive corporate citizens, a well-equipped recreational and library facility was commissioned in the lobby of the Qatar Steel dormitory.

The lobby of the dormitory, which was opened on 17th June 2007, has a wide range of recreational games and venues as well as a library. The library is well-equipped with many books, pamphlets and related and is supported by Qatar Islamic Cultural Centre. The lobby provides residents with the convenience of browsing through a wide range of books, newspapers, periodicals, magazines and journals and has enough avenues for recreational activities.



The Industrial Relations Department is always seeking newer avenues to refine all aspects of its services and is constantly striving to streamline and improve its operation. The challenge for the Department is to provide the highest quality of services to the Company's employees. In this regard, it has taken a major step by restructuring the senior mess hall, making it more elegant and spacious for both employees and guests.

## Projects Division

### HBI/DRI Combo Plant Project

Qatar Steel's new Direct Reduction Iron/Hot Briquette Iron Combo Plant project was successfully commissioned on 29th November 2007. The plant can annually produce either 750,000 tons of Direct Reduction Iron (DRI) and 750,000 tons of HBI or 1.5 million tons of DRI. The technology used for the plant is supplied by MIDREX using MIDREX MEGAMOD module which is equipped with three briquette machines to produce HBI. The new plant is capable of supplying DRI to the Steel Melt Shop and HBI for export sales.

Successful production of DRI and HBI are in progress and the operation of the plant is stable. Performance Guarantee Tests have been carried out successfully. Produced materials (DRI/HBI) are being exported using the new 1000 tph capacity Ship Loader according to the export requirements.



### New Bar Mill (NBM) Project

Qatar Steel's New Bar Mill project was successfully commissioned on 15th May 2007. The capacity of the plant is 700,000 tons of bars per year, bringing the cumulative capacity to 1.44 million tons per year. The THERMAX® REBAR QUENCHING SYSTEM has been integrated with the new 700,000 tpy bar mill to improve the quality and cost-down of products under the New Bar Mill.

The New Bar Mill is supplied with 150 x 150 mm, 12 m billets from the Steel Melt Shop, which is re-heated to 1150°C in a walking hearth furnace. These billets are rolled through the 18-stand continuous bar mill, to produce re-bars of 8 mm to 40 mm in diameter with lengths varying from 6 m to 12 m according to the requirement.

### Steel Melt Shop Expansion (SMS) Project

The commissioning of Qatar Steel's Steel Melt Shop Expansion project has increased the capacity of the billet production to 1.6 million tons of billets per year. Major facilities which were installed during the expansion are two 80T capacity Ladle Furnaces (LF3 & LF2R), one 80T capacity EAF (EAF2R), one 4-strand continuous casting machine (CCM2R), a Fume Treatment Plant, SVC etc.

The Electric Arc Furnace (EAF2R) was commissioned on 25th June 2007, the Ladle Furnace (LF2R) was commissioned on 27th June 2007 and the Caster (CC2R) was commissioned on 11th September 2007. All systems have been stabilised and are running satisfactorily. Continuous operation of the plant with full load is also being achieved.