

Corporate Social Responsibility

REPORT
2005



Safety • People • Performance



Contents

Atlantic LNG CORPORATE SOCIAL RESPONSIBILITY REPORT

Atlantic LNG Company of Trinidad and Tobago is a privately operated Trinidad and Tobago company established by its members: BP, BG, Repsol, Suez and the NGC, to liquefy natural gas for export. The company began operations in 1999 and now operates a 4-train facility in Point Fortin, Trinidad.

Atlantic directly employs 592 nationals and some 290 contract workers provided by various Trinidad and Tobago companies.

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From the President



Rick Cape
Atlantic LNG President

When we began the process of reporting on our performance as a responsible operator in 2004, we set out simply to provide a written account of those plans, actions and outcomes against which we could be held accountable to our stakeholders. Our relationship with our stakeholders is very important to us and we believe that transparency, in what we do, and how we do it, is key to the quality of this relationship.

The feedback we had ranges from 'right action for a company like yours' and 'exemplary' to 'more people ought to know about what you do' and 'you don't do enough'. We are grateful for your comments. This report details how Atlantic has responded to the feedback given by our stakeholders.

The year 2005 was a year of great records for Atlantic LNG. Our deeply entrenched emphasis on the safety of our people and our operations is one of the things that define us as a company. We broke our own excellent record with an OSHA (Occupational Safety and Health) Recordable Rate of 0.14 per 200,000 hours, or the equivalent of one injury per 1.5 million hours.

Our people performance was another highlight last year, because we accomplished all that we promised to do. Some 177 new employees joined the Atlantic family in 2005.

We established a process for a corporate Personal Development Plan (PDP) and created a company-wide Competency Framework which will be integrated with the PDP process to drive training and development. Our commitment to development and retention of great people and to creating a place where people want to be, is another of the things that define us as a company.

Train 4 came on-line last year, one of the world's largest operating LNG trains. The entire project was delivered without a single person losing a day of work due to injury. Our cost and schedule performance was very strong. I am pleased to report that labour challenges experienced early in 2005 were successfully resolved to the extent that the project was completed on time and within budget. This was due to exceptional performance on the part of Atlantic's EPC contractor, Bechtel, who has partnered Atlantic since 1996 to build the great assets – Trains 1 through 4. Bechtel's performance has been supported over the years by a number of local contractors and workers whose service we recognise.

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2005 was a year of follow-through on commitments we made. Our commitment to promoting our people into the spaces created in our ever expanding operations, coupled with a strategy to grow human resource for our own needs as well as for the needs of the industry through training, is already paying huge dividends. Atlantic LNG's Operator Trainee Programme was launched in August 2004 with the intake of 32 trainees. To date 70 persons have been involved in the programme.

We maintain our commitment to quality relationships both with our fence-line and the wider community through consultation, communication of our activities and frequent direct contact. Much of our contact in 2005 has been focused on our effort to re-locate 72 residences of families who live closest to our fence-line.

Atlantic's partnership with the Housing Development Company (formerly NHA) has achieved quality alternatives in housing for these residents, who are preparing to move into their new homes at Southern Gardens.

Our community development objectives envisage significant financial contributions to selected projects in the Point Fortin area, based upon consultation with leaders in the community. We remain committed to support the establishment of a new area hospital. We expect that in 2006 further discussions with the community will point the way to the selection of an acceptable alternative for the use of the funds earmarked for business development.

Our Business

Atlantic's Train 4 began producing LNG in December of 2005. The start-up also marks a significant milestone for Atlantic as we transition from a constructing company to an LNG company operating globally. The addition of this facility means too that Trinidad and Tobago now produces some 15.2 million metric tonnes of LNG for export annually. We currently provide 74% of LNG imported into the United States and remain in a highly competitive position relative to that market based on delivery costs that are 20% to 30% lower than that of our closest rivals.

***Overall, the process of reporting
has been beneficial to Atlantic
and we thank our readers.***

***Setting out our plans in writing
further assures our performance
against the goals we set.***

The operation of a fourth train facility by significant numbers of skilled, technical and trade workers engaged in ongoing maintenance, engineering, information technology, and training and development services augurs well for the future sustainability of the energy sector and the economy on the whole. These knowledge workers, supporting a profitable major investment base that does not require fiscal support of Government may some day be the legacy to promote Trinidad and Tobago out of the ranks of the lesser-developed nations.

Overall, the process of reporting has been beneficial to Atlantic and we thank our readers. Setting out our plans in writing further assures our performance against the goals we set. We hope that this year's review is helpful to an ongoing process of getting to know Atlantic.



RICK CAPE
President

About Our Review 1.0



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1.0	ABOUT OUR REVIEW
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Atlantic LNG's 2005 Corporate Social Responsibility (CSR) Report is based on the principles of the 2002 Global Reporting Initiative (GRI) used by companies internationally as a standard for reporting.

The report describes major aspects of Atlantic's performance from business, environmental and social perspectives. The report has been prepared by the Government and Public Affairs unit of Atlantic and reviewed by Atlantic's leadership. Information provided has been offered for audit by external bodies. We have taken steps to improve our reporting in order to create an important accountability mechanism, and to strengthen relationships by demonstrating to local communities and regulators that the company is operating in an environmentally and socially responsible manner that will benefit the community in the short and long term.

We expect to deepen the level of understanding of how the company is performing among employees. We expect that understanding to improve company operations and decision-making processes. Ultimately, through our commitment to reporting, we enhance business value by building member confidence and demonstrating that the company is managing risks and positioning itself to address emerging opportunities.

We have also moved to elicit wider input in the audit process by involving organisations intimately associated with our business, our challenges and our performance. This year we have invited comments from the Trinidad and Tobago Bureau of Standards (TTBS) which is the local Registrar accredited by the International Organisation for Standardisation (ISO) and charged with maintaining the high standards prescribed by the international body. Atlantic LNG is the first company operating in Trinidad and Tobago to 'go local' and utilise the TTBS as a Registrar for auditing its HSE Policy and procedures, a requirement towards preserving ISO 14001 Certification. (See page 37)

About Our Review 1.0



Birds flock over the T4 reclamation site.

Atlantic's utilisation of the TTBS fits in with the company's principle of facilitating the development and recognition of local competencies.

Our community performance has been reviewed by Mrs. Patricia Bradshaw, Chief Executive Officer, Point Fortin Corporation, who is an active participant in the Atlantic Community Council. (See page 37)

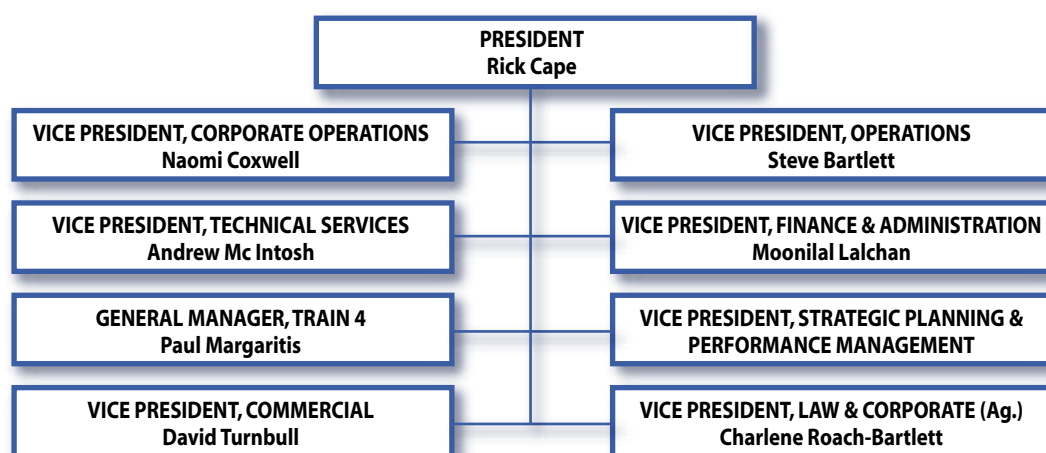
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Organisational Profile **2.0**



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2.1 GOVERNANCE

The Atlantic group comprises three separate entities owned by subsidiaries of BP plc, BG Group, Repsol YPF, Suez LNG, and The National Gas Company of Trinidad and Tobago Limited (Members) that oversee the business activities of each Atlantic company at a strategic level to ensure that it erates in congruence with the parent's long term objectives and shareholder expectations.

Atlantic LNG operates all the companies in the Atlantic group. Members' meetings are held on a regular basis to deal with all matters concerning the performance of the company and activities that require Member approval. Member committees provide support by providing expertise when, and where required, including:

- Assisting with peer reviews
- Providing access to Member networks of expertise
- Providing assurance for Members
- Performing a quality assurance/quality control role

The committees in 2005 are:

- Assurance
- Health, Safety, Security & Environmental
- Technical
- Operations
- Commercial
- Reputation
- Finance & Tax

The management's guideline is a five-year business strategy approved by the Members of the Atlantic companies and implemented by the management of Atlantic LNG which is headed by a President and supported by Vice-Presidents. They are responsible for governing Atlantic's day-to-day internal affairs and for the review and monitoring of the performance of operations.

In preparation for the start up of Train 4, Atlantic undertook a major recruitment drive which added 177 new employees to the Atlantic family. As a developmental initiative, a number of Atlantic employees were seconded to shareholder organisations. Twenty employees overall were re-assigned within the company.

2.2 TRAIN OWNERS

Train 1

Owner

Atlantic LNG Company of Trinidad and Tobago

BP Trinidad (LNG) B.V. (34%), BG Trinidad LNG Limited (26%), Repsol LNG Port of Spain B.V. (20%), NGC Trinidad and Tobago LNG Limited (10%), Suez LNG Finance S.A. (10%)

Trains 2/3

Owner

Atlantic LNG 2/3 Company of Trinidad and Tobago Unlimited

Amoco Trinidad LNG LLC (42.5%), BG 2/3 Investments Limited (32.5%), Repsol Overzee Financiën B.V. (25%)

Train 4

Owner

Atlantic LNG 4 Company of Trinidad and Tobago Unlimited

BP (Barbados) Holding SRL (37.78%), BG Trinidad LNG Limited (28.89%), Repsol Overzee Financiën B.V. (22.22%), NGC LNG (Train 4) Limited (11.11%)

2.3 ATLANTIC'S VALUES

Atlantic is an LNG operating company generating value for our shareholders, our employees, and the community in which we operate. The value we generate derives primarily from the development and maintenance of outstanding assets and we are dedicated first and foremost to the safety of our people and our operations.

All of Atlantic's activities are conducted in a manner that ensures the health and safety of our employees, contractors, visitors and surrounding community. We consistently do more than merely meet regulatory requirements for our operations.

As an operator we are driven to succeed and improve in the way that we maintain the availability of our plants and ensure full utilisation and optimisation of all our available capacity. We are focused on attaining excellence as a reliable and efficient supplier of LNG to our customers. We do all of this by attracting and developing great people.

Atlantic acknowledges that as a significant operator in Trinidad and Tobago, our values and actions define us to our stakeholders.

We also appreciate that our stakeholders have expectations of us and that we must respond to these in a manner that meets or even surpasses these expectations. Our reputation – what our stakeholders say about us – is very important to us as it lays a foundation for quality conversations and interactions between us and the local as well as national communities with whom we share a relationship of mutual benefit. In return, we are committed to support the best aspirations of the communities in which we operate in a manner that maintains their ability to define their own priorities.

2.4 AUDITS

Atlantic as a corporation is subject to mandatory external audits and regularly submits to audits voluntarily.

In September, the Trinidad and Tobago Bureau of Standards conducted its Surveillance Review, which allowed Atlantic to maintain its ISO 14000 certification. This achievement allows the company to begin transition towards the new revised ISO 14001:2004 standard.

In the annual Shareholder Audit, conducted from October 03-14 by a joint team of member companies, the company was praised for maintaining its trend of continuous improvement in its environmental management. The Audit gave Atlantic high marks for its management framework.

External Auditors, PriceWaterhouse Coopers (PWC) conducted an interim review of the 2005 financials.

In keeping with our absolute commitment to safety in the workplace, our employees continue to perform the Advanced Safety Audits (ASA's) and the Office Safety Observations (OSO's).

Atlantic's Internal Audit Department conducted scheduled reviews on various aspects of the company's operations.

All of Atlantic's activities are conducted in a manner that ensures the health and safety of our employees, contractors, visitors and surrounding community. We consistently do more than merely meet regulatory requirements for our operations.

2.5 REGULATORY COMPLIANCE

Atlantic's licence to operate the four trains of the LNG facility in Point Fortin is subject to an extensive framework of Governmental regulations and legal control. As a company, we manage the adherence to legal principles through close monitoring and review of all operating processes. The Legal Department of Atlantic is mainly responsible for overseeing the observance of all statutes and regulations. The department liaises with the HSSE Department concerning all environmental matters and with the Technical Services Department in relation to matters concerning infrastructure.

The company undertakes environmental monitoring pursuant to requirements set out in its planning approvals to ensure that it is able to keep abreast of any developments within its immediate environment that may be attributable to its activities.

One of the pre-requisites to the Atlantic group's operations is the grant of governmental licences for all its activities. For all three Atlantic companies, Final Planning Approval from the Town and Country Planning Division of the Ministry of Works and Certificates of Clearance from the Environmental Management Authority have been received. In addition to this, we apply for all other relevant approvals from the respective regulatory authorities.

2.6 ACCOUNTABILITY AND DELEGATION

Atlantic is a private company which submits all reports in accordance with the laws of the country of incorporation. Atlantic complies with all obligations for financial reporting and has met all international financial reporting standards. Through 2005, the company continued to maintain very robust internal controls to ensure the integrity of its reporting. Delegation is part of its internal process.

2.7 ENTERPRISE-WIDE RISK MANAGEMENT

Atlantic continues to view risk as any event or action that could adversely affect our ability to achieve business objectives and execute our strategies successfully. Our risk management philosophy recognises the need for an overall, unified risk management programme to ensure that all risks facing the company and its facilities are recognised and appropriately managed. We believe that business risks can be best managed using an integrated and holistic approach, within an Enterprise-Wide Risk Management programme, which is owned and coordinated by the executive management. This is aligned to our strategic objectives and integrated into the managerial and formal reporting processes.

Environmental Performance **3.0**

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3.1 DETERMINING ENVIRONMENTAL PERFORMANCE AT DESIGN STAGE

Atlantic's commitment to environmental excellence starts at the design stage where consideration of the environment has been a key criterion of decision making. Our environmental philosophy centres on defining the criteria for compliance during the construction phase, and subsequent operation of the LNG processing trains in a manner aligned to applicable regulations for air, water and solid waste emissions with set guidelines for ecological, public, health and safety requirements.

An environmental impact assessment has been conducted for each train and used by regulatory approval agencies for granting approval for the construction and operation of each train.

3.2 ISO 14001 CERTIFIED ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

A framework for good business practice and environmental sustainability

Atlantic's ISO 14001 certified EMS ensures that environmentally responsible practices are incorporated into everyday business processes. Atlantic has recognised that good environmental performance supports good economic performance.

Transitioning to ISO 14001 – 2004 Compliance

In 2005 Atlantic took on the challenge of transitioning to the revised ISO 14001 Standard (ISO 14001: 2004) in accordance with revisions issued by the Trinidad and Tobago Bureau Standards, the ISO 14001 certification body. Companies certified to the 1996 version had to demonstrate successful transition to the revised standard by May 2006. In addition, the main method of determining compliance would be through the external surveillance audit process.

Atlantic's approach was to create a framework which had the commitment of the company president and leadership team. A cross functional team with guidance from a consultant reviewed the entire system and made revisions.

Challenges

The new Atlantic EMS was audited by TTBS in September 2005 to ensure conformance to the new standard. TTBS found that Atlantic had made significant progress in transitioning. The TTBS review found three areas for improvements in the EMS: Operational Control, Competency Training, and Awareness.

Atlantic's response

Atlantic has identified corrective action associated with each non-conformity and corrective actions have been implemented.

Environmental Performance 3.0



Rick Cape displays Atlantic's ISO 14001 certificate to staff celebrating the company's 10th Anniversary in 2005.

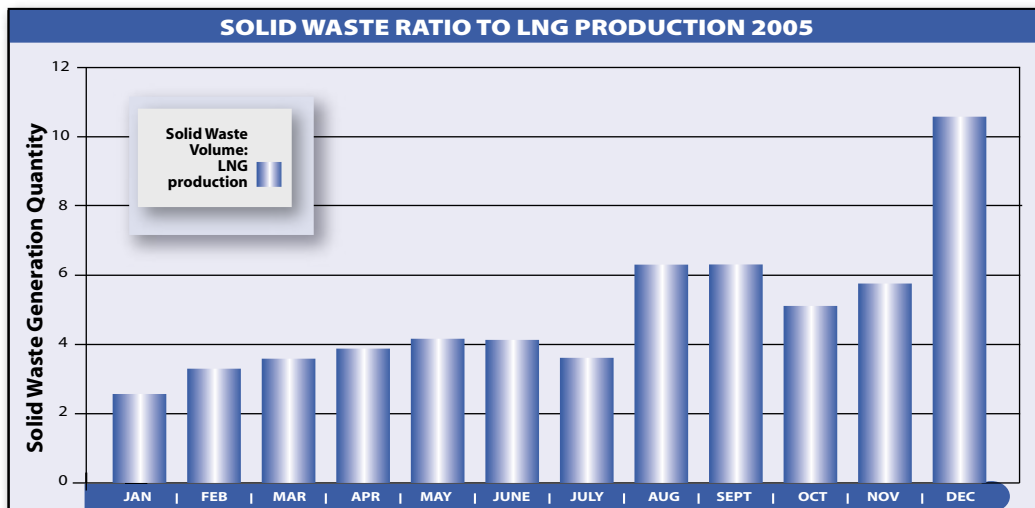
Two additional initiatives are aimed at creating a more robust EMS: creating competencies in EMS audits, and the implementation of a sustainable ISO 14001 embedding plan across the organisation. To support the creation of these competencies in EMS audits, 14 persons were trained as EMS internal auditors in 2005. In 2006 the training of EMS lead auditors is scheduled.

The ISO 14001 embedding plan consists of a number of actions to ensure that processes are integrated into the different levels of the organisation. Different units in the organisation have taken ownership of the EMS. The executive management, where the President is ultimately responsible, has oversight.

3.3 WASTE AND RESIDUAL MATERIALS

Atlantic is committed to the reduction of the volume of solid waste generated, and to the adherence to recommended procedures for handling, storing and disposing of solid waste to reduce the load on the existing solid waste handling facility. In 2005, Atlantic embarked on the establishment of a Total Waste Management System (TWMS). A review is being undertaken to identify waste management options which focus on reducing the volume of waste destined for landfill, and our objective is to reduce such by 10%. This review is being conducted by an external waste management consultant.

Waste generated in Atlantic can be classified as hazardous or non-hazardous.



At present waste is separated and disposed of in accordance with international best practices. Currently there are no local regulations associated with waste disposal. Control measures include ensuring that only approved contractors are used for transportation and disposal, that waste manifest forms are completed, destruction certificates acquired, and waste contractor audits are conducted.

3.4 EMISSIONS

Air emissions from the manufacture of LNG continue to receive attention even though the Atlantic plants have been designed to minimise emissions and use clean natural gas as fuel.

In 2005, Atlantic undertook to reduce greenhouse gas emissions by 10% by 2008. This objective was aligned to Atlantic's EMS objectives, and a number of engineering projects were designed to support the reduction of GHG emissions. The following projects were successfully completed in 2005:

- Upgrade of boil off gas compressor discharge piping
- Re-rate of existing boil off gas compressors
- Removal of inlet strainers

3.5 IMPACT ON BIODIVERSITY

Atlantic's impact on biodiversity is *de minimis*. The design of the facility includes controls to preserve the natural habitat of the marine life in the Gulf of Paria and indigenous species in the vicinity of the plant, including the flora, fauna and wetlands.

3.6 SPILLS AND DISCHARGES

Spills

For the year 2005 Atlantic had no spill releases (hydrocarbon and non-hydrocarbon) to the environment. This high standard of performance is attributable to the design of the plant in that the storage of liquids is in secondary containment.

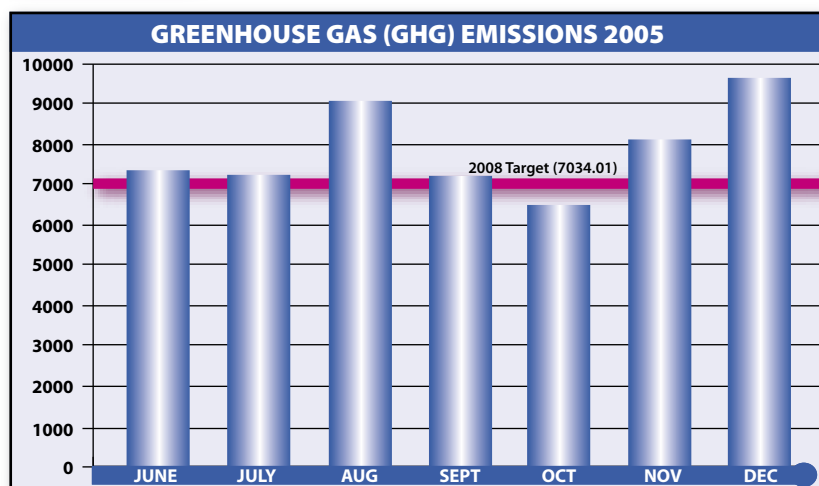
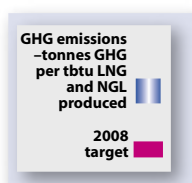
Discharges

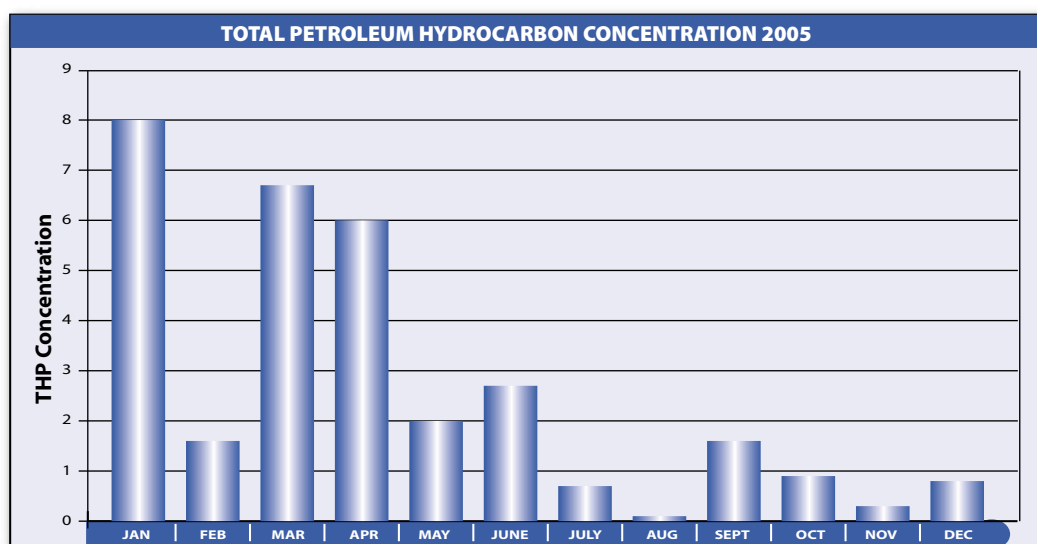
Liquid effluent generated from the Atlantic facility can be classed as process waste water, sanitary sewage, oily storm water, process oily water and clean storm water/firewater runoff.

Atlantic LNG has a rigorous sampling regime which not only focuses on end of pipe discharges but also includes direct sampling from specific units such as the Sanitary Treatment Unit and Corrugated Plate Interceptor (CPI). Outflow goes into one of three spill containment process sumps. Samples are taken to ensure compliance with applicable local regulations.

Hydrocarbon discharge is one of the more significant potential process discharges. Due to a rigorous sampling regime, Atlantic continues to be in compliance with the TTBS standard: TTS 547:1998 Specification for the Effluent from Industrial Processes Discharged in the Environment, and Environmental Management Authority (EMA) water pollution rules with regard to the Total Petroleum Hydrocarbon (TPH) concentration in waste water discharge

With regard to other water parameters, Atlantic monitors monthly parameters required by the TTBS 547:1998 Specification for the monitoring of effluents.





3.7 HEALTH AND SAFETY

Health and safety management is guided by Atlantic's HSE Management System Framework and Process Safety Management Standards which are applicable to the operation of LNG process plants. With regard to health and safety performance in Atlantic, 2005 was a year for breaking records and implementing a number of improvements.

3.8 SAFETY PERFORMANCE

In 2005 Atlantic's OSHA (Occupational Safety and Health) recordable rate per 200,000 work hours was 0.141 and was the best in our 10 year history.

Atlantic also operated 18,477,761 work hours without a Lost Time Accident (LTA) for this year. This was a tremendous record and all Atlantic employees and contractors played a critical and integral role in its achievement.

Our superb safety performance in 2005 attests to a commitment to safety as a business priority, shared by top management and workers.

Safety Performance 1996 to 2005

YEAR	YTD OSHA Recordable Rate	YTD LTA Rate
1996	3.400	1.590
1997	1.590	0.000
1998	1.160	0.000
1999	1.270	0.280
2000	0.395	0.000
2001	0.275	0.172
2002	0.172	0.025
2003	0.355	0.071
2004	0.210	0.000
2005	0.141	0.000

Safety Management Improvements

In 2005 Atlantic undertook a number of reviews of the HSE Management System Framework and Process Safety Management System in order to identify areas for improvement.

An external review was conducted on three elements of the Process Safety Management System - Emergency Planning and Preparedness, the Permit to Work System and Safe Systems of Work. The recommendations resulting from the review are in various phases of implementation. These recommendations will result in a more robust PSM system.

Atlantic also started preliminary works to engage DuPont Safety Resources, world leaders in safety performance and management, to undertake an independent review of our Management System Framework. The intent is that the improvements identified will form part of the 3-5 year process improvement plan.

Atlantic has also undertaken a review of its Incident Investigation and Reporting processes as part of its effort to improve continuously on performance.

3.9 EMPLOYEE PARTICIPATION

Atlantic LNG recognises the importance of worker/contractor participation in establishing and maintaining safe system of works. Atlantic LNG has a Joint HSE Committee which meets monthly to discuss operational HSE issues. The Vice President of Operations chairs this committee. This committee takes a practical and proactive approach to HSE management and plays a pivotal role in producing HSE Trainers and EMS Internal Auditors.

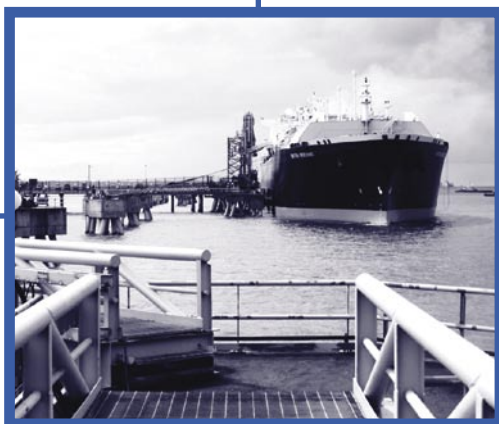
3.10 HEALTH MANAGEMENT -WORK FORCE HEALTH

In 2005 Atlantic LNG launched Mind, Body and Soul a joint initiative of the Human Resources and HSSE Departments. The focus of the programme is creating a healthy employee, managing work/family balance and creating excellence in oneself.

Atlantic also continued its employee occupational health monitoring programmes. These included Spirometric (Lung Function) testing, Audiometric (Hearing) testing and the administration of Hepatitis B vaccinations. These programmes continue to have good response among employees and contractors.

In the area of employee health and the impact of social diseases, Atlantic continued its intense education programme on HIV and AIDS. In addition to the regular circulation of current medical information, preventative screening programmes were offered to employees and contractors. These programmes included breast, prostate and eye examinations, as well as blood screening.

Atlantic also extended its health and wellness monitoring programmes to the Point Fortin community, by supporting and hosting Health and Road Safety Fairs in May and December 2005. The response by residents in Point Fortin was tremendous and Atlantic intends to continue this initiative in 2006 and beyond.



LNG tanker at Atlantic's Jetty

3.11 SECURITY

On August 28, 2005, Atlantic completed its first annual International Ship and Port Facility Security (ISPS) review, under its Port Facility Security Plan. This enabled its port to obtain the Verification of Statement of Compliance, a requirement under the ISPS code. In an exercise conducted by the Designated Authority, the Trinidad and Tobago Coast Guard, Atlantic's shipping facility was monitored during the period to ensure that it continued to meet the requirements of the 2004 ISPS Certification.

The code, adopted world-wide in December 2002 by the International Marine Organisation, is a requirement for all port facilities, which handle vessels over 500 gross tonnes that trade internationally. The shipping facility was monitored during the period to ensure that it met the requirements of the 2004 International Ship and Port Facility Security Certification.

In an exercise conducted by the Designated Authority, the Trinidad and Tobago Coast Guard, Atlantic's shipping facility was monitored to ensure that it continued to meet the requirements of the 2004 ISPS Certification. Atlantic met all the specified international security standards.

Atlantic further met all the specified international security standards, which included the completion of four security drills, both practical and "tabletop". Atlantic, during the year, renewed the contract of the current security provider, Caribbean Safety Products Ltd.

A review of the corporate security function at Atlantic was undertaken by expert resources from member company, BG. The report has made several recommendations for the improvement of security management at Atlantic. It suggests that consistent with its importance as a Trinidad and Tobago company, Atlantic should move to develop a holistic approach to security and introduce a corporate security framework around the business to take into account all aspects of security risk. Atlantic is involved in implementing all of the recommendations.

Social Performance 4.0



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Social Performance 4.0



The goal of Atlantic's social performance is economic, social and environmental development that satisfies the present without compromising the ability of future generations to meet their own needs.

Our primary stakeholders are our people, the members of our home community, the national community, the Government of the Republic of Trinidad and Tobago, our business associates and the international community. Our aim is to build trust and credibility among our stakeholders and give value through reliable operations, job creation, capability development, tax benefits and profits.

4.1 OUR PEOPLE PLAN

Atlantic's approach to Organisational Design & Development is one of continuous improvement, and alignment to our Corporate Strategy. In support of the Corporate Strategy, the objective of the People Plan is to recruit, develop and maintain a workforce with the capacities and the competences required to meet the company's goals with industry-leading results on a sustainable basis.

Atlantic's HR systems have been and will continue to be developed with the aim of delivering managerial, professional and technical staff, who are fully equipped and aligned to achieving the company's growth and operational aspirations in both a local and global context.

Capability growth is a primary focus

An important driver for achieving the aims of our HR systems is our commitment to the capability growth and development of our employees. We see building this HR commitment into our line management and supervision as a primary lever. Our approach to achieving this objective will see Atlantic focus on :

- Selective and volume-sensitive recruitment, particularly for skills related to the strategy.
- Strong focus on training and development in both technical and non-technical areas, including leadership development programmes. This focus will also support Atlantic's globally competitive position.
- Retention of our skilled human resources through appropriate standards of compensation and employment practice.

4.2 WE RESPOND TO EMPLOYEE FEEDBACK

In Atlantic's first report (2004), we took feedback from our employees. What follows is an indication of how Atlantic has responded to the top three concerns expressed.

2004 EMPLOYEE FEEDBACK	ATLANTIC'S 2005 ACTIONS
<ul style="list-style-type: none"> Atlantic needs to demonstrate compensation parity both internally and externally 	<p>A full market survey of compensation and benefits was undertaken at the end of 2004 and adjustments were made. HR continues to monitor the market and is committed to maintaining Atlantic's competitive position.</p>
<ul style="list-style-type: none"> Atlantic needs to demonstrate greater transparency in its hiring and promotion practices 	<p>Our recruitment practices have been reviewed and updated, allowing line management to play a pivotal role in all recruitment activities. Our promotions process has also been improved through the implementation of staff development committees.</p>
<ul style="list-style-type: none"> Atlantic needs to demonstrate fairness in the distribution of work and consistency in management's expectations, ensuring that individuals are rewarded equitably 	<p>Our performance management system has been improved with refinements to the performance contract mechanism. The process now involves cross functional reviews to ensure consistency across band levels.</p>

4.3 OUR PEOPLE

Growing capability, planning for development

In 2005, the company continued on its path of growing people capability while also working to enhance our programmes and practices in support of a challenging people agenda.

The company implemented a Personal Development Plan (PDP) programme, which has engaged all employees in interactions aimed at improving our collective focus on short and long term development activities. (See Case Study – page 18) Resources have also been directed at expanding the certification-based approach to maintaining critical skills among staff in all disciplines. Experienced professional staff and discipline experts where available have been instrumental in assisting with this process.

Our leadership competencies have been an area of particular focus, and we have succeeded in sharpening our analysis of leadership needs and in supporting our leaders in the pursuit of personal development paths which address individual needs. It is significant that by year's end, an estimated 93% of the company's employees will have engaged in at least one training and development activity.

Our achievements this year have also been aided in no small part by the enhanced involvement of supervisors and team leaders in the capability growth process.

Even as we appreciate the gains we have made in our training and development efforts, we acknowledge that recruitment has been a key strategy in 2005 for expanding Atlantic's overall capability, corresponding directly with the growth of our operating and corporate support activities. Atlantic's challenge in 2005 has been to grow its staff levels and in doing so, to assimilate more than 177 new employees into our working environment. Atlantic has supported its people efforts with ongoing monitoring and assessment of local labour market conditions.

Following a re-positioning of our overall compensation programme in 2004, the company has made adjustments where required in 2005 to enhance its attraction as an employer to new staff, and to minimise the loss of existing valued employees to local labour market competitors.

Our achievements this year have also been aided in no small part by the enhanced involvement of supervisors and team leaders in the capability growth process. A strategy of developing HR capabilities in the line functions was started in 2005 and given the encouraging early results. This approach will continue to play an important role in the years ahead.

Looking ahead, we will continue to work on building staff capability, enhancing and keeping current our recognition and rewards systems, and providing a productive, individually-directed growth-focused environment within which Atlantic's staff can achieve their full potential.

Training and Development:

Focus on development of human capability

Key Performance Indicator:

One significant intervention per employee

Attainment: 97 %

A rolling two-year training calendar has been formulated to manage Atlantic's human capability development thrust. The driver for this calendar is the employee Personal Development Plan. The approach allows the HR unit and the management better opportunities to forecast plans for employee improvement and links directly into some of the more strategic initiatives such as that for Talent Management/Succession Planning/Career Pathing.

The two-year calendar allows for comparisons in such areas as budget, recurrent demand items, the return on training investment, process monitoring, and the ideas for continuous improvement.

Our employees, through this initiative, are now exposed to a more efficient scheduling process, and are advised whether programmes would be held in-house (based on demand) or offsite. Employees also have the opportunity to make amendments based on personal or organisational changes.

CASE STUDY

The Personal Development Plan (PDP)

The Atlantic PDP process was launched in May 2005 to encourage employees to take personal responsibility for their development. This process is intricately linked to a rolling two-year training calendar. Employees have been encouraged to draft their own development path in the short, medium and long term within the context of Atlantic's business. The draft is reviewed by a cross functional team, which gives supportive feedback to employees.

The PDP supplies the HR Department and supervisors with relevant data to manage overall employee development, monitor individual progress on-the-job, improve the company's talent management thrust, and

provide data on every employee's expressed growth path.

Both the instrument (PDP) and the process reviews of this initiative are meant to spawn and maintain dialogue between employees and their supervisors. Of necessity, it will provide an avenue for the sharing of information and plans/projections, thus making the organisation more aware of its present and future requirements.

Employees are in a better position to make determinations about their own growth paths during their Atlantic career, and to choose their own plans along that path under the guidance of their supervisors.

Formalisation of process for development of Atlantic nationals by secondees

A coaching and mentoring programme was initiated in 2005. It focused on the transfer of knowledge from secondees to key engineering personnel and senior managers. Quarterly action plans developed by secondees were tracked and monitored to measure progress. 93% of action plans were completed and this practice is now embedded within the PDP process.

4.4 EMPLOYEE RELATIONS PROGRAMMES

Focus on ensuring continued good relations with our people

Atlantic has adopted a three tiered approach to impact on Mind, Body and Soul. This programme focuses on a lecture series featuring national figures and the operation of Wellness Centres at both staff locations. This is supported by regular health advisories from the HSSE unit.

HR in the Line is the sharing of good HR practices with the management team to make them the first effective point of contact with our people.

A Journey to Excellence Programme features talks by persons who have demonstrated excellence in all walks of life and explores the practical implications of the Values adopted by Atlantic.

4.5 PROGRAMMES TO GROW HUMAN RESOURCES IN OUR HOME COMMUNITY

The Operator Trainee Programme

The launch of Atlantic LNG's Operator Trainee Programme took place in August 2004 with the intake of 32 trainees. To date, 70 persons have been involved in the programme and 31 have graduated. Of these, 27 have been retained by Atlantic.

This programme was developed to address the challenges Atlantic had encountered in the past in the recruitment of Operator Technicians. Prospective hires found the plant location too far from their homes and there was significant competition among energy sector companies to hire from the small pool of skilled resources available. Atlantic committed therefore to a strategy of developing specialised skill and at the same time, growing skills within our home community of Point Fortin.

The programme was developed by the HR Team. Candidates between the ages of 18 and 30 from Point Fortin and environs were invited to apply. They were required to be holders of a Technician's Diploma in either one of the areas of Process, Mechanical or Electrical/Electronics Engineering or Industrial Instrumentation Engineering.

The Operator Trainee programme is structured to provide participants with six months of theoretical training followed by six months of practical on-the-job training. This gives participants the opportunity to deepen their industry-related experience. The theoretical training is conducted by experts from the University of Trinidad and Tobago (UTT) along with seasoned Atlantic operations and other personnel in the various technical disciplines. The practical side is wholly undertaken by Atlantic employees.

The Apprenticeship Programme

Atlantic's apprenticeship programme is entering its fifth year and has resulted in the training of 26 young persons, between the ages of 18 and 30 years, from the surrounding community. The programme runs for three years and offers participants the opportunity to obtain skills in disciplines that are relevant to the present and future needs of Atlantic LNG.

In 2004, the first group graduated and six apprentices are now employed by Atlantic while the rest have been absorbed by other companies. We see this programme, as not just providing persons with skills for the market from which we draw, but as creating a cadre of skilled persons who will continue to add value to their home community.

Training is currently offered in the fields of Process Plant Operations and Lab Operations. There are also opportunities to train as Electrical and

Instrumentation Engineering Technicians or Mechanical Engineering Technicians. The HR Team is looking at extending this training to include Health, Safety and Environment (HSE) and Reliability.

Participants receive on-the-job training at the plant, while pursuing on a part time basis the Technician's diploma relevant to their respective discipline. The diploma programme is offered at the San Fernando Technical Institute or the University of Trinidad and Tobago through full Atlantic sponsored scholarships.

We see this programme, as not just providing persons with skills for the market, from which we draw, but as creating a cadre of skilled persons who will continue to add value to their home community.

CASE STUDY

Success Stories in Apprenticeship

These are just two of the success stories of Atlantic's Apprenticeship Programme. Atiba Akil Johnson, 23, and Andy Narinesingh, 22, are products of the second wave of this programme.

Atiba is employed in the Mechanical Department, under the supervision of John Birchwood and Cuthbert Collins. He assists other technicians, while learning the key concepts of mechanical maintenance.

He graduated from the Vessigny Secondary School and continued his studies at the Pleasantville Secondary School, where he completed his "A" Level studies in Mathematics, Physics and Chemistry. He worked as a machine operator for one year, and was attracted by the prospects of Atlantic's Apprenticeship Programme,

"I was attracted by the opportunities for advancement. Here I am exposed to the latest technology and information in the gas industry. I am also pleased with Atlantic's interest in the youth of Point Fortin. I grew up in Gonzales Village, Guapo, and I am glad that there is this opportunity for my development right here in Point Fortin," he said. Atiba plans to enroll in a degree programme in Mechanical Engineering shortly.



Andy, too, grew up in Point Fortin's Fanny Village. Before coming to Atlantic, he attended the San Fernando Technical Institute, where he completed both the Electrical, Electronics and Engineering Technician course and the Industrial Instrumentation Engineering Technician course.

"I am encouraged by what I see and the opportunities for further training. Atlantic is close to my home here in Point Fortin, and then there is the salary. Atlantic is really giving me an opportunity for further self-development. It's a dynamic place."

Andy is currently enrolled in the Bachelor of Engineering programme at the University of Trinidad and Tobago.

4.6 A PEEP INTO 2006

Graduate Trainee Programme

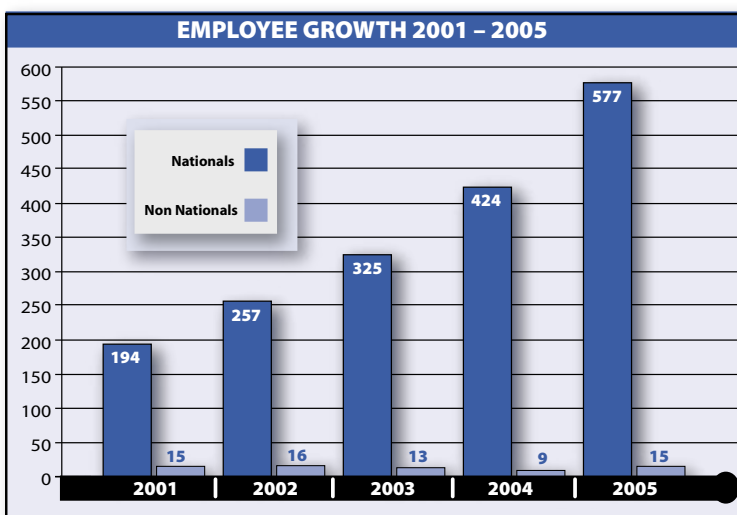
This programme is intended to enhance Atlantic's contribution to the building of intellectual capability and human capital. Successful interns will be exposed to a two-year development programme to improve their all round technical expertise.

This programme will be another opportunity for Atlantic to harness great young talent and groom them in specific areas of our business.

Maintenance Trainee Programme

This programme is similar to the existing Operator Training Programme, except that it is geared towards developing skills for the maintenance group.

Employee Growth 2001-2005



4.7 ATLANTIC IN THE COMMUNITY

Atlantic's objectives in its home community of Point Fortin is to create a better place to live through sustainable development that enhances the local employment pool from which Atlantic seeks to recruit. Our approach continues to be one based on continuous consultation and communication.

We achieve our objectives through programmes that focus on children, education, the development of skills of young persons in the community for our own employment or otherwise and through partnering with community organisations to improve infrastructure that supports community life.

4.8 PERFORMANCE ON SURVEY RECOMMENDATIONS 2004

In 2004 we shared with readers the findings of a baseline survey conducted in the Point Fortin and national communities. These are some of the suggestions we received and our responses.

Suggestion: Atlantic should seek greater connection to communities through community based groups

Our response: Atlantic employees resident in Point Fortin have been encouraged to provide oversight and support where needed to community groups involved in the Atlantic Community Achievers' Programmes. These programmes geared to enhance community infrastructure are undertaken annually by community groups with funding in whole or in part from Atlantic.

Suggestion: Atlantic should identify and address concerns about its environmental performance

Our response: The focus of complaints about Atlantic's environmental performance has been on the impact of continuous expansion activities on the quality of life experienced by residents close to the facilities. A decision was taken to create a buffer zone and to relocate persons within the defined buffer zone (hereafter referred to as the fence-line community) and provide either alternative housing or compensation in this regard. (See Case Study Page 21.)

Suggestion: Atlantic should solicit feedback from the community and incorporate such feedback into plans

Our response: The Atlantic Community Council includes representatives of major community groups. It has met all scheduled meetings in 2005. It continues to act as a sounding board and effective source of feedback on Atlantic's activities in the community. Wherever possible, this feedback has impacted our plans. Our challenge is still the effective rollout of information to the wider bodies represented.

Suggestion: Atlantic should institute formative and evaluative research methods to document the impact of community-based programmes and make strategy modifications as needed

Our response: This suggestion has not been implemented as described. However, Atlantic does undertake an annual survey, baseline 2004, which evaluates the impact of community-based programmes. At the end of 2005, Atlantic took steps to commission a specific evaluation of community needs in the areas of education and business as a basis for considering the development of programmes aligned to community needs.

CASE STUDY

Relocation

In October 2002, the Board of Atlantic LNG took the decision to establish a buffer zone around the LNG Facility. The buffer zone creates a transition space between what is an industrial area and the nearest line of residents. Internationally acceptable safety and risk standards would not have suggested any residential relocations but Atlantic recognised that it needed to address quality of life concerns for residents who live close to what for many years was a construction site and is now a major industrial facility. The zone encompasses certain areas of Newlands and Point Ligoure in Point Fortin. Its establishment necessitated the relocation of persons who currently have properties in the area earmarked and the acquisition of the lands from the respective land owners.

In order to facilitate the relocation project, Atlantic engaged the services of an independent contractor that operated out of an office that was set up at Techier Road, Point Fortin. Through this office, residents of the affected areas were invited to bring in the documents showing ownership of their properties and/or their interests in land. Independent assessment of property values was undertaken and owners had the option to obtain their own assessments.

Altogether, around 72 residences of families lie within the buffer zone. They have been offered either compensation or relocation. NHA was contracted to build houses to accommodate those persons who opted to be



Some residences of families currently located in the buffer zone.

relocated at Southern Gardens, an area previously earmarked by the NHA for housing development. The project altogether cost TT\$18 million. A mix of houses comprising two and three-bedroom duplexes and housing units was devised. The homes are offered free to those electing to be relocated. In the majority of cases, values of the new homes are significantly higher than those of existing properties.

Atlantic is committed to making this development a success and soon we expect a primary school, along with commercial activity, to be present at the development.

The Government and Public Affairs unit together with the Law and Corporate Affairs department at Atlantic have been instrumental in the delivery of this project. Several site visits by prospective homeowners from the buffer zone to the new development have been facilitated by Atlantic and we have a community relations officer, who, together with staff of the relocation office, respond to any concerns or queries of the residents within the buffer zone. The Law and Corporate Affairs unit has led the efforts to assimilate the various "ownership documents" for the purposes of assigning houses.



Newly built homes at Southern Gardens are offered free to those electing to be relocated.

Internationally acceptable safety and risk standards would not have suggested any residential relocations but Atlantic recognised that it needed to address quality of life concerns for residents who live close to what for many years was a construction site and is now a major industrial facility

4.9 CORPORATE IMAGE REPORT 2005

In 2004, Atlantic undertook a baseline survey which was conducted by Market Facts and Opinions (MFO), to assess the impact of community programmes and perceptions of Atlantic as an operator. The survey was repeated in the fourth quarter 2005.

The survey revealed that, when rated against a battery of image statements, Atlantic performed best in Point Fortin. 92% of the respondents saw the company as being successful. Significantly, Atlantic's decided focus on the fence-line community in 2005 has earned us a 9% point increase in favourable ratings with this grouping, up from 25% in the base year. Here as well 72% saw us as a leader in our field while 80% of the wider community scored Atlantic highest for our contribution to the local economy.

At the national level, perception of Atlantic declined by 9% over 2004 and by 2% in the wider Point Fortin community. 61% of the national community feel that our operations help to sustain the national economy.

In terms of community concerns, the respondents gave priority to employment, health, housing and education. In 2004, respondents cited community life as valued above all. In 2005, there was a greater response to the concerns for the development of sports and recreation, personal safety, community spirit, skills development and continuous employment.

Of the contributions made by companies to the development of community life, respondents noted Atlantic's provision of employment opportunities and contribution to trade schools and sport. When asked to cite activities in which they believed Atlantic could be involved, the respondents identified sponsorship of sports/family days, and to a lesser extent community lectures on health issues. In Point Fortin, in particular, they saw the need for assistance to create new businesses, a community centre, the sponsorship of cultural activities, courses in welding/fabricating, vocational training for youth and computer literacy programmes.

Atlantic and the Environment

Atlantic saw a 5% growth in the perception of its management of environmental issues at the level of the wider Point Fortin community. However, there was an 8% decline within the fence-line and some 16% at the national level. Environmental concerns focused on noise pollution and impacts to beaches. Atlantic registered an increase in the perception that is was forthright with information regarding environmental issues with the fence-line community, even though there was a perceived decline in the wider community.

Approval Ratings 2004 vs 2005

	Year	Approval Rating
Atlantic Fenceline	2005	33%
	2004	25%
Point Fortin	2005	53%
	2004	55%
National	2005	43%
	2004	52%

MFO recommendations based on survey feedback

- Atlantic should consider support for an institution that would facilitate vocational programmes
- Atlantic should be involved in on-the-job training, skills development and computer literacy programmes, particularly for young persons
- Consideration should be given to the involvement of the community in the design and implementation of community programmes
- Consideration should be given to the sponsorship of sports, cultural and recreational activities that build community spirit in Point Fortin
- Atlantic should communicate more about what it does

4.10 2005 POINT FORTIN PROGRAMMES

Point Fortin's Finest

Atlantic continues to support this bursary programme for the top achievers of the Point Fortin community in the national SEA examinations. The programme is enhanced by two 2-week motivational camps conducted by Atlantic's staff with the support of external facilitators. The camps are designed to provide students with a well-rounded vacation experience and expose them to the development of skills in team-building, management of peer pressure, public speaking, and career planning.

Following the great results of the first group of students to benefit from this programme, Atlantic took a decision to extend its support beyond the first five years of secondary education, to sixth form enrollment. All students are currently continuing school.

While Atlantic does not take credit for the excellent performance of these students, we do take pride in their achievement and are happy partners with their parents in their development. There are 57 students currently receiving bursaries of \$1,000 and \$1,500 annually

Atlantic saw a 5% growth in the perception of its management of environmental issues at the level of the wider Point Fortin community

Point Fortin's Finest - Class of 2000

Name	Subjects Passed	Grade 1	Distinctions
Shemeon Williams	9	8	5
Masia H Lessey	8	6	
Peter Poon Kwong	7	1	
Kristoff Rambert	8	5	5
Reyne Hospedales	9	1	
Devon Mathura	7	4	2
David Richards	9	7	4
Lennon Blackman	8	2	
Kiendra Singh	9	8	
Andre Valentine	9	3	

Point Fortin Hospital

In 2004, the company committed funds to the renovation of Point Fortin Area Hospital. At the end of 2005, construction had not begun as the authorities were involved in the assessment of alternative proposals from the community, relating to the location of a new hospital. Atlantic still maintains these funds earmarked for the creation of a first class emergency treatment centre in the hospital that is expected to serve Point Fortin and environs.

Funding for Development

Atlantic had proposed funds for the development of small businesses operating in Point Fortin. In recent times, however, state agencies have intensified mechanisms to promote small business development within communities through agencies such as NEDCO (National Entrepreneurship Development Company). This has prompted further evaluation of this proposal and the potential value of setting up a parallel fund with similar objectives. We are re-evaluating ideas about the niche that we would serve with a business development fund. We expect that in 2006 we can agree with the community on an acceptable proposal or alternative for the use of the funds which we are holding for expenditure within the area.

Guapo Beach Facility

Designs for the creation of a best-in-class facility at Guapo Beach have been completed. Atlantic has acquired the services of a project manager to oversee this project and related beach enhancement and protection works.

The project is expected to begin in third quarter of 2006, subject to the acquisition of all approvals.

Community Swimming Pool

Following the receipt of all approvals required, contractors were mobilised to construct the community swimming pool at Coronation Park, Egypt Village. Construction of the pool and related buildings is being funded by Atlantic at a cost of over TT\$4m. The project is expected to be completed by the fourth quarter of 2006.

Atlantic Internet Café – Point Fortin Library

The Atlantic LNG Computer Centre and Internet Café in the Point Fortin Library was re-dedicated on July 8, 2005. Originally established in July 2003 as an initiative to promote computer literacy, the Centre and Internet Cafe allowed the children of Point Fortin access to the world-wide web via ten computers provided by Atlantic LNG. The Cafe fell into disuse during the early part of 2005, due to difficulties with the internet service provider arrangements.

Atlantic LNG and the National Library and Information System Authority (NALIS) have collaborated to revive the service. Atlantic has since repaired machines and committed to the replacement of equipment and an upgrade of internet service. Customer attendance has grown and the Internet Café has conducted training modules in Basic Computer Literacy for 79 young people.

Relief Continues for 50 families

What has become an annual programme of relief for needy families was formed under the umbrella of our Employee Volunteer Programme. The objective was two-fold - to provide temporary relief to needy families in the fence-line and wider Point Fortin community, and to encourage the participation of our employees in community work. In 2005, employees sourced, packed and delivered hampers to 50 families over a six month period. Through their personal contact with the families, who are identified by churches, NGOs and the welfare arms of the police and fire services, employees assist in the co-ordination of further support.



Architect's rendering of the beach facility at Guapo, scheduled to begin in the third quarter of 2006.

Guapo Police Station Refurbished

The Atlantic Employee Volunteer Project aims at improving community infrastructure, through partnering with other businesses and community groups in Point Fortin. In 2005, Atlantic employees, with the support of some 45 other volunteers from various groups, completed renovations to the Guapo Police Station. Included in the co-operative effort were employees of the Point Fortin Borough Corporation, The Borough Council, the Police Service, Community-based Environment Protection and Enhancement Programme (CEPEP), and Guapo community and youth organisations.

NESC Employment Skills Training

In collaboration with the National Energy Skills Centre (NESC), Atlantic offers an annual employment skills training programme for young unemployed persons recommended by the community. To support the development of a cadre of independent tradesmen and small contractors, training was offered in Electrical Installation, Pipefitting and Fabrication, Plumbing, Tiling, Welding and Building Construction. In 2005, 30 persons enrolled under the Atlantic-sponsored programme, which has turned out more than 200 graduates since it began in 1998.

Community Achievers Programme

This programme has been in existence for five years to encourage communities to establish their own priorities for development and create solutions which can win support. In 2005, Atlantic sponsored two projects under this programme in the Guapo and Cap-de-Ville communities. Under the guidance of their Village Councils, they developed projects to improve the infrastructure of grounds that play a big role in community life, sport and recreation. Together with support from the Borough Council Corporation and Atlantic employees who live in these areas, villagers worked to refurbish a basketball court, and spectator facilities at the Guapo and Cap-de-Ville recreation grounds.



Atlantic NESC programme participants at a workshop

The Atlantic Employee Volunteer Project aims at improving community infrastructure, through partnering with other businesses and community groups in Point Fortin

Point Fortin Community Programmes

Category of Support	Organisation
Education	Atlantic LNG Internet Café Upgrade - Point Fortin Library
	Point Fortin's Finest Motivation Camp
	Point Fortin SEA Bursaries – 57 recipients
	Skills Training Programme – NESC Point Fortin Electrical Installation & Pipe Fitting and Fabrication – 50 participants
	Point Fortin Junior Secondary School
	Point Fortin Corporation: Science Week
Institutes Supporting Children	Ferndean's Place Children's Home
	Point Fortin Primary Schools Cricket Teams
Skills Training	Annual NESC Programme: Electrical Installation, Pipefitting & Fabrication
Cultural Activities	Point Fortin Children's Carnival
Community	Community Achievers Award Programme 2005 Recipients: Guapo Village, Cap-de-Ville Village
	Borough Day Anniversary Celebrations <ul style="list-style-type: none"> • Pan on the Move • Health Fair • Police Support for Safety of Borough Day Celebrations
	Borough Corporation Strategic Planning Support
	Borough Corporation Emergency Response Planning
Sport	Mayor's Charity Fund
	Techier Village Council - Independence Celebrations
	Employee Volunteer Project – Refurbishment of Guapo Police Station
	Employee Volunteer Project – Community Hamper Distribution
	Support for Point Fortin Residents on National Duty: three recipients
	Point Fortin Rotary Club Walk-a-thon
Sport	National Beach Volleyball
	Borough Anniversary Aerobithon
	Primary Schools' Zonal Sports
	Point Fortin Football League
	Point Fortin Games Half Marathon
	La Brea Police Youth Club Sports

4.11 2005 NATIONAL PROGRAMMES

Atlantic's reputation objective is to build trust and credibility through responsible operations, that add economic and social value, so as to underpin our relationship with our employees and the wider national community. In addition to our focus on our home community, Atlantic conducts programmes at the national level, focused on Children and Education.

Our programmes of contributions and sponsorships are voluntary even as we continue to discharge social obligations linked to the construction of our facilities. We report annually on our activities through our Corporate Social Responsibility Report.

Our Obligations

Train 1	US\$ 8m to establish the NESC and US\$ 250,000 p/a x 20 yrs Training for Nationals
Trains 2/3	US\$ 5m to establish the TTIT (UTT) and US\$ 150,000 p/a x 20 yrs US\$ 100,000 p/a x 7 yrs to UWI

The Train 4 project has voluntarily allocated US\$ 8.6m for expenditure in Point Fortin



Expansion of support for United Way Trinidad and Tobago

Atlantic and its staff continue to lead the thrust to gather financial support for United Way, a Trinidad and Tobago NGO (UWTT) that mobilises resources for redistribution through registered charitable organisations. In 2005, 82% of Atlantic employees contributed TT \$362,998.21 matched by the company to achieve a final contribution of TT \$725,996. Atlantic devotes executive management time to support UWTT, and President Rick Cape is a founding partner and 2005 Campaign Patron. Other companies operating in Trinidad also contribute time and resources to UWTT.

To date Atlantic staff and management contributed over TT \$1.5m to UWTT which went towards alleviating the conditions of the needy. Throughout 2005, UWTT reported disbursements of over TT \$1.5m dollars to some 20 registered and operating NGO's listed below

NGO	Date of Grant	Grant Value TT\$
Moms For Literacy	Jan-05	32,500.00
St. Martin's Welfare Association	Jan-05	30,000.00
The Memisa Vocational Training Centre	Jan-05	28,000.00
Bridge of Hope	Apr-05	96,000.00
T&T Coalition Against Domestic Violence	Apr-05	50,000.00
Adult Literacy Tutors Associations	May-05	60,000.00
Austistic Society	May-05	38,000.00
Eternal Light Community (Amica House)	May-05	60,000.00
The Cotton Tree Foundation	Aug-05	57,600.00
T&T Innovative Support Programme	Aug-05	26,000.00
Families In Action	Oct-05	75,000.00
Heroes Foundation	Oct-05	50,000.00
Morvant Laventille Improvement Org.	Oct-05	100,000.00
Rape Crisis Society of T&T	Oct-05	81,085.00
Goshen House	Sept-05	155,680.00
Moms For Literacy	Sep-05	148,500.00
St. Martin's Welfare Association	Sept-05	66,000.00
2005 Disbursement		1,154,365.00

The TeleHealth Link is activated

Atlantic LNG has partnered the University of the West Indies (UWI), Faculty of Medical Sciences who, together with the Hospital for Sick Children, University of Toronto, have established a Telehealth Link. The audio-visual Link enables live consultation between doctors in Trinidad and Canada to create a patient referral service and specialised care for patients in the lower socio-economic brackets. Initially, it involves pediatric consultation and there are plans to extend to other disciplines. The link may also facilitate the sharing of interactive teaching programmes, clinico-pathological conferences and case presentations to enhance undergraduate, postgraduate and continuing medical education. Atlantic has pledged support for an initial two-year period.

The first Telehealth consultation with Sick Kids Hospital, Canada took place on April 5, 2005. It involved a consultation for Natalia Juman, a six year old girl with a congenital defect of the bowel and who had previously had several operations that failed to correct the problem.

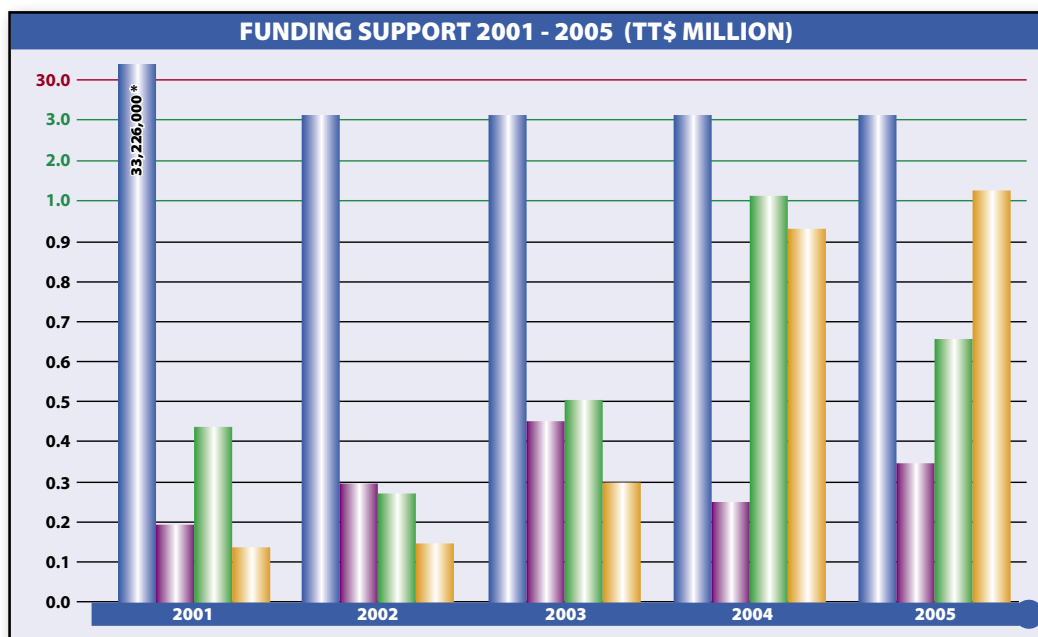
The initial consultation alone realised a saving of TT \$19,000 which would have been spent in airfare, accommodation and specialist consultation. Comparatively, the Telehealth consultation cost TT \$3,000 but was free to the family.

Telehealth has also processed 11 patients whose medical summaries have been submitted to Canada and only one patient was declined.



Natalia Juman, first beneficiary of TeleHealth consultation, with Prof. Zulaika Ali, Head TeleHealth and Dr. Bhoendradatt Tewarie, Principal of UWI, St. Augustine.

Funding Support 2001-2005



* reflects one off obligatory contributions to the TTIT

National Support Programmes 2005

Category of Support	Organisation
Atlantic For Children	The University of the West Indies – TeleHealth Programme
	Trinidad and Tobago Cricket Board of Control – Primary Schools Cricket League
Education	University of the West Indies – Endowment Fund
	Embassy of the United States of America – Fulbright Scholarship
	University of the West Indies Biological Society
	Presentation College Past Students' Association
NGO	United Way Trinidad & Tobago - Contribution for 2005
	Cotton Tree Foundation
	South Cancer Support
	Families in Action
	Society of St. Vincent de Paul
	Hispanic Women's Club
	National Centre for Persons with Disabilities
	Women in Action for the Needy & Destitute
	Lady Hochoy Home
	Christ Child Convalescent Home
Business Associates	APETT
	AMCHAM
	Employers Consultative Association
Other	Patrons of Queen's Hall
	Tennis Association of Trinidad & Tobago
	bpTT Employee Fund
	NGC Sports and Cultural Club
	CAREC
	U-23 National Women's Cricket Team
	Players Workshop Company

Business Performance **5.0**



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Business Performance 5.0

5.1 HISTORY

The Atlantic LNG Company of Trinidad and Tobago was formed in July 1995 to develop a liquefied natural gas plant in Point Fortin, Trinidad and Tobago. The venture links together one local company, NGC Trinidad and Tobago LNG Ltd., and four other companies bringing extensive international experience in the natural gas industry: Amoco Trinidad (LNG) B.V., British Gas Trinidad LNG Ltd., Repsol International Finance B.V. and Cabot Trinidad LNG Limited. (Please note: Amoco's shareholding is now held by BP Trinidad (LNG) B.V. and Cabot's by Suez (Trinidad and Tobago) LNG Ltd.

Atlantic LNG Company purchases gas from suppliers and sells freight on board to customers from its Point Fortin port in respect of Trains 1, 2&3. With regard to Train 4, Atlantic operates as a processor of gas.

The Atlantic LNG facilities are located in Point Fortin where approximately 400 of its operations staff are located. The company maintains an administrative office in Port of Spain with 137 employees. These offices are manned by Atlantic LNG employees, contract workers and seconded staff of shareholder companies.

5.2 2005 OVERVIEW

Atlantic is driven by the objective of creating shareholder value through developing and maintaining outstanding assets, performance and reputation, utilising our skills and competencies as an operator. The company continuously seeks to be innovative, to grow and to improve, in order to become a truly great operating company.

In 2005, in addition to completing the construction of Train 4, Atlantic continued a rigorous focus on asset integrity, equipment availability and gas processing optimisation as a means to increase production through the existing assets by the way that we operate those assets. Critical to the success of our efforts is dedication to well-embedded process safety management and the training and development of our people.

This strategic effort to make the transition from a project-based focus on building and commissioning LNG plants to an operations-led focus on becoming a great operating company began in late 2002, even as we were constructing Train 3.

To date we have made considerable progress in development and implementation of processes and operating innovations that have been recognised by peer groups and industry experts as best in class or on par with industry leaders. Examples include our business performance management processes, our personal development programmes for employees, our operating reliability programme and our innovative modular maintenance process for our gas turbines.

The Train 4 project was constructed over a period of 42 months and completed without a single person losing a day of work due to injury. This amounted to some 14.5 million work hours without a lost-time injury. The achievement of this incredible safety performance is shared by the teams from EPC Contractor Bechtel and Atlantic, the 20 subcontractors, and more than 5,000 workers from Point Fortin and other areas of Trinidad and Tobago. Train 4 was delivered on time and within budget and all local workers shared in more than TT\$12 million in completion bonuses.

Train 4 is 60% larger than any of Atlantic's previous trains. The capital efficiency of this scale of investment further contributes to Atlantic's position as the lowest cost supplier of LNG to the USA. Through this one project, Train 4 increased Atlantic's total LNG capacity by about 50%, or from 9.9 million metric tonnes of LNG per annum (mmtpa) to 15.2 mmtpa



The first Train 4 cargo was shipped in December 2005. From 1999 to the end of 2005, a total of 819 shipments were made from the Point Fortin port.

Year	No. of Shipments
2001	59
2002	98
2003	178
2004	190
2005	187

5.3 LOCAL CONTENT

With the construction of Train 4, Atlantic committed itself to a minimum level of expenditure locally to the extent of US\$ 175m and a preferred level of US\$ 225m. The current forecast to the end of the project stands at US\$ 256.5m.

In our previous report, Atlantic stated its commitment to local content in a way that was more than an accounting for money spent on the local procurement of goods and services. In 2005, we took a significant step in that direction with the signing of a partnership with GE Energy.

The TT \$2.5 billion deal paved the way for the establishment of a world-class Turbine Maintenance Shop and Turbine Maintenance Training Centre at the Point Fortin facility. The contract will be executed by Nuovo Pignone, a subsidiary of GE that currently supports Atlantic's turbine maintenance programme. Atlantic sees the Maintenance Shop as a significant step in the enhancement of Atlantic's philosophy of local content through the development of sustainable local enterprise.

Among the benefits being envisaged for Point Fortin and Trinidad and Tobago are the creation of some 150 jobs during the construction of the 68,000 sq. ft. Turbine Maintenance Shop, and full-time employment of nationals as well as training opportunities for engineers and service technicians under world-class tutelage when the Shop and Training Centre become fully operational in the second quarter of 2006.

There is also a benefit in increased efficiency for Atlantic as well.



Turbine Maintenance Shop and Training Centre under construction at Point Fortin

Using this approach during scheduled production outages, Atlantic's GE gas turbines will be removed and replaced in modules, substantially reducing the duration of outages and increasing production. Another major benefit of this approach is the transfer of labour from the hectic environment of a plant shutdown to the controlled environment of the service shop.

This results in benefits to safety of personnel and quality of service. In 2004, Atlantic LNG's team received the "BG Group's Chief Executive Award for Innovation" for the development of this modular concept.

Atlantic sees the opportunity as positioning Trinidad and Tobago to continue its world-class performance and prominence in the global LNG industry. While Atlantic's turbines and compressors will account for some 70% of the Turbine Maintenance Shop's work capacity, Atlantic and GE are projecting that the remaining capacity could accommodate the servicing of other GE machines in Trinidad and Tobago, the Caribbean and South America.

CASE STUDY

First Engineer goes on Training at GE Energy, Italy

Kerry Moodie, Engineer I attached to Atlantic's Technical Services Department - Engineering, Point Fortin is pursuing studies at the "Oil and Gas University" at the General Electric Learning Center at the Nuovo Pignone facilities in Florence, Italy.

This offer made to Atlantic LNG by GE is part of GE's programme to strengthen partnerships with its customers. Under the programme, GE accepts and trains its customers' employees who have strong professional talent and promise. It is in keeping with the terms of an agreement to establish a Turbine & Maintenance Centre in Point Fortin.

Atlantic's acceptance of this offer for Kerry is in keeping with our own programme of fast-tracking the development of our junior engineers and providing opportunities for our experienced engineers to ensure that the Technical Services Department continues to achieve excellence in engineering.

Kerry's acceptance into the highly recognized GE program is evidence of the quality of Atlantic LNG's junior engineers. The new "Oil and Gas University" is a structure dedicated to the training of junior engineers, leading to the Diploma in "Oil and Gas Technologies". The training is divided into four basic disciplines: Leadership; Energy; Oil and Gas Processes; and Rotating Machinery.



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Looking Ahead 6.0



A boy fishes at a park overlooking Atlantic's facilities.

Our key area of focus for 2006 is to promote greater ownership throughout the organisation for service and support of the growing numbers of our people, and for what we do, to maintain valuable relationships with all of our stakeholders. We will continue to improve on those processes designed to support the competencies of our people.

Our model for engaging the entire organisation will be the one employed to manage our safety performance and the alignment of all our people to objectives and processes that support the kind of achievements we had in 2005. We expect to undertake a rigorous assessment of our Process Safety Management system so as to maintain the long term integrity of our assets.

2006 will be the first full year of operation of Train 4 and we will continue to drive operations excellence as the way to deliver our performance promises. We will take on the challenge of ever improving our environmental performance by delivering our commitment to lower greenhouse gas emissions.

The Atlantic/GE partnership is expected to achieve a world class Turbine Maintenance Shop and Training Centre in Point Fortin by the third quarter of 2006.

We fully intend to deliver on our promises to the Point Fortin Community when we launch the operation of the community swimming pool at Mahaica and begin work on the Guapo Beach Facility. In support of the identification of projects that significantly add to the community, the UWI has been commissioned to undertake a study which, together with our consultations within the community, will further define our involvement.

We will take on the challenge of ever improving our environmental performance by delivering our commitment to lower greenhouse gas emissions



An aerial view of the newly built T4 jetty (r).



Our Performance on **7.0** 2004 Commitments

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In preparation for Atlantic's first CSR Report, we took feedback from a number of sources with the aim of improving our responsiveness to legitimate requirements of our stakeholders. In the 2004 report, we made a number of commitments to deliver on our value proposition to our stakeholders through a continuing set of plans that would narrow the gaps perceived between where we are now and where we need to be. Even as we recognise that this is a 'work in progress', what follows is a quick look

Our Performance on 2004 Commitments **7.0**

at our delivery on promise. An expanded report on each area can be found in the section of the report as indicated.

7.1 COMMENTS ON COMMITMENTS

Commitment	Comment re Delivery
Our People	
Continue to develop the capability of our people through programmes that focus on skills enhancement and leadership	97% attainment. See Training and Development report. See Social Performance – page 17
Maintain our position as a highly sought after employer on account of our competitive remuneration and benefit packages and a work environment that promotes personal and professional growth	Remuneration and benefits market review undertaken, improvements implemented. See Social Performance – page 16
Our Community	
Build on the process of dialogue and community consultation that is already in train and maintain weekly interface with fence-line residents	<i>Ongoing</i>
Undertake the relocation of residents	See Social Performance - Case Study, page 21
Support plans to improve health and recreation infrastructure Hospital Swimming Pool	<i>Ongoing</i> See Social Performance – page 23
Promote the development of sustainable business via Business Development Fund	Decision to adopt alternative action See Social Performance – page 23
Contribute to the maintenance of a community emergency response plan and the enhancement of its strategic plan	<i>Ongoing</i> See Social Performance – page 25
Our Facilities	
Grow skills of youth in the plant community through an expanded programme so as to create valuable employment opportunities	<i>Ongoing</i> See Apprentice, Operator Trainee, Undergraduate Trainee Programmes Social Performance – pages 18 and 19
Use available technology that ultimately eliminates the need for flaring and so maintain the quality of life of our neighbours while conserving resources	Work in progress See Environmental Performance – Emissions page 12
Continue to explore capability improvements so as to create expansion options that improve the competitiveness of the company in the Atlantic Basin LNG market	Not currently under consideration
Create more opportunities for local contractor involvement in our business beyond spending to acquire local goods and services. We will embed a new model for local content	<i>Ongoing</i> See Business Performance – page 31

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8.1 TRINIDAD AND TOBAGO BUREAU OF STANDARDS

Based on the results of this audit and the previous audit conducted over the period September 27-30, 2005 it can be concluded that Atlantic LNG has successfully completed its process to transition to the newly revised ISO 14001:2004 standard. There is conclusive evidence to demonstrate that the Environmental Management System continues to mature and is well managed. The company continues to demonstrate its commitment to prevention of pollution and continual improvement. Atlantic LNG may also utilise the opportunities for improvement identified in this and previous audit reports as one of the instruments in their continual improvement process. The audit team recommends that TTBS issues a new certificate to Atlantic LNG in recognition of these results.

(Conclusion of the TTBS Audit carried out April 3-6, 2006. The audit of April 3-6, 2006 was the seventh surveillance audit following registration on December 13, 2001. This audit was based upon the requirements of the revised standard ISO 14001:2004 and the company's EMS Manual E-I-T-006, Revision 8, dated March 15, 2006. In addition to being a surveillance audit, it served as a second review of the company's transition from the ISO 14001:1996 version of the standard to the 2004 version.)

JOHN J. PRUSAK, P.E.

Lead Auditor

Independent Reviewers' Statements 8.0

8.2 POINT FORTIN CORPORATION

I validate the achievements itemized in Atlantic LNG's Corporate Social Responsibility Report 2005.

Atlantic LNG is making a difference through its various outreach programmes. However, it is my belief that the criteria for Point Fortin SEA Bursaries could be modified to include top performances within each school (*instead of the top ten students in the community*) so as to touch those children who are unable to compete at the community level. There are schools which have been left out of the loop in this particular programme. While thankful for your contribution to Borough Day Activities, I will welcome a more involved approach to your participation in these celebrations.

The comments from the members of the community on the Relief Programme are very positive. There is need, however, to monitor joint projects such as the internet café to prevent bad publicity.

The staff at Atlantic LNG are very co-operative and it is pleasant to work with them.

PATRICIA BRADSHAW

Chief Executive Officer,
Point Fortin Corporation



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e-mailed to atlanticinfo@atlanticlng.com**

You may also make comments overleaf

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