



2009

SUSTAINABILITY REPORT



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Assurance provided by BSD Consulting, Brazil



The Environmental Management System of Atlantic LNG Company of Trinidad and Tobago has been certified to the ISO 14001 international standard.



\* This report was printed on recycled paper

## Contents

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02	Chairman's Word
03	About this Report
04	The Oil and Gas Sector in Trinidad and Tobago
06	CEO's Review
09	Company Profile
11	Key Performance Indicators
14	Economic Performance Indicators
	Production in 2009
	Challenging The Way We Work
	Making History for LNG Optimization
20	Health and Safety
	World Class in Personal Safety
	Process Safety And Operational Integrity
	Assuring Competence at Atlantic
	Keeping the Hydrocarbons in The Pipe
29	Labour Practices and Decent Work
	Being an Employer of Choice
	A Template for Employee Engagement
	Building Capacity
35	Environmental Performance
	Environmentally Responsible Operations
39	Social Responsibility
	Review and Assessments in 2009
	Addressing the issues: The Sustainability Action Plan
	Code of Ethics
	Sustainability in the Community
	Networking with our Communities
	Community Interventions
	Expanding into Art
	From Buffer Zone to Seeds of Hope
	Sports and Wellness
	Education for the Future
	Building Community
	CEO's Sustainability Awards (The finalists – highlights)
56	Definitions
57	Assurance Statement
59	Sustainability Indicators



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## Sustain Opportunity

“Atlantic has the unique opportunity to develop the young people of this country. There are very few local companies that have this ability, to shape the future and those who will manage that future. Atlantic is a living example of what working towards a sustainable Trinidad and Tobago means”.

*Gordon Deane - Chairman*

## Sustain focus

Atlantic shifted completely from construction at the end of 2005, prompting the publication of the first full report on Corporate Social Responsibility.

### ABOUT THIS REPORT

With each succeeding year the reports have become more robust as we cemented our position on CSR now referred to as Sustainability. The 2008 report increased awareness about Atlantic, defining how we action and support sustainability as an integral part of our business strategy.

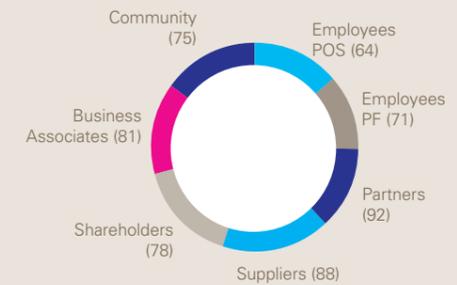
In 2008, we reported against our strategic aims of Operational Excellence, Capability Growth and Sustainability. The reporting structure for 2009 adheres to the American Petroleum Institute (API) standard; however, we also make reference to the Global Reporting Initiative (GRI) standard. API standard headings reflected in this report are economic, social and environmental. Indicators are matched to report sections in the table at the back of the report, allowing readers to easily find areas of specific interest.

Disclosure within the report provides details of the Company’s strategic operations - including production, health and safety, policies and initiatives for staff and how we are working towards sustainable development in our home community of Point Fortin and the wider Trinidad and Tobago.

Improvements to the reporting structure also result from feedback from an independent survey conducted by Management Consultants, Lennox H. Sealey and Associates. Lennox Sealey and Associates engaged groups of Employees, Suppliers, Members, the Community, Partners, Government Agencies and Business Associations and presented feedback on the 2008

Sustainability Report on audience penetration, quality of output and the relevance of the information.

### STAKEHOLDER FEEDBACK RATING



A summary score for each stakeholder group is reflected in the chart above. Taking the feedback into consideration, we have made modifications to the report layout, presentation and content with a view to improving its relevance and generating greater interest among stakeholders.

The report provides useful information and is distributed as direct mail via limited print run but mainly as an electronic document on our website at [www.atlanticlng.com](http://www.atlanticlng.com). This approach to distribution of the report is consistent with our efforts towards environmental sustainability and our drive toward continuous improvement.

The content and data of the report have been submitted to an independent assurance provider – BSD Consulting of Brazil and the findings of the assurers are disclosed in their statement published as part of the report.



The Atlantic LNG Company of Trinidad and Tobago was able to stay its course and remain true to sustainable development of self, community and country.

## THE OIL AND GAS SECTOR IN TRINIDAD AND TOBAGO

# Sustain a brighter tomorrow

### OPERATING IN THE GLOBAL CONTEXT

In 2009, the effects of the global economic crisis were felt in many countries including Trinidad and Tobago. The price of oil plummeted, swiftly followed by the price of gas. Individually countries and companies considered different actions to mitigate the effects of the downturn. Atlantic chose to stay the course, be prudent in the management of resources and be strong and focused on reaching strategic goals.

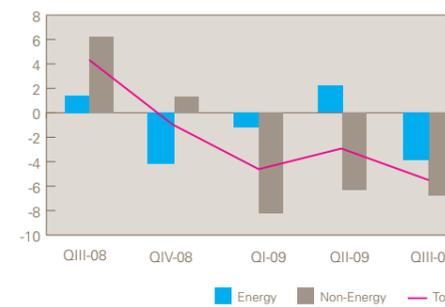
As an indigenous Company with a diverse group of members – multinational and national – Atlantic was able to stay its course and remain true to the sustainable development of Company, Community and Country. Evidence of this staying power is rolled out in the chapters of this report.

### OIL AND GAS SECTOR IN TRINIDAD AND TOBAGO

Revenues from the Oil and Gas Sector account for about 40 percent of annual GDP. In 2008, oil and gas contributed 48%. In 2009, the projected estimate was 36%. The State continued to pursue projects in industrial development, construction, road building and social improvement.

In the first recorded contraction since 1993, the Trinidad and Tobago economy contracted by about 3% according to the 2009 Central Bank Economic Survey. Crude Oil production, from mature fields, reached its lowest daily average in over four decades and output of gas and petrochemicals showed modest growth.

**CHART 1**  
REAL GDP GROWTH (YEAR-ON-YEAR PERCENT CHANGE)

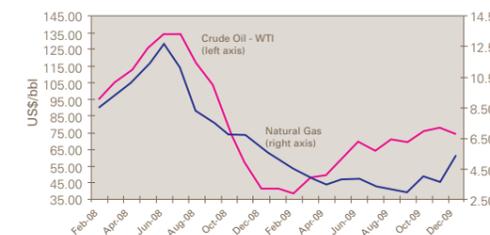


Source: The Central Bank of Trinidad & Tobago

\* Figures quoted in text and graph recreated from an extract from the Economic Survey Bulletin (Jan 2010) – Central Bank of Trinidad and Tobago (CBTT)

As seen in the chart above in 2009 there was negative growth in Q1 and Q3 with the energy sector ending the year production down from 2008 by 5.6% for LNG and 2.1% for natural gas. The price of LNG dipped sharply in line with that of Crude Oil recovering slightly at the end of the year (see chart below).

**CHART 12**  
NATURAL GAS AND CRUDE OIL PRICES



Source: Middle East Economic Survey

\* Figures quoted in text and graph recreated from an extract from the 2009 Annual Economic Survey – Central Bank of Trinidad and Tobago (CBTT)

Atlantic's contribution can be seen from the chart here that covers the years since the first cargo of LNG left Point Fortin in 1999. According to the Central Bank of Trinidad and Tobago, LNG exports increased in 2009 by 5.9% and there was an increase in production in the first nine months of the year over 2008 by 2.5%. This contributed to an overall increase in the 2009 contribution to GDP of approximately 0.6%.

The pattern of LNG exports from Trinidad and Tobago has changed over the years signifying that the demand still exists but has shifted in line with market conditions. The United States continues to be the main market for LNG exports closing out at 52% of total LNG exports for 2009. This level has, however, been affected by the global recession while countries like Argentina, Brazil and Chile are looking to increase the security of their energy supply by expediting plans for the construction of LNG regasification terminals.

In the face of these market changes, Atlantic remains committed to managing the impact of potential risks to the environment and is working assiduously to comply with global standards in this regard.

% CONTRIBUTION	1999	2000	2001	2002	2003	2004	2005	2006a	2007r	2008e	2009p
Petroleum & Gas Sector as % of T&T GDP	22.5%	31.3%	28.3%	26.2%	36.2%	37.4%	41.9%	47.0%	43.0%	48.0%	35.9%
Atlantic Contribution to T&T GDP (%)	1.2%	2.7%	2.4%	2.1%	3.8%	2.6%	3.3%	4.3%	4.3%	4.4%	5.0%
Atlantic Contribution to Petroleum & Gas Sector (%)	5.3%	8.6%	8.4%	7.9%	10.4%	6.9%	7.9%	9.2%	10.0%	9.2%	14.3%
Atlantic Contribution to Refining Industry (%)	n.a	n.a	n.a	n.a	n.a	n.a	48.7%	61.7%	59.7%	61.7%	74.7%

a - actual e - estimated p - preliminary n.a - Not Available

Source: Central Statistical Office of Trinidad and Tobago  
P = projected



“

## Sustain Momentum

When we get to 2013, I am certain that we will look back at the achievements in 2009 as significant stepping stones to 'being the best'.

Oscar Prieto - CEO

### CEO'S REVIEW

The effects of the meltdown of the financial markets continued throughout 2009 and kept most of the world in economic recession. One consequence was a change in the pattern of LNG exports. LNG cargoes traditionally bound for the United States were re-directed to destinations in South America and the Far East. These destinations became even more attractive in 2009 as a result of heightened levels of industrialization, commercial and economic activity and premium prices being offered by them for natural gas.

Atlantic managed to achieve a stellar performance in 2009; our best year to date even in the face of the economic climate and the potential competition posed by new facilities coming on stream worldwide. Our mission to become the global benchmark in LNG by 2013 was well in train and we accomplished several significant milestones that demonstrated our leadership in the industry.

### STRATEGIC AIMS ON TARGET

Progress in line with our strategic aims of Operational Excellence, Capability Growth and Sustainability – the heart of our global benchmark strategy – was on target. The economic contraction was a catalyst to performance review and the implementation of a rigorous cost management focus that helped foster greater levels of collaboration, innovation and prudent use of resources by Atlantic's people.

### SAFETY VICTORY

Perhaps the greatest outcome of stakeholder engagement in 2009 was our achievement in the area of Safety. Our employees and contractors together maintained an OSHA recordable rate of 0.062, or over 6 million hours worked without a Day Away from Work Case (DAFWC). This performance means that Atlantic continues to have a leading position in safety in the international LNG sector.

The safety culture at Atlantic was affirmed through consistent messaging in internal communications, employee

participation in safety observations and audits and the increased presence of HSE Technicians during facility maintenance activities. This culture helped guide us to another milestone, not only in our safety performance, but also in the LNG industry.

In 2009 Atlantic undertook the first major service overhaul for Train 1 in its ten-year maintenance cycle; a maintenance outage that entailed the first ever change-out in the industry of five GE Frame 5D turbines. It was the largest maintenance turnaround (TAR) on our facility to date, employing some 1800 contractors at peak.

Over the 23 days of the outage there were zero DAFWC's and zero OSHA recordable injuries. Tremendous effort went into ensuring a high level of safety consciousness including the staging of an intensive week-long Safety Village to introduce contractors to the Company's safety practices and policies. This intervention was also in alignment with our commitment to supplier development: over 1100 first-time contractor employees received safety training via Atlantic's Site Safety Induction programme.

One of the challenges going forward for our safety performance and culture will be to guard against complacency, and to build on gains to date to ensure continued improvement to 2013 and beyond.

### INCREASED PRODUCTION

The foremost challenge for 2009 was to deliver the facility production stretch target of 798.1Tbtu – our largest ever single year production and an increase of 2.96% over the 2008 production level. At 5:30 pm on December 31st

Atlantic surpassed the target to achieve a new record of 799 Tbtu and in so doing established a new daily throughput record of 2576 mmscf for the facility.

We also rose to the global economic challenge and delivered significant savings amounting to over 7% of the approved annualized operating budget. Employees were empowered to share the responsibility for delivering the operational budget of the Company. They were invited to offer suggestions for cost management, an initiative that produced over 142 suggestions that resulted in 101 actions for saving costs. In addition, substantial savings were realised through process efficiencies and the re-scheduling of projects that were considered non-business critical in 2009.

### BUILDING ENGINEERING AND TECHNICAL CAPABILITY

Atlantic believes that it is the talent of its people and their capability to innovate that will sustain our competitive advantage in the current global context and our thrust towards global benchmark.

Training initiatives in 2009 focused on internal systems of certification, and developing maintenance and engineering talent. These systems include the Competency Development Tool (CDT) and Competency Management Assurance System (CMAS). The CDT, a web-based utility for engineers and CMAS, an assessment tool and programme for operators and maintenance technicians, both serve to identify competence gaps in the Company. Closure of these gaps improves our ability to maintain our asset integrity, facility reliability and plant availability.

Widening Sustainability participation Building value for our stakeholders is a key concern of our strategic aim in sustainability. It is true that conquering the challenges that are looming in the natural gas business is intensifying the focus on improving processes, lowering costs and becoming more efficient. But it is also true that the same challenges are forcing deeper consideration of the future of our business and its contribution to the future of our home community and of Trinidad and Tobago.

It is in this area of meeting future needs that we were very successful in engaging the creativity of our employees to develop more sustainable solutions. The Staff was recognised for these efforts at our second annual CEO Sustainability Awards. The 2009 Awards had a wider base of potential entries than 2008, capturing for the first time our suppliers and partners on the various community and national development initiatives. The winning submission for 2009 was the cross-functional team that worked to enhance the reliability of Train 4.

Work with our partners started in 2007 and 2008, in key areas of sustain-

ability continued in 2009 with special focus on Sport and Wellness, Education, Children, the Environment and our home community of Point Fortin. Programmes already in train began to show the results upon which a solid baseline for the future can be measured. Through the 20 programmes in sustainability in the community, over 8,000 lives have been positively touched.

**ONWARDS ...**

When we get to 2013, I am certain that we will look back at the achievements in 2009 as significant stepping stones to 'being the best'. Our year-on-year improvement is testimony to the commitment of employee teams, and also that of our members and other stakeholders who share our Company's vision to attain a leadership position in global LNG industry. We have shown that the people of Atlantic continue to rise to the challenge, no matter how difficult the context, no matter how precarious the market conditions. With this resolve and the aspiration of a significant contribution to future generations, we look to 2010, and the journey that will bring success in 2013 and beyond.



Our role in the global energy economy is significant. LNG is currently the only economical way to move natural gas from key production areas to importing countries.

## Company Profile

Atlantic Company of Trinidad and Tobago is one of the world's largest producers of Liquefied Natural Gas (LNG). We are a four-train natural gas liquefaction facility located at Point Fortin in Trinidad. Each train is owned by a group of members in its own holding Company. Atlantic operates and manages four LNG Trains. From our first cargo on May 1, 1999 through to the end of 2009, we have loaded 1813 cargoes of LNG bound for destinations as far as Japan.

Our role in the global energy economy is significant. LNG is currently the only economical way to move natural gas from key production areas to importing countries. Trinidad and Tobago is the seventh largest LNG exporter in the world and Atlantic is responsible for processing approximately half of Trinidad and Tobago's natural gas production. Although product from Atlantic is exported around the world, the United States is the main buyer.

We receive natural gas from offshore fields north and east of Trinidad owned and operated by affiliates of Atlantic's members and others. The natural gas is processed and liquefied in one of the four processing lines, or 'trains', at our facility. Combined, the four trains that we operate and manage are capable of producing up to 100,000 cubic metres of LNG per day.



**OPTIMIZING PRODUCTION**

*Winner of the 2009 CEO's Sustainability Awards*

*Category Winner: Plant Optimization and Efficiency:*

The project was undertaken to improve the efficiency of Train 4 (Atlantic's largest train). The benefits are as follows: improvement in production; decrease in liability; enhanced credibility among buyers; and improved relationships with community.

*Winning Team from Operations - Michael Mohammed receives the trophy from CEO, Oscar Prieto.*

## Natural Gas: Clean Fuel

Of all of the fossil fuels, natural gas has the lowest level of carbon dioxide emission per unit of energy. For an equivalent amount of heat, burning natural gas produces about 30% less carbon dioxide than burning petroleum and about 45% less than burning coal. Even factoring in the energy required for liquefaction, transport and re-heating, natural gas still performs as well or better than alternatives such as coal and fuel oil in terms of carbon efficiency. Moreover, natural gas is a clean-burning fuel, with fewer by-product emissions than petroleum and diesel. As a result, natural gas is being used as an alternative automobile fuel, particularly in urban areas where local air quality is an issue. Natural gas is also an important fuel for electricity generation, a feedstock for ammonia in fertilizers and the primary source for hydrogen that is being used in fuel cell vehicle technologies.

## Key Performance Indicators

In our 2008 report we shared our vision for Atlantic ‘To be the Global Benchmark in LNG by 2013’.

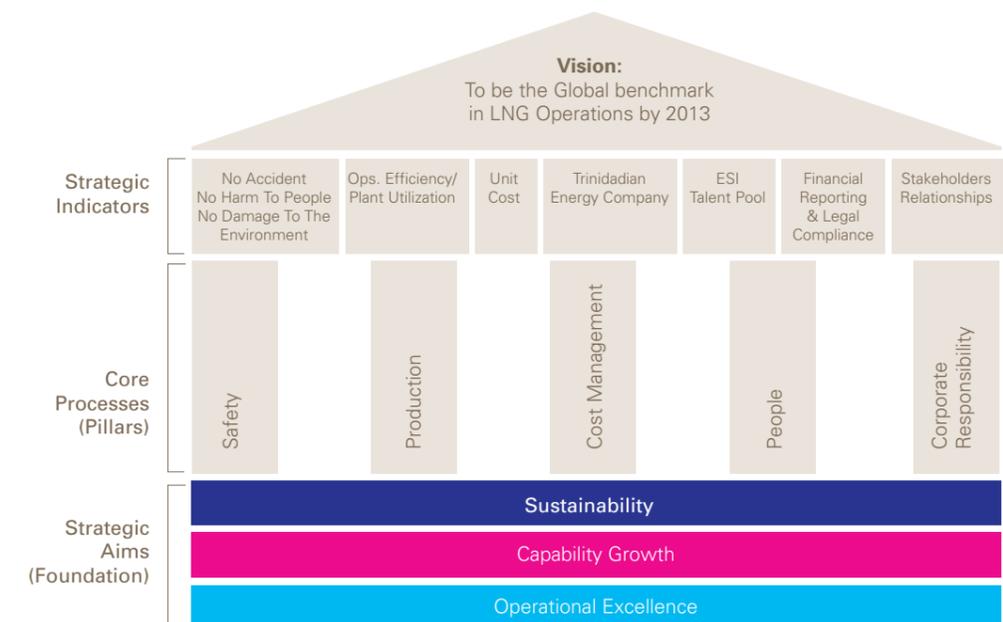
The Vision is built upon three Aims – Operational Excellence, Capability Growth and Sustainability - and is executed within the context of five Core Process pillars – Safety, Production, Cost Management, People and Corporate Responsibility. Throughout the report, reference will be made to the Core Process pillars and strategic aims consistent with the reporting philosophy.

Prior to 2006 Atlantic’s operations were a combination of construction activity and production. Reporting was two-fold, on a project basis for construction deliverables and throughput / cost for production. The Corporate Vision and the supporting strategy created a reporting platform against which Key Performance Indicators are measured. This enables a true year-on-year comparison

of the same metrics within the same areas of focus. It also enables analysis of performance, identification of gaps, and a reporting structure based on accountability, transparency and international benchmarking. In 2009 progress was made in every aspect of the business:

### SUSTAINABILITY

Since 2007 Atlantic has engaged in a review of its sustainability performance using a self-assessment tool developed by the Ethos Institute. The Ethos Indicators have created a baseline or benchmark score against which companies can score their own performance. At Atlantic these self-assessments are conducted every two years with the first one having been done in 2007 and the second in 2009.



## VALUES AND TRANSPARENCY



In 2009 performance against the Ethos Indicators for Atlantic was up by +1.68. Key areas of progress were in Community, Workforce, Supplier and Consumers and Customer development.

The main areas of focus for improvement towards achieving benchmark performance are Values and Transparency, Suppliers and the Community. Action Plans to ensure progress were developed in 2009 for execution in 2010. A higher degree of engagement with stakeholders was a key factor for the improved results. The approach to engagement was one of inclusion and partnering, sharing information, agreeing expectations, planning and providing a means for delivery of those expectations.

## OPERATIONAL EXCELLENCE

All areas of Operational Excellence showed improvement with the highlights being in the areas of Cost Management and Production output.

The production target for 2009 was achieved and surpassed. This success, along with the resounding success in Cost Management, was attributed to the hard work and dedication of Atlantic's Staff. Cost Management for example, was an all staff initiative that fostered a greater understanding across the Company of the costs involved in running the business, and in what was critical and what was not.

Employee engagement was high in 2009 however this will not be measured

Area	Improvement	Atlantic LNG 2007	Atlantic LNG 2009	Average Database 2009*	Benchmark 2009**
Values and Transparency	+0,99	5,60	6,59	4,46	9,24
Workforce	+2,19	4,02	6,21	3,98	8,38
Environment	+0,64	6,03	6,67	4,17	9,05
Suppliers	+2,71	2,60	5,31	3,88	8,69
Consumers and Customers	+2,21	3,97	6,18	5,59	9,58
Community	+3,04	5,04	8,08	3,72	9,00
Government and Society	-	6,81	6,81	3,59	8,75
Overall Performance	+1,68	4,87	6,55	4,2	8,96

\* Compared to all companies that applied Indicators in 2009

\*\* average of the 10 best results of each area consolidated in 2009

again until 2010 as the Employee Satisfaction Survey is conducted every two years. In 2009, the issues raised in the 2008 survey, resulted in the development of a list of priorities called the 'Top 19 Priorities'. These continue to be addressed and it is anticipated that the results of the 2010 survey will reflect progress in all areas of priority.

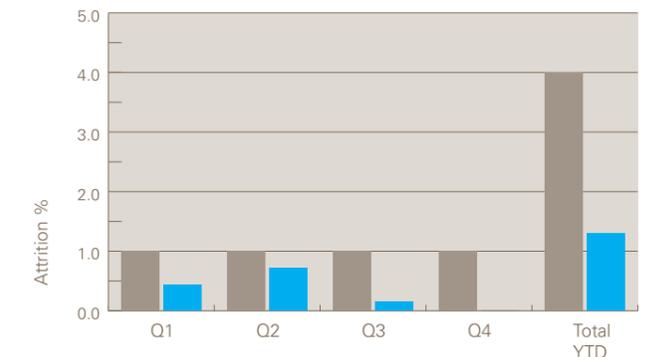
## CAPABILITY GROWTH

Atlantic lived true to its mission of becoming an 'Employer of Choice' with an enviable performance in capability growth in 2009. Milestones were delivered in the major areas of training for Competency Management and Development and there was a less than 4% attrition rate with only 1.33% of resignations from the Company's talent pool.

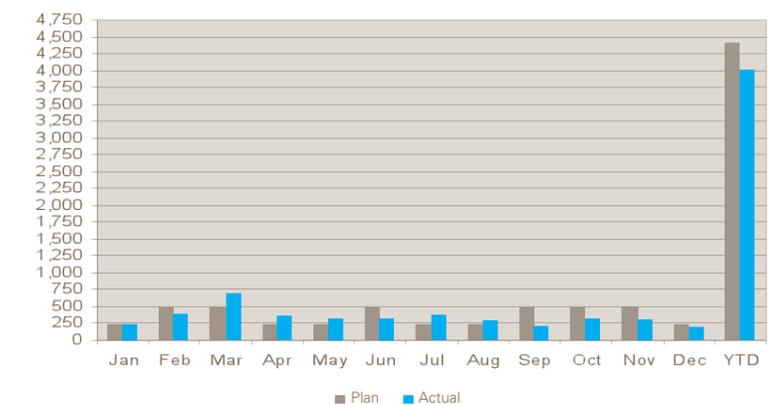
Training and Development in 2009 was on target for the first half of the year and dipped during the third and fourth quarters consistent with the maintenance activity on the Plant and rounding off the year with a shortfall of 9.4% of targeted training man-hours of 4,417. Despite this shortfall, targets in the Competency Development programmes were achieved.

Overall, 2009 will be on record as one of the most memorable and successful years for Atlantic, moving us closer to the realization of the Vision for 2013.

## ATTRITION 2009 - DECEMBER UPDATE



## TOTAL TRAINING MAN DAYS



2009 Target: Total man days of 4417  
 December YTD Target: Total man days of 4417  
 December YTD Actual: Total man days of 4002/90.6% man days achieved as per YTD



Rising to these challenges the Atlantic Team was able to adjust production schedules to ensure that we produced as targeted to the satisfaction of the personnel...

## PRODUCTION IN 2009

### Economic Performance

#### FOCUSING ON THE CORE OF ATLANTIC

Year-on-year Atlantic challenges its people to optimize production at its Point Fortin Plant. The target for production for 2009 was 798 Tbtu. This target was achieved and marginally surpassed with the closing figure being 799.3 Tbtu.

Production in 2009 was tracked both monthly and cumulatively and dips in the trend were consistent with some of the maintenance activities on the Plant.

For example, in January 2009 an LNG storage tank was de-inventoried and adjustments made to ensure delivery of scheduled production.

The Atlantic Team remained focused on the core of our business to ensure that we produced as targeted to the satisfaction of the personnel who did an exceptional job. This steadfast approach took us one step closer to our 2013 target of being the best in the global LNG industry.

#### CHALLENGING THE WAY WE WORK

The impact of the global financial crisis reached the Caribbean not too long after the North American and Asian markets began to report heavy losses in investment portfolios, sliding sales revenue and a steep fall in LNG prices.

For Trinidad and Tobago this meant projected tax revenues from Atlantic would suffer. For Atlantic it meant optimising production to ensure that contractual obligations were met, while managing our operating costs and securing profitability. To achieve this Atlantic applied the 'business critical' principle.

The Business Critical principle at Atlantic is defined within the context of safely producing LNG and at the same time balancing that with our commitment to continuous improvement in asset integrity and employee development. A review of past cost performance enabled us to identify areas of savings within our 2009 operating expenditure plan. This revision necessitated a review of how we did business and the augmentation of plans across the Company to achieve the target.

Atlantic chose to engage staff in the process of cost management by using a structured approach. A Cost Stand Down in March 2009 brought together 56 participants who represented a cross-section of managers and supervisors, mainly those who had responsibility for the management of cost centres within the Company, and who would influence spending for a sustainable future. The results of the Cost Stand Down exercise were shared with all employees who became engaged in the Cost Management Process by visiting

the Company's intranet site and adding their suggestions for possible cost savings.

All cost management suggestions were managed through the Company's intranet site where staff was also able to review actions taken and targets achieved. This demonstrated transparency in the process and progress on actions suggested by Staff.

The gains from Cost Management go beyond the monetary savings and have translated into the establishment of a ground breaking culture of cost consciousness across the Company. As a result, a number of processes have been revised and implemented throughout the Company. A heightened level of due diligence is applied to work processes to ensure we obtain the best value for money. Teams across the Company have had to challenge the way we work to exact the best value and eliminate inefficiencies. In addition to Cost Management, the many initiatives undertaken in 2009 resulted in delivery of an additional savings in operating expenditure.

To date this initiative continues to be the major tool for cost management in the Company. It is the forum that the Company uses to identify opportunities for continuous improvement and a sustainable future for Atlantic and its people.

#### DRIVING COST MANAGEMENT CONSCIOUSNESS

##### Category Winner: Business Process Improvements:

In 2009, with the downturn in economies around the globe, on the company was mandated to reduce, manage and optimize spend. This effort was driven by members of the Finance team: a cost committee was drawn from across the organization. An on-line reporting tool was used. Communications, regular meetings and timely initiatives were key success factors.



## MAKING HISTORY FOR LNG OPTIMIZATION

In September 2009 Atlantic embarked on a history making maintenance activity that would serve to sustain and optimize production on Train 1 of the facility.

In order to underscore the processes and systems that made the Train 1 Turnaround (TAR) successful, an understanding of the scope of work is essential. The feat that was accomplished over those 23 days in September was due to efficient action in five main areas of focus:

1. Creating a culture of Safety
2. Excellence in Planning
3. Execution with purpose through process management
4. Hands-on Leadership
5. Effective communication and shared learning

**Creating a TAR Culture of Safety**  
Within an area no more than 456ft X 200ft, over 4,100 heavy lifts were completed safely (10,100 for the entire Turnaround); in an execution that was a first in many ways on any LNG facility because five modules were changed out simultaneously and work was completed on ten centrifugal compressors, as well as execution of a combined lift of both HP and LP modules.

The accomplishments in safety were truly encouraging as there were zero OSHA recordables and zero lost time incidents (LTIs). A safe TAR was executed because of the presence of some key systems; the Safety Village, adherence to Atlantic's Safety Standards, Specialised Training and Leadership Interaction.

The Safety Village\*, a two-week off-site workshop, created an environment in which all contractors who participated in the TAR were trained in Atlantic's standards of safety professionalism. In addition to sharing the safety standards, all contractors with specialized tasks to execute were trained in their areas of personal risk; an example is the risk assessment and training completed by persons who would be working in Confined Spaces. Contractors were allowed to work on the Plant based on participation in the Safety Village and appropriate qualifications to work.

The Safety Village was the culmination of the training that began some five months before as GE – the maintenance contractor for the Turbines / Refrigeration compressors at Atlantic – hired a Senior Safety Manager who was responsible for embedding Atlantic's safety standards into the local GE Company. He was directly accountable for the safe performance of the GE Contractors during the TAR.

The Atlantic Leadership interacted with staff and contractors alike and took a very hands-on approach to safety during the TAR. Safety walk downs were conducted three times each day at 10:00 AM, 2:00 PM and 10:00 PM. In each walk down, a joint team of Atlantic and Contractor Management went to the execution site to observe their personnel at work and ensure safety standards were being met.

\* At the time of publication of this report, the Safety Village had also been recognized in three distinctive programmes: the Atlantic CEO's Sustainability Awards in the Category – Sustainable Health, Safety, Security and Environment Improvement; the Trinidad and Tobago OSH National Safety Awards (large Company category); and the prestigious BG Worldwide Chairman's Award in the HSSE Effectiveness Category.

### EXCELLENCE IN PLANNING

Over 1,817 persons on the Point Fortin Facility clocked over 408,000 man-hours and safely executed over 9,000 tasks; with 92 confined space entries and 116 hot work interventions. This was achieved through Excellence in Planning.

Expert planning, coordinating and logistics support cannot be underestimated. 'Early' was a key word that ran through all the activities sets that contributed to the success of this industry benchmark exercise. Early involvement of support teams, contractors and procurement in the pre-planning stage allowed for adequate time to be allotted to all pre-

works prior to execution. Contractors ensured that their teams were aware of the safety risks and quality control protocols to ensure they were prepared for meeting all requirements. Early planning between Procurement and Supply Chain Management (PSCM), Materials Management and the Shutdown Planning Team enabled procurement of required materials on time. In most cases this was done ahead of schedule in order to stay on track in the TAR Critical Path.

Logistics management and risk assessment were also key success factors at the execution phase. GE hired a dedicated Logistics Manager for their team who was responsible for transportation of the modules to and from the GE workshop as well as lay-out of the compressor deck and lay down areas to ensure efficiency was optimized. Atlantic supported this effort by convening a dedicated Logistics Team with responsibility for ensuring all logistics requirements were handled expertly. Topping all of this was the robust risk assessments for each job before execution. The Team was quickly able to identify new risks when they emerged; these were dealt with through the Simultaneous



### COMBINED LIFT - HP/LP MODULE Judges' Special Award

This project looked at a different 'modular' approach to repair / service the turbines. The results include shorter scheduled shutdown duration, reducing safety risks on a running plant (modules are lifted out and refurbished offline); allows for detailed component inspection offline and minimises the duration of outages.

Safety in Action

Operations (SIMOPS) sessions and were mitigated to a manageable level.

**EXECUTING WITH PURPOSE THROUGH PROCESS MANAGEMENT**

Directly resulting from the expert planning, the execution process was also a success. A list of contributing processes were identified as significant enablers; job assignments, team work between Atlantic and contractors, experienced and capable persons and an improved permitting process were the main ones identified.

Task Leads were assigned to specific jobs which ensured that responsibility was identified for each key task. They managed their tasks completely and took great ownership and responsibility for ensuring success in their teams. Good team work between Atlantic and Contractors also ensured that much needed support was given. The presence of experienced GE technicians at the helm who executed a similar task at Qatar Gas assisted in the TAR as they were able to bring to bear a level of confidence among the members of the team in the execution of the modular change-outs.

None of the work done would have been possible without a dedicated Permit Office to facilitate the timely delivery of permits ensuring that jobs were started promptly and conducted with the requisite approvals and within the appropriate procedures.

**HANDS-ON LEADERSHIP**

Leadership is not only important to the execution of all projects at Atlantic, it is the quality of leadership that has now become a standard expectation and that is Hands-on Leadership.

A Steering Committee provided strate-

gic oversight and direction for the TAR as well as provided support to remove major road blocks that may have influenced the successful outcome.

A Cross Functional Team gave invaluable guidance, direction and expert advice during the planning phase as well as coordination and management of execution tasks during the execution phase.

A Technical Committee was important for providing advice and support for real time decision making on technical issues which allowed the Task Leads to focus on execution.

Peer Review support was provided from peers in Member companies to review TAR preparedness which served to provide additional rigor to the planning process. In addition, GE conducted their own Peer Review to determine their readiness for the TAR.



**EFFECTIVE COMMUNICATION AND SHARED LEARNING**

There were some significant aspects of communication which worked well for the TAR and will be embedded in the way we work going forward. Having a

dedicated space from which the Team could operate was essential. Members met regularly at weekly update meetings during the Define Stage and bi-weekly in the Execute Stage of planning process. Simultaneous Operations sessions (SIMOPS) were also done for both stages with a view to refine agreements made from the previous session. During Execute stage, progress meetings were held twice per day.

Safety Stand Downs every 72 hours in which both Contractors and Atlantic employees participated, were opportunities to stop work and reflect on what went well, and also to generate discussions with the execution team regarding chal-

lenges/new risks that emerged during that period.

Regular communication between contractors and Atlantic employees ensured a high degree of engagement bringing the team together early in the planning process and continuing through to the execution phases for the TAR.

Overall, the overwhelming success of this TAR rested on the shoulders of many Atlantic employees and contractors and the processes and systems identified above are only the key ones that helped facilitate this success in 2009.



**P- 285 TRAIN 1 RECYCLE VALVE ACTUATOR UPGRADE PROJECT Judges' Special Award**

This project helped reduce losses in production and reliability of Train 1 associated with sticking of recycle valve plugs. It was successfully completed in the September shutdown on all 14 Fisher recycle valve actuators and there has been no recurrence of such problems to date. There is also significant reduction in the amount of wasteful recycling when plugs leak and there is loss of turbine power.

*Train 1 Turnaround - Team Task in Action*



The Company's current operational philosophy places safety above all considerations and acknowledges safety as a critical measure of performance and reward.

## HEALTH AND SAFETY

### Sustain Life

#### WORLD CLASS IN PERSONAL SAFETY

Atlantic's Vision is to be the Global Benchmark in LNG Operations by 2013. While the Company works towards benchmark status in the core processes of Production, Cost Management, People and Corporate Responsibility, having worked 6,642,700 million man hours without a Day Away From Work (DAWFC) at the end of 2009 and with a year end Recordable Incident Frequency (RIF) of 0.062, compared to 0.290 in 2008, it has achieved benchmark performance in the area of personal safety.

Underpinning Atlantic's journey to benchmark safety performance has been visible and demonstrated leadership commitment, robust risk assessment processes to identify major exposures, proactive behaviour-based

interventions and the Company's desire and willingness to accept and treat with the gaps in our existing safety processes and systems. The Company's current operational philosophy places safety above all considerations and acknowledges safety as a critical measure of performance and reward.

#### 2009 PERFORMANCE INPUT HIGHLIGHTS

All components of the Company's HSE Strategy and Plans remained focused on achieving benchmark status by 2013.



OSH Safety Award 2009  
From left: Oscar Prieto - CEO Atlantic, Henley Harewood - Director HSE, Gregory Evernden - Production Director

#### KEY INPUTS IN ACHIEVING EXCELLENT SAFETY PERFORMANCE IN 2009

- 163 Management Led Safety Meetings,
- 1,743 Permit Audits  
619 Management walk downs
- Service Provider Management Support for site safety interventions
- 11,474 employee interventions (STOPs, Behavioural Safety Observations)
- 5,581 areas for improvement recorded
- 69% Action Item closure
- 282 Initial Incident Notifications (IINs) generated
- 5,053 Man-hours of safety related training  
>3,500 service provider employees trained via Safety induction programme (non TAR)
- 2009 persons trained at the 'Safety Village'
- Specific training for service provider employees in Confined Space Entry & Fire Watch

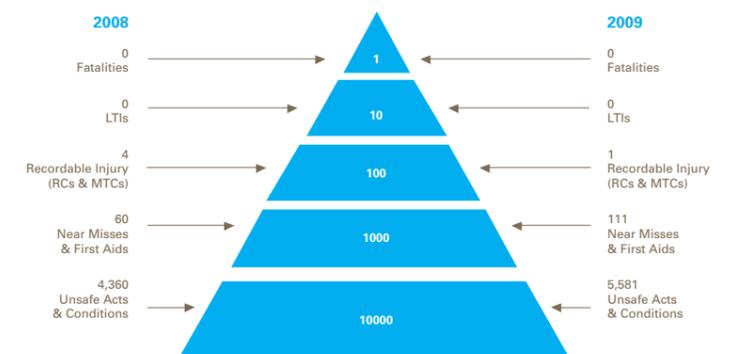
#### 2009 PERFORMANCE OUTPUT HIGHLIGHTS

Timely reporting as well as effective investigation and analysis processes are critical to learning in any organisation and provide the perspective of the risk that exists within a Company's operations. A key component of Atlantic's HSE strategy is the need for continuous improvement in the reporting, investigation and lessons learned processes for all incidents. As reflected in the base of the triangle, in comparison to 2008, there was an overall increase in the reporting of unsafe acts, conditions and near misses in 2009. This is especially important to improving our ability to make the necessary interventions that can prevent minor and major injuries.

As further evidence of the Company's commitment, Atlantic was awarded the Safety Award - Large Company Category at the 2009 National Safety Awards coordinated by the Trinidad and Tobago Occupational Safety and Health Authority.

The Company continues to strive for safety excellence. At the time of publication in mid-2010 over 8,000,000 man-hours without a Day Away From Work (DAWFC) had been achieved. Through the progress achieved to date in the delivery of the HSE Strategy and plan, the Company has laid a sustainable foundation for the further development and embedding of future initiatives to assure a high level of safety performance.

#### 2009 PERFORMANCE OUTPUT HIGHLIGHTS



## PROCESS SAFETY AND OPERATIONAL INTEGRITY

A key part of attaining benchmark status for Atlantic is transparency in our management practices, to operate in a manner that is open to scrutiny and subject to challenges to performance.

Accountability to Members is not only addressed at the level of the board, but actively on the Plant as audits of the operations are conducted to ensure compliance with international industry standards.

Self-assessment is also an integral part of ensuring accountability for the safe operations of the Atlantic Plant. In 2009, a total of 45 Safety and Operational Integrity (S&OI) actions were identified, closed out by the relevant line authorities and verified by the Internal Audit department.

### RANGE OF ISSUES IDENTIFIED FOR ACTION

Competency gaps of staff, particularly contractor staff, working on turnarounds (TARs)

Expansion of communication of Atlantic standards to contractors to ensure consistent application of safe work practices

Implementing procedures to close gaps between process design and actual operation

Conduct pre-approval work site inspections by a competent person and record the findings before conducting the risk assessments

Develop risk assessments for activities involving storage, handling, and sampling of hazardous substances. Establish safe systems of work prior to perform the activity

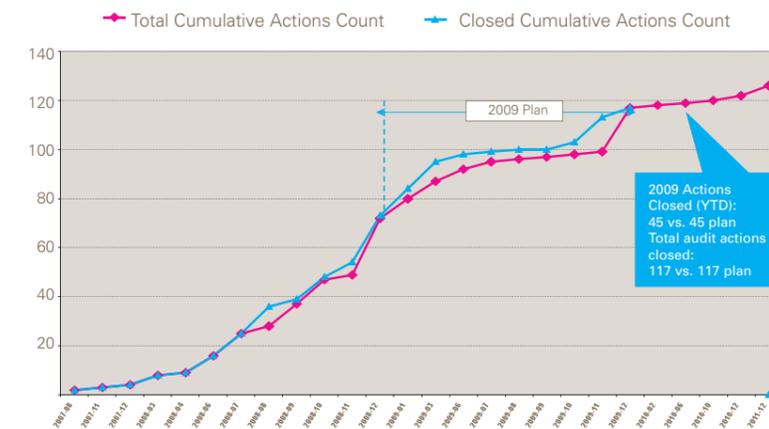
Develop and implement a philosophy and a system to manage and control document and information effectively and securely

Develop statistical tools to measure HSE lagging and leading indicators on the facility to mention some key points

Actions were systematically closed out as they were constantly in focus and progress tracked. An action was even outlined to develop a process to test effectiveness of closed actions in reducing the risks. This was critical to the sustainability of the process of issue identification and close out as it allowed for the measurement of actions that had to be re-opened. The re-opening of issues was attributed to poor embedding of lessons learnt or procedures developed out of action closure not being fol-

lowed. The frequency of the re-opening of issues became a key performance indicator for the on-going success of this process of assurance and accountability.

Closing out the 2009 actions according to plan meant that there was continuous improvement at the facility that contributed to optimal availability, production efficiency and above all to everything being done safely.



### SIX MILLION AND COUNTING – THE JOURNEY Judges' Special Award

The development and implementation of a risk based plan to facilitate delivery of the safety agenda has allowed us to be a leader by international standards in the area of safety.



## ASSURING COMPETENCE AT ATLANTIC

The Competency Management & Assurance System (CMAS) is a process for ensuring the competence of individuals performing Safety Critical Roles.

It ensures that the right people obtain the right skills, to do the right job the right way. This way we achieve world-class safety, integrity and efficiency. In our aim to be best in class, we have adopted this process. It is being applied primarily to technicians and will be further developed to cover all safety critical roles. This is to comply with Element 2 of Asset Integrity Management Standard.

CMAS requires that for a defined role, Atlantic must develop a profile containing units of Generic and Site specific skills and competencies required to work safely.

Generic units are based on HSE and core skills requirements. Site Specific Technical units are based on the site's equipment and systems. All units of competence are to be re-validated on a three to five year cycle. Site specific assessments are carried out by certified CMAS assessors using global standards to provide consistency. Verification of assessments ensures the integrity of the competence assurance process.

The CMAS process provides clearly defined profiles, comprehensive assessment guides and systematic assessments for individuals to fulfil competence set against common standards of performance.

The assessment determines whether individuals are competent or not yet com-

petent and guides the training interventions required to close gaps. The whole system is designed for consistency and fairness, and internal audits are carried out by Verifiers of the system.

CMAS benefits the Company in support of the three platforms of our Strategy:

1. Capability Growth - it ensures that the Company is manned by people who have the competence to perform their activities
2. Operational Excellence - minimizes human error and by extension HSE accidents by identifying gaps or inadequacies in training / competence levels
3. Sustainability - it creates opportunities for employees to demonstrate their levels of competence.

The structure of the system is consistent with the expectations of the industry and as such the results can withstand external stakeholder scrutiny. While employees at all levels are expected to know about CMAS, the system specifically targets Operations & Maintenance Technicians and other safety critical roles.



Competency Development Training Centre Opening  
From left: Gregory Evernden - Production Director, Jean Andre Celestain - Chief Operations Officer

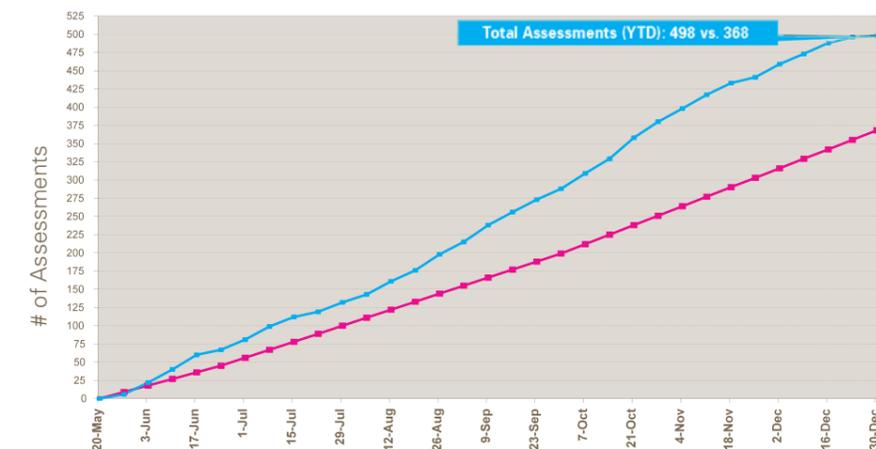
### THE CMAS ASSESSMENT CYCLE



CMAS will be driven by managers and supervisors opening the door for the identification of gaps in capability and creating the opportunities for on-the-job coaching of employees. It encourages staff to be task-focused and to be accountable for the assets in their care. In March 2009 the pilot phase for CMAS, involving 16 Operations Technicians, was completed in the Front End field area. Assessment guides were developed for an additional five field areas, including Liquefaction, Compressor House, Power Generation, Water Systems and Jetty. 498 assessments were completed across the six field areas available for assessments. The first full

year of the CMAS programme engaged 69% of the Operations Technician staff who had first-hand experience with the entire CMAS assessment cycle.

The implementation of CMAS as a management system has surpassed expectation. It is expected that in 2010 the ten (10) outstanding assessment guides for the remaining field areas will be completed along with more than 550 assessments across all field areas for the Operations Technicians. All assessment guides for Trains 1-4 Control Room areas and for the Maintenance disciplines will also be completed in 2010.



## KEEPING THE HYDROCARBONS INSIDE THE PIPE

Ten years after establishment, Atlantic is journeying towards benchmark status on the global LNG stage with Plant integrity, safety and reliability as major areas of focus for all staff.

Since 2007, in order to meet this challenge for plant integrity in particular, Atlantic introduced the concept of Asset Integrity Management Standard – AIMS.

Asset integrity is the ability of an asset to perform its required function effectively and efficiently while safeguarding life and the environment. The AIMS standard is an industry-recognised means of preventative and predictive activity. It should be recognized however, that risk can never be eliminated and it is up to each and everyone to ensure the integrity of Atlantic's systems. The standard provides a construct through which operations staff can manage the physical assets of the facility with a view to catching potential mechanical and asset weaknesses before accidents or failures occur.

In 2009 Atlantic began full implementation of the AIM standard. The implementation process is a five-year journey requiring complete dedication and continuous improvement from all involved. In the words of Atlantic's CEO, Oscar Prieto, "... it means that every day we do things a little better than we did the day before."

Atlantic's AIM standard sets out the requirements necessary to satisfy Atlantic values, particularly those relating to risk, health and safety and environmentally sound operations. There are two main intents, one to ensure a formal approach to the management of integrity of Atlantic operations throughout their lifecycle and two to promote the adoption of the standard by companies working on behalf of Atlantic.

### AIMS HAS AN IMPLEMENTATION GUIDE WHICH CONSISTS OF TEN ELEMENTS.

<b>1. Accountabilities</b>	the identification of personnel responsible for AIM to ensure clear, single points of accountability
<b>2. Competence</b>	AIM shall ensure that staff with assigned responsibilities have defined roles and are competent to carry out AIM-related tasks
<b>3. Hazard evaluation and risk assessment</b>	to ensure that AIM hazards are systematically identified and the risks assessed and managed

<b>4. Facilities and process integrity</b>	Atlantic shall confirm that facilities and equipment are fit for service to avoid loss of containment and to maintain structural integrity throughout the lifecycle of the facility and equipment
<b>5. Protective systems</b>	to safeguard people, facilities and the environment by ensuring protective systems and devices are in place to prevent, detect, control or mitigate the effects of AIM incidents
<b>6. Practices and procedures</b>	Atlantic operations shall ensure that practices and procedures of the facilities and equipment are up-to-date, accurate and documented
<b>7. Management of change</b>	to ensure that any change with possible AIM implications does not take place without a systematic process to examine its impact and manage any associated risks
<b>8. Emergency response</b>	to ensure a quick and appropriate response to any AIM incident to prevent escalation, and to mitigate the effects on people, assets and the environment
<b>9. Incident investigation and learning</b>	to reduce the likelihood of future accidents by investigating the causes of any AIM incident and sharing the findings
<b>10. Performance management and learning</b>	Atlantic shall have in place a performance management system including self and external assessments to measure the effectiveness of AIM programmes

Over the next five years, Atlantic will apply the AIM standard across the facility and will call for changes to systems and processes in order to enhance asset integrity. All of the requirements have been clearly identified and are available to staff on the Company's intranet as it is important for personnel to understand the impact of their decisions and to know what they don't know. It is crucial that with this understanding staff will also know how and when to involve

specialized expertise to eliminate individuals placing their own risk preferences or interpretations above those of the Atlantic AIM standard.

As a means of creating this understanding among staff, in the last quarter of 2009 an online modular AIMS training tool was introduced. This tool targets staff individually allowing them the opportunity to schedule their own time for exposure to each module. The informa-

tion on AIMS in laid out in an easy-to-understand manner and includes an element of interactivity through exercises and a self-assessment at the end of each module. The online system tracks usage by individual and modules must be completed sequentially for the next one to be accessed by the user.

The AIM standard is the vehicle by which Atlantic can lay claim to our positioning as a world class Company com-

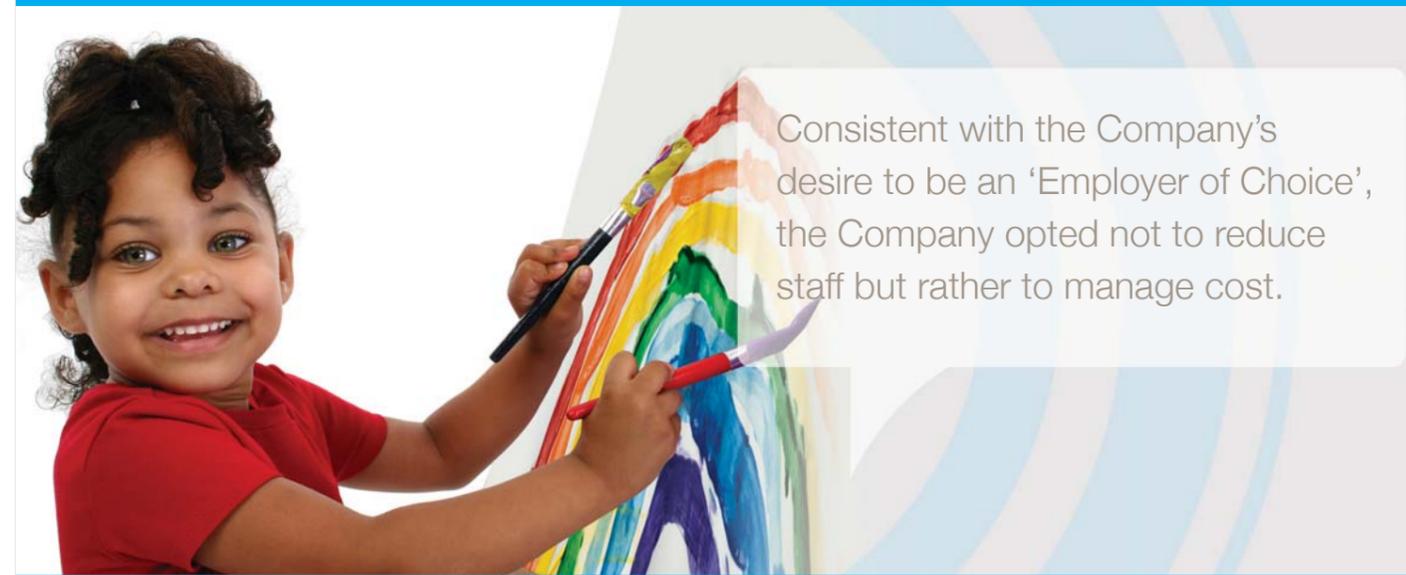
mitted to the principles of operational excellence and environmental stewardship. In the words of CEO – Oscar Prieto “We will do it safely or we will not do it”... and that is how we at Atlantic are keeping our hydrocarbons inside the pipe.

#### 2009 SAFETY VILLAGE

##### Category Winner: HSSE Improvement

The Safety Village addressed contractor HSE awareness on key industry-wide safe work practices aligned to a national requirement identified by the Point Lisa’s Energy Association. This ‘passport’ requirement is endorsed by the National Training Agency. The Safety Village ran for two weeks and provided a series of seminars and workshops for over 2000 contractor personnel before the maintenance activity on Train 1. (This model intervention for Safety also received an award from the BG Chairman.)

Train 1 Turnaround - Team



Consistent with the Company’s desire to be an ‘Employer of Choice’, the Company opted not to reduce staff but rather to manage cost.

## LABOUR PRACTICES AND DECENT WORK

### Sustain Motivation

#### BEING AN EMPLOYER OF CHOICE

In the face of a challenging 2009 global economic environment Atlantic managed its human resources with a view to maintaining a workforce that would be valued and nurtured in an environment of inclusion.

Consistent with the Company’s desire to be an ‘Employer of Choice’, the Company opted not to reduce staff but rather to manage cost. This approach was shared with employees who were also given the opportunity to participate in the process of managing the Company’s resources through a structured interactive approach to cost management. The result was zero job losses related to cost management and retention of 100% of permanent staff.

Atlantic continued to build on its approach to local hiring practices. Graduate Trainees who had run the course of their two-year programme, which began in 2007, were absorbed into the permanent workforce filling positions where vacancies existed on the Company’s

organizational chart and where there was an appropriate fit. This meant that there was an infusion of new blood into the Company bringing the benefit of learning the business before commencing a career. This approach has benefited the Company’s ability to have new staff who are not only well-qualified for the roles they fill but who also have a shorter learning curve and are therefore able to be immediate contributors.

#### ATLANTIC LNG COMPANY OF TRINIDAD & TOBAGO

##### NUMBER OF EMPLOYEES AS AT DECEMBER 31ST, 2009

	2007	2008	2009
<b>Total</b>	<b>629</b>	<b>680</b>	<b>677</b>
Location			
Point- Fortin	499	555	558
Port-of-Spain	130	125	119
Job Status			
Permanent	561	600	590
Trainees	63	51	45
Contracted	5	29	42

#### TRAINEES INTAKE- 2009

Program	2009
Operator Trainees	22
Apprentice	0
Graduate Trainee	0
UTT Trainee	0

## A TEMPLATE FOR EMPLOYEE ENGAGEMENT

### THE NEW EMPLOYEE HANDBOOK

Over 12 years ago with a small staff population, Atlantic began the process of engagement through the creation of a concise manual of information for employees, an Employee Handbook.

In 2009, with nearly 700 permanent employees, the Employee Handbook was renewed to become an up-to-date comprehensive guide to all things Atlantic.

The Employee Handbook covers a wide range of topics detailing information that is useful, critical and engaging such as the Company History, Employment and Work Policies and Practices, Health, Safety, Wellness and Performance.

The Employee Handbook is a living document that evolves as the Company grows and is an expression of Atlantic's commitment to the welfare of its people. A significant part of renewing the handbook in 2009 was to include

and edit sections to allow the Atlantic culture to unfold throughout its 56 pages. Additions to the handbook included a section on Sustainability and Communications.

Over time Atlantic the Company has changed, and although focus from 2006 has been directed to the core operations of the business and to the production of LNG, attention is also focused on the needs of employees.

#### Company Policies

A high priority on the Atlantic people agenda is staff engagement. Dealing with a non-unionised workforce, it is particularly important to the Leadership of the Company that Staff is engaged through social and electronic media as well as through face-to-face interactions.

In 2009, 13 revised or new policies were shared with staff through roll-out sessions. These policies addressed issues of Employee Benefits, Employee Rights, Hiring Practices, the Code of Conduct and Reward and Recognition.

The roll out of policies has resulted in a more informed workforce that is empowered to give feedback that contributes to the Company's growth and initiatives. Like the Employee Handbook, the Company's Policies are refreshed continuously as new issues arise, new

Staff is inducted or as needs change.

As Atlantic continues however, in its approach to decreasing the use of paper documents in the work environment, all policies and the Employee Handbook in its entirety are posted on the Company's intranet for easy access by employ-

ees in all areas of the business.

Over time Atlantic as a Company has changed and although focus from 2006 has been directed to the core operations of the business and to the production of LNG, attention is also focused on the needs of employees as without them the operations could not continue.

## BUILDING CAPACITY ... Through Behaviours

An underpinning success factor in the selection and development of the Atlantic workforce is the articulation and adoption of the Atlantic Behaviours.

In 2009 behaviour values were articulated to staff detailing the expectations for employee's conduct and performance across Atlantic:

#### Demonstrate Ethical Behaviour

*As an employee, I will uphold Atlantic 'Code of Ethics' by:*

- Demonstrating sound ethical behaviour by matching words with actions
- Being trustworthy and honest
- Displaying ethical business conduct
- Being transparent and fair
- Compliant with all legal and statutory requirements
- Ensuring Sustainability

#### Communicate Effectively

*As an employee, I will adhere to Atlantic's Business Principles by:*

- Creating an environment that fosters two (2)-way Communication
- Communicating openly & honestly
- Being an active listener
- Giving and receiving constructive feedback
- Encouraging free and frank discussions
- Communicating with influence

#### Value People

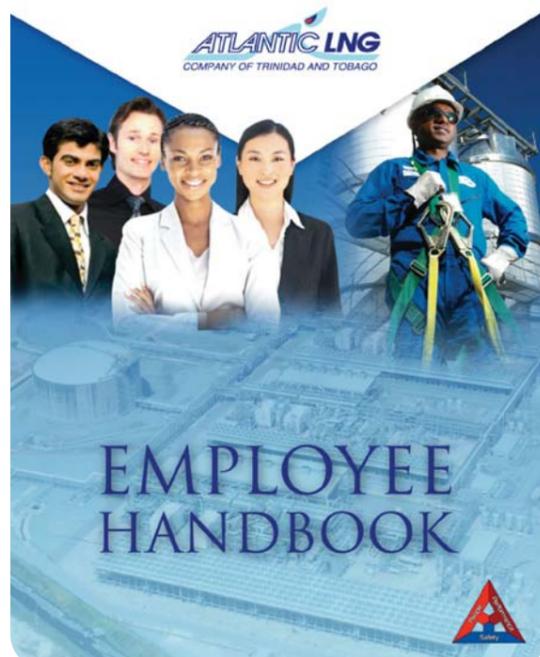
*As an employee, I will uphold Atlantic People performance standards by:*

- Providing opportunities for growth & development
- Respecting each and every individual
- Valuing the contributions of all
- Actively Coaching others
- Accurately evaluating & assessing potential
- Being sincere and genuine in my interactions

#### Drive Performance

*As an employee, I will effectively manage the Company's assets to continuously add value to our stakeholders by:*

- Managing human resources well
- Upholding the Company's HSSE standards
- Encouraging innovation and adapting to change
- Fostering teamwork
- Being accountable
- Delivering high quality results
- Being proactive & Managing Risk
- Making informed decisions and seeing them through



To employees this campaign facilitated greater understanding about what was expected of them. Previously perceived only within the context of the corporate strategy of Atlantic the articulation of the Atlantic Behaviours clearly defined the purpose of adhering to these policies and practices and how each individual's behaviour contributes to the governance of the Company.

The embedding of the Atlantic Behaviours created a platform from which employees could speak about what it means to be an 'Atlantic Employee'. The Atlantic Behaviours became the framework for the non-technical assessment of staff's performance in 2009 and beyond.

#### ... Through Performance

Out of the Behavioural Framework was born the Atlantic Behavioural Competency Assessment Process. The process began on December 1st, 2009 with a new on-line evaluation tool to be used for the 2009 Performance Management System.

Over an 8-week period the evaluation of employee's on-the-job behaviours was conducted using a 360 Multi-rater Assessment Tool. The process was a collaborative one that allowed employees to become engaged by using the tool to assess behaviours through self-assessment and across the Company through manager / supervisor and peer assess-

ments. The results of the assessment contributed to the overall performance review of each employee and created a basis for discussions around areas for improvement and or recognition.

The use of the tool enabled the Management of Atlantic to better understand where gaps in behavioural performance could possibly be affecting the operation of the Company and was the basis upon which gaps in managerial support were also identified. The closure of these gaps is critical to the delivery of the Atlantic Vision 2013 and form a sound base for the development of the Company's supervisory and middle-management. As this process began in late 2009, plans to close gaps will be developed in and reported on in the 2010 Sustainability Report.

#### ...Through Training

Creating an environment of inclusion and a culture of value for employees at Atlantic spans all areas of human resource management. Training while on the job is viewed as critical to the continued building of capacity for the workforce, the Company and the stakeholders to which we are accountable.

Since Atlantic was established, the approach to training was focused heavily on pre-packaged external interventions, in 2009 however, the approach to training was revised to be re-focused on what was critical for the Company as opposed to what was available in the training arena. The Company managed training from two perspectives, a direct focus on training relevant to the core of our business and through managing cost.

As a lead into establishing the training agenda, Personal Development Plans

(PDP's) were viewed through the lens of Competency Development which was conceptually launched in 2008 and put into practice in 2009. The marriage between these two tools enables Staff to have greater alignment between where they are in their career paths and where they would like to be.

The Competency Development Tool (CDT) was rolled out to staff during the first quarter of 2009, during which time staff was engaged directly through presentations and indirectly via the Company's communications network, specifically the intranet and staff publications.

The CDT is web-based and presents a structured and logical tool that enables non-operational employees to assess their skills levels in general and specific areas applicable to their function. The tool identified areas for development on an individual basis in order to grow persons for the delivery of the functional agenda. The process is self driven and the endorsement by supervisors provides information that can improve development conversations resulting in aligned learning and development activities.

Canvassing the entire Atlantic workforce for full implementation of CDT will take the better part of two years supported by a plan that attends first to employees in the core of the business and moves outward to employees in support services.

The gaps identified via the CDT analysis are the basis upon which training programmes will be developed over the coming years. These programmes will help close gaps in competence

and enhance the ability of employees to achieve the goals outlined in their PDP's. The benefit to the Company will be capacity growth in a structured manner that is more efficient and deliberately aligns with corporate strategy and objectives.

#### ... Skills Development

In 2008 Atlantic gained recognition as a forerunner in providing 'sustainability through education' to young individuals. This recognition was the result of Atlantic's acquisition of the Trinidad & Tobago National Vocational Qualification (TTNVQ) in Process Plant Operations for the national level Operator Trainee Programme. The TTNVQ was the beginning of the sustainability thrust for our training programmes.

In 2009, the strategy was heightened by the introduction of a new regional qualification by the Caribbean Association of National Training Agencies (CANTA) – The Caribbean Vocational Qualification (CVQ).

The CVQ is competency based and developed from Regional Occupational Standards applicable to CARICOM whereas the TTNVQ is a national qualification. Both the National Training Agency and Atlantic broke new ground as we began the design, development and implementation of the CVQ Level 2 for our Apprenticeship Programme in Mechanical Maintenance and Instrumentation and Control.

Partnering with the NTA and CANTA has allowed Atlantic to be positioned as the first Company in the region to contribute to a sustainable solution for a skilled workforce through education. Activation of this programme has promoted



Operator Trainee Graduation

the development of a competitive regional workforce and facilitated the CSME (CARICOM Single Market and Economy) objective of the free movement of certified skilled workers within the region.

In addition to the relationship with the NTA and CANTA Atlantic's relationship with the University of Trinidad and Tobago (UTT) and the community of Point Fortin has been strengthened in 2009 as our Apprentices are now enrolled on a part-time basis with UTT to pursue the National Engineering Technicians' Diploma (NETD). The Apprenticeship Programme is specifically aimed at the development of young individuals within the St. Patrick's district.

Atlantic has undertaken these initiatives to ensure the future of the Company's operations has a wealth of highly skilled, well-rounded pool from which it can draw future generations of staff to fulfill

its operational mandate. While Atlantic is a national Company, these initiatives have been developed with a broad spectrum of participants in mind; the community of Point Fortin, as Atlantic's home community has the opportunity to participate in skills development within the area through the National Energy Skills Centre (NESC) programme for Operator Trainees and also via the secondary school support programme sponsored by Atlantic called the Point Fortin's Finest. Nationally graduates of these programmes are tooled to enter other tertiary level education programmes or to work either in Trinidad and Tobago or regionally.

Creating a skilled workforce that can operate in several areas also diversifies the experiences that participants can have. These experiences add great value and enhance their chances of employment with Atlantic.

#### Atlantic Leadership Team

Standing from left: Jorge Osorio - Operations Excellence Director, Carl Ramlakhan - Director, Production Optimization, Richard Nanchoo - Director, Performance Management, Jean Andre Celestain - Chief Operations Officer (COO), Oscar Prieto - Chief Executive Officer (CEO), Moonillal Lalchan - Vice President, Finance and Administration, Roger Ferguson - Vice President, Commercial, Ulric Warner - Vice President, Human Resources, Gregory Evernden - Production Director. Kneelling from left: Caroline Toni Sirju-Ramnarine - Head, Sustainability and Corporate Communications, Yukmai Marsang - Vice President, Law and Corporate Affairs, Dawn Hackett - Procurement and Supply Chain Management (PSCM) Director, Sherene Poon - Head, Strategic Planning and Performance Management. Not in photo: Don Gonzales - Head, Internal Audit



Our first priority is to reduce the amount of materials that we use – an activity that is captured and managed through our Cost Management Programme

## ENVIRONMENTAL PERFORMANCE

### Sustaining our world

#### ENVIRONMENTALLY RESPONSIBLE OPERATIONS

Atlantic's efforts to protect the environment around our operations are rooted in our Health, Safety and Environment Policy which is part of the Code of Ethics. This policy commits us to minimizing our environmental impacts through pollution prevention and environmental conservation. We have implemented the commitments of this policy through our Environmental Management System (EMS) which has been certified to the ISO 14001 international standard. As part of this certification, our EMS is audited annually by our Registrar, Trinidad and Tobago Bureau of Standards and had a successful surveillance audit in 2009 with a single minor non-conformance in the maintenance storage area, which has been rectified.

Our EMS commits us to measuring, managing and improving our performance against key aspects. For Atlantic, these aspects include Greenhouse Gas Emissions (GHG's) and minimization of waste and spills. As part of the management system, we have implemented several control mechanisms to improve our performance:

- Key environmental performance metrics are reported monthly to the Atlantic Leadership Team.
- Environmental targets have been set for emissions of greenhouse gases and waste reduction based on the 2008 baseline.
- Recycling Programme was expanded to include plastic bottles, aluminium cans and cardboard.
- More focus on the assessment of environmental risks in the planning

stages of maintenance activities on the Plant or Turnarounds (TAR's).

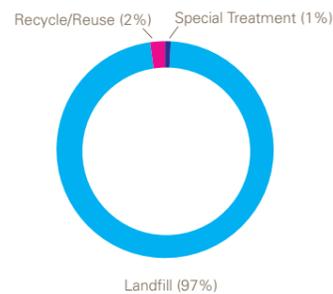
- Safety training programme for employees and contractors includes our environmental aspects.
- All visitors to the Point Fortin Facility undergo Induction Training which includes environmental responsibility, commitments and preventative measures.

Atlantic has also maintained a commitment to protect biodiversity around the Point Fortin operation. During development of the facility Buffer Zone, we engaged community members, the local 4-H Club and government agencies to develop a planning strategy that promotes biodiversity, native plant species and growing food plants. The Company has also become a key sponsor in the preservation of endangered marine life, partnering with the Turtle Village Trust whose main focus is the preservation of turtles that come to the shores of Trinidad and Tobago to nest annually.

#### MINIMIZING WASTE TO LANDFILL

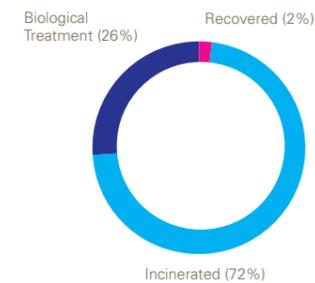
Our operations produce a variety of waste products including oily liquids and residues, oil and gas filters, chemicals and other solid wastes. We comply with all waste disposal requirements, including the appropriate land filling of some wastes. Landfill disposal is however, a growing concern among our stakeholders. As we fill available land space we are increasingly mindful of the issues associated with the legacy of landfills.

#### SOLID WASTE DISPOSAL METHODS



In response to feedback from our community, government and Members, we have committed to reducing the amount of waste that we send to landfill.

#### PROCESS LIQUID WASTE DISPOSAL METHODS



**Our first priority** is to reduce the amount of materials that we use – an activity that is captured and managed through our Cost Management Programme. **Our second priority** is to recycle or reuse waste materials. For waste materials that cannot be recycled, we will use incineration where appropriate or safe disposal in approved landfills.

Key Environmental Performance Indicator	2007	2008	2009
Hazardous Waste Generated (tonnes)	1,411	1,804	1,435
Non-Hazardous Waste Generated (tonnes)	6,671	6,949	2,116
Reused, Recycled and Reclaimed Waste (tonnes)	256	93	64
Flared and Vented Gases (mmscf)	1,232	1,303	9,659
Greenhouse Gas Emissions (tonnes CO2 equivalents)	6,577	6,528	7,083
Hydrocarbon spills (barrel equivalents)	2	8.4	7.5
Other Spills and Accidental Releases (barrel equivalents)	0	7	0.5

In 2009, we generated slightly more than 3,615 tonnes in total waste, in comparison to 2008 where the high value was a result of a post construction site clean-up exercise started in 2007. We recycled and reused almost 64 tonnes (approximately 2%) of material including paper, cardboard, electronics, glass bottles, plastic bottles, aluminium cans, used oil, empty barrels, and lead acid and alkaline batteries. Over 1,034 tonnes were sent for disposal by incineration. There was a reduction in waste incinerated from 2008 due to availability of new disposal options (biological treatment). As a result, we reduced the amount of waste sent to landfill to 2053 tonnes in 2009. This represents 6.41 cubic yards of waste per TBTU of LNG produced, well below our target of 12.79 cubic yards per TTBTU.

\* Figure includes Greenhouse Gas Emissions

#### REDUCING GREENHOUSE GAS EMISSIONS

The challenge of combating climate change, while still delivering the energy necessary to fuel economic growth, is at the forefront of global issues. The oil and gas sector plays an important role in this challenge. Atlantic is not involved in

the exploration and refining of petroleum, however we recognize we have a role to play in reducing greenhouse gases emitted from our own operations. Although we use some electricity for our buildings and offices, the vast majority of our energy use and greenhouse gas usage comes from the natural gas that we process.

At Atlantic, there are two main processes that result in greenhouse gas emissions. First, we use natural gas to power our four trains. Second, we use flaring as an important safety procedure to reduce instances of over-pressure and thus maintain operating pressures. Flaring is also an important environmental control as methane, the primary constituent of natural gas, is 21 times more powerful as a greenhouse gas than carbon dioxide (CO2). For both energy use and flaring, our continuous efforts to drive more efficient operations and better performance are our main mechanisms to reduce our greenhouse gas emissions.

We expect to reduce our greenhouse gas emissions as a result of our efforts towards continuous improvement as a driver for performance in our operations and when the system for emissions inventory is put in place in 2010.

We recycled and reused almost 64 tonnes (approximately 2%) of material including paper, cardboard, electronics, glass bottles, plastic bottles, aluminium cans, used oil, empty barrels, and lead acid and alkaline batteries.

Atlantic International Coastal clean-up



The greatest improvement for Atlantic was in Community; and the greatest opportunity for development is in the relationship with Suppliers.

## REVIEW AND ASSESSMENTS IN 2009

### Social Responsibility

Atlantic progressed its commitment to Sustainability in 2009 based on planned activity that had the benefit of input and feedback from stakeholders. This feedback came to us via assessments of sustainability programmes facilitated by independent reviewers. The assessments included:

- Self-assessment of the Sustainability Programme, according to Ethos Indicators
- Stakeholder Survey of the Sustainability Programme;
- Independent Ethical Assessment by Good Corporation; and
- Assurance reviews of the 2008 and 2009 Sustainability Reports.

#### ETHOS SELF-ASSESSMENT WORKSHOPS

In May 2009 BSD Consulting facilitated and reviewed the second self-assessment workshop using the Ethos Indicators. The results showed that Atlantic had progressed from 4.87 in 2007 to

6.55 (out of 10) in 2009. The benchmark group average was 8.96 in 2009. The greatest improvement for Atlantic was in Community; and the greatest opportunity for development is in the relationship with Suppliers.

#### Sustainability Benchmarking Forecast Based on Pre-defined Action Execution

Focus Area	Industry Benchmark (2006)	Actual		Forecast	
		2007	2009	2010	2011
Values & Transparency	9.24	5.60	6.80	7.20	7.50
Workforce	8.38	4.02	6.21	6.30	6.50
Environment	9.05	6.30	6.67	6.90	7.00
Suppliers	8.65	2.60	5.20	6.50	6.60
Customers & Consumers	9.58	3.97	6.18	6.25	6.40
Government & Society	9.00	6.81	7.10	7.40	7.50
Community	8.75	5.04	7.60	8.20	8.50
Overall Performance	8.96	4.91	6.54	6.96	7.14

These scores against the Ethos Indicators provided the critical analysis necessary for the development of an action plan with a special focus on suppliers. The indicators also allow us to determine the effective agents in cross-functional efforts towards sustainability.

### STAKEHOLDER SURVEY

Selected external stakeholders from the Government, Community Representatives, Suppliers and Shareholders were also interviewed by an independent consultant to identify and rank issues that should be addressed by Atlantic. Collected from all stakeholders, the highest ranked issues by category (Maximum of four points) were:

#### Environmental

Issue	Rating
Assure H&S requirements at all suppliers	3.6
Reducing Greenhouse Gas Emissions	3.4
Preventing spills	3.3
Alternative use and reduction of gas flaring	3.2
Create employee awareness for environmental issues	3.1
Minimize waste reuse and recycling of material	3.0
Introduce systematic waste treatment	3.0

#### Suppliers

Issue	Rating
Implementation of Code of Ethics along supply chain	3.3
Create performance feedback for suppliers	3.2
Improve and simplify payment procedures	3.2
Capacity building for suppliers	3.0

#### Employees

Issue	Rating
Transparent communication between employee/leadership	3.2
Strengthen position as good employer	3.3
Create regular employee feedback	3.0
Engagement of internal areas in strategy definition	3.0

#### Community

Issue	Rating
Strengthen community involvement	3.2
Invest in professional qualification of youth	3.4
Alliances to boost education /professional development	3.1
Extend partnerships with experienced NGOs (Servol Habitat)	3.0

#### Leadership in Transparency & Governance

Issue	Rating
High transparency of Sustainability-performance reporting	3.1
Application of set of key sustainability indicators (like API GRI)	3.0
Assume lead of sustainable development in south TT	0
Create incentives for sustainability innovations	0

**HOW WE ENGAGED IN 2009**

- Regular meetings with regular bodies
- Regular facilitation of plant visits for government officials and state visitors

**KEY IDEAS AND CONCERNS**

- Community infrastructure and facilities
- Sustainable community and local business development
- Community health and education
  - Tax revenue
  - Regulatory compliance
- Related business opportunities

**Government**  
Point Fortin Borough,  
Government of  
Trinidad & Tobago

**Clients**  
Customers,  
Transport & Shipping  
Companies,  
Import Companies

**HOW WE ENGAGED IN 2009**

- Regular meetings with regular bodies
- Regular facilitation of plant visits for government officials and state visitors

**KEY IDEAS AND CONCERNS**

- Community infrastructure and facilities
- Sustainable community and local business development
- Community health and education
- Tax revenue
- Regulatory compliance
- Related business opportunities

**HOW WE ENGAGED IN 2009**

- Board meetings
- Shareholder audits
- Shareholder Communication Forum
- Board Sub-Committee meetings

**KEY IDEAS AND CONCERNS**

- Production
- Cost management
- Creation of value for Trinidad and Tobago
- Legal and contractual Compliance
- Reputation
- Governance
- Safety of people, Process and Assets
- People Development

**Affiliates**  
bp, Repsol YPF,  
GDF Suez, BG, NGC

**Wider Society**  
Media, NGOs,  
Universities, Energy Sector  
& other Businesses, Activists

**HOW WE ENGAGED IN 2009**

- Membership in business associations
- Sponsorships
- Participation in Energy Conferences
- Annual Corporate responsibility report and company literature

**KEY IDEAS AND CONCERNS**

- Partnership building and economic support
- Environmental and Community performance
- Cooperation among partners in energy

**HOW WE ENGAGED IN 2009**

- Board meetings
- Shareholder audits
- Shareholder Communication Forum
- Board Sub-Committee meetings

**KEY IDEAS AND CONCERNS**

- Production
- Cost management
- Creation of value for Trinidad and Tobago
- Legal and contractual Compliance
- Reputation
- Governance
- Safety of people, Process and Assets
- People Development

**Suppliers**  
International,  
National & Local Suppliers,  
Natural Gas Suppliers,  
Contractors,  
Technical Service Providers,  
Partners

**HOW WE ENGAGED IN 2009**

- Tendering process and procurement standards
- Supplier training on health, safety, environment, Code of Ethics and Sustainability

**KEY IDEAS AND CONCERNS**

- Small and local business development
- Health and Safety
- On-time payment
- Fair and transparent contracting procedures
- Long term relationships and communication
- Consistent training and appraisal practices
- Community initiatives

**Community**  
Point Fortin  
Community Members,  
Trinidad & Tobago Residents

**Employees**  
680 Employees in  
Point Fortin & Port of Spain

**HOW WE ENGAGED IN 2009**

- Employee Satisfaction Survey
- Training sessions
- Ethics hotline
- Personal development plans
- Staff events
- Townhall events
- Intranet
- Internal newsletter
- Staff Communications via email
- Personal Performance Contract

**KEY IDEAS AND CONCERNS**

- Personal Development
- Health and Safety
- Salary and benefits
- Participation in company and community projects
- Job security
- Performance

## INDEPENDENT ASSESSMENT

An independent ethical assessment was commissioned and completed by the Good Corporation with a view to determining how Atlantic is progressing in the area of governance. The Good Corporation Standard provides the criteria for this assessment report, with the addition of seven points from Atlantic's own Code of Ethics. These additional points were jointly identified and reviewed with Atlantic's Sustainability, Compliance, and Internal Audit teams. Based on a core set of principles for responsible management, the Standard sets out 65 areas of management practice that are assessed to determine how well the organization performs against each. The Good Corporation Standard covers six key areas of management:

1. Employees
2. Customers
3. Suppliers and contractors
4. The community
5. The environment in which the organization operates; and
6. Shareholders or equivalent

The Good Corporation noted that:

*"It is evident that Atlantic is a Company of strong values. This was often cited by interviewees, both internal and external, as one of the key strengths of the Company."*

*This is especially notable given the challenging national environment in which Atlantic operates. Many interviewees stated that Atlantic represents a very positive role model for the country in this regard. Although some specific issues were identified during the course of the assessment, in most cases stakeholders described these as deviations from the Company's values, rather than reflecting the Company's true intent.*

Atlantic was awarded four "fail" grades (out of 65 areas of policies and management practices). Two were issues under Employees and two were issues under Suppliers".

Extract from Report by The Good Corporation assessment of 2009 of Management Practices at Atlantic.

Assessments against the Good Corporation standard provided the tool for managed engagements with stakeholders during August 2009. The results of the assessment were also considered in preparing the 2010 Action Plan for Sustainability.

## ADDRESSING THE ISSUES: THE SUSTAINABILITY ACTION PLAN

In addition to the stakeholder feedback, BSD Consulting concluded that over the last two years we had proven that our engagement with sustainability was serious, and that significant progress was made and recognized by stakeholders.

They stated:

"The best immediate results have been registered in the community relations and led to a clear change to very positive perception of Atlantic while there are critical development points in environment, the supplier and employee relations.

The Company has to improve in mainly in three areas:

- Clearly define and communicate its targets and objectives.
- Monitor and measure impacts of its initiatives.
- Address critical environmental issues such as waste and flaring"

Extract from Report by BSD Consulting – Assurers of the 2009 Atlantic Sustainability Report.

These issues were also considered in the 2010 Sustainability Action Plan. The strategic areas of focus to address the significant issues include:

- Ethical commitments
- Dialogue and engagement with stakeholders
- Social Reporting
- Transparency

- Measurement of environmental impacts
- Social Leadership
- Inputs and Waste reduction
- Enhancement of social sustainable development
- Social action funding
- Relations with local organization
- Valuing diversity and promoting equality
- Commitment to professional development and employability
- Engaging employees in volunteerism activities

The 2008 Sustainability Report showed that the Company makes a reasonable effort to work within the triple bottom line. It notes however, that the management of all related issues should be integrated fully into the strategic leadership focus, and embedded in each specific area of responsibility.

It was recommended that Atlantic work the material issues as well as the related management process to guarantee continuous improvement leading to a benchmark position in 2013.

## ATLANTIC CODE OF ETHICS

Code of Ethics — 4th Quarter Update 2009

The Atlantic Code of Ethics is one of the guiding principles for our employees.

It is the code that governs all behaviour and relationships in our business. We intend that ethical conduct and adherence to business principles should also govern all relationships with partners, suppliers, contractors and the supply chain.

The Code is shared with employees as part of their initial induction. As a demonstration of adherence to the Code all employees must submit a Conflict of Interest (Col) Declaration Form annually.

Two other tools used to guide transparency and ethical behaviour is the Gift and Entertainment Registry and the Speak Out system. The Gift and Entertainment Registry is an online tool that allows employees to declare items which they have received in the course of doing business with partners and suppliers.

The Speak Out system also allows on-line submissions. It enables employees to report or question any interactions or perceived unfair practices at Atlantic. The system is managed through an external provider and reports are treated in the strictest confidence.

Reports on the use of the Code of Ethics tools are made quarterly to Staff and posted on the Company's Intranet for reference. At the end of 2009 the data recorded via these tools was as follows:

### 1. GIFT AND ENTERTAINMENT REGISTRY:

A total of 48 entries were made for 2009, of which 47 were accepted and 1 was rejected. Total value of gifts received was approximately \$5,492 USD (34,600 TT\$)

### 2. CONFLICT OF INTEREST DECLARATION AND FOLLOW-UP DISCUSSION:

All employees were required to submit a Conflict of Interest Form in 2009 and at December 31, 2009, 100% of employees had completed the form; of which 49 declared potential conflicts, and had Follow-up Discussions with their line managers; all discussions were logged and submitted in a timely way.

### 3. SPEAK OUT:

In 2009, a total of 46 complaints were received (14 in the 1st Quarter, 15 in the 2nd Quarter, 7 in the 3rd Quarter and 10 in the 4th Quarter). Of these 6 were deemed serious enough to be referred for further investigation.



## Sustainability In The Community

### NETWORKING WITH OUR COMMUNITIES

The LNG plant in Point Fortin is the only one of its kind in the Caribbean, indeed in the hemisphere.

This kind of industrial facility in a rural town makes Atlantic a very unique aspect on the horizon of South West Trinidad. The physical presence dominates the skyline of Point Fortin and is an object of curiosity to the community. Stakeholders in government and industry are also interested in understanding how we do what we do so well.



Atlantic / Servol Day Care Centre - Point Fortin

From inception, Atlantic has facilitated sharing information with all stakeholders through site visits of the Point Fortin Plant and through community interventions.

### VISITING THE ONLY LNG PLANT IN THE ATLANTIC BASIN

Every year, Atlantic plays host to people who come to the Plant for reasons including industry exchanges, State visits, educational tours and the uniqueness of its operation in the Atlantic Basin. Among the visitors are shareholders, industry associates from other countries, government ministers or their guests, diplomats and students. In 2009, 36 visits were scheduled; of these 27 took place and 9 were cancelled.

A visit to the LNG Plant is scheduled and managed with attention to safety, while allowing the visitors to view as many aspects of the operations as possible - from the Control Room to the Jetties. The Site Safety Induction Process, which is a must for all categories of visitors, includes an overview of the Plant, emergency procedures and location of Muster Areas.



Borough Day 2009

## COMMUNITY INTERVENTIONS

The Community Awareness and Emergency Response (CAER) plan based on guidelines set by the Environmental Management Authority (EMA) governs interventions with the community immediately outside the fence line of the plant.

This plan is an essential part of the Company's environmental compliance strategy and supports our license to operate. This plan also addresses community concerns and the way that they are resolved.

Over the years, we have had complaints about flaring activities (light, heat and black soot), noise or vibrations and structural damage, flooding or drainage, coastal erosion and bad smells. A large number of these complaints have been mitigated by the relocation of households immediately adjacent to the fence line of the Plant. Some, such as drainage and flooding, have been addressed through dialogue and joint interventions with the Point Fortin Corporation and the neighbouring Petroleum Company of Trinidad and Tobago (Petrotrin).

Issues related to the relocation of residents from the fence line have been resolved based on their resettlement in Southern Gardens.

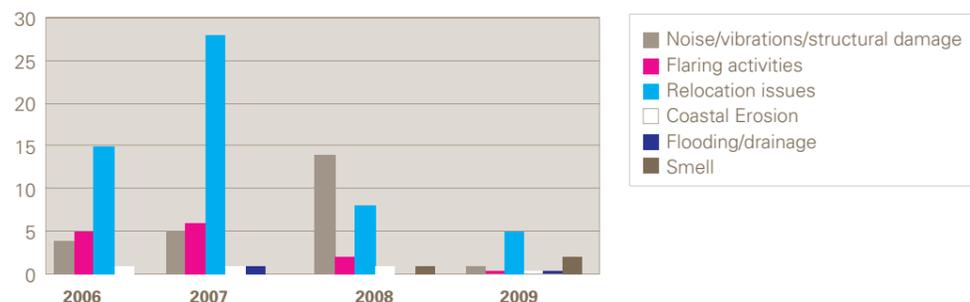
Planned activities on the Atlantic Plant

- especially those that are likely to affect the community – are communicated to community leaders beforehand. Households near the plant are advised of flaring that may be intensified due to maintenance activities, via flyers posted at key areas in the town and also via communications with the Borough Corporation and opinion leaders in the community.

As illustrated in the graph below, issues in the community have steadily declined since tracking began in 2006.

Analysis of Community issues 2006 – 2009 (source: Atlantic Sustainability and Corporate Communications)

Complaints – many of which were related to construction activities – have been reduced since construction was completed. However, with all Plants fully on stream in 2008 there was an increase in complaints about noise and vibrations. In 2009 all areas of concern were reduced significantly and this trend continues into 2010.



Analysis of Community issues 2006 – 2009 (source: Atlantic Sustainability and Corporate Communications)

## EXPANDING INTO ART

After 11 years of LNG production in Point Fortin, there is a new generation whose references include the skyline created by trains, storage tanks and flares, as well as the perception of the plant as the desirable place to work.

The Company proposes, for the most part, practical initiatives that serve the mutual interest of community and Company. These include opportunities that equip the young people in Point Fortin for education and employment; graduate trainee and apprentice internships; and sport for healthy minds and strong bodies.

Surveys conducted in the community indicate that citizens of Point Fortin identify themselves as a community with cultural and creative assets. A proposal for an art workshop by international Trinidadian artist Wendell McShine was adopted by Atlantic for July-August 2009. Wendell's proposal aligned with the community's position on culture and provided an outlet for a group of young artists in a month-long 'Arts Project'.

The Arts Project provided training in art techniques – drawing, silk screening, animation and mural painting – as well as videography, visits by other local artists, and a day of music and entertainment with a live band. Sixteen students



participated: they produced a mural that was exhibited in their schools, and a CD that recorded their process.

Parents, local authority representatives, teachers and principals witnessed the graduation ceremony and presentation of the mural that was displayed in several schools in the borough. This project has paved the way for other art programmes in Point Fortin and will support the development of talent in creative arts.



Arts Project 2009

## FROM BUFFER ZONE TO SEEDS OF HOPE

By 2009, over 100 households had been relocated from an area of some 25 hectares around the fence-line of the Atlantic plant, fulfilling the Company's commitment made when construction began on Train 4; to create a buffer zone between the plant and the town.



*Seeds of Hope*

The removal of these residents was intended to minimize discomfort due to the day-to-day operations of the plant. After residents moved out, the houses were demolished and foundations removed in a planned sequence and the cleared spaces earmarked for re-planting.

To realise this vision for the Buffer Zone in a way that would involve the community, a relationship was forged with two entities - the Voluntary Leaders

Council of 4H Clubs in county St Patrick West (the area defined as Trinidad's south west peninsula) and the Ministry of Agriculture in Point Fortin.

The 4H Clubs - agricultural training provided in schools by volunteers - were willing to be engaged in the idea of germinating and planting trees towards goals against climate change: "working against global warming, preserving nature's biodiversity, growing what we eat and developing agribusiness skills." In 2009, over 1500 4Hers from 25 clubs participated, producing over 23,000 seedlings of which 8000 were trees. These seedlings were sold to Atlantic employees, residents of Point Fortin, and to the National Gas Company for their own re-planting programme. Approximately 1000 of those trees were also distributed and planted to mark the annual observance of World Environment Day.

Atlantic also engaged an experienced partner to facilitate the process of education for the 4H Clubs and to plan and re-plant the Buffer Zone. This partner was the Caribbean Permaculture Consultants (CPC), the principals of which have extensive experience in re-planting a severely degraded area of Port of Spain - the St Ann's watershed - and in using Permaculture principles as a viable method to re-green such areas.



*Buffer Zone - Point Ligoure*

Permaculture is the practice in which natural or near-natural environments are preserved with tree cover in harmony with appropriate agricultural practice and production of food on a sustainable scale. CPC planted trees in the Atlantic Buffer Zone, in schoolyards, home gardens, public spaces and other areas where tree cover had been removed.

In 2009, CPC also provided the course content for two publications that were used for interactive sessions in the 4H Schools. One of the booklets 'Waterways', deals with creating and maintaining clean water sources and the other 'The Wildlife of Trinidad and Tobago' is a

colouring book depicting some species of birds, snakes and small animals.

The scope of work for the Buffer Zone project partners has been to cultivate in the community the values of a green environment in relationship to an LNG plant; as well as to cultivate an area that is both practical and sustainable, a catchment for the biodiversity of the area. Work in the Buffer Zone continues as the trees planted may not all take root however, seedlings continue to be germinated and over 2000 trees were produced in the nursery for planting in 2010.

## SPORT AND WELLNESS

The largest sector of Atlantic's social investment partnerships is in sport and wellness.

There are four areas in which strides have been made through programmes that entertain, educate and maintain healthy lifestyles among young people. The four programmes are:

1. Sponsorship of the National Primary Schools Cricket and Football Leagues;
2. The Olympic Committee programme, "Shape the Community;"
3. WIPA in the Community (West Indies Players Association cricket and lifestyle programme); and
4. Sport for Life, a "homework centre" located in the iconic Queen's Park Oval 100-year old cricketing centre in Port of Spain.

The target is the primary school age group nationally, with a special emphasis in Point Fortin.



*National Primary Schools Cricket League.*

Through the National Primary Schools Cricket League, Atlantic engages over 300 cricket-playing primary schools in Trinidad and Tobago in the annual league competitions. This sponsorship entered its fifth year in 2009; and has helped to foster young cricket stars in national leagues (under 17 and under 20). Similarly, the National Primary Schools Football League is the vehicle to engage football-playing primary students. This engagement was in its third year in 2009.

Designed for communities like Point Fortin, the Trinidad and Tobago Olympic Committee (TTOC) "Shape the Community" programme covered swimming, lawn tennis and gymnastics in the nine primary schools of the Borough. The plan to expand to volleyball and football as well as to begin an assessment programme in association with the sports faculty of the University of Trinidad and Tobago was put in place by the end of the year.

TTOC's "Shape the Community" was nominated for international recognition, and is the model for engagement of other communities with the Olympic Committee's ideals.

2009 was also the first full year of engagement through the West Indies Players Association (WIPA) with primary students and coaches, to develop cricket and influence attendant "healthy lifestyles" in Point Fortin. Point Fortin's primary schools were the test bed for "WIPA in the Community" and it is expected to be applied to other communities in Trinidad and Tobago and the wider Caribbean.

Through engagements like these with TTOC and WIPA, Atlantic is able to ex-

pand its reach, to engage NGO partners and support communities.

'Sport for Life' is the registered programme of an international foundation that uses iconic cricket grounds throughout the Caribbean as centres to develop students who are interested in cricket, but who may also benefit from mentorship and remedial academic coaching. The commitment in the Sport for Life mandate is to use the power of sport to change the lives of children who are failing to reach their potential at school and in society. It does so through a combination of sport, education and healthy lifestyle training. The Atlantic Centre has been running in the Queen's Park Oval, with an enrolment of 20 students from five schools per week.

The community swimming pool constructed by Atlantic continues to be operated under contract by the YMCA, who has a goal of creating an active community swimming club. A board of management which includes members from Atlantic, the YMCA and the community, has been formed, and will operate with a mandate to foster swimming for recreation and competition in Point Fortin through a club structure.

## EDUCATION FOR THE FUTURE

Education programmes are applied as community engagement tools in Point Fortin.

Surveys of educational facilities conducted in 2006 and 2008 indicated the need to improve the opportunities available to residents in this area of the country.

Since 2000, Atlantic sought to foster academic excellence in primary schools in the Borough through its Point Fortin's Finest programme. The top ten Point Fortin students in the SEA - the examination that allows children to graduate from primary schools - receive an annual grant throughout their secondary school careers, and further grants once they have been accepted to tertiary level institutions. Each year, ten new top performers join the programme.

In 2009, 100 students were engaged in the Point Fortin's Finest which now includes Leadership development camps in July and August, and World of Work programmes in which the older students have opportunities to work at Atlantic or contractor companies.



Servol Graduation 2009

Discussions with this special group of Point Fortin residents have led to their engagement as volunteers with a commitment to "give back" to their home community.

As a contributor to the development of the National Energy Skills campuses and programmes - now consolidated as a Company NESC - Atlantic maintains a close relationship with the centre in Point Fortin, and sponsors skills training, now expanded to include Audio Production alongside welding and plumbing courses.

### SHAPE THE COMMUNITY SPORT DEVELOPMENT

#### Category Winner: Social Responsibility / Community Investment

The Trinidad and Tobago Olympic Committee provided sport-related activity, specific to the needs of the Point Fortin Community since 2008. Two groups were targeted initially: primary school students and the elderly. Programmes included tennis, swimming and gymnastics in the primary schools; and water aerobics for the elderly.

National Primary Schools Football League Finals 2011



### WIPA IN THE COMMUNITY

#### Judges' Special Award

This programme of the West Indies Players Association (WIPA), delivered cricket and life skills coaching for primary schools students. It is improving cricket skills for Point Fortin schools wishing to participate in the National Primary Schools Cricket League, and trains community coaches to support the programme in nine primary schools.



Point Fortin Finest



UWI-ROYTEC Business Development Class 2010

Mindful of the difficulty of access for residents of Point Fortin to centres of tertiary education in Trinidad and Tobago, Atlantic signed a Memorandum of Understanding with the University of Trinidad and Tobago to support the location of a campus in Point Fortin. One of the first elements of that MOU has been in operation since 2008. The University's Pre-University Programme (PUP) allows students to gain entry level certification to diploma and degree programmes. These classes are conducted at the Government Vocational College (GVC) where classrooms and labs have been outfitted for the purpose.

In partnership with SERVOL, an organization that was founded in the 1970s to provide parenting, and subsequently other technical skills, to families in poor

areas, Atlantic set up a life centre in Point Fortin. SERVOL's core life skill, the Adolescent Development Programme, is offered as a pre-requisite to other skills courses offered through the SERVOL system, including beauty culture, computer literacy and repairs (available in Point Fortin) as well as others available through the SERVOL network across Trinidad and Tobago.

A homework centre was set up at the premises of the SERVOL life centre during 2009. Enrolment of over 70 students proved to be beyond the capacity of the centre.

Recognising the need to support children who are affected by neglect and abuse in the area, Atlantic partnered with the Coalition Against Domestic Violence (CADV) to identify and train a core group of counsellors across the region from Point Fortin to Siparia and Cedros. Teachers, police officers, lawyers, and others are associated in a network of support for children who may be identified as needing help. The programme included retraining and follow up interventions.

## BUILDING COMMUNITY

The majority of residents relocated from the Buffer Zone now reside in Southern Gardens where Atlantic acquired and refurbished housing units.

In order to continue its engagement and also to address the needs of members of the wider Point Fortin community that require housing, Atlantic forged a partnership with Habitat for Humanity Trinidad and Tobago – the local arm of an international NGO – which has a mission to provide housing to the poor and build communities.

In Southern Gardens, Habitat is working with residents to re-build the community. One of the first achievements was the organization of a Village Council. Habitat has also identified needs and intends to provide training for some residents, while coaching others on basic home maintenance and repairs.

In 2009, Habitat began work on houses for two families one of which had lost their home to a fire. Eligibility for assistance is ownership of, or access to, land. The process involves referrals, interviews and the willingness to provide "sweat equity." As experts in low cost construction techniques, Habitat was

also commissioned by Atlantic to engage the community through its leaders, in the planning and development of the second phase of works for the Guapo Beach Facility.



Habitat for Humanity Sod Turning



Point Fortin's Finest Intake 2009

## CEO's Sustainability Awards

The 2009 CEO's Sustainability Awards was the second instalment of this programme which was successfully established in 2008.

Employees, partners and suppliers were invited to submit their projects. Entries were adjudicated in four categories; and Awards were given one per category and an overall winner drawn from the group of finalists. The 2009 judges determined that the entries were of such a high standard they also gave four special Awards.

### **SOCIAL RESPONSIBILITY/COMMUNITY INVESTMENT CATEGORY:**

- Point Fortin Homework Centre
- Shape the Community Sport Development (Category Winner)
- Greening and School Tree Planting Festivals
- Seed Collection and Use
- WIPA in the Community (Special Award)

### **BUSINESS PROCESS IMPROVEMENTS CATEGORY:**

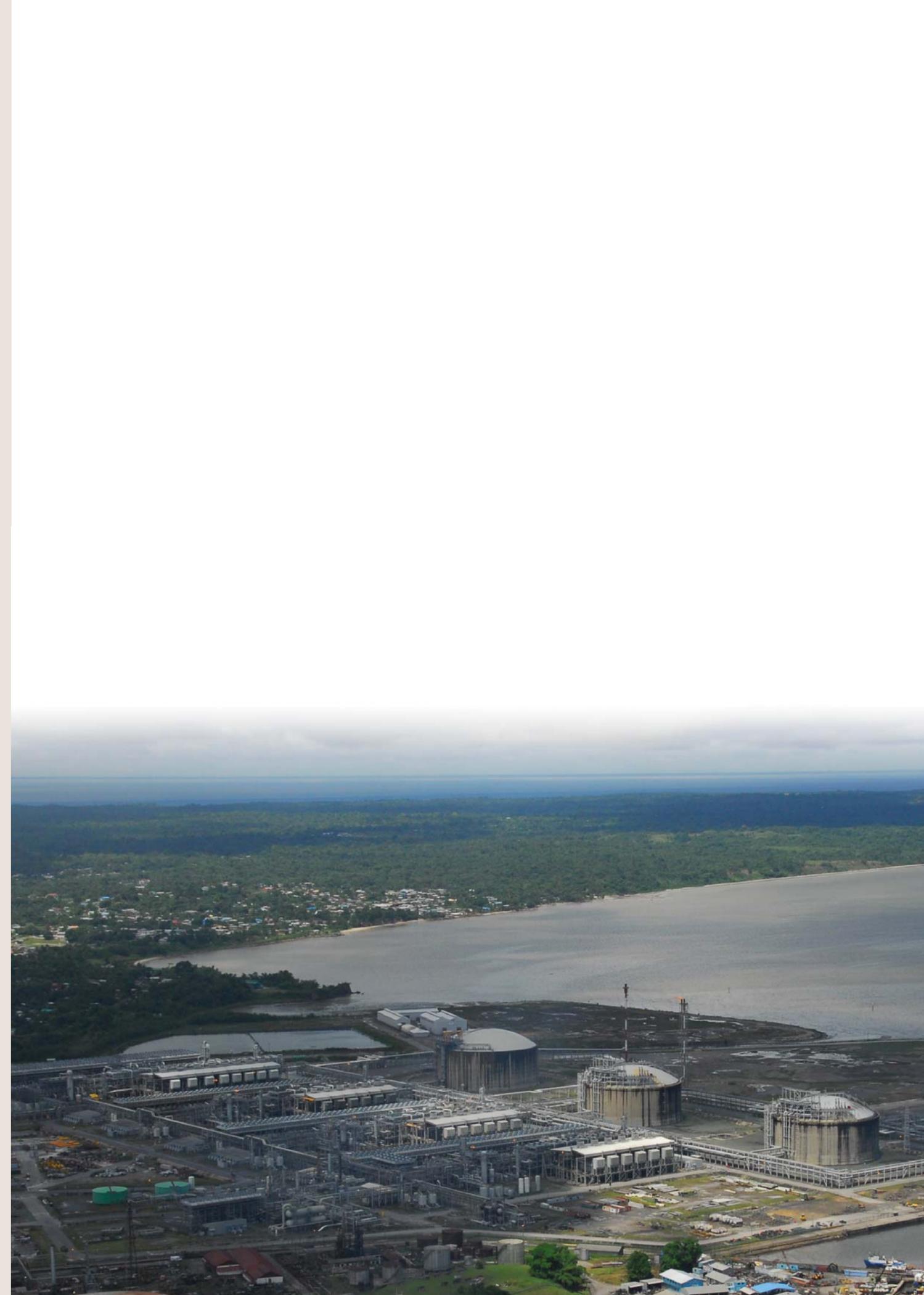
- Service Provider Time Management
- Driving Cost Management Consciousness (Category Winner)
- Competence Management Assurance System

### **PLANT OPTIMIZATION AND EFFICIENCY CATEGORY:**

- Fixing Train 4 Reliability (Category Winner)
- New Natural Gasoline Loading Line
- P- 285 Train 1 Recycle Valve Actuator Upgrade Project (Special Award)
- Combined Lift - HP/LP Module (Special Award)
- Turbine Generator Operation and Maintenance Optimization

### **HSSE IMPROVEMENT CATEGORY:**

- Six Million and Counting – The Journey (Special Award)
- Pressure Safety Relief Valve Conformance
- 2009 Safety Village (Category Winner and Overall Winner of 2009 Awards)



## Definitions

CARICOM	Caribbean Community
CAER	Community Awareness and Emergency Response Plan
CANTA	Caribbean Association of National Training Agencies
CSME	CARICOM Single Market and Economy
CSR	Corporate Social Responsibility
CDT	Competency Development Tool
CMAS	Competency Management Assurance System
DAFWC	Days Away from Work Case – used to describe days lost as a result of persons not being able to work due to injuries sustained on the job
EMA	Environmental Management Authority
NESC	National Energy Skills Company (formerly National Energy Skills Centre)
NGL	Natural Gas Liquids
OSHA	Occupational Safety and Health Authority – national governing body
Servol	Service Volunteered for All – a Non-governmental organization
Sustainability	At Atlantic, we refer to corporate sustainability as our ability to develop our business in an economically, environmentally and socially responsible way, adding value for our stakeholders and contributing to a sustainable future for our nation and our planet.
TAR	Turnaround – used to describe a period of time during which planned maintenance activity is conducted at the Facility
UTT	University of Trinidad and Tobago
4 H	Head, Heart and Hands for service

## Assurance Statement

### On the Atlantic 2009 Sustainability Report

We reviewed and provided feedback on drafts of the Report and where necessary changes were made.

Atlantic continues to structure its reporting around its sustainability priorities. The company demonstrates its strategic commitment, especially in Health and Safety management, which shows outstanding performance. It is important that the company keeps focus on the integration of sustainability concepts and strategies in its management process and internal control systems, seeking ongoing improvement in all areas, such as Environment, Human Resources, Stakeholder Engagement and Community Investments.

**a) Inclusivity: Inclusivity refers to the engagement of stakeholders in developing and achieving an accountable and strategic response to sustainability.**

Senior executives are committed to integrate sustainability aspects at all levels of the organization. Hence, it is important to maintain efforts to include issues related to sustainability in the company's culture, in routine activities, and in its management processes. The company develops a number of stakeholders engagement activities. We believe that the Report could be strengthened by providing the reader with more clarity over the identification of key stakeholders and its main channels for ongoing engagement. Atlantic has conducted a stakeholder survey to identify company's issues.

**b) Materiality: Material issues are those which are necessary for stakeholders to make informed judgments concerning Atlantic and its impacts.**

The company has undertaken stakeholder

engagement activities that have contributed to identify sustainability priorities. However, Atlantic should improve the process to identify its business related sustainability impacts. Health and Safety performance is well presented and reflects the commitment of the company with excellence in that field. Waste reduction is presented in the Report as a priority; therefore, it is important to clearly present actions performed to reach the goal. Flaring is also a relevant aspect that should be addressed with more details. Internal controls related to environmental indicators should be improved in order to improve quality of data and to provide accurate information to stakeholders. Another important field is supply chain management, in which a stronger, sustainability-focused approach, will bring immediate results to the company's sustainability goals.

**c) Responsiveness: Responsiveness concerns the extent to which an organization responds to stakeholders issues.**

Atlantic has developed different processes to engage with their stakeholders. In order to demonstrate commitment to maintain and improve those processes, it is important to set up a systematic stakeholder mapping, which will validate the current map. Based on the map, the company should define priorities and design a plan to achieve main issues. It is relevant to set up a formal process to give proper answers to stakeholders. The Sustainability Report is a communication tool that should demonstrate company's concrete goals related to sustainability, and gather company's challenges and future plans.

#### SUMMARY

While Atlantic was able to consolidate its reporting practice, a stronger focus on solid indicators and presentation of a clear concept of sustainability can be helpful to improve the reporting process. Even if Atlantic is using a model for

# Sustainability Indicators

reporting based on API indicators, the use of the GRI framework would have advantages for the company. The company has made progress along the social and economic pillars, but has still major challenges on the environmental dimension. Reporting should also be better aligned and perceived as a complement to the management systems that are in place for Production, H&S and economic performance of ALNG.

## BSD Consulting

**Maria Helena Meinert, Associate**

**Beat Grüninger, Associate**

São Paulo, July 23rd, 2010

## ASSURANCE NOTES

BSD Consulting has carried out an independent verification of Atlantic Sustainability Report 2009, printed version, against the AA1000 Assurance Standard 2008 (AA1000AS 2008). Our assurance provides the readers with an independent, external assessment of the report, the company's processes and the adherence to the AA1000AS 2008 principles.

## INDEPENDENCE

BSD was not involved in the preparation of any part of the Report. We work independently and ensure that none of the BSD staff members maintains individual business ties with the company. In 2009, BSD has conducted an independent assessment of the CSR performance of the company and external stakeholder interviews which contributed to strengthen the conclusions of the current assurance process.

## OUR COMPETENCY

BSD Consulting assurance engagement was carried out by an experienced team of professionals led by a Lead Sustainability Assurance Practitioner, accredited by the International Register of Certified Auditors (IRCA), under register number 1189266. The project included consultants with expertise in environmental, social and economic performance measurement across a range of industry sectors. Further information can be found at: [www.bsd-net.com](http://www.bsd-net.com).

## RESPONSIBILITIES OF ATLANTIC AND BSD

The Sustainability Report was prepared by Atlantic, responsible for all of its content. Our statement represents BSD Consulting's independent opinion and is intended to inform all stakeholders including Atlantic's management who have sole responsibility for preparation of the Report.

## SCOPE AND LIMITATIONS

The scope of our work includes all information on Atlantic Sustainability Report 2009, printed version, for the period covered by the report. We are engaged to provide Type 1 moderate level of assurance, which consists on evaluating Atlantic's voluntary adherence to AA1000 Accountability Principles Standard (APS) 2008 of inclusivity, materiality and responsiveness. Some selected data were object of BSD review, but not validation of their accuracy. Our data review focused on the following information presented in the report:

- Health and Safety
- Labor Practices and Decent Work
- The Environment
- Social Responsibility

## METHODOLOGY

Our assurance engagement has been planned and performed in accordance with AA1000AS 2008. In order to form our conclusions we undertook the steps outlined below:

- Review the content of the Atlantic Sustainability Report 2009;
- Verification of processes and tools for collecting and managing quantitative and qualitative data and information reported;
- Interviews with managers and executives regarding the relevance of information for reporting;
- Interviews with employees;
- Based on sample testing, review of data of the Sustainability Report, with interviews, supporting documentation, internal management reports and official correspondence;
- Review of current sustainability issues that could affect Atlantic and are of interest to stakeholders;
- Review of Atlantic's approach to stakeholders engagement and materiality determination. This includes interviews with managers responsible for engagement with key stakeholders groups and assessment of the Stakeholders Survey held in 2009;
- Delivery of an internal report to the company with opportunities for improvement regarding inclusivity, materiality, responsiveness and accuracy of the sustainability report.

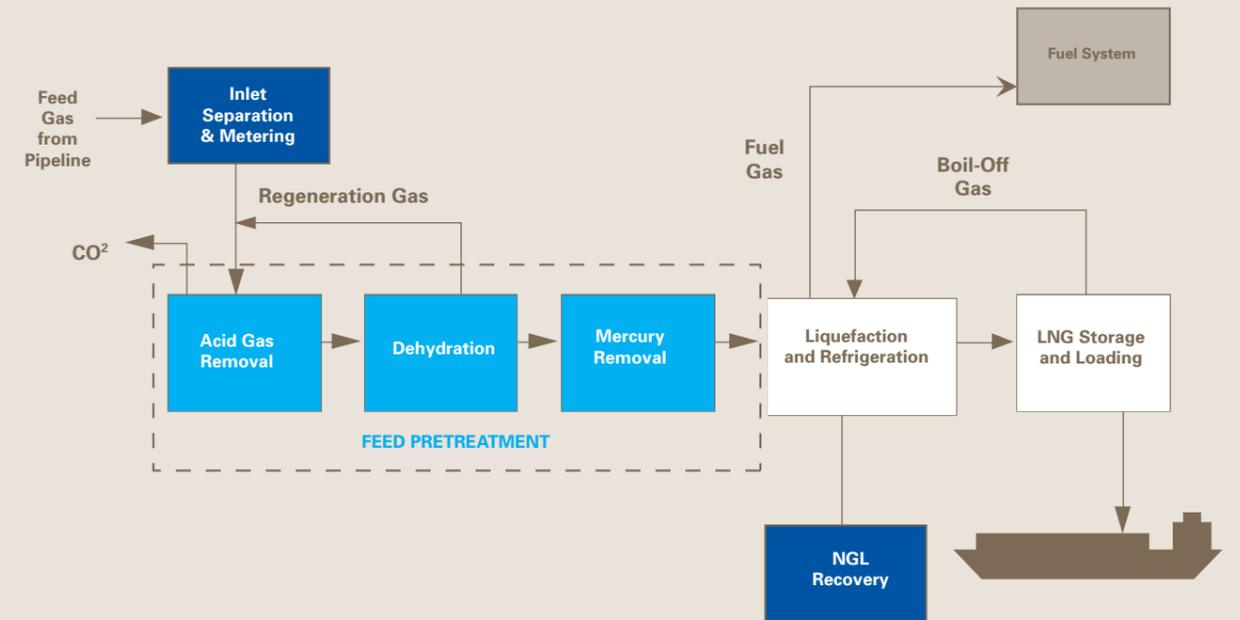
Our work did not include the verification of historical financial data.

Reporting Area (API)	Reporting Area (GRI)	Atlantic Core Area	Content Heading	API	GRI
		EXECUTIVE STATEMENT	Contents About this Report Chairman's Word Oil and Gas Sector in Trinidad and Tobago CEO's Review Company Profile Key Performance Indicators		
Health and Safety Performance, Economic Performance	Economic Performance, Product Responsibility	OPERATIONAL EXCELLENCE	Personal Safety Production Optimization / Efficiency Availability Process Safety Asset Integrity Plant Maintenance Cost Management Taxation	H&S-1, H&S-2, H&S-3, H&S-4, H&S-5	EC6, EC7, EC9, EOC-1
Labour Practices and Decent Work Performance Indicators, Human Rights Performance Indicators	Environmental Performance, Social Performance	CAPABILITY GROWTH	Employee retention Employee satisfaction Training Capacity development Competency development Performance assessment Work Practices	SOC-1, SOC-2, SOC-4, SOC-A2, SOC-5, SOC-6, SOC-A3, SOC-7, SOC-A4, SOC-A5, SOC-A7, SOC-9	LA1, LA2, LA6, LA7, LA8, LA10, LA11, LA12, LA13, HR1, HR3, HR4, HR5, HR6, HR7, HR9
Environmental Performance, Social Performance, Product Responsibility Performance Indicators	Environmental Performance, Social Performance	SUSTAINABILITY	Partnerships Community Relations Communications Donations / Sponsorships Code of Ethics Reporting Strategic Planning	ENV-1, ENV-A1, ENV-A2, ENV-A3, ENV-A4, ENV-A5, ENV-3, ENV-4, ENV-A6, ENV-5, ENV-A7, ENV-A8, ENV-6,	EN2, EN3, EN5, EN6, EN10, EN11, EN12, EN13, EN14, EN16, EN18, EN22, EN23, EN24, EN28, SO1, SO2, SO3, SO4, SO5, SO6, SO8, PR5, PR8, PR10

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### THE LNG PROCESS





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