



Sustainability Report
2012

What is Innovation?

More than just the creation of new ideas and mechanisms, innovation often requires the use of local resources and a new perspective on how improvements can be made. It takes both imagination and a solutions-oriented outlook. This is what marks the sustainability initiatives of Atlantic, rooted in community and landscape, utilising the people and resources at hand and seeking new ways to better what already exists.

The cover design uses the Quads in a unique manner, by creating a 3D image of a butterfly, which is a symbol of life and change. Innovation—and especially, sustainability through innovation—demands adaptability and a positive impact through creation.

The emphasis is placed on perception and creation—making something new and fresh from what has existed before; breathing new life into what may have become a norm.



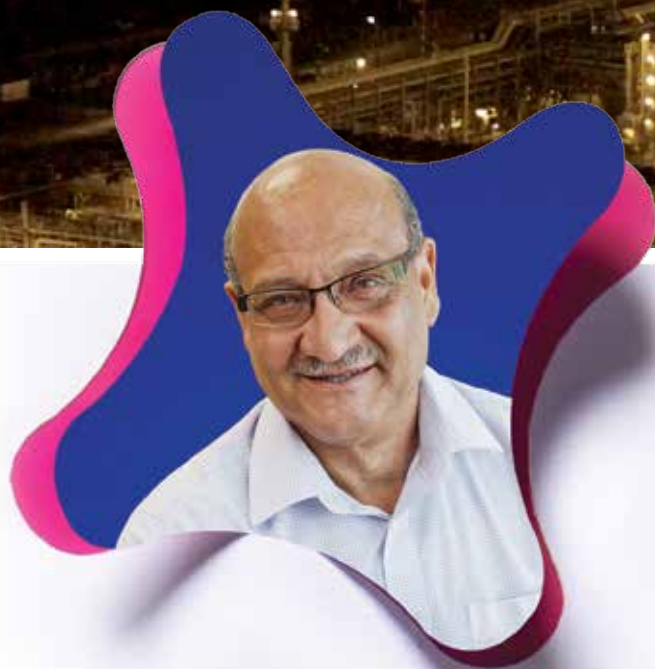
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Atlantic and Sustainability

At Atlantic, sustainability speaks to 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 Trinidad and Tobago.





Message from the Chairman

GORDON DEANE





Sustainability is at the heart of how we do business at Atlantic. It speaks to our commitment to ensuring that we deliver positive, long-term value to our stakeholders, whether it is in our role as a responsible operator, employer, business partner or corporate citizen. This is a responsibility which we take very seriously, and so we continue to work towards this goal together. As a result, we are working towards embedding sustainable business practices into every area of our operations. By encouraging a culture of innovation and sustainability, we are improving the way in which we do things,

meaning we will do things better, smarter and with greater long-term returns to those with whom we engage.

At Atlantic, we are proud of our leadership role in sustainability, and we continue to set new goals for ourselves, for while we are pleased with our progress, we recognise that sustainability is a journey. As a Company, our success will be measured over the long-term, and by the positive legacy which we aspire to leave for the people of Trinidad and Tobago.





Report from the Chief Executive Officer

NIGEL DARLOW

Thanks to the “One Team” ethos and the tremendous collaboration between our employees and service providers, Atlantic continued to deliver strong performance in 2012, solidifying our status on the global LNG landscape as not only one of the world’s leading LNG producers, but also one of the safest. At year-end 2012, Atlantic surpassed 19 million hours of work without a Lost Time Injury. This represents over 5 years of safe, injury-free operation, testimony to our commitment to the highest standards of personal and process safety. To our mind, there is no greater accolade and it is an accomplishment that we are proud of and we are dedicated to sustaining this.

There were other areas of excellence in 2012. We achieved world-class rates in plant Reliability and Availability. We have safely and successfully delivered some of the largest shutdowns in the LNG industry. Working with GE, who are the manufacturers of the turbine fleet at the heart of our liquefaction process, Atlantic became the first Facility to successfully conduct in situ blade replacements. Other collaborations with GE have resulted in a new design of high efficiency filters, and have also helped us to introduce revolutionary applications for online blade health monitoring and also choke monitoring. Innovation and collaboration will continue to be a hallmark of the Atlantic way, maintaining our position as one of the leading LNG producers globally.

These innovations are important because the global LNG industry became even more dynamic and competitive in 2012. The US is on the verge of assuming a new role as an LNG exporter, a consequence of their increased domestic production of natural gas driven by the rapidly expanding shale gas industry. The US is no longer the primary market for Trinidad and Tobago’s LNG, which is now exported to over 20 countries across the globe. Global demand for LNG is predicted to grow strongly for many years and therefore the future remains very bright and promising for Atlantic.

It is important that Atlantic continues to make the right social investments for the future, deriving optimal value from our use of today’s resources. This philosophy is at the heart of Atlantic’s corporate social responsibility. We are committed to our home community Point Fortin and to helping facilitate its continued development. With this aim, we partnered in 2012 with the Inter-American Development Bank, the University of the West Indies and the Point Fortin Borough Corporation to implement the Local Economic Development (LED) programme. This three-year programme aims to facilitate sustainable development in the southwest region, including development of small enterprises and the exchange of best practices.

Another element of our corporate mission involves helping to facilitate the limitless potential of the



next generation, the future of Trinidad and Tobago. Our youth development initiatives include our flagship programme, the Point Fortin's Finest, which continues to offer support to our home community's top ten achievers in the annual Secondary Entrance Assessment (SEA) examination. The participating youngsters now number 107, and they not only receive financial assistance throughout their school career from secondary school to university, but are also exposed to leadership development and on-the-job experience.

Youth development through sport is another area of involvement which received our significant attention in 2012. Atlantic continued to partner with the associations responsible for cricket, football and athletics in primary schools, and these leagues once again enjoyed strong participation and national attention, with over 300 schools in Trinidad and Tobago competing. In pursuit of our aim to help strengthen the foundation for the future of these three sports, we launched the Atlantic Coaching Excellence (ACE), a programme that will offer international level certification and training for primary school coaches and help raise the standard for local coaching.

An allied programme involves our recruitment of some of the country's top athletes to share their inspiring stories with the young athletes in the Atlantic

National Primary School Leagues. The Atlantic Sports Ambassadors include West Indies cricketers Kieron Pollard, Sunil Narine and Merissa Aguilera; and Trinidad and Tobago Olympians George Bovell III and Andrew Lewis. As positive role models, these five will help to catalyse the next generation of athletes, encouraging them with living examples of achievement in sport at the highest level.

From excellence in safety to innovation in operations, from youth empowerment and sport development to the creation of entrepreneurs, all of Atlantic's initiatives aim to enhance the value that we are able to deliver to our stakeholders in Point Fortin and wider Trinidad and Tobago. We feel a tremendous responsibility to derive the most from every molecule of gas that we process and to ensure that we maximise the value to all our stakeholders. This becomes even more critical in the dynamically changing LNG business, and is essential for Atlantic to sustain our position as one of the leading LNG producers globally.



Beyond LNG

What Sustainability Means at Atlantic

At Atlantic, sustainability speaks to 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 Trinidad and Tobago.



As a global LNG company, Atlantic will be judged not only by how well we perform, but also by the extent to which we do so responsibly and sustainably. Sustainability at Atlantic is not only about our business.

Atlantic's four-train liquefaction Facility in Point Fortin

This means that the decisions we make as an organisation increasingly consider the need to balance our role as an LNG producer and our obligations to our stakeholders, with the present and future needs of Trinidad and Tobago. This is why we continue to harness the value which we derive from LNG today to create opportunities through which we can contribute to local economic development, while supporting human development and environmental conservation.

This approach to sustainability therefore, underpins the way in which we conduct our business. We strive to achieve sustainable development within our sphere of influence by

- Practising responsible environmental stewardship and minimising adverse impacts to the environment
- Promoting the advancement of the local community/national society, by fostering capacity building, education, social progress and the creation of business opportunities
- Enabling our employees by investing in their

potential and using their capacities as agents of change

- Strengthening our suppliers by setting high social, environmental and quality standards along the supply chain and developing their capacities
- Building strong partnerships with key stakeholders at the local, national and global level, in order to achieve common objectives for a better future

As a global LNG Company, Atlantic will be judged not only by how well we perform, but also by the extent to which we do so responsibly and sustainably. Sustainability at Atlantic is not only about our business. Through this sustainability approach, we hope to be perceived as a significant contributor to local economic growth, an employer of choice, and a strong advocate for the positive, long-term development of our communities and the wider national society. LNG enables us to create a pathway to a sustainable future for Trinidad and Tobago, thus creating a legacy of which we can be proud.



Atlantic's Facility in Point Fortin is capable of producing 100,000 cubic metres of LNG per day

ORGANISATIONAL PROFILE

Atlantic LNG Company of Trinidad and Tobago (Atlantic or Company) produces Liquefied Natural Gas (LNG) from natural gas fields delivered from offshore fields in Trinidad and Tobago. Atlantic is the operator of a four-train liquefaction facility (Facility), located in Point Fortin, on the southwest coast of Trinidad. LNG is exported in LNG tankers from jetties located at the Facility.

The four Trains use the Phillips Optimised Cascade Process, which cools natural gas using refrigerants until it liquefies at atmospheric pressure. In the process, water and contaminants are removed. LNG (at approximately - 161°C Celsius is stored on the Facility in cryogenic tanks. It is piped along one of

two (2) 700-metre jetties to ships equipped with cryogenic tanks.

Altogether, the Facility is capable of producing up to 100,000 cubic metres of LNG per day. LNG is shipped on LNG tankers to various destinations. In 2012, the majority of our cargoes went to South America, Asia and Spain. In addition to LNG, the plant produces natural gas liquids (NGLs) which are delivered to Phoenix Park Gas Processors Limited.

In addition to the Facility site, Atlantic has offices located in Point Fortin and Port of Spain. In 2012, our total employee base was 725 persons, which comprised of 629 persons on a permanent basis, with the remaining 96 employees being on direct contracts (fixed term, temporary, secondee or trainee).

OVERVIEW - GLOBAL LNG INDUSTRY - 2012

- 236.3 million tonnes imported
- 71% of LNG demand came from Asia
- 26 importing countries
- 18 exporting countries (including Trinidad and Tobago)

The global LNG industry continues to show strong growth, and thus the outlook for LNG demand remains positive. Industry experts project that there is insufficient global supply of LNG to meet projected demand out to 2025. Demand in Asia remains strong, and in 2012, Asia accounted for 71% of global LNG demand compared to 64% in 2011. Japan's LNG imports rose by 11.4% year-on-year in 2012, in the absence of nuclear energy to drive power generation. In addition, the lack of pipeline alternatives in demand

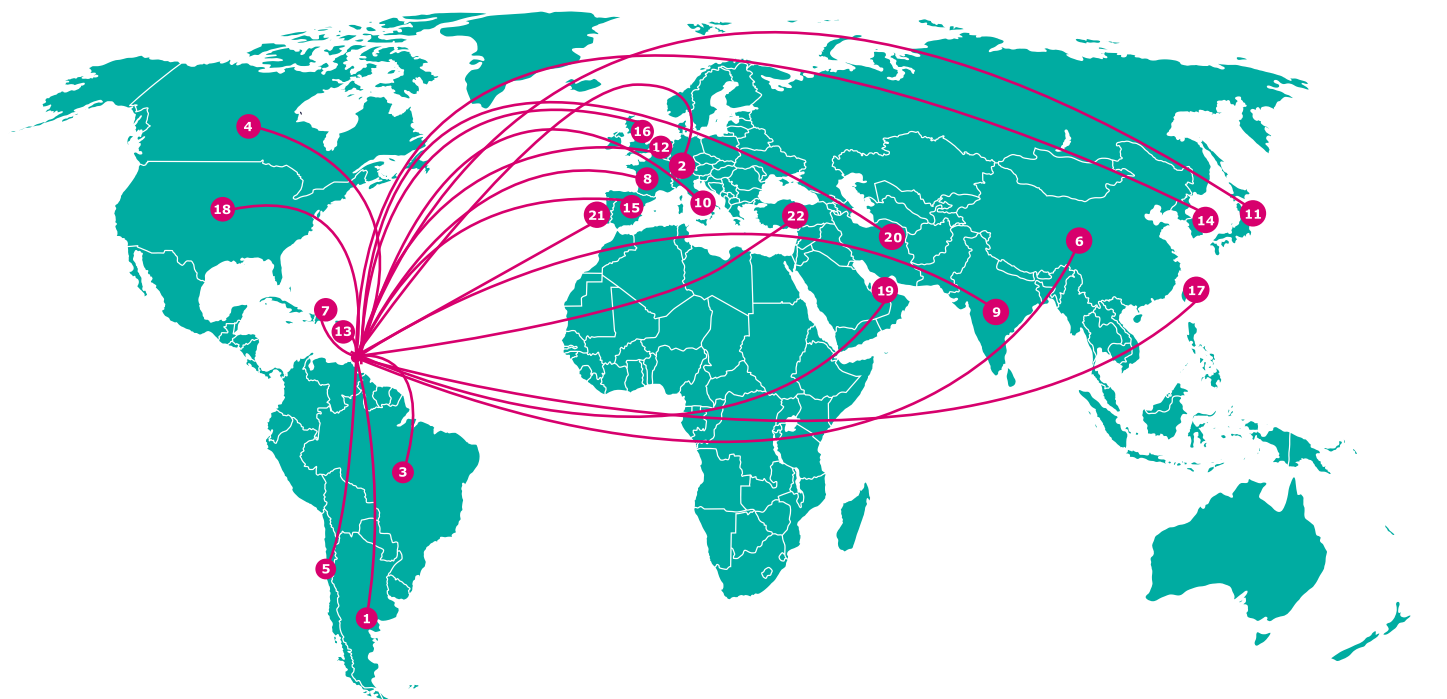
countries in south-east Asia makes LNG a particularly attractive and viable alternative.

In the Americas, South America recorded a 40% growth in LNG imports in 2012. Increased demand in Asia and South America will keep LNG markets tight for the foreseeable future.

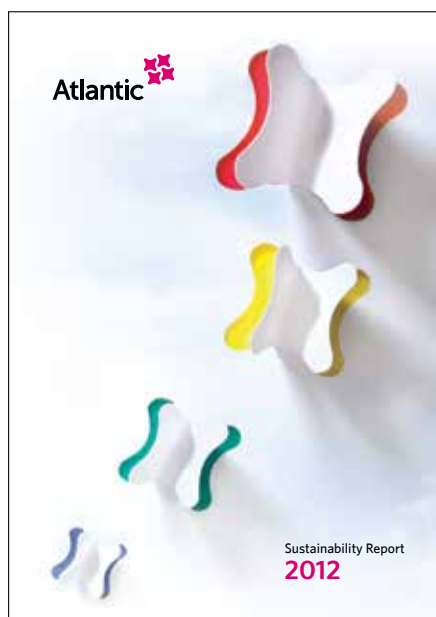
While new shale gas developments in the US will feed high Asian demand, making the US a mid-sized LNG exporter, it will still be unable to meet the growing demand in this region.

Additionally, the new capacity of plants scheduled to come on stream, including future developments in East Africa, will still not be sufficient to meet projected demand, if they do in fact bring gas to market before 2020.

Cargo destinations for 2012



- | | | | | |
|--------------|----------------------|-----------------|------------|--------------|
| 1. Argentina | 6. China | 11. Japan | 16. UK | 21. Portugal |
| 2. Belgium | 7. Dominica Republic | 12. Netherlands | 17. Taiwan | 22. Turkey |
| 3. Brazil | 8. France | 13. Puerto Rico | 18. USA | |
| 4. Canada | 9. India | 14. South Korea | 19. Dubai | |
| 5. Chile | 10. Italy | 15. Spain | 20. Kuwait | |



About this Report

This is the ninth Sustainability Report published by Atlantic. We use this publication to record our achievements against our Sustainability Action Plan. It includes achievements against plan for the year January 1 – December 31, 2012 and uses the guidelines of the Global Reporting Initiative (GRI).

As in previous years, this report covers the objectives and activities of the Company's operation of the four (4) LNG processing trains in Point Fortin. Atlantic's business is exclusively that of a processor of natural gas and does not include exploration, distribution or shipping. This report therefore does not cover the performance of the suppliers of natural gas, nor the customers who take LNG, nor the activities of natural gas exploration, pipeline delivery, shipping or distribution to markets.

This is a report of the Company's performance against our declared strategies and targets identified for 2012. This is not a statement of the Company's financial performance.

The indicators of the report against GRI form an index at the back of the publication.

Our Approach

The purpose of our Sustainability Report is to give an overview of our performance in key areas of our business: People, Ethical Conduct, Health, Safety, Security and the Environment (HSSE), Supply Chain Management, and Social Investment.

Publication of the Report

The report is available as an electronic document on the Atlantic website at www.atlanticlng.com, or on CD by request. A limited number of copies are printed, and are also available by request.

Assessments and Feedback

All management processes in Atlantic include a system that seeks feedback and incorporates stakeholder views and comments into a continuous improvement cycle. Each Sustainability Report is distributed to a wide cross-section of stakeholders. Formal focus group sessions are held to ensure the report has been read, has been understood and comments are collated and serve to inform the successive report.

Feedback on Atlantic's 2011 Sustainability Report

Review of the 2011 Sustainability Report with focus groups provided suggestions for improvement which have been considered and as far as possible, applied during the production of this report. Suggestions included:

- An overview or definition of sustainability
- Greater evidence of sustainability as a continuous cycle
- More emphasis on our suppliers' performance
- More reporting on the successes of programmes
- More reporting on our Anti-Bribery and Corruption (ABC) Programme
- More context on Atlantic's place in the global LNG industry

Assurance Statement

Atlantic engages an independent professional to provide assurance on each Sustainability Report. In 2012, CSR Solutions Limited, a Trinidad and Tobago firm was engaged to provide assurance on the 2011 report. CSR Solutions is also providing assurance for this report.

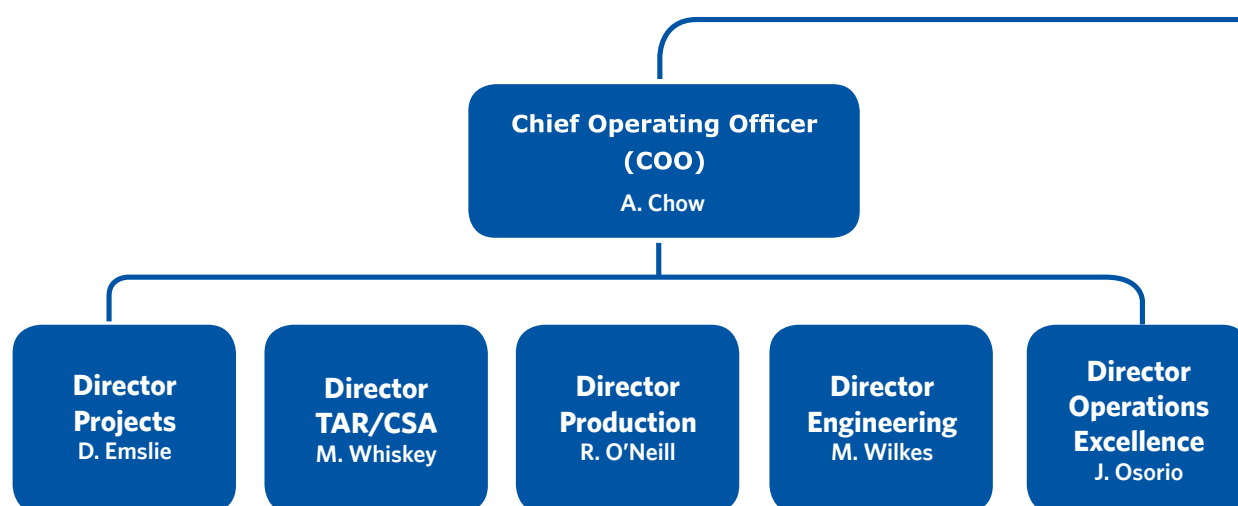
"While Atlantic continues to strengthen its approach to reporting and its focus on the Global Reporting Initiative (GRI) framework and indicators, there is still room for more awareness and integration of these indicators throughout the organisation. This will allow for information to be captured and tracked in line with the indicators to be reported on, thereby improving the reporting process."

Sustainable Business Operations

In accordance with our Business Principles, we are committed to conducting our business operations safely, without harm to our people or the environment, and in an ethical and transparent way, respecting human rights and corporate governance.



LEADERSHIP STRUCTURE



MANAGEMENT APPROACH

The 2012 Corporate Performance Contract included targets for

- Personal and Process Safety
- Production and Reliability
- Projects
- Cost
- People

In 2012, we completed our leadership and management strategy review, where we acknowledged the progress made towards achieving benchmark status in global LNG operations by 2013 – a vision previously established in 2008.

Following a review of the state of the industry, and of our operations, Atlantic's focus in the next five (5) years will be to strive to add value through the safe reliable and efficient conduct of our LNG business. We intend to achieve this objective by working as one team to deliver improvements in key strategic areas, including but not limited to:

- The embedding of Control of Work
- The reduction of waste streams
- Facility reliability and efficiency
- Project delivery
- Service provider engagement and management
- An enhanced focus on people and employee satisfaction

As we continue our journey beyond 2013, we will be engaging employees and collecting their feedback on the new strategic direction for the Company for the next five (5) years.

LEADERSHIP, CORPORATE GOVERNANCE AND RISK MANAGEMENT

The Board and Leadership Team

Atlantic's ultimate owners have ownership interests in different percentages in three holding companies which in turn own the four liquefaction trains. Atlantic, the owner of Train 1, operates the trains on behalf of the ultimate owners. Atlantic's Board is comprised of two directors (a non-executive Chairman and the Chief Executive Officer), and two alternates (the Chief Operating Officer and the Vice-President, Finance and Administration).



The Assurance Committee is a sub-committee of Atlantic 1 Holdings LLC and is charged with assisting the Atlantic shareholder with its responsibility for the review of the effectiveness of the Company's internal controls, including the evaluation and assessment of issues and processes related to ethics, compliance with policies and procedures, corporate governance, risk identification and management, the effectiveness of the internal audit function, the independent audit process including recommending the appointment and assessing the performance of the external auditor, the Company's process for monitoring compliance with laws and regulations affecting financial reporting and its code of business conduct. The Committee also oversees the financial reporting process to ensure

the balance, transparency and integrity of published financial information.

The appointment of the Head of Internal Audit must be approved by the Assurance Committee and has a direct reporting relationship to the Chairman of the Assurance Committee.

The Chief Executive Officer and Chief Operating Officer are responsible for the strategic direction and operations of the Company. They are supported by the Leadership Team which comprises the heads of each business unit across the Company: Production, Engineering, Operations Excellence, Health, Safety, Security and the Environment, Commercial and Strategy, Law and Corporate Affairs, Human Resources, Finance and Administration, Procurement and Supply Chain Management, Corporate Operations, Turnarounds and Projects.

The Leadership Team meets once per month to review and report on performance, to discuss progress against the strategic priorities of the organisation, and to ratify amendments and changes in direction.

The Management Team is made up of the next supervisory level reporting directly to heads of departments represented on the Leadership Team. This team meets periodically for the purpose of reviewing progress against the annual targets and sharing information to be disseminated throughout the organisation. It also functions as a focus group for new policies and initiatives.

Governance

Governance is achieved through an integrated system of corporate policies and procedures which provide guidelines for behavior and practices. Updates on policies are rolled out to all employees and where applicable to contractors.

In addition to a Code of Ethics and annual declarations of potential conflicts of interest, there are policies that govern sustainability and procurement practices in the workplace.

Sustainable Business Operations

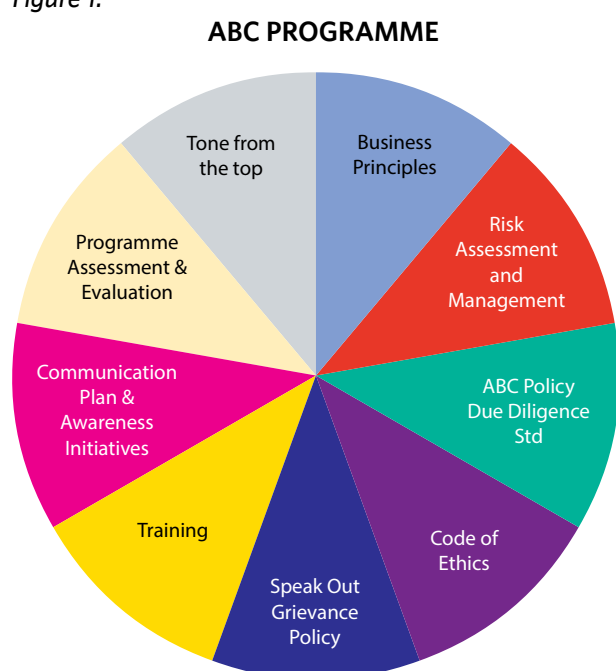
Anti-Bribery and Corruption (ABC) Programme

Atlantic's Anti-Bribery and Corruption (ABC) Programme represents Atlantic's commitment to embedding a culture characterised by strong business ethics and integrity. Atlantic has a strict zero tolerance policy for any form of corruption or illegal behavior which is memorialised in our Anti-Bribery and Corruption Policy.

The ABC Programme is the composite of all Atlantic's initiatives, policies and procedures which seek to encourage and re-enforce sound ethical conduct amongst our employees and business partners. The objective of the Programme is to eliminate fraud, bribery and corruption within the Company's daily operations. Part of the Programme focuses on ensuring that all employees understand the implications and consequences of fraudulent practices.

The Programme is structured as follows:

Figure 1:



The ABC Programme has evolved over the last five (5) years starting with the first Code of Ethics in 2007, and the establishment of a formal ABC Programme in 2011. In 2012, we revised our Code of Ethics to meet current and emerging needs and ensure the Code remains relevant to the changing business environment. This revised Code will be distributed and rolled out to employees in 2013.

We also maintained a keen focus on the implementation of the ABC Policy and the Due Diligence Standard. The Due Diligence Standard ensures that we adopt a risk-based approach when entering into third-party business relationships and our focus was on those functional areas where third-party business agreements were significant.

Our ABC Programme formed part of the scope of the 2012 Joint Shareholder Audit and generated no high priority issues.

As we move ahead, we have recognised that communication is key to successfully embedding the ABC Programme within Atlantic's operations. As such the focus for 2013 will be centered around clear, constant and consistent communication while recognising the importance of 'Tone at the Top'. It is imperative that we continually communicate with employees in a variety of ways about the importance of ethical behaviour.

ABC REPORTING - 2010-2012

A. CONFLICT OF INTEREST REPORTING

Between 2010-2012, there was a 100% submission rate for the Conflict of Interest Declaration forms and Follow Up Discussion Forms.

Table 1:

B. SPEAK OUT REPORTING

Details	Year		
	2010	2011	2012
Complaint Closed	89	80	42
Completed - Recommended to be closed	-	-	9
Enquiry In Progress	-	-	27
TOTAL	89	80	78



Our mid-year business meeting is one opportunity for the review of the Company's performance against its annual targets

Internal Audit

Internal Audit is mandated by the Assurance Committee to provide independent objective assurance and consulting services designed to add value and improve the Atlantic's operations through:

Assurance activities: Providing independent objective assessments on whether the risk management, internal controls and governance structures and processes implemented are designed properly and operating effectively.

Consultancy activities: Providing advice on potential improvements to enhance corporate governance, risk management and internal control structures and processes of the Atlantic companies.

Internal Audit performs audits on all aspects of the Company's operations. In 2012, Internal Audit conducted audits on the Hydrocarbon Allocation system and the Environmental Management System (EMS), in addition to a review of contracts governing sustainability programmes, as well as four (4) contract compliance audits. Other audits included a review of financial reporting controls and an audit of the Multi-Train Production Optimisation (MTPO) project. Special reviews consisted of ongoing reviews of our Code of Ethics and Risk Management System, as well as facilitating the Joint Shareholder Audit, and the Cross-Island Pipeline Audit.

Performance Management

Every year, corporate targets are established in an annual Corporate Performance Contract. The targets are cascaded from the Chief Executive Officer to his direct reports and throughout the organisation via individual performance contracts.

A scorecard on these performance targets is prepared for review by the Leadership Team on a monthly basis to assess performance and identify relevant gap closure initiatives and is shared with staff monthly via various internal communication channels. At the end of the year there is an evaluation of actual performance relative to the plan with any lessons learned being carried forward.

Risk Management System

The risk management system involves risk identification, assessment, mitigation, prioritisation and monitoring at each department's level in the organisation. Risks with potential for significant impacts are escalated to form part of the organisation's risk register.

The system has evolved into an ongoing, multi-tiered, integrated process used by Atlantic to ensure that contingencies are in place to minimise negative impacts and maximise opportunities.

The system is owned by the Chief Executive Officer who reports risks to the Assurance Committee.

Sustainable Business Operations



Atlantic employees on the Facility

PRODUCTION AND VALUE CREATION

Production

In 2012, success was achieved through plans executed with resolute attention to balancing multiple and complex tasks. There were distinct challenges, including an unplanned shutdown of Train 4.

At the end of the year, we were able to deliver 754 Trillion British Thermal Units (Tbtu) of LNG versus the targeted throughput of 774 Tbtu. On Trains 1, 2 and 3 we exceeded our stretch production targets, as well as our targets in the area of reliability.

With regard to plant trips, we had a further reduction of 20% in the number of trips on the Facility in 2012.

In 2011, a cross-functional team developed an innovative solution to reduce total defrost time on the Trains from a maximum of 7-8 days to less than 24 hours. In 2012, we successfully carried out “one-day” defrosts on Trains 1 and 4, based on new Standard Operating Procedures.

In 2012, there was significant shutdown maintenance activity on the Facility, with scheduled shutdowns accounting for 57 days of activity against a planned 72 days, and with all major scopes completed. This included the Train 2 shutdown in October – the largest shutdown in the Company’s history. This shutdown activity was completed two (2) days ahead

of schedule and all major scopes were completed, including Modular Replacement on six (6) machines, Wet and Dry Flare Modifications, High Efficiency Filters Replacement and Molecular Sieve Valve change outs. Our proactive approach to plant maintenance will continue in 2013, with an estimated 59 days of activity scheduled for work on all the Trains, including a major 28-day exercise on Train 3 in September.

We also successfully completed the first major turnaround activity on Jetty 1, which included full maintenance on the loading arms and fabric maintenance work.

In the long term, we will be working towards maintaining high levels of reliable and efficient operations, and exceeding set targets for production.

Value Creation

The Company aspires to conduct business in a manner that advances understanding of the principles of sustainability and most especially by example, through minimising cost and optimising value creation.

In 2012, Atlantic paid a cumulative sum in excess of US\$181 million in taxes (including business and green fund levies, and corporation taxes). Of this amount, income tax remitted on behalf of employees amounted to just over US\$ 11 million. As a further indicator of the contribution to the economy, in 2012 Atlantic spent US\$113 million for local services.



Our service provider personnel make a critical contribution to our overall performance

SAFETY

Personal Safety

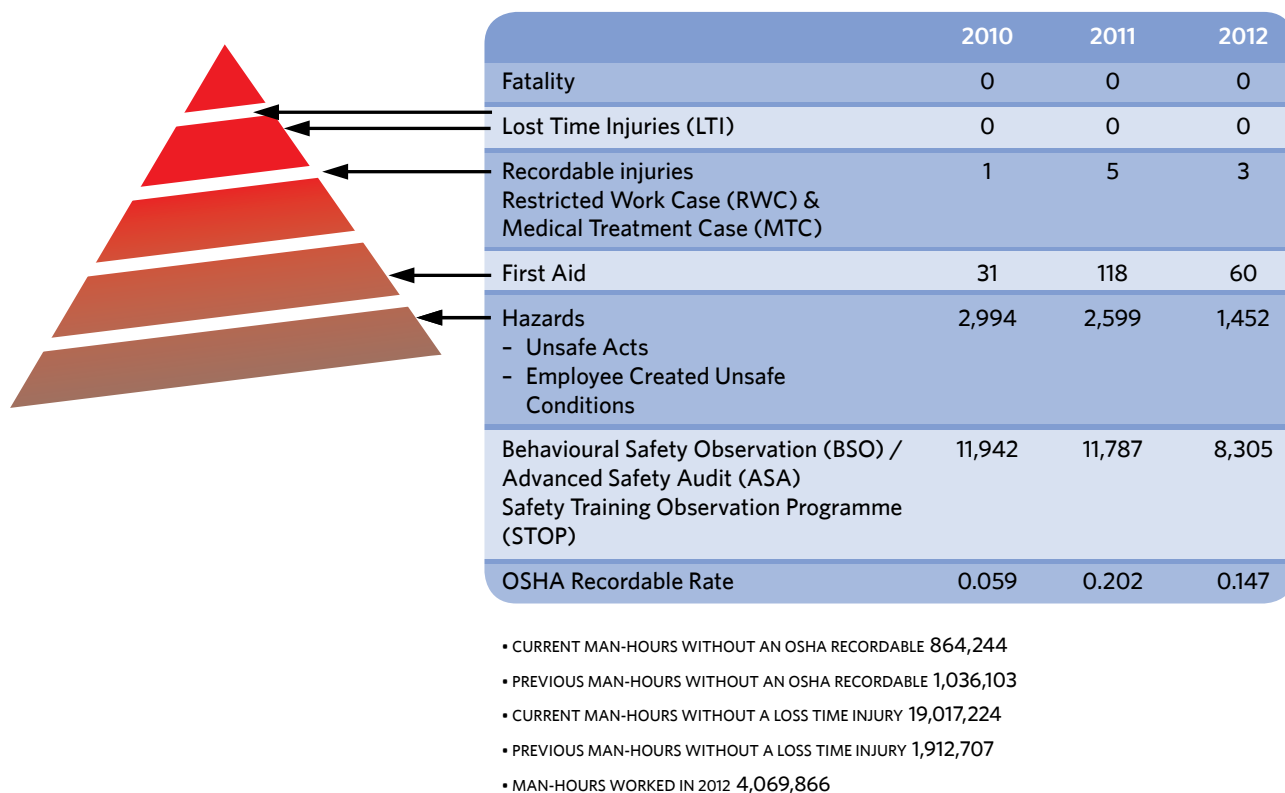
Atlantic ended 2012 having achieved an industry-leading milestone of 19 million manhours without a Lost Time Injury (LTI), which represents over 5 years without incident. Our last LTI occurred on September 21, 2007 and since then, we have strengthened our focus on the development and implementation of robust safety programmes and thus have steadily improved our safety performance.

In 2012, we had our highest level of turnaround/maintenance activity, with major planned and unplanned shutdowns on Trains 2 and 4 respectively, as well as other minor turnaround activity. These activities were executed with 10 first aid incidents and no recordable incidents, despite the high level of activity – approximately 695,000 manhours worked.

Our success during this period is as a direct result of key initiatives being implemented, including:

- Credible and demonstrated safety leadership
- Greater engagement of service providers and contractors around safety
- The implementation of specific programmes to manage identified 'High Risk' activities such as Confined Space Entry, Hot Work, Lifting and Rigging, Excavation/Ground Disturbance
- Development of organisational HSE Competency for employees and contractor personnel
- Rigorous safety performance management with emphasis on Leading Indicators, including action tracking and daily reporting to drive action item closure
- Improvements in reporting, investigation and lessons learned processes for all incidents
- The provision of adequate safety tactical support for task execution

Figure 2: 2012 Performance – Personal Safety



Process Safety and Asset Integrity

Atlantic had developed a five (5) year strategy for Asset Integrity which was aligned with the Corporate Strategy at the time, to be the global benchmark in LNG operations. The year 2012 was the fourth year of that journey and we achieved all the deliverables in the base plan. Some of the significant achievements included:

- The implementation of the Asset Integrity Management Standard (AIMS) and 81% achievement against the target of 80%
- Completion of planned testing of the Safety Instrumented Systems (SIS)
- Completion of testing of 257 pressure safety valves (PSVs) and the successful transition from yearly to quarterly testing
- Completion of regulatory and Risk-Based Inspections with no major findings or concerns
- Successful close-out of Safety and Operations Integrity audit actions
- Completion of Competency Management and Assurance System (CMAS) assessments for Production Operations and Maintenance

Technicians in support of achieving Facility competency milestones

- Delivery of plans to commence pilot competency assessments of Operations and Maintenance supervisors and service provider personnel in 2013
- Completion of Computer-Based Training (CBT) modules within the Operations team, aimed at raising awareness on a wide range of process safety systems and equipment
- The hosting of Atlantic's inaugural Process Safety Week, aimed at fostering greater awareness on process safety across the organisation

Throughout the year we maintained focus on ensuring we explored opportunities for reducing risk, some of which included

- Improved lighting in the Control Room, via the installation of additional low glare and desktop lights
- Completion of risk assessments for vessel inspections
- Updates and testing of the community emergency response via a major drill exercise
- Successful completion of turnarounds on all four



At Atlantic, safety is at the core of everything we do

- (4) trains, including the largest ever turnaround activity in Atlantic's history on Train 2, where integrity-related issues were addressed
- Completion of maintenance activity on Jetty 1, as well as the implementation of the remote release of Jetty 1 moorings – both of which significantly reduced risk to the business

We also sought to manage our risk when we finalised our electronic Management of Change (MoC) process, which went 'live' in December 2012. As we move this new process forward, we will be monitoring the system for its effectiveness and added value in 2013. Additionally, we also developed and approved the risk management process, which includes Risk Aggregation and the procurement of software for risk management.

The strengthened focus on process safety was also reflected in the team submissions to the Atlantic CEO's Sustainability Awards. In 2012, there was a record 22 entries for HSSE and Asset Integrity, 13 of which were directly related to process safety and asset integrity initiatives.

We are working towards fulfilling the objectives as per the five-year plan, of which 2013 is the final year, where we will be focusing on improving what has been developed and implemented.

Contractor Management

A significant contributor to our success in improving our safety performance was our increased engagement and management of our service provider and contractor personnel. Our approach included

- The review of our pre-qualification process to be aligned to the industry-driven Safe-to-Work (STOW) certification
- The implementation of a risk-based Contractor HSE Management Framework
- Significant improvement in communication and engagement programmes with contractor personnel through the Contractor Management Process
- Regular Joint Management Walk-downs and interventions, representing leadership collaboration between Atlantic leadership and management representatives, and service provider management
- Regular safety stand-downs held with all contractor personnel every 72 hours during major shutdown activities. This allowed for the discussion of HSE performance and issues during the shutdown, and the expectations going forward
- Weekly HSE Meetings with contractor maintenance personnel during normal operations

CASE STUDY

Major Risk Reduction: Transportation of Hazardous Chemicals by Sea

The use of refrigerants is a critical component of our business and Atlantic has been safely transporting these chemicals via roadway for the past 12 years (approximately 13,000 movements). However, in keeping with our commitment to safety, and in our ongoing pursuit of continuous improvement, we explored an alternative mode of transport aimed at risk mitigation.

In Trinidad and Tobago, there has been a steady increase in the frequency of road accidents, increased traffic congestion and road blockages. These incidents were a cause of concern in light of the hazardous nature of the chemicals being transported to our Facility in Point Fortin over significant distances.

In 2009, the Procurement and Supply Chain Management (PSCM) and Marine teams started exploring the feasibility of transporting hazardous chemicals by sea, from the various ports in Trinidad to our Facility in Point Fortin. This move, aimed at reducing our risk, had not been undertaken anywhere in Trinidad, and based on research at the time, it would be a first in the Eastern Caribbean region.

It would mean that the cross-functional PSCM and Marine team would have to be creative and “think outside the box”. The team undertook a feasibility study of the concept and internal stakeholders and Regulatory Agencies were engaged for approval and guidance. Once the feasibility study proved the concept viable, an implementation plan was developed and the project moved to execute stage.

There were initial challenges which the team had to overcome. Firstly, this was a change in the way we did business. Atlantic would be moving away from transporting these ISO containers on the road, for which we had a certain level of risk acceptance, having safely done so for the past 10 years. Additionally, there was some level of uncertainty on the type of approvals – regulatory or otherwise – which would have been required. Finally, there was also uncertainty as to the nature of safety protocols and Emergency Response procedures that would be required.



However, despite the numerous challenges, after a series of stakeholder engagement sessions, and dry runs, on October 16, 2012, Atlantic safely moved its first cargo of chemicals by sea from Point Lisas to Point Fortin.

This successful implementation means that on an annual basis, 1,300 truck movements will be eliminated from the nation's roadways - a significant risk reduction milestone and a testimony to the Company's commitment to Safety. This team effort, which also includes critical inputs from Law and Corporate Affairs, Health, Safety and Environment (HSE) and Operations, has allowed us to successfully complete 50 movements (250 tanks), to date. Moreover, this pioneering initiative allowed us to contribute to the development not only of Atlantic personnel, but also of our service provider, Paramount Transport, whose support in this initiative was critical.

The Marine team has quietly and seamlessly absorbed the barge operation and the third berth (construction dock) and has applied the experiences and learnings of over 2,500 LNG tanker loadings to an expanded sphere of operation. As we move forward, the Atlantic team continues to seek opportunities to improve our operations and remove any further safety and operational risk.



Employees have access to occupational health professionals as part of our commitment to their physical well-being

Occupational Health

The physical well-being of our employees and service provider personnel can impact on their ability to perform their work-related duties in a safe and responsible manner. Our focus on occupational health ensured that no occupational exposure or medical condition negatively impacted upon the health and safety of the worker, or those around him.

Our Fitness-for-Work programme ensured that we assessed our employees and service providers and that they are deemed as medically fit to perform their work duties. The steps which we have taken since 2009, when we first piloted this initiative, have been aimed at strengthening our approach to health and well-being among our workforce.

To support the Fitness-for-Work programme, as well as to ensure that the organisation is equipped with sufficient knowledge that can be used to support the protection of employees' health and well-being, we have also placed greater emphasis on industrial hygiene. This approach, included among other activities, exposure monitoring, which to date has included Noise, Chemical Exposure, and Hand, Arm and Whole Body Vibration. This monitoring exercise has assisted in the development of medical requirements for similar exposure groups based on industry best practice.

CASE STUDY

Fatigue Risk Management

Safety and productivity in the workplace are intimately related to employees' health and well-being, and well-rested, alert employees are critical to safe and productive operations. In preparing for the Train 2 turnaround, the largest in Atlantic's history, we identified the issue of worker fatigue as a significant risk and we adopted an approach to continuously monitor and improve the safety and health aspects related to fatigue.

Our September 2012, the Train 2 Turnaround involved approximately 3,000 extra persons on site for a period of almost 30 days. In keeping with Atlantic's philosophy of risk management, we developed a Fatigue Risk Management System which included an integrated set of management policies and practices aimed at addressing fatigue among employees and service provider personnel.

We first embarked upon a rigorous engagement programme, which sought to raise awareness on the factors that contribute to fatigue and how to mitigate against fatigue. These interventions included presentations during service provider meetings, safety villages, site safety leadership and departmental meetings, as well as electronic communications and posters across the site.

Based on guidelines set by the American Petroleum Institute (API), employees and service providers were afforded one (1) compensatory day off for every seven (7) consecutive days or nights worked, and personnel were not allowed to work beyond 14 days without taking at least one (1) day off. We also implemented a Journey Management system, which facilitated accommodation for persons involved in the longer durations of the shutdown, as well as those engaged in safety critical tasks. We also provided a shuttle service to minimise the likelihood of fatigue-related road accidents.

There was a greater focus on manpower resourcing and more attention on supervision, especially during those periods where there is a natural dip in wakefulness (1.00am – 6.00pm; and 1.00pm – 3.00pm). During this time, we adopted use of the Occupational Fatigue Exhaustion Recovery (OFER) Scale to assess fatigue



levels and to track the effectiveness of strategies aimed at minimising fatigue-related risk. HSE Advisors and Team Leads were also provided with the relevant information to assist them in recognising the signs of fatigue among workers, and intervene where necessary.

The cooperation of our service providers was critical, as a large percentage of our workforce is comprised of third party personnel. Therefore we actively engaged our service provider companies on fatigue risk management and obtained their commitment to adopt Fatigue Management Plans as part of their overall HSE strategy. This approach ensures that the issue of fatigue is being addressed across our workforce.

At the end of this shutdown activity, we conducted an audit to gauge the effectiveness of our approach. Work schedules and fatigue levels were examined for all motor vehicle accidents and work-related incidents on-site to determine what contributory role, if any, fatigue played in those incidents. We also paid close attention to work schedules during the period to determine the level of compliance with Atlantic's Consecutive Working Period Policy.

The implementation of this programme during this period of long and intense activity, has allowed us to proactively make some meaningful interventions in reducing risk. Taking the learnings from this activity, we will be applying the Fatigue Risk Management Guidelines throughout our operations.



Stack Emission Monitoring of Turbine Compressors on the Facility

ENVIRONMENTAL PERFORMANCE

Environmental Management Approach

Atlantic's commitment to the environment is demonstrated by our maintenance of the certification of our Environmental Management System (EMS) according to the requirements of the ISO 14001 International Standard. The EMS is centered on evaluating our environmental risk, identifying and implementing environmental controls to eliminate and mitigate these risks, communicating effectively and carrying out a robust review of planned actions to ensure required environmental performance. This, coupled with the progressive transformation of our EMS from an element-based to a process-based approach, has resulted in great strides in our environmental performance.

Atlantic has been certified to this standard since 2001 and since then, our EMS has undergone four (4) successful re-certification audits and several surveillance audits, the most recent of which was in 2012. The final surveillance audit findings identified only

one (1) minor non-conformance around operational controls for the storage and disposal of waste generated from maintenance related activities. Additionally, the audit identified two (2) opportunities to strengthen the internal audit process, namely, the application of procedures for preventative and corrective action, and the inclusion of areas in our Environmental Action Plan as part of the targets of the EMS.

Environmental Monitoring Programme

At our Facility, we measure environmental conditions such as ambient air quality and noise levels to ensure that we not only comply with environmental legislation and permits, but also sustain a safe work environment for our employees and minimise any negative effects on the surrounding community. In addition, we monitor the emissions of 51 stacks and 15 effluent streams across Trains 1, 2, 3 and 4. Analyses of results indicate 100% compliance with national permissible limits for noise and ambient air conditions. In 2013, a greater emphasis will be placed on obtaining similar levels of compliance for monitoring of our effluent discharge and stack emissions.

Sustainable Business Operations



Energy and our potential impacts

Primary and Secondary Energy Sources

Liquefied Natural Gas (LNG) is the primary product from feed gas entering the Facility and approximately 85% of the feed gas is converted to LNG. Just under

10.5% of the total feed gas is consumed as energy by the Facility to drive compressor turbines, oil heaters and turbine generators for the production of LNG. These turbine generators produce the required electricity for Atlantic's process equipment and other utilities such as lighting, office and building equipment, air-conditioning systems.



We continue to maintain a rigorous approach to water conservation

Water Usage

The national water utility company supplies Atlantic with its primary water sources, fresh water, which is used on the Facility and in its administrative buildings. In 2012, Atlantic measured its fresh-water intake as approximately 134,076.28 cubic meters per year (m³/year). Our rigorous maintenance program ensures that leaks are reported, scheduled and addressed in a timely manner, and through lectures and internal communications, we engaged employees on the importance of water conservation.

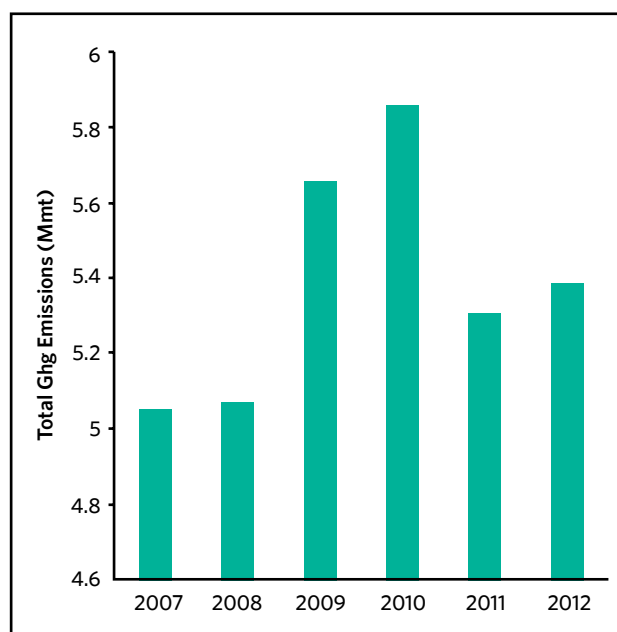
Greenhouse Gas Emissions

At Atlantic, greenhouse gases produced from the LNG process are determined from a Greenhouse Gases Calculator. A facility mass balance is used to determine the unaccounted (unmeasured) hydrocarbons in the facility which, in 2012, was 5.39 million metric tonnes.

Although methane is the primary component of natural gas, we strive to continually reduce our carbon footprint by optimising LNG yield and managing greenhouse gas emissions from the production process through efficiencies of operations and reductions in flaring.

Greenhouse gases are calculated and reported monthly to employees and the leadership team in HSSE reports, at weekly Site Leadership Meetings and to shareholders upon request.

Figure 4: GHG Emissions for period 2007 to 2012



Waste Management Process

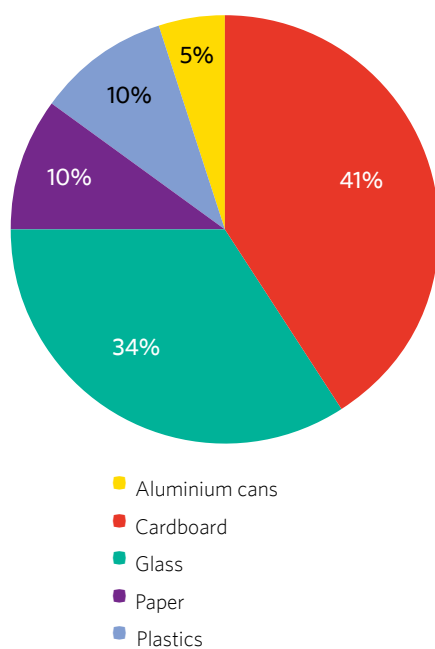
Waste generation is one of Atlantic's significant environmental aspects. Waste generated during maintenance/turnaround activities is managed by a Waste Management Framework and Environmental Operating Practices specific to each job activity. Disposal options for waste are determined by laboratory results and waste is adequately disposed of at an approved Waste Treatment Facility only, following which it is monitored and tracked via a waste tracker and waste inventory. Waste quantities and types are then reported monthly via Site Leadership Meetings and the intranet.

Additionally, our waste reduction initiatives focus on encouraging employees to reduce and recycle their waste across all our locations. Through a company-wide recycling programme, materials recycled in 2012 included paper, cardboard, plastic, aluminum cans, glass and metal. In the absence of a national recycling programme, employees are also encouraged to bring recyclable waste from their homes to be recycled through Atlantic's programme. Altogether, in 2012, our recycling programme saved 10.21 tonnes of waste from being disposed of at the landfill.



Sorted waste at the International Coastal Cleanup at Guapo Beach, Point Fortin

Figure 5: **Recycling Overview**



Environmental Advocacy and Awareness

Atlantic undertakes several initiatives each year to demonstrate our commitment to and advocacy for the environment. Among the initiatives undertaken to engage employees in environmental awareness and advocacy in 2012 were:

- International Coastal Cleanup (ICC) at Guapo Beach, Point Fortin
- Recycling competition
- Environmental lecture series

Additionally, our social investment in such programmes as the National Sea Turtle Tagging and Monitoring Programme – under the Turtle Village Trust – and the Atlantic 4H Seeds of Hope Programme speaks to our wider commitment to engaging external stakeholders on environmental conservation.

Sustainable Relationships

At Atlantic, we are working to create opportunities for present and future generations, but we can only do so if we understand the needs and concerns of our stakeholders of the present day. How we engage our people, and the relationships which we build with them, directly impacts on how we conduct our business.



Sustainable Relationships



Our employees and service provider personnel are key stakeholders and critical to our business

Among our key stakeholders are:

Our shareholders – We depend on their investment for growth and development, and on their confidence in our strategic management approach. We maintain a close working relationship with them – one based on consistent communication, value creation and sound and ethical business performance.

Our employees – The driving force of our business, how we engage our employees impacts the delivery of our strategic aims and impacts the culture and wellness of our organisation.

Government and regulators – We operate in an industry which is highly regulated and we are compliant with national policies and regulations which govern the sector.

Our local community – By cultivating relationships with the community of Point Fortin and its environs, we seek to protect our licence to operate, as well as the safety and well-being of the people and the environment.

Our suppliers – Our suppliers play a significant role in our performance delivery, and we expect the same level of intervention and interaction from them that we expect from our employees. We are constantly working with them to build their capacity and ensure that their operations are aligned with our policies and with industry best practice.

Business Partners – Through membership in business associations and chambers, as well as through formal and informal interactions, we continue to build close relationships with several business partners on programmes, both at the local community level, and nationally.

Media – The media have the power of influence and we engage the media to ensure that public perception is consistent with our identity and that information shared is accurate and balanced.

Our success in the global LNG industry is fuelled by our most valuable resource – our people – and we are committed to ensuring that we safeguard their health and well-being and to providing opportunities through which they can unlock their full potential.

OUR EMPLOYEES

Atlantic works towards being known as the “employer of choice” among financial and energy sector companies in Trinidad and Tobago. This can only be achieved through a strategy which focuses on creating a culture, driven by an innovative spirit, where our employees have opportunities for professional and personal development, and where workplace safety and employee welfare are a priority.

At the end of 2012, our employee base stood at 725 persons – 195 women and 530 men. During the period January 1 – December 31, we hired 72 new persons, while 24 persons exited. Of this number, 18 were graduate trainees – recent university graduates from an accredited undergraduate programme. Our graduate programme seeks to assist university graduates make the transition from university life to the world of work. These students are selected from a list of applicants and are deployed across the organisation for a period of two years. During this time, they gain invaluable work experience in their relevant functional area, as well as a sound understanding of the energy industry.

Table 2 – Breakdown of Employee Base by Employment Categories as at December 31, 2012

Employment Category	Number
Permanent	629
Secondee	11
Fixed Term	31
Temporary	9
Direct Contractor	3
Graduate Trainee	18
Apprentice	6
Operator Trainee	18
Total	725

Sustainable Relationships

Table 3 – New Hires by Age Group and Gender as at December 31, 2012

Age Group	Male	Female	Total	Percentage
18 – 30	39	15	54	75%
31 – 40	6	1	7	10%
41 – 50	6	0	6	8%
51 – 60	5	0	5	7%
60 and over	0	0	0	0%
Total	56	16	72	100%

All full-time employees are eligible to access a range of benefits including group health and life insurance, pension plan, computer and housing loan facilities, and our educational assistance facility. Full time and temporary employees have access to other benefits which include our Employee Assistance Programme (EAP) services, access to company wellness facilities and programmes, shuttle services to and from Point Fortin and access to the employee Day Care facility.

Learning and Development

In order to maintain our competitive edge within the industry, in 2012, Atlantic provided an average of 5 hours of training per employee. Development around safety was a key area of focus, along with interventions relevant to employees' areas of competence, including Hazard Identification, Task Risk Assessment and Project Management.

Additionally, planned interventions, such as the JMW Leadership Training, were provided for Managers to facilitate an engaged, motivated and productive work environment.

Atlantic also has an established system of performance reviews for employees. The performance of all permanent employees is reviewed via a formal mid-year review and an end-of-year review process. In 2012, 100% of eligible employees completed both reviews around their performance.

The Company also developed a framework for Talent Management, one aspect of which involves Career Development reviews for all employees. This will fit in to the Employee Development Planning cycle in 2013.

Employee Engagement

At Atlantic, we want to ensure our employees are actively engaged and motivated at work. We do this by ensuring we communicate with them regularly, using a variety of internal communication channels such as our electronic newsletter, intranet, plasma screens and face-to-face interactions, such as town-hall meetings. In 2012, we used these channels to raise awareness on a variety of issues including road safety awareness, environmental issues, performance updates and health and wellness concerns.

In March 2012, we conducted an Employee Pulse Survey, which was aimed at gauging the impact of employee initiatives, identifying potential "quick wins" and areas for improvement for the long-term, and serving as a leading indicator for the Employee Benchmark Survey. One outcome from this survey was the initiative, "Lunch with the Leadership Team", aimed at facilitating informal interaction between employees and members of the Leadership Team. This is an ongoing initiative for 2013.

The Employee Benchmark Survey was conducted in September 2012, and was intended to assess the employee engagement, as well as benchmark the results among leading local and regional companies. This survey is conducted every two (2) years, and focused on 10 indices – Corporate Social Responsibility; Supervision; Stakeholder Focus; Employee Engagement; Strategic Alignment; Communication; Work Alignment; Talent Management Practices; Leadership and Management/Employee Relations. The response rate was 72% and the People Satisfaction Index was 46%. The energy sector norm was 48%.



Atlantic joined the rest of the national community in celebrating the 50th anniversary of Trinidad and Tobago's Independence

Coming out of this survey, an engagement plan is being implemented to address specific employee concerns. The Benchmarking Report is due by April 2013.

Other means of engaging employees include monthly department people meetings, in which teams are encouraged to discuss employee concerns, and provide suggestions and feedback aimed at improving employee engagement. In addition, there is the Atlantic Welfare Committee which is a cross functional committee aimed at addressing concerns raised about employee welfare. During 2012, this committee met monthly and closed out 100 out of 103 actions.

Employees and service providers are also encouraged to actively engage in events aimed at creating camaraderie and fostering team spirit across the organisation. In 2012, these voluntary activities centred on physical fitness, cultural and charitable ventures, such as quarterly hikes, the annual Atlantic Power Challenge, which is a multi-discipline athletic challenge, annual internal league competitions in football, cricket and basketball, and the annual calypso competition.

Our cross-functional Festivals Committee also continued showcasing and celebrating the rich cultural heritage of Trinidad and Tobago, through the commemoration of Emancipation and Indian Arrival Days, as well as the commemoration of the 50th anniversary of the country's independence in 2012. The latter occasion was celebrated with a fundraising talent show called "Atlantic's Got Talent", featuring talented employees and service providers. Proceeds from this event were donated to the Rainbow Rescue Home for Boys in Port of Spain, to assist in the refurbishment of the home.

In 2012, we hosted our fourth annual CEO's Sustainability Awards, which is an initiative developed to recognise innovative and business-enhancing projects driven by employees and service providers. The programme recognises the most outstanding projects aligned to our five (5) strategic areas of focus – Production, HSSE and Asset Integrity, Corporate Responsibility, People, and Cost Management and Value Creation.

CASE STUDY

Operator Trainee Programme

With the expansion of the global LNG market and the opening up of opportunities for process plant operators across the world, we continue to focus on maintaining a sustainable talent pipeline, while at the same time, ensuring that we support the development of young persons in and around our home community of Point Fortin.

Back in 2005, while preparing for the start-up of Train 4, we recognised the need for additional operator technicians to manage our plant operations. Additionally, we were presented with an opportunity to address some of the skills gaps within the industry, as many of the operators were coming into the industry with little to no experience.

Our Operator Trainee Programme was developed to address these issues and to build a cadre of skilled persons in and around Point Fortin. In partnership with the National Training Agency, we led the development of a national standard for process plant operations and later charted the development of an Operator Trainee Programme to meet these requirements, and which would also provide assurance around the competence of persons participating in the programme.

This led to Atlantic gaining Centre Approval from the National Training Agency to issue the Trinidad and Tobago National Vocational Qualification (TTNVQ) in Process Plant Operations to participants – a first in the energy sector in Trinidad and Tobago.

The programme combines class-based teaching with plant-based components, giving the trainees a practical understanding of Atlantic's operations. Trainees attend classes at the University of Trinidad and Tobago (UTT) and Atlantic over a six-month period where they gain the knowledge and understanding of gas plant operations. This is followed by a 12-month practical On-the-Job-Training component at Atlantic, during which they are assessed to determine their competence as operators. Competent operator trainees receive the TTNVQ in Process Plant Operations.



The methodology used for assessment is identical to that used in the Competency Management Assurance System (CMAS) which guides any development required to close competency gaps.

To date, we have trained 193 persons and of this total, 50 have successfully transitioned from Trainee to Technician in our operations. Since this is an industry-developed and nationally-certified programme, participants can work anywhere in the local industry, not just at Atlantic. We are working towards enhancing the sustainability of this programme by seeking to have the standard approved by the Caribbean Community (CARICOM) as a Caribbean Vocational Qualification (CVQ), thus enhancing the competitiveness of our people in the regional market.

Our pioneering efforts in the development of this industry standard have led to our present involvement with the Energy Chamber of Trinidad and Tobago's Energy Industry Competency Development Initiative (EICDI), which aims to establish a Competency Assessment and Certification System (CACS) for the local energy sector. Our hope is that our experience in developing and implementing the Operator Trainee TTNVQ framework can contribute to the development and competitiveness of the wider industry.



Representatives from our service provider companies at a Service Providers' Meeting

SUPPLIER RELATIONSHIP MANAGEMENT

The support of our service providers is critical to our operations, both in terms of our productivity and our safety. Therefore, in 2012, our approach to supplier and contractor management remained a priority.

The support of our service providers is critical to our operations, both in terms of our productivity and our safety. Therefore, in 2012, our approach to Supplier Relationship Management remained a priority. We maintained our quarterly service provider meetings, where each meeting was aimed at facilitating the exchange of best practice in areas such as Health,

Safety, Security and the Environment (HSSE), and Finance and Procurement procedures and practices. Other areas of focus included Safe-to-Work (STOW) certification, process safety and planning for routine maintenance shutdowns of Atlantic's operations Facility.

Our commitment to the Safe-to-Work (STOW) Charter continued as we focused on our service provider companies deemed as "High Risk" by way of the activities which they perform, working towards STOW-certification by June 30, 2012. We implemented STOW as the minimum requirement for the HSSE criteria in our prequalification process. By December 31, 2012, over 90% of these service provider companies had been certified. Effective January 1,

Sustainable Relationships

2014, STOW certification is a mandatory requirement for all Service Providers wanting to conduct business with Atlantic

In 2012, we also recognised the support of our service provider personnel in ensuring safe and responsible operations. Through Atlantic's Service Provider Awards and Recognition, we recognised and rewarded those individuals and service provider companies who demonstrated exemplary commitment to supporting Atlantic's safety performance culture.

In September 2012, Atlantic conducted its largest turnaround ever on Train 2 – an undertaking which required the support of approximately forty (40) Service Providers and over two thousand service provider employees. During this time, we implemented our Fatigue Risk Management Programme – a pilot programme aimed at reducing fatigue-related risk to our operations in a shutdown working environment. In keeping with our commitment to actively engage our service provider personnel, we invited our resident contractors to participate in focus group sessions to gauge the effectiveness of the programme. Additionally, Atlantic will be transitioning to making Fatigue Management a mandatory guideline for all service providers conducting activities on our facilities. As a result, we will continue to collect feedback from service provider companies on how compliance with this programme has impacted them, and what would be the most practical approach to long-term implementation.

We also continued work in 2012 to develop the competencies of and to engage the Contract Accountable Managers (CAMs) across the organisation to ensure more effective management of contracts with our service providers. Work in this area included the revision of Contractor Management Guidelines and training for Contract Accountable Managers. Moving forward, attention will be placed on improved reporting on Key Performance Indicators (KPIs) for all key contracts, as we focus on monitoring performance of both Atlantic and the Service Provider, on these contracts. Other areas of engagement, include regular meetings and support for all Contract Accountable Managers to assist them in improving overall contractor management.



CEO Nigel Darlow presents Most Outstanding Safety Leadership Award

HSE Leadership Recognition Honour Roll

Most Outstanding Safety Performance Overall by a Service Provider

Scaffolding Manufacturers' Trinidad Limited (SMTL)

Most Outstanding Service Provider Team in Train 4 Turnaround (2012)

Caribbean Industrial and Agricultural Chemical Services Limited (CIACS)

Best HSE Intervention made by a Service Provider Employee

Patrick Scott - Theo Richards General Contractors
Patrick Charles - Damus
Damian Torres & Brendan Bacchus - Eastern Emergency Response Services Limited (EERSL)

Exemplary Safety Leadership

Lester Baptiste - Scaffolding Manufacturers Trinidad Limited (SMTL)
Leslie Davis - Reliability Maintenance Services Company Limited (RMSL)
William Ravello - HydroTech
Jessel Alexander - Theo Richards General Contractors

Exceptional Safety Performance by a Service Provider Team

Innovative Security Technologies Limited (overall Category Winner)
Neal and Massy Supply Chain Integrators (NMSCI) GE/RMSL
Caribbean Insulation Services Limited (CISL)

HSE Spirit Award

Wayne Bonaparte - Damus
Ian Soondar - NM Insertech
Agnes Mansook - Jokhan General Contractors Limited

Special Recognition - Best HSE Intervention made by a Service Provider Employee

Kurt Lazare - Innovative Security Technologies Limited

Special Recognition - HSE Spirit Award

Steffon Shears - Team Air



Graduates of the Atlantic Servol Adolescent Development Programme

OUR COMMUNITIES

Atlantic's role as a processor of LNG and significant contributor to national economic growth, is balanced by our own need to contribute to society in a positive way. Through engagement with our stakeholders, and by developing partnerships with our communities and local and international partners, we are helping to foster sustainable development in the areas of sport, education, local economic development and the environment.

Servol Adolescent Development Programme (ADP)

Since 2007, Atlantic has supported the Servol Adolescent Development Programme (ADP), which focuses on skills training for students who leave secondary school without academic passes and are deemed as being at-risk. In 2012, there were 64 students in the programme, and in addition to skills training in courses such as Beauty Culture, Computer

Literacy and Computer Graphics, these students were also exposed to sessions in career guidance. Atlantic employees also volunteered their time to support the students' development, facilitating sessions in safety related topics, nutrition and resumé writing and interview preparation. While the programme continues to enhance the employability of the young people in the community, recruitment of students remains an ongoing challenge. Future objectives include strengthening the marketing of the programme to attract more participants, as well as implementing a monitoring system via which students can be tracked after leaving the programme.

Atlantic-IDB Local Economic Development (LED) Programme

In June 2012, work began on our Local Economic Development (LED) programme – a partnership with the Inter-American Development Bank (IDB) that was launched in late 2011. This programme is focused on communities in the south-west peninsula and is aimed

Sustainable Relationships



Kids in Atlantic's Sport for Life programme during catching practice

at creating a platform for economic development. Over the 36-month execution period, there are four (4) objectives which will be addressed:

- Building the capacity of all the stakeholders involved which will help them to define and collaborate on investments and projects for sustainable business and employment opportunities.
 - Strengthening existing micro, small and medium sized enterprises in the community, and facilitating the creation of new start-ups, specifically in the non-energy sector. Priority will be given to “green” enterprises, and those that are making use of natural resources in a sustainable way, such as tourism, fishing and agriculture. The aim is to lend support to 100 such enterprises.
 - Ensuring there is greater focus on “at-risk” young people who are currently under-skilled and unable to access employment opportunities as a result. The framework seeks to identify long-term opportunities for empowering young people to play a more active role in local economic development. This will be done by targeting some 200 young people from the community and examining ways to increase their access to education and skills training.
- The programme will facilitate and support the transfer of knowledge to other regions. In doing so, the expectation is that that this model for the south-west will be established as best practice and a precedent for sustainable community development in other regions across Trinidad and Tobago. It will also inform academic programmes at the UWI.

In 2012, work began on building technical capacity among stakeholders, and 30 representatives from public and private institutions were trained in LED workshops. This intervention enhanced the participation of the representatives on the LED Coordination Committee, which began work on developing strategies and governance systems to guide the execution of the programme. As the Committee moves forward, an LED Conference will be hosted in June 2013, aimed at supporting the transfer of knowledge, results and best practice in implementing LED programmes in regions with extractive industries.

Sport for Life

Using cricket as a catalyst, the Sport for Life Programme is an after-school programme held at the Queen's Park Oval in Port of Spain, and which focuses on developing basic tactical skills, in conjunction with improving numeracy, literacy and computer literacy,



Cricket is used to engage children in Point Fortin in Atlantic's WIPA in the Community Programme

and developing life skills. For 2012, we achieved our objective of providing academic support to over 200 boys and girls from at-risk communities in the Port of Spain area, while also establishing a weekend elite programme which focused on providing additional support for 56 of the more promising students.

WIPA in the Community

Atlantic, through its partnership with the West Indies' Players' Association (WIPA) continues to use cricket as a means of engaging children and fostering their overall development. At the inception of the programme in 2008, WIPA engaged 13 schools (9 primary schools and 4 secondary schools) in the Point Fortin district, enrolling 369 participants. The programme has grown significantly since then. At the close of the 2011/2012 programme in July 2012, there were 2,290 participants enrolled in the programme, representing the addition of eight (8) more schools to the programme. This means the programme now has a participation of 21 schools from not just Point Fortin, but also from the neighbouring communities of La Brea, Chatham and Cedros. By the start of the 2012/2013 programme, an additional 3 schools were included in the programme – schools from Cedros and Icacos – which takes the final tally for 2012 to 24 schools.

The programme in 2012 also sought to ensure that there was an inter-community cricket league, which would allow the students to progressively develop their



Atlantic's WIPA in the Community Programme targets girls as well as boys

Sustainable Relationships



Atlantic's partnership with the Real Madrid Foundation uses football as a medium for the social development of young children

tactical skills before moving on more senior leagues. From this league, the coaches identified the top 30 boys and girls, who were then enrolled in an eight (8) week Elite Student Coaching Camp. This camp is aimed at focusing on the high potential cricketers from the league and preparing them to advance to the next level of the game. The camp is facilitated by WIPA and runs on Saturdays during the school term.

Finally, in 2012, 20 new coaches from the community were trained and certified by the West Indies Cricket Board (WICB) Territorial Development Officer, increasing the total number of community coaches certified under this initiative to 49. Coaches were also trained in First Aid and CPR, with 16 coaches being trained in 2012.

Atlantic Real Madrid Foundation Social Sports School

Our partnership with the Real Madrid Foundation – the social responsibility arm of the Spanish football club, Real Madrid – gave birth to this programme at the end

of 2011. In 2012, we enrolled 80 children between the ages of 7-14 from at-risk communities in Port of Spain and its environs. Using football as a medium for social development, and working with professionally qualified facilitators, we also provided professional support for the children in areas such as conflict resolution, stress management, goal setting and team building. In addition, we created opportunities for the children to interact with children outside of the programme through football competitions with teams from other communities such as Mayaro, Palo Seco and Macoya. The programme has also facilitated development of local coaches, and a three (3) day camp was held for 13 coaches, aimed at enhancing their coaching skills. The intensive camp was facilitated by one of the Real Madrid Foundation's coaches and focused on technical on-field coaching skills, as well as critical skills development in areas such as mentoring young children. The camp was also an opportunity for knowledge-sharing as two (2) coaches who are part of a similar programme in Jamaica – the Real Madrid Foundation Football School for Integration – joined their local counterparts in this exercise.



CEO Nigel Darlow and members of the Atlantic Leadership Team volunteered to assist Habitat for Humanity on a home in Point Fortin

Boys' Nature Nurture Camp

The Boys' Nature Nurture Camp is targeted at boys between the ages of 8-12, who have been affected by violent crime. The programme takes the form of a two-week live-in camp, where the boys are counselled by trained professionals, and participate in a mentoring programme as well as extra-curricular activities such as hiking, cricket, golf and field trips. Atlantic, along with energy partners, bpTT and BG T&T, funded the programme from 2009-2011. In 2012, a comprehensive assessment was undertaken, aimed at informing the way forward for this initiative.

Habitat for Humanity

The year 2012 marked the third year of a five (5) year covenant agreement with Habitat for Humanity of Trinidad and Tobago (HFHTT) to provide homes for 25 families in Point Fortin and its environs. Under the agreement, Atlantic provides TT\$100,000 to go towards the construction of each home and the recipient agrees to contribute "sweat equity", meaning, they must put in labour for their home, as well as commit to assist on the construction of another home. Work began on five (5) homes, with two (2) homes being completed, and the remaining three (3) in various stages of completion. One of the challenges faced included limited support for the "sweat equity", with the resident often facing challenges in securing additional labour to facilitate timely completion.



Atlantic's Chairman, Gordon Deane assists in planting a seedling at the site of a new Habitat for Humanity home

During the year, Atlantic's employees, including members of our Leadership Team, supported this initiative through volunteer activities.

Sustainable Relationships



Winners (Boys) of the 2012 Atlantic National Primary Schools' Football League Champions 2012 – Bon Accord Government Primary School, from Tobago

National Sponsorships

Our social investment also includes supporting programmes which would have far-reaching positive impact on the wider society. Our annual sponsorships for 2012 included our ongoing investment in primary schools' sport at the national level.

At Atlantic, we recognise the transformational power of sport, particularly among the youngest in our society. This is why we continue to make a significant investment in sport at the primary school level particularly through our support of national sporting programmes in cricket, football and track and field. These interventions focus on helping primary school children to fulfill their potential not only in these sporting disciplines, but also in the development of their leadership skills and moral and social values. By focusing on primary school children, we are teaching them the fundamentals of each sporting discipline, thus building the foundation for future sporting success.

In 2012, Atlantic retained the position of title sponsor of the National Primary Schools' Cricket League (9th year of sponsorship), the National Primary Schools' Football League (7th year of sponsorship) and the National Primary Schools' Track and Field Championships (2nd year of sponsorship).

In addition to our investment in other sporting programmes at the local community level, our social investment in the area of sport was rewarded with the Spirit of Sport – Corporate Champion Award in 2012. This award, presented by the Ministry of Sport, and the Sport Company of Trinidad and Tobago, recognises the corporate entity which has made a significant investment in sport in Trinidad and Tobago. Atlantic also won the inaugural award in 2011.

As we look ahead, we will be seeking to enhance the sustainability of these national programmes through the Atlantic Coaching Excellence (ACE) Programme, which will focus on formal certification programmes for the coaches lending support to children in these programmes.

In November 2012, we added the Atlantic Sports Ambassadors Programme to our annual sponsorships. This initiative was introduced to lend support to our national primary school sports programmes, using the professional and personal experiences of five (5) of the country's top sporting personalities, to inspire and motivate young children. Our support also facilitates the ongoing development of our five (5) sports ambassadors, who are



Our Atlantic Sports Ambassadors

- Merissa Aguilera – Cricket
- Sunil Narine – Cricket
- Kieron Pollard – Cricket
- Andrew Lewis – Sailing
- George Bovell III – Swimming

The Atlantic Ultimate Field Trip, which is our educational partnership with Giant Screen Entertainment Limited (franchise holder for IMAX locally), continued in 2012, attracting attendance from primary and secondary school children across Trinidad and Tobago. For the period September 2011 – August 2012, the first year of our sponsorship, 20,703 students participated in the Atlantic Ultimate Field Trip. Visits were made by

schools from 70 different locations across the country, totaling 345 visits and 241 different schools for the same period. From September 2012 to December 2012, an additional 5,181 students attended, bringing the total of participating students over the initial 16 months of the programme to 25,884.

As the official sole educational sponsor, Atlantic's investment facilitates the screening of educational documentaries on current issues such as the impact of climate change and wildlife poaching. Our sponsorship also provides support for school visits, particularly where there may be a financial need, and where students would have to commute over long distances.

Table 4 – Expenditure in 2012 – Sustainability Programmes

Programme	Expenditure (US\$)
West Indies Players' Association (WIPA) in the Community	418,624
4H Seeds of Hope	43,306
Sport for Life	91,670
Atlantic Real Madrid Foundation Social Sports School	111,011
Servol – Adolescent Development Programme	74,114
National Energy Skills Centre (NESC) Skills Training Programme	26,500
University of Trinidad and Tobago Agricultural Enterprise Training	3,961
Point Fortin Community Pool	132,812
Habitat for Humanity – Home Covenant Programme	78,125
National Primary Schools' Cricket League	68,786
National Primary Schools' Football League	55,123
National Primary Schools' Track and Field Championships	23,400
National Sea Turtle Tagging and Monitoring Programme (Turtle Village Trust)	288,444
Atlantic Ultimate Field Trip (IMAX)	58,789
Boys' Nature Nurture Camp	19,068

Sustainable Relationships



We conduct regular site visits as part of our governance process for our programmes

Governance Process

Atlantic's Sustainability Committee is accountable for our sustainability programmes. This committee provides leadership and oversight over strategy and policy, and has responsibility for the evaluation and approval of new proposals for sustainability initiatives, the management of compliance with Atlantic's Business Principles and governance mechanisms, and the review of sustainability performance. The Sustainability Committee is governed by the Sustainability Committee Terms of Reference.

The Sponsorship Committee, governed by the Sponsorship Policy, considers and approves strategic partnerships that are aligned with Atlantic's brand values and corporate governance mechanisms.

All entities selected to deliver programmes to communities or groups are contracted with specific scopes of work and timelines. These organisations are expected to adhere Atlantic's Code of Ethics, Anti-

Bribery and Corruption Policy and Business Principles, as well as our HSE requirements. In order to deepen understanding around Atlantic's values, regular meetings and site visits were conducted in 2012. Formal audits may also be requested at any time.

Donations and other Contributions

Atlantic receives numerous requests for assistance on behalf of individuals, groups and organisations for a wide variety of reasons. Requests are assessed using our Due Diligence Standard before being considered. Criteria for assessment include whether the beneficiaries are children, individuals or groups and the nature of need – education, illness, matching funds in support of community or self-help programmes. The Donations Committee considers these requests in line with our Donations Guidelines, which are part of our governance structure.

In 2012, we received 384 requests for donations and we spent US\$423,297.00 in this area.

Assurance Statement

Atlantic contracted CSR Solutions Limited to perform an independent assurance of its Sustainability Report 2012. CSR Solutions conducted this assurance in accordance with the AA1000 Assurance Standard 2008 (AA1000AS 2008). This assurance statement provides the reader with an independent assessment of the management processes and systems for sustainability, as well as adherence to the underlying principles of AA1000AS 2008.

OUR SCOPE OF WORK

The scope of our work includes information presented in the Atlantic Sustainability Report 2012, for the period covered by the report. We have provided Type 1, moderate level assurance, evaluating adherence to the principles of inclusivity, materiality and responsiveness as outlined in AA1000 Accountability Principles Standard (APS) 2008. We reviewed a selection of data presented in the report with a focus on the following information:

- Safety
- Environmental Performance
- Employees
- Suppliers and Contractor Management
- Communities

Our scope of work did not include the validation of historical, financial or economic data.

OUR INDEPENDENCE

CSR Solutions is an independent consultancy specialising in Corporate Social Responsibility and Sustainability. We were not involved in the preparation of the Atlantic Sustainability Report 2012, nor do any of our staff members maintain any associations with Atlantic.

OUR RESPONSIBILITIES

Atlantic was responsible for the preparation of the Sustainability Report 2012, including the collection and presentation of the information contained within. Our responsibility was to provide independent assurance of adherence to the principles of AA1000AS 2008.

OUR APPROACH TO THE ASSURANCE

Our work was planned and performed in accordance with AA1000AS 2008. In order to provide the basis for our assurance conclusions, we conducted the following activities:

- Review of information presented in Atlantic Sustainability Report 2012;
- Interviews with management and staff in relation to policies, processes and procedures aimed at achieving sustainability in the conduct of their business, and the relationship of these to the data collection and reporting process;
- Interviews with employees;
- Review of management reports, external correspondence and other supporting documentation;
- Review of current sustainability issues relevant to Atlantic and its stakeholders;
- Presentation of a management report to Atlantic including conclusions and major recommendations toward improving the sustainability reporting process.

OUR CONCLUSIONS

CSR Solutions reviewed the Atlantic Sustainability Report 2012 in its draft form and based on our feedback, changes were made by Atlantic where necessary. This year's report distinguished between the operational aspects of achieving sustainability as outlined in Sustainable Business Operations and the relationship-building aspects of this process, defined as Sustainable Relationships.

In both of these areas Atlantic demonstrated their commitments and achievements during the period under review and provided detailed information on programmes and activities. The organisation continues to place sustainability issues at the forefront and puts noticeable effort into embedding this thinking while conducting business. There is still, however, the need for individual sustainability accomplishments to be integrated and reported within the context of broader sustainability concerns relevant to the organisation and/or industry.

Inclusivity

This principle refers to the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

Atlantic recognises the importance of stakeholder participation in its approach to sustainability and continues to undertake activities to facilitate their involvement. The annual CEO's Sustainability Awards remain an important mechanism for participation by encouraging both internal and external stakeholders to demonstrate sustainability efforts and achievements.

Assurance Statement

Various other noteworthy initiatives undertaken with service providers, such as regular Joint Management Walk-downs and weekly HSE meetings with contractor's management personnel, provide yet another avenue for contributions by stakeholders to the Company's response to sustainability. Participation is also encouraged through focus groups with other key stakeholders.

Materiality

This principle refers to the determination of the relevance and significance of an issue to the organisation and its stakeholders.

Sustainability issues continue to be identified and prioritised through on-going engagement with stakeholders. We believe it would be helpful to develop more formal mechanisms to focus the organisation's approach to reporting on sustainability issues relevant to core business and industry practices (social, economic and environmental). For example, the information reported on Safety demonstrates significant commitment and investment toward improving safety performance. More explicitly linking these accomplishments to the achievement of broader sustainability objectives would provide more clarity to the reader in understanding the relevance of this success.

Responsiveness

This principle refers to the organisation's response to stakeholder issues that affect its sustainability performance and is realised through decisions, actions and performance as well as communication with stakeholders.

Atlantic has demonstrated its responsiveness to stakeholder issues in a number of areas. The organisation's Service Provider Reward and

Recognition initiative offers an excellent example of this responsiveness by rewarding service provider teams and employees for bringing HSE issues to the attention of Atlantic and their contribution to providing solutions to concerns identified. Atlantic also follows through on suggestions for improvements from service provider meetings. Continuous monitoring and partner site-visits by the Sustainability Team allow community related stakeholder issues to be identified and addressed.

While these initiatives provide examples of the organisation's responsiveness, we encourage the organisation to expand its reporting on feedback from these initiatives to allow the reader to better understand the measures taken to address any concerns identified.

CSR Solutions Limited

Melanie Richards, Director

Narisha Khan, Senior Associate

Port of Spain, June 6, 2013

SUSTAINABILITY INDICATORS

Atlantic is committed to improving its approach to reporting against the Global Reporting Initiative (GRI) and the application of its Sustainability Reporting Framework. In preparing the 2012 Sustainability Report we recognised the need to review our approach to compiling data in line with the GRI Sustainability Indicators to ensure that relevant indicators can be fully satisfied. For this reason we have decided not to include GRI Sustainability Indicators in the 2012 Sustainability Report and commit to undertaking a review of our reporting process to ensure that these can be comprehensively reported in 2013.



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