



2011

**SUSTAINABILITY
REPORT**



TEEKAY PETROJARL

KEY FIGURES

	2009	2010	2011
People			
<i>Health and safety</i>			
Total recordable injury frequency ¹	4.0	3.84	5.87
Lost time injuries	3	2	3
High potential incident frequency ²	4.57	3.84	3.26
Sick leave (%)	4.28	3.42	4.25
Fatalities	0	0	0
HSE ideas registered	1,116	865	963
Transfer of experience reports ³	6,687	6,740	6,841
<i>Human Resources</i>			
Union membership (per cent of workforce) ⁴	60	66	60
Proportion of female employees (%)	11	11	11.5
Turnover rate % (onshore/offshore)	Not reported	0/3.5	4.2/2.3
Employee satisfaction % (onshore/offshore) ⁵	87/79	93/87	97/93
Planet			
Total GHG (Green House Gases) emissions (CO2 equivalents, thousand tons)	709.8	680.9	679.4
Flaring (MSm ³)	43.3	46.4	49.4
Accidental discharges (number of) ⁶	4	3	2
Oil discharged with produced water (tons)	90.3	89.7	49.8
Total amount of waste produced from Teekay Petrojarl FPSOs and tankers (tons)	573	650 ⁷	693
Waste reuse / recycling, offshore (%)	63	70	67
Profit			
<i>Production</i>			
Combined oil production (million barrels)	27.30	25.78	26.03
Production utilization factor, PUF (vol % of system capacity)	94.6	94.8	95.3
<i>Finance (numbers in thousand US dollars)</i>			
Revenues	US GAAP 400,406	US GAAP 465,749	US GAAP 464,575
Operating income (loss)	44,677	108,833	98,163
Net income (loss)	17,594	79,501	67,655
EBITDA	74,263	156,925	155,113
Total assets	1,369,996	1,341,514	2,818,408
Cash and cash equivalents	64,662	64,696	94,297
Net interest bearing external debt	262,709	90,750	917,147

¹ Lost time injuries plus medical treatment injuries per million man-hours worked

² Reported high potential incidents per million man-hours worked

³ Total number of HSE and quality cases registered in Synergi, including incidents, audits, meetings, reviews, ideas, non-conformities, reports of positive events etc.

⁴ Exact numbers not available. Estimate only

⁵ From Employee Survey

⁶ Authority-reported oil and chemical spills

⁷ Restated from last year's Sustainability Report as error was discovered after printing of report

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ABOUT THIS REPORT

Welcome to Teekay Petrojarl's 2011 sustainability report. Our annual sustainability reporting is one of the means by which we examine and elaborate on our targets, performance and initiatives within the area of sustainability. We also aim in this report to describe our impacts on and approach to sustainability and associated challenges and opportunities.

At Teekay Petrojarl, we aim to consider people, planet and profit in all of our decisions and actions. Sustainability is a core value in Teekay and ensures the long-term health and success of our people, our business and the surroundings we work in. It involves a commitment to responsible safety and environmental practices, as well as an innovative approach to the use of technology and the development of projects.

We have identified our material issues as including the health and safety of our staff, minimizing our impact on the environment and climate change, the quality of our operations, crisis management, responsible business practices and community involvement and charitable donations. We are committed to managing health, safety, environment and quality (HSEQ) using an integrated risk-based approach.

These internally identified focus areas also guide our sustainability reporting, together with external guidance such as the guidelines from the Global Reporting Initiative, IPIECA's Oil and gas industry guidance on voluntary sustainability reporting and AccountAbility's Materiality Report.

Our report covers all of Teekay Petrojarl's activities in 2011, both onshore and offshore. The report does not include the former Sevan Marine FPSOs brought into our organization on 1 December 2011. These will be included in the reporting from 2012 onwards.

- 4 This report is meant for you as our stakeholders, whether you are a current or future employee, existing or potential business partner, shareholder, regulator, or simply someone with a keen interest in what we do. We welcome your comments or input and if you would like to share any thoughts, please

get in touch on: trd.reception@teekay.com, marking the e-mail "Sustainability Report 2011".

We aim for continuous self-improvement, also in the area of sustainability reporting. We aspire in 2012 to continue to strengthen the focus on sustainability by establishing a sustainability strategy to help us guide our efforts within this area.

TRIPLE BOTTOM LINE IN TEEKAY PETROJARL

PEOPLE

- › Our people
- › Safety
- › Health & working environment
- › Corporate Social responsibility

PLANET

- › Environment
- › Emissions to air
- › Discharges to sea
- › Waste Management

PROFIT

- › Financial highlights
- › International development
- › Research and development
- › Ethics and anti-corruption







PRESIDENT'S INTRODUCTION



At Teekay Petrojarl we believe that our long-term operational and commercial success is closely linked to our ability to effectively manage sustainability challenges, risks and opportunities. With this as a back-

drop, 2011 has been an important year for us.

Our operations throughout 2011 were excellent, and bear witness to the solidity and stability of our company.

Health, safety and environment are always our number one priority. Although we still have great results in this area and see a decreasing trend in high potential events, we face a slightly increasing trend in LTIs and MTIs. We therefore stress the need for full attention and support in all HSE areas to avoid incidents and further intensify our HSE work in 2012.

On 8 December 2011, we experienced what was probably the most dramatic event in our history, as the FPSO Petrojarl Banff was hit by a severe winter storm and lost five of its ten anchors. Thanks to the exceptional efforts put in by our offshore crew and the supportive onshore organization, no people were hurt and the environmental impact was minimal. It was a strong reminder, however, of the harsh conditions under which we operate, and how important it is to be prepared to handle emergency situations. See more on this incident on page 13.

Commercially it has been an exciting year for Teekay Petrojarl, and we have seen several important milestones being passed this year. One of our main achievements in 2011 was entering into a contract with BG Norway for a newbuilt harsh environment FPSO on the Knarr field in the North Sea. Also, in the fall of 2011, we took the important step of acquiring Sevan's cylindrical FPSOs Hummingbird and Piranema, as well as 40% shares of Sevan Marine.

In order to cope with our business growth, our personnel are key to our success. We want to be the company of choice for

our employees, demonstrated through low turnover and high employee satisfaction. I am happy to see that we have managed to grow substantially in terms of number of personnel, while at the same time having limited turnover of staff as well as improving our employee survey ranking for the third consecutive year.

Looking ahead, our main challenges and targets for the years to come will be first, to continuously improve our safety work and the technical integrity of our vessels. We will continue to put safety first - always. Second, we need to ensure organic growth and a sustainable growth rate. Third, we need to execute projects as planned and bring them into operations with minimum complications, while also securing new contracts and positioning ourselves for new projects. Finally, to ensure we continue to grow and thrive as a company, we need to develop new innovative solutions for marginal and complicated fields.

In the coming years, Teekay Petrojarl will continue to be committed to a sustainable performance within the triple bottom line. We aim to be a responsible corporate citizen, planning for long-term benefits for our employees, our customers, the environment and society at large. With this in mind, I am certain we will continue to see challenging, yet exciting years ahead for Teekay Petrojarl.



Best regards,
Peter Lytzen, CEO & President Teekay Petrojarl

FACTS AND HISTORY

We are the largest operator of floating production, storage and offloading (FPSO) vessels in the North Sea and fourth largest leased FPSO operator globally.

Through conversions or newbuilding, we supply and operate FPSO vessels under long-term contract; in 2011 we started the year operating two FPSOs on the Norwegian shelf, two on the UK Continental shelf, and one off the coast of Brazil. All our production units are under medium to long-term contracts producing for oil and gas companies. We also operate two shuttle tankers serving the Foinaven field on the UK Continental Shelf.

In 2011, we also purchased the two former Sevan Marine FPSOs Hummingbird and Piranema, substantially increasing our presence on the UK Continental Shelf (Hummingbird) and in Brazil (Piranema). The third former Sevan Marine unit, Voyageur, is currently under conversion in Arendal, Norway, but will in 2012 be adding further to our portfolio in the North Sea.

Our mission is to be the leader in FPSO operations in harsh and ultra-harsh environments, and a critical player in emerging off-shore markets.

With a combined production capability of 350,000 barrels of oil per day and a crude storage capacity of more than one million barrels, we have a long, proven track record in safely operating FPSO vessels in some of the harshest marine environments in the world.

We have been an FPSO contractor since 1986 and have operated on 15 different fields. Our brand, reputation and success have been built on outstanding operational leadership and well-developed HSE culture.

Our head office is in Trondheim, Norway, and we have operations offices in Brazil and Scotland. We currently also have two FPSOs under construction, in Singapore and Korea. Approximately 775 employees are divided between our vessels and offices with approximately 22.5% being employed in the onshore organization. Our aim is to grow further as we pursue new opportunities within our fields of expertise.





Petroatlantic



Petronordic



Petrojarl Foinaven
(BP)



Petrojarl Knarr
(BG Norge)



FPSO Cidade de Itajai
(Petrobras)



Petrojarl Cidade de Rio das Ostras
(Petrobras)



Piranema Spirit
(Petrobras)



Petrojarl I
(Statoil)



Petrojarl Varg
(Talisman)

TEEKAY CORPORATION

Teekay Petrojarl is part of Teekay Corporation. Established in 1973, Teekay has developed from a regional shipping company into one of the world's largest marine energy transportation, storage and production companies. In the last 15 years, we have grown ten-fold in assets, created four publicly traded companies, established numerous joint ventures and built an enviable reputation and brand for operational excellence.

We remain committed to the highest level of health, safety, environment and quality (HSEQ), maximizing the invested rate of return (IRR) for our shareholders and delivering innovative technological and commercial solutions in new and emerging market segments.

Teekay's common stock is listed on the New York Stock Exchange where it trades under the symbol "TK".

OUR VISION AND VALUES

Our vision is to bring energy to the world with Teekay Spirit. Our core values of Safety and Sustainability, Passion, Integrity, Reliability, Innovation and Teamwork guide us in all that we have done and will do.

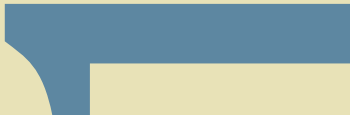
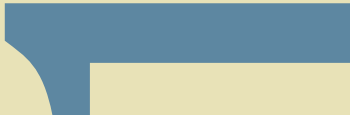


OUR VISION

Bringing energy to the world with Teekay SPIRIT

OUR VALUES

Safety and Sustainability
Passion
Integrity
Reliability
Innovation
Teamwork



TEEKAY PETROJARL'S 2011 IN BRIEF

JANUARY

FEBRUARY

Talisman Energy, Operator of the Varg Field, was in February presented with the prestigious award "Gullkronen 2011" (The Golden Crown) by Rystad Energy for the Varg field. Gullkronen awards companies, teams or people, who have shown outstanding achievements on the Norwegian Continental Shelf during the previous year.

The jury's reasoning was that "2010 has seen most fields on the NCS in a declining phase (...) The winner has proved that investments in mature fields can pay off. With excellent HSE records over the last five years, they are an example to be followed. With a utilization rate of 97% and a very successful drilling campaign, leading to almost a doubling of production from 2009 to 2010, the winner has had a remarkable year."

The Varg team was congratulated by Talisman on their efforts in keeping up their excellent HSE record, in good production uptime and in doubling the production.

MARCH



On 10 March our shuttle tanker MT Petroatlantic passed eight years in operations without any lost time injuries. Congratulations were in order to all crew members and officers for their good efforts in keeping safety a top priority.

APRIL



In the Talisman Q1 HSE workshop, long-time Bosun/ Crane Operator on Petrojarl Varg, Arnt Nilsen, was recognized with a prize for his contributions to safer crane and lifting operations. This well-deserved recognition was a result of Arnt's commitment throughout many years to improve HSE performance by, among others, participating in safety committee work since 2005, improving procedures and practices, developing training material and developing the RHB (Risk Handbook).

On 2 April Norwegian newspaper Aftenposten used the Varg field as an example of a success story for marginal fields on the Norwegian Continental Shelf.

The Varg field in the North Sea was to be abandoned in 2002, but the small unmanned wellhead platform Varg A and the FPSO Petrojarl Varg has expanded the life of the field, giving the Norwegian state major revenues which otherwise would have been lost.

Marginal fields are late-life oil fields where additional effort needs to be made to extract the remaining oil in the reservoir instead of abandoning the field with valuable oil being left behind. The Varg field produces oil worth 10-15 MNOK every day, and has proven to be profitable. However, extraction of oil from marginal fields is energy-intensive, meaning that we at the same time must focus on running our operations in a way that minimizes the negative effects on the environment.

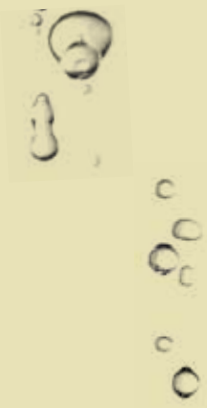
MAY

In May, the upgrade of Petrojarl Cidade de Rio das Ostras at the Maua yard in Rio de Janeiro was completed, and the FPSO was redeployed and towed to Aruana Field for mooring and hook-up, beginning production on 23 June.

JUNE

On 30 June we celebrated entering into an agreement with BG Norway Limited (BG) to provide an FPSO unit for the Knarr oil and gas field located in the North Sea. The contract will be serviced by a newly-built FPSO unit to be constructed by Samsung Heavy Industries in South Korea for a fully built-up project cost of approximately \$1 billion. The FPSO unit, which will have a maximum design production capacity of 63,000 barrels per day, is scheduled to be delivered during the first quarter of 2014, at which time it will commence operations under its charter contract with BG.

The Knarr field (previously known as Jordbaer) is located in the Tampen area in the northern North Sea (West of Florø) and is estimated to contain recoverable reserves of some 70 million barrels of oil equivalents, which could increase if drilling results from nearby prospects in the region prove to be successful. This FPSO is an exciting project for us as it represents our largest offshore project to date and is in one of our core offshore regions.



OUR VISION

Bringing energy to the world with Teekay SPIRIT

OUR VALUES

Safety and Sustainability
Passion
Integrity
Reliability
Innovation
Teamwork

Teekay invited all employees globally, ship and shore, to provide input to our new vision and values. The theme that captured the essence of people's energy and passion in these sessions was 'Teekay Spirit'.

In June, our new vision and values were rolled out globally. Our vision of bringing energy to the world with Teekay spirit is supported by the values of Safety and Sustainability, Passion, Integrity, Reliability, Innovation, and Teamwork.

Through the fall of 2011, a series of workshops were held globally to further explore and elaborate what these values mean to us in practice, and how we can "Live Our Spirit".

In June, the FPSO Petrojarl Banff passed the impressive milestone of four years of operation without lost time injuries.

JULY

In July/August, our project office in New Dehli, India, was closed down and transferred to Goeje in South Korea, where the Knarr FPSO is being built. Teekay employees working in Dehli in connection with the Knarr project became involved in the Asha Deep Foundation and donated their own money to the tune of about NOK 35 000, which is an excellent charitable achievement.

AUGUST

In August, The Social Footprints Committee got together to delegate donations split between financial support to sports or cultural activities in which Teekay Petrojarl employees or their children are involved (a total of ten recipients), and local, national or global charities (a total of four recipients).



The charities receiving Social Footprints funding for 2011 were

- Matbussen Omsorgshuset in Trondheim, Norway, (The Food Bus in the Care House), received financial support in the amount of NOK 20 000 to help them run their Café which offers food and solace



to between 6000 and 7000 guests annually, as well as delivering clothes to those in need.

- Asha Deep Foundation in Dehli, India, was given NOK 10 000 to help support their Asha Crèche-A Project for children whose parents are involved in rag picking, or to help support any of the currently more than 28 projects they are running to uplift the plight of children, youth and women in more than 63 slums in Delhi and Uttar Pradesh, projects they have been running for the last 25 years.
- The Football Club Karanba in Rio de Janeiro, Brazil was awarded NOK 20 000. This club is the passion of the young football player, Tommy Nilsen, who started this football school in the favelas of Rio de Janeiro. The goal is to have a team from Brazil participate in the Norway Cup, Dana Cup, etc. on an annual basis.
- CARE - in Africa's Horn - received NOK 50 000 to relieve the desperate circumstances of women and their children caught up in the ill effects of drought and the ensuing famine as well as trying to escape sexual assault in the midst of all this.

In August, we signed the important Joint Venture agreement with Oderbrecht oil and Gas for the operation of FPSO cidade de Itajai tom 2012.

SEPTEMBER



In September, we celebrated two important milestones for Petrojarl I - its 25th Birthday and 10th Anniversary on the Glitne Field for Statoil.

Teekay Corporation announced on Friday 30 September 2011 that it has reached an agreement in principle to acquire three FPSO units from Sevan Marine ASA, a Norway-based developer, owner and operator of



FPSO units, and acquire a 40% equity interest in a recapitalized Sevan. Following the acquisition of the Sevan Marine FPSOs Piranema, Hummingbird and Voyageur, Teekay Petrojarl worked closely with Sevan to prepare the takeover of the operational

responsibility of the Hummingbird and Piranema FPSOs in early December. For Teekay Petrojarl, the Sevan integration means we will increase our operating capacity and contributes to the rapid growth of our organization over the next couple of years.

OCTOBER

The Knarr Project just passed an important milestone on 27 October 2011, when the Formal Steel Cutting Start was accomplished by pressing the button to activate the plasma burner machine in Samsung Heavy Industries' workshop in Geoje, South Korea. Now we are entering into a period with construction activities, and heading toward 7 May 2012, at which time the 12-week drydocking period of the hull assembly will start.



In October, we rolled out our 2011 safety campaign on safety barriers – "Stop the Domino Effect". Teekay Petrojarl wants to encourage greater attention to and focus on barriers, and in particular, how important they are in preventing major accidents. The term "safety barrier" has been used in the offshore industry for a long time, and in order for safety barriers to function as they should, everyone must understand what they are, how they are to be used and how important it is to respect and comply with them. The campaign was followed up by a series of workshops and discussions offshore on how to improve our focus on major accident prevention.

In Talisman's HSE Workshop in Q3, Alf H. Hansen, Installation Manager on Petrojarl Varg was presented with a well-deserved HSE Recognition for his continued work and focus on health, safety and environment.

Petrojarl Banff received its OHSAS 18001 certification in October, making it the third FPSO in the fleet (along with Petrojarl Cidade de Rio das Ostras and Petrojarl Varg) to hold this acknowledged occupational health and safety certification.

NOVEMBER



On 19 November 2011, our shuttle tanker M/T Petronordic saw another year without lost time injuries, making this the ninth consecutive year without LTIs.

On November 7th we signed an amendment agreement for the continued operation of Petrojarl I in the Glitne field until 2014.

DECEMBER

From 1 December, the former Sevan Marine FPSOs Piranema and Hummingbird were taken over by Teekay Petrojarl and renamed Piranema Spirit and Hummingbird Spirit.

In December, Teekay Petrojarl experienced just how harsh the environment in which we operate can be. A year that really looked to be the best of them all ended with the most dramatic incident we have ever experienced in our company. On the evening of 8 December, the Petrojarl Banff was severely hit by a winter storm, and through the following night it broke five of her ten anchor chains. Thanks to a highly skilled and experienced crew on board, and excellent support onshore, we managed to get through this night and yet another heavy storm the following week without injuries to personnel or no major pollution of oil to sea.

The Emergency Response Centers and support functions both in Aberdeen and Trondheim were fully operational and manned on a 24-hour basis until the situation was stabilized on 22 December. Petrojarl Banff safely arrived at sheltered waters outside Wick, close to Scapa Flow, Orkney Island, on 28 December.

The incident has been investigated, and recommendations for further work and action to prevent a similar incident from happening in the future have been made.



PEOPLE



In Teekay Petrojarl, we have approximately 600 offshore and 175 onshore permanent employees located in different parts of the world, with offices in Norway, Scotland and Brazil as well as project offices in Singapore and South Korea.

The wellbeing of our personnel is essential to maintain our growth and our operational track record. In this section, we elaborate on the people in our organization; how we work to ensure maintaining people's health and safety, welfare for employees and on how we give something back to the communities in which we have set up offices or operate FPSOs.

OUR PEOPLE

What are the challenges?

In a knowledge and experience based industry, good people are our key to success. Our main challenge in 2011 was dealing with growth, as the number of employees increased the with over 20% from 2010 to 2011 due to new projects and the takeover of units from Sevan Marine. As of the end of 2011, we employ exactly 773 people, plus hired contractors.

What are we doing and what have we achieved?

Recruitment and growth

One of our goals to ensure we deal with the growth rate of the company is to manage recruitment processes for new projects and existing vessels, while at the same time keep-

ing our employee attrition low. We are satisfied to see that 2011 showed a limited turnover of staff offshore (2.3%). Our onshore turnover was slightly higher, ending at a turnover rate of 4.2%.

To keep up with the growth of the company, we also aim at creating flexibility in the organization. The 2011 target was to see at least 25 positions be rotated, and this goal was achieved as 34 persons have been given new opportunities on new projects and on existing units. Rotation is in our opinion a good tool to develop our staff and achieve flexibility within the organization.

One of the main tools for assessing our employees' satisfaction with working for Teekay Petrojarl is the Teekay Global Employee Survey. It creates a valuable input on how we do as an employer, and gives us feedback on areas of improvement. The aim is that as many as possible participate in this important exercise, with high participation goals. These ambitious goals were met, with a participation rate of 98% onshore and 86% offshore.

Training and development

Continuous training and development of our staff is important to ensure that we, at all times, are up to date with operational procedures, technical equipment, legal requirements and internal requirements. Our procedures and system for training and development ensures that knowledge and training is continuously kept up to date.

Our employees spent a total of 4775 days in training in 2011.

In 2011 we have integrated more training providers in our HR system to make course bookings and reporting more efficient. We have also improved fire team training in Brazil and the administration of emergency organization on board our vessels.

Diversity

The offshore industry is traditionally male-dominated. We are

seeing, however, that women are starting to be a stronger presence in our organization. In 2011, we saw a small increase in the percentage of female employees offshore from 3.3 to 3.5%. We have also seen the female presence in our onshore organization increase, from 35 to 40%.

Our workforce consists mainly of Norwegians (57%), but we see an increasing presence of employees from Brazil (19.5%), UK (19%) and other nationalities (3%). We have a conscious approach to hiring local employees. At the same time, we use existing personnel from our fleet and offices in order to ensure valuable experience transfer.

A conscious effort is also made to ensure opportunities for work are given to employees who either need an adapted work place, or who have fallen outside the employment market for various reasons.

We employed a total of 15 trainees in 2011.

SAFETY

What are the challenges?

Ensuring the health and safety of our people is our number one licence to operate, and our core values state that we always put safety first. In Teekay Petrojarl, HSE management is an integrated part of our management system and transcends organizational boundaries. We focus our work on three key areas:

- Operational safety
- Technical safety
- Project safety

What are we doing and what have we achieved?

The safety of our people on FPSOs, shuttle tankers and in offices around the world is a top priority and our objective is zero harm to personnel, environment and equipment. Extensive procedures and tools, as well as training and continuous



improvement activities, are in place to support and improve our safety performance. There are annual activities like safety campaigns, gathering of safety representatives and HSE seminars for each vessel. HSE reporting is also an important part of our culture. People are encouraged to report not only incidents and hazardous conditions, but ideas and suggestions for improvements as well. Our reporting system, Synergi, was up.rated in 2011, facilitating faster and more user-friendly registration and follow-up of cases and trends.

Our safety performance is on a good, stable level for most indicators. In 2011 we did, however, have three lost time injuries and five high potential incidents. All these incidents were investigated. Learning from these incidents is an integrated part of our procedures for continuous improvement.

Emergency preparedness is also an essential part of our HSE culture. Our offshore crews participate in regular drills to test and improve emergency response plans and capabilities. Ashore, our emergency response teams take part in routine internal and external preparedness exercises. Response personnel and contracted services are on duty at all times. Response personnel are supported by well-equipped emergency response centers.

NUMBER OF INJURIES IN THE FLEET

Definition

Number of medical treatment injuries (personal injuries requiring medical treatment) and lost-time injuries (personal injuries where the person was not able to work the following day) in the fleet. Not counting leisure time incidents.

Trends explained

We saw too many minor injuries in the fleet in 2011. A total recordable injury frequency (TRIF) of 5.9 is not satisfactory, with an increase in both medical treatment injuries and lost-time incidents in 2011. Most of these injuries are finger injuries, treated by the medics on board. This has been addressed with the operations teams, and will also be followed up via a risk awareness campaign in 2012.

The most serious injury we had in 2011 was a technician whose fingertip was severed during assembly of a heat exchanger. He was sent ashore for medical treatment, but returned on his next regular shift.

NUMBER OF HIGH POTENTIAL INCIDENTS IN THE FLEET

Definition

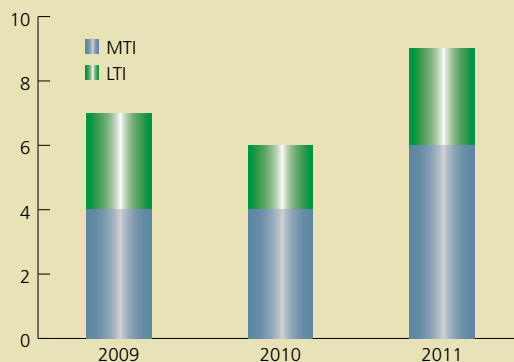
Number of high potential HSE incidents (HSE incidents with serious potential consequences) in the fleet.

Trends explained

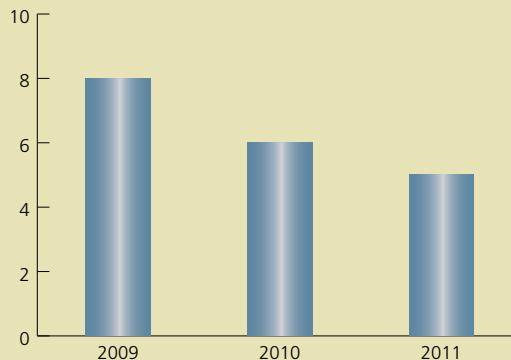
We see a decrease in the number of high potential incidents in the fleet. The main high potential event in 2011 happened when Petrojarl Banff lost station-keeping during a storm on 8 December 2011. A total of five (out of ten) anchors were lost.

The number of HiPos in 2010 has been updated from last year's sustainability report as error was discovered after printing.

Total number of injuries



High potential incidents

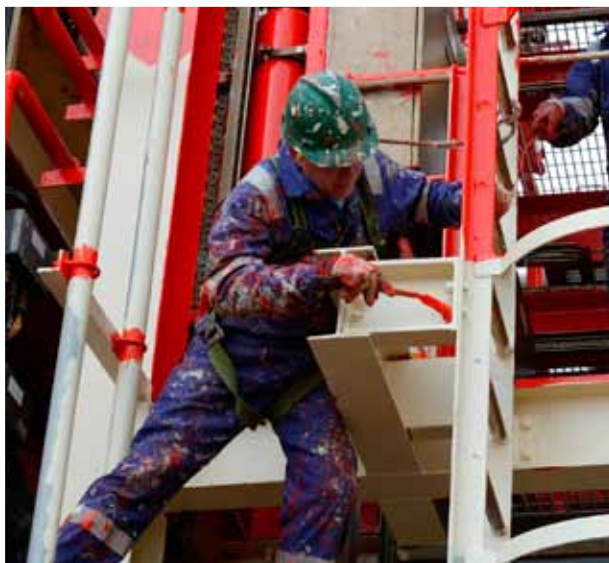


With regard to technical safety, Teekay Petrojarl strives to ensure design and maintenance which safeguard our people, the environment and the integrity of our vessels. This includes setting HSE standards and acceptable risk criteria in design, as well as managing risks of major accidents. Also, our barrier management system aims to ensure that safety-critical elements and barriers are identified, tested and maintained and that non-conformances from performance requirements are handled.

HSE management is also an integral part of our project management when executing projects. A specific project HSE

plan is developed for each site during the construction phase. In 2011, we have two projects currently in this phase, the Knarr project in South Korea and the Tiro e Sidon project in Singapore. During construction, the shipyard systems will be used for HSE management. We aim to influence the HSE standards in the shipyard by working with the shipyard personnel in developing the project HSSE Plan, by encouraging reporting of undesired events (incl. near misses) and on site audits that are continuously carried out throughout the project.

We have had no high potential personnel injuries in our projects in 2011.



HEALTH AND WORKING ENVIRONMENT

What are the challenges?

In the offshore industry, it will continuously be a challenge to ensure a working environment without risk of exposure to factors such as noise, chemicals and work which requires occasional heavy manual handling. We strive towards a full overview of the risk involved in work-related injury and illness, knowing the risk groups, and utilizing this knowledge to take appropriate proactive, active and reactive measures. Also, it is necessary to monitor trends and statistics in a timely manner.

This requires continuous development of fleet-wide management systems with regard to health and working environment.

What are we doing and what have we achieved?

With regard to health risks, we have focused particularly on noise and musculoskeletal disorders in 2011, as these are often represented in the work-related disease cases. The focus areas are identified through a systematic approach to assessing health risks in a long-term perspective. This is based on existing surveys and measures, illness of personnel on board, targeted health checks, number of work-related diseases and general risk of occurrence in the offshore industry.

Exposure to chemicals is prevalent in our industry. On a company level we have highlighted and taken the step in 2011 to develop and implement a new joint management system for chemical management in the fleet called Chess and ChemiRisk. By implementing a common way of handling chemicals through expanding Chess to all vessels and introducing a new tool for chemical risk assessments, we aim to improve quality and efficiency while minimizing risk related to chemical exposure. Common tools, criteria and methods for risk assessments within TKPJ also enable transfer of experience across the vessels and sectors.

SICK LEAVE IN TEEKAY PETROJARL FROM 2009 TO 2011

Definition

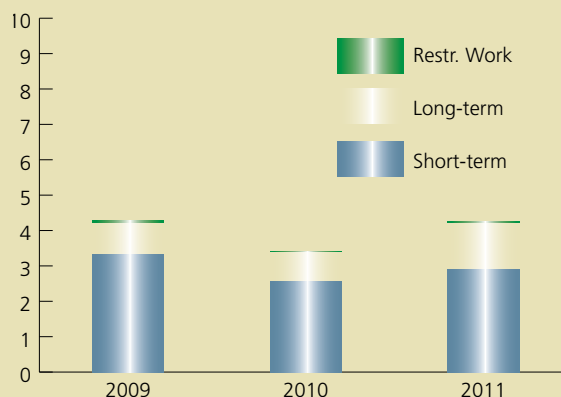
Short-term, long-term and restricted work

For FPSOs and main office

Trends explained

We see an increase in sick leave in the company from 2010 to 2011. This is mainly due to an increase in the long-term sick leave from 0,83 to 1,32%.

We aim to continuously address this trend and find proactive measures to reduce the sick leave in the company.





CORPORATE SOCIAL RESPONSIBILITY (CSR)

What are the challenges?

In Teekay Petrojarl, we acknowledge that our business doesn't exist in isolation, nor is it simply a way of making money. We operate in different parts of the world where our employees, our customers, suppliers and the local community will be affected by our operations and activities and depend on our being a responsible, long-term oriented company.

What are we doing and what have we achieved?

International growth

Increased activities and growth in countries where governance and development issues present challenges for our company means we need to make sure we are conducting our business in a responsible manner, respecting local and international laws and codes of conduct.

Suppliers

We strive to use local suppliers in our countries of operations. In our industry, we tend to work with a wide range of suppliers, of everything ranging from chemicals to catering services, to valves, through to major projects such as the Knarr project in South Korea. Excluding our conversion or newbuilding projects, we purchased goods and services for over 770 MNOK in 2011. Of these, purchases in Norway accounted for approximately 350 MNOK (97% local content), UK for a little less than 300 MNOK (68% local content) and Brazil for over 125 MNOK (73% local content).

Community investments

Community investment focuses on how we manage our activities in the community and create a positive impact for both the community and the business. Being part of a community gives options and possibilities to invest locally, in employees, in goods, in training, and to take part in community programs. This is something Teekay Petrojarl has integrated into its daily business. Our community investments are split into three main categories: Campaign awards and local donations, Donations and Community Programs, and Cultural initiatives or events. For more information on our community investments in 2011, see page 12 on this year's Social Footprints Committee recipients.

PLANET

Teekay Petrojarl operates in some of the harshest and most challenging climates on earth. We also work in an industry with significant effects on the natural environment. We therefore have a responsibility to constantly focus on the environmental effects of our daily operations and to avoid accidents that might have consequences for the environment, for people or equipment.

Teekay Petrojarl's environmental vision is no damage to the environment, which in practical terms means working actively to minimise any negative influence that our operations have on the environment. Our goal is to make environmental responsibility an integral part of all our tasks and activities.

Our commitment to environmental responsibility is integrated in our systems and procedures and all of our vessels as well as our main office are ISO14001 certified.

This chapter explores our environmental performance in 2011.

ENVIRONMENT

What are the challenges?

On behalf of our operating companies, we produce energy for consumption, and work to meet the increasing energy demand of the world market. At the same time, the aim is to continuously improve our environmental performance.

In general we are satisfied with the awareness throughout our fleet with regard to operating in a manner that influences the environment as little as possible. However, we see challenges related to operating in mature fields requiring more energy input to sustain oil production. This will necessarily have an impact on our environmental results.

What are we doing and what have we achieved?

In 2011, we included an evaluation of each vessel's significant environmental effects in our annual Master review routine for each vessel, adding to the local ownership of the environmental performance. We have also included emissions to air as part of our internal monthly HSE reporting in 2011, improving the possibility to monitor and compare our emissions on a more regular basis than previously.

Furthermore, we have focused on training to increase environmental awareness. In 2011, we developed a short training film describing our environmental management system and the effects our operations have on the environment. Reducing the risk of accidental spills was also an integrated part of our main HSE campaign in 2011, the barrier campaign.

Some of the main achievements in 2011 were the substantial decrease in oil to sea through produced water, as well as improved energy efficiency for our tankers. Other indicators remain relatively stable. We are, however, seeing a negative trend in some environmental performance indicators, such as average specific GHG emissions and waste generation. These trends are monitored and will be explored further to identify potential improvements.





DISCHARGES TO SEA

PRODUCED WATER OIL CONTENT

Definition

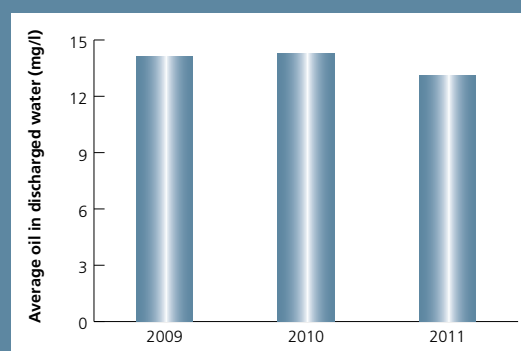
Average produced water oil content (mg/l) from Teekay Petrojarl FPSOs.

Trends explained

We have seen a 12% decrease in the total average oil content in produced water from 2010 to 2011. This is mainly due to the fact that there are no longer any overboard discharges of produced water from Petrojarl Cidade de Rio das Ostras as a result of the relocation to a new field. We also see a general positive trend in the oil in water figures in our fleet.

2010 figure is altered from last year's report to reflect recalculation from one FPSO.

Produced water oil content (OIW)



TOTAL OIL TO WATER

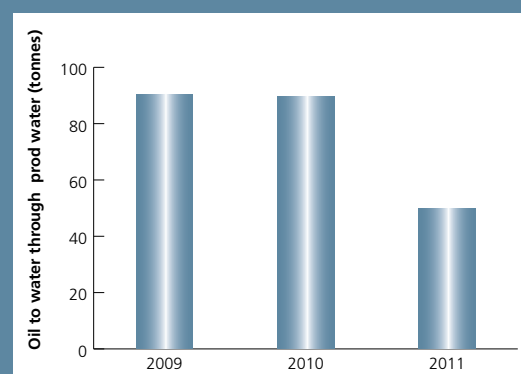
Definition

Weight of oil discharged to water through produced water from FPSOs in tonnes.

Trends explained

The produced water overboard was reduced by 33% and the subsequent oil discharges with produced water have been reduced substantially (44% decrease) due mainly to increased reinjection of produced water from Petrojarl Foinaven.

Total oil to water



ACCIDENTAL SPILLS

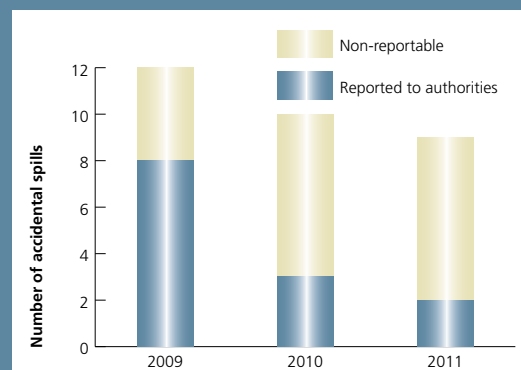
Definition

Total number of accidental discharges of oil and chemicals to sea. From 2010, we include all spills (also those non-reportable to authorities) in our reporting, which means that in some sectors we may report beyond that which we are legally obliged to do.

Trends explained

In 2011, Teekay Petrojarl reported two accidental spills to the authorities, one oil-containing (crude oil) and one chemical spill (pelagic leak). The oil spill was related to the incident on Petrojarl Banff in December (see story on page13) and was estimated to be 1.56 tons of crude oil. We had six minor non-reportable spills (below 10 liters), and one spill of 1600 liters of methanol overboard in the reporting period.

Accidental spills



EMISSIONS TO AIR

CO₂ EMISSIONS

Definition

GHG (CO₂, CH₄ and nmVOC) in CO₂ equivalents from TKPJ operations (FPSOs and tankers) in thousand tonnes.

Trends explained

Overall emission of greenhouse gases (GHG / CO₂ equivalent emissions) from Teekay Petrojarl's total operations remains stable from 2010 to 2011.

CO₂ emissions from flaring have decreased substantially for all vessels except Petrojarl I and more specifically Petrojarl Cidade de Rio das Ostras. The flaring from Petrojarl Cidade de Rio das Ostras has increased by over 80% from 2010 to 2011 due to the relocation of the vessel to different field characteristics without possibilities of gas injection. This also increased the total flaring from Teekay Petrojarl vessels from 2010 to 2011 by 6%.

SPECIFIC GHG EMISSIONS

Definition

Average specific GHG emission from FPSOs (kg CO₂ equivalents per liquid treated). "Liquid treated" includes both oil equivalents produced and produced water handled.

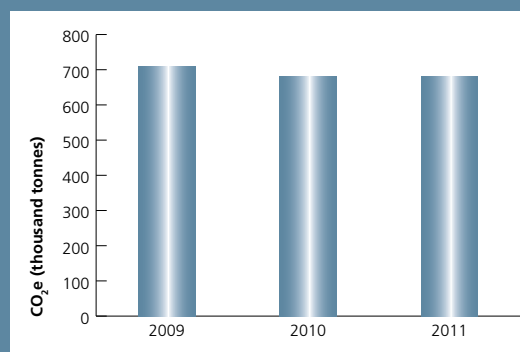
For our tankers, the specific GHG emissions equals kg CO₂ equivalents per m³ of oil transported.

Trends explained

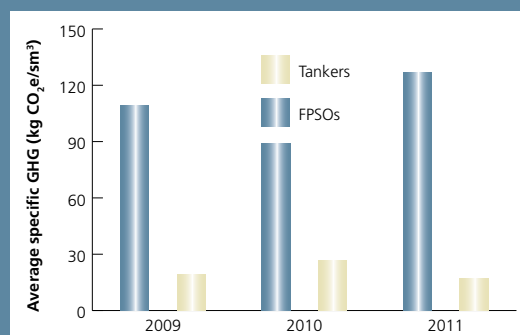
Specific GHG emissions are a measure for how energy efficiently we run our operations. The increase from 2010 to 2011 (43%) indicates that the average energy efficiency in our fleet was lower in 2011 than in 2010. This was due to two main developments: Operations in increasingly mature fields where oil production is more energy intensive, as well as the relocation of the Petrojarl Cidade de Rio das Ostras in Brazil. The relocation to the Aruana field has increased oil production from the vessel substantially, whereas there is no produced water due to the dry quality of the oil.

We see a positive trend for our tankers, having decreased their specific GHG emissions by 38% from 2010 to 2011.

CO₂ emissions



Specific GHG emissions



WASTE MANAGEMENT

WASTE PRODUCTION

Definition

Total waste (hazardous and general waste) produced on our FPSOs and tankers (in tonnes).

Trends explained

In 2011, 693 tons of waste was produced on our vessels. This is an increase of 7% compared with 2010. The two main contributors to the increase was Petrojarl I (+51%) and Petrojarl Cidade de Rio das Ostras (+29%). Our total waste figure is connected to the project activity of each vessel, meaning that the activities on two vessels increase our overall performance.

WASTE SEGREGATION

Definition

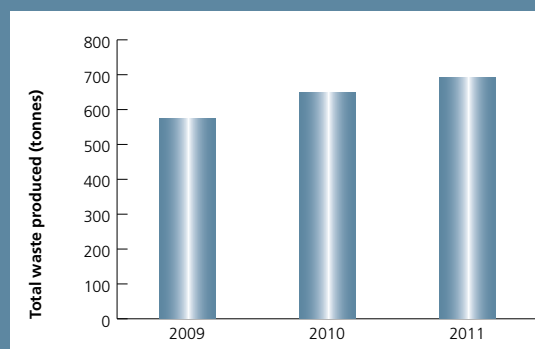
Average percentage of general waste segregated on board our FPSOs.

Trends explained

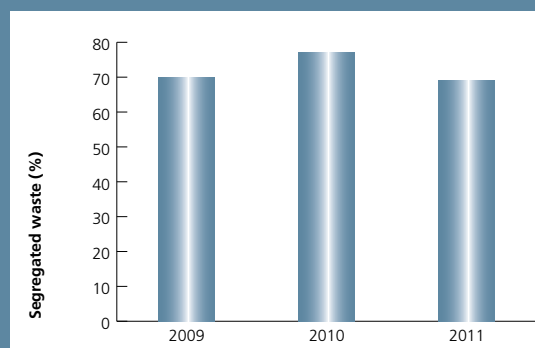
69% of all general waste produced from Teekay Petrojarl's FPSO operations was segregated in 2011. This is a 10% decrease from 2010, and is mainly due to a decrease in the waste segregation onboard the Petrojarl Cidade de Rio das Ostras. For the other vessels the figures remain relatively stable, except for Petrojarl Banff who has improved its waste segregation by 20%.

We see a similar trend for waste reuse/recycling rates from our FPSOs, having dropped 8% from 73% to 67% as total average.

Waste production



Waste segregation



PROFIT

Running a profitable business is a goal shared by all trading companies. Arguably, from the perspective of sustainability, profit is the most critical part of the triple bottom line. If a strong focus is not maintained on the value proposition for the product or service for sale, profits will be affected and consequently a business' ability to have any impact through its purpose (economic value, people and planet) will be eroded. So, in essence, without profit, we are not able to leave a positive mark on society, people or the environment.

In this chapter we take a closer look at the operational performance, international development and financial highlights of 2011.

What are the challenges?

In order to continue running a profitable business, we need to ensure organic growth and a sustainable growth rate, while at the same time optimizing our operational track record. Robust financial results are also necessary to keep our position in the market.

SIGNIFICANT DEVELOPMENTS AND FINANCIAL HIGHLIGHTS

Our operations throughout 2011 bear witness to the solidity and stability of our company. One of the measures of our operational performance is the process plant uptime on our FPSOs, indicating our ability to provide reliable production and operation to our clients. With a Production Utilization Factor (PUF) of 95.3%, we exceeded our goal for 2011 of 94.5%.

Many efforts have been and continue to be made to secure contracts and establish new projects in 2012 further strengthening our financial situation. We significantly increased our capacity with the acquisition of 2 FPSOs from Sevan Marine by the end of November 2011.

We have seen relatively stable figures for revenue, income and EBITDA from 2010 to 2011. An overview of our key financial

results for 2011 can be found under "Key Figures" on page 2 of this report, and in the Teekay Annual Report 2011.

INTERNATIONAL DEVELOPMENT

Teekay Petrojarl's strategy in the last few years has been to expand our operations as well as to improve existing contracts in order to strengthen our already good position in the FPSO market.

Two major contracts were signed; a strategic agreement with Odebrecht in Brazil for shared ownership of Petrojarl Cidade de Itajai and future bidding for FPSOs in Brazil, and a strategic agreement with Samsung for development and joint bidding of Harsh Environment FPSOs. In addition to these, further projects on several sectors are in the pipeline, and project teams have been established.

In November, we also signed an amendment to the Glitne contract with Statoil for continued operation of Petrojarl I on the Glitne field until September 30, 2014.

RESEARCH AND DEVELOPMENT (R&D)

In the recent years more emphasis has been made on partaking in research and development projects, both within the industry and in cooperation with universities and research centers. We acknowledge that innovation is one of the main challenges to staying on top of the development within our industry, and through our long term strategy we aim to develop new innovative solutions for marginal and complicated fields.

The new turret design concept, developed in cooperation with Framo over the last couple of years, is a step towards this aim, as it positions us for production in the harshest environments in the world.

ETHICS AND ANTI-CORRUPTION

We acknowledge that it is not enough to do things right; it is also important to do them the right way. Our business decisions and actions must be ethical and in full compliance with legal requirements. The Standards of Business Conduct (SBC) reflect our continued commitment to ethical business practices and regulatory compliance. Acknowledgement of the SBC policy is required annually from all Directors and up (and any new employees).

In addition, all Teekay Petrojarl employees can submit confidential concerns regarding accounting, fraud or financial auditing matters through the Business Conduct Reporting Tool, or by contacting an externally operated toll-free hotline.



ACTIONS AND RESULTS

Area		Planned actions 2011	Results 2011	Planned actions 2012
Climate	■	Introduce environmental training for both managers and personnel to increase awareness and environmental competence on board to reduce emissions	Environmental training developed and rolled out	Establish energy management plan and vessel energy efficiency self assessment tool
Discharges to sea	■	0 increase in number of accidental spills to sea, and < 7 frequency	Target achieved as number of accidental spills are reduced and frequency was 5.9	Address causes of accidental spills and maintain frequency of < 5.9
Safety	■	Implement a fleet wide campaign on barrier thinking	The campaign "Stop the domino effect" was launched in October 2011, and received positive feedback	Improve risk assessment and awareness (special attention on vendors and finger injuries)
Safety	■	0 increase in injuries, Total Recordable Injury Frequency (TRIF) < 3.1	The total Lost Time and Medical Treatment Injuries frequency in 2011 was 5.87	0 increase in injuries. Total Recordable Injury Frequency (TRIF) < 3.1
Safety	■	0 increase in HSE High Potential incidents, HSE High Potential Incident Frequency (HiPo) < 4.5	The total HiPo frequency in 2011 was 3.26	0 increase in HiPo incidents. HSE High Potential Incident Frequency (HiPo) < 4.4
Society	■	Carry on with and further develop our work on supporting charities and cultural initiatives.	Support to Olavsfestdagene, music festival in Trondheim The Social Footprints Committee continued their work	Carry on with and further develop our work on supporting charities and cultural initiatives.
Human Resources	■	Chosen focus areas from employee survey: • Supportive environment • Noise • Harassment	All chosen focus areas have seen an improvement in 2011, particularly onshore with an increase of between 7-9%	Chosen focus areas from employee survey: • Noise • Tangible rewards • Supportive environment
Health	■	Improve handling and control of chemicals in the company by implementing common system	Common system (Chess and ChemiRisk) in place. Streamlining and roll-out will continue in 2011	Management of chemicals (continued from 2011)

- Target achieved and planned 2011 actions complete.
- Target not achieved or planned actions not complete.
- Target not achieved and planned actions not complete.





REPORTING BASIS

We use the Global Reporting Initiative (GRI G3.1) Sustainability Reporting Guidelines as a basis for our report, reporting on a self-declared B level. The GRI guidelines are the most commonly used guidelines for sustainability reporting. 2011 is the first year we report on a B level according to the guidelines, improving our own reporting scope from the previous C level.

The table on the next pages indicates where you find our response to the various disclosures and performance indicators requested by the GRI guidelines for sustainability reporting.



CONTACT US

We would appreciate your comments, feedback or queries on this report. Please get in touch at trd.reception@teekay.com
Visit our website at www.teekay.com



To see the report online, scan code.

G3.1 CONTENT INDEX

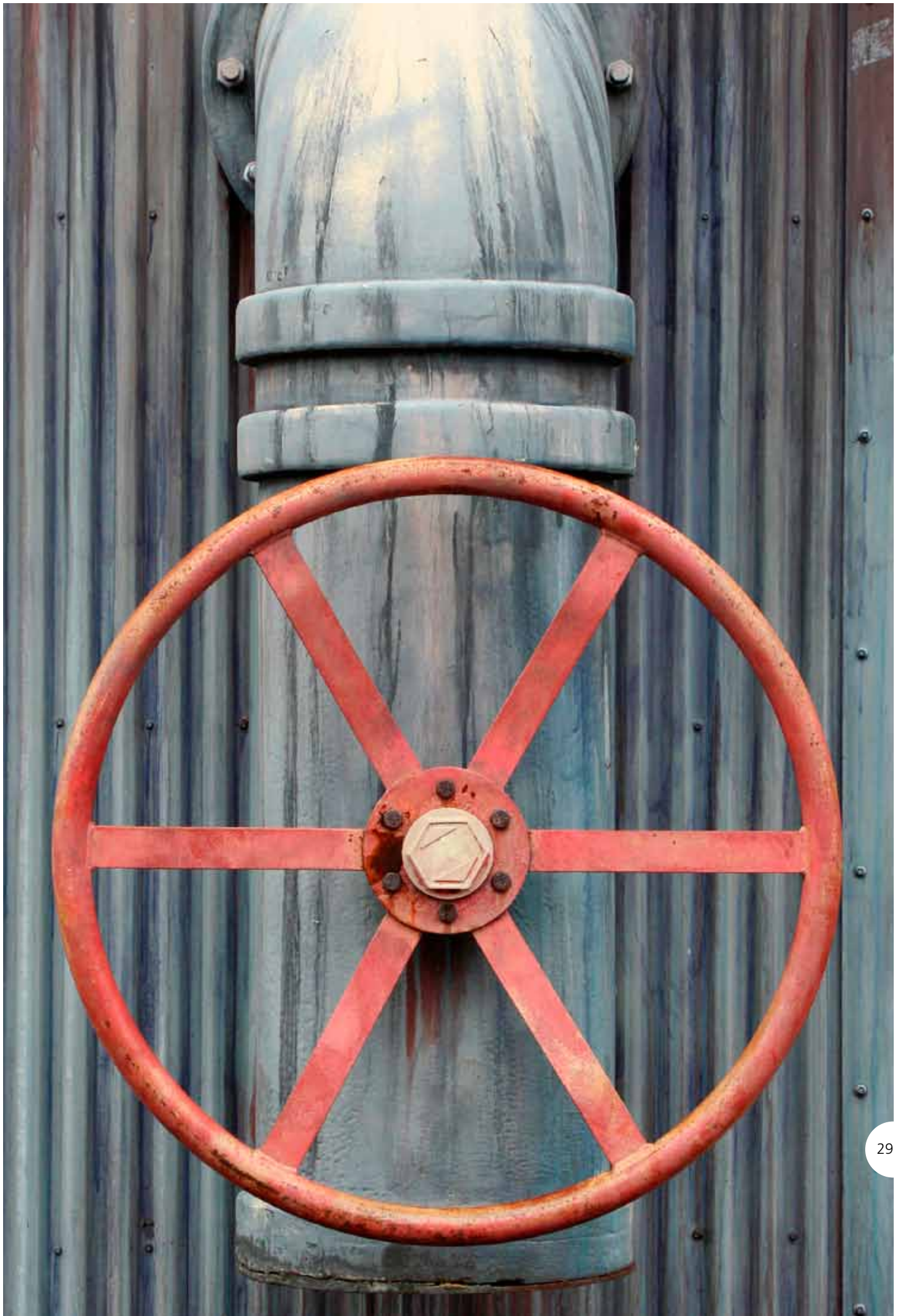
STANDARD DISCLOSURES PART I: Profile Disclosures			
Profile Disclosure	Description	Reported	Cross-reference/Direct answer
1. Strategy and Analysis			
1,1	Statement from the most senior decision-maker of the organization.	●	President's introduction, p. 7
1,2	Description of key impacts, risks, and opportunities.	●	President's introduction p. 7 + each chapter
2. Organizational Profile			
2,1	Name of the organization.	●	Front page and facts and history, p. 8
2,2	Primary brands, products, and/or services.	●	Facts and history, p. 8
2,3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	●	Facts and history, p. 8
2,4	Location of organization's headquarters.	●	Facts and history, p. 8
2,5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	Facts and history, p. 8
2,6	Nature of ownership and legal form.	●	Facts and history, p. 8
2,7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	●	Facts and history, p. 8
2,8	Scale of the reporting organization.	●	Key figures (p. 2) and Facts and history (p. 8)
2,9	Significant changes during the reporting period regarding size, structure, or ownership.	●	None. Teekay Petrojarl took over ownership of two FPSOs from Sevan Marine on Dec 2011. These are not included in the 2011 sustainability report.
2,10	Awards received in the reporting period.	●	Teekay Petrojarl's 2011 in brief, pages 11-13
3. Report Parameters			
3,1	Reporting period (e.g., fiscal/calendar year) for information provided.	●	About this report, p. 4
3,2	Date of most recent previous report (if any).	●	About this report, p. 4
3,3	Reporting cycle (annual, biennial, etc.)	●	About this report, p. 4
3,4	Contact point for questions regarding the report or its contents.	●	About this report, p. 4
3,5	Process for defining report content.	●	About this report, p. 4
3,6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	●	About this report, p. 4
3,7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	●	About this report, p. 4
3,8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	●	About this report, p. 4
3,9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	●	Our internal data measurement techniques are based on various acknowledged standards, such as industry or regulatory standards for HSE and HR reporting. Where data is based on estimates, this is indicated in the report.
3,10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	●	Restatements have been made for certain data due to errors in reported data being discovered after issuing report. Such restatements are indicated with footnotes or explanatory text in report.
3,11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	No significant changes
3,12	Table identifying the location of the Standard Disclosures in the report.	●	This table
3,13	Policy and current practice with regard to seeking external assurance for the report.	●	No third party assurance has been sought for this report. We have the Global Reporting Initiative checking our GRI application level on the report.

The table indicates where you find our response to the various disclosures and performance indicators requested by the Global Reporting Initiative guidelines for sustainability reporting.

● = full reporting ◐ = partial reporting

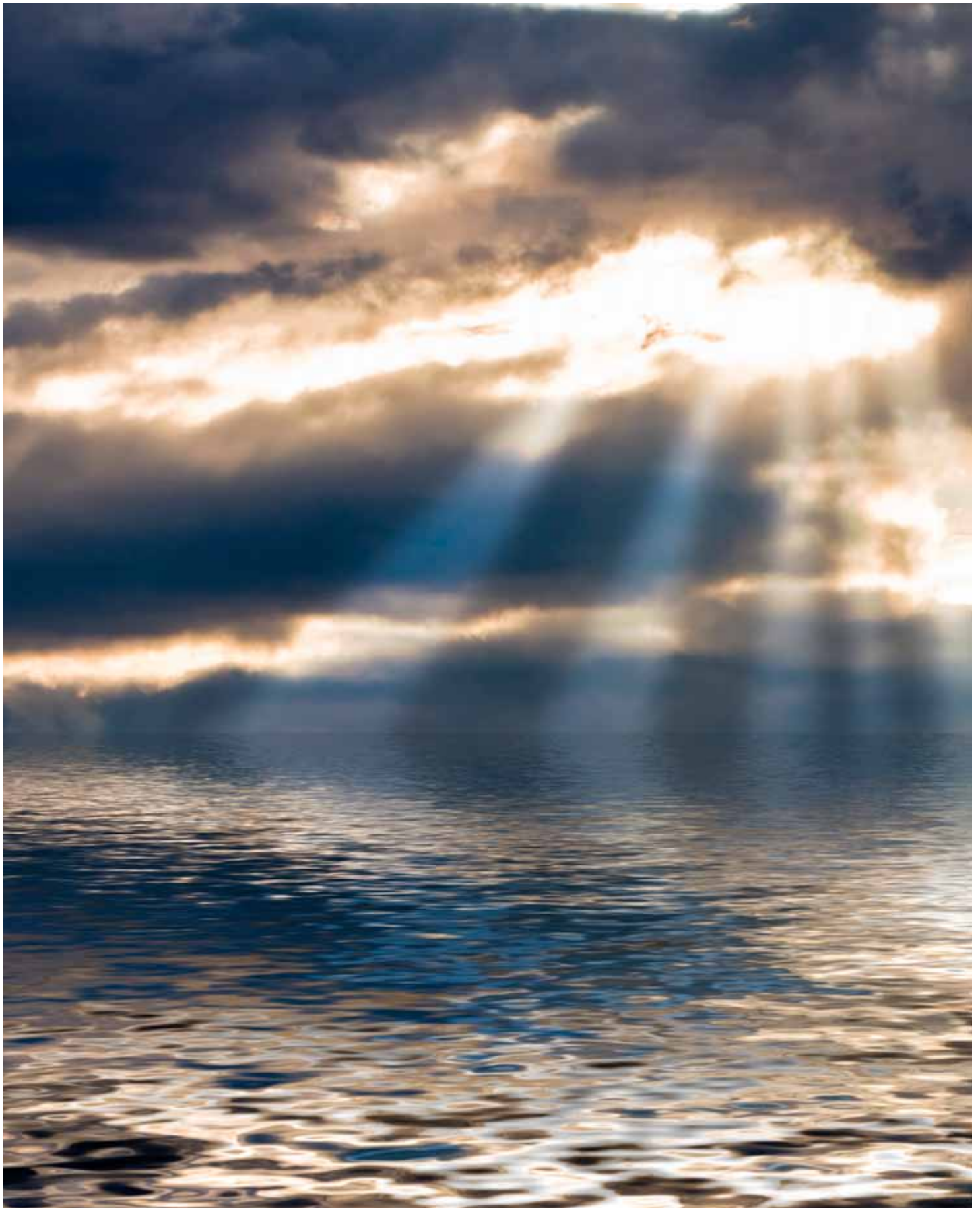
4. Governance, Commitments, and Engagement

4,1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	●	Teekay Petrojarl is a part of Teekay Corporation. Governance structure and committee charters are available under "Corporate Governance" in the Investor Centre of our website at www.teekay.com
4,2	Indicate whether the Chair of the highest governance body is also an executive officer.	●	No
4,3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	●	The Board of Directors consists of nine members. Eight members are independent, and one member is Teekay's Chief Executive Officer (CEO)
4,4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	Teekay offers a Business Conduct Hotline that allows staff to anonymously report violations of our Standards of Business Conduct Policy. The Hotline is overseen by the Vice President, Risk Management and Internal Audit who reports directly to the Audit Committee of the Board of Directors. Other mechanisms are annual employee surveys and customer surveys.
4,5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	●	Teekay Corporation Annual Report
4,6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	Teekay Corporation – Corporate Governance Guidelines
4,7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	●	Teekay Corporation Nominating and Governance Committee Charter on www.teekay.com
4,8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	●	We have developed several internal statements and principles. Some are common with Teekay Corporation (e.g. our values and Code of Conduct), and TKPJ also has own governing documentation (e.g. Management system manual) and mission statements (e.g. HSE policy and programs).
4,9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	●	Teekay Corporation Corporate Governance Guidelines on www.teekay.com
4,10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	●	Teekay Corporation Nominating and Governance Committee Charter on www.teekay.com
4,11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	The precautionary principle is addressed in all stages of a project life cycle, e.g. quantitative risk management in FEED processes through to safe work analysis in operations
4,12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	●	Teekay Petrojarl Production AS is certified according to ISO9001 and ISO14001. Three of our vessels are also OHSAS18001 certified. We report our GHG emissions and strategies through the CDP.
4,13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	●	Norwegian Shipowners' Association, Intertanko
4,14	List of stakeholder groups engaged by the organization.	●	About this report, p. 4
4,15	Basis for identification and selection of stakeholders with whom to engage.	●	About this report, p. 4
4,16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	Various approaches and frequencies exist, from annual customer and employee surveys, annual HSE programme seminars, regular stakeholder meetings on specific topics to daily operations meetings with operators.
4,17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	●	This report



STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)			
G3 DMA	Description	Reported	Cross-reference/Direct answer
DMA EC	Disclosure on Management Approach EC	●	Profit (p. 22), Facts and History (p. 8) and Corporate Social Responsibility (p. 18)
DMA EN	Disclosure on Management Approach EN	●	Environment, p. 19
DMA LA	Disclosure on Management Approach LA	●	Our people, p. 14
DMA HR	Disclosure on Management Approach HR	◐	Suppliers (p. 18) and Our People (p. 14)
DMA SO	Disclosure on Management Approach SO	◐	Corporate Social Responsibility (p. 18) and Ethics and anti-corruption (p. 23)
DMA PR	Disclosure on Management Approach PR	◐	Safety (p. 15), PR1 in this table
STANDARD DISCLOSURES PART III: Performance Indicators			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Economic			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	●	Key figures, p. 2
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	●	Reported through our publicly available CDP submission. Latest submission is to the 2011 CDP.
EC3	Coverage of the organization's defined benefit plan obligations.	●	We follow national legislation on benefit plan obligations
EC4	Significant financial assistance received from government.	●	No financial assistance received from government in 2011.
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	●	Suppliers, p. 18
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	●	Corporate social responsibility, p. 18
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	●	President's introduction (p. 7) and Corporate social responsibility (p. 18)
Environmental			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	●	Teekay Petrojarl does not currently own, lease, or manage land in, or adjacent to, protected areas or areas of high biodiversity value.
EN16	Total direct and indirect greenhouse gas emissions by weight.	●	Environment, p. 21. Figure includes both direct and indirect (e.g. fugitive emissions and venting) GHG emissions from our vessels.
EN17	Other relevant indirect greenhouse gas emissions by weight.	●	Indirect emissions through electricity used in our main office accounts for 40,3 tonnes in 2011. TKPJ employee air travels in 2011 accounts for 2156 tonnes of CO ₂ equivalents.
EN20	NOx, SOx, and other significant air emissions by type and weight.	●	Estimated 5880 tonnes NOx and 455 tonnes SOx from FPSOs in 2011.
EN21	Total water discharge by quality and destination.	●	Environment, p. 20
EN22	Total weight of waste by type and disposal method.	●	Environment, p. 21
EN23	Total number and volume of significant spills.	●	Environment, p. 20
Social: Labor Practices and Decent Work			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	◐	Our people, p. 14
LA4	Percentage of employees covered by collective bargaining agreements.	●	Key figures, p. 2
Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	●	Approximately 60%
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	◐	Safety (p. 15), key figures (p. 2)

LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	●	We have occupational health services in all countries of operation, as well as medics on board all FPSOs. Other benefits include health insurance, free mammography etc.
LA10	Average hours of training per year per employee by gender, and by employee category.	●	Our people, p. 14
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	●	All permanent employees receive annual performance review and career planning
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	●	Teekay Corporation Annual Report, Our people (p. 14). Breakdown per age group: Onshore/off-shore: 20-29 years (5%/7%), 30-39 år(32%/23%), 40-49 (28%/37%), 50-59 år (28%/26%), 60-70 år (7%/7%).
Social: Human Rights			
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	●	Risk in our operation and immediate supply chain has been assessed to be low. No remedial actions taken.
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	●	Risk in our operation and immediate supply chain has been assessed to be low. No remedial actions taken.
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	●	We have assessed human rights risk to be low for all countries of operation and major projects.
HR11	"Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms."	●	No grievances related to human rights filed or addressed.
Social: Society			
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	●	Corporate Social Responsibility, p. 18
SO9	Operations with significant potential or actual negative impacts on local communities.	●	None of our operations are seen as having significant potential or actual negative impacts on local communities.
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	●	None. See SO9.
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	●	All managers and above
SO5	Public policy positions and participation in public policy development and lobbying.	●	Teekay Petrojarl does not hold any public policy positions or participate in public policy development and lobbying.
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	●	Teekay Petrojarl does not give contributions to political parties or politicians.
Social: Product Responsibility			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	●	Health, safety and environmental impacts of our services and operations are always assessed in all stages of a project and/or vessel's life cycle stages, from pre-qualification, through FEED, detail engineering to operations and decommissioning.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	●	We measure customer satisfaction on an annual basis. In 2011, the result of our customer survey shows that 86.25 % of respondents recommend entering into a contract with TKPJ, against a target of >90.



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