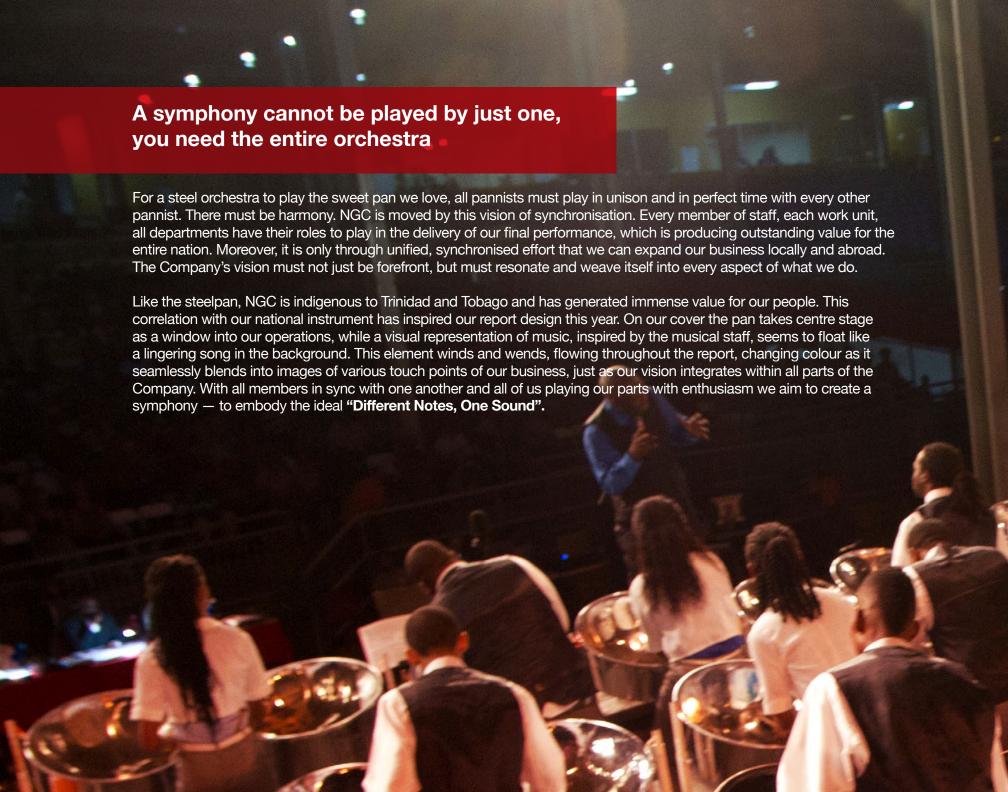


## **DIFFERENT NOTES** ONE SOUND

**SUSTAINABILITY REPORT 2017** 





## NGC Sustainability Report 2017



4 Reporting Practice

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10 Who We Are

What Is Important to Us



Governance, Ethics and Compliance

Value Creation Health, Safety Security and Environment (HSSE)

Community Development

How We Engage Our Stakeholders

### **Reporting Practice**

In keeping with the vision of The National Gas Company of Trinidad and Tobago Limited (NGC), "To be positioned as a leading player in the energy value chain, delivering sustainable benefits, through our people, for all stakeholders", we are pleased to present our first Sustainability Report.

This report outlines information for the Company for the period January 1 - December 31, 2017.

This report reflects NGC's main sustainability activities, achievements and improvement opportunities. It does not present information on any of our subsidiary companies, other than mention of shareholdings in the "Ownership and Legal Form" on page 10.

The information presented reflects the operation of NGC in Trinidad and Tobago, which, for the purpose of this report, is deemed to be one geographic location.

The complete financial performance of NGC and its subsidiary companies is published separately in the NGC Annual Report. This report can be accessed electronically via our website at **www.ngc.co.tt.** 

To provide feedback on this report please contact NGC at info@ngc.co.tt

#### **Global Reporting Initiative (GRI)**

The Global Reporting Initiative (GRI) Standards set out the principles and disclosures that organisations can use to report on economic, environmental and social impacts of their operations. In an effort to align with international best practice, NGC has produced this first "GRI-referenced" report.

In the preparation of this report, NGC was guided by the Reporting Principles for Defining Report Content from GRI 101: Foundation 2016:

- Stakeholder Inclusiveness: stakeholder identification and response to stakeholders' reasonable expectations and interests
- Sustainability Context: presentation of the organisation's performance in the wider context of sustainability
- Materiality: reflecting the organisation's significant economic, environmental and social impacts and those that are most important to our business and stakeholders
- Completeness: coverage of material aspects and their boundaries to reflect significant environmental, social and governance factors to enable stakeholders to assess the Company's performance

#### The information contained in this Report references:

- Disclosures 102-1 to 102-9, 102-12 to 102-13: Organisational Profile 2016
- Disclosure 102-14: Strategy 2016
- Disclosure 102-16: Ethics and Integrity 2016
- Disclosure 102-40, 102-42, 102-43: Stakeholder Engagement 2016
- Disclosures 102-45,102-47, 102-50 to 102-54: Reporting Practice 2016
- Disclosure 103-2: Management Approach 2016
- Disclosure 201-1: Economic Performance 2016
- Disclosures 306-2 to 306-4: Effluents and Waste 2016
- Disclosure 307-1: Environmental Compliance
- Disclosures 401-1 to 401-2: Employment 2016
- Disclosure 403-2: Occupational Health and Safety 2016
- Disclosure 404-1: Training and Education 2016

#### A Word with Our President

#### The Journey Has Just Begun

At NGC, we find ourselves at a very unique juncture that compels us to reflect on how we move forward fundamentally as a business. With many of our long-term contracts now expired or expiring, our business model and role within the energy sector are being critically examined.

In the past, our business was run in times of abundant supply, but the landscape has since changed. Currently, the demand in the Trinidad and Tobago energy sector is greater than gas production from the upstream fields. In 2010, we were producing at a peak of 4.3 bscf/d of gas, and this subsequently declined to a low of approximately 3.3 bscf/d by 2017. Gas production is slowly improving, but is unlikely to reach peak production in the short term. Therefore, our approach to business must fundamentally change.

Our work programme and ethic today are going to impact our tomorrow. A critical shift is required to ensure the sustainability of our business.

#### Sustainability at NGC

Sustainability at NGC is rooted in a solid foundation, built on a strong safety culture, robust governance framework, a keen focus on people, sound financial and commercial practices and respect for community and environment. These are the elements that will equip us for this journey.

As a state enterprise, we appreciate that we are ultimately accountable to the people of Trinidad and Tobago. Among other responsibilities, we must support sustainability on national and international levels, aligning our targets and strategies with country-level objectives to achieve the Sustainable Development Goals. For instance, in line with national targets for emissions and renewables, we are carefully considering how our gas is actually being used, as well as the efficiency of the various production processes that utilise the supply.

## Mark Loquan PRESIDENT OF NGC

Sustainability requires
the balancing of priorities.
In challenging economic times,
it often involves navigation
through difficulties in the short
and medium terms to achieve
longer-term objectives.



Our commitment as we move forward, building the organisation for the future, is two-fold: to leverage the strengths of our Group to explore regional and international opportunities, and to do so in a safe and sustainable manner.

#### **Balancing Priorities**

Sustainability requires the balancing of priorities. In challenging economic times, it often involves navigation through difficulty in the short and medium terms to achieve longer-term objectives.

At NGC, we achieve this through a comprehensive understanding of our value chain. Having an intimate knowledge of our business – where and how we add value, our markets, our stakeholders and our environment – allows us to confront our challenges and position ourselves for the future.

In 2017, we have placed a keener focus on improving our understanding of our business and our sector, especially at the regional and international levels. We have sought to enhance our market intelligence as well as our commercial and legal strengths. This strengthened capacity, synchronised with the common efforts of industry players will, we believe, build our competitiveness and support sustainable growth.

#### Different Notes, One Sound

The current climate has compelled interesting changes in our organisation. We are setting new goals, we are transforming the business, we are stepping out of our comfort zones and we are taking new risks. As a team, NGC is working closer together than ever before, sharing information and collaborating to achieve a common goal.

These experiences parallel with those of an orchestra. In July 2017, our Executive Management Team (EMT) participated in a working retreat themed, "Different Notes, One Sound". The theme was a nod to the practical challenge issued to the EMT, which was to rehearse and perform on steelpan as a cohesive orchestra, Bob Marley's iconic song, "Jammin". Each member was assigned a different piece of music to practise. Despite having little to no prior experience playing the instrument, by the end of the retreat, the team managed to combine their "different notes" to deliver a stellar performance with "one sound".

For the team, the experience was both enjoyable and instructive. As with teams in an organisation working towards a common goal, executing one's assignment in isolation does not contribute to the greater good. One must synchronise with other team members to make music.

By the end of the exercise, we not only had a functional orchestra, but we had a team that understood the importance of playing one's part, while listening, sharing and collaborating for success.

#### Team Effort

Our Company's successes are the result of the dedication and hard work of our employees. Their continued efforts contribute to the profitability and sustainability of our organisation.

On behalf of the entire NGC team, I am pleased to be able to share our first Sustainability Report with you. I look forward to an even stronger sustainability performance in the year ahead.

Mark Loquan President

Mark logra

"Listening to the NGC EMT orchestra was simply magical."



#### Who We Are and What We Do

Incorporated in August 1975 by the Government of Trinidad and Tobago as a wholly owned state enterprise, NGC is a fully integrated energy company whose core business activities are the purchase, aggregation, sale, transmission and distribution of natural gas to large and small consumers.

NGC is an internationally investment-graded company with the financial flexibility to self-finance or access funding on the local and international markets. The Company has played a pivotal role in developing and expanding Trinidad and Tobago's natural gas-based energy sector, and is positioned strategically throughout the natural gas value chain of Trinidad and Tobago.

NGC owns, maintains and operates the country's transmission and distribution gas pipeline network of approximately 1,000km which comprises both offshore and onshore segments. The network has an installed capacity of 4.4 billion standard cubic feet per day (bscf/d) and supplies feedstock and energy to power generation firms, global scale petrochemical plants, and a wide range of light manufacturing and commercial enterprises.

Consistently profitable, NGC is a significant contributor of taxes and dividends to the national treasury. Through our investments, strategic partnerships and pioneering gas pricing model, NGC has successfully secured the profitability of the local gas-based energy sector, and catalysed the social, economic and industrial development of Trinidad and Tobago.

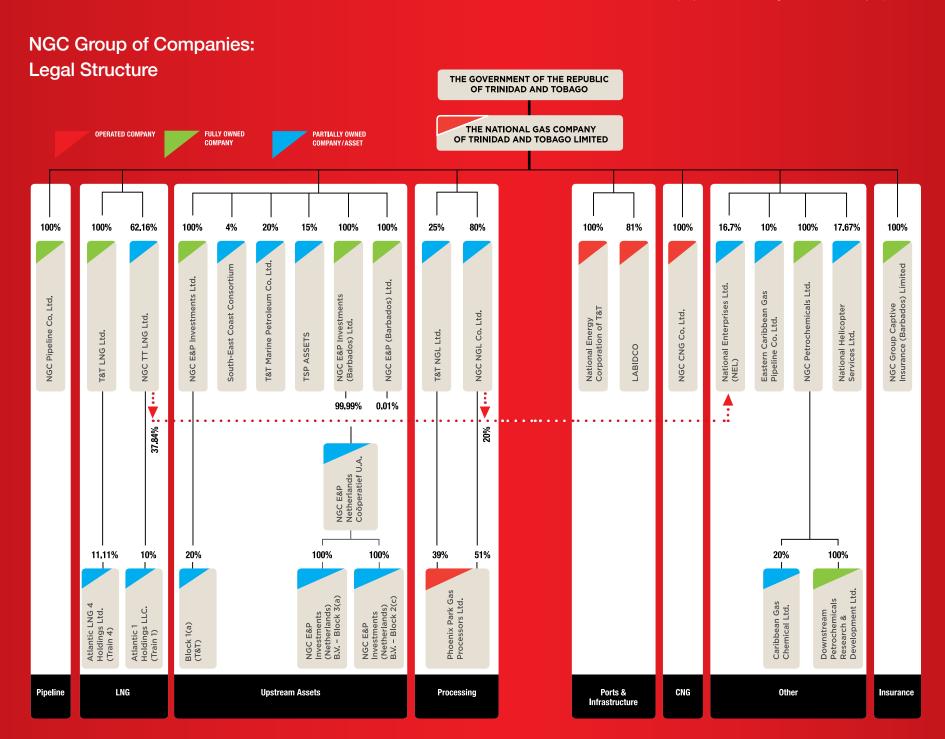
NGC is deeply integrated into the downstream and upstream sectors through our subsidiaries and investments. Today, NGC leads a diversified group of companies that is evolving into a global business entity, working to develop a structure that supports an international vision and mission to create exceptional value from natural gas and related energy businesses through valued partnerships and arrangements.

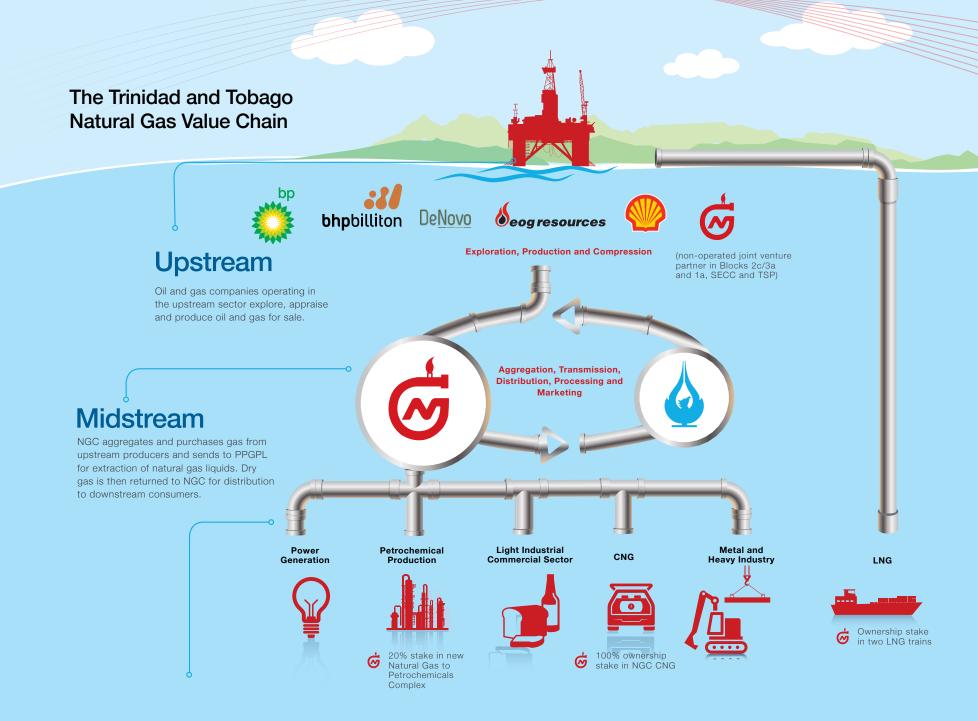
#### **Ownership and Legal Form**

Through investments, subsidiaries and associated companies, NGC is involved in other activities in the energy sector, including the development of industrial port and site infrastructure, the production and marketing of Liquefied Natural Gas (LNG) and Natural Gas Liquids (NGLs), the marketing of Compressed Natural Gas (CNG), as well as upstream oil and gas exploration and production. NGC also has a 20% stake in the Caribbean Gas Chemical Limited (CGCL) Natural Gas to Petrochemicals Complex under construction at La Brea, which will produce methanol and dimethyl ether (DME) upon startup.

#### Our main operating subsidiaries are:

- National Energy Corporation of Trinidad and Tobago Limited (National Energy)
- Phoenix Park Gas Processors Limited (PPGPL)
- NGC CNG Company Limited (NGC CNG)
- La Brea Industrial Development Company Limited (LABIDCO)





**Downstream** 

#### **Our Credit Ratings**

STANDARD & POOR'S

MOODY'S

**CARICRIS** 

BBB

Ba<sub>1</sub>

AA+

#### **External Initiatives and Associations**

#### NGC is a member of the following external initiatives:

- Energy Sector Security Initiative (ESSI)
- Safe to Work (STOW)
- South East and South West Security Councils
- Trinidad and Tobago Extractive Industries Transparency Initiative (TTEITI)
- Trinidad and Tobago Emergency Mutual Aid Scheme (TTEMAS)

#### NGC is a member of the following external associations:

- American Chamber of Commerce of Trinidad and Tobago (AMCHAM)
- Association of Upstream Operators of Trinidad and Tobago (AUOTT)
- Trinidad and Tobago Upstream Operators Group (TTUOG)
- Energy Chamber of Trinidad and Tobago
- Point Lisas Energy Association (PLEA)
- Trinidad and Tobago Chamber of Industry and Commerce (TTCIC)
- The Couva/Point Lisas Chamber
- Trinidad and Tobago Manufacturers' Association (TTMA)
- Employers' Consultative Association (ECA)
- International Gas Union (IGU)

## What Is Important to Us

#### Vision

To be positioned as a leading player in the energy value chain, delivering sustainable benefits, through our people, for all stakeholders.

#### **Mission**

To create exceptional national value from natural gas and energy businesses.

#### **Core Values and Guiding Principles**

Safety and Environmental Preservation

Integrity

Employee Engagement

Excellence

Transparency

**Customer Focus** 

Good Corporate Citizenship

Entrepreneurship

## How We Engage our Stakeholders

NGC appreciates that the organisation does not and cannot operate in isolation, and our activities can impact or be influenced by various stakeholders, both internal and external. Continuous stakeholder engagement is therefore deemed important to communicate information about the organisation, address expectations, manage reputation and fulfil our obligations as a socially responsible corporate entity. This engagement must be proactive rather than reactive.

With this in mind, 2017 saw the start of a process to re-engage key stakeholder groups, through the restructuring of the Corporate Communications Division to include a department focused on stakeholder relationship management.

The Corporate Communications Division initiated the identification of key stakeholder groups, based on interest groups with whom NGC has traditionally engaged, as well as groups who reached out to the organisation. The list evolved and was refined to consider interests, influence and priority, to ensure that expectations could be identified and addressed.

The newly formed Stakeholder Relationship Management department has started outreach to connect with key stakeholder groups including media, government partners and organisations in both the upstream and downstream sectors. In 2018, this engagement will continue with an initial focus on increased community engagement and the Light Industrial Commercial (LIC) sector.

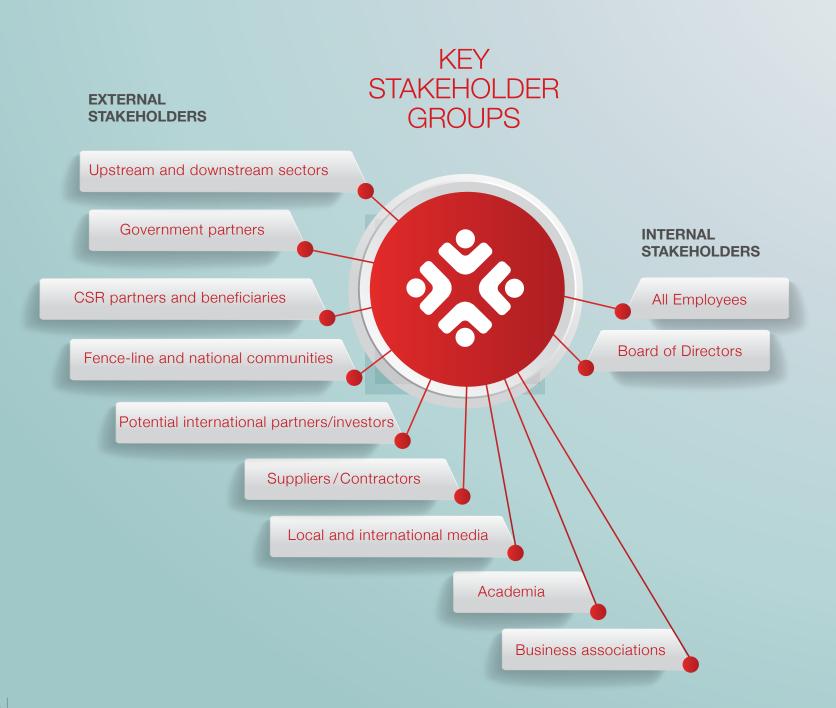
Stakeholder engagement also occurs beyond Corporate Communications, with various Divisions and Departments routinely engaging specific internal and external stakeholders.

The Government of the Republic of Trinidad and Tobago (GORTT) is a key stakeholder, particularly as it relates to compliance and governance. Annual Technical Meetings (ATMs) are the forum used to update and report to the line Ministries on performance highlights over the previous year. In 2017, the structure of the ATM was changed, so that the NGC Group Presidents delivered presentations on their companies' achievements aligned to strategy. Discussions at the ATM allowed for greater engagement of the GORTT with the Group's business plan.

We have also strengthened our relationship with sector-specific stakeholders including the Point Lisas Energy Association (PLEA) in support of greater collaboration within the sector. We have hosted PLEA meetings, and engaged both upstream and downstream operators in dialogue around planned maintenance cycles and plant downtime so that gas supply can be optimally spread across the network.

To communicate to potential investors and international partners – another critical stakeholder subset – NGC participated in local and international print media productions, including the T&T CSR Review, FIRST Magazine, and publications of The Oil and Gas Year and the Oxford Business Group.

As NGC embarked on the preparation of this first Sustainability Report, we have not specifically engaged stakeholders for input pertaining to its development. It is our intention, however, to seek formal engagement with our stakeholder groups for incorporation into the preparation process for the 2018 Sustainability Report.



## Integrating Sustainability

As an organisation, sustainability is critical to the way we do business. This means integrating economic, social and environmental considerations into strategic decision making. At a global level, we are guided by the Sustainable Development Goals (SDGs) which are

contextualised to achieve national objectives. We have identified material issues that are important to the organisation across all the dimensions of sustainability (economic, social and environmental). These material issues inform our strategy, guide the work we do and allow us to prioritise resources and effort as we position ourselves to achieve our vision.

#### **Material Issues**

DIMENSION	Material Issues		Sustainable Development Goals (SDGs)	
ECONOMIC	Value Creation	Economic Performance	<ul><li>8 - Decent Work and Economic Growth</li><li>17 - Partnerships for the Goals</li></ul>	
	Governance, Ethics and Compliance	<ul><li>Corporate Governance and Compliance</li><li>Policy Development</li><li>Transparency</li></ul>	16 - Peace, Justice and Strong Institutions	
SOCIAL	People	<ul><li>Re-organising Structure</li><li>Training and Development</li><li>Employee Benefits</li></ul>	8 - Decent Work and Economic Growth	
	Community Development		<ul><li>17 - Partnerships for the Goals</li><li>11 - Sustainable Cities and Communities</li></ul>	
	Health, Safety and Security	<ul><li>Safety Culture</li><li>HSE Performance</li><li>Process Safety</li></ul>	<ul><li>17 - Responsible Consumption and Production</li><li>8 - Decent Work and Economic Growth</li></ul>	
ENVIRONMENTAL	Environmental Management	<ul><li>Environmental Compliance</li><li>Effluents and Waste</li></ul>	14 - Life Below Water 15 - Life on Land	



As a national company, we fulfil our mandate to optimise value from our natural gas resource for national development. We generate value for our shareholders and develop and build partnerships to deliver on sustainable long-term objectives.

#### **Management Approach**

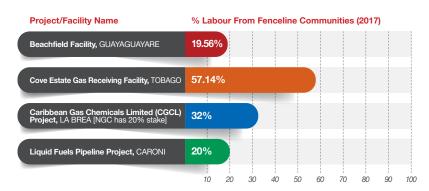
Financial performance is closely monitored through the Office of the Vice President of Finance and Information Management. Our approach to managing financial performance focuses on income generation through a diversified portfolio that has facilitated the self-funding of many capital projects. Despite the challenges in the energy sector, NGC has re-engineered its operations to ensure sustained long-term growth and profitability. Our focus is on local, regional and international growth, increasing gas volumes and exploiting commercial opportunities along the natural gas value chain.

NGC is a member of Trinidad and Tobago's Local Content Committee. As a national company and by virtue of its membership, NGC is committed to adding local value to goods, works and services measured as a dollar value or percentage of each dollar spent and remaining in Trinidad and Tobago after the performance of work or service or production of a good. NGC therefore, for many of its projects, is dedicated to hiring and training locals and procuring items locally and as far as possible.

Local content has a significant impact on value creation, especially through backward linkages and job creation.

We recognise that local firms have both the expertise and experience to provide world-class capability on our projects. NGC aims to not only utilise this local expertise but harness and develop it for export to emerging gas markets.

More narrowly defined, local content also refers to employment of persons living within or close to project communities. NGC has demonstrated its commitment to local content by making job opportunities available for members of fenceline communities on a number of projects and at our facilities.



All of the contracts on the Beachfield Condensate Storage and Compressor Facility Project (in progress) include a clause mandating construction contractors to utilise 100% of their unskilled labour from local communities (i.e. from the Guayaguayare / Mayaro / Rio Claro areas).

## Economic Performance

## Value Creation

	TT\$'000
Assets 2017	31,346,933
Tax payments 2017	
Corporation Tax	188,837
Green Fund Levy	34,744
Petroleum Profit Tax	8,899
Supplemental Petroleum Tax	41,338
Total Revenue 2017	10,143,838
Dividends paid to GORTT	1,422,208
0	0
Natural Gas Supplied	MMscf/d
Purchases	1,451
Sales	1,445
0	0
Number of Employees	703



## Governance, Ethics and Compliance



NGC believes in the importance of ethical business practices in building strong, effective and accountable institutions. We pride ourselves on having a strong ethical culture with professional behaviours embedded in our policies, value systems and guiding principles. NGC has established written guidelines and standards that govern the way in which we operate.

#### **Management Approach**

Our approach to maintaining high standards of governance, ethics and compliance comes from strong leadership at the top and from actively embedding requirements for ethical behaviours into our guiding principles, policies and business practices.

Our processes are continually reviewed and updated to keep pace with an ever-changing business climate that demands integrity, transparency and accountability in all aspects of operations. NGC's ethical framework is kept alive through commitment to our core values within revised and updated policies, guidelines and strategic plans.

#### Corporate Governance and Compliance Group

In 2017, NGC completed the transition to a new Corporate Governance and Compliance Group which was initiated in November 2016. This Group has responsibility for the development and implementation of policies, procedures and systems to ensure adherence to the strictest standards of governance, ethics and compliance.

As a state enterprise, the organisation is guided by the State Enterprises Performance Monitoring Manual, which is designed to improve the corporate governance framework for state enterprises. We monitor compliance and ensure regular and timely submissions of mandatory reports to government.

In compliance with the requirements of the Freedom of Information Act, NGC has appointed designated and alternate officers to accept requests under the Act and respond accordingly.

#### **Policy Development**

The focus of the Group in 2017 was the review, update and development of key operating policies for the organisation which are at different stages of approval and implementation:

- Business Practices and Ethics Policy
- Whistle Blower Policy
- Code of Ethics Policy
- Insider Trading Policy
- Tender Rules Governing Procurement

As part of the implementation of the Business Practices and Ethics Policy, effective 2016, every employee must complete an annual Conflict of Interest Declaration. As at the end of 2017, completed declarations have been received for all employees.

#### **Managing Risk**

In 2017, the groundwork was laid for a new Group Risk Management Framework, which is now approved and effective. The framework identifies the top risks faced by The NGC Group, as well as actions to mitigate. It has prompted discussions around risk at weekly meetings of the Executive Management Team, and led to the implementation of quarterly Risk Council meetings in 2018.

Also critical to risk management was the closure of P1 – high priority – audits. The Company made significant progress in this area, moving from a closure rate of 0% in 2016 to 80% in 2017.

#### **Transparency**

At NGC, operating in an open and transparent manner is an important part of how we do business. We have been a member of the Multi-Stakeholder Group of the Trinidad and Tobago Extractive Industries Transparency Initiative (TTEITI) since its inception in 2010.

As part of this initiative, which is an "international coalition of governments, extractive companies and civil society working together to improve openness and accountable management of revenues from extracting natural resources", NGC has been voluntarily reporting all payments made to government including taxes, royalties and dividends since fiscal year-end 2011.

This commitment to report was reaffirmed in November 2017, when NGC signed a Memorandum of Understanding (MOU) on the Implementation of the Extractive Industries Transparency Initiative (EITI) in Trinidad and Tobago together with the Government and other organisations. Signatory parties to the MOU will voluntarily provide their revenue receipt and payment data to an independent auditing firm, which will be reconciled and made publicly available in TTEITI Reports.

Details of NGC's voluntary disclosures can be found at www.tteiti.org.tt

## Health, Safety, Security and Environment (HSSE)



#### Management Approach

Our approach is underpinned by ownership, responsibility, accountability and respect, and designed to move the Company towards a resilient, generative and sustainable HSSE culture.

Planning and Risk Management are the starting points for effective implementation of HSSE systems and programmes. Performance Monitoring through inspections, audits, use of indicators and performance reviews ensures that execution is aligned with plans and associated risks. Tracking experiences and outcomes allows for sharing of lessons learned across the organisation.

#### **HSSE** Performance

Monitoring HSSE is critical to improving performance and moving NGC towards our desired goal of zero unsafe behaviours, which translates into zero recordable incidents, zero preventable vehicular accidents (PVAs), zero process safety incidents and zero harm to the environment.

Manhours Worked

Manhours Worked

Manhours Worked

Manhours Worked

Manhours Worked

Manhours Worked

Accident Frequency
Rate

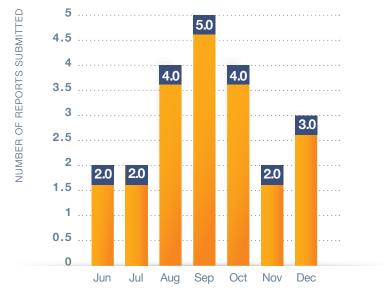
1.61

Performance Indicators	YTD 2016	YTD 2017	Trend
PVAs	29	16	•
Recordable Injuries	5	3	•
		7.0	
Days Lost*	38	73	<b>A</b>
Near Misses	35	70	<b></b>

#### Creating a Culture of Safety

An important area of strategic focus is building the organisation's culture of safety through ownership and engagement. This process started in 2017 and included the Executive Management Team (EMT), managers, supervisors, employees and business partners.

## Systematic Inspections for 2017



## Initiatives to support the move toward heightened safety awareness include:

- Incorporating HSSE into all business processes and accountabilities
- HSSE moments delivered at the start of all meetings
- Workplace inspections and systematic inspections
- Employee participation in workplace inspections
- Increased "Let's Connect" safety walkabouts and conversations
- Optimising the use of technology systems to support HSSE

Workplace Inspection Reports 2017



#### Let's Connect Participation YTD Dec, 2017



#### **Process Safety Management**

For 2017, there was a renewed focus on developing a robust process safety programme including: revising the change management system, improving systems to facilitate learning from events, and improving procedures for emergency response preparedness.

Emergency response preparedness is critical to NGC given the nature of our business and the locations of our operations and assets, both on the Point Lisas Industrial Estate and across Trinidad and Tobago.

#### In 2017:

- NGC's Emergency Management Procedures were revised to align with best practices
- The Emergency Response Notification System and NGC's Emergency Operations Centre were upgraded
- A full-scale emergency response exercise was executed at the Phoenix Park Valve Station
- A Shelter-in-Place (SIP) drill for a chemical release was carried out at NGC's Orinoco Drive office

#### **Asset Integrity Management**

Given the footprint of NGC's pipeline network, monitoring and ensuring the integrity of our assets are a matter of national safety and security. Asset Integrity Management has been treated as top priority at NGC following the National Facilities Integrity Audit conducted in 2015, which assigned NGC a score of 1.79, below the national average of 2.02. After a rigorous programme of work to address our shortcomings, NGC requested another audit be conducted on our facilities in 2017. In this second audit, NGC was scored at 2.07 - a healthy and necessary improvement over the 2015 score.

#### **Security Management System**

NGC maintains an enhanced security management system with access control for all personnel and visitors entering the facilities. This can help restrict access as required, and also aids in identifying where employees are located throughout the facilities. CCTV cameras provide an additional layer of security, increasing personal and asset safety.

In 2017, NGC recorded five (5) asset losses, of which two (2) were recovered. Some of the initiatives implemented in 2017 to assist in maintaining a low asset-loss record include the installation of additional cameras at some of the critical sites, and the provision of training and awareness sessions to our contracted security firms and NGC employees.

Additionally, in 2017 NGC managed to reduce the costs associated with protest action against NGC projects by working closely with intelligence agencies and community groups. The Company recorded zero down-time due to protest and industrial action.

#### Waste Management

NGC's approach to waste management promotes the principles of prevent, reduce, re-use, recover and recycle. The same is required of our contractors, who must comply with our company policies on waste management.

Employees are also encouraged to recycle plastic, paper, glass, aluminium, fluorescent bulbs, dry cell batteries and toner cartridges by depositing them in designated collection bins throughout NGC's facilities. Quarterly recycling drives also allow employees to clear infrequently disposed items from their homes, including waste electrical and electronic equipment. NGC facilitates the collection of these items and pays for their recycling and safe disposal.

Waste for recycling, including hazardous waste, is collected by an external contractor for classification and appropriate treatment and disposal.

#### Hazardous Waste Table for 2017 (collections)

Waste Type	Total (lbs)	Treatment Type
Other Engine/Gears and Lubricating Oils	3,520	Incinerated
Computer Equipment	2,529	Recycled
Waste Printing Toner Containing Dangerous Substances	913	Recycled
Fluorescent Tubes and other Mercury-Containing Waste	773	Crushed/Recycled
Steel Drums	360	Crushed/Recycled
Oily Rags/Gloves/Contaminated Protective Clothing	256	Incinerated
Edible Oil and Fat	184	Incinerated
Lead Batteries	150	Recycled
Alkaline Batteries (except 16 06 03)	115	Recycled
Plastic Drums	40	Recycled
Oil Filters	36	Incinerated
Empty Aerosol Cans/Gas Cylinders	30	Crushed/Recycled
Incandescent Bulbs	25	Crushed/Recycled
Tubing	8	Landfill
Ni-Cd Batteries	3	Recycled
Iron and Steel	1	Recycled
Total Waste (lbs)	8,943	••••••
Total Waste (tonnes)	4.07	
Percentage (%) Recovered	57.59	

#### **Non-Hazardous Waste Table for 2017 (collections)**

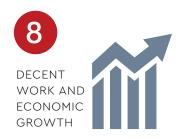
Total (lbs)
2,932
2,492
699
185
50
6,358
2.89
53.88

#### ICC Beach Clean-Up 2017

NGC continued its annual beach clean-up exercise, participating in the local arm of the International Coastal Clean-up (ICC) in September 2017 at Balandra Beach. This annual event, held around the world, encourages volunteers to clean up the marine environment, weighing and recording waste collected by type. NGC staff, along with employees of our subsidiary companies, came out in their numbers with family and friends to support this global initiative. A total of 1,181.78 lbs. of trash was collected during the clean-up.



### People



At NGC, our people are our greatest resource. Our workforce is critical to the achievement of our strategic objectives. Emphasis is placed on consulting with and empowering leaders in their capacity as owners, customers and work execution partners, as well as on enabling a competent and engaged workforce.

#### **Management Approach**

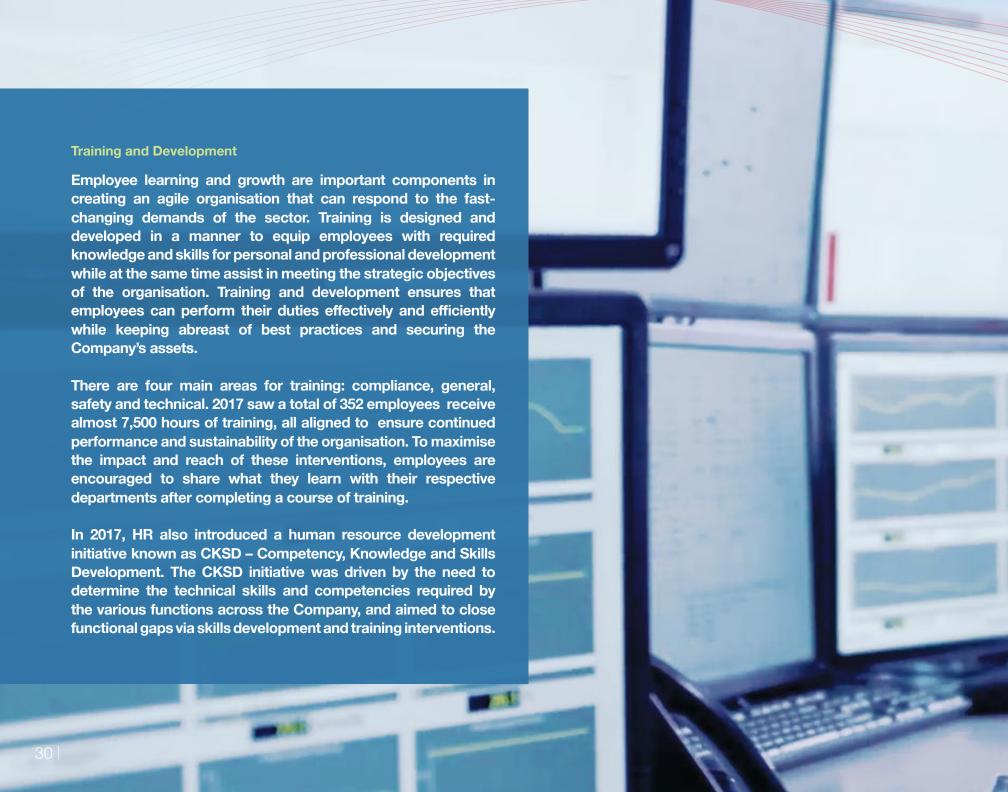
Our approach is based on oversight, facilitation, ownership and collaboration. This ensures enterprise sustainability by improving operating efficiency and responsiveness to stakeholder needs. It leads to the creation of an agile and responsive organisation.

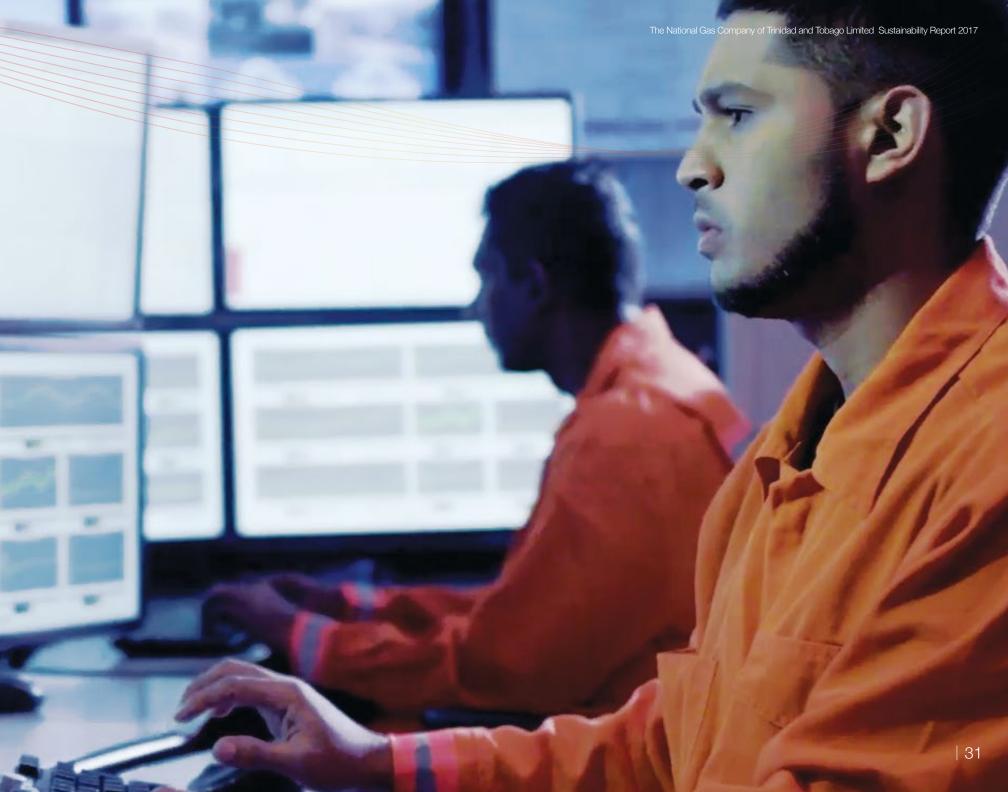
The Human Resources Division is responsible for the planning and execution of specific people-management projects and initiatives. Emphasis is placed on the development of our leaders' skills in managing people. Monitoring and reporting on the progress of human resource management initiatives allow for continuous improvement.

#### **Re-organising Structure**

2017 saw the start of a structural re-organisation at NGC, with continued roll-out planned for 2018. This is aimed at building a culture of high performance, to help prepare our workforce to achieve the corporate strategic objectives. This continuing transformation will see the implementation of a number of initiatives including:

- Policy Review and Development
- Implementation of the Performance Management Module of the Success Factors Software
- Succession Plan Modelling
- Identification of Critical Talent
- Employee Benchmarking Survey
- Employee Group and Wellness Interventions
- Revised appraisal system for Individual Performance Plans (IPPs) to enhance employee productivity





#### **Employee Engagement**

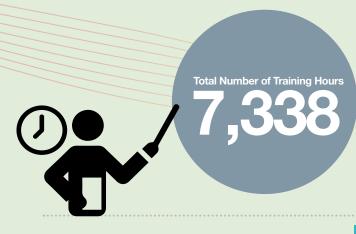
A major aspect of human resource management is measuring and improving employee engagement. At NGC, this function is shared between the Human Resources and Corporate Communications Divisions.

Communication is critical to engagement. To keep staff apprised of Company and industry news, an electronic newsletter is circulated weekly. Other vehicles such as electronic flash briefings and internal digital screens deepen the channel of communication among the staff body. Furthermore, all employees are required to attend quarterly forums which provide an opportunity to discuss face-to-face the issues that affect them, as well as receive

updates from the Executive Management Team on company results and performance.

In 2017, a survey was conducted to benchmark the level of employee engagement in the Company. The results of this survey are being used to tailor a programme of initiatives to build employee morale, improve productivity and boost team spirit in the organisation. This includes a re-engineered employee recognition programme to reward staff for exceptional performance, commitment and innovation in work processes centred around the Company's core values and the redesign of its employee 'intranet' to facilitate further employee engagement.







TRAINING HOURS (FEMALE) **FEMALE EMPLOYEES** 

2,385 134



TRAINING HOURS (MALE) MALE EMPLOYEES

4,953 218

#### \*Levels and Description

- **LO PRESIDENT**
- L1 VICE PRESIDENTS
- **L2** MANAGERS
- L3 ASSISTANT MANAGERS/HEADS
- L4 SUPERVISORS
- L5 INDIVIDUAL CONTRIBUTORS

TRAINING HOURS



#### **TOTAL NUMBER OF EMPLOYEES 2017**

PERMANENT STAFF 570 CONTRACT STAFF



PERMANENT (FEMALE) 215 CONTRACT (FEMALE)



PERMANENT (MALE) 355 CONTRACT (MALE)

#### **TOTAL NUMBER OF NEW HIRES 2017**

PERMANENT STAFF 10 CONTRACT STAFF 6

PERMANENT (FEMALE) CONTRACT (FEMALE)



PERMANENT (MALE) CONTRACT (MALE)

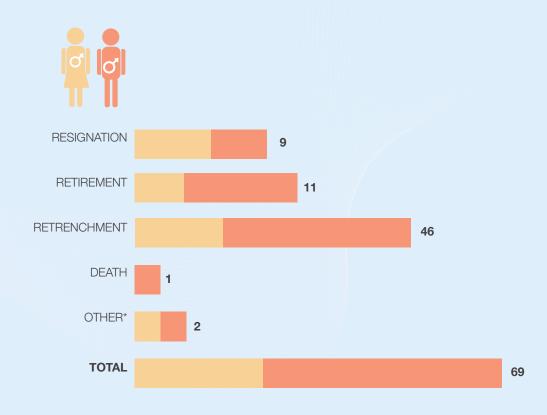
5

#### **Employee Turnover Rate**

# 900 (WITH RETRENCHMENT)



#### **Employee Turnover**



\* OTHER INCLUDES EMPLOYEES TRANSFERRED TO OTHER COMPANIES IN THE GROUP OR CONTRACT EMPLOYEES WHOSE CONTRACTS WERE NOT RENEWED

## **Community Development**





As a state-owned company, NGC's community is the national community. We believe in supporting communities in Trinidad and Tobago in a way that builds stakeholder and shareholder value.

We pay special attention to our fence-line communities located in proximity to our operations and assets.





## **Management Approach**

We support the development of our national community through our Corporate Social Responsibility (CSR) portfolio of investments, which focuses on the areas of Arts and Culture, Sport, Education, Youth Empowerment and Development and Environmental Preservation.

The theme "Different Notes, One Sound" does not just resonate with our internal operational strategy and work ethic. NGC's CSR programme is a great example of different interests working in service of one goal. Our support of initiatives in distinct spheres of activity converges on the singular outcome of advancing human development in Trinidad and Tobago.

Our CSR philosophy commits us to:

- Being a leader and innovator in the field of CSR
- Creating shared value for our company and our multiple stakeholders
- Exercising responsible stewardship for the benefit of the people of Trinidad and Tobago
- Supporting initiatives which preserve the national identity and heritage
- Adopting a stakeholder approach to all CSR activities
- Ensuring transparency and equity in our CSR approach and in the execution of all CSR projects
- Seeking to be sustainable in the way our daily operations are conducted and in the social interventions we develop, implement and support.

# **Our CSR Principles**



## 2017 CSR Initiatives

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## **NGC National Heroes Project**

Launched in 2017, the National Heroes Project provides a unique opportunity to build awareness and recognition of our national heroes. These are important components in fostering national pride and appreciation for the uniqueness of our Trinbagonian culture, art forms and accomplishments. Importantly, cultural education ensures a national "sense of self" can be sustained across generations to come.

This project documents and showcases the achievements of persons who have made and continue to make significant contributions to society. Hasely Crawford T.C. was inducted as the inaugural honouree of the NGC National Heroes Project, in recognition of his historic Olympic Gold Medal win for Trinidad and Tobago and his contribution to the field of sport for over three (3) decades.

Mr. Crawford's life and achievements were celebrated through a roving exhibition of Olympic memorabilia and press reportage, which was displayed at various libraries across Trinidad and Tobago. Curated material will also be compiled into a commemorative publication for dissemination in libraries and schools. NGC plans to continue this project in 2018 and beyond.





Marina Salandy Brown, NGC Bocas Lit Fest Director; relative of Angelo Bissessarsingh, winner of OCM Prize for Non-Fiction; Kei Miller, Winner of OCM Prize for Fiction; Safiya Sinclair, Winner of OCM Prize for Poetry; Joan Dayal, Winner of Henry Swanzy Award; Lisa Burkett, Corporate Communications Manager, NGC; Gregory Camejo, Group Executive, Corporate Services, One Caribbean Media Limited

#### **NGC Bocas Lit Fest**

The NGC Bocas Lit Fest has been one of our flagship investments for the past seven (7) years, and has seen significant growth in regional and international popularity since its inception. In 2017, Penguin Random House – The Writers' Academy, named the NGC Bocas Lit Fest among the world's top 20 literary festivals.

This partnership has proven to be one of our most successful, touching thousands of persons across Trinidad and Tobago. The festival cuts across NGC's focus areas of Arts and Culture, Education, Empowerment and Youth Development, promoting creative thinking, literacy, idea generation, intellectual discussion and open debate. On another level, as a platform for the exposure and development of Caribbean writers, the NGC Bocas Lit Fest generates interest in and

builds the marketability of regional literature. Its work has played an invaluable role in rejuvenating this creative industry and ensuring its sustainability well into the future.

From the country's perspective, the NGC Bocas Lit Fest has made Trinidad and Tobago a hub for the Caribbean literature movement, attracting literati from the region and beyond. In this way, the festival serves as a draw for cultural tourism and a generator of economic value for the country.

In 2017, the festival was held from April 26th to 30th. Over 50 regional authors and speakers participated, including Dr. the Honourable Keith C. Rowley, Prime Minister of Trinidad and Tobago.



Inductees in the Youth Elite
Programme stand with NAAA CEO,
Kabir Hosein (back row, third from
left) and NGC VP Operations Ronald
Adams (back row, third from right)

#### **Athletics**

Track and field accounts for the lion's share of Trinidad and Tobago's sporting success at the international level. In order to sustain and build on that success, investment in the next generation of athletic stars is crucial. For that reason, NGC has been focusing significant investment attention on track and field.

## Nurturing young talent

NGC's longstanding commitment to the sport is best evidenced by our signature in-house athletics programme – NGC Right on Track (ROT) – which was launched in 1999. The programme, which is run in partnership with the National Association of Athletics Administrations (NAAA) and the National Basketball Federation of Trinidad and Tobago (NBFTT), teaches students how to run, jump and throw, as well as the basics of basketball. Since its inception in 1999, the Right on Track developmental programme has benefitted more than 20,000 participants in 105 communities and eight institutions, across eight Education Districts.

To further ensure sporting talent is nurtured from a tender age, NGC has for many years been supporting the Primary Schools Track and Field Games in the Moruga Zone and in the St. Patrick and Caroni Education Districts. The Caroni Education District Games are in fact the longest-standing recipient of NGC sponsorship.

## Supporting senior athletes

NGC has been partnering with the NAAA since 2013 to build the sport at all levels. Our investment supports development programmes for coaches, volunteers and elite high-performance athletes, and

helps improve the governance and operational effectiveness of the organisation. Funding is also used to administer the NGC/NAAA Championship Series, which brings together junior, juvenile and senior athletes for a month of intense athletic competition at the national level.

In July 2017, NGC launched the Youth Elite Programme in partnership with the NAAA. The programme is intended to facilitate the holistic development of young track and field athletes between the ages of 14 and 20 who have been identified as having the potential to medal at regional and international meets by 2024. Ten (10) athletes were inducted in 2017.

Athletes were selected based on their performance in local, regional and international games in 2016. Since their induction into the programme, they have shown marked improvement, with most of them achieving personal bests over the course of their training. All but one represented the national team at regional and international competitions, including CARIFTA, at which several athletes medalled and one achieved a record.

The Youth Elite Programme was further strengthened by the engagement of the Michael Johnson Performance (MJP) agency to support the athletes and coaches in the pursuit of their goals. Specifically, MJP was enlisted to provide athletic assessment, consulting and support services, psychometric testing, and health and wellness assessments.



## **NGC Sanfest**

NGC Sanfest is a competitive Arts festival open to primary and secondary schools, that pivots around Visual, Literary and Performing Arts. For 47 years, it has served as a perfect springboard for young performers and an incubator for the future of the Arts in Trinidad and Tobago. Moreover, through its various categories, NGC Sanfest encourages students and teachers alike to reprise the cultural artforms of our past and give them modern expression, which keeps them alive and relevant across generations.

From an economic standpoint, this festival helps launch careers in the Arts. The Mr. and Miss NGC Sanfest Teen Talent Competition in particular represents an important first step toward bringing the Arts into the mainstream of our economy. Preparation for this competition is not only aimed at refining talent, but it targets the rounded development of participants into professional artistes - artistes who can represent themselves well, assume leadership of their respective fields, think critically and act responsibly, inspire their peers, and build successful personal brands.

The standard of performance and creative output at this festival gets better every year, and NGC has continued to renew this investment since 2003. The 2017 Festival was themed 'Celebrating the Talent of our Youth' and was dedicated to the decorated artiste Calypso Rose and actor, dancer and cultural activist Torrance Mohammed.

### **NGC-sponsored Steel and Tassa Bands**

In an effort to preserve and grow our traditional instrumental art forms, NGC has committed support to several steel and tassa bands across the country. NGC currently sponsors three steelbands, namely NGC La Brea Nightingales, NGC Couva Joylanders and NGC Steel Xplosion in Tobago, which are based in communities where we operate. Support is also given to the Gonzales Sheikers steel orchestra. NGC is also title sponsor of the NGC Trinidad and Tobago Sweet Tassa Enterprises and the crossover band NGC Bao Simba Entertainers of Tobago.

Our sponsorship of the bands is structured to ensure sustainability. It includes a wealth generation fund to support commercial ventures that generate revenue for the bands, and capacity-building funds to provide executive and administrative training for their management. For our steelbands, funding also covers music literacy programmes which train band members to read sheet music.

Notably in 2017, NGC Sweet Tassa launched the first Tassa Academy in Trinidad and Tobago, with 25 initial participants aged six (6) to 16 graduating in January 2018.

In another first for tassa, the NGC Bao Simba Entertainers emerged victorious in the Senior Instrumentalist category of the 2017 World Championship of the Performing Arts, held in Hollywood, California.

NGC is now embarking on a new initiative aimed at building sustainability in the pan industry. In partnership with The University of the West Indies (The UWI) we are facilitating the scoring of pan compositions played by our sponsored bands, with the ultimate objective of circulating the sheet music in the school system. This will ensure our music is preserved and can be enjoyed for generations to come.

This will ensure our music is preserved and can be enjoyed for generations to come.



#### **Police Youth Clubs**

On 27th November 2017, NGC President Mark Loquan and Acting Commissioner of Police Stephen Williams of the Trinidad and Tobago Police Service (TTPS) signed a Memorandum of Understanding for NGC's sponsorship of five (5) Police Youth Clubs (PYCs) in La Brea, Couva, Laventille Road, Penal and Mayaro for the period 2017 - 2019.

NGC's involvement with the PYCs began in 2013. With youth development being an axis of NGC's CSR portfolio, the Company determined that the PYCs were a perfect fit for support, on account of the important work being done by the Clubs to expose our youth, especially in disadvantaged communities, to positive influences and avenues for growth. The irrefutable link between youth advancement and national development makes this partnership a solid investment in the country's future.

Over the years, NGC has financially supported various PYC initiatives including personal development seminars, extra-curricular programmes such as drumming and karate, and academic tutoring sessions.

Some of the highlight achievements of our supported PYCs in 2017 are listed below:

- The Laventille Road PYC has a music programme which teaches music theory and gives practical instruction in pan to approximately thirty (30) persons. In 2017, the Laventille Road PYC steelband qualified for the finals of the Junior Panorama for the first time. They also participated in the Emancipation Steelband Festival where they performed so creditably that they were invited to make a special appearance at "Pan on d' Avenue" 2017.
- Following participation in the La Brea PYC Peer Mentorship Programme, six (6) young mentors who volunteered to support and counsel their peers in the Club as part of the Programme moved on to assume leadership roles in the Youth Club.
- In 2017, the drumology class of the Couva PYC participated in the Prime Minister's Best Village Competition for the second time. The class fielded the youngest participants in the final and placed 3rd overall, improving on their 2016 performance.





## **Reforestation Programme**

Trinidad and Tobago has formally committed to reduce cumulative greenhouse gas emissions through ratification of the Paris Agreement on Climate Change. As a hydrocarbon-based business, NGC accepts its responsibility to support the government in meeting its reduction target. Guided by a "no net loss" principle, NGC has committed funds to a reforestation programme to replenish areas cleared during pipeline construction activities. This programme, with its adjunct carbon benefits, is just one way to build a more Earth-centric future for our nation.

Our large-scale, tree-planting exercise was launched in 2005. For more than a decade, we partnered with community groups and with the Forestry Division to replant some 315 hectares of degraded forest lands. The objective is to restore a dense, mixed-species tree canopy back to the southern watershed, which would serve as a habitat for wildlife, preserve soil and reduce the incidence of bush fires.

To date, NGC has reforested approximately 267 hectares of land in the Grant Trace, Guapo, Mayaro, Moruga, Parrylands and Rio Claro areas.

In 2017, the focus was on maintenance. Works involved removing shrubs and vines from above and around trees on roughly 132.25 hectares. Additionally, ahead of the 2018 dry season, fire traces were cleared around saplings at two sites to protect against bushfires.

Site communities were closely involved in the 2017 work programme. Residents were engaged to provide labour, and in the process, were able to access valuable guidance and training from NGC. Prior to the start of the work season, communities were instructed on safe work practices, specifically with regard to using manual tools and motorised equipment. Advice was also shared on managing personal finances. Many participants, for instance, had never banked their money, and were encouraged to open accounts to facilitate payment for ongoing and future jobs. These sessions helped better equip programme partners for the job market.



## **Habitat for Humanity**

Habitat for Humanity Trinidad and Tobago (Habitat TT) began operations in 1997 with a vision to help secure decent and affordable housing for impoverished families across the country. Since its inception, Habitat TT has worked with vulnerable households on housing solutions, training initiatives, and disaster risk-reduction programmes.

NGC has been partnering with Habitat TT since 2005, contributing financially to construction projects. NGC employees also actively participate in builds, volunteering their assistance with masonry, painting, installation of electricals and related tasks.

In 2017, NGC committed support to finance the construction of two (2) new homes for families in Chaguanas and Sangre Grande. Our company also purchased materials for nine (9) micro-builds; Valencia (2), Sangre Grande (2), New Grant, Laventille, Couva, Mayaro, and Arima. Additionally, eight (8) families who sought to repair their homes from areas such as Valencia, Mayaro, St. Joseph (2), Penal, Arima, Gasparillo and Carlsen Field were supported. With our help and support to Habitat for Humanity Trinidad and Tobago, these families have fulfilled their dream of finding a housing solution.

Though it may not be immediately obvious, houses have a big role to play in sustainability. Thoughtful design and construction of houses presents great opportunities for homeowners to make their consumption patterns more sustainable over the long term. With that in mind, NGC is working with Habitat TT to make builds more resource-efficient moving forward, with options being explored to outfit homes for solar power and rainwater harvesting.

On another level, secure housing facilitates "family time", and gives children space for academic pursuits. These benefits contribute to building sustainable futures for families.

#### **Deeds of Covenant**

Under the Deeds of Covenant programme, NGC provides assistance to non-profit organisations which are registered to receive charitable contributions. For the period 2015-2017, NGC supported six (6) organisations providing critical education and social services to the national community. These were:

- The Adult Literacy Tutors Association (ALTA) provides free reading, writing and spelling classes for adults (16+) in Trinidad and Tobago
- The Dyslexia Association of Trinidad and Tobago works to support dyslexics, raise awareness around this learning difficulty and train teachers in methods for educating students with dyslexia
- The LIFE Centre (Learning Is For Everyone) offers special education to persons with Autism Spectrum Disorder and other communicationrelated disorders
- National Centre for Persons with Disabilities (NCPD) promotes the equalisation of opportunities for persons with disabilities through training, information, research and consultative services
- SWAHA Inc. aims to provide spiritual instruction and guidance, social and cultural direction and leadership, and development of the general well-being of the national community
- The Tobago Council for Handicapped Children provides education, treatment, training and rehabilitation for handicapped children in Tobago

With NGC's assistance, these organisations have administered specialised programmes to hundreds of citizens who have been disadvantaged through circumstance, or physical or learning disabilities. Their work targets social inclusion and equal opportunity for these often marginalised groups, and importantly, enriches the quality of life for those in their care.

#### Volunteerism

NGC believes that community outreach and corporate sponsorship should involve more than just disbursement of funds. Employees are encouraged to engage with our supported initiatives by volunteering their time in service of these causes. This not only allows staff to connect on a personal level with the Company's CSR portfolio and build altruism and community spirit, but it also deepens NGC's relationship with our sponsored groups and organisations.

Volunteerism supports sustainability through the alignment of volunteer activities with our material issues. These material issues are themselves aligned to the SDGs. Our focus on issues such as community development and environmental management allows our employees to play a direct role in contributing to sustainable development.

Volunteerism is managed under the Company's Reputation and Relationship (RR) Ambassador programme. In 2017, 117 employees volunteered 622 hours at events such as:

- NGC Bocas Lit Fest
- NGC Sanfest
- NAAA Championship Month
- International Coastal Clean-up
- The National Heroes Project library visits
- Trinidad and Tobago Energy Conference and Exhibition
- Atlantic Process Safety Week
- UWI World of Work programme
- American Chamber of Commerce (AMCHAM)
   HSSE Conference and Exhibition



## **LOOKING AHEAD**

At NGC, we view sustainability as a journey, not a destination. This allows us to develop a mindset of continuous improvement as we work towards developing and maintaining a strong, stable organisation, positioned for the future. We are very proud to share our first Sustainability Report which demonstrates our commitment to transparency and accountability to all our stakeholders and to Trinidad and Tobago.

As we progress along this journey, it is our intention to expand our reporting both in terms of disclosures and by incorporating the sustainability performance of the other companies in our Group. As a valued stakeholder, we hope that you will support us on our journey. We look forward to engaging you to receive feedback on this Report, with a view to improving our reporting process for 2018 and beyond.





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