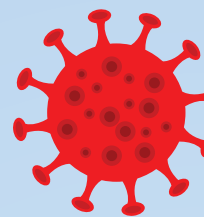




Business in a New Age



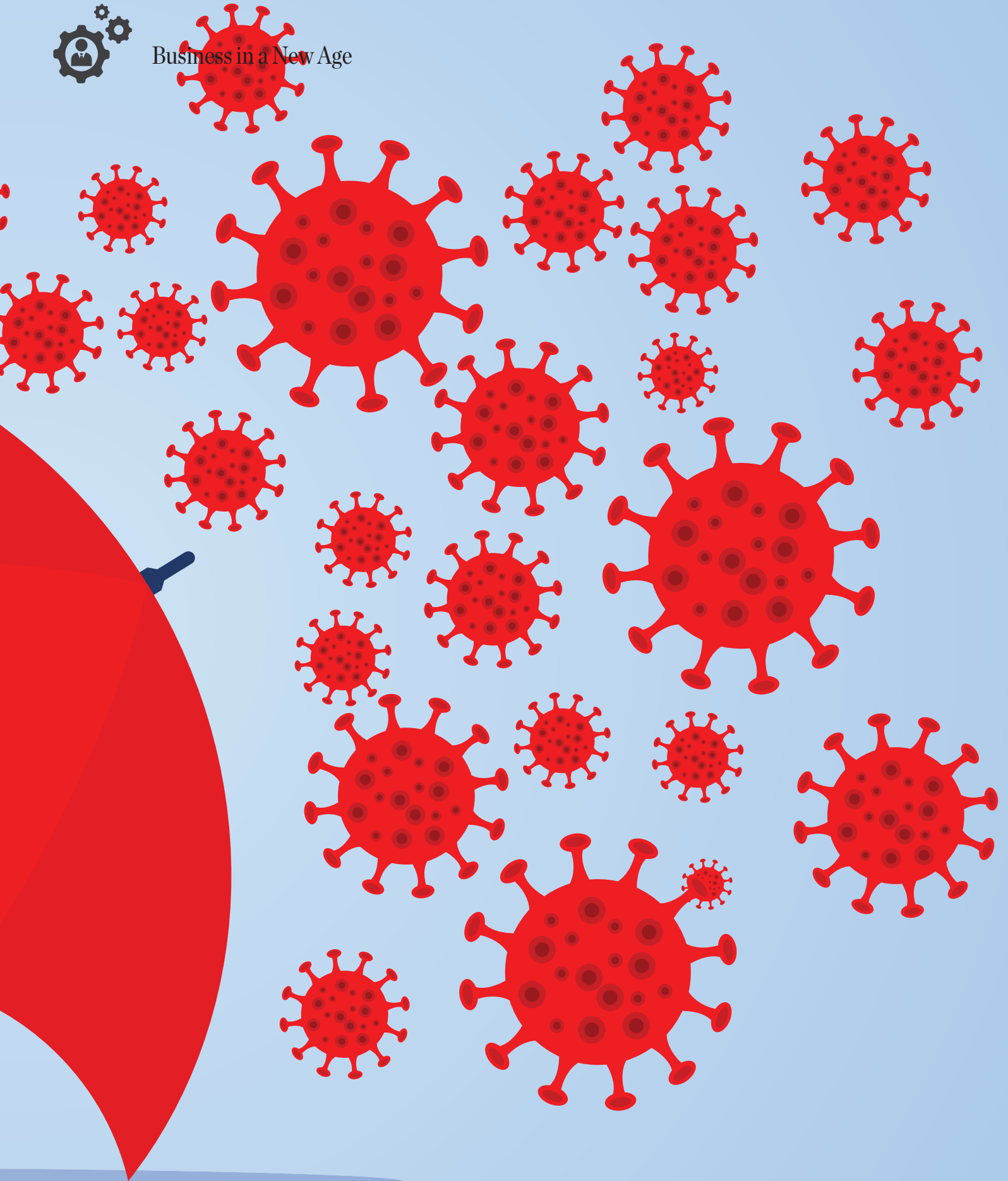
Braving COVID-19:

NGC's Business Continuity Plan in action





Business in a New Age





NGC began temperature screening at all its facilities.

In late 2019, China reported early cases of infection by a coronavirus hitherto unknown to medicine. This virus presented as an innocuous flu in some patients but caused fatal symptoms in others.

Within a few months of its earliest detection, the virus, now called COVID-19, was carried from country to country on the back of globally interconnected travel and trade. At the time of writing, COVID-19 – a declared pandemic – has infected more than 3.5 million persons and killed over 247,000 from across every settled continent. The result has been unprecedented upheaval as countries around the world try to isolate their publics from the virus.

NGC MOBILISES

Needless to say, in a world economy that succeeds on the premise of interconnection, COVID-19 and responses thereto can have crippling consequences beyond the sphere of health. As a major player in the energy



Braving COVID-19: NGC's Business Continuity Plan in Action | CONTINUED



Frontline workers practise social distancing

industry, which is impacted in different ways, the NGC Group of Companies has been assessing the fallout of this pandemic and taking necessary action to protect its people and business.

Safety first

Even before it became a named pandemic, COVID-19 was on NGC's radar as a potential health emergency that required pre-emptive action. Starting in January, the Business Continuity Plan (BCP) was activated. Banners and other print media were installed at office locations to inform employees of symptoms to watch for, and to remind them of protective personal hygiene practices. Multiple new sanitising stations were also installed and regular communications issued to staff, tracking the progression of the virus outside of Trinidad and Tobago. As a precautionary measure, business travel was restricted.

In March 2020, when the country recorded its first positive COVID-19 case, the Company's response protocols were immediately escalated. The Incident Management Team (IMT) was mobilised to manage the implementation of NGC's BCP. Temperature screening at site entrances commenced, gatherings for events and meetings were reduced and discouraged, and travel was suspended. On March 18th, the Company initiated a work-from-home policy for non-essential staff.

As the national situation developed, NGC has made important adjustments to its workflows and processes, all aimed at keeping employees, contractors and other stakeholders safe, while maintaining operational efficiency (see page 6).

KEEPING THE BUSINESS GOING

Operations

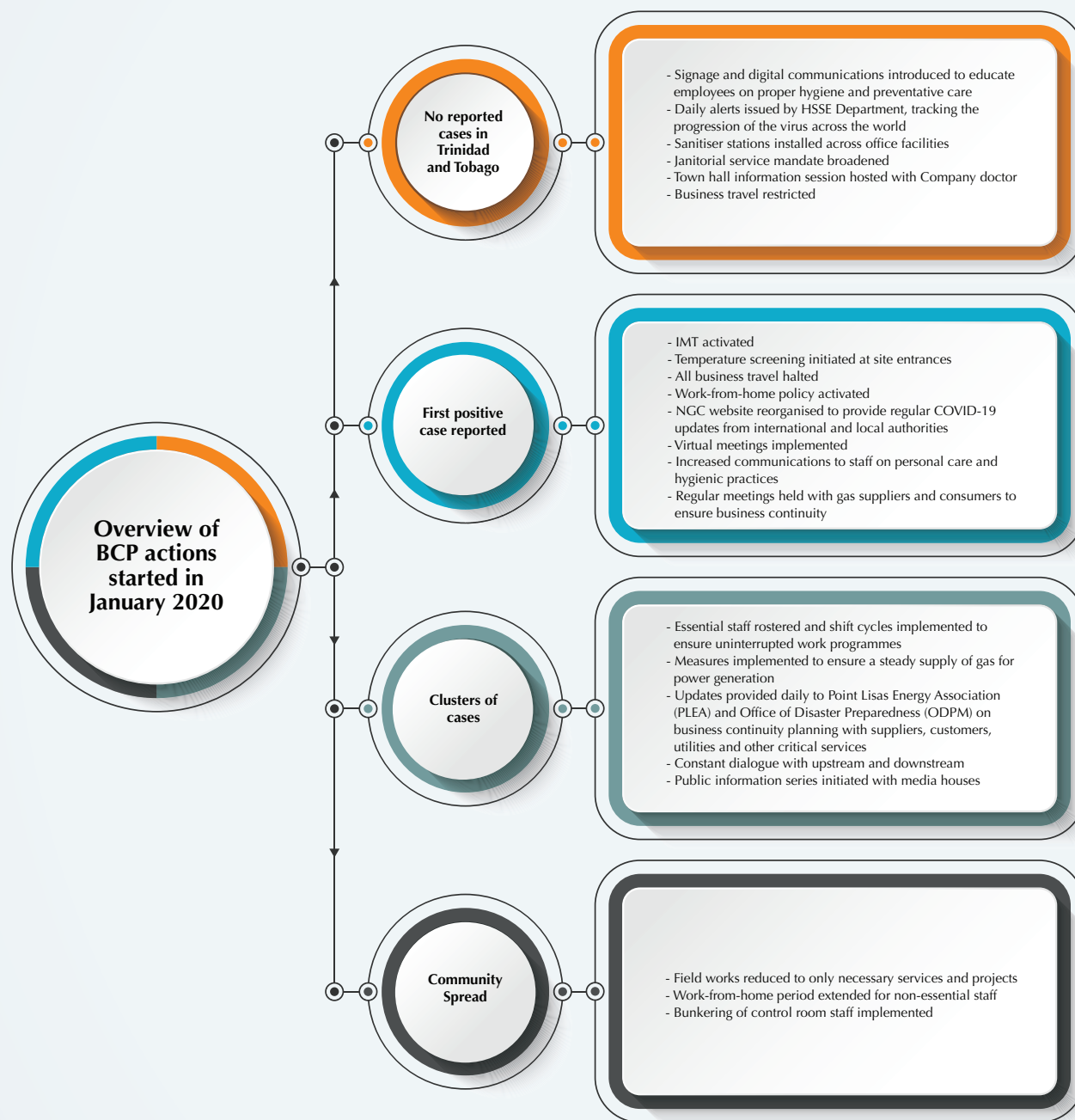
Under ordinary circumstances, the work of the NGC Group is of critical importance to Trinidad and Tobago, both directly through its revenue generation and indirectly through its support of other sectors, including services such as power generation. Through its subsidiary Phoenix Park Gas Processors Limited (PPGPL), the Group supplies Liquefied Petroleum Gas (LPG) to National Petroleum, ensuring that cooking gas is available to restaurants, hotels and the wider population. Another subsidiary NGC CNG supplies a low-cost alternative fuel to the motoring public.

In the grip of COVID-19, the country is relying even more on the Group's services. For instance, NGC is the sole provider of natural gas to all of Trinidad and Tobago's power producers. With the larger part of the population asked to stay at home and conduct business remotely, as far as practicable, digital connections and transactions have become the only means by which many businesses can continue operations. To sustain this new modus operandi, a stable power supply is essential.

NGC also supplies the local manufacturing sector, which produces critical goods such as food, beverages and household consumables. With global supply chains and trade interrupted, local manufacturers must have the necessary support to cover import gaps and continue producing for domestic consumption. Accordingly, NGC has had to implement measures that would ensure uninterrupted supply to these sectors, even within the context of nationwide restrictions.



Overview of BCP actions started in January 2020





Braving COVID-19: NGC's Business Continuity Plan in Action | CONTINUED

Managing people and risk

The foremost consideration for NGC has been managing its essential staff in the Operations function – the men and women on the frontline of the effort to keep business going. With their safety of paramount importance, rosters and shift work were introduced to reduce the periods of exposure on the field. Activities and projects were scaled back to leave only those operations which are necessary to maintain gas supply. In that regard, assessment and management of network and infrastructure risks have assumed new importance, as these processes inform which works should take priority in task scheduling.

Additionally, the Operations leadership team has implemented mechanisms for systematic and real-time sharing of information to both employees and external stakeholders with regard to business developments and emerging risks. Such communication facilitates proper planning, resource mobilisation and most importantly, the safety of field personnel.

Network reliability

To ensure the constant availability of NGC's network even in the event of crisis escalation, the Pipeline Operations team has proposed backup measures for all facilities. Among these, an operator bunkering plan was developed for activation if stricter shelter-in-place protocols are mandated.

The Pipeline Maintenance team continues field activities to manage risk along the pipeline Right-of-Way corridors, making full use of technology to minimise risk to personnel, such as using drone surveillance in place of physical walk-throughs. Critical pipeline pigging activities also continue to be executed to ensure network reliability is sustained beyond 99%.

The relevant Operations teams also continue to maintain safety-critical equipment (SCEs) to ensure that barriers are in place and uncompromised. Meanwhile, the focus on Asset Integrity Management (AIM) remains sharp, with technology allowing AIM work to be executed remotely via collaborative digital tools. The Field Engineering team is simultaneously progressing the preparation of critical maintenance projects, reassessing these projects from a risk perspective and developing mitigation plans.

In the background of all this work, the Operations team continues to drive key value creation initiatives and improve molecular efficiency.

Supporting the value chain

NGC appreciates that it operates within an interdependent network of suppliers, energy service companies and consumers. For NGC to continue delivering on its own



Drone surveillance is reducing risk in the field

services, the entire gas value chain must work as a unit. To do its part in keeping the chain strong, NGC has proactively led structured co-ordination meetings with upstream, midstream and downstream energy companies. These allow stakeholders to share status updates, co-ordinate responses and share best practices to help manage operations safely and successfully throughout this period. In the vein of knowledge-sharing, NGC also initiated the development and publication of a monograph with the Centre for Chemical Process Safety (CCPS), providing guidelines for energy companies to manage risks during the COVID-19 pandemic.

NGC's Operations team is also proactively liaising with all the critical support services, utilities and port operations that the member companies of the Point Lisas Energy Association (PLEA) depend on to sustain their own operations. NGC has provided daily updates to PLEA members on any status changes that could affect those ancillary services. This channelling of communication helps PLEA operators plan for and sidestep changes that could interrupt their business. This, in turn, allows upstream producers and NGC in the midstream to keep their respective operations running.

Commercial

Domestic supply and distribution constitute just one aspect of NGC's business portfolio. The Company's



Braving COVID-19: NGC's Business Continuity Plan in Action | CONTINUED



LNG demand has fallen along with other fuels

Commercial Division manages investments in upstream exploration and production, canvasses for new investment opportunities locally and abroad, independently markets crude and LNG cargoes from NGC's investments, and manages the Company's domestic purchase and supply contracts.

Where the restrictions on movement and stay-at-home directives have been a major challenge for the Operations side of the business, the Commercial team has encountered different obstacles on account of COVID-19, due to its work in international energy markets.

Energy impacted

Around the world, countries have imposed restrictions on air travel, idled factories, closed or triaged businesses, and enforced varying degrees of quarantine among the general population. These efforts to curb the spread of the virus have resulted in reduced fuel demand in transportation and industry. Lower demand depresses energy prices, not just of oil, but of other fuels such as methanol and LNG.

Although the NGC Group is taking active measures to

buffer its business against this pandemic, to the extent that the Group participates in international markets, some impact is to be expected.

For instance, through its Commodity Trading desk, NGC exports crude and LNG cargoes from its interests in the upstream sector and Atlantic to customers in Asia, Europe and the Americas. As prices of both these commodities have fallen with demand, margins from cargo sales will be reduced until markets are stabilised

Of course, it may still be too soon to predict the full impact of the pandemic on business given the advance of the virus, its uncertain trajectory as well as geopolitical developments. However, fiscal and regulatory reprieves being granted both locally and internationally will provide a measure of protection against some of the potential fallouts.

Commercial BCP

At the same time, NGC's Commercial team is actively continuing to scan international markets for investment opportunities that may arise despite, or perhaps because of, prevailing circumstances.



Braving COVID-19: NGC's Business Continuity Plan in Action | CONTINUED

The need for a diverse portfolio of investments is even clearer now that traditional sources of income are challenged.

COVID-19 has also forced ongoing contract negotiations into virtual meeting rooms, but the team continues to push these toward closure, to help secure supply and customer business. Alongside this important work, existing contracts continue to be administered and all obligations met, supported by the Operations team. Digital platforms are being used to liaise frequently with consumers and suppliers to maintain open lines of communication and understand individual circumstances and needs.

Another important function of the Commercial team has been providing market intelligence data and scenario planning to influence key business decisions. As NGC and the wider Group navigate these uncertain times, live information about market trends and projections around the future of the industry are crucial inputs into strategic and business continuity planning. The Company must have sight of the potential trajectories of its business and make decisions on an informed basis. The Commercial team is, therefore, playing a pivotal role in securing the future of NGC.

Supply Chain

In order for NGC's essential staff to continue serving on the frontline, certain backend support is needed. For one, critical supplies such as protective gear must be made available to them. Working hard to ensure staff is properly equipped is the Procurement Division.

As worldwide production has slowed, businesses have closed and many supply chains have been disrupted, the team has had to explore different avenues to meet internal customer needs. Sourcing stocks of in-demand items such as hand sanitisers, Personal Protective Equipment (PPE) and infrared thermometers has been especially difficult, with supply being tight and price gouging a real concern. However, the team has partnered with suppliers around the world to source products – with particular assistance from China – and has been shipping via air freight to expedite delivery.

In addition to purchasing goods, the Procurement Division has also been attending to the needs of other functional areas that have contracted products and services from domestic providers. The routine work of supply chain management continues with the team making full use of digital tools to invite and receive tenders, issue authorisations and manage payments. Importantly, the team is also working with a degree of flexibility to accommodate and support suppliers who face challenges in their own businesses.

Port Operations

The procurement of essential goods for NGC and indeed, the entire country, is heavily dependent on smooth port operations. NGC Group subsidiary National Energy has therefore implemented its own BCP controls to ensure it can keep delivering vital logistical support to the country through the ports and maritime services in its charge. Thermal scanning has been introduced for all persons entering pier and dock facilities, and non-nationals are not allowed to disembark incoming vessels. Ship scheduling and marine co-ordination are still being facilitated using technology. Tugs, workboats and launches continue to work and are available for use, except during downtime for ongoing maintenance and repairs, and arrangements have been put in place to secure fuel for their operations. With regard to personnel, all vessels are still being manned and all essential shore-based staff is rostered for duty. Contractors have been enlisted to procure provisions and emergency goods and services, and other vessel support facilities are being secured.

National Outreach

Corporate Social Responsibility is a major element of NGC's business portfolio. While national stay-at-home directives have put many scheduled initiatives and events on hold, the Company has sought different means of outreach to continue delivering support to communities. One of these has been the provision of assistance to senior citizen homes across the country to purchase items such as food, medical and sanitation supplies. One of the Group's subsidiaries provided support to hospitals in the form of donations of blankets. For the broader national community stuck indoors, NGC partnered with several media houses to promote awareness of safety and proper hygiene to reinforce positive behaviours during this period of pandemic restrictions. The Company also partnered with the trinidad+tobago film festival (ttff) for its #watchafilmonus campaign. Other outreach initiatives have been activated in our fenceline communities, and NGC is also partnering on a special project with The University of the West Indies.

HOPE FOR THE FUTURE

NGC continues to monitor the progression of COVID-19 with optimism that the pandemic can be contained and overcome. Whatever the future holds, NGC and the wider NGC Group remain committed to delivering value for Trinidad and Tobago, and are agile enough to emerge stronger from these challenges. ■