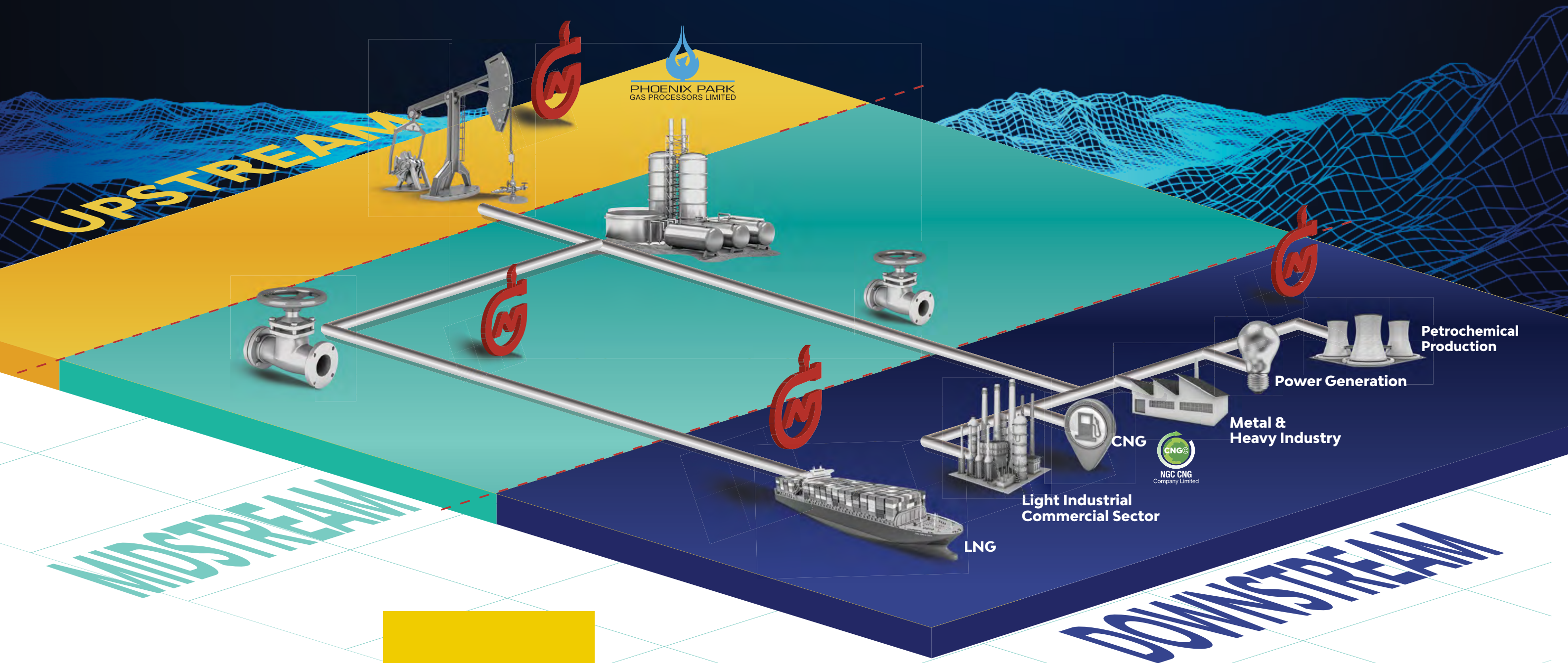


Our Place in the Value Chain

THE ENERGY LANDSCAPE HAS EVOLVED, AND IT IS IMPORTANT FOR NGC TO SUPPORT A HEALTHY MARKET BY FINDING THE RIGHT BALANCE OF PRICE AND SUPPLY TO SATISFY ALL PLAYERS ACROSS THE CHAIN.



NGC logo indicates that the Company has an investment stake in the business area

Our Place in the Value Chain (continued)

Securing Supply

In 2020, NGC signed two new commercial gas supply contracts with upstream providers. In July, negotiations were successfully completed with BHP Billiton, for a Gas Sales Contract for the Ruby Field project, in which one of NGC's upstream subsidiary companies holds an 11.41 per cent interest. Post the signing of this Gas Sales Contract, on 30 December 2020 NGC acquired an additional 20.13 per cent interest in Block 3(a) (and by extension the Ruby project) via another wholly owned subsidiary, ending the year with a 31.54 per cent working interest in the project. This development is an excellent testimony to our value-added growth strategy bearing fruit. In Q4 2020, NGC signed a Natural Gas Supply Agreement with Primera Oil and Gas, a subsidiary of Canadian company, Touchstone Exploration. Primera will supply gas to NGC from the onshore Ortoire Block in Southeast Trinidad. This is the first contract in over 50 years involving the supply of gas from an onshore development. Based on available data, the infusion of this relatively rich gas into the stream will increase the liquids yield at PPGPL and boost plant profitability. First gas is expected to be from the end of 2021/early 2022.

Additionally, already contracted gas supply coming from Shell's Barracuda (2021) and Colibri fields (2022) will allow NGC to adequately meet its contractual obligations over the medium term given natural decline of reservoirs. Shell is also seeking sanction for

the development of the Manatee field for work to begin in 2022.

Negotiations continued with downstream customers for contract renewals, as the industry seeks the right balance in the allocation of value across the value chain in a period of great uncertainty. Although COVID-related market disruptions have added another layer of complexity to the negotiations, substantial progress has been made. The resolution of these negotiations would place the entire value chain and industry at a greater level of sustainability versus interim varying arrangements.

Network and Infrastructure

NGC's pipeline infrastructure continues to be the backbone of the gas industry and by extension, the economy.

The pipelines are arteries through which NGC delivers value-added services — gas aggregation, processing, transportation and distribution — to the petrochemical industry and for power generation. It is critical therefore that the pipelines are managed in a safe and reliable manner. Since 2016, NGC has been engaged

THE AIM FRAMEWORK IS ALIGNED WITH ISO 55000 STANDARDS IN ASSET MANAGEMENT. THIS FRAMEWORK IS BUILT ON FOUR MAIN PILLARS:

Leadership and Governance



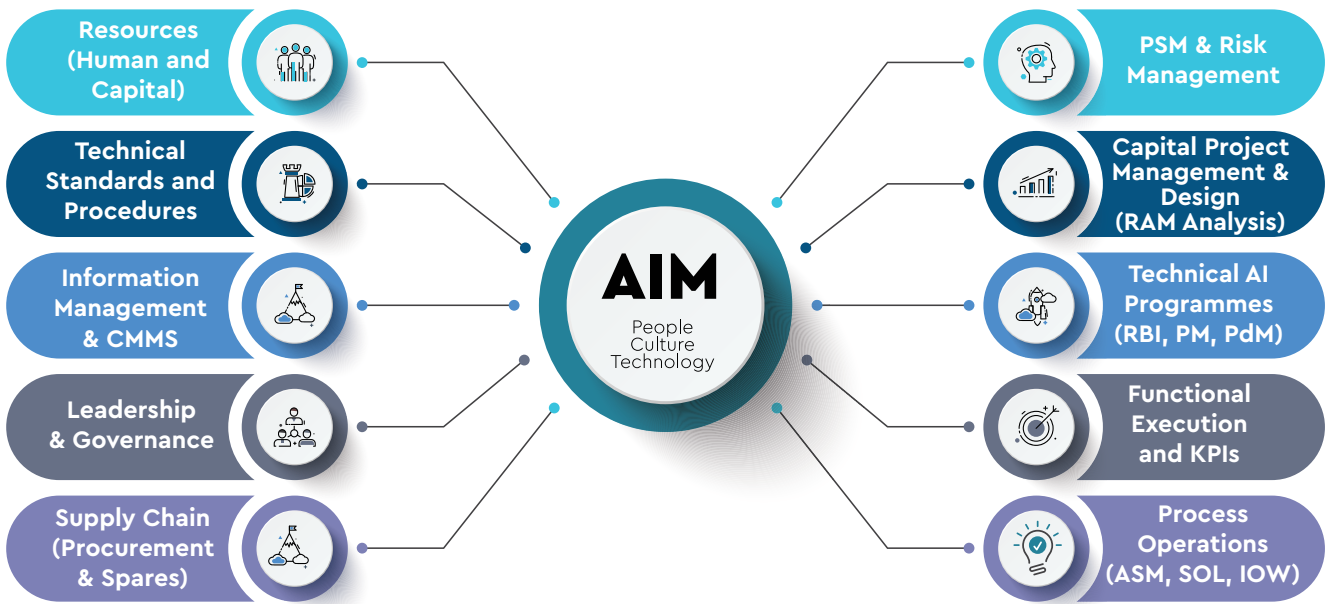
Administrative Management Systems



Technical Management Systems



Functional Execution and Performance



in a programme to achieve best-in-class standards with respect to pipeline operations and maintenance.

A new Asset Integrity Management (AIM) framework introduced in 2019, was elaborated and expanded in 2020. The AIM framework has facilitated the switch to a Risk-Based Inspection (RBI) model. This best practice approach focuses on reducing risk of failure or incidents across the pipeline network, by channelling resources and priorities toward inspecting assets in areas that are high-risk and more prone to failure. RBI commenced at the Tobago Gas Receiving Station in 2020, and the transition to RBI at all gas receiving facilities and valve stations, is expected to be completed in 2021. The RBI framework is supported using advanced technology in both inspection and maintenance.

A specialist drone was drafted into use, capable of carrying payloads such as infra-red cameras, Light Detection & Ranging (LiDAR) sensors and gas detection sensors, all of which can aid in monitoring the conditions on the pipelines and facilities. NGC also introduced the Computerised Maintenance Management System (CMMS), which modernised planning and scheduling of preventative maintenance works on NGC's manned facilities. It also generated valuable data to streamline maintenance performance in the future. The Company will explore satellite technology for 2021 in monitoring right-of-way threats to its infrastructure using artificial intelligence.

Process Safety

In the face of the COVID-impacted reality, NGC recognised the importance of managing new risks and ensuring operational safety.

The Company partnered with the Centre for Chemical Process Safety (CCPS) to develop response guidelines and insights during COVID when shifts were being modified. The outcome was a monograph titled 'Risk-Based Process Safety During Disruptive Times' which was adopted globally and translated into four languages. Importantly, it is also an achievement that moves the Company further along on its journey to become a global leader in energy.

NGC is pushing for the full adoption of CCPS guidelines into operations across The NGC Group. It is also seeking to leverage its membership on the CCPS Committee to 10 staff members certified in Process Safety Management (PSM). Such asset development will help cement NGC as a leader in PSM and strengthen its value proposition to current and potential business partners.