



**Heritage**

**PETROLEUM**  
COMPANY LIMITED



**2021-2022 ESG REPORT**

**ONE TEAM**  
**JOURNEY**

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As our business continues to grow, our focus on driving more sustainable operations continues in a balanced, practical manner. While the nature of our business speaks for itself, our respect for being a responsible company continues unabated across our organisation.

As a key State-owned company in Trinidad and Tobago, we know how critical it is to provide transparency in our work towards building a brighter future for our company, employees, communities, government and other key stakeholders.

The continued alignment of our sustainability efforts to the United Nation's Sustainable Development Goals (SDGs), keeps us focused on the areas that we invest in and believe that we can make the most impact.

While developing this second report, we identified areas where our data collection can be enhanced and have put the tracking mechanisms in place to gather additional metrics for future reports. In the meantime, we hope that you enjoy reading how we at Heritage Petroleum (Heritage) **help protect the environment, build community capacity, support economic development and empowering future leaders.**

## METHODOLOGY GUIDED BY GLOBAL REPORTING INITIATIVE (GRI)

We prepared this report with reference to the Global Reporting Initiative (GRI) standards, to help guide the evaluation of our performance within widely accepted reporting frameworks. Leveraging these frameworks, we set out to clearly communicate our key risks and opportunities to stakeholders in a way that enhances transparency and long-term decision-making. Detailed disclosures can be found in the GRI Disclosure Index on page 59 of this report.

Disclosures under these frameworks are related to Heritage Petroleum's sustainability performance from October 2021 to September 2022 plus a broader narrative in specific areas. They include all company operations unless otherwise noted.



## ESG AREAS OF FOCUS:

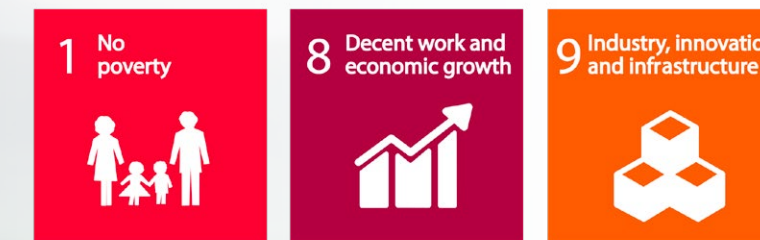
### Protecting the environment



### Building community capacity



### Supporting economic development



### Empowering future leaders





“I feel confident that the next generation of leaders will significantly change our industry and environment”

### A MESSAGE FROM OUR CEO

**Arlene Chow**  
Chief Executive Officer

### DEAR COLLEAGUES AND FELLOW STAKEHOLDERS

At Heritage Petroleum, we believe that energy security is key to enhancing the livelihoods of the citizens of Trinidad and Tobago. We also believe that responsible actions and behaviours underpin our cause, helping us to innovate and build resilience into the fabric of our company culture.

For over a century, our country has been a major hydrocarbon producer both regionally and internationally. Over the course of my four-decade long career, I have observed what this sector can do

to help build a prosperous nation, with a citizenry that can compete at world-class levels. That’s why we are proud of and committed to our vision of being a source of pride for Trinidad and Tobago by focusing on profitability, operational excellence and world-class talent as a performance-driven oil and gas company.

But we must take a balanced approach to how we manage our operations and shape a sustainable and responsible company. Oil and gas will continue to be a major

economic contributor to our economy for the foreseeable future and we at Heritage will help manage the energy transition in a measured, practical manner. A key objective for us is still very much to maximise production, but we will continue to do it as responsibly as we can.

Our four strategic business pillars are very much aligned to our four key areas of focus for sustainability/ESG.

#### STRATEGIC BUSINESS PILLARS

- Growing Production Sustainably
- Optimising Capacity and Capability
- Progressing our ESG Agenda
- Partnering for Value

#### ESG AREAS OF FOCUS

- Protecting the Environment
- Building Community Capacity
- Supporting Economic Development
- Empowering Future Leaders

We integrate ESG principles into our corporate strategy and balance long-term growth with strong governance, responsible business policies and practices and positive environmental impact.

In 2021-2022, we showed once again how our sustainability efforts support our national economy and our local neighbouring communities and help maximise our people performance. In addition to contributing \$4.8 billion in taxes (or 8.9% of all revenues collected by the State) and managing a supply chain vendor base of circa 1,470 across 32 national locations, our employee base grew by 9% and we provided third-party contracts (and by extension approximately 4,000 jobs) across the value chain. We also continue to be a major net foreign exchange earner and a key member of our country's National Steering Committee on Carbon Capture/Enhanced Oil Recovery and Carbon Dioxide (CCUS/EOR CO2).

Our commitment to sustainability has also made an impact in our workplace and environment. We continued to embed our world-class Operating Management System (OMS), strengthen our Occupational Health (OH) activity set and measure and monitor our vented and fugitive emissions.

We created more than 100 professional development and on-the-job training experiences for our employees. We also awarded four scholarships on our flagship HERO programme to pupils with the potential to become the next generation

of leaders, and our staff continued to passionately support our local communities with our bespoke volunteering activities including employee salary contributions and company matching. And of course, we continued to manage through the COVID-19 challenges with care and resilience.

This second report builds on our key learnings and is a reflection of our continued journey towards successfully measuring future progress. We established more robust goals, targets and Key Performance Indicators (KPIs) for specific topical areas and are growing more confident and capable in evaluating opportunities to increase our level of disclosure and reporting depth. You will read the details further into this report.

As I reflect on the past decades and observe, with deep interest, how the future is being shaped, I feel confident that the next generation of leaders will significantly change our industry and environment. The depth and reach of change are not to be underestimated though and we have a duty of care to support them in creating a sustainable and prosperous future. I might be the CEO of Heritage, but I am also a mother and grandmother, and therefore a key stakeholder in leaving a legacy on which they can build.

I am proud of what this team has achieved yet again. I am also confident that our commitment to the values of the company and our drive to do better will enable us to continue to be a source of pride for our country.

We will do it together in the spirit of our company's rallying cry...**One Team, One Journey.**

**Arlene Chow**  
Chief Executive Officer



## BUSINESS OVERVIEW

We are Trinidad and Tobago's state-owned oil and gas company focused on the exploration, development and production of hydrocarbons and the marketing of crude oil, with a mandate to provide maximum financial returns for the country's energy resources. Our shared mission is to make Heritage a source of pride for our country by leveraging our diversity and world-class capabilities to relentlessly focus on operational excellence, profitability and the safety of our people.

## VISION

To be a source of pride for Trinidad and Tobago by focusing on profitability, operational excellence and world-class talent as a performance-driven oil and gas company.

We also place great emphasis on our role as an employer, taxpayer and key contributor to the livelihoods of our people, neighbours and partners across the entire value chain.

Our primary customers include T&T-based state companies, agencies and commercial entities in the oil and gas sector. In 2021-2022 we employed 503 employees and generated TT\$6.4 billion in revenue. Our headquarters is located at 9 Queen's Park West, Port of Spain, with operations largely centered in the southern region of Trinidad and the Gulf of Paria, with non-operated assets off Trinidad's east coast.

## OUR VALUES



### INTEGRITY

We deliver on our promises, treating each other fairly, honestly and respectfully, fostering relationships of trust with the broader society and community.



### NIMBLE

We respond quickly whilst adapting in order to work effectively in ambiguous or changing situations, and with diverse individuals and groups.



### SAFETY

We commit to managing our business and communities in a safe and environmentally responsible manner in accordance with statutory requirements.



### PERFORMANCE

We have a commercial focus with a business mindset which promotes profitability and sustainability. We are committed to focusing our efforts on achieving high-quality results consistent with the organisation's standards and aspirations.



### INNOVATION

We promote innovation that improves processes and results, generating viable, new approaches and solutions, and continuously seeking to create new possibilities.



### RESPECT

We recognise value and leverage the unique perspectives, experiences and talents of every individual. We promote cross-cultural understanding, fairness and inclusion throughout the organisation.



### EXCELLENCE

We are value-driven, energising and inspiring others to strive for the best and commit to common goals and purposes, creating a sense of self-efficacy, resilience and persistence.



**Our operations are focused on core business activities supported by enabling functions.**

### LAND BUSINESS UNIT

Responsible for growing and optimising base production on land safely and economically, by enabling efficient and effective operations, drilling, enhanced oil recovery, robust asset integrity and maintenance programmes.

### MIDSTREAM BUSINESS UNIT

Receives crude from offshore, land and lease operators; manages the fiscalisation of the crude and pumps it to an affiliated trading company for cargo sales.

### OFFSHORE BUSINESS UNIT

Seeks to maximise value through the efficient and effective execution of projects and routine upstream activities within the Soldado Fields. The unit develops field acreage through the efficient and safe execution of surface and subsurface activities, while protecting our base production.

### BUSINESS DEVELOPMENT UNIT

Manages the partnerships and joint ventures that continue to be central to our strategy and creates new business opportunities for the company. Through our collaboration with governmental and commercial partners, we leverage both the capital and technical expertise to realise the potential of our asset base.

### CORPORATE FUNCTIONS

Backbone and supportive functions such as Finance, Engineering, Drilling and Workovers, Human Resources, Health, Safety and Environment (HSE), Information Technology, Supply Chain Management, Legal and Land Management, Facilities and Property Management, Corporate Communications, Logistics, Internal Audit, Subsurface and Corporate Security.

## OUR BUSINESS STRATEGY – CONTINUED, SUSTAINABLE GROWTH

We continue to build the foundation and have gained momentum as we navigate the road map to sustainable growth. As stated in our previous report, we are blessed with a rich asset resource base, the potential of which we continue to develop through our four-pronged business strategy:

### GROWING PRODUCTION SUSTAINABLY

The development of high value production projects at low sustainable lifting costs to deliver increased efficiency and double-digit growth in our equity and purchased barrels.

### OPTIMISING CAPACITY AND CAPABILITY

Focus on organisational training and technology in order to optimise capacity and become a leader in operations excellence.

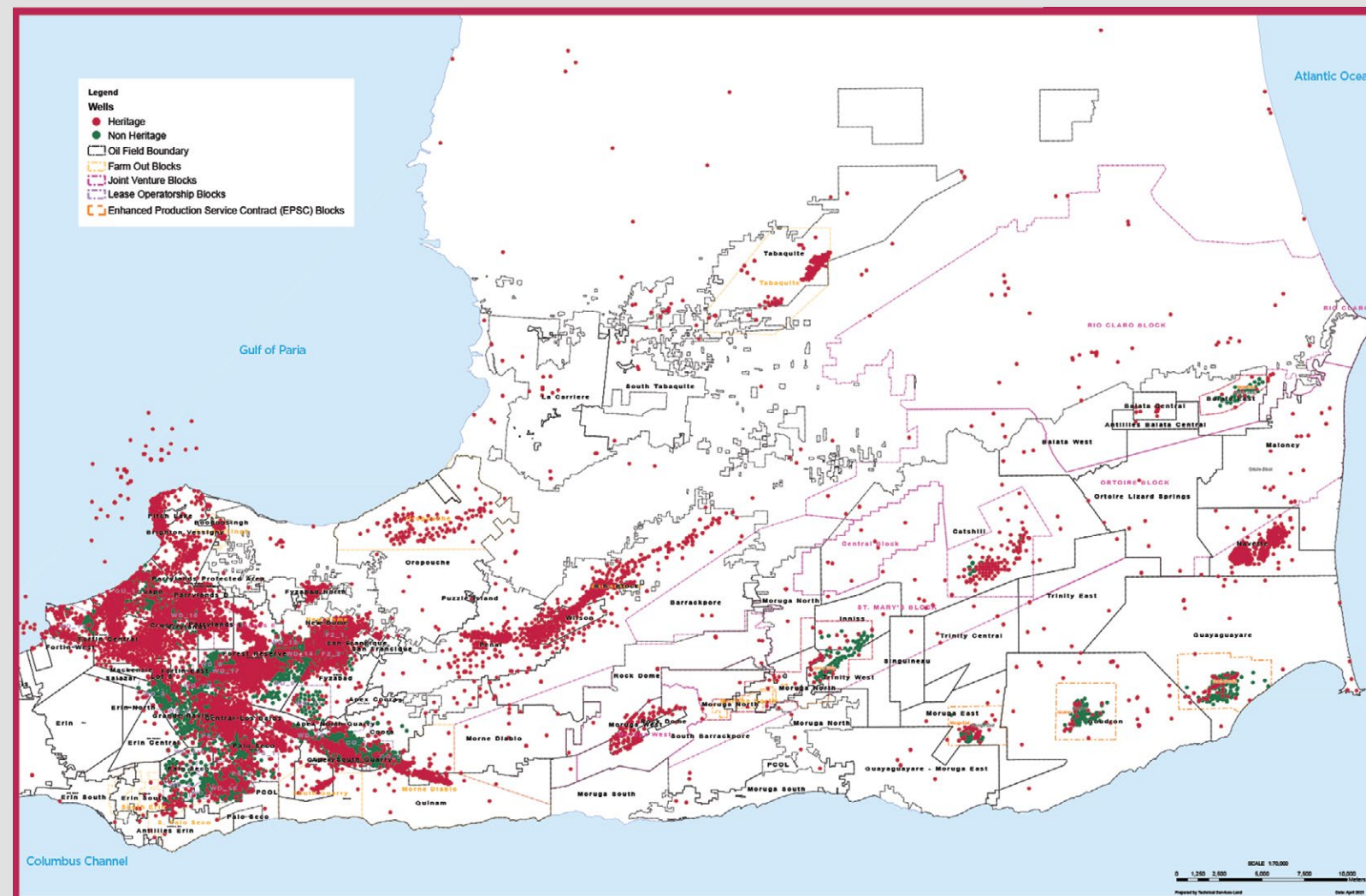
### PROGRESSING OUR ESG AGENDA

Including the development of a robust de-carbonisation plan, the development of new projects aligned to our emerging green agenda and elaboration of a strategic response to our energy transition goals.

### PARTNERING FOR VALUE

Including our strategic partnership with the Government and commercial partners who provide both capital and technical expertise to realise the potential of our asset base. We intend to maintain our equity interest in non-core gas producing assets operated by our partners that complement our portfolio of oil projects, while divesting our marginal gas projects to optimise our portfolio.

## Managing a massive geographical operation across South Trinidad & non-operated assets off Trinidad's north and east coast



#### OFFSHORE FIELDS:

7 Producing Fields  
Main Soldado  
North Soldado  
East Soldado  
Southwest Soldado  
West Soldado  
Point Ligoure Offshore  
Point Fortin Offshore

#### ASSETS:

Wells - 318 Active  
Platforms - Remote/  
Generator/Compressor  
Block Stations

#### ONSHORE FIELDS:

20 Producing Fields  
across South Trinidad  
from Point Fortin to  
Guayaguayare

#### ASSETS:

Wells - 1,729 Active  
Tank Batteries - 113  
Pipelines/Transfer Pumps & Motors  
Steam Generators

Building resilience into our organisation is a key enabler to us achieving success. As we progress our ESG agenda, we continue to embed our **OMS into the business lines**, carefully managing operating risk, improving reliability and adapting our ways of working. Our hybrid working model continues to enable us to unlock the full capability of our teams as we navigate a post COVID-19 environment.

During this reporting year, we commenced our **10-well drilling campaign**, carried out the **divestment of specific assets** and gained **Board approval for strategic capital expenditure (CAPEX) investment into pipelines, licences and joint operating agreements**. We also laid the **groundwork for achieving a key milestone of first gas and gas production** (with one of our onshore operators), progressed the definition of **our Low Carbon Business Strategy** and conceptualised our **Green Agenda** roadmap with a preliminary project team.

We implemented a **biodiversity and ecosystem management procedure** to support a strategic approach to the management and preservation of ecosystems and biodiversity within our acreage i.e., the sites where our operations can have a direct impact on the environment. We also completed our **ISO 14001:2015 Stage 1 Audit** to help us understand and focus on how environmental risks and outcomes are managed going forward.

As a key State company, we also continued to play a key role on the **National Steering Committee on Carbon Capture, Utilisation and Storage (CCUS)/ Enhanced Oil Recovery (EoR)** shaping, advancing, and resourcing a **strategic project to drive this agenda**.

In the spirit of **partnership and business development**, we signed a memorandum of understanding with Suriname's national oil company Staatsolie Maatschappij Suriname N.V, to share best practices and explore opportunities for collaboration across multiple areas including exploration and production, trading and marketing and ESG.

We also continue to be a **key contributor to our national economy** and play our part in **supporting our local communities through our flagship programmes**, the details of which we share further in this report.

#### AN INTEGRATED APPROACH

Our sustainability strategy aligns stakeholder priorities with our company's Environmental, Social, Governance (ESG) risks and opportunities based on the fundamental objective of driving responsible and sustainable growth. We begin with a structured approach to determine our most relevant sustainability issues, objectives and performance measures, then look for ways to integrate sustainability practices into our systems and operations.

Notably, we have incorporated ESG thinking and sustainability criteria into many of our important business processes. This mainstreaming of sustainability in our decision-making, behaviours, and operations continues to be a priority for us to ensure that sustainability principles are built into our strategic planning, risk management and auditing systems, operations, product and service innovations for partners, customers, and the wider facets of our business.

We are seeing evidence of how this is helping to deliver value for our stakeholders, especially our employees and neighbouring communities. Developed based on our experience and carefully curated input from internal and external stakeholders, our approach continues to be focused on four core areas that we believe are relevant to our business and where we can have the most credibility: protecting our environment, building community capacity, supporting economic development and empowering future leaders.

Each core area also aligns with what we believe are four trends impacting our stakeholders: responsible actions, education and enterprise, being a good citizen, business resiliency and re-imagining work.

“ We continue to build on the momentum gained and embed structure, processes, discipline and rigour in driving safety at the heart of our company culture. Our successful Enterprise Risk Management process not only helped us identify and categorise key enterprise-wide risks but also helped us raise the bar on understanding the nuances of risk-based decision-making while supporting business growth. We are also continuously building our crisis response capability and deepening the understanding of sustainability/ESG in shaping our future. But there is still more work to do as we continuously improve and refine our programmes. ”

Wendell Secharan, HSE Leader



#### SUSTAINABILITY AND ENTERPRISE RISK MANAGEMENT

For us at Heritage, the interconnectivity between sustainability, strategic thinking, business resilience and enterprise risk is crucial. Risk management is a logical extension of sustainability, which helps us to mitigate risk and keep our business viable. To better reflect the deep connections between the two, we aligned sustainability/ESG reporting and our OMS under one business unit (BU) led by our HSE Leader with the Green Agenda project implementation embedded within our Land Business Unit.

Our commitment to this is evidenced in our Enterprise Risk Management (ERM) Policy which is largely based upon the ISO 31000 Standard for Risk Management. The policy also frames how we develop, implement, and continuously improve a framework,

the purpose of which is to integrate risk management into our organisation's overall governance, strategy and planning, management, reporting processes, policies, values and culture.

As good practice we also share a variety of HSE performance reports with various stakeholders, for example, our Environmental Safety and Health Performance Report and E-Waste Guidelines. Additionally, we share our annual ESG reports with prospective business partners when discussing long-term contractual agreements.

#### CATEGORISATION OF RISKS

During this reporting period, we used the ERM process to assess and document strategic risk materiality to the business. A total of **17 BU Risk Registers** were developed by each BU leader (also called

risk owner) with the support of the Risk Champions within their respective BUs.

**One hundred and twenty-three (123) risks** were reviewed by our Chief Executive Officer and Executive Leadership Team as the organisation's major risks and these were elevated as **Enterprise-Level Risks** i.e., applicable across the entire organisation.

The Enterprise-Level Risks were further grouped into **22 Risk Categories** of which the top five major ones are:

1. **Asset Integrity, Process Safety and Reliability Risk**
2. **Security Risk**
3. **Health and Safety Risk**
4. **Reserves Risk**
5. **Financial Management Risk**



## REPORTING

A comprehensive summary of these risks was reported to the Board, its Audit and Risk Sub-Committee and our CEO (all of whom have oversight of risk with the CEO having overall responsibility for the risk management process).

## ON-GOING ACTIONS AND CONTINUOUS IMPROVEMENT

The BU leader or risk owner, who is accountable for the identification, assessment, prioritisation and management of the risks within his/her respective areas, conducts performance reviews of these risks and implements Risk Mitigation Actions that are systematically reviewed and closed rigorously. The mitigation action closure of major risks is reported directly to the CEO on a monthly basis.

In line with our continuous improvement agenda, we are exploring an ERM software to support the more efficient tracking and monitoring of risks. Its use will help us align our risk management techniques to the company's strategic objectives and facilitate the integration of activities and outcomes across the organisation.

## HOW SUSTAINABILITY AND OPERATIONS WORK TOGETHER

Our sustainability goals support and inform much of what we do on a daily basis. For

instance, our focus on employee well-being emphasises talent development, growth and occupational health, three factors essential to identifying critical skills and helping employees reach their full potential.

In 2021 we created a new role on the Executive Leadership Team – Chief Operating Officer – under whose remit falls three new areas core to our business development; **Drilling, Engineering and Logistics**. Within this team of BU leaders in Land, Midstream and Offshore, the fledgling operations organisation very quickly hit the ground running, bringing **structure and process, including setting standards and templates, systems control** and a significant focus on **assurance, well integrity, work overs, talent management and effective logistics management**.

With a shared belief in the role of effective **environmental management in supporting and enabling a sustainability agenda**, especially as Heritage is the largest land operator among oil and gas companies in the country, we conceptualised the **green agenda road map** and are exploring other various ways of **practical innovation through areas such as materials disposals, gas recovery, bioremediation sites and an ambition for zero leaks**.

The nature of our business is that we utilise third-party contractors/vendors across the value chain to help us manage and deliver

our projects, supporting the provision of approximately 4,000 jobs nationally.

Our supply chain comprises approximately 1,470 vendors, grouped into five categories:

1. **Community (fence line)**
2. **Strategic**
3. **Non-Strategic**
4. **Consultants**

These cover a wide variety of work including **civil works, drilling and work over services, marine and mechanical services, electrical, instrumentation, IT, environmental and business consultancy services**.

Because of our focus on safe and ethical contractor management, we implemented a Contractor Management System to embed critical requirements and improve performance across all stages of the procurement cycle.

We also implemented a Certificate of Environmental Clearance (CEC) application process, aligned to the Environmental Management Authority's (EMA) mandate to assess the potential impact of our activities on the local environment. Activities or projects that require a CEC are outlined in the CEC Order, and the applicant must demonstrate throughout the process that potential significant negative impacts can be mitigated or reduced to an acceptable level. Only then will a CEC be issued. We are proud to have been able to fulfil

“ It is important that we as a company continue to embed excellence in how we manage and assure project delivery, particularly the deployment of people, resources and budgets. As a learning organisation, it is also critical that we continuously benchmark and develop our own understanding of how we perform versus industry standards, and where feasible, develop our own specific operating procedures and processes. I also believe that a key intersection point between sustainability and operations, is the effective management of daily waste across multiple areas: from emissions and bioremediation to gas recovery, materials disposal and an ambition for zero leaks.

The journey is well underway. ”

**Patricia King**, Chief Operating Officer



our regulatory requirements by gaining approval from the EMA for all projects during the reporting year.

## MATERIALITY ASSESSMENT Stakeholder Engagement

Our success depends on our understanding, anticipating and responding to an ever-changing world.

For our first report published in June 2022, we conducted our materiality assessment through interviews supported by digital documents to help identify sustainability issues that are perceived to be the most important to our partners, clients, employees and stakeholders. Using a risk-based analytical approach, we were able to filter and rank issues to build out our narrative.

During the current reporting cycle, we used the insights from our ERM system coupled with customised ESG module to engage our stakeholders internally. We were then able to compile a Disclosure Report with clear responses and relevant quantitative data, coupled with qualitative supporting documents.

And of course, as part of our 'business as usual' operations, we continue to carefully manage relationships with external stakeholders e.g., government, investment analysts, lenders, partners, contractors, suppliers, special advisors, industry associations, energy chambers, universities and our neighbouring communities.

In service of our materiality assessment process, we continue to analyse industry best practices and employee engagement surveys. Industry association memberships

and partner relationships provide another avenue for our teams to have dialogue on key topics relevant to sustainability.

In this second report we have made some significant progress. Over the next few years, we will continue to refine and improve our materiality assessment capability and agenda as we build our awareness and understanding of more complex concepts like 'double materiality' which is the use of a process for analysing relevance, e.g. testing in relation to areas such as science-based targets, societal norms, and direct financial impacts, to name a few.



# DELIVERING SOLUTIONS WITH IMPACT

## FIRST ESG FOCUS AREA:

### PROTECTING THE ENVIRONMENT



#### Embedding HSE at the Heart of Our Culture

We are on a rigorous journey to embed health, safety and environment into the heart of our culture, because we believe that in order to help manage the impact of our operations on the environment, we must get our internal systems right.

In our last report, we shared the need for our OMS to support the building of a strong safety culture. Over this reporting cycle, we have made considerable progress in embedding the OMS with our HSE team focused on six core areas:

- 1) **Process Safety**
- 2) **Environmental and Regulatory Compliance**
- 3) **Control of Work**
- 4) **Occupational Health**
- 5) **Crisis Continuity Management and Emergency Response**
- 6) **HSE Contractor Management**

Despite the challenges of managing through the pandemic as well, our teams continue to deliver on our commitments.

The embedding of our OMS into the fabric of our company required a relentless focus on implementation especially into the operational teams. From implementing a comprehensive process safety manual and control of work programme to calculating greenhouse gas emissions, bioremediation clean-ups, enterprise risk management assessments, occupational health, contractor and crisis response

management, it has been a landmark year of progress.

We also established a safety culture steering committee with the aim of supporting our transformation agenda. Designed as an engagement group and conduit across a spectrum of stakeholders (employees, contractors and supply partners), it plays a key role in establishing safety culture ambassadors to act as champions and coaches across our business units and contracting companies. With the first survey completed (and 855 responses), we embarked on several live engagement sessions with representatives from more than 100 contracting companies. These sessions were also conducted internally and included safety awareness, hazard identification, risk control and control of work.

We continue to build crisis management capability across the organisation, with our Business Support Team (BST) and Incident Management Team (IMT) roster that involves employee participation and rotations on a fortnightly basis.

**Some key achievements of the HSE BU (Occupational Health highlighted in Business Resilience section of report):**

- Permit-To-Work: 1,470+ people
- CoW, HITRA and EIA training: 120+ employees
- HAZOPs and TRAs
- 1st ESG report published
- GHG Venting Survey
- EMS – Stage 1 audit
- ERM – 16 registers
- HSE OMS Implementation: 70%
- Forest Reserve site clean-up completed
- 60 drill exercises
- 100% reliability ERVs
- Contractor management sessions: 100 companies
- Contract Scope of Works: > 70 requests; > 57 evaluations
- Self-verifications: > 4,800
- Safety Climate Survey: 855 responses
- 50% reduction in vehicular accidents

**HITRA:** Hazard Identification and Task Based-Risk Assessment  
**CoW:** Control of Work  
**HAZOP:** Hazard and Operability Study  
**EIA:** Energy Isolation Awareness  
**ERV:** Emergency Response Vehicle  
**TRA:** Tasked Based Risk Assessment  
**EMS:** Environmental Management System  
**ERM:** Enterprise Risk Management  
**GHG:** Greenhouse Gases



The following table shows our HSE performance metrics over the past three reporting cycles.

**HSE Performance Metrics (3 years 2019 to 2022):**

FOCUS AREA	LEADING INDICATORS	UNIT OF MEASUREMENT	2019-2020	2020-2021	2021-2022
HSE Leadership	Management Visits & Leadership Site Field Assessment	NUM	74	104	190
Employee Participation	Near Misses	NUM	87	11	30
	Employee Interventions (Behaviour-based Safety Observations)	NUM	699	564	3873
Control of Work	Self-Verifications	NUM	not yet implemented	709	3627
Contractor Management	Monthly Contractor HSE Meetings	NUM	15	68	86
FOCUS AREA	LAGGING INDICATORS	UNIT OF MEASUREMENT	2019-2020	2020-2021	2021-2022
Health and Safety* (Employees)	OSHA Recordables – Restricted Work Case	NUM	2	0	0
	OSHA Recordables – Medical Treatment	NUM	1	0	0
	OSHA Recordables – Work-related Fatalities	NUM	0	0	0
	OSHA Recordables – Lost Time Incident Frequency Rate (Incidents per 200,000 work-hours)	Rate	0.66	0	0
	OSHA Recordables – Lost Time Injuries	NUM	2	0	0
	First Aid Cases	NUM	8	4	2
Health and Safety* (Contractors)	OSHA Recordables – Restricted Work Case	NUM	0	0	10
	OSHA Recordables – Medical Treatment	NUM	2	3	1
	OSHA Recordables – Work-related Fatalities	NUM	0	0	0
	OSHA Recordables – Lost Time Incident Frequency Rate (Incidents per 200,000 work-hours)	Rate	0.24	0.05	0.11
	OSHA Recordables – Lost Time Injuries	NUM	4	1	2
First Aid Cases	NUM	6	6	17	

## GREENHOUSE GAS EMISSIONS

We continue to support Trinidad and Tobago's national low carbon agenda through our annual Greenhouse Gas (GHG) Emissions Inventory and Reporting. In 2022, we published our fourth report based on inventory of data from our dedicated GHG team.

Our GHG calculator was developed to calculate Scope 1, Scope 2 and Scope 3 emissions. The table below summarises the scope category and emission sources considered in the GHG calculator and inventory report.

### Emissions sources included in Heritage's GHG Emissions Inventory.

SCOPE	EMISSION CATEGORY	EMISSION SOURCE	EMISSION COMPONENT
Scope 1	Combustion	Stationary	Natural gas compressors
			Natural gas generators
			Natural gas pumps
			Natural gas steam generator
			Diesel compressor
			Diesel generators
		Mobile	Vehicles fleet (diesel and gasoline)
			Security (diesel)
			Vessel (offshore)
			Trucks (land operations)
			Fluorinated gases
	Fugitive emissions		
	Vented emissions		
Scope 2	Purchased electricity	Power consumption	
Scope 3	Wastewater treatment		
	Employee commute (diesel, gasoline, compressed natural gas (CNG), hybrid vehicles)		
	Purchase of goods and services		

It is useful to note at this point, that while a significant portion of GHGs is in Scope 3 combustion of downstream products, our commercial processes end at the point of cargo entry into the ship, i.e., the flange. As such, we are not aware of the cargo's final destination and unable to calculate combustion in the downstream. However, for our future reports, we intend to report

Scope 3 in our Joint Ventures and Alliance and Contracts Operators. We are currently evaluating and improving the data inputs to engage our partners and secure their participation.

Our GHG calculator was upgraded for this reporting cycle to include measured vented and fugitive data. We realised that we could improve the quality of our direct venting

measurement and hence conducted a quantification vented emission survey within our Land, Midstream and Offshore BUs as part of our Scope 2 emissions.

As a result of this innovation, and compared to the gas-to-oil ratio (GOR) methodology, we calculated significantly lower GHG emissions. The tables below summarise our GHG indicators over the past three years:

### January to December 2022 figures:

INDICATORS	MEASURE	2020	2021	2022	
<b>Energy</b>					
Energy Use - Fuel (Stationary)	MMBTU	3,153,375	3,328,440	2,916,489	
Energy Use - Fuel (Mobile)	MMBTU	763,573.32	204,067.11	239,894.38	
Energy Use - Electricity	Megajoules	152,494,272	225,595,044	139,546,751	
<b>Flaring</b>					
Total Flaring*	tCO <sub>2</sub> e	10,889	5,654	7,436	
<b>GHG Emissions (Scope 1)</b>					
				<b>*GOR</b>	<b>*Measured</b>
Carbon dioxide	tCO <sub>2</sub> e	219,986	226,133	216,556	211,529
Methane	tCO <sub>2</sub> e	4,920,898	4,767,425	5,339,988	1,412,476
Nitrous oxide	tCO <sub>2</sub> e	8,077	9,279	20,584	
HFC	tCO <sub>2</sub> e	1,125	86	21	
Total Scope 1 GHG	tCO <sub>2</sub> e	5,150,088	5,002,925	5,577,151	1,644,612
GHG Intensity Ratio	tCO <sub>2</sub> e/BBL	0.504	0.507	0.557	0.164

\*Flaring was measured on Mobile Offshore Production Unit (MOPU) platform and not across entire business.

INDICATORS	MEASURE	2020	2021	2022	
<b>GHG Emissions (Scope 2)</b>					
Carbon dioxide	tCO2e	22,683	26,321	20,389	
Methane	tCO2e	211	349	7	
Nitrous oxide	tCO2e	3,786	4,170	11	
Total Scope 2 GHG	tCO2e	26,682	30,842	20,408	
<b>GHG Emissions (Scope 3)</b>					
Total Scope 3 GHG	tCO2e	4,272	4,203	5,410	
<b>GHG Emission (Scope 1, 2 &amp; 3)</b>					
				<b>*GOR</b>	<b>*Measured</b>
Total GHG	tCO2e	5,181,042	5,037,971	5,602,970	1,670,431

The improved methodology provided more accurate measurements of Scope 1 (vented and fugitive) emissions.

There has also been a significant reduction of estimated methane emissions in our land

operations. Methane continues to be the main contributor as it represents 84% of total operational emissions and is the key compound in natural gas, being released during gas venting and directly emitted

into the atmosphere. It is also emitted by fossil fuel combustion when the fuel is not burned completely. As a result of our new methodology, it is clear to see that our Land and Offshore BU emissions are on par.

Carbon dioxide contributes to 14% of our overall GHG emissions, and our Offshore operations are the main contributor, accounting for 84% of the total CO2 emissions. Nitrous oxide and hydrofluorocarbons (HFC) contribute 0.3% and 0.002% respectively to total GHG emissions.

In 2022, Heritage transitioned from solely reporting GHG emissions annually to also including a fiscal (October 2021 to September 2022) report. The fiscal report was completed to align with production which is reported on a fiscal basis. The annual report will also be maintained based on the reporting requirement established by the

*Fiscal 2021-22 results below:*

GHG	tCO2e	
	*GOR	*Measured
Carbon dioxide	240,439	235,367
Methane	5,383,297	1,416,046
Nitrous oxide	18,246	
HFC	29	
<b>TOTAL</b>	<b>5,642,012</b>	<b>1,669,690</b>

*Vented and Fugitive data from 2022 survey (taken over 6 month period):*

Business Unit	Quantified Emissions (SCFD)		
	Fugitive	Vented	Total
Land	446,036	4,602,642	5,048,678
Offshore	601,629	3,530,180	4,131,809
Midstream	20,508	28,100	48,608
<b>Total</b>	<b>1,068,173</b>	<b>8,160,922</b>	<b>9,229,095</b>

Ministry of Planning and the Environmental Management Authority (EMA).

#### VENTING SURVEY

Measuring direct venting was identified as an opportunity for improvement from our last reporting cycle and in this year, we took the initiative to conduct a quantification vented emission survey within our Land, Midstream and Offshore BUs as part of the Scope 1 emissions; and at four blocks within our Business Development BU Alliance & Contracts Operator Blocks as part of Scope 3 emissions. The survey was conducted using Infrared (IR) Optical Gas Imaging Technology. The vented emissions

were measured at pressure relief valves on production tanks and vent stacks.

Based on the data collected from the venting survey, our total quantified methane emissions was 9,229,095 SCFD (standard cubic feet per day). The Land operations accounted for 54.7%, followed by the Offshore operations which accounted for 44.8%, the Midstream Business Unit was the lowest contributor to vented methane emissions, which is similar to what was detected using the GOR method of emission calculation.

In order to improve our emissions reporting, we revised our GHG calculator to include both the vented emission data, and the GOR reporting methodologies.

The respective BUs diligently developed a programme to assist with the closing of fugitives' leaks reported from the survey, and thus far, approximately 30% have been closed off in the Land BU and 5% in the Offshore BU.

## WASTE MANAGEMENT

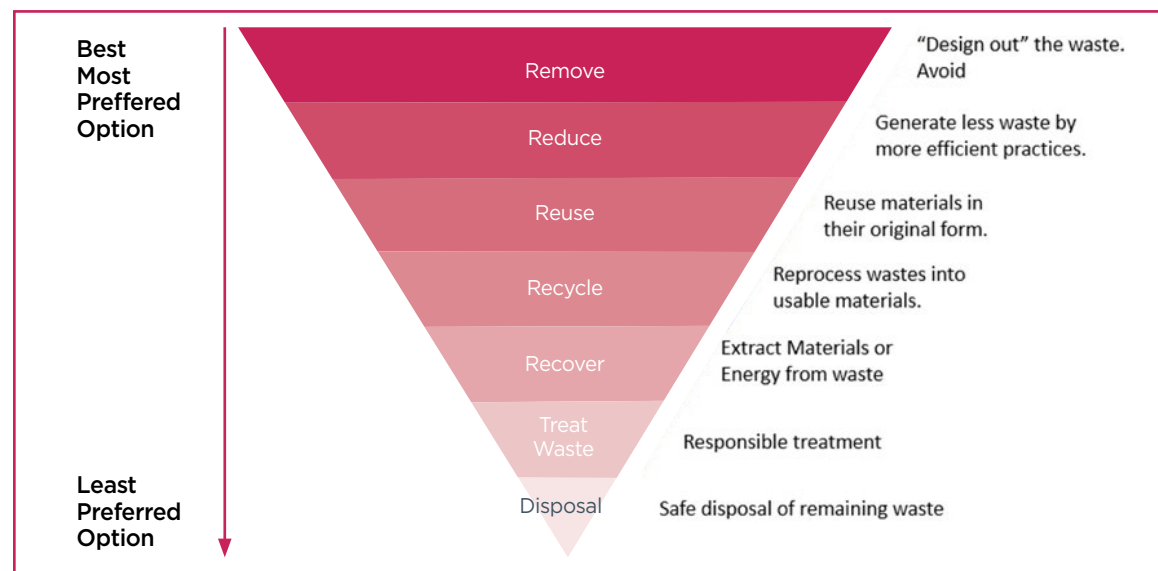
We appreciate the importance of effective waste management (WM) in helping us utilise resources more effectively and sustainably. It has strong impacts on different sectors of society, specifically in terms of environment and health, but also related to various aspects of national, regional and global sustainability.

Within our sector, particularly in a twin-island nation like ours, it is even more critical due to changing consumption patterns, weather conditions and a greater focus on life cycle, circular economy and environmental impacts. A key issue in developing countries is efficiency in the use of natural resources, and consequently, protecting human and environmental health. Smaller, disadvantaged communities are more likely to be exposed to inappropriate waste management, which can undermine sustainability efforts.

Our waste management methodology focuses on four key areas:

1. Waste Identification, Classification, Waste Streams, Characterisation and Analysis
2. Waste Collection, Segregation, Transfer, Transportation and Disposal
3. Documentation, Monitoring, Reporting and Auditing
4. Emergency Response/Incident Reporting

We have taken a methodical and phased approach to implementing our WM plan, carefully considering the context and challenges we face as a major land operator. Some of our progress to date includes:



1. Obtaining approval for our Waste Management Procedure
2. A full review of our Waste Manifest Form
3. Completion of our Waste Characterisation Exercise to understand the different waste streams across our operations

During this reporting year, we also completed a clean-up of the Forest Reserve and Central Los Bajos bioremediation sites; spending \$5M and removing 2,486 and 5323 cubic metres of waste respectively, sending

them to Environmental and Remedial Treatment for Hydrocarbons (EARTH) for bioremediation. This area contained spill material from the legacy company as well as material from spills during our tenure.

Eighty-nine internal recycle bins and a solar compactor were also purchased to commence our recycling efforts. Operational pits in our Tank Farms (Pt Ligoure, PFC, Adventure and Bernstein) and Tanks (in Land/ Midstream BU) were cleaned and the materials removed and sent for bio-remediation at an approved waste disposal company.

We also have a yearly contract with an approved waste disposal company to dispose of oily waste from our Land, Midstream and Offshore operations.

## BIODIVERSITY MANAGEMENT

Our Heritage Biodiversity and Ecosystem Management Procedure was created to help us manage the biological diversity within our operational acreage and manage the associated impacts of its operations in the surrounding environment.

We do recognise that our operations can have significant environmental impacts on biodiversity, hence we aim to preserve the ecosystems and the biodiversity contained within the areas in which we operate through this procedure, systems implemented and regulatory compliance.

We believe that we can achieve this by identifying, assessing, and managing the risks across the life cycle of our operational activities, from pre-approval to closure. We focus on: prevention, management, and remediation as well as partnering with local stakeholders for environmental sustainability.

It is important to note at this time, however, that during the reporting year, there were a few minor incidents that were managed effectively by our incident management teams. For example, for the minor oil spill that impacted Vessigny River and environs, we successfully engaged an established wildlife conservation agency in November 2021 to capture, treat, rehabilitate and relocate all impacted and affected wildlife.

## LOW CARBON/GREEN AGENDA PROJECTS

We play a major role in T&T's National Steering Committee on CCUS/EOR CO<sub>2</sub>, with the aim of implementing a strategic CO<sub>2</sub> EOR project to reduce carbon dioxide emissions while increasing T&T's oil revenues.

This committee, chaired by the permanent secretary of the Ministry of Energy and Energy Industries, comprises our CEO and leaders from the Ministry of Planning and Development of Trinidad and Tobago, the Ministry of Energy, The University of the West Indies, the University of Trinidad and Tobago and The National Gas Company of Trinidad and Tobago.

In late 2022, the committee succeeded in establishing the project and resourcing the project manager's role with one of our senior managers. This is a key development for us at Heritage as parallel and in sync with this, we progressed our internal 'Green Agenda' by conceptualising and framing our road map as well as a preliminary internal project team to scope our programme structure, key deliverables and resourcing requirements.

Our key areas of focus will be:

1. Methane Reduction
2. CCUS/EOR: Carbon Capture/Enhanced Oil Recovery Storage
3. Waste Management

Over the next year, we aim to integrate the various areas under a cohesive strategy aligned to our new business strategy, which is currently being worked on.

## ISO 14001:2015 CERTIFICATION

In 2022, we engaged Environmental Resource Management Certification and Verification Services (ERM CVS), a leading International Organisation for Standardisation (ISO) assessor company to conduct our Stage 1 Audit for ISO 14001:2015 certification. The outcomes of the process helped us identify our strengths and areas for development, and it was recommended to continue to Stage 2 (Certification) Audit pending our successful implementation of Corrective and Preventative Actions (CAPA) - to address the final implementation of the international standard.

### MANAGING THE INTEGRITY OF OUR ASSETS

In our previous report, we shared our priority risk reduction plan to support major integrity project execution across our entire business covering our operations BUs.

Over the past year, we continued to build on the areas that we identified as priorities in ensuring the reliability of our operations and safe delivery of production targets.

Our Work Management (Maintenance) Business Process and our Computerised

Maintenance Management System (CMMS) platform, have enabled us to make progress in various areas. For example:

IN MIDSTREAM, THE TEAMS:	AND IN OFFSHORE THEY:	AS WELL AS IN LAND:
Decommissioned Tank 4 at Galeota	Completed above water inspection – phase 1 and annual cathodic protection surveys	100% of above ground transfer lines were inspected by certified API inspectors, risk ranks and prioritised for repairs
Cleaned 3 Tanks, and Inspected Top 20 Tanks	Performed 80 topside piping and repair riser jobs including decommissioning at 3 locations	437 bulk and test tanks were inspected by certified API inspectors
Performed mechanical & civil upgrades to Tank 10 Point Ligoure	Completed well stabilisation works at 3 locations	All relief valves on the transfer pumps were checked and inspected
Performed slops recovery at Los Bajos	Completed engineering and boat landing inspection at platform 14	Carried out statutory inspection on Steam Generator 17 and 701
Inspected 450,000 ft of cross-country pipeline	Completed inspection, repairs and recertification for pressure vessels, safety valves and Unit 44 and CP2	80% of all flowlines from wells 10+ bopd were inspected by certified API inspectors, risk ranks and prioritised for repairs
Pit cleaned 3 tank farms		20 new tanks on site were constructed
Completed vessel inspection on all facilities		
Completed metering at 4 sites	Inspected 4 overhead and 1 mobile crane.	
Completed pre-FEED for GS-37 Gas Recovery System		10 bulk tanks were repaired according to API 563

In our Land Business Unit, the establishment of the Asset Integrity Six-Step Plan was a major step in shaping a mechanical maintenance philosophy — an approach that considers risk-based limitations and finding the best fit (given the constraints) to satisfy the company’s production and safety requirements, while moving to reliability-centred maintenance later on.

An asset integrity supervisor was onboarded in early 2021 and within a year, inspections were completed at six locations, 659 high priority anomalies identified and an implementation plan initiated in April 2022.



**Step 1:** Carry out field assessment of the identified asset. Document the operating conditions required for the equipment and process safety information

**Step 2:** Reactive Approach Using the Heritage Risk matrix, develop a preliminary Risk Ranking using the Heritage Risk Matrix using:

1. History/Known Issues
2. People Risk/Environmental
3. Production impact

**Step 3:** Using the priority ranking from step 2, deploy the inspection team to the field to gather the following data:

1. API certified inspection report
2. GPS coordinates

**Step 4:** Engineering Team to execute API RP 579 (Fitness for Service) evaluation of the equipment using the data collected in step 1, 2 and 3.

**Step 5:** Using the Heritage Risk Matrix and the analysis carried out, develop the risk ranking for the piece of equipment

**Step 6:** Proactive Approach. Plan/Design/Budget for a suitable solution to reduce the risk profile of the piece of equipment

### HSE CONTRACTOR MANAGEMENT

We recognise the importance of proper front-end loading in risk reduction and implemented a digital process by which the necessary HSE requirements and evaluation criteria can be included for all scopes of work, covering over 120 contracts and evaluation of over 80 bid submissions in the past year’s supplier tendering processes.

In the spirit of partnership and transparency, we encourage open communication and consultation with our contractor workforce, proactively having structured sessions with them covering: onboarding, interventions and training. A key component of the scope of work is our HSE requirements and these are monitored using Self-Verifications (SVs), inspection and audits. We have also implemented more comprehensive HSE audits for contracts involving high-risk work activities and these have been successful in helping us address non-compliance.

**SECOND ESG FOCUS AREA:  
BUILDING COMMUNITY CAPACITY**



Embedded into the fabric of our company culture is our commitment to the safety and well-being of our neighbouring communities.

In our last report, we highlighted the areas that we believe have a tangible impact on the livelihoods of people, namely education, agriculture, culture, volunteering, and the environment.

Over the years as T&T's oil and gas sector evolved, communities sprouted around the land operating assets. This created, as in many other hydrocarbon provinces around

the world, the need to develop community capability, capacity and the ability to manage the environment with care.

There is also an inherent risk that we manage closely in our Midstream and Land operations as people, over time, have built their homes within close proximity of our assets. This proves to be a challenge that we manage carefully every day and even more so if there is an incident such as a spill.

Our country also has a respected and sophisticated corporate responsibility ecosystem, with the state and international

oil companies historically investing in a wide range of programmes that impact the triple bottom line of people, planet and prosperity.

We at Heritage focus on activities with which we believe we can make the most credible and meaningful impact:

- Sponsorships
- Donations
- Scholarships
- Safety and Security
- Biodiversity and Wildlife Protection
- Employee Volunteering





## Serving Our Neighbouring Communities – Some Highlights

During the 2021 Christmas season, we collaborated with local and central government leaders (members of parliament and councillors) to provide families with toys and hampers. Communities from Penal, Barrackpore, Guayaguayare, Point Fortin, Cedros, Fyzabad, La Brea, Santa Flora and Palo Seco were presented with some much-needed joy and support during such a festive time.

Our flagship programmes also continued well into 2021 and 2022.

Four pupils from our neighbouring communities of Palo Seco and Santa Flora received our Heritage Education Resource Opportunity (HERO) scholarships for outstanding performance in their Secondary Entrance Assessment (SEA) examinations. The pupils were each awarded \$100,000 to support them with their educational expenses as they transition into secondary school and through to university over the next 10 years. This brings the cumulative number of HERO scholarship recipients to 11 over the past three years.

We also distributed 20,000 seedlings through our HERE WE GROW programme to neighbouring communities in Point Fortin and Palo Seco, as well as to primary

and secondary schools. Here We Grow is a bespoke programme aimed at equipping households within our neighbouring communities to grow what they eat and train and support individuals to make their farming initiatives more economically viable.

And of course, we continued to support the Point-a-Pierre Wildfowl Trust with \$500,000 in sponsorship funds to help them offset operational expenses. A major milestone was achieved with the trust being recognised as one of the world's best wetland visitor centres and was awarded the Star Wetland Centre Award, an initiative coordinated by Wetland Link International (WLI), to recognise best practices in ecotourism and education at wetlands around the world.

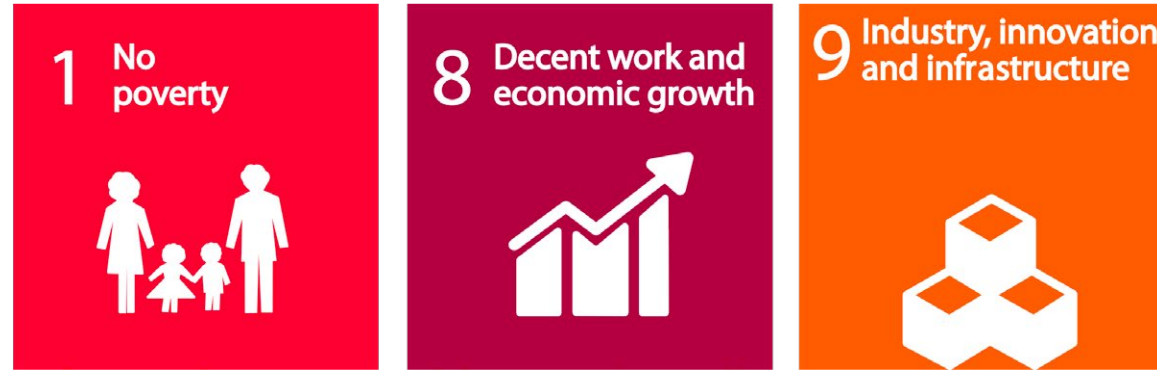
Finally, we constantly seek opportunities to deepen our partnerships with the Ministry of Local Government, the Ministry of Agriculture and the Ministry of Youth Development and National Service. We continue to meet with local government officials and representatives and conduct regular stakeholder meetings for key projects as part of our CEC process.

### Key Stats

- \$500K in sponsorship to the PAP Wild Fowl Trust
- 4 new HERO scholars onboarded (now 11 over 3-years)
- \$400K in scholarships awarded
- 20,000 seedlings distributed for Here We Grow programme
- 450 toys distributed
- 1450 hampers distributed



**THIRD ESG FOCUS AREA:  
SUPPORTING ECONOMIC DEVELOPMENT**



We continue to play an active part in the economic fabric of our nation. A proud major net earner of foreign exchange and a major contributor to our government's tax revenues, we are also an employer and supply chain partner that helps facilitate the livelihoods of our citizens and contributes significantly to the country's socio-economic prosperity.

Over this reporting year, we paid \$4.8 billion in taxes (namely supplemental petroleum tax, petroleum profits tax, royalties and levies), which accounted for 8.9% of all revenues collected by the state. We also hired 68 new permanent and fixed-term employees and through our third-party contractors/vendors across the value chain,

we support the provision of approximately 4,000 jobs nationally. In 2021-2022, we paid \$205 million in employee wages and benefits.

Our compensation practices are aligned to industry standards and are compliant with the State Enterprise Performance Manual. Recruitment and selection, as always, are fair, transparent and consistent. This helps us to provide equal opportunities without discrimination and any other basis prohibited by law.

From a supply chain perspective, our Code of Ethics governs all of our interactions, including those with suppliers, and outlines our commitment to all applicable laws and regulations, including the Procurement

Act. Our supplier vetting process includes evaluating suppliers' performance and conducting an on-site audit to ensure ethical treatment of their employees, including the absence of child labour.

**Key Figures**

- \$4.8Bn in Taxes (8.9% of revenues collected by the state)
- 94% of total spend on goods and services with local suppliers
- c.1,470 local invited vendors
- c.4,000 jobs: employees and third-party contractors
- \$205Mn paid in employee wages and benefits



**FOURTH ESG FOCUS AREA:  
EMPOWERING FUTURE LEADERS**

**4** Quality education



**8** Decent work and economic growth



In addition to the scholarships we provide, as in the HERO programme detailed earlier in this report, we also invest in on-the-job training, work experience and mentoring programmes.

Two of our flagship programmes, Graduate Trainee and Student Mentoring, continue to provide practical and invaluable work experience to help participants improve their employability in the job market. Our first cohort of 19 multi-disciplined young leaders had their graduation last year and are now moving forward with their careers.



Our mentoring partnership with the Society of Petroleum Engineers continues to be a progressive and valuable programme, inspiring our six students in their academic journey to date.

But we also developed our more experienced professionals, investing needs assessment-based training, coaching and engagement, proactively listening to their

views on how they think we can improve our sustainability efforts. Here what two of our emerging leaders, Melissa and Saul, have to say:



**Melissa Persad**  
Operations Engineer

Having joined Heritage in 2019, Melissa is responsible for the management of process chemicals offshore on approximately 25 locations, lending process engineering support for flow assurance issues and assisting in the design of new installations offshore. She is also involved in the calculating of our offshore greenhouse gas emissions.

Excited about our company's initiative to quantify and reduce our greenhouse gas emissions, she proactively participates in a project to identify and quantify gas leaks offshore. She is also leading a project to reduce methane emissions by commissioning a flare system for 2-3million standard cubic feet (mmscf) of natural gas being vented daily. This has now enabled us to embark on a project to utilise this gas in the near future by running a sub sea pipeline to export the gas for usage in another field or as sales gas.

She also believes that asset integrity management is a challenge on the offshore wells and platforms and there is a need for an increased focus in this area. She is confident that we are headed in the right direction with strong leadership and a committed team to go as green as we can.

Saul joined Heritage in early 2020 and is responsible for implementing HSE policies and procedures in daily offshore operations, with a strong focus on incident reduction, regulatory conformance and embedding a robust safety culture across the business unit. He also supports growth and stability projects on the engineering team.

He is inspired by the steps we've made thus far in our low carbon/green agenda, particularly our focus on reducing our operational carbon footprint. He supports our drive to reduce carbon emissions through innovative thinking and believes that a reduction in venting will play a key role in reducing the effects of climate change while also improving the efficiency of our business operations.

Saul also thinks that we should continue our focus on asset integrity management and finding ways of implementing technology to overcome the challenges of managing mature brown field operations. He also believes that we can take a holistic approach to addressing our low carbon agenda, encompassing wider aspects of the environment.



**Saul Bhagwandeem**  
HSSE Team Lead



# BUSINESS RESILIENCE

## OCCUPATIONAL HEALTH

Safe and healthy people are happier and more productive – this we know. As part of our resilience and culture building agenda (and key to embedding our OMS), is the need for a robust Health Management System (HMS) focused on systematic health and occupational hygiene programmes, improving health capabilities, and promoting the wellness of all our employees across the company.

Our fundamental objective is to prevent harm and carefully manage the health of our employees, contractors, visitors and neighbouring communities by comprehensively identifying, assessing, evaluating and controlling health and occupational hygiene risks.

Our Occupational Health Team achieved a landmark milestone in establishing our Health Data Management System and has been relentlessly focused on systematically refining our HMS by conducting self-verifications and checks to monitor the performance of health and industrial hygiene.

Our Bespoke Wellness Programmes include:

- 8-weeks of Tai chi
- Pulse oximeter care packages
- Flu shots
- Lunch & Learns on: diabetes, alcoholism, weight management, etc.
- Employee Assistance Programme (EAP)

They also successfully conducted a volatile organic compounds (VOCs) profiling study at our tank farm facilities to evaluate occupational exposures of VOCs and chemical exposure risk to laboratory personnel at the Santa Flora Laboratory.

VOCs are emitted as gases from certain solids or liquids and include a variety of chemicals, some of which may have short- and long-term adverse health effects.

The insights gained from our VOC profiling study enabled our team to identify specific areas for intervention and improvement.

The team also implemented a range of occupation and hygiene procedures that enables us as a company to leverage the science and professional judgement in anticipating, recognizing, evaluating and controlling exposure to occupational hygiene hazards.

Occupation and Hygiene Procedures:

- Chemical management
- Fit to Work & OGUK medicals
- Benzene management
- Hearing conservation
- Manual handling
- Ergonomics
- Fatigue management
- No smoking policy
- Dangerous animals encounters
- Drugs & alcohol





### CORPORATE SECURITY

One of the silent runners of our company is our corporate security team – the people who protect our people, assets and neighbouring communities as well as help us minimise loss of time because of safety breaches or violations.

From highly successful crime suppression exercises to strategic mobile patrols (that supplement the existing security mechanisms) they also implemented access control measures at our Forest Reserve gates which has led to a more secure and controlled environment.

The team focused on seven key areas that are relevant to supporting our business operations:

- 1) Safety
- 2) Loss profile
- 3) Recoveries
- 4) Technology
- 5) Physical
- 6) Training
- 7) Policy

Over this reporting year, security incidents (larceny and malicious damage) were reduced by approximately 33% (166 to 115), with a corresponding monetary value reduction of approximately 53%. They also recovered 71.5 tons of ferrous materials and roughly \$1.4 million worth of company

items ranging from vehicles to compressor cylinders.

They also successfully implemented a comprehensive technology-focused security monitoring programme from video surveillance and remote cameras to 4G/GSM antennas, access control and alarm systems across our offices, operating sites across the country. The impact was substantial as there were no further security breaches at Forest Reserve as well as the reduction of larcenies and several recoveries.

The installation of physical security barriers, fencing and metal cages at critical and vulnerable sites were also successfully completed. The security team also underwent rigorous international standard training and certification and are particularly proud of the 53 female employees that underwent security awareness training as a first cohort. Finally, the team implemented a range of policies and procedures to support the OMS implementation and help build resilience.

### IT & CYBERSECURITY

We continue to build our capabilities in leveraging backbone technology to drive productivity and manage our business processes across the company. The following areas were addressed with almost immediate benefits being realised, from the



speed and quality of programme delivery to down time reduction and collaborative, hybrid working:

We are also focused on minimising the likelihood and impact of cybersecurity incidents on our business operations and protecting business-sensitive, partner and personal proprietary information from the likelihood of data fraud, loss, sabotage, and theft.

For example, we implemented an artificial intelligence solution supporting real-time reviews of our assets through the

identification and automatic remediation of breaches and the implementation of cybersecurity controls.

Areas addressed that delivered almost immediate results:

- Fleet management tracking and mobile asset management
- Supervisory Control and Data Acquisition (SCADA)
- Clamps management
- New emergency radio contract
- Agile deployment of laptops

- Integrated business planning (Finance)
- Document management systems (Business Development & HSE)
- Secure, cloud-based central repository system
- HR performance dashboard
- Network availability
- Desktop management

## PEOPLE AND CULTURE

As our organisation continues to evolve, we are committed to investing in all aspects of our employee experience. We recruit talent based on skills, competencies and business needs. As the trend of reimagining work continues to grow with the advent of new technologies and a younger workforce, this new world of work accelerates the demand for digital-based skills and the upgrade or shift in core and technical skills. This includes adapting our human resources focus to ensure that we remain well-positioned and ahead of the curve where possible. Our challenge is to provide business intelligence tools, skills development, and targeted recruitment strategies to keep our business and our employees ahead of evolving workforce trends.

As stated in our previous report, our Human Resources' Strategic Plan is aligned to our organisation's corporate strategy and is comprised of four key elements (each with its supporting building blocks): 1) Building and Sustaining a High-Performance Culture, 2) Becoming an Employer of Choice, 3) Building an Agile Workforce and 4) Being a Fit for Purpose Organisation Structure. We believe that this cohesive approach across all elements helps provide assurance that the organisation is equipped with the right resources in the right place at the right time, helping to create a safe and productive work environment for all.

During this reporting period, we hired 68 new permanent and fixed-term employees and had a turnover rate of 5.2%. Our remuneration policy continues to be benchmarked against and aligned to industry standards within the parameters of being a state company.

We continue to invest in building our people capability with training activities aligned to our needs assessment and organizational initiatives. Due to the current stage of our life cycle, we focused on start-up initiatives and the implementation of SAP modules (all), coupled with specific training interventions. We also continue to benchmark our remuneration to industry standards within the parameters of our being a state company.

The resiliency of our organisation's culture was continuously tested throughout the COVID-19 pandemic, and throughout this period, through thoughtful planning and careful execution by our teams, we were able to maximize our hybrid working model while maintaining employee health and safety as our top priority.

And of course, we place great emphasis on how we build our internal team spirit and culture through: Employee Recognition (our annual INSPIRE Awards), thematic team building events across the year and family and fun days.

As a national leader in the oil and gas sector, we know that our continued success will depend significantly on our talented 100% local workforce, which will continue to be a key driver of our ESG agenda.

### AVERAGE # OF TRAINING HOURS BY JOB CATEGORY AND GENDER SPLIT:

	2020-21	2021-22
<b>Gender</b>		
Male	36	57
Female	25	41
<b>Job Category</b>		
Support	38	23
Technical/Administrative	28	74
Managerial	48	39
Lead	17	46
Supervisory	53	55
Professional	25	46
Senior Professional	34	69
Senior Technical	9	34
Executive Leadership	6	29



## EMPLOYEE SPOTLIGHTS



**Candis James**  
Landman in the Law & Land Management  
Business Unit

*'I am immensely proud to be part of a growing organisation that genuinely cares. Our support for our neighbouring communities through our Day of Volunteerism and our HERO Programme, for example, have become the gold standard that we must maintain. I must also applaud our internal drive to holistically support and care for our employees. I feel at home in a place that shares my passion to give'.*

With 23 years' experience in conveyancing (18 of those in oil and gas), Candis joined us in 2019 as Landman within the Law & Land Management BU, looking after our freehold and leasehold interests. A key member of the team, she has been instrumental in securing our rights to drill and operate, reducing our liabilities and exposure to litigation and the payment of royalties to the state.

As an emergency medical responder and ardent volunteer, Candis is instrumental in rallying her colleagues to provide hampers to underprivileged persons in our neighbouring communities when our staff conduct field visits. Passionate about giving, she is a true team player who prides herself on earnestly assisting whenever and wherever she can, giving time, resources, advice and guidance to her team and wider community members. One Team, One Journey.

*'I believe that it is our people who will drive the changes necessary to improve the environment. We must ensure compliance and educate the public to make them change agents'.*

Over the three decades Desiree has been in the local oil and gas sector, she has experienced firsthand the challenges of ensuring the integrity of contract management across the supply chain function.

Having played a key role in establishing the company's vendor registration system in a relatively short time frame (less than six months), Desiree helps drive visibility and compliance across Heritage's wide array of vendors, enabling the execution of key contracts in drilling, production, marine services and asset integrity, with speed and accuracy.

As with any growing business moving at pace, she believes that managing employee morale and communicating effectively are key to ensuring that there is cohesion and camaraderie across teams, thereby breaking down silos and acting as one team. She is also a firm believer in carefully managing health and well-being, not only within the employee base, but also among the thousands of contractors working with Heritage.

Finally, she also believes that Heritage has a key role to play in helping to improve the environment. She is excited about the company's move to publish its second ESG report and looks forward to continuing to be a part of a team that is moving ahead with pace and care. One Team, One Journey.



**Desiree Lord**  
Registration Coordinator  
in Supply Chain Management



## GOVERNANCE

Heritage Petroleum Company Limited and our Board of Directors are committed to implementing sound and transparent corporate governance principles that strengthen accountability, oversight, and alignment with our key stakeholders.

Our corporate governance efforts are highly focused on effectively managing risk and preserving long-term, sustainable value for the benefit of our stakeholders, our employees, and the broader ecosystem in which we operate. Our corporate governance framework is guided by our Certificate of Incorporation, Bye-Laws, Board Committee Charters, Code of Conduct, Ethics and Compliance Charter, and other relevant policies.

### Role of the Board of Directors

Among its primary responsibilities, the Board oversees our strategic and business planning processes, monitors corporate performance, and assesses the integrity and effectiveness of our internal controls, legal procedures, ethics, and compliance programmes. Beyond these core responsibilities, the Board is also responsible for establishing and maintaining the most effective leadership structure for the company as well as overseeing the Executive Leadership Team.

The roles of the Chairman of the Board and the Chief Executive Officer are separate, with the Chairman's role being filled by an independent director, appointed by the

State. This structure affords independent Board leadership while allowing the Chief Executive Officer to focus on the company's business and operations. Nevertheless, the Board also believes it is both appropriate and strategic to retain discretion and flexibility to occasionally alter its structure to ensure optimal leadership of the company.

The Board regularly reviews the skills and experience required to properly oversee the interests of the company and its stakeholders. Our Board believes that the directors and executive officers have the appropriate mix of expertise, experience, skills, qualifications, and attributes necessary to effectively lead the company.

**Trinidad Petroleum Holdings Limited (TPHL) Board Members:** Michael Quamina (Chairman), Reynold Ajodhasingh (Deputy Chairman), Vincent Bartholomew, Peter Clarke, Newman George, Joel Harding, Selwyn Lashley George Leonard Lewis, Reza Salim, Ryan Toby and Antonio Declan Ross.

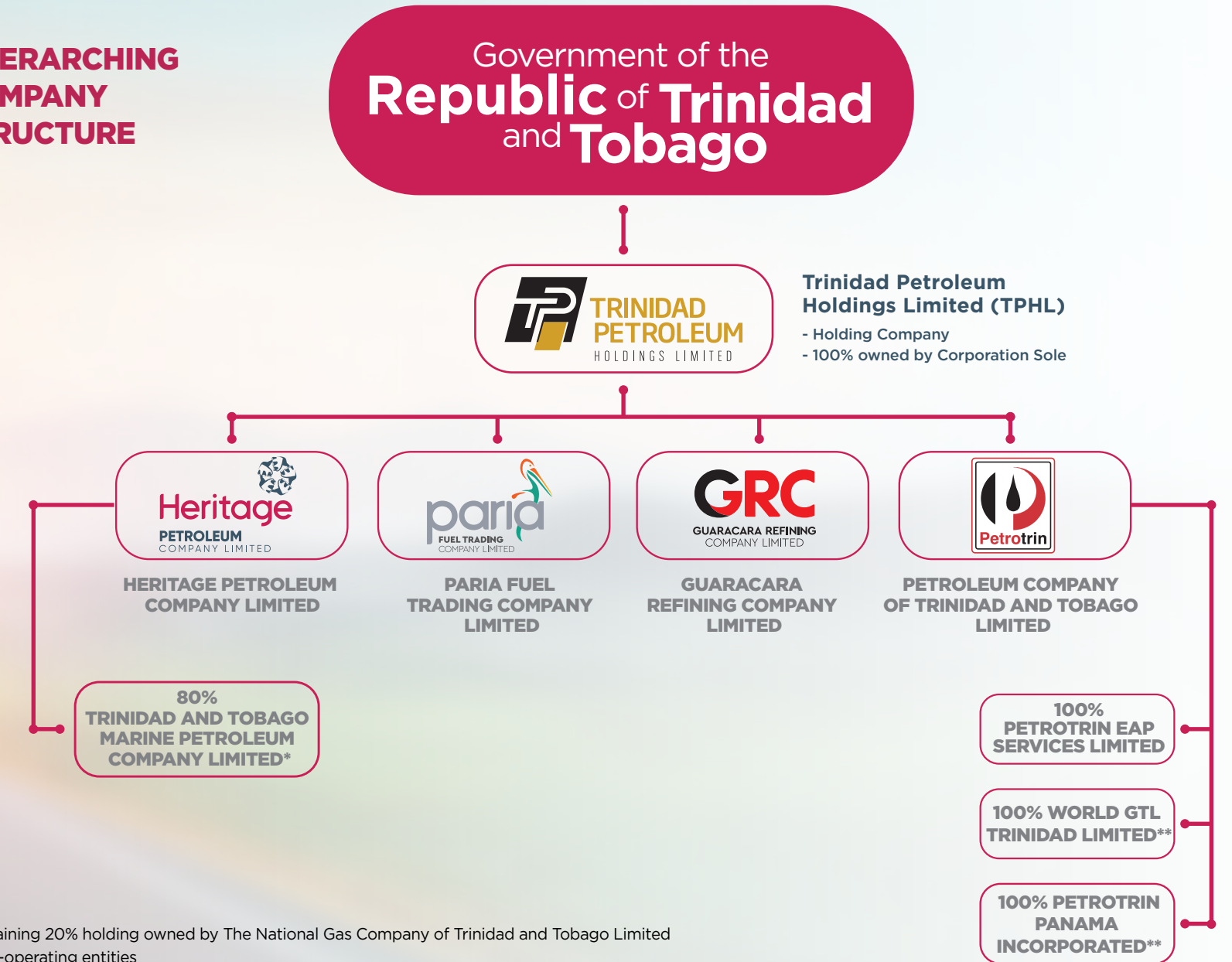
All members are non-executive and independent and generally have a two-year tenure that is renewable by Corporation Sole under the Ministry of Finance. Under the State Enterprises Performance Monitoring Manual, Board members have an annual performance appraisal report.

### Board Composition

Our Board and its five sub-committees provide guidance and oversight for the company. Each committee has adopted formal charters that describe in detail their purpose, organizational structure, and key responsibilities.

Our directors bring diverse skills and experiences to the Board, including executive management, leadership, finance, financial reporting, manufacturing, engineering, technology, product commercialisation, expertise in the oil and gas industry and risk management. The Board strongly believes that the current mix of directors provides the company with an appropriate balance of knowledge, experience, and capability, allowing us to leverage institutional experience and knowledge in addition to new viewpoints and ideas.

## OVERARCHING COMPANY STRUCTURE



There are five Board Committees that are responsible for different topic areas such as:

**AUDIT AND RISK COMMITTEE:**

**Purpose:**  
To assist the board of directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the company's process for monitoring compliance with laws and regulations and the code of conduct.

- Members:**
- Ryan Toby (Chairman)
  - Selwyn Lashley
  - Vincent Bartholomew

**OPERATIONS AND SAFETY COMMITTEE:**

**Purpose:**  
To ensure that the business achieves its strategic goals by carrying out its operations and production activities, asset integrity maintenance, in a safe and efficient manner that promotes sustainability, operational excellence, process safety, strategic objectives, and maximisation of value in accordance with the Petroleum Act and Regulations, the exploration and production licences/oil mining leases and other regulatory framework and the Environmental Management Act.

- Members:**
- George Leonard-Lewis (Chairman)
  - Selwyn Lashley
  - Vincent Bartholomew

**FINANCE, INVESTMENT AND STRATEGY COMMITTEE:**

**Purpose:**  
To assist the Board with financial planning and management, capital investment analysis and allocation and strategic core asset acquisition/disposition.

- Members:**
- Peter Clarke (Chairman)
  - Reynold Ajodhasingh
  - Joel Harding

**HUMAN RESOURCES & CORPORATE COMMUNICATIONS COMMITTEE:**

**Purpose:**  
To assist the Board in ensuring alignment with the strategic direction of the company, the development of its human resources strategy and the management of relationships and continued interface between Heritage and its employees.

- Members:**
- Newman George (Chairman)
  - Reza Salim
  - Michael Quamina

**PROCUREMENT AND TENDERS COMMITTEE:**

**Purpose:**  
To assist the Board in ensuring that the business achieves its strategic goals by carrying out its sourcing and procurement activities in a consistent, fair and transparent manner that promotes sustainability, operational excellence, strategic sourcing, and maximization of value from the supply chain in accordance with the Supply Chain Management Policy of the company, the Public Procurement and Disposal of Public Property Act and Guidelines issued by the Office of Procurement Regulation.

- Members:**
- Reynold Ajodhasingh (Chairman)
  - Vincent Bartholomew
  - George Leonard-Lewis
  - Joel Harding

## Risk Management

The Board, either directly or through one or more of its sub-committees, reviews the company's business strategy and management's assessment of related risks, and discusses with management the appropriate level of risk response depending on the market environment and other relevant factors. The Board relies on each Board committee to oversee the management of the specific risks related to that committee's function.

The goal of the company's risk management process is to understand and manage material risks impacting our business' objectives. Additionally, we view a fundamental part of risk management as understanding what level of risk is appropriate depending on the market environment and the specific issue in focus.

The impact of COVID-19 is examined at Board meetings from angles ranging from HSE, corporate security, operations, finance, and human resources. This remains a key item on the TPHL Group Board portfolio.

While Heritage's executive management team is responsible for establishing our business strategy, identifying, and assessing the related risks, and establishing appropriate risk management practices and controls, the Board also oversees the risk management process to support the achievement of organisational objectives, which includes improving long-term performance, and ultimately enhancing shareholder value. The Board's key responsibilities around for risk management are primarily actioned through the Audit and Risk Committee.

The Audit and Risk Committee is primarily responsible for overseeing the company's risk management processes on behalf of the Board and regularly discusses and considers the processes by which management and relevant departments assess and manage the company's exposure to risk. Furthermore, the Audit and Risk Committee discusses the company's major financial risks and the steps taken by management to monitor, control, and report such exposures. This committee, reporting to the Board (which also considers the company's risk profile), obtains input from management regarding the most significant risks facing the company and the company's risk management strategy and resources required.

## ESG Oversight

Our Chief Executive Officer is ultimately responsible for internal efforts related to the development of our ESG programme, including our assessment of key ESG risks and opportunities. Our CEO, who reports to the highest governance body, sets the delivery of the company's inaugural ESG report as a corporate-level objective for 2021.

Relevant ESG topics, risks, issues, and considerations – largely informed by related stakeholder feedback and the use of the GRI frameworks as well as the SDGs – are managed by the ESG Committee. Internal initiatives related to ESG are being driven predominantly at the executive and senior management level with the full support and guidance of the Board.

As our ESG programme and related initiatives evolve, the Board will play a key role in

assessing our areas of greatest influence within the larger sustainability landscape and will be directly involved in the creation and subsequent execution of related goals. ESG topics, issues, and considerations relevant to Heritage will be discussed at each Board meeting going forward. In an effort to bolster its expertise related to key ESG issues relevant to Heritage, the Board will facilitate discussions and participate in educational sessions when possible.

## Commitment to Codes of Conduct

We employ high ethical standards to better manage ESG risks, while supporting the growth of our business and that of our partners and other key stakeholders.

Our success is rooted in our adherence to core principles that govern the business, and we require our personnel, including our principal executive officers and directors, to follow a Code of Conduct. Every year as part of the performance cycle, employees are asked to attest that they have been trained and also understand the code of ethics.

Related initiatives are driven by the highest governance body – our Board – which consists of qualified individuals who have not only excelled in their respective areas of expertise, but also meet high personal and professional standards.

Heritage seeks to do business with individuals and companies that share our commitment to ethical business conduct. As such, we require our suppliers and contractors to comply with all local and international laws applicable to where we or our business partners operate.

Our Code of Conduct, which is fully supported by the Board, outlines our approach to managing conflicts related to bribery, fair dealing, gifts and entertainment, discrimination and harassment, record keeping and public reporting, confidentiality, and conflicts of interests among others. We expect our directors, officers, and employees to be free from influences that conflict with the best interests of the company and they are required to declare whether there are competing interests once annually and whenever they may occur.

We provide Anti-Bribery and Corruption Training to all employees with external-facing responsibilities. More details on our approach to business conduct and ethics, as well as a review of disciplinary action to be used in the case of violations, can be found in our Code of Conduct.

## ABOUT THIS REPORT

### SCOPE OF REPORTING

This is our second year of reporting our ESG impact. Building on the key learnings from our first report, we continue to deliver a concise and transparent account of our Sustainability Agenda, what it means to our business, and how we create long-term value for our stakeholders.

### REPORTING PERIOD

This report covers our sustainability performance for the period October 2021 to September 2022. Where relevant, we will also include data from the previous year to track

progress and provide additional context. The report provides information on all our oil and gas exploration activities and addresses our response to material matters that impact our business and stakeholder value.

## REPORTING STANDARDS

This report has been prepared with reference to the Global Reporting Initiative (GRI) Index, updated in 2021 and the Sustainability Accounting Standards (SASB) Guidance. We have also been informed by good practice, sustainability guidelines, standards and frameworks as follows:

- The UN SDGs
- International Petroleum Industry Environmental Conservation Associations' (IPIECA) Industry Guidance on Voluntary Sustainability Reporting
- Taskforce on Climate-related Financial Disclosures (TCFD)

## ASSURANCE

DNV, an independent third party assured this report and their statement is included.

## DISCLOSURES

Included throughout this report are disclosures containing relevant, industry-specific data and information but as a wholly government-owned, state enterprise we must exercise due diligence with certain confidential information. Content within this report should not be considered a substitute for material information provided in our public disclosures with various governmental and industry

bodies like the Ministry of Finance of Trinidad and Tobago and the Trinidad and Tobago Extractive Industries Transparency Initiative (TTEITI).

At the point of finalizing and publishing this report (March 2023), there is an oil spill in south Trinidad that is being carefully managed by our teams, in collaboration with local authorities, emergency services and our neighbouring communities. We will disclose details in our next reporting cycle 2022-2023.

## LOOKING TO THE FUTURE

We are also currently in the process of transitioning to a new CEO as well as developing a new four-year business strategy, a key component of which will be our ESG strategy. We have also signed memorandums of understanding and agreement with several state and regional oil and gas companies to collaborate on energy transition/green initiatives and will expound more on these in our future reporting.

Heritage remains committed to playing our part in supporting our nation's climate target of 30% carbon emission reduction.

## CONTACT US

For questions about this report, please contact the team at [esgsustainability@heritage-tt.com](mailto:esgsustainability@heritage-tt.com).



# Independent Assurance Statement

WHEN TRUST MATTERS

Heritage Petroleum Company Ltd. "Heritage" commissioned DNV Business Assurance USA Inc. ("DNV", "we", or "us") to undertake independent assurance of the Heritage Environmental, Social and Governance (ESG) Report 2021-2022 (the "Report") for the fiscal year 1<sup>st</sup> October 2021 to 31<sup>st</sup> September 2022.



### Our Conclusion:

- On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe Heritage's adherence to the principles of stakeholder inclusiveness, materiality, responsiveness and impact
- In terms of quality of the performance data, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate

Our observations and areas for improvement will be raised in a separate report to Heritage's Management. Selected observations are provided below. These observations do not affect our conclusion set out above.

### Stakeholder inclusiveness - The participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

We found that Heritage's engagement is ongoing, operates at all levels of the organisation and is fairly represented in the report. As a state-owned enterprise, this includes with various Trinidad and Tobago government ministries, departments, and regulators. It's mandate to maximise the efficient production of the country's oil and gas reserves to the socio-economic benefit of the country means it is a key source of revenue for the country. As the largest landowner in the country and a significant offshore operator this also includes with fence line communities, fisherfolk, national and local media, partners, suppliers, peers, and others.

Regular engagement within the Oil and Gas sector supports knowledge transfer, learning and the development of industry wide responses to material issues such as Methane flare reduction and Carbon Capture Utilisation and Storage. We repeat our recommendation from last year that this engagement is broadened to include non-industry stakeholders. For example, this could include non-government organisations who represent the environment, broader academics and research organisations and finance related reporting organisations, such as, The Task Force for Climate Related Financial Disclosures, The Task Force for Nature Related Financial Disclosures and the CDP. This should help ensure the strategic implications of climate change and the biodiversity crisis can be more fully considered.

### Materiality - The process for determining the issues that are most relevant to an organisation and its stakeholders in relation to its impacts.

In our opinion, the Report includes useful information and context on the material

ESG issues facing Heritage and its stakeholders. The company continues to utilize an extensive Enterprise Risk Management assessment (ERM) process and its outcomes, together with a broad range of internal stakeholder interviews as well as a third-party questionnaire-based, ESG reporting platform, to inform the ESG strategy and report content. The ERM was informed by engagement across the business and with external stakeholder views represented by contributors. It plans to review and refresh the materiality assessment in future, which we also recommend.

Risks and impacts on rights holders external to the organisation tend to be considered in the ERM process in light of the risks to the enterprise. For example, reputation risks or risks to business continuity. As per GRI and the AA1000 principles, we recommend that 'outside in' risks in relation to the organisations impacts to the environment and to other human and labour rights holders are further included in the process.

Reporting on broader risk assessments such as Health and Safety risks for all (rather than selected) offshore platforms and in relation to water stress and watershed risk on land and community grievances is recommended. Although there is a severe weather plan, the strategic implications of increases in the frequency and impact of severe weather events due to climate change are not assessed or reported on.

The broader context of Heritage's wider Scope 3, category 11 Greenhouse Gas (GHG) emissions impacts in terms of the combustion of its products downstream, global climate goals and Trinidad and Tobago's Nationally Determined Contribution are mentioned but have not been considered in detail. Although not requested by close stakeholders, this is international good practice, and we recommend coverage is expanded in future reports.



WHEN TRUST MATTERS

### Responsiveness - The organisation's timely and relevant reaction to material sustainability topics and their related impacts.

Heritage provides useful information to support the understanding of the context of its operations, its structure and its performance. It continues to develop its systems and processes to be able to provide fuller and more granular information and data aligned to leading international management practices, reporting standards and stakeholder expectations. The report is transparent in coverage of relevant data and the broad scope of its selected assurance process suggests good openness and responsiveness.

Heritage ambitions for world class ESG management and reporting are high. It continues to develop and implement functional and operational improvements at a good pace. As such, its response to most material topics is fairly covered and based on sound inputs. Waste, and wastewater management remain partially reliant on legacy data and processes, and not all monitoring was fully documented. We recommend these are reviewed to confirm the accuracy of reporting of these impact areas.

Our interviews showed that there was a common desire to meet high ambition levels and transparently report progress. Even when data suggests good performance, such as relatively low employee turnover rates, management interviews suggested a lack of satisfaction in this performance.

Heritage is currently reporting mainly on a legal entity basis. We recommend Heritage considers expanding this scope to an operational or financial control basis and that it considers expanding reporting on joint ventures and alliances and contracts, as it is planning to do for Greenhouse Gases, to support more complete disclosure.

### Impact - The effect of behaviour, performance, and outcomes of the organisation, on the economy, the environment, society, stakeholders, or the organisation itself.

Heritage's role in the economy of Trinidad and Tobago, significantly affects the country's population through employment and community impacts, its tax revenue and supplier base. Its reporting provides a fair view in relation to stakeholder expectations of most of its reported impacts.

At its formation it took ownership of many legacy assets with risks and opportunities associated with them. Its programs to formalise and systematise key business functions and operational activities, for example, the Organisational Management System are mainly implemented with a number of improvements planned. This enhances Heritage's ability to monitor, manage and report on its impacts and to reduce risks. We welcome ongoing reporting on these efforts.

In response to the increased demand for financial risk information relating to global warming, current and future impacts, we repeat our recommendation to develop reporting to align with the Task Force for Climate Related Financial Disclosures recommendations.

We recommend the strategic and socio-economic implications of the need to reduce and eventually stop oil and gas production and use in line with the Paris Agreement is including in greater depth in future engagement and reporting. As such, we recommend Heritage changes the name of the strategy pillar 'Growing production sustainably' as this has the potential to be misunderstood in this context.

We welcome the formation of the Green Agenda team which is tasked with developing solutions to some of these issues and welcome future reporting on its outputs.

### Responsibilities of the Directors of Heritage and of the assurance providers

The Directors of the Heritage have sole responsibility for the preparation of the Report. In performing our assurance work, our responsibility is to the management of Heritage; however, our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

DNV's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

### Level of assurance

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our Assurance Opinion. We are providing a 'limited (moderate) level' of assurance. A 'reasonable level' of assurance would have required additional work at Executive, Board and site and community level to gain further evidence to support the basis of our Assurance Opinion.

**Reliability and Quality Conclusions and Observations - The accuracy and comparability of information presented in the Report, as well as the quality of underlying data management systems.**

Based on the processes and procedures conducted with a limited assurance, there is no evidence that the data in scope of this assurance process are not materially correct, are not fairly represented and have not been prepared with the calculation method referenced.

Overall, we have confidence in the processes in place to ensure reasonable accuracy for the information presented in the Report, and of data management systems. Goals and performance data are presented clearly and in an objective manner. The contextual narrative and the information in the GRI index generally helps report users make sense of performance data and information and is welcomed.

The change from using the GOR (Gas-to-Oil Ratio) methodology, to a directly measured methodology resulted in the reporting of significantly lower GHG emissions. Implementation of the venting survey will enable more granular data to be produced which in turn can lead to reduced venting of Methane, a key greenhouse gas and a material issue for Heritage. Our investigations confirmed a clear intent to improve material data quality and a reduced use of estimates.

It should be noted that the venting survey, like any field measurement activity, is only representative of the operational, atmospheric and other aspects at the time they were made and that material impacts on the results are possible. Further periodic testing is needed to allow for comparison of results.

Our review of the specified data presented in the report resulted in minimal technical errors being identified based on our sampling. These errors have been corrected for the final report. A material error in GHG measurement was identified by quality assurance procedures of Heritages consultant. We recommend that the Heritage continues and enhances its quality assurance process based on this learning.

In line with our recommendation in 'Responsiveness', we note that some data sets usefully include contractors while others do not. We recommend that Heritage adopt a consistent scope for reporting on KPI's and expands it to include contractor data for all material metrics. For example, any contract conditions or benefits variations between employees and contractors is currently outside the scope of reporting. We recommend expanding the reporting on waste in future reports.

Heritage is reporting 'with reference to GRI' (2021 consolidated version of the standard) and is seeking to match all relevant indicator requirements. Continual improvement means this develops over time. We recommend Heritage continues this process, aiming to include data that meets all of the requirements of each relevant GRI indicator protocol. It is acceptable to provide 'Reasons for omission' where not all parts of each protocol can be met. We note that some of these provided in the GRI index are not accepted by GRI and we recommend these areas are reviewed.

**Our competence, independence, and quality control**

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV), and to maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any part of Heritage' data or report. This is our second year of providing assurance for Heritage. We adopt a balanced approach towards all stakeholders when performing our evaluation.

**GRI Indicators and performance data**

We evaluated the selected GRI indicators and performance data as shown below using the GRI Reporting Principles for defining report quality (Accuracy; Balance; Clarity; Comparability; Completeness; Sustainability context; Timeliness; Verifiability) together with Heritage's data protocols for how the data are measured, recorded and reported. The scope of our work and our verification outcome covers disclosures for the fiscal year 2022:

GRI Indicator and performance indicators (with selected data points broken out)	Fiscal year 2022 data	
GRI 2: General Disclosures	Assured narrative and GRI index entries	
GRI 200: Economic Topics		
GRI 201 Economic Performance; GRI 203 Indirect Economic Impacts; GRI 204 Procurement Practices; GRI 207 Tax	Assured narrative and GRI index entries	
GRI 300: Material Topics 2021 (material topics)		
GRI 302 Energy	<b>Calendar Year 2022</b>	
Total Electricity Consumption	139,546,751 MJ	
Total Fuel Consumption (Stationary Combustion)	2,942,711 MMBTU	
Total Fuel Consumption (Mobile Combustion)	239,894 MMBTU	
GRI 303 Water and Effluent (please note effluent data is not presented here – see the Report for the data)	<b>Calendar Year 2022</b>	
Total Water Abstracted for Heritage and the Community	1,224,840 m <sup>3</sup>	
Water Consumed by Communities	734,861 m <sup>3</sup>	
Water Consumed by Heritage	489,981 m <sup>3</sup>	
GRI 305 Greenhouse Gas Emissions	<b>Calendar Year 2022</b>	
Scope 1 Emissions (Using Gas to Oil Ratio method and * as Measured)	5,577,151 tCO <sub>2</sub> e	1,644,612 tCO <sub>2</sub> e *
Scope 2 Emissions	20,408 tCO <sub>2</sub> e	
Scope 3 Emissions: Category 1 Purchased goods	37 tCO <sub>2</sub> e	
Scope 3 Emissions: Category 5 Waste generated in operations	3,541 tCO <sub>2</sub> e	
Scope 3 Emissions: Category 7 Employee commuting	1,831 tCO <sub>2</sub> e	
GRI 306 Waste	Assured narrative and GRI index entries	
GRI 307 Environmental Compliance; GRI 308 Supplier Environmental Assessment	Assured narrative and GRI index entries	
GRI 400 Social		
GRI 401 Employment; GRI 403 Occupational Health and Safety; GRI 404 Training and Education; GRI 413 Local Communities; GRI 410 – Security Practices	Assured narrative and GRI index entries	



**Scope and approach**

We performed our work in accordance with the AA 1000 Assurance Standard v3, Type 2 engagement, and the International Standard on Assurance Engagements 3000 (“ISAE 3000 – July 2020”). For our verification of the Greenhouse Gas data, we used the WBCSD/WRI Greenhouse Gas Protocol. We also used the GRI Standards 2021: Principles for defining report quality: Accuracy; Balance; Clarity; Comparability; Completeness; Sustainability context; Timeliness; Verifiability and the specified GRI indicator standards as criteria in our assessment.

The reported financial data and information are based on data from ‘Heritage’s Separate Financial Statements Yr End September 2022’, which are subject to a separate independent audit process that was outside the scope of our work.

**Basis of our opinion**

- A multi-disciplinary team of sustainability and non-financial assurance specialists performed work remotely. We undertook the following activities:
- Review of the current sustainability issues that could affect Heritage and are of interest to stakeholders;
  - A media coverage review;
  - Review of Heritage’s approach to stakeholder engagement and recent outputs;
  - Review of information provided to us by Heritage on its reporting and management processes relating to the Principles;
  - Interviews with 25 selected Directors and senior managers responsible for management of sustainability issues and review of selected evidence to support issues discussed. We were free to choose interviewees and functions covered;
  - These interviews included Senior Managers responsible for Land, Offshore, Drilling, Subsurface and Midstream Business Units, which additionally provided insight into asset level management.
  - Review of supporting evidence for key claims in the Report. Our checking processes were prioritised according to materiality and we based our prioritisation on the materiality of issues at a corporate level, and
  - Review of the processes for gathering and consolidating the selected Performance data and, for a sample, checking the data consolidation.

For and on behalf of DNV Business Assurance USA, Inc.



Katy, TX  
23<sup>rd</sup> March, 2023

**Assurance Team**

Role	Name
Lead Verifier	Dave Knight
Project Manager	Nina Diaz
Senior Verifier	Chandran Ilango
Senior Verifier	Nelson Lee
Senior Verifier	Marcia Borges
Verifier	Owen Chen
Verifier	Yishuang Xu
Peer Reviewer	Shruthi Bachamanda
Technical Reviewer	Sathishkumar Nagarajan

**DNV Business Assurance**

DNV Business Assurance Services USA, Inc is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.  
<https://www.dnv.com/services>

**HERITAGE GRI CONTENT INDEX – 2021-22 ESG REPORT**

GRI Standard	Disclosure Description	Response/Link
<b>GRI 2: General Disclosures</b>		
<b>1. The organisation and its reporting practices</b>		
<b>Disclosure 2-1 Organisational details</b>		
2-1-a	Name of the organisation.	Heritage Petroleum Company Limited.
2-1-b	Ownership and legal form.	Heritage is one of the four (4) oil and gas companies within the Trinidad Petroleum Holdings Limited (TPHL) group that is owned by the State – Government of the Republic of Trinidad and Tobago. See <a href="#">Company Profile</a> .
2-1-c	Location of headquarters.	Our headquarters is located at 9 Queen’s Park West, Port of Spain, with operations largely centred in the southern region of Trinidad and the Gulf of Paria and with non-operated assets off Trinidad’s east coast <a href="#">Company Profile</a>
2-1-d	Countries of operations.	Heritage operates only in Trinidad and Tobago.
<b>Disclosure 2-2 Entities included in the organisation’s sustainability reporting</b>		
2-2-a	List of all entities included in our sustainability reporting.	This ESG Report includes only the activities of Heritage Petroleum Company Limited.
2-2-b	The differences between the list of entities included in our financial reporting and the list included in our sustainability reporting.	There are no differences between the entities in our financial reports and in our ESG Report.
2-2-c	If the organisation consists of multiple entities, explain the approach used for consolidating the information.	Heritage currently has business relationships with seventeen (17) Joint Ventures (JVs) and thirty-nine (39) Lease Operatorships where risks and capital are shared in the exploration and production of oil.
<b>Disclosure 2-3 Reporting period, frequency and contact point.</b>		
2-3-a	The reporting period for and the frequency of sustainability reporting.	Heritage prepares its sustainability report annually for each fiscal year. The first report was published in July 2022 for the period 1st October 2020 to 30 September 2021. This year’s sustainability report is for the period 1 October 2021 to 30 September 2022.
2-3-b	The reporting period for our financial reporting, and if it does not align with the period for its sustainability reporting, explain the reason for this.	The reporting period is in alignment with our financial year of October 2021 to September 2022. This second ESG Report is aligned with our last completed financial year of October 2021 to September 2022.
2-3-c	The publication date of the report or reported information.	The publication date of this report is 14 April 2023.
2-3-d	Contact point for questions about the report or reported information.	Questions about the report or report information can be directed to <a href="mailto:esgsustainability@heritage-tt.com">esgsustainability@heritage-tt.com</a> or persons can contact the following: 1. Vonetta Alvarado-George, Environmental & Regulatory Compliance Manager at <a href="mailto:Vonetta.Alvarado-George@heritage-tt.com">Vonetta.Alvarado-George@heritage-tt.com</a> or 2. Mikhael Newman, ESG Advisor at <a href="mailto:Mikhael.Newman@heritage-tt.com">Mikhael.Newman@heritage-tt.com</a> .
<b>Disclosure 2-4 Restatements of information</b>		
2-4-a-i	Report restatements of information made from previous reporting periods and explain the reasons for the restatements.	There are no restatements of information made from previous reports.
2-4-a-ii	Report restatements of information made from previous reporting periods and explain the effect of the restatements.	There are no restatements of information made from previous reports.

Disclosure 2-5 External Assurance		
2-5-a	Policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved.	The process of obtaining external assurance for Heritage's ESG Report was conducted through Heritage's selective tendering process. Companies known to provide independent assurance services for ESG Reports within Trinidad and Tobago were registered with Heritage and invited to bid based on predetermined requirements outlined in a scope of work. Companies were required to submit proposals through Heritage's Ariba Supply Chain Management System. Proposals were evaluated for compliance with the scope of work and the highest scoring proposal was selected as the external assurance provider. The evaluation was reviewed and approved by Heritage's HSSE Leader and the Chief Executive Officer before the award of the project to the external assurance provider.
2-5-b	External Assurance of Sustainability Report:	Heritage's ESG Report has been assured in accordance with the AA 1000 Assurance Standard v3 and the International Standard on Assurance Engagements 3000 (ISAE 3000) by DNV Business Assurance USA, Inc. Sustainability & Supply Chain Services. The GRI Standards 2021: Principles for defining report quality: Accuracy; Balance; Clarity; Comparability; Completeness; Sustainability context; Timeliness; Verifiability and the specified GRI indicator standards were also used by the external assurance company. A 'moderate level' of assurance has been conducted by DNV based on these standards. DNV is an independent team of sustainability assurance professionals with no relationship or other contracts with Heritage. The Independent Assurance Statement is provided on page 54 of the ESG Report.

## 2. Activities and Workers

### Disclosure 2-6 Activities, value chain and other business relationships.

2-6-a	Sector(s) in which active.	Trinidad and Tobago's oil and gas sector and public sector.
2-6-b-i	The organisation's activities, products, services and markets served.	The organisation's key activities are exploration and production, fiscalisation and transmission of crude oil for sale. The crude oil produced by Heritage is marketed and sold internationally as our own brand of MOLO Crude (abbreviation for Medium Octane, Low Octane), a medium gravity, medium sour crude of Trinidad and Tobago. <a href="#">Heritage Operations</a> .
2-6-b-ii	The organisation's supply chain.	Our supply chain comprises approximately 1,470 local vendors that are grouped into five (5) categories: fenceline/community vendors, strategic vendors, non-strategic vendors, consultants and some with no classification assigned. These vendors provide a variety of goods and services that are needed along the life cycle of oil and gas production, including drilling and workover services; civil works; marine services; mechanical services; electrical & instrumentation services; IT services; environmental services; freelance services; consultancy services and provision of all oil and gas materials. Heritage engages vendors from approximately 32 locations across Trinidad both within and outside of our neighbouring communities and 12 regional and international vendors.
2-6-b-iii	The entities downstream from the organisation and their activities.	Paria Fuel Trading Company ('Paria') is the entity downstream of Heritage responsible for the storage, handling and export of Heritage's MOLO crude. Paria is one of the four (4) companies within the TPHL group owned by the Government of the Republic of Trinidad and Tobago.
2-6-c	Relevant business relationships.	Paria Fuel Trading Company ('Paria') is the entity downstream of Heritage responsible for the storage, handling and export of Heritage's MOLO crude. Paria is one of the four (4) companies within the TPHL group owned by the Government of the Republic of Trinidad and Tobago. The four (4) companies are Heritage Petroleum Company Limited, Paria Fuel Trading Company Limited, The Guaracara Refining Company Limited and Petroleum Company of Trinidad and Tobago Limited. Heritage's crude oil is transported via our crude oil pipeline transmission network to Paria's terminal in Pointe-à-Pierre, Trinidad. At the terminal, the crude is stored and subsequently delivered to the purchasers onto vessels they have chartered. Heritage pays a handling fee for the use of the terminal at Pointe-à-Pierre. The crude is sold on a free on-board basis and as such Heritage has no control or information on the final destination of cargo. Heritage currently has business relationships with seventeen (17) Joint Ventures (JVs) and thirty-nine (39) Lease Operatorships where risks and capital are shared in the exploration and production of oil.

2-6-d	Describe significant changes in 2-6-a, 2-6-b and 2-6-c compared to the previous reporting period.	There are no changes from the previous report.
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### Disclosure 2-7 Employees

2-7-a	Report the total number of employees and a breakdown of this total by gender and by region.	The total number of employees: 503 Breakdown by gender: Total number of females: 201 Total number of males: 302 Information on employees by region is not applicable as employees are not grouped by region within Trinidad and Tobago.
2-7-b	Report the total number of permanent, temporary, non-guaranteed hours, full-time and part-time employees and a breakdown of each total by gender and by region	Total number of permanent employees: 418 Total number of females: 167 Total number of males: 251 Total number of fixed term contract employees: 26 Total number of females: 6 Total number of males: 20 Total number of short-term contract employees: 59 Total number of females: 28 Total number of males: 31 There are no employees engaged directly with Heritage on a part-time basis. Information on employees by region is not applicable as employees are not grouped by region within Trinidad and Tobago.
2-7-c	Describe the methodologies and assumptions used to compile the data.	The Human Resources team maintains its database of employees' basic data, including new hires and employee movements. The database is updated on a monthly basis and is now being maintained on the company's human resources information system, SAP Success Factors.
2-7-d	Report contextual information necessary to understand the data reported under 2-7-a and 2-7-b.	All Heritage employees are located in Trinidad and Tobago.
2-7-e	Describe significant fluctuations in the number of employees during the reporting period and between reporting periods.	There was an overall 9% increase in the number of employees over the fiscal year 2020/2021 to 2021/2022, i.e., 462 to 503 (inclusive of short-term contracts). This is based on the recruitment drive to fill vacancies in the organisation's structure.

### Disclosure 2-8 Workers who are not employees

2-8-a	Report the total number of workers who are not employees and whose work is controlled by the organisation and describe: i. the most common types of worker and their contractual relationship with the organisation and ii. the type of work they perform.	Heritage is a major provider of third-party contracts across the value chain and provides approximately 4000 jobs for persons through third-party contractors. The type of work is varied and includes: a. Civil Works b. Drilling & Workover Services c. Marine Services d. Mechanical Services e. Electrical & Instrumentation Services f. Environmental Services g. Consultancy Services h. Special Projects i. IT Services j. Freelance Services
2-8-b	Describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: i. in head count, full-time equivalent (FTE) or using another methodology and ii. at the end of the reporting period as an average across the reporting period or using another methodology	The number of workers who are not employees is an estimation across the reporting period as actual number of workers for the reporting period is not available. As of 30 September, 2022, there were four hundred and twenty (420) registered vendors on Heritage's database and as at 31 January, 2023 this number had increased to four hundred and fifty-seven (457).

### 3. Governance

#### Disclosure 2-9 Governance Structure and Composition

2-9-a	Describe the governance structure, including committees of the highest governance body.	<p>Heritage's governance structure, including committees of the highest governance body (Trinidad Petroleum Holdings Limited (TPHL)) is provided on the first ESG Report pages 50 - 51 and remains the same as of 25 January 2023.</p> <p>The eleven (11) Board members of Heritage Petroleum Company Limited are as follows:</p> <ul style="list-style-type: none"> <li>• Michael A.A. Quamina (Chairman),</li> <li>• Reynold Ajodhasingh (Deputy Chairman),</li> <li>• Vincent Bartholomew,</li> <li>• Peter Clarke,</li> <li>• Newman George,</li> <li>• Joel Harding,</li> <li>• Selwyn Lashley,</li> <li>• George Leonard Lewis,</li> <li>• Reza Salim,</li> <li>• Ryan Toby, and</li> <li>• Antonio Declan Ross (appointed 18th May 2022).</li> </ul>
2-9-b	List the committees of the highest governance body that are responsible for decision making on and overseeing the management of the organisation's impacts on the economy, environment and people.	<p>TPHL (Highest Governance Body) - Holding Company - Parent of the Subsidiary Companies:</p> <p>The TPHL Board consists of ten (10) members:</p> <ul style="list-style-type: none"> <li>• Michael A.A. Quamina (Chairman), Reynold Ajodhasingh (Deputy Chairman), Vincent Bartholomew, Newman George, Joel Harding, Selwyn Lashley, Marlon George, Avie Chadee, Everard Bennett, Antonio Ross and Eustace Nancis.</li> </ul> <p>TPHL has two (2) substantive Committees as follows:</p> <ul style="list-style-type: none"> <li>• AUDIT AND RISK COMMITTEE: Avie Chadee (Chairman), Joel Harding, Newman George, Reynold Ajodhasingh.</li> <li>• ENVIRONMENT, SOCIAL AND GOVERNANCE COMMITTEE: Reynold Ajodhasingh (Chairman), Michael A.A. Quamina, Marlon George.</li> </ul> <p>In addition to the above two (2) substantive Committees, there are two (2) ad hoc Committees that meet as necessary:</p> <ul style="list-style-type: none"> <li>• THE REFINERY SALE &amp; OVERSIGHT COMMITTEE,</li> <li>• REFINANCING COMMITTEE.</li> </ul> <p>The composition of Heritage's Governance body and its committees is outlined in pages 50 - 51 of this ESG Report and remains the same as of 25 January 2023 from the last reporting period.</p>
2-9-c	Describe the composition of the highest governance body and its committees by: i. executive and non-executive members; ii. independence; iii. tenure of members on the governance body; iv. number of other significant positions and commitments held by each member and the nature of the commitments; v. gender; vi. underrepresented social groups; vii. competencies relevant to the impacts of the organisation; viii. stakeholder representation.	<p>The composition of Heritage's highest governance body and its committees is outlined in pages 50 - 51 of the ESG Report.</p> <p>All board members are non-executive and independent. The tenure of each member is two (2) years and is renewable by Corporation Sole, the Minister of Finance of Trinidad and Tobago.</p> <p><a href="#">Our Board Members</a></p>

#### Disclosure 2-10 Nomination and selection of the highest governance body

2-10-a	Describe the nomination and selection processes for the highest governance body and its committees.	The Board of Directors is appointed by the Shareholder, which is the Government of the Republic of Trinidad and Tobago and the Corporation Sole.
2-10-b	Describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: i. views of stakeholders (including shareholders); ii. diversity; iii. independence; iv. competencies relevant to the impacts of the organisation	<p>The Board of Directors is appointed by the Shareholder, which is the Government of the Republic of Trinidad and Tobago and the Corporation Sole.</p> <p>The Shareholder is fully responsible for selection of the Board of Directors and sets the criteria for selection.</p>

#### Disclosure 2-11 Chair of the highest governance body

2-11-a	Report whether the chair of the highest governance body is also a senior executive in the organisation.	No, the Chairman of the Board is not a senior executive or member of Executive Management in Heritage.
2-11-b	If the chair is also a senior executive, explain their function within the organisation's management, the reasons for this arrangement and how conflicts of interest are prevented and mitigated.	Not applicable because the Chairman of the Board is not a senior executive or member of Executive Management.

#### Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts

2-12-a	Describe the role of the highest governance body and of senior executives in developing, approving and updating the organisation's purpose, value or mission statements, strategies, policies and goals related to sustainable development.	Among its primary responsibilities, the Board oversees Heritage's strategic and business planning processes, monitors corporate performance and assesses the integrity and effectiveness of our internal controls, legal procedures, ethics and compliance programs. Beyond these core responsibilities, the Board is also responsible for establishing and maintaining the most effective leadership structure for the Company as well as overseeing Executive Management.
2-12-b	Describe the role of the highest governance body in overseeing the organisation's due diligence and other processes to identify and manage the organisation's impacts on the economy, environment and people, including: i. whether and how the highest governance body engages with stakeholders to support these processes; ii. how the highest governance body considers the outcomes of these processes;	<p>Receives and reviews reports on due diligence, whistleblowing and internal audit reports on a bi-monthly basis. The Heritage Chief Audit Executive attends the TPHL Board meetings.</p> <p>TPHL then reports to the Corporation Sole via minutes of these meetings. TPHL has Policies on (i) Code of Ethics, (ii) Whistleblowing, (iii) Gifts and Entertainment, (iv) Conflict of Interest, (v) Anti-Bribery, Corruption and Fraud.</p>
2-12-c	Describe the role of the highest governance body in reviewing the effectiveness of the organisation's processes as described in 2-12-b and report the frequency of this review.	TPHL Board meetings are held on a bi-monthly basis and each subsidiary company reports to the TPHL Board on the activity of the previous two (2) months. The TPHL Board has the ability to review whether the performance has been effective or not. If there is any issue or a concern arises, the TPHL Board may decide to have a special meeting to address same.



Disclosure 2-13 Delegation of responsibility for managing impacts		
2-13-a	Describe how the highest governance body delegates responsibility for managing the organisation's impacts on the economy, environment and people, including: i. whether it has appointed any senior executives with responsibility for the management of impacts; ii. whether it has delegated responsibility for the management of impacts to other employees.	Responsibility for managing the organisation's impacts on the economy, environment and people falls with the Chief Executive Officer (CEO) or equivalent in the particular subsidiary (Heritage - CEO (Arlene Chow), Paria - General Manager (Mushtaq Mohammed), Petrotrin - Senior Manager (to be appointed). TPHL has a General Manager (Andre Da Breau) who does a Group Report and coordinates with the other Subsidiary Leaders described above. Heritage's impacts on the economy, environment and people falls with the Chief Executive Officer (CEO). The CEO in turn ensures that the organisational structure is tailored to ensure that members of the executive management hold responsibilities for managing the organisation's impacts on the economy, environment and people. At Heritage, the responsibilities lie with the following positions: 1. Environment - HSSE Leader 2. Economy - Chief Financial Officer 3. People - Human Resources Leader and Corporate Communications Manager 4. Operational & Corporate Business Units - Heritage Executive Leadership. <a href="#">Heritage Leadership</a>
2-13-b	Describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organisation's impacts on the economy, environment and people.	Reporting to the TPHL and Heritage Board of Directors on the management of the organisation's impacts on the economy, environment and people is conducted bi-monthly through the respective Board Committee meetings.
Disclosure 2-14 Role of the highest governance body in sustainability reporting		
2-14-a	Report whether the highest governance body is responsible for reviewing and approving the reported information, including the organisation's material topics, and if so, describe the process for reviewing and approving the information.	Yes, TPHL is responsible for reviewing and approving reported information, including the organisation's material topics. Heritage's highest governance body, TPHL, and its Heritage Board of Directors is responsible for reviewing and approving the reported information, including the organisation's material topics. The reported information will be presented to the Heritage Board of Directors by the Chief Executive Officer for approval. The reported information is presented to TPHL by all the various leaders of the subsidiary companies.
2-14-b	If the highest governance body is not responsible for reviewing and approving the reported information, including the organisation's material topics, explain the reason for this.	Not applicable because the Board of Directors is responsible.
Disclosure 2-15 Conflicts of interest		
2-15-a	Describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated.	The process for prevention and mitigation of conflicts of interest for the Board of Directors are outlined in the <a href="#">TPHL Conflict of Interest Policy</a> and administrated through the Heritage administration Conflict of Interest Form. All new hires are formally onboarded and go through an HSE, HR and administrative induction. As part of this process, persons are required to complete the Conflict of Interest Form and Confidentiality Non-Disclosure Form. The TPHL Board members are also subject to the Integrity in Public Life Act of Trinidad and Tobago, and they are required to file annual declarations and registers of interest with the Integrity Commission of Trinidad and Tobago.
2-15-b	Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: i. cross-board membership; ii. cross-shareholding with suppliers and other stakeholders; iii. existence of controlling shareholders; iv. related parties, their relationships, transactions and outstanding balances.	The disclosures required and the reporting of conflicts of interest to key stakeholders are outlined in the <a href="#">TPHL Conflict of Interest Policy</a> . Conflicts of interests of Board members are filed with the Integrity Commission of Trinidad and Tobago. Conflicts of other employees are disclosed to their Reporting/Line Managers. Conflicts of interests of persons on tender evaluation committees are disclosed to the Procurement and Tenders Committee.

Disclosure 2-16 Communication of critical concerns		
2-16-a	Describe whether and how critical concerns are communicated to the highest governance body.	Critical concerns are communicated to the highest governance body through the <a href="#">TPHL Whistleblower Policy</a> .
2-16-b	Report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.	During the reporting period, there were four (4) complaints reported through the system established by the <a href="#">TPHL Whistleblower Policy</a> . All complaints were investigated, and sufficient evidence was not found to substantiate the claims.
Disclosure 2-17 Collective knowledge of the highest governance body		
2-17-a	Report measures taken to advance the collective knowledge, skills and experience of the highest governance body on sustainable development.	At present, the Board of Directors does have significant collective knowledge, skills and experience in sustainable development. The Board of Directors have also shown keen interest in advancing their knowledge and as such, training and development will be looked at as an intervention.
Disclosure 2-18 Evaluation of the performance of the highest governance body		
2-18-a	Describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organisation's impacts on the economy, environment and people.	The processes for evaluating the performance of the Board of Directors is outlined in the <a href="#">State Enterprise Performance Monitoring Manual</a> .
2-18-b	Report whether the evaluations are independent or not and the frequency of the evaluations.	Yes, evaluations are independent.
2-18-c	Describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organisational practices.	Actions in response to the evaluations are governed by the State Enterprise Performance Monitoring Manual under Corporation Sole. Any actions required in response to the evaluation is determined by the Corporation Sole.
Disclosure 2-19 Remuneration policies		
2-19-a	Describe the remuneration policies for members of the highest governance body and senior executives, including: i. fixed pay and variable pay; ii. sign-on bonuses or recruitment incentive payments; iii. termination payments; iv. claw backs; v. retirement benefits.	For the Board of Directors, aspects of remuneration are outlined in the <a href="#">State Enterprise Performance Monitoring Manual, pages 18 - 21</a> . Remuneration for Executive Management comprises fixed pay with retirement benefits, allowances for housing and travelling, and bonuses. It is in alignment with industry standards. Heritage's approach to remuneration is aligned to the industry standards. This information is considered competitive and sensitive to the company and will not be published.
2-19-b	Describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organisation's impacts on the economy, environment and people.	For the Board of Directors, aspects of remuneration in relation to their objectives and performance are outlined in <a href="#">State Enterprise Performance Monitoring Manual, pages 18 - 21</a> . Remuneration for Executive Management comprises fixed pay with retirement benefits, allowances for housing and travelling, and bonuses. It is in alignment with industry standards. Heritage's approach to remuneration is aligned to the industry standards. This information is considered competitive and sensitive to the company and will not be published.
Disclosure 2-20 Process to determine remuneration		
2-20-a	Describe the process for designing remuneration policies and for determining remuneration, including: i. whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration ii. how the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration iii. whether remuneration consultants are involved in determining remuneration, and if so, whether they are independent of the organisation, its highest governance body and senior executives	The process for designing remuneration is done at the Executive Management and Board level and is aligned to the State Enterprise Performance Monitoring Manual which includes the Line Ministry and HR Audit Committee. Policy Board Fees and Allowances for State Enterprises are determined by the Government of the Republic of Trinidad and Tobago <a href="#">State Enterprise Performance Monitoring Manual</a> - pages 18-21.

2-20-b	Report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.	Not applicable as votes of stakeholders (including shareholders) on remuneration policies and proposals are not completed.
<b>Disclosure 2-21 Annual total compensation ratio</b>		
2-21-a	Report the ratio of the annual total compensation for the organisation's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual).	It is not standard process that compensation ratios are published as this information is considered sensitive and competitive to the company.
2-21-b	Report the ratio of the percentage increase in annual total compensation for the organisation's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual).	It is not standard process that compensation ratios are published as this information is considered sensitive and competitive to the company.
<b>4. Strategy, policies and practices</b>		
<b>Disclosure 2-22 Statement on sustainable development strategy</b>		
2-22-a	Report a statement from the highest governance body or most senior executive of the organisation about the relevance of sustainable development to the organisation and its strategy for contributing to sustainable development.	A statement from the Chief Executive Officer is provided in ESG Report on page 6.
<b>Disclosure 2-23 Policy commitments</b>		
2-23-a	Describe its policy commitments for responsible business conduct, including: i. the authoritative intergovernmental instruments that the commitments reference; ii. whether the commitments stipulate conducting due diligence; iii. whether the commitments stipulate applying the precautionary principle; iv. whether the commitments stipulate respecting human rights.	The requirements are outlined in the TPHL Code of Ethics and Business Conduct Policy. The Code of Ethics and Business Conduct Policy is publicly available on the TPHL website via this link: <a href="https://trinidadpetroleum.co.tt/wp-content/uploads/2021/12/tphlgp05-code-of-ethics-policy-final-executed.pdf">https://trinidadpetroleum.co.tt/wp-content/uploads/2021/12/tphlgp05-code-of-ethics-policy-final-executed.pdf</a> The policy commitment was approved by the Chairman of the TPHL Board of Directors.
2-23-b	Describe its specific policy commitment to respect human rights, including: i. the internationally recognised human rights that the commitment covers; the categories of stakeholders, including at-risk or vulnerable groups that the organisation gives particular attention to in the commitment.	The policy commitments are applicable to all employees, directors and related third-party companies affiliated with Heritage and the TPHL group. The Policy requirements were communicated to employees via email through Corporate Communications.
<b>Disclosure 2-24 Embedding policy commitments</b>		
2-24-a	Describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: i. how it allocates responsibility to implement the commitments across different levels within the organisation.	The requirements are outlined in the TPHL <a href="#">Code of Ethics and Business Conduct Policy</a> .

2-24-a	ii. how it integrates the commitments into organisational strategies, operational policies and operational procedures; iii. how it implements its commitments with and through its business relationships; iv. training that the organisation provides on implementing the commitments.	The requirements are outlined in the TPHL <a href="#">Code of Ethics and Business Conduct Policy</a> .
<b>Disclosure 2-25 Processes to remediate negative impacts</b>		
2-25-a	Describe the commitments to provide for or cooperate in the remediation of negative impacts that the organisation identifies it has caused or contributed to.	The process is transparent. It is aligned with the procedures - Performance Management Policy and Progressive Disciplinary Policy - and provides feedback along all major milestones.
2-25-b	Describe its approach to identify and address grievances, including the grievance mechanisms that the organisation has established or participates in.	The process is transparent. It is aligned with the procedures - Performance Management Policy and Progressive Disciplinary Policy - and provides feedback along all major milestones.
2-25-c	Describe other processes by which the organisation provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to.	The process is transparent. It is aligned with the procedures - Performance Management Policy and Progressive Disciplinary Policy - and provides feedback along all major milestones.
2-25-d	Describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation and improvement of these mechanisms.	The process is transparent. It is aligned with the procedures - Performance Management Policy and Progressive Disciplinary Policy - and provides feedback along all major milestones.
2-25-e	Describe how the organisation tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.	The process is transparent. It is aligned with the procedures - Performance Management Policy and Progressive Disciplinary Policy - and provides feedback along all major milestones.
<b>Disclosure 2-26 Mechanisms for seeking advice and raising concerns</b>		
2-26-a	Describe the mechanisms for individuals to: i. seek advice on implementing the organisation's policies and practices for responsible business conduct; ii. raise concerns about the organisation's business conduct.	Individual can seek advice or raise concerns through the following mechanisms: • Internal Audit Department. • TPHL <a href="#">Whistleblower Policy</a> . • Directly to the Group Chief Audit Executive. • Line Managers and Members of Executive Leadership. • Chairman of the Board Audit and Risk Sub-Committee.
<b>Disclosure 2-27 Compliance with laws and regulations</b>		
2-27-a	Report the total number of significant instances of non-compliance with laws and regulations during the reporting period and a breakdown of this total by: i. instances for which fines were incurred; ii. instances for which non-monetary sanctions were incurred.	There are no significant instances of non-compliance with laws and regulations during the reporting period.
2-27-b	Report the total number and the monetary value of fines for instances of non-compliance with laws and regulations that were paid during the reporting period and a breakdown of this total by: i. fines for instances of non-compliance with laws and regulations that occurred in the current reporting period; ii. fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods.	There are no significant instances of non-compliance with laws and regulations during the reporting period.

2-27-c	Describe the significant instances of non-compliance.	There are no significant instances of non-compliance for the reporting period.
2-27-d	Describe how it has determined significant instances of non-compliance.	No significant instances of non-compliance during the reporting period were determined.

**Disclosure 2-28 Membership associations**

2-28-a	Report industry associations, other membership associations and national or international advocacy organisations in which it participates in a significant role.	<p>Heritage maintains memberships in multiple industry associations, such as the following:</p> <ul style="list-style-type: none"> <li>• Energy Chamber of T&amp;T</li> <li>• American Chamber of Commerce of T&amp;T (AMCHAM)</li> <li>• Trinidad and Tobago Geological Society</li> <li>• The University of the West Indies (UWI)</li> <li>• University of Trinidad and Tobago (UTT)</li> <li>• Oil and Gas UK</li> <li>• Association of International Petroleum Negotiators</li> <li>• Association of Chartered Certified Accountants (ACCA)</li> <li>• Association of Upstream Organisations of Trinidad and Tobago (AUOTT)</li> <li>• Trinidad and Tobago Emergency Mutual Aid Scheme (TTEMAS)</li> <li>• Society of Petroleum Engineers Trinidad and Tobago</li> <li>• Association of Petroleum Scouts</li> <li>• American Association of Petroleum Geologists (AAPG)</li> </ul> <p>Heritage maintains memberships in multiple industry associations.</p>
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**5. Stakeholder Engagement**

**Disclosure 2-29 Approach to stakeholder engagement**

2-29-a	Describe its approach to engaging with stakeholders, including: i. the categories of stakeholders it engages with and how they are identified; ii. the purpose of the stakeholder engagement; iii. how the organisation seeks to ensure meaningful engagement with stakeholders.	<p>Heritage engages with a wide cross section of stakeholders, including employees, government, local government corporations, regulators, investment analysts, lenders, partners, contractors, suppliers, special advisors, industry associations, corporate entities (e.g. Atlantic LNG, The National Gas Company of Trinidad and Tobago Limited, BP, Shell, EOG, etc.), energy chambers, universities, primary and secondary schools, media and our neighbouring communities.</p> <p>It is through proactive engagement with key stakeholders that we obtain diverse feedback and insights that help us identify sustainability risks and opportunities and prioritise key ESG disclosures and initiatives.</p> <p>In FY2022, Heritage undertook its first Community and Social Impact Assessment with a view to measuring key engagement indicators.</p> <p>The survey will be done every other year with the ensuing period being used to strategically address issues gleaned from the analysis.</p> <p>Similar to the Community Engagement Survey, Heritage also undertakes its Employee Engagement Survey (Jan 2022) which also measures and tracks key employee engagement indicators. The information also informs the engagement strategy, projects and initiatives.</p> <p>Government engagement takes place at the Parliamentary, Ministerial and Local Government levels. Quarterly meetings are held with Members of Parliament as a means of sharing information, and issues identification, consultation and tracking. On a ministerial level, such engagements are also regular and ongoing. Areas for more synergistic partnerships are identified and advanced through these engagements, e.g. we have been exploring the possibilities to deepen partnerships with the Ministries of Local Government, Agriculture and Youth Development and National Service.</p> <p>At the Local Government level, we meet and partner regularly with Local Government Mayors, Chairmen, Councillors and other representatives. We have partnered with Local Government on initiatives aligned to the company's sustainability focus.</p> <p>Regulators - Stakeholder meetings are conducted for key projects as required by the Certificate of Environmental Clearance (CEC) process.</p>
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**Disclosure 2-30 Collective bargaining agreements**

2-30-a	Report the percentage of total employees covered by collective bargaining agreements;	<p>Heritage's employees are not covered by collective bargaining agreements. There is no labour agreement between a union representing employees and Heritage as the employer.</p> <p>Employee conditions and benefits are developed by Heritage Management and approved by the Board of Directors and the Corporation Sole.</p>
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2-30-b	For employees not covered by collective bargaining agreements, report whether the organisation determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organisations.	Not applicable. There are no employees covered by collective bargaining agreements. Working conditions and terms of employment are based on the same process.
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**GRI 3: Material Topics**

3.3	Management of material topics - The reporting organisation shall report how it manages anti-corruption using Disclosure 3-3 in GRI 3: Material Topics 2021.	Anti-corruption is managed as per the process outlined in the <a href="#">Anti-Bribery, Anti-Corruption and Fraud Policy</a> at the TPHL level.
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Flaring	Describe actions taken to manage flaring and venting and the effectiveness of actions taken.	<p>Heritage is currently developing strategies to improve the carbon intensity of its operations. One such strategy is material reduction in our methane emissions through gathering and transport of associated gas that is currently being vented. The company has published an Expression of Interest (EOI) seeking partners to propose innovative approaches to achieving this objective.</p> <p>The EOI was published on 3 April 2022.</p> <p><a href="#">EOI for Methane Recovery - Heritage Petroleum Company Ltd.</a></p>
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Material topic area - climate adaptation, resilience and transition	<p>Describe policies, commitments and actions of the organisation to prevent or mitigate the impacts of the transition to a low-carbon economy on workers and local communities.</p> <ul style="list-style-type: none"> <li>• Report the level and function within the organisation that has been assigned responsibility for managing risks and opportunities due to climate change.</li> <li>• Describe the board's oversight in managing risks and opportunities due to climate change.</li> <li>• Report whether responsibility to manage climate change-related impacts is linked to performance assessments or incentive mechanisms, including in the remuneration policies for the highest governance body members and senior executives.</li> <li>• Describe the climate change-related scenarios used to assess the resilience of the organisation's strategy, including a 2°C or lower scenario.</li> </ul>	<p>Climate-related risks were all identified in the GHG Emissions Inventory in Heritage Petroleum Company Limited for 2020 and 2019 to Heritage's Leadership, the GHG Reduction Assessment prepared in 2020 and the Climate Transition Framework.</p> <p>Please note, the information included in the ESG covers what was done in 2020/2021 which was to identify the sources and the main contributors. This fiscal year, the Company has appointed a Green Agenda team to further define what Heritage's GHG Agenda and climate change actions will be.</p>
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**200 Series Economic Performance 2016**

**GRI 201 - Economic Performance 2016**

201-1	Direct economic value generated and distributed.	2022 numbers are unaudited and will have to be updated once the Audited Financial Statements are complete. We generated revenues from contracts with customers of TT\$10,160 million (US\$1,504 million) and TT\$6,827 million (US\$1,011 million) for the years ended 30 September, 2022 and 30 September, 2021, respectively.
201-2	Financial implications and other risks and opportunities due to climate change.	<p>No formal evaluation of financial implications and other risks and opportunities due to climate change.</p> <p>Climate-related risks were all identified in the GHG Emissions Inventory in Heritage for 2019, 2020 and 2021 to Heritage's Leadership, the GHG Reduction Assessment prepared in 2020 and the Climate Transition Framework.</p> <p>It is included in the Risk Registers of Land and Midstream. These registers were created in the fiscal year of 2021/2022.</p>

201-3	Defined benefit plan obligations and other retirement plans.	Heritage provides a deferred annuity plan as part of its benefits package to its employees. In the deferred annuity plan, the employee contributes 5% and Heritage contributes 10% of the employee's base salary. In deferred annuities, the employee contributes to the individual annuity to which he/she owns, and Heritage contributes to the corporate annuity which Heritage owns on the employees' behalf. The annuity enrolment is mandatory based on Heritage's terms and conditions of employment. The employee's individual annuity gives each employee the choice of three (3) funds into which to invest the contributions into. The funds range from aggressive to balance to conservative portfolios.
201-4	Financial assistance received from government. Presence of any government in the shareholder structure and to what extent.	The Company did not receive any Government assistance for the year ended 30 September 2022. The Corporation Sole is the ultimate beneficial owner of all subsidiary companies.
<b>GRI 202 - Market Presence 2016</b>		
202-1	Ratios of standard entry-level wage by gender compared to local minimum wage.	The minimum wage of \$17.50 is governed by the Minimum Wage Act that pertains to workers/positions in certain sectors of the economy. Heritage is part of the Local Energy Industry, which is a specialised market within which salaries, benefits, allowances are influenced by other variables, including market conditions resulting in Heritage employees being paid above the minimum wage. However, to maintain Heritage's competitive advantage, the ratios of standard entry-level wages cannot be publicly disclosed.
202-2	Proportion of senior management hired from the local community.	Local community is defined as all of Trinidad and Tobago. Senior Managers is defined as the Executive Management team at Heritage. Based on this definition, 100% of our Senior Managers are from the local community. Local Community is defined as all of Trinidad and Tobago. Significant location of operations is across the southern hemisphere of Trinidad with work sites located at Point Fortin, Santa Flora, Guayaguayare, Pointe-à-Pierre, Forest Reserve, Penal and Port of Spain.
<b>GRI 203 - Indirect Economic Impacts 2016</b>		
203-1	Infrastructure investments and services supported.	The Company has invested in its forward drilling programme and workover campaigns, which focuses on production-winning and production-sustaining activities. Additionally, the Company continues to execute its asset integrity plans on plants and pipelines, automation and technology initiatives.
<b>GRI 204 - Procurement Practices 2016</b>		
204-1	Proportion of spending on local suppliers.	For the reporting period of 2021 to 2022, 94.24% of Heritage's total spend on goods and services was with local suppliers and 5.7% was with international suppliers. In the context of Heritage, 'local' is defined as vendors located within the boundaries of Trinidad and Tobago. Although Heritage's assets are located in the southern part of Trinidad, this is not a determining factor in where the company sources its goods and services from. Vendors from all areas of Trinidad and Tobago are given an equal opportunity to bid for the supply of goods and services. The company, however, does assist in the development of vendors located within its neighbouring communities.
<b>GRI 205 - Anti-corruption 2016</b>		
205-1	Operations assessed for risks related to corruption.	Heritage's Enterprise Risk Management Framework assesses the risks related to corruption to the company within the Legal and Supply Chain Risk Registers. Requirement for mitigation of bribery, corruption and fraud is outlined in the <a href="#">TPHL Anti-Bribery, Anti-Corruption and Fraud Policy</a> . Please note, the information included in the ESG covers what was done in 2020/2021 which was to identify the sources and the main contributors. Work is continuing in this fiscal year (2021/2022) and will be provided in the next report. Internal Audit also considers the risk of fraud and corruption during its annual risk assessment and on each audit engagement. The significant risks for fraud occur within the procurement and tendering process - bid rigging, collusion, bid leakages and vendor preferential treatment. Controls have been implemented to reduce the risks.

205-2	Communication and training about anti-corruption policies and procedures.	Policies are on our intranet site. Our whistleblower platform was also launched in 2022 internally but the URL is accessible by anyone. All policies are available via the whistleblower platform. All Directors have received formal training on the organisation's anti-corruption policies and procedures in 2021 and 2022. Communication to and training of employees was carried out in 2022 for conflict of interest and gifts and entertainment policies following the soft launch in 2021. Total number and percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to: 1. Anti-bribery • Leadership - 10 • Managers - 9 • Employees - 11 2. Conflict of Interest • Employees - 367 including Managers 3. Gifts and Entertainment • Employees - 322 including Managers The majority of employees received training in 2022. Communication to vendors and JV partners has been ongoing with the numbers as follows: Contractors/Suppliers - 403 (100%) Joint Venture Partners - 1 (Approximately 1%)
205-3	Confirmed incidents of corruption and actions taken.	No confirmed incidents.
<b>GRI 206 - Anti-competitive Behaviour</b>		
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices.	No legal actions pending or completed during the reporting period.
<b>GRI 207 - Tax 2019</b>		
207-1	Approach to tax.	The company operates within the various tax legislations of Trinidad and Tobago. Tax legislation are periodically reviewed to be in alignment with the Finance Act (annually) to ensure tax practices are consistent with the laws as there are regular reviews of various legislations. Furthermore, tax payments are effected in compliance with the various tax legislations, ensuring all liabilities and deadlines are met (payments and returns). The Chief Financial Officer is the executive-level position within the organisation accountable for compliance with the tax strategy. The approach to tax is embedded through compliance with the various legislations and risks are identified, managed and monitored through Training and Audit Review. Compliance with the tax governance and control framework is evaluated through engagement of external tax experts (Ernst and Young). The assurance process for disclosures on tax is done through external review via audits. The company operates within the various tax legislations of Trinidad and Tobago which have varying filing and payment obligations and the company is fully compliant with these legislative provisions. The Company seeks to be fully compliant within all the areas of the various Taxation Legislation where it operates. The development and execution of the Tax strategy originates with these legislative provisions. External Training is provided periodically to key employees in Finance and Tax and these employees are important participants in the preparation of and the delivery of the Annual Budget.
207-2	Tax governance, control and risk management.	The Company is conservative in the approach to tax as the National Oil Company. Where there exists the potential for risk, External Consultants, Ernst and Young, and the Inland Revenue Department, Ministry of Finance are engaged. Compliance with the legislative provisions and the design and execution of the control framework is monitored by the Financial Controller and during the year and as part of the Annual Audit by Ernst and Young. Potential concerns regarding unethical or unlawful behavior relating to tax can be reported through the Speak Out facility, available to all employees. Additionally, concerns can be raised with Managers or Human Resources. Tax disclosures occur in two areas. Firstly, disclosures are required by International Accounting Standard 12 (IAS12) and these are disclosed on the Audited Financial Statements, which includes the audit opinion of the Audit or that the amounts and disclosures are compliant with IAS12. Secondly, the Board and Management may decide to publish tax information on the company's website, which are included in the unaudited results. Amounts included as Tax or contributions to government are prepared by the Finance Team, reviewed by the Financial Controller and approved by the CFO. There are also annual measures for the inclusion of tax amounts, where these amount s are reviewed and validated by Ernst and Young.

207-3	Stakeholder engagement and management of concerns related to tax.	Heritage engages mainly with the Board of Inland Revenue for matters such as seeking of Tax Clearance Certificates and consultation on practical tax matters.
207-4	Country-by-country reporting.	Heritage is locally operated and therefore pays taxes within Trinidad and Tobago. Total tax payments, in the form of Supplemental Petroleum Tax, Petroleum Profits Tax, Royalties and Levies due and payable for the year ended 30 September 2022 was TT\$4,500 million.

**300 Series (Environmental Topics)**  
**GRI 302 - Energy 2016**

302-1	Energy consumption within the organisation.	<p>Energy is consumed by Heritage in the form of electricity and combustion of diesel and natural gas. Electricity is used primarily to power our administrative buildings and our onshore production facilities. Diesel and natural gas are used to mainly to power our offshore facilities and intermittently for land facilities. Diesel and gasoline fuel is also used for the operations of vehicles on land. The electricity consumption is determined by a metering system. The fuel consumption is determined based on the amount of gas purchased at the designated gas pumping stations. Electricity is purchased for consumption by the organisation.</p> <p>Energy consumption throughout Heritage was as follows:</p> <p>Electricity 2022 - 139,546,750 MJ</p> <p>Fuel Combustion (Stationery Sources) 2022 - 2,942,710 MMBTU</p> <p>Fuel Combustion (Mobile Sources) 2022 - 239,894 MMBTU</p> <p>No electricity, heating, cooling and steam is sold by the organisation.</p> <p>Only steam is generated by the company for the use of recovering oil form wells located on land. There were two steam generators operated by the company from July to December 2022. The energy consumed in generating the steam is 154 BTU.</p> <p>The company does not consume any renewable fuel.</p>
302-2	Energy consumption outside of the organisation.	<p>The organisation currently does not have the means of monitoring all energy consumption outside the organisation. Energy consumption in the form of electricity is measured for our Joint Venture Operations (JV) (Investment). The total energy consumed in 2022 by Joint Venture is 9,279,904 KWH or 33,407,654,400,000 J. The electricity accounted for is non-renewable.</p>
302-3	Energy intensity.	Energy intensity was not calculated for the reporting period.
302-4	Reduction of energy consumption.	There were no reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives.
302-5	Reductions in energy requirements of products and services.	Information not available as energy reduction initiatives did not commence within the reporting period.

**GRI 303 - Water and Effluents 2018**

303-1	Interactions with water as a shared resource.	<p>Like all oil and gas companies, we use water in key aspects of our operations. Drawing from local water wells, we use it in waterflooding, steam flooding, fire systems and industrial use and we also supply to local communities for potable use. Vandalism, unauthorised usage, leaks and mechanical failures pose a significant water impact to the organisation.</p> <p>Water is drawn from local water wells located in Coora/Quarry, Forest Reserve/Parrylands, Fyzabad and Palo Seco. The withdrawals for 2022 are as follows:</p> <p>Coora/Quarry - 393,202 m<sup>3</sup>  Forest Reserve/Parrylands - 370,415 m<sup>3</sup>  Fyzabad - 218,110 m<sup>3</sup>  Palo Seco - 243,113 m<sup>3</sup></p> <p>For the reporting period, the company did not set any water-related goals and targets. We also have not done any studies to understand which areas may be water-stressed.</p>
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303-2	Management of water discharge-related impacts.	<p>Water discharges from our operations are currently managed via the Water Pollution Rules, 2019 where water pollution permits have been issued to Heritage for three (3) facilities; the Point Fortin Central Tank Farm, Pt. Ligoure Tank Farm and Guayaguayare Tank Farms. Produced water discharges into the environment are managed by the Water Pollution Permits that were issued under the Water Pollution Rules, 2019 by the Environmental Management Authority.</p> <p>Produced water is also treated at Los Bajos Water Treatment Plant.</p> <p>For potable water, the water quality standard was guided by the Water and Sewerage Authority (WASA) (WHO standards 2011). The water quality standard includes the following quality:</p> <p>1) Bacteriological - (Faecal Coliform)  2) Physical - (Colour, Turbidity)  3) Chemical - Aluminium, Ammonia, Chloride, Copper, Hydrogen Sulphide, Iron, Manganese, Sodium, Sulphate, Total Dissolved Solids, Zinc, pH.</p>
303-3	Water withdrawal.	<p>Water is drawn from local water wells located in Coora/Quarry, Forest Reserve/Parrylands, Fyzabad and Palo Seco. The withdrawals for 2022 are as follows:</p> <p>Coora/Quarry - 393,202 m<sup>3</sup>  Forest Reserve/Parrylands - 370,415 m<sup>3</sup>  Fyzabad - 218,110 m<sup>3</sup>  Palo Seco - 243,113 m<sup>3</sup></p> <p>Water withdrawal values are determined from flowmeters on well discharge as well as water treatment inlet and distribution to field.</p>
303-4	Water discharge.	Heritage has two (2) main sources of water discharges: produced and processed water discharges. Effluent is managed as per the effluent management process outlined on page 20 of the ESG Report.
303-5	Water consumption.	<p>Water is consumed in waterflooding, steam flooding, fire systems and industrial use and we also supply to local communities for potable use.</p> <p>In 2022, a total of 1,224 m<sup>3</sup> was consumed from January to December.</p>

**GRI 304 - Biodiversity 2016**

304-1	Operational sites owned, leased or managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas.	The area is also used for oil extraction and as a corridor to transport oil and gas, housing numerous pipelines and their associated infrastructure. The land is entirely state-owned.
304-2	Significant impacts of activities, products and services on biodiversity.	<p>Heritage's activities exist within the vicinity of many of Trinidad and Tobago's environmental wildlife, their habitat, and environmentally sensitive areas.</p> <p>None of Heritage's operations introduces invasive species or pathogens. The Offshore Business Unit has vessels that move within the fields and does not come from international waters. International shipping is handled by Paria and not directly Heritage Midstream.</p> <p>We do recognise that our operations can have significant environmental impacts on biodiversity, hence we aim to preserve the ecosystems and the biodiversity contained within the areas in which we operate through this procedure, systems implemented and regulatory compliance. As it is, we do not affect the salinity of groundwater within our operations. The only activity that may affect groundwater is drilling, however, drilling is contained to a casing and fluids do not cross over into the aquifers or groundwater. Also, the fluids used in drilling is not saline to affect salinity.</p> <p>For FY2022, there was only one major oil spill of 300 barrels in Beachfield Guayaguayare. Oil spills from Heritage operations on land can affect inland watercourses, vegetation and faunal life.</p> <p>Offshore spills can affect marine life, fish landing sites and mangrove habitats. Remediation of oil spill includes material being removed from site, rehabilitation and the monitoring of replanted areas. We do due diligence on organisms impacted e.g., birds cleaned, snakes removed etc. with minimal residual impact. We contain spills with booms and other tools. Impacts from spills are short in duration as spills are cleaned up within 24 hours most times depending on the size of the spills.</p> <p>The impacts are reversible once oil spill sites are cleaned up adequately and the ecosystem is given sufficient time to recover. Also, we ensure to use chemically safe products (approved by the Ministry of Energy and Energy Industries, and Heritage) and we minimise the use of chemicals for offshore clean-up exercises.</p>
304-3	Habitats protected or restored.	None of the areas listed under the EMA's Environmentally Sensitive Areas falls in Heritage's operations.

304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations.	The only endangered species that fall within Heritage areas of operations are the ocelot in forested areas, the scarlet ibis in Icacos, the Trinidad howler monkey and the Trinidad white-fronted capuchin monkeys that are found in the Trinity Hills Wildlife Sanctuary. Heritage does not have any study that identifies numbers of species that exist in their operating fields.
<b>GRI 305 – Emissions 2016</b>		
305-1	Direct (Scope 1) GHG emissions.	<p>For 2022, the tCO<sub>2</sub>e for Heritage was:</p> <ol style="list-style-type: none"> <li>GOR method 5,577,151 tCO<sub>2</sub>e</li> <li>Measured method 1,644,612 tCO<sub>2</sub>e</li> </ol> <p>Direct (Scope 1) Emissions include the following gases: CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. HFCs and SF<sub>6</sub> is also included in the data input for Refrigerants and Insulation in Electricals respectively. The approach for Scope 1 Emissions is Operational Control.</p> <p>The source of the emission factors in the calculator the API standard, DEFRA 2021, and IPCC Guidelines 2006.</p> <p>The base year calculation is 2019. The total Scope 1 emissions during the base year was 4,719,014 tCO<sub>2</sub>e. This was the first year of inventory completed for Heritage.</p> <p>The base year emissions was chosen based on the recalculation of the first year the emission inventory was completed. The base year emission in 2019 was recalculated in 2020. This was due to the change in vented emissions for Offshore.</p> <p>The vented emissions calculated for 2019 utilised the gas-to-oil ratio (GOR) for all its fields which could be interpreted that all the gas produced with the oil from the fields was being vented. This is not the case as most of the gas produced is compressed and reinjected into the wells as 'gaslift' gas for lifting the oil from the wells. A small quantity of the gas produced is also used as fuel for offshore and on-land equipment. After separation, the residual entrained gas in the oil is vented as 'fugitive gas' at the top of the production tanks, however, this is not currently being measured. Continuous measured venting only occurs on the Generator Platform (GPI) location in the Soldado East Field. Otherwise, venting occurs in emergency/upset situations when equipment or platforms shut down, the system blows down or when maintenance is required. Gas is also flared on the Mobile Offshore Production Unit in the Southwest Soldado Field during upset conditions or during maintenance work on compressors. The emissions from flaring was included into the calculator from 2020 onwards. The GOR was revised from the 2020 calculation hence the volume vented in the 2019 report was significantly reduced due to this removal.</p>
305-1	Direct (Scope 1) methodologies, assumptions and/or calculation tools used.	The GHG Protocol has been chosen as the most suitable standard for the organisation's carbon footprint. It has been applied to calculate emissions from stationary combustion sources and purchased electricity. This standard has been reinforced by the API and IPCC Guidelines. Direct emissions are now reported using both gas-to-oil (GOR) and direct measured.
305-2	Energy indirect (Scope 2) GHG emissions.	<p>Indirect Scope 2 GHG emissions for 2022 was 20,408 tCO<sub>2</sub>e.</p> <p>Indirect Scope 2 emissions include the following gases: CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. HFCs and SF<sub>6</sub> are also included in the data input for Refrigerants and Insulation in Electricals respectively. Operational Control/ Financial Control (electricity if purchased from the National Grid).</p> <p>The source of the emission factors in the calculator for Scope 2 is CO<sub>2</sub> emissions from fuel combustion, International Energy Agency (IEA) 2019 (emissions 2017) &amp; Defra Carbon Factors 2019 - Trinidad and Tobago's electric mix, which had an emission factor of 0.467kgCO<sub>2</sub>e/kWh in 2017. The GHG Protocol has been chosen as the most suitable standard for the organisation's carbon footprint. It has been applied to calculate emissions from stationary combustion sources and purchased electricity. This standard has been reinforced by the API and IPCC Guidelines. Emissions are calculated using gas-to-oil (GOR).</p> <p>The base year calculation is 2019. The total Scope 2 emissions during the base year was 24,634 tCO<sub>2</sub>e. This was the first year of inventory completed for Heritage.</p> <p>There are no significant changes in emissions for scope 2.</p>
305-3	Other indirect (Scope 3) GHG emissions.	<p>Indirect Scope 3 GHG emissions for 2022 was 5,410 tCO<sub>2</sub>e.</p> <p>Carbon dioxide, methane and nitrous oxide are included in the calculation.</p> <p>The source of emission factor for scope 3 was Ecoinvent Database, DEFRA 2021 and API standards. The GHG Protocol has been chosen as the most suitable standard for the organisation's carbon footprint. It has been applied to calculate emissions from stationary combustion sources and purchased electricity. This standard has been reinforced by the API and IPCC Guidelines. Emissions are calculated using gas-to-oil (GOR).</p> <p>The base year calculation is 2019. The total Scope 3 emissions during the base year was 51,861 tCO<sub>2</sub>e. This was the first year of inventory completed for Heritage.</p>

305-4	GHG emissions intensity.	2022 - Heritage GHG Intensity is 0.557 (GOR method) and 0.164 (Measured method) tCO <sub>2</sub> e/bbl. Scope 1, 2 and 3 GHG emissions are included in the intensity ratio.
305-5	Reduction of GHG emissions.	Information provided in the <a href="#">Climate Transition Finance Framework</a> No reduction initiatives have been completed for the reporting period. Heritage is currently in the process of measuring and improving data inputs (venting) into the GHG Calculator and completed the venting survey during the reporting period.
305-6	Emissions of ozone-depleting substances (ODS).	Emissions of ozone-depleting substances were not calculated during the reported period. Heritage does not produce any ODS.
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant air emissions.	There are no significant air emissions required to be tested for the organisation for the reporting period.
<b>GRI 306 - Waste</b>		
306-1	Waste generation and significant waste-related impacts.	<p>The waste generated at Heritage stems from its own activities in its onshore and offshore exploration and production activities, transportation through pipeline networks, and storage at crude storage facilities and administrative areas. Waste takes the form of solid, liquid or gas and comprises both hazardous and non-hazardous waste. All waste types have the potential to impact land, marine and riverine ecosystems and its biodiversity as well as pollution surface and ground water sources.</p> <p>The main solid/semi-solid waste types are generated from the following sources:</p> <ul style="list-style-type: none"> <li>Spent drilling fluids, drilling muds and drilling cuttings (oil and water-based) from exploratory drilling, development, and production of wells.</li> <li>Completion, workover and stimulation fluids from completion and workover of production wells.</li> <li>Production pit/drilling pit sludge/oily sludge from exploratory drilling, development and production of wells and maintenance of assets.</li> <li>Basal sediments from cleaning of tanks and earthen pits.</li> <li>Oily liquids and slop oils from Exploratory drilling, development and production of wells, oil spill clean-up.</li> <li>Pigging fluids/flushing of the pipelines from chemicals, water, and solids generated from cleaning of pipelines.</li> <li>Oily sorbent material, including rags, socks, booms, pads, peat moss from exploratory drilling, development and production of wells, crude storage operations, maintenance activities, oil spill clean-up PPE.</li> <li>Hydrocarbon-contaminated sediment/sand/vegetation from oil spill clean-up.</li> </ul>
306-2	Management of significant waste-related impacts.	<p>Heritage's Waste Management Plan outlines our strategy for management of significant impacts from waste. It outlines the hierarchical approach to waste management which seeks to avoid consumption and reduce waste generation followed by reuse, recycling, waste-to-energy recovery, treatment and ultimately placement in landfills. It also outlines the potential treatment options for different waste types including incineration, bioremediation and stabilisation amongst others.</p> <p>Our waste management methodology focuses on four key areas:</p> <ul style="list-style-type: none"> <li>Waste Identification, Classification, Waste Streams, Characterisation and Analysis</li> <li>Waste Collection, Segregation, Transfer, Transportation and Disposal</li> <li>Documentation, Monitoring, Reporting and Auditing</li> <li>Emergency Response/Incident Reporting</li> </ul> <p>We are currently in the early phase of implementation and have taken a methodical and phased approach to implementing our Waste Management Plan, carefully considering the context and challenges we face as a major land operator. Some of our progress to date includes:</p> <ul style="list-style-type: none"> <li>Obtaining approval for our Waste Management Procedure</li> <li>A full review of our Waste Manifest Form</li> <li>Completion of our Waste Characterisation Exercise to understand the different waste streams across our operations.</li> </ul> <p>During this reporting year, we also completed a clean-up of the Forest Reserve and Central Los Bajos bioremediation sites, spending \$5M and removing 2,487 and 5323 cubic metres of waste respectively, sending them to the Environmental and Remedial Treatment for Hydrocarbons (EARTH) for bioremediation. This area contained spill material from the legacy company as well as material from minor spills during our tenure.</p> <p>89 internal recycle bins and a solar compactor were also purchased, pits were cleaned and bioremediated at Point Ligoure, PFC, Adventure and Bernstein, and we have a yearly contract with Kaizen to dispose of oily waste and rags from our Land, Midstream and Offshore operations.</p>

306-3	Waste generated.	Our waste manifest and inventory system is in the early phases of implementation, however, from the clean-up of the Forest Reserve and Central Los Bajos bioremediation sites, we removed 2,487 and 5,323 cubic metres of waste respectively. In the next reporting period, a more comprehensive quantity of waste generated will be available.
306-4	Waste diverted from disposal.	No waste was diverted from disposal during the reporting period.
306-5	Waste directed to disposal.	Total known quantity of waste generated was 7,810 cubic meters.
<b>GRI 307 – Environmental Compliance 2016</b>		
307-1	Non-compliance with environmental laws and regulations.	No existing non-compliance with environmental laws.
<b>GRI 3: Material Topics 2021</b>		
<b>400 Series (Social Topics)</b>		
<b>GRI 401 – Employment 2016</b>		
401-1	New employee hires and employee turnover.	The employee turnover rate was 5.23% for the period 2021/2022.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	Housing allowance, motor vehicle allowance and retirement benefit provided to full-time employees.
401-3	Parental leave.	Parental leave benefits for Heritage employees are in alignment with industry best practice.
<b>GRI 403 - Occupational Health and Safety 2018</b>		
403-1	Occupational health and safety management system.	Heritage's Health and Safety Management System is integrated within Heritage's Operating Management System (OMS) and is known as the Health, Safety, Security and Environment (HSSE) OMS. The intention behind the integrated approach is to integrate HSSE into all of the Business Units to effectively embed HSSE into all of Heritage's work activity. The HSSE requirements were identified against the elements Heritage OMS Framework and an HSSE Manual was developed to document the guidelines and describe the minimum requirements for compliance to promote continuous improvement by measurement and evaluation of performance against established standards and to prevent work-related injury, ill health and damage to the environment. Each element has a corresponding sub-element from which HSSE policies, procedures, standards and guidelines were developed that outlines the expectations and performance requirements for good HSSE governance. Implementation of these HSSE policies, procedures etc. are then handled by the responsible HSSE team with the core competency in that field, e.g. Occupational Health, Crisis Management, Environmental & Regulatory Compliance, etc. Implementation plans were developed with key milestones and implementation is currently in progress across Heritage. The HSSE OMS Manual was developed based on the ISO 45001 for an Occupational, Health and Safety Management System, Trinidad and Tobago's - Safe to Work HSSE Requirements and the Occupational Safety and Health Act, Chapter 88:08 of the laws of the Republic of Trinidad and Tobago.  Essential to our OMS is a robust Health Management System (element 4.4 Health and Industrial Hygiene) focused on systematic health and occupational hygiene programmes, improving health capabilities and promoting wellness of all our employees throughout all business units by comprehensively identifying, assessing, evaluating and controlling health and occupational hygiene risks. Heritage manages its operations to prevent harm to the health of its employees, contractors, visitors and neighbouring communities.

403-1	Occupational health and safety management system.	In Heritage, the HSSE Leader holds overall accountability for the HSSE OMS. He assures the development and implementation of the HSSE OMS. The Leader is supported by a team of HSSE Managers, each with responsibility for the implementation and administration of different aspects of the HSSE OMS. There are six (6) core areas of responsibility - Environmental & Regulatory Compliance, Occupational Health, Crisis Management & Emergency Response, Control of Work, Process Safety and Operational Safety. They are then supported by teams of HSSE Advisors who ensure that all Heritage persons are aware of and adhere to HSSE performance requirements and aid and support in the implementation of the HSSE OMS. The Environmental and Regulatory Compliance Manager with the OMS/EMS Advisor has specific responsibility for the administration and implementation of the HSSE OMS. The implementation process involves preparation, planning, deployment and sustaining the implantation of the HSSE OMS Manual and its associated procedure. This team does the following:  <ul style="list-style-type: none"> <li>• Coordinate implementation,</li> <li>• Develop the implementation plan and milestones,</li> <li>• Conduct HSSE OMS Manual engagement workshops,</li> <li>• Assess the gaps and associated risks for implementation,</li> <li>• Review the gap assessment with the leadership team,</li> <li>• Develop an annual action plan and detail how gaps will be closed,</li> <li>• Review the HSSE OMS Manual as required and</li> <li>• Performance manages the ongoing implementation plan.</li> </ul> <p>The Occupational Health Team continues to drive improvement of health management systems in the organisation by conducting self-verifications and checks to monitor the performance of health and industrial hygiene. This included a 2021/2022 volatile organic compounds (VOC) profiling study at our Tank Farm facilities to evaluate occupational exposures of VOCs and chemical exposure risk to laboratory personnel at the Santa Flora Laboratory. This allowed opportunities for improvement to be identified and implemented.</p>
403-2	Hazard identification, risk assessment and incident investigation.	The processes for hazard identification and risk assessment are outlined in Heritage's Control of Work Procedure and incident investigation is outlined in the Incident Management Procedure.  The processes to identify work-related hazards are risk assessments: Behaviour Based Safety Task-Based Risk Assessment, Hazard Identification Checklist for site visits, Self-Verification Leadership Field Site Visit Audits and Inspection Hazard Operability Studies Management of Change Technical Risk Assessment Enterprise Risk Management Registers.  The process for workers to report work-related hazards are as follows: SAP S4HANA Eforms, Stop Work Authority, Submission of Hazard Identification Checklist and HSE Committees Actions arising out of the process are reported and tracked by the HSSE Team. The HSSE Team would review emerging risk data from employees and contractors to evaluate trends and possible interventions required.  Work-related incidents are investigated via the Heritage Incident Reporting and Investigation Procedure (HSSE-PRO-000088-000).
403-3	Occupational health services.	Heritage has a competent and certified inhouse Occupational Health team comprising a registered Occupational Health Nurse and a physician that serves as our Medical Advisor. In 2021/2022, to support our medical emergency response capabilities, Heritage has onboarded six (6) ambulances and we initiated the process to establish a first aid station at Santa Flora. Employees have the benefit of insured health coverage under the company's Health Plan whereby they can avail themselves of medical care benefits including COVID-19 testing, vision and dental. In 2021 and 2022, our annual flu shot programme was successfully conducted and COVID-19 vaccines were offered to our employees and contractors through an in-house programme. In conjunction with our health insurers, the Occupational Health team continually hosts health awareness sessions. In 2021/2022, we hosted several sessions about mental health; alcoholism; diabetes and hypertension; obesity and weight management; and advances in urology. We recognise the value of a strong health and well-being strategy that reflects and strengthens our culture and educates employees on achieving a balance and addressing workplace stress. To this end, we conducted an eight-week Tai Chi programme in 2022 and initiated a pilot programme to provide free local and seasonal fruits to employees to supplement healthy diets while at work. We recognise mental health as a key component of a productive workforce, so we offer free employee assistance programme (EAP).  Employee personal health data is only accessible to our in-house medical professionals. The data is stored on data encryption software programmes to maintain confidentiality and privacy of information. Decisions regarding any employees' medical fitness to perform their designated work activities or around their fitness for recruitment are informed by medical professionals through review of empirical medical data and results.

403-4	Worker participation, consultation and communication on occupational health and safety.	<p>The organisation uses several platforms to engage worker participation and consultation in regard to the occupational health and safety systems including HSSE Committees, procedure reviews and self-verifications. In 2021/2022, the Occupational Health team developed a Chemical Management Procedure, Dangerous Animal Encounters Procedure, Indoor Air Quality Procedure and Medivac/Medimove Protocol, all of which were developed and peer-reviewed by personnel from various strata within the organisation to solicit input into the development of health and industrial hygiene procedures.</p> <p>Heritage has established two (2) Health, Safety, Security and Environment (HSSE) Committees: one (1) HSSE Steering Committee and one (1) HSSE Sub-committee. These HSSE Committees are an essential part of Heritage's safety management efforts. Managers and supervisors can gain valuable assistance in their areas by a joint effort with their committee members. The HSSE Sub-committee consists of non-management employees in various departments and business units to ensure adequate representation for each location/line. The HSSE Sub-committee is established to facilitate company-wide representation. The HSSE Steering Committee comprises all Executive Leadership Team members, management representatives and the employee representatives from the HSSE Sub-committee. This committee conducts quarterly meetings which will be chaired by the nominated chairman. The primary functions of the committees are:</p> <ul style="list-style-type: none"> <li>• To make recommendations for improvement to satisfy Heritage's HSSE Policy obligations.</li> <li>• To provide a platform for consultation and involvement with employees through their representatives.</li> <li>• To provide a 'bottom-up' feedback communication loop to top management on the impact and effectiveness of the HSSE policy, procedures and programs.</li> <li>• To assist Heritage in exercising oversight and governance of safety, health, welfare, wellness and environment management</li> <li>• To review measures taken by Heritage to ensure persons' health and safety at the place of work.</li> <li>• To participate in investigations and inspections and take all reasonably practicable measures to resolve matters which a member of the committee or Heritage employee considers is not safe or is a risk to health or which has been brought to the attention of the committee and or employer.</li> </ul> <p>Currently Heritage does not have formal agreements with recognised trade unions.</p>
403-5	Worker training on occupational health and safety.	<p>Occupational Health and Safety Training is an ongoing process within Heritage which includes delivery to our employees and contractors through HSSE induction as well as training on established health and occupational hygiene programs and procedures which aim to improve worker knowledge to recognise, evaluate and effectively control health risks within the organisation. In 2021/2022, these included several training and awareness sessions delivered to employees and contractor personnel on Benzene Management Procedure where 126 persons were trained, Chemical Management</p> <p>Procedure where 125 personnel were trained and Drug, Alcohol and Prohibited Substances Abuse Policy where we utilised our monthly contractor meeting platforms to refresh contractor awareness on our requirements.</p>
403-6	Promotion of worker health.	<p>The requirements for occupational health are outlined in Sub-element 4.4 – Health and Industrial Hygiene of the OMS. Heritage also has a dedicated team that identifies and addresses the risks associated with occupational health. During 2020/2021, Heritage focused on outlining the procedures for promotion of worker health. The procedures developed to accomplish this are:</p> <ol style="list-style-type: none"> <li>1. Fatigue Management.</li> <li>2. Fit for Work.</li> <li>3. Benzene Management.</li> <li>4. Drug, Alcohol and Substance Abuse</li> </ol> <p>The Occupational Health team identified and delivered voluntary health programs based on review of medical plan usage by employees, analysis and review of medical data from local and international trends, expressed employee concerns at feedback forums as well as those identified from global health observances and awareness days. Communication is done via the organisation's companywide email platform to promote participation. We recognise the value of a strong health and well-being strategy that reflects and strengthens our culture and educates employees on achieving a balance and addressing non-work-related health risks such as those lifestyle and noncommunicable diseases. To this end, we conducted an eight-week Tai Chi programme in 2022 and initiated a pilot programme to provide free local and seasonal fruits to employees to supplement healthy diets while at work. Occupational Health has hosted several sessions to build awareness on wellness issues including, mental health; alcoholism; diabetes and hypertension; obesity and weight management; and advances in urology; and others.</p>

403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships are managed primarily through the enterprise risk framework of which health risks are comprehensively identified and assessed and appropriate control measures are identified to reduce the gross risk to the organisation. Organisational health risks and their respective controls and mitigations are captured and managed in the HSSE Risk Register.
403-8	Workers covered by an occupational health and safety management system.	<p>All employees and contractors are covered by Trinidad and Tobago's Occupational Safety and Health Act, 2004 amended 2006 requirements. The Heritage HSSE OMS Manual applies to the organisation's employees and workers who are not employees but whose work and/or workplace is controlled by the organisation.</p> <p>As guided by Occupational Health Manager, health and safety data on number of non-employee workers (contractors) covered by the organisation's health and safety management system is to be obtained by the HSSE Operations Manager from SME, i.e., Contractor Management Advisor.</p> <p>The approach for internal audits for the occupational health management system are governed by a) the systems and processes of the Internal Audit Department; OMS Element 9.1 and b) the internal audit element under ISO14001:2015.</p>
403-9	Work-related injuries.	<p>HSSE Performance Metrics – See page 28 in ESG Report.</p> <p>Rates were calculated based on 200,000 hours worked in accordance with the OSHA 1904 Standard.</p> <p>Hazards were determined using our enterprise risk framework/process. Hazards that pose a risk of high-consequence injury are dropped objects, loss of control of heavy vehicles, fire, contact with electricity, gas releases, hydrocarbon/chemical exposure, vessel collision, work at heights, contact with/caught between mechanical and rotating equipment, and manual handling, rigging and lifting operations, uncontrolled release of mechanical, hydraulic and pneumatic energy, pressure vessel failure. One (1) high-consequence Injury occurred as a result of a dropped object. Corrective actions implemented were as follows:</p> <ul style="list-style-type: none"> <li>• Required dunnage, stanchions and chucks acquired in accordance with API PR5C1 standard.</li> <li>• Preventative maintenance and self-verification program for all pipe racks, stanchions, dunnage and chucks developed/implemented.</li> <li>• SOP established for the pipe yard operations for stacking and storage of pipelines, casings, tubulars, etc. inclusive of utilising onsite pipe racks, proper stanchions, dunnage and chucks.</li> <li>• Emergency response plan for pipe yards.</li> <li>• Risk assessment for the pipe yard operations completed and includes requirements for: performing authority personnel to be trained on the required tools and equipment that are acceptable based on best practices and standards focusing on (and not limited to) chucks, dunnage, stanchion, pipe rack construction, and API RP5C1; subject matter expert (SME) and/or single point authority/accountability (SPA) must be assigned to supervise, monitor and self-verify the activities at the pipe yard."</li> </ul> <p>Engineering controls have been applied to minimise the hazards/risks at the source where practical. Asset integrity and maintenance programmes have been developed and implemented which include the change-out of equipment as required. Control of work systems have been developed and implemented across the organisation with ongoing training and development. Self-Verification checks/Audits, Hazard Identification/Risk Assessments, Safe Operating Procedures, and sharing of Lessons Learned have been implemented. Process Safety Management Systems have been developed and implemented which includes the Management Of Change process, HAZOP and Pre-start Up Safety Reviews.</p> <p>In Heritage, a wide range of chemicals is utilised to support continuity of our business operations. During the period 2021/2022, a total of two work-related first aid incidents were recorded as a result of exposure to the following chemicals: GT-7592 (hydrate inhibitor) and xylene. GT-7592 is characterised by the following chemical hazards: is highly flammable, a skin and eye irritant and respiratory sensitiser primarily resulting in acute effects. Xylene is also a known skin and eye irritant and respiratory sensitiser with narcotic effects which may pose chronic effects from repeated long-term exposure.</p>
403-10	Work-related ill health.	HSSE Performance Metrics – See page 28 in ESG Report.



**GRI 404 - Training and Education 2016**

404-1	Average hours of training per year per employee.	<p>FY 2021/2022                  Gender:                  Male - 57/Female - 41                  Employee Category:                  Support - 23                  Technical/Administrative - 74                  Managerial - 39                  Lead - 46                  Supervisory - 55                  Professional - 46                  Senior Professional - 69                  Senior Technical - 34                  Executive Leadership - 29</p>
404-2	Programs for upgrading employee skills and transition assistance programmes.	<p>As a new organisation, the primary focus has been on startup initiatives and the implementation of SAP (all modules), although there has been some training intervention. Currently training information is not in SuccessFactors (Excel sheets are maintained). The Learning module in SuccessFactors will be utilised in the upcoming fiscal year. Training activities are aligned to needs assessment and organisational initiatives: FY 2021/2022: @RISK Software Demonstration 40-Hour Mediation Skills Accident and Investigation Workshop; Conflict Resolution/Mediation/Negotiation Workshop Advanced Loan Documentation; Advanced Oil &amp; Gas Project Economic Evaluation Advanced Root Cause Analysis; Leader Training Advanced Taxation; Authorized Gas Tester AML/CFT Training; Analysis of Industrial Court Judgments; Applied Subsurface Geological Mapping; Canadian Law Certificate; Caribbean Fleet Management; Caribbean Oil &amp; Gas Virtual Summit; OILMAP Training; CCTV Monitoring; Certified Six Sigma Green Belt Chemical Management Procedure &amp; Hazard Awareness; CIPS Sustainable Procurement Summit; Clamps Management End User Training; Communication Skills for Auditors: Interviewing and Negotiating Course; Computer Literacy; Confined Space Contract Law re: the Tendering &amp; Procurement processes and the Public Procurement and Disposal of Public Property Act; Control of Work Successful Negotiation – Essential Strategies and Skills; Security Department Court and Process Training; Creative Problem Solving and Analytical Thinking; Crisis &amp; Incident Communication; Critical Thinking Crucial Conversations; Microsoft Learning Effective Business Writing; Effective Contractor Management in Maintenance &amp; Technical Projects; Email &amp; Business Writing Skills (Online) Workshop; EMR Training Facility Management Professional (FMP) Credential Programme; Fire Extinguisher Training; Franklin Covey - The Seven Habits of Highly Effective People; Essentials Franklin Covey - The 5 Choices of Extraordinary Productivity; Advanced Excel; Excel Secrets; PowerPoint; Project Management for Business Professionals; Power BI; GSTT Conference; Hazardous Waste Management For Laboratories; High Impact Audit Reporting; HITRA and TBRA General HSE Awareness &amp; Emergency Response; General HSE Awareness &amp; Emergency Response with Sea Survival People; Analytics ICATT 2022 - P.A.Y.E Webinar ICS Training; IFRS Fundamentals for Upstream Oil &amp; Gas; IIA - Anniversary Week 5-Day Training Incident Investigation &amp; Root Cause Analysis; (RCA) Technique Introduction to Oil Trading and Price Risk Management; IPED Logistics &amp; Supply Chain Management Workshop; ISO 45001 Job Evaluation Training Key Performance Indicator; Associate Training Leadership Principles; Lifting Operations and Lifting Equipment Regulations Liquid Penetrant Levels 1 &amp; 2; Management of Change; Managing Corporate Reputation &amp; Risk for Strategic Impact; Masterclass on Maintenance Planning, Scheduling &amp; Control; Masterclass on Operational Excellence; Mastering Strategic Thinking; MBAL Mediation Skills Practical Workshop; Mobile Crane &amp; Rigging Inspector Training; Navigating Risk in Mediation Risk Analysis &amp; Decision Making; NEBOSH HSE Certificate in Process Safety Management; Negotiation Mastery; PCP Design and Optimization using PC-Pump Training Course; PMP Boot Camp Professional Certificate in Leadership Essentials; PSM &amp; PHA-Pro Training; Public Speaking &amp; Presentation Skills; Renewable Energy Management and Finance Course; IEQ &amp; HVAC 2-day Workshop; OHTA W507 Health Effects of Hazardous Substances; W503 Noise – Measurement and Its Effects; Safe High Voltage Theory and Practice Scope of Works Development Training Workshop; Senstar Symphony VMS Technical Certification; Social Media Management Workshop; SPE Artificial Lift Conference and Exhibition Americas; Storage Tank Core Module ; STOW Element 4 Planning Goals &amp; Targets; Sucker Rod Pump; Succession Planning &amp; Talent Development (SPTD); Certification Supervisory Management; Wordpress for Beginners; Ultrasonics Level 1 United Nations Big Data Forum Working at Heights.</p>
404-3	Percentage of employees receiving regular performance and career development reviews.	FY 2021/2022 - 98% of employees with completed year-end reviews.

**GRI 410 – Security Practices 2016**

410-1	Please state the percentage of security personnel who have received formal training in the organisations human rights policies or specific procedures and their application to security.	NIL
410-1	Are employees of third-party organisations part of the calculations for security personnel?	Yes

**GRI 413 – Local Communities 2016**

413-1	Operations with local community engagement, impact assessments and development programmes.	<p>The company has developed and engaged a database of community groups and leaders and is updated as required. There is information sharing and engagement on needs and recommendations for engagement. HERO Scholarships - four (4) scholarships given to top-performing primary school students in Palo Seco and Santa Flora; HERE WE GROW - seedling distribution to the public in the Point Fortin and Palo Seco communities and throughout the primary and secondary schools in the neighbouring communities (number of seedlings distributed - 20,000).</p>
413-2	Operations with significant actual and potential negative impacts on local communities.	<p>The company engages in the following operations which can potentially have impacts on local communities as follows:</p> <ul style="list-style-type: none"> <li>• Drilling and workovers.</li> <li>• Spills and other incidents.</li> <li>• Field road access to the public.</li> <li>• Pipeline works (repairs/replacements).</li> <li>• Utilities (electricity - some communities are using the Heritage electrical supply; the Heritage water supply is also accessed by some households).</li> <li>• Tank farms/gathering stations/pumping jacks/ well sites that are close to neighbouring communities (noise, access, etc).</li> </ul> <p>Risk to communities would be their proximity to operations - while there are a number of households in close proximity to Heritage assets, there are no known socioeconomic, social and political negative impacts that have been documented. With regard to shared resources, such as access roads and utilities (electricity and water resources), the company continues its engagement with neighbouring communities and other stakeholders (e.g. state entities such as local government corporations and WASA) and addresses any concerns as required.</p>

**GRI 11 Oil & Gas Sector 2021**  
**Managing flaring and venting**

11.1	Managing flaring and venting.	<p>Heritage currently vents all associated gas produced onshore and a portion of associated gas produced offshore. Associated gas is predominantly Methane (&gt;80%) which has a higher global warming potential than carbon dioxide: CH4 GWP = 28 x CO2 GWP over a 100-year period (IPCC AR5).</p> <p>Recovery of associated gas has both environmental and potential economic benefits via the sale or use of recovered gas. The GHG Calculator includes assumptions on GOR due to lack of available data. Current assumptions likely result in overestimation of vented emissions.</p> <p>For continuous improvement and data assurance, a decision was made to quantify vented emissions via direct measurement.</p> <p>For the reporting period a detailed venting survey inclusive of vented and fugitive sources was conducted using an Infrared (IR) camera. This study was initiated in order to improve data by conducting direct measurement of vented gases for input/update into the GHG Calculator. This is the first stage in the process to manage flaring/venting, following which a detailed study will be conducted by the Green Agenda team for the recovery of vented gas.</p> <p>Flaring is only conducted on the MOPU; all other gases are either reused in the process as offshore or vented (Land, Midstream and GP1 Offshore).</p> <p>Advantages:</p> <ol style="list-style-type: none"> <li>1. The ability to quantify emissions without being near the gas plume.</li> <li>2. Quick method of identifying and quantifying emissions. Quantitative Optical Gas Imaging (QOGI) achieved +/- 30 percent accuracy in industry test.</li> </ol>
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11.1.1	Managing flaring and venting.	<p>QOGI was selected based on cost, accessibility and ability to provide real-time data for the specific sources of vented emissions identified at Heritage's operations. A demo was also done at selected sites where vented gas is metered to improve measurement accuracy prior to contract award.</p> <p>A service provider was engaged to perform a QOGI survey with the aim of quantifying GHG (specifically CH4) emissions across Heritage's Operational BUs. Scans done from 28 March, 2022 to 2 September, 2022.</p> <p>Equipment used:</p> <ol style="list-style-type: none"> <li>1. FLIR GFX 320 - Optical</li> <li>2. Gas Imaging (OGI) Infrared Camera</li> <li>3. QL 320 - Emission Quantification Tablet (uses GFX 320 footage)</li> </ol> <p>Results:</p> <ul style="list-style-type: none"> <li>• Fugitive and vented emissions were quantified at each identified location.</li> <li>• Emissions from the Land Business Unit account for ~55% of the total quantified CH4 emissions.</li> <li>• Emissions from the Offshore Business Unit account for ~45% of the total quantified CH4 emissions</li> </ul> <p>Learnings:</p> <ul style="list-style-type: none"> <li>• The data from the QOGI study is considered a more accurate representation of Heritage's current vented emissions.</li> <li>• While the QOGI survey represents spot measurements and did not cover 100% of sites, data will be used to improve GOR assumptions for the various fields for future GHG emissions inventory.</li> </ul> <p>Next Steps:</p> <ul style="list-style-type: none"> <li>• Update Heritage's GHG Inventory Calculator based on QOGI data.</li> <li>• Expression of Interest (EOI) was recently completed. Request for Proposal (RFP) to be done to identify and evaluate feasibility of options for onshore gas recovery.</li> <li>• Continue to work with other stakeholders.</li> <li>• Develop a plan to identify projects aimed at achieving 30% reduction in methane emissions by 2030.</li> </ul> <p>Note: GOR is currently used for the GHG Calculator tool, however, a more accurate figure of the emissions related to vented emissions can be obtained either by direct measurement or by updating the GOR and gas composition values.</p>
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#### Direct (Scope 1) GHG Emissions

11.1.5	Please report the percentage of gross direct (Scope 1) GHG emissions from CH4.	<p>The percentage of gross direct (Scope 1) GHG emissions from CH4 is as follows:</p> <ul style="list-style-type: none"> <li>• Methane based on GOR Calculation: 96%</li> <li>• Methane based on direct measurement: 86%</li> </ul>
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11.1.5	Please report the breakdown of gross direct (Scope 1) GHG emissions by type of source (stationary combustion, process, fugitive).	<p>Direct (Scope 1) Emissions for Stationary &amp; Mobile Combustion:</p> <ul style="list-style-type: none"> <li>• Stationary Combustion - 185,210 tCO2e</li> <li>• Mobile Combustion - 38,285 tCO2e</li> </ul> <p>Direct (Scope 1) Emissions for Venting &amp; Flaring:</p> <ol style="list-style-type: none"> <li>1. Emissions Based on GOR Calculation: <ul style="list-style-type: none"> <li>• Vented &amp; Flaring Emissions (Process) - 5,326,479 tCO2e</li> <li>• Fugitive Emissions - 27,176 tCO2e</li> </ul> </li> <li>2. Emissions Based on Direct Measurements: <ul style="list-style-type: none"> <li>• Vented &amp; Flaring Emissions (Process) - 1,261,711 tCO2e</li> <li>• Fugitive Emissions - 159,405 tCO2e</li> </ul> </li> </ol>
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#### Management of Material Topics

11.2.1	Impacts of the transition to a low-carbon economy on workers and local communities.	Not applicable currently; the organisation has not developed a strategy for the transition to low-carbon economy. Heritage is currently in the data gathering and improvement stages.
	Responsibility for managing risks and opportunities.	CEO, COO, Leadership and Managers.
	Board's oversight in managing risks and opportunities.	Any climate-related major or high risk is reported to the Board via the Enterprise Risk Management Process.
	Performance assessments or incentive mechanisms.	Identified Climate-related Risks are incorporated into the performance contracts of roles that are SPAs (Single Points of Accountability), for the delivery of those actions. Performance Contracts are based on the strategic plans for the Fiscal year and include Risk Registers & Mitigation Plans.
	Climate change-related scenarios.	Not Applicable currently.

Financial implications and other risks and opportunities due to climate change		
	Emissions potential for reserves.	This has not been estimated currently and will be part of the future ongoing work relative to GHG Emissions.
	Internal carbon-pricing.	The internal carbon pricing and oil and gas pricing assumptions haven't been currently established and will be part of the future ongoing work relative to GHG Emissions.
11.2.2	Impacts to operations or revenue.	Climate change-related risks and opportunities have been identified in the different applicable Business Unit Risk Registers. Physical risks of climate change are those immediate threats that come from the physical environment. Flooding, hurricanes, storms/major weather events, drought/water shortages are all symptoms of the climate crisis and can all cause physical damage to people and property. These directly impact facilities such as offshore platforms, tank farms and gathering stations. Transitional risk comes from the potential cost to businesses with the introduction of policy, laws and other regulations designed to address climate change. With the push globally and nationally for greener energy sources, governments are increasingly shifting their focus towards climate change mitigation and a look on renewable energy sources, and net-zero carbon emissions from energy producers. Liability risks arise from a failure to mitigate, adapt to, disclose or comply with changing legal and regulatory expectations. Companies that pollute are obviously exposed to potential litigation in the future.
	Percentage of capital expenditure.	Not applicable currently. Project are currently in the first stage of the Capital Value Process (i.e. appraise stage), therefore once the projects have been identified this fiscal year, capital expenditure will be allocated.

#### Reduction of GHG Emissions

11.2.3	Please report how the goals and targets for GHG emissions are set and specify whether they are informed by scientific consensus.	<p>The goals and targets for GHG emissions is guided by a commitment made by Trinidad and Tobago as a party to the United Nations Framework Convention on Climate Change (UNFCCC) and a ratified signatory to the Paris Agreement. The Heritage organisation and the Board of Directors is committed to contributing to the delivery of the national targets for reducing GHG emissions.</p> <p>Based on the results of the Heritage GHG emissions inventory assessment and analysis in 2019, Heritage's carbon footprint measurements identify combustion fugitive and vented emissions as the main contributors to GHG emissions.</p> <p>Heritage goals/targets are set out in the Heritage Petroleum Company Limited Energy Transition Framework in 2021:</p> <p>Target 1: (i) The initial Heritage target will be set in 2022 on completion of the Heritage GHG studies, analysis, business case, investment decisions and agreements on the scope of the GHG reduction. (ii) 30% of the Heritage GHG studies are scheduled for completion after 2022 and will further inform the Heritage GHG targets.</p> <p>Target 2: The second target setting timeline to define Heritage targets will be set in 2023 on completion of the remaining Heritage GHG studies, analysis, business case, investments decisions and agreements on the scope of the GHG reduction initiative.</p>
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11.2.3	Please report the Scopes (1, 2, 3) of GHG emissions, activities and business relationships to which the goals and targets apply.	The goal applies to Scope 1 and 2 emissions. Scope 3 projects have been identified and will be incorporated into future overall goals to be set.
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11.2.3	Please report the baseline for the goals and targets and the timeline for achieving them.	Goals and targets are to be evaluated and set upon the completion of the various studies (Venting Survey, Methane Recovery Study, etc). This is to be defined in 2023 based on the targets set out in the Heritage Petroleum Company Limited Energy Transition Framework in 2021.
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#### Approach to public policy development and lobbying on climate change

11.2.4	Approach to public policy development and lobbying on climate change.	Heritage engages its regulators and Government agencies (such as the Environmental Management Authority and the Ministry of Planning) on a regular basis. This is a key part of engagement with industry stakeholders as well as attending various engagement sessions. Legal Counsel and the E&RC Department provides feedback on any public policy document sent from government and/or regulatory agencies.
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#### Assessment of the health and safety impacts of product and service categories

11.3.3	Actions taken to improve product quality.	No action has been taken directly. An air emissions study was recently completed in FY 2022 for the various tank farms and gathering stations, and the data is currently under review for determining if any action is required. The product quality is strictly monitored by the Midstream Business Unit and the Commercial Department.
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Management of material topics		
11.4.1	Please describe policies and commitments to achieving no net loss or a net gain to biodiversity on operational sites and whether these commitments apply to existing and future operations and to operations beyond areas of high biodiversity value.	Heritage has an approved Biodiversity Management Procedure. There is also the National Environmental Policy (NEP) and the Environmental Management Act 2000. The internal procedure states that Heritage activities are to be conducted with respect for all wildlife, their habitat and sensitive areas. Also, environmental baseline surveys should be conducted every five years at Heritage. Development of Environmental Sensitivity Mapping is conducted as well as biodiversity surveys every five years (previous company) and has commenced in the Offshore Business Unit. Biodiversity impacts are identified at the early stages of project development and an Environmental Management Plan document is submitted to the regulators (Environmental Management Authority) as part of the submission for the Certificate of Environmental Clearance process.
11.4.1	Has application of the mitigation hierarchy informed actions to manage biodiversity-related impacts?	Application of the mitigation hierarchy has informed actions to manage biodiversity-related impact.
Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas		
11.4.3	Please report significant impacts on biodiversity with reference to affected habitats and ecosystems.	Despite already existing infrastructure, Heritage currently does not have any new projects that will significantly affect biodiversity. However, one biodiversity study will be done in a selected area yearly to adequately identify and assess changes to biodiversity from operations as compared with historical data.
Habitats protected or restored		
11.4.4	Please describe how the application of the mitigation hierarchy, if applicable, has resulted in areas protected through avoidance measures or offset measures and areas restored through onsite restoration measures or offset measures.	The mitigation hierarchy is a widely used tool that guides users towards limiting as far as possible the negative impacts on biodiversity from development projects. It emphasises best practices for avoiding and minimising any negative impacts and then restoring sites no longer used by a project before finally considering offsetting residual impacts. Pipelines are installed using existing right of ways. The use of new areas is also minimised in selecting well sites for drilling and cutting of vegetation is always kept to a minimum in the operations. There are plans by the drilling department to replant trees in last year's drilling locations.
Waste generated - Breakdown of various waste streams		
11.5.4	Please include a breakdown of the following waste streams: drilling waste, scale and sludges, tailings.	No data available.
Waste diverted from disposal - Breakdown of various waste streams		
11.5.5	Please include a breakdown of the following waste streams: drilling waste, scale and sludges, tailings.	No data available.
Waste directed to disposal - Breakdown of various waste streams		
11.5.6	Please include a breakdown of the following waste streams: drilling waste, scale and sludges, tailings.	No data available.
Water discharge		
11.6.5	Please report volume in megalitres of produced water and process wastewater discharged.	Point Fortin Central discharges approximately 18,000 cubic meters (18 megalitres) per month of produced water. Guayaguayare Tank Farm discharges approximately 5,000 cubic metres monthly (5megalitres). Pt Ligoure Tank Farm discharges approximately cubic meters monthly (megalitres)
	Please report the concentration (mg/L) of hydrocarbons discharged in produced water and process wastewater.	The average concentrations of hydrocarbons released in produced water in the form of Total Petroleum Hydrocarbons (TPH) in mg/L was as follows: Point Fortin Central Concentration - 10 mg/L Guayaguayare Tank Farm concentration - 18 mg/L Pt Ligoure Tank Farm concentration - 8 mg/L
Minimum notice periods regarding operational changes		
11.7.2	Please describe the approach to engaging workers in advance of significant operational changes.	A Management of Change process is conducted and all workers are informed prior to startup and training conducted as required.

Operational sites		
11.7.4	Please list the operational sites that have closure and rehabilitation plans in place, have been closed and are in the process of being closed.	Not applicable
Decommissioned structures		
11.7.5	Please list the decommissioned structures left in place and describe the rationale for leaving them in place.	There was no decommissioning conducted during the reporting period.
Financial provisions for closure and rehabilitation		
11.7.6	Please report the total monetary value of financial provisions for closure and rehabilitation made by the organisation.	A budget of \$7 million has been allocated for the clean-up of the bioremediation/storage sites. As the clean-up of the sites are completed, a detailed engineering study will be completed at the Forest Reserve remediation site.
Significant spills		
11.8.2	Please report the cause of the spill and the volume of spill recovered.	Oil spills are reported and the root cause of the spills investigated (e.g., sabotage, asset integrity, natural seepage etc.), the volume of oil spills is calculated and volume is recovered via vacuum trucks. Impact to vegetation and wildlife is evaluated. There is an oil calculator for offshore.
Decommissioned structures		
11.8.3	Tier 1 and Tier 2 process safety events.	There were no Tier 1 Process Safety Events. Process Safety Tier Levels- During FY22, process safety KPIs were being developed as a continuation of the implementation of the Process Safety management system. A Process Safety KPI Procedure was developed in late FY 22. At the start of FY23, the data is monitored to ensure reporting of all Process Safety Events.
Management of material topics		
11.14.1	Please describe the community development programs in place that are intended to enhance positive impacts for local communities.	The Neighbouring ('Fenceline') Community Contractors Development Program was developed as a small business incubator for low-risk company activities. This program will see a cross-functional committee overseeing the roll-out of this program where small community contractors in specified categories will be considered as contractors under a value of TT\$3 million. During the period of the program (three years), Heritage will act as a bridge for contractors to develop robust HSSE systems and attain Safe TO Work (STOW) certification. The HERE WE GROW agriculture training program is geared towards training fenceline residents in home or commercial gardening. The Heritage Information Technology Training (HITT) program targets residents from ages 7 to 70 for training in information and communication technology. The company is partnering with the National Energy Skills Centre and the village councils to deliver this training. Heritage installs the computer hardware and WiFi and also pays for the tutors in this program. The Heritage Education Resource Opportunity (HERO) offers four SEA students from the fenceline community the chance to win scholarships of \$100,000 each to facilitate their secondary to tertiary school education.  In 2022, Heritage expanded upon the HERO program by introducing a Leadership, Empowerment and Development component. This saw the company inviting all the HERO winners over the past three years to come together for a one-week engagement, which was facilitated by a community-based leadership development group, BARCAM. In 2023, Heritage will again expand with a new component which will bring teachers, parents and SEA students together to learn stress management, communication and coping skills to aid students in maintaining their health and well-being even as they prepare for the SEA exam. Additionally, in 2022, Heritage partnered with the Ministry of Youth Development and National Service to help identify appropriate areas to undertake agriculture training in the western peninsular on TPHL lands. The company also embarked on partnering with the ministry to develop an apprenticeship and training program geared towards the oil and gas industry at the company's industrial complex in Santa Flora.
Direct economic value generated and distributed		
11.14.2	Please report direct economic value generated and distributed (EVG&D) by project.	This information is not currently available.

Direct economic value generated and distributed		
11.15.1	Please describe the approach to identifying stakeholders within local communities and to engaging with them.	Heritage is continuously building its relationships with elected and selected community representatives who generally provide useful insight into the communities and its groups and residents. The Corporate Communications Advisors with responsibility for community relations actually come from and live in the southwest and are familiar with the social landscape. A Heritage Stakeholder Register is developed using information from the Ministry of Community Development (registered groups such as Non-governmental Organisations (NGO) and Community Based Organisations(CBOs) to identify key stakeholders and the Ministry of Education to determine the list of primary and secondary schools within the areas. Persons can send requests for donations and sponsorships which undergo a verification process before approvals are given. The Enterprise Risk Register is used to rank the level of impact on reputation, and then based on the ranking, a determination is made on the required response needed. A stakeholder analysis is conducted annually with accompanying key messages to guide the company's actions.
11.15.1	Please list the vulnerable groups that the organisation has identified within local communities.	Fisherfolk associations, illegal squatters, and unemployed and underemployed persons.
11.15.1	Please list any collective or individual rights that the organisation has identified that are of particular concern for local communities.	Areas of concern expressed from the community: 1) Maintaining spaces and infrastructure in the community that were previously maintained by Petrotrin. Heritage is not the owner of these properties under the Vested Agreement, therefore it is not responsible for the upkeep. 2) Undertaking corporate social responsibility (CSR) initiatives that were previously done by Petrotrin. Heritage will not be continuing any of those previous programs, however, a new CSR strategy is being developed in alignment with UN SDGs and Trinidad and Tobago National Development Goals (2030). 3) Impact from operations, re: spills, asset integrity, land management (response to land management issues previously handled by Petrotrin and Palo Seco Agricultural Enterprises Limited (PSAEL).
11.15.1	Please describe the approach to engaging with vulnerable groups.	There is a two-pronged approach - direct and indirect engagement. Heritage engaged vulnerable groups directly and partnered with elected representatives (local and parliamentary) as well as village councils and other recognised non-profit organisations. One of our strategic goals is to build trust and we do so by listening to community members and doing what we say we will do. Heritage has also provided contact numbers that can be used by vulnerable groups to inform Heritage of any issues.
Grievances from local communities		
11.15.4	Please report the number and type of grievances from local communities identified.	This information is not sufficiently documented and measured in one repository. Don't currently track the percentage of the grievances that were addressed and resolved and those resolved through remediation. The Corporate Communication Department ensures that any complaints they receive are sent to the relevant department for action. The Corporate Communication Department is currently developing a robust technology tool to collect and track, trend and provide feedback on grievances. Additionally, the Land Management Department also receives grievances are as follows: (1) As a result of spills, there are claims for damage to property and crops. The claims are accessed by the Land Management Department and the Treasury & Risk Department for compensation. (2) There are issues from tenants on Heritage lands where there are disputes with other neighbouring tenants/occupants who seek Heritage's assistance in bringing a resolution to the issues. The Land Management Department will investigate the complaints and ensure that persons are within their identified boundaries. (3) Lease/purchase requests - Community persons had entered into agreements with Petrotrin to lease/purchase property that they currently occupy and these were not previously competed. The Land Management Department is currently working on resolving these issues.
Management of material topics		
11.16.1	Please describe the approach to providing remediation to local communities or individuals subject to involuntary resettlement.	There has been no instance of Heritage having to provide remediation to local communities or individuals subject to involuntary resettlement. Heritage assists with the provision of lands to state agencies such as the Housing Development Corporation (HDC) and the Land Settlement Agency (LSA) via the Commissioner of State Lands (COSL) for the development of housing areas for communities.
Involuntary resettlement		
11.16.2	Please list the locations of operations that caused or contributed to involuntary resettlement or where such resettlement is ongoing.	There has been no instance that Heritage operations caused or contributed to involuntary resettlement or where such resettlement is ongoing.

Management of material topics		
11.18.1	Please list the locations of operations in areas of conflict.	Heritage does not operate in any area of conflict.
Management of material topics		
11.20.1	Please describe how potential impacts of corruption or risks of corruption are managed in the organisation's supply chain.	(1) The company's Fraud, Anti-Bribery and Conflict of Interest policies were communicated to all employees. (2) Category Managers and Purchasing Agents are required to sign Conflict of Interest declarations in the course of the evaluation of tenders. (3) SCM is subject to periodic internal audits to determine whether policies and procedures are being adhered to. (4) All contracts to be awarded over the value of TT\$5 million are subject to approval by Heritage's CEO and all contracts to be awarded over the value of TT\$10 million are subject to approval by the Heritage Board of Directors. (5) All purchase orders and outline agreements are subject to approval by the appropriate delegation of authority under Heritage's Schedule of Financial Authorities (SOFA).
11.20.1	Please describe the whistleblowing and other mechanisms in place for individuals to raise concerns about corruption.	See Whistleblowing Policy for further details.
Approach to contract transparency		
11.20.5	Please describe the approach to contract transparency.	Fairness and transparency are at the cornerstone of SCM's operations. For the reporting period of 2021 to 2022, SCM relied on its database of registered contractors when inviting companies to bid. However, going forward, the Department is embarking on an exercise to prequalify suppliers and contractors in all categories of goods and services procured by Heritage. Once completed, potential bidders for contracts will be selected from the lists of prequalified companies.
Beneficial owners		
11.20.6	Please list the organisation's beneficial owners and explain how the organisation identifies the beneficial owners of business partners.	The sole shareholder is Trinidad Petroleum Holdings Limited (TPHL). The ultimate parent is the Government of the Republic of Trinidad and Tobago (GORTT). Prior to entering any business partner arrangement, the company has a compliance process that identifies who are the beneficial owners and the ultimate controlling entity.
Country-by-country reporting		
11.21.7	Please provide a breakdown of the payments to governments levied at the project level, by project and various revenue streams.	Total tax payments, in the form of Supplemental Petroleum Tax, Petroleum Profits Tax, Royalties and Levies due and payable for the year ended 30 September, 2022 was TT\$4,500 million.
11.21.7	Please report the value of any thresholds that have been applied and any other contextual information necessary to understand how the project-level payments to governments reported have been compiled.	Payments to the Government are made as per the varying legislative provisions in which the company operates.
Public policy development and lobbying		
11.22.1	Public policy and lobbying.	Heritage's Legal Counsel will review any public policy document along with the subject matter expert and provide feedback based on requests from stakeholders such as the regulators/government agencies.
	Member of, or contributes to, any representative groups that participate in public policy development and lobbying.	Yes

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