



Questions from April 24, 2020 Webinar

What concerns / responses do you have deploying remote technology solutions with the all-out onslaught of cyber security attacks on every sector?

Joerg Linsenmaier: *Security of our data remains a top priority as we deploy remote working and mobile solutions. The IT team has a rigorous process for vetting and selecting application vendors as well as how they are implemented across the company network. Robust IT/cybersecurity protocols is of high importance as we move more into the digital world and manage risks appropriately.*

What type of technologies do you suggest for smart glasses?

Joerg Linsenmaier: *We have trialed internally various forms of this type of technology and it is something we will continue to test. We have not deployed this widely nor do we have any recommendations at this time.*

You said that you are learning from your China manufacturing, can you share what requirements they have with social distancing, testing, etc. to assure worker safety?

Joerg Linsenmaier: *As China was on the leading edge of facing this crisis, they have already faced similar challenges and milestones. Their best practices and learnings are shared with the rest of the company as we approach the same challenges or milestones. We are following these best practices in all regions and adapting to local regulatory requirements. The protocols at our facilities include social distancing, enhanced cleaning procedures, self-reporting, screening activities, and enhanced PPE for certain jobs or tasks.*

Along with the pandemic, there is another “next normal” around the price of oil. How do you balance the costs of the all the new technology with a realistic look at the ability to fund that technology?

Joerg Linsenmaier: *Air Products has maintained a good financial position and has a very strong balance sheet. We will continue to invest in opportunities which deliver value to our shareholders, customers, and Air Products. Technology is a piece of what is required to execute efficiently on these new projects and continuously improve. Like any investment, purchasing technology alone without a plan and the people to implement is not a good return. Air Products will continue to look for the right tools that fit with our organization and provide the ability to execute at a world class level.*

How are you managing the hiring process? Are you hiring professionals without a face to face meet?

Kevin Wetherington: *We are doing all interviews remotely and do plan on possible hiring without face to face.*

Do you see where you will have to do your own onsite COVID-19 testing?

Kevin Wetherington: *We will only use medical professionals to do the testing but have brought contractors onsite.*

Do you plan company managed routine COVID testing and then tracking source and other exposures OR will you leave that to the govt? Do you have plans for routine face mask or even N95 protective mask?

Kevin Wetherington: *We are having employees get tested by third party providers and we work with local health agencies on contact tracing. For the masks, we are purchasing for our employees, and face coverings are part of our prevention guidelines.*

Creative thinking, collaboration and video conferencing tools have led to maintaining existing relationships and successfully delivering on existing/ongoing projects. Do you think client organizations are ready for virtual networking and exploratory discussions when the conditions noted above are not present, and how do we create an environment to foster them without being awkward?

Kevin Wetherington: *We have found most, if not all, customers are very receptive to the remote engagements. We have also discussed this becoming part of the "new normal" after this crisis ends.*

In working back in an office environment, there are a lot of actions that can be done and they make sense. However, any thoughts to elevators, stairwells, particularly as it relates to social distancing?

Kevin Wetherington: *We have placed signs at elevators and stairwells to remind employees to socially distance themselves. Depending on the size of the elevator, this may require single person use.*

How much has the low oil price and impact on businesses impacted productivity as our businesses are based on work driven by the hydrocarbons market and the threat of destaffing?

Todd Frank: *Productivity across many companies has been impacted more by the pandemic than low/volatile oil prices. The shift to a teleworking configuration has been challenging for many companies that do not have the IT infrastructure in place to support a work-from-home arrangement across their entire enterprise. This is true across the supply chain, from owners organizations to support firms such as oilfield services, engineering, construction, fabrication and supporting organizations.*

Oil prices have caused or threaten continued destaffing and headcount reductions across the supply chain due to projects being put on hold or cancelled. To date this is more prevalent in oilfield services and construction than in engineering, but if past lessons provide guidance the longer oil prices are lower, the more profound the impact will be across the board.

What type of productivity impact are you expecting in the field?

Stevie Toups: *I am keying in on the word "expecting" here. Our goal is to expect the same level of productivity that we saw pre-CV19. If we can manage this crisis like a bad flu, or another safety type of event. Then the hope would be that we can maintain CDC guidelines and get our jobs done. We are seeing that at some sites, and while I realize each site is unique - don't really see why we could not achieve that at a majority of sites as the construction industry re-takes the field!*

What was the biggest weakness in your organization that you found due to this crisis?

Stevie Toups: *Prior to this, we had bought into the concept of a just in time delivery for most of the PPE that we deploy in the field. The suppliers had outlined how helpful and beneficial this could be. And of course, this works fine as long as the world is not in chaos. Going forward, we will change our strategy here and maintain a short-term stock for ourselves.*

Do you see this crisis driving us more toward off-site fabrication and modular construction, whereby larger sections of a project can be manufactured off site in a controlled environment, perhaps using technologies such as robotic welding machines, etc.? While we do some of this today, most projects are still largely stick-built. Some call this future state "constructing" - i.e. a blend of manufacturing and construction.

Stevie Toups: *Yes... No doubt. Off site fabrication and specifically module fabrication will be a more strategic solution that can be provided going forward. Robotic welding will work in a truer manufacturing path... the unique custom built work will always remain one off. But the control and quality in a module yard, will lend itself to post-COVID safety as well as getting things built in a timely fashion.*

How do you feel turnaround executions are being managed given new normal? Any early learnings?

Stevie Toups: *We mentioned this one briefly in the webinar... but my personal experience is that the teams who are getting, or being allowed to go back to work are super appreciative. And that understanding of being allowed to work, is going a long way to seeing great work getting done in the field. There is a new awareness of social distancing - and again, in my opinion, that is delivering a higher level of awareness to everything that we do. This includes execution and safety. This new or "next" normal could turn out to be pretty interesting!*

How much of the effectiveness of present remote interaction such as zoom meetings is a result of previous face to face relationships which were built? In remote working future environment if people haven't been together for months or new people join groups, would you be able to have as effective relationships for collaboration?

Stevie Toups: *This is a great question, in most cases... we have seen the online calls with vendors and clients we already had relationships with. But there have been many calls with new individuals and while I did not really think about it - those have gone well. My personal opinion is that the video call will never replace face to face meetings and seeing people first hand. But, for the future it will be an awesome tool that we can all use to stay in touch and even reach out more often. With the new adoption of this technology may enable us to all reach out more often - even if for a one off question.*

Would these same gentlemen be willing to come back in 30 to 60 days for an update review, sharing successes stories and lessons learned?

Martin Van Sickels: *Excellent suggestion. We will explore their interest in doing so as well as look at logistics as we have already arranged programs/webinar for next several months.*

Shouldn't we be addressing the at-risk population while letting the rest of the working class to build up vital population immunity which is prevented by the described isolation policies? Facts: for those 18 to 44 years old hospitalization rate is 11 in 100,000, 95% of patients are over age of 50, and 99% of fatalities have underlying health conditions.

Martin Van Sickels: *This is an area that companies are heavily relying on recommended guidance by government officials. Each company will be developing its own individual policies within these guidelines.*

How are the E&C companies reacting to the high unemployment - are they still hiring?

Martin Van Sickels: *Almost all E&C's whose primary business is in the upstream and downstream energy business are seeing the combined effects of Covid-19 and low oil prices heavily impacting their near term business. Clients are delaying decisions on new projects and cancelling some. This results in poor hiring environment.*