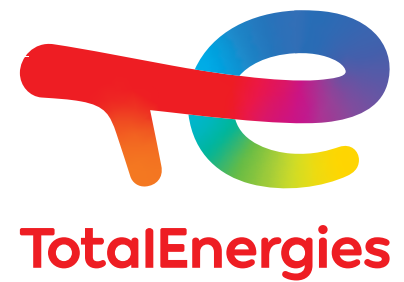


Let's Talk!

ISSUE 10 | SEPTEMBER 2024



TotalEnergies EP Uganda's Procurement Process and Opportunities

TotalEnergies EP Uganda (TEP-Uganda) is committed to being a responsible and sustainable business partner in Uganda's oil and gas sector. We recognise the vital role that national NGOs play in promoting inclusive and sustainable socio-economic development. We believe collaboration with NGOs can support our ambition to create shared value and a positive impact in the Tilenga project host communities and the country.

We are pleased to share this Let's Talk! bulletin on the TEP-Uganda's procurement and contracting processes and requirements.

It documents the information shared with NGOs that participated in a roundtable discussion on procurement processes and requirements. The meeting included presentations from Aggrey Mugume of the Petroleum Authority of Uganda, David Hayes, Head of Procurement at TEP-Uganda, and several members of the TEP-Uganda team, including Alain Michel and Peter Ituka from

Compliance, Petronilla Lamunu - NGO Coordination, Adreen Kanyesigye - National Content, Vincent Mwesigwa - Environment, Ismail Nsambu -Procurement Processes, Adnan Okello - Health and Safety, Godfrey Lukwago - Social Performance, Swithern Tumwine from living Earth Uganda and Dickens Amanyanya from the Civil Society Coalition on Oil and Gas (CSCO).

We hope this bulletin becomes a valuable resource for NGO seeking to collaborate with us or looking for information that may be shared with other stakeholders through their work. It is intended to inform NGOs of opportunities in environmental conservation, community development, social investment initiatives and capacity building, skilling and training in the Tilenga Project.

For more information, please contact our NGO Coordination Team at:
ep-ngo-human-rights-ugep@totalenergies.com

Governance and Guiding Principles

TEP Uganda's procurement process is guided by the Petroleum (Exploration, Development, and Production) Regulations, 2016, and the Company's Fundamental Principles on Purchasing which are derived from our Code of Conduct. They enable transparency, fairness and accountability in all our procurement activities. These guiding frameworks also enable us to conduct our business responsibly and ethically, in compliance with relevant national laws and regulations, international best practices and in accordance with our commitment to excellence and sustainability.

TotalEnergies Fundamental Principles of Purchasing

The TotalEnergies' Fundamental Principles of Purchasing (FPPs) provide a set of minimum standards which all our suppliers are required to comply with and ensure compliance by their own suppliers in turn.



PRINCIPLE 1
Respect human rights at work



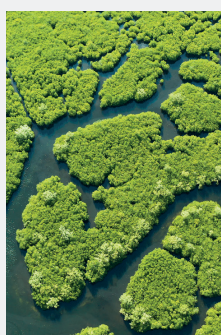
PRINCIPLE 4
Preserve the environment



PRINCIPLE 2
Protect health, safety, and security



PRINCIPLE 5
Prevent corruption, conflict of interests, and fight against fraud



PRINCIPLE 3
Act in favor of climate



PRINCIPLE 6
Respect competition law



PRINCIPLE 7
Promote economic and social development

The above principles mirror our commitment to comply with all applicable laws and internationally set standards set forth in the Universal Declaration of Human Rights, the fundamental conventions of the International Labour Organization, the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Compact, the Voluntary Principles on Security and Human Rights, and the OECD Guidelines for Multinational Enterprises.

TEP-Uganda's Procurement Process:

a) Open Bidding: Preferred Procurement Method (also mandatory for contracts >500k)



b) General Contractual Requirements

- Registration on the National Supplier Database
- Certificate of Incorporation
- Audited financials for the most recent 3 years
- Tax Clearance Certificate
- Valid Trading license
- NSSF Compliance Certificate
- Ethics Policy/ Ethics Charter included in the employee contract
- Internal Employment Policy
- Template for Employee Contract
- Evidence of Medical Insurance for Employees
- Workman's Compensation Insurance
- Quality Control/ISO certification

Other key considerations

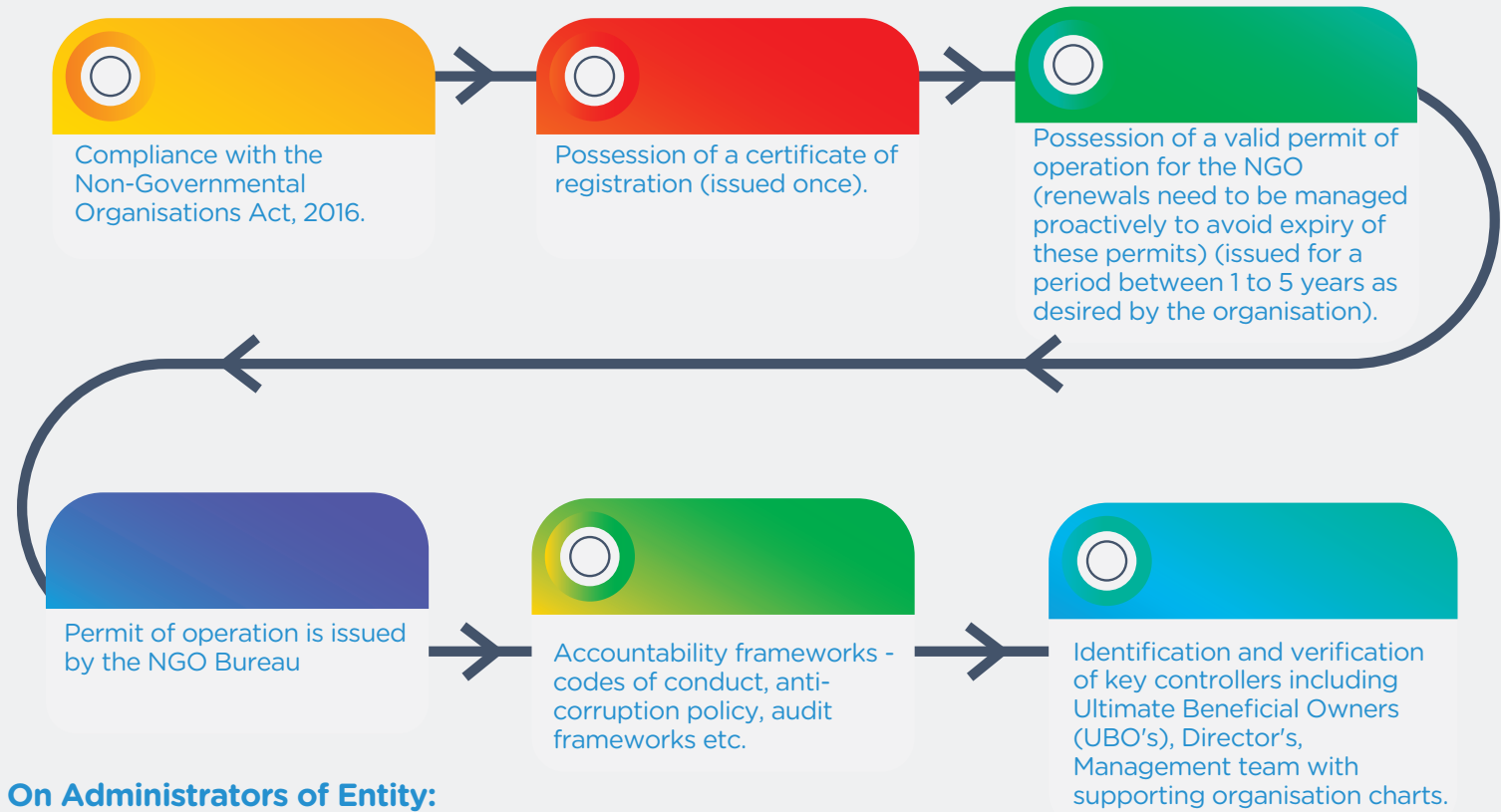
- National Content
- HSE Competence
- Technical Competence
- Sustainability Commitment [Climate, Human Rights, Environment Policies and Targets]

NGO Eligibility requirements

To participate in our procurement and contracting processes, NGOs must be legally registered in Uganda with the National Bureau of NGOs, comply with relevant national laws and regulations, including environmental and social regulations and have proof of relevant experience and expertise.

Key Consideration When Conducting Due Diligence

On NGOs:



On Administrators of Entity:

- Ultimate Beneficial Owners (UBO's- 5% ownership and above) and key controllers
- Shareholders
- Directors
- Management team
- Key contacts
- Technical Expertise and Experience"
- Note:
 - a) Nationals will be identified with National Identity Cards (NINs) and foreign nationals using passports both of which must be valid.
 - b) Disclosure of nationality and residence of the key controllers.

Tips for a Successful Due Diligence



LEGALLY CONSTITUTE YOUR ENTITY AND MEET THE RELEVANT LEGAL AND REGULATORY REQUIREMENTS.	REGISTER ON THE 319 DUE DILIGENCE TOOL AND PROVIDE ALL REQUIRED DOCUMENTATION FOR A SWIFT CONSIDERATION	EXPLAIN ANY ABERRATIONS OR ISSUES TRUTHFULLY- AVOID WITHHOLDING CRITICAL INFORMATION AS THIS WILL BE FACT CHECKED.	DISCLOSE ANY POTENTIAL CONFLICT OF INTEREST SO MITIGATIONS ARE CONSIDERED.	AVOID THE TEMPTATION TO OVERSTATE WHAT YOUR EXPERIENCE IS.	WHEN IN DOUBT, SEEK CLARIFICATION FROM COMPANY.

Specific Requirements for the Oil and Gas Sector

1. Register on the National Supplier Database (NSD) of the Petroleum Authority of Uganda:

- Please note that only suppliers/NGOs qualified on the NSD are eligible to be awarded contracts in the oil & gas sector in Uganda.
- Read the Registration Guidelines here:
<https://www.pau.go.ug/guidelines-for-the-registration-on-the-national-supplier-database-for-ugandas-oil-and-gas-sector/>
- Visit the registration portal and register online: <https://nsd.pau.go.ug/auth/login>

2. Find the latest opportunities (Business development):

- Tender adverts are regularly published in the Local print media (Newspapers), TotalEnergies EP Uganda website (<https://totalenergies.ug/>) and Social Media platforms, through the Industry Enhancement Center Website <https://iec.go.ug/> and PAU website on <https://www.pau.go.ug/nsd-procurement/>

3. Ensure compliance with requirements:

- Suppliers/NGOs must comply with specified requirements including technical, HSE, Contractual & National Content.
- Specific requirements are provided for each tender.

Key Tips to Enhance Enterprise Development

- In case of any capacity & competence-related challenges, seek & obtain enterprise development support.
- Make use of TEP-Uganda's Industry Enhancement Center to regularly acquire information on upcoming opportunities, supplier training, supplier development forums & networking sessions.
- Participate in TEP-Uganda's Community Supplier Development Program (CSDP) in the Tilenga project host districts of Buliisa, Nwoya, Hoima, Masindi, Kikuube & Pakwach. Activities include supplier workshops, business formalisation clinics, capacity-building training & networking sessions.
- Seek to form partnerships/consortiums to leverage each other's capacity to compete better for contracts.



Counsel Apollo Nelson Makubuya-Founding Partner, MMAKS Advocates, providing expert guidance on strategic partnerships to suppliers during the Q2 TEP-Uganda Tilenga Supplier Development Workshop on July 19, 2024.

Company's Commitment to Promoting National Content Development in its Procurements.

Sustainable development in all its dimensions is at the heart of TEP Uganda's strategy, projects, and operations. National Content/Ugandan participation is a fundamental sustainability aspect of our procurement and contract processes through which TEP-Uganda is creating shared value and positive impact in Uganda. Achieving Ugandan participation not only enables us to achieve our business objectives but also strengthens our bonds with key stakeholders including NGOs, ultimately achieving shared prosperity and sustained social license to operate. This ambition is cascaded to our contractors and their supply chain through whom we implement our activities.

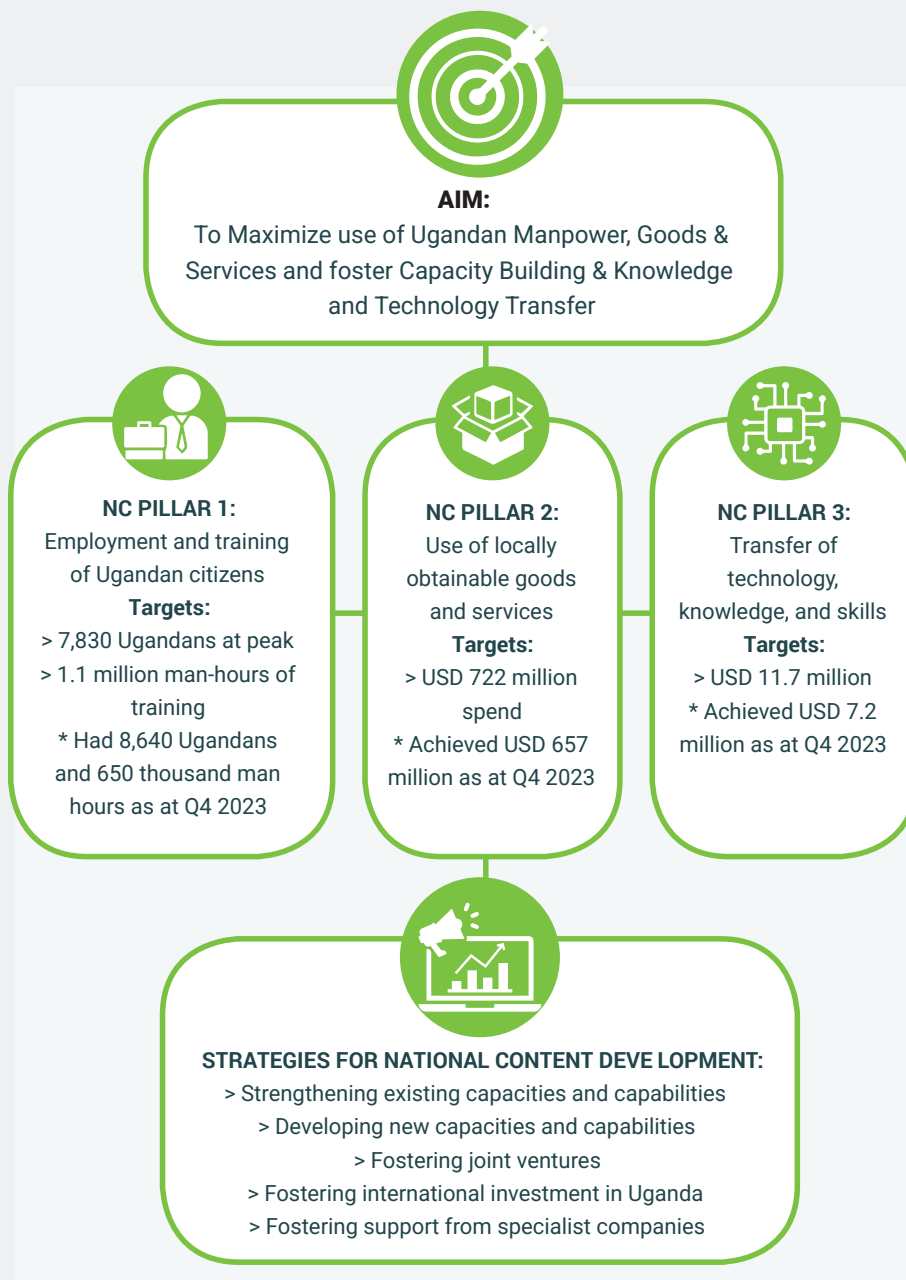
Maximizing National Content.

Promoting national content in our procurement and contract processes underscores our commitment to creating value and socio-economic transformation in Uganda. To maximise national content and create value in Uganda, TotalEnergies EP Uganda focuses on three pillars. These are:

(i) Pillar 1: employing Ugandans and training Ugandan citizens.

(ii) Pillar 2: utilising locally obtainable goods and services.

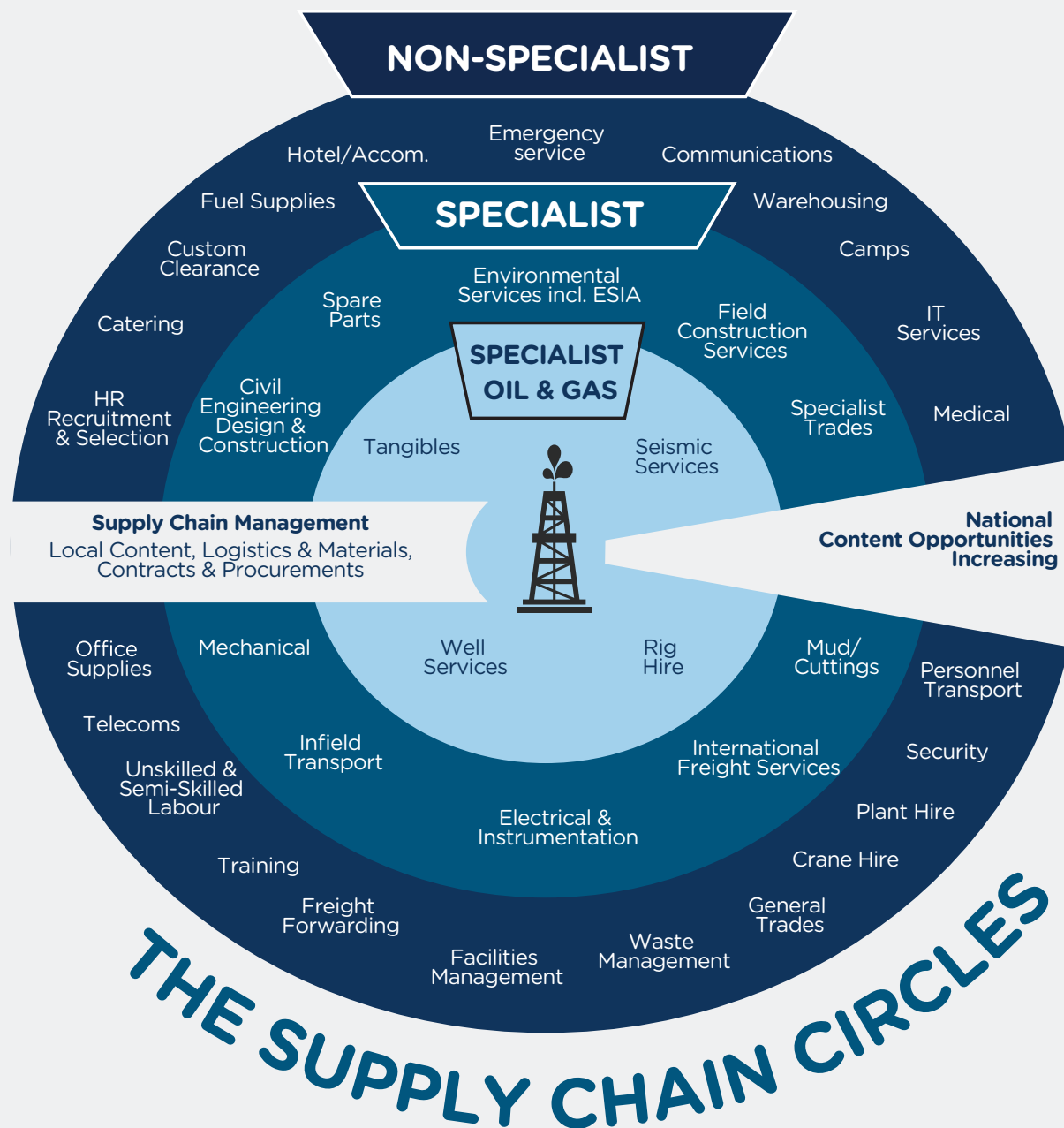
(iii) Pillar 3: building capacity and transferring knowledge, skills and technology to Ugandan citizens, companies, and institutions.



Potential Opportunities for National NGOs

Participation of Ugandans and Ugandan businesses in all our activities (National Content) is integral to the success of Tilenga Project. This is in line with TotalEnergies' 4th Pillar for Sustainability i.e. Creating shared value with our stakeholders. Our stakeholders also include NGOs. TEP-Uganda aims to maximize the use of Ugandan manpower, goods and services, and foster capacity building, knowledge and technology transfer.

As a Company we comply with the Petroleum (Exploration, Development and Production) (National Content) Regulations, 2016. The National Content regulations provide a list of goods & services that are reserved for Ugandan companies, citizens, and registered entities. These typical goods & services needed by the oil & gas sector are divided into specialist oil & gas, specialist and non-specialist, with examples below:



We therefore encourage national NGOs to explore opportunities in areas where they have the technical capability to provide goods & services. Examples of such areas include Environmental conservation (ecological restoration, wildlife protection, tree planting etc.), Community development (Agriculture, education, healthcare, water, and sanitation, etc.), social investment initiatives (youth empowerment, gender mainstreaming, women's economic empowerment, etc.) and capacity building and training (Health Safety and Environment (HSE) training, technical skills development, etc.)

The Industry Enhancement Centre (IEC)

TotalEnergies EP Uganda's establishment of the Industry Enhancement Centre (IEC), as a one-stop sector-led supplier development initiative, enables all key sector players, and interested Ugandan SMEs to collaboratively achieve enhanced and sustainable supplier development in the oil and gas sector. The IEC is a strategic entity through which key sector players are providing capacity building and transfer of knowledge, skills and technology to position key sector players to compete for sector opportunities. Its vision and mission are stated below.

Vision: "To ensure that Ugandan companies are empowered for the oil and gas sector and will contribute to successful and sustainable economic growth."

Mission: "To support Ugandan Small and Medium-sized Enterprises (SMEs) to enhance their capabilities and capacities to effectively participate in the oil and gas sector and beyond."

Some of the Services offered by the IEC:

- Publicizing and disseminating Uganda oil and gas sector information, e.g. sector updates, business opportunities, capacity building opportunities, and providing the platforms for collaboration to maximise the potential of their businesses.
- Business advisory services that include but are not limited to; advisory on minimum oil and gas sector requirements (e.g. National Supplier Database (NSD) registration - this is the database of the Petroleum Authority of Uganda, which gives businesses opportunities to be pre-qualified and to bid for contracts in the oil and gas sector, tax planning and compliance); coaching and mentorship (to target growth, profitability and improve business performance); advisory on access to finance and investment, and to new market opportunities; diversifying beyond the oil and gas sector; and advisory on formation of strategic partnerships.



TEP-Uganda and NGO Partnership Programs

TEP-Uganda has entered partnerships with various NGOs which implement social management programmes, biodiversity and discretionary corporate social responsibility initiatives that contribute to the project host communities' social-economic development and well-being. These include:



Health Promotion International (HPI) implements the Community Health Programme that focuses on the avoidance and minimization of risks to and adverse impacts on the health, sanitation and well-being of project-affected communities resulting from change brought on by project operations. It seeks to minimize the risk of incidents that might emerge from labour influx into a community, such as HIV/ AIDS, malaria as well as hygiene and sanitation issues.



Living Earth Uganda which implements the Livelihood Restoration programme targets Project Affected Households. It is designed to improve, or restore, the livelihoods and standards of living of project-affected households. The programme aims to support project-affected people in re-establishing and improving land-based livelihoods and diversifying their household incomes by developing new skills that are in demand in the project area.



Community Integrated Development Initiative (CIDI) implements the Community Agriculture Initiatives for the wider community as part of TEP- Uganda's commitment towards Social Economic Development within the Tilenga project area. The intervention deliverables by CIDI include crop improvement services through training, provision of quality inputs, post-harvesting handling equipment, value addition, market linkage and farm extension services.



Safe Way Right Way (SWRW) is implementing the Community Road Safety Management Programme, as part of TEP-Uganda's commitment to improving road safety through collective efforts and contributions through mass community engagement and sensitisation.



The Cross-Cultural Foundation of Uganda (CCFU) implements the Culture for Livelihoods Programme, which seeks to respect, protect and preserve the values and traditions of project-affected communities. Through the programme, initiatives are being carried out to safeguard and promote cultural heritage in Bunyoro, Bugungu, Acholi and Alur cultural communities, as key to improving community and individual livelihoods, particularly through art and crafts and music, dance, and drama.



Kilimo Trust is implementing the Grow a Tree Everywhere (GATE II) programme, which aims to contribute to and build incomes and environmental resilience among communities in Buliisa and Nwoya. Fruit trees that are suitable for the agroecological conditions in the two districts, for instance, mango, citrus fruits, avocado, jackfruit, and soursop are being promoted to support household nutritional needs and income.



Under the Tilenga Biodiversity Program, the company committed to conserving and restoring forests and forest connectivity. In support of this pillar, The Chimpanzee Sanctuary and Wildlife Conservation Trust rolled out an educational program with communities located around Budongo Central Forest Reserve. Budongo Central Forest Reserve is the largest Mahogany Forest in East Africa and is home to the largest remaining population of the critically endangered Eastern Chimpanzee. The program is rolling episodes of radio drama which focus on chimpanzee habitat restoration, behaviour, and the co-existence of communities with other wildlife. The program also has a school educational element which involves designing learning sessions, teacher training and provision of educational materials for children.

SPEAK-UP MECHANISM

We have zero tolerance to **fraud, bribery, corruption, influence peddling and unfair competition practices in our procurement process.**

TotalEnergies has set up a system for the collection and processing of ethical complaints received from its employees and stakeholders. The purpose of this system is to encourage everyone to report situations and behaviours that are contrary to the TotalEnergies Code of Conduct.

The system for collecting and processing ethical complaints consists of various speak-up channels through which both internal and external stakeholders can report any of the above cases, and they include;

1. Ethics Committee – ethics@totalenergies.com
2. Country Ethics Officer – ethics.TEPU@totalenergies.com

Speak up / whistleblowing

This relates to conduct or situations that are potentially contrary to the company rules on combatting corruption, influence peddling and fraud.

1. The Compliance Officer
2. The Ethics Committee:
ethics@totalenergies.com
3. ethics.TEPU@totalenergies.com

Persons who make a complaint in good faith or participate in its processing are protected from any disciplinary sanctions, or retaliatory or discriminatory measures, directly or indirectly. Any person who is subject to reprisals for having made a complaint or taken part in its processing as part of this system can inform the Ethics Committee accordingly.

In the handling of complaints, we guarantee confidentiality, protection of personal data and the protection of the complainant.

It should be noted that an abuse of the System, including in procurement processes may result in the application of sanctions including termination of the contract or legal action by TotalEnergies, depending on the case.



Further Reading Resource Material



TOTALENERGIES EP UGANDA REINFORCES ITS COMMITMENT TO SUSTAINABILITY INITIATIVES IN ROAD SAFETY, BIODIVERSITY & CULTURAL HERITAGE CONSERVATION IN THE ALBERTINE REGION

<https://totalenergies.ug/totalenergies-ep-uganda-reinforces-its-commitment-sustainability-initiatives-road-safety>

OUR FUNDAMENTAL PRINCIPLES OF PURCHASING

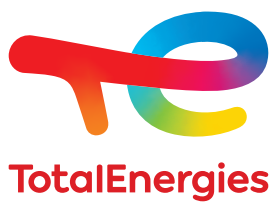
<https://kh.totalenergies.com/en/our-fundamental-principles-purchasing>

GUIDELINES FOR THE REGISTRATION ON THE NATIONAL SUPPLIER DATABASE FOR UGANDA'S OIL AND GAS SECTOR

<https://pau.go.ug/guidelines-for-the-registration-on-the-national-supplier-database-for-ugandas-oil-and-gas-sector/>

VALUE CREATION FOR HOST REGIONS

<https://totalenergies.com/sustainability/creating-shared-value/for-hosts-regions>



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