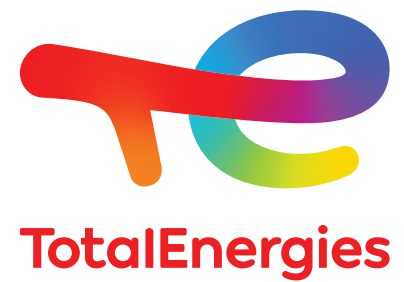


Let's Talk!

Issue 7, August 2023



Tilenga National Content Programme

In this edition of the Let's Talk! we will focus on TotalEnergies EP Uganda's (TEPU) National Content programme.

As part of our operations in Uganda, we are committed to achieving our National Content ambition which is maximizing the participation of Ugandan individuals and businesses in our activities as well as building capacity where gaps exist. TEPU also recognizes the importance of empowering local communities and building a sustainable future for Uganda's oil and gas sector.

The Tilenga Project's National Content programme is designed to support the

development of local capacities, skills, talent and businesses and to create opportunities for Ugandans by investing in education, training, and community initiatives. The Company is committed to achieving the stated development which is crucial for the Tilenga project and the country.

This bulletin provides an overview of TEPU's National Content programme by highlighting its objectives, key initiatives, and major achievements realized so far for the Tilenga Project's host communities and the country at large.

Share your feedback, comments, and questions with us at:

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National Content Under Ugandan Law

Under Ugandan law, National Content provisions aim to promote the participation of Ugandan citizens and businesses in various sectors, particularly in oil and gas. These provisions are designed to ensure that the country's natural resources are exploited in a manner that benefits Ugandans and contributes to national development.

The key legislations governing National Content in Uganda's upstream oil and gas sector are the Petroleum Exploration, Development, and Production, and National Content Regulations of 2016 and subsequent amendments.

These regulations set out the framework for promoting the participation of Ugandan individuals and companies in the oil and gas sector.

Some of the key provisions of these regulations include:

Employment and Training: The laws require companies operating in the Extractives Industry to prioritise to the employment and training of Ugandan citizens. They should provide opportunities for the development of skills and expertise among the local workforce.

Local Supplier Development: Companies are encouraged to procure goods and services from Ugandan suppliers whenever possible. They are required to prioritise qualified local suppliers in the procurement process.

Technology Transfer: Companies are expected to transfer technology and know-how to Ugandan citizens and businesses to enhance local capacity and expertise in the extractive industries.

Community Development: Companies are required to contribute to the social and economic development of the local communities where they operate. This includes supporting infrastructure development, education, healthcare, and other community projects.

Reporting and Compliance: Companies are obligated to submit periodic reports on their compliance with National Content requirements. The government monitors and enforces these provisions to ensure adherence.

It's important to note that the specific requirements and implementation mechanisms may vary depending on the sector and the project. The government may also issue regulations, guidelines, and directives to further detail the national and local content obligations for specific industries.

Overall, the National Content provisions in Ugandan law aim to maximize the participation of Ugandans in the Extractives Industry, promote economic growth, and ensure sustainable development for the country.

Commitment to National Content Development

National Content Strategy

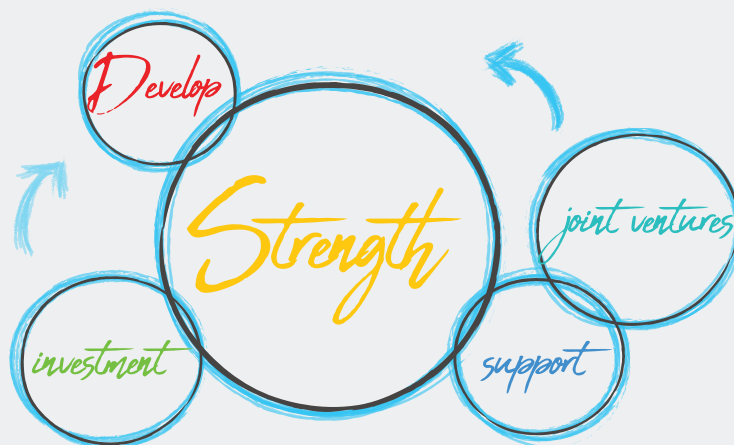


Vision: TEPU/Tilenga Project is committed to promoting the growth of the Ugandan energy sector and to boosting socio-economic development through a National Content approach implemented in all the project's phases and activities.



Aim: To maximize the use of Ugandan manpower, goods and services and to foster capacity building and as well as the transfer of knowledge, skills and technology to Ugandan citizens, suppliers, and institutions.

Strategies to achieve TEPU's National Content vision include:



1) Strengthening existing capacities and capabilities:

Preference is given to Ugandan suppliers and citizens that comply with set requirements and standards e.g., quality, cost, time, health, safety, and Environment (HSE), etc.

2) Developing new capacities and capabilities:

Ugandan suppliers and citizens providing goods and services that do not completely comply with the standards and requirements are supported to develop the required capacities and capabilities to supply.

3) Fostering joint ventures:

Formation of joint ventures with Ugandan companies is encouraged as a means to address competency gaps and to foster technology transfer while ensuring the supply of required goods and as well as for those that are not available in Uganda.

4) Fostering international investment in Uganda:

International companies are encouraged to incorporate and operate in Uganda to enhance value retention in the country.

5) Fostering support from specialist international companies:

Specialist international companies that provide highly technical goods or services / unique requirements that are only available outside Uganda are encouraged to support national content development through capacity building and the transfer of knowledge, skills and technology to Ugandan citizens, suppliers, and institutions.

The Three Pillars Of National Content

National Content relates to creating value and socio-economic transformation in Uganda. TEPU established three pillars to maximise National Content and create value in Uganda. These include;

01

Employing Ugandans and training Ugandan employees



02

Utilizing locally obtainable goods and services.



03

Building capacity and transferring knowledge, skills and technology to Ugandan citizens, companies and institutions.



Pillar 1 – Employing Ugandans And Training Ugandan Employees



TEPU prioritizes the recruitment of Ugandan nationals and supports their career progression within the Company. Further, creating employment opportunities for Ugandan citizens is crucial for TEPU's National Content programme.

The Company strives to recruit and develop local talent, offer a wide range of job opportunities across various disciplines and expertise levels. While employed, TEPU staff and those employed by the Company's contractors and subcontractors are equipped with skills through trainings to perform their work and advance their professions. These trainings are categorised as technical, soft skills and Health, Safety and Environment (HSE). The Company also provides on-job training to its staff which is delivered by international experts.

There are a variety of job categories in which Ugandans are employed for example technical jobs like Geoscience and Engineering, non-technical jobs like finance, human resource, communications and procurement, semi-skilled jobs like driving, and welding, and unskilled jobs like casual labour.

Achievements on the Tilenga Project since start in 2021 until end of quarter 2 of 2023"

- A peak of **8,443** Ugandans (representing **92%** of total staff) are employed by TEPU and the Company's contractors and subcontractors. Over **3710** of these are from host communities and are employed as casual and semi-skilled workers e.g., construction, housekeeping, catering, driving, community liaison services, etc., at the Company's camps, industrial area and other work sites.
- **64%** of management staff, **88%** of technical staff and **99%** of other staff are Ugandans.
- Over USD **7** million has been spent on annual training programs for staff in Technical, Health Safety and Environment (HSE) and personnel development courses.
- **20** Ugandans have received international exposure to work in other TotalEnergies affiliates e.g., USA, Europe, Asia, Angola, and Nigeria.

Pillar 2 –utilizing Locally Obtainable Goods And Services

TEPU prioritises locally obtainable goods and services by awarding contracts to Ugandan suppliers to provide goods and services. Non-Ugandan companies engaged by TEPU are required to subcontract or purchase from Ugandan companies.

A variety of goods and services are required by the Company and categorized as non-specialist, specialist, and specialist oil and gas. Non-specialist services and goods include emergency, communications, IT and catering services. Specialist goods and services include engineering and design, environmental, field construction, spare parts, logistics, electrical, instrumentation and mechanical services. Specialist oil and gas services include well services, seismic services, and rig hire.

This pillar aims to engage Ugandan suppliers at all levels to especially provide non-specialist and specialist services. Important to note is that specialist oil and gas services are typically performed by global companies running various projects all over the world. However, if Ugandan suppliers can be involved then it is an achievement for National Content.

Achievements on the Tilenga Project since start in 2021 until end of quarter 2 of 2023

- A peak of **150** Ugandan suppliers have been engaged by TEPU, and contractors have had a peak of **1174** engagements with Ugandan suppliers at the Tier level, which includes joint ventures and micro, small and medium enterprises (MSMEs).
- Ugandan companies are providing both non-specialized (e.g., camp management, manpower provision, medical, training, consultancy, etc.) and specialized (e.g., engineering design, technical studies, construction etc.) goods and services. Suppliers from host communities are providing goods and services like raw food, construction materials, catering, conference facilities, small tools, general merchandise etc.
- The achieved estimated value of locally obtainable goods and services in all procurements awarded to both Ugandan and non-Ugandan companies for the Tilenga Project is **US\$ 642 Million**.

Community Content Initiatives By Contractor – Mineral Services Limited (MSL) Agro-support and purchasing of Agro-produce for camps:

Steps taken:

- Forming farmer groups
- Supplying the identified farmer groups with seedlings
- Attaching an officer to support and guide farmers through the agriculture processes
- Establishing nursery beds
- Joint motoring visits of gardens by the MSL Officers and farmers
- Providing market for the farmers produce by buying it.
- Group formation & sensitization



Community Content Initiatives By Contractor – Gcc Services Agro-support And Purchasing Of Agro-produce For Camps:

Steps taken:

- Supplier training and engagement
- Procuring from community farmers

Pillar 3 – Building Capacity And Transferring Knowledge, Skills And Technology To Ugandan Citizens, Companies, And Institutions

The third pillar aims at enabling the participation of Ugandan suppliers and citizens in the oil and gas sector.

Through this pillar, TEPU and its contractors facilitate competence and capacity development of Ugandan citizens and companies to participate in the oil and gas industry activities. The Company also supports education institutions which train the current and future workforce.

Most initiatives are delivered by Ugandan companies/service providers and thus benefit the trainees as well as the companies.

Achievements on the Tilenga Project since start in 2021 until end of quarter 2 of 2023

- **Over 13,000** Ugandans participated in the Tilenga Massive Open Online Course (MOOC), **200** of these were selected to undertake further training in oil and gas-related specialities at the Uganda Petroleum Institute – Kigumba (UPIK), Tilenga project sites and at international oil and gas sites.
- **Over 1,800** Ugandans have undergone training and certification in various vocational trades/skills including but not limited to Heavy Goods Vehicle Driving, Scaffolding and Working at Heights, Coded Welding, Quality Control (QC) Inspection and Non-Destructive Testing (NDT), HSE training, etc. The trainings have been supported by TEPU, its contractors and sub-contractors.
- **100** government officials have received various local and international training.
- **235** Ugandans have received internship opportunities from TEPU and the Company's contractors and sub-contractors.
- **226** Ugandans have obtained graduate trainee opportunities and apprenticeships from TEPU, our contractors and sub-contractors.
- **85** Ugandans have received national and international scholarships for O-level, A-level and Master's degree programs.
- **16** education institutions have been supported by TEPU, its contractors and sub-contractors.

TotalEnergies EP Uganda partnered with Ugandan service providers; Solid Rock Life and Business, Sunmaker Energy Uganda Limited and the Training Assessment and Skilling Center (TASC), to provide selected Ugandans welding training and certification that conforms with international standards.



Some of the 200 ugandans that will be trained in oil and gas-related specialities at the Uganda Petroleum Institute – Kigumba (UPIK), Tilenga Project sites and at international oil and gas sites.

Students in the programs are being trained by Ugandan instructors complemented by international experts as Quality Control (QC) supervisors and welders. The programme also covers HSE training to enhance the level of knowledge and practices of occupational Health, Safety, and Environment among the trainees

The international trainers help to enhance the capacity of not only the Ugandan trainers but also the students through knowledge transfer. The program is closely monitored by the German development agency - Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH under the Employment and Skills for Development in Africa (E4D) programme which provides technical advice for the project and integrates more topics in the training such as the entrepreneurship and Soft skills.

As part of our commitment to ensure the sustainable impact of the program, the training institutions further monitor the progress of the students post-graduation and certification to ensure that there is positive impact on their livelihoods either through employment, entrepreneurship, or further training. The institutions provide transition assistance where possible through placements to existing opportunities in the various sectors of the Ugandan economy.

Vocational Training That Promotes Women's Inclusion



Moureen Kabelo from Hoima District is one of the 20% of female students undertaking the Welders Training Program delivered by Sunmaker Energy (Uganda) Limited with financial support from TotalEnergies EP Uganda. She started with barely any background in welding, but today she is charting a new path in the industry as one of the few internationally certified female welders in the country. She can set and sharpen machines and also use filler rods. Upon successful completion of the training, Kabelo hopes to pass on the same skills to her peers and other youth interested in acquiring welding skills and craftsmanship.

The Tilenga Massive Open Online Course (MOOC)



On January 10, 2022, TotalEnergies EP Uganda launched the Tilenga MOOC as part of its commitment to National Content Development in Uganda. The programme is aimed at identifying, recruiting, training, and developing skills of talented Ugandans to provide the required skilled labour to the country's Oil and Gas sector.

On March 15, 2023 - TotalEnergies EP Uganda unveiled 200 Ugandan youth who had been selected from the Tilenga MOOC to join the Tilenga Academy, a training program aimed at empowering youth with skills and international certifications to work on the Tilenga project during the production phase.

Community Capacity Building Initiatives By Epscc Contractor - Mcdermott

- Personal Protection Equipment (PPE) fabrication (started in December 2022):
- Set up of training hubs.
- Training tailors from the 6 priority districts (Buliisa, Nwoya, Hoima, Kikuube, Masindi & Pakwach) to make PPE.
- 200 beneficiaries from 6 host districts.

Capacity Building Initiatives By Epscc Contractor

Sinopec Raining Of Ugandan Apprentices At North Construction Support Base In:

- Pipe welding
- Side Boom operating
- Pipe painting and coating



Click on the links below to find out more
or visit our Let's Talk Resource Centre at:

<https://corporate.totalenergies.ug/ngos-lets-talk-0>



TotalEnergies EP Uganda's commitment to national content development

<https://corporate.totalenergies.ug/commitment-national-content-development?page=3&nid=5486&term=>

Inform and involve the people and local actors

https://corporate.totalenergies.ug/sites/g/files/wompnd2271/f/atoms/files/tilenga_eacop_-_inform_and_involve_the_people_and_local_actors.pdf

ATACAMA consulting- Supplier capacity building and skills transfer

<https://total-mc25-front-pad.damdy.com/player-preview-52c27ad9ff607b9469ba4da6b4c009b3-512-288.html>

Guidelines for contractors' contribution to TotalEnergies EP Uganda national content plan

https://corporate.totalenergies.ug/system/files/atoms/files/tilenga_national_content_brochure_2018.pdf

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/>

Application to The National Oil and Gas Talent Register

<https://documents.chitra.live/api/v1/documents/3c57571e-dc89-49d0-8203-365208777cde/download#:~:text=Applications%20to%20be%20considered%20on,in%20the%20required%20size%20of>

Value creation for host regions

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

Launch of the Tilenga MOOC

https://www.facebook.com/watch/live/?ref=watch_permalink&v=300930192085813

TotalEnergies EP Uganda Drives Local Content Development with Free Online Course

<https://energycapitalpower.com/totalenergies-uganda-drives-local-content-development-with-free-online-course/>

TotalEnergies EP Uganda unveils 200 Ugandans to join the Tilenga academy

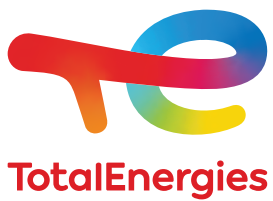
<https://corporate.totalenergies.ug/news/totalenergies-ep-uganda-unveils-200-ugandans-join-tilenga-academy>

Young welders are forging themselves a new destiny

https://itineraires.totalenergies.com/sites/g/files/wompnd941/f/atoms/files/portrait_web_ouganda_va_1.pdf

TotalEnergies EP Uganda supporting the growth of internationally certified craftsmanship in Uganda

<https://corporate.totalenergies.ug/totalenergies-supporting-growth-internationally-certified-craftsmanship-uganda>



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