



# TOTAL E&P SURINAME BV

LOCAL CONTENT FORUM

## SAFETY MOMENT

KPI (2021 Objectives)	GROUP	EP
<b>Manhours (mMhrs)</b>	-	102
<b>Fatality (N°)</b>	0	0
<b>LTIF (per mMhrs)</b>	-	0.17
<b>TRIR (per mMhrs)</b>	0.75	0.75

TOTAL + CONTRACTORS

Note: 1mMhrs is +/- 12 lifetimes of work

## MAJOR ENERGY PLAYER



Total is a **major energy player**, that produces and markets **fuels, natural gas** and **low-carbon electricity**.

Our **100,000 employees** are committed to better energy that is safer, more affordable, cleaner and accessible to as many people as possible.

Active in more than **130 countries**, our ambition is to become **the responsible energy major**.

# STRENGTH: DEEP WATER

## AFRICAN EXAMPLE - A CULTURE OF CONSTANT INNOVATION

2001

GIRASSOL  
ANGOLA



First giant deep offshore FPSO thanks to innovative riser towers

2006

DALIA  
ANGOLA



Chemical EOR  
Integrated insulation pipe-in-pipe risers

2007

ROSA  
ANGOLA



20 km tie back to Girassol FPSO - OTC\* Award (2003)

2009

AKPO  
NIGERIA



First all-electric FPSO  
Four-stage separation

2011

PAZFLOR  
ANGOLA



World's first subsea gas/liquid separation and pumping modules - OTC\* Award (2013)

2014

PILOT  
CONGO



Subsea seawater treatment and injection

2014

CLOV  
ANGOLA



Subsea multi-phase pumps  
Variable speed drive technology

2017

MOHO  
CONGO



Most powerful subsea multi-phase pumps ever installed  
Facilities designed to minimize the environmental footprint

2018

KAOMBO  
ANGOLA



One of the world's largest subsea networks ~300 km, including hybrid loops

2018

EGINA  
NIGERIA



New concepts developed for riser base slugging mitigation

\* Offshore Technology Conference



# TOTAL E&P SURINAME BV

UPDATE ON OPERATIONS

# DRILLING ACTIVITIES

- Exploration activities will continue on Block 58 in 2021 & 2022 as part of the PSC 2<sup>nd</sup> exploration period expiring in June 2022. Appraisal work program & delineation drilling activities will be conducted in 2021 & 2022. Such drilling activities encompass coring & testing activities.



août-20	sept-20	oct-20	nov-20	déc-20	janv-21	févr-21	mars-21	avr-21	mai-21	juin-21	juil-21	août-21	sept-21	oct-21	nov-21	déc-21	janv-22	févr-22	mars-22	avr-22	mai-22	juin-22	juil-22	août-22	sept-22	oct-22
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# 3-D MARINE SEISMIC SURVEY

The 3D seismic survey acquisition is planned over the central and northern part of the block as the cornerstone for the next phase of exploration and appraisal activities.



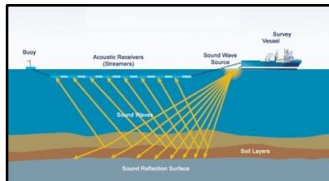
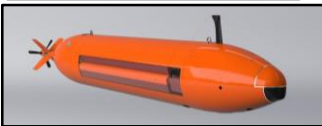
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Seismic Survey																						

# TEC/GEO SITE INVESTIGATIONS (TO UNDERSTAND SITE CONDITIONS AND GEOHAZARDS FOR POTENTIAL FUTURE DEVELOPMENT)

## Geophysical SI

Vessel acquiring:

- AUV geophysical data (AUV (autonomous underwater vehicle) survey acquiring MBES, SSS, SBP & some limited camera footage. (multibeam echo sounder, side scan sonar & chirp sub-bottom profiler)
- UHRS geophysical data (10cuin single air-gun & 150m streamer)
- 6m Piston Cores
- 0,5m Box Cores



## Geotechnical SI

Vessel acquiring:

- Geotechnical drilling Borehole CPTs & Samples (sample & CPT) to approx. 50m BML (below mud line)
- Laboratory Testing onshore

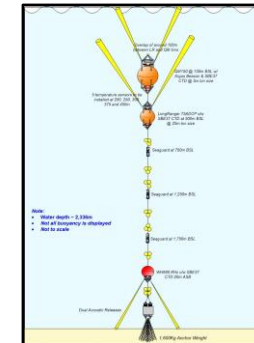
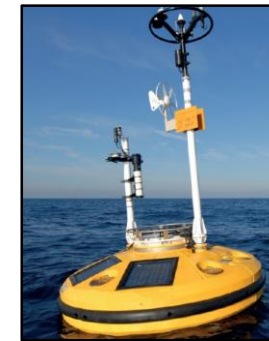


Well ID	Well Name	Well Type	Well Status	Well Depth (m)	Well Completion	Well Location
W1	W1	Geotechnical	Active	50	Open	W1
W2	W2	Geotechnical	Active	50	Open	W2
W3	W3	Geotechnical	Active	50	Open	W3
W4	W4	Geotechnical	Active	50	Open	W4
W5	W5	Geotechnical	Active	50	Open	W5
W6	W6	Geotechnical	Active	50	Open	W6
W7	W7	Geotechnical	Active	50	Open	W7
W8	W8	Geotechnical	Active	50	Open	W8
W9	W9	Geotechnical	Active	50	Open	W9
W10	W10	Geotechnical	Active	50	Open	W10

## Metocean SI

Vessel deploys:

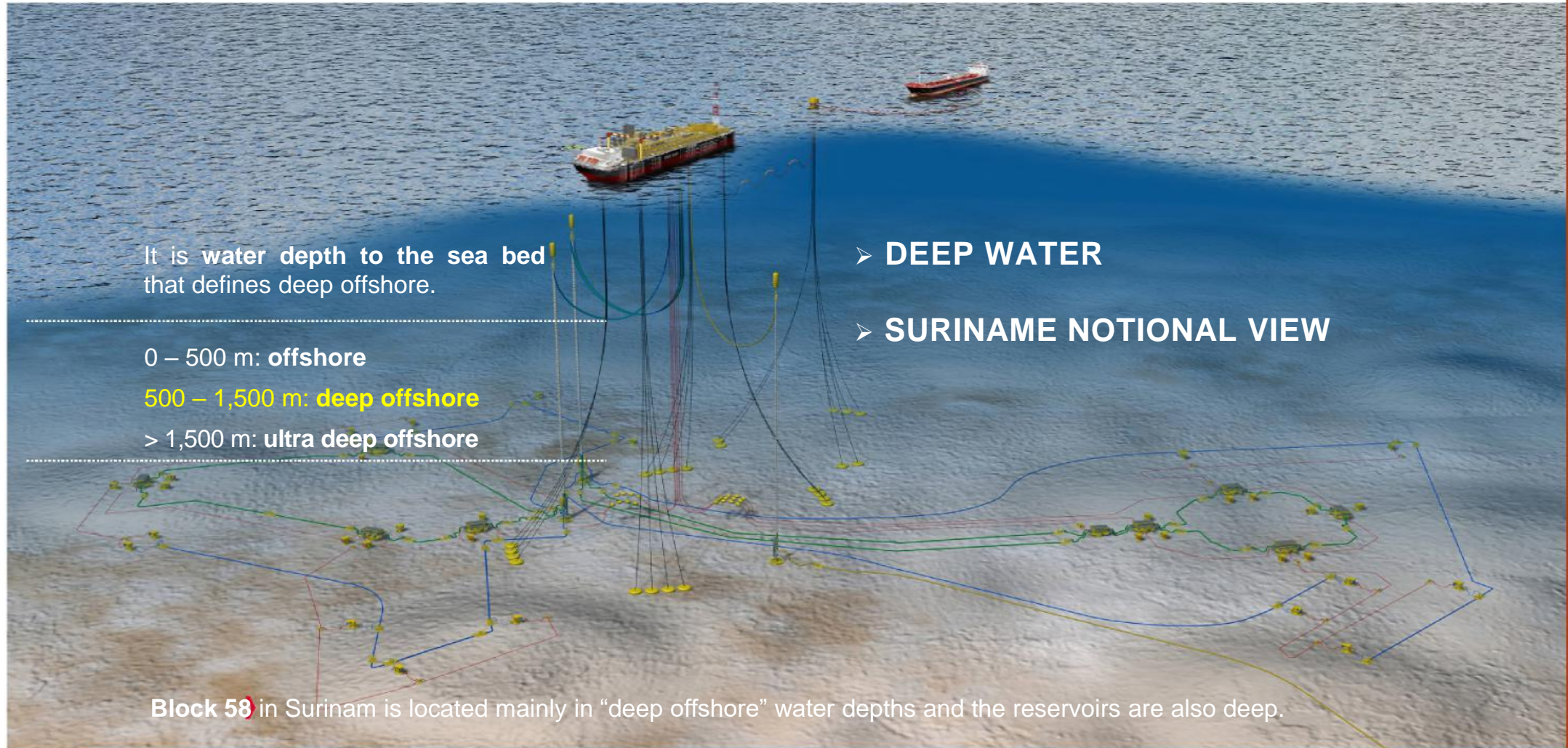
- Metocean Sensors in-field for 1 year



	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	
Offshore Geophysical Site Investigation																						
Offshore Geotechnical Site Investigation																						
Metocean Site Investigation																						



## BLOCK 58 – SURINAME (NOTIONAL VIEW)





# TOTAL E&P SURINAME BV

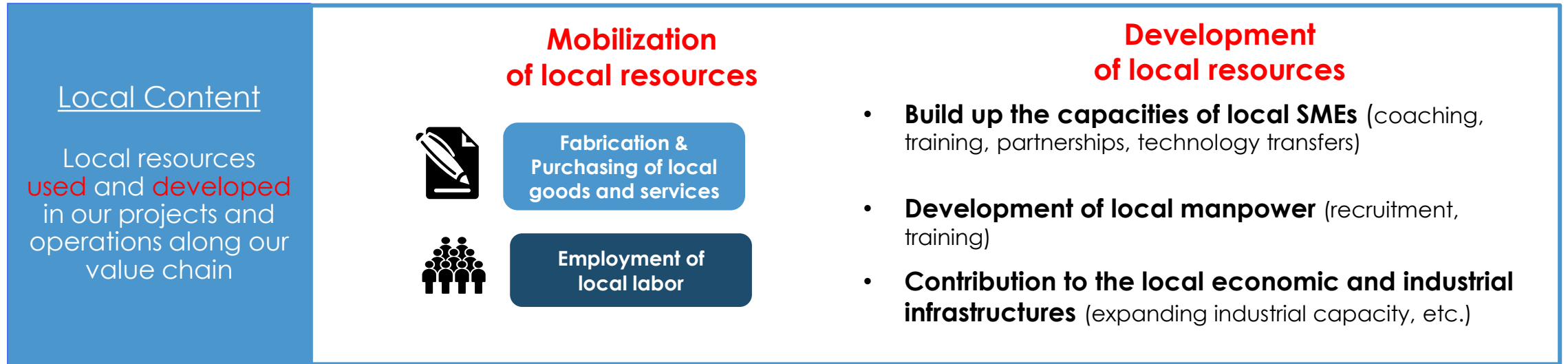
E&P LOCAL CONTENT STRATEGY

# LOCAL CONTENT: A BUSINESS REALITY IN ALL OUR PROJECTS ABROAD



# LOCAL CONTENT : DÉFINITION & STAKES

(OR "IN COUNTRY VALUE » IN SOME COUNTRIES)



## Stakes

1. **Operational performance** (avoid extra costs, delays and penalties)
2. **Differentiation** (business dev, license to operate)
3. **Local growth and employment** (main host countries expectations)

Build a competitive Local Content that creates a sustainable value by minimizing risks and optimizing local impact, with method

# A PROCESSED APPROACH TO DEVELOP LOCAL CONTENT



Acquisition  
Exploration

IBS is done to assess local capabilities and risks and propose LC strategy.

Industrial and human capability and capacity survey (IBS)

Concept screening  
Project contractual strategy

LC strategy  
LC Plan

Contractors CFT  
Execution  
(capex & opex)

**Monitoring**  
1. LC Performance  
2. Local impact (jobs, wealth & GDP incr)

Technical concept is defined. Different options are screened with LC as a criteria

Affiliate's LC strategy is defined to create global alignment (stakeholders, projects, projects and operations phases)

LCP describes the targets and the execution plan

LC is used as a CFT selection criteria, and incorporated as contractual obligations to the cascade of suppliers

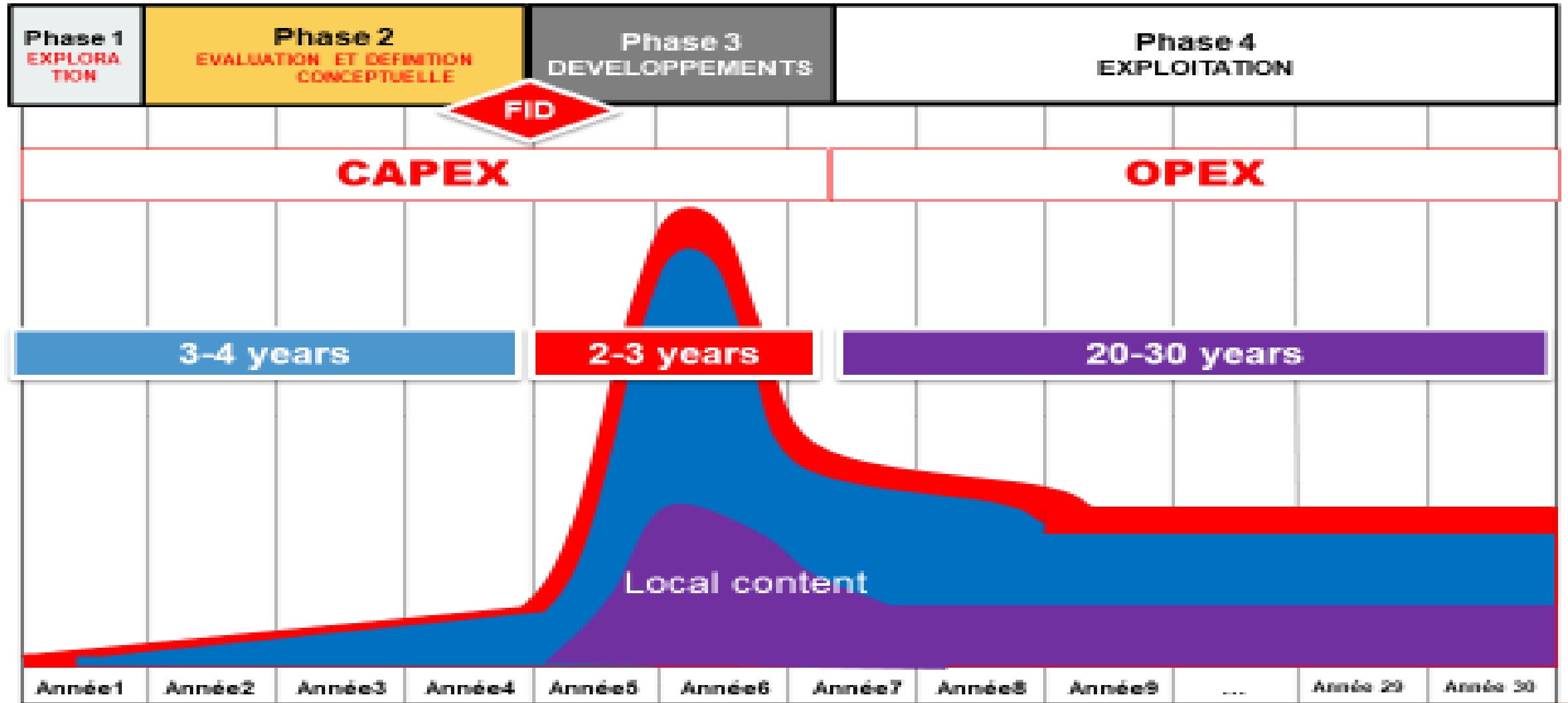
- 1. **MINIMIZE TECHNICAL AND COSTS RISKS**
- 2. **MAXIMIZE LOCAL IMPACT**

## 6 Key success factors

1. Anticipate
2. Analyze local capabilities
3. Stakeholders' alignment & cooperation
4. Long term approach
5. Dedicated human resources
6. Procurement process is key

1. **Define**
2. **Execute**
3. **Measure**

# LOCAL CONTENT IS A ABOUT A LONG TERM APPROACH



Peak @ construction ...but... LC in Opex is equal to LC in Capex!

# LOCAL CONTENT STRATEGIES

## Overview

- In order to support the development of Local Companies and skills of Surinamese Nationals in targeted strategic sectors and to achieve Total E&P Suriname Local Content objectives, specific Local Content development strategies have been defined: Such strategies consist in strengthening or developing existing Local Companies:

1. **Strengthening strategy** – for goods and services provided by Local Companies at the required capacity/capability
2. **Development strategy** – for goods and services provided by Local Companies lacking the required capacity/capability

- Another set of strategies for local content development consists in attracting international companies into Suriname. This will be used for the provision of goods and services for which the technical (standards) and the quality/quantity gaps are most important in order to enable faster creation of in-country capacity, through:

3. **Joint - Venture strategy** - between international companies and Local Companies to foster technology transfer for goods and services that are not available in Suriname.
4. **Foreign Direct Investment (FDI) strategy** - through the creation/establishment of a local branch for goods and services that are not available in Suriname.

## LOCAL CONTENT STRATEGIES

- Finally, where no locally registered companies exist in Suriname and for goods and services for which demand will not be sufficient to enable the creation of in-country capacity, Local Content is optimized through the contribution or support of Total E&P Suriname.

5. **International with Local Content support strategy** – for highly technical goods or services with unique requirements which are provided by a limited number of global companies.

**In 2021 and 2022, Total E&P Suriname will perform Exploration and Appraisal activities and will therefore concentrate in Level 1 and Level 2 strategies.**

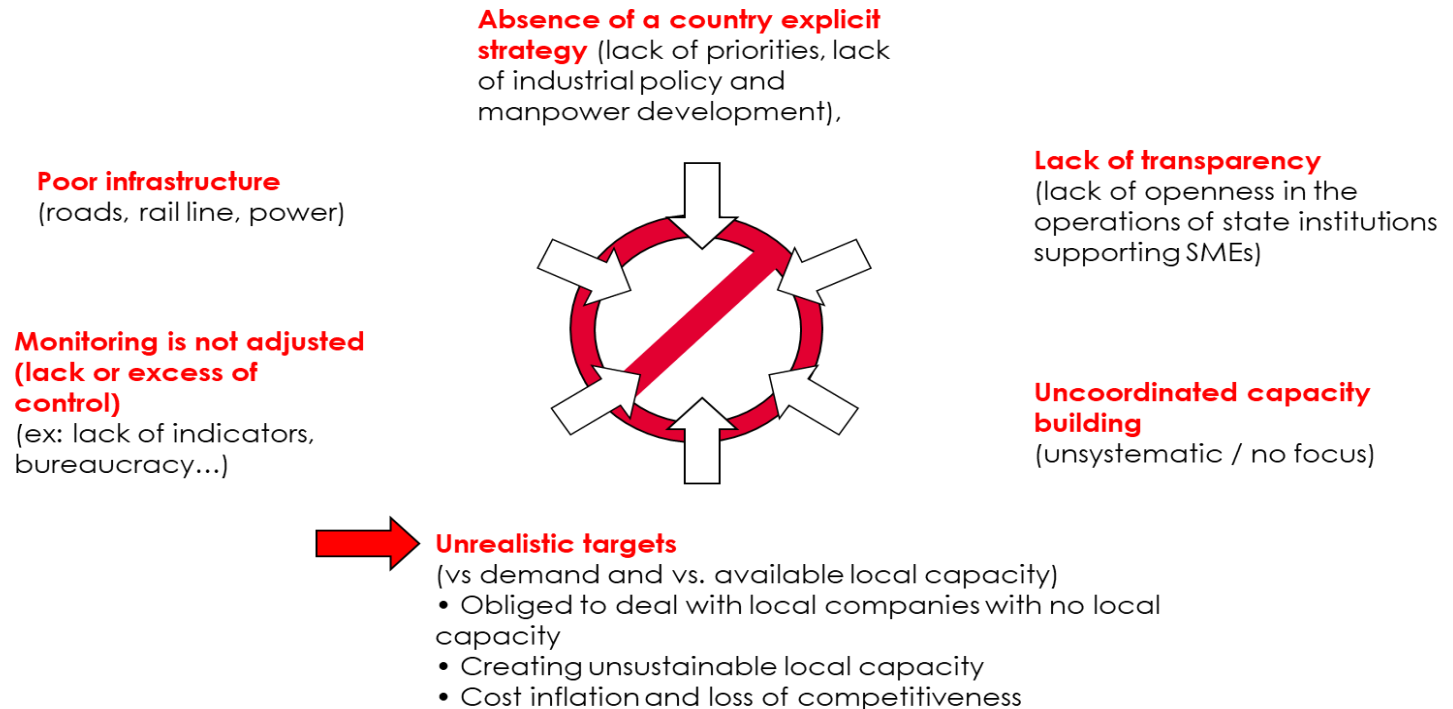


# KEY LESSONS

## KEY LESSON # 1: LOCAL CONTENT IS ABOUT BUILDING CAPACITY OVERTIME

- Local Content is not comparable from one country to another → It depends on specific in-country construction capacity
- It takes years to strengthen local suppliers and workforce. It also depends on:
  - A succession of O&G projects in the country is key in developing local capacity development
  - Local authorities' pragmatism and long-term views

## KEY LESSON# 2: REASONS FOR LOCAL CONTENT INITIATIVE « FAILURE »\*



\* Source: TOTAL's analysis of local situations across the planet

# TOTAL'S ACHIEVEMENTS IN ESG\*

AS RECOGNIZED BY INTERNATIONAL RATING AGENCIES

A GROUP COMMITTED TO CONTRIBUTING TO THE **UNITED NATIONS' SUSTAINABLE DEVELOPMENT GOALS**



In 2018, Total was recognized as a **“LEAD Company”** by the Global Compact for its commitment to environmental and societal responsibility, amongst thirty other companies worldwide.

**The Global Compact appointed Total's Chairman and Chief Executive Officer as an SDG Pioneer in 2017**

(\*ESG: environmental, social, governance)

Total's commitment to ESG recognized by rating agencies



• **A- grade**

Best score for an O&G Major



• **A grade**

Ranked 3rd amongst its peers



• **B- grade**

Ranked 3rd in 2016&2018



• **57<sup>th</sup>**

Only Major ranked in 2019



Listed for 16 years since 2004,

# LOCAL CONTENT AT TOTAL

- A long term ambition
  - “The responsible energy major”
  
- A strategic trust
  - Create local sustainable value
  
- Our operating mode
  - A systematic and successful methodology
  - Local collaboration as a key lever





# WORKING WITH TOTAL



## VENDOR QUALIFICATION RULES




Date : February 2021

# TOTAL LOOKS FORWARD TO A LONG-TERM COOPERATION WITH SURINAMESE COMPANIES

## WORKING WITH TOTAL

-  With operations in more than 130 countries, TOTAL works with around 100 000 suppliers worldwide.
-  90 Strategic Suppliers are closely followed
-  TOTAL work in the interests of each party, in accordance with clear, fairly negotiated contract terms. This relationship is based on three cornerstones: dialogue, professionalism and meeting commitments. **TOTAL chooses suppliers that can conduct their business responsibly.**

The stringent selection process is aimed to:

-  - Embark suppliers on Total's principles around – health – human rights - safety - sustainability – environment - compliance
- Ensure high standard & reliability
- Accompany the development of local suppliers

# QUALIFICATION PRINCIPLES



## □ Qualification of a supplier is done in four steps:

1. **Verification of the interest** of qualification
2. **Preliminary risk analyses** to determine the need for an in-depth analysis for each criterion. Taking into account Total's technical requirements
3. **Qualification** of the supplier based on the in-depth analysis of the criteria
4. **Monitoring** and renewal of the qualification



# QUALIFICATION PRINCIPLES



## □ Qualification status:

At the end of this process, **a qualification status** is assigned to a supplier **for a legal entity** (or for a production site or agency/establishment for certain qualification criteria), **for one or more technical categories, goods and/or services.**

The final qualification status of the supplier of one or more goods and/or services in a category is determined by all the criteria that were included in these in-depth analyses.

This final status can be one of the following:

- **qualified** if all criteria are met;
- **qualified with reservation** if one of the criteria is met with reservation;
- **not qualified** as soon as **one of the criteria is not met**

The qualification status is attributed **for a maximum of three years**, subject to the validity of all the criteria that have been included in a qualification.

# QUALIFICATION PRINCIPLES



- Each supplier must be qualified before any external commitment is made**

Qualification is a **mandatory** step **prior to making any external commitment** (contract, order, etc.) with a supplier.

**Additional requirements** to the qualification criteria may be requested in the scope of work/specifications **during consultations or calls for tenders.**

# QUALIFICATION PRINCIPLES



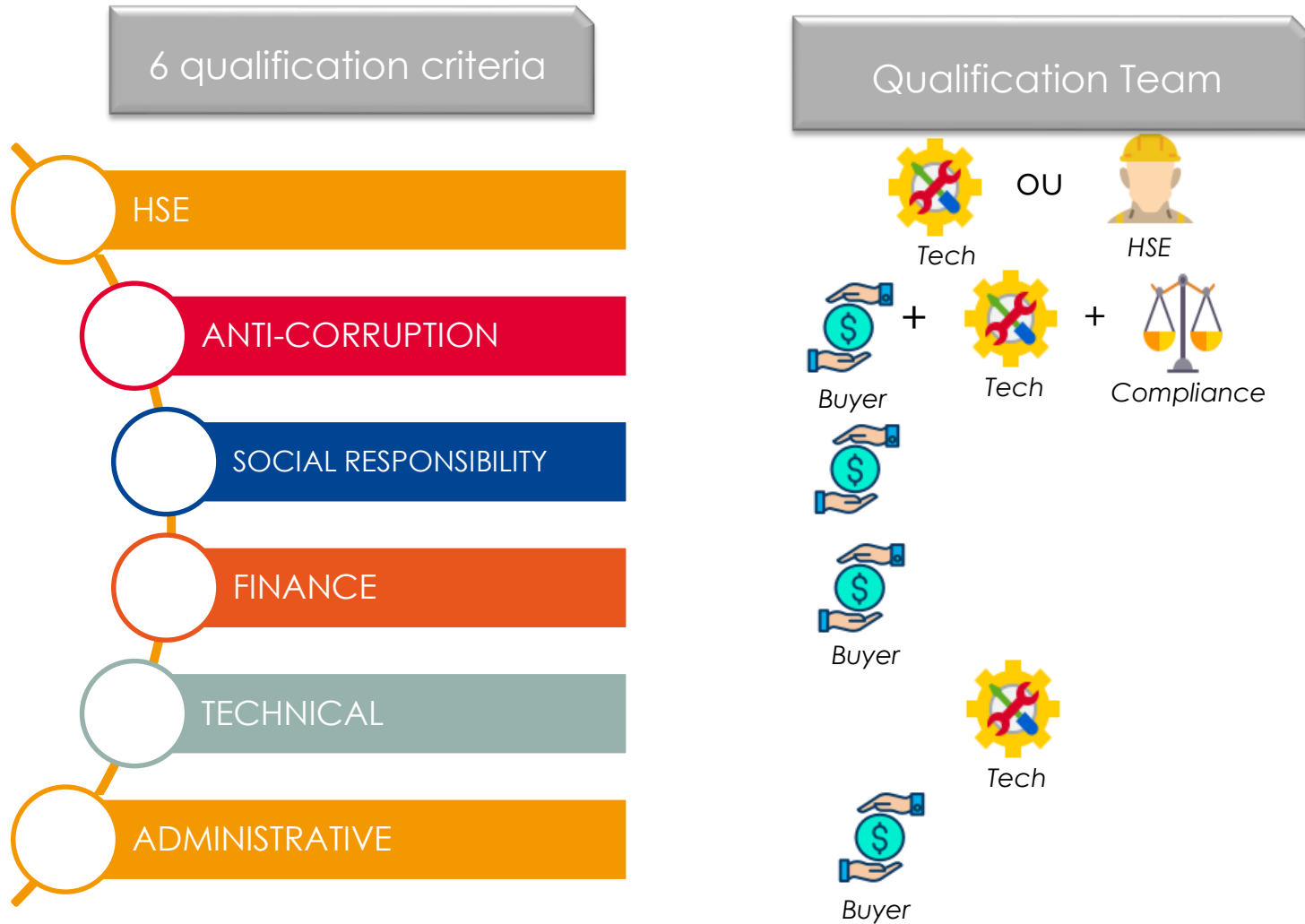
## □ 6 key criterias to be fulfilled

The qualification process for suppliers is based on the following criteria: **HSE, social responsibility, anti-corruption, financial** and, if applicable, **technical**.

It also includes the **administrative and legal data** required by each of the countries.

- ✓ **HSE** (respect of Health, Safety and Environment standards);
- ✓ **social responsibility** (compliance and suitability of working conditions);
- ✓ **anti-corruption** (integrity, handling conflicts of interest and the protection against fraud);
- ✓ **financial** (financial health, counterparty risk);
- ✓ **technical** (business skills and resources);
- ✓ **administrative / legal** (organized structure that complies with regulations)

# QUALIFICATION PROCESS AND CRITERIA



The qualification strategy (criteria to be qualified) is determined **on the basis of a risk assessment** : risk assessment shall be performed on all potential criteria to be qualified

# QUALIFICATION PROCESS AND CRITERIA



- ✓ **Safety organization**
- ✓ **Written policy & procedures**
- ✓ **KPIs**
- ✓ **Audits**

# QUALIFICATION PROCESS AND CRITERIA



- ✓  **Anti-bribery questionnaire**
- ✓  **Stakeholders**
- ✓  **Your company**
- ✓  **Affiliates**
- ✓  **Subcontractors**
- ✓  **Proposed services**

# QUALIFICATION PROCESS AND CRITERIA



## Respect for Human Rights at work and working conditions such as:

- ✓ minors employment
- ✓ harassment
- ✓ discrimination
- ✓ working hours
- ✓ wages
- ✓ freedom of association
- ✓ HSE at work
- ✓ grievance mechanism

# QUALIFICATION PROCESS AND CRITERIA



- Financial reports that will allow to measure the financial health of the company according to financial ratios
- Annual revenue for past years and estimation for the current year



# QUALIFICATION PROCESS AND CRITERIA



- ✓  Core activities / insurances / org. chart
- ✓  Subcontracting
- ✓  Distributors or agents
- ✓  QA/QC
- ✓  Certifications and audits
- ✓  Recruitment
- ✓  Training
- ✓  Geographic capabilities / Experience / clients
- ✓  Partnerships

# QUALIFICATION PROCESS AND CRITERIA



**Administrative and legal information  
required to perform the services**

# EXAMPLE OF TECHNICAL REQUIREMENTS – AIR CHARTER

AIR  
OPERATOR

AIRCRAFT

## General

- Organization & Management
- Quality & safety management
- Compliance with international standards

## Operations

- Procedures and documentation
- Air-crew management

## Aircraft

- Equipment & inspections
- <25 years old
- Multi-engine w/ turbomachine

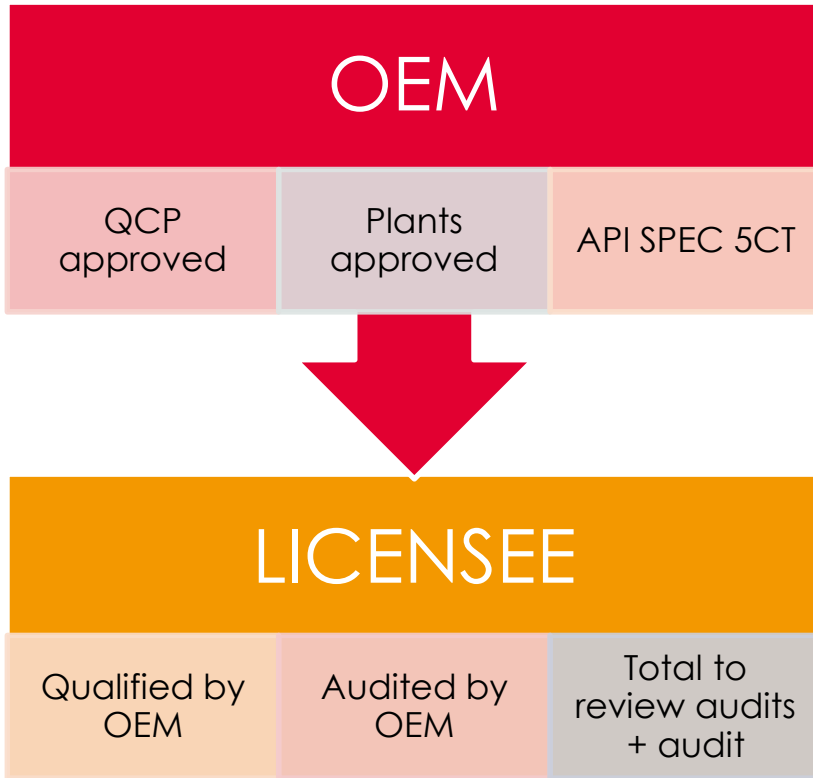
## Maintenance

- Airworthiness Management
- Production
- Engineering management

Audited by Total specialists



# EXAMPLE OF TECHNICAL REQUIREMENTS – WORKSHOP



## ORIGINAL EQUIPMENT MANUFACTURER (OEM)

- Total approves the manufacturers of equipment
  - Based on **Total General Specifications (GS)**
  - Based on **American Petroleum Institute (API) requirements**
  - Through **audits**:
    - Physical test results
    - Finite Element Analysis (FEA)
    - Fatigue test/model
    - Data ...
  - To **attest performance** under certain load scenarios
    - => **both Quality Control Plan (QCP) and plants are thoroughly audited and approved**

## LICENSEE (for threading, repair connections...)

- Local licensee to hold a **valid license from the OEM**
- OEM performs **audits**
- Total to:
  - Review OEM audit reports
  - Perform audit if necessary

Example of GS: EP FP 330, 336, 337, 339,

## EXAMPLE OF CONTRACTUAL REQUIREMENTS

THEME		NON OPERATIONAL (GENERAL)	E&P (OPERATIONS)
Financial	Guarantees	- Nil	- Bank guarantee (5-15%) - Parent Company guarantee
	Insurances	- General liability => 2.5 MUSD coverage - Insurance for employees when no social security insurance exists	- General liability => 5-10 MUSD coverage - Employers liability => 5 MUSD - All risk for supplier's equipment - Waiver of subrogation
Anti-Bribery Clauses (ABC)		- Applies to supplier + subcontractors - Right to audit	
HSEQ		- Right to ban access to sites - Audits, if necessary - Quality management system	- Idem + - Specific requirements based on identified risks as per corporate rules (dedicated contract appendix)
Subcontracting		- Approved by Total + supplier liable - Same HSEQ + ABC clauses	
Liabilities		- Common regime	- Knock for knock regime - MIWRA scheme



### Business continuity & risk management

# QUICK WINS AND FUTURE OPPORTUNITIES

# QUICK WINS: GENERAL SERVICES

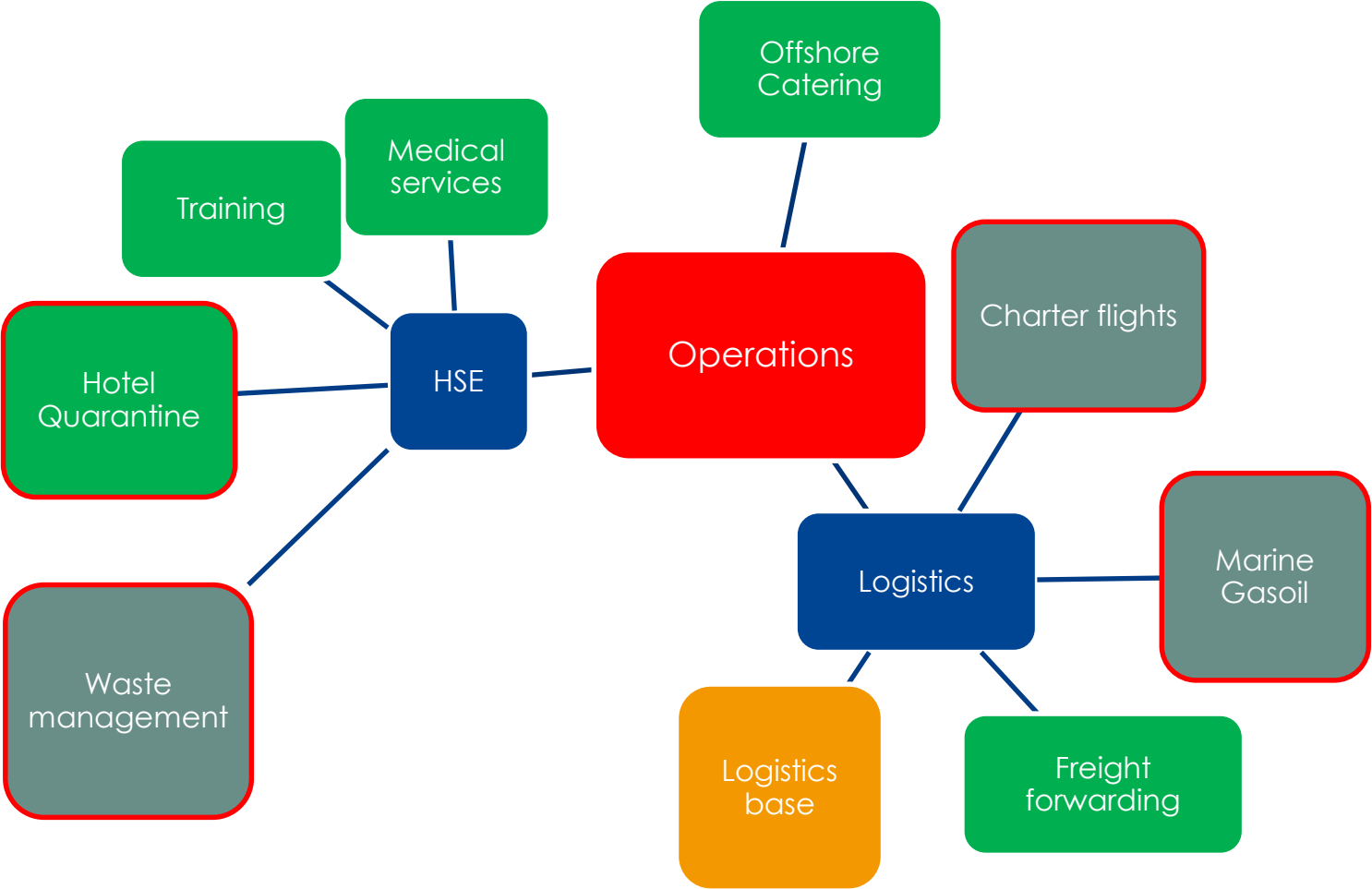
- Done 2021
- Ongoing 2021
- Planned 2022



OPERATION MANAGED FROM SURINAME TRIGGERS VALUABLE OPPORTUNITIES

# QUICK WINS: OPERATIONS RELATED

- Done 2021
- Ongoing 2021
- Planned 2022

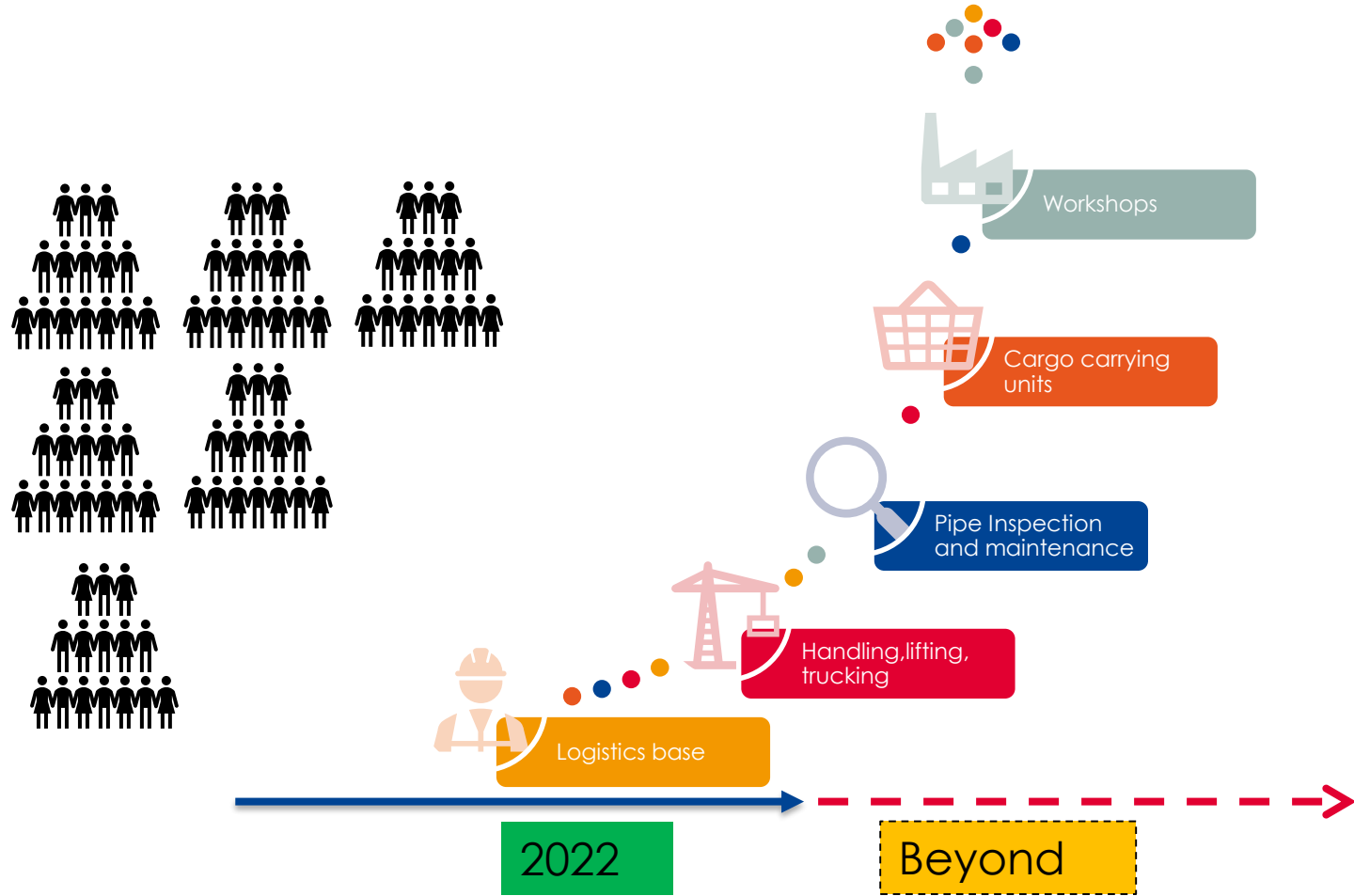


SIGNIFICANT HIGH VALUE CONTRACTS BEING IMPLEMENTED



# FUTURE OPPORTUNITIES : 2022 HORIZON

## LOGISTICS BASE TO SCALE-UP LOCAL CONTRACTING AND MANHOOURS





# BACK-UP SLIDES

# BLOCK 58 PSC LOCAL CONTENT PROVISION

In line with Article 32 of the PSC, Total E&P Suriname . Local Content delivery focuses on three aspects:

- Employment & Training of Suriname Nationals;
- Use of Local Goods and Services;
- Technology Transfer.

## Employment & Training of Suriname Nationals



In line with the PSC, Total E&P Suriname . plans to recruit and train qualified Surinamese nationals for the conduct of Petroleum Operations within the next 2 to 5 years.

In addition, Total E&P Suriname . intend to follow-up with and encourage its sub-contractors to recruit and train qualified Surinamese nationals.

## Provision of local Goods and Services



In line with the Article 32 of the PSC, Total E&P Suriname . and its subcontractors shall as much as applicable base the selection for the provision of local goods and services on a competitive tendering.

In addition, Total E&P Suriname . as much as ensure that the bidding process includes Local Content as one of the requirements for qualification.

Whenever possible, Contractor shall provide contract conditions (scope of work, duration, payment terms, etc.) that allow the participation of Local Companies and Surinamese Nationals.

## Technology Transfer (Development & Production Stage)



In line with the Article 32.5.1 of the PSC, Total E&P Suriname . shall endeavor to impart to nationals the technology and business expertise in upstream operations in the oil and gas sector.

In order to promote sustainable economic development and national industrialization, capacity building & Technology Transfer are the cornerstones of the Total E&P Suriname . Local Content strategy.

Technology Transfer includes all activities and mechanisms aimed at optimizing knowledge and skills transfer to the Government, Local Companies and Surinamese nationals.

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