



Tullow Oil

Proposed KENYA BU RE-ORGANIZATION

February 2020



CONFIDENTIAL



www.projectoilkenya.com

PRINCIPLES AND DRIVERS OF CHANGE



- Group wide strategic review undertaken, ongoing.
- Centralization, Outsourcing, 'Double-Hatting' , co-location is being done to improve manpower efficiency.
- Group wide organizations to be leaner and flatter with clearer accountabilities.
- **Kenya BU's target remains end 2020 FID; including farm-down.**
- JV Partners keen on 2020 external activities, BUT conditional to significant reduction of G&A. **Mid-year review expected.**
- Kenya BU head count expected to reduce by **40-45%**.
- Proposed new organization needs to be **Flexible, Simple, Complementary with broad-spectrum capability.**
- **Robust process** in place to determine job role holders.

PROPOSED KEY ACTIVITIES TILL JUNE 2020



- Early Oil Pilot Scheme (EOPS) – *subject to Budget approvals*

- Sub-surface:
 - *Submit FDP*
 - *Phase 2 Plan*
 - *Reserve audit*

- US/MS and Wells:
 - *Wrap up wells tendering*
 - *Reach RTA for Upstream and Midstream EPC contract*

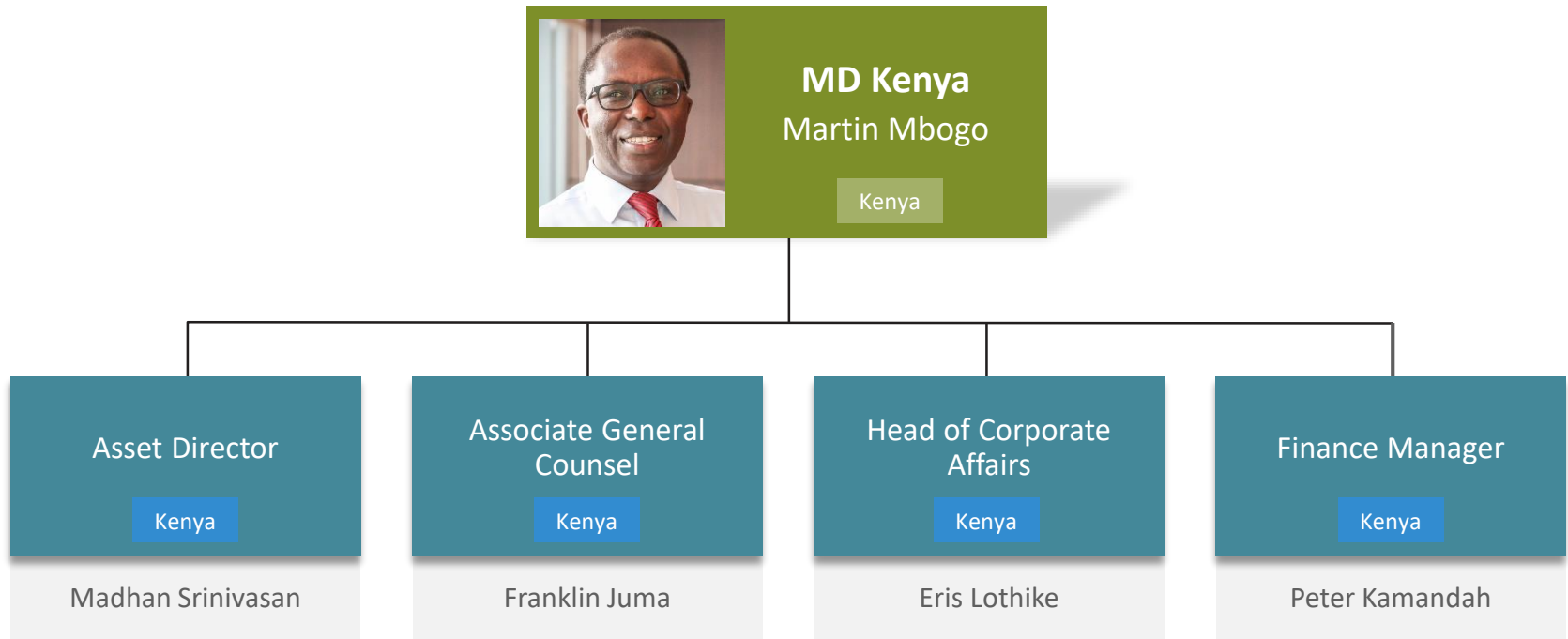
- Secure ESIA licenses for Upstream and Midstream

- Support GoK to secure access rights to Land and Water

- Agreement with GoK on the following Commercial agreements:
 - *Long Form Agreements,*
 - *Supplementary agreements*
 - *Water Framework and Bulk Water Supply*

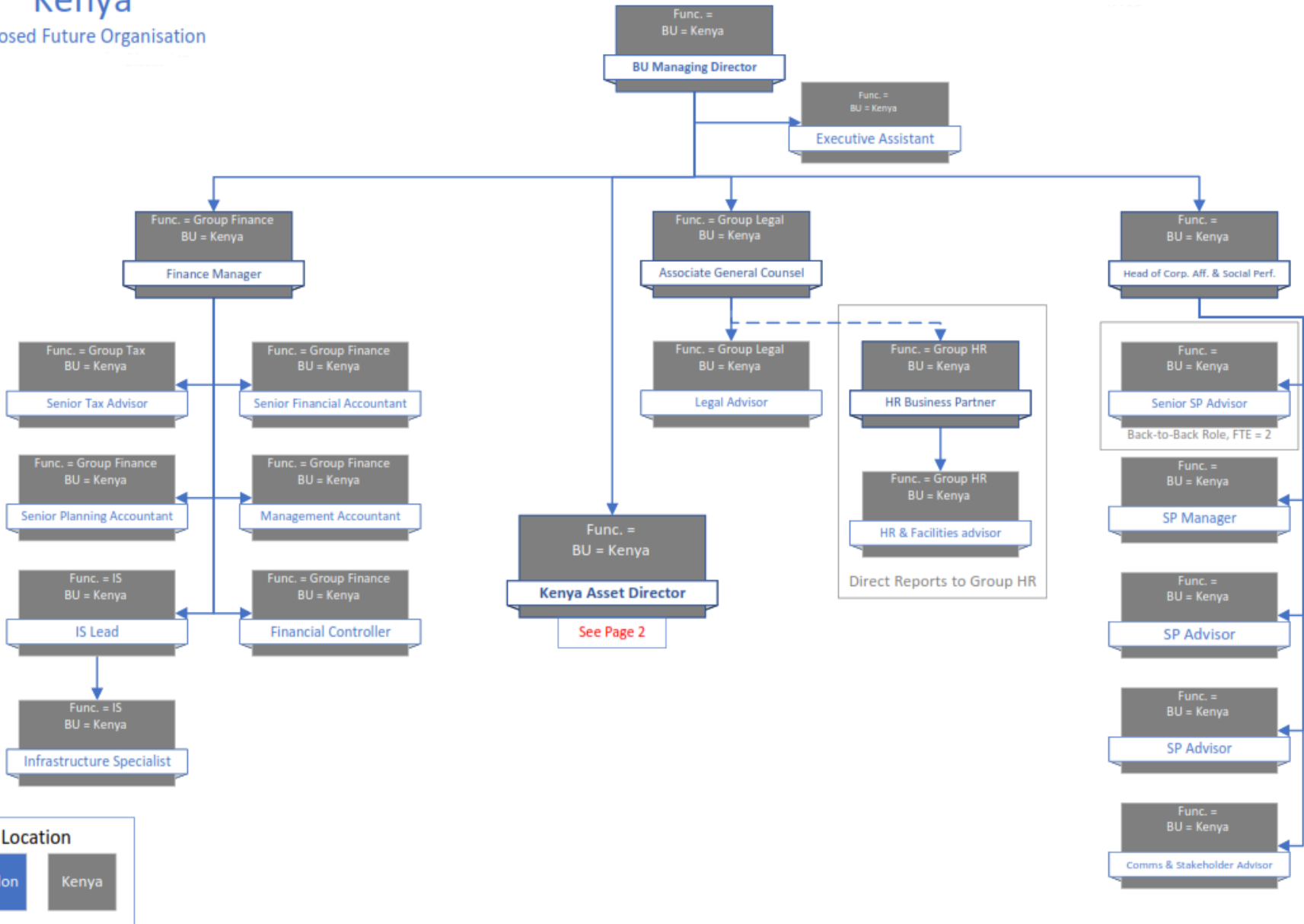
- Project Financing

COO ORGANISATION



Kenya

Proposed Future Organisation



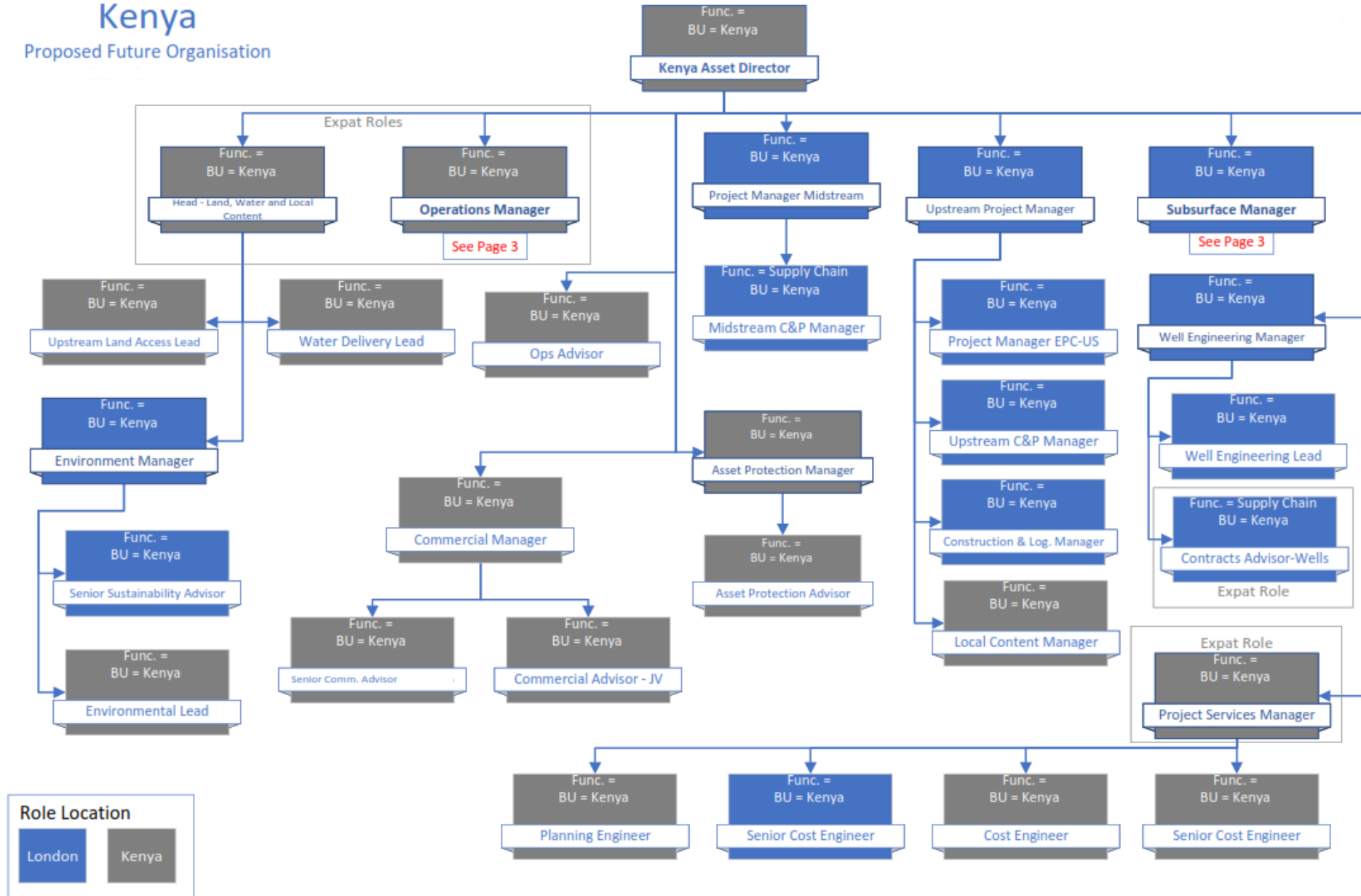
Role Location

London Kenya

Locations Indicative only

Kenya

Proposed Future Organisation



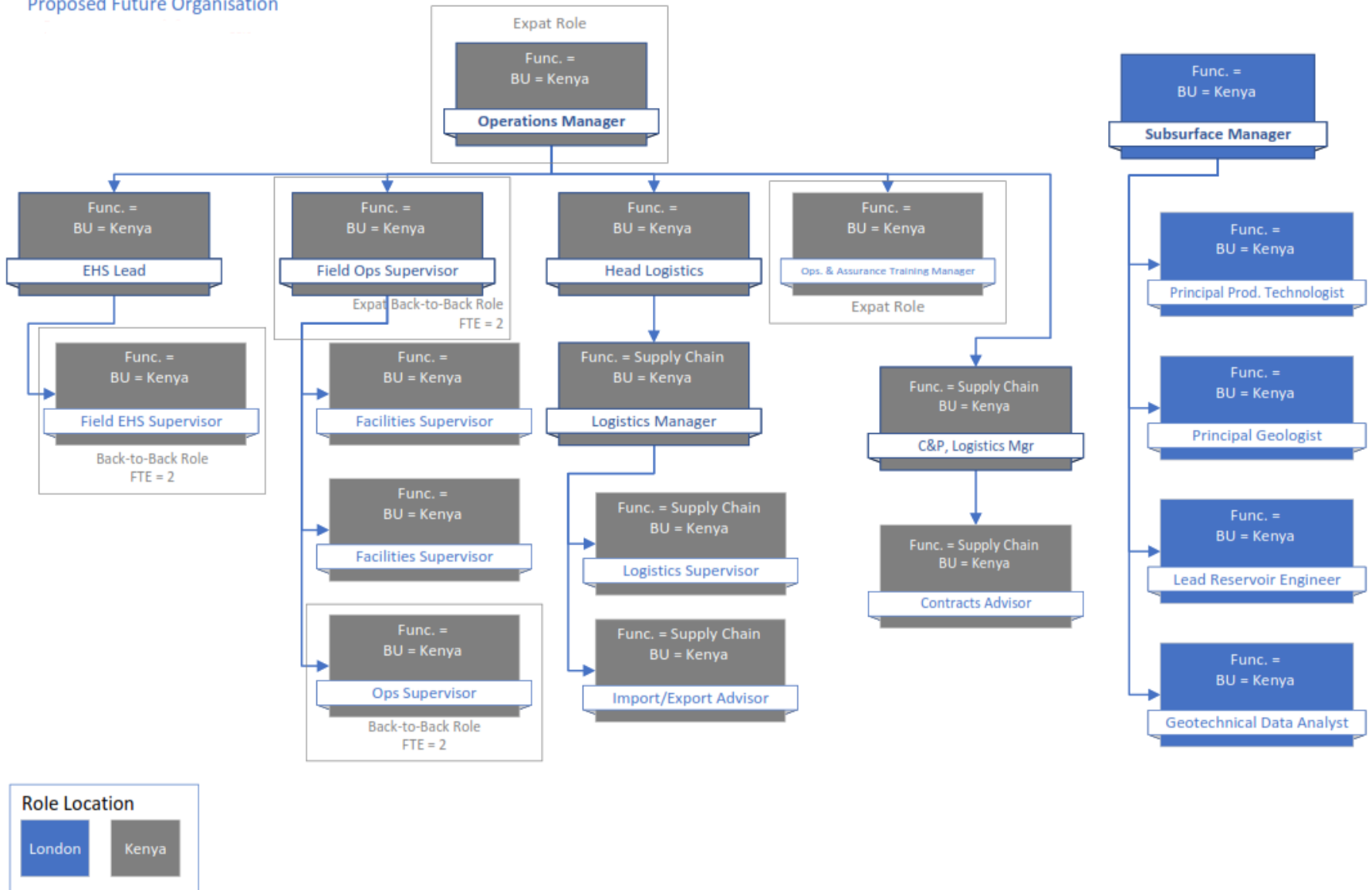
Role Location

London	Kenya
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Locations Indicative only

Kenya

Proposed Future Organisation



Locations Indicative only

NEXT STEPS



- Inform relevant (external) stakeholders
- Your Supervisor will inform you of your **individual, specific status**.
- A consultation period will begin **imminently** for individuals at risk of redundancy.
- If during the consultation period **no suitable role can be found**, then the individual would be put on notice as per his/her respective contracts and the role made redundant.
- In discussions with your line manager, you may be allowed to proceed on **gardening leave** or may be required to **assist in the transition**.

CONCLUSION



- Project Oil Kenya remains an attractive proposition, despite on-going challenges.
- Most of us are **affected or impacted**.
- Tullow to provide support during this transition.
- Remain focussed, professional, keep SAFE.

Q&A



EMPLOYEE EXIT PACKAGE



REDUNDANCY PACKAGE

- Notice pay
- Redundancy pay of 1 months base pay for each year of service (there is a de-minimus of one month offered to those with less than one years' service. If someone had 5.5 years' service they will get 5.5 months)
- Accrued leave days will be paid as part of the exit package

ADDITIONAL BENEFITS- Kenya only

- In addition contractual benefits such as medical and gym will continue coverage until this expires.
- Medical Cover till Dec'20
- Good leaver : 12 month window to exercise shares

SUPPORT AVAILABLE

- Outplacement services
- Employee Assistance Program