

RECENT CAREER DEVELOPMENT AND EMPLOYMENT OPPORTUNITIES FOR TIMORESE NATIONALS

ConocoPhillips and our contractors on the Bayu-Undan Project continue to seek and create employment and training opportunities for Timorese nationals. As at December 2015, a total of 372 Timorese nationals were employed in Bayu-Undan activities. Following the recent completion of a major offshore maintenance program, our Operations Team, in partnership with contractors such as Clough AMEC P/L, SDV East Timor and Bureau Veritas, has been identifying additional employment options for valuable Timorese resources who had been employed in the program.

We also continue to develop the skillsets of our workforce through ongoing on-the-job and formal training, thus providing opportunities for career advancement. Read about some examples in this newsletter.

FSO TECHNICIANS PROMOTED INTO AREA RESPONSIBLE ROLES

Lucio Monteiro and Edgar Soares, two of our Operations Technicians working offshore on the Floating Storage and Offtake Vessel (FSO), completed their Power and Process Area competencies in 2015. Since late last year they have been working, unassisted, in Area Responsible roles.

The FSO is used to store oil and gas until it is sold.

Edgar Soares, FSO Operations Technician



ESTABLISHMENT OF DILI-BASED PURCHASING OFFICER ROLE TO STRENGTHEN CONOCOPHILLIPS' LOCAL PROCUREMENT STRATEGY

In 2015, one of our Dili-Based personnel, Reinalda Pires, transitioned from Finance into Supply Chain, becoming a Purchasing Officer.

This role includes a major responsibility to help improve Timor-Leste suppliers' participation in Bayu-Undan activities, by supporting engagement with the Timorese market, assisting Timorese suppliers to understand our procurement processes, and assisting our contractors to liaise with local businesses.

Reinalda assists to collect information concerning local vendors' capabilities and keep the Timor-Leste Supplier Register updated. She has already visited and reviewed 10 Timorese businesses to identify potential supply of goods and services consistent with Bayu-Undan requirements. She is also working with the Infill Wells Team to help identify possible targeted procurement opportunities, and the Contracts Team regarding potential for local goods within the catering contract.



Reinalda Pires, Dili based Purchasing Officer

TRADES TRAINING PROGRESSING SUCCESSFULLY

18 trainees jointly selected by ConocoPhillips and Clough AMEC, underwent six months of technical training in two streams: one mechanical, and the other electrical. At the end of the program, 9 Timorese qualified with a Certificate II in Mechanical Engineering, and the other 9 qualified with a Certificate II in Electrotechnology. They recently attended a prestigious graduation ceremony in Dili.

All trainees demonstrated great enthusiasm to the program and we congratulate them for their achievements. Now that they have graduated they will have the opportunity to develop on the job experience at Bayu-Undan.



Graduation ceremony in Dili

MAJOR MAINTENANCE PROGRAM EMPLOYMENT TRANSITIONS

In 2015, the Bayu-Undan Asset Integrity Maintenance (AIM) team completed over 2.5 million hours of Lost Time Injury-free work to manage the asset's condition. The AIM campaign involved an increased maintenance workforce and was completed over three and a half years. A smaller crew now manages the ongoing maintenance program.

During 2015, Operations and Maintenance carried out a thorough assessment of the Timor-Leste workforce, including one-on-one interviews with all personnel with the objective of retaining as many Timorese as possible after completion of the campaign. The outcome has been positive. Timorese retention has been significant representing ~52% of this workforce, up from 29%. We strived to find alternate employment options for valuable Timorese resources, including:

- An AIM HSE (Health Safety and Environment) Trainee is now employed within the Maintenance Team and is receiving further training and mentoring by the Clough AMEC Senior HSE Advisor.
- Six AIM Bridge Controllers have been given new positions; two employed as HSE Trainees under the Clough AMEC contract; two employed as Blasters/Painters under the Clough AMEC contract; one employed as Heli Admin with SDV East Timor; and one employed as Trainee Inspector under the contract with Bureau Veritas;
- An AIM Document Controller and Timesheet Coordinator have transitioned into Data Analyst roles (onshore).

CAREER DEVELOPMENT OPPORTUNITIES BY SEAFOX

Seafox provides the Frontier Accommodation Vessel to Bayu-Undan and currently employs 14 Timorese nationals. They began their on-the-job training program in 2012 and after four years of partnering with Caltech, Seafox has built a highly capable Timorese team who have worked their way up into primary core-crew positions offshore:

- Two HSE Trainees have been promoted to core-crew Junior HSE Officers after working under supervision and mentoring by the on-board Safety Officer for two years.
- Two Timorese initially employed as Painters, who were offered two-year mechanic traineeships under supervision and mentoring by the Chief Engineer, have now been promoted to core-crew Junior Mechanics.
- One Timorese Trainee Electrician, after successfully completing a two-year traineeship under direct supervision and mentoring by the Chief Electrician, has been promoted to the operational core-crew as an Electrician.
- One Timorese Rig Administrator who transitioned to Helicopter Landing Officer (HLO) and Muster Coordinator, was recently promoted to the Radio Operator role; a fixed core-crew position.
- Eight other Timorese are employed as Deckhands or undertaking traineeships in deckhand operations, contributing to daily operational core-crew operations.



Joao Dos Santos, core-crew Jnr. Mechanic



Elena Ximenes, one of the core-crew Jnr. HSE Officers

CAREER DEVELOPMENT OPPORTUNITIES BY CALLIDUS

Callidus provide valve maintenance services for Bayu-Undan and employ four Timorese nationals under their local content plan. They have developed a fitter/machinist role into a workshop supervisor role over the past five years for Nelson Baptista.

This development process required significant training in Callidus' valve curriculum and associated competencies via external training entities, as well as participation in shutdowns at various gas plants and offshore facilities.

These activities allowed Nelson's promotion to Workshop Team Lead and, more recently, Workshop Supervisor. In this role, Nelson has provided flange management and pressure testing training to the Trades Technicians employed through Caltech, successfully handling various quality audits and undertaking ongoing leadership development training.



Far left: Nelson Baptista, Callidus' Workshop Supervisor and Valve Technician

CONOCOPHILLIPS CONTINUES TO SUPPORT CAPACITY BUILDING FOR TIMORESE ENTREPRENEURS

Over the past three years, ConocoPhillips has established a strong partnership with the Institute of Business Development Support (IADE) helping to facilitate their 'Innovative Business Plan Competition'.

This competition is run across twelve municipalities in Timor-Leste and encourages local entrepreneurs to enter their business plans for a chance to win.

In 2015, 270 candidates registered their business plans of which 218 progressed to the second round. These successful entrepreneurs won the opportunity to undertake Start Your Business (SYB) training. This included market assessment, one on one counseling, and a presentation skills class to help with preparation of final business plans in the last phase of the competition. 15 finalists were selected and 3 winners announced at the end of the competition.

First place went to Cesar Gaio with his business idea 'Mobile Kitchen' promoting local Timorese cuisines. In second place was Mazarela Lay who presented her 'Campus Canteen' business plan, and third place went to Egidio Soares who runs 'Ecological Tourism' in Balibo.

In addition, first place winner Cesar Gaio was chosen by IADE to undertake a further six months training in hospitality in New Zealand.



Three winners of the 2015 Innovative Business Plan Competition

TEN TIMORESE GRADUATES FROM FULBRIGHT-SERN SCHOLARSHIP RETURNED HOME

ConocoPhillips and its Co-Venturers in the Bayu-Undan Project, in conjunction with the Ministry of Petroleum and Mineral Resources, and the US Embassy in Timor-Leste have been working together to support Timorese students to undertake their post-graduate studies in energy, accounting, and law fields at select universities in the United States.

As of December 2015, ten students have successfully graduated from their respective studies and returned to Timor-Leste. Among them was Aida Baptista Pinto who went to the US in March 2013 to undertake a Master's degree in Business Administration specialising in Accounting at the University of Akron, Ohio. Aida completed her studies and returned to Timor-Leste in December 2015.

"I would like to say that I am blessed to have met other Fulbrighters from different countries, cultures, religions, knowledge backgrounds, skills, and experience. I learned a lot from them through the interaction. Having diverse friends really helps me to be flexible and open-minded. The Akron community is the best I've ever met. Most of us Fulbrighters are hosted by the Akron Community for the first week before moving into our own place", Aida stated.

In addition to these ten graduates, there are still five students progressing well with their studies in the US and who are expected to return to Timor-Leste in August 2016.



Aida Pinto Baptista, Master of Business Administration/Accounting, University of AKRON, OHIO

CONOCOPHILLIPS SUPPORTS SESIM TO CELEBRATE WORLD SCIENCE DAY

ConocoPhillips supported Sentru Estudu Siensia no Matematika (SESIM) to celebrate the World Science Day conducted in Dili on 20 November 2015. The celebration attracted participation from 20 groups of students, both Junior and Senior High School, from four municipalities across the country. It provided the opportunity for students as part of a competition to showcase their mathematics and science projects.

During the competition, EBC Lay-Doe Laleia Junior High School from the Manatuto municipality was selected as winner of the Junior High School level for their project entitled 'Impact of Smoking Cigarettes to Human's Health'.

The Senior High School level was won by ESC Sao Pedro Dili with their research project 'the Model of Excavators'.



Sao Pedro Senior High School Students with judges, SESIM and ConocoPhillips reps