
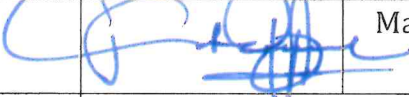




SERVICE DELIVERY STANDARDS (SDS)



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Table Of Contents

Acronyms	5
1.0 Introduction	6
1.1 A BRIEF ABOUT UNOC	7
1.2 UNOC'S MANDATE.....	7
2.0 Macro View Of How Unoc Creates Value In The Oil & Gas Sector	9
2.1. Unoc Corporate Portfolio (Now And Future).....	10
3.0 Service Delivery Standards (In The NPA And Public Service Format).....	12
4.0 Regulations That Govern Unoc's Business By Perspective	20
5.0 Reporting And Accountability	22
5.1. UNOC'S Top Level Governance And Accountability Structure	22
5.2. Shareholders	22
5.3. Role Of Board Of Directors.....	22
5.4. Audit And Risk Committee (A&RC).....	23
5.5. Finance And Remuneration Committee (F&RC)	24
5.6. Unoc's Organisational Structure.....	25
5.6.1. Unoc Subsidiary Companies	25
5.6.1.1. Uganda Refinery Holding Company Limited (Urhc).....	25
5.6.1.2. National Pipeline Company (U) Limited (NPC)	25
6.0 Overview Of Unoc's Portfolio Of Petroleum Value Chain Projects.....	27
6.1. Upstream Exploration And New Ventures	27
6.1.1. Kasuruban Contract Area.....	27
6.2. Sector Foundational Projects.....	29
6.2.1. Upstream -Tilenga & Kingfisher Projects	29
6.2.1.1. Tilenga.....	29
6.2.1.2. Kingfisher Project.....	29
6.2.1.3. Refinery Project	34
6.2.1.4. East Africa Crude Oil Pipeline Project (EACOP).....	37
6.2.1.5. Kabalega Industrial Park.....	40
6.2.1.6. Jinja Storage Terminal	42
6.2.1.7. Kampala Storage Terminal.....	43
6.2.1.8. Bulk Fuel Trading	45

LIST OF TABLES

TABLE 1: UGANDA OIL & GAS SECTOR GOVERNANCE	9
TABLE 3: UNOC SERVICE DELIVERY STANDARDS.....	19
TABLE 4: MAPPING OF LAWS AND REGULATIONS TO VALUE CREATION PERSPECTIVES.....	21
TABLE 5: KASURUBAN PROJECT PROGRESS AND PLANNED KEY MILESTONES	28
TABLE 6: RETURN ON INVESTMENT FOR KIP (AMOUNTS IN USD MILLION).....	41
TABLE 7: KIP PROJECT PROGRESS AND PLANNED KEY MILESTONES	41
TABLE 8: JST PROJECT PROGRESS AND PLANNED KEY MILESTONES.....	43
TABLE 9: KST PROJECT PROGRESS AND PLANNED KEY MILESTONES	44
TABLE 10: BULK TRADING PROJECT PROGRESS AND PLANNED KEY MILESTONES	46

LIST OF FIGURES

FIGURE 1: CONCEPTUAL MODEL FOR CREATING VALUE IN THE UGANDA'S OIL & GAS SECTOR.....	9
FIGURE 2: UNOC CORPORATE OBJECTIVES AND STRATEGY MAP (BLACK MAPPED FOR SERVICE DELIVERY TO STAKEHOLDERS)	10
FIGURE 3: UNOC CORPORATE PORTFOLIO NOW AND FUTURE.....	11
FIGURE 4: UNOC TOP-LEVEL GOVERNANCE.....	25
FIGURE 5: A MAP SHOWING THE KASURUBAN CONTRACT AREA (RED POLYGON).....	27
FIGURE 6: TILenga PROJECT.....	29
FIGURE 7: KINGFISHER.....	30
FIGURE 8: UNOC CASH CALL REQUIREMENTS FOR THE TILenga AND KINGFISHER PROJECTS	30
FIGURE 9: UNOC REVENUE PROJECTIONS FOR THE TILenga & KINGFISHER	32
FIGURE 10: REFINERY	34
FIGURE 11: UNOC REVENUE PROJECTIONS FOR THE REFINERY PROJECT	35
FIGURE 12: EACOP.....	37
FIGURE 13: UNOC'S CUMULATIVE NET REVENUE PROFILE FROM THE EAST AFRICA CRUDE OIL PIPELINE PROJECT.....	38
FIGURE 14: KABALEGA INDUSTRIAL PARK.....	40
FIGURE 15: JINJA STORAGE TERMINAL	42
FIGURE 16 KAMPALA STORAGE TERMINAL.....	43

ACRONYMS

A&RC	Audit and Risk Committee
AGEC	Albertine Graben Energy Consortium
AGI	Above Ground Installation
BPD	Barrels Per Day
CA	Contract Area
CAPEX	Capital Expenditure
CNOOC	China National Off-shore Oil Company
CPF	Central Processing Facility
EACOP	East African Crude Oil Pipeline
EHT	Electrical Heat Tracing
EPC	Engineering, Procurement and Construction
ESIA	Environmental Social Impact Assessment
F&RC	Finance and Remuneration Committee
FEED	Front End Engineering Design
FID	Final Investment Decision
GoT	Government of Tanzania
GoU	Government of Uganda
IOCs	International Oil Companies
JOAs	Joint Operating Agreements
JST	Jinja Storage Terminal
KFDA	King Fisher Development Area
KIP	Kabalega Industrial Park
KST	Kampala Storage Terminal
MDAs	Ministries, Departments, and Agencies
MEMD	Minister of Energy and Mineral Development
MoFPED	Ministry of Finance Planning and Economic Development
NDP	National Development Plan
NPC	National Pipeline Company
OMCs	Oil Marketing Companies
OPEX	Operational Expenditure
PFA	Project Framework Agreement
PRSP	Public Service Reform Program
PSAs	Production Sharing Agreements
PUF	Polyurethane Form
QHSSE	Quality, Health, Safety, Security, and Environment
RFCC	Residual Fluid Catalytic Cracker
TEPU	Total E&P Uganda B.V
UNOC	Uganda National Oil Company
URHC	Uganda Refinery Holding Company

1.0 INTRODUCTION

Following the Public Service Reform Program (PSRP), the Government introduced a series of initiatives aimed at improving service delivery and ensuring that the Public Service becomes more transparent and accountable. Subsequently, the Ministry of Public Service (MoPS) issued Establishment Notice (EN) No. 3 of 2011, arising from Circular Standing Instruction (CSI) No. 2 of 2006 and the findings of the National Service Delivery Survey (NSDS) 2008. This notice was intended to guide the Public Service on the process of developing, documenting, disseminating, and implementing Service Delivery Standards (SDS).

In line with this directive, all sectors, ministries, departments, and agencies have been required to develop, document, disseminate, and implement Service Delivery Standards. This requirement reflects the legal and moral responsibilities of government functions to deliver excellent services to the public in terms of time, quantity, quality, cost, and coverage. Additionally, the standards aim to improve efficiency and effectiveness in service delivery, enabling the Public Service to meet the growing demands of citizens who expect appropriate, accessible, adequate, high-quality, timely, and cost-effective services.

In compliance with this requirement, UNOC, as a state parastatal established to develop and manage the state's commercial interests in the oil and gas sector, has developed its strategic plan for the next six years (see section 3.0 of the high-level strategy). The strategy has been formulated based on the strategic direction of the country (NDP/IV), key oil and gas sector laws and policies, market dynamics, and future trends. It includes strategic objectives that define how UNOC will create long-term value, alongside a results matrix that provides specific key performance indicators, targets, and strategic initiatives for which UNOC will be accountable during the strategy period. Notably, the results matrix incorporates a mix of quality, time, and cost-related KPIs and targets, forming a blueprint for UNOC's service delivery standards.

UNOC's strategic objectives, KPIs, Strategic initiatives, and targets have been grouped into **four major value creation perspectives: Financial, Stakeholder, Business Processes, and Organizational Capacity**. Given the guidelines and principles for developing service delivery standards, UNOC's strategic objectives that directly address citizen demands and expectations have been extracted to guide the scoping and development of UNOC's service delivery standards (see section 4.0).

Under the financial perspective, UNOC will purpose to increase profitability as the ultimate outcome and responsibility as a commercial state entity in the sector. Under the Stakeholder perspective, UNOC has prioritized strengthening relationships with stakeholders, including citizens, project-affected persons (PAPs), and local communities impacted by projects. This perspective also includes the objective for enhancing national participation aimed at promoting and nurturing Ugandan local firms and empowering local skilled talent to secure business and jobs in the sector.

In terms of projects (operated and non-operated), UNOC has prioritized the implementation of value-chain projects, given the macro- and microeconomic benefits these bring to the country and its citizens.

1.1 A BRIEF ABOUT UNOC

UNOC is a state-owned limited liability company established under the Petroleum (Exploration, Development and Production) Act, 2013. The company was incorporated in June 2015 under the Companies Act (2012) as a private limited company with the Minister of Energy and Mineral Development (MEMD) holding 51% and the Minister of Finance, Planning and Economic Development (MoFPED) with 49% shares.

1.2 UNOC's Mandate

The following define the responsibilities for the establishment of UNOC under Petroleum (Exploration, Development, and Production) Act of 2013:

1. Handle the State's commercial interests in the petroleum sub-sector.
2. Manage State Participation in the petroleum activities.
3. Manage the marketing of the country's share of petroleum received in kind.
4. Manage the business aspects of State Participation.
5. Develop in-depth expertise in the oil and gas sector.
6. Optimise value to its Shareholders.
7. Participate in joint ventures in which it holds an interest on behalf of the State.
8. Participate in meetings of the operating committees in furtherance of its participation in the respective Joint Operating Agreements (JOAs); and
9. Investigate and propose new upstream, midstream and downstream ventures initially locally but later internationally.

Mission: To sustainably develop and manage the state's commercial interests in the petroleum sector to contribute to Uganda's socio-economic transformation.

Purpose Statement: Creating Value for Generations.

Vision: To be a profitable company that sustainably operates across the petroleum value chain by 2030.

Core Values:

- **Safety first:** We conduct our business in a safe manner, thereby protecting the well-being of our employees, stakeholders and assets.
- **Care for People and Environment:** We are committed towards the well-being of our people. We shall ensure that our people are safe, motivated and cared for. Similarly, we shall preserve the environment and minimise the impact of our operations on the environment.

- **Integrity:** We strictly adhere to ethical and moral standards of fairness and honesty in all our undertakings.
- **Excellence:** We shall constantly pursue outstanding performance, innovation and value-creation
- **Collaboration:** We pledge to work together with our clients and stakeholders toward common goals.
- **Innovation:** We encourage creativity and continuous improvement in the conduct of our business.

2.0 MACRO VIEW OF HOW UNOC CREATES VALUE IN THE OIL & GAS SECTOR

Primarily, resource endowments defined by geological factors influence how state policies and regulations that govern the sector are developed as shown below. The figure below shows the conceptual model within which UNOC, and other relevant actors create value in the sector.

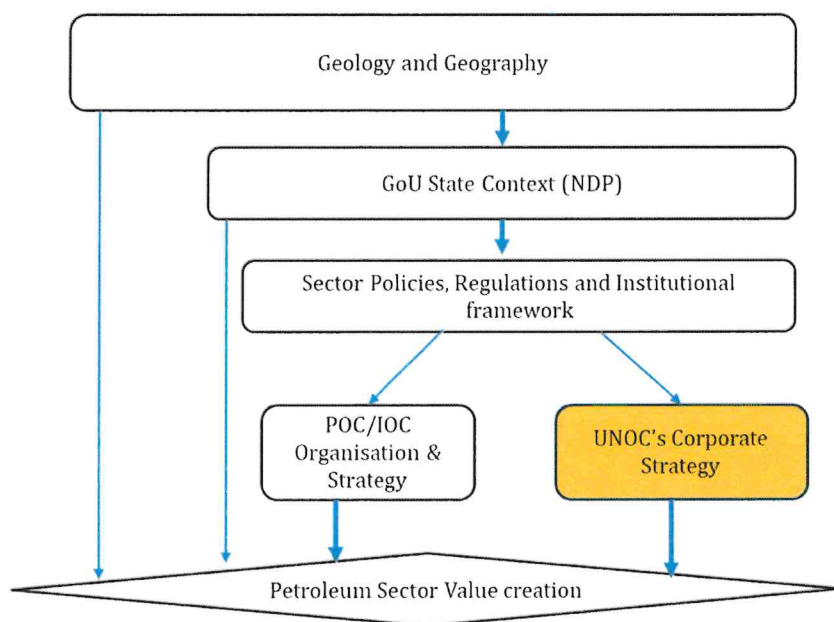


Figure 1: Conceptual model for creating value in the Uganda's OIL & GAS sector

Source: modified from (Tordo, Tracy, and Arfaa 2011)

Key Sector Roles	Responsible Institution
Policy, Investor Promotion & Licensing	Ministry of Energy and Mineral Development (Petroleum Directorate)
Regulation	Petroleum Authority of Uganda (PAU)
Commercial	Uganda National Oil Company (UNOC)
Fiscal Regime	Ministry of Finance, Planning and Economic Development

Table 1: Uganda Oil & Gas Sector Governance

OVERVIEW OF UNOC'S CORPORATE STRATEGY, OBJECTIVES AND VALUE CREATION MODEL

UNOC creates value through a long-term corporate strategy with clear objectives and strategic objectives guided by the vision and mission. Out of the 13 objectives, four corporate objectives under the financial and stakeholder perspective provide direct accountability to stakeholders.

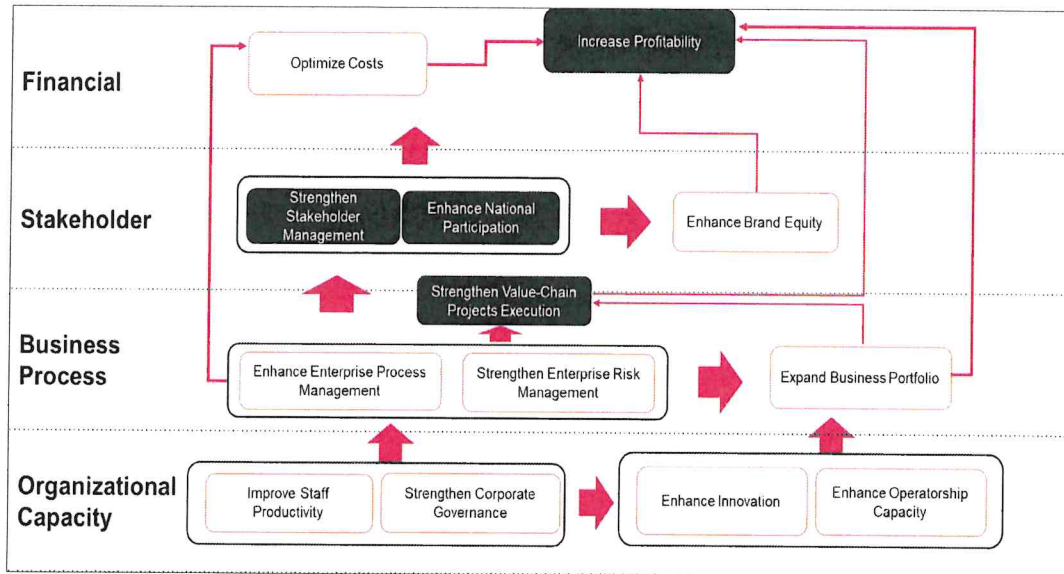
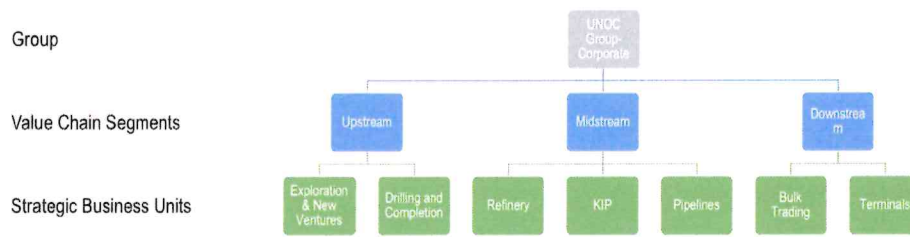


Figure 2: UNOC Corporate Objectives and Strategy Map (black mapped for service delivery to stakeholders)

2.1. UNOC Corporate Portfolio (now and future)

To achieve the strategy, the company will be realigned to expand its overall portfolio as illustrated below.

Corporate Portfolio By 2024



New Corporate Portfolio: By 2030

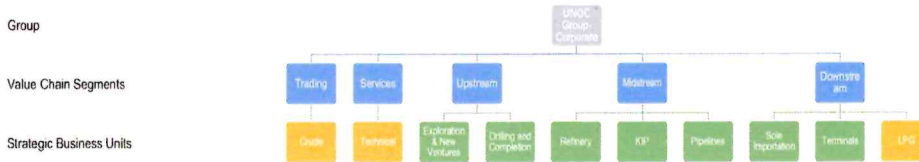


Figure 3: UNOC Corporate Portfolio now and future

3.0 SERVICE DELIVERY STANDARDS (in the NPA and Public Service format)

Strategic Objective	Output/service description Key output/result/product/service	Performance Key Indicator for output/product/service	Standard in terms of quantity, quality, cost, time, process, accessibility, and coverage	Target beneficiaries of the service intended users of the service	Access criteria to obtain service	Methodology for providing service	Basic Infrastructure for providing service: including tools, equipment, and personnel	User fee/contribution by service recipient	Responsibility Centre/Service Delivery Point
Increase Profitability	Annual financial report approved	Frequency of financial reports review meetings	Quarterly	Minister of FPED, Minister of EMD	Audited financial reports	Meetings, Reports issued	HR, assorted stationary ICT equipment, Annual financial reports and statements, trading agreements, allowances Transport facilities (vehicles)	None	UNOC Board of Directors
	Domestic market supplied with petroleum products as per sole importation mandate	Proportion of market demands met Frequency of processing orders Frequency of delivery	100% of domestic demand achieved Quarterly Bi-annually	Oil marketing companies	- Storage Terminals - Loading Orders	Bulk importation, bulk supply, trading agreements	HR, ICT, Terminals, Assorted stationary,	None	UNOC through National Pipeline Company (NPC)

Strategic Objective	Output/service description Key output/result/product/service	Performance Key Indicator for output/product/service	Standard in terms of quantity, quality, cost, time, process, accessibility, and coverage	Target beneficiaries of the service intended users of the service	Access criteria to obtain service	Methodology for providing service	Basic Infrastructure for providing service: including tools, equipment, and personnel	User fee/contribution by service recipient	Responsibility Centre/Service Delivery Point
Strengthen Value Chain Projects Execution	Upstream projects work programs and budgets approved	Frequency of the technical committee meetings	At least once a quarter	PAU, UNOC JVPs (Total Energies, CNOOC etc.)	Soft copy of Approved Work programs and budgets, Review Reports	Technical review committees meetings, field visits	HR, Field development plan, work programs and budget submissions, ICT, Assorted stationery, transport facilities	None	UNOC through Upstream Department
		Frequency of project monitoring	Quarterly						
		Submission time for work programs and budgets	By 31st October every year						
	Petroleum resource report prepared and submitted to PAU	Frequency of preparation	Annual	PAU, MoFPED, MEMD, JVPs (Total Energies, CNOOC etc.)	Soft copy of Approved Petroleum resource report	Technical review committees meetings	HR, ICT, Assorted stationery, transport facilities	None	UNOC through Upstream Department
		Submission timelines	By 31st October every year						
	Oil Produced from the contracted areas	Proportion of target wells drilled	100%	PAU, MoFPED, MEMD, JVPs (Total Energies, CNOOC etc.)	JVP reports, Drilling reports, Website	Field visits, Joint Venture engagements	HR, ICT, Assorted stationery, transport facilities, travel allowances, security	None	UNOC through Upstream Department
		Frequency of project monitoring	Quarterly						

Strategic Objective	Output/service description Key output/result/product/service	Performance Key Indicator for output/product/service	Standard in terms of quantity, quality, cost, time, process, accessibility, and coverage	Target beneficiaries of the service intended users of the service	Access criteria to obtain service	Methodology for providing service	Basic Infrastructure for providing service: including tools, equipment, and personnel	User fee/contribution by service recipient	Responsibility Centre/Service Delivery Point
	Petroleum reserves increased	Proportion of exploration licenses acquired for target blocks Process time for renewal of exploration/pr oduction licenses	100% After every 2 years	MEMD, MoFPED	Petroleum resource report, UNOC Reserves replacement strategy	Field development plans, seismic studies,	HR, ICT, Assorted stationery, transport facilities, Seismic data, travel allowances, security,	None	UNOC through Upstream Department
	East African Crude Oil Pipeline Project (EACOP) delivered	EACOP pipeline coverage Frequency of project monitoring	100% (1,443km) distance covered Quarterly 100% Land compensation	Government of Uganda (GoU), Government of Tanzania (GoT), Total Energies, CNOOC	Field visits, EACOP reports, EACOP technical review meetings	Share Holders Agreement, Host Government Agreements, other project agreements, Project Implementation Agreement, Field operations, meetings, land compensations	ICT, HR, Assorted stationery, travel allowances, transport facilities	Government Equity contribution	UNOC through the National Pipeline Company (NPC)

Strategic Objective	Output/service description Key output/result/product/service	Performance Key Indicator for output/product/service	Standard in terms of quantity, quality, cost, time, process, accessibility, and coverage	Target beneficiaries of the service intended users of the service	Access criteria to obtain service	Methodology for providing service	Basic Infrastructure for providing service: including tools, equipment, and personnel	User fee/contribution by service recipient	Responsibility Centre/Service Delivery Point
	Refinery Delivered	Target Refinery capacity Frequency of community engagements	100% target capacity Quarterly	MoFPED, MEMD, Partners, KIP Investors	Constructed Refinery	Joint operating agreement, Engagements	Refinery implementation plan, HR, ICT, Transport facilities, Assorted stationery, allowances, publicity	GoJ/UNOC Equity	UNOC through Uganda Refinery Holding Company (URHC)
	Kabalega Petrochemical Industrial Park (KIP) delivered	Proportion of KIP occupied Frequency of community engagements	100% occupancy Quarterly	MoFPED, MEMD, UIA, UFZA, CAA Partners, KIP Investors	Occupancy agreements, Constructed industrial park	Expression of Interest from investors, Engagements, Field visits, Occupancy agreements, Joint operating agreements,	KIP master plan, Land lease policy, HR, ICT, Transport facilities, Assorted stationery, allowances, publicity	GoJ/UNOC Equity	UNOC under (Uganda Refinery Holding Company (URHC)
	Storage Terminals Delivered and operating at full capacity (KST, JST etc.)	Storage Capacity Terminals uptime	100% At least 90%	Oil Marketing Companies	Storage Terminals constructed/upgraded	Constructed terminals, leased terminals	KST Infrastructure, HR, ICT, Transport facilities, Assorted stationery	None	UNOC through the National Pipeline Company (NPC)

Strategic Objective	Output/service description Key output/result/product/service	Performance Key Indicator for output/product/service	Standard in terms of quantity, quality, cost, time, process, accessibility, and coverage	Target beneficiaries of the service intended users of the service	Access criteria to obtain service	Methodology for providing service	Basic Infrastructure for providing service: including tools, equipment, and personnel	User fee/contribution by service recipient	Responsibility Centre/Service Delivery Point
				MoFPED, MEMD, Oil Marketing Companies	Operational standards report, Functional terminals	Routine maintenance checks	Terminals, HR, ICT, Transport facilities, Assorted stationery	None	UNOC through the National Pipeline Company (NPC)
Strengthen Stakeholder Management	Stakeholders engaged	Frequency of engagement Proportion of stakeholder concerns addressed Frequency of conducting satisfaction survey	Quarterly 100% Once after every 2 years	Government Ministries, Departments and Agencies, Private Sector, Academia, Joint Venture partners, Local communities, Civil Society Organisations, Regulators, Media, International Forum, Project Affected Persons, Religious bodies, Local leaders etc.	Stakeholder satisfaction reports, stakeholder engagement plan	Meetings, Field visits, Stakeholder satisfaction surveys, stakeholder matrix	HR, ICT, Transport facilities, Assorted stationery, allowances, Media expenses	None	UNOC through Corporate Affairs Department

Strategic Objective	Output/service description Key output/result/product/service	Performance Key Indicator for output/product/service	Standard in terms of quantity, quality, cost, time, process, accessibility, and coverage	Target beneficiaries of the service intended users of the service	Access criteria to obtain service	Methodology for providing service	Basic Infrastructure for providing service: including tools, equipment, and personnel	User fee/contribution by service recipient	Responsibility Centre/Service Delivery Point
Enhance National Participation	UNOC National content programme/plan prepared and submitted for approval by PAU	Frequency of preparation Submission timelines	Annual Within 60 days of the beginning of each calendar year to PAU	PAU, MoFPED, MEMD	Petroleum Exploration, Development and Production Act 2013, Upstream National Content Regulations, 2016 Midstream National Content Regulations, 2016	Meetings, soft copy of plan shared	HR, ICT, Transport facilities, Assorted stationery,	None	UNOC through Operations Department
	UNOC National content performance report prepared and submitted	Submission timelines Frequency of monitoring	Within 60 days of the beginning of each calendar year to PAU Quarterly	PAU, MoFPED, MEMD	Petroleum Exploration, Development and Production Act 2013, Upstream National Content)	Meetings, soft copy of plan shared	HR, ICT, Transport facilities, Assorted stationery,	None	UNOC through Operations Department

Strategic Objective	Output/service description Key output/result/product/service	Performance Key Indicator for output/product/service	Standard in terms of quantity, quality, cost, time, process, accessibility, and coverage	Target beneficiaries of the service intended users of the service	Access criteria to obtain service	Methodology for providing service	Basic Infrastructure for providing service: including tools, equipment, and personnel	User fee/contribution by service recipient	Responsibility Centre/Service Delivery Point
					Regulations, 2016 Midstream National Content) Regulations, 2016				
	Contracts awarded to Ugandan firms	% value of contracts awarded to local suppliers/contractors	At least 70% value of contracts awarded to local suppliers/contractors	Ugandan qualified firms & Individuals	Bidding notices/ Adverts on UNOC website, Newspapers, Contracts awarded	Bidding, procurement evaluations, due meetings, diligence visits, bidders conferences	Procurement systems, HR, ICT, Assorted stationery, allowances, transport facilities	None	UNOC through Operations Department
	Supplier development (Capacity Building)	Frequency of the workshops	Quarterly	Ugandan contractors and service providers	Registration with the National supplier database	Workshops Conferences	HR, ICT, Assorted stationery, allowances, transport facilities	None	UNOC through Operations Department
	UNOC National Skills Development	Frequency of skills development programs	Quarterly Needs assessment conducted	Eligible Ugandans	Advertisement, Website	MoUs with Local Universities, Workshops, Internship	HR, ICT, Assorted stationery, allowances, transport facilities	None	UNOC through Operations Department, HR

Strategic Objective	Output/service description Key output/result/product/service	Performance Key Indicator for output/product/service	Standard in terms of quantity, quality, cost, time, process, accessibility, and coverage	Target beneficiaries of the service intended users of the service	Access criteria to obtain service	Methodology for providing service	Basic Infrastructure for providing service: including tools, equipment, and personnel	User fee/contribution by service recipient	Responsibility Centre/Service Delivery Point
			Skills development plan developed			programs, Advertisement			

Table 2: UNOC Service Delivery Standards

4.0 REGULATIONS THAT GOVERN UNOC'S BUSINESS BY PERSPECTIVE

Perspective	Applicable Policies & Legislation
FINANCIAL	<ul style="list-style-type: none"> - Petroleum (Exploration, Development, and Production) Act, 2013 - Public Finance Management Act, 2015 - National Oil and Gas Policy, 2008 - Petroleum (Refining, Conversion, Transmission and Midstream Storage) Act, 2013 - Income Tax Act, 1997 - Value Added Tax (VAT) Act, 1996 - Uganda National Oil Company Limited Act, 2013 - Public Enterprises Reform and Divestiture Act, 2000
STAKEHOLDER	<ul style="list-style-type: none"> - National Oil and Gas Policy, 2008 - Petroleum (Exploration, Development, and Production) Act, 2013 - Public-Private Partnership Act, 2015 - National Environmental Management Act, 1994 - National Planning Authority Act, 2002 - Access to Information Act, 2005 - Public Service Act, 2008 - Environmental Impact Assessment (EIA) Regulations, 1998 - Uganda Investment Authority Act, 1991
BUSINESS PROCESSES	<ul style="list-style-type: none"> - Petroleum (Exploration, Development, and Production) Act, 2013 - Petroleum (Refining, Conversion, Transmission and Midstream Storage) Act, 2013 - National Oil and Gas Policy, 2008 - Public Finance Management Act, 2015 - Uganda National Oil Company Limited Act, 2013 - Procurement and Disposal of Public Assets Act, Cap 205 - Public-Private Partnership Act, 2015 - Anti-Corruption Act, 2009 - Competition Act, 2024 - ICT Policy, 2003 - National Information Technology Authority Act, 2009 - Data Protection and Privacy Act, 2019 - National Environment Act, 2019 - Occupational Health and Safety Act, 2006 - Public Health Act, 1964 - National Standards & Quality Policy, 2012

Perspective	Applicable Policies & Legislation
	- Environmental Impact Assessment (EIA) Regulations, 1998
ORGANISATIONAL CAPACITY	<ul style="list-style-type: none"> - Petroleum (Exploration, Development, and Production) Act, 2013 - Public Service Commission Regulations - Public Service Act, 2008 - Public Finance Management Act, 2015 - Labour Unions Act, 2006 - Uganda National Oil Company Limited Act, 2013 - Public Enterprises Reform and Divestiture Act, 2000 - National Planning Authority Act, 2002 - Uganda National Industrial Policy, 2020 - National Employment Policy, 2011

Table 3: *Mapping of Laws and regulations to value creation perspectives*

5.0 REPORTING AND ACCOUNTABILITY

To effectively measure and monitor the outcomes of our initiatives and deliverables, systems have been established that ensure accountability, transparency, governance, and continuous improvement. Mechanisms have been put in place to track performance across corporate, subsidiary, and departmental scorecards, with assessments conducted on a quarterly basis.

For external accountability, the Office of the Auditor General (OAG) periodically performs an independent audit and assurance to validate the performance and account for resources.

5.1. UNOC's TOP LEVEL GOVERNANCE AND ACCOUNTABILITY STRUCTURE

5.2. Shareholders

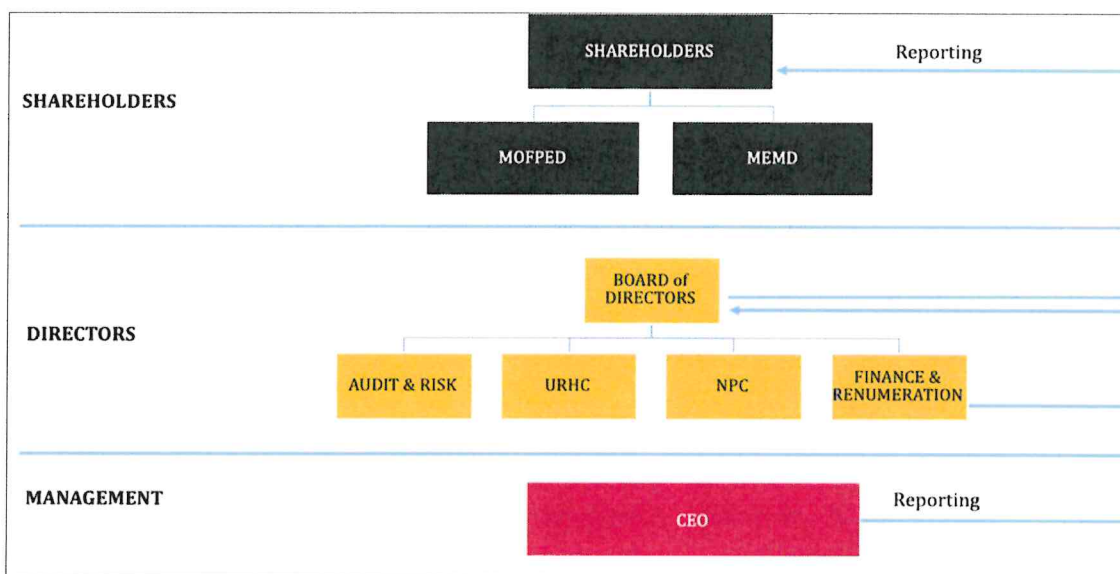


Figure 4: UNOC Top-level Governance and accountability structure

5.3. Role of Board of Directors

The Board of Directors is comprised of seven (7) Independent Non-Executive Members. The Board performs the following functions:

- Ensuring the Company goals are clearly established, and strategies are in place for achieving them.
- Establishing policies to strengthen company performance through the Executive Management Team and constantly monitoring operational performance.
- Ensuring that the Company is in a sound financial position and has the ability to meet its financial obligations and commitments.
- Approval of the Company's and Subsidiary Business Plans.

- e. Overseeing compliance with regulatory and other statutory requirements.
- f. Hiring, performance management, remuneration and tenure of the CEO and Executive Management Team.
- g. Approving major capital expenditure, acquisitions and divestiture.

To fulfil their responsibilities, the Board is composed of committees that oversee administrative responsibilities and offer oversight of subsidiaries. Committees can undertake more detailed scrutiny of proposals or complete specific initiatives and report to the main board with recommendations for adoption. The level of scrutiny in the decision-making is founded on key governance principles of accountability and transparency, fairness and responsibility.

5.4. Audit and Risk Committee (A&RC)

The A&R Committee consists of three members appointed by the Board of Directors with a responsibility for overseeing and ensuring that Company internal controls are effective. Additionally, the A&R Committee oversees the performance, independence and objectivity of both internal and external auditors. The A & R Committee further reviews the content of the annual report and accounts and makes recommendations on the Company's positions to the Board and Shareholders. The A&R Committee periodically meets to appraise the main Board on the position of the Company's financial statements, status, adequacy and effectiveness of internal company controls. The A&R Committee in addition performs the following functions:

- a. Annually approve the internal audit function plan and review the effectiveness of the Company's and its subsidiaries' internal audit function and ensure it is independent, objective, adequately resourced and has appropriate standing within the Company.
- b. Where appropriate recommend to the Board for consideration, the appointment, re-appointment or removal of an external auditor plus overseeing the selection process of a new auditor where required. The Committee also ensures that rules on audit tender and audit rotation are observed, making appropriate recommendations, through the Board, for final presentation to the Company Shareholders during the Annual General Meeting.
- c. Reviewing the Company's systems and controls and issues of noncompliance that might arise.
- d. Reviewing the nature and extent of risks, including principal risks, facing, or being taken by, the company which it regards as desirable or acceptable for the company to bear.
- e. Reviewing the likelihood of identified risks occurring and the impact of related risks.

- f. Reviewing the Company's ability to reduce the likelihood of the risks occurring.
- g. Assessing the exposure to risks before and after risks are managed or mitigated, as appropriate.

5.5. Finance and Remuneration Committee (F&RC)

The F&R Committee is comprised of members appointed by the Board of Directors to review and approve all annual budgets and investments of the Company and its subsidiaries. The committee equally oversees the implementation of the performance and rewards policy while ensuring that the Company remuneration policy is up-to-date. The Committee further performs the following roles:

- a. Reviewing the Annual Budget before recommendations to the Board for approval.
- b. Monitors budget performance, including recommendations for budget allocations and re-allocations.
- c. Reviews all financial reports including Annual Financial Statements, before recommendations to the main Board for approval.
- d. Reviews and analyzes all strategic investment plans and advises the Board.
- e. The Committee and the Chief Human Resource Officer and the Chief Legal and Corporate Affairs Officer, develop the Company's Remuneration Policy for Board approval.
- f. Monitors and reviews staff remuneration based on industry trends.
- g. Participate in designing job descriptions, organization structural reviews and shortlisting of Board level appointments.
- h. Performance reviews and oversight of the Executive Management Team

5.6. UNOC's Organisational Structure

UNOC's structure is composed of eight (8) departments and two (2) subsidiary companies (The National Pipeline Company and Uganda Refinery Holding Company Limited). Below is the organisation's top level structure and strategic business unit.

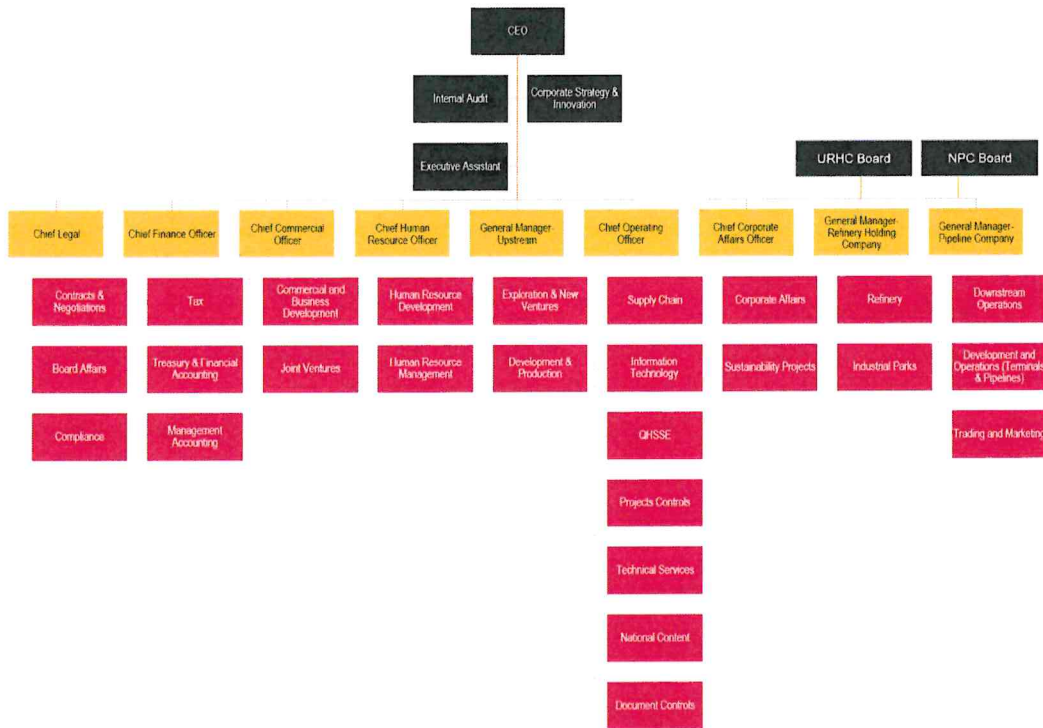


Figure 4: UNOC Top-level Governance

5.6.1. UNOC Subsidiary Companies

5.6.1.1. Uganda Refinery Holding Company Limited (URHC)

Below are the major responsibilities:

- To participate in Uganda Oil Refinery.
- To manage, develop and operationalize the Kabalega Industrial Park;
- To enter into strategic partnership to achieve the above objectives.
- To own, operate and maintain any other facilities incidental to the above.

5.6.1.2. National Pipeline Company (U) Limited (NPC)

Below are the major responsibilities :

- Manage, import and trade refined fuel on behalf while guaranteeing the security of supply.

- b. Owning, operating and maintaining oil and gas pipelines in Uganda such as participating in the development of the East African Crude Oil Pipeline (EACOP).
- c. Operating and maintaining oil and gas storage terminals for both upstream, midstream and downstream activities.
- d. Owning and setting up strategic oil and gas reserves.
- e. To enter strategic partnership to achieve the above objectives.

6.0 OVERVIEW OF UNOC'S PORTFOLIO OF PETROLEUM VALUE CHAIN PROJECTS

6.1. UPSTREAM EXPLORATION AND NEW VENTURES

6.1.1. Kasuruban Contract Area

Kasuruban Contract Area is a petroleum exploration block awarded to UNOC on 2nd February 2023, following the Company's successful participation in the country's second competitive licensing round.

The Block covers 1,285 square kilometres in which UNOC holds 100% of the Participating Interest and is the Operator. We consider the Kasuruban block to be of great significance because it is UNOC's effort to embark on the journey for its oil and gas reserves replacement, which is a "crucial action" needed to ensure the sustainability of the EACOP and Refinery projects in the midstream, in which UNOC holds 15% and 40% shareholdings respectively.

In addition to replacing petroleum reserves, the Kasuruban Block offers UNOC the opportunity to acquire the technologies, skills, and expertise needed to become an independent operator of oil and gas operations. UNOC will also leverage on its responsibility as the Operator to develop the capacity of Ugandan service providers with the aim of maximizing national content in its operations.

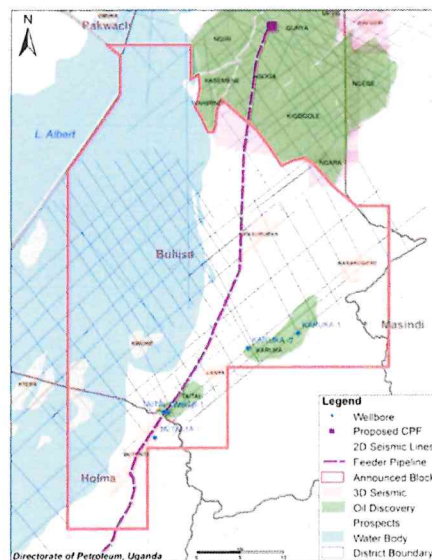


Figure 5: A map showing the Kasuruban Contract Area (Red polygon)

Kasuruban Project	
Progress to-date	Planned Key Milestones
<ul style="list-style-type: none"> - UNOC signed a Production Sharing Agreement (PSA) with Government for the Kasuruban Contract Area (KSCA) on 2nd February 2023; and - UNOC was awarded a petroleum exploration license for a 2-year period effective 2nd February 2023 to February 2025. - 2nd Exploration license granted in February 2025 - Undertook and completed Surface Geological Field Studies and Phase-1 of Seismic and well data interpretation in 2023. - Reprocessing of 2D seismic data commenced on 1st November 2024. - Completed Petrophysical analysis and reservoir characterization study and Basin analysis and petroleum systems study 	<ul style="list-style-type: none"> - Complete reprocessing of all 2D seismic data - Undertake 2D seismic acquisition and processing - Undertake ESIA - Undertake Petroleum resource assessment study - Acquisition of Joint Venture Partner - Drill at least 1 exploration oil well

Table 4: *Kasuruban Project Progress and Planned Key Milestones*

6.2. SECTOR FOUNDATIONAL PROJECTS

6.2.1. Upstream -Tilenga & Kingfisher Projects

6.2.1.1. Tilenga

Tilenga Project is operated by Total E&P Uganda B.V (TEPU) to develop the oil and gas fields in Contract Area (CA)-1 and CA-2 North through a single Central Processing Facility (CPF) with capacity of 190kbopd, located in Buliisa District.

The project planned to develop seven (7) oil fields, which all together cover approximately 230 square kilometers. The fields were discovered between 2008 and 2011 and subsequently, Government awarded five (5) Production Licenses in respect to these fields in August 2016. Tilenga has heavy & less waxy oils to the north of the Victoria Nile, while in the south the oil is medium-to-light and waxy.



Figure 6: *Tilenga project*

6.2.1.2. Kingfisher Project

The Kingfisher Project is operated by CNOOC Uganda Limited (CUL) to develop the Kingfisher oil field in the Kingfisher Development Area (KFDA) and the Mputa-Nzizi-Waraga fields in CA-2 through a single CPF with capacity of 40kbopd. The CPF is planned to be located in Buhuka Parish, Kyangwali Sub-county, Hoima District. It is located at the South Eastern bank of Lake Albert.

The field was discovered in 2006 by the Kingfisher-1 well which was a long reach well drilled from on- shore location. The structure is a SW-NE trending compressional feature approximately 15km long and 3km wide covering an oil area of approximately 32.8 square kilometers. Government issued a Production License for the Kingfisher field in February 2012.



Figure 7: Kingfisher

The Public Finance Management (Amendment) Act 2021 allows UNOC to retain proceeds from the sale of petroleum generated from the State's participating interests to fulfil state obligations. Any remaining proceeds will then be deposited into the Petroleum Fund.

Under the Production Sharing Agreements (PSAs) for the Tilenga and Kingfisher projects, there is a cost recovery ceiling of 70%. This cap limits the upfront costs that the joint venture partners and UNOC can recover in each year of production.

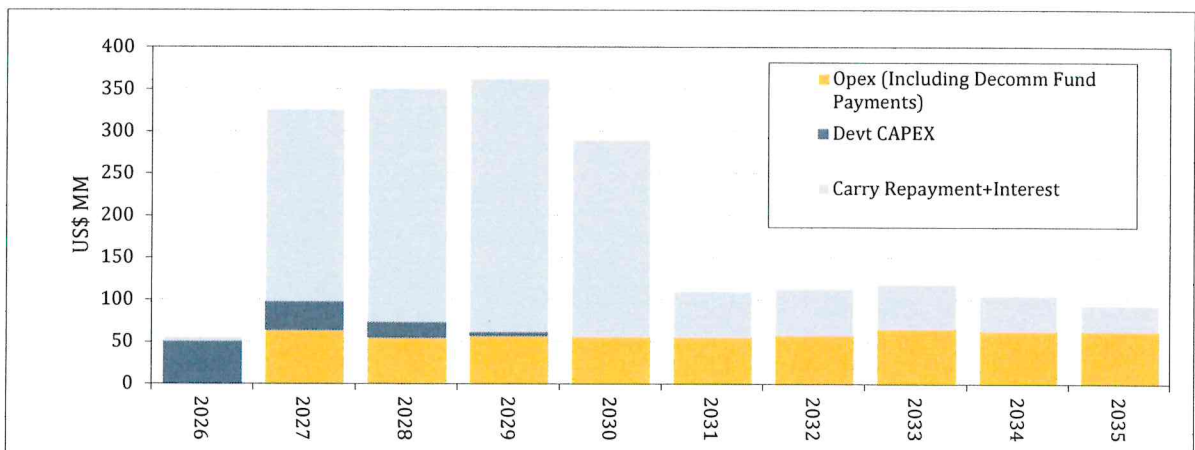


Figure 8: UNOC Cash call requirements for the Tilenga and Kingfisher Projects

Table 4: Tilenga and Kingfisher Project summaries

PROJECT NAME	TILENGA	KINGFISHER
Total Capital Expenditure	7,100	2,215
UNOC/Government Interest	15%	15%
Project Structure (UNOC's	Non-Operator	Non-Operator
Proposed Financing model	N/A	N/A
UNOC's Equity investment (15% participating interest, Carried)	693	251
UNOC's Project Completion Guarantees (for project finance purposes)	N/A	N/A
Funding Requirement date	First oil 2026	First oil 2026
Project Construction duration	4 years	4 years
UNOC's Equity Investment Schedule (After First Oil)	Year 1: USD\$ 98 Million	
	Year 2: USD\$ 73 Million	
	Year 3: USD\$ 61 Million	
	Year 4: USD\$ 57 Million	
Operations duration	25 years	25 years

Under the PSAs for the Tilenga and Kingfisher projects, there is a cost recovery ceiling of 60%. This limits the amount of the upfront costs that the JV Partners and UNOC can recover in each year of production. This cost recovery process would be considered by the Government during production and, therefore, creates a revenue structure that will allow the UNOC to receive revenue in the form of cost reimbursement and a share of production.

Revenue Forecast

The revenue stream for the joint venture partners consists of their proportionate share of the contractor group's total profit and cost of hydrocarbons. UNOC will receive 15% of the contractor group's share of the profit and cost of hydrocarbons. Over the life of the Tilenga

and Kingfisher projects, UNOC's net revenue is projected to be \$1.508 billion. The annual revenue distribution for crude oil and LPG is illustrated in Figures 1 and 2 below.

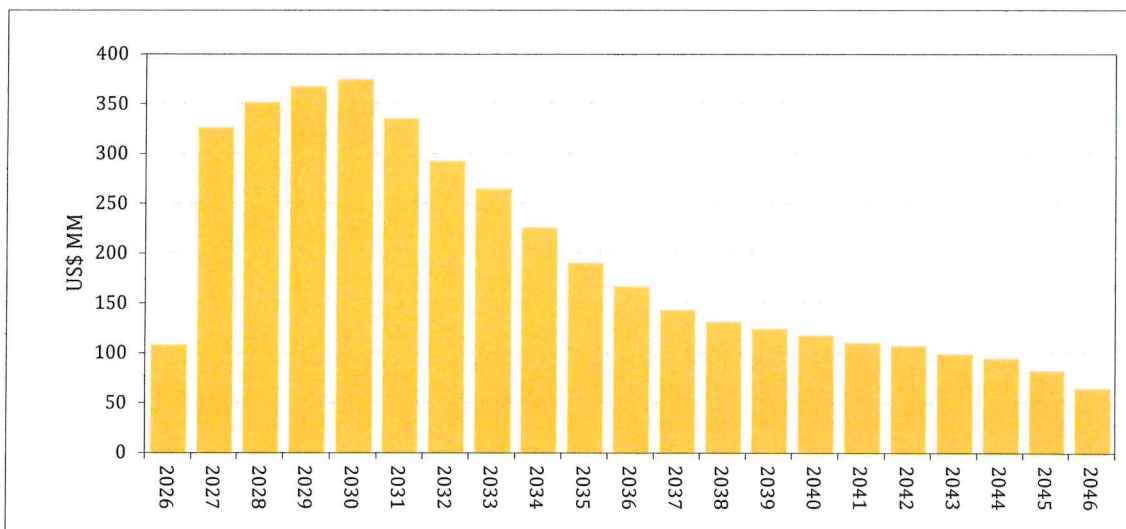


Figure 9: UNOC Revenue Projections for The Tilenga & Kingfisher

Tilenga Project	
Progress to-date	Planned Key Milestones
<ul style="list-style-type: none"> - Signed UNOC back-in agreements on 10th April 2021. - Resettlement Action Plan (RAP) 1 Land acquisition 100% completed and relocation of 30 Project Affected Persons (PAPs) completed. - Joint Field FID taken on 1st February 2022. - First well spud by end of June 2023. - 100% land access to well pads and industrial area achieved - 3 rigs deployed in the country and are operational - 93 wells drilled as at 31st December 2024. - Enabling infrastructure – industrial area package 100% completed 	<ul style="list-style-type: none"> - Drilling of remaining 52 RFSU wells. - Complete the CPF facility - Complete first oil field flowlines - Complete and commission lake water abstraction - Complete and commission the 96km of feeder line (From CPF to pump station 1) - Ready For Start Up (RFSU) in 2026.

<ul style="list-style-type: none"> - Drilling and construction support bases packages completed and is operational - Central Process Facility (CPF) EPC progress at 53% as at end September 2024 - Overall project progress at 43% as at end September 2024 	
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Table 5: Tilenga Project Progress and Planned Key Milestones

Kingfisher Project	
Progress to-date	Planned Key Milestones
<ul style="list-style-type: none"> - Signed UNOC back-in agreements on 10th April 2021. - Resettlement Action Plan (RAP) 1-3 Land acquisition 100% complete. - Joint Field FID taken on 1st February 2022. - Kingfisher development wells were spud on 24th January 2023. - 13 wells drilled as at 31st December 2024 (Target 11 wells on 3 well pads for RFSU completed). - Consent to drill on an additional 4 wells on well pad 1 received on 11th July 2024 - CPF EPC progress at 76.1% as at 30th September 2024 - Feeder line EPC progress at 84.8% as at 30th September 2024 - Overall project progress at 57% as at end September 2024 	<ul style="list-style-type: none"> - Complete the 11 wells drilled for production - Complete the CPF facility - Complete first oil field flowlines - Complete and commission lake water abstraction - Complete and commission the 47km of feeder line (From CPF to pump station 1) - Ready For Start Up (RFSU) in 2026

Table 6: Kingfisher Project Progress and Planned Key Milestones

6.2.1.3. Refinery Project



Figure 10: Refinery

The Uganda refinery will have a capacity of 60,000 Barrels Per Day (BPD), and will be designed to process sweet, medium/heavy and waxy Ugandan crude oil feedstock. The refinery shall be self-sufficient in energy and utility requirements, except for raw water that shall be abstracted from Lake Albert. No electric power export is foreseen, and the national grid shall provide power backup. The refinery configuration design considers the following key drivers:

- Minimization of low value products such as heavy fuel oil and coke;
- Maximization of high value light products, such as LPG, gasoline (petrol), jet fuel and diesel;
- Ensuring that the refinery's product specifications are Euro V compliant to match or exceed the quality of current and future East African imports from the Middle East and India; &
- Ensuring some flexibility to facilitate value addition through strategic integration of downstream petrochemical and fertilizer industries.

Financing Details	Amounts
Total Capital Expenditure	3,534 Million
Proposed Financing:	100 % equity
UNOC's Equity investment requirement (40% Shareholding in Refinery Co.):	US\$ 1,414 Million
Funding Requirement date:	FID (Estimated Q4 2025)
Project Construction Duration:	3 Years

UNOC Equity Investment Schedule:	
	Year 1: USD\$ 438 Million
	Year 2: USD\$ 664 Million
	Year 3: USD\$ 311 Million
Operations Duration:	25 Years

Table 7: Refinery Project Summary and Expected Return

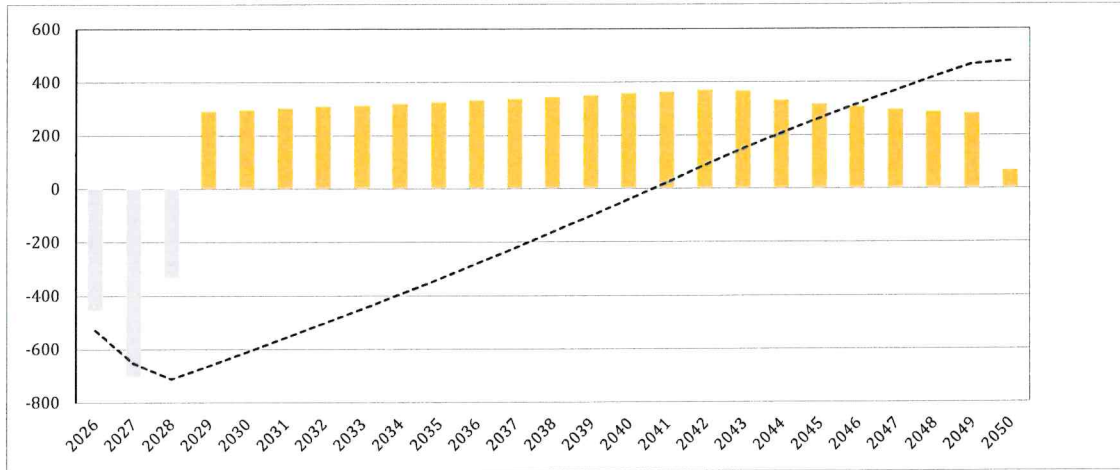


Figure 11: UNOC Revenue Projections for The Refinery Project

Refinery Project	
Progress to-date	Planned Key Milestones
<ul style="list-style-type: none"> - Refinery land area at Kabaale secured. - Resettlement Action plan (RAP) approved for implementation of cash compensation in June 2022. - Front End Engineering Design (FEED) completed, and no objection granted on 12th July 2022. - Refinery configuration approved by Cabinet. - Environmental Social Impact Assessment (ESIA) completed however ownership of the documentation is still under AGEK and GoU has expressed interest in purchasing Intellectual Property. - Planning Phase for Mbegu Resettlement Action Plan (RAP) concluded and its Valuation Report 	<ul style="list-style-type: none"> - Achieve the Final Investment Decision (FID) - Acquisition of a JV Partner. - Complete and commission phase 1 of the Refinery - Construction of fertilizer production complex

<p>approved by the Chief Government Valuer (CGV).</p> <ul style="list-style-type: none"> - Compensation for the affected persons commenced in 2024. - MoU signed between GoU and Alpha MBM for a JVP to develop the Uganda Refinery project, with extension addendum to March 2025. - 100% equity funding model for the refinery project and tolling commercial model for operating the refinery project approved by Cabinet on 25th November 2024. - Implementation agreement, Crude Supply Agreement and Shareholders agreement drafted and under review - Technical studies for refinery project infrastructure undergoing. 	
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Table 8: *Refinery Project Progress and Planned Key Milestones*

6.2.1.4. East Africa Crude Oil Pipeline Project (EACOP)

The EACOP is a 1,443km long and 24” diameter heated pipeline that is planned to transport crude oil from the Tilenga and Kingfisher Projects from the delivery point in Kabalega (Hoima) to the Indian Ocean Port of Tanga in the United Republic of Tanzania. The Pre-FID EACOP project activities are being funded and conducted by the Project Sponsor (Total East Africa Midstream B.V) and the other partners will later refund their share of Pre-FID project cost.

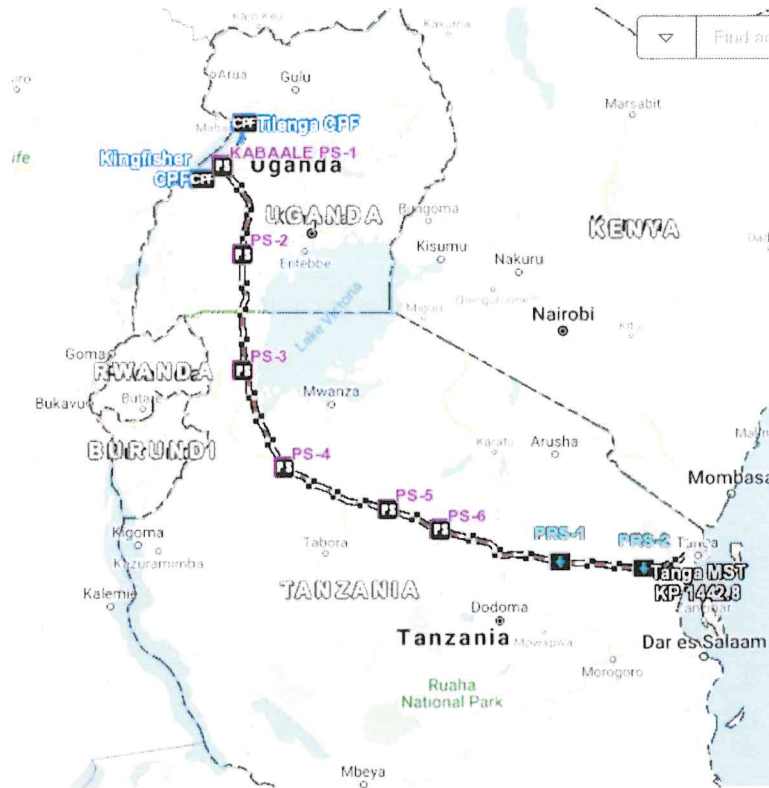


Figure 12: EACOP

Investment Requirement and Revenue Forecast

The EACOP will be insulated with Polyurethane Form (PUF) to ensure heat retention and will have Electrical Heat Tracing (EHT) systems designed to maintain the temperature of the waxy crude above 50°C so that the wax remain in solution. The pipeline will also be coated with Fusion-Bonded Epoxy (FBE). UNOC's investment in the pipeline is expected to generate a total net revenue of US\$208 Million from the project.

Financing Details	Amounts
Total Capital Expenditure	5,664 Million
Proposed Financing:	42% debt, 58% equity
UNOC's Equity investment requirement (15% Shareholding in EACOP Co.):	US\$ 375 Million
Funding Requirement date:	FID (Taken Feb 2022)
Project Construction Duration:	6 Years
UNOC Equity Investment Schedule:	
	2022: USD\$ 126 Million
	2023: USD\$ 102 Million
	2024: USD\$ 125 Million
	2025: USD\$ 22 Million
Operations Duration:	25 Years

Table 9: EACOP investment summary

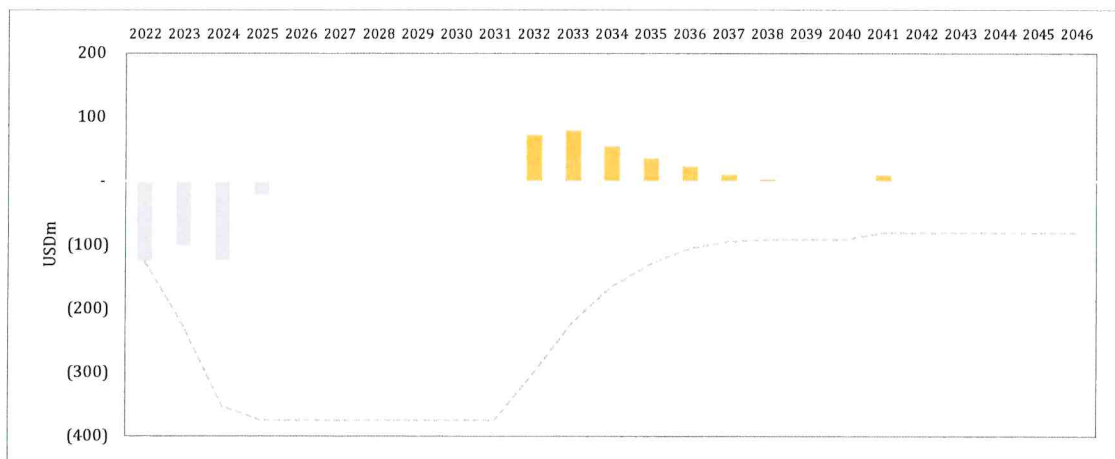


Figure 13: UNOC's Cumulative Net Revenue Profile from the East Africa Crude Oil Pipeline Project

East African Crude Oil Pipeline (EACOP) Project

Progress to-date	Planned Key Milestones
<ul style="list-style-type: none">- EACOP Business Principle between GoU and the IOCs concluded.- EACOP Company incorporated- Environmental and Social Impact Assessment (ESIA) approved by NEMA, and certificate issued in November 2020.- Enabling Legislation established i.e., Inter Government Agreement (IGA), Host Government Agreement (HGA) Uganda signed on 11th April 2021, HGA Tanzania signed on 1st June 2021, Tariff and Transportation Agreement (TTA) signed on 1st November 2021, Uganda EACOP Bill signed 31st January 2022 and Share Holders Agreement (SHA) signed on 15th February 2022.- Uganda EACOP Bill signed on 31st January 2022.- Joint Final Investment Decision (FID) announced on 1st February 2022 for EACOP and upstream.- 100% GoU equity contribution released to UNOC through MoFPED. UNOC has consequently been able to meet its cash calls on time.- Resettlement Action Plan (RAP) completed with construction and handover of 177 replacement houses for Project Affected Persons (PAPs) in Uganda in August 2023. Construction and hand-over of replacement houses on the Tanzanian side also concluded.- Land acquisition progress stands at 93% and 100% in Uganda and Tanzania and respectively.- 700km of line pipes delivered to Tanzania.	<ul style="list-style-type: none">- Achieve Financial close- 1443km of pipes delivered and coated- Complete and commission Pipeline construction from Hoima to Tanga- Commission 4 crude oil storage tanks, marine terminal and Jetty at Tanga- Commission Above Ground Installation (AGI)

<ul style="list-style-type: none"> - Thermal insulation plant commissioned in March 2024 with target of coating 50km of EACOP line pipes with Polyurethane foam (PUF) achieved by 1st October 2024. - Overall project physical progress at 46% as at end September 2024 	
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Table 10: EACOP Project Progress and Planned Key Milestones

6.2.1.5. Kabalega Industrial Park

The Petro-based Industrial Park sits on 29.57Km² (2,957 hectares) of land near the oil fields in the Albertine Graben. The Park is located in Kabalega Parish, Buseruka Sub-County, Hoima District, and is commonly referred to as Kabalega Industrial Park (KIP).

A Master Plan for the development of the Park was prepared and approved by Uganda’s National Physical Planning Board. It provides for the optimum location of all the envisaged oil and gas commercialization projects, facilities and services. UNOC seeks to secure a strategic partnership with eligible entities to offer managerial, technical and financial services needed for the development of the Kabalega Industrial Park. UNOC will joint venture with a Management Partner of international repute, having a development track record in the area of petro- based industrial parks. UNOC will hold at least fifty-one percent (51%) of the total issued share capital of the Special Purpose Vehicle.



Figure 14: Kabalega Industrial Park

It has also been agreed in principle that the land title for the KIP be transferred to UNOC. This will allow UNOC to monetise the value of the land and contribute to its investment in the industrial park. The land to be transferred to UNOC will cover all the KIP land except the land allocated to the Refinery, the airport and the crude oil export hub, considering that these are strategic projects, different from the mandate of the industrial park.

Life of the Project	Rate of Return	Net Present Value (NPV)
30 years	15.36%	USD\$1.75Bn

Table 5: Return on Investment for KIP (Amounts in USD Million)

NB: Equivalent of net revenues from envisaged projects in the KIP (*Source: KIP Masterplan by SMEC)

Kabalega Industrial Park (KIP) Project	
Progress to-date	Planned Key Milestones
<ul style="list-style-type: none"> - US\$120 million concessional loan funding through EKF Denmark approved by Cabinet. - Airport at 95% completion. - Environmental Social Impact Assessment (ESIA) for KIP completed in June 2023 - MEMD granted approval for UNOC to have leases from 49 to 99 years with automatic renewal. - Site office design completed 100%. - Completed design of the MV/LV power articulation, wastewater reticulation, 94km of roads and 30km double fence and access control to KIP - Land allocation policy to transparently regulate allocation of land to different investors in the park finalized awaiting agreement with Cabinet. - Partnership negotiations between COEGA and GoU to develop, manage and operate KIP ongoing. 	<ul style="list-style-type: none"> - Approval of land allocation policy and rates by Cabinet - Completion of UNOC site office. - Completion of design consultancies - Secure Joint Venture Partner. - Complete and commission Phase 1 of KIP - Occupy KIP facilities

Table 6: KIP Project Progress and Planned Key Milestones

6.2.1.6. Jinja Storage Terminal

The JST was established in the 1970s as a strategic reserve, to enhance security of petroleum supply. UNOC plans to enhance supply operations to the terminal and also embark on trading in petroleum products. The JST is a 30 million litre storage terminal.

This was handed over by Government to UNOC for management in May 2017. It currently generates a revenue of UGX 665 million annually. JST has potential of generating more revenue but this is constrained by a number of supply bottlenecks and limited market for JST products.

Therefore, during the medium-term, UNOC will undertake efforts to enhance business processes at JST and supply operations through water transport of petroleum products via Kisumu in Kenya and Mwanza in Tanzania to Jinja. In this regard, UNOC is in the process of increasing product inflow into JST by utilizing Water transport. Plans are in advanced stages to commence construction of a pipeline connecting JST and an oil Jetty at Lake Victoria.

UNOC believes that re-stocking the JST will greatly improve the security of petroleum products and therefore plans to procure 20 million litres of fuel.



Figure 15: Jinja Storage Terminal

Jinja Storage Terminal (JST) Project	
Progress to-date	Planned Key Milestones
<ul style="list-style-type: none"> - UNOC takeover of JST Operatorship on 23rd December 2022. - Secured Land Titles for JST. - Initial Facility upgrades after taking over done. - Integrated development between UNOC-TEMUL & VIVO has evolved. VIVO has received proposals on behalf of other entities from potential consultants over the feasibility study. 	<ul style="list-style-type: none"> - JST upgrade for operational efficiency - Restock JST with 20 million liters of fuel.

Table 7: JST Project Progress and Planned Key Milestones

6.2.1.7. Kampala Storage Terminal



Figure 16 Kampala Storage Terminal

The Kampala Storage Terminal (KST) is a multi-user petroleum storage and distribution terminal that is planned to be developed in a 300 Acres of land acquired by MEMD, in

Namwambula, Mpigi District. UNOC plans to embark on developing Phase-1 (60 million litres) of the KST. The government acquired approximately 300 acres of land for the development of the Kampala Storage Terminal in Namwambula, Mpigi District. The Ministry of Energy and Mineral Development handed over to UNOC to implement the development and operation of the Terminal.

The KST is planned to be developed in phases and is designed to hold up to 320 Million litres of petroleum products development when complete. The terminal will receive, store and serve as a central distribution terminal for refined petroleum products from either imports through Kenya and Tanzania or the planned Uganda refinery. It will also serve as a central hub for refined products infrastructure from Kenya through Uganda to Rwanda.

Investment Requirement and Revenue Forecast

The KST project will require capital investments currently estimated at US\$320 Million to complete construction of all the phases. In the medium-term, UNOC will focus on Phase-1 that will cost US\$140 Million. After taking Final Investment Decision of the project, UNOC will need to meet the capital expenditure for its share of participating interest.

Kampala Storage Terminal (KST) Project	
Progress to-date	Planned Key Milestones
<ul style="list-style-type: none"> - KST land secured. - KST business case approved in December 2022. - ESIA for KST completed in March 2021 and Certificate offered by NEMA on 3rd May 2021. - Front End Engineering Design (FEED) and feasibility studies under way. 	<ul style="list-style-type: none"> - Complete FEED - Undertake Engineering, Procurement and Construction (EPC) of the storage terminal.

Table 8: KST Project Progress and Planned Key Milestones

6.2.1.8. Bulk Fuel Trading

Government of Uganda (GoU), through the Ministry of Energy and Minerals Development (MEMD), authorized UNOC to engage in bulk petroleum trading to support the development and maintenance of national fuel reserves, ensuring stability during supply chain disruptions. Until recently, (November 2023) when GoU granted, UNOC an exclusive license to import all fuel on behalf of the state, Uganda's licensed Oil Marketing Companies (OMCs) were importing and distributing petroleum products, including fuels, bitumen, LPG, and lubricants, either in bulk to commercial customers or through retail fuel stations as mandated by regulations.

Below is a highlight of progress made under the bulk trading business

Bulk Trading Project	
Progress to-date	Planned Key Milestones
<ul style="list-style-type: none"> - Received accreditation from PPDA for bulk trading of white products. - UNOC commenced bulk trading of petroleum products on 16th March 2020. - UNOC Branch Office in Kenya established. - Petroleum Products Supply Agreement (PPSA) signed 18th August 2023 with Vitol Bahrain. - Petroleum Supply (Amendment) Act, 2023 enacted by Parliament granting UNOC exclusive importation of Petroleum products on 28th Nov 2023 - Licensed by the Energy and Petroleum Regulatory Authority – Kenya to import Petroleum products on 28 March 2024. - Transport and Storage Agreement signed between UNOC and Kenya Petroleum Company on 13 May 2024 - Tripartite Agreement (TPA) for sole importation of petroleum products signed between GOK, GOU and UNOC on 17 May 2024. - First UNOC Cargo MT Martinez 58,330 MT of PMS and MT Sinbad 79,968 MT of AGO received between 2nd to 4th July 2024. - Achieved 100% market demand coverage under the Sole Importation Mandate. 	<ul style="list-style-type: none"> - Sustainably implement the sole importation mandate - Operationalize the white products re-export license - Optimize trading operations through operated terminals (JST, KST, others)

<ul style="list-style-type: none"> - Monthly market demand met: AGO: 95,000m³-110,000m³, PMS: 115,000m³-120,000m³, Jet A-1/IK: 15,000m³-20,000m³ - Delivered 15 vessels (8 PMS, 7 AGO & Jet A-1) — approximately 1.302 Billion litres of petroleum products as at end December 2024. - 102 Oil Marketing Companies (OMCs) signed Sales and Purchase Agreements with UNOC as at end December 2024. - USD 46.09 Million revenue generated from Sole Importation of white products as at end December 2024 	
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Table 9: *Bulk Trading Project Progress and Planned Key Milestones*

