



North West Shelf Project Local Participation Plan: Executive Summary

August 2020

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1. Introduction

The North West Shelf (NWS) Project is one of the world's largest liquefied natural gas (LNG) producers, supplying oil and gas to Australian and international markets from offshore gas and condensate fields in the Carnarvon Basin, off the Pilbara coast of Western Australia. It is also one of the largest producers of domestic gas in the state.

As operator of the NWS Project, Woodside is progressing plans on behalf of the NWS Joint Venture (NWSJV) Participants to transform existing Woodside-operated infrastructure at Karratha Gas Plant (KGP) to potentially extend the life of the plant by processing other resource owner gas on a tolling basis as the NWS Project field reserves decline.

Extension of the NWS Project aims to provide third parties with both LNG and domestic gas processing, utilising expected future capacity at KGP and in turn continuing to provide benefits to the State through the following:

- contributions to local business through employment and contracting opportunities;
- taxes and royalties paid to governments;
- wages paid to employees;
- dividends paid to shareholders;
- contributions to local communities through partnership agreements, social investments and employee volunteering.

This Community Development Plan builds on Woodside's, as Operator on behalf of the NWSJV Participants, strong track record of supporting and delivering community benefits to Western Australia in support of the ongoing development and operation of the NWS Project.

2. A History of Community Contribution

The NWS Project has a strong history of contributing to the vibrancy and vitality of the Pilbara region, particularly the City of Karratha. The NWS Project has focused on long-term strategic investments to create and build community capacity and capability.

Since commencing operations in 1984, Woodside, as operator, and the NWS Project Participants have invested more than \$300 million in social investments and community infrastructure, predominantly in regional Western Australia.

Early project investments in town infrastructure including roads, water supply, hospitals, schools and sporting facilities helped establish Karratha as a growing regional centre. A further wave of infrastructure investment and strategic support to the City of Karratha occurred under the NWS Project-supported Karratha Infrastructure Strategy (KIS). Established in 2009, the KIS supported the delivery of nine high-class facilities and related services to meet the needs, expectations and aspirations to build and maintain Karratha as a modern community.

Employment, training and local content are also embedded into the NWS Project's ongoing community contribution.

This includes long-term investments to improve educational opportunities and standards in the region, such as the Karratha Education Initiative, and maintaining an annual intake of apprentices and trainees at the Woodside Production Academy based at KGP.

The NWS Project has consistently delivered a significantly high percentage of local content operational and capital expenditure in WA. In 2019 the NWS Project procured almost \$1.1 billion in goods and services from WA businesses, representing a local content rate of 77 per cent.

3. Local Participation Objectives and Activities

The NWSJV's local participation objectives for the NWS Project reflect a continuing commitment to support community and social development in WA, with a particular focus on the Pilbara region including the NWS Project's host Karratha community.

3.1 Objective 1: Employment and training

Use and training of labour available within WA.

Woodside, on behalf of the NWSJV, will continue to:

- deliver employment opportunities for people living in WA, particularly in Karratha and surrounding communities;
- assist in supporting education initiatives that improve regional outcomes and skills development and training opportunities to promote work readiness and employment for people living in WA;
- maintain pathways to employment including a cohort of WA-based trainees and apprentices and work readiness programs through initiatives;
- invest in undergraduate programs and employ graduates, through programs such as the Woodside Graduate Program;
- support a local jobs portal for Pilbara residents to register and apply for local employment opportunities;
- support a regionally-based workforce through investment in a quality local housing portfolio for employees and contractors, including home ownership options for employees;
- demonstrate its ongoing commitment to Indigenous Australians through its Reconciliation Action Plan, which includes a focus on direct and indirect employment outcomes.

3.2 Objective 2: Contracting: Professional Services

The use of the services of engineers, surveyors, architects and other professional consultants, experts, specialists, project managers and contractors available within WA.

Woodside, on behalf of the NWSJV, will continue to:

- support the development of a diverse and sustainable local economy through contracting of professional services to support its operations;
- provide local businesses full, fair and reasonable opportunities to support its operations;
- participate in operator-supply chain and government-led collaboration to enhance WA's capability to generate new opportunities across the supply chain;
- coordinate major maintenance activities at the NWS Project with those of other LNG producers in WA and the Northern Territory to promote transparency and development of a sustainable long-term local market for service providers needed to support these large-scale campaigns;
- work with local stakeholders and other resource peers to build local business capability.

3.3 Objective 3: Procurement: Materials, equipment and supplies

The procurement of works, materials, plant, equipment and supplies from WA suppliers, manufacturers and contractors.

Woodside, on behalf of the NWSJV, will continue to:

- support the development of a diverse and sustainable local economy through procurement of materials, equipment and supplies to support its operations;
- seek to provide local businesses full, fair and reasonable opportunities to support its operations;
- participate in operator-supply chain and government-led collaboration to enhance WA's capability to generate new opportunities across the supply chain;
- coordinate major maintenance activities at the NWS Project with those of other LNG producers in WA and the Northern Territory to promote transparency and development of a sustainable long-term local market for service providers needed to support these large-scale campaigns;
- work with local stakeholders and other resource peers to build local business capability.

4. Implementation

Implementation of the LPP objectives will be informed by Woodside's responsibilities as Operator of the NWSJV including:

- Stakeholder engagement and social impact management
 - o continue to apply an integrated and consistent approach to engaging communities.
- Contracting and procurement
 - o continue to embed activities such as local contracting, employment and training throughout its contracting and procurement lifecycle.
- Community consultation and endorsement
 - o continue to consult with the Karratha community and other relevant stakeholders to ensure they are informed of, and consent to, key objectives and activities contained within the NWS LPP.

5. Reporting

Woodside, on behalf of the NWSJV, will continue to report annually on local participation outcomes under existing reporting requirements in the NWS State Agreement.

A publicly available summary of key local participation activities and outcomes will also be produced each year.

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