

## Woodside Local Participation Plan – Bay Village

Compliance with this local participation plan (the Plan) will form part of the land leasing arrangements at the proposed Bay Village site in Karratha. The commitments and principles (contained in items 1, 2 and 3 of the Plan, noting that the others are all specific to Bay Village and not capable of transfer) established for the development of Bay Village will apply to other current and future Woodside operated projects in Western Australia.

Bay Village includes 700 high-specification rooms with fit-for-purpose facilities focused on health and wellbeing. An urban-style village with double storey accommodation, residents will have access to high speed communications for easy face to face contact with family and loved ones.

The modern, landscaped village is well integrated with surrounding residential areas. An ‘inside out’ layout, where communal facilities are located on the street front has been designed in consultation with the City of Karratha planning department (visual material and plans to follow).

Local participation is a key component of the Bay Village development, represented by the following:

1. **Locals First Portal.** [Within one month of execution of the Crown Lease] Woodside will introduce a ‘Locals First’ portal, upon which job candidates with local residency<sup>1</sup> can register their skills and availability. Woodside will use this service to find suitable employees<sup>2</sup> from the Pilbara region<sup>3</sup>, before considering and engaging fly-in fly-out workers for jobs at Woodside operated facilities within the Pilbara.

The portal will be used and applied to positions for current and future Woodside operated projects in the Pilbara.

Woodside will initially support the development of the portal with a physical support desk in its Karratha Town Office.

Consistent with the Pilbara Collaboration Charter to which Woodside is a signatory, the Company, by July 2019, will (subject always to compliance with applicable legislative requirements, including the CCA<sup>4</sup>) collaborate with other resource companies and plan to extend the use of the portal to other industry participants, managed by a third party.

2. **Driving Local Opportunities.** Woodside will immediately (subject always to compliance with applicable legislative requirements, including the CCA) request its labour hire contractors and suppliers on Woodside operated projects in the Pilbara to use the Portal. As current contracts are renewed and new contracts are established, Woodside will (subject to the above proviso) mandate use of the Portal.
3. **Indigenous Opportunities.** Woodside has made Indigenous employment and contracting commitments as part of its Reconciliation Action Plan, agreed with and commended by Reconciliation Australia. The current Reconciliation Action Plan (RAP) runs from 2016 to 2020, and sets out indicators of success, baselines and criteria and measurement. Its indicators of success numbers 6 and 7 (respectively “year on year improvement in aggregate employment totals across

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<sup>1</sup> Local residency refers to residents within the City of Karratha local government boundary.

<sup>2</sup> Suitable employees are those that meet essential criteria of the selection criteria for a designated position.

<sup>3</sup> The Region refers to the Pilbara Development Commission region.

<sup>4</sup> References to CCA means the *Competition and Consumer Act 2010 (Cth)* or any legislation updating, superseding or replacing same.

Woodside, suppliers, community partners and other contributors” and “year on year improvement in contract totals across Woodside, suppliers, community partners and other contributors”) will form part of the evaluation of this local participation plan.

4. **Residential Houses for New Families.** Woodside will fill an additional 50 Woodside-managed houses with employee and contractor families by 2020. This means more families will join their working partners as permanent members of the Karratha community and drive cultural change.
5. **Local Jobs:** During the construction of the Bay Village facility, Woodside has agreed the consortium will exceed 85% local employment during construction. The construction project which includes ~240,000 man-hours onsite, is represented by 70 local jobs during construction. The facility will require that 85% of the operational jobs are to be local (see footnote 1 above) to operate the facility over 15 years (refer Para 9 for more detail on anticipated roles). This will be demonstrated and captured in the reporting structure.
6. **Local Content.** The construction value of Bay Village is \$80 million, over a 12 month duration. Eighty seven per cent of the Project will be procured in Western Australia, nine per cent from Eastern States (e.g. Steel sections) and four per cent from overseas for specialist equipment (E.g. generators, kitchen equipment). Procurement of the prefabricated modules will be from within Western Australia. These commitments are in addition the NWS State Agreement local content requirements.
7. **Reporting.** Woodside will monitor and report on the progress of these commitments (1-6) to the Minister for State Development
  - i. The first report will be submitted three months from commencement of construction, and reporting quarterly thereafter during the construction period. Construction is expected to commence in September 2018 subject to regulatory approvals.
  - ii. Woodside will report on progress during the operations phase commencing three months after commencement of operations and thereafter annually, or as agreed between the Department of Jobs, Tourism, Science and Innovation (DJTSI) and Woodside. Operations are expected to commence September 2019, subject to construction.
  - iii. The report will contain
    - a. The baseline position pertaining to residential jobs and housing [as at Crown Lease Execution] for Woodside employees and contractors. If the baseline for housing changes prior to completion of this commitment in 2020, e.g. due to early success in long term plans to transfer ownership of homes from Woodside into private residential ownership, an updated baseline will be provided in the next periodic report;
    - b. Number of registrations on the Portal each reporting period and the cumulative total, the number of local residents appointed to jobs, and aggregated data showing the principal reasons where no local candidate was identified.
    - c. Evidence that Woodside has advised contractors and suppliers to use the Portal, prior to establishment of new contract terms;
    - d. As new contracts are renewed between Woodside and its contractors, an explanation of new terms relating to the Portal (where these terms relate to local participation and jobs and do not breach commercial arrangements);
    - e. Indigenous employment and contracting as per Item 3 above;
    - f. Number of employees and contractor employees that take up residence in the City of Karratha for employment including total family members;
    - g. Any other matters as agreed between the parties.
8. **Enforcement.** In the event that the Minister, taking account all of the relevant circumstances including outcomes and efforts made to achieve them, determines that this Plan has not been complied with, then the Minister must inform Woodside and provide them with one year in which

to make good the non-compliance ('make good year'). In the event that after this make-good year the non-compliance remains and is reasonably assessed to be in Woodside control, the Minister may choose to impose a financial penalty which is proportionate to the extent of the noncompliance, and is levied in the form of a lease rental surcharge to a maximum of 100% of annual rent.

**9. Local Participation : Operations**

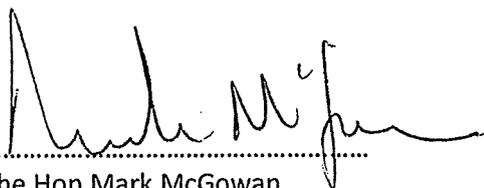
Consistent with Item 5, the Facility is expected to require 35 full time positions during steady state operations, comprising the following roles:

- Management: 4 FTE
- Administration: 2 FTE
- Qualified (e.g. Chefs, Maintenance Trades, Security): 10 FTE
- Cleaners, Catering, Utilities, other support: 19FTE

Woodside will ensure the Facilities Management Operator is contractually committed to:

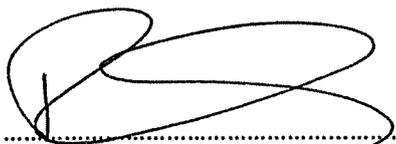
- Advertising all roles locally
- Using the Locals First online portal to source suitable applicants
- Maintain a register of all interested local applicants for future opportunities as they arise
- Provide opportunity for apprenticeships and traineeships
- Provide flexibility in rostering to suit requirements of the local workforce wherever practical to do so while maintaining operational delivery

Signed by:



The Hon Mark McGowan  
Premier; Minister for State Development,  
Jobs and Trade

date... 29/5/18



The Hon Rita Saffioti  
Minister for Planning; Lands

date... 29/5/18



Niall Myles  
Senior Vice President  
Australia Operating Unit  
Woodside Energy

date... 18<sup>th</sup> May 2018