

Supplementary note

Introduction

Santos submitted the first Social Impact Management Report (**SIMR**) to the Coordinator General for the Santos GLNG Gas Field Development Project (**the GFD Project**) in May 2018.

Given the small scale of the activities undertaken under the Gas Field Development approval to date, the report details Santos' approach to managing social impacts across its upstream footprint including activities related directly to the Project and those related to Santos' activities more broadly.

This supplementary note has been prepared to provide more detailed information on social impact management specific to the Project.

Summary of activities

Since the commencement of activities in March 2017, the only activity undertaken under the Santos GLNG Gas Field Development (**GFD**) project approval is the expansion of the existing Scotia gas processing facility. Well development activities under the GFD approval did not commence during the reporting period.

Construction of the expanded facility took place over approximately twelve months and involved an average of 40 workers and a maximum of 100 at peak construction. Workers were housed in a dedicated construction camp less within 10 kilometres of the plant location. Construction staff were contracted to work on a three week on, one week off roster with bus transport provided to and from Brisbane at the start and end of each swing.

Social impact management – Project activities

This section addresses the matters required to be addressed by Appendix 3, Condition 2 of the Coordinator-General's evaluation report on the Project in more detail and should be read in conjunction with the SIMR submitted to the Coordinator General in May 2018.

Community and stakeholder engagement

- a) Inform the community about GFD project impacts and demonstrate that community concerns have been considered in making relevant decisions on mitigation and management of social impact.

As described in Table 1 of the SIMR, Santos completed extensive community engagement during the reporting period.

Across the Santos GLNG upstream footprint, over 90 percent of the community consultations related to land access and specific landholder issues. The distribution of the remaining consultations across the six issue areas identified in the Social Impact Action Plan (**SIAP**) for the Project was as follows:

- + Water and environment – 11.8%
- + Community safety – 6.7%
- + Social infrastructure, sponsorships and donations – 46.9%
- + Community wellbeing and liveability – 20.1%
- + Local industry participation and training – 14%
- + Aboriginal engagement and participation – 0.4%

Specific consultations and activities relevant to Scotia landholders and residents of the nearby towns of Taroom and Wandoan during the reporting period included:

- + Sponsorship of the 'Town and Country' Pavilion at the Taroom Show in May 2017, including attendance by a dedicated Santos community engagement adviser.
- + The Water Working Group, an issue specific workshop held annual to ensure that community leaders and stakeholders are informed and engaged regarding Santos' water management strategies was delivered in June 2017. Members from the GFD area include Banana Shire Council representatives, Upper Dawson Wildlife Preservation Society Queensland members and a delegate from the Fitzroy Basin Association.
- + A community tour of Scotia facilities on 7 September 2017 advertised locally and intended to provide members of the public and overview of activities.
- + Student Water Quality Monitoring Program conducted for students of Taroom State School in September 2017.
- + A stakeholder engagement function was held at the Taroom Cup in September 2017 where community leaders (Local, State and Federal Government representatives were in attendance), landholders and key community stakeholders were invited to attend a luncheon with Santos personnel and management representatives from major Santos contractors. A Scotia landholder dinner in December 2017.
- + Sponsorship of the Wandoan Community festival 30 September and attended by a dedicated Santos community engagement adviser.
- + Direct engagement with all landholders in the Scotia field.

No significant issues or concerns were raised by community members about the expansion of the Scotia plant. Nevertheless, Santos did assess potential impacts on community members and take action where necessary. For example, Santos completed a Road Impact Assessment (**RIA**) to examine potential impacts on the road network during construction and operation of the expanded Scotia facility.

As a result of the assessment, Santos contributed approximately \$382,000 to the re-sheeting of 12 Mile Road to improve the road surface ahead of construction commencing. In addition, Santos constructed a new field access road linking the Scotia field to Nathan Road at a cost of around \$250,000. This eliminated the need for construction vehicles to use 12 Mile Road to access the Scotia field and reduced travel distances on the Western Downs Regional Council Road network between Wandoan and the Scotia field from 37 to 20 kilometres.

Local employment, training and development opportunities

b) Enhance local and regional training and development opportunities

As described in the SIMR, a significant proportion of the Santos GLNG workforce is based in regional communities, with over 20 percent of the workforce based in southern regional Queensland in February 2018.

As positions become available, Santos advertises these vacancies on the Santos website, the seek.com.au website and in local regional newspapers. This approach is a cost effective way to ensure potential employees living in regional areas are aware of employment opportunities available to them and can apply in the same way as potential employees from larger metropolitan centres.

In delivering the SIAP, Santos is continuing to develop skilled labour in the regions where we operate through an active training program. Table 1 below shows the regions from which Santos recruited apprentices and trainees between 2012 and 2017.

Table 1. Regional recruitment of trainees and apprentices

Occupation	Roma	Gladstone	Brisbane	Total
Apprentices	12	4	2	18
Trainees	13	5	0	18
School-based trainees	7	7	10	24
School-based apprentices	2	0	0	2
Total				62

In 2017, Santos also employed 45 vacation students of which 17 came from Queensland with one based in Toowoomba and the remaining 16 based in Brisbane at the time of recruitment for the vacation program.

Santos also provided work experience to a local student from Wandoan during the reporting period.

When taken as a whole this data indicates current approaches to training, development and employment are providing opportunities to regional residents to build their skills and enjoy careers with Santos based in the regional communities where we operate.

Operational workforce

As required by condition 2, A3 (f) of the GFD Project approval the following information is provided about the operational workforce.

Expansion of the Scotia gas processing facility has resulted in one additional operator position. This position has been filled by two operators employed by Santos and working on a fortnightly rotation.

The operators are based in Toowoomba and the Gold Coast and fly in and out of Roma at the beginning and end of each rotation. Transport to the Scotia facility from Roma is by car and camp accommodation is provided during the roster.

The two operators are male and do not identify as having a disability or being indigenous.

Local and regional housing markets

- c) Avoid, manage or mitigate GFD project-related impacts on the capacity of local and regional housing markets

Consistent with the action plan described in sections 4.3 and 7.3 of the SIAP, a purpose built, temporary construction camp was used to house workers for the duration of construction. This approach was considered the most appropriate given the small scale of the activity, variability in the size of the workforce over the construction period and the short term nature of the activity.

As a result of this approach there has been no impact of project activities on the local housing market in the nearby towns of Taroom and Wandoan.

Recent research conducted by the University of Queensland Centre for Coal Seam Gas confirms that rents and housing prices in Wandoan remain at affordable levels. Similarly, data on rents and housing prices in Taroom from SQM Research shows little variation over the reporting period. This research supports the conclusion that the expansion of the Scotia Plant as part of the Project has not had an impact on local housing affordability.

Health, safety and social infrastructure

- d) Avoid, manage or mitigate GFD project-related impacts on community health, safety and social infrastructure

Santos continues to implement the Santos Management System to effectively manage health, safety and environmental risks.

The SIAP also outlines a number of actions Santos proposed to take to mitigate impact on community health, safety and social infrastructure.

The actions relevant to this expansion of the Scotia plant include:

- + Community health: to ensure local health services were not impacted by the construction workforce, workers on the Scotia plant expansion had access to a medic provided by Santos to support the health needs of the workforce during construction. At the end of construction, Santos donated a medical bed that was no longer required on site to the Wandoan Medical Centre. As described in the SIMR, Santos also continues to jointly fund aero-medical evacuation services which are available to regional communities and the gas industry.
- + Road safety: Santos' approach to road safety includes the use of in-vehicle monitoring systems to enhance driver behaviour, funding upgrades to regional roads and ensuring appropriate routes are selected for transport between our facilities. As a result of this approach, data from the Bureau of Infrastructure, Transport and Regional Economics suggests Santos drivers are more than twice as safe as the general population.
- + Worker behaviour: all employees and contractors working on the Scotia plant expansion were required to abide by a code of conduct and site work rules. The Santos 1800 free call number and community email address were available for community members to

provide feedback on workforce behaviour although none were received during the reporting period.

- + Landholder impacts: as the work involved in the Project involved the expansion of the Scotia facility on Santos owned land, there were no additional impacts to private landholders. Nevertheless, as described in the SIMR and earlier in this note, Santos continued its extensive engagement program with landholders and the broader community throughout the construction period. In addition, Santos provided over \$17,000 in support to local community programs and initiatives in Wandoan and Taroom during the reporting period. Examples of these sponsorships include the Wandoan Polocrosse Carnival, Wandoan Community Festival, The Taroom Cup, Taroom Swimming Club and Regional Agricultural Shows.

Conclusion

The information provided in both the SIMR and this supplementary note demonstrates Santos has taken appropriate actions to address potential social impacts from the GFD Project development. These actions have been consistent with the size and scale of the works completed under the GFD Project approval.

Based on available data and extensive community engagement activities, it is concluded that there have been no significant social impacts on landholders or residents of the nearby towns of Taroom and Wandoan as a result of the small scale of activities involved in construction of the expanded Scotia facility.