



LOCAL CONTENT POLICY

KEPCO Bylong Australia (KEPCO) is committed to providing competitive local, New South Wales and Australian suppliers with full, fair and reasonable opportunity to participate in economic opportunities afforded by the Bylong Coal Project. KEPCO believe that a key step toward achieving this goal is to outline their commitment to local industry participation and employment through this Local Content Policy.

KEPCO's approach to local content focusses on achieving an efficient supply chain whilst maximising economic growth of the region, by affording local businesses the opportunity to grow and build their capacity to service the Bylong Coal Project.

Where it is reasonable, lawful and economically practical, KEPCO and its contractors will source professional and contractual labour from within the Project's region, New South Wales and Australia, and arrange training to support the skills needed to undertake the Bylong Coal Project.

To implement and comply with this Policy, KEPCO and its contractors will:

- Ensure that local industry is provided with information in an equitable and timely manner to maximise potential local sourcing opportunities.
- Consider local content in the development of procurement strategies to enhance local participation without compromising safety, risk or competitiveness.
- Ensure that local procurement objectives and opportunities filter down through the supply chain to major contractors and sub-contractors through effective communication, procurement processes and contractual requirements.
- Work with major contractors to develop Local Content Plans which outline their approach to engagement with, and use of, competitive local suppliers.
- Facilitate access to supply chain opportunities through capacity building initiatives and proactive communication through established local and regional networks.
- Establish and maintain sustainable employment and career development opportunities for local and Indigenous people.
- Where comparative tenders are commercially competitive and technically acceptable, give preference to those tenderers that maximise local content in both labour and materials.
- Establish clear and quantifiable targets and key performance indicators for local content commitments.
- Report on outcomes of local content commitments in accordance with the KEPCO's Local Content Plan.

The Bylong Coal Project Procurement and Social Performance teams are accountable for communicating the principles and objectives of this Policy, for setting business and Project targets for local content, and for overseeing the development and implementation of specific initiatives to support Project objectives. The application and success of this Policy rests with all KEPCO employees and contractors.