

Policy for Australian Industry Participation

Clough is an Australian publicly listed contractor providing Engineering, Procurement and Construction services to the oil and gas sector. Clough's track record of successful project delivery in the Australian marketplace spans more than 90 years. Fundamental to this business success has been the engagement and development of Australian people and industry.

At Clough, we believe we have a responsibility to support local companies in order to build a vibrant Australian oil and gas industry capable of maximising opportunities locally and internationally. Clough also recognises the commercial advantages of working with competitive local suppliers who can offer innovative technology, experienced industry leaders and a highly skilled workforce.

Engaging local industry means job creation, skills development and enhanced business and industry capability – a winning situation for Clough, our clients and the local community.

This policy has been developed to outline Clough's commitment to Australian Industry Participation as a core business policy, in line with the Australian Industry Participation National Framework and client policies.

Objective:

To maximise Australian Industry Participation (AIP) on Clough projects by providing full, fair and reasonable opportunity for Australian industry to supply goods and services to our projects.

Strategy

To achieve this objective, Clough will:

- Utilise the resources of the Industry Capability Network (ICN) and other sources including the Supply Base Vendor Registration System, as appropriate, to identify those Australian companies able to supply goods or services commensurate with the quality, safety, environmental, reliability and delivery standards and objectives of Clough projects.
- Provide information and facilitate project briefings to Australian industry in order for local suppliers to have adequate time to identify potential opportunities and establish their competitive position.
- Identify structural impediments to competitive Australian Industry Participation, such as infrastructure and skills shortages, and with ICN support, make industry and government aware of any such perceived limitations.
- Encourage offshore manufacturing and service companies who have leading edge technology applicable to our project work to establish local facilities or manufacturing licensees and to aid in technology transfer.
- Support Australian industry in forming strategic joint ventures or alliances with offshore companies.
- Facilitate supplier and contractor alignment with this policy, by including our Australian AIP requirements in all contracts and purchase orders. The AIP requirements shall be a condition that is reflected in all subcontracts and contractor placed purchase orders.
- Ensure that Australian design, engineering, manufacturing, construction and project management capabilities are considered when preparing scopes of work to enhance Australian industry opportunities, without impacting on the project's safety, environment, reliability, quality, cost or schedule objectives.
- Establish a supplier diversity program and work with regional organisations, indigenous organisations and ICN to establish links between regional projects and local business, including a capability register and capacity building activities.
- Establish a measurement system to track and record the extent to which local content is utilised.

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Application

This policy applies to projects undertaken by Clough in Australia. Local Industry Participation policies and strategies for countries outside Australia are developed in compliance with our AIP policy, taking into consideration all legal and regulatory requirements.

Clough actively encourages our sub-contractors to seek partnerships with local industry.

The Chief Executive Officer of Clough is accountable to the Clough Board for ensuring that this policy is implemented.

This policy applies to all personnel, contractors and joint venturers engaged in activities under Clough's operational control. Clough managers use their influence to promote this policy in non-operated ventures.



John Smith
Chief Executive Officer
Clough Limited
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