

Environmental Examination Report

- (1) Project Name
Natural gas field development project
- (2) Project Site
Commonwealth of Australia, Western Australia and Offshore West of Australia
- (3) Project Outline
Development of natural gas field and laying of midstream pipelines (hereinafter referred to as “Project”)
- (4) Category Classification
Category A
- (5) Reason for Classification
The project falls under the sensitive sectors (oil and natural gas development sector and pipelines sector) listed in the JBIC Guidelines for Confirmation of Environmental and Social Considerations (**JBIC Guidelines**) and located in or near sensitive areas (as defined in the JBIC Guidelines).
- (6) Environmental Permits and Approvals
All required primary environmental approvals for the Project have been prepared in compliance with Australian laws and regulations and approved by the relevant regulatory bodies. The Offshore Project Proposal (OPP) was prepared in compliance with Australian laws and regulations and approved by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) in March 2020. Regarding the laying of midstream pipelines in respect of Western Australian State waters, the approval has been obtained from the Minister for Environment of Western Australia in August 2021.
Regarding the construction and operation of LNG plants which are considered to be associated with the Project (hereinafter referred to as “Associated Project”), Environmental Impact Assessment was

conducted in compliance with Australian laws and regulations, and the approval was granted by the Minister for Environment of Western Australia in December 2007.

(7) Pollution Mitigation Measures

It is confirmed that air quality, water quality, waste, soil pollutants, noise, vibration and sediment are properly managed for the Project and the Associated Project.

(8) Natural Environment

In relation to impacts to the natural environment, it is confirmed that the pipeline of the Project is crossing a marine park. However it is confirmed that appropriate measures for the Project and the Associated Project are taken to avoid or minimize impacts to the natural environment including, but not limited to, the marine park.

(9) Social Environment

It is confirmed that management plans for the Project and the Associated Project are prepared and appropriate measures are taken to avoid or minimize impacts to the social environment, including cultural heritage.

(1 0) International Standard

IFC Performance Standards

(1 1) Others, Monitoring

Taking the above environmental review into consideration, with regard to the Project and the Associated Project, JBIC will monitor items such as approval and renewal status of environmental permits and licenses, compliance with conditions of those environmental approvals, stakeholder engagement including indigenous people, GHG emissions, marine life, complaints from stakeholders (if any) and comments from the authorities.

Questions

Q1. Please provide the address of the project site.

Address of the project site : Western Australia and Offshore West of Australia

Q2. Please provide a brief explanation of the project.

Natural gas project

Q3. Is it a new project to be implemented or a project that has been implemented? If it has been implemented, has it received a serious complaint from local residents or a directive for improvement, a stop-work order, a project suspension order, etc., from a local environmental authority?

- New project to be implemented
- Project that has been implemented (with a complaint)
- Project that has been implemented (without a complaint)
- Other ()

Q4. Do the laws or regulations of the country where the project will be implemented require the project to conduct environmental and/or social impact assessments (such as an Environmental and Social Impact Assessment (ESIA) and Environmental Impact Assessment (EIA))? If so, have they been conducted or planned?

- Required (Assessments done)
- Required (Assessments in progress or being planned)
- Not Required
- Other ()

Q5. If environmental and/or social impact assessments have been conducted, have they been approved in accordance with the environmental and social impact assessment system of the country where the project will be implemented? If so, please also specify the date of the approvals and the name of the authorities.

- Approved (without condition(s))
- Approved (with condition(s))
- Under approval process
- Other ()

Date of Approvals : 20 March 2020, Scarborough Offshore Project Proposal

Name of Authorities : NOPSEMA

Q6. Are there any environmental permits required other than environmental and/or social impact assessments? If so, have they been obtained? Also, if required, please specify the name of the permits.

- Obtained
- Required, but not obtained yet
- Not required
- Other ()

Name(s) of required permit(s) :

EP Act - Scarborough Project Nearshore Component Referral (State Waters Trunkline) Ministerial Statement 1172 – Approved 11 August 2021

EPBC Act - Scarborough Project Nearshore Component Referral (State Waters Trunkline) (2018/8362) – Approved 12 August 2019

EPBC Act - Sea Dumping Permit (SD2019/3982) – Approved 3 December 2019

Environment Plans are required to be accepted prior to the following activities commencing:
4D Marine Seismic Survey
Drilling and Completions
Seabed Intervention and Trunkline Installation – Offshore and Nearshore
Commissioning and Operation
Decommissioning

In addition, a Dredging and Spoil Disposal Management Plan and a Cultural Heritage Management Plan are required.

Q7. Will the project be specified after JBIC made a funding commitment (as in the case of a two-step loan, where sub-projects cannot be specified at the time of a funding commitment)?

(~~Yes~~/ No)

If “Yes”, please disregard the following questions.
If “No”, please go to Q8.

Q8. Will JBIC’s funding be used to serve as support for international balance of payments or to be used for the provision of goods or services that does not involve installation or implementation in particular sites or regions, as in the case of export/import or lease of machinery or equipment that is not connected with a particular project?

(~~Yes~~/ No)

If “Yes”, please disregard the following questions.
If “No”, please go to Q9.

Q9. Are there any environmentally sensitive area(s) shown below in or near the project site(s)?

(Yes /~~No~~)

If “Yes”, please mark the applicable items and go to Q10.
If “No”, please go to Q10.

- (1) National parks, nationally-designated protected areas (coastal areas, wetlands, areas for ethnic minorities or indigenous peoples, and cultural heritage, etc., designated by national governments)
- (2) Forests with important ecological value (including primary forests and natural forests in tropical areas)
- (3) Habitats with important ecological value (including coral reefs, mangrove wetlands, and tidal flats)
- (4) Habitats of rare species requiring protection under domestic legislation, international treaties, etc.
- (5) Areas in danger of large-scale salt accumulation or soil erosion
- (6) Areas with a remarkable tendency towards desertification
- (7) Areas with unique archaeological, historical or cultural value
- (8) Areas inhabited by ethnic minorities, indigenous peoples, or nomadic peoples with traditional ways of life (including areas which are used for cultural and spiritual purposes) and other areas with special social value

Q10. Does the project involve the following characteristics?

(~~Yes~~/ No)

If “Yes”, please specify their scale and go to Q11.
If “No”, please go to Q12.

- (1) Involuntary resettlement or loss of means of livelihood
(Number of affected people: _____)
- (2) Groundwater pumping (Scale: _____ m³/year)
- (3) Land reclamation, land development, and land clearing (Scale: _____ ha)
- (4) Logging (Scale: _____ ha)

Q11. Under the environmental and social impact assessment system of the country where the project will be implemented, do the applicable characteristics (1) – (4) of Q10 above and their scale serve as the basis for executing an ESIA for the project?

- Yes, they do No, they do not
- Other (All offshore petroleum projects within Commonwealth water are required to get OPP acceptance by NOPSEMA and a referral accepted for projects within State waters, at the early stage of the project, and each petroleum activity is required to get an EP approval by NOPSEMA (Commonwealth) and DMIRS (State) prior to commencement.)

Q12. Is the project likely to have a significant social impact, including human rights?

(~~Yes~~/ No)

If “Yes”, please describe the impacts and go to Q13.

If “No”, please go to Q13.

- Likelihood of a significant impact on human rights (_____)
- Other (_____)

Q13. Will JBIC’s funding or NEXI’s insurable value be equal to or less than 5% of the total project cost, or will JBIC’s funding or NEXI’s insurable value be equal to or less than SDR 10 million? (If the funding or insurable value is additional to a project that has been supported by JBIC or NEXI, please add up the previous funding or insurable value and the funding or insurable value being considered to apply for this time.)

(~~Yes~~/ No)

If “Yes”, please disregard the following questions.

If “No”, please go to Q14.

Q14. Is the project for capital investment or working capital in a project that has been implemented and does it involve no material change in output or function (as in the case of maintenance of the existing facilities, non-expansory renovation project, and acquisition of rights and interests without additional capital investment)?

(~~Yes~~/ No)

If “Yes”, please disregard the following questions.

If “No”, please go to Q15.

Q15. Is the project in any of the following sectors?

(Yes /~~No~~)

If “Yes”, mark the applicable sectors and go to Q16.

If “No”, please disregard the following question.

- (1) Mining
- (2) Oil and natural gas development

- (3) Pipelines
- (4) Iron and steel (projects that include large furnaces)
- (5) Non-ferrous metals smelting and refining
- (6) Petrochemicals (manufacture of raw materials; including complexes)
- (7) Petroleum refining
- (8) Oil, gas, and chemical terminals
- (9) Paper and pulp
- (10) Cement plants (including a greenfield quarry)
- (11) Manufacture and transport of toxic or poisonous substances regulated by international treaties, etc.
- (12) Thermal power
- (13) Nuclear power
- (14) Hydropower, dams, and reservoirs
- (15) Power transmission and distribution lines involving large-scale involuntary resettlement, large-scale logging, or submarine electrical cables
- (16) Roads, railways, and bridges
- (17) Airports
- (18) Ports and harbors
- (19) Sewage and wastewater treatment having sensitive characteristics or located in sensitive areas or their vicinity
- (20) Waste management and disposal
- (21) Agriculture involving large-scale land-clearing or irrigation
- (22) Forestry
- (23) Tourism (construction of hotels, etc.)

Q16. Please provide information on the scale of the project (project area, area of plants and buildings, production capacity, amounts of power generation, etc.). In addition, please explain whether an environmental and/or social impact assessment is required on account of the large scale of the project in the country where the project will be implemented.

Project area:

Offshore West of Australia

Production Capacity:

LNG production: about 7MTPA/8MTPA (we are assuming ramp up in 2032)
 (Raw gas rate about 490 Bcf per year/ 570 Bcf per year)

In Australia, all offshore petroleum projects are required to have an accepted OPP (Commonwealth waters) and referral (State waters) followed by environment plans for each petroleum activity regardless the size of projects.