

Environmental Policy

► Policy Statement

Arrow Energy promotes sustainable environmental practices as part of our commitments, beliefs and values.

► Scope and Responsibility

This Policy applies to all personnel involved in Arrow operations and it is a cornerstone to the Arrow Management System.

The Chief Executive Officer and the leadership team are responsible for the implementation, review, update and enforcement of this Policy and each employee, consultant, contractor and service provider is responsible for actively participating in and implementing this Policy.

► Practice, Implementation and Supporting Documents

Arrow Energy ensures all elements of the Environmental Policy are implemented by:

- Seeking continuous improvement in managing significant environmental impacts by clearly defining objectives and targets and evaluating them through transparent review and implementation processes.
- Establishing programs to reduce environmental impacts, conserve and recycle resources, reduce waste and pollution, and improve processes to help protect the natural environment as well as monitoring and measuring performance.

- Ensuring all of our activities comply with all applicable environmental laws and regulations.
- Promoting a culture where employees and service providers are aware of environmental impacts affecting their work and promptly report any environmental impacts or incidents while encouraging improvements.
- Monitoring Policy implementation at all relevant Arrow controlled workplaces, and periodically reviewing and updating.

► Expectations

- Maintaining open and transparent communications with employees, community, government and other stakeholders.
- Communicating expectations to all employees and service providers and holding them accountable for their performance.
- Operating within compliance with all applicable environmental laws and regulations.
- Collaborating with stakeholders and participating in research and development, aimed at enhancing knowledge and improving our environmental performance.
- Employing new and improved technologies and developing industry partnerships that are aimed at reducing the carbon emission per unit of production and improving cost/benefit balance.
- Our Environmental Policy plays a vital role in Arrow's Sustainable Development Policy.



Andrew Faulkner, Chief Executive Officer

18th Day April 2011, Review Date: April 2014

ARROW ENERGY

SUSTAINABLE
DEVELOPMENT
POLICY ►



POLICY STATEMENT ▶

Arrow Energy is committed to sustainable development. We will balance social, environmental, and economic considerations in all activities and projects to deliver sustainable outcomes.

1. SCOPE AND RESPONSIBILITY

The Sustainable Development Policy applies to all personnel, including contractors and suppliers, involved in Arrow Energy activities and projects. It reflects Arrow Energy's Core Values to:

- › **Lead** – We continually seek ways to improve safety, delivery, cost, quality, and teamwork
- › **Own** – We think and act like owners taking personal responsibility for Arrow Energy's business performance and conduct
- › **Solve** – We view challenges not as barriers but as opportunities to improve through innovation and change
- › **Share** – We share experience, knowledge and ideas to achieve superior outcomes
- › **Respect** – We treat all people, inside and outside Arrow Energy, with dignity and respect.

The Chief Executive Officer and the Arrow Energy Leadership Team are responsible for overseeing, reviewing, updating, and enforcing this Policy; and each employee, consultant, contractor, and service provider is responsible for actively participating, supporting, and implementing this Policy.

2. OBJECTIVES

The objectives of this Policy are to:

- › ensure we operate at the leading industry standard of health and safety, environmental excellence, social performance, and economic management
- › identify and act upon sustainable business opportunities
- › optimise our management of risks
- › demonstrate our commitment to ongoing stakeholder and community engagement
- › improve capacity to deliver sound business and community outcomes and create shared value
- › enhance our corporate reputation and maintain our licence to operate
- › attract and retain the best people.

3. POLICY ELEMENTS

Health and Safety

We will operate a robust Occupational Health and Safety System striving for Zero Harm to the community, staff and contractors. To achieve this we will:

- › foster and maintain a positive safety culture at every level of our organisation
- › have in place robust and auditable processes for management of health and safety on our assets
- › ensure all staff are inducted and the necessary training, management and reporting programs are in place and adhered to
- › reduce the risk of process safety incidents to staff, contractors and the community
- › ensure that all contractors are fully informed of our safety systems, and are inducted and competent to work on our assets and at our operations
- › ensure that our contracts are consistent with our Health, Safety and Sustainability Policies
- › work proactively with our contractors to align safety processes and training standards for consistency and overall safety improvement
- › identify, assess and manage risks to staff, contractors, the community and the environment.

Environment

We will establish programs to reduce environmental impacts, conserve and recycle resources, minimise waste and pollution, and improve processes to protect the natural environment. To achieve this we:

- › ensure awareness of, and employ auditable systems to ensure compliance with, all environmental requirements, authorities, and regulations
- › implement an environmental management system to prevent adverse impacts to amenity, air quality, land and water resources
- › minimise our impact on intensively farmed land to allow for the co-existence and long-term sustainability of both agricultural and coal seam gas industry activities
- › minimise impacts on groundwater resources by maximising beneficial use and aquifer recharge
- › manage salt to ensure that soils will not be adversely effected
- › minimise impacts on biodiversity by using a constraints framework when locating infrastructure
- › contribute to and enhance biodiversity through the creation and maintenance of offsets



- › develop and implement programs to manage and minimise our greenhouse gas emissions
- › promptly report any environmental impacts or incidents while encouraging improvements.

Social Performance

We will build and maintain an ongoing and productive relationship with our stakeholders and the wider community.

Our Communities

We will:

- › develop and implement stakeholder and community engagement plans of our activities and plans that include opportunities to inform and educate the broader community
- › respect and promote the rights of Indigenous people, and value cultural heritage management and protection
- › work with governments, local authorities, community representatives, and non-government organisations to develop and support projects that benefit the communities we operate in
- › maintain a community complaints management system and act quickly to resolve complaints
- › ensure local suppliers have equitable access to provide goods and services to our projects and activities where practicable
- › develop relationships and partnerships that create shared value and promote sustainable development within the communities we operate in
- › train our staff and contractors to be competent in all aspects of working with our landholders including our land management policy, land access compensation framework, and compliance with our land access rules
- › provide guidelines and training for contractors to allow them to interact effectively with landholders, government, and the broader community.

Our People

We will:

- › encourage a diverse workforce
- › provide appropriate training and development opportunities
- › provide a work environment which upholds Arrow Energy's Core Values.

Economic Management

We will contribute to the economic wealth of the communities in which we operate while returning value to our shareholders. To achieve this we will:

- › uphold ethical business practices and meet or exceed applicable legal and other requirements
- › review, understand and comply with all commercial requirements that have been contracted
- › proactively adhere to the intent of all landholder and overlapping tenure agreements
- › maintain a register of all agreements and ensure responsibilities are allocated to the relevant Arrow Energy staff
- › rigorously audit all supplier and contractor approval processes.

4. MONITORING, EVALUATION AND REPORTING

Arrow Energy will monitor and evaluate the elements of the Sustainable Development Policy to ensure continuous improvement through reviewing and periodically updating our practices where required across the business.

Arrow Energy will also conduct regular internal and external audits of activities and projects to assure compliance with the Sustainable Development Policy.

Arrow Energy will report on Sustainable Development progress and practices through an annual Sustainable Development Report. This report will include, but not be limited to, the reporting of the set targets and achievements of the Policy elements.





CONTACT

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► Find out more online at
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