

2019

SUSTAINABLE DEVELOPMENT REPORT



On the cover

The cover features children from the Woodside Nippers program. The program is delivered by Western Australia's 31 surf life-saving clubs and teaches children aged 5–12 years the essentials of surf awareness and beach safety. Woodside commenced a new A\$5 million five-year partnership with Surf Life Saving Western Australia in 2019.

About this report

This report provides an overview of Woodside's sustainability approach and performance for the 12-month period ended 31 December 2019. Additional information, including data tables, is available on our website (woodside.com.au). The report was approved by Woodside's Board of Directors.

Scope

Woodside Petroleum Ltd (ABN 55 004 898 962) is the ultimate holding company of the Woodside Group of Companies. In this report, unless otherwise stated, references to 'Woodside' and 'the company' refer to Woodside Petroleum Ltd and its controlled entities. The information in this report covers all sites and production facilities wholly owned by Woodside, and/or operated by Woodside in a joint venture.

Health, safety, environment and people performance data is reported on a total basis, although environmental performance data also includes a Woodside equity share reporting basis. Health and safety data includes international exploration activity.

Reporting frameworks

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards core-level reporting and the International Petroleum Industry Environmental Conservation Association (IPIECA) Oil and Gas Industry Guidance on Voluntary Industry Reporting (2015). IPIECA is the global oil and gas industry association for environmental and social issues. Refer to our website for our GRI and IPIECA content indices.

External assurance

Ernst & Young (EY) has conducted limited assurance over selected information in this report and the associated data tables. A copy of EY's assurance statement is available on our website. Our Scope 1 and 2 greenhouse gas emissions data is assured by GHD and our social investment contributions are assured by London Benchmarking Group.

Additional information

We have indicated where additional information is available online and in other sections of this report like this:

- + Refer to the Glossary section on page 46 for key terms, units of measurement and conversion factors.
- + Refer to Woodside's website for more information (woodside.com.au).



We are working with Green Reports™ on an initiative ensuring that communications minimise environmental impact and create a more sustainable future for the community.



Our Annual Report 2019

Our Annual Report 2019 provides a summary of Woodside's operations, activities and financial position as at 31 December 2019, which should be read in conjunction with this Sustainable Development Report 2019 to give a full overview of Woodside's business. Copies of the Annual Report 2019 are available on request or may be downloaded from our website.

Report feedback

We welcome your feedback on our report.
Email: communities@woodside.com.au

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ABOUT US

Woodside led the development of the liquefied natural gas (LNG) industry in Australia and is applying this same pioneering spirit to solving future energy challenges.

We have a focused portfolio and are recognised for our world-class capabilities as an integrated upstream supplier of energy.

In Western Australia, we are creating an integrated LNG production hub on the Burrup Peninsula. Building on more than 30 years of operations, we are progressing development of the Burrup Hub to bring the offshore Scarborough and Browse gas resources through our existing assets, the Woodside-operated Pluto LNG and North West Shelf (NWS) Project. We also operate two floating production storage and offloading (FPSO) facilities, the Okha FPSO and Ngujima-Yin FPSO.

Internationally, we are progressing the Sangomar Field Development in Senegal and the A-6 Development in Myanmar. And we have equity interests in Canada (Kitimat) and Timor-Leste / Australia (Sunrise).

Technology and innovation are essential to our long-term sustainability. We are working to improve our energy efficiency, offset our emissions and explore options for lower-carbon energy. We support the use of LNG as a lower-emissions and

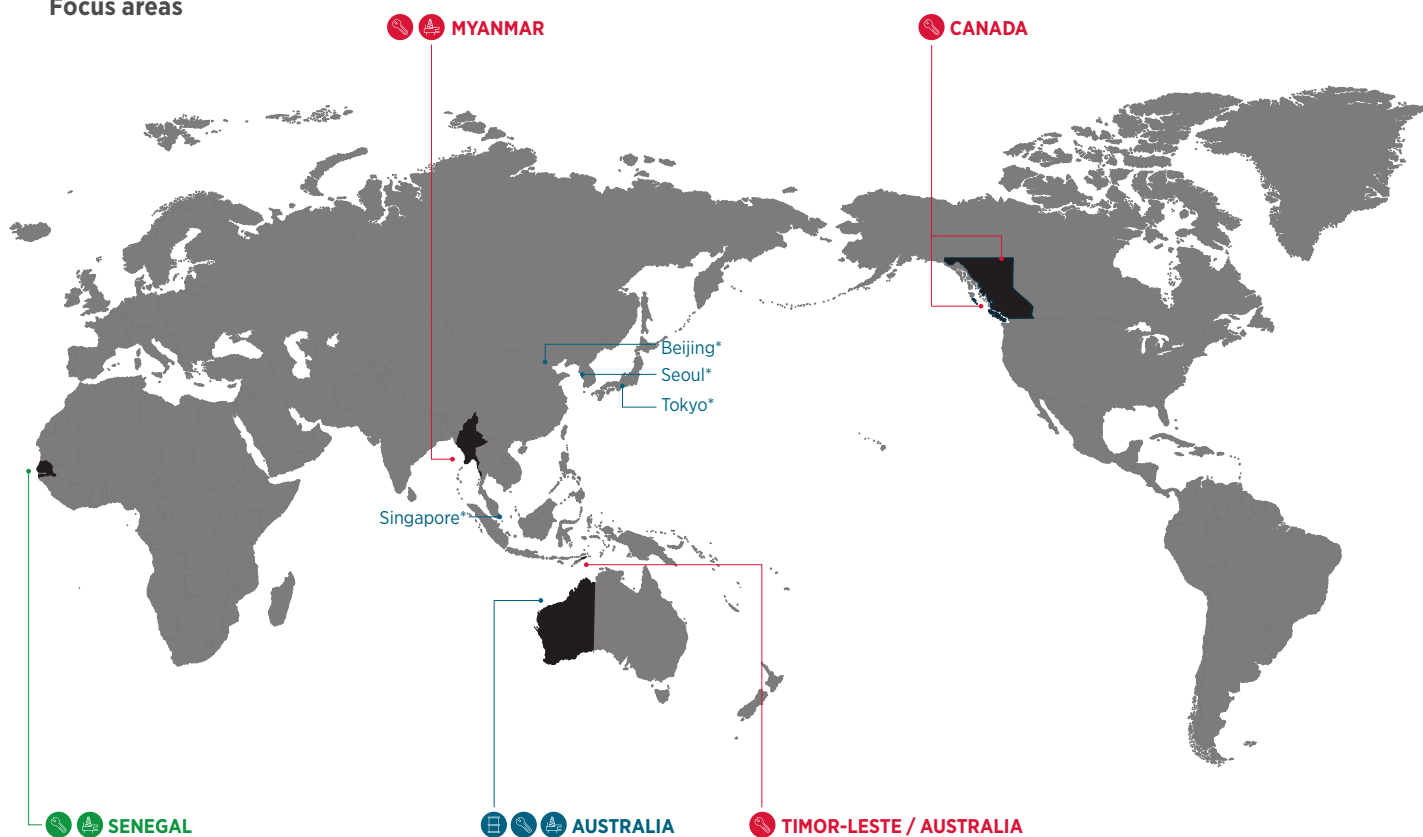
economically viable fuel. Today, we are pioneering remote support and the application of artificial intelligence, embedding advanced analytics across our operations while recognising digital security issues.

Woodside demonstrates strong safety and environmental performance in all its operations. We are committed to upholding our values of integrity, respect, discipline, excellence, working sustainably and working together. Our success is driven by our people, and we aim to attract, develop and retain a diverse, high-performing workforce.

We recognise that enduring, meaningful relationships with communities are fundamental to maintaining our licence to operate. We actively seek to build relationships with stakeholders who are interested in and affected by our activities. We help create stronger communities through programs that improve knowledge, build resilience and create shared opportunities.

Our proven track record and distinctive capabilities are underpinned by 65 years of experience, making us a partner of choice.

Focus areas



Product type

- Gas
- Oil
- Gas or oil

Phase

- Producing assets
- Developments
- Appraisal and exploration

Refer to page 124 of our Annual Report 2019 for full details of Woodside's global interests.

*Denotes marketing office

2019 HIGHLIGHTS



STRONG SAFETY PERFORMANCE

0.90

**TOTAL RECORDABLE INJURY RATE
PER MILLION WORK HOURS**

3.1%

**ENERGY EFFICIENCY IMPROVEMENT
AGAINST BASELINE¹**

3.7%

**INDIGENOUS REPRESENTATION
IN OUR WORKFORCE**

31.8%

**FEMALE REPRESENTATION,
EXCEEDING INDUSTRY AVERAGE**

1. The energy efficiency improvement target against baseline performance (%) is measured relative to product energy efficiency prior to 2016. This aligns with Woodside's aim to improve energy efficiency by 5% by 2020. Refer to pages 26 and 27 for more information.

MESSAGE FROM OUR SUSTAINABILITY COMMITTEE CHAIR



In a world that is changing rapidly, a commitment to sustainability involves thinking about the future and ensuring both our existing and planned activities make a positive contribution.

We apply a long-term lens to all our decisions. Our projects can span decades and we are always thinking about the future and how our business model is sustainable in an environmental, social and economic sense.

For our industry, this includes factoring in the major shifts underway as the world seeks to reduce greenhouse gas emissions while extending access to modern energy.

Natural gas will be a crucial part of the world's energy mix in the decades ahead, supporting the transition to a lower-carbon future.

Woodside is preparing to progress the development of new natural gas resources, offering a reliable and cleaner energy source in countries where there is growing demand for modern energy to improve living standards and lift people out of poverty.

Sustainability is at the core of those growth plans, which make use of existing facilities in northern Western Australia to create new value for our investors, our customers and our communities.

In all regions where we are active, we understand it is important to walk side by side with communities who can share in the benefits. In 2019, we signed new agreements with Aboriginal groups on Western Australia's Burrup Peninsula, demonstrating our ongoing commitment to the successful co-existence of heritage and industry and our support for long-term, positive outcomes for Indigenous communities.

By progressing our transitioning to a residential workforce in the town of Karratha, we are encouraging our people to make this community their home and be part of the social, cultural and sporting networks that sustain it.

Sustainability is also integral to our daily operations and activities across our global portfolio. We prioritise the safety of our people and those who work alongside us, investing in training and preparing them to manage and avoid potential accidents and disruptions to operations.

Our people are our best resources. Without their efforts and ingenuity, the hydrocarbon resources stay undeveloped in the ground.

And finally, sustainability is what guides our strategic thinking as our company explores longer-term options, so we can continue to make a contribution as the world targets net zero carbon energy in the future. Our people are applying their ingenuity and experience to this global challenge.

We know that sustainability matters to our investors, communities, employees and other stakeholders. It also matters to our Board and, as a committee, we take seriously our responsibility to monitor emerging issues and oversee the company-wide efforts to ensure a sustainable and long-term approach.

A handwritten signature in black ink, appearing to read 'Ann Pickard'.

Ann Pickard

Chair of the Sustainability Committee

BOARD SUSTAINABILITY COMMITTEE¹

Ann Pickard

Ian Macfarlane

Sarah Ryan

Christopher Haynes, OBE

Larry Archibald

Swee Chen Goh

1. As of 1 January 2020.

MESSAGE FROM OUR CEO



As we progressed our growth plans in 2019, we took some steps that are significant for our company's long-term future, guided by our commitment to sustainability.

Safety is always a priority for us and our investment in training our people and actively managing risks is paying off. In 2019, we achieved our best safety performance on record. It will be crucial that this remains a focus as we move into project execution phase.

We support the Paris Agreement and its target of global carbon neutrality in the second half of this century and are working on what role we can play in delivering that. Our aspiration is that by 2050 we will be at net zero in relation to all of our direct carbon emissions.

To get there requires a multi-pronged effort, including offsets, energy efficiency measures and investment in lower-carbon technologies.

Natural gas is essential to the global energy transition in the decades ahead, providing energy the world needs while displacing more carbon-intensive fuels.

We need to be as carbon-efficient as possible in developing these energy resources.

We are working to improve the energy efficiency of our operations by 5% in five years, from 2016 to 2020, and have set a new target of 5% for the five years that follow.

We have also set a target to offset equity reservoir CO₂ across our entire portfolio from 2021, accounting for around a third of our total direct emissions over the lifespan of our proposed projects.

In 2019, we signed an agreement with Greening Australia to undertake large-scale native tree-planting projects to generate quality carbon offsets.

We test the resilience of our portfolio against a range of scenarios and incorporate a carbon price in our economic considerations.

We are also working with our customers and research partners to explore the potential for hydrogen, including investing in a consortium that is building hydrogen refuelling stations in Korea.

In the past year, we took our partnership with Monash University to a new level as we look to challenge ourselves and harness bright ideas from outside our industry to support the energy transition.

Since our company first listed 65 years ago, we have contributed billions of dollars to our communities. This social and economic contribution is expected to increase as we progress our growth plans.

As a company that takes a long-term approach to its projects and relationships, sustainability has long been integral to how we do business. Our company is guided by strong values, which are reflected in our approach to governance and management. We now have an executive vice president for sustainability who reports directly to me. This recognises its importance across our entire company.

The world is changing and our company is changing too as we progress sustainable growth.

A handwritten signature in black ink, appearing to read 'P. Coleman'.

Peter Coleman

*Chief Executive Officer
and Managing Director*

ECONOMIC BENEFITS

We are proud of the economic benefits we continue to generate for our stakeholders.

We maintained our strong record of providing economic benefits in 2019. This includes the dividends paid to shareholders, wages paid to employees, the taxes and royalties paid to governments and our contribution to the communities where we are active. Our community contribution is provided through employment and contracting opportunities, partnership agreements, employee volunteering and direct funding.

A\$ **4.3**

**BILLION SPENT
AND COMMITTED WITH
OUR SUPPLIERS IN 2019¹**

A\$ **17**

**MILLION IN SOCIAL
CONTRIBUTIONS IN 2019**

A\$ **4.4**

**BILLION IN AUSTRALIAN
TAXES AND ROYALTIES
OVER FIVE YEARS**

A\$ **946**






**MILLION IN
WAGES IN 2019**

OUR ECONOMIC CONTRIBUTION

¹. Converted from USD at the average 2019 exchange rate.

UN SUSTAINABLE DEVELOPMENT GOALS

The 17 United Nations Sustainable Development Goals (SDGs) represent a 15-year initiative that commenced in 2016 to stimulate action in areas of critical importance for humanity and the planet. The deliverables associated with the five SDGs that best align with our business were progressed in 2019, with notable achievements outlined below. We also conducted a review, which will be completed in 2020, to determine whether these five SDGs represent where we can make the biggest contribution.

<p>SDG</p> <p>7 AFFORDABLE AND CLEAN ENERGY</p> 	<p>ASPIRATIONS</p> <p>We will continue to supply LNG to displace coal and support intermittent renewables. We will also support the creation of LNG markets for transport and remote power, and investigate lower-carbon energy sources.</p>	
	<p>Deliverables</p>	<p>Progress</p>
	<p>Commence deliveries of trucked LNG from Pluto in 2019</p>	<p>Deliveries of LNG commenced in 2019</p>
	<p>For direct emissions, improve energy efficiency by 5% against baseline by 2020</p>	<p>Improved energy efficiency by 3.1% against baseline by 2019</p>
	<p>Eliminate routine flaring from our oil facilities by 2030</p>	<p>Reduced flaring by 14% in 2019</p>
<p>SDG</p> <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>ASPIRATIONS</p> <p>We will continue to improve productivity and energy efficiency by embracing technology and innovation, and incorporating renewables at our assets.</p>	
	<p>Deliverables</p>	<p>Progress</p>
	<p>Improve our operations through adoption of more efficient technologies, and improvements in industrial processes, to meet our energy efficiency target</p>	<p>Goodwyn-A offshore platform battery installed, in a world-first application, to reduce use of fuel gas on the facility</p>
<p>SDG</p> <p>13 CLIMATE ACTION</p> 	<p>ASPIRATIONS</p> <p>We collaborate with partners, peers and other stakeholders for a competitive, lower-carbon economy and support initiatives that improve climate change resilience.</p>	
	<p>Deliverables</p>	<p>Progress</p>
	<p>Continue to partner with academia and industry to find new technology that unlocks affordable new energy and profitable carbon abatement</p>	<p>Established a partnership with Monash University in 2019 to progress energy solutions for a lower-carbon future in Australia</p>
		<p>Extended a memorandum of understanding with Korea Gas Corporation to conduct a feasibility study on a green hydrogen export project</p>
<p>SDG</p> <p>14 LIFE BELOW WATER</p> 	<p>ASPIRATIONS</p> <p>We uphold robust environmental management and process safety practices to minimise our impact on marine environments, and partner with research institutions to contribute to knowledge of these areas.</p>	
	<p>Deliverables</p>	<p>Progress</p>
	<p>Maintain partnerships with research institutions to contribute to knowledge of marine environments in areas where we are active</p>	<p>We continue to partner with the Australian Institute of Marine Science and the Western Australian Museum to support research and progress knowledge that informs approvals and impact assessments</p>
<p>SDG</p> <p>17 PARTNERSHIPS FOR THE GOALS</p> 	<p>ASPIRATIONS</p> <p>We work together, combining our distinctive capabilities to deliver the best possible result. We aim to be the partner of choice wherever in the world we operate.</p>	
	<p>Deliverables</p>	<p>Progress</p>
	<p>Continue to partner with peers, governments, academia and civil society groups to advance progress towards the goals</p>	<p>Our FutureLab program drives partnerships that foster collaborative innovation across oil and gas technologies, carbon management and facility efficiency in support of the goals</p>

MATERIALITY

Woodside considers sustainability topics to be material if they reflect our significant economic, environmental and social impacts, or if they significantly influence the assessments and decisions of our stakeholders.

Each year, we conduct a materiality assessment to identify and understand the sustainability topics of significance to our key stakeholders and our business. The materiality assessment informs the development of this report and ensures we are adequately responding to topics considered key by our stakeholders.

Of the topics identified in the 2019 materiality assessment, three were considered material: climate change and greenhouse gas emissions; health and safety performance; and social and cultural impacts on communities.

We added another classification in 2019 to reflect topics that are significant to Woodside but did not meet the materiality threshold.

Four topics met these criteria in 2019 for the reasons outlined below:

- + Corporate governance: Ensuring a sustainable financial position and ethical conduct as we enter a growth phase
- + Cybersecurity: Maintaining the security of our assets and information
- + Fraud, anti-bribery and corruption: Effectively managing the risk of violations in our global operations
- + Major incident prevention and preparedness: Ongoing focus on process safety and the ability to respond in the event of a major incident.

MATERIAL TOPICS

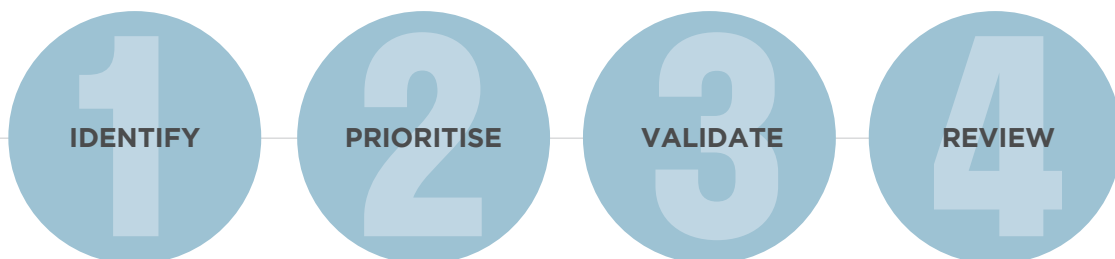
- Climate change and greenhouse gas emissions
- Health and safety performance
- Social and cultural impacts on communities

SIGNIFICANT TOPICS

- Corporate governance
- Cybersecurity
- Fraud, anti-bribery and corruption
- Major incident prevention and preparedness

IMPORTANT TOPICS

- Economic benefits
- Environment
- Future energy mix
- Growth readiness
- Human rights
- Innovation and technology
- People, capability, diversity and inclusion
- Regulatory compliance
- Supply chain and local content
- Transparency



FOUR-STEP PROCESS FOR MATERIALITY

1. Material topics are identified by a desktop study, followed by interviews with key internal and external stakeholders.
2. A materiality survey, to rank identified topics, is completed by all interviewed stakeholders using criteria based on the Global Reporting Initiative (GRI) materiality principles.
3. Material topics are validated by our Executive Committee and the Board's Sustainability Committee.
4. The material topics are reviewed with our stakeholders, and ways in which our approach and performance can be improved are identified.

SUSTAINABILITY TARGETS

We assign annual targets to our material sustainability topics to ensure we focus on what matters and strive to do better. These sustainability targets are reflected in our corporate scorecard, Executive Committee dashboard, and divisional and functional performance agreements.

MATERIAL TOPIC	2019 TARGET	2019 PERFORMANCE	2020 TARGET
Health and safety performance	Demonstrate continuous improvement on 2018 to deliver leading health and safety performance	0.90 total recordable injuries per million work hours (TRIR)	TRIR at or below 1.10, which is below our three-year rolling average One or fewer Tier 1 or Tier 2 loss of primary containment process safety events
Social and cultural impacts on communities	Social impact management plans for communities where we are active Positive progress against our 2016–2020 Reconciliation Action Plan	Social impact management plans were developed for all communities where we are active Increased conversion of Indigenous trainees to employees to over 50%	Effectively implement social impact and opportunity management plans for communities where we are active Deliver the 2016–2020 Reconciliation Action Plan
Climate change and greenhouse gas emissions	Achieve 4% energy efficiency improvement against baseline ¹	Achieved 3.1% energy efficiency improvement against baseline¹	Achieve 5% energy efficiency improvement against baseline ¹
Fraud, anti-bribery and corruption	Zero material violations of anti-bribery and corruption laws within or in connection with Woodside	Zero violations of anti-bribery and corruption laws within or in connection with Woodside	Topic remains significant and we maintain an internal target of zero violations

¹ The energy efficiency improvement target against baseline performance (%) is measured relative to product energy efficiency prior to 2016. This aligns with Woodside's aim to improve energy efficiency by 5% by 2020. Refer to pages 26 and 27 for more information.

SUSTAINABILITY PERFORMANCE

We respond to a number of recognised external environmental, social and governance (ESG) global indices to benchmark our sustainability performance against best practice.

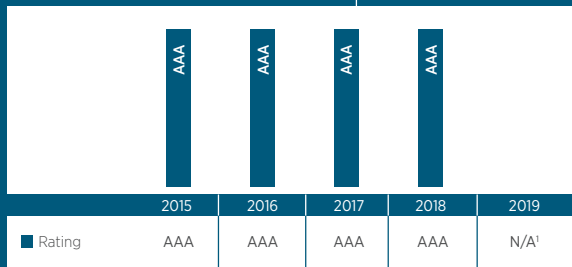
GLOBAL BENCHMARKS



MSCI

We have been rated by Morgan Stanley Capital International (MSCI) since 2011 when we achieved an A rating. We continue to maintain a AAA rating with this index.

Rating: AAA, top decile in our industry group
Industry average: BBB

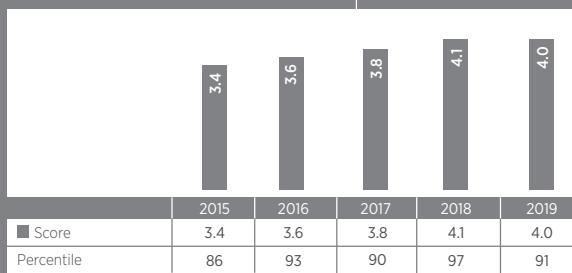


FTSE4Good

FTSE4Good

For the fifth year we achieved inclusion in this index. Our ESG rating was an absolute score of 4.0 out of 5.

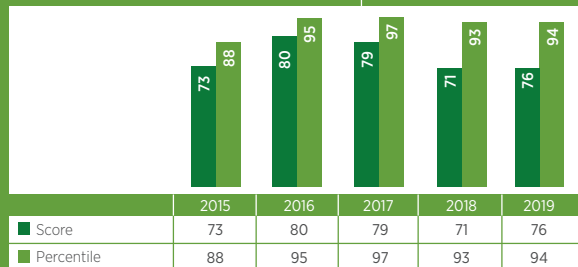
Score: 4.0/5, 91st percentile in our industry group
Industry average: 2.5/5



Dow Jones Sustainability Index

We have participated in this index since 2002. We have maintained membership of the World Index, Asia Pacific Index and Australia Index. We maintained leader group status for our sector in the Sustainability Yearbook.

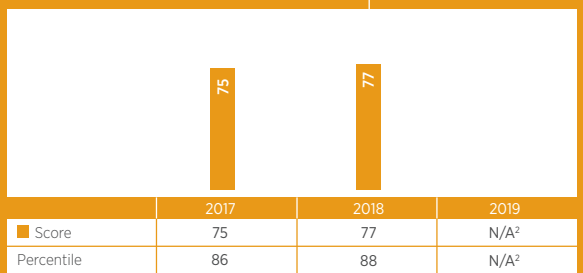
Score: 76/100, 94th percentile in our industry group
Industry average: 42/100



Sustainalytics

We have participated in Sustainalytics ESG research since 2016. Our most recent results achieved Outperformer status, the second-highest ranking available.

Score: 77/100, 88th percentile in our industry group
Industry average: 61/100



1. 2019 MSCI results are published in May 2020.

2. 2019 Sustainalytics results are published in May 2020.

CORPORATE GOVERNANCE

Woodside is committed to a high level of corporate governance and fostering a culture that values ethical behaviour, integrity and respect.

Our approach

We believe that adopting and operating in accordance with high standards of corporate governance and transparency are essential for sustainable long-term performance and value creation. Our approach to sustainability is incorporated in our management system including our policies, procedures and Code of Conduct (the Code).

Woodside's Board of Directors has oversight of the Company's management and business activities. The Sustainability Committee assists the Board to meet its responsibilities in relation to the Company's sustainability policies, expectations and procedures. The Sustainability Committee, as at 31 December 2019, comprised five independent, non-executive directors. In early December we announced that the Board had appointed Ms Swee Chen Goh as a non-executive director from 1 January 2020. Ms Goh will be a member of the Sustainability Committee from this date.

In 2019, the Board expanded the scope of the Nominations Committee to incorporate corporate governance functions. The newly expanded Nominations & Governance Committee assists

the Board in discharging its responsibilities on matters relating to the Company's corporate governance policies and practices. The Chairman also chairs the Nominations & Governance Committee and all non-executive directors are currently members.

Refer to Woodside's Corporate Governance Statement on our website for more information

The Woodside Management System describes our way of working, enabling us to understand and manage our business to achieve objectives. It defines the boundaries within which our employees and contractors are expected to work and establishes a common approach to how we operate, wherever the location.

Woodside's Compass is core to our governance framework and is available on our website. It sets out our mission, vision and strategic direction and core values of integrity, respect, working sustainably, working together, discipline and excellence. The Compass is the overarching guide for everyone who works for us. Our values define what is important to us in the way we work.

We have overcome some incredible challenges to be where we are today.



Now, we draw on that pioneering spirit as we embrace the opportunities ahead.

WHO WE ARE

We are an Australian company with a global outlook, resilient, determined and courageous. We believe that by doing what's right, by living our values every day, we can perform to our very best.

RESPECT

We give everyone a fair go. We listen.

DISCIPLINE

We play by the rules. We set goals and we hold ourselves to account.

WORKING SUSTAINABLY

We are here for the long term. We look after each other, our communities and the environment. We keep each other safe.

WORKING TOGETHER

We are on the same team. We build long-term partnerships.

INTEGRITY

We are open, honest and fair. We do what we say we will do.

EXCELLENCE

We achieve great results. We learn. We get better. We have the courage to do the right thing.

WHERE WE'RE GOING

We strive for outstanding results, clear on our aims and dynamic in our approach.

OUR MISSION

To deliver superior shareholder returns.

OUR VISION

Our aim is to be a global leader in upstream oil and gas.

OUR STRATEGIC DIRECTION

Maintain unwavering focus on maximising our base business, building the value of our portfolio and growing our market.

HOW WE WILL GET THERE

We are motivated to build on Woodside's reputation as a highly regarded and successful company. We are inclusive and cohesive, working as a team to sharpen our competitive edge and drive progress.

WE INNOVATE

We seek ways to continuously improve, always striving for better outcomes. We are solution-focused, exploring fresh ideas and embracing new ways of working.

WE COLLABORATE

We work together, combining our distinctive capabilities to deliver the best possible result. We aim to be the partner of choice wherever in the world we operate.

WE ACCELERATE

We take decisive action in line with our business priorities and our values. We are agile, acting swiftly to achieve outstanding results.



CORPORATE GOVERNANCE

Identifying and managing risk

Woodside recognises that risk is inherent to our business and that effective management of risk is vital to delivering on our objectives, success and continued growth. We are committed to managing all risk in a proactive and effective manner and encouraging behaviours required to maintain a sound risk culture, including constructive challenge and transparency and effective management of conflicts of interest. Our approach to risk enhances opportunities, reduces threats and sustains Woodside's competitive advantage.

By understanding and managing our risks, our business can perform effectively and provide protection to our people, communities and the environment. We systematically assess the consequence of risk in areas such as health and safety, environment, and social and cultural impacts. It is crucial that we maintain a robust and disciplined focus on operational excellence and effective risk management.

The Board recognises that risk management and internal compliance and control are key elements of good corporate governance. The Board is responsible for reviewing and approving our risk management strategy, policy and key risk parameters, including determining appetite for country risk and major investment decisions.

The Board is also responsible for satisfying itself that management has developed and implemented a sound system of risk management and internal control. The Board has delegated oversight of the Risk Management Policy, including review of the effectiveness of our internal control system and risk management process, to the Audit & Risk Committee. In 2019, the Audit & Risk Committee considered contemporary and emerging risks, reviewed the Risk Management Framework and confirmed that we were operating with due regard to the risk appetite as set by the Board.

The Board maintained oversight of material topics during 2019, and monitored contemporary and emerging issues and risks, including conduct risk, technology and innovation, cybersecurity, privacy and data breaches, sustainability and climate change.

➤ Refer to page 10 for more information on the materiality process and 2019 material topics.

➤ Refer to our Corporate Governance Statement for more information on Woodside's key governance and risk-management principles and practices.

Business ethics

Woodside is committed to conducting business in an ethical manner, and this commitment underpins the Code. In 2019, we updated our expectations regarding discrimination, bullying and harassment, the storage and handling of Woodside information and recording of transactions.

The Code forms part of mandatory induction training for all employees when they join the company and it is the responsibility of every director, employee and contractor to be familiar and comply with the Code. Annual compliance training is required and there was a 100% employee completion rate in 2019. Records of training are maintained by Woodside's General Counsel.

It is a requirement of all directors, employees and contractors to report potential violations of the Code. All breaches are recorded and investigated, and the outcomes reported to the Board. Appropriate disciplinary action is undertaken if violations are substantiated, including termination of employment.

In 2019, new Australian legislation was introduced regarding whistleblower protection. A review of our Code and the Whistleblower Policy was completed, and enhancements to the existing whistleblower arrangements were implemented. Employees and other relevant stakeholders can report misconduct concerns anonymously, either internally or by accessing the confidential, externally managed helpline. There were eight reports to the helpline in 2019.

The assessment and investigation of misconduct concerns are coordinated by a senior management steering group. In addition, the Audit & Risk Committee received reports on misconduct investigations, breaches of the Code and matters reported to the external helpline.

Investigations of 113 allegations of improper behaviour or breaches of the Code were closed out in 2019. Forty-two allegations were substantiated and 71 were unsubstantiated. A further 27 allegations remain under investigation at year end. Outcomes for the employees and contractors responsible for the substantiated breaches include six contracts being either terminated or not renewed, 20 written warnings and nine verbal warnings. One termination was fraud-related.



OUR PEOPLE

HEALTH AND SAFETY PERFORMANCE

Protecting the health and safety (H&S) of our people, our contractors and our host communities is essential to our future success.

2019 Highlights

- + Lowest total recordable injury rate (TRIR) on record of 0.90 and lost time injury frequency (LTIF) of 0.19
- + Zero recordable injuries or illnesses from the Greater Enfield Project shipyard campaign
- + Engaged employees and contractors in the 'We Stand Together for a Perfect HSE Day' initiative through team-based and organisation-wide H&S activities globally

OPPORTUNITIES

- + Undertake safety perception survey to identify changes to our safety culture
- + Strengthen H&S leadership capability across the business, including leading our contractors and suppliers
- + Continue to implement a holistic approach to supporting the wellbeing of our people

RISKS

- + Failure to maintain a healthy and safe workplace
- + Failure to engage with our contractors and suppliers to improve H&S outcomes
- + Failure to deliver a mature safety culture with our employees

Our performance

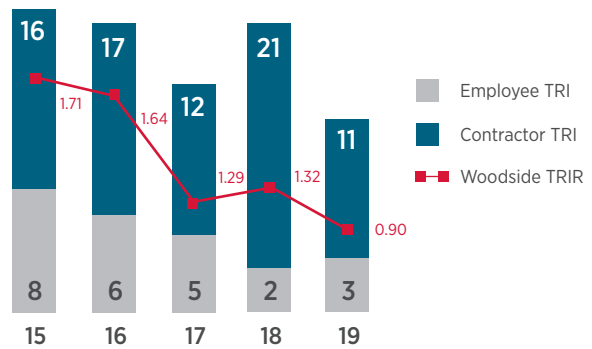
Woodside achieved a strong safety performance in 2019, evidenced by our lowest TRIR of 0.90, well below our target of 1.29, supporting our aim to continuously improve towards industry-leading H&S performance.

Our identification of high-potential hazards decreased by 30% and our high-potential incidents increased by more than 170%. To address this, we conducted a comprehensive review of our high-potential events from 2014 to 2019 and have developed plans to deal with key themes in 2020, including change management and preventing dropped objects.

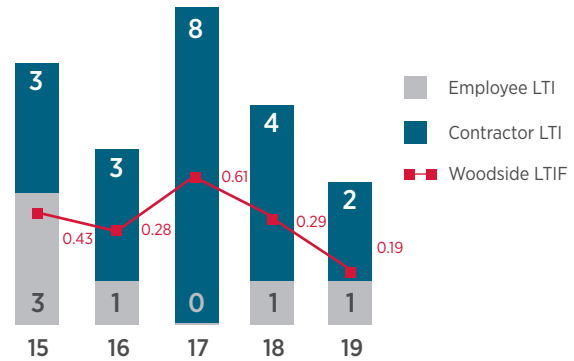
We continue to promote positive practices and provide support services to enhance employee wellbeing. We aim to effectively manage workplace risks to mental health, support early intervention and recovery, and develop leadership capabilities to create a mentally healthy workplace.

We continue to collaborate with our contractors to develop and implement innovative solutions for improving H&S performance to ensure we are prepared for the increase in work programs associated with our growth projects.

Total recordable injuries (TRI) and TRIR



Lost time injuries (LTI) and LTIF



Greater Enfield Project: working as one

Almost 12 months of work came to a successful conclusion in April 2019 when the Ngujima-Yin FPSO facility sailed out of Keppel Tuas shipyard in Singapore.

The Ngujima-Yin was refurbished without a recordable injury or illness and a strong safety culture embedded across the project team was key to this success.



Woodside and Keppel Tuas shipyard staff at the Ngujima-Yin sailaway ceremony in Singapore.

Our safety culture

We strongly believe in embedding a safety culture where our people are empowered to take action to prevent injuries and maintain a safe working environment. In 2019, our teams focused on H&S leadership, off-the-job safety and mental wellbeing.

During the year we worked to embed our core H&S frameworks and tools across our business to support sustainable performance, including the Golden Safety Rules and Our Safety Culture. Through the annual 'We Stand Together for a Perfect HSE Day' initiative, we engaged our people and contractors in all aspects of our H&S framework, with team-based activities hosted globally and 23 organisation-wide events featuring internal and external experts.

We collaborated with contractors and industry partners through the Safer Together initiative to continuously improve and support our growth. After the successful implementation of the Health, Safety and Environment Representative (HSER) framework we worked with Safer Together to introduce this framework to industry partners. This framework provides standardised requirements for the HSER role and shares best practice in workforce engagement.

In our office-based teams, the Woodside Workplaces, Wellness and Wellbeing (4W) network builds safety understanding and awareness. Over 100 volunteers engage the business in H&S through information sharing and promoting activities to strengthen safety culture. We also extended engagement to our employees' families through activities aimed at taking health, safety and environment initiatives home.

Mental health and wellbeing

A trusting, safe work culture is fundamental to the wellbeing of our people and our safety performance.

In 2019, we worked to build understanding of mental health through awareness activities and training opportunities. More than 600 people attended resilience training and 34 Supporting Mental Health and Wellbeing at Work training sessions were held. In 2020, we will continue to implement a holistic approach to supporting the wellbeing of our people informed by research and best practice.

Process safety

Process safety describes a framework for managing the integrity of facilities through disciplined application of systems and processes.

We regularly review our facility designs to proactively identify risks. We apply rigorous inspection and maintenance schedules to identify risks and manage the integrity of our structures, equipment, piping and wells to prevent a loss of containment or hydrocarbon release.

We continue to take a risk-based approach to embed process safety in our operations, through operational discipline and visible leadership. Our process safety-competency governance and training program ensures our people have the right skills to manage process safety risks.

In 2019, we aligned our process safety framework within the company-wide management system to ensure consistent delivery across our operations and projects.

Process safety performance

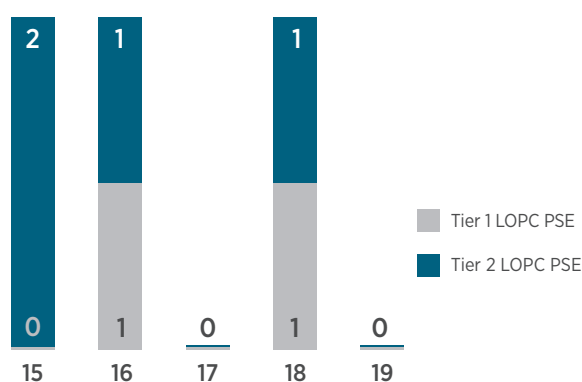
During 2019, we had zero Tier 1 and zero Tier 2 loss of primary containment process safety events as measured against the industry standard of the American Petroleum Institute Recommended Practice 754 (API 754).

Preventing process safety events

Our people operating our facilities are key to prevention and mitigation of process safety events. To provide additional focused guidance to this group, we developed a suite of process safety operator practices to support verification and leadership engagement on topics including handover, critical operating procedures, critical alarms and fitness for work. A high level of engagement was achieved through a face-to-face roll-out of the practices at operator training days and inclusion in pocketbooks for ease of reference in the field.

Analysis of the past three years of process safety-related events showed that following these new practices could have prevented 90% of actual events.

Tier 1 and 2 loss of primary containment process safety events (LOPC PSE)



PEOPLE, CAPABILITY, INCLUSION AND DIVERSITY

We recognise that an engaged and enabled workforce underpins our ability to deliver base business activities and pursue our growth projects. A healthy workplace that promotes diversity and a sense of belonging is a key contributor to our success.

2019 Highlights

- + Commenced transition to a predominantly residential operational workforce in Karratha
- + Increased female workforce representation well beyond the industry average
- + Introduced impactful cultural awareness training and increased Indigenous participation in traineeships and apprenticeships
- + Embedded technical discipline opportunities to further support career development

2020 Priorities

- + Increase Indigenous participation
- + Prepare our workforce for organisational growth opportunities
- + Develop inclusion and diversity strategies for 2021 onwards, including a broader definition of inclusion
- + Continue transition to a predominantly residential operational workforce in Karratha

Our performance

In 2019, our overall workforce grew to 3,834 people, an increase of 8% from 2018. Our voluntary turnover rate reduced from 3.5% in 2018 to a historically low 3% in 2019.

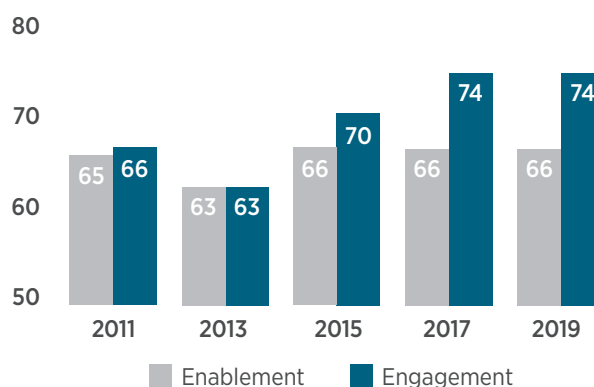
As we embark on growth, we recognise the importance of investing in our people, so they have the right skills and are supported by an inclusive and collaborative workplace culture.

Woodside conducts an employee survey every two years to measure employee engagement and enablement. Engagement reflects employees' commitment and enthusiasm for their work. Enablement is the degree to which employees are suited to their role and the barriers present in their work environment. In 2019, 81% of our workforce completed the survey. Of those who responded, 74% felt engaged and 66% felt enabled. These results are consistent with our 2017 survey results.

To better understand how we can move closer to meeting our aim of being a global leader in both engagement and enablement, extra questions were added to the 2019 survey. These additions set a higher standard for both measures and will become our new benchmark. The overall survey results show that our people are proud to work for the organisation, see clear opportunities for career advancement and care for their physical

and mental wellbeing. There remains opportunity for greater enablement of employees through more effective decision making and a greater focus on performance feedback.

Employee engagement and enablement¹



Karratha workforce

In December 2018, we announced that our people in Karratha would transition to a predominantly residential workforce model, enabling our people to live where they work and build strong team and community connections. In 2019, the transition commenced, which included engagement of our employees and announcing our Karratha home ownership portal, allowing our employees to purchase Woodside homes. In addition, we are continuing the A\$55 million refurbishment of NWS residential properties.

A targeted recruitment campaign was launched to continue to build our residential workforce to support our Burrup Hub developments. We have leveraged this campaign to positively shift the diversity of our workforce. The 2019 intake of externally hired trainees and apprentices in Karratha was 100% residential, 42% Indigenous and 45% female. Over the coming years, we will endeavour to continue employee engagement to increase our residential footprint in the Pilbara.

Inclusion and diversity

Woodside recognises that an inclusive work culture, where employees feel valued and respected and possess a sense of belonging, is a key contributor to our success. We share diversity and inclusion metrics with our executives and senior leaders monthly, highlighting progress and driving accountability. Inclusion and diversity highlights included attaining formal accreditation from the Australian Breastfeeding Association and winning its Best Practice Award in 2019. We were also awarded Silver Employer Status in the Pride in Diversity Australian Workplace Equality Index, which typically represents employers ranked in the top 10–20% of the index. We continue to see an increase in membership of our employee diversity networks.

¹ Data shown for 2019 is consistent with 2017 methodology.

Membership of Gender Equality Matters increased by 16%, Woodside Reconciliation Community by 14% and our LGBTI network Spectrum by 23%.

Our Indigenous collegiate was instrumental in the development of a new cultural learning course that was introduced in mid-2019. The impactful course has been designed to widen perspectives on Indigenous cultures and people and to combat unconscious bias through a genuine, raw style of storytelling.

Indigenous participation

Our directly employed Indigenous workforce increased from 130 in 2018, to 140 in 2019, or 3.7% of the total workforce. Indigenous turnover was 3.0% in 2019, in line with the total workforce figure. The growth of our Indigenous workforce is due to the success of our pathway programs, external recruitment drive, graduate intake and continued engagement.

Indigenous participation in our pathway programs, such as traineeships and apprenticeships, continues to exceed targets. We had 47 participants in 2019. The strength of these programs has continued to grow with 80% of eligible participants gaining direct employment with Woodside this year. To support our Indigenous employees' future growth and career development, 86% undertook training and development opportunities in 2019. We continue to focus on increasing Indigenous representation in mid-level and senior positions. We supported 39 employees to attend leadership development courses in 2019 and are supporting two individuals to commence study towards a Master of Business Administration in 2020.

We continue to facilitate strong relationships with Indigenous communities through secondments of our people to support a range of Indigenous partner organisations around Australia. Since 2011, we have sent 60 employees on Jawun secondments, in addition to 21 Jawun executive visits. In 2019, ten employees completed Jawun secondments.



Capability

Woodside continues to focus on growing our own future leaders and building capability by providing all employees with high-quality learning experiences and development opportunities. In 2019, we introduced technical competencies to further support career development and technical skills development.

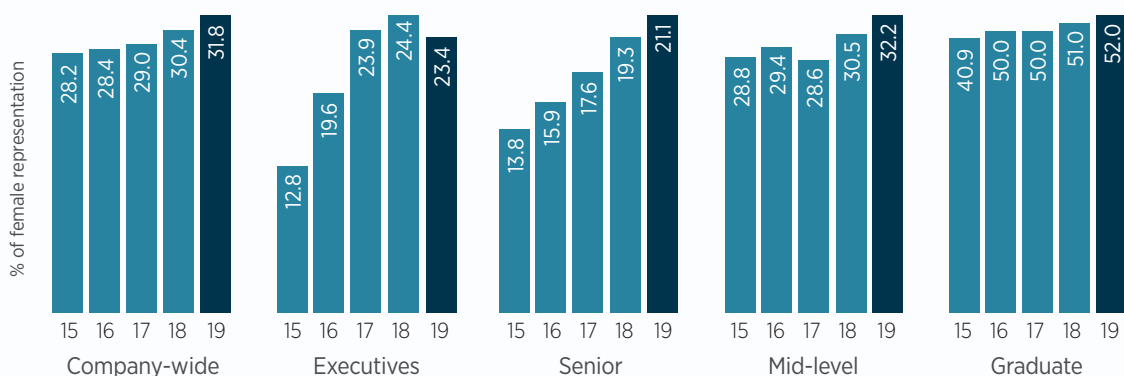
The Graduate Development Program continues to attract and retain high-calibre people. In 2019, 293 graduates were engaged on the program, an increase from 282 in 2018. We were finalists for the Australian Human Resources Institute's Sir Ken Robinson Innovation and Creativity Award for our graduate learning program. This is an immersive two-week program where graduates come together in multidisciplinary working groups to identify solutions to business challenges.

Participation in our leadership development courses throughout the year increased by 12%, with high demand for training in team effectiveness, everyday leadership skills and building resilience.

Gender balance

Gender diversity in the workplace is a priority for us. Since the three-year inclusion and gender diversity strategy commenced in 2018, company-wide female representation has continued to increase. Female representation increased from 30.4% in 2018 to 31.8% in 2019, higher than the industry average of 23.9%. In 2019, the return from parental leave was 97%.

Female representation



SOCIAL AND CULTURAL IMPACTS ON COMMUNITIES

Woodside plays an active role in contributing to the wellbeing and sustainability of the communities where we are active.

2019 Highlights

- + Completed a suite of social impact and opportunities assessments for our operations and Burrup Hub developments
- + Management plans developed for all communities where we are active
- + Signed new agreements with Pilbara Aboriginal groups
- + Launched a major partnership with Surf Life Saving Western Australia to support the state-wide Woodside Nippers program

OPPORTUNITIES

- + Streamline engagements with community stakeholders for multiple projects
- + Adjust social impact management plan implementation
- + Enhance local employment and contracting opportunities
- + Build community capacity to benefit from growth projects

RISKS

- + Level of community consultation and stakeholder fatigue
- + Failure to appropriately manage the social impacts and not realise the opportunities of our activities
- + Not achieving the desired outcomes from our social contributions
- + Impacts on cultural heritage and traditions of Indigenous communities

Our approach

Our Sustainable Communities Policy guides our interactions with communities where our activities are under Woodside operational control.

Where we are not the operator, we endeavour to confirm alignment with our policy by undertaking due diligence for new opportunities and reviewing assessments conducted by the operator on behalf of the joint venture.

We conduct social impact and opportunities assessments for our operations and all major development activities and these are used to inform management plans to minimise any adverse impacts and enhance opportunities.

Meaningful engagement

Woodside continues to build and maintain relationships that allow us to have open conversations with the communities where we are active. In support of this, in 2019 we hosted four Community Liaison Group meetings in Karratha and participated in three joint-operator Exmouth Oil and Gas Community Reference Group meetings.

We also held several community events in Broome, Karratha and Roebourne, including supplier forums, community information sessions and business functions. We completed more than 500 community engagements as part of our social impact assessments and in support of environmental impact assessments for the Browse and Scarborough developments, and the NWS Extension. These engagements enabled us to update the community about our operational and proposed development activities, identify opportunities of mutual benefit and understand any community concerns.

Internationally, we hosted 38 community meetings in Senegal for our Sangomar Development seismic campaigns. We also engaged regularly with the fishing community during the seismic campaigns through social media channels. These engagements helped to increase community understanding of oil and gas activities, which are new to the country.

In Myanmar, we held six stakeholder engagements for our exploration activities and participated in the Myanmar Centre for Responsible Business's community workshop in Rakhine State. Woodside played a key role in the community workshop, presenting on our activities in Myanmar and discussing how operators can best create positive impacts at different project stages.

Effectively addressing community concerns

We take community concerns about our activities seriously. Our community grievance mechanism provides a framework for receiving and responding to grievances in a consistent, timely way.

We received four community grievances in 2019, relating to employment and contracting opportunities in Karratha and a change of Woodside personnel in Roebourne. These concerns were discussed with the relevant community members.

During the year, we worked with the lead contractor for our proposed Pluto Train 2 project to develop a grievance management plan for future activities. We also enhanced our grievance register to better record community concerns.

Understanding and managing our impacts

In 2019, a specialist consultant completed social impact assessments for current operations off the Exmouth coast, Karratha and our Burrup Hub developments. These included Scarborough, Pluto Train 2, Browse and the NWS Extension. This involved more than 12 months of work with relevant communities to understand the potential direct and indirect social effects of these developments.

These studies also identified key opportunities for economic development of local business and employment opportunities. Potential adverse impacts include reduced housing and short-term accommodation availability in Karratha and impacts on cultural heritage and relationships. Management plans have been developed to enhance the social opportunities and minimise adverse impacts from these future developments.

We conducted community perception surveys for Karratha and Roebourne that showed the majority of respondents feel we continue to have a positive impact on the local area and we are improving how we manage potential social and environmental issues. Community sentiment highlighted in the surveys included a desire for more local employment opportunities, and concerns about levels of fly-in fly-out in the workforce and the environment.

We continue to work closely with local stakeholders to monitor community indicators, understand local issues and limit any potential negative impacts related to our projects.

Woodside's Environment and Social Impact Assessment for the Sangomar Development was approved by the Government of

Senegal in January 2019. During the year, we also undertook a social scan and human rights risk assessment for the Sangomar Development to inform our future activities.

➡ Refer to our website for more information on Woodside's environment and social impact assessments.

Enhancing local opportunities

We continue our efforts to enhance local training and employment initiatives in the communities where we are active.

Since its launch in June 2018, more than 1,500 people have registered on the Woodside-sponsored Karratha local jobs portal, which has advertised over 500 jobs and training opportunities at Woodside-operated sites.

At our Production Training Academy in Karratha, all 58 new apprentices and trainees recruited in 2019 were City of Karratha residents.

During the year, we also commenced transitioning our workforce in Karratha to a predominantly residential model.

We continue our efforts to build oil and gas knowledge and capability in Senegal with the development of a capacity-building plan that has been submitted to the Government of Senegal. We also hosted an oil spill preparedness and response workshop for the government.

➡ Refer to page 18 for more information on the Karratha workforce transition.



Woodside and the Browse Joint Venture support Broome's Nagula Jarndu Designs, providing opportunities for Aboriginal women to produce hand-crafted textiles inspired by the Broome landscape.


SOCIAL AND CULTURAL IMPACTS ON COMMUNITIES

Our Indigenous communities

We value the relationships we have built with the Aboriginal communities over more than three decades of operations on Western Australia's Burrup Peninsula. We regularly engage with communities in the Pilbara and Kimberley about our operations and growth projects, to minimise impacts and enhance outcomes in the areas of education, training, employment, business opportunities and cultural heritage management.

Woodside's Indigenous Communities Policy sets out our approach to building long-lasting relationships with Indigenous communities based on integrity and respect.

Demonstrating our ongoing commitment, in late 2019 we signed new agreements with the Ngarluma Yindjibarndi Foundation Limited (NYFL) and the Murujuga Aboriginal Corporation (MAC). The agreements build on existing long-term partnerships with the two organisations and the communities they represent and support our plans to continue operations at the NWS Project and Pluto LNG for decades to come.

 Refer to our website for more information about the agreements.

Reconciliation Action Plan (RAP)

Woodside's 2016–2020 RAP aims to foster reconciliation between Indigenous and non-Indigenous Australians. It was awarded the highest status of 'Elevate' by Reconciliation Australia for its focus on outcomes tailored to business needs and guided by host communities.

In 2019, we made positive progress against our 2016–2020 RAP by improving the conversion rate of Indigenous trainees to employees to more than 50%.

As an 'Elevate' RAP partner, we joined 13 other leading Australian organisations in supporting the Uluru Statement from the Heart during National Reconciliation Week in May. The Statement provides a national Indigenous consensus position on Indigenous constitutional recognition.

Our 2019 RAP report will be released in May 2020.

Cultural heritage

We have implemented comprehensive cultural heritage management plans to protect the heritage values of the Burrup Peninsula. We make significant efforts to monitor and manage our environmental impacts on cultural heritage, including rock art.

In 2019, we worked with Traditional Owners to develop cultural heritage management plans for our Burrup Hub developments including Pluto Train 2 and Scarborough. We also worked with an independent consultant to complete a desktop study of submerged near-shore heritage for the Scarborough development.

We continued our involvement in the Western Australian Government's Murujuga Rock Art Stakeholder Reference Group and support the implementation of an independent monitoring program to ensure the protection of rock art on the Burrup Peninsula.

We remain committed to the management, protection and research of the National Heritage values under the Burrup Conservation Agreement, which was signed by Woodside and the Commonwealth Government in 2007. As part of the agreement, in June we announced an A\$4 million contribution to the MAC to fund the construction of the Murujuga Living Knowledge Centre on the Burrup Peninsula. The Centre will help maintain, promote and celebrate the rich and ancient cultural values of the area.

We support the proposed World Heritage Listing of the Burrup Peninsula and believe that heritage and industry can continue to co-exist, as has been demonstrated for the past 30 years.



Celebrating the signing of new agreements with Pilbara Aboriginal groups.

Social contribution

Woodside contributed A\$17 million to communities in 2019 through strategic partnerships, small-scale community grants and donations, the Woodside Development Fund and the value of time our employees spent volunteering. Woodside also leveraged an additional A\$16.1 million spend contributed through joint ventures, employees, government funding partnerships and other co-funded initiatives.

Our social investment approach aims to build the capacity and capability of the communities where we are active. We seek to deliver outcomes by creating opportunities, improving knowledge and building resilience of these communities, across four key areas:

- + Education and early childhood development
- + Innovation and technology
- + Arts, culture and community
- + Environment.

During the year, we designed a standardised framework to improve measurement of the impact of our social investments. The framework supports online partner reporting, data aggregation and impact reporting across our partnership portfolio.

We finalised a social investment strategy for our activities in the North West of Australia to support programs with enhanced focus on key themes of shared opportunities, vibrant communities, respect and recognition and environmental stewardship. New partnerships include Grow Local, a joint initiative with the Karratha and Districts Chamber of Commerce and Industry and other companies aimed at enhancing local business capability. We also expanded the Woodside grants program across Karratha, Roebourne, Exmouth and Broome.



Community conversations during a shift with 'Karla', the mobile laundry and shower van funded through Woodside's partnership with Orange Sky Australia.

Partnership highlights in 2019 included extending our support for Surf Life Saving Western Australia with a new A\$5 million, five-year partnership, including sponsorship of the Woodside Nippers program. We also signed a new three-year partnership with Orange Sky Australia to support a free mobile shower and laundry service for people experiencing homelessness in Perth.

The Woombooriny Amboon Angarriya Partnership Initiative, led by the Woodside Development Fund in partnership with Save the Children, was recognised with the Western Australian Government's Community Partnership Resources Sector Award. The partnership is a community-led approach to improve early childhood outcomes for Aboriginal children living on the Dampier Peninsula in the Kimberley region.

2019 SOCIAL CONTRIBUTION

A\$ **12.1**
MILLION

Strategic partnerships

Established across communities where Woodside has both a presence and impact and seek to build the capacity and capability of local organisations

A\$ **1.6**
MILLION

Woodside Development Fund

Focused on improving outcomes for children from birth to eight years through sector capability, advocacy and trialling collaboration between multiple organisations to increase impact

A\$ **0.8**
MILLION

Philanthropy

Provided through small grants in our regional locations and donations

A\$ **2.5**
MILLION

Volunteering

More than 50% of our people volunteered with corporate partners during 2019, including 75 organisations and 50 schools

HUMAN RIGHTS

Woodside conducts business in a way that respects the human rights of all people, including our employees, the communities where we are active and those working within our supply chains.

2019 Highlights

- + Updated our Human Rights Policy
- + Trained 100% of employees in human rights through the Code of Conduct refresher
- + Delivered modern slavery awareness training for our people

2020 Priorities

- + Implement a human rights training program
- + Develop our inaugural modern slavery statement
- + Continue implementation of new contractual requirements to existing suppliers and develop a supply chain grievance mechanism

Our 2019 performance

In 2019, Woodside updated its Human Rights Policy to better reflect our current approach to human rights management and to support our growth strategy.

An external consultant completed a human rights risk assessment on our operated exploration, development and production activities. The assessment identified key risks at a global and regional level and evaluated our associated management system framework. The assessment confirmed there are no material gaps in our related controls and highlighted opportunities for improvement, which have been pursued.

During the year, we created online human rights awareness training modules and advanced human rights training materials. The full suite of training will be available to all employees, contractors and service providers in early 2020.

Australian modern slavery legislation

We continue to engage with the Commonwealth Government and resource sector peers to understand the reporting requirements under the *Australian Modern Slavery Act 2018* and associated guidelines.

Our first reporting period under the new legislation is calendar year 2020.

Managing security

We are committed to supporting the Voluntary Principles on Security and Human Rights (VPSHR) initiative as evidenced by our ongoing signatory status. We remain an active participant in the VPSHR Australian Working Group and collaborated with industry, government and non-governmental organisations for security and human rights-related activities in Australia, Timor-Leste, and Myanmar.

We continue to align our policies and procedures with internationally recognised security and human rights principles. In line with our security and human rights framework, we completed due diligence on several new security providers and conducted four private security provider conformity assessments. We also reviewed security and human rights threat and risk assessments for countries including Timor-Leste, Senegal, Peru and Myanmar and completed in-country assurance reviews.

There were no reported security-related human rights incidents in 2019.

Managing our supply chain

We continue to implement our supply chain human rights framework and related management activities. Particular attention was given to the award of major fabrication packages for our growth projects in 2019, where we undertook risk-based human rights due diligence prior to contract award and agreed modern slavery management plans with the successful contractors.

We delivered modern slavery awareness training to more than 150 employees who manage supplier contracts. The training was developed and delivered in collaboration with an external subject matter expert. It provided attendees with knowledge of contemporary modern slavery risks, how we are managing these risks in its supply chain and their responsibilities to report any suspected occurrences.

Our presence in Myanmar

Woodside has had a presence in Myanmar since 2013, and we have been welcomed as a responsible investor in the country. We hold interests in six offshore exploration blocks and are targeting front-end engineering and design phase entry for the A-6 Development in 2020.

We focus on conducting all of our activities to high international standards. This includes complying with Australian legislation enacted to uphold human rights treaties and declarations and managing the social and environmental impacts of our activities. We note that the United Nations and the Australian Government continue to support economic engagement with Myanmar. In line with this, we believe that we can remain a constructive foreign investor, supporting Myanmar's economic development.



OUR ENVIRONMENT

CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS

The world needs more energy, delivered in cleaner ways. Woodside contributes to solving these challenges by supplying gas, limiting our emissions and developing innovative new markets and technologies for the efficient delivery of energy.

2019 Highlights

- + Stated our aspiration to be carbon neutral by 2050
- + Committed to periodic review of our emissions targets, which includes:
 - Setting a target to offset our global portfolio equity reservoir CO₂ from 2021
 - Setting a new 5% energy efficiency improvement target against baseline for 2021-25
- + Commenced a partnership with Greening Australia to undertake large-scale native tree planting projects that will generate quality carbon offsets
- + Partnered with Monash University to support research targeted at Australia's lower-carbon energy sources

OPPORTUNITIES

- + Increased demand for lower-carbon fuels, especially in sectors that have few zero-carbon alternatives
- + Promote gas as an ideal partner for renewables
- + Explore options for lower-carbon energy sources including hydrogen
- + Improve our energy efficiency

RISKS

- + Physical impacts of climate change
- + Reduced demand for our products constrains our ability to create and deliver shareholder value
- + Uncertainty around global carbon policy
- + Increase in investor concerns, societal pressure and risk of reputational damage

Our approach

Woodside is committed to a lower-carbon world. We are committed to playing a role in the world's energy transformation, through limiting our own emissions and reducing global emissions by supplying cleaner energy to a world that needs it.

Our climate change strategy allows us to deliver sustainable value by:

- + Continuing to focus on limiting our own emissions
- + Managing physical climate change impacts on our assets
- + Maintaining and growing a long-term resilient portfolio
- + Advocating for a lower-carbon economy.

Managing our emissions

In line with our Climate Change Policy, we use four key pillars to manage our greenhouse gas emissions:

- + We design our facilities to operate efficiently
- + We use operational practices that limit our direct emissions
- + We generate and acquire quality carbon offsets
- + We are diversifying our business into supplying lower- and zero-carbon energy sources for the future.

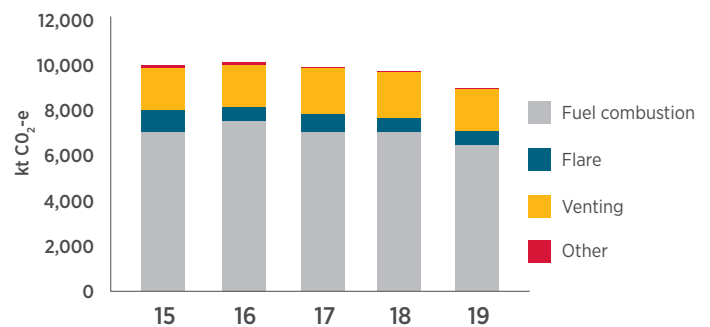
Refer to pages 28 and 29 for more details on how we are managing our emissions.

Our performance

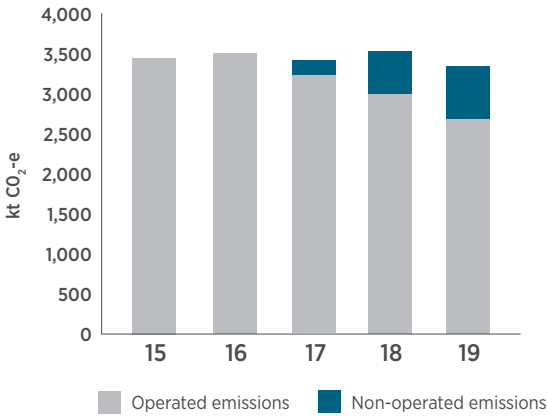
Emissions

In 2019, we reduced our total equity and operated greenhouse gas emissions mainly as a result of the Ngujima-Yin FPSO facility being off-station, preparations for the Greater Enfield Project, an extended turnaround at the Pluto LNG Plant and the decommissioning of the Nganhurra FPSO. We also reduced our flaring by 14% with improved performance observed after maintenance turnarounds.

Scope 1 & 2 operated emissions by source



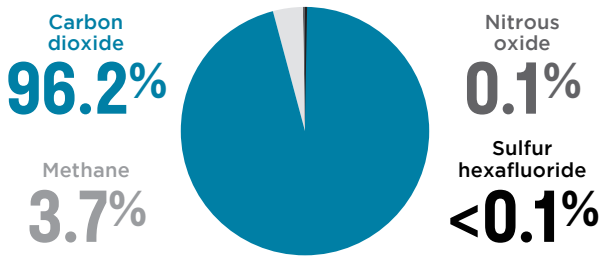
Scope 1 equity emissions



Within our overall greenhouse gas emissions, carbon dioxide remains the largest source. Our methane emissions reduced by over 15% in 2019 and we continue to focus on initiatives that support the Methane Guiding Principles initiative.

Refer to page 28 for more information on the Methane Guiding Principles initiative.

Operated emissions by gas



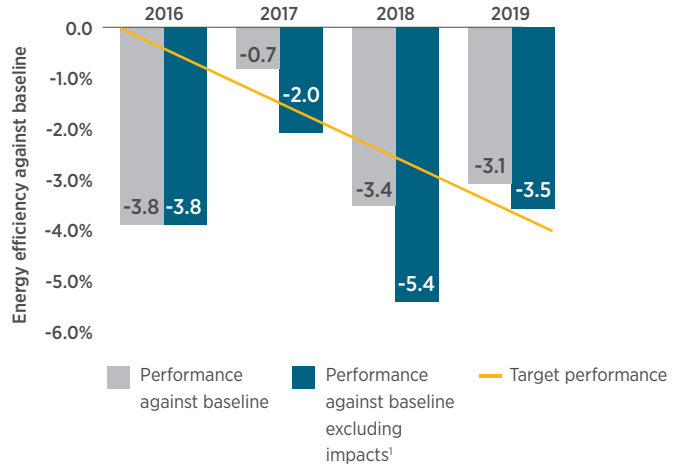
Energy efficiency

In 2019, extended maintenance turnarounds impacted progress against our target of 5% energy efficiency improvement against baseline by 2020. These turnarounds will contribute to our target by improving plant performance, at the cost of short-term impacts. This was reflected in our energy efficiency improvements against baseline reducing to 3.1%, down from 3.4% in 2018. We remain committed to our 2020 target and will focus on maintaining high reliability of our facilities and continuing to implement efficiency improvement projects.

We delivered a total of 17 energy efficiency improvements across our operated asset portfolio in 2019, including the commissioning of a lithium-ion battery energy storage system on the Goodwyn-A offshore platform.

Refer to page 28 for more information on our energy efficiency improvements

Energy efficiency performance



Portfolio resilience

In testing the resilience of our portfolio, we consider sensitivities across a range of variables, including commodity prices, carbon prices, exchange rates and interest rates.

Refer to pages 42 and 43 in our Annual Report 2019 for our response to the Task Force on Climate-related Financial Disclosures.

Policy advocacy

Climate change is an important and complex issue that requires stable, clear, national policies that allow business to invest in initiatives to limit emissions. We continue to support global carbon pricing to achieve low-cost emissions reductions. We support Australian climate and energy policy that sets scientifically based targets, prices emissions using market mechanisms, protects international competitiveness and endures over the long term. Advice issued by the Climate Change Authority to date aligns well with our position on how to deliver these policy objectives.

Refer to our website for government submissions and reports relating to climate change.

Refer to our website for Woodside's Response to CDP (formerly the Carbon Disclosure Project).

1. Impacts include one-off production interruptions such as maintenance turnarounds

CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS

Woodside is committed to limiting our greenhouse gas emissions and playing a significant role in the world's energy transformation. We achieve this under four key pillars.

EFFICIENT FACILITY DESIGN



When we design our facilities, we consider latest updates to industry best practice and use of novel technologies to drive improvements in performance. We have incorporated energy efficiency and emissions reductions measures into the design of our planned facilities, which typically include:

- + High-efficiency turbines to reduce fuel usage
- + Recovering waste heat energy to reduce heating.

We also incorporate additional measures for specific projects including:

Browse

- + Battery backup to reduce fuel gas usage
- + Active electrical heating of flowlines to reduce chemical usage and fuel gas consumption.

Pluto Train 2

- + Integrating electrical power generation across the facility
- + Improving performance by cooling inlet air streams.

Sangomar Field Development

- + Using seawater to directly cool fluid processing systems.

EFFICIENT OPERATIONS



Woodside facilities adopt a structured process to identify and implement opportunities in our operational practices that improve energy efficiency, reduce fuel use and minimise flaring.

Microgrid technology

The world-first application of microgrid technology, lithium-ion battery energy storage system, on the Goodwyn-A offshore platform, was commissioned in mid-2019. It is expected to reduce the platform's use of fuel gas by more than 3,000 tonnes per year, improve platform energy efficiency by 4%, and reduce greenhouse emissions by 7,000 tonnes CO₂-e per year.

Reducing fuel gas usage

We have reduced fuel gas usage at Karratha Gas Plant by allowing plant operators to optimise power generation. This will reduce the number of generators in use, with early estimates indicating a reduction of 48,000 tonnes CO₂-e per year.

Global initiatives

Woodside is a signatory to the World Bank's Zero Routine Flaring initiative, committing to implement strategies to eliminate routine flaring from our oil assets by 2030 and report annually on progress to the World Bank. We have also committed to the Methane Guiding Principles initiative to continually reduce methane emissions along the natural gas value chain. In support of this, we joined the Sustainable Gas Institute to host the world's first methane masterclass, bringing together all elements of the natural gas value chain to support initiatives under the Guiding Principles.

OFFSET



In 2019, we set a target to offset our global portfolio equity reservoir CO₂ from 2021. Our internal carbon business continues to develop and acquire large-scale carbon offsets, including land-based solutions for carbon sequestration. These opportunities include partnerships for environmental planning, human-induced land regeneration and Indigenous fire management projects.

Greening Australia partnership

During the year, we commenced a partnership with Greening Australia to create quality carbon offsets by undertaking large-scale native tree planting projects, predominantly in Western Australia. When combined with our previous investment in the Pluto trees initiative, Woodside has invested more than A\$100 million dollars in bio-sequestration across Australia over the past ten years.

Woodside supports the growth in capacity and capability of Australia's carbon farming industry, acknowledging the co-benefits in generating offsets locally. Offsets are an efficient way of reducing the amount of carbon in the atmosphere and creating jobs and local content, while promoting biodiversity.

DIVERSIFY



Woodside aims to remain resilient in a lower-carbon world. We are developing new markets for LNG to displace higher emissions fuels, including replacing heavy fuel oil in ships, and diesel for power in remote locations.

We are also exploring opportunities associated with producing and exporting hydrogen. Hydrogen is a versatile, reliable and a clean-burning source of power and fuel. It is already being produced from our LNG exports in some of our destination markets. Our experience in producing and exporting LNG positions us well for complementary opportunities in large-scale hydrogen for industrial use.

Carbon technologies

We are exploring technologies that use carbon dioxide at scale, including bio-sequestration, methanation, reforming and mineralisation.

In 2019 we joined Global CCS, an international organisation developing collective knowledge and expertise in carbon capture and storage (CCS) technologies. We maintained our membership with CO₂CRC, Australia's leading CCS research organisation in technology and expertise to support long-term commercialisation of CCS.

ENVIRONMENT

We recognise that strong environmental performance underpins our success and continued growth.

2019 Highlights

- + Progressed primary environmental approvals for our Burrup Hub projects
- + Awarded the 2018 Australian Petroleum Production & Exploration Association (APPEA) Company Environment Excellence Award
- + Continued to support biodiversity knowledge and capacity building in our international exploration and development activities

2020 Priorities

- + Obtain environmental approvals for our Burrup Hub projects
- + Continue to progress environmental studies for our growth activities in Myanmar and Senegal

Our approach

We are committed to understanding and managing the environmental impacts associated with our activities. Our approach includes:

- + Robust environmental risk management
- + Strong partnerships with local researchers
- + Transparency of our environmental knowledge.

Research published from our partnerships assists our decision-making on environmental management and increases understanding and knowledge sharing across the broader community.

In 2019, Woodside's commitment to responsible environmental management was recognised by APPEA through its 2018 Company Environment Excellence Award. This is our sixth award in the past 11 years.

Our environmental partnerships

We have a long history of collaborating with science and educational institutions, government and non-government organisations, and Indigenous and community groups. These long-term relationships, including our partnerships with the Australian Institute of Marine Science (AIMS) and Western Australian Museum that span more than 20 years, have contributed scientific knowledge that has improved the understanding of biodiversity and ecological function in Western Australia's tropical marine ecosystems.

In Myanmar, we entered the third year of our science partnership with Fauna & Flora International to continue to build capacity in coral reef habitat-mapping and mangrove ecology at the Marine Science departments of Patheingyi, Mawlamyine and Myeik universities. The small grant program associated with the partnership supported 26 university staff and students, enabling recipients to conduct independent field research that contributes to higher degree qualifications. Woodside also led a data-sharing initiative with seven oil and gas operators that contributed to knowledge of marine fauna biodiversity in offshore waters in north-west Myanmar.

Environmental studies

Our collaborative studies have resulted in more than 200 peer-reviewed scientific publications and are highlighted in numerous videos and books. The research published from these long-term partnerships will help guide policy makers, natural resource managers and the public towards ensuring a more sustainable future for our oceans and communities.



Myanmar students participating in a field training program as part of our partnership with Fauna & Flora International.

In 2019, we conducted a range of environmental studies, surveys, stakeholder consultations and impact assessments to support our primary environmental approval processes. These included the Environmental Impact Statements and Environmental Review Documents supporting our Burrup Hub growth projects. These documents were released for public comment in December 2019 and provide Commonwealth and state regulators with the information required to assess the project proposals against the *Commonwealth Environment Protection and Biodiversity Conservation Act 1999* and the *Western Australian Environmental Protection Act 1986*.

We undertook a study with AIMS on a section of the subsea Pluto LNG trunkline to examine fish-habitat association. The examined section of the trunkline runs through the Australian Commonwealth Montebello Marine Park and provides a hard seafloor habitat for fish to colonise on. Over 7,000 fish from 81 species were identified. Studies like these contribute knowledge about the value that oil and gas infrastructure provides as a habitat and potential impact on biodiversity and ecology in marine parks.

This knowledge informs decisions about pipeline routes for new developments, such as Browse, and decommissioning options when these structures reach the end of their field life.

Collaborative expansion of the Ningaloo Turtle Program

We have supported the Government of Western Australia's Department of Biodiversity, Conservation and Attractions (DBCA) Ningaloo Turtle Program since 2012. The program provides information that contributes to the management of marine turtle seasonal nesting habitats along the Ningaloo coast. Through collaborative expansion of the program between 2017 and 2019¹, DBCA has been able to:

- + Conduct on-beach and aerial surveys that confirmed the importance of the Muiron Islands, offshore islands inside the Ningaloo Coast World Heritage Area, for nesting by green and loggerhead turtles
- + Deepen understanding of the behaviour and movement of female green and loggerhead turtles between nesting activities, identify foraging grounds within the Ningaloo Marine Park and confirm migration routes post-nesting using satellite tracking
- + Better understand distribution patterns of marine turtles at more remote nesting habitats along the southern Ningaloo coast
- + Involve Indigenous trainee rangers in the development of remote marine turtle monitoring programs including training, monitoring and program management.

The additional research and surveys have provided new knowledge on specific marine turtle species, which supports effective on-ground management, conservation and monitoring activities within the Ningaloo Marine Park and Ningaloo Coast World Heritage Area.



A turtle on the Muiron Islands inside the Ningaloo Coast World Heritage Area.

1. As part of a joint venture between Woodside and Mitsui E&P Australia Pty Ltd.

MAJOR INCIDENT PREPAREDNESS

The ability to respond in the event of a major incident is a key focus of Woodside.

2019 Highlights

- + Maintained high levels of preparedness and response capability through our testing and exercising program
- + Developed and delivered improved crisis leadership training
- + Extensive cross-industry collaboration leading to streamlined emergency response capabilities on the Burrup

2020 Priorities

- + Major oil spill exercise including a full-field deployment of personnel and equipment
- + Continued roll-out of the Incident and Crisis Management Leadership Development Program

Our approach

By carefully planning, reviewing and testing our major incident response capabilities, we ensure we meet our obligations to our stakeholders and, in particular, the communities where we are active. Our global crisis and emergency management framework is based on international best-practice standards and uses an all-hazards approach of 'prevent, prepare, respond and recover'.

Incident and crisis leadership

In 2019, we developed a program targeted at incident and crisis leaders, focusing on leadership practice during critical incidents. The program aims to improve our ability to respond to major accidents and environmental events, whilst providing skills that are transferable into everyday activities. As a proprietary offering, the program is regarded as an Australian industry first and reflects Woodside's desire to maintain a high level of capability and preparedness.

During the year, we tested and confirmed our incident response capability by conducting:

500 emergency response drills

14 emergency management exercises

1 crisis management exercise



A crisis exercise underway at Woodside's Perth headquarters.



OUR APPROACH

TRANSPARENCY

Company transparency about financial payments to governments is critical for confidence and stability in fiscal, political and regulatory regimes.

Our transparent approach to tax

We are a proud Australian company and a significant taxpayer, globally recognised for our approach to tax.

Our tax governance framework and Tax Policy stipulate that we will comply with all tax laws and regulations applicable to our business. We also recognise that investment decisions and project developments are underpinned by stable, sustainable and competitive tax and fiscal regimes.

We believe that taxes should be paid where value is created. We do not support the use of artificial arrangements. We engage proactively with tax policy setters and administrators, maintaining open and constructive relationships.

We work with the Australian Taxation Office (ATO) and voluntarily operate under an Annual Compliance Arrangement (ACA), which allows for interaction on tax matters and a framework for real-time disclosure. The ACA is only available to taxpayers that are trusted, transparent, compliant and have a robust tax governance framework.

We recognise the need to be open, transparent and accountable to maintain the trust of our employees, contractors, suppliers and customers. We voluntarily participate in the Board of Taxation's Tax Transparency Code in Australia, with Part A of the recommended disclosures located in our Annual Report 2019 and Part B in this report, supported by further information on our website.

For the past three years, we've achieved a perfect score in the approach to tax category in the Dow Jones Sustainability Index (DJSI). The DJSI is a global benchmark that tracks the performance of leading companies in terms of economic, environmental and social criteria.

☞ Refer to the Tax Transparency section of our website for more information on our approach and government submissions and reports related to tax.

We pay our taxes

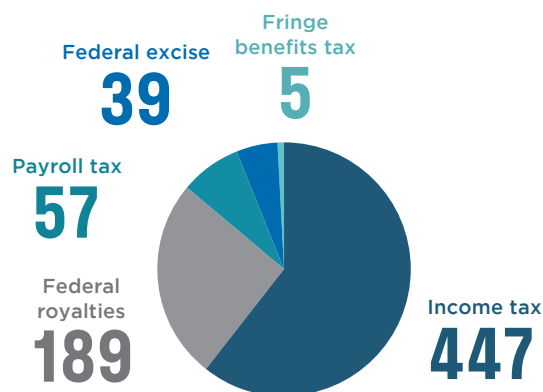
We do the right thing when it comes to paying taxes due under law. It is one of the ways we support our social licence to operate.

We're a significant taxpayer in Australia, where the majority of our producing assets are located, income is earned and more than 95% of our taxes are paid.

In addition to corporate income tax, our hydrocarbon production is subject to a complex mix of Australian taxes, including petroleum resource rent tax, federal royalties and federal excise. Woodside's tax liability is affected by a number of factors, such as changes to production, operating fields and commodity prices impacting revenues, as well as cost of sales and capital investment impacting expenditures.

In 2019, we paid A\$737 million in tax and royalties to federal and state governments in Australia and A\$4.4 billion over the past five years.

2019 Australian tax contribution (A\$m)



Our effective income tax rate on our Australian profits of 29.3% in 2019, compared with 29.4% in 2018, continues to be near to (and is sometimes greater than) the Australian corporate tax rate of 30% as outlined in our Annual Report 2019.

☞ Refer to the 'We pay our taxes' page on our website for more information about our tax contribution, including a comparison with 2018 and the ATO's tax data release.

☞ Refer to the Tax Transparency section of our website for information on why corporate income tax is not just 30% of profits.

We remain a significant Australian taxpayer with more than

95%

of our taxes paid in Australia

In 2019, we paid

A\$ 737

million in taxes and royalties in Australia

International related-party dealings

We apply arm's-length principles to our international related-party dealings for our global business activities.

The majority of Woodside's international related-party dealings support services provided by personnel from our corporate headquarters in Australia. The total value of these services is not significant when compared to the revenue from production activities.

Our Singapore office sources new buyers and uses real-time LNG trading markets to sell our uncommitted Australian LNG cargoes. The profits from these cargoes are subject to tax in Australia.

Other support functions, including representative offices and group services, are located across the globe in proximity to important assets and markets.

Refer to our Annual Report 2019 for a full list of Woodside's Group of Companies, their country of incorporation and our ownership interest.

Industry association memberships

Peak industry organisations provide members with a forum for discussion on policy issues and to share best-practice approaches. Woodside participates in these associations to increase our awareness, understand stakeholder expectations and to show leadership on a range of topics important to our company and our stakeholders.

We monitor the positions of organisations we are members of and while our views do not always align, we seek to influence their positions on a range of policy issues.

Refer to our website for more information on memberships.



Extractive Industries Transparency Initiative

Woodside joined the Extractive Industries Transparency Initiative (EITI) in 2005 and became an EITI Supporting Company in 2008. The EITI is a global standard to promote the open and accountable management of extractive resources. Woodside is committed to reporting our petroleum tax and fee payments in respect of operations in implementing countries where we have an interest.

Payments to political parties

Woodside regularly engages with governments of countries where we are active to exchange information and views essential to mutually informed decision-making. We established a representative office in Canberra in 2019 to support our government engagements and facilitate progress of our growth projects.

The Woodside Board agreed to renew our membership to the two major federal political party business forums in Australia in 2019: the Federal Liberal Party Australian Business Network and the Australian Labor Party Federal Business Forum. Woodside also joined the federal National Party's National Policy Forum and the state-based business forums of the Labor, Liberal and National parties in Western Australia.

Woodside's political contributions for the financial year 2018/19, as published by the Australian Electoral Commission AEC, totalled A\$283,340. This comprised A\$110,000 each for membership of Liberal and Labor federal business associations and A\$63,340 for participation in other state and federal political conferences and events.

Woodside does not donate to campaign funds for any political party, politician or candidate for public office in any country.



FRAUD, ANTI-BRIBERY AND CORRUPTION

We seek to prevent, detect and effectively respond to all acts of fraud or corruption within or associated with Woodside.

2019 Highlights

- + Detected no violations of anti-bribery and corruption laws within or in connection with Woodside's business
- + Completed anti-bribery compliance audits on social investment partners, and capability assessments for logistics tenderers in Senegal
- + Trained 100% of our employees on anti-bribery as part of the Code of Conduct annual refresh
- + Trained staff in higher-risk roles in annual advanced anti-bribery training
- + Conducted an external review of our anti-bribery compliance program, confirming it remains fit for purpose

2020 Priorities

- + Enhance due diligence and capability assessments on proposed major project contractors
- + Deploy enhanced case management and real-time analytics tools

Our approach

Fraud, bribery and corruption continue to affect developed and developing countries alike. The extractives industry continues to be a target and prone to their impacts, including undermining fair competition and diverting funds into the hands of criminals, dishonest officials and opportunists.

We are committed to avoiding fraudulent or corrupt activities in connection with all of our operations and activities. During 2019, we arranged an independent external review of our anti-bribery and corruption processes. The review concluded that

the program remains fit for purpose and in line with good anti-bribery compliance programs.

Our anti-bribery compliance program is reflected in contract terms and conditions, with specific obligations on contractors to comply with anti-bribery and corruption requirements. When entering non-operated joint venture agreements or higher risk supply contracts, we conduct risk-proportionate due diligence, assess capability of the counterparty, and periodically conduct compliance audits.

To ensure we remain vigilant to the risk of bribery and corruption, we implemented the following improvements in 2019:

- + Introduced additional due diligence and monitoring capability covering reputation risk
- + Revised our whistleblowing management and response processes in line with Australian legislation changes
- + Introduced compliance audits of our social investments.

We also conducted seven anti-bribery and corruption compliance audits, resulting in recommended improvements to due diligence, subcontractor terms and sponsored travel arrangements.

Managing the risk

We regularly assess and monitor integrity and financial crime risks applicable to our business. This is reflected in our approach to the prevention and detection of fraud and corruption, including all commercial activities and engagement with government. During 2019, stand-alone risk assessments for our Senegal and Myanmar assets were enhanced, including local due diligence processes refined, and tailored supplier codes of conduct developed.

Annual advanced anti-bribery training was delivered to more than 2,000 personnel, including all personnel in international locations or travelling to high-risk locations.



SUPPLY CHAIN AND LOCAL CONTENT

To enable Woodside’s growth opportunities, we continue to lead procurement strategies to deliver value, build commercial expertise and foster sustainable supply chains.

2019 Highlights

- + Expanded the usage of data analytics tools to facilitate better contract management
- + Continued the adoption of digital technology to improve supply chain efficiency
- + Further progress against Woodside’s Reconciliation Action Plan commitments, with a 16% increase in new contracts awarded to Indigenous businesses

2020 Priorities

- + Provide greater support for contract management, including expanding specific role placements
- + Improve processes and digital systems to simplify the contracting and procurement process
- + Continue supply chain sustainability actions including collaborating with industry on human rights initiatives

Our approach

In line with Woodside’s focus on continuous improvement, we streamlined our contracting and procurement processes in 2019 to maximise value from our supply chain. This included the introduction of a data analytics platform, increased use of automation and simplified governance for lower-risk contractual commitments. This focus will continue in 2020 to support our growth activities.

We increased training, tools and support for our contract managers to maximise value from our supplier relationships. We also progressed towards a revised digital structure to increase efficiencies in the contracting processes, with increased use of automation.

We actively manage Australian Industry Participation Plans that outline our actions to provide Australian industry with full, fair and reasonable opportunity to participate in our projects. In 2019, we had six plans in place for major projects including Scarborough, Pyxis, NWS Subsea Tieback Program, Pluto Train 2, Julimar and Greater Enfield.

In line with the requirements of these plans, supplier briefings and information sessions were held in Perth, Karratha and Broome, providing opportunities for local suppliers to express interest in participating in our projects.

To better understand and manage the modern slavery risks in our supply chain, we introduced human rights clauses into our major project contracts and delivered modern slavery awareness training.

Refer to page 24 for more information on human rights.

Our performance

In 2019, Woodside spent and committed A\$4.3 billion across more than 2,000 suppliers.¹ The majority of spend was with Australian-based suppliers, supporting local jobs and businesses.

The following positive outcomes against our Elevate Reconciliation Action Plan procurement commitments were delivered in 2019:

- + 143 active purchasing relationships with Indigenous businesses
- + 3% increase in value of contracts awarded to Indigenous businesses.

The A\$55 million NWS housing refurbishment project to upgrade 400 homes continued in 2019, with 95% of subcontracting opportunities delivered to 24 local companies in Karratha. The project is being delivered by two separate contractors, with one being an Indigenous-owned and operated business that has employed 51 local Indigenous people.

GLOBAL SPEND BY COUNTRY²

AUSTRALIA	84%
SINGAPORE	4%
UNITED KINGDOM	3%
ITALY	3%

1. Converted from USD at the average 2019 exchange rate.

2. Spend also includes commitments.

REGULATORY COMPLIANCE

We set global expectations for our activities to ensure we comply with regulatory obligations, manage risk and meet the expectations of our stakeholders.

2019 Highlights

- + No violations of anti-competitive practice laws
- + No significant fines or sanctions
- + Implemented a new service delivery model to deliver more effective and efficient service to stakeholders

2020 Priorities

- + Support timely regulatory approvals for our growth projects
- + Centralise monitoring of regulatory changes in global jurisdictions
- + Implement enhanced integration of regulatory compliance with governance and risk

Our approach

Woodside's rights and interests, and those of our stakeholders, are enabled and protected by the laws of the countries where we work. It therefore follows that respect for and complying with the law is core to our values.

In undertaking our global business activities, we comply with a broad range of regulatory requirements across all parts of our business to ensure:

- + Regulatory obligations are identified, understood and assessed for applicability in the specific circumstances
- + Responsibilities to comply with regulatory obligations have been identified and clearly communicated
- + Regulatory obligations are being met and reported against
- + Where regulatory obligations are not met, or not likely to be met, corrective actions are taken.

Our management system sets global expectations for the way we work, supported by more detailed internal processes and controls designed to achieve our business objectives while managing risk and meeting our regulatory obligations. In 2020, we will enhance the integration between regulatory compliance, risk, and governance data and controls to provide further insight into the life-cycle of regulatory compliance management to drive continuous improvement.

Our 2019 performance

We met 2,114 regulatory compliance deadlines across 51 facilities and projects, and 69 corporate entities in 20 countries.

There were no violations of anti-competitive practice laws detected within or in connection with Woodside and no significant monetary or non-monetary sanctions or fines were received. Three regulatory infringement notices were received in relation to our activities.



OUR STAKEHOLDERS

Woodside applies a consistent approach to stakeholder engagement to understand and manage our impacts and enhance the social and economic opportunities for the communities where we are active.

Our external stakeholder engagement procedure outlines our commitment to transparent communication and feedback with our stakeholder groups. The table below outlines how we engage with our eight key stakeholder groups, their interests and our responses to these. As part of compiling this report, we consulted representatives from each stakeholder group and identified topics of material concern as outlined on page 10.

Stakeholder	How we listen	What matters	What we do
Customers	<ul style="list-style-type: none"> + Regular engagements to manage delivery of liquids and LNG + Proactive engagement to understand short- and long-term needs + In-country representatives with marketing offices in four locations 	<ul style="list-style-type: none"> + Reliable and safe product delivery + Manage production and operational risks + Product quality and cost 	<ul style="list-style-type: none"> + Focus on safe and reliable operations + Develop projects to meet customers' energy needs + Deliver supply arrangements tailored to customer requirements + Site visits and staff exchanges
Employees	<ul style="list-style-type: none"> + Regular feedback sessions, performance reviews and personal development plans for all employees + Encourage active involvement in our internal inclusion and diversity-focused community groups + Employee surveys 	<ul style="list-style-type: none"> + Feeling engaged and being enabled to do their job + Career development opportunities + Fostering a values-led organisational culture + Supporting inclusion and diversity + Health and safety performance, including mental health and wellbeing + Working sustainably 	<ul style="list-style-type: none"> + Promote our Compass values + Ongoing employee safety, health and wellbeing initiatives + Annual staff briefing with the CEO and senior executives + Annual Woodside Awards, recognising outstanding employee achievement and contribution + Program to engage our network of retired employees
Investors and finance providers	<ul style="list-style-type: none"> + Regular meetings with investor representatives and financiers 	<ul style="list-style-type: none"> + Superior shareholder returns + Management of financial and non-financial risks + High-quality corporate governance + Climate change risk management + Health and safety performance 	<ul style="list-style-type: none"> + Investor briefings + Full-year and half-year results briefings + Annual General Meeting + Australian Securities Exchange announcements
Joint venture participants	<ul style="list-style-type: none"> + Regular meetings with joint venture committees + Participation in business reviews and audits 	<ul style="list-style-type: none"> + Health and safety + Reliability and safety of supply, product quality, cost and delivery + Environmental and social impact management + Growth opportunities + Governance and transparency 	<ul style="list-style-type: none"> + Work collaboratively to: <ul style="list-style-type: none"> • Safely deliver operations and growth • Identify and engage with stakeholders • Develop and maintain value for stakeholders

Continued on page 40.

OUR STAKEHOLDERS

Stakeholder	How we listen	What matters	What we do
Local and Indigenous communities	<ul style="list-style-type: none"> + Regular community and cultural heritage update meetings + Social impact and opportunities assessments + Community perception surveys + Community grievance mechanism + Community events and information sessions + Local social media channels 	<ul style="list-style-type: none"> + Local employment and contracting opportunities + Economic benefits + Cultural heritage management + Cost of living and potential impacts on local services 	<ul style="list-style-type: none"> + Regular community consultations + Local jobs portal and supplier forums + Targeted social investment programs + Develop, implement and maintain Indigenous agreements + Monitor community social indicators
Local, state and national governments	<ul style="list-style-type: none"> + Ongoing liaison with regulators, government agencies and a broad range of political stakeholders 	<ul style="list-style-type: none"> + Economic benefits + Responsible oil and gas resource development + Environmental, cultural heritage, social and fiscal performance + Climate change and greenhouse gas emissions + Regulatory compliance + Transparency 	<ul style="list-style-type: none"> + Regular engagement with all levels of government + Direct submissions to state and national governments' consultation processes + Contribute to domestic and international industry and business association submissions
Non-government organisations	<ul style="list-style-type: none"> + Input into social and environmental impact assessments + Regular participation in industry forums and associations 	<ul style="list-style-type: none"> + Climate change and greenhouse gas emissions + Environmental impacts + Anti-bribery and corruption + Transparency + Human rights 	<ul style="list-style-type: none"> + Participate in the Extractive Industries Transparency Initiative + Engagement on growth projects
Suppliers and contractors	<ul style="list-style-type: none"> + Regular reciprocal supplier performance reviews + Embedded supplier relationship management with our Tier 1 suppliers + Supplier feedback survey 	<ul style="list-style-type: none"> + Strong contractor performance + Supply opportunities for growth projects + Health and safety + Supporting Indigenous contractors + Technology and innovation + Capable and effective employees 	<ul style="list-style-type: none"> + Collaborate to deliver tangible safety improvements + Provide supplier forums for growth projects + Collaborate to improve local content and Indigenous engagement outcomes + Continuous anti-bribery and corruption monitoring



OUR FUTURE

INNOVATION AND TECHNOLOGY

Woodside pioneered the LNG industry in Australia more than 30 years ago, and we are now pioneering the industry's digital transformation.

2019 Highlights

- + Commenced a landmark seven-year collaborative research partnership with Monash University to support the sustainable transition to a lower-carbon economy
- + Commenced building a digital twin of our Pluto LNG onshore facility to optimise the use of sensors and robotics
- + Continued to optimise production at Pluto LNG through data algorithms and scaled this capability to other assets

2020 Priorities

- + Optimise the use of sensors and robotics for our growth projects
- + Commence quantum computing work program with IBM and Massachusetts Institute of Technology (MIT)
- + Complete construction of E-ZONE at The University of Western Australia showcasing new approaches to engineering and mathematical sciences education and research
- + Implement our Digital Academy workforce skills initiative across the organisation

Our approach

From the first LNG facility in the southern hemisphere to the world's largest not-normally crewed offshore platform, Woodside has long been a leader in applying oil and gas technologies.

Our approach is to start with the business problem or opportunity, to ensure we remain focused on our strategy and prioritise the right challenges to work on. Next, we prototype small to learn quickly before scaling the improved solutions – fast.

Partnerships

In 2019, we advanced several collaborative innovation partnerships that underpin our work. We took equity stakes in companies including GLX, Sapien Cyber and Blue Ocean Seismic Services, all Western Australian technology start-ups. We became the first enterprise-level deployment of Schlumberger's DELFI environment for our petrotechnical data and entered a new partnership with the Australian Space Agency, complementing our existing relationship with the US National Aeronautics and Space Administration. We also announced new chapters in our long-standing partnerships with Monash University, IBM and Amazon Web Services that will support our journey towards cleaner energy production, new energy sources and intelligent facilities.

The transition to a lower-carbon economy will require wide-ranging collaboration and innovation across the energy sector.

We joined forces with Monash University to develop a state-of-the-art 'living laboratory' and long-term research partnership to support Australia's lower-carbon energy transition.

We are contributing A\$16.5 million to the construction of the Woodside Building for Technology and Design, located in the Monash Technology Precinct in Victoria. The Precinct houses Australia's largest concentration of research institutions and leading engineering companies. The building is due for completion in early 2020 and will be one of the world's most efficient and innovative teaching facilities.

Through the partnership, we will explore the possibilities of hydrogen and carbon abatement, with a focus on materials, electro-chemical and thermal chemical research. Woodside and Monash will also jointly invest more than A\$40 million into the ongoing research partnership over the next seven years.

We also progressed carbon management and new energy work through an agreement with Greening Australia to undertake large-scale biodiverse tree planting.

Refer to page 29 for more information on the Greening Australia partnership

Exploring hydrogen

We are investigating opportunities associated with hydrogen that complement our experience in producing and exporting LNG. While this industry is still in its infancy, we are exploring the role we can play, including:

- Extending a memorandum of understanding with Korea Gas Corporation to conduct a feasibility study on a green hydrogen export project
- Joining the HyNet consortium, which aims to deliver 100 hydrogen refuelling stations in Korea over four years.

Intelligent assets

Our intelligent asset work focuses on combining the internet of things, artificial intelligence (AI), edge computing and advanced robotics technologies to deliver timely insights to our site-based and remote workforces. This comes with the challenge of generating petabytes of data, which must be processed, managed and analysed so our workforce can receive key insights to act on, empowering decision-making and reducing exposure to safety risks.

During the year, we started building a digital twin of our Pluto LNG facility that will bring sensor and robotics data together with engineering and production information. The digital twin is expected to provide a single location to access knowledge about the facility, integrating many different sources of data and providing an added past and predictive time dimension for analysis and insight.

Digital transformation and AI

We have been at the forefront of adoption and adaptation of digital technologies, reaching significant milestones in 2019 on two multi-year projects. We became the first upstream oil and gas company to completely digitise our seismic data, transferring decades worth of tapes to cloud storage. When combined with our enterprise-level deployment of Schlumberger's DELFI environment, this will facilitate faster reviews and a greater focus on generating insights to investigate.

We also commenced a project to reimagine the onboarding process for new employees, reducing the need to access multiple systems. The methodology used in this project will help us increase the speed of innovation, and re-design workflows to transform the way our people work. We renewed our collaborative partnership agreement on AI with IBM and are moving into quantum computing research with IBM and the MIT, as achieving scale quickly is key for our Burrup Hub facilities to operate as intelligent facilities.

The future of work

Roles across Woodside are changing through applied technologies. Our workforce is not being displaced by these changes; it is expanding. Technology is leading to better use of the skills and knowledge of the people we already employ, as well as creating roles that are new in our industry.

In this environment, it is essential that our workforce remains curious and adaptable.

We are investing in the development of our people through our digital academy, launching in 2020. The digital academy will allow our people to drive their own personal and professional development anywhere, anytime and on any device.

With the future in mind, we continue to invest in research programs and professionals, as well as broader initiatives that inspire community interest in and passion for science, technology, engineering and mathematics (STEM).

During 2019 we contributed more than A\$2.5 million towards research partnerships with universities, recognition for scientists and innovators, and STEM facilities and outreach programs aimed at young people and families.



The Woodside Building for Technology and Design is due to open in 2020, part of the Woodside–Monash Energy partnership for a lower-carbon future in Australia. The building will be one of the most efficient and innovative teaching buildings of its type in the world, using a combination of solar and hydrogen as its energy source.

CYBERSECURITY

We are committed to the protection of our people, assets, reputation and brand through securely enabled operations.

2019 Highlights

- + Reduced time to detect and respond to a cyber incident
- + Established a testing program to assess the security of our most critical systems
- + Invested in Sapien Cyber that developed technology designed to protect critical infrastructure from cyber attacks

2020 Priorities

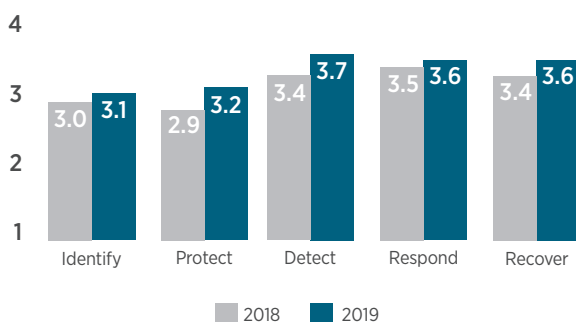
- + Continue to understand and protect our assets and information
- + Change the way we control digital access to specific information and operations technology resources based on risk, allowing for better segregation in the event of a compromise
- + Continued awareness and assurance programs to raise the level of cyber knowledge across the organisation

Our performance

We continue to invest in, and rely on, digital technologies to support our activities, but acknowledge that cyber risk has increased due to the external digital environment. To ensure we are prepared to respond, we increased the risk level attributed to cybersecurity in 2019 and continue to focus on protecting our assets and information.

To assess our cyber performance, we conducted an external review against the National Institute of Standards and Technology cybersecurity standard. This standard is widely used amongst Western Australia's energy, utilities and resources sectors and the review found that our performance has improved, placing us ahead of the sector average in the majority of measures in 2019.

Our cyber performance



Cyber incidents

Our cyber response team identified, and responded to, an increase in attempted cyber attacks in 2019, including sophisticated phishing emails and efforts of large-scale denial-of-service interruptions. This reflects both the heightened external threat environment and our improved ability to detect and contain threats to our network. We use these attempted cyber attacks to strengthen our awareness programs and increase the collective cybersecurity knowledge, which employees can also apply at home.

Our cybersecurity operations centre is at the forefront of technology for detecting and identifying potential incidents and we maintain collaborative relationships with both government and private organisations. Our long-term cybersecurity strategy acknowledges the industry specific threats we are potentially exposed to, and we are working with global partners, including Microsoft and AWS, to continually adapt our cybersecurity approach to ensure Woodside's network is as secure as possible.

Cyber hygiene

Part of our approach to cybersecurity involves testing our digital access points, including deliberate attempts to 'hack' into our systems, identifying vulnerabilities and taking appropriate actions.

We updated our information security awareness training in 2019 to reflect the changing external environment and incorporate relevant updates to our approach. This training is now a mandatory annual requirement for all Woodside employees and service providers with IT access, to build awareness and cyber capability.

In March, we invested in Sapien Cyber Ltd, a Western Australian company specialising in the protection and security of critical infrastructure. The company's technology platform provides unprecedented network visibility, dynamic real-time monitoring and actionable intelligence to reduce dramatically the vulnerability of digital systems to cyber attack.

Our security operations centre has commenced implementing technologies developed by Sapien Cyber, available through our investment, to extend cyber coverage to our operational technology network. We work to ensure our systems and applications are 'secure by design', which is a key enabler and important preventative control.



Notes and definitions

Health and safety

Frequency rates	Frequency rates are calculated per million work hours
Total recordable injury rate (TRIR)	The number of recordable injuries (fatalities + lost work day cases + restricted workday cases + medical treatment cases + permanent partial disability) per million work hours.
Lost time injury (LTI)	An LTI is an incident that results in a fatality, disability or time lost from work. The number of LTIs is the sum of these.
Incident	Is one, or more, of the following: an unplanned release of energy that actually resulted in injury, occupational illness, environmental harm or damage to assets, a near miss, damage or potential damage to company reputation, breach of regulatory compliance and/or legislation, security breach.
Loss of primary containment (LOPC)	An unplanned or uncontrolled release of any material from primary containment, including non-toxic and non-flammable materials (e.g. steam, hot condensate, nitrogen, compressed CO ₂ or compressed air).
Process safety event (PSE) (Tier 1 and Tier 2)	An unplanned or uncontrolled loss of primary containment (LOPC) of any material including non-toxic and non-flammable materials from a process, or an undesired event or condition. Process safety events are classified as Tier 1 - LOPC of greatest consequence or Tier 2 - LOPC of lesser consequence. As defined by American Petroleum Institute (API) recommended practice 754.

People

Total employees	Total number of employees including permanent, fixed term and part-time. Does not include secondees or contractors.
Contractors	Non-Woodside employees, working within Woodside to support specific activities.
Total turnover	Permanent and fixed-term employees who left Woodside voluntarily or involuntarily.
Voluntary turnover	Permanent and fixed-term employees who left Woodside voluntarily for reasons not initiated by the company.
Social investment	Social investment data has been verified by the London Benchmarking Group (LBG) methodology. The LBG verified data includes donations, community investment and commercial initiatives. For more information, visit review.lbg-online.net

Glossary

Terms

AIMS	Australian Institute of Marine Science		
APPEA	Australian Petroleum Production & Exploration Association		
ATO	Australian Taxation Office		
Board	Woodside's governing body - the Board of Directors		
CCS	Carbon capture and storage		
CEO	Chief Executive Officer		
Code	Woodside's Code of Conduct		
DBCA	Western Australia's Department of Biodiversity, Conservation and Attractions		
DJSI	Dow Jones Sustainability Index		
EITI	Extractive Industries Transparency Initiative		
ESG	Environment, social and governance		
Flaring	The controlled burning of gas found in oil and gas reservoirs		
FPSO	Floating, production, storage and offloading facility		
Greenhouse gases	Gases that absorb infra-red radiation, including carbon dioxide, hydrofluorocarbons, methane, nitrous oxides, ozone, perfluorocarbons, vapour and water		
GRI	The Global Reporting Initiative is a network-based organisation that promotes sustainability reporting worldwide. The GRI reporting framework sets out principles and indicators that organisations can use to measure and report their economic, environmental and social performance.		
HSE	Health, safety and environment		
HSER	Health, safety and environment representative		
		IPIECA	International Petroleum Industry Environmental Conservation Association. The global oil and gas industry association for environmental and social issues.
		LBG	London Benchmarking Group
		LNG	Liquefied natural gas
		LTIF	Lost time injury frequency
		MAC	Murujuga Aboriginal Corporation
		NWS	North West Shelf
		NYFL	Ngarluma Yindjibarndi Foundation Limited
		PSE	Process safety event
		RAP	Reconciliation Action Plan
		Renewable energy	Any form of energy from biological, geophysical or solar sources that replenishes itself by natural processes at a rate that is equal to or greater than its rate of use
		SDG	Sustainable Development Goals
		STEM	Science, technology, engineering and mathematics
		Sustainability	Achieving a decent standard of living for everyone today without compromising the needs of future generations. (United Nations, 2013)
		TRIR	Total recordable injury rate
		Upstream	Industry term for operations relating to exploring for, developing and producing as well as marketing crude oil and natural gas. This includes transporting crude oil, natural gas and petroleum products by pipeline or marine vessel.
		VPSHR	Voluntary principles on security and human rights

Units

A\$	Australian dollars	kt	kilotonne
bn	billion	t	tonne
boe	barrel of oil equivalent	tCO ₂ -e	tonnes of carbon dioxide equivalent
CO ₂ -e	carbon dioxide equivalent	USD	US dollars

Sustainable Development Report 2019

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