

BETTER IS A LOWER-CARBON FUTURE

Supporting net zero: Woodside's climate strategy

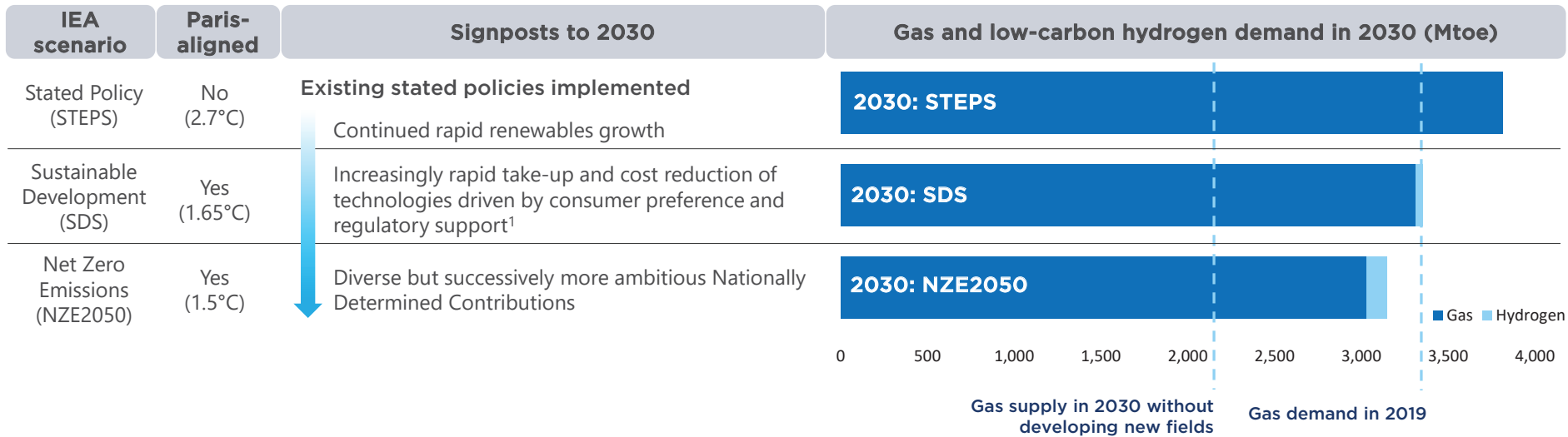
PART OF
A BETTER
FUTURE



As a proud Australian company and leading natural gas producer, we're committed to playing our part in reducing emissions.

We support the Paris Agreement and our natural gas can help reduce global emissions. We aim to be net zero by 2050, and we're challenging ourselves to do better in how we operate today's projects and develop tomorrow's opportunities.

Woodside considers a range of credible policy scenarios, such as those published by the International Energy Agency (IEA).

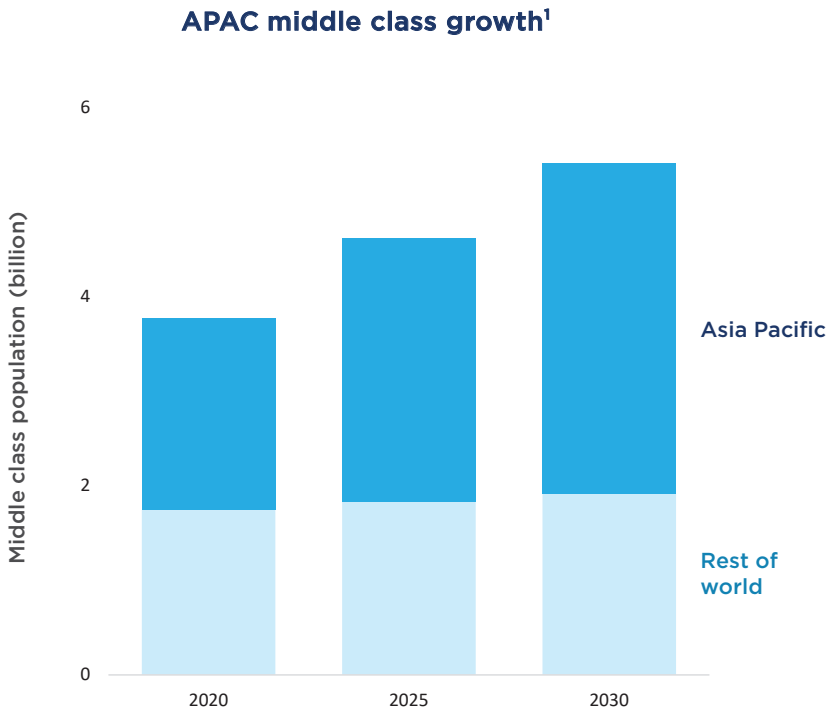


Source: International Energy Agency (IEA) World Energy Outlook 2020.
1. Technologies including hydrogen, CCUS, battery storage and both battery and fuel cell electric vehicles.

THE WORLD NEEDS AFFORDABLE AND CLEAN ENERGY

There is significant demand for investment in gas supply to meet global energy demand in 2030.

- + Increased energy is required as living standards improve.
- + The Asia Pacific (APAC) middle class is estimated to increase by 1.5 billion (75%) people by 2030.
- + Countries are looking to gas as a cleaner and more affordable option to expand their economies that may displace other more carbon intensive energy sources such as coal and biomass.
- + Woodside is well placed to be a part of the global energy transition. Our LNG can help reduce emissions while enabling customers to deliver affordable energy and climate action.



1. Homi Khara, Brookings Institute, 2017.

TAKING ACTION

Our aim is to be net zero in our direct emissions by 2050.

We're going to get there by limiting our direct emissions and building our offset business.

At the same time, we are working to create a better future by developing new energy businesses and low carbon solutions.

1. Woodside equity share.



SUPPLYING GAS TO THE WORLD

Delivering affordable energy and enabling climate action



SUPPORTING PARIS

Targets to support our aspiration for net zero by 2050 or sooner¹



DECARBONISING PRODUCTION

Avoiding emissions through design and reducing through efficient operations



BUILDING OUR OFFSET BUSINESS

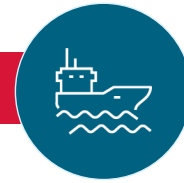
One of the largest carbon farming private investors in Australia



NEW ENERGY & LOWER-CARBON SOLUTIONS

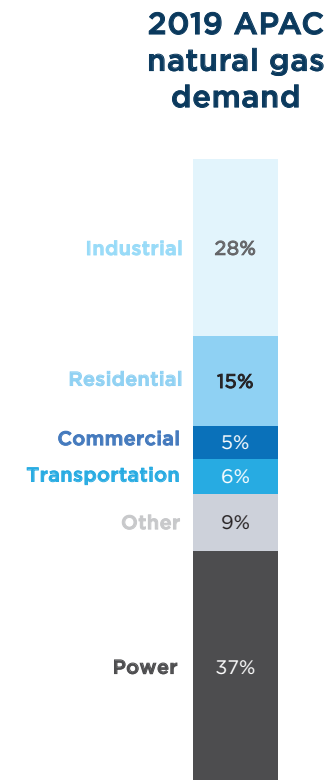
Investing in hydrogen, LNG fuels, research and development





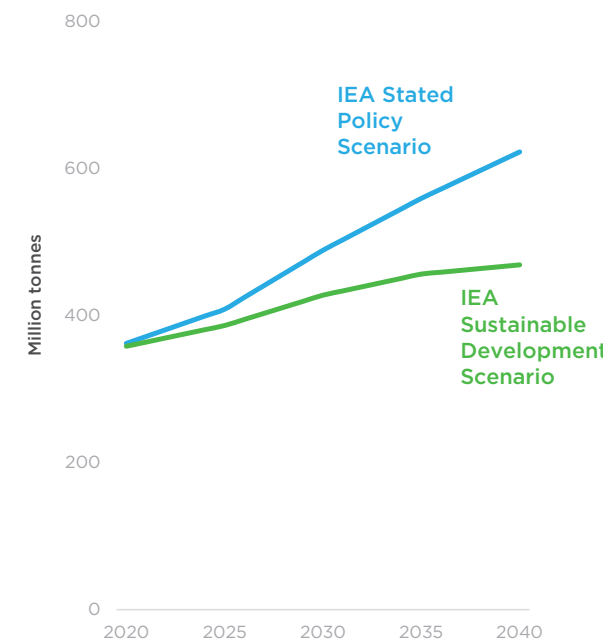
Natural gas and LNG will play an important role in the future energy mix.

- + As forecast by the IEA's 2020 World Energy Outlook, LNG demand will continue to grow under Paris-compliant scenarios.
- + Gas is used in a very broad range of applications beyond just power including the industrial, transport and building sectors which are hard to electrify and therefore where renewables have limited application.
- + To remain competitive in the long term, the LNG industry needs to continue its journey to reduce methane and carbon dioxide emissions across the entire value chain.



1. Source: IHS Markit, IEA World Energy Outlook 2020.

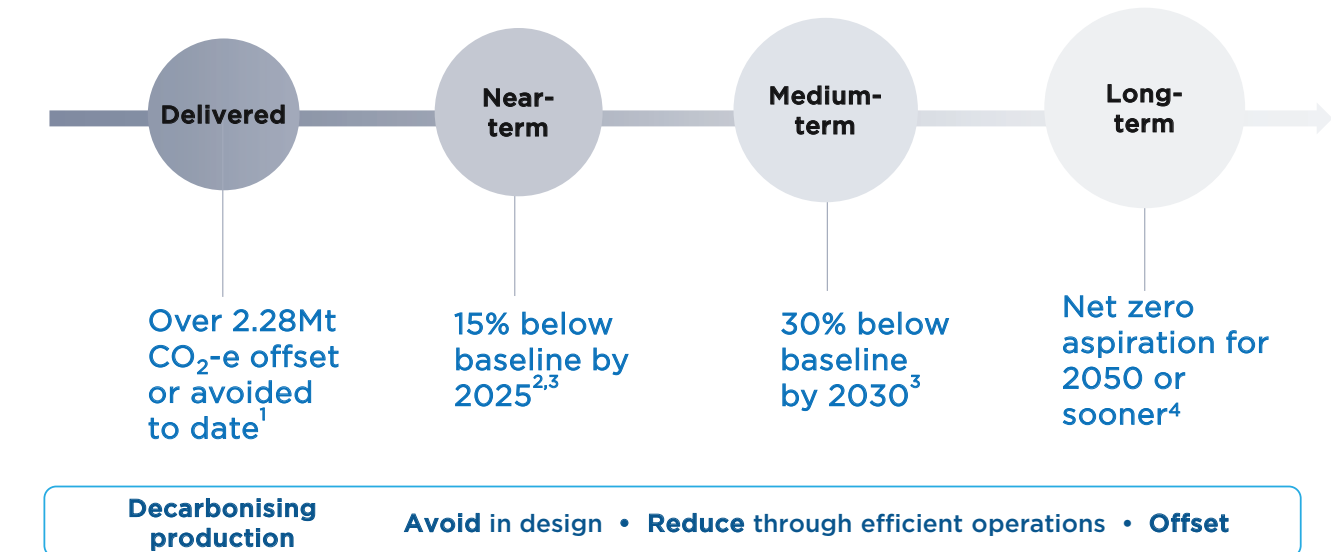
Global LNG demand



We're aiming to be net zero in our direct emissions by 2050 or sooner and we've set clear targets to get there.

We aim to achieve our targets through a range of levers:

- + Decarbonise our hydrocarbon business
- + Develop large scale carbon offsets
- + Assess carbon capture and storage opportunities
- + Progress both blue and green hydrogen



1. Woodside equity share (2.7 Mt total operated). Avoided through energy efficiencies, voluntary offsets acquired and surrendered and ACCUs generated and retained/surrendered.

2. Equivalent to previously disclosed equity reservoir offset target.

3. Baseline is set as the average equity Scope 1 and 2 emissions over 2016-2020 and may be adjusted (up or down) for potential equity changes in producing or sanctioned assets, with an FID prior to 2021.

4. Woodside equity share.



To date, we've offset or avoided over **2.28Mt of CO₂-e¹**.



ZERO ROUTINE FLARING BY 2030



- + We've used battery storage to reduce emissions from power generation offshore - the world's first application of microgrid technology on an offshore platform. This saves over 3,000 tonnes of fuel gas and 7,000 tonnes of CO₂-e emissions each year.
- + We are rethinking our operational philosophies, such as saving fuel gas through start-up procedures and minimising power generation spinning reserve across our facilities.
- + Increased efficiency through Pluto LNG automated process control reduces emissions by 10,000 tonnes of CO₂-e each year.
- + We are on track to meet our current overall energy efficient target of 5% against baseline over 2016-2020.



In 2017, Woodside signed up to the World Bank's Zero Routine Flaring by 2030 initiative and the Methane Guiding Principles to reduce methane emissions across our value chain.

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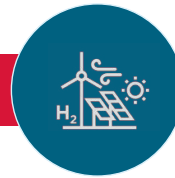


In 2018, we established a carbon business focused exclusively on **generating and acquiring quality offsets.**

- + We have invested more than A\$100 million across Australia through native tree planting over the past 10 years. At the end of 2019, our partnership with CO2 Australia had offset more than 700,000 tonnes of CO₂-e from Pluto LNG Train 1.
- + The Woodside Native Reforestation Project, in partnership with Greening Australia, has planted 2,200 hectares in WA during 2020 which is estimated to sequester about 700,000 tonnes of CO₂-e over 25 years.
- + We are building capabilities in human induced regeneration, fire management and international opportunities, including Indigenous training and employment.



Woodside's Cowcher property near Pingrup, WA - 2,500 ha



We see hydrogen as a natural evolution of our energy export business model, post 2030.

- + We have jointly invested more than A\$40M with Monash University in the Woodside-Monash Energy Partnership to explore new energy technologies, including hydrogen.
- + We are progressing the proposed H2Tas Green Hydrogen project which has been shortlisted for the next stage of funding from the Australian Renewable Energy Agency (ARENA).
- + We are developing markets for LNG as a new and cleaner fuel for land-based use (e.g. remote power generation) and shipping. We have already successfully piloted these projects at small-scale.
- + We are looking for opportunities to use carbon capture and storage (CCS) at scale, with the potential to unlock ~3.4Gt of storage across Woodside operated titles¹.



¹. Estimates are 100% project, relate to carbon storage potential and are not resource estimates.

PART OF A GROWING HYDROGEN MARKET

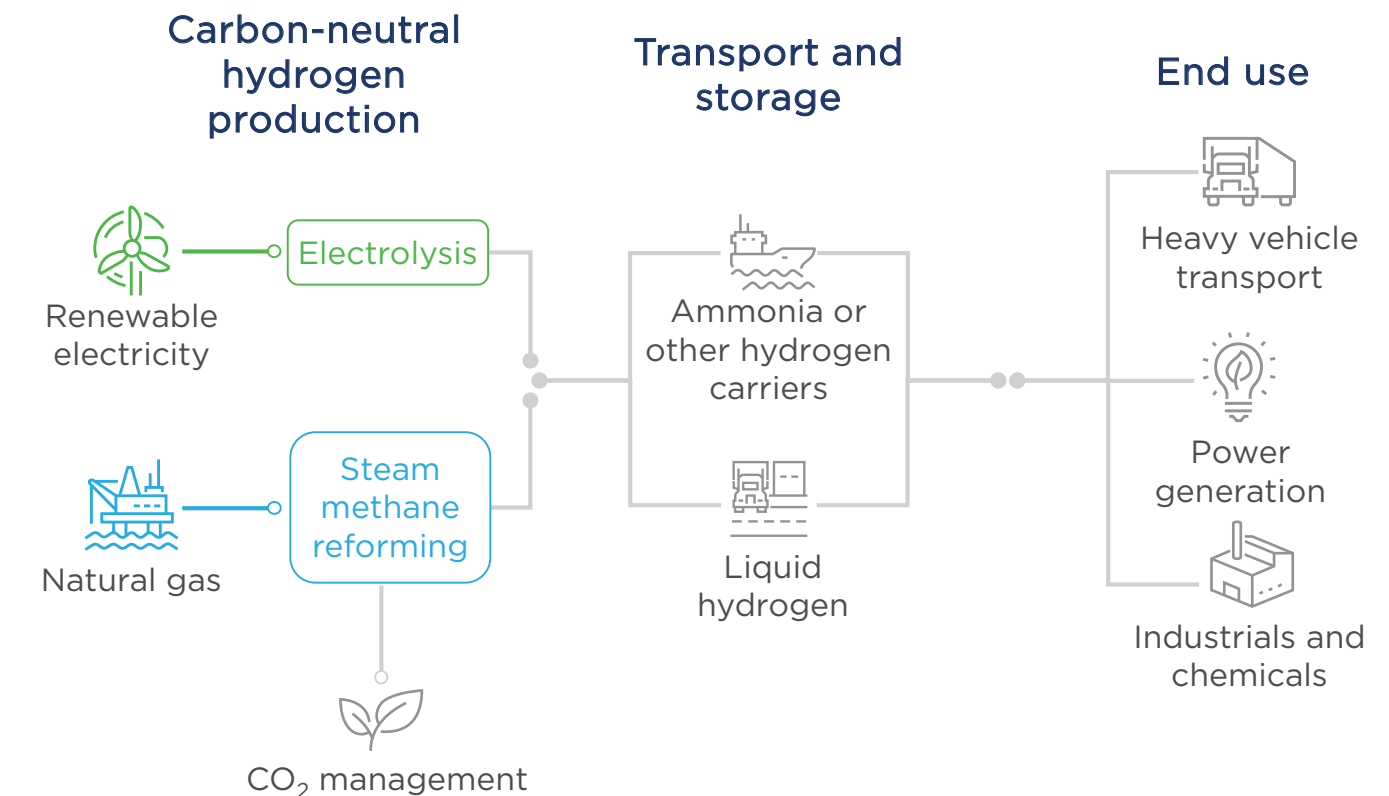
H2

Woodside advantages

- + Ability to leverage existing infrastructure
- + Experienced in processing and storage of cryogenic gases
- + Established relationships with customers and technology providers
- + Access to abundant renewables

Our partnerships

- + Japanese consortia trialling use of ammonia in power generation
- + Exploring green hydrogen export project with KOGAS



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