

ASX Announcement

Wednesday, 2 March 2022

ASX: WPL
OTC: WOPEY

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CLIMATE REPORT 2021 OVERVIEW PRESENTATION

Attached is an overview presentation of Woodside's Climate Report 2021, which should be read in conjunction with Woodside's Climate Report 2021 released to the ASX on 17 February 2022.

This presentation will be used for investor and stakeholder engagement in advance of Woodside's 2022 Annual General Meeting to be held at 10.00am (AWST) on 19 May 2022.

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This ASX announcement was approved and authorised for release by Woodside's Disclosure Committee.

2021

CLIMATE REPORT OVERVIEW

March 2022



Disclaimer, risks and assumptions

This presentation should be read in conjunction with Woodside's Climate Report 2021. For more information, please refer to the announcement "Climate Report 2021" by Woodside dated 17 February 2022, available at <https://www.woodside.com.au/media-centre/announcements>. The full Climate Report 2021 is available at [https://www.woodside.com.au/docs/default-source/investor-documents/major-reports-\(static-pdfs\)/2021-climate-report/climate-report-2021.pdf](https://www.woodside.com.au/docs/default-source/investor-documents/major-reports-(static-pdfs)/2021-climate-report/climate-report-2021.pdf).

Disclaimer and risks

1. This presentation has been prepared to provide our investors and potential investors with information on our plan to help us achieve our strategic aim to thrive through the energy transition and how we are progressing against that strategic aim. The Climate Report 2021 will be put to a nonbinding, advisory vote of our shareholders at our 2022 Annual General Meeting. Our disclosures structured to align with the TCFD recommendations framework are included in the Climate Report 2021 (rather than our most recent Annual Report) to make it simpler for our shareholders to vote on our climate reporting at our 2022 Annual General Meeting. Woodside has sought to achieve in the Climate Report 2021 an appropriate balance of disclosures that reasonably meet the recommendations of the TCFD while avoiding overwhelming users with information.
2. This presentation has not been prepared as financial or investment advice or to provide any guidance in relation to our future performance. It should be read in conjunction with our periodic reporting and other announcements made to the Australian Securities Exchange.
3. Given the focus of this presentation, it is necessarily oriented towards future events. Neither our plan to help us achieve our strategic aim, nor this presentation more generally, is a statement that future events will or are likely to occur.
4. The information in this presentation provides some level of insight into how we currently intend to direct the management of our assets and to deploy our capital, to help us achieve our strategic aim. The matters disclosed in this presentation are a 'point in time' disclosure. We operate in a dynamic and uncertain market and external environment. Plans and strategies can and must adapt in response to dynamic market conditions, joint venture decisions, new opportunities that might arise or other changing circumstances. Investors should not assume that our plan to achieve our strategic aim is locked in and will not evolve and be updated as time passes. Additionally, a number of aspects of our plan involve developments or strategies that are complex and may be delayed, more costly than anticipated or unsuccessful for many reasons.
5. This presentation contains forward looking statements that are subject to risk factors, including those associated with oil and gas businesses and the global transition to a lower-carbon economy.
6. Those forward looking statements are not guidance, forecasts, guarantees or predictions of future events or performance, but are in the nature of aspirational targets that Woodside has set for itself and its management of the business. Actual performance against these targets (including all items that are described as a target) may be affected by various risks associated with the Woodside business, the uncertainty as to how the global energy transition to a lower carbon economy will evolve, and physical risks associated with climate change, many of which are beyond Woodside's control. Further detail on certain of these risks can be found in the Risk Management section of the Climate Report 2021. These risks include, but are not limited to:
 - the risk that climate change will impact the transition to a lower-carbon economy and may impact demand (and pricing) for oil and liquids, LNG and its substitutes in our portfolio, the policy and legal environment for its production, our reputation and our operating environment. Further, the availability and cost of emission allowances or carbon offsets could adversely impact costs of operations;
 - the potential for higher than expected costs of transition to new technologies, and poor efficacy of new technologies that could adversely impact the costs of operations and reduce demand for hydrocarbon products, new energy or lower carbon services; and
 - the decarbonisation plans of other countries.
7. Investors and prospective investors should review and have regard to these risks when considering the information contained in this presentation. Investors should also note that the high degree of uncertainty around the nature, timing and magnitude of climate-related risks, and the uncertainty as to how the energy transition will evolve, makes it difficult to determine and disclose the risks and their potential impacts with precision. Investors are cautioned not to place undue reliance on any forward looking statements contained in this presentation.
8. It is believed that the expectations reflected in the forward looking statements in this presentation are reasonable as at the date of this presentation but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results to differ materially, including but not limited to the risks referenced above and price fluctuations, actual demand, currency

fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, transition risks, physical risks, legislative, policy, fiscal and regulatory developments, changes in accounting standards, economic and financial market conditions in various countries and regions, political risks, abatement able to be delivered through engineering or operational changes, project delay or advancement, approvals and cost estimates. Some matters are subject to approval of joint venture participants. The targets and opportunities described in this presentation might also change materially if Woodside changes its strategic aim set out in this presentation.

9. Woodside makes no representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward looking statement or any outcomes expressed or implied in any forward looking statement. The forward looking statements in this presentation reflect expectations held at the date of this presentation and scenario analysis undertaken by Woodside. There are inherent limitations with scenario analysis, including the limitations set out on page 23 of the Climate Report 2021, and it is difficult to predict which, if any, of the scenarios might eventuate. Scenario analysis relies on assumption that may or may not be, or prove to be, correct and that may or may not eventuate and scenarios may also be impacted by additional factors to the assumptions disclosed. As part of its scenario analysis, Woodside has used climate scenarios published in the IEA's 2021 World Energy Outlook. The TCFD Guidance on Scenario Analysis for Non-Financial Companies (on page 66) describes limitations and uncertainties associated with the use of the IEA scenarios, while also noting the benefits, including that the IEA scenarios are widely used and accepted.¹
10. Woodside does not undertake to provide ongoing market updates on the plan to achieve its objective or targets, or performance against the plan, except to the extent it has a legal obligation to do so.
11. Subject to any terms implied by law which cannot be excluded, Woodside accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in information in this presentation.
12. This presentation does not include any express or implied prices at which Woodside will buy or sell financial products.

Emissions data

1. All greenhouse gas emissions data in this presentation are estimates, due to the inherent uncertainty and limitations in measuring or quantifying greenhouse gas emissions, including those uncertainties set out in the GHD Assurance Statement.
2. Woodside "greenhouse gas" or "emissions" information reported are Scope 1 GHG emissions, Scope 2 GHG emissions, and Scope 3 GHG emissions. Further information regarding the calculation of these emissions is contained in the supporting table of climate related data provided on page 40 of the Climate Report 2021.
3. There may be differences in the way third parties calculate or report greenhouse gas emissions compared to Woodside, which means third party data may not be comparable to Woodside's data.

Other important information

1. This presentation also contains references to the proposed combination of Woodside and BHP Group Limited's oil and gas business (Proposed Transaction). The Proposed Transaction remains subject to satisfaction of certain conditions precedent including shareholder and regulatory approvals. Completion is targeted in early June, with an effective date of 1 July 2021. There is no certainty or assurance that the Proposed Transaction will complete on the intended schedule or at all. Information in this presentation regarding the Proposed Transaction must be read subject to that uncertainty. For more information, refer to the announcement "Woodside and BHP to create a global energy company" by Woodside dated 22 November 2021, available at <https://www.woodside.com.au/media-centre/announcements>. Further detail on the risks associated with the Proposed Transaction can be found in Woodside's "2022 Notice of Meeting" which is expected to be released in April 2022.
2. All references to dollars, cents or \$ in this presentation are to US currency, unless otherwise stated.
3. References to "Woodside" may be references to Woodside Petroleum Ltd or its applicable subsidiaries.

¹ The Task Force on Climate-related Financial Disclosures (2020). "Guidance on Scenario Analysis for Non-Financial Companies".

Key messages

Progress made
against
Woodside's
greenhouse gas
emissions targets¹

**Developing and
investing** in new
energy products
and lower-carbon
services

**Portfolio testing
undertaken**
against a range of
climate-related
scenarios

**Capital allocation
framework** setting
target investment
criteria announced

Published a
**Scope 3 emissions
plan** in 2021

**Climate Report
2021 released²**

Thrive through the energy transition

1. Target is for net equity Scope 1 and 2 emissions. Relative to a starting base of the gross annual 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. Post-completion of the Woodside and BHP petroleum merger (which remains subject to conditions including regulatory approvals), the starting base will be adjusted for the then combined Woodside and BHP petroleum portfolio.

2. Disclosures structured to align with The Task Force on Climate-related Financial Disclosures recommendations framework.

Thrive through the energy transition



Woodside's climate strategy

Climate Report 2021 pages
10, 15, 21, 24 and 28

STRATEGY



Reduce our net equity
greenhouse gas emissions
(Scope 1 & 2)

DESIGN OUT

OPERATE OUT

OFFSET
PORTFOLIO



Invest in the products and services
our customers need
as they reduce their emissions

CAPITAL
ALLOCATION
FRAMEWORK

SUPPORT VALUE
CHAIN

PROMOTE
MEASUREMENT
& REPORTING

TARGETS

15%
by 2025

30%
by 2030

Net zero
aspiration by 2050
or sooner

Net equity emissions reduction targets¹

\$5 billion

Invested in new energy products
and lower-carbon services by 2030²

PROGRESS

10% reduction on 2016-2020 gross annual average in 2021

On course to achieve 2025 target of 15% reduction

Released Climate Report 2021

H2Perth, H2TAS, H2OK and Heliogen

Woodside Solar Project

Exploring carbon capture and storage options

1. Target is for net equity Scope 1 and 2 emissions. Relative to a starting base of the gross annual 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. Post-completion of the Woodside and BHP petroleum merger (which remains subject to conditions including regulatory approvals), the starting base will be adjusted for the then combined Woodside and BHP petroleum portfolio.

2. Investment target assumes completion of the proposed merger with BHP's petroleum business. Individual investment decisions are subject to Woodside's investment hurdles. Not guidance.

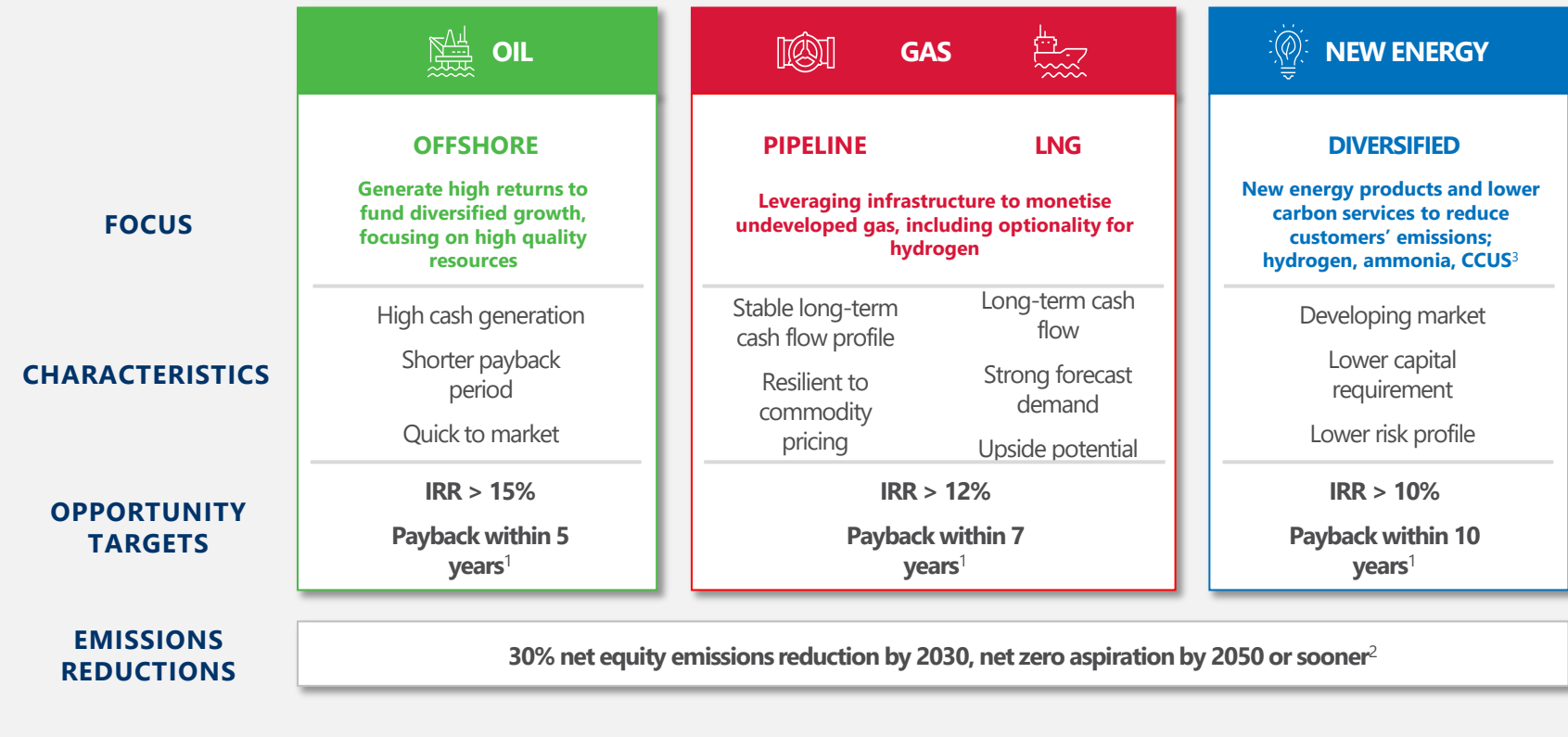
Framework to create a diversified and flexible portfolio



Energy investments are fundamentally different in nature with different risk/return profiles

Scope 1 and 2 greenhouse gas emissions from projects in all categories need to be managed to meet our net equity emissions targets

Capital allocation framework



1. Payback refers to RFSU + X years.

2. Target is for net equity Scope 1 and 2 emissions. Relative to a starting base of the gross annual 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. Post-completion of the Woodside and BHP petroleum merger (which remains subject to conditions including regulatory approvals), the starting base will be adjusted for the then combined Woodside and BHP petroleum portfolio.

3. CCUS refers to carbon capture utilisation and storage.

Energy investment opportunities

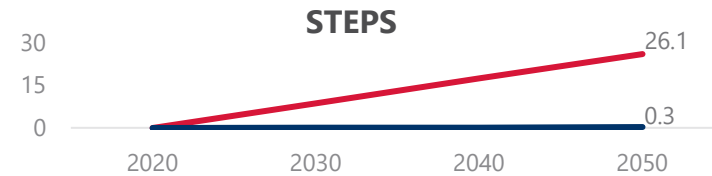


An important role for oil, gas and hydrogen in all scenarios

Increased investment in hydrogen needed to support the Net Zero Emissions 2050 pathway

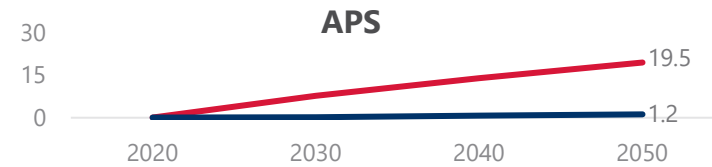
Target markets have adopted decarbonisation plans informing Woodside's strategy

Estimated cumulative global investment under the range of IEA scenarios (\$US trillion)¹



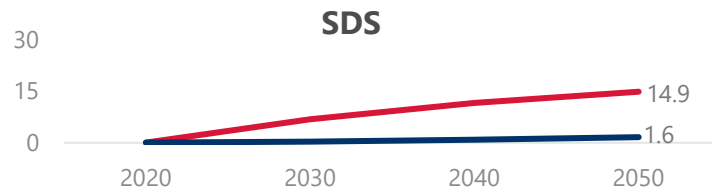
Stated Policies (STEPS)
>2.0°C

Not Paris aligned. Global temperature rise above 2°C



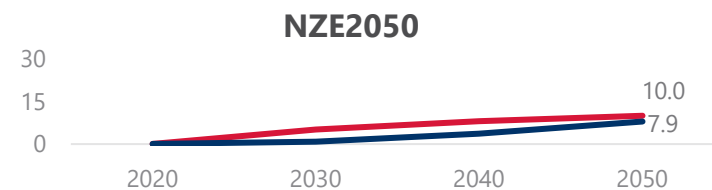
Announced Pledges (APS)
~2.1°C

Not Paris aligned. Global temperature rise to 2.1°C with a 50% probability



Sustainable Development (SDS)
~1.5 to 1.65°C

Paris-aligned scenario. Global temperature rise is limited to 1.65°C with a 50% probability (potentially 1.5°C with some level of net negative emissions)



Net Zero Emissions (NZE2050)
~1.5°C

Paris-aligned scenario. Global temperature rise is limited to 1.5°C with a 50% probability

— Oil and gas — Hydrogen

1. Based on data from IEA 2021. "World Energy Outlook 2021" and IEA 2021: "Net Zero by 2050: a roadmap for the global energy sector" (all rights reserved) as modified by Woodside analysis, real terms 2019. These scenarios are described in full on page 22 of Woodside's Climate Report 2021.

Scope 1 and 2 targets aligned with IPCC's global pathways to 1.5°C



Climate Report 2021
page 15

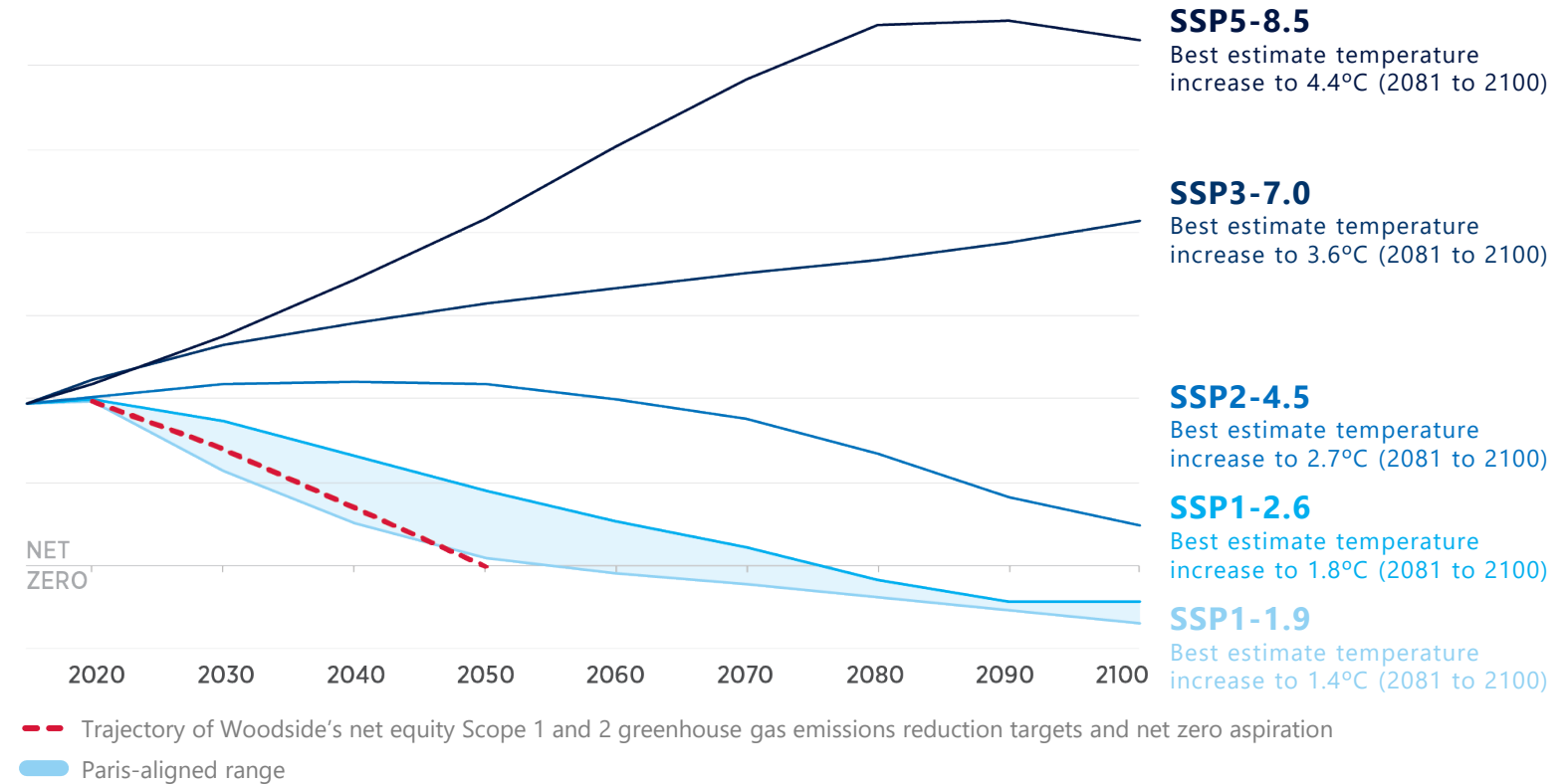
Emissions reduction targets apply to Woodside's equity portfolio (operated and non-operated)

Clear targets consistent with Paris-aligned pathways¹

Diverse carbon abatement through

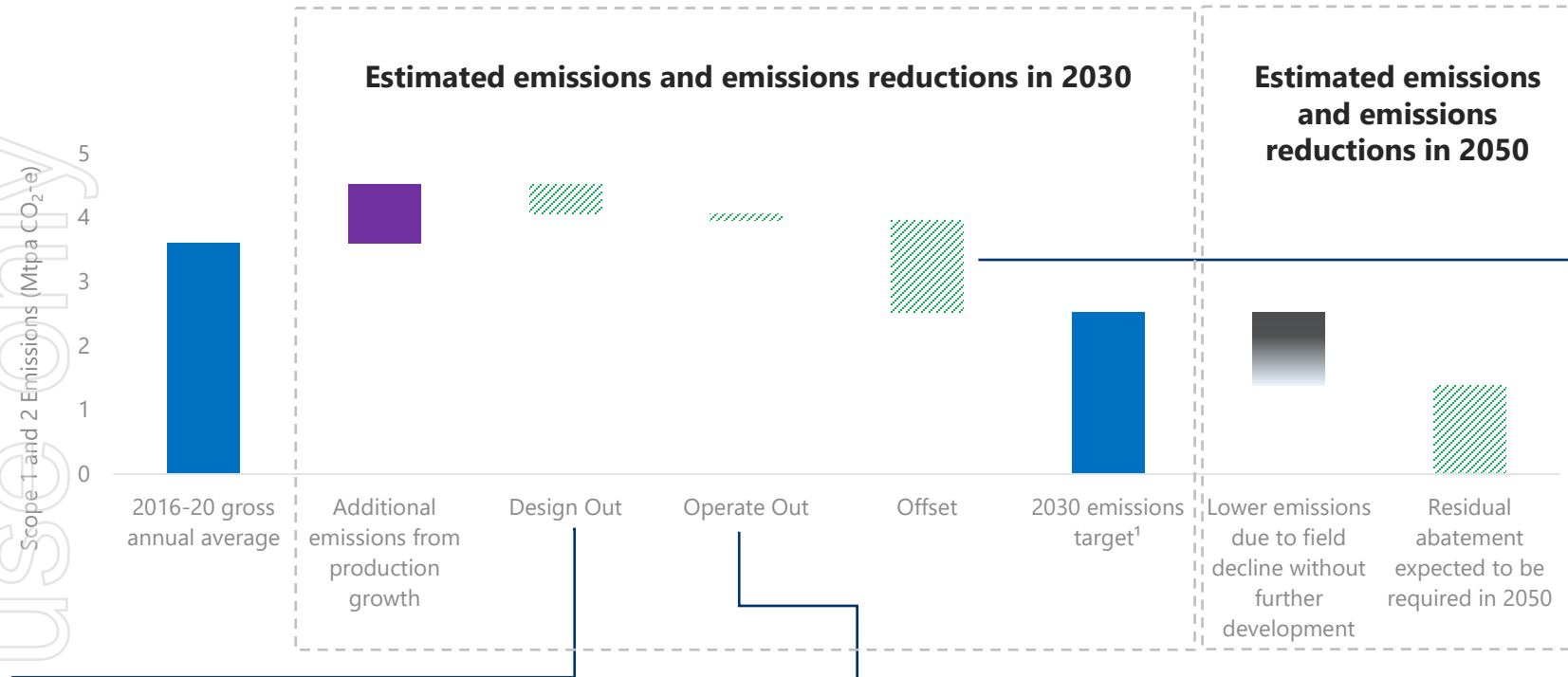
- Design out
- Operate out
- Offset

The chart depicts global CO₂ emissions trajectories associated with IPCC Shared Socioeconomic Pathways with Woodside's targets indexed to 2020^{2,3}



1. Woodside is using the draft Prototype IFRS Sustainability Disclosure Standard definition of "Paris-aligned scenarios" (published 2021) which states "scenarios consistent with limiting global warming to below 2 degrees Celsius above pre-industrial levels and pursuing efforts to limit warming to 1.5 degrees Celsius." See <https://www.ifrs.org/content/dam/ifrs/groups/trwg/trwg-climate-related-disclosures-prototype.pdf>.
2. Target is for net equity Scope 1 and 2 greenhouse gas emissions, relative to a starting base of the gross annual average equity Scope 1 and 2 greenhouse gas 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. Post-completion of the Woodside and BHP petroleum merger (which remains subject to conditions including regulatory approvals), the starting base will be adjusted for the then combined Woodside and BHP petroleum portfolio.
3. IPCC 2021. "Climate Change 2021 – the Physical Science Basis. Summary for Policymakers. Working Group I contribution to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change", page 41.

Net equity emissions reduction



1 Design out

- E.g. Pluto Train 2 design, Scarborough battery energy storage system
- Targeting development of decarbonisation plans for each operated asset in 2022

2 Operate out

- Incremental improvements to operating practices as well as minor modifications to plant and infrastructure
- E.g. KGP turbine optimisation, high efficiency filters on gas turbines

3 Offset

- Carbon portfolio already sufficient to meet our net equity Scope 1 and 2 greenhouse gas emissions reduction target of 15% by 2025¹
- At the COP-26 global climate summit in 2021, world governments agreed to progress the rules for international carbon offset trading through Article 6 of the Paris Agreement

Woodside's approach to offsets

- Emissions reduction hierarchy should prioritise avoiding and reducing emissions before offsetting them
- Offsets must be scientifically verified and accurately accounted for
- Woodside established carbon business in 2018 to acquire and originate our own offsets

The chart above shows indicative design out, operate out and offset emissions reductions to achieve Woodside's net equity Scope 1 and 2 greenhouse gas emissions targets in the year 2030 and the indicative abatement expected to be required in the year 2050. The values do not represent cumulative abatement over the period leading up to those years.

1. Assumes equity Scope 1 and 2 greenhouse gas emissions are as currently forecast in Woodside's business plan. Target is for net equity Scope 1 and 2 greenhouse gas emissions, relative to a starting base of the gross annual average equity Scope 1 and 2 greenhouse gas 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. Post-completion of the Woodside and BHP petroleum merger (which remains subject to conditions including regulatory approvals), the starting base will be adjusted for the then combined Woodside and BHP petroleum portfolio.

Woodside's methane emissions were 0.1% of production by volume in 2021

If leaked at significant levels, methane could create a safety risk and result in a loss of production of LNG

Signatory to Methane Guiding Principles

2022 focus on refining methane action plans for operated assets and trial quantitative measurement

Continuing to work with non-operated joint ventures

Actions taken in line with the Methane Guiding Principles

Continuously reduce methane

Pursued design-out opportunities and delivered operate-out methane emissions reductions

Advance strong performance across gas value chains

Developed a Scope 3 emissions plan for engagement with customers and suppliers

Improve accuracy of methane emissions data

Commenced satellite survey monitoring

Advocate sound policy and regulations on methane emissions

Chaired and participated in climate-related task forces

Increase transparency

Woodside's climate-related disclosures structured to align with the TCFD recommendations framework¹

1. Task Force on Climate-related Financial Disclosures.

Financial resilience testing of portfolio

Scenario analysis using publicly available IEA published scenarios

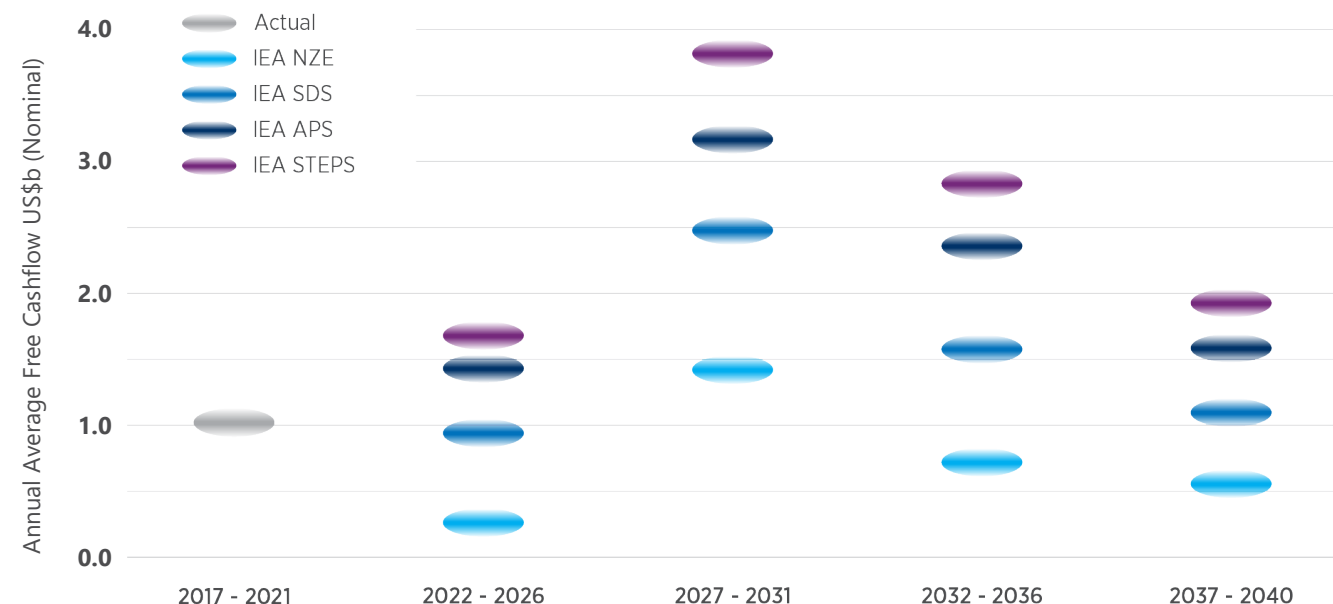
Free cash flow (FCF) is positive in all scenarios, including NZE, a 1.5 degrees Celsius scenario

Average FCF (2022-2026) is lower than subsequent periods due to high capital expenditure

FCF generation increases from the late 2020s after Scarborough start-up

FCF generation declines mid 2030s due to the natural field decline, because analysis assumes no new oil and gas investment

Modelled impact of climate scenarios on potential annual average free cash flow from current producing and sanctioned assets (not guidance)^{1,2}



Oil price (US\$/bbl, Brent)* ³ and carbon price (US\$ t CO₂-e) average real 2020⁴

	2022 - 2026	2027 - 2031	2032 - 2036	2037 - 2040
IEA NZE	48 59	36 117	31 160	29 194
IEA SDS	62 55	57 108	54 140	53 163
IEA APS	70 55	68 108	66 140	66 163
IEA STEPS	74 23	76 37	79 50	82 61

*2017-2021 average real terms 2020 Brent price was US\$62/bbl.

1. Nominal Cashflows.

2. Equity assumptions used: Woodside only (i.e. not including the Proposed Transaction to merge with BHP's petroleum business), Sangomar 82%, Scarborough 73.5% and Pluto T2 51%.

3. Based on data from IEA 2021. "World Energy Outlook 2021" as modified by Woodside analysis. Woodside used interpolation techniques to estimate Brent annual price points in between the years that the IEA disclosed price points for (which are real terms 2020). For gas pricing assumptions all non-contracted LNG volumes were assessed at IEA's Japan import price, as a proxy for North Asian LNG spot price. Woodside used interpolation techniques to estimate annual gas price points in between the years that the IEA disclosed prices for (which are real terms 2020). For oil linked LNG contracts, prices are derived from the Brent forecasts and the terms of the contracts.

4. Based on data from IEA 2021. "World Energy Outlook 2021" as modified by Woodside analysis. The IEA only provide carbon prices from 2030 onwards. As a result, Woodside used a 2020 average Australian regulatory carbon price to derive a starting price point of US\$11.51 t CO₂-e RT2022. Woodside used the 2020 starting price point and the IEA's published 2030 and 2040 carbon prices for each scenario to interpolate annual price points through to 2040.

\$5 billion investment target



Climate Report 2021
pages 28 and 29



H2Perth | Flexible design for hydrogen or ammonia

- **Initial phase** targeting ~110,000 tpa of hydrogen production including 250 MW electrolysis component
- **Future capacity** of up to ~550,000 tpa of hydrogen for export (in form of ammonia and liquid hydrogen)
- **Potential to scale** to more than 3 GW

H2TAS | Well positioned for early renewable hydrogen

- **Initial phase** targeting 200,000 tpa of ammonia and a 300 MW electrolysis component
- **Potential to support** up to 1.7 GW of electrolysis
- Completed studies with potential customers for ammonia export to Japan



H2OK | Emerging opportunity for heavy transport sector

- **Initial phase** targeting ~33,000 tpa of liquid hydrogen including 290 MW electrolysis component
- **Potential to scale** up to 550 MW
- **Front-end engineering design** commenced December 2021
- Targeting final investment decision H2 2022

Heliogen | Breakthrough solar technology

- **Initial phase** targeting 5 MW
- Concentrated solar energy system **with nearly 24/7 power supply**
- Targeting **construction to begin in 2022**
- Working towards a joint marketing arrangement for technology in US and Australia



Woodside Solar Project | Large-scale solar PV farm

- **Initial phase** targets up to 100MW capacity
- Deliver electricity via the North-West Interconnected System
- Maximum capacity of **up to 500MW**

Summary of 2021 climate activities

1

Climate Report 2021 released¹

2

Delivered a 10% reduction in Woodside's net equity Scope 1 and 2 greenhouse gas emissions below the 2016-2020 gross annual average

3

Announced a \$5 billion investment target for new energy products and lower-carbon services by 2030²

4

Published a Scope 3 emissions plan

5

Secured sufficient offsets to meet our net equity Scope 1 and 2 greenhouse gas emissions reduction target of 15% by 2025³

6

Progressed new energy projects

1. Disclosures structured to align with The Task Force on Climate-related Financial Disclosures recommendations framework.

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3. Assumes equity Scope 1 and 2 greenhouse gas emissions are as currently forecast in Woodside's business plan. Target is for net equity Scope 1 and 2 greenhouse gas emissions, relative to a starting base of the gross annual average equity Scope 1 and 2 greenhouse gas 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. Post-completion of the Woodside and BHP petroleum merger (which remains subject to conditions including regulatory approvals), the starting base will be adjusted for the then combined Woodside and BHP petroleum portfolio.

Additional information for US investors

No offer or solicitation

- This presentation includes information relating to the proposed Transaction between Woodside and BHP. This presentation is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any securities or a solicitation of any vote or approval with respect to the Transaction or otherwise, nor shall there be any offer, solicitation or sale of securities in any jurisdiction in which such offer, solicitation under the securities laws of any such jurisdiction. No offer of securities in the United States shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933.

Important additional information

- In connection with the proposed Transaction, Woodside intends to file with the US Securities and Exchange Commission (the “SEC”) a registration statement on Form F-4 (the “Registration Statement”) to register the Woodside securities to be issued in connection with the proposed Transaction (including a prospectus therefor). Woodside and BHP also plan to file other documents with the SEC regarding the proposed Transaction. This presentation is not a substitute for the Registration Statement or the prospectus or for any other documents that Woodside or BHP may file with the SEC in connection with the Transaction. US INVESTORS AND US HOLDERS OF WOODSIDE AND BHP SECURITIES ARE URGED TO READ THE REGISTRATION STATEMENT, PROSPECTUS AND OTHER DOCUMENTS RELATING TO THE PROPOSED TRANSACTION (INCLUDING ALL AMENDMENTS AND SUPPLEMENTS TO THOSE DOCUMENTS) THAT WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT WOODSIDE, BHP AND THE TRANSACTION. Shareholders will be able to obtain free copies of the Registration Statement, prospectus and other documents containing important information about Woodside and BHP once such documents are filed with the SEC, through the website maintained by the SEC at <http://www.sec.gov>. Copies of such documents may also be obtained from Woodside and BHP without charge.

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