

# ASX Announcement

Wednesday, 8 December 2021

ASX: WPL  
OTC: WOPEY

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## INVESTOR UPDATE 2021

Woodside CEO Meg O'Neill has unveiled Woodside's strategy to thrive through the energy transition, including a new target to invest \$5 billion in emerging new energy markets by 2030.

"We expect LNG to remain an important part of the energy mix in our region for decades to come, both as a lower-carbon source of fuel for coal-dependent countries and as convenient firming capacity for renewables," Ms O'Neill said at an investor briefing.

"But our significant investment target in new energy is aimed at positioning Woodside as an early mover in this evolving market and supporting the decarbonisation goals of our customers.

"We have a vision to build a low cost, lower carbon, profitable, resilient and diversified portfolio. Woodside aims to do this by leveraging our world-class Tier 1 portfolio and allocating capital to the right opportunities at the right time.

"Our investment decisions are informed by robust market analysis, so we understand macro trends for our products and a range of outcomes dependent on different climate scenarios. Individual opportunities are assessed through a disciplined capital allocation framework and clear investment criteria, always considering the fit with our emissions reduction targets and shareholder returns.

"Woodside's success is underpinned by the commitment of our teams and high performing culture, as well as our application of an environmental, social and governance mindset through the organisation.

"In 2021 Woodside delivered on what we set out to do – tackling costs, achieving final investment decisions on the Scarborough and Pluto Train 2 projects, continuing delivery of Sangomar and progressing our new energy opportunities – plus we announced a proposed merger with BHP's petroleum business.

"The rationale for the merger with BHP's petroleum business is compelling. After completion, Woodside will have a larger, diversified portfolio of long-life assets and increased cash generation to build resilience and support future investment and shareholder returns.

"The merged portfolio would have an exciting pipeline of near-term developments: Sangomar in Senegal; Mad Dog Phase 2, Shenzi North and other attractive opportunities in the Gulf of Mexico; and Scarborough offshore Western Australia. These, together with other potential oil, gas and new energy developments, will provide an enviable hopper of opportunities competing for capital.

"Scarborough truly is a world-class project and the development of its 11 trillion cubic feet of gas through the expanded Pluto LNG facility is a gamechanger for Woodside. The project has an internal rate of return of more than 13.5% and a globally competitive cost of supply of LNG delivered to north Asia of \$5.8 per MMBtu.

"Recently we welcomed Global Infrastructure Partners into the Pluto Train 2 Joint Venture with their acquisition of a 49% participating interest.

"In recent months we announced progress on four new energy projects: H2Perth and H2TAS in Australia and Heliogen and H2OK in the US. Our projects are designed to be phased, starting small with the potential to build scale. In each case the project location has been chosen for specific reasons, preferably near available renewables or close to market, ensuring they are customer led.

"We expect that in the mid-2020s the transition to new energy will be underway, including the start-up of the first of our own projects," she said.

## Event details

Meg O'Neill will present an update on Woodside's strategy and value proposition in a virtual event today, commencing at 12:30 AEDT / 09:30 AWST.

The Investor Update 2021 will be followed by a question and answer session, commencing at 13.30 AEDT / 10.30 AWST.

We recommend participants pre-register 5 to 10 minutes prior to the Investor Update 2021 with one of the following links:

- <https://webcast.openbriefing.com/8235/> to view the presentation and listen to a live stream of the question and answer session
- <https://s1.c-conf.com/diamondpass/10018321-37sgc0.html> to participate in the question and answer session.

Following pre-registration, participants will receive connection details and a unique access passcode.

The pre-recorded Investor Update 2021 can also be viewed at any time at the following link:

- <https://www.woodside.com.au/media-centre/news-stories/story/2021-investor-update>

An investor presentation follows this announcement and is referred to during the Investor Update 2021.

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

# INVESTOR UPDATE 2021

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8 December 2021

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# Disclaimer, risks and assumptions

## Disclaimer and risks

- Our investors and potential investors have requested that Woodside continues to provide further detail and information in respect of Woodside's overall strategic approach and its potential implications for the company. This presentation is a response to those requests. It is in summary form and does not purport to be complete. It should be read in conjunction with Woodside's periodic reporting and other announcements made to the Australian Securities Exchange.
- Given that this presentation is focused on Woodside's strategy, it is necessarily oriented towards future events. Neither the strategy, nor this presentation more generally, is a statement that future events will or are likely to occur.
- The discussion of Woodside's strategy provides some level of insight into how Woodside currently intends to direct the management of its assets and to deploy its capital, in order to achieve certain strategic outcomes. The matters disclosed in this presentation are a 'point in time' disclosure of Woodside's strategic focus. Woodside operates in a dynamic market and external environment. 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 the strategy and targets discussed in this presentation are locked in. In addition, a number of Woodside's proposed developments or strategies are complex and may be delayed, more costly than anticipated or unsuccessful for many reasons.
- This presentation contains forward looking statements that are subject to risk factors, including those associated with oil and gas businesses as well as those in connection with the proposed combination of Woodside and BHP Group Limited's oil and gas business (the "Transaction"). The information and statements in this presentation about Woodside's future strategy, including with regard to the Transaction, 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 and the Transaction, many of which are beyond Woodside's control. Further detail on certain of these risks can be found in the "Risk" section of Woodside's most recent Annual Report which was released to the Australian Securities Exchange on 18 February 2021. Investors and prospective investors should review and have regard to these risks when considering the information contained in this presentation. The reader is cautioned not to place undue reliance on any forward looking statements contained in this presentation.
- It is believed that the expectations reflected in these statements 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 or trends 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, physical risks, legislative, fiscal and regulatory developments, changes in accounting standards, economic and financial market conditions in various countries and regions, political risks, 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 strategy.
- 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. Woodside does not undertake to provide ongoing market updates on, or otherwise report against, performance in relation to the information in this presentation, or in relation to any change in the company's strategy, except to the extent it has a legal obligation to do so.
- There is no certainty or assurance that the proposed merger between Woodside and BHP Petroleum will complete on the intended schedule or at all. Information in this presentation that is presented on a post-merger basis must be read subject to that uncertainty.
- This document has been prepared by Woodside and relies on information provided by BHP ("BHP Information"). Although Woodside has taken steps to confirm the BHP Information, it has not independently verified it and expressly disclaims any responsibility for it, to the maximum extent permitted by law. No representation or warranty, express or implied, is made as to the fairness, currency, accuracy, adequacy, reliability or completeness of the BHP Information.
- This presentation does not include any express or implied prices at which Woodside will buy or sell financial products.

## Notes to petroleum resources estimates

1. Unless otherwise stated, all petroleum resource estimates are quoted as at the balance date (i.e. 31 December) of the Reserves Statement in Woodside's most recent Annual Report released to the Australian Securities Exchange (ASX) and available at <https://www.woodside.com.au/news-and-media/announcements>, net Woodside share at standard oilfield conditions of 14.696 psi (101.325 kPa) and 60 degrees Fahrenheit (15.56 degrees Celsius). The Reserves Statement dated 31 December 2020 has been subsequently updated by ASX announcements dated 15 July 2021, 18 August 2021, 21 October 2021, 5 November 2021 and 22 November 2021. Woodside is not aware of any new information or data that materially affects the information included in the Reserves Statement. All the material assumptions and technical parameters underpinning the estimates in the Reserves Statement continue to apply and have not materially changed.
2. Woodside reports reserves net of the fuel and flare required for production, processing and transportation up to a reference point. For offshore oil projects, the reference point is defined as the outlet of the floating production storage and offloading facility (FPSO), while for the onshore gas projects the reference point is defined as the inlet to the downstream (onshore) processing facility.
3. Woodside uses both deterministic and probabilistic methods for estimation of petroleum resources at the field and project levels. Unless otherwise stated, all petroleum estimates reported at the company or region level are aggregated by arithmetic summation by category. Note that the aggregated Proved level may be a very conservative estimate due to the portfolio effects of arithmetic summation.
4. 'MMboe' means millions (10<sup>6</sup>) of barrels of oil equivalent. Dry gas volumes, defined as 'C4 minus' hydrocarbon components and non-hydrocarbon volumes that are present in sales product, are converted to oil equivalent volumes via a constant conversion factor, which for Woodside is 5.7 Bcf of dry gas per 1 MMboe. Volumes of oil and condensate, defined as 'C5 plus' petroleum components, are converted from MMbbl to MMboe on a 1:1 ratio.
5. The estimates of petroleum resources are based on and fairly represent information and supporting documentation prepared under the supervision of and approved by Mr Jason Greenwald, Woodside's Vice President Reservoir Management. Mr Greenwald is a full-time employee of the company and a member of the Society of Petroleum Engineers. His qualifications include a Bachelor of Science (Chemical Engineering) from Rice University, Houston, Texas, and more than 20 years of relevant experience.

## Assumptions

- Unless otherwise indicated, the targets set out in this presentation have been estimated on the basis of a variety of economic assumptions including: (1) a US\$65/bbl Brent oil price (2022 real terms, inflated at 2.0%); (2) currently sanctioned projects being delivered in accordance with their current project schedules; and (3) applicable growth opportunities being sanctioned and delivered in accordance with the target schedules provided in this presentation. These growth opportunities are subject to relevant joint venture participant approvals, commercial arrangements with third parties and regulatory approvals being obtained in the timeframe contemplated or at all. Woodside expresses no view as to whether its joint venture participants will agree with and support Woodside's current position in relation to these opportunities, or such commercial arrangements and regulatory approvals will be obtained. Additional assumptions relevant to particular targets or other statements in this presentation may be set out in the relevant slides. Any such additional assumptions are in addition to the assumptions and qualifications applicable to the presentation as a whole.
- Woodside "greenhouse gas" or "emissions" information presented are Scope 1 and Scope 2 emissions released to the atmosphere as a result of an activity, or series of activities, at a facility level. Greenhouse gas definitions and global warming potentials to convert emissions into tonnes of carbon dioxide equivalent (tCO<sub>2</sub>-e) are as per Australia's National Greenhouse and Energy Reporting scheme.

## Other important information

- All references to dollars, cents or \$ in this presentation are to US currency, unless otherwise stated.
- References to "Woodside" may be references to Woodside Petroleum Ltd or its applicable subsidiaries.

# Agenda

- 1 STRATEGY
- 2 CAPITAL ALLOCATION
- 3 SHAREHOLDER RETURNS
- 4 CLIMATE
- 5 NEW ENERGY
- 6 MERGER AND DEVELOPMENTS

# Thriving through the energy transition



# Strategic framework

## COMPETITIVE ADVANTAGE

Highly **valued products**

**World-class** Tier 1 assets

Diversification within **known value chains**

## HIGH PERFORMING CULTURE

Responsible **environmental, social and governance (ESG)** mindset

**Engaged, accountable and diverse** workforce

## DISCIPLINED CAPITAL ALLOCATION

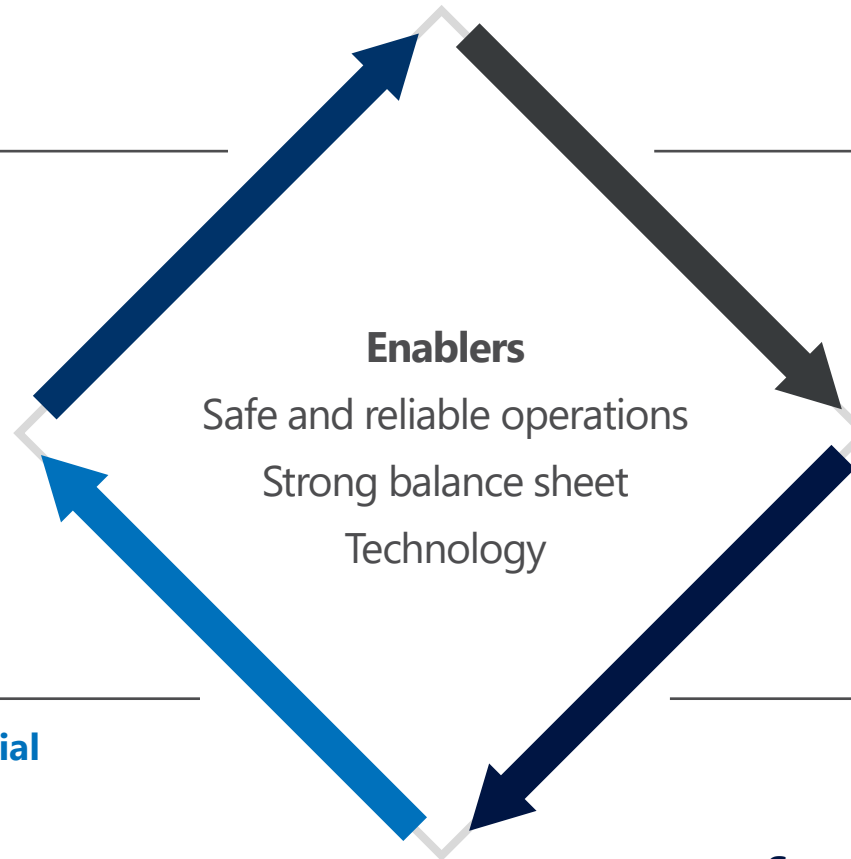
**Robust assessment** of opportunities, portfolio outcomes and shareholder returns

**Disciplined capital spend** bound by defined targets

## MARKET ANALYSIS

Energy markets supply, demand and **price outlook**

**Scenarios inform** new energy trajectory and existing business



# ESG is part of our core business

## Environmental



Climate change resilience and transition  
Environment and biodiversity  
Decommissioning

## Social



Social and cultural impacts on communities  
People and culture  
Supply chain and local content  
Human Rights

## Governance



Health safety and wellbeing  
Corporate governance  
Major incident preparedness



# Market analysis

Investment in oil and gas exceeds hydrogen investment in all scenarios

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

**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

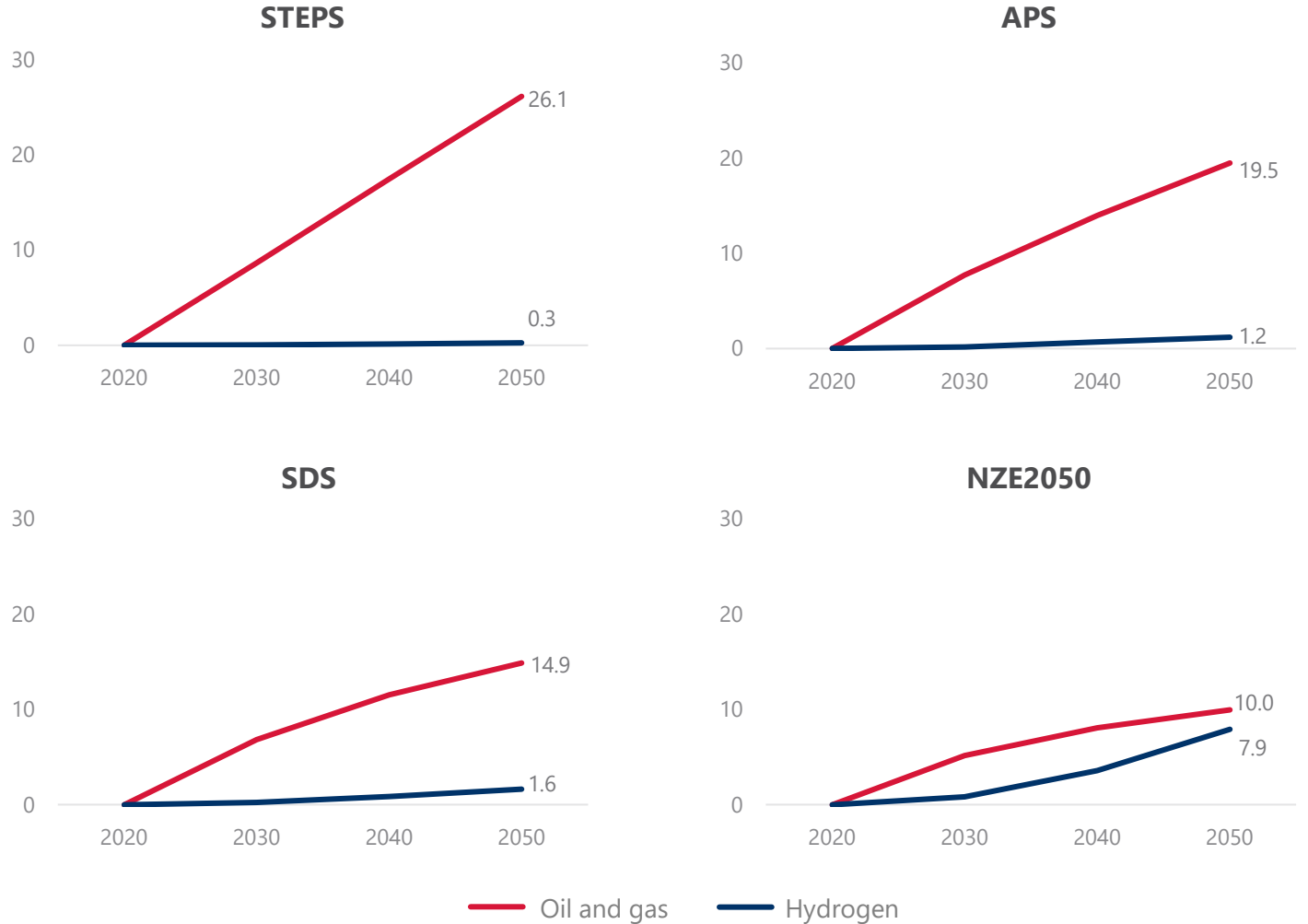
**Sustainable Development (SDS)**  
~1.5 to 1.65°C

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

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



# Climate testing

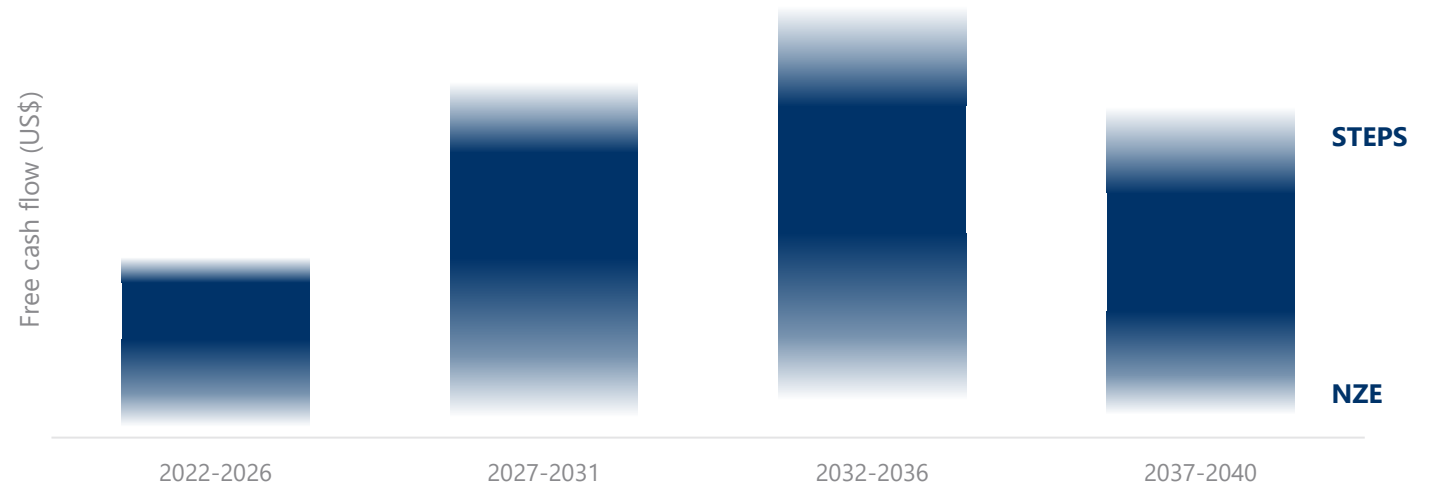
Portfolio decisions are assessed against a wide range of climate scenarios

Climate scenarios include International Energy Agency (IEA) scenarios

IEA scenarios are credible, global, transparent and include independently published assumptions

## Indicative average annual free cash flow under the range of IEA scenarios<sup>1</sup>

Product pricing is the primary driver of the variation



IEA  
SCENARIOS  
TESTED<sup>2</sup>

Stated  
Policies  
(STEPS)  
>2.0°C

Announced  
Pledges  
(APS)<sup>3</sup>  
~2.1°C

Sustainable  
Development  
(SDS)  
~1.5 to 1.65°C

Net Zero  
Emissions  
(NZE2050)  
~1.5°C

1. Based on the combined Woodside and BHP petroleum portfolio equity of Scarborough (100%), Sangomar (82%), Pluto Train 2 (51%) and a varying mix of future portfolio growth investments. Not guidance, illustrative only.
2. Woodside's assessment of IEA scenarios utilising IEA price assumptions for oil, gas and carbon.
3. Using pricing data from IEA WEO 2021, which estimated a global temperature rise of 2.1°C. The IEA subsequently indicated that an updated version of the APS could lead to a temperature rise of 1.8°C if all COP-26 pledges are met in time and in full, but has not released details of this new scenario.

# Portfolio and opportunity optimisation

## Portfolio evaluation considerations

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## Opportunity evaluation considerations

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**Growth opportunities are screened against portfolio metrics using price, scenario and climate analysis**

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# Capital allocation framework

	 <b>OIL</b>	 <b>GAS</b> 	 <b>NEW ENERGY</b>	
<b>FOCUS</b>	<b>OFFSHORE</b>  Generate high returns to fund diversified growth, focusing on high quality resources	<b>PIPELINE</b> <b>LNG</b>  Leveraging infrastructure to monetise undeveloped gas, including optionality for hydrogen		<b>DIVERSIFIED</b>  New energy products and lower carbon services to reduce customers' emissions; hydrogen, ammonia, CCUS
<b>CHARACTERISTICS</b>	High cash generation Shorter payback period Quick to market	Stable long-term cash flow profile Resilient to commodity pricing	Long-term cash flow Strong forecast demand Upside potential	Developing market Lower capital requirement Lower risk profile
<b>OPPORTUNITY TARGETS</b>	<b>IRR &gt; 15%</b> <b>Payback within 5 years<sup>1</sup></b>	<b>IRR &gt; 12%</b> <b>Payback within 7 years<sup>1</sup></b>		<b>IRR &gt; 10%</b> <b>Payback within 10 years<sup>1</sup></b>
<b>EMISSIONS REDUCTIONS</b>	<b>30% net emissions reduction by 2030, net zero aspiration by 2050 or sooner<sup>2</sup></b>			

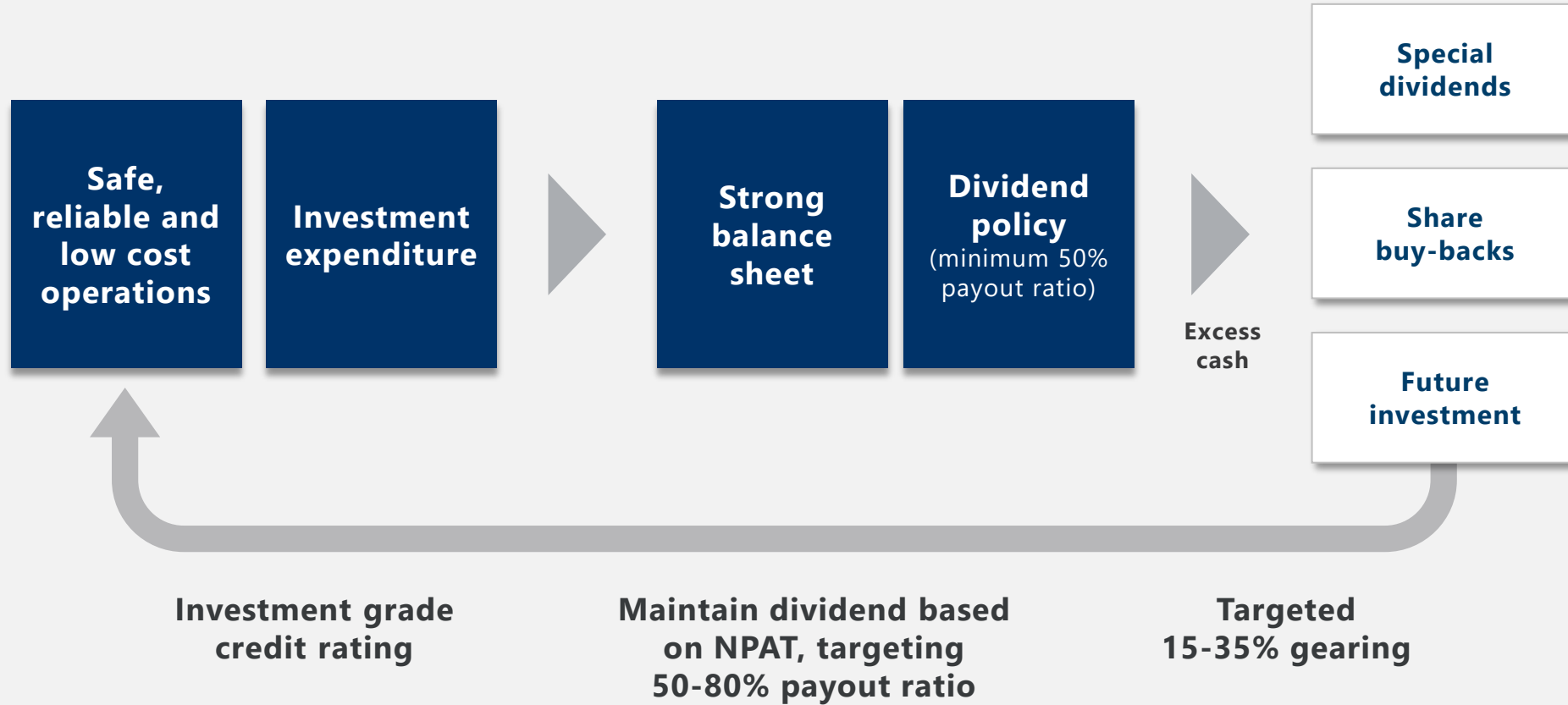
CCUS refers to carbon capture utilisation and storage.

1. Payback refers to RFSU + X years.

2. Target is for equity net Scope 1 and 2 emissions. Baseline is set as the gross 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 baseline will be adjusted for the then combined Woodside and BHP petroleum portfolio.

# Shareholder returns

## OPTIMISE VALUE AND SHAREHOLDER RETURNS



# Thriving in a lower-carbon future

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

Clear targets consistent with Paris-aligned pathways<sup>3</sup>

Diverse carbon abatement through

- Design out
- Operate out
- Offset

## DECARBONISATION TARGETS

**15%**  
by 2025

**30%**  
by 2030

**Net zero**  
aspiration by 2050 or sooner

Equity net emissions reduction targets<sup>1</sup>

**\$5 billion**

Invested in new energy products and lower carbon services by 2030<sup>2</sup>

1. Target is for equity net Scope 1 and 2 emissions. Baseline is set as the gross 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 baseline 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.
3. Scope 1 and Scope 2 net emissions trajectory consistent with the SSP1-1.9 (1.4°C) to SSP1-2.6 (1.8°C) pathways in the Working Group 1 contribution to the IPCC's Sixth Assessment Report. Relative oil and gas versus hydrogen potential investment consistent with a range of outcomes predicted between IEA's Net Zero Emissions (NZE2050) and Sustainable Development Scenario (SDS). The NZE2050 global temperature rise is limited to 1.5°C with a 50% probability and the SDS global temperature rise is limited to 1.65°C with a 50% probability (potentially 1.5°C with some level of net negative emissions).

# Scope 3 emissions approach

## INVEST

NEW ENERGY PRODUCTS | LOWER CARBON SERVICES

**\$5 billion invested by 2030<sup>1</sup>**

Collaboration with customers to build market demand  
Recent announcements: Heliogen, H2Perth, H2TAS, H2OK, CCS

## SUPPORT

CUSTOMER AND SUPPLIER EMISSIONS REDUCTION

Carbon offset cargoes | Methane  
Shipping | Contracting | Business travel

## PROMOTE

GLOBAL MEASUREMENT AND REPORTING

Emerging harmonisation of global standards  
Transparent emissions reporting

**Investment consistent with Paris-aligned pathways<sup>2</sup>**

CCS refers to carbon capture and storage.

1. 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.
2. Relative oil and gas versus hydrogen potential investment consistent with a range of outcomes predicted between IEA's Net Zero Emissions (NZE2050) and Sustainable Development Scenario (SDS). The NZE2050 global temperature rise is limited to 1.5°C with a 50% probability and the SDS global temperature rise is limited to 1.65°C with a 50% probability (potentially 1.5°C with some level of net negative emissions).

# Energy transition plan

ENERGY TRANSITION PROGRESS

2021

## Market development

- Build relationships across value chain
- Technology flexible (hydrogen, CCS, renewables)
- Secure land and customers for projects
- Grow offsets portfolio to support base business
- Develop CCS opportunities
- Leverage existing capabilities

Mid-2020s

## Early new energy transition

- Achieve start-up of new energy projects
- Scale-up carbon offset projects
- Export ammonia from Australia
- Develop CCU opportunities
- Progress CCS opportunities

2030+

## New energy at scale

- Export liquid hydrogen from Australia
- Scale-up CCS activities
- Expand production to match market scale

### NEAR-TERM CUSTOMER FOCUS AREAS



#### Hydrogen for heavy vehicle transport

- Expected to play a key role in realisation of climate targets
- Truck manufacturers scaling up hydrogen fuel cell operations
- Line of sight to diesel price parity



#### Ammonia for power generation

- Transportable, price competitive option to reduce carbon emissions
- Exploring opportunities with existing customers



# New energy opportunities

## 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



## H2OK | Emerging opportunity for heavy transport sector

- **Initial phase** targeting ~33,000 tpa of liquid hydrogen leveraging existing renewable network including 250 MW electrolysis component
- **Future capacity** of up to ~65,000 tpa of liquid hydrogen
- **MOU executed** with Hyzon Motors
- Targeting final investment decision H2 2022



## 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



## Heliogen | Breakthrough solar technology

- **Initial phase** targeting 5 MW
- Concentrated solar energy system to **deliver clean energy with nearly 24/7 availability**
- Targeting **execution to begin in 2022**
- Enables pathway to large-scale, cost-effective renewable power source

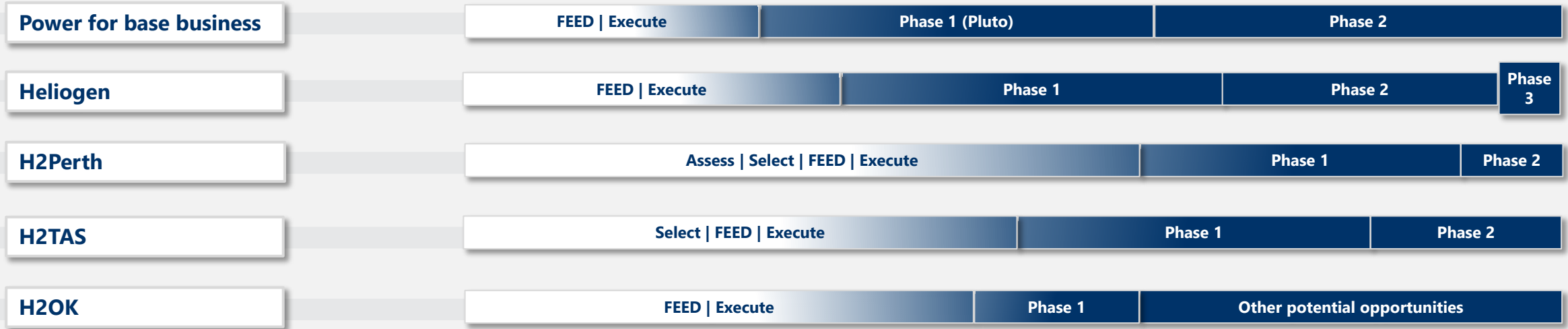
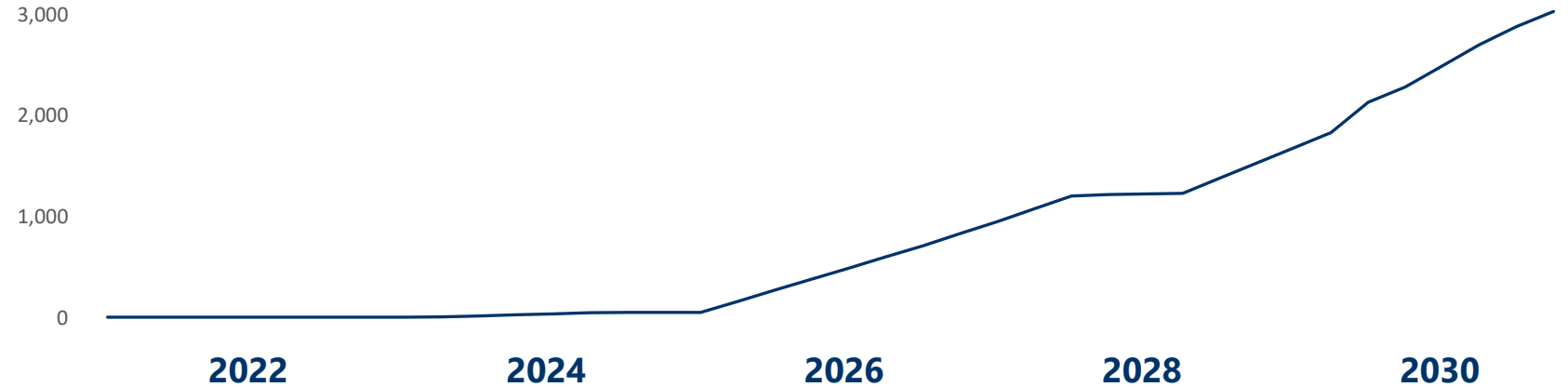


# New energy growth plan

Potential 2030 capacity  
~3,000 megawatts

Phased project  
expansion to match  
customer demand

Cumulative capacity (megawatts, indicative)



All dates and plans are Woodside targets unless otherwise specified and subject to market conditions, regulatory approvals, government approvals and commercial agreements. Assess/select/FEED/execute phases relevant only to initial phase of projects. Project phase timing and capacity is indicative only. Not guidance.

# Carbon business

Secured offsets to meet 2025 net emissions reduction target

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On track to meet 2030 net emissions reduction target

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COP26 agreement on Article 6 enables development of a robust global carbon market

## High quality offsets

- **Diverse, cost competitive** foundation portfolio to support base business and Scarborough demand
- Collaboration with customers for supply of **carbon offset cargoes**
- **~10,000 ha of land** secured for planting native trees
- **Extended relationship** with Greening Australia to source and lease portions of farmland in Western Australia
- Existing and planned Australian land-based projects expected to **deliver ~2.5 million tonnes of offsets** (CO<sub>2</sub>-e) by 2040

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## Carbon capture and storage

- Assessing opportunity to **develop a large-scale, multi-user project** near Karratha, Western Australia
- **Consortium established** with bp and Japan Australia LNG (MIMI) Pty Ltd to study carbon capture and storage
- **Supports further emissions reduction** after 2030

# 2021 priorities delivered and a merger

1

## DISCIPLINED EXPENDITURE



Cost and efficiency transformation underway

2

## CREATE AND PROTECT VALUE



Achieved targeted Scarborough FID in H2 2021

3



Delivering Sangomar Phase 1

4

## BUILD OUR SUSTAINABLE FUTURE



Delivering value through the energy transition

5



Proposed merger with BHP's petroleum business

# Merger strategic rationale



+

**BHP**  
Petroleum

All-stock merger of Woodside and BHP Petroleum

## PORTFOLIO QUALITY

Complementary, long-life, high margin, **tier 1 assets**

## CASH GENERATION AND BALANCE SHEET

**Strengthens** cash generation and balance sheet

## SHAREHOLDER RETURNS AND CAPITAL DISCIPLINE

Supports **superior returns** through continued **capital discipline**

## DEVELOPMENT OPTIONALITY

**Enhanced portfolio** of high return growth options

## ENERGY TRANSITION LEADERSHIP

**Increased capacity** to deliver the energy transition

## SYNERGIES AND VALUE CREATION

Opportunities to deliver ongoing **attractive synergies**

# International portfolio of Tier 1 assets

**~200 MMboe**  
2021 production<sup>1</sup>

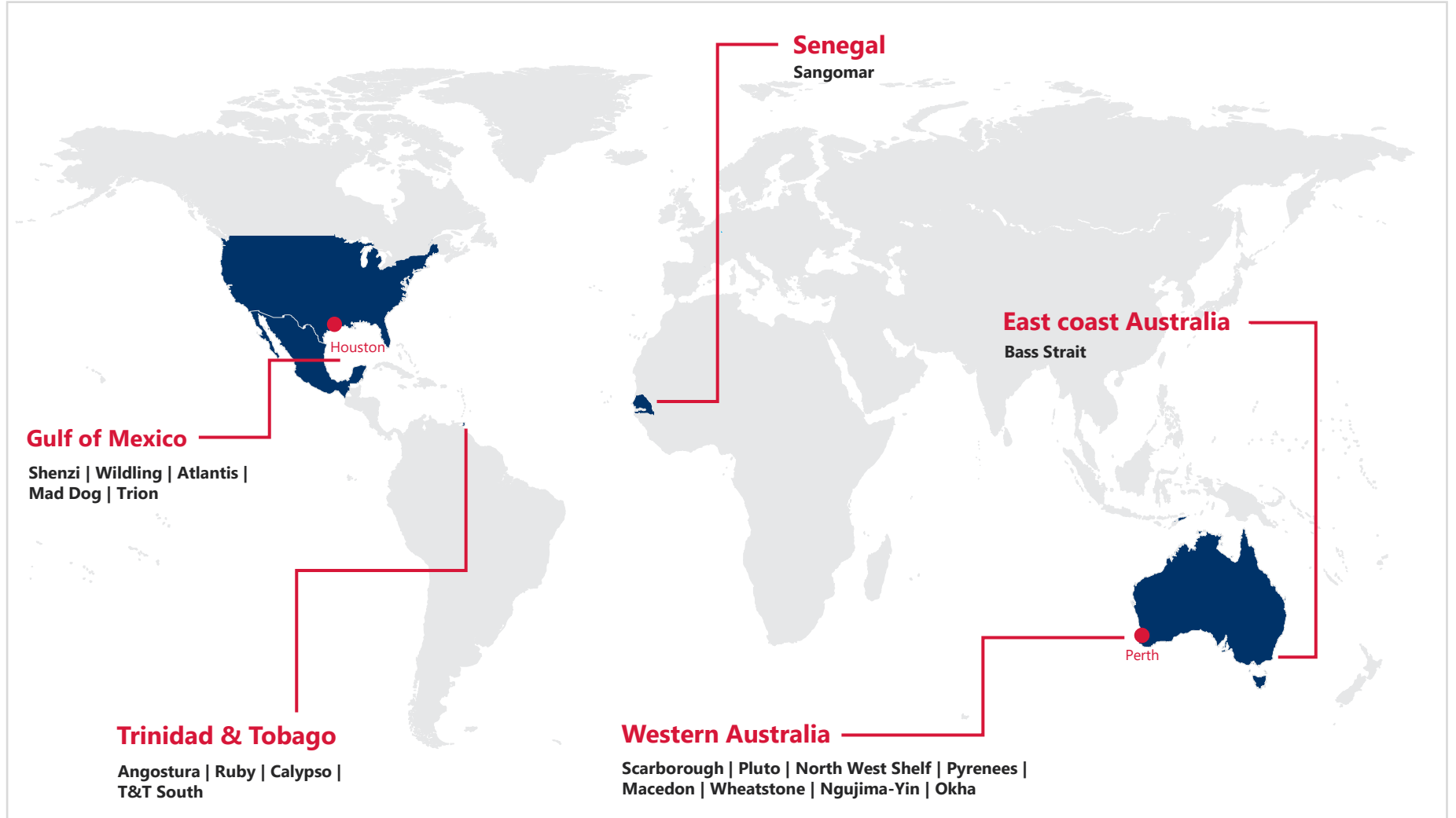
**Top 10 independent**<sup>2</sup>

**10.6 Mt**  
LNG production<sup>3</sup>

**Top 10 global**<sup>4</sup>

**Scarborough FID achieved**

**Attractive near-term GOM developments**



1. Combined Woodside and BHP for the 12 months to 30 June 2021, not giving effect to any pro forma adjustments. Includes Algeria production of 3 MMboe. Neptune production volume is included in GOM but divested in May 2021.  
 2. Source: Wood Mackenzie Corporate Benchmarking Tool production forecasts as at 31 July 2021. Woodside analysis.  
 3. Equivalent to 95 MMboe.  
 4. Source: LNG Output, Wood Mackenzie LNG Tool, Q2 2020 data set. Woodside and BHP 12 months to 30 June 2021. Woodside analysis.

# Timeline to completion

## Q3 2021

17 August  
**Merger commitment deed**  
executed

## Q4 2021

22 November  
**Share sale agreement** and  
**integration and transitional**  
**services agreement** executed

## Q1 2022

Target for **release of**  
**shareholder materials**

Pursuing secondary listings  
on the **New York Stock**  
**Exchange** and **London**  
**Stock Exchange**

## Q2 2022

Target for **Woodside shareholder**  
**meeting** to approve issue of shares

Target for **completion date** and  
distribution of new Woodside  
shares to BHP shareholders

Due diligence

Consents and approvals

Shareholder materials including independent expert's report

Secondary listing identification

Secondary listing implementation<sup>1</sup>

• Woodside's and BHP Petroleum's respective businesses will remain separate and independent until after completion

1. Final implementation of secondary listings will occur around completion of the merger.

# Organisational design after completion





# Planning opportunities to deliver synergies after merger completion

**\$400+** million  
estimated annual savings<sup>1</sup>

## OPERATIONS

- Implement existing activities already identified by Operations Transform initiatives and identify opportunities for broader implementation after completion
- Potential to improve inventory management and consolidation of contracts
- Implement best practices from the joint portfolio

## GROWTH OPPORTUNITIES

- Prioritise the highest return options
- Explore opportunities for supply services synergies across projects

## EXPLORATION

- Focus on high-quality prospects
- Prioritising activities with a clear path to commercialisation

## MARKETING

- Explore leveraging increased scale to improve shipping utilisation and increase optimisation opportunity

## CORPORATE

- Potential to rationalise applications, licences and subscriptions
- Alignment of systems and processes across portfolio
- Optimise organisational design for the merged business

1. Estimated savings expected to be fully realised from approximately the end of 2023.

# Scarborough and Pluto Train 2 developments approved

## DEVELOPS WORLD-CLASS RESOURCE

**11.1** Tcf  
resource size, 100%<sup>3</sup>

**8** Mtpa of LNG  
development plus  
225 TJ/day  
domestic gas

**957** MMboe  
increase to **1P reserves**

**1,433** MMboe  
increase to **2P reserves**

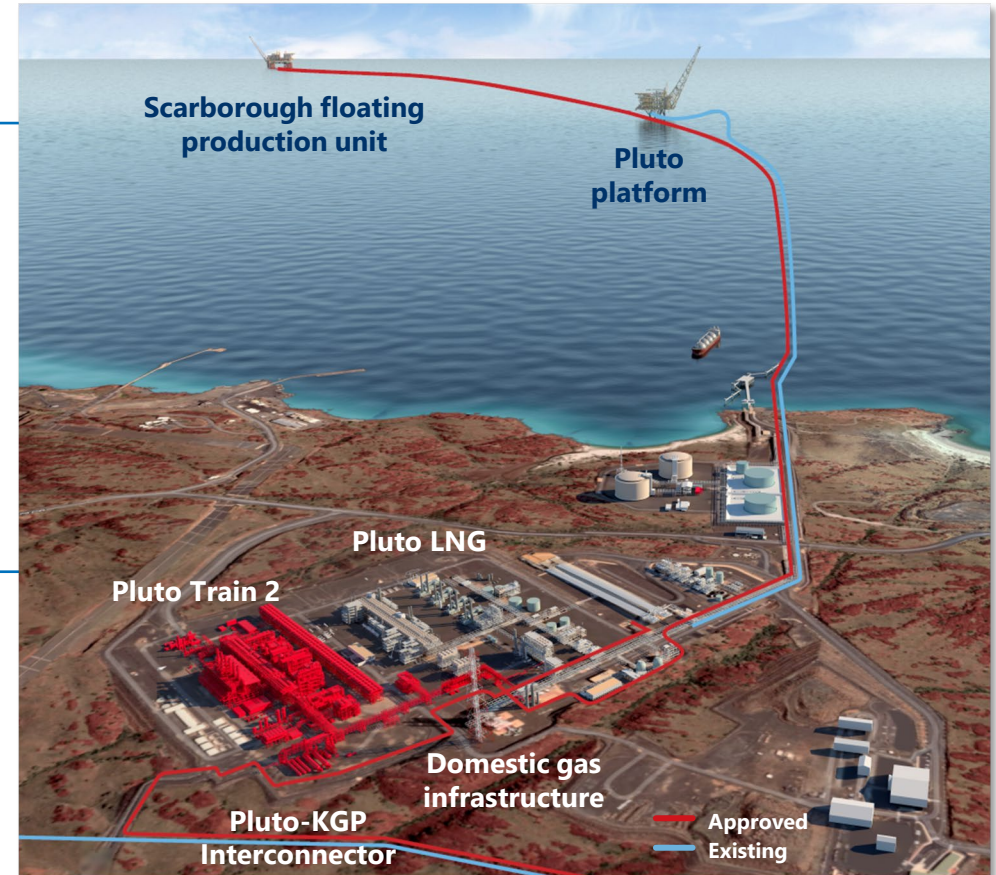
## PROVIDES LONG-TERM RETURNS

> **13.5** %  
internal rate of return<sup>1</sup>

~**\$5.8** per MMBtu  
globally competitive **cost  
of supply**<sup>1</sup>

~**6** years  
payback period<sup>1</sup>

~**\$26** billion  
expected net cash flow<sup>1</sup>



\$6.9 billion Woodside capital cost | 73.5% offshore, 51% onshore<sup>2</sup>

Targeting first cargo 2026

1. IRR, Woodside cost of supply and payback period assume Woodside equity of 73.5% in Scarborough, 51% in Pluto Train 2 and 90% in Pluto LNG; includes Global Infrastructure Partners (GIP) additional funding of \$822m of capital expenditure from the sell-down of Pluto Train 2 and payments due on FID to ExxonMobil and BHP. IRR and payback period are a look forward from January 2021 and assume US\$65/bbl (real terms 2022) Brent oil price. The integrated Woodside cost of supply (real terms 2021) is based on a 10% rate of return (both upstream and downstream), includes shipping to north Asia and is a look forward from January 2020. Payback period is calculated from undiscounted cash flows, RFSU + approximately 6 years. Not guidance.
2. Includes GIP's additional funding of \$822m of capital expenditure from the sell-down of Pluto Train 2 and excludes contingent payments due on FID.
3. 11.1 Tcf, 100% is consistent with the 2P reserves of 1,433 MMboe, a working interest of 73.5% and a conversion factor of 5.7 Bcf per MMboe.

# Scarborough's role in the energy transition

**LNG is required**  
in a decarbonising world

LNG can assist **coal-to-gas switching** in Asia

Aligned with our **customers' decarbonisation goals**

Scarborough is **amongst the lowest carbon intensity projects** for LNG delivered to north Asia<sup>2</sup>

**Scarborough is advantaged**  
from a carbon perspective<sup>1</sup>

**~0.1%** **~0.26**  $\frac{\text{tCO}_2\text{-e/}}{\text{tLNG}}$   
CO<sub>2</sub> in reservoir Train 2 design intensity<sup>1</sup>

Estimated total project emissions (mt CO<sub>2</sub>-e, full life)

<b>99.5</b>	<b>Scope 1</b> (upstream and downstream)
<b>778.5</b>	<b>Scope 3</b> (use of sold product and transport)
<b>878.0</b>	<b>Total Scope 1 and 3 emissions<sup>3</sup></b>

**Woodside's net zero aspiration**  
includes Scarborough

**15%** **30%** **Net zero**  
by 2025 by 2030 aspiration by 2050

**Woodside's equity emissions reduction targets<sup>4</sup>**

**Contributes cash flow** to help fund investment in the energy transition

1. Relative to the reservoir CO<sub>2</sub> content and design intensity of other LNG projects.

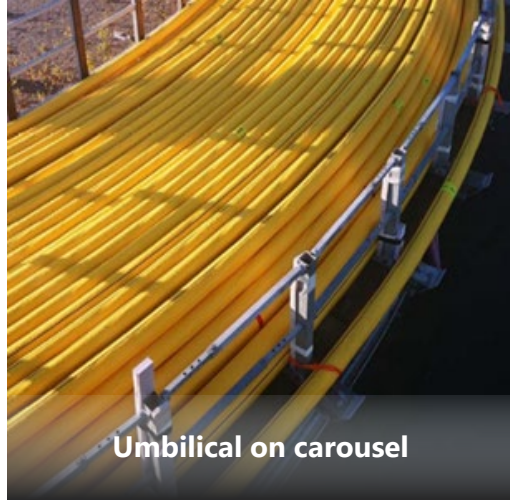
2. Scarborough gas processed through Pluto Train 2.

3. Scarborough Offshore Project Proposal; includes Scarborough, Thebe and Jupiter. 100% project.

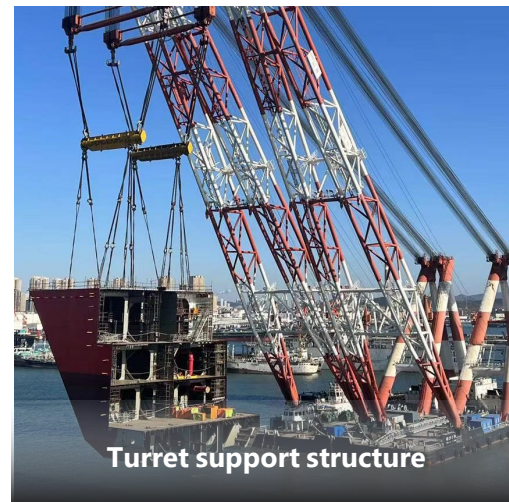
4. Target is for equity net Scope 1 and 2 emissions. Baseline is set as the gross average equity Scope 1 and 2 emissions over 2016-2020 and may be adjusted (up or down) for potential equity changes in producing or sanctioned assets with an FID prior to 2021. Post-completion of the Woodside and BHP petroleum merger (which remains subject to conditions including regulatory approvals), the baseline will be adjusted for the then combined Woodside and BHP petroleum portfolio.

# Sangomar progress

## SUBSEA

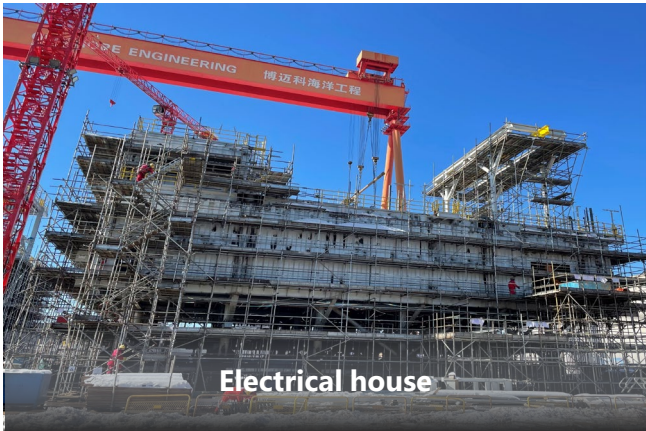
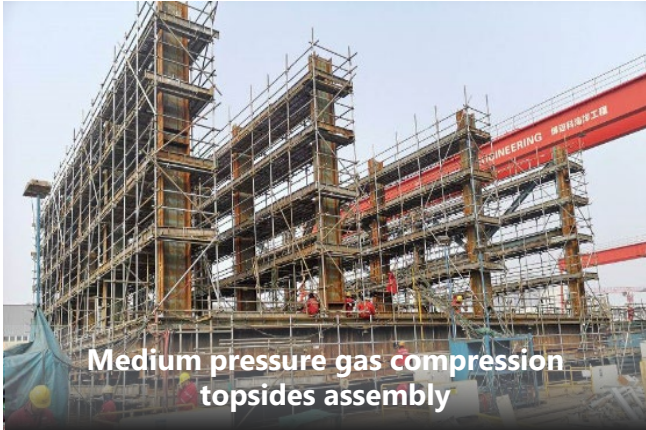


## FPSO CONVERSION DALIAN



# Sangomar progress

## FPSO TOPSIDES – TIANJIN



## FPSO TURRET – PENGLAI



## SENEGAL



# Key messages

## STRATEGY

Thriving through the energy transition

## CAPITAL ALLOCATION

Clear criteria for maximising value from portfolio optionality

## SHAREHOLDER RETURNS

Flexible framework for distributing value to shareholders

## CLIMATE

Corporate emissions reduction targets applying to the larger portfolio; investment target for new energy products and lower carbon services to 2030

## NEW ENERGY

Diversified new energy portfolio

## MERGER AND DEVELOPMENTS

Planning and scoping underway for integration after completion

# 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.

## Disclosure of reserve information and cautionary note to US investors

- Unless expressly stated otherwise, all estimates of oil and gas reserves and contingent resources disclosed in this presentation have been prepared using definitions and guidelines consistent with the 2018 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/American Association of Petroleum Geologists (AAPG)/Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). Estimates of reserves and contingent resource in this presentation will differ from corresponding estimates prepared in accordance with the rules of the US Securities and Exchange Commission (the "SEC") and disclosure requirements of the US Financial Accounting Standards Board ("FASB"), and those differences may be material.
- Estimates of contingent resources are by their nature more speculative than estimates of proved reserves and would require substantial capital spending over a significant number of years to implement recovery. Actual locations drilled and quantities that may be ultimately recovered from our properties will differ substantially. In addition, we have made no commitment to drill, and likely will not drill, all of the drilling locations that have been attributable to these quantities.
- The Registration Statement to be filed in connection with the Transaction will be required to include, among other things, disclosure of reserves and other oil and gas information in accordance with U.S. federal securities laws and applicable SEC rules and regulations (collectively, "SEC requirements"). The SEC permits oil and gas companies that are subject to domestic issuer reporting requirements under U.S. federal securities law, in their filings with the SEC, to disclose only estimated proved, probable and possible reserves that meet the SEC's definitions of such terms. In addition, the Registration Statement will include notes to the financial statements included therein that include supplementary disclosure in respect of oil and gas activities, including estimates of proved oil and gas reserves and a standardized measure of discounted future net cash flows relating to proved oil and gas reserve quantities. This supplementary financial statement disclosure will be presented in accordance with FASB requirements, which align with corresponding SEC requirements concerning reserve estimation and reporting.

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