

Sustainably delivering energy security

2022
Sustainability Report



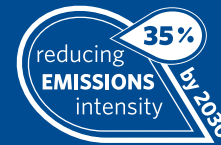
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FY22 Highlights

Emissions reduction

New emissions reduction target
Aligns with Federal 2030 emissions reduction target



↓ 35%

Our communities

Total community investment contributions

\$4.1m
invested by Beach

Our people

Years recordable injury free at Otway Gas Plant

seven

Our environment

Otway Basin drilling campaign successfully completed without affecting the behaviour of blue whales.

>12,000
hours of marine observations

Message from the Chief Executive Officer

Beach Energy's commitment to sustainability is evident in our company's purpose: to sustainably deliver energy for communities.

We are committed to sustainably and safely contributing to energy security for Australia and New Zealand, taking an active role in the transition to a lower carbon future and towards our aspiration to reach net zero scope 1 and 2 emissions by 2050.

The last year has seen Beach make good progress, and we are pleased to detail these initiatives in our 2022 Sustainability Report.

At a time when global forces are placing pressure on energy security and affordability, we are striving to provide energy solutions to meet the needs of the customers and community alike as we move toward a lower carbon future.

Significantly, Beach is excited and proud to announce a new equity emissions reduction target - to reduce our scope 1 and 2 emissions intensity by 35% by 2030. This target is benchmarked against 2018 levels and takes into account our non-operated portfolio, such as our joint venture operations in the Perth and Cooper Basins.

Importantly, this near-term target will take us towards our aspiration to reach net zero scope 1 and 2 emissions by 2050.

The Moomba Carbon Capture and Storage (CCS) Project, for which Beach took a Final Investment Decision in November 2021, will make a substantial contribution towards our new target.

Once the project is commissioned in 2024, it is targeting storage of up to 1.7 million tonnes of carbon dioxide annually in depleted Cooper Basin reservoirs.

CCS is the frontrunner technology in reducing emissions, without putting at risk energy security, reliability and affordability through a disordered transition away from natural gas.

Our ingrained culture at Beach is that 'Safety takes precedence in everything we do' and while we have seen too many minor injuries in the last year, our teams remain committed to staying safe at work. Our highlight was the achievement of 7 years

recordable injury-free performance for the team at the Otway Gas Plant.

As always, Beach aims to be a trusted, respected and accepted member of the communities in which we operate. Our Community Partnerships committed \$4.1m in the form of cash, in-kind, time and management costs across 65 organisations, benefitting more than 29,000 people, while our workplace volunteering program saw 971 hours volunteered in FY22.

Our community partnership mindset led to Beach being the recipient of the 2022 APPEA Environment Award for our collaboration with the fishing industry on the Prion Seismic Survey, in which we partnered on a study to build upon the evidence base regarding marine life impacts from seismic surveys.

Respect is one of our core values at Beach, and we remain committed to respecting cultural heritage and the relationship between First Nations peoples and the lands in which we operate. Beach became a member of Supply Nation, a non-profit organisation that connects organisations to First Nations business, to demonstrate diversity through our procurement processes and extending our supplier network.

We are very excited to announce our biggest ever environmental partnership with Deakin University's Blue Carbon Lab, which seeks to use new technologies to re-establish coastal wetlands, and creates meaningful ecological and social impact, while also creating opportunities for our staff to get involved in these important environmental projects.

As Beach's new Chief Executive Officer, I want to assure you that we will continue the momentum that we have created in recent years when it comes to our sustainability focus through reducing the emissions intensity from our portfolio, and making a positive impact on the communities in which we operate.

It is an exciting time to be leading the company.



Morné Engelbrecht | Chief Executive Officer

15 August 2022



We are committed to sustainably and safely providing energy security in the transition to a lower carbon future.

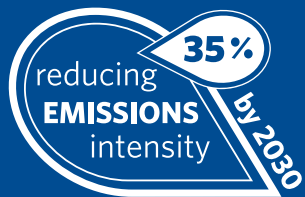
Future focus

Much of this report documents our progress and achievements from FY22. As we look towards FY23, we have set the following targets for the next stage in our sustainability journey.

FY23 Targets

Emissions reduction

- Implement Fuel, Flare and Vent (FFV) projects to reduce carbon emissions by 18ktCO₂e
- Complete Carbon Capture and Storage (CCS) feasibility study at the Otway Gas Plant



Environment

- Obtain environmental approvals to support Otway offshore and nearshore projects
- Install groundwater monitoring bores at Kupe Production Station to monitor the quality of groundwater beneath the facility
- Establish a waste monitoring dashboard for New Zealand operations assets to improve our understanding of waste stream and drive our waste reduction program
- Develop and implement a program to have product stewardship of scope 3 greenhouse gas emissions

Health and safety

- Strengthen Fatigue Management processes.
- Further embed Occupational Health Risk Management Plans at each operational site.
- Target TRIFR of 2.8

Community

- Maintain current levels of community investment contributions
- Encourage employee participation in volunteering and matched-giving programs increase FY22 participation by 30%
- Develop community and First Nations peoples economic participation plan for core Beach operated assets

People

- Continuation of embedding the Beach Leadership and Capability Framework
- Continuation of site-based competency and capability framework streamlining and automation project
- Continuation of Organisational Effectiveness Roadmap of activities



About this report

We understand the importance of sustainability and that all actions have impact.

Scope of this report

This report outlines Beach’s sustainability performance and covers assets owned and operated by Beach for the period 1 July 2021 to 30 June 2022. Beach’s assets include projects in the exploration, development and production phases.

People-related data included in this report refer to all direct employees (including international employees), contractors, and visitors within Beach’s operations. Beach reports on Health, Safety and Environment (HSE) information from operations within its control. All monetary amounts reported are in Australian dollars, unless otherwise stated. Our non-operated activities in Australia and New Zealand are excluded from the scope of this report unless specifically stated.

Our operations

Beach operates production facilities in the Cooper/Eromanga and Otway Basins in South Australia, Otway and Bass Basins in Victoria, the Perth Basin in Western Australia and the Taranaki Basin in New Zealand. These operations are subject to the environmental approval processes of the respective governments in South Australia, Victoria and Western Australia and respective Commonwealth governments in Australia and New Zealand. Beach’s headquarters are in Adelaide, South Australia.

Membership of associations

Beach is a member of:

- South Australian Chamber of Mines & Energy (SACOME),
- Australian Petroleum Production & Exploration Association (APPEA),
- Petroleum Exploration and Production Association of New Zealand (PEPANZ),
- Business for Societal Impact (B4SI),
- the Australian Industry Greenhouse Network (AIGN),
- the International Association of Oil & Gas Producers (IOGP), and
- Safer Together.

Reporting guidelines

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. It focuses on aspects which have a material impact on stakeholders and sustainability performance. A table of GRI indicators relevant to Beach’s activities appears on page 43.

This commitment to sustainability reporting supports progress towards SDG 12.6 *Encourage companies to adopt sustainable practices and sustainability reporting.*

Ernst & Young (EY) has provided limited assurance in respect to some of the key metrics in this report. A copy of EY’s assurance report is available on page 47.



Managing sustainability

Effective governance structures and clear lines of accountability enable us to deliver our commitments while creating value for our shareholders.

Governance

The Risk, Corporate Governance and Sustainability Committee of the Board provides oversight on sustainability at Beach. The Sustainability Steering Committee, comprising all company executives and the Chief Executive Officer, oversees the management of sustainability performance and risks in the business. Both committees meet on a quarterly basis to discuss sustainability risks, opportunities, projects and performance against targets.

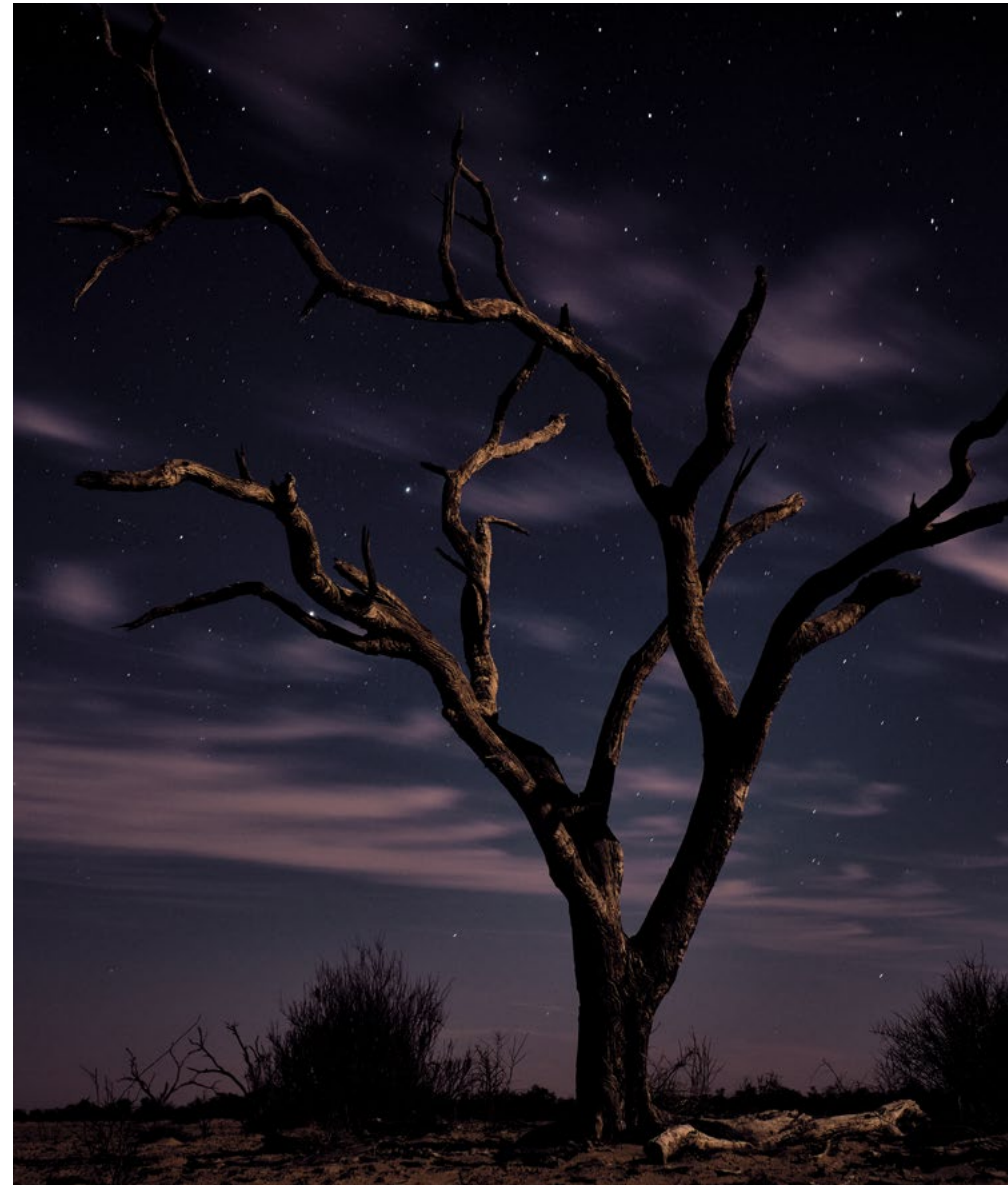
Several policies and governance documents help in the integration of sustainability across the business. They are highlighted in the relevant sections of this report, with links provided to their location on the company website. These include the Sustainability Policy and the Sustainability Standard which is part of Beach's Operations Excellence Management System (OEMS).

Beach participates in and tracks its performance against external benchmarks such as the CDP (formerly, Carbon Disclosure Project). Beach endeavours to improve or maintain ratings provided by these agencies as well as those provided by other independent industry analysts. As shown in this report, Beach aligns its sustainability efforts with the United Nations Sustainable Development Goals (SDGs).

Risk oversight and management

Risk is inherent in Beach's business, so effective risk management is crucial to the long-term viability of the company. The Board and its Risk, Corporate Governance and Sustainability Committee proactively considers and review risks relating to social, governance, economic and environmental issues.

Risks to Beach include those associated with the transition to a lower carbon future, as well as maintaining a social licence to operate, reputation, health, safety, environment and economics. Significant risks are continually reviewed and updated in the corporate risk register.



We support the

**SUSTAINABLE
DEVELOPMENT
GOALS**

**Visit our website to view the
Corporate Governance Statement**



**Visit our website to view the
Sustainability Policy at Beach**



Stakeholder engagement

Engaging with stakeholders, responding to their expectations and interests, underpins our progress towards a more sustainable future.

Our stakeholders

Beach is aware of its responsibilities towards its stakeholders and actively seeks to develop positive and trusting relationships. This is supported by the Community and Stakeholder Engagement Policy.

To manage the commitments we make and the data we collect, Beach has implemented a stakeholder management system known as BeachConnect to provide consistent information to fulfil the commitments to our landholders and community stakeholders.

The system stores information such as agreements to access private land for our activities, content provided to community members to keep them informed and a register of questions or concerns to be addressed. BeachConnect is updated after each interaction with a stakeholder.

Stakeholder	Engagement Description
Employees	Surveys, performance reviews, presentations including development plans and training, 1:1 coaching, team development sessions, intranet site, regular management meetings, social functions, leadership site visits, safety tours and town halls.
Local and Indigenous Communities	Regular meetings, participation in community programs, project related consultation sessions, dedicated liaison contacts.
Customers	Regular meetings and industry events.
Investors	Beach website, annual general meeting (AGM), site tours, investor presentations, webcasts, roadshows, regular meetings, email alert service, Australian Stock Exchange (ASX) announcements, Half Year & Annual accounts, quarterly reporting.
Joint Venture Participants	Regular meetings, communication and information sharing.
Industry peers	Industry conferences and presentations, representation on industry associations.
Regulators	Meetings, representations on industry associations and site visits. Regular feedback and information sharing through enquiries and other reporting obligations.
Contractors & Suppliers	Regular meetings, supplier forums, emails and industry events.
Media	Relationships maintained through a dedicated media relations function
Non Government Organisations	Meetings, representations on industry associations and site visits.



Materiality

A materiality analysis helps in the prioritisation of environmental, social and governance related topics that are most important to our business and stakeholders.

Material issues and our focus

In FY19 Beach conducted a materiality assessment to prioritise important topics that could have a significant impact on our licence to operate, on our stakeholders and the communities in which we operate. The materiality process involved:

1. Identification of topics.
2. Interviews with internal stakeholders.
3. Material issues identification.

As a result of this exercise, five material sustainability issues were identified which have remain unchanged for the FY22 reporting period. These topics are listed on this page and addressed further in this report.

In addition to the five key material issues, there are a number of issues that represent critical industry and market trends influencing our business and are important to our stakeholders. Recognising a growing interest, Beach will continue to report on certain topics including workforce development, ethics and transparency, cyber security, biodiversity and modern slavery.

In the coming year we will be reviewing these material topics as part of the transition to reporting against the GRI Standards 2021 in FY23. This will include consideration of the Sector Standard, *GRI 11: Oil and Gas Sector 2021*.



Climate change

Managing emissions from operations and maintaining transparency

Page 11



Cultural heritage & community

Engaging and contributing to local communities

Page 18



Health & safety

Providing a safe and healthy working environment with a focus on process safety

Page 25



Produced water

Managing produced water from operations

Page 31



Contamination

Managing containment and remediation activities

Page 33

FY22 performance

The following table shows our performance across a range of social, environmental, economic and health and safety targets set in last year’s report.

Target	Update
Environment	
Delivery of second year of emissions reductions in line with 25by25 annual targets.	7.4 ktCO ₂ e emissions reductions delivered in FY22. (Note that the 25by25 program has been superseded by our new equity emissions reduction target, as described on page 14).
Obtain environmental approvals to support Otway offshore and nearshore projects.	All offshore Otway Environmental approvals submitted on time, with all drilling and installation Environmental Plans being accepted by the Federal Regulator. Approvals for Otway Nearshore (ONP2 project) have progressed in accordance with the Regulatory Approvals Plan and schedule.
Continue to monitor blue whales to increase our understanding of their foraging behaviour in the Otway Basin.	Independent dedicated Marine Mammal Observers completed over 12,000 hours of observations during the drilling campaign. There was no impact from our operations on whale foraging behaviour. Read more in the case study on page 35.
Establish a waste monitoring dashboard for Australian operational assets to facilitate our understanding of waste streams and drive our waste reduction program.	The waste dashboard is 80% complete, with most Australian sites included. Once the final waste vendor upgrades its reporting format, it will be included in the dashboard.
Health and Safety	
Strengthen and embed Contractor management HSE processes, with a focus on drilling and construction projects.	Development of HSE Terms and Conditions for Contractors is complete.
Further embed and drive site effectiveness of the Operations Excellence Management System (OEMS).	<ul style="list-style-type: none"> - Scheduled OEMS audit conducted with learning documented and actioned. - The Major Accident Event safety critical controls dashboard approved in March for future reporting cycles. - Operational Risk Assessments being assessed for potential improvement opportunities.
Confirm effectiveness of integrated Safety Critical Control Integrity Verification (SCCIV) program across all sites.	Safety Critical Controls Integrity Verification (SCCIV) schedule is established for the next two years covering all operating assets. Improvements for Safety Critical Controls and their associated management systems are being tracked, reviewed with Operations and Technical Services and actioned through CMO, our incident management system.

FY22 performance

Target	Update
Economics	
Maintain a conservative approach to balance sheet management.	At 30 June 2022 Beach had access to \$765m of available liquidity and was in a net cash position of \$165m, which will enable Beach to be fully funded to complete its major growth projects. In September 2021, the existing \$450m revolving debt facility was refinanced and upsized to \$600m for a term of three and five years.
Deliver first gas from the Geographe 4 and 5 wells in the offshore Otway Basin during FY22.	First gas achieved in December 2021 to Otway gas plant.
Commence construction activities on Waitsia Stage 2.	Waitsia Stage 2 construction is underway having commenced in September 2021.
Communities	
Maintain current levels of community investment contributions.	100% of regional community investments executed.
Encourage employee participation in the new team volunteering program.	971 hours of volunteering were delivered in FY22.
Human Resources	
Delivery of the One Beach Team (Organisational Effectiveness Road Map).	Highlights of the Organisational effective Road Map includes: 96 roles being clarified via Role Clarity and Team Effectiveness Sessions for and the completion of the FY22 Technical Competency Assessment Process. All planned activities are still ongoing and will be linked to FY23 planning.
Drilling and Completions Leadership Program.	Seven participants completed the program as part of the front-line leader program. Other leadership programs completed were: <ul style="list-style-type: none"> - Beach HSE Frontline Leader Program - four participants - Beach Operations Frontline Leadership Program – 34 participants.
Embed the Leadership Capability and Competency Framework.	Work underway to embed the framework which will coincide with key Employee Survey action items.
Operations Technical Competency and Compliance Matrices standardisation and Career Development plans.	The project commenced and will be a focus of finalising in FY23.

Climate change

We recognise the need to take action to reduce climate change and its impacts.

Introduction

Beach is committed to ensuring access to affordable, reliable and sustainable energy for all. We recognise the need to accelerate meaningful progress towards delivering cleaner energy at a time when global forces are placing pressure on energy security and affordability.

As a member of the energy industry, we have an opportunity to make a significant contribution to the achievement the UN Sustainable Development Goals SDG 7 *Affordable and clean energy* and SDG 13 *Climate action*. The way that we operate our business and provide energy solutions to customers, reducing emissions intensity and supporting - through carbon capture and storage, for example - the transition to different, cleaner fuel sources, can reduce the carbon footprint of our entire value chain.

Our Management Approach

Climate change is a significant global challenge. Beach recognises that our industry has an important role in managing emissions and guiding the transition to a low carbon economy. As we work towards our aspiration to reach net zero scope 1 and 2 emissions by 2050, we continue to deliver on our emissions reduction goals. Beach is also pursuing research and development opportunities to further reduce emissions and benefit communities through partnerships and new energy and technology solutions. We are striving to support SDG 13.4 Implement the UN Framework Convention on Climate Change, and as we seek opportunities in delivering clean energy solutions, we will contribute to SDG 7.1 Universal access to modern energy.

Beach's total annual greenhouse gas emissions are in the lowest 4% of those reported under the National Greenhouse and Energy Reporting Scheme¹. As part of the gas industry, we are playing an active role in displacing the use of coal² as an energy source locally and globally when we begin to export

liquefied natural gas (LNG) in future. We are working to meet increasing gas demands in the energy market to ensure energy security for Australia.

Role of gas in a lower carbon future

As a producer of natural gas, Beach has a key role to play in a lower carbon future as natural gas is widely recognised in playing an important role in emissions reduction globally and in Australia. It is also a vital aspect of energy security.

Natural gas produces half the greenhouse gas emissions of coal when used to generate electricity. For several countries, transitioning from coal to natural gas would result in a significant reduction in greenhouse gas emissions. Australian liquefied natural gas (LNG) exports are helping many countries in Asia achieve their emissions goals while significantly reducing pollution levels in major cities. China has become one of the world's largest LNG importers as it aims to switch millions of homes and manufacturing facilities from coal to natural gas. While it still is one of the world's biggest emitters of greenhouse gases, China has made significant progress in lowering carbon intensity by switching over to natural gas.

The International Energy Agency's (IEA) Sustainable Development Scenario, under which global temperature growth is limited to well below 2 degrees, highlights the role of coal-to-gas switching.

In an Australian context, the development of more natural gas supplies is also seen as critical in reducing Australia's emissions footprint. The Integrated System Plan (ISP), which models electricity generation over the next 20 years in the National Electricity Market (NEM), was updated in June 2022 by the Australian Energy Market Operator (AEMO). It provides an optimal development path support to Australia's complex and rapid energy transformation towards net zero emissions, enabling low-cost firm renewable energy and essential transmission to provide consumers in the NEM with reliable, secure and affordable power.

The ISP notes that gas-fired generation will play a crucial role in energy security as coal-fired generation retires, complementing renewable energy systems and providing essential power system services to maintain grid security and stability, particularly following unexpected outages or earlier than expected generation withdrawal. This critical need for peaking gas-fired generation will remain through the ISP time horizon to 2050. Over time, gas-fired generation emissions will need to be offset elsewhere if the economy is to reach net zero emissions, and natural gas may be replaced by net zero carbon fuels such as green hydrogen or biogas.

We aspire to net zero by 2050

Related SDGs



[Visit our website to view Climate Change Policy](#)



[Visit our website to view Risk Management Policy](#)



¹ Cleanenergyregulator.gov.au. 2022. Corporate emissions and energy data 2020-21
² aemo.com.au. 2022. Quarterly Energy Dynamics Q2 2022. p3

Climate change

Governance

The Board has three committees that ensure matters related to sustainability and associated business risks are appropriately managed. They are the Audit Committee, the Risk, Corporate Governance and Sustainability Committee, and the Remuneration and Nomination Committee.

Beach's highest level of responsibility over matters relating to climate change sits with its Board through the Risk, Corporate Governance and Sustainability Committee. Board meetings are held monthly, with Risk, Corporate Governance and Sustainability Committee meetings occurring every three months. This committee is provided with updates on affairs such as health and safety, policy and regulation, tracking against emissions targets, decarbonisation opportunities, community and environmental performance and public disclosures.

Support for the Committees and Board from within the business stems from our Executive Leadership Team, Senior Managers and teams who work to execute our climate change goals and policy, and deliver appropriate risk management approaches.

Risk management

Beach has a risk framework that considers corporate risks inclusive of climate change, underpinned by the International Standard of Risk Management (ISO 31000). The Board has responsibility for the risk framework and monitoring of material risks. Such risks are added to a risk register which is regularly reviewed by the Risk Management Committee. Each risk is assigned to a single accountable executive to consider and to monitor the risk control effectiveness.

Each business function is responsible for identifying, quantifying and managing the risks that relate to its function. The Risk Management Committee is notified of any significant changes in material risks.

Risk factors relating to climate change are identified by considering main sources of change – market, regulation, technology, physical and reputational. The precautionary principle, where a conservative approach is taken to guard

against potential environmental damage in the face of uncertainty, is applied through the application of the risk framework. An approved internal carbon price is used to validate project economics and investments under some scenarios and assess project risk based on emissions outputs.

In FY23, we will be enhancing our commitment to the Task force on Climate-related Financial Disclosures (TCFD) through a review on the four key areas of governance, strategy, risk management, and metrics and targets.

Evaluation of performance

An effective management approach for climate change provides data that is publicly available, published through independent bodies, company channels and legislative requirements. Independent climate disclosure is performed via CDP (Climate Disclosure Project) and S&P Global who both publish data provided for analytics and stakeholder engagement purposes. In accordance with *The National Greenhouse and Energy Reporting Act 2007*, we publish data about our scope 1 and 2 greenhouse gas emissions, energy produced and energy consumed. This data is independently assured by a qualified third party.



Reducing emissions

FY22 Emissions Reduction Program

Beach has continued work on reducing our operated emissions, measuring the effectiveness of each activity and recording the change in emissions.

In FY22, we delivered an operated emissions reduction of 7,401 tCO₂e and recorded an ongoing reduction of 3,795 tCO₂e from activities established in the previous year. Emissions reductions were achieved through new initiatives and process change.

Over the course of the 25by25 program, we have achieved an operated emissions reduction of 18,164 tCO₂e across all assets.

The 25by25 program to reduce operated emissions has provided a strong foundation for the next phase of our emissions reduction strategy and has demonstrated our commitment through action on decarbonisation.

We now look forward to delivering our new equity emissions reduction target - to reduce our scope 1 and 2 emissions intensity by 35% by 2030. This new target is more encompassing than the 25by25 program and reflects our growing ambition.



Emissions reduction in FY22	(tCO ₂ e)
Otway - Inlet gas compression surge control phase 2	168
Otway - Flash gas compressor reliability improvements	2,200
Bass Gas - Stabiliser overhead compressor reliability	133
Bass Gas - Air Liquide supply pressure increase	1,700
New initiatives subtotal	4,201
Beharra Springs - Turndown	3,200
FY22 annual emissions reduction	7,401

FY22 annual reduction
7,401 tCO₂e

Reducing emissions

We are taking an active role in the transition to a low carbon future.

Our new target

We are focused on meeting our new equity emissions reduction target – to reduce our scope 1 and 2 emissions intensity by 35% by 2030. As an equity emissions target, this accounts for emissions from operations according to our share of equity in the operation. This recognises emissions reduction progress across both operated and non-operated assets.

Emissions intensity is the ratio of emissions to production; they are proportional and this allows us to monitor and manage emissions even when production changes. This is an important metric for understanding the underlying emissions reduction trend.

The emissions reduction will be measured against a 2018 baseline, when Beach expanded its portfolio through the acquisition of Lattice Energy.

The emissions reduction will be measured against a 2018 baseline, when Beach materially expanded its portfolio through the acquisition of Lattice Energy.

We remain committed to our aspiration to reach net zero scope 1 and 2 emissions by 2050.

More than 90% of current customers of our production, whether that is gas, LPG or condensate, have net zero carbon emissions targets. This is likely to continue for the foreseeable future given the term of our current contracts and recently announced contract for Waitsia gas.

Considering scope 3 emissions

Looking forward, we will be forecasting and measuring the scope 3 emissions from the Otway Gas Plant by the end of the FY23. We have also committed to working proactively with customers supplied from the Otway Gas Plant to offer assistance to them to help reduce their scope 1 emissions, which are our scope 3 emissions.

Australia's emissions reduction targets

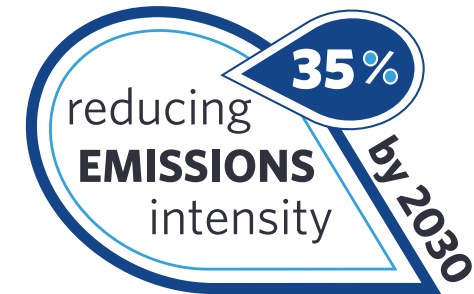
Beach's new target has been prepared with consideration of the Australian Government's emission reduction target of 43% below 2005 levels by 2030 and net zero by 2050. Australia's Nationally Determined Contributions¹ under the United Nations Convention on Climate Change has recently been updated to reflect these targets.

It is important to note that the Australian Government's target is set against a 2005 baseline, consistent with targets under the Paris Agreement, while Beach's new emissions reduction target is against a 2018 baseline, when Beach acquired its expanded portfolio under the Lattice Energy acquisition.

Against a 2018 base year, the equivalent reduction in Australia's greenhouse gas emissions is 33% below 2018 levels by 2030. Beach's carbon emissions reduction target is aligned with the Australian Government's 43% carbon emissions reduction target.

¹ Australia's Nationally Determined Contribution Communication 2022, Australian Government Department of Industry, Science, Energy and Resources

Data published by the Federal Department of Industry, Science, Energy and Resources indicates that Australia's emissions in the year to December 2021 were 21.4% below emissions in the year to June 2005.



Reducing emissions

Our strong foundation

Our journey has already begun, as we decarbonise through initiatives to reduce flaring at our sites by improving equipment reliability and recycling previously flared gas within the gas processing facilities. Meaningful progress has been made through initiatives such as compressor reliability improvements and expansion of leak detection and repair programs to all gas facilities.

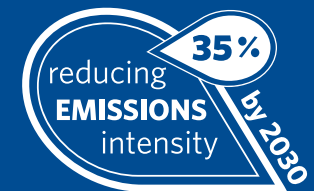
Work undertaken toward previous emissions reductions targets has provided a strong foundation for this next phase of action.

Beach has made a significant investment as a joint venture partner in the Moomba Carbon Capture and Storage project (Moomba CCS)¹, which recognises the necessity for carbon capture and storage in the transition to net zero emissions². Learn more about this project on page 17.

The delivery of planned emissions reduction projects, scheduled for the next three years, will accelerate progress toward our 2030 equity emission intensity reduction target. This is shown in the steep decline in our abated emissions intensity as we approach FY25; this is a forecast based on expected levels of production.

We are confident that we can realise our equity emissions reduction target. We have every expectation that as we identify further emissions reduction opportunities and bring these projects on line, we will be able to exceed our target and maximise our impact, making meaningful progress towards a lower carbon future.

¹ Operated by Santos
² Source: International Energy Agency, "Net Zero by 2050, A Roadmap for the Global Energy Sector", 2021



Progress
towards a
lower carbon
future

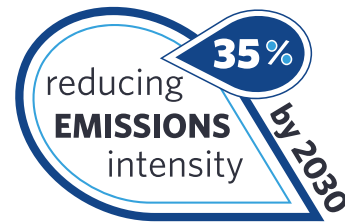
Reducing emissions

How we will deliver

Beach's commitment to reducing our emissions intensity is built on a strong foundation of performance.

We employ adaptive planning principles to leverage new opportunities for emissions reduction as they are identified. It is our goal to update our equity emissions reductions target to reflect our increased ambition in line with these new opportunities.

Together with emissions reduction projects, we are also enhancing business processes and building partnerships to accelerate decarbonisation for the entire value chain.



Emissions Reduction Framework

- ✓ Dedicated sustainability team
- ✓ Annual review cycle for scope 1 and 2 emissions reduction targets
- ✓ Regular reporting against emission reduction targets
- ✓ Commitment to aspirational targets aligned with Paris <2°C warming limits or better
- ✓ Delivering Fuel, Flare and Vent (FFV) projects to reduce emissions
- ✓ Annual scope 1 & 2 emissions pathway targets set for to guide progress



Reducing emissions

Case Study

Moomba CCS

Beach Energy has a 33% stake in the Moomba Carbon Capture and Storage (CCS) Project¹.

Being constructed adjacent to the Moomba Gas Plant in the Cooper Basin, the project is one of the world's largest scale carbon capture and storage projects and will deliver material greenhouse gas reduction for Beach's portfolio.

Upon its completion, Moomba CCS will target safely storing up to approximately 1.7 million tonnes per annum of carbon dioxide in the depleted oil and gas reservoirs near the Moomba plant.

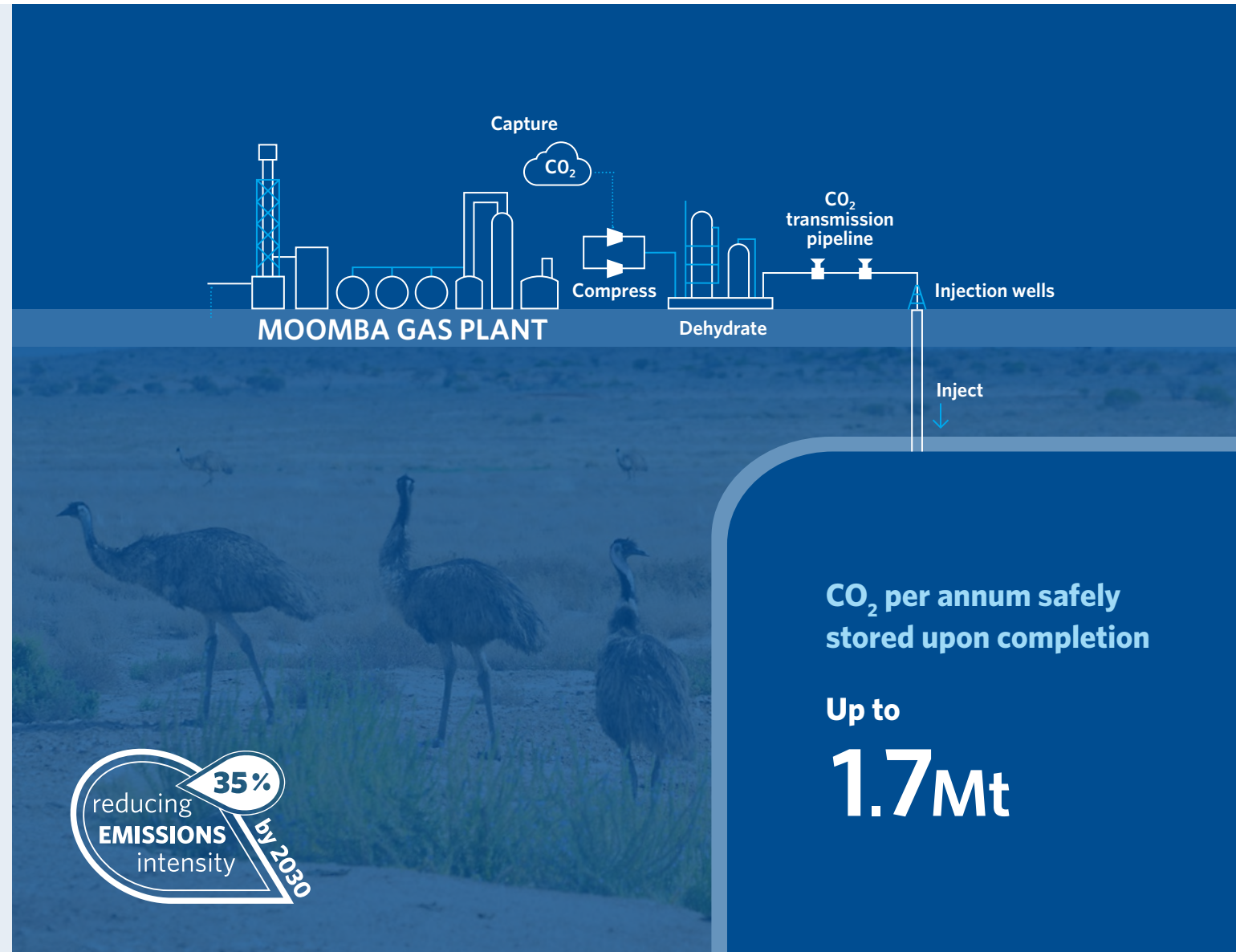
The project has been successfully registered with the Clean Energy Regulator, providing a crediting period of 25 years, over which period the project will qualify for Australian Carbon Credit Units for emissions reduction from Moomba CCS.

Beach Energy reached a Final Investment Decision on the Moomba CCS Project in November 2021. We are confident that the technology will enable nameplate capacity to be reached.

Delivery timeframes and ultimate capacity of the facility are on track and being carefully managed. The geology, production history and underground gas storage history provides confidence in injectivity and storage capacity as well as our ability to safely and permanently store CO₂.

Project construction is underway with the plant targeting to be operational in 2024.

¹ operated by our joint venture partner Santos.



Our communities

Beach is committed to managing all operations responsibly and building positive long-term relationships with the communities in which we operate.

Our management approach

Beach's sustainability is contingent upon maintaining strong and meaningful relationships with the communities in which we operate. We strive to engage with local communities, communicating openly, listening to concerns and ideas, and working together on opportunities which will deliver shared value. Our people connect with local communities and key stakeholder groups through direct engagement and a range of communications methods to meet different needs.

Beach conducts local community engagement for existing operations and new projects, with dedicated Community Relations Managers for each region and an additional focus on building meaningful relationships with First Nations peoples. We continue to apply a hybrid model for engagement in response to COVID-19, with both in-person and online engagement where appropriate. Adopting engagement to suit differing situations is crucial to Beach's operations, especially when considering varying jurisdiction-based COVID-19 requirements. This approach ensures the safety of local communities and Beach employees. We were pleased to increase the number of face-to-face conversations this year compared to last, following COVID-safe practices.

Beach pays taxes and royalties as outlined in the Tax Contribution Report (read more on page 36), supports local businesses through the procurement of goods and services and invests in local initiatives and infrastructure improvements where possible. Beach's approach to supporting communities is guided by various policies and guidelines, including the Indigenous Participation Policy, Community and Stakeholder Engagement Policy and Community Investment Guidelines, all of which are available on Beach's website.



65
organisations supported

29,559
people reached

Related SDG



[Visit our website to view Community and Stakeholder Engagement Policy](#)



[Visit our website to view Community Investment Guidelines](#)



Our communities

Beach is committed to improving Indigenous participation through employment, training, and business enterprise opportunities

Cultural Heritage

Indigenous engagement and cultural heritage management

Beach is committed to building meaningful, long-lasting relationships with the First Nations communities where we operate. We acknowledge that as an extractive industry, we must understand, respect and manage the social, environmental and economic impact that we have on local communities. In Australia, we maintain positive relationships with traditional owner groups where Beach operates. In New Zealand, we strive to maintain genuine, trusted relationships established with tangata whenua in the Taranaki region.

We recognise and respect traditional customs and the enduring cultural and spiritual connection that Indigenous communities have with land and waters. We are committed to protecting cultural heritage by undertaking detailed, on-the-ground assessments in collaboration with local groups to ensure that sites of cultural significance can be identified and protected prior to any work commencing. This work is enabled by our dedicated Cultural Heritage Management System and relevant health, safety and environment procedures, and supports progress toward SDG 11.4 *Protect the world's cultural and natural heritage*.

The Indigenous Participation Policy guides our respectful engagement with local people, where communication is open, honest, and collaborative. It also sets standards around the promotion of diversity and inclusion through cultural awareness training for our staff. This ensures that our people are equipped with the right skills to maintain these important relationships.

Cultural awareness

To support Beach's commitment to diversity, inclusion and wellbeing, we encourage employees to learn about the Indigenous communities we work with and operate within.

Cultural awareness training organised for members of our New Zealand team provided valuable tools to live our values as we work, create a culturally safe environment, and promote a One Beach culture. The sessions were delivered by local Indigenous business Tainuku Limited. Further sessions are planned for all employees during Māori Language Week in September 2022. Beach has been collaborating with local iwi and hapū to identify and understand the nature of other Indigenous businesses operating locally.

Membership of Supply Nation

Beach became member of Supply Nation this year, a non-profit organisation that helps First Nations-owned businesses to grow. Supply Nation connects members to Australia's largest national database of more than 3,300 First Nations businesses and provides Beach the support to access Aboriginal and Torres Strait Islander owned supply chain opportunities.

Beach is committed to improving Indigenous participation through employment, training, and business enterprise opportunities. We also support Indigenous-led projects and initiatives as part of our community investment program.

Beach has no identified incidents of violations involving the rights in Indigenous peoples during the reporting period.



Beach becomes a member of **Supply Nation** in Australia

Visit our website to view Indigenous Participation Policy



Our communities

Case Study

Protecting Lake Perigundi

Lake Perigundi is located in the Native Title area of the Dieri People, in the north-east of South Australia - approximately 85 kilometres north-west of Moomba.

It is a place of cultural importance for the Dieri People and also became a place of resistance to white invasion of Dieri country that resulted in violent conflicts.

As part of Beach's Western Flank oil exploration campaign, Beach put forward a proposal to conduct horizontal drilling operations adjacent to Lake Perigundi.

The Dieri advised Beach of the cultural significance of this site and requested that Beach did not proceed with its plans and that further cultural heritage investigations be undertaken.

Beach supported this request, entering a partnership with the Dieri to learn more about Lake Perigundi's cultural significance.

The research led to the discovery of archaeological material in the form of grinding stones, tools and a burial site, which indicate that many people had gathered together around its shores at particular times.

Collaboratively, options were reviewed with the Dieri People to ensure that Lake Perigundi is properly recognised and protected as a significant Dieri cultural heritage site.

Outcomes:

- Lake Perigundi will be registered as a Cultural Heritage Site under the terms of the *Aboriginal Heritage Act 1988 (S.A.)*
- Lake Perigundi Cultural Heritage Site to be a declared Exclusion Zone
- Strengthened mutual respect and relationship between Beach and the Dieri People



Our communities

Beach actively supports the sustainable development of the communities in which it operates.

Community investments

Our community investment program¹ funds community-led initiatives that build resilience, empowerment and positive change. Beach is proud of the close community relationships that enable a grass roots approach to understanding and supporting its local communities.

Each year Beach reviews the benchmark reporting provided by Business for Societal Impact (B4SI) and identifies opportunities for improving the reach and impact of its community investment program. In FY22, Beach undertook extensive engagement with its community investment partners and grant recipients to seek feedback on the community benefits realised from Beach's support. Outcomes of that review will be valuable feedback for FY23 planning and Beach will continue this process of improvement.

Using the B4SI framework, Beach contributed \$4.1m in the form of cash, in-kind, time and management costs. \$0.18m was invested by our joint venture partners. Almost half of our community investment was in the area of health, safety and wellbeing, reflecting the needs of the community.

In FY22 Beach supported 65 organisations, benefiting 29,559 people. This community investment was focused on education, the environment, and health, safety and wellbeing, and included contributions to programs such as the Playford Trust, a university scholarship program in conjunction with SA Government for Petroleum Engineering students.

These are some of the positive outcomes achieved in local communities across Australia and New Zealand this year.

¹ From FY19 onwards, community investment value includes cash, in-kind, time and management costs. It also includes mandatory contributions that Beach is required to pay as directed by the South Australian government.

Dieri Aboriginal artwork competition

We sponsored an annual art competition to encourage, showcase and celebrate the talent of Dieri artists in the community and to promote Indigenous art. The Dieri lands are situated in the far north-east of South Australia.

Dongara District High School

Beach was able to supply new virtual goggles and headsets for students to see the world differently, encouraging creativity and problem solving.

Heytesbury District Landcare Network

A revegetation program to maximise carbon storage in soil.

Manaia School

The creation of a new Maori playground to support learning through play and cultural values.

Cash contribution (COVID-19 support)

Beach made a \$30,000 donation to support charities that help people in need, in lieu of the traditional gatherings to mark the end of year and start of the holiday season. \$5000 was donated towards the New Zealand Beach team's selected charity, the Roderique Hope Trust's Operation Blue Santa Taranaki. This is a community project run by Roderique Hope Emergency Housing Trust in collaboration with the New Plymouth Police Family Harm Team, providing Christmas food baskets for families at Christmas time. A great initiative which Beach is proud to support once again.

Australian-based employees were able to vote on their preferred charity and \$25,000 was distributed based upon votes received to Beyond Blue, The Smith Family, Red Cross and Mission Australia.

In-kind

In-kind support includes the contribution of non-cash resources. In FY22, an employee-driven initiative turning scrap metal into cash continued in South Australia's Cooper Basin. The initiative involves staff collecting and depositing scrap metal and cans from our Callawonga, Bauer and Bales sites. All proceeds from this initiative are donated to the Royal Flying Doctor Service, and this year raised over \$55,000.

Corporate volunteering

Beach's Workplace Giving program includes Team Volunteering, encouraging its people to get involved and to give back by donating their time and skills to make a positive impact in the community. Various community lock downs continued in the first half of FY22, nevertheless, Beach people were keen to recommence volunteering.

In the second half of FY22, Beach employees provided 971 hours of service through volunteering with a range of organisations including Habitat for Humanity, Foodbank, Clean Up Australia, Cleland Wildlife Park and the National Trust.



Our communities

Case Study

Indigenous partnerships in practice

Kupe Wellhead Platform Offshore Loss of Containment Exercise

On 22 June, Beach conducted our Annual Loss of Containment offshore emergency level 2 exercise for Kupe Wellhead Platform in New Zealand.

This exercise ensures Beach remain compliant with our relevant Emergency Response Procedure and identifies key learning outcomes.

It is also an opportunity to test response of equipment providers, and ensure communications information is correct for preparedness in the event of an emergency.

As ahi kā in the area where Beach Energy operates, Ngāti Manuhiakai are critical partners. They are kaitiaki, with connections to the land, the people and history. An invitation was extended to Ngāti Manuhiakai hapū chairperson to attend and take part in our exercise. Maritime New Zealand, and Beach Emergency Management Team also attended.

In advance hapū chairperson had reviewed the Beach Offshore Spill Response Plan. Hapū have always been involved in all Offshore Spill Response Plan reviews, providing valuable feedback.

The chairperson played an active role in the scenario, staying in the emergency response room and was involved for the duration of the scenario alongside Beach staff.

It was a valuable experience for the chairperson, who noted how we determine response priorities as well as tools used to capture and share information in real-time.

This opportunity working with hapū chairperson has given confidence about our systems, processes, how we react and why.



Testimonial

“Your willingness to share shows Beach Energy’s commitment, dedication and understanding to the ongoing relationship with Ngāti Manuhiakai hapū.

I witnessed cultural awareness and unity, collaboration and strength, trust and respect, collective responsibility and most of all preparedness.

We walk with our elders. I know they are gone, but we walk with them. Protecting this taonga is important for us because the past will look after the future, and the future will look after the future that comes after that.”

Ferinica Hawe-Foreman,
Chairperson of Ngāti Manuhiakai hapū.

Emergency response exercise

Our communities

During FY22 Beach maintained strong community and stakeholder engagement.

SOUTH AUSTRALIA	VICTORIA	WESTERN AUSTRALIA	NEW ZEALAND
Dombey 3D Seismic Survey	Otway Offshore Drilling campaign, including exploration and production wells, seabed infrastructure, and review of Otway Offshore Operations Environment Plan	Waitsia Development Commenced	Kupe Production Station operation updates, subsea monitoring, site visits by Indigenous groups, and emergency training exercises
Katnook 2 and Ladbroke Grove 3 Rehabilitation	Otway Gas Plant Community Reference Group, operational and project activities		Kupe sales gas and raw gas pipeline integrity inspection
PL19 Pipeline Inspection	Otway and Bass, pipeline safety awareness with landholders		Kupe Omata Tank Farm regulatory requirements
Penola Office Closure	Enterprise production well and pipeline construction planning		Kupe Phase 2 Development (P2D) Inlet compressor project including management of archaeological feature.
Cooper Basin Drilling Operations	Bass Basin projects including Prion 3D Marine Seismic Survey, Geophysical seabed survey, Yolla infield well environment plan		First Aid training with Ngāti Manuhiakai hapū at Te Aroha marae
Cooper Basin Plug and Abandonment Campaign	Lang Lang Gas Plant scheduled shutdown		Kupe P2D drilling program, review of marine consent application applications, cultural impact assessments

Community and stakeholder engagement

638

organisations engaged

1,129

individuals engaged

6,305

engagements

Our communities

Case Study

Coastal wetlands restoration project

Beach Energy has entered into a three-year partnership with Deakin University's Blue Carbon Lab, to help restore some of Australia's critical coastal wetlands.

The 'Regenerating Our Coasts' project will use a new approach to wetland restoration by deploying biodegradable structures that assist new wetlands to re-establish and thrive.

This research is at the forefront of international efforts to use wetland restoration for climate change mitigation and adaptation while also generating benefits for coastal environments and communities.

Coastal ecosystems, such as mangroves, are recognised as having high carbon sequestration rates and exceptionally long burial times. Data collected from this research project will identify methods which enable coastal restoration projects with the aim of generating Australian Carbon Credit Units.

This is Beach's largest ever environmental partnership and demonstrates our commitment to leaving a positive contribution to the communities in which we operate.



Beach partnership with
Deakin University's
Blue Carbon Lab

Our people

Beach's continued success is dependent upon attracting and retaining the best people. The health, safety, wellbeing and development of our workforce remains a core priority for the business.

Health and safety

Our management approach

Our primary focus is the health and safety of our employees and contractors. Failure to operate safely may cause injuries, fatalities, environmental damage and reputational harm. Improving safety across our operations contributes to SDG 8.8 *Protect labour rights and promote safe working environments*. Beach is a member of Safer Together, a not-for-profit, member-led organisation of oil and gas exploration and production industry operating companies and contract partner companies committed to creating a consistent safety culture in the industry. We are a member of APPEA and actively participate in industry knowledge-sharing.

Our Health and Safety Policy outlines our approach to health and safety management. It is supported by our core value: safety takes precedence in everything we do. The Chief Executive Officer is responsible for this policy's implementation and periodic review.

Beach's senior management is responsible for the implementation of the Operations Excellence Management System (OEMS), which includes management of health and safety and covers all personnel at Beach operations. We use this system to ensure compliance with relevant regulatory instruments across the regions in which we operate, applying a management system approach of continuous improvement. There is an internal audit program determined by the Audit Committee of the Board which is executed by an external company under which elements of the system may be audited.

Safety procedures and training

Beach regularly conducts workplace risk assessments and audits to identify hazards and controls and maintains onsite emergency response capability. We are active in sharing knowledge across the industry and promote learning from the experience of others. Beach has an enterprise-wide hazard reporting process, which is included in workplace inductions.

OEMS includes a training, learning and competence standard to ensure a structured system and consistent methodology is in place for identifying and verifying, training and competency requirements within Beach. Processes are in place to confirm that workers are competent to perform their assigned tasks and work scopes. This includes on entry to the organisation and periodic competency assessments through performance management cycles. Additional training is provided for those working at hydrocarbon facilities, with a competency matrix in place for each role.

Beach consults with workforce when developing and reviewing health and safety procedures. The Health and Safety Committee meets monthly, and members include workers, the Chief Operating Officer and Group Executive Health, Safety, Environment and Risk.

Performance and reporting

All incidents, including accidents and spills, are reported and recorded. All health and safety related incidents are recorded in Beach's incident reporting system, and appropriately investigated to determine root causes and associated remedial actions closed to prevent recurrence.


A range of industry specific leading and lagging indicators such as LTIFR (Lost Time Injury Frequency Rate), and TRIFR (Total Recordable Injuries Frequency Rate) are used to measure the effectiveness of management system. Executive performance, which includes performance conditions regarding health, safety and environmental performance, is tested against the Short Term Incentive¹ (STI) performance conditions on an annual basis.

¹ Short Term Incentives (STI) is part of 'at-risk' remuneration offered to senior executives which is rewarded for meeting or exceeding performance conditions or KPIs that are linked to Beach's key purpose.


SAFETY

takes precedence in everything we do

Related SDGs




3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH

[Visit our website to view Health and Safety Policy](#)



Our people

General performance

Our safety performance declined in FY22 from a Total Recordable Injury Frequency Rate (TRIFR) of 2.1 in FY21 (our safest year on record) to a TRIFR of 4.3 in FY22. The decline was predominantly due to an increase in manual handling injuries. Occupational safety performance improved in the second half of FY22 following the deployment of the Last Minute Risk Assessment program and focused safety campaigns.

In FY22, there were over 3.3 million hours worked across the organisation, the most in our history. Five out of six operational sites completed the year recordable injury-free. This was BassGas, Beharra Springs, Katnook, Kupe, and Otway Gas Plant, with Otway achieving the milestone of 7 years recordable injury-free and Beharra Springs reaching 4 years respectively.

There were no Tier 1 and two Tier 2 process safety events in FY22.

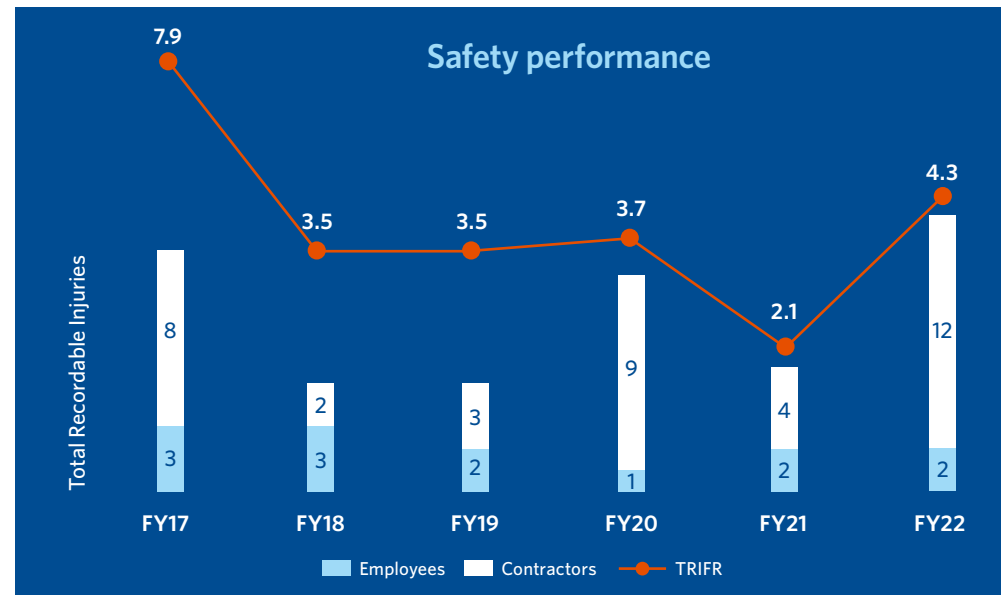
Throughout the year, we launched Life Saving Rules E-Learning training, introduced an industry-leading fitness for work pre-employment and periodical medical regime, deployed Occupational Hygiene Risk Management Plans at all operational sites, and improved our contractor management framework including the development of specific health and safety terms and conditions for all contractor work activities.

A dedicated safety coach was deployed to the Cooper Basin in December 2021 to roll out an industry-leading last-minute risk assessment program developed by Safer Together, known as Assist & Assure, and provide coaching to frontline workers and supervisory staff. Initial results have been positive with strong participation from the workforce. This program of work contributed to a significant reduction in recordable injuries in the Cooper Basin, down 65% in the second half of FY22 when compared to the first half.

COVID-19 response

The COVID-19 pandemic continues to present challenges to our people and operations. Our Business Continuity Team remained focused on maintaining the health and safety of our workforce and minimising the potential for the pandemic to impact our business operations.

Robust COVID-19 management plans were executed across all operational sites and offices. Beach continues to monitor health advice around COVID-19 and manage the risks to our workforce and operating performance as conditions change.



3.3 million
hours worked
in FY22
the most in our history

Our people

Case Study

Safer together with standardising fitness to work medical assessments

Beach has introduced the Safer Together Fitness to Work (FTW) Medical Assessment Guideline to standardise medical assessments across the whole business.

Previously 3 different medical standards had been used across Australia and New Zealand.

The new guideline updates the health and medical assessments procedure for different job groups and types of roles. The guideline also included the addition of:

- drug & alcohol screening
- skins checks for melanoma
- musculoskeletal fitness, and
- relevant periodical health surveillance for certain groups.

Beach worked with our medical provider to tailor the medical assessment to each person's job role. For example, a medical for a person that works in an office environment has less requirements than a full medical for a person who works on site.

The program commenced in July 2021, and encompassed more than 450 people in total. It will continue to be phased across Beach over the next two years.

Beach's decision to adopt the Safer Together FTW Medical Assessment Guideline has been positively received by line managers, supervisors, and workforce.

The benefit of moving to a single, common medical assessment program for the entire business, is also widely supported and being embraced by the broader industry.



>450
people already
undertaken new medical
assessment

One
medical assessment
program across all
business areas

Our people

Workforce development and retention

Our management approach

Beach's success depends on its workforce, so we invest in people and building their capability to deliver a high-performance culture. Established talent management initiatives and processes ensure we have the right people in the right positions, with the right skills. The outcomes of these initiatives are measured through regular surveys, assessments, performance reviews and training to improve employee competency.

In FY22 an employee survey was conducted to better understand the perspectives of the Beach team and areas of opportunity. All survey results have been shared at an organisational and divisional level with focus groups to support action planning.

Beach has also implemented a contractual bonus scheme for employees, where employees can earn up to a maximum of 15% of their Total Fixed Remuneration (TFR), subject to company and individual performance. Participation in this scheme does not include employees engaged under an Enterprise Agreement arrangement, Non-Executive Directors, nor employees participating to other existing Short Term Incentive Schemes.

Leadership programs, capability and competency framework

In FY22 the Beach Leadership and Capability Framework was piloted in support of the Cooper Basin asset focus on leadership, culture and capability. This included delivery of:

- A new asset specific career development framework to help employees recognise the skills and competencies to develop and build their career at Beach
- The realignment of roles, accountabilities and levels of work in support of efficient and clear outcomes for the business
- Speaking Up and Psychological Safety training, with 51 attendees.

The revised Frontline Leader program has been completed by the following cohorts:

- Drilling and Completions Managers (seven participants)
- Health and Safety (four participants)
- Frontline Operations (34 participants).

FY23 will see the Beach Leadership and Capability Framework embedded across all teams. Leaders and employees will use the framework in development conversations as part of longer-term career planning and talent and succession decisions.

The high-level principles of the framework recognise two distinct approaches to building and leading a high performing organisation:

1. Develop the organisation (people, thought and strategic leadership)
2. Operate the organisation (management of business processes, structures, costs, and risk)

Technical discipline excellence and leadership skills

Technical Competency Assessments have been undertaken for the Geosciences, Surface, Subsurface, Development Projects, Project Services and Graduate cohort. The outcomes of this assessment have been used in support of building competency-based development plans and are the foundation of our FY23 training calendar planning.

Throughout FY22, a group training approach was used to secure high standard trainers, delivering quality programs across multiple functional areas.

Organisational effectiveness road map

FY22 furthered the progress of the organisational effectiveness plans to optimise the way Beach works together as a high performing team. Activities focussed on driving role clarity with a Responsibility, Accountability, Consult and Inform (RACI) matrix for roles, starting with cross functional project teams.

Since commencing the program there have been 96 roles being clarified via role clarity and team effectiveness sessions for Perth Basin, Brownfields, South Australia, Otway Near Shore, Otway Phase 5 and Carbon Capture and Storage.

The organisational effectiveness road map will guide our work activities through to FY24 with phase two incorporating ways to deliver Beach's priorities with an inclusive, flexible, rewarding, diverse and safe culture.

724

hours of training on resilience and wellbeing

Visit our website to view more information on workplace policies at Beach



Our people

Resilience and wellbeing

Beach provides an Employee Assistance Program through Benestar, with free and confidential coaching and counselling service offered by Beach to all employees and their immediate family members, to support their wellbeing in the workplace and at home. This program covers topics such as coping with change, nutrition, finances, parenting, sleep, and resilience. This supports progress towards SDG 3.4 *Reduce mortality from non-communicable diseases and promote mental health*.

Non-occupational medical and healthcare services are readily accessible in the Australia and New Zealand, our countries of operation. Beach provides access to International SOS (ISOS) for people travelling overseas for health support if needed.

Beach has continued to deliver its bespoke Wellbeing and Resilience program to all teams and across all locations. During the year, 173 employees attended resilience and wellbeing training with a focus on the 'R U OK Day' campaign, site-based mental health toolbox sessions, psychological safety and supporting team members move through the changes arising from pandemic-driven social changes.

Beach ran two new programs to support resilience and wellbeing:

1. Speaking Up and Psychological Safety
2. 7 Habits for Highly Effective people with two cohorts and 32 attendees.

There were 724 hours of training on resilience and wellbeing. This series of events were well received by employees and will continue throughout FY23.

Diversity and inclusion

In support of Beach's commitment to diversity, inclusion and wellbeing, cultural awareness sessions were developed to create understanding about the Indigenous communities. Beach recognises cultural awareness is important in understanding people's unique backgrounds and traditions and can help build stronger relationships.

Cultural awareness training was offered across Māori and Aboriginal cultures; 223 employees attended cultural or heritage awareness training.

Māori cultural awareness

Sessions on Māori culture were facilitated by Māori elders Philip Nuku and his wife Puhī from the Ngāti Manuhiakāi's Hāpu, Māori group and land we operate within. The sessions explored who Māori are, values, customs, traditional practices, and guidance when working with NZ Māori groups.

First Nations Australia

Tjindu and InComPro presented on Aboriginal cultural awareness to over 60 of our team members.

The session shared information on First Nations peoples' history, traditions, language, family rituals and the importance of culturally appropriate and respectful engagement. The session has paved the way for our staff to learn the rich, diverse culture and history of First Nations peoples.

Unconscious bias training

In partnership with external subject matter experts, Beach continued to upskill leaders and employees on unconscious bias and the relevance it has in building an inclusive culture and supporting effective decision making free from bias. The two training modules delivered over four sessions were:

1. Unconscious Bias: Leadership
2. Unconscious Bias: Effective Decision Making

There were 153 attendances across all unconscious bias training opportunities at Beach in FY22. The unconscious bias training and focus will continue in to FY23.



Our people

Case Study

Design Thinking program for graduates

A 12 week (part time) program was developed to provide our graduates the opportunity to work together as a multidisciplinary team through a real business challenge and present a potential solution to senior leaders at Beach.

The business challenge provided the scenario of water re-use in the Cooper Basin. The graduates were asked to investigate potential solutions with alternative uses for the water produced as part of oil operations and develop a business case for a secondary commercial benefit (e.g. growing crops, on-selling the water etc). The solutions were required to demonstrate a positive impact on people (social responsibility), planet (environment) or profit (cost).

As part of the research for the challenge, the graduates undertook a field trip to the Cooper Basin to work with field-based operations teams and understand the water production and day-to-day life in the field.

The graduate team then came together for a Design Thinking methodology workshop to support their understanding of the real problem statement, innovating new ways to address the challenge without boundaries and support in selecting one prototype solution.

The graduates further worked with experts from different areas across Beach to explore, test and collaborate to propose three prototype solutions for recommendation and possible further feasibility studies.

The three proposed opportunities to explore were synthetic methane, water haulage and fisheries/agriculture and green ammonia with graduates continuing their research and a final prototype solution to be examined in FY23.



Our environment

We recognise our responsibility to respect the environment, to minimise our impact, and remediate areas affected by our activities.

Our management approach

Our Environmental Policy outlines our approach to operating in an environmentally responsible manner. The Chief Executive Officer is responsible for ensuring implementation of the policy and its periodic review.

The environmental aspects of our operations are governed by strict regulations which are integrated into our operational procedures. Beach's Operations Excellence Management System (OEMS) and relevant operations manuals provide the framework within which our environmental responsibilities are managed. This management approach applies to all aspects of environmental performance, including our material issues such as produced water and contamination.

Beach assesses the actual and potential impacts of all activities prior to the commencement of a project and regularly engages with relevant stakeholders, including landholders, native title holders and local government agencies, to ensure these activities are open and transparent. Like health and safety incidents, all environmental incidents and near misses are recorded and reported through the Beach incident reporting system. A range of industry specific key performance indicators such as number, type and volume of spills, number and value of regulatory fines, and greenhouse gas emissions quantities are used to measure the effectiveness of our environmental management systems.

Managing produced water

Water that is trapped in underground formations and is brought to the surface along with oil and gas during production activities is known as produced water. Depending on the geographic location of the field, the properties of produced water can vary considerably and may be high in minerals or salt. When managing produced water, our primary goal is to maintain water production below local licence limits

and demonstrate that there is no long-term impact on the groundwater source. Our Environmental Plans ensure that we operate within legislative requirements.

At our onshore fields, produced water undergoes a two-step separation process where the majority of oil is separated from water. It then goes into a lined interceptor pond, which acts as a buffer, to ensure the remaining hydrocarbons are retained and not carried over to holding ponds, then evaporation ponds, which are designed to evaporate water naturally. Evaporation ponds are an important source of water for livestock in the Cooper Basin, which has limited water availability. Water quality in the evaporation ponds is monitored to ensure it meets regulatory standards within the state Water Allocation Plan and is suitable for livestock and wildlife. Where possible, produced water is reused for facility construction, road maintenance and drilling activities.

At offshore fields, produced water is metered, treated and production chemicals are removed before being disposed. Appropriate operations and maintenance practices ensure adequate management of this by-product, contributing to SDG 14.1 *Reduce marine pollution*.

All produced water is sourced from below surface recharging aquifers as part of hydrocarbon extraction processes and is not from any areas of water stress. The total volume of produced water in FY22 was 18.8 Mm³. Appropriate management of produced water supports progress towards SDG 12.4 Responsible management of chemicals and waste.

We are actively seeking to further improve our use of produced water through internal research programs. Read more about the graduate project looking to repurpose produced water in the Cooper Basin on page 30.



Related SDGs



[Visit our website to view Environment Policy](#)



Our environment

Case Study

A seismic shift in engagement with the fishing industry

Beach understand that relationship between the oil and gas and commercial fishing industries is critical in progressing new exploration activities and relevant environmental approvals.

In preparation for the Prion Seismic Survey in the offshore Bass Basin in October 2021, Beach wanted to demonstrate that it heard the concerns of the fishing sector on impacts of seismic surveys to commercially targeted species and agreed to build upon the evidence base.

A research partnership was established with two key studies. The first study was to assess scallop biomass and conduct a 'before and after' impact study on potential new scallop beds in a small part in the south-west corner of the Prion Survey area.

The second study is a nation-leading collaborative research project to test emerging advanced seismic survey technologies whilst also researching the impacts to scallop and lobster from conventional compared to the new technologies.

Beach proposed this study to the Institute of Marine and Antarctic Studies (IMAS) who were keen to build upon their existing studies on scallop and lobster.

Beach initiated and contributed cash and in-kind support to the collaborative research project. The project also attracted financial and in-kind support from:

- the Institute for Marine and Antarctic Studies
- Curtin University of Technology
- Fisheries Research and Development Corporation (FRDC)
- the Bass Strait Scallop Industry Association and
- the Department of Natural Resources and Environment, Tasmania.



APPEA

Received the APPEA Award, 'Project Environment Excellence' for the research program.

Six

collaborative partners for the research program

Our environment

Contamination

Beach works to minimise the risk of accidental release of hydrocarbons, chemicals or produced water and has procedures in place to reduce the impact of any incident. Processes in place include storage, containment, training, treatment and testing which all reduce the likelihood and impact of contamination via a spill. Ensuring containment of materials used in our operations is an important contribution towards protecting both ocean and land environments, and makes progress towards SDG 14.2 *Protect and restore ecosystems* and SDG 15.5 *Protect biodiversity and natural habitats*. It also demonstrates our commitment to SDG 12.4 *Responsible management of chemicals and waste*.

When conducting offshore activities, there is a small possibility of release of hydrocarbons (primarily gas) or a spill from vessels. Beach's Oil Pollution Emergency Plan (OPEP) includes potential spill risks associated with the proposed activities, including hydrocarbon spill modelling information for the local area. The modelling calculates the transport, spreading, entrainment and evaporation of spilled hydrocarbons over time, based on the prevailing wind and ocean current conditions and the volume and physical and chemical properties of possible spill events. The plans also assess the likelihood and consequences of any oil spill which must be reduced to as low as reasonably practicable through a range of control measures and include detailed response plans.

All incidents, including spills, are reported in Beach's incident reporting database. This records spills by type, volume, duration, cause, and corrective actions required to prevent a recurrence. In the event of a spill, Beach ensures the spill is contained, reported, cleaned-up and contaminated soil is remediated. Groundwater monitoring bores are installed across Beach's facilities and are monitored on an annual basis for materials such as hydrocarbons.

In FY22, there was one spill greater than one barrel, of crude oil, that reached the environment in the Cooper Basin. Clean-up activities were launched immediately, and contaminated soil was removed and disposed of properly. None of the incidents that occurred during the year created a significant environmental impact and all sites were remediated. No environmental fines or penalties were issued in relation to loss of containment. Further spills data is available on page 41.



Storage

of all hazardous substances in appropriate vessels and bunds



Containment

of all hazardous substances in appropriate vessels and bunds



Training

to ensure appropriate handling of hazardous substances



Testing

of all hazardous of spill response and clean-up procedures



Our environment

Waste management

Beach continues to focus on reducing waste, working to improve our understanding and management of waste across all operating assets. We are maturing our sourcing strategy and improving the waste management model with the aim to improve waste management and oversight. This is an area where we are striving to make a greater contribution to SDG 12.4 *Responsible management of chemicals and waste*.

In FY22, we began development of a waste dashboard. All Australian operations facilities linked to Cleanaway are captured in the dashboard (Beharra Springs, Katnook, Otway Gas Plant and Lang Lang Gas Plant). There have been challenges in incorporating the data from the Cooper Basin which is contracted to a third party due to their data management systems. We will continue this development in FY23.

Our waste output information can be found in the Performance Table on page 42.

Biodiversity

Beach has strict environmental controls and conducts responsible exploration and development activities in ways that mitigate biodiversity risks throughout a project's lifespan, including planning, operations, decommissioning and rehabilitation. In accordance with our Environmental Policy, we identify, assess and control environmental impacts of our operations by proactive management of activities and mitigation of impacts. Rehabilitation requirements are assessed prior to the commencement of each project and performance is monitored by field supervisors to ensure any work being undertaken is compliant with these requirements. This work contributes to SDG 15.5 *Protect biodiversity and natural habitats*.

We undertake both internal and independent, external audits to measure compliance against regulatory documentation such as the Statement of Environmental Objectives¹ (SEO).

¹ Statement of Environmental Objectives for a regulated activity states the environmental objectives to be achieved in carrying out the specified activities, as well as the assessment criteria used to assess whether the objectives have been achieved by the licensee.

We also utilise the South Australian government's Goal Attainment Scaling (GAS) assessment methodology to assess the success of impact mitigation and rehabilitation activities associated with seismic surveys and well sites in South Australia. Prior to the start of any activity, an environmental assessment is conducted for the activity and location. This assessment includes a review of state biological databases. The EPBC² online database is also used to identify any native flora and fauna of national significance that may be present at the site.

In South Australia, Beach undertakes environmental offsets by offsetting a designated area of environmental significance or by payment to the Nature Foundation. In FY22, we fulfilled our Cooper Basin Significant Environmental Benefits³ (SEB) obligations by offsetting 6375 SEB points, which is equivalent to offsetting 800 ha of land. A total of \$2 million has been spent offsetting native vegetation clearance in the Cooper Basin since the commencement of offsets in 2009.

Beach does not operate in any of the World Heritage sites and while Beach does own acreage within certain areas in the Cooper Basin that are of ecological importance, actions are taken to avoid or minimise clearing in riparian habitat or wetlands. We undertake environmental assessments of all exploration and production projects to identify, manage and minimise potential environmental impacts.

² Environmental Protection and Biodiversity Conservation Act.
³ Significant Environmental Benefits or an SEB is intended to be an area of land that is protected and managed for environmental conservation. The aim of an SEB is to compensate for (or offset) the loss of native vegetation from an approved clearance activity to ensure there is an overall environmental gain.



Our environment

Case Study

Otway Basin Blue Whales

In 2021 Beach gained regulatory approval to drill seven wells in the offshore Otway Basin.

The Otway Basin is an environmentally sensitive area for blue whales to forage which is part of a more broadly defined area commonly referred to as a Biologically Important Area. As part of our offshore work, Beach committed to some of the most stringent conditions ever for drilling activities within Australia.

Beach developed a project specific blue whale adaptive management plan which included the deployment of dedicated Marine Mammal Observers to the drilling rig support vessels.

The observers were responsible for informing the Senior Drilling Supervisor of the presence of blue whales within an area that could potentially affect the behaviour of a whale. The Senior Drilling Supervisor would then commence moving operations to a safe zone (ie. ceasing operations) after a whale had been observed.

During the drilling campaign the observers undertook over 12,000 hours of observations from the vessels. These vessel observations were supported by weekly aerial flights during the peak foraging season (February to May).

The drilling campaign was successfully completed without affecting the behaviour of blue whales. The observational data gathered will be used to extend our understanding of the blue whale.



Economics

Our FY21 Tax Contribution Report shows that Beach paid \$471.5 million in state and federal taxes across Australia and New Zealand in FY21.

Making a positive economic contribution

Beach's focus is on creating long-term sustainable growth for our shareholders and the communities in which we operate, while ensuring energy security for the wider economy. This supports progress towards *SDG 8.1 Sustainable economic growth*. Further information is available in the Annual Report.

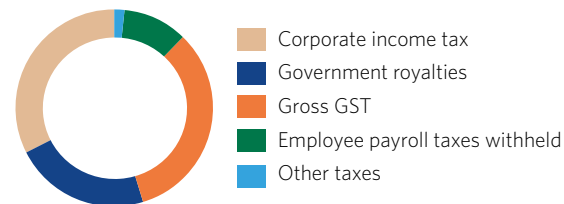
Tax transparency

Beach's Taxation Policy strengthens Beach's approach to taxation and its commitment to maintaining regulatory compliance and transparency.

Beach publishes an independent Tax Contribution Report which follows the recommendations outlined in the Board of Taxation's Tax Transparency Code and demonstrates Beach's support of the public interest in the integrity of tax systems, and enhanced disclosure of taxes paid. The FY21 Tax Contribution Report can be found on the company website. The FY22 Tax Contribution Report will be released in FY23, per standard practice.

Tax contributions and royalties

The following is a summary of Beach's tax contributions paid to tax authorities for the FY21. The amounts include payments made to the Australian Taxation Office, New Zealand Inland Revenue and other tax and revenue authorities for taxes due on its own behalf and in respect of tax withheld on behalf of others.



Australian Federal	\$325.1 million
New Zealand	\$64.8 million
South Australia	\$64.8 million
Queensland	\$8.5 million
Victoria	\$6.4 million
Western Australia	\$1.9 million

Related SDG



[Visit our website to view Annual Report](#)



[Visit our website to view Taxation Policy](#)



[Visit our website to view Tax Contribution Report](#)



Ethical conduct and transparency

Beach is committed to an ethical and transparent approach to business.

Our approach

Our Code of Conduct defines the standards of behaviour that are expected of employees and contractors. This ensures that Beach conducts its activities in an ethical manner and in compliance with the laws and regulations of each jurisdiction in which it operates.

Beach's Business Practices and Anti-Bribery and Anti-Corruption Policy is supported by standards that cover the requirements of the law and procedural matters. This policy prohibits bribery, third party facilitation and payments to government officials.

Political donations are only allowed in very limited circumstances in Australia and where permitted by law, as described in our Political Donations Policy. Political donations made during FY22 are shown on page 41.

Employees, contractors and joint venture participants, particularly those outside of Australia, are made aware of our stance on bribery and corruption. Key employees are required to submit a signed statement each year containing any information of which they may be aware regarding payments or benefits made, given, promised, offered or authorised to foreign or domestic officials or other third parties. Our Code of Conduct and related policies require reporting of suspected misconduct or policy breaches.

Training

All Beach employees are required to attend policy awareness sessions to ensure that Beach's ethical values and anti-bribery and anti-corruption policies are understood and implemented at all levels. Advanced training is provided to employees in positions with higher potential exposure to these risks.

Reporting misconduct

A suspected breach of policy is reportable under the Whistleblower Policy and should be reported to the Company Secretary, the Chief Executive Officer or the Chairman. Breaches of the Code of Conduct will be investigated, subject to

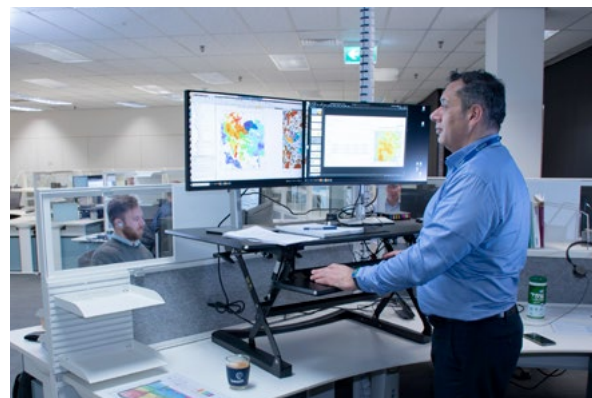
disciplinary action and where appropriate, result in termination of employment.

Employees reporting misconduct are protected by the complaints resolution process and the Whistleblower Policy which ensures confidentiality for the reporting person. An employee making a complaint in good faith in accordance with the Whistleblower Policy will be protected from actual or threatened victimisation or reprisals by a director, officer, employee or contractor, as a result of making a complaint. There is also provision to make an anonymous report by a variety of means including online via a third-party disclosure service which offers disclosure through a smart phone app.

In FY22, no reports were received under the whistleblowing program. There were no incidents of policy violations relating to bribery or corruption during the financial year.

Gifts and entertainment

Gifts or entertainment must never influence business decisions. Beach has a gift and entertainment register to ensure transparency, and employees must declare gifts and entertainment received or provided above an actual or estimated value of \$100 within seven days of the transaction occurring.



ZERO
zero incidents of policy violations relating to bribery

Visit our website to view our Code of Conduct



Human rights and modern slavery

As a responsible corporate citizen, Beach is committed to respecting human rights and addressing modern slavery.

Taking a stance against modern slavery

In keeping with the requirements of the Modern Slavery Act 2018, Beach issues an annual Modern Slavery Statement. This also supports progress toward SDG 8.7 *End modern slavery, trafficking and child labour*.

Our Modern Slavery Statement 2021, the most recent statement, describes our supply chain and its attributes. It details the actions Beach took in the second year of our three-year roadmap, which was developed to enhance the management of modern slavery risks in our supply chain and operations. Our next Modern Slavery Statement for FY22 will be released in December 2022.

Beach's achievements in FY21

- Included modern slavery considerations in our supplier engagement processes¹;
- Improved Beach's tendering and onboarding process to include consideration of modern slavery risk;
- Developed and commenced distribution of the 'Beach Supplier Expectations'² document to educate suppliers about Beach's expectations in respect of modern slavery;
- Extended the Beach Modern Slavery Assessment Framework to additional supplier tiers;
- Further engaged and assessed Beach's Suppliers for potential modern slavery exposure (suppliers representing 94% of FY21 spend);
- Collaborated with suppliers and other organisations to share knowledge and best practices; and
- Developed key performance indicators to assess the impact of our actions on the risk of modern slavery in our supply chains.



94%
of suppliers assessed for potential modern slavery exposure

Related SDG



Visit our website to view **Modern Slavery Statement 2021**



Visit our website to view **Human Rights Policy**



¹ Suppliers now receive automatic requests for information based on their rapid screening assessment rating.

² Referred to as a supplier code of conduct in Beach's FY20 Modern Slavery.

Performance data

	FY22	FY21	FY20	FY19
Health and Safety				
LTI- employees	0	548	1	2
LTI- contractors	2	76:24	3	1
LTIFR- employees	0	94 : 6	1	2.6
LTIFR- contractors	0.9	11.8	1.7	1.4
LTIFR total	0.6	66:34	1.5	2
Work hours- employees	935,057	75:25	1,000,359	784,003
Work hours- contractors	2,338,694	82:18	1,724,999	717,849
Fatalities	0	79:21	0	0
TRI- employees	2	16:84	1	2
TRI- contractors	12	78:22	9	3
TRIFR- employees	2.1	0:0	1	2.6
TRIFR- contractors	5.1	2.1	5.2	4.2
TRIFR Total	4.3	2.14	3.7	3.3
Tier 1 Process Safety Events	0	0	1	0
Tier 2 Process Safety Events	2	1	0	0
Near misses	125	106	N/R	N/R
Occupational Illness Frequency Rate	0	0	0	0
Employee Data				
Total number of employees ¹	537	548	557	495
% Gender split (M:F)	78:22	76:24	75:25	75:25
% Full time: Part time : Casual	96: 4	94 : 6	96:4:0	95 : 5 : 0
% Total Employee turnover	16.5%	11.8	13.8	18.75
% Total non-voluntary turnover ² (M:F)	64:34	66:34	79:21	75 : 25
% Employee turnover (M:F)	60:40	75:25	68:32	72 : 28
% Employee hire (M:F)	69:31	82:18	69:31	65 : 38
% Employees in permanent full-time roles (M:F)	81:19	79:21	78:22	79 : 21
% Employees in permanent part time roles (M:F)	15:85	16:84	17:83	12 : 88
% Employees in fixed term contracts (M:F)	70:30	78:22	71:29	69 : 31
% Employees as casuals (M:F)	0	0	0	0
% Employees covered by a collective bargaining agreement	13%	N/R	N/R	N/R
% Board (M:F)	75:25	78:22	78:22	78 : 22
% CEO (M:F)	100:0	100:0	100:0	100 : 0

¹ As at 30 June 2021 includes International employees and excludes directors

² Those subject to employer initiated termination, redundancy or contracts not being renewed
N/R Not reported in external reports previously

Performance data

	FY22	FY21	FY20	FY19
Employee Data				
% KMP ³ (M:F)	75:25	100:0	71:29	62:38
% Other Executive and General Managers (M:F)	74:26	70:30	87:13	84:16
% Senior Managers (M:F)	89:11	86:14	76:24	81:19
% Other Managers (M:F)	79:21	82:18	82:18	84:16
% Professionals (M:F)	71:29	67:33	67:33	68:32
% Technicians and Trade (M:F)	95.5 : 4.5	97:3	97:3	96:4
% Labourers (M:F)	0	0	0	0
% Clerical and Administration (M:F)	19.5 : 80.5	28:72	25:75	11:89
% Employees aged under 29 (M:F)	58:42	52:48	51:49	64:36
% Employees aged between 30-49 (M:F)	78:22	76:24	76:24	76:24
% Employees aged above 50 (M:F)	79:21	79:21	79:21	77:23
Total workforce by location (M:F)- SA	225:85	226:91	232:101	197:80
Total workforce by location (M:F)- QLD	0	0	0	0
Total workforce by location (M:F)- Vic	129:20	127:28	130:28	117:28
Total workforce by location (M:F)- WA	17:3	15:2	7:0	6:0
Total workforce by location (M:F)- NZ	47:11	48:11	49:11	53:14
% Employees by tenure length of < 5 years (M:F)	75:25	74:26	72:28	72:28
% Employees by tenure length of 5-9 years (M:F)	79:21	77:23	73:27	76:24
% Employees by tenure length of 10-19 years (M:F)	83:17	80:20	84:16	84:16
% Employees by tenure length of 20+ years (M:F)	0	100:0	100:0	100:0
Training Data				
Total training hours	11,359	12287.6	7225.95	8647
Average number of training hours per employee	21.0	22.6	13	18.4
Number of training attendances excluding online ⁴	1239	1930	1584	1209
Number of online learning training attendances	6439	N/R	N/R	N/R
Gender (M:F)	16.9 : 14.8	23.3 : 19.4	10.1:2.9	14.7 : 2.7
Manager Categories (WGEA) ⁵	17.2	32.7	22.6	14.8
Non Manager (all other employees WGEA) ⁶	22	24.0	13.2	20.3
Training hours per Category⁷				
Governance/Risk/Compliance (hours)	3247.39	N/R	N/R	N/R
Health Safety and Environment (hours)	2845.50	N/R	N/R	N/R
Technical (hours)	2591.6	N/R	N/R	N/R

³ KMP: Key Management Personnel

⁴ An attendance refers to a Training Course. Employees may attend multiple training courses over the financial year

⁵ Manager Categories includes all KMP Executives and General Managers, Senior Managers and Other Managers

⁶ Non Manager Categories includes, Professional, Clerical and Admin and Technicians and Trade

⁷ Not reported in external reports previously

Performance data

	FY22	FY21	FY20	FY19
Training Data				
Leadership (hours)	941.7	N/R	N/R	N/R
Professional and Personal Development (inc. of Resilience and Wellbeing) (hours)	1732.1	N/R	N/R	N/R
Community Investment⁸				
Expenditure - Australia (\$ million)	3.93	0.93	1.32	0.76
Expenditure - New Zealand (\$ million)	0.20	0.29	0.29	0.22
Total expenditure (\$ million)	4.12	1.22	1.61	0.98
Political Donations⁹				
\$'000	0.25	0.25	0.25	0.25
Environment				
Spills				
Total number of uncontained spills ¹⁰	39	41	61	37
Volume of hydrocarbon spills (bbl)	6.4	117.1	1.6	0.85
Volume of non-hydrocarbon spills (bbl)	1.5	3.7	3183	198.5
Total volume of spills (bbl)	7.9	128.4	3184.6	199
Number of significant spills ¹¹	0	0	0	0
Fines				
Number of fines for non-compliance with environmental regulations	0	0	0	0
Value of fines (\$)	0	0	0	0
Greenhouse Gas Emissions - Australia¹²				
Scope 1 emissions (tCO ₂ e)	459,253	396,016	469,666	436,930
Scope 2 emissions (tCO ₂ e)	19,435	21,029	20,215	21,080
Total GHG emissions (tCO ₂ e)	478,687	417,045	489,881	458,010
Net Energy consumption (GJ)	5,850,275	5,108,995	5,562,853	5,182,784
Gross Energy Consumption (GJ)	52,398,225	44,742,083	56,388,537	73,447,866
Volume of flared and vented hydrocarbons (m3)	44,831,409	24,108,018	23,923,661	23,440,636
Scope 1 & 2 emissions intensity (kg CO ₂ e /GJ Production)	3.51	3.05	2.97	2.43
Greenhouse Gas Emissions - New Zealand¹³				
Scope 1 emissions (tCO ₂ e)	129,726	154,452	137,757	139,861

⁸ From FY19 onwards, community investment value includes cash, in-kind, time and management costs. It also includes mandatory contributions that Beach is required to pay as directed by the South Australian government and the Overseas Investment Office (OIO) in New Zealand. Figures subject to rounding.

⁹ This information reported to the Electoral Commission SA and is available through their website

¹⁰ Occured outside the bunded or contaminated area

¹¹ Significant spills are defined as spills that are included in the organisation's financial statements, for example, due to resulting liabilities

¹² These numbers are preliminary estimates only and subject to confirmation as Beach compiles its emissions data for submission to the Clean Energy Regulator in October. Emissions from Senex facilities acquired in 2021 are not included in these figures

¹³ CY21

Performance data

	FY22	FY21	FY20	FY19
Environment				
National Pollutant Inventory¹⁴				
Carbon monoxide (kg)	N/R	1,000,000	822,200	712,000
Hexane (kg)	N/R	40,000	147,662	119,672.70
Oxides of Nitrogen (NOx) (kg)	N/R	2,500,000	2,149,000	1,534,000
Particulate matter <2.5µm (kg)	N/R	130,000	111,840	66,050
Particulate matter <10.0 µm (kg)	N/R	140,000	115,640	69,350
Polycyclic aromatic hydrocarbons (kg)	N/R	0.38	0.38	0.37
Sulphur dioxide (SOx) (kg)	N/R	26,000	25,934	14,818
Total Volatile Organic Compounds (kg)	N/R	2,700,000	2,631,050	2,297,080
Air Emissions (kg)	N/R	6,623,145	6,139,823	4,594,567
Land Emissions (kg)	N/R	144,208	160,550	105,087
Water Emissions (kg)	N/R	1,793	2709	3,959
Waste				
Waste				
Hazardous (tonnes)	1,704	432	N/R	N/R
Non-Hazardous (tonnes)	1,785	2033	N/R	N/R
Total (tonnes)	3,489	19.11	17.53	15.39
Produced Water				
Total (million cubic meters)	18.8	19.11	17.53	15.39
Economic Performance				
Realised oil price (\$/bbl)	140.1	78.1	80.9	102
Sales revenue (\$ million)	1,749	1,519	1,650	1,925
NPAT (\$ million)	501	317	499	577
Total assets (\$ million)	5,102	4,679	4,212	3,914
Net (debt)/cash (\$ million)	165	(48)	50	172
Total equity (shareholder funds) (\$ million)	3,540	3,088	2,818	2,374
Market cap (\$ million)	3,935	2,829	3,467	4,522
Reserves (2P) (MMboe)	283	339	352	326
Production ¹⁵ (MMboe)	21.8	25.6	26.7	29.4
Exploration wells drilled	18	15	18	23
Exploration expenditure (\$ million)	107	127	232	103
Royalties (\$ million)	182	117	124	156

¹⁴ NPI data for FY20 includes both Beach and Lattice Energy emissions. NPI data is available for viewing at www.npi.gov.au/npi-data/search-npi-data. Data for FY22 will be reported in the FY23 Sustainability Report

¹⁵ FY21 production includes the impact of the acquisition of Senex Energy's Cooper Basin assets and Mitsui's Bass Basin assets, with effective date 1 July 2020

Global Reporting Initiative (GRI) Content Index

Disclosure number	Disclosure name	Content source
General Disclosures		
GRI 102-1	Name of Organisation	About this report, p. 05
GRI 102-2	Activities, brands, products and services	About this report, p. 05
GRI 102-3	Headquarters location	About this report, p. 05
GRI 102-4	Location of operations	About this report, p. 05
GRI 102-5	Ownership and legal form	beachenergy.com.au/about-beach
GRI 102-6	Markets served	beachenergy.com.au/about-beach
GRI 102-7	Scale of organisation	Performance data, p. 39
GRI 102-8	Information on employees and other workers	Performance data, p. 39
GRI 102-9	Supply chain	Human rights and modern slavery, p. 38
GRI 102-10	Significant changes to the organisation and its supply chain	beachenergy.com.au/corporate-governance/
GRI 102-11	Precautionary principle	Climate change, p. 11
GRI 102-12	External initiatives	Managing sustainability, p. 06
GRI 102-13	Memberships of associations	About this report, p. 05
GRI 102-14	Statement from senior decision-maker	Message from the CEO, p. 03
GRI 102-16	Values, principles, standards and norms of behaviour	Ethical conduct and transparency, p. 37
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GRI 102-40	List of stakeholder groups	Stakeholder engagement, p. 07
GRI 102-41	Collective bargaining agreements	Performance data, p. 39
GRI 102-42	Identifying and selecting stakeholders	Stakeholder engagement, p. 07
GRI 102-43	Approach to stakeholder engagement	Stakeholder engagement, p. 07
GRI 102-44	Key topics and concerns raised	Stakeholder engagement, p. 07
GRI 102-45	Entities included in consolidated financial statements	Annual report, p. 38
GRI 102-46	Defining report content and topic boundaries	Materiality, p. 08
GRI 102-47	List of material topics	Materiality, p. 08
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GRI 102-51	Date of most recent report	beachenergy.com.au/reporting/
GRI 102-52	Reporting cycle	beachenergy.com.au/reporting/
GRI 102-53	Contact point for questions regarding the report	Back cover, p. 48

GRI Content Index

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GRI 102-56	External assurance	Assurance reports, p. 47
Climate change		
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GRI 103-2	The management approach and its components	Climate change, p. 11
GRI 103-3	Evaluation of the management approach	Climate change, p. 11
GRI 305-1	Direct greenhouse gas emissions (scope 1)	Performance data, p. 39
GRI 305-2	Indirect greenhouse gas emissions (scope 2)	Performance data, p. 39
Cultural heritage and community		
GRI 103-1	Explanation of the material topic and its boundary	Our communities, p. 18
GRI 103-2	The management approach and its components	Our communities, p. 18
GRI 103-3	Evaluation of the management approach	Our communities, p. 18
GRI 411-1	Incidents of violations involving rights of Indigenous peoples	Our communities – cultural heritage, p. 19
Health and safety		
GRI 103-1	Explanation of the material topic and its boundary	Our people – health and safety, p. 25
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GRI 103-3	Evaluation of the management approach	Our people – health and safety, p. 25
GRI 403-1	Occupational health and safety management system	Our people – health and safety, p. 25
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GRI 403-3	Occupational health services	Our people – health and safety, p. 25
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Our people – health and safety, p. 25
GRI 403-5	Worker training on occupational health and safety	Our people – health and safety, p. 25
GRI 403-6	Promotion of worker health	Our people – workforce development and retention, p. 28
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our people – health and safety, p. 25
GRI 403-8	Workers covered by an occupational health and safety management system	Our people – health and safety, p. 25

GRI Content Index

Disclosure number	Disclosure name	Content source
Produced water		
GRI 103-1	Explanation of the material topic and its boundary	Our environment – produced water, p. 31
GRI 103-2	The management approach and its components	Our environment – produced water, p. 31
GRI 103-3	Evaluation of the management approach	Our environment – produced water, p. 31
GRI 303-1	Interactions with water as a shared resource	Our environment – produced water, p. 31
GRI 303-2	Management of water discharge related impacts	Our environment – produced water, p. 31
GRI 303-4	Water discharge	Our environment – produced water, p. 31
Contamination		
GRI 103-1	Explanation of the material topic and its boundary	Our environment – contamination, p. 33
GRI 103-2	The management approach and its components	Our environment – contamination, p. 33
GRI 103-3	Evaluation of the management approach	Our environment – contamination, p. 33
GRI 307-1	Non-compliance with environmental laws and regulations	Our environment – contamination, p. 33

Glossary

Aboriginal	Refers to Aboriginal People of mainland Australia	MMboe	Million barrels of oil equivalent	Scope 3	Scope 3 emissions are indirect greenhouse gas emissions other than scope 2 emissions that are generated in the wider economy. They occur as a consequence of the activities of a facility, but from sources not owned or controlled by that facility's business
bbbl	Barrel of oil	PEPANZ	Petroleum Exploration Production Association of New Zealand	Significant Spills	Spills that are included in the organisation's financial statements, for example, due to resulting liabilities
APPEA	Australian Petroleum Production and Exploration Association	Process Safety Events	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 consequences or Tier 2- LOPC of lesser consequence as defined by American Petroleum Institute (API) Recommended Practice 754	Turnover rate	Rate at which employees leave the Company in a given fiscal year
CO2e	Carbon dioxide equivalent or CO ₂ e is a term for describing different greenhouse gases in a common unit	Scope 1	Scope 1 greenhouse gas emissions are the emissions released to the atmosphere as a direct result of an activity, or series of activities at a facility level. Scope 1 emissions are sometimes referred to as direct emissions. Beach's scope 1 emissions include fuel combustion, flaring, venting, CO ₂ removal and fugitive emissions from our operating facilities	TRIFR	The number of recordable injuries (fatalities + lost time injuries + restricted work injuries + medical treatment injuries), divided by the number of hours worked, multiplied by one million
Cultural Heritage	Aboriginal and non-Aboriginal physical and non-physical sites, which are evidence of the way past generations lived. Examples of cultural heritage include stone artefacts, campsites, historic homesteads and pastoral ruins such as stock yards	Scope 2	Scope 2 greenhouse gas emissions are the emissions released to the atmosphere from the indirect consumption of an energy commodity. For example, 'indirect emissions' come from the use of electricity produced by the burning of coal in another facility	TDS	Total dissolved solids is a measure of inorganic salts and organic compounds dissolved in water
Fatalities	Death resulting from work related injuries or occupational illness			Vented hydrocarbon	Intentional controlled release of uncombusted gas
Flared hydrocarbon	Hydrocarbon directed to operational flare systems, wherein the hydrocarbons are consumed through combustion			WAC	Work Area Clearance
IPIECA	The global oil and gas industry association for environmental and social issues				
Iwi	Māori tribe - Iwi are the largest political grouping in Māori society. Iwi usually consist of several related hapū (sub-tribe) and take their name from a founding ancestor				
LTI	Lost Time Injury meaning Occurrence that results in a fatality, permanent disability or time lost from work of one day/shift or more				
LTIFR	Lost Time Injury Frequency Rate calculated as (LTI/workhours) x 1,000,000				



Independent Limited Assurance Statement to the Management and Directors of Beach Energy Limited

Our Conclusion

Ernst & Young ('EY', 'we') were engaged by Beach Energy Limited to undertake 'limited assurance' as defined by International Auditing Standards, here after referred to as a 'review', over 'selected sustainability performance data' included in Beach Energy Limited's Sustainability Report for the year ended 30 June 2022. Based on our review, nothing came to our attention that caused us to believe that the selected sustainability performance data has not been prepared and presented fairly, in all material respects, in accordance with the Criteria defined below.

What our review covered

We reviewed Beach Energy Limited's selected sustainability performance data for the year ended 30 June 2022, as shown in the table below.

Selected sustainability performance data	Sustainability Report page
Safety (total recordable injury frequency rate (TRIFR) and lost time injury frequency rate (LTIFR))	39
Contamination (number and volume (L) of spills)	41
Diversity (women in leadership, % representation of women by level)	39-40
Community Investment (in million Australian Dollars)	41

Criteria applied by Beach Energy Limited

The following Criteria have been applied:

- ▶ Definitions as per the Global Reporting Initiative's (GRI) Sustainability Reporting Standards
- ▶ IPIECA's Oil and gas industry guidance on voluntary sustainability reporting
- ▶ Employee categories as defined in the Workplace Gender Equality Act 2012
- ▶ Beach's own publicly disclosed criteria as disclosed in the 2022 Sustainability Report.

Key responsibilities

EY's responsibility and independence
Our responsibility was to express a limited assurance conclusion on the disclosures of selected sustainability performance data. We were also responsible for maintaining our independence and confirm that we have met the independence requirements of the APES 110 Code of Ethics for Professional Accountants and have the required competencies and experience to conduct this assurance engagement.

Beach Energy Limited's responsibility
Beach Energy Limited's management was responsible for selecting the Criteria, and preparing and fairly presenting the selected sustainability performance data in accordance with that Criteria. This responsibility includes establishing and maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

Our approach to conducting the review
We conducted this review in accordance with the International Federation of Accountants' *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (ISAE 3000) and the terms of reference for this

engagement as agreed with Beach Energy Limited on 18 July 2022.

Summary of review procedures performed

Our procedures included, but were not limited to:

- ▶ Gaining an understanding of the processes supporting the development of data for Beach Energy Limited's selected sustainability performance data
- ▶ Conducting interviews with key personnel to understand Beach Energy Limited's process for collecting, collating and reporting the selected sustainability performance data during the reporting period
- ▶ Checking that the Criteria have been correctly applied in the calculation of the selected sustainability performance data
- ▶ Undertaking analytical review procedures to support the reasonableness of the data
- ▶ Identifying and testing assumptions supporting calculations
- ▶ Testing the calculations performed by Beach Energy Limited
- ▶ Testing, on a sample basis, underlying source information to check the accuracy of the data
- ▶ Reviewing the appropriateness of the presentation of information.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Ernst & Young
Ernst & Young
Adelaide, Australia
12 August 2022

Fiona Hancock
Fiona Hancock
Partner

Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Use of our Assurance Statement

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Beach Energy Limited, or for any purpose other than that for which it was prepared.

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Verification Statement from Business for Societal Impact (formerly LBG) – 2022

Business for Societal Impact (formerly LBG) helps businesses improve the measurement, management and reporting of their corporate community investment programs. It covers the full range of contributions (cash, time and in-kind donations) made to community causes.

As managers of Business for Societal Impact, we can confirm that we have worked with Beach Energy to verify its understanding and application of the model with regards to the wide range of community investment programs supported.

Our aim has been to ensure that the evaluation principles have been correctly and consistently applied and we are satisfied that this has been achieved. It is important to note that our work has not extended to an independent audit of the data.

We can confirm that Beach Energy has invested the following amounts in AUD to the community in this 2022 Business for Societal Impact reporting year as defined by the methodology.

Cash	\$ 3,768,487
Time	\$ 108,651*
In-kind	\$ 120,556
Management costs	\$ 126,894
TOTAL	\$ 4,124,588

In addition to verified figures, BEACH ENERGY also reported the following outputs in their submission:

Leverage**	\$ 353,709
Revenue foregone^	\$ 0.00

*Due to rounding in B4SOnline time value adjusted by \$3 from submission to align with reported data

**Leverage refers to additional third-party contributions facilitated by the company

^The revenue foregone for community benefit on fees, products and services provided free or discounted
Please refer to Business for Societal Impact for detailed definitions as required



Verified by Simon J Robinson
On behalf of Business for Societal Impact
July 2022(second update August 2022)



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