

# SUSTAINABLE DEVELOPMENT REPORT

## SUMMARY

# 2017

Woodside's Sustainable Development Report 2017 links our sustainability principles to our company mission, vision and values.

This summary provides a snapshot of Woodside's sustainability approach, actions, performance and key material issues for the 12-month period ended 31 December 2017. The full report is available in English on our website.



Woodside



# OUR APPROACH TO SUSTAINABILITY

Working sustainably is a core value embedded at every level of our company. It is fundamental to maintaining our social licence to operate and to being a global leader in upstream oil and gas. We are focused on delivering energy solutions that provide sustainable value for shareholders, partners and the communities where we operate.

## Sustainability principles

Our approach to sustainability is underpinned by our five sustainability principles:

**OPERATING WITH  
TRANSPARENCY  
AND INTEGRITY**

**FOSTERING OUR  
ORGANISATION  
AND CULTURE**

**BUILDING  
A RESILIENT  
BUSINESS**

**OPERATING  
RESPONSIBLY**

**CREATING  
SHARED  
VALUE**

These principles provide the foundation for ensuring we operate in a manner that is sustainable.

## Our global areas of activity



### Product type

- Gas
- Oil
- Gas or oil

### Phase

-  Producing assets
-  Projects and developments
-  Appraisal and exploration

\*Marketing office

## About Woodside

Woodside is Australia's largest independent oil and gas company with a global portfolio, recognised for our world-class capabilities – as an explorer, a developer, a producer and a supplier of energy.

# SUSTAINABILITY TOPICS

## Transparency, anti-bribery and corruption

Woodside has a zero-tolerance approach to fraud, bribery and corruption. Our standard contracting terms and conditions require compliance with Australian and international anti-bribery and corruption laws and address specific obligations in relation to our policies.

We assess fraud and corruption risk across all our activities and locations. Our prevention, detection and response activities are outlined below

## Environment

Woodside recognises that strong environmental performance is essential to our success and continued growth. We have an established methodology to identify impacts and risks, and assess potential consequences of our activities.

Strong partnerships, sound research and transparency are the key elements of Woodside's approach to the environment.

In 2016, Woodside entered a three-year partnership agreement with BirdLife Australia to support the migratory shorebirds from Dampier to Geum Estuary in the Republic of Korea. The program is fostering closer working relationships with stakeholders and Republic of Korea, collating and gathering data to enable decision making and promoting the importance of protecting the Geum Estuary.

Woodside has also forged partnerships with Wildlife Conservation Society and Fauna and Flora International in Myanmar to develop a deeper understanding of the fishing community and marine wildlife occurrence along Myanmar's western coastline, as well as capacity building for coastal biodiversity assessments in Ayeyarwady Region.

## Human rights

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

Woodside's Human Rights Policy was endorsed by the Board in October 2017 and guides Woodside's global activities as we take steps to identify, prevent and manage potential human rights impacts across our activities. These activities are informed by the UN Guiding Principles on Business and Human Rights.

We continue to participate in the Myanmar Multinational Investors Group and the AustCharm Myanmar Responsible Investment Working Group in support of our activities in Myanmar.

As a signatory to the Voluntary Principles on Security and Human Rights, Woodside is committed to respecting human rights wherever we operate. We achieve this through close ongoing engagement with governments, security providers and communities.

## Communities

Woodside engages with a wide range of stakeholders in the communities where we have a presence and invests in understanding and managing actual and potential impacts from our activities.

In 2017, Woodside actively engaged with communities in Perth, Karratha, Roebourne and Broome in Western Australia, Myanmar, Senegal and other international locations in support of our business activities. This included dedicated in-country community liaison personnel working with communities in support of our planned drilling activities in Myanmar and the Environmental Social Impact Assessment in Senegal.

Gathering shorebird data in the Geum Estuary.



## Our material sustainability issues

Woodside considers sustainability issues to be material if they have the potential to affect our ability to achieve our business strategy, our reputation, or are of material concern to our key stakeholders due to economic, environmental or social impacts.

Each year we conduct a materiality assessment to identify and understand the sustainability issues of significance to our key stakeholders and our business. Our five most significant material issues and related targets are outlined below:

	2017 MATERIAL ISSUE	KEY 2018 TARGETS	MATERIAL ISSUE CONTEXT
	Climate change	Sustainable emission reductions of 80 kt CO <sub>2</sub> e against baseline	There is rising investor interest in climate change issues, including risks to existing business models. Recognising this, Woodside discloses the process for identifying climate-relevant risks and opportunities, our scenario analysis process and corporate oversight of climate change risk and related issues.  Woodside continues to invest in and promote technologies that reduce emissions and promote energy efficiency.
	Major incident prevention	Zero Tier 1 Process Safety Events and two or fewer Tier 2 Process Safety Events	The oil and gas industry involves working with flammable hydrocarbons at high pressure and it is vital these substances are handled safely. A major incident from a loss of containment event could have serious consequences for people, communities, environment, assets and the company.
	Major incident response	95% Global Assurance Benchmark Spill Preparedness rating (RETOS 2)	Managing an unforeseen release of hydrocarbons from a pipeline (loss of containment) is a major focus area for Woodside given the potential consequences. We therefore demand the highest standards in response capabilities.
	Transparency, anti-bribery and corruption	Zero violations of anti-bribery and corruption laws within or in connection with Woodside	Bribery and corruption undermine fair competition, erode public trust in governments and business, and disadvantage economies. They present a threat to commercial organisations and communities worldwide.
	Health and safety performance	Demonstrate continuous improvement on 2017 to deliver leading health and safety performance	Woodside's health and safety performance is essential to our business success and growth. We are committed to managing our activities to protect our people and our host communities.

## UN Sustainable Development Goals (SDGs)

The SDGs came into effect in 2016, uniting global efforts to tackle some of the world's most pressing economic, environmental and social issues. In 2017, Woodside mapped our activities and impacts against the SDGs and determined that our contribution could be maximised by focusing on five key goals.



The next step is identifying the ways in which we will contribute to the SDGs, including the specific targets that we will focus on. By focusing on targets, there is an opportunity to understand the contribution that we are making, and communicate the impact of what we have achieved.

As an Australian company with a global portfolio, we are proud of the contribution we make to sustainability in the communities where we operate and in the markets that we supply.

For more information about how we are responding to our material sustainability issues see our Sustainable Development Report 2017 or visit our website at [woodside.com.au](http://woodside.com.au).