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AOG Conference
13th March 2019

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I would like to begin by acknowledging the Traditional Owners of this land, the Whadjuk Noongar people, and paying my respect to their Elders past, present and emerging.

Thank you to AOG for the opportunity to speak today. And thank you to the Minister for his speech, acknowledging the contribution our industry makes to this state. Stable policy is crucial as we consider investing billions of dollars to unlock value from Western Australia's resources and deliver value to this state and the nation and a reliable and cleaner energy source to customers locally and globally.

Woodside is proud of the role we played as the pioneer of the industry in Western Australia and excited about the next phase as our vision for the Burrup Hub begins to take shape.

I'm pleased to speak here today because I know that many of you in the audience will play a crucial role in the delivery of our growth plans. I'm going to start by giving you an overview of those plans.

Then I'm going to discuss how we are delivering those plans; what they will deliver at a local level, a state level and a national level before considering the global context and why we are setting such a cracking pace.

To help you visualise what I'm talking about, let me run through a quick update of what we are proposing and of progress in the past year. [show click-through slide]

- We propose to bring the Scarborough resources to the Pluto LNG Plant. Woodside has already started front end engineering and design activities on the upstream portion of the development.
- To develop those resources, we propose to expand the Pluto LNG facility. Work is already underway on the design of a second LNG train at Pluto.
- We propose to bring the Browse resources through 900km of subsea pipeline to the North West Shelf's Karratha Gas Plant. This makes commercial sense because it optimises the emerging capacity in KGP and provides a cost-effective approach for LNG production from Browse.

- We propose to build a pipeline linking Pluto and KGP to create an integrated 7-train LNG production centre on the Burrup Peninsula.

Our CEO Peter Coleman has described 2019 as the Year of the Deal, as we position to ensure alignment of our JV partners, continue to engage with communities, governments and contractors and negotiate with potential customers and partners.

The Year of the Deal will be followed by the Year of Decisions in 2020. That's when we are targeting Final Investment Decisions on Scarborough and, late in the year, Browse.

In reality, every year between now and startup of these projects is going to be a year of delivery – and that has already begun.

Now let's discuss how we are delivering. In commercial and operational terms, we are taking an approach that is agile and innovative. In our relations with communities and stakeholders, we are engaged, responsible and focused on building long-term, sustainable operations.

What we are proposing is different to the sort of mega-project that the industry in Western Australia knows so well. Yes, the scale is big: we are proposing the development of some 20 to 25 trillion cubic feet of gross dry gas resources – more than the entire volume processed through the Karratha Gas Plant since its startup in 1984.

But we are not proposing to build new processing infrastructure, nor do we plan to restrict use of our operated infrastructure to the development of resources where Woodside is a titleholder.

Instead, we are proposing major investments to upgrade and connect our existing Woodside-operated facilities and bring new resources through them.

And we are looking to open up those facilities to other players. By bringing the Scarborough and Browse resources through these facilities as anchor tenants, we will be in a position to facilitate the potential development of smaller gas reserves that would otherwise be stranded.

This is a great example of what can be achieved when industry works together. This is bigger than Woodside.

Such arrangements are common overseas. In the North Sea and in the Gulf of Mexico, operators, contractors and service firms are developing new business models as a way to lower costs and keep the local industry moving forward. But it's the first time in Australia that gas processing facilities have been opened up to other resources.

It's an approach that makes sense for all parties – and it's the only approach that offers the opportunity to develop the extensive resources of the Carnarvon Basin. It's the right approach for Western Australia. It's the responsible approach.

Now let's consider how we are engaging with our communities, starting in the Pilbara.

Our plans will ensure a vibrant future for the community that has, over the past 35 years, grown alongside us, with a population that has doubled since the early 1980s as enviable amenities and facilities have been added.

It is a core value for Woodside that we are active members of the community.

One sign of our commitment is the residential strategy that we have outlined to staff in recent months. We want to transition to a predominantly residential workforce in Karratha by the mid to late 2020s. We already have a majority residential workforce, but we want to go further.

We want our people to be going home to their families at the end of each day. We want them to attend shows at the Red Earth Arts Precinct and be part of local sporting groups and parent teacher associations. We want them to make Karratha their home.

We think this is the right approach for the community, for the well-being of our people and for ensuring the safe, reliable and efficient operation of our facilities.

Another sign of our commitment is that we have set up a local jobs portal, open to all Karratha employers and aligned with the City's vision to grow the local population. Since the portal launched last June, around 900 people have registered and advertisements have been posted for more than 130 jobs and training roles at Woodside-operated sites.

In particular, we want to ensure that Indigenous communities benefit from the opportunities for training and employment that are supported by the Burrup Hub.

We recognise the importance of the cultural heritage of the Burrup and its magnificent rock art and support Indigenous communities in their efforts to preserve this. We support the World Heritage nomination and are making efforts to ensure we can coexist with such a listing, just as we coexist with the National Heritage Listing.

We are committed to being good stewards of the environment. This shapes how we progress our growth plans.

As we progress through State and Commonwealth environmental approvals, we are investing in understanding and managing actual and potential impacts of our Burrup Hub developments. We encourage interested parties to share their perspectives.

We know there will be attention on emissions - and that this is appropriate as Australia aims to meet its Paris Agreement targets.

We are giving this our attention too and taking action to abate emissions and improve energy efficiency. This includes pursuing options for integrating solar power with gas-fired power and batteries to power our facilities, drawing on the abundant sunlight available in the Pilbara.

Gas is the ideal partner for renewables. Gas also reduces emissions globally when it displaces other fossil fuels and has a big role to play in delivering the energy the world needs while tackling global climate change.

It is disappointing and concerning that here in WA the Environmental Protection Authority has, without consultation, issued a Greenhouse Gas Emissions Guideline that could jeopardise jobs and investment in this state and the development of a fuel source that is a vital part of the global response to climate change.

Alarm bells should be ringing well beyond our industry as the EPA Guideline provides a roadmap for those wishing to mount legal challenges to any industrial projects on the grounds of their emissions.

The EPA's intervention is out-of-step with Australia's emissions reduction targets and has added to the confusion in the national climate policy debate.

Currently, that debate is bookended by two policy positions. The current federal policy is to reduce emissions by 26-28% by 2030 – which is the nation's Paris commitment. The federal opposition's policy is for a 45% reduction by 2030 and net zero emissions by 2050.

I'll leave others to debate those policies in the election campaign.

But whatever the target, it needs to be shared fairly and efficiently between the States and between different sectors of the economy, and it needs to protect our international competitiveness and jobs.

That can only be achieved at a national level – so, whatever its views about current federal policy, the EPA Board was wrong to intervene at a state level. And they were wrong to volunteer up a policy that is effectively “net zero immediately” on projects in WA - a wildly disproportionate share of the national task under either of the policy bookends.

If this Guideline is allowed to stand, it leaves WA unfairly exposed and at a competitive disadvantage to other states.

It is vital for investment in WA that the State Government strongly and unequivocally rejects the EPA's Guideline. But a rejection alone is not enough while this Guideline stands. We also need to understand how the Government will make decisions, and we

strongly advocate that it takes them in line with supporting a national approach to this important issue. The Government should be prepared to legislate, if need be, to clear up the confusion caused by the EPA.

We look forward to consultations on restoring policy certainty.

So, what will our proposed Burrup Hub developments deliver for the Pilbara, for Western Australia and the nation?

We calculate that these developments would create approximately 5,000 direct jobs in the construction phase and support 2,000 direct jobs in steady state operations, plus thousands more throughout the supply chain.

The jobs in the construction phase would provide a welcome boost to employment. But it's even more significant that these projects would sustain ongoing employment and contracting opportunities for decades to come, building on our record from the past 35 years.

The direct economic contribution involved is enormous, amounting to more than \$40 billion of capital expenditure, comparable to expenditure on the construction of 10 Fiona Stanley Hospitals and 10 Optus Stadiums.

As an Australian company, we are proud to pay our taxes and know that our proposed Burrup Hub developments would contribute many billions of dollars in taxation and royalties to both State and Commonwealth finances, while also boosting Australian export earnings and GDP.

The Burrup Hub will mean we are here for the long-term and can continue to invest locally – energizing the Pilbara and energizing WA. We are building another thirty years of opportunity in the place we call home.

We intend to convene supplier briefings about the Burrup Hub in the first half of this year in Karratha, Broome and Perth, providing detail on contracting opportunities.

For the construction phase, we anticipate that local supply chain opportunities would increase after we reach final investment decisions on Scarborough, Pluto Train 2 and Browse, which are targeted for 2020.

Some specialist components that require global capabilities not currently available in WA, such as the offshore floating facilities and LNG train modules, would need to be constructed overseas. But we want to maximise opportunities for Western Australian businesses and build local capability.

This AOG conference shows Perth is considered a centre of excellence in the industry. We want to build that expertise further and cement Western Australia's reputation as a world leader in LNG production and expertise.

There is an opportunity for the Australian oil and Gas sector and, in particular, the LNG sector, to carve out a role as a global leader in remote operating and automation capabilities. This includes advanced sensor design and deployment, robotics and autonomous systems, artificial intelligence, data science and visualisation.

If we are not at the forefront of technological progress, we will have no choice but to import advanced equipment and services. Our goal should be to create the jobs of the future in our industry and, in the longer-term, we can export these capabilities. We intend to work with the State Government and other LNG operators in Western Australia, through the LNG Jobs Taskforce, to pursue this opportunity.

Our Burrup Hub plans would secure gas supply for customers in Western Australia. Demand from export markets may underpin the investment in LNG developments, but reliable local supply is one of the tangible benefits for Western Australian customers whose homes and businesses need gas. Indeed, one of our first steps in progressing the Burrup Hub was to conclude an agreement to provide a long-term supply of gas to Perdaman, a local industrial customer.

In addition to pipeline gas, later this month, we will officially open an LNG truck-loading facility at the Pluto Plant that will supply LNG as a locally-produced lower-emissions fuel to customers and communities in remote areas across northern Western Australia.

Woodside has also been working to develop the potential for LNG as a cleaner marine fuel and we believe Western Australia can lead the way in this emerging market as the International Maritime Organisation's 2020 deadline for low-sulphur marine fuel approaches. Woodside has been talking to the big miners about using LNG to fuel the busy marine trade routes from Western Australia to Asia and we are tendering for a bunkering vessel to ensure the ships can be readily refuelled in Western Australia, using Western Australian LNG.

So, our Burrup Hub plans will underpin jobs, economic opportunities and gas supplies, as well as making a significant contribution to emissions reductions globally by offering energy users the opportunity to switch to cleaner burning natural gas.

Finally, let's talk about why timing matters.

A global LNG shortfall is looming in the early 2020s amidst rising demand from Asia, driven by a growing world population, and demand for more energy and cleaner energy.

Indeed, there is a global race to take advantage of this market shift, with LNG projects recently sanctioned or awaiting FID in the USA, Canada, Russia, Qatar, Nigeria and Mozambique.

Projects that can contain costs by bringing new resources through existing and proven facilities will have a head start. That's what we're trying to do on the Burrup Hub, building on our strengths to capture an advantage in a very competitive global market. And that's why we have set ambitious timelines, so we can deliver LNG right when it is needed.

You will have gathered from my comments that we are excited about this opportunity. We are energised and think it is achievable. A lot is riding on this, for this state and this nation.

The stark fact is that the alternative to the Burrup Hub is the decline in our operations in Western Australia and our local investment, with all the flow-on effects that would have for jobs and the economy.

Over the past year, we've built momentum and we want to see that sense of urgency mirrored in others because it's going to take a big effort to capture this opportunity. We cannot do it alone.

Western Australia faces stiff global competition in the race to supply the world's energy needs. We have access here in this state to the resources, the facilities and the expertise to get ahead in that global race.

But we are going to have to work hard, and fast, and smart.

This state is rich in resources - but unlocking the value of those resources is not straightforward. It requires the right commercial framework and the right timing and market signals globally. It requires experience, vision and discipline – and massive investment.

It requires policy stability and buy-in from a whole range of stakeholders – from the authorities who will be conducting the appropriate and rigorous checks on our plans through to the various components of the supply chain who we will be engaging on tasks big and small.

We need to pull together to realise this opportunity.

It's the only way to deliver value. If every individual party is focused only on optimising for their own relative advantage, we'll never get there. But together we can deliver value for our shareholders, our communities, Western Australia and the nation. Thank you.

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