



# 2017 VPSHR Annual Report

Security & Emergency Management

## Commitment to the Voluntary Principle

Woodside Energy Ltd (“Woodside”) is committed to conducting business in a way that respects the human rights of all people, including our employees, the communities in which we are active, and those working within our supply chains. As a signatory to the Voluntary Principles on Security and Human Rights (“VPSHR”), Woodside is committed to supporting the Voluntary Principles initiative and continues to incorporate the guidance provided into our guidelines. During 2017, Woodside’s second year as a signatory to the VPSHR, the Company continued aligning its management of security with the VPSHR framework through:

- Development of a Security and Human Rights Guideline with implementation planned for 2018
- Conducting Security and Human Rights risk assessments
- Development of Security and Human Rights due diligence processes for joint venture partners, private security providers and host government security forces

Throughout 2017, Woodside continued to raise awareness, internally and externally, of its commitment to the VPSHR through:

- Reference to the VPSHR in Woodside’s annual Sustainability Report;
- Reference to the VPSHR in Woodside’s Human Rights Policy, published in October 2017;
- Delivery of VPSHR training to in-country staff, contractors and private security providers;
- Involvement in the Myanmar in-country implementation pilot group

Woodside also participated in the VPSHR Plenary in Ottawa, Canada and engaged with VPSHR peers through Corporate Pillar meetings and peer dialogues.

## Policies, Procedures and Related Activities

The Woodside Compass and Code of Conduct require Woodside employees and contractors to respect human rights wherever we operate. Woodside’s Human Rights Policy was endorsed by Woodside’s Board in October 2017, and details the principles by which we operate. The policy guide’s Woodside’s global activities as we take steps to identify, prevent and manage potential human rights impacts across all phases of our value chain.

Throughout 2017, the Woodside Human Rights Working Group continued to meet on a regular basis to support an integrated approach to human rights across the business and consider opportunities to improve our performance.

In 2017, Woodside developed its Security and Human Rights Guideline which details the Company’s due diligence process for assessing joint venture partners, private security providers and host government security forces. As a result of this, new contracts with private security providers now include use of force, incident reporting and commitment to adherence to the International Code of Conduct for Private Security Providers clauses. Implementation of the guideline is planned for 2018.

## Country Implementation

Woodside identifies security-related human rights risks during its new country entry and new venture processes. In 2016, Woodside undertook security-related human rights risk assessments in respect of certain West African countries, as well as reviewing security-related human rights risks in certain country-entry assessments that have been previously conducted in regions such as Southeast Asia and the Americas. Woodside’s risk assessment process has been matured in 2017 through the development of security threat assessments produced at the proposal stage. These assessments consider a range of security-related human rights risks including the conduct of the

government and its security forces, the government's known position on human rights, and the number of international human rights treaties that have been ratified. These assessments are developed through research of the security environment, and analysis of information drawn from a range of credible sources, including local subject matter experts. A full security risk assessment is completed if a proposal is progressed. Security risk assessments provide further detail on any security-related human rights risks identified in the security threat assessment stage. These security risk assessments include mitigations and controls and inform the security management plan.

In the case of new ventures, in addition to evaluating any security-related human rights risks in the proposed location, Woodside undertook risk assessments of several new ventures under consideration by conducting due diligence of potential joint venture partners. Through both the implementation of the new security threat assessment and due diligence processes, Woodside continued to mature its approach to assessing and managing security-related human rights risks in our operations.

Woodside engages private security providers in locations where the security environment is assessed to present a heightened risk to our people or assets. In 2017, a due diligence process was implemented for the engagement of private security providers. The information provided in response to the due diligence questionnaire issued to potential providers is used by Woodside to assess the potential provider's alignment with Woodside's approach to Security and Human Rights.

Once engaged, Woodside oversees the activities of the private security providers through frequent communication, Security and Human Rights awareness sessions for private security provider staff, and regular assurance activities.

## **Priorities for 2018**

In 2018, Woodside will continue to develop a deeper understanding of security-related human rights risks within our business. Through the Human Rights Working Group, we will continue to seek opportunities to meet with stakeholders and discuss security and human rights as it applies to our operations and capitalise on the opportunities to increase VPSHR awareness where possible.

Woodside will continue to enhance and review processes, and may implement new procedures, to enhance our capability for reporting, investigation, and remediation of any potential security and human rights issues. Development of a business-wide human rights training framework will be undertaken and focus will be given to integrating the new Security and Human Rights Guideline with related internal processes.