



VPSHR Annual Report 2018

Woodside Energy

1. Commitment to the Voluntary Principles

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 where we are active and those working within our supply chain.

Recognition and respect for human rights is an integral part of Woodside’s Compass values of respect and integrity and our business conduct is informed by the UN Guiding Principles on Business and Human Rights. Woodside’s Code of Conduct supports this with an explicit commitment to recognise and respect the basic human rights of all people.

Woodside is committed to supporting the Voluntary Principles on Security and Human Rights (VPSHR) initiative and continues to incorporate the guidance provided into our security and human rights framework. Woodside’s commitment to respecting human rights and the Voluntary Principles initiative is referenced in Woodside’s Human Rights Policy and annual Sustainable Development Report.

In 2018, Woodside participated in the Voluntary Principles Plenary in Washington D.C, United States and continued to engage with our VPSHR peers through regular Corporate Pillar meetings and the recently established VPSHR Australia Working Group.

2. Policies, Procedures and Related Activities

Woodside adopted its Human Rights Policy in October 2017. To ensure the intent of the policy is embedded in all areas of the business, several initiatives were undertaken in 2018. This involved further integrating human rights considerations into our management system and maturation of the security and human rights awareness sessions for employees and private security providers.

In 2018, the following efforts to integrate and promote VPSHR throughout Woodside included:

- The Woodside Security and Human Rights Guideline was updated to include processes for non-operated ventures, revised risk assessment processes, the newly developed assurance and conformity assessment procedure and processes for handling equipment transfer requests and divestment.
- Development of a new security and human rights risk assessment process.
- Development of a new Private Security Provider Assurance and Conformity Procedure, inclusive of security and human rights.
- Development of a set of standard clauses to be included in new and existing contracts with private security providers. These standard key clauses cover compliance with the Voluntary Principles, personnel vetting, deployment and conduct, training, incident reporting and investigations.
- Supporting national and international locations with the vetting, selection, and contracting of private security providers.
- Update of security and human rights awareness material for employees and private security providers.

In addition to our Human Rights Policy, implementation of the VPSHR is supported by the following:

- The Woodside Security Management Procedure which outlines the organisational framework under which security is managed across the business, including the VPSHR.
- The Woodside Security & Human Rights Guideline which specifies how Woodside enables an effective and consistent approach to the implementation of the VPSHR across all Woodside operations.

- The Woodside Human Rights Due Diligence Procedure which sets out the human rights due diligence activities required for Woodside's business operations and activities, in addition to new country entry.

Underpinned by our Sustainable Communities Policy, Woodside has a community grievance mechanism that may also be used to address security and human rights complaints. Where a new activity, development or project is anticipated to involve ongoing risk and/or adverse impacts of surrounding communities, a localised grievance mechanism is developed in accordance with the IPIECA manual *Community grievance mechanisms in the oil and gas industry* and the International Finance Corporation's *Addressing Grievance from Project Affected Communities*. Localised mechanisms consider specific community issues, cultural appropriateness and accessibility to all segments of affected communities.

3. Country Implementation

3.1 Risk assessments

Woodside's security and human rights risk assessment methodology involves the collection and review of relevant information that informs an initial risk assessment, which considers security risks, as well as identifies and analyses the current conflict situation, potential for violence, governance, and known security and human rights abuses. In 2018, Woodside undertook security and human rights risk assessments for our Senegal and Myanmar operations as well as reviewing security and human rights risks for new country entry and new venture opportunities.

3.2 Contracting of private security providers

Woodside's Security and Human Rights Guideline provides guidance on engaging with suppliers providing security-related services. Specifically, personnel are required to assess relevant security provider pre-qualification requirements, including:

- Exposure to security and human rights risks
- Management system including relevant frameworks, policies and procedures
- Human rights risk assessment processes
- Incident reporting mechanism and grievance resolution mechanism
- Employee selection procedure, including confirmation of technical competencies, licenses, and pre-employment vetting
- Sub-contracting procedures, including due diligence and assurance
- Current engagements with host government security forces
- Relevant history, including potential past human rights abuses.

Woodside engages private security providers in high and complex risk locations where the security environment is assessed to present a heightened risk to our people and/or assets. Once engaged, Woodside manages the activities of its security providers through frequent communication and VPSHR awareness sessions for security provider personnel. In 2018, Woodside delivered VPSHR awareness sessions to our business operations and/or security providers at six of our locations across Australia, Timor-Leste, Myanmar, the USA and Canada.

Regular conformity assessments are undertaken to ensure that contracted security providers are conforming to the requirements of their agreement, including their conformance with the VPSHR, appropriate use of force and human rights training.

3.3 Myanmar & Senegal

Woodside is an active participant in the VPSHR Myanmar In-country Implementation Group and regularly attends workshops and meetings to support the uptake and application of the VPSHR in Myanmar. In 2018, Woodside sponsored and presented at several workshops, coordinated by the Myanmar Centre for Responsible Business in Yangon and Naypyidaw, in collaboration with our Corporate Pillar peers in Myanmar, to raise awareness of the relevance of the VPSHR for the Government and private security companies.

In Senegal due diligence was conducted on a private security provider subsequently engaged to provide security at Woodside's offices in Dakar. Prequalification checks were undertaken in 2018 as part of a tender currently being conducted for related services in Senegal and West Africa. Woodside also conducted an Environmental and Social Impact Assessment (ESIA) for the SNE development and received approval from the Senegalese government at the end of 2018. Woodside's Human Rights Policy, which refers to our adherence to VPSHR, was included as a key part of the Environmental and Social Management Plan.

4. Priorities for 2019

In March 2019, our newly developed assurance processes will be implemented to assess security service providers' conformance on implementing Woodside security requirements inclusive of security and human rights. Findings from these assessments will be used by Woodside to continue to improve our security and human rights framework and implementation efforts.

To better promote an understanding of the importance of human rights, Woodside will launch a human rights training for employees in early 2019 that will cover a variety of human rights considerations including security and human rights.

In late 2018, Woodside commenced a human rights risk assessment on our exploration, development and production activities. The risk assessment will be finalised in 2019 and is expected to help guide our future activities. For Senegal this will be informed by a biennial human rights risk assessment of our Senegal operations in 2019, which will include a review of security and human rights risks.

VPSHR Annual Report 2018

Head Office

Mia Yellagonga
11 Mount St
Perth WA

Postal address:

GPO Box D188
Perth WA 6840
Australia

T: +61 8 9348 4000

F: +61 8 9214 2777

E: companyinfo@woodside.com.au

