Notice to company pursuant to ss 249N & P of the Corporations Act 2001 (CA)

I/we .... [name of ‘shareholder’]

of ....

.. [address]

identified by the Holder Identification Number (HIN) or Shareholder Reference Number (SRN) .... [HIN or SRN]

in respect of any holding of the shareholder’s Woodside Petroleum Limited (‘WPL’, ‘Woodside’ or ‘the company’) ordinary fully paid shares;

hereby give notice (in accord with sections 249N & P of the CA) to the company of: the following resolutions (1: Amendment to the Constitution, 2: Capital Protection) the shareholder proposes to move at a general meeting of the company; and request (in accordance with section 249P) that the company give to all members each of the Supporting Statements following the resolutions.

SIGNED

………………………………………………	…………………………………………………
(Signature of individual Shareholder† /company director)	(Signature of second shareholder in a joint holding/for a company second director or company secretary)

† Or sole company director and sole company secretary. JOINT HOLDING: For a holding in more than one name all shareholders must sign)

Resolution 1 – Amendment to the Constitution
To amend the constitution to insert the following new Clause 43A: “The Company in general meeting may by ordinary resolution express an opinion or request information about the way in which a power of the Company partially or exclusively vested in the Directors has been or should be exercised. However, such a resolution must relate to a material risk as identified by the Company and cannot either advocate action that would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the Directors or the Company.”

Resolution 2 – Capital Protection
Shareholders request the company disclose, in subsequent annual reporting, information that demonstrates how the company's capital expenditure and operations will be managed in a manner consistent with the climate goals of the Paris Agreement.

This information should include:

- Details of how the company’s capital expenditure will facilitate the efficient managing down of oil and gas operations and assets in a timeframe consistent with the Paris goals;

- Production guidance for the lifetime of oil and gas assets that is consistent with the Paris goals;
- Plans and capital expenditure requirements for decommissioning and rehabilitating asset sites at the end of their Paris-aligned lifetimes;
- Plans for how employees of the company will be informed of asset closures, and employee transition plans, including any compensation for job losses, training and support in seeking future employment; and
- Details of how remaining capital in the company will be returned to investors.

(Woodside Petroleum Limited's Notice of 2021 Annual General Meeting is to include Resolutions 1 and 2. Shareholders voting by proxy can vote on both resolutions.)

Supporting Statement 1

Shareholder resolutions are a healthy part of corporate democracy in many jurisdictions. For example, in the UK shareholders can consider resolutions seeking to explicitly direct the conduct of the board. In the US, New Zealand and Canada shareholders can consider resolutions seeking to advise their board as to how it should act. As a matter of practice, typically, unless the board permits it, Australian shareholders do not enjoy the same rights as their UK, US, New Zealand or Canadian counterparts in this respect.

A board of Directors is a steward for shareholders and accountability for the discharge of that stewardship is essential to long-term corporate prosperity.

In some situations the appropriate course of action for shareholders dissatisfied with the conduct or performance of the board is to seek to remove directors individually. However in many situations a better course of action is to formally and publicly allow shareholders the opportunity at shareholder meetings such as the AGM to alert board members that the shareholders seek more information or favour a particular approach to corporate policy.

The Constitution of Woodside is not conducive to the right of shareholders to place advisory resolutions on the agenda of a shareholder meeting.

In our view, this is contrary to the long-term interests of Woodside, the Woodside board and all Santos shareholders.

Passage of this resolution – to amend the Woodside constitution – will simply put Woodside in a similar position in regard to shareholder resolutions as any listed company in the UK, US, Canada or New Zealand.

We encourage shareholders to vote in favour of this resolution.

Supporting statement 2

At the 2020 AGM, 50% of shareholders voted in favour of a proposal that the company disclose scope 1, 2, and 3 emission targets, and exploration and capital expenditure plans aligned with the climate goals of the Paris Agreement.[1]

[1] The Paris Agreement aims to hold global warming to well below 2ºC above pre-industrial levels and pursue a 1.5ºC limit and has been ratified by 185 countries. Governments and markets are accelerating climate action to achieve these goals. See https://unfccc.int/sites/default/files/english_paris_agreement.pdf, Articles 2(1)(a) and 4(1).

This resolution recognises that Paris-aligned targets to reduce scope 1, 2 and 3 emissions would necessitate a plan to manage down oil and gas production over time, and requests disclosure of integral details of such a plan. The resolution is in the best interests of shareholders and the company, due to the clearly recognised risk that further capital expenditure on oil and gas development and production projects would be stranded by market and policy shifts to meet the Paris climate goals, resulting in severe financial impacts on our company.

We therefore request disclosure of information that demonstrates how capital expenditure will be limited to only support production that is demonstrably viable in a Paris-aligned scenario, and how remaining capital will be preserved and maximally returned to shareholders as assets are managed down, while ensuring employee wage entitlements and transition plans, as well as asset site rehabilitation obligations are appropriately resourced.

Managed decline for oil and gas

"The time to begin planning for a wind-down of gas production is, as with other fossil fuels, already upon us" - SEI, IISD, ODI, Climate Analytics, CICERO, and UNEP[2]

The decline in oil and gas use required to meet the Paris climate goals leaves Woodside exposed to rapidly shrinking markets. In 2020, Woodside's sales revenue mix was made up of LNG (75%), domestic gas (5%) and liquids (20%).[3]

IPCC modelling of a 1.5°C scenario shows gas use for primary energy falling globally by 25% by 2030 and 74% by 2050 from a 2010 baseline, and oil's role in primary energy falling 37% and 87% over the same timeframes.[4]

Asia accounted for 91% of Woodside's 2019 revenue.[5] Key Asian LNG import markets have recently committed to achieve net-zero greenhouse gas emissions: Japan and Korea by 2050, and China by 2060. The International Energy Agency's Net Zero Emissions 2050 (NZE2050) scenario shows the path to achieve this goal requires gas use in 2030 to be 20% lower than in the 2.7°C-aligned Stated Policies Scenario (STEPS), and oil 40% lower.[6]

Woodside has previously pointed to developing Asian countries as drivers of LNG demand growth.[7] However IEEFA has recently noted increased pricing volatility has placed over $50 billion of proposed LNG power projects in developing Asian markets at risk of cancellation.[8]

Increasing stranded asset risk

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[2] http://productiongap.org/wp-content/uploads/2019/11/Production-Gap-Report-2019.pdf, 17

[3] https://files.woodside/docs/default-source/asx-announcements/2021-asx/fourth-quarter-2020-report.pdf?sfvrsn=cc75e824_2, 11

[4] https://www.ipcc.ch/sr15/chapter/spm/ (Figure SPM.3b)

[5] https://files.woodside/docs/default-source/investor-documents/major-reports-(static-pdfs)/full-year-2019-results/annual-report-2019.pdf?sfvrsn=3f0c259f_12, 85

[6] https://www.iea.org/reports/world-energy-outlook-2020, 129

[7] https://files.woodside/docs/default-source/investor-documents/major-reports-(static-pdfs)/full-year-2019-results/full-year-2019-results-and-briefing.pdf?sfvrsn=df7f2032_6, 20

[8] http://ieefa.org/wp-content/uploads/2021/01/Gas-and-LNG-Price-Volatility-To-Increase-in-2021_January-2021.pdf

Analysis of the carbon budget consistent with limiting warming in line with the Paris Agreement's 1.5°C target shows oil and gas production must fall by 4% and 3% annually from 2020 to 2030, respectively.[9] By contrast, Woodside plans to increase production by more than 69% from 2019 levels by 2028.[10] Woodside's planned rate of production growth is triple that forecast under SEI et al's business as usual scenario, which would see global fossil fuel production 120% higher than consistent with a 1.5°C warming outcome.[11]

Woodside is planning new LNG development projects worth more than US$36 billion, including Scarborough & Pluto-2 LNG expansion (US$11.4 billion) and Browse (US$20.5 billion) and Sangomar Phase 1 (US$4.2 billion).[12] Collectively known as the Burrup Hub, Woodside's Scarborough, Pluto and Browse expansion projects "would be Australia's most polluting fossil fuel project ever to be developed, with a total lifetime carbon footprint of over 6 billion tonnes of CO_2, equivalent to running 35 coal power stations every year until 2070.[13]

Carbon Tracker's analysis of Woodside's potential capex on unsanctioned upstream projects to 2030 found just a fifth (~US$8 billion) of capex opportunities had breakeven costs that fit within the IEA's Beyond 2 Degrees Scenario (B2DS). The remaining ~$30 billion of potential capex opportunities would be stranded under the demand profile imposed by the B2DS, which is consistent with 1.6°C of warming.[14]

Unreasonably optimistic forecasting

Woodside's capital expenditure plans are based on long-term oil price forecasts that are inconsistent with a Paris-aligned energy transition and are unreasonably optimistic. Woodside's 2019 annual report assumed a long-term oil price of US$72.5/bbl (2020 real).[15] This figure was revised down to US$65 in July 2020, causing a US$5.3 billion write down.[16] Downward revisions of these assumptions have cost the company over US$7.1 billion in impairments since 2015.

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9 https://productiongap.org/wp-content/uploads/2020/12/PGR2020_FullRprt_web.pdf

10 https://files.woodside/docs/default-source/investor-documents/major-reports-(static-pdfs)/full-year-2019-results/full-year-2019-results-and-briefing.pdf?sfvrsn=df7f2032_6, 8

11 https://productiongap.org/wp-content/uploads/2020/12/PGR2020_FullRprt_web.pdf

12 https://files.woodside/docs/default-source/asx-announcements/2019-asx-announcements/investor-briefing-day-2019.pdf?sfvrsn=dd9c09cd_2, 23, 29, 31

13 https://d3n8a8pro7vhmx.cloudfront.net/ccwa/pages/11680/attachments/original/1586154175/CCWA_Clean-State_Burrup-Hub_Report_WEB-READER.pdf?1586154175

14 https://carbontracker.org/wp-content/uploads/2020/07/CTI_CA100_OG_2019_Woodside.pdf

15 https://files.woodside/docs/default-source/investor-documents/major-reports-(static-pdfs)/full-year-2019-results/annual-report-2019.pdf?sfvrsn=3f0c259f_12, 93

16 https://files.woodside/docs/default-source/asx-announcements/asset-value-review-and-other-items.pdf?sfvrsn=48a63076_1

By contrast BP has set its long-term oil price forecast at US$55/bbl,[17] and committed to cut production by 40% by 2030.[18] Carbon Tracker states that, in the 1.6°C-aligned B2DS, "oil demand can be satisfied by projects that generate a 15% internal rate of return at an oil price in the [high] $40s,"[19] indicating Paris-aligned long-term oil price assumptions would be well below those currently used by Woodside.

<u>Capital preservation</u>
With the transition to a decarbonised economy shrinking our company's markets, capital must be preserved, rather than wasted pursuing production plans based on demand scenarios and price forecasts that are inconsistent with global climate goals.

Shareholders are interested in the preservation of capital, maximising future company value, and ensuring sites of operations are restored and employees supported in the energy transition. All shareholders are strongly encouraged to support this resolution.

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17 https://www.bp.com/en/global/corporate/news-and-insights/press-releases/bp-revises-long-term-price-assumptions.html

18 https://www.bp.com/en/global/corporate/news-and-insights/press-releases/from-international-oil-company-to-integrated-energy-company-bp-sets-out-strategy-for-decade-of-delivery-towards-net-zero-ambition.html

19 https://carbontracker.org/reports/the-impair-state/