

# WE PAY OUR TAXES

Year ended 31 December 2021

PART OF  
A BETTER  
FUTURE



## About Woodside and our activities in Australia

Woodside provides energy which Australia needs to heat homes, keep lights on and enable industry. Our liquefied natural gas (LNG) in particular supports the decarbonisation goals of our customers, and we are progressing opportunities to commercialise new energy products and lower-carbon services as part of our broader product mix.

We have a portfolio of quality oil and gas assets and more than 30 years of operating experience.

In Western Australia, through our North West Shelf and Pluto LNG projects we operated 5% of global LNG supply in 2021. We also have a non-operated participating interest in the Wheatstone project, which started production in 2017.

Offshore Western Australia we operate two floating production storage and offloading (FPSO) facilities, the Okha FPSO and Ngujima-Yin FPSO.

During 2021, the Scarborough and Pluto Train 2 projects were approved, with the first LNG cargo expected in 2026. We also reached agreement with BHP for the merger of its petroleum business with Woodside. Woodside is targeting completion of the merger on 1 June 2022.

Internationally, the Sangomar Field Development Phase 1 in Senegal remains on track targeting first oil in 2023.

Our hydrocarbon business is complemented by a growing portfolio of hydrogen, ammonia and solar opportunities in Australia and internationally. These include the proposed H2Perth and H2TAS projects in Australia and the H2OK project and a solar energy technology collaboration in North America.

## Taxes in Australia

In Australia, where we are headquartered and our producing assets located, we are a significant and transparent taxpayer. The majority of Woodside's revenues are from the sale of hydrocarbons from our producing assets located in Australia, and as a result Woodside pays more than 95% of its taxes in Australia.

Woodside has paid more than A\$11 billion in Australian taxes and royalties since 2011. In 2021 Woodside paid A\$658 million to the Australian Commonwealth and State governments.

Like all Australian businesses, we are subject to, report on and pay Corporate Income Tax. However as an energy producer in Australia a number of other taxes also apply, such as Federal Royalties, Federal Excise and Petroleum Resource Rent Tax (PRRT).

Woodside's tax payments are affected by several factors, such as changes to production, operating fields and commodity prices affecting revenues, as well as cost of sales and capital investment impacting expenditures. In particular PRRT only becomes payable when owners of petroleum projects earn above a specified rate of return.

Since 2001 Woodside has paid approximately A\$2 billion in PRRT.



## Key Metrics in Australia: FY21

	<b>Revenue</b> US\$ 5,865 million		<b>Profit/(Loss)</b> before tax and net finance costs US\$ 4,155 million
	<b>Income tax accrued</b> US\$ 658 million		<b>Income tax paid</b> on a cash basis A\$ 333 million
	<b>Effective income tax rate</b> Australian operations 30.6%		<b>Employees in Australia</b> as at 31 December 2021 3,660
	<b>Tax resident entities</b> All entities incorporated in Australia are tax residents of Australia. Refer to our <a href="#">Annual Report 2021</a> (p.139) for a full list of Woodside's Group of Companies, their country of incorporation and our ownership interest.		



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For more information, visit the "We Pay Our Taxes" page on our website.

## Supporting notes

- + As outlined in the Merger Explanatory Memorandum, the merger remains subject to conditions. There is no certainty that the merger will complete on the intended schedule or at all.
- + 'Revenue' relates to Australian producing assets and comprises operating revenue and other income - refer to our Annual Report 2021 (p. 103-104) for more information.
- + 'Profit/(Loss) before tax and net finance costs' relates to Australian producing assets and includes US\$ 10 million of impairment losses and US\$ 1,058 million of impairment reversals.
- + 'Income tax accrued' is for the current year and includes US\$ 23 million of accrued foreign income tax.
- + 'Income tax paid' relates to corporate income tax paid in Australia (USD equivalent is US\$ 250.2 million). Woodside also conducts business outside of Australia and as a result pays corporate income tax in other jurisdictions (in 2021 this comprised US\$ 20.1 million in the United Kingdom; US\$ 0.3 million in Japan; US\$ 0.3 million in the Netherlands; and US\$ 0.1 million in China). The total amount of our 'income tax paid' (US\$ 271 million) is also disclosed in our Annual Report 2021 (p. 98).
- + The Australian operations effective income tax rate is calculated with reference to all Australian companies and excludes foreign exchange on settlement and revaluation of income tax liabilities.
- + Data includes all constituent entities of Woodside Petroleum Ltd and are presented in USD (the company's reporting currency) with the exception of Australian taxes, which are paid in AUD.