



Brezo

ConocoPhillips
Australia
For Employees | March 2017





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Presidents' Messages

ABU-West



I would like to start today by thanking you all for some great results in 2016. The BU had a very good year, thanks to a lot of dedication and hard work from you all!

In 2016, on the HSE side we had our best year ever with a TRIR of 0.17 and HSE Effectiveness Score of 100, our increased focus on environmental processes delivered some strong results and we implemented several initiatives to further raise the profile and understanding of process safety. Strong safety performance like this does not just happen, it is earned by hard work and commitment, and I'd like to thank all of you for being committed to drive these improvements.

In a challenging global environment, ConocoPhillips made changes across the globe to ensure it could be competitive in a lower more volatile price environment, whilst at the same time delivering a very strong 2016 operating performance.

Here in Australia-West we also had an excellent year, meeting or exceeding all our operating targets.

Across the business, we lowered our cost of supply by a further 19% compared to our long-range plan while keeping uptime high. We delivered the WP1 pipeline repair safely, ahead of schedule and under budget which helped us exceed our production budgets.

We have done much to embed a "Doing Business Better" culture across our business in recent years, seeking to drive costs down in sustainable ways where we can - but also to maintain activity if it adds safety or is needed to maintain our assets integrity. In 2017, we will continue this focus to ensure Australia-West continues to make a positive contribution to cash flow at all price levels. This culture will help ensure our success in preparations for 2018 shutdown activities, infill wells and future growth projects, particularly our current focus on the Barossa development.

We remain focused on delivering Darwin backfill via the Barossa Development. 2017 will be a pivotal year for Barossa as we drill two important appraisal wells that are designed to prove that we have commercial gas volumes. At the same time our project teams in Houston and Perth will be working to drive down development cost and progress environmental approvals. We have a clear plan to achieve a cost of supply which allows Barossa to compete within the global portfolio – and are working to deliver this.

Our working relationship with Timor-Leste remains a priority. We have done much good work here in recent years to increase our engagement in Timor and to further grow our local content offerings. This has been rewarded with Timor-Leste agreeing to resolve our previous tax disputes and their recent approval of the Bayu-Undan Infill Wells program.

The last two years have been a difficult period for the company, but we have emerged stronger. You have all risen to the challenge of operating at a lower cost in a sustainable way and the Leadership Team and I thank you for this. In 2017 we need to keep delivering the high levels of safety and operating performance and to demonstrate that we have a backfill project that competes globally. It is going to be a challenging year, and will require more hard work from all of us! If we succeed we will deliver a long-term future for the business for decades to come – and that will be something to be very proud of! 🚩

A handwritten signature in black ink, appearing to read 'Chris Wilson', written over a light blue circular stamp.

Chris Wilson
President, Australia West



ABU-East

I am excited to be transitioning back into ConocoPhillips in my new role as President-Australia East. In my previous role as Vice President Commercial for the Australia Pacific LNG joint venture I had the opportunity of working with both the upstream and downstream operators, so I am familiar with many of the challenges facing the business. I am really looking forward to understanding more about the downstream side of the business and in particular spending time with the operations team on Curtis Island and Park Road. .

I have been really pleased with the initial briefings I have received from the team. It is clear that everyone within ABU East has worked hard to ensure our readiness for operations. I congratulate all of you for this achievement, and note that the company has recognised your outstanding performance in the 2016 VCIP awards where ABU East was on top of the BU performance

2017 will be another big year for ABUE and Australia Pacific LNG. We are now just days away from our first full shutdown on Train 1, and soon after, we will deliver our 100th cargo. The two-train 90-day Lenders' Test is absolutely critical as a successful result will release significant shareholder guarantees, and essentially mark the final stage in transition to operations. We are now close to completing demobilisation of the Project, and I would like to extend my congratulations and appreciation to Kent Anderson and his team for their leadership and support in bringing the project online. As we go forward, I want to ensure we maintain a keen focus on operational discipline, operating efficiency and safety.

This year is also a very critical year for Australia Pacific LNG upstream operations. The plan includes 230 new development wells drilled and 313 wells brought on-line to sustain gas supply to the Curtis Island facility. In addition, the exploration and appraisal program includes 14 new wells that target to expand the APLNG resource base.

This will also be a very important year for embedding our HSE culture across our workforce, and in this regard, we are off to a great start with the HSE Contractor Forum held in Gladstone in February. Congratulations to all of the team who were involved in delivering this fantastic event. I am keen to maintain our commitment to this kind of engagement with our contractor workforce, and to ensure

we are all actively committed the ONE TEAM culture which Charlie, Jack and their teams have so strongly encouraged since the business unit was created.

I am also very keen to ensure we continue to invest in our relationships with government, stakeholders and our community. Over the next few weeks and months I will be travelling regularly to Gladstone to meet with a broad cross-section of community leaders, to listen, discuss and understand the issues and risks to our business and our regional communities.

But engaging with the community is not just a role for the President, or management – this is something we can all be involved in. Our actions make a difference, and in this regard, we are all ambassadors for our company in our neighbourhood and local community. One of the greatest things we can do to demonstrate our values and earn the support of our communities is to get involved – whether it is your kids school, a sporting club, community group or a charity. In this regard, it is fantastic to see the recent uptake of the Employee Volunteering Grants, and I am keen to see more of our people and our teams accessing the grants during 2017.

I am genuinely excited about coming back to ConocoPhillips, and I am really looking forward to working with you to help achieve our vision of becoming Asia-Pacific's Premier LNG team. 📧

Wendy King

Wendy King
Australia - President, East



As I transition into my new role as Chief Executive Officer, Australia Pacific LNG I wanted to take a minute to reflect on our progress as a business unit over the last six years.

10MTPA two train LNG facility. In 2016 we successfully delivered 72 LNG cargos, completed the Bechtel Performance tests on both Trains and passed all conditions of the Train 1, 120 day Lenders' Test. These achievements are a culmination of six years of commitment, successful planning and hard work, something we should all be extremely proud of.

I would like to thank everyone for their continued support over the last six years. It has been a pleasure to have worked with such a great team and I feel extremely honoured to have had this experience. I would like to wish Wendy King every success in her new role as ABUE President.

Whilst I am sad to be moving on, I won't be too far away and I look forward to supporting ConocoPhillips as downstream operator of the Australia Pacific LNG project.

Australia Pacific LNG

In July 2011, the Australia Business Unit East (ABUE) opened its doors with less than 10 employees and the responsibility to create a legacy ConocoPhillips E&P business in eastern Australia.

Our role was:

- shareholder representation, governance and support for Australia Pacific LNG
- ensuring we were ready to operate the Curtis Island LNG facility by 2015
- enhancing the value of ConocoPhillips' east Australian investments.

Today we stand as a strong, established business unit responsible for operating a

Warwick King
Australia - President, East



Celebrating 10 years of excellence

In February 2016, Darwin LNG celebrated 10 years of operation, a significant milestone for both the company and the local community.

The construction phase of DLNG was completed within budget and six months ahead of schedule, a remarkable achievement that paved the way for the growth of the LNG industry in Darwin. The facility continues to build on its reputation as a world-class asset, and is globally recognised as having one of the best safety, environmental and availability records in the industry. Since 2006, Darwin LNG has processed over 40 million tonnes of LNG, safely delivering over 540 cargoes to Japan.

Across the last 10 years, a range of optimisation projects have taken place at DLNG, enhancing the productivity and operating efficiency of the facility. This is a testament to the skills, dedication and innovation of employees at the plant, and in the business offices.

The presence of Darwin LNG has brought substantial economic and social benefits to the Top End community. Of the 2,500 person workforce who constructed the plant from 2003 to 2005, over 50% were local residents, and in order to continue injecting jobs and expertise into the local economy, we



established the Darwin Operation Centre Training Academy (DOCTA). DOCTA trains long-term NT residents with trade backgrounds to become LNG plant operators, ensuring skills, knowledge and opportunities remain within the community.

Recognising the importance of being actively engaged with the communities in which we operate, we fund a range of programs and events to help build cultural vibrancy and connectedness. From helping bring to life dynamic community concerts with Darwin Symphony Orchestra, to supporting initiatives like the National Indigenous Music Awards and City2Surf, it is essential our touchpoints are genuine.

ConocoPhillips is proud of Darwin LNG and its accomplishments, all of which are a result of the talents, spirit and vision of a dedicated, passionate workforce. Thank you for your efforts in making Darwin LNG a success! 

Things you may not know about DLNG



- Natural gas is converted to Liquid Natural Gas for economic transportation – in terms of volume, 1 m³ Liquid Natural Gas is equivalent to approximately 600 m³ of natural gas
- The DLNG storage tank has a capacity of 188,000m³ – this is equivalent to 6000 household swimming pools
- Natural gas is a liquid at -160 degrees Celsius, nitrogen is a liquid at -196 degrees Celsius and helium is a liquid at -269 degrees Celsius – the lowest recorded natural temperature on earth is -95 degrees Celsius
- Some of the complex refrigerant heat exchangers used at DLNG are about the size/volume of a car, yet have an internal surface area of around 10,000m² (2.5 acres)
- The total gas turbine power used to spin the main refrigerant compressor is around 300,000 horsepower
- The amount of energy contained in each 145,000m³ ship is enough to power over 200,000 homes for an entire year!

Things you may not know about Bayu-Undan



- 40 of the current crew have been working at Bayu Undan since commissioning, while 23 have been there less than three years
- The offshore crew are diverse, coming from Australia, Timor Leste, Philippines, China, UK, Canada, New Zealand, South Africa, India and Indonesia – to name a few!
- Enough food and consumables are ordered to last a two-week period
- The FSO Liberdade was the world's first multi-use separate propane, butane and condensate FSO facility



Australia Pacific LNG powers ahead

Australia Pacific LNG is powering ahead in 2017, staking its claim as a key player in Australian and international natural gas markets after achieving a series of significant milestones in late 2016.

Australia Pacific LNG is powering into 2017, staking its claim as a major player in Australian and international natural gas markets after achieving a long list of significant milestones in 2016 including:

- The successful completion of the 120-day operational test for Australia Pacific LNG's project finance lenders
- The commencement of production from Train 2
- And successful loading of Sinopec's brand new and custom-built LNG tanker CESI Gladstone at the Curtis Island LNG Facility loading jetty

Australia Pacific LNG Chief Executive Officer Page Maxson described the milestones as tremendous accomplishments.

"The second train is up and running, enabling our LNG Facility on Curtis Island to deliver commercial quantities of LNG at sustained output from both trains," Page said.

"With our strong reserves position we are looking forward to working with our key customers here in Australia and overseas to help meet their energy needs today and in the decades ahead."

"These great results are only possible with the dedication and hard work of everyone that has been part of our journey."

"I would also like to recognise the support of our key stakeholders and supporters, including landholders, community members and community groups, contractors and suppliers, and local, state and Commonwealth governments, as well as our shareholders and Board directors."

"Our journey as a venture is far from over with more milestones and achievements to come, particularly as we embed efficient and sustainable practices for the development of upstream gas resources."

"I especially ask that we never lose our focus on safety and the environment and our responsibilities to the communities of which we are part."

In February 2017, Page announced his retirement, after successfully guiding Australia Pacific LNG from project concept through construction to commercial production.

Page was appointed CEO in 2010, and under his direction helped shape a new global export industry for Queensland and played a key role in catapulting Australia to the forefront of international energy supply.

ConocoPhillips President Australia East, Warwick King, will take over as Australia Pacific LNG CEO in February. 

Condabri Central at dusk – one of seven new gas processing facilities built for Australia Pacific LNG



“ I especially ask that we never lose our focus on safety and the environment and our responsibilities to the communities of which we are part ”

Page Maxson

Australia Pacific LNG


previous CEO



Downstream Project

Throughout 2016, Australia Pacific LNG Project, Commissioning and Start Up and Bechtel teams worked as an Integrated Completions team enabling powerful collaboration between ConocoPhillips Project, ConocoPhillips Operations, Bechtel, and Vendors.

The team worked to implement lessons learned from Train 1 and ensure early identification of issues that could impact commissioning and start-up. The project executed a near flawless Train 2 commissioning and start-up program, including completion of the Train 2 compressor mechanical runs in record time and a reduction in the start-up schedule of 33 percent. A result of this significant effort was first LNG before the end of the third quarter and first Cargo was achieved on October 8, 2016.

This performance was well ahead of what many considered possible. The Australia Business Unit East (ABUE) project successfully handed over the Australia Pacific LNG Downstream Facility to ABUE Operations on Thursday 15 December 2016 signalling the beginning of full Operations at the Australia Pacific LNG Facility. 

2016 Milestones




- T1 First cascade LNG plant to finish Bechtel performance test in 1st try
- T1 Seamless handover of Train 1 and OSBL to Operations
- T1 Completion of the Train 1 120 Day Lenders Test
- T1 T2 Mechanical Runs completed in 16 days 1 hour
- T2 Phase RFSU Start-up (33% reduction from T1 schedule)
- T2 1st LNG in 3rd Quarter achieved in 12 days vs 22 days planned
- T2 1st Cargo achieved in 24 days vs 36 days planned
- T2 Strainer Shutdown completed in 9 days vs 11 planned
- T2 Bechtel Performance test completed first attempt

East Operations

Train 1 at the Australia Pacific LNG facility was handed over to ConocoPhillips' Australia Business Unit East (ABUE) Operations Team on May 15, 2016 signalling the commencement of steady-state-operations for the business unit and a year of significant milestones and successes.

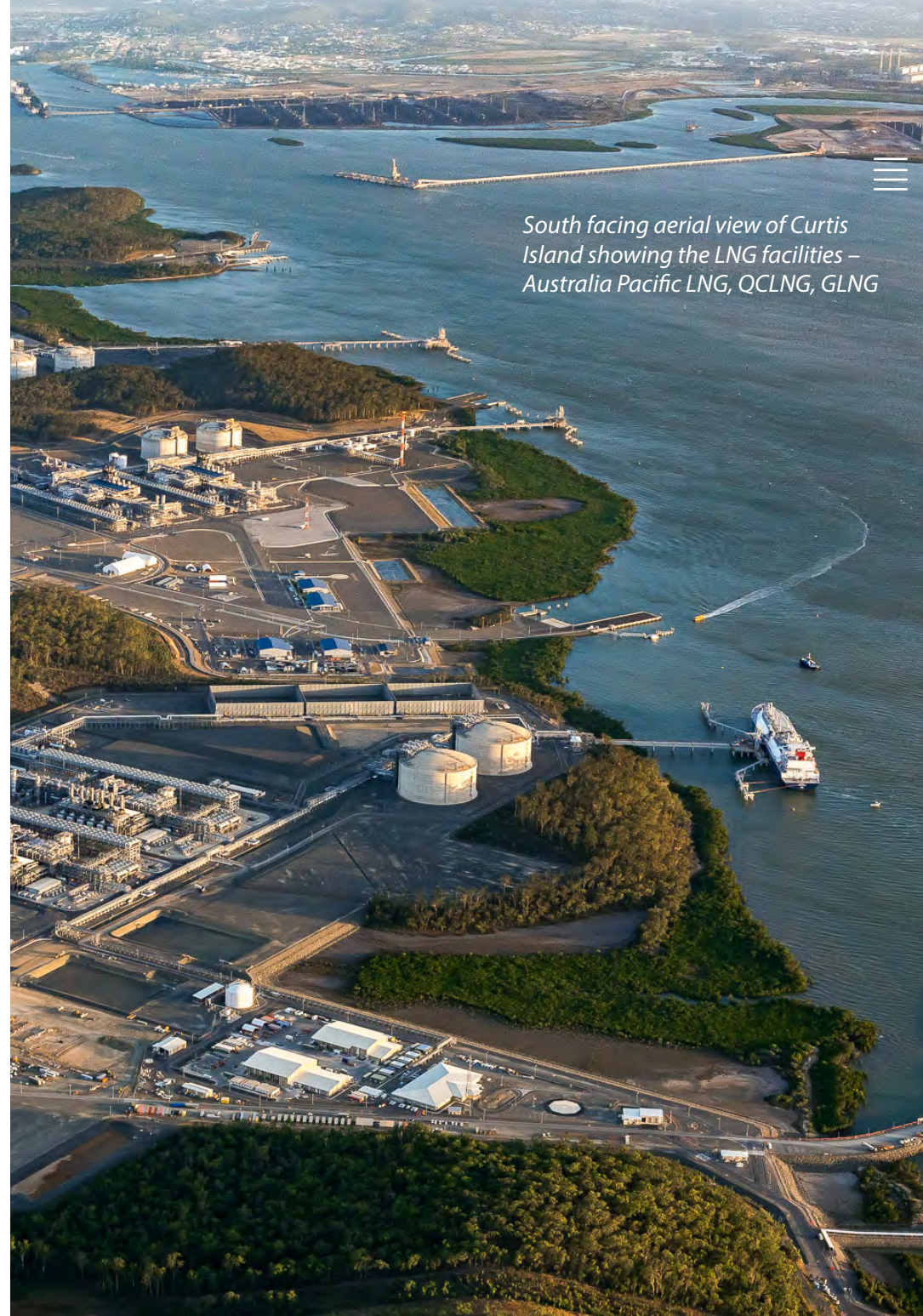
Much of this success was underpinned by the excellent work carried out by the Project and Commissioning and Start Up teams who delivered a highly reliable facility and implemented robust Operability Assurance and Operations Readiness programs. This reliability was demonstrated in the safe execution of the 120 Day Lender's Test, supporting the release of US\$5.1bn in senior debt for Australia Pacific LNG (APLNG) and its shareholders.

Looking forward, 2017 will be another milestone year for ABUE. It will assume responsibility for the entire LNG facility, including Train 2, execute the first full shutdown of Train 1, complete four scheduled rate reductions throughout the year, and, nearly double the previous year's 72 LNG cargos. A second Lenders Test of 90 days will also be executed in 2017 and involve both Trains running at full capacity. A critical component in a safe and successful 2017 will be the ongoing maturity of the Integrated Operations program and further realising the ABUE Operating Philosophy. 

Did you know?



The 120 Day Lender's Test required the facility demonstrate the capability produce 110% of its production target. The successful completion of the test resulted in the release of US\$5.1bnm or 60 per cent, of the completion guarantees provided by APLNG shareholders ConocoPhillips, Origin and Sinopec.



An overview on the Barossa Project



This year will be the most important yet for ConocoPhillips' next potential major project in Australia.

ABU-West is confident that gas from the Barossa field will be the best option to backfill the existing Darwin LNG train following depletion of the Bayu-Undan field around 2022.

For the Barossa Project to be formally considered by the Darwin LNG Joint Venture, it must first demonstrate its ability to compete against other proposed capital projects in ConocoPhillips' global portfolio.

During 2016, the ABU-West based Barossa Project Team, supporting ABU-West functions and Global Projects in Houston, worked hard to reduce costs and deliver an investable project.

In September, these efforts were recognised when the project successfully passed ConocoPhillips' internal Authority for Select (AFS) stage gate, meaning it had demonstrated at least one technical and commercially viable development concept.

To pass through the next stage gate, known as Authority for FEED (AFF), the project team must further demonstrate the competitive economics of the selected concept, a subsea development with wells tied back to a Floating Production, Storage and Offloading (FPSO) facility.

ABU-West President Chris Wilson publicly discussed the challenge during his address at a business function held in Perth in late 2016.

Mr Wilson said: "Darwin backfill can become the next big offshore project in Australia, stimulating engineering, construction and support activity in Perth and Darwin. But to make a project work economically in today's price environment we will need to do things differently.

"ConocoPhillips recently announced that globally 18 billion barrels of our resources have an average cost of supply of \$40; that's the break-even cost to develop a barrel of oil and make a 10% return on investment.

"That is a lot of resource that can be developed profitably at a low commodity price, so for Darwin backfill to attract capital we need to compete around that cost of supply – it is that simple.


"We believe Barossa backfill to Darwin LNG can compete and we have a plan that gets us there. But to succeed we need to challenge the way we have done things in the past, consider innovative approaches and find ways to reduce cost."

ABU-West Vice President of Growth, Steve Ovenden, oversees the Barossa Project and is pleased with the significant advances during the past year.

"Passing through the AFS gate meant doing all the required work to demonstrate the FPSO and subsea concept was a technically and commercially viable option and it had the ability to compete for capital within our low cost portfolio. The focus now is on optimizing and maturing the design and development plan and deliver cost reductions to ensure we have a competitive project at the next AFF gate.

We have already made some good progress, identifying numerous cost reduction and value improvement opportunities across the project scope that give us line-of-sight to the cost of supply required to compete.

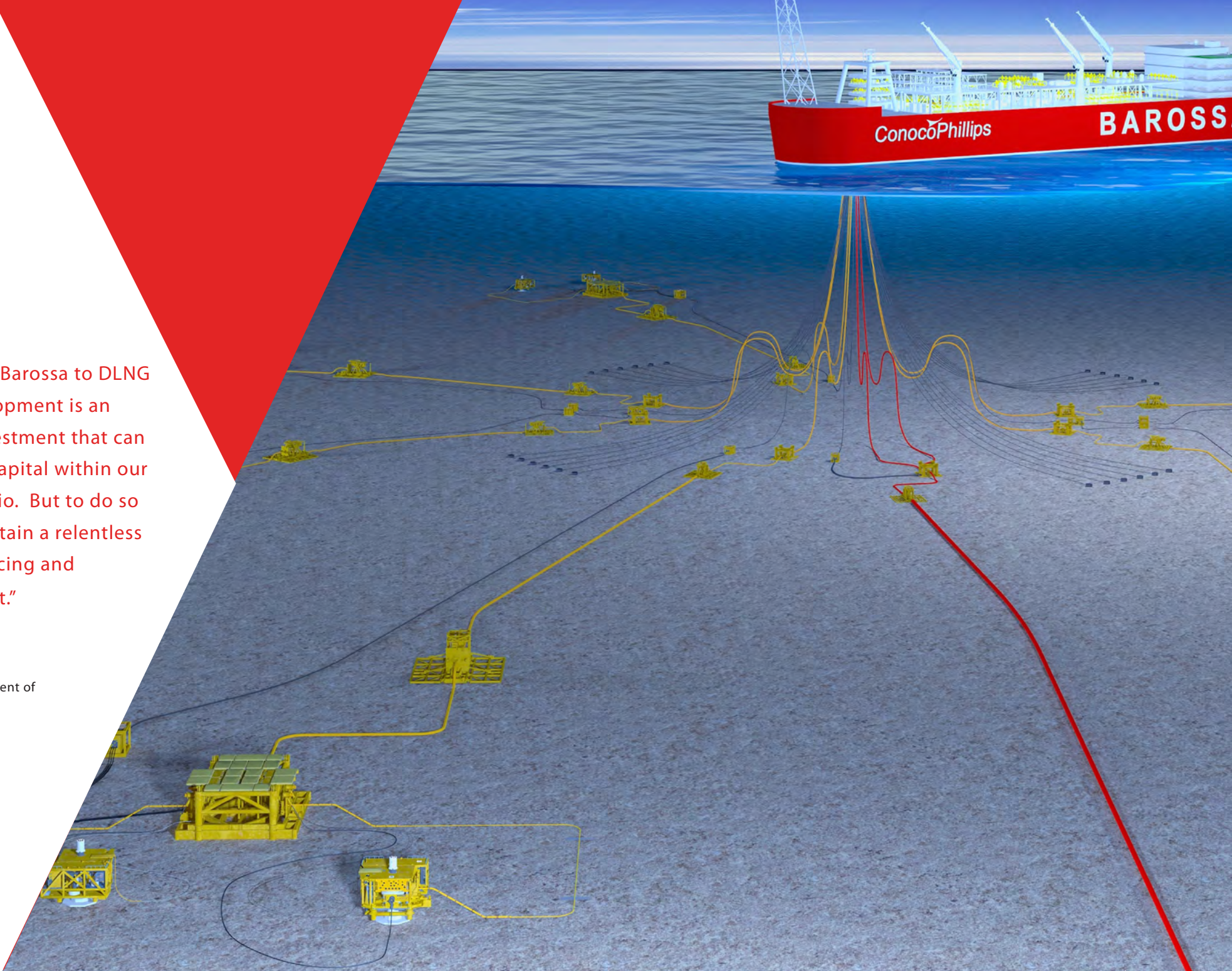
Results from the new 3D seismic survey completed in Q3 last year and the appraisal drilling campaign currently underway will also help reduce subsurface uncertainty and inform the optimal development plan for Barossa.

Significant work is also underway preparing for the regulatory approval of Barossa. The integrated team has done a tremendous job developing the initial Offshore Project Proposal, or OPP, which provides our regulator, NOPSEMA, with early consideration of the projects environmental acceptability. The team is currently closely engaged with NOPSEMA in preparing the OPP for public review and comment." 

“We believe a Barossa to DLNG backfill development is an attractive investment that can compete for capital within our global portfolio. But to do so we must maintain a relentless focus on reducing and managing cost.”

Steven Ovenden

ABU-West Vice President of
Growth



A Growing Team for Barossa



The Barossa project team has grown significantly over the past year to ensure we are on top of challenging requirements of planning for a major offshore development.

More than 30 personnel are now part of the Project Team with many more providing functional support.

The subsea facilities and export pipeline scopes, overall project management, integration and functional support are being performed in Perth while the FPSO scope is being conducted in Houston.

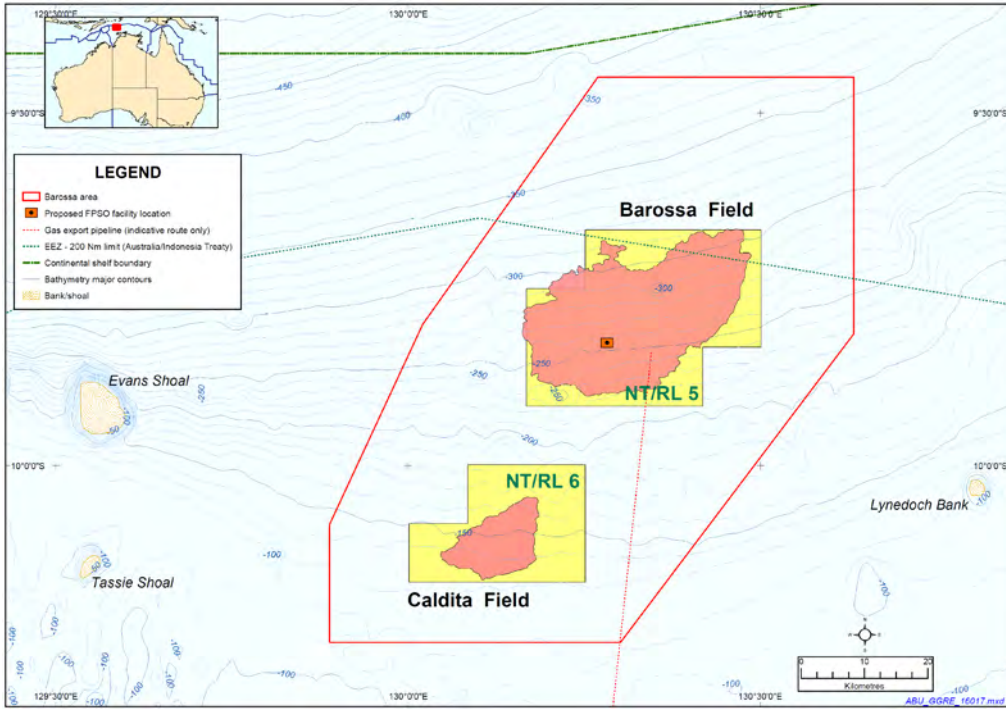
An ABU-West Project Steering Committee, including members of the Leadership Group, provides oversight and integration with the Business Unit's overall strategy.

Steve Ovenden as ABU-West VP Growth, is the Project Integration Manager and Pat Dinan is the Project Director. Other Project Leadership Team members include Seamus Arundel (Subsea & Pipeline Manager), Mike Reid (Project Services & Procurement Manager) and Charlie McWattie who will be returning to the ABU-West in May as the Barossa Operations Manager.

The Houston based FPSO team is led by Shyam Kumar (FPSO Manager) and includes two senior ABU-West engineers who have re-located for the project, Emille Janssen (Topsides Engineering Manager) and Zak Thomson (Project/Interface Engineer) as well as two other familiar faces, Tim Tilbury (Operations Assurance Specialist) and Murray Smith (Hull & Moorings Lead).

Steve Ovenden said: "We now have a very strong pre-FEED team in place and will continue to add further resources and expertise during the year as required. We are also preparing staffing plans for the transition into FEED when the project team will need to essentially double in size."

"While the engineering design work and planning continues on numerous fronts, it is critical we establish strong governance and integration, both between the Perth and Houston locations and between all the various functions supporting Barossa. This is a key objective during 2017 and will be critical to setting us up for success as the project progresses." 📧



Barossa Development Area Map

The Barossa Field is located in the Timor Sea, about 300 kilometres north of Darwin, in water depths ranging between 220-280 metres. ConocoPhillips is Operator with 37.5% working interest and the joint venture partners include SK E&S Australia Pty Ltd (37.5%) and Santos Offshore Pty Ltd (25%).

The field is premised to be accessed via a phased subsea development network and production tied back to a central FPSO for preliminary processing. The gas would be exported to DLNG via a new export pipeline to tie into the existing Bayu-Undan pipeline to Darwin. The backfill is designed to maintain the current annual average LNG production of 3.7 MTPA at DLNG.

The Caldita field is not part of the project's base case, but this resource will remain an upside as a potential future tie-back opportunity. 📧

EVG Grants

Name: Women's Network – Darwin members

Grant: Team donation grant

Company

Donation: \$1,000

Organisation: Foodbank NT

At work

Mix of employees from ConocoPhillips Darwin locations.

What did your team do?

Women's Network Committee members in Darwin organised 20 volunteers to spend two hours packaging Christmas care packs at Foodbank. Comprising of emergency food and toiletries, these packs were distributed to smaller local charities that support Darwin families experiencing financial hardship. Other volunteering activities for Foodbank included packaging rice ready for sale, disposing of expired items and emptying drink cans for recycling.



Learn more about Barossa



Project Basics

Floating Production Storage and Offloading (FPSO) Facility

- The central processing facility to stabilise, store and offload condensate and treat, condition and export gas
- Gas is processed to separate the three production streams – gas, condensate, and water and remove carbon dioxide
- Centrally located between the subsea manifolds that gather gas from the wells
- Will involve conversion of a 'Very Large Crude Carrier' or a new build hull
- Turret is integrated into the hull and remains stationary while the vessel rotates around with changing wind and current
- Living quarters for operations personnel and also houses control room and helicopter operations

Subsea infrastructure

- Includes wellhead assembly, flowlines, manifolds, umbilicals and risers
- Gas is fed to the FPSO from an expected 10-15 subsea wells
- Wells are located to enable maximum reach and optimal reservoir drainage throughout the field
- Subsea trees are located on each well and send production to the manifolds en-route to the FPSO
- Two drilling phases expected, approximately 4-5 years apart

Export pipeline

- Lean processed gas is exported via a new 260 km 26 inch export pipeline
- The new Barossa pipeline is premised to tie-in to the existing Bayu-Undan pipeline approximately 130 km offshore of Darwin
- The gas will be processed on the FPSO such that major modifications of Darwin LNG will not be required



Field Covers an area of 400 square kilometres = 20 Rottnest Islands



Pipeline is 260 kilometres in length = Distance from Perth to Busselton



One cargo of LNG will power 221,000 homes in Tokyo for one year



FPSO is ~320m in length = 2 Subiaco Ovals



FPSO topside weighs more than 30,000 tonnes = 150 road trains



FPSO can store 800,000 BBL of condensate = 38 Olympic-size swimming pools

Atwood Osprey rig

The Atwood Osprey semi-submersible rig is now on location in the west of the field drilling the Barossa-5 appraisal well. This will take up to 100 - 130 days to complete drilling and testing.

The results will reduce remaining subsurface uncertainty, primarily defining the location of the gas and water contacts and the overall structure. The results will also dictate whether a second appraisal well is drilled immediately after Barossa-5.



EVG Grants

Name: Tamlin Little
Job Title: DLNG Operations Specialist - automation
Grant: Individual Sponsorship Grant
Company Donation: \$500
Organisation: Top End Remote Control Car Association



At work

No one knows, including me... but keep that quiet.

In the Community

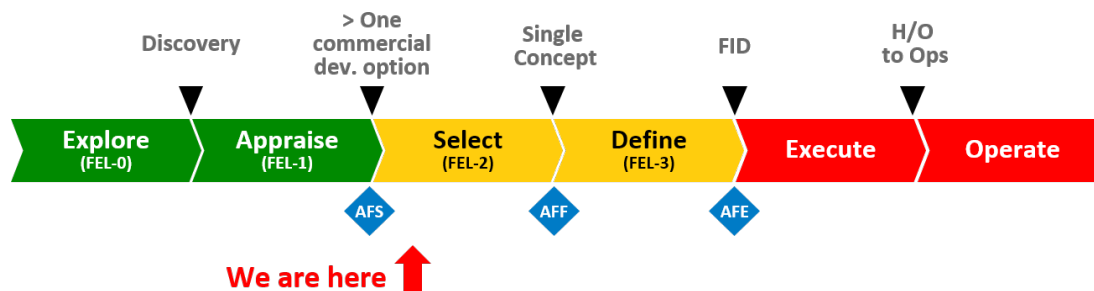
When the previous commercially run and only remote control track in Darwin shutdown, several of the racers decided to try and get a new track started. The intention was not to only get a track going again but make it accessible to all, including kids. It's been a long road getting it all going, applying and lobbying local council for land, countless community grants and lots of voluntary work. Darwin weather hasn't played nice for us this build-up (outdoor dirt track), however we have a strong foundation now to get quality racing again.

The grant funding helped

To set up the new remote control buggy club, and in particular the purchasing of materials to construct the access stairs to the new driver's stand.

Internal approval process

The Barossa project is seeking to move through the AFF stage gate in Q1 2018, followed by about 12-18 months of FEED engineering prior to making a Final Investment Decision (FID).



Doing Business Better - ABUW

Throughout 2016 ABU-West has delivered, with support from the Continuous Improvement team, cost savings and improved business performance. As highlighted by ABU West President Chris Wilson, much has been done to embed a “Doing Business Better” culture and it forms a critical part of our strategies for existing operations and growth projects.

Across 2016 there are many examples where initial idea generation, supported by a broader team, has led to positive outcomes.

Two of the larger initiatives include firstly ABU West Marine who developed an industry leading approach for Platform Supply Vessels (PSV) to provide static tow support for Offtake Tankers. The PSV vessel MMA Inscription can now provide offshore supplies, static tow to offtake tankers and support drilling operations. For a vessel of this size to perform static tow of tankers, a sophisticated escort towing winch was adapted.

With these new modifications Bayu-Undan can now operate with two primary vessels (rather than three) and deliver cost savings of approximately \$25 million (USD). The annual cost savings that Bayu-Undan will capture is \$5.6 million (USD) per year through until end of field life.

Additionally, with the vessels increased deck space, state of the art redundancies and various cargo capabilities, the MMA Inscription is well positioned to capture various cost saving opportunities including 2017 and 2018 drilling programs and future shutdowns.

Secondly, a significant cost saving was delivered via the Barossa Drilling Rig program through with the development and execution of a robust and flexible rig contract strategy as well as taking advantage of current market conditions and the associated industry downturn, a \$38 million reduction from previous campaigns was achieved.

DBB highlights from 2016:



- *Renegotiated the existing network provider delivering reduced IT costs and obtaining a five-time increase in capacity. The result is improvements in connectivity and a ~\$25,000 per annum saving.*
- *A Darwin LNG initiative which saved ~\$25,000 through sourcing a local versus interstate method of specialised waste disposal.*
- *Sourcing a new vendor for the purchase of shutdown valves which generated 66% reduction in costs on a single scope of work.*
- *ABU-West Drilling working with ConocoPhillips global casing provider delivered a saving of \$668k over a two-well campaign applying dopeless casing thread technology.*
- *Rationalizing the methodology for competency mapping delivered a recurring maintenance cost saving of \$45,000 per annum and an additional saving of \$100,000.*
- *Changing IT equipment resulting in ABU-West no-longer needing to use external communications and digital agencies. The purchase enabled graphic and video editing to be completed in-house. Also print materials were brought in-house delivering an overall savings of \$50,000 per annum.*



MMA Inscriptio prior to major shipyard static tow modification



MMA Inscriptio post Singapore Shipyard. A new generation for Offshore Vessel Support has now begun.

ABUE: Collaboration the key to success

Since first cargo shipped from Australia Pacific LNG facility in January 2016 the ABUE Marine team have successfully managed the shipping of 72 LNG cargos from the Australia Pacific LNG Facility




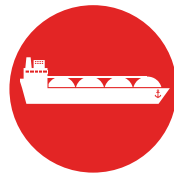
Timothy D Sharp, Mark A Salway, Scott W Bowen performing mooring operations.



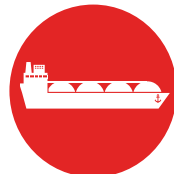
ConocoPhillips staff Karthik Venkatasubramanian, Wade Day, Peter Sedgwick, Manish Bhatnagar, Sriram Balasubramanian, with staff from the Magellan Spirit and Intertek

A large part of this management involved collaboration between Upstream Operator – Origin Energy, Australia Pacific LNG joint-venture and the ABUE enabling APLNG to meet all its LNG SPA commitments in the first year of operation. The teams managed issues such as Train 1 and 2 ramp-up, limited port capacity and constrained upstream supply and implemented over 300 updates to the production forecast, more than 100 changes to the LNG cargo schedule, vetted 17 different ships, and gassed up & cooled down 15 ships

Throughout this all 72 ships were loaded with no incidents, no demurrage was incurred, the LNG facility experienced no tank top events. 



72 LNG Cargos shipped in 2016



17 ships vetted



ConocoPhillips lead Nage Moummar and Origin lead Peter Franks

Australia Pacific LNG


Supply Chain Value Alignment

In current market conditions and with the objective to become a low-cost LNG producer, it is critical that APLNG takes all possible steps to achieve value for money through collaboration.

While some savings can be achieved in one-off negotiations, collaboration between APLNG operators can deliver long term and longer lasting savings. It also provides value improvements through knowledge sharing on contract strategy in the tender and negotiation phase of contracting.

To deliver this a supply chain value alignment team was established to ensure

effective collaboration, implementing lessons learned, and leveraging the APLNG purchasing power from a total controllable annual spend. The team includes members from Origin and ConocoPhillips and has created efficiencies in a variety of tendering and contracting systems and processes.

Specific examples of collaboration between shareholders to realise value for APLNG from its contractors include Wellsite services, Oil Country Tubular Goods (OCTG) products, artificial lift, and power turbines and compressors. This approach generated savings of more than AUD72MM (gross) in 2016. 

Interview with David Boyle

VP Operations, Drilling & Supply Chain - ABU-West



David, you're joining us from sunny Scotland – is this home for you? Where have you lived before Perth?

Yes, I was born and raised in a town called Ayr along the West coast of Scotland, a really beautiful part of the country. I moved to Glasgow to do my degree in Process Engineering at Strathclyde University, and then moved to Aberdeen after graduation for a Petroleum Engineering role with Chevron. After 5 years there, I joined Phillips Petroleum in Aberdeen and have been with the company ever since. I've lived in Aberdeen, Norway, Aberdeen again, and now Perth.

How long have you been with ConocoPhillips?

In total, I've been with the company for 20 years and have over 26 years' experience in the industry. I joined Chevron in 1991, training as a Petroleum Engineer on the Ninian Fields working both onshore and offshore. I then joined Phillips Petroleum in 1996 and worked on the Maureen and J-Block fields. In 2003, I transferred to Stavanger in Norway where I did 3 roles during my 6 years in the country. The quality of life there was fantastic; Norway is brilliant for skiing, cycling, hill walking - in fact all outdoor activities in general. It was a really great place to live despite the freezing winters! (Even colder than Scotland). In 2009, I moved back to Aberdeen and worked in a number of Operations Management roles across the assets in the UKBU.

We hear you're tying the knot in Aberdeen early this year! Did you take the job here partly so you didn't have to stay behind and help plan the wedding?

Haha, yes exactly! The majority of the wedding is all planned (or so I believe) so it's these final two months of detailed, frantic preparation that I'm really unhappy to be missing out on! Rest assured, my fiancé Wendy is keeping me up to date on every phone and skype call. The wedding is in Drumtochty Castle just outside Aberdeen towards the end of January.

What are you most looking forward to about living in Australia?

Well firstly, the climate. Wendy and I both love the outdoors, so

we're looking forward to discovering some new water sports, getting down to Margaret River and the Swan Valley for some wine tasting, and generally enjoying some sunshine. Being based in Perth is great as we can have the best of both worlds: enjoy the city life but only be 15 minutes from the beach. We'd definitely like to do some more travel in Asia-Pacific as it's one of our favourite destinations, and is so much closer and easier to visit now. I'm also looking forward to spending some more time in Dili; Timor-Leste is such a fascinating country.

What are the things at the front of your mind when you think about our operations in Australia?

Continuing to improve our safety performance, keeping our people safe and the hydrocarbons in the pipes where they should be will always be at the forefront of my mind. Next is working to preserve the BU's strong reputation by maintaining our high level of operating efficiency. It's important to remember that Bayu-Undan remains important to the company's strategy through its contribution of positive cash flow on an annual basis.

Is it true you're another avid cyclist joining the LT? Do you think this influenced the decision to hire you?

Haha I'm afraid the rumours are true, however it's very unlikely this influenced any decision given my cycling ability (or lack thereof), I'm no Cadel Evans! It's just a hobby for fun.

This is an exciting time for ABUW, with a major Growth project under appraisal for DLNG. How much are you looking forward to being a part of this challenge?

I think it's a great opportunity. Helping maintain focus on our base performance while transitioning to a growth project that will sustain the business unit for years to come is something that's exciting to be involved with.

Finally, what is the best piece of advice you have received?

Never say never! If you really put your mind, heart, and soul into something, you might surprise yourself with what you are able to achieve. 📌





Interview with David Bridges

VP Legal - ABU-West

Tell us a bit about your background, and when you started working with ConocoPhillips

I am originally from Belfast in Northern Ireland and spent my childhood there before moving to England to study and start work. I studied Philosophy at Bristol University which was interesting but not much help in getting a real job, so I went on to study law in Chester. I worked as a private practice solicitor in London and Edinburgh, before moving to Aberdeen in 1996 to join Conoco as part of their in-house legal team. My wife is English and our daughter was born in Scotland, so we are a bit of a mixture.

How many different locations have you worked with ConocoPhillips?

So far – 4 different BU's. After the UK I moved to Jakarta in Indonesia, then Perth in 2003, and I nationalised in 2005. I then moved to Brisbane in 2010 to be part of the ConocoPhillips team working on APLNG. After that, I went back to Jakarta until moving back to Perth again in December 2016.

Can you tell us about working in Jakarta? What's it like in terms of culture, climate, quality of life etc.? Did you find there was any language barrier?

The people in Jakarta are extremely friendly and happy, and really made it great fun to live and work there. Doing business in Jakarta can be difficult at times as there is a lot of bureaucracy, and traffic, pollution and poverty are all still major problems, but the culture and spirit of the people make it all worthwhile. I had done some travelling in Indonesia as a backpacker after University, but it was quite a different experience returning to live and work there.

It was a condition of my work permit that I took Bahasa language

lessons, but in practice all the Indonesian office staff speak excellent English. However, when I was out and about at restaurants or shopping etc., being able to say a few words to the local people in their own language went a long way, they were certainly amused and seemed to appreciate the effort.

I hear you're partial to pint of Guinness, can you get a good Guinness in Jakarta?

Hmm, not sure who your source is on that..... but there were a couple of Irish bars in Jakarta serving Guinness, and I played for one of their soccer teams which got me discounted drinks. It was a nice little reminder of home but the quality wasn't quite the same.

What are you most looking forward to about living back in Australia?

Well obviously being able to see my family every day is the best thing. My daughter recently turned 18 so I'm looking forward to hanging out with her more (mind, I'm not so sure she would say the same thing). Also, just the weather and outdoor lifestyle is something I missed whilst in Jakarta. I can notice a lot of changes in the city from the last time I lived in Perth, there seems to be far more small bars, restaurants, events etc. popping up, and generally just a lot more going on.

What is your actual name? We've heard some people call you Johnny? (Is this an Irish thing)

Haha, maybe it is an Irish thing; my official name is David John, but all my friends and family call me Johnny. When I first entered the workforce, I had a lot of people call me John which is my dad's name, so it was easier to just stick to David in the office. So, if we're in a meeting together then David's the way to go, but I'm maybe more likely to answer to Johnny if we're out and about.



Are you excited to be coming back to ABUW with the potential growth project we have on the horizon?

Yes, these are very interesting and challenging times. I was here during construction of the Darwin plant and for the very first LNG cargo, and now that Bayu is coming to end of field life, it's exciting to be involved again in the project to back-fill the plant.

How do you relax away from work? Will we see you donning some lycra, or is cycling not your thing?

Haha, thankfully I don't think you'll be seeing me in lycra. I like playing soccer, playing golf, generally trying to keep fit and of course a bit of the craic. 🇺🇸



Environment:

Darwin LNG Focus on Environmental Performance

EVG Grants

Name: Carly Sherren
Job Title: HRBP Darwin & Timor-Leste
Grant: Individual Sponsorship Grant
Company Donation: \$500
Organisation: Good Shepherd Lutheran College – under 13s 'storm' junior netball team



At work

I provide HR support for Darwin and Timor-Leste.

In the Community

I volunteered to coach my step-daughter's netball team, as it provided me an opportunity to give back to a sport I've loved playing since I was a kid, and ensure the players had the chance to develop their skills, and had fun! I was quite nervous as I'd never coached before, but it was hugely rewarding. To coach the team to the grand final, and see the teamwork, commitment and spirit they displayed to get there was incredibly enjoyable.

The grant funding helped

Buy netball equipment for the school's netball teams such as balls, whistles, coaches bags and bibs..

During 2016 the staff and contractors at DLNG have upped the ante on the monitoring, measurement and oversight of key environmental performance.

This increased focus started at the back end of 2015, with the establishment of an environmental improvement plan. The improvement plan was developed in conjunction with key personnel from operations, engineering, environmental and management.

The improvement plan outlined approximately 50 actions that were implemented during 2016. These actions were undertaken to ensure the correct level of oversight, on environmental performance, was available to key decision makers so that preventative actions could be taken to avoid non-compliance's. One of the key actions focused on the development of internal routine emission monitoring (completed by the laboratory team) and performance tracking through the operations support centre. This monitoring and tracking enables the early detection of any potential emissions exceedances, providing sufficient time for operations to remedy any anomalies.

The additional information collected through the improvement plan implementation has also benefited Darwin LNG's Environmental Protection Licence renewal, which is due in May 2017. The additional information was utilised in the licence renewal submission, which was



finalised and submitted to the Northern Territory Environmental Protection Authority in December 2016. Negotiations on the specifics of the new licence will commence with the regulator in early 2017, with the new licence to be in place until 2022. We would like to thank all of the people involved in the environmental improvement plan development and implementation, without your willingness to drive change none of this would have been possible 📧



Darwin: A Nest Above The Rest

At over 50 metres high, the telecommunications tower at Darwin LNG is an unmissable point along the horizon. Some of Darwin's feathered friends have also made the most of the uninterrupted views, with a nest discovered on the ladder of the tower prior to a 12-monthly inspection of the ladder and static line.

Ray Chatto, Wildlife Ranger for the Parks and Wildlife Commission of the Northern Territory, identified a pair of whistling kites using the nest and feeding young chicks. Under Ray's instruction, the nest remained undisturbed for eight weeks to allow the kites to finish using it. As a result, the tower inspection was postponed to ensure the safety of both the birds and maintenance climbers.

The rescheduled inspection of the ladder and static line saw rope access specialists brought in to rig rescue lines to be used by the team. The overall job was supervised by onsite plant inspector, Peter Bellis, with a number of HSE risks needing to be managed, while Ray Chatto was again on hand to provide advice.

Rope access specialists climbed to the top of the tower, taking photos inside the nest that were then texted to Ray on the ground below. Unexpectedly, there was a whistling kite's egg in the nest! At Ray's advice, the egg was temporarily covered with HSE Supervisor Will O'Callaghan's beach towel, while the inspector completed their assessment, remaining below the nest to avoid any disruption.

This task involved several parties and collaborations, and was completed safely with minimal impact to the bird or its nest. As breeding season has now come to an end, kites are no longer nesting on the tower – we look forward to their next fly in visit! 📧

EVG Grants

Name: Dave Banford
Job Title: HSE Advisor
Grant: Individual Donation Grant
Company Donation: \$500
Organisation: Rotary Club of Australia – Port Curtis



At work

I provide HSE and emergency response guidance and advice to the APLNG operations team on Curtis Island. I work in a back-to-back role with the HSE team and engage with operations and maintenance, as well as various contract partners.

In the Community

I'm thankful and appreciative of the opportunities given to me and I simply like to give back to the community and those less fortunate. My current volunteering activities include attending Rotary Club and community meetings, in addition to aiding community events and fundraisers.

The grant funding helped

A youth suicide and mental health awareness and intervention program called 'Project We Care'. The funds have enabled training for over 180 suicide first aid prevention providers to deliver SafeTalk sessions, which has reached more than 700 students in the region.

ABUE Operational Cost Management and Control



Amro Elgabbas, Business Analyst Operations, ABUE Finance

An important part of the transition from project to steady state operations was supporting Operations with cost management and control. To support this ABUE Finance built state-of-the-art reporting and monitoring structures using Essbase with Spotfire as a data visualisation tool to display KPI's and metrics.

ABUE Finance was an early adopter of the Spotfire data visualization and analytics software and quickly realised its potential to apply it to high volumes of complex financial data. This enabled drill-down capability making cost reporting and variance analysis processes more efficient and transparent. Spotfire is also designed to help in trend analysis, take pre-emptive action to minimize risk and make well informed decisions. It also put the answers to everyday cost management queries only a few clicks away.

ABUE Finance team developed a comprehensive suite of Spotfire reports to enable-user friendly and timely access to financial information for use by the Finance team, Management and Operations team members.

This initiative has been supported by tailored user training which has resulted in a significant uptake by users, interest from Operations team members and further requests for function specific analysis. The latest project is to develop a dashboard for the Supply Chain team and contract owners to monitor contract cost management including key P2P performance measures. ✓

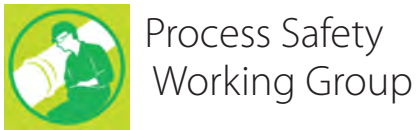
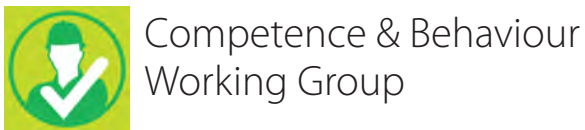
Some ABUE Key Visualization Reports:



- Downstream Opex and G&A
- Maintenance Cost
- AFE and Capex Reporting
- Vendor Payments
- Time Writing
- Travel and Administration
- Purchase Orders

Safer Together

Positively shaping industry safety



Australia Business Unit East has been instrumental in the creation and success of Safer Together, the Queensland Natural Gas Exploration & Production Industry Safety Forum, creating a safe and sustainable coal seam gas industry.

The forum was established by major operators and contractor companies working collaboratively to build a pervasive industry safety culture, promote learning, information sharing and good practices.

The working group and project teams meet monthly working together on creating programs to help drive consistency and continuous improvement of standards developing practical, effective solutions for industry-wide application.

The efforts of this collaboration have resulted in the implementation of:

- Process safety poster campaign

- Industry incident review panels
- Container process safety awareness training
- Industry safety induction
- Safety culture tool kit

Warwick King, Co-Chair of the Board, and ConocoPhillips' leaders have been active in three of the five Working Groups including Safety Leadership, Competence and Behaviour and Process Safety.

Our SPIRIT Values, ideas, innovation and best practices are leading the way in positively shaping the Queensland coal seam gas industry. 🚩



Warwick King, Jack Taylor, Charlie McWattie, Sarah Curry, Mike Maher



Speakers and members of the Women's Petroleum Network

External Cross Company Women's Petroleum Network Event 2016

The Petroleum Women's Network held the annual cross-company networking event at the Perth Arena in November, bringing together a number of oil and gas companies including ConocoPhillips, Chevron, Shell, BP and Woodside.

Each year, the representing committee holds a cross-company event with the objective of providing both a networking and professional development opportunity to attendees.

This year's event saw over 250 attendees focus on the theme of "Think Twice – Is it Bias. Develop the skills to identify and mitigate unconscious bias". Attendees learned that everyone has unconscious biases, as they are the brain's way of coping with and categorising the vast amount of information it receives. We must recognise our own biases, focus on people and increase our exposure to biases in order to reduce them. ConocoPhillips' own Larina Taylor was a member of the expert panel, providing an insight into her experiences and strategies to overcome unconscious bias in the workplace. ✓

Completion of the Timor-Leste Graduate Intern Program

The graduation of five Timorese interns in mid-2016 marks the completion of ConocoPhillips' two-phase graduate intern pilot program, which was launched in August 2014.

The graduate intern program was developed in collaboration with the Government of Timor-Leste, with the aim of increasing the marketability of Timorese graduates to the oil and gas industry. This program formed part of ConocoPhillips' local content strategy efforts, including training and employment opportunities for Timorese nationals, the purchase of local goods and services, and supporting local activities and initiatives through community investment.

Program participants were chosen from more than 500 graduates from various universities and disciplines following an extensive advertising campaign across the country. Twelve were selected to complete the six-month phase one foundational skills training program, delivered by Charles Darwin University in Dili and Darwin. Five of these twelve were then selected to undertake phase two, a 12-month paid internship with ConocoPhillips Australia.

Three interns were placed in the Perth office: Eduardo De Sousa Guterres, Graduate Petroleum Engineer, joined the Capital Projects department, Lourenca M. S. C. Gusmaos Lemos, Graduate Environmental Engineer, joined the Health, Safety and Environment department and Maciel Carvalho Dos Santos Moi, Graduate Petroleum Engineer, joined the Exploration department. Two interns were placed in the Dili office: Orlando Fatima Da Costa E Silva and Antonio Gomes, both Graduate Chemical Engineers joined the Engineering department.

Interns were provided with a comprehensive grounding on their chosen disciplines, an overview of organised work processes, the opportunity to undertake work projects and to participate in professional, technical and online training courses. It was a demanding

12 months for the interns who, in addition to day-to-day work projects, also completed English language training, a two-week cross-functional training program, the global engineering academy program, and delivered quarterly milestone presentations.

These presentations were an opportunity for interns to present their projects to a senior audience, showcase technical understanding and practice their English and presentation skills. Despite being challenging for the interns, their skills and confidence grew over the course of the year.

Having received on-the-job training and practical experience across offshore and office-based environments resulting in a greater understanding of the oil and gas industry during their internship, three participants have received further placements with ConocoPhillips and two are pursuing training opportunities in their chosen fields – we wish them all the best! 📧



ABUE: IT Excellence

In Operations Readiness



2016 was a major year of completions for the ABUE Integrated IT team. The team, consisting of 13 staff and 4 contractors across Brisbane and Gladstone, provided front line help desk and application support, business analysis and planning and portfolio management to the ABUE and the APLNG downstream Project.

Working with short time frames and competing operational priorities the team delivered on critical requirements on schedule and on budget through a disciplined approach to portfolio management and planning. The volume of critical IT project work was achieved while still delivering commodity IT support and services.

Major milestones achieved include:

- The delivery of the suite of SAP-based configurations that have assisted in the progression towards a managed level of Operations Excellence and allowed for the delivery of key business process including operations deviations, opportunity management, engineering & document MOC and shutdown scope management.
- The deployment of the Access Control system enabling restricted access to hazardous zones and delivering a site-wide mustering system at the APLNG facility supporting a key requirement for the Australia Pacific LNG Curtis Island Facility Safety Case.
- The installation, configuration and commissioning of Energy Components for Operations, ConocoPhillips' standard hydrocarbon accounting solution, delivering 106 discrete enhancements and enabling the of 57 production plans, over 120 marine schedules and 72 sets of LNG offtake shipping documents.

Network Links
99.93%
uptime

Telephony
99.73%
uptime

Server Infrastructure
100%
uptime with nil non-planned interruptions

The IT Team

that makes it happen



Top Row LTR:
*Nathan McAullay, Marko Salonen,
Nigel McIntosh, David Sourp, Jay
Peters, David Li*



Second Row LTR:
*Chris Jarvis, Greg Beer, Chris Livesey,
John Watson, Graham Asplet*



Third Row LTR:
*Brent Sellin, John Parker, Greg Parker,
Leslie Vamarasi, Mark Boustead, Bill
Felsman (not pictured)*

LNG industry career pathway for Gladstone locals



L-R Front: Paula Saftig, James Phillips, Simon Berzins, Will Goltz, Shaun Eyres, Warwick King, Karen Bellert. L-R Back: Graham Johnston, Rob Gibb, Bart Thompson, Sheryl Heggart, Charlie McWattie, Brian Inglis.



Trainees operating a gas absorption rig

The 2017 LNG Process Operator Traineeship program that provides a career pathway into the LNG industry for Gladstone locals proved extremely competitive, with over 950 applications received.

The 2017 LNG Process Operator Traineeship program that provides a career pathway into the LNG industry for Gladstone locals proved extremely competitive, with over 950 applications received.

The innovative training program enables Gladstone locals with no LNG experience to start gaining qualifications to apply for LNG Process Operator roles.

Supported by Australia Pacific LNG downstream operator ConocoPhillips and QGC through a joint funding approach, the traineeship is open to all local residents ranging from school leavers to those looking for a career change or a new opportunity.

The two-year traineeship program involves a combination of class-room based learning and on-the-job training with either ConocoPhillips or QGC on Curtis Island, while completing a Certificate III in Process Plant Operations.

The traineeship provides a world-class training opportunity in Gladstone that opens the door to LNG career prospects at home and overseas.

Brian Inglis, Training and Competency Lead at ConocoPhillips said the intake of 18 trainees from 2016, had completed the theory and safety training

aspects of the program.

The trainees have spent one month in Perth at the Australian Centre for Energy & Process Training (ACEPT) where they used their knowledge of hydrocarbon processing to develop skills operating a pilot processing plant both from the control room and in the field.

The trainees also spent time at Whyte Island (Brisbane) undergoing fire team training in a live fire environment prior to starting their on-the-job training on shift at their respective sites on Curtis Island.

“At the Australia Pacific LNG site the ConocoPhillips trainees have completed assignments and competency activities, and are now getting involved in Train 1 and Train 2 operational learning activities,” Brian said.

“This collaborative program between ConocoPhillips, QGC and Central QLD University is the first of its kind on the east coast with the focus on providing opportunities for local applicants.” ✓



Trainees undergoing fire team training in a live fire environment in Brisbane.





People:
ConocoPhillips Engagement Event

The two week ABUW Engagement Event was an opportunity for employees to enhance their understanding of our business, learn about other departments, meet new people and energise for the year ahead.

Held in October, the Engagement Event was action packed with 50 sessions spanning business, career, diversity and wellness topics delivered by subject matter experts from various departments.

A number of external speakers joined the event to support sessions on Building Resilience, kick-off the ABUW Women's Network and provide Unconscious Bias training to supervisors.

The sessions involved interactive group activities, videos and quizzes. Topics included: Commercial Overview, Environment: The life-cycle of securing our licence to operate, IT sessions such as Office 365, One Drive and working remotely, Demystifying ABUW purchasing processes, financial acumen, corporate authorisation process, Darwin LNG and Supply Base tours, and much more.

There were several highlights of the event including Reservoir Geology, Gas Processing 101, Barossa Project Update & ABUW Growth Outlook, A Day in The Life Offshore, and the launch of the ABUW Women's network across Perth, Darwin and Dili. For those who couldn't attend in person, key sessions were recorded for playback and made available to all employees.

A number of external speakers joined the event to support sessions on building resilience, to launch the ABUW Women's Network and to provide unconscious bias training to supervisors. 🚩

What people are saying:



"I loved A day in the Life Offshore. When you've only ever worked onshore (particularly in an office environment) it was really interesting to get an insight into such a different work/life balance."

"It was great to be part of an event which I got a lot out of."

"I really enjoyed all of the sessions and having the opportunity to hear from different areas in the business unit."



Gas Processing Session



Perth Food Rescue Drive



Sam and Quan at the Women's Network Launch in Perth



Darwin Launch: Carla Kassman, Ali Dalaney, Therese Winter



Dili Tree Planting



ABU West celebrated the launch of its Women's Network

ABU West celebrated the launch of its Women's Network in October, with over 100 people attending a simultaneous event across our Darwin, Perth and Dili offices.

The event kicked-off with a welcome from Network Leads, Quan Chung and Samantha Haines, who provided an overview of the Network's focus areas of Career, Connections and Community. Introductions by Network Sponsors, Alison Smith and Frank Krieger followed, where they highlighted the Business Unit's increasing focus on diversity and inclusion, and the opportunity the Network provides to identify and address some of the development needs and issues affecting women in our workplace.

"The establishment of the Women's Internal Network is part of a broader diversity and inclusion strategy to support individuals to reach their full potential. We encourage all employees to become involved with Network activities, foster new connections with colleagues, and help make ConocoPhillips a more inclusive place to work" commented Alison Smith.

The launch continued with guest speakers, Paula Smith and Anna Goat presenting on 'The Importance of Personal Branding' to Perth and Darwin / Dili audiences respectively. To conclude, participants spent time networking over morning tea and lunch.

Network Committee

The Women's Network Committee, comprised of members from our Perth, Darwin and Dili locations, has established a Charter which outlines Network objectives and Committee responsibilities. While the broad objectives are to support professional development, social & professional networking and community engagement, specific topics and events are determined based on feedback from Network members through surveys and ongoing engagement. Details of events are available at the Women's Network website (from The Mark, go to My Work & Collaboration and find the icon under the 'Resources' section.)


Community Outreach Q4 Event

During Q4, a group of employees provided valuable assistance to local charities in Perth, Darwin and Dili as part of the ABUW Women's Network's first community outreach activity.

In Perth, volunteers spent a morning packaging fresh produce at Food Rescue's operations centre in Belmont, for immediate delivery to low-income families across the metropolitan area. Three sessions were held over three weeks, with teams of five volunteers packaging approximately 750 kg of produce during each session. According to Food Rescue Manager, Julie Broad, this equates to around 1500 meals for families in need!

Local Darwin Women's Network Committee members also organised two teams of ten volunteers to spend two hours packaging Christmas care-packs at Darwin's Food Bank facility. Packs were distributed to smaller local charities that support Darwin families experiencing financial hardship.

Finally, in Timor, Dili office staff continued their valuable support for Santalum NGO's Reforestation Program with an afternoon planting session along the coastal flats in Tasi Tolu. The Santalum program aims to rebuild the forest and prevent further soil erosion.

Volunteering efforts in Perth and Darwin enabled the Women's Network to obtain ConocoPhillips' Team Volunteering Grants of \$1,000 each for Food Rescue and Food Bank - donations that have now been gratefully received by these charities. ConocoPhillips continues to contribute directly to Santalum NGO as part of its community investment program. 

To become part of our Network Community, contact the Women's Network at ABUW. WomensNetwork@conocophillips.com.



Women's Network Launch in Perth





Award Ceremony Brisbane Bandits and Brisbane Lord Mayor, Graham Quirk

ABUE: Year of the Bandit

ConocoPhillips once again partnered with the premierships winning Brisbane Bandits. This year's exciting season was dubbed 'Year of the Bandits' as the Brisbane team celebrated their phenomenal win for the second year taking out the 2016/2017 Australian Baseball League Premiership.

The legacy partnership is an important relationship for the ABUE and our 5th year supporting the growth and development of sports in the local community.

As part of the partnership ConocoPhillips sponsored the Training with Bandits day promoting local youth baseball. The day was open to children of all ages who participated in a hands-on training day focussing on batting, ball skills and base running with the all-star Bandits players, including international players from the United States.

In addition to donating seats to local charities throughout the entire season, employees and their families also enjoyed a night at the opening series in the ConocoPhillips Coral where Scarlett Sullivan, daughter of Toby Sullivan, ABUE Senior Engineer, threw the honorary first pitch.



Paul Gonzalez, Brisbane Bandits, Scarlett Sullivan, Toby Sullivan

Timor-Leste: Three Winners Selected from the 2016 IADE Innovative Business Plan Competition

Over the past three years, we have been working with the Instituto de Apoio ao Desenvolvimento Empresarial/Institute of Business Development Support (IADE), with Bayu-Undan providing funding for the Innovative Business Plan Competition. The competition brings together young entrepreneurial candidates from across the country to be trained and mentored by IADE professionals. The training includes business plan development, market surveying, budgeting, income management, communication and presentation skills.

Over 200 candidates registered for the competition and 210 were eligible to participate in the training sessions to develop their business plans. 10 finalists were chosen to present their business plans to the judges, with three candidates being selected as overall winners. IADE continues to support the winners through professional mentoring, and helping them to secure finance (i.e. bank loans) to fund their business start-up. 📌



Alola Foundation Holds Healthy Baby Contest to Commemorate World Breastfeeding Week

During the month of November, the Alola Foundation celebrated World Breastfeeding Week with their Healthy Baby Contest carried out in seven Sucos (villages) in the Liquica district. The contest brought together babies who participated in the Mother and Child Health Program, especially the SHIO (Everyone Love Mother and Child) Program. The babies were assessed by Alola staff, who measured their health over six months of exclusive breastfeeding. 10 of the healthiest babies were selected as winners of the contest and their mothers awarded with prizes for the efforts made during the program implementation.

In 2016, we continued to support Alola Foundation Mother and Child Health and SHIO Program implementation. Their primary objectives are to assist and support women to deliver babies at health facilities and seek assistance from skilled health providers to raise community awareness on the importance of optimal infant and young child breast feeding, through establishment of community-based program groups. 📌



New sponsorship enhances rescue capability in Central Queensland

Australia Pacific LNG and Capricorn Helicopter Rescue Service (CHRS) launched a new long-term sponsorship that will benefit Central Queensland by increasing helicopter rescue capacity and capability.


Australia Pacific LNG's sponsorship will boost the capacity and capability to provide rapid deployment of medical or rescue teams to major accidents or search and rescue operations in the region.

Australia East President, Warwick King, said the investment provides benefits for the Gladstone and Central Queensland community and industry, including the LNG industry on Curtis Island.

"Australia Pacific LNG's sponsorship will help CHRS to do what it does best – save lives and respond to emergencies in Central Queensland."

"In addition, CHRS pilots and crew will receive further specialised training," Mr King said.

The Australia Pacific LNG sponsorship was launched at a Rescue Chopper Community Day held in Gladstone in October 2016. The community were treated to free entertainment, a sausage sizzle manned by ConocoPhillips staff, and the opportunity to have their photo taken with the chopper and crew.

CHRS is a community based, non-profit public company that operates a dedicated aeromedical and search and rescue service in the Central Queensland Region, with service operation 24 hours a day 365 days a year. All services are provided free of charge, operating through the "000" emergency services network.. 



James Williams and his sons Seth and Timothy

New partnership supports environment and employee outcomes

Australia Pacific LNG has entered a landmark partnership with the Queensland Government and local Indigenous organisation Gidarjil Development Corporation to develop an Indigenous Land and Sea Ranger Program in the Gladstone region.

The program includes the employment and training of three Indigenous rangers, who play a hands-on role supporting land and sea country management in and around Gladstone. Activities include strategic weed control, bush regeneration, and cultural heritage surveys, as well as mangrove, sea grass and marine turtle monitoring.

ConocoPhillips Australia East President, Warwick King, said the partnership supported ConocoPhillips' ongoing commitment to both environmental management and Indigenous engagement in the Port Curtis Coral Coast region.

"ConocoPhillips acknowledges the traditional owners of the Port Curtis Coral Coast region, the Byellee, Gooreng Gooreng, Gurang and Bunda peoples in Central Queensland.

"We believe it is important to respect Indigenous culture and heritage, and this new Indigenous Land and Sea Rangers partnership is an opportunity to work closely with the local Indigenous community and government, and support conservation of land and sea."

Australia Pacific LNG is the first commercial entity to partner with the State Government as part of their successful Queensland Indigenous Land and Sea Ranger program. 

ConocoPhillips Australia East President, Warwick King, with three of the Land and Sea Rangers, Noah Saumalu, Dwayne Lingwoodock and Jessie Holland





ABU West Christmas Appeal

This Christmas, the kindness and generosity of ConocoPhillips staff was proven once again through the support of our two Christmas appeals: Timor-Leste pre-school gift collection and the Salvation Army toy drive (WA and NT).

Timor-Leste Xmas Appeal

On December 9th, Dili office representatives delivered gifts to the Escola Infantil Nazare Leoblora, Maubisse (pre-school). These included:

- \$400 worth of gift vouchers collected from the offshore 'cash for cans' initiative
- Christmas presents of books, arts and crafts supplies, and sweets for each of the 38 pupils (aged 3-6 years old) from Perth office staff
- A general donation of gifts, stationery, and kitchen supplies from Darwin office staff
- 70 units of Kindergarten Tetun Verion books for the school library

Sister Julieta Marcal, School Director, thanked ConocoPhillips for the generous donation explaining it was the first time the school had received such large Christmas gifts for the students. The children were delighted with a trip from Santa and to un-wrap so many presents with their names on, something they had never experienced before.

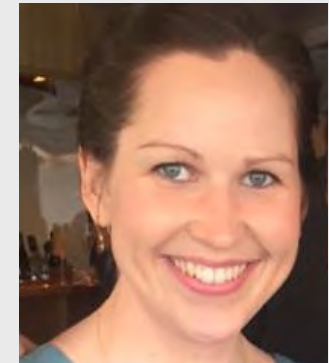
Salvation Army Toy Drive (WA & NT)

ConocoPhillips staff donated just under \$1000 to the online toy drive for the Salvation Army, helping to give Christmas presents to the Australian children who needed them the most. 📧



EVG Grants

Name: Julia Moffat
Job Title: Legal Counsel
Grant: Individual Donation Grant
Company Donation: \$500
Organisation: Australian Red Cross



At work

I provide legal support across all of ABU West's functions and activities.

In the Community

I'm thankful and appreciative of the opportunities given to me and I simply like to give back to the community and those less fortunate. My current volunteering activities include attending Rotary Club and community meetings, in addition to aiding community events and fundraisers.

The grant funding helped

A youth suicide and mental health awareness and intervention program called 'Project We Care'. The funds have enabled training for over 180 suicide first aid prevention providers to deliver SafeTalk sessions, which has reached more than 700 students in the region.

ABUE: The exciting world of Robogals

Robogals brought the exciting world of robotics to our employees and their families this year through interactive workshops in Brisbane and Gladstone. The robotics workshops engaged children of all ages, where they learned to program robots to turn corners, travel in circles, make noises and even play music on command.

Robogals is an international student-run, non-for-profit organization, and one of the many great educational programs ConocoPhillips supports through the Community Investment Program.

Running engineering workshops, Robogals aims to inspire, engage and empower young women and students from the ages of nine through to twelve towards a future in science and engineering related fields.

The International program is run here in Brisbane by volunteer engineering students from the University of Queensland donating their time to visit primary schools throughout Brisbane and regional Queensland reaching over 1400 students annually. 📧

ROBOGALS UQ Fast Facts:



- Reached 1455 girls and 981 boys for a total of 2436 students
- Won engineering club of the year at UQ,
- Won the 'Biggest Impact' of any Robogals chapter in the Asia-Pacific region
- Ran a whopping total of 95 workshops for Schools and Libraries.

ABU West: Timor-Leste FAST FACTS:

In 2016, ConocoPhillips on behalf of the Bayu-Undan joint venture partners delivered the following community investment program:



- Signed an MOU with the Timorese Government for a two-year vocational training program in electrical and instrumentation. Along with the training programs in Dili it aims to enhance the capability of the local Training Centre in the future so these programs can be delivered in-country by Timorese nationals without the requirement for international third-party training providers.
- Continued the successful Fulbright-SERN Graduates which provides scholarships for post-graduate studies in energy related fields at universities across the United States of America.
- Supporting the 12th Annual First Lady Cup an iconic event encouraging a wide range of participants to take part in either a 10km 'Fun Run' or 5km or walk.
- We again worked with the Institute of Business Development Support (IADE), for the Innovative Business Plan Competition, which brings together young entrepreneurial candidates from across the country to be trained and mentored by IADE professionals.
- Delivered the SESIM Maths and Science Competition to celebrate their International Day of Maths and Science in Dili which brings together approximately 450 students and teachers from selected schools for a 3-day program.
- Continued our investment in the Alola Foundation to assist and support women to deliver babies at health facilities, to seek assistance from skilled health providers, and raise community awareness on and the importance of optimal infant and young child breast feeding.

Want to know more? Make sure you get a copy of the Timor-Leste Newsletter for full details on the programs and other Local Content activities in Timor-Leste.



Yr 11 students from Clontarf Casurina Academy (NT) visited IOSC (Perth) and heard from Kim McInerney, Daryl Slater, Mario Fazio about employment opportunities within the Oil & Gas industry and individual career paths in geology, vocational and trades, procurement, crisis and emergency management

ABUW continues support for the Clontarf Foundation

In 2016 ABU-West continued its long-standing support of the Clontarf Foundation. ConocoPhillips first provided community investment funding in 2007 and is pleased to have been part of the growth of the Foundation.

Since opening its first Academy in Western Australia for 25 boys in 2000 the Foundation has grown to cater for about 5,500 boys in 91 schools across Western Australia, Northern Territory (NT), Victoria, New South Wales and Queensland. In 2016, 384 students completed Year 12 which is an outstanding achievement. With funding from the corporate or private sector matched in equal parts by State and Federal Governments the Foundation is an excellent example of what can be achieved via co-funded community investment programs.

The Foundation is headquartered in Perth and our employees and contractors attend and host events with Clontarf students, for

networking opportunities, providing information on employment and vocational pathways within the Oil & Gas industry and skills and tips for future success. The community investment funding is currently directed for use on the NT academies. The partnership also facilitates in-kind outcomes with Clontarf students participating in the NT ConocoPhillips City2Surf and other activities which support the Foundation's focus areas of education, leadership, employment, healthy lifestyles, life skills and football.

"As successive waves of students complete high-school and move in to employment or on to vocational programs and university

they act as role models for existing students. Our current students also engage with local primary schools and organisations and their own communities. Through this, young children now see completing high-school as the norm. We at Clontarf feel this, along with our approach of supportive relationships, a welcoming environment, a diverse range of activities, allows each student to develop improved self-esteem and confidence, and is achieving real change for young Aboriginal Torres Strait Islander men." Shane Kiely, Clontarf Foundation General Manager – Partnerships & Communications.

Service Awards

Perth

35
Years:

Peter Simpson

30
Years:

Terry Wilson

20
Years:

David Bridges
David Boyle

15
Years:

Tania Papalia
Sharon McKerrow
Paul Patrick
Patrick Walsh
Michael Giles
Pauline Hastie
Gavin Swanepoel
Steven Ovenden

10
Years:

Shelly Adamlu
Vanessa Bombak
Bruce Beer
Suzanne Spencer
Troy Sumpton
Carlos Alvarez
Sean Mahony
Michelle Carroll
Marc Shewring
Robert Rutherford
Paul Hickman
Peter Ward
Daniel Van Der Kooy
Alice Barnett
Mark Vanderhorst

5
Years:

Leanne Pfeifhofer
Adam Gibson
Bonardi Virgilio
Aditya Ishak
Jude Trutwein
Lincoln Palmer
Aaron Burt
Catherine Biss
Melinda Honey
Teresa Christie
Lynda Clarke
Caela Sidwell
Janet Housham
Tanya Abbott
Kenneth Goh
Terry Leong
Syed Hussain
Sue Bibby
Jingfeng Li
Scott Mundell
Michel Buonaiuto
Jason Fior
Mark James
Emil Vjicuc
Michael Wegg
Grace Chia
Marcus Humphreys
Mark Farraway

EVG Grants

Name: Salome Soorma
Job Title: HR Business Partner
Grant: Individual Sponsorship Grant
Company Donation: \$500
Organisation: Lakeside Recreation Centre – Orana Roadies Basketball Team

At work

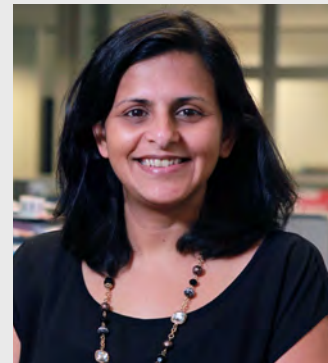
I provide HR support to various teams including IOSC, Supply Chain, Asset Management and Drilling.

In the Community

As a volunteer with my son's basketball team, I provide support with scoring, coaching assistance and administration as required

The grant funding helped

Buy new basketball t-shirts and training balls for the team, as they move up their grade level.





Offshore

15 Years:

Kevin Millar

10 Years:

Wayne McKenzie
Jeremy Waddington
Bradley Carey
Craig McKune
Glen Pollock
Peter Bennison
Geoffrey Marsden
Clayton Pocock
Michael Gibson

Darwin

10 Years:

Leon Smit
Janine Weeks
Gary Richardson
David Knowler
Mark Harrison
Sonia Wladyka
Brett Farmer
Janet Owen

5 Years:

Shane McLeary
Matthew Brown
Jett Street
Neel Sud
Emma Barber
Sauro Lepri
Andre Victor
Benjamin Lavens
Brian Clarke
Conroy Murphy
Neal Watson
Brendon Watson
Dirk Wagner
Shawn Fellows
Nigel Critchley
Andrew Lawton
Bo Madsen
Ian Irvine
Karen Riley
Anita Jennings

Brisbane

15 Years:

Charles McWattie
Paula Saftig
Hong Nguyen

10 Years:

Nick Nie
Nage Moummar
Nicholas Rodgers
Ashok Mishra
Natalia Wenger
Denise Titus
Charlie Xie
David Li
Koh-Fung Wong
Robert Marks

5 Years:

Suzanne Schulte
James Cordell
Darren Francis
Natalie Hack
Wayne Asnicar
Gregory Parker
Nathan Watterston
Suz Knust

EVG Grants

Name:	Rob Gibb
Job Title:	Manager – Communities and Sustainable Development
Grant:	Individual Donation Grant
Company Donation:	\$500
Organisation:	Rotary Club of Gladstone Midday

At work

My role with ABUE is to manage community and stakeholder relationships in Gladstone.

In the Community

Volunteering gives me a sense of giving back to the community and helps to create strong networks. As a Rotarian, I am involved in numerous local service projects and fundraising activities including the running of a local charity market each month in Gladstone where

all profits go to charity. Through my volunteering I have also had the opportunity to work on Rotary's international humanitarian projects, most notably this year travelling to India to participate in a polio immunisation program for young children. This was a wonderful and rewarding experience

The grant funding helped

Rebrand my Rotary Club with new banners and promotional materials.



Gladstone

35 Years:

Gene Thidodeaux
Jed Watkins

30 Years:

Ian Corbell

10 Years:

Graham Johnston
John Davies
Dave Ramlakhan
James Williams
Todd Rapp

5 Years:

Leanne Foster
Kirk Marshall
Neil Pease
Michael Russell
Eleanor Mesui
Ronaldo Cortes
Benjamin Cooper
Jarid Fink

Expat

25 Years:

Sanjay Mehta

Dili

5 Years:

J Marcea Goncalves
Robin Araujo

EVG Grants

Name: Roger Decurtins
Job Title: DLNG Operations Technician
Grant: Individual Sponsorship Grant
Company Donation: \$500
Organisation: Darwin Triathlon Club



At work

I monitor, operate and maintain plant equipment at DLNG.

In the Community

I'm a member of the Darwin Triathlon Club committee, and am involved with the planning and execution of local races and other events the club organises like triathlons, aquathons and duathlons. The club also collaborates with other local organisations to assist with the delivery of their events.

The grant funding helped

Finance the 'Xmas Splash n Dash' (swimming/running) event – our last event for the year, it included a couple of different fun races for adults, juniors and kids, along with a BBQ and presentation evening.




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Australia



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