
Sustainability Performance Report

Santos

Contents

3	Sustainability at Santos
4	Highlights
6	Climate Change
8	Community
12	Economic Sustainability
15	Environment
18	Health and Safety
22	Indigenous Partnerships
26	People and Culture
30	Sustainability Data 2019

Sustainability at Santos

For 65 years, Santos, a proudly Australian company, has been safely and sustainably exploring and developing oil and natural gas resources in partnership with local communities, landholders and marine users to supply reliable, affordable and cleaner energy essential to improve the lives of people in Australia and Asia.



KEVIN GALLAGHER, CEO SANTOS

At Santos, we are committed to capitalising on the benefits of natural gas as a key enabler of a lower-carbon future.

Our seven sustainability pillars provide a framework to ensure we are doing this in a way that delivers on our environmental, economic and social commitments.

We have developed aspirational targets and supporting activities under each of our sustainability pillars so that we can play our part in creating a more sustainable future.

Highlights



Over \$28 million over last 5 years invested in community initiatives and sponsorships



Since 2011 we have created **over 800** employment and training opportunities for Indigenous Australians



In 2018, Santos **contributed AUD\$268 million** in Australian taxes and royalties



Santos' emissions intensity has **decreased by 17%** in the past 5 years



Total recordable injuries have **reduced by 53%** between 2013 to 2019



In 2019, **235 people** employed in communities where we operate



43 graduates recruited over the last three years, with female intake increasing from 33% to **almost half in 2020**



Invested **more than US\$16 billion** in Australian **capital development** projects since 2011



100% of water after treatment in Eastern Queensland is beneficially reused

Responsibility for delivering on our sustainability commitments is overseen by the Environment, Health, Safety and Sustainability Committee of the Santos Board.

Climate Change

We aspire to achieve net-zero emissions from our operations by 2050, in line with global ambitions to limit temperature rises to well below 2°C.

Natural gas is playing a key role in delivering a lower-carbon future

More than ever, natural gas is a fuel for the future. We see a strong future for Santos and a sustained shift to natural gas will significantly reduce greenhouse emissions and contribute to a lower-carbon world.

Natural gas is expected to supply 25% of all global energy demand in 2040.



1.5% emissions reduction
in 2019 from delivered projects



Santos' emissions intensity has **decreased by 17%** in the past 5 years



Santos is investing in a **\$16M project** to convert oil well pumps to run on solar power in the Cooper Basin

Our targets

Santos is committed to limiting greenhouse gas emissions while providing access to reliable and affordable energy to domestic and global markets. Our long-term aspiration is to achieve net-zero emissions by 2050.

Santos is on track to meet its short and medium term targets. Our first step in realising our net-zero emissions aspiration is through a focused and sustained effort in achieving our three medium-term targets outlined below.



Reduction of global emissions through liquefied natural gas export growth



Economically reduce emissions from our base operations



Pursue step-change emissions reductions technology

Further information:

[Climate Change Policy](#)
[Emissions Assurance Statement](#)
[2019 Climate Change Report](#)

Reduction of global emissions through liquefied natural gas (LNG) export growth



Our target is to grow liquefied natural gas exports to at least 4.5 million tonnes per year by 2025.

The greatest impact Santos can have in reducing global greenhouse emissions in a meaningful way is to export more liquefied natural gas, replacing higher-emitting coal in household heating and cooking, industrial processes and power generation in Asia.



Every tonne of carbon dioxide emitted in LNG production in Australia, **saves between 3-10 tonnes** of emissions when it replaces coal in power generation in Asia



Asia contributes to **50% of the world's** greenhouse gas emissions

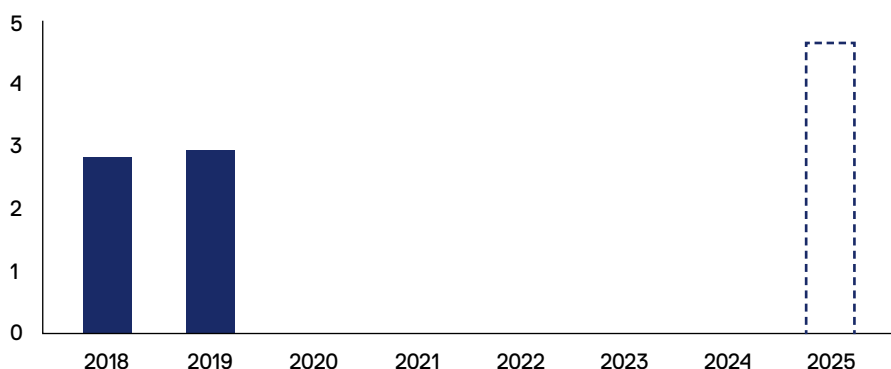


Santos is already an **established exporter of LNG** to Asian markets, currently 3 million tonnes per year

We're already making progress

Santos is on track to meet its target to grow liquefied natural gas sales to at least **4.5 million tonnes** per year by 2025

LNG sales (Mtpa)



Economically reduce emissions from our base operations



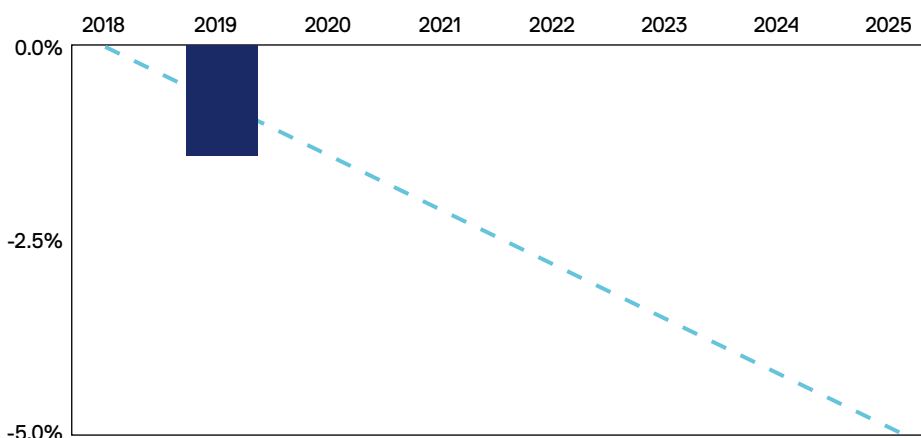
Our target is to reduce emissions by more than 5% across current operations in the Cooper Basin and Queensland by 2025.

Santos is committed to minimising the emissions footprint of our operations. We aim to achieve these reductions through integration of renewable energy into our operations and delivering energy efficiency projects that will reduce our overall fuel gas usage.

We're already making progress

Santos is ahead of the progress needed to achieve our target of reducing emissions **by more than 5%** across existing operations by 2025

We have reached a **quarter of the target** in one year



— 5% target trajectory ● 2019 reductions from delivered projects

Australia's first solar and battery powered oil well

In 2018, Santos commenced a program to convert oil well pumps to run on solar power in the Cooper Basin. Converting oil well pumps to solar power will deliver clear environmental benefits by reducing crude oil consumption, long distance fuel haulage and emissions associated with burning crude oil. The pilot well has proved that solar power and batteries can maintain reliability and availability in the harsh environment of the Cooper Basin. This was Australia's first oil well running on solar and battery, off grid.



Santos is investing in a **\$16M project** to convert oil well pumps to run on solar power



22 of the 56 wells initially identified have been completed



Potential to expand to **200 wells** across the Cooper Basin

For further examples of emission reduction projects across our operations see our [2019 Climate Change Report](#).

Pursue step-change emissions reductions technology



Our target is to pursue investments in technology and innovation that deliver a step change in emissions.

Our initial focus is on capture and storage (CCS), which is a critical technology to achieving the world's climate goals.



The world needs more than **2 billion tonnes of CO2 stored through CCS** per year by 2040



The Cooper and Eromanga Basin has the potential to store up to **20 million tonnes of CO2** per year



CCS is an important enabler to the production of **zero emissions hydrogen** from natural gas

We're already making progress

Santos is actively pursuing carbon capture and storage, highlighted by our recent efforts in the Cooper Basin.

Carbon Capture and Storage in the Cooper Basin

In 2019, Santos drilled two wells in the Cooper Basin to test the potential of permanently storing carbon dioxide. Santos is collaborating with experts including Occidental Petroleum, which has world leading operational expertise in carbon dioxide injection in the United States. Success could result in the development of a commercial-scale carbon capture and storage project that captures emissions not only from oil and gas, but from other industries as well.

This pilot could capture **300,000 tonnes of emissions**

Community

We aspire to partner with and be trusted by the communities where we operate so they can benefit from the development of natural gas resources.

Natural gas supports communities across Australia

We are part of creating a sustainable future for regional communities by partnering with local business and other organisations to listen, support, invest, create jobs and build skills for the future.



Community initiatives and sponsorships totalling over **\$28 million** in the last 5 years

Over \$5 million in 2019

In 2019, **over 140** community organisations supported



In 2019, **235 people employed** in communities where we operate

\$39 million in local wages in 2019

Over 800 employment and training opportunities for Indigenous Australians since 2011



21 Land Access Advisers working with local landholders

Over 2,000 active land access agreements

Over \$77 million in support to farmers in the past 5 years

Our presence in local communities makes a positive and lasting impact. This enduring community benefit is achieved through a focused effort in three key areas.

Our targets



Create a positive legacy in the communities in which we operate



Build sustainable communities through local jobs and skills



Work in partnership with landholders

Further information [Local Industry, Community and Indigenous Participation Policy](#)

Create a positive legacy



We are committed to creating a positive legacy in the communities where we operate through targeted community and social initiatives.

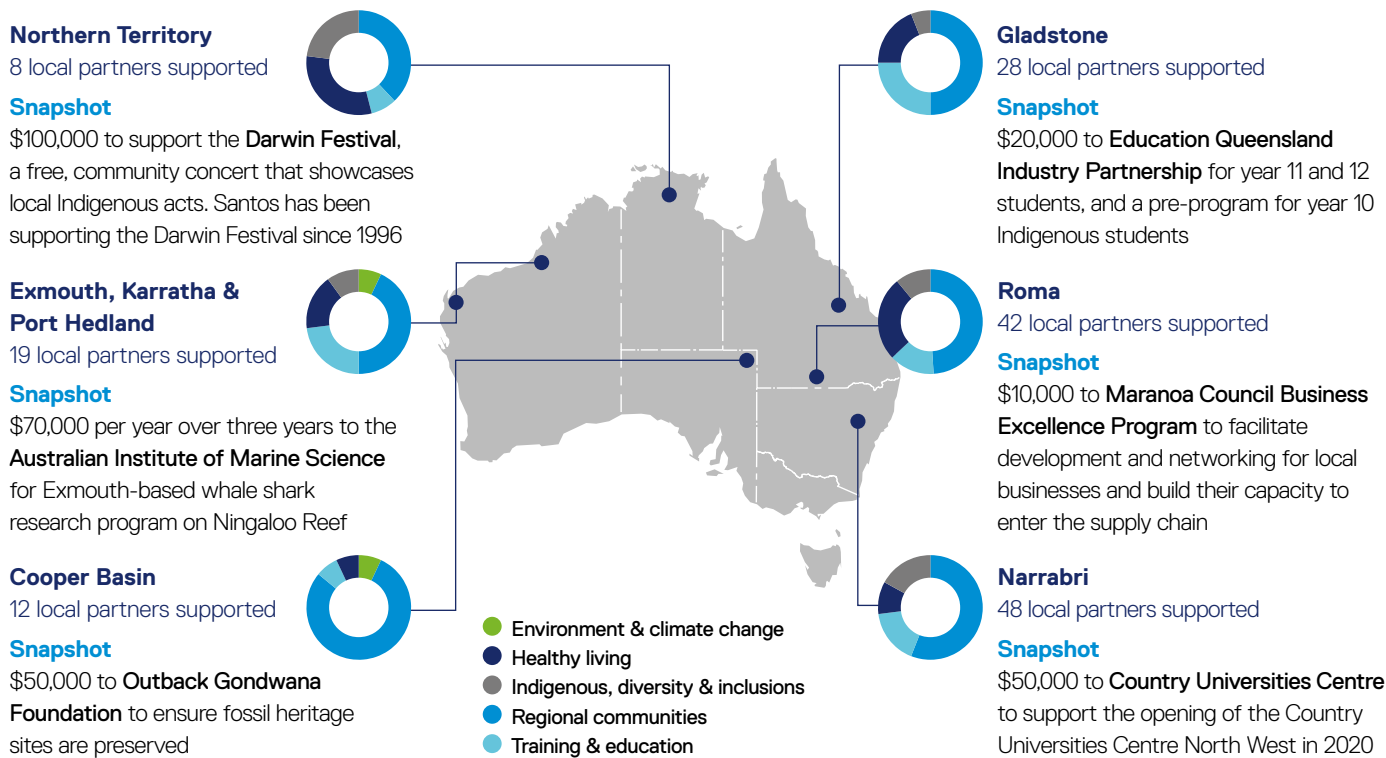


We invest in programs that deliver long term benefits. Our five pillars of corporate responsibility guide our investment decisions.



Our community investment spans right across Australia

Over 140 community partners and over \$5 million invested to support events and programs in our communities and cities across Australia.



Santos remains a proud sponsor of the following major partners and events:



Supporting more reliable phone and internet service in regional communities

Queensland's Wallumbilla community is enjoying faster, more reliable mobile phone and internet services after Santos installed a new Telstra communications tower on Summerhills, sharing the benefits of gas development with the communities in which we live and work.

Build sustainable communities through local jobs and skills



We are part of creating sustainable regional communities by creating jobs and building industry skills and knowledge.

We provide sustainable employment, training, education and enterprise opportunities associated with our industry so that communities share in the positive economic and social benefits of natural gas.

Local employment and economic contribution



In 2019: **235 people employed** in communities where we operate



In 2019: **\$39 million** in local wages

Snapshot of economic impact in our local community: Roma Region in 2018

Santos has been operating in the Roma region for over 50 years, working together with the locals to ensure our work has a positive and lasting impact. In 2018:



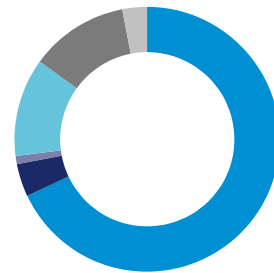
Over **\$95 million directly** contributed to the Roma region economy



44 local people employed in Roma

Santos' direct spend in the Roma region benefited a range of community stakeholders, businesses and industries:

- Community investments 1%
- Goods and services 68%
- Local government 12%
- Local land holders 12%
- Rates and taxation 3%
- Wages 4%



Local education and training

Supporting STEM career pathways

Santos supports a range of programs nationally that raise awareness of STEM and explore potential career pathways. Across Australia in 2019 we invested over **\$50,000** in local STEM initiatives.

Queensland Minerals and Energy Academy encouraging our young people to explore STEM as a **future career pathway**

Funding to enhance STEM Programs across **four schools** in the Roma region, including Injune State School, St John's School, Roma State College and Wallumbilla State School

North West Science and Engineering Challenge contributing to STEM outcomes for over **180 students** from 20 schools in Narrabri region

Capacity building with our indigenous communities

Santos provides a range of employment pathways for local Indigenous people, including school based and full time traineeships, apprenticeships, undergraduate and full time cadetships across our operations.

Over 800 employment and training opportunities created for Indigenous Australians since 2011

Over \$11 million invested in employment, training and educational opportunities for Indigenous Australians since 2007

Supporting our young people through **16 traineeships and cadetships** in 2019

Work in partnership with landholders



We work with landholders across the country to unlock Australia's abundant supply of natural gas to minimise impacts and deliver a fair return.

Strong and enduring community relationships are fundamental to our business. We actively listen to community expectations and integrate them in our business operations to continuously improve the quality of our engagement.



21 Land Access Advisers employed by Santos to work with local landholders



Over 2,000 active land access agreements



Over \$77 million provided in support to farmers in the past 5 years

In the past 5 years, Santos has provided \$77 million helping landholders to diversify their income streams, upgrade equipment and technology and receive the best return for their land.

“We have used the compensation income from gas to develop a community space which has become popular for weddings, Christmas parties and has been the home of Get Pinkt Family Fun Day, a cancer fundraising event for the past eight years.”

Ree Price | Owner of The Barn at Mt Hope, Queensland

“The successful integration of the gas sector into our farming areas has seen a significant injection of capital to many farming businesses. This capital has given long term cash certainty to farmers, giving them comfort to invest in new ag tech, production techniques and expansion,”

Bruce McConnel | General Manager of Food Leaders Australia

Economic Sustainability

We are an economically sustainable company that contributes to the national and regional economies where we operate.

Natural gas supports the national and local economies across Australia and Asia

Santos makes a significant contribution to the economy. Our disciplined operating model makes this possible.

We operate at a cost base that is sustainable in periods of lower oil prices.



2025 production target
more than double
2018 output



Target cost base
that generates free cash flow **below**
\$40 per barrel oil price



Invested more **than**
US\$16 billion in Australian **capital**
development projects since 2011



In 2018, Santos
contributed AUD\$268 million
in Australian taxes and royalties

Our targets

Our strategy for economic sustainability involves three areas of focus:



Maintaining an economically sustainable Operating Model



Transforming our operations to underpin our capacity to grow



Freeing up capital to enable growth and investment



Paying tax and providing a return to the community




Further information:

[Santos Annual Report 2018](#)

Maintaining an economically sustainable Operating Model





We have determined a fiscally responsible cost of operating, based on oil price trends over time. Our low-cost Operating Model delivers strong cash flows through the oil price cycle.

 <p>2019 forecast free cash flow breakeven oil price of US\$29 per barrel</p>	 <p>2025 production target more than double 2018 output to 120 million barrels of oil equivalent</p>	 <p>This target represents cumulative annual growth rate in production of over 8% to 2025</p>
---	---	--

We manage our finances and assets in a way that sustainably returns value to the shareholder. Our capital expenditure shows our investment in improving our business and exploring new developments.

Capital Guidance in 2020

 <p>\$750 million in onshore drilling, sustaining assets, and exploration</p>	 <p>\$150 million major growth for development expansion</p>
---	--

Santos is the leader in economically sustainable onshore production, and are extending this to our offshore operations. We are focused on delivering low cost of supply at all our delivery points.

Transforming our operations to underpin our capacity to grow

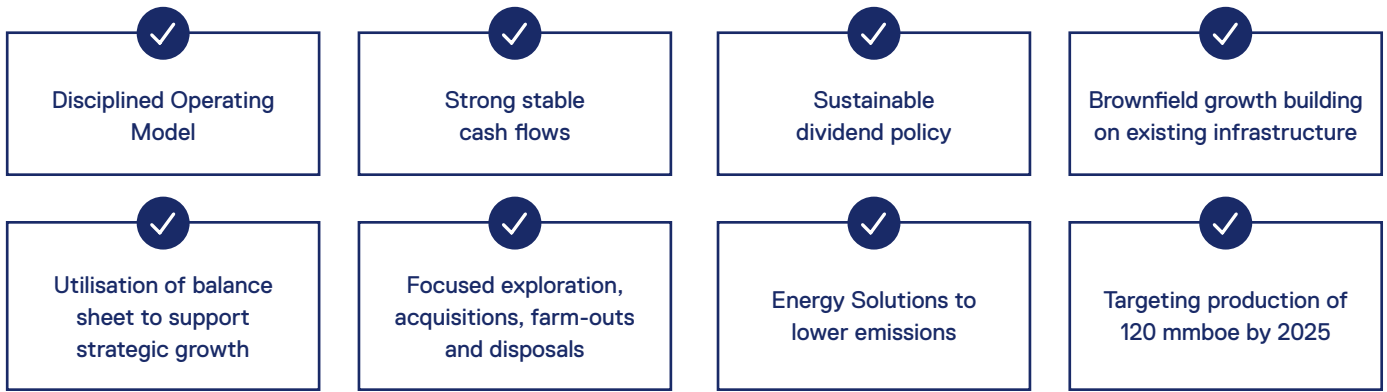


Our strategy not only allows us to maintain our current performance, but underpins our capacity to grow our business. That means more jobs, more opportunities for our regions and a greater contribution to the national economy.

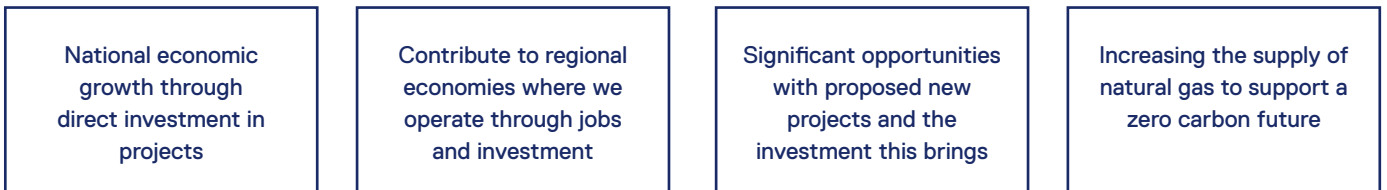
 <p>Transform</p> <ul style="list-style-type: none"> + Diverse and balanced portfolio of five core, long-life natural gas assets + Robust balance sheet + Lowest cost onshore operator in Australia + Disciplined, low cost operating model, portfolio free cash flow breakeven at ≤\$40/bbl oil price 	 <p>Build</p> <ul style="list-style-type: none"> + Develop low-risk, brownfields growth prospects across the core portfolio + Pursue strategically aligned, value accretive acquisition opportunities + Leverage facilities and infrastructure operations strategic capability + Maximise margin through marketing and trading business 	 <p>Grow</p> <ul style="list-style-type: none"> + Execute and bring on-line growth opportunities across the core portfolio + Focused exploration strategy to identify new high-value targets and unlock future core assets + Generate new revenue through low-carbon Energy Solutions projects
--	---	---

“The successful execution of Santos’ Transform-Build-Grow strategy since 2016 has the company positioned for disciplined growth and sustainable shareholder returns.”
Kevin Gallagher, Chief Executive Officer

Our 'Transform, Build, Grow' strategy is driving shareholder value and supporting growth.



The growth in our business helps us make a national impact.



Freeing up capital to enable growth and investment



By being cost-efficient we can free up capital to invest in the growth of our business and in supporting our communities and the environment.

Santos' disciplined Operating Model provides the framework to drive value



We are investing in opportunities for innovation in our operations and progressing new regional developments where others are not able to.

Investing in Carbon Capture technology in the Cooper Basin

Carbon technology is an area where we are investing in order to unlock new opportunities.

This will **contribute to our aspiration of net zero emissions by 2050.**

The Cooper Basin has the potential to store up to **20 million tonnes of CO2 per year.**

Creating sustainable opportunities in regional locations

Operating in the Roma region for **over 50 years**, contributing to the local economy through jobs, rates and community investments.

In 2019, Santos **employed 44 local people** and **contributed over \$95 million** directly to the Roma region economy.

Paying tax and providing a return to the community



In line with the Santos Tax Policy, the Board has approved adoption of the Australian Board of Taxation's Voluntary Tax Transparency Code and tax contributions are detailed annually in a Disclosure Report available on the company's website. Santos' operations are principally located in Australia where Santos is committed to paying our fair share of tax and providing a fair return to the community for the production of their non-renewable resources. In 2018, Santos contributed \$AUD268 million in Australian taxes and royalties. We are proud of the economic and social contribution we make through creating high-skilled, secure, well-paying jobs in the communities where we operate, buying from local businesses and paying taxes that help fund health, education, roads and other infrastructure.




In 2018, Santos
contributed AUD\$268 million
in Australian taxes and royalties

Environment

We aspire to having a net-zero environmental footprint.

Environmentally conscious natural gas production

At Santos we are committed to preventing harm to the environment and protecting our unique Australian landscape.



100% of water after treatment
in Eastern Queensland is
beneficially reused



Solid waste sent to landfill has
decreased by more than half
since 2015



Delivered **23,000 hectares**
of direct and indirect environmental
offsets in Queensland



**APPEA Environment & Safety
Excellence Award** for Santos' Zero
Waste Well initiative

Santos operates in diverse locations which have unique biodiversity and land features. We have strong processes in place to identify biodiversity and mitigate potential risks.


We employ experts to conduct ongoing measurement of water, waste, air and biodiversity indicators to ensure we meet the high environmental standards we set at Santos.

Our targets

Our strategy for environmental sustainability is focused on working towards net-zero impact in four areas – water, biodiversity, waste and air.




WATER
**Net-zero extraction
from Great Artesian
Basin aquifers by 2030**



BIODIVERSITY
**Rehabilitate 100% of our environment
construction footprint for
production operations by 2030**



WASTE – CIRCULAR ECONOMY
**Zero waste
to landfill
by 2050**



AIR
**100% background methane
gas and baseline assessments
across all operations by 2030**

Further information:

[Santos Sustainability metrics](#)

[APPEA's Environment Project Excellence Award](#)

Net-zero extraction from the Great Artesian Basin aquifers by 2030



Santos recognises water is a precious resource, especially given our long history of working in some of the driest parts of the world such as the Cooper Basin.

We are well on our way to achieving our target of a net zero extraction on the Great Artesian Basin aquifers by 2030. We want to ensure that every drop of water we draw from the aquifer is recovered.



100% of water after treatment in Eastern Queensland is beneficially reused



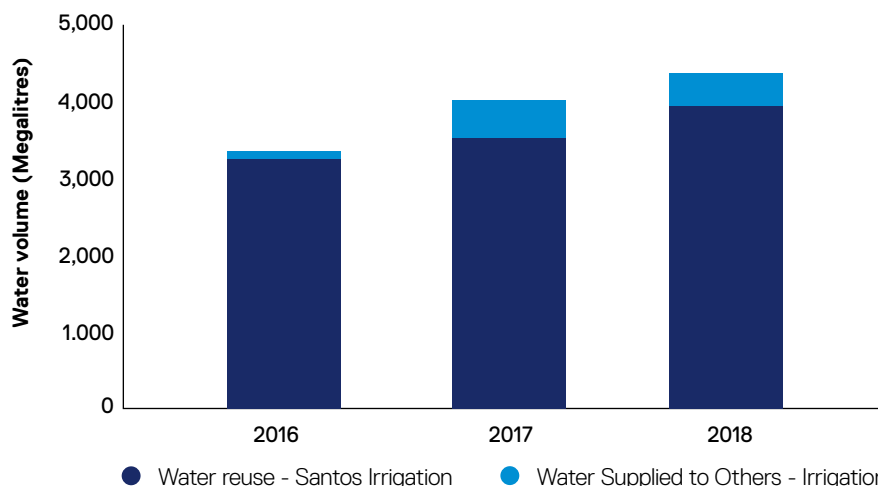
Santos is now the **largest** provider of formation water for irrigation in Australia

We transparently report our use and production of water. We make our groundwater monitoring data publicly available through the [Santos Water Portal](#).

Industry leading in water reuse

We are industry leading in reusing the water we draw out during production. Santos GLNG beneficially reuses 100% of produced formation water after treatment associated with gas production, to irrigate hardwood plantations, fodder crops for cattle grazing and construction.

Water reuse for irrigation has **increased year on year** to 2018.



Every drop of water we make available from re-use is preventing water being taken from other sources such as groundwater.

Research partnerships for better water management

We are partnering with the Bureau of Meteorology to share river flow data from four of our gauges in the Cooper Creek catchment.

The partnership will increase the Bureau's network of stream monitoring gauges and assist to provide improved forecasting and flood warnings for local landholders and tourists alike.



100% rehabilitation of environmental footprint on production sites by 2030



Santos has a genuine, long-held commitment to look after the environment. This is reflected in the care we take to avoid, minimise or rectify disturbance to land, ecological systems and wildlife.

By 2030, we have committed to rehabilitating 100% of our environment construction footprint for production operations. This means the environment returns to the way it was when we finish construction in an area.





We have committed to rehabilitating **100%** of our environment construction footprint for production operations **by 2030**



Achieved significant conservation gains in Queensland, contributing around **23,000 hectares** of direct and indirect environmental offsets



Santos and its joint venture participants support a range of conservation programs and are protecting endangered species through collaborative biodiversity projects.

<p>~23,000 hectares of environmental offsets and conservation gains in QLD</p>	<p>Over 20,000 endangered Cycads protected through conservation efforts in QLD</p>	<p>First conservation project where greater gliders have been recorded to use nest boxes in QLD</p>	
	<p>\$14.2M funding to the Australian Institute of Marine Science towards studies on the North West Shelf over 3 years</p>	<p>\$65,000 per year for the last 10 years funding whale shark research within Ningaloo World Heritage Area</p>	<p>\$500,000 funding for collaborative studies to support the National Decommissioning Research Initiative</p>

Zero waste to landfill by 2050



We have an ambitious target of reducing our waste to landfill to zero by 2050.

 <p>Solid waste sent to landfill has decreased by more than half since 2015</p>	 <p>General waste to landfill has reduced from nearly 45,000 tonnes to less than 10,000 in the last 4 years</p>
---	---

We are improving recycling and minimise waste volumes across all our operating areas. For example, at Moomba we recently completed work on a permanent, fully enclosed sludge treatment plant that will recycle oil.

We are collaborating with industry and investing heavily in research to consider the feasibility of emerging technology and energy sources for waste. We are particularly interested in the reuse of waste brine.

Winner of the Australian Petroleum Production & Exploration Association Environment Project Excellence Award for Zero Waste Well

Santos' Zero Waste Well initiative is an Australian first. The Zero Waste Well avoids offsite waste disposal and provides recycled produced water for local irrigation, stock and dust suppression. The program demonstrates a real commitment to minimising the environmental footprint of natural gas.

100% background methane gas and baseline assessments across all operations by 2030



We are conducting background methane assessments across our entire operations, and baseline assessments for each of our new development areas.

Measuring background and baseline methane levels is important for accurately understanding our future impact.

We have a 10-year plan to complete all background and baseline assessments, via a research service agreement with CSIRO.

Santos is creating cleaner skies in Australia and Asia through increased natural gas.

Natural gas is key to meeting growing energy needs of Australia and Asia and improving air quality in our region.

Health and Safety

We aspire to be the safest natural gas company, and prevent harm to people wherever we have a presence.

Safety comes first in our natural gas operations

Being the safest natural gas company starts with being the leader in health and safety performance. Our latest safety measures show this.



Total recordable injuries have **reduced by 53%** between 2013 to 2019



Moderate harm¹ injuries have **reduced by 33%** over the past 3 years



SA Premier's Award for innovation in health and safety in energy and mining for our 'Line of Fire' safety campaign

At Santos we empower our people, regardless of position, to "Stop the Job" whenever needed to prevent harm to themselves, others or the environment.

Our mandatory 'life saving rules' help guide our workplace safety culture, which is everyone's responsibility.

Our targets

For Santos, health and safety goes beyond just targets and reporting.



Be an industry leader in health and safety performance



100% of past learnings applied as controls to future tasks



Safest operator wherever we have a presence

Be an industry leader in health and safety performance



Safety in our industry is complex. It involves many people, working across various operations, conducting numerous tasks on any given day.



2000+ Employees working across our operations

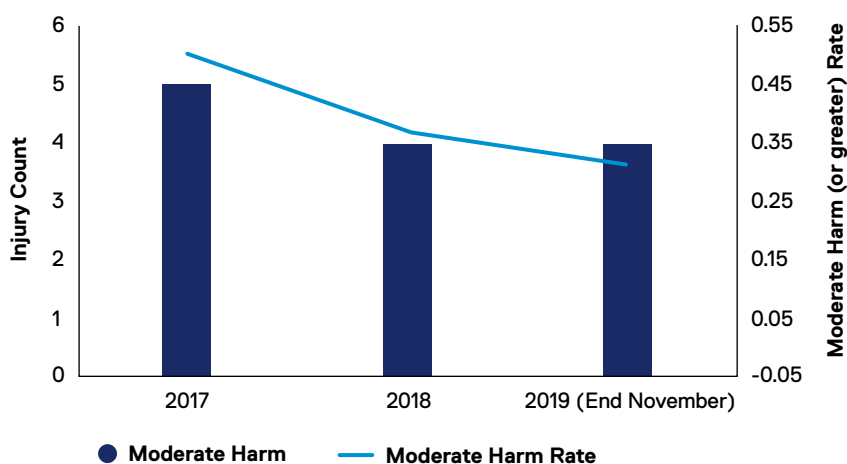


1.1 million work hours every month



Our people **driving 84,000km** every day

We are proud that our direct response to this challenge has resulted in year-on-year improvements to our safety results.



We have seen a **33% downward trend** for moderate harm over the previous 3 years

Our focus on harm is a sign of our maturing safety culture – focusing our efforts on reducing the greatest harm of injury

Safety is also a priority when engaging contracting parties. We will only contract where Life Saving Rules or equivalent are part of a contractor's operating practices.

Everyone at Santos is responsible for safety


We provide the right tools, systems and processes to support our people to take health and safety seriously.

We have built our Life Saving Rules into a 'safety conversation' – a lifesaving guiding template for everyone at the frontline to have a safety conversation before the job starts.



All of Santos' **2000+ staff** have completed our new health and safety **induction training**

This year we launched a new Santos value – 'Always Safe.' Safety has always been a part of our organisational values, but we wanted to ensure that safety is always front of mind.



Always safe

- + Plan work to protect all from harm
- + Be skilled and competent
- + Understand the risks, controls and barriers
- + Follow the rules and respond to change
- + Speak up
- + Step back, think and be ready

We're excited to deploy our leading behaviour based model for leading for safety in 2020.

100% of past learnings applied as controls to future tasks



We take a comprehensive approach to detecting issues before they impact on our people.

We have developed a team of highly skilled lead investigators who investigate incidents and understand how they can be prevented from happening again.



A trained pool of
**40 Lead Incident
Investigators**



10 root cause
analysis **specialists**



Over 1,000 hours
invested in training for
our Investigators

We have an industry-leading investigation framework, informed by world-class performers in safety from aviation, defence and other high-risk industries.

Under this framework, investigators meet on a monthly basis to dissect old investigations from a range of industries globally. This helps build investigator skills and keep safety top-of-mind for our people.

Stand Together for Safety

On 24 July 2019, we stopped operations across all Santos field and office locations to 'Stand Together For Safety'. Led by Santos CEO Kevin Gallagher and key senior executives in field locations, we opened a conversation about safety to raise awareness about the risks we face and how to mitigate against incidents.

Safest operator wherever we have a presence



We are investing in new and innovative technology to eliminate safety hazards at the front line.

Drone technology can eliminate the need for confined space entries and prevent working at large heights near high voltage power lines.



We are now using **drone technology** with cameras for inspecting high voltage power lines for lightning damage



Our use of drone and remote vehicle technology was **nominated for an award in 2019** for eliminating the need for high risk confined space entries

We can see the results from our efforts in our improved safety results across three core measures and our 2019 Premier's Award for our major safety initiative – the Line of Fire Campaign.



Lost time injuries **have reduced by 33%** over the past 3 years



Moderate harm injuries have **reduced by 33%** over the past 3 years



Total recordable injuries have **reduced by 53%** between 2013 to 2019

Our industry recognised Line of Fire campaign comprised a series of video podcasts designed to assist our people to develop the knowledge and skills to stay safe at work. The campaign has been adopted by [Safer Together](#) and others in the industry as leading practice.

At Santos, we seek to be the safest natural gas developer wherever we operate – and this means contributing to innovative solutions to improve the safety of everyone working in the natural gas industry.

Indigenous Partnerships

We aspire to partner with and be trusted by Indigenous people and communities where we operate.

Supporting our Indigenous communities through natural gas production

We are committed to building and maintaining mutually beneficial relationships with Indigenous communities.

Santos is providing employment, training, education and enterprise opportunities associated with our industry so that Indigenous people and their communities can share in the benefits of natural gas development.



Over **800** employment and training opportunities since 2011



Over **\$11 million** in employment, training and education programs since 2007



Working side by side with **18 Traditional Owner Groups** and **3 Land Councils**

Our targets

We focus on three key areas to engage and support Indigenous people.



Industry best-practice recruitment and development programs for meaningful career opportunities



Leader in community engagement and cultural heritage



Supporting Indigenous businesses through our supply chain

Further information:

[Local Industry, Community and Indigenous Participation Policy](#)

Industry leading recruitment and development programs that lead to meaningful career opportunities



Santos provides employment, training, education and enterprise opportunities so that Indigenous people and their communities share in the benefits of natural gas development.



Since 2011 we have created **over 800** employment and training opportunities for Indigenous Australians



60% Indigenous participation in our 2020 apprenticeship program



Since 2007 we have **invested over \$11m** in employment, training and educational opportunities for Indigenous Australians



Supporting our young people through **16 traineeships and cadetships** in 2019

Our dedicated Indigenous Development Program provides employment pathways for local Indigenous people.



Santos Indigenous Trainee and new apprentice Jordanna Ghee

“I’ve always loved the mechanical sides of things, I’m a real hands on person. I knew during school that this is the career path I wanted to follow and something I loved to do... so when this opportunity arose I applied for it straight away.”

“Since joining Santos I’ve become more confident in myself and in life as well. I’m really excited for what the future will hold for me with Santos and I hopefully continue on to a mechanical apprenticeship.”

Jordanna has since completed her traineeship and has commenced a full time mechanical apprenticeship with Santos.

Our school-age programs are industry leading, focusing on encouraging school participation and STEM opportunities for Indigenous people.



Santos has been sponsoring the **Aboriginal Power Cup** for 11 years.



Over 2,000 students enrolled in the Aboriginal Power Cup over the last 5 years



89% of Power Cup participants in year 12 went on to **complete their SACE** in 2019



Santos partners with the University of Adelaide for the 5-day **Karnkanthi Engineering camp**



57 Karnkanthi students from QLD, NT, SA and WA in 2018 and 2019



Over half of Karnkanthi students were young females



“Power Cup is the longest-running joint football and education community program for Aboriginal students in the Australian professional sports industry and Santos has been there just about every step of the way.”

Keith Thomas | Port Adelaide CEO

Leader in community engagement and cultural heritage



We actively engage with Indigenous stakeholders at the earliest opportunity and throughout the lifecycle of operations, to seek and maintain informed consent.



Santos currently works with **18 Traditional Owner Groups** and **3 Land Councils**



We have around **80 executed agreements** relating to cultural heritage, native title and consent currently under implementation

We engage with cultural heritage officers from host traditional owner groups, to ensure we operate with informed consent. On an annual basis Santos undertakes hundreds of cultural heritage work programs, cultural heritage assessments and cultural heritage compliance actions.

In 2019:

499 Cultural Heritage Assessments

121 Cultural Heritage Compliance Actions

149 Cultural Heritage Work programs

139 Cultural Heritage Officers engaged from Traditional Owner groups

110 Traditional Owners engaged relating to Native Title and statutory requirements

The management of cultural heritage not only provides approval for activities to proceed, but it also provides direct participation for Traditional Owners to be engaged and work on their lands as part of our operations.

Supporting Indigenous businesses through the supply chain



As an Australian-owned and operated business, we believe that successful partnership with local industry and Indigenous communities is vital to the long term viability of our business.

We are committed to year on year improvement in Indigenous participation across our supply chain.

Pictured here are employees of Rusca Bros, a Northern Territory civil, mining and construction business and Santos partner.

Rusca Bros provides civil construction services at our McArthur Basin site.

Our aim is to enhance procurement opportunities for Indigenous businesses like Rusca Bros and deliver year on year improvement in Indigenous participation across our supply chain.



We expect the same commitment to Indigenous communities from our contract partners. We are committed to developing procurement strategies that take into consideration local and Indigenous capability.

You can read more about our prioritisation of Indigenous businesses in our [Local Industry, Community and Indigenous Participation Policy](#).

People and Culture

We aspire to be a high performing meritocracy with a diverse, inclusive and highly competent workforce.

A leading and diverse workforce in the natural gas industry

We want to encourage Australia's smartest and most creative minds to choose a career with Santos.

We recognise the value of our workforce and offer a diverse range of inclusive learning and development options to suit each individual's needs.



43 graduates recruited over the last three years, with female intake increasing from 33% to **almost half in 2020**



Over **20,000 hours** of professional development and technical training **every year** since 2018, and increasing year on year



More than **\$3.1 million** spent on professional development and technical training since 2018

Our targets



Attract top talent and retain our best people



Grow an organisational learning culture



View diversity and inclusion as the norm



Harness talent to sustain our disciplined Operating Model

Further information:

[Santos Careers](#)

Attract top talent and retain our best people



Our aim is to attract and retain people who are innovative, diverse and highly competent, and see them develop their careers with us. We also value our role in building STEM careers in the oil and gas industry.

“Choose geoscience, geology and engineering. Choose oil and gas. Choose Santos.”

Leah Donovan | Head of Organisation and Capability Development

We run a number of dedicated STEM programs to encourage young people at school and university to consider mathematics and computer science.

Shark Tank eSchool with the University of Adelaide and MIE Lab

Santos invests in the Shark Tank eSchool program for secondary school students. The program sees students develop entrepreneurial skills such as problem solving, creativity, innovation, critical thinking, teamwork, leadership, and communication by working on real-world challenges presented by Santos.



We want to foster a love of STEM in our young people, so they can channel this into exciting, fulfilling careers in geoscience and engineering. Our graduate program is the key entry point for young STEM enthusiasts at Santos.



43 graduates recruited over the last three years, with female intake increasing from 33% to **almost half in 2020**



We are committed to **increasing our Graduate intake by 20% by 2025**

Grow an organisational learning culture



We have industry leading development programs in place that support our people to create a career at Santos.

From STEM to Santos Leadership | Alicia Nielsen

Choosing STEM subjects in school led Alicia Nielsen to a chemical engineering degree and the Santos Graduate Program, starting in the GLNG business unit working as a process engineer. 9 years later, Alicia is now one of our female engineering professionals in an operational leadership role as the Area Manager for Roma, Queensland.

“Seeing so much of Santos has made me a better leader – I know first-hand what goes on, so I know how to manage it”.

There are no ‘one size fits all’ leadership pathways at Santos. We offer opportunities for career advancement for all our people, whether they are engineers, system operators, supervisors or environmental analysts.

Our LEAP program guides our learning and development at all levels, and supports tailored pathways for our high potential managers and technical experts.

Leadership, Expertship and Professional Development (LEAP)

Contributing
Individual contributors

Advancing
Specialist individual contributors and front-line supervisors

Guiding
Managers and technical experts

Leading
Senior leaders and technical experts

Leadership Team
Our Executive Committee and senior reports to the CEO

We invest in our people, as evidenced by the growing hours of training and development committed in the last two years.



Over **20,000 hours** of professional development and technical training **every year** since 2018, and increasing year on year



More than **\$3.1 million** spent on professional development and technical training since 2018

We have no plans to slow down. Instead, we plan to continue to grow our investment in our people.

View diversity and inclusion as the norm



At Santos, diversity and inclusion is not about targets or tokenism. We strive to ensure that our teams and our functions encourage diversity of thought.

Our aim is for Santos to be a high performing meritocracy: an empowered, trusted, inclusive and diverse thinking workforce.



Child care subsidy

We pay 50% of the out of pocket childcare expenses for returning primary carers.



Paid carer leave

Industry leading 18 week paid primary carer, and 2 weeks paid secondary carer. This includes equal access for still birth and LGBTQI parents.

We are proud of the programs that we offer to support a diverse workforce and ensure working at Santos is possible for everyone.

We want to be a leader in supporting women in our workplace. We regularly review our gender diversity programs and are committed to expanding the ways in which we support our women.



33% female Directors on the Board



47% female graduates in 2020

Harness talent to sustain our disciplined Operating Model



Talent attraction and development require us to make critical decisions to ensure we are always guided by our disciplined Operating Model. Through continuing to optimize the quality and quantity of our talent pools, we help achieve our strategic targets and address employee needs of today and those of future generations.



All reasonable effort has been made to provide accurate information, however, Santos does not warrant or represent its accuracy. All data are reported for the 2019 calendar year and as Santos gross operated unless otherwise stated.

Climate Change

Greenhouse gas (GHG) emissions and energy consumption (Santos gross operated, unless otherwise stated, financial years)

	Units	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Direct energy consumption	PJ	32	34	48	65	65	71
Indirect energy consumption	PJ	0.18	0.19	0.19	1.47	1.85	2.54
Scope 1 (direct GHG emissions)	MtCO ₂ e	3.94	4.35	5.04	5.82	5.49	5.83
Scope 2 (purchased electricity)	MtCO ₂ e	0.03	0.03	0.03	0.31	0.39	0.53
Scope 3 (product use)	MtCO ₂ e	18.0	15.5	18.8	20.4	20.0	24.5
Scope 1 (Santos equity share)	MtCO ₂ e	3.36	3.63	3.79	3.79	3.57	3.65
Intensity (Santos equity share)	ktCO ₂ e/mmboe	65	63	63	63	62	54
Scope 2 (Santos equity share)	MtCO ₂ e				0.13	0.16	0.20
Scope 3 (Santos equity share)	MtCO ₂ e				19.2	18.4	21.6

Further details of Scope 1 emissions and flared and vented hydrocarbon (Santos gross operated)

Emissions of CO ₂	MtCO ₂ e	3.49	3.86	4.51	5.09	4.99	5.35
Emissions of CH ₄	MtCO ₂ e	0.45	0.48	0.53	0.72	0.49	0.47
Emissions of N ₂ O	MtCO ₂ e	0.00	0.01	0.01	0.01	0.01	0.01
Emissions from Fuel	MtCO ₂ e	1.70	1.67	2.38	3.19	3.18	3.37
Emissions from Flare	MtCO ₂ e	0.30	0.54	0.38	0.25	0.18	0.29
Emissions from Vent	MtCO ₂ e	0.30	0.30	0.30	0.31	0.24	0.15
Emissions from CO ₂ Removal	MtCO ₂ e	1.62	1.81	1.94	2.03	1.85	1.98
Emissions from Fugitives	MtCO ₂ e	0.02	0.02	0.03	0.04	0.04	0.04
Volume of flared hydrocarbon	Million m ³	94.1	212.2	134.8	93.8	56.8	96.5
Volume of vented hydrocarbon	Million m ³	35.4	38.0	45.0	38.7	33.0	26.2

Notes:

Emissions and energy are reported on an Australian financial year basis in accordance with National Greenhouse and Energy Reporting Act, 2007.

Scope 1 emissions occur from sources controlled by the company, for example emissions from fuel, flare and vent

Scope 2 emissions are indirect, mainly electricity consumption

Scope 3 emissions represent indirect emissions when the company's products are combusted by customers to produce energy

Community Investment

CSR Pillar	A\$m
Regional Communities	17.3
Environment and Climate Change	0.6
Training and Education	0.2
Healthy Living	1.2
Indigenous, Diversity and Inclusion	0.5
Total	19.8

Environment

Waste

	Septic Waste	General Waste Landfill	Recycling
	kilo litres	tonnes	tonnes
New South Wales	38	35	7
Queensland	2,813	1,510	2,953
South Australia	0	6,818	1,569
Western Australia	26,595	1,156	467

Water

	Formation Water	Aquifer Injection	Beneficial use	Evaporation	Seawater Discharge	Surface Water Discharge	Groundwater Withdrawal	Seawater Withdrawal	Surface Water Withdrawal
	1000 m3	1000 m3	1000 m3	1000 m3	1000 m3	1000 m3	1000 m3	1000 m3	1000 m3
New South Wales	116	-	0	116	-	-	15	-	-
Queensland	11,314	84	4,518	2,901	-	3,811	436	-	-
South Australia	3,496	49	49	3,447	-	-	1,241	-	-
Western Australia	6,437	6,430	-	7	68,328	-	57	68,435	-

Footprint of operations

	Tenements	Operations footprint	Rehabilitated sites	Protected areas within tenements	Operations within protected areas
	ha	ha	ha	ha	ha
New South Wales	5,366,113	875	-	180,794	6
Northern Territory	11,299,894	512	-	140,735	2
Queensland	3,467,763	17,585	1,248	160,046	742
South Australia	1,142,907	9,233	3,404	826,784	4,822
Western Australia	5,823,286	475	-	-	-
Papua New Guinea	8,488	7	-	-	-
Vietnam	531,379	-	-	-	-
Total	27,639,830	28,687	4,652	1,308,359	5,572

Notes: Data as per footprint report downloaded on January 2020

Incidents and spills

Key Performance Indicator	Units	2014	2015	2016	2017	2018	2019
Volume HC released	m3	20	382	132	5	76	46
Number HC releases		81	61	42	34	162	178
Volume PFW released	m3	2,957	2,274	1,499	565	5,460	6,396
Number PFW releases		61	36	47	22	90	122
Notices received from regulators		13	33	10	5	9	9
Fines received from regulators (A\$)		70,500	34,155	8,835	12,190	82,115	65,115

Definition: Regulator instruments – notices from environmental regulators that require action to address an identified non-compliance (e.g. penalty infringement notice, environment protection order)

Health and Safety

Metric	2015	2016	2017	2018	2019
Fatalities	0	0	0	0	0
TRIR	2.8	2.2	3.5	4.5	4.3
LTIR	0.12	0.14	1	0.63	0.57
High Potential rate	0.36	0.28	0.49	0.23	0.41
Tier 1 LOCI	4	6	3	4	4
Tier 2 LOCI	20	11	13	12	4

TRIR and LTIR are annual rates (calculated over a 12 month period)

Definitions:

TRIR – Total Recordable Injury Rate (the number of recordable injuries (lost time injuries, alternate duty injuries, medical treatment injuries) per million hours worked)

LTIR – Lost Time Injury Rate (the number of lost time injuries per million hours worked)

LOCI – Loss Of Containment Incident

People and Culture

Workforce Details			
	Male	Female	Total
Full-time	1654	367	2021
Part-time	27	94	121
Graduate / Trainee	26	10	36
Total Santos employees	1707	471	2178
Seconded*	13	5	18
Contractors**	2275	446	2721
External service providers	312	95	407
Workforce Total	4307	1017	5324
Indigenous Workforce***	26	12	38

* Non-Santos employees seconded into a role in GLNG OPL

** Includes headcount and project contractors

*** Indigenous Workforce includes those on the Indigenous Development Program and Santos Ltd employees only

Data includes Santos Ltd and Santos WA Energy Ltd employees and contractors as at 20 December 2019

Employee Composition

	Under 30 years		30 to 50 years		Over 50 years		Total		%	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Executive Team	0.0%	0.0%	16.7%	16.7%	58.3%	8.3%	9	3	75.0%	25.0%
Leading	0.0%	0.0%	52.4%	13.3%	30.8%	3.5%	119	24	83.2%	16.8%
Guiding	0.3%	0.0%	56.2%	16.3%	23.0%	4.2%	283	73	79.5%	20.5%
Advancing	2.7%	1.3%	54.0%	21.6%	17.2%	3.2%	442	156	73.9%	26.1%
Contributing	9.8%	5.1%	45.8%	12.8%	24.2%	2.2%	854	215	79.9%	20.1%
Grand Total	9.3%	4.7%	63.0%	16.3%	6.2%	0.5%	1707	471	78.4%	21.6%
Non Executive Director	0.0%	0.0%	12.5%	0.0%	50.0%	37.5%	5	3	62.5%	37.5%

Data includes Santos Ltd and Santos WA Energy Ltd employees as at 20 December 2019

Santos Limited

ABN 80 007 550 923

Registered and Head Office

Ground Floor Santos Centre
60 Flinders Street Adelaide
SA 5000

GPO Box 2455
Adelaide SA 5001

Telephone: +61 8 8116 5000
Facsimile: +61 8 8116 5050

Australian Securities Exchange Listing

STO

Santos Website

To view Annual Reports, shareholder and Company information, news announcements and presentations, quarterly activities reports and historical information, please visit our website at www.santos.com

Annual Reports

You can view our Annual Report online at www.santos.com or request a printed copy from the Share Registrar either by email at santos@boardroomlimited.com.au or by telephone on 1300 096 259 (within Australia) or +61 2 8016 2832.

General Enquiries

Santos Limited
GPO Box 2455
Adelaide SA 5001

Telephone: +61 8 8116 5000
Email Santos via the Contact Us portal at our website www.santos.com

Shareholding Enquiries

Please direct all shareholding enquiries to:

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Toll free: 1300 096 259
International: +61 2 8016 2832

Email: santos@boardroomlimited.com.au
Website: www.investorserve.com.au