

Community News

Issue 1 | 2020

[santos.com](https://www.santos.com)

COVID-19 response and business update

Welcome to the first edition of our community newsletter! We hope this finds you and your family well during this difficult time. It has been good to see the continued decline in new cases of COVID-19 reported in Australia. This crisis has impacted our livelihoods, communities and businesses in several ways.

One of the early impacts was the cancellation or postponement of many community events due to COVID-19, including many Santos sponsored community favourites. Now more than ever Santos is committed to supporting communities and maintaining strong relationships with our suppliers and local businesses as they face the effects of COVID-19.

The health and safety of our people and communities where we operate is and has always been our priority. In these unprecedented times, Santos has worked with governments and health authorities and introduced a range of health and safety measures and policies that restrict non-essential travel for our staff and contractors into regional towns.

In addition to protecting local communities, these strict measures have been implemented by Santos to protect our people who continue to work in essential roles that are critical to maintaining

energy supply to hospitals, manufacturers of medical supplies, food processors and more.

During the midst of this crisis we released our 2020 First Quarter Activities Report and are pleased to report a strong free cash flow of US\$265m and liquidity of over US\$3bn at the end of the quarter.

We are mindful that the COVID-19 crisis continues to put demand pressure on industries across the globe and Santos is not immune. We remain confident our disciplined, low-cost operating model is built to see Santos through such challenging periods.

In other news, Santos' AGM was held by webcast in April out of the Perth and Adelaide offices, and streamed live to shareholders. We encourage you to view the Santos 2020 AGM video on our website.

Finally, we hope that you and your families stay healthy and safe during this period. To those working on the front line, thank you! Your efforts over the past month in the face of the current challenges have been incredible.

Community update

Local operations

Santos is the largest producer of domestic gas in Western Australia and has been operating in the west since its first offshore discovery, in the Carnarvon Basin, in the early 1980s.

The company now has an interest in three of the State's major domestic gas plants, at Varanus Island and Devil Creek (both Santos operated) and Macedon. Santos also has interests in two oil projects in WA, including Van Gogh (Santos operated) and Pyrenees, both located off the North West Cape. Recent exploration success in the Carnarvon Basin's Bedout Sub-basin, through the Dorado discovery, has opened a highly prospective area. Santos continues to progress the Dorado project and expects to enter front end engineering and design in the middle of the year.

While the company's response to COVID-19 has meant growth project delays in 2020, Santos continues to play a critical role in producing natural gas for WA consumers and helping power WA homes, schools, hospitals, businesses and other industries.

Santos acknowledges the support it gets from the communities in areas where it has activities, and aspires to be a trusted community partner, providing local benefits from the exploration, development and production of natural gas. One way we support our local communities is through the Santos Community Investment Program. Below is a snapshot of some of our great partnerships so far in 2020.

Local engagements

Lifeline WA



The outbreak of COVID-19 has caused additional stress, fear and anxiety among Australian communities. Demand for Lifeline's service have grown. Santos has been a strong supporter of Lifeline WA for the past four years. Santos' support for Lifeline WA helps sustain and improve its services at a time of increasing demand and, most importantly, ensure that the Lifeline number remains free and easily accessible to those who need it. Anyone experiencing a personal crisis or thinking about suicide can contact Lifeline WA on 13 11 14.

GAMEX 2020



GAMEX is WA's premier game fishing event held in Exmouth each year. It is the town's largest community and tourism event, drawing people from all over the world and contributing more than \$1million each year to the local economy. Santos was a major sponsor of the event in March 2020.

Santos and Ronald McDonald House partnership delights



Santos has been a long-term supporter of Ronald McDonald House Charities (RMHC) in WA and is the Principal Partner of the RMHC-operated Family Resource Centre and Aboriginal Lounge at the new Perth Children's Hospital. Tens of thousands of people each year access the resources provided by RMHC volunteers in the center.

Santos' relationship with RMHC has also provided the opportunity for our workforce to volunteer and cook meals for the families staying at the house in Nedlands. This program is popular within the Santos Offshore team with an average of one group volunteering to cook each month. Understandably the program is temporarily on hold during the COVID-19 response.

Most recently, the relationship inspired a group of Santos engineers to get together for a team activity and build six children's bikes to donate to the charity. All six bikes, inspected and certified by a professional bike shop/repair person, and were delivered to RMHC in March, much to the delight of the children.

Fair Game



Fair Game provide health and fitness programs and recycled sports equipment to remote and under-served communities. In early March, Santos supported the group's activation in Port Hedland. The aim of the program is to help build capacity to promote healthy lifestyle choices which reduce the risk of lifestyle related disease, build social cohesion and improve mental well-being.

Ningaloo Vision FPSO crew



The Ningaloo Vision FPSO crew is renowned for achieving outstanding safety targets and celebrating that achievement by donating to a local community group. To celebrate seven years without a lost time injury, the crew donated \$10,000 to the Exmouth PCYC in March. A portion of the funds will be used to support a young women's outdoor activity program, with the remainder being applied to fit out the PCYC's new premises.

Snapper Release Program



One of our new sponsorships this year is with Recfishwest, and we were delighted to support their annual community release of 5,000 juvenile pink snapper into Cockburn Sound to help improve fish stocks. Recreational fishing is one of the State's most popular pastimes with an estimated third of the population fishing recreationally. Hundreds of people turned up for the event held in early February, as well many from Team Santos with families in tow. The WA Fisheries Minister Peter Tinley went down with his family to support this worthwhile initiative.

Sponsorship applications

Santos has sponsored a number of community organisations where events have been postponed to minimise the risk of COVID-19 transmission. We're looking forward to some of these events being held later in the year.

In consideration of the Australian and State Government restrictions for group gatherings and social distancing protocols relating the COVID-19, Santos has placed the assessment of further sponsorship applications for community or sporting events on hold with the exception of initiatives focused on supporting our communities deal with the effects of COVID-19.

Applicants may still apply for sponsorship through the online portal on the Santos website, and applications that meet the Santos Guiding principles and CSR Pillars will be retained for consideration later when the current restrictions conclude.