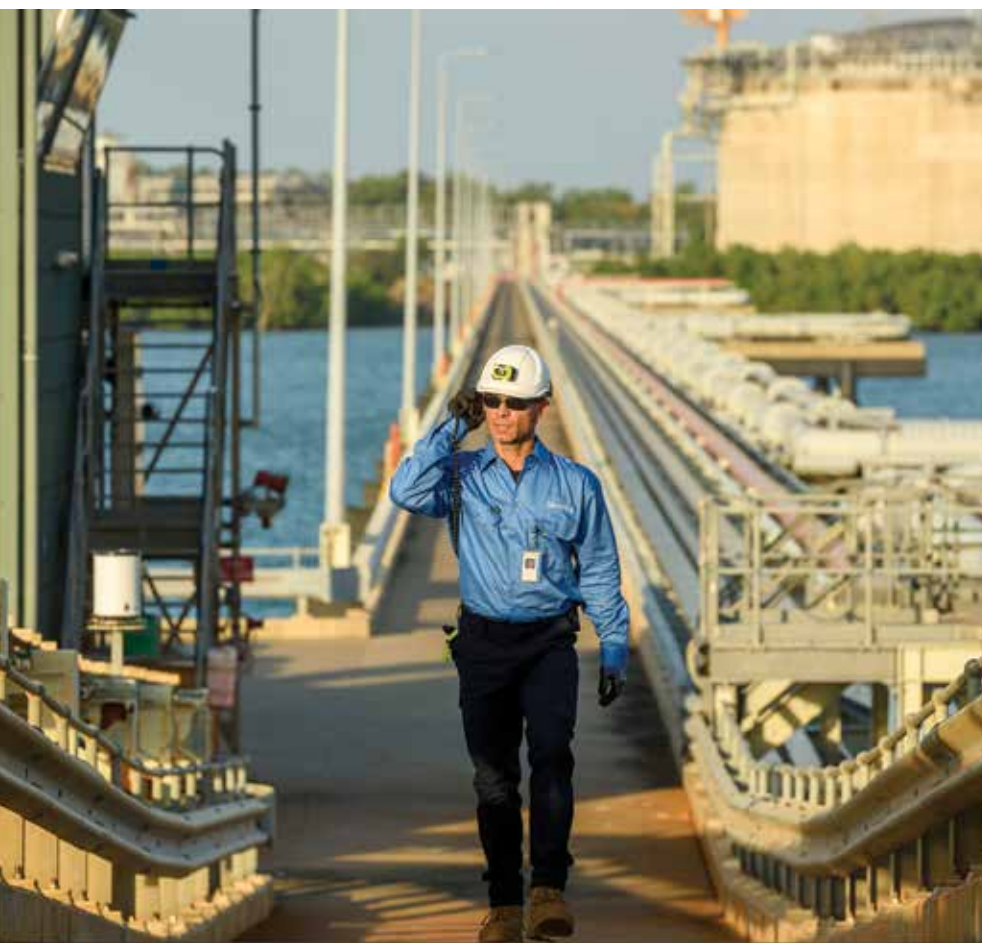

Positioned for success

Shareholder Review 2021

Santos



Message from the Chair and Managing Director and Chief Executive Officer



KEITH SPENCE
Chair



KEVIN GALLAGHER
Managing Director and
Chief Executive Officer

Dear Shareholder,

The past year has been a truly remarkable one for Santos. The successful merger with Oil Search Limited, which completed in December 2021, has transformed Santos into a company with the size and scale necessary to fund sustainable growth, the transition to a lower carbon future and deliver returns for shareholders.

Santos now has a diversified portfolio of long-life, low-cost assets leveraged to strengthening global demand for energy. Had the merger been in place for all of 2021, the combined asset portfolio would have generated more than US\$2.3 billion in free cash flow for the year. This asset portfolio combined with our disciplined, low-cost operating model and unrivalled growth opportunities, support our vision of becoming a global leader in the energy transition.

In 2022, we plan to further optimise the portfolio, reduce gearing and conduct a review of the capital management framework including returns to shareholders.

Consistent and successful strategy delivers record cash flow and higher dividends

Our clear and consistent strategy delivered strong results in 2021, including:

- Completion of the merger with Oil Search Limited.
- Record annual production, sales revenue, free cash flow and underlying net profit after tax.
- Final investment decisions on the Barossa LNG and Moomba CCS projects.
- The Board resolved to pay a final dividend of US8.5 cents per share, franked to 70 per cent, bringing the total dividend for 2021 to US14 cents per share, up 97 per cent.

The dividend equates to 20 per cent of full-year proforma free cash flow for the merged entity less dividends paid in the first half by both companies, in-line with Santos' sustainable dividend policy which targets a range of 10 per cent to 30 per cent payout of free cash flow.

Consistent with our strategy, our next stage of growth will be disciplined and phased. In 2021, the Barossa LNG project was sanctioned. Barossa will supply gas to the Santos-operated Darwin LNG plant and is a world-class LNG project with a very competitive cost of supply into Asian markets. The project remains on track for first production in the first half of 2025.

Santos is playing a constructive role in the energy transition

The world continues to demand reliable, sustainable and affordable energy. Through decarbonising today's base business while investing in clean fuel projects and technologies of the future, Santos is committed to delivering net-zero equity Scope 1 and 2 emissions by 2040. We will initially focus on lower-carbon technologies

where we have a competitive advantage. Our infrastructure-led carbon capture and storage (CCS) strategy potentially provides more than 30 million tonnes per annum of carbon dioxide storage capacity.

The first critical step was taking the final investment decision on Phase 1 of the Moomba CCS development, located in the Cooper Basin in Australia. This project will inject 1.7 million tonnes of carbon dioxide per year and is on track for first injection to commence in 2024. The Moomba CCS project is one of the world's lowest cost CCS projects and an important enabler in the transition to cleaner energy and clean fuels such as hydrogen and ammonia as well as potential carbon removal technologies such as direct air capture.

In summary, Santos has now developed into a major Australian energy producer with a portfolio of high-quality, long-life, low-cost assets across Australia, Timor-Leste, Papua New Guinea and North America. The portfolio is diversified, resilient and well positioned to benefit from recovering commodity prices. This portfolio provides a strong platform to deliver both sustainable growth and shareholder returns as we transition to a lower-carbon future.

On behalf of the Board and Management team we acknowledge you, our shareholders, for your continued trust and support.

Yours sincerely,

KEITH SPENCE
Chair

KEVIN GALLAGHER
Managing Director
and Chief Executive Officer

Key growth milestones

Barossa

Final investment decision

Moomba

Final investment decision

Oil Search

Successful merger

Cover images (clockwise from left):
Darwin LNG Facility, Australia.
Moomba Processing Facility, Australia.
Hela Province, Papua New Guinea.

*Our Moomba CCS project
is a critical step in
decarbonising natural
gas on the path to
cleaner energy.*



Port Bonython Processing Facility, Australia



Drilling rig, Papua New Guinea.



*Santos and Oil Search
are stronger together.
As one company, we have
increased scale and capacity
to drive a disciplined,
low-cost operating model
with unrivalled growth
opportunities over
the next decade.*

Financial overview

Sales volume

mmboe

104.2

2017	83.4
2018	78.3
2019	94.5
2020	107.1
2021	104.2

Sales revenue

US\$million

4,713

2017	3,100
2018	3,660
2019	4,033
2020	3,387
2021	4,713

Average realised oil price

US\$ per barrel

76.1

2017	57.8
2018	75.1
2019	72.0
2020	47.7
2021	76.1

Free cash flow

US\$million

1,504

2017	618
2018	1,006
2019	1,138
2020	740
2021	1,504

2021 results

		2017	2018	2019	2020	2021
Sales volume	mmboe	83.4	78.3	94.5	107.1	104.2
Production	mmboe	59.5	58.9	75.5	89.0	92.1
Average realised oil price	US\$ per barrel	57.8	75.1	72.0	47.7	76.1
Net (loss)/profit after tax	US\$million	(360)	630	674	(357)	658
Underlying net profit after tax	US\$million	318	727	719	287	946
Sales revenue	US\$million	3,100	3,660	4,033	3,387	4,713
Operating cash flow	US\$million	1,248	1,578	2,046	1,476	2,272
Free cash flow	US\$million	618	1,006	1,138	740	1,504
EBITDAX	US\$million	1,428	2,160	2,457	1,898	2,805
Total assets	US\$million	13,706	16,811	16,509	17,656	30,009
Earnings per share	US cents	(17.3)	30.2	32.4	(17.1)	30.8
Dividends declared	US cents per share	–	9.7	11.0	7.1	14.0
Number of employees	Number	2,080	2,190	2,178	2,722	3,786

2021 asset performance



Western Australia

Annual production was 6 per cent higher than the previous year, primarily due to the commencement of a new 12-year contract with Alcoa in June 2020. Crude oil production was 3.5 mmbbl, higher than the previous year due to the Ningaloo Vision FPSO (Van Gogh, Coniston and Novara fields) returning from planned shipyard maintenance combined with initial production from two infill wells drilled on the Van Gogh field.



Cooper Basin

Cooper Basin sales gas and ethane production of 63.8 petajoules (PJ) was 7 per cent lower than the previous year (68.5 PJ) due to lower drilling activity as a result of the impact of COVID-19 on joint venture budgets. Oil production was also lower due to lower drilling activity and natural field decline. A fourth drilling rig was added to the program in the middle of 2021.



Northern Australia and Timor-Leste

The Darwin LNG plant has a single LNG train with a capacity of 3.7 mtpa. The plant produced 3.2 million tonnes of LNG in 2021, 5 per cent higher than 2020, and shipped 45 cargoes.

In March 2021, Santos announced the final investment decision to proceed with the Barossa gas and condensate project to backfill DLNG. The project was 20 per cent complete at the end of 2021 with first gas production expected in the first half of 2025.



Queensland and New South Wales

GLNG produced a record 6.3 million tonnes of LNG in 2021 and shipped 109 cargoes. Annual LNG production was higher than the previous year at 6.0 million tonnes due to the ramp-up in GLNG upstream equity gas supply.

Santos is also progressing the proposed Narrabri domestic gas project in NSW. The project received environmental approvals from the state and federal governments in 2020, and Santos plans to commence an appraisal program in 2022.



Papua New Guinea

Strong production was maintained from PNG LNG with 8.4 million tonnes of LNG produced and 110 cargoes shipped during the year.

The Papua LNG project is a proposed two-train LNG expansion with a planned capacity of 5.6 million tonnes of LNG per annum. In 2021, the project continued to progress technical, commercial, regulatory, social and environmental planning activities. A decision to enter FEED is planned for 2022.



North America

The merger brought assets in Alaska into Santos' portfolio. The Pikka Phase 1 project is targeting a gross production rate of approximately 80,000 barrels of oil per day. FEED and assurance activities were nearing completion at the end of 2021.

ASSET KPIs	2021	2020
Production (mmbobe)	33.7	31.1
Sales volume (mmbobe)	33.2	31.1
Revenue (US\$m)	1,105	742
Production cost (US\$/boe)	6.38	6.34
EBITDAX (US\$m)	851	546
Capex (US\$m)	316	171

ASSET KPIs	2021	2020
Production (mmbobe)	15.3	16.8
Sales volume (mmbobe)	20.2	24.2
Revenue (US\$m)	1,000	919
Production cost (US\$/boe)	9.35	7.80
EBITDAX (US\$m)	423	390
Capex (US\$m)	329	313

ASSET KPIs	2021	2020
Production (mmbobe)	15.2	14.5
Sales volume (mmbobe)	15.3	14.6
Revenue (US\$m)	903	466
Production cost (US\$/boe)	15.37	19.59
EBITDAX (US\$m)	728	205
Capex (US\$m)	377	93

ASSET KPIs	2021	2020
Production (mmbobe)	13.7	13.4
Sales volume (mmbobe)	22.1	22.0
Revenue (US\$m)	973	793
Production cost (US\$/boe)	5.79	5.70
EBITDAX (US\$m)	525	428
Capex (US\$m)	195	193

ASSET KPIs ¹	2021	2020
Production (mmbobe)	14.2	13.2
Sales volume (mmbobe)	13.4	12.5
Revenue (US\$m)	736	451
Production cost (US\$/boe)	4.69	4.21
EBITDAX (US\$m)	615	354
Capex (US\$m)	34	39

¹ Includes the Oil Search PNG assets in the results of the merged company from 11 December 2021.



Investor information

Santos Limited

ABN 80 007 550 923

Registered and head office

Ground Floor, Santos Centre
60 Flinders Street
Adelaide SA 5000
Australia

GPO Box 2455
Adelaide SA 5001
Australia

Telephone: +61 8 8116 5000
Facsimile: +61 8 8116 5050
Website: www.santos.com

Securities exchange listings (ASX and PNGX)

STO

Board of Directors as at 31 December 2021

Keith Spence	Chair
Kevin Gallagher	Managing Director and Chief Executive Officer
Yasmin Allen	
Guy Cowan	
Eileen Doyle	
Hock Goh	
Vanessa Guthrie AO	
Peter Hearl	
Janine McArdle	
Musje Werror	

Leadership team

Kevin Gallagher	Managing Director and Chief Executive Officer
David Banks	Chief Technical and Marketing Officer
Brett Darley	Chief Operating Officer, Upstream Oil and Gas
Beverley East	Vice President People, Culture and Corporate Affairs
Jodie Hatherly	Vice President ESG and Legal
Angus Jaffray	Group Executive Transformation, Integration and Corporate Projects
Anthea McKinnell	Chief Financial Officer
Anthony Neilson	Chief Commercial Officer
Jane Norman	Vice President Strategy and Business Development
Tracey Winters	Strategic Adviser External Affairs
Brett Woods	Chief Operating Officer, Midstream Infrastructure and Clean Fuels

For Board and Leadership Team biographies go to: www.santos.com

Shareholder calendar

2021 Fourth Quarter Report	20 Jan 2022	2022 Annual General Meeting	3 May 2022
2021 Full-year Results	16 Feb 2022	2022 First Quarter Report	21 Apr 2022
Ex-dividend date for the 2021 full-year dividend	21 Feb 2022	2022 Second Quarter Report	21 Jul 2022
Record date for the 2021 full-year dividend	22 Feb 2022	2022 Half-year Results	17 Aug 2022
Payment date for the 2021 full-year dividend	24 Mar 2022	2022 Third Quarter Report	20 Oct 2022

* Interim dividend dates will be posted to the Santos website. Dates are subject to change.

Santos website

To view news announcements, company reporting and presentations, please visit the Investors page at www.santos.com/investors

2021 Annual Report

To view a copy of our 2021 Annual Report please visit our website at www.santos.com or alternatively, printed copies can be requested from the Share Registrar either by email at Web.Queries@computershare.com.au or by telephone on 1300 096 259 (within Australia) or +61 3 9415 4397 (International)

Shareholding enquiries

Computershare Investor Services Pty Ltd
GPO Box 2975
Melbourne VIC 3001
Australia

Website: www.computershare.com.au
Shareholder Access: www.computershare.com.au/easyupdate/STO
Telephone: 1300 096 259 (within Australia)
+61 3 9415 4397 (International)

Investor enquiries

Investor Relations, Santos Ltd
GPO Box 2455
Adelaide SA 5001

Telephone: +61 8 8116 5000
Email: investor.relations@santos.com
Website: www.santos.com

Update your details online

To update your address, payment instructions, dividend reinvestment plan options, tax file number, e-communication preferences, email address and more, please visit www.computershare.com.au/easyupdate/STO or telephone on 1300 096 259 (within Australia) or +61 3 9415 4397 (International)