

Santos

Sustainability Report 2022

Building a better future





Front cover / Adelaide, SA

Disclaimer and forward-looking statements

This report contains forward-looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, gas commercialisation, development progress, operating results, engineering estimates, reserves estimates, loss of market, industry competition, environmental risks, carbon emissions reduction and associated technology risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries, approvals, conduct of joint venture participants and contractual counterparties and cost estimates.

The forward-looking information in this report is based on management's current expectations and reflects judgments, assumptions, estimates and other information available as at the date of this document and/or the date of Santos' planning processes.

Except as required by applicable regulations or by law, Santos does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events. Forward-looking statements speak only as of the date of this report or the date planning process assumptions were adopted, as relevant. Our strategies and targets will adapt given the dynamic conditions in which we operate; it should not be assumed that any particular strategies, targets or implementation measures are inflexible or frozen in time. No representation or warranty, express or implied, is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forward-looking information contained in this report. Forward-looking statements do not represent guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond Santos' control, and which may cause actual results to differ materially from those expressed in the statements contained in this report.

Contents

Overview

- 1 CEO introduction
- 3 Performance highlights
- 5 About us
- 9 Our approach to sustainability

Our sustainability pillars

- 13 Health and safety
- 19 Environment
- 25 Climate change
- 31 Indigenous partnerships
- 37 Community and supply chain

- 51 People and culture

- 57 Economic sustainability

Governance and engagement

- 61 Corporate governance
- 66 Our stakeholders

Appendices

- 70 Appendix 1 - Case studies
- 91 Appendix 2 - Definitions and abbreviations
- 94 Appendix 3 - Summary data tables
- 100 Appendix 4 - Disclosure index
- 105 Appendix 5 - Assurance statement

We acknowledge the Traditional Owners of the land where we operate and work. We recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past, present and emerging.

CEO introduction



→ At Santos, our Values are central to all that we do, from ensuring our operations are ‘always safe’, ‘acting with integrity’ and ‘building a better future’. It is this future-focused value that we have chosen as the theme for Santos’ 2022 Sustainability Report.

Building a better future is only possible with affordable, reliable and low-carbon energy.

So the skyrocketing energy prices and fears about energy security that we have seen around the world in recent months are very concerning.

In 2021 the world saw a reversal in global progress towards the United Nations’ 2015 Sustainable Development Goal to, by 2030, “ensure access to affordable, reliable, sustainable and modern energy for all.”¹

There are now more people in the world without access to reliable electricity than before the COVID pandemic.² At the same time, global CO₂ emissions from energy combustion and industrial processes reached their highest level ever.³

We must all do better to achieve a just and orderly energy transition to Net Zero emissions by 2050.

Balancing competing needs is crucial to building a better future. While the world focuses on responsibly reducing emissions, we must also be committed to improving access to affordable, reliable and modern energy.

At Santos, that starts with the social and environmental footprint of our energy exploration and production operations.

We are committed to creating long-term value for the communities where we operate and supporting a just transition for our people, suppliers and contractors, landholders, Traditional Owners/First Nations peoples and other stakeholders in our business.

Our main product, natural gas, is itself building a better future for society through providing reliable electricity and making the things we use every day, from the toothpaste, bread wrappers and milk containers we reach for in the morning, to the clothes we wear, the bricks, steel, glass and cement of our homes, and the heating, stoves, computers and mobile phones we use in them. The natural gas Santos produces underpins the modern living standards so many of us enjoy and which enable us to live long, healthy lives with access to education and good jobs.

Natural gas is critical to the energy transition, providing firming for intermittent renewables in power generation and delivering the biggest global emissions reduction gains over much of the last decade through coal-to-gas switching in power generation, particularly in Asia and the US.⁴

We’re proud of the essential role our product plays in the energy transition and in supporting energy, social and economic security for our neighbours and allies in the Asia Pacific.

We believe that technologies such as carbon capture and storage, and direct air capture, will deliver large-scale emissions reduction to meet global climate goals, and are likely to be driven by the energy companies of today. The technical experience and expertise of companies like Santos means they are best placed to lead the energy transition and the development and deployment of these technologies.

In this report we provide you with an overview of our company’s approach to sustainability, our sustainability pillars and the objectives that underpin them. Our approach is guided by the Global Reporting Initiative Standards (Core) and references the UN Sustainable Development Goals. The seven pillars we focus on in conducting our business and embedding sustainable practices throughout our operations are:

- + Health and safety
- + Environment
- + Climate change
- + Indigenous partnerships
- + Community and supply chain
- + People and culture
- + Economic sustainability

For more than 65 years, Santos has been safely and sustainably developing Australia’s natural gas resources, working in partnership with local communities to provide jobs and business opportunities, and powering Australian households and industries. In 2021 an historic merger between Santos and Oil Search Limited (Oil Search) was completed.

One of the areas front of mind in this merger was the alignment of both companies’ approaches to environmental, social and corporate governance priorities.

We recognise that the safety, health and wellbeing of our people, and the communities and the environments where we work, is at the forefront for our stakeholders, just as it remains our focus and priority. We are committed to preventing harm and continuing to pursue industry-leading safety management.

Climate change is important to our stakeholders and to Santos. This year we released our fifth Climate Change Report aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, incorporating our company’s strong emissions reduction targets, our Climate Transition Action Plan and scenario analysis to test our resilience to Paris Agreement objectives.

Connected to our respect for people and the environment is our commitment to strong and positive engagement and relationships with local and Indigenous communities. Across our Australian operations, we have agreements and partnerships with 23 Traditional Owner groups and seven Land Councils representing Indigenous people.

Across our areas of operation we seek to support Indigenous education and sport, career pathways for young people and the development of Indigenous business enterprises.

In Papua New Guinea (PNG) and Timor-Leste, our focus is on improving health and education outcomes. We will continue to grow our community relationships in these countries and strive to deliver social and economic benefits through our operations. Our case studies highlight some of these, including the partnership formed with local community groups linked to our Gobe asset in PNG, where we are helping to plan for a successful social and economic transition at the end of the project’s life.

Since our merger with Oil Search in December 2021, we continue to support the work of the Oil Search Foundation which has a strong record of achievement in improving health and education outcomes in remote PNG provinces, including through supporting the rollout of the COVID-19 vaccination program.

I believe that the Santos 2022 Sustainability Report is informative and inspiring, demonstrating the important role that companies like ours are playing in not only responsibly managing our social and environmental impacts, but also in building a better future across the globe.

KEVIN GALLAGHER
Managing Director and Chief Executive Officer

¹ World Health Organization Report: COVID-19 slows progress towards universal energy access, 1 June 2022: <https://www.who.int/news/item/01-06-2022-report--covid-19-slows-progress-towards-universal-energy-access>.

² IEA, The pandemic continues to slow progress towards universal energy access, 2021: <https://www.iea.org/commentaries/the-pandemic-continues-to-slow-progress-towards-universal-energy-access>.

³ International Energy Agency Press Release, Global CO₂ emissions rebounded to their highest level in history in 2021, 8 March 2022: <https://www.iea.org/news/global-co2-emissions-rebounded-to-their-highest-level-in-history-in-2021>.

⁴ IEA, World Energy Outlook Special Report, The Role of Gas in Today’s Energy Transitions, 2019: <https://www.iea.org/reports/the-role-of-gas-in-todays-energy-transitions>.

Performance highlights



These highlights reflect the steps Santos has taken towards achieving our sustainability objectives.

5 Scope 1 and 2 emissions prior to the Oil Search merger and in the period from 2016-17 to 2020-21, from 65 ktCO₂e/mmbœ to 52 ktCO₂e/mmbœ.
 6 Booked under Society of Petroleum Engineers CO₂ Storage Resources Management System (SRMS): <https://p.widencdn.net/2ckusw/SRMS> as announced on 8 February 2022 <https://www.santos.com/news/2021-reserves-statement>.
 7 Local spend is spend in an area or region that includes the following: community investment, procurement of goods and services, infrastructure, rates, levies and charges and payments to landholders. Community investment includes sponsorships, grants and donations in operated asset regions.
 8 Free cash flow of \$1.5 billion Santos and \$2.3 billion for the merged company as reported for merged group and proforma Oil Search from 1 January 2021 to 10 December 2021. Free cash flow: operating cash flows less investing cash flows net of acquisitions and disposals and major growth capital expenditure, less lease liability payments.
 9 First Nations suppliers includes Australian Indigenous supplier companies, First Nations supplier companies in Alaska and local Landowner Companies and other suppliers in PNG.

Health and safety

90% reduction in driving-related high potential events

50% reduction in actual harm and severity from high potential events compared with 2020

Environment

>43,000 hectares of land set aside as environmental offset areas

69% reduction in the volume of waste generated in Australian operations since 2016

Climate change

20% reduction in emissions intensity over five years⁵

Final investment decision (FID) taken on **Moomba CCS project**

100 million tonnes of CO₂ storage resource booked⁶

Accelerated delivery of 2025 climate targets two delivered in 2021, final on track

Indigenous partnerships

30% Indigenous representation in Santos' Australian apprentice and trainee program

\$20.7 million spend with Indigenous enterprises in Australia and Alaska

People and culture

35% female participation in our office-based employees

>62,000 training hours for our Australian based employees with more than a 40% increase in leadership & professional development attendance

Community and supply chain

1,296 local suppliers across all of our communities supported through procurement of goods or services in 2021

\$444 million local spend including >\$31 million in community investment 2021⁷

\$59 million spent with First Nations suppliers⁹ in 2021

Economic sustainability

97% increase in full year dividend from 2020

92.1 million boe record annual production

103% increase in free cash flow and 97% increase in free cash flow per share from 2020⁸

About us

Santos has been supplying reliable, affordable energy to Australia and the Asia Pacific region for over 50 years.

In December 2021, we completed a merger with Oil Search, making us one of the top 20 independent global oil and gas companies.

We are a low-cost producer of natural gas committed to a just and orderly, demand-led transition to cleaner energy and clean fuels.

Our Purpose

Our Purpose is to provide sustainable returns for our shareholders by supplying reliable, affordable and cleaner energy to improve the lives of people in Australia and Asia.

Our Vision

Our Vision is to be Australia's leading natural gas company by 2025.

Our Values

Our Values inform the behaviours, leadership attributes and decision-making of all Santos people.

These Values are:

Work as one team



- + Value diverse perspectives
- + Challenge respectfully then get behind the decision
- + Unite and share learnings

Act with integrity



- + Act ethically and do the right thing
- + Value our customer relationships
- + Confront the facts
- + Treat people with respect

Pursue exceptional results



- + Deliver value for our stakeholders
- + Be decisive about what we can do better
- + Recognise and reward achievement
- + Strive for constant improvement
- + Enable innovation

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

Be accountable



- + Do what we say we are going to do
- + Take responsibility for our actions
- + Be disciplined about meeting requirements and standards
- + Learn from success and failure

Build a better future

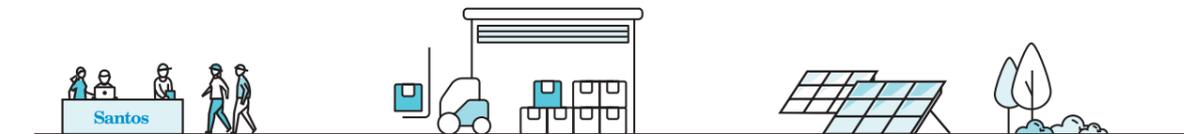


- + Leave a positive legacy
- + Invest in our people
- + Have a positive impact in our communities
- + Protect the environment
- + Be health and safety champions

What we do

Santos' principal activities during 2021 were the exploration and production of hydrocarbons, including development, transportation and

marketing, as well as the development of technologies such as CCS. Our revenue is primarily derived from the sale of gas and liquid hydrocarbons.



Santos promotes an inclusive workplace with a diverse, highly capable workforce and a high performance culture.

We source goods and services from local and international suppliers. Santos is committed to maximising opportunities for local and Indigenous suppliers and building their capacity.

Santos is always looking to enhance operational efficiency and reduce Santos' Scope 1 and 2 emissions for example, electrification, integration of renewable energy sources and minimisation of flaring, venting, fuel use and fugitive emissions.



Development of oil and gas resources. We partner with landholders and work hard to prevent harm to people and the environment.

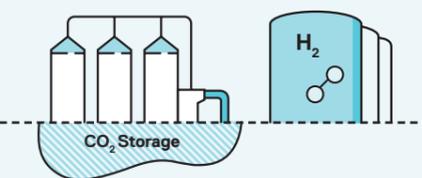
Processing of oil and gas, providing critical fuels, employment and support to local communities and businesses.

Export of product into the domestic and international markets via pipeline, road tanker or vessel. Santos supplies to customers from countries that have a Net Zero commitment or are signatories to the Paris Agreement.

Delivering cleaner energy and clean fuels that are affordable and reliable. Today energy produced by Santos powers homes, industry and public and essential services.



Santos is pursuing the dual ambition of limiting greenhouse gas emissions and supplying affordable, reliable and cleaner fuels to support sustainable development as we help the world decarbonise to achieve Net Zero.



We are developing our carbon capture and storage and hydrogen production capabilities as well as a nature based offsets business to supply critical fuels more sustainably and to decarbonise our products and provide services to third parties.

Our assets and development opportunities



Santos is headquartered in Adelaide, Australia. Santos' strategic focus is on five core, long-life producing natural gas assets across Australia, PNG and Timor-Leste.

Our recent merger with Oil Search also resulted in Santos acquiring a 51 per cent interest in the Pikka project located in the oil-producing North Slope region of Alaska. Pikka is a low carbon-intensity oil project in development stage and is not a producing asset.



- Cities/Towns
- Operated facilities
- Non-operated facilities
- Planned project location
- Planned carbon capture and storage



Papua New Guinea

Santos has been active in PNG since the 1980s with interests in PNG LNG, Papua LNG and PNG's producing oil fields.



Northern Territory and Timor-Leste

Large discovered resource base well-positioned to backfill and support the expansion of Darwin LNG and the production of clean fuels.



Western Australia

Western Australia's largest domestic gas producer, producing gas, condensate and oil from shallow-water offshore fields. Portfolio of near-field backfill and exploration assets.



Development asset United States of America

World-class, low-carbon oil discovery located in the prolific Alaska North Slope region.



Queensland and New South Wales

In Queensland, GLNG feed gas is sourced from the Surat and Bowen Basins, Santos portfolio gas and third-party supply. In NSW regulatory approvals are being sought to develop the Narrabri project.



South Australia and Queensland - Cooper Basin

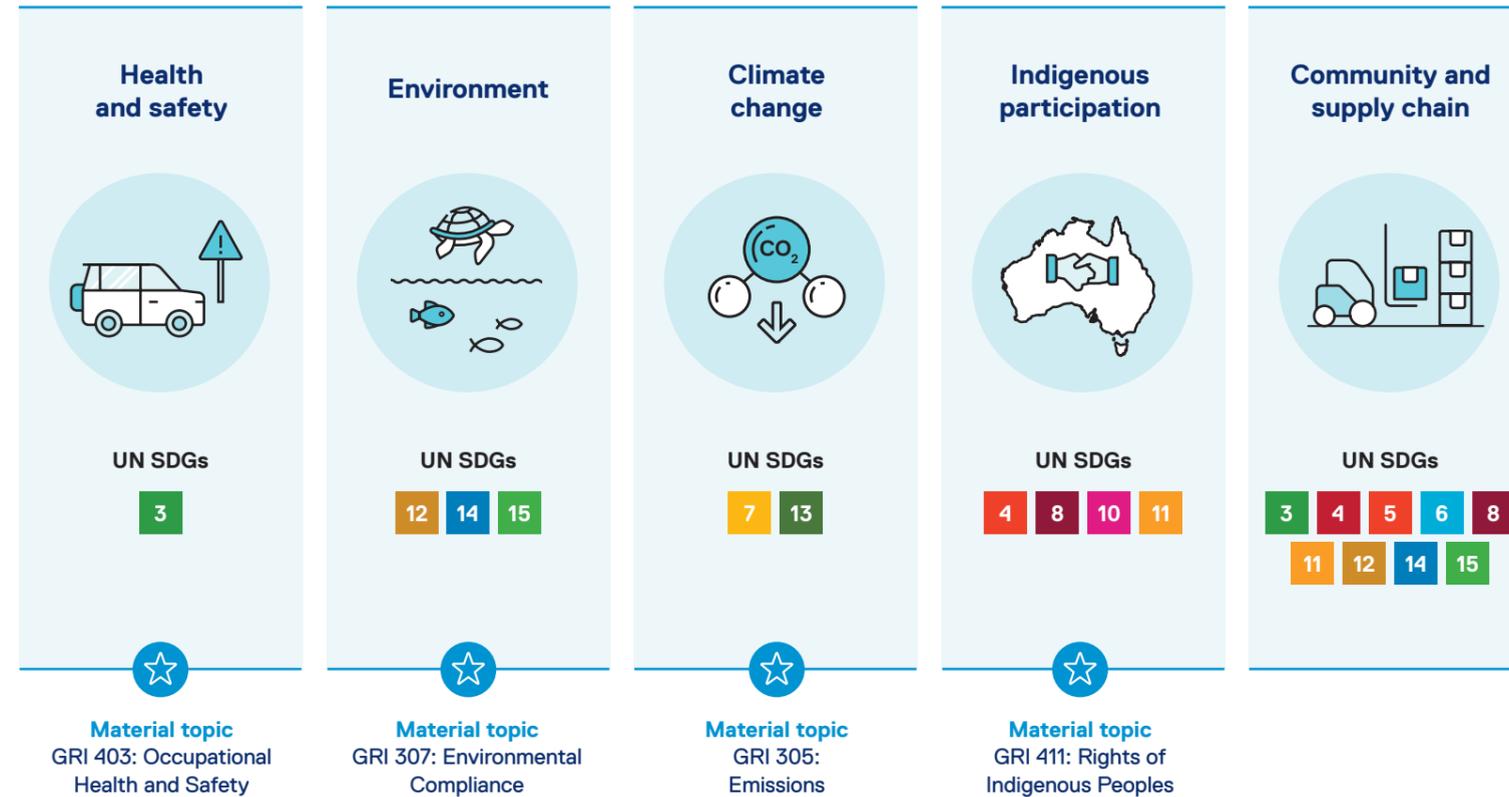
Australia's largest onshore oil and gas field development with gas and liquids processed at the Moomba plant.



Our approach to sustainability



Our seven sustainability pillars guide our performance and help us manage the material issues our business faces.



Building a better future

At Santos, sustainability is about building a better future by creating long-term value for our stakeholders including our communities, Traditional Owners/First Nations peoples, employees, partners, suppliers, customers and shareholders.

We seek to balance the needs of today, supplying affordable and reliable energy and critical fuels, with the need for transition to a lower-carbon future, in line with the goals of the Paris Agreement.

To guide our sustainability journey, we have developed a framework based around seven sustainability pillars which underpin the delivery of our strategy and are essential to Santos' efforts to build a better future. The pillars provide structure for our sustainability objectives and targets to be embedded across our company and help guide our strategy, monitor performance and manage our material issues.

By understanding material issues, we can determine which topics are most important to our stakeholders and provide targeted reporting. Santos undertakes periodic materiality assessments, with the most recent occurring in 2021. The purpose of the assessment is to ensure that across our business, we focus on key sustainability risks and objectives.

Material topics are identified based on the influence on our business and stakeholders, as well as their impact.

Oil Search also conducted a materiality assessment in 2021, using similar methodology in line with GRI recommendations. The results of the Santos and Oil Search assessments were largely consistent and were integrated into a single materiality assessment for the merged company.

We have aligned our sustainability framework with the United Nations Sustainable Development Goals (UN SDGs), with a focus on the most relevant UN SDGs where our company can make a meaningful contribution to global progress towards attainment of these goals.

In 2022 Santos is reviewing our approach to sustainability to ensure it appropriately reflects the merged company's operational profile and objectives post-merger. This review will include the current pillars and their objectives and targets, to enable consistency with the company's forward-looking strategy and Vision.

Understanding this report

This report provides an overview of Santos' sustainability approach and performance for calendar year 2021. Where possible, relevant data and information from the former Oil Search operations in 2021 have been incorporated in this report, including full year environment, greenhouse gas emissions, community investment and supply chain data. Exceptions to this are outlined in the Report data section on this page.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standard's 2016 Core option. Ernst & Young have undertaken limited assurance of selected sustainability data in this report for the year ended 31 December 2021. The assurance statement, detailed data and a GRI disclosure index can be found in Appendices 2, 3 and 4 of this report.

Information and data provided within this report is predominantly presented on a gross operated basis, with the exception of financial information and certain climate- related information.

All references to dollars, cents or \$ in this document are to US currency, unless otherwise stated. Where currency conversions from AUD to USD have been undertaken, a 12-month average conversion factor for the calendar year has been used.

In this report, unless otherwise stated, references to "Santos", "our", "us" or "we" refer to Santos Ltd and its controlled entities, details of which can be found in the [Santos 2021 Annual Report](#).

Report data

There are varying data ranges and approaches to the integration of Oil Search data and information for each pillar, due to a combination of Santos' annual reporting window, regulatory reporting requirements and data compatibility. Where possible the data range shown in the table below has been applied to all data sources in [Appendix 3](#).

■ Santos
■ Former Oil Search

Pillar	Report data range			
	Jul 2020	Jan 2021	Jun 2021	Dec 2021
Health and safety The merger between Santos and Oil Search was implemented on 17 December 2021. Santos' annual reporting for the calendar year 2021 therefore includes 14 days' of information for the merged entity (incorporating legacy Oil Search). The Health and safety pillar data in this report for 2021 is consistent with this approach.				
Environment Environment data in this report for 2021 incorporates both Santos and Oil Search.				
Climate change Santos reports its Australian emissions data consistent with the Australian NGER scheme, which is based on financial year information. Given the majority of the company's interests are in Australia, for consistency, the data in this report for all Santos and Oil Search assets is provided for the same Australian financial year timeframe.				
Indigenous partnerships Data relating to Indigenous partnerships and participation in this report for 2021 is focused on Australian operations.				
Community and supply chain Community and supply chain data in this report for 2021 incorporates both Santos and Oil Search.				
People and culture People and culture data in this report for 2021 incorporates both Santos and Oil Search.				
Economic sustainability Santos' annual financial reporting for 2021 incorporates 14 days of information for the merged entity and the majority of data in this report relating to Economic sustainability is consistent with this approach.				

Our sustainability information

In this report we provide information and data relating to our objectives, targets and performance for each of our seven sustainability pillars, outlined on page 5 and 6.

Along with Appendices including definitions and abbreviations, 2021 data tables and a GRI Index, each of the sustainability pillar sections in this report address the following information as relevant:

- Our objective
- Our targets
- Our key Policy positions
- Relevant GRI standard (material topics)
- Connection to UN SDGs
- 2021 performance
- Our 2021 activities
- Future focus
- Case studies
- Supporting information



Recognising sustainability performance: Annual Santos Directors' Environment, Health Safety and Sustainability Awards

The Santos Directors' Environment, Health, Safety and Sustainability (EHSS) Awards provide an opportunity for individuals and teams to be nominated from within the company for their health, safety, environmental or sustainability contributions.

The Awards recognise performance and contribution to our values of 'Always safe' and 'Building a better future' across nine categories: Safety Leader and Safety Team, Environment Leader and Environment Team, Contractor, Innovation, Efficiency, CEO's Values Leader of the Year and Chairman's Division of the Year.

For 2021, there were 80 submissions across the nine categories.

Throughout this report you will find links to case studies demonstrating our sustainability performance and activities in action, including many of our 2021 EHSS Award winning projects.

Health and safety



Our objective

Our health and safety objective is to prevent harm.

In pursuit of this objective, our focus is on eliminating the causes of events that have a high potential for life-altering impacts or fatalities.

We seek to:

- Be an industry leader in health and safety performance**
- Apply past learnings as controls to future tasks**
- Be the safest operator where we have a presence**

We pursue this objective with reference to the UN Sustainable Development Goals, in particular Goal 3: Good health and wellbeing. Health and safety is of paramount importance in Santos operations, and is guided by our "Always safe" Value.

Our key Policy positions

Our Environment, Health and Safety Policy outlines the actions that underpin our objective, including:

Integrate health and safety management requirements into the way we work, and include health and safety considerations in business planning, decision-making and asset management processes

Consult and communicate with, and promote the participation of, all workers to maintain a strong health and safety culture; empower our people, regardless of position, to 'stop the job' when they feel it necessary to prevent harm to themselves or others

Report, investigate and learn from our incidents and report publicly on our health and safety performance

Health and safety is a material topic

Occupational health and safety (GRI 403) is one of our identified material topics. In our reporting on this topic we address the recommended disclosures associated with occupational health and wellbeing, including our occupational health and safety management system, hazard identification and work-related injuries. See [Appendix 4](#) for our Disclosure index.

2021 performance summary

In 2021 our health and safety focus continued to be on events that have the potential to cause actual harm and on undertaking thorough investigations into their causes, to eliminate the factors most common and likely to cause harm.

In 2021 we saw an increase in high potential events (HPEs) compared to 2020, primarily attributable to a company-wide 'dropped object' awareness campaign. From 2020 to 2021 we have seen a 50 per cent reduction in actual harm and severity of HPEs.

While we continue to see downward trends in our loss of containment incident (LOCI) rate, actual harm, severity and HPE rates over the past five years, in 2021 our lost time injury rate (LTIR) increased from 2020, after declining over the preceding four years. The majority of our lost time injuries in 2021 were minor injuries, many resulting from slips or trips. Almost all involved rolled ankles, pinched fingers and knee injuries. None of these were HPEs.

In response to our 2021 LTIR increase we have undertaken targeted communication programs focused on the common LTIR causes of slips, trips and hand placement, including:

- + Hand safety
- + Our 'Line of fire' Life Saving Rule, addressing personal positioning to avoid risk of injury.

2021 Health and safety performance

Zero fatalities

0.47 LOCI rate
below IOGP global rate and a 34% reduction from 2020

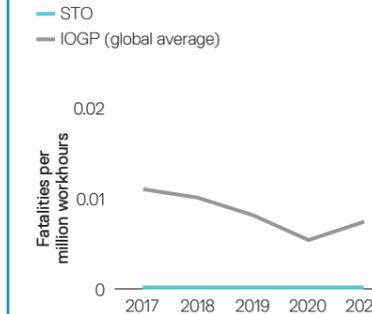
50% reduction
in actual harm and severity from high potential events compared with 2020

LTIR 0.81
no injuries resulted in severe harm or were high potential events

90% reduction
in driving-related high potential events

Fatal accident rate

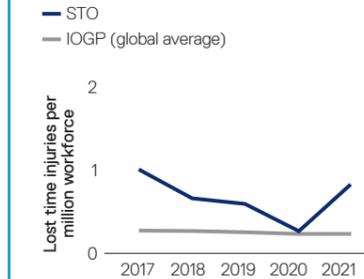
Fatal accident rate – 5 year trend



No fatalities have occurred at Santos operations over the last 5 years.

Lost time injury rate

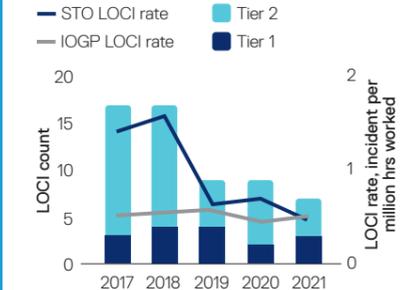
LTIR – 5 year trend



Santos' LTIR rate in 2021 was 0.81, above our 2020 rate of 0.24 and the IOGP global average of 0.22. None were severe harm injuries or HPEs.

LOCI rate

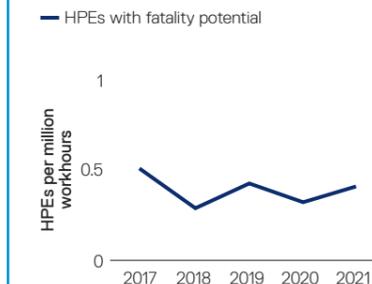
Tier 1 & 2 LOCI Performance



Santos' LOCI rate decreased by 34% from 2020 and 67% from 2017, to a 5 year low of 0.47 in 2021, also below the IOGP global industry rate of 0.51.

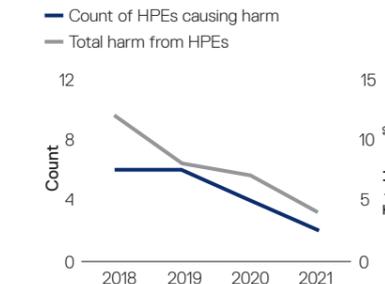
High potential events

HPE Rate – 5 year trend



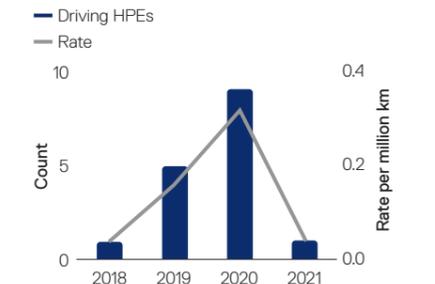
Santos' HPE with fatality potential rate of 0.4 increased slightly from 2020, but remains below the 2017 rate of 0.5.

Actual harm from HPEs



Actual harm from HPEs has reduced in incidence and severity. No severe harm events occurred in 2021.

Driving-related HPEs – 5 year trend



Santos' driving-related HPEs have decreased from 9 in 2020 to 1 in 2021, reflecting a 90% reduction.

¹⁰ Total harm is calculated with reference to the sum of risk-based consequence levels.

Our 2021 activities

Seek to be an industry leader in health and safety performance

Almost 15 million hours were worked in 2021 and unfortunately 12 lost time injuries occurred. While we remain above International Association of Oil & Gas Producers (IOGP) global average of 0.22 for LTIR, our LTIR and actual harm and severity from HPEs have declined over the past five years. None of the 2021 injuries were HPEs. The majority related to slips, trips and hand placement (line of fire) leading to minor hand, ankle or knee injuries.

To ensure an ongoing focus on health and safety and to achieve our performance targets, we are committed to continual review and improvement of our systems and processes. We do this both proactively, and through learnings from incidents, particularly those identified as having high potential to cause serious injury, or process safety risk, known as 'high potential events' or 'HPEs'. Mandatory investigations associated with any reported HPE enable us to reduce harm and systematically improve safety outcomes.



Santos Life Saving Rules

In 2019 we introduced Santos' 'Life Saving Rules' a set of critical controls for a range of potentially fatal risks.

The Life Saving Rules are:

- + Mandatory for everyone working at Santos sites
- + Focused on preventing HPEs
- + Actively used for every task, every day
- + Based on rules with demonstrated success.

The Life Saving Rules form a key part of the Santos Management System (SMS) and are consistent with the internationally recognised International Association of Oil and Gas Producers (IOGP) life saving rule guidelines.

Driving



Wear your seatbelt and drive to the conditions

Line of fire



Keep yourself and others out of line of fire

Lifting operations



Honour exclusion zones and do not go under a suspended load

Work authorisation



Work under and comply with a valid permit when required

Energy isolation



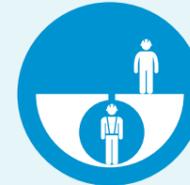
Verify isolation and prove zero energy before work begins

Hot work



Control flammables and ignition sources

Confined space



Obtain authorisation before entering a confined space

Working at heights



100 per cent tie-off when outside a protected area and prevent dropped objects

Excavation and penetration



Identify buried or concealed services and only enter excavation if structurally safe

Working in the heat



Rest, recover and rehydrate when working in the heat

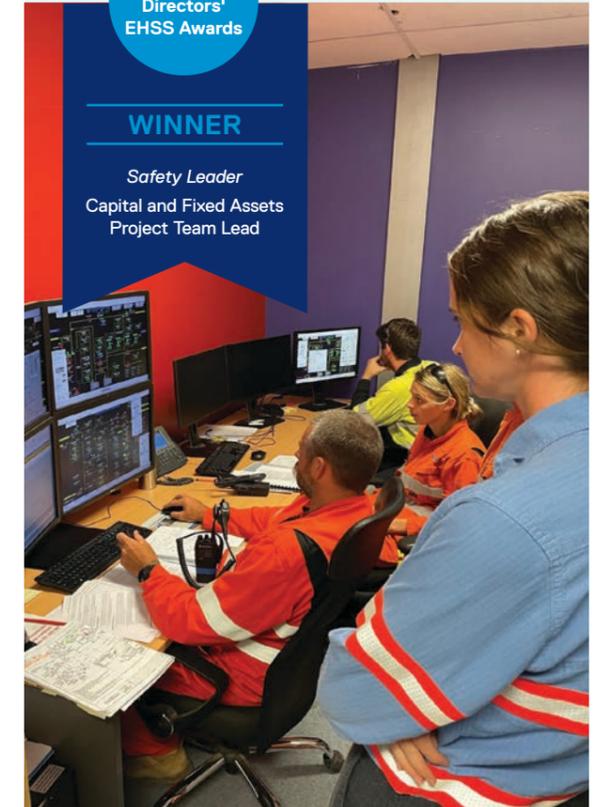
Case study Varanus Island compression project – safe start up

[Read the case study here](#)

2021 Santos Directors' EHSS Awards

WINNER

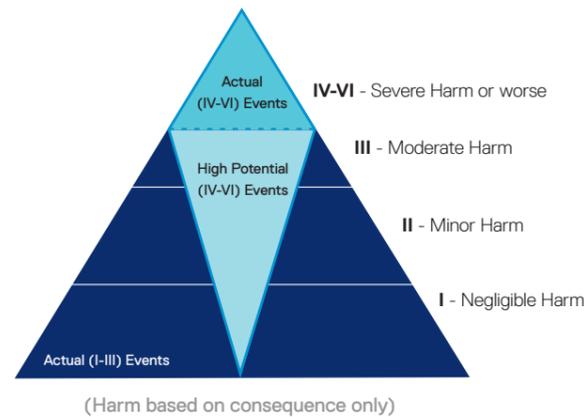
Safety Leader
Capital and Fixed Assets
Project Team Lead



Past learnings applied as controls to future tasks

Santos has a strong reporting culture that understands the benefit of investigating incidents that have potential for serious harm or worse (HPEs), even where little or no harm has occurred. We call this approach 'Mining the diamond'. By understanding what went wrong and implementing sustainable corrective actions across all our operations, we will learn, improve and prevent reoccurrences.

Mining the diamond tier of events and consequence



Over the past four years, more than 550 actions associated with HPEs have been completed, representing our commitment to learning and seeking to systematically reduce the potential for serious harm.

To continue improving our ability to learn we are focused on:

- + A hierarchy of controls approach to prevent future events from occurring, by working to eliminate, substitute or engineer-out root causes wherever possible

- + Completion of 180-day reviews to verify the ongoing effectiveness of the HPE correction measures

- + Codifying learnings in the SMS to ensure integration in our future work practices.

Seek to be the safest operator wherever we have a presence

Our disciplined and systematic approach to process safety improvement has resulted in a 34 per cent reduction in LOCI rates from 2020 to 2021 and a significant reduction over the past five years, to a level that is now consistent with industry benchmarks.

Our process safety continuous improvement centres around:

- + The ongoing implementation and assurance of our Operations Excellence (OE) framework. This outlines the fundamental process safety and asset performance requirements that underpin safe, reliable and low-cost operations in Santos

- + Maintaining a strong reporting culture that enables the frontline to proactively identify operational deviations and rectify these risks in a timely manner based on 'catch early, fix small' philosophy

- + Targeted integrity risk reduction programs and optimising our asset management programs using risk-based inspection methodologies

- + Continuing our digital transformation including real-time connection between our field-based workers and centralised control centres, information and technical support.

Key initiatives over the last five years that have driven LOCI improvements include:

- ✔ Implementing the OE framework in the Santos Management System
- ✔ Strong reporting culture

- ✔ Prioritised and rule-based approach to all operational risks including integrity

- ✔ Proactive bowtie safety assessments operationalised through an integrated risk management system

- ✔ Structured technical investigation process supported by a strong organisational learning framework

- ✔ Acting on process safety lead indicators with a focus on potential consequence. This is supported through strong, layered governance processes with organisation-wide performance data easily accessible in real time using automated dashboards

- ✔ Santos electronic work permitting system implemented to improve isolation and permit to work management

- ✔ Targeted pipeline and well integrity programs.

Health and wellbeing focus

A large part of being well and remaining safe is ensuring that our personnel are physically and mentally well, and are supported when challenging times arise. Our "Healthier Santos" company-wide health and wellbeing program supports us to keep our people safe. The program includes:

- + Healthier bodies – ensuring Santos people are supported to manage our physical health. This provides tools, information and resources that can help us achieve and maintain healthier bodies

- + Healthier minds – supporting the mental health of Santos people. It covers a range of initiatives that enable us to recognise, monitor and manage a healthier mind

- + Healthier culture – developing a strong health and wellbeing culture at Santos. All of us have a part to play in a healthier Santos and developing a culture that is open, positive and constructive is critical to this

- + Healthier places – ensuring our workspaces consider the wellbeing of our people.

Case study

Healthy minds

[Read the case study here](#)

In 2021, the Healthier Santos Steering Team implemented and sanctioned programs including:

- + 40 Health and Wellbeing advocates trained and deployed across our operations
- + 20 site visits by our employee assistance provider including mental health professionals
- + Over 450 leaders trained in our mental health awareness program.

As well as access to the Healthier Santos tools and offerings, Santos offers our people influenza vaccines annually at no cost in support of their physical health and wellbeing. In 2021 over 1,200 influenza vaccines were provided to Santos people through this program.

Future focus

At Santos we maintain a continuous improvement approach to health and safety, with a focus on our overarching objective of preventing harm. In 2022 this is continuing with an ongoing focus on the three key elements that enable this:

People

- + Continue to mentor and build safety leadership of our front line leaders consistent with our 'Always safe' competency framework
- + Continue to build subject matter expertise in security, incident and injury management and health and wellbeing to support operating facilities across our portfolio of assets.

Processes

- + Implement a consistent behavioural-based safety program across the merged company
- + Continue to implement Work Activity Risk Management improvements to consolidate and simplify existing processes

- + Apply usability mapping principles for continued simplification of health and safety information for our frontline workers.

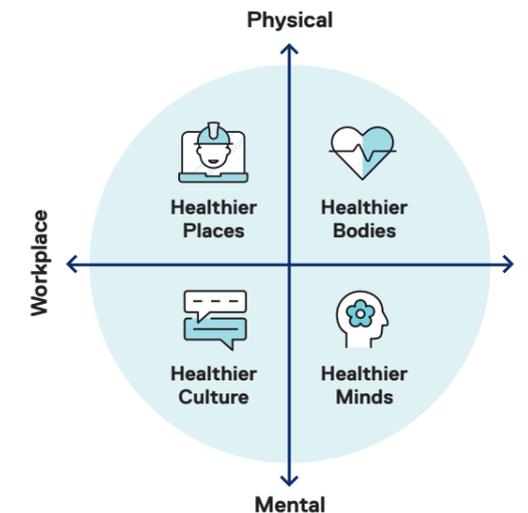
Systems

- + Implement occupational hygiene and injury management systems with in-built workflows and data visualisation.

Supporting information

- + [Environment, Health and Safety Policy](#)
- + [Environment, Health, Safety and Sustainability Committee Charter](#)
- + [Health and Safety site](#)

The Healthier Santos framework



Case study

Driving safely around the planet 500 times a year

[Read the case study here](#)

2021 Santos Directors' EHSS Awards

WINNER

Safety Team
Onshore Driver Safety and Performance Project Team – Onshore Upstream

Environment



Our objective

To minimise the environmental impacts of our operations and activities and to work with our communities and partners to deliver positive environmental outcomes.

We pursue our objective with reference to the UN Sustainable Development Goals, in particular: Goal 12: Responsible consumption and production, Goal 14: Life below water and Goal 15: Life on land. We seek to minimise our impact on the environment. We have focus areas of water, biodiversity, waste and air.

We seek to:

By 2030:

- + Rehabilitate 100 per cent of our disturbance footprint within 12 months of construction
- + Have Net Zero abstraction of water from Great Artesian Basin aquifers
- + Complete 100 per cent background methane gas and baseline assessments across all onshore operations.

By 2050:

- + Have zero waste to landfill.

Our key Policy positions

Our Environment, Health and Safety Policy outlines the actions that underpin our objective:

Integrating environmental requirements into the way we work and include environmental considerations in business planning, decision-making and asset management processes

Consulting, communicating with, and promoting the participation of, all workers to maintain a strong environment culture; empowering our people, regardless of position to 'stop the job' when they feel it necessary to prevent harm to the environment

Working proactively and collaboratively with our stakeholders and the communities in which we operate

Reporting, investigating and learning from our incidents and reporting publicly on our environmental performance

Environmental compliance is a material topic

Environmental compliance (GRI 307) is one of our identified material topics. In our reporting we address disclosures associated with environmental compliance including our management approach and any significant non-compliance with environmental laws and regulations. See [Appendix 4](#) for our Disclosure index.

To monitor environmental compliance, we track numbers of notices and fines received from regulators. Environmental compliance is reported regularly to our executive Operating Committee and the EHSS Committee of the Board. In 2021 Australian regulators issued against Santos; five administrative notices and two penalty notices, with associated fines of \$20,065.

During 2021 no fines or penalty notices were issued in PNG or Alaska. In 2021, there were no prosecutions for environmental contraventions across operations.

2021 performance summary

During 2021 we:

- + Were the first private sector partner with the Queensland Government under the Great Artesian Basin Industry Partnership Program (GABIPP) contributing \$750,000 in 2021 to support rural landowners to cap free-flowing bores
- + Partnered with landholders to set aside an additional 28,000 hectares of land as environmental offset including with the Goorathuntha Traditional Owners Limited to establish the Mount Tabor offset property in Queensland
- + Continued development of the disturbance and rehabilitation data tracking dashboard
- + Worked with our field contractors to install machine mounted GPS technology on operating equipment undertaking disturbance and rehabilitation survey activities in Queensland
- + With CSIRO completed two background methane surveys in Roma and Fairview-Arcadia Valley in Queensland
- + Standardised our waste monitoring procedures across Santos operations and adopted company-wide metrics and targets
- + Received the 2021 Australian Petroleum Production and Exploration Association (APPEA) Company Excellence Award and the Environment Project Excellence Award for the North West Shoals to Shore Research Program.

2021 Environment performance

Biodiversity

added an additional 28,000 ha of land for offsets to reach a total of >43,000 ha

Water – Great Artesian Basin Industry Partner

first private sector partner. Contributed \$750,000 in 2021 resulting in savings of 399 ML/year by March 2022

69% reduction in waste generated in Australian operations from 2016 to 2021

Air

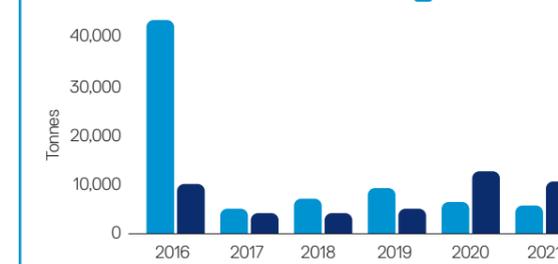
two background methane surveys completed

Compliance

no prosecutions for environmental contraventions
Fines of \$20,055 in Australia

Zero waste to landfill

Volumes of waste to landfill and recycled in Australian operations

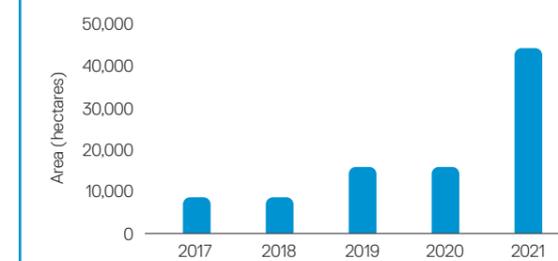


We have achieved 69% decrease in waste generated across our Australian operations from 2016 to 2021, with a reduction from nearly 45,000 tonnes in 2016 to approximately 5,600 tonnes in 2021.

* Waste to landfill = total operational waste, excludes offices

Creating biodiversity offsets

Biodiversity offsets onshore Australia* (cumulative)

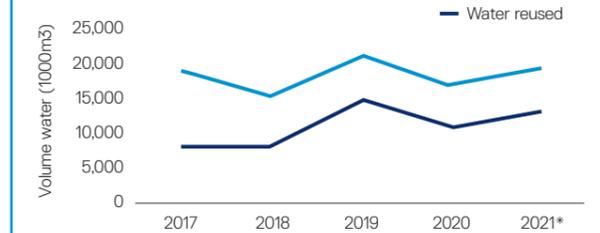


In 2021, we increased land legally secured under offsets by 28,000 ha totaling 20,172 ha in South Australia and 23,666 ha in Queensland.

* In 2021, biodiversity offsets were not required for activities in New South Wales and the Northern Territory due to the early phase of activities. In 2021, biodiversity offsets were not required for activities in Western Australia

Reusing produced water

Water produced and reused

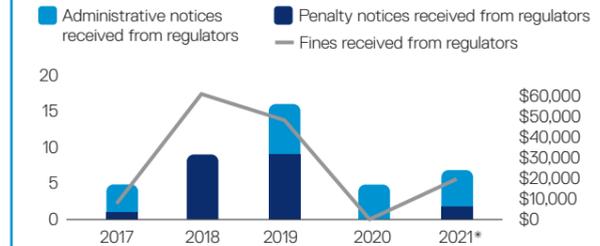


In 2021, the volume of produced water increased by 13% due to including PNG produced water volumes for the first time and increasing water produced from aging wells in offshore Western Australia. Water reused¹¹ increased by 18% due to doubling aquifer reinjection volumes in offshore Western Australia and Timor Leste.

* Includes pre-merger Oil Search data for 2021

Environmental compliance

Fines and notices received from regulators



Our 2020 performance was best on record and reflected the business' focus on preventing produced water releases in Queensland following notices and fines in 2018 and 2019. The two penalty notices received in 2021 were related to minor reporting errors which have now been corrected.

* Includes PNG and Alaska

¹¹ Water is reused for irrigation, dust suppression, drilling completions, civil works and other operations as well as being returned to the environment by aquifer or surface water discharge.

Our 2021 activities

Environmental management

To meet environmental compliance and achieve our environmental objectives we implement systems and processes that:

- + Identify potential environmental risks early in the planning phase and work to avoid and mitigate them through planning and design
- + Implement a comprehensive environmental management program to manage risk and reduce impacts during the operational phase
- + Progressively rehabilitate our environmental footprint to reduce the duration of impacts
- + Seek to offset unavoidable impacts on land and biodiversity, by protecting and enhancing environmental aspects and reducing resource waste
- + Ensure we understand and manage our environmental compliance obligations, including securing and fulfilling all regulatory approval requirements
- + Maintain our licence to operate and grow through engagement with the communities where we operate and deliver positive environmental outcomes such as the beneficial reuse of process water for environmental and agricultural applications
- + Apply a whole-of-lifecycle decision making framework to effectively manage environmental risks throughout all stages of our activities.

Water

Water is a finite resource and we are committed to reducing water use across all of our operations. We are also acutely aware that the Great Artesian Basin (GAB) provides a vital water source for many communities where we operate.

Case study 2021 APPEA Environment Company and Project Excellence Awards

[Read the case study here](#)



We have committed to achieving Net Zero abstraction from the GAB, through offsetting our use of groundwater by funding water savings initiatives.

In 2021 Santos executed a contribution agreement with the Queensland Government under the Great Artesian Basin Industry Partnership Program (GABIPP). The agreement saw Santos become the first private sector partner to support water saving initiatives from free-flowing bores. Over a three-year period (2021 to 2023) Santos will contribute \$2.25 million to the GABIPP. In 2021, Santos contributed \$751,400.

Addressing the water loss will have positive benefits beyond offsetting Santos' water use. Free-flowing bores are legacy livestock and domestic use bores with uncontrolled flow into the environment. Water loss from these uncapped bores has resulted in reduced bore pressure and significant environmental challenges. Works include reducing water losses by repairing or replacing bores, and replacing open bore drains with pipes, tanks and troughs. The Program supports landholders to undertake works they might not otherwise be able to afford.

As at March 2022, GABIPP advised that under our agreement one project had been completed, saving 399 ML per year. Three additional projects were either planned or commenced to save another 1,643 ML per year, bringing the total committed water savings to 2,042 ML per year. The water savings milestone of 3,000 ML per year at three years into the agreement is expected to be met.

 **Original bore (top) and new bore (bottom). This project had water savings of 399 ML per year from the capping and piping activities. Photo credit: Queensland Department of Regional Development, Manufacturing and Water**



Biodiversity

We are committed to progressively rehabilitating our environmental footprint.

To enable accurate data tracking of our field-based activities, during 2021 Santos continued development of the disturbance and rehabilitation data tracking dashboard, allowing infrastructure status and data metrics to be uploaded into the company-wide Geographic Information System (GIS) tool on a 'near live' basis.

Our commitment to rehabilitate 100 per cent of our construction footprint within 12 months of completion of works by 2030 relies on highly accurate data reflective of on-ground conditions. In 2021, Santos undertook a project in conjunction with field contractors to install machine mounted GPS technology on operating equipment undertaking disturbance and rehabilitation survey activities in Queensland. This contemporary data is then accessible for planning and monitoring disturbances and tracking against our objective.



 **Mount Tabor environmental offset property**

To minimise our environmental footprint, in 2021 Santos also partnered with landowners to set aside over 28,000 hectares of land as environmental offset areas under agreement with landholders. These now protected offset areas contribute significantly to the conservation of threatened species and communities they contain.

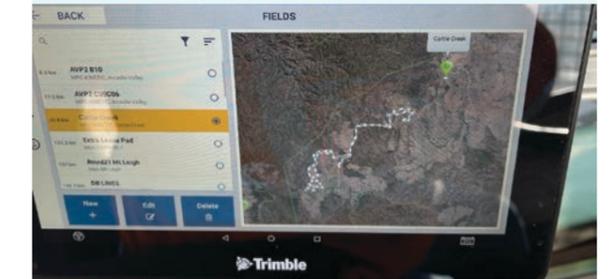
Santos partnered with the Bidjara people, through Goorathuntha Traditional Owners Limited, to establish the Mount Tabor Offset property in Queensland. This partnership meets our Commonwealth Gladstone LNG project biodiversity offset requirements for the next five years of development in the Fairview field and also enables environmental, cultural, social and economic opportunities for an Indigenous organisation and the associated Bidjara community.



 **Cobbadah environmental offset property**

Case study Disturbance and rehabilitation data capture process – understanding our footprint is critical

[Read the case study here](#)



Waste

In our Australian operations, we have achieved an 69 per cent reduction in waste generation since 2016 (16 per cent reduction from 2020 to 2021) and a 60 per cent recycling rate in the Cooper Basin in 2021.

Key to achieving our objective of zero waste to landfill by 2050 is the implementation of long-term strategies that focus on the life cycle management of waste with a focus on waste avoidance, maximising reuse and recycling. In 2021 we have:

- + Developed standardised procedures to enable consistent monitoring, recording and analysis of waste data across all Santos operations
- + Adopted company-wide waste key performance indicators and targets to enable performance tracking
- + Executed dedicated waste reduction and recycling campaigns in the Cooper Basin.

Case study

Cooper Basin waste minimisation project – acting locally and achieving big results

[Read the case study here](#)

2021 Santos
Directors'
EHSS Awards

FINALIST

Environment Team
of the Year

Cooper Basin Waste
Minimisation Project
Team Lead



Air

Santos is conducting background methane assessments across our existing Australian onshore operations to assess potential fugitive sources including natural seepage. We monitor for other methane sources so we can differentiate between our and other possible methane emissions. We also conduct baseline assessments for our new development areas before the commencement of activities. These assessments are being delivered through a research agreement with the Commonwealth Scientific and Industrial Research Organisation (CSIRO) that commenced in 2018.

In November 2021 the CSIRO collected further baseline data for Arcadia and Fairview in Queensland to better understand the areas' temporal changes and extended coverage to the new development areas around Roma. In addition, the Roma survey extended the baseline measurements to include the quantification of emissions from several wells which were adjacent to the survey route. This program builds on previous research undertaken by the CSIRO in New South Wales, Queensland and the Northern Territory.

This research is important for the measurement of fugitive emissions from oil and gas operations, as well as to identify and understand fugitive emissions from natural biological and geological sources (e.g. from soils, wetlands, rivers and agriculture).



 **CSIRO undertaking baseline and well site methane surveys at a well near Roma, Queensland. Photo credit: CSIRO**

The 2021 surveys found:

- + The average ambient concentration recorded during the survey was 1.86 ppm. This is comparable to the Australian Bureau of Meteorology/CSIRO Cape Grim (Tasmania) Baseline Air Pollution Station that monitors Southern Hemispheric air quality (1.856ppm on 15 November 2021). It was also within the range of the previously reported average concentrations for these areas of 1.83 to 1.89 ppm (detected in December 2018 and August 2019, respectively)
- + Elevated concentrations were recorded in nearby towns (e.g. Roma) and where livestock were observed grazing in close proximity to the survey route.

Partnering for positive outcomes

We are always looking for ways to improve our performance and identify innovative solutions to operational and environmental challenges. We regularly partner with universities and external research organisations such as the CSIRO and the Australian Institute of Marine Science. Working with these external organisations can also facilitate whole of industry improvements and innovations that can be applied more broadly. In 2021 our partnerships included:

- + The CSIRO undertaking background and baseline methane surveys in Queensland
- + The Australian Institute of Marine Science (AIMS) North West Shoals to Shore Research Program
- + The CSIRO, Department of Agriculture, Water and the Environment, the Bureau of Meteorology and Geoscience Australia on geological and bioregional assessments of the Cooper and Beetaloo Basins
- + The University of Queensland's Centre for Natural Gas research into the beneficial re-use of brine and salt generated as a waste from the desalination of produced water.

Future focus

We have plans in place to achieve our long-term goals in 2030 and 2050 and deliver our objective to minimise the environmental impacts of our activities and work with our communities and partners to deliver positive environmental outcomes. In 2022 our focus is on:

Water

- + Developing tool and systems to enable continued consistent collection and analysis of water usage data across Santos' operations
- + Continuing our ongoing commitment to reduce water losses from free-flowing bores.

Biodiversity and land disturbance

- + Providing up-to-date land disturbance information to our planning and construction teams by automating the disturbance / rehabilitation / offset data dashboard
- + Ensuring we continue to offset our ecological disturbance by implementing our five year Offset Delivery Plan.

Waste

- + Improving procurement waste strategies and establishing requirements for new contracts to include waste avoidance and minimisation opportunities
- + Maximising waste reuse and recovery by identifying and implementing waste management targets into asset scorecards.

Air

- + Continue our work in partnership with CSIRO to deliver our air and methane monitoring program:
 - + Assessing baseline and background methane emissions for Moomba plant, the Moomba CCS project and Cooper Basin satellites
 - + Assessing background and fugitive emissions at our LNG plant on Curtis Island.

Supporting information

- + [Environment, Health and Safety Policy](#)
- + [Environment, Health, Safety and Sustainability Committee Charter](#)
- + [Environment site](#)
- + [Santos water portal](#)

Climate change



Our objective

Our climate change objective is to deliver on the dual ambitions of limiting greenhouse gas emissions and supplying affordable, reliable and cleaner fuels to domestic and global markets.

We pursue our objective and targets with reference to the UN Sustainable Development Goals, in particular Goal 7: Affordable and clean energy and Goal 13: Climate action.

Santos seeks to be a global leader in the transition to cleaner energy and clean fuels, by helping the world decarbonise to achieve Net Zero in an affordable and sustainable way. At the same time, we recognise the importance of price stability and supply security to ensure a just transition, especially for the world's most vulnerable communities.

Our key Policy positions

Our Climate Change Policy outlines the actions that underpin our objective, including:

Work with our customers to reduce their greenhouse gas emissions and sell the products we generate only to customers from countries that have a Net Zero commitment or are signatories to the Paris Agreement

Make final investment decision for new offshore greenfield projects from 2025 only if they abate and/or offset reservoir carbon dioxide emissions

Identify, manage and mitigate climate change risks for our activities and in doing so, continue to adapt and develop our operational, financial and strategic resilience

Report annually on the company's climate change governance, strategy, risk management and targets and metrics in a transparent manner in alignment with recommendations of the Task Force on Climate-related Financial Disclosures

Climate change is a material topic

Climate change, incorporating greenhouse gas emissions, is one of our identified material topics. In our reporting we address disclosures associated with GRI 305: Emissions, including Direct (Scope 1) GHG emissions, Energy indirect (Scope 2) GHG emissions, Other indirect (Scope 3) GHG emissions and GHG emissions intensity. See [Appendix 4](#) for our Disclosure index.

Our climate-related targets

Our goal is to achieve net-zero Scope 1 and 2 emissions by 2040

By 2025:¹²

- ✓ Assess the feasibility, and if feasible, invest in technology and innovation which can deliver a step-change in emissions. **Target met in 2021**
- ✓ Grow liquefied natural gas exports to at least 4.5 Mtpa. **Target met in 2021**
- 🔄 Economically reduce emissions by more than five per cent across operations in the Cooper Basin and Queensland from the 2016-17 baseline. **Target on track**

By 2030:

- 🔄 Reduce absolute Scope 1 and 2 emissions by 30 per cent¹³
- 🔄 Reduce Scope 1 and 2 emissions intensity by 40 per cent¹⁴
- 🔄 Use CCS technology to accelerate the economic feasibility of hydrogen and deliver a step change in emissions reduction by 2030

- 🔄 Reduce customers' emissions by at least 1.5 Mtpa CO₂e from the supply of clean fuels

By 2040:

- 🔄 Net-zero Scope 1 and 2 emissions

¹² The 2025 targets are heritage Santos (non-Oil Search) targets set in 2018.

¹³ From the Santos and Oil Search combined 2019-20 equity Scope 1 and 2 baseline of 5.9 MtCO₂e, representing a reduction to 4.1 MtCO₂e or lower by 2030.

¹⁴ From Santos' 2019-20 equity Scope 1 and 2 baseline of 55 ktCO₂e/mmboe, representing a reduction to 33 ktCO₂e/mmboe or lower by 2030.

2021 Climate change performance

Accelerated delivery of 2025 climate targets

two delivered in 2021, final on track

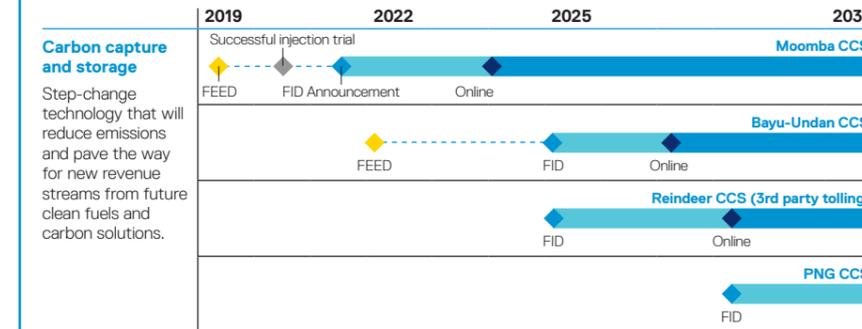
20% reduction in emissions intensity over five years¹⁵

New 2030 targets set for emissions reduction, emissions intensity and clean fuels

Moomba CCS project FID

100 Mt CO₂ storage resource booked¹⁶

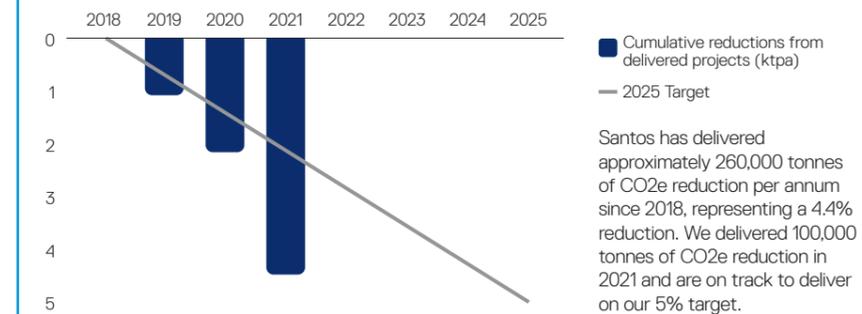
Assess the feasibility and, if feasible, invest in technology and innovation which can deliver a step-change in emissions



In 2021 Santos achieved our 2025 target by making final investment decision on the Moomba CCS project and now we continue our focus on the assessment and development of potential CCS projects across our portfolio.

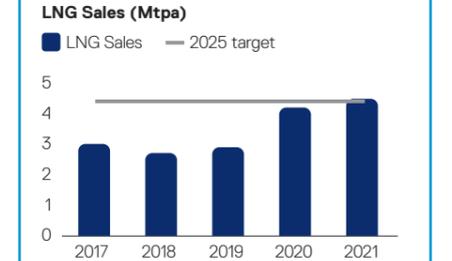
Economically reduce emissions by more than 5% across operations in the Cooper Basin and Queensland from the 2016-17 baseline by 2025

On track to deliver 5% reduction target



Santos has delivered approximately 260,000 tonnes of CO₂e reduction per annum since 2018, representing a 4.4% reduction. We delivered 100,000 tonnes of CO₂e reduction in 2021 and are on track to deliver on our 5% target.

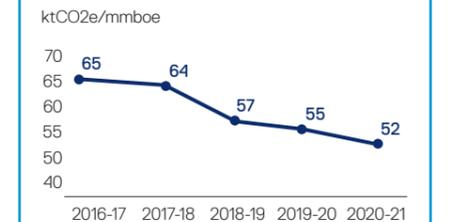
Grow liquefied natural gas exports to at least 4.5 million tonnes per annum



We met this target in 2021 with Santos' equity LNG exports of 4.56 million tonnes, a 6% increase on 2020 volumes. At March 2022 equity levels, forecast LNG production across Santos' three LNG projects will be approximately 7.15 Mtpa.

Decrease emissions intensity

Scope 1 and 2 emissions intensity



In 2020-21 we achieved a 20% reduction in Scope 1 and 2 emissions intensity from 2016-17 across our whole portfolio through implementing emissions reduction projects and investing in assets with lower emissions-intensity.¹⁵

¹⁵ Prior to the Oil Search merger and in period from 2016-17 to 2020-21, from 65 ktCO₂e/mmboe to 52 ktCO₂e/mmboe. The merger with Oil Search is consistent with the company's efforts to reduce emissions intensity across our portfolio. While the merger occurred after this time, the Scope 1 and 2 emissions intensity of the combined entity in the 2020-21 period would have been 47 ktCO₂e/mmboe.

¹⁶ Booked under Society of Petroleum Engineers CO₂ Storage Resources Management System (SRMS): <https://p.widencdn.net/2ckusw/SRMS> as announced on 8 February 2022 <https://www.santos.com/news/2021-reserves-statement>.

Our 2021 activities

Our strategy focuses on natural gas as a reliable transition fuel source and the development of technologies including CCS, and clean fuels, such as hydrogen, as foundations for our decarbonisation pathway. To deliver on our objective, targets and Policy positions, Santos has a Climate Transition Action Plan. The Plan focuses efforts in the following areas:

- + **Operational efficiencies:** Initiatives including energy efficiency, reduced fuel use and flaring, electrification and renewables integration designed to reduce the Scope 1 and 2 emissions of our operations
- + **CCS:** Step-change technology that will reduce emissions and pave the way for new revenue streams from future clean fuels and carbon solutions
- + **Carbon solutions:** Opportunities to reduce emissions and generate offsets for Santos and customers
- + **Clean fuels:** Leveraging CCS as a platform for clean fuels such as hydrogen on a demand-led basis
- + **Supply chain collaboration:** Working with customers to cultivate demand for lower-carbon fuels.

The Climate Transition Action Plan is underpinned by the disciplined allocation of capital to fund delivery of our climate transition initiatives and a commitment to a sustainable and just transition for our people and the communities where we operate.

Santos achieved accelerated delivery of two of its 2025 climate-related targets in 2021 and is on track to achieve the third.

Following our strong performance toward the achievement of these 2025 targets and the 2021 merger with Oil Search, we updated and strengthened our 2030 emissions reduction, emissions intensity and clean fuels targets.

Scope 1 and 2 emissions reduction

Santos' priority is to avoid and minimise emissions from our operations by improving our operational efficiency. To deliver on our targets we are focused on a range of initiatives across three elements of our Climate Transition Action Plan: operational efficiencies, CCS and carbon solutions. These are outlined in detail in our [2022 Climate Change Report](#).

Operational efficiencies and strategic investments have enabled Santos to reduce the emissions intensity of our portfolio by 20 per cent from 2016-17 levels.¹⁷ While the merger with Oil Search in 2021 increases Santos' absolute emissions, it has decreased our emissions intensity and we continue to focus on our decarbonisation targets.¹⁵

Case study Technological developments increasing efficiency

[Read the case study here](#)



Carbon capture and storage: Step-change technology

CCS is a critical technology to meet the goals of the Paris Agreement.¹⁸ Santos has a CCS hub strategy across our core asset areas with the potential to create more than 30 million tonnes per annum of CO2 storage capacity, with line of sight to 10 million tonnes per annum of storage capacity by 2030.

Santos' assessment and investment in step-change technology has been, and continues to be, focused on CCS. In 2021 Santos achieved our 2025 step-change emissions target by making final investment decision on the Moomba CCS project in 2021.

Santos has invested over \$24 million (equity share) in developing the Moomba CCS project. Moomba CCS will be one of the world's largest and lowest-cost CCS projects, storing up to 1.7 million tonnes of CO2 per annum at a lifecycle cost of less than \$24 per tonne. Costs are expected to decrease with scale and previous studies have concluded that the Cooper/Eromanga Basins have the potential to store more than 20 million tonnes of CO2 per annum.

Without CCS the world's "energy and climate goals will become virtually impossible to reach."¹⁹

Fatih Birol, Executive Director IEA

Santos is proud to be one of the first companies globally to book CO2 storage resource – 100 million tonnes in South Australia's Cooper Basin.²⁰ Santos sees CO2 storage capacity as a strategic competitive advantage in evolving cleaner energy, clean fuels and carbon markets with CCS a critical technology for the world to achieve its climate goals.

In addition, in 2021 Santos entered into a research and collaboration agreement with Australia's national science agency, CSIRO, to trial direct air capture and post-combustion capture technologies at Moomba.

Case study Collaborating with CSIRO on step-change emissions reduction technology

[Read the case study here](#)



 **Example of a CarbonAssist™
direct air capture unit**

Carbon solutions, clean fuels and supply chain collaboration

Santos is committed to being part of the solution by supplying critical fuels such as natural gas in a more sustainable way to meet ongoing customer demand, at the same time investing today to deliver cleaner fuels tomorrow. The world continues to rely on hydrocarbon fuels for around 80 per cent of its primary energy and they will remain in demand for decades to come.²¹ Therefore, making these fuels progressively cleaner is essential to meet global climate and sustainability goals.

Switching from products like coal and diesel to natural gas, and in the future, hydrogen, enables customers to reduce their Scope 1 and 2 emissions compared to these alternatives. In the period 2010 to 2019, coal-to-gas switching globally saved around 500 million tonnes of CO2, equivalent to putting 200 million electric vehicles running on zero-carbon electricity on the road over the same period.²²

Our 2025 targets to grow liquefied natural gas exports in order to positively contribute to the reduction of coal-to-gas displacement, was achieved in 2021. At current equity levels across Santos' three LNG projects, forecast LNG production for 2025 will be approximately 7.15 million tonnes per annum.

Santos continues to focus on sustaining our existing infrastructure in Australia and PNG to meet ongoing customer demand for natural gas, taking final investment decision on the Barossa offshore natural gas project in northern Australia in March 2021 to backfill Darwin LNG.

Santos is not only identifying and pursuing opportunities to reduce greenhouse gas emissions within our operations, but through the supply chain, by seeking partnerships to investigate and implement emissions reduction and carbon solution opportunities.

¹⁷ Equity share, pre-merger. Santos' 2019-20 emissions include post-ConocoPhillips ABU West asset acquisition equity of the Bayu-Undan asset for the full financial year.

¹⁸ IEA Energy Technology Perspectives, Special Report on Carbon Capture Utilisation and Storage – CCUS in Clean Energy Transitions: https://iea.blob.core.windows.net/assets/181b48b4-323f-454d-96fb-0bb1889d96a9/CCUS_in_clean_energy_transitions.pdf

¹⁹ IEA Energy Technology Perspectives, Special Report on Carbon Capture Utilisation and Storage – CCUS in Clean Energy Transitions: https://iea.blob.core.windows.net/assets/181b48b4-323f-454d-96fb-0bb1889d96a9/CCUS_in_clean_energy_transitions.pdf

²⁰ Booked under Society of Petroleum Engineers CO2 Storage Resources Management System (SRMS): <https://p.widencdn.net/2ckusw/SRMS> as announced on 8 February 2022 <https://www.santos.com/news/2021-reserves-statement>.

²¹ IEA, Net Zero by 2050 - A Roadmap for the Global Energy Sector: <https://www.iea.org/reports/net-zero-by-2050>.

²² IEA, The Role of Gas in Today's Energy Transition 2019: <https://www.iea.org/reports/the-role-of-gas-in-todays-energy-transitions>.

Case study Working with customers to help them reduce their emissions

[Read the case study here](#)



2022 Climate Change Report

In March 2022 Santos published our fifth [Climate Change Report](#) aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The 2022 report sets out our Climate Transition Action Plan and why we believe Santos is well placed to:

- + Manage the risks of climate change
- + Continue to drive sustainable shareholder returns from our long-life, low-cost assets
- + Seize the opportunities associated with the global transition to provide cleaner energy and clean fuels over the coming decades.



Future focus

Our focus is on continued implementation of our Climate Transition Action Plan as detailed in our [2022 Climate Change Report](#). This includes:

Operational efficiencies

Further delivery of energy efficiency projects such as increased integration of renewables and batteries into our power mix, deploying new process technologies such as LoHeat™ and capturing and recovering gas that is currently flared or vented.

CCS

Advancing our CCS hub strategy across our core asset areas. In particular, working with both the Australian and Timor-Leste governments to progress the development of the Bayu-Undan CCS project that entered front end engineering design in March 2022.

Carbon solutions

Continuing to expand our portfolio of high-quality nature-based solutions and developing new technologies, including CarbonAssist™ direct air capture technology with the CSIRO.

Clean fuels hubs

Furthering studies that involve using CCS technology to accelerate the development of affordable clean fuels that support the acceleration of a future hydrogen economy.

Supply chain collaboration

Continuing to work with our suppliers to support and drive their operational efficiencies and emission reduction activities and with our customers to build demand for cleaner energy.

Just transition

Where relevant, continuing to implement sustainable development plans, underpinning work with communities to transition successfully to post-project environments.

Supporting information

- + [Climate Change Policy](#)
- + [2022 Climate Change Report](#)
- + [Environment, Health, Safety and Sustainability Committee Charter](#)
- + [2021 Statement on Review of Industry Associations](#)
- + [Climate Change site](#)

Case study

Just Transition - Gobe Asset, PNG

[Read the case study here](#)



Sunset at Santos Umo Yumba Camp in Queensland

Photograph taken by Dean, Santos Operator Maintainer in our Production team



Indigenous partnerships

Our objective

Our objective is to proactively partner with Indigenous groups²³ and communities to build respectful and mutually beneficial relationships and deliver positive outcomes for Indigenous people. Through consultation, engagement, opportunity identification, investment and support, we partner with Indigenous people to contribute positively to building sustainable communities, opportunities for work, economic growth and land management. We seek to:

-  **Be a leader in community engagement and cultural heritage management**
-  **Have industry best-practice recruitment and development programs for meaningful career opportunities**
-  **Support Indigenous businesses through our supply chain²⁴**

We pursue this objective with reference to UN Sustainable Development Goals, in particular Goal 4: Quality education, Goal 8: Decent work and economic growth, Goal 10: Reduced inequalities and Goal 11: Sustainable cities and communities.

Our Indigenous partnerships are embedded across our pillars. You can find more detail about how we are partnering in the [Community and Supply Chain](#) and [People and Culture](#) sections. Our partnerships with nationals in our PNG and Timor-Leste communities are detailed in these chapters.

²³ Indigenous group: A body recognised by law or agreement that represents Indigenous people e.g. Traditional Owner groups and Land Councils in Australia and Native Corporations in Alaska.

Our key Policy positions

Santos is committed to building and maintaining mutually beneficial relationships with Indigenous communities. Our Local and Indigenous Communities Policy provides that we will engage at the earliest possible opportunity, actively work to increase the benefit of development activity with others, and to develop a range of procurement strategies, training and employment activities for Indigenous people.

Work proactively with Indigenous groups and communities to ensure they are fully informed prior to accessing land and address any issues raised promptly and transparently

Apply best practice in the assessment, identification and protection of cultural heritage

Identify suitable commercial opportunities for Indigenous businesses, as well as opportunities to employ and upskill Indigenous people

²⁴ See the [Community and supply chain](#) section of this report for information in relation to engagement of Indigenous businesses in our supply chain.



Material topic
GRI 411: Rights of Indigenous Peoples

Indigenous partnerships is a material topic

Indigenous partnerships are important to us and this is one of our identified material topics. In our reporting we address our management approach and incidents of violations of rights, consistent with GRI 411: Rights of Indigenous Peoples. See [Appendix 4](#) for our Disclosure index.

Santos has long-standing relationships with Indigenous communities across our operations, some dating back over 30 years. We engage and work in partnership with Indigenous groups for the life cycle of our operations on matters relating to Native Title, consent and cultural heritage management. In addition, we work to support economic opportunities for Indigenous communities including through employment, training, education, enterprise and land management.

Highlights from our 2021 performance include developing our Indigenous Participation Framework, Indigenous Participation Plan and Delivery Roadmap and 30 per cent Indigenous apprentice representation in the Australian apprentice and trainee program.

In 2021 Santos entered a partnership with the Bidjara people, through Goorathuntha Traditional Owners Limited, seeking these outcomes:

- + The Bidjara people to manage and protect their land at Mt Tabor, delivering social and economic opportunities for the Bidjara community
- + Santos meeting its biodiversity offsets for GLNG for the next five years of development in Fairview
- + Santos staff attending Bidjara-led, on-country cultural heritage immersions to learn about Bidjara culture and their role in land management.

“This partnership with Santos is a massive relief for the Bidjara people, securing our future here, and making sure we will never lose Mount Tabor. It means a lot to me for reconciliation. It’s about building a bridge, listening and working together. There are benefits in these agreements for all people – black or white”.
Senior Bidjara woman and Mount Tabor Station Manager, Keelen Mailman

2021 Indigenous partnerships performance

Indigenous Participation Plan commenced
embeds Indigenous partnership opportunities throughout our Australian business

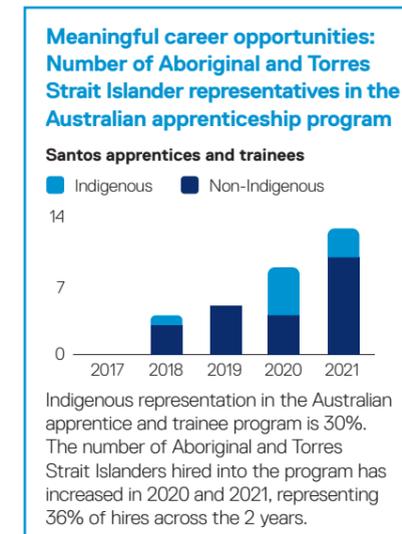
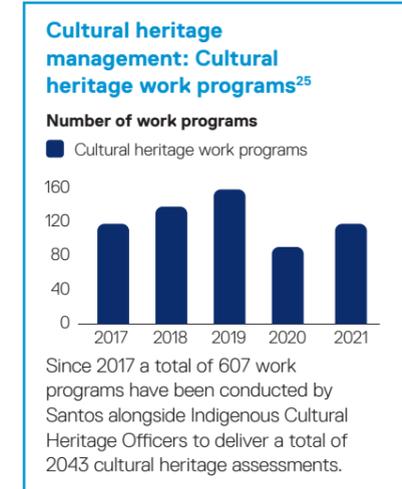
30% Indigenous representation
in the Australian apprentice and trainee program

\$20.7 million spend
with Indigenous enterprises in Australia and Alaska

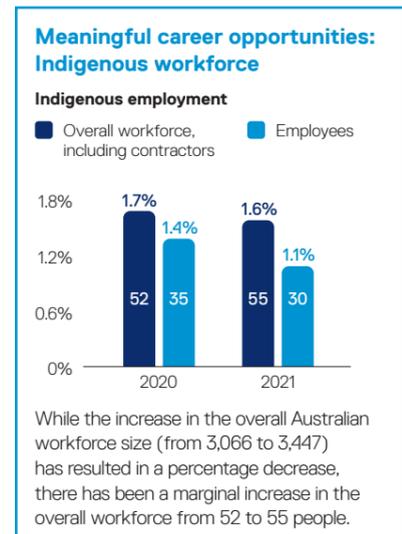
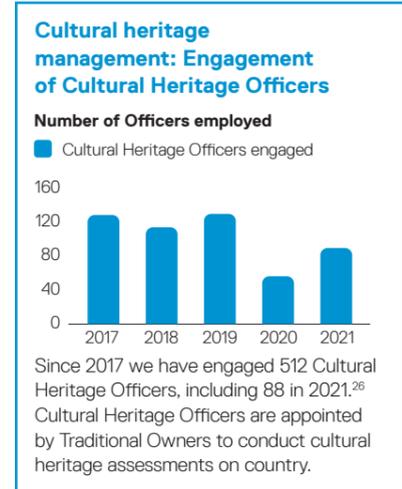
500 students sponsored
to participate in Santos Aboriginal Power Cup

421 cultural heritage assessments
delivered across Australian operations

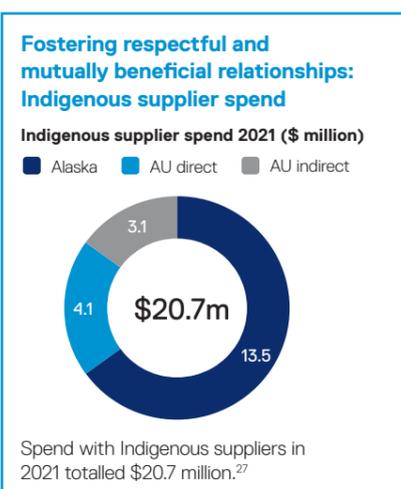
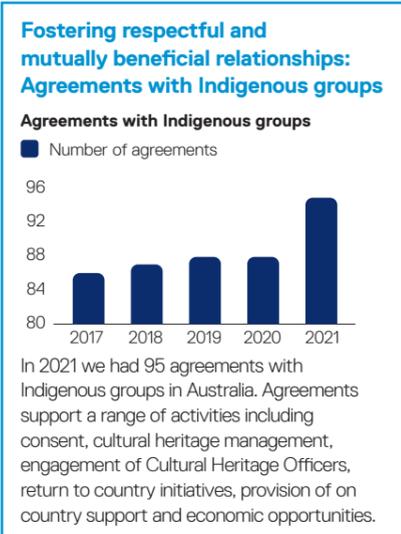
88 Indigenous Cultural Heritage Officers
engaged across Australian operations



²⁵ Cultural heritage work programs involve a number of cultural heritage assessments for various well leases, pipeline corridors and roads.



²⁶ Numbers of Cultural Heritage Officers engaged in 2020 and 2021 were reduced due to COVID-19 restrictions.



²⁷ Australian Indigenous indirect spend sourced from survey of Santos leading suppliers. Alaskan spend was the total for 2021 including pre-merger.

Our 2021 activities

Our processes to embed Indigenous Participation across our business

During 2021 we focused on embedding Indigenous participation as a 'business-as-usual' activity while driving continuous improvement. We have implemented the Indigenous Participation Framework, Indigenous Participation Plan and Delivery Roadmap which were approved by the Environment, Health, Safety and Sustainability (EHSS) Committee of the Board. The roadmap aims to deliver real and sustainable Indigenous participation in focus areas:

- + Engagement and access (cultural engagement, agreements and consent, capacity building)
- + Economic participation (career pathways, talent pipeline, supply chain)
- + Community partnerships (investment, recognition and acknowledgement, public engagement).

Progress on implementation of the Local and Indigenous Communities Policy, the Indigenous Participation Plan and Santos Management System requirements is reviewed regularly by the Santos Executive and Operations Committees and the EHSS Committee, including updates on plans, progress and opportunities to adjust our approach. The Santos Board has regular oversight of relationships with relevant Indigenous groups and communities.

Our activities to drive increased Indigenous participation are also outlined in the [People and Culture](#) and [Community and Supply Chain](#) chapters of this report.

The Santos Indigenous Participation Framework



Seek to be a leader in community engagement and cultural heritage management

Santos believes that successful partnerships with local Indigenous communities are vital to the long-term viability of our operations. This goes beyond contractual or legislated requirements. We engage and work closely with host Indigenous groups and their communities for the life cycle of our operations.

The Cultural Heritage and Native Title Operating Standard in the SMS defines our cultural heritage management process in Australia and is embedded across all operating areas. The core principles underpinning our process are:

- + Working in partnership with Indigenous groups

- + Ensuring that sites of cultural significance are identified, recorded and avoided.

The process is based on undertaking early and continuous engagement for cultural heritage and Native Title seeking to ensure informed consent for the life cycle of operations. This is achieved by:

- + Developing and implementing agreements in partnership with Indigenous groups
- + Engaging Cultural Heritage Officers, nominated by their respective communities, throughout the life cycle of cultural heritage assessments and implementation of site management actions. Cultural Heritage officers are engaged to perform cultural assessments that are undertaken via campaign-style work programs. The work programs are scheduled to support field exploration and construction.

- + Facilitating annual site visits by Elders and youth to sites of cultural and environmental significance
- + Ensuring that economic opportunities are identified and developed in partnership with Indigenous groups and their communities
- + Santos funding all costs associated with cultural heritage, Native Title and statutory meetings.

In 2021 we held 95 agreements with Indigenous groups in Australia. We did not receive any complaints from our Indigenous counter parties as to the performance of our obligations during the year.

During 2021 we engaged 88 Cultural Heritage Officers (CHOs) via Indigenous service providers. CHOs are members of the Traditional Owner group on whose Country we are operating. During the 2020 and 2021 programs, there was a drop in the number of CHOs engaged. Numbers were reduced to minimise risk in exposing their communities to COVID-19 and many communities were in extended lock down during this time.

Targeted cultural heritage awareness training was delivered by Traditional Owners including the Karingbal people who are the Traditional Owners for the Arcadia Valley in Queensland. These sessions provided Santos employees and contractors the opportunity to learn about Karingbal cultural heritage and the significance of the Arcadia Valley.

Between 2017 – 2021 in Australia:

- + We have engaged a total of 512 CHOs
- + Delivered a total of 2043 cultural heritage assessments through 607 work programs
- + No complaints raised by Indigenous groups through the implementation of our agreements

Case study Alaska North Slope Agreement – working with Indigenous partners

[Read the case study here](#)



Case study Wongkumara Elders visit – returning to country

[Read the case study here](#)



Case study Supporting Kullilli return to country

[Read the case study here](#)



Case study Mount Tabor Environmental Offset Agreement – a partnership with Goorathuntha Traditional Owners Limited

[Read the case study here](#)



2021 Santos Directors' EHSS Awards

WINNER

Environment Team of the Year
Mt Tabor Biodiversity Offset Project Team

Seek to have industry best practice recruitment and development programs for meaningful career opportunities

We believe in ensuring that our host Indigenous groups and their communities benefit from our operations. We are committed to creating sustainable employment, training and educational opportunities spanning the life cycle of our operations by taking the time to listen to what is important to our host communities.

In 2021, 1.6 per cent of our total Australian workforce identified as Aboriginal and/or Torres Strait Islander people.

Santos Indigenous Development Program

The Santos Indigenous Development Program continues to provide opportunities for Indigenous persons to work with Santos as trainees, undergraduates and cadets and build pathways into ongoing employment opportunities within Santos.

In 2021 we continued to build our talent pipeline by supporting seven Indigenous Development Program participants. In addition 30 per cent of our apprentices and trainees in Australia are Indigenous. Assisting development program participants into graduate and apprenticeship programs provides meaningful and sustainable careers for participants.

Our partnership with the Alaska Native Science and Engineering Program, through the University of Alaska, provides summer internship opportunities to students in this program with a goal to hire engineering graduates in the future. The program includes Alaskan Natives, creating a pathway to future employment.

Supporting Indigenous youth in schooling

We are also active in supporting Indigenous youth in their schooling to open more career pathways, including our support of the Clontarf and STARS Foundation in the Northern Territory and the Santos Aboriginal Power Cup in South Australia.

Santos Aboriginal Power Cup – supporting Indigenous youth since 2009

The Santos Aboriginal Power Cup is Port Adelaide Football Club's flagship Aboriginal community program for secondary school students. The program culminates in an annual three-day carnival featuring cultural activities, health, career and tertiary pathways, and some friendly football competition between schools. To be eligible to participate, students must have completed school assessment tasks and met behavioural and attendance standards.

“The Santos Aboriginal Power Cup sees tangible educational outcomes for young Indigenous people and these results simply would not be possible without Santos' support.”

**Port Adelaide Chief Executive
Matthew Richardson**

“The Santos Aboriginal Power Cup is about providing more opportunities and more incentives to young people to complete school.”

**Santos Chief Executive Officer and
Managing Director, Kevin Gallagher**

In 2021, 2000 Indigenous students were supported through Clontarf Academy and STARS Foundation in the Northern Territory by corporate partners including Santos. In addition 500 students were sponsored to participate in the Santos Aboriginal Power Cup. The Santos Aboriginal Power Cup has grown from 133 students from six schools in 2008, to more than 500 students from 65 schools in 2021.



[Read the case study here](#)

Supporting Indigenous businesses through our supply chain

At Santos, we are committed to enabling and supporting Indigenous businesses through our extensive supply chain network. We also expect the same commitment from our contract partners. Santos is continuing to implement and mature procurement strategies that support Indigenous capability.

Within our business, we have direct contracts in place with Indigenous service providers, who provide services ranging from weed management surveys at our operating plants, to provision of operational equipment. The contracts deliver Indigenous capability and capacity-building opportunities across several locations. See our [Community and supply chain](#) section of this report for more information.

In 2021 Santos spent \$4.1 million directly with Australian Indigenous enterprises. In addition to our direct spend, our 2021 contractor survey highlighted a further \$3.1 million spend with Australian Indigenous service providers engaged by over 90 Santos contractors. In Alaska during 2021, \$13.5m was spent with 16 Alaskan Native Corporations pre and post merger.

Future focus

We will continue to implement the commitments in our Indigenous Participation Plan during 2022 and 2023, focusing on:

Delivering a cultural awareness training framework

- + Mandated training for all employees in:
 - + General cultural awareness
 - + Aboriginal and Torres Strait Islander cultural awareness
 - + PNG cultural awareness
 - + Timor-Leste cultural awareness

- + Mandated field cultural heritage induction for employees working in Onshore Australia locations
- + Establishing a Traditional Owner Leadership Forum with attendance by Santos CEO and Executive and current and emerging Indigenous leaders from across our Santos Australian operations
- + Senior leaders participating in cultural immersion experiences, including attending Elders' visits to country, and participating in Santos cultural heritage field work programs.

Creating new partnerships with our host Indigenous communities

- + Our focus will be on partnerships that support land management and ranger programs and development of community infrastructure on country.

Developing an Indigenous workforce strategy

- + Developing early career pathway programs for Aboriginal and Torres Strait Island people targeting professional, technical and field based roles, including Graduates, Corporate Traineeships and Apprenticeships
- + Increasing Aboriginal and Torres Strait Island participation in our early career pathway programs, including apprenticeships
- + Increasing Aboriginal and Torres Strait Island employees transitioning to permanent employment
- + Identifying and tracking career development and progression of Aboriginal and Torres Strait Island employees
- + Expanding our Aboriginal and Torres Strait Island Tertiary Scholarship Program and increasing the number of scholarships
- + Establishing infrastructure to support leaders and Aboriginal and Torres Strait Island employees commencing employment with Santos.

Increasing the number of Indigenous enterprises engaged and the associated year-on-year spend

- + Setting supply chain Indigenous participation targets across our operations, including expenditure with Indigenous enterprises and contractor Indigenous participation targets
- + Developing strategic initiatives to increase Indigenous procurement and employment across the supply chain and build capacity of Indigenous enterprises
- + Identifying contracts that will provide Indigenous enterprises the opportunity to demonstrate technical capability and commercial competitiveness before a general approach to the market.

Supporting information

- + [Local and Indigenous Communities Policy](#)
- + [Environment, Health, Safety and Sustainability Committee Charter](#)
- + [Indigenous Partnership site](#)

Community and supply chain



Our objective

Our objective is to improve the living standards in the communities where we operate, building deep, long-lasting relationships that serve generations.

We seek to:

- Create a positive legacy and build capacity in the communities where we operate**
- Create opportunities for local and Indigenous suppliers to increase their capability and capacity to supply**
- Build sustainable communities through investing in local jobs, supporting local businesses and paying local taxes and rates**
- Work in partnership with landholders**

We pursue this objective with reference to the UN Sustainable Development Goals, in particular Goal 3: Good health and wellbeing, Goal 4: Quality education, Goal 5: Gender equality, Goal 6: Clean water and sanitation, Goal 8: Decent work and economic growth, Goal 11: Sustainable cities and communities, Goal 12: Responsible consumption and production, Goal 14: Life below water and Goal 15: Life on land.

“There was unprecedented demand on our services during the pandemic. Lifeline WA was able to scale up and respond because of the support of longstanding partners such as Santos. By funding the training of volunteer crisis supporters, Santos contributes to making sure that someone is always there to support a help seeker in their time of crisis.”

Lifeline WA Chief Executive, Lorna MacGregor

Our key Policy positions

Work proactively with landholders, local communities, Traditional Owners / clans and Indigenous communities to ensure they are fully informed prior to accessing land and address any issues raised promptly and transparently

Identify suitable commercial opportunities for locally owned and Indigenous businesses, as well as opportunities to employ and upskill local and Indigenous people

2021 performance summary

Underpinning our objective are principles of **local participation**, supporting and developing the communities we work in through ensuring employment opportunities and sourcing from regional suppliers, **meaningful community investment**, as well as **community engagement** and having a strong local presence.

Our performance highlights for 2021 were:

- + \$444 million invested in host communities through our local spend,²⁸ including:
 - + \$59 million First Nations supplier spend²⁹
 - + >\$31 million community investment through agreements, sponsorships, grants and donations to support community needs and build capacity
- + Strong local employment across our operations:
 - + 100 per cent local employees in Darwin
 - + 85 per cent local employees in Gladstone, Narrabri and Whyalla
- + 88 per cent PNG citizens among PNG employees
- + 100 per cent Timorese citizens among our Dili employees
- + Oil Search Foundation continuing to support Provincial Health Authorities in the Southern Highlands, Hela and Gulf Provinces to deliver 145,000 childhood immunisations in PNG.

On pages 39 and 40 we include a breakdown of our local community spend across each of our operating regions.

2021 Community and supply chain performance

\$444 million local spend in 2021 including >\$31 million in community investment²⁸

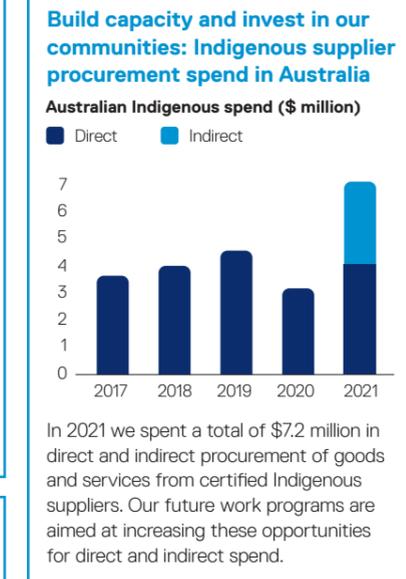
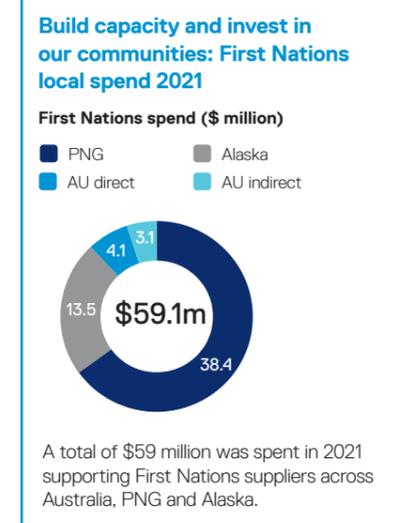
\$59 million spent with First Nations suppliers in 2021 including \$7.2 million spent with Australian Indigenous suppliers²⁹

Supporting 1,296 local suppliers across all of our communities through procurement of goods and services in 2021

Strong local employment 100% Darwin and Dili employees, 88% PNG employees, >85% in Gladstone, Narrabri and Whyalla employees

Supporting PNG rollout of 145,000 childhood vaccinations delivered by three Provincial Health Authorities with Foundation and Australian Government support

>40,500 Australian landholder engagement activities since 2017 as well as >3,300 PNG community, landholder and landowner engagement activities³⁰



²⁸ Local spend is spend in an area or region that includes some or all of community investment, procurement of goods and services, infrastructure, rates, levies and charges and payments to landholders. Community investment includes agreements with social outcomes, sponsorships, grants, and donations. 2021 local spend includes pre-merger amounts spent by Oil Search in Alaska and PNG.

²⁹ First Nations suppliers includes Australian Indigenous supplier companies, First Nations supplier companies in Alaska and local landholder corporations and other suppliers in PNG.

³⁰ Engagement activities are engagements with landholders for the purposes of undertaking authorised activities on their land. Activity includes community sessions, field visits, face-to-face meetings, phone calls and emails. PNG community and landholder engagement activities outlined are since 2018.

Our 2021 community contribution

Following the Oil Search merger, Santos has a workforce of over 4,500 people. In 2021 we spent over \$3.4 billion on goods and services globally with over 3,600 businesses.

Timor-Leste



- + Over \$5 million spent with Timor-Leste based suppliers including over \$730,000 contributed to community organisations through sponsorships and grants, including programs co-funded by the Bayu-Undan Joint Venture and Timor-Leste Government
- + 14 Timorese employees working directly for Santos in the Dili office and 20 on our Bayu-Undan operations offshore
- + 435 Timorese contractors supporting our Bayu-Undan activities onshore and offshore.

Santos' donation of \$187,850 to the Timor-Leste Red Cross flood relief to help provide food items, clothing, basic health and hygiene kits and potable clean water to locals.

Western Australia



- + Over \$1 billion spent with Western Australia based suppliers including:
- Pilbara and Gascoyne regions**
- + Over \$14 million local spend
- + Over \$117,000 community investment spend
- Perth**
- + Over \$356,000 community investment spend
- + Santos office, 382 employees.

Santos partnered with Exmouth CCI to deliver training to over 40 Exmouth residents through local company Base Marine, helping the community build local skills and business capability.



Key

- Cities/Towns
- Office / major facility locations

Local spend is spend in an area or region that includes some or all of community investment, procurement of goods and services, infrastructure, rates, levies and charges and payments to landholders.

2021 spend includes pre-merger amounts spent by Oil Search in Alaska and PNG.

Community investment includes agreements with social outcomes, sponsorships, grants and donations.

Papua New Guinea



- + \$339 million spent with PNG based suppliers including:
- + \$21.9 million towards community health, education, livelihood and gender outcomes, including through the Oil Search Foundation
- + 621 local employees, 88 per cent local employees.

The Oil Search Foundation supported three Provincial Health Authorities to deliver COVID-19 response plans to a catchment population of approximately one million people and kept 106 health facilities open during the pandemic.

Northern Territory



- + Over \$41 million spent with Northern Territory based suppliers including:
- + Over \$1.4 million community investment spend
- Darwin**
- + 104 local employees, 100 per cent local employees.

In 2021 we were proud to be a corporate partner and help support over 2,000 Indigenous students through partnerships with Clontarf and STARS Academies, improving high school retention rates to 90 per cent and 96 per cent for Clontarf and STARS students respectively.

New South Wales



- + Over \$230 million spent with New South Wales based suppliers including:
- Narrabri**
- + Over \$1.7 million local spend, including over \$398,000 community investment spend
- + 9 local employees, 90 per cent local employees.

Santos invested an additional \$280,000 on The Santos Festival of Rugby, injecting an estimated \$525,000 into the local Narrabri Community.

Queensland



- + Over \$632 million spent with Queensland based suppliers including:
- Gladstone**
- + Over \$24 million local spend
- + Over \$138,000 community investment spend
- + 113 local employees, 93 per cent local employees.

Santos GLNG supported the Education Queensland Industry Partnership Programs (EQIP) and the Pre - Education Queensland Industry Partnership Programs (PREQIP). 60 students participated across both programs in 2021.

Roma and surrounding regions

- + Over \$83 million local spend including:
- + Over \$135,000 community investment spend
- + 40 local employees.

The Santos-sponsored Business Excellence Program delivered six capability building workshops to over 100 local businesses, helping increase their capacity to supply to Santos.

Brisbane

- + Santos onshore division office, 590 employees.

South Australia/Queensland



- Cooper Basin**
- + Over \$95,000 community investment spend
- + 322 employees working across our remote assets.

Santos is proud to be a long-term sponsor of Outback Gondwana Foundation which in 2021 unearthed the remains of a 95 million year old dinosaur called *Australotitan Cooperensis*, the largest ever found in Australia.

North America



- + 125 employees based in Anchorage
- + \$188,000 contributed to community organisations through Oil Search sponsorships.

During the year four students were sponsored through the Alaska Native and Science Engineering Program, designed to help improve access to science and engineering roles for students across more than 100 Alaskan communities.

South Australia



- + Over \$306 million spent with South Australia based suppliers including:
- + Over \$482,000 community investment spend
- Port Bonython/Eyre Peninsula**
- + Over \$12 million local spend
- + 43 local employees, 86 per cent local employees
- Adelaide**
- + Santos head office, 569 employees.

Santos supported AusOcean to protect and raise awareness of the annual Australian Giant Cuttlefish migration by working with Whyalla High School Year 9 STEM students to assemble rigs containing underwater cameras. The feed is streamed live on YouTube and has over 16,000 views.

Our 2021 activities

We partner with our host communities to identify and progress opportunities to address their needs, to build community capacity and bolster long-term economic sustainability.

Expanded host communities in PNG and Alaska

As a result of our merger with Oil Search we have expanded our operating footprint into PNG and Alaskan host communities.

We are building on the Oil Search community programs and we are committed to continuing the support of the Oil Search Foundation in PNG.

Since the merger, we have reviewed and unified our strong and aligned approaches to social outcomes, including updating our Local and Indigenous Communities Policy for the merged company.

Our community principles

The principles that drive how we engage with, and support our communities, remain focused on mutually beneficial community relationships and delivering sustainable, social outcomes. These principles are:

Community participation: supporting and developing local communities through jobs and procurement



+ Provide employment and training opportunities for local and Indigenous people

+ Procure goods and services from local and Indigenous businesses

+ Support local and Indigenous capability and capacity building.

Community engagement: ensuring strong local presence and fully informed communities



+ Proactively listening, consulting and engaging with local and Indigenous stakeholders, and participating in strategic community discussions

+ Providing information about our company and activities

+ Supporting meaningful community initiatives and supporting local and community events through funding and in-kind resources.

Community investment: invest in initiatives aimed at addressing the needs of the communities



+ Community partnerships that address key community needs and risks across our corporate social responsibility pillars

+ Grants and donations to support grassroots initiatives

+ Supporting regional economic development through investment in infrastructure and future resilience.

Community participation: building sustainable communities through investing in local jobs, supporting local businesses and paying local taxes and rates

Strengthening and developing local employment, training, education and enterprise opportunities is central to delivering meaningful and long-lasting contributions in the communities where we operate.

Local jobs in the communities where we operate

In 2021 Santos remained committed to local employment opportunities across our Australian communities, with 100 per cent local employment in Darwin and over 85 per cent in Gladstone, Narrabri and Whyalla.

In PNG, the commitment to building a national workforce has been sustained with PNG citizens representing 88 per cent of the local employee population. In Timor-Leste, Timorese employees represent 100 per cent of our Dili employee population.

Indigenous employment in our Australian and Alaskan operating regions is addressed in more detail in the [Indigenous Partnerships](#) section of this report.

Local spend – supporting local businesses in the communities where we operate

Santos is committed to supporting local businesses and supply chains. In 2021 we supported over 1,200 local suppliers.

We are also focused on supporting Indigenous businesses through our supply chain. In 2021 we spent a total of \$7.2 million in direct and indirect procurement of goods and services from certified Australian Indigenous suppliers. In the period 2017 to 2021 our direct spend with Australian Indigenous suppliers totalled \$19.4 million.

We continue to develop opportunities to increase support for local and Indigenous suppliers. In 2021 across our Australian operations we updated tender documents to maximise opportunities for local and Indigenous suppliers to bid, targeted meetings with key suppliers to identify further opportunities for local and Indigenous employees and suppliers and conducted a survey of 116 of our key suppliers to quantify indirect local and Indigenous spend.

In PNG we engage local community Landowner Companies, and, in North America, Alaskan Native Corporations for the supply of many good and services. Santos First Nations local spend in 2021 was \$38 million in PNG and \$13.5 million in Alaska.

Supporting local businesses: Danny from Roma Transport Services with Byron from Santos' Roma Logistics team

Supporting local businesses in PNG and Alaska

Companies formed by local community landowners, in PNG (Landowner Companies) and in North America (Alaskan Native Corporations), provide many core services to us, including drilling support, security, camp management, catering, ice road construction, general maintenance and transportation. In 2021 in PNG, Oil Search spent \$187 million on locally owned and operated suppliers, including \$38 million with Landowner Companies. In 2021 in Alaska, Oil Search spent \$44.9 million with local suppliers including \$13.5 million with Alaskan Native Corporations.

Throughout 2021 Oil Search continued to work closely with local PNG Landowner Companies.



Oil Search continued its partnership with the PNG Fresh Produce Development Agency, and local Landowner Companies to improve the accessibility of the commercial agriculture industry for community members in Gobe, Moran, Kutubu, Kikori and Hides. In Gobe, in 2021, this included the delivery of five model farms to participants. These farm kits are designed to demonstrate viable commercial farming techniques that can be adopted and sustained by local communities. In collaboration with local participants, we identified target crops for testing in the model farms. For additional detail see the [Just transition - Gobe Asset case study](#) in the Climate Change section of this report.

Community engagement: Ensuring a strong local presence and fully informed communities

Santos is committed to working hand in hand with communities. We engage with our communities by employing local people who live and work in the communities to listen, consult and engage with stakeholders. To encourage information sharing and to provide an understanding of our activities, Santos has local shopfronts for people to visit and provides informative communications through our company website and social media. Santos also manages grievances to ensure we promptly understand and address community concerns. Through our engagement we can better understand how to best support our host communities' needs and priorities.

Working in partnership with landholders and landowners

Strong working relationships with landholders/landowners are key and we work collaboratively to find mutually beneficial outcomes. There have been more than 3,300 community, landholder and landowner meetings in PNG since 2018 and over 40,500 landholder engagement activities since 2017 across the sites where we operate in Australia.

Santos provides valuable opportunities to community members and landholders who may have limited access to medical treatment. This support varies depending on operation and location, and includes supporting access to vaccinations, emergency medical support, donations of equipment and support during emergencies, use of remote camps, and inclusion in social and sporting activities. We aim to improve the quality of life for those who live in the communities in which we operate.

Connectivity and telecommunications are often very limited in regional areas. In Queensland, Wallumbilla and Arcadia Valley communities now enjoy faster, more reliable mobile



phone and internet service due to Telstra infrastructure that Santos commissioned and funded. This is an example of Santos working with the community to deliver essential services and improve community outcomes.

Santos acknowledges that water is, and always will be a precious resource to all landholders. We produce water as a by-product of our operations. Working together with landholders to find beneficial reuse projects for produced water from our operations has resulted in large scale irrigation developments across our operational footprint in Australia.

Understanding the expectations and needs of our host communities

In addition to our grassroots community engagement, since 2019 we have conducted annual community sentiment surveys across our Australian operations to better understand the impact of our activities and identify the expectations and needs of our host communities.³¹

 **Mark, Mel and Andrew from Santos' Narrabri team at AgQuip**

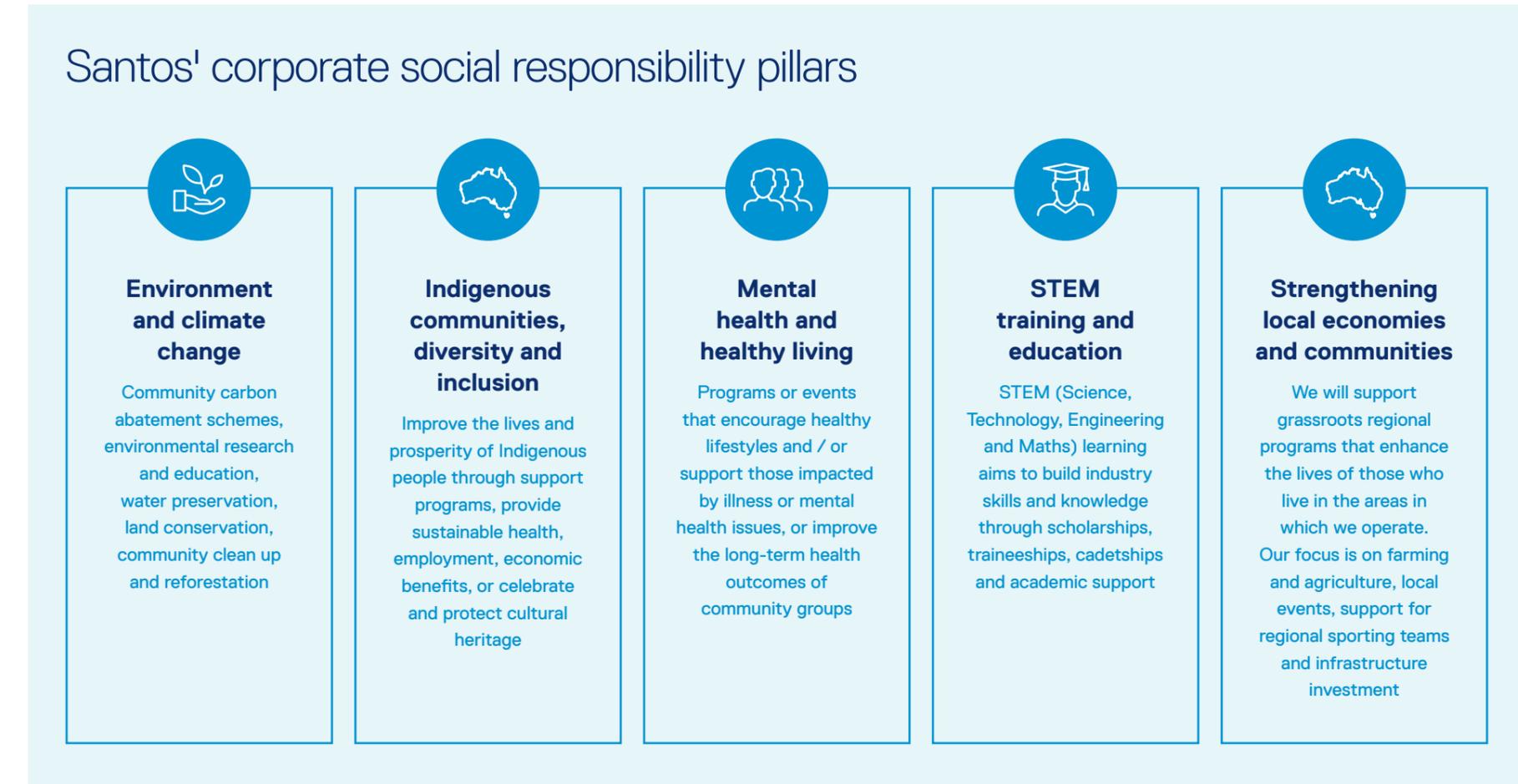
The results from these surveys inform our planning and our participation, engagement and investment and ensure we are aware of and connected to community needs and feedback.

The 2021 results underscored the need for a focus on local participation, which includes support for local jobs and local businesses. We are focusing on these priorities across all regions. Overall, community sentiment and support for our activities and approach has improved year-on-year.

³¹ Survey is conducted across Narrabri, Roma, Gladstone, Whyalla, Cooper Basin, Pilbara and Gascoyne regions and the Northern Territory.

Community investment: investing in capacity-building and needs-based priorities

We use our community investment programs to help create a positive legacy, building a better future in the areas we operate. Our community investment and partnerships are focused on capacity building and meaningful outcomes in the following five priority areas forming our corporate social responsibility pillars:



Community investment programs building capacity

Through our community engagement activities we work with communities to develop and maintain an understanding of community needs and priority areas for investment and capacity building across our corporate social responsibility pillars. In 2021 we invested over \$31 million across our host communities.³²

PNG and Timor-Leste

In PNG and Timor-Leste the areas of priority focus are health and education, as well as gender equity in PNG.

PNG

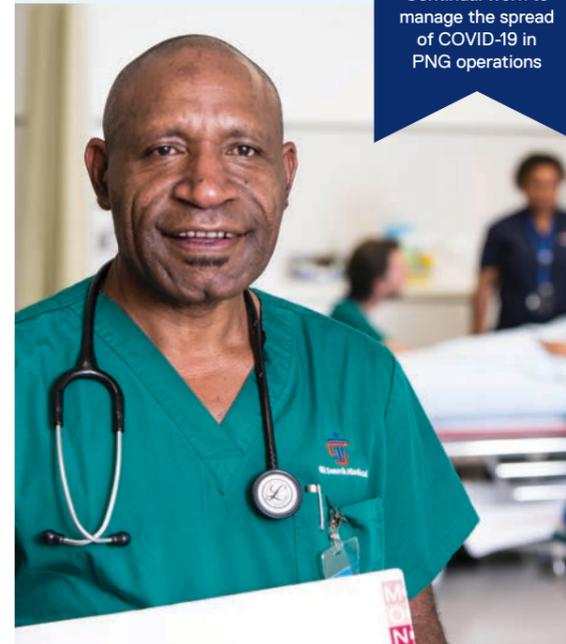
Health

In 2021 there was an ongoing focus on managing the spread of COVID-19 in all areas. In PNG where vaccine hesitancy is particularly strong, the Foundation supported partners within the National Government and Provincial Health Authorities to respond to the pandemic. The Foundation provided the National Control Centre with logistical and administrative expertise and funded technical advice to the COVID-19 Vaccine Taskforce. The Foundation and its partners reached over 100 communities and 6,500 people with community education and the chance to be vaccinated on the spot.



Case study Managing the spread of COVID-19 in PNG

[Read the case study here](#)



2021 Santos Directors' EHSS Awards

FINALIST

Safety Team of the Year
PNG Medical Team, Continual work to manage the spread of COVID-19 in PNG operations

← **The Foundation partners with Poroma Bible Church delivering COVID-19 vaccine community awareness activities in remote Poroma in the PNG Southern Highlands**

³² 2021 investment includes pre-merger amounts spent by Oil Search in Alaska and PNG.

In addition, in 2021 the Foundation continued to work with partners to build capacity in education and gender equity outcomes.

Education

2021 early childhood literacy programs in Hela and Gulf Provinces, supported by the Foundation, enabled over 270 children to enrol in literacy classes. Ten scholarship recipients completed their tertiary training in medicine and nursing in 2021, with all ten returning to work in government or church run health facilities as fully qualified health practitioners.

Gender equity

The Foundation supported the Hela Provincial Women's Council to convene the first ever leadership forum for women in Tari, where 75 women leaders from across the Hela province met with over 30 leaders from the National and Provincial Governments, Provincial Health Authority, District Development Authorities, law and justice, Australian Government, UN representatives, and other private sector leaders to develop a Plan of Action to address the needs of women and girls in Hela. This has led to funding allocations from these bodies and the establishment of regular forums for joint decision making, and advancing the economic participation, safety and health of women as a priority.

On pages 49 and 50 of this report we provide further information on health, education and gender equity outcomes and work undertaken through the Foundation in 2021.

Timor-Leste

In Timor-Leste Santos operates the Bayu-Undan facility, in offshore Timor-Leste waters. In 2021 Santos and its partners spent over \$11.79 million on the employment and training of Timor-Leste citizens and contributed \$730,000 to community organisations through sponsorships and grants (including programs co-funded by the Bayu-Undan Joint Venture and Timor-Leste Government).

As well as COVID-19, Timor-Leste was significantly impacted by flooding in 2021. Santos donated \$187,850

to the Timor-Leste Red Cross flood relief to help provide food items, clothing, basic health and hygiene kits, and potable clean water to locals.

In Timor-Leste, through the Bayu-Undan Joint Venture, Santos supports the St John of God Nursing Development Program. This 10-year long partnership has improved the health services available in Timor-Leste. In 2021 alone, assistance helped support:

- + COVID-19 vaccination training for five municipal referral hospitals
- + 23 participants taking part in the Health Manager Program
- + 20 new nurses and midwives at the National Hospital Guido Valadares to undertake the New Nurse and Midwife Program.

Since 2007, the Bayu-Undan Joint Venture has also supported NGO Santalum to deliver a reforestation program in Timor-Leste. In 2021, 36,500 trees had been planted and approximately 90 per cent of these trees had successfully established to sustain both dry and wet seasons.



Case study Supporting nursing capacity development in Timor-Leste

[Read the case study here](#)



↓ **Tree planting as part of our sponsorship of Santalum in Timor-Leste**

Australia and North America

Across our many Australian areas of operation and in our Alaskan area of operation, there are broad and varying community priorities. These range from health and mental health, to education and opportunities for young people, environmental and climate initiatives and partnerships supporting Indigenous communities and community resilience. As with PNG and Timor-Leste community investments, Santos' focus is on partnering with community organisations and service providers to build capacity and opportunities in the regions we operate in.

North America

In North America, Santos is developing a project on the Alaskan North Slope. Community priorities in the region include education and opportunities for young people, health and wellbeing and environmental initiatives.

One of Santos' key partnerships in the region is with Ilisagvik College on a Workforce Development Program, increasing access to vocational education and workforce development. In 2021 the Workforce Development Program delivered 150 workforce training classes to over 750 participants across the North Slope, including seven classes in Nuiqsut for 45 locals.

Other key community partnerships in 2021 also included Challenge Life Youth Camp, a program promoting wellness and healthy lifestyles through basketball, and the Kenai Classic, supporting the conservation and rehabilitation of fisheries habitat to maintain and improve the Kenai River.

Australia

In Australia, Santos has operations across Queensland, New South Wales, South Australia, Western Australia (offshore) and the Northern Territory. The priority needs of our host communities range across all our corporate social responsibility pillars. Here are the outcomes we, along with our joint venture partners, have supported through community partnerships and investment:

Indigenous communities, diversity and inclusion

+ Clontarf Academy and STARS Foundation:

In 2021 we contributed to helping 2000 Indigenous students to complete Year 12 and transition into further study or employment. The retention rates in 2021 in both programs were 90 per cent in Clontarf and 96 per cent in STARS



+ Operation Flinders: Through Santos' partnership with Operation Flinders since 2015, we have directly supported 65 at-risk youth in the Northern Territory and South Australia to build and develop leadership skills

+ Education Queensland Industry Partnership Programs (EQIP): Santos GLNG supported EQIP to assist Year 11 and 12 students to complete a Certificate II – Process Plant Operations and PREQIP to develop STEM pathways for Year 10 Aboriginal and Torres Strait Islander students. 15 EQIP students and 45 PREQIP students participated in 2021

STEM training and education

+ STEM partnerships: In 2021 over 5,500 students participated in STEM programs across regional and metro schools and universities via Santos' National STEM partners

+ Country University Centres: In 2021, 650 local students were supported to undertake tertiary studies at the Country University Centres in Roma, Queensland and Narrabri, New South Wales. Over 3,700 students visited both Country University Centres in 2021

+ UNISA Girls in STEM: 25 Year 11 girls from across the Eyre Peninsula in South Australia were supported to participate in the UNISA Girls in STEM program in 2021

Environment and climate change

+ AusOcean: In 2021 Santos supported AusOcean in South Australia to protect and raise awareness of the annual Australian Giant Cuttlefish migration by working with Whyalla High Year 9 STEM students to assemble rigs containing underwater cameras. The feed is streamed live on YouTube and has over 16,000 views

+ Australian Institute of Marine Science: Since 2010, Santos has supported Australian Institute of Marine Science (AIMS) research into the Indian Ocean whale sharks to improve understanding of their behaviour, demography and migration patterns.

Case study Addressing mental health in our communities - partnering with Lifeline WA

[Read the case study here](#)



Strengthening local economies and communities

+ The Santos Festival of Rugby: Injected approximately \$525,000 into the town of Narrabri, connecting the community after prolonged drought and COVID-19 impacts

+ Outback Gondwana Foundation: Santos' long-term sponsorship of Outback Gondwana Foundation helped support the unearthing of the remains of a 95-million-year-old dinosaur called *Australotitan Cooperensis*, the largest ever found in Australia, in 2021

Mental health and healthy living

+ Ronald McDonald House Charities Western Australia: The Ronald McDonald Family Room and Aboriginal Family Room *Kulunga Moort Mia* (Noongar for 'children's family place') are overwhelmingly popular, with approximately 2,500 visitors each month. Both community rooms have been exclusively supported by Santos since opening in 2016

+ RACQ CapRescue: In 2021, 390 life-saving rescues were performed by the RACQ CapRescue helicopter across Gladstone in Queensland through support from Santos and other partners.

Future focus

Santos will continue to support the communities in which we operate by maintaining focus on local participation, community investment and community engagement. We will continue to address the needs of the communities in priority development areas with the following specific actions:

Community engagement and investment

- + Continue to focus on our community engagement approach and governance, with ongoing improvements to support our stakeholder management
- + Review community investment processes and develop a more unified approach across all of Santos operating areas including PNG and Alaska
- + Review our community investment framework, including our corporate social responsibility pillars, to ensure we continue to deliver social value and support capacity building outcomes across our regions

- + Define social impact outcomes and implement key performance indicators to address identified community needs / business risks for each asset.

Local and Indigenous participation

- + Continue to target local employment in our apprenticeship and traineeship program, with ongoing involvement with local schools, providing information sessions in local communities and advertising the program in local newspapers
- + Define local procurement performance indicators and develop a plan for each operating region that drives the creation of local training opportunities and local employment in each area
- + Ensure our future work programs are aimed at increasing local and Indigenous procurement opportunities, for example, by partnering with Supply Nation, Industry Capability Network and other entities to identify opportunities.

Landholder engagement

- + Consolidate all onshore land access approvals into our stakeholder management database by integrating Cooper Basin and Northern Territory access processes
- + Continue to improve our consultation processes by developing and implementing a new environmental regulatory approvals consultation procedure.

Supporting information

- + [Local and Indigenous Communities Policy](#)
- + [Modern Slavery Statement 2021](#)
- + [Community and Supply Chain site](#)
- + [Oil Search Foundation site](#)



Foundation contributing to health, education and gender equity outcomes in PNG

The Oil Search Foundation (the Foundation) is a not-for-profit organisation based in PNG and focused on fostering good governance and building capability in the systems that support health, education, community development and women's empowerment and protection outcomes. Following the merger of Santos and Oil Search, the Foundation plays a key role in achieving the objectives of Santos' community investment framework in PNG.

The Foundation assists partners to determine their own development priorities and to deliver them in ways that maximise local ownership and sustainability. Once partner priorities are identified, the Foundation supports implementation and delivery by assisting partners:

- + To target funding
- + To leverage resources
- + Through providing technical assistance and advice, training, supplies and logistics.

This approach respects and supports local culture, individuals and communities, and the PNG Government's policy frameworks, institutions and systems. Santos is proud to support this partnership-led approach which has underpinned the Foundation's work since 2016.

Improving health outcomes

The Foundation works alongside the PNG National Department of Health, and Provincial Health Authorities (PHAs) to improve health outcomes through building the capacity of the PHAs in planning, financial management, human resource support, clinical services development, remote service delivery, logistics support and planning, and monitoring and evaluation. The Foundation has partnership agreements in place with the PHAs in each of the three provinces in which Santos' assets are located: Hela, Southern Highlands and Gulf. These three PHAs provide services to just over one million people (11 per cent of the total population of PNG), operating in some of the most difficult terrains and contexts in the country.

All health sector partners were faced with extreme operating circumstances in 2021 with a severely depleted PNG health workforce and high rates of COVID-19 infection.

During 2021 the Foundation supported the three partner PHAs to keep hospitals and rural health facilities open and

delivering most routine services. The Foundation supported the rollout of COVID-19 vaccination programs with surge support teams mobilised with Australian Government funding, working alongside designated PHA COVID-19 teams in Gulf, Southern Highlands and Hela Provinces in an environment of high vaccine hesitancy, especially in the Highlands region.

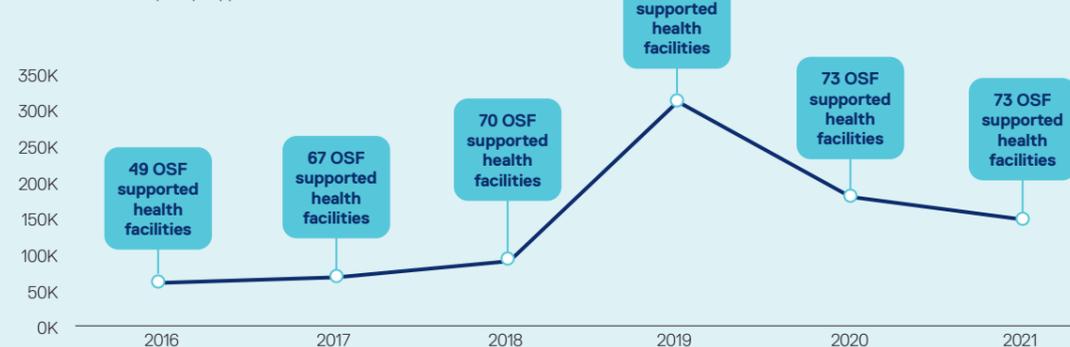
Despite the scale of the challenges posed by the pandemic, significant outcomes in 2021 were achieved by the three PHAs in Santos operating areas with support provided by the Foundation, including:

- + Keeping 106 health facilities open, operating and providing essential health services
- + Delivering 145,000 childhood immunisations – most countries around the world and the majority of PHAs in PNG, seeing significant drops in childhood vaccination rates.

Since 2016 vaccination rates have sustained an increase of over 80 per cent.

Childhood vaccinations in PNG

— Total immunisations for all childhood vaccinations in Foundation (OSF) supported facilities



Supporting PHA improvements

- + Hela PHA remained in the top five performing PHAs for immunisations
- + Since 2019 Gulf Provincial Health Authority sustained an 11 per cent improvement on childhood immunisations
- + Southern Highlands PHA maintained immunisation rates despite extreme COVID-19 related fears about vaccines across this province
- + All three PHAs exceeded the national target for antenatal care in Santos operating areas, with over 7,500 women attending clinics and 4,390 babies safely delivered by health workers with a 20 per cent increase in Hela province on 2020 performance
- + 22,740 family planning services delivered, representing a 36 per cent increase on 2020 across the three Provinces – Hela PHA was ranked equal first in the country on this indicator in 2021
- + Increased treatment for tuberculosis by 18 per cent with 463 people cured of the disease
- + Increased outpatient services by five per cent with over 560,000 outpatient visits delivered
- + Completed renovations to hospitals and health facilities including opening a new Nipa District Hospital, a new Accident and Emergency Ward in Hela Hospital (which included over 1,000,000 Kina donation from Santos), a new maternity ward and Xray and pathology unit in Koroba District Hospital, new doctor's housing in Margarima District Hospital, renovated maternity wards in six other facilities in Hela, a new cough clinic in the tuberculosis ward at Hela Hospital and new water tanks in three health facilities

Nationally, the Foundation also supported the PNG Government by providing resourcing and technical advisory support to the National Pandemic Control Centre to accelerate vaccine uptake and respond to the impact of COVID-19. The Foundation's Executive Director worked alongside the Minister of Health and HIV, the Pandemic Controller, and the COVID-19 Vaccine Taskforce to strengthen national systems and partner coordination for the national COVID-19 response.

Improving education outcomes

The Foundation continued to provide funding for early childhood literacy programs in Hela and Gulf Provinces in 2021. Over 270 children were enrolled in literacy classes in 2021 across all three of the Foundation-supported libraries at Kikori in Gulf Province, and in Habare (Tari District) and Fugwa (Koroba District) in Hela Province. Despite COVID-19 lockdowns, which affected student retention and attendance, just over 60 per cent of those enrolled participated in the full school year of classes and 164 children met pre-school literacy levels by the end of the year.

This program is delivered in partnership with local non-government partner Buk bilong Pikinini. In addition, ten scholarship recipients completed their tertiary training in medicine and nursing in 2021, with all ten returning to work in government or church run health facilities as fully qualified health practitioners.



↑ Santos Managing Director and Chief Executive Officer, Kevin Gallagher, reads to children in Habare literacy library in Hela Province. Hela Provincial Governor, Hon. Philip Undialu, captures the reading

Addressing gender equity

The Foundation prioritised activities which address family and sexual violence (FSV) and women's leadership under the gender equity program. In particular, Santos (formerly through Oil Search) has played a leadership role in encouraging private sector leaders to address the needs of employees who are dealing with FSV and to speak up against violence against women.

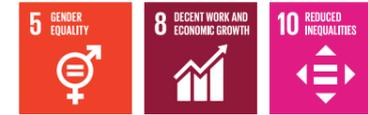
Bel isi PNG

The Bel isi PNG initiative is a public-private and civil society partnership, project managed by the Foundation. This is a jointly funded five-year initiative between the Australian Government, Santos and the Bank of South Pacific (BSP). The initiative provides an immediate response for survivors of family and FSV in PNG. With 17 subscribing companies, the initiative provides case management and safe house accommodation for employees of subscribers and for the general public. Operated by a respected non-government partner, Femili PNG, Bel isi PNG provided services to 571 people in 2021 (95 per cent female and five per cent male). The International Finance Corporation provides some evaluation services to Bel isi PNG and measures the costs to business of FSV, and is evaluating the benefits to subscribing companies of supporting the initiative.

Hela Provincial Women's Forum

The Foundation has worked closely with the Hela Provincial Council of Women (PCW) over three years to increase the engagement of women as leaders in decision making in the Province. Hela has high rates of reported FSV and local conflicts which impact most heavily on women and children. In early 2021 the Foundation leveraged over K120,000 and contributed K25,000 to convene the first ever leadership forum for women in Tari town (capital of Hela Province). Over 75 women leaders from across the province met with over 30 leaders from the National and Provincial Governments, Provincial Health Authority, District Development Authorities (DDAs), law and justice, Australian Government, UN representatives, and other private sector leaders to develop a Plan of Action to address the needs of women and girls in Hela. This historic event has led to the Provincial Government, the PHA, the DDAs and the UN allocating funding, establishing regular forums for joint decision making, and working intensively with the PCW on advancing the economic participation of women and the safety and health of women and children, as priorities.

People and culture



Our objective

Building an inclusive workplace and further investing in a diverse, highly capable workforce and a high-performance culture.

We seek to:

- 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**

We pursue this objective with reference to the UN Sustainable Development Goals, in particular Goal: 5 Gender equality, Goal 8: Decent work and economic growth and Goal: 10 Reduce inequality. Santos seeks to maintain and further enhance our inclusive, diverse, and non-discriminatory workplace. Our commitment to gender equality continues to focus on increasing female participation in our early career programs, at senior management levels, and across the overall workforce.

We are investing in the communities in which we operate, investing in youth, building local capability, and focusing on increasing local workforce representation in all our communities that we operate - in PNG, Alaska, Timor-Leste and Australia.

Our key Policy positions

Our Diversity and Inclusion Policy outlines actions that underpin our objective including:

- Provide development opportunities and career progression for our employees
- Foster and leverage diversity of thought, experience and skills
- Value and recognise Indigenous people and culture, creating opportunity for employment and supply chain participation
- Ensure a workplace free of bullying and harassment
- Report publicly on our diversity performance

2021 performance summary

With a pipeline of industry-defining energy projects and a key role to play in the energy transition to a low-carbon future, we know that the capability of our people and our teams is fundamental to delivering on our commitments. To support the capability building of our workforce, in 2021:

- + We provided employees with more than 62,000 hours of training spanning field operations, technical disciplines, leadership and professional development, and health and wellbeing
- + In PNG, 27 employees were identified for a newly introduced targeted development program, with eight being promoted to new roles within the first year
- + With the ongoing impacts of COVID-19, we expanded our health and wellbeing support through increased course offerings and attendance.

Our focus on creating an inclusive workplace has resulted in increased female participation across our business in 2021:

- + 35 per cent female representation in our office-based employees
- + Female representation in CEO direct reports increased from 27.3 per cent to 29.4 per cent

There has been increased utilisation of benefits to support employees returning to work following parental leave, with more than 100 employees accessing subsidised child-care places for children, and an increase in retention of primary carers to 88.5 per cent.

While we have seen a slight increase in turnover, this is consistent with industry trends across 2021 and our overall turnover rates remain low compared to benchmarks.

Our commitment to local employment remains strong, with high levels across all our key assets in Australia, including more than 85 per cent local employment in Gladstone, Narrabri, Roma and Whyalla and 100 per cent in Darwin. For more details see the [Community and supply chain](#) section of this report.

2021 people and culture performance

35% female participation in our office-based employees

88.5% retention of primary carers

A\$900,000 childcare subsidies paid by Santos

>62,000 training hours for our Australian based employees with more than a 40% increase in leadership and professional development attendance

250% increase in health and wellbeing programs participation

46% female representation in the Santos graduate program

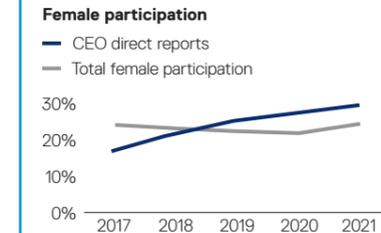
278 current employees started as Santos graduates

PNG citizens represent 88% of PNG employees

30% Indigenous trainee and apprentice representation

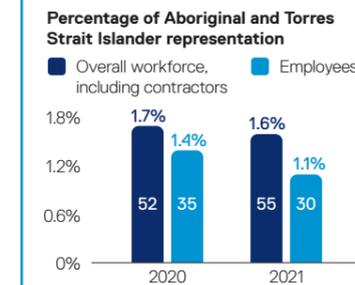
1.6% Indigenous representation in our total Australian workforce

View diversity and inclusion as the norm: A focus on female participation at all levels



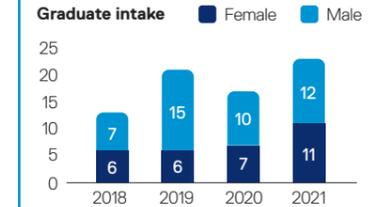
Female participation among employees has increased to 29.4% of CEO direct reports, and overall female participation has increased to 24% in 2021, increasing from 21.3% in 2020. Our office-based employee population had 35% female participation in 2021.

View diversity and inclusion as the norm: A focus on Indigenous representation



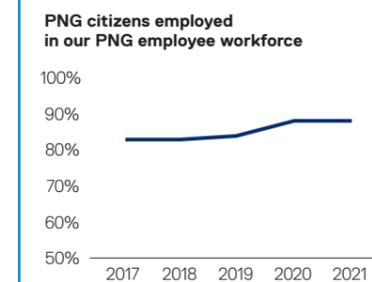
While the increase in the overall Australian workforce size (from 3,066 to 3,447) has resulted in a percentage decrease, there has been a marginal increase in the overall workforce from 52 to 55 people.

Harness talent to sustain our disciplined operating model: A focus on growing a pipeline of talented leaders



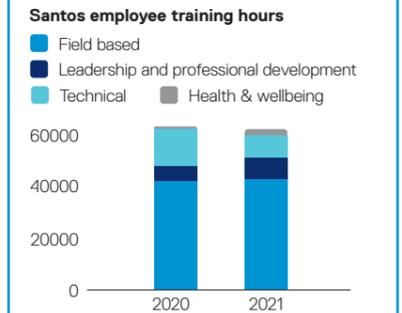
The proportion of females starting the program has increased over the past three years. 278 current employees have come through the Australian Santos Graduate Program since its inception in 1998. 46% of participants in our graduate program in 2021 were female.

View diversity and inclusion as the norm: Local employment in PNG



The number of PNG citizens in our PNG employee population (previously Oil Search employees) has increased from 83% in 2018 to 88% in 2020 and 2021, with 612 PNG citizens employed in 2021. 28% of these employees are women.

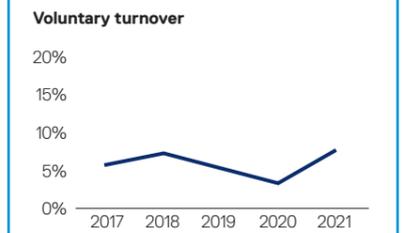
Growing an organisational learning culture: Training and development



A total of 62,000 hours of training and development programs were delivered to our Australian employees.

In 2021 we were focused on leadership and resilience in our workforce and we saw a 40% increase in leadership and professional development training hours, and a 250% increase in participation hours in health and wellbeing programs.

Attract top talent and retain our best people: Turnover



Voluntary turnover has increased from 3.3% in 2020 to 7.7% in 2021 (consistent with industry trends), with a 5-year average of 5.9%.

Our 2021 activities

Seek to attract top talent and retain our best people

Santos aims to attract and retain high calibre, diverse talent with a range of backgrounds and perspectives, to create a leading cohort who are creative, entrepreneurial and have a strong performance mindset. To achieve this, we recognise that our employee value proposition must be distinctive and meaningful, including offering opportunities for individuals to apply their strengths and creativity while learning, developing and advancing, as part of a company which is operating at the leading edge.

LEAP Behavioural Framework

The LEAP (Leaders, Experts and Professionals) Behavioural Framework is grounded in the Santos Values and defines the expected behavioural standards across all employee career stages of Leading Self, Leading Others, Leading Teams and Leading Business. LEAP serves as a blueprint for developing Santos' people, driving a unified learning culture, and delivering on our disciplined operating model.

Following its launch in mid-2020, in 2021 the LEAP Behavioural Framework was embedded across the employee lifecycle with the help of newly developed resources and awareness training. It now supports our approach to recruitment, talent identification and development and annual performance management; with a balanced focus on 'how' our people operate within the workplace as well as 'what' they achieve.

A focus on STEM

As a STEM-centric business we use an integrated approach to attract the best STEM talent and develop technical skills from early in the talent pipeline in schools, via vocational and university pathways, and through support of on-going technical development during employees' careers.



The Santos LEAP Development Program is tailored to four key career stages

To achieve our decarbonisation targets, our existing and future teams will continue to require strong STEM and leadership skills.

Santos Graduate Program

The Graduate Program attracts bright young minds and provides exceptional opportunities for accelerated career development across disciplines spanning engineering, the geosciences, environmental science, and finance. The program incorporates on-the-job technical training and specialist development activities, with graduate employees rotating through various teams, gaining office and field experience across Australia, from our modern capital city offices to the central Australian outback, to rigs in offshore Western Australia.

They are offered exposure to innovative projects like cleaner fuels, carbon capture and storage, solar energy conversion, advanced analytics and drone mapping.

Santos has a long history of graduate development, with our program running since 1998. The effectiveness of the program, and capability of the Santos graduates, has been consistent over many years with a strong track record of the graduate alumni progressing to leadership and senior management levels. Our employment pathways extend beyond Australia, with three graduate interns being employed into full-time roles in Timor-Leste in 2021. A graduate program has been running in PNG since 2005, with 99 graduates having transitioned to permanent employment during this period.

Case study PNG apprenticeship program – providing development opportunities and career progression

[Read the case study here](#)



Grow an organisational learning culture

We recognise that our leaders are critical to the culture and performance of the organisation. We are increasing our efforts and investment in supporting the growth and capability of outstanding leaders in Santos:

- + We saw over 62,000 hours of training recorded in 2021, including a 40 per cent increase in leadership and professional development
- + In 2021 we designed and developed the LEAP curriculum for implementation during 2022
- + A strong focus on continuous development extends through on and off-the-job training, support for professional memberships, and study assistance.

Career pathways

In our efforts to ensure the technical and functional development of our people, new Career Pathways were incorporated into Technical Function Capability Plans to improve clarity on growth and progression, seeing a large portion of technical employees participating in technical training aligned to their discipline.

A focus on health and wellbeing

A greater focus on health and wellbeing during 2021 saw Santos run a variety of leader and individual training and support sessions to assist with mental health, resilience, and general wellbeing in busy and uncertain times.

Flex Work: supporting a flexible approach to work

Santos has a long history of supporting our people to work flexibly. A refreshed 'Flex Work' framework was introduced in 2021 which continues to encourage our people to work in ways that suit them, while also strengthening business operations through consistency and equity in a way that is relevant to current needs.

View diversity and inclusion as the norm

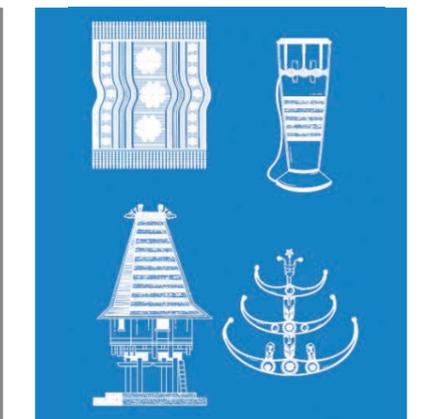
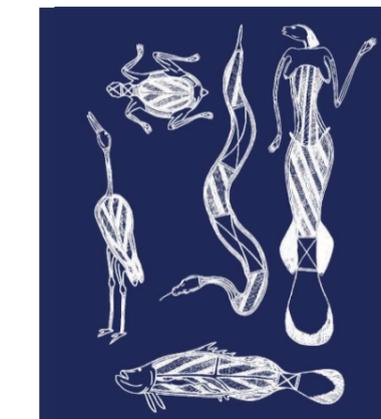
We recognise that an open, diverse and inclusive culture supports our continued success. Through 2021 we have progressed initiatives that continue to focus on providing opportunities for females and nationals and Indigenous persons at Santos.

A focus on cultural understanding

In 2021, we developed a series of bespoke cultural awareness e-learning modules, ready for our people to undertake in 2022. These modules explore facets of Aboriginal and Torres Strait Islander, Timorese and Papua New Guinean cultures, and aim to develop knowledge and a greater appreciation of the diversity of our people, while increasing employee openness and acceptance of differing attitudes, beliefs and world views.

Cultural design elements representing the cultures in Santos' operating footprint have been developed, demonstrating respect and inclusion of countries the company operates in.

Cultural iconography representing Australian Indigenous, PNG and Timor-Leste cultures in Santos' operating footprint



Supporting working parents

We support our employees in balancing their work and family commitments through:

- + Parental Leave & Return to Work Leader Toolkit – Upskilling our leaders to support a consistent and positive return to work experience for all returning parents, delivering an increase in retention of primary carers to 88.5 per cent, up from 82 per cent in 2020
- + Upgraded parental rooms in Santos' Perth, Brisbane and Adelaide offices during 2021
- + Santos subsidised childcare places. In 2021 Santos subsidised child-care places for children of 102 employees (26 per cent higher than 2020) and invested over A\$900,000 through our Child Care Subsidy benefit, with the company paying 50 per cent of the out-of-pocket childcare expenses for returning primary carers.

Indigenous participation

Santos continues its focus on creating employment opportunities for Aboriginal and Torres Strait Islander people. This includes a strong focus on early career pathways such as our Australian apprentice and trainee program with 30 per cent indigenous apprentices and trainees.

In addition to direct employment, we support increased Indigenous participation in our business through our supply chain and procurement initiatives and through our Indigenous engagement. For additional detail see the [Community and supply chain](#) and [Indigenous partnerships](#) sections of this report.

Harness talent to sustain our disciplined operating model

The Santos disciplined Operating Model is fundamental to the company's success. The model provides the framework to drive strong performance across our

business and the successful delivery of our Transform, Build and Grow strategy.

To remain a high-performing company it is important that we support our people to have a clear understanding and operate in alignment with the disciplined operating model.

Developing our high performers

Santos invests substantially in identifying and nurturing high-potential talent at all career stages. In November 2020 a group of high-performers were selected to participate in a 12-week Strategy Sprint activity, designed to develop strategic thinking, innovation and planning skills in these leaders of the future. The activity centred on the company's Purpose of providing sustainable returns for shareholders by supplying reliable, affordable and cleaner energy to improve the lives of people in Australia and Asia. Three teams were formed to focus on CCS, Digitalisation, and Midstream Infrastructure. Working in parallel over 12 weeks, teams developed, tested and presented their strategic concepts and pitched their strategic roadmaps to executives in early 2021.

We developed an e-learning module for our Operating Model in 2021 ready for launch in 2022.

Future focus

As we work towards shaping Santos for the future, our efforts will continue to proactively build talent pools and

attract exceptional people. Strategic actions to harness and maximise local capability in regions we operate, will also be a key focus area.

A priority for 2022 is to ensure the successful integration of Oil Search into Santos, following the merger in late 2021. Both companies have proud histories, and we will look to capitalise fully on the resultant additional diversity.

We will review our People and culture sustainability pillar focus areas to continue to adapt to reflect the evolving needs of a larger organisation with a wider geographical spread and new cultural factors, while remaining committed to ensuring a safe, high-performing, inclusive and highly competent workforce.

During 2022 we have three key organisational focus areas relating to our organisational culture:

- + **One Santos:** We will collaborate to deliver a One Santos mindset where every employee across the company has a shared understanding of what we do, how we do it and what the future looks like
- + **Resilient Performance:** We will enable and develop Resilient Performance that harnesses the strength of our teams and builds the adaptability and agility of our people to embrace change
- + **Visible Leadership:** Building visible leadership consistently by ensuring our key leaders are ambassadors for the Vision and strategy and are supported to have the right leadership capability and characteristics for their role.

Supporting information

- + [Diversity and Inclusion Policy](#)
- + [Careers at Santos site](#)
- + [People and Culture site](#)

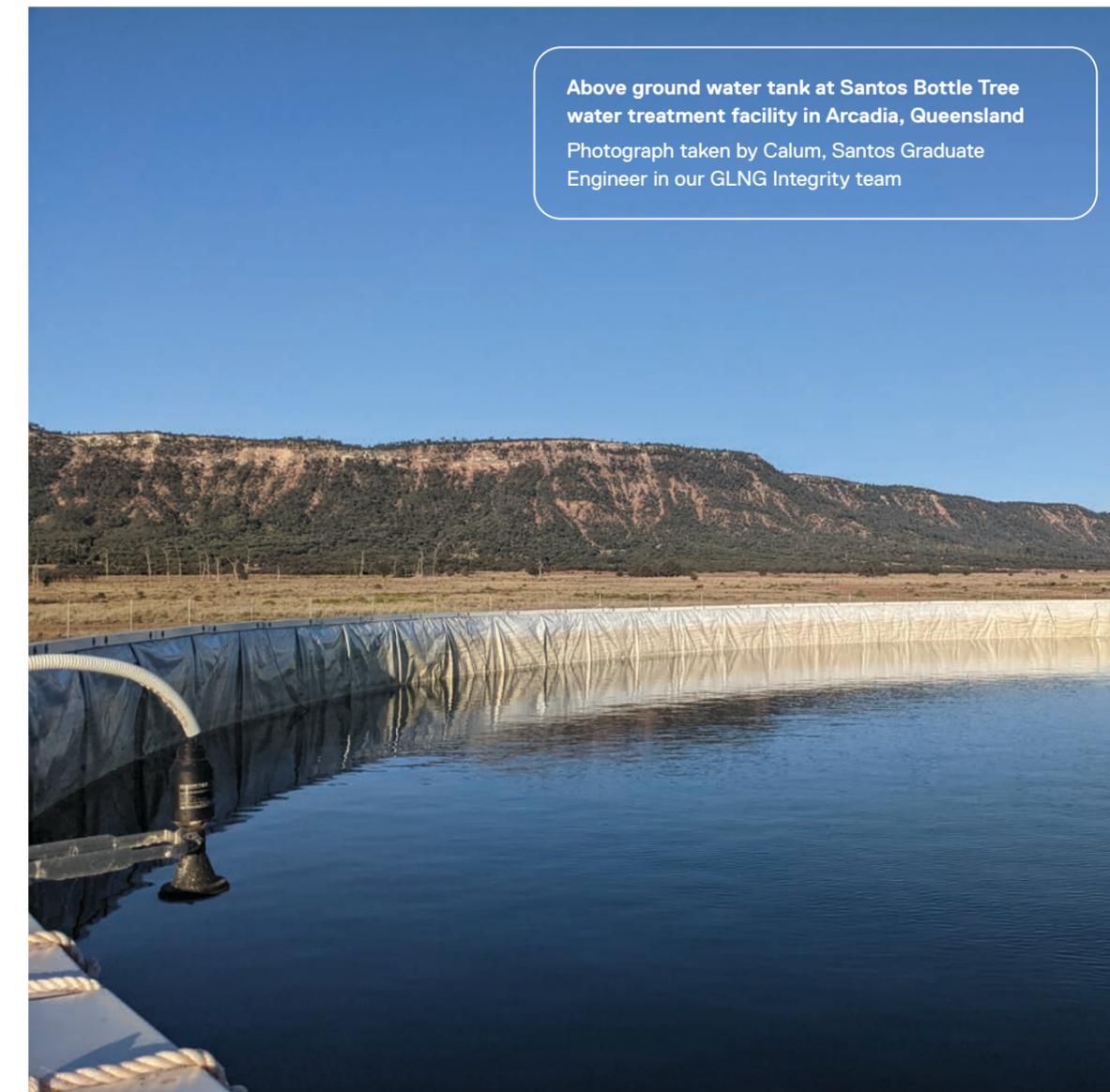
Case study Supporting Indigenous youth in the Northern Territory

[Read the case study here](#)



Above ground water tank at Santos Bottle Tree water treatment facility in Arcadia, Queensland

Photograph taken by Calum, Santos Graduate Engineer in our GLNG Integrity team



Economic sustainability



Our objective

Our objective is to be an economically sustainable company which supplies reliable, affordable, cleaner energy and contributes positively to the national and regional economies where we operate.

We seek to:

Maintain an economically sustainable operating model

Apply disciplined capital allocation to underpin growth and investment

Pay tax and provide a return to the community

We pursue this objective with reference to the UN Sustainability Goals, in particular Goal 7: Affordable and clean energy and Goal 8: Decent work and economic growth. Through the application of our 'Transform-Build-Grow' strategy and low-cost operating model, we supply reliable, affordable, and cleaner energy that improves the lives of people in Australia and Asia including our communities, customers, partners, employees and shareholders.

2021 performance summary

In 2016 Santos adopted a 'Transform-Build-Grow' strategy accompanied by a disciplined low-cost operating model, capable of delivering strong free cash flows through the commodity price cycle. This operating model has provided the framework to drive value with the support of a diverse and balanced portfolio. The consistent execution of this strategy and the disciplined application of the operating model was evidenced in our 2021 performance.

2021 was a historic year for Santos. Not only did the company make a final investment decision on two key projects, Barossa LNG and Moomba CCS, but the December merger with Oil Search saw us create a global company underpinned by a diverse portfolio of high-quality, long-life and low-cost oil and gas assets.

- + In 2021 Santos also delivered record annual production, strong free cash flow and liquidity of \$5.6 billion plus a 97 per cent increase in full year dividend from 2020
- + The increased efficiency and free cash flow generated by our disciplined low-cost operating model have supported rapid de-gearing of 6.1 per cent to a position of 27.5 per cent as at 31 December 2021
- + In addition to our community contribution by way of local employment, local spend and sponsorships, Santos has made material tax contributions³³ of \$2 billion in the period 2016-2021.

³³ Material tax contributions are Santos' global tax contributions, per its annual Tax Contribution Disclosure, which includes income tax, royalty-related taxation, Government royalties and excise and employment taxes.

Case study Final investment decision on Moomba Carbon capture and storage project

[Read the case study here](#)

2021 Santos Directors' EHSS Awards

WINNER

Division of the year
Midstream and Clean Fuels Division, responsible for the Moomba CCS project



2021 economic sustainability performance

92.1 mmbobe record annual production

103% increase in free cash flow and 97% increase in free cash flow per share from 2020³⁴

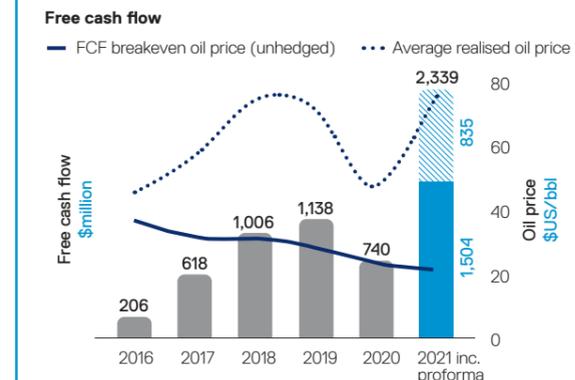
\$5.6 billion liquidity and gearing of 27.5%³⁵

97% increase in full year dividend from 2020

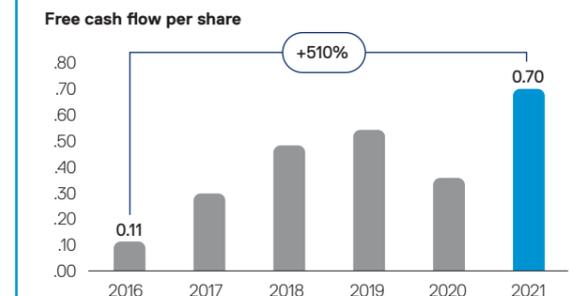
FID of Barossa LNG and Moomba CCS projects

Merger with Oil Search completed adding 416 mmbobe in 2P reserves

Maintain an economically sustainable operating model

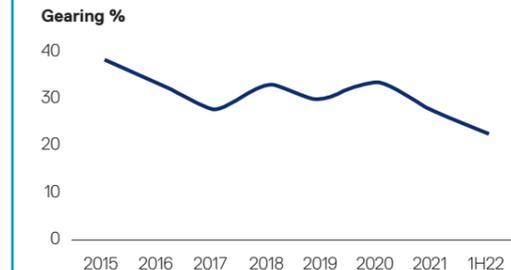


Free cash flow increased to \$1.5 billion and free cashflow breakeven oil price reduced to \$21 per barrel (unhedged) in 2021.



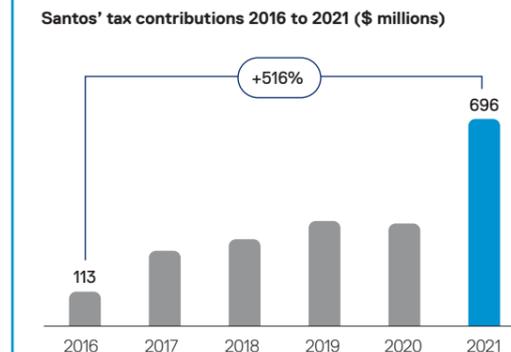
Free cash flow per share has increased by 510% since 2016 due to execution of Santos' Transform-Build-Grow strategy accompanied by the disciplined low cost operating model and strengthening commodity prices in 2021.

Apply disciplined capital allocation to underpin growth and investment



Strong free cash flow supported rapid de-gearing to 27.5% at year end 2021, while creating a regional champion of size and scale through the merger with Oil Search.³⁶

Pay tax and provide a return to the community



Cumulative material tax contributions of \$2 billion from 2016 to 2021.³⁷

³⁴ Representing free cash flow of \$1.5 billion Santos and \$2.3 billion for the merged company as reported for merged group and proforma Oil Search from 1 January 2021 to 10 December 2021. Free cash flow: operating cash flows less investing cash flows net of acquisitions and disposals and major growth capital expenditure, less lease liability payments.

³⁵ As at 31 December 2021.

³⁶ The company achieved gearing of 22.5 per cent as at 30 June 2022.

³⁷ Amounts shown are equity share; 2021 tax paid includes tax paid by both Santos and Oil Search, pre and post-merger.

Our 2021 activities

Maintain an economically sustainable operating model

To ensure our economic sustainability, Santos maintains a disciplined, low-cost operating model to drive value and consistently generate free cash flow through the commodity price cycle. At the core of this model is a portfolio requirement to be free cash flow breakeven at \leq \$35 per barrel oil price, and each core asset free cash flow positive at \leq \$35 per barrel, before major growth capital spend.

This disciplined low-cost operating model has delivered record cash flow and strong financial performance in 2021, as evidenced by:

- + Record sales revenue of \$4.7 billion up 39 per cent on the prior year
- + Record free cash flow of \$1.5 billion (\$2.3 billion free cash flow on a proforma basis) for the merged group³⁸
- + Record underlying profit of \$946 million up 230 per cent on the prior year
- + Free cash flow breakeven price before hedging of \$21 per barrel
- + Lower upstream unit production costs of \$7.76 per barrel of oil equivalent despite COVID-19 and foreign exchange impacts, down three per cent on the prior year
- + A strong balance sheet with liquidity of \$5.6 billion comprising \$3.0 billion in cash and \$2.6 billion in committed undrawn debt facilities
- + A reduction in gearing to 27.5 per cent at 31 December 2021.³⁹

³⁸ As reported for merged group and proforma Oil Search from 1 January 2021 to 10 December 2021. Free cash flow: operating cash flows less investing cash flows net of acquisitions and disposals and major growth capital expenditure, less lease liability payments.

³⁹ The company achieved gearing of 22.5 per cent as at 30 June 2022.

Apply disciplined capital allocation to underpin growth and investment

Santos applies rigorous economic screening criteria and hurdle rates against its investments. This includes internal rate of return, capital efficiency, payback periods and asset free cashflow breakeven performance threshold assessments.

Further, Santos tests all future projects against its capital management framework. This includes assessing projects against gearing and liquidity targets and stress testing the performance of these assets under prudent macro-economic conditions.

In 2021, Santos successfully progressed key capital investments by meeting important milestones:

- + In March 2021 Santos announced FID of Barossa and commenced all major work
- + In June 2021 Santos entered Dorado FEED for the integrated gas and associated liquids project
- + In November 2021 Santos announced FID on the \$165 million Moomba CCS project. The Moomba CCS project represents one of the biggest and lowest cost CCS projects in the world, strengthening Santos' commitment to reach net-zero Scope 1 and 2 emissions by 2040.

Managing and allocating capital also requires careful consideration of the timing and equity interest positions taken in projects:

- + In April 2021 Santos completed the sell-down of 25 per cent interests in Bayu-Undan and Darwin LNG to SK E&S, which is also a partner in Barossa, for \$186 million
- + In December 2021 Santos announced signing of a binding Sale and Purchase Agreement to sell a 12.5 per cent interest in the Barossa project to an Australian subsidiary of JERA Co. Inc. which was subsequently completed in April 2022 for \$327 million.

Pay tax and provide a return to the community

Santos operates in Australia, Timor-Leste and Papua New Guinea and has a development project in Alaska. Santos complies with its tax obligations and pays its taxes, as required in accordance with the laws, rules, and regulations of each jurisdiction in which the company operates.

Santos has made pre-merger material tax contributions of \$2 billion in the period 2016-2021 across its areas of operation.

Santos aims to make meaningful, positive long-term contributions in the communities where we operate and deliver real benefits including local employment and training, infrastructure investment, provision of essential services, sponsorship and use of local suppliers.

In line with Santos' Tax Policy, the Board has approved adoption of the Australian Board of Taxation's Voluntary Tax Transparency Code. Tax contributions are detailed annually in Santos' [Tax Contribution Disclosure 2020](#). The 2021 Disclosure is scheduled for release in December 2022.

Santos' 2021 tax contributions (\$ million)⁴⁰

Country	Corporate income tax	Royalty-related taxation	Government royalties and excise	Employee tax	Global total
Australia	-	150	68	179	397
Timor-Leste	99	98	-	4	201
Papua New Guinea	24	-	45	29	98
Total	123	248	113	212	696

⁴⁰ Tax contributions are as at 31 December 2021 and include tax paid by Oil Search in 2021. Royalty-related taxation includes Petroleum Resource Rent Tax in Australia and Additional Profits Tax in PNG and Timor-Leste. Government royalties and excise includes Development Levy in PNG, based on two per cent of wellhead values of projects.

Oil Search merger

In December 2021, Santos announced the completion of the merger with Oil Search. This merger combined two industry leaders to create a regional champion of quality, size and scale with a unique and diversified portfolio of long-life, low-cost oil and gas assets.

Santos Managing Director and Chief Executive Officer Kevin Gallagher said:

“The merger will create a company with a balance sheet and strong cash flows necessary to successfully navigate the transition to a lower carbon future with the combination of Santos' leading CCS capability, combining with Oil Search's ESG programs in PNG and Alaska to provide a strong foundation.”

The merged company market capitalisation (approximately A\$21 billion⁴¹) positions Santos in the top-20 ASX listed companies. The merger has brought greater economic sustainability in several ways, including:

- + Increased financial scale which is expected to bring greater relevance to global equity markets, with size and liquidity to attract a wider pool of both debt and equity investors
- + A strong balance sheet and ESG performance providing improved access to additional capital to fund growth and the energy transition with an investment grade credit rating. This includes a merged group liquidity of \$5.6 billion, as of 31 December 2021, comprising cash of \$3.0 billion and undrawn facilities of \$2.6 billion

- + A unique and diversified portfolio of high-quality, long-life, and low-cost oil and gas assets comprising of three producing LNG projects (PNG LNG, DLNG and GLNG), oil fields in PNG, two producing Australian gas hubs (Western Australia and Cooper Basin) and five major development projects (Alaska, Papua LNG, Dorado, Narrabri and Barossa), which have the potential to deliver significant value accretion.

The merger has resulted in a significantly stronger Santos, with 2021 production of 92.1 million barrels of oil equivalent and 2022 guidance of 102-107 million barrels of oil equivalent,⁴² as well as a larger reserves and resources (2P+2C) position of 4.9 billion barrels of oil equivalent (up 1.7 billion barrels of oil equivalent from Santos' 2021 year-end position).



 PNG LNG offloading facility

Future focus

Santos' 2022 strategic priorities have been focused on:

- + Maximising free cash flow
- + Delivering Oil Search merger synergies targeting \$110-125 million
- + Continuing to optimise the portfolio through targeted asset sell-downs
- + Continuing to implement our Climate Transition Action Plan (CTAP) including:
 - + Progressing our Moomba CCS project
 - + Commencing Bayu-Undan CCS project FEED
 - + Progressing work toward the Reindeer CCS project.

In April 2022 Santos' capital management framework was reviewed and updated to appropriately maintain a capital structure that balances the allocation of capital between investment in the business, the development of strategic growth and clean energy projects, and the provision of sustainable returns to shareholders at higher commodity prices. Under the revised capital management framework a target gearing range of 15 per cent to 25 per cent has been adopted and the company achieved gearing of 22.5 per cent at 30 June 2022.

Supporting information

- + [2021 Annual Report](#)
- + [2021 Full Year Results Announcement and Presentation](#)
- + [Economic Sustainability site](#)
- + [Tax Contribution Disclosure 2020](#)

⁴¹ Based on closing price at 31 Dec 2021.

⁴² Per Santos' 2022 Half-year results <https://www.santos.com/wp-content/uploads/2022/08/Santos-2022-Half-year-results-Final-2.pdf>.

Corporate governance



Corporate governance is critical to the long-term sustainability of Santos. The Board and management are committed to maintaining and enhancing a strong corporate governance framework that underpins our Vision to be Australia's leading natural gas company by 2025.

Our robust corporate governance framework supports the decision-making, processes and culture underpinning the longer-term success of Santos.

Management, under the leadership of the CEO, are responsible for delivering the strategic direction and goals approved by the Board, including the company's approach to sustainability.

The Board of Santos has ultimate responsibility for the approval and oversight of strategy, and this includes our approach to sustainability. Board members bring diverse skill sets which support oversight of each of the seven sustainability pillars. The Board has a process to ensure members are kept informed on sustainability issues via input from the senior leadership team as well as independent advice when considered appropriate. The Environment, Health, Safety and Sustainability Committee (EHSSC), Audit and Risk Committee (ARC) and People, Remuneration

and Culture Committee (PRCC) support the Board in overseeing Santos' sustainability program and performance, risk management and people, culture and remuneration.

The Committees' cross memberships support sound communication of sustainability matters overlapping committee responsibilities.

After the merger with Oil Search in 2021, the Santos Board has been expanded by two positions, following the departure of one existing Santos Board member, and the addition of three Directors who have joined from Oil Search. We will continue to review and implement appropriate changes to our governance arrangements given the change in size and scale of our company.

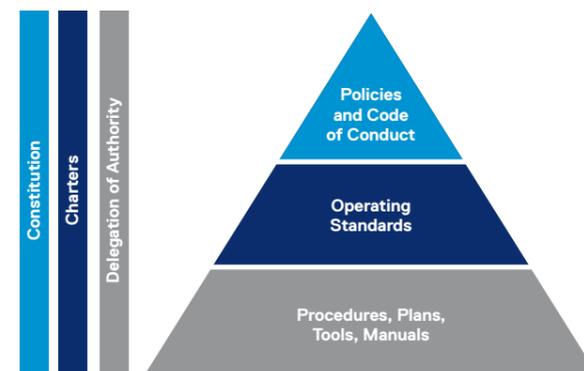
Santos' Management System

The Santos Management System (SMS) applies to all of Santos' people and establishes the requirements for how we do business across our assets and functional support teams. It is designed to protect our people, the communities where we operate, and the environmental values of our assets, operations and activities. The SMS comprises:

- + Policies and Code of Conduct
- + Operating Standards explaining the minimum standards for 'what' the business must achieve
- + Procedures, technical standards, processes and tools explaining the expectations and practices for 'how' business activities should be undertaken.

Various business teams are responsible for the day-to-day implementation of plans, processes, procedures, and tools that are embedded within the SMS and align with the seven sustainability pillars. Each sustainability pillar has an assigned business owner who supports communication and reporting of performance.

The Santos Management System



Supporting information

The EHSSC, ARC and PRCC Charters are available on the company's website at [Santos.com](https://www.santos.com) and further detail in relation to the Board and its Committees is outlined in the company's [2021 Corporate Governance Statement](#) and [2021 Annual Report](#).

Santos' key Policies are publicly available at the [Santos.com](https://www.santos.com) website, including:

- + Anti-Corruption and Sanctions Compliance Procedure
- + Climate Change Policy
- + Code of Conduct
- + Diversity and Inclusion Policy
- + Environment, Health and Safety Policy
- + Human Rights and Modern Slavery Policy
- + Local and Indigenous Communities Policy
- + Market Communication and Continuous Disclosure Policy
- + Reporting Misconduct (Whistle-blower) Procedure
- + Risk Management Policy

Corporate governance framework



The Board
is responsible for overseeing the performance and operations of the company.

Approves Santos' Values and monitors company performance in line with the Values.

Approves Santos' sustainability strategy including aspirations and targets and guides sustainability performance and response to evolving stakeholder expectations.

Board Committees
assist the Board to discharge its responsibilities in relation to:

People, Remuneration and Culture including the remuneration framework and people and culture strategies and initiatives.	Audit and Risk including risk management, internal audit and financial reporting.	Environment, Health, Safety and Sustainability including climate change, anti-slavery, land access, Indigenous engagement and cultural heritage, and community engagement.	Nomination including devising nomination criteria for, and reviewing membership and nominations to the Board.
--	---	--	---

All Board Committees have procedures and practices in place to ensure they effectively communicate in relation to matters of shared responsibility.

Regularly monitors the progress of implementation plans to achieve sustainability aspirations and targets.

Recommends opportunities to mature aspirations and targets based on operational and industry learnings.

Santos Management System - company policies, operating standards and procedures, including risk appetite and the Risk Management Framework.

Management under the leadership of the CEO
are responsible for delivering the strategic direction and goals approved by the Board.

The CEO is responsible for instilling a culture that aligns with the Santos Values.

A focus on ethical conduct

The Board of Santos is committed to Santos being a good corporate citizen, with a culture that values high standards of ethical and socially responsible conduct and complies with its legal obligations in all operations, in accordance with the Santos Values.

Santos Code of Conduct

The [Santos Code of Conduct](#) describes how we put our commitment to be a good corporate citizen into practice every day and sets out the mandatory standards - how we interact with others, how we make decisions, the actions we take and the way in which we carry out our work.

Santos is committed to holding all of our people accountable to the Code of Conduct and its supporting procedures. We also seek to positively influence contractor and supplier behaviour, consistent with the standards established by the Code.

As a condition of employment or engagement at Santos, Santos personnel must complete the online Code of Conduct training on induction and annual refresher training.

Reportable misconduct

Our employees and contractors are required to report suspected or actual violation of the Code of Conduct, in line with our Reporting Misconduct (Whistle-blower) Operating Standard. This means directly to General Counsel, Company Secretary, Executive Manager of People and Culture, Risk and Audit Manager, any other Eligible Recipient or via our external, confidential 24 hour Reporting Misconduct Hotline. Allegations of misconduct are assessed by the General Counsel and Executive Manager of People and Culture to provide recommendations for investigation to the Managing Director and CEO.

During 2021 all reports received were investigated in accordance with the Reporting Misconduct Operating Standard and their outcomes reported to the Managing Director and CEO, and the Santos Board. Where allegations are substantiated, disciplinary action may range from counselling to termination of employment.

Anti-corruption and sanctions compliance

Santos' Code of Conduct and supporting Anti-Corruption and Sanctions Compliance Procedure prohibit all of our people, across all of our activities, from engaging in any transaction that is in breach of sanctions, laws or engaging in corrupt practices, including: giving, offering, promising, authorising, accepting or requesting a bribe; making a facilitation payment; paying or receiving a secret commission; giving, offering, promising, authorising or requesting improper gifts or entertainment; giving, offering, promising or authorising improper charitable or community sponsorships or donations or political contributions; and engaging in money laundering. This must be applied in dealings with all of Santos' business partners, government bodies, government officials and other third parties.

Human rights and prevention of modern slavery

Santos is committed to supporting and respecting the protection of internationally recognised human rights. We recognise our responsibility and take efforts to seek to prevent the occurrence of modern slavery and human trafficking in our own operations and in the operations of those that provide goods and services to Santos.

Reflecting this commitment, in 2022 Santos put in place a new [Human Rights and Modern Slavery Policy](#). The Policy outlines Santos' commitment to supporting and respecting the protection of internationally recognised human rights as set out in the United Nations International Bill of Human

Rights, and works to align with the UN Guiding Principles on Business and Human Rights and the Voluntary Principles for Security and Human Rights in our practices and procedures. The Policy also sets out the commitment to seek to prevent the occurrence of modern slavery and human trafficking in Santos' own operations and in the operations of those that provide goods and services to Santos.

Since 2019 Santos has published an annual Modern Slavery Statement, as an early adopter of disclosures pursuant to the Australian Modern Slavery Act (2018). The Statements outline the activities Santos has taken to understand the risk of modern slavery and human trafficking in our supply chain, and defines the actions we will take to ensure we are addressing these risks throughout our operations.

Advocacy activities

Advocacy guided by Santos policy

All of Santos' advocacy activities, including direct and indirect engagement and responses to Government consultations, are guided by the company's policy positions, including those relating to human rights, anti-bribery and corruption, climate change, environment, health and safety, local and indigenous communities and diversity and inclusion.

Advocacy activities and reviews referenced in this section relate to those conducted by Santos prior to the December 2021 merger with Oil Search.

Company memberships

In the conduct of Santos' activities, the company is a member of a large number of organisations, ranging from community bodies, chambers and business councils relevant to the communities and regions we operate in and industry-related representative bodies known as 'industry associations'.

Santos is a member of these organisations so that we can:

- + Gain an understanding of communities, regions and economies where we operate
- + Understand how the company can contribute positively and effectively with our stakeholders
- + Enhance technical knowledge, share learnings and develop standards within industry
- + Engage in policy development.

Our memberships allow us a forum to listen, debate, seek alignment and promote the key interests of communities and industry organisations.

Decarbonisation

Santos is a member of both the CO2CRC and the B Team Australasia's Australian Climate Leaders Coalition. Through these cross-industry associations we specifically seek to progress and contribute to a lower-carbon future in Australia by progressing step-change emissions reduction technology and working collaboratively with other organisations to realise our emissions reduction goals and Climate Change Policy objectives.

Participation in climate forums

The CO2CRC is a world leader in carbon capture, utilisation and storage research with a mission to add value to customers by testing, developing and demonstrating carbon capture, utilisation and storage research, products and services as viable options for a lower emissions future. The Australian Climate Leaders Coalition is a group of cross-sectoral Australian corporate CEOs supporting the Paris Agreement commitments and setting public decarbonisation targets.

Review of industry association memberships

Santos continually reviews all of our memberships and the alignment of industry associations with our policy positions. Santos uses its memberships to drive the evolution of representative industry positions and policies to reflect our company policies that are linked to our seven sustainability pillars.

In 2020 and 2021 Santos conducted specific reviews in relation to the alignment of the policy positions of industry associations of which Santos is a member, to our company's own energy and climate-related policy positions and to the goals of the Paris Agreement. All industry associations that Santos is a member of have been assessed to align with, or be neutral to, Santos' climate change policy positions.

Santos' 2020 and 2021 industry association review statements are available [here](#).

Political engagement

Santos engages with all levels of government in relation to our projects, operations, maintaining energy supply and reducing our carbon footprint. This includes engagement in business forums and events where Santos pays for membership and/or attendance. Santos believes it is important for the company to engage in the discussion about Australia's energy future and the role we can play through our natural gas portfolio and our emerging clean fuels business.

We manage fundraising requests from Australian political parties under an engagement strategy and we:

- + Do not make cash donations to political parties or candidates
- + Declare all payments for events and memberships in line with legislative requirements.

Being involved in political party business programs in a bipartisan manner is an appropriate and important way for the business community and Santos to contribute transparently to the political process and to help ensure the stability of democratic systems. This helps foster stable policy, regulation and taxation for business which in turn generates investment, jobs and greater prosperity for the communities we operate in. These programs have transparent membership fees and services.

Santos is a member of the following Australian national political party business forums:

- + Federal Labor Business Forum (Federal ALP)
- + Australian Business Network (Federal Liberal Party)
- + National Policy Forum (Federal National Party)

From time to time, specific events (such as Budget or Budget reply events or policy launch events) are also held. Individual members of parliament or candidates also host business events featuring guest speakers who are generally ministers or shadow ministers. Participation in these requires a fixed campaign donation and Santos participates in these in a bipartisan and considered manner.

Given there is no public funding of Commonwealth election campaigns, there is an expectation by the major political parties that the corporate sector will engage through the above transparent mechanisms. The involvement of a wide range of companies in this process helps to ensure that funding of the democratic process is received from multiple sources with wide-ranging policy positions and interests, so that no single interest unduly influences the political process.

Santos is not a member of state-based business forums and considers individual event requests on a case-by-case basis where there is a clear business reason.

Federal, State and Territory Electoral Commissions in Australia publish reported payments through transparency registers and electronic disclosure systems.

Transparent reporting

Santos is committed to ongoing, transparent reporting of business performance outcomes and data and the continuous improvement of our public disclosures.

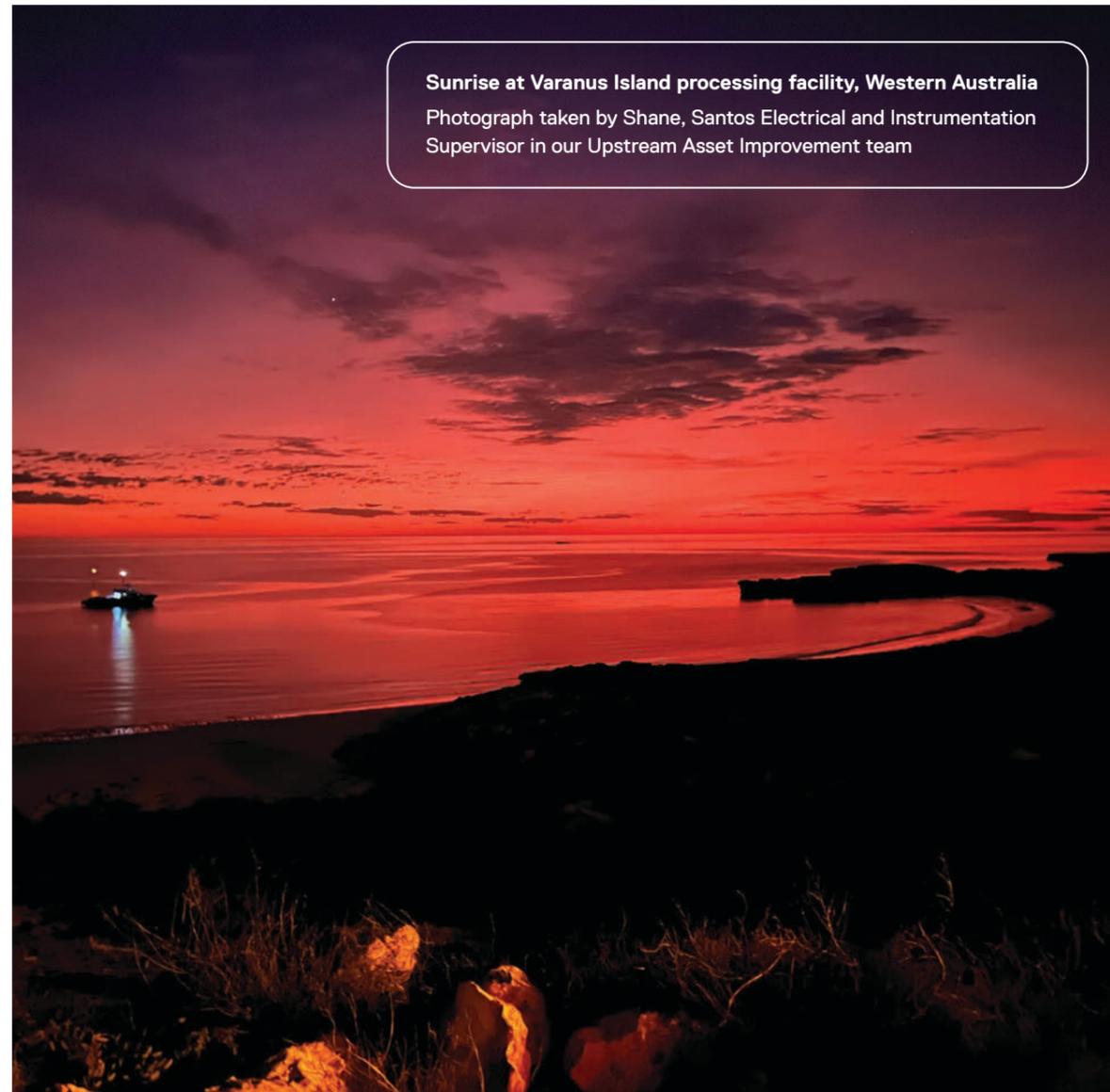
We recognise the importance of cohesive sustainability reporting and aligning with widely accepted reporting standards.

- + This report has been prepared in accordance with the GRI Standards 'Core' option (GRI Universal Standards 2016)
- + Santos' 2022 Climate Report addresses the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations in detail.

This report leverages and builds on content that we already make publicly available within our other publicly disclosed reports including the [2021 Annual Report](#) and [2022 Climate Change Report](#) as well as on our website at [Santos.com](#).

Supporting information

- + [Human Rights and Modern Slavery Policy](#)
- + [2021 Modern Slavery Statement](#)
- + [2021 Statement on Review of Industry Associations](#)
- + [2022 Climate Change Report](#)



Sunrise at Varanus Island processing facility, Western Australia
 Photograph taken by Shane, Santos Electrical and Instrumentation Supervisor in our Upstream Asset Improvement team

Our stakeholders

Santos identifies key stakeholder groups as part of our materiality assessment, risk and opportunity assessment and stakeholder mapping processes. We understand the importance of engaging with stakeholders through meaningful and transparent dialogue. We acknowledge and respect the diversity of our stakeholders and tailor our approach to stakeholder engagement. Insights from our stakeholders help to inform our approach and identify and manage potential issues and opportunities.

Stakeholder group	Key areas of interest and engagement	Key Policies	Examples of key publications and disclosures
Our communities	<p>Santos is committed to meaningfully contributing to the future strength and prosperity of the communities where we operate, building deep, long-lasting relationships with positive intergenerational benefits.</p> <p>We do this through implementing our community investment framework and by providing employment, training, education and enterprise opportunities associated with our industry.</p> <p>Santos seeks to engage with local communities at the earliest opportunity and to provide information about our operations that is relevant and accessible to those communities, as well as gaining input on areas of interest and priority for those communities.</p> <p>Our host communities are diverse and have unique needs and issues. We engage with these communities in a number of ways, including direct engagement through our local community liaison officers and regional shopfronts, project briefings, community forums, an annual community sentiment survey (Australian communities), support to community events and initiatives, newsletters and social media.</p>	<ul style="list-style-type: none"> + Local and Indigenous Communities Policy + Human Rights and Modern Slavery Policy + Environment, Health and Safety Policy + Code of Conduct + Reporting Misconduct (Whistleblower) Procedure 	<ul style="list-style-type: none"> + Website and social media updates + Community newsletters + Media and ASX Releases + Annual, half-year and quarterly reports + Sustainability Reports + Climate Change Reports
Our Indigenous partners	<p>We are committed to working with Traditional Owners / clans and Indigenous communities to ensure they are fully informed prior to accessing land and address any issues raised promptly and transparently.</p> <p>We are proud to apply best practice in the assessment, identification and protection of cultural heritage and seek to identify suitable commercial opportunities for Indigenous businesses, as well as opportunities to employ and upskill Indigenous people.</p> <p>Our engagement with Indigenous partners includes direct engagement, on-country immersions, consultation meetings, information and briefing sessions, participation forums including apprenticeship and trainee programs, supplier sessions and formal meetings. In these engagements we address a range of issues, as relevant, including capacity building, employment and skills development programs, scholarships and community investment initiatives, project updates, information sharing, management and understanding of cultural heritage and connection to country.</p>	<ul style="list-style-type: none"> + Local and Indigenous Communities Policy + Human Rights and Modern Slavery Policy + Environment, Health and Safety Policy + Code of Conduct + Reporting Misconduct (Whistleblower) Procedure 	<ul style="list-style-type: none"> + Website and social media updates + Community newsletters + Media and ASX Releases + Annual, half-year and quarterly reports + Sustainability Reports + Climate Change Reports
Our landholders/ landowners	<p>Our objective is to work proactively and collaboratively with our host landholders and landowners across all areas of operation. We have a long history of strong and supportive landholder relationships in which we seek to support and enable long-term and intergenerational resilience.</p> <p>We seek to engage openly with landholders and landowners on a direct basis through our local landholder liaison officers, engaging and consulting on current and proposed activities, access, biodiversity and rehabilitation, water and waste management as well as formal access agreements. In addition we hold forums and information sessions and share information through newsletters and social media updates.</p>	<ul style="list-style-type: none"> + Local and Indigenous Communities Policy + Human Rights and Modern Slavery Policy + Environment, Health and Safety Policy + Code of Conduct + Reporting Misconduct (Whistleblower) Procedure 	<ul style="list-style-type: none"> + Website and social media updates + Community newsletters + Media and ASX Releases + Annual, half-year and quarterly reports + Sustainability Reports + Climate Change Reports

Stakeholder group	Key areas of interest and engagement	Key Policies	Examples of key publications and disclosures
Our people	<p>A safe, diverse and inclusive workplace environment is critical to achieving our Vision. To be the best we can be, we know we must embrace ideas, thinking and perspectives that are new and different. We are committed to this journey.</p> <p>We seek to provide a work environment and work conditions that respect the rights and dignity of Santos employees and contractors, and by respecting the rights of the people in communities impacted by our activities, including Indigenous peoples.</p> <p>We engage with our people through workshops, employee surveys, lunch and learn sessions, performance and development meetings, health and wellbeing programs and online forums and information sharing sites including SharePoint and Yammer.</p>	<ul style="list-style-type: none"> + Diversity and Inclusion Policy + Code of Conduct + Human Rights and Modern Slavery Policy + Environment, Health and Safety Policy + Reporting Misconduct (Whistleblower) Procedure 	<ul style="list-style-type: none"> + Intranet updates + Website and social media updates
Our suppliers and contractors	<p>Our suppliers and contractors form an important part of our value chain. We engage with them regularly on operational and logistical matters specific to each engagement, as well as topics including reliability, product quality, cost, risk management, health, safety and environmental management and performance, greenhouse gas emissions, human rights and prevention of modern slavery and local and Indigenous participation.</p> <p>This engagement includes direct engagement, submissions, formal discussions, supplier forums and portals and site visits.</p>	<ul style="list-style-type: none"> + Local and Indigenous Communities Policy + Code of Conduct + Human Rights and Modern Slavery Policy + Environment, Health and Safety Policy + Climate Change Policy + Reporting Misconduct (Whistleblower) Procedure + Anti-corruption and Sanctions Compliance Procedure 	<ul style="list-style-type: none"> + Supplier portal + Website and social media updates + Media and ASX Releases + Annual, half-year and quarterly reports + Sustainability Reports + Climate Change Reports + Modern Slavery Statements
Our joint venture partners	<p>We seek to foster open and collaborative engagements with our joint venture partners in support of responsible and successful operational activities, financial investments and asset-related strategies.</p> <p>Our engagement is primarily through operational and technical management committees, as well as operational and project updates, performance appraisals, site visits and online information portals.</p>	<ul style="list-style-type: none"> + Local and Indigenous Communities Policy + Code of Conduct + Human Rights and Modern Slavery Policy + Environment, Health and Safety Policy + Climate Change Policy + Reporting Misconduct (Whistleblower) Procedure + Anti-corruption and Sanctions Compliance Procedure 	<ul style="list-style-type: none"> + Website and social media updates + Media and ASX Releases + Annual, half-year and quarterly reports + Sustainability Reports + Climate Change Reports + Modern Slavery Statements
Government and regulators	<p>Santos engages in regular and constructive dialogue with representatives from both State, Territory and Federal Governments at various levels.</p> <p>Direct engagement with these Government representatives is undertaken by our CEO, senior executives and our Government Affairs team. In addition, we make submissions on policy matters, engage in government roundtables and attend key conferences to understand policy direction and highlight Santos' policy positions and objectives.</p> <p>Engagement traditionally revolves around strategic topics including energy security, cost of supply, and emissions reduction as well as operational and regulatory matters.</p> <p>In addition, we are a member of relevant industry and business associations consistent with our company's energy and climate policy positions and objectives. These independent industry associations will also engage with Government representations on a variety of issues.</p>	<ul style="list-style-type: none"> + Local and Indigenous Communities Policy + Code of Conduct + Human Rights and Modern Slavery Policy + Environment, Health and Safety Policy + Climate Change Policy + Reporting Misconduct (Whistleblower) Procedure + Anti-corruption and Sanctions Compliance Procedure 	<ul style="list-style-type: none"> + Submissions + Website and social media updates + Media and ASX Releases + Annual, half-year and quarterly reports + Sustainability Reports + Climate Change Reports + Modern Slavery Statements + Statements on Review of Industry Associations + Corporate Governance Statements + Tax Disclosure Statements

Stakeholder group	Key areas of interest and engagement	Key Policies	Examples of key publications and disclosures
Our customers	<p>The products we produce are fuels critical in supporting homes and businesses in the Asia Pacific region.</p> <p>In addition to formal and logistical engagement with our customers and those relating to reliability and cost, we work with our customers to reduce their greenhouse gas emissions and sell the products we generate only to customers from countries that have a net-zero commitment or are signatories to the Paris Agreement.</p> <p>Our engagement with customers is primarily via direct engagement pursuant to formal agreements and established communication pathways.</p>	<ul style="list-style-type: none"> + Code of Conduct + Climate Change Policy + Reporting Misconduct (Whistleblower) Procedure + Anti-corruption and Sanctions Compliance Procedure 	<ul style="list-style-type: none"> + Media and ASX Releases + Website and social media updates + Annual, half-year and quarterly reports + Sustainability Reports + Climate Change Reports + Modern Slavery Statements
Our investors	<p>Our investor stakeholders include institutional investors, retail shareholders and debt providers. These investors are informed by ASX releases, investor briefings, rating agencies and analysts, as well as direct engagement through the company's Board members, senior executives and Investor Relations team.</p> <p>Key topics of engagement include company strategy, performance and financial metrics, operational performance and plans and Environment, Social and Governance (ESG) matters, including emissions reduction targets and climate transition plans, communities and landholders, supply chain and modern slavery management, Indigenous partnerships and cultural heritage management, environmental compliance and environmental, climate and social governance and oversight.</p> <p>Engagement with investors and investor groups is via ASX releases, investor briefing sessions and our suite of formal reporting including Annual Reports and Sustainability and Climate Change Reports.</p>	<ul style="list-style-type: none"> + Market Communication and Continuous Disclosure Policy + Securities Dealing Policy + Code of Conduct + Risk Management Policy + Human Rights and Modern Slavery Policy + Environment, Health and Safety Policy + Climate Change Policy 	<ul style="list-style-type: none"> + ASX and Media Releases + Website and social media updates + Annual, half-year and quarterly reports + Sustainability Reports + Climate Change Reports + Modern Slavery Statements + Statements on Review of Industry Associations + Investor briefings + Corporate Governance Statements + Tax Disclosure Statements + Annual General Meetings
Non-government organisations	<p>Non-government organisations (NGOs) represent diverse interest, including those specifically relating to Environment, Social and Governance (ESG) topics including climate change, engagement with Indigenous stakeholders, human rights, greenhouse gas emissions, biodiversity and environmental management practices.</p> <p>Engagement with NGOs is direct, where relevant, as well as through broader stakeholder engagement including website updates, media and ASX releases and social media updates.</p>	<ul style="list-style-type: none"> + Local and Indigenous Communities Policy + Human Rights and Modern Slavery Policy + Environment, Health and Safety Policy + Climate Change Policy + Reporting Misconduct (Whistleblower) Procedure 	<ul style="list-style-type: none"> + Website and social media updates + Media and ASX Releases + Annual, half-year and quarterly reports + Sustainability Reports + Climate Change Reports + Modern Slavery Statements + Statements on Review of Industry Associations + Investor briefings + Corporate Governance Statements + Tax Disclosure Statements + Annual General Meetings

Appendices

Appendix 1
Case studies

Appendix 2
Definitions and abbreviations

Appendix 3
Summary data tables

Appendix 4
Disclosure index

Appendix 5
Assurance

Fairview, Queensland
Photograph taken by Chris, Production
Controller, Upstream Cooper Basin team

Appendix 1 - Case studies

Health and safety

Varanus Island compression project - safe start up



↑ **Monitoring commissioning progress on the Varanus Island Compression and Power Optimisation Project**

Fiona Wademan, Commissioning and Start-up Lead for Varanus Island Compression and Power Optimisation Project, Upstream Offshore WA, was the winner of the 'Safety Leader' EHSS Award for 2021.

Fiona demonstrated her exemplary safety leadership through regular site presence on Varanus Island (VI) and active promotion of Santos' 'Always safe' Value. Fiona championed several initiatives to ensure safe transition from construction to commissioning and safe start-up for the Varanus Island Compression and Power Optimisation Project (VICPOP).

One of the highest safety risks posed by the VICPOP is the introduction of hydrocarbons to the compression modules during the commissioning phase and the associated transition from a static construction site to live commissioned systems. Fiona engaged directly and constructively with the Varanus Island site manager to communicate and ensure understanding of commissioning controls and to address queries. Fiona was able to achieve acceptance in a short timeframe, allowing the VICPOP commissioning to progress safely with minimal schedule impact. The project executed 200,000+ working hours without a lost time injury or any life altering event.

Fiona's visible leadership and site presence supported safe delivery of the project. Her strong communication and direct and respectful engagement of our people lead to rapid identification and resolution of potential issues ensuring successful delivery.

Health and safety

Healthy minds

Santos recognises the importance of supporting the mental health of our people, even more so in recent times, given the impact of the pandemic. The 'Healthier Minds' component of the Healthier Santos strategy was an area of focus in 2021 and will continue.

More than 500 people attended health and wellbeing webinars in 2021, and similar offerings will be run throughout 2022 on topics such as managing stress, anxiety and depression, improving sleep, and personal resilience/coping skills. An Employee Mental Health Awareness course has been delivered to provide the skills and confidence to identify any concerns they, or a colleague, may have and provide ways to raise concerns with their leader.

More than 450 leaders completed mental health awareness training, building their understanding of common mental health conditions, recognition and early identification of mental health issues, how to approach and support a colleague and how to maintain one's own wellness. The training is now part of the core competency training for leaders.

There are over 45 trained Health and Wellbeing Advocates across the company who will be offered continual development through regular coaching circles, to maintain their skills.

Santos' Employee Assistance Program continues to provide field location support as part of the Healthier Santos strategy. In addition to on-demand support, there were 79 individual counselling sessions and



 **Former Australian cricket player, Brad Hogg speaking at a Lifeline WA event in 2021**

nearly 200 short sessions (tool box talks, lunch and learns, safety meetings) facilitated at our sites in 2021, via informal conversations or presentations.

Santos participated in a national industry survey which collected data on resource sector employee mental health. The survey found that resources and energy employees, including at Santos, are coping comparatively

well compared to Australian normative data, including with the added stress and uncertainty of the COVID-19 pandemic. The results of the survey, plus other industry information from the industry Safer Together working group, will help shape future mental health and wellbeing practices in several areas such as sleep, alcohol consumption, stress and anxiety management.

Health and safety

Driving safely around the planet 500 times a year

At Santos we drive more than 20 million kilometres every year, equivalent to a car travelling around the planet Earth 500 times! This driving is done in some of the most remote parts of Australia where road conditions vary from sandy tracks to bitumen highways, on a total of 44,000 kilometres of roads.

Improving driver behaviour has been the focus of many safety initiatives over the years. Between 2018 and 2019, despite driver training and safety measures in place, Santos workers were involved in five vehicle incidents. Following this, our CEO initiated a call to action.

The response included a review of the existing In Vehicle Monitoring System (IVMS) as well as fleet and driving standards. Our drivers were at the centre of this review, with a focus on providing direct and immediate feedback to better understand how they can improve their driving. The feedback from this program was tracked, and participants were able to see where their suggestions were making a difference to their own, and others' safety.

A driving dashboard was created that includes:

- + Readily available real time data from IVMS on safe driving metrics including speeding and harsh braking, with a 'good drivers' leader board
- + An ideas portal where anyone can submit suggestions for improvements to tools, processes and specific roads or tracks. These include adding road signage and

proactive road repair work before an incident occurs at locations where harsh braking has been observed on IVMS

Additionally, introduction of in-vehicle fatigue and driver distraction technology provides immediate feedback to drivers. A camera detects loss of focus and the system physically and audibly alerts drivers to regain concentration. This triggers a requirement to pull over and assess driver fatigue level.

Engaging drivers in developing improvements and strategies has resulted in a transformation of driving performance and attitude, contributing to a 90 per cent reduction in driving related HPEs in 2021 compared to 2020.



Road Repairs: These photos show where a cluster of harsh driving events emerged following a rain event indicating potential road degradation (cluster highlighted in yellow in the top image). The data was provided to the local council for targeted road maintenance. The bottom image shows driving performance after the road repair. As this road is a public road, the road repair benefited all road users



Environment

Cooper Basin waste minimisation project

Building on the work completed in 2020, Santos has continued to make strong progress during 2021 towards achieving our target of zero waste to landfill by 2050. Key to achieving this is the implementation of long-term strategies that focus on the life cycle management of waste including waste avoidance and maximising reuse and recovery.

In the Cooper Basin where waste is managed on-site at Moomba, Santos has worked closely with our waste contractor Veolia to achieve a number of significant outcomes including:

- + 40 per cent reduction in the volume of waste generated
- + Achieving over 60 per cent recycling rate
- + A decrease of over 60 per cent waste volume to landfill.

A number of practical and behavioural improvement initiatives were undertaken including:

- + Transforming the philosophy of waste management from waste disposal to disciplined waste avoidance, recovery and recycling
- + Changes to camp food packaging, eliminating single-use plastics
- + Education campaigns promoting the lifecycle of waste streams recovered and recycled



Resource Recovery Station at Moomba

- + Identifying innovative opportunities for reuse, such as partnering with two small South Australian businesses who are re-purposing single-use pallets to produce custom-made garden beds and furniture.

In 2021 these outstanding improvements were recognised at the Santos Directors' EHSS Awards with the team involved being nominated as a finalist in the Environment Team of the Year award.

The Project will continue to develop and implement waste initiatives to divert substantial volumes of resource from landfill. This approach not only minimises the amount of material going to landfill, it also assists to reduce emissions and safety risks associated with transport and handling and supports other Australian businesses undertaking waste reuse and recycling through the creation of jobs, boosting the Australian economy.

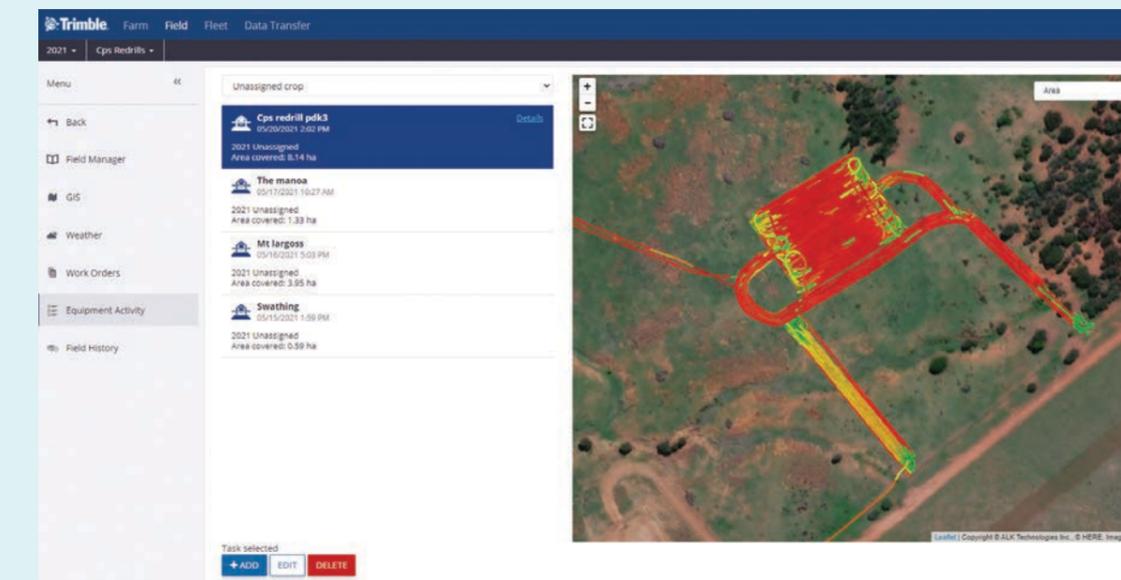
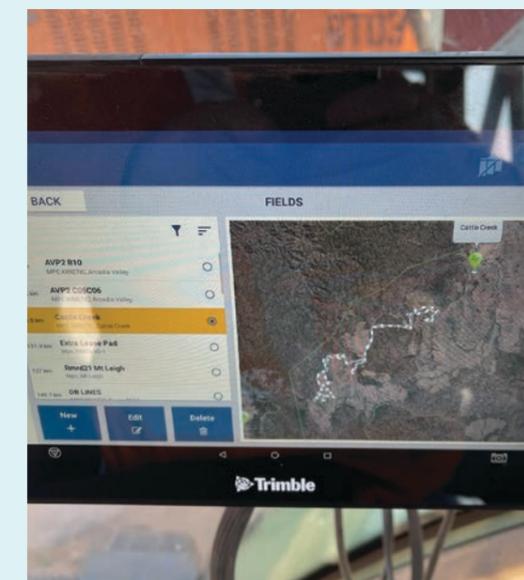
Environment

Disturbance and rehabilitation data capture process

Understanding our disturbance and rehabilitation footprint is a critical requirement for our business. Our commitment to rehabilitate 100 per cent of our disturbance construction footprint, within 12 months of construction by 2030, relies on highly accurate data reflective of on-ground conditions. In 2021 Santos undertook a project in conjunction with field contractors to install machine mounted GPS technology on operating equipment undertaking disturbance and rehabilitation survey activities in Queensland.

The highly accurate data that is generated is then processed and integrated into the company-wide GIS tool, allowing staff across the business to access within a short timeframe of acquisition. This approach enables contemporary data to be used for project and operational planning, monitoring and tracking against our sustainability targets.

Trimble geospatial monitoring installed in mulcher to track disturbance and rehabilitation via GPS GIS capture of disturbance and rehabilitation



Environment

2021 APPEA environment company and project excellence awards

Santos received the 2021 Australian Petroleum Production and Exploration Association (APPEA) Company Excellence Award and the Environment Project Excellence Award for the North West Shoals to Shore Research Program. The offshore North West Shelf of Australia is widely acknowledged for its exceptional ecosystems and diversity of habitats. It is important to understand the potential environmental risks of oil and gas exploration and operational activities in this region by having access to high quality scientific data.

The three-year North West Shoals to Shore Research Program was sponsored by Santos and undertaken in cooperation with the Australian Institute of Marine Science. The published research findings will greatly assist stakeholders in understanding the potential impacts of petroleum exploration and development on the marine environment. The research program consisted of four areas of research:

- + Marine noise monitoring and impacts on fisheries and aquaculture
- + Seabed habitats and biodiversity
- + Threatened species of the North West
- + Understanding the isolated coral reef atolls of the North West Shelf.



Brett, Santos' President Upstream Oil and Gas, accepting the award for the 2021 APPEA Environment Excellence Project Award from APPEA Chief Executive Andrew

Climate change

Technological developments increasing efficiency

In 2021 Santos-operated Gladstone LNG (upstream) commenced a ten-year leak detection and repair (LDAR) program to find and fix fugitive emissions sources across our production facilities.

LDAR programs have been part of our business for a number of years with technology and processes improving year-on-year. In 2021 the program included the use of conventional leak detection equipment in conjunction with advanced Cupixworks SiteView 360° imaging. This technology is designed to assist engineers and operators to assess risk, scope and plan repairs remotely. It creates a digital twin of our facilities enabling us to produce a 360° remote tour (like Google Streetview) and identify potential emissions points for each facility. The system accelerates identification and analysis of potential leak points and assists in maintenance planning.

This advanced imaging technique was used in 2021 to survey five Santos production facilities, resulting in the identification and prompt repair of identified fugitive emissions sources.

Santos is working on further initiatives to ensure the continued success of the program including:



Tallis, Katrina and Andrew, from Santos' regional Onshore Upstream team in Roma, Queensland

- + Purchasing in-field leak detection equipment so that our operators can monitor and confirm the effectiveness of repairs
- + Working with the Queensland Petroleum and Gas Inspectorate to revise and modernise the Code of Practice for Leak Detection, Management and Reporting for Petroleum Operating Plant.

Climate change

Collaborating with CSIRO on step-change emissions reduction technology

“At Santos, we have an industry-leading target of achieving net-zero Scope 1 and 2 emissions by 2040 and we are committed to looking at new technologies and finding cost-effective ways to reduce our emissions so that we can continue to supply affordable and cleaner energy to meet customer demand and generate new revenue streams.”

Santos Managing Director and Chief Executive Officer, Kevin Gallagher

Santos is actively participating in the development of technologies with leading agencies and project partners, including GHD on a hydrogen concept study and Australian's national science agency, the CSIRO, on the development of direct air capture technology.

In a statement on the CSIRO research and collaboration agreement with Santos in November 2021, the CSIRO Energy Director said that CO2 capture technologies will play a vital role in the transition to Net Zero emissions.

“By collaborating with industry, we can demonstrate key technologies at scale, ensuring superior performance and economics. CSIRO has invested in CCS research for over 20 years, because of its potential for large-scale decarbonisation leading to emissions reduction and the creation of new industries.”⁴³

Santos' recent partnerships include:

- + Concept study with GHD on CCS and hydrogen production in the Cooper Basin
- + Memorandum of Understanding with global oil and gas company ENI to cooperate on opportunities in northern Australia and Timor-Leste, including CCS
- + Memorandum of Understanding with Synertec to develop a renewable energy power system based on solar and batteries for sustainable well de-watering
- + Memorandum of Understanding with Timor-Leste regulator Autoridade Nacional do Petróleo e Minerais to progress CCS at Bayu-Undan
- + Feasibility study with Genos on supply of hydrogen to reduce emissions from polyethylene manufacturing
- + Direct air capture technology research and collaboration agreement with CSIRO
- + Memorandum of Understanding with our Korean joint venture partner SK E&S, K-CCUS Association (Korea), Australia's CO2CRC and Korea Trade Insurance Corporation to support and collaborate in the development of CO2 storage facilities, including Bayu-Undan.



↑ Example of a CarbonAssist™ direct air capture unit

⁴³ Media Release 4 November 2021: <https://www.santos.com/news/santos-partners-with-csiro-on-development-of-new-technology-to-negate-carbon-emissions>.

Climate change

Working with customers to help them reduce their emissions

Australian-based manufacturer and supplier of plastics, Genos, has partnered with Santos to conduct a feasibility study into the use of hydrogen to dramatically reduce carbon emissions at Genos' Port Botany operations. The study will explore opportunities for Santos to provide clean energy solutions to Australia's sole manufacturer of polyethylene and leading supplier of world-class polymers, which are the building blocks of essential everyday products in key packaging, agriculture, water, mining and waste management industries.

The study will investigate the use of up to two petajoules of hydrogen per annum as a clean burning fuel for process energy, complementing the ethane feedstock that has underpinned the Port Botany operations for the past 25 years. It will also assess using hydrogen in an advanced recycling project that Genos is currently progressing, to help solve Australia's plastic waste problem and aims to put Santos and Genos at the leading edge of the circular economy in Australia.

Genos Chief Executive Officer, Stephen Bell, said the study was an important step in Genos' plans to eliminate carbon emissions and deliver a more sustainable business.

“Our advanced recycling project will put us on the path to a circular economy, using plastic waste as a feedstock, in addition to ethane. The potential to use clean-burning hydrogen in this project is also very exciting,” Mr Bell said.



↑ Justin, Santos Onshore Installation Manager is pictured at our operated Port Bonython Plant near Whyalla, South Australia

“This partnership is a great example of collaboration across the value chain to deliver better outcomes for our customers. With plastic use in Australia set to double by 2050, I am delighted Santos and Genos are working together to explore new supply arrangements and ways of reducing emissions within Australia's manufacturing industry.”

Santos Managing Director and Chief Executive Officer, Kevin Gallagher, said “Santos is proud to be playing our part in assisting manufacturers to reduce their emissions. We will continue to work with our customers along all parts of the value chain to help them reduce their emissions through new technologies and cleaner fuels.”

Climate change

Just transition – Gobe Asset, PNG

In PNG, the Gobe asset has undertaken robust baseline studies, stakeholder engagement and community consultation to inform a sustainable development plan. This plan aims to support sustainable livelihoods and business opportunities that will assist communities to transition to a post-project environment, when the Gobe project reaches end-of-life.

The baseline and impact assessments we completed have provided clear guidance that our stakeholders viewed agriculture as the most viable option to generate long-term economic opportunities. On the basis of this information, a strategic partnership has been formed with the Fresh Produce Development Agency and landowner supplier PNG Mining Petroleum Hospitality Services (PNGMPHS) through a tripartite Memorandum of Understanding. The goal of this partnership is to promote and support sustainable productive activities, create employment opportunities, foster entrepreneurship, and nurture the growth of small agricultural businesses for our Gobe community. This is known as the ‘Fresh Produce Project’.

The Fresh Produce Project is selective with seedlings and farming systems to ensure that seedlings chosen are more tolerant of climate change factors, such as higher rainfall, temperature fluctuations and farming systems that minimise impact on environment. Organic pesticides and fertilisers supplied by Landowner Company PNGMPHS are used, as well as soil preservation techniques that minimise erosion.



Santos Community Development Officer, Molina, conducting a socio-economic survey in Samberigi, Southern Highlands Province

The Fresh Produce Project also focuses on building a fresh vegetable value chain that can thrive and survive ‘outside the Santos system’. In addition to training farmers to move from subsistence to commercial farming, the project seeks to open up external markets, so the project is not confined to the local market and allows the Gobe farmers to participate in the approximately 700 million Kina fresh vegetable industry in PNG.

At Santos we continually look for meaningful ways to contribute to sustainable communities and monitor our local social, environmental and economic impacts. By working with our local communities to build their capacity and enduring capabilities, we are helping them to become more resilient to social, economic and climate related changes that have the potential to impact on their wellbeing and livelihoods in the long term.

Indigenous partnerships

Alaska North Slope agreement

In Alaska, we partner with key stakeholders across the North Slope, fostering relationships built on consistent engagements and trust.

Through our engagements, we provide clear information to those people who might be affected by the project or have the ability to affect the project.

This approach has resulted in a Land Use Agreement (LUA) that governs the use of the Nuiqsut local village corporation’s surface lands and an Ordinance adopted by the North Slope Borough Assembly that authorises the development activities at Pikka.

In 2021 there were 84 community engagements with our key stakeholders. The LUA and Ordinance result in ongoing monitoring that helps identify concerns and highlight opportunities.



Ice road monitors are employed in Santos’ Alaska North Slope operational areas to represent the interests of the Nuiqsut community

Indigenous partnerships

Wongkumara Elders visit

The site visit is an annual event conducted since 2010, providing members of the Wongkumara community, who live away from the area, the opportunity to visit their country, attend sites of cultural significance and gain a broader understanding of Santos' operations in the region. It is an example of how Santos works in partnership with Traditional Owners and co-exists with our stakeholders and local communities.

This year, four Elders participated along with our Wongkumara Cultural Heritage Management Plan Managers, who are based in Ballera.

The tour spanned three days and was based at Ballera, incorporating a site tour and overview of Santos' operations, as well as visits to Cooper Creek, the floodplain, and several areas of cultural significance.

A particular highlight was the community's visit to the Standing Stones. This culturally significant area is protected and maintained via a joint effort from Santos, local landholders and the Wongkumara people, exemplifying the benefits of Santos' cooperative relationships with these communities and how we can co-exist.



→ **2021 Wongkumara Elders site visit**

Indigenous partnerships

Extending support for the Santos Aboriginal Power Cup

Since 2009 Santos has proudly supported the Aboriginal Power Cup, Port Adelaide Football Club's flagship Aboriginal community program for secondary school students.

The program culminates in an annual, three-day carnival featuring cultural activities, health, career and tertiary pathways, and some friendly football competition between schools. To be eligible to participate, students must have completed assessment tasks and met behavioural and attendance standards.

At the 2021 carnival awards ceremony, our CEO Kevin Gallagher announced that Santos would be extending the partnership for a further three years. "At Santos, we are proud to be a part of this wonderful initiative that is changing young Indigenous people's lives and driving real social improvements," he said.

"The Santos Aboriginal Power Cup is about providing more opportunities and more incentives to young people to complete school.

"We have a special relationship with Port Adelaide and the Santos Aboriginal Power Cup. I'm proud we will continue to support this program that has impacted so many young people's lives, for another three years."



Port Adelaide are very appreciative of our support for the program and see Santos as being instrumental in enabling its growth from 133 students from six schools in 2008, to more than 500 students from 65 schools this year.

"Santos has been the ideal partner for the Santos Aboriginal Power Cup, given its commitment to building a better future for the community, in particular for Indigenous Australians,"

Port Adelaide Chief Executive, Matthew Richardson

↑ **Santos Aboriginal Power Cup**

"The Santos Aboriginal Power Cup sees tangible educational outcomes for young Indigenous people and these results simply would not be possible without Santos' support."

Santos Chief Executive Officer and Managing Director, Kevin Gallagher

Indigenous partnerships

Supporting Kullilli return to country

Santos was proud to provide logistical support for the first Kullilli return to country event held in Thargomindah, southwest Queensland, in October 2021.

The event, which was originally scheduled to occur during NAIDOC Week in July 2021 but was postponed due to COVID-19, gave Kullilli community members the chance to return to their country surrounding Thargomindah, to visit areas and sites of significance.

About 70 people made the journey, with many travelling 11 hours from the Sunshine Coast. For some attendees, it was the very first time they were able to set foot on their traditional land.

The trip was a special time for those present and is now an annual event on the Kullilli and Santos calendars.

Supporting initiatives like this is an important way Santos can demonstrate our respect for local Traditional Owner groups and understanding of their relationship with country.



Kullilli community members on site at Thargomindah, southwest Queensland



Indigenous partnerships

Mount Tabor Environmental Offset Agreement – a partnership with Goorathuntha Traditional Owners Limited

In 2021 Santos executed a biodiversity offset agreement and entered into a partnership with Goorathuntha Traditional Owners Limited. The agreement and partnership involve Santos utilising areas of the Mt Tabor property, owned and run by the Bidjara people, to offset disturbance activities across our GLNG upstream project.

The agreement and partnership allow Santos to meet key federal statutory requirements regarding GLNG biodiversity offsets for multiple years of development in Fairview. Additionally, the agreement and partnership allow the Bidjara people to further manage and protect their land, and affords social and economic opportunities to the Bidjara community.

In 2021, this partnership was recognised at the Santos Directors' EHSS Awards, with the Santos and Bidjara team involved winning the Environment Team of the Year award.

Senior Bidjara woman and Mt Tabor Station Manager, Keelen Mailman commented on the agreement and partnership:

“This partnership with Santos is a massive relief for the Bidjara people, securing our future here, and making sure we will never lose Mount Tabor”.

“It means a lot to me for reconciliation. It’s about building a bridge, listening and working together. There are benefits in these agreements for all people – black or white”.

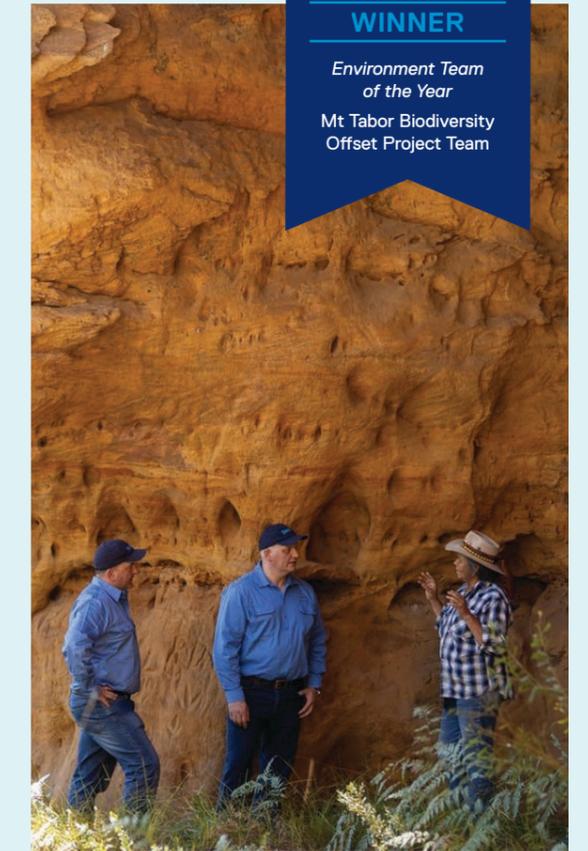


Vice President EHSS, Access and Aboriginal Engagement, Nick, and General Manager Developments Onshore, Glenn, with Mt Tabor Station Manager, Keelan Mailman OAM, exploring sites significant to the Bidjara people on Mt Tabor Station

2021 Santos
Directors'
EHSS Awards

WINNER

*Environment Team
of the Year*
Mt Tabor Biodiversity
Offset Project Team



Community and supply chain

Supporting nursing capacity development in Timor-Leste

Santos, as part of the Bayu-Undan Joint Venture, proudly celebrated a successful 10-year partnership with St. John of God (SJOG) Social Outreach in Timor-Leste in 2021.

Over the last 10 years, more than A\$4 million has been provided to SJOG to support their Nursing Development Program at the Hospital Nacional Guido Valadares (HNGV) located in Dili, and other referral hospitals across the country.

With Bayu-Undan Joint Venture support, the Nursing Development Program has helped hundreds of health professionals in hospitals across Timor-Leste and significantly improved the public health services available to the more than one million people living in the country.

In 2021 alone, assistance helped support:

- + COVID-19 vaccination training for five municipal referral hospitals
- + 23 participants taking part in the Health Manager Program
- + 20 new nurses and midwives at the HNGV to undertake the New Nurse and Midwife Program
- + Completion of the Clinical Core Competency Program by 161 nurses and midwives.

SJOG's local capacity building initiatives have also resulted in many Timorese working for the organisation, including the newly appointed Country Manager for SJOG in Timor-Leste.

“I am proud to assume the position as the Country Manager, to serve both the organisation and the Ministry of Health toward achieving the dream of being an independent country and independent people,”

Lourenco Camnahas, Country Manager, SJOG Timor-Leste.

On behalf of the Bayu-Undan Joint Venture, Santos would like to congratulate the SJOG team for their achievements in Timor-Leste over the last 10 years and we look forward to working together to deliver more success in the future.



St. John of God Social Outreach in Timor-Leste

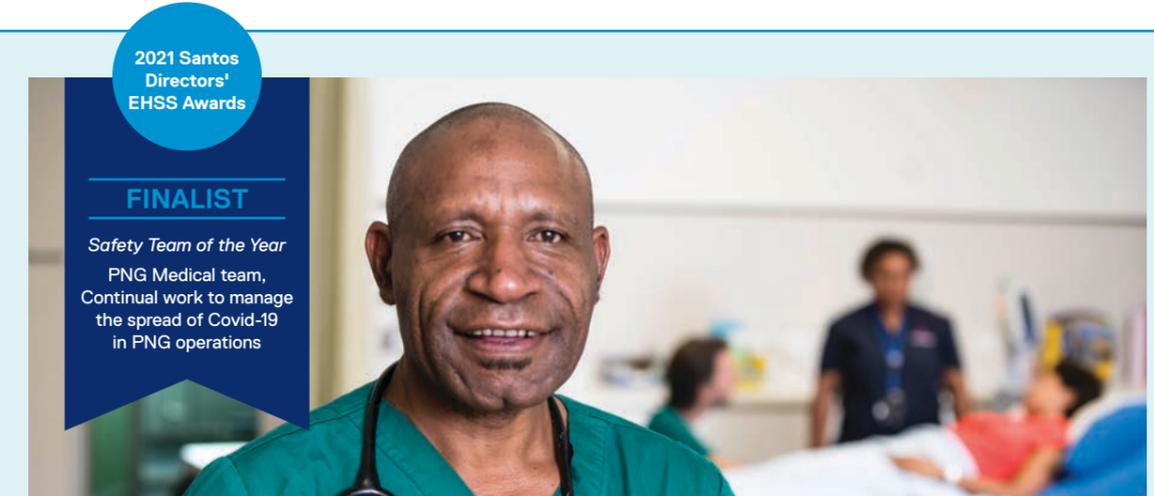
Community and supply chain

Managing the spread of COVID-19 in PNG

The PNG Medical team worked tirelessly from February 2020 through 2021 to maintain a disciplined approach to infection control in order to manage the spread of COVID-19 in the company's PNG operations. In PNG, where vaccine hesitancy is particularly strong, the pandemic continued to shift and create an ever-changing environment as new variants emerged. COVID-19 surges in PNG in March 2021 affected all PNG operational and Oil Search Foundation teams. Our people lost colleagues, loved ones and friends to the pandemic. At the end of December 2021 PNG had reported over 36,000 cases, with around 590 deaths.

Vaccination education has been a critical part of the COVID-19 response and the PNG medical team were effective in getting the message across to employees, contractors and the wider community that vaccinations saves lives. Maintaining the mental health of personnel and families was also an important aspect of the Medical team's response.

The team also did an excellent job of maintaining information flow and proposing critical actions to effectively manage the spread of COVID-19 at operational sites. Personnel at all levels within the team were swift to react to the changing COVID-19 situation in PNG, applying rapidly changing technical information and experience gleaned from worldwide connections to the PNG workplace. The Medical team had to place themselves in high risk environments to manage testing,



quarantine and vaccination arrangements across the business unit. Unfortunately a number of personnel fell sick with COVID-19 and the medical team treated them and arranged medivacs, as well as treating other routine medical conditions.

The courage, dedication, determination and one team approach of the PNG Medical Team, in conjunction with the broader business, undoubtedly saved lives and has enabled the company and its JV partners to maintain critical production when other primary industry businesses in PNG had to shut down. This is why the PNG Medical team were finalists in the Santos 2021 Directors' Environment, Health Safety and Sustainability Awards.

Nationally, the Oil Search Foundation supported efforts to manage the pandemic in PNG, in particular supporting the PNG Government by providing resourcing and

Dr Mut Miti, Field Medical Officer

technical advisory support to the National Pandemic Control Centre, to accelerate vaccine uptake and respond to the impact of COVID-19. The Foundation's Executive Director worked alongside the Minister of Health and HIV, the Hon Jelta Wong, the Pandemic Controller, and the COVID-19 Vaccine Taskforce, to strengthen national systems and partner coordination for the national COVID-19 response, assisting the PNG National Department of Health with technical advice to finalise the new National Health Plan 2022-2030, as well as funding technical advisory services to Provincial Health Authorities for financial and planning reforms, service improvements, and to strengthen information management across the health system.

Community and supply chain

Addressing mental health in our communities - partnering with Lifeline WA

Demand for mental health helplines skyrocketed during the COVID-19 pandemic, with Lifeline receiving the highest ever volume of calls in their history. In December 2021 Lifeline WA answered 5062 calls. This was more than any other month in Lifeline WA's history and 31 per cent more than the same period in 2020. While this shows the prolonged and devastating effects of crises on our mental health, it is positive to see Australians are not suffering in silence. They are reaching out for help.

Santos has been a proud sponsor of Lifeline WA since 2016. We have over 380 Santos people living and working in WA and we recognise the invaluable crisis support Lifeline WA provides for Western Australians who are struggling. With Santos' support, Lifeline WA trained 158 new telephone crisis support workers in 2021 to keep up with the demand for the hotline and the natural attrition of volunteers.

During mental health week, Santos was pleased to take Lifeline WA on a community engagement trip to Exmouth and talk with locals about the importance of mental health, suicide prevention, and seeking help. Cricket legend and Lifeline WA ambassador Brad Hogg hosted a 'Barefoot Bowls and Burgers' event with about 100 Exmouth locals, where he shared his personal mental health struggles in the hope of breaking down associated stigmas. Brad also visited Exmouth District High School where he talked to students about looking out for each other and what to do if you're struggling.



↑ **Lorna, Chief Executive Officer of Lifeline WA with Brett, Santos President, Upstream Oil and Gas**

People and culture

PNG apprenticeship program – providing development opportunities and career progression

The apprenticeship program in PNG has been running since 1992 with more than 200 PNG nationals hired into the program.

Jonathon, Santos Production Team Lead

Having given nearly 10 years of service across different parts of the business and through various phases of organisational change, Jonathon brings a unique perspective to our company. Jonathon joined in 2012 as part of the apprentice program and quickly learned what was expected of him. He was awarded Apprentice of the Year in 2015. Since then, Jonathon has worked hard to grow and develop his skills within the organisation, holding numerous roles including Process Technician, Field Operator, Field Lead Operator and Senior Field Production Technician across five of our PNG facilities. He has taken on many different opportunities to develop his skills, challenge himself and share his knowledge.

"I really want to get exposure to managing and leading people. I think being able to work closely with a team and help new team members coming in to get the most out of working here is something I am ready for. I have a couple of mentors in mind and am excited to see where this new journey takes me."

Lydia, Santos Deputy Occupational Health and Safety Manager

Lydia joined the company in 2004 in the second batch of Process Technician apprentices. Lydia graduated as the first female Process Technician in all of PNG (not just the company!) when Process Technician first became an accredited trade in PNG.

Lydia originates from the Herebo Village in the Southern Highlands province and her career has spanned more than 17 years with the company. Following her time as an apprentice and a qualified tradesperson, she took a three-year break studying a diploma in Chemical Engineering at Curtin University in Western Australia.

Post-study, Lydia returned to production operations and was later promoted to Deputy Occupational Health and Safety Manager this year.

Beyond her career achievements, Lydia works with Youth and Women Empowerment Programs, is an advocate for violence against women awareness, and conducts awareness of drug and alcohol abuse in her local community.



↑ **Jonathan has been promoted to a Production Team Lead in 2022**



↑ **2021 PNG apprenticeship program participants**

People and culture

Supporting Indigenous youth in the Northern Territory

The **Clontarf Foundation** exists to improve the education, employment prospects and quality of life for young Aboriginal and Torres Strait Islander men. The Foundation partners with local schools to create 'Clontarf Academies' which utilise the boys' passion for sport to encourage them to attend school with the goal of graduating Year 12.

Santos' sponsorship of the Clontarf Foundation supports over 1000 Indigenous students at 20 academies across the Northern Territory. This year they have maintained their highest ever student retention rate of 90 per cent.

Operations Flinders is an eight-day program held in the far-northern Flinders Ranges that operates as a positive crime prevention strategy for at-risk 13-18 year olds. As a proud sponsor since 2015, Santos supports teenagers from the Northern Territory to participate in three exercises per year.

In 2021 Operation Flinders celebrated the 30-year anniversary of their outback intervention program which has seen over 9,000 young people participate in exercises since inception.



↑ STARS Foundation helping students

Santos is also proud to partner with the **STARS Foundation** in the Northern Territory. Similar to the Clontarf Foundation, STARS operates full-time, intensive support programs in schools, specifically tailored to Indigenous girls, with the aim of improving health and education outcomes.

In 2021 the STARS Foundation supported around 1,000 Indigenous girls and young women in 18 programs across the Territory, with a retention rate of 96 per cent. In 2022, 93 per cent of senior students in the Northern Territory STARS Programs are expected to complete Year 12. These are outstanding outcomes that illustrate the on-the-ground impact of STARS Foundation programs.

Economic sustainability

Final investment decision on Moomba carbon capture and storage project

In November 2021 Santos and joint venture partner Beach Energy, announced a final investment decision to proceed with the \$165 million (A\$220 million) Moomba CCS project in South Australia. This carbon storage project, which is expected to start up in 2024, will be one of the biggest and lowest cost globally. It will safely and permanently store 1.7 million tonnes of carbon dioxide per year and will play a critical role in Santos' plan to achieve net-zero Scope 1 and 2 emissions by 2040. Moomba CCS has a full lifecycle cost of less than \$24 per tonne of CO2 including cash costs in operation of \$6-8 per tonne of CO2. The initial Moomba CCS project is expected to support around 230 new South Australian jobs through construction and sustain thousands more over the project's operational life, demonstrating Santos' commitment to a sustainable and just transition for our people and the communities where we operate.

The project has been successfully registered with the Clean Energy Regulator. The Clean Energy Regulator CCS method provides a crediting period of 25 years, over which the project will qualify for Australian Carbon Credit Units (ACCU) for emissions reduction from Moomba CCS.



↑ Santos CCS project team members Christian and Adrian during CCS field operations at Moomba, South Australia

Currently, 80 per cent of global energy is coming from hydrocarbon fuels and in absolute terms, we are consuming more hydrocarbons today than we were 30 years ago.⁴⁴ The International Energy Agency's (IEA) Executive Director, Fatih Birol has stated that achieving global climate and energy goals without CCS will be virtually impossible. In fact, there will need to be a hundredfold increase in CCS by 2050, going from 40 million tonnes a year today, to 5.6 billion tonnes.⁴⁵ Investment in CCS projects, such as Moomba CCS, shows Santos' focus on making the hydrocarbon fuels we produce cleaner, in recognition of the world's climate aspirations and energy consumption patterns. Santos aims to play a leading role in driving the energy transition.

CCS is recognised as a critical enabler for clean hydrogen. Santos believes that investing in the

Moomba CCS project today will underpin growth in the hydrogen market in the future. The IEA's Net Zero by 2050 report predicted that 50 per cent of natural gas produced in 2050 will be used to make hydrogen. The IEA Global Hydrogen Review also finds that natural gas with CCS is currently the lowest-cost production route for low-carbon or clean-burning fuels.⁴⁶

⁴⁴ IEA, Net Zero by 2050 - A Roadmap for the Global Energy Sector: <https://www.iea.org/reports/net-zero-by-2050>.

⁴⁵ IEA Energy Technology Perspectives 2020, Special Report on Carbon Capture Utilisation and Storage in Clean Energy Transitions: https://iea.blob.core.windows.net/assets/181b48b4-323f-454d-96fb-0bb1889d96a9/CCUS_in_clean_energy_transitions.pdf.

⁴⁶ IEA, Global Hydrogen Review 2021: <https://www.iea.org/reports/global-hydrogen-review-2021>.

Appendix 2 - Definitions and abbreviations

Absolute	When used in reference to emissions reduction targets means reduction against the total emissions at the relevant point in time, rather than a relative or comparative amount
ACCU	Australian Carbon Credit Unit. Each ACCU issued represents one tonne of carbon dioxide equivalent (tCO ₂ e)
Administrative notices received from regulators	An outcome of enforcement action by a regulator in the form of a written notice for suspected/ alleged or potential breaches of an act, regulation or compliance condition, in which the regulatory authority has elected not to progress further as an offence. Generally reserved for low or minor contraventions where a financial penalty is not considered appropriate. May be considered in future compliance matters
AIMS	Australian Institute of Marine Science
Alaska Natives	The indigenous peoples of Alaska
APPEA	Australian Petroleum Production and Exploration Association
Aquifer injection	Produced formation water that has been injected as aquifer recharge
ARC	Audit and Risk Committee
bbi	Barrel: the standard unit of measurement for all oil and condensate production: one barrel equals 159 litres or 35 imperial gallons
Beneficial use water	Produced formation water that has been used in activities such as irrigation, dust suppression, drilling completions, civil works and other operations. The volume does not include 'aquifer injection water'
Biodiversity	The measure of diversity of plants, animals and microorganisms on earth; it refers to genetic variations between members of the same species, which are essential to their ongoing survival, as well as the assemblage of ecosystems
boe	Barrels of oil equivalent
Carbon Capture and Storage (CCS)	Carbon capture and storage is a process in which carbon dioxide (CO ₂) from industrial and energy-related sources is separated (captured), conditioned, compressed, transported and injected into a geological formation that provides safe and permanent storage deep underground
CEO	Chief Executive Officer
CHO	Cultural Heritage Officers
Clean fuels	Fuels which have the potential to materially reduce Scope 1, 2 and/or 3 greenhouse gas emissions. Clean hydrogen is an example of a clean fuel
Clean hydrogen	Hydrogen with lower Scope 1 and 2 emissions when produced from natural gas combined with CCS or when produced from other lower emissions production technologies, including renewable sources, and / or using offsets as required

Cleaner energy / Cleaner fuels	Energy sources that are used for power generation, transport, industrial processes or heating which have lower emissions of greenhouse gases or air pollutants (NO _x , SO _x and particulates) than other fuel sources. Natural gas is an example of a cleaner fuel and energy source, as it has lower greenhouse gas emissions than coal when used in power generation
CO₂	Carbon dioxide
CO₂e	Carbon dioxide equivalent, being a measure of greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide) with the equivalent global warming potential as carbon dioxide
Community investment	Community investment includes agreements with social outcomes, sponsorships, grants, and donations
Company	Santos Limited and all its subsidiaries
Critical fuels	Oil and natural gas, being hydrocarbon fuels that supply around 80 per cent of the world's primary energy supply. Hydrocarbon fuels are critical to meet current and forecast energy demand and to the manufacturing of everyday products
CSIRO	The Commonwealth Scientific and Industrial Research Organisation
CTAP	Climate Transition Action Plan
DDA	District Development Authorities
Decarbonise	To decarbonise is the process of avoiding, reducing or offsetting anthropogenic greenhouse gas emissions through operational activities or efficiencies, technology deployment, use of generated or acquired carbon credit units, and/or other means
DLNG	Darwin LNG
Emissions	Greenhouse gas emissions, unless otherwise specified
Employees	Direct hire permanent and maximum term employees
Engagement activities	Are engagements with landholders for the purposes of Santos undertaking authorised activities on their land. Activity includes community sessions, field visits, face-to-face meetings, phone calls and email
EQIP	Education Queensland Industry Partnership Programs
Evaporation water	Produced formation water that has been disposed of in designated evaporation ponds, and excludes any water extracted from groundwater bores
FEED	Front end engineering design
FID	Final investment decision
Formation water	Water that occurs naturally within the pores of rock in geological formations
Foundation	The Oil Search Foundation

Free cash flow	Operating cash flows less investing cash flows net of acquisitions and disposals and major growth capital expenditure, less lease liability payments
FSV	Family and sexual violence
GABIPP	Great Artesian Basin Industry Partnership Program
Gas	Natural gas
GIS	Geographic information system
GJ	Gigajoule (1 billion joules)
GLNG	Gladstone LNG
GRI	Global Reporting Initiative
Groundwater withdrawal	Water extracted from water source bores that are not categorised as producing wells
High Potential Event (HPE)	An incident or near miss that is identified as having high potential to cause serious injury, serious process safety risk or fatality
HNGV	Hospital Nacional Guido Valadares
Hydrocarbons (HC)	Compounds containing only the elements hydrogen and carbon, which may exist as solids, liquids or gases
IEA	International Energy Agency
Indigenous direct spend	Contracted spend between Santos and a certified Indigenous business
IOGP	The International Association of Oil and Gas Producers
Joules	Joules are the metric measurement unit for energy
kt	Thousand tonnes
Landholder engagement	Engaging with landholders/landowners for the purposes of Santos undertaking authorised activities on their land. Engagement activity includes direct engagement, community briefing sessions, phone calls and email correspondence
LDAR	Leak detection and repair
LEAP	Leaders, Experts and Professionals
Liquid hydrocarbon (liquids)	A sales product in liquid form for example, condensate and LPG
LNG	Liquefied natural gas. Natural gas that has been liquefied by refrigeration to store or transport it. Generally, LNG comprises mainly methane
Local spend	Spend in an area or region that includes some or all of community investment, procurement of goods and services, infrastructure, rates, levies and charges and payments to landholders
LOCI	A loss of containment incident, meaning an unplanned or uncontrolled release of any material from primary containment

LTIR	Lost time injury rate, meaning the number of lost time injuries per million hours worked
Materiality assessment	In reference to GRI Standards, a process to identify and prioritise the issues that are most important to an organisation and its key stakeholders
Materiality or material topics	In reference to GRI Standards, topics that have a direct or indirect impact on an organisation's ability to create, preserve or erode, economic, environmental and social value for the organisation and its stakeholders
Material tax contributions	Mean the company's global tax contributions, per its annual Tax Contribution Disclosure, which includes income tax, royalty-related taxation, Government royalties & excise, payroll tax and PAYG withholding tax
mboe	Million barrels of oil equivalent
MMBtu	Million British thermal units
ML	Million litres
MtCO₂e	Million tonnes of carbon dioxide equivalent
Mtpa	Million tonnes per annum
Net Zero	When anthropogenic emissions of greenhouse gases are balanced by anthropogenic removal of greenhouse gases through means such as operational activities or efficiencies, technology (e.g. CCS) or offset through the use of carbon credit units, or other means
Net Zero abstraction of water	Applies to the Australian Great Artesian Basin and means offsetting groundwater extracted by Santos during oil and gas production by supporting, enabling or funding equivalent reductions by third parties from uncontrolled groundwater releases (e.g. from free-flowing bores)
Net-zero emissions	Net Zero Scope 1 and Scope 2 greenhouse gas emissions; when referring to Santos, meaning Net Zero equity share of these emissions
Net-zero Scope 1 and 2 emissions	Santos' equity share of Net Zero Scope 1 and 2 greenhouse gas emissions
NGER	The Australian National Greenhouse and Energy Reporting Act 2007 (Cth) and associated regulations
NGO	Non-government organisation
NZE	IEA Net Zero by 2050 scenario
Oil	A mixture of liquid hydrocarbons of different molecular weights
Oil Search	Oil Search Limited
PCW	Provincial Council of Women
Penalty notices received from regulators	An outcome of compliance action by a regulator in the form of a written notice. A means of dealing with minor contraventions of an act, regulation or compliance condition which are generally not serious enough to warrant prosecution. Generally reserved for low or minor contraventions or where prosecution or higher level enforcement action is not considered warranted. A financial penalty may be associated with penalty notices

PHA	Provincial Health Authorities
PJ	Petajoule (1 million billion joules)
PNG	Papua New Guinea
PRCC	People, Remuneration and Culture Committee
PREQIP	Pre - Education Queensland Industry Partnership Programs
Produced Formation Water (PFW)	Formation water that is produced as a by-product during the extraction of oil and gas
Residual emissions	Any greenhouse gas emissions which remain after an organisation has implemented all technically and economically feasible emissions reduction opportunities
Santos people/our people	Some or all of employees, officers and directors; contractors, agents, consultants and subcontractors; and apprentices, trainees, secondees, students gaining work experience, and volunteers
Septic waste	Sewage effluent that is captured and then removed by third parties. Sewage effluent that is delivered through sewerage pipelines is not included in this septic volume
SMS	Santos Management System
STEM	Science, Technology, Engineering and Maths
Surface water discharge	Australia: PFW that meets with regulatory requirements and is discharged into natural water bodies (e.g., rivers, lakes) PNG: Treated domestic water that is discharged into water bodies
Sustainable / Sustainably	At Santos, sustainability is about striving to ensure safe operations, minimising environmental harm and greenhouse gas emissions, and creating long term value for our stakeholders including our customers, community, employees, partners and shareholders; balancing the needs of today without undermining the ability to meet the demands of tomorrow
t	Tonnes
TCFD	Task Force on Climate-related Financial Disclosures
TJ	Terajoule (1 trillion joules)
Total Australian workforce	Australian based employees, establishment contractors, apprentices and Indigenous Development program participants
Total workforce	Employees, establishment contractors, apprentices and Indigenous Development program participants
Total Recordable Injury Rate (TRIR)	The number of recordable injuries (lost time injuries, alternate duty injuries and/or medical treatment injuries) per million hours worked

Traditional Owner	An Aboriginal or Torres Strait Islander person who is a member of a local descent group and is recognised under law as having traditional and cultural associations with a tract of land or area of sea
UN SDGs	United Nations Sustainable Development Goals
UNISA	University of South Australia
VICPOP	Varanus Island Compression and Power Optimisation Project
Zero waste to landfill	Applies to Australian operations and means no waste from our operations disposed to a landfill (a waste disposal site used for the controlled deposit of solid waste onto or into land), with the exception of wastes where disposal to landfill is the legislated management pathway

Appendix 3 - Summary data tables

Economic sustainability

Access to the latest quarterly reports, interim results, full-year results and related information is available on [Santos.com](https://www.santos.com).

Health and safety

Metric	2018	2019	2020	2021
Fatalities	0	0	0	0
TRIR*	4.48	4.65	3.37	4.21
LTIR*	0.65	0.57	0.24	0.81
High Potential rate	0.28	0.41	0.31	0.40
Tier 1 LOCI	4	4	2	3
Tier 2 LOCI	13	5	7	4

Note:

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

Environment

Water

Location	Produced formation water	Groundwater withdrawal	Sea water withdrawal	Surface water withdrawal	Aquifer injection water	Beneficial use water	Evaporation water	Sea water discharge	Surface water discharge
	1000m3	1000m3	1000m3	1000m3	1000m3	1000m3	1000m3	1000m3	1000m3
New South Wales	71	2	0	0	0	0	0	0	0
Queensland	12997	673	0	0	<1	5523	1983	0	3883
South Australia	2060	1054	0	0	24	54	3346	0	0
Western Australia	2249	369	61832	0	2174	0	93	61638	0
PNG	552	586	0	290	0	0	0	0	39
Alaska	0	0	2	0	0	0	0	0	0
Northern Territory*	0	128	0	0	0	19	0	32	0
Timor-Leste	1709	0	244802	0	1708	0	0	243357	<1
Total	19638	2812	306636	290	3906	5596	5422	305027	3922

Note: * Excludes water related to exploration activities in Northern Territory

Footprint of Australian operations

Location	Tenements	Operations footprint	Rehabilitated sites returned to government*	Protected areas within tenements	Operations within protected areas
	ha	ha	ha	ha	ha
New South Wales	3217970	825	0	77960	3
Northern Territory	10902328	468	0	140731	2
Queensland	4024645	30256	1249	192115	983
South Australia	1142907	9554	3426	826784	4998
Western Australia	21	448	0	0	0
Total	19287871	41551	4675	1237590	5986

Note:

* returned to government in accordance with the specific approval-related site rehabilitation requirements

Waste

Location	Septic waste	General waste disposed of to landfill	Recycled waste	Incinerated
	kilolitres	tonnes	tonnes	tonnes
New South Wales	56	24	25	0
Queensland	1516	1689	4306	0
South Australia	319	3671	5966	0
Western Australia	14924	251	201	0
PNG	0	1122	3314	4579
Alaska	0	0	0	0
Northern Territory*	758	438	56	0
Timor-Leste	0	110	88	0
Total	17573	7305	13956	4579

Note:

* Excludes waste generated by exploration activities in Northern Territory

Incidents and spills

Key performance indicator	Units	2018	2019	2020	2021 Australia	2021 PNG	2021 Alaska
Volume HC released	m ³	76	46	48	98	18*	0*
Number HC releases		162	178	184	210	2**	0**
Volume PFW released	m ³	5460	6396	403	424	-	-
Number PFW releases		90	122	72	107	-	-
Notices received from regulators		9	9	0	2	0	0
Fines received from regulators (A\$)		82115	65115	0	26690	0	0

Note:

* Volume of hydrocarbon released from events that released greater than 0.16m³

** Number events with a volume of hydrocarbon released that was greater than 0.16m³

Climate Change

Greenhouse gas emissions data

In December 2021 a merger between Santos and Oil Search was completed. For completeness, the information in this section provides historical greenhouse gas emissions data for Santos pre-merger, both Santos and Oil Search greenhouse gas emissions data for the 2020-21 financial year, and totals for the merged entity for the 2020-21 period, noting that the companies were separate entities within the period.

Scope 1, 2 and 3 emissions

	Units	2016-17	2017-18	2018-19	2019-20	2020-21
Scope 1 emissions						
Gross operated emissions	Santos pre-merger Former Oil Search Total	MtCO ₂ e MtCO ₂ e MtCO ₂ e	5.82 5.49 5.83	5.49 5.83 7.74	5.83 7.74 8.67	7.74 8.67 8.67
Equity share emissions	Santos pre-merger Former Oil Search Total	MtCO ₂ e MtCO ₂ e MtCO ₂ e	3.79 3.57 3.65	3.57 3.65 3.85	3.65 3.85 5.74	3.85 5.74 5.74
Equity share intensity	Santos pre-merger Former Oil Search Total	ktCO ₂ e/mmboe ktCO ₂ e/mmboe ktCO ₂ e/mmboe	63 62 54	62 54 50	54 50 46	50 46 46
Scope 2 emissions (Purchased electricity)						
Gross operated emissions	Santos pre-merger Former Oil Search Total	MtCO ₂ e MtCO ₂ e MtCO ₂ e	0.31 0.39 0.53	0.39 0.53 0.57	0.53 0.57 0.61	0.57 0.61 0.61
Equity share emissions	Santos pre-merger Former Oil Search Total	MtCO ₂ e MtCO ₂ e MtCO ₂ e	0.13 0.16 0.20	0.16 0.20 0.22	0.20 0.22 0.22	0.22 0.22 0.22
Scope 1 & 2 emissions						
Equity share emissions	Santos pre-merger Former Oil Search Total	MtCO ₂ e MtCO ₂ e MtCO ₂ e	3.92 3.73 3.85	3.73 3.85 5.04	3.85 5.04 5.96	5.04 5.96 5.96
Equity share intensity	Santos pre-merger Former Oil Search Total	ktCO ₂ e/mmboe ktCO ₂ e/mmboe ktCO ₂ e/mmboe	65 64 57	64 57 55	57 55 47	55 47 47
Scope 3 (Use of sold product)						
Equity share emissions	Santos pre-merger Former Oil Search Total	MtCO ₂ e MtCO ₂ e MtCO ₂ e	19.2 18.4 21.6	18.4 21.6 24.3	21.6 24.3 30.3	24.3 30.3 39.0

Scope 1 emissions in detail

		Units	2016-17	2017-18	2018-19	2019-20	2020-21
Further details of Scope 1 emissions (Gross operated)							
Santos pre-merger	Emissions of CO2	MtCO2e	5.09	4.99	5.35	7.29	7.53
	Emissions of CH4	MtCO2e	0.72	0.49	0.47	0.44	0.44
	Emissions of N2O	MtCO2e	0.01	0.01	0.01	0.01	0.01
Former Oil Search	Emissions of CO2	MtCO2e					0.57
	Emissions of CH4	MtCO2e					0.12
	Emissions of N2O	MtCO2e					0.00
Total	Emissions of CO2	MtCO2e					8.10
	Emissions of CH4	MtCO2e					0.56
	Emissions of N2O	MtCO2e					0.01
Santos pre-merger	Emissions from Fuel	MtCO2e	3.19	3.18	3.37	4.64	4.80
	Emissions from Flare	MtCO2e	0.25	0.18	0.29	0.45	0.38
	Emissions from Vent	MtCO2e	0.31	0.24	0.15	0.13	0.07
	Emissions from CO2 Removal	MtCO2e	2.03	1.85	1.98	2.45	2.66
	Emissions from Fugitives	MtCO2e	0.04	0.04	0.04	0.06	0.08
Former Oil Search	Emissions from Fuel	MtCO2e					0.43
	Emissions from Flare	MtCO2e					0.14
	Emissions from Vent	MtCO2e					0.03
	Emissions from CO2 Removal	MtCO2e					0.02
	Emissions from Fugitives	MtCO2e					0.07
Total	Emissions from Fuel	MtCO2e					5.23
	Emissions from Flare	MtCO2e					0.52
	Emissions from Vent	MtCO2e					0.10
	Emissions from CO2 Removal	MtCO2e					2.67
	Emissions from Fugitives	MtCO2e					0.15

Notes:

- Greenhouse gas emissions are reported on an Australian financial year basis in accordance with the National Greenhouse and Energy Reporting Act 2007
- Scope 1 and 2 emissions for Australian operated assets are independently audited each year
- The merger between Santos Limited and Oil Search Limited took place on 10 December 2021 and Santos was therefore not the controlling entity of the former Oil Search assets until the 2021-22 financial year. Data for former Oil Search assets is based on information provided by Oil Search
- 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. Assets in PNG and Timor-Leste generate their own electricity and heat and therefore produce Scope 2 emissions of less than 0.01 MtCO2e and are not included in the data tables
- Scope 3 emissions represent indirect emissions when our products are combusted by our customers to produce energy
- Scope 1 and 2 emissions are rounded to two decimal places, Scope 3 emissions are rounded to one decimal place, and intensity is rounded to the nearest whole number. The sum of individual rows in the table may not equal the aggregated totals due to rounding
- The 2019-20 combined Scope 1 and 2 emissions and intensity of 5.04 MtCO2e and 55 ktCO2e/mmboe respectively are grossed up for post ConocoPhillips acquisition equity in acquired assets for that full year, as per representation in the 2021 Climate Change Report
- Non-operated emissions data is based on information provided by the respective operator

Indigenous partnerships

Indigenous workforce participation (Australia)	2020			2021		
	All	Identifies as Aboriginal or Torres Strait Islander	%	All	Identifies as Aboriginal or Torres Strait Islander	%
Workforce group						
Employees	2539	35	1.4	2771	30	1.1
Establishment contractors*	527	17	3.2	676	25	3.7
Australian Workforce Total	3066	52	1.7	3447	55	1.6
Apprentices	27	9	33.3	30	9	30
Indigenous Development Program Participants	8	8	100	7	7	100

Note:

*Establishment contractors refers to positions included in the annual headcount workforce budget (base business and project positions) and include apprentices and Indigenous Development Program participants

Cultural heritage	2017	2018	2019	2020	2021
Cultural heritage assessments	319	423	520	360	421
Cultural heritage work programs	115	135	154	88	115
Cultural heritage discoveries	558	302	550	460	204
Site management actions implemented	84	105	127	74	92
Cultural Heritage Officers employed	127	113	128	56*	88*

Note:

*COVID-19 restrictions were applied

Community and supply chain

Community investment*

Corporate social responsibility*	2020 Spend (US \$M)**	2021 Spend (US \$M)***
Strengthening local economies and communities	7.5	4.6
Indigenous communities, diversity and inclusion	0.1	0.4
Mental health and healthy living	0.7	2.3
STEM training and education	0.7	0.6
Environment and climate change	1.5	1.2
Former Oil Search PNG	24.9	22.0
Former Oil Search Alaska	0.2	0.2
Total	35.6	31.3

Notes:

- * Community investment includes agreements with social outcomes, sponsorships, grants and donations. Corporate social responsibility pillars reflect Santos' pre-merger investment priorities
- ** Amounts are gross. 2020 Oil Search spend is pre-merger
- *** Amounts are gross. 2021 Oil Search spend is pre and post merger

People and culture

Workforce details*

Location	Male	Female	Total
Field	1481	144	1625
Office	1396	765	2161
Total Santos employees	2877	909	3786
Establishment contractors**	675	127	802
Workforce total	3552	1036	4588
Graduates and interns***	46	39	85
Apprentices	39	25	64
Indigenous workforce****	36	19	55

Notes:

- * Includes active and inactive workforce. Includes CEO
- ** Includes establishment base business and project contractors and secondees
- *** Includes those on the Santos Graduate Development Program and Graduate Interns
- **** Indigenous workforce includes employees, establishment contractors, apprentices and those on the Indigenous Development Program

Employee composition

Level	Under 30 years		30 to 50 years		Over 50 years		Total		Per Cent	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
CEO and direct reports*	0.0%	0.0%	11.8%	5.9%	58.8%	23.5%	12	5	70.6%	29.4%
Leading Business	0.0%	0.0%	47.7%	8.4%	33.6%	10.3%	87	20	81.3%	18.7%
Leading Teams	0.2%	0.0%	45.2%	19.4%	30.1%	5.2%	421	137	75.4%	24.6%
Leading Others	1.5%	1.1%	52.8%	21.8%	19.4%	3.3%	824	293	73.8%	26.2%
Leading Self	6.5%	5.4%	45.5%	13.8%	25.1%	3.6%	1533	454	77.2%	22.8%
Total	3.9%	3.2%	47.5%	16.8%	24.6%	4.0%	2877	909	76.0%	24.0%
Non-Executive Director	0.0%	0.0%	0.0%	0.0%	56.0%	44.0%	5	4	56.0%	44.0%

Note:

- * Includes CEO. Number of executives reported was temporary, directly following merger with Oil Search

Appendix 4 - Disclosure index

GRI content index

GRI Standard	Disclosure	Location in this report/Link to webpage	Statement/Omission
GRI 101: Foundation 2016			
GRI 102: General Disclosures 2016			
Organisational profile			
102-1	Name of the organization		Santos Limited
102-2	Activities, brands, products, and services	What we do (p6)	
102-3	Location of headquarters	Inside back cover (p108)	Adelaide, Australia
102-4	Location of operations	Our assets and development opportunities (p7-8)	
102-5	Ownership and legal form	Inside back cover (p108) Santos 2021 Annual Report	
102-6	Markets served	What we do (p6) Santos 2021 Annual Report	
102-7	Scale of the organization	Performance highlights (p3-4) About us (p5-6) Our 2021 community contribution (p39-40) Economic Sustainability (p57-59) Santos 2021 Annual Report	
102-8	Information on employees and other workers	Appendix 3 – Summary data tables – People and culture (p99)	
102-9	Supply chain	Community and supply chain (p37-50) Appendix 3 – Summary data tables – Community and supply chain (p99)	
102-10	Significant changes to the organization and its supply chain	About us (p5-8)	In December 2021 Santos completed a merger with Oil Search, changing the operational footprint and supply chain of the business. Details can be found in specific pillar sections of this report.

GRI Content Index cont.

GRI Standard	Disclosure	Location in this report/Link to webpage	Statement/Omission
102-11	Precautionary Principle or approach	Corporate governance (p61-65) Health and Safety (p13-18) Environment (p19-24) Risk Management Policy Environment, Health and Safety Policy	
102-12	External initiatives	2021 Statement of Review of Industry Associations Corporate governance (p61-65)	
102-13	Membership of associations	2021 Statement of Review of Industry Associations Advocacy activities (p63-64)	
Strategy			
102-14	Statement from senior decision-maker	CEO Introduction (p1-2)	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	Our Values (p5)	
Governance			
102-18	Governance structure	Corporate governance (p61-65)	
Stakeholder engagement			
102-40	List of stakeholder groups	Our stakeholders (p66-68)	
102-41	Collective bargaining agreements	Statement	10.3 per cent of total employees are covered by collective bargaining agreements
102-42	Identifying and selecting stakeholders	Our stakeholders (p66-68)	
102-43	Approach to stakeholder engagement	Our stakeholders (p66-68)	
102-44	Key topics and concerns raised	Our approach to sustainability (p9-12)	
Reporting practice			
102-45	Entities included in the consolidated financial statements	Santos 2021 Annual Report	
102-46	Defining report content and topic boundaries	Understanding this report (p11) Our approach to sustainability (p9-12)	
102-47	List of material topics	Our approach to sustainability (p9-12)	

GRI Content Index cont.

GRI Standard	Disclosure	Location in this report/Link to webpage	Statement/Omission
102-48	Restatements of information	Disclaimer and forward looking statements (Inside front cover)	
102-49	Changes in reporting	Understanding this report (p11)	
102-50	Reporting period	Understanding this report (p11) Our approach to sustainability (p9-12)	
102-51	Date of most recent report	Statement	Santos 2021 Sustainability Report
102-52	Reporting cycle	Statement	Santos reports on a calendar year basis. Sustainability reports are prepared annually.
102-53	Contact point for questions regarding the report	Inside back cover	
102-54	Claims of reporting in accordance with the GRI Standards	Our approach to sustainability (p9-12) Transparent reporting (p65)	
102-55	GRI content index	Appendix 4 – Disclosure index (p100-104)	
102-56	External assurance	Appendix 5 – Assurance statement (p105-106)	
Topic specific disclosures			
300 series (Environmental topics)			
Emissions			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its boundary	Climate change (p96-97) Santos 2022 Climate Change Report	
103-2	The management approach and its components	Climate change (p96-97) Santos 2022 Climate Change Report	
103-3	Evaluation of the management approach	Climate change (p96-97) Santos 2022 Climate Change Report	
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	Climate change (p96-97) Santos 2022 Climate Change Report	
305-2	Energy indirect (Scope 2) GHG emissions	Climate change (p96-97) Santos 2022 Climate Change Report	
305-3	Other indirect (Scope 3) GHG emissions	Climate change (p96-97) Santos 2022 Climate Change Report	

GRI Content Index cont.

GRI Standard	Disclosure	Location in this report/Link to webpage	Statement/Omission
305-4	GHG emissions intensity	Climate change (p96-97) Santos 2022 Climate Change Report	
305-5	Reduction of GHG emissions	Climate change (p25-29) Santos 2022 Climate Change Report	

Environmental Compliance**GRI 103: Management Approach 2016**

103-1	Explanation of the material topic and its boundary	Our approach to sustainability (p9-12) Environment (p19-24)	
103-2	The management approach and its components	Environment (p19-24)	
103-3	Evaluation of the management approach	Environment (p19-24)	

GRI 307: Environmental Compliance 2016

307-1	Non-compliance with environmental laws and regulations	Appendix 3 – Summary data tables – Environment, Incidents and spills (p94-95)	A total of two notices were received from regulators in 2021 Fines received in 2021 totalled USD \$20,065
-------	--	--	--

400 series (Social topics)**Occupational Health and Safety****GRI 103: Management Approach 2016**

103-1	Explanation of the material topic and its boundary	Our approach to sustainability (p9-12) Health and safety (p13-18)	
103-2	The management approach and its components	Health and safety (p13-18)	
103-3	Evaluation of the management approach	Health and safety (p13-18)	

GRI 403: Occupational Health and Safety 2018

403-1	Occupational health and safety management system	Health and safety (p13-18)	
403-2	Hazard identification, risk assessment, and incident investigation	Health and safety (p13-18)	
403-3	Occupational health services	Health and safety (p13-18)	
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and safety (p13-18)	

GRI Content Index cont.

GRI Standard	Disclosure	Location in this report/Link to webpage	Statement/Omission
403-5	Worker training on occupational health and safety	Health and safety (p13-18)	
403-6	Promotion of worker health	Health and safety (p13-18)	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety (p13-18)	
403-8	Workers covered by an occupational health and safety management system	Health and safety (p13-18)	
403-9	Work-related injuries	Health and safety (p13-18) Appendix 3 – Summary data tables (p94)	
403-10	Work-related ill health	Appendix 3 – Summary data tables (p94)	

Rights of Indigenous Peoples**GRI 103: Management Approach 2016**

103-1	Explanation of the material topic and its boundary	Our approach to sustainability (p9-12) Indigenous partnerships (p31-36)	
103-2	The management approach and its components	Indigenous partnerships (p31-36)	
103-3	Evaluation of the management approach	Indigenous partnerships (p31-36)	

GRI 411: Rights of Indigenous Peoples 2016

411-1	Incidents of violations involving rights of Indigenous peoples	Statement	Nil
-------	--	-----------	-----

Local Communities**GRI 103: Management Approach 2016**

103-1	Explanation of the material topic and its boundary	Our approach to sustainability (p9-12) Community and supply chain (p37-50)	
103-2	The management approach and its components	Community and supply chain (p37-50)	
103-3	Evaluation of the management approach	Community and supply chain (p37-50)	

GRI 413: Local Communities 2016

413-1	Operations with local community engagement, impact assessments, and development programs	Community and supply chain (p37-50)	
413-2	Operations with significant actual and potential negative impacts on local communities	Community and supply chain (p37-50)	

Appendix 5 - Assurance statement

Independent Limited Assurance Statement to the Management and Directors of Santos Limited

Our Conclusion

Ernst & Young ('EY', 'we') were engaged by Santos Limited to undertake 'limited assurance' as defined by International Auditing Standards, here after referred to as a 'review', over 'selected sustainability performance data' included in Santos Limited's Sustainability Report for the year ended 31 December 2021. Based on our review, nothing came to our attention that caused us to believe that the selected sustainability performance data has not been prepared and presented fairly, in all material respects, in accordance with the Criteria defined below.

What our review covered

We reviewed a selection of Santos Limited's selected sustainability performance data for the year ended 31 December 2021, as shown in the table below.

Selected sustainability performance data	Page no
Health and safety <ul style="list-style-type: none"> Total Recordable Injury Rate (TRIR) Lost Time Injury Rate (LTIR) 	94
Environment <ul style="list-style-type: none"> Water (1000m³) [Produced formation water, Seawater withdrawal, Seawater discharge] Footprint of Australian operations (ha) [Tenements, Protected areas within tenements] Waste (tonnes) [General waste disposed to landfill and Recycled waste] Incidents and spills (m³) [Number and volume of hydrocarbon released] 	94 & 95
Climate Change <ul style="list-style-type: none"> Greenhouse gas emissions for the year ended 30 June 2021 (MtCO₂e) [Equity share and operations Scope 1 and 2 emissions and equity share Scope 3 emissions for most material category use of product sold] 	96
Community and supply chain <ul style="list-style-type: none"> Corporate social responsibility (\$US million) 	99
People and culture <ul style="list-style-type: none"> Employee composition (%) [Total representation by level] 	

Criteria applied by Santos Limited

The following Criteria have been applied:

- Definitions as per the Global Reporting Initiative's (GRI) Sustainability Reporting Standards
- IPIECA's Oil and gas industry guidance on voluntary sustainability reporting
- World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol
- National Greenhouse and Energy Reporting Act 2007
- National Greenhouse and Energy Reporting Regulations 2008
- National Greenhouse and Energy Reporting (Measurement) Determination
- Santos' own publicly disclosed criteria as disclosed in the 2022 Sustainability Report.

Key responsibilities

EY's responsibility and independence

Our responsibility was to express a limited assurance conclusion on the disclosures of selected sustainability performance data.

We were also responsible for maintaining our independence and confirm that we have met the independence requirements of the APES 110 Code of Ethics for Professional Accountants and have the required competencies and experience to conduct this assurance engagement.

Santos Limited's responsibility

Santos Limited's management was responsible for selecting the Criteria and preparing and fairly presenting the selected sustainability performance data in accordance with that Criteria.

This responsibility includes establishing and maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

Our approach to conducting the review

We conducted this review in accordance with the International Federation of Accountants' *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000') and the terms of reference for this engagement as agreed with Santos Limited on 30 May 2022.

Summary of review procedures performed

Our procedures included, but were not limited to:

- Gaining an understanding of the processes supporting the development of data for Santos Limited's selected sustainability performance data
- Conducting interviews with key personnel to understand Santos Limited's process for collecting, collating, and reporting the selected sustainability performance data during the reporting period

- Checking that the Criteria have been correctly applied in the calculation of the selected sustainability performance data
- Undertaking analytical review procedures to support the reasonableness of the data
- Identifying and testing assumptions supporting calculations
- Testing the calculations performed by Santos Limited
- Testing, on a sample basis, underlying source information to check the accuracy of the data
- Reviewing the appropriateness of the presentation of information.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Ernst & Young
Adelaide, Australia
31 October 2022

Fiona Hancock
Partner

Limited Assurance

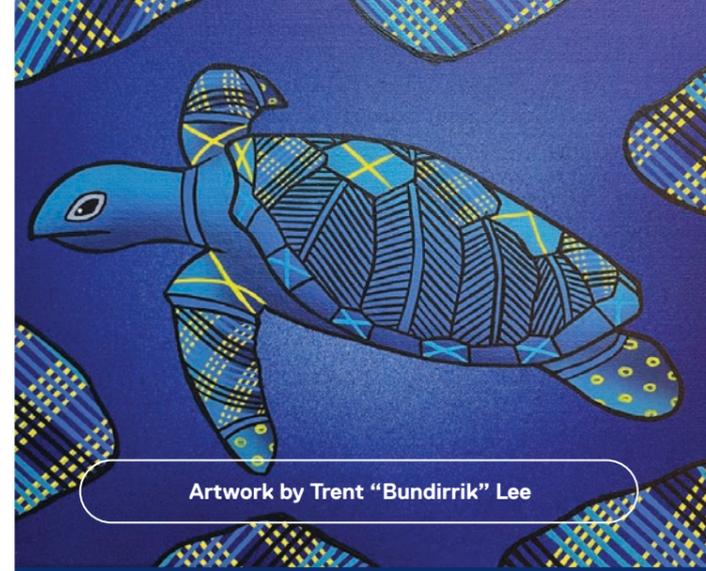
Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Use of our Assurance Statement

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Santos Limited, or for any purpose other than that for which it was prepared.



Artwork by Trent "Bundirrik" Lee

Report photography and artwork

This year we ran our inaugural Santos Sustainability Report photo competition, calling on Santos staff and contractors from across our operations to submit their own photos for an opportunity to be featured in our Sustainability Report.

The competition was a great success with some amazing entries from across our operating assets and surrounds. With the photographer's permission, we used two of the entries for our Climate Change report released earlier in the year.

To recognise those employees and contractors whose images were selected, a series of paintings were commissioned from Trent "Bundirrik" Lee, a Larrakia man now living in the Darwin area.

"I was about seven or eight when I was taught by my father to paint in our traditional method, I was also influenced by other family members, as my skill level has progressed and improved, I was taught how to carve and make our cultural artefact and cultural tools from about the age of 10 - 12, making spears, boomerangs and other carving like birds, turtles and stingrays just to name a few" Trent "Bundirrik" Lee.

Acknowledgement

Sustainability Report photography competition winners



Sunset at Santos Umo Yumba Camp in Queensland

Photograph taken by Dean, Santos Operator Maintainer in our Production team

Featured Page [30](#)



Above ground water tank at Santos Bottle Tree water treatment facility in Arcadia, Queensland

Photograph taken by Calum, Santos Graduate Engineer in our GLNG Integrity team

Featured Page [56](#)



Sunrise at Varanus Island processing facility, Western Australia

Photograph taken by Shane, Santos Electrical and Instrumentation Supervisor in our Upstream Asset Improvement team

Featured Page [65](#)



Fairview, Queensland

Photograph taken by Chris, Production Controller, Upstream Cooper Basin team

Featured Page [69](#)

Santos Limited

ABN 80 007 550 923

Registered 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

Australian Securities Exchange listing

STO

Santos website

To view our Annual Reports, shareholder and company information, news announcements and presentations, quarterly activities reports and historical information, please visit our website at [Santos.com](https://www.santos.com)

Annual reports

You can view our Annual Report online at [Santos.com](https://www.santos.com)

General enquiries

Santos Ltd
GPO Box 2455
Adelaide SA 5001

Telephone: +61 8 81165 000

Email Santos via the Contact Us portal at our website [Santos.com](https://www.santos.com)

Designed and produced by Brighter Design



This report is printed on
100 per cent recycled paper