# 2022 US and UK investor roadshow

Santos

# Disclaimer and important notice

This presentation 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, reserve 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 markets conditions in various countries, approvals, conduct of joint venture participants and contractual counterparties and cost estimates. The forward-looking information in this presentation is based on management's current expectations and reflects judgements, 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 presentation 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 presentation. 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 presentation.

All references to dollars, cents or $ in this document are to United States currency, unless otherwise stated.

Underlying profit, EBITDAX (earnings before interest, tax, depreciation, depletion, exploration and evaluation expensed, change in future restoration assumptions and impairment) and free cash flow (operating cash flows less investing cash flows net of acquisitions and disposals and major project capex, less lease liability payments) are non-IFRS measures that are presented to provide an understanding of the performance of Santos' operations. The non-IFRS financial information is unaudited however the numbers have been extracted from the financial statements which have been subject to review by the auditor. Free cash flow breakeven is the average annual oil price at which cash flows from operating activities (before hedging) equals cash flows from investing activities. Forecast methodology uses corporate assumptions. Excludes one-off restructuring and redundancy costs, costs associated with asset divestitures and acquisitions, major project capex and lease liability payments.

Santos prepares its petroleum reserves and contingent resources estimates in accordance with the 2018 Petroleum Resources Management System (PRMS) sponsored by the Society of Petroleum Engineers (SPE). Pikka Phase 1 reserve estimates are based on Santos technical evaluation and have been determined using combination of deterministic and probabilistic methods. The Pikka Phase 1 project will develop oil from 32 leases within the greater Pikka Unit. The reference point is the entry to the common carrier Pikka pipeline. Pikka Phase 1 2P undeveloped oil reserves are estimated at 165 mmbbl Santos share at 51% interest and net of 18.67% royalties. The Pikka Phase 1 project reserves and resources information in this presentation is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mark Ireland, who is a full-time employee of Santos and is a member of the SPE. Mr Ireland meets the requirements of a QPRRE and is qualified in accordance with ASX Listing Rule 5.41. Conversion factors: 1PJ of sales gas and ethane equals 171,937 boe; 1 tonne of LPG equals 8.458 boe; 1 barrel of condensate equals 0.935; 1 barrel of crude oil equals 1 boe.

The estimates of petroleum reserves and contingent resources contained in this presentation are as at 31 December 2021. Unless otherwise stated, all references to petroleum reserves, contingent resources and CO2 Storage quantities in this presentation are Santos' net share. Reference points for Santos' petroleum reserves and production are defined points within Santos' operations where normal exploration and production business ceases, and quantities of produced product are measured under defined conditions prior to custody transfer. Fuel, flare and vent consumed to the reference points are excluded. Petroleum reserves are aggregated by arithmetic summation by category and as a result, proved reserves may be a very conservative estimate due to the portfolio effects of arithmetic summation. Petroleum reserves are typically prepared by deterministic methods with support from probabilistic methods. Petroleum reserves replacement ratio is the ratio of the change in petroleum reserves (excluding production) divided by production. Organic reserves replacement ratio excludes net acquisitions and divestments

Cover image: Alaska appraisal drilling

# Santos - a global energy company

Compelling investment proposition to deliver long term value to shareholders

Top-10 global independent[1] with a balanced and diversified portfolio

Long-life production weighted to gas and LNG

Pathway to decarbonise the business, develop cleaner fuels projects and achieve net-zero by 2040

Investor participation in oil price upside through capital management framework

Strong balance sheet to fund sustainable production and the energy transition

1. Based on Santos analysis of Wood Mackenzie data.

# Santos is a low-cost producer of LNG and domestic gas

Diversified portfolio of five core long-life producing assets generating strong free cash flows, including globally cost-competitive LNG assets. Australia's lowest cost onshore operator

### Market capitalisation

~US$18 billion[1]

### Capital management

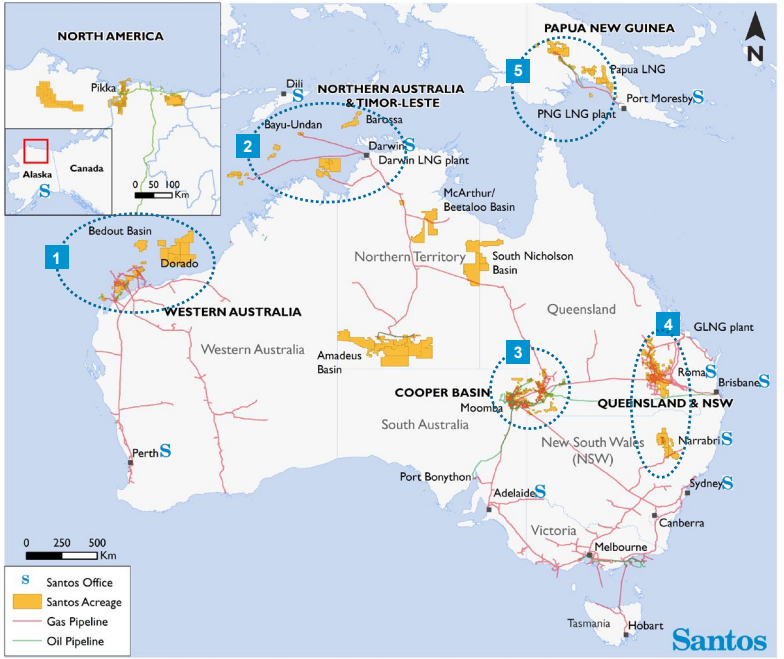
Targeting strong returns to shareholders with $605m announced via interim dividend and buybacks in 1H22

### Disciplined low cost operating model

Targeting 2022 free cash flow breakeven <US$25/bbl[2]

### Strategic competitive advantage enables low-cost CCS hubs

Moomba CCS targeting <US$24/t lifecycle breakeven



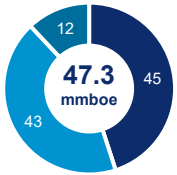

| Hub | Australia Offshore: 1 Western Australia | Australia Offshore: 2 Northern Australia | Australia Onshore: 3 Cooper Basin | Australia Onshore: 4 Queensland & NSW | PNG: 5 Papua New Guinea |
|---|---|---|---|---|---|
| Asset type | Oil FPSOs and offshore gas to domestic supply | Offshore gas field to LNG | Onshore fields to domestic & LNG | | Onshore field to LNG |
| Reservoir | Shallow water, conventional | | Conventional | Unconventional | Conventional |
| Product market | Oil, fixed-price domestic gas | LNG, liquids | Domestic gas, liquids | LNG | LNG, liquids |

1. As at 30 August 2022.
2. Free cash flow breakeven is the average annual oil price at which cash flows from operating activities (excluding hedging) equals cash flows from investing activities. Forecast methodology uses corporate assumptions. Excludes one-off restructuring and redundancy costs, asset divestitures and acquisitions, major growth capex and lease liability payments.

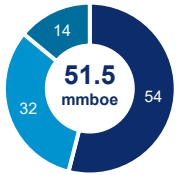
# Diversified and balanced portfolio

## Strong long-life production base weighted towards gas and LNG

**1H21 production**
%

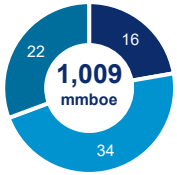



**1H22 production**
%

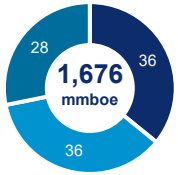



LNG  Domestic gas  Liquids

**YE21 1P reserves**
%




**YE21 2P reserves**
%




Papua New Guinea  Australia Offshore  Australia Onshore

**Gas comprised 85% of first half 2022 production volumes**

- Increased LNG weighting with increased equity in PNG LNG, partially offset by expected field decline at Bayu-Undan
- One of the leading domestic gas suppliers in Australia
- Inflation-linked domestic gas contracts provide resilience to the commodity price cycle
- Increased exposure to liquids during period of improved commodity prices

**Addition of PNG interests following merger and Barossa FID significantly improved Santos' reserves position**

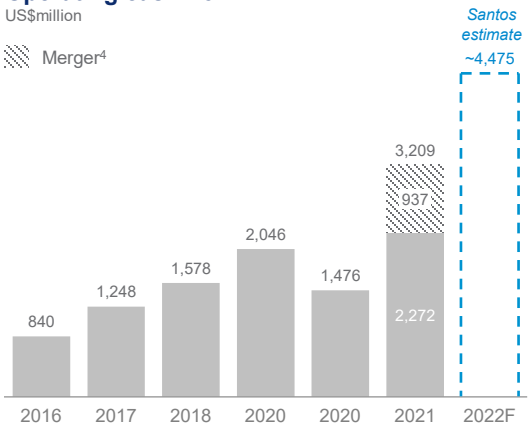
- Annual 1P reserves replacement ratio: 656%
- Annual 2P reserves replacement ratio: 907%
- Three-year 2P reserves replacement ratio: 355%
- 2P reserves life: 14 years[1]

1. 2P reserves life as at 31 December 2021 using proforma Santos and Oil Search production.

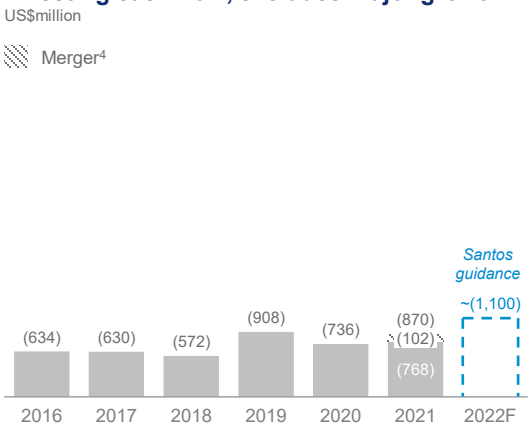
# Financial snapshot

## Strong, sustainable free cash flow generation with current FCF yield of ~19%[1]

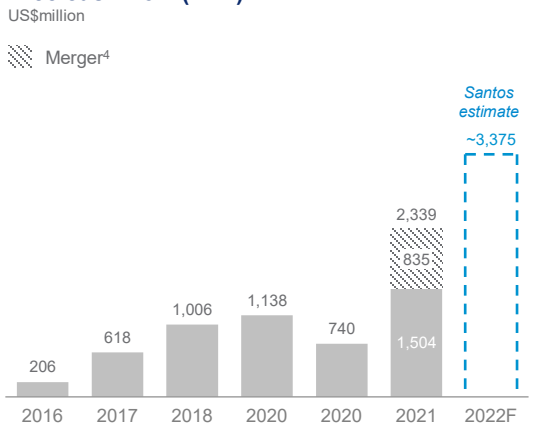
### Operating cash flow
US$million



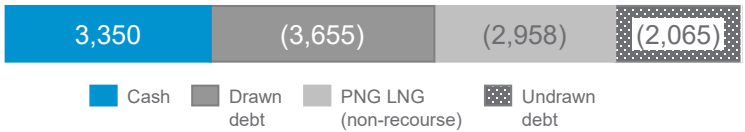

### Investing cash flow, excludes major growth[2]
US$million




### Free cash flow (FCF)[3]
US$million




### Cash, debt and undrawn debt facilities at 30 June 2022
US$million



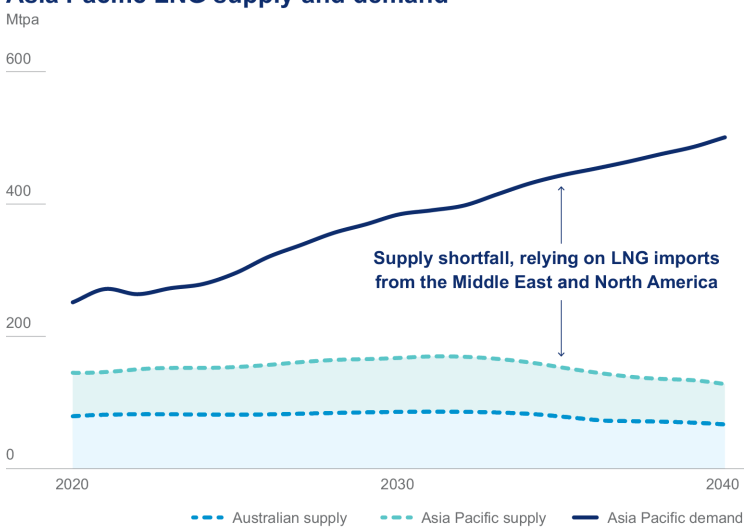

- Ample liquidity of $5,415 million in place:
  - $3,350 million in cash
  - $2,065 million in committed undrawn debt facilities
- Three stable investment grade credit ratings to support access to capital markets
- 22.5% gearing at 30 June 2022

1. Based on 2022 forecast FCF sensitivity of ~US$450 million for every $10 above the forecast FCF breakeven of <US$25 barrel (excluding hedging) and assumes the oil price averages US$100/bbl for 2022 and share price of A$7.80.
2. Includes restoration costs. Excludes acquisitions / divestments, major growth capex and lease liability payments.
3. Free cash flow equals operating cash flows less investing cash flows (net of acquisitions and disposals and major growth capex) less lease liability payments.
4. The merger with Oil Search became effective on 10 December 2021. 2021 includes proforma Oil Search from 1 January to 10 December 2021 and reported including Oil Search from 11 December 2021.

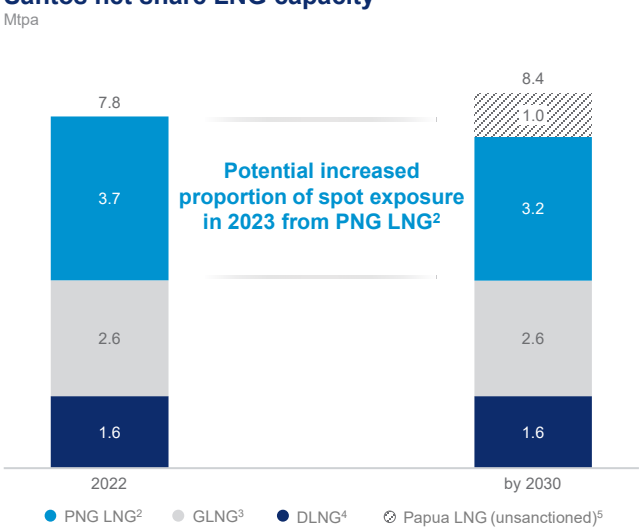
# Asia Pacific LNG demand expected to double by 2040

Santos is a leading global independent LNG supplier and well-positioned to benefit from increasing demand

## Asia Pacific LNG supply and demand [1]




## Santos net share LNG capacity




1. Source: Wood Mackenzie LNG Data Tool Q2 2022.
2. In 2023, ~0.35 mtpa is available for recontracting or spot sale. Assumes post sell-down working interest of 37.5%.
3. PNG LNG assumes 8.6 Mtpa reflecting the average capacity utilised since 2016 and 42.5% working interest in 2022 and post sell-down working interest of 37.5% in 2030.
4. GLNG assumes 8.6 Mtpa capacity and 30% working interest.
5. DLNG assumes 3.7 Mtpa capacity and 43.4% working interest.
6. Papua LNG assumes 5.4 Mtpa capacity and 17.7% working interest.

# Santos' LNG portfolio

## Diversified portfolio, high-quality oil indexed contracts and long-term backfill strategy

| | PNG LNG | Papua LNG | Gladstone LNG | Darwin LNG |
|---|---|---|---|---|
| |  |  |  |  |
| Status | Producing | FEED-entry targeted by end 2022 | Producing | Producing |
| Santos share LNG capacity, mtpa | ~3.7 [1] | ~1.0 | ~2.6 | ~1.6 |
| Contract type | Predominantly oil-linked | Subject to JV discussions | Oil-linked | JKM-linked [2] |
| Joint venture partners | ExxonMobil 33.3%*<br>Santos 42.5% [1]<br>Kumul 16.8%<br>JX Nippon 4.7%<br>MRDC 2.8% | TotalEnergies 31.1%*<br>Santos 17.7%<br>ExxonMobil 28.7%<br>State back-in right 22.5% | Santos 30%<br>PETRONAS 27.5%<br>TotalEnergies 27.5%<br>KOGAS 15% | Santos 43.4%*<br>SK E&S 25.0%<br>INPEX 11.4%<br>ENI 11.0%<br>JERA 6.1%<br>Tokyo Gas 3.1% |
| Development plan | ▸ Angore, Associated Gas Fields (Kutubu/Agogo/Moran) and Juha<br>▸ Future backfill options include P'nyang and Muruk | ▸ New field development of Elk-Antelope | ▸ Continued phased development of four coal seam gas fields across Fairview, Roma, Arcadia and Scotia | ▸ Bayu-Undan expected to reach end of field life in late 2022<br>▸ Barossa project to backfill Darwin LNG. First gas expected in 1H 2025 |

* Operator. GLNG is operated by GLNG Operations Limited on behalf of the project proponents. Papua LNG interest are post Government back-in.
1. Santos has announced an intent to sell 5% equity in this project.
2. LNG Japan/Korean Marker represents the benchmark price for spot physical cargoes.

# PNG LNG and Papua LNG

## PNG LNG is a tier 1 project. Papua LNG development project targeting FEED entry end 2022

### PNG LNG (Santos 42.5% at Sep-22)

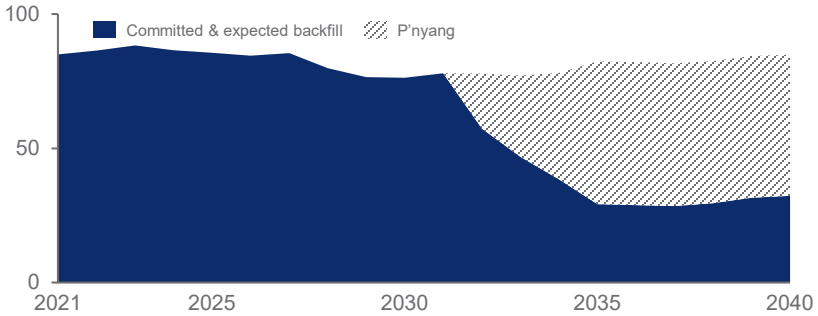
- ExxonMobil operated with high-quality, oil-indexed LNG offtake contracts
- Advanced discussions with shortlisted parties for the sale of 5% in PNG LNG with expected proceeds in line with market consensus valuation
- Consistent strong performance producing ~20% above 6.9 mmtpa nameplate
- 8.4 million tonnes of LNG produced in 2021
- 2021 unit production cost $4.69/boe
- Increased cash flow once project finance repaid by ~2026

### Papua LNG (Santos 17.7%[1])

- TotalEnergies upstream operated Elk-Antelope gas field development
- Development concept expected to leverage existing PNG LNG infrastructure
- Papua Gas Agreement and Fiscal Stability Agreement with the PNG Government
- Progressing technical, commercial, regulatory, social and environmental activities
- FEED entry targeted for the end of 2022

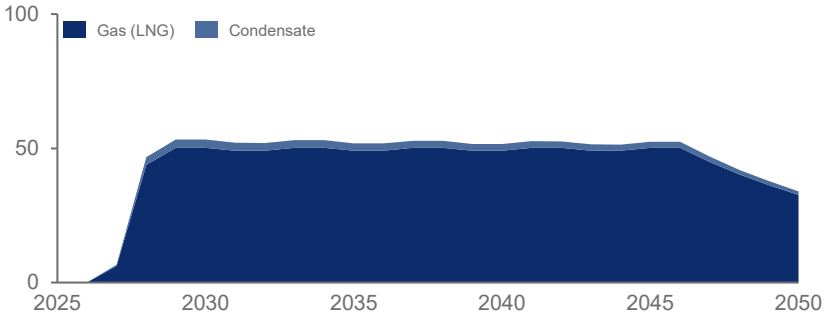
### PNG LNG Project – Production scenario outlook[2]

mmboe




### Papua LNG Project – Production outlook scenario[2]

mmboe




1. Post PNG Government back-in.
2. Wood Mackenzie Lens Production Forecast Data extracted 12 September 2022.

# Pikka Phase 1 FID

Proven world class oil province with low-cost supply and low emissions intensity with an internationally competitive investment environment

### Pikka Phase 1 project overview

- ~19% IRR at US$60/bbl long-term oil price
- Strong support from key stakeholders, including the State and landowners
- Santos committed to a net-zero project (Scope 1 and 2, equity share)

**Pikka Phase 1**

| | |
|---|---|
| Development plan | A expandable modular central process facility based development that is optimised by using existing pipeline capacity, a single small footprint drilling pad and electrified field operations |
| Lifecycle breakeven oil price | ~$40 per barrel including cost of carbon abatement |
| First oil | 2026 |
| Nameplate capacity | 80,000 barrels of oil per day gross |
| Reserves and Resources | 2P: 397 mmbbls gross pre-royalty, 165 mmbbls (STO 51%, 18.67% state royalty and OR) |
| Capex to nameplate capacity | ▸ $2.6 billion gross (2022 real)<br>▸ $1.3 billion Santos-share at 51% interest |
| Annual opex | ~$150 million gross |
| Forecast IRR | ~19% @ $60 long-term oil price |
| Carbon neutral project | Santos committed to delivering a net-zero project from first oil (Scope 1 and 2, equity share) |

Alaska appraisal drilling

Trans-Alaska pipeline

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

New 2030 Scope 1 and 2 absolute and emissions intensity reduction targets

## 2030

**Absolute**

**Target**

30% reduction in Scope 1 and 2 absolute emissions by 2030 [1]

**Intensity**

**Target**

40% reduction in Scope 1 and 2 emissions intensity by 2030 [2]

**Absolute**

**Target**

Reduce Scope 3 (customer emissions) by at least 1.5MtCO2/yr by 2030 from the sale of clean fuels

## 2040

**Target**

Net-zero Scope 1 and 2 emissions

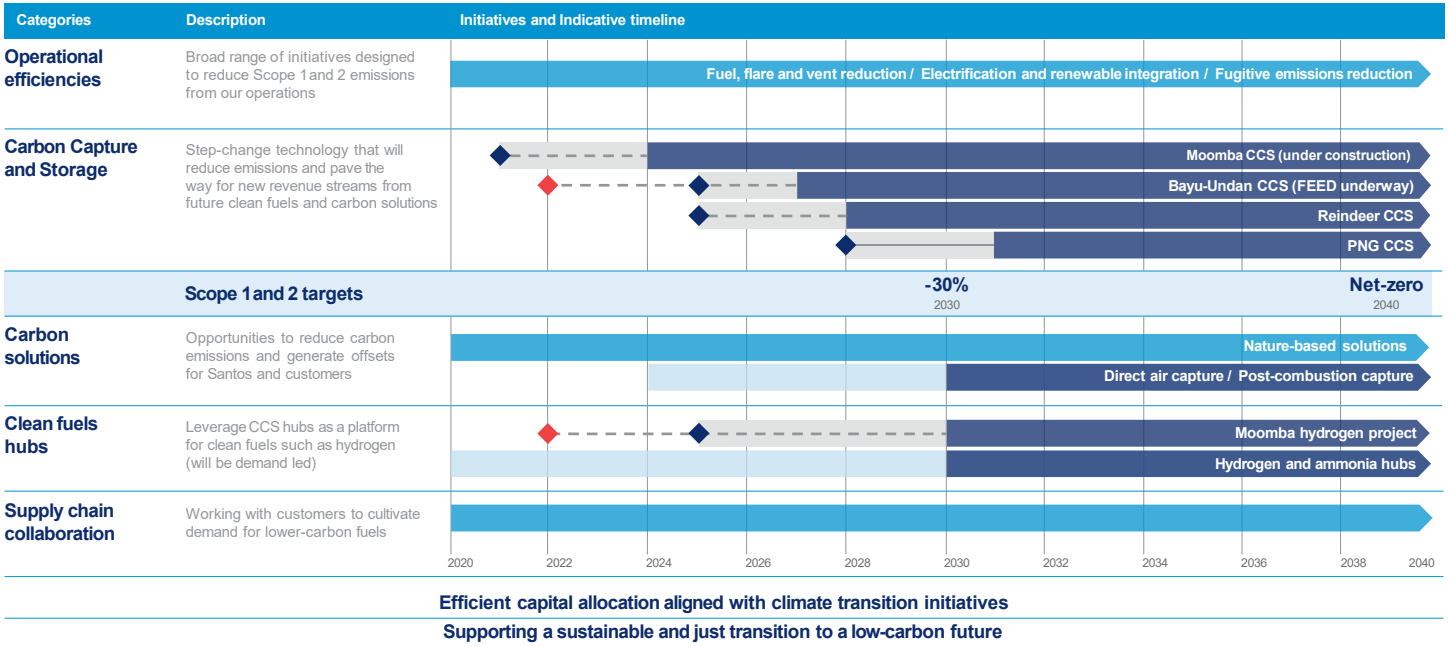
**New Policy commitments**

- A commitment to only selling our products to customers from countries that have a net-zero commitment or that are signatories to the Paris Agreement
- Final investment decisions on new offshore greenfield projects from 2025 will require abatement or offset of reservoir CO2 emissions

1. Baseline: Santos and Oil Search combined 2019/20 of 5.9 MtCO2.
2. Baseline: Santos 2019/20 baseline of 55ktCO2e/mmboe.

# Climate transition action plan

## Our Climate Transition Action Plan provides a pathway to net-zero scope 1 and 2 emissions with medium and long term targets




We will report progress annually and every three years we will provide shareholders with a non-binding advisory vote

1. Refer to slide 27 regarding forward-looking statements.

# Strategic competitive advantage enables low-cost CCS hubs

Ability to leverage infrastructure and depleted reservoirs across our three operated CCS hubs

**Proven capture technology**

- Existing capture facilities used for decades
- New facilities are similar to those used for natural gas

**Transported using pipelines**

- Transportation of CO2 is similar to moving natural gas
- Potential for CCS services to existing and new customers

**Storage in depleted reservoirs**

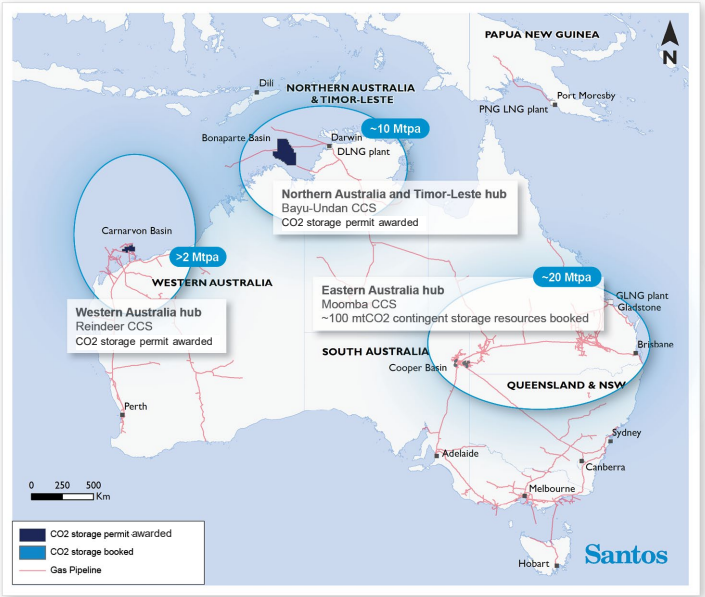
- Access to depleted gas reservoirs at scale
- Minimal surface footprint
- Regulated injection wells

# Three Santos-operated CCS and clean fuels hubs

Santos is developing three CCS hubs with >30 mtpa CO2 storage capacity. Moomba CCS under construction

| | Eastern Australia Hub | Northern Australia & Timor-Leste Hub | Western Australia Hub |
|---|---|---|---|
| Annual injection capacity, MtCO2e | ~20 | ~10 | >2 |
| Reservoir type | Depleted gas | Depleted gas | Depleted gas |
| First injection timing estimate | 2024 | 2027 | 2028 |
| Net capex, $million | ~$110m | Subject to FEED | Subject to FEED |
| Santos CO2 storage | ✓ | ✓ | ✓ |
| Third party CO2 storage | ✓ | ✓ | ✓ |
| Repurpose existing infrastructure | ✓ | ✓ | ✓ |
| Enabling hydrogen and ammonia | ✓ | ✓ | ✓ |

Recent CO2 storage permits awarded in the offshore Carnarvon and Bonaparte basins for potential carbon sequestration



# Midstream and clean fuels hubs

## Three hubs delivering safe, reliable, low-cost operations

| | Eastern Australia | Northern Australia and Timor-Leste | Western Australia |
|---|---|---|---|
| |  |  |  |
| Midstream infrastructure assets | ▸ Moomba and Port Bonython | ▸ Darwin LNG | ▸ Varanus Island and Devil Creek |
| Decarbonisation and clean fuels focus | ▸ Moomba CCS<br>▸ Direct air capture<br>▸ Upstream electrification and renewables integration<br>▸ Near-term potential is displacing diesel used in heavy transport | ▸ Bayu-Undan CCS<br>▸ Exploring opportunities for CCS in the Petrel Sub-basin<br>▸ Evaluating options to deliver clean fuels to countries in Asia who have set net-zero emissions targets | ▸ WA CCS hub (Reindeer and Devil Creek)<br>▸ Power optimisation at Devil Creek<br>▸ Working with potential industrial users in northwest WA |
| 1H22 milestones | ▸ CO2 capacity and contingent resources booked | ▸ Bayu-Undan CCS FEED entry | ▸ Working with customers to decarbonise their operations |
| 1H22 EBITDA | $149 million [1] | | |

1. This amount is already included in Santos financials as existing earnings and costs at asset level. Excludes GLNG.

# CCS projects update

## Site works have commenced at Moomba and first injection remains on track for 2024

| | Moomba CCS Phase 1 | Bayu-Undan and Timor-Leste CCS |
|---|---|---|
| |  |  |
| Project phase | ▸ Execution, 20% complete | ▸ FEED activities |
| 1H22 completed milestones | ▸ Works underway on site for CO2 train tie-in to existing plant during Q3<br>▸ Testing of new gas turbines completed<br>▸ Major procurement packages awarded<br>▸ Works safely progressing on budget and schedule<br>▸ Supply chain risk review completed to enable ongoing monitoring and control | ▸ Onshore and offshore FEED packages awarded and underway since FEED entry in March<br>▸ Working with Australian and Timor-Leste governments to establish regulatory framework and carbon credit methodology<br>▸ Significant interest in CO2 export from Asia to the Bayu-Undan CCS facility being explored |
| 2H22 expected milestones | ▸ Preparation continuing for four injector wells expected to commence drilling in 4Q 2022 | ▸ Continue FEED activities |

# Capital management framework

**Disciplined operating model** | **Five core gas producing asset hubs**

## Sustaining capital

Target free cash flow breakeven at <$35 per barrel

## Free cash flow

### Maintain strong balance sheet

- Target gearing range <25%
- Maintain investment grade credit rating

### Returns to shareholders

- Base: 10-30% payout of free cash flow at average Brent oil prices up to $65 per barrel [1]
- Additional returns: at least 40% of incremental free cash flow above an average oil price of $65 per barrel

### Invest in major projects

- Disciplined and phased investment around existing infrastructure

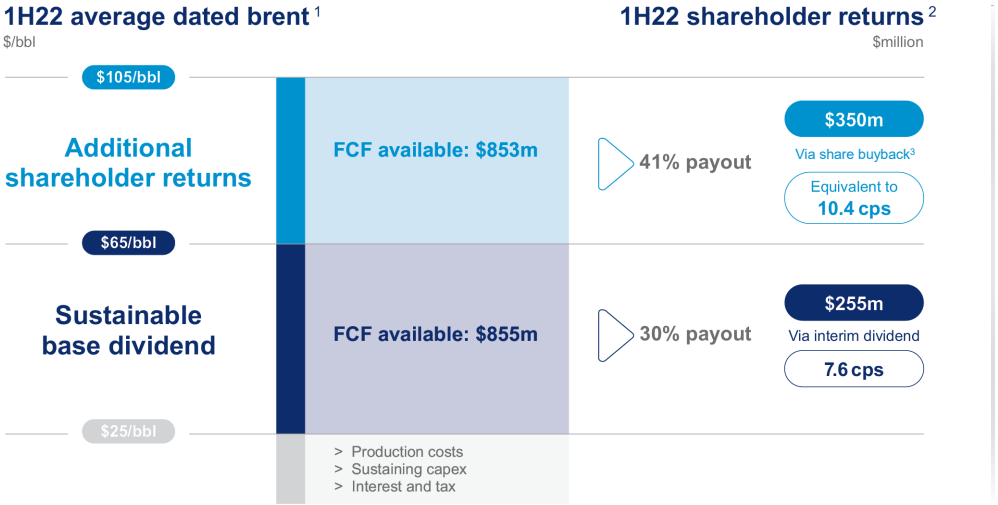
### Invest in the energy transition

- Investments must meet return hurdles and be underpinned by customer demand

1. Average Dated Brent oil price for any given period. Free cash flow is operating cash flows less investing cash flows net of acquisitions and disposals and major growth capital expenditure, less lease liability payments. The Board will have the discretion to adjust free cash flow for individually material items.

# Application of capital management framework

## Investor participation in oil price upside for the first half of 2022




### Key 1H 2022 metrics

- Forecast 2022 free cash flow breakeven $25/barrel Average Dated Brent $105/barrel
- Actual free cash flow $1.7 billion
- Shareholder returns are calculated as a proportion of the free cash flow generated up to and above
- $65 per barrel average Dated Brent oil price [2]

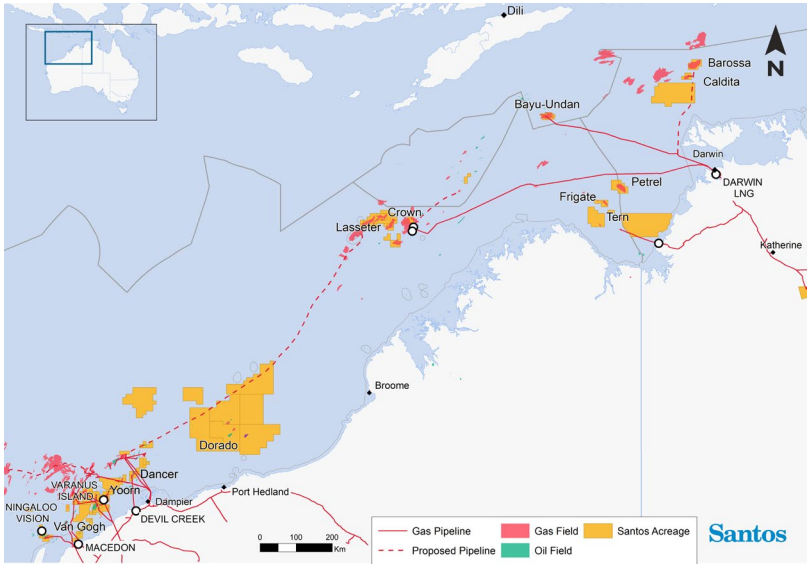
1. Average Dated Brent oil price for any given period. Free cash flow is operating cash flows less investing cash flows net of acquisitions and disposals and major growth capital expenditure, less lease liability payments. The Board will have the discretion to adjust free cash flow for individually material items.
2. 1H22 shareholder return calculation:
   > Free cash flow for base dividend: (65-25)/(105-25) * $1.7 billion = $855 million 30% payout = $255 million.
   > Free cash flow for additional shareholder return: (105-65)/(105-25) * $1.7 billion = $853 million 41% payout = $350 million.
3. $350 million on-market buyback is inclusive of the initial on-market buyback announced in April 2022, of which $174 million had been completed by the end of June 2022. Santos intends to return the remaining $176 million to shareholders via on-market share buyback during the remainder of 2022.

# Appendix

GLNG facility

# Barossa Project Federal Court decision

| | Overview |
|---|---|
| **Location** | ▸ The relevant drilling activities were underway at a site in the Timor Sea, approximately 140 kilometres north of the Tiwi Islands |
| **Federal Court decision** | ▸ The Federal Court set aside the acceptance by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) of an environmental plan covering the drilling and completion activities in relation to the Barossa Gas Project |
| **Outcomes from the Federal Court decision** | ▸ Drilling activities will be suspended pending a favourable appeal outcome or the approval of a fresh Environment Plan. Santos will be seeking to expedite these processes |
| **Project overview** | ▸ The Barossa Gas Project is approximately 46 per cent complete<br>▸ Drilling activities are not on the critical path for the project and we have headroom in the project cost contingency |



# Cash generative operating model continues to drive value

EBITDAX margin improved due to higher commodity prices and the addition of PNG interests following the merger

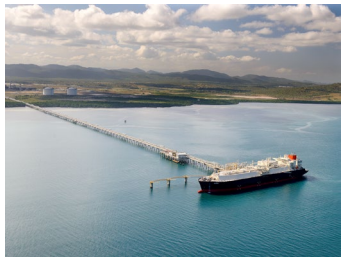
| 2022 Half-year results summary [1] | Cooper Basin | Queensland & NSW | PNG | Northern Australia & Timor-Leste | Western Australia | Santos |
|---|---|---|---|---|---|---|
| Total revenue ($million) | 552 | 701 | 1,632 | 294 | 600 | **3,843** |
| Production cost ($/boe) | 10.16 | 6.02 | 6.81 | 24.89 | 8.21 | **8.16** |
| Capex ($million) | 161 | 80 | 133 | 284 | 183 | **889** |
| EBITDAX ($million) | 234 | 468 | 1,363 | 216 | 603 | **2,731** |
| EBITDAX (margin) | 42% | 67% | 84% | 73% | 100% | **71%** |

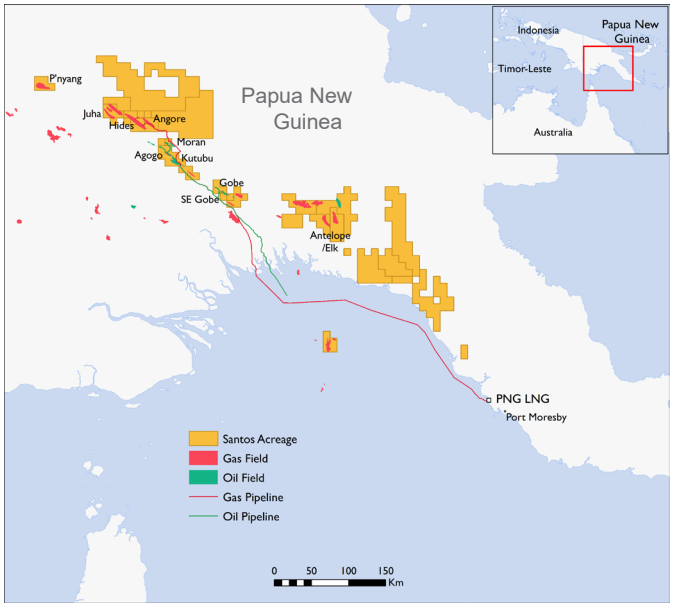
- Group EBITDAX margin increased to over 70%
- Increase in unit production costs due to lower volumes in some assets
- WA EBITDAX includes $150 million gain on an embedded derivative in a domestic gas sales agreement

1. Corporate segment not shown.

# Papua New Guinea

PNG LNG is a world-class, low-cost asset consistently delivering above nameplate capacity

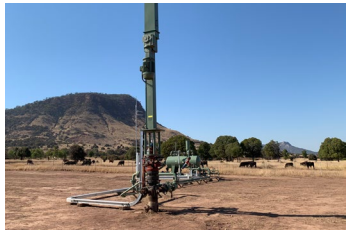
| | PNG LNG | PNG Operated Assets |
|---|---|---|
| |  |  |
| Development plan | First gas from Angore to maintain plateau production is expected in 2024 | PNG oil fields contain significant gas reserves to contribute to future PNG LNG production |
| 2021 production[1], mmboe | 14.2 | |
| 2P reserves[2], mmboe | 601 | |
| 2C resource[2], mmboe | 871 | |

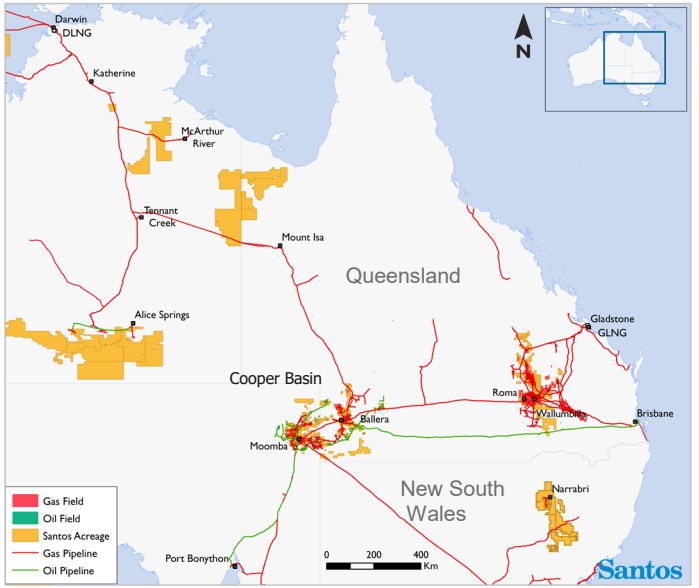



1. PNG assets included from 11 December to 31 December 2021.
2. As at 31 December 2021.

# Onshore Australia

Low cost of supply and short capex cycles assets connected to domestic markets and strong long-term Asian demand for LNG

| | Cooper Basin | Queensland & New South Wales |
|---|---|---|
| |  |  |
| Development plan | Continuous 2C to 2P conversion | Phased development of four CSG fields |
| 2021 production, mmboe | 15.3 | 13.7 |
| 2P reserves[1], mmboe | 139 | 333 |
| 2C resource[1], mmboe | 277 | 496 |
| 2021 no. of wells drilled | 68 | 269 |

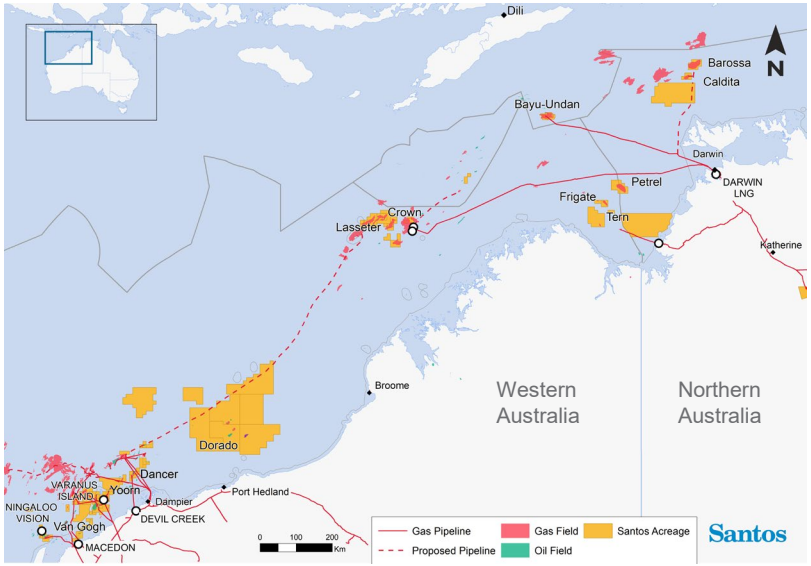



1. As at 31 December 2021.

# Offshore Australia and Timor-Leste

## Strong cash margin, low-cost operating business

| | Northern Australia and Timor-Leste | Western Australia |
|---|---|---|
| |  |  |
| Development plan | Bayu-Undan expected to reach end of field life in late 2022<br>Barossa project is 43% complete<br>Barossa first gas expected 1H25 | Near field tie back, Spartan expected online in 2023<br>Long term backfill potential from Dorado area |
| 2021 production, mmboe | 15.2 | 33.7 |
| 2P reserves[1], mmboe | 381 | 222 |
| 2C resource[1], mmboe | 782 | 393 |



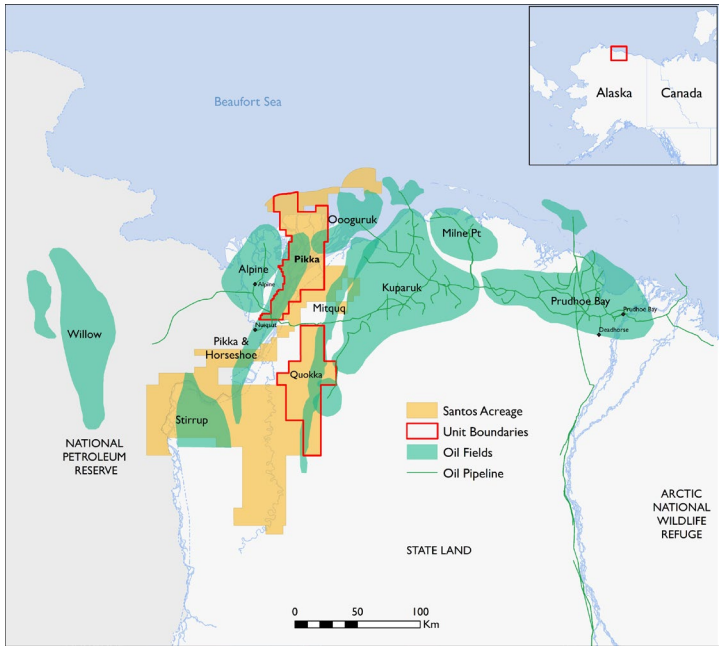

1. As at 31 December 2021.

# North America

Pikka phase 1 project sanctioned and project is well positioned for execution with first oil expected in 2026

**Pikka Phase 1**

| | |
|---|---|
| World class environmental standards | No flaring on North Slope, all gas is reinjected<br>Civil works completed for access road, centralised well pad and processing facility |
| Strong stakeholder support | Including State of Alaska, the North Slope Borough, the landowner company Kuukpik Corporation and the Arctic Slope Regional Corporation (ASRC) |
| Carbon neutral project from first oil | Memorandums of Understanding with Alaska Native Corporations to deliver carbon offset projects, including a Strategic Alliance with ASRC Energy Services, a wholly-owned subsidiary of ASRC, on leading technology development for carbon solutions in the Arctic |



# Definitions and abbreviations

| | |
|---|---|
| **Carbon Capture and Storage (CCS)** | Carbon Capture and Storage (CCS) is a process in which carbon dioxide (CO2) 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 |
| **Clean fuels** | Clean fuels refer to fuels which have the potential to materially reduce Scope 1, 2 and/or 3 greenhouse gas emissions. Hydrogen is an example of a clean fuel with no end-use combustion emissions and the potential for low Scope 1 and 2 emissions when produced from natural gas combined with CCS or when produced from renewable sources |
| **Clean hydrogen** | Hydrogen with low Scope 1 and 2 emissions when produced from natural gas combined with CCS or when produced from renewable sources |
| **Cleaner energy** | Cleaner energy refers to energy sources that are used for power generation, transport, industrial processes or heating which have lower emissions of greenhouse gases or air pollutants (NOx, SOx and particulates) than other fuel sources. Natural gas is an example of a cleaner 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 when measured over a specific time |
| **Critical fuels** | Oil and natural gas, being hydrocarbon fuels that supply 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 product. |
| **Decarbonise** | To decarbonise is the process of avoiding, reducing or offsetting anthropogenic greenhouse gas emissions through operational activities or efficiencies, technology deployment and/or use of generated or acquired carbon credit units |
| **FEED** | Front-end engineering and design |
| **FID** | Final investment decision |

| | |
|---|---|
| **Gas** | Natural gas |
| **IEA** | International Energy Agency |
| **Liquid hydrocarbon (liquids)** | A sales product in liquid form for example, condensate and LPG |
| **LNG** | Liquified natural gas, being natural gas that has been liquified by refrigeration or pressure to store or transport the product |
| **mmboe** | Million barrels of oil equivalent |
| **MtCO2e** | Million tonnes of carbon dioxide equivalent |
| **Mtpa** | Million tonnes per annum |
| **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 |
| **Oil** | A mixture of liquid hydrocarbons of different molecular weights |
| **SDS** | The Sustainable Development Scenario from the IEA's 2021 World Energy Outlook |

# Forward-looking statements

The Climate Transition Action Plan includes forecasts that are necessarily based on assumptions, contingencies and commercial judgement. The estimates included do not take into account customer demand or any future sell-downs, partnering arrangements or infrastructure funding. The Climate Transition Action Plan is over a forward-looking period of approximately 20 years. It is important to recognise that carbon and clean fuels markets are dynamic and still evolving, with high levels of uncertainty, including customer demand.

We will continue to adapt the Climate Transition Action Plan to take account of the evolving transition environment between now and 2040 and apply our disciplined economic and commercial criteria to inform investment decisions which create value for shareholders as we embark upon our decarbonisation and clean fuels journey.