



Good Year

Company/ASX Code	Santos - STO
AGM date	3rd May
Time and location	10 am Adelaide Time at Adelaide Town Hall
Registry	e.g. Computershare
Webcast	Yes – hybrid meeting
Poll or show of hands	Poll on all items
Monitor	Bob Ritchie assisted by James Hahn
Pre-AGM Meeting?	Yes with Chair Keith Spence by video

Please note any potential conflict as follows: an individual (or associates) involved in the preparation of this voting intention has a shareholding in this company.

Summary of issues for meeting

- Performance in the year under consideration was good.
- Large expansion in the size of the business.
- Increase in board size incorporating 3 former directors of Oil Search.
- Second annual sustainability report has expanded content.

Item 1	Consideration of accounts and reports
ASA Vote	No vote required

Summary of ASA Position

Good financial performance. Exploration or development gave balance to reserves lost by production.

ASA intends to vote its undirected proxies in favour of the first seven resolutions and against the eighth resolution.

Governance and culture

The Oil Search merger included the addition of three former directors of Oil Search to the Santos board. Merger and acquisition has markedly increased the global spread of Santos assets.

Financial performance

Dividend for the year was 14 cents in USD. (Shareholders who have contacted the registry have been given a statement expressing the dividend in AUD.)

TSR was 7%.

Key events

Merger with Oil Search

Key Board or senior management changes

Arising from an agreement which led to the Oil Search merger, three former directors of Oil Search have been appointed and are candidates for election.

Summary

(As at FYE)	2021	2020	2019	2018	2017
NPAT (\$m)	658	- 357	674	630	- 360
UPAT (\$m)	946	287	719	727	336
Share price (\$)	6.31	6.27	8.18	5.48	5.45
Dividend (cents)	14/19	7.1/9.2	11 / 12.2	9.7 / 13	zero
Simple TSR (%)	7%	- 22%	56%	3%	36%
EPS (cents US/AU)	30.8/40	- 17.1/-22.2	32 / 35	30 / 40	17.3
CEO total remuneration, actual (\$m)	7.2	8.11	11.26	4.5	3.63

For 2021 the CEO's total actual remuneration **was 77 times** the Australian Full time Adult Average Weekly Total Earnings (based on May 2021 data from the Australian Bureau of Statistics).

Item 2a	Re-election of Peter Hearl as a Director
ASA Vote	For

Summary of ASA Position

Peter Hearl has been a member of Santos board since 10 May 2016. He is Chair of the Environment, Health, Safety and Sustainability Committee and is a member of the People, Remuneration and Culture Committee and the Nomination Committee, having previously served on Audit and Risk Committee. He is Chair of Endeavour Group Ltd.

Item 2b	Election of Eileen Doyle as a Director
ASA Vote	For

Summary of ASA Position

Eileen Doyle has been a member of Santos board since 17 December 2021 and was a director of the former Oil Search from 2016.

Item 2c	Election of Musje Werror as a Director
ASA Vote	For

Summary of ASA Position

Musje Werror has been a member of Santos board since 17 December 2021 and was a director of the former Oil Search. He is a PNG executive: CEO of Ok Tedi Mining Limited. Under an agreement with Oil Search to include three of its directors on the Santos board, he was selected by Santos for his knowledge of PNG and his presence there.

Item 2d	Election of Michael Utsler as a Director
ASA Vote	For

Summary of ASA Position

Michael Utsler has been a member of Santos board since 17 December 2021 and was a director of the former Oil Search.

He was selected by Santos under an agreement with Oil Search to include three of its directors on the Santos board, a key facet of his broad and extensive international oil and gas experience is his knowledge of Alaska.

Item 3	Adoption of Remuneration Report
ASA Vote	For

Summary of ASA Position

Board fees have increased individually and there is a resolution for increase in total for the board fee pool, to accommodate a larger board. Executive base pay has been increased following review.

A special incentive payment for performance program has been introduced for the CEO, once only with a four year hurdle and annual reports on progress. This was not a surprise for us as we had enquired a year ago about rumours of head-hunting by a larger local hydrocarbon company. Our concern at that time was that the most senior executives could follow the CEO if he went elsewhere.

We asked about aspects of the incentive program; particularly (1) if it is solely a retention plan with hurdles easily achieved and (2) if not, then if there would be transparency by informing shareholders of the specific hurdles required to be achieved and (3) whether the hurdles suffered from the defect we had earlier criticised in the special incentive for a previous CEO regarding the GLNG for which the performance requirement was on time and on budget, a project manager target we thought inappropriate for a CEO who should have been set performance of producing a business return with a specified return on capital employed or something similar.

We were satisfied with answers to the first two of the three aspects identified above and received assurance that the chairman had personally reviewed the GLNG special incentive and had ensured

that weaknesses in that program were eliminated from the present incentive. Although final and annual hurdle specifics will not be announced in advance for commercial confidentiality, we were assured that there would be annual reports of progress. As the hurdles will be identified to shareholders retrospectively, we intend to ask the auditor for verification each year.

We have no special comment on STI. For LTI we accept the description of performance regarding the FCFBE element, having been a critic of the possibility that this incentive could lead inappropriately to reduction in expense for exploration and development. We acknowledge that this has not occurred to date and we will continue to monitor this annually.

We intend to vote in favour of the remuneration report.

Item 4	Climate Change Report
ASA Vote	For

Summary of ASA Position

The recently released Climate Change Report is significantly enlarged on the previous year and is now quite comprehensive. We intend to vote open proxies in favour of adoption of this report.

Item 5	Approval of LTI grant to CEO/Managing Director Kevin Gallagher
ASA Vote	For

Summary of ASA Position

A maximum of 573,375 SARs (convertible to shares on full achievement of performance hurdles) is proposed to be granted to Mr Gallagher. This number was determined using the 'face value' methodology: dividing an amount equivalent to 180% of Mr Gallagher's 2022 total fixed remuneration of \$2,010,000 by \$6.31, being the share price at the start of the performance period (the price on Friday 31 December 2021 was used as 1 January 2022 was not a trading day).

Our comment on LTI occurs above under remuneration report.

We intend to vote open proxies in favour of this resolution.

Item 6	Approval of a special incentive grant to Kevin Gallagher
ASA Vote	For

Summary of ASA Position

Under performance conditions up to the end of 2025, Santos board has awarded MD/CEO Kevin Gallagher 847,458 SARs, determined on the basis of face value of A\$7.08 for a period ending 9 April 2022. Performance is in respect of Santos' major projects and energy transition strategy. Our comments on this occur above under remuneration.

The resolution applies to the issue of shares if the SARs vest upon satisfaction of performance hurdles. The board could in any case buy shares on market in order to satisfy any obligation it may incur upon satisfaction of performance hurdles.

Item 7	Increase in non-executive director fee pool
ASA Vote	For

Summary of ASA Position

In 2013 we supported an increase in the directors' fee pool from \$2.1million to \$2.6million, expressed in AUD. The Santos board is seeking approval from shareholders to increase the maximum aggregate amount available for non-executive Directors' fees (Fee Pool) in any financial year commencing on or after 1 January 2022 from \$2,600,000 to \$3,500,000 per year.

Reference in the Notice of Meeting back to the 2013 increase indicates the proposed \$3,500,000 is also expressed in AUD. Although does not specify whether the amount is USD or AUD, while reports on directors' fees in the Annual Report and Notice of Meeting are expressed in USD.

The proposed increase is intended to provide scope for additional directors following the now completed Oil Search merger and to increase individual fees, as proposed in the notice of meeting.

Items 8a – 8d	Proposals under section 249N of the Corporations Act
ASA Vote	Against

Summary of ASA Position

We have commented above on the Climate Change Report. This provides sufficient information for shareholders.

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