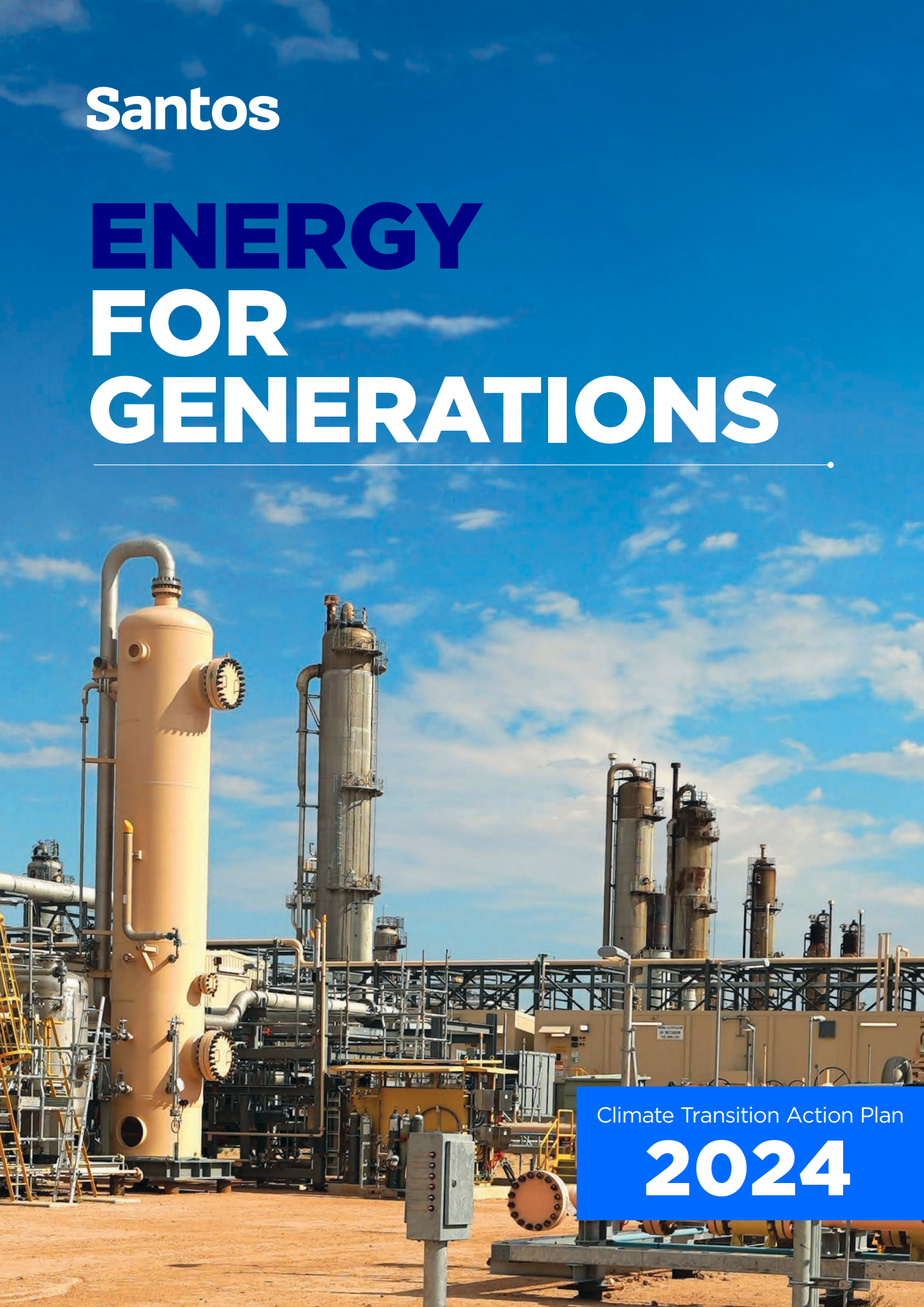
Santos

ENERGY FOR GENERATIONS

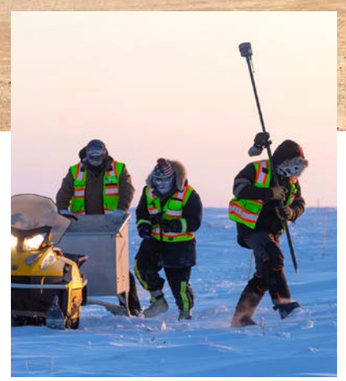


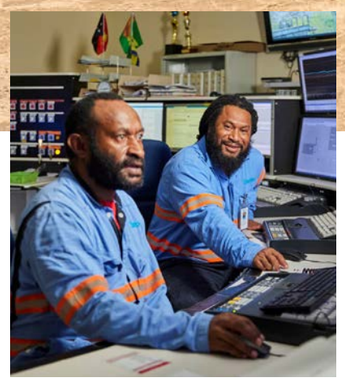
Climate Transition Action Plan

2024

We are committed to maintaining a transparent dialogue with our investors as we pursue our climate targets.

Moomba CCS project





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About us

At Santos, our goal is to backfill and sustainably grow our oil and gas portfolio to meet growing energy demand and provide reliable, affordable energy the world needs for modern life and human progress.

We aim for LNG growth to be supported by demand growth in Asia and decarbonisation through carbon capture and storage, and the development of low carbon fuels as energy markets and customer demand evolves.

DISCLAIMER AND IMPORTANT NOTICES

Forward-looking statements & scenario analysis limitations

This Climate Transition Action Plan contains forward-looking statements that reflect Santos' expectations at the date of this report (including with respect to Santos' strategies and plans relating to climate change). These statements are based on management's current expectations and reflect judgements, assumptions, estimates and other information available as at the date of this document and/or the date of Santos' planning processes. However, a range of variables could cause actual results or trends to differ materially from the statements we have made. These variables include but are not limited to: price or currency fluctuations, actual demand, geotechnical factors, drilling and production results, gas commercialisation, development progress, operating results, engineering estimates, reserves and resource estimates, loss of market, industry competition, environmental and climate-related 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, cost estimates, reputational risk, social licence and stakeholder risk and activism.

Santos makes no representation, assurance or guarantee as to the accuracy, completeness, correctness, likelihood of achievement or reasonableness of any forward-looking statement contained in this report or any assumptions on which these statements are based. Except as required by applicable laws or regulations, Santos does not undertake to publicly update or review any forward-looking statements. Past performance cannot be relied on as a guide to future performance.

This report also discusses scenario analysis. There are inherent limitations with scenario analysis. Scenarios do not constitute definitive outcomes and it is difficult to predict which, if any, of the scenarios discussed in this report might eventuate. Scenarios are based on assumptions, which may or may not be, or prove to be, correct, and may or may not eventuate. Scenarios may be impacted by additional factors to the assumptions disclosed.

Information prepared by third parties

Certain information contained in this report is based on information prepared by third parties. Santos does not make any representation or warranty that this third-party material is accurate, complete or up to date.

Santos' carbon storage growth target

This is a target not a forecast and is a growth target for gross storage from Santos operated carbon storage projects. The target is ambitious and subject to substantial engineering, finance, commercial and policy work to establish enabling frameworks with customers, governments, regulators and other stakeholders. The potential projects that would enable achieving the target remain at an early phase of planning and commercial and economic viability is still to be confirmed.

For further information, including on Santos' Glossary, please refer to our **2024 Annual Report**.

Introduction

A message from the Chair and CEO

We are pleased to present our annual update on our climate strategy and Climate Transition Action Plan. It outlines our progress in 2024 and since our last Say on Climate in 2022. In 2025, we again ask for your support when our climate transition approach is put to a non-binding vote at our AGM through a 'Say on Climate' resolution.

This annual update addresses our key strategic climate policy commitments and investments and should be read in conjunction with our 2024 Annual Report.

It outlines our CTAP which we seek your support for at Santos' 2025 Annual General Meeting.

We have heard your feedback through regular engagement over the past two years and have responded to that feedback through changes to our decarbonisation approach.

This has resulted in increased climate disclosures and policy commitments.

We are confident that our climate strategy will enable Santos to generate shareholder value by supplying the energy needs of today while seeking to develop the low carbon fuels of tomorrow.

We have invested real dollars in real projects that are now leading to real emissions reduction.

Since 2019, we have achieved a 26 per cent reduction in our equity share Scope 1 and 2 emissions, representing 84 per cent progress towards our 2030 emissions reduction target.

Since 2022, Santos has invested over $740 million in CTAP activities.

In 2024, we continued to make progress decarbonising operations. Examples include the GLNG Upstream Electrical Convert project and Moomba Gas Plant fuel, flare and vent reduction projects.

Last year we achieved a major milestone in the delivery of our CTAP with the commencement and start up of phase 1 of the Moomba Carbon Capture and Storage (CCS) project. This is a game-changer for Santos, Australia and our broader industry.

It is the equivalent of taking more than 700,000 cars off the road annually.[1]

The project, which commenced injecting at the end of September, had an immediate impact on the company's emissions. In Q4 2024, equity emissions were down 14 per cent and equity emissions intensity down 13 per cent on the prior quarter.

Building on phase 1, which captures our own emissions, Santos is now progressing Moomba CCS phase 2. It has the potential to enable us to capture and store CO2 from customers and other third parties.

The Cooper and Eromanga Basins have the potential to store up to 20 million tonnes of CO2 per annum for up to 50 years.

Santos already has memoranda of understandings with various third parties for proposed storage of CO2 across our CCS hubs and agreements with international utility companies to investigate the potential for producing low carbon fuels such as synthetic gas.

With Moomba CCS performing in line with expectations, we are on track to achieve our 2030 climate targets and pursue our Scope 1 and 2 net-zero emissions targets.

The success of Moomba CCS and the strong outlook for CCS demand growth gives us confidence in setting a new carbon storage growth target[2] to build and operate a commercial third-party carbon storage business.

The new target was supported by ongoing shareholder engagement and supports a long-term aspiration for Santos to store more carbon than we emit (Scope 1, 2 and equivalent 3).

Santos aims to build and operate a commercial carbon storage business, safely and permanently storing approximately 14 million tonnes (gross) of third-party CO2e per annum by 2040. This is the equivalent to 50 per cent of Santos' 2023 equity downstream Scope 3 emissions.[3]

In addition to developing the technology and capacity for our CCS and low carbon fuels hubs, we are simultaneously progressing the supply chain and commercialisation pathways to facilitate the delivery and storage of CO2.

Beyond CCS, we continue to proactively work with our customers and suppliers to identify ways to reduce Scope 3 emissions across our value chain. While we are not in control of these emissions, we are collaborating with our customers and suppliers to understand their emissions reduction plans and identify opportunities to implement mutually beneficial decarbonisation initiatives.

84%

progress towards 2030 Scope 1 & 2 equity emissions reductions target

$290m

invested in Climate Transition Action Plan initiatives in 2024

Building on the comprehensive work performed in 2023, we carried out further industry-leading analysis of our Scope 3 emissions value chain in 2024.

This included directly engaging more than 180 key suppliers to obtain their Scope 1 and 2 emissions data.

Santos also examined key suppliers' medium and long-term emissions targets to inform the setting of any future upstream Scope 3 initiatives.

We are continuing to invest in multiple lower carbon technologies that have the potential to become viable, scalable solutions through which Santos can decarbonise in the 2030s and 2040s. These include synthetic gas, direct air capture (DAC) and point source capture. Santos is working with ambitious and innovative businesses aiming to make these decarbonisation technologies technically and economically feasible.

Consistent with the global experience of the energy transition, these technologies are at varied stages of development and it will take time for them to mature, for commercial viability to be proven and to implement at scale.

To mitigate technology risks and ensure Santos is best placed to achieve our decarbonisation targets and maintain resilience through the energy transition, Santos retains the flexibility to invest in multiple pathways. We will update our emissions reduction pathway consistent with these developments.

Broader factors will also shape the overall transition. Despite global momentum, fossil fuels still meet 80 per cent of global energy demand, only down two per cent since 2013.[5] With the world's population forecast to grow to almost 10 billion people in 2050,[4] ongoing access to reliable and affordable energy will continue to be a critical need.

This is why the energy sector needs to simultaneously invest in and develop two energy systems – one that will continue to operate to meet current global energy needs – and another built to expand the use of lower carbon alternatives.

Santos' strategy is designed to achieve just this. We believe our climate strategy strikes this right balance in lowering our emissions and continuing to deliver the critical fuels the world demands, while seeking to develop low carbon fuels to meet customer demand.

This approach has been shaped by investor engagement. Santos' Board and management have held 222 meetings with investors since 2022, including 151 meetings in 2024.

This has led to further progress, including the significant work undertaken in 2024 on our physical risk assessment, in addition to the development of our carbon storage growth target.

We are committed to maintaining a transparent dialogue with our investors as we pursue our climate targets.

Thank you for your ongoing support of Santos as we strive to deliver reliable, affordable energy and the low carbon fuels of the future.

Kevin Gallagher
Managing Director and Chief Executive Officer

Keith Spence
Chair of the Board

1 Assumes intensity of 200g/km travelled. This is a conservative estimate (due to lack of data) that represents medium/large SUVs. Based on 12,100km travelled. Assumes Moomba CCS injecting at full capacity of 1.7 Mtpa CO2e.
2 Refer to 'Disclaimer and important notice' for further information on this target.
3 Scope 3 emissions (categories 10 and 11).
4 IEA 2024. World Energy Outlook 2024.

Role of natural gas in the energy transition

As a versatile and abundant energy source, natural gas plays a critical role in meeting ever-growing global energy demand.

The world needs gas for:

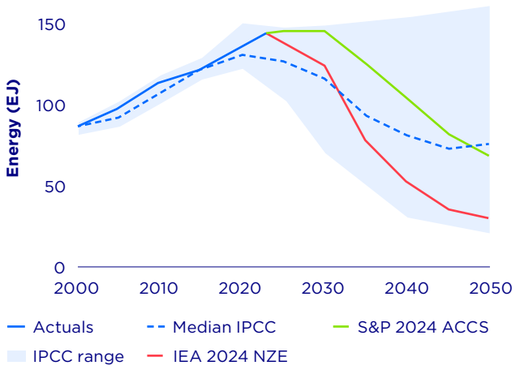
- Electricity generation
- Firming renewable energy
- Manufacturing
- Polymers
- Pharmaceuticals
- Steel
- Chemicals
- Cement
- Bricks
- Heating and feedstock for making things like fertilisers
- Agriculture
- Aluminium

Gas plays a critical role in the transition to a lower carbon future, able to flexibly fill market supply gaps as alternative energy sources emerge. As the world looks to decarbonise and builds additional renewable energy sources, natural gas will play a critical role in responding to fluctuations in supply by providing on-demand firming power generation.[2]

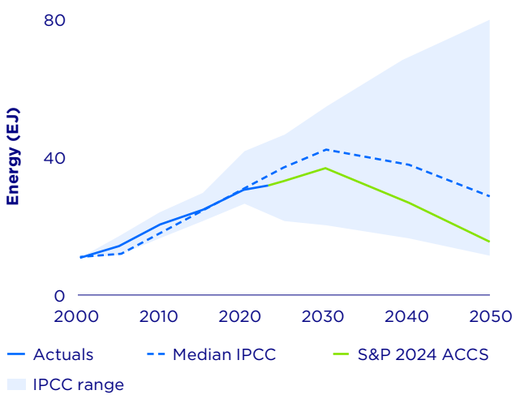
Gas is also vital as a source of heat for high-temperature industrial processes. This includes for steel, aluminium and cement production where there are currently no viable alternatives.

Natural gas remains an integral part of the energy mix out to 2050 under a range of different potential future scenarios where global temperature increase is limited to 1.5 degrees Celsius.

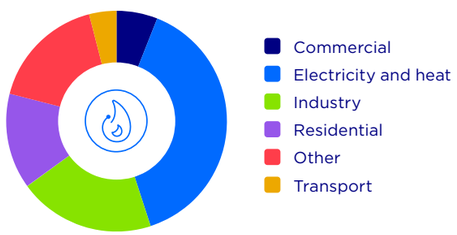
Global gas demand 2020-2050 for 1.5 degrees Celsius scenarios[3,4,5]



Asia-Pacific gas demand 2020-2050 for 1.5 degrees Celsius scenarios[3,4,5]



Use of gas[1]



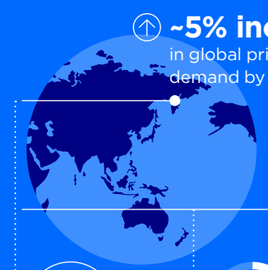
1 IEA, World Energy Balances (database), 2024.
2 Australian Government 2024. Future Gas Strategy.
3 IEA, World Energy Outlook 2024, October 2024.
4 S&P Global Commodity Insights, Energy and Climate Scenarios, July 2024.
5 Intergovernmental Panel on Climate Change (IPCC) AR6 Report, April 2022.

The world requires more energy than ever.

Despite unparalleled climate investment and ambition, global emissions continue to rise.[6]

Globally, we believe the energy sector needs to simultaneously invest in and develop two energy systems:

1. Ensure the current system continues to operate and meet global energy demands.
2. Increase efforts to build the new system centred on lower carbon alternatives.



~5% increase in global primary energy demand by 2030[7]

~12% increase in global primary energy demand by 2050[7]

51% Asia Pacific will comprise just over half (~51%) of global primary energy demand growth by 2050[7]

The critical fuels that Santos supplies are a necessary component in the energy security of Australia and Asia and will be required to provide affordable and reliable energy while the world transitions to lower carbon alternatives.

This is recognised in the Australian Government's Future Gas Strategy, which emphasised that "under all credible net zero scenarios, natural gas is needed through to 2050 and beyond."[8] It is equally in Australia's strategic interests that our trading partners have access to secure and reliable energy during the energy transition.[8]

Santos has signed binding long-term LNG Supply and Purchase Agreements with our customers. These contracts demonstrate the ongoing demand for our products.

With the world requiring more energy,[9] **if we are serious about our climate targets, abating emissions from fossil fuels has to be part of the decarbonisation solution.**

In scenarios where warming is limited to 1.5 degrees Celsius, more than half of assumed gas demand by 2050 is abated through CCS.[10]

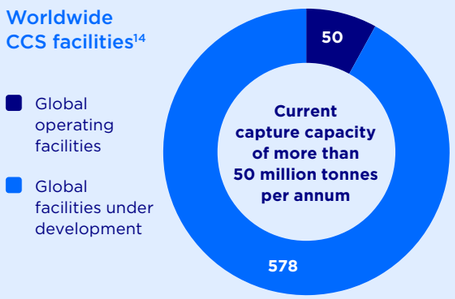
CCS, the process of capturing CO2 and storing it safely underground, is currently one of the few technologies that offers significant quantities of emissions abatement in the near term. It is considered to be a key pillar of decarbonisation by the International Energy Agency (IEA)[11] and is ramping up to meet anticipated demand.

According to the IEA, Australia is "well-suited to large-scale deployment of CCS to facilitate domestic CO2 abatement and support regional emissions reductions." [12]

Phase 1 of Santos' own Moomba CCS project successfully commenced injection in September 2024. It is a world-class, commercial, large-scale development that captures CO2 emissions at the Moomba gas plant and transports and stores the CO2 in depleted reservoirs.

Moomba CCS phase 1 is the equivalent of taking more than 700,000 cars off the road each year.[13]

Worldwide CCS facilities[14]



6 UN 2024. Emissions Gap Report 2024.
7 IEA 2024. World Energy Outlook Stated Policies Scenario (STEPS).
8 Australian Government 2024. Future Gas Strategy.
9 McKinsey & Company 2024. Global Energy Perspective 2024.
10 IEA 2023. World Energy Outlook 2023.
11 IEA 2023. Credible Pathways to 1.5 °C: Four pillars for action in the 2020s.
12 IEA 2023. Australia 2023 Energy Policy Review.
13 Assumes intensity of 200g/km travelled. This is a conservative estimate (due to lack of data) that represents medium/large SUVs. Based on 12,100km travelled. Assumes Moomba CCS injecting at all capacity of 1.7 Mtpa CO2e.
14 Global CCS Institute 2024. Global Status of CCS 2024.

Our climate journey and company strategy

Santos is committed to playing our part in the energy transition. We have listened to your feedback since our first voluntary Say on Climate resolution in 2022 and now seek your support of this same resolution at our 2025 AGM.

2022

- Enhanced 2030 emissions reduction, emissions intensity and low carbon fuels targets set
- Early delivery of 2025 emissions reduction targets
- Booked 100 million tonnes of CO2 storage resource in the Cooper Basin in South Australia in accordance with the international system for CO2 storage
- Front-end engineering design (FEED) phase commenced for Bayu-Undan CCS project

2023

- Entered into agreements with Osaka Gas Australia and several Japanese utilities to investigate the potential for producing low carbon synthetic gas
- Signed multiple MOUs with various third parties for proposed storage of CO2 at Bayu-Undan CCS and Moomba CCS hubs
- Commenced first DAC trials in the Cooper Basin
- Undertook a detailed analysis of our material Scope 3 emissions categories allowing for the development of our Scope 3 Emissions Reduction Plan

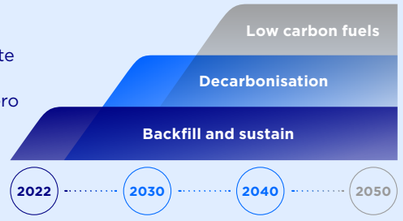
2024

- Successfully commissioned and started up Moomba CCS phase 1 storing 340,000 tonnes (gross) of CO2e
- Set a 2040 carbon storage growth target for third-party emissions, and formalised our long-term aspiration to store more carbon than we emit across Scopes 1, 2, and equivalent 3[1]
- Achieved 26 per cent reduction in equity share Scope 1 and 2 emissions since 2019-20
- Over 80 per cent of the way to achieving our 2030 Scope 1 and 2 net emissions target
- Became a signatory to the 'Aiming for Zero Methane Emissions' initiative and endorsed the 'Zero Routine Flaring by 2030' initiative
- MOU signed to assess feasibility of transporting CO2 from proposed Nagoya CO2 aggregation hub to Moomba for permanent storage
- MOU signed with Liberty Primary Minerals Australia Pty Ltd (part of GFG Alliance) to enter into discussions for gas supply combined with CCS opportunities
- Darwin Pipeline Duplication project 71 per cent complete
- Collaboration on two projects with local Alaska Native landowners secured 500,000 high integrity emissions reduction units

Our Purpose and Vision

Santos' purpose is to provide reliable and affordable energy to help create a better world for everyone. To deliver this purpose, Santos has a three-horizon strategy which underpins our decarbonisation pathway to net-zero Scope 1 emissions by 2040 and net-zero Scope 2 emissions by 2050.[2]

It is focused on backfilling and sustaining existing infrastructure, decarbonising operations and investing in the technologies needed to develop low carbon fuels of the future.



- **Backfill and sustain**
  We believe natural gas is critical to the energy transition and our products are essential to support energy, social and economic security in the regions we supply.
- **Decarbonisation**
  Santos is decarbonising our operations to meet our net-zero Scope 1 and 2 targets. Santos Midstream and Energy Solutions is offering commercial carbon management services to third parties and developing high integrity emissions reduction units.
- **Low carbon fuels**
  Santos Midstream and Energy Solutions will seek to develop low carbon fuels as customer demand evolves.

1 Refer to 'Disclaimer and important notice' for further information on this target.
2 Refer to 'Our approach to Scope 1 and 2 emissions' on page 15 for further information on this target update.

2024 Climate Transition Action Plan[1]

Decarbonising our operations

Developing commercial carbon management services

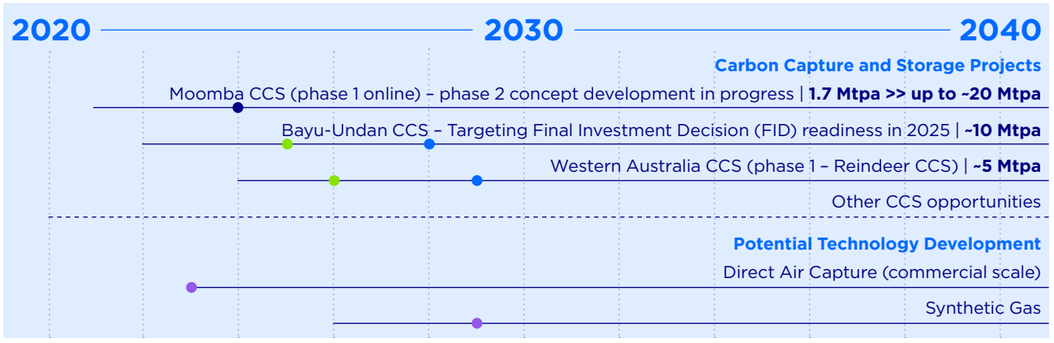
Operational Efficiencies
Broad range of initiatives designed to avoid and reduce Scope 1 and 2 emissions from our operations

Carbon Solutions
Opportunities to address emissions that cannot be avoided or reduced by Santos, our customers and third parties

Value Chain Collaboration
Working with customers and suppliers to mutually decarbonise and cultivate demand for low carbon fuels and carbon management services

Low carbon fuels hubs
Leverage decarbonisation hubs as a platform for low carbon fuels as customer demand evolves

Carbon Capture and Storage
Existing technology to reduce emissions and pave the way for new revenue streams from future low carbon fuels and carbon solutions



Our CTAP outlines our current potential decarbonisation initiatives Santos is currently following to achieve our Scope 1, 2 and carbon storage growth and methane targets. It also provides a potential pathway to develop and deliver commercial carbon management services, lower carbon energy and low carbon fuels in the future.

The CTAP is reviewed half-yearly. Reduction targets are included in the Company Scorecard.

Updates to our CTAP seek to reflect the progress of our initiatives and further evolutions of our strategy in response to developments in technology, global energy markets, government policies and customer demand.

Santos is committed to emissions reduction. Over the next five years, potentially between $500 million to $1 billion could be invested in operational efficiency projects, other CCS and low carbon fuels hubs and nature-based projects with the potential to generate emissions reduction units.

Investment in CTAP projects[2]

2024
$290m

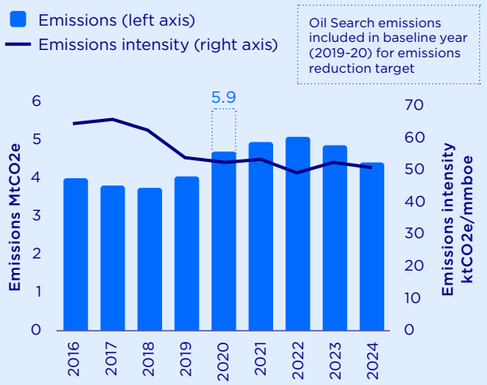
2023
$265m

2022
$190m

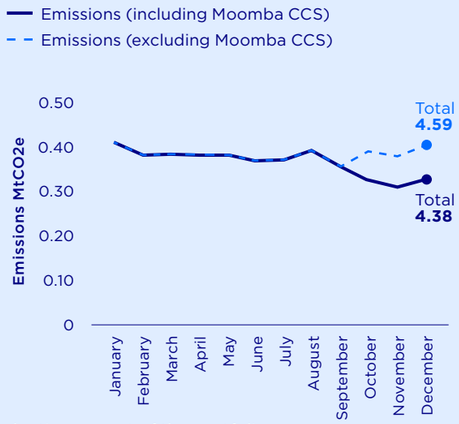
1 Our CTAP includes current projections that are necessarily based on assumptions, contingencies and commercial judgement. The estimates included do not take into account customer demand or any future sell-downs and acquisitions, partnering arrangements and infrastructure funding. Our CTAP is over a forward-looking period of approximately 20 years. It is important to recognise that markets are dynamic, emerging and still evolving, based on factors including developments in technology, science, markets, policy and experience over time.
Note: Future dates are target dates, not forecasts.
2 In 2024, Santos undertook a comprehensive review of our investment in the energy transition, resulting in reclassification of historical capital expenditure as CTAP spend, reflected in revised figures at right.

Our emissions performance

Scope 1 and 2 net equity emissions[1,2]

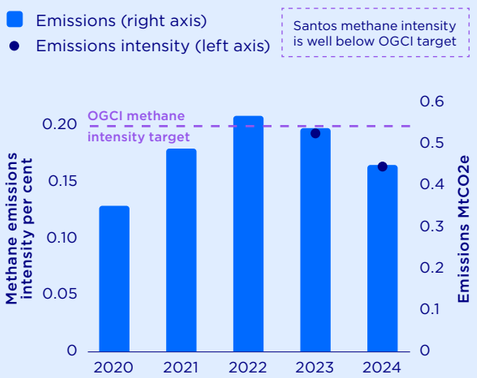


2024 Scope 1 and 2 net equity emissions[3]



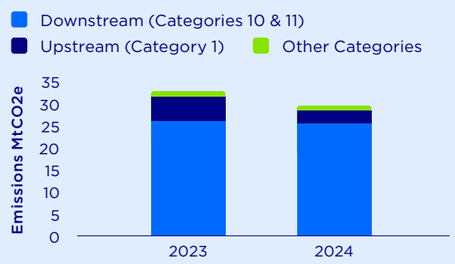
Since 2016, Santos has continued to prioritise lower carbon production as part of the portfolio through decarbonisation efforts and merger and acquisition activity. Moomba CCS represents the start of the next wave of decarbonisation centred around Santos' three decarbonisation and CCS hubs.

Methane emissions (gross operated)[1]



Santos is continuing the focus on reducing methane emissions across the business, and in 2024, we continue to remain below the Oil and Gas Climate Initiative (OGCI) methane emissions target of 0.2 per cent. Since the start-up of the Moomba CCS project, our company methane emissions have reduced by approximately 21 per cent.[4]

Scope 3 emissions



In 2024, Santos continued its focus on better understanding Scope 3 emissions sources and improving our quantification of these. Our significant collaboration with suppliers has resulted in improved estimations of upstream (Category 1) emissions.

Our 2024 upstream Scope 3 emissions intensity, expressed as tonnes of CO2e per million dollars spent with suppliers, reduced by more than 50 per cent compared to 2023. In 2023 we undertook a detailed analysis of the end use of our product and this was repeated in 2024, finding that approximately 23 per cent of our products are not combusted but instead utilised as petrochemical feedstock.

1 All annual emissions data reported on a calendar-year basis. For further definition of Scope 1, 2, and 3 emissions please see Glossary in Santos' Annual Report.
2 While every effort has been made to reliably and accurately report historical emissions data, adjustments may have resulted from changes in Santos' asset base over time and limitations on data availability for non-operated assets.
3 Moomba CCS project operational at the end of September 2024.
4 Moomba CCS captures and stores both CO2 and methane from the CO2 removal process.

Our climate targets

2025

Scope 1 and 2 · Methane

COMPLETED

Reduced emissions across the Cooper Basin and Queensland by more than

5 per cent

Scope 1 and 2

COMPLETED

Increased liquefied natural gas exports to at least

4.5 Mtpa

Scope 1 and 2 · Scope 3 · Methane

COMPLETED

Assessed the feasibility and invested in technology and innovation which have the potential to deliver

a step-change in emissions

Santos has achieved its three short-term (2025) climate-related targets.

2030

Scope 1 and 2

ON TRACK - 84% ACHIEVED

30 per cent

reduction in Scope 1 and 2 emissions (equity share)[1]

Scope 1 and 2

ON TRACK - 23% ACHIEVED

40 per cent

reduction in Scope 1 and 2 emissions intensity (equity share)[2]

Methane

Aiming for near-zero methane emissions[3]

Scope 1 and 2 · Methane

Zero routine flaring[4]

2040

Scope 1

Net-zero

Scope 1 emissions (equity share)

2050

Scope 2

REVISED[5]

Net-zero

Scope 2 emissions (equity share)

Building a commercial carbon storage business

2040

Approx.

14 Mt

of third-party CO2e per annum. Equivalent to around 50 per cent of Santos' 2023 equity Scope 3 emissions from the combustion and use of our products (Categories 10 & 11).[6,7]

2030

1.5 Mt

of third-party CO2e per annum from the supply of low carbon fuels and carbon management services.

> The new targets were supported by investor engagement.

Santos aims to build and operate a commercial carbon storage business, safely and permanently storing approximately 14 million tonnes (gross) of third-party CO2e per annum by 2040.

We are working with our customers and others to reduce their emissions.

Consistent with our strategy to decarbonise our business and develop low carbon fuels as markets evolve, **we aspire longer term to store more carbon than we emit** (Scope 1, 2, and equivalent 3).

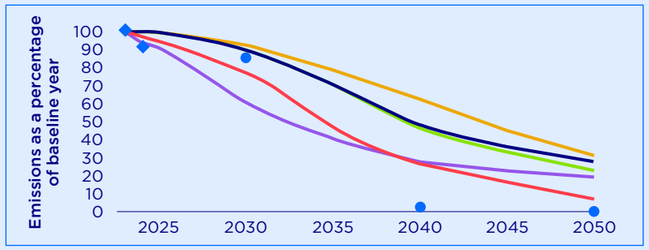
1 30 per cent absolute reduction is from the Santos and Oil Search combined 2019-20 equity Scope 1 and 2 emissions baseline of 5.9 MtCO2e, representing a reduction to 4.1 MtCO2e or lower by 2030.
2 40 per cent intensity reduction is equity share of Santos Scope 1 and 2 emissions intensity from a 2019-20 baseline of 55 ktCO2e/mmboe, representing a reduction to 33 ktCO2e/mmboe or lower by 2030.
3 Methane emissions intensity of <0.2 per cent from operations, calculated as a percentage of marketed natural gas.
4 Zero routine flaring from Santos' operated oil assets where economically viable.
5 Refer to 'Our approach to Scope 1 and 2 emissions' on page 15 for further information on this target update.
6 This is a target not a forecast and is a growth target for gross storage from Santos operated carbon storage projects. The target is ambitious and subject to substantial engineering, finance, commercial and policy work to establish enabling frameworks with customers, governments, regulators and other stakeholders. The potential projects that would enable achieving the target remain at an early phase of planning and commercial and economic viability is still to be confirmed.
7 Actual volumes depend on availability of CO2 for storage. Refer to Disclaimer and Important Notices at the front of this report for further information about this target.

Our approach to the Paris Agreement

The limiting of global warming to 1.5 degrees Celsius is modelled to result in less likelihood of extreme weather events, lower risk of irreversible damage to our ecosystems and shielding those who are most vulnerable to the impacts of climate change.[1] Santos is setting its targets and undertaking actions to contribute to UN Paris Agreement Goals as set out below.

The UN Paris Agreement Goals	How is Santos contributing?
Limit global warming	• Ambitious short-, medium- and long-term emissions reduction targets to support the goals of the UN Paris Agreement as set out below (See our climate targets)
Achieve net-zero emissions	• Decarbonisation of our business through our Climate Transition Action Plan (See 2024 Climate Transition Action Plan)
Strengthen climate resilience	• Physical climate-related risk assessment (See physical risk assessment) • Community benefit through initiatives such as vegetation management, weather monitoring, and water production from wells
Provide climate finance	• Committed to supporting a just transition for our assets, people and communities through an approach which is aligned to Ipieca principles (See supporting a just transition)
Enhance national commitments	• Meeting national commitments requires a collective approach and the collective efforts of the business community • Continuing compliance with regulatory frameworks, such as Australia's Safeguard Mechanism, should enable greenhouse gas emissions to be in line with Australia's Nationally Determined Contributions (NDC) • Continue to operate within legislative requirements that provide a framework for a country to meet its NDC in all jurisdictions where we operate, therefore contributing to the global trajectory to limit global warming in support of the Paris Agreement targets
Foster global collaboration	• Commitment to support our global partners in their decarbonisation goals through the development of a three CCS hub strategy within Australia and Timor-Leste (See CCS and low carbon fuels hub) • Offering carbon management services and potential low carbon fuels, as demand evolves, to our customers and emitters in hard-to-abate industries (See supply chain and commercialisation pathways)

Santos Scope 1 and 2 emissions reduction targets compared to third-party 1.5 degrees Celsius emissions trajectory scenarios



Santos' Scope 1 and 2 emissions targets compared with third-party scenarios limiting global warming to 1.5°C.

- IEA Net Zero Emissions (NZE)
- S&P accelerated CCS scenarios (ACCS)
- S&P multi-tech mitigation (MTM)
- NGFS Net Zero 2050
- Shell Sky
- Santos Scope 1 and 2 emissions (actuals)
- Santos Scope 1 and 2 emissions reduction targets

Santos has undertaken analysis of how our Scope 1 and 2 emissions targets generally compare against emissions trajectory scenarios that third-parties have modeled which limit global warming to 1.5 degrees Celsius, a goal of the Paris Agreement. Comparing our historic and targeted emissions[2] with such scenarios provides us with further general understanding of progress toward our climate goals. The analysis used a range of 1.5 degrees Celsius emissions scenarios developed by leading energy and climate institutions, including the IEA, S&P, Network for Greening the Financial System (NGFS) and Shell,[3] and sought to focus on emissions trajectories relevant to Santos' operations. Our historic and targeted emissions were analysed using 2023 as the baseline year and were compared against these modeled scenarios.[4]

1 IPCC Special Report: Global Warming of 1.5°C.
2 Emissions reduction targets as per our climate targets on page 11. The 2040 emissions reduction forecast represents the target of net-zero Scope 1 emissions plus a forecast of Scope 2 emissions through to the target of net-zero in 2050 based on portfolio forecast data accounting for electricity usage and forecast changes in grid intensity.
3 Analysis also considered scenarios published by BP and IPCC but were not included due to discrepancies in baseline year, superseded data sets no longer reflective of current conditions, and/or availability of data not aligning with Santos' operational context.
4 The third-party emissions trajectories analysed are inclusive of all global emissions, including those which would be considered Santos Scope 3. Santos does not have control over our Scope 3 emissions as they are the Scope 1 and 2 emissions of other entities, and as such we have not included our Scope 3 emissions in this analysis. In 2024, Scope 3 emissions comprised approximately 88 per cent of our total Scope 1, 2 and 3 emissions. There remains uncertainty around 1.5 degrees Celsius pathway scenarios as the science of climate change continues to evolve. Santos has utilised the most up-to-date third-party pathways available as at the date of the report to conduct our analysis, however we acknowledge that 1.5 degrees Celsius pathway scenarios are subject to many assumptions and uncertainties and emissions trajectories analysed were generally aligned as closely as possible to Santos' operational context, including data interpolations as required where emissions trajectories did not align to the baseline year of 2023. However, limitations on external provider data availability and granularity may result in only partial comparability with Santos' emissions reduction targets.

Our approach to Scope 1 and 2 emissions

Santos employs a range of levers to decarbonise our operations in line with our emissions hierarchy of avoid, reduce and offset.

Our approach is to decarbonise our operations at the source of production, capture and store emissions which are not avoided or reduced and offset any residual emissions.

During 2024, Santos developed asset-level decarbonisation plans as part of our Scope 1 and 2 emissions targets. These plans are live documents and are intended to be revised and updated annually in line with our corporate planning processes. They set out the pathways that each asset may follow to contribute to our company-level Scope 1 and 2 emissions reduction targets.

Our mitigation activities are structured to target each stage of production and our most material emissions sources:

Avoid and reduce emissions at the source where possible → **Reduce emissions which cannot be avoided at the source**

Emissions from fuel

Santos electrifies our operations where economically feasible and integrates the use of renewable energy where feasible as an alternative to traditional gas-fired or diesel fuel sources.

Approximately 53% of 2024 Scope 1 emissions

Emissions from fugitives

We address fugitive emissions through leak detection and repair programs, and continuous monitoring of gas plant equipment.

Approximately 5% of 2024 Scope 1 emissions

Emissions from flaring and venting

We optimise our operations to avoid and reduce flaring and venting to as low as safely and reasonably possible.

Approximately 10% of 2024 Scope 1 emissions

Emissions from CO2 removal

Santos is deploying CCS technology to capture certain emissions from our operations which cannot be avoided at the source.

Approximately 32% of 2024 Scope 1 emissions

Santos operations

Our approach to Scope 1 and 2 emissions (continued)

Emissions hierarchy

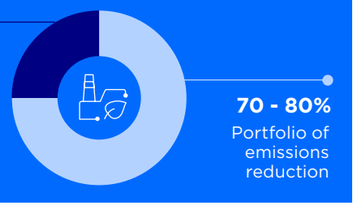
Our emissions reduction activities are based on a hierarchy of avoidance, reduction and offset.

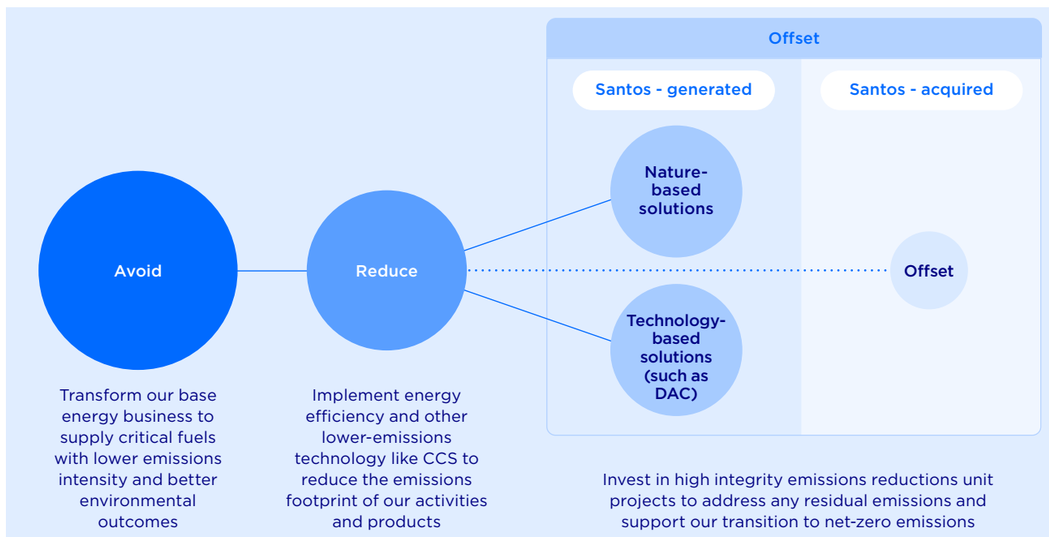
Our strategy is not based only on purchasing emissions reduction units. We prioritise avoidance and reduction of our greenhouse gas emissions as the key levers to decarbonise our business.

However, emissions reductions units are likely to be required to offset hard-to-abate emissions from both our own operations and those of the wider economy. We prioritise development of emissions reductions units which are co-located with existing operations, and in relation to nature-based projects, provide additional benefits to local Indigenous people and the communities where we operate.

Emissions reduction hierarchy: 2030 Scope 1 and 2 target

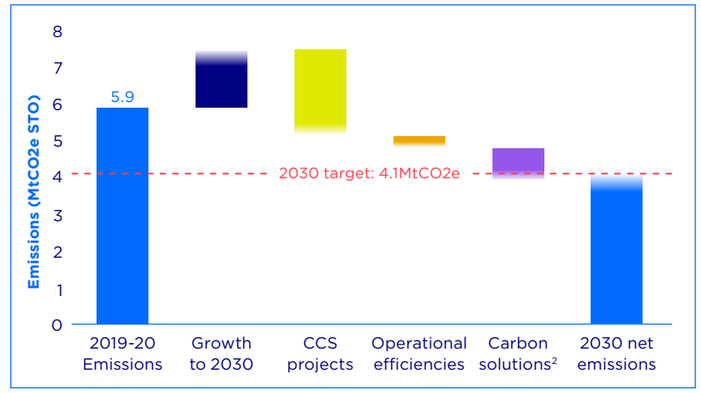
Santos currently expects our portfolio of emissions reduction initiatives will comprise approximately 70 to 80 per cent structural abatement and 20 to 30 per cent emissions reductions units, a majority of which are aimed to be Santos generated, to meet our compliance obligations and voluntary targets.





Santos' CTAP provides a potential transformation and decarbonisation pathway to reduce our Scope 1 and 2 emissions by 30 per cent by 2030. This will drive progress towards our target of net-zero Scope 1 emissions by 2040 and net-zero Scope 2 emissions by 2050.

Scope 1 and 2 equity emissions pathway to 2030[1]



Our potential to achieve net-zero Scope 1 emissions by 2040 and net-zero Scope 2 emissions by 2050

The expansion of CCS capability could provide Santos an opportunity to reach our long-term Scope 1 and 2 emissions targets. Combined with carbon solutions, including DAC, and the development of new assets designed to avoid emissions from the outset, it underpins our possible decarbonisation pathway.

The successful start-up of Moomba CCS gives us great confidence on our path to achieving our goals. From a technological and reservoir perspective, the project has performed in line with expectations.

There is intrinsically a range of uncertainty associated with the pathway Santos is following to achieve our net-zero Scope 1 and 2 emissions targets.

To mitigate these risks and ensure Santos is best placed to achieve our decarbonisation targets and maintain resilience through the energy transition, Santos seeks to retain the flexibility to invest in multiple pathways.

Santos remains on track to achieve our Scope 1 and 2 emissions reduction goals. Critically, **our pathway has no intention to deviate from the emissions hierarchy of avoidance, reduction and offset.**

2030

30 per cent
reduction in Scope 1 and 2 emissions (equity share)

40 per cent
reduction in Scope 1 and 2 emissions intensity (equity share)

2040

Net-zero
Scope 1 emissions (equity share)

2050

REVISED

Net-zero
Scope 2 emissions (equity share)

Scope 2 emissions are determined by the local energy grids from which we draw electricity supply. According to government projections, these energy grids are not expected to be fully decarbonised by 2040,[3] with risks and challenges related to planning approvals, availability of a skilled workforce, supply chain constraints and expansion of transmission lines, among other factors.[4] **As a result, Santos has revised our Scope 2 net-zero emissions target from 2040 to 2050**. This change aligns with the Net Zero targets of the majority of jurisdictions where we operate.

We remain committed to decarbonising our operations and our Scope 2 emissions, which make up six per cent of our 2024 Scope 1 and 2 equity emissions, and will decarbonise at the pace of the energy grids where we operate. Santos intends to identify opportunities to secure renewable-generated electricity for our operations, where economically feasible, and will continue to monitor whether this target can be achieved earlier.

1 Emissions reduction projects will be subject to our internal project gating process and project approvals. As we pursue our backfill and sustain strategy to 2030, our unabated emissions will increase with Barossa, Pikka phase 1 and potential future projects such as Papua LNG, Bedout Basin, future phases of Alaska and Narrabri coming online. Carbon capture and storage from Moomba (operational) and Bayu-Undan (in planning) are targeted to more than offset these emissions. Operational efficiencies including electrification, and carbon solutions in Australia, Papua New Guinea and Alaska are intended to contribute to delivering our emissions pathway to 2030. Any shortfall to our 2030 target is intended to be addressed through both Santos-generated and Santos-acquired high integrity emissions reduction units.

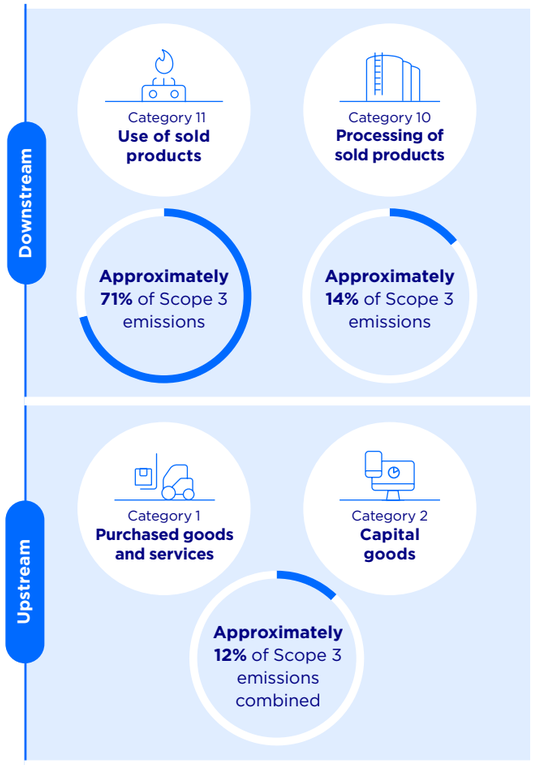
2 Including generated and acquired emissions reduction units.

3 DCCEEW 2024. 'Australia's emissions projections 2024', page 43.

4 AEMO 2024. Integrated System Plan for the National Electricity Market.

Our approach to Scope 3 emissions

Our key Scope 3 emissions sources



Total 2024 Scope 3 emissions were 29.9 MtCO2e

We are committed to collaborating with our customers and suppliers to address our Scope 3 emissions. Santos has progressed our plan to better understand Scope 3 emissions across the full value chain.

In 2023, Santos completed a materiality assessment of all 15 categories to improve its reporting of Scope 3 emissions. In 2024, we engaged directly with our suppliers and customers to better understand their emissions reduction plans and where we can have the most influence to reduce emissions along the value chain.

This assessment has provided a more comprehensive view of our value chain emissions and associated supplier customer decarbonisation plans and has again confirmed we have four material categories of Scope 3 emissions.

As a result, Santos has set a new carbon storage growth target in which we aim to build and operate a commercial carbon storage business, safely and permanently storing approximately 14 million tonnes (gross) of third-party CO2e per annum by 2040.

This underscores our long-term aspiration to store more carbon than we emit (Scope 1, 2 and equivalent Scope 3) and will progress in parallel with our development of lower carbon energy.

Santos does not control Scope 3 emissions. **Our role is to proactively support customers and suppliers to decarbonise primarily through offering carbon management services and low carbon fuels as demand evolves.**

Despite only supplying customers from countries that have a Net Zero commitment or are signatories to the Paris Agreement, a degree of uncertainty remains given Santos alone cannot deliver our customers' climate targets.

Our actions

Upstream (our suppliers' emissions)
Category 1 and 2

- Continue to engage with suppliers to deepen understanding of their emissions, including contacting more than 180 suppliers during 2024 to request information on their emissions data
- Support our suppliers to improve accuracy of their emissions calculations
- Work with suppliers to develop mutually beneficial emissions reduction initiatives

Downstream (our customers' emissions)
Category 10 and 11

- Engage with industrial domestic gas and LNG customers, and regional emitters to offer carbon management solutions (in particular CCS)
- Establish three CCS hubs and one low carbon fuels hub
- Analyse decarbonisation plans/commitments of refiners receiving Santos products

Safely and permanently storing approximately **14 million tonnes (gross) of third-party CO2e** per annum by 2040[1]

Approx. 14 MtCO2e per annum

=

Equivalent to ~50%
Santos' 2023 equity downstream Scope 3 emissions

Approx. 14 MtCO2e per annum

=

Equivalent to 3x
Santos' 2023 equity Scope 1 emissions

Approx. 14 MtCO2e per annum

1 Refer to 'Disclaimer and important notice' for further information on this target.

Our approach to methane emissions

Oil and Gas Climate Initiative's 2025 target
0.20%

Santos' methane emissions intensity[2]

2024	2023
0.16%	0.19%[1]

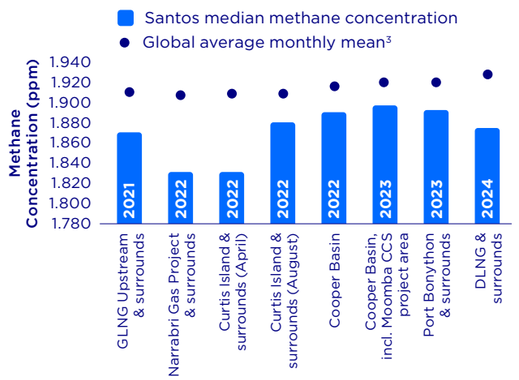
Methane emissions form a component of our Scope 1 and 2 emissions and equated to approximately 10 per cent of our total gross operated Scope 1 emissions in 2024. Santos applies a specific focus and has developed an approach to detect, measure and mitigate them.

COMPLETE

In 2024, Santos completed the final of a series of baseline methane surveys across our Australian onshore operations.

It confirmed that our monthly methane concentration was lower than the global monthly mean methane concentration. The overarching program, conducted by the CSIRO, measured atmospheric methane concentrations around existing assets and determined the baseline methane concentrations at new Santos' developments prior to commencement of activities.

Baseline methane surveys



Our 2024 methane emissions were 17 per cent lower compared to 2023, primarily due to:

24%
reduction in emissions from flaring and venting activity

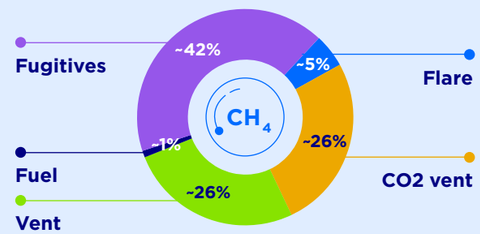
5%
reduction in fugitive emissions

In 2024, we continued to reduce the methane emissions intensity of our portfolio. Methane emissions from our operations are a result of venting, fugitive emissions, flaring and incomplete combustion of fuel in the form of natural gas. We aim to deliver our critical fuels with lower methane emissions over time.

Our methane approach comprises three pillars:

- **Detect, measure and validate**
  A combination of techniques and real-time technologies. The utilisation of various methods and technologies permits validation of results and comparison against reported emissions. Our most material emissions are assessed and prioritised accordingly.
- **Monitor and mitigate**
  Different techniques and technologies, including satellites. These programs prioritise our most material emissions, prevent, identify or repair leaks and value impact to the business.
- **Engagement and leadership**
  Interaction with stakeholders across the methane value chain to collaborate on solutions. This includes engagement and collaboration with our peers and industry associations on approaches to methane measurement and reduction.

2024 Santos methane emissions[4]



1 During the 2024 the reporting period for emissions data was aligned with the calendar year, resulting in some updates to our 2023 reported figures.
2 Methane emissions intensity calculated as gross operated methane emissions divided by volume of marketed natural gas.
3 Lan, X., K.W. Thoning, and E.J. Dlugokencky: Trends in globally-averaged CH4, N2O, and SF6 determined from NOAA Global Monitoring Laboratory measurements. Version 2025-01, doi.org/10.15138/P8XG-AA10.
4 Venting occurs as part of oil and gas operations, and results in the release of CO2 and methane. This is distinct from CO2 venting which is a result of gas processing to remove CO2 from the gas stream, this waste stream includes small amounts of methane due to technical limitations in the process.

Efficient capital allocation

Capital allocation and governance

Santos' capital allocation prioritises shareholder returns, a strong balance sheet and disciplined capital reinvestment.

Santos' decarbonisation and climate strategy is embedded in our corporate strategy. CTAP activities and associated projected capital expenditure are captured as part of our long-term planning framework.

Investment criteria

Our economic analysis processes consider the greenhouse gas emissions from projects and the impact that a carbon price would have on our business. Where applicable, a carbon price is included in Santos' economic modelling of projects along with sensitivity testing to assess the impact of carbon pricing on Scope 1 and 2 emissions.

Santos applies the same stringent economic criteria to CTAP projects at FID, including internal rate of return and payback period, as we do to traditional gas and liquids projects.

Our current carbon planning price assumption projects a carbon price of ~US$60 per tonne of CO2e (real 2024) in 2030.

Long-term

In 2024 we reviewed our outlook for CTAP spending with the intention of providing a more robust disclosure of our future intentions. In preceding periods our planned CTAP spending was presented with reference to the coming decade, this year we have revised this to align with 2030 and near-term targets. This has resulted in our disclosure of planned CTAP spend being lower as compared to previous reports.

In addition to the change in timeframes, external factors including government frameworks not progressing as quickly as expected have meant capital associated with anticipated projects have had their timeframes pushed out. Santos remains confident in our projects and will continue to advocate for the required frameworks to enable them.

Capital is expected to be allocated to fund delivery of climate transition activities. Due to the nature of the projects included in our CTAP, spending will vary as different opportunities are progressed through our internal planning processes. These activities will necessarily be developed with consideration of capital available for allocation, technology maturity, commerciality and customer demand.

Over the next five years, potentially up to $500m to $1b could be invested in operational efficiency projects, other CCS and low carbon fuels hubs (depending on working interest, customer demand and value accretion) and nature-based projects with the potential to generate emissions reduction units. Investments must meet Santos' economic hurdles.

Since 2022, Santos has invested over $740 million in CTAP activities.

Supporting a just transition

Santos has a just transition approach referencing Ipieca principles and has processes in place for a just transition for our employees, a sustainable future for the communities where we operate and the rehabilitation of the environment where we work.

For Santos, the move to a lower carbon world is a continuation of the just transition that has been part of our strategy. Over the coming decades, customer demand, government policy and the availability of technology has the potential to provide a structural shift in the way that the world generates and consumes energy.

The Paris Agreement acknowledges the need to balance the reduction in emissions with "the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities."[1]

We have processes in place to consider the impacts on our assets, people and contribution to local communities. These include:

- Ensuring our employees have access to continued opportunity and growth through employee development programs
- Seeking to repurpose infrastructure and facilities wherever possible to support decarbonisation
- Understanding the impacts to communities and small businesses local to our operations through consultation, engagement and opportunity identification

Ipieca principles of a just transition[2]

- Respect the rights of communities and workforces, including in global supply chains
- Address impacts on those who currently depend on the oil and gas industry for jobs and energy, or benefit from its social investments
- Address impacts of new types of business that reduce carbon and develop renewables
- Promote long-term opportunities for decent work and sustainable livelihoods
- Make lower carbon energy affordable and reliable for developing nations as well as developed countries
- Avoid penalising poor, vulnerable and historically disadvantaged people, and promote social equity in the distribution of low carbon energy benefits
- Fulfil the 2015 Paris Agreement statements on just transition, and leave no one behind in a world aspiring to a net-zero future
- Support UN Sustainable Development Goals that are relevant to a just transition

1 United Nations Framework Convention on Climate Change. Paris Agreement: unfccc.int/process-and-meetings/the-paris-agreement/.
2 Ipieca statement on just transition: ipieca.org/work/people/just-transition/ipieca-statement.

> We have made history out at Moomba. It's a first for Santos, it's a first for South Australia and a first for Australia in terms of large-scale, onshore CCS.
>
> **Kevin Gallagher, CEO and Managing Director**

The Honourable Peter Malinauskas MP, Premier of South Australia with CEO and Managing Director Kevin Gallagher at the Moomba CCS project official opening on 31 January 2025.

The Moomba gas plant's infrastructure has been repurposed to extend the life of the asset which has been producing gas for 50 years to store carbon for the next 50 years.

As part of a just transition, the Moomba CCS project has the potential to provide ongoing skilled, well-paid and secure jobs while playing a key decarbonisation role.

CCS and low carbon fuels hubs

Santos is pursuing a three CCS hub strategy within Australia and Timor-Leste to provide an opportunity to **store carbon dioxide emitted from our own operations, as well as carbon dioxide that is generated from third parties.** CCS is a core component of Santos' decarbonisation strategy, as well as the decarbonisation strategies of our customers and emitters in hard-to-abate industries. The ability to leverage Santos' existing infrastructure is a critical component in our development of viable low-cost CCS services. Santos is pursuing a low carbon fuels hub at Moomba.

	Eastern Australia Hub CCS and low carbon fuels		**Northern Hub** CCS	**Western Australia Hub** CCS
	Moomba CCS phase 1	**Moomba CCS phase 2**	**Darwin and Bayu-Undan**	**Reindeer**
Status update	Phase 1 online September 2024	Phase 2 concept development in progress	Targeting FID readiness in 2025	Targeting FID readiness in 2026
Annual CO2 storage potential, Mtpa	~1.7	~2-10	~10	~5 including nearby G9 field
First injection timing target	Complete	Customer demand led	2028	2029
Santos CO2 storage	✓	✗	✓	✗
Third-party CO2 storage	✗	✓	✓	✓
Status of third-party discussions	N/A - Phase 1 will capture and store emissions from Santos and our Joint Venture partners' operations only	Three MOUs signed with domestic and international emitters, aggregators and infrastructure partners. MOU partners include Chubu Electric Power and APA	We continue to hold talks with a number of interested parties for third-party carbon management solutions at Bayu-Undan CCS, targeting Barossa as key project feedstock	Four MOUs signed including Yara Pilbara Fertilisers Pty Ltd

Forward focus of developing domestic and international frameworks that underpin their successful execution

CCS is considered a key pillar of decarbonisation by the IEA.[1] It is the centrepiece of Santos' decarbonisation strategy, meeting the global demand for carbon management services and facilities while laying the foundation for low carbon fuels in the future.

CCS has the potential to facilitate the transition to Net Zero by:

- Reducing emissions from existing assets
- Capturing and storing emissions from hard-to-abate sectors
- Assisting to potentially establish large-scale low carbon fuels production

As customer demand evolves, Santos aims to develop low carbon fuels, which may include products such as synthetic gas.[2]

Santos has partnered with Japan's largest gas utility companies, Tokyo Gas, Osaka Gas and Toho Gas, to investigate the potential for producing synthetic gas.

This positions Santos to support decarbonisation of one of our key regional trading partners and builds on our commitment to deliver lower carbon energy for our customers in Australia and Asia. This is being facilitated by our investments in technologies such as CCS and DAC.

In the same way that investment costs of solar have decreased, over time the cost curve of CCS and DAC is likely to decrease.

- **628 total projects** in CCS pipeline globally, **up 60%** year on year[3]
- **CCS technology** is mature, commercially available and the IEA states it is **necessary for achieving Net Zero**[1]
- Santos' CCS projects aim to achieve **large-scale emissions reduction at low-cost**
- Moomba CCS is operational and is **capturing all available CO2 at Moomba** plant
- CCS technology and supply chains envisaged as the **bridge to low carbon fuels**
- **Seven Santos MOUs signed** for decarbonisation projects including carbon storage and synthetic gas, plus multiple collaboration agreements investigating DAC technology

As a centrepiece of our decarbonisation strategy, CCS has the potential to deliver significant emissions reduction but remains subject to technological and commercialisation risks.

For our own operations, this includes limitations on where CCS can be economically and geographically developed alongside existing assets.

To commercialise storing third-party emissions, further developments are required, including regulatory frameworks and CO2 transportation and storage approvals.

1 IEA 2023. Credible Pathways to 1.5 °C: Four pillars for action in the 2020s.
2 Previously referred to as e-methane, terminology updated to adopt more widely recognised term. See the Santos glossary in the Annual Report for full definition.
3 Global CCS Institute 2024.

Supply chain and commercialisation pathways for CCS and low carbon fuels[1]

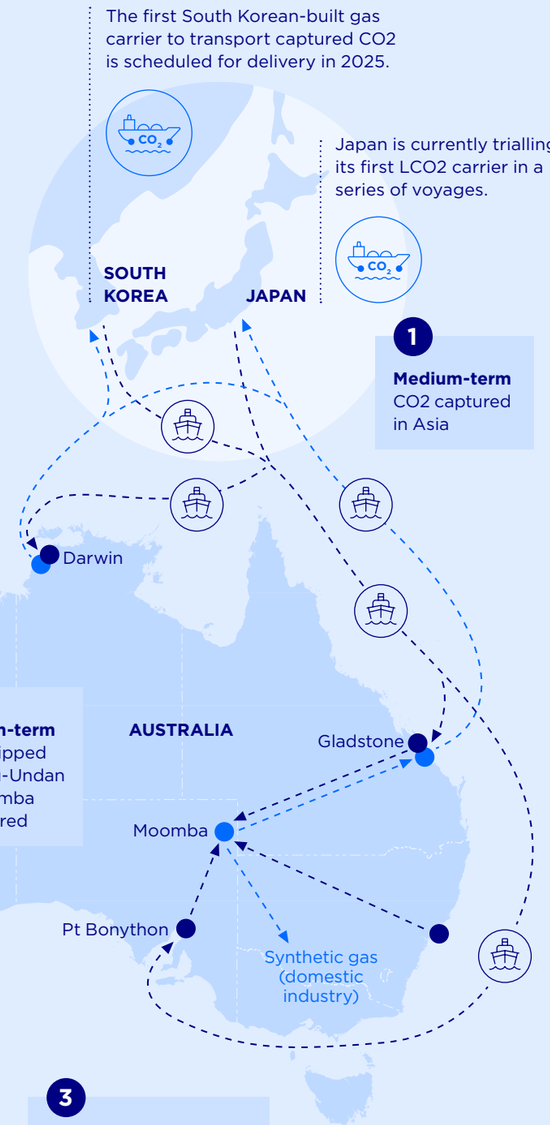
CCS and gas supply infrastructure has the potential to be repurposed to support the development and distribution of low carbon fuels.

Through capturing or importing CO2 and then exporting it to our trading partners in the form of synthetic gas, **there is a potential opportunity to create a circular decarbonisation model.**

Synthetic gas has the same properties and chemistry as natural gas. It can use existing gas pipelines, LNG facilities and gas distribution networks, avoiding significant infrastructure costs to substantially upgrade gas distribution networks to carry hydrogen.

This provides Santos with a potential opportunity to commercialise synthetic gas at a scale and cost basis more optimally than other investments, such as hydrogen, which requires separate distribution infrastructure.

In addition to power generation, high-temperature heating and chemicals manufacturing, synthetic gas has the potential to provide relatively low-cost decarbonisation for hard-to-abate sectors where alternative technologies are not yet proven or economically viable.



What is required to facilitate a carbon management business?

The creation of a third-party carbon capture, transport and storage industry relies on a number of developments, including:

Regulatory

- Government-to-government bilateral agreements to allow cross-border carbon storage and commercial agreements between emitters, infrastructure providers and storage sites

Technological

- Advances in technology for emitters to deploy cost competitive CO2 capture technology and vessels for CO2 transportation

Commercial

- Demand crystallisation as the energy transition progresses
- Establishment of commercial frameworks for access to terminal and pipeline infrastructure and CO2 storage locations

1 Low carbon fuels including potential synthetic gas are a customer led opportunity, dependent on regulatory, commercial, and technological developments. Although Santos is undertaking studies and speaking with a number of third parties in relation to opportunities including in relation to the potential development and commercialisation pathways outlined on this page, such potential projects remain uncertain and at an early stage of planning and commercial and economic viability is yet to be confirmed.

Moomba CCS phase 1

Moomba CCS is a world-class, commercial-scale project that captures CO2 emissions at the Moomba gas plant and transports and stores the CO2 in depleted reservoirs in the Cooper Basin.

It is a significant milestone for Santos as one of the cornerstones of our emissions reduction initiatives and strategy to potentially develop low carbon fuels. In 2024, since first injection at the end of September, the project stored 340,000 tonnes (gross) of CO2e.

There is increasing demand for carbon abatement technologies as our region strives to meet Net Zero ambitions, and the Moomba CCS project is transforming the Cooper Basin into a decarbonisation hub.

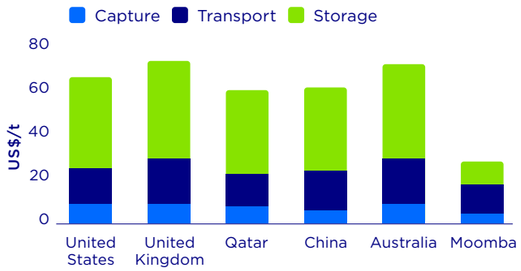
- Storing CO2 at full rates with 340,000 tonnes (gross) of CO2e injected in 2024
- One of the lowest-cost CCS projects globally
- On track for ACCU issuance in the next 12 months
- Equivalent to taking more than 700,000 cars off the road annually[1]
- At 1.7Mtpa, represents 10 per cent of South Australia's emissions[2]
- Avoids more CO2 in four days than 10,000 electric vehicles save in one year[3]

Phase 1 has capacity to permanently store up to 1.7 million tonnes of CO2e annually depending on CO2e availability, making Moomba CCS a significant part of Australia's journey to Net Zero emissions.

In Q4 2024, net equity Scope 1 and 2 emissions were 14 per cent lower than the prior quarter, corresponding to a 13 per cent decrease in equity emissions intensity.

The successful start-up of Moomba CCS phase 1 is a potential game-changer not only for Santos, but for hard-to-abate industries across Australia and Asia. It is utilising existing infrastructure to deliver low-cost decarbonisation solutions and has a lifecycle cost under US$30 per tonne of CO2e.

Average levelised costs by country for plants equivalent to Moomba[4]



Moomba CCS phase 2[5]

Building on phase 1 which decarbonises Santos' existing operations, Moomba CCS phase 2 aims to provide a significant growth potential as a world-class storage resource.

It aims to provide competitive decarbonisation services to customers and third parties, particularly in hard-to-abate sectors such as steel, cement and aviation.

We believe the project is critical to helping Australia, and our regional partners, decarbonise and reach emissions reduction goals.

There is up to 50 years of storage potential in the Cooper Basin. Concept development is in progress, including for Port Bonython or Gladstone import terminals and potential pipeline connections.

Moomba CCS phase 1

1.7 Mtpa

Moomba CCS phase 2

Up to 10 Mtpa

Cooper Basin

Up to 20 Mtpa

CCS value chain

- **Capture**
  - Capture facility
  - Dehydrate
  - Compress
  - Liquefaction
  - Export
- **Import terminal**
- **CO2 transmission**
- **CO2 storage**

1 Assumes intensity of 200g/km travelled. This is a conservative estimate (due to lack of data) that represents medium/large SUVs. Based on 12, 100km travelled. Assumes Moomba CCS injecting at all capacity of 1.7 Mtpa CO2e.
2 National Greenhouse Accounts 2022.
3 Assumes an intensity of 0.25MtCO2/MWh for generation and consumption of 190wh/km for the vehicles. Assumes ICE Vehicle emissions intensity of 190gCO2/km. Based on 12,100 km travelled.
4 Wood Mackenzie - Levelised costs for a 1.7 Mtpa natural gas processing plant with offshore storage in a saline aquifer, Nov-2024. Capture, transport and storage are levelised costs in US$/t.
5 Phase 2 is in early stages of planning. See page 21 for what would be required for it to progress.

Bayu-Undan CCS project

The Bayu-Undan CCS project is designed to develop an emissions reduction hub in Darwin with CO2 injection through a repurposed Bayu-Undan gas production facility in Timor-Leste offshore waters.

The project intends to utilise the existing Bayu-Undan to Darwin infrastructure and the offshore Bayu-Undan platform. Santos aims to use onshore facilities in Darwin to capture and separate CO2 potentially from both the Barossa reservoir and adjacent industrial sources.

The Barossa joint venture has taken FID on the Darwin Pipeline Duplication (DPD) project and invested over $600 million (gross) in the pipeline. At the end of 2024, the DPD project was 71 per cent complete.

With economies of scale and the re-use of existing infrastructure, the project is aiming to be at the lower end of the global CCS cost curve.

The project aims to create an ongoing source of revenue and business opportunities for Timor-Leste by providing commercial carbon management services to the Asian region.

Progress, outlook and next steps

The Bayu-Undan CCS technical engineering activities are nearing completion. The focus is now on obtaining the necessary regulatory approvals.

Timor-Leste

- Regulations under development to enable CCS and bilateral conversations between Timor-Leste and Australia

Santos and Bayu-Undan JV

- FEED in progress
- Target FID readiness in 2025
- Agreements between existing asset owners and customers required

Northern Territory

- Regulations under development to enable CCS and facilitate bilateral conversations
- Budget allocated for CO2 pipeline regulations and broader CCS regulations

Australia

- London Protocol amendments enable export of CO2
- Permitting regime required to enable import and export of CO2

Western Australia CCS

Leveraging existing infrastructure and depleted reservoirs in Australian waters, the Reindeer CCS project offers a potential low-cost carbon storage solution.

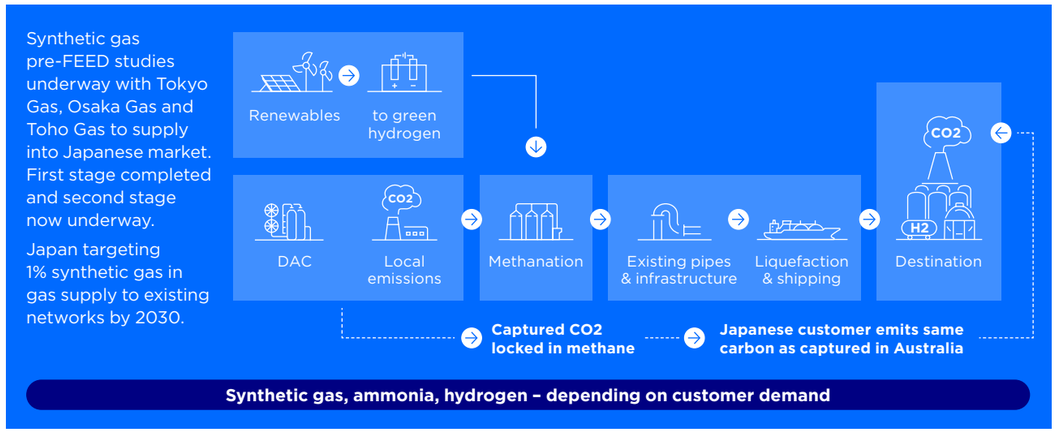
The hub provides potential capacity for third-party industrial CO2 sources and natural gas developments in the Pilbara region of Western Australia, as well as capacity for international CO2 imports.

Engagement continues with regional and international emitters to progress end-to-end technical and commercial solutions for the project to capture, transport and store emissions. Its nearby greenhouse gas storage permit, G-9-AP, also enhances Santos' storage capacity by offering the potential for future hub expansion.

The project has the potential to provide commercial carbon management services to help achieve shared decarbonisation goals.


Reindeer Wellhead Platform

Low carbon fuels



Santos continues to progress our CCS projects and explore concepts and technologies to support the potential delivery of low carbon fuels. This underpins our commitment to deliver affordable, reliable, lower carbon energy.

Low carbon fuels are a customer-led opportunity to supply products that reduce both Santos' and our customer's emissions.

Our ambition is for our Moomba low carbon fuels hub to provide CCS and carbon solutions to hard-to-abate sectors and customers. **Santos can see a potential long-term opportunity for low carbon fuels as markets develop.**

This includes investigating the potential for producing low carbon synthetic gas. Synthetic gas is made by combining hydrogen and CO2 through a process known as methanation.

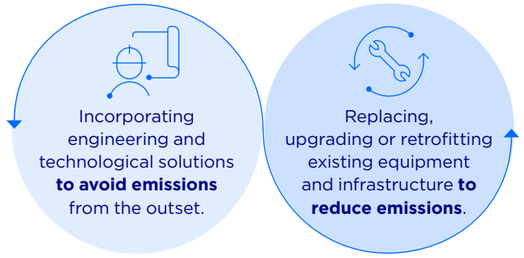
The advantage of synthetic gas is that it has the same properties and chemistry as natural gas, and can use existing gas pipelines, LNG facilities and gas distribution networks. Synthetic gas avoids the trillions of dollars of infrastructure upgrades that would be required to replace natural gas with pure hydrogen.

It could be a low carbon substitute for natural gas as a drop-in fuel to existing industrial processes and technologies.

We are developing a portfolio of decarbonisation technologies which have the potential to unlock low carbon fuels production. Santos is focused on piloting technologies to establish feasibility before commercialisation and scale up.

Operational efficiencies

Santos implements efficiencies across our portfolio to reduce emissions intensity. Our focus is to **avoid** and **reduce** emissions from our operations at the point of production. This can be achieved by either **design out** (for assets in development) or **operate out** (for producing assets).



Design out

Santos' project development processes embed our emissions hierarchy of avoid, reduce, offset. Opportunities for design components or approaches which avoid or reduce emissions are identified, prioritised and implemented across our new projects including Barossa and Pikka phase 1.

Performance highlight

Barossa Floating Production Storage & Offloading (FPSO)

Numerous design features have been incorporated to deliver a more efficient FPSO with reduced emissions:

- Combined Cycle Power Generation
  - Provides all required power for the facility including power for compressors
  - Waste Heat Recovery Units adopted for all gas turbine generators delivering heat for process
  - Steam Generator and Steam Turbine utilise waste heat from turbine exhausts to generate 29MW of power reducing fuel usage by approximately 20 per cent
- CO2 removal system design minimises hydrocarbon losses in the waste stream
- Disposal of CO2 via Thermal Oxidiser ensures highly efficient conversion of stream reducing emitted CO2e
- Reflecting the World Bank Zero Routine Flaring by 2030 initiative, the FPSO is provided with Vapour Recovery System and designed to operate with closed flare during normal operations

The project will be net-zero reservoir emissions from first gas.

Operate out

We continue to identify opportunities to avoid and reduce emissions at our producing assets.

We prioritise our most material emissions sources of fuel use, flaring and venting. We do this by investigating electrification of our facilities, capturing and recovering gas which is currently flared or vented, and deploying technology and processes to increase fuel efficiency.

In 2024, we implemented operational efficiency projects which will reduce emissions from our operations by >250 kt CO2e per annum (gross operated).

Moomba gas plant

Fuel, flare, vent reduced by ~23 kt CO2e per annum at Moomba plant through the introduction of benchmarking and site-based projects, including operating with a refrigeration circuit offline during the cooler months and ceasing amine circulation in the ethane treatment plant.

GLNG upstream electrical convert project

The conversion of gas turbine engines at Fairview and Roma hubs to electric motor drives has delivered a Scope 1 emissions reduction of ~175 kt CO2e per annum.

World Bank Zero Routine Flaring by 2030

We continue to work to optimise our operations to avoid and reduce flaring.

In 2024, Santos committed to this initiative and developed a corporate-level functional improvement plan that systemises zero-routine flaring principles across our assets.

It allows for the screening, prioritisation and benchmarking of flaring activities at each asset, while concurrently identifying efficiency and reduction opportunities. Rollout of the improvement plan commenced in 2024.

Santos' priority is to avoid and reduce our operated emissions.

While we are working hard to decarbonise our business consistent with our emissions hierarchy of avoidance, reduction and offset, economic and technological barriers preclude operational efficiencies mitigating all of Santos' Scope 1 and 2 emissions.

This is why Santos is investing in other technologies, including DAC and CCS, in support of our decarbonisation targets.

Methane emissions

In 2024, we delivered on the three pillars of our methane emissions approach:

- **Detect, measure and validate**
  - Completed a methane emissions materiality assessment across our operated assets
  - Completed a gap assessment against the Oil and Gas Methane Partnership (OGMP) 2.0 framework
- **Monitor and mitigate**
  - Continued our assessment and prioritisation of vent reduction and flare efficiency projects across our operations
  - Leak detection in accordance with regulatory requirements carried out on 528 wells in southeast Queensland
- **Engagement and leadership**
  - Conducted a gap analysis of our current methane reduction approach against international standards
  - Participated in Australian Energy Producers methane working group
  - Engaged with our gas value chain through the Climate Leaders Coalition to accelerate methane emissions measurement, tracking and reduction

As part of our commitment to reduce methane emissions and minimise the environmental impacts of our operations, **Santos has achieved our 2030 target of completing 100 per cent background methane gas and baseline assessments across all onshore operations.**

Using our comprehensive methane reduction approach as a foundation, our future activities will be guided by our support for the objectives of the Paris Agreement as well as our endorsement of the Oil and Gas Climate Initiative (OGCI) Aiming for Zero Methane Emissions initiative.

2024 methane reduction in action

- Successful process optimisation at our GLNG plant, including the installation of the boil off gas advanced controller has reduced emissions by 3.3 kt CO2e per annum
- Alternative technologies used at Roma East Trunkline to reduce flaring and fugitive emissions during pipeline maintenance
- Overhead compressor replaced at Papua New Guinea central processing facility to reduce flaring

Moomba CCS project

Effect of Moomba CCS project

The start-up of Moomba CCS mitigated approximately 21 per cent of our methane emissions during Q4 2024.

In 2024, Santos participated in the Oil and Gas Climate Initiative (OGCI) Satellite Monitoring Campaign.

Critically, the campaign identified a reduction of methane emissions following the first injection of Moomba CCS.

Santos received satellite imagery and methane emissions data about key assets in eastern Australia. We used this information to validate our current knowledge of methane emissions within the areas we operate, build satellite-technology knowledge and experience across the business and assess how this technology could further enhance our existing emissions reduction efforts.

Carbon solutions

Direct air capture

Direct air capture (DAC) is a technology designed to capture carbon dioxide directly from the atmosphere. By capturing CO2 and storing it through CCS, it provides a potential opportunity to directly remove emissions from the atmosphere without requiring capture infrastructure to be physically co-located with emissions sources.

Development of DAC technology has the potential to be a key contributor to Santos' net-zero Scope 1 2040 target. This will depend on its successful application at scale and regulatory and policy developments.

Santos is focussing on DAC technologies seeking to achieve a lifecycle cost of capture of less than US$100/tCO2e.

Santos has partnered with the CSIRO to progress DAC trials in the Cooper Basin, in addition to also progressing early feasibility studies and engineering work with multiple DAC vendors for additional field trials in the Cooper Basin.

Globally, policy support is gaining momentum for DAC technology development. Santos, as part of a consortium in Alaska, was awarded federal funding to conduct a feasibility study of DAC technologies as part of the US Department of Energy's Regional DAC Hubs program.

Nature-based projects

Our decarbonisation activities prioritise avoiding and reducing the emissions generated within our operations, with residual emissions addressed through investments in high integrity emissions reduction projects and acquisition of emissions reduction units.

Santos is building a portfolio of nature-based projects that will deliver real emissions reduction and tradeable emissions reduction units.

Santos has progressed five nature-based projects with the Australian Clean Energy Regulator, the Gold Standard Foundation and the American Carbon Registry:

- Waddy Brae-Fairview-Springwater Regeneration Project, Queensland
- Summer Hills Soil Carbon Project, Queensland
- Broandah Soil Carbon Project, Queensland
- A project in collaboration with Alaska Native landowners
- Markham Valley AR Project, Papua New Guinea.

With an aim of ensuring access to high integrity emissions reduction units, Santos is building a portfolio of nature-based projects.

Our approach to emissions reduction units

High Integrity when used with reference to Santos nature-based projects and associated emissions reduction units, refers to Santos recognising the integrity challenges currently faced by international carbon markets as their depth and maturity grows and Santos using the following three pillars for its approach to integrity in our nature-based carbon projects:

- Owing to our global presence, our integrity standards for emissions reduction projects seek to align with the Core Carbon Principles assessment framework of the Integrity Council for Voluntary Carbon Markets. We monitor developments in these standards and adjust our internal frameworks where necessary, seeking to align with the requirements of our partners, customers and other key stakeholders.
- Recognising that the balance of risk in carbon projects is weighted towards post-transaction events, we have developed bespoke tools to assess the probability of these on an ongoing basis, in addition to standard due-diligence procedures leading up to transactions. These tools consider the ESG risks that may materialise including due to changes in the policy environment, natural disasters/events and changing requirements in community expectations.
- Own generation describes Santos' philosophy of prioritising projects in which we can invest and manage directly, as opposed to seeking to be only an offtaker or on-market purchaser. This philosophy assists us to stay closer to and actively manage the risks from projects generating emissions reductions.

Santos undertakes an internal screening process of projects with potential to generate emissions reduction units to ensure they meet minimum requirements. This includes location, whether the project is held with an approved standard, the project method and co-benefits for the community, environment and/or local Indigenous communities.

We conduct due diligence to assess the credibility of generated emissions reduction units.

- Seeks to align our standards to global governance frameworks
- Real-time and future-focused risk assessment
- Thorough assessment of current and future risks
- A dynamic view on future pricing and liquidity of carbon markets
- Sustainable development benefits and safeguards

Santos' emissions reduction hierarchy prioritises meeting our compliance requirements and voluntary targets via self-generated emissions reduction units. Where additional emissions reduction units are required to be purchased on-market, Santos has processes in place to ensure that only verified units - under a range of internationally-recognised registries - will be purchased and utilised for emissions reduction purposes. During 2024, Santos only purchased ACCUs, which are accredited by the Australian Clean Energy Regulator.

Delivering our climate strategy

Value chain collaboration

The majority of our Scope 3 emissions are from the use of our sold products (Category 11 – 21.3 MtCO2e in 2024). While we are not in direct control of these emissions, we continue to progress our plan to better understand Scope 3 emissions across our full value chain.

Santos continues to identify opportunities to partner with our customers, suppliers and others in our value chain.

Customers (downstream Scope 3 emissions)

Santos aims to collaborate with our customers to deliver affordable, reliable, lower carbon energy over time to meet their demand.

Our gas and LNG customers of today will be the low carbon fuels customers of tomorrow as they are increasingly seeking lower carbon products and carbon management services. To meet this future demand, Santos aims to provide decarbonisation solutions to our customers.

While all discussions with customers remain commercial-in-confidence, examples of opportunities explored in 2024 include:

- CCS studies with multiple steel and fertiliser manufacturers
- Low carbon fuel joint studies with international energy consumers
- Negotiations for third-party CCS solutions for LNG customers

Suppliers (upstream Scope 3 emissions)

In 2024, we sought to better understand the emissions profiles of our suppliers. This included contacting more than 180 suppliers to obtain their emissions information, their emissions reduction targets and their climate risks. Emissions information from suppliers has been incorporated into our 2024 Scope 3 emissions calculations.

Another Santos-supplier emissions reduction initiative in 2024 included collaborating with a LNG vessel owner in a trial of additional cooling technology. Initial testing delivered a 16 per cent emissions reduction. On an annualised basis, it is anticipated this will deliver emissions reductions of 39 per cent on all voyages, approximately 24 kt CO2e.

Directly engaged

180

key suppliers in 2024 to obtain relevant Scope 1 and 2 emissions data

In 2024, we continued value chain collaboration:

- Worked with our customers and suppliers to identify their emissions reduction plans and Net Zero targets
- Continued implementation of a framework to collect and report Scope 3 emissions data from suppliers, to pursue organisational sustainability targets and improving data transparency and reporting
- Collected emissions data from key suppliers to improve our Scope 3 reporting
- Considered opportunities for mutually beneficial decarbonisation initiatives

For further information on Santos' collaboration, please refer to our **2024 Annual Report**.

Risk management

Portfolio resilience through the energy transition

Santos' portfolio has been tested to assess resilience through the energy transition, under both current policy settings and in accelerated transition scenarios.

Santos' portfolio was benchmarked using our core corporate assumptions which reflect our view of commodity price and economic forecasts.

Portfolio cashflows over the short, medium, and long term were assessed using commodity prices (oil, natural gas and carbon) derived from three additional scenarios:

- IEA 2024 World Energy Outlook Stated Policies Scenario (IEA STEPS)
- IEA 2024 Net Zero by 2050 Scenario (IEA NZE)
- S&P Global Commodity Insights Accelerated Carbon Capture and Storage Scenario (S&P ACCS)

The energy transition is inherently uncertain. A wide range of scenarios exist which represent potential climate futures.

Santos evaluates the resilience of our portfolio with reference to both quantitative and qualitative factors.

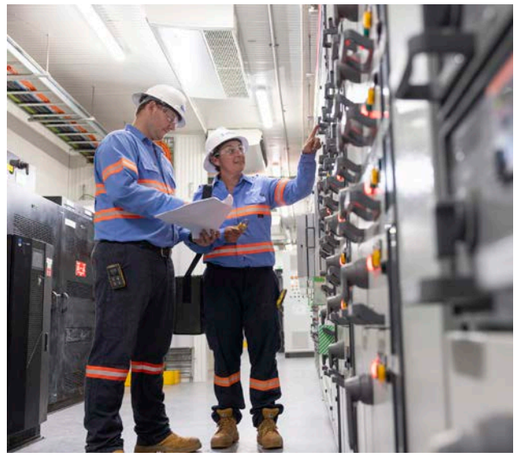
Santos' portfolio has been tested and shows resilience in an energy transition that limits the global temperature increase to 1.5 degrees Celsius.

Key to our capacity to respond to the unfolding energy transition is our unique combination of low-cost, long-life natural gas and liquids assets, CCS capability and assets, potential low carbon fuels and nature-based solutions projects.

Santos intends to unlock value from both traditional and new revenue streams which will develop as the world continues to meet emissions and other energy goals including affordability and reliability.

Santos continuously analyses external markets to ensure our strategy is fit-for-purpose. This includes analysing 1.5 degree Celsius scenarios.

For further detailed analysis, including of Santos' portfolio under different climate scenarios, please refer to our **2024 Annual Report**.



Resilience of long-term strategy and business model under climate scenarios

IEA STEPS

The scenario reflects current energy-related policies.

Our current strategy and business model remains unchanged under this scenario with **positive cashflows across all relevant time frames**.

IEA NZE

Forecasts lower oil and LNG commodity prices in the medium-to-long term.

Santos' portfolio retains the flexibility to deprioritise investment in future upstream projects should such price decreases occur, resulting in overall lower long-term cashflow from our gas and liquids business.

This impact would be partially offset by increased cashflows from decarbonisation and CCS projects where linked to carbon pricing.

Cashflow remains positive across all relevant time frames.

S&P ACCS

Forecasts higher near-term oil and LNG commodity prices which delivers higher cashflows in the medium-term, followed by a period of lower commodity prices.

The long-term commodity price forecasts support moderate investment in upstream projects, and cashflows from decarbonisation and CCS projects improve where linked to carbon pricing.

Cashflow remains positive across all relevant time frames.

Risk management

Physical risk assessment

Santos' strategy and Climate Transition Action Plan account for climate-related risks and climate-related opportunities.

The process to identify, assess, prioritise and monitor climate-related risks is integrated into our overall risk management process. In addition, the outputs of the climate-related scenario analysis conducted annually are used to support prioritisation of risks in the risk register.

We have a long operational history managing extreme weather events. Santos is exposed to physical and climate-related risks from both acute (weather event driven) and chronic (longer-term shifts) climate changes.

Building on the identification of our physical climate risks in 2023, in 2024 we assessed the impacts of these risks on our operated assets.

The table below summarises the physical risks that our assessment indicates could have an impact on our operated assets.

For further detailed analysis, including of transitional risks, please refer to our **2024 Annual Report**.

Risk type	Climate-related risk (hazard)	Producing assets with largest future exposure (scenario analysis)	Examples of potential financial impacts	Time horizon		
				S	M	L
Acute	**Extreme heat**	Cooper Basin WA Northern Australia (NA) & Timor-Leste (TL) PNG	**Impacts on operating costs / revenue** Decreased production from lower equipment performance Increased energy consumption for additional cooling requirements	●	●	●
	Extreme rain	Cooper Basin QLD & NSW PNG	**Impacts on operating costs / revenue** Delayed/decreased production from wells shut-in Increased transport and logistics costs		●	●
	Bushfires	QLD & NSW	**Impacts on operating costs / revenue** Delayed/decreased production from wells shut-in, power outages Physical asset damage		●	●
	Cyclones	WA NA & TL	**Impacts on operating costs / revenue** Delayed/decreased production from some assets shut-in Physical asset damage		●	●
	Storm surge	WA PNG Cooper Basin (Pt. Bonython)	**Impacts on operating costs / revenue** Reduced ability of tankers to enter ports leading to operational disruptions Physical asset damage			●
Chronic	**Temperature rise**	Cooper Basin QLD & NSW WA NA & TL	**Impacts on operating costs / revenue** Decreased production from lower equipment performance Increased energy consumption for additional cooling requirements	●	●	●
	Sea level rise	WA PNG Cooper Basin (Pt. Bonython)	**Impacts on operating costs / revenue** Reduced ability of tankers to enter ports leading to operational disruptions Physical asset damage			●
	Extreme dry/drought	WA QLD & NSW	Water stress impacts on water-intensive operations			●

Regional business units will continue to monitor the potential impact of physical risk as part of the Santos Risk Management process and determine whether there is any need for adaptation action in the future.

S = Short (0-1 years),
M = Medium (1-5 years),
L = Long (5-30 years)

Energy transition engagement

Climate governance

Effective corporate governance is critical to the long-term success and sustainability of Santos.

The Board views climate as a material strategic issue for Santos.

The Board, supported by its committees, oversees the setting of targets, including emissions reduction ambitions, targets and metrics. Regular updates presented to the Board and committees include monitoring progress and realignment of action plans to achieve targets.

Further details about Santos' corporate governance can be found in the **2024 Annual Report**.

The Board of Santos has ultimate responsibility for the approval and oversight of our strategy. This includes our approach to climate.

The Board, supported by its committees, oversees the setting of targets, including emissions reduction ambitions, targets and metrics related to climate-related risks and opportunities, through regular agenda items and climate policies.

Committees

- **Safety and Sustainability Committee**
- **People, Remuneration and Culture Committee**
- **Audit and Risk Committee**
- **Nomination Committee**

The CEO reports to the Board and is responsible for delivering the strategy and goals approved by the Board. These include accountability for outcomes of climate and sustainability-related targets approved by the Board.

The CEO is supported by the executive leadership team.

The CEO and executive leadership are in turn, supported by their teams who monitor and assess trends in Australian and international energy markets applying this to a range of energy mix scenarios based on varying policy and technology drivers and market demand.

Climate advocacy

Through direct engagement with policy makers and indirect engagement through our industry association memberships, Santos advocates for economically, environmentally and socially effective and responsible energy and carbon policies consistent with our Climate Policy.

To achieve the goals of the Paris Agreement, we work with governments and stakeholders to minimise emissions from our operations and products while providing continued access to reliable and affordable energy to meet customer demand.

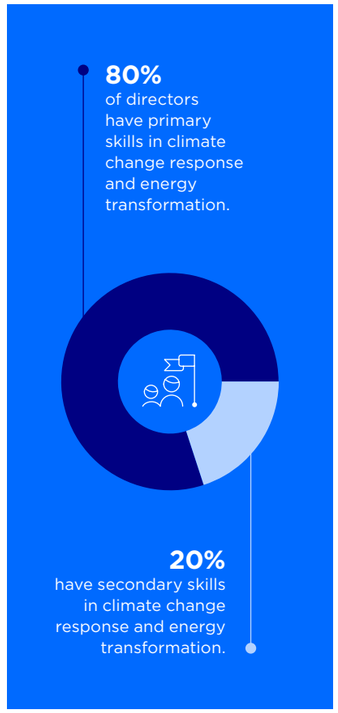
All Santos' advocacy activities, including direct and indirect engagement and responses to government consultations, are guided by the company's policy positions.

For further information on Santos' climate advocacy, please refer to our **2024 Annual Report**.

Board skills

Climate change and energy transition is included in the Santos Board skills matrix.

As set out in Santos' most recent Corporate Governance Statement, 80 per cent of directors have primary skills in climate change response and energy transformation, with 20 per cent having secondary skills in these areas.



Investor feedback and our response

In 2024, Santos actively engaged in 151 meetings seeking feedback from investors and investor groups on our decarbonisation strategy, targets and Climate Transition Action Plan.

These discussions have been pivotal in aligning our plans with investor expectations and identifying key areas for growth and improvement.

The table below highlights the main themes raised by investors and actions we have taken, or our rationale, in response to their feedback.

Investor feedback area	2024 Report approach	Section disclosed in Report	Page no.
Climate Transition Action Plan			
• Progress against our decarbonisation strategy • Details on the growth/outlook of our decarbonisation business • Capital investment	The CTAP has been updated to demonstrate progress against our decarbonisation strategy. Information is provided on Santos' current decarbonisation pathway as well as carbon management services to customers and third parties. We continue to disclose capital invested and potential forward-looking project investment over coming years for CTAP initiatives. Building on previous reporting materials, additional disclosures are provided. This includes more detail on operational efficiencies and more detail on carbon supply chains.	Our approach to Scope 1 and 2 emissions 2024 Climate Transition Action Plan	13 9
Scope 3 emissions			
• Breakdown of how we monitor and track our Scope 3 emissions • Set an upstream and downstream Scope 3 target • Increase disclosures on customer partnerships	We aim to build and operate a commercial carbon storage business, safely and permanently storing approximately 14 million tonnes (gross) of third-party CO2e per annum by 2040. While we are not in direct control of Scope 3 emissions, we have progressed our plan to better understand them across our full value chain. Santos continues to identify opportunities to partner with our customers and suppliers. This has included collecting emissions data from key customers and suppliers to improve Scope 3 reporting. Following the development of a carbon storage growth target, Santos is now progressing the background data work in 2025 to inform a potential upstream Scope 3 target.	Carbon storage growth target Value chain collaboration	11 28
Emissions reduction units			
Further details on our approach to emissions reduction units including integrity of those used	Santos undertakes an internal screening process of projects with potential to generate emissions reduction units aimed at ensuring they meet minimum requirements. We recognise the integrity challenges faced by international carbon markets as their depth and maturity grows. Santos sets our standards with reference to global frameworks, implements real-time and future-focused risk assessments and prioritises projects in which we can invest and manage directly.	Carbon solutions	27
Nature-based projects			
Increase visibility on the quality and integrity of projects and the due diligence undertaken to assess the credibility of emissions reduction units generated	Residual emissions are addressed through investments in high integrity emissions reduction projects and acquisition of emissions reduction units. Santos undertakes an internal screening process of projects with potential to generate emissions reduction units aimed at ensuring they meet minimum requirements. We have outlined our governance approach for carbon solutions projects.	Carbon solutions	27
Methane/fugitives			
Progress toward signing up to the Oil & Gas Methane Partnership (OGMP) 2.0	Santos is committed to action on methane and has completed work on a gap analysis and commenced work on implementation plans to assess our ability to sign up to OGMP 2.0.	Our approach to methane emissions	17
Transition to NZE			
Paris Agreement alignment	Santos has undertaken analysis to determine how our Scope 1 and 2 emissions targets compare against third-party scenarios to limit warming to 1.5 degrees Celsius, as required by the Paris Agreement. Santos is setting its targets and undertaking a range of actions to contribute to UN Paris Agreement Goals. Our climate targets are also generally consistent with the Net Zero targets of the majority of jurisdictions where we operate including Australia, the United States of America and Papua New Guinea. Additionally, Santos only supplies customers from countries that have a Net Zero commitment or are signatories to the Paris Agreement.	Our approach to the Paris Agreement	12
Scope 1 and 2 emissions			
Provide updated modelling to demonstrate Santos' potential pathway to achieve our Scope 1 and 2 emissions targets. The progress and percentage towards achieving our 2030 targets achieved are also reported	Updated modelling is provided to demonstrate Santos' potential pathway to achieve our Scope 1 and 2 emissions targets. The progress and percentage towards achieving our 2030 targets achieved are also reported. By 2030, Santos expects emissions reduction units will comprise 20 to 30 per cent of our Scope 1 and 2 emissions reduction initiatives.	Our approach to Scope 1 and 2 emissions Our climate targets	13 11
Physical risk			
Include quantitative physical risk analysis	We have significantly expanded both our physical risk analysis and disclosures in 2024. Santos' CTAP is based on managing these climate-related risks and leveraging climate-related opportunities. Building on an assessment of our physical climate risks in 2023, in 2024 we assessed the impacts of these risks.	Physical risk assessment	30
Synthetic gas[1]			
Improve information about the lifecycle and commercial viability	Synthetic gas is produced by combining hydrogen and CO2 through a process known as methanation. The advantage of synthetic gas is that it has the same properties and chemistry as natural gas, and can use existing gas pipelines, LNG facilities and gas distribution networks. It has the potential to provide cost competitive opportunities, including for hard-to-abate sectors where alternative technologies are not yet proven or economically viable.	Low carbon fuels Supply chain and commercialisation pathways for CCS and low carbon fuels	24 21

1 Synthetic gas, which is in early stages of development, is being analysed for technical and economic feasibility.

Frequently asked questions

Why is Santos still investing in traditional backfill and sustain projects?

Our customers continue to demand our product. Santos' critical fuels are a necessary component in the energy security of Australia and Asia. Under a range of different potential future scenarios where global temperature increase is limited to 1.5 degrees Celsius, natural gas remains an integral part of the energy mix out to 2050.[1] Santos regularly conducts extensive analysis of a range of potential global scenarios to ensure our strategy remains robust consistent with customer demand. For further information, see page six.

Are Santos' emissions reduction targets aligned to the Paris Agreement?

Santos has undertaken analysis to determine how our Scope 1 and 2 emissions targets compare against third-party scenarios to limit warming to 1.5 degrees Celsius, as required by the Paris Agreement. Santos is setting its targets and undertaking a range of actions to contribute to UN Paris Agreement Goals. Our climate targets are generally consistent with the Net Zero targets of the majority of jurisdictions where we operate including Australia, the United States of America and Papua New Guinea. Additionally, Santos only supplies customers from countries that have a Net Zero commitment or are signatories to the Paris Agreement. For further information, see page 12.

What are Santos' investment hurdle rates?

All CTAP investments are subject to a rigorous internal corporate assurance process. Santos applies the same stringent economic criteria to CTAP projects at FID, including internal rate of return and payback period, as we do to traditional gas and liquids projects. Santos' exact investment hurdle rates are not disclosed publicly. Some investment hurdle rates are disclosed once a final investment decision is made for a project.

Is Santos prolonging the use of fossil fuels through its CCS strategy?

If we are serious about our climate targets, abating emissions from fossil fuels has to be part of the decarbonisation solution. Estimates have more than doubled for assumed CCS demand by 2030, being described as a mature and affordable technology to support renewables in decarbonising power.[2] As customer demand evolves, CCS serves as the bridge to low carbon fuels and is critical if the world is to achieve its Net Zero goals.

What has the success of Moomba CCS phase 1 been to date?

As of December 31, the Moomba CCS project had stored 340,000 tonnes (gross) of CO2e, and in Q4 2024 emissions were down 14 per cent and emissions intensity down 13 per cent on the prior quarter. Annually, phase 1 has the capacity to permanently store up to 1.7 million tonnes of CO2e depending on CO2e availability. This is the equivalent to taking more than 700,000 cars off the road each year.[3]

What are the long-term prospects of CCS in Australia?

With its abundant geological storage resources, Australia is uniquely positioned to act as a regional hub for emissions reduction to support hard-to-abate sectors. Additionally, Australia's projected carbon pricing is expected to exceed the levelised cost of CCS by 2050,[4] making third-party services increasingly economically viable. Combined with major industrial nations, such as Japan and South Korea having limited domestic storage capacity of their own, this could position Australia to support a lower carbon economy across the region.

Are there international signs of support for low carbon fuels?

Yes. For example, the Japanese Government has promoted synthetic gas as part of its Sixth Strategic Energy Plan, in addition to introducing various support schemes that recognise synthetic gas, as well as providing financial support for the establishment of new supply chains and infrastructure. Japanese utility companies have likewise set 2050 synthetic gas targets. Other jurisdictions have also shown support, including South Korea where its primary focus is decarbonising its power sector through low carbon fuels.

How does Santos incentivise climate-related initiatives?

Sustainability and climate are key elements of our performance-based remuneration. In 2024, sustainability accounted for 25 per cent of the Company Scorecard, including safety, environment, cultural heritage, community, ESG reporting and people-related metrics. In addition, the 2024 Company Scorecard weighting for climate-related targets increased to 17.5 per cent (from 15 per cent in 2023) and included metrics relating to emissions intensity reduction, decarbonisation projects and the delivery of Moomba CCS. These metrics continue to reinforce the link between sustainability and climate, and executive remuneration.

1 IEA 2024. World Energy Outlook 2024.
2 BloombergNEF 2024. New Energy Outlook 2024.
3 Assumes intensity of 200g/km travelled. This is a conservative estimate (due to lack of data) that represents medium/large SUVs. Based on 12,100 km travelled. Assumes Moomba CCS injecting at capacity of 1.7 Mtpa CO2e. Moomba CCS capacity can vary under certain temperature conditions.
4 Wood Mackenzie Lens Carbon, 2024.

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