

EMAIL TO SANTOS EXECUTIVES CLAIRE HAMMONG AND ANDREW NAIRN

Saturday, April 16, 2022, 3.37pm

Dear Claire and Andrew,

As you know, we are currently in the midst of the busy mini AGM season for ASX listed companies like yours with December 31 balance dates (see [full list](#)).

I've asked questions at almost 600 public company AGMs since 1998 and last year participated in a [record 70 meetings](#) thanks to the ease of access delivered by online AGMs.

For the first time in 24 years of asking AGM questions, I'm this year writing to companies ahead of attending their AGM with some specific requests. Hence this letter which I'm hoping can be forwarded to the powers that be at Santos for consideration.

Firstly, could you please follow the lead of Afterpay, Ausnet, NAB and Slater & Gordon by including the proxies in your pre-AGM ASX announcement which normally includes the formal addresses along with any slides that are presented. Here are the links to see how these other companies did this:

Afterpay: <https://www.asx.com.au/asxpdf/20201117/pdf/44py54btlwy1cw.pdf>

Ausnet: <https://www.asx.com.au/asxpdf/20210715/pdf/44ybws18jbck0x.pdf>

Slater & Gordon: <https://www.asx.com.au/asxpdf/20211118/pdf/4533wg4177k56f.pdf>

NAB: <https://www.asx.com.au/asxpdf/20211217/pdf/4548rklh745tkx.pdf>

Such a move won't cruel debate at the AGM because most retail shareholders won't have seen the data on the ASX platform but for those of us interested in asking questions about the reasons behind any protest votes, we will have time to prepare. Disclosing the proxies BEFORE the debate on each item has been Australian Shareholders' Association policy for a number of years, so please do that as well during the meeting.

Secondly, when announcing the results of the poll, could you please include the data on how many shareholders voted for and against each resolution.

This is easy to produce for the major share registry companies and no different to what happens with a scheme of arrangement vote. Metcash set the precedent with a voluntary disclosure last year as you can see in this announcement: <https://mars-metcdn-com.global.ssl.fastly.net/content/uploads/sites/101/2021/09/02111755/Metcash-voting-result.pdf>

Dexus also did this in 2021: <https://www.asx.com.au/asxpdf/20211019/pdf/451v1wrfylc2ld.pdf>

Retail shareholder voting participation has been falling in recent years because we all feel powerless in the face of big institutional votes. Disclosing voter turnout will both encourage retail participation and also provide a public insight into retail shareholder sentiment. For instance, you can see in [these Metcash figures](#) that 99.6% of votes were in favour of the fee cap increase for the directors but it was only supported by 53.5% of the voting shareholders (462 out of 871).

Thirdly, I note that you have never published a full transcript of AGM debate on your website and also wasn't able to locate any archives of past AGM webcasts. The likes of Crown, Woolworths, IAG, Nine, Suncorp, ANZ, Transurban and ASX now all provide full AGM transcripts as you can see from this growing list: <https://www.maynereport.com/articles/2021/10/11-0929-4728.html>

Politicians and judges are not told to go back and scroll through old videos to find out what happened, they rely on transcripts such as a the Hansard service. Please publish your first full AGM transcript in 2022, along with an archive of the webcast.

The Santos AGM is likely to be lengthy and contested, given the 4 shareholder resolutions, with questions expected to come from three sources during the meeting: the room at the Adelaide Town Hall, the text box for online questions that I'll be using and the telephone line which tends to be the preferred platform for climate campaigners.

In terms of how the meeting is run, the online platform should be open for voting and questions an hour before the meeting commences. The formal addresses should run for a minimum of 15 minutes and maximum of 40 minutes. There should be no overall limit on individual shareholder questions besides an overall 3 hour cap on AGM debate. If multiple shareholders wish to speak, a shareholder should be limited to 2 questions at a time, particularly in the room and on the telephone. These should be asked concurrently with a 2 minute limit on speakers. The text box for online questions should be limited to 1000 characters.

When fielding online questions, these should be read out by someone other than the chair or CEO, preferably a professional MC such as Helen Dalley (used by Blackmores and CBA last year) or executives holding positions such as company secretary, corporate affairs manager or media manager.

We've seen a sudden burst of chairs reading out the online questions submitted during the meeting earlier this month at the CIMIC, Scentre Group and OZ Minerals AGMs. It didn't work at Scentre because the chair failed to read the questions in full as you see on [the webcast](#) starting at 37 minutes.

When it comes to the director elections, could you please ensure each candidate addresses the meeting before the debate commences, each director election is dealt with as a separate item and the individual candidates are available to answer specific questions if they are forthcoming.

If the chair wishes to prepare for likely standard questions which could be asked at the AGM, please check out this list on my website: <https://www.maynereport.com/articles/2022/04/11-0215-4198.html>

I'm very much hoping the board will agree to these disclosure and procedural requests, in which case I will give them a big elephant stamp on Twitter and in my [regular column](#) for Alan Kohler's *Eureka Report*.

Looking forward to your response to these requests and engaging with the board at the upcoming AGM.

Kind regards

Stephen Mayne

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City of Manningham Cr

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Eureka Report columnist

Shareholder advocate

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