



2022 ANNUAL REPORT

ADAPTING & ACHIEVING

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Our Vision

A Papua New Guinea in which every adult and child has access to functioning and effective health and education services and gender equity is realised





Our Purpose

We work to inspire positive social outcomes that contribute to sustainable futures for our communities

Our Values

We operate with integrity, passion and respect. We strive to deliver excellence through innovation and partnership with a diverse and highly responsible workforce

Our 2022 Key Result Areas

-  Improving opportunities for young people
-  Improving health outcomes
-  Addressing family and sexual violence
-  Delivering targeted community development support



Who we are

The Santos Foundation (Foundation) was first established as the Oil Search Health Foundation in 2011 to improve health services in the company's operating areas in Hela, Southern Highlands and Gulf Provinces in Papua New Guinea (PNG).

Santos remains committed to supporting the Foundation and to funding the activities which help achieve improvements for the people of PNG and for communities in the company's operating areas.

The Foundation will continue working with PNG Governments at all three levels (national, provincial and local), along with communities, development partners, private sector partners and other donors. We do this in recognition of the PNG Government's Development Cooperation Policy, 2018 – 2022 which is explicit on the Government's expectations of all development partners, including the private sector.

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



About Santos

Santos provides reliable, affordable energy for progress and seeks to provide lower carbon energy over time.

Santos is a global energy company with operations across Australia, Papua New Guinea, Timor-Leste and the United States.

At Santos, our goal is to be a global leader in the energy evolution to low-carbon fuels that help the world decarbonise and continue to provide the reliable, affordable energy the world needs for modern life and human progress.

Santos is an important Australian domestic gas supplier and LNG supplier in Asia. We are committed to supplying critical fuels such as oil and gas, and abating emissions through carbon capture and storage, energy efficiency projects, use of renewables in our operations and high-quality offsets. Santos will also seek to develop low-carbon fuels as customer demand evolves.

For 70 years, Santos has been working in partnership with local communities, providing jobs and business opportunities, safely developing natural gas resources and from there powering industries and households.

Santos seeks to deliver long-term value to shareholders through our diverse portfolio of high-quality, long-life, low-cost oil and gas assets, carbon storage resources and infrastructure.

The Santos portfolio is value accretive and resilient across a range of decarbonisation scenarios. Santos has a climate transition action plan that will continue to evolve for the global energy evolution. Santos has a regional operating model with a strong local focus. The Company's operating structure comprises three regional business units focused on enabling and executing corporate strategy. Two divisions – Santos Energy Solutions and Santos Upstream Gas and Liquids – are accountable for global portfolio management and strategy.

WHERE WE SUPPORT AND OUR REACH



Map Legend

































- Town/City
- Onshore pipeline
- Offshore pipeline
- Crude oil and liquids pipeline

- Bel Isi PNG
- Health Facility
- Small Grants
- Literacy Library

 1
  5
  1
  3



Autonomous Region
of Bougainville

• AROB				 2
• Central				 3
• East New Britain				 2
• East Sepik				 1
• Eastern Highlands				 6
• Enga				 1
• Gulf	 1	 5	 1	 3
• Hela	 1	 36	 2	 6
• Jiwaka				 5
• Madang				 3
• Manus				 1
• Morobe				 1
• Milne Bay				 1
• National Capital District	 1	 1		 7
• New Ireland				 2
• Simbu				 1
• Southern Highlands	 4	 20		 14
	 1	 1	 1	
• West New Britain				 1
• Western Highlands				 6



Santos POM
Headquarters



Santos Camp



Pimaga
Rural Hospital



Pimaga
VET school



PNG Electrification Partnership
Provinces (USAID PEP)

A message from the Chair

Firstly, I want to thank Peter Botten as the outgoing chair of the Oil Search Foundation for his vision and stewardship over the past seven years. Peter and the Foundation team have created a true legacy with their work in Papua New Guinea. Peter continued to Chair the Foundation until the end of 2022 and was a passionate and committed advocate for corporate social responsibility and supporting Papua New Guinea to lead its own development. I thank Peter for his passion, dedication and service to the Foundation over many years.

I would also like to thank our outgoing Executive Director, Stephanie Copus-Campbell, who left the Foundation in mid-2022. Stephanie guided the Foundation through the previous seven years with an unwavering enthusiasm to empower communities and commitment to being a constructive and collaborative partner. I thank Stephanie for her determination and will to succeed which has left the Foundation in great shape to continue to deliver for the people of Papua New Guinea.

When Santos merged with Oil Search Limited in December 2021, we committed to support the Foundation, recognising the important role it plays in improving the lives of the communities in the company's operating areas in Hela, Southern Highlands and Gulf Provinces. We are honoured to take on the stewardship of the Foundation and are committed to growing the Foundation's work in PNG, continuing to deliver positive change.

Since January 2023, as the new chair of the Foundation's Board, I have had the opportunity to learn more and witness the scope and quality of the work the Foundation does in Papua New Guinea. We support the commitment to work as a private sector partner, contributing to the development of the country, leveraging resources for the communities in which we operate.

In late 2022, the Foundation's Board approved a new five-year strategy with our vision - "A Better Future for Papua New Guinea". We endorsed four key result areas addressing health, youth opportunities, community development and family and sexual violence. Santos is particularly keen to ensure the Foundation continues its strong focus on ensuring that young people are supported into education and employment so they can become the next generation of leaders.

The new five-year strategy for the Foundation is consistent with Santos's wider sustainability agenda of improving the living standards in the communities where we operate, building enduring and respectful relationships that serve generations, and living the "One Santos team" culture where our people are focused, entrepreneurial and energised to leave a positive legacy. In Papua New Guinea we recognise that customary landowners have a deep connection to their land and we are working in a different cultural context to that of Australia. We respect the leadership which the people of PNG expect of their Government and that private sector companies must, likewise, respect PNG's own priorities.

I am proud of the work achieved by the Foundation across 2022. I thank the leadership and program teams for their diligence, advice, and patience as we navigated the merger, managed the challenges which came with the national elections, and all transitioned from the pandemic restrictions and impacts into a new era of growth and opportunity.

I look forward to 2023 and to shaping an expanded Santos Foundation, which will operate in all four countries in which we operate: PNG; Australia; Timor Leste; and USA (Alaska). We will do this carefully and in consultation with our communities in those regions and with the support of the PNG Foundation team, who bring extensive experience and knowledge about how to deliver solutions which work locally.

Kevin Gallagher
Chair

A message from the Executive Leaders

In early 2022, PNG experienced a surge in the COVID-19 pandemic with extremely low vaccination levels, a stretched and struggling health system and depleted workforce. With health being one of our high priority focus areas, we engaged deeply with the PNG Government and the Southern Highlands, Hela and Gulf Provincial Health Authorities to try and increase vaccination rates and keep basic services operating. Then, between May and September, the national elections brought new challenges, especially in the highlands, with election related violence, restrictions on travel, and increased security risks.

Despite this, we were pleased with the positive outcomes we achieved with our partners in all our priority areas. Above all, we are grateful to and proud of the team who rolled up their sleeves and got on with implementing programs, managing complex logistics and operations, supporting our communities and achieving results whilst engaging with the uncertainties and challenges which faced us all during the year.

Post the merger of Oil Search Ltd and Santos Ltd in December 2021, we were pleased to work collaboratively with the Foundation Board to shape a new five-year strategy. The new strategy maintains our commitment to work with the PNG Government to ensure we build capacity in local communities, continuing our focus on delivering improved health outcomes, community development programs, family and sexual violence services and youth opportunities.

We are excited to be part of the next chapter of growth for the Santos Foundation and the opportunities a stronger, merged entity will bring. We would like to thank the Santos Foundation Board, Santos Group Leadership team and Santos Board for their ongoing support.

We would also like to thank our partners in the PNG Government, donors, other private sector as well as civil society organisations and feel humbled by the trust you place in us to work respectfully and purposefully to achieve change.

David O'Farrell
Chief Operations Officer

Jean Martin
Chief Program Officer

Improving Opportunities for Young People



“Being a manager of Pimaga VET has not been easy one bit. With a team like Santos Foundation at the back, everything seems effortless. Your team has always motivated me and pushed me so that Pimaga VET can see better days. Thank you for all of the support that you have provided to me and the VET”

Mr Warubi Musahimu, Manager of Pimaga VET

Partnerships in action – Anthony Uechtritz, Senior Project Manager, Santos Foundation, handing over and setting up a donated laptop and 4G internet modem to Mr Warubi, Manager of Pimaga VET

What is the program?

In July 2022, the Foundation launched the Youth Opportunities Program in the Nipa-Kutubu District of Southern Highlands Province in partnership with the PNG National and Southern Highlands Provincial Governments. The program was designed in 2021 in consultation with local leaders and young people from Kutubu, the National Youth Development Authority (NYDA), the Southern Highlands Provincial Administration, and the Nipa-Kutubu District Development Authority (NK-DDA).

The program aims to create pathways for young people to gain access to sustainable employment or income options, including opportunities in agriculture, vocational education and training (VET), and leadership development.

Key highlights and achievements

The first activity for this program in 2022 was the assessment of 29 graduates from which to select a cohort of students to participate in a labour mobility initiative. We identified 13 young graduates, including one young woman, who completed the Electrical trade course at the Pimaga Vocational Education and Training (VET) school to participate in the Seasonal Worker program. The Foundation procured the services of Peuna PNG Limited (Peuna), a PNG business and facility management operator, to prepare these young people for participation in the Seasonal Worker Program in Australia. These 13 graduates were then supported by Peuna to undertake an eight-week training and preparatory program in Port Moresby. They were supported in their application process, national identity registration, obtaining birth certificates, passport applications, medical checks, interviews with the Labour Mobility Unit, and training in safety, living in cross-cultural settings, comprehensive life skills and personal development.

“Peuna was very privileged to partner with Santos Foundation to deliver the Pimaga VET Graduate Program and to deliver practical “Work-Readiness” and “Life Skills” training. As a local business, it gave Peuna the opportunity to showcase our diversity, our ability to deliver tailored solutions to meet the client’s needs, and our commitment to building the capability of Papua New Guineans. We delivered wraparound support services including training, work experience, accommodation, meals, logistics and administrative support to obtain passports, visas and clearances to travel to Australia.”

Chanetelle Britain, Corporate Manager and Director, Peuna Facility Management



2022 Pimaga VET Electrical Trade Course graduates at the preparatory program in Port Moresby

“This program is a life-changing opportunity. We have learned about workplace safety, how to take better care of ourselves – health, hygiene, and grooming, as well as housekeeping, and managing a schedule. We feel more prepared for work in PNG, for life and work in Australia, and now we have new knowledge, skills and experience to take back to our district.”

Amos Bura’a, Pimaga VET Electrical Trade graduate

“By participating in this program, I hope that I can show other young Papua New Guinean women that we can finish training and education and we can work alongside men and have a good career. I feel very privileged to be part of this program. When I go back to my village, I would like to tell other young women about this program and my experience.”

Lena Buri, Pimaga VET Electrical Trade graduate



Eight young men were mobilised in December 2022 through the Seasonal Worker Program to Tasmania. The remaining five will be mobilised in 2023. This opportunity not only provides the graduates with regular incomes, but also the ability to leverage new life skills and competencies through exposure to new ideas, experiences, and personal growth.

A further twelve young people from Moran and Hides were supported to undertake butchery training in 2023 in Madang in preparation for participation in the Pacific Australia Labour Mobility (PALM) scheme in Australia later in 2023.

The second major achievement for this project involves strategic support to Provincial and National Government agencies to strengthen the VET system in the province to increase the availability of and access to VET courses from 2023. The Foundation funded and supported the National Department of Education and Southern Highlands Provincial Administration Technical and Vocational Education and Training (TVET) Curriculum Division to conduct a curriculum audit on all nine Vocational Training Centres (VTCs) in the province. This audit is an essential and mandatory requirement for establishing and implementing new curricula. As a result of this audit, Pimaga VET is scheduled to deliver National Certificate programs in Electro Technology and Carpentry Construction in 2024.

The third major achievement in 2022 is related to youth leadership. The Nipa-Kutubu District Development Authority (DDA) was supported by the Foundation to work closely with the National Youth Development Authority (NYDA) to establish the Nipa Kutubu Youth Development Council. The Foundation funded a joint consultation workshop in Mt Hagen, Western Highlands Province which brought together representatives from the DDA, Southern Highlands Provincial Administration, Kutubu and Nipa Rural Local Level Government representatives, NYDA, and the Foundation to agree on the process and next steps for establishing the Local Level Youth Development Council (LLYDC). LLYDC will give young people leadership opportunities and increased skills including interpersonal communication, goal setting, problem-solving, and decision-making which help improve employment and education pathways.

“NYDA embarked on a stakeholder partnership for youth development over the past four years. Having a mutual working relationship with stakeholders is the way forward to dispatch youth empowerment programs in the rural areas of Papua New Guinea. Partnering with the Foundation has allowed us to commence valuable consultations with the Southern Highlands Provincial Administration and Local Level Governments for Nipa and Kutubu, in establishing the Local Level Youth Development Council.”

Mr. Joe Itaki, Director General - National Youth Development Authority (NYDA)

Finally, in December 2022, the Foundation engaged Central Queensland University (CQU) to commence a scoping and feasibility study for the development of a sago processing capability and commercialisation initiative in the Kutubu area. The project aims to enhance community capability to process sago, a staple food for the population, and generate income from sales of processed sago products. The project has the potential to provide a skills training opportunity that could equip young people with trade capabilities relevant to various industries and income earning opportunities in the region. The CQU team will report to the Foundation in mid-2023 on the feasibility study outcomes.

Improving health outcomes: 2022 a year of new challenges

Our approach and what we do

The approach used by the Foundation (in all key result areas) is to work with the PNG Government to ensure the investment in any activity is building capacity and achieving sustainable outcomes. In the health sector this requires the Foundation to work in partnership with the National Department of Health (NDOH) and Provincial Health Authorities (PHAs) in the three provinces.



Medical supplies distributed to the health facility in Haivaro Village, Kikori Gulf Province, during a hard to reach patrol visit



Kikori Hospital

Supporting these three PHAs to build strong health systems following the World Health Organisation (WHO) health system strengthening and universal health care frameworks, which underpin the National Health Plan 2021-2030, is a Foundation priority.

Formal protocols and agreements with a range of PNG Government agencies are used to guide this capacity building approach by the Foundation. These agreements are entered into with the NDOH and the respective PHAs in Hela, Southern Highlands, and Gulf Provinces. Each year the Foundation negotiates a suite of services to be provided and joint activities with each PHA and these are ratified by the relevant PHA Board.

Field team support

The Foundation recruited a Health Program Manager in 2022 to work closely with Southern Highlands, Hela, and Gulf PHAs and partners to support and strengthen existing health programs and implement new health initiatives. The position is based in Mendi in Southern Highlands and is co-located with the Public Health Office of the PHA. This is the first time the Foundation has had a physical presence in Mendi working directly alongside the PHA executive team.

The Health Program Manager works with Foundation field teams based in Tari in Hela Province, Kerema town and Kikori in Gulf Province, and Kutubu in Southern Highlands Province. The health facilities in Kutubu are a primary focus of the field team. The Foundation also worked intensively in Kikori District with the District Health Manager with Foundation teams traveling to Kikori town in Gulf Province for review and planning activities.

These field and other Foundation teams work alongside the respective PHA's Public Health, Family Health, Curative Health Services, and Family Support Centre teams to support the delivery of the full range of health services which must meet the needs of over 1 million people (11% of the population of PNG).



Challenges facing the health sector in 2022

The economic and institutional challenges facing PNG, especially in the wake of the COVID-19 pandemic, are considerable. The Foundation and PHA program and field teams, and advisors, worked together through 2022 to manage these emerging challenges. The redirection of resources to support the COVID-19 pandemic response created new funding and delivery issues for the PNG Government and for donor partners. The impact of the pandemic on the PNG health system has been significant. High levels of COVID-19 vaccine hesitancy continued across every province.

Routine childhood immunisations have dropped across the country since mid-2020, as predicted internationally by the WHO in 2020. PNG faces significant challenges in addressing this growing public health risk of increases in communicable and preventable diseases.

The national elections in 2022 posed a second major challenge for the PHAs in Hela and Southern Highlands with election related violence high in both provinces. Between the issuing of writs in May and the return of writs in August 2022, both PHAs faced increased security challenges and constraints on their capacity to deliver services. This was especially challenging in Southern Highlands with service delivery interruptions caused by the election related vandalism and violence. It was October before the PHA could confidently reopen its office in Mendi and resume full operations and service delivery.

Travel restrictions during the national election affected all provinces, particularly in the Highlands region.

This was the health context in which the Foundation worked throughout 2022. There was a notable reduction in some basic services in both Hela and Southern Highlands for several months of 2022. Despite these challenges there were also improvements in some activities and indicators, and some health system improvements across all three PHAs.

PHA Performance

The NDOH ranks the performance of the 22 PHAs in PNG against 29 indicators annually, publishing the outcomes in the Sector Performance Annual Report (known as the SPAR) around mid-year of the following calendar year. NDOH applies an index (known as the constraints index) which ranks PHAs according to the challenges and revenue opportunities each province experiences.

The three PHAs have steadily improved their rankings with Hela ranked third in 2021 (2018 -ranked 6th), Southern Highlands ranked fourth (2018 - ranked 8th), and Gulf, having been at the bottom two consistently for the past decade, ranked 18th in 2021 when the constraints index is applied.¹

Each of the PHA Boards met regularly during 2022 and the Foundation provided technical advisory support for Board meetings and reports. All three PHAs updated their Corporate Plans to align to the newly released National Health Plan 2021-2030 with technical support from the Foundation funded advisor.

Gulf PHA continued to manage the changes as an emergent health authority. The PHA engaged with partners and with the guidance and oversight of the PHA Board, to strengthen and operationalize the health systems and processes.

By the end of 2022, both Hela and Gulf PHA Board appointments had expired. This governance process is expected to progress through ongoing consultations between NDOH, the Provincial Governments and the Minister for Health and HIV/AIDS in 2023.

“The PNG health system, and PHAs in particular, need the support of private sector partners to help address longstanding challenges and limited access in the complex environment of the Papua New Guinea highlands. Santos Foundation is an important role model for other private sector companies and has walked alongside us for the past six years as a genuine partner.”

Dr Joseph Birisi, Chief Executive Officer, Southern Highlands PHA

¹The 2022 Sector Performance Annual Report will not be available until it has been approved by the National Department of Health for release. However, the Foundation through its partnership with NDOH is able to compare 2022 data across all PHAs.

Advisory Support

The Foundation funds technical advisory support to all three PHAs to achieve health system strengthening through Board and executive management mentoring and advice. These advisors support the development of corporate and clinical service plans required by NDOH, refinement and implementation of financial management systems, infrastructure improvements, workforce planning, recruitment, and upskilling staff, improving basic service delivery and information management.

The implementation of facility-based budgets was progressed in each PHA, and Service Level Agreements with churches were progressed in Hela and Southern Highlands. All three PHAs were supported by advisors to update their Corporate Plans and 2022 budget plans for the Department of National Planning and Monitoring and NDOH for the annual budget process.

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This report presents the results and trends for key health indicators tracked in 2022. The data in this section is based on information provided by the National Department of Health database, the National Health Information System (NHIS) through the current agreement with the national department.

### ***Routine immunisation***

Routine immunisation of children is a public health priority in PNG and has been the subject of international concern with the impact of the pandemic reducing childhood vaccination levels across many countries, PNG included.

The Foundation has been the Lead Partner for Southern Highlands and Gulf Provinces in implementing the Accelerated Immunisation and Health System Strengthening (AIHSS) program. The development project has been funded by Gavi (The Vaccine Alliance) and through through the Australia Department of Foreign Affairs & Trade (DFAT), in partnership with the PNG Government. AIHSS has been an important mitigating resource for both PHAs and has contributed to sustained levels of childhood immunisation when many other PHAs lost significant ground during 2022.

Both AIHSS projects have made good progress with Gulf improving measles immunisation coverage rates from 20% in 2018 to 40% in 2022. Whilst Southern Highlands has only improved coverage rates slightly since 2019 (from 38% in 2019 to 40% in 2022) - this period was during the pandemic and the civic unrest as a result of the 2022 national elections.



## Case study 1: Working through Districts improves routine immunisation services

Delivering health services in PNG through partnerships requires an openness to address emerging challenges and to embracing opportunities for innovation in the face of adversity. The donor funded Accelerated Immunisation Health System Strengthening (AIHSS) project, managed by the Foundation, is being implemented in partnership with both Gulf and Southern Highlands PHAs.

Now in its fourth year of implementation in Gulf Province, this project has faced many challenges, including the impact of the COVID-19 pandemic, a national election, flooding, and changes of leadership within the Gulf PHA executive team.

In mid-2022, the Foundation in partnership with the Acting CEO of the Gulf PHA, decided to take a more decentralised approach to implementing routine immunisation in the two districts in Gulf Province. This approach was seen as having greater potential for decentralised capacity building.

Kikori District was chosen to pilot the district approach given the outstanding and visible leadership at the district level through the Kikori District Health Manager. The Health Manager had demonstrated consistently strong leadership capabilities in implementing immunisation and health services, despite the challenges. His resilience, commitment, relationships with Officers in Charge (OICs) of facilities and proactivity to delivering health services was what was needed to pilot the district approach.

The AIHSS Program Manager and M&E Specialist and Foundation field team then set to work with the Kikori District Health Manager to trial this approach.

An inaugural supervisory visit to all health facilities in Kikori District, funded through the AIHSS project, was the first activity in this decentralised approach in October. This activity was followed by the first ever review workshop conducted in the district by the PHA and proved very valuable to the network of Officers-in-Charge of facilities with issues raised and solutions devised including how to address drug and medical supply shortages. Hard-to-reach patrols into the Turama and Foroba mountains of Kikori District were the next set of district activities. This Kikori District based outreach patrol delivered health services to 11 villages in remote areas of Kikori District with 498 children under 5 years old immunised and 725 vaccinations delivered.





In Gulf, the Foundation, with the agreement of the Acting CEO of the PHA, successfully implemented a District based approach to routine immunisation. This district-based approach trialled a way to test new approaches which built stronger local leadership for service delivery from District Health Managers. (See case study 1).

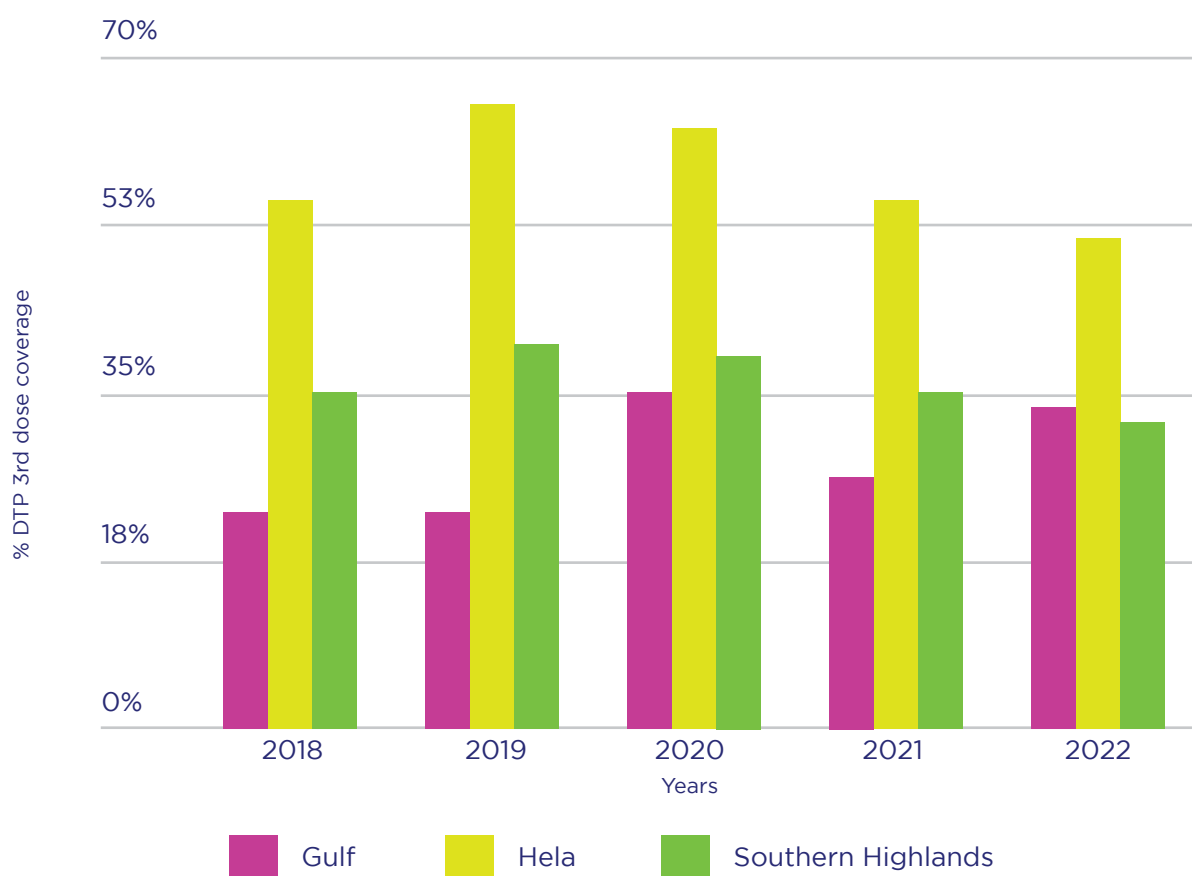
The election related challenges reduced outreach clinics and outreach patrols into remote areas for nearly five months. Some PHAs across PNG reported drops of up to 10% in routine immunisation across the same period.

Hela is not a recipient of AIHSS funding as it is considered a relatively high performing PHA on immunisation rates. The Foundation also funds outreach health patrols into remote locations in Hela, Kutubu in Southern Highlands and Kikori in Gulf Province.

All three PHAs improved immunisation coverage rates in 2022 on 2021 performance.

Graph 1 below reflects the pattern of coverage on one of the core vaccine indicators (Pentavalent) since 2018 and during the pandemic. There was a significant drop in coverage from 2020 and some recovery in 2022. Gulf Province is the most improved of the three PHAs since 2018 and in 2022 achieved the highest coverage in over a decade.

**Graph 1: Children under one year who received three doses of DTP-HepB-Hib Pentavalent vaccination – 2018 – 2022**



## Communicable Diseases

The Foundation maintained its support of both the treatment and detection of tuberculosis (TB) and case detection and prevention of malaria cases across the three provinces.

This year saw an expansion in TB services with the opening of two new treatment facilities in Magarima District Hospital, Hela and Pimaga Rural Hospital, Southern Highlands province. At the same time, maintaining patient numbers in Kikori Hospital is challenged by the prolonged vacancy of specialized positions (TB Coordinator) and low medical supplies.

In 2022 there were 391 people reported as completing TB treatment compared to 471 in 2021.

Malaria rates remained well within the national targets in all Santos operating areas with local communities reporting very low levels of malaria. The Foundation continued to conduct periodic malaria risk assessments of all Santos camps in 2022.

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## Maternal and child health

Safe deliveries and ante-natal care visits are critical indicators for maternal and child health with PNG having relatively high ratios of maternal mortality at 171/100,000 live births, despite significant improvements since 2006 when the ratio was an estimated 423/100,000 live births. This data is tracked through the PNG National Statistical Office (NSO) during the periodic Demographic Health Surveys which use internationally recognised surveys to establish reliable data on child and maternal mortality.<sup>2</sup>

These two indicators remain very high priorities for the PNG Government. The Foundation has invested in upgrading maternity wards, training health workers in emergency obstetric care, and outreach patrols since 2016.

In Pimaga, in Southern Highlands, the Foundation worked with the PHA to build a Waiting Village in 2018 for mothers from outlying areas to ensure they had access to supervised deliveries. In Hela the Wok Bung Wantaim strategy invested heavily in improving infrastructure and health worker training on maternal and child health between 2018 and 2021.

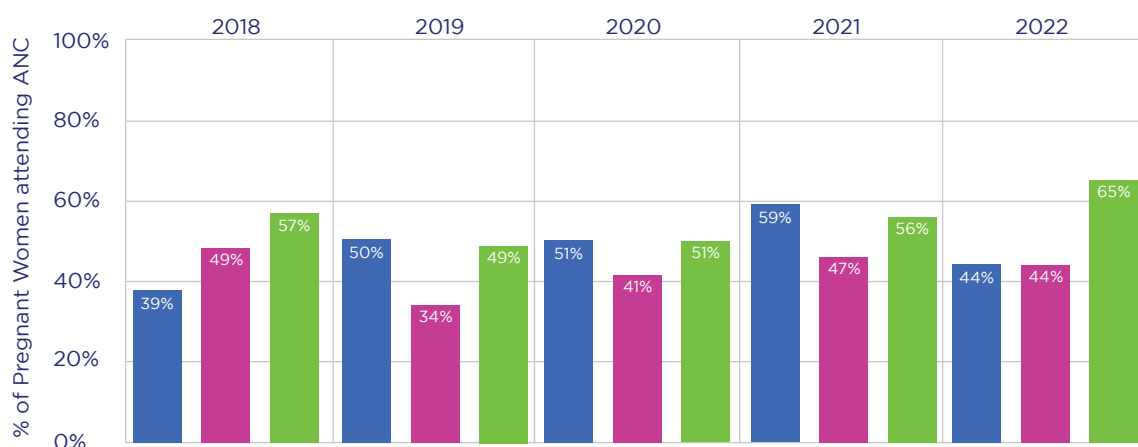
There was a steady increase in ante-natal care visits across the 73 health facilities in the Santos operating areas until 2021. However, there was a small drop in 2022 in Kikori and Hela but a pleasing increase in Kutubu facilities.

Supervised deliveries also improved between 2018 and 2021 in Kutubu and Hela with Hela improving significantly until 2021. In 2022 both Kikori and Hela showed a decrease in deliveries although both stayed well above 2018 rates.

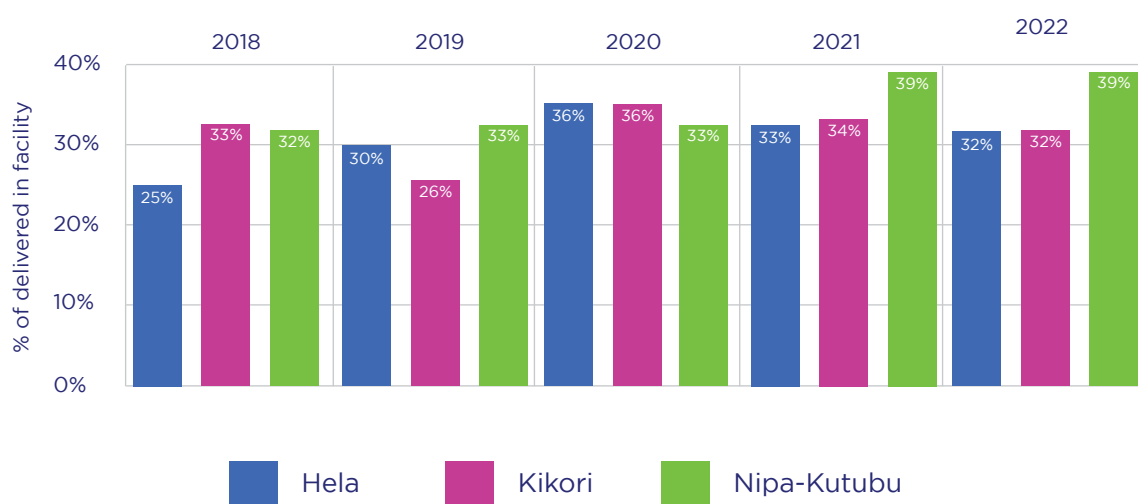
<sup>2</sup>Papua New Guinea Demographic Health Survey 2006 Report; 2009, National Statistical Office, Port Moresby, PNG and Papua New Guinea Demographic Health Survey Report 2016-2018; 2019, National Statistical Office, Port Moresby, PNG and DHS Program ICF, Rockville, Maryland USA

Graph 2 and 3 provide a snapshot of the trends on both indicators between 2018 and 2022 across the 73 facilities in Santos operating areas.

**Graph 2: Women attending ante-natal care 1st visit**



**Graph 3: Supervised deliveries**



## Family Planning

The PNG Government has been concerned with the high birth rate across the country and low take up rates of family planning for the past 15 years. The PNG National Population Policy 2015-2024 sets the policy framework for family planning outcomes which are intended to address high fertility rates and low family planning uptake rates, reductions in maternal and infant mortality, and unsustainable population growth.<sup>3</sup>

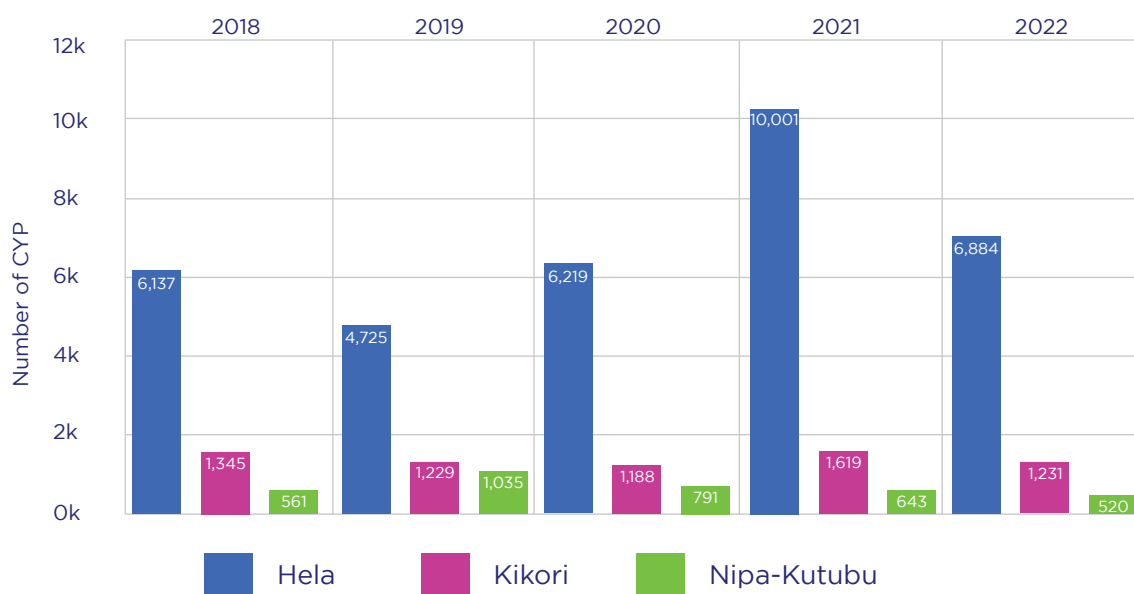
Marie Stopes PNG has partnered with the Foundation since 2017 to improve family planning uptake rates in the three provinces. The Foundation funded Marie Stopes to train staff in facilities and to deliver family planning services. Over time their approach has shifted to capacity building of the health facility staff to achieve a more sustainable outcome. In mid-2022 Marie Stopes PNG commenced a second project to work with the three PHAs to upskill a new cohort of health workers.

<sup>3</sup>PNG National Population Policy 2015-2024, (2014), Department of National Planning and Monitoring, Waigani, Port Moresby



Thirteen health staff were trained in late 2022 and further training is planned for 2023. Couple-Years of Protection (CYP) is the international measure for family planning interventions. The demand for Long Acting Reversible Contraception (LARC) has increased in many communities in Hela and Kikori with less movement in Kutubu communities. Graph 4 below shows the trends since 2018 and achievements in 2022 on this indicator.

**Graph 4: Couple-Year Protection achieved across 73 facilities 2018-2022**



## COVID-19 surge support project

The Foundation maintained support to the COVID-19 National Task Force to the end of 2022 through advisory and technical support to the National Task Force. Field team and technical support was continued to the three PHAs in Santos operating areas using the Lead Partner approach.<sup>4</sup>

The Foundation started working on the COVID-19 jointly funded surge support project in 2021 with a clear plan to increase COVID-19 vaccinations in Hela, Southern Highlands, and Gulf Provinces. DFAT and the Foundation in partnership with the PNG government have funded three surge support teams to work alongside the three PHAs since October 2021. In 2022, PHAs faced two big challenges: the high level of vaccine hesitancy and threats to health workers in Southern Highlands and to a lesser extent in Hela, and the security and safety issues as a result of the PNG national general election which led to the eventual relocation of the Southern Highlands team to Kikori District.

Social media continued to play a significant role in spreading misinformation and creating fear in communities. This affected health workers considerably, led to serious safety risks for health workers in some locations, and made their COVID-19 interventions very difficult.

<sup>4</sup>The COVID 19 Vaccine Taskforce Blueprint informs that the Lead Partner approach is to support the PHA to coordinate all partner resources to deliver on its Provincial COVID-19 Vaccine target as per the PHA's micro plan



*Losipi waterfront where boat operators assisted with conducting awareness and COVID-19 vaccinations, Kerema District, Gulf province*

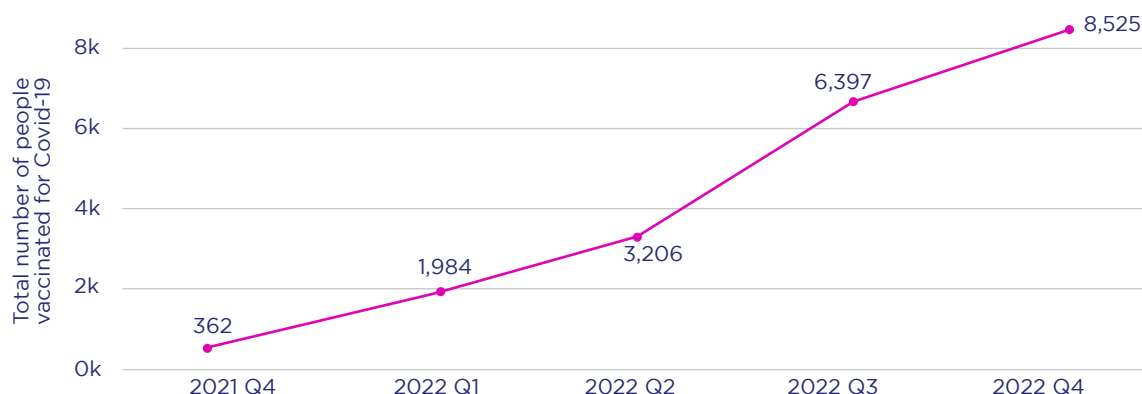
To deal with these challenges the Foundation shifted focus early in 2022 to engaging the Christian Leadership Training College (CLTC). CLTC also began training health workers to help them understand the theological context and to equip them with knowledge based on evidence and research. Over time many pastors and other church leaders in Hela became champions for vaccinations and the health teams started to see an increase in requests from leaders asking for visits to communities for vaccination clinics. In Gulf Province vaccine uptake was high and health workers, church leaders, boat operators and leaders played a key role in increasing the number of people vaccinated in Kikori and Kerema Districts.

By the end of 2022, the surge support teams had vaccinated 8,525 people across the three provinces, and reached 108,000 participants through the delivery of 681 community information and awareness sessions. Over 150 health workers were trained in COVID-19 vaccine management and treatment for positive cases.

The Foundation team presented this example of partnership to the PNG 56th Medical Symposium on Information Communications Technology (ICT) and COVID-19 held in Port Moresby. The Santos Foundation received a commitment from DFAT to extend this project to June 2023, with further discussions for co-funding this initiative with Santos to the end of June 2024.

The Foundation also supported the National Task Force through 2022 with monitoring and evaluation support. The advisor working with the National Task Force developed the evaluation framework for the implementation of the COVID-19 response and mentored and supported NDOH to manage and implement this framework.

**Graph 5: COVID-19 project vaccinations delivered across three provinces Oct -2021 to Dec 2022**



## Improving health services in Kutubu

Throughout 2022, the Foundation worked collaboratively with the Southern Highlands Provincial Health Authority to improve health services through the Pimaga Rural Hospital including addressing staffing shortages, medical supply challenges, staff housing, relationships with church run facilities, routine and COVID-19 immunisations, and the lack of a regular power supply. A Foundation funded Community Development Officer lives and works in Pimaga. He works intensively with the District Health Manager and the Hospital team to find practical solutions to immediate problems and to engage in longer term solutions.

Key achievements for health services in Kutubu include:

- The provision of new medical equipment to the Hospital valued at over PGK290,000
- Funding of four temporary health workers to fill long standing vacancies at the Hospital whilst the PHA recruited permanent staff
- Negotiating an agreement with the Southern Highlands PHA and USAID to jointly fund and install a mini-grid solar power supply to Pimaga hospital – this provides the hospital with 24/7 reliable power supply from early 2023 for the first time (see Case Study 4).
- Supporting two hard-to-reach patrols into remote areas of Kutubu and Kagua-Erave providing services to over 2,800 people in 31 villages and vaccinating 776 children.

Pimaga Rural Hospital is the main health facility in this location and all of the other health facilities rely on this hospital to take and manage referrals and to deliver diagnostic and treatment services for the people of Kutubu. The capacity building of the Hospital staff and infrastructure improvements, funded by the Foundation and supported by the PHA, has been an essential component of the strategy to ensure this facility can operate effectively.



One measure of the success of the strategy is improvements in direct service delivery by the Hospital. In 2022 the performance has been excellent and on many indicators. One of the key achievements over five years is the increase in the number of outreach clinics. The target for Pimaga Rural Hospital in 2022 was 50 outreach clinics to be conducted – the national average was 31. The Hospital has steadily improved and achieved 109 clinics, which is twice the number of clinics required to meet the target. This outcome was assisted by the AIHSS project support for outreach patrols into remote areas of Kutubu.

## Health infrastructure improvements in Hela

Infrastructure investments have been an important aspect of the Foundation's support in our operating areas.

In February 2022 a newly constructed Accident and Emergency department was officially opened in Hela Provincial Hospital. Jointly funded by the Hela Provincial Government, DFAT, Santos, and a private donation from the Chair of the Hela PHA, the new department provides access to emergency services for the population of Hela for the first time.

Santos Managing Director and Chief Executive Officer, Kevin Gallagher, said through combined efforts, the opening of the Accident and Emergency department in Tari will ensure the community has access to around the clock acute emergency care, delivering long-term and potentially life-saving benefits.

*“The Australian Government welcomes the private sector's commitment to supporting development outcomes in Papua New Guinea. The new Accident and Emergency Ward at Hela Provincial Hospital, opened in 2022, is an excellent example of how a funding partnership between the PNG and Australian Governments and Santos delivered an improved health service to the people of Hela.”*

**Australian High Commissioner - Jon Philp (Health and Hela)**



Aerial view of Hela Hospital Accident & Emergency section





*“These facilities are especially important in Hela as we manage rates of traumatic injury. Through our unique partnership approach which sees Government, the private sector, development partners and Non-Government Organisations (NGOs) rally around our health plan, we have greatly improved all health services across Hela. Our children have, on average, better immunisation rates compared with other areas and we have seen vast improvements in maternal health and tertiary hospital care since this partnership model commenced in 2015.”*

**- Hela PHA CEO Dr James Kintwa**

## Improving health outcomes: What we supported with partners

Despite the difficulties facing the health system, by working in partnership with the Foundation, the three PHAs maintained strong service delivery in 2022.

Immunisation and outreach clinic data is provided for 105 facilities and all other data for 73 facilities in Santos operating areas. Data may change slightly over time as outstanding returns are added to the NHIS.



**73**

Number of health facilities located directly in Santos operating areas in Hela, Southern Highlands and Gulf Provinces



**105**

Total number of health facilities across all three Provinces



**69**



Total number of health facilities supported through the Accelerated Immunisation and Health System Strengthening (AIHSS) project in Gulf and Southern Highlands



**16,375**



Number of children receiving 9-17 month dose for measles in 105 facilities



**15,238**



Number of children receiving three doses of Pentavalent in 105 facilities



**5,106**



Number of outreach clinics provided by 105 facilities



**326,552**



Total immunisations in 105 facilities



**4,088**



Number of supervised deliveries in 73 facilities



**5,835**



Number of women attending ante-natal 1st visit in 73 facilities



**391**



Number of people completing treatment for TB in Hela and Kikori facilities



**481,569**



Number of outpatient attendances in 73 facilities

Notes for the data on Health - the increases are compared with 2021 service delivery data



# Addressing family and sexual violence

The Foundation has continued to implement programs and contribute to addressing gender-based violence, also known as family and sexual violence or FSV, through various targeted programs. There were three key activities delivered in 2022.



National Capital District Governor Hon. Powes Parkor and Mr Leon Buskens, Country Manager for Santos leading the annual Ending Violence Against Women (EVAW) walk held in November 2022



ERAW Walk in Port Moresby

## Bel isi PNG

The Foundation continued to project manage the Bel isi PNG program as a partner in this public/private/civil society partnership. Bel isi PNG aims to play a transformational leadership role in changing attitudes towards family and sexual violence and improving services for survivors. The funding partners, Bank of South Pacific (BSP), Steamships, Santos, and DFAT, oversight the initiative through a Steering Committee. Bel isi PNG case management and safe haus services are operated by Femili PNG, a local non-government organisation. The Business Coalition for Women (BCFW) is an important partner and provides policy advice and support to subscribing companies to establish policies and procedures for responding to FSV.

In 2022 the 571 survivors of FSV (307 new clients and 264 existing clients) were provided with services through Bel isi PNG. Seventeen companies subscribed to Bel isi PNG and their employees are able to access the service if and when they need to do so.

In early 2022 an independent Mid-Term Review of Bel isi PNG was conducted to assess progress against the jointly agreed objectives of the program. The review found that good progress had been made by the partners on all objectives, identified possible improvements, and made 19 recommendations to the Steering Committee. One of the recommendations was the importance of engaging more PNG male leaders in the private sector to increase their participation and leadership in addressing FSV as essential to sustain change. This recommendation has been made the focus of the Annual Leadership Forum to be conducted in 2023.

Bel isi PNG organised the internationally recognised annual Eliminating Violence Against Women (ERAW) walk in November. The walk had been cancelled in 2020 due to COVID19 restrictions for mass gatherings. The event was reinstated in September 2022 after these restrictions were eased. The ERAW walk brought together private companies, government partners, civil society organisations and the general public to participate and raise awareness on ERAW. Nearly 1,000 people participated including Santos staff on the day, which included senior government officials, private sector and community leaders and staff of subscribing companies. Participation of sporting icons included the captains of both the PNG Santos Orchids and the PNG women's cricket team, the Lewas.



## Family Support Centres

Family Support Centres (FSC) are the PNG Government's formal health system response to family and sexual violence. These are located in Provincial and District Hospitals, to provide health and medical assessments and other services for survivors of family and sexual violence. Six Family Support Centres (FSCs) in Hela continued to deliver services to survivors of family violence with 1,972 new clients supported in 2022. The Foundation worked with Southern Highlands PHA and the National Department of Health (NDOH) to strengthen FSCs in this province in 2022.

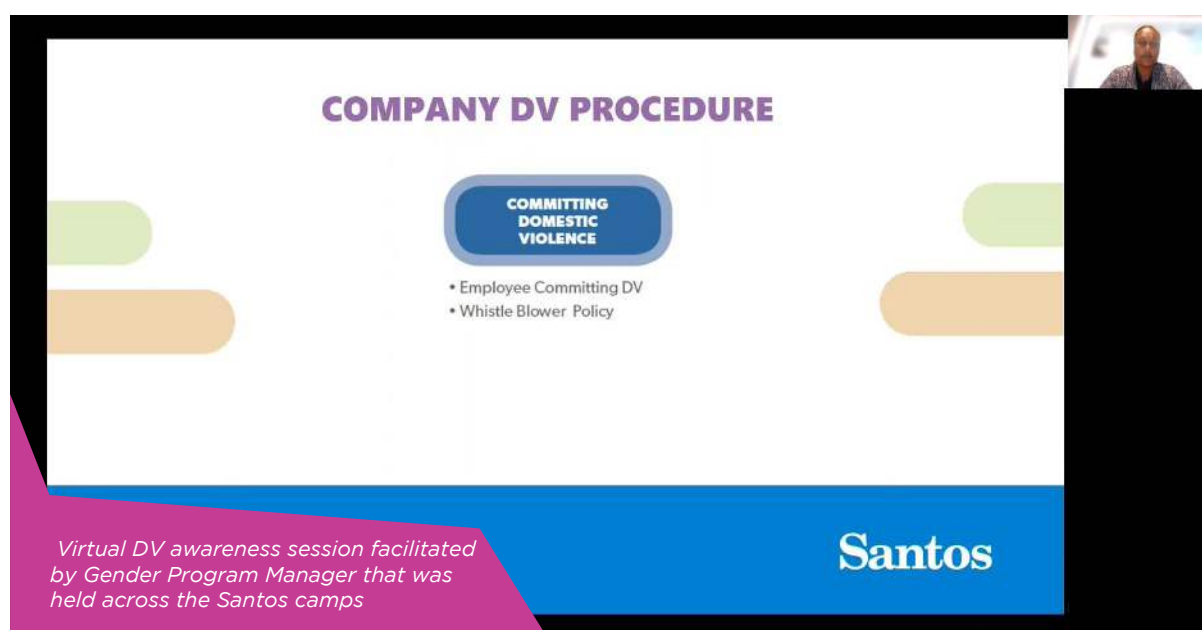
This work commenced with funding and procuring equipment for the Mendi hospital based FSC and improving skills of the staff teams working on FSV in other health facilities across Southern Highlands. The Foundation also funded FSV training for 23 health workers from 17 health centres which was facilitated by a specialist trainer from Lae. Those health workers were then supported to undertake work placements at Mendi FSC to consolidate their training and skill development. This training ensured health workers developed skills and confidence in effective responses to and sensitive and professional management of reported cases of FSV.

In 2021 the Mendi FSC saw 399 new clients and in 2022, it saw 332 new and 97 existing clients; a total of 429 clients. In 2022 the Southern Highlands PHA reported providing services to 932 new FSC clients, an increase of just over 100%.



## Company support

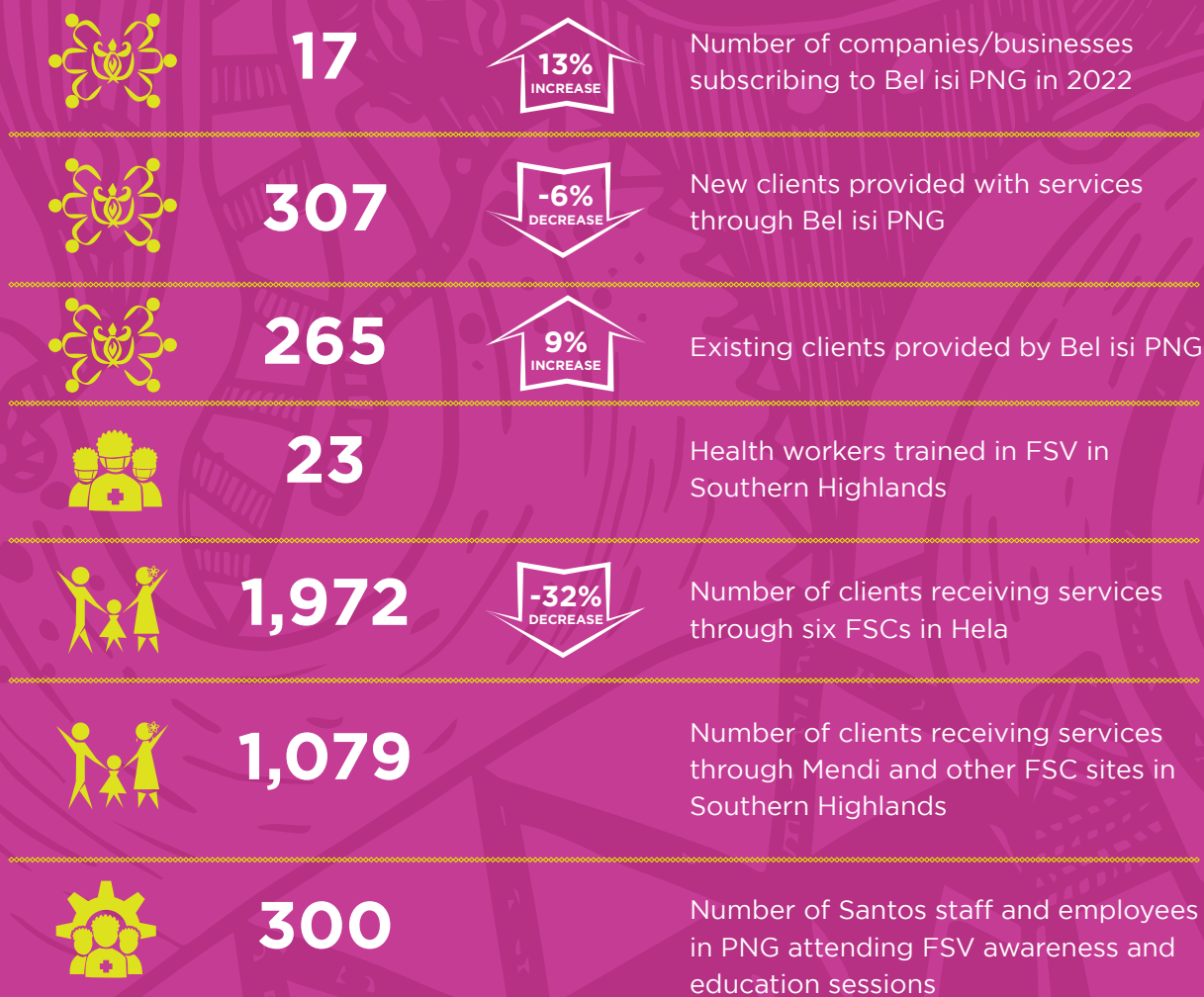
The Foundation also supported the Santos main business through the gender program in 2022. A key highlight was the roll out of the Domestic Violence (DV) Awareness sessions across offices in Port Moresby, Ridge, Gobe and Moro respectively.<sup>5</sup> The sessions were aimed at increasing participant understanding of DV and the support services offered through the Santos Medical Team and Bel isi PNG. Over 300 staff and contractors participated in the DV awareness sessions, that were delivered via face-to-face sessions and virtual conferencing in English and Tok Pisin.





## Addressing family and sexual violence: What we supported with partners

By working with partners including DFAT, Bank of South Pacific, Steamships Limited, Business Coalition for Women, Femili PNG and Provincial Health Authorities, we continued to address family and sexual violence and to support survivors.



Notes for the data on FSV - the increases are compared with 2021 service delivery data

*Bel isi PNG company subscriptions data provided by Santos Foundation data base, client data provided by Femili PNG, operator of the case management centre and safe haus.*

*Family Support Centres (FSC) are the health system response to family and sexual violence. Data provided to Foundation by FSC Managers for Hela and Southern Highlands FSC services.*

# Delivering targeted community development

The Foundation delivers a tailored program of community development activities to support people and communities in the Santos operating areas and to the wider population of PNG. The three programs are the early childhood learning program, Small Grants, and the USAID PNG Electrification Partnership (USAID-PEP).



## Literacy libraries – Creating better pathways for future learning



Mr Alex Alia Kajoli, a leader and elder from the Habare and Piribu communities in Tari, gave feedback on the children's literacy library located in Habare.

*“As a result of the establishment of the library in 2018, many little children from Piribu and Habare communities have been moulded with exceptional skills in writing and reading English and the library is creating better pathways for their future learning”*

A child's early years are the foundation for his or her future development, providing a strong base for lifelong learning including cognitive and social development. Providing a quality early childhood education in these early years establishes an essential building block of a child's future success.

The Foundation's children's early childhood learning program, commenced in 2016, in partnership with local organisation, Buk bilong Pikinini, two local church groups and Provincial Administration Education teams.

Since the inception of this initiative in 2016, there has been a cumulative total of 1,313 children enrolled at the literacy libraries with 916 of these successfully completing their full year of classes and assessed as school ready. Local conflicts, the 2018 earthquake and the national election of 2022, have all disrupted the two libraries in Hela and impacted on the continuity of attendance and resulted in fewer children graduating than in previous years. The three existing literacy libraries are in Habare in Tari and in Fugwa, which are both in Hela Province, and Kikori town in Kikori District, Gulf Province.

In early 2022, 209 children were enrolled in these three libraries with 151 children being assessed as school ready by the end of the school year. Habare library enrolled 72 students, 36 girls and 36 boys, Fugwa library enrolled 63 students – 28 boys and 35 girls. At the Kikori library, there was a total of 74 students enrolled – 34 boys and 40 girls. The Hela literacy libraries experienced high levels of local conflict and violence, especially around the national elections, which led to travel and mobility restrictions for families. Despite this challenge, both Hela libraries completed a full year of classes in 2022.

Proactive engagement of parents and local communities around each of the literacy libraries promotes ownership of these investments and, in time, increases the chances of sustainability and impact.

In late 2022 the Foundation completed the construction of a new literacy library in Pimaga in Southern Highlands Province which will open in February 2023 in time for the new school year.





*The newly constructed Pimaga Literacy Library*

The Foundation continued to work with the National Department of Education on the development of their early childhood program. In 2022 the Department implemented a new policy on early childhood learning after many years of advocacy within the PNG Government, and from partners, including the Foundation, to implement early childhood learning as a core element of the national education curriculum. Over time, the Foundation will work with the PNG National and Provincial Governments to transition these literacy libraries to government ownership and funding.

## Small grants program

The Small Grants program is available to all Santos employees and contractors and is aimed at addressing issues which impact women and girls and engaging communities to find local solutions to local issues. The program involves two rounds of grant applications across the year with a maximum amount of PGK5,000 per grant.

The program uses a simple application process with basic guidelines for interested applicants aimed at ensuring anyone can apply, irrespective of their literacy levels. Employees and contractors are supported with small grants to use their leadership and technical skills, gained or strengthened through their employment with the company, to lead change and engage their communities in small development projects.

Since the program commenced in 2016, the Foundation has funded 203 Small Grants and every province has benefited. Water, sanitation and hygiene, solar lighting, awareness of family and sexual violence, and sustainable livelihoods have been the main themes addressed through this investment.

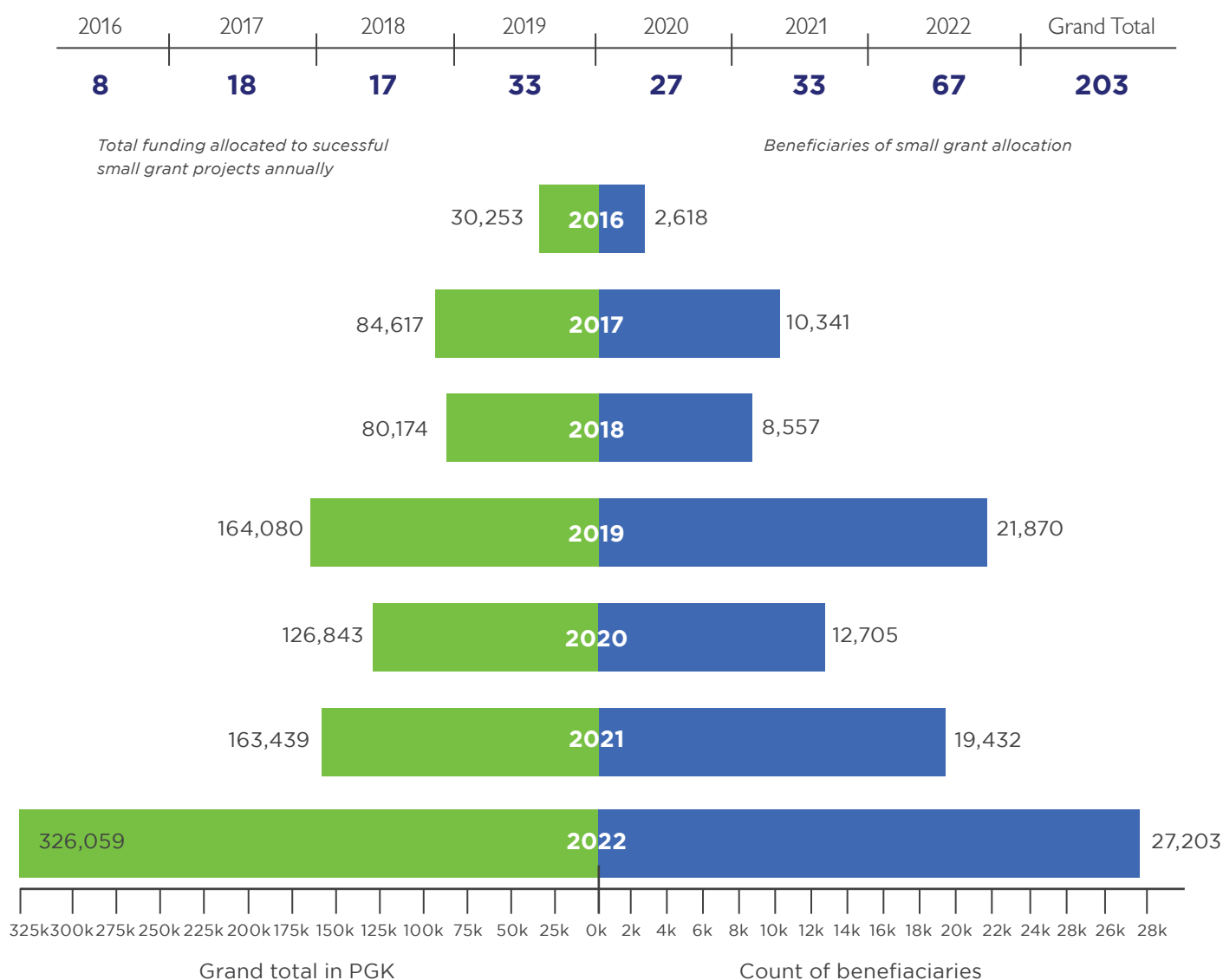
In 2022 the Foundation awarded 67 Small Grants across 20 provinces. The majority of projects (55%) are for water, sanitation and hygiene initiatives in communities followed by community education and awareness (11%) and the remaining projects (34%) focusing on a range of issues impacting women and girls.

Many communities benefiting from this program report improvements in the living conditions from these small projects. The program is very well respected by the Santos PNG workforce, evidenced by the high number of applications received each year. The investment of PGK5,000 (around AUD2,000), complemented by the leadership skills of employees and contractors, and a lot of sweat equity from communities, can have a major impact for the people living in the recipient villages. The case studies provided in the report are just two examples of this impact.

Graph 6 provides a summary of the Small Grant expenditure and allocations since 2016.














## GRAPH 6: SMALL GRANTS PROGRESS, 2016 - 2022

### SUCCESSFUL APPLICANTS OF SMALL GRANTS ANNUALLY



## Delivering targeted community development: What we supported

The Foundation fully funds the literacy libraries and Small Grant programs. The electrification project, managed by the Foundation with funding from US-AID for community engagement and gender, is also supported with some funding direct from the Foundation. This includes funding to procure a mini-grid at Pimaga Hospital for installation in 2023.

|                                                                                     |               |                                                                                     |                                                                                                      |
|-------------------------------------------------------------------------------------|---------------|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
|    | <b>209</b>    |    | Number of children enrolled in three early childhood literacy libraries in February 2022             |
|    | <b>151</b>    |    | Number of children who were assessed as 'school ready' by the end of 2022                            |
|    | <b>4</b>      |    | Number of literacy libraries supported by the Foundation including one new library                   |
|   | <b>67</b>     |   | Number of small grants funded across 2022                                                            |
|  | <b>20</b>     |  | Number of provinces benefiting from small grants                                                     |
|  | <b>27,200</b> |  | Number of people reportedly benefiting from 67 small grants                                          |
|  | <b>6</b>      |                                                                                     | Number of Provinces engaged in USAID-PEP community engagement activities for mini-grid opportunities |
|  | <b>88</b>     |                                                                                     | Number of stakeholders engaged in USAID-PEP project consultations                                    |
|  | <b>54</b>     |                                                                                     | Number of PNG Power Limited staff engaged in gender activities                                       |
|  | <b>11,247</b> |                                                                                     | Number of households formally illegally connected and now legally connected to PNG power network     |
|  | <b>1</b>      |                                                                                     | Mini-grid procured for Pimaga Rural Hospital and staff housing                                       |





*Solar lights project in Raluana Local Level Government*

## Case study 2: Small Grants program funds solar lighting which benefits everyone in Raburua Village

Raburua village is in the Raluana Local Level Government of East New Britain Province. It has an estimated population of 2,000 people.

The safety of women and girls is an ongoing issue in the community especially at night, as the village has no power supply and therefore no street lighting. Women and girls are reportedly at risk of violence and sexual harassment when walking in the dark to cart water or conduct other household business. There are occasional locally reported incidents of women and girls being robbed at night. Darkness comes early in these tropical locations with sunset as early as 5.45 pm.

Eric Topi from the Santos Community Affairs Department, applied for Small Grant funding of PGK5,000 to install seven solar powered streetlights in his home village of Raburua. The community worked with Eric to install the lights along the main village pathways known to be 'hot spots' which women and girls usually avoided in fear of being harassed or robbed. The community was able to proactively reduce the safety risk to women and girls allowing them to move freely around their village to conduct their daily chores including into the night.

Women in the community have informed the Foundation that they are glad to see the lights installed along the roadside, especially at bus stops, because they feel safe arriving home in the evening when travelling in from Rabaul or Kokopo towns after a long day of selling local produce at the markets. The solar lights become like bus stops and the public motor vehicle (PMV) bus drivers stop right under the lights which improves safety for all passengers, especially female passengers getting off at Raburua.

The solar lights also enable the community to conduct small business at night because the light attracts customers to their informal night markets as customers feel safe to buy their wares under good lighting.

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This is a common story the Foundation hears about the benefits of solar lighting projects through Small Grant project completion reports and monitoring visits to communities around PNG. This is a small investment for self-reported significant and positive community impact.

Case study 3: Silapiu Island benefits from three small grants over 5 years

Silapiu Island in New Ireland Province is home to Santos employee, Dr. Graham Low, who is described by his people as someone who has a big heart for his people. The island is also home to 500 residents. The Foundation's Small Grant program has been well utilised by Dr Low and the community over five years to build skills, improve economic activity, and to improve sanitation and hygiene for the whole community.

Using his position as Medical Officer at the Oil Search Foundation (now the Santos Foundation) Dr. Low first applied for a small grant to help mothers and the young people of Silapiu in 2018. A Small Grant of K5,000 was used to purchase manual sewing machines and cooking pots for the women's ministry of a local church. Training was organised for the women and girls in the community so this equipment could be utilised to find other ways of empowering them economically beyond selling grated cassava and smoked fish.

Stella Sebulon, a mother from the community, attended a tailoring training that taught her and other women how to cut fabric:



'We were thankful that the sewing machines provided through the Small Grant enabled us to utilise our new sewing skills to make dresses and other garments.'

She said the money earned from the meri blouses they made was used to sustain their families and invest in other projects in the community.

Davlynne Ingirin, another woman leader, said she was thankful as a beneficiary of the sewing machine project as this helped her, and other mothers earn extra income:

'Every time the machines are used, there is a K5 maintenance fee charged by the women's group, which then allows the group to maintain the sewing machines by using the money to buy parts and accessories to repair the machines when this is required.'

In 2021 and 2022, Dr. Low applied for two more K5,000 grants to build rural toilets for the Community Resource Centre. The rural toilet project enabled the community to pilot a composting toilet facility for both males and females to mitigate sanitation and hygiene issues, including those specifically faced by women and girls on the island.



The technology for the toilets is water-free, considering the scarcity of water on the island. The toilets use sawdust as the composting element with the ashes absorbing the fluid which then easily disintegrates, further eradicating any odour. The main pipe will have punched holes for fluids or moisture to drain out.

‘Water is a problem everywhere, so the flush system won’t work for us as it would require a lot of water’ Dr. Low explained, emphasising the value of a sustainable and environmentally friendly water-free system.

The island is situated on bedrocks, so the community cannot dig deeply for pit toilets. This form of composting toilet is also popular in many other small islands and resorts in the area. By engaging the community in implementing these projects, Dr Low has helped empower women and girls and enabled the whole community to address sanitation and hygiene using sustainable solutions.

USAID-PNG Electrification Partnership (USAID-PEP)

Energy poverty is very high in PNG with just 13% of households having access to reliable and continuous power supply in 2020. The Foundation has been a partner in the USAID PNG Electrification Partnership (USAID-PEP) since 2021. The project, which aims to improve access to affordable power in both urban and rural areas, is one of the commitments made to the PNG Government by multilateral partners during the APEC meeting in PNG in 2018. The Foundation implements the community engagement and gender components of the project as part of the wider team of the USAID-PEP working alongside other partners who are working on rural electrification.

Leveraging funding to support local power initiatives is a core part of the Foundation’s community engagement activity.

In 2022 the Foundation’s team worked in seven provinces on engaging national agencies, Provincial Administrations, District Development Authorities (DDAs), Local Government Presidents and Ward Councillors, Provincial Councils of Women, local community and church leaders, and young people in community engagement activities. Over 20 rural communities were surveyed in detail to assess the potential to install mini-grids, build solar businesses, and engage mini-grid energy providers working with local leaders and communities on sustainable energy solutions. This work will continue in 2023 with approved communities engaged in mini-grid discussions with other partners and energy providers.

The team has also worked alongside PNG Power on an amnesty awareness campaign for illegal connections with over 11,000 households now legally connected to the PNG Power network as a result of this work.

This complex project has highlighted the barriers to improving power supplies which are facing leaders and communities in remote and rural areas. There is a shortage of potential providers of alternative energy sources working successfully in PNG, very significant geographic and terrain challenges, low disposable incomes, and very high needs. On the other hand, DDAs and community leaders have demonstrated keen interest in finding sustainable options and solutions to increase the number of households accessing affordable power.

The Foundation partnered with USAID-PEP in 2022 to fund and project manage the installation of a mini-grid system in Pimaga Rural Hospital in Southern Highlands. Due to be completed by early 2023, this joint effort will deliver continuous and reliable power to the hospital and staff houses for the first time. (See Case Study 4 on page 42)



Green Limited (Contractor) Workers installing the 90kW Solar Mini Grid System at the Pimaga Hospital

Case Study 4: Powering Pimaga Rural Hospital with renewable and reliable power supply

In 2022, the Foundation partnered with the Southern Highlands PHA, USAID PNG Electrification Partnership (USAID-PEP), and the Santos main business, to deliver an exciting rural electrification project for Pimaga Rural Hospital, which has been operating without reliable power supply for years. The Hospital serves a population of 50,000 people who live and work in the remote Kutubu Local Government area in the Southern Highlands Province.

Powered by a diesel generator, which is very expensive to run and maintain, the Hospital's existing power system provides access to power for only around five hours a day.

The renewable energy power supply will be a mini-grid solar system capable of powering the hospital and up to 20 staff homes for 24 hours a day. It consists of solar panels, batteries, and inverters.

The reliable power system will strengthen the capacity of the Hospital to operate and provide healthcare services 24/7 to the community. The Hospital wards and medical equipment will be powered and operational without interruption, and health treatments requiring reliable and uninterrupted power supply will be possible for the first time in this Hospital. Women will have access to safe birthing facilities with adequate lighting and functioning equipment. Diagnostic and treatment services will be improved including for cardiac conditions, malaria and TB. The Hospital will eventually be able to provide surgical and medical procedures requiring electrical equipment, medical treatment areas, and some intensive care services. The community can be assured that Hospital staff can respond quickly and appropriately to major health events such as cardiac and asthma episodes, accidents and emergencies, and high-risk pregnancies.⁶

The project will also have a positive impact for Hospital staff as the solar power will also supply the staff houses located within the Hospital grounds and adjacent to the property. The mini-grid will provide a source of reliable and sustainable power to improve the daily lives of staff and their families. Powered housing will help attract medical and nursing staff to this very remote area.

³The PNG Government has identified electrification and improving water supplies in health facilities as a high priority in the National Health Plan 2021-2030, the National WaSH Policy, 2014-2025, and three consecutive Medium Term Development Plans since 2009.

Between July and the end of the 2022, the Foundation's field, logistics, and executive management team worked with USAID-PEP, Santos' main business, and the Southern Highlands PHA to procure and mobilise the services of a reliable partner to deliver the project. Mobilising into the remote Kutubu area is a complex logistical exercise and very few providers in PNG have the capability to deliver these projects.

The Foundation's commitment to improving living standards in Papua New Guinea is evident in this project. This partnership between USAID, Santos and the Provincial Health Authority is the first in the country and will serve as a model for similar projects elsewhere.

Governance

The Oil Search Health Foundation was first established in PNG for charitable purposes in 2011 and was focused on delivering health programs. Over the last 12 years, the Foundation's mandate has grown to include activities related to gender, youth, community development and leadership. The name was changed in 2015 to the Oil Search Foundation to reflect this broader mandate.

Santos continued to champion the Foundation following the merger with Oil Search Limited in December 2021. In 2022 Santos applied to the Investment Promotion Authority to change the name to Santos Foundation and this new name will take effect as of June 2023.

The Foundation's Board is committed to strong governance and accountability. The Board expects the Foundation's team to deliver and report on sustainable results for our communities and the responsible use of resources from all donors.

The Board and the Foundation's senior leadership team robustly monitor risks and implement proactive responses to challenges which impact staff wellbeing, program activities, funding, and reputation.

The Foundation continues to apply external benchmarking for our governance framework to maintain currency with international best practice.

We achieve this by adhering to good governance principles, including:

- ✓ Standards set by the Australian regulatory body the Australian Charities and Not-for-profit Commission (ACNC)
- ✓ Australian Institute of Company Directors Good Governance Principles and Guidance for Not-for-profit Organisations
- ✓ Australian Council for International Development (ACFID) Code of Conduct
- ✓ ASX Corporate Governance Council's Corporate Governance Principles and Recommendations
- ✓ Applying internationally recognised standards for monitoring and evaluating results for development programs

Foundation Board of Directors



Kevin Gallagher
CHAIR

Kevin joined the Santos Foundation (PNG) Board, formerly the Oil Search Foundation, in June 2022 and was appointed Chair in March 2023. Kevin was appointed Chair of the Santos Foundation Board (Australia) upon its establishment in July 2023.

Kevin joined Santos Ltd as Managing Director and Chief Executive Officer in February 2016, bringing more than 25 years' international experience in the oil and gas industry.

Having built a strong, low-cost base business supplying natural gas to meet ongoing customer demand and laid out a clear action plan to develop cleaner energy and clean fuels with an ambitious target of net-zero Scope 1 and 2 emissions by 2040, Kevin is committed to ensuring Santos remains resilient, value accretive and at the leading edge of the energy transition.

Kevin commenced his career as a drilling engineer in Scotland working with Mobil in the North Sea and migrated to Australia to join Woodside in 1998. He was Chief Executive Officer at Clough Limited from 2011 until his appointment at Santos.



Peter Botten
BSc, ARSM, MICD, AC, CBE - CHAIRMAN retired December 2022

Peter Botten joined Oil Search in 1992, just after oil and gas production started from PNG's Kutubu and Hides fields. He was appointed Managing Director in 1994, a position he held until February 2020. For two years in a row, he was included on the Harvard Business Review's list of the 100 Best-Performing CEOs in the world.

Up until December 2022, he had been the chair the Santos Foundation Board (previously Oil Search Foundation Board). In addition to this, Peter had also chaired the Hela Provincial Health Authority Board from 2016 until end 2022. At this time, he was also a Director on the AGL Energy Board, Karoon Energy Limited and the Lloyd Robson Oval Trust Board (National Football Stadium) in Port Moresby, a former President of the PNG Chamber of Mines and Petroleum and a past Council Member of the Australia PNG Business Council.

Peter was recently honoured by the award of Companion of the Order of Australia (AC), along with Commander of the British Empire (CBE) for services to the oil and gas sector, community development and building relationships between Australia and Papua New Guinea.



Leon Buskens
DIRECTOR

Leon joined Santos Foundation (PNG) Board, formerly the Oil Search Foundation, in September 2020.

Leon is the Country Chair PNG for Santos Limited. He joined Oil Search in 2012 and has held several senior positions, most recently Senior Vice President for External Affairs – Community. As PNG Country Manager, Leon oversees all Social Responsibility, Community Affairs, Communications and Biomass-related activities within PNG.

Leon sits on several prominent PNG Boards across not-for-profit, commercial and government sectors and currently serves as the Commissioner of the PNG Sports Foundation.



Janette Hewson
DIRECTOR

Janette joined the Santos Foundation (PNG) Board, formerly the Oil Search Foundation, in September 2020 and subsequently became a director of Santos Foundation (Australia) upon its establishment in July 2023.

Janette joined Santos in May 2022 as the Executive Vice President, Environment, Sustainability & Governance where she is responsible for climate and sustainability reporting, social performance and community partnerships, Traditional Owner relationships, environment and land access, risk, internal audit and governance.

Janette has more than 25 years of experience in the resources industry and has served on the Climate Advisory Panel for the Minerals Council of Australia, and the Boards of the Queensland Resources Council, NSW Minerals Council and Low Emissions Technology Australia.



Stephanie Copus-Campbell
EXECUTIVE DIRECTOR retired June 2022

Stephanie Copus-Campbell has been the Executive Director of the Santos Foundation up until June 2022. Since mid-2018 she has also chaired the Southern Highlands Provincial Health Authority Board, up until 2022.

From 2009-2011, Stephanie was the head of Australia's aid program with PNG. She was also posted to Suva, Fiji, as head of Australia's aid program with Fiji and the Pacific region and has had previous postings to PNG. During her early Australian government career, she worked on development cooperation with China and on environment and infrastructure policy. She also has executive management experience working with CARE Australia.

Stephanie is a director on Harold Mitchell Foundation Board, and Femili PNG Board (a local PNG NGO that supports survivors of family and sexual violence) and a member of the Bel isi PNG Steering Committee (a public private partnership to address family and sexual violence in PNG). She is a member of the University of New South Wales' Canberra Advisory Council, the Steamships' Community Grants Advisory Committee, and the Lowy Institute's Australia-PNG Network.

Stephanie holds an MPHIL degree from Cambridge University in international relations and a Bachelor's degree from University of California in political science, where she graduated Summa Cum Laude. She is a graduate of the Australian Institute of Company Directors.



Foundation Funding 2022

Santos Limited

US\$10,383,964

Australian Government
- Corona Virus Disease (COVID)

US\$2,881,218

Research Triangle Institute (RTI)
- PNG Electrification Partnership

US\$1,083,526

Australian Government
- Bel isi PNG

US\$748,450

Australian Government
- Global Alliance for Vaccines and
Immunisation (GAVI)

US\$436,150

Bel isi PNG Subscriptions

US\$342,945

Other Income

US\$67,061

Total Funding

US\$15,943,314

Australian Government PNG
Partnership Fund (PPF) grant
funds returned upon program
completion.

(US\$375,964)

Net Funding

US\$15,567,350

Financial Statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 USD \$	2021 USD \$
Revenue		
Donations	15,563,728	12,344,549
Interest Income	3,622	4,435
Total Income	15,567,350	12,348,984
OPERATING EXPENSES		
Health Pillar		
Hela Province Program	3,481,585	2,161,476
Gulf Program	1,406,569	928,918
Incentive Fund	-	186,677
Wok Bung Wantaim	-	287,820
Global Alliance on Vaccines and Immunisation	736,412	493,871
DFAT COVID Response	1,440,171	551,537
Youth Opportunities Pillar		
Youth	196,122	-
Community Development Pillar		
Women Protection and Empowerment	213,708	304,090
Leadership and Education	723,890	362,078
Rural Electrification	1,503,581	333,185
Gender Pillar		
Bel isi PNG	1,073,761	1,055,831
Operational Costs		
Business Development Unit	575,147	437,784
Accountability and Administration	1,827,504	3,019,892
Monitoring and Evaluation	373,548	605,294
Foreign currency loss/(gain)	506,472	(78,341)
Total expenses	14,058,470	10,650,112
Surplus for the year	1,508,880	1,698,872
Other Comprehensive Income	-	-
Total Comprehensive Income	1,508,880	1,698,872

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2022

	2022 USD \$	2021 USD \$
NON CURRENT ASSETS		
Property, plant and equipment	53,448	91,759
	<u>53,448</u>	<u>91,759</u>
CURRENT ASSETS		
Cash on hand and in banks	4,106,109	6,621,510
Trade and other receivables	7,260,723	1,315,086
	<u>11,366,832</u>	<u>7,936,596</u>
TOTAL ASSETS	<u>11,420,280</u>	<u>8,028,355</u>
EQUITY AND LIABILITIES		
Retained surplus	6,806,461	5,297,581
CURRENT LIABILITIES		
Trade and other payables	4,613,819	2,730,774
TOTAL EQUITY AND LIABILITIES	<u>11,420,280</u>	<u>8,028,355</u>

Glossary

AIHSS

The Accelerated Immunisation and System Strengthening (AIHSS) project grant is the Gavi funded initiative in PNG supported in 15 provinces. The Foundation supports two AIHSS projects; one in Southern Highlands and one in Gulf.

Buk bilong Pikinini

Buk bilong Pikinini is an independent charity based in Port Moresby, PNG, which aims to foster a life-long love of reading and learning and increase literacy rates especially for preschool age children with limited access to books, learning resources and opportunities.

BCFW

The Business Coalition for Women is a group of companies in Papua New Guinea working together to drive positive change for women and businesses in Papua New Guinea. BCFW provides resources and training to help businesses derive maximum value from its female workforce and is a leading partner in Bel isi PNG.

Carbon Capture and Storage (CCS)

A process in which greenhouse gases, including carbon dioxide, methane and nitrous oxide, from industrial and energy-related sources, are separated (captured), conditioned, compressed, transported and injected into a geological formation, that provides safe and permanent storage deep underground.

Decarbonise

To decarbonise is the process of avoiding, reducing or offsetting anthropogenic greenhouse gas emissions through operational activities or efficiencies, technology deployment, use of generated or acquired carbon credit units, and/or other means.

District Development Authorities

District Development Authorities (DDAs) were established under the District Development Authority Act (DDA Act) in 2014. The DDA Act creates DDAs as legal entities with a Board which is chaired by the Open Member (District MP). All LLG Presidents are automatically members, the MP nominates up to 3 additional members and one must be a woman. Board members are appointed for the duration of the term of the current Parliament. DDAs replaced Joint District Planning and Budget Priority Committees. Their primary role is District planning and the allocation of funds for service delivery. Districts remain administrative units of the Provincial Government.

Emissions

Greenhouse gas emissions, unless otherwise specified.

FSC

The Family Support Centre (FSC) is the name of the NDOH endorsed health service, usually located in Provincial and District Hospitals, to provide health and medical assessments and other services for survivors of family and sexual violence. It is the PNG Government's formal health system response to family and sexual violence.

Gas

Natural gas

GAVI

The Gavi (previously known as the Global Vaccine Alliance but now using the acronym of Gavi) was founded in 2003 and is an international organisation that improves access to vaccines for the world's most vulnerable children. It was founded in 2000. The Bill and Melinda Gates Foundation was a founding member of Gavi and continues to invest annually to ensure the success of the alliance which has WHO, UNICEF and the World Bank as core members. Gavi partners with both the public and private sectors to achieve this mission. It works with nonprofits, advocacy organisations, developing country governments, other donor governments, vaccine manufacturers, and researchers. The Australian Government is a contributing partner to Gavi.

HPHA, SH PHA AND GPHA

Hela Provincial Health Authority (HPHA), Southern Highlands' Provincial Health Authority (SPHA), and Gulf Provincial Health Authority (GPHA), are the governing state institutions responsible for the administration of health service delivery across Hela, Southern Highlands and Gulf respectively. Established under an act of Parliament, the Provincial Health Authorities Act 2007, PHAs have replaced Provincial Health Departments. As of 2020, every Province, and the National Capital District and the Autonomous Region of Bougainville (AROB), have a PHA.

LNG

Liquefied natural gas. Natural gas that has been liquefied by refrigeration to store or transport it. Generally, LNG comprises mainly methane.

Local Level Governments

Local Level Governments (LLGs) are the third tier of government in Papua New Guinea established under the Organic Law on Provincial and Local Government, 1995. LLGs are comprised of wards with Ward Members elected every five years in a local democratic election process. LLG Presidents have also historically been elected during these elections and sit as members of the Provincial Government Assemblies. It is generally considered to be the level of government closest to the people. Over 80% of the population of Papua New Guinea live in rural areas. There are 31 urban LLGs and 265 rural LLGs in PNG. LLG Presidents are also Board members of the District Development Authority for the District in which they are located.

Lower carbon energy

Energy sources that have lower net greenhouse gas emissions in their production, processing and use (including through reduction and / or equivalent emissions reduction units) compared to traditional fossil fuels. This includes lower carbon domestic gas, LNG and hydrocarbon liquids, and may also include low carbon fuels as they are developed by Santos.

Low carbon fuels

Fuels that Santos may seek to develop with materially lower net greenhouse gas emissions in their production, processing and use (including through reduction and / or equivalent emissions reduction units) compared to traditional fossil fuels. This term may encompass a range of fuels such as hydrogen, ammonia or e-methane.

Net zero

In relation to greenhouse gas emissions, is achieved when anthropogenic emissions of greenhouse gases are balanced by anthropogenic removal of greenhouse gases through means such as operational activities or efficiencies, technology (e.g, CCS), offset through the use of carbon credit units, or other means.

Net-zero Scope 1 and 2 emissions / net-zero emissions

Santo's equity share of Net Zero Scope 1 and 2 greenhouse gas emissions

NGO

Non-Government Organisation

NDOH

Is the acronym for the PNG National Department of Health

Oil

A mixture of liquid hydrocarbons of different molecular weights.

Scope 1 emissions

Direct greenhouse gas emissions that occur from sources that are owned or controlled by the reporting company.

Scope 2 emissions

Indirect greenhouse gas emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by the reporting company.

WASH

WASH is the acronym used to describe 'water, sanitation and hygiene'. Access to WASH is considered an important, universally affordable, and sustainable development goal. It is identified as Goal 6 of the United Nations Sustainable Development Goals (SDGs).



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