

February 26, 2025

The Honorable Robyn Niayuq Burke
Co-Chair, Senate Finance Committee
Alaska State Capitol, Room 108
Juneau, AK 99801

The Honorable Maxine Dibert
Co-Chair, Senate Finance Committee
Alaska State Capitol, Room 126
Juneau, AK 99801

Dear Co-Chairs Burke and Dibert,

Thank you for inviting Santos to present an overview of our North Slope production plans to the House Resources Committee on February 10, 2025. The purpose of this letter is to respond to questions and requests for follow-up information from this hearing.

1. What percentage of Santos' larger contract workforce is Alaska hire?

As expressed during our presentation, local content and Indigenous participation is important to Santos and our company culture. When evaluating contractor bids in the construction of Pikka Phase 1, preference is weighted towards Alaskan and Alaska Native businesses. This approach emphasizes our commitment to our local communities and the landowners. Once under contract, we request that all vendors honor this commitment by employing local and Alaska Native workers, as well as companies, when conducting work on our project to the greatest extent possible.

We at Santos are proud of our Alaska hire rates among our employee workforce, with ~80% of employees having been hired from within Alaska and 95% residing in-state. However, when it comes to our larger contract workforce, we do not currently have a good tool in place for tracking Alaska residency status. Four out of five major contracts at Pikka were awarded to union contractors, so we do know that local union halls are first being cleared before those contractors are having to look more broadly to fill out their workforce needs. That said, we at Santos recognize the importance of this metric for future developments.

2. Are there any recruitment tactics Santos utilizes when encouraging a candidate for employment to relocate to Alaska? Is Santos targeting families or individuals without children?

Santos employs competitive recruitment practices within the bounds of law. As it is unlawful to discriminate on a host of things including certain family characteristics, we do not engage in recruitment based on those factors. However, we are proud to provide market competitive remuneration and benefits, interesting work, and a once-in-a-career opportunity to work on a greenfield project with professional colleagues who are among the best in the business.



To-date we have observed the following factors have caused out-of-state candidates pause when considering relocation: high interest rates; high housing costs; quality of education, limited childcare, and the geographically remote nature of Alaska making outside travel expensive. In addition, while Alaska's oil and gas industry is in a major growth period, Alaska nonetheless holds limited job opportunities in the oil and gas field relative to other jurisdictions such as Houston, Texas. Therefore, once an individual makes the move to Alaska, there is a recognition that should they choose to change roles, there is a limited number of options of who they can work for without an expensive relocation package back to the Lower 48 to compete in a larger market.

Thank you again for the opportunity to share more about who we are and our development plans in Alaska with the House Resources Committee. If you have any follow up questions, please do not hesitate to reach out to our team.

Sincerely,

A handwritten signature in blue ink, appearing to read "P. Laliberte".

Peter Laliberte
Vice President Business Development