



THIRD COAST



## 2023 Sustainability Highlights

### *Our Sustainability Strategy*

At Third Coast, we consider sustainability in our overall business strategy, recognizing the vital role of Environmental, Social, and Governance (ESG) factors in fostering sustainable growth. We focus on the social and environmental impacts of our operating assets in the Gulf of Mexico, recognized as one of the most emissions-advantaged producing regions in North America and globally. We prioritize sustainable operations and balancing environmental responsibility with financial success, enhanced data monitoring practices, and transparent communication of our sustainability efforts. We continue to serve as a trusted partner to our customers, investors, and employees and aim to promote engagement and equity, while maintaining a strong governance and risk management system to ensure proper oversight of initiatives that further link our sustainability with profitability and long-term value creation for our stakeholders.

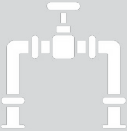


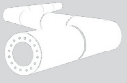
We achieved **100%** of our  
governance, employee engagement,  
diversity, equity, and inclusion, and  
environmental goals during 2023.

“Third Coast strongly believes that our operations in the Gulf of Mexico, which boasts some of the lowest carbon emission intensities of any producing region in the world, provide vital resources even as new sources of energy are being added to the national and international energy mix.”

–Matt Rowland,  
President & CEO



## ESG at Third Coast

WHAT WE DO	HOW WE CREATE VALUE	HOW WE ALIGN OUR ESG PRIORITIES
<p style="text-align: center;"><b>Delivering Energy, Reliably &amp; Responsibly</b></p> <div style="display: flex; align-items: center; margin-bottom: 10px;">  <div style="margin-left: 10px;"><b>GATHERING</b></div> </div> <div style="display: flex; align-items: center; margin-bottom: 10px;">  <div style="margin-left: 10px;"><b>PLATFORMS</b></div> </div> <div style="display: flex; align-items: center; margin-bottom: 10px;">  <div style="margin-left: 10px;"><b>PROCESSING</b></div> </div> <div style="display: flex; align-items: center;">  <div style="margin-left: 10px;"><b>TRANSPORT</b></div> </div>	<p><b>ENVIRONMENT</b></p> <ul style="list-style-type: none"> <li>• Promote gathering and transporting of lower carbon emitting Gulf of Mexico production</li> <li>• Continue to refine our risk management processes around our key sustainability risks and opportunities</li> <li>• Continue to refine our environmental data monitoring processes and increase transparency for our stakeholders</li> <li>• Develop and implement additional emissions monitoring programs and industry best practice technologies</li> <li>• Continue to safely and efficiently operate our assets</li> </ul> <hr style="border: 1px solid orange;"/> <p><b>SOCIAL</b></p> <ul style="list-style-type: none"> <li>• Foster engagement and equity within our workforce and maintain competitive compensation to attract and retain employees</li> <li>• Proactively monitor and improve our cybersecurity readiness and infrastructure</li> <li>• Continue to be a respected employer and corporate citizen</li> </ul> <hr style="border: 1px solid blue;"/> <p><b>GOVERNANCE</b></p> <ul style="list-style-type: none"> <li>• Promote awareness of Third Coast in our communities and expand upon our diversified customer base</li> <li>• Continue to be a preferred energy transporter and tieback host in the Gulf of Mexico</li> <li>• Thoughtfully expand our integrated midstream system to provide additional flow assurance to our offshore customers, while increasing throughput and revenues</li> <li>• Continue to build upon our robust systems that ensure the structural integrity of our pipelines to protect our employees and communities</li> </ul>	<ul style="list-style-type: none"> <li>• Greenhouse Gas ("GHG") Emissions</li> <li>• Air Quality</li> <li>• Ecological Impacts</li> </ul> <hr style="border: 1px solid orange;"/> <ul style="list-style-type: none"> <li>• Workforce Health &amp; Safety</li> <li>• Employee Engagement, Diversity &amp; Inclusion</li> <li>• Community Involvement</li> </ul> <hr style="border: 1px solid blue;"/> <ul style="list-style-type: none"> <li>• Competitive Behavior &amp; Business Ethics</li> <li>• Operational Safety, Emergency Preparedness &amp; Response</li> <li>• Corporate Governance</li> <li>• Risk Management</li> <li>• Supply Chain Management</li> <li>• Data Security</li> </ul>

## 2023 Environment Highlights

As the world shifts towards a lower-carbon future, we closely monitor market shifts that may pose risks to our business. At Third Coast, we acknowledge our pivotal role in *Delivering Energy, Reliably and Responsibly*, while understanding the ongoing significance of oil and natural gas in ensuring energy security. We aim to assist our industry in meeting energy demand while prioritizing environmental considerations. We focus on operating assets that transport low-impact production and remain committed to deploying programs and strategies to combat and minimize emissions throughout our operations.



Reduced our total Scope 1 and Scope 2 GHG emissions by 2% as compared to 2022



Over 11,700 MT CO<sub>2</sub>e emissions avoided as a result of our environmental initiatives<sup>1</sup>



Implemented a GHG inventory management plan



Issued a Natural Gas (Methane) Venting Reduction Policy



Developed a Utility Bill Pay and Usage Monitoring Policy



Zero acres of land were disrupted or disturbed



Converting equipment to lower environmental impact, such as natural gas to air start and diesel to electric



Converting lighting to LED technology at various leased and owned operating facilities to reduce energy usage

<sup>1</sup>Third Coast has implemented measures to reduce the volume of venting into the atmosphere. We determined the emissions avoided by comparing the emissions under our new policy with those from previous policies.

## 2023 Social Highlights

Ensuring the safety and engagement of our employees and communities remains at the core of our strategic priorities. Our commitment extends beyond safety protocols; it permeates every facet of our operations. At Third Coast, safety isn't merely a priority—it's a culture we cultivate daily. Simultaneously, we foster an inclusive and collaborative workplace that encourages fresh ideas, propelling our growth and enhancing overall performance.



Zero Total Recordable Incident Rate, Lost Time Accidents, and Contractor Recordable Incidents



28 average hours of health, safety, environmental, emergency response, and regulatory training for Third Coast field employees



50% of Third Coast's C-suite executive management team are women



91% of our employees were either defined as loyal or satisfied according to our 2023 employee survey results



Provided 138 hours of paid volunteer time



Launched our Leadership Development Program



Launched a DEI Committee

## 2023 Governance Highlights

Establishing a strong governance framework is foundational for fostering an accountable business culture and embedding sustainability throughout our operations. Our robust framework includes a proactive enterprise risk management framework, which enables us to proactively identify, assess, and monitor ESG-related risks and associated opportunities and impacts across the full lifecycle of our business activities.

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Began development of a preliminary ESG risk assessment plan
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Achieved our goal of improving our annual customer satisfaction survey response rates from 2022
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Zero major findings in an external cybersecurity audit performed by an independent third-party firm
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Zero incidents of non-compliance or significant findings related to asset and facility third-party regulatory inspections<sup>2</sup>
- 

Successfully completed the Center for Offshore Safety's Safety and Environmental Management Systems audit<sup>3</sup>
- 






100% inspection of our current pipeline asset mileage through various methods<sup>4</sup>

We have formed strategic partnerships with leading organizations to ensure prompt and effective emergency response.



### Supply Chain Management

In 2023, to ensure we partner with companies that share our high ESG standards, we implemented a multi-phase supply chain management plan through our software platform to collect and assess ESG information from our contractors. We rolled out screening questions related to ESG program implementation, including the implementation of:

-  ESG policy
-  Emissions policy & energy and waste consumption tracking
-  Corruption & bribery and business continuity policies
-  Data privacy and information security management policies
-  Hiring diversity, pay equity, and harassment policies

<sup>2</sup>Inspections by regulatory agencies, including the Bureau of Safety and Environmental Enforcement, US Coast Guard, and state regulators.

<sup>3</sup>The Center for Offshore Safety's mission is to advance operational excellence, safety, and environmental stewardship in the Outer Continental Shelf. To successfully complete the Safety and Environmental Management Systems (SEMS) audit, we met the requirements of COS-2-03 Requirements for Third-Party SEMS Auditing and Certification (First Edition) and API RP 75 Recommended Practice for Development of a Safety and Environmental Management System (Third Edition). The audit was based on a sampling of the operations and facilities of a Third Coast subsidiary.

<sup>4</sup>Inspections through various methods, including direct assessment, in-line inspections using evaluation methods, such as "smart pigs", external or internal corrosion direct assessment, and regular maintenance inspections, such as frequent aerial and foot patrol and onshore surveys.

# About this Report

The information included in this report has been subject to Third Coast's policies surrounding the disclosure of financial and non-financial data. All non-financial data included in this report was not subject to a third-party audit verification process. The ESG disclosures throughout this report are for the year ended December 31, 2023, unless otherwise noted.

## *Forward-looking statements*

This report may contain forward-looking statements, which include, but are not limited to, future-oriented financial data and performance metrics or information, operating results, objectives, expectations and intentions, and other statements that are not historical facts, such as statements regarding the Company's plans to incorporate sustainability metrics into its overall strategy, make additional efforts to contribute to local communities, foster programs regarding diversity and inclusion, and implement projects or initiatives to improve performance relative to environmental matters. Readers are cautioned not to place undue reliance on forward-looking statements as they are subject to a number of assumptions and known and unknown risks and uncertainties that may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. The forward-looking statements contained herein are made as of the date of this document. The Company assumes no obligation to update or otherwise revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Third Coast reserves the right, without undertaking any obligation, to make changes, modify, or delete any information contained in this report at any time without notice.

