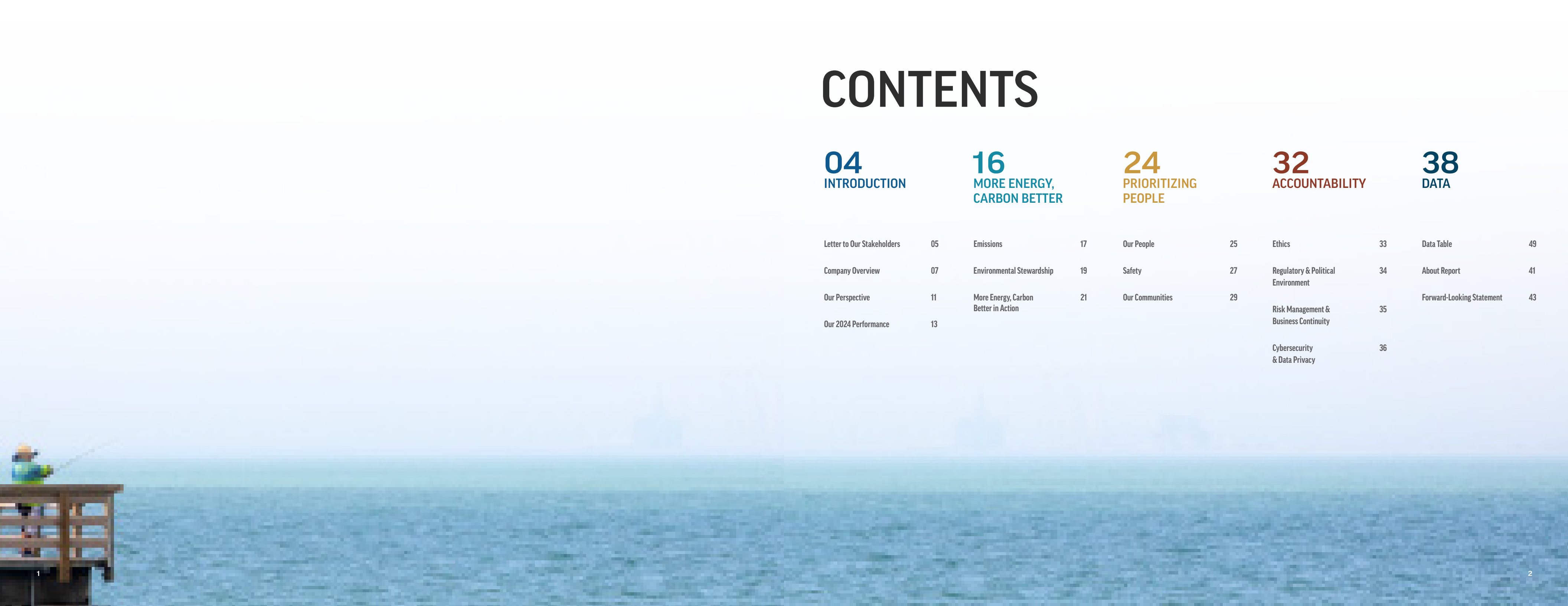




POSITIVE ENERGY ANNUAL REPORT

2024





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INTRODUCTION

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Founded in 2011, Howard Energy Partners is one of the nation’s largest private energy infrastructure companies, owning and operating a unique portfolio of assets in Texas, New Mexico, Pennsylvania, Oklahoma, and Mexico.

Our diversified midstream platform spans the natural gas and liquids value chain and is strategically positioned to meet the world’s increasing demand for energy.

Our purpose to deliver positive energy is rooted in human flourishing. On the one hand we see positive energy as the life-enhancing resource that is essential to alleviating poverty around the globe. On the other hand, we view positive energy as the active engagement of our employees in the communities where we live and work.

For more information about us, please visit our website at www.howardenergypartners.com.

LETTER TO STAKEHOLDERS

When I started Howard Energy Partners, I knew I wanted to work for a meaningful endeavor. This drive, combined with the frustration of the negative rhetoric surrounding the fossil fuel industry, led us to expand the purpose of our midstream company to “Delivering Positive Energy.” Delivering Positive Energy is a philosophy that integrates the foundations of capitalism, leadership development, and energy advocacy through a single corporate purpose—leveraging business as a force for good. This unique approach is our differentiator. In just 13 years, we have become one of the largest private midstream companies – a testament to our core values, strategic versatility, sustainable growth, and purposeful approach.

Through the grit and perseverance of our people, we intentionally build or acquire assets in strategic locations, deepen trust with our customers, demonstrate our innovative technical and operational expertise, and diligently maintain our culture and record of safety excellence. This approach has led to where we are today, experiencing record-breaking years.

2024 was a year of strategic growth, with over \$1.1 billion in M&A activity. Each acquisition aligns with our approach to scaling and integrating critical infrastructure in geographic areas that support long-term petrochemicals and natural gas demand—a demand accelerating due in part to the rapid adoption of artificial intelligence and the need to power larger, faster data centers globally. And we continue to prioritize providing low cost, reliable energy to meet baseline demand both domestically and around the globe.

The past 125 years have witnessed remarkable human progress enabled by energy—longer lifespans, unprecedented access to education, and greater prosperity. However, for those lacking reliable energy access, poverty limits life expectancy, educational opportunities, and financial freedom. Ensuring affordable and reliable energy access for all must remain a priority amid the growing demands. This is why we believe as an industry we must continue to innovate and responsibly invest in and operate all forms of energy. More Energy, Carbon Better represents our balanced approach to this complex challenge. Through the Positive Energy Report, it is our intention to share the state of our business while also advocating for energy so that everyone can live in an energy-secure world.

I welcome your feedback and invite you to join Howard Energy Partners as we intentionally find opportunities to leverage business as a force for good.

Onward,

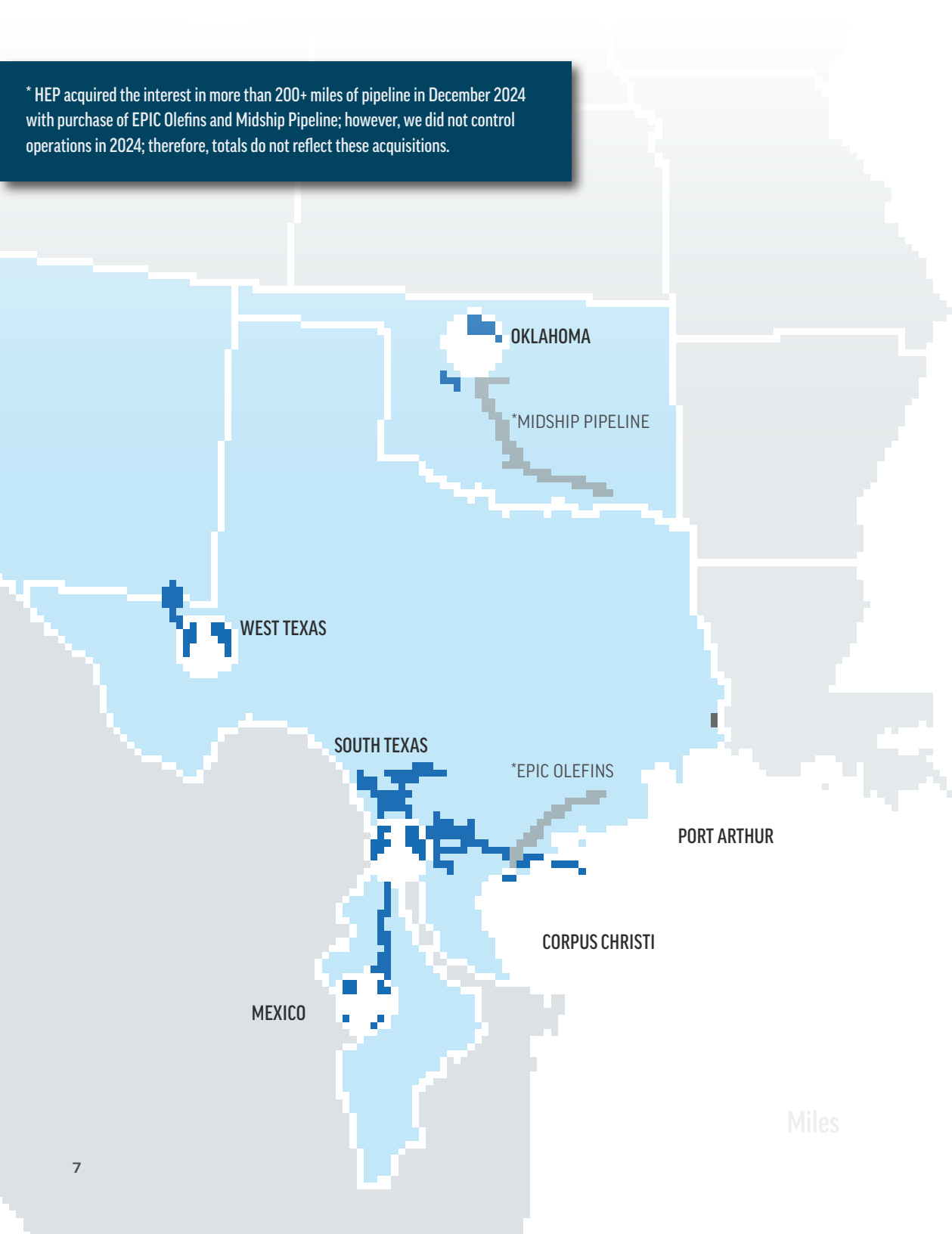
Mike Howard
Chairman & CEO










Stateline Processing Facility in West Texas

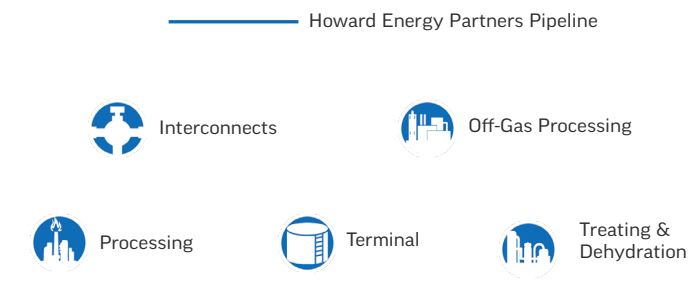
“We believe that providing more energy to more people improves lives”


* HEP acquired the interest in more than 200+ miles of pipeline in December 2024 with purchase of EPIC Olefins and Midship Pipeline; however, we did not control operations in 2024; therefore, totals do not reflect these acquisitions.





HOWARD ENERGY PARTNERS AT A GLANCE


- **SOUTH TEXAS**
Gas Gathering, Transmission, Processing, Treating, and Compression; NGL Handling, and Stabilization
- **WEST TEXAS**
Gas Gathering and Processing, Crude Oil Gathering, and Terminalling
- **PORT ARTHUR**
Renewable Diesel and Petroleum Products Pipeline, Storage, Rail, Barge, and Deep Water Terminalling
- **MEXICO**
Gas Transmission
- **PENNSYLVANIA**
Gas Gathering, Dehydration, and Compression
- **CORPUS CHRISTI**
Off-Gas Processing and Fractionation; Petroleum Products Pipeline, Storage, Rail, and Barge Terminalling
- **OKLAHOMA**
Gas Transmission, Gathering and Dehydration




**962** MMcf/d
Cryogenic Processing Capacity

**4.1** Bcf/d
Natural Gas Operational Capacity

**258,000** HP
Natural Gas Compression

**2.6** MMBbls
Liquids Storage Capacity

**500** MBPD
Liquids Operational Capacity



DELIVERING POSITIVE ENERGY

Spears Facility in Laredo, Texas



STAND TOGETHER
As a family. As a team.



DO THE NEXT RIGHT THING
Even when the next right thing is hard.



EMBRACE CHANGE
Because it's the only constant.



STAY SAFE
Stop. Think. Execute.



CREATE LASTING VALUE
To perpetuate our purpose.

OUR PURPOSE

At Howard Energy Partners, our purpose extends beyond being an industry-leading midstream company. We are a team united in our passion to deliver positive energy - to sustain and improve people's lives. Our business is focused on delivering essential molecules through pipelines, while also creating positive experiences for our employees and the communities where we live and work.

Access to energy is critical to people and our way of life. We are proud to embrace the responsibility as the industry that powers every other industry, serving as the foundation to fuel everyday life.

What we do is not easy, but with grit and perseverance, our employees exemplify our purpose through daily operations and project management, as well as continuous leadership development and community engagement.

OUR CORE VALUES

In 2021, our employees came together to formalize our core values as a way to preserve the high-performing culture created during the first ten years at Howard Energy Partners.

These core values continue to shape our business, serving as our guiding principles in decision-making, guardrails for intentional growth, and perpetuate our purpose.

OUR PERSPECTIVE: WHAT DRIVES US

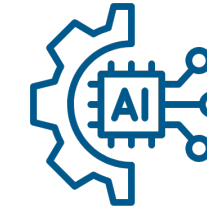
For many companies, this report would serve solely as an opportunity to share their annual developments in environmental, social, and governance (ESG) categories. But as we shared in our 2023 Positive Energy Report, our industry perspective is unique and important as a differentiator. We invite you to read more about what we believe and do not believe in last year's report.

Today we face a compounding challenge: meeting the exponential growth in energy demand driven by a multitude of factors. Our world population is projected by the United Nations to grow by more than 2 billion people with a 50% increase in energy demand by 2050. As billions of people climb the economic ladder, we are faced with

unprecedented increases in their energy requirements for power, heat, and transportation, as well as the expansion of artificial intelligence and data processing centers. Through our “more energy, carbon better” approach, we are committed to meeting rising energy needs and eliminating energy poverty, while also finding ways to do so in a carbon efficient manner, including through our direct investment in low carbon solutions. Our decisions are guided by our core values, in particular our focus on creating lasting value for our stakeholders and our communities. The sources shared in this report empower our collective approach to fulfill this meaningful endeavor - ensuring affordable and reliable energy access to enable human flourishing

AN ENERGY MIX EVOLUTION

will help deliver on energy demands

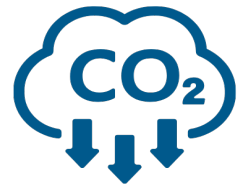


ADOPTION RATE OF ARTIFICIAL INTELLIGENCE

HAS INCREASED THE NEED FOR BASE LOAD POWER

APPROXIMATELY 6 BILLION PEOPLE

LACK RELIABLE ACCESS TO ENERGY



TECHNOLOGIES ARE LEADING TO
CARBON BETTER SOLUTIONS

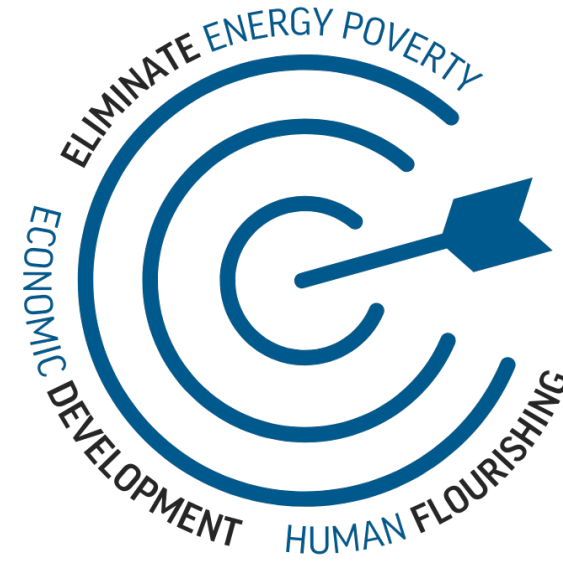
GLOBAL CHALLENGES



OUR STRATEGY



OUR GOALS



2X

TEXAS ENERGY DEMAND
IS EXPECTED TO
DOUBLE BY 2030

WATER SUPPLY & POWER DEMAND

GO HAND IN HAND, BOTH ARE ON THE RISE



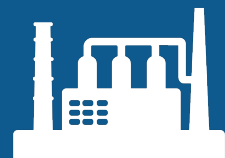
DATA CENTERS & CRYPTO MINING
WILL LIKELY BE

**50% OF ADDITIONAL
POWER NEEDED**

GLOBALLY BY 2027

RISING ENERGY DEMAND = INCREASING INFRASTRUCTURE NEEDS

THE US WILL NEED 450,000+ SKILLED
CONSTRUCTION WORKERS TO MEET
INFRASTRUCTURE & BUILDING DEMAND



OUR 2024 PERFORMANCE

AVERAGE NATURAL GAS THROUGHPUT

2.2 BCF/D

\$1.1
BILLION

840,000

Man Hours Worked

398 EMPLOYEES

Employed Full-Time

99.7%

Operational
Runtime

268,000^{BPD}

AVERAGE LIQUIDS THROUGHPUT

SAFETY AWARDS

We were honored to be recognized again in 2024 with safety excellence awards from the GPA Midstream Association (GPA), the International Liquids Terminal Association (ILTA), Union Pacific Railroad and Canadian Pacific and Kansas City Southern (CPKC). Additionally, our team was awarded the BNSF Product Stewardship Award for upholding the ethics of Product Stewardship under the American Chemistry Council's Responsible Care® initiative.



EXPANSION & INTEGRATION

In 2024, Howard Energy Partners launched a strategic effort to scale and integrate our portfolio into the areas where we operate, making it a record year for merger and acquisition activity with more than \$1.1 billion in material transactions, including:

- Increased ownership to 50% in the West Texas Catalyst Joint Venture with Devon Energy, expanding our exposure in the Delaware Basin.
- Acquired the remaining 5% interest at our Port Arthur Terminal.
- Acquired a Steam Methane Reformer (SMR) in Corpus Christi at our Javelina Facility, strengthening our hydrogen operations in the area.
- Acquired EPIC Midstream Holdings' ethylene pipeline, providing critical ethylene transportation for Gulf Coast Growth Ventures in Corpus Christi to storage facilities in Markham, Texas.
- Acquired an operating interest in Midship Pipeline, providing a premier, platform asset in the SCOOP and STACK plays in Oklahoma's Anadarko Basin.



MORE ENERGY, CARBON BETTER

At Howard Energy Partners, our team members are landowners, outdoorsmen, conservationists, and share a deep appreciation for the environment and the communities we serve. We approach every energy project with rigorous compliance standards and a commitment to minimizing impacts on local landscapes and communities. This dedication stems not only from our belief that it is the right approach, but also from our desire to ensure everyone can enjoy our natural resources while benefiting from reliable energy access.

Meeting rising energy demands and environmental stewardship are complementary components of our approach to supporting human flourishing. Our dual principles of “more energy” and “carbon better” are not competing concepts but integrated elements of our company through continuous improvement of our technologies and operational performance.

As a pro-energy company, we recognize that all energy sources play vital roles in providing humanity with reliable, affordable energy access. Each energy source involves trade-offs, which is why we consistently innovate and explore new options in response to market demand for lower-carbon additions.

While we understand that climate change involves factors beyond carbon emissions alone, we acknowledge the importance of investigating and prudently investing in solutions that reduce CO₂. To this end, we actively engage with policymakers, participate in external emissions reduction programs, and react to the market demands of lower-carbon projects across our operations.

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EMISSIONS

Since 2021, our team has introduced new strategies and invested in operational initiatives that have decreased our Scope 1 and 2 emissions intensity, while increasing gross throughput by 52%. Our emissions intensity reduction results are driven by increased throughput, enhanced modeling software, and a robust Leak, Detection and Repair (LDAR) program.

MONITORING:

We have been preparing for increased emissions requirements by undergoing regular audits to ensure regulatory compliance. Despite recent changes in regulation there continues to be uncertainty around the outcomes. With the constant need to review the latest information, we created an internal Emission Reduction Committee (ERC) in 2024. The committee includes expert members from each of our asset Operations, Engineering, and Emissions Management teams. By connecting monthly, the ERC communicates regularly about ways to build out for New Source Performance Standards (NSPS) compliance while finding opportunities for emission reductions.

By December 2024, a total of 14 HEP sites were using SOOFIE® continuous methane monitoring equipment. Additionally, we adhere to the LDAR regulations in place by the Environmental Protection Agency (EPA) and Pipeline and Hazardous Materials Safety Administration (PHMSA). After acquiring assets, we monitor opportunities to reduce emission sources, including facility modifications. Using the Greenhouse Gas (GHG) Protocol we calculate emissions for each of our facilities to determine if they meet the threshold for the EPA GHG Reporting Program, recording all sources found.

VERIFICATION:

Since 2022, our Scope 1 and 2 Emissions have been reviewed by a third-party independent validator as part of our commitment to data verification. Using the ISO 14064 standard in our audit verification, our documents continue to meet or exceed Limited Assurance. Our approach to tracking hazardous air pollutants like NOx, SOx, VOCs, and PM involves meticulous reporting based on inventory and permit data.

OUTCOMES:

In 2024 the EPA's Subpart W regulations introduced new factors and additional greenhouse gas (GHG) reporting obligations, which led to increased emissions reported based on the set calculation methodology. With this shift in reporting requirements comes trade-offs for our industry. Despite the changes and unknowns, Howard Energy Partners continues to take a proactive approach to being a responsible operator, yielding a reduction of Scope 1 and Scope 2 intensity emissions since 2021.

SCOPE 1 INTENSITY:

21%

Decrease
Since 2021



Scope 1 emissions are thoroughly tracked and reported using GHG Protocol for each facility that is subject to GHG reporting, as well as sources pulled from permit data.

SCOPE 2 INTENSITY:

37%

Decrease
Since 2021



Scope 2 emissions are computed based on electricity consumption, including sources such as compressor engines, pumps and renewable energy. We adhere to EPA guidelines for calculations, leveraging field-supplied data and EPA eGRID statistics.

STEWARDED OUR ENVIRONMENT

Our employees' passion for the land and our communities are at the root of our approach to minimizing environmental impacts at the highest compliance standards. Our environmental impact goals are set to **zero reportable spills**. For more than 3 years, our team has achieved and maintained a record of zero reportable spills while also looking to reach additional environmental management system (EMS) standards. We perform environmental studies before beginning our projects, working with state and federal regulators in an **Ecosystem-Based Management (EBM) approach**. While our operational surface footprint is modest, we are committed to minimizing any stress on our wildlife, wetlands, and water. We ensure land is returned to its natural state as part of our project planning, including the replanting of native vegetation, to reinforce our commitment to wildlife biodiversity.

Beyond project-planning, our team has implemented and continuously trains employees on our environmental policies, which include: Biodiversity Guidance Document, Localized Facility Response Plans, Emergency Response Plans (ERP), Emergency Action Plans (EAP), Spill Prevention Control and Countermeasure Plans (SPCC), Incident Management Guide, and Pollution Prevention Plan.

Additionally, we continue to work with regional non-profits such as the Coastal Conservation Association, Texan by Nature, and Ducks Unlimited all focused on creating positive environmental impacts in the communities where we operate.



Ranked 1st for Performance
among Energy and Water
Resources: Natural Resources
Transportation Companies

MANAGING RESOURCES & ENVIRONMENTAL SUPPLY CHAIN

We recognize the importance of responsible resource management across our facility operations and corporate offices. Water is critical to the energy industry, and we take measures to protect, conserve, and reuse it in conjunction with state agency recommendations, landowners, and area producers where we own pipelines. Our Corpus Christi and Port Arthur facilities monitor water usage and discharge, using system modeling to optimize efficiency while maintaining compliance with site-specific stormwater permits.

For materials and waste, we are continuously improving handling procedures for all waste streams as part of our pollution prevention plans across our facilities and have also expanded our electronics and office recycling programs. Our energy management approach addresses current needs and future grid strain concerns. We are focused on reducing consumption while supporting grid stability through dual-drive compressors.

Environmental regulation across our contractor and supplier network is also something we monitor through use of the ISNetwork platform, ensuring compliance with regulatory standards and firm-level policies. Our environmental supply chain strategy includes detailed master services agreements (MSAs) that outline expectations for waste disposal, project clean-up, and safety. To promote transparency and accountability, we continue to have a competitive bidding process for material supply chain requests over \$100,000 for capital projects, helping to ensure fair pricing and responsible sourcing of supplies or services.



**We ensure land is returned to
its natural state to reinforce our
commitment to wildlife biodiversity.**

MORE ENERGY, CARBON BETTER IN ACTION

Our 2024 growth strategy included expansions in the Texas Gulf Coast and capturing synergies within our existing portfolio, exemplified by our acquisition of a third-party steam methane reformer (SMR) at our Javelina Plant in Corpus Christi. This critical asset supplies approximately half of the hydrogen market for local refiners, adding flexibility across our partnerships. By bringing the SMR under our direct control, we are eliminating redundancies in our system and creating significant opportunities for enhanced efficiency and optimization.

In the fourth quarter, we completed the acquisition of EPIC Midstream Holdings' ethylene transmission pipeline, which connects the Gulf Coast Growth Venture petrochemical complex in Corpus Christi to storage facilities in Markham, Texas. This 120-mile strategic addition expands our Gulf Coast asset network and further strengthens our regional integration capabilities. We anticipate continued strong market demand in this region for our off-gas processing, hydrogen production, and rail and marine logistics services. The EPIC pipeline acquisition supports this market outlook by establishing new delivery points along the Gulf Coast for Javelina's ethylene production while enhancing valuable relationships with emerging players in the petrochemicals sector.

Steam Methane Reformer
at Javelina Plant in
Corpus Christi, Texas

We believe in an energy mix and continue to pursue avenues for low carbon projects. Our approach goes beyond emissions management – by exploring opportunities that deliver new energy solutions to the market.

In 2023 we were selected for two Department of Energy (DOE) grants related to the capture and sequestration of CO₂. The first is in collaboration with the Port of Corpus Christi and involves drilling a stratigraphic well to collect valuable data on subsurface characteristics. The grant is intended to accelerate the development of a centralized solution to capture and manage CO₂ emissions. The second grant is funding a front-end engineering and design (FEED) study for a CO₂ pipeline system, facilitating the safe transport of captured CO₂ from various sources to storage sites on the Gulf Coast.

Additionally, in 2024, we initiated the evaluation of a project for a blue ammonia plant in Port Arthur. Our role in providing logistics for the plant by storing and transporting the products for sale to international customers is a natural fit. We provide a similar solution in our partnership with Diamond Green Diesel (DGD) for renewable diesel. Since the start, the blue ammonia project has evolved to include feedstock for sustainable aviation fuel (SAF), helping to reduce emissions in difficult to abate industries. Along the same lines, our Corpus Christi facility began supplying captured CO₂ to Infinium's Project Pathfinder as feedstock for their new electrofuel, which has the potential to mitigate meaningful amounts of CO₂.



PRIORITIZING PEOPLE

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People are the heart of our company. We see our employees not as numbers, but as valued team members who contribute to our operational success. More importantly, we acknowledge who they are outside of the workplace—as family members and friends with loved ones who depend on their safe return each day. This understanding drives our unwavering commitment to safety as one of our highest priorities.

Our safety approach surpasses mere regulatory compliance—it embodies our genuine concern for the wellbeing of our employees, customers, contractors, and community members. As a team we focus on hazard prevention through education, completing more than 16,000 hours of training across our assets. This people-centered philosophy has sustained our industry-leading safety excellence record and earned continued recognition from industry associations.

Being a national and local Top Workplace ranked company is something we are proud of, not as a metric, but as an outcome of the culture we have cultivated among our people and communities. From leadership development to volunteer opportunities, and charitable giving – our people demonstrate the characteristics of care, achievement, and service.

We are proud that more than 80% of Howard Energy Partners’ employees contributed to United Way in 2024 and continue to be amazed by the impact our team has on the communities we serve. Through corporate giving, our employee matching gift program, and 16 paid employee volunteer hours annually, we are making a positive impact in countless lives through community outreach and engagement.

OUR PEOPLE

398 EMPLOYEES

80% EMPLOYEE ENGAGEMENT

10% VOLUNTARY TURNOVER RATE

11 INTERNS

VOTED TOP WORKPLACE 13 YEARS IN-A-ROW

With roots in South Texas, our team conducts business across multiple states and Mexico. As a private company with a purpose-driven culture, Howard Energy Partners has become attractive to local workforces in both rural areas and at our headquarters in San Antonio.

Talent Development starts with recruitment. In 2024, we expanded our Internship Program and increased university partnerships as part of our strategy to attract top talent and serve as a pipeline to full-time employment. **Comprehensive benefits** packages that include paid time off for holidays, vacation and sick leave, parental leave for mothers and their partners, and paid volunteer hours also play a key role, along with **robust medical insurance** offerings and a financial wellness plan that includes a **5% match to our employees 401(k) program**.

Recruitment might be the first key to our success, but retention is the most important. We embrace feedback from both long-time team members and new hires, including recently acquired employees through M&A activity.

Last year, we introduced our 90-day review process and post-hire surveys to enhance communication and promote continuous improvement. To increase feedback, in 2024 our Human Resources team began in-person visits at each asset location twice a year to build and foster deeper relationships and garner valuable insights about the needs of our people. Additionally, our Executive Leadership began rotating quarterly town hall meeting locations to personally reach employees at various assets and strengthen this shared experience.



2024 Engineering Interns



CEO Mike Howard hosts a quarterly Town Hall in Corpus Christi



New employees tour Laredo assets

DEVELOPING LEADERS

We empower our employees to grow and advance their careers through numerous resources and opportunities. Internally we have developed “**HEP University**” which is an accessible learning management system for all employees. This has expanded and streamlined tracking of our career development capabilities within the organization across safety training, leadership management, legal, and other continued education topics. In 2024, several modules were added to meet employee interest and stay current with the broadening scope of our operations.

Additionally, two cohorts of our senior employees completed professional courses through the **Stagen Leadership Academy**. The Foundational Leadership Course (FLC) curriculum is delivered by our own leaders through coaching and mentoring while the Foundations of Leadership Program (FLP) is taught by Stagen coaches. This twelve-week FLP course is offered to senior level employees and the Executive Leadership Team to further develop leadership skills and tactics needed to manage their teams with efficiency in the HEP way.



Stagen FLC develops employees for long-term growth



Our team participates in industry conferences and are content creators



Employee recognition for safety excellence

\$400,000+ INVESTED IN LEADERSHIP DEVELOPMENT

50+ SENIOR LEADERS ATTENDED 2024 HEP LEADERSHIP CONFERENCE

SAFETY

Keeping everyone safe is our top priority and is inherent in who we are and what we do, as referenced in one of our five core values – Stay Safe – Stop. Think. Execute. Safety doesn't just apply to our team members in the field, but is critical to every one of our employees, starting from the top. A robust set of policies, procedures, and training, along with a commitment to continuous improvement have been essential to the success of our Environmental, Health, and Safety (EHS) programs. Our EHS policies are reviewed quarterly through an electronic system and reflect our unwavering commitment to maintaining a safe and productive workplace. This proactive monitoring identifies improvement areas and keeps our practices ahead of industry standards. Monthly safety meetings engage all levels of the organization, fostering a culture where every employee actively contributes to workplace safety. Everyone across Howard is a safety representative. Additionally, senior leadership annually reviews and approves all EHS policies, actively participating in protecting our people through prevention.

Building on what has been previously established, we have developed a comprehensive EHS training program that ensures both operators and contractors thoroughly understand our operations, equipment, and processes. Our approach combines instructor-led sessions with hands-on practice, providing interactive learning that builds both skills and confidence. In 2024, we enhanced our Learning Management System (LMS) with advanced tracking features to monitor training hours to ensure compliance across the organization. This system provides valuable insights into workforce development while maintaining the highest safety standards. Additionally, safe driving is a significant part of our approach to incident prevention. We experienced one incident in 2024, while our team members drove more than 3 million miles throughout the year.

SAFETY STARTS WITH PREVENTION

840,000

MAN HOURS
WORKED
SAFELY

16,000+

TRAINING
HOURS
IN 2024

3

MILLION MILES
DRIVEN WITH A PVA
RATE OF 0.033



Our success stems from embedding safety into daily operations through initiatives like our Good Catch program, launched in 2024. Using the EHS Insight platform, employees efficiently report potential concerns, near misses, and track compliance. This proactive approach is reinforced through quarterly awards and company-wide recognition for exceptional safety commitment. Safety also extends to our contractors, who undergo thorough ISNetworld vetting and must meet the same rigorous standards as our full-time team, creating a unified culture of excellence and integrity.

Emergency preparedness includes annual drills at every asset, with full-scale exercises for high-risk facilities involving local responders, volunteer rescue teams, and professional industrial units. These collaborations ensure precise response capabilities through detailed facility walkthroughs and live emergency simulations.

In 2024, our approach to safety was tested during our first full turnaround at the Javelina Plant in Corpus Christi. The team **achieved 110,000+ safe hours and conducted 353 audits over the 42-day period with zero injuries**. Our efforts earned recognition from leading industry associations. Additionally, several team members were invited to share best practices as guest speakers at the Terminal Operator Practicing Symposium, extending our safety influence throughout the broader industry community.

COMPLIANCE DRIVEN & AUDIT READY 2024

47

EXTERNAL
AUDITS

675

INTERNAL
AUDITS

&

EMERGENCY
DRILLS & EXERCISES

46

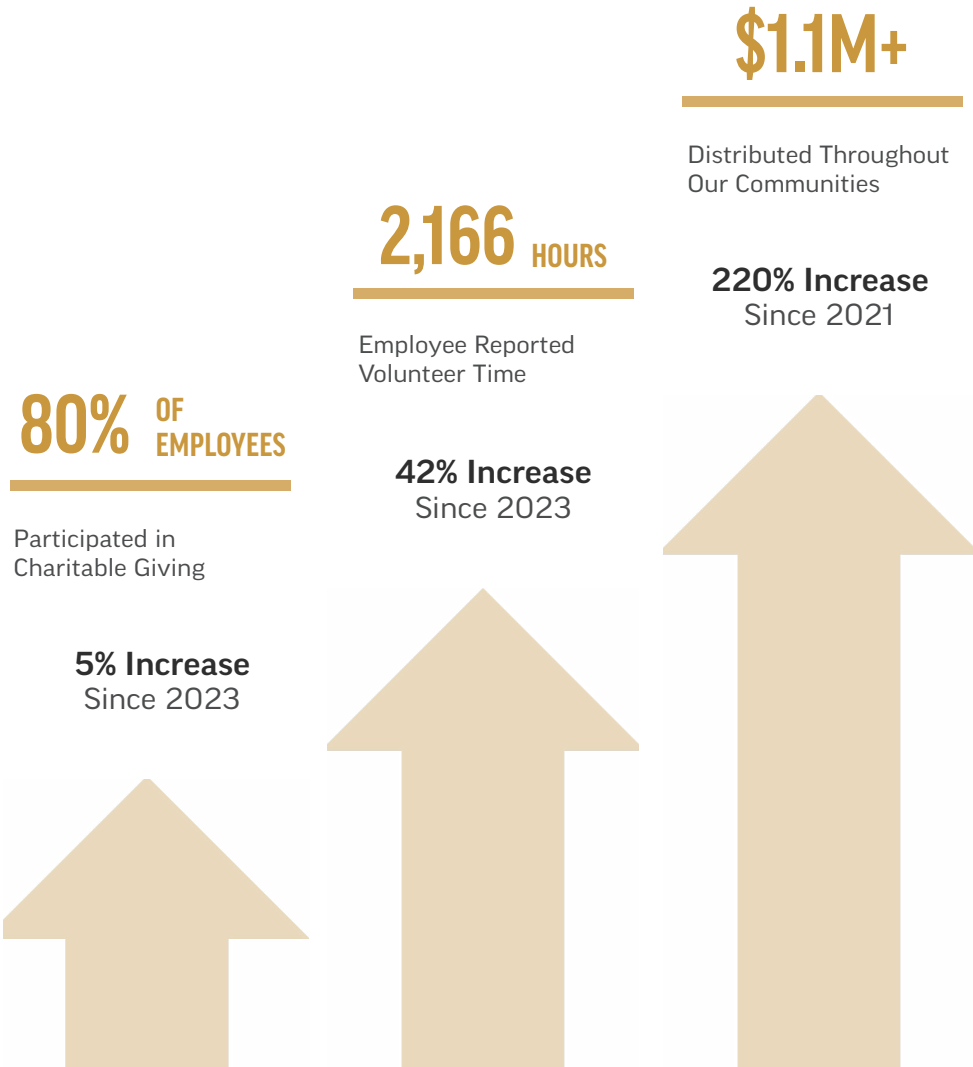
OUR COMMUNITIES

Delivering positive energy goes beyond the molecules that flow through our pipelines to fuel our daily lives at Howard Energy Partners. We make tangible differences in communities through strategic non-profit partnerships, paid volunteer hours, establishing industry and community relationships, and offering corporate giving programs. This commitment has resulted in us being able to **more than double our impact** in the communities where we live and work since 2021.



Our community impact is more than just financial support and includes employee volunteerism. Each employee receives 16 paid volunteer hours annually to support causes they value most, which many use for team-building activities with colleagues while serving community needs

In 2024, our 12th Annual United Way Campaign raised a record \$452,166—a 24% increase from the previous year—with 80% employee participation. Employees engaged in **community engagement activities across our six regional operations**, from golf and cornhole tournaments to cook-offs and volunteer activities. Our Corporate Giving program contributed an additional \$677,727, bringing our **2024 total charitable commitment to \$1,129,893**.



We are proud to partner with a variety of non-profit and industry-related organizations making a difference in our communities and sector. From membership support, committee and board participation, industry advocacy, and speaking engagements, we work together with several associations, educational institutions, and partners to enhance the growth and development of our people and industry.

OUR COMMUNITY PARTNERS INCLUDE:

- American Petroleum Institute (API) San Antonio Chapter
- Energy Industries Council (EIC)
- GPA Midstream
- Greater Port Arthur Chamber of Commerce
- Greater SATX
- International Liquid Terminals Association (ILTA)
- Marcellus Shale Coalition (MSC)
- Midstream America Scholarship Fund (MASF)
- Permian Basin Association of Pipeliners (PBAP)
- Permian Basin Petroleum Association (PBPA)
- Saint Mary's University Greehey School of Business
- San Antonio Pipeliners Association (SAPA)
- Switch Energy Alliance
- Texas A&M University Kingsville - Port Industries Consortium
- Texas Oil & Gas Association (TXOGA)
- Texas Pipeline Association (TPA)
- United Corpus Christi Chamber of Commerce
- Women's Energy Network (WEN) - South Texas
- University of Texas at San Antonio – Klesse College of Engineering

One of the ways we partner with our communities is through support of first responder groups and local emergency planning councils. In 2024 we assisted volunteer fire departments and emergency medical transportation organizations by purchasing equipment and underwriting training and operational expenses.





ACCOUNTABILITY

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Howard Energy Partners is a privately held company with Alberta Investment Management Corporation (AIMCo) owning a significant majority of equity interests. AIMCo is a diversified institutional investment manager who is responsible for the investments of pension, endowment, and government funds in Alberta, Canada. AIMCo has demonstrated a strong commitment to our management team since the partnership began in 2016, gradually increasing its stake through

several transactions. Their philosophical alignment with our objectives and mission provides invaluable support.

Our board of directors includes CEO and Chairman Mike Howard alongside two AIMCo representatives and two independent directors. These directors contribute diverse industry perspectives and extensive experience to guide Howard Energy Partners as we continue to grow.



ETHICS

Driven by our core value to “**Do the next right thing**,” Howard Energy Partners has embedded a strong ethical framework throughout our organization. Our updated Employee Handbook establishes key policies including code of conduct, anti-harassment, and anti-corruption standards. Employees acknowledge these policies annually, reinforcing accountability expectations. We regularly review these policies to ensure alignment with our core values and maintain business practices that foster confidence among employees, customers, investors, and stakeholders in our integrity. This ethical emphasis begins during onboarding and continues through practical training modules that present scenario-based exercises clearly defining expected behaviors. Despite significant growth, these initiatives have preserved our cohesive culture centered on ethical conduct. Howard Energy Partners remains committed to reviewing, refining, and reinforcing processes that ensure we “do the next right thing.” To sustain this culture, we maintain responsiveness to stakeholder concerns through an anonymous third-party whistleblower hotline via EthicsPoint, providing confidential reporting options beyond supervisor communications.

REGULATORY & POLITICAL ENVIRONMENT

Howard Energy Partners navigates complex federal and state regulatory landscapes with agility and foresight. Our responsive approach leverages a collaborative framework of internal and external experts - including legal counsel, consultants, and government affairs professionals - ensuring both compliance and strategic adaptation to evolving policies.

In 2024, our commitment to regulatory excellence was validated through **695 internal and 47 external audits**, all completed without financial penalties. This achievement reflects our EHS and operations teams’ meticulous attention to detail and innovative compliance protocols.

Our purpose to **deliver positive energy** acknowledges the symbiotic relationship between business success and the communities we serve with reliable, affordable energy. Recognizing civic engagement as fundamental to mutual prosperity, we actively encourage employee participation in the democratic process through concrete initiatives such as educational speaker sessions and transportation to polling locations. These efforts reinforce both our community commitment and our credibility as an employer who upholds our values in every aspect of our operations.

RISK MANAGEMENT & BUSINESS CONTINUITY

Through close collaboration, our Operations and Insurance teams assess risks and seek to mitigate them through our property and liability insurance programs. Using a third-party risk analysis survey also provides qualitative feedback to our Executive Leadership Team and Board of Directors on the perception of the types and magnitude of risk we face in our business. This process has helped us identify vulnerability and informed contingency plans such as our business continuity management and succession planning. We embrace a proactive approach to risk mitigation by integrating it into our reporting structure and utilizing available resources to assess risk-related matters.

Enterprise risk assessment is a part of our ongoing dedication to identifying challenges that could arise in plenty of time to be prepared. By staying ahead of potential disruptions to our operations we can avoid downtime that would otherwise affect the business negatively. Our holistic Business Continuity Program focuses on business continuity with crisis management, and disaster recovery while supporting the recovery of critical processes. To minimize disruption, our disaster recovery plan outlines requirements to establish standards, processes, and controls to ensure continuity of all resources that support our business functions.

CYBER SECURITY & DATA PRIVACY

Howard Energy Partners' cybersecurity framework focuses on training, prevention, and recovery. Policies undergo regular review with quarterly Executive Leadership Team reporting. Our vigilance resulted in zero significant incidents or data compromises in 2024.

TRAINING

Our program combines live sessions, monthly bulletins, and phishing simulations. All employees complete the required training relevant to their role, with IT staff receiving specialized instruction. We partner with Arctic Wolf and SCAN13 for threat intelligence, while participating in industry events including Cybersecurity and Infrastructure Security Agency (CISA) conferences to maintain current expertise.

PREVENTION

We emphasize proactive hardware management and regular system updates. In 2024, we strengthened operational technology security by redeveloping our Operational Technology (OT) group and implementing industry-specific AI security tools. Third-party penetration testing provides critical insights into vulnerabilities requiring remediation.

RECOVERY

In 2024, we completed a co-location site for system redundancy, particularly for gas control operations and critical IT infrastructure. We enhanced disaster recovery with offsite backups and extended retention policies. Our capabilities were validated through a successful third-party cybersecurity drill, testing our response procedures under simulated conditions.



DATA

DATA TABLE

	Unit	SASB	GRI Code	EIC/GPA	2021	2022	2023	2024
Operations								
Annual Revenue	Million US \$				491	597	584	638
Number of Employees	#	EM-MM-000.B	GRI 2-7		353	357	373	398
Mile of Pipeline	Miles			EIC/GPA 1.3	1229	1293.7	1368	1382
Natural Gas Operating Capacity	Bcf/d						3.167	4.1
Liquids Storage Capacity	MMBbls						2.445	2.6
Total Gross Throughput	MBOE			EIC/GPA 1.2	179,024	201,460	240,795	271,642
Gross Operated Oil Throughput	MBOE				55,663	65,071	79,926	92,254
Gross Operated Natural Gas Throughput	MBOE				123,361	136,389	160,869	179,387
Emissions Management								
Total GHG Emissions (Scope 1 + Scope 2) - Total	Metric Tons CO2e			EIC/GPA 2.4	1,318,318	1,308,497	1,146,225	1,506,851
Scope 1 GHG Emissions - Total	Metric Tons CO2e	EM-MD-110a.1	GRI 305-1	EIC/GPA 2.4.1	1,065,166	1,082,031	912,230	1,267,770
Scope 1 from Flared Hydrocarbons	Metric Tons CO2e	EM-EP-110a.2	GRI 11-1		18,213	45,917	38,666	62,731
Scope 1 from Combustion	Metric Tons CO2e	EM-EP-110a.2	GRI 11-1		618,677	686,962	608,479	719,047
Scope 1 from Process Emissions	Metric Tons CO2e	EM-EP-110a.2	GRI 11-1		408,711	327,307	258,184	448,448
Scope 1 from Other Vented Emissions	Metric Tons CO2e	EM-EP-110a.2	GRI 11-1		2,735	3,863	2,665	12,633
Scope 1 from Fugitive Emissions	Metric Tons CO2e	EM-EP-110a.2	GRI 11-1		4,320	3,226	2,936	18,220
Scope 1 from Methane Emissions	Metric Tons CO2e				2,612	1,860	1,833	6,766
Scope 1 Methane Emissions - Total	mt CH4			EIC/GPA 2.4.1.2	104	74	73	242
Nitrogen Oxide (NOx) Emissions	Metric Tons	EM-MD-120a.1	GRI 305-7	EIC/GPA 2.9	823	850	859	862
Sulfur Oxide (SOx) Emissions	Metric Tons	EM-MD-120a.1	GRI 305-7	EIC/GPA 2.10	12	13	13	13
VOC Emissions	Metric Tons	EM-MD-120a.1	GRI 305-7	EIC/GPA 2.11	429	506	504	532
Particulate Emissions	Thousand Metric Tons	EM-MD-120a.1	GRI 305-7			0	49	101
Scope 2 GHG Emissions - Total	Metric Tons CO2e		GRI 305-2	EIC/GPA 2.4.3	253,152	226,466	250,869	239,081
Total GHG Emissions (Scope 1 + Scope 2) Intensity per Thousand BOE- Total	Metric Tons CO2e/Thousand BOE			EIC/GPA 2.5	7.36	6.50	4.76	5.55
Scope 1 Intensity (Scope 1 Emissions / Throughput)	Metric Tons CO2e/MBOE				5.95	5.37	3.79	4.59
Energy Management								
% Grid Electricity Used	Percentage (%)	EM-MM-130a.1				12.6%	19.33%	17.51%
Energy Use from Grid Electric	Gigajoules				2,455,715	2,210,628	2,409,445	2,391,984
Energy Use Total	Gigajoules	EM-MM-130a.1	GRI 302-1		2,455,715	11,997,167	12,464,736	13,659,739
% Renewable Energy Consumed	Percentage (%)	EM-MM-130a.1		EIC/GPA 2.12	N/A	3.24%	5.41%	5.52%
Environmental Impact								
% Area of Conservation or Endangered Species	Percentage (%)	EM-MD-160a.2			0%	0%	0%	0%
Amount of Reportable Spills	Barrels (bbls)	EM-MD-160a.4		EIC/GPA 2.2	35	0	0	0
Number of Reportable Spills	#	EM-MD-160a.4		EIC/GPA 2.1	1	0	0	0
Hydrocarbon Liquid Releases Intensity / Mile of Pipeline	Bbl/mile			EIC/GPA 2.3	0.03	0.01	0.00	0.00
Number of Pipeline Incidents	#	EM-MD-540a.1			0	1	1	0
% of Natural Gas Pipelines Inspected	Percentage (%)	EM-MD-540a.2				30%	76%	76%
% Impacted Terrestrial Area Restored	Percentage (%)	EM-MD-160a.3				100	100	100
Materials & Waste								
% Hazardous Liquid Pipelines Inspected	Percentage (%)	EM-MD-540a.2				61%	66%	62%
Waste Recycled Total	Metric Tons				2,712.61	6127.92	195.70	0.90
Total Weight of Non-Mineral Waste Generated	Metric Tons	EM-MM-150a.4	GRI 306-3			1085.99	2482.16	2207.65
Water Management								
Water Withdrawal Total	Cubic Meters (m³)	RR-ST-140a.1	GRI 303-3		5,394,523	1191.82	1220.87	1249.79
Water Consumption	Thousand Cubic Meters (m³)		GRI 303-5			849.61	0	0
Water Discharged	Cubic Meters (m³)		GRI 303-4		150,198	0	0	0
Wastewater Treated	Thousand Cubic Meters (m³)					17.07	16.15	19.8

	Unit	SASB	GRI Code	EIC/GPA	2021	2022	2023	2024
Community								
Community Involvement Policy	Binary (Y/N)	EM-EP-210b.1	GRI 11-15			Y	Y	Y
United Way Donations	Dollars				118,658.00	339,571.00	364,029.00	452,165.00
Corporate Giving	Dollars				113,872.00	263,582.00	501,106.00	677,727.00
Employee Demographics								
% Women Employees	Percentage (%)	FN-IB-330a.1	GRI 2-7	EIC/GPA 3.10		24%	22%	22%
% Minority Employees	Percentage (%)	FN-IB-330a.1		EIC/GPA 3.11		44%	46%	49%
% of Women OR Minority Employees	Percentage (%)	FN-IB-330a.2				44%	46%	49%
% Women Executives	Percentage (%)	FN-IB-330a.1	GRI 405-1	EIC/GPA 4.2		23%	19%	20%
% Minority Executives	Percentage (%)	FN-IB-330a.1	GRI 405-1	EIC/GPA 4.4		15%	19%	22%
% Women Managers	Percentage (%)	FN-IB-330a.1	GRI 405-1			19%	20%	24%
% Minority Managers	Percentage (%)	FN-IB-330a.1	GRI 405-1			38%	55%	56%
Female Corporate Employees	Percentage (%)	FN-IB-330a.1					44%	42%
Female Field Employees	Percentage (%)	FN-IB-330a.1				1%	4%	7%
Minority Corporate Employees	Percentage (%)	FN-IB-330a.1					42%	43%
Minority Field Employees	Percentage (%)	FN-IB-330a.1					46%	54%
Health and Safety								
Employee Health & Safety Training Hours	#	EM-EP-320a.1			10,640	12,374	10,102	16,888
Fatality Rate Employees	Rate	EM-EP-320a.1	GRI 403-9	EIC/GPA 3.7	0	0	0	0
Fatality Rate Contractors	Rate	EM-EP-320a.1	GRI 403-9	EIC/GPA 3.8	0	0	0	0
Lost Time Injury Rate (LTIR) Employees	Rate	TC-ES-320a.1	GRI 403-9	EIC/GPA 3.5	0	0	0	0
Total Recordable Incident Rate (TRIR) Employees	Rate	EM-EP-320a.1	GRI 403-9	EIC/GPA 3.1	0	0	0	0
Total Recordable Incident Rate (TRIR) Contractors	Rate	EM-EP-320a.1	GRI 403-9	EIC/GPA 3.2	0	0	0	0
Total Process Safety Event Rate	Rate	EM-EP-540a.1			0	0	0	0
Employee Health & Safety Policy	Binary (Y/N)	EM-MD-540a.4			Y	Y	Y	Y
Human Capital Management								
Average Training Hours	#, Hours		GRI 404-1		30.14	34.66	28.30	46.63
Turnover of Employees	Percentage (%)		GRI 401-1		15.50%	18.18%	18.38%	17.00%
Voluntary Turnover of Employees	Percentage (%)		GRI 401-1		8.50%	12.78%	12.00%	10.00%
Corporate Matching	Dollars				4,786	4,485	3,675	4,810
Available Volunteer Hours	Hours				5,296	5,584	6,304	6,368
Stakeholder Engagement	Binary (Y/N)		GRI 2-29			Y	Y	Y
Board								
Board Size	#				6	6	8	8
% Independent on Board	Percentage (%)		GRI 2-9	EIC/GPA 4.6	0	0	25	25
% Women on Board	Percentage (%)		GRI 405-1	EIC/GPA 4.1	0	0	0	12.5
Is any director under the age of 50?	Binary (Y/N)			EIC/GPA 4.5			Y	Y
Board Age Range	Range					41-49	42-64	43-65
Board Average Age	#					45	52.6	53
Average Board Tenure	#		GRI 2-9			5.6	3.8	3.4
Business Ethics								
Policy Bribery and Corruption	Binary (Y/N)	EM-MM-510a.1	GRI 205-2		Y	Y	Y	Y
Risk Management								
Does the company have directors with risk management experience?	Binary (Y/N)			EIC/GPA 4.8			Y	Y
Crisis Management Systems	Binary (Y/N)	EM-EP-540a.2			Y	Y	Y	Y
Political Contributions	Million Reporting Currency		GRI 415-1		0	0	0	0
Cybersecurity								
Mandatory employee training	Binary (Y/N)			EIC/GPA 4.18.1			Y	Y
Adherence to industry cybersecurity standards	Binary (Y/N)			EIC/GPA 4.18.2			Y	Y
Ongoing evaluation of the threat landscape	Binary (Y/N)			EIC/GPA 4.18.3			Y	Y

ABOUT REPORT

Our Positive Energy Report serves as an annual update. This year's report builds off our 2023 report, and shares insight beyond the traditional framework of sustainability reporting. As a private company, while it is not required, we provide transparency about our work, we are committed to being transparent and holding ourselves accountable for creating lasting value. Please see OUR ESG APPROACH located in the 2023 Positive Energy Report for more details about our report framework.

The contents of this report are the results of internal deliberations, external stakeholder engagement, and consultation with expert partners. This report primarily presents information, discussions, and data from the fiscal year ending December 31, 2024. Unless otherwise noted, the environmental and operational data represented in this report includes all assets owned and operated by Howard Energy Partners and the health and safety data is inclusive of all full-time employees during the reporting period.

Through our annual Positive Energy Report, we remain committed to transparency of our operations and compliance as stewards of natural resources, our communities, and the stakeholders we serve.

FORWARD-LOOKING STATEMENT

Forward-looking statements relating to Howard Energy Partners’ operations are based on management’s current expectations, estimates, and projections. Forward-looking statements include the information concerning possible or assumed future results of our operations and other statements contained or incorporated herein identified by words such as “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “forecast”, “goal”, “target”, “guidance”, “intend”, “may”, “might”, “outlook”, “plan”, “potential”, “project”, “scheduled”, “should”, “will”, “would”, and other words and terms of similar meaning.

These statements are not guarantees of future performance and are subject to certain risks, uncertainties, and other factors beyond the company’s control. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. The reader should not place undue reliance on these forward-looking statements, which speak only as of the date of this report.

Unless legally required, Howard Energy Partners undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise. Among the important factors that could cause actual results to differ materially from those in the forward-looking statements are:

- Changing economic, regulatory, and political environment;
- General domestic and international economic and political conditions;
- The effects of changes in governmental policies and regulatory actions, including changes with respect to tax policy, emissions credits, carbon offsets, and carbon pricing;
- The company’s ability to compete effectively in the market;
- The impact of public health crises on the company’s operations and financial performance;
- The ability to successfully execute growth strategies, including acquisitions and partnerships;
- The results of operations and financial condition of the company’s suppliers, vendors, partners, and affiliates;
- The potential disruption or interruption of the company’s operations due to war, accidents, political events, severe weather, cyber threats, terrorist acts, or other natural or human causes beyond the company’s control;
- The transition to a lower carbon economy, including the timing and extent of the transition, as well as the expected role of different energy sources in such a transition;
- The pace of technological advancements and industry innovation, including those focused on reducing GHG emissions and advancing other climate-related initiatives, and our ability to adapt to and take advantage of those innovations and developments;
- The effectiveness of our risk management strategies, including mitigating climate-related risks;
- The ability of our existing assets and expertise to support the growth of, and transition to, various renewable and alternative energy opportunities, including through the positioning and optimization of our assets;
- Our ability to efficiently reduce the carbon intensity of our operations;
- The necessity to direct our focus on maintaining and enhancing our existing assets;
- The potential liability for remedial actions or assessments under existing or future environmental regulations and litigation.
- Other unpredictable or unknown factors not discussed in this report could also have material adverse effects on forward-looking statements.





We appreciate your interest in our company and welcome feedback on potential improvements or issues of concern to our stakeholders. Please send questions or comments on this report, or topics related to our sustainability disclosures to pr@redbird.com.

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