



Delivering Today. Accountable for Tomorrow.

2022 Sustainability Report

KINETIK

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» About This Report

Kinetik Holdings Inc. (“Kinetik” or the “Company”) is committed to advancing a safer, cleaner, and more reliable energy future, and we take great pride in sharing our 2022 Sustainability Report (“Report”) which showcases our unwavering dedication to advancing sustainability in all aspects of our operations. We believe that integrating environmental, safety, governance, and community considerations into our business decisions is essential to creating value for our stakeholders, and we are committed to demonstrating transparency in our sustainability reporting and disclosures. This report highlights our progress towards what we prioritize as key environmental, social, and governance (ESG) topics that underpin our sustainability strategy.

On February 22, 2022, BCP Raptor LLC (“BCP Raptor” or “BCP”) and Altus Midstream (“Altus”) merged, creating Kinetik, a company that is Energy for Change. Where possible, our 2021 report provided historical information on the combined entity of the legacy companies prior to the merger, which in text we refer to as the pro-forma company or “pro-forma.” For the timeframe prior to the merger in 2022, we again report on the pro-forma company, where possible, to reflect performance of the combined entity.

Our Approach to Sustainability Reporting

Kinetik has adopted BCP’s sustainability standards and is committed to demonstrating transparency with our sustainability reporting and disclosures. Our 2022 Materiality Analysis defined and prioritized key environmental, social, and governance impacts that underpin our ESG strategy and the content of our disclosures. We seek to align our annual reporting with market and industry best practices outlined by various disclosure frameworks and plan to continue reporting on our sustainability progress and efforts on an annual basis. The Report was developed by our team of experts and reviewed by the Governance and Sustainability Committee of Kinetik’s Board of Directors (“Board” or “Directors”).

- **Reporting Period:** January 1, 2022 – December 31, 2022 (unless otherwise noted)
- **Publication Date:** July 2023
- **Reporting Cycle:** Kinetik has published annual sustainability reports since 2021 for the annual 2020 reporting period. The 2022 Sustainability Report is our second report as Kinetik Holdings and the third related to the operations of the former EagleClaw Midstream.
- **Report Boundaries:** Our 2022 Sustainability Report covers all activities under direct operational control of Kinetik. While we are partners in various joint ventures, we do not report on joint venture activities that fall under the direct operational control of another party, unless otherwise noted.
- **Reporting Methodologies and Frameworks:** Our 2022 Sustainability Report methodologies seek to align with market and industry best practices, stakeholder requests, and key ESG topics identified in our [2022 Materiality Analysis](#) and Gap Analysis.

For 2022, we reported in reference to Global Reporting Initiative (GRI) Standards, Sustainability Accounting Standards Board (SASB), and Energy Infrastructure Council / Gas Processors Association (EIC / GPA) ESG Reporting Framework, version 2.0.

Third Party Assurance and Review

Our 2022 Sustainability Report is not assured by a third party. In 2023, Kinetik received limited assurance certain of our Key Performance Indicators (KPI’s) as required by our Sustainability-Linked Financing Framework through an independent third party.

Additional Information

Additional information, including past sustainability reports, our Sustainability-Linked Financing Framework, investor materials, corporate policies, financials, governance, SEC Filings, and other resources can be found at our [Company website](#).

We are pleased to continue sharing our sustainability journey with our stakeholders, and we welcome any questions and feedback: info@kinetik.com



Photo Source: NYSE

During a year where natural gas volumes on our system increased by over 5%, we **reduced both our Scope 1 and Scope 2 greenhouse gas and methane emissions intensities by 6.4% and 12.0%**, respectively, year-over-year.

» Letter from our CEO

Dear Stakeholders,

I am proud to share the progress made this past year by the entire Kinetik organization. Our 2022 Sustainability Report highlights the advancements regarding Kinetik's environmental and sustainability initiatives.

2022 was a pivotal year for Kinetik. We successfully integrated two companies following the completion of our merger in February, combining assets, people, cultures, and best practices to form a stronger company with a shared vision to meet the world's growing energy needs. The integration of both companies afforded us an opportunity to lay a fresh, solid foundation for a successful future. We adopted new, enhanced governance policies, strengthened our compliance processes, implemented best practices of both predecessor companies, and developed a vision to propel our company forward.

Last year, Kinetik became the first and only North American midstream company to link 100% of its debt financings to sustainability initiatives. In 2022, we achieved our interim targets for greenhouse gas and methane emission intensity reduction and female representation in corporate leadership positions, highlighting our commitment to our longer term environmental and social sustainability initiatives.

Additionally, we took several tangible steps related to sustainability performance efforts, such as:

- Established a management-level sustainability committee, along with sustainability working groups, to implement actions for managing and improving our sustainability performance
- Incorporated sustainability-focused risks and opportunities into our corporate decisions
- Published additional sustainability-related policies and statements, such as our Community Investment Plan and Biodiversity Statement
- Hired a Vice President of Sustainability who oversees our initiatives and seeks to ensure that Kinetik continues to progress its environmental, social and governance initiatives

During a year where natural gas volumes on our system increased by over 5%, we reduced both our Scope 1 and Scope 2 greenhouse gas and methane emissions intensities by 6.4% and 12.0%, respectively, year-over-year. This was achieved through a robust leak detection and repair program, new equipment installations, and compressor blowdown best practices. We recognize that to significantly reduce our carbon footprint within our midstream operations, we must seek out, implement, and utilize differentiated technology solutions. In August of 2022, we entered into a partnership with Tachyus, a leader in digital transformation, to implement its Aurion software, which has been used to forecast and report carbon

Kinetik's commitment to our people, safety, the environment, our customers, and communities will ensure that we continue to be at the junction of where energy is today and where it will be needed tomorrow.

emissions within our operations. Our team constantly evaluates software and hardware technology solutions to pull forward the completion of our long-term emissions reduction targets. Most recently, we initiated a pilot program featuring two next-generation continuous emissions monitoring technologies as part of our ongoing effort to identify more efficient methods for detecting and mitigating emissions. By leveraging the high-precision hardware and integrated software of these technologies, we aim to enhance the efficiency and transparency of our greenhouse gas emission monitoring and measurement at our facilities.

Throughout the integration of the predecessor companies, we have not lost sight that our people are our greatest asset. We continue to foster the growth and development of our employees through leadership development and training programs, including executive coaching for key individuals in leadership roles, managerial skills training for all individuals in supervisory roles, and technical development tailored to employees' specific roles. Additionally, we prioritize respecting diversity for all employees. A more diverse and inclusive workplace is crucial as it leads to fresh perspectives, new ways of thinking, and a collaborative culture. Our employees share Kinetik's commitment to environmental and social responsibility. Our 2022 compensation program was designed to tie 20% of all salaried employees' at-risk pay to specific sustainability and safety-related goals, and we have implemented a similar structure in 2023.

We are fortunate to have a Board consisting of highly respected industry experts. Collectively, the Board is rich with diversity – not just in their backgrounds, but in experience as well. Kinetik's Board collectively holds hundreds of years of experience in the energy industry – yet, individually hold decades of experience in operations, finance, management, accounting, and investing. Additionally, each Director is relentless in their pursuit of progress, which has been the guiding principle of this Company as we strive to lead from the front.

The communities in which we live, work, and operate are extremely important to us. Our community volunteering policy, enacted last year, empowers our employees to make a difference in our local communities. Last year, we joined the Permian Strategic Partnership as a serving Board member and fully support its mission to address the West Texas region's most critical needs including public education, infrastructure, and healthcare. Additionally, we hosted our inaugural Holes for Heroes charity golf tournament in Midland in June of 2022 and raised over \$150,000 for our local first responders. Our second annual Holes for Heroes tournament was held last month, and we are proud to have provided another opportunity to give back to those that put their lives on the line every day for our communities.

2022 presented its own unique challenges for our industry and world. The conflict between Russia and Ukraine triggered an energy crisis – a period of volatile commodity prices, global instability, and energy scarcity. The energy crisis reaffirmed that access to safe, reliable, and low-cost energy is critical to improving the quality of life for everyone across the globe. We recognize the essential role Kinetik and our peers play in addressing the world's energy needs. It is our responsibility to safely transport natural gas, natural gas liquids, and crude oil to critical end markets, while decreasing emissions across our value chain. We believe that each energy source we transport is necessary to facilitate a smooth energy transition and ultimately curb the impacts of global climate change. I view the energy transition as the challenge of this century for mankind, and I am proud to be one small part of the solution.

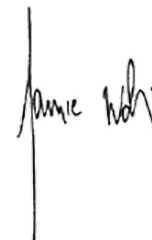
At Kinetik, we recognize that the steps we take today will have a direct impact for many generations to come. We have and will continue to focus on integrating sustainable thinking into our business at every level, developing solutions that address the evolving demands of the energy market and prioritizing operational excellence and long-term value creation for our stakeholders.

I want to congratulate everyone within the Kinetik family, as we take great pride in our 2022 achievements. However, we humbly recognize that the summit has yet to be reached. Each individual at Kinetik embodies "Energy for Change." We are committed to delivering results today and holding ourselves accountable for tomorrow.

We are pleased to continue sharing our sustainability journey, and we welcome any questions and feedback.

Sincerely,

» **Jaime Welch**
President and CEO



The name, Kinetik, is exactly how we see ourselves. We are **Energy for Change**.

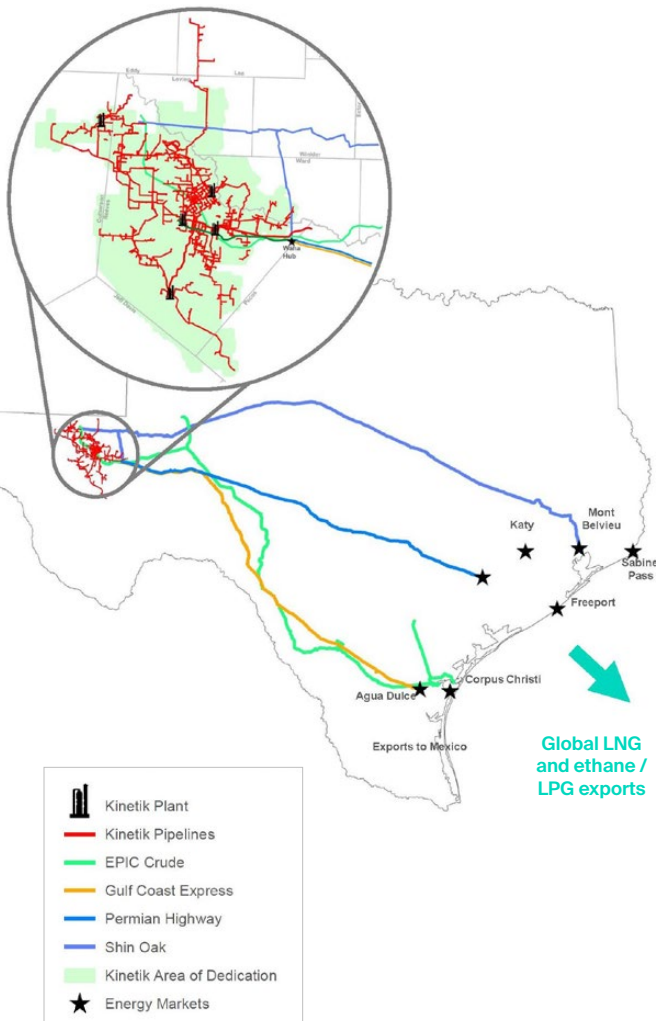
» About Kinetik

Kinetik Holdings Inc. (NYSE: KNTK) is a fully integrated, pure-play, Permian-to-Gulf Coast midstream C-corporation operating in the Delaware Basin. Kinetik provides comprehensive gathering, compression, processing, transportation, and water management services for companies that produce natural gas, natural gas liquids, crude oil, and water. In February 2022, Kinetik was formed through the merger of Altus Midstream LP with privately-owned BCP Raptor Holdco, LP. The existing BCP management team assumed previously held roles at Kinetik and are leading the combined Company.

Over 300 employees strong, we are dedicated to continually producing environmentally responsible and financially meaningful results while providing the best-in-class services required to bring natural gas, natural gas liquids, and crude oil to market. Delivering oil and gas safely and responsibly to market is a key priority to ensure the steady flow of energy to fuel peoples' daily lives. We work with our customers to gather and process oil and natural gas products and deliver them for a range of uses – powering industrial operations, providing heating and cooling for homes and businesses, and generating electricity to power homes, factories, and organizations of all types. We see natural gas as an essential component to meeting our world's current and increasing energy needs - natural gas is reliable, efficient, abundant, less carbon intensive, and affordable – and we believe that natural gas plays an integral role in transitioning our economy to responsible lower-carbon sources.

Strategically located in the heart of the Delaware Basin in the Permian, in 2022, Kinetik operations spanned across 5 Texas counties – Reeves, Culberson, Loving, Ward, and Pecos. With over 2.0 billion cubic feet per day (“Bcf/d”) cryogenic natural gas processing capacity, Kinetik is the second largest natural gas processor in the Delaware Basin and fourth largest across the entire Permian Basin¹. In addition, we have interests in four long-haul pipelines transporting natural gas, natural gas liquids, and crude oil from the Permian Basin to the Gulf Coast.

¹ As measured by processing capacity



EMPLOYS A WORKFORCE OF
OVER 300
EMPLOYEES

OVER 2.0 BCFPD
OF PROCESSING CAPACITY

OWNS & OPERATES
1.0 BCFPD
DELAWARE LINK PIPELINE

Approximately 55% of our business is natural gas gathering and processing, 5% is crude gathering and water disposal, and 40% is pipeline long-haul transportation¹

NEARLY 2,000 MILES
OF GAS & NGL PIPELINES

OPERATES 4 MAJOR COMPLEXES
& OVER 1,800 MILES OF PIPELINE
ACROSS SIX COUNTIES IN TX & NM²

» Quick Facts

MAINTAINS OVER
470,000
HORSEPOWER OF
GAS COMPRESSION
CAPACITY

HAS A CAPACITY OF
90,000
BARRELS OF CRUDE
STORAGE CAPACITY

MANAGES OVER
760,000+
BARRELS/DAY OF
WATER INJECTION
CAPACITY

MIDSTREAM LOGISTICS FOR
APPROXIMATELY 35 CUSTOMERS

INTERESTS IN
550 MBPD
NGL TAKEAWAY CAPACITY³

INTERESTS IN
4.7 BCFPD
OF RESIDUE GAS TAKEAWAY

OWNS & OPERATES
225 MBPD
INTRABASIN KINETIK NGL

EQUITY INTERESTS
IN LONG-HAUL
PIPELINES:

55.5% OF PHP

16% OF GCX

33% OF SHIN OAK **15% OF EPIC CRUDE**

**ONE OF THE LARGEST MIDSTREAM
COMPANIES IN THE DELAWARE BASIN**

CORPORATE OFFICES IN MIDLAND AND HOUSTON, TX

Quick Facts reflect data as of July 2023.

¹ Pro forma completion of the PHP expansion and Delaware Link projects.

² Following the NM expansion in-service date, which is estimated to be January 2024.

³ Excludes Shin Oak capacity expansion.



» Our Core Values

We are committed to being a good steward of the environment everywhere we operate, and we are dedicated to advancing a safer, cleaner, and more reliable energy future while responsibly delivering the energy people need to live their lives.

At Kinetik, we live our values **daily**.
Our culture of success is driven by:



Our people are our greatest asset

We demonstrate this through rewarding their performance and encouraging their professional growth.



Customer-first approach

We maintain a culture of success that is centered on a “customer first” approach to everything we do. We develop relationships that make a positive difference in the lives of our customers.



We have high standards

We hold our employees to the highest standards of safety, performance and integrity.



We believe in open and transparent communications

We are direct, open and professional in our communications with all stakeholders.



We are good stewards of the environment

We follow applicable regulations and requirements and seek to be a model corporate citizen.



We are a good neighbor

We live and work in the communities where we operate, and we strive to be a consistent, positive force in the present and future.



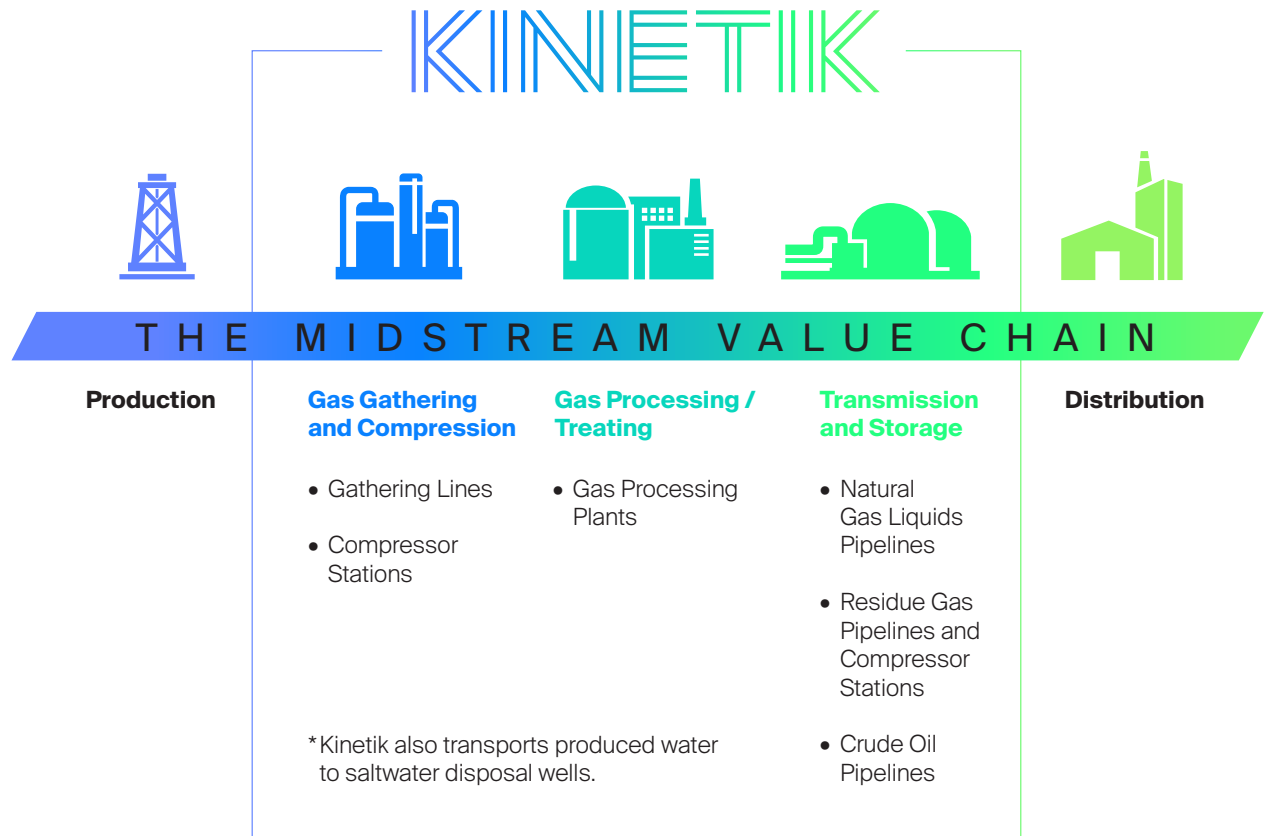
We believe in great teamwork

We work together across boundaries to meet the needs of our customers and to help our Company succeed.

» Our Value Chain

Kinetik delivers the energy that people need to live their lives. We work with our customers to gather and process natural gas and crude oil products and deliver them for a range of uses – fueling industrial operations, providing heating and cooling for homes and businesses, and generating electricity to power homes and organizations of all types.

- » Our upstream customers are in the business of exploration and production of natural gas, crude oil, and produced water.
- » We are involved with gathering, compressing, treating, and processing natural gas, as well as transporting natural gas liquids, residue gas, produced water, and crude.
- » We deliver natural gas liquids, residue gas, and crude to downstream operators, who are responsible for distribution of these products.



1

**Identify Issues**

2

**Prioritize Issues**

3

**Guide Sustainability Strategy**

To identify and prioritize issues key to our business, this assessment consisted of interviews with almost 30 internal and external stakeholders, including industry associations, non-profits, suppliers and customers, landowners, and our employees and Board members. The analysis also consisted of document-based research on perspectives of investors and lenders, our peers, government agencies, activists, and industry-specific reporting frameworks.

The materiality analysis was reviewed by the Board, Executive Steering Committee, and Sustainability Working Committee to validate the priority of issues. To aim to ensure our business strategy continues to align with what our Company, stakeholders, and the community view as the most important aspects of our business, we will regularly evaluate the necessity to conduct a new materiality assessment.

» Materiality Analysis

In 2022, Kinetik conducted a robust, multi-stakeholder materiality analysis to identify and prioritize key environmental, social, and governance issues and ensure our business strategy aligns with our priorities.



It is encouraging to see alignment in what our company and stakeholders view as the most important aspects of our business. To seek to ensure we continue to deliver solid performance and make substantial progress towards our key sustainability objectives, we allocate significant resources towards standardizing our operational and reporting procedures, strengthening our workforce, and enhancing personnel training and development. Additionally, we have made substantial investments in our climate change and greenhouse gas emissions reduction strategies, as well as safety performance initiatives. Our commitment extends further with substantial investments in pipeline integrity management, facility and equipment upgrades, and community engagement. The unwavering support of our Board, combined with the strong commitment demonstrated by our management team and employees, has played a pivotal role in our current achievements and will remain vital as we continue to progress towards a more sustainable future.

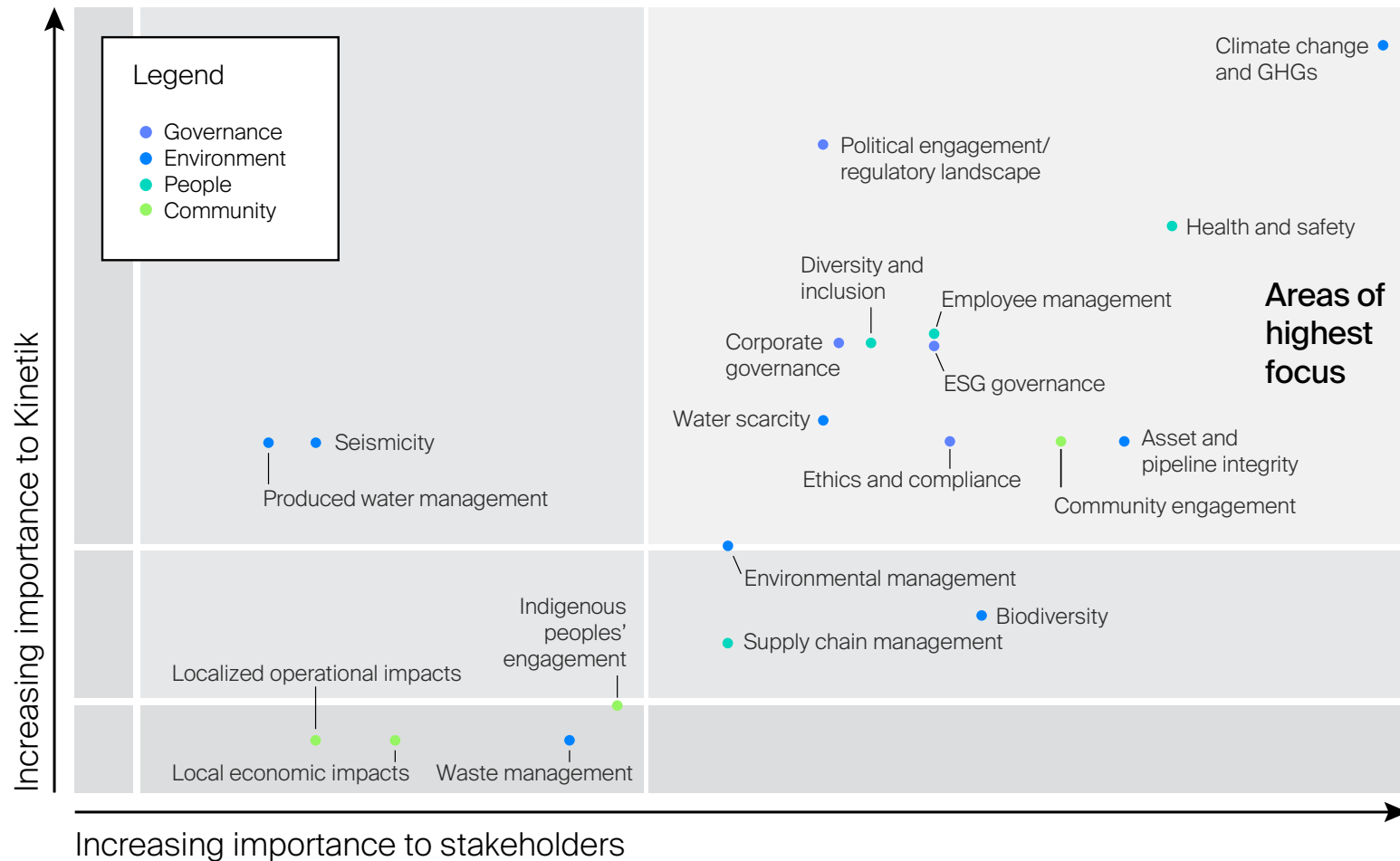
Dawn Coufal,
VP of Sustainability





» Materiality Analysis

Many of the key topics remain consistent with prior years. There continues to be a strong emphasis on climate change, greenhouse gas (GHG) emissions, and health and safety while topics such as regulatory landscape, governance, diversity and inclusion, water scarcity, and seismicity are increasing in importance.



Governance

At Kinetik, we pride ourselves on upholding a set of strong corporate governance values that reflect our commitment to ethics, responsibility, and integrity. We are resolute in our pursuit of excellence and are committed to maintaining the highest level of corporate governance practices. At the core of our corporate governance philosophy lies the recognition that a strong corporate governance structure, one that encompasses economic progress, social development, and environmental improvement, is paramount to fostering sustainability and creating sustainable long-term value for our business, our employees, our shareholders, and the broader society.

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- > ESG Governance and Structure
- > Enterprise Risk Management
- > Ethics and Compliance
- > Stakeholder Engagement
- > Awards and Memberships



» Letter from the Chair of the Governance & Sustainability Committee

“ The actions taken by Kinetik in 2022 have laid a **strong foundation** for the Company’s sustainability efforts going forward... ”

2022 marked a critical and rewarding year as BCP merged with Altus, creating Kinetik, a company that embodies Energy for Change.

The transformative merger empowered Kinetik to forge ahead with renewed vigor, combining the strengths and expertise of two organizations dedicated to driving positive change and creating a sustainable future. Amidst the challenges of integrating two companies, adapting to evolving stakeholder expectations, and navigating a changing regulatory landscape, Kinetik remained steadfast in its joint pursuit of producing environmentally responsible and financially meaningful results.

The Board of Directors provides oversight to the Company strategy on sustainability matters

as they become increasingly important to the success of the Company and the long-term well-being of our planet. Kinetik has made measurable progress in these areas, as evidenced by our results in this report, and has future commitments and actionable plans to achieve continuous improvement toward our goals. As a part of this commitment, our Governance and Sustainability Committee was renamed in 2023 to better reflect its charter which includes oversight of the Company’s sustainability strategies, policies, and practices.

The actions taken by Kinetik in 2022 have laid a strong foundation for the Company’s sustainability efforts going forward, and the Board of Directors remains dedicated to advancing our sustainability strategy as we

progress towards our shorter-term greenhouse gas and methane intensity reduction and diversity targets and longer-term 2050 net zero goal for Scope 1 and Scope 2 GHG emissions.

As Chair of the Governance and Sustainability Committee and on behalf of the entire Board of Directors, I look forward to providing continued oversight as we strive to make a positive impact on our planet and drive sustainable economic growth. Kinetik is Energy for Change.

Sincerely,

» **Laura A. Sugg**
Chair, Governance and Sustainability Committee



» Governance Framework

Kinetik has a robust governance model that sets clear direction to employees and other stakeholders on how the Company operates. We firmly believe that strong corporate governance is essential to achieving our short and long-term objectives and positioning ourselves as the most trusted and respected midstream service provider in the Permian Basin.

In 2022, we enhanced our corporate governance with the adoption of a reporting and disclosure control framework compliant with Sarbanes-Oxley (SOX). Additionally, our corporate governance structure includes conformity to the applicable rules and regulations as prescribed by the Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE).

Our President and Chief Executive Officer, Jamie Welch, and the Company’s management team, are responsible for the day-to-day management of risk and implementing our corporate strategy, with the oversight of our Board of Directors.

Board of Directors

Kinetik’s Board exercises general supervision over Kinetik’s business, operations, strategy, and risk management programs. This oversight role is critical in shaping our strategies and overseeing all aspects of our operations and initiatives; therefore, it is critical our Board of Directors possess the appropriate characteristics, skills, and experience required for the Board as a whole and its individual members. In 2022 Kinetik’s Board adopted comprehensive [Corporate Governance Guidelines](#), which address Director selection, structure of the Board and its Committees, and Director service on other boards.

In evaluating the suitability of individual candidates, the Governance and Sustainability Committee considers factors including, without limitation, an individual’s judgment, skill, diversity, independence under applicable standards, experiences with businesses and other organizations of comparable size, the interplay of the individual’s experiences with the experience of other Directors, and the extent to which the individual would be a positive addition to the Board and any Committees of the Board. While we have no formal policy regarding board diversity, the Governance and Sustainability Committee does consider such factors as gender, race, ethnicity, age, experience, and area of expertise, as well as other individual attributes that contribute to the total diversity of viewpoints, as we firmly believe that such diversity among our Directors enhances the Board’s oversight authority, ensuring informed decision-making and a highly capable governing body.

The Kinetik Board consists of eleven Directors and is led by the Chairman of the Board and the Lead Independent Director. The Board Skills, Experience, and Committees matrix outlines the diverse set of skills and experience represented on Kinetik’s Board:



Gender

- Women: 27%
- Men: 73%



Age

- Under 50: 36%
- 50-60: 27%
- Over 60: 36%



Tenure












- 6+ Years: 18%
- 1-5 Years: 64%
- Less than 1 Year: 18%



Independence

- Independent: 82%
- Non-Independent: 18%

Board Skills, Experience, and Committees

Board of Directors as of May 1, 2023		          										
		Deborah Byers	Elizabeth Cordia	David Foley	Kevin McCarthy	Mark Leland	JP Munfa	Jesse Krynak	Ben Rodgers	Laura Sugg	Ronald Schweizer	Jamie Welch
Knowledge, Skills and Experience	Age & Gender	61 / F	30 / F	55 / M	63 / M	61 / M	41 / M	40 / M	43 / M	62 / F	50 / M	56 / M
	Independent Directors	●	●	●	●	●	●	●	●	●	●	●
	Public Company Board Experience / Governance	●		●	●	●	●		●	●		●
	Senior Leadership Experience	●		●	●	●	●		●	●	●	●
	M&A / Business	●	●	●	●	●	●	●	●	●	●	●
	Finance / Capital Management	●	●	●	●	●	●	●	●	●	●	●
	Accounting	●		●		●	●	●	●		●	●
	Risk Management	●	●	●		●	●	●	●	●	●	●
	Environmental / Sustainability	●	●	●			●	●		●	●	●
	Industry Experience	●	●	●	●	●	●	●	●	●	●	●
	Operations / Engineering						●			●		●
	Human Capital	●		●		●	●			●	●	●
	Investor Relations	●		●	●	●	●	●	●	●	●	●
	Government Relations / Regulatory	●		●		●	●		●	●		●
Technology / Cybersecurity	●								●	●		
Board Committees	Governance and Sustainability	●				●				●		
	Audit	●			●	●				●		
	Compensation			●	●					●		

● Chairman of the Board ● Lead Independent Director ● Chairperson ● Committee Member

Board Role in Risk Oversight

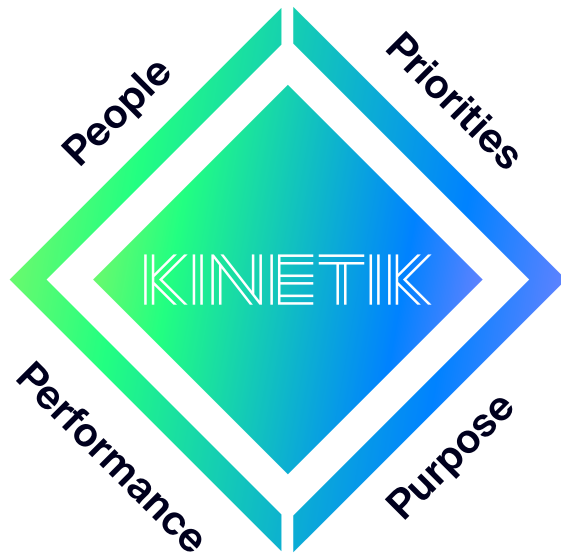
To assist the Board in its oversight role of the Company's risk management, the Board's Committees, consisting of the **Audit Committee, Compensation Committee, and Governance and Sustainability Committee** (formerly the Corporate Governance and Nominating Committee), are primarily responsible for certain matters relating to the risks inherent in the Committees' respective areas of oversight, with each committee regularly reporting and making recommendations to the full Board. For more information on corporate governance, please visit the following pages on our [website](#):



[Financials and SEC Filings](#)



- [Governance Committee Charters](#)
- [Corporate Governance Guidelines](#)
- [Code of Conduct](#)



» ESG Governance and Structure

Our approach to sustainability is built on Kinetik’s four fundamental pillars: **People, Priorities, Purpose, and Performance.**

We believe that integrating environmental, safety, governance and community considerations into our business decisions is essential to creating value for our stakeholders, including our equity investors, lenders, customers, employees, business partners, regulators, and citizens in the communities where we live and work.

Underpinning our sustainability program is our [Sustainability Policy](#), which identifies long-term objectives that we use to guide our business operations. This Policy includes further details on governance and how we embed sustainability and ESG within our organization.



PEOPLE:

Building strong relationships inside and outside of our company.



PRIORITIES:

Keeping ourselves focused on improving our environmental and safety performance.



PURPOSE:

Playing our role in helping to address and stem the impacts of climate change for generations to come.

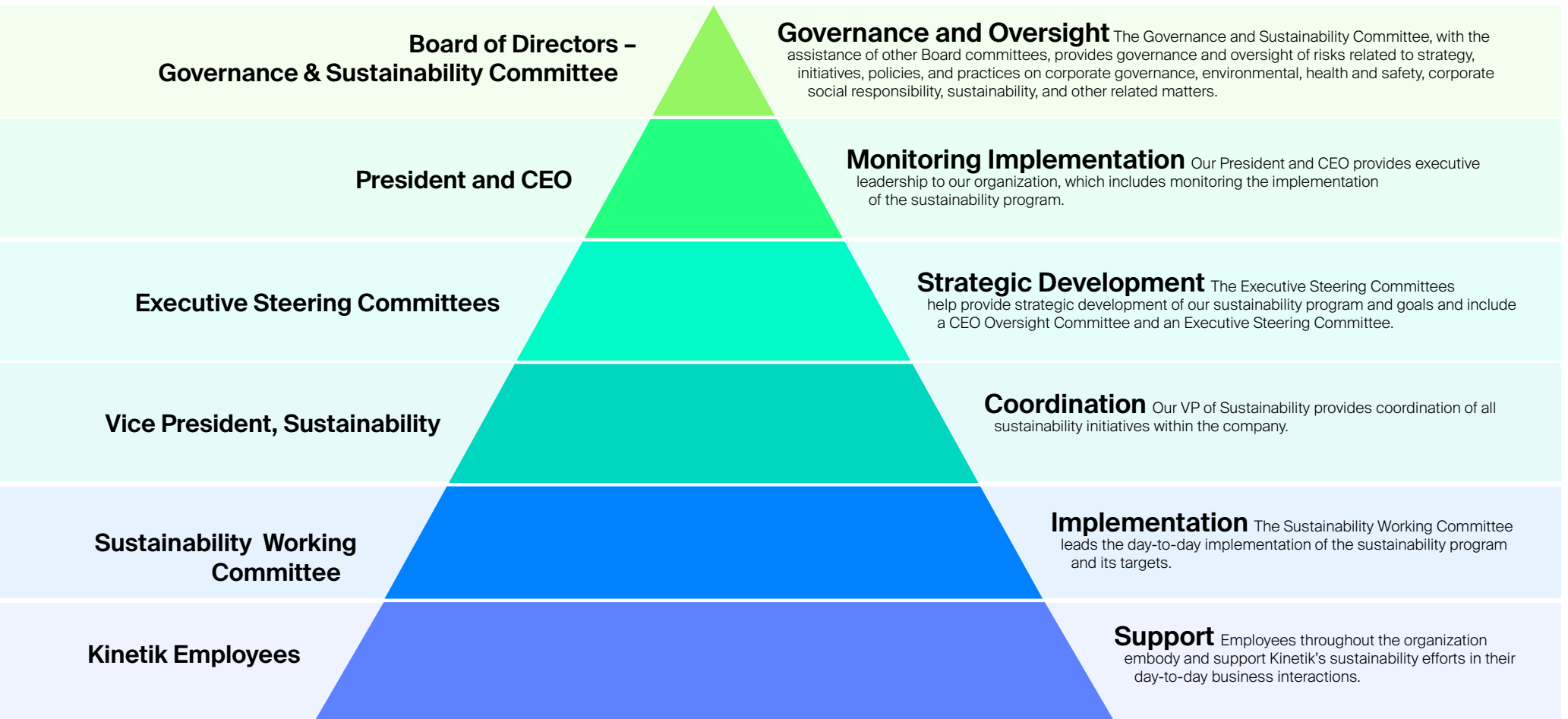


PERFORMANCE:

Consistently achieving our own objectives as they relate to financial, environmental, safety, and social goals we set and aim to report on our performance in alignment with applicable frameworks.



We firmly believe that commitment to an actionable sustainability strategy makes for a stronger, more resilient company and drives better performance. As such, we embed sustainability and ESG responsibilities within our organization by ensuring we have ownership and accountability at all levels.



Sustainability-linked Remuneration

To highlight our philosophy and how serious we are about achieving our goals, our 2022 compensation program was amended to tie twenty percent (20%) of all salaried employees’ at-risk pay, including executives, to the achievement of specific ESG goals related to methane emissions, health and safety, and diversity. This approach has been extended for 2023, with twenty percent (20%) of at-risk pay of employees (including executives) still

associated with meeting specific ESG goals that expand upon the targets set in 2022. The Governance and Sustainability Committee supports the Board’s Compensation Committee in establishing the specific parameters of the metrics.

We believe it is every employee’s responsibility to take ownership of sustainability and positively contribute to the well-being of the Company and planet.

» Enterprise Risk Management

Through our comprehensive Enterprise Risk Management (ERM) program, we take a proactive approach in identifying, assessing, and mitigating potential risks that have the potential to affect our operations, reputation, financial well-being, and overall business objectives.

We have developed an ERM program across all functional areas and mechanisms for identifying, prioritizing, and mitigating risks. We evaluate risks across the enterprise regularly, examining the potential impact on our operating flexibility, along with the financial and reputational impact of such risks. Our leaders rely upon their teams for input as well as an understanding of the external environment. Based on this risk assessment, we prioritize and take action to diligently address these risks, ensuring that our actions are informed and aligned with our long-term goals, fostering resilience and safeguarding the interests of our stakeholders.

Risk factors, further detailed in Kinetik's [Form 10-K](#), include those related to operations, customers, infrastructure, volumes and processing, capital expenditures, financial condition, regulatory risk, emergency events, climate change, human capital, reputational risk, and information technology and cybersecurity. The Company has defined tools, teams, and processes to mitigate and manage these risks, informing our business strategy and preparing for events that could interfere with the organization's operations and objectives in the short-, medium-, and long-term.

The Audit Committee of the Board of Directors has ultimate oversight over the ERM process, reviewing ongoing assessments of the Company's risk management processes and system of internal control. Our Executive Vice President, Chief Administrative Officer, and Chief Accounting Officer has functional oversight of the Enterprise Risk function. Kinetik's Internal Audit function supports the oversight process by performing audits of key areas to validate management's processes.



“

The **Human Firewall** is the best first line of defense in cybersecurity. We train our users to understand the dangers of phishing, social engineering and other sophisticated cyberattack methods. This helps foster an environment of trust where everyone plays a role in securing our organization, making it a shared responsibility.

”

Denis Borja,
Director of IT

Cybersecurity

As a Company that manages critical infrastructure for the energy sector, cybersecurity is of great concern to our organization, and we aim to protect our systems, networks, and programs from digital attacks. In meeting these challenges, we remain committed to maintaining the highest levels of security by providing a seamless and effective work environment for our corporate and remote users by deploying responsible and sustainable cyber practices used to combat evolving threats to our critical infrastructure, systems, and sensitive information.

Our Executive Team and Audit Committee oversee Kinetik's cybersecurity initiatives. To communicate our system health, performance, metrics, and roadmap, the IT team delivers a quarterly update, emphasizing the effectiveness of our cybersecurity strategy and ensuring alignment with business objectives.

We adhere to external cybersecurity standards, such as National Institute of Standards and Technology (NIST) and ISO frameworks, along with SOX controls in our accounting system. To keep our network secure, we have multifactor authentication (MFA) for all users, a 180-day password change policy, separation of duties in accounting systems, controlled access to network drives, endpoint protection, email security, mobile device management, device encryption, and ongoing active monitoring of threats. Our plant sites have devices that help control third-party access to our plant systems and also provide 24/7 monitoring of our infrastructure.

In 2022, we made significant investments to further reinforce our cybersecurity efforts. These implementations included upgrading our email security platform, enhancing endpoint protection with AI technology and vendor provided 24/7 SOC service, updating our Patch Management policies, and upgrading firewalls across key segments of our network.

As part of our strategy, we continue to work with industry-leading vendors to conduct our internal network, cloud environment, and external pen testing, all of which are critical in ensuring our hybrid environment is strong enough to mitigate any cyber attack exposures.

We are committed to continually assessing cybersecurity risks and investing in new cybersecurity technologies to protect our facilities, data, users, and stakeholders.

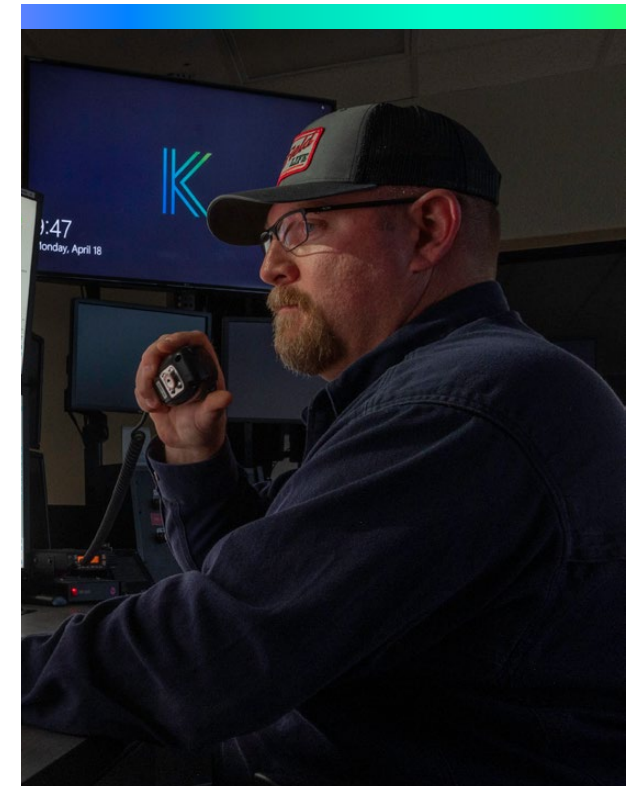
Human Firewall

At Kinetik, the recognition and reporting of cyber threats by every employee and contractor plays a vital role in protecting and securing our network. We deploy quarterly simulated phishing emails to all system users to gauge their cybersecurity awareness. All Kinetik employees and contractors are required to complete annual cybersecurity training, and in 2022, this included Security Awareness Training, Internet Security, and Phishing Foundations. We keep all our users updated on cybersecurity news regularly, since it can affect the Company and employees' personal device usage.



IT Policies

- > Cybersecurity Policy
- > IT Incident Management Policy
- > Information Security Policy
- > IT Backup Policy
- > IT Change Management Policy





Successful business operations and the reputation of Kinetik are a direct result of the actions, attitude, and behavior of our employees. Our continued success is dependent upon trust in our employees and our partners, and we are dedicated to preserving that trust.

Lindsay Ellis,
Vice President, Deputy General Counsel



» Ethics and Compliance

We strongly value ethics and responsibility and continuously look to conduct business with the highest standards of integrity.

We are committed to conducting business in accordance with the highest ethical standards. It is our policy that our employees, officers, Directors, and other individuals working for us conduct business fairly, ethically, and in compliance with all laws, rules, regulations, and government requirements. Our [Code of Business Conduct](#) (“Code”) is designed to deter wrong-doing and promote honest and ethical conduct in every aspect of our business dealings. Our Code details our policy regarding corruption, antitrust violations, insider dealings, gifts and entertainment, conflicts of interest, and validity of financial information, amongst others. All of Kinetik’s Board members and employees have signed off on our Code of Business Conduct acknowledging that they have read and understand the Code, and all new employees are provided with a copy of the Code upon hire and are required to acknowledge that they have read and understand the Code. The Code also requires the Board and employees to annually certify they have read and fulfilled the expectations of the Code.

Suppliers have a separate Supplier Code of Conduct that they must adhere to in order to conduct business with Kinetik, detailed further in [Supplier and Contractor Expectations](#).

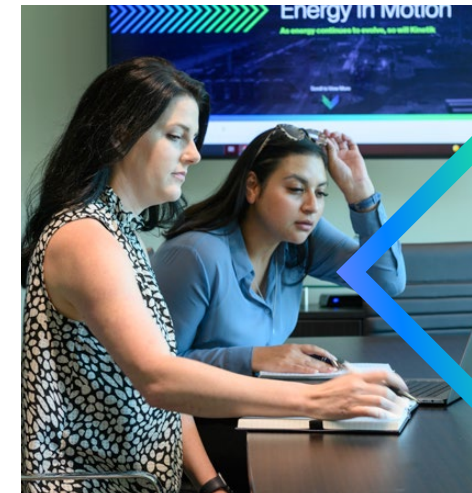
The Audit Committee is responsible for overseeing business ethics issues, and our General Counsel and Chief Compliance Officer oversees the day-to-day responsibilities for ethics and compliance.

Reporting Concerns

We recognize the importance of receiving, retaining, and addressing concerns from our Directors, officers, employees, and other stakeholders seriously and expeditiously. The Kinetik Ethics Hotline is a convenient and confidential way to seek assistance and report potential violations regarding ethics and compliance issues. The Ethics Hotline is hosted by a third party and monitored by Kinetik’s Human Resources and Legal departments, as well as the Chair of the Audit Committee. Any critical concerns are communicated to the Board immediately, and any less time-critical concerns are reported to the Board during quarterly meetings. In 2022, no critical concerns were reported.



[Ethics Hotline](#)





Policies and Training

We have several key policies that help support our ethics and compliance programs:

Whistleblower Policy: Our Whistleblower Policy establishes procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting matters, compliance matters, and submission of concerns regarding questionable accounting and compliance matters. Our policy also strictly prohibits retaliation of any kind against employees on account of complaints submitted in good faith.

Insider Trading Policy: Our Insider Trading Policy provides guidelines to Directors, officers, employees and consultants with respect to transactions in the Company's securities and derivative securities relating to the Company's common stock and requires all insiders to strictly comply with the policy.

To complement the Code and specific Company policies, our Employee Handbook summarizes many of Kinetik's policies, procedures, and practices. Kinetik's policies addressed in the Employee Handbook include, but are not limited to Equal Employment Opportunity, Accommodation of Individuals with Disabilities, Employment Eligibility Verification, Discrimination and Harassment, Anti-Bullying, Standards of Conduct, Conflict Resolution and Complaint Procedure, along with various other HR, IT, and safety related policies.

Compliance training is part of a suite of mandatory training for all employees and Board members on topics including anti-bribery, workplace harassment, and discrimination, equity, and inclusion (DEI). All employees are required to complete these trainings annually. In 2022, there were no reported incidents of noncompliance with laws or regulations, of anticompetitive behavior, or of corruption where employees were dismissed or disciplined.





During the past year Kinetik integrated SOX 404 compliance as a part of our culture, successfully implementing all required controls and processes to achieve full compliance with the requirements.

Jake Loden,
VP Controller



Political Engagement

With rapidly shifting energy policy at the federal, state, and local levels, it is important that we stay abreast of the latest developments and provide feedback on pending legislation. In doing so, **we prioritize transparency and ethical conduct in our political activities, aligning our efforts with our broader sustainability objectives.**

We commonly engage with local, state, and federal political leaders, policymakers, and regulators via our industry associations. As a result of our employees' experience and expertise in our industry, Kinetik representatives may be asked to participate in industry trade associations, focus groups, seminars, or other activities. We take great pride in having industry-leading subject matter experts across multiple disciplines within our organization. However, it is crucial for Kinetik to achieve internal consensus and consistently convey a unified message that aligns with the strategic goals and vision of the Company as a whole. To ensure this coherence, Kinetik follows guidelines for corporate memberships which enable us to effectively represent and communicate the collective interests of our organization. Please see the [Awards and Memberships](#) section for more details on our industry association memberships and [Stakeholder Engagement](#) for details on how and on which topics we engage with industry associations.

Kinetik firmly adheres to its Stakeholder Engagement Policy, which prohibits the establishment of corporate Political Action Committees (PACs). As part of our commitment to ethical conduct, we do not make any financial contributions to political parties or candidates. In addition to these measures, our Code of Business Conduct and Employee Handbook encompass further policies that specifically address interactions with public officials and industry activities. These comprehensive guidelines aim to ensure that our engagement with public officials and other stakeholders aligns with the highest standards of integrity and transparency.

SOX Compliance

In conjunction with Kinetik becoming a public company during the first quarter of 2022, we adopted the appropriate internal control structure and financial reporting processes required to comply with SOX 404. Required compliance with SOX 404 was triggered as a result of the business combination that closed on February 22, 2022, creating a short 10-month runway for management to achieve all compliance requirements. Despite the compressed timetable, we successfully implemented all required controls and processes and integrated SOX 404 as part of our culture. Our successful adoption of SOX 404 has strengthened Kinetik's overall governance profile by strengthening our control environment while reducing process complexity, improving company-wide documentation, standardizing company processes while minimizing human error, and increasing audit committee involvement.



Sustainability Performance Targets

As part of Kinetik's comprehensive refinancing in June of 2022, we issued a \$1 billion sustainability-linked bond and entered into \$3.25 billion in sustainability-linked loans and commitments. These instruments promote positive forward-looking ESG outcomes and provide us unique access to ESG-focused pools of capital. These instruments are linked to the below key performance indicators:

- 1) Defined periodic reduction to Kinetik's Scope 1 and Scope 2 greenhouse gas emissions intensity ratio from 2021 to 2030 (bond only)
- 2) Defined periodic reduction to Kinetik's Scope 1 and Scope 2 methane emissions intensity ratio from 2021 to 2030 (all instruments)
- 3) Defined periodic increase in Kinetik's female officer representation ratio from 2021 to 2026 (all instruments)

Fiscal year 2022 marked the first measurement period for our \$2 billion sustainability-linked term loan and our \$1.25 billion sustainability-linked revolving credit facility, which are linked to the methane emissions intensity ratio KPI and the female officer representation KPI. For the methane emissions intensity ratio KPI, Kinetik achieved a 12.0% reduction from 2021 to 2022, which was 8.7 percentage points higher than the defined 2022 target in our debt agreements. For the female officer representation KPI, Kinetik achieved a 17.7% female participation rate in 2022, which was 8 percentage points higher than the defined 2022 target in our debt agreements. These KPI's have been verified by a third party through a limited assurance engagement. As an issuer of an SLB, we are required to publish our [Sustainability-Linked Financing Framework](#), which outlines our sustainability and ESG strategy and performance targets.

Our SLB's sustainability targets are designed to be ambitious and promote positive forward-looking sustainability outcomes.

In our first year, we significantly exceeded our targets for methane intensity reduction and corporate officer female representation.



Our Board, management, and employees understand the importance of challenging ourselves and improving the impact of our operations to all stakeholders. Linking 100% of our debt capital structure to sustainability performance initiatives is a testament to this, which we're proud to say is the only case in the midstream industry.

Ross Hutton,
Director of Finance





» Stakeholder Engagement

Our success is predicated on open dialogue with our stakeholders. We aim to find common ground in pragmatic solutions that are rooted in safety and sustainability.

Stakeholder Group	How we engage	What topics we engage on
Employees	<ul style="list-style-type: none"> > Town hall meetings > Virtual communications > Direct meetings (1:1 and team meetings) 	<ul style="list-style-type: none"> > Engagement surveys > Training and development > Kinetik Employee Engagement Program
Government Officials and Regulators	<ul style="list-style-type: none"> > We engage with elected officials to provide operational updates and solicit feedback regarding current community issues and priorities and to provide input about regulations relevant to our business. > We frequently invite local officials to plant tours and community organized events. 	<ul style="list-style-type: none"> > Employee engagement and performance > Environmental, health, and safety issues > Business performance
Industry and Trade Associations	<ul style="list-style-type: none"> > We actively participate at the board and committee levels of industry groups and trade associations to contribute to the development and deployment of best practices and to learn about and share issues of concern for new regulations. 	<ul style="list-style-type: none"> > Permits > Local issues and concerns > Regulations
Customers	<ul style="list-style-type: none"> > Direct meetings > Virtual communications 	<ul style="list-style-type: none"> > Occupational health and safety > Environmental compliance and climate change > Critical infrastructure
Community Leaders, including Nongovernmental Organizations, Charities, and Business Community	<ul style="list-style-type: none"> > Community events > Invitations to new facilities/tours > Donations and Sponsorships 	<ul style="list-style-type: none"> > Road safety > Asset and pipeline integrity > Seismicity
Investors	<ul style="list-style-type: none"> > Direct meetings > Public Awareness Campaign 	<ul style="list-style-type: none"> > Asset and pipeline integrity > Environmental compliance > Pipeline Safety
Landowners	<ul style="list-style-type: none"> > Community events > Partnerships > Public Awareness Campaign > Employee volunteerism 	<ul style="list-style-type: none"> > Occupational health and safety > Environmental compliance and climate change > Critical infrastructure
Emergency Responders	<ul style="list-style-type: none"> > Company performance > Business developments > Annual shareholder meeting 	<ul style="list-style-type: none"> > Corporate governance > Financial performance
	<ul style="list-style-type: none"> > Hotline calls > In person engagement 	<ul style="list-style-type: none"> > Right of way > Pipeline maintenance > Pipeline Safety
	<ul style="list-style-type: none"> > Direct engagement > Fundraising 	<ul style="list-style-type: none"> > Health and safety > Driver safety > Pipeline Safety
	<ul style="list-style-type: none"> > Community concerns > Pipeline Safety 	<ul style="list-style-type: none"> > Sustainability performance and initiatives – health and safety, environment, etc.
	<ul style="list-style-type: none"> > Climate change > Other land matters 	<ul style="list-style-type: none"> > Climate change > Status of applicable projects > Operational performance
	<ul style="list-style-type: none"> > Community engagement > Emergency response 	<ul style="list-style-type: none"> > Climate change > Other land matters



Image Source: NYSE

» Awards and Memberships

Kinetik is an active member of several local, state, and national partnerships, organizations, and initiatives and was recognized by several organizations for various achievements over the past year.



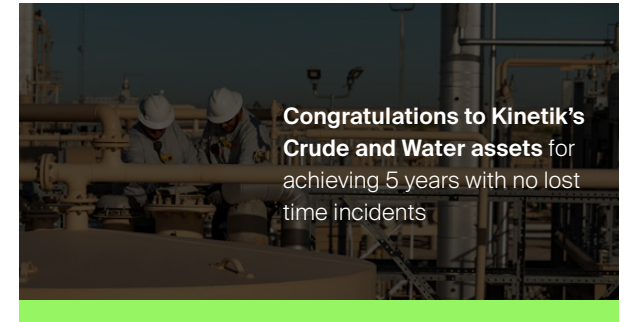
In 2022, Ernst & Young recognized Jamie Welch, President and CEO of Kinetik, as a 2022 Entrepreneur of the Year Central South regional winner. Entrepreneur of the Year is one of the preeminent competitive business awards for entrepreneurs and leaders of high-growth companies who think big to succeed. He was selected based on his demonstration of long-term value through entrepreneurial spirit, purpose, growth and impact, among other core contributions and attributes.



Image Source: NYSE



In 2022, Kinetik was recognized by the Houston Business Journal as one of the fastest growing middle market companies.



Kinetik's Crude and Water assets were each recognized by GPA Midstream Association with Entity Awards for having no lost time incidents in the last 5 years.

Memberships

We participate and contribute to industry leadership and collaboration. Please see [our website](#) for more details on these organizations.



Our Environment

At Kinetik, we take pride in being a good steward of the environment, protecting natural resources, and preserving biodiversity while delivering the energy people need to live their lives. Environmental protection is one of our top priorities at Kinetik, and we require a commitment from all employees and business partners to operate in a reliable and environmentally sound manner. Through our environmental initiatives, practices, and achievements, we proudly demonstrate our steadfast commitment to sustainable practices and the preservation of our planet.

Jump To:

- > Environmental, Health, and Safety Management
- > Protecting Our Environment
- > Climate Change
- > Responsible Water Management
- > Seismic Activity
- > Responsible Waste Management
- > Biodiversity
- > Process Safety and Asset Integrity



» Environmental, Health, and Safety Management

At Kinetik, we strive to be a high performing and responsible operator that can be counted on to deliver business objectives while also meeting our environmental, health, and safety commitments.

Our environmental, health, and safety (EHS) goals are clearly stated: keep our employees and contractors safe and protect both the environment and the public in the areas we operate. Our robust EHS Program underpinned by our EHS Policy, programs, and procedures enables us to deliver on our commitment and make continuous advancements toward a safer, cleaner, and more reliable energy future.

As detailed further throughout our Sustainability Report, we incorporate these principles into our approach to environmental management, pipeline and process safety management, and health and safety management. By doing so, we strive to ensure that our operations are conducted in a manner that minimizes environmental impact, enhances pipeline and process safety, and helps to safeguard the health and safety of our workforce and the communities we serve.

EHS Management System

Kinetik is committed to embodying our mission in every aspect of our operations, including the management of our facilities and day-to-day activities. Our EHS Management System's systematic approach drives progress in environmental sustainability and improvement in our safety performance, asset integrity, and operational efficiency. Through methodical processes that promote continuous improvement, we seek to ensure regulatory compliance and lead the way in advancing our environmental and safety targets and goals. To deliver on our progressive environmental and safety performance, our EHS Management System framework¹ is focused on four critical areas through the operational lifecycle:

Management Commitment

Kinetik management actively reinforces all aspects of the EHS Management System to maintain regulatory compliance, deliver on our EHS goals, and promote a positive EHS culture. Our **Management Commitment** is documented in company policies, reinforced with dedicated EHS roles and responsibilities, and communicated regularly to sustain a shared understanding of our EHS culture. Kinetik management recognizes that we could not reach our goals without our employees, valued contractors, and key stakeholder involvement; therefore, we continuously engage these groups to promote and improve our EHS culture.

Risk Analysis

Risk Analysis is an integral part of our EHS Management System and helps us understand threats to successfully achieving our EHS goals. Our dynamic industry requires constant adaptation and an evergreen understanding of risk within our operations. We identify hazards and analyze risk to assure our procedures, policies, tools, controls, and other risk reduction measures eliminate or mitigate risks to an acceptable level.

Risk Management

Through **Management Commitment** and **Risk Analysis**, we focus on the key aspects that help us fulfill our obligation as a responsible operator. Our EHS Management System focuses on keeping personnel safe, protecting the environment, and minimizing consequences should an incident occur. This requires continual personnel training on regulatory requirements, standard operating procedures, company policies, and safe work practices to reinforce operational discipline. Ultimately, **Risk Management** is focused on protecting people and the environment.

¹ Kinetik's EHS Management System is informed and guided by principles from ISO 14001: Environmental Management System, API RP 1173: Pipeline Safety Management System Requirements, and CCPS: Guidelines for Risk Based Process Safety

Continually Learning from Experience

We understand the importance of **Continually Learning from Experience**, whether from a near miss or incident, a regulatory inspection, an internal audit, or through our key performance indicators. These collective learnings are used to identify and implement best practices to continually improve our EHS Management System and Environmental Compliance and Protection, Health and Safety, and Process Safety and Risk Management of our operations.

Conforming to our EHS Management System framework fosters continual environmental, safety, and operational improvement as we aim to achieve positive results on a sustainable basis. Our efforts to continuously improve performance are detailed throughout the Report.

EHS Management Structure

Kinetik's Environmental, Health & Safety team is comprised of highly knowledgeable professionals committed to ensuring our assets are operated and maintained in a safe, compliant, and environmentally responsible manner. Our EHS Department is comprised of over 25 subject matter experts dedicated to three main disciplines, **Environmental, Health and Safety**, and **Pipeline and Asset Integrity**. Our highly experienced and knowledgeable team is comprised of a VP of Environmental, Health, and Safety who reports directly to the Chief Operating Officer, along with a Director of Health and Safety, a Director of Environmental Compliance, and a Director of Pipeline Integrity Management along with their teams of highly knowledgeable professionals. Working closely with the EHS Department is our VP of Sustainability. By investing in these dedicated teams, we strive to ensure the prioritization of the environment, the safety and well-being of our people, and continued operational excellence as we aim to minimize our environmental impact and contribute to a sustainable future.



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I am incredibly fortunate to lead a team of over 25 professionals with hundreds of years of combined experience supporting our efforts in environmental compliance, occupational health and safety, process safety, and pipeline integrity management. I also recognize that we could not be successful without the involvement of our great employees or the unwavering commitment from the highest levels of our management team. It is comforting to know that our company genuinely cares about EHS excellence and provides the people and resources necessary to achieve it. This organization is committed to continually learning as we remain focused on protecting the environment and keeping our people safe.

-Wesley Carter, VP of EH&S

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» Protecting Our Environment

At Kinetik, being good stewards of the environment and ensuring we operate responsibly and carefully is deeply ingrained in our core values.

Our Approach to Environmental Management

Our approach to environmental management goes beyond regulatory compliance. We recognize that the choices and actions we make today will impact the future of our company, our people, our communities, our stakeholders, and our environment. We have limits on resources, so we understand the importance of making informed decisions each day to drive continuous environmental improvement. As a result, we prioritize initiatives that truly make a difference towards improving our environmental performance. We see this as a marathon, not a sprint, acknowledging the necessity of establishing solid systems to achieve sustainable long-term progress. Our efforts are aligned with the global goal of mitigating climate change with an ambition to reach **net-zero Scope 1 and Scope 2 GHG emissions by 2050.**

Through a thoughtful strategy, we are confident our holistic and integrated approach will enable us to pursue net-zero emissions, conserve energy and water, reduce waste, safeguard biodiversity, and promote sustainable acquisition and procurement, leading to a cleaner more sustainable future for all.

Environmental Management System

To deliver on our commitment to continually improve our environmental progress, we strongly emphasize the utilization of our [EHS Management System](#) framework which draws on principles in ISO 14001: *Environmental Management System* to effectively minimize our environmental impact and support the environmental objectives of our Company, our industry, and our stakeholders.

Management Structure

At Kinetik, we recognize the importance of environmental excellence and have taken concrete steps to achieve it. Our dedicated environmental team, led by the Director of Environmental Compliance and supported by our VP of Environmental, Health, and Safety, is solely focused on ensuring exceptional environmental performance and supporting our environmental programs. We rely on a diverse team of environmental professionals to provide ongoing support and expertise, further reinforcing our commitment to environmental management. By prioritizing environmental excellence and investing in a dedicated team, we aim to minimize our environmental impact and contribute to a sustainable future.

Employee Engagement Survey

In 2022, Kinetik conducted an employee engagement survey to assess our employees' awareness regarding various aspects of our environmental program. This survey was conducted within 60 days of the merger, providing leadership with a valuable opportunity to address any gaps early on during the transition.

The survey results revealed that 96% of employees are aware of their role in helping Kinetik achieve its safety and environmental goals. Additionally, 91% stated that their supervisors consistently reinforce the significance of avoiding leaks and spills, and 90% agreed that Kinetik is dedicated to reducing flaring and venting. The lowest score revealed that only 81% of employees knew, at the time, where our environmental policies and procedures were located, which was understandable during a time of transition as Kinetik was working towards integrating the two companies.

Overall, with responses being 89% Favorable, 10% Neutral, and only 1% Unfavorable, these findings demonstrate a strong level of awareness and alignment among our employees regarding the importance of

our environmental objectives, and they reaffirm our employees' understanding of their role in contributing to our overall sustainability efforts. We'll use these results as a baseline to measure our progress and performance against future engagement surveys.

Training

Training plays a crucial role in enhancing the knowledge and skills of our employees. We firmly believe that a successful sustainability strategy begins with a well-trained workforce.

To achieve this, our environmental team provides comprehensive training to our operations employees, equipping them with the necessary knowledge to make informed decisions while carrying out their duties.

Each year, all of our field operations employees undergo training sessions covering various aspects including SPCC training, permit awareness training, emission event and control device training, as well as LDAR training. Furthermore, we conduct additional environmental training on an as-needed basis or at less regular intervals.

By educating our workforce on the implications of their daily activities on Kinetik's emissions and carbon footprint, we foster a culture of excellence and responsibility. Our goal is to reduce our environmental impact and drive positive, sustainable change. Through these training initiatives and by instilling an environmentally conscious mindset, we are committed to making a difference.



Total EHS Training – compared to 4,768 hours in 2021.



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While our environmental team leads in practice, everyone at Kinetik is ultimately responsible for the Company's environmental performance. With support from our management team, we are cultivating a culture of excellence centered around responsible decision-making. Through educating our workforce on the implications of their daily activities on Kinetik's emissions and carbon footprint and by embracing new ideas and innovative technology, we are committed to reducing our environmental impact and driving positive sustainable change.

-John Wilder, Director of Environmental Compliance

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» Climate Change

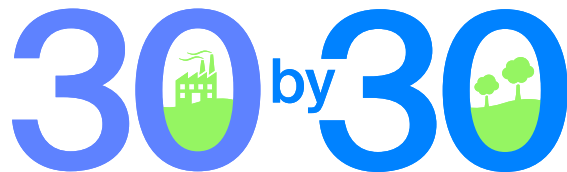
Climate change is one of today's greatest challenges, and the energy sector will play a pivotal role in addressing climate change through a structured energy transition while supplying less carbon intensive, safe, reliable, and affordable energy for the advancement of society.

The impact of human activity on climate change remains a challenging public policy issue that needs comprehensive and coordinated global solutions. Therefore, we are committed to contributing to the global solution by reducing the impact of our operations on the environment, working safely, and being a good neighbor while delivering on our economic goals.

Our Approach

Our commitment to contribute to a low carbon future is emphasized by our ambitious goal to reach net zero in our Scope 1 and 2 greenhouse gas emissions by 2050. Our net zero goal is supported by an interim 2030 target to reduce methane and GHG emissions intensities by 30 and 35 percent, respectively, compared to a 2021 baseline.¹

We have undertaken many initiatives to **meet our carbon reduction targets.** These include voluntarily deploying innovative emissions monitoring technologies, installing newer more efficient equipment, electrifying our compression, sourcing renewable energy, reducing leaks, and industry collaboration.



Aim to Reduce Methane Emission Intensity by **30% by 2030**



Net Zero **by 2050**



Aim to Reduce Greenhouse Gas Emission Intensity by **35% by 2030**

¹ Throughout this report, Kinetik's Methane Intensity and GHG Intensity reduction targets include Scope 1 and Scope 2 emissions and are compared to 2021 baseline year, unless otherwise noted.

As an operator of pipelines and processing facilities we recognize the importance of delivering energy to our customers reliably and responsibly. While we have historically generated the majority of our GHG and methane emissions through natural gas combustion during operation of compressor engines and process heaters, pneumatic controllers and pumps are the next largest contributors to our methane emissions. Through a comprehensive approach that encompasses engineering controls, administrative practices, and a combination of continuous and intermittent monitoring techniques we have implemented rigorous measures to minimize the release of these gases into the atmosphere, and advance us towards achieving our near- and long-term environmental goals.

We expect that our emission reduction goals will progress over time as we advance the application of new technologies, best practices, increased training, greater partnerships with key stakeholders, and deeper insights into emission reduction. We will continue to recalibrate and revise our targets at pace with new insights that emerge, as well as aligning with the targets established by well-recognized trade groups, such as ONE Future and The Environmental Partnership.

We are proud to partner with ONE Future and The Environmental Partnership, where we participate in additional voluntary emissions reduction programs to advance a more sustainable future.



Industry Collaboration

As part of our commitment to addressing climate change, we recognize the importance of collaboration and industry partnerships.

At Kinetik, we actively participate in several industry initiatives to help build our understanding of evolving regulatory changes on our business and drive sustainable environmental improvements, including:

- > **The Environmental Partnership**, a coalition of U.S. oil and natural gas companies, is committed to continuously improving the industry's environmental performance. As a partner, we participate in voluntary environmental performance programs, collaborate, and share best practices and technologies to develop essential natural gas and oil resources in an environmentally responsible manner.
- > **ONE Future**, a coalition of companies across the natural gas value chain, is dedicated to reducing methane emissions. As a member, we have voluntarily committed to meeting the lowest methane intensity targets set by ONE Future for our respective segments and reporting our methane emissions intensity annually.
- > **GPA Midstream Association**, an expansive organization where several Kinetik representatives serve on committees, provides us a valuable opportunity to collaborate with like-minded member companies to share expertise and advance sustainability in the natural gas industry.

Collaborating with industry partnerships plays a pivotal role in advancing Kinetik's climate change and sustainability efforts. Through these partnerships, we gain access to valuable expertise, resources, and best practices that help us drive innovation and enhance our environmental performance. By working together with industry peers, we collectively tackle sustainability challenges, share knowledge, and contribute to a more sustainable future.



Climate Risks and Opportunities

At Kinetik, we prioritize climate change as a key issue. As part of the energy industry, we understand the need for a transition, acknowledging our operation within a carbon-constrained world. We fully understand the significance of achieving net zero emissions by 2050, while simultaneously ensuring the stability and affordability of energy supplies, universal energy access, and fostering robust economic growth.

We have listened to thought leaders who highlight the significant role of natural gas and liquefied natural gas (LNG) in addressing climate change over the long term, and we agree with their perspective. We see natural gas as a critical component of the world's energy needs as a transition fuel, with LNG playing an even larger role in displacing other fuels with a higher carbon footprint. While renewables are gaining importance as incremental supply sources, the demand for petroleum products – not just gasoline – will extend into the future as demand grows with the growing global population. Building support for U.S. energy production will not only enhance our nation's resilience but also reinforce our critical role in providing global leadership to countries seeking energy security, stability, and supply.

While we believe that fossil fuels and their derivatives will remain significant in the global energy landscape throughout the energy transition, during this time frame, we recognize several transition risks¹, including:

> Policy and legal risks arising from the shift to a lower-carbon energy system.

This includes changes in drilling and pipeline construction and operation, methane intensity measurement, climate-related legislation, and federal and state regulations. We actively stay informed about new developments, working closely with trade groups, industry associations, and regulators to find reasonable solutions for emissions reduction.

> Technology risks, such as the consumer shift to vehicle electrification and infrastructure changes, which may impact the demand for the products we gather, process, and transport.

We are adapting our infrastructure, accelerating the electrification of our operations where practical and safe alternatives exist. This effort began with our compressors and will likely extend to other operations in the future as new technologies and best practices evolve. Additionally, we have evaluated our operations and equipment and have incorporated more responsible best practices and adopted more efficient technologies, such as replacing pneumatic controllers and pumps with instrument air contributing to improved sustainability and reduced emissions. We will continue evaluating our operations and adapting our infrastructure to align with our business objectives, ensuring we remain at the forefront of industry advancements.

> Market risk, we believe that tying sustainability performance and transparency to how we operate will be essential in attracting and maintaining investment.

Issuing our own sustainability-linked financing instruments, tied to emissions reductions and increasing diversity in our leadership team, which in turn improves our decision making, is essential for maintaining access to capital.

> Reputation risks will be mitigated through maintaining our license to operate.

Open dialogue, transparency, and education of key stakeholders on our efforts to measure and reduce emissions is a key focus of our company because we strive to protect the environment and improve the safety of our employees and our stakeholders. Our performance will be proof of our commitment.

We also recognize the physical risks associated with climate change, including:

> Acute risks, from extreme weather events such as Winter Storm Uri in 2021.

We will continually work to ensure that our people and our assets are resilient from acute risks. As one of the few midstream companies to be operational during that storm, we continue to learn and adapt to maintain a state of readiness. Our strategy has been to diversify our downstream deliverability for all commodities to enhance the reliability of our assets.

> **Chronic risks, such as longer or more intense heat or cold waves.** We will remain flexible, which may require procedural adjustments, training, new equipment, or other modifications if chronic events become more commonplace.

¹ Refer to Kinetik's Form 10-K, Risk Factors, for a detailed description of Climate Change and other identified risks.



As the global energy transition continues, we see opportunities for our midstream business. The U.S. Energy Information Administration (EIA) projects that by mid-century, demand for petroleum and other liquids will plateau, and natural gas use will increase, driven by increased liquefied natural gas, global natural gas consumption, and pipeline exports to Mexico and Canada. In addition, we believe that midstream will have a continued role in helping producers reduce the potential for flaring while delivering the energy the world needs to live their lives.

At Kinetik, we are determined to be best-in-class, driving forward the growth of our current assets, while supplying less carbon intensive, safe, reliable, and affordable energy for the development of society. To achieve this, we recognize the importance of integrating climate risks at every level of leadership, and with employees, customers, suppliers, policy makers, and investors.

In our regular meetings of the Company's Board and Management Teams, we extensively discuss our financial objectives, capital expenditure plans, merger and acquisition strategies, and comprehensive risk assessments. This includes tracking our progress towards climate and other environmental, social, and governance targets, as we firmly believe that these areas are interlinked and mutually influential. To help to safeguard our reputation, the Board and Management Team have made significant strides in listening to, consulting with, and educating key stakeholders about our initiatives to protect the environment, reduce emissions, and enhance safety.

At Kinetik, we fully acknowledge our customers' expectations for outstanding performance, which encompasses not only providing them with the best service and netback, but also includes prioritizing safety, reducing emissions, and protecting communities and the environment. We believe that we have a credible and realistic program in place to deliver continuous improvement in these key areas. Furthermore, we align ourselves with joint venture partners who share our commitment to adhering to stringent emissions and

operating standards. The feedback from our customers regarding our progress has been overwhelmingly positive, and we are dedicated to continuously evolving our program to meet their needs.

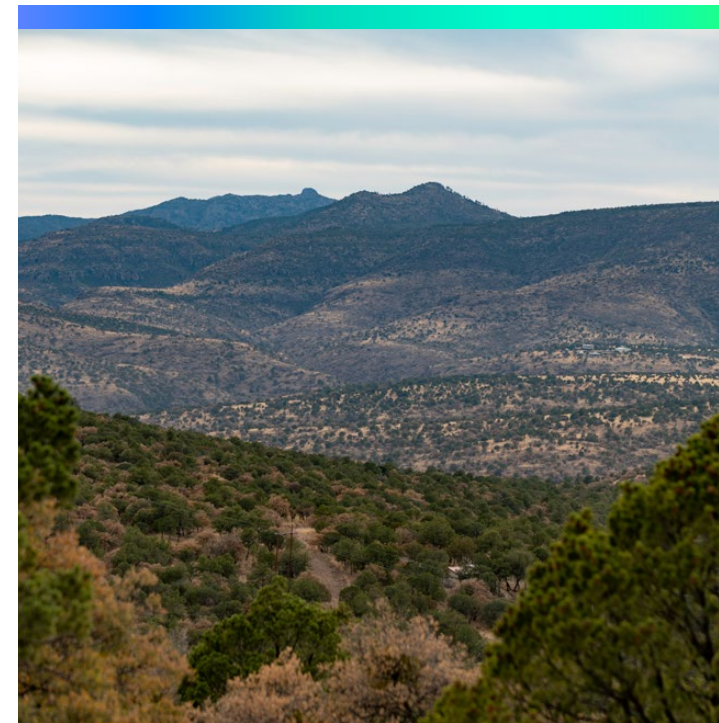
Additionally, we recognize the significance of pushing our limits and enhancing the influence of our operations on all stakeholders. We firmly believe that each employee must assume ownership and responsibility for both our sustainability and financial performance. This understanding stems from the fact that our employees have high expectations regarding safety and environmental performance, as they seek to be part of a company dedicated to safety and sustainability. We are confident that this commitment will yield long-term benefits as we strive to attract new talent.

We view our suppliers as an integral extension of our team, and we are deeply committed to collaborating with suppliers who share our values and sustainability principles. Our suppliers and partners are actively showcasing their dedication to sustainability and a lower carbon future by proactively setting their own sustainability goals and emissions reduction targets. This exemplifies their strong alignment with our sustainability values.

With policymakers, regulators, and elected officials we closely monitor discussions regarding the implementation of methane emissions regulations, as they have the potential to impact our investment levels and operational approach. We actively engage with these groups, often through industry associations, to gain a better understanding of the ultimate objectives of new policies or regulations. We believe that open dialogue is crucial in pursuing effective policy solutions, and we communicate the positive aspects of new regulations while also highlighting any concerns.

We are committed to keeping our shareholders and investors well-informed about our sustainability goals and our substantial investments in emissions reduction, monitoring, and detection measures. Despite some investors perceiving the energy industry as outdated

or unfavorable, we believe that the landscape is shifting. Increasingly, people are recognizing that the energy transition cannot occur instantaneously, and the products supplied by the oil and gas industry are crucial for economic development during the energy transition. As a responsible midstream operator, we understand the significant role we play in providing the energy that society requires, while also acknowledging our responsibility to minimize emissions and our impact on climate change. In pursuit of this, we have set an ambitious long-term goal to achieve net-zero Scope 1 and Scope 2 emissions from our operations no later than 2050. Additionally, we have established mid- and short-term targets to aim to ensure we remain on a strategic trajectory towards achieving this goal.



Emissions Management

Kinetik is committed to following climate science to limit global temperature rise by reducing GHG emissions while simultaneously promoting human and economic development. Considering the projections by the U.S. Energy Information Administration, which indicate a significant reliance on oil and natural gas as energy sources through mid-century, it is crucial for us to develop practical and effective solutions to curb emissions.

In line with our commitment, Kinetik not only complies with applicable federal, state, and local regulations but also actively engages in voluntary initiatives aimed at reducing GHG and criteria air emissions. Since beginning our sustainability journey, Kinetik has implemented various tools and measures to monitor, report, and reduce operational emissions. These include a robust Leak Detection and Repair (LDAR) program, the implementation of cutting-edge technologies, upgrades to energy-efficient equipment, and comprehensive training programs that foster a culture of responsibility and accountability in emissions management.

Continuing our trajectory of progress, Kinetik's initiatives in 2022 witnessed growth and evolution, encompassing a range of actions and programs aimed at further reducing GHG and criteria air emissions and protecting the environment.



Our 2022 initiatives included:

- > Pneumatics Upgrades
- > Electrified Compression
- > Leak Prevention
- > Advanced Emissions Monitoring
- > Renewable Energy
- > Operational Improvements & Efficiencies



> Upgrading Pneumatics: In 2022, we initiated the process of identifying facilities that operated natural gas driven pneumatics and pumps and began evaluating each facility to determine the suitability for transitioning to instrument air. One facility successfully underwent the conversion in 2022, and we have plans to convert additional facilities to instrument air in 2023, resulting in significant reductions in our methane emissions. Additionally, in 2022, two new facilities were designed and constructed to operate on instrument air, and, where suitable, this approach has become our standard engineering practice for future construction projects.

> Installation of Electric Compression: Being our largest contributor to our GHG footprint, we recognize the importance of focusing our efforts on reducing emissions from our fleet of natural gas driven compressors. In 2022, Kinetik expanded its fleet of electric compression by installing an additional 10,000 horsepower (HP) at the Pecos Bend Plant. This strategy continued into 2023 with the installation of another 10,000 HP of electric compression at our Diamond Cryo Plant early in the year. As part of our ongoing efforts to reduce our emissions footprint, we will continue to assess the viability of increasing the utilization of electric compression and refrigeration across our assets. Currently, of Kinetik's total 707,000 HP of compression and refrigeration, approximately 120,000 HP or 17% is electric.

> Leak Detection and Repair: We plan for and manage the operations and maintenance of our pipelines, gathering systems and processing plants to strive to ensure operational efficiency and integrity. We perform leak detection surveys through an independent third party to maintain thorough, unbiased inspections. We monitor and repair leaks, track and investigate the root cause(s), and implement additional corrective actions when necessary. Additionally, in 2022, Kinetik created an internal LDAR SWAT Team. While Kinetik has always repaired identified leaks in compliance with regulatory timelines, the internal SWAT Team is focused on improving the leak repair time, further minimizing emissions. Employing a robust LDAR program enables Kinetik to proactively identify and rectify any potential methane and volatile organic compound (VOC) emissions from our operations promptly, ensuring optimal performance while minimizing their effects.

> **Advanced Monitoring Technology:** Effectively implementing new methane detection technology is a key component of our methane reduction and overall emissions reduction efforts. To support our efforts to be a safe and environmentally responsible operator, we increasingly evaluate new innovative technologies for deployment across our assets.

In 2022, we deployed fixed **continuous emissions monitoring cameras** at two key facilities. Although each camera utilized different technology, they provided Kinetik with valuable monitoring data, such as real-time detection, identification, and quantification of gas leaks along with real-time alerts and live video display, enabling our operations personnel to promptly respond to and rectify potential leaks and abnormal emissions.

Furthermore, we have equipped operations and support teams with **handheld leak detection devices** and provided them with appropriate training to effectively monitor our facilities for leaks.

These additions to the program allow us to voluntarily monitor our processing plants and other facilities internally. By leveraging cutting-edge technology, we have significantly enhanced our emissions monitoring capabilities, enabling efficient detection and resolution of leaks.

In 2023, we are continuing to evaluate various next-generation continuous emissions monitoring applications and are currently conducting a pilot test comparing sensor-based and laser-based continuous emissions monitoring technologies. This effort is part of our ongoing initiative to identify more efficient methods for detecting and mitigating emissions. As technology continues to evolve, we will continually evaluate and deploy technologies that are suitable for our operations and contribute to advancing our progress towards our emissions reduction goals.

> **Aerial Emissions Monitoring:** In 2022, we began voluntarily performing regular aerial emissions monitoring surveys of our assets utilizing Gas Mapping LiDAR (GML) technology from Bridger Photonics. These aerial assessments provided an additional layer of leak detection monitoring and valuable information. By deploying this proactive measure, we seek to ensure continuous improvement towards achieving our methane and overall GHG emission reduction targets.

> **Emissions Calculation Methodology Improvements:**

In 2022, Kinetik undertook several initiatives aimed at improving our emission calculation efforts. Historically, Kinetik has utilized EPA-approved industry-specific emission factors and estimates for calculating emissions from various sources when actual measured data and emission factors were unavailable. However, in 2022, we focused on key efforts to improve fuel gas measurement, compression combustion calculations, and inventories for pneumatic devices. These improvements enabled us to replace previously used EPA-approved emission factors with operational data, resulting in more accurate emissions calculations. Consequently, the 2021 calculations referenced in this report may differ from previously reported figures.

> **Initiatives:** In 2022, we implemented various other improvements to incorporate lower emissions practices and facility and equipment designs across our operations. One significant improvement focused on reducing emissions from compressor blowdowns. Since a substantial percentage of our compression fleet is leased, this required close collaboration with our vendors as we aimed to ensure that Kinetik's internal blowdown best practices were implemented across both our rental fleet and owned fleet.





Carbon Accounting

We see enhanced carbon accounting and the ability to frequently model and report our GHG emissions as essential in achieving both our long-term net zero goals and the emission-related targets included in our Sustainability-Linked Financing Framework. In 2022, we established a valuable partnership with Tachyus Corporation to implement Aurion, a best-in-class GHG emissions platform. Aurion plays a crucial role in assisting us with our carbon accounting, emissions forecasting, and reporting requirements, enabling us to make informed decisions on our sustainability journey.

Renewable Energy and Energy Efficiency

We are committed to being an industry leader in sustainability and the ongoing energy evolution. One initiative within our broader sustainability plan to reshape how we operate, to limit our impact on the environment, and to deepen our stakeholder relationships is by powering our operations with renewable energy.

In 2021, EagleClaw became the first major gathering and processing company in the Permian Basin to execute an agreement ensuring that 100% of its operations are powered entirely by renewable energy sources. This milestone guarantees a reliable, secure, and cost-effective supply of clean, renewable solar and wind energy for the term of the agreement. Following the merger, approximately 50% of Kinetik’s total electricity consumption for its operations is sourced from renewable generation under this agreement. While our original goal was to operate from 100% renewable sources, we are currently evaluating different approaches to efficiently increase the proportion of renewable energy used throughout our operations.

In addition to purchased utility power, we evaluate self-generated renewable energy as a source of power in our operations. With over 1,500 solar panels deployed across our assets, the vast majority of our gas measurement and sampling is currently powered entirely from solar. Use of these solar panels allows us to power equipment with renewable energy efficiently, reliably, and independent of the power grid.

While powering our operations with renewable energy sources contributes to Scope 2 emissions reductions and cleaner energy, we believe it is crucial to prioritize energy reduction efforts alongside our renewable energy initiatives. At Kinetik, we also emphasize the reduction of electricity consumption through the implementation of energy efficiency measures. We actively collaborate with our vendors to evaluate practical and effective solutions that enable us to minimize our electricity usage. We firmly believe that reducing electricity usage is the long-term solution to directly mitigating our environmental impact and promote sustainability.

In 2022, our company-wide purchased power electricity usage was approximately 483,213 megawatt hours (MWh), 55% or 267,587 MWh of which was powered by renewable energy sources. **This is equivalent to the greenhouse gas emissions from 42,199 passenger vehicles driven for one year.¹**

	2022	2021
Total Energy Use	483,213	393,070
Total Renewable Energy	267,586	168,412
% Renewable Energy	55%	49%

Kinetik Energy Use (MWh)

¹ Greenhouse Gas Equivalencies Calculator sourced at epa.gov

Our Targets

We are steadfast in our belief that integrating responsible and sustainable practices into our daily operations is essential, and we remain committed to prioritizing the environment and actively managing the climate impact of our business. As such, we have established specific measurable environmental targets and key performance indicators, particularly concerning our GHG emissions performance. These targets directly support our ambitious goal of achieving **net-zero Scope 1 and Scope 2 emissions by 2050** and the broader global transition to a low carbon future.

Net-zero by 2050

2022 Goals

GHG Intensity Ratio: 0.00367 (3.9% Reduction)

Methane Intensity Ratio: 0.0565% (3.3% Reduction)

New 2023 Goal

3.4% Methane Intensity Reduction

2030 Goal

35% reduction to our GHG emissions intensity ratio from a 2021 base year

30% reduction to our methane emissions intensity ratio from a 2021 base year

While we always strive for zero environmental incidents and zero regulatory penalties, these targets serve as our key performance indicators to help us measure progression towards our long-term net zero goal and are linked to Kinetik’s Sustainability-Linked Financing instruments and employee’s at-risk pay, further discussed in Sustainability-linked Remuneration. Kinetik remains unwavering in our commitment to prioritize the environment and is committed to driving significant change and progress through setting meaningful and challenging targets.

In 2022, we made substantial progress on both targets, realizing the following YoY achievements:

> 12.0% reduction in methane emissions intensity vs. our annual target of 3.3%

> 6.4% reduction in GHG emission intensity ratio of vs. our annual target of 3.9%

Our Performance

Year on year, we strive to improve our environmental performance, to **KEEP** delivering on our commitment to protect the environment.

In 2022, Kinetik handled 17 compliance inquiries and inspections with the Texas Commission on Environmental Quality (TCEQ), resulting in ZERO penalties.

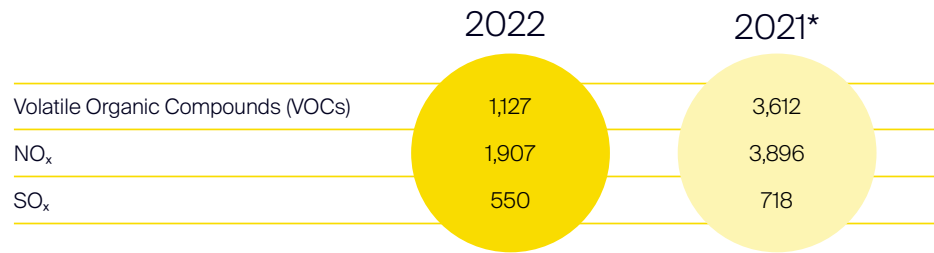
Regulatory Inspections and Violations Interactions

	2022	2021 ²
Regulatory Inquiries & Inspections (#)	17	N/A
Violations¹ (#)	1	N/A
Regulatory Penalties (#)	0	0
Regulatory Penalties (\$)	\$0	\$0

¹ Failure to comply with the requirements of 40 CFR 60.5415a(h) which requires a leaking component to be repaired within 30 days. The leaking components in question were identified in 2020 during an LDAR survey and subsequently repaired, however, the repair exceeded 30 days, resulting in the notice of violation which was issued in 2022.

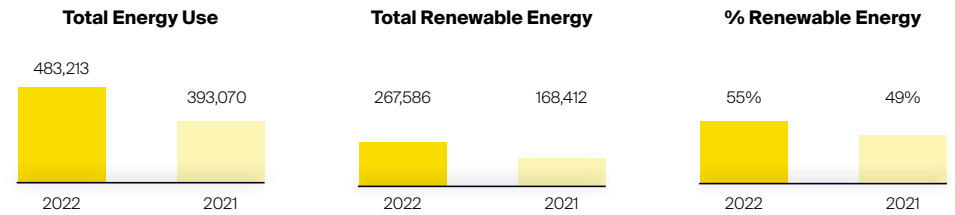
² Proforma data for 2021 is not available.

Kinetik Air Emissions (tpy)



*For 2021 data, the tons per year represents the combined permitted limits

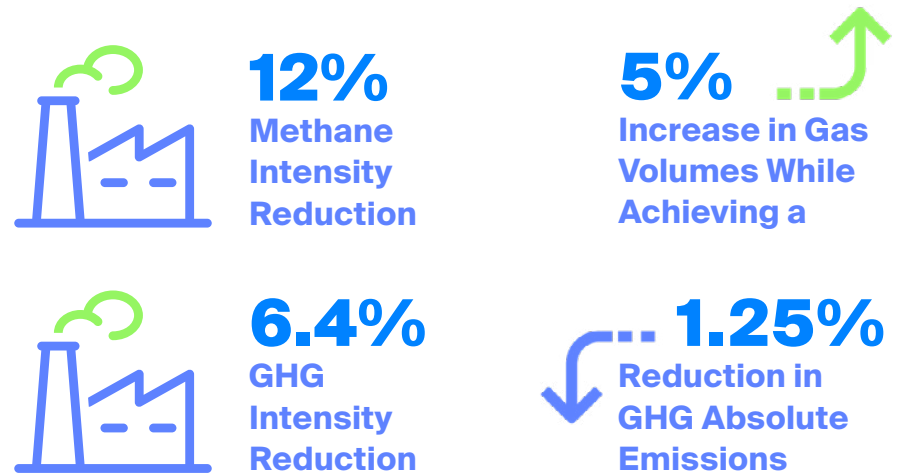
Kinetik Energy Use (MWh)



Greenhouse Gas Emissions Performance

	2022	2021
Methane in Total GHG (%)	5.571%	5.916%
Methane Intensity (%)	0.0520%	0.0591%
Methane Intensity Year-Over-Year Reduction	12.0%	baseline year
GHG Intensity Ratio (mtons/mscf)	0.003566	0.003811
GHG Intensity Year-Over-Year Reduction	6.4%	baseline year

Note: 2021 data has been updated due to enhancements to our equipment inventory count and utilization of actual emissions data instead of of EPA approved emissions factors.



Greenhouse Gas Emissions (mtCO₂e)

	2022				2021			
	CO ₂	CH ₄	N ₂ O	Total	CO ₂	CH ₄	N ₂ O	Total
Scope 1 Totals	1,703,858	106,596	5,698	1,816,152	1,722,663	114,776	935	1,838,373
Scope 2 Totals	85,031	140	14,586	99,757	88,901	146	15,248	104,295
Scope 1 and 2 GHG Emissions	1,788,889	106,736	20,284	1,915,909	1,811,564	114,922	16,183	1,942,669



» Responsible Water Management

At Kinetik, we deeply understand the significance of water and its scarcity in West Texas. As both consumers and providers of responsible water management services, we are committed to effectively and responsibly managing this precious resource. Through our operations, we strive to ensure the responsible utilization of water, taking into account its limited availability and the importance of sustainable water management.

While we use relatively small amounts of water in our direct operations compared to upstream operations and other industries, we recognize the importance of conserving water in a water-scarce region and remain committed to minimizing our water consumption and ensuring that we only use what is necessary in our efforts to deliver the energy people need to power their lives.

Our primary potential water-related impacts are associated with our produced water transportation and disposal operations which offer produced water management services to customers. Produced water is non-potable as it typically contains increased levels of salt, organic compounds, and trace hydrocarbons; therefore, it cannot be released to the ground, used for irrigation, or for other common potable-water uses. Instead, it requires careful management during transport and reuse or disposal.

Our produced water gathering system is designed such that we can direct gathered volume from our customers to oil and gas producers for reuse in their upstream operations. Produced water not directed for reuse is injected downhole into our shallow saltwater disposal wells (SWDs).

During 2022, Kinetik operated 12 active SWDs and approximately 75 miles of produced water gathering pipelines. Together, these assets enabled Kinetik to transport over 52 million barrels of produced water by pipeline, saving more than 430,000 truck trips and preventing the potential for related spills and leaks that could negatively impact adjacent lands and bodies of water.

In March 2023, Kinetik acquired an additional produced water gathering and disposal system in southern Reeves County, increasing our produced water operations to 22 active SWDs and over 360 miles of produced water gathering pipelines.

Oilfield Water Stewardship Council

As a founding member of the Oilfield Water Stewardship Council (OWSC) we are committed to advancing water stewardship in the oil and gas industry. Through our partnership with OWSC, we work with a community of peers to establish and standardize relevant performance metrics that support responsible water management and stewardship.

Our Performance

	2022	2021
Number of active saltwater disposal wells	12	12
Produced water transported (barrels)	52,777,121	55,000,000+

Note: Kinetik currently does not have a method to accurately calculate the amount of water used in its operations. We hope to develop a way to better track our water consumption in the future.



» Seismic Activity

Through collaborative efforts with industry peers, regulators, and research groups, Kinetik remains deeply committed to reducing seismic activity in the Permian Basin and advancing critical research in this field. As part of our commitment, we have actively contributed valuable data and funding to support ongoing research initiatives.

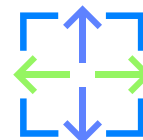
The Permian Basin has experienced a rise in seismic activity in recent years, raising concerns about induced seismicity and its potential impact on the region. In response to this risk, Kinetik has taken proactive measures to monitor, understand, and better address seismicity concerns.

Recognizing the importance of contributing to and staying abreast of the latest seismic research and developments, we engage in collaborative efforts with industry peers, regulators, and researchers. Specifically, we work in close cooperation with the Texas Railroad Commission (TRRC) and the Texas Seismological Network and Seismology Research (TexNet) and the Center for Injection and Seismicity Research (CISR) at the University of Texas.

In recognition of the need for coordinated action, the TRRC established the Northern Culberson-Reeves (NCR) Seismic Response Area (SRA). As part of this action, we actively participate in the NCR SRA Operator-Led Response Plan, implemented in March 2022. Aligning with this operator-led response plan, we have committed to operating impacted SWDs below permitted limits and providing additional data to the TRRC and TexNet for ongoing research.

We understand the significance of continuous monitoring to effectively address and mitigate seismic activity. In 2022, we demonstrated this commitment by providing \$60,000 to the TexNet Infrastructure Fund. This donation facilitated the installation of a seismometer station within Texas' regional seismic networks, strategically placed near two of our SWDs located within the TRRC's Northern Culberson-Reeves Response Area. This installation not only enhances our monitoring capabilities but also provides valuable seismic data for further research and analysis.

Our dedication to environmental stewardship and responsible operations in the communities where we operate remains steadfast. We recognize that seismic research in the NCR SRA is continuously evolving, and we remain responsive to new developments, adapting our practices accordingly. Through active engagement with industry peers, regulators, and researchers, we are committed to making significant research advancements towards ultimately mitigating induced seismic risks.





**ZERO
VIOLATIONS AND
ZERO PENALTIES
IN 2022**

» **Responsible Waste Management**

Our focus lies in minimizing waste within our operations and prioritizing recycling. We monitor our waste streams closely to work to ensure compliance with regulations and our comprehensive Waste Management Plans (WMPs), applying responsible waste management practices that protect human health and the environment.

Our Waste Management Plans, one for our gathering and processing operations and one for our produced water management operations, address the identification, characterization, disposition, reporting, and recordkeeping requirements of various waste streams generated during routine operations, general office/administrative tasks, facility maintenance, onsite corrective remediation actions, and excavation and construction activities.

All wastes are evaluated to determine their characteristics and regulatory status as hazardous/non-hazardous, industrial, RCRA-exempt, or universal, and each category is governed by applicable regulations and require specific handling and disposal processes. Examples of our routine exploration and production (E&P) wastes include various equipment filters, motor oil, slop oil, oily rags, pigging wastes, produced water, municipal waste, and batteries.

As a part of our day-to-day operations, we generate low volumes of hazardous waste compared to other industry sectors. The Environmental Protection Agency (EPA) regulates generators of hazardous waste based on the amount of hazardous waste they generate, and due to the small volume of hazardous waste we create, each of our facilities are categorized as Very Small Quantity Generators (VSQGs), and as such, we comply with the applicable rules.

One way we minimize wastes that may otherwise be generated is by implementing a robust oil sampling program across both our rental and owned compression

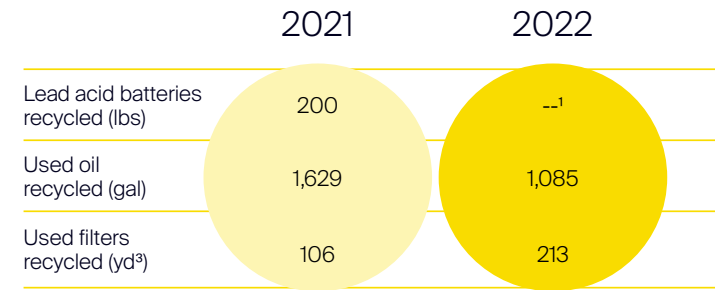
fleet. By testing the engine oil at specified intervals, and only changing it when necessary, we are able to prolong the time in between oil changes, minimizing the use of new lubrication oil and generation of used oil. It also remains our common practice to recycle our used oil, along with batteries and the various used filters generated at our facilities.

By following our WMPs, we work to ensure responsible and complaint waste handling throughout our operations, minimizing our environmental impact and promoting sustainable practices.

Recently, the EPA revised their Toxics Release Inventory (TRI) regulation, which expands coverage to include all natural gas processing facilities that receive and refine natural gas. Accordingly, we have evaluated the applicability of the rule across our facilities, and will comply with the new 2023 reporting requirements, providing release and waste management data from our operations, that will meaningfully increase the amount of publicly available information.

Our Performance

We are committed to meeting our regulatory requirements, and in 2022 we had ZERO violations and ZERO penalties related to our Waste Management program.



¹ While we continue to recycle batteries, we do not have data for 2022

By implementing responsible practices to minimize wastes, we demonstrate our commitment to responsible waste management.



» Biodiversity

Operating within the Trans-Pecos Wildlife District in Reeves, Culberson, Pecos, Ward, and Loving counties, we are deeply committed to responsible practices that safeguard and conserve the native habitat.

Our approach to biodiversity focuses on the following principles:

- » **Integrated decision-making:**
We integrate biodiversity considerations into our project planning and management processes. Through the utilization of internal GIS mapping tools and collaboration with various internal stakeholder groups, including commercial, engineering, land, and regulatory compliance teams, we work to ensure a comprehensive understanding of habitats and species within our basin. As we expand into new operational areas, we conduct studies such as Environmental Impact Assessments, to endeavor to maintain this level of understanding regarding habitats and species.
- » **Protecting sensitive biodiversity:**
We acknowledge that our activities can potentially impact sensitive and valuable biodiversity. To mitigate risks and promote conservation, we actively strive to avoid or minimize adverse effects on sensitive biological resources within the areas of our operations.
- » **Regulatory compliance and mitigation:**
We are committed to meeting or surpassing applicable regulatory requirements and implementing robust processes to mitigate our impact on biodiversity.
- » **Additional measures for sensitive areas:**
When constructing or expanding projects near environmentally sensitive areas, we implement additional mitigation measures to help safeguard these regions. This includes protecting sensitive habitats, conservation areas for threatened or endangered species, and areas of high biodiversity value. Should an asset be located within an environmentally sensitive area, we conduct additional integrity inspections.
- » **Open dialogue and stakeholder engagement:**
We continuously monitor developments and maintain a commitment to fostering open discussions. By understanding stakeholder concerns and identifying opportunities to minimize adverse effects, we strive to reduce any potential environmental impact caused by our operations.





» Process Safety and Asset Integrity

At Kinetik, we are committed to responsibly operating our facilities to deliver products to customers while reducing the impact on the environment, and we realize that maintaining the integrity and reliability of our assets is crucial to delivering on this commitment.

Our Approach to Process Safety and Pipeline Integrity Management

From initial construction through commissioning and operation, our facilities and pipelines are included in a comprehensive Integrity Management Program, ensuring we construct and maintain reliable equipment in accordance with regulatory requirements, industry standards, and best practices.

We manage changes to our assets to seek to ensure affected programs, procedures, training, and process information is current to the operation. Essential procedures and critical information are kept up-to-date and made available, so operations personnel have the tools they need when they need them. Our contractors are carefully selected as we seek to ensure our Risk Management values are shared and understood. Our Emergency Action Plans are strategically developed to account for potential accident scenarios within our operations. Training and emergency response drills are conducted with our personnel and coordinated with the first responders we rely on in the communities where we operate. By adhering to our EHS Management System and Process Safety and Integrity Management programs, we prioritize the safety and reliability of our assets, ensuring their continued reliable performance over time.

Process Safety and Pipeline Integrity Management System

To deliver on our commitment to Process Safety and Pipeline Integrity Management, we utilize our EHS Management System framework.

This draws on principles identified in *API RP 1173: Pipeline Safety Management Systems* and the *Center for Chemical Process Safety (CCPS): Guidelines for Risk Based Process Safety* to effectively help safeguard our plants and pipelines and protect their operational integrity.

As part of our regulatory obligations, we periodically undergo external process safety management audits mandated by the Occupational Safety and Health Administration (OSHA). Additionally, we undergo regular audits and inspections conducted by the Texas Railroad Commission and Pipeline and Hazardous Materials Safety Administration (PHMSA) as we work to ensure compliance with safety and operational standards. These audits and inspections play a crucial role in maintaining the highest levels of safety and regulatory compliance within our operations. At Kinetik, we understand the importance of preventing incidents by ensuring the containment of hydrocarbons within our plant and pipeline processes.



Management Structure

To ensure the utmost commitment to our Process Safety and Pipeline Integrity Management goals, we have established two dedicated functional teams, managed by our VP of EHS.

Our **Process Safety and Risk Management program** is led by our Director of Health & Safety who spearheads a team comprised of dedicated and highly knowledgeable professionals who work collaboratively to drive our process safety initiatives. This group's steadfast dedication aims to ensure that our process safety programs are effectively implemented, aligning with our objective of being a responsible and reliable operator.

Our **Pipeline Integrity Management program** is led by our Director of Pipeline Integrity Management who heads a team of experienced experts that oversee a comprehensive portfolio of pipeline compliance and integrity management programs. This accomplished team is entirely focused on upholding the highest standards of safety and integrity throughout the lifecycle of our pipeline assets. By diligently managing our pipeline integrity programs, we seek to ensure that our operations maintain robust safety measures and adhere to stringent compliance requirements.

Through the collective efforts of these dedicated teams, we demonstrate our unwavering commitment to Process Safety and Pipeline Integrity Management, fostering a culture of responsibility and reliability in our operations.

Construction

Adopting responsible construction practices, we prioritize coordination with regulatory representatives, permitting experts, and landowners when planning the development or expansion of assets and facilities. Throughout the lifecycle of a construction project, we assess and manage its environmental footprint, taking proactive steps to identify, prioritize, and mitigate potential impacts.

Our approach encompasses a wide range of measures, including but not limited to:

- > Conducting Environmental Impact Assessments (EIAs).
- > Developing restoration and reclamation plans and strategies to restore areas impacted by construction activities and promote ecological recovery.
- > Implementing project-specific spill prevention and response procedures to effectively address and mitigate any potential spills or incidents.
- > Collaborating with landowners to determine pipeline routing that optimizes benefits for all parties involved.

Our Operations and Construction Management teams work closely with engineering design teams in an effort to ensure that our facility and pipeline assets are constructed



with minimal adverse environmental and ecological impacts. Regulatory and permitting requirements for pipelines, compressor stations, and facilities are seamlessly integrated into our design, construction, and integrity management programs. In the event of an incident, we rely on our computer-based EHS system to assign and track actions for remediation efforts and efficient communications. This ensures that any concerns are promptly addressed and resolved, further safeguarding the environment and maintaining open lines of communication with stakeholders. Through these comprehensive measures, we uphold our commitment to responsible construction practices, ensuring that our projects are constructed in a safe and environmentally conscious manner while complying with regulatory standards.

Restoration of Rights-of-Way

Upon the completion of new projects or maintenance construction on existing assets, we prioritize the restoration of rights-of-way to their pre-construction state. In strict adherence to regulatory requirements and in close collaboration with landowners, we undertake comprehensive restoration measures.

Our restoration efforts encompass various activities, including:

- > Grading rights-of-way to restore them to their original elevations prior to construction.
- > Conditioning soil to create an ideal environment for vegetation growth.
- > Implementing erosion control measures to stabilize creek banks, drainage ways, and steep slopes.
- > Undertaking revegetation initiatives using carefully selected seed mixes that align with regional conservation practices and meet landowner requirements.

By diligently carrying out these restoration practices, we aim to ensure that the disturbed areas regain their ecological balance and visual appeal. Our commitment to effective restoration extends beyond regulatory compliance; it encompasses fostering a harmonious relationship with landowners and demonstrating our dedication to environmental stewardship.

Pipeline and Facility Inspections

Kinetik's pipeline network spans over 1,800 miles, with the majority of the infrastructure being less than 10 years in operation. In an effort to ensure the utmost safety and operational efficiency, we employ both risk based and prescriptive inspection schedules for our pipeline systems. This schedule takes into account factors such as the potential for internal or external corrosion, soil erosion, adverse weather conditions, or the likelihood of damage from nearby construction activities.

Our pipeline systems undergo continuous monitoring and regular patrols to mitigate risks. Our Remote Operating Center (ROC) along with SCADA monitoring systems continually monitor our pipelines and facilities for pressures and flow rates, along with leak detection. Our dedicated operations personnel conduct routine ground patrols, looking for indications of leaks or other integrity threats such as exposures, encroachments, or other unauthorized activities. Additionally, we employ comprehensive aerial surveillance, including biweekly aerial patrols and quarterly flyovers of our regulated pipelines and other assets. These monitoring activities incorporate cutting-edge technology such as optical gas imaging cameras. We are also committed to maintaining open communication with landowners, providing them with accessible channels to report any damage or spills they may detect.

Furthermore, we place significant emphasis on inspecting, testing, and monitoring our gas processing facilities on a regular basis. Our gas processing plants are staffed around the clock, and we utilize a robust Computerized Maintenance Management System (CMMS) to schedule and document planned inspections, repairs, and preventive

maintenance activities. During inspections, we adhere to Original Equipment Manufacturer (OEM) recommendations as well as industry best practices, such as Recognized and Generally Accepted Good Engineering Practices (RAGAGEP), ensuring that all equipment operates and is maintained in accordance with its original design.

Spill Prevention

Kinetik is responsible for the transportation of natural gas liquids, crude oil, and produced water through its extensive pipeline network and facilities. Spill prevention and control are fundamental to our operations and the community at large as we work to ensure the integrity of our pipelines and facilities and prevent any contamination of waterways or land. Therefore, when constructing new pipelines or expanding existing facilities, we conduct thorough hazard assessments to identify potential risks to process and pipeline safety. As part of this proactive approach, we incorporate secondary spill containment features to help safeguard against soil and water pollution.

During the operation of our pipelines and facilities, we strictly adhere to spill prevention controls and have robust Spill Prevention, Control, and Countermeasure (SPCC) plans and Emergency Response Plans (ERPs) in place. Our SPCC plans address monitoring, inspection, and prevention responsibilities along with guidelines to safely and quickly reduce the impact of potential spills. In the event of a spill, we take immediate action to remediate the event. Our first priority is to promptly identify the substance involved and assess any associated hazards. If the spill meets the criteria for being a reportable quantity, we promptly notify the relevant authorities. The safety of those involved in managing the spill is our top priority, so we aim to ensure that they have the training and tools necessary to stop and contain the spill. Once contained, we proceed with the cleanup and remediation of the affected area. Following any event, we conduct a thorough investigation to determine the root cause and implement measures to prevent similar incidents from recurring.

To maintain comprehensive records and continuously improve our spill response capabilities, spills are recorded in our computer-based EHS system. This tracking system allows us to monitor our performance, maintain accurate records, and extract valuable insights to enhance our practices and procedures based on lessons learned from each incident.

Kinetik's pipeline network spans over 1,800 miles, with the majority of the infrastructure being less than 10 years in operation.



Our Performance

Being safe is part of our culture. It is integral to the way we run our business, and it defines how we operate and maintain our facilities.

In 2022, Kinetik underwent 37 audits and inspections by the Railroad Commission of Texas, resulting in one regulatory penalty in the amount of \$4,500¹.

	2021	2022
Regulatory Inspections	N/A ²	37
Regulatory Penalties (#)	0	1
Regulatory Penalties (\$)	\$0	\$4,500

¹ Failure to produce a record supporting compliance with 49 CFR 195.561. A pipeline was constructed by and purchased from a third party. The record in question was not secured when the pipeline was acquired. Kinetik has since adjusted its due diligence records review practices to ensure necessary records are retained.

² The number of regulatory inspections conducted in 2021 is not available for the proforma company

In our ongoing efforts to work to ensure the performance and integrity of the facilities and pipelines we operate, both regulated and unregulated, we have implemented rigorous testing and validation measures. However, despite these precautions, in 2022, we experienced one significant spill incident.

	2021	2022
Number of Pipeline Incidents	2	1
Aggregate Volume of Spills (bbls)	11,050	160
Hydrocarbon Liquid Release Intensity (bbl/mile)	7.3	0.09

As part of our commitment to transparency and continuous improvement, we thoroughly investigate and learn from each regulatory audit, finding, and incident. By implementing lessons learned, we aim to enhance our operational practices and prevent similar incidents in the future. Our proactive approach includes ongoing investments in preventive measures, safety training, and technology upgrades as we seek to ensure the highest level of process safety, pipeline integrity, and environmental protection.



People

At Kinetik, we believe that our employees are our greatest asset, and we take pride in being a responsible employer and a positive influence on their lives. We foster a culture that values health and safety, employee engagement, diversity, and inclusion, and we hold our employees to the highest standards of personal and professional integrity. Our People drive our business, and we prioritize their success as it directly contributes to our own. We reward performance, encourage professional growth, and empower our employees to embody our core values so that they can deliver on our commitment to the highest standards of safety, performance, integrity, and customer service. We believe creating a culture of success creates long-term value.

Jump To:

- > Our People
- > Health and Safety
- > Cultivating an Empowered Workforce





» Our People

Our approach to sustainability is based on people, priorities, and performance, and we start with the idea that People drive our business. We recognize our employees are vital to our overall success, and we believe that by keeping our people engaged and their well-being a top priority, we create a positive and thriving work environment that benefits both our employees and the organization as a whole.

Kinetik **Personified**

“

Evolution. We aren't focused on what has worked in the past. We are focused on how can we do what we've done before better. Every instance. Every day.

Will Harris,
Remote Operations
Center Manager



”

“

At Kinetik, I see a culture of teamwork to best utilize everyone's individual strengths to find the best possible outcomes.

JoAnn VanBuren,
Director of Marketing



”

“

Safety First! Safety is important from the top rung of management down to the first rung of management. Kinetik gives us the resources we need to complete every day safely.

Jonathan Lingmann,
Plant Manager



”

“

Safety holds a profound personal significance for me, as it extends beyond the boundaries of my professional life. This sentiment is particularly poignant because my son works in the oil & gas industry, carrying out a demanding 14-day on and 14-day off rotation on a drilling rig. Each time he embarks on his work rotation, our family gathers for a heartfelt dinner, bidding him farewell as we watch him drive away. With my 42 years of industry experience, I am acutely aware of the risks involved. At Kinetik, safety is not just a commitment that applies solely to our employees; it is engrained in our culture and an ethos that extends to our families and throughout our sphere of influence within the industry.

”

Randall Pittman,
Director of Health and Safety

» Health and Safety

At Kinetik, the safety and well-being of our employees, contractors, neighbors, and communities are deeply ingrained in our core values. Safety is not just a requirement; it is the foundation upon which we operate and the driving force behind every decision we make.

Our Approach to Health and Safety Management

Our unwavering focus on achieving zero incidents has led us to establish a robust health and safety program that embodies a strong safety culture where safety transcends mere compliance and stems from the intrinsic motivation of our employees. We recognize that a robust health and safety program not only reduces workplace accidents and injuries but also enhances overall productivity and morale while minimizing disruptions to our business operations. We have a specific, actionable goal – zero safety incidents, and we are focused on continually assessing our performance and developing new innovative ways to continually improve our safety culture and performance.

Health & Safety Management System

To deliver on our commitment to continually assess and improve our safety culture and performance, we strongly emphasize the utilization of our EHS Management System framework which draws on principles in CCPS: Guidelines for Risk Based Process Safety and other industry standards and best practices to effectively manage our safety performance and support our safety objectives. **This framework serves as the foundation for our occupational health and safety programs, providing clear requirements, processes, and guidelines as we seek to ensure the safety and well-being of our employees, our contractors, and our neighbors.**

To enhance our conformance with internal standards and compliance with external regulations, we utilize computer-based tools to assist us in tracking our environmental effects, manage safety and risks, work to ensure compliance, and monitor key performance metrics. These tools also support health and safety training, change management, and incident reporting, ensuring a standardized approach to incident investigation and root cause analysis. Should we have an incident, we develop corrective actions and share lessons learned. These practices help improve our safety performance across the organization.

Management Structure

Kinetik's safety team is comprised of highly knowledgeable professionals committed to ensuring our assets are operated and maintained in a safe and compliant manner. Our dedicated safety team, led by the Director of Health and Safety and supported by our VP of Environmental, Health, and Safety, oversees our health & safety program and provides training for our employees on crucial aspects such as driving safety, hazard recognition, and safe work practices. Through this group, we aim to ensure the well-being of our employees, empowering them with the knowledge and skills to recognize hazards and adopt safe practices in their daily work. Our ultimate goal is to maintain a safe workplace where employees can confidently perform their duties and **KEEP** returning home safely each day.



Kinetik Employee Engagement Program (KEEP)

Working safely is not only a value at Kinetik, but also everyone’s responsibility - a responsibility that is engrained in our safety culture. It is very rewarding to see our employees staying engaged, taking ownership of the safety program and delivering on our commitment to the highest standards of safety, and we believe that recognizing employees for their performance motivates them, provides a sense of accomplishment, and makes them feel valued, ultimately resulting in a more engaged and productive workforce. By implementing effective engagement, recognition, and incentive programs, we aim to cultivate a culture of excellence and drive sustained high performance.

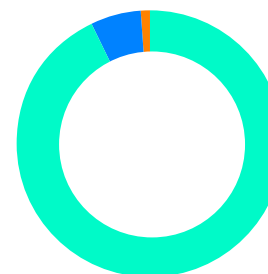
Our team is dedicated to continually assessing our operations and developing new innovative ways to expand and build upon our strong safety culture. Below are just a few of our **Safety Engagement, Recognition, and Incentive Programs** that have been implemented across Kinetik in 2022 to further improve our EHS performance:

Employee Engagement Survey

In 2022, Kinetik conducted an employee engagement survey to assess our employees’ awareness of various aspects of our safety program and to receive anonymous feedback regarding their perception of management’s commitment to safety.

The survey results revealed that 97% of employees believe it is important for their own safety to follow our policies and procedures. Additionally, 94% felt that their supervisor reinforces the importance of safety in their job, and the same percentage felt that senior management is committed to safe operations. The lowest score indicated that only 82% of employees felt that Kinetik has set challenging goals for safety and environmental areas in 2022, with 18% responding neutrally to the question.

Overall, 93% of employees responded favorably to the safety questions, while 6% were neutral, and only 1% were unfavorable. These findings demonstrate a strong level of awareness and alignment among our employees regarding the importance of our safety objectives and reaffirm our employees’ understanding of their role in contributing to our overall sustainability efforts. We are committed to our employees’ safety and will continually strive for improvement. With this survey being conducted within 60 days of the merger, we found the results valuable in assessing our safety program and addressing any gaps.



Safety Survey: Employee Responses

- Responded Favorably (93%)
- Responded Neutrally (6%)
- Responded Unfavorably (1%)



KEEP Cards

At integration in February 2022, Kinetik combined two great existing safety initiatives, What's Wrong (or right) With This Picture (WWWTP) and Aim For Zero (AFZ) and rebranded it as “KEEP”. KEEP gives employees an easy line of communication when they recognize hazards, want to recognize a coworker, or identify areas for improvement. This open path of communication promotes shared learnings through individual experiences.

The key tenets of KEEP are:

- > KEEP hydrocarbons in the pipe or process
- > KEEP each other safe
- > KEEP returning home safely each day
- > KEEP engaged

This initiative based off of “see something, say something” is vital in preventing potential incidents and enhancing operational excellence, ultimately making Kinetik a better and safer place to work. In 2022, 454 KEEP Cards were submitted, resulting in 392 action items being addressed to proactively mitigate risks.

Monthly KEEP Award:

KEEP Cards are reviewed weekly by the EHS and operations leadership teams to discuss the details surrounding each observation and assign further action items, if needed. The teams also select submissions that will be discussed at the monthly safety meeting, along with winners of the monthly KEEP Award. At the end of each monthly safety meeting, three employees are recognized and presented with KEEP awards.

Quarterly KEEP Award:

As we continually focus on enhancing our safety program, in late 2022, we implemented our Quarterly KEEP initiative. Quarterly, a safety topic, usually one that is trending upwards in incident rates, is chosen to be the focus of the quarterly initiative. Individuals that submit KEEP Cards with regards to that quarter’s safety topic are recognized and entered into the contest, and at the end of each quarter, one employee is chosen as winner of the Quarterly KEEP Award.

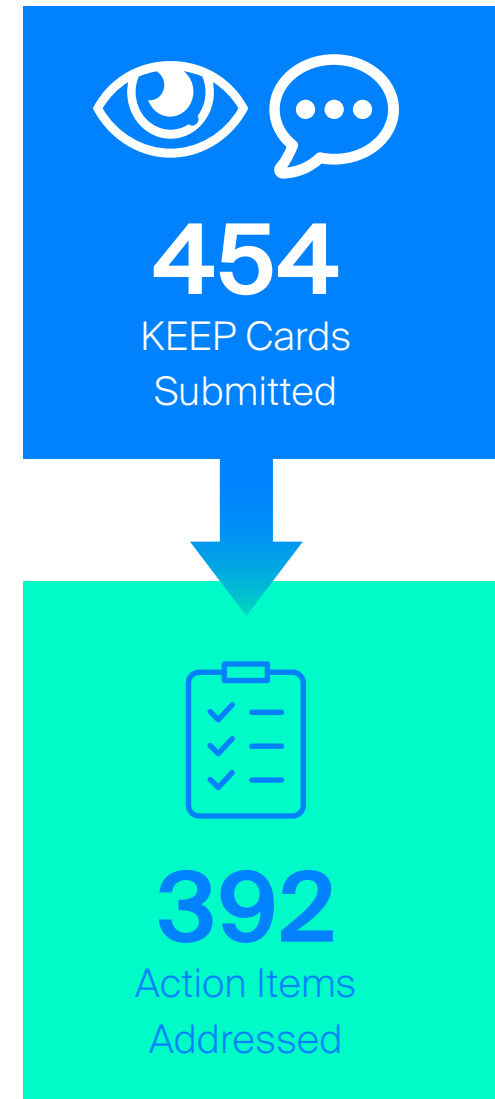
Spot Award:

We appreciate that our employees take ownership of safety daily, and we want them to know that their efforts don’t go unnoticed. With this program, implemented across Kinetik in 2023, managers and supervisors are able to recognize and reward employees “on the spot” for safety contributions that go above and beyond normal job expectations.

Safety Committee:

To further enhance our safety culture and program, in 2022, we launched an employee safety committee. This committee, comprised of field operations employees meet regularly to review and discuss safety performance and suggest ways to further enhance our safety program. Having field employees who are around hazards of our industry every day, committing to a safety role above and beyond their normal duties is a testament to the level of commitment from our employees and further improves the quality and safety culture of our Company.

See something,
Say something



Our People **are Kinetik.**

Training and Communication

Training plays a vital role in enhancing the knowledge and skills of our employees, and we believe that a strong safety culture begins with a well-trained workforce which is why we commit significant time and resources to our training program.

In 2022, our employees collectively completed nearly 7,000 hours of EHS related training. Notably, our field-based employees completed nearly 25 hours of EHS training, covering varying topics such as environmental compliance, company EHS policies, OSHA regulations, driver safety, and emergency response.

In addition to the computer-based and instructor-led training, the EHS team leads monthly safety meetings for our field employees. These monthly safety meetings are vital to our safety program and aid in our continuous effort to keep employees engaged and informed. These safety meetings are held in-person, which aids in employee engagement and retention of information. In circumstances where employees are unable to attend in-person, they can actively participate virtually. Each meeting focuses on a specific safety topic. We also discuss significant incidents since the prior safety meeting and lessons learned, updates to policies or procedures, KEEP card submissions, EHS performance metrics, highlights, etc. We also seize this opportunity to recognize our employees for significant accomplishments and contributions in front of their peers. To supplement this information, our safety team also publishes a monthly KPI Poster covering health and safety topics, incidents, lessons learned, and our EHS performance metrics. In 2022, field personnel committed over 2,900 hours to attending these monthly safety meetings.

To deliver on our commitment to our employees, we hold a weekly meeting with operations leadership and the safety committee, where the teams review KEEP submissions and any incidents that may have occurred since the prior week's meeting.

Contractor Safety

We consider our contractors an extension of our team and extend our values and safety commitment to them. Through our Contractor Management Program, we require every contractor and potential contractor to connect to Kinetik through ISNetworld. We believe this is a powerful tool to help us proactively reduce risks, streamline the qualification process, and support safe work practices and sustainable supply chains by hiring contractors and suppliers that meet our internal health, safety, and sustainability standards. Our supplier and contractor expectations are further detailed in [Contractor and Supply Chain Engagement](#).

In 2022, we did not have a system in place to accurately track our contractor EHS metrics relating to their performance while conducting business for Kinetik; however, we have been working on a solution to improve our ability to track these metrics in the future.



At Kinetik, we recognize the value of listening and acting when our employees **engage**.

Driver Safety

Ensuring driver safety remains a top priority as our employees and contractors frequently navigate the challenging highways of the Permian Basin. In 2022, we continued to rigorously enforce our Safe Driving Policy, monitor in-vehicle GPS data recorders to reinforce safe driving practices, focus on distracted driving, and mandate Smith System training for all fleet drivers. Moreover, we enhanced our commitment to driving safety by equipping our Short Service Employee drivers with dash cams to foster responsible driving habits among our newest drivers. Our unwavering dedication to driving safety is reflected in these relentless efforts.



Our Targets

We firmly believe that the safety and well-being of our employees and those around us is non-negotiable, and we remain unwavering in our commitment to prioritizing a safe working environment. At the beginning of 2022, we set health and safety goals related to employee injuries and driving safety. These goals are also tied to employees' at-risk pay, further discussed in [Sustainability-linked Remuneration](#).

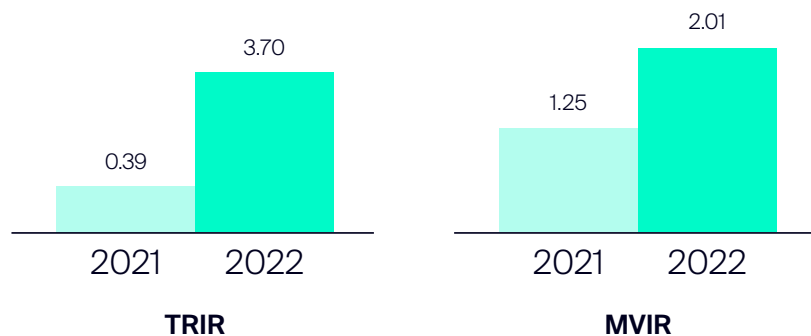
While we always strive for zero incidents, these targets serve as performance indicators and align with historical performance of our GPA Midstream peer group. Kinetik remains unwavering in our commitment to prioritizing a safe working environment and is committed to equipping our employees with the knowledge, skills, and tools necessary to deliver upon this promise.

Safety Targets for 2022



Our Performance

In 2022, our safety performance fell short of our established health and safety targets. For 2022, Kinetik's TRIR was 3.70, and our MVIR was 2.01.



Although our safety performance in 2022 was not where we wanted it to be, we have not allowed ourselves to become discouraged. Instead, we have wholeheartedly embraced the lessons learned from the incidents we encountered, recognizing their significance in guiding us toward a safer future. This commitment to improvement is a testament to our dedication and determination to prioritize the safety of our employees, ensuring that we continuously evolve and enhance our health and safety programs.



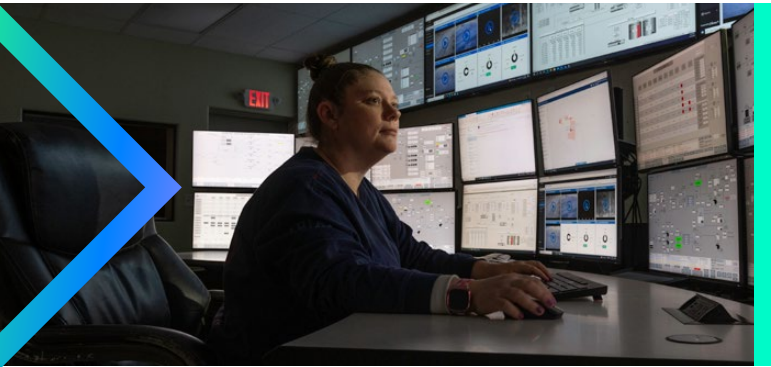
ZERO
OSHA VIOLATIONS
IN 2022

	2022	2021
TRIR	3.7	0.39
Recordable Incidents	10	1
LTIR	2.59	0.39
Lost Time Incidents	7	1
Motor Vehicle Incidents	10	6
MVIR	2.01	1.25
# Employees	296	260
Total hours worked	540,825	507,521
Total miles driven	4,982,124	4,788,112
Fatalities	0	0
Total EHS training hours	6,814	NR
Average EHS training hours / employee ¹	25	NR

¹Based on field employees.

NR (Not reported): proforma data is not available

TRIR (Total Recordable Incident Rate) is calculated with OSHA guidelines, representing the number of injuries and illnesses per 100 full-time workers. MVIR (Motor Vehicle Incident Rate) is calculated with the number of at-fault vehicle accidents x 1,000,000 vehicle miles, divided by mileage driven. PSIR (Process Safety Incident Rate)



» Cultivating an Empowered Workforce

Kinetik is dedicated to growing our company, our people, and our business. And we start by hiring and retaining the best. Our culture is built on a solid set of values that include mutual respect and openness. As a trusted employer, we are committed to employee empowerment and teamwork.

Employee Diversity, Equity, and Inclusion

We believe that a workforce that is representative of society and fosters a sense of belonging leads to enhanced decision-making and increased innovation, retention, and profitability.

We need all of these attributes as we work towards an energy transition. Kinetik is committed to respecting the diversity and inclusion of all individuals within our organization. We celebrate and recognize the many unique qualities of our employees and want them to feel comfortable in bringing all of themselves to work every day. We are proud to support the principles of diversity and inclusion by creating an inclusive working environment where everyone is welcome, safe, and included.

Kinetik provides equal employment opportunities to all employees and applicants for employment and prohibits discrimination and harassment of any type without regard to race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, gender identity or expression, familial status, marital status or any other characteristic protected by law. This commitment is supported by our Code of Business Conduct, Employee Handbook, and our Diversity, Equity and Inclusion (DEI) Policy.

Along with annually acknowledging our Code of Business Conduct, in 2022, as part of our ongoing commitment to build an inclusive workplace, all employees were required to complete DEI training which covered topics such as hiring and unconscious bias.



We've created a respectful safe workplace to bring people and energy together. Together, we are **Energy for Change.**



We recognize the importance of the **retention and advancement of women.**

Improving Gender Balance

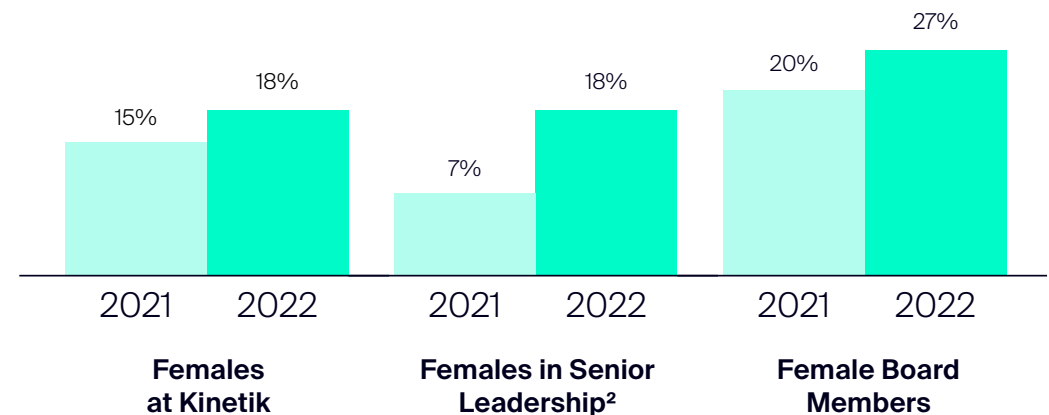
Committed to fostering a more inclusive future, we are dedicated to actively cultivating a workforce that embraces gender balance.

We acknowledge that the oil and gas industry lags behind other sectors when it comes to gender diversity, and we echo the sentiment that organizations with diverse workforces perform better financially.

The United States Bureau of Labor Statistics estimates that 15.7 percent of the current oil and gas workforce¹ in the United States is female, and the percentage of women working at Kinetik in 2022 was slightly higher at 18%.

Additionally, as we formed our new company, we expanded the number of female Board members from 20% in 2021 to 27% in 2022. We believe that this is not only the right thing to do, but the increased diversity of views will help us enhance our decision-making and also help attract other female leaders.

We acknowledge that the underrepresentation of females in our industry is a systemic issue, which is why we have partnered with ALLY Energy (“ALLY”), an organization dedicated to accelerating connections, jobs, and skills to empower the energy workforce of the future and promote equitable transitions. Internally, we are exploring pilot programs to support the advancement of high-potential women within our organization. It is crucial for us to establish a talent pipeline that reflects diversity at all levels of the organization and to aspire to ensure that our company remains inclusive and welcoming to all.

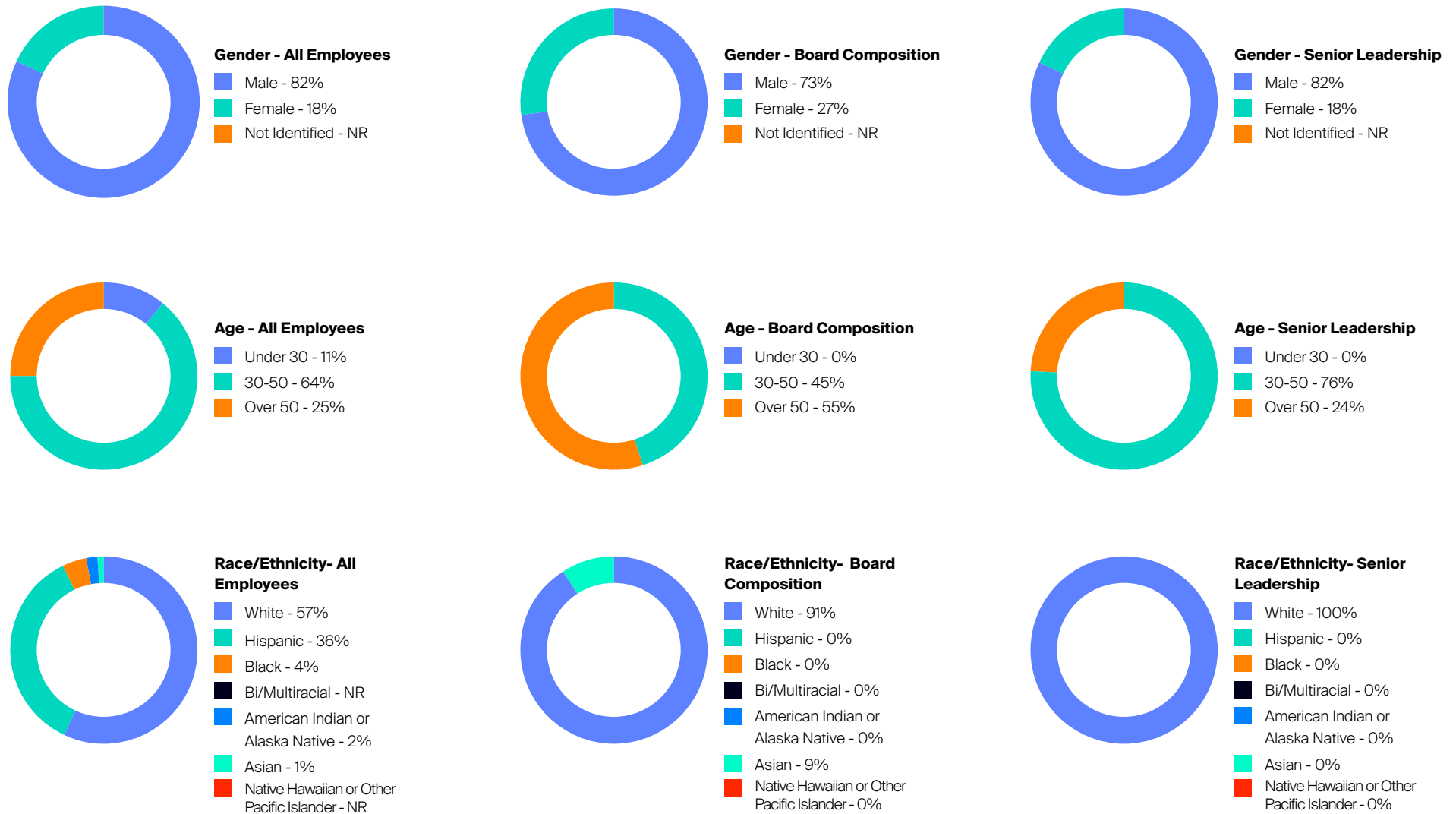


¹ NAICS 211100 Oil and Gas Extraction for 2022

² Senior leadership is defined as employees holding Vice President titles or higher.

Our Performance

Below we provide further details on the gender, age, and race/ethnicity of Kinetik employees in 2022. Further details on turnover and new hires by gender, age and race / ethnicity are included in the [GRI Content Index](#).



Note: Senior leadership is defined as employees holding Vice President titles or higher.



Employee Engagement, Development, and Well-Being

We believe in the importance of supporting our people and see it as a critical driver to Kinetik's business success. We are committed to the well-being and development of our people and view our family-like culture as a key differentiator. We strive to keep our employees' well-being a top priority, and our HR policies, competitive pay, suite of excellent benefits, and employee engagement and development initiatives are central to managing and retaining talent.

Recognition

We attribute our success to our employees. We firmly believe that fostering a culture of appreciation empowers our workforce and inspires them to consistently deliver outstanding performance. To achieve this, we employ a combination of formal and informal employee recognition strategies, encompassing both monetary and non-monetary incentives. Our recognition programs acknowledge employee performance, service milestones, and special occasions. Additionally, we reward employees for exceptional performance in areas such as safety, regulatory compliance, innovative thinking, and teamwork.

Pay

When determining remuneration, we look at multiple factors, including the employee's performance, function, role, experience, education, and tenure within the organization, along with external market factors. In 2022, we commissioned a third-party to conduct benchmarking against sector pay, and in 2023, the Board approved merit increases which were in line with the market data provided by our third-party compensation specialists.

Benefits

We offer all eligible Kinetik employees a comprehensive suite of benefits, which includes medical insurance, dental insurance, vision insurance, flexible spending accounts and dependent care flexible spending accounts, health saving accounts, life insurance, short- and long-term disability programs, supplemental insurance for critical illness, hospital indemnity and accident, an employer-funded 401(k), and a bonus plan.

We also offer a robust Employee Assistance Program (EAP) at no cost to employees which includes free counseling sessions for employees and their dependents, along with support on issues as varied as safe rides, assistance with elder care or childcare, financial planning, and professional development.

We are committed to continually enhancing our benefits package to our employees. In 2023 we were able to reduce employee premiums for PPO plans by 50% and provided for an HSA employer contribution of 50% of the IRS maximum for employees electing the High Deductible Plan. This was an extraordinary achievement given large increases in health care costs other employers are facing and passing along to their employees.

Our bonus plan includes short- and long-term incentive plans to reward our employees for their contributions and to attract and retain the very best talent in the industry. Our short-term incentive plan is directly tied to company performance, with the majority being linked to sustainability, safety, and financial targets. Our long-term incentive program was approved by the Board in 2023 and was market based.



Training and Development

We are committed to developing and training our team members, and we continuously seek out new ways to further enhance our training and development programs.

In 2022, employees completed mandatory DEI training and Anti-Bribery, Discrimination Free Workplace and Harassment training. Furthermore, all of our people managers participated in additional training to improve their management skills, covering topics such as hiring, performance management and coaching, conflict management, and providing feedback, and we plan to continue developing our people manager skills with an extension of this training in 2023. In 2022, employees averaged 3 hours of HR related training in addition to their safety and IT related training.

We believe it is important for employees and managers to set clear goals, track progress towards these goals, as well as review areas for improvement and past accomplishments. As such, all employees receive regular performance and career development reviews. We believe that when a performance review is done correctly, it can help to motivate and engage our employees by offering growth, recognition, and the opportunity for real development.

Strong leadership sets the tone and direction of an organization. Kinetik's leadership team is committed to creating a positive work culture, and we recognize the potential benefit that leadership development and alignment can bring to the Company, particularly during a time of change. In 2022, we contracted with a third-party specialist to further align and develop our executive leadership team during our transition to become One Kinetik, and the team is continuing this leadership journey into 2023. Kinetik's leadership is committed to improving organizational culture and building high-performance teams, ultimately leading to a more engaged workforce and sustainable competitive advantage.

Engagement Surveys

At Kinetik, we take pride in being a responsible employer and a positive influence on our people. Our team members are the foundation of Kinetik, and we are committed to cultivating an empowered workforce. We recognize that our success is tied to the well-being of our employees, and we actively seek out ways to support their growth and development. By engaging in an active dialogue, we strive to build strong relationships and foster greater integration.

In 2022, shortly after the merger, we conducted an employee engagement survey. During a time of transition, we found it important for us to understand the sentiments of Kinetik employees and obtain feedback on what we are doing right and where there may be gaps and opportunities for improvement. As we work towards continuous improvement, we will continue deploying future engagement surveys to our employees.

When our employees engage, we listen. Together, we are Kinetik.

In an effort to continuously improve and connect as a cohesive organization, in December 2022, we contracted with a third-party provider to conduct a series of focus group interviews in Midland, Pecos, and Houston. These focus group interviews gave us more information beyond the employee engagement survey, and we were able to discover hidden strengths as well as additional opportunities for improvement. The leadership team is committed to making Kinetik a world-class organization and employer of choice, and these conclusions will guide where we focus our efforts to ensure Kinetik is moving forward in a positive direction as we work together to truly become One Kinetik. We plan to continue similar focus group initiatives in 2023 to measure our progress and continually evolve our workforce.

Employee Engagement

We believe employee engagement enhances company culture. We strive to ensure our employees are engaged and living Kinetik's values every day at work. One such value is **teamwork** – and in 2022 Kinetik employees banded together exemplifying the meaning of teamwork in a challenging team-building activity - the Texas Warrior Mudout. Employees teamed up and completed challenging obstacles over a grueling 5k course that required team skills and support. Not only did it take teamwork, but our employees also got to know each other and build lasting bonds – all while supporting a great cause – Be the Change Permian Basin, a local non-profit organization dedicated to creating a positive shift in the culture of the youth in our community.



Community

At Kinetik, we take pride in being a responsible neighbor and a positive influence in the communities where we live and operate. Our team members are part of the fabric of West Texas, and we are committed to making a lasting impact. We recognize that our success is tied to the well-being of the communities we serve, and we actively seek out ways to support their growth and development. By working closely with local organizations, landowners, and other stakeholders and engaging in an active dialogue, we strive to build strong relationships and foster greater integration with the communities we call home.

Jump To:

- > Community Investment
- > Community and Landowner Engagement
- > Economic Contributions to the Local Community
- > Contractor and Supply Chain Engagement



» Community Investment

Kinetik values the strong relationships it has built in the communities where we work and operate, and further strengthening these communities we call home is at the heart of Kinetik. We recognize that our success is tied to the well-being and vitality of these communities, and we are committed to doing our part to support them. Our employees share this commitment and are always willing to lend a helping hand. We are proud to have a team of dedicated individuals who are not only passionate about their work but also about making a positive impact on the world around them. Through our collective efforts, we hope to build stronger, more resilient communities that can thrive now and into the future.

Employee Volunteering

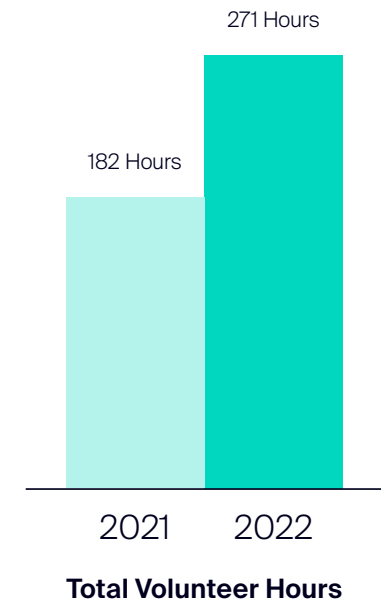
In line with our commitment to giving back to the communities we operate in, Kinetik provides our employees with eight hours of paid volunteer time annually. In 2022, we witnessed an impressive growth in our volunteer hours, with a nearly 50% increase compared to 2021. Our team members enthusiastically rolled up their sleeves, dedicating a total of 271 hours to local community projects. While we celebrate this achievement, we acknowledge that there is still room to further amplify our impact. Last year, amidst the busy period of merging two companies and integrating operations, our commitment to community service remained unwavering. Looking ahead to 2023, we are determined to contribute even more volunteer hours, as we strive to make a meaningful difference in the lives of those we serve. We believe that this not only benefits the communities we serve, but also fosters a sense of fulfillment and personal growth for our employees.

In 2022, we continued our partnership with the **City of Pecos** to volunteer in the ongoing beautification efforts at one of the city's largest cemeteries. Following our team's tireless work in 2021, which included moving over 20 tons

of decorative rock and planting durable plants, employees rolled up their sleeves once again and worked hard cleaning the cemetery, removing dead vegetation, and replanting new flowers to ensure the cemetery remains beautiful and well-maintained.

Additionally, our team members volunteered their time at several community events, including the annual **Feast of Sharing** held in Midland which donated over 9,000 meals to those in need. Kinetik also hosted the first annual **Holes for Heroes Charity Golf Tournament** which raised funds for Permian Basin first responders. Kinetik volunteers played a pivotal role in making this inaugural event a resounding success. We are proud to support these worthy causes and look forward to continuing our volunteer efforts in the future.

In addition to generously volunteering time to local projects, many employees volunteer countless hours to various organizations such as the **Permian Strategic Partnership (PSP)**, **Permian Road Safety Coalition (PRSC)**, and **Ally** by serving as Board members and committee members of these organizations.





Donations and Sponsorships

Kinetik’s dedication to being a responsible corporate citizen is reflected in our continuous efforts to improve the well-being of the communities in which we operate. We believe that donating to various causes identified by our employees and our communities that focus on the thematic areas of education, environment, support of emergency response organizations, support of at-risk individuals, and support of business entrepreneurship will help strengthen our communities today and into the future.

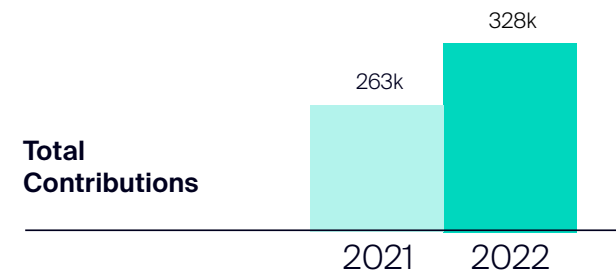
In 2022, we contributed over \$328,000 to various organizations, with \$294,175 going directly towards supporting local charities. By investing in these initiatives, we aim to strengthen and enhance the communities where we live and work.

We are also proud to report on the philanthropic efforts of our employees. Our staff once again demonstrated their dedication to giving back to the community, reaching into their own pockets to fulfill the holiday wishes for more than 80 deserving, at-risk children.

Our West Texas employees partnered with the Midland **Salvation Army Angel Tree** program for the fifth consecutive year. Through their generosity, our employees provided Christmas gifts to approximately 25 children from underserved local families. This act of kindness helped to bring joy and happiness to many children and families in need.

Our Houston employees participated in the **Be A Resource BEARing Gifts** campaign for the second consecutive year. Through their kindness, our employees provided Christmas gifts to 58 children under the care of CPS who may not otherwise have the opportunity to experience the joy of the holiday season. This act of selfless giving helped bring smiles and excitement to many children during the holiday season.

Initiative	Contribution
BEAR: Be A Resource for CPS	\$2,500
The Monarch School and Institute	\$10,000
PSP - Odessa Truck Driving Academy Expansion	\$61,313
Texas Sponsor a Highway	\$14,405
UT Austin, Bureau of Economic Geology TexNet Infrastructure Fund	\$60,000
Kinetik Cares Foundation - Company Matching Program	\$19,676
Other	\$1,124
Holes for Heroes Recipients:	
Emergency Services Districts: Reeves Co. ESD1, Reeves Co. ESD2, Balhmorhea EMS	\$18,734
Fire Departments: Midland Fire Department, Odessa Fire Rescue	\$18,734
Midland PD Community Development	\$9,367
Pecos PD Fallen Officer Foundation	\$9,367
Police and Sheriff’s Departments: Ward County SO, Reeves County SO, Monahans PD, Culberson County SO, Fort Stockton PD, Pecos County SO, Odessa PD	\$65,569
Volunteer Fire Departments: Fort Stockton VFD, Monahans VFD, Balmorhea VFD, Van Horn VFD	\$37,468
Total	\$328,257



Permian Strategic Partnership

In 2022, Kinetik made a significant commitment to support the Permian Strategic Partnership (PSP), joining forces to foster a better quality of life for Permian Basin residents. As a member, Kinetik has pledged up to \$1MM annually to support the PSP's mission to develop and implement strategic plans aimed at improving schools, roads, healthcare, housing, and workforce training. Kinetik's partnership with PSP reflects our deep commitment to enhancing the well-being of our local communities. Furthermore, our team members continue to demonstrate their commitment to the partnership by volunteering their time to sit on the Board and various committees, reinforcing our dedication to making a positive impact in the Permian Basin.

Sponsor a Highway Program

Kinetik is committed to cleaner, safer roads, and in 2022, we became a proud sponsor of Texas's Sponsor a Highway program. By sponsoring four sections of interstate in Midland, Pecos, and Houston areas, we are able to support the environment and communities where we live and work by helping keep our busiest interstates safe and beautiful. Our sponsorship contributed to a collective 59,337 miles of highways cleaned and 1,209,520 pounds of litter collected in 2022. Having joined in late 2022, our sponsorship has already made a significant positive impact on the environment.



“

We are excited to join PSP and support its mission of developing initiatives that strengthen local communities and improve the quality of life in the Permian Basin. PSP is a phenomenal vehicle to pool resources and allow our industry to collaborate with local governments, community organizations and citizens to implement targeted solutions to our region's most critical needs, including public education, infrastructure, and healthcare. We believe it is our responsibility to invest in the Permian Basin communities in which we work and live. Joining PSP is the most effective way for our Company to put this belief into action.

Matt Wall,
COO of Kinetik,
PSP Board Member

”

Holes for Heroes Charity Golf Tournament

Kinetik recognizes the vital role performed by first responders in our communities and is committed to supporting them. Many of the areas in which we operate are rural and are protected by dedicated volunteers and VFDs with limited funds. In 2022, we hosted our inaugural Holes for Heroes Charity Golf Tournament, which raised more than \$150,000 for police, fire, and EMS departments across the Permian Basin. This event demonstrated ours and the community's appreciation for the dedicated men and women who serve selflessly and provide critical support during emergencies. We are proud to have contributed to the well-being of the communities we operate in by supporting our first responders. We are grateful to the generous sponsors who contributed to making our inaugural tournament a success, and as we look to the future, we are eager to continue this annual event, growing it bigger and better each year, as a meaningful way to continue expressing our gratitude to first responders.



“

It is not possible to thank the first responders in our communities often enough. We all depend upon their bravery, courage and expertise to help us when we need it most, which certainly has been the case of the last several years. On behalf of the men and women of Kinetik, we are so grateful for all that first responders do.

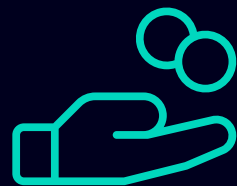
”

Jamie Welch,
President and CEO

» KINETIK CARES

The Kinetik Cares Foundation (formerly the EagleNest Foundation), a non-profit 501(c)(3), was established in 2021 and serves as the charitable arm of our company, dedicated to supporting our employees and the communities we call home. It all began with a simple idea - to provide assistance to Kinetik employees impacted by unexpected tragic life events. We envisioned a way for both the company and employees to reach into their own pockets and provide support for their colleagues and immediate family members affected by extraordinary life events such as natural disasters, human tragedies, medical needs, and family crises. While our generous benefit package provides insurance coverage for many life events and accidents, there are situations that insurance doesn't fully cover. That's where the Kinetik Cares Foundation comes in.

Our Foundation is funded by employees, and Kinetik matches every dollar donated. Thanks to the kindness of our generous employees, the Foundation is able to help employees and their families when they need it most.



In 2022, the Foundation provided **grants totaling \$23,600** to assist employees in need.



» Community and Landowner Engagement

We recognize that building strong relationships with our local communities and landowners is essential for the sustainable growth and success of our operations in West Texas. We understand that the well-being of our neighbors depends on our ability to operate our facilities safely, efficiently, and with a deep consideration for the environment.

Landowner Engagement

At Kinetik, we recognize the importance of establishing and maintaining strong relationships with landowners, based on trust and mutual respect, as we work to ensure long-term success and sustainability of our operations.

At the end of 2022, we were operating over 1,700 miles of pipeline across 5 West Texas counties, and as key stakeholders, landowners play a crucial role in our operations, providing us with the right-of-way to place these pipelines and other facilities on their property. Just as we do with other stakeholders, we prioritize transparent, open, and effective communication with our landowners to facilitate and strengthen our engagements.

Underpinning our relationship with landowners and surrounding communities is trust and maintaining strong, long-term relationships through open communication, collaboration, and follow through of commitments. We aim to provide them with accurate and timely information about activities that may affect their property, and we work hard to mitigate any negative impacts on their property, the environment, and surrounding communities by implementing best practices for construction and maintenance of facilities. We strive to respond promptly to any concerns raised by landowners, community members and other stakeholders, and we offer a number of channels for them to reach us through our website, emergency hotline, and various other direct communication channels.

Respecting Indigenous Peoples and Communities

We hold deep respect for the diversity, culture, and rich history of Indigenous Peoples, and we acknowledge and uphold their legal and constitutionally protected rights.

Today, Kinetik's assets in West Texas are not on federal or Tribal lands. However, in 2018, we entered into a joint venture with Kinder Morgan Texas Pipeline to jointly develop the Permian Highway Pipeline, which is partially on the lands of the Comanche Nation. Kinder Morgan led engagement with the Comanche Nation in line with its Indigenous Peoples Policy, focused on meaningful engagement and mutual respect. In any future engagements involving tribal land and Indigenous Peoples, we will follow all policies and regulations, underpinned by a commitment to long-term relationships based on mutual respect and good faith, while recognizing the social, economic, and cultural rights of Indigenous Peoples.



Landowners are **our partners**;
Our direct relationships with them ensure that we are accountable to one another over the long term.

» Economic Contributions to the Local Community

Kinetik is part of the oil and gas industry in Texas, which according to The Texas Oil & Gas Association (TXOGA), in FY2022 provided over \$24 billion in state and local taxes and state royalties. These funds are crucial in financing essential services such as public schools and universities, teachers, roads, and infrastructure, as well as supporting first responders.



We work with nearly **1,000 suppliers**, employ over **300 employees**, and are indirectly responsible for an estimated **750+ additional Texas jobs**¹.

Local Economic Impact

Kinetik is located in the heart of the Delaware Basin in the Permian, one of the fastest growing areas for oil and gas development in the world. In Reeves County, where a significant portion of our operations are located, in FY2022 the oil and gas industry was responsible for over 58% of the county's tax base and contributed over \$108 million in oil and natural gas property taxes to the Pecos-Barstow-Toyah Independent School District.

As a responsible employer, taxpayer, and community member, we recognize our role in contributing to the local economy and supporting the communities in which we operate, and we strive to maintain our commitment to sustainability priorities by contributing to the economic well-being of the region.

Sourcing Locally

Kinetik places a high priority on supporting the economic growth and sustainability of our communities by prioritizing the sourcing of goods and services locally in Texas and New Mexico. By doing so, we not only minimize lead times, shipping, and storage costs but also foster greater economic resilience within our communities. In 2022, our local procurement spend² was approximately 62%.

¹ According to TXOGA, every direct job in the Texas oil and natural gas industry creates an additional 2.2 Texas jobs.

² Kinetik tracks "local spend" based upon the payment address being in Texas or New Mexico. However, we believe our local spend percentage is underestimated due to the fact that many local vendors we conduct business with instruct us to send payments to their headquarters located in other states.



Supplier and Contractor Expectations

We consider our Suppliers an extension of our team and extend our commitment to values and sustainability principles to them.

Our Supplier Code of Conduct ("Code") sets forth our expectations in terms of values, policies, and procedures related to ethics, compliance, safety, environment, health, and human rights. Our Contractor Management Program requires that our suppliers meet specific requirements as well as acknowledge and commit to the Code.

Expanding beyond standard health, safety, and other pre-qualification processes for our suppliers, as part of our ongoing efforts to enhance our supplier qualification process and work to ensure that our suppliers align with our sustainability expectations, we have implemented sustainability processes through our Contractor Management Program. We require all new and re-evaluated suppliers to complete a comprehensive sustainability questionnaire. This questionnaire enables us to gain valuable insights into our supplier base's sustainability performance by analyzing their responses. Through this data-driven approach, we gain a deeper understanding of where our suppliers are in their sustainability journeys, where they are successfully implementing sustainability strategies, and where there are opportunities for improvement. As we continuously evaluate our supply chain and refine our processes, we remain steadfast in our dedication to building a more resilient and sustainable supplier base.

We are pleased to note that among our active suppliers, we continue to observe significant progress in terms of meeting or exceeding our expectations on the sustainability questionnaire.

Contractor and Supply Chain Engagement

Kinetik is deeply committed to sustainability and operating with integrity in a socially, economically, and environmentally responsible manner. We firmly believe that integrating environmental, social, and governance considerations into our business decisions is essential to creating long-term value for our stakeholders. We understand that evaluating our entire value chain is crucial to achieving a comprehensive understanding of our impacts, and we are dedicated to developing a supply chain that prioritizes sustainability and helps strengthen the impact of our overall sustainability efforts.

Supplier Diversity

At Kinetik, we believe in developing an inclusive supply chain environment that reflects the diversity of our communities and aims to ensure that all potential suppliers, regardless of their background, have a fair and equitable opportunity to compete for business. Our Contractor Management Program plays a critical role enabling us to assess our supplier diversity and continuously refine our future processes to reinforce our commitment to promoting Diversity, Equity and Inclusion across all aspects of our operations.

Our Suppliers

53%

Have an Environmental Management System

90%

Have a Code of Conduct

30%

Reported Diverse Ownership

89%

Have an Anti-Discrimination Policy



Supplier Sustainability Performance

- Exceeding Expectations (76%)
- Meeting Expectations (16%)
- Does Not Meet Expectations (8%)

Data

Reliable and robust data allows Kinetik to provide context, transparency, and credibility. Kinetik is committed to sustainable practices while aiming to align corporate strategies with global sustainability goals.

Jump To:

- > EIC/GPA Association Index
- > SASB
- > GRI

» EIC/GPA Midstream Association Index

Midstream Company ESG Reporting Template Version 2.0 – Effective March 2022 – Developed by the Energy Infrastructure Council in collaboration with GPA Midstream

Parent Company:	Kinetik Holdings Inc.
Operating Company:	Kinetik Holdings LP
Report Date:	July – 23
Contact(s):	Dawn Coufal, VP Sustainability
Membership: EIC, GPA Midstream, Both, Neither:	EIC and GPA Midstream

	Metric	Unit	2022	2021	Comments, Links, Additional Information, and Notes
Activity					
1.1	EBITDA	US \$	822,224,272	283,802,000	> See the Form 10-K for the fiscal year ended December 31, available here .
1.2	Gross Throughput	Thousand BOE	115,797	84,959	> 2022: BOE = 5.8 x 1.25 MMBtu/Mcf > 2020 - 2021: Conversion factor 1 BOE = 6 mscf
1.3	Miles of Pipeline	mile	1,710	1,522	> Includes gas, liquids, crude, and water
1.4	Carbon Accounting Basis for Data	mile	Operational	N/A	
Environment					
Hydrocarbon Releases					
2.1	Number of hydrocarbon liquid releases beyond secondary containment > 5 bbl	#	1	3	
2.2	Volume of hydrocarbon liquid releases beyond secondary containment > 5 bbl	bbl	160	11,050	
2.3	Hydrocarbon Liquid Releases Intensity per Mile of Pipeline	bbl/mile	0.09	7.26	
Emissions					
2.4	Total GHG Emissions (Scope 1 + Scope 2) - Total	mt co ₂ e	1,915,909	1,942,669	
2.4.1	Scope 1 GHG Emissions - Total	mt co ₂ e	1,816,152	1,838,373	
2.4.1.1	Scope 1 CO ₂ Emissions - Total	mt	1,703,858	1,722,663	
2.4.1.2	Scope 1 Methane Emissions - Total	mt	4,264	4,591	
2.4.1.3	Scope 1 Nitrus Oxide Emissions - Total	mt	19	3	
2.4.1.4	Percent of Scope 1 emissions that are methane	%	5.9	6.2	

» EIC/GPA Midstream Association Index

	Metric	Unit	2022	2021	Comments, Links, Additional Information, and Notes
Emissions					
2.4.2	Scope 1 GHG Emissions - EPA	mt co ₂ e	1,800,683	1,835,373	
2.4.2.1	Scope 1 CO ₂ Emissions - EPA	mt	1,688,554	1,720,190	
2.4.2.2	Scope 1 Methane Emissions - EPA	mt	4,258	4,591	
2.4.2.3	Scope 1 Nitrous Oxide Emissions - EPA	mt	19	3	
2.4.3	Scope 2 GHG Emissions	mt co ₂ e	99,757	104,295	
2.5	Total GHG Emissions (Scope 1 + Scope 2) Intensity per Thousand BOE - Mile - Total	mt co ₂ e/ thousand BOE-Mile	17	23	
2.6	Scope 1 Methane Emissions Intensity per ONE Future Methodology	%	0.0520	0.0591	
2.7	Does the company participate in an external emissions reduction program?	Yes/No	Yes	Yes	> ONE Future, The Environmental Partnership
2.8	Does the company have a greenhouse gas emissions reduction target?	Yes/No	Yes	Yes	
2.9	NOx Emissions	Tons/Year	1,907	3,896	> 2021 (and prior) figures represent permitted limits
2.10	SOx Emissions	Tons/Year	550	718	> 2021 (and prior) figures represent permitted limits
2.11	VOC Emissions	Tons/Year	1,127	3,612	> 2021 (and prior) figures represent permitted limits
2.12	% of energy used (direct and indirect) that is renewable energy	%	55%	49%	
2.14	Does the company seek third party data verification for any environmental metrics?	Yes/No	Yes	Yes	
Asset Diversification and Biodiversity					
2.15	Does the company participate in any efforts to expand the share of alternative/ renewable energy sources in the company's portfolio? If yes, please provide links to ESG reports, webpages and other disclosures as support.	Yes/No	No	No	
2.16	Does the company have a biodiversity policy or commitment for new and existing assets?	Yes/No	Yes	Yes	> 2022 Sustainability Report - Biodiversity

» EIC/GPA Midstream Association Index

	Metric	Unit	2022	2021	Comments, Links, Additional Information, and Notes
Social					
3.1	Total Recordable Incident Rate (TRIR) - employees	#	3.7	0.39	
3.2	Total Recordable Incident Rate (TRIR) for major growth projects - contractors	#	N/R	N/R	
3.3	Days away, restricted or transferred (DART) - employees	#	426	35	
3.4	Days away, restricted or transferred (DART) for major growth projects - contractors	#	N/R	N/R	
3.5	Lost Time Incident Rate (LTIR) - employees	#	2.59	0.39	
3.6	Lost Time Incident Rate (LTIR) for major growth projects - contractors	#	N/R	N/R	
3.7	Fatalities - employees	#	0	0	
3.8	Fatalities - contractors	#	0	0	
3.9	Does the company have an indigenous engagement policy or commitment for new and existing assets?	Yes/No	No - N/A*	No - N/A*	> 2022 Sustainability Report - Community and Landowner Engagement
3.10	% workforce that is female	%	18%	15%	
3.11	% workforce from minority groups (EEOC defined)	%	43%	39%	
3.12	% workforce covered under collective bargaining agreements	%	0%	0%	
3.13	Does the company seek third party data verification for any social metrics?	Yes/No	Yes	Yes	> 2022 Sustainability Report - Sustainability Performance Targets
3.14	\$ invested in local communities per every \$100,000 of adjusted EBITDA	US\$	\$36	N/R	
Governance					
Diversity					
4.1	% directors that are female	%	27%	20%	
4.2	% corporate officers (VP and up) that are female	%	17.6%	7%	
4.3	% directors from minority groups (EEOC defined)	%	9%	10%	
4.4	% corporate officers (VP and up) from minority groups (EEOC defined)	%	0%	0%	
4.5	Is any director under the age of 50?	Yes/No	Yes - 45%	Yes - 70%	

» EIC/GPA Midstream Association Index

	Metric	Unit	2022	2021	Comments, Links, Additional Information, and Notes
Directors					
4.6	% independent directors	%	81%	10%	
4.7	How many directors received less than 80% votes cast in favor when running unopposed in last 5 years?	#	0	N/A	
4.7.1	Does the company have a formal ESG oversight structure with associated accountability?	Yes/No	Yes	Yes	> 2022 Sustainability Report - ESG Governance and Structure
4.8	Does the company have directors with risk management experience?	Yes/No	Yes	Yes	> Proxy
Compensation					
4.9	Has the company received less than 70% support for Say On Pay in any of the last 5 years?	Yes/No	N/A	Confidential	
4.10	What % of CEO target pay is performance-based?	%	32% overall pay 100% bonus pay	Confidential	> 32% of overall pay including base, cash and stock; and 100% of bonus pay including STI/Cash bonus
4.11	What % of CEO target pay is equity-based?	%	0%	Confidential	
4.12	Are there any shareholder return metrics (total return, return on invested capital, etc.) in any NEO equity compensation plan?	Yes/No	No	No	
4.13	Is at least 10% of Named Executive Officer (NEO) short-term incentive (STI) or long-term incentive (LTI) linked to E or S metrics?	Yes/No	Yes	Yes	
4.14	Does the company tie any amount of pay for all employees to ESG objectives?	Yes/No	Yes	Yes	> 2022 Sustainability Report - Sustainability-linked Remuneration
Share Ownership					
4.15	Have any corporate officers or directors made share purchases with personal funds in the last 5 years?	Yes/No	Yes	Confidential	

» EIC/GPA Midstream Association Index

	Metric	Unit	2022	2021	Comments, Links, Additional Information, and Notes
Board Oversight					
Which of these data sets are collected and shared with board?					
4.16.1	Voluntary employee turnover company wide and by at least one additional level (e.g. business unit, location, or division)	Yes/No	Yes	Yes	
4.16.2	% of employees who participate in company sponsored matching gift programs and/or volunteer for corporate sponsored charitable events	Yes/No	Yes	Yes	
4.16.3	Gender Pay Ratio	Yes/No	No	No	
4.16.4	Underlying data from an employee satisfaction survey that is anonymous and at least annual	Yes/No	Yes	Yes	
Supply Chain					
4.17	Does the company require suppliers to sign off on the code of conduct or equivalent codes?	Yes/No	Yes	Yes	
Cybersecurity					
Does the company undertake any of the following to manage cybersecurity risk?					
4.18.1	Mandatory employee training	Yes/No	Yes	Yes	
4.18.2	Adherence to industry cybersecurity standards	Yes/No	Yes	No	
4.18.3	Ongoing evaluation of the threat landscape	Yes/No	Yes	Yes	
4.19	Does the company publish an annual proxy statement?	Yes/No	Yes	Yes	> Proxy

Notes:
 *For 2020 and 2021, proforma information is presented for both Altus Midstream and EagleClaw Midstream where available. EagleClaw Midstream only information is provided where only that information was available. Refer to 2021 and 2020 reports for comments, links, additional information and notes. Where applicable, 2021 data in this report has been updated due to efficiencies in calculation methodologies.

**N/R" Not Reported
 **N/A" Not Applicable to our business
 **Confidential" 2021 is confidential due to SEC emerging company status; 2020 is confidential due to Company(s) being private

» SASB Index

Code	Accounting Metric	Section Reference	2022 (Pro forma organization)	2021 (Pro forma organization)	Unit of Measure	Notes
EM-MD-110a.1	Gross global Scope 1 emissions		1,816,152	1,838,373	mt CO ₂ e	
EM-MD-110a.1	Percentage of gross global Scope 1 emissions that are methane		6.2%	5.9%		
EM-MD-110a.1	Percentage of Gross global Scope 1 emissions covered under emissions-limiting regulations		0%	0%		
EM-MD-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	> Our Environment - Climate Change				
EM-MD-120a.1	Air emissions:					
	(1) NO _x (excluding N ₂ O)		1,907	3,896	tons/year	> 2021 figures represent permitted limits
	(2) SO _x		550	718	tons/year	> 2021 figures represent permitted limits
	(3) Volatile organic compounds (VOCs)		1,127	3,612	tons/year	> 2021 figures represent permitted limits
	(4) Particulate matter (PM)		220	220	tons/year	> figures represent permitted limits
EM-MD-160a.1	Description of environmental management policies and practices for active operations	> Our Environment				
EM-MD-160a.2	Percentage of land owned, leased, and/or operated within areas of protected conservation status or endangered species habitat	> Biodiversity	0%	0%		
EM-MD-160a.3	Terrestrial acreage disturbed, percentage of impacted area restored		N/A	N/A		
EM-MD-160a.4	Number and aggregate volume of hydrocarbon spills		(1) 160	(3) 11,050	(# spills) barrels	> per EIC/GPA framework definition
EM-MD-160a.4	Volume of hydrocarbon spills in Arctic		0, not applicable	0, not applicable		
EM-MD-160a.4	Volume of hydrocarbon spills in Unusually Sensitive Areas (USAs)		0	0		
EM-MD-160a.4	Volume of hydrocarbon spills recovered		0	2,600	barrels	

» SASB Index

Code	Accounting Metric	Section Reference	2022 (Pro forma organization)	2021 (Pro forma organization)	Unit of Measure	Notes
EM-MD-520a.1	Total amount of monetary losses as a result of legal proceedings associated with federal pipeline and storage regulations	> Process Safety and Asset Integrity	\$4,500	0		
EM-MD-540a.1	Number of reportable pipeline incidents		1	2		
EM-MD-540a.1	Percentage of significant reportable pipeline incidents		100%	100%		
EM-MD-540a.2	Percentage of (1) natural gas pipelines inspected		0%	0%		
EM-MD-540a.2	Percentage of (2) hazardous liquid pipelines inspected		3.16% of HL and HVL combined 8.45% of HVL only	0%		
EM-MD-540a.3	Number of (1) accident releases from rail transportation		0, not applicable	0, not applicable		
EM-MD-540a.3	Number of (2) non-accident releases (NARs) from rail transportation		0, not applicable	0, not applicable		
EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	> EHS Management System > Process Safety and Asset Integrity > Health and Safety				
EM-MD-000.A	Total metric ton-kilometers of (1) natural gas transported		537,298,874	509,753,328	mcf/year	
EM-MD-000.A	Total metric ton-kilometers of (2) crude oil transported		25,017,597	24,031,631	bbl/year	
EM-MD-000.A	Total metric ton-kilometers of (3) refined petroleum products transported		N/A	N/A	mcf/year	

» GRI Content Index

Statement of Use		Kinetik Holdings Inc. has reported the information cited in this GRI content index for the period of January 1, 2022, to December 31, 2022, with reference to the GRI Standards.
GRI Standard	Disclosure	Location / Explanation
GRI 2: General Disclosures 2022	2-1 Organizational details	<ul style="list-style-type: none"> > Form 10-K > Proxy > Quarterly Reports
	2-2 Entities included in the organization's sustainability reporting	<ul style="list-style-type: none"> > Proxy > About This Report
	2-3 Reporting period, frequency and contact point	<ul style="list-style-type: none"> > About This Report > Kinetik's financial reporting period is the same as its sustainability reporting period.
	2-4 Restatements of information	<ul style="list-style-type: none"> > About This Report
	2-5 External assurance	<ul style="list-style-type: none"> > About This Report
	2-6 Activities, value chain and other business relationships	<ul style="list-style-type: none"> > About Kinetik > Quick Facts > Our Core Values
	2-7 Employees	<ul style="list-style-type: none"> > About This Report > Health and Safety > Cultivating an Empowered Workforce > Total Employees as of EOY 2022 = 296
	2-8 Workers who are not employees	<ul style="list-style-type: none"> > We have agreements with numerous contracting organizations via ISNetwork, who are each responsible for hundreds of contractors who support our organization through various agreements, contracts, and projects. > In 2022, Kinetik also utilized internal contractors on an as-needed basis. The following contractors, not included in Kinetik's employee headcount included: <ul style="list-style-type: none"> - (2) Interns (~ 272 work hrs) - (1) IT Contractor (~1600 work hrs) - (4) Accounting Contractors (~3480 work hrs) - (2) HR Contractors (~1640 work hrs) - (1) Ops Support (~1680 work hrs)
	2-9 Governance structure and composition	<ul style="list-style-type: none"> > Proxy > Governance Documents > Board of Directors > Committee Composition > Governance Framework
	2-10 Nomination and selection of the highest governance body	<ul style="list-style-type: none"> > Proxy > Charter of the Corporate Governance and Sustainability Committee

» GRI Content Index

GRI Standard	Disclosure	Location / Explanation
GRI 2: General Disclosures 2022	2-11 Chair of the highest governance body	<ul style="list-style-type: none"> > Proxy > Board of Directors > The Chairman of the Board is an Independent Director and not a senior executive in the organization.
	2-12 Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> > Proxy > Charters of the Governance and Sustainability Committee, Audit Committee, and Compensation Committee > Governance Framework
	2-13 Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> > Proxy > Charter of the Corporate Governance and Sustainability Committee > Governance Framework > ESG Governance and Structure
	2-14 Role of the highest governance body in sustainability reporting	<ul style="list-style-type: none"> > Proxy > Charter of the Corporate Governance and Sustainability Committee > Materiality Analysis
	2-15 Conflicts of interest	<ul style="list-style-type: none"> > Proxy > Form 10-K: Related Party Transactions > Related Party Transactions Policies are governed by the Audit Committee - refer to Charter of the Audit Committee
	2-16 Communication of critical concerns	<ul style="list-style-type: none"> > Ethics and Compliance - Reporting Concerns
	2-17 Collective knowledge of the highest governance body	<ul style="list-style-type: none"> > Proxy > Kinetik website - Governance
	2-18 Evaluation of the performance of the highest governance body	<ul style="list-style-type: none"> > Proxy > Corporate Governance Guidelines > Charters of the Governance and Sustainability Committee, Audit Committee, and Compensation Committee > Kinetik website - Governance > Summary: The Governance and Sustainability Committee oversees the annual evaluation of the Board, its committees, and management and reports back to the full Board. Governance and Sustainability Committee is responsible for reviewing the Company's strategy, initiatives, policies, and practices on corporate governance, environmental, health and safety, corporate social responsibility, sustainability, and other related policy matters and reporting back to the full Board.
	2-19 Remuneration policies	<ul style="list-style-type: none"> > Proxy
	2-20 Process to determine remuneration	<ul style="list-style-type: none"> > Proxy > Charter of the Compensation Committee

» GRI Content Index

GRI Standard	Disclosure	Location / Explanation
GRI 2: General Disclosures 2022	2-21 Annual total compensation ratio	> Proxy
	2-22 Statement on sustainable development strategy	> Letter from CEO > Letter from the Chair of the Governance and Sustainability Committee
	2-23 Policy commitments	> Sustainability Policy > Code of Conduct > Supplier Code of Conduct - available to all suppliers connected to Kinetik through ISNetwork > Employee Handbook - made available to all employees > Stakeholder Engagement Policy - made available to all employees
	2-24 Embedding policy commitments	> Ethics and Compliance > Contractor and Supply Chain Engagement > Summary: Company policies are available to employees through the Company intranet, and training is provided and critical policies are reviewed and acknowledged by each employee at scheduled intervals. Our Contractor Management Program requires that our Suppliers meet specific requirements as well as annually acknowledge and commit to the Supplier Code of Conduct.
	2-25 Processes to remediate negative impacts	> Proxy > Form 10-K > 2022 Sustainability Report (throughout)
	2-26 Mechanisms for seeking advice and raising concerns	> Employee Code of Conduct > Supplier Code of Conduct > Employee Handbook > Reporting Concerns
	2-27 Compliance with laws and regulations	> 2022 Sustainability Report (throughout)
	2-28 Membership associations	> Awards and Memberships
	2-29 Approach to stakeholder engagement	> Materiality Analysis > Stakeholder Engagement
	2-30 Collective bargaining agreements	> Zero employees (0%) are covered by collective bargaining agreements.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	> Materiality Analysis
	3-2 List of material topics	> Materiality Analysis
	3-3 Management of material topics	> Form 10-K (Risk Factors) > 2022 Sustainability Report (throughout)

» GRI Content Index

GRI Standard	Disclosure	Location / Explanation
GRI 201: Economic Performance 2016	103-1 Explanation of the material topic and its Boundary	> Materiality Analysis
	103-2 The management approach and its components	> Proxy > Form 10-K > Quarterly Reports
	103-3 Evaluation of the management approach	> Proxy > Form 10-K > Quarterly Reports
	201-1 Direct economic value generated and distributed	> Form 10-K (F-1 thru F-43 in Part IV) > Quarterly Reports > People > Community
	201-2 Financial implications and other risks and opportunities due to climate change	> Form 10-K (Risk Factors) > 2022 Sustainability Report (throughout)
	201-3 Defined benefit plan obligations and other retirement plans	> Kinetik does not have a defined benefit pension plan. > Employee Engagement, Development, and Well-Being
	201-4 Financial assistance received from government	> None for 2022
GRI 203: Indirect Economic Impacts 2016	102-3 The management approach and its components	> Community Investment > Economic Contributions to the Local Community > Contractor and Supply Chain Engagement
	203-1 Infrastructure investments and services supported	> Community Investment > Economic Contributions to the Local Community > Contractor and Supply Chain Engagement
GRI 204: Procurement Practices 2016	103-1 Explanation of the material topic and its Boundary	> Materiality Analysis > Community Investment > Economic Contributions to the Local Community > Contractor and Supply Chain Engagement
	103-2 The management approach and its components	> Community Investment > Economic Contributions to the Local Community > Contractor and Supply Chain Engagement
	103-3 Evaluation of the management approach	> Community Investment > Economic Contributions to the Local Community > Contractor and Supply Chain Engagement
	204-1 Proportion of spending on local suppliers	> Economic Contributions to the Local Community

» GRI Content Index

GRI Standard	Disclosure	Location / Explanation
GRI 205: Anti-Corruption 2016	103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> > Materiality Analysis > Ethics and Compliance > Employee Code of Conduct > Kinetik website - Governance
	103-2 The management approach and its components	<ul style="list-style-type: none"> > Ethics and Compliance > Employee Code of Conduct > Kinetik website - Governance
	103-3 Evaluation of the management approach	<ul style="list-style-type: none"> > Ethics and Compliance > Employee Code of Conduct > Kinetik website - Governance
	205-2 Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none"> > Ethics and Compliance > Employee Code of Conduct > Kinetik website - Governance
	205-3 Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> > Ethics and Compliance > Employee Code of Conduct > Kinetik website - Governance
GRI 206: Anti-Competitive Behavior 2016	103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> > Materiality Analysis > Ethics and Compliance > Employee Code of Conduct > Kinetik website - Governance
	103-2 The management approach and its components	<ul style="list-style-type: none"> > Ethics and Compliance > Employee Code of Conduct > Kinetik website - Governance
	103-3 Evaluation of the management approach	<ul style="list-style-type: none"> > Ethics and Compliance > Employee Code of Conduct > Kinetik website - Governance
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<ul style="list-style-type: none"> > Ethics and Compliance > There were no infractions in 2022
GRI 302: Energy 2016	103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> > Materiality Analysis > Our Environment > Climate Change
	103-2 The management approach and its components	<ul style="list-style-type: none"> > Our Environment > Climate Change
	103-3 Evaluation of the management approach	<ul style="list-style-type: none"> > Our Environment > Climate Change
	302-1 Energy consumption within the organization	<ul style="list-style-type: none"> > Climate Change
	302-4 Reduction of energy consumption	<ul style="list-style-type: none"> > Climate Change

» GRI Content Index

GRI Standard	Disclosure	Location / Explanation
GRI 303: Water and Effluents 2018	103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> > Materiality Analysis > Our Environment > Responsible Water Management
	103-2 The management approach and its components	<ul style="list-style-type: none"> > Our Environment > Responsible Water Management
	103-3 Evaluation of the management approach	<ul style="list-style-type: none"> > Our Environment > Responsible Water Management
	303-1 Interactions with water as a shared resource	<ul style="list-style-type: none"> > Responsible Water Management
	303-2 Management of water discharge-related impacts	<ul style="list-style-type: none"> > Responsible Water Management > Seismic Activity
	303-3 Water withdrawal	<ul style="list-style-type: none"> > Responsible Water Management > The Company utilizes various sources of water across it's operations and is developing tools to better track this data.
	303-4 Water discharge	<ul style="list-style-type: none"> > Responsible Water Management > Overall water usage is minimal. Water is not discharged to the ground, unless specifically authorized by a permit (ex. Hydrostatic Test Discharge Permit) in which case we adhere to regulatory hydrostatic test discharge requirements along with landowner consent. In some cases, we may discharge to an authorized 3rd party evaporation pit.
	303-5 Water consumption	<ul style="list-style-type: none"> > Responsible Water Management > The Company utilizes various sources of water across it's operations and is developing tools to better track this data.
GRI 304: Biodiversity 2016	103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> > Materiality Analysis > Our Environment > Biodiversity
	103-2 The management approach and its components	<ul style="list-style-type: none"> > Our Environment > Biodiversity
	103-3 Evaluation of the management approach	<ul style="list-style-type: none"> > Our Environment > Biodiversity
GRI 305: Emissions 2016	103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> > Materiality Analysis > Our Environment > Climate Change
	103-2 The management approach and its components	<ul style="list-style-type: none"> > Our Environment > Climate Change
	103-3 Evaluation of the management approach	<ul style="list-style-type: none"> > Our Environment > Climate Change

» GRI Content Index

GRI Standard	Disclosure	Location / Explanation
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	> Our Environment > Climate Change
	305-2 Energy indirect (Scope 2) GHG emissions	> Our Environment > Climate Change
	305-5 Reduction of GHG emissions	> Our Environment > Climate Change
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	> Our Environment > Climate Change
GRI 306: Waste 2020	103-1 Explanation of the material topic and its Boundary	> Materiality Analysis > Our Environment > Responsible Waste Management
	103-2 The management approach and its components	> Our Environment > Responsible Waste Management
	103-3 Evaluation of the management approach	> Our Environment > Responsible Waste Management
	306-1 Waste generation and significant waste-related impacts	> Responsible Waste Management
	306-3 Waste generated	> Responsible Waste Management
	306-4 Waste diverted from disposal	> Responsible Waste Management
	306-5 Waste directed to disposal	> Responsible Waste Management
GRI 307: Environmental Compliance 2016	103-1 Explanation of the material topic and its Boundary	> Materiality Analysis > Our Environment
	103-2 The management approach and its components	> Our Environment
	103-3 Evaluation of the management approach	> Our Environment
	307-1 Non-compliance with environmental laws and regulations	> Our Environment
GRI 308: Supplier Environmental Assessment 2016	103-1 Explanation of the material topic and its Boundary	> Materiality Analysis > Contractor and Supply Chain Engagement
	103-2 The management approach and its components	> Contractor and Supply Chain Engagement
	103-3 Evaluation of the management approach	> Contractor and Supply Chain Engagement
	308-1 New suppliers that were screened using environmental criteria	> Contractor and Supply Chain Engagement

» GRI Content Index

GRI Standard	Disclosure	Location / Explanation
GRI 401: Employment 2016	103-1 Explanation of the material topic and its Boundary	> Materiality Analysis > Employee Engagement and Development
	103-2 The management approach and its components	> Employee Engagement and Development
	103-3 Evaluation of the management approach	> Employee Engagement and Development
	401-1 New employee hires and employee turnover - See Chart Below	> Cultivating an Empowered Workforce > Additional data provided below
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	> Employee Engagement, Development, and Well-Being

Employee Turnover Rate		
	2022	2021
Number of departures	39	19
Voluntary turnover rate	15%	9%
Voluntary turnover rate by gender:		
% Female	3%	13%
% Male	97%	9%
% Not identified	0%	0%
Voluntary turnover rate by age:		
<30	13%	15%
30-50	51%	11%
50+	36%	5%
Voluntary turnover rate by race/ethnicity		
White	69%	11%
Hispanic	28%	4%
Black	0%	0%
Bi/Multi-Racial	0%	0%
American Indian or Alaska Native	0%	33%
Asian	0%	0%
Native Hawaiian or Other Pacific Islander	3%	50%

New Employee Hires		
	2022	2021
Number of new hires	91	31
% of new hires by gender:		
% Female	21%	13%
% Male	79%	87%
% Not identified	0%	0%
% of new hires by age:		
<30	16%	16%
30-50	74%	68%
50+	10%	16%
% of new hires by race/ethnicity		
White	53%	55%
Hispanic	40%	39%
Black	5%	0%
Bi/Multi-Racial	1%	0%
American Indian or Alaska Native	1%	3%
Asian	0%	3%
Native Hawaiian or Other Pacific Islander	0%	0%

Note: 2021 Employee Turnover and New Hire data is for EagleClaw Midstream only.

» GRI Content Index

GRI Standard	Disclosure	Location / Explanation
GRI 403: Occupational Health and Safety 2018	103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> > Materiality Analysis > Environmental, Health, and Safety Management > Health and Safety
	103-2 The management approach and its components	<ul style="list-style-type: none"> > Environmental, Health, and Safety Management > Health and Safety
	103-3 Evaluation of the management approach	<ul style="list-style-type: none"> > Environmental, Health, and Safety Management > Health and Safety
	403-1 Occupational health and safety management system	<ul style="list-style-type: none"> > Environmental, Health, and Safety Management > Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	<ul style="list-style-type: none"> > Environmental, Health, and Safety Management > Health and Safety
	403-3 Occupational health services	<ul style="list-style-type: none"> > Environmental, Health, and Safety Management > Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	<ul style="list-style-type: none"> > Environmental, Health, and Safety Management > Health and Safety
	403-5 Worker training on occupational health and safety	<ul style="list-style-type: none"> > Environmental, Health, and Safety Management > Health and Safety
	403-8 Workers covered by an occupational health and safety management system	<ul style="list-style-type: none"> > Environmental, Health, and Safety Management > Health and Safety
	403-9 Work-related injuries	<ul style="list-style-type: none"> > Environmental, Health, and Safety Management > Health and Safety
GRI 404: Training and Education 2016	103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> > Materiality Analysis > Refer to individual sections throughout the report: Cybersecurity; Ethics and Compliance; Health and Safety; Employee Diversity, Equity, and Inclusion; Employee Engagement, Development, and Well-Being
	103-2 The management approach and its components	<ul style="list-style-type: none"> > Refer to individual sections throughout the report: Cybersecurity; Ethics and Compliance; Health and Safety; Employee Diversity, Equity, and Inclusion; Employee Engagement, Development, and Well-Being
	103-3 Evaluation of the management approach	<ul style="list-style-type: none"> > Refer to individual sections throughout the report: Cybersecurity; Ethics and Compliance; Health and Safety; Employee Diversity, Equity, and Inclusion; Employee Engagement, Development, and Well-Being
	404-1 Average hours of training per year per employee	<ul style="list-style-type: none"> > Refer to individual sections throughout the report: Cybersecurity; Ethics and Compliance; Health and Safety; Employee Diversity, Equity, and Inclusion; Employee Engagement, Development, and Well-Being
	404-3 Percentage of employees receiving regular performance and career development reviews	<ul style="list-style-type: none"> > Employee Engagement, Development, and Well-Being > 100% of Employees receive performance reviews

» GRI Content Index

GRI Standard	Disclosure	Location / Explanation
GRI 405: Diversity and Equal Opportunity 2016	103-1 Explanation of the material topic and its Boundary	> Materiality Analysis > Cultivating an Empowered Workforce
	103-2 The management approach and its components	> Cultivating an Empowered Workforce
	103-3 Evaluation of the management approach	> Cultivating an Empowered Workforce
	405-1 Diversity of governance bodies and employees	> Proxy > Board of Directors > Cultivating an Empowered Workforce
GRI 413: Local Communities 2016	103-1 Explanation of the material topic and its Boundary	> Materiality Analysis > Community Investment > Community and Landowner Engagement
	103-2 The management approach and its components	> Community Investment > Community and Landowner Engagement
	103-3 Evaluation of the management approach	> Community Investment > Community and Landowner Engagement
	413-1 Operations with local community engagement, impact assessments, and development programs	> Community Investment > Community and Landowner Engagement
	413-2 Operations with significant actual and potential negative impacts on local communities	> Our Environment > Seismic Activity
GRI 414: Supplier Social Assessment 2016	103-1 Explanation of the material topic and its Boundary	> Materiality Analysis > Contractor and Supply Chain Engagement
	103-2 The management approach and its components	> Contractor and Supply Chain Engagement
	103-3 Evaluation of the management approach	> Contractor and Supply Chain Engagement
	414-1 New suppliers that were screened using social criteria	> Contractor and Supply Chain Engagement

» GRI Content Index

GRI Standard	Disclosure	Location / Explanation
GRI 415: Public Policy 2016	103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> > Materiality Analysis > Stakeholder Engagement > Ethics and Compliance > Political Engagement
	103-2 The management approach and its components	<ul style="list-style-type: none"> > Stakeholder Engagement > Ethics and Compliance > Political Engagement
	103-3 Evaluation of the management approach	<ul style="list-style-type: none"> > Stakeholder Engagement > Ethics and Compliance > Political Engagement
	415-1 Political contributions	<ul style="list-style-type: none"> > Stakeholder Engagement > Ethics and Compliance > Political Engagement
GRI 419: Socioeconomic Compliance 2016	103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> > Materiality Analysis > Ethics and Compliance
	103-2 The management approach and its components	<ul style="list-style-type: none"> > Ethics and Compliance
	103-3 Evaluation of the management approach	<ul style="list-style-type: none"> > Ethics and Compliance
	419-1 Non-compliance with laws and regulations in the social and economic area	<ul style="list-style-type: none"> > Ethics and Compliance > There were no infractions in 2022



» Forward Looking Statement

This report includes certain statements that may constitute “forward-looking statements” for purposes of the federal securities laws. Forward-looking statements include, but are not limited to, statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intends,” “may,” “might,” “plan,” “seeks,” “possible,” “potential,” “predict,” “project,” “prospects,” “guidance,” “outlook,” “should,” “would,” “will,” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. These statements include, but are not limited to, statements about the Company’s future plans; expectations; objectives for the Company’s operations, including statements about strategy, synergies, expansion projects, acquisitions and divestitures, future operations; ESG and sustainability-related goals, strategies and initiatives, including, among others, those relating to diversity, equity, and inclusion (DEI), including our diversity targets, reducing greenhouse gas emissions (GHG), including our 2050 Scope 1 and Scope 2 net zero goal and our interim 2030 targets thereto, environmental management, renewable energy and energy efficiency, waste management, biodiversity, safety and asset integrity, health and safety, and community investment and engagement; our plans to achieve our ESG and sustainability-related goals and to monitor and report progress thereon; ESG and sustainability-related engagement, commitments, and disclosure; and other related items.

Many of the assumptions, standards, methodologies, metrics and measurements used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees. While forward-looking statements are based on assumptions and analyses made by us that we believe to be reasonable under the circumstances, whether actual results and developments will meet our expectations and predictions depend on a number of risks and uncertainties which could cause our actual results, performance, and financial condition to differ materially from our expectations. Therefore, the reader should not place undue reliance on these forward looking statements. Such risks and uncertainties include, but are not limited to, our operating assets being

located exclusively in the Permian Basin; customers’ levels of development and completion activity on our dedicated acreage; potential difficulties in completing acquisitions or integrating new businesses and properties and potential inability to achieve expected benefits from future acquisitions; our current and future interests in joint ventures where our control of such entities may be limited; the possibility that third-party pipelines may be interconnected and we may not have control over the compatibility or safety of such other third party processes, material or infrastructure; the possibility that our customers may suspend, reduce, or terminate their obligations under our commercial agreements with them in certain circumstances; increased completion from other companies that provide midstream services, or from alternative fuel sources; our exposure to commodity price risk; use of derivative financial instruments; new or additional regulatory, environmental, political, contractual, legal, and economic risks to which our construction of new midstream assets may be subject to; the potential occurrence of a significant accident or event that is not fully insured; a shortage of equipment and skilled labor; the actions of governmental entities, changes to current laws or regulations, or failure to comply with laws or regulations; increased regulation of rates and services and greater regulatory scrutiny at the federal and state level; federal and state legislative and regulatory initiatives relating to pipeline safety; increased regulation of hydraulic fracturing; adoption of new or more stringent legal standards relating to induced seismic activity associated with produced-water disposal; health, safety, and environmental laws and regulations; laws and regulations relating to climate change and GHG emissions and physical risks associated with climate change; increasing attention to ESG matters and conservation measures and risks related to our public statements with respect to such matters that may be subject to heightened scrutiny from public and governmental authorities, which could lead to increased litigation risk from private parties and governmental authorities or regulatory bodies related to our ESG efforts; inflationary issues and associated changes in monetary policy; or a terrorist attack, cyber-attack or armed conflict. These and other applicable risks, uncertainties, and assumptions are described more fully in the Company’s filings with the Securities and Exchange Commission (“SEC”), including our Annual Report on Form 10-K for the year ended

December 31, 2022 and any subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Any forward-looking statement made by us in this report speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Moreover, while this report provides information on several ESG and sustainability-related topics, including goals and ambitions, there are inherent uncertainties in providing such information, due to the complexity and novelty of many methodologies established for collecting, measuring, and analyzing ESG and sustainability-related data. While we anticipate continuing to monitor and report on certain ESG and sustainability-related information, we cannot guarantee that such data will be consistent year-to-year, as methodologies and expectations continue to evolve. Furthermore, there are sources of uncertainty and limitations that exist that are beyond our control and could impact our plans and timelines, including the reliance on technological and regulatory advancements and market participants’ behaviors and preferences. We undertake no obligation to publicly update any forward-looking statement whether as a result of new information, future development, or otherwise, except as may be required by law.

While this report describes potential future events and matters that may be significant, and with respect to which we may even use the word “material” or “materiality”, the potential significance of these events and matters should not be read as equating to “materiality” as the concept is used in connection with our required disclosures made in response to SEC and exchange rules and regulations.

In some cases, the information in this report is prepared, or based on information prepared, by third-party vendors and consultants and is not independently verified by the Company. This data should not be interpreted as any form of guarantee or assurance of accuracy, future results or trends, and we make no representation or warranty as to third-party information. Unless otherwise provided, the information contained in this report is expressly not incorporated by reference into any of our filings made with the SEC, or any other filing, report, application, or any statement that we make to any federal, state, tribal, or local governmental authority.



KINETIK

2022 Sustainability Report

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