

ABOUT LAGOON WATER MIDSTREAM

Lagoon is building the premier midstream water logistics company in the Anadarko Basin in Oklahoma and the Midland Basin in Texas. We judge ourselves on much more than our financial performance or the volume of water we manage — our performance on environmental, safety and governance (ESG) is also central to our success. We can't be a great company unless we are also a safe and environmentally responsible company.

We align ourselves with like-minded partners and employees.



KEY FACTS:

- Planning to reach carbon neutrality by 2030 and net-zero emissions by 2040
- Ongoing streak of more than 1,000 days without a recordable injury
- 12,500 metric tons of carbon dioxide avoided as of May 2022

OPERATIONAL DATA

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15 disposal wells with **280,000** BPD permitted disposal capacity

3 additional approved SWD permits

50,200 bbls of storage capacity

1.35M bbls of recycling capacity

240+ miles of produced water pipeline



7 disposal wells with **315,000** BPD permitted disposal capacity

7 additional SWD permits

13,000 bbls of storage capacity with **1M** barrels of additional budgeted storage

~60 miles of existing and budgeted produced water pipeline

OUR CORE VALUES



FOCUS ON PEOPLE
Treating others with dignity and respect



SAFETY
Staying safe is at the forefront of everything we do



STEWARDSHIP
Being good stewards of our environment and corporate resources



SERVANT MINDSET
Serving our customers, our community and our employees



INTEGRITY
Doing the right thing, even when no one is looking and even when it's difficult

FINANCIAL STABILITY

Macquarie Infrastructure Partners – through a 10-year, \$5 billion fund – has committed \$500 million to Lagoon. We are in Year 4 of the partnership. The company's financial backing helps us provide stability and ongoing support. Additionally, the backing means our company can operate without debt.

HEALTH, SAFETY AND ENVIRONMENT

Health, safety and environment (HSE) stewardship starts with our leadership team. HSE influences our hiring decisions and is emphasized consistently in our work. We are committed ethically, financially and personally to achieving a work environment where employees and contractors return home safely to their families every day.



12,827
metric tons of carbon dioxide avoided as of June 2022

Metrics increase daily

FOCUS ON SAFETY

Every Lagoon employee and contractor is empowered and obligated to stop work at any time they feel it is unsafe, without any fear of retribution. All incidents, near misses and good catches are reported immediately.

Every employee and contractor follows specific rules and procedures, in addition to basic safety precautions. We believe all accidents are preventable, and we do everything in our power to make sure they don't happen.



CONTRACTOR MANAGEMENT

A critical aspect of safety is managing contractors through ISNetwork, which scores potential contractors and subcontractors against our standards.

Vendor performance is tracked through field audits and biannual meetings.

FOCUS ON ENVIRONMENT

We don't just preach environmental stewardship. We make focused, strategic plans to lower the impact of our operations on the environment. Most importantly, **our board-approved plan places us on a pathway to carbon neutrality by 2030, with an expectation that technological developments will get us to net-zero by 2040.**

- Expected to eliminate use of gas-powered fleet vehicles by 2030
- Voluntary leak detection and repair (LDAR) program helps keep the air clear and reduces greenhouse gases

GRESB

Lagoon is leading the way by participating in GRESB, an internationally recognized sustainability benchmark tool providing validated ESG performance data. **Per GRESB, we are the No. 2 ranked natural resources transportation company in the U.S.**

Lagoon scored higher than 90% of participants in:

- Health & Safety
- Air Pollution
- Greenhouse Gas Emissions
- Energy

NO. 2 RANKED NATURAL RESOURCES TRANSPORTATION COMPANY IN THE U.S.

GRESB SCORE:
87 out of **100**

FOCUS ON PEOPLE AND COMMUNITY



Our Community Relations Team spearheads support for a wide variety of nonprofits, from the annual Oklahoma City Memorial Marathon and the United Way of Central Oklahoma to the City Rescue Missions, Infant Crisis Center, Midland Animal Shelter Adoptables and youth livestock shows. We are integrated into our communities, and we support programs which make a difference.