



SPL INC.

SUSTAINABILITY REPORT

2022 | WWW.SPL-INC.COM

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- The information presented in this report is for informational purposes only and should not be construed as legal, financial, or investment advice.
- The data presented in this report is accurate and complete to the best of SPL knowledge, but it might be subject to change or updates in the future.
- SPL is committed to complying with all relevant laws and regulations related to sustainability reporting and practices.

*Sustainability,
environmental
awareness, and
employee
wellbeing are
guiding
principles at
SPL.*

A NOTE FROM THE CHIEF EXECUTIVE OFFICER



JEFF HIBBELER, CEO

At SPL, making sense of measurements and data is in our DNA. As the world continues to ask for accountable and transparent sustainability practices, SPL is well positioned to help essential industries meet and exceed their communal and shareholder expectations. In 2022, we affirmed our commitment to helping our customers meet their sustainability goals by launching an aggressive growth plan in environmental services to offer best-in-class wastewater, drinking water, and soil testing across the U.S. Additionally, our technical expertise allows us to test for specialized contaminants such as PFAS in support of the EPA UCMR5 and Quaternary Ammonium Compounds.

We also launched Leak Detection and Repair (LDAR) and emissions testing product lines to help energy producers monitor air quality and reduce their carbon footprint. As part of this product line, SPL obtained NELAP certification in Texas for EPA method 18 emissions analysis. Concurrently, our hydrocarbon laboratories expanded their liquid testing capabilities across the US to help energy producers better quantify their fugitive emissions from storage tanks. Additionally, our Finished Products division expanded its testing services for renewable fuels including aviation and bio-diesel products.

In 2022, SPL also took several steps to implement sustainable practices internally, starting with our people. We reorganized the company's executive leadership team, bringing in several experienced executives, including our first ever Chief Human Resources Officer, to revamp the culture-top down. We increased our staffing levels in critical support areas including HR and safety and implemented several employee engagement initiatives to develop our internal talent pool. To promote employee safety and reduce emissions from our largest source of scope 2 emissions, our fleet, we implemented GPS tracking on all vehicles to optimize driving routes and identify excessive idle times. Among the many other notable accomplishments in 2022, we collaborated with vendor-partners to consolidate and localize our supply chains, reducing the carbon footprint of our freight operations.

I want to invite you to explore our first sustainability report and read in more detail how SPL is working to help our customers be better stewards of the planet. We want to be a partner in your operation and welcome you to share your feedback and thoughts with us at info@spl-inc.com.

Jeff Hibbeler

**The Science
of Sure**

Our Team

"At SPL we believe that the person passionate about what he or she is doing will outwork those motivated solely by making money, so we recruit for passion and attitude, then we train for skill." - Jeff Hibbeler, CEO

200+

years of combined experience & meaningful thought leadership

DIVERSE EXPERTISE, ONE MISSION: *THE SCIENCE OF SURE*



Jeff Hibbeler

Chief Executive
Officer



Dave Curtis

Chief Revenue
Officer



Tim Griep

Chief Technology
Officer



Brandon Pere

Chief Financial
Officer



Rodrigo Bykowski

Chief HR
Officer



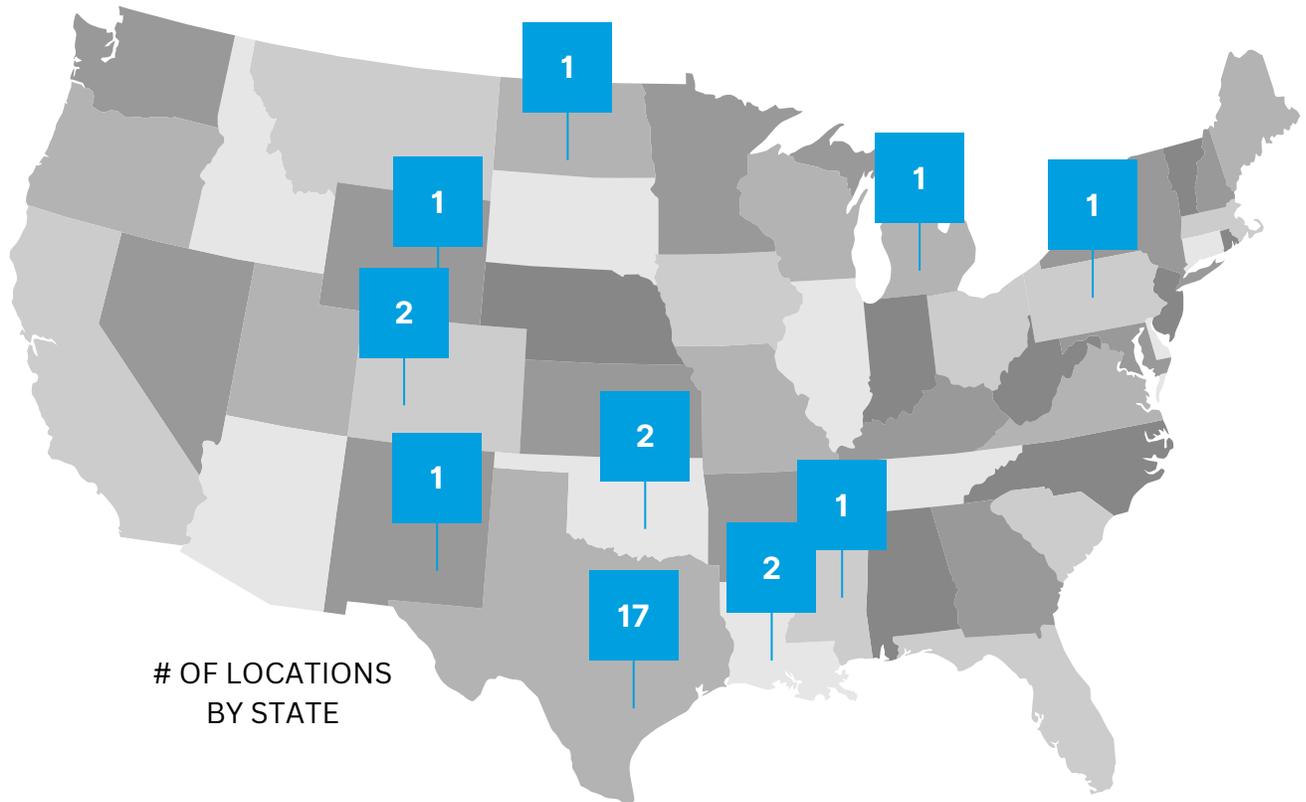
Andrew Parker, Ph.D.

President,
Laboratories



Stormy Phillips

President,
Metrology and Data Services



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LOCATIONS

Across the United States including laboratories, corporate, and field offices.

At SPL, we strive to meet the needs of our customers by maintaining one of the industry's best networks of laboratories and service centers. With no independent competitor able to match the geographic diversity across the North American energy value chain, SPL is sure to have sustainability services at a local office nearby.

In 2022, the strategic expansion of our environmental laboratories enhanced our Texas footprint, with significant expansion into neighboring states ongoing into 2023.

A NOTE FROM THE CHIEF HR OFFICER



RODRIGO BYKOWSKI

At SPL, we firmly believe that organizations have a pivotal role to play in addressing the pressing environmental challenges of our time and recognize the urgent need to transition to a more sustainable and resilient future. We believe SPL is well positioned to support our customers by offering a range of environmental services, from wastewater and drinking water to soil and emissions testing, as well as testing services for renewable and bio-diesel products.

We understand that our customers, partners, and stakeholders increasingly value sustainability and responsible business practices and we believe that our governance practices ensure compliance with laws and regulations and protect the interests of our employees, customers, and stakeholders. SPL's corporate values of safety, integrity, innovation, and service, drive our decision-making process and accountability in all our dealings, fostering a culture of trust and ownership.

We recognize that our activities have an impact on the environment, and we are dedicated to minimizing that impact. As CHRO, my commitment is to create an inclusive workplace that respects all individuals while making sure our teams continue to challenge themselves, raise the bar, and strive for continuous improvement. Each one of our employees has a role to play in driving positive change by reducing SPL's carbon footprint, conserving resources, and adopting eco-friendly practices throughout our operations.

We also acknowledge that sustainability is an ongoing journey, and we actively seek feedback, engage in partnerships, and collaborate with industry leaders to enhance our sustainability initiatives and drive effective change within our sphere of influence. We invite you to explore our sustainability initiatives, progress, and achievements in our latest Sustainability Report – it showcases our commitment, transparency, and the positive impact we are making in communities SPL operates and areas that matter most to our stakeholders.

Thank you for your continued trust, support, and partnership. By choosing to work with SPL, you can be confident that we share your values and together, we can create a more sustainable and prosperous future for generations to come.

Rodrigo Bykowski

**The Science
of Sure**

OUR MISSION

SPL's mission is to provide our customers with world-class testing, inspection, and certification services to help them achieve their sustainability targets. We are dedicated to operational excellence and environmental stewardship at our facilities and every customer site we visit. Our leadership is committed to providing SPL staff with the right scientific tools and a learning environment to achieve their full potential.

OUR VALUES

SAFETY

Commit to the safety of the environment, of those around you, and of yourself.

INTEGRITY

Do the right thing, even when no one is looking.

INNOVATION

Be an agent of change to drive progress and growth through creative ideas and development.

SERVICE

When employees want to work here, customers will want to work with us.



OUR VISION

To be the preferred partner, empowering our customers to lead the world toward a more transparent, fair, and clean delivery of energy.



DOING OUR PART

Challenging times call for innovative solutions. At SPL, our goal is to not only be the go-to laboratory for our customers' day to day needs, but to be the trusted partner they call on to help work through their most difficult challenges. With the industry's most experienced and knowledgeable team of engineers, chemists, and scientists, we are constantly pushing boundaries to ensure our analytical and testing capabilities keep pace with the evolving needs of our diverse customers. "The Science of Sure" isn't just a motto. It's a mentality that each and every SPL employee embraces when they come to work. Our teams understand the significance and importance of being part of our customer's sustainability journey, as we all work toward being better stewards of the planet. It is with this responsibility in mind that our teams ensure the hundreds of thousands of measurements going out the door each year leave our facilities with the highest level of quality and integrity around.

HELPING YOU ACHIEVE YOUR ENVIRONMENTAL NEEDS



Andrew Parker, Ph.D.
President, Laboratories

"At SPL, we are proud of the contributions our teams are making to create a better energy future for tomorrow. We are committed to helping our customers produce the cleanest hydrocarbon molecules on earth."

"The SPL Environmental Services Division provides our customers with the services and data necessary to ensure that their operations are complying with their commitment to preserve and protect the health of their neighbors, employees, and the natural environment."



Joel Grice
*EVP Environmental
Laboratories*



EMPOWERING SUSTAINABILITY



DRINKING WATER

Have confidence the water you supply meets and/or exceeds all required regulatory guidelines

- Private Water Systems
- Public Water Supplies
- Bottled Water
- PFAS

WASTEWATER

Analytical support to ensure you are meeting your discharge compliance obligations under municipal, state, and federal regulations.

SOIL & SOLID WASTE

Organic soil and solid waste tests for spills, supports ongoing remediation, and classifying wastes as hazardous or non-hazardous.

AIR & EMISSIONS

Federal and state permitting requirements associated with oil and gas production stationary engines, & running your analysis for ambient air

TESTING TODAY, FOR A BETTER TOMORROW.

PFAS

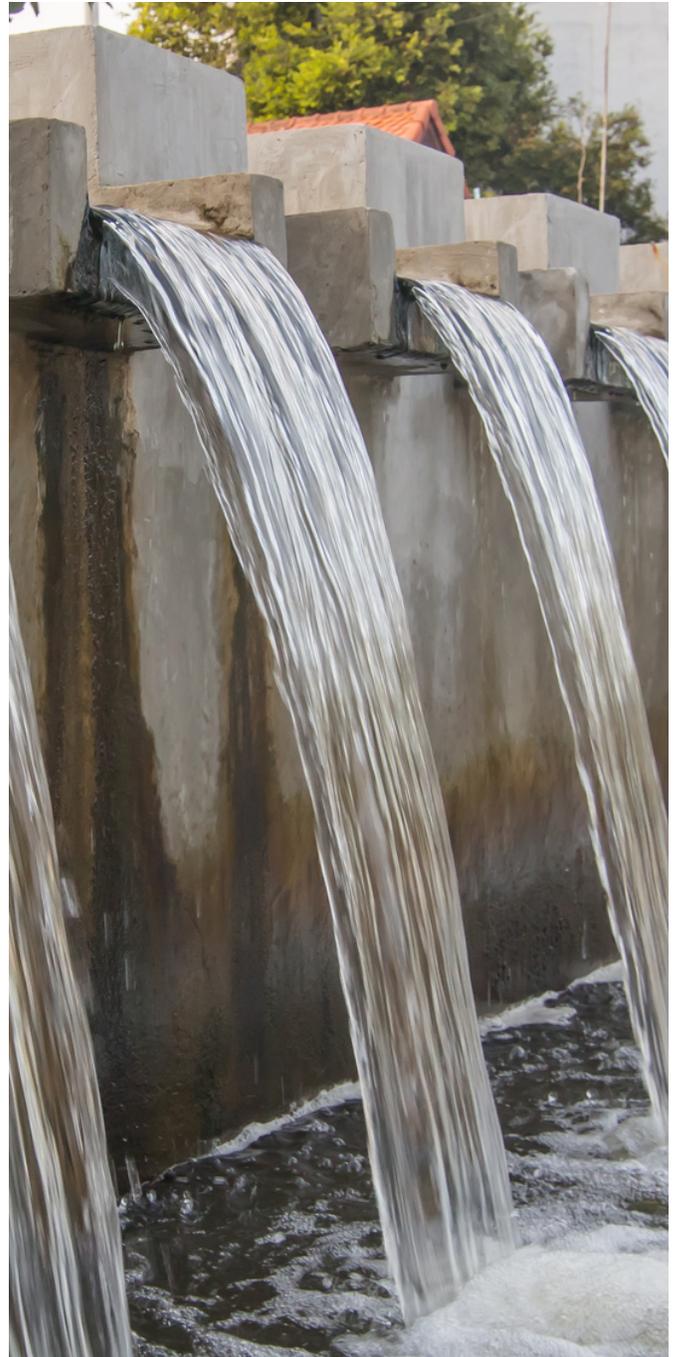
PER- AND POLYFLUOROALKYL SUBSTANCES

SPL has supported the nation's public water system for decades. We are able to provide our customers with the ability to know, with confidence, that the water they supply meets or exceeds regulatory guidelines. This includes public water systems, private water systems, and bottled water supplies.

QAC's

QUATERNARY AMMONIUM COMPOUNDS

QAC's are among the most commonly used disinfectants. Today, there is growing concern around QAC accumulation in waste water treatment plants due to their toxic effect on aquatic organisms. SPL has developed methods for extraction and analysis for QAC that is legally defensible. We offer the latest technology (LC-MSMS) for analysis (at part per billion levels) for accurate identification and quantitation of QACs (Solid & Liquid analysis).



PRESERVING OUR MOST IMPORTANT RESOURCE

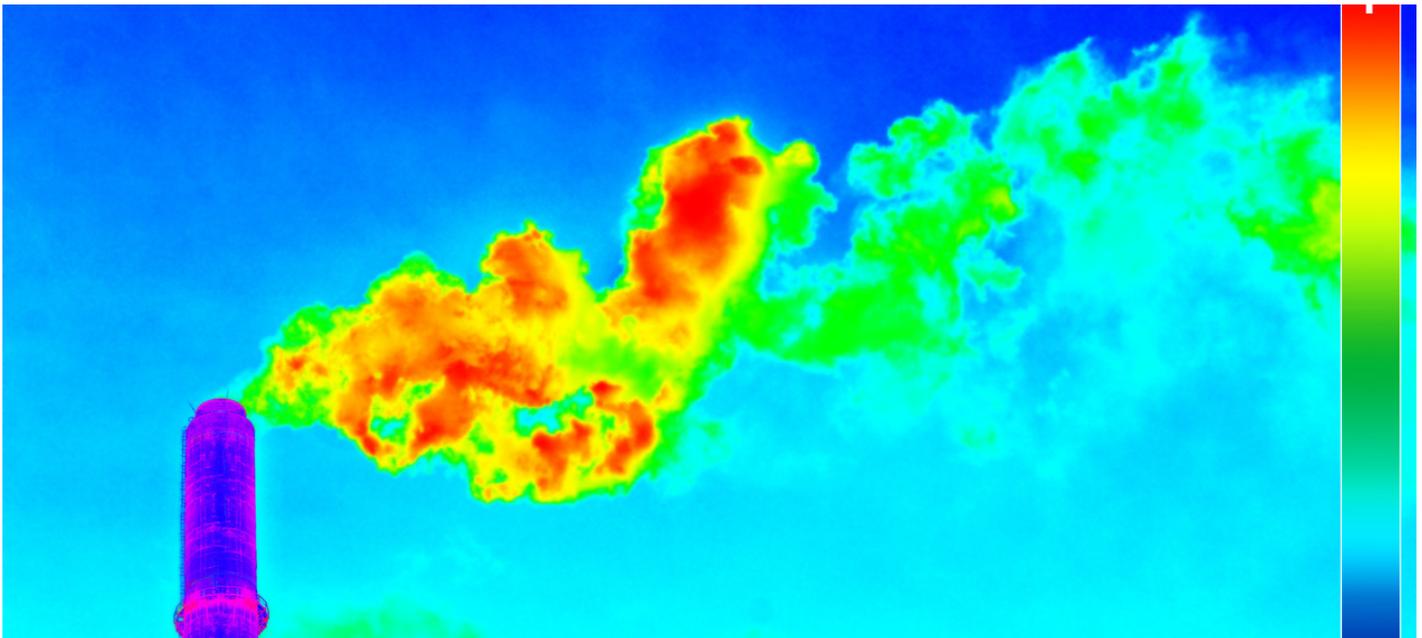


In 2021, SPL began co-hosting an annual Oil Field Water Management Symposium (OFWMS) that focuses on the development, education, and promotion of best practices around the measurement and use of produced water from oil and gas wells. In 2023, we co-organized a nonprofit, Oil Field Water Management Group (OFWMG) to achieve the goals of our mission. Learn more at www.ofwms.com.

API PRODUCED WATER

The significant volumes of produced water generated during the production of oil and gas presents a number of issues which can potentially affect public health, the environment and seismicity. We are proud to support this effort in conjunction with our industry colleagues, to achieve the goal of developing environmentally sound options to manage produced water. Our long history of providing field and analytical laboratory services to the industry gives us an extensive knowledge base with which we can assist in this effort.

STOPPING GREENHOUSE GAS EMISSIONS AT THE SOURCE



SPL utilizes OGI (Optical Gas Imaging) cameras to identify and quantify Fugitive emissions leaks from oil and gas facilities. We have a veteran team of FLIR-certified LDAR technicians that can mobilize within hours to provide immediate leak detection services anywhere from the north slope of Alaska to the inner waters of Louisiana. Our OGI camera operators meet all new training requirements set forth in the Environmental Protection Agency's OOOOb/c and have a deep understanding of the changes. This enables our technicians to ensure our customers meet their regulatory requirements. We have partnered with Arolytics for their cloud based emissions management software, Aroviz. Through this adoption, our customers are able to seamlessly connect, track, and manage their oil and gas emissions data and activities in a central system. Customers are able to quickly receive alerts, store data, review videos, and trend data over time to quantify results.

LEAK DETECTION AND REPAIR (LDAR)

ACCREDITATIONS



NELAP CERTIFICATION

SPL is accredited in the following categories:

- Non-Potable Water – Extractable Organics
- Non-Potable Water – General Chemistry
- Non-Potable Water – Metals
- Non-Potable Water – Pesticides, Herbicides, PCB's
- Non-Potable Water – Semivolatile Organics
- Non-Potable Water – Volatile Organics
- Potable Water – Microbiology
- Potable Water – Metals
- Solid and Chemical Materials – Extractable Organics
- Solid and Chemical Materials – General Chemistry
- Solid and Chemical Materials – Metals
- Solid and Chemical Materials – Pesticides, Herbicides, PCB's
- Solid and Chemical Materials – Volatile Organics
- Solid and Chemical Materials – Semivolatile Organics

STACK TESTING ACCREDITATIONS

EPA Stack Testing Accreditations: method 18 (sampling), method 1 (traverse points), 3 (CO₂), 3A (O₂), 10 (CO), 19 (NO_x), 2 (Stack gas velocity flow volume rate), 7e (NO₂).





MORE THAN TEST RESULTS,

INSIGHT INTO THE CHEMISTRY OF YOUR PRODUCTS AND OPERATIONS

Our energy labs provide compositional, theoretical and physical property information on hydrocarbon products including natural gas, condensate and crude oils to help energy producers meet regulatory and sustainability obligations. The data generated by SPL's energy labs are used in various sustainability applications including scope 1 and scope 2 emissions inventories, EPA greenhouse gas reporting, and voluntary natural gas sustainability frameworks. With more than 1,500 available tests and 120+ analysts at numerous locations across the United States, there is always an SPL laboratory close by.

EPA COMPLIANCE

SPL's energy labs have developed standard operating procedures that make it easier for customers to get the data they need to meet regulatory requirements.

POLLUTANTS ANALYSIS

Our laboratories routinely analyze gas samples for hazardous air pollutants (HAPS) that are harmful to human health.

EMISSIONS MEASUREMENT

Pioneered by SPL, Flash Liberation is a laboratory technique that directly measures the gas to oil ratios in pressurized hydrocarbon liquids.

PROCESS SIMULATION

SPL uses state-of-the-art process simulation software to model and predict facility emissions using measured inputs from our labs.



1,600

SITES VISITED DAILY

5,200

TESTS PERFORMED DAILY

\$50MM+

PRODUCTS ACCOUNTED FOR DAILY

SPL is proud to offer some of the fastest sample analysis turnaround times in the industry, which means our customers spend less time waiting for results. We offer a unique customer access portal, SureVue, which gives the ability to e-tag samples, track the progress of a sample as it moves through our laboratory, view sample results, set historical data parameters, and flag unusual sample results.

SUREVUE®



CLEANER SKIES

**OVER 450,000 FLIGHTS
HAVE TAKEN TO THE SKIES
USING SAF.**

Sustainable Aviation Fuel (SAF) is a biofuel similar to conventional jet fuel, but with a substantially smaller carbon footprint, making it a critical component of reducing greenhouse gas emissions from the aviation industry. The US DOE estimates 1 billion dry tons of biomass could be collected each year to produce SAF, which are derived from non-fossil sources, including agricultural residues, fats and oils, wood mill wastes, algae, etc. – enough to produce over 50 billion gallons of low-carbon biofuels (source: US DOE). SPL's Finished Products division performs jet fuels testing, ensuring SAF blends meet the stringent specifications required for aviation fuels. SPL also actively participates in the ASTM D02 committees that help determine the specifications for jet fuels and SAF to help enable a cleaner skies and a safe, reliable, and low carbon future for aviation.

Did You Know?

Over 300 million liters of SAF were produced in 2022.

SAF can reduce emissions by up to 80% during its full lifecycle.

Around 17 billion US dollars of SAF are forward purchase agreements in 2022.

More than 50 airlines now have experience with SAF.

SOARING WITH INNOVATION

SPL's Engineering, Fuels, and Lubricants laboratories have started working with major manufacturers, research organizations, and the US military in developing alternative fuels, lubricants, and methodologies to help increase reliability and reduce waste streams. Biodiesel is a renewable biodegradable fuel made from widely available feedstocks (e.g. vegetable oils, animal fats, recycled restaurant grease). It is often blended into petroleum diesel to lower carbon output and is fast becoming a major contributor to transportation fuels. SPL actively participates in the ASTM committees and laboratory testing of Biodiesel fuels and blends that help enable these fuels of the future.

SPL is also engaged in special projects, such as blending waste streams, which otherwise have no viable use, into industrial processes that can more efficiently break down these streams into more useful and clean energy. SPL performs laboratory studies using our Hot Liquid Process Simulators (HLPS) to determine if these streams impact fouling tendencies in process equipment.

SPL's extensive range of testing and engineering capabilities allow operators and distributors to determine the performance and specifications of these materials and processes that contribute to a cleaner global future. SPL's testing and engineering helps minimize product contamination and maximize equipment performance with turbine oil, hydraulic fluid, military lubricants, heat transfer fluid, and lubricant greases.



**ENGINEERING
AND
LUBRICANTS**

FUELING SUSTAINABILITY

Each year, SPL's Finished Products division helps refineries and retailers verify they are meeting EPA and other government regulations related to gasoline. Whether it's meeting lower volatility requirements in the summer months to limit evaporative emissions or testing Reformulated Gasoline (RFG) that reduce particles and pollutants, SPL's scientists and laboratories test and certify these fuels and blends meet or exceed the specifications needed.

"Our testing and consulting work at SPL helps customers find the cleanest most efficient solutions to their energy challenges, whether it's sustainable aviation fuels, biodiesel, or the lowest carbon footprint production of hydrocarbons. SPL's scientists and state-of-the-art testing help enable the energy of the future."

Zubin Patel

EVP Finished Products Testing



FINISHED PRODUCTS

DIVING DEEPER FOR SURE SOLUTIONS



SPL's flow assurance laboratory in Katy, Texas, specializes in ensuring the safe and clean flow of hydrocarbons in deepwater production, particularly that of subsea tieback systems. Subsea tiebacks have the lowest carbon and environmental footprint of any major form of oil and gas production. These types of developments not only lower the carbon intensity of new production, but they also leverage capacity at existing facilities.

The testing, consulting, and modeling work performed at this highly specialized SPL laboratory helps develop solutions to better enable long subsea tieback systems, reducing the environmental impact of hydrocarbon production. SPL actively participates in several industry technical conferences, contributing papers, presentations, and chairing sessions that contribute to the latest technological advances in flow assurance and deepwater production.

BRIDGING THE GAP BETWEEN INDUSTRY AND REGULATION

API

- Chair - BLM Measurement Rules Committee
- Members - Onshore Issues Subcommittee
- Leading efforts for the Bubble Point Liquids Standard Development
- Instrumental in assisting with the development of the revisions to API 20.1 - Allocations

BUREAU OF LAND MANAGEMENT

- SPL plays a key role in helping revise the BLM measurement and site security rules
 - 43 CFR 3173
 - 43 CFR 3174
 - 43 CFR 3175

ASTM INTERNATIONAL

- SPL attends two annual meetings with around 1000 industry professionals dedicated to developing industry standards.
- We participate in several topics in ASTM D02, including sustainable aviation fuel (SAF) and biodiesel.

GPA MIDSTREAM

- SPL is a long-standing member of GPA Midstream with numerous employees participating in the development of nearly every GPA standard at some point in time.
- Currently, SPL is chair of the Analytical and Test Methods Committee as well as the Greenhouse Gas Measurement and Abatement Committee.
- A number of SPL staff also volunteer as instructors at the GPA's School of Gas Chromatography.

SAE INTERNATIONAL

- SPL is proud to be an active participant in SAE, whose vision is to be the leading organization to “..enable safe, clean, and accessible mobility solutions.”
- SPL is particularly active in the E34 subcommittee dealing specifically with propulsion lubricants for gas turbine engines, gear boxes, and accessories.



GPA GHG MEASUREMENT AND ABATEMENT COMMITTEE

Our President of Laboratories, Andrew Parker, Ph.D., chartered the Greenhouse Gas Measurement and Abatement Committee within GPA Midstream in 2022. Serving as the committee's chair, Andrew works with the committee members to provide academic and enrichment opportunities in the areas of midstream emissions measurement technology, quantification and abatement for GPA membership. This committee serves as a critical bridge between the regulatory and technology conversations ongoing with the industry, and has been tasked with content creation through forums, panels, and membership engagement.



LET'S CLEAR THE AIR PODCAST

The Lets Clear the Air Podcast is part of GPA Midstream's outreach campaign aimed at having pragmatic conversations about how we can all contribute to creating a better energy future. SPL is proud to support this important conversation through the participation of President of Laboratories Andrew Parker, Ph.D. During each interview Andrew and another cohost interview thought leaders in the energy transition conversation, covering topics including geopolitics, global markets, and emerging technologies.

THE SCIENCE OF SAFETY

Safety is the first of our core values because it is the cornerstone of everything we do. We're committed to creating a culture of safety by empowering our employees with the skills and knowledge to create safe and healthy work environments.

HSI DONESAFE

DoneSafe, our companywide safety platform for documentation, field assessments, and incident reporting, provides visibility to safety metrics across the organization.

LEARNING MANAGEMENT SYSTEM

Available 24/7, the LMS provides online safety and HR trainings to all SPL employees.

GEOTAB INC. GPS TRACKING

Fleet tracking with GPS helps identify unsafe driving habits, reduce unnecessary idle time, and provide location tracking for employees in remote areas.

LABORATORY SAFETY REPRESENTATIVE

The LSR program serves as a conduit for questions and information sharing between our lab and HSE teams.

FUEL EFFICIENCY

We monitor truck idling and have successfully reduced emissions during idle time by 50%.



50%

Reduction in #
of At Fault
Accidents YOY

7 MM

Miles Driven

1.1MM

Average # of
Exposure Hours

OUR PEOPLE



SUSTAINABILITY, EMPLOYEE WELLBEING, ENVIRONMENTAL AWARENESS, AND GOVERNANCE ARE GUIDING PRINCIPLES AT SPL. WE ALSO STRIVE TO HAVE A POSITIVE IMPACT ON THE INDUSTRIES WE SERVE AND THE COMMUNITIES WE OPERATE IN.

COMMUNITY

Our teams live in and are part of the communities where we work. SPL and our employees consistently look for ways to give back through everything from volunteering time to charitable contributions.

SAFETY

Our employees are the number one priority at SPL. Our most important covenant is that every one of our team members goes home safely to their families every night.

DIVERSITY

Average Tenure

5.75 Years

Total Headcount

519 Individuals

Gender

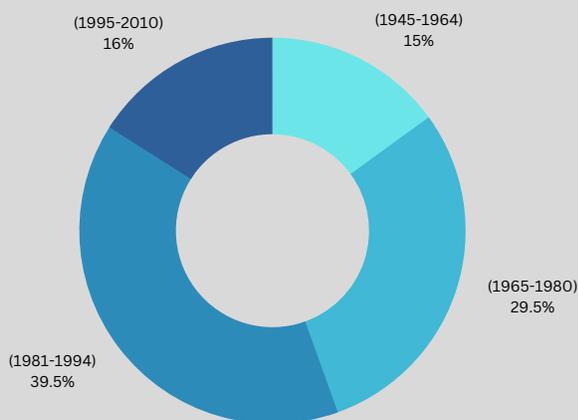
71.3% Male 28.7% Female

SPL employs the most qualified measurement, testing, and data experts in the industry, delivering an unparalleled customer experience and leading performance across the board.

**SPL is committed to providing equal opportunities to all employees and applicants for employment. All employment decisions are made on a non-discriminatory basis.*

Generation

Employee trends by generation



Race

Employee trends by race

