



# ANNUAL SUSTAINABILITY REPORT

**FY 2023**



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# OVERVIEW

# Message from our President & CEO

Along the path to building a sustainability strategy for our company, I have reflected on what sustainability really means to B&L Pipeco Services and me, personally. Sustainability is a term that is thrown around so haphazardly these days that it takes on different meanings depending on to whom you are talking. We have sustainable resources, sustainable energy, sustainable companies, and living your life more sustainable, just to name a few. But what does it all mean? If you will allow me, let me give you my “two cents” on what sustainability means to me.

I believe if I was pressed to explain sustainability in one word, that word would be “responsibility”. It’s a word that I have always liked. Responsibility...it exudes commitment, obligation, accountability, trust, sacrifice. It’s also a word that implies future for if there were no future, we would not have responsibilities.

By setting our company on a path for sustainability we are committing our company to focus on our responsibilities. Our responsibility to our stakeholders. Our responsibility to our customers. Our responsibility to our employees. Our responsibility to our community. Our sustainability strategy is a commitment that we will take the responsible actions to build a lasting future for our company. It is through our embarkation on sustainability that the execution of these responsibilities will allow us to make our little piece of this world a better place.

I am very proud of the progress our people have made to build a lasting sustainability strategy for B&L Pipeco Services. In the past year, we have achieved many important accomplishments.

In this report you will learn about our sales team’s incredible success selling Low Emission Stock Tanks which help to reduce methane emissions. You will read about our continuing progress in creating a platform for Responsibly Sourced Tubulars®. We continue to focus on governance through multiple efforts including employee training and enhanced cyber security. We are making a difference in our communities. I am proud to report that our team won First Place in the Kid’s Meals 2023 Summer Juice Box Challenge, a competition to provide free healthy meals to the doorsteps of Houston’s hungriest children.

These are just a few of the many examples of the difference we are making in our communities, our company, and the world around us. It takes all of us to make a difference. We must recognize that we are not strangers to each other. I think it’s time for us to realize the spaces in between leave room for us to grow. Our efforts to focus on the responsibility to build a sustainable company help us to understand one another and build a productive future for our company.



**“I believe if I was pressed to explain sustainability in one word, that word would be “responsibility.””**

**Steve Tait**  
President & CEO

# Message from our Steering Committee

Building on the momentum of our successful initiatives, we headed into the year 2023 faced with new and challenging targets. While celebrating our achievements, we remain cognizant of the challenges that threaten our business model today. Through our sustainability program, SPARK, we actively identify and mitigate organizational risks aligned with our principle objectives entrenched in our value chain. As we reflect on the past year's journey towards long-term success, it is with great pleasure that we present our Annual Sustainability Report reflecting the collective efforts and strategic initiatives undertaken by BLPS.

At the heart of our program lies our employee-led program, with commitment from over 40 employees to facilitate company-centric change. The commitment from the subcommittees and their leads created new opportunities for improvement and demonstrated our dedication to operating according to our core values. We firmly believe that solving challenges from the company's perspective enables us to create sustainable solutions that resonate across our value chain.

The input and advice received from our Advisory Board is instrumental in supporting and directing our path forward as we navigate toward long-term success. Their diverse backgrounds and experiences provide valuable insight as we weigh the benefits and risks when evaluating new opportunities linked to our principle objectives framework. Regularly scheduled meetings ensure we stay current in our sustainability efforts, including responsible supply chain management, corporate culture, ethics and governance, strategic sustainability, workforce development, environmental conservation, and community engagement.

The steering committee intends to diligently lead our grassroots efforts in the Spark program. Extending our reach into the value chain, our responsibility is to lead and make a difference as companies pursue financial and operational stability. The challenges we will encounter in the future will be much easier to overcome due to collaboration throughout the supply chain. We appreciate our many relationships and extend a sincere "Thank You" to all the companies we are partnered with combined with the unwavering support from our parent company, Sumitomo Corp of Americas, BLPS looks forward to leading the way in our new fiscal year 2024.



**“We firmly believe that solving challenges from the company's perspective enables us to create sustainable solutions that resonate across our value chain.”**

**Spark Steering Committee**

Bill Felinski, Gene Hunt, Katherine Mitcham, & Mike Cunico

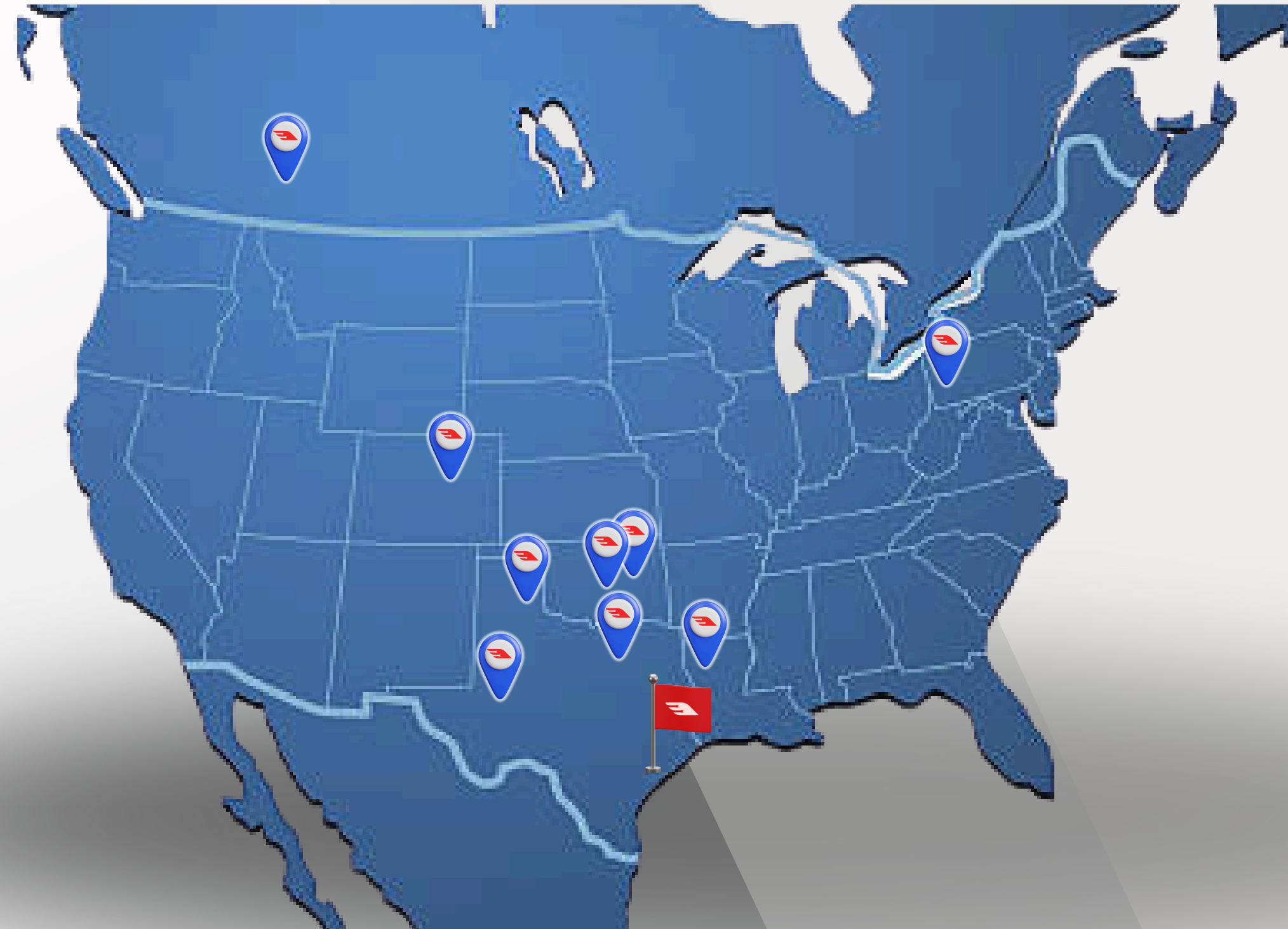
# ABOUT US

## Delivering Value Through Products and Services

- Subsidiary of Sumitomo Corporation of Americas.
- Leading OCTG distribution company.
- Merger of industry-leading companies.
- Delivering direct to rigs since 1935.
- Supporting E&P operations in all North American plays.
- Providing goods and services to over 150 customers.
- Diversified product offering.

- 
- Executive Team - over 200 years of industry experience.
  - Focus on long-term Sustainability.
  - Execute plans aligned with core values.
  - Risk management practices.
  - Asset management priority.
  - Reliable product supply.

- 
- Financially Secure.
  - J-Sox compliant.
  - Increased Cyber Security awareness.
  - Employee Development and well-being focused.
  - Good steward to society and the environment.
  - Development of new Technology and AI opportunities.



\*\*Refer to Page 43 for regional office locations and contact information.

## Future

It is anticipated that risks and opportunities will occur that could affect BLPS's Sustainability. The company has taken steps and committed resources to identify these areas to maximize or minimize their impacts. Employee Development will continue to be a focus as BLPS recognizes the positive results gained from a collaborative and strategic-thinking workforce. New Technology, along with AI and other developments, will be utilized to improve internal efficiencies and those of our supply chain partners.



## Present

During the third year of our Sustainability program, BLPS was recognized for the efforts and commitments made to address the concerns of customers, suppliers, shareholders, and employees. The Program was formally named "Spark" and tasked with continuing the challenge of value creation while maintaining a sensible approach to establishing new goals. The Spark program is committed to being problem solvers while operating responsibly, logically, and mindful of the needs and trends taking shape today. It is paramount for BLPS to remain transparent in measuring and reporting the progress of our plan.



## Past

In 2021, BLPS elected to publish our initial Sustainability Report. An organizational framework composed of volunteer employees and members of the executive team was created and various committees and subcommittees were established. This "team" utilized the company's core values and ESG metrics to create the road map that would help lead the company to long-term success. Targets were identified and progress toward achieving these goals was measured and reported.

The following mission statement was composed:

"We will be a sustainable upstream energy service organization focused on increasing stakeholder value and expanding our company culture to emphasize ethical business solutions, social awareness, and addressing environmental concerns."



# ENVIRONMENTAL CONSERVATION

B&L Pipeco is committed to promoting environmentally sustainable business practices that affect local and global environments. As a distributor, we strive to be an industry leader in new cutting-edge responsibly sourced products and services that can assist our customer base with their sustainability requirements and long-term goals.



# Environmental Impact

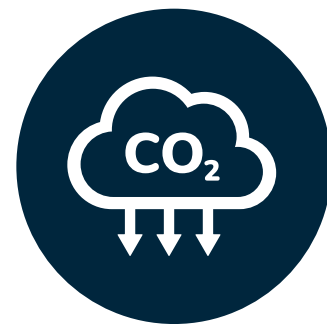
B&L Pipeco has instituted new policies to reduce our direct impact on emissions and waste. Our senior management group and Spark committee have embraced these environmentally conscious initiatives. We strive to expand and review our internal initiatives annually.

BLPS has set an internal paper consumption target of “2025 Net-Zero Paper Usage”.

We approached our customers and suppliers to convert paper to electronic transactions. After an internal review, we confirmed that virtually all (>99%) vendor payments are facilitated via electronic ACH payments. Pursuing the same efforts with our customers, in 2023 we reduced mail payments to just 14% (by revenue).



**Paper Free Initiative**



**Emission Reduction**



**Biodiversity Preservation**



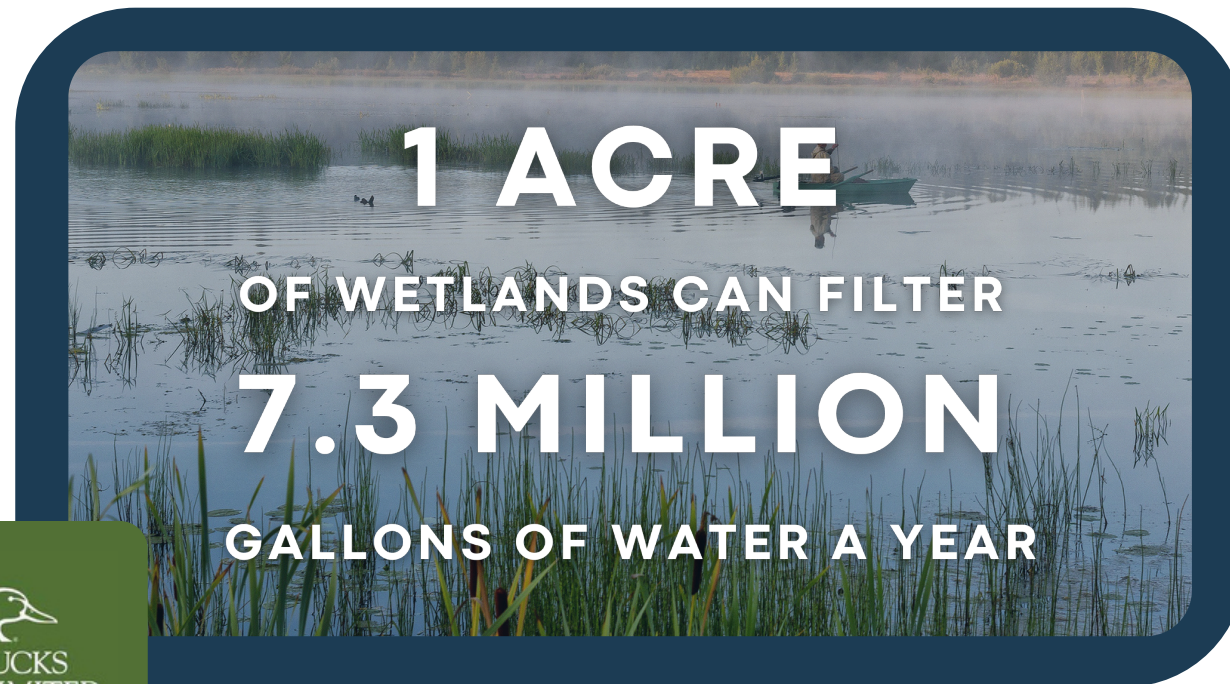
## Local Environmental Restoration

Our Environmental Conservation committee has volunteered over 160 hours on B&L Pipeco Services’ environmental efforts this past year. The committee found interest in working with a local park to eradicate invasive non-native plant species. Armand Bayou Nature Center is a 2500-acre nature preserve in Houston, TX, whose mission is to educate and inspire current and future generations to explore, respect, and protect wildlife. Park staff and volunteers continuously work to protect the surrounding Bayou and conserve this historic location.

# Biodiversity Protection

## Making it Personal

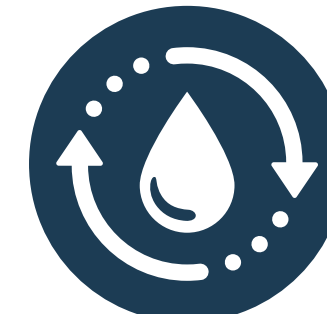
One of the biggest environmental threats to our planet today is the loss of habitat. BLPS and their employees support organizations that protect our wetlands and forests, ensure clean water supply, and protect the health of wildlife and the ecosystems through donations and personal time.



Through fostering a culture of sustainability and responsibility, our environmental committee has seen the benefits of our employees extending it to their daily lives, establishing practices introduced in the office.



Wildlife Conservation



Water Conservation



Smart Homes



Recycling



Conscious of Emissions



National Park Protection



Energy Conservation



Home Gardening

# Emission Management

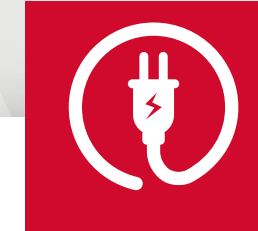
B&L Pipeco Services, with the support of our parent company, Sumitomo Corporation of Americas, has realized the importance of quantifying and managing emissions to help reduce our carbon footprint and assist our customers in their reporting requirements.

In 2021, B&L Pipeco initiated a program to measure and quantify our operational emissions (Scope 1 & 2) and supply chain emissions (Scope 3). B&L Pipeco strives to increase the accuracy and type of data collected in future years to pinpoint hotspots and drive reduction initiatives.



## SCOPE 1

- Biodiversity Conservation.
- Environment Education for Personal use.
- Paper Invoicing Reduced.



## SCOPE 2

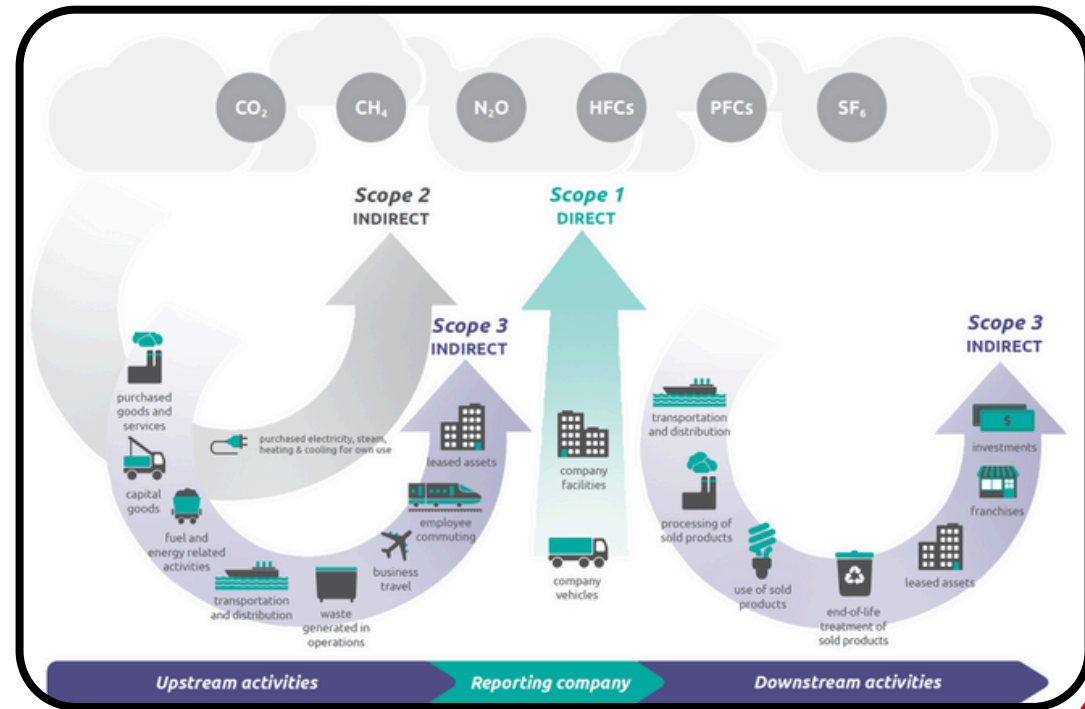
- Energy Efficiency.
- Reduced emissions.
- Energy Consumption.



## SCOPE 3

- Ship Direct to the Rig.
- Rail When Possible.
- Canopy Auction Sales.
- Thread Protector Recycled.

# 2022 EMISSIONS SNAPSHOT



**↓ 60% SCOPE ONE**

Decreased leased vehicle miles traveled.  
Decreased Asset Fuel usage.

**SCOPE 1  
DIRECT EMISSIONS**

**↑ 18%**

BLPS & Incompass  
Total Emissions

**SCOPE 3  
EMISSIONS**

**SCOPE 2  
INDIRECT EMISSIONS**

**↑ 2% SCOPE TWO**

Increased consumption of energy.  
Higher temperatures caused an  
increase in energy usage.

**↓ 21% SCOPE THREE**

Higher usage of rail decreased total transportation emissions.

The increase in product-related emissions is in direct proportion to the increase in pipe sales.  
48% decrease in Upstream Transport of Products.  
27% increase Product Related.

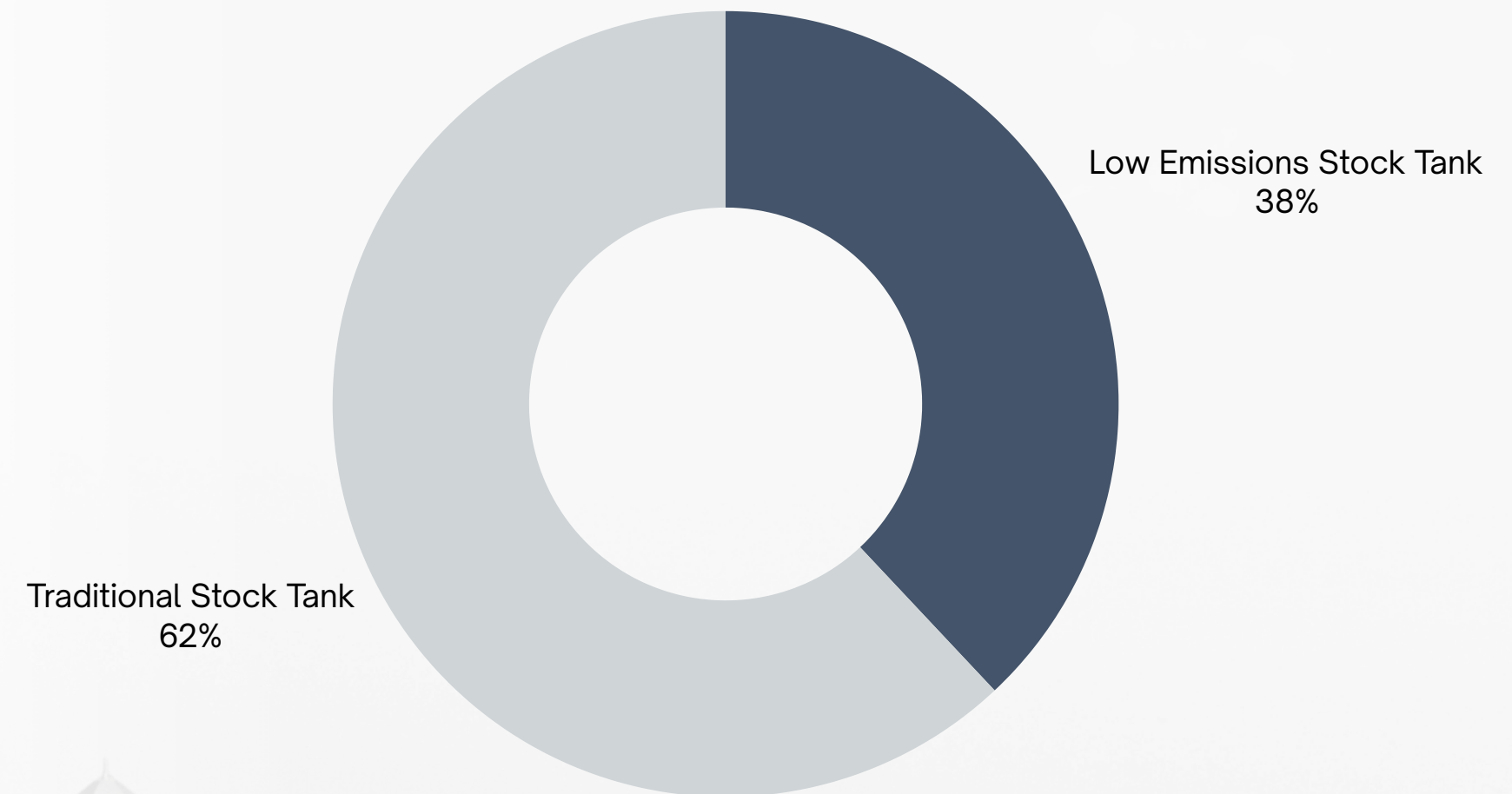
\*Diagram Source: [WRI/WBCSD Corporate Value Chain \(Scope 3\) Accounting and Reporting Standard \(PDF\)](#).

\*\*Numbers are represented of the previous year due to data availability.

# Low Emission Tank Sales FY 2023

## Low Emission Stock Tanks

In FY 2022 B&L Pipeco, with its manufacturing partner SteelMation, launched the 2.5 psi low-emission stock tank product line (API 650 Annex J Monogramed). In FY 2023 the product line experienced widespread growth and conversion of traditional stock tank customers to the 2.5 psi low-emission tank. These tanks (with the combination of a VRU unit) reduce the frequency of flaring and add an increased measure of safety on site when compared to the traditional API 12F stock tanks.



B&L Pipeco has converted 38% of its tank sales to low-emissions stock tanks and anticipates continuing this incredible growth.

# RESPONSIBLE SUPPLY CHAIN MANAGEMENT

## STRATEGIC SUSTAINABILITY OVERSIGHT

Our mission is to lead the transformation towards a circular and sustainable supply chain. We aim to reduce waste and drive continuous improvement while building long-term relationships with suppliers and vendors that align with our core values.

# OCTG Sourcing

B&L Pipeco has experienced many years of cyclical business conditions. To address an ever-changing business climate, we understand the need to have reliable suppliers to avoid supply chain disruption. We pride ourselves on our relationships with OCTG manufacturers, both domestic and international, that allow us to deliver value. These ties allow us to:

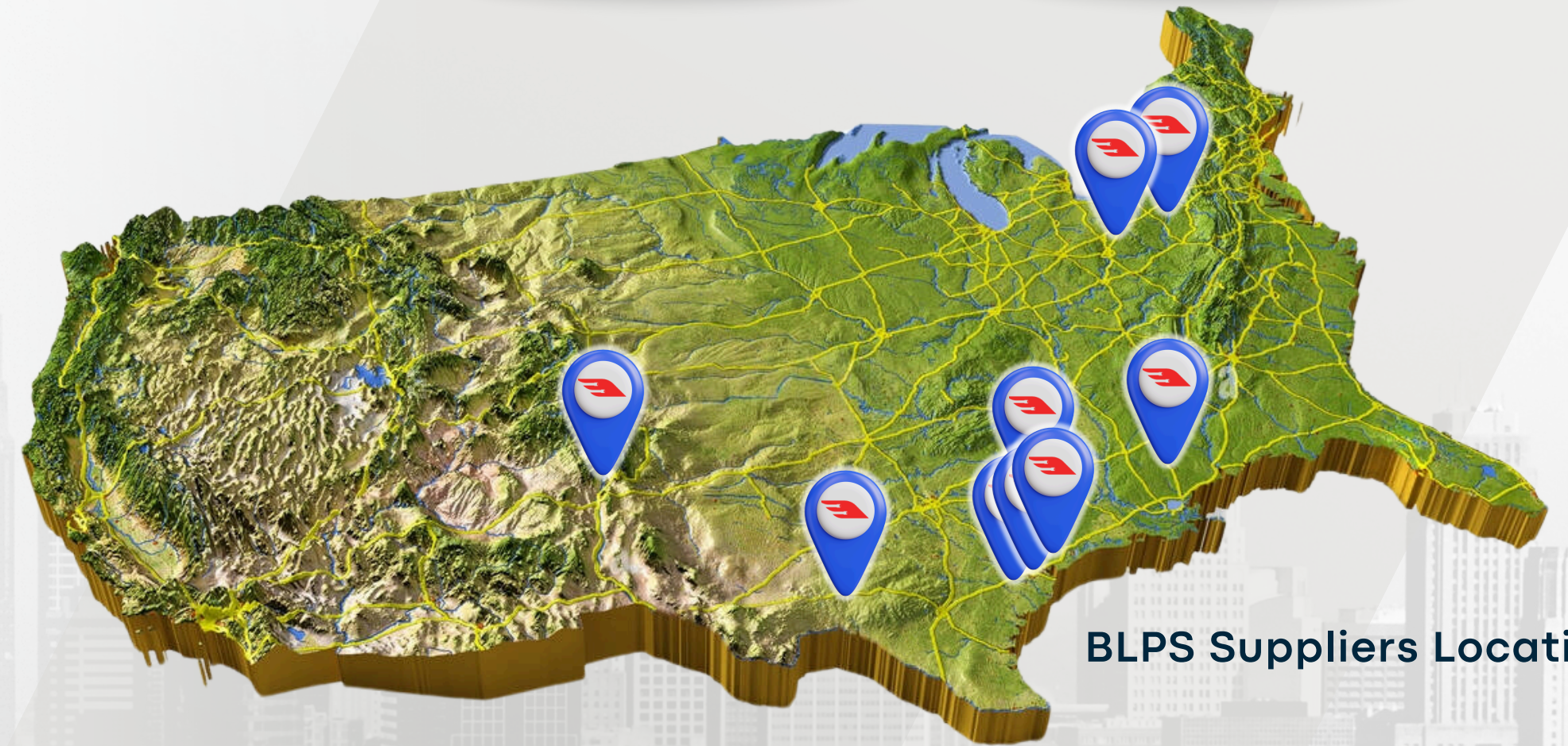
- Ensure security of supply from ethical sources.
- Utilize quality domestic and international suppliers.
  - Strategic supplier selection to support local drilling operations.
- Meet specific customer requirements.
- Source at competitive pricing.
- Strongly contribute to BLPS sustainability.
  - Suppliers focusing on social and environmental concerns.
- Collaborate to address industry concerns.



60%  
DOMESTIC  
SOURCED STEEL



60%  
OF TUBULARS SOURCED FROM  
REDUCED EMISSION STEEL



# Reducing Our Steel Carbon Footprint

The IEA estimates that direct CO2 emissions due to crude steel production is approximately 1.4 tons CO2 per ton steel produced. Recycling Today claims the numbers are slightly higher, roughly 1.85 metric tons [2.04 tons] of CO2 per ton steel.”

- Estimated Average CO2 per ton steel produced: 1.72 tons
- At 5,769 total repurposed tons saved in 2023, we estimate that **BLPS saved approximately 9,923 tons** ( $5,769 \times 1.72 = 9,923$  tons) of CO2 emissions through our Sustainability / Circular Economy efforts in 2023.
- Re-purposed / recycled pipe is made into fence post, cattle guards, piling, low-pressure oil field applications, and re-melted to make other steel products.



 **Auction Process** **789**  
Repurposed Tons

 **Sales Process** **3,117**  
Repurposed Tons

 **Scrap Process** **1,863**  
Repurposed Tons

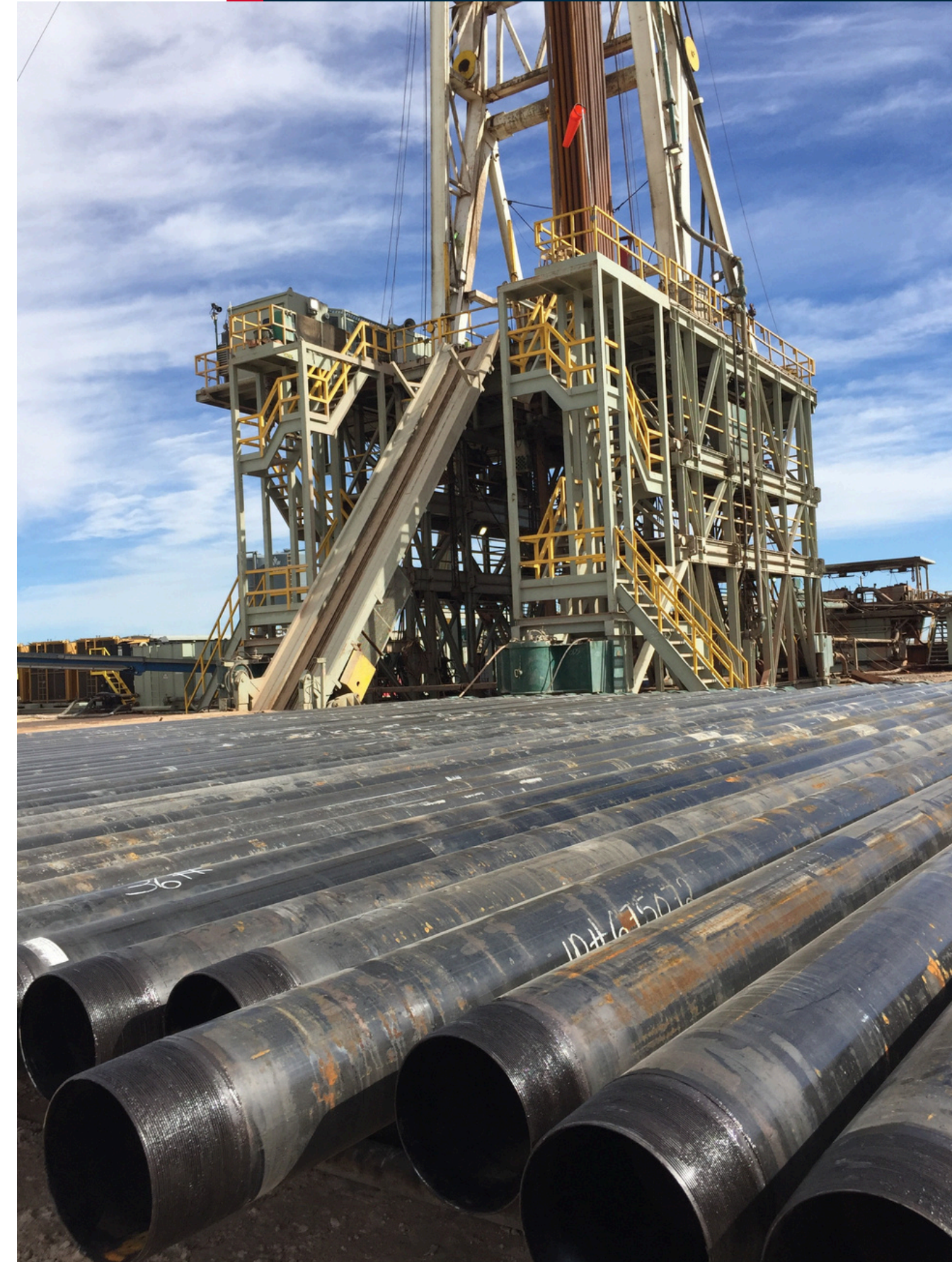


# Looking Beyond Historic Practices

Regarding our Spark program, Supply Chain metrics generally align with environmental or social initiatives. We're looking beyond that to identify efficiencies in B2B transactions. Improving workflow efficiencies across the value chain will improve communication, reduce error, and maximize resource allocation.

Our value chain continuous improvement program integrates:

- Conducting annual vendor surveys.
- Holding Quarterly Business Reviews (QBRs) with our top vendors.
- Identifying (2) actionable efficiencies per quarter with top vendors.



# Business Development

In recent years, BLPS has evolved its business model by increasing the importance of diversifying product lines and services offered to the industry. Seeking to enhance its success and create long-term value, BLPS continues to investigate new opportunities that provide solutions for the industry while adding to the company's sustainability. Managing through potentially risky ventures is at the forefront of our evaluations.



BLPS continually looks for ways to make our customers' lives easier. As a result, we are excited to announce "Pursuit Professional Services". This new service offers professional services such as Engineering, Design, Emissions control, Project management, and Construction to help meet the needs of the industry.



BLPS has taken great strides this year to revamp our Canopy Professional Services Division to better serve our customers' "reverse supply chain needs." This group provides opportunities for our clients to organize, reduce, repurpose, and recycle their inventory. BLPS' surplus auctions provide an opportunity to turn goods into cash.



Answering the call to provide solutions, BLPS' New Venture Business Development Group is focused on bringing new technology and services to our customers. In an ever-challenging industry, this new group will work closely with outside companies to identify sources to contribute to problem-solving.

# New Ventures

Through BLPS' focused efforts to add financial stability to the company and be a "Solution Provider" for the industry, BLPS is increasing its focus on its New Ventures group. The New Ventures group will primarily investigate opportunities that help our partners deal with their environmental concerns.

B&L Pipeco Services has partnered with Clean Connect as an official distributor of the Clean Connect continuous monitoring product line to further assist our customer base with achieving new environmental regulations.

## Clean Connect Provides:



### Non-Invasive Tank Monitoring

Non-invasive tank monitoring is as accurate as guided wave radar.



### VOC Gas Leak Detection

Real-time VOC leak detection for your entire site.



### PPE Detection

The model automatically detects people to determine if they're wearing a hard hat.



### ECD Monitoring

Visually verify that ECD's are working correctly with our 360 degree HD optical camera.



### Liquid Leak Detection

Detect liquid leaks instantly to prevent costly failures.



### Autonomous Gate Guard

Eliminate gate operators with virtual gate guard.



### Flame & Smoke Detection

The 360-degree HD camera detects smoke & fire autonomously.



### Loadout Observation

Automatically record & log pumper truck loadouts.



**B&L PIPECO  
SERVICES**

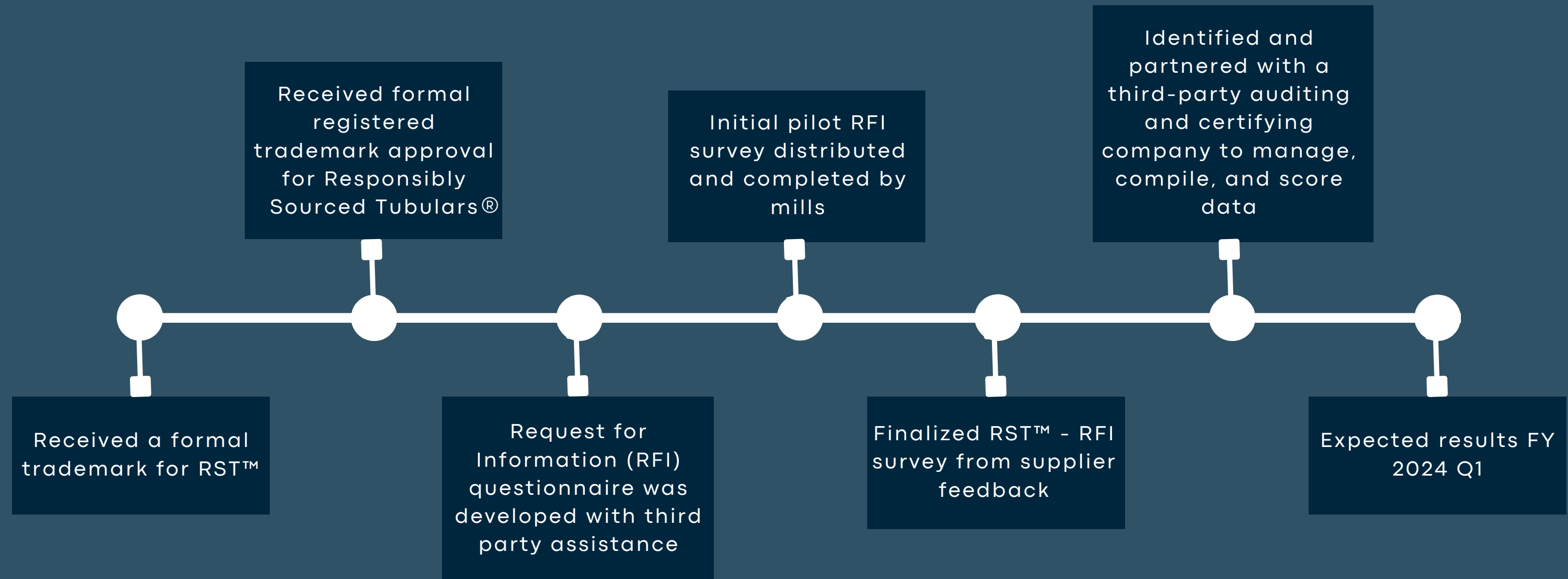
# INTRODUCTION TO RESPONSIBLY SOURCED TUBULARS®

The BLPS Sustainability Team identified our asset management function as a key to the long-term success of our company. As a product and service provider, it is of the greatest importance to effectively source products from reliable suppliers capable of meeting customer needs. To ensure that our suppliers align with industry concerns, BLPS created Responsibly Sourced Tubulars® as part of our vendor review process. Through RST™ we will promote and third-party certify the commitments the OCTG supply chain has made to be ethical stewards to the environment and society.

In addition to addressing our supply concerns, RST™ will provide additional benefits, such as:

- Provide manufacturers with a further understanding of the customer needs.
- Support BLPS' sales efforts in promoting manufacturers' sustainability strides.
- Provide valuable information to help customers reach their internal and external goals.

# Near-Term Progress of RST™



# Responsibly Sourced Tubulars®

## RST™

Today, and well into the future, the global community will greatly depend on fossil fuels as their primary energy source and the numerous products that depend on them. OCTG protects the environment and communities from potential hazards in the development of fossil fuels. As the leading OCTG distributor, BLPS requests selective information from our manufacturers to demonstrate they are operating responsibly and mindful of their communities and environment. Responsibly Sourced Tubulars®, a key component in our sustainability efforts, was created to help the OCTG supply chain with their intent to “do the right thing.”

### Environment

- Energy Consumption
- Renewables
- Carbon Neutral Plan
- Capex for Pollution
- Reuse, Reduce, Recycle
- Circular Economy

### Governance

- Board Diversity
- Anti-Corruption
- Sustainability Plan
- Code of Conduct
- Business Practices
- Business Continuity

### Supply Chain

- Customers
- Suppliers
- Performance
- Quality
- “Do What You Say”
- Labor Treatment
- Sustainability (ESG)

### Social

- Community
- Workforce
- Diversity & Inclusion
- Human Rights



# **CORPORATE GOVERNANCE**

## **WORKFORCE DEVELOPMENT, CULTURE & ETHICS**

B&L Pipeco Services has persistently practiced sustainable governance, an integral part of our company and business practices. We are committed to maintaining transparency, inclusivity, accountability, and sustainability with our internal and external stakeholders. Our company will continually evaluate and adapt policies that ensure genuine and fair governance throughout our organization.

# Addressing Governance

Mindful of the objectives set by our parent company, Sumitomo Corporation of Americas, our framework demonstrates our firm commitment to contributing to the corporation's long-term success. B&L Pipeco Services ensures we align with our core values in each decision-making process. By integrating these values into our forward-thinking plans, we ensure ethical conduct and responsible leadership as we continue to grow in an ever-changing business landscape. We have experienced the value of these efforts as our partners have come to rely on BLPS for stability.





# Governance

## At the Core of BLPS

B&L Pipeco Services (BLPS) is a wholly owned Sumitomo Corporation of America (SCOA) subsidiary. As a consolidated subsidiary, we follow the financial reporting guidelines established by SCOA along with the International Financial Reporting Standards (IFRS). Additionally, our corporate governance includes but is not limited to:

- Annual Financial Audits by KPMG
- J-Sox Framework (COSO and COBIT)
- Enterprise Risk Assessment - “Basic Elements”
- Parent Company Internal Audits
- Internal Along with SCOA Policies
- Directed Interactive IT training videos and Required Internal Control Training



# Internal Training

BLPS understands that Internal corporate training is vital for business success. It enhances employee skills, boosts productivity, and improves quality. By investing in training, companies can adapt to changes quickly and maintain a competitive edge. With these offered training programs, our employees stay current with industry trends, foster process consistency, and support their career development.

- Anti-Trust Law Made Simple.
- Conflict Resolution in the Office.
- Preventing Sexual Harassment for Managers and Supervisors.
- Preventing Sexual Harassment for Employees.
- Employees also reach into the vast library available from our provider on topics relevant to their job duties.



## Corporate Ethics

Corporate Ethics guide our day-to-day business practices and how our employees conduct business.

Our employees are guided by our Core Values which include:

- Do the Right Thing
- Exercise Inclusiveness
- Be Humble
- Teamwork
- Demonstrate Integrity & Respect

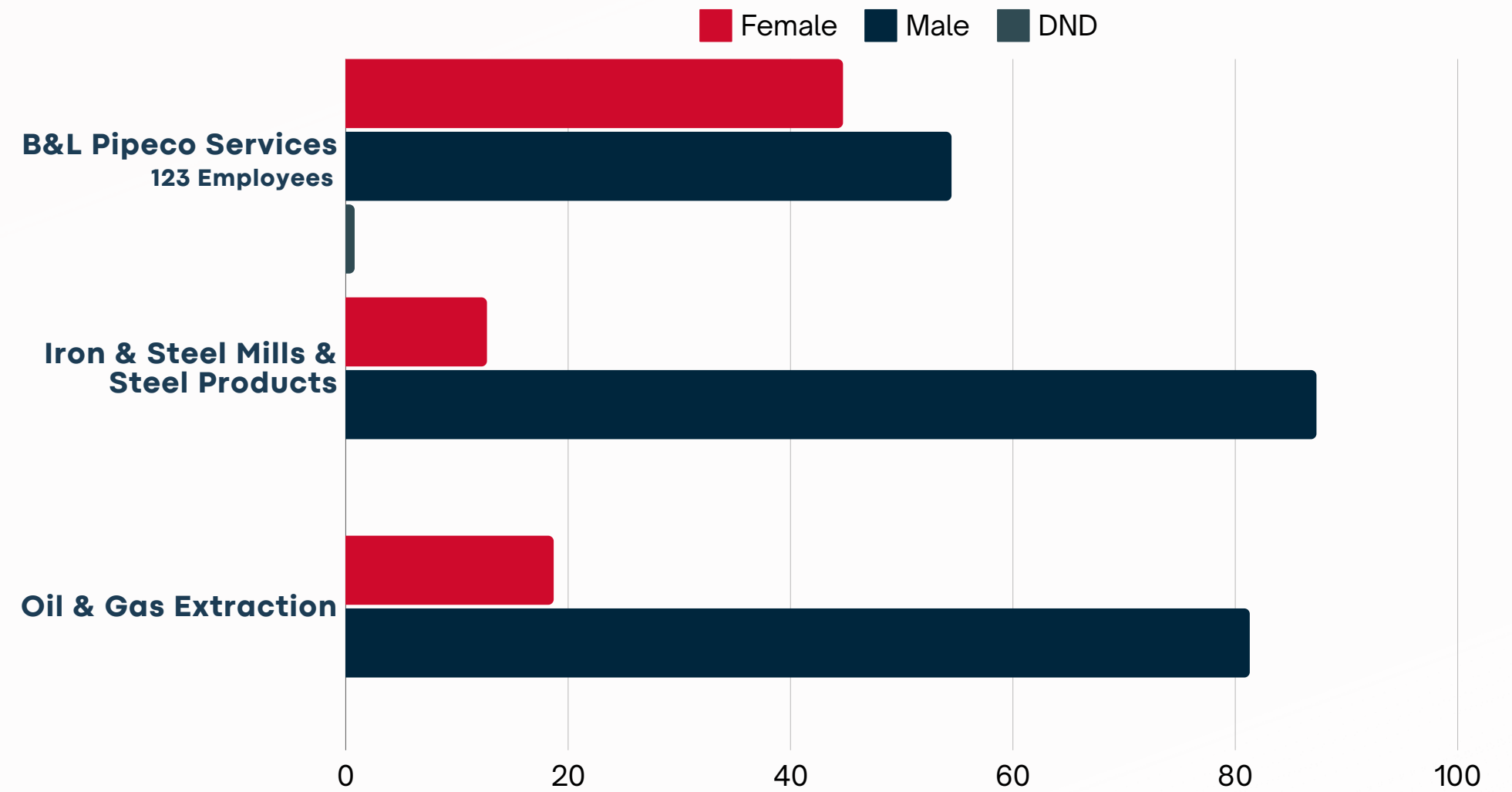
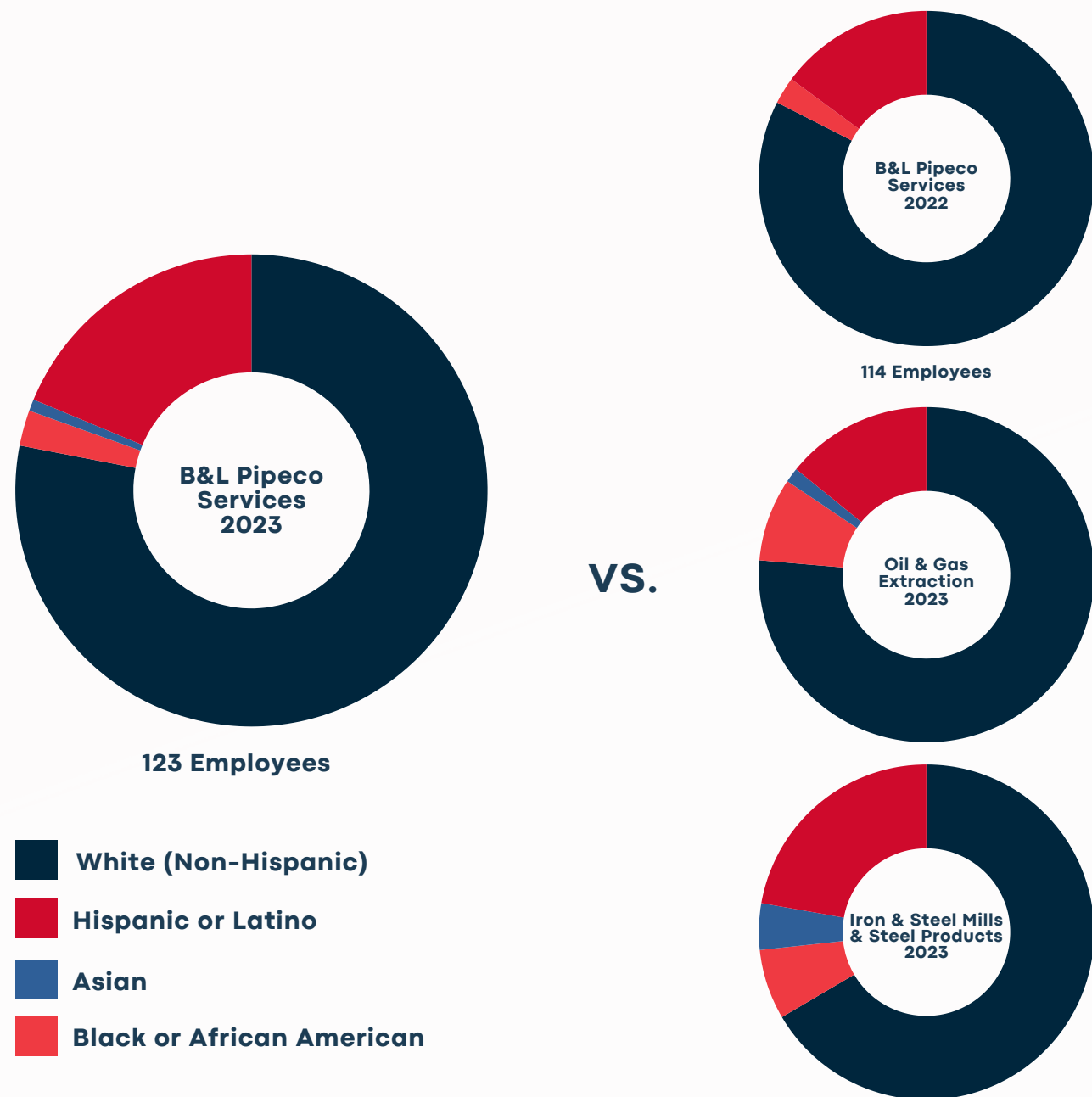
On an annual basis all employees read and acknowledge the following policies:

- Anti-Trust
- Code of Conduct
- Anti-Corruption & Political Contributions

# Equal Opportunity

## Diversity and Inclusiveness

One of B&L Pipeco Services' core values, and the mainstay of our culture, is demonstrating inclusiveness throughout the company. BLPS has always practiced equal employment opportunities in the workforce and hiring policies. We have experienced the benefits of having diverse input throughout our operations, contributing to our success.



# Benefits

Our employees are critical to the company's success and sustainability. We are building an inclusive and diverse team that will contribute to BLPS' operations. We accomplish this by supporting our employees' physical and mental health, fostering their professional development, and offering competitive pay and benefits. BLPS strongly encourages our employees to participate in planning and making a lasting difference for the company's long-term sustainability.



**Medical**



**Dental**



**Vision**

## BLPS...

- Is an equal-opportunity employer.
- Has a recruitment process that is fair, inclusive, and bias-free.
- Provides tools for employee development and internal promotion opportunities.
- Offers competitive pay and benefits to all employees and rewards excellence and performance.
  - Low employee contribution for insurance benefits
  - Medical, Dental, and Vision provided
  - Life Insurance and 401K provided
- Offers family-centric benefits - maternity, paternity, and adoption
- Promotes a healthy work-life balance.
  - Provides flexible work schedule, WFH, and PTO.

# IT & CYBER SECURITY

## Elevating IT Security for Tomorrow's Challenges

BLPS has partnered with a third party company to enhance our security suite in 2023. They are a leader in security operations and offers a suite of solutions including Managed Detection and Response, Managed Risk, Managed Security Awareness, and Incident Response. This partnership aims to strengthen our security posture with best-in-class security solutions.



### Detect

Monitor for attacks  
across services.



### Respond

Contain threats before  
they can do damage.



### Recover

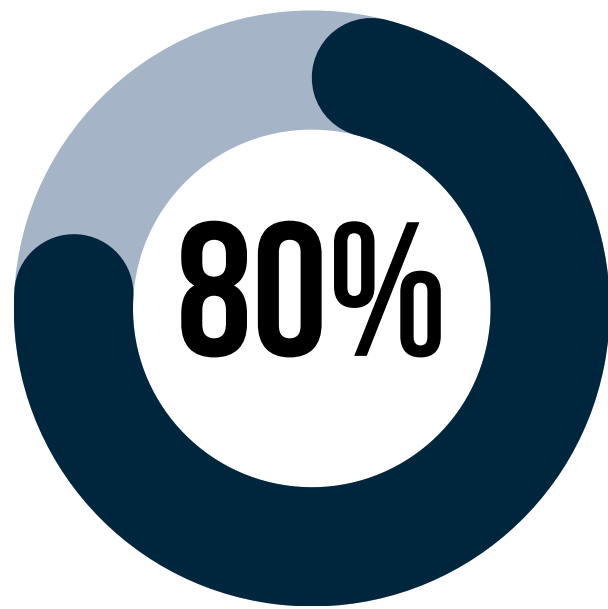
Learn from incidents to  
protect from future  
attacks.

# Security Awareness Training

According to recent assessments, our company has outshone others in the energy sector and surpassed benchmarks across various industries. The data reveals that our security awareness training scores are an impressive 20% higher than the average, demonstrating our unwavering dedication to fostering a vigilant and informed workforce.

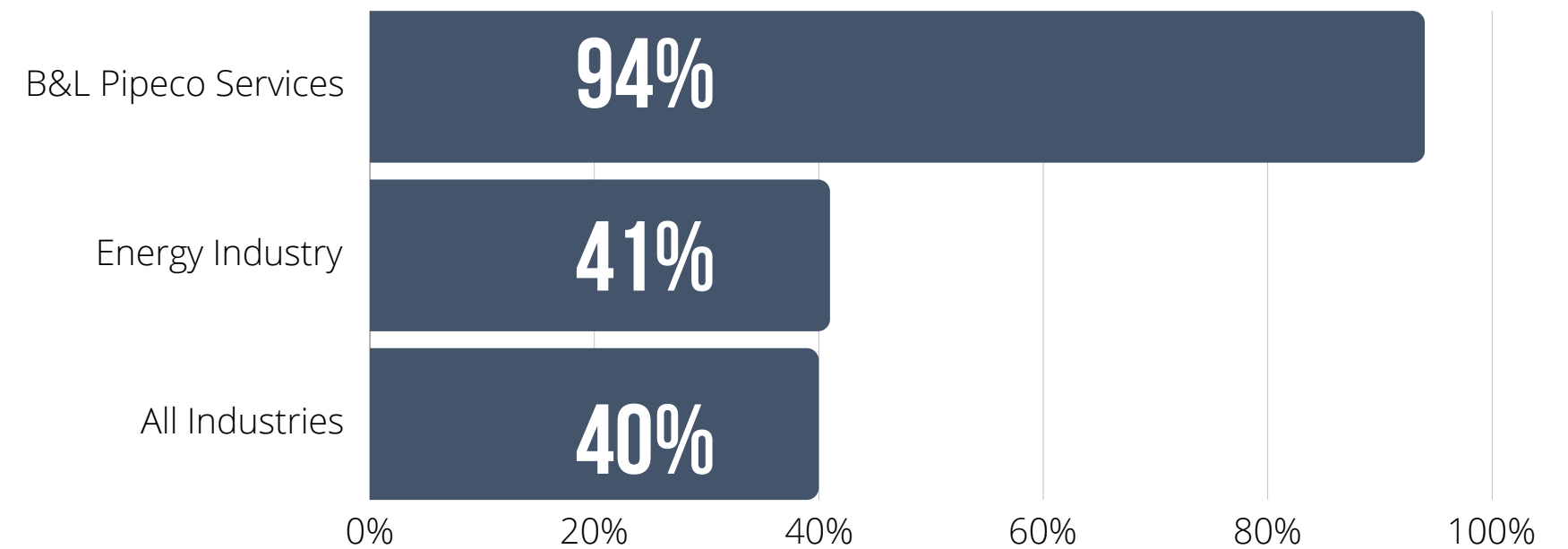
This accomplishment highlights our proactive stance in safeguarding sensitive information and underscores our employees' commitment to being proactive in the ever-evolving landscape of cyber security. We remain resolute in our pursuit of excellence, continuously raising the bar for security standards across the industry.

## Security Awareness



General Population

Understand how security threats can impact the organization



# Workforce Development



## Strike for Success

This initiative underscores our commitment to cultivating a workforce that is not only skilled but continually evolving. The program is a dynamic platform, offering employees opportunities for professional growth, skill enhancement, and career development. The enthusiasm shown by our participants proves that the program is effective in providing avenues for continuous learning and advancement.



## Leadership Bridge

Acknowledging that we will always need to grow our interpersonal skills, we have worked with The Leadership Bridge, a WBE-certified women-owned business, for the past three years for over 280 hours. They have curated workshops and one-on-one training for our managers and selected employees, sharpening communication, conflict management, and critical thinking skills. This has become a rich resource for our employees to help shape our future.



## Women In Leadership

Understanding the importance of a diverse workforce, B&L Pipeco established the Women in Leadership group. WIL is a volunteer-led group focusing on professional women's specific needs in today's industry. This group meets quarterly to host speakers and workshops and lead discussions on how women can expand and enhance their leadership skills to succeed in the oil and gas industry.



## G&A Partners

G&A Partners' comprehensive training programs have helped unlock the full potential of our workforce. With 6768 minutes, from honing essential skills to fostering professional growth, their tailored approach equips our employees with the tools they need to thrive. We empower our team to excel, driving success and innovation across our organization.



**"A good leader inspires people to have confidence in the leader, a great leader inspires people to have confidence in themselves."**

**Eleanor Roosevelt**

# Industry Experts



## Michol Ecklund

Our Spark Sustainability program hosted an engaging speaker: Callon Petroleum's Michol Ecklund, Senior Vice President and General Counsel. She provided insight into Sustainability Challenges from an independent oil and gas producer perspective.

Through her expertise and observations, we gained a deeper insight into the industry's current and future sustainability challenges, understanding how we can be more of a service to our customers.



## Zheng Qian

As a continuous effort to expand our employees' knowledge of sustainability, our Spark Steering Committee invited Zheng Qian, VP of Sustainability for Sumitomo Corporation, to speak. She shared insight into SCOA's sustainability challenges, processes, and goals.

Zheng comes from a substantial sustainability background spanning multiple industries. Her vast experience in the sustainability field has been a tremendous asset to complementing our program.



## Jessica Sharp

In an effort to continue supporting employees' physical and mental health, our Community Engagement team invited Dr. Jessica Sharp with Sharp Brain Consulting to speak.

BLPS employees have gone above and beyond for the community this year, and the team took this opportunity to turn the focus inward. The conversation focused on how to take better care of ourselves to lead happier and healthier lives.



# Industry Support



American Petroleum Institute (API) represents all segments of America's natural gas and oil industry, which supports more than 11 million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. API's mission is to promote safety across the industry globally and to influence public policy in support of a strong, viable U.S. oil and natural gas industry.



The Energy Workforce & Technology Council (EWTC) is the national trade association for the energy technology and services sector, representing more than 600,000 jobs in the technology-driven energy value chain.



Today Independent Petroleum Association of America (IPAA) is headquartered in Washington, D.C. where the association serves as an informed voice for the exploration and production segment of the industry and advocates its members' views before the United States Congress, The White House, and federal agencies. IPAA represents the thousands of independent oil and natural gas producers and service companies across the United States.



The Society of Petroleum Engineers (SPE) is a not-for-profit professional association whose more than 140,600 members in 144 countries are engaged in oil and gas exploration and production. SPE is a key resource for technical knowledge providing opportunities to exchange information at in-person and online events and training courses, publications, and other resources. SPE maintains offices in Dallas, London, Dubai, Kuala Lumpur, Calgary, Moscow and Houston.



The NASPD is a national trade association representing the steel pipe and tubular products distribution industry and its related businesses. Member companies enjoy a variety of benefits such as: Professional Services, Conventions & Conferences, Seminars & Workshops, and Industry Publications.



IADC was founded in 1940 by a group who believed that drilling contractors needed a collective voice to advocate for their interests within our industry. From that small but auspicious start, IADC has weathered massive industry changes to become the modern and influential association we are today. IADC operates on 6 continents, and our members are the global leaders in the drilling industry. IADC is recognized worldwide for our accreditation programs, publications, conferences, and advocacy work. We work to gain global recognition for the industry's vital role in enabling the global economy and its high standards of safety, environmental stewardship and operational efficiency.

OCEAN STAR OFFSHORE DRILLING  
RIG & MUSEUM FIELD TRIP



**23%** Participant  
YOY Increase

# Educational Outreach

## Committing to the Next Generation of Leaders

We experienced a significant increase in our educational outreach efforts this fiscal year. Our educational field trip sponsorship provides students with invaluable real-world insights and hands-on experience in the oil and gas industry is a cornerstone of these efforts.

This year, we increased the number of students by over 23% compared to the previous year, hosting students from an engineering and robotics design class. The impact of these field trips extends beyond the immediate educational experience, sparking curiosity, inspiring future careers, and fostering a deeper understanding of our industry among the next generation.



"The increase in student engagement illustrates a growing curiosity and enthusiasm for learning about the oil and gas industry."

**Gene Hunt**

# COMMUNITY ENGAGEMENT

B&L Pipeco Services has integrated a Corporate Social Responsibility (CSR) program into the current business strategy that will further our culture of growth, education, and community. Our focus is to effect positive change in employee engagements and invest in the development and prosperity of our community.

# Employee Engagement



Employee engagement is the cornerstone of our community's vitality, transcending mere productivity metrics to cultivate a culture of collaboration, innovation, and shared purpose.

## VOLUNTEER HOURS

- 68% Increase in Employee Participation in 2023



- 123% Increase in Employee Participation in Volunteer Time Off



Every individual's collective energy and commitment ignite progress and propel us forward. When engaged, employees advocate for our community, embodying its values and mission within and beyond the workplace.

Their enthusiasm becomes contagious, attracting talent, fostering loyalty, and strengthening the bonds that unite us. Employee engagement is more than just about fulfilling roles; it's about building a resilient and thriving community where every member is empowered to contribute meaningfully and make a difference.

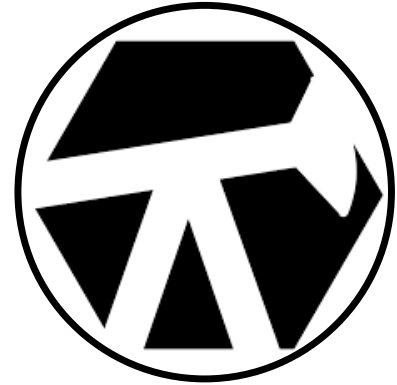
# Kid's Meals' Juice Box Challenge

Throughout the year, Kids' Meals provides ~6,700 meals per day to preschool-aged children (5 and under) who do not have access to free school-based meal programs. That number doubles in the summer. Our social committee elected to participate in the Kid's Meals Summer Juice Box Challenge to raise donations to provide drinks to pair with the lunches.

In addition to the official summer challenge, we hosted an intercompany competition for the most donated juice boxes. We also extended invitations to our suppliers and customers to donate and participate. Due to everyone's generosity, BLPS won First Place (Champion and Most Vocal Awards) with 39,700 juice boxes donated.



# Serving Our Community



## The Well

The Well offers scholarships so students can receive academic support and participate in its outstanding programs. It also offers literacy and tutoring for other subjects and provides STEM activities that ignite imagination and curiosity in the Pampa community. BLPS donated \$5,000 toward its scholarship fund and matched up to \$20,000 contributions from other individuals and businesses.



## Flags for Fallen Vets

Flags for Fallen Vets is an organization that honors Veteran National Cemetery grave sites with an American Flag for Memorial Day. BLPS participated in the program, using personal time to honor these heroes.



## Gulf Coast Regional Blood Center

In 2023, BLPS partnered with the Gulf Coast Blood Center to host two blood drive events at the Houston office. More than 1,000 blood donations are needed daily in the Greater Houston area. Through the success of the events, donations were processed and distributed to save numerous lives in Houston and surrounding communities.



## Shriners Children's Texas Hospital

BLPS has participated in the Gulf Coast Oilmen's Annual Golf Invitational event to support Shriners Children's Texas Hospital for years. Where compassion meets cutting-edge care, from orthopedics to burn treatment, every child receives work class treatment regardless of their family's ability to pay.



## Salvation Army - Angel Tree

In a tradition of 11 years BLPS participates in The Salvation Army Angel Tree Program, which provides Christmas gifts for disadvantaged children and seniors in our community. Employees came together to provide gifts and necessities to 50 registrants.

## Expanding Our Reach

Our employees are continuously seeking new opportunities to serve their communities. Just a few we contributed to FY 2023

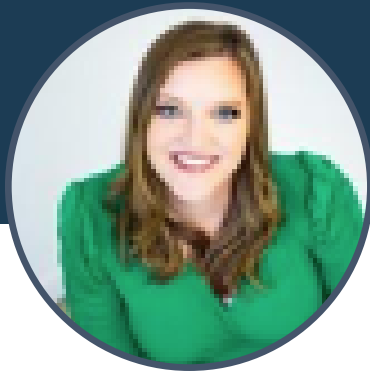
- Project C.U.R.E.
- Cypress Assistance Ministries
- Parson's House
- PISD School Supplies
- Skellytown VFD
- Miami VFD
- Hoover VFD
- Lefors VFD
- World Down Syndrome Day

# SNAPSHOT

Initial Sustainability Commitments	New Sustainability Commitments
<b>Environmental</b>	
Identify and implement opportunities to reduce and report environmental impact (S1, S2, S3).	Allocate resources and funds toward projects that focus on reducing GHG emissions in collaboration with SCOA.
Sponsor Armand Bayou Nature Center grassland projects.	Continue to align and adopt new government guidelines.
Chair wetlands conservation events.	Implement and monitor programs to maintain wildlife habitats, wetlands, and forest conservation in our communities.
Continued focus on non-recyclable products in offices.	Integrate digital technologies across various processes to improve efficiency and transparency.
	Optimize the supply chain to minimize perishable products and reduce waste.
<b>Workforce Development</b>	
Continued third party leadership development program.	Implement programs such as Women In Leadership (WIL) and executive manager training to develop leadership skills.
Continue security awareness training and phishing testing.	Provide training and resources to educate employees about the risks and opportunities of new technologies.
Business process seminar.	Organize quarterly events with industry experts to expand employees' perspectives and knowledge.
	Expanding our internal program, Strike for Success, to continue educating our employees on business and industry topics.
<b>Corporate Culture, Ethics, &amp; Governance</b>	
Monitor government regulations for US and Canadian operations.	Monitor, track and review changes to government regulations for US and Canadian operations to ensure compliance.
Adhere to industry standard IT security best practices.	Adhere to new guidelines issued by the SEC and maintain ongoing monitoring of compliance standards.
IT AI technology data confidentiality training.	Partner with industry experts to implement robust safeguards for information security.
Review new employee onboarding procedure.	Quarterly review of the completion rate of training sessions related to AI technology safeguarding.
	Conduct annual reviews and feedback sessions with new hires on the onboarding processes.
<b>Responsible Supply Chain Management</b>	
Ongoing supply chain risk awareness evaluation.	Enhance collaboration with customers and suppliers to manage inventory and minimize risks.
RST request for information finalized and evaluating certification agencies.	Review and selection of the third-party auditor has been finalized. RST SAQ has been sent to suppliers.
Establish Canopy online marketplace for profitable sale and customer surplus inventory.	Successfully established online marketplace with efforts to grow Canopy team and customer base.
<b>Strategic Sustainability Oversight</b>	
Increase organization's sustainability awareness through monthly internal and semi annual publication for our supply chain partners.	Expand our reports and newsletters to keep employees, customers, and suppliers updated on sustainability and other company advancements.
Conduct quarterly sustainability principle objective spotlight events.	Highlight sustainability principles and initiatives within the company and build follow-up communication.
<b>Community Engagement</b>	
On pace to exceed 15% YOY employee community engagement.	Create opportunities for employees, vendors, and customers to participate in volunteering initiatives, both during and outside work hours.
Respond to demand by hosting biannual blood drive.	Establish and expand programs such as school supply drives, juice box drives, and intern programs.
Active engagement with youth education.	Organize educational opportunities, such as field trips and speaker events, to promote STEM education and the value of a strong domestic oil and gas industry.



# Spark Advisory Board



## Shannon Deer, Ph.D.

Texas A&M University  
Associate Dean for Undergraduate  
Programs

- Texas A&M University - Doctor of Philosophy, MS, Finance and Financial Management Services.
- Energy Industry experience - accounting (CPA), finance, and sustainability.
- Her work emphasizes corporate social responsibility along with the intersection of business and solutions to social challenges.



## Jeby George

Sumitomo Corporation of Americas  
Unit Head - CCUS Americas & Energy  
Transition Business Development



- Oklahoma State University - MS, Industrial Engineering and Management (focus on Quality & SCM).
- GHG data collections and reporting.
- ESG business development.
- 18 years experience developing, implementing, and leading Supply Chain Management Projects.



## Chris Pace

Centre Technologies  
Founder and CEO

- Texas A&M University - Business Administration
- The Business Report - "Top 25 Business Leaders of Houston for 2022"
- Founded Company 2006
- Company recognized for its local experience and enterprise-grade cloud and cybersecurity solutions.

 *Sumitomo Corporation*  *Sumitomo Corporation of Americas*

# Approach to Sustainability


B&L Pipeco Services has aligned our sustainability efforts to coincide with the goals of the Sumitomo corporations, [Sumitomo Corporation](#) and [Sumitomo Corporation of Americas](#).

“As outlined in the Corporate Message of “Enriching lives and the world,” Sumitomo Corporation aims to enrich further the world, society, and people’s lives. In line with our credo that “Benefit for self and others, private and public interests are the same,” passed down through the generations since the company was founded, we strategically allocate management resources in anticipation of the long-term shifting business landscape impacted by these social issues, and we leverage our strengths to continue creating the value that society truly needs. We promote sustainability management, believing that each of these actions will create a sustainable society and achieve sustainable growth for Sumitomo Corporation.”...



# THANK YOU

## Spark

-  281-955-3500
-  [SustainabilitySteering@blpipeco.com](mailto:SustainabilitySteering@blpipeco.com)
-  [www.blpipeco.com](http://www.blpipeco.com)
-  20465 SH 249, Suite 200,  
Houston, TX, 77070



# OFFICE LOCATIONS

## Midland, TX

- 1-800-927-4732
- 600 N Marienfeld St, 1120, Midland, TX, 79701

## Shreveport, LA

- 1-800-927-4732
- 400 Travis St., Suite 326, Shreveport, LA, 71101

## Calgary, AB

- 1-800-927-4732
- 1000, 639-5th Ave SE Calgary, AB, T2P 3N9

## Pampa, TX

- 1-800-927-4732
- 11707 Hwy 152 Wes Pampa, TX, 79065

## Edmond, OK

- 1-800-927-4732
- 2500 S. Broadway, Suite 210, Edmond, OK, 73013

## For All Sale Inquiries:

- [RFQ@blpipeco.com](mailto:RFQ@blpipeco.com)

## San Antonio, TX

- 1-800-927-4732
- 8015 Broadway, Suite 209, San Antonio, TX, 78209

## Pittsburgh, PA

- 1-800-927-4732
- Cherrington Corporate Center Bldg 200, 200 Corporate Center Dr., Suite 320, Coraopolis, PA 15108

