

#### **CORPUS CHRISTI REFINERIES**

# **Community Report**

2024

#### To Our Neighbors and Communities:

In Texas, Flint Hills Resources employs more than 1,000 people full-time and hundreds of contractors who work hard to help provide fuels and other products people need and use every day, products that help make modern life possible. We're proud to produce these fuels using crude oil sourced primarily here in Texas.

In this report, you will find the latest information about our environmental and safety performance, community partnerships, major projects, and other developments important to the Coastal Bend.

We are excited to share our progress with you — our neighbors, community partners, employees and their families, company retirees, and all who are part of our operations in Texas. Your support and engagement are vital to our continued success and innovation.

I invite you to stay connected by following us on Facebook, X (Twitter) and LinkedIn.



RODNEY DILLON

Vice President and Manufacturing Manager
Flint Hills Resources Corpus Christi

LEARN MORE —







# Flint Hills Resources Texas At-A-Glance













# Flint Hills Earns Safety Performance Award

Flint Hills Resources Corpus Christi refineries earned an American Fuel and Petrochemical Manufacturers (AFPM) Innovation Award for innovative programs and practices that effectively improve occupational and process safety. The refinery is recognized for transforming the monitoring of rotating equipment by wirelessly monitoring for vibrations, which allows for near real-time data collection and anomaly identification, improving the safety of work processes.

#### **New Rail Terminal**

Work recently started on a new rail terminal for transportation fuel located off Manning Road near the Corpus Christi International Airport. This is currently a transloading facility that transports fuels from truck to rail.



### A Fully Functioning Fire Department

Flint Hills Resources Corpus Christi has more than 120 emergency responders and 14 dedicated fire captains that provide 24/7 coverage. Currently, the site has 14 industrial emergency response specialists, of which there are fewer than 600 worldwide. The Flint Hills Emergency Response Team is trained in all aspects of emergency response, including fire, vapor suppression, high angle rope rescue, confined space rescue and water response. In addition, many of our responders are medically trained as paramedics and EMTs/EMRs.



# Construction Underway: Solar Farm Will Help Power Refinery Operations

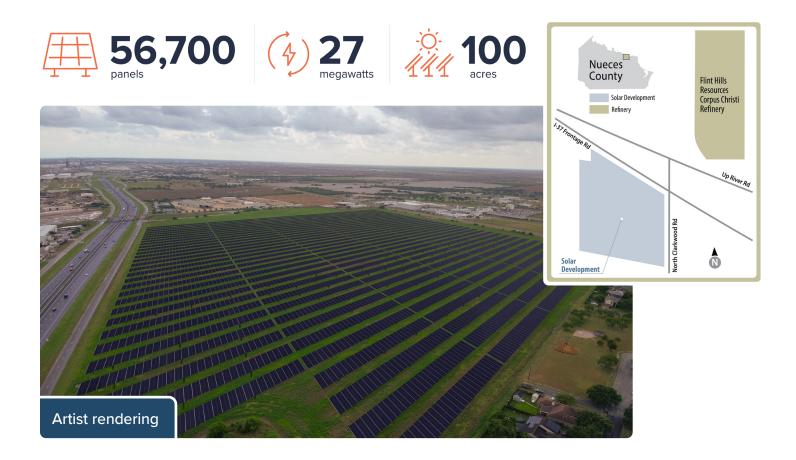
Flint Hills has broken ground on a solar development to help power its Corpus Christi West Refinery. This is the second company-owned solar installation and the first in Texas to provide power directly to an oil refinery.

At peak capacity, the 27-megawatt solar installation is expected to satisfy nearly one third of the refinery's power needs. The solar field is expected to produce an equivalent amount of electricity that could power more than 5,100 homes per year.



When complete, the solar installation will include approximately 56,700 panels and is expected to help lower annual energy costs, improve energy efficiency and reduce grid emissions. The project is located on approximately 100 acres of the company's property across the west refinery complex off of Interstate Highway 37 (I-37).

This will be the refinery's second source of on-site power generation: the first is a Combined Heat and Power (CHP) system. The CHP produces about 30 megawatts of electricity. At peak capacity, CHP and solar installation together could satisfy approximately 60% of Corpus Christi West Refinery's power.





### **Transforming Terminal Operations in Ingleside**

Flint Hills continues to update our Ingleside terminal operations. We recently completed a full year of operation with our state-of-the-art air monitoring technology that gives us the ability to detect and respond to potential sources of emissions faster than ever before. We are also using drones with advanced thermal imaging on a regular basis to further assess our operations and make sure we are meeting expectations.

The scope of our Ingleside operations also recently changed with the sale of the terminal's marine docks to Enbridge. Flint Hills will maintain ownership of the crude oil terminal.

#### In the News

#### **Proposed Jet Fuel Pipeline**

Flint Hills Resources is advancing a proposed pipeline project to transport jet fuel to Austin-Bergstrom International Airport (AUS), currently the largest airport in the nation that relies on daily truck shipments for its fuel supply. The 20-mile pipeline would connect the airport to our Bastrop terminal, eliminating the need for more than 100 daily fuel truck deliveries. Flint Hills has been a primary supplier to AUS for more than 30 years and is a key supplier to other major airports, including Dallas Fort Worth International Airport and Minneapolis-St. Paul International Airport.

#### **New Industrial District Agreement**

Earlier this year, a new Industrial District Agreement (IDA) was reached with the City of Corpus Christi. Under the new IDA, Flint Hills' payment in lieu of taxes (PILOT payment) will increase to 74.5% (previously 62.5%). Additionally, Flint Hills will pay 100% taxes on its land, as if it were inside city limits. The new agreement will be in place for 15 years, which is the maximum period allowed by law. Over this 15-year term, the City will see an increase in revenue of \$120 million based on the new PILOT payment percentage. IDAs were created by state statute to allow cities to attract and retain business investments and tax-like revenue from businesses that are physically located outside city limits. In exchange for a competitive tax structure, companies entering into IDAs agree to receive fewer city services than other businesses located within the city limits. Companies entering into IDAs must make PILOT payments.

#### **Water Rate Agreement Reached**

Flint Hills Resources, as part of the Affordable Water for Corpus Christi Coalition, and the City of Corpus Christi have reached a settlement agreement over the city's 2024 water rate increase. This settlement sets the foundation for future collaboration as we seek to work together to address the region's long-term water needs while maintaining a competitive rate structure for all ratepayers.

#### Land Sale for the Inner Harbor Desalination Facility

The City of Corpus Christi is buying a portion of Flint Hills Resources' vacant property near our East Plant for the proposed Inner Harbor Desalination Facility. Information about the desalination project can be found at <a href="https://www.desal.cctexas.com/">www.desal.cctexas.com/</a>.



#### **Stewardship with a Purpose**

Every day, our employees take great care to produce and deliver fuels and other petroleum products people depend on. These products have helped improve people's lives for generations, remain essential and continue to prove their unrivaled value.

We are proud of what we do, and we're especially proud of how we do it, with a focus on safety, the environment, people and community, and innovation.

Flint Hills Resources recently published a Stewardship Report available at <a href="mailto:fhr.com/stewardship">fhr.com/stewardship</a>. This report includes metrics that demonstrate our cumulative performance with respect to safety, water use, water quality and air emissions. It puts forth our long-held commitment to continuous improvement and a belief in market-driven innovation. It also highlights the many contributions we make to our communities. It rightly champions our people and our culture as our most valuable assets.

This report will be regularly updated to show our progress and adjusted to meet the interests of our stakeholders, including our customers and community partners.



#### **Pipelines and You**

Pipelines are all around us. They play a critical role in safely transporting energy products, including crude oil, natural gas, gasoline, diesel and jet fuel, throughout our economy. In Texas, Flint Hills operates the Texas Pipeline System, which originates in Corpus Christi and carries refined fuels to our terminals in Delmita, San Antonio, Austin, Waco and Dallas-Fort Worth.

We monitor our pipelines 24 hours a day, seven days a week at our pipeline control center and through regularly scheduled aerial and walking patrols. We also perform in-line inspections and pressure testing on a regular basis to ensure the safety and reliability of the system.





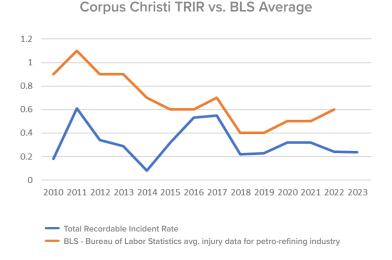
#### Welcome, New Employees!

These are just a few of the more than 70 new employees hired at our Corpus Christi refineries in 2024. Our employees are critical to our success. We are always looking for people to bring their unique skills and play a role in creating value for our customers and community. Learn more at **KochCareers.com/fhr.** 

#### Recordable Injuries Below Industry Average

At Flint Hills Resources, we offer a culture and commitment to safety, and pride ourselves on low injury rates. In our stewardship commitment to maintain a safe and healthy workplace, we have continued to evolve our culture into taking a principle-based approach to safety. In this approach, value is placed on input from those doing the work; it focuses on learning, encourages innovation and continuous improvement, and creates safeguards to avoid serious injuries.

Over the last 14 years, the refineries have averaged an annual Total Recordable Injury Rate (TRIR) of 0.32, which is equivalent to less than one recordable injury per 100 full-time employees.



#### **Advanced, Real-time Air Monitoring**

Flint Hills Corpus Christi refineries maintain an expansive air monitoring network featuring real-time, continuous, manual and third-party monitoring capabilities.

Various sources at the refinery are routinely monitored via continuous stack analyzers and other air monitoring equipment, or are periodically monitored by a third party. There is an integrated network of real-time leak detection monitors within the refineries, allowing prompt identification of potential low-level volatile organic compound (VOC) leaks throughout our equipment. We also perform regular manual leak detection monitoring.



Along the refineries' borders, there are multiple perimetermonitoring locations where real-time monitoring equipment analyzes VOCs. Additionally, the Texas Commission on Environmental Quality maintains air quality monitors near the refineries and surrounding neighborhoods as part of a statewide network.

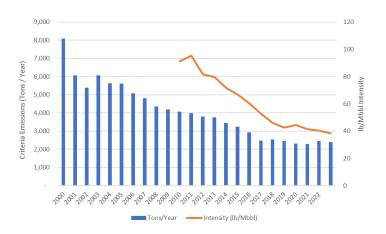
Air monitoring shows air quality around the refineries is well within clean air standards.



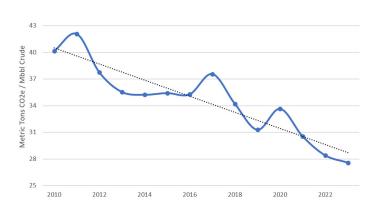
#### **Air Emissions Performance Report**

Since 2000, the Corpus Christi refineries have reduced total criteria air emissions by approximately 70% while increasing production to meet demand. Per barrel produced, total criteria air emissions are down approximately 60%, and scope 1 and 2 greenhouse gas (GHG) emission intensity is down by approximately 30% since 2010. Compared to other large U.S. refineries, criteria air emissions per barrel produced at Corpus Christi are approximately 40% lower than the industry average.

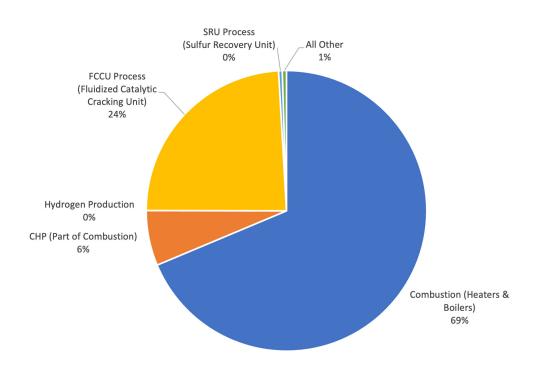
FHR Corpus Refineries Total Criteria Air Emissions (NO, SO, VOC, CO, PM, 10)



FHR Corpus Refineries GHG Scopes 1 & 2 Intensity



2023 Corpus Christi Refineries Scope 1 GHG Source Summary

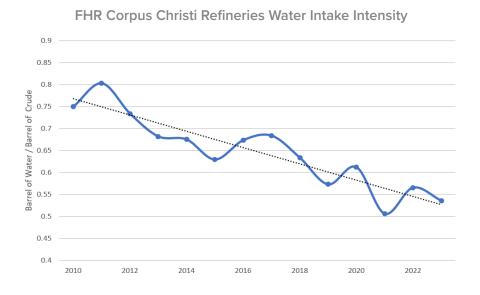




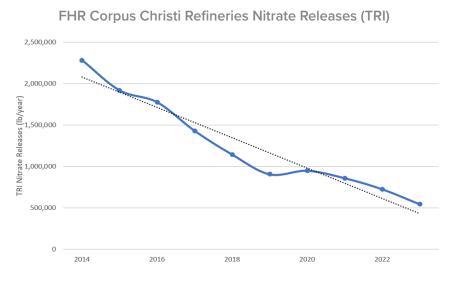
#### **Water Stewardship**

Water is a critical resource, and recent drought conditions have reminded us of the importance of water conservation and the diversification of our water resources. At Flint Hills, water is used in the refining process, for heating and cooling, and to remove impurities. We source raw water from the Nueces River and treated water from the City of Corpus Christi to support our operations.

Recent investments have allowed us to reduce the amount of water needed for every gallon of product we produce. We are evaluating more projects that will help further minimize our water needs while also diversifying our water resources. Since 2010, our water intake per barrel of crude has been reduced by 29%.



Flint Hills has also improved the quality of the water we release from our Corpus Christi facilities by reducing nitrates in our effluent by approximately 68% since 2014.



For a glossary of terms and performance data methodology, visit FHR.com/stewardship and download our full report.



# **Industry-Leading Leak Detection Technology**

Inspections and leak detection are key aspects of maintaining safe and compliant daily operations. In partnership with Molex, a subsidiary of Koch (as is Flint Hills Resources), and in consultation with the U.S. Environmental Protection Agency, we have fully adopted a voluntary digital leak detection sensing network at our refineries and across our pipeline and terminal operations. The sensing network detects leaks automatically and in real time. Sensors throughout the refineries continuously collect data and use weather data to help triangulate even trace levels of potential emission sources.





#### **Texas Sites Are VPP Members**



Nineteen Flint Hills Resources sites in Texas have earned membership in the Occupational Safety and Health Administration (OSHA) Voluntary Protection Program (VPP). This recognition means that sites have implemented effective safety and health management

systems to keep injury and illness rates below the industry average. Requirements include a high degree of management support and employee involvement, high-quality worksite hazard analysis, robust prevention and control programs, and comprehensive safety and health training for all employees. We are proud to maintain this high level of safety at the Corpus Christi refineries since 2000.



# **മൂമി** Community

# 20+ Years of Wildlife Habitat Preservation in Corpus Christi

Do you know about Flint Hills' Wildlife Learning Preserve? Located near our refineries along Suntide Road, the 130-acre tract is regularly used by schools, camps and youth organizations to learn about wildlife conservation and ecology.

The preserve has been certified since 2001 by the Wildlife Habitat Council's Conservation Certification® program, a voluntary sustainability standard for habitat and species management and conservation education on properties owned by businesses.

The Wildlife Learning Preserve consists of coastal marshes, freshwater ponds, upland grasses, mudflats and mesquite brush land. Many animals have been spotted there – including coyotes, gray foxes, white-tailed deer, moths, butterflies and more.

This year, our environmental team hosted a breakfast event to encourage employees to check out the new walking trail and learn more about the Wildlife Learning Preserve.





#### Wildlife Learning Preserve by the Numbers



130 acres



80 bird species



23 YEARS
certified by the Wildlife Habitat Council



#### Congratulations, Denise Villalobos!

Congratulations to Denise Villalobos, project manager at Flint Hills Resources, on her election to state representative of House District 34. Denise is the first Flint Hills Resources employee to be elected to the state Legislature. She is a chemical engineer, has been with the company for five years and previously served as a school board member. Denise will be sworn into office and begin session on January 14, 2025.

#### **Lifting Up Communities**

- Craft Training Center (CTC): We financially support the mission of the Craft Training Center of the Coastal Bend and employ a number of its graduates. At Flint Hills, we seek employees who find fulfillment through their contributions, and the CTC instills in its students the dignity of skilled labor by credentialing students based on merit.
- ▶ **Del Mar College:** Through a partnership with Del Mar College, Flint Hills Resources supports the Texas Prefreshman Engineering Program (TexPREP), which provides no-cost educational enrichment opportunities for high-ability middle and high school students interested in pursuing science-based careers.



#### **Employees Volunteer at Fiesta De Los Niños**

Flint Hills employees are deeply involved in the Fiesta de los Niños, which raises close to \$1 million annually for the Driscoll Children's Hospital in Corpus Christi. Driscoll Children's Hospital is a 225-bed pediatric tertiary care center serving South Texas and is the only free-standing children's hospital in the area. Flint Hills has sponsored the event for more than 30 years and provides volunteer staffing.





### **Helping Our EMS and Fire Heroes**

Since its inception in 2012, our Helping Heroes grant program has awarded more than \$1 million in grants to fire departments and emergency responders across the state. Helping Heroes provides grants for small and volunteer fire, and first responder organizations for training, education, equipment and emergency notification needs.

# **49 Texas Students Awarded Higher Education Scholarships**

In 2024, Flint Hills awarded 49 Discovery Scholarships to college-bound students from 27 Texas high schools. Flint Hills' scholarship program, which started in 1991, awards high school seniors in communities where Flint Hills operates, including its refineries in Corpus Christi and pipeline communities. Students receive the scholarships based on superior academic achievement; intent to pursue a career in math, science, engineering or construction; proven leadership skills; and contributions to their communities.





PO Box 2608 Corpus Christi, TX 78403



### 30+ Years of Partnership

Flint Hills has supported the Texas State Aquarium for more than 30 years. The aquarium is one of the state's widest-reaching learning facilities, introducing the animals and habitats of the Gulf of Mexico to more than 80,000 students annually. The Flint Hills Resources Center for Excellence in STEM Education at the Aquarium equips the next generation of scientists, conservationists and STEM professionals with the knowledge and skills they need to make a difference in our world.

### **Tell Us What** You Think

Take our four-question survey to tell us about your communications preferences.





#### **Get Involved: Community Advisory Council**

Flint Hills Resources – along with its industrial neighbors – supports this independent group of community volunteers who formed in 1993 to meet monthly with industry representatives in an open forum to discuss issues of importance to neighborhood residents. Topics include safety, health, environment and community involvement. Learn more and get involved at CorpusChristiCAC.com.







