

# 2018

## Corporate Responsibility Report



**SOUTHERN STAR®**

CENTRAL GAS PIPELINE

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## From the desk of our President & CEO



*At Southern Star we understand that responsibly operating a business today has far-reaching impact. Our team members, partners and stakeholders play a huge role, but we also consider our responsibility to the public and the planet. Three key aspects of our responsibility are outlined here in this report: promoting safety; protecting the environment; and addressing social and economic issues. Our 2018 Corporate Responsibility Report shows our actions and passions across the three parts of our approach.*

*Southern Star is growing responsibly, too. We experienced a pivotal year in 2018, with a nine percent growth in our workforce and the start of a \$176 million Modernization plan to update infrastructure and systems that ensure Southern Star's safe and reliable operations for generations to come. With the support of our customers and the application of our corporate strategy, we created this new path for growth and a strengthened future for our business.*

*Thank you for taking the time reviewing this report.*

*Sincerely,*

A handwritten signature in blue ink, reading "Jimmy D. Staton". The signature is fluid and cursive, with a long horizontal line extending from the end.

Jimmy D. Staton  
President & CEO



# Focus on people

## Workforce Protection

Safety is the core value at Southern Star. Our commitment to safety not only involves the safety and well-being of our team members, partners, and customers, but the prevention of wasteful and inefficient operations. Our pipeline safety management system provides a framework to ensure that all are provided with a safe work environment while maintaining compliance with applicable pipeline safety laws, rules, and regulations.

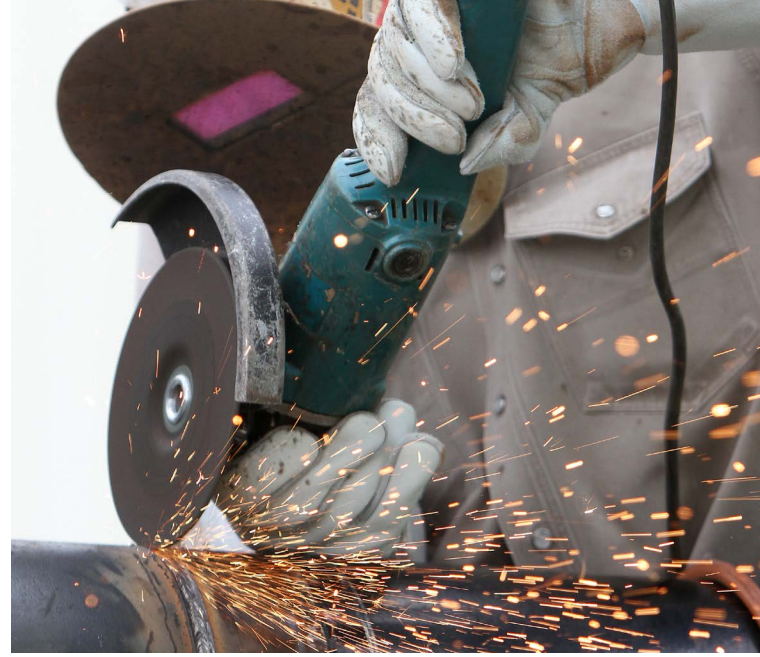
Southern Star's commitment to health and safety focuses on:

- Protecting the welfare of our team members, partners, and the communities where we work.
- Maintaining the integrity of our infrastructure to ensure the safe and reliable delivery of natural gas to our customers.
- Being prepared to effectively address emergencies to avoid social and environmental impacts.

We rely heavily on our team members for insight on opportunities to improve our business and to identify and address risks to people and the environment. If a team member identifies an area of concern, such as a housekeeping issue, they can “Share a Safety Hazard” via our online safety portal. Team members share information on safety incidents from previous projects and/or training they have received. Team members may also share their thoughts on our safety culture through a survey we conduct every three years, which allows directors to receive individual feedback on our safety policies and areas of improvement. Prior to the start of each meeting, we begin with a “safety moment” where we share a recent event that prompted a learning moment. We also identify the exits, designate a 911 caller, and locate the closest AED in case of an emergency.

## Workforce Wellness

Southern Star employs a multifaceted wellness program. Team members and family are encouraged to enroll in our interactive and personalized online wellness program. This service allows



participants to manage an exercise regimen, maintain a record for doctor visits, take online nutrition classes, and keep tabs on health screening and dental exams. Team members who smoke or use tobacco have access to nicotine replacement resources to help them quit and be healthier. Team members who decide to join a local health club will be reimbursed up to \$100 for an individual membership, or \$200 for the family.

Pipeline work can be very noisy, which is why we have annual hearing screenings for our team in the field. We conduct annual “fitness” tests for earplugs and respirators to ensure PPE correctly fits each individual. All team members are educated on ergonomics to promote office wellness. This includes learning how to recognize the signs of carpal tunnel syndrome and maintaining proper posture throughout the day while seated, following proper lifting techniques, and engaging in periodic stretching to promote circulation.

Team members who feel overworked or stressed are provided guidance for seeking proper counseling for mental wellbeing. Additional benefits offered to Southern Star team members include paid-time off, PTO donation, floating holidays, bereavement, and maternity/paternity leave.

## Occupational Injury and Illness Incidents

Our team is trained to comply with pipeline safety standards and are aware of their responsibility to protect their health, safety, and the environment.





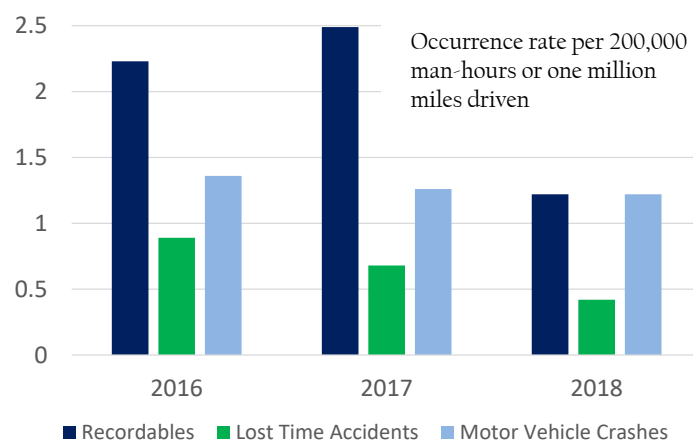
New hires at Southern Star field locations are required to attend a three-day safety orientation. The purpose of this orientation is to teach best practices for jobsite safety, laws for the handling and transportation of hazardous material, and the prevention of communicable diseases and CPR. In addition, Southern Star team members take annual refresher courses on OSHA regulations, safe pipeline practices, and company policies related to all pipeline construction, maintenance, and operations.

Jobsite and contractor safety are of utmost importance to Southern Star. Our contractors must meet specific safety criteria in order to bid and be awarded a project. Their past performance on projects is evaluated, including their number of OSHA recordable incidents, violations, and efforts taken to improve. They must also be registered with Veriforce, a third-party system that ensures they stay up to date with applicable safety requirements related to the tasks they are contracted to perform. Once on site, we have daily safety meetings to discuss and prepare for tasks and perform a jobsite hazard analysis to identify potential safety issues.

Southern Star has developed tools, policies, and procedures that capture and manage work-related injuries and illnesses. Team member injuries and illness are reported through incident reporting software, and then the affected individual meets with management to discuss the issue, determine whenever it was avoidable, and if so, how to prevent it from happening in the future.

2017 to 2018:

55% Improvement in Lost Time Incidents  
33% Improvement in OSHA Recordables  
2% Improvement in Motor Vehicle Crashes



We have multiple systems to incentivize team members to meet and exceed our safety goals.







**Like the  
back of  
our hand**



## Product Health, Safety, and Environmental Risks

It is Southern Star's belief that accidents can be prevented. However, in the event of an accident we have comprehensive policies and practices in place and have trained our workforce to respond safely and efficiently. We monitor our pipeline 24 hours a day, 7 days a week. Routine inspections, computer monitoring systems, corrosion protection, maintenance, and regular team member training events are just a few of the ways we ensure the safe and reliable operations of our pipeline and storage facilities. We regularly perform drills in preparation of a "Significant Event", where we coordinate efforts to determine a course of action in the event of a pipeline failure, its potential cause, and beginning steps toward a solution.

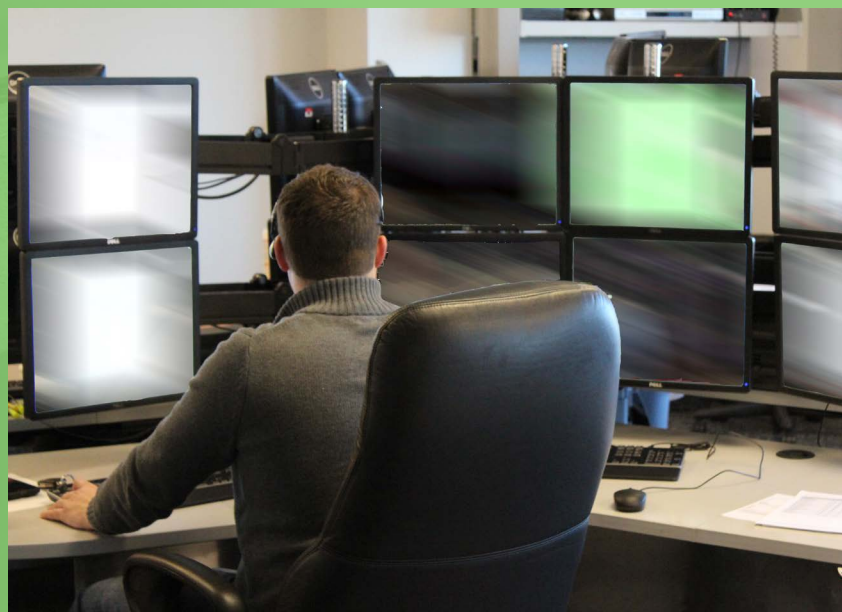
## Process Safety and Asset Integrity

Our Integrity Department endeavors to keep our daily operations safe. We regularly inspect our facilities and infrastructure for possible leaks and to ensure that all our equipment is operating efficiently. In 2018, Southern Star completed 95 integrity assessments. The assessments evaluated 515 miles of pipe including 21 miles in High Consequence Areas, areas where pipeline releases could have greater consequences to health and safety or the environment.

Methods used included robotic self-propelled, tethered, and traditional in-line inspections. In-line inspection is a technique used to assess the integrity of the pipeline and gather data on any anomalies for proactive evaluation and repair. Pressure tests and underwater diving inspections were also utilized. Southern Star historically has invested and continues to invest in facilities to allow the use of in-line inspection technology.

Southern Star developed its Integrity Management Program (IMP) to more effectively perform safety-related activities such as testing and inspections, repairs, and maintenance of the pipeline system. This program is critical in determining the prioritization and timeline of pipeline integrity work. In addition, it standardizes the manner in which we continually

monitor and document the work associated with the integrity of the pipeline, specifically within High Consequence Areas. Southern Star maintains a Damage Prevention Program in accordance with State and Federal guidelines. The purpose of the program is to prevent damage to our pipelines and facilities from excavation activities, such as digging, trenching, blasting, boring, or any other digging activity. Part of this plan provides training to first responders to ensure that emergency response plans are effectively carried out. Through our efforts and shared responsibility with stakeholders, we strive to increase awareness and reduce damages to underground pipelines. For residents who live in HCAs, farmers, and for those in other areas where we operate, our program enhances public safety by creating awareness of our operations, advocating for pipeline safety, and promoting safe digging practices.





# Let's clear the air

The reduction of Greenhouse Gas (GHG) emissions globally has become a hot topic of conversation in the natural gas industry as well as in the mainstream media in the past decade. Southern Star is mindful of this issue and, as an organization, is committed to providing safe, reliable, and environmentally conscious services to our customers. Natural gas is the cleanest burning fossil fuel<sup>1</sup> and converting power generation from coal and oil to natural gas has traditionally been viewed as a key component in helping to reduce the United States' carbon footprint and impact on climate change. However, more recently, concerns have been raised about the GHG emissions that result from the production and transportation of natural gas. Therefore, included in Southern Star's effort to modernize our system, we are currently conducting baseline emissions data studies to increase system efficiency, as well as identify areas for potential emissions reductions.

## Minimization Efforts

### Lost and Unaccounted for Gas Trends

Through the retirement of old and/or integration of new measurement units, Southern Star has decreased our Lost and Unaccounted for Gas (LUG) from 2017 to 2018 by 115,800 thousand standard cubic feet per year (Mscf/yr), a 9.3% reduction. The modernized measurement units and retirements together helped advance Southern Star toward our goal of modernizing our system.

### Pipeline & Compressor Unit Replacements

Replacement of pipe that was originally installed with mechanical couples reduced leaks, ultimately reducing GHG emissions. In the spring of 2019, Southern Star plans to install redundant compression at our Blackwell Compressor Station. A turbine engine will be installed to take the place of two of the four reciprocating engines at the Blackwell Station. The installation should be another way to decrease our emissions and impact on the environment.

In an effort to minimize leaks and increase station efficiency, Southern Star has committed to implement leak detection surveys at our stations. Leak surveys are conducted at seven of our largest compressor stations annually as required per regulations specific to those stations. Leaks are identified by looking at each valve, connection and vent at a station through an infrared gas imaging camera. Upon detection of a leak, the component is tagged and logged for maintenance. Identification and repair of leaks occurs quarterly at

### Leak Surveys

Ratliff City, Oklahoma and at Blackwell, Oklahoma since both are subject to the OOOOa Environmental Protection Agency rule. Southern Star, along with the 26 other member companies of which the Interstate Natural Gas Association of America (INGAA) is comprised, have committed to participate in voluntary leak surveys to test additional stations and all storage wells for leaks. **This commitment is not required by regulation but is an effort by Southern Star and the industry alike to be proactive in minimizing emissions.** Testing for compressor stations will start in 2019 and is scheduled through 2022, and all storage wells are scheduled to be tested through 2025. Leak surveys scheduled for 2019 include a total of 14 stations, seven of which are the aforementioned stations where testing is required by regulation.

### Stopples & Bypass

When presented as a feasible and available option, stopple and bypass piping installation has been utilized during construction to eliminate the need to vent gas to the atmosphere. Bypass piping is installed around a





section of pipe to be repaired or replaced. The gas is diverted through the parallel pipe and back into the main line instead of having to blow down the entire line and vent the gas to the atmosphere. Not only does this result in a decrease in emissions, but also allows for completion of work without customer interruptions. The stopple and bypass system ultimately aids in conservation of gas within line. In the year 2018 the stopple and bypass process was utilized on three different jobs, which in turn reduced emissions to the atmosphere by allowing the gas to bypass the location instead of being blown down and released to the atmosphere. A total of 2,723 mcf of natural gas would have been released if not for the utilization of stopples and bypasses on these jobs.

Starting in 2019, Southern Star will elect to flare gas rather than vent to atmosphere during inline inspection operations when possible. The first flaring event scheduled in 2019 should result in an estimated 82.4% reduction in carbon dioxide equivalent (CO<sub>2</sub>e) emissions. CO<sub>2</sub>e emissions from the flaring event will be approximately 144.94 metric tons (mt), as opposed to 822.58 mt if the gas was not flared. This equates to the elimination of 677.64 mt of CO<sub>2</sub>e emissions, or the emissions equivalent to approximately 740,814 pounds of coal burned, or 1.65 million miles driven in a car. In addition, and as described above, Southern Star utilizes bypass systems to minimize venting to the atmosphere during decompression of the compressor units. One of the methods in which we strive to modernize our system is by continuing to research methods to capture and reinject natural gas onto our system.

**ESD Non-discharge to Atmosphere**

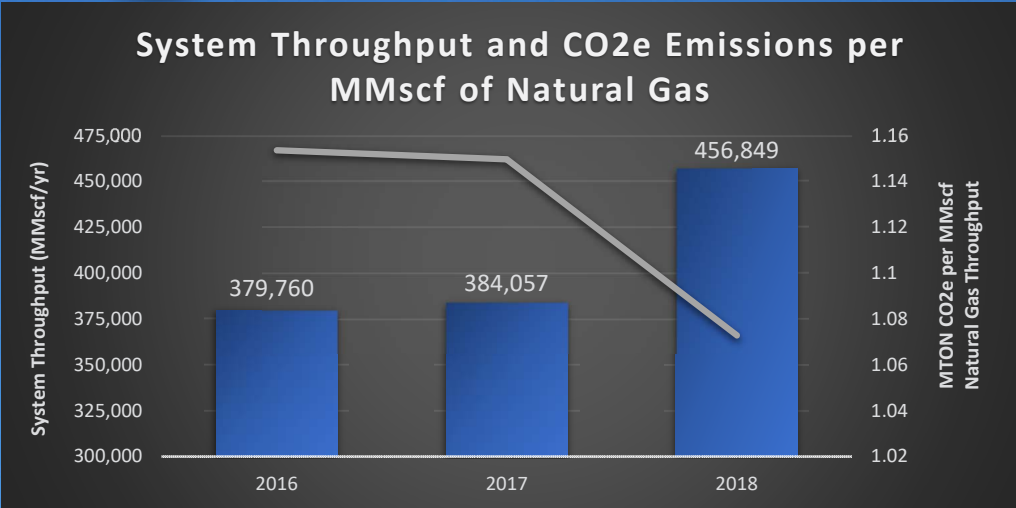
**Storage Fields**

Southern Star is installing new wellhead measurement devices to monitor individual wells and track well performance in our storage fields. Installations have been completed at Elk City, Alden, Webb and South Welda as of the end of 2018. This technology will allow for the ability to monitor well performance while flowing gas in the lateral system, instead of the traditional testing that releases gas to the atmosphere. Additionally, with around the clock monitoring, Southern Star will be able to react quickly to remedy problems that, if undetected, could result in gas escaping to the atmosphere. At the storage field level, Southern Star will be installing ultrasonic flow

meters to get a more accurate metering of the gas flows in and out of the field. This improved accuracy over a wide range of flowing conditions improves Southern Star’s efficiency in operating the storage fields. Other improvements being made in the storage fields include adding coupon systems to detect bacteria in the pipelines to help reduce or eliminate potential gas leaks.

**EAM Route Maximization**

Southern Star plans to implement an Enterprise Asset Management System (EAM) in the summer of 2019 that should reduce emissions from fleet operations vehicles. EAM will be setup to provide a route optimization tool that could decrease Southern Stars total miles driven by approximately 300,000 miles annually. Preliminary estimates indicate that EAM’s route optimization capabilities will help reduce approximately 127 metric tons of CO<sub>2</sub>e emissions per year.

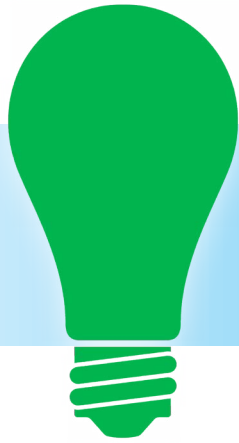


Southern Star’s commitment to growth, modernization and sustainability is illustrated by this graph showing our decreased CO<sub>2</sub>e emissions per unit of throughput from 2016-2018.

<sup>1</sup><https://www.igu.org/natural-gas-cleanest-fossil-fuel>



# Stewards of the environment



## Energy Consumed at Our Facilities

As part of modernization, Southern Star is implementing a new tracking mechanism to better quantify the company's overall reduction in electricity use. Going forward, kilowatt hour usage and water consumption will be tracked to analyze various ways to decrease our use of environmental resources and practice conservation. A recent energy efficiency movement involved the installation of new motion detection lights at the Owensboro, Kentucky Headquarters facility in December 2018. The impact of the installation of motion detection lights will be analyzed after a twelve-month period from date of implementation.



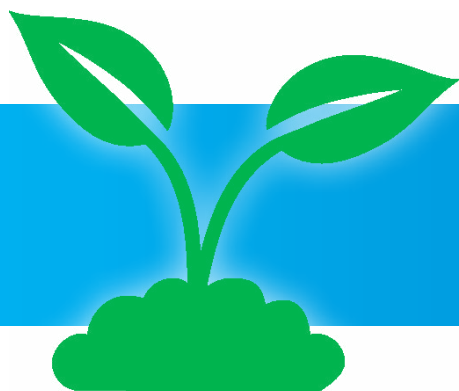
## Water Conservation and Reuse

Southern Star continues to look for ways to modernize our systems and improve our efficiency when conducting routine tasks. The hydrotesting process provides a perfect example of a method of increased efficiency through water conservation. When possible, Southern Star utilizes the same water to hydrotest from one section of pipe to the next, thereby decreasing overall water usage. Essentially, rather than filling the entirety of a length of pipe, we split the test into sections and push smaller volumes of water from section to section reducing the total required volume of water by some 50 to 75%. In some cases, reusing the water also eliminates the need for multiple holding tanks between sections. This elimination reduces earth disturbance impacts. By being financially and water cognizant, Southern Star is able to reduce the costs of hydrotesting, and its need for water, resulting in decreased project costs—and further passing those benefits on to ratepayers.



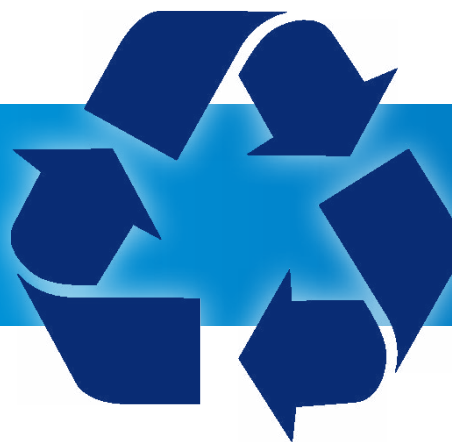


**Auto-balancers** were installed on two cycle reciprocating engines to improve reliability and increase fuel efficiency. Auto-balancers allow the engine to more accurately meter the fuel provided to each power cylinder. This metering helps each cylinder develop equal amounts of power yielding better overall efficiency and reducing fuel usage thereby decreasing emissions from fuel combustion.



## Restoration of Areas Impacted by Construction

Increasing the length and breadth of natural gas pipelines inevitably affects the environment. Southern Star takes this into consideration and works diligently to return the land back to its original state, which could involve sowing new grass and placing straw over the area, along with recompact any areas that were excavated. Furthermore, Southern Star's construction crews take great pride in minimizing impacts as much as possible through the utilization of mats to drive equipment over and other devices that help decrease the impacts to the landscape. In addition to minimization of impact, Southern Star works with State and Federal agencies to increase habitat for sensitive resources. This can be seen on the recent Line FD Replacement Project in eastern Kansas. Company personnel worked in conjunction with State agencies utilizing cleared timber to develop preferred habitat for the broad headed skink, a state-protected species.



## Recycling Program

Southern Star is environmentally conscientious, and this resonates through our paper recycling program. Paper recycling bins are in active use at our Owensboro locations, where approximately 200 plus team members work on a routine basis. The bulk of paper consumed is at these locations. Therefore, two methods of paper recycling are made available here. The facilities average approximately six ninety-five-gallon bins per month of paper shredded. Southern Star continues to analyze recycling data gathered at Owensboro locations and looks to begin system-wide implementation of these practices by year 2020.



# Now you see us.



## Our route and impact review process helps drive our care for the environment.

### Sensitive Resources

Southern Star conducts a multi-phased environmental review on all proposed construction projects. The initial review is preliminary and is used to determine whether there will be an impact to land, water, species, or the environment in general. Based upon the initial determination, the project may be sent for further review within the Permitting division of the Environmental Department. The Permitting division's review encompasses the following areas: cultural resources, soils, water resource impacts, floodplain, view sheds, threatened and endangered species, and compliance with applicable regulations is maintained throughout the entirety of the project.

The environmental review process analyzes each project to identify potential impacts to the sensitive resources

as described above. Specialists in Permitting analyze the scope of the work to fully understand how resources will be impacted, and work with the engineering and design group to implement a basis of design that minimizes impacts where feasible. Upon completion of design all appropriate permits are obtained as required per the regulations. The thoroughness of our environmental permitting process illustrates how every day Southern Star strives to minimize their environmental impact.

### Site Remediations and Removal of Known PCBs (Removal of Rectifiers)

Due to the vintage of our system and the prevalence of usage of PCB (polychlorinated biphenyls) containing oils in the past, another environmental focal point is the elimination of PCBs from our system. Southern Star has eliminated nearly all known PCB contamination on our system; however, we continue to perform site remediations in any areas where contamination may be identified. These remediation efforts involve the continued researching of historical files to determine

# Now you don't.



where any potential problems exist. Various analyses within the area are then conducted to determine if the site is clean or requires further remediation. Oil bath rectifiers in the past had the potential to house PCBs; therefore, Southern Star eliminated all rectifiers from our system with the completion of this project in 2018.

## Spills/Releases

Southern Star had only one reportable spill in 2018. An emergency shut down test was conducted at our Atchison, Kansas station and a release of oil occurred during the blowdown. Since the release exceeded the regulatory reporting threshold for petroleum products, proper notifications were made to the Kansas Department of Health and the Environment. The spill cleanup was conducted in accordance with regulatory standards. Southern Star prides themselves on proper training for the job and implementation of preventative measures whenever possible to avoid any incidents, be they environmental or safety. Southern Star team members whose job involves oil-filled equipment and

bulk storage containers complete annual environmental training that assists in preparing them to respond to spills and releases. Monthly inspections for secondary containments remain one of the ways in which Southern Star practices preventative measures by identifying any issues with containments prior to an incident. Repairing faulty secondary containments is a preventative measure to keep any potential leaks from the tank housed in that area from entering the environment. The goal remains to perform routine inspections and repairs in accordance with our Spill Prevention Control and Countermeasures plan, which will assist in early detection of potential problems and increase our efficiency in being able to address those in a timely fashion.

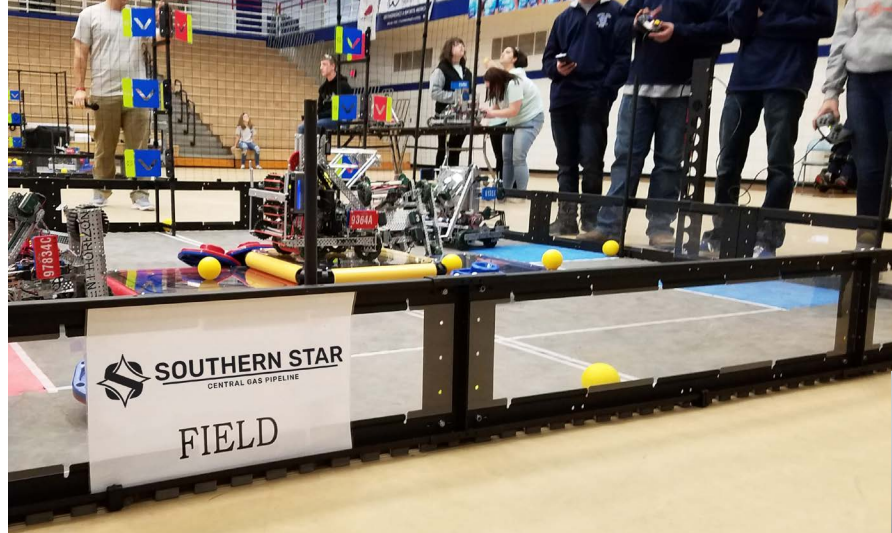


# Time, talent & treasure

Southern Star serves through outreach efforts, community engagement, and partnerships. We help fuel the quality of life within the communities we work and operate. Team members give their time and talent to local non-profit and youth groups across the eight-state system. While we support a wide variety of organizations, our company focus is on the youth, arts, and science and technology.

Science, technology, engineering and math (STEM) based education is at the heart of our team base. We sponsor and support robotics teams at local middle school and high schools. Team members also serve as volunteers, judges and coaches to help their local team participate in state and national competitions.

Southern Star encourages team members to donate personally to charitable 501c(3) organizations within their communities. The Company will match up to \$1,000 in personal contributions. During 2018, our team gave in excess of \$20,000 in personal donations which were matched 100% by Southern Star.



Just some of the groups to which we gave and spent time in 2018





# Supporting talent of tomorrow and meeting needs where they are.

## \$500K

Corporately given in the last five years

## \$140K

Corporately given in 2018



# Minding the store

Southern Star is committed to ensuring the Company operates under appropriate internal controls, and commitments/expenditures made on behalf of the Company must be appropriately authorized.

Our team members are empowered to make financial decisions within their authority to keep Southern Star running day-to-day. Our Delegation of Authority policy is very specific regarding this

empowerment and is used as our primary guideline to help determine who can authorize purchases and within what limits.

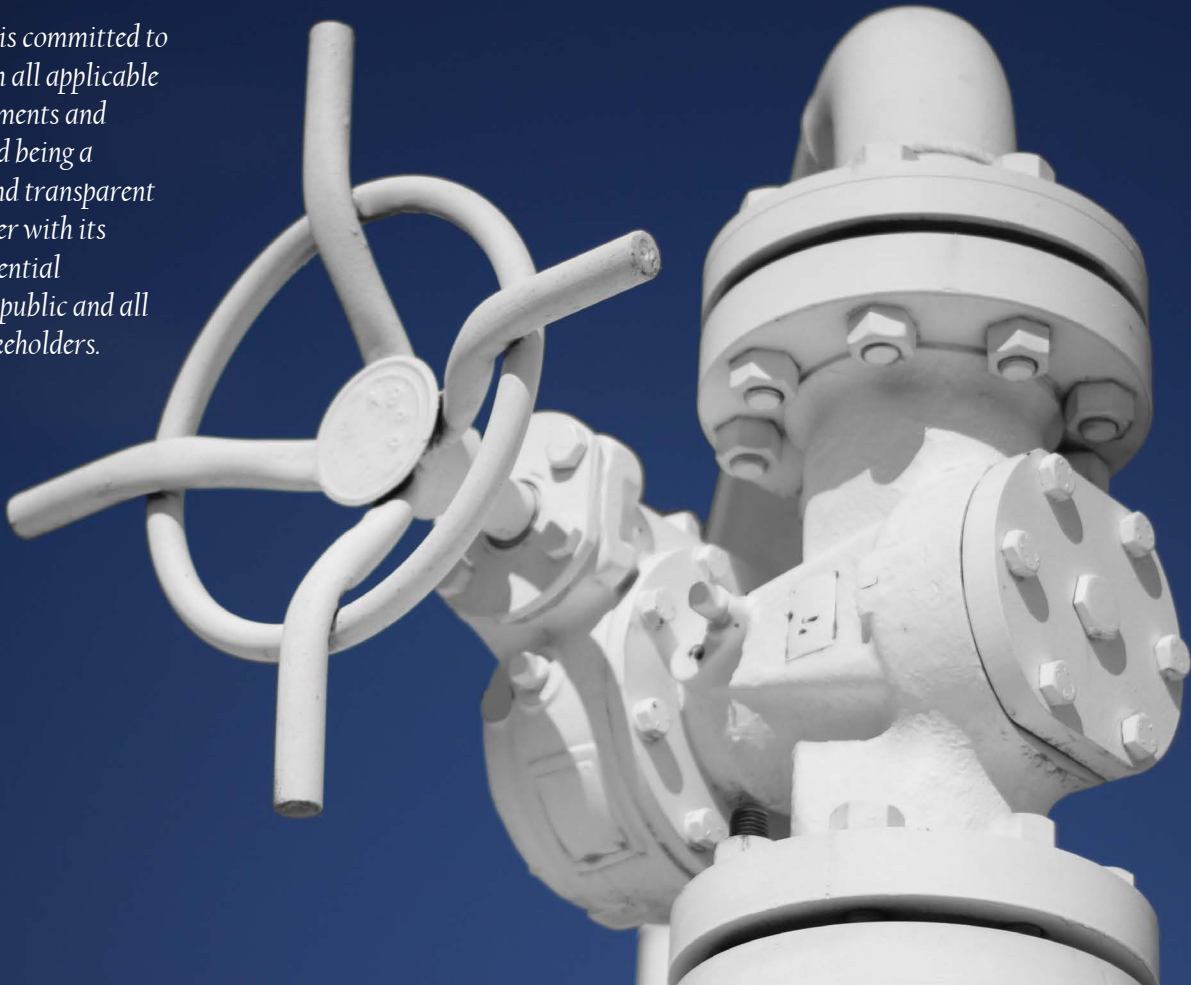
Authorization limits are outlined from Customer Service Representatives to the CEO and nearly every role in-between.

We take the concerns and goals of our team and incorporate them as much as possible into the empowerment process, but it is ultimately the Board of Directors who delegates authority.

For all projects over \$100,000, Southern Star uses a fair and organized bidding and awarding process. This ensures we use superior suppliers and contractors with no preferential treatment.

We are regulated by FERC, the Federal Energy Regulatory Commission, and we encourage all team members to report any compliance issues they encounter. Southern Star also sponsors a FERC hotline which provides an option for team members, agents and contractors to anonymously report suspected FERC compliance violations. All team members are also provided access to our ethics hotline.

*Southern Star is committed to complying with all applicable FERC requirements and regulations and being a trustworthy and transparent business partner with its customers, potential customers, the public and all applicable stakeholders.*





## Our Vision

One community working together to be the leading provider of clean, safe and reliable energy for tomorrow.

## Our Mission

Delivering innovative energy solutions through talent, technology and collaboration.





# Strong support

Our resources extend far beyond our state borders. We have experienced advocates and agencies that promote the use and safety of natural gas and state lobbyists who work closely with our legislators to educate them on the value natural gas and Southern Star bring to their state.



The Interstate Natural Gas Association of America (INGAA) is a trade organization that advocates regulatory and legislative positions of importance to the natural gas pipeline industry in North America. As a member of INGAA, Southern Star is represented when issues reach the national level.



Our advocates in our primary states of operation, Missouri, Kansas and Oklahoma, keep us on the front lines of upcoming regulatory matters.

A sample of our advocacy efforts, this brochure was provided to state and local leaders in Oklahoma. This project will be launched in early 2019.



CGA is the leading organization in an effort to reduce damage to underground facilities in North America through shared responsibility among all stakeholders. Education efforts for calling 811 begin with young students in the classroom, and our partnership with CGA keeps us abreast of best practices in our industry to operate safely.



**Know what's below.  
Call before you dig.**

# Blackwell Modernization Project

## Community Impact



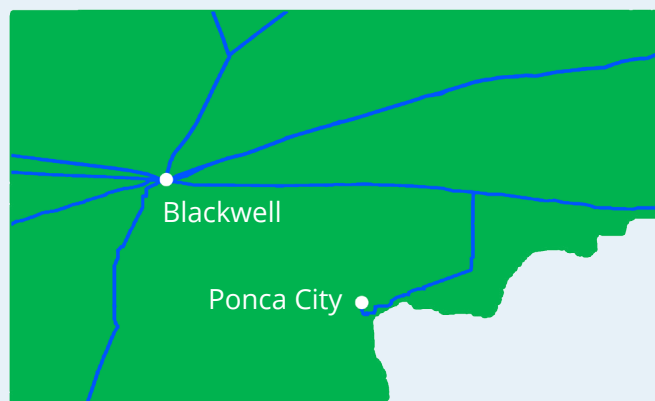
Southern Star Central Gas Pipeline is adding a compression unit to its most critical compressor station located in Blackwell, Oklahoma.

The additional compression will provide redundancy for uninterrupted operation during normally scheduled maintenance periods. In other words, this is an extra layer of reliability and peace of mind for our customers.

Supply lines feeding the compressor station are connected to some of the most abundant shale plays (fuel sources) in the country. As a result, the station provides economically-priced gas to Southern Star's customers.

This significant modernization project will generate revenue for Kay County and the state of Oklahoma.

### Where is Southern Star in Kay County?



Blue line represents Southern Star's pipeline in Kay County

### Project Timeline

February - September 2019

### Project Cost

\$32 million

### Projected Use Tax

\$648,000

### Total Economic Impact

Kay County - \$1,904,000

Oklahoma - \$11,296,000

### Property Taxes - 2018

Kay County - \$365,000

Oklahoma - \$1,914,000

### Projected Property Tax Increase

Kay County - \$180,000

### Annual Salaries & Benefits

Blackwell employees - \$1,800,000

Oklahoma employees - \$6,270,000

### Kay County - Most Affected Sectors

Materials and Equipment	\$473,500
Lodging	\$390,902
Restaurants	\$258,916
Industrial Machinery Repair	\$247,000
Inspection Services	\$246,986
Retail	\$52,044

### Oklahoma - Most Affected Sectors

Construction	\$3,717,100
Materials and Equipment	\$947,000
Industrial Machinery Repair	\$498,267
Restaurants	\$441,651
Lodging	\$392,390
Real Estate	\$265,951
Hospitals	\$229,564
Retail	\$112,909

Economic impact study prepared by Kleinhenz & Associates.

A 50% Increase!





Our power is fueled by our people and investing in their future is an investment in our Company.

In 2018, Southern Star team members participated in an anonymous and voluntary company-wide engagement survey. A total of 97% of our workforce participated, providing critical feedback to move our company forward. We shared the results and action plans with our workforce, including

- Improve training and on-boarding
- Improve recognition/feedback
- Add more leadership development opportunities
- Communicate better

In early 2019, we will change the experience of new hires through the **New Hire Orientation** program. This experience will help new hires understand our commitment to people through our safety culture and how relationships across our organization are what makes the team concept work. Executive Leadership will provide significance to the monthly scheduled orientation with introductions and sharing a little about themselves.

One of the pillars of the program will be providing everyone with Decision Driving training - conveying our support and commitment to people and everyday safety.

Team members from across our eight states of operation and administration start off their careers

at Southern Star getting to meet leadership and bond with one another to break down any concern of a divided workforce and to begin building relationships that will reinforce our culture of watching out for co-workers.

Each new field operation team member participates in NESOP (New Employee Safety Orientation Program). Over the years, video and computer-based delivery were incorporated to make safety training more cost effective. The Southern Star commitment to its people demanded a different approach. The concentration on safe practices is now provided with instructor-led classes covering every aspect of the safety sensitive work that our team encounters. By building relationships with our internal safety professionals who deliver the content, the new team members are more likely to consult them. Southern Star does not believe there is a short cut to building a successful team and considers every training an investment in its people. Hands-on time with excavation equipment like skid steers, backhoes, and track hoes is also made available shortly after hiring for those who will use such equipment. All of this serves as reinforcement to the new employee orientation.

Consistency in training allows our workforce to be flexible. When duty calls in other areas, we know our team members can take on the challenge.

To take education a step further, Southern Star offers an **educational reimbursement** of \$3,500

# Building tomorrow's workforce

per year to be applied towards college tuition, textbooks and fees for examinations. These are courses that are beyond the requirements for the job and allows our team members to achieve degrees that can lead to promotion or advancement in pay. In 2018, fifteen team members took advantage of the program, with some finishing their master's degrees.

2019 will be a big year for leadership development. We are partnering with nationally recognized leadership training partners and will be providing training on recognition, feedback and how to transition from a manager of work to a leader of people.

We encourage our professionals to stay **involved** with **regional and national organizations**. Southern Star is heavily involved with SGA (Southern Gas Association), AGA (American Gas Association), INGAA (Interstate National Gas Association of America), and NACE (National Association of Corrosion Engineers), just to name a few. We share and learn from our counterparts in the industry because we know development flourishes with collaboration.

Involved



In 2018, we enlisted an independent firm to benchmark compensation for our employees. They found that our employees' base pay, total cash compensation and overall benefits were equal to or greater than the average of our industry peers. We also made 15 non-officer pay ranges accessible to all employees to help them make decisions on advancement opportunities. We are proud to offer our employees life-sustaining careers, and taking care of our people on multiple fronts is a direct part of our company's focus.



## Cautionary Note

References to policies and procedures in this report do not represent guarantees or promises about their efficacy, or any assurance that such measures will apply in every case, as there may be exigent circumstances, factors, or considerations that may cause implementation of other measures or exceptions in specific instances. Please see the section entitled “Important Information Regarding Policies, Procedures, Practices, and Forward-Looking Statements”.

## Important Information Regarding Policies, Procedure, Practices, and Forward-Looking Statements

This report contains forward-looking statements. Any statements about our expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as “anticipate,” “believes,” “can,” “could,” “may,” “predicts,” “potential,” “should,” “will,” “estimate,” “plans,” “projects,” “continuing,” “ongoing,” “expects,” “intends” and similar words or phrases. Accordingly, these statements are only predictions and involve estimates, known and unknown risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed in them. Our actual results could differ materially from those anticipated in such forward-looking statements.

Any or all of our forward-looking statements in this report may turn out to be inaccurate. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our predictions, results of operations, business strategy and financial needs. We have provided links to certain other web sites that may or may not provide material that is informative, and any information contained therein should not be considered a representation by the Company as to facts or materials contained therein.

Southern Star does not guarantee or warrant the adequacy, accuracy, correctness, currentness, reliability or completeness of the materials identified in this report and will not be responsible for any claim of any person attributable to errors, omissions or other inaccuracies of any part of such materials.



## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Southern Star is a leading transporter of natural gas to America's heartland, with approximately 5,800 miles of natural gas transmission pipeline in the Midwest and Mid-Continent regions of the United States.



Our pipeline system, facilities and team members are located in Missouri, Kansas, Oklahoma, Wyoming, Colorado, Nebraska and Texas, with our headquarters in Owensboro, Kentucky.



#### Primary Field Locations

Kansas City, KS	Concordia, MO
Ottawa, KS	Joplin, MO
Colby, KS	Tonganoxie, MO
Hugoton, KS	Independence, OK
Hesston, KS	Alva, OK
Lyons, KS	Blackwell, OK
Wichita, KS	Edmond, OK
Welda, KS	Rawlins, WY