



SOUTHERN STAR[®]

CENTRAL GAS PIPELINE



2023 CORPORATE RESPONSIBILITY REPORT

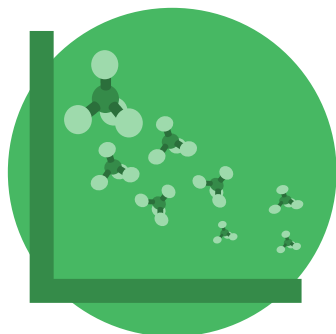
Fueling the Future

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2023 Key Highlights



48% reduction
in methane
emissions
since 2020



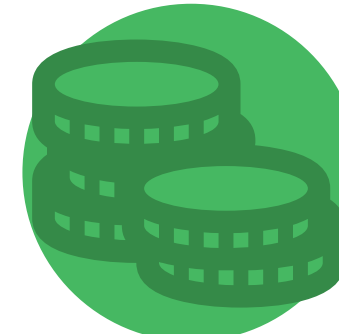
26% reduction in
greenhouse gas
emissions since
2020



9/10 highest
customer
satisfaction
score in 7 years



100% critical horsepower
availability
(zero hp-related firm
interruptions)



29% total spend
through
diverse
suppliers



0 lost time
incidents



70% reduction
in total
recordable
incident rate
since 2020



14% reduction in
preventable
motor vehicle
accident rate
since 2020



18 average
volunteer
hours per
team member



\$342K invested
in local
communities



52 average hours
of professional
development and
technical training
per person

From Our President & CEO

This year's report confirms our commitment to sustainability and transparency. It expands upon previous reports to bring our stakeholders more information about our vision, our operations, and our team. We know it is important to disclose Southern Star's performance, challenges, and opportunities according to the expectations of our customers, investors, peers, and stakeholders. To ensure we are addressing stakeholders' priorities, we contracted a third-party consultant to conduct a survey with key stakeholders and analyzed the results to inform our sustainability strategy and the content of this report.

You will find new data articulating our strong environmental, social, and governance (ESG) performance. We have chosen to report according to the Sustainability Accountability Standards Board (SASB) and align with recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD) to take accountability for our climate-related risks and opportunities.

Southern Star is very intentional about our vision, which is being one community working safely together to provide clean and reliable energy for tomorrow. We are taking a comprehensive approach to energy while working to reduce operational emissions, explore innovation, and assess new energy markets. Our infrastructure will be valuable in a lower-emission energy system, and we are focusing on maintaining and improving integrity and testing for alternative fuels. To demonstrate support for an all-the-above energy future, Southern Star is augmenting its solar power usage to invest in a 0.99-megawatt system in Welda, Kansas. This is the next step in building upon our net zero carbon-based energy headquarters initiated in 2021.

In 2023, the hard work of our teams resulted in many accomplishments. I am proud to say we had our best year for safety on record. Our unwavering focus on safety has led to a significant milestone: zero lost time incidents for the second straight year. I am also thrilled to report a 48% reduction in methane emissions since 2020. Our team is on track to meet our goal of a 50% reduction in methane emissions between 2020 and 2025.

Beyond their responsibilities, our dedicated team members volunteered a record-breaking 11,442 hours in their communities. Their passion for giving back exemplifies the Southern Star spirit. We know our communities are integral to our success and we have a responsibility to be good stewards. To exemplify our commitment, we invested \$342,274 in local initiatives, supporting education, healthcare, and environmental conservation. Together, we are building strong communities.

Our team and leadership demonstrated our commitment to diversity, equity and inclusion in 2023 with 100% of our workforce receiving in-person diversity, equity, and inclusion (DEI) learning, as we continued to enhance our culture through the involvement and activities of our employee resource groups.

As President & CEO, I extend my heartfelt gratitude to our team members, partners, and stakeholders. Your unwavering support drives our success. Let us continue to work together, guided by our shared values, as we shape a brighter future for Southern Star and the world.



Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Patterson".

Shawn Patterson
President & CEO

About Southern Star

Southern Star is a leading transporter of natural gas, with approximately 5,800 miles of natural gas transmission pipeline in Kansas, Oklahoma, Missouri, Wyoming, Nebraska, Texas, and Colorado. Our reputation for clean, safe, and reliable service has remained constant since our formation in 1904. Our business is more than just transporting and storing natural gas. It's about the people who make it happen and the communities we serve.

The future of energy is not a binary choice; it can include both conventional and renewable energy sources to achieve society's goals of addressing climate change. It is important that we continue to focus on transporting natural gas while we explore expanding to alternative fuels. Natural gas is critical to ensuring American consumers have access to affordable and reliable energy for their heating, cooking, and electricity needs. Natural gas resources are plentiful in the U.S. and infrastructure is vast, secure, and versatile, ensuring stable and consistent energy for consumers across the country.



VISION

ONE COMMUNITY
working safely together
to provide clean and reliable energy for tomorrow.



MISSION

ONE TEAM
delivering innovative energy solutions through
inclusive, sustainable and growth-oriented strategies.

Customer Oriented

Create a service mindset that places customer needs at the center of each decision where customers are fellow team members and external business partners.

Innovative

Deliver organizational value through creative products and services, improved processes, and transformative data-driven insights.

Integrity

Fulfill commitments in an honest, open, and forthright manner.

COMPANY VALUES

Ownership

Take initiative and be accountable for personal growth and results that contribute to the success of your team and the organization.

Respect

Create an environment that acknowledges and values diverse thoughts, cultures, and experiences where all team members are engaged, motivated, and empowered.

Safety Focused

Boldly champion safety through your actions for the betterment of your teams, families, industry and communities.



TEAM

Enhance our team through safe, purposeful, and inclusive actions that reward growth and high performance.



COMMITMENTS

Understand and fulfill shared goals and needs through stakeholder collaboration.



EXECUTION

Achieve innovative solutions in compliance, organizational efficiency, and stability.



VALUE

Optimize our organization's value through diverse and innovative growth strategies to drive financial success.

The Core 4

Our Approach to Sustainability

In 2023, Southern Star took steps to formalize our approach to environmental, social, and governance (ESG) reporting, structure, oversight, and management of key issues, including:

- Establishing a new department to centralize ESG efforts, including a director and leader to develop strategy, execute activities, and address stakeholder expectations;
- Drafting a three-year sustainability strategy to guide the company in key environmental, social, and governance arenas;
- Conducting a Sustainability Priority Assessment to understand our stakeholders' ESG-related priorities and incorporate them into our strategy;
- Assessing climate-related risks and opportunities with our third-party contractor to support our Task Force on Climate-Related Financial Disclosures (TCFD) reporting;
- Drafting a report in alignment with TCFD and developing a new sustainability governance structure according to TCFD recommendations;
- Onboarding new ESG reporting software to support our data consolidation, stakeholder transparency, and communication objectives;
- Launching our ESG Task Force to incorporate company-wide input into our ESG-related efforts and initiatives; and
- Developing a decarbonization roadmap with our third-party consultant to support our carbon neutrality goals.

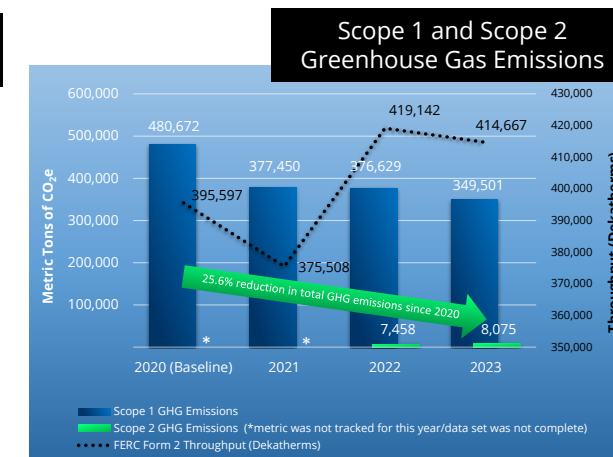
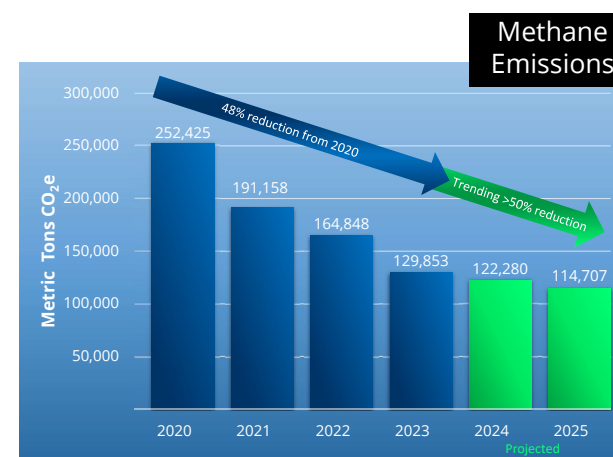
Southern Star is committed to regularly monitoring ESG-related expectations from our stakeholders to ensure we are effectively managing and communicating our sustainability-related risks, opportunities, and performance.

Southern Star understands the importance of continuous improvement and striving to make progress on key environmental issues. To ensure we remain steadfast in our pursuit of operational excellence and meeting the expectations of a lower-carbon economy, we have set two environmental sustainability goals and will consider more as our sustainability strategy matures. Our goals were developed with input from our operational teams, leadership, and subject matter experts to make sure we are setting targets that are both ambitious and achievable.

In 2020, Southern Star committed to the following:

- Reduce methane emissions by 50% by 2025; and
- Achieve carbon neutrality by 2050.

To date, we've achieved a 48% reduction in methane emissions and 25.6%* reduction in greenhouse gas (GHG) emissions from our 2020 baseline.



*25.6% excludes 2020 and 2021 scope 2 emissions

ESG Task Force & Governance

Southern Star established an ESG Task Force in 2023 to support our commitment to strong oversight of our sustainability strategy and ESG reporting. The task force aims to identify, evaluate, and develop strategic direction and opportunities that promote ESG objectives aligned with our strategic plan and stakeholder expectations. Southern Star's ESG Task Force is charged with vetting ESG-related risk, reporting it to the internal Enterprise Risk Management Committee, and developing and approving corporate ESG initiative recommendations to be sent to executive leadership for implementation approval. The Task Force includes senior leadership representation from the majority of business functions across the company – including Land, Environment, Operations, Regulatory, Legal, Communications, Safety, Human Resources, and Finance, along with regional leaders.

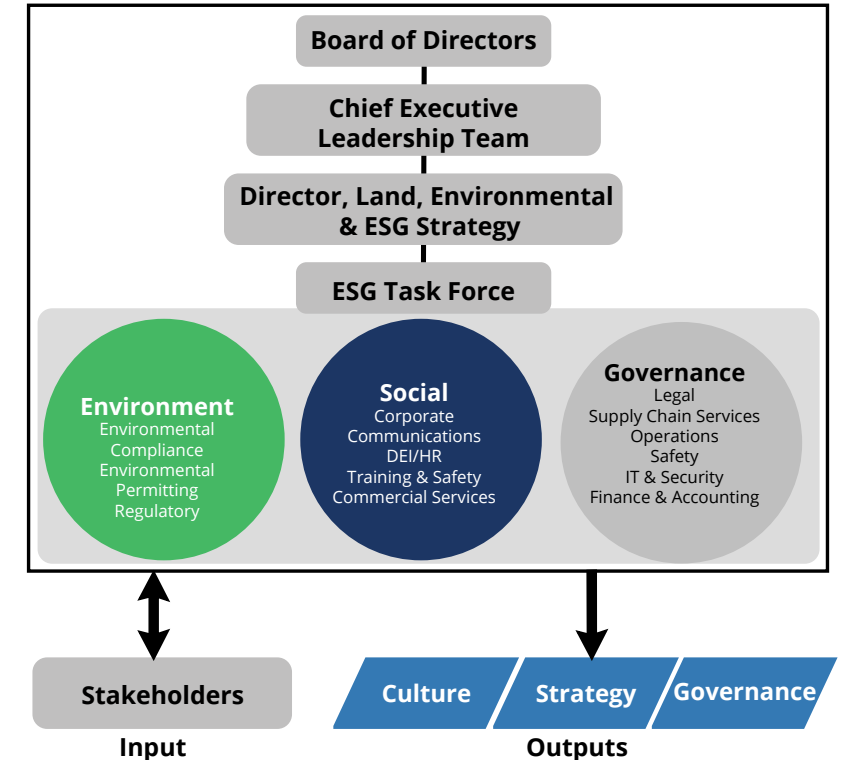
The Southern Star Board of Directors maintains oversight at the full board level through regular reviews with our Chief Executive Leadership Team to discuss ESG-related risk and related mitigation measures. These reviews cover topics such as achieving emission reductions and carbon neutrality goals, addressing climate change impacts, and managing the sustainable transportation of natural gas.

Sustainability Priority Assessment

In 2023, Southern Star conducted a Sustainability Priority Assessment (SPA) with a third-party consultant to develop an impactful long-term sustainability strategy and reporting initiatives. The purpose of the SPA was to identify and understand the importance of potential environmental, social, and governance impacts to Southern Star's business objectives and how the company's performance around these topics affects stakeholders.

We engaged both internal and external stakeholders as part of this analysis, where internal stakeholders were further grouped by leadership or individual contributor, while external stakeholders were grouped by industry organizations, insurance firms, financial institutions, and customers. Our SPA process started with identifying an initial list of potential topics based upon benchmarking, research, and industry guidelines.

ESG Reporting Structure



The third-party consultant then sent anonymized surveys to all stakeholders and conducted interviews with key stakeholders. Our findings from the assessment validated many of the safety-related initiatives already implemented and identified key areas for improvement, which included continued focus on reducing emissions, enhancing team member fulfillment, and maintaining strong business ethics and compliance.

Southern Star is committed to using the feedback received from the SPA to inform long-term strategy development and business objectives.

Safety Management

Occupational Safety and Health

Workforce Protection

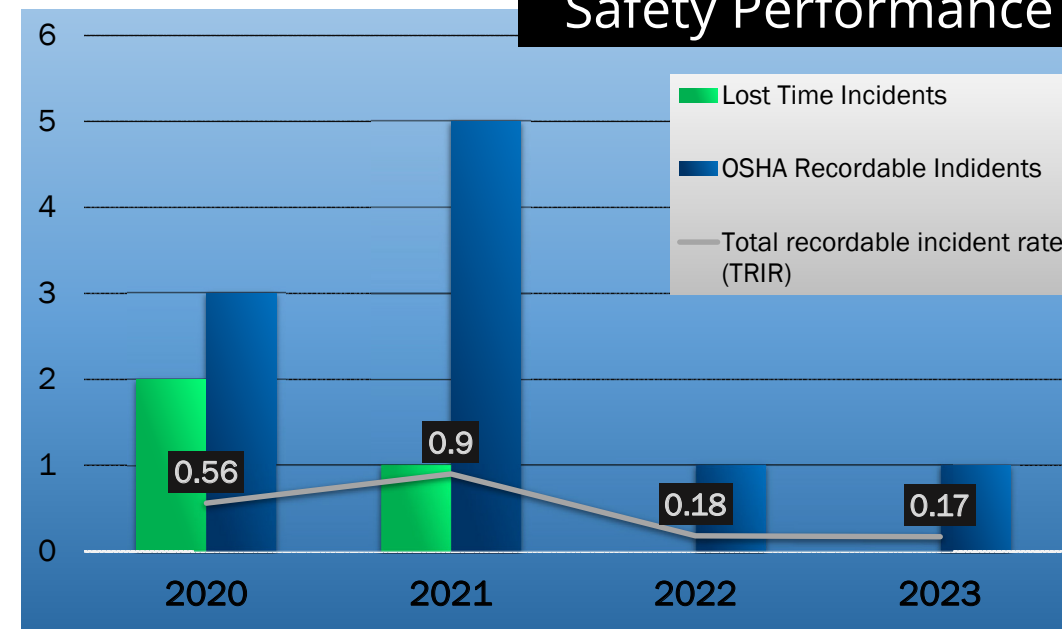
At Southern Star, we recognize our profound responsibility towards the safety of our team members, customers, and communities. Our commitment to safety is fundamental to leadership and resonates with every team member.

The focus in 2023 was keeping safety at the forefront of everything we do by embracing our safety slogan: “Own it. Share it. Live it.” This slogan embodies our goal of creating a culture of safety beyond the workplace. Safety focus is not just valuable during business hours but should also be utilized in our personal lives. Incorporating safety in all aspects of our team members’ lives helps improve their overall safety awareness and increases their ability to achieve safety success.

Advocating team members to own, share, and live safety means providing a workplace environment focused less on attempting to eliminate accidents through policies and procedures, and more on transferring safety ownership to team members. This concept of safety reliance on one another inspires team members to develop a personal sense of pride and commitment towards looking out for one another’s safety.

Another safety concept is providing every team member not only stop-work *authority* but also stop-work *responsibility*. Our team members are trained to recognize hazardous conditions and have the duty to speak up. This approach to safety enabled our team to break safety records in 2022 and again in 2023. Last year, our team exceeded company goals with zero lost time incidents, one recordable injury, and a reduction in the total recordable injury rate to 0.17.

Safety Performance



This marked the second consecutive year without a single lost time incident. Our safety success reflects a company-wide collaborative effort and the results of what our workforce can accomplish. Our team is even more committed and focused on building on the company safety culture in 2024.

In 2023, Southern Star launched the Safety Assist program, enabling team members to submit safety improvement ideas. These ideas undergo executive review for their potential to enhance safety, and 12 assists were approved last year to bolster organizational safety.

While using incident reporting software, parties involved with incidents engage in root cause analysis with leadership, aiming to pinpoint and mitigate the root cause to prevent future occurrences.

To engage team members in safety practices, the safety team continued seasonal safety programs: the Summer Safety Series and the Winter Safety Series. The summer program encouraged identifying hazards at home and work, focusing on safety during summer activities and the back-to-school season. Building on its success, the winter series covered driving and walking on snow/ice, vehicle preparation, and self-care in cold weather. These initiatives educated and engaged team members and their families, further fostering a culture of safety.

The company relies on team members to identify and address safety hazards that may pose a risk to themselves, co-workers, the environment, and communities.

This responsibility is reinforced by starting all company meetings with a safety moment shared by a team member which inform others of safety concerns and serves as a reminder that safety is at the core of all company business. Another way to share a safety hazard is via the online safety portal. Once in the safety portal, the safety department reviews and takes action to correct the issue. The results from the reported safety hazards are then shared with the entire company so broader benefits and learning can come from the event.

Southern Star utilizes Safety Awareness Teams to discuss issues related to improving our safety performance.



Examples of Safety Assists shared throughout the system in 2023

These groups were created to empower the workforce to participate in safety topics and concerns between departments. Team members from all different fields of expertise and levels of leadership drive these committees to promote teamwork and creativity towards discovering effective solutions for safety issues.

Occupational Training

Occupational training at Southern Star uses innovative and competency-modeled methods designed to ensure the best knowledge retention in the safest environment for learning. Effective training programs provide a compliant and confident workforce that is safer and more productive.

Our Training Department develops educational content in collaboration with Field Operations leadership and includes comprehensive training programs for both operational and technical positions.

These programs are annually reviewed by departmental subject matter experts and leadership to ensure all appropriate industry topics are covered. All field team members are also required to take annual refresher courses on Occupational Safety and Health Administration (OSHA) regulations, safe pipeline practices, and company policies related to pipeline construction, maintenance, and operations. Our technical training programs and curriculum are balanced to provide experiential learning with hands-on, computer-based, and instructor-led safety training.

Driving is one of the most hazardous daily activities we encounter at work. This inherent risk motivates leadership to help ensure our team members are vigilant and responsible when driving. The company provides Decision Driving Training to all new team members. This training provides useful techniques for being a professional driver by scanning for hazards, increasing reaction time, eliminating distractions, avoiding complacency, and adjusting to adverse conditions.

The company also provides "Safety 101" training for all new team members. This half-day course briefly introduces safety at Southern Star and must be performed within the first 15 days of employment. New field team members are also required to attend a three-day safety orientation.

2023 Safety and Training Highlights

Southern Star remained committed to career development and technical training in 2023 by providing almost 11,000 hours of training, a 30% increase from 2022.

With the use of full scale equipment at our Hesston (Kansas) Training Center (HTC), we provide real world training of maintenance, construction techniques, and safety practices. We had 1,155 in-person training attendees at the HTC in 2023. The average for technical training across Southern Star was 18.7 hours.

Providing quality training requires investments in our Training Department. Improvements are continuously made at our Hesston Training Center to foster an atmosphere that is safe and conducive to team member growth and career development.

Contractor Safety

Contractors are viewed as an extension of the Southern Star family, so we are intentional about collaborating only with contractors who share the same values and commitment to safety. Southern Star experienced improvements in contractor safety culture and their overall safety performance. In 2023, Southern Star achieved zero contractor OSHA recordables on company projects for the entire year, illustrating a declining trend in the number of OSHA recordables and the maturation of our culture of safety.

Every spring, at the beginning of our construction season, Southern Star hosts an annual Contractor Safety Summit. Every contractor who attends the meeting is provided with a clear understanding of Southern Star's safety expectations and how to meet those expectations. This event ensures that safety is embedded in all project planning.

All contractors must meet specific safety criteria to be eligible for contract bidding and awarding. 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 a third-party clearinghouse that evaluates contractors' compliance with applicable safety requirements related to the tasks they are contracted to perform. Once on site, Southern Star personnel and the contractors have daily safety meetings to discuss, prepare, and perform a job site hazard analysis to identify potential safety issues.



From top left: Southern Star's first "Train the Trainer" for pipeline welding in Hesston, Kansas; Gas 101 in Hesston; and coating training for Operations personnel in Rawlins and Cheyenne



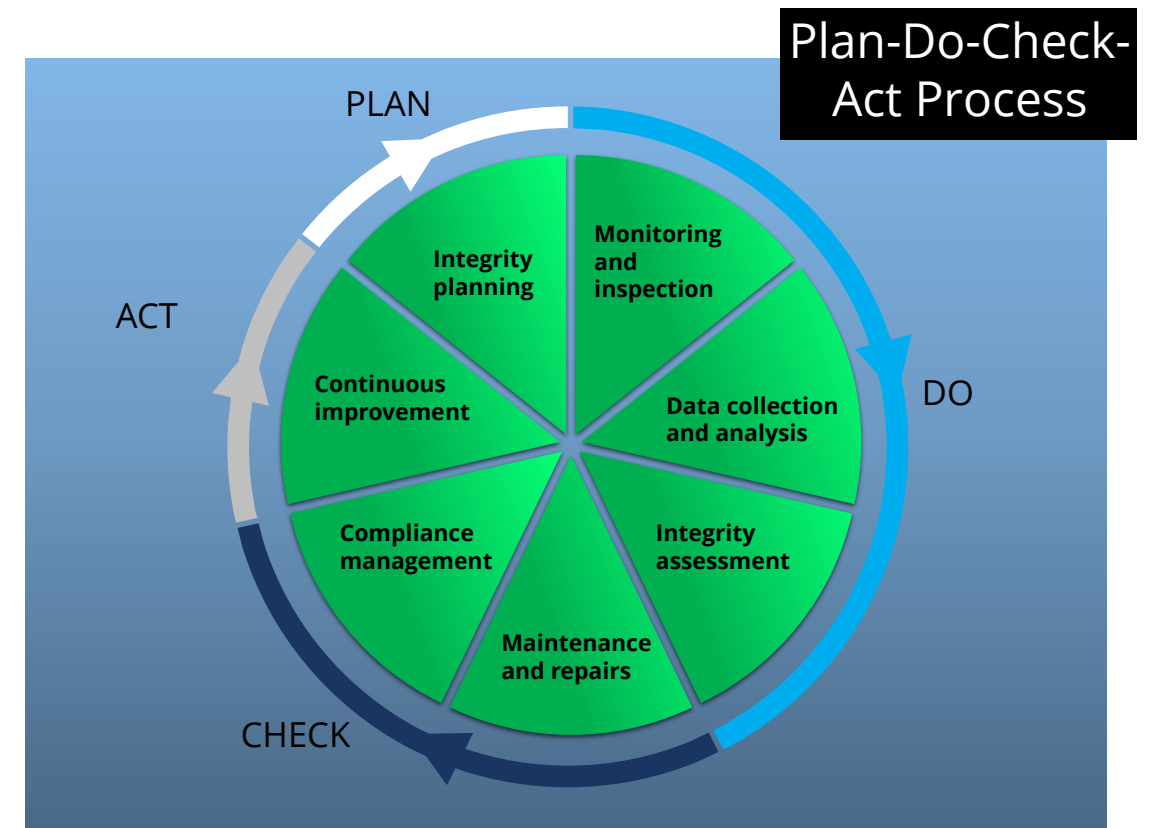
Process Safety and Asset Integrity

Southern Star has policies, plans, and procedures aimed at minimizing risks to pipeline integrity. These processes encompass various components, such as routine inspections, computer monitoring systems, corrosion protection, maintenance, regular team member training events, and fostering strong relationships with emergency response teams throughout our operational areas. For additional readiness, drill exercises are regularly performed where coordinated efforts determine a course of action in the event of a pipeline failure, its potential cause, and steps toward a solution.

Southern Star maintains a Damage Prevention Program (811 Program) in accordance with state and federal guidelines. Through its efforts and shared responsibility with stakeholders, the program enhances public safety by creating awareness of operations, advocating for pipeline safety, and promoting safe digging practices. In addition to required Public Awareness mailings, Southern Star participated in multiple sponsorships, expo booths, and outreach opportunities throughout the year to further promote 811 across our pipeline system.

Our Integrity Management Program (IMP) follows the Plan-Do-Check-Act process. This process is critical in determining the prioritization and timeline of pipeline integrity work and involves regular inspection activities, continual improvements, and the implementation of preventive safety measures. The majority of our inspections are performed utilizing in-line inspection tools. We inspected a record 695 miles of pipeline, representing 12% of our total system mileage. Our preferred inspection technique is in-line inspection because it enables us to monitor the pipeline's condition in relation to identified threats. This data is subsequently integrated into our risk analysis, assisting us in prioritizing our assessment and rehabilitation efforts.

At Southern Star, the safety of our team and pipelines rank as our top two priorities. Over the last four years, we have seen a reduction in reportable incidents, culminating in zero reportable incidents in 2023. This significant achievement underscores the commitment of our Operations and Integrity teams to providing safe and dependable service throughout our network. Furthermore, the absence of reportable releases caused by third-party damages highlights the success of our outreach and Damage Prevention Program.



Emergency Preparedness

At Southern Star, we recognize our responsibility to prioritize health, safety, and environmental stewardship in all aspects of our operations. Ensuring the safety of our team members, the public, and the environment is paramount in all we do. To this end, we provide comprehensive training in natural gas emergency preparedness to all company personnel. This training equips our team members with the knowledge and skills necessary to respond effectively to any emergency situation. Routine inspections, computer monitoring systems, corrosion protection, maintenance, and regular team member training events are just a few of the ways the safe and reliable operations of Southern Star's pipeline and storage facilities are promoted.

Training in Natural Gas Emergency Preparedness

Southern Star's natural gas system operates under continuous surveillance, 24 hours a day, every day. Yet, when facing a natural gas emergency, having clearly defined roles and leadership alignment is crucial for a streamlined and effective response.

In preparation for an emergency event, our teams work closely with local emergency responders at each location through participation in mock drills and cross-training when needed.

In addition to training and organizational structures, we deployed a company-wide emergency response app to support our team members during emergencies. This app is accessible on all company cell phones and provides real-time guidance and resources to help team members navigate emergency situations effectively. By leveraging technology and providing access to critical information and resources, this app enhances our ability to respond swiftly and effectively to emergencies, ultimately contributing to the safety and well-being of our team members and communities we serve.

Our training programs define the roles of team members at various levels of the organization, including:

- **Field personnel:** These individuals are typically the first responders in the event of an emergency. Their role includes assessing the situation, implementing initial safety measures, and communicating vital information to the appropriate authorities;
- **Leadership:** Managers and leaders play a crucial role in coordinating the response efforts and providing guidance to field personnel. They make critical decisions and ensure that resources are allocated effectively; and
- **Emergency Response Team:** In the event of a significant emergency, we activate our Emergency Response Team. This team is responsible for managing large-scale emergencies that have the potential to impact multiple stakeholders and require a coordinated response effort. The Emergency Response Team includes representatives from various departments, including Operations, Safety, Corporate Communications, and Legal. By bringing together expertise from across the organization, we ensure a comprehensive and effective response to complex emergency situations.



In 2023, operations personnel participated in emergency communications training with simulated interactions with first responders and media.

Environmental Management

As a company whose operations have a land use impact, Southern Star understands that environmental stewardship must remain a top priority. We are dedicated to efficiently managing our resources and finding ways to reduce energy, water consumption, and waste at our facilities. We protect biodiversity during construction and operations, restoring areas impacted by construction back to their original state, increasing recycling efforts across our system, and combating emissions and air quality impacts.

We continue to explore new technologies and solutions to support our environmental stewardship and proactively address environmental-related challenges through a team of dedicated people who live and work in the communities in which we operate.

Reducing Emissions, Supporting Energy Needs, and Exploring Innovation

Southern Star is focused on reducing our own operational emissions; transporting safe, reliable, resilient, and affordable natural gas to support both consumer energy needs and low carbon solutions while innovating our energy future.

Natural gas is also critical to the transition to a low-carbon economy. Natural gas is a lower-carbon solution for electricity generation compared to coal, especially as it is produced and transported today with technological advancements and stringent regulation. Natural gas is key to ensuring power grid reliability while enabling continued advancements in renewable energy sources, and its versatile infrastructure will be important in supporting future energy solutions such as renewable natural gas, synthetic natural gas, biogases, and hydrogen. Ensuring natural gas is part of the energy future will keep costs lower for the consumer while achieving emission targets.

The world needs more energy with less impact and better outcomes, which includes delivering the right energy mix exactly when and where it is needed.

Reducing our own operational emissions is our priority. Focusing on what we can control is necessary to address climate change and meet the needs of our stakeholders while ensuring we can continue to supply reliable, affordable, and clean natural gas to our consumers. We have already achieved a 48% reduction as of the end of 2023 based on a 2020 baseline and are on our way to achieving our methane emissions reduction goal due to the “Measure, Mitigate, and Modernize” plan. We are focusing on engineering emissions out of operations, modernizing infrastructure, and diligently monitoring and addressing leaks.

While we focus on reducing our operational emissions, we are working on solutions for tomorrow. The energy ecosystem is changing rapidly, and it is our responsibility to explore potential opportunities. We are exploring lower carbon solutions such as renewable natural gas and hydrogen. We are leveraging our talented workforce and focusing on innovations through work groups and sustainability governance. We believe external collaboration and coalition-building is key to sharing best practices, opening doors to opportunities, and leveraging the industry’s innovation.

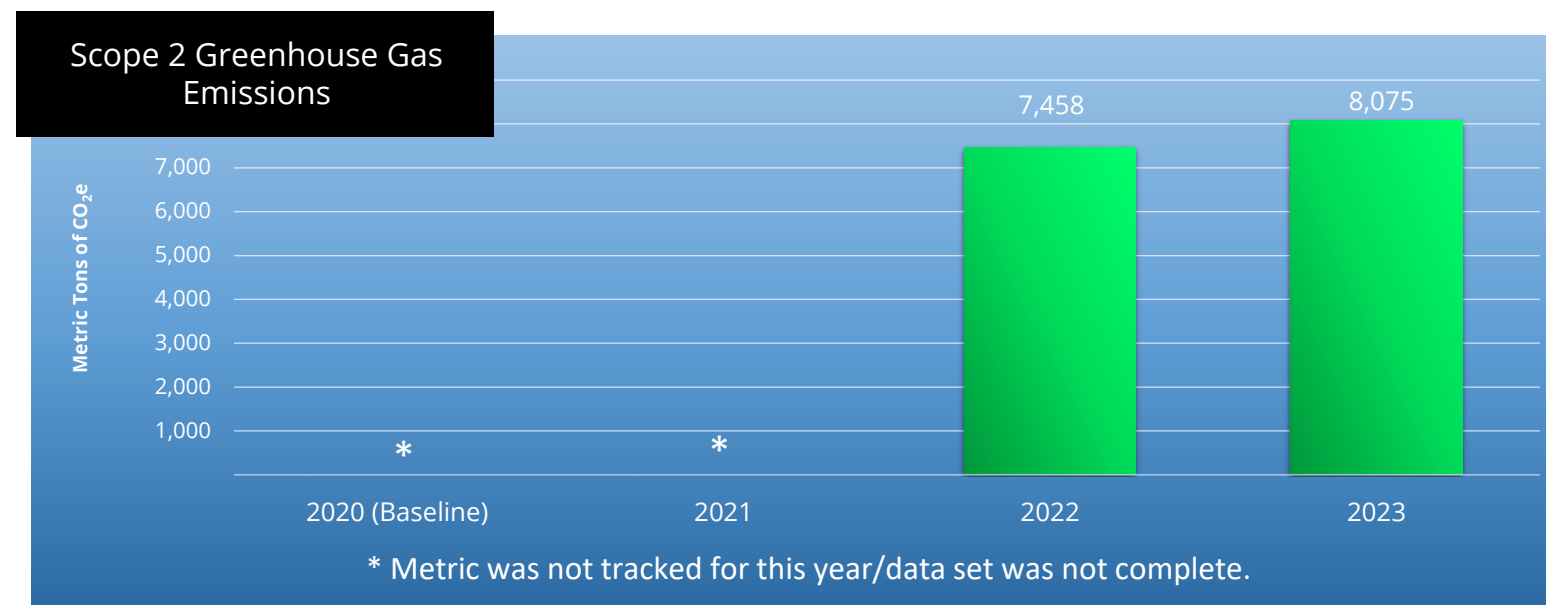
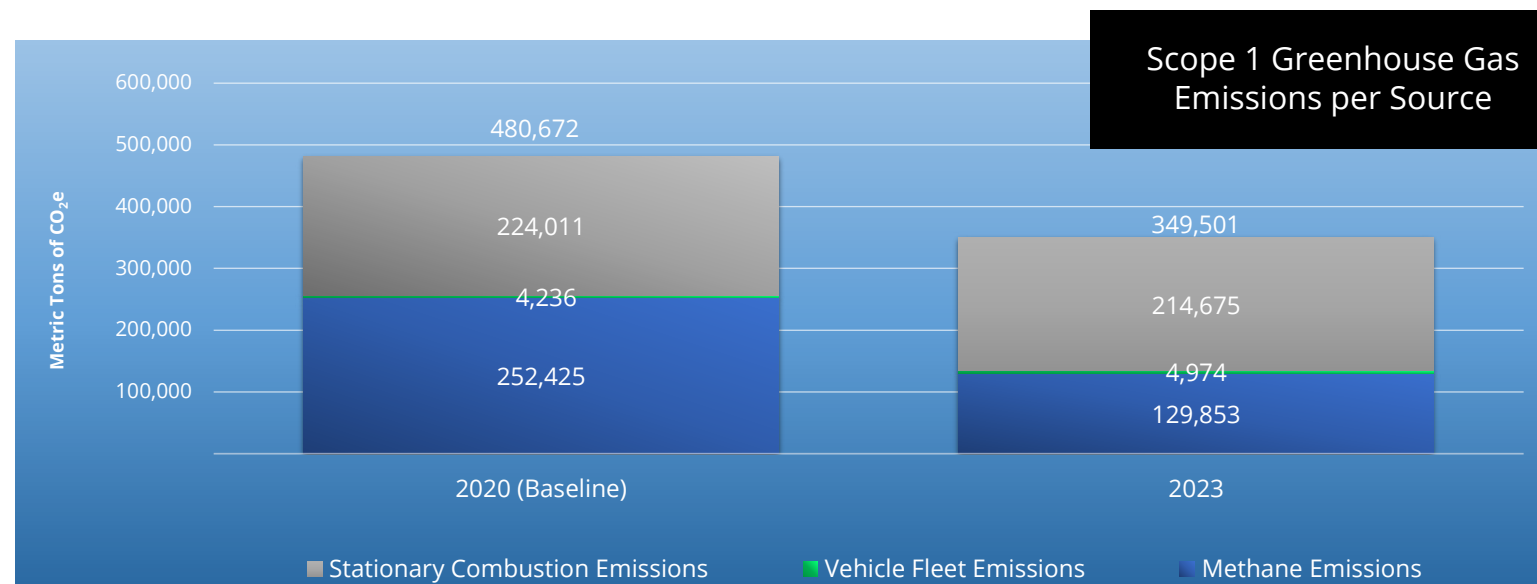


Emissions and Air Quality Management

Southern Star is committed to delivering clean and reliable energy to the communities in which we operate, serve, and live. Southern Star is not only committed to regulatory compliance, but to leading the industry in cutting greenhouse gas (GHG) emissions.

2023 GHG Emissions Performance

Southern Star reports both scope 1 and scope 2 GHG emissions. Scope 1 emissions result directly from our operations and include emissions from combustion in compressors, boilers, and vehicle fleets, as well as emissions from process equipment (i.e., fugitive and venting emissions). Scope 2 emissions result from the electricity we consume in our operations. From 2020 to 2023, we have realized an approximate 26% reduction in total scope 1 and scope 2 emissions compared to the baseline year of 2020 (26% excludes 2020 and 2021 scope 2 emissions).



2023 Methane Emissions Performance

Southern Star continues to make progress against our 2020 goals of reducing methane emissions by 50% by the end of year 2025 from a 2020 baseline and achieving carbon neutral operations by 2050. Since setting these goals, we have reduced our methane emissions by approximately 48% and remain on pace to reach our targets. Due to the success and company-wide commitment to our methane reduction target, we expect to reach our target a year earlier than expected. Through the end of year 2023, we made substantial advancements in three main areas: pipeline blowdowns, condensate tanks, and compressor vent emissions, realizing reductions of 72%, 61%, and 36% respectively, when compared to the baseline year.

Minimizing pipeline blowdowns has been at the forefront of our strategy to cut methane emissions. With the initiation of our voluntary program, we established a comprehensive plan aimed at reducing these blowdowns. This involved setting clear benchmarks for mitigation based on the projected amount of natural gas expected to be vented during various operational activities. We applied these mitigation steps across maintenance, integrity assessments, and modernization projects, utilizing methods such as pressure reduction, flaring, stopple-and-bypass techniques, or the use of recompression units.

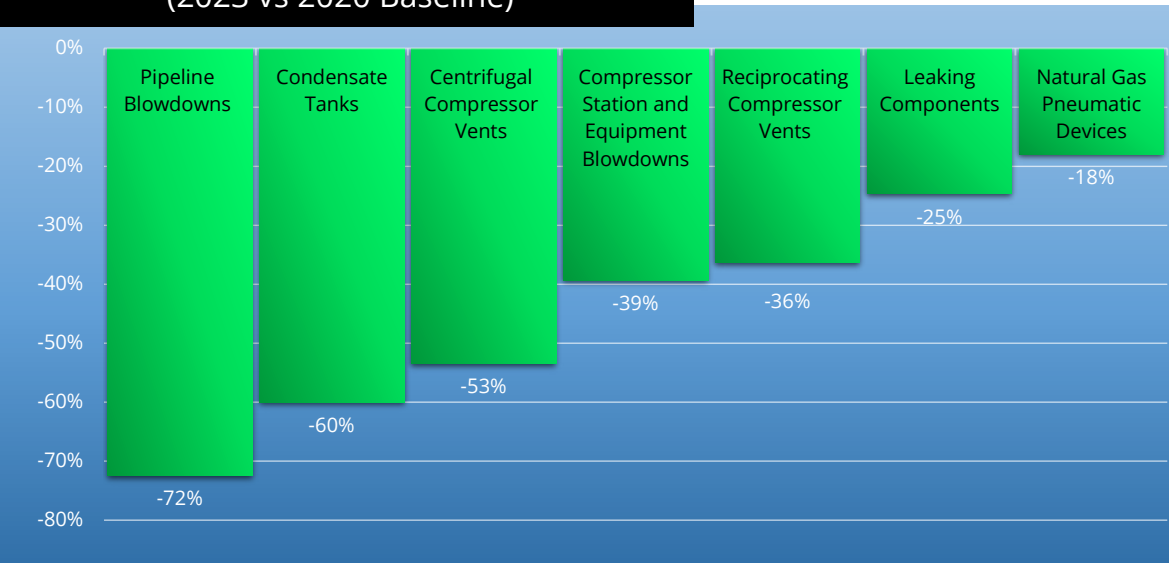
Another critical area of our emission reduction efforts has been targeting condensate tank emissions. Initial assessments at the start of our program identified opportunities for improvement in dump valves with the potential to emit methane via condensate tanks. Over time, valves leading to these tanks can deteriorate, leading to unintended methane emissions when they fail to seal properly. To address this issue, Southern Star's environmental team collaborated with an external vendor to identify a suitable diagnostic tool for this problem. By employing an acoustic device, the team can pinpoint the specific valve responsible for leaks, allowing for targeted maintenance.

This precision not only saves time but also reduces costs, as it enables the team to plan and execute valve replacements more efficiently.



Equipment used to transfer methane captured from isolated pipeline sections to adjacent pressurized systems

Reduction of Methane Emissions by Source (2023 vs 2020 Baseline)



Leak Surveys

Although regulations only required Southern Star to perform leak surveys on five compressor stations, our teams proactively surveyed all 43 of our compressor stations in 2023. Completing these voluntary leak surveys delivers a more complete picture of the total methane emissions across our system as well as identifies opportunities for further reductions. If a compressor station does not have site-specific data for the calendar year, a calculated average emission rate is applied to the station.

Measured data is only valid for one year; therefore, in order to minimize the use of averaged data to the maximum extent possible, Southern Star has implemented processes to perform on-site surveys at every compressor station at least once annually, with plans to increase to multiple visits in future years. Annual survey results are compared to data sets from previous years to validate the effectiveness of our reduction strategies.



Examples of the images captured and the technology used during leak surveys

Data Audit and Automation

Completed in 2021, Southern Star voluntarily contracted a third-party consultant to perform data validation on all methane data sets and calculations to ensure consistency in reporting. The consultant performed a robust review of all data inputs, calculations, and methodologies to ensure Southern Star was compliant and that all reported data was correct.

The finding resulted in no material findings, with only minor adjustments resulting in a total change of less than 0.1%. Southern Star has committed to periodic third-party audits and plans to complete another audit once the 50% reduction goal is completed.

In 2021, the Environmental team focused on data automation for the methane program. A collaborative effort between the Environmental and Business Intelligence teams began a multi-year process by evaluating the opportunities to automate the numerous data points that comprise the methane calculations. The first step was automating all runtime data and fuel usage for units covered by regulation. This automation eliminated the need for multiple reports and reduced the chance of human error in data entry. The forward-looking efforts of this group center on fully automating all data inputs within the methane program where practicable. A team comprised of members of Environmental leadership, Planning & Scheduling, and Business Intelligence, is actively engaged in the development of an automated methane tracking platform.

Education

In the first quarter of 2023, the Environmental team embarked on a two-week, system-wide station tour to further educate all team members on the methane reduction program and increase their knowledge on emissions sources. Although the program had already seen significant reduction, this station tour encouraged team members to further recognize their role in reducing emissions. Education and discussions centered around emission sources, options for mitigation, and planning for work that includes blowdowns. Team members were receptive and presented ideas for further collaboration to continue to advance Southern Star's culture around methane reduction efforts.

Methane Champion Program

Leveraging Southern Star’s competitive spirit, we launched the Methane Champion Program in 2023 to promote methane reduction measures across all field operations. The program is divided by district and rewards both the lowest methane emitting district and the district with the most improvement in methane emissions. Tracked categories for this program include pneumatic devices, condensate tanks, reciprocating engines, centrifugal emissions, and overall leaking components. Early progress of the Methane Champion Program is encouraging and shows increased emissions reduction efforts across the business.

Industry Collaboration

Southern Star is one of more than 55 members of the ONE Future coalition, an industry-wide initiative to voluntarily reduce methane emissions by 2025. The coalition’s goal is to lower methane emissions to less than 1% across the entire value chain by 2025. The Transmission and Storage Sector set an initial target of 0.3% methane intensity by 2025. The sector has far surpassed that goal, with a reported intensity of 0.088% in 2022. Southern Star is proud to stand alongside partner members in achieving such outstanding results in such a short time.

Additionally, Southern Star is a proud member of the Interstate Natural Gas Association of America (INGAA) and has actively participated in drafting the INGAA Methane Emissions Commitments and Climate Statement. Southern Star adheres to these commitments to continually minimize methane emissions from natural gas transmission operations. Southern Star actively participates in INGAA’s GHG and Air Strategies Task Forces and had co-chair members on these task force teams from 2020 to 2023.



Southern Star’s first year of the Methane Champion Program was a huge success. The lowest emitting district was the Lyons District (above), demonstrating their commitment to effective system maintenance and dedication to repairing discovered leaks. The most improved district was our Blackwell District, who realized an overall reduction of 49% in tracked categories.



Energy Efficiency and Decarbonization

Southern Star tracks total energy consumption and renewable energy capacity to help us identify where we can improve our holistic decarbonization strategy. Fuel consumption includes all fuels we consume, including natural gas and renewable natural gas, and is based on a combination of invoiced amounts, meter readings, and system-generated reports. Electricity consumption refers to the total power consumed during operations and is based on invoiced amounts provided by utilities, and the data is then converted using predetermined energy conversion factors.

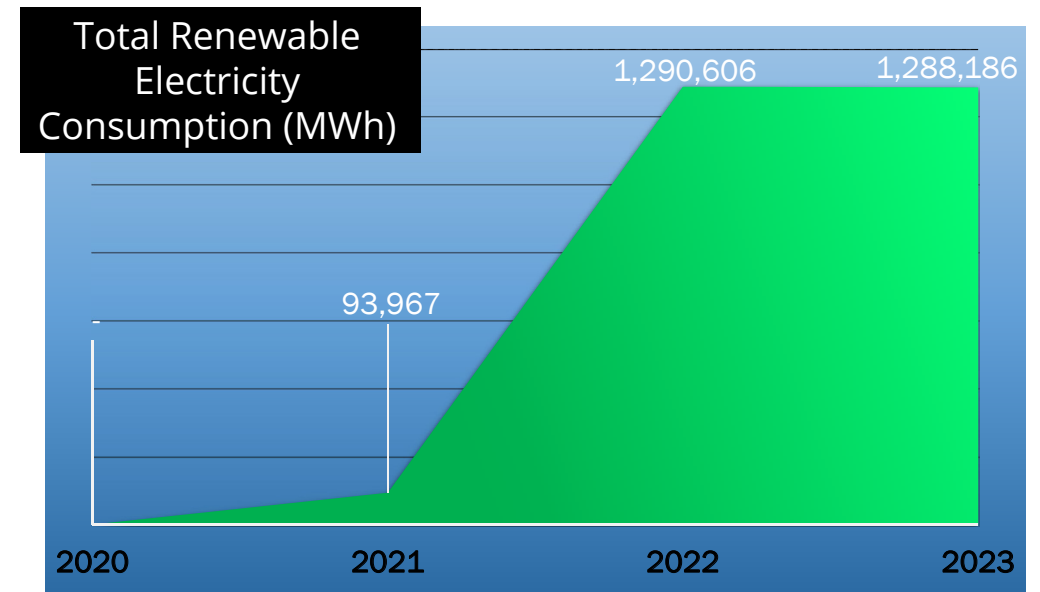
Decarbonization Program

In 2023, Southern Star launched a Decarbonization Program aimed at promoting a strategy to reduce carbon emissions across our portfolio. This program is centered around improving energy efficiency and reducing Southern Star's carbon footprint. It involves a thorough examination of the carbon emissions across our operational spectrum to grasp and assess the prevailing carbon benchmarks. Highlights of the program include:

- Scrutinizing both supply-side and demand-side decarbonization prospects that Southern Star might harness at each facility, alongside gaining insights into the fluctuating dynamics of the energy market. The initiation of the Landscape Survey under this program sets a solid groundwork for crafting a targeted decarbonization roadmap. The survey aims to uncover and methodically evaluate potential decarbonization avenues—including off-site renewable energy, on-site solar initiatives, Renewable Energy Certificates (RECs), Utility Green Tariffs, and carbon offsets—each of which will undergo a detailed analysis in the subsequent phases of the program;

- Assessing the financial and sustainability impacts of each identified decarbonization measure, finalizing the strategies to pursue upon concluding the Landscape Survey. This includes assessing the viability of implementing on-site solar solutions, entailing comprehensive evaluations at two designated facilities to discern pertinent energy efficiency enhancements; and
- Investigating the electrification of compressor stations, analyzing the carbon footprint implications of transitioning compressors from gas to electric power to help inform our decarbonization strategy.

Through these multifaceted analyses and strategic implementations, Southern Star's program is poised to navigate the complex landscape of decarbonization, ultimately contributing to the broader goals of energy efficiency and carbon reduction within our operations.



Waste and Water Management

Waste, Spill, and Release Management

Southern Star strives to prevent all spills throughout our daily operations and operates with a high level of confidence in our spill management plan. Southern Star proactively works to prevent releases through our tank integrity plan; Spill Prevention, Control, and Countermeasure (SPCC) management cycle; and a tank integrity program that utilizes American Petroleum Institute standards. We utilize a third-party inspector to inspect the structural integrity of all regulated, above-ground storage tanks and then utilize all reports to determine necessary paths forward. Southern Star is currently in the midst of a multi-year process of upgrading aging secondary containment units to ensure efficacy of the structure in the event of release. Additionally, various facilities across our footprint have above-ground storage tanks to store pipeline liquids, used oil, new oil, and other liquids. These sites have SPCC plans where required and inspections are regularly performed to ensure adherence to these plans is maintained.

In the event a spill occurs, Southern Star implements our reporting and response procedures to quickly identify and remediate the site and minimize any potential environmental impacts. Southern Star has had no reportable spills dating back to 2020 and remains committed to the continuous identification and prevention of spills.

Waste Reduction

Southern Star has made concerted efforts to reduce our overall waste footprint. As of 2023, all facilities have been reduced to "Very Small Quantity Generators" under EPA guidelines, evidencing our commitment to minimizing waste generation. A large majority of our waste is now managed via universal waste streams. These include aerosol cans and mercury containing light bulbs. Batteries across the system are also routinely recycled.

Construction projects traditionally do not generate much waste, and Southern Star continues efforts to reduce waste from projects. Soil reuse is prioritized wherever possible to prevent the unnecessary disposal of soil. The common construction practice of utilizing a hydrovacing process (the use of water and water pressure to excavate soil and remove with a vacuum) to expose pipe for maintenance within stations produces slurries that have traditionally been hauled for disposal. Southern Star has implemented slurry management practices to allow for reuse of this slurry within our footprint. In 2022, we began to utilize a sustainable nonhazardous wood pulp-based solidifying agent to quickly dry these slurry spoils to allow for reuse much faster. The use of this material has allowed beneficial reuse of removed soil, improved construction efficiency, reduced landfill disposal of material, and resulted in overall project cost savings.

Water Management

Preserving natural resources is one of our focal points as we plan modernization projects. While water consumption is not a large part of our operations, our primary water use is for pressure testing pipelines to confirm operating pressures, commonly referred to as hydrotests. Hydrotesting is a standard pressurization test utilized in the pipeline industry to detect leaks and validate the strength of pipe segments. To conserve water during testing, longer segments of pipeline are tested in smaller sections which allows Southern Star to utilize a smaller overall volume of water through the reuse of the same water in multiple sections for the test. This method minimizes the overall amount of water by an estimated 50 to 75% due to total volume requirement and retention between segments. Each job is analyzed to determine available techniques to conserve natural resources and pass potential fiscal savings onto our customers. Additionally, Southern Star utilizes an inert gas, nitrogen, to pressure test pipeline segments when feasible.

Land Stewardship

Permitting and Land Stewardship

During the development phase of a project, the Environmental team is consulted to conduct a layered environmental review of all potential construction projects. The beginning phase of the review involves determining a project's potential to result in adverse impacts to air quality, water, species, and other potential environmental resources in the immediate area of the project. Completion of the first phase then leads to a determination of whether the project needs to undergo an advanced environmental review. An advanced review requires an Environmental Permit Specialist to further examine potential environmental effects such as cultural resources, soils, water resource impacts, floodplain, viewsheds, threatened and endangered species, and any other areas as required by the project and local and/or federal regulations. Southern Star works closely with state and federal agencies to ensure that compliance with applicable regulations is maintained throughout the entirety of the project. In this phase, the land team researches potential landowner impacts and raises any areas of concerns (i.e., future developments, ownership transfers, etc.).

Southern Star strives to minimize its environmental impacts where possible, and the efforts of the permitting team demonstrates this commitment. Once the project enters the environmental permitting phase of the project life-cycle, the Permitting Specialists work hand-in-hand with Engineering and Design personnel to implement a design that minimizes the land and environmental impacts where feasible. Whenever possible, Southern Star makes efforts to utilize existing access points/roads as well as pre-disturbed areas from previous projects to reduce new impacts. Once project design is completed, all appropriate permits are obtained as required per the applicable regulations. Concurrently, land representatives engage with landowners to gain understanding of the area and vet any concerns with workspace designs. Design shifts then may be made to address landowner concerns, as practicable.

When construction commences, the Environmental Specialist continues to work with Project Management personnel to ensure environmental compliance is maintained through the completion of the project. The Land team maintains engagement with landowners to ensure there are no concerns raised. Once construction is complete, the Land team ensures that specific restoration requests have been addressed and that all landowners have their property returned to as close to pre-construction conditions as practicable.

Area Restorations and Land Impact Minimization

The expansion and maintenance of our network can result in land disturbances, but Southern Star is dedicated to minimizing this impact by restoring affected lands to their original condition as closely as possible. Our Operations and Project Delivery teams employ various restoration techniques, such as loosening compacted soil, replanting grass, covering areas with straw, and reshaping land to match its original contours, especially at water crossing sites. Southern Star employs multiple strategies to lessen environmental impact, including thorough project planning, using protective matting to reduce soil disturbance, consulting with the Natural Resources Conservation Service for advice on native plant species, and conducting post-construction revegetation monitoring.

Effective communication with regulatory bodies and landowners is crucial for Southern Star to comply with state and federal regulations and work collaboratively on land restoration projects. These partnerships also support the restoration and expansion of habitats for sensitive species.

Exploring Renewable Fuels

Renewable Natural Gas

Beyond reducing emissions from our operations, Southern Star is actively pursuing opportunities in renewable natural gas (RNG), a low-carbon substitute for conventional natural gas. Through partnerships with farmers, wastewater treatment plants, and landfill management, natural gas companies can convert their methane byproducts to beneficial, usable, and low-carbon RNG. We continue to grow our connections with these producers to transport their product to the market and evaluate opportunities for RNG receipt points. In addition to the two RNG receipt points installed in 2023, Southern Star has also engaged with cattle feedlots and natural gas providers to further investigate avenues for low-carbon solutions. Through these connections with our system, we have successfully introduced approximately five billion cubic feet of RNG to the market from 2020 to 2023.

Hydrogen

Southern Star's approach to hydrogen puts us in position to capitalize on many future opportunities. As we await the evolution of a genuine market, our focus is on better understanding the necessary adaptations for integrating hydrogen into our systems. Our goal is to both address our current requirements and ensure our upgrades pave the way for versatility in alternative fuel capabilities.

In 2022, Southern Star successfully executed two pioneering hydrogen projects ([See the 2022 Corporate Responsibility Report \(pg. 7\)](#)).

Throughout 2023, the Southern Star team actively participated in multiple knowledge-sharing sessions with industry peers, customers, and stakeholders, disseminating insights on hydrogen's role in decarbonization. The outcomes of these projects were showcased at several prestigious events, including the

Southern Gas Association Environmental Conference on February 9, 2023, the Pipeline Research Council International on March 8, 2023, our annual customer conference on May 9, 2023, and the American Gas Association on November 28, 2023.

The focus of these engagements was to share the lessons learned from co-firing hydrogen with natural gas in a legacy reciprocating compressor engine, as well as to share our understanding of the impact of hydrogen blending on pipeline fitness for hydrogen transportation. These efforts aimed to prepare the industry for the emerging hydrogen economy.

Southern Star's hydrogen projects offered the industry valuable insights into our pioneering efforts. We achieved up to a 35% reduction in emissions, including unburned hydrocarbons, methane slip, carbon dioxide, and volatile organic compounds. The results showed improved combustion performance, especially at low torque/low speed and highlighted hydrogen's potential to enhance operational efficiency.

We also showed that current pipeline technologies can safely handle up to a 10% hydrogen blend with natural gas, given meticulous integrity diagnostics and record-keeping. Our review of ASME B31.12 standards indicated the studied segments are on track for compliance. Emphasizing the need for comprehensive material examinations before transitioning, especially in areas prone to hydrogen embrittlement, we suggested replacing certain pipeline sections with hydrogen-compatible pipes as a cost-effective alternative to extensive material testing.

Overall, Southern Star's projects provided the industry with a blueprint and essential knowledge to prepare for the emerging hydrogen economy, positioning us as a valuable resource for stakeholders aiming to advance their decarbonization efforts.

Beyond the two hydrogen projects listed above, Southern Star continues to engage in public-private partnerships to further research and development. An example includes our partnership with the Oklahoma Hydrogen Task Force and the Department of Energy on the HyBlend 2 initiative, an effort amongst industry partners and national laboratories to advance research on hydrogen pipelines. Participating in the HyBlend 2 program will allow Southern Star to collaborate with national labs, broader industry research communities, engage in committees, contribute to the advancement of hydrogen technology, influence future policies and technological landscape, and address the knowledge gaps surrounding the role of hydrogen within our system.

Other hydrogen efforts include customer collaborations, where Southern Star continues to explore market opportunities with our customers across the value chain.

Additional references to past hydrogen-related projects:

- [Southern Star press release on commencement of hydrogen-blend fuel testing](#)
- [Cooper Machinery Services press release on hydrogen blending collaboration with Southern Star and the results](#)
- [Hydrogen Co-firing Project as presented at the Gas Machinery Conference](#)

"Through embracing hydrogen and RNG, Southern Star's pipeline becomes a conduit for sustainability, powering progress with cleaner energy alternatives."

Charles Crews
Executive Vice President &
Chief Operations Officer



Supporting Our Team and Our Communities

Team Engagement and Retention

Team member engagement and retention are fundamental priorities at Southern Star championed by our leadership team. We recognize that a motivated and satisfied workforce is integral to the overall success of the organization.

In 2023, Southern Star had an overall voluntary, non-retirement turnover rate of 3.8%, and we implemented several targeted practices to enhance continued workforce retention. These initiatives were a result of careful analysis, team member feedback, and a commitment to continuous improvement.

ERG and DEI Council Impact Strengthened the effectiveness of our Diversity, Equity and Inclusion (DEI) Council by actively incorporating its recommendations into organizational policies and practices. The implementation of Employee Resource Groups (ERGs) and the strengthened impact of our DEI Council created a more inclusive environment.	Compensation Studies Conducted comprehensive compensation studies to ensure our remuneration packages remain competitive and aligned with industry standards. The findings from these studies informed adjustments to compensation structures, enhancing our ability to attract and retain top talent.	Tailored Wellness Initiatives Deployed new programs to our wellness portal supporting health and wellness: specifically for guided workouts, maternity and family health coaching, nicotine cessation, and financial wellness. Team members continued to be reimbursed up to \$250 annually for memberships to health clubs or virtual fitness courses. This year we also made available a free gut health and genetic marker awareness program to every adult covered on our health plan. Combined with our enhancement to behavioral health visits, covering these at 100%, these embody our philosophical shift toward futuristic preventive care. Our wellness education and training consisted of twenty-seven learning sessions that provided valuable insights into improving mental health, financial wellness, and overall well-being.	Internal Equity Initiatives Prioritized internal equity by regularly reviewing and refining our compensation structures, ensuring fair and transparent remuneration practices across all levels of the organization. This commitment to internal equity positively influenced team member satisfaction and retention.	Premium Stability Demonstrated our dedication to team member well-being by maintaining flat premiums for 2023, providing financial stability and continued access to our comprehensive benefits packages. Southern Star is dedicated to crafting a competitive and appealing compensation and benefits package for our workforce.
Flexible Work Arrangements Committed to promoting a healthy work-life balance. We regularly communicate the availability of flexible work arrangements to our team members.	Professional Development Opportunities Empowered team members to enhance their skills and advance in their careers within the organization. In 2023... <div>  </div>		Mentorship Programs and Support Systems Established to help team members navigate their career paths, network with other team members in the company, learn about other departments and opportunities of interest. These programs include our formal mentorship program, employee resources groups and our DEI Council.	Team member recognition programs Continued the Values in Practice (V.I.P.) and Safety Awards for continuing to embody the core values of the company. In 2023 alone, we presented 12 V.I.P. Awards and bestowed one Facility of the Year Safety Award. These additional metrics underscore our commitment to recognizing excellence and promoting safety.

Leadership Priorities

We integrate team member engagement and retention goals into our mission and values across the organization, as well as emphasizing these principles in daily operations through scorecard updates and all-team meetings.

Leadership at Southern Star places a high priority on team member engagement and retention, recognizing the integral role our workforce plays in the success of the organization. This commitment is reflected in regular all-team member meetings and roadshows, where top leadership communicates the strategic importance of fostering a positive workplace culture. Leadership consistently emphasizes the value placed on team member well-being through internal communications and demonstrates a genuine commitment to creating an environment where team members feel motivated, appreciated, and invested in the company's success. Leadership is provided training sessions to understand the important role they play in fostering a positive workplace culture. These sessions include DEI Training, New Leader Bootcamp, and leadership courses through our customized Academy.

Our team members' voices are important to us. We perform regular team member engagement surveys to gather insights into the workforce's satisfaction, motivation, and areas for improvement. These survey results inform leadership decisions and guide our engagement initiatives to address specific needs.



"Our support of diversity, equity, and inclusion fuels innovation and empathy, enriching Southern Star's workplace culture and enhancing our collective wisdom and creativity."

Drew Bailey
Executive Vice President &
Chief Financial Officer

Diversity, Equity, and Inclusion

All For One

Southern Star recognizes the importance of creating a diverse, equitable, and inclusive culture as the foundation for recruiting and retaining diverse talent, engaging the communities where we work, and providing opportunities for diverse suppliers. We value ongoing DEI education and view each team member's unique experience, perspective, and viewpoint as a competitive advantage. We believe these principles collectively drive awareness, workplace empathy, and a more inclusive workforce that fosters innovation and growth.

This commitment to DEI is an expression of our values and is a vital part of our company vision, "One community working together to be the leading provider of clean, safe, and reliable energy for tomorrow." At Southern Star we are "All for One."

The commitment to DEI has been built into our corporate strategy, ensuring that DEI is reflected in our workforce, workplace, community, company culture, and in our accountability and sustainability efforts.

Leadership Engagement

DEI initiatives are successful and wholeheartedly supported and led by company leadership. At Southern Star, our executive leadership supports and drives our collective growth.

In addition to their participation in ERG and DEI council events, our company leadership also actively engage and support our efforts in the following ways:

- Serving as executive sponsors for company ERGs;
- Supporting engagement during work hours to participate in DEI events, serve in DEI leadership roles, and serve as guest speakers for professional development opportunities, WING Conferences and other DEI events and conferences;
- Leading by example by participating in more than 16 hours of DEI learning and discussions;
- Leading the implementation of Culture Moments during company meetings; and
- Distributing culture cards across our pipeline through the MERGE ERG.



DEI Council and ERG leaders receive their diplomas from the DEI Leadership Certification Course.

Programs

Our DEI Council's mission is to assist in building a sustaining company culture that demonstrates commitment to DEI by working internally and externally to attract, recruit, and retain diverse talent, educate team members and the communities we operate in, and ensure the DEI strategy is aligned and integrated with overall business strategy and goals. In 2023, we strengthened the influence and effectiveness of our DEI Council by actively incorporating its recommendations into organizational policies and practices.

ERGs are a key component of the workplace culture at Southern Star and allows team members to celebrate and embrace their passions, identities, and backgrounds with others in the company. Our ERGs provide team members with a platform to connect, share experiences, and contribute to a more inclusive organizational culture and play a crucial role in creating a sense of belonging which has positively impacted retention. Examples include:

- WING (Women in Natural Gas);
- MERGE (Multi-Cultural Employee Resource Group Experiences); and
- Veterans

In addition, members of the DEI Council and ERG leaders obtained DEI Leadership Certification to further their professional development, personal growth, and to demonstrate their commitment to creating and fostering inclusive environments and promoting equity in the workplace.

The following examples demonstrate how Southern Star built upon the strength of our DEI Council and ERGs in 2023:

- Obtained Society of Women Engineers (SWE) membership;
- Obtained membership in the American Association for Blacks in Energy (AABE) and attended and participated in their annual conference;
- Held 100% of DEI learning sessions in-person;
- Piloted WING Mentor Program;
- Council and ERGs hired minority owned businesses to cater events;
- Highlighted black-owned businesses during Black History Month;
- Doubled participation in the WING Conference;
- Sponsored and facilitated a session at the Owensboro Regional Diversity Conference; and
- Facilitated Real Talk video sessions with executive leaders Shawn Patterson, Charles Crews, and Twanna Hardy



Southern Star's active ERGs in 2023

Workforce Training and Development

Programs

Southern Star’s mission is “One team delivering innovative energy solutions through inclusive, sustainable, and growth-oriented strategies.” To fulfill that mission, we focus on developing talent through technology, investment, and collaboration. The building blocks of the Academy, our company’s talent development program, are constructed with this mission as the foundation.

The Academy is organized in a tiered structure that makes the curriculum accessible to all team members and provides opportunities to matriculate through the levels and graduate. The program includes a variety of classes that range from professional development to technical development. Currently, a total of four tiers have been launched within the Academy.

The Academy program has elevated the level of professional and talent development opportunities available to our team members. As team members receive training and development, they become better aligned to aid and support the organization in their individual areas of expertise.

Education and investment in our people is the key to unlocking a limitless future of possibilities and positions. Southern Star is a recognized trailblazer in the industry, supporting our team members with enhanced education opportunities that are strategically aligned with our business values. The programs have had a total of 125 graduates since their inception in the year 2020, which includes graduates from three different Academy programs.

Executive Investment

Our talent development program thrives because our company leaders believe in investing in our team members’ growth. Our leadership is not only involved in planning programs, but also engaged through continued participation and sharing their knowledge.

Senior leaders help choose participants for our Academy program’s higher levels, showing their commitment by asking for updates on the participants’ progress.



We also have a special mentorship for our most promising team members, pairing them with top executives for regular guidance and coaching. The year-long program starts with training for both mentors and mentees, aimed at helping these high-potential team members advance in their careers.

Team members participate in their graduation ceremonies from Southern Star Academy leadership development programs.

Community Stewardship

Making a Difference Beyond Business

In 2023, Southern Star took its commitment to community stewardship to new heights, demonstrating our dedication to social responsibility through a series of impactful programs and initiatives.

The company's community outreach efforts reached unprecedented levels, with team members collectively contributing 11,442 hours of volunteer work to over 590 unique nonprofit groups in local communities. Team members averaged 18 hours with overall participation of 93% - the highest ever.

Another highlight was the dedication of Southern Star's Owensboro team, whose members generously contributed \$88,768 to Southern Star Cares in the inaugural year of giving. As a nonprofit organization managed by team members, Southern Star Cares emerged as a game-changing force, channeling these funds alongside corporate contributions to issue over \$115,000 in donations in early 2024. These donations were distributed among six carefully selected 501(c)3 nonprofits in Daviess County, Kentucky with no administrative fees or deductions.

During the second annual Southern Star Cares fundraising campaign in late 2023, team members and the company committed to giving \$135,000 in 2024. With expansion of this program to other locations in development, it will continue to grow and make effective changes in the communities where we live and work.

In 2023, Southern Star's team member and corporate giving totaled \$342,274. While supporting a wide variety of organizations, the company's outreach focuses on charitable organizations supporting science, technology, engineering, and math (STEM) education, youth, arts, veterans, and DEI programming.



Some of the inaugural grant recipients receiving the announcement of their selection in late 2023 from Southern Star Cares board members



Examples of monetary and in-kind donations made across the system (clockwise from top left): a donation to Satanta (Kansas) Grade School; donation to the Ottawa (Kansas) High School robotics program; truck donation to Habitat for Humanity in Owensboro, Kentucky



As part of our intentional efforts to foster diversity, equity, and inclusion, Southern Star strategically partnered with organizations championing DEI values across multiple states. These organizations support minority youth, indigenous populations, people with disabilities, veterans, local cultural celebrations, and more. The company reached 36 such organizations, contributing over \$70,000 to support their initiatives, underscoring our belief in creating an equitable and inclusive workplace and society.

Southern Star is dedicated to understanding the needs of the communities where we live and work and providing comprehensive support. Based upon community engagement and feedback, we worked to address the needs of our emergency response community. Southern Star was able to provide \$75,000 in vehicle donations to support emergency response nonprofits as they serve our local communities.

Our longstanding Company Match program allows team members to request a company match of up to \$1,000 to a nonprofit of their choice that meets program qualifications. Company Match empowers team members to direct a portion of the corporate giving budget to organizations for which they have a passion, effectively doubling the impact of their individual philanthropic endeavors. In 2023, \$23,750 of team member giving was matched by Southern Star.

In 2023, Southern Star's community stewardship programs reflected a multifaceted approach to corporate social responsibility. From extensive volunteer hours and a team-managed nonprofit to diverse and inclusive donations, Southern Star's initiatives demonstrate a holistic commitment to creating positive change. As the company continues to weave itself into the fabric of our communities, our impact goes far beyond the boardroom, leaving a legacy of care, compassion, and community empowerment.



Examples of giving and outreach to organizations that champion DEI values (from left to right: donation to the Negro League Baseball Museum in Kansas City, Missouri; donation to the Kansas Black Farmers Association in Nicodemus, Kansas; Women in Natural Gas ERG hosts Girls Inc. in Owensboro, Kentucky)

Stakeholder Engagement

We actively engage with our stakeholders to contribute and support the communities where we operate. Maintaining transparent communication with landowners near our operations is critical to meeting their expectations and addressing their concerns. Southern Star also collaborates with local governments and public officials to help ensure our projects are bringing value to those involved. We work to build strong relationships with our stakeholders and engage directly with them to support and understand their priorities.

Southern Star has lobbyist representation in Oklahoma, Kansas, and Missouri who work closely with legislators to educate them on the value of natural gas and ensure Southern Star provides lasting value in their state. In 2023, executive leadership visited the capital cities of these three states to introduce Southern Star and our operations to bipartisan legislators and government officials. Together we are advancing energy policy in each of these states.

In 2023, over 180,000 mailers were sent to stakeholders near or on our pipeline right-of-way, including schools, emergency officials, excavation companies, and farmers. Southern Star team members document any direct contact they have with the public regarding safe digging. In 2023, 397 such engagements were recorded.

Lawrence, Kansas Pipeline Modernization Project



Southern Star is preparing to modernize its infrastructure in the Lawrence, Kansas metropolitan area.

Its existing pipeline located in Douglas County is critical for delivering natural gas to the Lawrence community.

Southern Star will retire its 4- and 16-inch pipelines which span approximately 5.5 miles through a populated area in West Lawrence. The company will replace these crucial pipelines with a new 16-inch line, relocated to run approximately 6.7 miles, starting near the Lawrence Regional Airport before turning South to access the Lawrence Energy Center.

Construction is expected to begin in July 2023 on the new pipeline, known as Line EVA. It is expected to be in service during the fourth quarter of 2023, with a project cost of approximately \$21 million.

This significant modernization project ensures Southern Star can continue providing safe, reliable, and economically priced natural gas transportation and storage services to our customers.



Green line represents existing pipeline
White line represents future construction

Project Timeline
Q2 - Q4 2023

Project Cost
\$21 million

Property Taxes - 2022
Douglas County - \$255,962
Kansas - \$14.4 million

Annual Salaries - 2022
Kansas - \$20.3 million

About Southern Star

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 reputation for clean, safe, and reliable service has remained constant for more than 100 years since our formation in 1904. We continue to be highly sought after for our consistently strong performance, desirable location and quality service. Our business is more than just transporting and storing natural gas. It's about the people who make it happen and the communities we serve.

Our company takes pride in remaining a steward of environmental awareness and working in cooperation with landowners and the government. We believe in honesty in our business methods and seek out like-minded companies and partners with which to do business.

A project communication for Kansas legislators in 2023

Advocacy and Coalitions

Southern Star believes in the local and global value of our industry. We share our passion, knowledge, and vision for the future with advocacy groups and coalitions. In doing so, we are ensuring future generations have access to safe, clean, affordable, and reliable natural gas. Team members are actively involved on boards and committees with the following associations:

Organization	Description	Areas of Service/Committee
	To enhance public safety, improve emergency preparedness, protect the environment and prevent property damage	<ul style="list-style-type: none"> GEO Fencing
	Trade organization representing and advocating on behalf of local energy companies	<ul style="list-style-type: none"> Transmission Measurement (4th Chair) Underground Gas Storage
	Ensure reliable supplies of power, adequate transmission infrastructure and competitive wholesale electricity prices	<ul style="list-style-type: none"> Voting member (MPPC, SAWG, TWG)
	Community of proactive natural gas companies dedicated to investigating technical issues within the rapidly evolving gas machinery industry	<ul style="list-style-type: none"> Board Project Supervisory
	The oldest petroleum industry school in the world devoted to fluid measurement and control	<ul style="list-style-type: none"> Special Advisory
	Forum for those engaged in regulatory activities within the interstate pipeline industry for continued education and the exchange of ideas	<ul style="list-style-type: none"> General members

Organization	Description	Areas of Service
	Trade organization that advocates regulatory and legislative positions of importance to the natural gas pipeline industry in North America	<ul style="list-style-type: none"> Foundation Board Association Board Communications Cybersecurity Environmental Gas-Electric Harmonization Physical Security Pipeline Safety Underground Gas Storage Safety
	Research related to the blending of hydrogen into the U.S. natural gas pipeline network	<ul style="list-style-type: none"> Participant and Partner
	The only U.S. natural gas trade association supporting all sectors of the industry, providing opportunities to learn, exchange ideas, and share solutions	<ul style="list-style-type: none"> Accounting & Finance Board Customer Experience (2nd Chair) Customer Growth & Development DEI Council Environmental Planning Gas Forecasters Gas Supply & Marketing and Executive Council IT & Cybersecurity Learning & Development Pipeline Safety Rates & Regulatory Right-of-Way Committee (Planning) Stakeholder Communications Supply Chain Underground Storage Women & Leadership
	50+ natural gas companies working together to voluntarily reduce methane emissions	<ul style="list-style-type: none"> Board Committee members

Governance

Corporate Governance

Southern Star is committed to strong corporate governance that integrates the needs of our stakeholders to drive long-term success. Our Board of Directors is actively involved in our company and meets quarterly for formal Board meetings and monthly with senior leadership to provide guidance on company management.

Our five Board members are selected by Southern Star’s shareholder interests and are elected annually. The Board of Directors is selected based on expertise that compliments the needs of the company, including experience in ESG- and climate-related risks and opportunities.

The Southern Star Board is intentionally focused with only one committee, the Audit Committee, that is responsible for accounting and reporting processes, integrity of financial statements, performance of internal audit function, compliance of ethical standards, along with other responsibilities. Our small board structure ensures and maintains clear expectations, strengthens leadership accountability, and builds trust with our team members.

Southern Star continues its work to ensure strong corporate governance, specifically with an increased focus in cybersecurity, risk management, and ESG and climate-related issues. In 2022, we implemented a Southern Star Board communication policy. This policy outlines topics of interest that would require timely communication to the Board and governs communication between the Board and senior leadership around specific topics.

Additionally, a Governance Representation Letter is reviewed and signed by the CEO and CFO annually to ensure implementation and maintenance of programs in focus areas, compliance of communication policy, and other reporting that needs to be disclosed and approved.

In 2023, the Board focused on formalized governance structure and increased protection around cybersecurity. We introduced a cybersecurity dashboard in 2023 and will continue building on strong cybersecurity efforts into 2024. Southern Star is also evaluating gaps that may exist in the current governance structure to see where our practices can be enhanced to meet shareholder expectations.



Julie Dill



Renaud Faucher



Shawn Patterson



Jeff Murphy



Delphine Persouyre

Southern Star's board of directors as of the end of 2023. Visit southernstar.com/leadership for more details and the latest information.

Business Ethics, Compliance, and Transparency

Southern Star is committed to achieving the highest standards of professionalism, compliance, and ethical conduct in its operations and activities. Integrity is one of our core values and we work to fulfill commitments in an honest, open, and forthright manner.

Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics sets out foundational expectations for all team members to conduct their business in their day-to-day environment. The Code covers a range of important matters including compliance with applicable laws, conflicts of interest, corporate opportunities, competition, fair dealing, gifts, payments to government personnel, and confidentiality among other subjects.

Our Executive Vice President, General Counsel, and Chief Compliance Officer, as well as our Vice President of Human Resources oversee the implementation and compliance of the code. Team members are empowered to report concerns to leadership, or they may utilize an ethics hotline on a confidential and anonymous basis.

The hotline number is made available to all team members in the code as well as on the company intranet. A third-party manages the hotline 24 hours a day, seven days a week. All calls to the hotline are investigated by the company in a prompt, thorough, and objective manner according to established protocol.

Every team member must complete a review and training course of the code annually. New hires are required to acknowledge they thoroughly read and understood our code, and a substantial portion of new hire orientation is devoted to compliance and ethics topics. Compliance with the code is a condition of employment at Southern Star, as it informs our culture of ethics to further drive our company's resiliency.

FERC Compliance Policy

Additionally, Southern Star continues to maintain our Federal Energy Regulatory Commission (FERC) Compliance Policy. This Policy sets out the company's expectations, responsibility, and commitment 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.

Senior leadership is responsible for ensuring and promoting FERC compliance. The Executive Vice President, General Counsel & Chief Compliance Officer serves as the FERC Compliance Official (FCO) charged with implementation and oversight of compliance activities.

A 24 hour FERC hotline has been established with the hotline number available to all team members in the Policy and on the company intranet. Team members can file a report with the FCO or through the hotline on an anonymous and confidential basis. All reports are investigated promptly according to established protocol.

Team members review and acknowledge the Policy at the time of hire. Annual review and training on the Policy and FERC compliance is required of all team members. Furthermore, compliance with the Policy is a condition of employment for all team members.

Risk Management

Southern Star's Board of Directors and our leadership team work together to oversee, identify, monitor, and manage risks and opportunities. Identifying and mitigating risks to our company reinforces Southern Star's commitment to operate efficiently and ensure long-term success.

Our internal stakeholders are responsible for assessing and managing actual and potential risks. An annual Enterprise Risk Management (ERM) assessment is conducted with all members of executive leadership where enterprise risks are identified and evaluated on likelihood and impact. Existing mitigants are considered and the results are utilized by an external audit firm to formulate the next year's audit plan.

Each department also reviews their specific risks annually. This information is utilized for internal controls as well as business process reviews.

The ERM Program was created to protect and enhance shareholder value, while providing reasonable assurance that we are achieving the organization's vision and objectives. ERM is implemented with the understanding that risk taking is necessary in the pursuit of value, and the program assists in the establishment of an appropriate balance between entrepreneurial activities (risk-taking behavior) and control activities (risk-avoidance behavior). As part of Southern Star's effort to foster a strong risk management culture throughout our company, an ERM Committee and Risk Office were created in 2023.

ERM Committee and Risk Office

The ERM Committee is responsible for supporting and driving the successful implementation of enterprise-wide risk management within Southern Star, including providing oversight, direction, and support for all ERM activities.

The ERM Committee is assisted by the ERM Risk Office, which has ERM facilitation responsibilities and will provide "on the ground" resources to assist the business with execution of the day-to-day activities of facilitating ERM implementation.



"Effective risk management allows Southern Star to navigate uncertainty, make informed decisions, and safeguard our organization. By balancing control and adaptability, we can steer our team toward continued success."

Chris Schindler
Executive Vice President, General Counsel & Chief Compliance Officer

The ERM Committee, the risk owner within the company:

- Supports the Board of Directors in fulfilling its risk management and oversight responsibilities;
- Supports implementation and ongoing activities of the ERM;
- Provides oversight, direction, and support for all ERM activities, including review and approval of risk assessment methodology; and
- Supports the annual risk assessment process, including reviewing final risk assessment results, risk response strategies, and monitoring action plan implementation and effectiveness.

The Risk Office, in support of the ERM Committee:

- As a principle function, facilitates the successful implementation and activities of the ERM;
- Facilitates the development and implementation of the ERM infrastructure, framework, and approach;
- Facilitates the annual risk assessment process with Internal Audit, including evaluating and prioritizing risks; and
- Coordinates with the ERM Committee to apply appropriate risk response strategies throughout the organization.

Enterprise Risk Management Governance Structure



Cybersecurity

As part of our commitment to corporate responsibility, Southern Star prioritizes not just the physical safety but also the cybersecurity of our operations. We recognize the importance of cybersecurity and continue to focus on protecting our assets and information. Our comprehensive cybersecurity program includes conducting continuous assessments of Southern Star's cybersecurity strategy, regularly performing tests of our ability to respond and recover from cyber threats, and monitoring for new threats.

In collaboration with government and regulatory agencies, Southern Star continues to analyze and learn from external events to implement cybersecurity resilience throughout our organization. Securing our Operational Technology environment is our top priority, and we work closely with the Transportation Security Administration to maintain compliance with their issued Security Directives.

All team members are required to complete training and education on standard cyber practices, including frequent phishing simulation tests throughout the year, and we provide tailored cybersecurity training courses for our team members in executive and operational technology roles. In addition to our trained team members, our cybersecurity team operates defensive technologies with continuous monitoring, while leveraging outside expertise to further improve our program and reinforce our commitment to corporate responsibility and the trust placed in us by our stakeholders.

Supply Chain Management

Suppliers

Southern Star evaluates supplier performance on a merit-based standard. We select the most qualified supplier and are committed to doing business with suppliers based on their ability to offer competitive, safe, and high-quality products and services that drive the needs and goals of our business. Suppliers evaluated and found to provide the best overall value to Southern Star are awarded contracts for goods and services. This approach underscores our responsibility towards sustainable and ethical business practices.

Our business standards, quality requirements, and technical specifications also set expectations for our approved suppliers and help ensure our compliance with applicable laws and regulations. We hold suppliers to stringent standards for both products and services, insisting they meet our company policies, performance standards, and legal obligations. Southern Star actively oversees this compliance through our business systems and through evaluations performed on-site by our staff.

Southern Star's commitment to attaining goods and services from qualified suppliers further aids our efforts to meet safety, credit, cybersecurity, and ESG requirements.

Supplier Diversity

Southern Star's internal business environment seeks to reflect the diversity of the customers and communities we serve. Our dedication to diversity extends to supplier diversity, and we believe that having a diverse, equitable, and inclusive supply chain aligns with our core values and strengthens our supplier base to provide better continuity of service. It fosters more internal and external collaboration, further enables our competitive advantage, and positions the company for growth and innovation as we operate in a more diverse and global marketplace.

Suppliers are essential to helping Southern Star deliver safe, reliable, and efficient natural gas to our valued customers. A strong, diverse supplier community is essential to the integrity of our supply chain and contributes to the communities we serve throughout our pipeline footprint.

Supplier Diversity Spend

Southern Star has continued to strengthen its Supplier Diversity Spend journey since its inception in 2021. In late 2021, Southern Star sought to understand the existing certifications and business classifications of our top suppliers. Initially, only the top suppliers in various spend categories were identified. Collaboration with our DEI Council resulted in the establishment of a 2023 partnership with a recognized third-party supplier data provider, TealBook. Through our partnership, Southern Star is able to understand and track the diversity classifications of our current supplier base and all future suppliers. Currently, Southern Star is identifying and tracking the following business classifications: small business, woman, minority, veteran, disabled veteran, disabled, HUB Zone, and LGBTQ.

Southern Star is committed to actively incorporating Diverse Suppliers within our established merit-based criteria.

To bolster this commitment, our Supply Chain team:

- Maintains a list of qualified Diverse Suppliers within our Approved Supplier List;
- Collaborates with Diverse Suppliers to minimize obstacles to their participation in Southern Star's procurement and contracting opportunities;
- Enforces equitable and fair protocols in all bidding and awarding activities; and
- Monitors and reports progress on supplier diversity performance to ensure accountability and measurement of supplier diversity for Southern Star.

2023 Performance Data Table

Company Data	Unit	2020	2021	2022	2023	SASB Code
Number of compressor stations [1]	Number	42	43	43	43	
Number of storage faciiliites	Number	8	8	8	8	
Number of wells [2]	Number	580	584	584	582	
Metric ton-kilometers of natural gas transported by pipeline [3]	billion Metric ton-kilometers	81.3	76.2	85.1	84.2	EM-MD-000.A
Aggregate natural gas storage capacity	Bcf	46.7	46.7	46.7	46.7	
Natural gas throughput [3]	DTH	395,596,693	375,509,193	419,142,246	414,666,910	
RNG receipts by volume	MSCF	1,110,801	1,116,189	1,220,686	1,585,718	
RNG receipt points	Number	2	2	4	4	

Footnotes:

[1] For the first eight months of 2020, the company operated 42 compressor stations. By the end of 2020, the total number of compressor stations increased to 43 with the addition of the Nash station.

[2] Includes observation wells, IW wells, and wells that were drilled or acquired.

[3] FERC Financial Report FERC FORM No.2: Annual Report of Major Natural Gas Companies and Supplemental Form3-Q: Quarterly.

Environment						
Emissions	Unit	2020	2021	2022	2023	SASB Code
Scope 1 Methane Emissions [1, 6]	MSCF	521,416	397,185	342,262	269,999	
Scope 1 Methane Emissions [2]	Metric tons CO ₂ e	252,425	191,158	164,848	129,853	
Scope 1 Emissions covered under emissions-limiting regulations	Percent	27.80%	28.40%	24.40%	31.90%	EM-MD-110a.1
Scope 1 Carbon Dioxide (CO ₂) emissions (Stationary Combustion) [1, 6]	Metric tons CO ₂ e	224,011	181,633	207,251	214,675	
Scope 1 Greenhouse Gas (GHG) Emissions [1, 3, 6]	Metric tons CO ₂ e	480,672	377,450	376,629	349,501	EM-MD-110a.1
Scope 1 Greenhouse Gas (GHG) Emissions, percentage methane	Percent	53%	51%	44%	37%	EM-MD-110a.1
Scope 2 Greenhouse Gas (GHG) Emissions [2, 4, 7]	Metric tons CO ₂ e	*	*	7,458	8,075	
Greenhouse Gas (GHG) (CO ₂ e) intensity per natural gas throughput [5]	Metric tons CO ₂ e/MDth	1.23	1.03	0.92	0.86	
Scope 1 Emissions of the Following Elements:						
Nitrous oxide (N ₂ O) [1, 6]	Metric tons CO ₂ e	125.68	101.91	116.28	120.44	
Carbon monoxide (CO) [8]	Metric tons	465.18	361.34	415.67	421.07	
Sulfur dioxide (SO ₂) [8]	Metric tons	7.28	7.19	7.24	2.16	EM-MD-120a.1
Nitrogen oxides (NOx) [8]	Metric tons	3,340.15	2,552.28	3,016.44	2,997.19	EM-MD-120a.1
Particulate matter (PM10) [8, 9]	Metric tons	44.41	35.74	40.80	43.37	EM-MD-120a.1
Volatile organic compounds (VOCs) [8]	Metric tons	219.61	185.05	197.60	180.44	EM-MD-120a.1

Footnotes:

[1] Scope 1 emissions data calculated based on methodologies under the U.S. EPA Greenhouse Gas Reporting Rule Program (GHGRP).

[2] Global Warming Potential (GWP) rates are 25 for CH₄ and 298 for N₂O.

[3] Scope 1 emissions calculated based on 40 CFR Part 98 Subpart W and Subpart C. These emissions include fleet vehicles we own and operate. Fleet vehicles are limited to on-road domestic vehicle annual mileage. 2022 baseline mileage emissions factor (EF) used across all years. Emissions Factor (EF) = 0.0006056 metric tons CO₂e/mile.

[4] Scope 2 Emission Factor (EF) on 2022 SPP used across all years, EF = 460.20 metric tonnes CO₂e/GWH.

[5] Throughput from FERC Financial Report FERC FORM No. 2: Annual Report of Major Natural Gas Companies and Supplemental Form3-Q: Quarterly.

[6] Emissions from facilities that are applicable under the U.S. EPA Greenhouse Gas Reporting Program (GHGRP) are calculated using the GHGRP methodology.

[7] Scope 2 Emission Factor (EF) on 2022 SPP used across all years, EF = 460.20 metric tonnes CO₂e/GWH.

[8] The pollutants shown are representative of emissions solely from facilities required to report under the Emissions Inventory Questionnaire (EIQ).

[9] Data represents total PM2.5 and PM10.

* Metric was not tracked for this year/data set was not complete.

MDth = 1000 Dth

Electricity	Unit	2020	2021	2022	2023	SASB Code
Total non-renewable electricity consumption [1]	Megawatts (MWh)	*	*	17,493.041	18,835.529	
Total renewable electricity consumption [2]	MWh	0	93.967	1,290.606	1,288.186	
Percent electricity used that is renewable power (Calc.)	Percent	0%	*	7.4%	6.8%	
Number of renewable power generation facilities	Number	0	1	1	1	
Net renewable solar energy capacity (Design)	MWh	0	1,200	1,200	1,200	

Footnotes:

[1] Calculated from electrical utility bills.

[2] Calculated from solar array database.

* Metric was not tracked for this year/data set was not complete.

Asset & Pipeline Integrity	Unit	2020	2021	2022	2023	SASB Code
Dollars spent on operations and maintenance expenses	Dollars	\$57,965,691	\$71,534,041	\$75,569,049	\$77,631,776	
Dollars spent on maintenance capital	Dollars	\$47,731,000	\$171,830,000	\$60,329,000	\$66,171,000	

Biodiversity & Environmental Compliance	Unit	2020	2021	2022	2023	SASB Code
Number of reportable hydrocarbon spills > 1 bbl [1]	Number	0	0	0	0	EM-MD-160a.4
Volume of reportable hydrocarbon spills > 1 bbl [1]	Thousands of barrels	0	0	0	0	EM-MD-160a.4
Total loss of primary containment events	Number	0	0	0	0	
Loss of primary containment year-to-year change	Percent	0	0	0	0	
Number of Department of Transportation reportable releases as a result of third-party damages	Number	3	1	0	0	
Number of reportable pipeline incidents [2]	Number	5	4	2	0	EM-MD-540a.1
Percent of reportable pipeline incidents considered significant [2]	Percent	20%	25%	100%	0%	EM-MD-540a.1
Miles of natural gas pipelines	Number	5,829	5,778	5,770	5,767	
Miles of natural gas pipelines inspected	Miles	423	580	625	695	
Percent of natural gas pipelines inspected	Percent	7%	10%	11%	12%	EM-MD-540a.2
Percent of hazardous liquid pipelines inspected [3]	Percent	N/A	N/A	N/A	N/A	EM-MD-540a.2
Number of pipeline assessments [4]	Number	26	41	34	32	
Number of pipeline assessments that required no remediation in High Consequence Areas [4]	Number	25	41	33	34	
Pipeline inspections on our liquids and natural gas pipelines and distribution networks [5]	Number	19	35	25	27	

Footnotes:

[1] Spills include reportable spills only, greater than 1 barrel, containing hydrocarbons that impacted the environment.

[2] A reportable incident is an event that involves a release of gas from a pipeline or gas from an underground gas facility and that results in one or more of the following consequences: a. A death, or personal injury necessitating in-patient hospitalization; or b. Estimated property damage of \$139,700 or more, including loss to the operator and others, or both, but excluding cost of gas lost.

[3] Southern Star doesn't own or operate any liquid hazardous pipelines.

[4] Pipeline assessments are the various Integrity projects used to assess our pipe. This includes In-Line Inspections, Pressure Tests, and Low Stress Reassessments.

[5] Pipeline inspections are exclusively the In-Line Inspections (ILI) performed with smart tools.

N/A = Not Applicable

Social						
Employee Profile & Diversity	Unit	2020	2021	2022	2023	SASB Code
Number of permanent employees at year end	Number	593	600	610	649	
Percent men	Percent	81.11%	81.50%	80.33%	79.82%	
Percent women	Percent	18.89%	18.50%	19.67%	20.18%	
Number of full-time employees by gender - men	Number	480	488	489	517	
Number of full-time employees by gender - women	Number	112	111	120	131	
Number of part-time employees by gender - men	Number	1	1	1	1	
Number of part-time employees by gender - women	Number	0	0	0	1	
Number of temporary employees by gender - men	Number	0	0	0	0	
Number of temporary employees by gender - women	Number	0	0	0	1	
Percent of technical and support roles held by men	Percent	94.33%	95.34%	95.37%	94.95%	
Percent of technical and support roles held by women	Percent	5.67%	4.66%	4.63%	5.05%	
Persons with veteran status	Number	N/A	32	32	34	
Protected veterans	Number	N/A	9	9	10	
Percent of employees under 30 years old	Percent	6.91%	13.83%	14.92%	14.95%	
Percent of employees between 30–50 years old	Percent	33.39%	24.17%	24.43%	26.04%	
Percent of employees over 50 years old	Percent	59.70%	58.50%	60.66%	59.01%	
Percent underrepresented ethnicity [1]	Percent	6.41%	7.00%	7.54%	9.40%	
Percent of professional and managerial roles held by men [2, 3]	Percent	69.13%	69.47%	67.48%	67.05%	
Percent of professional and managerial roles held by women [2, 3]	Percent	30.87%	30.53%	32.52%	32.95%	

Employee Profile & Diversity	Unit	2020	2021	2022	2023	SASB Code
Women in managerial roles [3]	Percent	16.67%	14.29%	14.29%	16.67%	
Percent of managerial roles held by women or underrepresented ethnicity employees [1, 3]	Percent	19.61%	21.57%	22.33%	25.45%	
Percent of managerial roles held by underrepresented men [3]	Percent	3.92%	4.90%	4.85%	4.55%	
Percent of managerial roles held by underrepresented women [3]	Percent	0.00%	0.98%	1.94%	2.73%	
Percent of technical and support roles held by underrepresented ethnicity employees [1]	Percent	8.16%	8.60%	8.19%	12.46%	
Percent of professional and managerial roles held by underrepresented ethnicity employees [1, 2, 3]	Percent	4.82%	5.61%	6.08%	6.82%	
Percent of professional roles held by underrepresented ethnicity employees [1, 2]	Percent	5.26%	5.48%	5.75%	6.61%	
Percent of managerial roles held by underrepresented ethnicity employees [1, 3]	Percent	3.92%	5.88%	6.80%	7.27%	
Percent of senior managerial roles held by underrepresented ethnicity employees [1, 4]	Percent	16.67%	14.29%	14.29%	16.67%	

Footnotes:

[1] Underrepresented ethnicity refers to employees of the following race/ethnicity: American Indian or Alaska Native, Asian, Black or African American, Native Hawaiian or Other Pacific Islander, two or more races, Hispanic or Latino.

[2] Professional - Most jobs in this category require bachelor and graduate degrees, and/or professional certification. In some instances, comparable experience may establish a person's qualifications. Examples: accountants, engineers, programmers, lawyers; surveyors.

[3] Managerial - leader and above

[4] Senior managerial - VP and above

Employee Training	Unit	2020	2021	2022	2023	SASB Code
Professional development hours completed per employee	Hours	21.6	20.5	26.6	33.3	
Professional development hours completed per employee, by employee category: part-time	Hours	0	0	0	0	
Technical training hours completed per employee	Hours	*	*	*	19.1	
Technical training hours completed per employee, by gender: men	Hours	*	*	*	22.1	
Technical training hours completed per employee, by gender: women	Hours	*	*	*	5.6	
Technical training hours completed per employee, by employee category: full-time	Hours	*	*	*	18.7	
Percent of employees that completed cybersecurity training	Percent	100%	100%	100%	100%	

Footnotes:

* Metric was not tracked for this year/data set was not complete.

Employee Retention & Engagement	Unit	2020	2021	2022	2023	SASB Code
Total number of employees who took parental leave, by gender: men	Number	*	21	25	24	
Total number of employees who took parental leave, by gender: women	Number	10	3	3	4	
Total number of employees that returned to work after parental leave ended, by gender: men	Number	*	21	25	24	
Total number of employees that returned to work after parental leave ended, by gender: women	Number	10	2	2	4	
Retention rate (still employed 12 months after leave) of employees who took parental leave, by gender: men	Percent	*	100.00%	100.00%	91.67%	
Retention rate (still employed 12 months after leave) of employees who took parental leave, by gender: women	Percent	90.00%	100.00%	100.00%	100.00%	

Footnotes:

* Metric was not tracked for this year/data set was not complete.

Community Investment	Unit	2020	2021	2022	2023	SASB Code
Total invested [1]	Dollars	\$312,930	\$234,805	\$262,086	\$342,274	
Total company cash donations [2]	Dollars	\$272,641	\$191,405	\$215,776	\$217,691	
Direct company cash donations (excluding Southern Star Cares and matching)	Dollars	\$252,481	\$169,705	\$193,121	\$193,941	
Employee volunteer hours	Hours	1,180	1,520	7,694	11,442	
Average volunteer hours per full-time team member	Hours	*	*	*	17.9	
Volunteer program participation rate	Percentage	*	*	*	93%	
Donation matching - number of unique donors	Number	*	*	*	42	
Donation matching - employee	Dollars	\$20,130	\$21,700	\$23,655	\$25,603	
Donation matching - total corporate match (excluding Southern Star Cares)	Dollars	\$20,160	\$21,700	\$22,655	\$23,750	
Southern Star Cares - pledged giving by team members for the following year's payroll deductions	Dollars	*	*	\$94,990	\$103,015	
Southern Star Cares - committed to non-profits (for disbursement the following year)	Dollars	*	*	*	\$115,018	

Community Investment	Unit	2020	2021	2022	2023	SASB Code
Southern Star Cares - contributions from employees and employee-managed charitable funds (to be disbursed the following year)	Dollars	*	*	*	\$88,768	
Southern Star Cares - early contributions from Southern Star (to be disbursed in two years)	Dollars	*	*	\$20,000	\$20,000	
Southern Star Cares - early contributions from employees and employee-managed charitable funds (to be disbursed in two years)	Dollars	*	*	\$6,250	\$8,500	
Total employee giving invested [3]	Dollars	\$20,130	\$21,700	\$23,655	\$25,603	
Total number of organization supported through employee volunteer and company giving (excluding in-kind donations)	Number	*	*	*	619	
Organizations supported through donations/sponsorships	Number	*	*	129	106	
Organizations supported through volunteer hours	Number	*	*	454	590	
Number of donations to first responders	Number	*	*	*	6	
Donations to first responders	Dollars	*	*	*	\$4,166	
Contributions to Indigenous communities - number of investments	Number	*	*	*	2	
Contributions to Indigenous communities - total invested	Dollars	*	*	*	\$1,500	
Diversity and inclusion investments - number of investments	Number	*	*	*	36	
Diversity and inclusion investments - total invested	Dollars	*	\$59,840	\$71,610	\$70,151	

Footnotes:

[1] Total of total cash and value of in-kind total, including match, and employee giving, and vehicle values.

[2] Total of direct company cash donations, company matching (company donates to Southern Star Cares two years prior to disbursement; ex. 2022 donations to be disbursed in 2024).

[3] Total employee contributions submitted to matching program in the given year and disbursed through Southern Star Cares the following year.

* Metric was not tracked for this year/data set was not complete.

Safety	Unit	2020	2021	2022	2023	SASB Code
Employee total recordable incident rate (TRIR) per 200,000 work hours [1]	Rate	0.56	0.90	0.18	0.17	
Number of employee recordable incidents	Number	3	5	1	1	
Number of contractor recordable accidents	Number	4	3	3	0	
Employee lost time incidents (LTI)	Number	2	1	0	0	
Employee lost time incident rate (LTIR) per 200,000 work hours	Rate	0.37	0.18	0	0	
Number of days away, restricted or transferred (DART)	Number	3	3	0	0	
Days away, restricted or transferred (DART) rate per 200,000 work hours	Rate	0.56	0.54	0	0	
Number of restrictions and transfer incidents - employees	Number	3	3	0	0	
Number of recordable work-related injuries - employees	Number	3	5	1	1	
Rate of recordable work-related injuries - employees per 200,000 work hours	Rate	0.56	0.9	0.18	0.17	
Number of fatalities - employees	Number	0	0	0	0	
Employee fatality rate per 1,000 employees	Rate	0	0	0	0	
Employee fatality rate per 200,000 work hours	Rate	0	0	0	0	
Number of fatalities - contractors	Number	0	0	0	0	
Number of hours worked - employees	Number	1,072,918	1,113,390	1,120,922	1,179,018	
Employee preventable motor vehicle accident rate per 1,000,000 miles	Rate	0.57	0.65	0.86	0.49	
Number of miles driven	Miles	6,994,785	7,696,023	8,100,009	8,214,142	
Number of preventable motor vehicle incidents	Number	4	5	7	4	

Footnotes:

[1] Incidents include both injuries and illnesses.

Governance						
Board of Directors	Unit	2020	2021	2022	2023	SASB Code
Members of the Board	Number	5	5	5	5	
Gender diversity of Board (% Non-Male)	Percent	20%	20%	40%	40%	
Frequency of Board meetings on annual basis [1]	Number	4	4	4	4	
Ethics	Unit	2020	2021	2022	2023	SASB Code
Percent of employees that completed compliance and ethics training	Percent	100%	100%	100%	100%	
Competitive Behavior	Unit	2020	2021	2022	2023	SASB Code
Legal and regulatory fines and settlements associated with violations of bribery, corruption or anti-competitive standards	Dollars	\$0	\$0	\$0	\$0	
Number of inquiries received through ethics reporting channels	Number	0	0	0	0	
Monetary losses as a result of legal proceedings associated with storage regulations	Dollars	\$0	\$0	\$0	\$0	
Monetary losses as a result of legal proceedings associated with federal pipeline regulations (PHMSA)	Dollars	\$0	\$23,800	\$27,900	\$445,008	
Supply Chain	Unit	2020	2021	2022	2023	SASB Code
Total spend	Dollars	*	\$160,061,764	\$182,280,329	\$139,655,114	
Total spend with certified diverse suppliers	Dollars	*	*	*	\$40,427,993	
Number of certified diverse suppliers	Number	*	*	*	119	

Footnotes:

PHMSA is the acronym for Pipeline and Hazardous Materials Safety Administration.

[1] Adhoc meetings are held as business mandates.

* Metric was tracked for these years, but diverse certifications were not verifiable.

DISCLAIMER: This performance data table and the data provided therein is voluntarily provided for informational purposes only. Southern Star disclaims any representation or warranty as to the accuracy or completeness of the data which may inadvertently contain inaccurate, misleading, and incomplete statements despite our good faith efforts. Southern Star has no obligation or duty to modify, change, correct, delete, or update this table and data disclosures, but reserves the right to do so at our sole discretion without notice. There are inherent limitations to the accuracy of some kinds of environmental, safety, and social performance data. The accuracy of this kind of information may be lower than that of data obtained through our financial reporting systems and process. This data is expressly excluded from and not incorporated by reference into any filing, report, application, or other statement made by Southern Star to the U.S. Securities and Exchange Commission or any other governmental authority. The data may not be interpreted as any form of guaranty or assurance of future results or trends.

SASB Index: Oil and Gas - Midstream

The topics covered in Southern Star Corporate Responsibility's 2023 Report (CRR) are informed by the Value Reporting Foundation's Sustainability Accounting Standards Board (SASB) for Oil & Gas Midstream standards, which have been mapped below.

SASB Code	Metric	Unit	2020	2021	2022	2023
Greenhouse Gas Emissions						
EM-MD-110a.1	Scope 1 emissions covered under emissions-limiting	Percent	27.80%	28.40%	24.40%	31.90%
	Scope 1 GHG emissions	Metric tons CO ₂ e	480,672	377,450	376,629	349,501
	Scope 1 GHG emissions, percentage methane	Percent	53%	51%	44%	37%
EM-MD-11a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and analysis	n/a	n/a	n/a	Pages 14-17
Air Quality						
EM-MD-120a.1	Sulfur dioxide (SO ₂) [10]	Metric tons	7.28	7.19	7.24	2.16
	Nitrogen oxides (NOx) [11]	Metric tons	3340.15	2552.28	3016.44	2997.19
	Volatile organic compounds (VOCs) [14]	Metric tons	219.61	185.05	197.6	180.44
	Particulate matter (PM10) [13]	Metric tons	44.41	35.74	40.8	43.37
Ecological Impacts						
EM-MD-160a.1	Description of environmental management policies and practices for active operations	Discussion and analysis	n/a	n/a	n/a	Pages 13-22
EM-MD-160a.4	Number of reportable hydrocarbon spills > 1 bbl	Number	0	0	0	0
	Volume of reportable hydrocarbon spills > 1 bbl [1]	Barrels	0	0	0	0
Competitive Behavior						
EM-MD-520a.1	Monetary losses as a result of legal proceedings associated with federal pipeline regulations	Dollars	\$0	\$23,800	\$27,900	\$445,008

SASB Code	Metric	Unit	2020	2021	2022	2023
Operational Safety, Emergency Preparedness and Response						
EM-MD-540a.1	Number of reportable pipeline incidents	Number	5	4	2	0
	Percent of reportable pipeline incidents considered significant	Percent	20%	25%	100%	0%
EM-MD-540a.2	Percent of natural gas pipelines inspected	Percent	7%	10%	11%	12%
	Percent of hazardous liquid pipelines inspected [1]	Percent	n/a	n/a	n/a	n/a
EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	Discussion and analysis	n/a	n/a	n/a	n/a
Activity Metrics						
EM-MD-000.A	Metric ton-kilometers of natural gas transported by pipeline	Metric ton-kilometers	81,348,133,790	76,234,569,443	85,128,825,353	84,191,697,246

[1] Southern Star does not move any hydrocarbons that can be spilled (i.e. produced water, oil, or NGLs).

Task Force on Climate-Related Financial Disclosures (TCFD) Analysis

Governance and Risk Management

Risk Identification and Assessment

Southern Star's Executive Leadership Team meets quarterly, and on an ad-hoc basis as necessary and briefs the Board on an array of topics including but not limited to physical and transition climate-related risks and opportunities. These regularly scheduled meetings allow for the board to observe measurable progress toward our goals (which includes emission reduction targets) and ensure Southern Star executes on these goals via established benchmarking and climate focused policies and procedures. Additionally, the Board provides resources, strategic guidance and expected results towards climate-related risks that have the potential to affect the company.

Southern Star's Enterprise Risk Management (ERM) Program was created to protect and enhance shareholder value, while providing reasonable assurance that we are achieving the organization's vision and objectives. The ERM program is implemented with the understanding that risk-taking is necessary in the pursuit of value, and the program assists in the establishment of an appropriate balance between entrepreneurial activities (risk-taking behavior) and control activities (risk-avoidance behavior).

In addition to regular briefs to the board around climate and other corporate risk, Southern Star has an internal ERM Committee comprised of Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Vice President Human Resources, General Counsel and Chief Compliance Officer (Chair). The ERM Committee is responsible for supporting and driving the successful implementation of enterprise-wide risk management within Southern Star, including providing oversight, direction, and support for all ERM activities. The

ERM Committee maintains ownership and responsibility for monitoring and managing corporate risk, including physical and transition climate-related risk and opportunity for the company. In 2023, Southern Star initiated the development of an internal Risk Office that reports to the ERM Committee and is chaired by the Manager of Compliance. The Risk Office is responsible for working across the organization to implement risk functions directed by the ERM Committee and to ensure continued day-to-day monitoring activities of corporate risk and control measures. The establishment of the new management-level Risk Office ensures there are established processes in place to identify, manage, and mitigate risks. The Risk Office aims to establish multi-disciplinary collaboration across all Southern Star departments to identify and mitigate high-level risks to the company. The Risk Office reports vertically through the Director of Legal and Compliance who reports to the Chief Compliance Officer and General Counsel.

Climate-related risk is also reported vertically through the Director of Land, Environment, and ESG Strategy to the Chief Operations Officer. The Director of Land, Environment, and ESG Strategy assumes the responsibility for the oversight, communication of risk to the ERM Committee, development, design, and implementation of climate strategy in coordination with all other business divisions within the company. Additionally, the Director of Land, Environment, and ESG Strategy is tasked to provide oversight and assessment of company operations regarding emission reductions, natural resource stewardship, and sustainability. These assessments are further refined through stakeholder coordination with subject matter experts to determine and implement innovative, real-world solutions throughout the company.

Company risks are identified and prioritized through an annual, collaborative effort of the Executive Leadership Team and the Company's third-party Internal Audit Team resulting in a Risk Register that considers gross risks, mitigation measures, net risks as well as analyses of the likelihood and magnitude of the various risks identified.

Through a multi-disciplinary collaboration across all departments within Southern Star, we are able to proactively plan and ensure day to day activities align with our climate strategy and corporate goals.

Additional mechanisms to identify risks include the Regulatory Risk Committee and the Methane Reduction and Emissions Team.

Risk Management

Southern Star's Regulatory Risk Committee and internal subject matter experts monitor existing and emerging regulations and requirements for the natural gas industry and work with the relevant Southern Star business groups to ensure compliance. The natural gas industry is highly regulated. Current climate regulations have had a direct impact industry-wide on resources, expansion of infrastructure, and commodity perception. Southern Star leadership and individual contributors also hold multiple board, chair, co-chair, and committee seats within industry groups to monitor regulatory and climate-related issues such as: Interstate Pipeline Regulatory Committee, American Gas Association, Southern Gas Association, and the Interstate Natural Gas Association of America. Southern Star is also a member of ONE Future Coalition, an organization which is tracking sector level methane intensity reductions, setting sector-wide reduction targets, and sharing best practices among peers. We believe in being part of the solution and providing feedback to the regulation making process. Through this involvement, we are able to provide regulators with real-world insight into the resulting effects of proposed legislation, and aid in the creation of meaningful policy.

Southern Star minimizes long-term climate risk from weather and temperature changes via our annual capital and modernization program. Our continuous improvement and modernization program positions our assets to perform under changes in weather conditions. Annual capital spent on evolving technologies, and research and development, further strengthens and prepares our staff, and system, to accommodate future energy transmission services to our customers if market demands call for them. Near-term changing weather patterns and the

potential for natural disasters are monitored on a daily basis via daily market demand reports and facility utilization projections. Additionally, we have specific response plans in place to address and respond to weather disasters such as wildfires, blizzards, and tornadoes. An example of this can be seen through our outstanding response to our customers during Winter Storm Uri in February 2021.

As further evidence of Southern Star's focus on reduction and preparedness of our system regarding climate-related initiatives and risk minimization:

- Southern Star's Project Engineering, Project Management, and Environmental team members meet during project planning to discuss opportunities for engineering out emissions and natural resources impacts related to projects. Internal gas venting thresholds have been established for required mitigation. Decisions on mitigation implementation center around site use, lateral line availability, cost benefit, and service requirements. Once all factors are evaluated, the teams decide the most practicable solution and implements the choice into project design. These costs are built into project budgets which roll up to our overall capital spend.
- In 2021, Southern Star installed a solar facility at our headquarters that houses approximately one third of our 620 team members. This project resulted in qualifying our headquarters facility as net zero for carbon-based electricity.
- In 2022 Southern Star devoted resources to two hydrogen pilot projects.
 - The first study was a groundbreaking Hydrogen/Natural Gas Fuel Pilot study, and the first of its kind to ever be conducted in the United State for a natural gas reciprocating engine in active transmission operation. This study evaluated the ability of an essentially unmodified reciprocating compressor engine to run on a hydrogen natural gas mixture. Furthermore, this study was focused on evaluating the effects of a blended fuel on engine combustion stability and emissions reductions realized under the co-fired strategy. This project helped minimize climate-based risk to Southern Star through the preparation of our system for a low carbon projected future.

- The second study Southern Star funded in 2022 was a hydrogen pipeline readiness study that analyzed a 70-mile section of pipeline and all components (two compressor stations, meter facilities, multiple vintages of pipe, soft goods, and gas chromatography) compared to existing regulations, standards, and ground-breaking research to determine the needed upgrades to ensure readiness for a potential hydrogen-natural gas transition. Upon completion of this study, Southern Star will look to develop a comparative and representative model that can be applied to the remaining 5,730 miles of pipe across our system. This model would be applied through the use of artificial intelligence to the remainder of the system.

Southern Star remains engaged with our customers and the communities in which we serve. Public outreach and educational efforts across our footprint ensure our customers understand the benefits and broad uses of natural gas as a clean reliable energy source. Additionally, Southern Star proactively prepares our system annually to adapt to changing commodity needs and services. Our ability to be adaptive, innovative and in direct communication with the needs of our customers allows us to continue to modernize our system ensuring we continue to provide our core business services of natural gas transmission and storage with the least negative environmental impact.

Through the utilization and adaptation of existing infrastructure, Southern Star is able to further minimize effects of climate change associated with greenfield infrastructure projects. The maximization of existing infrastructure will play a key role in efforts to decarbonize. Examples of this adaptation and innovation can be seen in our projects engaged in the development of the renewable natural gas (RNG) market, hydrogen research pilot projects, and other renewable or low carbon alternatives as market conditions allow. Southern Star continues to increase RNG interconnects and continues to partner with customers and alternative stakeholders on low carbon intensity energy transport opportunities across our system.

To manage methane emissions-related risk, Southern Star has implemented a robust methane emissions reduction program consisting of voluntary leak detection and repair program surveys completed at least once annually by all 43 of our compressor facilities. Through these surveys, Southern Star has been able to develop a robust emissions inventory policies and procedures derived from the EPA's regulation Subpart W which only applies to five of Southern Star's 43 facilities; however, through our methane reduction program, we apply the same accepted regulatory survey requirements to all facilities. The program also reduces methane emissions by reducing venting emissions during blowdown events using a tiered approach: (1) implementing natural gas drawdowns, (2) methane capture and recompression (or stopple and bypass), (3) flaring, and as a last resort – (4) venting to atmosphere.

Southern Star continues to leverage the success and knowledge gained via the installation of our headquarters' solar field to evaluate additional renewable opportunities across our footprint to offset scope 1 and/or scope 2 greenhouse gas emissions. In 2024, Southern Star is undertaking a decarbonization study to evaluate other complimentary pathways for reducing scope 1 and 2 emissions.

Strategy

In 2023, Southern Star performed a TCFD aligned qualitative physical climate risk assessment of 60 of our assets including compressor stations, interconnects, a warehouse, and our headquarters. We evaluated present and future exposure in the 2030- and 2050-time horizons to acute and chronic physical climate hazards¹, specifically temperature changes, inland flooding, extreme temperatures, tropical cyclones, drought, and wildfire.

Scenario Analysis

Physical Climate Risk Assessment

Southern Star selected the Shared Socioeconomic Pathways (SSP) scenarios developed for use in the Sixth Intergovernmental Panel on Climate Change (IPCC) Assessment Report² to evaluate future climate conditions. For each scenario and time frame, physical risks across Southern Star assets were analyzed considering two dimensions: 1) physical exposure to the six climate hazards based on location, and 2) asset vulnerability to the physical impacts of those hazards based on type. A third-party consultant developed impact pathways specific to Southern Star to assess our vulnerability via an internal workshop that considered five different types of impact categories: environmental, capital costs, health and safety, operational disruption, and legal and reputational.

As a result of the physical climate-related risk assessment, we found that while physical climate hazards are projected to increase in risk level from 2030 to 2050 across all sites, reasonable and effective mitigation pathways are available to Southern Star.

¹Acute hazards are event-driven (e.g., extreme weather events), while chronic hazards relate to longer-term shifts in climate conditions.

²https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_SPM_final.pdf

Physical Risks and Opportunities

Physical Risk/ Opportunity	Potential Financial Impact	2030 Impact	2050 Impact	Mitigation
Extreme Temperatures	Equipment impact, operational slow-downs, worker fatigue, dehydration.	Moderate-High	High	<ul style="list-style-type: none"> • Backup power generation • Team member heat stress training • Team member heat stress relief
Inland Flooding	Equipment damage, environmental contamination, operational interruptions, safety risk, financial losses.	Moderate	Moderate	<ul style="list-style-type: none"> • Berming • Access route awareness • Stormwater Pollution Prevention Plans • Annual Flood Plan Review
Tropical Cyclones	Supply chain disruption, equipment and infrastructure damage, electrical out-ages, safety risk.	Low-Moderate	Low-Moderate	<ul style="list-style-type: none"> • Inclement weather warnings and shelter-in-place resources • Job Hazard Assessments • “AlertMedia” app for real-time team member notification
Drought	Minor operational disruptions, pipeline protection impacts, worker health and safety risk.	Negligible-Very Low	Negligible-Very Low	<ul style="list-style-type: none"> • Bottled water stored on site • Fire awareness training
Wildfire	Shutdown of assets and re-lated capital damage, environmental contamination, worker health and safety risk, extended service disruptions.	Negligible-Very High (<10 assets)	Negligible-Very High (<10 assets)	<ul style="list-style-type: none"> • Fuel load and critical area protection • Landscaping to minimize fuel load availability
Increasing Temperature (Chronic)	Increased operational and maintenance costs, equipment degradation, increased demand for natural gas power generation and related increased revenue.	Low-High	Low-High	<ul style="list-style-type: none"> • Solar field at headquarters to reduce dependency and lower cost • Planning additional solar

Resilience

Subject matter experts and facility leaders at nine of our most at-risk and business-critical compressor stations along with our headquarters, were interviewed to assess the resilience and the ability of our assets to adapt to physical climate hazards. Findings indicated that our assets and processes have a relatively high level of adaptive capacity to physical climate hazards, indicative of our strong safety culture, with some additional resiliency recommendations identified. Extreme heat was identified as the most impactful physical hazard to our operations. Southern Star currently has robust measures in place to mitigate heat-related risks, including annual team member trainings on heat stress and frequent team member breaks in climate-controlled areas with hydration supplies. All Southern Star assets are also equipped with backup power generators that allow for continued operations in the event of power loss. Impacts from flooding and extreme storms were also identified. For assets where there is present-day exposure to flooding, Southern Star has implemented mitigation measures where feasible (e.g., berms have been built up to help prevent water from accessing, equipment is supported above flood elevation, and facility team members work with the local Emergency Response Personnel to identify alternate access routes in the event of flooded roads).

By assessing these physical climate-related hazards and determining which Southern Star assets are most at risk, we can adequately prepare, plan, and mitigate these risks to our operations in a world affected by climate change. Southern Star circulates and implements findings from this information to facility planning staff and leadership to prioritize implementation of resiliency measures.

Transition Risk and Opportunity Assessment

In 2023 we also completed a TCFD-aligned climate-related transition risk and opportunity assessment to identify the risks and opportunities to our business as the world transitions to a low carbon economy. The scenario analysis conducted

for the transition assessment relied on the assumptions and outputs of climate policy scenarios developed by the International Energy Agency's (IEA's) World Energy Outlook (WEO) and the Network of Central Banks and Supervisors for Greening the Financial System (NGFS). These scenarios explore different possible climate futures of how the world may transition to a low-carbon economy and the underlying assumptions and variables for how those possible futures would be achieved and the impact to our business.

Two scenarios, Stated Policies (STEPS) and Net Zero Emissions by 2050 (NZE), from the IEA's 2022 WEO were selected to assess the potential climate-related transition risks and opportunities to Southern Star's business and operations.³ From the NGFS, the disorderly Delayed Transition (DT) scenario was selected as a third forward-looking scenario in this assessment.

For each scenario and time horizon (current day, 2030 and 2050), we utilized stakeholder interviews to analyze future qualitative potential impacts on our operations, markets, supply chain, and associated effects on our revenues, cost, and expenditures. Similar to the physical climate risk analysis, all identified risks and opportunities were qualitatively scored based on exposure (likelihood) as well as sensitivity (consequence) to our operations.

Transition opportunities were found to be the greatest under the NZE scenario, increasing from present-day through 2050. This scenario results in the most robust policy, regulatory, and market-driven changes in 2050 that pose high risk for us to comply with more stringent policies, but also an opportunity for us to facilitate and accommodate the transition to lower carbon energy sources as the U.S. energy transition and supporting governmental policies, incentives, and resources become more available.

In the NZE scenario most transition risks increased in severity from 2030 to 2050, representing increasing impacts if we do not mitigate or adapt to the changing economy and markets over time. While the 2030 risks under the STEPS scenario generally look similar to present day, by 2050, this scenario indicates physical impacts from climate change may drive greater stigmatization and reputational risks for us as a fossil-fuel transmission and storage company.

It is anticipated that Southern Star will continue to experience risks from mandates and regulation of our facilities under all scenarios and time frames. We can expect our industry to be tightly regulated regardless of what energy source is being transported in our pipeline. Under both DT and NZE scenarios, a rapid increase in investment and capital spending on clean power, renewable natural gas, and renewable hydrogen is projected. Because of this, we have an opportunity to contribute to a transition to a lower carbon economy by developing and utilizing efficient, lower emissions intensity transmission and storage technologies across our operations while continuing to reliably and safely transport energy to our customers.

Transition Risk Summary Table

Risk Category	Risk	Potential Financial Impact	Projected Impact*	Risk Reduction Strategies
Policy & Legal	Enhanced emissions and climate reporting obligations	OpEx increase from reporting compliance, possible legal fees for litigation or errors	Short-term: Low-Medium Medium-term: Low-Medium Long-term: Medium-High	<ul style="list-style-type: none"> Scope 1 and 2 emissions tracking and reporting ONE Future Coalition participation
	Mandates on and regulation of existing products and services	Increased OpEx and CapEx for regulatory compliance, indirect increased costs from suppliers	Short-term: High Medium-term: High Long-term: High	<ul style="list-style-type: none"> Methane reduction goals “Measure, Mitigate, and Modernize” emissions reduction strategy High-bleed pneumatic device replacement Research into innovative emissions reduction measures
	Exposure to litigation	Legal fees and judgments, decreased revenue due to reputational impact	Short-term: Low Medium-term: Low Long-term: Low-Medium	<ul style="list-style-type: none"> Progress toward emissions goal Engagement with public on natural gas safety and reliability campaigns
Technology	Transitioning to lower emissions energy technology (risk of unsuccessful investments)	Financial impact to assets, re-search and development costs, increase to CapEx and OpEx, sunk CapEx costs	Short-term: Medium Medium-term: Medium Long-term: Low	<ul style="list-style-type: none"> Reducing venting High bleed pneumatic device replacement Research into innovative emissions reduction measures
Market	Changing customer demand	Loss of revenue, price volatility, decreased demand for fossil fuels, stranded assets	Short-term: Low Medium-term: Medium Long-term: High	<ul style="list-style-type: none"> Stakeholder engagement Climate change physical risk assessment Investments in research and development (hydrogen applicability, electric compression) Monitoring of low-emissions fuels Renewable natural gas
Reputation	Stigmatization of the oil and natural gas sector	Decreased in-vestment, financial mobility, in-creasing insurance costs	Short-term: Medium Medium-term: Medium-High Long-term: High	<ul style="list-style-type: none"> Climate-related physical and transition risk and opportunity assessment Monitoring insurance rates Team member engagement in operating communities Public reliability and affordability campaigns

*Short-term/current day, Medium-term/2030, Long-term/2050)

Transition Opportunity Summary Table

Category Opportunity	Key Opportunities	Potential Financial Impact	Projected Impact*	Opportunity Enhancement Strategies
Resource Efficiency Technology	Use of lower-emission and more efficient compression and transmission technologies	<ul style="list-style-type: none"> Lower net carbon emissions and lower indirect carbon pricing Prepare infrastructure for emerging regulations and potential for lower costs before demand for technologies rise 	Short-term: Low Medium-term: Medium-high Long-term: High	<ul style="list-style-type: none"> Methane emissions goals and “Measure, Mitigate, and Modernize” plan Investigating electrifying compressor engines and turbines and carbon capture, storage and utilization, and separator vessel technology Replacing high bleed pneumatic controllers
Energy Source	Use of lower-emission sources of energy for fleet	Lower net carbon emissions and associated carbon pricing costs, increased resiliency in energy sources	Short-term: Low Medium-term: Medium-High Long-term: High	<ul style="list-style-type: none"> Installing additional solar capacity
Products and Services	Development of new products and services through research and development, and innovation	Higher revenue and better competitive market position to reflect shifting con-sumer preferences	Short-term: Low-Medium Medium-term: Medium-High Long-term: High	<ul style="list-style-type: none"> Investigating electrifying compressor engines and turbines and carbon capture, storage and utilization Exploring hydrogen and RNG opportunities
Resilience	Building operational resilience in supply chain	<ul style="list-style-type: none"> Increased resilience in supply chain and product/ commodity guarantees, resulting in cost stability Avoided labor hours to find last-minute alternative suppliers 	Short-term: Low-Medium Medium-term: Medium-High Long-term: High	<ul style="list-style-type: none"> Creating a backstock of “off-the-shelf” products Diversified supplier pool

*Short-term/current day, Medium-term/2030, Long-term/2050)

The information and knowledge gained during the 2023 scenario analysis exercise will help Southern Star integrate climate considerations further into our business planning processes, risk management, and overall ESG strategy.

Metrics and Targets

Southern Star’s Board has driven the organization to develop, implement, and produce aggressive goals and targets that reduce climate-related impacts. These targets include:

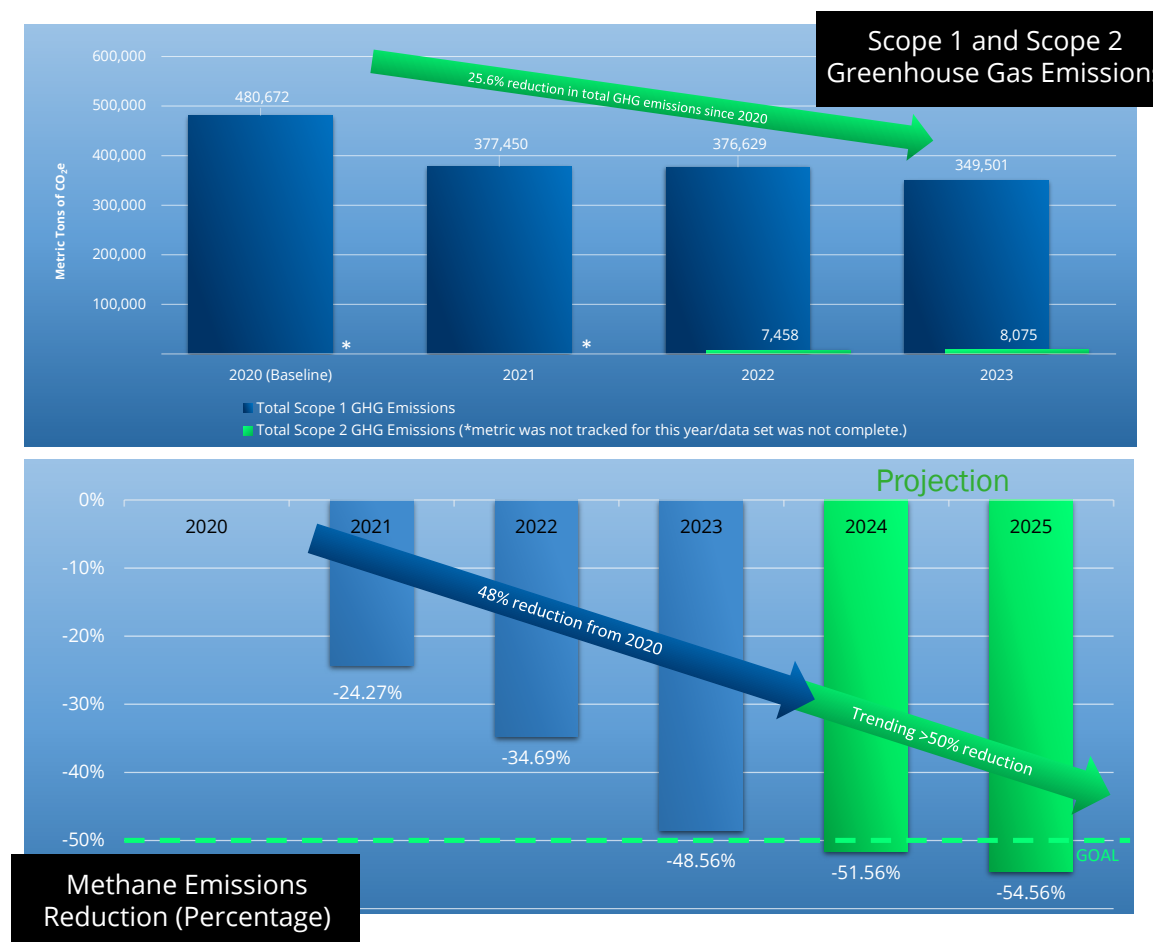
- Reduce methane emissions by 50% by 2025 (from a 2020 baseline); and
- Net neutrality for carbon by 2050.

In 2019 and 2020 Southern Star completed the development of an emissions inventory based on the EPA Greenhouse Gas Reporting Rule. Upon establishment of a complete methane inventory, the Environmental Department sought counsel from a multi-disciplinary team to conduct a quantitative analysis of our methane inventory as well as opportunity assessments across our footprint. The analysis was used to establish our reduction target and evaluate it for applicability and viability. Post analysis, Southern Star staff elected to undertake a 50% reduction by 2025 target. When issued, Southern Star’s voluntary methane reduction program goal was the most aggressive known reduction target amongst our interstate mid-stream natural gas transmission and storage peers.

The success of our “Measure, Mitigate, and Modernize” focused program has more than doubled the projected 10% reduction year over year needed to obtain our 2025 50% reduced target.

To ensure the integrity of our program and validate our results, Southern Star conducted a third-party audit in 2022 of its methane reduction plan and procedures, as well as its data and calculations. Audit results confirmed the integrity of our program with no material finding and a less than 0.04% deviation from the finalized annual methane emissions reported internally to the company, and publicly through our Corporate Responsibility Report for 2021. Methane reductions are shown in the figure at the right.

In 2023, methane emissions were reduced by 13.9% and GHG emissions decreased by 5.4%, from 2022. This equates to a 48.2% and 25.6% (25.6% excludes 2020 and 2021 Scope 2 emissions) reduction in methane and GHG emissions from our 2020 established baseline, respectively. This reduction can be attributed to the application of our modernization program, strong maintenance practices, and reduction in pipeline blowdowns. Primary sources of reduction include pipeline and compressor station blowdown, condensate tank vents, and reciprocating compressor vent emissions. A breakdown of our emissions is shown below.



About This Report

The Southern Star Central Gas Pipeline 2023 Corporate Responsibility Report includes disclosures aligning with the Sustainability Accounting Standards Board (SASB) Oil & Gas – Midstream standards and the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. This annual report covers the period from January 1, 2023 through December 31, 2023.

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 other websites 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.

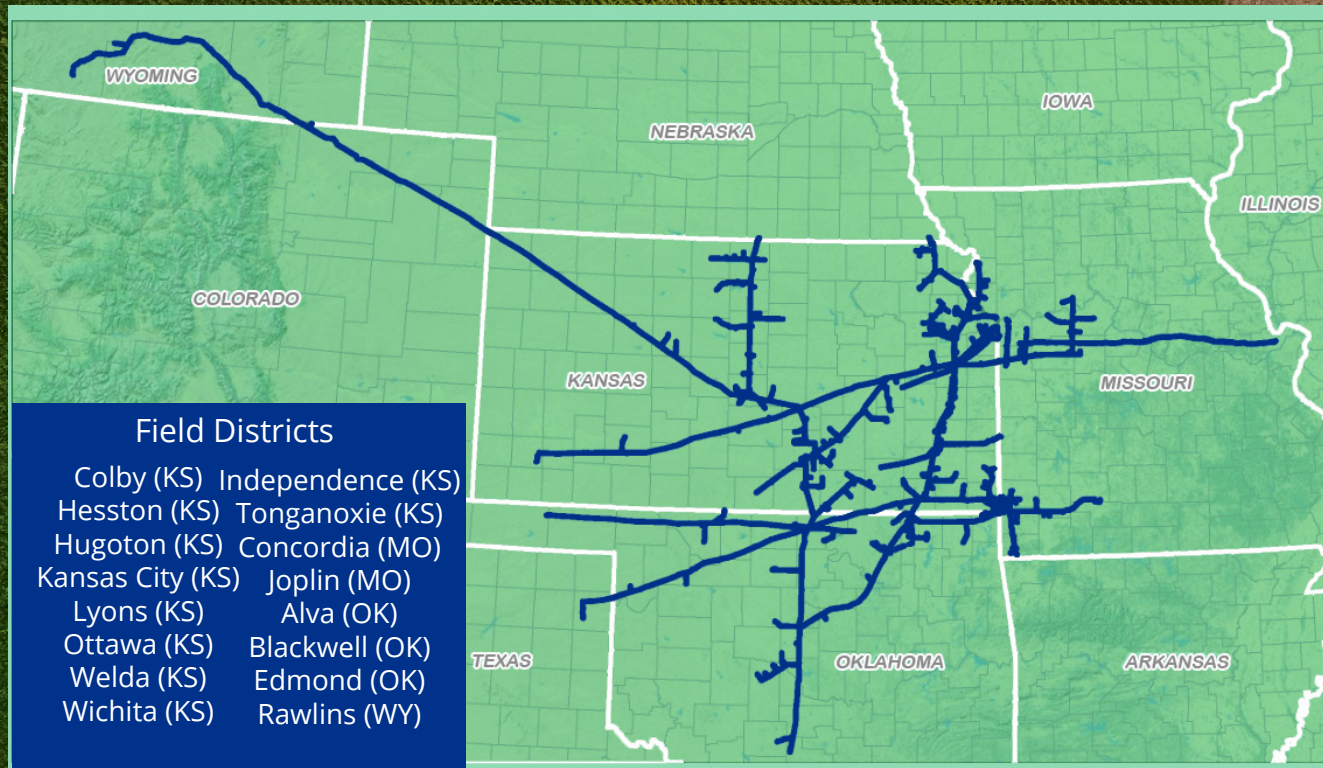
Southern Star does not guarantee nor warrant the adequacy, accuracy, correctness, currentness, reliability, or completeness of the materials identified in this report and will not be responsible for any claim of any person attributable to errors, omissions, or other inaccuracies of any part of such materials. In some cases, rounding to the nearest whole number has been used.

Any mentions of specific persons, technologies, software, applications, companies, commercial product processes, or services by trade name, trademark, manufacturer, or otherwise, does not constitute or imply its endorsement, recommendation, or favoring by Southern Star, its parent, officers, directors, or team members.

More About Southern Star

As you've witnessed in this report, our business is more than just transporting and storing natural gas. It's about the people who make it happen and the communities we serve.

Southern Star is committed to a diverse and inclusive culture where everyone's voice is heard. Our company takes pride in remaining a steward of environmental awareness and cooperation with landowners and the government. We believe in honesty in our business methods and seek out like-minded companies and partners with which to do business.



For any questions regarding this report or to request a previous report, please contact mediarelations@southernstar.com.



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