Sustainability Report

June 2024











ONE Gas



Contents

2023 Highlights	4
CEO Message	5
Benefits of Natural Gas	6
Environmental Sustainability	9
Safety and System Integrity	21
Social Commitment	34
Governance	52
Metrics	58

About this Report

Our Sustainability Report provides transparency into the environmental, social and governance practices of ONE Gas. This voluntary report is informed by sustainability reporting guidelines outlined in the Metrics section. The data in this report applies to all ONE Gas activities consolidated for financial reporting purposes. Our goal is to provide relevant information about our business, how we assess and manage climate-related risks and opportunities, and how natural gas will continue to play a pivotal role in a cleaner energy future.

About ONE Gas

ONE Gas, Inc. (NYSE: OGS) is a 100% regulated natural gas utility. Headquartered in Tulsa, Oklahoma, the company is included in the S&P MidCap 400 Index and is one of the largest natural gas utilities in the United States. We provide natural gas service to approximately 2.3 million customers in Kansas, Oklahoma and Texas.

We own and operate approximately 66,000 miles of distribution and transmission pipelines across our service territory. We have been consistently recognized by the American Gas Association (AGA) for excellence in employee safety, including having the lowest Days Away, Restricted or Transferred (DART) rate. ONE Gas is committed to providing affordable and reliable energy while helping to build a sustainable energy future.

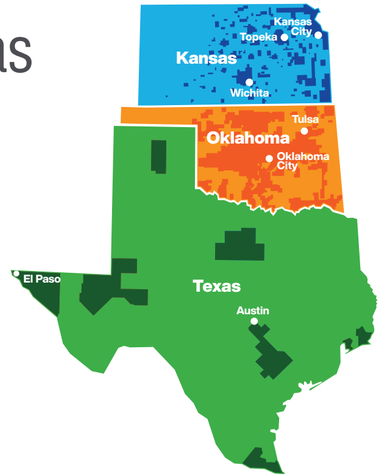
ONE Gas

Our Divisions

Kansas Gas Service
71% market share,
the largest in Kansas

Oklahoma Natural Gas
89% market share,
the largest in Oklahoma

Texas Gas Service
13% market share,
the third largest in Texas



Our Mission

We deliver natural gas for a better tomorrow.

Our Strategy

- Safe and reliable energy
- High-performing workforce
- Capital demand growth
- Clean energy solutions
- Serving customers

Core Values

Safety
We are committed to operating safely and in an environmentally responsible manner.

Ethics
We are accountable to the highest ethical standards and are committed to compliance.

Inclusion & Diversity
We embrace an inclusive and diverse culture that encourages collaboration. Every employee makes a difference and contributes to our success.

Service
We provide exceptional service to our customers and support each other.

Value
We create value for all stakeholders; our customers, employees, investors and communities.

2023 Highlights

50%
reduction in emissions
due to leaks from mains and services from a 2005 estimated baseline

Our energy efficiency programs avoided
44,400 metric tons of CO2e,
equivalent to removing
10,569 passenger vehicles*
from the road

Replaced
536 miles
of distribution mains, service lines and transmission lines to improve safety and reduce fugitive emissions

7th consecutive year
of increased employee engagement scores measured by Gallup

According to data tracked by the AGA, recognized for the **lowest** Days Away, Restricted or Transferred (DART) rate among the country's largest natural gas distribution companies for the
7th consecutive year

Contributed
$3.4 million
in ONE Gas Foundation grants, corporate sponsorships and community giving

*Source: United States Environmental Protection Agency — Greenhouse Gas Equivalencies Calculator

A Message from Our President and Chief Executive Officer

As one of the country's largest natural gas distribution companies, ONE Gas has an essential role in a sustainable energy future. Our priorities are clear: safety above all else, serve the growing demand for natural gas in our service territory, invest in our systems and our people, and operate in an environmentally responsible way.

Our 2.3 million customers depend on us for affordable, reliable natural gas service every day. Natural gas is used in a multitude of ways — from cooking meals and keeping families warm to powering manufacturing and fueling transportation — and is an essential part of life for millions of Americans. We are proud to help meet our customers' energy needs responsibly and sustainably.

Emissions Reduction

ONE Gas is committed to operating in an environmentally responsible manner, and reducing emissions is a key component of our business strategy.

We've made steady progress toward achieving our Scope 1 emissions reduction goal — a 55% reduction in emissions due to leaks from mains and services by 2035, measured from a 2005 estimated baseline. As of December 31, 2023, we have reduced our emissions by 50% even as we continue to grow, which keeps us on track to achieve our goal. To reflect our commitment, in 2023, we added a short-term incentive pay metric tied to emissions reduction, a target we exceeded this past year. Our emissions reduction goal is driven primarily by our vintage pipeline replacement and protection program, which also reinforces our Core Value of Safety.

Our accomplishments have not gone unnoticed; we have earned top recognition for our sustainability efforts. One of the leading sustainability rating organizations in the country, MSCI, recently ranked us as a top utility in the nation for our work managing environmental, safety and governance risks for our business.

High-performing Employees

Our 3,900 co-workers are the backbone of our success, and the achievements in this report are only possible because of them. We strive to create a culture based on safety, inclusion and trust. People who feel respected and empowered to do their best work contribute to an engaged, high-performing workforce.

Gallup scores reflected this engagement among our employees and once again placed our company in the top quartile of Gallup's Overall Company Database. While our engagement scores increased for the seventh consecutive year in 2023, we are nevertheless working on improvements, reflecting our commitment to providing industry-leading safety results and the best workplace and customer experience possible.

Our co-workers are also committed to the safety of one another and our systems. Based on our safety performance in 2023, the American Gas Association (AGA) announced that ONE Gas had the lowest incident rate of severe injuries among peer companies in the United States.



That marks the seventh consecutive year that ONE Gas has won this award, placing us among the safest natural gas distribution companies nationwide.

Delivering Natural Gas for a Better Tomorrow

Our company is guided by our mission: to deliver natural gas for a better tomorrow. Creating a "better tomorrow" means embracing opportunities for improvement and innovation and being part of a sustainable energy future.

I'm honored to share the combined efforts of our ONE Gas team in this summary of our work over the past year. I'm grateful for their dedication to safe operations, reliable service and growth, and I'm privileged to work alongside them as we build a better tomorrow.

Robert S. McAnnally
President and CEO

Natural gas is an affordable and reliable choice to achieve a lower-emissions future.

Benefits of the Natural Gas Industry



Natural gas is the preferred energy choice for homes and businesses

More than 189 million Americans and 5.6 million businesses use natural gas. **One new residential customer signs up for natural gas service every minute, and approximately 80 businesses initiate natural gas service every day.***



Natural gas is essential for improving our environment

The natural gas industry has been a leader in reducing greenhouse gas emissions in the U.S. and is committed to meeting both energy demand and emissions targets. **Emissions from the natural gas distribution system have declined 70% since 1990 due to a combination of infrastructure upgrades, energy efficiency programs and investment in innovative new technologies.***

CEO Message | **Benefits of Natural Gas** | Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance ■ Metrics



Natural gas is reliable

With more than 2 million miles of pipelines, natural gas is available when you need it most. Through natural disasters and extreme weather events, our underground delivery system provides customers with reliable energy.*



Natural gas is affordable

In the U.S., natural gas is 3.3 times more affordable than electricity. Households that use natural gas directly for heating, cooking and clothes drying save an average of $1,132 per year compared with homes using electricity for those applications.*



Natural gas is essential

Natural gas is an essential part of America's energy mix. It supplies nearly one-quarter of all the energy in the United States and is essential to the operation of nearly every critical function and sector of the U.S. economy.

It also plays a critical role in many sectors, including healthcare, pharmaceuticals, hospitality and agriculture.*



Natural Gas Fuels America's Healthcare

Natural gas' reliability and affordability are critical to safeguard hospital operations during emergencies, including natural disasters. Hospitals engage in many energy-intensive activities such as medical and lab equipment use, sterilization, computer and server use, laundry, food service and refrigeration — all of which require a steady and reliable source of power 24 hours a day. The U.S. healthcare sector consumes more than 271 billion cubic feet of natural gas each year, more than the annual consumption of 14 individual states.**

*Source: American Gas Association (AGA)

**Source: Advancing America's Healthcare — The Value of Natural Gas to the U.S. Healthcare Sector

The Natural Choice for a Sustainable Business

Our customers depend on affordable, reliable natural gas in a variety of ways. Take a look at a few of the ways natural gas plays a critical role for our customers.



Customer: Superior Boilers

Headquartered in Hutchinson, Kansas, Superior Boilers is a national leader in the production of boilers, a closed vessel in which water is heated to produce steam or hot water and then used for a variety of purposes, including heating buildings, generating electricity and sterilizing equipment. Natural gas plays a vital role in their operations, including manufacturing the vessels and testing the finished products. Using natural gas allows for consistent production schedules and cost savings over other fuel sources. Customers choose natural gas boilers to enhance production efficiency and reduce energy consumption, which saves money.



Customer: Choctaw Nation

The Choctaw Nation is the third-largest Indian nation in the U.S., with over 225,000 tribal members and 300 facilities, including community centers, healthcare facilities, world-class casino resorts and more. From heating spaces and water to meal preparation and fueling standby generators, natural gas is a critical energy source to power the tribe's daily operations. Data is a key driver for the Choctaw Nation's business decisions, and the numbers are clear: natural gas meets the tribe's needs for cost savings, efficiency, reliability and environmental stewardship.



Customer: Rausch Coleman Homes

Recognized as one of the top builders in the U.S., Rausch Coleman Homes has constructed high-quality and affordable homes for families and individuals for nearly 70 years. Natural gas is a top request of homebuyers who value its reliability, affordability and operational efficiency. From the living room to the laundry room, natural gas-fueled appliances make a house a comfortable home. As metro areas grow, housing developments are moving to more rural areas. With approximately 66,000 miles of distribution mains and transmission pipelines across Kansas, Oklahoma and Texas, ONE Gas' vast infrastructure has made extending natural gas service to new developments a reality, ensuring Rausch Coleman Homes' customers can enjoy the benefits of natural gas for years to come.

Environmental Sustainability

Emissions Reduction	**10**
Innovation and Technology	**12**
The Future of Natural Gas	**14**
Reducing Emissions for Fleet and Customers	**15**
Reducing Emissions in Our Facilities	**17**
Environmental Stewardship	**19**



Environmental Sustainability

ONE Gas and our assets are essential in realizing a lower carbon energy future. We are implementing practices, procedures and strategies to manage emissions and provide long-term, reliable and affordable natural gas service to our customers.

Emissions Reduction

Reducing our methane emissions is key to our business and environmental strategy as we look to the future. The emissions reduction goals we set are achievable and supported by a long-term strategy grounded in understanding our current emissions profile and how best to leverage our assets, technology and programs.

Our existing Scope 1 emissions reduction goal is driven by our pipeline replacement and protection program. We continually evaluate ways to further reduce emissions across Scopes 1, 2 and 3. This includes enhancing operational practices, researching opportunities to replace geologic natural gas in our system with renewable natural gas, expanding energy efficiency and education programs, and implementing sustainable building initiatives. We also are evaluating emerging technologies and opportunities, such as carbon capture and the utilization of low-carbon hydrogen.

SCOPE 1

Scope 1 emissions are direct greenhouse gas (GHG) emissions from sources controlled or owned by an organization, such as our pipelines, meter sets and fleet.

SCOPE 2

Scope 2 emissions are indirect GHG emissions from sources controlled or owned by an organization, such as purchased electricity.

SCOPE 3

Scope 3 emissions are from sources not owned or directly controlled by an organization but related to its activities. This includes emissions from our customers' use of the natural gas we provide and emissions upstream of our system.

We have achieved a **50% reduction** in Scope 1 CO_2e emissions from distribution pipeline leaks since 2005.

CEO Message ■ Benefits of Natural Gas **Environmental Sustainability** Safety and System Integrity ■ Social Commitment ■ Governance ■ Metrics

Reducing Emissions from Mains and Services

Our emissions goal is achievable and aligned with our overall strategy. ONE Gas has set a goal of achieving a 55% reduction in Scope 1 emissions across our enterprise due to leaks from distribution pipelines by 2035, measured from a 2005 estimated baseline* and accounting for projected system growth. We expect to achieve this goal primarily through our pipeline replacement and protection program, which is driven by our safety goals and has the added benefit of reducing emissions.

Utilizing the EPA-approved Greenhouse Gas Inventory Protocol, our estimated total emissions due to leaks from mains and services in 2023 was 143,359 metric tons of CO_2e, compared to an estimated 289,070 metric tons of CO_2e in 2005. This 50% reduction keeps us on track to achieve our 2035 goal. Our regulatory bodies support pipeline replacement, which is a key capital plan component. Replacement helps us maintain safe and reliable operations while decreasing emissions from our systems by replacing higher-emitting pipes.

In addition to our pipeline replacement and protection program, we are focused on reducing operational emissions through advanced leak detection technology and damage prevention programs. As a founding member of the EPA's Methane Challenge Program, ONE Gas committed to replacing a minimum of 2% of our higher emitting** materials annually — a target we've exceeded every year since the program started in 2016.

**2005 is the year many U.S.-based businesses selected as a baseline for their emissions reduction goal under the Paris Agreement.*
***Higher emitting materials are primarily unprotected steel.*



Kansas Gas Service team members pose for a photo while replacing a transmission line in Cunningham, Kansas.

Pipeline Replacement

Of the $730 million in capital investments in 2023, nearly 70% was spent on system integrity and pipeline replacement projects, including replacing nearly 540 miles of distribution mains, service and transmission lines.

In 2023, we adopted a new short-term incentive pay metric tied to the execution of our emissions reduction goal, driven by our pipeline replacement and protection program. We have made steady progress since announcing our emissions reduction goal in January 2022 and remain on target to reach the goal.

Innovation and Technology

We believe upgrading and leveraging existing natural gas infrastructure is key to fostering a cleaner and more resilient energy system.

ONE Gas is committed to delivering natural gas for a better tomorrow as we meet our customers' growing demand for reliable and affordable energy. This commitment includes finding ways to reduce emissions from our system, fostering emissions reduction across the natural gas value chain and providing our customers with options to reduce their carbon footprint through energy efficiency and alternative fuels.

Renewable Natural Gas

Renewable natural gas (RNG) projects capture methane from organic materials such as food and animal waste, redirecting it away from the environment and removing gases from the atmosphere. Because RNG is chemically identical to geologic natural gas, it can be used in all current natural gas applications, including cooking, heating, vehicle fuel and industrial applications, and it is delivered to customers using existing natural gas pipelines.

ONE Gas continues to evaluate opportunities across Kansas, Oklahoma and Texas to deliver RNG to customers. RNG also provides a sustainable, renewable energy option for our commercial and industrial customers to reduce emissions and achieve their sustainability goals.

In December 2023, we launched a voluntary RNG program for Oklahoma customers to choose RNG for a portion of their fuel source. This program allows customers to purchase their desired amount of RNG. We are evaluating expanding this voluntary program to other areas in our service territory.

We expect the demand for RNG to continue to develop as residential, commercial and industrial customers look to reduce their emissions and meet their sustainability goals.



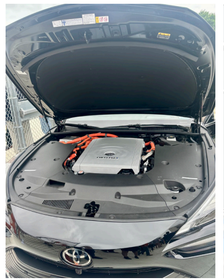




CEO Message ■ Benefits of Natural Gas **Environmental Sustainability** Safety and System Integrity ■ Social Commitment ■ Governance ■ Metrics

Hydrogen Technology

Using hydrogen as a fuel source has the potential for national and regional benefits for energy storage, resiliency and emissions reduction. The carbon intensity associated with different hydrogen production methods varies, and carbon intensity assessments of hydrogen production are still being studied and developed. In the meantime, we are investing in research with national laboratories and participating in industry partnerships so that we are ready to take advantage of hydrogen technology when low-carbon hydrogen is produced at scale.



Hydrogen-fueled vehicle.



Methane reformation equipment, which generates hydrogen from renewable natural gas sourced from a Texas landfill and supplied by Texas Gas Service.



Operational fuel station at J.J. Pickle Research Campus, the University of Texas in Austin.



H2@Scale

Along with GTI Energy and the University of Texas at Austin, ONE Gas participates in the H2@Scale hydrogen development project, creating the first dedicated renewable hydrogen network to test and demonstrate hydrogen infrastructure safety and reliability.

H2@Scale℠ U.S. Department of Energy

Open Hydrogen Initiative

We are an active member of the Open Hydrogen Initiative (OHI), which seeks to build an open-sourced accounting methodology for hydrogen emissions to support the development of a clean hydrogen economy. In 2023, the OHI coalition released an open-source hydrogen production life-cycle analysis database and a toolkit to help entities wanting to use hydrogen understand the carbon intensity associated with its production and use.

ONE Gas is a proud member of the Clean Hydrogen Future Coalition, which brings together diverse stakeholders to promote clean hydrogen as a critical pathway to achieving the United States' decarbonization objectives. Learn more at cleanh2.org.

The Future of Natural Gas

ONE Gas has invested approximately $12 million in researching and developing innovative natural gas technology solutions through its ongoing partnership with GTI Energy. The company contributed approximately $700,000 for technology development projects in 2023, supporting more than 82 active projects.

GTI Energy Net-Zero Infrastructure Program

The Net-Zero Infrastructure Program (NZIP) is a GTI Energy-led three-year research collaboration. It emphasizes the importance of natural gas to the energy system by showing how natural gas infrastructure can integrate emerging low-carbon fuel solutions better and move toward net-zero energy systems. ONE Gas is an active supporter of NZIP and a member of the NZIP Board Committee. Our participation helps keep us up to date on technological advancements and aware of opportunities to leverage our system as customer needs change.

GTI ENERGY NZIP

GTI Energy Center for Methane Research

GTI ENERGY center for METHANE RESEARCH

We have invested in GTI Energy's Center for Methane Research (CMR), an information and data portal facilitating research on methane and global warming. CMR primarily focuses on the role of natural gas distribution companies and pipelines related to atmospheric impacts so that climate policy can be shaped appropriately.

GTI Energy — Veritas

VERITAS

ONE Gas also supports Veritas, GTI Energy's methane emissions measurement and verification initiative. The Veritas program brings together more than 30 industry partners spanning the entire natural gas value chain. Veritas develops technical protocols that provide credible, comparable methane emissions measurement and verification for each segment of the natural gas industry (production, gathering and processing, transmission and storage, distribution and liquefied natural gas (LNG). Measurement and verification protocols allow companies to more accurately assess emissions and report reductions through efforts such as damage prevention and advanced leak detection and repair.

ONE Future

ONE Gas is a member of Our Nation's Energy Future (ONE Future), a group of natural gas companies working together to voluntarily reduce methane intensity across the natural gas value chain — from production to distribution — to 1% or less by 2025. Methane intensity is defined as total methane emissions divided by gross gas production utilized by that sector. Some of the largest natural gas production, gathering and processing, transmission and storage, and distribution companies in the U.S. are part of ONE Future, representing more than 40% of the U.S. natural gas value chain. ONE Future reported a 2022 methane intensity for all ONE Future members of 0.421%, well below the 1% target. The methane intensity for the natural gas distribution sector, of which ONE Gas is a part, was 0.095%, beating the sector goal of 0.225% by more than 50%. ONE Future members are committed to driving down emissions further by leveraging technology and sharing best practices to help natural gas remain a vital part of the energy system in the future.

ONE OUR NATION'S ENERGY FUTURE

CEO Message ■ Benefits of Natural Gas **Environmental Sustainability** Safety and System Integrity ■ Social Commitment ■ Governance ■ Metrics

Reducing Emissions for Fleet and Customers

The bulk of our Scope 3 emissions come from our customers' use of natural gas. We advocate for customer choice that allows them to make the best energy decisions for their homes, businesses and communities. Our customers are in the best position to determine what is right for them as they consider the environment and their need for reliable and affordable energy. We are engaged with industry leaders so we will be ready to provide customers with options to reduce their carbon footprint through alternative fuel sources, which today is focused on RNG and may, in the future, include hydrogen, in addition to expanding our energy efficiency programs to help our customers reduce their energy and water usage.



Kansas Gas Service employees provided more than 1,700 free home weatherization kits in 2023.

Energy Efficiency Programs

Our current energy efficiency programs help customers in Oklahoma and parts of Texas make smarter energy choices that benefit them and the environment. In 2023, we supported legislation in Texas to expand energy efficiency programs throughout the state and look forward to making them available to all our Texas customers.

In 2023, ONE Gas divisions issued 77,800 energy efficiency rebates in Oklahoma and Texas, totaling $15,157,000.



Our energy efficiency programs include:

- Low-income Appliance and Weatherization Program
- Home Improvement and Appliance Upgrade Program
- New Home Program
- Commercial Direct Install Program
- Commercial Custom Install Program
- Natural Gas Vehicle Rebate Program
- Water Conservation Program
- Strategic Energy Management Program

In addition to these formal programs, we invest in energy conservation education for our customers and communities. We regularly engage in multimedia education campaigns spanning television, radio, print, billboards and social media to promote this information. We also provide energy-saving tips on our websites and customer communications, and engage with builders and trade partners via local outreach events.

2023 Energy Efficiency Program Highlights

26,832,600
gallons of water saved by customers

6,655,410
therms of expected annual energy savings

44,400
metric tons of CO_2e reduced

77,800 rebates issued totaling **$15,157,000**





Compressed Natural Gas for Customer Vehicles

Compressed natural gas (CNG) vehicles can help our customers reduce their carbon footprint when replacing gasoline, diesel fuel or propane. CNG is one of the cleanest-burning alternative transportation fuels available at scale today,* producing the fewest GHG emissions of any major motor fuel.

In addition to such potential environmental benefits, purchasing a natural gas vehicle (NGV) also can have economic benefits. CNG is typically less expensive than gasoline and offers higher octane. Many states have incentives and tax credits available for CNG vehicle purchases, conversions or fueling station infrastructure. ONE Gas also offers incentives for personal and business purchases of dedicated or bi-fueled NGVs in Kansas, Oklahoma and Central Texas.

Our public and private fueling stations provide clean-burning CNG to vehicles across Kansas, Oklahoma and Texas. We transported nearly 2.8 million dekatherms to CNG stations in 2023. We continue to see growth in the heavy-duty sector, with some school districts in Oklahoma and Texas transitioning their buses to CNG and building on-site fueling stations.

*Source: U.S. Energy Information Administration – Carbon Dioxide Emissions Coefficients

CEO Message ■ Benefits of Natural Gas **Environmental Sustainability** Safety and System Integrity ■ Social Commitment ■ Governance ■ Metrics

Reducing Emissions from Company-owned Fleet

We manage Scope 1 emissions associated with company-owned and -operated vehicles by using CNG-fueled vehicles where available. We are also using data analytics to assess driving and idling patterns.

Compared with gasoline or diesel, CNG can help reduce carbon dioxide emissions by up to 30% and carbon monoxide by as much as 85%. The use of CNG supplied by ONE Gas in 2023 avoided 49,590 metric tons of CO2e compared to the use of gasoline or diesel fuel, which is equivalent to removing more than 11,059 passenger vehicles from the road.*



*Source: United States Environmental Protection Agency – Greenhouse Gas Equivalencies Calculator

Approximately 40% of our company-owned fleet is capable of using CNG.

Reducing Emissions in Our Facilities

Scope 2 emissions are indirect GHG emissions from sources controlled or owned by an organization, such as purchased electricity.

We utilize software that allows us to calculate the Scope 2 emissions from purchased electricity in the buildings we own and occupy, utilizing the EPA Greenhouse Gas Inventory Protocol. In 2023, this totaled approximately 4,200 metric tons of CO2e, with about 35% of our total energy consumption coming from renewable sources.

2023 CNG Highlights

152
public and private CNG fueling stations in Kansas, Oklahoma and Texas

37
ONE Gas fueling stations

Transporting supply to **69** retail fuel service stations

Transporting supply to **46** private CNG stations (bus fleets, delivery fleets, waste management fleets and more)





Employees celebrate the grand opening of the Hugo service center.

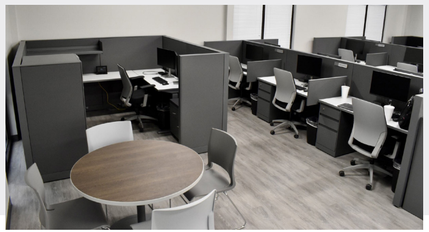
4,200
metric tons
of total Scope 2 emissions estimated from ONE Gas-owned and occupied facilities in 2023, an 8% reduction over the previous year.

In 2023, we completed construction on our new service center in Hugo, Oklahoma (above), and a renovation of our St. Elmo Service Center (right) in Austin, Texas. We used the following sustainable building equipment and materials in both facilities:

- Automated lighting sensors
- Automated thermostatic controls
- ENERGY STAR-certified TVs and appliances
- High-efficiency HVAC units and hot water tanks

Additionally, in 2023, we completed an initiative to replace all interior and exterior light sources with LED lighting for all ONE Gas-occupied facilities. We also meet or exceed the minimum ENERGY STAR and Uniform Energy Factor ratings on our HVAC units, hot water tanks, TVs and appliances.





CEO Message ■ Benefits of Natural Gas **Environmental Sustainability** Safety and System Integrity ■ Social Commitment ■ Governance ■ Metrics

Environmental Stewardship

Being an environmental steward goes beyond reducing carbon emissions. We also strive to reduce the environmental impact of our operations, including recycling scrap polyethylene (PE) in Oklahoma. We participate in careful operational planning and partner with government agencies, non-government organizations and local nonprofits to avoid, limit or mitigate the impact on endangered species and their habitats.

Habitat Conservation

When our growing service territory requires new development or significant construction projects, we consider biodiversity before work begins based on applicable regulatory requirements. The evaluation outlines the potential for the existence of threatened or endangered plants and animals and their habitats along our proposed project right-of-way.

If it is determined that a habitat for a threatened or endangered species may be present, we perform a field study that may lead to further permitting and mitigation, as appropriate, before the construction phase can begin.

When completing a construction project, we work to restore the property to its original state or better. Improvements may include laying sod or reseeding with native vegetation, as appropriate and agreed upon with the property owner.



The endangered golden-cheeked warbler.

In 2023, we entered into a contract with the Balcones Canyonlands Conservation Plan (BCCP) as part of Texas Gas Service's Mopac line installation in Austin. We agreed to take measures to minimize the impact on endangered species in the area, particularly a federally endangered songbird, the golden-cheeked warbler, the only bird species with its entire population within the state of Texas. Our participation in the BCCP will help protect the golden-cheeked warbler's habitat as we complete the construction of this project.

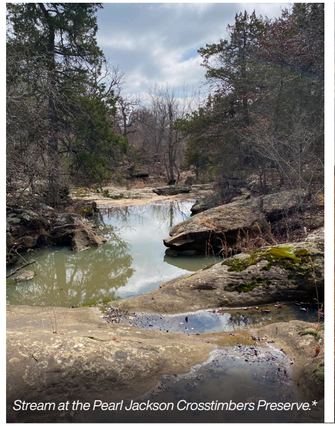


Water Management

While our daily operations as a natural gas distribution company are not water-intensive, we are committed to using natural resources responsibly. Our water management efforts include:

- Reducing water consumption in employee-occupied facilities with efficient flush valves
- Encouraging customers to reduce usage through our water conservation program
- Using captured stormwater to aerate low-impact landscaping where appropriate
- Updating landscaping with water-friendly native plants and grasses
- Monitoring water use and recycling during our limited hydrostatic testing in accordance with Clean Water Act requirements, state regulation and permitting requirements and other regulatory requirements

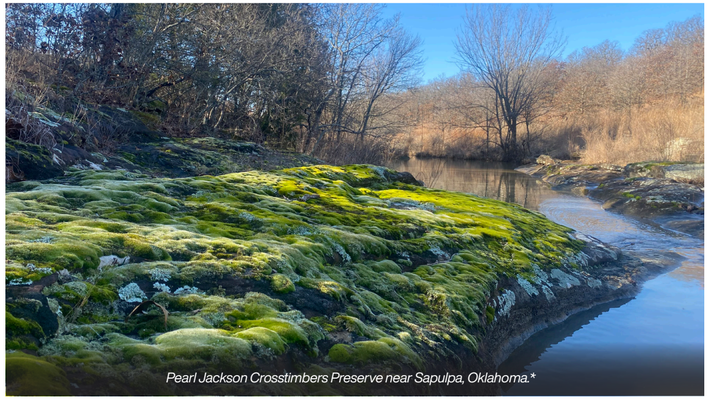
In 2023, our energy efficiency programs saved 26,832,600 gallons of water.



*Stream at the Pearl Jackson Crosstimbers Preserve.**



*Prairie at the Pearl Jackson Crosstimbers Preserve.**



*Pearl Jackson Crosstimbers Preserve near Sapulpa, Oklahoma.**

ONE Gas strives for 100% compliance in all we do, including compliance with environmental regulations. The EPA did not issue any fines or notices of violation against ONE Gas for non-compliance with environmental regulations for 2023.

Supporting Biodiversity

ONE Gas is proud to financially support The Nature Conservancy and its work on the native plains of Oklahoma. Since 1986, The Nature Conservancy has worked to conserve more than 100,000 acres of Oklahoma's landscapes and unique biodiversity. Through habitat restoration, protection and stewardship, The Nature Conservancy provides a standard for land management and restoration to the state's native plains. In 2023, The Nature Conservancy announced the addition of the Pearl Jackson Crosstimbers Preserve, a 12,000-acre woodland landscape with oak trees more than 200 years old that will be used as an opportunity to teach Oklahomans about conservation.

*Photos courtesy of Barry Maxwell, The Nature Conservancy



Safety and System Integrity

A Culture of Safety	22
Training and Development	24
Business Continuity Plan and General Emergency Preparedness	26
System Integrity	27
Cyber and Physical Security	31
Operational Safety and Emergency Preparedness	32

Safety is our No. 1 Core Value. It drives our actions and sustains our culture. Safe driving, personal injury prevention and public safety are essential aspects of our daily work. Our training, processes and procedures are designed to reduce the risk of incidents or harm to our employees, customers and communities.



We believe our commitment to safety carries over into other areas of our work, resulting in system improvements and better service to our customers. **We aim to continuously improve personal and operational safety.**

A Culture of Safety

Everyone at ONE Gas strives to emphasize safety and compliance no matter their role, and understands the importance of work being done accurately, completely and in a timely manner. Our focus on safety and compliance has helped drive down workplace injuries. We regularly rank in the top quartile for similar-sized local distribution companies for all three personal safety metrics tracked by the AGA: Total Recordable Incident Rate (TRIR); Days Away, Restricted or Transferred (DART); and Preventable Vehicle Incident Rate (PVIR).

Recognized for Safety Excellence

The AGA recognized ONE Gas for having the lowest incident rate for DART for the seventh consecutive year (2017 to 2023). DART represents the most severe types of injuries.

Our DART rate has decreased by 87% since 2014. ONE Gas' safety scores place the company among the safest natural gas distribution companies nationwide. We are proud of our success in driving down serious injuries, as reflected in our DART rate, and we continue to emphasize the importance of safety throughout our operations.

ONE Gas has had zero work-related fatalities since its founding in 2014.

Since 2014, we've enhanced our safety culture and improved our safety record in the following metrics:

56% **reduction in our TRIR**

59% **reduction in strains and sprains, the most prevalent type of injury**

87% **reduction in our DART rate**

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability **Safety and System Integrity** Social Commitment ■ Governance ■ Metrics

Work When Safe Culture

Our co-workers are empowered to stop work when an unsafe condition arises and to wait to start a job until safe working conditions are verified. This "Work When Safe" mindset encourages employees in all work settings to think through what could happen before work begins and prepare for those contingencies rather than waiting to respond if something happens.



Empowering Employees to Enhance Safe Practices

The Safety Partners Committee is composed of employees who are generally at or below the supervisor level. Committee members perform peer-to-peer observations and provide feedback, give positive reinforcement and encourage safe behaviors. The committee uses the information gained to develop safety communications and select areas of focus for safety meetings, including organization-wide Safety Days, which are half- or full-day events where employees meet to learn how to increase safety awareness and practices as they perform their work.

We also utilize Learning Teams to leverage the knowledge and experience of our co-workers who work in the field so we can identify and prepare for potentially harmful situations and unexpected conditions that may arise.

The O-Net app is another tool that allows employees to provide direct feedback and influence safe practices. Any ONE Gas employee can use O-Net to submit near misses, ideas for improvement and good catches, which can all be used to further develop our safety programs.





Leader in the Field

Leader in the Field is an observation-based program that promotes positive, in-person, safety-related interactions between leaders and those they lead. Leaders interact with personnel in real time as work is conducted so the leader can learn about the task being performed, discuss and remediate any employee concerns, and have a positive conversation about the job. This tool supports open and positive relationships and aims to improve safety outcomes while also serving as an opportunity to spotlight the exemplary work of our co-workers.

Learning Event Protocol

A learning event review aims to understand what led to a safety incident. Learning events explore the systems and processes in place to prevent accidents, helping employees better understand work as performed versus work as planned. This approach supports our focus on "what failed" versus "who failed," leading to better outcomes for our organization and co-workers. Successful learning events support a narrative inclusive of multiple perspectives at all levels of the organization. Learning events follow this framework:

- **Act** – We have opportunities to act when something does occur. This should be a chance to learn, as we can continuously improve our systems and processes.
- **Identify** – Based on the initial investigation and review, we identify opportunities to correct or enhance our safety protocols in some capacity.
- **Learn** – We prioritize any actionable items and feedback to improve our performance with people, systems and processes. We can then share our findings across the organization.

Act | Identify | Learn

Work When Safe Newsletter

Leaders share a weekly safety newsletter that identifies safety- and health-related topics, practices and procedures. Frontline managers and supervisors deliver this message to their respective employees. The newsletter is also available on our intranet so all employees can comment and offer their perspectives.

Work when Safe



Training and Development

Comprehensive Training

All employees receive annual training on our Code of Conduct, cyber and physical security; environmental, safety and health (ESH) compliance; discrimination and harassment prevention; conflicts of interest; and records disposition. All employees who may handle personal health information receive HIPAA training, and our Operations employees engage in a variety of safety and emergency preparedness training on an annual or more frequent basis, in addition to periodic training related to operator qualification.

State-of-the-Art Training Center

ONE Gas has a 17,000-square-foot specialized training center to provide hands-on training to our field service employees. The center also allows office personnel supporting Field Operations to better understand our training and processes. In 2023, more than 26,000 training hours were logged for customer service, construction and maintenance training.

Simulation City

Our training center includes eight buildings that replicate the real-world scenarios our field workers typically face. Hands-on training lets employees experience utility locating, identifying simulated leaks and addressing code violations. The training center also includes a pipeline inspector training program, live firefighting training program and a dig site for teaching safe digging techniques, best practices for trench shoring and how to handle emergencies.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability **Safety and System Integrity** Social Commitment ■ Governance ■ Metrics











Operator Qualification

Federal regulations require operators of energy pipelines to have an Operator Qualification (OQ) Plan and Program to reduce human error and protect life and property. ONE Gas has a comprehensive OQ plan that defines the requirements and processes used to qualify individuals who perform covered tasks on ONE Gas' pipeline system. Training for our field workforce aligns with B31Q, the industry safety and integrity standard published by the American Society of Mechanical Engineers. Employees and contractors working on our system can access our comprehensive operating standards electronically, so they always have access to the information they need to perform the job correctly.

Coming in 2024:

Planned construction of a similar training facility in Gonzales, Texas



An ONG field inspector takes notes on a job site.

Contractor Safety

We have implemented a contractor safety and evaluation process to uphold our commitment to safety excellence. This involves consistent communication and inspection aimed at assessing and maintaining the safety standards of our contractors. We go the extra mile by vetting potential contractors and verifying their safety performance records, policies and practices to foster alignment with our requirements before engaging in any work activities.

Our dedication to safety extends beyond the initial bidding process. We integrate safety requirements and adherence to regulatory mandates and industry standards into our contractual agreements. Our dedicated contractor performance team monitors contractor safety post-onboarding and promptly addresses emerging concerns.

Our annual Contractor Safety Summit serves as a crucial forum for knowledge exchange and skill enhancement. During this summit, contractors travel from across all three states to interact with representatives from ONE Gas, exchange valuable insights, share best practices and stay up to date with the latest safety protocols and procedures.

Business Continuity Plan and General Emergency Preparedness

Our emergency and crisis plans, assessments and committees are designed to mitigate risk and promote emergency preparedness for pipeline operations and cybersecurity. We conduct large-scale crisis drills yearly, alternating operating divisions each year, and involve local emergency management personnel and public authorities. Each operating division performs five smaller-scale drills each year.

Company officers and management regularly discuss areas of improvement and industry examples of natural gas emergencies and responses. All departments must create, maintain and periodically update business continuity plans.

We also participate in emergency drills hosted by various third-party community partners, agencies and organizations.

Crisis Planning Guidance Documents Include:

- Pipeline Emergency Response Plan
- Threat and Hazard Identification and Risk Assessment
- Crisis Management Plan
- Business Continuity Plan
- Pipeline Security Plan
- Cybersecurity Incident Response Plan



A cross-functional team participates in a crisis drill at the ONE Gas Training Center.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability **Safety and System Integrity** Social Commitment ■ Governance ■ Metrics

Emergency Response Time (ERT)

We monitor the time between creating an emergency order and the arrival of the first company responder to the scene and look for ways to improve our response time while maintaining safe driving practices.

In 2023, our average response time for natural gas emergencies was 27.85 minutes across urban, suburban and rural areas in Kansas, Oklahoma and Texas. ERT is incorporated into our short-term incentive pay metrics. In 2023, we exceeded our goal of arriving within 30 minutes 64% of the time.

Our Field Operations leadership reviews and evaluates ERT performance monthly to identify and execute opportunities for improvement.

System Reliability and Resiliency

We continue to invest in system integrity and reinforcements, increasing reliability and creating redundancies within our growing pipeline system. Our planning and ongoing investments in our system have enhanced reliability by adding storage capacity and delivery capacity and diversifying our gas supply portfolios. Since ONE Gas became an independent company in 2014, we have completed numerous interconnections and reinforcement projects to strengthen our system. We have also increased our storage capacity by approximately 20%. These investments have paid off — we experienced



no significant outages during Winter Storms Uri in 2021, Elliott in late 2022 and Mara in February 2023, despite the frigid temperatures, snow and ice that came with those storms.

System Integrity

We leverage data in all areas of our pipeline safety program to guide decision-making and improve our processes. Analyzing pipeline damage data and reportable incidents, understanding what the data tells us and reducing such incidents enhances safety for all stakeholders and helps reduce accidental methane emissions. Over the years, we have built several damage prevention and public awareness systems to improve our processes and drive down these numbers.

ONE Gas maintains Distribution Integrity Management and Transmission Integrity Management Programs (DIMP and TIMP) compliant with CFR 192 Subparts O and P to evaluate pipeline risk and implement mitigation strategies. Our programs utilize advanced, hosted risk-modeling software on our transmission assets and a probabilistic risk model for our distribution assets.



Gas Control is staffed around the clock for reliable and safe delivery of natural gas to ONE Gas customers.

Pressure Reduction

Operating our transmission pipelines at lower pressures significantly increases safety by greatly reducing the risk of a pipeline rupture. Through a series of projects, we have lowered pressures on certain high-pressure pipelines in metropolitan areas, reducing pressure on more than 1,400 miles of transmission pipelines over the last 15 years.

Data-driven Approach to Damage Prevention

ONE Gas utilizes a Damage Information Management System, a centralized process and system of record for documenting damage to ONE Gas natural gas pipelines and facilities. We have enhanced reporting mechanisms to make the data more accessible. From the data, the company can determine common causes of damage and use that information to improve our prevention and public awareness outreach and help reduce future pipeline damage.

Ticket Management System

Before digging or excavation activity, the law requires that a person or company call their local One Call Center (typically by dialing 811) so that local utilities can locate and mark any underground lines in the area to prevent damage.

ONE Gas uses a cloud-based ticket management system to intake and distribute excavation ticket requests from the One Call Centers in the states we serve.

We continue to in-source line-locating work in certain areas, allowing us to improve response times and productivity and re-establishing entry-level jobs that provide an invaluable pipeline of experienced field personnel for our workforce.



CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability **Safety and System Integrity** Social Commitment ■ Governance ■ Metrics



RADAR is an application developed by ONE Gas that monitors excavation activities near pipelines.

Risk Assessment and Damage Reduction

ONE Gas utilizes Risk Assessment and Damage Reduction technology, also known as RADAR, to pull excavation-related data from public and internal sources. This application helps us analyze data and prioritize the probability of damage occurring due to excavation activities near our pipelines. As higher-risk situations are identified, we can proactively connect with the excavator on site to foster safe practices. We are using RADAR in major metro areas across the organization. The implementation of RADAR is an excellent example of continual efforts to improve our safety performance and reduce emissions. Since implementing RADAR, we have completed over 17,000 proactive interventions with excavators across our service area.

Public Awareness Efforts

Our public awareness efforts and damage prevention programs proactively engage key audiences and provide information to help our stakeholders make informed and safe decisions and avoid damaging our pipelines.



The ONE Gas Dig Heroes encourage all customers to practice safe digging, including developers, homeowners and excavators.

Public Awareness Programs Include:

- *811 Call Before You Dig* – Participate in local damage prevention programs to promote safe digging
- *Natural Gas Safety* – Educate the public about how to detect a natural gas leak and what to do and not do if they suspect one
- *Cross Bore Education* – Provide cross bore awareness and safety measures to plumbing and excavating stakeholders (cross boring occurs when a natural gas line intersects another utility's line)
- *Social and Traditional Media* – Leverage popular social media platforms and news media channels to raise awareness of safe digging
- *Employee Engagement* – Create safe digging employee advocates through educational materials, contests and trivia

Key Audiences Include:

- Customers
- Homeowners
- Emergency responders
- Professional excavators
- Public officials
- Employees

Common Ground Alliance

ONE Gas is a member of the Common Ground Alliance, a member-driven association of more than 3,200 damage prevention professionals in every facet of the underground utility industry that allows stakeholders to collaborate, share best practices and promote effective damage prevention practices.



Field inspectors using the material tracking application.

Material Tracking and Traceability

We utilize a material tracking and traceability mobile application to document the installation of new or replaced pipeline facilities. Knowing the pipe location, material and installation date of our assets helps us plan system upgrades and replace pipes as needed. A quick barcode scan of the pipe captures essential data such as the type of material, date and location where it was made, which our system ties to the installation location.

Advanced Leak Detection Technology

We complete system leak surveys on a fixed-frequency schedule of all in-service assets. ONE Gas utilizes advanced mobile methane leak detection units mounted within vehicles throughout much of our service territory. Following multiple driving surveys along streets, the system generates locations to investigate possible leaks or where coverage was inadequate. We then send an employee to investigate potential leaks and, if a leak is verified on our system, it is repaired according to its classification. Our units are deployed in some operating areas in Oklahoma and Texas, and, upon approval from the Kansas Corporation Commission, the technology will be implemented in Kansas. Some advantages of advanced mobile detection include electronic data collection and analytics and the potential to survey faster than traditional walking leak surveys.



A leak survey team inspects natural gas lines in downtown Tulsa, Oklahoma.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability **Safety and System Integrity** Social Commitment ■ Governance ■ Metrics



Cyber and Physical Security

Our company's focus on safety extends to protecting our physical security, information technology and operational technology assets.

Our chief information officer (CIO) reports directly to the CEO, leading ONE Gas' cyber and physical security efforts. The CIO attends regular meetings of the ONE Gas Board of Directors to provide updates on the cybersecurity landscape and what we are doing to keep our customers, employees and systems safe. Under the CIO's direction, the ONE Gas cyber and physical security teams operate 24/7, continuously analyzing our business's cyber and physical security risks.

There were no disruptions to our business caused by a cyber incident or data breach in 2023. Our security teams remain constantly alert to keep our systems secure and remind our employees to be vigilant.

We address cyber and physical security risks through multiple layers of prevention:

Our Company

- Implements security technology, including AI-assisted surveillance and intrusion detection
- Exchanges information with peer companies to improve security across our industry
- Participates in Transportation Security Administration (TSA) corporate and critical facility security review programs
- Routinely engages third-party experts to assess the company's cybersecurity posture and controls
- Works collaboratively with TSA on the mandatory security directives issued to pipeline operators in 2021, Security Directives Pipeline-2021-01 and Pipeline-2021-02
- Utilizes cyber ratings, prepared by reputable external agencies, to assess our cyber proficiency on a standalone basis and comparatively against peers
- Provides employees with guidelines of responsible use for artificial intelligence

Our Cyber and Physical Security Teams

- Perform continuous monitoring of ONE Gas systems and facilities for cyber and physical security risks
- Routinely conduct cyber and physical security drills and training
- Security Operations Center (SOC) is staffed by security personnel 24/7

Our Technology and Data Compliance Team

- Led by our CIO, the Security and Information Technology Governance Committee is a cross-functional group responsible for overseeing the company's cybersecurity, physical security, artificial intelligence and compliance-related strategies, risks and operational initiatives
- Creates and executes the annual Cybersecurity Assessment Plan and other compliance reviews in support of TSA's Security Directives
- Coordinates the maintenance and compliance review of System Security Plans in support of Department of Defense federal contract acquisition regulations for technology and cybersecurity

Our Employees

- Complete regular, mandatory cyber and physical security awareness training
- Participate in monthly phishing awareness exercises
- Are provided with a phone number to report any suspicious activity connected to our assets or facilities
- Are trained in how to handle sensitive or confidential information, as appropriate to their roles

Privacy Practices and Protection

It is necessary for ONE Gas and some of its vendors and contractors to collect certain personal information about our customers to provide natural gas service. We take our obligation to protect this information seriously and have several protocols to safeguard customer information:

- We annually assess key components of our IT infrastructure as part of our Sarbanes-Oxley compliance review and our IT systems as part of our cybersecurity compliance review
- We encrypt sensitive data end-to-end in transit and while it is stored online and on backups
- We utilize technology and controls to reduce the risk of cybersecurity breaches
- Vendors with access to customer information are contractually obligated to employ adequate data security practices and protocols to protect ONE Gas information, including providing periodic SOC 2* reports and other information about their security credentials and practices
- The websites for each of our divisions provide customers data usage and privacy terms and conditions

**A SOC 2 report is designed to assure relevant entities about the suitability and effectiveness of an organization's controls relevant to security, availability, processing integrity, confidentiality and privacy.*

Operational Safety and Emergency Preparedness

Safety is a primary focus within our operations. Emergency preparedness and response planning are critical components of that focus and help maintain safe and reliable service to our customers.

Pipeline Safety Compliance

Our Pipeline Safety Compliance program supports the company's commitment to safety by implementing a framework and processes to support regulatory compliance. Our dedicated Pipeline Safety Compliance group works alongside our Operations team to drive compliance and continuous improvement across the organization by reviewing practices and procedures and engaging with leadership to identify areas for improvement.

Emergency Valve Corridor Project

Engineering and Operations have utilized modeling software and a sectionalized boundary grid system to continually upgrade the pipeline system and optimize shutoff valve locations in system planning. These modifications improve reliability by limiting outages when a line needs to be quickly shut off.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability **Safety and System Integrity** Social Commitment ■ Governance ■ Metrics

Safety Management System

ONE Gas uses a systematic approach to manage safety called the ONE Gas Safety Management System (OSMS). This safety management system aligns with the American Petroleum Institute's (API) Recommended Practice (RP) 1173 for pipeline safety, which utilizes a Plan-Do-Check-Act cycle to foster continuous improvement. In mid-2019, the AGA board asked member companies to implement API RP-1173 voluntarily within three years. ONE Gas was an early and enthusiastic supporter and has met this industry-wide commitment.

We continue to execute the OSMS at ONE Gas and work with contractors to help them integrate OSMS principles into their work. We use the four-step cycle to determine:

1) PLAN: what we need to do,
2) DO: how to execute the work,
3) CHECK: how to review what we did, and
4) ACT: how to improve.

These four steps provide an ongoing process to identify improvement opportunities. Our Environment, Safety, Health and Compliance (ESH&C) steering committee, which our chief operating officer chairs, is responsible for providing direction and oversight of the OSMS process throughout the organization.

10 Elements of the ONE Gas Safety Management System



1. Leadership Commitment
2. Risk Management
3. Operational Controls
4. Emergency Preparedness and Response
5. Incident Investigation, Evaluation and Lessons Learned
6. Safety Assurance
7. Documentation and Record Keeping
8. Management Review and Continuous Improvement
9. Competence, Awareness and Training
10. Stakeholder Engagement

ONE Gas met the full implementation of API RP-1173.



API RP-1173 2023 Highlights

- Conducted our second safety culture survey. Employees scored the safety-focused Gallup survey question a 4.24 on a 5.0 scale in 2023, an improvement over the 4.18 score in 2022.
- The near-miss review process is utilized to identify lessons learned from non-incident-related events. Resulting memos are developed and shared with organizational stakeholders.

AGA Peer Review

ONE Gas actively participates in the AGA's Voluntary Peer Review Program. Collaborating with peers to highlight leading practices and identifying opportunities for improvement reinforces our commitment to safety while driving a culture of innovation, resiliency and continuous improvement.

ONE Gas is an Active Member of Many Industry Organizations

AGA American Gas Association

GTI ENERGY solutions that transform

SGA LINKING PEOPLE, IDEAS, INFORMATION

ONE OUR NATION'S ENERGY FUTURE



Social Commitment

Supporting Our Employees	35
Inclusion & Diversity	37
Workforce Demographics	42
Well-being Programs	44
Customer Satisfaction	46
Giving Back to Our Communities	47
Political and Community Activity	50

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity **Social Commitment** Governance ■ Metrics

Social responsibility begins with fostering a safe, ethical and inclusive culture. ONE Gas co-workers care about supporting one another as much as they do our customers and the communities where we live and serve. Here's how we made a difference for our stakeholders.

Supporting Our Employees

Our Core Value of Service extends to supporting our co-workers. We foster a high-performing workforce by engaging people to do their best work in an inclusive culture based on trust and mutual respect.

Employee Satisfaction Survey

Since March 2016, ONE Gas has completed an annual Gallup employee engagement survey. Participation in the survey continues to be strong, with 88% of employees participating in 2023. Again, we were in the top quartile of Gallup's Overall Company Database for employee engagement.

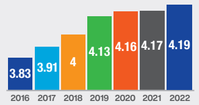
Gallup studies have consistently shown that organizations with highly engaged employees have fewer safety incidents, reduced turnover and increased productivity.

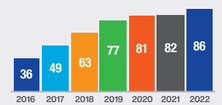
2023 Gallup Employee Engagement Results

Grand Mean

4.25 ↑ Goal: 4.20

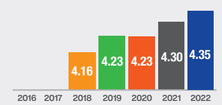
90 ↑ Gallup Company Overall Percentile





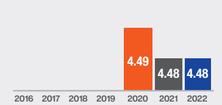
Inclusiveness Index

4.3 ↓

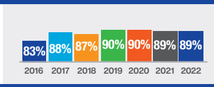


Values Index

4.56 ↑



Survey Participation **88%** Goal: >=85%



Action Planning **100%** Goal: 100%



Gallup Survey ranks using a scale of 1-5, with 5 being the highest

Our overall engagement increased for the seventh consecutive year.

Internal Candidate Experience

Filling open positions with internal candidates is cost-effective, leverages the skills of existing talent and provides employees with opportunities to grow their careers while remaining with the company. Our Talent Acquisition team offers internal candidate resources like resume preparation and interview coaching to help them apply for open positions. In 2023, ONE Gas filled approximately 57% of non-entry-level open positions with internal candidates, including 91% of open leadership roles.

Survey feedback on the enhanced internal candidate experience remains positive. We continue to strive to improve processes, fill open positions more quickly and provide a positive experience for both applicants and hiring managers.

Conscious Inclusion Training

Conscious Inclusion training is offered to leaders across the company. The course helps leaders identify and understand their biases and how they can impact team members. Leaders focus on creating an environment where curiosity about differences is encouraged, and inclusion is everyone's responsibility. Participants discuss how bias can appear in daily work activities, learn techniques to recognize and manage it and prepare practical action plans. As of December 31, 2023, 44% of our leaders had voluntarily completed this training. Conscious Inclusion training will be extended to individual contributors in 2024.



Leadership Training Programs

Our ongoing leadership training program is the backbone of our leadership development strategy. Because the development needs of leaders change as they progress, the curriculum is different for each management level and aligns with the skills and behaviors required for that role. The self-paced program includes classroom-based and online training as well as development experiences.

Exploring Leadership is a voluntary, self-paced curriculum for individual contributers interested in leadership. The program helps individuals explore the skills and behaviors our leadership roles require.

In 2023, our Talent Acquisition team completed the Society for Human Resource Management Employing Abilities at Work Certificate program. This certification educates human resource professionals on best practices to recruit, hire and retain individuals with disabilities and create a more equitable, diverse and inclusive workplace for all.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity **Social Commitment** Governance ■ Metrics



ONE Gas employees and family members at the Veterans Day parade in Tulsa.



Kansas Gas Service employees and family members at the Juneteenth Celebration in Wichita.



Texas Gas Service employees at the Pride parade in Austin.

Inclusion & Diversity

2023 Highlights

Ranked as a
Top Inclusive Workplace
in the region by the Tulsa Regional Chamber's Mosaic Inclusive Workplace Index for the second year

Recognized as a
Veteran Employer Champion
for the fifth consecutive year

Recognized as one of the
2023 Best Places to Work for Disability Inclusion
by the Disability Equality Index

Diversity, Equity and Inclusion Champion
Recognized by Oklahoma State University Career Services

59% of new hires were women or historically underrepresented individuals

Increased engagement and visibility among historically underserved high schools in our operating areas, including piloting
a high school internship program

Inclusion & Diversity Strategic Plan

Our Inclusion & Diversity (I&D) Strategic Plan is organized into four focus areas that align with our internal and external efforts.

1 Learning and Awareness

Highlights the value of learning about each person's experiences and perspectives in our work environment.

Initiatives within this focus area include:

- Training to increase awareness and understanding of behaviors and attitudes that can impact others
- Providing tools and tips for leaders that encourage authentic and honest conversations with their teams
- Creating awareness around what inclusive language means and how it affects others
- Helping employees find their connection to creating an inclusive culture where everyone feels valued and respected

2 Access and Opportunity

Focuses on creating opportunities, treating people fairly and removing barriers so employees can perform their best work.

Initiatives within this focus area include:

- Evaluating processes, policies and practices to remove barriers and identify ways we can provide opportunities for all
- Intentional succession planning and career development at all levels
- Reviewing recruitment and promotion practices
- Engaging Employee Resource Groups and I&D Champions and capturing their perspectives throughout our initiatives

3 Transparency and Accountability

Focuses on measuring, tracking and sharing progress toward developing a high-performing workforce.

Initiatives within this focus area include:

- Using data to identify gaps and opportunities to build a high-performing, diverse workforce
- Looking for trends in existing workforce demographics
- Being transparent with the data and communicating progress over time

4 Communication and Resources

Focuses on consistent internal and external communication about our I&D efforts.

Initiatives within this focus area include:

- Explaining why and how I&D relates to our overall business strategy
- Delivering consistent, frequent information companywide
- Creating tools and empowering conversations at the local level
- Developing a feedback channel to monitor our employees' experience

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity **Social Commitment** Governance ■ Metrics

I&D Is How We Approach Our Work

Much like our Core Value of Safety, I&D is fundamental to how we approach our work at ONE Gas. Through training, innovative programming and easily accessible resources, we aim to foster an inclusive environment based on respect and make our organization safer and more productive.

We recognize the importance of listening to our co-workers to create a more inclusive environment, which we continued in 2023 through CEO listening sessions, engagement with our I&D Council and ongoing dialogue among co-workers. We opened the opportunity for all employees to participate in listening sessions hosted virtually by our CEO. The small group sessions allowed employees to share their experiences and ideas in an open forum. The feedback is valuable in identifying areas where we can create meaningful improvements.







I&D Council

Our CEO chairs the I&D Council, which includes six permanent members and 14 rotating members from various functional areas and experiences who serve three-year terms. The I&D Council advises and advocates for inclusion and diversity in alignment with the company's mission. This includes supporting our I&D department in identifying opportunities and guiding the execution of the I&D strategy. Members are advocates who share our inclusion and diversity goals with their local teams.

The I&D Council accomplishes its purpose by:

- Assisting with developing the I&D strategy and related initiatives based on overall company business initiatives and any issues, gaps or opportunities identified and associated with I&D
- Reviewing and proposing practices and guidelines that support and advance an organizational climate that promotes I&D
- Reviewing Employee Resource Group applications and requests for recognition and endorsement
- Modeling inclusive behavior, inspiring others to do the same and continuously approaching their work through an I&D lens

Permanent Council members include the CEO and several leaders of Human Resources, Communications, Legal, Investor Relations & Sustainability and I&D. Rotating members are selected by the senior executive team, considering recommendations from existing Council members. All Council members are managers, directors or officers.

Employee Resource Groups (ERGs)

Our ERGs drive I&D engagement and awareness throughout our organization. ERGs help us recruit diverse talent, spread interest and awareness about underrepresented groups and promote allyship across the company. They also provide professional and leadership development opportunities for members. All employees are welcomed and encouraged to join ERGs, regardless of whether they identify as members of the group's constituency.



ONE PRIDE
(People Respecting Inclusion & Diversity in Everyone)
supports our LGBTQIA+ employees and communities



BLOG (Black Leadership at ONE Gas)
supports our Black and African American employees and communities



CAPABLE
(Caring, Adaptable, Proficient, Ambitious, Brave, Loyal, Equal)
supports people with disabilities and their caregivers



La Voz
supports our Hispanic/Latino employees and communities



Native ONE
supports our Native American employees and communities



VERG
(Veterans Employee Resource Group)
supports our veteran employees and communities



WE Lead
(Women in Energy Leading)
supports women in the workforce

In 2023, 32% of employees engaged in one or more of our ERGs. Our ERGs advance I&D throughout the company and our local communities for these employee groups and their allies.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity **Social Commitment** Governance ■ Metrics

ERGs Giving Back to Our Communities

During Pride Month, **ONE PRIDE** held donation drives throughout our footprint to support LGBTQIA+ youth and others in need. With the help of ONE Gas co-workers, more than 1,400 individual items were collected and delivered to these organizations.

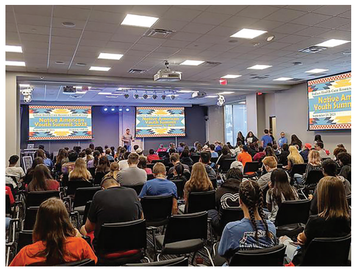
BLOG organized a virtual panel, "Black History Month: Why it Matters," showcasing ONE Gas leaders and employees. They had candid discussions on Black history, authenticity at work, and ways to strengthen our community.

To celebrate National Disability Employment Awareness Month, **CAPABLE** hosted Dining in the Dark events in Kansas and Texas, an event that guided participants into the world of vision loss. In Oklahoma, employees participated in the Center Experience, a team-building event at the Center for Individuals with Physical Challenges showcasing obstacles people with physical challenges experience daily.

La Voz marked Hispanic Heritage Month with a virtual meet-and-greet. Executive sponsors Jessica Miles, director of Talent Management and Shantel Norman, managing vice president of Operations, spoke about their ties to La Voz and the vital role ERGs play in fostering inclusivity at ONE Gas.

Native ONE hosted the Native American Youth Summit, which focuses on new ways for young urban Native Americans to advocate for themselves through life skills, including healthy relationships, coping skills, leadership development, opportunities after high school and navigating adulthood.

WE Lead hosted WE Learn, an annual professional development event that included resume building, networking and how to prepare for internal career opportunities.



Native ONE members host the Native American Youth Summit in Tulsa, Oklahoma.



VERG Honors Veterans

Driven by their mission to support ONE Gas veterans and veterans in the communities we serve, **VERG** champions veteran recruitment, career development, community outreach, professional growth and retention. VERG members serve or previously served in a military branch or identify as allies of veterans. In 2023, VERG grew its membership by 22% while expanding its commitment to civic and social partnerships in the communities we serve.

Signature Events in 2023:

- Launched a book club in partnership with Native ONE to inspire meaningful connections through reading and discussion. Co-author Buddy Levy joined the group to discuss his book "Geronimo: Leadership Strategies of an American Warrior."
- Launched Remember Everyone Deployed (R.E.D.) Fridays, which encourages employees across the company to wear red on Fridays to show support for our active military.
- VERG members in Austin volunteered at National Wreaths Across America Day, joining thousands of volunteers nationwide in placing more than 3 million wreaths at veteran gravesites.

Workforce Demographics

Category	U.S. Natural Gas Distribution Utility Average [1]	2023 ONE Gas	2022 ONE Gas
Women in the workforce	25%	25%	26%
Historically underrepresented individuals [2]	39%	37%	37%

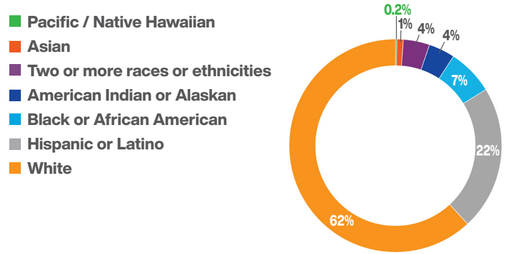
Category	2023 ONE Gas	2022 ONE Gas
Women in leadership positions	32%	31%
Historically underrepresented individuals in leadership positions	28%	28%
Women and historically underrepresented individuals in leadership positions [3]	49%	49%
Women and historically underrepresented individuals in Engineering positions	54%	50%
Women and historically underrepresented individuals in IT positions	49%	49%
Individuals with a disclosed veteran status	4%	4%
Share of women in junior management positions, i.e. first level of management	27%	26%
Share of women in STEM-related positions (as % of total STEM positions) Accounting excluded	51%	50%
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions	19%	19%
Individuals with a self-reported disability	8%	5%
Individuals with a self-reported disability in leadership [3]	12%	7%
Individuals with a self-reported disability, individual contributors	7%	5%

[1] *Source: U.S. Bureau of Labor Statistics*
[2] *Defined as individuals who identify as members of traditionally underrepresented racial and ethnic groups.*
[3] *Defined as supervisors and above*

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity **Social Commitment** Governance ■ Metrics

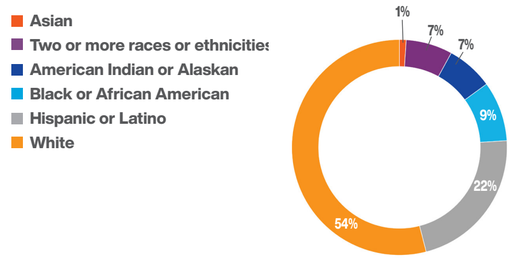
Ethnicity Breakdown for Total Workforce

ONE Gas' workforce demographics broadly resemble the ethnic breakdown of the three states in our footprint compared to U.S. Census data for 2020.



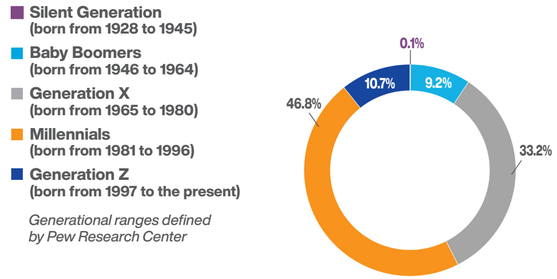
Ethnicity Breakdown of New Hires

We incorporate our value of Inclusion & Diversity throughout the employee experience, beginning with monitoring the effectiveness of our recruiting strategies.



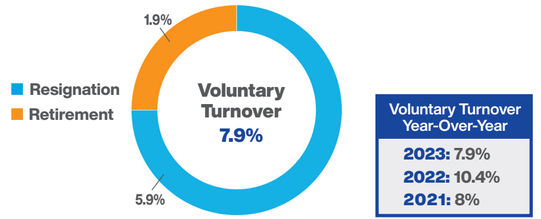
Age / Generational Diversity

We are mindful of generational differences as we develop our workforce and plan for future recruitment. Here is how our workforce looked from a generational perspective in 2023:



Turnover Rate

ONE Gas monitors its voluntary turnover rate to better understand market trends and opportunities to increase employee development, engagement and retention. Over the past year, our voluntary turnover rate has decreased by 2%. We continue to retain a high-performing workforce through dedication to an inclusive culture, attractive benefits and robust development programs.



Voluntary Turnover Year-Over-Year

2023: 7.9%
2022: 10.4%
2021: 8%

Well-being Programs

When it comes to our co-workers' well-being, ONE Gas is committed to providing resources and programs that can help support them in all aspects of their lives. Our co-workers' physical, financial, emotional and social health are all equally important to us. That's why we're proud to offer a well-being program that takes a holistic approach to wellness, inspiring and supporting our co-workers in their well-being goals now and in the future.

Four Areas of ONE Gas Well-being:

Physical Encourage healthy lifestyles where employees are aware of their state of health and opportunities for improvement	**Financial** Help employees prepare for the future by providing spending, saving and investing education to meet short- and long-term financial goals	**Emotional** Inform and promote resources and access to services to assist employees with addressing life challenges that can affect an employee's health, family life and job performance	**Social** Highlight the value of being part of a community and the importance of developing healthy relationships
Health and prescription drug insurance	Retirement savings plans: 401(k) & profit-sharing	Paid time off for holidays and personal time	Employee Resource Groups Mentorship program
Vision and dental insurance	Employee Stock Purchase Program	Flexible and remote work options	Professional development
Heath & Wellness Centers	Money management and financial education programs	Virtual counseling	Continuing education scholarship and tuition assistance programs
Health Spending and Savings Accounts (FSA, HSA)	Life insurance	Adoption assistance	Service recognition
Quit tobacco program	Accidental death & dismemberment insurance	Employee Assistance Program	Volunteer program
Dedicated lactation rooms	Short- and long-term disability insurance	Paid parental leave in addition to leave for maternity	Matching grants to 501(c)(3) nonprofit organizations
Virtual wellness visits	Dependent care flexible spending account	Child and elder care referral resources	Job shadowing

To learn more about employee well-being and benefits at ONE Gas, visit jobs.onegas.jobs/benefits

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity **Social Commitment** Governance ■ Metrics

Employees Helping Employees

The ONE to ONE Fund is an employee-funded charitable organization that helps fellow co-workers in times of personal crisis due to natural disasters, medical emergencies or other unexpected hardships. Employees may donate financial contributions or paid time off (PTO) hours to assist co-workers in need.

The ONE to ONE Fund is administered by an elected, eight-member board of directors made up of ONE Gas employees elected for four-year terms.

In 2023:

- 155 requests were approved
- 61 employees received financial assistance totaling $121,287
- 94 employees received 3,898 donated PTO hours





2023 retiree luncheon in Tulsa.



Texas Gas Service employee volunteers helped provide meals for Central Texans in need.



2023 United Way End of Campaign Celebration at First Place Tower.

Caring for Our Customers 2023 Highlights

86%
overall satisfaction score on the 2023 ONE Gas Customer Relationship Survey

85%
of customers indicated that we are "easy to do business with"*

29 Points Higher
overall customer satisfaction with our website than the utility industry average**

16 Points Higher
customers' overall satisfaction with our mobile app than the utility industry average**

** 2023 MSR relationship survey ** 2023 Verint Predictive Experience Survey*

Customer Satisfaction

We strive to help our customers quickly find solutions to their energy and financial needs and look for innovative ways to provide self-service options to them.

Our digital tools — such as our mobile app, online account management and text alerts — help customers conveniently pay bills, view payment history and schedule service from their preferred device and time of day. Our customers can pay their bills through frequently used mobile payment services like Venmo, PayPal and Amazon Payments. Our Kansas Gas Service, Oklahoma Natural Gas and Texas Gas Service websites help customers find information, explore payment options, learn about natural gas service or pay a bill easily. The websites also serve as a valuable communication tool to update customers on the financial and community resources available to them should they have a need.

We continue to encourage our customers to sign up for electronic statements. E-statements make it quick and easy for customers to receive monthly bills while reducing paper waste. The adoption of e-statements has continued to grow, with more than half of our customers now enrolled.

Customers who have paid online consecutively for the past 12 months and have not formally signed up for e-statements receive their paper bill without a return envelope — a small but impactful step toward building a more sustainable future for our communities.



A service technician connects a gas meter.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity **Social Commitment** Governance ■ Metrics

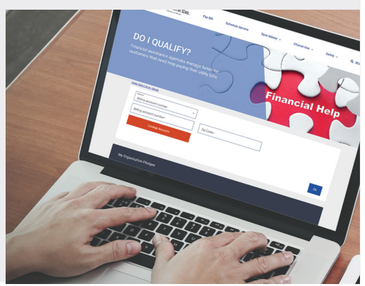
Low-income Support

We are mindful of the tough economic conditions many have faced in the last few years. In 2023, we formed a Low-income Advocacy Team that brings stakeholders from across the company together to share ideas and implement solutions to help our customers maintain service. ONE Gas is also a member of the National Energy & Utility Affordability Coalition. This nonprofit organization works to highlight the energy needs of low-income households and advocates for policies and programs to help reduce their energy burdens.

The ONE Gas Energy Assistance Portal is a tool that makes it easier for social service agencies to help pay customers' bills. Rather than calling customer service to access usage, billing, payment information or disconnect notice copies for applicants, agencies can self-serve at any time to obtain needed information. Once applicants are approved, pledges (eliminating past due balance) can be submitted through the portal to prevent disconnection while the payment is being processed.

Our Customer Service team takes a proactive approach to help customers prevent disconnections, including reaching out through calls, texts and letters, offering to work with customers on a payment plan and connecting them with payment assistance agencies. Support includes information on low-income energy assistance, statewide assistance programs and our Share the Warmth programs.







The ONE Gas Foundation provided funds to support the purchase of two natural gas ranges for the Ellsworth Junior & Senior High School.

Giving Back to Our Communities

ONE Gas Foundation Grants

The ONE Gas Foundation is a separate 501(c)(3) organization focusing on education and workforce development, community engagement and disaster recovery, and community collaboration and development within our service territory.

Giving Back to Our Communities 2023 Highlights

Contributed **$3.4 million** in ONE Gas Foundation grants, corporate sponsorships and community giving

218 matching grants (employee, retiree and director donations, giving more than $198,000)

205 teachers and **166** schools benefited from Public School Funding Grants

Doubling the Impact

The ONE Gas Foundation Matching Grant program empowers our people to decide where they want Foundation dollars to be invested, which keeps our funding diverse and doubles the impact of our employee giving. Each year, we match employee, retiree and director giving to qualified 501(c)(3) nonprofits in our company footprint, up to $5,000 per employee/director and $1,000 per retiree. In 2023, we donated $198,882 through 218 matching grants.



Students in the FFA program at Bixby High School in Oklahoma experiment with hydroponics kits donated by the ONE Gas Foundation.

Funding Our Public Schools

We proudly support STEAM initiatives (Science, Technology, Engineering, Arts and Math) that prepare students to join the workforce. In 2023, we awarded 224 public school grants which provided resource needs like STEM equipment, life skills and other resources to enhance the classroom for students with disabilities.

United Way Giving

United Way campaigns are a longstanding tradition for ONE Gas employees. The ONE Gas Foundation encourages employee giving by matching contributions dollar-for-dollar to support our local neighbors in need. Support for United Way begins at the top, with many company leaders serving in various United Way leadership and volunteer roles. Through the generosity of employees, retirees and the ONE Gas Foundation, ONE Gas gave $1,726,850 to United Way Campaigns throughout our three-state footprint.

2023 United Way Campaign

Volunteer Efforts

ONE Gas employees generously gave their time to make a positive impact in their communities. Employees across our footprint documented approximately 6,050 volunteer hours at local nonprofit organizations. Our volunteer projects highlighted building houses, fighting food insecurity, supporting youth development and working toward community improvement.



Oklahoma Natural Gas volunteers at a Touch-a-Truck event in Woodward.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity **Social Commitment** Governance ■ Metrics

Community Relations

Being a good corporate citizen includes investing in our communities financially and with our time. We are actively engaged with the communities we serve, working to build positive, long-lasting relationships with local elected officials and business leaders through open and honest communication. In addition to proactively addressing community concerns through town hall meetings or other forms of direct engagement, the Community Relations managers support local economic development opportunities and participate in or serve on local chambers, leadership programs, nonprofit boards and charitable events. Whether supporting local school districts, caring for the environment through conservation efforts, distributing weatherization resources or championing local causes, our Community Relations managers work diligently to help communities grow and thrive.



Kansas

Weatherization Kits for Kansas Communities

Since 2021, our Kansas employees have assembled and distributed more than 3,330 weatherization kits to nonprofits across the state. This effort aligns with our Core Value of Service and helped financially vulnerable Kansans improve home energy efficiency and reduce energy bills.

In 2023, the team made and delivered approximately 1,700 weatherization kits — the largest number we have ever distributed in one year.



Oklahoma

Making Play More Accessible

In Oklahoma, we partnered with The Center for Individuals with Physical Challenges to support the construction of their new accessible playground. This was the first fully accessible playground in Tulsa designed for youth with physical challenges. The ONE Gas Foundation provided a grant to support this project, which aligns with our Core Value of Inclusion & Diversity, and our Employee Resource Group CAPABLE was onsite to support people with disabilities and their caregivers.



Texas

Veterans Opportunity Center for the Homeless

In Texas, we partnered with the Opportunity Center for the Homeless to support their new Veterans Transitional Living Center (VTLC). The ONE Gas Foundation provided funding for the organization's new kitchen, helping them purchase a commercial gas range and stovetop, along with support for enhancing the dining space for residents. The VTLC will house around 20 men who are preparing to transition from homelessness to a more permanent living situation and employment. The Foundation grant aligns with our Core Value of Inclusion & Diversity and our Veterans Employee Resource Group, VERG.

Political and Community Activity

Advocacy

ONE Gas does not contribute corporate funds to candidates for office or political action committees. Instead, employees, retirees and directors may voluntarily contribute to the employee political action committee (PAC) to support various causes, including other political action committees and candidates seeking federal or state offices aligned with the company's priorities. Contributions are non-partisan and are reviewed by a diverse group of PAC members across the company.

While ONE Gas does not contribute corporate funds to political candidates, we remain engaged within our service territory when public policy may affect our business, customers, employees and the communities we proudly serve. We establish and maintain a dialogue with elected and appointed officials and business leaders concerning energy use, affordability and reliability issues.

We participate in trade associations and business groups like the American Gas Association and local chambers of commerce to advocate for our business and customers and support industry and economic development in our communities.

Our involvement extends beyond financial support and includes active participation in committees and taking leadership roles. Through these engagements, we advocate for causes that benefit our customers, such as promoting customer choice, government-funded energy assistance programs, damage prevention and other pipeline safety practices.

ONE Gas is committed to partnering with our communities to provide insight into the benefits of natural gas, which is essential to reducing global emissions while maintaining affordability, reliability and the quality of life that our customers enjoy and deserve.



Employees attend the annual ONE Gas employee PAC meeting.



Congresswoman Stephanie Bice tours the ONE Gas Training Center.



Kansas Gov. Laura Kelly signs the Safe Digting Month Proclomation declaring April Safe Digging Month.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity **Social Commitment** Governance ■ Metrics

Stakeholder group	Primary engagement topics	How we engage	Who engages
Investors	▪ Strategy and risk management ▪ Growth opportunities ▪ Emissions reduction ▪ I&D, workforce statistics	▪ Conferences and 1x1 meetings ▪ Quarterly conference calls ▪ SEC filings ▪ Sustainability reports ▪ Participation in ESG ratings	▪ Executive team ▪ Investor Relations ▪ Sustainability ▪ SEC team
Employees	▪ Strategy and risk management ▪ Safety ▪ Growth opportunities ▪ I&D, workforce statistics ▪ Cyber and physical security	▪ Sustainability reports ▪ Internal communications	▪ Executive team ▪ Corporate Communications ▪ Sustainability ▪ Cyber and Physical Security
Regulators	▪ Rates and rate design ▪ Tariffs ▪ Safety and system integrity ▪ Low-income strategy ▪ Emissions reduction	▪ Rate case filings ▪ Updates and briefings ▪ Sustainability reports ▪ News releases	▪ Rates & Regulatory ▪ Legal ▪ Commercial ▪ Community Relations ▪ Sustainability ▪ Operations
Customers and communities	▪ Affordability ▪ Safety and reliability ▪ Energy efficiency ▪ Environmental stewardship ▪ Ease of doing business ▪ Comfort and convenience ▪ Community support and philanthropy ▪ Role of natural gas in a low-carbon future	▪ Sustainability reports ▪ Websites ▪ Social media ▪ Bills inserts ▪ Contact center ▪ Targeted customer surveys ▪ News releases	▪ Corporate Communications ▪ Community Relations ▪ Customer Service ▪ Market Development ▪ Sustainability ▪ Operations
Local governments and chambers of commerce	▪ Clean energy policies ▪ Building codes ▪ Emissions reduction ▪ Safety and reliability ▪ Affordability ▪ Availability and ease of installation ▪ Role of natural gas in a lower-carbon future	▪ City council and community meetings ▪ Working groups and task forces ▪ Sustainability reports	▪ Community Relations ▪ Government Affairs ▪ Commercial ▪ Corporate Communications



Governance

Board of Directors	**53**
ESG and Climate-related Governance	**54**
Code of Business Conduct & Ethics	**55**
Supply Chain Management	**56**

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment **Governance** Metrics

Governance

Board of Directors

We are committed to providing lasting value and energy transition solutions for our stakeholders. Our commitment to sustainability aligns with our company mission — to deliver natural gas for a better tomorrow. This mission influences our business strategy and guides our decision-making, including our goals and targets related to ESG matters.

The ONE Gas Board of Directors is responsible for oversight of the company's business, including reviewing and approving our strategic and financial plan and evaluating climate-related risks and opportunities. Our corporate governance practices are designed to satisfy regulatory and stock exchange requirements and provide effective oversight and management of our company.

Our Board has adopted best practices in corporate governance and a comprehensive code of business conduct and ethics that go beyond the NYSE listing requirements.

These governance practices build upon a foundation of internal financial and compliance controls. The company reviews and updates its corporate governance policies and practices to keep current with the latest legal requirements and the best practices of other public companies.

For complete information on our corporate governance practices, including Board committees and charters, visit the Governance portion of our website or view our most recent proxy statement.

Governance Practices at ONE Gas

- Annual election of all directors by majority vote in uncontested elections
- Meaningful stock ownership requirements
  - Directors 5x annual cash retainer
  - CEO 6x base salary
  - Officers 2-4x base salary
- Lead independent director
- Audit, Executive Compensation and Corporate Governance Committee members are independent
- Independent directors meet in executive sessions in conjunction with all regularly scheduled Board meetings
- Diverse skills and qualifications of directors
- Securities/insider trading policy and training in place
- 78% of directors are independent

2023 Board Diversity

- 33% (3) of directors identify as women
- 11% (1) of directors identify as Hispanic/Latino
- Age range 53-75
- Selection criteria include consideration of diversity in evaluating candidates for Board membership

Board diversity as of December 31, 2023

Commitment to Board Diversity

ONE Gas' director selection criteria include consideration of diversity when evaluating candidates for Board membership. We believe that variety in experience, skills, geographic location, race and gender are important considerations because such diversity brings different perspectives to Board discussions and decisions. The Governance Committee discusses these considerations in connection with each director candidate and periodically regarding the composition of the Board as a whole. In addition, the Governance Committee and the Board conduct formal self-evaluations each year, including assessing whether they and the Board have adequately considered diversity, among other factors, in identifying and discussing director candidates.

ESG and Climate-related Governance

At ONE Gas, we are committed to operating safely, reducing emissions and evaluating climate-related risks and opportunities as we move toward a sustainable energy future.

The Board and ESG

Our Board is responsible for overseeing, reviewing and guiding our corporate ESG strategy as part of our annual strategic planning process. Our Board discusses corporate strategy throughout the year with management both informally and formally, including during executive sessions as appropriate.

The executives responsible for the Environment, Safety, Health & Compliance (ESH&C) Steering Committee and ESG Steering Committee each provide the Board with updates on safety, cyber- and ESG-related matters at every regular board meeting.

The ONE Gas Board and management team work together to set ESG targets, measure progress and drive accountability for our sustainability goals. We understand the importance of accountability and oversight when reporting ESG data and have developed robust internal processes to confirm the integrity of the data presented in this report.

After executive sign-off, our internal audit team verifies the data included in the report, which can be traced to source records.

ESG Steering Committee

In 2023, our chief financial officer chaired our ESG Steering Committee. The Committee oversees ESG disclosure efforts for the company and assists senior management in setting ONE Gas' strategy for addressing issues about climate and the environment, including efforts to reduce emissions; social issues, including how we interact with customers, employees, shareholders, communities and other stakeholders; and governance around these issues, including risk assessment and board oversight.

The Committee's activities are reported regularly to the executive leadership team. All committee members are officers, and various employees serve as ex officio members to provide subject-matter expertise.

The Committee includes members representing Engineering, Field Operations, Legal, Commercial, Communications, Human Resources, Inclusion & Diversity, Corporate Governance, Environmental, Safety & Health and Supply Chain. Having members from across the company on the Committee fosters collaboration and efficient execution of ESG-related goals and targets.

Climate Risk Round Table

In 2023, our Enterprise Risk Management (ERM) process included a round table focused specifically on transitional and physical climate-related risks. The round table included participants from Supply Chain, Gas Supply, Operations, Engineering, Legal, Rates and Regulatory, Commercial, Environmental and Sustainability. The risks identified informed our prioritization and management of climate-related risks through the strategies described in this report.

The Board and Risk Management

The Board implements its risk oversight responsibilities by having management provide periodic briefings and informational sessions on the significant risks our company faces and how it seeks to control and mitigate those risks. The Board also participates in crisis drills.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment **Governance** Metrics

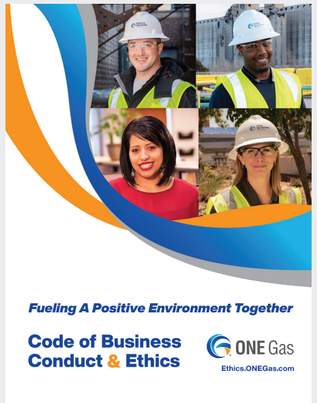
ESG Materiality Assessment

We conducted a materiality assessment to determine which ESG-related topics, including climate-related issues, are most important to our business and stakeholders, including our customers, employees, investors and communities. To determine which topics ONE Gas should focus on, we first considered definitions of materiality from several sources, including the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-Related Financial Disclosures (TCFD), the Global Reporting Initiative (GRI) and CDP. We noted how those definitions differ from the definition of materiality under the federal securities laws and regulations. As such, any use of the terms "material" and "materiality" in this report should not be interpreted as being in alignment with the understanding of materiality used for disclosure in our filings with the Securities and Exchange Commission (SEC).

To identify potential material topics, we reviewed and considered established ESG frameworks, the results of our ERM assessment, the S&P Corporate Sustainability Assessment, peer ESG reports, and questions and issues raised by investors and other stakeholders. We vetted the identified topics with leadership, including our ESG Steering Committee and adjusted based on their feedback. This year's report focus areas were then reported to and discussed with our Board of Directors in conjunction with our strategic planning process.

Code of Business Conduct & Ethics

Our Code of Business Conduct & Ethics provides guidelines for ethical issues when interacting with fellow employees, customers, suppliers, competitors, federal and state agencies or officials, and the general public. It reinforces our Core Values and culture, which are rooted in ethics. We adhere to all applicable regulatory requirements and industry standards and strive to exceed them. Employees train on these topics annually and confirm they comply. Visit ethics.onegas.com to read our Code of Business Conduct & Ethics.



Statement on Human Rights

ONE Gas is committed to an inclusive, safe and ethical workplace as demonstrated by our Code of Business Conduct & Ethics, Supplier Code of Business Conduct & Ethics, Equal Employment Opportunity statements and other Human Resources policies.

In alignment with our mission and as a part of our ongoing sustainability efforts, we have developed a Human Rights statement to reaffirm the expectations for our employees, business partners, contractors, suppliers and vendors of doing business as they relate to certain legal requirements, ethical practices and human rights. Visit our Corporate Responsibility page at onegas.com to read our Statement on Human Rights.

Supply Chain Management

Supply Chain Strategy

Our Supply Chain management strategy is based on building partnerships with vendors that share our values, meet our long-term resource needs and create efficiencies that result in cost savings for both parties. We engage with multiple vendors and issue work based on total value to meet our business needs for materials, goods and services. We select vendors based on key criteria, including:

Availability
The product is plentiful and supports our ability to safely and reliably deliver natural gas.

Safety and Compliance
Our suppliers comply with all laws and regulations.

Prudency
The goods and services are necessary and add value for our stakeholders.

Value
We evaluate and acquire products based on total value.

Where we have a choice and can meet our safety and value requirements, we seek to acquire from businesses that promote diversity in their composition of ownership and buy products that are made in an environmentally friendly manner.



Supplier Code of Business Conduct

We expect the highest ethical standards from our suppliers. The ONE Gas Supplier Code of Business Conduct & Ethics reinforces our expectations regarding suppliers' conduct, including 100% compliance with applicable environmental and human rights-focused laws and regulations. The document provides guidelines for various issues that may arise when dealing with our employees, customers, suppliers, competitors or the public. All vendors receive and acknowledge a copy of the Supplier Code of Business Conduct & Ethics and are expected to adhere to the guidelines outlined in the document. It can be viewed at ethics.onegas.com.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment **Governance** Metrics

Forward-Looking Statement and Important Notes and Disclaimers

Some of the statements contained and incorporated in this report are forward-looking statements. Forward-looking statements may be identified by words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "should," "goal," "forecast," "guidance," "target," "could," "may," "continue," "might," "potential," "scheduled," "likely," and other words and terms of similar meaning, however, all statements in this report that are not statements of historical fact should be considered forward-looking statements. Readers should not place undue reliance on forward-looking statements, which are applicable only as of the date of this report and are based on management's current expectations. These statements are subject to known and unknown risks, uncertainties, changes in circumstances and assumptions that are difficult to predict and often beyond our control. These and other factors may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by forward-looking statements. In addition, many of the standards and metrics used in preparing this report, including any underlying data used in preparing such metrics, continue to evolve and are based on expectations and assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees. The standards and metrics used, and the expectations and assumptions they are based on, have not been verified by any third party. Moreover, our disclosures based on any standards may change due to revisions in framework requirements, availability of information, changes in our business or applicable governmental policies, or other factors, some of which may be beyond our control. In addition to any assumptions and other factors referred to specifically in connection with the forward-looking statements, factors that could cause our actual results to differ materially from those contemplated in any forward-looking statement include, among others: socio-demographic and economic trends, energy prices, technological innovations, climate-related conditions and weather events, legislative and regulatory changes, our ability to gather and verify data regarding environmental impacts, our ability to successfully implement various initiatives throughout the company under expected time frames, the compliance of various third parties with our policies and procedures and legal requirements and other unforeseen events or conditions. These factors are not necessarily all the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other factors also could have material adverse effects on our future results, including factors that are unknown to us. Other risks are described in greater detail in Parts 1, Items 1A, Risk Factors, in our Annual Report and quarterly reports on Forms 10-K and 10-Q respectively, which we file with the Securities and Exchange Commission. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by all these factors. Other than as required under securities laws, we undertake no obligation to update publicly any forward-looking statement whether as a result of new information, subsequent events or change in circumstances, expectations or otherwise. You should not place undue reliance on any forward-looking statement. We do not undertake and expressly disclaim, any obligation to update or revise any forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made. This report also contains matters that may be significant, however, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws, even if we use the word "material" or "materiality" in this report. Given the uncertainties and assumptions required to make some of the disclosures in this report, and the timelines involved, materiality is inherently difficult to assess far in advance. Moreover, given the inherent uncertainty of the estimates, assumptions and timelines contained in this report, we may not be able to anticipate whether or the degree to which we will or will not be able to meet our plans, targets or goals in advance.



Metrics

Task Force on Climate-related Financial Disclosures (TCFD)	**59**
Sustainability Accounting Standards Board (SASB)	**68**
American Gas Association (AGA) Voluntary Reporting Tool	**80**
Pipeline and Hazardous Materials Safety Administration (PHMSA) Data	**83**
Leak Detection and Repair	**86**
Sustainability Report Metrics Summary	**90**

Reporting Framework

This report was developed with reference to the AGA ESG/Sustainability template, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB).

Additional Information

Please see our most recent Annual Report on Form 10-K as updated by the most recent Quarterly Reports on Form 10-Q and as filed with the SEC for information relevant to investment decisions in ONE Gas securities.

Welcoming Your Feedback

As you review our Sustainability Report, we encourage you to provide feedback. Please send any comments to IR@onegas.com. Thank you.

RATING ORGANIZATION	2024	2023	2022
MSCI	AAA	AA	AA
Sustainalytics	25.8	28.6	30.9
ISS Corporate Rating	C+/Prime	C+/Prime	C-

Rating scales

MSCI: AAA, AA, A, BBB, BB, B, CCC

Sustainalytics: Risk negligible (0-10), low (10-20), medium (20-30), high (30-40), severe (40+)

ISS Corporate Rating: (A+ = Excellent performance, D- = poor performance; prime rating varies by sector)

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance **Metrics**

Task Force on Climate-related Financial Disclosures (TCFD)

Preface

We have prepared this report following TCFD recommendations to provide information on our approach to climate-related risks and opportunities. Please refer to the accompanying 2024 Sustainability Report for additional information on the disclosures and metrics that are summarized below, and our most recent Annual Report on Form 10-K as updated by the most recent Quarterly Reports on Form 10-Q and as filed with the Securities and Exchange Commission (SEC) for information relevant to investment in ONE Gas securities.

Introduction

At ONE Gas, we focus every day on delivering safe, reliable and affordable natural gas to our customers. Our core values guide our commitment to implementing sustainable business practices, creating long-term value for our stakeholders.

Because we are a 100% regulated natural gas utility, our greatest climate-related risks, impacts and opportunities arise from Scope 1 and 3 emissions. Our Scope 1 emissions make up approximately 3% of our total emissions profile, and primarily consist of fugitive emissions from our system. Our Scope 3 emissions are the bulk of our emissions profile and consist of upstream emissions from gas supply (estimated at just under 20% of emissions) and customer emissions (approximately 80% of emissions).

We have the most control over our Scope 1 emissions because they come directly from our assets. We have set a goal to reduce our Scope 1 emissions due to leaks from our distribution pipeline system by 55% by 2035, measured from a 2005 estimated baseline and including projected growth. This goal is driven by our pipeline replacement and protection program. The primary focus of that program is to increase system safety and integrity. We do this by investing capital to replace vintage pipes with pipes made of more modern materials. The program also supports our climate-related goals because the new pipe has a lower emissions profile. Reducing emissions through our pipeline replacement program aligns with our core values and our capital strategy and has strong regulatory support. In 2023, we introduced an employee pay metric, applicable to all non-bargaining unit employees, that is based on emissions reduction tied to execution of our planned pipeline replacement activity.

In considering our strategy for reducing Scope 3 emissions, we are mindful that we provide an essential service and must consider customer needs in any decision we make. We have thus taken a customer-focused approach to Scope 3 emissions reduction. We are actively working to take advantage of opportunities to assist our customers in reducing their emissions, primarily by our expanding energy efficiency and education programs, which help customers use less energy, and by making alternative fuels, such as renewable natural gas (RNG), available to customers who are willing and able to pay more to reduce or offset their emissions. Upstream, we are evaluating opportunities to purchase responsibly sourced gas (RSG) and RNG, which have the potential to reduce the carbon intensity of our gas supply.

With the guidance of our Board, ONE Gas employees and management work hard to meet our emissions reduction goals, take advantage of opportunities related to alternative fuels and continue to safeguard our customers' access to a safe and reliable source of heat and energy.

Task Force on Climate-related Financial Disclosures (TCFD)

Governance

Board Oversight of Climate-Related Risks and Opportunities

Our Board of Directors oversees an enterprise wide approach to risk management. Management provides the Board with periodic briefing and informational sessions on the significant risks our company faces and how our management team controls and mitigates those risks. The Board reviews risks related to climate and environmental performance and the company's strategy for mitigating those risks as part of its risk oversight responsibilities. In 2023, the Board approved a pay metric tied to emissions reduction through execution of our planned pipeline replacement activity.

Our full Board is actively involved in overseeing, reviewing and guiding our corporate environmental, social and governance (ESG) strategies in both regular meetings and as part of our annual strategic planning process. This includes evaluating climate-related risks and opportunities.

To enhance its understanding of climate-related issues and their impact on the business, the Board has taken part in informational sessions on ESG materiality (which includes concepts and considerations that go beyond the federal securities law definition of "materiality"), stakeholder expectations around climate and ESG, and the role of a corporate board in ESG governance, including governance of climate-related issues. The Board is regularly updated on our Scope 1 emissions reduction goal and the progress we are making toward achieving that goal, as well as our efforts around RNG and alternative fuels.

While our entire Board remains responsible for ESG oversight, certain board committees also have ESG or climate-change-related oversight responsibilities, as follows:

- **Audit**
  - Oversees the performance of Enterprise Risk Management (ERM), which includes evaluation of climate-related risk
  - Reviews compliance with the company's code of business conduct and legal and regulatory requirements, including environmental and reporting requirements
- **Executive Compensation**
  - Considers and recommends to the Board, as appropriate, compensation and incentive structures, policies, procedures and related matters that support the company's ESG goals and objectives
  - Establishes pay metrics, including the pay metric tied to emissions reduction, that incentivize appropriate behavior and drive results
- **Corporate Governance**
  - Identifies and recruits individuals qualified to become directors and recommends director nominees to the board
  - Reviews and approves the company's policies on and responses to important shareholder issues and proposals, which may include climate-related concerns
  - Considers and recommends to the Board, as appropriate, governance programs and policies, and approaches to legislative affairs activities and political action committees that support the company's ESG goals and objectives

Our Board and management team work together to set emissions reduction targets, measure progress and drive accountability for our climate-related and other sustainability goals.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance Metrics

Management's Role in Assessing and Managing Climate-related Risks and Opportunities

Our senior leadership, including our chief executive officer (CEO), regularly reviews risks and opportunities, including those related to emissions and climate, and decides how to apply policies and strategies to address those risks and opportunities throughout the business. Each year, our leadership team reviews our strategic plan and considers the results of our ERM process to determine whether to make changes to the plan. This review has led us to incorporate "clean energy solutions" as a pillar of our strategic plan. We believe that our assets are essential to a clean energy future, and we are focused on reducing our own emissions and supporting our customers' emissions reduction efforts. Our pipeline assets can be used to transport other gaseous fuels (such as hydrogen or RNG) if demand for such fuels grows.

Steering Committees

We have established two steering committees that are led by executive management and focus on safety and environmental practices and climate and sustainability strategy.

Our Environment, Safety, Health & Compliance (ESH&C) Steering Committee is chaired by our chief operating officer (COO) and includes other members of our management team and senior operations personnel. The primary purpose of the ESH&C Steering Committee is to provide vision, leadership, direction and oversight of our ESH&C programs, processes and management systems for the protection of our employees, the environment and the communities we serve. The ESH&C Steering Committee reviews ONE Gas' pipeline integrity program, which includes the pipeline replacement and protection program that is driving our current Scope 1 emissions reduction goal. The ESH&C Steering Committee also oversees the development and implementation of our environmental programs, which include biodiversity protection and environmental compliance.

In 2021, ONE Gas created the ESG Steering Committee, which reviews and recommends climate-related and other sustainability policies and practices that are important to our internal and external stakeholders. The committee is chaired by our chief financial officer (CFO), who regularly reports the committee's activities to the executive leadership team and updates the Board on significant issues that came before the committee. The primary purpose of the ESG Steering Committee is to provide vision, leadership, direction and oversight of our ESG programs, strategy, processes and disclosures, as we continue to focus on integrating sustainable practices into our business while creating long-term shareholder value.

The ESG Steering Committee makes recommendations for new and enhanced disclosures around climate initiatives, metrics and emissions targets and enhances the company's understanding and integration of sustainable practices, including emissions reduction, into everyday business activities. This committee is part of our commitment to integrate sustainability risks and opportunities into business and risk management strategies. This effort includes input and collaboration throughout the enterprise and helps ensure that information around climate and our emissions reduction strategy is shared with all levels of management. To foster a high level of collaboration, the committee includes officers from the following operational areas:

- **System Integrity** – responsible for management of the pipeline replacement and protection program, evaluation of alternative fuels and carbon capture technologies from an engineering perspective, and development of related processes and procedures
- **Environmental and Safety** – responsible for environmental compliance, biodiversity protection and safety
- **Commercial and Rates & Regulatory** – Responsible for developing business opportunities, meeting customer needs and executing regulatory strategy

Task Force on Climate-related Financial Disclosures (TCFD)

- **Treasury** – responsible for managing finances and access to capital
- **Legal** – responsible for advising on risk and compliance, including environmental and regulatory compliance
- **Operations** – responsible the safe operation of our pipelines, which includes our replacement and protection program and practices and procedures to reduce operational emissions
- **Human Resources** – Responsible for employee engagement and inclusion and diversity efforts
- **IT and Enterprise Services** – Responsible for facilities (Scope 2 emissions), cybersecurity and technology solutions

Execution of Climate Strategy
Management executes our sustainability strategy, which is described below. Our current emissions reduction goal for emissions due to leaks on mains and service lines is dependent upon successful execution of our pipeline replacement and protection program. This program is overseen by our vice president of system integrity and carried out by our field operations employees.

Our resource management and fleet teams are working to reduce fleet emissions by maximizing our use of compressed natural gas (CNG) to the extent possible given current supply chain restraints.

Working with our Rates & Regulatory and legal teams, our commercial team is developing pathways to offer alternative fuels to customers. In 2023, we supported legislation in Texas to expand energy efficiency programs throughout the state and look forward to making them available to all our Texas customers.

Strategy

This section discusses climate-related risks and opportunities that ONE Gas has identified and which are included in this report in accordance with TCFD guidelines. This report does not address all risks facing ONE Gas; instead, it summarizes certain risks and our current expectations under the TCFD framework. Similarly, these risks are not necessarily all material for purposes of our reporting under federal securities laws, and the risks included herein may therefore be more expansive than those identified in our SEC reporting. Please note the important notes and disclaimers at the end of our 2024 Sustainability Report, which applies to this TCFD report as well, and review our most current Annual Report on Form 10-K or Quarterly Report on Form 10-Q filed with the SEC for further details and a listing of additional risks, considerations and assumptions. The reports can also be accessed at onegas.com.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance Metrics

We are a 100% regulated natural gas distribution company. As such, our primary climate-related risks and opportunities are transition-related risks and relate to reducing our methane emissions and making cleaner energy pathways available to our customers as demand arises. We are also exposed to some physical risks associated with climate change. We have robust programs in place to identify and mitigate climate risks and to take advantage of the opportunities that a transition to a cleaner energy future presents, as described below and in our 2024 Sustainability Report.

Transition Risks

Public Policy and Reputational Risk

As a natural gas utility, we compete primarily with other energy alternatives, such as electricity, to supply energy for space and water heating, cooking and clothes drying. Carbon neutral, energy-efficiency or other legislation or regulations intended to address climate change could increase our operating costs or restrict our opportunities in new or existing markets.

Our strategy to address these risks is to reduce our operational greenhouse gas (GHG) footprint (Scope 1 and 2 emissions), reduce the carbon intensity of the gas we transport by integrating lower-carbon fuels as customer demand for such fuels develops, educate our customers about the value of natural gas, engage with policymakers and regulators, and help our customers use less energy.

These risks also come with opportunities to expand energy efficiency programs and to make lower-carbon fuels such as RNG and hydrogen available for customers who want them. We are developing the infrastructure and knowledge to do that without putting capital at risk through direct investment in RNG or hydrogen production. Instead, we are working with RNG feedstock owners such as dairy farms and wastewater treatment facilities to help connect them with RNG developers. We have completed our interconnection design for RNG projects and have also developed gas specifications for RNG so that we are prepared to interconnect when projects are ready. We are participating in the H2@scale project in Austin, Texas and in other hydrogen industry partnerships to increase our knowledge around hydrogen blending and utilization so we are ready to provide this service when customers are ready.

- **Reducing Scope 1 Emissions**

We are working to reduce our operational emissions through our pipeline replacement and protection program, enhanced damage prevention programs and execution of timely leak detection and repair (including the deployment of modern technology for finding leaks and setting a timeline for repairing Grade 3 leaks).

We project that our pipeline replacement and protection program will allow for a 55% reduction in emissions due to leaks from mains and services by 2035, measured from a 2005 estimated baseline and including the continued growth we expect to see in our system. This program is fully integrated into our capital and system integrity strategies and has strong regulatory support.

We also reduce emissions from our system through timely leak detection and repair and through damage prevention programs that are designed to reduce third party damage to our pipelines. These activities are further detailed in our 2024 Sustainability Report. We are taking part in GTI Energy's Veritas project, which aims to develop a protocol to capture emission reductions achieved through these activities.

We are working to reduce emissions from our fleet through usage of CNG, which can reduce tailpipe emissions compared to gasoline, and by implementing operational practices that increase fuel efficiency, such as reducing unnecessary idling time.

Task Force on Climate-related Financial Disclosures (TCFD)

■ Reducing energy use in our buildings

We have implemented software to allow us to measure our Scope 2 emissions from purchased electricity and understand how much of that energy is generated from renewable sources. We have also incorporated sustainability considerations into our building practices for the construction of new facilities to reduce our environmental impact, as further detailed in our 2024 Sustainability Report.

■ Integrating low-carbon fuels

RNG and hydrogen technologies offer potential opportunities to secure new gas supply sources that could be transported through our pipelines. Our evaluation of these technologies and opportunities includes: (1) establishing interconnection guidelines for delivery of alternative fuels to our system, (2) working with feedstock producers, developers and end-use customers to identify potential alternative fuel supply projects, (3) analyzing pipeline system integrity and gas supply implications, including sourcing opportunities, related to hydrogen use in our system, (4) partnering with industry groups to identify opportunities for hydrogen blending and utilization, and (5) evaluating the opportunity to reduce greenhouse gas emissions through the use of alternative fuels.

In Oklahoma, we have introduced a voluntary RNG tariff and are evaluating similar tariffs in other jurisdictions. We are taking part in RNG projects that are in various stages of development. In addition, we are participating in the Clean Hydrogen Future Coalition, which advocates for policies that are supportive of hydrogen project development, the Open Hydrogen Initiative, which seeks to develop protocols around hydrogen deployment and carbon intensity, and the H2@scale project, which is a collaboration of GTI Energy, the University of Texas and industry partners to demonstrate the development and utilization of hydrogen to meet multiple energy needs.

■ Educating customers and investors about the value of natural gas

The natural gas supply disruption due to the war in Ukraine, historic cold weather events across the United States and increasing energy needs due to artificial intelligence and other sources of increased demand have demonstrated the value of having a secure, diversified source of energy, especially for heating homes and essential businesses when cold weather strikes. As customers look for a reliable and affordable source of heat and energy, demand for natural gas continues to grow within our service territory. Through customer communications, community engagement, discussions with investors and support of trade organizations such as the American Gas Association (AGA), we are working to increase awareness of the benefits of natural gas, the continued and growing demand within our service territory and the supportive regulatory environment in which we operate.

■ Engaging with policymakers

The state legislatures, governors and regulators in our service territories understand the importance of natural gas to our local economies. We engage with our elected and appointed officials to help keep them informed about issues that are important to our business and our customers. The legislatures in all three of the states in which we operate have passed energy choice legislation, which prohibits local governing bodies from banning any single fuel source. Transitioning from natural gas to electric or another fuel source can have high costs that customers may struggle to afford. Our community relations specialists engage directly with local governing bodies to help them understand the benefits of an affordable, reliable and diverse array of energy options, including natural gas, for their communities.

■ Helping our residential and commercial customers reduce their emissions

In Oklahoma and the Central-Gulf and Rio Grande Valley service areas in Texas we have energy efficiency programs that allow us to offer rebates to offset part of the cost of replacing customers' appliances with options that are more efficient. In addition, we educate customers throughout our service territories about using less energy. We are working to expand our energy efficiency programs throughout our service territories through regulatory and legislative engagement, because using less energy helps customers save money and lessen their impact on the environment. In 2023, we supported legislation in Texas to expand energy efficiency programs throughout the state and look forward to making them available to all our Texas customers.

We are also working to help our transportation customers who are interested in reducing their emissions by connecting them with a supply of RNG where and when available, which may be considered carbon-neutral at combustion and, in some cases, carbon-negative due to the capture of methane that would otherwise vent to the atmosphere.

In addition to these actions, we are investing and taking part in research and industry partnerships focused on emissions reductions and low carbon technologies including:

- ONE Future
- GTI Energy NZIP
- H2@Scale
- Clean Hydrogen Future Coalition
- Open Hydrogen Initiative
- Oklahoma Hydrogen Production, Transportation and Infrastructure Task Force
- Carbon Utilization Research Council
- Other research and development conducted by GTI Energy

Compliance and Legal Risk

We are subject to environmental regulations and legislation, including those intended to address climate change, which could increase our operating costs, adversely affecting our financial results, growth, cash flows and results of operations.

We aim to mitigate those risks by monitoring changes in laws and regulations and by using internal and external resources to monitor the environmental impact of our activities and stay in compliance with applicable laws and regulations. Our active participation in the AGA and other industry groups helps us to stay aware of changes in the law and to provide input for proposed regulations that affect our business. We engage with our elected and appointed officials to help keep them informed about issues that are important to our business and our customers.

Please see our 2024 Sustainability Report for more information.

Task Force on Climate-related Financial Disclosures (TCFD)

Physical Risks

Our primary physical risks related to climate change arise from severe weather events, such as hurricanes, floods, thunderstorms, tornados or sustained extreme temperatures. These severe weather events could increase in number or severity due to climate change. Extreme weather conditions in general require increased system resiliency, adding to costs, and can contribute to increased system stresses, including service interruptions. Weather conditions outside of our operating territory could also have an impact on our revenues and cash flows by affecting natural gas prices. Prolonged periods of extreme cold or warmer than usual winter temperatures can affect customer demand for natural gas.

We aim to mitigate physical climate risks related to system strain by investing in system integrity and reinforcement and creating redundancies within our system. In past winter storms Uri, Mara and Elliott, our system, processes and employees performed well with no significant service disruptions. The lessons we learned from Winter Storm Uri in 2021 and the resulting investments we have made in our system – including added storage capacity, system reinforcements and diversifying our gas supply portfolio – have enhanced our system reliability.

We aim to mitigate physical climate risks related to natural gas prices by having a diverse gas supply profile that includes physical hedging such as storage, financial options and flexible purchasing strategies, including buying a portion of our supply at fixed prices. Our gas supply plans are prepared annually and furnished to our state regulators. We do not anticipate problems with securing natural gas supply to satisfy customer demand; however, if supply shortages were to occur, we have curtailment provisions in our tariffs that allow us to discontinue natural gas service to large industrial users and to request that residential and commercial customers reduce their usage to an amount necessary for public health and safety.

We also aim to mitigate the risk of outages due to extreme weather with advanced planning so we can deploy needed resources quickly and efficiently. We have contracts that allow us to access CNG via mobile trailers so that we can quickly add supply where needed when traditional sources of natural gas are unavailable.

Metrics and Targets

Please see the accompanying 2024 Sustainability Report for our metrics and targets, including:

- Total estimated 2023 Scope 1 emissions, calculated using the GHG Inventory Protocol
- Estimated 2023 Scope 1 emissions due to leaks from mains and services
- Estimated reduction in emissions due to leaks from mains and services as of December 31, 2023
- Target reduction in emissions due to leaks from mains and services by 2035, accounting for projected system growth
- Estimated emissions avoided through Energy Efficiency Programs
- Estimated emissions avoided through the use of CNG in vehicles
- Estimated Scope 2 emissions for owned and occupied facilities
- Estimated electricity usage from renewable sources

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance Metrics

Risk Management

We use an integrated Enterprise Risk Management (ERM) framework to identify, assess and manage risks. Through this framework, we determine risk appetite and apply it to strategic planning, formulating business goals, prioritizing risks and developing risk monitoring activities and risk responses. The framework also enables us to evaluate risks, including those related to climate, both broadly across the business, as well as more specifically within business functions. This provides us with an aggregated view of risk, allowing us to analyze interactions between risks and coordinate distinct risk responses.

In 2022 and 2023, our ERM process included a roundtable focused specifically on climate-related risks, both transitional and physical. The roundtable included participants from Supply Chain, Gas Supply, Operations, Legal, Engineering, Rates & Regulatory, Commercial, Environmental and Sustainability. The risks identified informed our prioritization of risk and management of risk through the strategies described here and in our 2024 Sustainability Report.

Our Board of Directors monitors risk and communicates with management about the capabilities and efficacy of our ERM framework. Regular discussions occur between the Board and management related to risk appetite, key risks affecting our strategy and business aims, and the effectiveness of management's risk responses. The Board and management also use the ERM framework as a basis for developing, considering and adopting alternative strategies due to changing internal and external risks.

Management prioritizes risks and assesses the severity of risks through the ERM framework, which enables the selection and deployment of risk responses based on risk appetite, tolerance, and strategic or business goals. Risk assessments and responses are reviewed periodically by management and revised, if necessary, to reflect changing risks and business priorities.

Our chief financial officer (CFO) oversees the performance of our ERM framework with the aid of our internal audit team, who utilizes the risk assessment in the development of the internal audit plan. To maintain independence, the director of our internal audit team reports functionally to the Audit Committee of the Board of Directors and administratively to our CFO.

Sustainability Accounting Standards Board (SASB) 2023

SASB Code	SASB Title	Metric	2023	2022
IF-GU-240a.1	Energy Affordability	Average retail gas rate for residential customers	KGS: $15.08 per Mcf ONG: $15.14 per Mcf TGS: $19.54 per Mcf	KGS: $15.09 per Mcf ONG: $15.26 per Mcf TGS: $19.47 per Mcf
		Average retail gas rate for commercial and industrial customers	KGS: $13.39 per Mcf ONG: $12.14 per Mcf TGS: $11.91 per Mcf	KGS: $13.58 per Mcf ONG: $12.51 per Mcf TGS: $14.78 per Mcf
		Average retail gas rate for other customers (Compressed Natural Gas, Cogeneration Systems, Irrigation, Municipal Water Pump, Public Authority, Public Authority AC, Large Public Authority)	KGS: $56.82 per Mcf ONG: $9.02 per Mcf TGS: $16.73 per Mcf	KGS: $58.41 per Mcf ONG: $9.41 per Mcf TGS: $12.67 per Mcf
		Average gas rate for transportation services	KGS: $1.05 per Mcf ONG: $0.38 per Mcf TGS: $1.03 per Mcf	KGS: $0.98 per Mcf ONG: $0.35 per Mcf TGS: $1.01 per Mcf

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance **Metrics**

SASB Code	SASB Title	Metric	2023	2022
IF-GU-240a.3	Energy Affordability	Number of residential customer gas disconnections for non-payment, percentage reconnected within 30 days	We do not publicly disclose this metric. We work with customers to avoid disconnection. However, proactive measures, which vary by state, may include payment arrangement options, information on financial assistance programs and agencies, courtesy collection calls, disconnect notices, pre-disconnect calls and text messages. When we do find it necessary to disconnect a customer, we follow guidelines established by our regulators that, among other provisions, may restrict disconnections during periods of cold temperatures. After disconnection, we continue to provide customers with information about payment arrangements and financial assistance providers.	
IF-GU-240a.4	Energy Affordability	Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory	The regulatory authorities in our three operating states are responsible for ensuring that the utilities in their jurisdictions provide safe and reliable service at a reasonable cost, while providing utility companies the opportunity to earn a fair and reasonable return on their investments. U.S. households that used natural gas for cooking, heating and clothes drying in 2023 saved an average of $1,132 every year compared to households using electricity for the same activities, according to the American Gas Association. Our customers' natural gas bills make up about 1.3% of the median income in the jurisdictions in which we operate. A portion of the bill includes the cost of natural gas, which is passed through to our customers without a profit. ONE Gas employs several strategies to manage the risk of fluctuations in commodity prices, including physical and financial hedging and purchasing natural gas at fixed prices. For further discussion of specific risks, please see our Annual Report.	
IF-GU-420a.1	End-Use Efficiency	Gas utility revenues rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM)	(1) 0% (2) 0% More than 70% of revenues, excluding the cost of natural gas, are associated with fixed charges for revenue recovery that are not dependent on usage or weather. In addition, while we do not have a pure "decoupled rate structure," all our jurisdictions utilize weather normalization mechanisms. These mechanisms are designed to reduce the delivery charge component of customers' bills for the additional volumes used when actual heating degree days (HDDs) exceed normalized HDDs and to increase the delivery charge component of customers' bills for the reduction in volumes used when actual HDDs are less than normal HDDs. Normal HDDs are established through public rate proceedings in each of our jurisdictions . For more information please see our Annual Report.	(1) 0% (2) 0%

Sustainability Accounting Standards Board (SASB) 2023

SASB Code	SASB Title	Metric	2023	2022
IF-GU-420a.2	End-Use Efficiency	Customer gas savings from efficiency measures by market	ONE Gas energy efficiency rebate programs serve residential and commercial customers throughout Oklahoma and parts of Texas by educating customers and encouraging investments in energy efficient appliances that result in reduced net energy consumption and lower utility bills. In 2023, the Oklahoma Natural Gas Energy Efficiency program achieved site savings of 642,019 MMBtu, the Texas Gas Service Central Texas Energy Efficiency Program achieved site savings of 19,143 MMBtu, and the Rio Grande Valley Energy Efficiency Program achieved site savings of 4,379 MMBtu. The City of Austin franchise agreement mandates an energy efficiency program. The other programs throughout Oklahoma and Texas are encouraged by our regulators and have been voluntarily implemented by the company. For more information on energy efficiency, please see the Energy Efficiency section of the 2024 ONE Gas Sustainability Report.	
IF-GU-540a.1	Integrity of Gas Delivery Infrastructure	Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV)	(1) 2 (2) 0 (3) See SASB Addendum	(1) 2 (2) 0 (3) See SASB Addendum
IF-GU-540a.2	Integrity of Gas Delivery Infrastructure	Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel	(1) 0.00% cast iron; 0.030% wrought iron (2) 2.99% unprotected steel Approximately 90% of replaced pipe is replaced with PE pipe and 10% with coated, protected steel pipe	(1) 0.00% cast iron; 0.034% wrought iron (2) 3.35% unprotected steel Approximately 90% of replaced pipe is replaced with PE pipe and 10% with coated, protected steel pipe

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance **Metrics**

SASB Code	SASB Title	Metric	2023	2022
IF-GU-540a.3	Integrity of Gas Delivery Infrastructure	Percentage of distribution main pipelines inspected by leak survey	37.4%	38%
		Percentage of transmission pipelines inspected	17.3% ▪ 9.4% In-Line Inspection ▪ 0.4% Pressure Test ▪ 7.5% Direct Assessment	8.4% ▪ 1.4% In-Line Inspection ▪ 1.0% Pressure Test ▪ 5.9% Direct Assessment
		Percentage of transmission pipelines inspected by leak survey	100%	100%
		Percentage of new distribution pipelines pressure tested before being placed in service	100%	100%
IF-GU-540a.4	Integrity of Gas Delivery Infrastructure	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	Please see the SASB Addendum. For additional information on safety and system integrity, please see the 2024 ONE Gas Sustainability Report.	Please see the SASB Addendum. For additional information on safety and system integrity, please see the 2024 ONE Gas Sustainability Report.
IF-GU-000.A		Number of residential customers	~2,088,000	~2,078,000
		Number of commercial and industrial customers	~162,000	~162,000
IF-GU-000.B		Amount of natural gas delivered to residential customers	114,239 MMcf	125,286 MMcf
		Amount of natural gas delivered to commercial and industrial customers	40,630 MMcf	43,185 MMcf
		Amount of natural gas delivered to other customers (public authority and wholesale)	1,737 MMcf	2,725 MMcf
		Amount of natural gas delivered to transport customers	227,875 MMcf	230,080 MMcf
IF-GU-000.C		Length of gas (1) transmission and (2) distribution pipelines	(1) 2,300 miles (2) 63,499 miles	(1) 2,400 miles (2) 62,715 miles

Sustainability Accounting Standards Board (SASB) 2023

SASB Addendum

IF-GU-420a.2 Customer gas savings from energy efficiency measures by market

The following rebate programs are offered in the Oklahoma Natural Gas (ONG), Central Texas (CTX) and Rio Grande Valley (RGV) service territories. In 2023, we supported legislation in Texas to expand energy efficiency programs throughout the state and look forward to making them available to all our Texas customers.

OGS Energy Efficiency Programs									
	Residential			New Construction			Commercial		
Program	**ONG**	**CTX**	**RGV**	**ONG**	**CTX**	**RGV**	**ONG**	**CTX**	**RGV**
Range	✓		✓			✓			
Dryer	✓	✓	✓		✓	✓		✓	✓
Water Heater	✓	✓	✓	✓	✓	✓			
Furnace	✓	✓		✓	✓		✓		
Backup Generator			✓						
Low Income	✓								
Low Income Free Equipment		✓	✓						
ENERGY STAR / Home Performance		✓							
New Home Program				✓					
Multifamily Program*				✓					
Food Service							✓	✓	✓
Boilers							✓	✓	✓
Commercial Custom/Direct Install							✓	✓	✓
Water Savings Kits	✓	✓	✓						
Transportation (CNG)*	✓	✓	✓	✓			✓	✓	✓

**The multifamily and transportation programs (ONG only) are not funded through the Energy Efficiency budget.*

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance **Metrics**

IF-GU-540a.1. Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV)

We received NOPVs from state regulatory agencies, most of which were related to damage prevention. We continue to take action to enhance damage prevention programs and reduce third-party damages, as described below and in the accompanying 2024 Sustainability Report.

IF-GU-540a.4 Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions

Integrity Management: ONE Gas has in place Distribution Integrity Management and Transmission Integrity Management Programs (DIMP and TIMP) compliant with CFR 192 Subparts O and P to evaluate pipeline risk and implement mitigation strategies. Our programs utilize advanced, hosted risk-modeling software on our transmission assets and a probabilistic risk model for our distribution assets. These programs allow us to systematically assess and monitor the condition of our pipelines for continued safe and reliable service. Leakage surveys, cathodic protection monitoring, damage prevention and public awareness programs, emergency response procedures, continuing surveillance activities and patrolling inspections, and an overarching pipeline safety management system (PSMS) are also used to monitor, protect, and maintain the integrity of our pipelines. Several of these programs are further described below.

Damage Prevention: ONE Gas has a damage prevention program that is compliant with CFR 192.614. We leverage data in all areas of our safety and system integrity programs to guide decision-making and improve our processes. ONE Gas implemented a Damage Information Management System (DIMS) in 2019, which is a centralized process and system of record for documenting damage to ONE Gas natural gas pipelines and facilities. ONE Gas also utilizes a ticket management system to manage excavation tickets submitted through each state's One Call system so we can make data-driven decisions to improve line locating performance. To mitigate pipeline damage, we are leveraging this system to reduce excavation damage by prioritizing those tickets with the highest probability of damage and proactively connecting with the associated excavators prior to the excavation activity. See RADAR below on the following page.

Public Awareness: ONE Gas follows the general recommendations of the American Petroleum Institute (API) Recommended Practices (RP)-1162, Public Awareness for Pipeline Operators, and has a Public Awareness Program in place compliant with CFR 192.616. The program defines the requirements for pipeline safety education addressing four audiences: 1) the Affected Public; 2) Local Public Officials; 3) Excavators; and 4) Emergency Officials. As an organization, we are committed to providing safe, reliable, natural gas delivery, and performing our work in a manner that protects the safety of people who live and work near our pipelines. We strive for open dialogue about pipeline safety education with communities and key constituencies in our operating areas.

Pipeline Safety Management System: ONE Gas follows a comprehensive and systematic approach to managing safety called the ONE Gas Safety Management System (OSMS). This safety management system utilizes a Plan-Do-Check-Act cycle to foster continuous improvement. In mid-2019, the American Gas Association (AGA) board asked member companies to voluntarily implement API RP-1173 within three years. ONE Gas was an early and enthusiastic supporter of this industry-wide commitment.

ONE Gas monitors Pipeline and Hazardous Materials Safety Administration (PHMSA) advisories and National Transportation Safety Board (NTSB) investigations and is heavily involved in industry organizations to stay abreast of best practices and industry initiatives, including the AGA, Southern Gas Association (SGA), GTI Energy, and API. Our engineers work to include best practices and lessons learned in our operations and standards.

Leak Survey: In early 2020, ONE Gas invested in advanced mobile methane leak detection units and began a pilot to test the equipment across various pipe types, locations and surveying conditions. These units are now deployed in some operating areas in Oklahoma and Texas, and we are working alongside the Kansas Corporation Commission to implement the technology in Kansas. The mobile units are mounted within vehicles and provide in-depth analysis to create reports that provide locations of potential infrastructure leaks. Compared to traditional walking leak surveys, the advantages include an expanded search footprint, the ability to operate in adverse weather conditions and the potential to survey faster than walking surveys. Locating leaks and addressing them more quickly also reduces emissions. Our leakage survey programs are compliant with CFR 192.706 for Transmission Lines and CFR 192.723 for Distribution systems: Leakage surveys.

Sustainability Accounting Standards Board (SASB) 2023

SASB Addendum

Control Room: ONE Gas has a Control Room Management Plan in compliance with CFR 192.631. The Control Room Management Plan defines the Control Room operation processes for the operating entities of ONE Gas that are subject to pipeline safety control room regulations. Any controller working in a control room that monitors and controls all or part of the ONE Gas pipeline system through our supervisory control and data acquisition (SCADA) system must follow the requirements of the plan. A written Alarm Management Plan is kept for each control room to provide for effective Controller response to alarms. ONE Gas also has in place a Fatigue Management Plan as part of the Control Room Management Plan.

SCADA: ONE Gas has a SCADA system in place in compliance with sections 1, 4, 8, 9, 11.1 and 11.3 of API RP-1165. The ONE Gas SCADA system consists of a primary and backup SCADA server to control and monitor pipelines and facilities. The SCADA system is our link between the control room and the field equipment. Normal operations use the primary server with automatic failover to the backup server.

RADAR: ONE Gas began using Risk Assessment and Damage Reduction (RADAR) technology in major metro areas in Kansas and Oklahoma, began implementation in Texas and plans to expand deployment to more locations over the next few years. RADAR pulls data and information from public and internal sources to analyze and prioritize the probability of damage occurring due to excavation activities planned near our pipelines. Select field employees proactively connect with excavators at higher risk excavations to help foster safe digging practices and avoid pipeline damage. The implementation of RADAR is an excellent example of continual efforts to improve our safety performance supporting the OSMS, through its Plan-Do-Check-Act cycle.

1.3 The use of standards, industry best practices, benchmarking and participation in third-party initiatives, which may include, but are not limited to:

1.3.1 The American Gas Association's Peer Review Program

ONE Gas is an active participant in the AGA's voluntary Peer Review Program. Participating companies send natural gas subject matter experts to visit each other's facilities to conduct a week-long, in-depth review of specific areas, including safety culture, technical training, damage prevention and pipeline safety risk management. Peer reviewers observe operations and interview employees and contractors from all parts of the organization. At the end of the week, reviewers identify areas for improvement and best practices for safety and efficiency.

1.3.2 American Petroleum Institute's API Recommended Practices 1170 and 1171

Not applicable. ONE Gas does not currently own or operate underground natural gas storage assets.

1.3.3 Natural Gas Industry Safety Programs

ONE Gas is a member of the One Call (811) programs for each state in which it operates. These programs help facilitate the locating needs for gas lines before excavation activity and promote safe digging practices. ONE Gas provides additional education and training to promote safe digging practices, through education, training, social media campaigns and customer and excavator communications. ONE Gas is also a member of the Common Ground Alliance, a forum that allows stakeholders to collaborate, share best practices, and promote effective damage prevention practices.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance Metrics

SASB Addendum

1.3.4 The U.S. Environmental Protection Agency's (EPA) Natural Gas Program

We are a participant in the EPA's Natural Gas Methane Challenge program. In 2023, we exceeded our EPA Methane Challenge Program emissions reduction goal for the seventh year in a row. As a founding member of Methane Challenge, we've committed to annually replacing a minimum of 2% of our emissions materials (unprotected steel and wrought iron) — a target we've exceeded each year since we began the program.

ONE Gas is also a member of Our Nation's Energy Future (ONE Future), which represents more than 50 natural gas companies working together to reduce methane emissions intensity to 1% (or less) across the natural gas value chain. In 2023, ONE Gas submitted data to ONE Future for the third time. ONE Future reported a 2022 methane intensity for the group of 0.421%, well below the 1% target. The distribution sector intensity was 0.095%, beating the goal of 0.225% by over 50%. Participating distribution companies represented more than 40% of the gas delivered in the U.S. in 2022. These numbers demonstrate that the natural gas industry can minimize methane emissions, increase production and throughout, and supply much needed energy to the U.S. and around the globe for years to come.

2. How ONE Gas integrates a culture of safety and emergency preparedness throughout its project lifecycles, such as through training, oversight of workforce, rules and guidelines for communicating risks and use of technology

Safety is our foremost Core Value and is integrated throughout our culture and processes. Company leadership is committed to safety and regularly communicates the critical importance of safety to our workforce. Please see our 2024 Sustainability Report for more information about our safety culture and programs.

As noted above, we have adopted API RP-1173 and are following a Safety Management System that utilizes a Plan-Do-Check-Act cycle to analyze our activities and foster continuous improvement. Our employees are trained and empowered to start work only when safe and to stop work if they see anything unsafe, or if essential safety equipment is missing. Our Pipeline Safety Compliance group reviews procedure adherence and documentation for compliance with laws and regulations, prompting corrective action plans when needed.

As described more fully in Section 3 below, ONE Gas has in place a Pipeline Emergency Response Plan procedure that includes training and yearly drills.

ONE Gas opened a new training center in 2021 that is designed to provide hands-on training to Operations employees throughout the company. The 17,000 square-foot space has dedicated areas for specific disciplines, including pressure and measurement, customer service, construction and maintenance, fire abatement and management and excavation safety. A "Simulation City" includes eight buildings that replicate real-world scenarios our field workers typically face. Hands-on training lets employees experience utility line locating, simulated leaks and handling code violations. The ONE Gas Training Center logged over 26,000 hours of training in 2023.

ONE Gas is an active participant in the voluntary AGA Gas Utility Operations Best Practices Program. Each year, several roundtable topics are selected. Participating companies complete surveys that consist of quantitative and qualitative data for each roundtable topic. After data submission, industry leaders are identified and participating companies can benchmark their performance against peer companies. ONE Gas also participates in the roundtable meetings where best practices are shared and discussed with industry peers.

In addition to the requirements of our Operator Qualification Plan described in section 3 below, inspection and job site assessments provide workforce oversight. Inspectors utilize technology to verify operator qualification status of workers and record inspection activities. Field employees and contractors have ready access to ONE Gas operating standards. Our Field Operations and contractor performance teams work with contractors to enforce contractual provisions, check that operating standards and safety requirements are being followed, and provide resources to improve performance. We hold yearly safety summits with contractors to share best practices and reinforce that safety is ONE Gas' number one core value.

Sustainability Accounting Standards Board (SASB) 2023

SASB Addendum

3. Describe your approach to ensuring pipeline operators are qualified or supervised when performing a covered task

ONE Gas has a comprehensive operator qualification (OQ) plan, consistent with 49 CFR 192, Subpart N – Qualification of Pipeline Personnel, that defines the requirements and processes used to qualify individuals who perform covered tasks on ONE Gas facilities. ONE Gas employees began the transition in 2021 and will be fully transitioned to the new ASME B31Q covered task series by the end of 2024. The ONE Gas OQ Plan provides that individuals must be properly qualified to perform covered tasks or, for non-restricted tasks, be directed and observed by a qualified individual. The qualified individual is responsible for task performance and signing any related documentation.

ONE Gas recently implemented a new covered task series utilizing the 2016 version of ASME B31Q covered tasks. This new B31Q series is improving the quality and consistency of training and operator qualification for our field workforce. The transition away from each state's legacy covered task list to the new ASME B31Q covered task series began in 2014 for all ONE Gas contractors.

ONE Gas directly supervises and verifies OQ for its own employees and contractors and uses a blend of third-party services and ONE Gas evaluators to administer required proctoring and evaluations for the OQ process. OQ records for contractors and ONE Gas employees are housed by a third-party provider and are accessible to ONE Gas Field Operations. ONE Gas utilizes the eWallet card functionality to enhance the OQ verification process. The eWallet card is a requirement for both ONE Gas employees and contractors when working on a ONE Gas job site, and is used by inspectors to verify OQ.

In addition to the transition away from legacy OQ process to ASME B31Q, the ONE Gas training center is used to train and develop both new and transferred employees utilizing the B31Q covered task series as the core of the training content.

4. Describe efforts to mitigate risks and promote emergency preparedness, such as coordinating with third parties (e.g., sewer line and buried power line developers), performing timely pipeline inspections, repairing aging infrastructure, and maintaining current pipeline operator certifications.

As noted above, ONE Gas has in place a Pipeline Emergency Response Plan (PERP) procedure to mitigate risk and promote emergency preparedness for pipeline operations.

The PERP requires emergency drills for each operating division and includes local emergency management personnel and public authorities as appropriate. Each year in each division, threat and hazard identification and risk assessment (THIRA) meetings are conducted with company officers and management to plan for drills, including a discussion of areas of improvement and industry examples of natural gas emergencies. We also participate in emergency drills hosted by a wide variety of third-party community partners, agencies, and organizations.

The ONE Gas Operations and Maintenance (O&M) manual contains a procedure with instructions to Field Operations personnel to develop an isolation plan in preparation for unexpected operating conditions during the completion of a pipeline tie-in. The procedure instructs personnel to "confirm the location, accessibility, and operability of emergency valves, non-emergency valves, and proposed squeeze off locations," along with determining the direction and number of natural gas supply feeds into the area, system pressures, and the schedule and sequence of events necessary to complete the tie-in work.

ONE Gas has in place Distribution Integrity Management and Transmission Integrity Management Programs (DIMP and TIMP) consistent with CFR 192 Subparts O and P to evaluate pipeline risk and implement mitigation strategies. Our Damage Prevention and Public Awareness Programs proactively engage key stakeholders, enable ONE Gas to take steps to avoid damage to our pipelines and are consistent with applicable portions of CFR 192 Subpart L.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance Metrics

SASB Addendum

In addition to our public awareness efforts and damage prevention programs, ONE Gas provides cross bore awareness and information about safety measures to plumbing and equipment rental companies and excavating stakeholders in our service territories (cross boring occurs when a natural gas line intersects another utility's line).

ONE Gas plans its leak surveys to comply with federal and state codes. ONE Gas' pipe inventory is predominantly polyethylene (PE) and coated steel (93%). We continue to modernize our system by replacing or cathodically protecting our unprotected steel pipe and replacing other vintage pipe, which improves the safety and integrity of the pipe and reduces emissions.

See Section 3 of this SASB addendum for a discussion of our operator qualification program.

5. Describe efforts to manage risks related to human health and safety, and emissions, including fugitive emissions and process emissions, that arise out of the integrity of gas delivery infrastructure

ONE Gas procedures and practices are focused on safety, including the protection of human and health and stewardship of the environment. This is reflected in our construction practices, operation & maintenance of our pipeline systems, and environmental, health and safety procedures.

ONE Gas is subject to and has fulfilled the existing requirements of the PIPES Act of 2020, Section 114 which is a self-directed mandate from Congress requiring operators to review and update their O&M manuals to ensure the plans contribute to the public safety, eliminating hazardous leaks and minimizing the releases of natural gas from pipelines, and the protection of the environment.

Our pipeline replacement program has enabled us to lower emissions due to leaks from mains and services. By 2035, we expect to achieve a 55% reduction in emissions due to leaks from our distribution mains and services, measured from a 2005 baseline and accounting for projected system growth. We expect to achieve this goal primarily through our vintage pipeline replacement and protection program. We continue to utilize technology, such as mobile leak detection, to improve leak detection and repair programs and are integrating state-of-the-art advanced leak detection technologies and practices. Faster leak detection and repair reduces emissions from leaks. ONE Gas has also piloted the use of specialized mobile compression and vacuum equipment to capture methane that would otherwise vent or flare during maintenance or inspections and return the gas to the system. For more information, see the accompanying 2024 Sustainability Report.

Sustainability Accounting Standards Board (SASB) 2023

SASB Addendum

6. Specifically address operations in high consequence areas and systems to avoid and manage emergencies, accidents and incidents that could have catastrophic impacts on human health, the local community and the environment

ONE Gas assesses transmission pipelines in areas of higher population using internal inspection tools, pressure testing and direct assessment. These assessments help identify pipeline anomalies so ONE Gas can perform remediations in a proactive manner. ONE Gas has been lowering pressure on certain high-pressure pipelines in metropolitan areas since 2009. Operating these pipelines at a lower pressure significantly increases safety by greatly reducing the risk of a pipeline rupture. Over the past 14 years, ONE Gas has reduced pressure on more than 1,400 miles of transmission pipeline. Additionally, since 2020, ONE Gas has been enhancing its emergency valve system to minimize emergency response time and maximize reliability by limiting outage impact to our customers when a line needs to be shut off. Engineering and Operations utilize modeling software and a sectionalized boundary grid system to continually upgrade the pipeline system and optimize shutoff valve locations in system planning.

The ONE Gas Field Operations group takes Pipeline Emergency Response training on an annual basis. ONE Gas employs a director of Emergency Management that works with Operations leadership to oversee emergency response, preparedness and planning, and relationships with emergency partners (city, county and state level). Additionally, the ONE Gas director of Emergency Management establishes and maintains designated points of contact for state level emergency management personnel. ONE Gas employees practice simulated events — annual tabletop and/or field exercises — for each state in addition to the emergency preparedness efforts and DIMP and TIMP programs described above, the Asset Management team at ONE Gas focuses on safety, capacity and reliability planning to enhance system integrity and mitigate risks. Vintage distribution main and service line replacement projects are optimized for risk mitigation by our utilization of asset investment planning and management technology.

For emergency incidents that involve a more sustained response, such as extreme weather events or incidents with longer duration, ONE Gas activates its Incident Command System (ICS). ICS is a recognized model for command, control, and coordination of a response and provides a means to coordinate the efforts of individual agencies as they work toward the common goal of protecting life, property and the environment.

7. Direct or indirect financial opportunities related to the management of the integrity of the gas delivery infrastructure

In 2023, we invested over $525 million of capital for system integrity and replacement projects.

8.1 Disclose pipeline replacement rates, use of polyethylene pipes, or other efforts to reduce fugitive emissions and leaks and improve the safety of its distribution pipelines

ONE Gas replaced approximately 542 miles of transmission pipeline, distribution mains and service lines in 2023. Our pipeline replacement ratio is approximately 90% polyethylene and 10% protected steel. These are generally lower-emitting pipe materials than the vintage materials replaced.

8.2 Average response time for gas emergencies

Our average response time for gas emergencies in 2023 was 27.85 minutes, covering a mix of rural, urban and suburban areas.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance Metrics

SASB Addendum

8.3 Open Grade 2 and 2+ leaks

When leaks are detected, they are classified as Grade 1, 2 or 3. Grade 1 leaks are existing or probable hazards to persons or property and require immediate repair.

Under ONE Gas procedures, Grade 1 leaks require immediate action to eliminate the hazard and make repairs, and for personnel to remain on site until the leak is resolved. Grade 2 leaks are non-hazardous at the time of detection and require a repair within 6 months of detection to avoid a future hazard. Grade 2 leaks are re-checked at specific intervals if repair cannot be done immediately. Grade 3 leaks do not represent a probable hazard at the time of detection and are reasonably expected to remain non-hazardous. Although regulations do not mandate a repair timeline, ONE Gas protocols require repair of Grade 3 leaks within 30 months. On December 31, 2023, ONE Gas had 278 open Grade 2 leaks, which is equivalent to .004 Grade 2 leaks per mile of pipeline.

8.4 Fugitive Emissions from distribution system as measured utilizing EPA subpart W factors*

327,471 metric tons CO_2e

13,083 metric tons CH_4

Fugitive Methane Emissions Rate 0.19%

*ONE Gas has limited transmission assets that do not meet the threshold for EPA reporting and are not included in these numbers

8.5 Process Emissions

We do not currently measure or estimate process emissions. However, ONE Gas has piloted the use of specialized mobile compression and vacuum equipment to capture methane that would otherwise vent or flare during maintenance or inspections and return the gas to the system.

8.6 Other efforts to reduce emissions and/or improve the safety of the gas delivery infrastructure

Please see the 2024 Sustainability Report.

American Gas Association (AGA) Voluntary Reporting Tool

Parent Company
ONE Gas, Inc.

Operating companies
Kansas Gas Service
Oklahoma Natural Gas
Texas Gas Service

Business type
Natural Gas Utility

States of Operation
Kansas
Oklahoma
Texas

Regulatory Environment
Regulated

Report Date
As of December 31, 2023

Natural Gas Distribution

Ref. #.	Reporting Metric	2023	2022	Definition
1	Methane emissions and mitigation from distribution mains *All methane leak sources per 98.232 (i) (1-6) are included for Distribution. Combustion sources are excluded. CO_2 is excluded.*			
1.1	Number of Gas Distribution Customers	2,265,000	2,256,000	
1.2	Distribution Mains in Service			These metrics should include all local distribution companies (LDCs) held by the Parent Company that are above the LDC Facility reporting threshold for EPA's 40 C.F.R. 98, Subpart W reporting rule.
1.2.1	Plastic (miles)	23,329	22,910	
1.2.2	Cathodically Protected Steel - Bare & Coated (miles)	17,879	17,872	
1.2.3	Unprotected Steel - Bare & Coated (miles)	1,244	1,347	
1.2.4	Cast Iron / Wrought Iron - without upgrades (miles)	18	21	
1.3	Plan/Commitment to Replace / Upgrade Remaining Miles of Distribution Mains (# years to complete) *These metrics should provide the number of years remaining to take out of service, replace or upgrade cathodically unprotected steel mains, and cast iron/ wrought iron mains, consistent with applicable state utility commission authorizations.*			
1.3.1	Unprotected Steel (Bare & Coated) (# years to complete)	Data not currently available	Data not currently available	Optional: # yrs by pipe type.
1.3.2	Cast Iron / Wrought Iron (# years to complete)	Data not currently available	Data not currently available	ONE Gas has no cast iron pipe and less than 24 miles of wrought iron pipe.

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance **Metrics**

Ref. #.	Reporting Metric	2023	2022	Definition
2	*Distribution CO2e Fugitive Emissions*			
2.1	CO2e Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	327,077	347,970	Fugitive methane emissions (not CO2 combustion emissions) stated as CO2e, as reported to EPA under 40 CFR 98, Subpart W, sections 98.236(q)(3)(ix)(D), 98.236(r)(1)(v), and 98.236(r)(2)(v)(B) — i.e., this is Subpart W methane emissions as input in row 2.2 below and converted to CO2e here. This metric should include fugitive methane emissions above the reporting threshold for all natural gas local distribution companies (LDCs) held by the Parent Company that are above the LDC Facility reporting threshold for EPA's 40 C.F.R. 98, Subpart W reporting rule. Calculated value based on mt CH4 input in the 2.2 (below).
2.2	CH4 Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	13,083	13,919	Input value (total mt CH4) as explained in definition above. Subpart W input is CH4 (mt).
2.2.1	CH4 Fugitive Methane Emissions from Gas Distribution Operations (MMSCF/year)	681	725	
2.3	Annual Natural Gas Throughput from Gas Distribution Operations in thousands of standard cubic feet (Mscf/year)	368,263,791	380,394,567	This metric provides gas throughput from distribution (quantity of natural gas delivered to end users) reported under Subpart W, 40 C.F.R. 98.236(aa)(9)(iv), as reported on the Subpart W e-GRRT integrated reporting form in the "Facility Overview" worksheet Excel form, Quantity of natural gas delivered to end users (column 4).
2.3.1	Annual Methane Gas Throughput from Gas Distribution Operations in millions of standard cubic feet (MMscf/year)	349,851	361,375	
2.4	Fugitive Methane Emissions Rate (Percent MMscf of Methane Emissions per MMscf of Methane Throughput)	0.19%	0.20%	Calculated annual metric: (MMSFC methane emissions/MMSCF methane throughput)

**minor data corrections were made*

American Gas Association (AGA) Voluntary Reporting Tool

Human Resources

Ref. #.		2023	2022
1	**Employees**		
1.1	Total Number of Employees	3,900	3,800
1.2	Percentage of Women in Total Workforce	25	26
1.3	Percentage of Minorities in Total Workforce	38	37
2	**Board of Directors**		
2.1	Total Number on Board of Directors/Trustees	9	8
2.2	Percentage of Women on Board of Directors/Trustees	33	25
2.3	Percentage of Minorities on Board of Directors/Trustees	11	13
3	**Employee Safety Metrics**		
3.1	Recordable Incident Rate	1.09	1.37
3.2	Lost-time Case Rate	0.08	0.22
3.3	Days Away, Restricted, and Transfer (DART) Rate	0.16	0.22
3.4	Work-related Fatalities	0	0

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance **Metrics**

Pipeline and Hazardous Materials Safety Administration (PHMSA) Data

Distribution Miles (Mains)	Kansas		Oklahoma		Miami/Bartlesville		Texas		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Unprotected Bare Steel	165	185	630	677	51	56	256	268	1,101	1,186
Unprotected Coated Steel	9	9	0	0	1	1	133	151	143	161
Protected Bare Steel	1,649	1,676	101	91	61	59	372	399	2,184	2,226
Protected Coated Steel	3,811	3,812	6,622	6,614	194	195	5,068	5,027	15,695	15,646
Ductile Iron	0	0	0	0	0	0	0	0	0	0
Copper	0	0	0	0	0	0	0	0	0	0
Cast/Wrought Iron	0	0	0	0	0	0	18	21	18	21
Plastic-PVC	139	140	4	4	0	0	99	99	242	243
Plastic-PE	5,892	5,892	11,561	11,365	369	364	5,172	5,042	23,084	22,663
Plastic-Abs	0	0	0	0	0	0	3	4	3	4
Plastic-Other	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	**11,755**	**11,713**	**18,917**	**18,751**	**676**	**675**	**11,121**	**11,011**	**42,470**	**42,151**

Pipeline and Hazardous Materials Safety Administration (PHMSA) Data

Number of Services

	Kansas		Oklahoma		Miami/Bartlesville		Texas		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Unprotected Bare Steel	3,972	9,533	25,871	27,646	4,408	4,571	28,643	29,850	62,894	71,600
Unprotected Coated Steel	958	1,770	0	0	1,116	1,248	16,891	17,394	18,965	20,412
Protected Bare Steel	1,377	2,810	0	0	141	142	61,289	62,235	62,807	65,187
Protected Coated Steel	7,247	7,597	196,695	201,303	91	92	157,985	161,775	362,018	370,767
Ductile Iron	0	0	0	0	0	0	0	0	0	0
Copper	0	0	0	0	0	0	68	131	68	131
Cast/Wrought Iron	0	0	0	0	0	0	0	0	0	0
Plastic-PVC	83	50	0	0	0	0	2,514	2,165	2,597	2,215
Plastic-PE	627,533	618,377	731,662	707,017	28,516	29,767	409,133	396,710	1,796,844	1,751,871
Plastic-Abs	0	0	0	0	0	0	10	11	10	11
Plastic-Other	0	0	0	0	0	0	0	0	0	0
Other	0	0	50,136	80,714	0	0	36,054	36,659	86,190	117,373
Total	**641,170**	**640,137**	**1,004,364**	**1,016,680**	**34,272**	**35,820**	**712,587**	**706,930**	**2,392,393**	**2,399,567**

Transmission Miles

	Kansas		Oklahoma		Texas		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
4"	354	354	55	56	13	13	422	423
6"	156	155	95	95	30	30	281	281
8"	280	285	216	218	42	42	538	545
10"	70	70	18	18	59	59	147	147
12"	161	161	72	86	24	24	257	271
14"	0	0	0	0	15	15	15	15
16"	117	117	12	12	67	67	196	196
18"	0	0	50	50	0	0	50	50
20"	253	253	6	6	3	3	262	262
22"	24	24	0	0	0	0	24	24
24"	116	116	24	24	0	0	140	140
26"	0	0	0	0	0	0	0	0.00
28"	0	0	0	0	0	0	0	0.00
30"	0	0	0	0	0	0	0	0.00
Total	**1,531**	**1,536**	**548**	**565**	**254**	**254**	**2,333**	**2,355**

Class Location

	Kansas		Oklahoma		Texas		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Class 1	1,422	1,424	352	358	101	102	1,875	1,884
Class 2	59	58	76	74	17	18	153	150
Class 3	50	54	120	133	135	134	305	320
Class 4	0	0	0	0	1	1	1	1

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance **Metrics**

Leak Detection and Repair

Leak Repair Timeline

Grade 1: Immediate repair
Grade 2: Repaired within 6 months of detection and re-checked if a repair cannot be completed right away
Grade 3: Repaired within 30 months of detection and re-checked between detection and repair

Distribution Survey Frequency

Oklahoma	
Type	**Frequency**
Shorted casings	4 times each calendar year but at intervals not exceeding 4½ months
Vertical Main Structure	1 time per calendar year but at intervals not exceeding 15 months
Inside Business Districts	All facilities: 1 time per calendar year but at intervals not exceeding 15 months
Outside Business Districts	Protected coated steel and polyethylene (PE) plastic: Every 5 calendar years but at intervals not exceeding 63 months All other: Every 3 calendar years but at intervals not exceeding 39 months

Texas	
Type	**Frequency**
Shorted casings	4 times each calendar year but at intervals not exceeding 4½ months
Vertical Main Structure	1 time per calendar year but at intervals not exceeding 15 months
Inside Business Districts	All facilities: 1 time per calendar year but at intervals not exceeding 15 months
Outside Business Districts	Cast iron mains: 1 time per calendar year but at intervals not exceeding 15 months PE pipe: Every 5 calendar years but at intervals not exceeding 63 months Cathodically protected coated steel: Every 3 calendar years but at intervals not exceeding 39 months Cathodically protected bare steel: Every 2 calendar years but at intervals not exceeding 27 months All other: Every 2 calendar years but at intervals not exceeding 27 months

Kansas and Bartlesville/Miami, OK	
Type	**Frequency**
Shorted casings	4 times each calendar year but at intervals not exceeding 4½ months
Vertical Main Structure	1 time per calendar year but at intervals not exceeding 15 months
Inside Business Districts	All facilities: 1 time per calendar year but at intervals not exceeding 15 months
Outside Business Districts	
Public Buildings	1 time per calendar year but at intervals not exceeding 15 months
Mains	Unprotected bare steel and ductile iron mains in Class 2, Class 3, and Class 4 locations and cast iron mains: 1 time per calendar year but at intervals not exceeding 15 months Unprotected steel and ductile iron mains located in Class 1 areas, cathodically protected bare steel mains, or polyvinylchloride (PVC) mains: Every 3 calendar years but at intervals not exceeding 39 months Protected coated steel mains and PE plastic mains: Every 5 calendar years but at intervals not exceeding 63 months
Services and Yard Lines	Unprotected steel, and PVC: 1 time per calendar year but at intervals not exceeding 15 months Cathodically protected bare steel service or yard lines: Every 3 calendar years but at intervals not exceeding 39 months Cathodically protected coated steel or PE plastic service lines and yard lines: Every 5 calendar years but at intervals not exceeding 63 months

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance Metrics

Leak Detection Repair

Transmission Survey Frequency

Type	Frequency
Lines carrying odorized gas, regardless of density index class location	1 time each calendar year but at intervals not exceeding 15 months
Lines carrying non-odorized gas in Class 1 or Class 2 locations	1 time each calendar year but at intervals not exceeding 15 months
Lines carrying non-odorized gas in a Class 3 location	2 times each calendar year but at intervals not exceeding 7½ months
Lines carrying non-odorized gas in a Class 4 location	4 times each calendar year but at intervals not exceeding 4½ months
Shorted casings	4 times each calendar year but at intervals not exceeding 4½ months
Lines operating at < 30% SMYS in non-HCA (high consequence area)= Class 3 or Class 4 locations	2 times each calendar year but at intervals not exceeding 7½ months
Lines operating at < 30% SMYS in non-HCA Class 3 or Class 4 locations that are unprotected	4 times each calendar year but at intervals not exceeding 4½ months
Lines operating at < 30% SMYS in non-HCA Class 3 or Class 4 locations that are cathodically protected and where electrical surveys are impractical (e.g., casings, water crossings, depth > 10 ft, etc.)	4 times each calendar year but at intervals not exceeding 4½ months

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance Metrics

Transmission Line Patrolling - Maximum Interval Between Patrols		
Class Location	**At Highway* and Railroad Crossings**	**At All Other Places**
1 and 2	2 times each calendar year with intervals not exceeding 7½ months	1 time each calendar year with intervals not exceeding 15 months
3	4 times each calendar year with intervals not exceeding 4½ months	2 times each calendar year with intervals not exceeding 7½ months
4	4 times each calendar year with intervals not exceeding 4½ months	4 times each calendar year with intervals not exceeding 4½ months
Shorted casings will be checked with a leak-detection instrument at least 4 times each calendar year with intervals not exceeding 4½ months.		

**Highway is defined as federal- or state-designated highway*

Sustainability Report Metrics

Systems Profile	2023	2022
Length of gas distribution pipelines (mains & services)	63,499 miles	62,715 miles
Length of gas transmission pipelines	2,300 miles	2,400 miles
Distribution mains, service lines and transmission lines replaced	536 miles	460 miles
Distribution pipeline that is plastic	62.78%	61.70%
Distribution pipeline that is protected steel	33.20%	33.62%
Distribution pipeline that is unprotected steel	2.99%	3.35%
Distribution pipeline that is other material	0.99%	1.29%
Distribution pipeline that is cast/wrought iron	0.03%	0.034%
Distribution pipeline that is copper	0.001%	0.002%

Operational Profile	2023	2022
Number of residential customers	~2,088,000	~2,078,000
Number of commercial and industrial customers	~162,000	~162,000
Amount of natural gas delivered to residential customers	114,239 MMcf	125,286 MMcf
Amount of natural gas delivered to commercial and industrial customers	40,630 MMcf	43,185 MMcf
Amount of natural gas delivered to other customers (public authority and wholesale)	1,737 MMcf	2,725 MMcf
Amount of natural gas delivered to transport customers	227,875 MMcf	230,079 MMcf
Gas utility revenues from decoupled rate structures	0%	0%
Gas utility revenues that contain a lost revenue adjustment mechanism (LRAM)	0%	0%
Sales margins associated with fixed charges for revenue recovery that are not dependent on usage or weather	>70%	>70%

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance **Metrics**

Customer Gas Rates	2023	2022
Average bundled gas rate for residential customers	KGS: $15.08 per Mcf	KGS: $15.09 per Mcf
	ONG: $15.14 per Mcf	ONG: $15.26 per Mcf
	TGS: $19.54 per Mcf	TGS: $19.47 per Mcf
Average bundled gas rate for commercial and industrial customers	KGS: $13.39 per Mcf	KGS: $13.58 per Mcf
	ONG: $12.14 per Mcf	ONG: $12.51 per Mcf
	TGS: $11.91 per Mcf	TGS: $14.78 per Mcf
Average bundled gas rate for other customers (Compressed Natural Gas, Cogeneration Systems, Irrigation, Municipal Water Pump, Public Authority, Public Authority AC, Large Public Authority)	KGS: $56.82 per Mcf	KGS: $58.41 per Mcf
	ONG: $9.02 per Mcf	ONG: $9.41 per Mcf
	TGS: $16.73 per Mcf	TGS: $12.67 per Mcf
Average rate for transportation services	KGS: $1.05 per Mcf	KGS: $0.98 per Mcf
	ONG: $0.38 per Mcf	ONG: $0.35 per Mcf
	TGS: $1.03 per Mcf	TGS: $1.01 per Mcf

Compressed Natural Gas (CNG)	2023	2022
Total CNG transported to fueling stations	2.76M dekatherms	2.83M dekatherms
Total CNG fueling stations supplied	152	147
Percentage of company-owned fleet that is CNG capable	38%	43%

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance **Metrics**

Sustainability Report Metrics

Environmental	2023	2022
Expected emissions reduction by 2035 due to leaks from distribution pipelines through vintage pipeline replacement and protection program, measured from a 2005 baseline	55%	55%
Total C02e emissions due to leaks from mains and services	143,359 metric tons	149,315 metric tons
Total C02e emissions reduced from leaks from mains and services since 2005	145,711 metric tons	139,755 metric tons
Fugitive emissions from distribution system as measured utilizing EPA subpart W factors* **ONE Gas has limited transmission assets that do not meet the threshold for EPA reporting and are not included in these numbers*	327,471 metric tons CO2e 13,083 metric tons CH4 Fugitive Methane Emissions Rate: 0.19%	347,970 metric tons CO2e 13,919 metric tons CH4 Fugitive Methane Emissions Rate: 0.20%
CO2e emissions avoided through NGV supply	49,591 metric tons	50,880 metric tons
Emissions reduction achieved from 2005 baseline	50%	48%
Scope 1 emissions, utilizing EPA Greenhouse Gas Inventory Protocol*	417,058 metric tons CO2e	439,201 metric tons CO2e
Scope 2 emissions utilizing EPA Greenhouse Gas Inventory Protocol, owned and occupied facilities	4,203 metric tons	4,560 metric tons
EPA fines issued for non-compliance of environmental regulations	0	0
Percent of renewable energy used at owned and operated facilities	~35%	not reported

Capital Improvements & Investment	2023	2022
Dollars spent on capital improvements	$737,000,000	$657,000,000
Capital improvement spending on system integrity and pipeline replacement projects	66%	70%
Investment in technology development projects	$690,000	$690,000

** Includes sources not previously included*

Safety	2023	2022
Workforce Safety		
Days Away/Restricted or Transfer Rate (DART)	0.16	0.22
Total Recordable Incident Rate (TRIR)	1.09	1.37
Preventable Vehicle Incident Rate (PVIR)	1.82	1.84
Lost Time Case Rate (LTC)	0.08	0.22
Work-related fatalities	0	0
Reduction in DART rate since 2014	87%	88%
Reduction in TRIR since 2014	56%	56%
Reduction in PVIR since 2014	10%	19%
Reduction in sprains and strains since 2014	59%	63%
Pipeline Safety		
Number of reportable pipeline incidents	2	2
Number of Corrective Action Orders (CAO)	0	0
Number of Notices of Probable Violation (NOPV)	see SASB addendum	see SASB addendum
Number of reportable data breach incidents	0	0
Contractor Safety		
LTIFR for contractors (from NCMS D&A contractors)*	1.40	1.43

*In 2023, based on data from our third-party contractor safety information management platform, the average lost time injury frequency rate for contractors performing work on our pipeline systems was 1.40, calculated as the total number of lost time events for all contractors x 1,000,000 divided by the total hours worked by those contractors. This is different from the DART calculation for a single entity, which looks at more than just lost time and is calculated as the number of events times 200,000, divided by total hours worked. We continue to stress the importance of safety to our contractors and work with them to support safe practices.

Sustainability Report Metrics

System Integrity	2023	2022
Pipeline replaced with polyethelene (PE)	~90%	~90%
Pipeline replaced with coated, protected steel	~10%	~10%
Percentage of transmission pipelines inspected	17.39%	8.39%
Percentage of transmission pipelines inspected by In-Line Inspection (ILI)	9.44%	1.41%
Percentage of transmission pipelines inspected by Pressure Test	0.43%	1.09%
Percentage of transmission pipelines inspected by Direct Assessment	7.52%	5.89%
Percentage of distribution main pipelines inspected by leak survey	37.42%	38%
Percentage of transmission pipelines inspected by leak survey	100%	100%
Percentage of new distribution pipelines pressure tested before being placed in service	100%	100%
Reduction of pressure on transmission pipelines since 2009	1,400 miles	1,400 miles
Open grade 2 leaks as of 12/31	278 (0.004 grade 2 leaks per mile of pipeline)	216 (0.003 grade 2 leaks per mile of pipeline)

Emergency Response	2023	2022
Average Emergency Response Time (ERT)	27.85 minutes	28.42 minutes

Energy Efficiency Programs	2023	2022
Customer energy efficiency program savings achieved	Oklahoma Natural Gas: 642,019 MMBtu Texas Gas Service: 19,143 MMBtu Rio Grande Valley: 4,379 MMBtu	Oklahoma Natural Gas: 482,676 MMBtu Texas Gas Service: 18,085 MMBtu Rio Grande Valley: 3,375 MMBtu
CO2e reduced through our customer energy efficiency programs	44,406 metric tons	33,842 metric tons
Customer water savings from energy efficiency programs	26,832,611 gallons	18,516,511 gallons
Customer energy savings from energy efficiency programs	6,655,412 therms	5,041,351 therms
Total customer NGV rebates provided since 2015	>250	>250
Total customer energy efficiency rebates issued	77,820	102,212
Total $ of customer energy efficiency rebates issued	$15,157,005	$15,000,939

CEO Message ■ Benefits of Natural Gas ■ Environmental Sustainability ■ Safety and System Integrity ■ Social Commitment ■ Governance **Metrics**

Community	2023	2022
Total ONE Gas Foundation giving across Kansas, Oklahoma and Texas including ONE Gas Foundation grants, public school grants, matching grants, Share The Warmth and United Way	$2,492,557	$2,482,738
Total $ donated through employee-matching grants (includes retiree, employee, Board of Directors and ONE to ONE Fund employee matches)	$198,882	$186,650
Total $ donated to United Way campaigns	$1,726,850	$1,678,654
Total $ contributed in ONE Gas Foundation grants, corporate sponsorships and community giving	$3.4 million	$3.4 million
Total $ contributed through ONE Gas Foundation grants***	$1,336,540	$2,083,300
Employee volunteer hours	6,048	5,808

***Total $ pledged through new approved Foundation grants which were paid in full or began payment in 2023.

Workforce		
Inclusion & Diversity	**2023**	**2022**
Ethnicity breakdown of the workforce	62% White 22% Hispanic or Latino 7% Black or African American 4% American Indian or Alaskan 4% Two or more 1% Asian 0.2% Pacific / Native Hawaiian	63% White 22% Hispanic or Latino 7% Black or African American 4% American Indian or Alaskan 3% Two or more 1% Asian 0.2% Pacific / Native Hawaiian
Women in the workforce	25.12%	25.7%
Women in leadership positions	32%	31%
Historically underrepresented individuals in the workforce	38.5%	37.3%
Historically underrepresented individuals in leadership positions	28%	28%
Women and historically underrepresented individuals in leadership positions (supervisor and above)	49%	49%
Women in leadership positions, segmented by supervisory level	20% SVP 19% VP 37% Director 36% Manager 27% Supervisor	20% SVP 19% VP 36% Director 38% Manager 26% Supervisor

Sustainability Report Metrics

Workforce		
Inclusion & Diversity	**2023**	**2022**
Historically underrepresented individuals in leadership positions, segmented by supervisory level	20% SVP 19% VP 24% Director 26% Manager 31% Supervisor	20% SVP 13% VP 24% Director 23% Manager 33% Supervisor
Women and historically underrepresented individuals in leadership positions, segmented by supervisory level	40% SVP 31% VP 52% Director 51% Manager 47% Supervisor	40% SVP 25% VP 53% Director 50% Manager 49% Supervisor
Women and historically underrepresented individuals in Engineering positions	54%	50%
Women and historically underrepresented individuals in IT positions	49%	49%
Share of women in junior management positions, i.e. first level of management	27%	26%
Share of women in STEM-related positions (as % of total STEM positions) Accounting excluded	51%	50%
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions	19%	19%
Individuals with a self-reported disability	8%	5%
Individuals with a self-reported disability in leadership, supervisor and above	12%	7%
Individuals with a self-reported disability, individual contributors	7%	5%
Individuals with a disclosed Veteran Status	4%	4%
Ethnicity breakdown of all new hires	54% White 22% Hispanic or Latino 9% Black or African American 7% Two or more races 7% American Indian or Alaskan 1% Asian 0% Native Hawaiian or Other Pacific	55% White 26% Hispanic or Latino 8% Black or African American 5% Two or more races 4% American Indian or Alaskan 2% Asian 0.2% Native Hawaiian or Other Pacific
New hires who were women	25%	27%
New hires who were women or historically underrepresented individuals	59%	58%
Generational breakdown of the workforce	0.1% Silent Generation (born 1928-1945) 9.2% Baby Boomers (born 1946 to 1964) 33.2% Generation X (born 1965 to 1980) 46.8% Millennial (born 1981 to 1996) 10.7% Generation Z (born 1997 to present)	0.1% Silent Generation (born 1928-1945) 11% Baby Boomers (born 1946 to 1964) 34% Generation X (born 1965 to 1980) 46.8% Millennial (born 1981 to 1996) 8.1% Generation Z (born 1997 to present)

Additional Workforce Metrics	2023	2022
Consecutive year increase in employee engagement scores with Gallup	7th	6th
Training hours recorded at ONE Gas Training Center	>26,000 hours	>23,000 hours
Dollars spent per employee for training	$269.35	$398.25
Voluntary turnover rate	7.9% Resignation rate: 5.9% Retirement rate: 1.9%	10.4% Resignation rate: 7.5% Retirement rate: 2.9%
Open positions filled with internal candidates	32%	37%
Employees participating in Employee Stock Purchase Program (ESPP)	45% for the purchase of 108,875 shares	42% for the purchase of 86,657 shares
Employees engaged in one of our Employee Resource Groups (ERGs)	32%	30%
Employees receiving donated time-off through ONE to ONE Fund	94 employees totaling 3,898 hours	46 employees totaling 4,551 hours
Total employees receiving financial assistance through ONE to ONE Fund	61 employees totaling $121,287	40 employees totaling $98,614

Sustainability Report Metrics

Customers	2023	2022
Overall satisfaction score on the ONE Gas Customer Relationship Survey	86%	88%
Customers indicating that we are "easy to do business with"	85%	88%
Customers satisfied in our Contact Center survey	85%	87%
Overall customer satisfaction with our website compared to utilities industry average	29 points higher	28 points higher
Overall customer satisfaction with our mobile app compared to utilities industry average	16 points higher	17 points higher

Governance	2023	2022
Directors who are independent	78%	75%
Directors who are women	33%	25%
Directors who are Hispanic	11%	12.5%
Senior leaders who identify as female	33%	33%
Senior leaders who identify as African American	17%	17%



Thank you for your interest in ONE Gas.

To learn more about ONE Gas, visit **onegas.com** where you can subscribe to receive notifications about press releases, presentations and events.

For information on careers at ONE Gas, visit **onegas.jobs**.



ONE Gas

15 East Fifth Street | Tulsa, OK 74103
918.947.7000 | onegas.com

