



Environmental, Social and Governance Report

June 2023



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About This Report

Our Environmental, Social and Governance (ESG) Report provides transparency into ONE Gas' environmental, social and governance practices. This voluntary report is informed by sustainability reporting guidelines outlined in the Metrics section. The data in this report apply to all ONE Gas activities consolidated for financial and operational 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 65,000 miles of distribution and transmission pipelines across our service territory. ONE Gas is committed to providing safe, affordable and reliable energy while helping to build a sustainable energy future.



Our Divisions

Kansas Gas Service

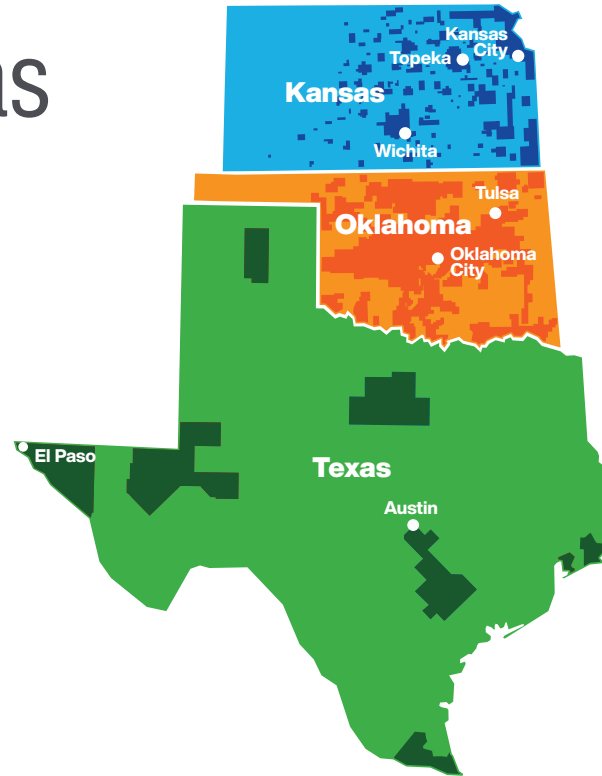
71% market share,
the largest in Kansas

Oklahoma Natural Gas

88% market share,
the largest in Oklahoma

Texas Gas Service

13% market share,
the third largest in Texas



Mission

To deliver natural gas for a better tomorrow.

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, including our customers, employees, investors and communities.

2022 Highlights



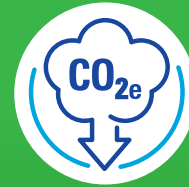
48%

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



Replaced
460 miles

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



Our Energy Efficiency
Programs avoided

**33,842 metric
tons of CO₂e,**
equivalent to removing
**7,741
passenger vehicles***
from the road



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

**6th
consecutive year**



**6th
consecutive year**

of increased employee
engagement scores
measured by Gallup



Contributed
\$3.4 million

in ONE Gas
Foundation grants,
corporate sponsorships
and community giving



33%
of our senior leaders
identified as female and
17%
identified as
African American

*Source: epa.gov/energy/greenhouse-gas-equivalencies-calculator-widget



A Message from the President and Chief Executive Officer



Robert S. McAnnally | President and CEO

At ONE Gas, our mission is to deliver natural gas for a better tomorrow, which includes continuous improvement and being part of a sustainable energy future.

As one of the country's largest natural gas distribution companies, we take pride in delivering the affordable, reliable natural gas our 2.3 million customers depend on each day.

From cooking food and warming homes to powering manufacturing and fueling transportation, natural gas plays an essential role in our economy and supports a high quality of life in our communities now and will continue to be essential well into the future.

Emissions Reduction

ONE Gas and our assets will play an essential role in a clean energy future. That's why we've made reducing our methane emissions a key component of our business strategy.

We've made steady progress since announcing our Scope 1 emissions reduction goal in January 2022 — a 55% reduction in emissions

due to leaks from distribution pipelines by 2035, measured from a 2005 baseline. As of December 31, 2022, we have reduced our CO₂e emissions by 48%, which keeps us on track to achieve our goal. Our emissions reduction goal is driven by our vintage pipeline replacement and protection program and aligns with our Core Value of Safety and our corporate strategy.

In 2022, we expanded our reporting capabilities by implementing software to calculate our Scope 2 emissions. We will be evaluating this new data to look for opportunities to reduce our Scope 2 emissions and look forward to providing updates on those efforts in future reports.

High-performing Employees

We work every day to build an inclusive culture based on trust and mutual respect, creating an environment where people are engaged to do their best work.

We saw our co-workers' high level of engagement reflected in our 2022 Gallup scores, which increased for the sixth consecutive year and placed our company in the top quartile of Gallup's Overall Company Database.

Additionally, our 3,800 dedicated co-workers are focused on the safety of one another and our systems. That dedication earned our company recognition from the American Gas Association for having the fewest severe injuries of any natural gas utility of our size in the U.S. for the sixth consecutive year. ONE Gas' safety scores place the company among the safest natural gas distribution companies nationwide.

Commitment to Governance

Intentional business operations are directly tied to sustainable business operations. Under the guidance of the ONE Gas Board of Directors and our ESG Steering Committee, we have expanded and enhanced our disclosures and reporting transparency around ESG initiatives.

This year, our Board approved a new short-term incentive pay metric tied to the execution of our emissions reduction goal, which is driven by our safety-focused pipeline replacement and protection program. The combined safety and emissions reduction metrics represent 30% of the total target payout for all employees, including our executive officers.

Delivering Natural Gas for a Better Tomorrow

Our business strategy is straightforward: focus on safety, invest in our assets and develop our team to serve a growing customer base and create long-term value in an environmentally responsible way.

It's my privilege to share the combined efforts of our ONE Gas team in this summary of our work in 2022. We are committed to expanding our role in a clean energy future and delivering on our mission for a better tomorrow every day.

Robert S. McAnnally
President and CEO



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

Benefits of Natural Gas



Natural gas
is preferred

As global energy demands increase, more homes and businesses in the U.S. use natural gas than ever before, and the number continues to increase. **More than one new residential customer signs up for natural gas every minute, and approximately 80 businesses initiate natural gas service every day.***

ONE Gas added over 27,000 new customer connections in 2022, up nearly 12% compared to 2021, marking a new record for annual meter sets at ONE Gas.



Natural gas
is innovative

The natural gas industry has been a leader in reducing greenhouse gas emissions in the United States and is committed to meeting both energy demand and emissions targets. **Emissions from the natural gas distribution system have declined 69% since 1990 due to infrastructure upgrades, energy efficiency programs and investment in innovative new technologies.***

**Source: American Gas Association (AGA)*



Natural gas is reliable

With 2.6 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 reliable energy our customers can rely on.*



Natural gas is efficient

Natural gas meets 32% of all energy demand in the United States. It arrives more efficiently in homes and businesses, with **only an 8% energy loss from its source, compared to electricity, which has more than 60% energy loss.****



Natural gas is affordable

United States households using natural gas for heating, cooking and clothes drying save an average of \$1,068 yearly compared to homes using electricity for the same activities.*



Natural gas is essential

Natural gas fuels our economy in many ways, including providing more than 4.1 million jobs connected to the natural gas industry. **It also plays a critical role in many sectors, including electricity generation, manufacturing and agriculture.***

*Source: American Gas Association (AGA)

**Sources: American Gas Association (AGA) and U.S. Energy Information Administration, U.S. energy facts explained

U.S. agriculture is one of the largest consumers of natural gas, consuming roughly 1.7 trillion cubic feet (“Tcf”) of natural gas — equivalent to almost 15% of all U.S. commercial and industrial consumption demand.

Source: The Value of Natural Gas to U.S. Agriculture and Agrochemicals



Customers' Choice for Reliability

Our customers depend on resilient, affordable natural gas in a variety of ways. Take a look at a few ways natural gas plays a critical role in economic growth and quality of life in Kansas, Oklahoma and Texas.



Pratt, Kansas Customer: Pratt Energy

Pratt Energy is a fuel ethanol producer, turning corn and milo into fuel since 2013. Natural gas is a critical part of Pratt Energy's distillation process. It powers the plant's steam boilers, turbine generator and distilled grains dryer — all of which help Pratt Energy be part of a thriving local agriculture community. The efficiency and reliability of natural gas allow Pratt Energy to power steam boilers 24 hours a day resulting in cost and energy savings.



Tulsa, Oklahoma Customer: Bama Companies

The Bama Companies is a leading producer of baked goods for many national quick service restaurants. These restaurants rely on Bama's biscuits, pies and pancakes to feed millions, and Bama relies on natural gas to fuel its operations. Bama makes 2 million biscuits a day, an impossible feat without natural gas. A sustainable and affordable fuel, natural gas helps create a high-quality, low-cost product with fewer emissions compared with other forms of energy.



El Paso, Texas Customer: Sun Metro

Sun Metro is El Paso's public transportation provider, serving over 4 million customers in the area. Sun Metro converted its entire fleet of over 300 buses to be fueled by compressed natural gas (CNG), a clean-burning alternative to traditional motor fuels. These CNG vehicles have helped the city of El Paso reduce emissions and improve its air quality while saving millions in fuel costs.



Environmental Sustainability

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ONE Gas and our assets will be essential in realizing a carbon-neutral energy future. We have implemented practices, procedures and strategies to provide long-term safe, reliable and affordable natural gas service to our customers.

Emissions Reduction

Reducing our methane emissions is a key component of our business and environmental strategy. The emissions reduction goals and targets we set are achievable and are supported by a long-term strategy grounded in understanding our current emissions profile and how best to leverage our existing assets and programs.

Our Scope 1 emissions reduction goal is driven by our pipeline replacement and protection plan. We continue to evaluate opportunities for further emissions reductions across Scopes 1, 2 and 3, including improving operational practices that reduce emissions, 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 future opportunities and technologies, 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 **48% reduction** in Scope 1 CO₂e emissions from distribution pipelines since 2005.



Reducing Emissions from Mains and Services

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 baseline* and accounting for projected system growth. We expect to achieve this goal primarily through our vintage pipeline replacement and protection program.

Utilizing the EPA-approved Greenhouse Gas Inventory Protocol, our estimated total emissions due to leaks from mains and services in 2022 was 149,315 metric tons of CO₂e, compared to 289,070 metric tons of CO₂e in 2005. This 48% reduction keeps us on track to achieve our 2035 goal. Pipeline replacement helps us maintain safe and reliable operations while decreasing emissions from our systems by replacing higher-emitting pipes with lower-emitting pipes.

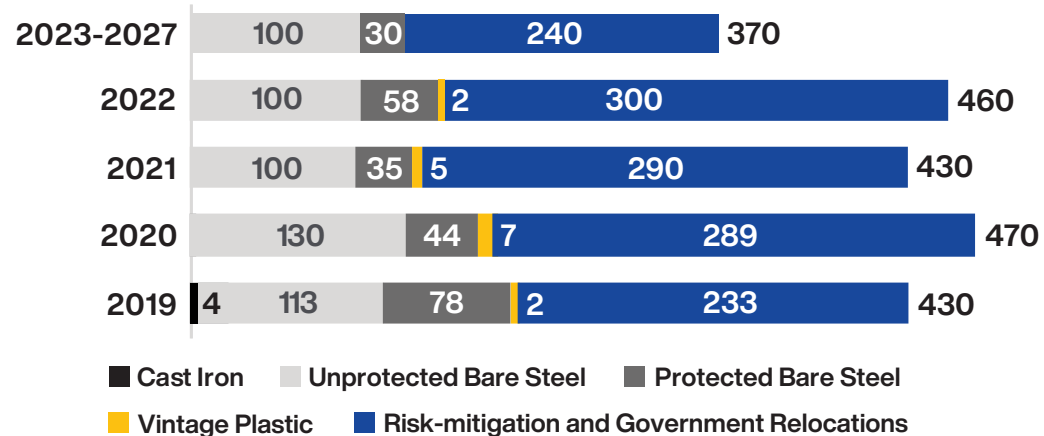
**2005 is the year many U.S.-based businesses selected as a baseline for their emissions reduction goal under the Paris Agreement.*

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.

Investments in pipeline replacement supports system integrity, customer growth and Scope 1 emissions reduction.

Pipeline Replacement (miles)

Average Annual Estimate



Note: Inventory based on data reported for 2022. Pipeline replacement due to future changes in state or federal regulations is not projected in 5-year replacement estimates. Annual pipeline replacement miles will vary from year to year, contingent upon factors such as replacement location (i.e., densely populated urban city vs. rural farmland), material type, etc.

- Of the \$657 million in capital investments in 2022, nearly 70% was spent on system integrity and pipeline replacement projects.
- Replaced 460 miles of distribution mains, service lines and transmission lines in 2022.
- On average, replaced 220 miles of vintage pipelines per year since 2014.

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 Environmental Protection Agency's Methane Challenge Program, ONE Gas committed to replacing a minimum of 2% of our vintage materials annually — a target we've exceeded every year since the program started in 2016.



Innovation and Technology

ONE Gas has invested more than \$11 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 2022, supporting more than 84 active projects.

Renewable Natural Gas

Renewable natural gas (RNG) projects can capture methane from organic materials like 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 applications of natural gas.

ONE Gas is developing opportunities across Kansas, Oklahoma and Texas to deliver RNG to customers thanks to the abundance of RNG feedstock in our service territory, including projects related to landfill and wastewater methane capture. These projects can provide a sustainable, renewable energy option for ONE Gas commercial and industrial customers to reduce emissions and achieve their ESG goals.

We continue to engage with customers looking for clean energy solutions and ways we can help them utilize the environmental benefits of RNG to meet their energy needs and sustainability goals.



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

In Oklahoma, we have regulatory authority to spend up to \$5 million annually to purchase RNG as part of our natural gas supply portfolio and recover the cost through our purchased gas-cost mechanism.

We've also developed a voluntary opt-in RNG tariff program for Oklahoma customers that will allocate RNG's costs and benefits to customers who choose RNG as their fuel source.



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.

H2@Scale

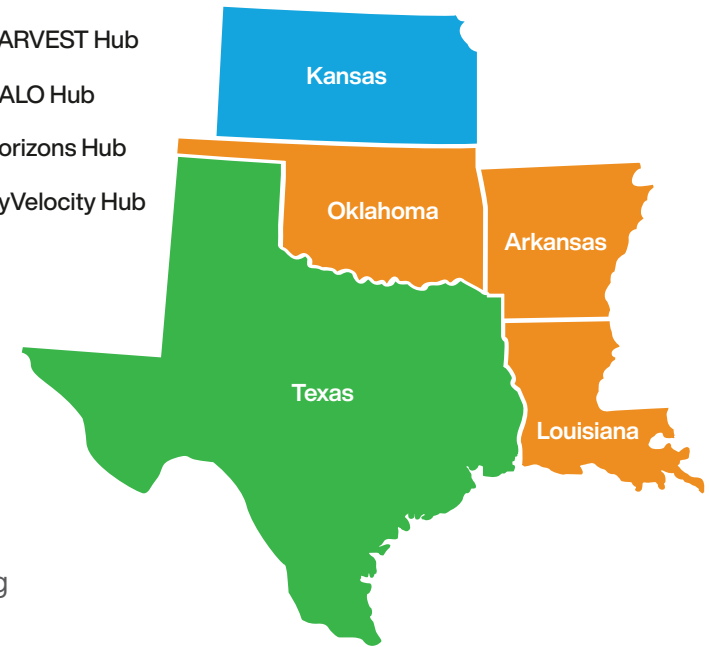
Along with GTI Energy and the University of Texas at Austin, ONE Gas participates in the [H2@Scale hydrogen development project](#), creating the first dedicated renewable hydrogen network to test and demonstrate hydrogen infrastructure safety and reliability. The project began construction in 2023.

Hydrogen Hubs

Clean hydrogen hubs create networks of hydrogen producers, consumers and local connective infrastructure to accelerate the use of hydrogen as a clean energy carrier that can deliver or store tremendous amounts of energy. Natural gas utilities are a natural partner to hydrogen hubs with decades of expertise and experience transporting gaseous fuels safely and reliably.

ONE Gas actively monitors four hydrogen hub concepts in our service territory and plans to participate when Department of Energy funding is announced.

- HARVEST Hub
- HALO Hub
- Horizons Hub
- HyVelocity Hub



Carbon Capture Technology

ONE Gas is a member of the Carbon Utilization Research Council (CURC), which engages with elected officials to promote the pursuit of carbon capture and other advanced technologies that can support the long-term, environmentally responsible use of natural gas and other geologic energy sources.

We also partnered with GTI Energy to explore methods for improving the efficiency of natural gas-fired appliances, such as boilers, water tanks

and furnaces, while lowering CO2 emissions and providing a means to capture or convert the CO2 emissions into valuable products. These technology applications could improve the emissions profile of multi-family residences, like apartments or condominiums, and light commercial or industrial locations, like hospitals or cogeneration plants.

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.





Commitment to ONE Future

In 2022, we submitted our 2021 emissions data to Our Nation's Energy Future (ONE Future), a group of natural gas companies working together to voluntarily reduce methane emissions intensity across the natural gas value chain to 1% or less by 2025. ONE Future released its results based on 2021 data in November 2022, reporting a methane intensity for all ONE Future members of 0.462%, well below the 1% methane intensity target. Methane intensity is defined as total methane emissions divided by gross gas production utilized by that sector. The methane intensity for the natural gas distribution sector, of which ONE Gas is a part, was 0.113%, beating the goal of 0.225% by 50%.

GTI Energy – Veritas

ONE Gas is a proud member of 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 supply chain. Veritas is developing technical protocols that provide credible, comparable methane emissions measurement and verification for each segment of the natural gas industry (production, gathering and boosting, processing, transmission and storage, distribution and LNG).

Addressing Fleet and Customer Emissions

The bulk of our Scope 3 emissions come from our customers' use of natural gas. We empower customers to make the best energy decisions for their businesses, homes 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 working 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.

We are also working to strengthen and expand our energy efficiency programs to help our customers reduce their energy and water usage.



Local chefs cook with natural gas in the Good vs. Gourmet web series

The Rebate Remix campaign highlights the benefits of energy efficiency



Energy Efficiency Programs

Our energy efficiency rebate programs help customers in Oklahoma and Texas make smarter energy choices that benefit them and the environment. In 2022, ONE Gas divisions issued 102,212 energy efficiency rebates in Oklahoma and Texas, totaling \$15,000,939.

Our Energy Efficiency Programs Include:

- Low-income Energy Efficiency
- Home Improvement and Appliance Replacement Program
- New Home Program
- Commercial Direct 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. To promote this information, we regularly engage in multimedia education campaigns covering television, radio, print, billboards and social media. We also provide energy-saving tips on our websites and communications to customers, builders and service technicians.



2022 Energy Efficiency Program Highlights



18,516,511
gallons of water
saved by customers



5,041,351
therms of expected annual
energy savings



33,842 metric tons of
CO2e reduced through our
energy efficiency programs



102,212 rebates
totaling **\$15,000,939** issued



Compressed Natural Gas for Customer Vehicles

Use of compressed natural gas (CNG) vehicles can help our customers reduce their carbon footprint when replacing gasoline, diesel fuel or propane in light-, medium- and heavy-duty natural gas vehicles (NGVs). 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 an 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.

We offer incentives for personal and business purchases of dedicated or bi-fueled NGVs in Kansas, Oklahoma and Central Texas. Since 2015, we've provided more than 250 NGV rebates across our service territories.

Our public and private CNG fueling stations provide clean-burning CNG to vehicles across Kansas, Oklahoma and Texas. We transported 2.8 million dekatherms of CNG to stations in 2022. 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: [eia.gov/environment/emissions/CO2_vol_mass.php](https://www.eia.gov/environment/emissions/CO2_vol_mass.php)



2022 CNG Highlights



147

public and private CNG fueling stations in KS, OK and TX



36

ONE Gas fueling stations



Transporting supply to **66** retail fuel service stations



Transporting supply to **45** private CNG stations (bus fleets, delivery fleets, waste management fleets and more)

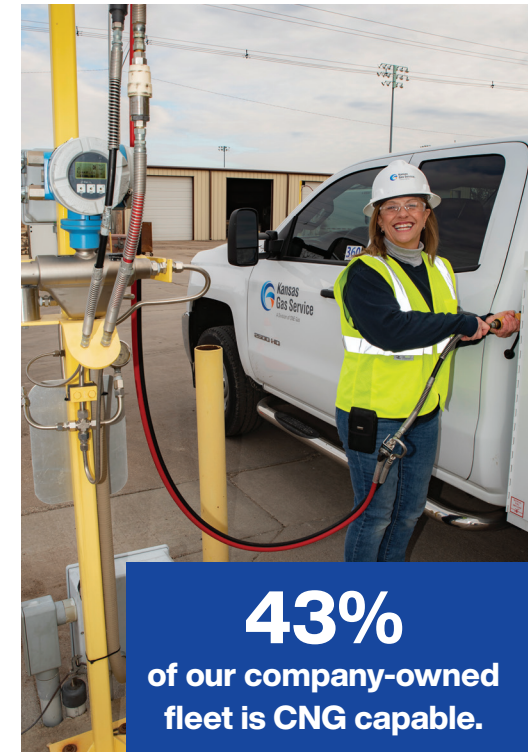
Reducing Emissions from Company-owned Fleet

Our Fleet team works diligently to lower Scope 1 emissions associated with company-owned and -operated vehicles by purchasing and deploying compressed natural gas-fueled vehicles where possible. We encourage employees who drive for the company to reduce idling time to reduce emissions further.

Compressed natural gas (CNG) is one of today's cleanest-burning alternative transportation fuels. Compared to 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 2022 avoided 50,880 metric tons of CO₂e compared to the use of gasoline or diesel fuel, which is equivalent to removing more than 11,322 passenger vehicles from the road.*

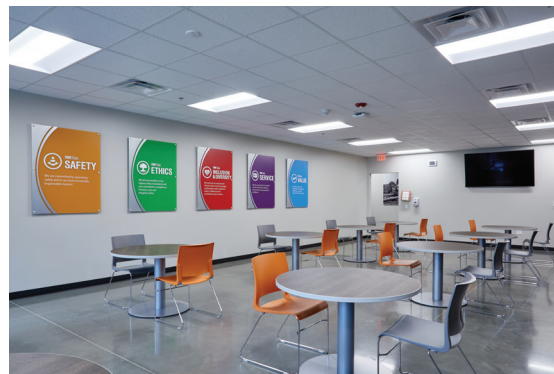
*Source: epa.gov/energy/greenhouse-gas-equivalencies-calculator-widget



Facilities

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

In 2022, we implemented software that allows us to calculate the Scope 2 emissions from purchased electricity in the buildings we own and occupy, which totaled approximately 4,560 metric tons of CO₂e. As we better understand our Scope 2 emissions, we will be able to consider a goal for reducing those emissions.



The breakroom at the ONE Gas Training Center was designed to meet green building standards



Sustainable Building Practices

ONE Gas has incorporated sustainability considerations into our building standards for constructing new facilities to reduce our environmental impact.

Our greener building standards include the following requirements:

- Ceiling tile – 55% recycled content
- Toilet partitions – 16.5% recycled content
- Carpet tile – 100% recycled packaging content; 46% post-industrial recycled content
- Steelcase office chairs – 88% recycled content
- Steelcase workstation components – 71% recyclable; 48% recycled content
- ENERGY STAR-certified TVs and appliances
- Hot water tanks – ENERGY STAR rating of .095-.093
- High-efficiency HVAC units – 8 SEER or better (ENERGY STAR is 14.5)
- LED lights – luminous efficiency of 85%

4,560
metric tons
of total Scope 2 emissions
estimated from ONE Gas-owned
and occupied facilities in 2022.



In 2022, we completed an interior remodel at our headquarters in Tulsa for an Education & Training Area. All applicable sustainable building practices were used in the construction of the space.

Our Education & Training Area is fitted with a variety of energy-efficient enhancements, including:

Lighting Control System

- Automated lighting system to reduce energy consumption
- Brightness sensors automatically dim interior perimeter lighting to offset sunlight

Building Management System

- Automated thermostat control to reduce energy consumption
- Automated system improves HVAC efficiency and fresh air intake

◀ Residential kitchen and seating (top photo) in ONE Gas' Education & Training Area and commercial kitchen and appliances (bottom photo)



Environmental Stewardship

Being an environmental steward goes beyond reducing carbon emissions.

We also strive to reduce our environmental impact in all of our operations. 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 habitat. We also recycle scrap polyethylene (PE) in Oklahoma.

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 habitat along our proposed project right-of-way.

If it is determined that 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.



Complimentary water kits are available to our customers. Kits include two bathroom faucet aerators, a kitchen faucet attachment and low-flow showerhead to help reduce water usage and save on water heating costs.

Water Management

While our operations are not water-intensive, we are committed to using natural resources responsibly. Our water management efforts include the following:

- 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 disposal during our limited hydrostatic testing in accordance with Clean Water Act requirements, state regulation and permitting requirements and other regulatory requirements

In 2022, we calculated that our energy efficiency programs saved 18,516,511 gallons of water.



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 2022.

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 magnificent 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. The Joseph H. Williams Tallgrass Prairie Preserve in Oklahoma is the largest protected piece of tallgrass prairie left on earth. It is home to a herd of bison, a species that provides enormous benefits to the prairie and the native wildlife it supports.



*Photo Credit: Harvey Payne



Safety and System Integrity



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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.

A Culture of Safety

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 sixth consecutive year (2017 to 2022). DART represents the most severe types of injuries.

Our DART rate has decreased by 82% 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:

44% reduction in our TRIR

46% reduction in strains and sprains, our employees' most prevalent type of injury

82% reduction in our DART rate



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 strive to continuously improve personal and operational safety.



Safety Partners Committee

The Safety Partners Committee is an employee-driven program that supports the growth of the ONE Gas safety culture. Committee members are generally at or below the supervisor level and serve staggering terms of 4-5 years. The committee's members and observers perform peer-to-peer job site and facility observations. These observations are a way to provide feedback, give positive reinforcement and encourage safe behaviors. The committee uses the information gained in these observations 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.

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 work. This is a tool we utilize to support open and positive relationships and 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 employees. 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 an opportunity 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. There are opportunities to share this across the organization.

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.





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. On average, we spend approximately \$400 per year per employee on training.



State-of-the-Art Training Center

In June 2021, ONE Gas opened a 17,000-square-foot specialized training center to provide hands-on training to our field service employees. In 2022, more than 23,000 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, simulated leaks and addressing code violations. The training center also includes an inspector school, a fire school and a dig site for teaching safe digging techniques, best practices for trench shoring and handling emergencies.

Coming in 2023:

- Increased number of training sessions
- Beginning construction on a similar training facility in Austin, Texas



Operator Qualification

Federal law requires 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. Our comprehensive operating standards can be accessed electronically by employees and contractors performing work on our system.

Methods and Practices

Qualifications – Individuals must be appropriately qualified to perform covered tasks or, for non-restricted tasks, be directed and observed by a qualified individual.

Our Employees – ONE Gas directly supervises and verifies OQ for its employees to help ensure quality training.

Our Contractors – A third party administers OQ assessments and maintains OQ records for contractors to ensure that all work on our system is done by trained personnel.

Verification – OQ records are accessible to inspectors via an e-wallet certification, which all individuals performing covered tasks are required to carry, allowing us to verify credentials quickly.



Safe Work – Work is not allowed to begin on a job site until a safety review has been completed and the inspector has verified that the individuals at the job site are either qualified to perform the covered tasks or, where appropriate, will be directed and observed by a qualified individual.

Contractor Safety

Contractors play an important role in providing safe, reliable service to our customers, performing construction work, customer service and compliance activities. ONE Gas evaluates contractor safety through consistent communications and inspection. Our sourcing practices include utilizing a third-party service to vet potential contractors' safety performance, policies and practices to confirm they meet our requirements before performing work.

We continually monitor safety performance through this system even after onboarding of contractors and proactively address concerns through our dedicated contractor performance team.

We continue to stress the importance of safety to our contractors. Our contracts require safe practices in accordance with regulatory requirements and standards governing the work they perform. In addition to the frequent interactions between our contractor performance team and contractors, annual Contractor Safety Summits are another way to make contractors aware of safe digging and other safety practices. Contractors from across our service territory meet with representatives from ONE Gas to share safety best practices and review new protocols and procedures.



AGA Peer Review

ONE Gas actively participates in the AGA's Voluntary Peer Review Program. During a weeklong, in-depth review in 2022, peer reviewers observed our damage prevention and construction contractor relationships. At the end of the week, reviewers identified potential areas for improvement.

ONE Gas is an Active Member of Many Industry Organizations

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.



Operational Safety and Emergency Preparedness

We use various technologies to monitor and maintain our natural gas distribution system to allow the safe delivery of natural gas to our customers and the communities we serve. These safety procedures and technologies are important parts of our system integrity program that help identify areas of improvement as we continue to modernize our system.

Pipeline Safety Compliance

Our Pipeline Safety Compliance program supports the company's commitment to safety by implementing a framework and processes to achieve regulatory compliance. Our dedicated Pipeline Safety Compliance group works alongside our Operations team to drive compliance, and continuous improvement across the organization.



Employee using leak survey technology



Emergency Valve Corridor Project

Since 2020, we have been enhancing our emergency valve systems to improve reliability by limiting the impact of outages on 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.



Safety Management System

ONE Gas operates using a comprehensive and systematic approach to managing safety called the ONE Gas Safety Management System (OSMS). This safety management system aligns with 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 enthusiastic supporter of this, and has met this industry wide commitment.

We continue to execute the OSMS, work with contractors to help them integrate OSMS principles and make improvements as needed.

We use the four-step cycle to determine

- 1) what we need to do,
- 2) how to execute the work,
- 3) how to review what we did, and
- 4) how to improve.

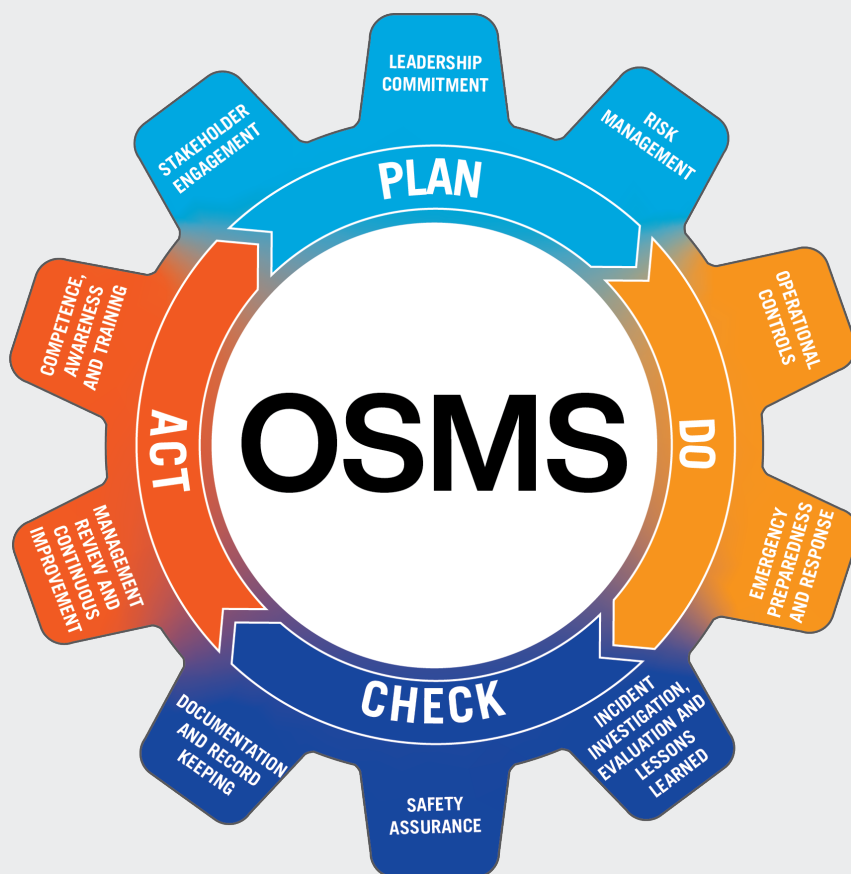
These four steps provide an ongoing process to identify improvement opportunities. Our Environment, Safety, Health and Compliance (ESH&C) steering committee, which our chief operating officer chairs, is responsible for providing direction and oversight of the OSMS process throughout the organization.

API RP-1173 2022 Highlights

- Completed our second maturity assessment to identify potential opportunities for improvement with increased ratings from the 2020 assessment.
- Conducted 80 meetings with 68 stakeholders across various corporate and divisional workgroups to understand existing controls and performance related to each requirement of API RP-1173.
- Assigned an overall rating for each of the 10 elements of the Recommended Practice.
- Used data to identify potential opportunities for improvement related to API RP-1173.
- Conducted our first safety culture survey.



10 Elements of the ONE Gas Safety Management System



ONE Gas met full implementation of API RP-1173.



Business Continuity Plan and General Emergency Preparedness

ONE Gas has a full complement of emergency and crisis plans, assessments and committees designed to mitigate risk and promote emergency preparedness for pipeline operations and cybersecurity. Each operating division performs emergency drills at least annually and includes local emergency management personnel and public authorities.

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 review and 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 Plans
- Cybersecurity Corporate Security Plan
- Cybersecurity Incident Response Plan

Emergency Response Time (ERT)

We closely monitor the time between creating an emergency order and the arrival of the first company responder to the scene.

In 2022, our average response time for natural gas emergencies was 28.4 minutes. That includes responding in urban, suburban and rural areas across Kansas, Oklahoma and Texas.

Our Field Operations leadership reviews and evaluates ERT performance monthly to determine how we can further improve and execute on opportunities they identify.

System Resiliency

We continue to increase and support the reliability and resiliency of our system by investing in system integrity and pipeline supply reinforcements, creating redundancies within our system. We experienced no significant outages during Winter Storm Elliott in late 2022. In recent years, we have focused on improving the resilience of our system to be better prepared for events like Winter Storm Uri in 2021. Since ONE Gas became an independent company in 2014, we have completed 22 projects that provided new transmission and distribution supply points and 127 interconnections, reinforcement or regulation projects to strengthen our system.



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 and leads 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.

For the year ending December 31, 2022, there were no disruptions to our business caused by a cyber incident or data breach. We 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 multiple layers of security technology, including AI-assisted surveillance and intrusion detection
- Exchanges information with peer companies to improve security across our industry
- Voluntarily 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 mandatory security directives issued to pipeline operators in 2021, Security Directives Pipeline-2021-01 and Pipeline-2021-02

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 governance committee responsible for overseeing the company's security and compliance-related strategies, risks and operational initiatives
- Creates and executes the annual Cybersecurity Assessment Program 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 quarterly, 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, including HIPAA training, as appropriate to their roles

Privacy Practices and Protection

It is necessary for ONE Gas and some of its vendors and contractors to collect 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
- We annually assess key components of 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
- We do not sell our customers' personal information to third-party companies
- 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.*



A field technician documents repairs needed on a natural gas pipeline

System Integrity

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

Pressure Reduction Project

Operating our transmission pipelines at lower pressures significantly increases safety by reducing the risk of a pipeline rupture.

Through a series of projects, we have lowered pressures on certain high-pressure pipelines in metropolitan areas. Over the last 14 years, we have reduced pressure on more than 1,400 miles of transmission pipelines.

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. The company can determine common causes of damage and use that information to improve our prevention and public awareness outreach and reduce future pipeline damage.

Common Ground Alliance

ONE Gas is a member of the Common Ground Alliance, a forum that allows stakeholders to collaborate, share best practices and promote effective damage prevention practices.

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. Tickets are routed through a centralized platform and immediately passed to the line locator, which gives ONE Gas increased visibility into ticket data and line location performance. These insights allow ONE Gas to manage line locating more effectively and target improvement efforts as needed to avoid damage to our pipelines.

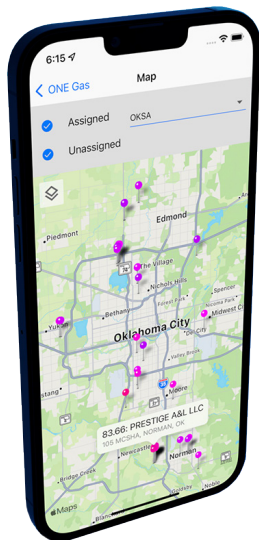


Risk Assessment and Damage Reduction

ONE Gas utilizes Risk Assessment and Damage Reduction technology, also known as RADAR, to pull data from public and internal sources. This application, developed by ONE Gas Information Technology, System Integrity and Field Operations team members, 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 before the excavation begins to foster safe practices. We have started using RADAR in major metro areas in Kansas and Oklahoma, begun implementation in Texas, and plan to expand deployment to more

locations over the next few years. The implementation of RADAR is an excellent example of continual efforts to improve our safety performance and reduce emissions.

← RADAR is an application developed by ONE Gas that monitors the location of excavation activities near pipelines.



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 damage to our pipelines.

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





Material Tracking and Traceability

We currently utilize a material tracking and traceability mobile application to install new transmission facilities. Knowing the pipe location, material and installation date of our pipelines helps us plan system upgrades and replace pipes as needed. A quick barcode scan on the pipe captures essential data such as the type of material, time and location where it was made. We plan to utilize this application for our distribution assets starting in 2023.



Field inspector using material tracking application



Company vehicle using advanced leak detection technology

Advanced Leak Detection Technology

We regularly conduct leak surveys on our gas delivery system to find and address leaks.

ONE Gas utilizes advanced mobile methane leak detection units where mobile units are mounted within vehicles to provide in-depth analysis and create reports showing potential infrastructure leak locations. Potential leaks are then investigated and repaired according to their classification. Our units are deployed in some operating areas in Oklahoma and Texas, and we're working alongside the Kansas Corporation Commission to implement the technology in Kansas.

The advantages of advanced mobile detection include electronic data collection and analytics, the ability to operate in adverse weather conditions and the potential to survey approximately two times faster.

PIPES Act of 2020

ONE Gas is subject to and has fulfilled the requirements of the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020, Section 114. The PIPES Act requires operators to review and update their Operations and Maintenance manuals to verify that the plans contribute to public safety. They are designed to respond to hazardous leaks, reduce the release of natural gas from pipelines and protect the environment.



Social Commitment

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Social responsibility begins with fostering a safe, ethical, inclusive and diverse 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 in 2022.



Kansas Gas Service employee-volunteers at Topeka tree-planting event

ONE Gas is in the top quartile of Gallup's Overall Company Database



Texas Gas Service field service technicians



Oklahoma Natural Gas employees with adaptive work computer stations at Guthrie Public Library donated by the company

Supporting Our Employees

Our Core Value of Service extends to supporting our co-workers. We create 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

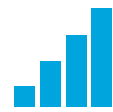
Since March 2016, ONE Gas has completed an annual Gallup employee engagement survey. Participation in the survey continues to be strong, with 89% of employees participating in 2022. Our employee engagement scores increased for the sixth consecutive year and were in the top quartile of Gallup's Overall Company Database.

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

Our inclusiveness score also increased in 2022. Based on decades of Gallup research in workplace engagement, diverse and inclusive environments show numerous advantages, including improved retention, organizational commitment and innovation.



2022 Gallup Employee Engagement Results



Grand Mean

4.19↑

Goal: 4.20

86↑

Gallup Company
Overall Percentile



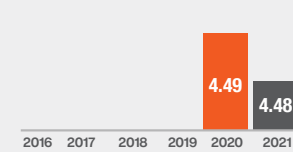
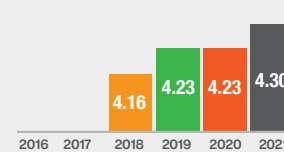
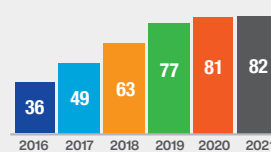
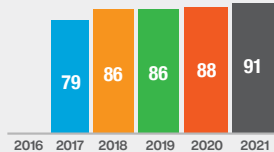
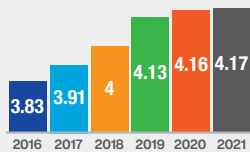
**Inclusiveness
Index**

4.35↑



Values Index

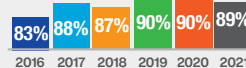
4.48



**Survey
Participation**

89%

Goal: >=85%



**Action
Planning**

100%

Goal: 100%



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



Internal Candidate Experience

ONE Gas filled approximately 40% of open positions, including 90% of open leadership roles, with internal candidates in 2022, giving our employees opportunities to learn, grow and advance their careers.

In 2022, we implemented a new internal candidate experience that included increasing diversity on our interview panels and providing more communication to candidates throughout the interview process while engaging leaders for feedback and development for candidates not selected.

Survey feedback on the enhanced internal candidate experience remains positive, and strive to improve the process and communications based on employee feedback.

Leadership Training Programs

Leadership Essentials, a role-based curriculum, is the backbone of our leadership development strategy. Because the development needs of leaders change as leaders progress, the curriculum is different for each management level and aligns with the competencies required for that role. The self-paced program includes

classroom-based and online training as well as development experiences.

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

Conscious Inclusion Training

Conscious Inclusion training is offered to leaders through the Leadership Essentials program. The course helps employees understand their own biases and how those biases can impact team members, focusing on creating an environment where curiosity about differences is encouraged and where inclusion is the mutual responsibility of all employees. Participants discuss how bias can appear in daily work activities, learn techniques to combat it and identify practical action plans. We piloted the training program in 2022 and expanded it to leaders in 2023. We intend to offer the training to all employees in the future.

The **Leadership Essentials** development program is a set of curriculums for each level of leader at ONE Gas. The curriculum is designed to help a leader build the skills and competencies needed to be successful in their role.



GALLUP®

CliftonStrengths®

LinkedIn Learning



EXTENDED DISC

**ONE Gas filled approximately 40%
of open positions, including 90% of open
leadership roles, with internal candidates in 2022.**



Inclusion & Diversity

2022 Highlights



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



Recognized as a
**Veteran Employer
Champion**
for the fourth consecutive year



58%
of new hires were women or historically
underrepresented individuals



Increased engagement and
visibility among historically
underserved high schools in our
operating areas, including an
**increase in campus
diversity events by 61%**



ONE Gas employees and family at the 2022 Veterans Day parade in Tulsa



Texas Gas Service celebrates Juneteenth



ONE Gas employees, retirees and family at the 2023 Martin Luther King Jr. Day parade in Tulsa



I&D Strategic Plan

To better align our efforts and provide accessibility to internal and external stakeholders, we've revised our I&D Strategic Plan into four focus areas.



1 Learning and Awareness

Highlights the value of knowledge and discussing the experiences and perspectives each person brings to work.

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 personal connection to making everyone feel valued and respected



2 Enhance and Integrate Equity

Focuses on creating opportunities and removing barriers for employees to perform their best work and be treated fairly.

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 (ERGs) and I&D ambassadors 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 the “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



I&D Is How We Approach Our Work

Much like our focus on 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, making our organization stronger, safer and more productive.

We recognize the ongoing importance of listening to our employees to create a more inclusive environment, which we continued in 2022 through CEO listening sessions, engagement with our I&D Council and ongoing dialogue among co-workers.



ONE Gas I&D Council members



I&D Council

Our CEO chairs the I&D Council that includes six permanent and 16 rotating members serving three-year terms from various functional areas and experiences. The I&D council provides governance and guidance for implementing I&D strategies. The members are natural advocates, thoughtful listeners and inclusive innovators who influence their local teams and across the company.

The I&D Council aims to govern and advocate for inclusion and diversity in alignment with our ONE Gas Core Values and mission. This purpose is accomplished through:

- Assisting with developing the I&D strategy and related initiatives based on overall company business initiatives and any problems, gaps or opportunities identified and associated with I&D.
- Reviewing and proposing practices and guidelines that support and/or advance an organizational climate that promotes I&D.
- Reviewing ERG 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, the senior vice president of Administration, the vice president of Communications, the managing Attorney of HR, the director of Sustainability and the director of Inclusion & Diversity. 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

Our Employee Resource Groups (ERGs) drive I&D engagement and awareness throughout our organization. ERGs help us recruit diverse talent, share valuable education, provide professional and leadership development opportunities for members and promote community involvement. 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 LGBTQ+ 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 2022, 30% 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.



ERGs Giving Back to Our Communities

Our ERGs are committed to serving their local communities, as demonstrated by La Voz, our Hispanic and Latino-serving ERG. La Voz provided multiple letters of support for a ONE Gas Foundation grant to the Allied Arts Foundation in Oklahoma City. CAPABLE supported a ONE Gas Foundation Grant to Youth and Family Services in El Reno, Oklahoma.

BLOG partnered with Community Relations in Kansas to plant trees throughout a

neighborhood, demonstrating devotion to community service and environmental stability. Our ERGs also participated in various parades commemorating Veterans Day, Martin Luther King Jr. and Pride across our service territory.

Our Native ONE ERG participated in the sixth annual Native American Day Celebration with daylong activities in downtown Tulsa, Oklahoma, to honor Native American history and culture, as well as the rich Native American heritage in the area.



Tulsa is home to about 30,000 Native Americans within 39 federally recognized tribes in the state. ONE Gas sponsored the event, where more than 700 attended to learn about Native American culture.



Employee and former CAPABLE leader, Amy Jenkins

CAPABLE Champions Disability Efforts

Driven by their mission to eliminate the fear of repercussions and/or discrimination for disclosing a disability, our CAPABLE (Caring Adaptable Proficient Ambitious Brave Loyal Equal) Employee Resource Group achieved a 27% increase in membership for the year. Members include approximately 225 employees with access and/or functional needs as well as employees who desire to support or advocate on behalf of those individuals. CAPABLE continues to maintain a network of employees to support one another and others with disabilities, attributing this success to its commitment to civic and social partnerships throughout our organization and communities.

CAPABLE held a Fireside Chat to help raise awareness about the unique challenges of people with visible and invisible disabilities. ONE Gas' leadership and CAPABLE members were featured in the chat, demonstrating transparency by being willing to share their own stories.

CAPABLE member Amy Jenkins' efforts were recognized during the 35th Governor's Disability Employment Awards of Excellence in Oklahoma City. Amy has a form of muscular dystrophy called Charcot-Marie-Tooth disease, which causes peripheral nerve damage and loss of sensation in the arms and legs. Amy shared this about removing obstacles: "As a person with a disability, you're constantly finding a different way and approach. My brain asks, 'What is the easiest way to get this done?' To find a better way, but also (deliver) a great product in the end?"



Workforce Demographics

Category	U.S. Natural Gas Distribution Utility Average ¹	2022 ONE Gas
Women in the workforce	23%	26%
Historically underrepresented individuals ²	26%	37%
Women and historically underrepresented individuals in leadership positions ³	35%	49%

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

¹Source: [bls.gov/cps/cpsaat18.pdf](https://www.bls.gov/cps/cpsaat18.pdf)

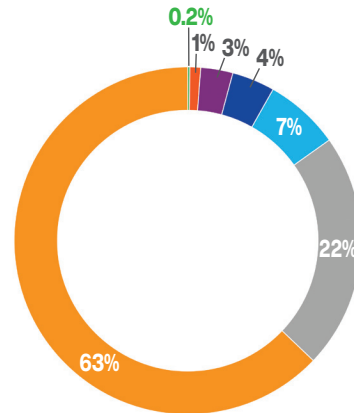
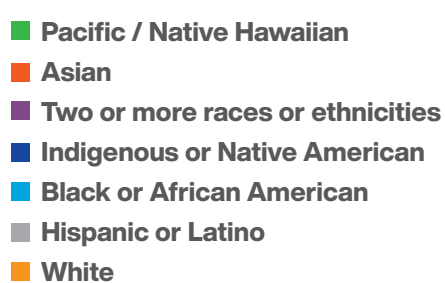
²Defined as individuals who identify as members of traditionally underrepresented racial and ethnic groups.

³Defined as supervisors and above



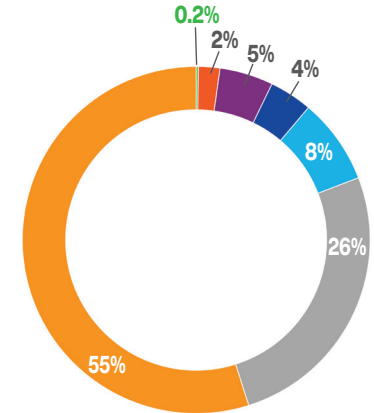
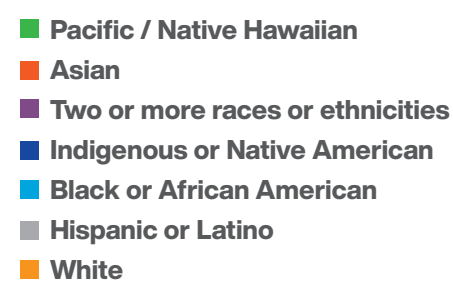
Ethnicity Breakdown for Total Workforce

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



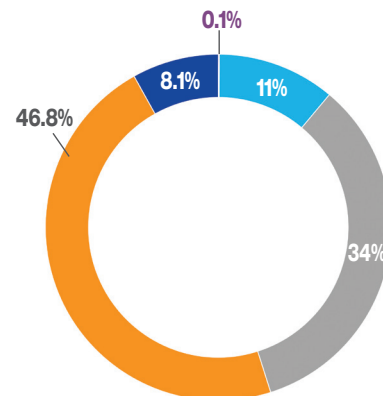
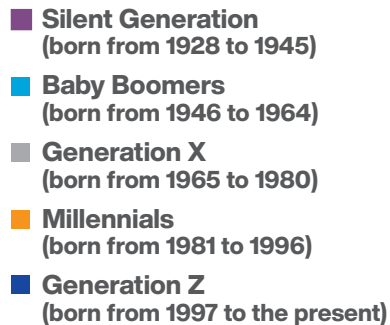
Ethnicity Breakdown of New Hires

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



Age / Generational Diversity

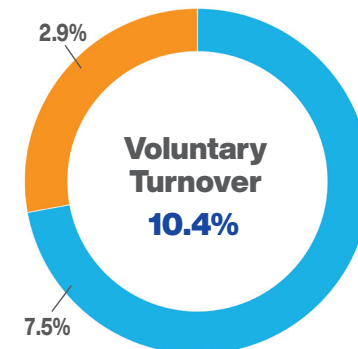
We are mindful of generational differences as we develop our workforce and plan for future recruitment. Here is how our workforce looked from a generational perspective in 2022:



Generational ranges defined by Pew Research Center

Turnover Rate

ONE Gas monitors its voluntary turnover rate to better understand market trends and opportunities to increase employee development, engagement and retention. ONE Gas continues to attract and retain a high-performing workforce through dedication to an inclusive culture, attractive benefits and development programs.





Well-being Programs

Much like how our co-workers take excellent care of our customers, ONE Gas strives to take care of its employees. We are committed to fostering a physical, financial, emotional and social well-being culture that supports our co-workers' lives.

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 educating them on spending, saving and investing to meet short- and long-term financial goals	Emotional Educate 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 Holiday time off	Employee resource groups Mentorship program
Vision and dental insurance	Employee Stock Purchase Program	Flexible and remote work options	Professional development
CareATC Wellness Centers (where available)	Smart Dollar Program for money management and financial education	Virtual counseling	Continuing education Scholarship and tuition assistance programs
Health Spending and Savings Accounts (FSA, HSA)	Life insurance	Adoption assistance	Service Award recognition
Tobacco cessation program	Accidental death & dismemberment insurance	Employee Assistance Program	Volunteer program and grants
Dedicated lactation rooms	Short- and long-term disability insurance	Paid parental leave in addition to maternity leave	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 onegas.jobs/our-benefits/



Expanded Paid Parental Leave

Beginning in 2023, Paid Parental Leave for non-bargaining unit employees increased from two weeks to four weeks. Paid Parental Leave is a benefit for parents to bond with their child(ren) after birth or adoption by offering additional paid time off. This time off is available to either parent and is offered in addition to the medical leave provided to a mother for birth-related recovery.



CEO Sid McAnnally speaks to retirees at the 2022 ONGoers luncheon



The ONE Gas cycling team prepares for the 2022 Tulsa Tough fondo bike rides



Employees gather at the 2022 United Way fundraising pancake breakfast



Customer Satisfaction

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

Our digital tools — such as our mobile app, website and text alerts — help customers pay bills on time, view payment history and schedule service conveniently from their preferred device. 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 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.

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 half of our customers now enrolled.

Customers who have paid online consecutively for the past 12 months, but 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

Caring for Our Customers 2022 Highlights



87.6%

overall satisfaction score on the 2022 ONE Gas Customer Relationship Survey



88%

of customers indicated that we are “easy to do business with”*



86.7%

of customers were satisfied in the 2022 Contact Center Survey



28 Points Higher

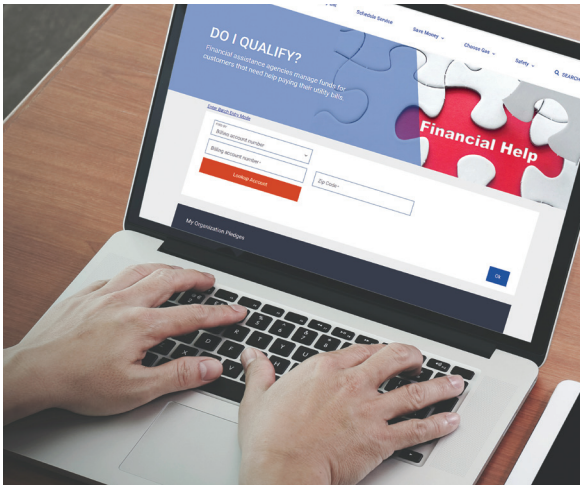
customers' overall satisfaction with our website was 28 points higher than the utility industry average**



16.5 Points Higher

customers' overall satisfaction with our mobile app was 16.5 points higher than the utility industry average**

* 2022 MSR relationship survey ** 2022 Verint Predictive Experience Survey



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 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, the agency can act on their account, such as notifying us of a pending payment.

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.

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.

In 2022, the ONE Gas Foundation gave more than \$2 million through 19 grants in the following philanthropic focus areas:

- **Community Enrichment & Assistance:** \$1,754,300
- **Education & Workforce Development:** \$240,000
- **Community Collaboration:** \$89,000





Giving Back to Our Communities 2022 Highlights



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



279 matching grants (employee, retiree and director donations, giving more than \$185,000)



205 teachers and **176** schools received Public School Funding Grants



Volunteer Efforts

Employees across our footprint volunteered more than 5,800 hours at local nonprofit organizations in 2022. In a year that saw us return to normal operations and return to our offices, we were especially excited to return to our roots of giving back and volunteering in person.



ONE Gas employees generously gave their time to make a positive impact in their communities. Highlights of our volunteer projects included building houses, fighting food insecurity, supporting youth development and working toward community improvement.

Doubling the Impact

The ONE Gas Foundation Matching Grant program empowers employees, retirees and directors to decide where they want Foundation dollars to be invested, which keeps our funding diverse and doubles the impact of our 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 2022, we donated \$186,650 through 279 matching grants.

Funding Our Public Schools

We proudly support STEAM initiatives (Science, Technology, Engineering, Arts and Math) that prepare today's students to join the workforce of tomorrow. In 2022, we awarded 229 public school grants, impacting 205 teachers in 176 schools with 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 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 1,674 employees/retirees and the ONE Gas Foundation, ONE Gas gave \$1,678,654 to United Way Campaigns throughout our three-state footprint in 2022.



Community Relations Managers

Being a good corporate citizen includes investing in our communities financially and with our time. ONE Gas Community Relations representatives are actively engaged with the communities we serve, working to build positive, long-lasting relationships with local elected officials and business leaders through open, 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.

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.

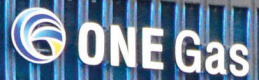


While ONE Gas does not contribute corporate funds to political candidates, we remain engaged within our service territory when public policy may affect our business, customers, employees and the communities we proudly serve. We establish and maintain a dialogue with elected and appointed officials and business leaders concerning issues such as energy use, affordability and reliability. We participate in trade associations and business groups like the American Gas Association and local chambers of commerce to support industry and business development in our communities. Through these engagements, we also advocate for causes that benefit our customers, such as promoting 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.



Stakeholder group	Primary engagement topics	How we engage	Who engages
 Investors	<ul style="list-style-type: none"> Strategy and risk management Growth opportunities Emissions reduction I&D, workforce statistics 	<ul style="list-style-type: none"> Conferences and 1x1 meetings Quarterly conference calls SEC filings ESG reports Participation in ESG ratings 	<ul style="list-style-type: none"> Executive team Investor Relations Sustainability SEC team
 Employees	<ul style="list-style-type: none"> Strategy and risk management Safety Growth opportunities I&D, workforce statistics Cyber and physical security 	<ul style="list-style-type: none"> ESG reports Internal communications 	<ul style="list-style-type: none"> Executive team Corporate Communications Sustainability Cyber and Physical Security
 Regulators	<ul style="list-style-type: none"> Rates and rate design Tariffs Safety and system integrity Low-income strategy Emissions reduction 	<ul style="list-style-type: none"> Rate case filings Updates and briefings ESG reports News releases 	<ul style="list-style-type: none"> Rates & Regulatory Legal Commercial Community Relations Sustainability Operations
 Customers and communities	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> ESG reports Websites Social media Bills inserts Contact center Targeted customer surveys News releases 	<ul style="list-style-type: none"> Corporate Communications Community Relations Customer Service Market Development Sustainability Operations
 Local governments and chambers of commerce	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> City council and community meetings Working groups and task forces ESG reports 	<ul style="list-style-type: none"> Community Relations Government Affairs Commercial Corporate Communications



Governance

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Board of Directors

We are committed to providing stakeholders with lasting value and clean energy transition solutions. 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 oversees the company's business, including reviewing and approving the company's strategic and financial plan along with evaluating climate-related risks and opportunities. Our Board and management are committed to maintaining strong corporate governance practices that allocate rights and responsibilities among our Board, management and our shareholders in a manner that benefits the long-term interests of stakeholders. Our corporate governance practices are designed to satisfy regulatory and stock exchange requirements and provide for 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
 - Director 5x annual cash retainer
 - CEO 6x base salary
 - Officer 2-4x base salary
- Lead independent director
- Audit, Executive Compensation and Corporate Governance Committee members are independent
- Independent directors meet during 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

Board Diversity

- 33% (3) of directors identify as women
- 13% (1) of directors identify as Hispanic/Latino
- Age range 53-74
- Selection criteria include consideration of diversity in evaluating candidates for Board membership

Board diversity as of June 30, 2023

Commitment to Board Diversity

ONE Gas' director selection criteria include consideration of diversity in evaluating candidates for Board membership. The Board believes that diversity with respect to background, 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 diversity 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 the governance committee 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 finding ways to operate safely, reduce emissions and engage in conservation efforts as we move toward a sustainable energy future.

The Board and ESG

Our entire Board retains responsibility for overseeing, reviewing and guiding our corporate ESG strategy as part of our annual strategic planning process. This includes evaluating climate-related risks and opportunities. Our Board discusses corporate strategy with management informally and formally throughout the year, including during Board executive sessions as appropriate.

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 them. The Board also participates in crisis drills.

The Board is provided with updates on safety, cybersecurity and ESG-related matters at every 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 promote the integrity of the data presented in this report. After executive sign-off, our internal audit team verifies the data included in the report.

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, officials and the general public. It reinforces our company's Core Values and culture rooted in ethics. We strictly 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.



Fueling A Positive Environment Together

**Code of Business
Conduct & Ethics**





Statement on Human Rights

ONE Gas is committed to an inclusive, safe and ethical workplace as demonstrated in our Code of Business Conduct and Ethics, Supplier Code of Business Conduct and Ethics, Equal Employment Opportunity Statements and our 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. We engage with multiple vendors and award work based on total value to meet our business needs for materials, goods and services. We select vendors based on key criteria, including:

Availability

Product is plentiful and supports our ability to deliver natural gas safely and reliably.

Prudence

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

Compliance

Our suppliers comply with all laws and regulations.

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 employees and our suppliers. The ONE Gas [Supplier Code of Business Conduct](#) reinforces our expectations around supplier conduct and 100% compliance with employees and suppliers. The document provides guidelines for various issues when dealing with our employees, customers, suppliers, competitors or the public. All vendors receive and acknowledge a copy of the Code and are expected to adhere to the guidelines outlined in the document. It can be viewed at ethics.onegas.com.



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



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Reporting Framework

This report was developed with reference to the AGA ESG/Sustainability template, and 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 ESG Report, we encourage you to provide feedback. Please send any comments to IR@onegas.com. Thank you.

- In 2022, ONE Gas received a rating of AA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.
- In 2022, ONE Gas was given the rating “Prime” rating in ESG from Institutional Shareholder Services (ISS)



Disclaimer Statement

The use by ONE Gas of any MSCI ESG research LLC or its affiliates (“MSCI”) data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of ONE Gas by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided ‘as is’ and without warranty. Names and logos are trademarks or service marks of MSCI.



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 2023 ESG 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 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 to create 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 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 pipe with pipe 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 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 expanding our 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 further reduce their emissions. Upstream, we have regulatory approval to add RNG to our system in Oklahoma and are continually evaluating opportunities to purchase responsibly sourced gas (RSG), which can 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 strive to ensure that customers have 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.

Our full Board is actively involved in overseeing, reviewing and guiding our corporate environmental, social and governance (ESG) strategy 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 towards 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 company's Enterprise Risk Management (ERM) assessment, 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 environmental, social and governance goals and objectives

■ 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 environmental, social and governance 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.



Task Force on Climate-related Financial Disclosures (TCFD)

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 ESG strategy.

Our Environment, Safety, Health and 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 ESG policies and practices that are important to our internal and external stakeholders. In 2022, the Committee was chaired by our chief financial officer (CFO), who regularly reported the Committee’s activities to the executive leadership team and updated the Board on significant issues that came before the Committee. In 2023, the vice president, corporate development and investor relations became chair of the committee and assumed those responsibilities. 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 ESG practices, including emissions reduction, into everyday business activities. This committee is part of our commitment to a focused effort to integrate sustainability risks and opportunities into business and risk management strategies.



Task Force on Climate-related Financial Disclosures (TCFD)

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
- **Resource Management** – responsible for supply chain, contractor management and fleet
- **Environmental and Safety** – responsible for environmental compliance, biodiversity protection and safety
- **Corporate Development and Investor Relations** – responsible for identifying and exploring new business opportunities and meeting investors' need for information
- **Commercial and Rates and Regulatory** – Responsible for developing business opportunities, meeting customer needs and executing regulatory strategy
- **Treasury** – responsible for managing finances and access to capital
- **Customer Service** – responsible for meeting customer needs and customer engagement strategies
- **Legal** – responsible for advising on risk and compliance, including environmental and regulatory compliance
- **Operations** – responsible for the safe operation of our pipelines, which includes our replacement and protection program and practices and procedures to reduce operational emissions
- **Human Resources, IT and Enterprise Services** – responsible for facilities (Scope 2 emissions), employee engagement 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. These teams are also developing guidelines for our field employees to reduce unnecessary vehicle idling, thereby reducing emissions.

Working with our Rates and Regulatory and Legal teams, our Commercial team is developing pathways to offer alternative fuels to customers. Our energy efficiency team is working with our regulators and legislators to allow us to offer expanded programs across our service territory.



Task Force on Climate-related Financial Disclosures (TCFD)

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 forward-looking statement, important notes and disclaimers at the end of our 2023 ESG 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 Securities and Exchange Commission for further details and a listing of additional risks, considerations and assumptions. The reports can also be accessed at onegas.com.

Strategy

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 giving our customers cleaner energy pathways. 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 clean energy opportunities that a transition to a cleaner energy future presents, as described below and in our 2023 ESG Report.

Transition Risks

Public Policy and Reputational Risk

As a 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, 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, and 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 able 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 the latest technology for finding leaks and repairing Grade 3 leaks within 30 months).



Task Force on Climate-related Financial Disclosures (TCFD)

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 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 2023 ESG Report. We are taking part in GTI Energy's Veritas project, which aims to develop a protocol to capture emissions reduction achieved through these activities.

We are working to reduce emissions from our fleet through increased usage of CNG, which can reduce tailpipe emissions by about 20% compared to gasoline, and by implementing operational practices that increase fuel efficiency, such as reducing unnecessary idling time.

■ Reducing energy use in our buildings

We have implemented software to allow us to measure our Scope 2 emissions from purchased electricity and are evaluating setting a goal to reduce those emissions. We have also incorporated sustainability considerations into our building standards for the construction of new facilities to reduce our environmental impact, as further detailed in our 2023 ESG 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 directly with 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 regulatory authorization to spend up to \$5 million annually to purchase

RNG as part of our natural gas supply portfolio and recover the cost through our purchased gas-cost mechanism. We are taking part in more than two dozen 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 practices and protocols around hydrogen deployment, 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 and historic cold weather events across the United States have demonstrated the value of having a secure, diversified source of energy, especially for heating homes and essential businesses when extreme cold weather strikes. As customers look for a reliable 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 promote our customers,



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communities, stockholders and potential investors' 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

Our state legislatures, governors and regulators 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. 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 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

territory about using less energy. We are working to expand our energy efficiency programs throughout our service territory through regulatory and legislative engagement, because using less energy helps customers save money and lessen their impact on the environment.

We are also working to help our transportation customers reduce their emissions by connecting them with a supply of RNG, which is currently treated as 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
- H2@Scale
- Clean Hydrogen Future Coalition
- Open Hydrogen Initiative
- Oklahoma Hydrogen Production, Transportation and Infrastructure Task Force
- Carbon Utilization Research Council
- Research and development conducted by the Gas Technology Institute

Compliance and Legal Risk

We are subject to environmental legislation and regulations, 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 participation in the AGA and other industry groups helps us stay abreast 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 [2023 ESG Report](#) for more information.



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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 recent years, we have focused on improving the resilience of our system to be better prepared for events like Winter Storm Uri in 2021 and Winter Storm Elliott in 2022. Since ONE Gas became an independent company in 2014, we have completed 22 projects that provide new transmission and distribution supply points, allowing for increased diversity of our natural gas supply, and 127 interconnections, reinforcement or regulation projects to reinforce our system.

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 2023 ESG Report for our metrics and targets, including:

- Total estimated 2022 Scope 1 emissions, calculated using the GHG Inventory Protocol
- Estimated 2022 Scope 1 emissions due to leaks from mains and services
- Estimated reductions in emissions due to leaks from mains and services as of December 31, 2022
- 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



Task Force on Climate-related Financial Disclosures (TCFD)

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.

Our 2022 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 and Regulatory, Commercial and Sustainability. The risks identified informed our prioritization of risk and management of risk through the strategies described here and in our 2023 ESG 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 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) 2022

SASB Code	SASB Title	Metric	2022	2021
IF-GU-240a.1	Energy Affordability	Average retail gas rate for residential customers	KGS ³ : \$15.09 per Mcf ONG ³ : \$15.26 per Mcf TGS ³ : \$19.47 per Mcf	KGS: \$11.92 per Mcf ONG: \$11.22 per Mcf TGS: \$14.57 per Mcf
		Average retail gas rate for commercial and industrial customers	KGS: \$13.58 per Mcf ONG: \$12.51 per Mcf TGS: \$14.78 per Mcf	KGS: \$10.34 per Mcf ONG: \$8.79 per Mcf TGS: \$10.02 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: \$58.41 per Mcf ONG: \$9.41 per Mcf TGS: \$12.67 per Mcf	KGS: \$33.26 per Mcf ONG: \$7.20 per Mcf TGS: \$8.79 per Mcf
		Average gas rate for transportation services	KGS: \$0.98 per Mcf ONG: \$0.35 per Mcf TGS: \$1.01 per Mcf	KGS: \$0.96 per Mcf ONG: \$0.33 per Mcf TGS: \$0.96 per Mcf
IF-GU-240a.2	Energy Affordability	Typical monthly gas bill for residential customers for (1) 50 Mcf and (2) 100 Mcf	<p>KGS: \$62.89¹ ONG: \$63.60²</p> <p>Calculations above are based on 50 Mcf usage. Based on the typical customer usage in our service territory, a 100 Mcf calculation is not applicable because our customers do not use that much gas. Similarly, within our Texas service territory, a 50 Mcf calculation is not applicable.</p> <p>Average monthly bill for TGS residential customers is \$58.41, representing 36 Mcf average monthly usage</p>	<p>KGS: \$49.67 ONG: \$46.74</p> <p>Calculations above are based on 50 Mcf usage. Based on the typical customer usage in our service territory, a 100 Mcf calculation is not applicable because our customers do not use that much gas. Similarly, within our Texas service territory, a 50 Mcf calculation is not applicable.</p> <p>Average monthly bill for TGS residential customers is \$43.71, representing 36 Mcf average monthly usage</p>

¹ This amount does not include the monthly securitization charge for recovery of extraordinary expenses arising out of Winter Storm Uri in the monthly amount of \$5.64, which was billed to Kansas customers beginning with the December 2022 billing cycle.

² This amount does not include the monthly securitization charge for recovery of extraordinary expenses arising out of Winter Storm Uri in the monthly amount of \$6.33 for 101A customers and \$10.04 for 101B customers,, which was billed to Oklahoma customers beginning with the September 2022 billing cycle.

³ Kansas Gas Service (KGS), Oklahoma Natural Gas (ONG) and Texas Gas Service (TGS) are divisions of ONE Gas, Inc.



Sustainability Accounting Standards Board (SASB) 2022

SASB Code	SASB Title	Metric	2022	2021
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 2022 saved an average of \$1,068 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 1.5% 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%	(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 of 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.	



Sustainability Accounting Standards Board (SASB) 2022

SASB Code	SASB Title	Metric	2022	2021
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 2022, the Oklahoma Natural Gas Energy Efficiency program achieved site savings of 482,676 MMBtu, the Texas Gas Service Central Texas Energy Efficiency Program achieved site savings of 18,085 MMBtu, and the Rio Grande Valley Energy Efficiency Program achieved site savings of 3,375 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 2023 ONE Gas ESG 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) 0 (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; 0.034% wrought iron (2) 3.35% unprotected steel Approximately 90% of replaced pipe is replaced with PE pipe and 10% with coated, protected steel pipe	(1) 0.00% cast iron; 0.039% wrought iron (2) 3.70% unprotected steel Approximately 90% of replaced pipe is replaced with PE pipe and 10% with coated, protected steel pipe



Sustainability Accounting Standards Board (SASB) 2022

SASB Code	SASB Title	Metric	2022	2021
IF-GU-540a.3	Integrity of Gas Delivery Infrastructure	Percentage of distribution main pipelines inspected by leak survey	38%	46%
		Percentage of transmission pipelines inspected	8.4% <ul style="list-style-type: none"> 1.4% In-Line Inspection 1.0% Pressure Test 5.9% Direct Assessment 	10.5% <ul style="list-style-type: none"> 0.6% In-Line Inspection 0.9% Pressure Test 9.0% 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 2023 ONE Gas ESG Report.	Please see the SASB Addendum. For additional information on safety and system integrity, please see the 2022 ONE Gas ESG Report.
IF-GU-000.A		Number of residential customers	~2,078,000	~2,065,000
		Number of commercial and industrial customers	~162,000	~160,000
IF-GU-000.B		Amount of natural gas delivered to residential customers	125,286 MMcf	117,758 MMcf
		Amount of natural gas delivered to commercial and industrial customers	43,185 MMcf	37,615 MMcf
		Amount of natural gas delivered to other customers (public authority and wholesale)	2,725 MMcf	2,521 MMcf
		Amount of natural gas delivered to transport customers	230,080 MMcf	229,935 MMcf
IF-GU-000.C		Length of gas (1) transmission and (2) distribution pipelines	(1) 2,400 miles (2) 62,715 miles	(1) 2,460 miles (2) 61,761 miles



Sustainability Accounting Standards Board (SASB) 2022

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:

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.



Sustainability Accounting Standards Board (SASB) 2022

SASB Addendum

IF-GU-420a.2 Describe relevant policy mechanisms in place that allow for or incentivize energy efficiency

We are encouraged by the governing bodies in Oklahoma and parts of Texas to offer energy-efficiency education and energy efficiency programs to our customers. We design our programs to promote the efficient use of natural gas and the benefits of investing in energy efficient appliances, thereby reducing net energy consumption and lowering utility bills for residential and commercial customers. In Oklahoma, we are governed by the Oklahoma Corporation Commission. In Central Texas, our program is governed by any department or office within a city with delegated authority to review and approve the Conservation and Energy Efficiency budget and conservation adjustment clause (CAC) charge adjustment. In the Rio Grande Valley, our program is governed by the Lower Rio Grande Valley Development Council. In both Central Texas and the Rio Grande Valley the programs are currently available to customers who live within participating city limits.

By ONG Tariff 1201, the Energy Efficiency rate is a fixed rate per customer that is separate from base rates. It is trued-up once per year within an annual filing that occurs each March. In addition, per Oklahoma Corporation Commission Gas utility Service Rule Chapter 45 Rule 23-8 Incentives, a maximum incentive of 15% of Net Benefits will be paid for achievement of 100% or greater of the utility's total annual Net Energy Source savings goal.

For both Oklahoma and Texas, our budgets are funded by our customers in areas where the program is offered by including a volumetric (for Texas commercial customers) or fixed charge on the monthly bill (for all Oklahoma customers and Texas residential customers). Our rebate portfolio is based on industry standard methodologies, such as those prescribed by the California Standard Practice Manual and various state technical reference manuals.

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 2023 ESG Report.

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

1. Describe efforts to manage the integrity of gas delivery infrastructure

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.

Damage Prevention: 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.



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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. Our 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 approximately two times faster. Locating leaks and addressing them more quickly also reduces emissions.

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.



Sustainability Accounting Standards Board (SASB) 2022

SASB Addendum

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. In 2022, ONE Gas participated in its second Peer Review and is using the information shared in the continual improvement of our operations.

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.

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 2022, we exceeded our EPA Methane Challenge Program emissions reduction goal for the sixth year in a row. As a founding member of Methane Challenge, we've committed to annually replacing a minimum of 2% of our vintage materials — 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 2022, ONE Gas submitted data to ONE Future for the second time. ONE Future reported a 2021 methane intensity for the group of 0.462%, well below the 1% target. The distribution sector intensity was 0.113%, beating the goal of 0.225% by 50%. Participating distribution companies represented 47% of the gas delivered in the U.S. in 2021. These numbers demonstrate that the natural gas industry can minimize methane emissions, increase production and throughput, 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

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.

Safety is our foremost Core Value and is integrated throughout our culture and processes. 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.

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.



Sustainability Accounting Standards Board (SASB) 2022

SASB Addendum

The training center also includes an inspector school and a dig site for teaching safe digging techniques and best practices for trench shoring. The ONE Gas Training Center held its first training class in June 2021 and logged over 23,000 hours of training in 2022.

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.

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

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.

We have in place a Crisis Management Plan, a Business Continuity Plan, and a Cybersecurity Corporate Security Plan. These plans incorporate crisis or emergency drills on at least an annual basis.



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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.

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

Our Pipeline Emergency Response Plan specifically, and O&M plans in general, are developed with a focus to protect life, property and then company assets, in that order.

ONE Gas is subject to and has fulfilled the 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 2023 ESG Report.



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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.

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

In 2022, we invested over \$459 million of capital for system integrity and replacement projects, a 24% increase over 2021.

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 460 miles of transmission pipeline, distribution mains and service lines in 2022. 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 2022 was 28.4 minutes.

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. ONE Gas procedures require that hazardous leaks be repaired immediately and that personnel remain on site until the leak has been repaired. 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 within 30 months. On December 31, 2022, ONE Gas had 216 open Grade 2 leaks, which is equivalent to .003 Grade 2 leaks per mile of pipeline.



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

347,970 metric tons CO₂e

13,919 metric tons CH₄

Fugitive Methane Emissions Rate 0.20%

*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 2023 ESG 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, 2022

Natural Gas Distribution

Ref. #.	Reporting Metric	2022	2021	Definition
1	Methane emissions and mitigation from distribution mains <i>All methane leak sources per 98.232 (i) (1-6) are included for Distribution. Combustion sources are excluded. CO₂ is excluded.</i>			
1.1	Number of Gas Distribution Customers	2,256,000	2,241,000	
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)	22,910	22,367	
1.2.2	Cathodically Protected Steel - Bare & Coated (miles)	17,872	17,775	
1.2.3	Unprotected Steel - Bare & Coated (miles)	1,347	1,464	
1.2.4	Cast Iron / Wrought Iron - without upgrades (miles)	21	24	
1.3	Plan/Commitment to Replace / Upgrade Remaining Miles of Distribution Mains (# years to complete) <i>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.</i>			
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.



American Gas Association (AGA) Voluntary Reporting Tool

Ref. #.	Reporting Metric	2022	2021	Definition
2	<i>Distribution CO2e Fugitive Emissions</i>			
2.1	CO2e Fugitive Methane Emissions from Gas Distribution Operations (metric tons)	347,970	363,125	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)	13,919	14,525	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)	725	757	
2.3	Annual Natural Gas Throughput from Gas Distribution Operations in thousands of standard cubic feet (Mscf/year)	380,394,567	363,821,321	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)	361,375	345,630	
2.4	Fugitive Methane Emissions Rate (Percent MMscf of Methane Emissions per MMscf of Methane Throughput)	0.20%	0.22%	Calculated annual metric: (MMSFC methane emissions/MMSCF methane throughput)

*minor data corrections were made



American Gas Association (AGA) Voluntary Reporting Tool

Human Resources

Ref. #.		2022	2021
1	Employees		
1.1	Total Number of Employees	3,800	3,650
1.2	Percentage of Women in Total Workforce	26	26
1.3	Percentage of Minorities in Total Workforce	37	36

2	Board of Directors		
2.1	Total Number on Board of Directors/Trustees	8	8
2.2	Percentage of Women on Board of Directors/Trustees	25	25
2.3	Percentage of Minorities on Board of Directors/Trustees	13	13

3	Employee Safety Metrics		
3.1	Recordable Incident Rate	1.37	0.96
3.2	Lost-time Case Rate	0.22	0.22
3.3	Days Away, Restricted, and Transfer (DART) Rate	0.22	0.22
3.4	Work-related Fatalities	0	0



Pipeline and Hazardous Materials Safety Administration (PHMSA) Data

Distribution Miles

	Kansas		Oklahoma		Miami/Bartlesville		Texas		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Unprotected Bare Steel	185	204	677	723	56	61	268	283	1,186	1,271
Unprotected Coated Steel	9	12	0	0	1	1	151	180	161	193
Protected Bare Steel	1,676	1,708	91	81	59	59	399	408	2,226	2,257
Protected Coated Steel	3,812	3,815	6,614	6,573	195	195	5,027	4,935	15,646	15,518
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	21	24	21	24
Plastic-PVC	140	140	4	4	0	0	99	100	243	244
Plastic-PE	5,892	5,813	11,365	11,164	364	356	5,042	4,787	22,663	22,120
Plastic-Abs	0	0	0	0	0	0	4	3	4	3
Plastic-Other	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	11,713	11,693	18,751	18,544	675	673	11,011	10,720	42,151	41,629



Pipeline and Hazardous Materials Safety Administration (PHMSA) Data

Number of Services

	Kansas		Oklahoma		Miami/Bartlesville		Texas		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Unprotected Bare Steel	9,533	13,830	27,646	27,736	4,571	4,741	29,850	30,787	71,600	77,094
Unprotected Coated Steel	1,770	2,645	0	0	1,248	1,298	17,394	17,512	20,412	21,455
Protected Bare Steel	2,810	4,570	0	0	142	144	62,235	62,825	65,187	67,539
Protected Coated Steel	7,597	7,895	201,303	201,327	92	90	161,775	164,939	370,767	374,251
Ductile Iron	0	0	0	0	0	0	0	0	0	0
Copper	0	0	0	0	0	0	131	145	131	145
Cast/Wrought Iron	0	0	0	0	0	0	0	0	0	0
Plastic-PVC	50	51	0	0	0	0	2,165	908	2,215	959
Plastic-PE	618,377	606,663	707,017	672,686	29,767	29,546	396,710	383,239	1,751,871	1,692,134
Plastic-Abs	0	0	0	0	0	0	11	11	11	11
Plastic-Other	0	0	0	0	0	0	0	0	0	0
Other	0	0	80,714	113,544	0	0	36,659	37,211	117,373	150,755
Total	640,137	635,654	1,016,680	1,015,293	35,820	35,819	706,930	697,577	2,399,567	2,384,343



Pipeline and Hazardous Materials Safety Administration (PHMSA) Data

Transmission Miles

	Kansas		Oklahoma		Texas		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
4"	354	354	56	56	13	30	43	440
6"	155	155	95	96	30	38	281	290
8"	285	285	218	231	42	54	545	569
10"	70	70	18	19	59	59	147	148
12"	161	161	86	108	24	24	271	293
14"	0	0	0	0	15	15	15	15
16"	117	117	12	18	67	86	196	221
18"	0	0	50	50	0	0	50	50
20"	253	253	6	11	3	3	262	266
22"	24	24	0	0	0	0	24	24
24"	116	116	24	26	0	0	140	142
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	1,536	1,536	565	615	254	309	2,355	2,460

Class Location

	Kansas		Oklahoma		Texas		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Class 1	1,424	1,425	358	378	102	141	1,884	1,944
Class 2	58	59	74	81	18	21	150	161
Class 3	54	52	133	156	134	146	320	354
Class 4	0	0	0	0	1	1	1	1



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



Leak Detection and Repair

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

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

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



ESG Report Metrics Summary

Systems Profile	2022	2021
Length of gas distribution pipelines (mains & services)	62,715 miles	61,761 miles
Length of gas transmission pipelines	2,400 miles	2,460 miles
Distribution mains, service lines and transmission lines replaced	460 miles	430 miles
Distribution pipeline that is plastic	61.70%	60.69%
Distribution pipeline that is protected steel	33.62%	33.96%
Distribution pipeline that is unprotected steel	3.35%	3.70%
Distribution pipeline that is other material	1.29%	1.61%
Distribution pipeline that is cast/wrought iron	0.034%	0.039%
Distribution pipeline that is copper	0.002%	0.002%

Operational Profile	2022	2021
Number of residential customers	~2,078,000	~2,065,000
Number of commercial and industrial customers	~162,000	~160,000
Amount of natural gas delivered to residential customers	125,286 MMcf	117,758 MMcf
Amount of natural gas delivered to commercial and industrial customers	43,185 MMcf	37,615 MMcf
Amount of natural gas delivered to other customers (public authority and wholesale)	2,725 MMcf	2,521 MMcf
Amount of natural gas delivered to transport customers	230,079 MMcf	229,935 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%



ESG Report Metrics Summary

Customer Gas Rates	2022	2021
Average bundled gas rate for residential customers	KGS: \$15.09 per Mcf	KGS: \$11.92 per Mcf
	ONG: \$15.26 per Mcf	ONG: \$11.22 per Mcf
	TGS: \$19.47 per Mcf	TGS: \$14.57 per Mcf
Average bundled gas rate for commercial and industrial customers	KGS: \$13.58 per Mcf	KGS: \$10.34 per Mcf
	ONG: \$12.51 per Mcf	ONG: \$8.79 per Mcf
	TGS: \$14.78 per Mcf	TGS: \$10.02 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: \$58.41 per Mcf	KGS: \$33.26 per Mcf
	ONG: \$9.41 per Mcf	ONG: \$7.20 per Mcf
	TGS: \$12.67 per Mcf	TGS: \$8.79 per Mcf
Average rate for transportation services	KGS: \$0.98 per Mcf	KGS: \$0.96 per Mcf
	ONG: \$0.35 per Mcf	ONG: \$0.33 per Mcf
	TGS: \$1.01 per Mcf	TGS: \$0.96 per Mcf
Typical monthly gas bill for residential customers for the first 50 Mcf	KGS: \$62.89	KGS: \$49.67
	ONG: \$63.60	ONG: \$46.74
	TGS: within our Texas service territory, a 50 Mcf calculation is not applicable, as our customers do not use that much gas.	TGS: within our Texas service territory, a 50 Mcf calculation is not applicable, as our customers do not use that much gas
	Average monthly bill for TGS residential customers is \$58.41, representing 36 Mcf average monthly usage	Average monthly bill for TGS residential customers is \$43.71, representing 36 Mcf average monthly usage

Compressed Natural Gas (CNG)	2022	2021
Total CNG transported to fueling stations	2.83M dekatherms	2.8M dekatherms
Total CNG fueling stations supplied	147	145
Percentage of company-owned fleet that is CNG capable	43%	43%



ESG Report Metrics Summary

Environmental	2022	2021
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 CO ₂ e emissions due to leaks from mains and services	149,315 metric tons	155,391 metric tons
Total CO ₂ e emissions reduced from leaks from mains and services between 2005 to present	139,755 metric tons	133,679 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	347,970 metric tons CO ₂ e 13,919 metric tons CH ₄ Fugitive Methane Emissions Rate: 0.20%	363,124 metric tons CO ₂ e 14,525 metric tons CH ₄ Fugitive Methane Emissions Rate: 0.22%
CO ₂ e emissions avoided through ONE Gas' supply of CNG for natural gas vehicles	50,880 metric tons	50,077 metric tons
Emissions reduction achieved from 2005 baseline	48%	46%
Scope 1 emissions, utilizing EPA Greenhouse Gas Inventory Protocol	439,201* metric tons CO ₂ e	434,136 metric tons CO ₂ e
Scope 2 emissions, utilizing EPA Greenhouse Gas Inventory Protocol	4,560 metric tons	not reported
EPA fines issued for non-compliance of environmental regulations	0	0

Capital Improvements & Investment	2022	2021
Dollars spent on capital improvements	\$657,000,000	\$544,000,000
Capital improvement spending on system integrity and pipeline replacement projects	70%	68%
Investment in technology development projects	\$690,000	\$1,100,000

Renewable Natural Gas (RNG)	2022	2021
Active RNG projects	24	24

* Includes sources not previously included



ESG Report Metrics Summary

Safety	2022	2021
Workforce Safety		
Days Away/Restricted or Transfer Rate (DART)	0.22	0.22
Total Recordable Incident Rate (TRIR)	1.37	0.96
Preventable Vehicle Incident Rate (PVIR)	1.84	2.10
Lost Time Case Rate (LTC)	0.22	0.22
Work-related fatalities	0	0
Reduction in DART rate since 2014	82%	79%
Reduction in TRIR since 2014	44%	55%
Reduction in sprains and strains since 2014	46%	70%
Pipeline Safety		
Number of reportable pipeline incidents	2	0
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)*	1.43	not reported

*In 2022, 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 1.43, 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.



ESG Report Metrics Summary

System Integrity	2022	2021
Pipeline replaced with polyethylene (PE)	~90%	~90%
Pipeline replaced with coated, protected steel	~10%	~10%
Percentage of transmission pipelines inspected	8.39%	10.54%
Percentage of transmission pipelines inspected by In-Line Inspection (ILI)	1.41%	0.60%
Percentage of transmission pipelines inspected by Pressure Test	1.09%	0.94%
Percentage of transmission pipelines inspected by Direct Assessment	5.89%	9.00%
Percentage of distribution main pipelines inspected by leak survey	38%	45.98%
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	1,200 miles
Open grade 2 leaks as of 12/31/2022	216 (0.003 grade 2 leaks per mile of pipeline)	210 (0.003 grade 2 leaks per mile of pipeline)

Emergency Response	2022	2021
Average Emergency Response Time (ERT)	28.42 minutes	27.6 minutes, excluding calls from Winter Storm Uri; 42.45 minutes, including calls from Winter Storm Uri

Energy Efficiency Programs	2022	2021
Customer energy efficiency program savings achieved	Oklahoma Natural Gas: 482,676 MMBtu Texas Gas Service: 18,085 MMBtu Rio Grande Valley: 3,375 MMBtu	Oklahoma Natural Gas: 471,104 MMBtu Texas Gas Service: 36,367 MMBtu Rio Grande Valley: 11,922 MMBtu
CO ₂ e reduced through our customer energy efficiency programs	33,842 metric tons	35,926 metric tons
Customer water savings from energy efficiency programs	18,516,511 gallons	28,803,124 gallons
Customer energy savings from energy efficiency programs	5,041,351 therms	5,193,933 therms
Total customer NGV rebates provided since 2015	>250	>250
Total customer energy efficiency rebates issued	102,212	107,633
Total \$ of customer energy efficiency rebates issued	\$15,000,939	\$15,764,709



ESG Report Metrics Summary

Social

Community	2022	2021
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	\$2,482,738	\$2,893,901
Total \$ donated through employee-matching grants	\$186,650	\$224,400
Total \$ donated to United Way campaigns	\$1,678,654	\$1,933,890
Total \$ contributed in ONE Gas Foundation grants, corporate sponsorships and community giving	\$3.4 million	\$3.6 million
Total \$ contributed through ONE Gas Foundation grants	\$2,083,300	\$1,016,800
Employee volunteer hours	5,808	not reported

Employees		
Inclusion & Diversity	2022	2021
Ethnicity breakdown of the workforce	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	64% White 21% 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	25.7%	26.3%
Women in leadership positions	31%	32%
Historically underrepresented individuals in the workforce	37.3%	36.4%
Historically underrepresented individuals in leadership positions	28%	27%
Women and historically underrepresented individuals in leadership positions	49%	50%
Women in leadership positions, segmented by supervisory level	20% SVP 19% VP 36% Director 38% Manager 26% Supervisor	Not reported



ESG Report Metrics Summary

Employees		
Inclusion & Diversity	2022	2021
Historically underrepresented individuals in leadership positions, segmented by supervisory level	20% SVP 13% VP 24% Director 23% Manager 33% Supervisor	not reported
Women and historically underrepresented individuals in leadership positions, segmented by supervisory level	40% SVP 25% VP 53% Director 50% Manager 49% Supervisor	not reported
Women and historically underrepresented individuals in Engineering positions	50%	52%
Women and historically underrepresented individuals in IT positions	49%	48%
Share of women in junior management positions, i.e. first level of management	26%	26%
Share of women in STEM-related positions (as % of total STEM positions) Accounting excluded	50%	not reported
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions	19%	15%
Individuals with a self-reported disability	5%	not reported
Individuals with a self-reported disability in leadership, supervisor and above	7%	not reported
Individuals with a self-reported disability, individual contributors	5%	not reported
Individuals with a disclosed Veteran Status	4%	4%
Ethnicity breakdown of all new hires	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	60% White 23% Hispanic or Latino 7% Black or African American 5% Two or more races 4% American Indian or Alaskan 0.3% Asian 2% Pacific or Native Hawaiian
New hires who were women	27%	22%
New hires who were women or historically underrepresented individuals	58%	54%
Generational breakdown of the workforce	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)	0.1% Silent Generation (born 1928-1945) 13.6% Baby Boomers (born 1946 to 1964) 35.8% Generation X (born 1965 to 1980) 45.8% Millennial (born 1981 to 1996) 4.8% Generation Z (born 1997 to present)



ESG Report Metrics Summary

Additional Workforce Metrics	2022	2021
Consecutive year increase in employee engagement scores with Gallup	6th	5th
Training hours recorded at ONE Gas Training Center	>23,000 hours	>6,500 hours
Dollars spent per employee for training	\$398.25	Not reported
Voluntary turnover rate	10% Resignation rate: 8% Retirement rate: 3%	8% Resignation rate: 5% Retirement rate: 3%
Open positions filled with internal candidates	37%	~40%
Employees participating in Employee Stock Purchase Program (ESPP)	42% for the purchase of 86,657 shares	44% for the purchase of 89,240 shares
Employees engaged in one of our Employee Resource Groups (ERGs)	30%	31%
Employees receiving donated time-off through ONE to ONE Fund	46 employees totaling 4,551 hours	44 employees totaling 3,441 hours
Total employees receiving financial assistance through ONE to ONE Fund	40 employees totaling \$98,614	36 employees totaling \$96,806



ESG Report Metrics Summary

Customers	2022	2021
Overall satisfaction score on the ONE Gas Customer Relationship Survey	88%	93%
Customers indicating that we are “easy to do business with”	88%	92%
Customers satisfied in our Contact Center survey	87%	91%
Overall customer satisfaction with our website compared to utilities industry average	28 points higher	25 points higher
Overall customer satisfaction with our mobile app compared to utilities industry average	17 points higher	14 points higher

Governance

	2022	2021
Directors who are independent	75%	75%
Directors who are women	25%	25%
Directors who are Hispanic	12.5%	12.5%
Senior leaders who identify as female	33%	33%
Senior leaders who identify as African American	17%	17%

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