

TEXAS FACTS

Based in Wichita, Kan., Koch Industries, Inc. is one of the largest private companies in America according to *Forbes* magazine. It owns a diverse group of companies involved in refining and chemicals; process and pollution control equipment and technologies; minerals; fertilizers; polymers and fibers; commodity trading and services; forest and consumer products; and ranching. Koch companies have a presence in nearly 60 countries and employ about 67,000 people. Since 2003, Koch companies have invested more than \$43 billion in acquisitions and other capital expenditures.

Companies in Texas

- **Flint Hills Resources, LLC**, through its subsidiaries, is a leading refining and chemicals company. Its subsidiaries market gasoline, diesel, jet fuel, ethanol, olefins, polymers and intermediate chemicals, as well as base oils and asphalt. A subsidiary owns a Corpus Christi refining and chemical complex that can process about 300,000 barrels of crude oil per day and produce aromatics chemicals. At plants in Longview and Port Arthur, a subsidiary produces polymers and olefins that are key ingredients in products used everyday such as plastic bottles, DVDs, tires, packaging and building materials. Other subsidiaries have offices in Houston and The Woodlands and terminals in Austin, San Antonio, Bastrop, Mustang Ridge, Sour Lake, Waco and Fort Worth.
- **Koch Pipeline Company, L.P.** owns and operates crude oil lines that serve Flint Hills Resources' refineries in Corpus Christi, including within the Eagle Ford shale trend. Koch Pipeline also operates a refined-products pipeline system that transports gasoline, jet and diesel fuels from Corpus Christi to Flint Hills Resources' terminals in San Antonio, Austin, Bastrop, Mustang Ridge, Waco and Fort Worth. In addition, Koch Pipeline operates chemical lines that serve Flint Hills Resources' chemical plant in Port Arthur.
- **INVISTA B.V.** and its subsidiaries are among the world's largest producers of polymers and fibers, primarily nylon, spandex and polyester. INVISTA delivers exceptional value for its customers through technology innovations, market insights and a powerful portfolio of global trademarked products including LYCRA® fiber, STAINMASTER® carpet, ANTRON® carpet fiber and COOLMAX® fabric. The company has facilities in Victoria, LaPorte and Orange, as well as administrative offices in the Houston area.
- **Georgia-Pacific** companies have nine Texas facilities that manufacture corrugated packaging, chemicals and building products, as well as two offices. Georgia-Pacific LLC, based in Atlanta, and its subsidiaries have about 300 manufacturing facilities across North America, South America and Europe, ranging from large pulp, paper and tissue operations to gypsum plants, box plants and building products operations.
- **Koch Supply & Trading, LP** employees trade crude oil, refined petroleum products, natural gas and gas liquids, metals and financial instruments worldwide from its Houston headquarters.
- **Koch Carbon, LLC** and **Koch Pulp & Paper Trading, LLC** also trade coal, pulp, paper, recycled paper products and lumber products from Houston. Koch Carbon operates a sulfur terminal and a petroleum coke site in Corpus Christi, shipping products to its customers around the world. Affiliates market sand for oil and gas exploration via a site in Odessa.

- **Matador Ranch**, owned and operated by a Koch Agriculture Company division, covers about 130,000 acres in the Texas Rolling Plains and Caprock areas. The ranch, which has earned environmental stewardship recognition at the local, state and regional level, is home to Quarter horses, commercial cattle and a herd of Akaushi cattle, prized for their marbling and taste. Matador Ranch also provides world-class accommodations to hunt whitetail, mule deer, turkey, quail and hogs on the main ranch as well as in Panther Canyon where trophy whitetails regularly score 200-plus. Matador Ranch is also actively engaged in deer breeding for superior genetics to supply this growing industry. The historic ranch was acquired in 1952 by Fred Koch, the co-founder of what is now Koch Industries.
- **Koch Chemical Technology Group, LLC** and its affiliates design, manufacture, sell, install and service process and pollution control equipment, and provide engineering services for industries and municipalities worldwide. Affiliates include: Optimized Process Designs, Inc., (Katy) Koch Heat Transfer Company, LP (Houston), Koch-Glitsch, LP (Dallas and Houston) and Koch Specialty Plant Services (Houston).
- **Koch Nitrogen Company, LLC** owns a fertilizer terminal in the Texas Panhandle.

Safety and Environmental Commitment

Koch companies are committed to operating their businesses in a manner that protects the health and safety of their employees, the public and the environment. Koch companies' safety performance is among the best in the industry, and Koch companies strive to protect the environment by reducing waste and increasing efficiency.

- Matador Ranch's outstanding environmental stewardship has been recognized with three prestigious honors. In 2011, it received a regional environmental stewardship award from the National Cattleman's Beef Association for outstanding water, wildlife, vegetation and soil management. In 2010, the ranch earned the Texas Parks & Wildlife Department Lone Star Land Steward in the corporate category for natural resource stewardship advances, and the Texas Section Society for Range Management and the Texas & Southwestern Cattle Raisers Association's Outstanding Rangeland Steward honoree.
- Koch companies with Texas sites that have earned STAR status in the U.S. Occupational Health and Safety Administration's Voluntary Protection Programs include Flint Hills Resources, Georgia-Pacific, INVISTA, Koch Carbon, Koch-Glitsch, Koch Specialty Plant Services, Optimized Process Designs, Inc., and Koch Pipeline Company. Several of the sites have also earned the Star of Excellence award under the program.
- Flint Hills Resources' fuel terminals in six states, including those in Austin, Bastrop, Fort Worth, San Antonio and Waco, earned the Platinum Safety Award from the International Liquid Terminals Association for safety performance and leadership. The Texas terminals also earned Perfect Record and Occupational Excellence awards from the National Safety Council for their 2010 performance. In 2007, the terminals in Austin, San Antonio, Waco and Fort Worth were the first in their industry to earn OSHA VPP STAR status.
- Safety performance at INVISTA's Victoria site and Koch Pipeline's Texas operations have been recognized with awards from the Contractor Safety Council of the Coastal Bend.
- Flint Hills Resources' Corpus Christi complex and INVISTA's sites in Victoria and Orange have earned numerous safety awards from the National Petrochemical & Refiners Association for their continued safety performance.
- Koch Specialty Plant Services in Houston received the Silver award for safety from the Houston Business Roundtable and the Safety Excellence award for contractors from Exxon Mobil. Optimized Process Designs in Katy earned the Excellence in Safety Award from the

Gas Processors Suppliers Association for their 2007 safety record. Both companies are subsidiaries of Koch Chemical Technology Group.

- Koch Pipeline Company, L.P. received the 2010 Distinguished Award for Outstanding Safety and Environmental Performance from the American Petroleum Institute, its highest award. KPL's safety record has also been recognized with API's Occupational Safety Award, the National Safety Council's Occupational Industry Leader Award, and the Award of Honor from the Texas Chapter of NSC, among many others. The company was named one of America's Safest Companies by EHS Today magazine in 2008. The Southern Operations Group has earned VPP STAR in the U.S. Occupational Safety and Health Administration's Voluntary Protection Programs, the fourth pipeline group to do so. In March 2011, employees reached 10 years, which equals nearly 7 million work hours, without a lost-time incident.
- Flint Hills Resources has emphasized flaring reduction at its crude oil refineries. The company's success at reducing flaring earned the company a Clean Air Award from EPA in 2004. Since 1997, the Corpus Christi refinery operations have reduced emissions of commonly regulated substances by 62 percent, on a per-barrel of refining capacity basis. In 2009, the company's overall refinery operations criteria air emissions per barrel were 66.6 percent lower than the industry average of the 50 largest refineries in the United States (based on latest comparison data available¹). The company and the EPA completed a four-year collaborative effort to develop and share best practices aimed at reducing emissions caused by planned and unplanned process unit startups, shutdowns and malfunctions.
- Flint Hills Resources' Wildlife Learning Preserve in Corpus Christi received Corporate Lands for Learning™ certification from the Wildlife Habitat Council.
- INVISTA's Victoria site has been certified by the Wildlife Habitat Council for its stewardship efforts, and its wetlands education program has received WHC Corporate Lands for Learning™ certification.
- Koch Industries was honored with the 2005 Vision for America Award from Keep America Beautiful. The company was chosen for its commitment to continually improving the environmental performance of its many companies and for the many conservation projects its companies do in their communities. Keep America Beautiful, Inc. is the nation's largest volunteer-based community action and education organization.

Community Commitment

Koch companies are committed to understanding the needs of the community and participating in projects and activities that add value to their neighbors. Here are a few examples:

- Flint Hills Resources and Koch Pipeline Company donated \$10,000 to three organizations that provide emergency response services in San Patricio County, Texas.
- Matador Ranch contributed \$42,000 to first responders following recent wildfires in West Texas. The funds were distributed to 13 area fire departments and the Motley County Emergency Medical Service. The ranch also provides supports to the Motley County Volunteer Fire Department through regular donations and hosting fundraising events.
- Georgia-Pacific, through its Georgia-Pacific Bucket Brigade™ initiative, awarded \$5,000 to the Sweetwater, Texas, fire department. The Bucket Brigade initiative help small town and rural community fire departments across the United States meet their most critical needs.
- INVISTA's Victoria site received the Employer Award of Excellence from the Texas Workforce Commission for making a positive impact on employers, workers and the community.

- Matador Ranch is contributing \$2,500 to an effort to document Motley County history launched by the Friends of Historic Motley County Jail.
- Koch Pipeline Company's Southern Operations Group received the Big Champion Award from Big Brothers Big Sisters of South Texas for its employees' participation in the annual Bowl-a-thon fundraiser.
- Optimized Process Designs has contributed to the Houston Livestock Show and Rodeo Education Fund since 1991. The annual event supports education, advances best agricultural practices and benefits youth through scholarships and other programs.
- With the Victoria Independent School District, INVISTA has sponsored the Wetland Environmental Science Education Encounter program for 12 years. WE SEE provides environmental education in an outdoor classroom located on a 53-acre constructed wetland; more than 45,000 students have participated since 1998. The wetland also helps return fresh water to the Guadalupe River. The school district received the Environmental Excellence Award from the Texas Commission on Environmental Quality for the environmental studies curriculum.
- Flint Hills Resources' support of the Texas State Aquarium's Aquavision program, through a three-year \$250,000-plus grant, will allow the delivery of free math, science and other teaching programs to Austin, Corpus Christi and San Antonio schools. The company also supports organizations that work to enhance the lives of children such as Junior Achievement, South Texas Institute for the Arts and the YMCA of Corpus Christi.
- Through the Georgia-Pacific Foundation, the company partners with many local and statewide organizations to improve the quality of life in communities where GP employees live and work. The GP Foundation focuses support in four key areas: education, enrichment of community, environment and entrepreneurship.
- Flint Hills Resources received the Education Excellence Gold Level Award from the State Board of Education for its long-standing commitment to area mentoring programs. Employees volunteer with Junior Achievement and Texas Big Brothers Big Sisters, which named Flint Hills Resources Corporate Partner of the Year. A grant from Flint Hills Resources helped start a successful Big Brothers Big Sisters pilot program to match students from local schools with an adult mentor.
- Through 19 years of sponsorship, Flint Hills Resources and Fiesta de los Ninos, the fundraiser for Driscoll Children's Hospital, have raised more than \$4 million targeted at improving health services for area children. The company has also served as the title sponsor of the annual Flights of Angels Golf Tournament benefiting HALO-Flight, South Texas' only non-profit air ambulance service which serves a 26-county area.

More information is available at www.kochind.com

¹ Emissions data calculated using publically available data from state or federal environmental departments.