

# Our Reporting





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#### **About this Document**

This document is the 2019 Sustainability Data Update that supplements our 2018 Sustainability Report, For the Long Haul: Delivering Prosperity, Valuing People, Protecting the Planet. This report update has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option.

The data covered in this report includes available data spanning financial years 2017 to 2019 for Kansas City Southern (KCS) operations in the United States (U.S.) and Mexico. Kansas City Southern Railway Company (KCSR) defines KCS operations in the U.S. and Kansas City Southern de Mexico (KCSM) defines KCS operations in Mexico.

Additional information on our sustainability program and Vision and Values is available on our KCS website, including disclosures on our management programs, policies, and procedures.

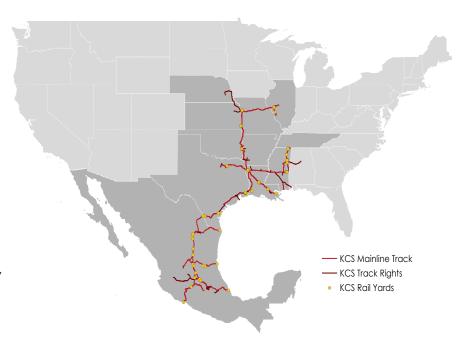
Additionally, KCS voluntarily participates in other Environmental, Social, and Governance (ESG) disclosures such as CDP (formerly the Carbon Disclosure Project), Dow Jones Sustainability Index (DJSI), and Morgan Stanley Capital International (MSCI) ESG. Performance, recognition, and awards to KCS in light of our disclosures include Newsweek Magazine's first ever ranking of America's Most Responsible Companies, Investor's Business Daily Magazines 50 Best ESG Companies, CDP Score of B, and MSCI ESG Rating AA.





#### **Assurance**

Aspects of our energy and greenhouse gas (GHG) data were audited by an independent third party, Ambiental AP S. de R.L. MI. The assessment was conducted in accordance with regulations from the government of Mexico, using Mexican standard, Norma NMX-SAA-14064-3-IMNC-2007.



6,700

route miles through the U.S. and Mexico

136

years in operation

949

locomotives in fleet

17,500+

freight cars

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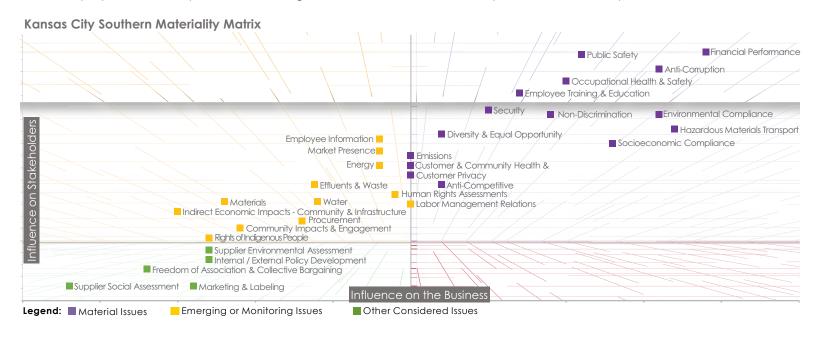
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## **Topic Prioritization Via Materiality**

In 2018 KCS engaged with our stakeholders to help identify which key ESG topics are most important to them and should be part of our focus. Over 250 stakeholders participated in our survey. We plotted the results of our survey on the matrix below. The chart below shows the results displayed in relative position to the degree of stakeholder interest and potential business impact.



Material financial, environmental, and social issues facing our business:

#### **ECONOMIC**

- Economic | Financial Performance
- Anti-Competitive Behavior (anti-trust, monopoly behaviors)
- Anti-Corruption Practices

#### **ENVIRONMENTAL**

- Environmental Compliance
- Emissions
- Effluents and Waste
- Energy
- Hazardous Material Transport

#### SOCIAL

- Public Safety
- Occupational Health and Safety Subsidiary Employee Information:
- Non-Discrimination
- Subsidiary Employee Training and Education
- Security Practices
- Subsidiary Employee Information turnover, new hires, benefits
- Diversity & Equal Opportunity
- Socioeconomic Compliance

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Reflecting on our 2019 performance and the challenges that we face in 2020, I am reminded of the importance of integrating sustainability into our business. It has never been more crucial for us to fully-assess our adaptability and resilience as we confront unprecedented business conditions. KCS is prepared to navigate the challenges thanks to, among other things, our robust sustainability program that provides a platform for KCS to evaluate ESG matters related to our business.

The COVID-19 pandemic has raised the stakes for ESG

responsibility and business continuity. KCS continues to develop and implement pragmatic solutions designed to keep our employees safe while continuing to meet our customers' needs. As providers of essential transportation service in both the U.S. and Mexico, we must maintain the highest standard of safety, while ensuring continuity of operations. Even before the pandemic, KCS had built a robust business continuity plan. We leveraged that plan and adapted quickly to the global crisis. With support from the entire organization, we are keeping our employees safe, serving our customers, and scaling operations in the face of volume declines. Our ability to react and adjust to this changing operating environment speaks to the heart of ESG, and I have never been more confident in our business continuity and sustainability strategies.

To frame the importance of ESG to our organization and daily operations, I am pleased to share how our sustainability program is an integral part of KCS' Vision and Values.

Since 2016, when we established our Sustainability Steering Committee (SSC), we have taken a serious stance on sustainability. The SSC directly collaborates with our Executive Leadership Team to not only understand, but also take ownership of ESG risks and their mitigation. The Executive Leadership Team further works with

our Board of Directors to ensure that KCS infuses sustainability into both our business and culture, allowing us to live the Vision and Values that set KCS apart from its competitors.

KCS' Vision and Values are built upon a number of key pillars: safety, customer-focus, communication, teamwork, initiative and innovation, and diversity and civility—which are also key focus areas determined by our leadership and stakeholders. Likewise, our sustainability mission helps us deliver on our aim to be the fastest-growing, best-performing, most customer-focused transportation provider in North America. In this statement, I reflect on our performance and journey in three keystone areas: safety, efficiency, and our people.

**Safety is the top priority at KCS** and we want to ensure that this pillar is upheld not only by our employees, but throughout our entire value chain and in all communities of operation.

Last year, KCS reduced its U.S. and Mexico consolidated reportable train accident frequency ratio from 4.34 to 3.20, a 26% improvement. KCS also reduced its U.S. and Mexico consolidated reportable injury frequency ratio from 2.68 to 2.46, an 8% improvement. KCS is committed to continued improvement of our safety performance and we look forward to sharing our progress. To that end, I am pleased that our safety statistics, as reported annually in our Sustainability updates, now include data from our Mexican operations.

Investments in new systems and upgrades to infrastructure are key to improving our safety performance.

- In late 2019, we implemented a new technology platform for reviewing and analyzing our operational testing data. This analysis helps KCS identify and eliminate behaviors that can cause injuries and incidents. Complementing this new system, we also began a training program called "Operations Essential Leadership Program" designed to, among other things, enhance first level supervisors' critical conversation skills.
- KCS spent a total of \$584.3 million on capital expenditures last year, including \$264.9 million on a Roadway Capital Program (an 8% increase from 2018) and \$182.8 million on locomotives and freight cars (an 81% increase from 2018). These investments help ensure that we serve our customers and communities safely and efficiently.

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We also reaffirmed our three-year commitment to the American Chemistry Council's (ACC) Responsible Care® program to improve environmental, health, safety, and security (EHS&S) performance. KCS was awarded ACC's Transportation Community Awareness and Emergency Response (TRANSCAER) Regional Achievement Award for our efforts to voluntarily assist communities to prepare and respond to transportation incidents regarding hazardous materials.

Our customers take advantage of the fact that rail is one of the most efficient means to transport freight across land. We have made great strides in improving energy efficiency and reducing our carbon footprint. During the year, KCS estimates it avoided the use of 14.5 million gallons of diesel fuel; an additional 5 million gallons avoided compared to 2018 due to the implementation of initiatives such as Trip Optimizer and idle reduction. This diesel avoidance represents a reduction of approximately 150,000 metric tons of carbon dioxide equivalent ( $CO_2e$ ).

KCS also worked to improve the completeness of our carbon footprint accounting by identifying additional sources contributing to our GHG emissions. This allows KCS to more accurately reflect on our actual activities and better understand where further efficiencies can be made.

Importantly, KCS' adoption of Precision Scheduled Railroading (PSR) has improved service performance, supported traffic growth, and created a more resilient and dependable network. Looking forward, we expect this initiative to further reduce our overall emissions and improve fuel efficiency. PSR will help KCS reduce impacts from network congestion by improving asset and resource utilizations, and sync better with operational partners.

Finally, KCS is proud to disclose its first publicly reported multiyear GHG emissions reduction target. KCS intends to reduce its GHG emissions intensity by at least 12% by the year 2025, from a 2018 base year. This target further supports our commitment to efficiency and helps us determine which energy and carbon reduction programs are best for KCS to implement in the future.

**KCS prizes our people.** We hire great people, as evidenced by two employees receiving the 2019 Rising Star recognition from Progressive Railroading magazine. Also last year, I was recognized by Progressive Railroading as Innovator of the Year and by Railway

Age magazine as 2020 Railroader of the Year. Anyone who follows sports knows that top awards like these speak more to the winning qualities of the team than to just one person.

We strive to create an inclusive and engaging work environment for all KCS employees, which is reflected in the fact that 86% of respondents to the 2019 KCS employee engagement and satisfaction survey would recommend our company as a great place to work.

Moreover, KCS values the significance of diverse viewpoints in delivering value to our customers and communities. This is demonstrated in part by our commitment to a diverse workforce. In 2019, nearly half of management new hires in U.S. operations were women and/or minorities.

Throughout our data update, you will learn the specifics of our sustainability performance, which lays a critical foundation for KCS to be the fastest-growing, best-performing, most customer-focused transportation provider in North America. Given the strength of our performance and further commitment to our sustainability journey, I am confident we will continue to provide exceptional value to all of our stakeholders, including our customers, shareholders, employees, and the communities we serve.

Patrick J. Ottensmeyer

President & Chief Executive Officer (CEO)



# Regarding KCS

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Data	Units	2019	2018	2017	GRI Index Reference
	011112	2017	2010	2017	GRI Maex Reference
Board of Directors Female	% of Board	30%	25%	25%	GRI 2016 102-22, 401-1, 405-1
Hispanic	Total Number	1	1	1	GRI 2016 102-22, 401-1, 405-1
Caucasian	Total Number	2	2	2	GRI 2016 102-22, 401-1, 405-1
Male	% of Board	70%	75%	75%	GRI 2016 102-22, 401-1, 405-1
African-American	Total Number	0	1	1	— GRI 2016 102-22, 401-1, 405-1
Hispanic	Total Number	2	2	2	GRI 2016 102-22, 401-1, 405-1
Caucasian	Total Number	5	6	6	GRI 2016 102-22, 401-1, 405-1
Age					
Age 30-50	% of Board	10%	8%		GRI 2016 102-22, 401-1, 405-1
Over Age 50	% of Board	90%	92%		GRI 2016 102-22, 401-1, 405-1
Tenure					
0-5 years	Total Number	6	6		GRI 2016 102-22
6-10 years	Total Number	2	2		GRI 2016 102-22
11+ years	Total Number	2	4		GRI 2016 102-22
Skills and Qualifications					
Publicly Traded Company	% of Board	67%	83%		GRI 2016 102-27
Risk Management	% of Board	67%	67%		GRI 2016 102-27
CEO Experience	% of Board	67%	58%		GRI 2016 102-27
International/Global Expertise	% of Board	100%	50%		GRI 2016 102-27
Economic/Finance	% of Board	78%	50%		GRI 2016 102-27
Legal/Corporate Governance	% of Board	22%	33%		GRI 2016 102-27
Government/Regulatory	% of Board	22%	25%		GRI 2016 102-27

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GRI Content Index

Data	Units	2019	2018	2017	GRI Index Reference
Supplier Diversity Program					
Minority-owned Enterprises	% of Board	56%	51%	65%	GRI 2016 414-1
Woman-owned Enterprises	% of Board	27%	21%	28%	GRI 2016 414-1
Woman-owned Non-minority Business Enterprises	% of Board	81%	68%	67%	GRI 2016 414-1
Woman-owned Minority Business Enterprises	% of Board	19%	32%	33%	GRI 2016 414-1
Disadvantaged Enterprises	% of Board	3%	2%	3%	GRI 2016 414-1
Minority-owned Veteran/ Asian-American/African-American/ Native-American Owned Enterprises	% of Board	14%	26%	4%	GRI 2016 414-1

# Reducing Risk & Keeping KCS Secure



# Reducing Risk & Keeping KCS Secure

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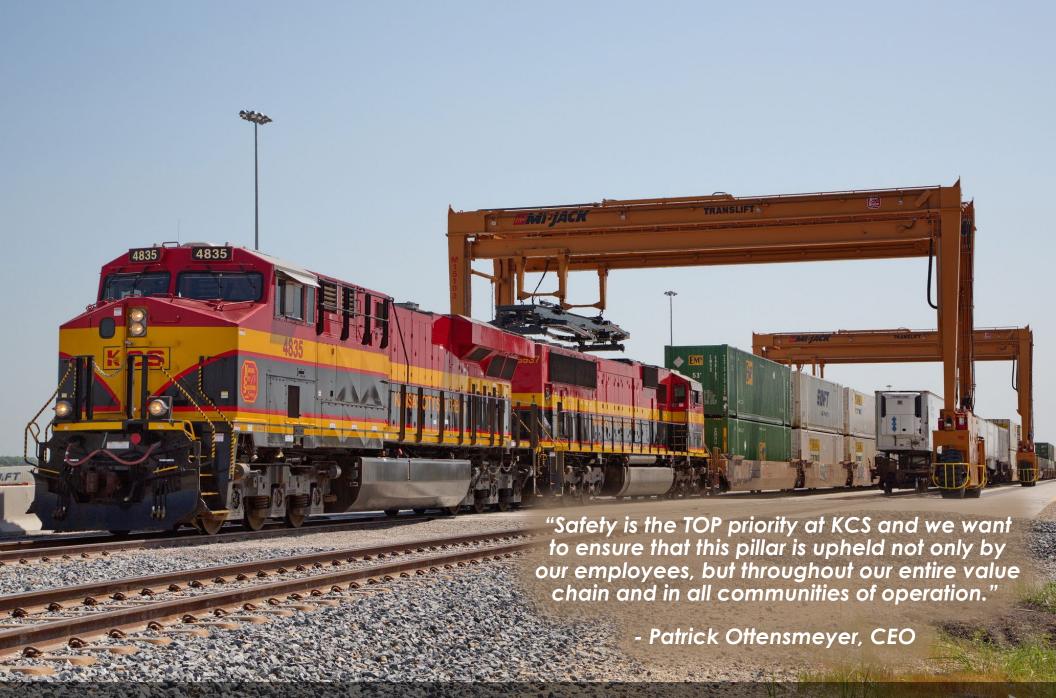
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Data	Units	2019	2018	2017	<b>GRI Index Reference</b>
Anti-Corruption Status					
Confirmed Incidents of Corruption	Total Number	0	0	0	GRI 2016 205-3
Incidents in which Employees were Dismissed or Disciplined for Corruption	Total Number	0	0	0	GRI 2016 205-3
Incidents when Contracts with Business Partners were Terminated/Not Renewed Due to Violations Related to Corruption	Total Number	0	0	0	GRI 2016 205-3
Customer Freight Claims					
Transportation Security Administration (TSA) Compliance	% Compliant	100%	99.7%		GRI 2016 419-1
Claims-Free Delivery Rate <sup>1</sup>	Claims-Free Rate %		99.88%	99.86%	
Customer Freight Claims <sup>1</sup>	Claims Rate %		0.12%	0.14%	
KCSR Shipment Claims	Claims Rate %		0.01%	0.01%	
KCSM Shipment Claims	Claims Rate %		0.24%	0.23%	

'Last full-year claims rate is for the previous year (i.e., 2019 report is for 2018 claims) because customers can file claims related to the previous year into the following year. 2019 claims rate will be reported in the 2020 Sustainability Report.

# **Advancing Safety**



# Advancing Safety

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Data	Units	2019	2018	2017	<b>GRI Index Reference</b>
Public Safety Programs					
Grade Crossing Safety					
Installation of Crossing Surfaces	Total Number	12	15		GRI 2016 413-1
Installation of Flashers and Gates	Total Number	24	22		GRI 2016 413-1
Closed Grade Crossings	Total Number	14	10		GRI 2016 413-1
Vegetation Control Measures	Total Acres Applied	52,727	55,018		GRI 2016 413-1
KCSR	Acres Applied	23,310	25,780		GRI 2016 413-1
KCSM	Acres Applied	29,417	29,238		GRI 2016 413-1
KCSR Operation Lifesaver					
Presentations	Number of Activities	1,098	977	1,019	GRI 2016 413-1
	Audience	38,318	32,193	34,532	GRI 2016 413-1
Special Events & Courses	Number of Activities	86	60	130	GRI 2016 413-1
	Audience	118,293	91,406	94,809	GRI 2016 413-1
KCSM Alto Total					
Workshops	Number of Activities	58	50	30	— GRI 2016 413-1
	Audience (approx.)	50,200	21,250	20,000	GRI 2016 413-1
Presentations and Direct Outreach	Number of Activities	29	25	23	GRI 2016 413-1
	Audience (approx.)	44,100	43,250	43,000	GRI 2016 413-1
Rail Safe Technology					
U.S. Centralized Traffic Control (CTC) & T	rack Warrant Control (TWC)	)			
U.S. CTC	Route Miles	1,515	1,509		_
U.S. TWC	Route Miles	1,031	1,037		
Mexico Control Centralizado de Trafico	(CCT) & Control de Manda	tos de Via (C <i>N</i>	۸V)		
Mexico CTC	Route Miles	1,012	1,017		_
Mexico CMV	Route Miles	1,480	1,480		
Broken Rail Detection Technology					
KCSR	Route Miles	346	346		_

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GRI Content Index

Data	Units	2019	2018	2017	<b>GRI Index Reference</b>
Occupational Health & Safety					
KCSR					
KCSR Reportable Injuries - Federal Railroad Administration (FRA) <sup>1</sup>	Injury Count	79	52	63	GRI 2016 403-2
KCSR Reportable Injury Frequency Rate	Injuries Per 200,000 Manhours	2.20	1.45	1.81	GRI 2016 403-2
KCSR Reportable Train Accidents <sup>2</sup>	Train Accident Count	30	36	41	GRI 2016 403-2
KCSR Reportable Train Accident Frequency Ratio	Accidents Per Million Train Miles	2.76	3.40	3.77	GRI 2016 403-2
KCSM					
KCSM Reportable Injuries (IMSS) <sup>3</sup>	Injury Count	129	176	168	GRI 2016 403-2
KCSM Reportable Injury Frequency Rate	Injuries Per 200,000 Manhours	2.65	3.58	3.58	GRI 2016 403-2
KCSM Reportable Train Accidents <sup>4</sup>	Train Accident Count	30	46	37	GRI 2016 403-2
KCSM Reportable Train Accident Frequency Ratio	Accidents Per Million Train Miles	3.80	5.55	4.26	GRI 2016 403-2
Total					
KCS Reportable Injuries	Injury Count	208	228	231	GRI 2016 403-2
KCS Reportable Injury Frequency Rate	Reportable Injuries Per 200,000 Manhours	2.46	2.68	2.83	GRI 2016 403-2
KCS Reportable Train Accidents	Train Accident Count	60	82	78	GRI 2016 403-2
KCS Reportable Train Accident Frequency Ratio	Accidents Per Million Train Miles	3.20	4.34	3.99	GRI 2016 403-2

<sup>&</sup>lt;sup>1</sup>KCSR on duty injuries are reportable to the FRA per 49 C.F.R. Section 225.19(d).

<sup>&</sup>lt;sup>2</sup>KCSR train accidents include any collision, derailment, fire, explosion, act of God or other event involving the operation of on-track equipment (standing or moving), and excludes Highway-Rail Grade Crossing and Trespasser incidents. An accident is reportable when the damages to equipment and structure sum to be greater than the FRA-determined monetary threshold.

<sup>&</sup>lt;sup>3</sup>KCSM on duty reportable injuries are those that involve lost time and are otherwise reportable to the IMSS. Commuting to/from work injuries are excluded.

<sup>4</sup>KCSM Reportable Train Accidents are those that would be reported to the U.S. FRA if those accidents had occurred in the United States.

## **Delivering Prosperity** (ANSAS City OUTHERN EDUCO Energy Chemical & Petroleum 26% **Industrial &** Consumer in freight revenue **Products** 21% **Automotive** 9% **Business Mix** Intermodal 13% Agriculture & Minerals carloads transported 17% Other Revenue 5% 14 KANSAS CITY SOUTHERN | 2019 Sustainability Data Update

# Delivering Prosperity

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Data	Units	2019	2018	2017	<b>GRI Index Reference</b>
Business Units and Revenues					
KCS Total Freight Revenue		\$2,866,000,000	\$2,714,000,000	\$2,582,900,000	GRI 2016 201-1
Agriculture & Minerals	Revenue (\$ Million)	\$506.3	\$486.4	\$477.4	GRI 2016 201-1
	% of Total Revenue	17%	18%	18%	GRI 2016 201-1
	Carloads (K)	253.3	241.9	244.3	GRI 2016 201-1
Automotive	Revenue (\$ Million)	\$255.6	\$253.2	\$230.8	GRI 2016 201-1
	% of Total Revenue	9%	9%	9%	GRI 2016 201-1
	Carloads (K)	154.9	161.9	155.5	GRI 2016 201-1
Chemical & Petroleum	Revenue (\$ Million)	\$737.2	\$622.1	\$539.9	GRI 2016 201-1
	% of Total Revenue	26%	23%	21%	GRI 2016 201-1
	Carloads (K)	337.4	297.9	273.5	GRI 2016 201-1
Energy	Revenue (\$ Million)	\$246.2	\$256.3	\$283.8	GRI 2016 201-1
	% of Total Revenue	9%	9%	11%	GRI 2016 201-1
	Carloads (K)	244.7	248.6	291.7	GRI 2016 201-1
Industrial & Consumer Products	Revenue (\$ Million)	\$610.4	\$591.0	\$588.3	GRI 2016 201-1
	% of Total Revenue	21%	22%	23%	GRI 2016 201-1
	Carloads (K)	320.9	324.9	329.9	GRI 2016 201-1
Intermodal	Revenue (\$ Million)	\$370.2	\$382.8	\$363.8	GRI 2016 201-1
	% of Total Revenue	13%	14%	14%	GRI 2016 201-1
	Carloads (K)	979.8	1,030.4	975.1	GRI 2016 201-1
Other Revenue	Revenue (\$ Million)	\$140.1	\$122.2	\$98.9	GRI 2016 201-1
	% of Total Revenue	5%	5%	4%	GRI 2016 201-1
Capital Expenditures					
Total Invested on Capital Expenditures	\$ Million	\$584.3	\$512.3	\$559.5	GRI 2016 203-1
KCS CapEx Spend by Category					
Roadway Capital Program	\$ Million	\$264.9	\$245.7	\$269.3	GRI 2016 203-1
Locomotives & Freight Cars	\$ Million	\$182.8	\$101.2	\$75.7	GRI 2016 203-1
Capacity	\$ Million	\$84.8	\$69.8	\$111.4	GRI 2016 203-1
Positive Train Control (PTC)	\$ Million	\$15.5	\$28.9	\$51.7	GRI 2016 203-1
Information Technology/Other	\$ Million	\$36.3	\$66.7	\$51.4	GRI 2016 203-1

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Data	Units	2019	2018	2017	<b>GRI Index Reference</b>
Supplier Spend on Goods and Servi	ces				
Total Spend on Goods and Services	\$ Billion	\$1.28	\$1.17	\$1.28	
KCSR	\$ Million	\$670	\$594	\$745	GRI 2016 102-9
KCSM	\$ Million	\$607	\$572	\$537	GRI 2016 102-9
Purchases by Category					
Fuel	%	28%	31%	25%	GRI 2016 102-9
Track Contractors/Materials	%	22%	25%	22%	GRI 2016 102-9
Locomotive/Car Materials and Maintenance	%	15%	16%	16%	GRI 2016 102-9
Freight Car Leases/Acquisition/ Locomotive Purchases <sup>1</sup>	%	13%	6%	8%	GRI 2016 102-9
Information Technology Consultants/ Services	%	7%	6%	7%	GRI 2016 102-9
Rail Ties	%	3%	4%	3%	GRI 2016 102-9
Rail	%	2%	2%	2%	GRI 2016 102-9
Intermodal Services/Support	%	2%	2%	2%	GRI 2016 102-9
Vehicle Operations/Maintenance	%	2%	2%	2%	GRI 2016 102-9
Security	%	2%	2%	2%	GRI 2016 102-9
Other Goods and Services	%	4%	4%	11%	GRI 2016 102-9

<sup>1</sup>2019 purchase category includes locomotive purchases; KCS did not invest in locomotives in 2017 and 2018.



# Valuing People

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Data	Units	2019	2018	2017	GRI Index Reference
Total Employees					
Full-time	Total Number	7,036	7,209	7,132	GRI 2016 405-1
Female	Total Number	363	368	355	GRI 2016 405-1
	% of Workforce	5%	5%	5%	GRI 2016 405-1
Male	Total Number	6,673	6,841	6,777	GRI 2016 405-1
	% of Workforce	95%	95%	95%	GRI 2016 405-1
Non-Agreement Employees	Total Number	1,712	1,706	1,648	GRI 2016 405-1
Female	Total Number	317	316	307	GRI 2016 405-1
	% of Workforce	19%	19%	19%	GRI 2016 405-1
Male	Total Number	1,395	1,390	1,341	GRI 2016 405-1
	% of Workforce	81%	81%	81%	GRI 2016 405-1
KCSR	% of Workforce of KCSR	29%	28%	27%	GRI 2016 405-1
KCSM	% of Workforce of KCSM	21%	21%	20%	GRI 2016 405-1
Agreement Employees	Total Number	5,324	5,503	5,484	GRI 2016 403-1, 405-1
Female	Total Number	46	52	48	GRI 2016 403-1, 405-1
	% of Workforce	1%	1%	1%	GRI 2016 403-1, 405-1
Male	Total Number	5,278	5,451	5,436	GRI 2016 403-1, 405-1
	% of Workforce	99%	99%	99%	GRI 2016 403-1, 405-1
KCSR	% of Workforce of KCSR	71%	72%	73%	GRI 2016 403-1, 405-1
KCSM	% of Workforce of KCSM	79%	79%	80%	GRI 2016 403-1, 405-1
Full-time Employees by Age					_
Under Age 30	% of Workforce	13%	14%	15%	GRI 2016 405-1
Age 30-50	% of Workforce	60%	59%	59%	GRI 2016 405-1
Over age 50	% of Workforce	27%	27%	26%	GRI 2016 405-1

# Valuing People

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Data	Units	2019	2018	2017	GRI Index Reference
New Hires					
Total New Hires	Total Number	540	515	691	GRI 2016 401-1
U.S. Non-agreement Women and People of Color	% of New Hires	46%	44%	40%	GRI 2016 401-1
Mexico Non-agreement Women	% of New Hires	16%	15%	26%	GRI 2016 401-1
New Hires by Age & Country					_
KCSR					
Under 30	% of KCSR New Hires	39%	37%	34%	GRI 2016 401-1
30-50	% of KCSR New Hires	52%	55%	58%	GRI 2016 401-1
Over 50	% of KCSR New Hires	9%	8%	8%	GRI 2016 401-1
KCSM					
Under 30	% of KCSM New Hires	35%	49%	47%	GRI 2016 401-1
30-50	% of KCSM New Hires	52%	49%	49%	GRI 2016 401-1
Over 50	% of KCSM New Hires	13%	2%	4%	GRI 2016 401-1
Tenure and Attrition					
Attrition Rate	%	9.5%	7.0%	6.6%	GRI 2016 401-1
Average Employee Tenure	Years	12.0	11.9	11.8	GRI 2016 401-1
KCSR Employee Diversity Population					
American Indian or Alaskan Native	%	1.2%	1.1%		GRI 2016 401-1
Asian or Asian-American	%	1.2%	1.2%		GRI 2016 401-1
Black or African-American	%	21.1%	21.1%		GRI 2016 401-1
Hispanic or Latinx	%	8.7%	8.0%		GRI 2016 401-1
Native Hawaiian or Other Pacific Islander	%	0.1%	0.1%		GRI 2016 401-1
Two or More Races	%	0.9%	0.9%		GRI 2016 401-1

# Valuing People

## **Data Tables**





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#### **Data Tables**

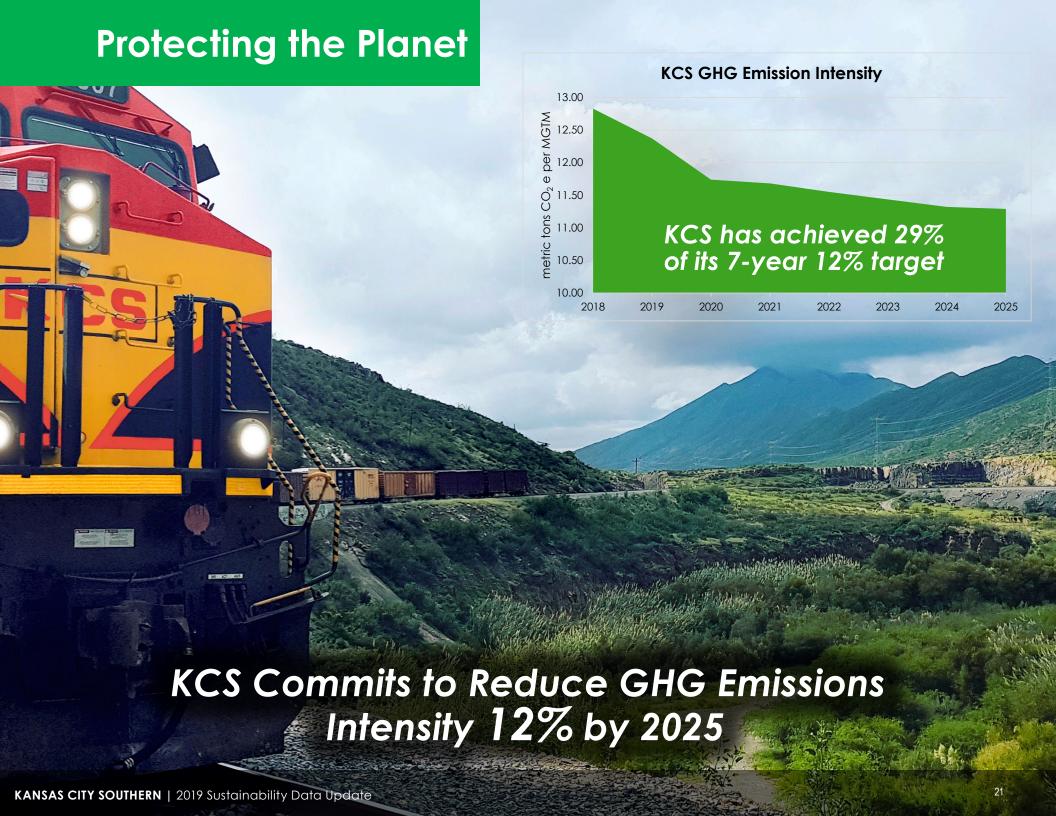
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GRI Content Index

Contact

Data	Units	2019	2018	2017	GRI Index Reference
Giving Back/Paying it Forward					
KCSR					
Total Contributions	\$	\$1,366,121	\$2,492,519	\$1,145,383	GRI 2016 413-1
KCSR Charitable Fund	\$	\$328,850	\$1,319,875	\$755,728	GRI 2016 413-1
KCSR Matching Gifts Program	\$	\$822,133	\$1,121,178	\$739,148	GRI 2016 413-1
United Way	\$	\$44,688	\$51,466	\$59,114	GRI 2016 413-1
Holiday Express Fundraising Campaign	\$	\$170,450	\$175,256	\$172,500	GRI 2016 413-1
Community Engagement					
Holiday Express in the U.S.					
Communities Visited	Total number	20	22	22	GRI 2016 413-1
Visitors	Approx. total	67,569	82,458	80,407	GRI 2016 413-1
Tren Navideño in Mexico					
Communities Visited	Total number	9	12	12	GRI 2016 413-1
Visitors <sup>1</sup>	Approx. total	8,000	55,000	47,000	GRI 2016 413-1

<sup>1</sup>Prior to 2019, KCSM permitted general public access for community engagement. Since then additional security measures have been put in place resulting in a reduction in visitors.



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GRI Content Index

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	Units	2019	2018	2017	GRI Index Reference
Comparison Rail vs. Truck					
KCS Rail Transportation (actual)					
Revenue Ton Miles (RTM)	Million RTM	51,336	50,233		
Gallons Used	Million Gallons (Net) <sup>1</sup>	132.7	134.9		
RTM/Gallons	RTM/Gallons	387	372		
GHG Emissions (locomotive diesel only)	Million Metric Tons CO <sub>2</sub> e	1.4	1.4		
Highway Transportation <sup>2</sup> (estimated)					
RTM	Million RTM	51,336	50,233		
Gallons Used	Million Gallons	483.0	472.7		
RTM/Gallons	RTM/Gallons	106	106		
GHG Emissions	Million Metric Tons CO <sub>2</sub> e	5.0	4.9		
Avoided Fuel Use and GHG Emissions b	y Selecting Rail vs. Highwa	у			
Avoided Fuel Use	Million Gallons	350.3	337.8		
Avoided GHG Emissions	Million Metric Tons CO <sub>2</sub> e	3.6	3.5		
Greenhouse Gas Emissions					
Direct (Scope 1) <sup>3</sup>	Million Metric Tons CO <sub>2</sub> e	1.4	1.4	1.5	GRI 2016 305-1
Energy indirect (Scope 2)	Million Metric Tons CO <sub>2</sub> e	0.04	0.03	0.03	GRI 2016 305-2
KCS-specific Metric Used to Calculate Emissions Intensity (EI) ratio	Million Gross Ton-Miles (MGTM)	111,753	109,174	113,416	
El ratio (Scope 1 diesel locomotive emissions only)	Metric Tons CO₂e per MGTM	12.37	12.83	12.78	GRI 2016 305-4

<sup>1</sup>Net gallons equates to gross gallons minus work train fuel. 2018 was recalculated based on net gallons.

<sup>&</sup>lt;sup>2</sup>Highway transportation estimates were calculated based on the same Million Revenue Ton Miles (MRTM) as KCS, the assumption of average truck load of 16.35 tons, average truck efficiency of 6.5 mpg, and using the Environmental Protection Agency (EPA) diesel emission factor.

 $<sup>^3\</sup>mbox{KCS}$  added additional sources in 2019 for Scope 1.

## **Data Tables**





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GRI Content Index

Data	Units	2019	2018	2017	GRI Index Reference
Nitrogen Oxides (NO <sub>2</sub> )	Metric Tons	14,126	16,773	16,813	GRI 2016 305-7
Sulfur Oxides (SO <sub>x</sub> )	Metric Tons	14.4	12.4	13.3	GRI 2016 305-7
Carbon Monoxide (CO) <sup>4</sup>	Metric Tons	3,856	3,528	3,761	GRI 2016 305-7
Ozone Depleting Substances (ODS)	Metric Tons	0.05	0	Not Reported	GRI 2016 305-6
Volatile Organic Compounds (VOC) <sup>5</sup>	Metric Tons	587	571	647	GRI 2016 305-7
Hydrocarbons	Metric Tons	604	824	706	GRI 2016 305-7
Particulate Matter	Metric Tons	357	484	409	GRI 2016 305-7
Energy Efficiency Initiatives					
Total Avoided Fuel Use	Million Gallons Diesel (Mgal diesel)	14.5	9.5	8.5	GRI 2016 302-4
	Million Megajoules	2,124.5	1,384.5	1,228.5	GRI 2016 302-4
Trip Optimizer	Number of Units Installed	313	244	244	GRI 2016 302-4
	Avoided Fuel Use (Mgal diesel)	3.4	2.1	1.1	GRI 2016 302-4
	Avoided Emissions (metric tons)	35,000	21,200	10,700	GRI 2016 302-4
Excessive Idle Reduction	Number of Units Installed	885	832	828	GRI 2016 302-4
	Avoided Fuel Use (Mgal diesel)	5.3	5.4	5.9	GRI 2016 302-4
	Avoided Emissions (metric tons)	54,600	55,600	61,000	GRI 2016 302-4
Distributed Power	Avoided Fuel Use (Mgal diesel)	1.1	1.0	1.0	GRI 2016 302-4
	Avoided Emissions (metric tons)	11,300	9,700	10,400	GRI 2016 302-4

<sup>&</sup>lt;sup>4</sup>Past years' data was mistakenly labeled as carbon dioxide ( $CO_2$ ) - updated to reporting CO emissions; 2019 includes all Scope 1 sources and 2017 and 2018 includes emissions from locomotive diesel fuel use only.

<sup>&</sup>lt;sup>5</sup>Calculated VOCs for 2017 and 2018 based off of locomotive diesel fuel use. Locomotive diesel fuel use accounts for greater than 95% of total emissions.

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GRI Content Index

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Data	Units	2019	2018	2017	<b>GRI Index Reference</b>
Horsepower Per Trailing Ton (HPT) Guidelines	Avoided Fuel Use (Mgal diesel)	4.7	1.0	0.5	GRI 2016 302-4
	Avoided Emissions (metric tons)	48,500	10,200	4,600	GRI 2016 302-4
<b>Energy Consumption</b>					
Diesel	Million gal	135.6	136.5	142.1	GRI 2016 305-1
	Million Megajoules	19,654.1	19,788.4	20,594.1	GRI 2016 305-1
Gasoline	Million gal	1.5	1.2	1.2	GRI 2016 305-1
	Million Megajoules	193.1	152.4	156.9	GRI 2016 305-1
Natural Gas <sup>6</sup>	Cubic Feet	Not Reported	11.6	15.3	GRI 2016 305-1
	Million Megajoules	Not Reported	12.6	16.7	GRI 2016 305-1
Propane	Million Gal	0.1	Not Reported	Not Reported	GRI 2016 305-1
	Million Megajoules	9.3	Not Reported	Not Reported	GRI 2016 305-1
Electricity	Million Kilowatt Hours	77.2	62.9	69.5	GRI 2016 302-1
	Million Megajoules	277.9	226.6	250.2	GRI 2016 302-1
Total Direct Consumption	Million Megajoules	20,134.4	20,180.1	21,018.1	GRI 2016 305-1
Energy Intensity Ratio	Joules/Gross Ton Mile	180,169	184,843	185,319	GRI 2016 302-3

<sup>6</sup>KCSR utilities did not track natural gas in 2019; KCSM reported 0 use of natural gas.

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GRI Content Index

Data	Units	2019	2018	2017	GRI Index Reference
Waste Management Disposal <sup>7</sup>					
Recycled					
Hazardous	Total Short Tons	1,038.4	1,306.7	1,192.9	GRI 2016 306-2
KCSR Used Oil	Short Tons	867.8	1,121.0	904.7	GRI 2016 306-2
KCSR Signal Batteries	Short Tons	14.3	11.9	15.6	GRI 2016 306-2
KCSR Lead-acid Batteries	Short Tons	140.4	173.6	272.4	GRI 2016 306-2
KCSR Fluorescent lights	Short Tons	0.4	0.2	0.3	GRI 2016 306-2
KCSM Batteries	Short Tons	15.5	Not Reported	Not Reported	GRI 2016 306-2
Non-hazardous <sup>8</sup>	<b>Total Short Tons</b>	7,187.3	12,824.2	13,905.8	GRI 2016 306-2
KCSR Scrap Metal	Short Tons	7,177.6	12,481.0	13,896.4	GRI 2016 306-2
KCSR Headquarters Commingled Plastic and Aluminum	Short Tons	0.9	2.6	1.2	GRI 2016 306-2
KCSR Headquarters Corrugated Paper	Short Tons	1.8	1.7	0.9	GRI 2016 306-2
KCSR Headquarters Special File Stock Paper	Short Tons	7.0	8.6	7.3	GRI 2016 306-2
Repurposed/Reused					
Hazardous	Total Short Tons	0	0	0	GRI 2016 306-2
Non-hazardous	Total Short Tons	7,874.6	14,985.2	5,198.9	GRI 2016 306-2
KCSR Metal Tie Plates	Short Tons	2,051.8	4,260.0	3,090.4	GRI 2016 306-2
KCSR Wood Ties <sup>9</sup>	Short Tons	5,822.8	10,725.2	2,108.4	GRI 2016 306-2
Recovered/Energy Recovery					
Hazardous	Total Short Tons	836.8	0	0	GRI 2016 306-2
KCSM Used oil and oil impacted soil	Short Tons	836.8	Not Reported	Not Reported	GRI 2016 306-2
Non-hazardous	Total Short Tons	9,923.6	12,228.3	24,097.9	GRI 2016 306-2
KCSR Scrap Ties <sup>9</sup>	Short Tons	9,923.6	12,228.3	24,097.9	GRI 2016 306-2

<sup>&</sup>lt;sup>7</sup>KCS waste management data reported may include operational, office, incidents, construction, and other factors. KCS is always striving to improve our data completeness and in 2019 began introducing KCSM waste data (used oil and batteries). In this way, KCS has also included additional waste data sources and further separated out components where it is possible.

<sup>&</sup>lt;sup>8</sup>Recycled non-hazardous waste in 2018 also included 330.3 short tons of solid waste generated during incidents.

<sup>&</sup>lt;sup>9</sup>There were errors in reporting in our 2017 sustainability report related to scrap ties and wood ties. Data has been corrected.

## **Data Tables**





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GRI Content Index

Data	Units	2019	2018	2017	<b>GRI Index Reference</b>
Incinerated					
Hazardous	Short Tons	41.1	69.1	61.7	GRI 2016 306-2
Non-hazardous	Short Tons	0	21.2	1.3	GRI 2016 306-2
Deep Well Injection					
Hazardous	Short Tons	0	0	0	GRI 2016 306-2
Non-hazardous	Short Tons	0	0	0	GRI 2016 306-2
Landfill					
Hazardous	Short Tons	0	0	12.6	GRI 2016 306-2
Non-hazardous <sup>10</sup>	Short Tons	2,652.9	8,822.6	9,997.8	GRI 2016 306-2
On-site Storage					
Hazardous	Short Tons	0	0	0	GRI 2016 306-2
Non-hazardous	Short Tons	0	0	0	GRI 2016 306-2
Water Management					
Wastewater and Stormwater Discharges	Total Gallons	113,800,000	94,700,000	45,700,000	GRI 2016 306-1
KCSR	Gallons	78,300,000	40,000,000	13,100,000	GRI 2016 306-1
KCSM	Gallons	35,500,000	54,700,000	32,600,000	GRI 2016 306-1
Discharge Locations (requiring permit) <sup>11</sup>	Total Locations	33	33		GRI 2016 306-1
KCSR	Locations	26	26		GRI 2016 307-1
KCSM <sup>12</sup>	Locations	7	7		GRI 2016 307-1
Hazardous Materials Transport					
KCSR <sup>11</sup>	Million Gross Tons	25.7	23.6	17.0	GRI 2016 306-4
KCSM	Million Gross Tons	16.4	12.4	8.3	GRI 2016 306-4
Significant Hazardous Materials Spi	lls				
KCS	Number of Significant Spills	0	0		GRI 2016 306-3

<sup>&</sup>lt;sup>10</sup>The reported data between 2017 and 2019 now includes non-hazardous landfill from facility roll-off and compactor tonnage. Data has been corrected.

<sup>&</sup>lt;sup>11</sup>There were errors in reporting in our 2018 sustainability report related to discharge locations and hazardous materials transport. Data has been corrected.

<sup>&</sup>lt;sup>12</sup>KCSM has two permitted locations and five locations that require compliance with a municipal ordinance.







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## GRI Content Index

GRI Descriptor	GRI Index Reference	Report Reference
GRI 102: General Disclosures		
1. Organizational Profile		
Name of Organization	GRI 2016 102-1	2019 Sustainability Data Update pg 2
Activities, Brands, Products, and Services	GRI 2016 102-2	2018 Sustainability Report pg 41
Location of Headquarters	GRI 2016 102-3	2019 Sustainability Data Update pg 2
Location of Operations	GRI 2016 102-4	2019 Sustainability Data Update pg 2
Ownership and Legal Form	GRI 2016 102-5	2018 Sustainability Report pg 12
Markets Served	GRI 2016 102-6	2018 Sustainability Report pg 2
Scale of Organization	GRI 2016 102-7	2018 Sustainability Report pgs 11, 12, 41, 42, 46 & 71
Information on Employees and Other Workers	GRI 2016 102-8	2018 Sustainability Report pgs 46-47
Supply Chain	GRI 2016 102-9	2019 Sustainability Data Update pg 16
Significant Changes to the Organization and Its Supply Chain	GRI 2016 102-10	2018 Report GRI Content Index
Precautionary Principle or Approach	GRI 2016 102-11	2018 Report GRI Content Index
External Initiatives	GRI 2016 102-12	2018 Sustainability Report pgs 16, 21-22
Membership of Associations	GRI 2016 102-13	2018 Sustainability Report pgs 69 & 70
2. Strategy		
Statement from Senior Decision-maker	GRI 2016 102-14	2019 Sustainability Data Update pgs 4-5
Key Impacts, Risks, and Opportunities	GRI 2016 102-15	2018 Sustainability Report pgs 21, 22, 25, 31 & 73
3. Ethics and Integrity		
Values, Principles, Standards, and Norms of Behavior	GRI 2016 102-16	2019 Sustainability Data Update pg 4
Mechanics for Advice and Concerns about Ethics	GRI 2016 102-17	2018 Sustainability Report pgs 19, 23 & 51
4. Governance		
Governance Structure	GRI 2016 102-18	2020 Proxy Statement
Delegating Authority	GRI 2016 102-19	2018 Sustainability Report pg 13
Executive-level Responsibility for Economic, Environmental, and Social Topics	GRI 2016 102-20	2018 Report GRI Content Index





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## GRI Content Index

GRI Descriptor	GRI Index Reference	Report Reference
Consulting Stakeholders on Economic, Environmental, and Social Topics	GRI 2016 102-21	2018 Report GRI Content Index
Composition of the Highest Governance Body and Its Committees	GRI 2016 102-22	2019 Sustainability Data Update pg 7
Chair of The Highest Governance Body	GRI 2016 102-23	2020 Proxy Statement
Nominating and Selecting the Highest Governance Body	GRI 2016 102-24	2018 Sustainability Report pgs 13-14
Conflicts of Interest	GRI 2016 102-25	2018 Sustainability Report pgs 13-14
Role of Highest Governance Body in Setting Purpose, Values, and Strategy	GRI 2016 102-26	2018 Sustainability Report pgs 13-14
Collective Knowledge about the Highest Governance Body	GRI 2016 102-27	2019 Sustainability Data Update pg 7
Evaluating the Highest Governance Body's Performance	GRI 2016 102-28	2018 Report GRI Content Index
dentifying and Managing Economic, Environmental, and Social Impacts	GRI 2016 102-29	2020 Proxy Statement 2018 Report pgs 5, 13, 18 & 73
Effectiveness of Risk Management Process	GRI 2016 102-30	2018 Sustainability Report pgs 74-84
Review of Economic, Environmental, and Social Topics	GRI 2016 102-31	2018 Sustainability Report pgs 5, 13, 18 & 73
Highest Governance Body's Role in Sustainability Reporting	GRI 2016 102-32	2018 Report GRI Content Index
Communicating Critical Concerns	GRI 2016 102-33	2018 Report GRI Content Index
Nature and Total Number of Critical Concerns	GRI 2016 102-34	2018 Report GRI Content Index
Renumeration Policies	GRI 2016 102-35	2020 Proxy Statement
Process for Determining Renumeration	GRI 2016 102-36	2020 Proxy Statement
Stakeholders' Involvement in Remuneration	GRI 2016 102-37	2020 Proxy Statement
Annual Total Compensation Ratio	GRI 2016 102-38	2020 Proxy Statement
Percentage Increase in Annual Total Compensation Ratio	GRI 2016 102-39	2020 Proxy Statement
5. Stakeholder Engagement		
ist of Stakeholder Groups	GRI 2016 102-40	2018 Sustainability Report pg 68
Collective Bargaining Agreements	GRI 2016 102-41	2018 Report GRI Content Index





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## GRI Content Index

GRI Descriptor	GRI Index Reference	Report Reference
Identifying and Selecting Stakeholders	GRI 2016 102-42	2018 Sustainability Report pgs 5-9
Approach to Stakeholder Engagement	GRI 2016 102-43	2018 Sustainability Report pgs 5-9
Key Topics and Concerns Raised	GRI 2016 102-44	2019 Sustainability Data Update pg 3
6. Reporting Practice		
Entities Included in Consolidated Financial Statements	GRI 2016 102-45	2018 Sustainability Report pg 12
Defining Report Content and Topic Boundaries	GRI 2016 102-46	2018 Sustainability Report pg 5-9
List of Material Topics	GRI 2016 102-47	2019 Sustainability Data Update pg 3
Restatements of Information	GRI 2016 102-48	2018 Sustainability Report pgs 30, 60 & 68
Changes in Reporting	GRI 2016 102-49	Minor restatements in the 2019 Sustainability Data Update pgs 4, 5, 10, 16, 20, 22-26
Reporting Period	GRI 2016 102-50	2019 Sustainability Data Update pg 2
Date of Most Recent Report	GRI 2016 102-51	2019 Sustainability Data Update pg 2
Reporting Cycle	GRI 2016 102-52	2019 Sustainability Data Update pg 2
Contact Point for Questions Regarding Report	GRI 2016 102-53	2019 Sustainability Data Update pg 34
Claims of Reporting in Accordance with the GRI Standards	GRI 2016 102-54	2019 Sustainability Data Update pg 2
GRI Content Index	GRI 2016 102-55	2019 Sustainability Data Update pgs 27-33
External Assurance	GRI 2016 102-56	2019 Sustainability Data Update pg 2
GRI 200 Economic		
GRI 201: Economic Performance		
Direct Economic Value Generated and Distributed	GRI 2016 201-1	2019 Sustainability Data Update pg 15
Financial Implications and other Risks and Opportunities Due to Climate Change	GRI 2016 201-2	2019 CDP Climate Change Response
Defined Benefit Plan Obligations and other Retirement Plans	GRI 2016 201-3	2018 Report GRI Content Index
GRI 203: Indirect Economic Impacts		
Infrastructure Investments and Services Supported	GRI 2016 203-1	2019 Sustainability Data Update pgs 15-16





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GRI Descriptor	GRI Index Reference	Report Reference
GRI 205: Anti-corruption		
Operations Assessed for Risks Related to Corruption	GRI 2016 205-1	2018 Sustainability Report pgs 19-20
Communication and Training about Anti-corruption Policies and Procedures	GRI 2016 205-2	2018 Sustainability Report pgs 19-20
Confirmed Incidents of Corruption and Actions Taken	GRI 2016 205-3	2019 Sustainability Data Update pgs 9-10
GRI 300 Environmental		
GRI 301: Materials		
Recycled Input Materials Used	GRI 2016 301-2	2019 Sustainability Data Update pg 25
Reclaimed Products and Their Packaging Materials	GRI 2016 301-3	2019 Sustainability Data Update pg 25
GRI 302: Energy		
Energy Consumption within the Organization	GRI 2016 302-1	2019 Sustainability Data Update pg 24
Energy Intensity	GRI 2016 302-3	2019 Sustainability Data Update pg 24
Reduction of Energy Consumption	GRI 2016 302-4	2019 Sustainability Data Update pg 24
Reduction in Energy Requirements of Products and Services	GRI 2016 302-5	2019 Sustainability Data Update pgs 22-24
GRI 305: Emissions		
Direct (Scope 1) GHG Emissions	GRI 2016 305-1	2019 Sustainability Data Update pg 22
Energy Indirect (Scope 2) GHG Emissions	GRI 2016 305-2	2019 Sustainability Data Update pg 22
GHG Emissions Intensity	GRI 2016 305-4	2019 Sustainability Data Update pg 22
Emissions from ODS	GRI 2016 305-6	2019 Sustainability Data Update pg 23
NO <sub>x</sub> , SO <sub>x</sub> , and Other Significant Air Emissions	GRI 2016 305-7	2019 Sustainability Data Update pg 23
GRI 306: Effluents and Waste		
Water Discharge by Quality and Destination	GRI 2016 306-1	2019 Sustainability Data Update pg 26
Waste by Type and Disposal Method	GRI 2016 306-2	2019 Sustainability Data Update pgs 24-26
Significant Spills	GRI 2016 306-3	2019 Sustainability Data Update pg 26





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GRI Descriptor	GRI Index Reference	Report Reference
Transport of Hazardous Waste	GRI 2016 306-4	2019 Sustainability Data Update pg 26
Water Bodies Affected by Water Discharge and/or Runoff	GRI 2016 306-5	2018 Sustainability Report pgs 63-64
GRI 307: Environmental Compliance		
Non-compliance with Environmental Law and Regulations	GRI 2016 307-1	2019 Sustainability Data Update pg 26
GRI 400 Social		
GRI 401: Employment		
Diversity of Governance Bodies and Employees	GRI 2016 401-1	2019 Sustainability Data Update pgs 7, 18-19
Benefits Provided to Full-time Employees that are not Provided to Temporary or Part-time Employees	GRI 2016 401-2	2018 Sustainability Report pg 48
Parental Leave	GRI 2016 401-3	2018 Sustainability Report pg 48
GRI 403: Occupational Health and Safety		
Workers Representation in Formal Joint Management- worker Health and Safety Committees	GRI 2016 403-1	2018 Sustainability Report pg 30 2019 Sustainability Data Update pg 18
Types of Injury and Rates of Injury, Occupational Diseases, Lost Days, and Absenteeism, and Numbers of Work-Related Fatalities	GRI 2016 403-2	2019 Sustainability Data Update pg 13 2018 Sustainability Report pgs 30, 50-51
Workers with High Incidents or High Risk of Diseases Related to Their Occupation	GRI 2016 403-3	2018 Report GRI Content Index
Health and Safety Topics Covered in Formal Agreements with Trade Unions	GRI 2016 403-4	2018 Sustainability Report pg 48
Worker Training on Occupational Health and Safety	GRI 2018 403-5	2018 Sustainability Report pgs 29, 30, 49 & 66
Promotion of Worker Health	GRI 2018 403-6	2018 Sustainability Report pg 48
GRI 404: Training and Education		
Programs for Upgrading Employee Skills and Transition Assistance Programs	GRI 2016 404-2	2018 Sustainability Report pg 49
Percentage of Employees Receiving Regular Performance and Career Development Reviews	GRI 2016 404-3	2018 Sustainability Report pg 49





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GRI Content Index

GRI Descriptor	GRI Index Reference	Report Reference
GRI 405: Diversity and Equal Opportunity		
Diversity of Governance Bodies and Employees	GRI 2016 405-1	2019 Sustainability Data Update pgs 7, 18-19
GRI 410: Security Practices		
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Contact

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#### SAFE HARBOR

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended. Section 21E of the Securities Exchange Act of 1934, as amended and the Private Securities Litigation Reform Act of 1995. In addition, management may make forward-looking statements orally or in other writing, including, but not limited to, in press releases, quarterly earnings calls, executive presentations, in the annual report to stockholders and in other filings with the Securities and Exchange Commission. Readers can usually identify these forward-looking statements by the use of such words as "may," "will," "should," "likely," "plans," "projects," "expects," "anticipates," "believes" or similar words. These statements involve a number of risks and uncertainties. Actual results could materially differ from those anticipated by such forward-looking statements as a result of a number of factors or combination of factors including, but not limited: public health threats or outbreaks of communicable diseases, such as the ongoing COVID-19 pandemic and its impact on KCS's business, suppliers, consumers, customers, employees and supply chains; rail accidents or other incidents or accidents on KCS's rail network or at KCS's facilities or customer facilities involving the release of hazardous materials, including toxic inhalation hazards; legislative and regulatory developments and disputes, including environmental regulations; loss of the rail concession of Kansas City Southern's subsidiary, Kansas City Southern de México, S.A. de C.V.; domestic and international economic, political and social conditions; disruptions to the Company's technology infrastructure, including its computer systems; increased demand and traffic congestion; the level of trade between the United States and Asia or Mexico; fluctuations in the pesodollar exchange rate; natural events such as severe weather, hurricanes and floods; the outcome of claims and litigation involving the Company or its subsidiaries; competition and consolidation within the transportation industry; the business environment in industries that produce and use items shipped by rail; the termination of, or failure to renew, agreements with customers, other railroads and third parties; fluctuation in prices or availability of key materials, in particular diesel fuel; access to capital; climate change and the market and regulatory responses to climate change; dependency on certain key suppliers of core rail equipment; changes in securities and capital markets; unavailability of qualified personnel; labor difficulties, including strikes and work stoppages; acts of terrorism or risk of terrorist activities, war or other acts of violence; and other factors affecting the operation of the business; and other risks identified in this document, in KCS's Annual Report on Form 10-K for the year ended December 31, 2019, and in other reports filed by KCS with the Securities and Exchange Commission.

Forward-looking statements reflect the information only as of the date on which they are made. KCS does not undertake any obligation to update any forward-looking statements to reflect future events, developments, or other information.

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