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MESSAGE FROM OUR CEO

Archrock is the leading provider of natural gas contract compression services in the United States. We are extremely proud to serve our customers, who range from large multinational producers and transporters of natural gas and oil to smaller, local operators. Our people approach each day ready to provide the service necessary to help power America by keeping our customers’ natural gas streams flowing and to partner with them in meeting their safety and environmental objectives.

At Archrock, our stakeholders’ best interests and expectations are at the forefront of our daily decisions and our operating strategy. We are committed to the highest standards of corporate governance and health, safety and environmental performance and to effective management of our social impacts.

There is no one-size-fits-all approach to assessing the potential environmental, social and governance (ESG) impacts of a company or the risks and opportunities thereof. In creating this report, we have carefully considered sustainability in the context of our operations and the potential for impact on our key stakeholders.

- **Our customers** place a high value on safety and the environment, and they count on us to operate, repair and maintain our and their equipment in a safe and environmentally responsible manner.

- **Our employees**, our greatest asset, expect to come home safely from their jobs each day, to be treated with respect and to work for a company that takes pride in meeting the needs of its customers.

- **Our suppliers and contractors** choose us to be a valued and responsible business partner.

- **Our owners**, our employees counted among them, expect us to operate under sound corporate governance principles and to make decisions that help protect the long-term viability of our Company.

Nothing is more important to us than safety – both on the job and away from it, for our employees, contractors, customers and communities – and that is why excellence in safety is a core value at Archrock. While we cannot predict nor guarantee zero injuries, our efforts have yielded positive trends and since 2014, total recordable incidents have been reduced by over 60%.

Leadership and accountability play a vital role in building a strong culture of corporate responsibility at Archrock. We expect every Archrock employee to uphold the highest standards and to live our values in all that we do as a Company. We encourage and support Archrock’s employees to be safety leaders, environmental stewards and responsible community members.

We have over 1,700 employees and I am extremely proud of them all. We are all excited about our role in the future of the natural gas industry and the integral part we play in delivering cleaner burning energy to help power America.

Brad Childers
President and Chief Executive Officer
WHO WE ARE

Archrock is an energy infrastructure company with a pure-play focus on midstream natural gas compression. We are the leading provider of natural gas compression services to customers in the oil and natural gas industry throughout the U.S. and a leading supplier of aftermarket services to customers that own compression equipment in the U.S. Our business supports a must-run service that is essential to the production, processing, transportation and storage of natural gas.

Our history, through legacy companies, extends more than 65 years, as far back as the outsourced natural gas compression industry itself. The demand and applications for gas compression have evolved over the years, and Archrock has been there making sure our customers experience maximum uptime. As our name implies, we bridge the gap for our customers – from challenge to solution.

We are the industry leader in providing preventive maintenance schedules for contracted compression equipment, with some of the industry’s most qualified and highly skilled field service technicians (FSTs).

- All of Archrock’s FSTs have been thoroughly trained on ARIEL compressors.
- Our FSTs continually participate in GE Waukesha factory training.
- We have more CAT® Certified FSTs than any other U.S. gas compression services company.

Our expert field and shop employees have an overall safety record better than the national average.1 Our use of industry best practices help keep operations running smoothly and at optimal performance for our customers.

WHAT WE CONTRIBUTE

Natural gas is bridging the gap between declining reliance on coal and nuclear power and increasing reliance on wind and solar energy sources, providing the feed stock for approximately 35% of electricity generation.2 Nearly 900,000 people are directly employed by the oil and gas industry, many in rural parts of the United States, and in 2018, the oil and gas industry supported over 900 other industries through purchases of goods and services of approximately $534 billion.3 Natural gas is expected to remain an integral part of the world-wide total energy mix for the foreseeable future.

We support oil and gas production in all major production basins in the U.S. as a midstream service provider. Gas compression is a must-run service for equipment that moves gas through infrastructure systems to consuming markets, from the wellhead to distribution. Our services allow natural gas distributors to receive the natural gas that is ultimately provided to electricity generators and homes and businesses throughout the United States. Compression also enhances oil recovery through gas lift, increasing production and efficiency.

1 Based on International Association of Drilling Contractors (“IADC”) US Land Category (Onshore Oil & Gas Services Industry) and the Gas Compressor Association (“GCA”), 2018
2 U.S. Energy Information Administration, 2018
3 Texas Independent Producers and Royalty Owners Association, 2018
Our vision is to be America's leading provider of natural gas compression by delivering exceptional customer service. This vision is underpinned by our values, which permeate everything we do:

- **SAFETY** – be safe at every turn
- **SERVICE** – work in service to others
- **INTEGRITY** – do the right thing and be accountable
- **RESPECT** – treat our people, our customers and the environment with respect
- **PRIDE** – take pride in everything we do

We realize our vision by focusing on our values and executing our strategy to be the

- Compression services partner of choice for our customers
- Employer of choice for our employees
- Investor choice by growing our business and our distributable cash flow

**WHAT WE DON’T DO**

**ARCHROCK IS U.S.-CENTRIC**
Archrock does not have operations outside the U.S. and, therefore, we are generally not subject to international regulation or the ESG risks that are more commonly found outside the United States.

**ARCHROCK PROVIDES TAILORED SERVICES**
We do not provide drilling or hydraulic fracturing services or engage in downstream operations or deep-sea operations.

**ARCHROCK OPERATES UNDER A NON-OWNER STATUS**
We do not own or lease the land upon which we provide our services; nor do we own or operate the wells, transportation services, refineries, pipelines or storage facilities that our services support. Instead, these are typically owned or leased and operated by our customers. Additionally, we do not own or have any interest in the natural gas that we compress or the liquids we help lift. Those commodities are owned by our customers or their customers.

**ARCHROCK IS NOT RESPONSIBLE FOR LICENSING AND PERMITS**
We do not typically bear the responsibility for obtaining or maintaining licenses or permits related to our customers’ operations, such as air emission permits, since those permits relate to our customers’ broader operations beyond just our services. However, we partner with our customers to help them ensure they meet or exceed business requirements to the extent within our control.
OUR POSITION ON SOCIAL RESPONSIBILITY

Archrock’s quest to find ways to continue to operate in an ever-increasing, more socially responsible manner is a dynamic and never-ending one. We currently believe the following points of focus are the most critical and most impactful to our operations and long-term sustainability:

• SAFETY – With over 1,000 field service technicians and shop employees deployed across the U.S., operating safely must be and is a core value. Our talented technicians and mechanics are equipped with the support, tools and skills to perform their jobs safely, efficiently and in an environmentally conscious way. Safety is a stand-alone performance metric that has been a material part of our annual short-term incentive program for over 12 years.

• CUSTOMERS – Being the premier provider of compression and aftermarket service is the bedrock of our operating strategy, and we believe the quality of our services is one of the variables that positively distinguishes us from our competition. As of year-end 2018, we operated a compression fleet of over 3.5 million horsepower to help meet the gas compression services requirements of over 550 customers throughout all major U.S. oil and natural gas producing regions.

• PEOPLE – We take pride in operating and maintaining superior equipment, but it is our people who truly make the difference, providing best-in-class customer service to the oil and gas industry on a 24/7/365 basis. To hire and retain the top people in the industry, we have made it a priority to create a work environment characterized by integrity and respect, and to offer compensation and other programs that fairly reward and recognize employee contributions. We also offer training and development programs that enable our people to advance their skills and meet their career goals.

• CORPORATE GOVERNANCE – Before anything lasting can be built, there must be a solid foundation. We believe that good corporate governance practices are that foundation, and we are committed to maintaining best practices in governance, with appropriate Board of Directors oversight of strategy and risk. We believe our 65-year history bears out the value we ascribe to corporate governance and the effectiveness of our corporate governance structure and processes.
GOVERNANCE

Archrock is actively committed to maintaining the highest standards of corporate governance and business ethics. Our Board is comprised of nine Directors, seven of whom are independent and all of whom have extensive oil and gas industry experience. We have adopted formal policies that guide us in running our operations and supporting all stakeholders with utmost integrity. These policies provide directives for our Board, define our corporate code of conduct, and ensure oversight of our accounting and financial reporting processes, which adhere to Generally Accepted Accounting Principles.

GOVERNANCE HIGHLIGHTS

• Separate Chairman and CEO
• Majority independent board
• 100% independent board committees
• 2 of 9 Directors are female
• 2 of 3 committee chairs are female
• Moderate director compensation
• All Directors are subject to annual election by our public stockholders
• Our Committee Charters and Corporate Governance Principles are reviewed annually
• The independent Directors meet regularly without management present
• The Board and its committees conduct annual self-evaluations
• The Board engages in succession planning and has adopted a succession policy in the event of an unanticipated vacancy in the chief executive officer position
• Our Directors have full access to management
• The Board has adopted stock ownership guidelines for Directors and executive officers
• The Board has adopted a policy prohibiting the hedging or pledging of Company securities
• We use a plurality vote standard with a resignation requirement in the event of a greater number of “withheld” votes than “for” votes
• Our stockholders enjoy equal share voting rights and representation
STOCKHOLDERS AND BOARD OVERSIGHT

Open Communication: In response to previous stockholder feedback, we made certain adjustments in our executive compensation program and enhanced our disclosure. Our management team participated in eight energy investor conferences and several non-deal roadshows in 2018 to communicate the Company’s mission and receive valuable input from the investment community.

Trading Restrictions: Our policies prohibit the hedging or pledging of Archrock securities by all employees and members of our Board. These individuals are also subject to quarterly trading blackouts and our executives and Directors are required to obtain advance approval to trade in the open market.

Stock Ownership Guidelines: The Board has implemented stockownership guidelines for itself and senior management to align their interest with our stockholders. More than half of our non-employee Board members’ compensation is provided in the form of equity and over 40% of the target compensation of our senior management is equity-based.

Board Oversight of Strategy and Financial Health: We are focused on effectively managing debt, deploying capital strategically to maximize our returns and returning capital to our stockholders through quarterly dividends. Our Board and management team not only regularly review past performance and market behavior, but they consider on an on-going basis anticipated near-term and long-term market expectations. The Board approves an annual business plan and monitors performance against that plan on a quarterly basis.

The Compensation Committee has established corporate performance criteria for the short-term incentive plan, as well as long-term performance-based equity incentives for senior management. The Compensation Committee believes it has selected performance criteria that does not encourage excessive risk taking and is balanced between fixed and performance-based compensation.

CODE OF BUSINESS CONDUCT

Our Code of Business Conduct (“Code”) applies to Directors, officers and employees of Archrock, with the expectation that our suppliers, vendors, contractors and partners also abide by the principles in the Code. The Code—which is supplemented by our Employee Handbook and many topic-specific policies, procedures and standards—addresses, among other things, the following:

• Conflicts of interest
• Business gifts and entertainment
• Public disclosure
• Maintenance of accurate accounts and records
• Compliance with laws, including antitrust and competition, environment, political contributions, securities laws and insider trading, export and import compliance, improper payments and anti-bribery and anti-boycott
• Fair dealing
• Protection and proper use of Company assets
• Confidential information
• Work place practices, including diversity and inclusion, health and safety, workplace violence, illegal drugs and alcohol, and contraband
• Reporting violations—including via our 24/7/365 Compliance Hotline phone number and website

Annual Code training is provided to our employees to help ensure these principles and requirements are known and followed.
RISK MANAGEMENT

The Board has an active role, as a whole and through its Committees, in overseeing management of the Company’s risks. The Board’s role in the risk oversight process includes receiving regular reports from members of senior management on areas of potentially material impact to us, including:

<table>
<thead>
<tr>
<th>Full Board</th>
<th>Risks associated with capital management, including financing, dividends and capital expenditures</th>
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<tbody>
<tr>
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<td>Strategic, financial and execution risk associated with the annual performance plan and long-term plan, including major operational initiatives</td>
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<td></td>
<td>Mergers, acquisitions and divestitures</td>
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<td></td>
<td>Major litigation, disputes and regulatory matters</td>
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<td>Management succession planning</td>
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<td>Cybersecurity risk and prevention</td>
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<td>Risks associated with safety and environmental, sustainability and social issues</td>
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<tr>
<td>Audit Committee</td>
<td>Financial risks, including financial reporting, accounting, disclosure and internal controls</td>
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<td></td>
<td>Compliance, litigation and tax regulatory matters</td>
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<tr>
<td>Compensation Committee</td>
<td>Risks related to the overall effectiveness and cost of the Company’s compensation and benefit programs</td>
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<td>Risks associated with the design of executive compensation, including a mix of short-term and long-term incentive compensation that does not encourage excessive risk-taking</td>
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<td></td>
<td>Performance management as it relates to our executive officers</td>
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<tr>
<td>Nominating and Corporate Governance Committee</td>
<td>Risks associated with board effectiveness, corporate governance and Director succession planning</td>
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</table>

The involvement of the Board in reviewing, approving and monitoring our fundamental financial and business strategies is important to the determination of the types and appropriate levels of risk the Company will undertake. The Board’s committees assist the Board in fulfilling its oversight responsibilities in certain areas of risk and are all comprised solely of independent Directors.

COMPLIANCE HOTLINE

We maintain a Compliance Hotline phone number and web-based reporting tool, which is available 24/7/365 and is managed by an independent third-party provider. If desired, reports to the Compliance Hotline may be made anonymously. Retaliation for reporting violations or concerns is expressly forbidden. The Audit Committee Chair receives monthly updates on complaints and the full Audit Committee receives a quarterly report. During 2018, all complaints were thoroughly investigated internally. Average time to resolution was less than three weeks. Half of such complaints were determined to have merit and involved corrective actions.
REGULATORY AND COMPLIANCE

Compliance: Our Audit Committee annually reviews and approves our compliance program and receives quarterly updates on our compliance initiatives, including the status of investigations of Compliance Hotline reports, compliance training initiatives and matters related to trade controls. Our Audit Committee Chair also receives monthly updates on the status of reports that are received via our Compliance Hotline.

Anti-corruption: In addition to clearly articulated Policies, we provide compliance training for applicable employees, including all members of management.

Related Party Screening: We recognize that transactions with related persons can present potential or actual conflicts of interest and create the appearance that decisions are based on considerations other than Archrock’s and Archrock’s stockholders’ best interests. Archrock has adopted a written policy on related party transactions to provide guidance and set standards for the approval and reporting of transactions between us and individuals with a direct or indirect affiliation with us, and to ensure that those transactions are in our best interest. Any proposed related-party transaction involving the CEO, CFO or a Board member must be submitted to the Audit Committee for approval prior to entering into the transaction. Other review processes have been established for the assessment and approval of potential related party transactions and conflicts of interest involving other Archrock employees and their family members.

Internal Audit Function: Our internal audit function reports directly to the Audit Committee.

Political Advocacy and Contributions: Our Policies prohibit corporate political contributions. We have selectively engaged in advocacy efforts—including related to state taxation of heavy equipment and certain industry impacting federal regulations—to protect the interests of our stakeholders and to ensure fair and appropriate regulatory oversight and policies.
ENVIRONMENT

OUR MISSION

Archrock seeks to be best-in-class when it comes to protection of the environment. Our management and field personnel are subject to various written policies, procedures and standards (“Policies”) that provide specific guidance on environmental matters, including air emissions, hazard communication, waste management and minimization, spill response and energy and water conversation. We believe all employees must comply accordingly and be accountable if they fail to fully do so, which is why we also document the potential consequences for non-compliance with these Policies. We utilize Intelex® for internal tracking, reporting and auditing of our environmental performance, and we are committed to a culture of responsible environmental stewardship.

As the largest owner and operator of natural gas compression equipment in the US, we are known in the oil and gas industry for our expertise in natural gas engines, including their operation and their emissions. Our staff of full-time environmental professionals includes a dedicated air quality team, which provides technical support to our field operations and our customers in relation to emissions compliance. As regulatory requirements and technology evolve, Archrock will continue to be a good steward of the environment, including the natural resources present in the places we work and live.

AIR QUALITY

We provide our compression services to our customers almost exclusively on a contract basis, so compliance with applicable emissions regulations is predominantly the direct responsibility of our customers. However, we support our customers in meeting compliance obligations (e.g., controlling emissions of regulated pollutants for NSPS Quad J, reducing or eliminating fugitive emissions leakage for NSPS Quad O/Oa, and reducing emissions of hazardous air pollutants for NESHAP Quad Z).

In addition, as part of our long-term business strategy, we have focused on strategically replacing older small horsepower compression equipment with newer, large horsepower compression equipment. This improves efficiency for our customers while meeting more stringent emission standards.

The chart illustrates that between 2016 and 2018, we have realized a 29% improvement in the percentage of our total operating horsepower that generates 10g/hp-hr NOx or less.

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* The Environmental Protection Agency established an emissions benchmark applicable to engines manufactured after July 2010 not to exceed 10g/hp-hr NOx or less (“40 CFR 60 Subpart JJJJ”).
ENERGY USE

Compressors: Our compressors are almost exclusively powered by natural gas derived at the site and, to a much smaller extent, by electricity. Alongside our shift to larger, more efficient units, we have launched a multi-year initiative targeted to equip the units in our fleet with remote monitoring functionality. Remote monitoring is expected to improve service efficiencies and enable us to proactively diagnose and mitigate potential issues. The project will drive efficiency in scheduling preventive maintenance, reduce ad hoc call outs and improve supply chain performance, resulting in reduced vehicle mileage through reducing the need for technicians to visit locations.

Vehicles: All Archrock vehicles are equipped with GPS and MiX Telematics®, which allows us to monitor vehicle energy consumption and monitor driving habits. This enables us to provide the feedback and training our drivers need to achieve safe and efficient driving behaviors.

Facilities: In 2015, Archrock began to replace metal halide and fluorescent lights in our shops and warehouses with LED lighting, which consumes up to 90% less power. This has been a $278,000 investment that, over the life of LED bulbs, is anticipated to generate savings of approximately $4.3 million and reduce our greenhouse gas emissions by approximately 495 metric tons of carbon dioxide or CO₂ equivalent a year. In addition, our corporate office has received the LEED Silver Certification.

WASTE AND SPILLS

Archrock’s waste management program is rooted in the waste hierarchy of Reduce, Reuse, Recycle. Management teams at each facility are accountable for developing site-specific waste management plans that incorporate this concept, that identify tasks that produce waste and establish goals for waste reduction within each task. Our largest consumable is lube oil, and we recycle 100% of the lube oil we recover and return to our facility during the preventive maintenance process. In general, we do not store petroleum products in volumes that would require SPCC plans. In a few of our make ready shops, larger volumes of used oil are stored and we have developed and implemented SPCC plans as required. We did not experience any Reportable Quantity (RQ) spills during 2018.

HABITAT AND WATER

Our operational footprint does not have a significant impact on biodiversity and habitat. However, as part of our best-in-class services, we support our customers’ efforts to minimize their environmental impacts through housing our units in buildings, equipping them with sound mufflers and include netting in wildlife sensitive areas for additional wildlife protection. Our operations do not rely on a material level of water consumption, nor do we produce a material level of waste water.
SAFETY

OUR VISION

Archrock’s safety vision is to be recognized as an industry leader in safety performance. Archrock is fully committed to continual improvement for the benefit of our employees, customers and the communities in which we operate. Safety performance is used as a key measure of success throughout our organization.

Protecting the employees, contractors and customers involved in our operations, as well as the communities and environment where we provide our services, is a core value. Our safety performance goals are integrated into our daily operations and are an integral part of providing the highest quality services to our customers. We foster a culture in which our field and shop worksites are analyzed for potential hazards before we commence our work and where any appropriate actions are taken to reduce the risk of accidents and injuries before they can occur. We actively promote the highest standards of safety behavior and environmental awareness, and we strive to meet or exceed applicable local and national regulations.

Understanding that personal safety, incident prevention and environmental protection are the responsibilities of everyone, employees are empowered to identify risks and develop solutions to those issues. As a result, employees at all levels are encouraged to be responsible for the prevention of job-related injuries and illnesses, and environmental incidents, through the use of their good judgment and diligence in the consistent application of Company Policies. Archrock’s management team not only fully supports our employees’ right to “Stop the Job” if they have any concern about safety, it is a corporate edict.

“Stop the Job” provides the authority and establishes the obligation of all employees to stop any task or operation where they perceive that a risk to people, the environment or assets is not properly controlled. Empowerment at this level ensures that our talented “boots on the ground” have control over the hazards they may be exposed to during work activities.

Safety and environmental performance are integral to our consideration of employee and Company performance. Archrock will continually seek to improve our performance and ensure that our management systems align with or exceed the best practices of the industry. Our collective safety and environmental performance is pivotal to the success of the entire organization.

TARGET ZERO PROGRAM

We believe that all incidents are preventable, and that through proper training, planning and hazard recognition, we can achieve a TARGET ZERO™ workplace – a workplace with zero incidents. TARGET ZERO™ is now part of our ethos. It establishes values among all of our people at all levels to be concerned about their own safety and the safety of their coworkers. It highlights personal commitment and Company culture, leading to a mindset that integrates safety into every work process at Archrock. We have developed and implemented a plan to provide the tools, equipment and training needed to achieve this ambitious goal.

To aid managers and employees in mitigating potential work hazards, Archrock has developed over 90 safety and environmental procedures, establishing industry best practices for maintaining high levels of execution, hazard mitigation and accountability. Our procedures are based upon applicable regulations, customer requirements, internal requirements and industry best practices. We have not sought ISO 140001 certification since we do not operate outside the U.S.; however, these guidelines are taken into consideration in the development of our procedures.
We analyze, review, and revise these procedures at least every two years, often more so, for clarity and continued applicability and to reflect new learnings and regulatory changes. Further, our HSE function reports directly to our Chief Executive Officer.

Our safety statistics reflect these efforts.

Validating proper execution of our safety processes is an important aspect of worker safety. Archrock uses Intelex® for internal tracking, reporting and auditing of our environmental performance. This system allows us to analyze each business unit’s progress towards implementing and adhering to proper environmental, health and safety procedures. Environmental and safety assessments are scheduled and conducted annually throughout the Company. We typically complete ten comprehensive HSE audits per year. We audit against our stated policies and procedures with interviews, a review of applicable paperwork and on-the-job observation of skills and practices in the field. We do not close the audit until all actions are completed in satisfaction of our stated policies and procedures.

Contractors: We highly value our suppliers and contractors and strive to maintain relationships that are mutually beneficial to all. Our key vendors are provided a copy of, and are subject to, our Code of Business Conduct. To protect the interests of our customers and all other stakeholders, we evaluate and audit our contractors’ safety performance for alignment with our safety standards and policies.

We carefully analyze our contractors’ scopes of work and characterize them as either higher or lower risk services. Higher risk contractors are required to have an account in ISNetworld® (“ISN”), into which they are required to input relevant safety, insurance and like data for our continuous review. This access provides us with an important view into the safe work practices of Archrock’s key contractors. We utilize ISN to select, where ever possible, contractors who exhibit strong safety performance. The majority of the contractors we use carry an “A” or “B” rating. While we strive to utilize only highly graded contractors, when circumstance require us to use a contractor whose grade is below a “B”, that contractor must submit a performance improvement plan in order to be considered for any future contracts. In addition, contractors are subject to “no notice” safety audits through their working relationship with Archrock.
Substance Abuse-Free Environment/Employee Background Checks: Archrock believes that a substance abuse-free workplace is a key component to a safe workplace. We utilize a comprehensive DOT and Non-DOT drug and alcohol testing program that applies to all employees. The program is monitored and managed by an independent third-party administrator to ensure the highest level of integrity is maintained. Newly hired employees are subject to testing and all employees, regardless of position, are subject to periodic random drug testing. Additionally, Archrock performs extensive background checks on all employees prior to hire to ensure they meet our high expectations and standards.

Field Training: New hire orientation for FSTs not only covers technical requirements but also includes first aid/CPR/AED training and instruction on our safety values and safe work procedures. Safety training goes beyond basic regulatory requirements, to focus on the specific hazards that might be encountered in our operations that have serious incident potential (e.g., driving, hydrogen sulfide and energy isolation). Every new field employee receives two weeks of training at our corporate headquarters prior to performing any work in the field. Senior leaders, including the CEO, attend part of the training class to reinforce our safety values. This significant commitment of resources ensures that all new field employees receive consistent, high-quality training, and that they begin their career with Archrock in a positive manner.

Following orientation, field employees are enrolled in annual training, which again targets the potential hazards and mitigations applicable to our industry. Topics for annual refresher training are position based and consist of regulatory requirements, Company procedure expectations, and local and customer requirements.

Vehicle Safety: We utilize the Smith Driver System® as our tool for behavioral driver training. To gauge the effectiveness of training, all Archrock vehicles are equipped with GPS-based driving monitors. With over 38 million miles clocked by our FSTs in 2018, we rank in the top tier of MiX Telematics® clients for vehicle safety.

This monitoring helps to promote safe driving habits by comparing individual driving statistics with benchmarks related to the driving skills instructed in The Smith Driver System®, and against other Archrock employees. A driver’s RAG score (categorized as Red, Amber or Green) is based on occurrences of speeding, harsh acceleration and harsh braking averaged over time and distance. Additionally, max speeds are recorded and monitored to ensure compliance with laws and Archrock’s policies. The chart illustrates the number of our FSTs who were rated Green (at benchmark or better), Yellow (fair) and Red (below benchmark).

PVIR and RVIR Trends

PVIR – Preventable Vehicle Incident Rate
RVIR – Recordable Vehicle Incident Rate
GCA PVIR – Gas Compression Association Preventable Incident Rate

In each case, per million miles driven.

MixTelematics® RAG Score
Archrock Field
Service Technicians

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STAKEHOLDERS

EMPLOYEES

Archrock employs over 1,700 people in 18 states, including remote areas, and has a presence in 41 states. We consider our employees to be our greatest asset, and we consider our Company a member of every community in which we operate.

Non-discrimination: In addition to complying with the letter and spirit of applicable Equal Employment Opportunity laws. We support diversity in hiring and gender pay equity, and have proactively conducted periodic gender pay reviews, making adjustments as necessary thereafter.

Employee Engagement: We regularly assess employee satisfaction and engagement, and continually work toward improvement of both metrics. For each of the last nine years, we have conducted the Gallup® “Q12” employee engagement survey and in 2018, approximately 92% of our employee population let their voices be heard. After each year’s results are tallied and reported, functional teams are tasked with reviewing their team’s results and with scheduling periodic action planning sessions to address opportunities for improvement. Based on responses to our 2018 survey, Archrock ranked in the 92nd percentile of companies using the Gallup® survey in measuring employee engagement.

Bonus, Health and Welfare Programs: We offer our full-time permanent employees:
- health and welfare benefits (including for same-sex partners)
- a health savings plan
- a generous 5% match on 401(k) plan contributions
- an employee stock purchase plan
- education assistance (described below)
- participation in an annual or quarterly performance-based bonus program (short term incentive)

The median income of our full-time, part-time, seasonal and temporary employees in 2018, in aggregate, was approximately $72,000. This calculation included, as applicable, base salary, bonus, overtime and commissions.

Non-Technical Training and Education: We require all employees to complete Code of Business Conduct training every year. In 2018, the compliance rate was 100%. Annual Code training covers core issues such as ethical behavior, mutual respect, compliance with applicable law and Company Policies. Other training modules vary from year to year, and include such topics as careful communications, cybersecurity, trade control, anti-bribery, sexual harassment, anti-corruption and antitrust policies. We completed a total over 1,100 compliance training hours during 2018.

We also offer a number of targeted skills-based, career enhancement training programs, including technical orientation for non-technical employees, supervisor coaching, performance management and conflict resolution. In addition, we have a dedicated training team for FSTs and utilize a classroom and field-based Rapid Development Program to train newly hired FSTs. During 2018, our FSTs and shop employees completed over 40,000 hours of on-boarding and technical training.

Archrock also provides tuition reimbursement (up to $5,250 per year) for employees and college tuition sponsorship for children of our employees (up to $8,000 per child), subject to certain restrictions and successful completion of the applicable courses.

Performance and Bonus Program: All full-time employees are eligible to participate in either our annual short-term incentive program, which is based on corporate, team and individual performance, or in our quarterly bonus program, which is made generally available to our FSTs and is based on regional performance metrics and individual performance. Our policy is to provide all employees with a mid-year and annual performance review. The failure of a manager to timely conduct a performance review is reflected in that manager’s performance assessment.
A Welcoming Work Environment: Lead by employee-run committees, our RockFIT Wellness Program (“RockFIT”) and our Archrock Cares Program find opportunities to bring employees together to have fun, do good deeds, and focus on health and wellness.

RockFIT has developed and sponsored two corporate fitness challenges each year since its inception in 2016, distributing in excess of $100,000 in insurance-company sponsored awards and incentives. Employees have participated in activities ranging from step challenges and bootcamp, yoga and Pilates classes to healthy habits involving diet, wellness check-ups and other fitness- and wellness-oriented activities. As a result of RockFit’s efforts and Archrock’s benefits program in 2018, Archrock was named a finalist for the Houston Business Journal’s Healthiest Employer Award in the large company category in 2019.

Archrock Cares tries to bring employees across functions and backgrounds together to break down traditional corporate barriers and form stronger bonds through events like our annual Halloween and Holiday decorating contests and chili cook off, and our ice cream, popcorn or coffee socials. Under “Community” below, we describe our involvement in our local communities.

COMMUNITY

At Archrock, we understand that we’re all in this together. Our employees give generously of their money, time and hearts, and we support our coworkers and the causes they champion. We firmly believe the efforts of our people determine our lasting success.

In 2018, for example, our employees volunteered countless hours with their local food bank, Habitat for Humanity and a grade school student mentoring program. They lead and organize employee event to donated time and money to efforts like Toys for Tots, walking for March of Dimes and the American Heart Association and running for Houston parks.

Archrock Care Committee members also lead other important initiatives — often in conjunction with RockFIT — such as PINK OUT Week (raising funds to help people fighting breast cancer), Team Archrock (Archrock’s cycling team that has raised almost $500,000 to help fight multiple sclerosis through participation in the annual MS150 bike tour) and Texas Department of Transportation’s “Adopt-A-Highway” Program (providing quarterly clean-ups of an Archrock employee-adopted two-mile stretch of highway).
FORWARD-LOOKING STATEMENTS

This Corporate Responsibility Report contains forward-looking statements that may state Archrock’s or its management’s intentions, beliefs, expectations or predictions for the future. Such forward-looking statements are subject to certain risks, uncertainties and assumptions, and typically can be identified by the use of words such as “will,” “expect,” “estimate,” “anticipate,” “forecast,” “plan,” “believe” and similar terms. Although Archrock believes that its expectations are reasonable, it can give no assurance that these expectations will prove to have been correct, and actual results may vary materially. Factors that could cause actual results to differ from those implied by the forward-looking statements are set forth in the Company’s most recent Annual Report on Form 10-K, quarterly and other periodic reports, current reports and other filings with the Securities and Exchange Commission at www.sec.gov. Archrock undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

FUTURE UPDATES TO THIS REPORT

This report will be updated following the availability of data for the most recently completed fiscal year.