February 14, 2022

Catherine James  
Kinder Morgan, Inc.

Re: Kinder Morgan, Inc. (the “Company”)  
Incoming letter dated February 14, 2022

Dear Ms. James:

This letter is in regard to your correspondence concerning the shareholder proposal (the “Proposal”) submitted to the Company by Warren Wilson College (the “Proponent”) for inclusion in the Company’s proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its January 11, 2022 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at https://www.sec.gov/corpfin/2021-2022-shareholder-proposals-no-action.

Sincerely,

Rule 14a-8 Review Team

cc: Andrew Behar  
As You Sow
January 11, 2022

BY ELECTRONIC MAIL (shareholderproposals@sec.gov)

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: Kinder Morgan, Inc. - Shareholder Proposal Submitted by As You Sow.

Ladies and Gentlemen:

This letter is submitted by Kinder Morgan, Inc. ("KMI", "we", "us", "our" or the "Company") pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934 (as amended, the "Exchange Act") to notify the U.S. Securities and Exchange Commission (the "Commission") of our intention to exclude from our proxy materials for our 2022 annual meeting of stockholders a proposal (the "Proposal") and statements in support thereof (the "Supporting Statements") submitted by As You Sow (the "Proponent") on behalf of Warren Wilson College (the "Stockholder"). We also respectfully request confirmation that the Staff of the Division of Corporation Finance (the "Staff") will not recommend to the Commission that enforcement action be taken if we exclude the Proposal from our 2022 proxy materials in reliance on Rule 14a-8(i)(10) and/or Rule 14a-8(i)(3).

Copies of the Proposal and the Supporting Statements together with related relevant correspondence received from the Proponent, are attached hereto as Exhibit 1.

In accordance with Staff Legal Bulletin No. 14D (November 7, 2008), this letter is being e-mailed to shareholderproposals@sec.gov. In accordance with Rule 14a-8(j) and Staff Legal Bulletin No. 14D (November 7, 2008), a copy of this letter is also being e-mailed to the Proponent and the Stockholder as notice of our intent to exclude the Proposal and of our reasons therefor. The mailing and e-mail addresses for the Proponent and the Stockholder are set forth at the end of this letter.

We currently intend to file our definitive 2022 proxy materials with the Commission on or about April 1, 2022. Therefore, in accordance with Rule 14a-8(j), this letter is being filed with the Commission 80 calendar days before the date upon which we expect to file our 2022 proxy materials.
THE PROPOSAL

The Proponent requests the inclusion of the following resolution in KMI’s 2022 proxy statement:

“Resolved: Shareholders request that Kinder Morgan, at reasonable expense and excluding proprietary information, issue a public report quantifying emissions released from its facilities that impact local communities and describe how the company intends to address and reduce such community impacts from its operations.”

BASIS FOR EXCLUSION

I. Rule 14a-8(i)(10) – The Proposal may be omitted pursuant to Rule 14a-8(i)(10) because it has already been substantially implemented.

A. Background.

The Commission has consistently concluded that a proposal may be excluded when a company has already addressed each element of the proposal; however, companies need not have implemented each element in the precise manner suggested by the proponent (Exchange Act Release No. 34–20091, August 16, 1983). Additionally, the Commission has allowed exclusion of proposals where a specific aspect of the proposal is not implemented, but the proposal has otherwise been substantially achieved. See Duke Energy (February 21, 2012). Ultimately, the actions taken by the company must have addressed the proposal’s “essential objective.” See Anheuser-Busch Companies. Inc. (January 17, 2007).

A. The essential objective of the Proposal has already been addressed by KMI in its 2020 Environmental, Social and Governance Report and related disclosures.

We believe the essential objective of the Proposal is to induce KMI to prepare a report (i) quantifying its emissions that impact local communities and (ii) describing its plans to reduce such impact.

KMI is committed to measuring its environmental and community impact in a meaningful way and transparently disclosing such impact to stockholders. We currently disclose the requested information in the KMI 2020 Environmental, Social and Governance Report (the “KMI ESG Report”), which report is published annually and is available on our website. The KMI ESG Report was prepared using the Sustainability Accounting Standards Board’s (“SASB”) October 2018 final standards and primarily includes metrics from the SASB Extractives & Minerals Processing Sector Oil & Gas - Midstream Standard (EM-MD, Version 2018-10). The SASB methodology was chosen in consultation with our top institutional investors who hold, collectively, in excess of 15% of our outstanding shares of common stock, because it is a well-established standard that relates specifically to KMI’s industry.
The specific discussions that address each aspect of the Proposal are described in the following table and are attached hereto as Exhibit 2.

<table>
<thead>
<tr>
<th>Proposal Request</th>
<th>The KMI ESG Report</th>
<th>Page of Exhibit 2</th>
</tr>
</thead>
</table>
| Historical emissions data | Part 1; Section 3.0: Greenhouse Gas Emissions  
Part 1; Section 4.0: Air Quality  
Part 1; Section 6.0: Ecological Impacts | 1  
18  
20 |
| Plans to reduce emissions and their impact on local communities | Part 1; Section 3.2: Strategy to Manage Gross Global Scope 1 and 2 Emissions  
Part 1; Section 3.4: GHG Offsetting, Reductions, and Targets  
Part 1; Section 4.0: Air Quality  
Part 1; Section 12.1: Asset Integrity Management  
Part 1; Section 12.2: Damage Prevention  
Part 1; Section 12.5: Natural Gas and Hazardous Liquid Pipelines Inspection  
Part 1; Section 16.1: Processes to Manage Risks and Opportunities Associated with Community Rights and Interests  
Part 1; Section 16.1.1 Stakeholder Engagement and Consultation Mechanisms  
Part 1; Section 17.0: Human Rights and Rights of Indigenous Peoples  
Part 2; Section 3.0: Risk and Opportunity Management | 3  
15  
18  
29  
30  
35  
37  
38  
44  
46 |

Ultimately, each essential element of the Proposal has been implemented such that no additional action would be necessary to satisfy the Proposal were it to be approved by KMI stockholders at the 2022 annual meeting.
II. Proxy Rule 14a-8(i)(3) – The Proposal may be omitted pursuant to Rule 14a-8(i)(3) because the Proposal would violate the Commission’s proxy rules by constituting a materially false or misleading statement.

A. Background.

Rule 14a-8(i)(3) permits exclusion of a shareholder proposal if the proposal or supporting statement is contrary to any of the rules promulgated by the Commission, including Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials. A proposal may be excluded as false and misleading where implementation by the Company could be significantly different from the actions envisioned by shareholders in voting on it. *Fuqua Industries, Inc.* (March 12, 1991).

B. The Proponent’s Supporting Statements are false and misleading because they misrepresent the premise of the proposal such that implementation of the Proposal could be significantly different from the actions envisioned by shareholders in voting on it.

The Proponent’s Supporting Statements include the following Whereas clause (the “Whereas Clause”) that serves as an introduction to the Proposal:

“Whereas: Kinder Morgan has scored in the bottom ten (491 out of 500) of the S&P500 on a recent Racial Justice Scorecard due to our Company’s inaction on Racial Justice. The low score is partially due to a poor track-record on environmental racism and climate justice. Emissions from multiple Kinder Morgan North American facilities have negatively impacted underrepresented adjacent communities, causing public health concerns and poor brand association. Specific community cases include toxic emissions from a facility located in the Dutchtown neighborhood of St. Louis.

Numerous studies describe how Black, Indigenous, people of color (BIPOC) communities are disproportionately exposed to public health risks, environmental racism, and climate injustice:

- “Environmental injustice contributes to disparities in health status across populations of different ethnic, racial, and socioeconomic backgrounds, such as differences in the incidence and prevalence of asthma, obesity, diabetes, lung cancer, and a range of mental health and developmental problems.”

- “African-Americans are 75% more likely than others to live near facilities that produce hazardous waste.”

- “A 2016 study in Environment International found that long-term exposure to pollution is associated with racial segregation, with more highly segregated areas suffering higher levels of exposure.”
Local communities negatively impacted by emissions from Kinder Morgan facilities, have, for many years asked that the Company:

- Monitor air quality and publicly release emissions levels recorded near community centers, schools, churches, and healthcare centers.
- Hold accessible community meetings, engagement, and outreach programs for public comment to allow concerns of community members to be heard.
- Publicly release a diversity, equity, and inclusion statement that details the steps Kinder Morgan will take to become more environmentally responsible and racially just.

Given heightened awareness around environmental racism and climate injustice, failing to meet community requests for transparency, disclosure, and engagement raises the material risk of litigation and reduced brand value while directly contradicting public health safety concerns.”

2 https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6042867/

In addition to including statements about KMI with which we strongly disagree,1 the Whereas Clause misrepresents the premise of the Proposal in a way that will mislead shareholders.

The Whereas Clause appears to be building up to a proposal that relates to environmental racism, but the Proposal itself does not address environmental racism at all. The Proposal merely seeks a report on emissions that impact “local communities” and plans to address such impact. The Whereas Clause focuses on racial justice. The Proposal itself does not.

1 While it is not the focus of this letter, we believe it is worth noting that the Proponent’s suggestion that KMI has repeatedly ignored requests and inquiries from local community members is false. We strive to build and maintain healthy relationships throughout the areas where we operate through dialogue with local stakeholders. We engage in outreach activities such as (i) providing brochures, newsletters, and project updates; (ii) making safety and public awareness presentations; (iii) attending community events and (iv) hosting community open houses. Ultimately when our stakeholders engage with us, we believe we are responsive.

Please see Section 16: Community Relations of the KMI ESG Report, beginning on page 37 of Exhibit 2 for more information. Additional information can also be found in our Community Relations Policy available at https://www.kindermorgan.com/WWWKM/media/Documents/Community_Relations_Policy.pdf and our Indigenous Peoples Policy available at https://www.kindermorgan.com/WWWKM/media/Documents/IndigenousPeoplesPolicy.pdf
U.S. Securities and Exchange Commission  
January 11, 2022  
Page 6

A stockholder could be misled by the Whereas Clause into believing that a vote in favor of the Proposal would result in KMI taking some action to promote racial justice and improve the lives of communities of color. However, the Proposal itself merely seeks a report on KMI’s emissions.

More specifically, the Whereas Clause references numerous studies that describe how BIPOC communities are disproportionately exposed to public health risks, environmental racism and climate injustice. Such a reference might lead shareholders to believe that the Proposal has asked for a report on KMI’s treatment of and impact on BIPOC communities. It does not.

Further, the Whereas Clause includes a reference to local communities seeking public release of a diversity, equity and inclusion statement that details the steps Kinder Morgan will take to become more environmentally responsible and racially just. A shareholder might be misled into believing that the Proponent has asked for such a statement. They have not.

Ultimately, the Proposal is false and misleading because it contains statements that misrepresent the premise of the Proposal such that implementation of the Proposal could be significantly different from the actions envisioned by shareholders in voting on it.

CONCLUSION

For the reasons set forth above, it is our view that KMI may exclude the Proposal from our 2022 proxy materials pursuant to Rule 14a-8(i)(10) and Rule 14a-8(i)(3). We request the Staff’s concurrence in our view or, alternatively, confirmation that the Staff will not recommend any enforcement action to the Commission if KMI excludes the Proposal.

If you have any questions regarding the foregoing, or desire further information or clarification prior to formally replying to our request, please contact me at 713-420-6377. In the event the Staff is unable to provide the confirmation requested, we would appreciate the opportunity to arrange a conference call with you concerning these matters prior to the issuance of a Rule 14a-8 response.

When a written response to this letter becomes available, please e-mail the letter to me at Catherine_James@kindermorgan.com.

Sincerely,

[Signature]

Catherine James
Vice President and General Counsel

cc:

Bracewell LLP
711 Louisiana Street
Proponent

As You Sow
2020 Milvia St., Suite 500
Berkeley, CA 94704
Attn: Olivia Knight
Email: oknight@asyousow.org
    shareholderengagement@asyousow.org

Stockholder

Warren Wilson College
701 Warren Wilson Road
Swannanoa, NC 28778
Attn: Benjamin Linthicum
Email: bllinthicum@w wilson.edu
VIA FEDEX & EMAIL

November 26, 2021

Catherine C. James  
Vice President and General Counsel  
Kinder Morgan, Inc.  
1001 Louisiana Street  
Suite 1000  
Houston, Texas 77002  
catherine_james@kindermorgan.com

Dear Ms. James,


A letter from the Proponent authorizing As You Sow to act on its behalf is enclosed. A representative of the Proponent will attend the stockholder meeting to move the resolution as required.

We are available to discuss this issue and are optimistic that such a discussion could result in resolution of the Proponent’s concerns.

To schedule a dialogue, please contact Olivia Knight, Racial Justice Initiative Manager at oknight@asyousow.org. Please send all correspondence with a copy to shareholderengagement@asyousow.org.

Sincerely,  

Andrew Behar  
CEO

Enclosures  
- Shareholder Proposal  
- Shareholder Authorization

cc: km_ir@kindermorgan.com
**Whereas:** Kinder Morgan has scored in the bottom ten (491 out of 500) of the S&P500 on a recent Racial Justice Scorecard¹ due to our Company’s inaction on Racial Justice. The low score is partially due to a poor track-record on environmental racism and climate justice. Emissions from multiple Kinder Morgan North American facilities have negatively impacted underrepresented adjacent communities, causing public health concerns and poor brand association. Specific community cases include toxic emissions from a facility located in the Dutchtown neighborhood of St. Louis.

Numerous studies describe how Black, Indigenous, people of color (BIPOC) communities are disproportionately exposed to public health risks, environmental racism, and climate injustice:

- “Environmental injustice contributes to disparities in health status across populations of different ethnic, racial, and socioeconomic backgrounds, such as differences in the incidence and prevalence of asthma, obesity, diabetes, lung cancer, and a range of mental health and developmental problems.”²
- “African-Americans are 75% more likely than others to live near facilities that produce hazardous waste.”³
- “A 2016 study in *Environment International* found that long-term exposure to pollution is associated with racial segregation, with more highly segregated areas suffering higher levels of exposure.”⁴

Local communities negatively impacted by emissions from Kinder Morgan facilities, have, for many years asked that the Company:

- Monitor air quality and publicly release emissions levels recorded near community centers, schools, churches, and healthcare centers.
- Hold accessible community meetings, engagement, and outreach programs for public comment to allow concerns of community members to be heard.
- Publicly release a diversity, equity, and inclusion statement that details the steps Kinder Morgan will take to become more environmentally responsible and racially just.

Given heightened awareness around environmental racism and climate injustice, failing to meet community requests for transparency, disclosure, and engagement raises the material risk of litigation and reduced brand value while directly contradicting public health safety concerns.

**Resolved:** Shareholders request that Kinder Morgan, at reasonable expense and excluding proprietary information, issue a public report quantifying emissions released from its facilities that impact local communities and describe how the company intends to address and reduce such community impacts from its operations.

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¹ https://www.asyousow.org/our-work/social-justice/racial-justice/data-visualization
² https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5042867/
Supporting statement: Investors seek quantitative, comparable data to understand whether the Company is promoting a commitment to racial and environmental justice. Proponents suggest the report include:

- Site specific emission monitoring activities, facility-based emissions data, and any proposed operational mitigations to reduce community impacts
- A description of work with local community groups to implement a system for rapid public alerts immediately after an emission release
- A description of engagement with local communities near facilities
- Potential policies to promote racial, environmental, and climate justice within its operations
November 23, 2021

Andrew Behar
CEO
As You Sow
2020 Milvia Street, Suite 500
Berkeley, CA 94704

Re: Authorization to File Shareholder Resolution

Dear Mr. Behar,

In accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934, Warren Wilson College, (“Stockholder”), authorizes As You Sow to file or co-file a shareholder resolution with the named Company on our behalf for inclusion in the Company’s 2022 proxy statement.

The resolution at issue relates to the below described subject.

Stockholder: Warren Wilson College
Company: Kinder Morgan Inc
Subject: Report on material impact to shareholders resulting from Company environmental violations and fines that have had negative impacts on facility adjacent communities of color

The Stockholder has continuously owned over $2,000 worth of Company stock, with voting rights, since before January 4, 2020 and will hold over $2,000 of such stock through the date of the Company’s annual meeting in 2022.

The Stockholder gives As You Sow the authority to address, on Stockholder’s behalf, any and all aspects of the shareholder resolution, including drafting and editing the proposal, representing Stockholder in engagements with the Company, entering into any agreement with the Company, and designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder’s name may appear on the company’s proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder’s name in relation to the resolution. The Stockholder supports this proposal.

Benjamin Linthicim is the head of the Warren Wilson College ESG Advisory Committee. He is available for a meeting with Kinder Morgan Inc regarding this shareholder proposal, at the following days/times: 12/13/2021 - 12/27/2021
Monday - Friday and between the hours of 9:00am and 5:30pm Central Time

Date: 12/24/2021 Time: 4:30 pm
Date: 12/24/2021 Time: 5:00 pm
Benjamin Linthicum can be contacted at [REDACTED] to schedule a dialogue during one of the above dates. Any correspondence regarding meeting dates must also be sent to my representative:

Olivia Knight, Racial Justice Initiative Manager at oknight@asyousow.org

and to shareholderengagement@asyousow.org.

Sincerely,

Belinda Burke
Vice President for Administration & Finance/CFO
Exhibit 2

Excerpts from the KMI ESG Report
Exhibit 2
Excerpts from the KMI ESG Report

2020

Environmental, Social, and Governance Report

A Sustainability Accounting Standards Board and Task Force on Climate-related Financial Disclosures Report

Posted October 21, 2021
Revised December 21, 2021
Environmental Training
Through our OMS, employees across the organization are required to take environmental training at regular intervals to meet position-specific needs.

Environmental training is delivered through a combination of:
- computer-based training through our LMS,
- instructor-led classroom training, and
- hands-on training.

Employees receive position-relevant training on environmental topics including:
- environmental awareness;
- waste management procedures;
- spill control procedures;
- environmental sampling procedures; and
- stormwater runoff handling procedures, such as water treatment.

Our health, safety, emergency response, and environmental training program promotes performance improvement and helps us meet our objectives for an informed and knowledgeable workforce.

For more information, see our OMS webpage at https://www.kindermorgan.com/About-Us/OMS.

2.2.1 Third-Party Certifications

ACC’s Responsible Care® Program
Fifteen of our liquids terminals, including our largest, participate in the ACC’s Responsible Care® Program. Responsible Care® is an EHS and security performance initiative that includes a management system framework that drives improvement in key EHS and security operational areas. The program elements include monitoring and reporting our measures for environmental, energy, safety, and accountability performance. As part of the Responsible Care® program, we undergo third-party audits of our headquarters and each of the participating facilities once every three years to certify our performance.

In recognition of our team’s response during COVID-19, the ACC awarded 11 of our terminals the “Outstanding COVID-19 Response Efforts Award” for 2020.

3.0 Greenhouse Gas Emissions

3.1 Gross Global Scope 1 and 2 Emissions, Percentage Methane, Percentage Covered under Emissions-Limiting Regulations

Our GHG emissions, including methane, are calculated using the methodologies outlined in the World Resources Institute Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.8

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The Scope 1 GHG emissions reported below include:
- GHG emission sources applicable to the EPA’s GHGRP;
- facilities that are exempt from the EPA’s GHGRP because they emit less than 25,000 metric tons CO₂e per year; and
- sources that are exempt from the EPA’s GHGRP, such as mobile equipment and refrigerants.

Examples of our Scope 1 GHG emission sources by emission type include:
- flared hydrocarbons - flares;
- other combustion - engines and turbines that drive compressors, boilers and heaters, vapor combustion devices, and stationary and fleet vehicle engines;
- process emissions - dehydoration and gas sweetening processes;
- other vented emissions - blowdowns and compressor starts; and
- fugitive emissions - equipment component leaks, refrigerants, and vapor handling systems.

Our gross global operational control Scope 1 and Scope 2 GHG emissions and GHG emission intensity from our continuing operations are provided below and include 100% of the emissions from assets we operate, even for those assets we do not own 100%. Our gross global equity share Scope 1 and Scope 2 GHG emissions, which include our share of emissions from assets in which we own an interest, from our continuing operations were 17.1 million metric tons CO₂e in 2020 and are included in Appendix A.2 – GHG Accounting Metrics.

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>(In million metric tons of CO₂e, except percentages and emission intensity)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Scope 1 GHG emissions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross global emissions(a)(b)(c)</td>
<td>14.1</td>
<td>16.3</td>
<td>15.6</td>
</tr>
<tr>
<td>Percentage of gross global emissions from continuing operations by emission type(a)(b)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flared hydrocarbons</td>
<td>4 %</td>
<td>2 %</td>
<td>2 %</td>
</tr>
<tr>
<td>Other combustion</td>
<td>72 %</td>
<td>69 %</td>
<td>66 %</td>
</tr>
<tr>
<td>Process emissions</td>
<td>6 %</td>
<td>6 %</td>
<td>5 %</td>
</tr>
<tr>
<td>Other vented emissions</td>
<td>12 %</td>
<td>15 %</td>
<td>18 %</td>
</tr>
<tr>
<td>Fugitive emissions from operations</td>
<td>6 %</td>
<td>8 %</td>
<td>9 %</td>
</tr>
<tr>
<td>Percentage covered under emissions-limiting regulations</td>
<td>0 %</td>
<td>0 %</td>
<td>0 %</td>
</tr>
<tr>
<td>Percentage methane</td>
<td>18 %</td>
<td>23 %</td>
<td>27 %</td>
</tr>
<tr>
<td><strong>Scope 2 GHG emissions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross global market-based emissions(a)(c)(d)</td>
<td>3.4</td>
<td>3.4</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>Total Scope 1 &amp; 2 GHG emissions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total gross global emissions</td>
<td>17.5</td>
<td>19.7</td>
<td>18.7</td>
</tr>
<tr>
<td><strong>GHG emission intensity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company-wide BOE throughput (BBL/yr)(e)</td>
<td>5.0</td>
<td>5.6</td>
<td>5.1</td>
</tr>
<tr>
<td>Scope 1 and 2 emission intensity (metric tons CO₂e per BOE throughput)(e)</td>
<td>0.004</td>
<td>0.004</td>
<td>0.004</td>
</tr>
</tbody>
</table>

(a) GHG emissions were quantified per the SASB Midstream Standard and the ISO 14064-1:2006, *Greenhouse gases - Part 1: Specification with guidance at the organization level for the quantification and reporting of greenhouse gas emissions and removals*. Emissions are reported for CO₂, CH₄, N₂O, and HFCs from direct and indirect sources. The IPCC AR5 GWPs were used to convert CH₄ (28) and N₂O (265) emissions to CO₂e. The following GWPs were used for HFCs: R-410A: 1725, HFC-134a: 1200, HCFC-22: 1760, R-404A: 3260, R-407C: 1526, R1234yf: 4, R-600A: 5, R-407C: 1526, HFC-32: 677, HFC-23: 12,400, CFC-12: 10,200, R-422d: 2,625, R-600: 5. Gross emissions are GHGs emitted to the atmosphere before accounting for offsets, credits, or other similar mechanisms that have reduced or compensated for emissions. Scope
1 and 2 GHG emissions for our continuing operations in Canada and Mexico are less than 500 thousand metric tons.

(b) Excludes emissions from construction activities, wastewater treatment, fire suppression activities, enclosed circuit breakers operated by the Natural Gas Pipelines business segment, refrigerants from mobile equipment not tracked in our fleet database, fugitive emissions from natural gas supply lines for the Terminals and Products Pipelines business segments, and insignificant emissions from small combustion activities.

(c) Discontinued operations include emissions from divestitures that are greater than 5% of the Scope 1 and Scope 2 total emissions for the applicable business segments. If emissions from divestitures are less than or equal to 5%, the emissions are included in continuing operations. In 2018 and 2019, discontinued operations include emissions from TMPL, Puget Sound pipeline system, and Kinder Morgan Canada Inc. up to the sale date of August 31, 2018 and KML and the U.S. portion of the Cochin Pipeline up to the sale date of December 16, 2019. There were no discontinued operations that met the greater than 5% threshold in 2020. In 2018 and 2019, Scope 1 emissions from discontinued operations were less than 50,000 metric tons CO₂e and Scope 2 emissions from discontinued operations were 0.2 and 0.1 million metric tons CO₂e, respectively.

(d) Scope 2 GHG emissions include indirect emissions from purchased electricity that were calculated using the market-based method. Location-based emissions are included in Appendix A.2 – GHG Accounting Metrics.

(e) Annual throughput information was obtained using published definitions from ONE Future and, where no definitions were available, throughput is generally defined as “product receipt.” Throughput was converted to MMBtu using product-specific heat content, obtained from the EIA, EPA, or business segment data. This is then converted to BOE by dividing by 5.8 MMBtu per barrel of crude oil.

“Other combustion” is our largest emission type and includes fuel combustion emissions from engines and turbines that drive our compressors, boilers and steam generators, and other stationary combustion equipment. The largest source of emissions within this type are our natural gas fired compressor drivers comprising approximately 50% of our total Scope 1 emissions. “Other vented emissions” is our second largest emission type and includes emissions from blowdowns for maintenance, integrity testing, and emergency activities at our pipelines, compressors, and compressor stations.

The increase in our Scope 1 GHG emissions from 2018 to 2019 was primarily driven by our Natural Gas Pipelines business segment’s expansion projects being placed into service. Other increases from 2018 to 2019 include increased utilization of existing assets and additional pipeline blowdowns. The decrease in our Scope 1 and 2 GHG emissions from 2019 to 2020 was primarily due to lower activity on our assets driven by economy-wide effects from the COVID-19 pandemic. Our strategies to manage our methane and GHG emissions are described in Section 3.2 Strategy to Manage Gross Global Scope 1 and 2 Emissions of the Sustainability Report.

PwC, a third party, provided limited assurance of our 2020 emissions inventory. The assurance statement for 2020 is included in Appendix D – Third-Party Assurance Statement. Scope 1 GHG emissions submitted to EPA’s GHGRP undergo additional electronic validation and verification checks. If potential errors are identified, the EPA notifies the reporter, who can resolve the issue either by providing an acceptable response describing why the flagged issue is not an error or by correcting the flagged issue and resubmitting the annual GHG report.

3.2 Strategy to Manage Gross Global Scope 1 and 2 Emissions

We operate or own an interest in approximately 70,000 miles of natural gas pipelines that transport approximately 40% of the natural gas consumed domestically or exported as LNG. Accordingly, we have been an important part of the transition from coal-fired to natural gas-fired electricity generation; a transition that has benefited the global environment. Compared to coal, burning natural gas emits:
• virtually no SO₂, particulate matter, or mercury;
• approximately half as much CO₂; and
• one-fifth as much carbon monoxide and NOx.  

These lowered emissions from natural gas-fired plants have contributed to the recent significant drop in U.S. CO2 emissions. Lower SOx emissions also significantly reduce acid rain formation. 

Natural gas-fired power plants are also an important component of the continued expansion of renewable energy. They provide a reliable source of electricity to back up intermittent renewable sources such as solar and wind. This interconnected electricity generation network helps to further reduce CO2 emissions.

A 2018 Environmental Defense Fund report recognized both the long-term climate advantages of using natural gas in electricity generation and the feasibility of achieving significant emission reductions by addressing fugitive emissions. The report further recognized that significant fugitive emission reductions are possible through broader adoption of emission measurement and reduction best practices and technologies. We have been focused on and committed to methane emission reductions in our operations for several decades. Our commitment and the actions we have taken are described in Section 3.2.1 GHG Emission Reduction Efforts of the Sustainability Report.

3.2.1 GHG Emission Reduction Efforts (GRI 102-12)

We support domestic and international efforts to mitigate climate change. Some of our efforts to reduce methane and other GHG emissions are described in the sections below.

3.2.1.1 Methane Emission Reduction Commitment (GRI 102-13)

We recognize that methane emissions associated with the production, transportation, storage, and distribution of natural gas should be minimized so that those emissions do not diminish the climate advantage of natural gas over other fuels. We have an economic incentive to minimize methane emissions because pipeline quality natural gas has a methane content of approximately 95%. Minimizing our methane emissions maximizes the amount of natural gas kept in our pipelines and delivered to our customers. We support performance-based federal regulations and have minimized methane emissions in our operations for more than 25 years.

We continue to apply methane emission reduction strategies and report voluntary methane emission reductions, which include emissions mitigated or avoided that would otherwise have been emitted, as part of EPA’s Natural Gas STAR and Methane Challenge programs and through the ONE Future Coalition. Through these programs, we have implemented initiatives that have resulted in over 126 Bcf of methane reductions since 1993. Our reductions have contributed to the overall U.S. methane emission reductions from natural gas systems of approximately 16% from 1990 to 2019, while natural gas production has increased 91% over the same period.  

10 EIA. “Natural Gas Issues and Trends: Table 2.” EIA. 1998. 58.  
minimizing and preventing methane emissions, and the economic incentive to keep natural gas in our pipelines and storage facilities.

**EPA’s Natural Gas STAR and Methane Challenge Programs**

For over a quarter of a century, we have voluntarily participated in the EPA’s Natural Gas STAR Program, implementing initiatives to reduce our methane emissions. In 2016, we became a partner in the EPA Natural Gas STAR Methane Challenge Program that provides us a flexible way to make specific and transparent commitments to implement methane emission reductions from our operations. We are participating in the Methane Challenge Program under the ONE Future Emission Intensity Commitment Option for our natural gas transmission and storage assets.

**ONE Future - Founding Member**

ONE Future is a coalition of members across the natural gas value chain focused on identifying policy and technical solutions for reducing methane emissions associated with the delivery of natural gas. ONE Future’s members include some of the largest natural gas production, gathering and boosting, processing, transmission and storage, and distribution companies in the U.S. In 2019, these ONE Future companies accounted for approximately 16% of total natural gas production, 57% of natural gas transmission pipeline miles, and 18% of the total U.S. natural gas delivered by local distribution companies.\(^\text{14}\)

ONE Future members aspire to enhance the energy delivery efficiency of natural gas by:

- limiting energy waste, and
- achieving a cumulative methane emission intensity target, the “leakage” rate, for member companies of 1% or less of total natural gas production across the natural gas value chain by 2025.

To put the current ONE Future target of 1% methane emission intensity into context, the natural gas supply chain’s methane emission intensity, based on the EPA’s 2012 National Greenhouse Gas Inventory, was 1.44% of total natural gas production. In order to meet the ONE Future 1% target, the natural gas industry required an additional 30% improvement in methane intensity across the natural gas supply chain. The ONE Future 2019 Methane Emission Intensities Report shows a methane intensity rate of 0.334% for member companies, outperforming the 2025 target by 67%.

The ONE Future Emission Intensity Commitment is intended to drive actions to achieve segment-specific methane emission reduction targets established by the ONE Future Coalition. To meet these targets, we have committed to reducing methane emissions, while maintaining pipeline integrity and safety and minimizing customer impacts. Our targets and performance are described in greater detail in Section 3.4.3 **GHG Targets of the Sustainability Report.**

**INGAA Climate Change Statement**

We support INGAA’s 2021 Climate Change Statement regarding climate change and building a cleaner energy future for natural gas transmission and storage operations.\(^\text{15}\) For INGAA members, these commitments include:

- reducing GHG emissions throughout member operations;
- continuing to implement long-term strategies to lower emissions while working as an industry to reach net zero GHG emissions by 2050, supported by necessary technology advancements and

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sound public policy initiatives;
- reducing both carbon intensity and net global GHG emissions throughout member operations by adopting and investing in innovative technologies; and
- working with customers, government agencies, NGOs, and other stakeholders to adopt innovative solutions.

Our own Statement on Climate Change can be found at https://www.kindermorgan.com/WWKMG/media/Documents/Climate_Change_KM_Statement.pdf.

Methane Reduction Strategies
We have implemented the following methane reduction strategies at one or more of our facilities:
- performing maintenance and repairs on component leaks including those identified through annual methane leak surveys;
- providing training to our operations personnel;
- communicating policies and procedures detailing program requirements to improve methane management;
- minimizing methane emissions from transmission pipeline blowdowns by:
  - pumping down pipelines when gas evacuation is needed for repair or testing;
  - repairing pipelines using sleeves and composite wraps; and
  - performing hot taps to make new connections, eliminating the need for pipeline blowdowns.
- conducting performance-based monitoring and replacement for reciprocating compressor rod packing;
- using dry seals for new centrifugal compressor installations;
- converting our reciprocating engine and turbine gas starters to electric or air operated starters;
- cathodically protecting our pipelines which helps prevent pipeline degradation and leaks;
- installing electrically operated glycol pumps to replace natural gas-operated pumps;
- testing advanced methane emission reduction technologies and work practices such as satellite and aerial methane detection as well as laser absorption monitoring;
- installing low- or zero-bleed natural gas pneumatic devices on new facilities;
- collaborating with customers, peers, and regulators on best practices and new technologies; and
- looking for new ways to reduce emissions.

For more examples of how we implement our methane reduction strategies, see Our Commitment to Reducing Methane Emissions case study video and fact sheet at https://www.kindermorgan.com/Safety-Environment/ESG#/tabs-case_studies.

Methane Detection Technologies
We engage with peer companies and customers to share experiences and strategies concerning methane detection technologies and best practices, both of which are evolving rapidly. We are using innovative technologies and are evaluating emerging technologies or approaches in many ways, including:
- testing different configurations of infrared and laser absorption sensors;
- contracting multiple service providers who use sensors mounted on helicopters and fixed-wing aircraft to conduct aerial methane detection surveys. Since 2016, we have conducted such surveys on over 2,000 miles of our natural gas pipelines;
- evaluating satellite-based and continuous methane detection;
- using OGI cameras or other EPA-approved technologies to verify suspected leaks.
In addition, since the inception of the EPA’s GHGRP, our annual methane leak surveys have included natural gas processing plants and transmission and storage compressor stations subject to the EPA’s GHGRP. At these facilities, we conduct methane leak surveys using OGI cameras or other EPA-approved technologies. We use EPA-approved methods, such as direct flow measurement, to estimate methane leak rates from compressors and other components. For compressor leaks, we use direct flow measurements to develop entity-specific emission factors. For these facilities we conduct direct measurements at least annually for the following sources, when applicable:

- compressor unit rod packing vents,
- compressor unit blowdown and isolation valve vents,
- compressor wet seal oil degassing vents,
- atmospheric storage tanks, and
- equipment/pipeline components.

Our operations personnel are informed when a leak is detected and are provided with quarterly reminders to review the identified leaks and perform repairs. Repairs are made either upon discovery, during the next scheduled maintenance at the facility, or when feasible.

We anticipate evaluating and potentially implementing other methane emission reduction technologies or methane reduction work practices at our natural gas operations on a case-by-case basis. We report our use of specific technologies and work practices annually to the EPA.

3.2.1.2 Other GHG Emissions Reduction Efforts

In addition to methane emission reductions, we have implemented one or more of the following Scope 1 emission reduction strategies:

- developed procedures to shut down our equipment to reduce idle time;
- optimized temperature controls and preventative maintenance to reduce fuel consumption;
- shut in oil production wells during routine maintenance;
- reduced flaring by:
  - improving compressor reliability,
  - re-injecting unprocessed gas when processing equipment is down for maintenance activities,
  - automating gas control,
  - improving flaring metering, and
  - optimizing downtime.

Efficient equipment uses less energy to maintain equivalent output. We continue to evaluate new ways to reduce our emissions by increasing the efficiency of our equipment. For example, we have projects in place to evaluate the operational possibilities of:

- dispatching the most efficient compressors first,
- replacing lower efficiency valves, and
- performing life-cycle cost analysis on equipment.

To reduce the GHG emissions related to individual personal vehicles, we offer employees in our corporate Houston office a 100% transportation subsidy to encourage the use of local public transportation. Our current flexible work schedules and the hybrid work schedule we are evaluating are also expected to reduce GHG emissions from employees’ commutes.
3.2.2 Research and Development

Emission Reduction Industry Initiatives and Studies
We participate in several industry initiatives to implement methane emission reduction strategies. Below are a few examples of how we actively engage with various trade associations and regulatory entities to share data, our experience with methane monitoring and management, and best practices for achieving methane emission reductions.

- **IAB for DOE’s ARPA-E Project**
  As a participant in the IAB for DOE’s ARPA-E Project, we advised ARPA-E and Colorado State University on the development of a methane emission test site. This test site simulated actual natural gas leaks that might occur at production and gathering facilities and underground pipelines. This test site project is part of the ARPA-E Methane Observation Networks with Innovative Technology to Obtain Reduction program. The goal of the program is to develop innovative and cost-effective methane leak detection technologies to more precisely and efficiently locate and measure methane emissions associated with natural gas operations and oil production wells with associated gas production. The next generation leak detection technologies are expected to drive enhanced leak detection and repairs to further reduce methane emissions. We were actively engaged in multiple aspects of the project including:
  - development of the test site,
  - evaluation of the various leak detection technologies being developed, and
  - providing guidance to the test site developers on industry expectations and steps for regulatory approval of these technologies.

The results of the ARPA-E Project show that several leak detection technologies can detect leaks and locate the leak to within two meters of its location. Some technologies are able to differentiate between large and small leaks and minimize false positive detections. Further development and testing of the technologies in the field are needed to enhance their successful deployment. The testing site is still used for research involving methane emission detection, safety, and other field measurement projects. It is also used as the location for OGI training courses where operators receive hands-on experience to improve their ability to detect methane leaks.

- **New York State’s Emission Measurement Project**
  We are participating in a research study, conducted by Harrisburg University and funded by the New York State Energy Research and Development Authority, to characterize methane emissions from midstream oil and gas facilities in New York State. The aim of the study is to improve the State’s understanding of spatial and temporal variations of methane emissions from midstream assets and refine available methane emission factors.

- **DOE National Methane Emission Estimates and Methane Emission Factors Studies**
  We collaborated with the DOE on three additional DOE-funded studies to develop improved national methane emission estimates and methane emission factors; two studies for natural gas gathering compressor stations and one study for underground natural gas storage wells and
The current methane emission factors used for gathering compressor stations are more than 20 years old and are based on a limited dataset. In October 2018 and April 2019, the DOE issued the final reports for the natural gas gathering compressor station studies, and in May 2019, the DOE completed the study for underground natural gas storage wells and fields. These studies establish recommendations for improved and more representative methane emission factors. Our employees participated on the Steering Committee and Technical Review Committee for each study. We also permitted academic institutions and consultants to perform testing at more than 30 of our natural gas gathering compressor stations.

- **DOE NETL Methane Emission Life Cycle Analysis**
  We collaborated with DOE’s NETL on a methane emission life cycle analysis. This analysis, performed by NETL, included input from ONE Future members representing each sector of the natural gas industry value chain. The study evaluated specific emission reduction opportunities in each part of the value chain. The study, which was updated in 2020, indicated that the average life cycle methane emission rate for ONE Future members was below the methane emission rate for the U.S., at 0.76% and 1.06% respectively. Results from the study have helped inform ONE Future members’ emission reduction activities on overall methane life cycle emissions.

- **PRCI GHGRP Methane Emission Factors Study**
  We worked with PRCI on a study of the EPA’s GHGRP methane emission data, resulting in two reports with recommendations for more up-to-date and accurate emission factors. The first report evaluated emissions from compressor seals, isolation valves, and blowdown valves based on direct measurements as required by GHGRP. The second report evaluated other facility leaks, pneumatic controller venting, condensate tank dump valve leakage, and station blowdown emissions. The project evaluated and analyzed the dataset and compared methane emission estimates from these sources to historical data used by the EPA in its annual GHG inventory report. The annual GHG inventory report uses historical emission factors from the June 1996 EPA and Gas Research Institute Report, *Methane Emissions from the Natural Gas Industry.*

The results of both these studies can be used to provide more current emission factors, estimate the relative contribution of different methane emission sources, and support more efficient methane emission reduction activities for natural gas transmission and storage operations.

- **NREL Electric Power Grid and Natural Gas Network Operations and Coordination**
  As part of a consortium of industry partners, we worked with NREL on a study to explore the

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benefits of coordinating power systems and natural gas networks.\textsuperscript{21} The study used actual power- and gas-system data from the participants, including our Colorado Interstate Gas system. Study results show that coordination reduced costs and emissions and alleviated fragmented, inefficient, and potentially costly, market operator interventions. The results also show that greater flexibility in the gas nominations process could cut down on gas curtailments. This could be particularly important in the future as increased use of renewables is expected to require greater flexibility from gas fired generators.

- \textit{NREL Renewable Energy Opportunities at Oil and Gas Operations}
  We also partnered with NREL to use an analytical software platform, called REopt, to evaluate the technological and economic potential of various clean energy technologies to support our oil and gas operations. The platform allows us to run and compare multiple scenarios to determine the most economic use of grid electricity and renewable energy technologies at one of our gas plants and some of our electric compressor stations.

- \textit{Stanford Natural Gas Initiative}
  We are an affiliate member of the Stanford Natural Gas Initiative which is a collaboration of more than 40 research groups at Stanford University drawn from engineering, science, policy, geopolitical, and business disciplines. This initiative works with a consortium of industry partners and other external stakeholders to generate the knowledge needed to use natural gas to its greatest social, economic, and environmental benefit. As an affiliate member, we have access to informed research and the ability to interact with Stanford faculty and industrial colleagues for issues related to natural gas.

The dollar amount we have invested in research and development projects related to GHG emissions and climate change are provided below. For 2020, these amounts include contributions for GHG-related projects through PRCI, ONE Future, the INGAA Foundation, and the Stanford Natural Gas Initiative.

<table>
<thead>
<tr>
<th>Research and development investments in GHG emissions and other climate change-related projects(a)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>(In thousands)</td>
<td>257</td>
<td>226</td>
<td>251</td>
</tr>
</tbody>
</table>

(a) The amount invested includes the work hours our employees spent on DOE GHG-related projects.

\textbf{CCUS}

We participate with other organizations to advance CCUS policy and technology. In 2019, we participated in the National Petroleum Council study to define potential pathways for integrating CCUS into the energy and industrial marketplace. We participated on the CCUS Technology Task Group and one of our employees co-authored the CO\textsubscript{2} transportation chapter.

The draft National Petroleum Council report, *Meeting the Dual Challenge: A Roadmap to At-Scale Deployment of Carbon Capture, Use, and Storage*, was published in December 2019. The report concludes that at-scale deployment requires:

- strong collaboration between industry and government;
- improved policies, financial incentives, and regulations;
- broad-based innovation and technology development; and
- increased understanding and confidence in CCUS.

In 2020, we participated in the Baker Institute for Public Policy’s working group to explore the deployment of CCUS technologies in the state of Texas. The working group consisted of corporations, industry associations, special interest groups, academic institutions, and NGOs. The paper, *Expanding Carbon Capture in Texas*, was developed from working group discussions, and summarizes that Texas has a comparative advantage when it comes to implementing CCUS technologies, and that lawmakers and regulators can help assist the development of a CCUS industry in Texas by addressing existing legal and regulatory uncertainties and by carefully considering pathways that can establish Texas as a leader in a low carbon energy future.

In 2021, we joined the Colorado Energy Office CCUS Task Force along with representatives from industry, government, academia, and nonprofits. The task force is evaluating Colorado’s opportunities for carbon capture, transport, utilization, and storage resources to:

- reduce Colorado’s GHG emissions to help achieve emission reduction targets;
- complement other emission reduction technologies like zero-carbon electricity production;
- improve environmental and air quality in disproportionately impacted communities; and
- create economic opportunities, such as retrofit job creation, and other regional economic impacts.

### 3.2.3 Industry and Agency Participation

Our employees have undertaken leadership roles in the INGAA GHG Task Force, serving as co-chairs from late 2008 to 2011, and from 2013 through 2020. Our employees have also served as co-chairs for the INGAA EHS Air Strategies Task Force.

We collaborate with the EPA and DOE on methane emission reductions. We exchange data with the EPA and engage in discussions about potential emissions management strategies. This joint effort aims to identify the most effective means of implementing methane emission reductions at natural gas transmission and storage operations.

We participate in collaborative meetings with various NGOs to improve their understanding of natural gas storage facilities, operations, emissions, and safety technologies. Our work is ongoing in numerous federal, state, and industry venues.

We participate in the New York City Mayor’s Office of Resiliency CCATF. The CCATF was established in January 2008 and helped with New York City’s Hurricane Sandy recovery efforts. The CCATF’s objectives are to:

- identify critical infrastructure in New York City that could be at risk from the effects of climate

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change,
  • facilitate knowledge sharing and develop coordinated adaption strategies to secure these assets, and
  • develop findings and recommendations.

We also support Arizona’s Climate Change Action Plan through our participation in an afforestation program called Trees for Tucson in Tucson, Arizona. The Trees for Tucson program was temporarily suspended due to the COVID-19 pandemic in 2020; however, since 2017, we have contributed to planting approximately 950 trees in the Tucson metropolitan area. These trees sequester CO₂, helping to offset CO₂ in the atmosphere.

3.2.4 Compliance Reporting and Regulation

Facilities in each of our business segments are subject to greenhouse gas reporting programs with the EPA or ASEA, as applicable, and to federal and state leak detection and repair regulations. We measure, monitor, and quantify GHG emissions to satisfy the requirements of these rules using our extensive emissions monitoring equipment and measurement programs. We use these tools to conduct leak surveys for both regulatory and voluntary programs. In 2020, we reported emissions to the EPA, ASEA, and 14 state or local agencies.

The EPA’s GHGRP requires annual leak detection surveys at subject facilities. LDAR inspections to identify and fix equipment leaks are required by the EPA’s New Source Performance Standards for natural gas processing plants and oil and gas production, transmission, and distribution facilities and several state-specific regulations. Monitoring frequency and methods vary depending on facility type, and surveys may be conducted monthly, quarterly, or annually. We conduct LDAR inspections and identify leaks using OGI, flame ionization detectors, and other technologies. If we identify a leak during our LDAR surveys, we repair it and then resurvey to confirm that the repair addressed the leak. As described in Section 3.4.3 GHG Targets of the Sustainability Report, we committed to conduct leak surveys at each of our natural gas transmission and storage compressor stations by the end 2021.

3.2.5 Energy Management
(GRI 102-5, GRI 302-1, GRI 302-4, CDP C8.2, CDP C8.2a)

One of the most impactful ways we reduce our overall emissions is by managing our energy consumption. Per our OMS, which is described in greater detail in Section 2.2 Management System of the Sustainability Report, we strive for continuous improvement in our energy efficiency and have implemented several energy management initiatives.

We employ energy management personnel who oversee multiple programs and strategies to both minimize energy costs and monetize our reductions in energy usage.

Demand Response
We participate in curtailment and demand response programs. By analyzing our operations and energy consumption at a detailed level, we are able to reduce the amount of energy we pull from local electric grids when requested by local electric grid operators. Some of the largest demand response, load management, and utility reliability programs we participate in include the Base Interruptible Program in California and the Electric Reliability Council of Texas Emergency Response Service program. We also participate in the 4 Coincident Peak program in Texas, which relies on incentives to reduce load when available capacity is low.
Engineering Design
We also have reduced energy consumption by optimizing our pipeline and facility design to utilize devices that use less energy while maximizing output. For example, we use variable frequency drives on many of our pumps to improve pipeline flow control and increase energy efficiency. Variable frequency drives also allow us to monitor the efficiency of our pumps, control pump speed, and reduce surges to nearby power suppliers.

DRA
One of the methods we use to reduce energy consumption in our Products Pipelines and CO₂ business segments is the use of DRA. DRA is a long-chain polymer chemical that disrupts the molecular activity at the fluid boundary layer near the inside pipe wall, thereby reducing friction. DRA decreases the amount of energy lost due to turbulence formation and allows us to move more product through our pipelines using less energy.

Our deployment of DRA in key locations has reduced the electricity needed to move products within our Products Pipelines and CO₂ business segments. The use of DRA has also allowed us to reduce the use of, or completely shut down unneeded pump stations, and avoid construction of new pump station infrastructure.

In 2020, the deployment of DRA, in our Products Pipelines business segment, helped reduce the energy needed to operate and avoided approximately 364 GWh of electricity consumption.²⁴ This energy savings is roughly equivalent to 257,000 metric tons of CO₂e emissions avoided, which is comparable to the energy used by approximately 31,000 homes for one year or the carbon sequestered by 316,000 acres of U.S. forests in one year.²⁵

Offices and Buildings
We continue to seek ways to improve our energy efficiency in the office buildings we own. Our Houston headquarters building is LEED Gold certified. To reduce electricity usage, the lights in our Houston headquarters building are on automated timers that turn off lights when not in use. At many of our other facilities, we have ongoing initiatives to replace compact fluorescent light bulbs with LED lighting to reduce energy consumption.

Electricity Consumption
We continue to evaluate opportunities to purchase green power. In 2021, we entered into a two-year retail power agreement in Texas to purchase 4.3 GWh/yr of wind power beginning in 2022.

²⁴ To calculate the avoided energy consumption in each pipeline, actual hourly operational performance data is compared to estimated energy usage with untreated friction loss.
Our electricity consumption for our continuing operations is provided below.

<table>
<thead>
<tr>
<th></th>
<th>Year End December 31</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2019</td>
<td>2020</td>
</tr>
<tr>
<td><strong>Total electricity consumption from continuing operations(a)(b)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas Pipelines</td>
<td>2,570</td>
<td>2,684</td>
<td>3,072</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>1,149</td>
<td>1,153</td>
<td>945</td>
</tr>
<tr>
<td>Terminals</td>
<td>190</td>
<td>187</td>
<td>172</td>
</tr>
<tr>
<td>CO₂</td>
<td>3,330</td>
<td>3,421</td>
<td>2,770</td>
</tr>
<tr>
<td>Corporate</td>
<td>24</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,263</td>
<td>7,470</td>
<td>6,984</td>
</tr>
</tbody>
</table>

(a) Total electricity consumption is from purchased power for the assets we operate.
(b) Discontinued operations include emissions from TMPL, Puget Sound pipeline system, and Kinder Morgan Canada Inc. up to the sale date of August 31, 2018, and KML and the U.S. portion of the Cochin Pipeline up to the sale date of December 16, 2019. In 2018 and 2019, total electricity consumed from discontinued operations were 492 and 222 GWh, respectively. There were no significant discontinued operations in 2020.

**Renewable Energy**

We have programs to make energy efficiency improvements in our operations and explore new low carbon technologies where and when it is economically feasible. In some cases, we have found renewable energy optimal for powering our operations. For example, some of the equipment at our facilities is powered through solar panels installed on-site. As these locations are often very remote and far from an existing electric grid, these installations have been successful from both an energy-efficiency perspective and cost-saving perspective. In 2020, we consumed approximately 1,053 MWh of renewable energy from the solar panels we operate, equivalent to approximately 748 metric tons of CO₂ avoided.²⁶

The amount of renewable energy consumed from the solar panels we operate are provided below.

<table>
<thead>
<tr>
<th>Renewable energy consumed from the solar panels we operate(a)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas Pipelines</td>
<td>742</td>
<td>742</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>80</td>
<td>87</td>
</tr>
<tr>
<td>Terminals</td>
<td>7</td>
<td>10</td>
</tr>
<tr>
<td>CO₂</td>
<td>189</td>
<td>214</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,018</td>
<td>1,053</td>
</tr>
</tbody>
</table>

(a) The renewable energy we consumed from the solar panels we operate is estimated using the National Renewable Energy Laboratory’s PVWatts® Calculator. The renewable energy we consumed from solar panels prior to January 1, 2019 is not included in this table.

The increase in renewable energy consumed by the CO₂ business segment was due to the installation of additional solar panels.

Vehicle Fleet
We aim to operate our company vehicles in an environmentally sound manner and have policies in place that establish guidelines for safely and efficiently operating our vehicles. When practical, we replace the vehicles in our fleet with those that are more fuel efficient. In 2020, we began purchasing hybrid vehicles for our fleet.

3.3 Scope 3 Emissions
(GRI 305-3, CDP C6.5)

Scope 3 emissions are other indirect GHG emissions from sources upstream and downstream of our value chain that are not owned or controlled by us and are not included in our Scope 1 and Scope 2 emissions. Calculating and reporting Scope 3 emissions is complex as these emissions come from a wide range of sources, some of which are difficult to measure or estimate. Emissions reported as our Scope 3 emissions may be reported by other companies as Scope 1 or 2 emissions. For example, our Scope 3 emissions from employee business air travel may be reported by an airline as their Scope 1 emissions. We are reporting our Scope 1 and Scope 2 emissions for the first time in this report and are currently evaluating the feasibility of reporting our Scope 3 emissions in the future.

3.4 GHG Offsetting, Reductions, and Targets

3.4.1 GHG Offsetting
(CDP C4.3, CDP C11.2, CDP C11.3)

Our Natural Gas Pipelines business segment owns a 50% interest in and operates Ruby Pipeline, L.L.C. (Ruby). Ruby owns a 685-mile 42-inch natural gas transmission pipeline that crosses four states: Wyoming, Utah, Nevada, and Oregon. Prior to the construction of the pipeline, Ruby committed to make the pipeline carbon-neutral. Since 2011, we have accomplished this by using emission reduction credits or renewable energy credits to offset Scope 1 and 2 GHG emissions from construction and ongoing operations.

The credits we purchase are verified through a third-party, and in most cases, the purchase takes place within one year from the date emissions have been reviewed and are considered final. Credit purchases can span multiple years and are not necessarily created during the same year the emission offset is applied. Emissions are typically offset using credits that were purchased during a different calendar year. Over-purchases of credits, if any, are held and applied to offset future emissions.

The GHG emission credits we purchased to offset our emissions, and the average, minimum, and maximum price per metric ton paid for each credit, are provided below.

<table>
<thead>
<tr>
<th>GHG emission credits purchased(a)(b)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchased credits (metric tons CO2e)</td>
<td>40,923</td>
<td>95,799</td>
<td>113,188</td>
</tr>
<tr>
<td>Average price per metric ton CO2e</td>
<td>$1.15</td>
<td>$1.75</td>
<td>$3.75</td>
</tr>
<tr>
<td>Maximum price paid per metric ton of CO2e</td>
<td>$1.15</td>
<td>$1.75</td>
<td>$3.75</td>
</tr>
<tr>
<td>Minimum price paid per metric ton of CO2e</td>
<td>$1.15</td>
<td>$1.75</td>
<td>$3.75</td>
</tr>
</tbody>
</table>

(a) Actual emissions that were offset, or will be offset by future credit purchases, for 2018, 2019, and 2020 are 66 thousand, 89 thousand, and 146 thousand metric tons of CO2e, respectively.
(b) Represents the credits purchased during the calendar year.
These credits establish an internal price of carbon to offset Scope 1 and 2 emissions from our Ruby Pipeline. The price is determined by the North American carbon market, which is an external source of pricing.

3.4.2 GHG Reductions
(GRI 305-5, CDP C4.3)

Our voluntary GHG emission reductions, volume of voluntary methane emission reductions, and estimated value of natural gas saved are provided below. Methane emission reductions are methane emissions mitigated or avoided that would otherwise have been emitted.

<table>
<thead>
<tr>
<th>Voluntary GHG emission reductions (million metric tons CO₂e)(a)</th>
<th>Year Ended December 31</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
</tr>
<tr>
<td>Volume of voluntary methane emission reductions (Bcf)(b)(c)</td>
<td>4.0</td>
</tr>
<tr>
<td>Estimated value of natural gas saved (millions)(d)</td>
<td>$</td>
</tr>
</tbody>
</table>

(a) Emission reductions are emissions mitigated or avoided that would otherwise have been emitted. The reported CO₂e is based on a GWP of 25 if the methane were directly emitted to the atmosphere (GHGRP Subpart W, IPCC 2007). Calculation is from 40 CFR Part 98.233, Equation W-36: methane (scf) multiplied by 0.0192 kg/ft³ (methane density) multiplied by 0.001 metrics tons/kg (kg to metric tons conversion) multiplied by 25 metric ton CO₂e/metric ton methane (GWP).

(b) Methane content of pipeline quality natural gas is estimated at 95% per Methane Challenge Program guidance.

(c) Methane emission reductions include reductions from compressor station leak repairs, pipeline drawdowns, gas turbine installations, electric motor installations, and alternative pipeline maintenance technologies that reduce the need for pipeline blowdowns.

(d) The estimated value of natural gas saved for 2018 and 2019 is based on an assumed price of $3.00 per thousand cubic feet, as provided in EPA’s Natural Gas STAR Report for the periods presented. For calendar year 2020, we used EIA’s 2020 U.S. natural gas annual average Citygate price of $3.55.27

We had additional methane emission reductions in 2020 because we completed more leak repairs and installed additional gas-fired turbines and electric motor driven compressors at our compressor stations. Gas-fired turbines and electric motor driven compressors release less methane in their exhaust compared to natural gas-fired reciprocating engines. EPA’s Natural Gas STAR program guidance allows taking credit for methane reductions from turbines for 20 years after the installation date.

3.4.3 GHG Targets
(CDP C4.1)

Methane Emission Intensity Target

Through ONE Future, we have committed to achieving a methane emission intensity target of 0.31% for our natural gas transmission and storage operations by 2025 compared to a baseline year of 2012. Methane emission intensity is a measure of methane emissions as a percentage of total volumes of throughput. The transmission and storage industry allocation of the ONE Future target of 0.31% represents an approximate 31% reduction from the 2012 transmission and storage industry segment intensity of 0.45%.28

---


Our methane emission intensity targets and progress toward achieving those targets are provided below.

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>methane emission intensity rate target(a)</td>
<td>0.31 %</td>
<td>0.31 %</td>
<td>0.31 %</td>
</tr>
<tr>
<td>methane emission intensity rate(a)(b)</td>
<td>0.03 %</td>
<td>0.03 %</td>
<td>0.04 %</td>
</tr>
</tbody>
</table>

(a) The emission intensity rate is calculated by dividing our natural gas transmission and storage total methane emissions by our natural gas transmission and storage throughput. Methane emissions are calculated using the procedures in 40 CFR 98 Subpart W.

(b) We have updated the methane intensity rate for 2018 from our 2018 and 2019 reports to include additional methane emissions from blowdowns that were identified through better data collection methods.

In 2018, 2019, and 2020 we performed better than our transmission and storage methane emission intensity target of 0.31%. In 2020, our methane emission intensity rate represented an 87% reduction from our target and a 91% reduction from the 2012 transmission and storage industry segment rate.

**Compressor Station Leak Survey Target**

In 2017, we set a target to voluntarily conduct 35 additional leak surveys each year from 2017 through 2021 at our natural gas transmission and storage compressor stations that were not subject to the EPA’s GHGRP. By the end of 2021, we expect to have conducted annual leak surveys at each of our natural gas transmission and storage compressor stations. We committed to these additional leak surveys as part of our implementation plan to meet the ONE Future emission intensity commitment under EPA’s Natural Gas STAR Methane Challenge Program.

In 2021, we set an additional leak survey target to conduct annual leak surveys at each of our approximate 110 natural gas gathering and boosting compressor stations by the end of 2025.

The number of leak surveys conducted at our natural gas transmission and storage compressor stations and our leak survey targets are provided below.

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Targeted number of natural gas transmission and storage compressor stations to survey(a)</td>
<td>217</td>
<td>252</td>
<td>287</td>
</tr>
<tr>
<td>Actual number of natural gas transmission and storage compressor stations surveyed</td>
<td>279</td>
<td>306</td>
<td>319</td>
</tr>
</tbody>
</table>

(a) Targets were established by adding an incremental 20% of the transmission and storage facilities that were not required to perform a leak survey under the EPA’s GHGRP to the baseline 147 facilities required to conduct a leak survey in 2016.

In each of the past three years, we exceeded our leak survey target. In 2020, we surveyed over 90% of our total transmission and storage facilities. In addition, we completed annual leak surveys at 16 of our natural gas processing plants in 2020.

**GHG Reduction Targets**

We exceeded our GHG reduction targets, which are targets for methane emissions mitigated or avoided that would otherwise have been emitted, of 2 Bcf and 2.25 Bcf of methane for 2019 and 2020, respectively. For 2021, we have increased our GHG reduction target to 2.35 Bcf of methane and have set a GHG reduction target for 2022 of 2.5 Bcf of methane.
Our GHG reduction target and our progress toward achieving that target are provided below.

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>(In million metric tons of CO₂eq)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target - GHG reductions(a)</td>
<td>1.1</td>
<td>1.2</td>
</tr>
<tr>
<td>Actual GHG reductions(a)(b)</td>
<td>2.3</td>
<td>3.2</td>
</tr>
</tbody>
</table>

(a) Reductions are emissions mitigated or avoided that would otherwise have been emitted.
(b) The CO₂eq is based on a GWP of 28 if the methane were directly emitted to the atmosphere (IPCC AR5). Calculation is from 40 CFR Part 98.233, Equation W-36: methane (scf) multiplied by 0.0192 kg/ft³ (methane density) multiplied by 0.001 metrics tons/kg (kg to metric tons conversion) multiplied by 28 metric ton CO₂e/metric ton methane (GWP).

Additional Medium and Long-Term GHG Targets
Before exploring additional targets, including medium-term or long-term GHG reduction targets, we believe it is necessary to have a deeper understanding of our emissions, emission sources, and the means by and extent to which we may be able to reduce those emissions. Our efforts to create an assurance-ready GHG emissions inventory, included in this Report, have provided us with a baseline from which to evaluate future GHG reduction targets. We have begun assessing our future GHG emissions and potential reduction opportunities. We expect this process will help us understand reduction opportunities that could provide value to our shareholders, while reducing our emission footprint.

4.0 Air Quality

4.1 Air Emissions

We are committed to minimizing our emissions by operating our facilities in a manner consistent with good air quality control standards. To manage our air permitting and compliance program in each of our business segments, we conduct the following activities:

- monitor, record, report, and pay emission and permit fees;
- identify, record, and maintain a list of stationary air emission sources;
- quantify facility annual emissions per federal, state, provincial, or local requirements and document the basis of the quantification and estimation;
- quantify emissions when changes or modifications occur at a facility to determine if the facility permitting status is affected;
- deconstruct and manage permit requirements in our compliance tracking system along with required actions, deadlines, and designated responsible persons; and
- provide regular training to increase our operations, engineering, and maintenance employees’ understanding of permit requirements.

We also have initiatives in place to reduce our NOₓ, SOₓ, VOCs, PM₁₀, and other relevant air emissions by enhancing processes that improve efficiency, reduce leaks, and reduce fuel usage. We reduce our air emissions by implementing the following practices on a case-by-case basis:

- implementing procedures to shut down our equipment and reduce idle time;
- optimizing temperature controls to reduce fuel consumption;
- replacing existing engines with newer, more efficient equipment; and
- reducing flaring by:
  - improving compressor reliability,
  - automating gas control,
• improving flaring metering, and
• optimizing downtime.

### 4.2 Air Emissions for the Following Pollutants: NOx (excluding N2O), SOx, VOCs, and PM10

*(SASB Midstream EM-MD-120a.1, SASB Exploration & Production EM-EP-120a.1, GRI 305-7)*

Our criteria air pollutant emissions that we reported to a regulatory agency are provided below.

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2018</td>
<td>2019</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Air emissions(a)(b)(c)(d)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NOx (excluding N2O)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas Pipelines</td>
<td>57.7</td>
<td>56.9</td>
<td>51.2</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Terminals</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>CO2</td>
<td>0.8</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>58.7</td>
<td>57.9</td>
</tr>
<tr>
<td>SOx</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas Pipelines</td>
<td>0.2</td>
<td>0.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Terminals</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>CO2</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>0.3</td>
<td>0.4</td>
</tr>
<tr>
<td>VOCs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas Pipelines</td>
<td>7.5</td>
<td>8.4</td>
<td>7.0</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>3.9</td>
<td>3.6</td>
<td>3.4</td>
</tr>
<tr>
<td>Terminals</td>
<td>2.2</td>
<td>2.3</td>
<td>2.2</td>
</tr>
<tr>
<td>CO2</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>13.7</td>
<td>14.4</td>
</tr>
<tr>
<td>PM10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas Pipelines</td>
<td>1.1</td>
<td>1.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Terminals</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>CO2</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1.3</td>
<td>1.4</td>
</tr>
</tbody>
</table>

(a) Emissions reported to a regulatory agency as of August 9, 2021. Includes emissions reported for facilities where we have operational control.

(b) For locations that report emissions less frequently than annually, emissions are included from emission fee estimates or from the most recent agency submittal.

(c) Emission values displayed as 0.0 are less than 50 metric tons.

(d) There were no significant discontinued operations in 2020. In 2018 and 2019, SOx, NOx, and PM10 emissions from discontinued operations were less than 50 metric tons. In each of the years, 2018 and 2019, VOC emissions from discontinued operations were 0.1 thousand metric tons.

(e) Previously reported numbers have been adjusted to deduct discontinued operations for KML and the U.S. portion of Cochin pipeline.

The decrease in our company-wide NOx and VOC emissions from 2019 to 2020 was primarily driven by declines in product throughput and facility divestment. The NOx emissions in the Terminals and Products Pipelines business segments decreased due to increased use of vapor recovery units.
The amount of fresh water withdrawn, fresh water consumed, and fresh water withdrawn intensity for our CO₂ business segment are provided below.

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
</tr>
<tr>
<td>(In thousand cubic meters, except water withdrawn intensity)</td>
<td></td>
</tr>
<tr>
<td>Fresh water withdrawn(a)</td>
<td>1,487</td>
</tr>
<tr>
<td>Fresh water consumed(a)</td>
<td>1,487</td>
</tr>
<tr>
<td>Fresh water withdrawn intensity (thousand cubic meters of fresh water consumed per BOE throughput)(b)</td>
<td>0.04</td>
</tr>
</tbody>
</table>

(a) Water usage volumes from certain facilities or processes may be excluded if the volumes are insignificant to the overall volumes presented above.
(b) Calculated using the total fresh water withdrawn divided by our CO₂ business segment’s BOE throughput.

6.0 Ecological Impacts


We continually evaluate the regulatory landscape for our operations and new projects. To manage environmental matters across our assets, we maintain corporate policies and business segment-specific procedures. Through our internal monthly regulatory update and verification program, we identify, assess, and manage compliance with changing regulatory requirements.

Our Biodiversity Policy outlines the approaches we use to address impacts on biodiversity in areas where we operate. We assess the environmental risk and impact from many of our new or existing project sites and where warranted, make adjustments to the location, scope, and/or timing of a new project in an effort to minimize or avoid impacts to critical habitats with high biodiversity value, including vulnerable species or sensitive ecosystems.

Project Development
Prior to beginning new construction or an expansion project, we develop plans and procedures that consider a number of important factors that help:

- maintain operational efficiency,
- minimize our impact on biodiversity, and
- take into consideration our stakeholders’ concerns.

Our project development plans look at the overall impact of the project and may include:

- surveying,
- environmental and cultural impact avoidance,
- monitoring,
- mitigation,
- construction,
- revegetation, and
- operation.
Pre-construction and Construction

To evaluate a proposed route for a new pipeline project, we conduct the following surveys:

- civil surveys that provide information on soil, topography, and land use;
- cultural surveys that provide cultural significance and archaeological information; and
- environmental surveys that provide information about water, vegetation, wildlife, and other important biodiversity considerations.

In addition to the information collected in these surveys, our teams also consult with local stakeholders during development and pre-construction about project-specific considerations, including environmental issues. We consider and use this information to help develop a pipeline route that avoids or minimizes impacts on people, critical habitats, and land.

We may employ the following construction and mitigative procedures to take into account biodiversity issues:

- measures to minimize erosion and enhance revegetation;
- plans to maintain existing drainage and water flow near our projects, including installing drain tiles;
- horizontal directional drilling technology to install pipelines beneath sensitive areas;
- project-specific spill prevention and response procedures; and
- traffic plans to keep affected roadway crossings safe and accessible.

We work to minimize impacts on biodiversity in the areas where we work and operate. Land and habitat preservation is a key component of our construction efforts, both when designing a new route for a pipeline project and when performing maintenance on facilities that have been in service for many years.

We coordinate with regulatory agencies and landowners, as appropriate, to minimize our impacts to the local environment by developing plans to:

- prevent the introduction or spread of invasive species during construction or restoration, and
- allow for the movement and protection of wildlife and livestock during construction.

Mitigation in High Conservation Value Areas

We employ a variety of strategies to minimize our operating assets’ impact on high value conservation or biodiversity areas, such as sensitive habitats and conservation areas with threatened or endangered species, water bodies, and wetlands. Business segment integrity management teams assess whether our pipelines and facilities could affect commercially navigable waterways, populated areas, or environmentally sensitive areas. We work to meet or exceed the regulatory standards that protect these important areas.

When our internal analysis determines that our asset is located within an environmentally sensitive area, the asset is subjected to more stringent and frequent integrity management measures to improve the asset’s resilience and help protect the surrounding environment. Read more about our integrity management program described in Section 12.1 Asset Integrity Management of the Sustainability Report.

Based on the nature of the project and project area, our project framework requirements may include some or all of the following:

- designating an environmental inspector with wetlands or waterbody knowledge to verify that environmental conditions are met during construction,

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29 Threatened or endangered species defined by federal, state, provincial, and local regulatory agencies.
30 Environmentally sensitive areas in the U.S. are defined by the 49 CFR 195.6 designation of unusually sensitive areas. Canada’s CER rules define environmentally sensitive areas in the GeoGratis database published by Natural Resources Canada.
establishing baseline characteristics for high conservation areas to help develop mitigation measures during a project,
- routing to avoid construction through or minimize disturbances to wetlands and water body crossings,
- establishing spill prevention and response procedures that provide for prompt and effective cleanup in the event of a spill,
- delineating wetlands and waterbodies, and
- developing detailed mitigation and avoidance plans for project areas identified as habitat for threatened or endangered species and fisheries.

**Restoration**
When impacts to the environment cannot be completely avoided or minimized, we can employ measures to restore an ecosystem’s composition, structure, and function. Post-construction actions for new projects include restoring the right-of-way, including landowner agreed-upon specifications, and restoring the land within our facility fence lines where appropriate. In some instances, our restoration improves a habitat compared to the condition in which we found it. For example, for some pipeline replacement projects we plant indigenous vegetation seed mixes to promote a healthy ecosystem that is expected to quickly adapt to local conditions and then monitor its progress. In tandem with these efforts, we also use weed control to prevent encroachment of invasive species and mitigate erosion. In other projects, we have constructed new habitats; preserved, restored, enhanced, or created wetlands; and improved existing conservation or reservation areas.

Our restoration, revegetation, and reclamation efforts include:
- grading construction right-of-way to restore pre-construction contours and leave the soil in the proper condition for planting;
- stabilizing streambeds and banks, natural drainage ways, and steep grades to meet permit requirements;
- establishing successful revegetation of soils disturbed by project-related activities;
- working with affected landowners to restore structures, fences, hedges, buildings, and/or other property displaced or damaged during construction; and
- implementing spray programs for noxious weeds and ongoing environmental monitoring to identify and repair post-construction areas of concern.

After completing construction on a new or existing project, we strive to meet the biodiversity targets and deadlines established in our project plans.

**Biodiversity Enhancement Initiatives**
We are actively involved in a number of projects designed to enhance biodiversity within our operating areas. We have made long-term commitments to managing biodiversity and participate in conservation education and community outreach initiatives as described below.

- **Permian Highway Pipeline Project Initiatives**
  - **Golden-Cheeked Warbler Habitat**
    In April 2019, our PHP joint venture committed to purchase over 1,300 acres of land in Travis County, Texas, with the intention of donating it to the Balcones Canyonlands National Wildlife Refuge. In 2020, with assistance from The Conservation Fund, the donation was finalized and the land was transferred to the refuge. This donation of land expands the current refuge for the Golden-Cheeked Warbler, an endangered species of bird that breeds in central Texas.
PHP also purchased mitigation credits from two mitigation banks located in the project area to offset any future impacts that may be caused by oak wilt, a fungal disease that can impact the Golden-Cheeked Warbler habitat. Monitors were deployed to oversee these habitats during construction. PHP expects to continue monitoring for oak wilt in this habitat through the third quarter of 2021.

In total, PHP has contributed to protecting approximately 1,530 acres of Golden-Cheeked Warbler habitat in perpetuity and has spent over $10.3 million to help with the protection of this endangered species.

- **Houston Toad Research**
  In 2020, PHP made a donation of approximately $1 million to a state university for Houston Toad research. A portion of that money is designated for the USFWS San Marcos Aquatic Research Center.

  During construction of our Crossover 2 Pipeline, in April 2020, we donated $250,000 to the Texas State University Development Foundation to fund research focused on the conservation and recovery of the endangered Houston Toad.

  In addition to the monetary support provided, field research and monitoring oversight was conducted in the Houston Toad habitat during construction and acoustical equipment was deployed in the vicinity of these projects to detect Houston Toad choruses. People were stationed along the construction rights-of-way to assist with relocating Houston Toads, or other amphibians and reptiles, outside the limits of disturbance. For Houston Toads that might venture into the rights-of-way, artificial habitats were created within each project’s right-of-way to serve as shelter.

- **Eastern Worm Snake and Eastern Box Turtle Conservation and Wetland Mitigation in Agawam, Massachusetts**
  In 2020, we contributed nearly $1.5 million for tree planting, wetland mitigation, and purchasing protective habitats in Agawam, Massachusetts. To help preserve the habitat of the Massachusetts-protected Eastern Worm Snake and Eastern Box Turtle, we purchased and transferred a 7.6 acre parcel of land to the Town of Agawam, identified a private Land Trust, and funded an endowment for the Land Trust to administer the Conservation Restrictions governing the conservation areas.

  We also rehabilitated and then established Conservation Restrictions on over 11 acres of degraded wetland and riparian areas, which had been historically used as a turf farm. Rehabilitation in these areas consisted of planting trees and shrubs at strategic locations to facilitate the return of woody scrub-shrub and forests.

For more information, see our EHS Policy Statement, our Biodiversity Policy, and for examples of how we operationalize our Biodiversity Policy, see our case studies, on our ESG/Sustainability webpage at https://www.kindermorgan.com/Safety-Environment/ESG.
6.2 Percentage of Land Owned, Leased, and/or Operated within Areas of Protected Conservation Status or Endangered Species Habitat
(SASB Midstream EM-MD-160a.2, GRI 304-1)

Areas of Protected Conservation Status or Endangered Species Habitats
The percentage of land we operate within or near areas of protected conservation status or endangered species habitat is provided below.

<table>
<thead>
<tr>
<th>Percentage of land operated within or near areas of protected conservation status or endangered species habitat(a)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Near designated areas(b)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas Pipelines</td>
<td>28 %</td>
<td>26 %</td>
<td>26 %</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>33 %</td>
<td>33 %</td>
<td>32 %</td>
</tr>
<tr>
<td>Terminals(c)</td>
<td>84 %</td>
<td>80 %</td>
<td>49 %</td>
</tr>
<tr>
<td>CO₂</td>
<td>8 %</td>
<td>7 %</td>
<td>6 %</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>29 %</td>
<td>27 %</td>
<td>27 %</td>
</tr>
<tr>
<td><strong>Inside designated areas(d)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas Pipelines</td>
<td>4 %</td>
<td>4 %</td>
<td>3 %</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>8 %</td>
<td>2 %</td>
<td>1 %</td>
</tr>
<tr>
<td>Terminals(c)</td>
<td>0 %</td>
<td>1 %</td>
<td>1 %</td>
</tr>
<tr>
<td>CO₂</td>
<td>0 %</td>
<td>0 %</td>
<td>0 %</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4 %</td>
<td>3 %</td>
<td>3 %</td>
</tr>
<tr>
<td><strong>Inside or near designated areas</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas Pipelines</td>
<td>32 %</td>
<td>30 %</td>
<td>29 %</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>41 %</td>
<td>35 %</td>
<td>33 %</td>
</tr>
<tr>
<td>Terminals(c)</td>
<td>84 %</td>
<td>81 %</td>
<td>50 %</td>
</tr>
<tr>
<td>CO₂</td>
<td>8 %</td>
<td>7 %</td>
<td>6 %</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>33 %</td>
<td>30 %</td>
<td>30 %</td>
</tr>
</tbody>
</table>

(a) The acreage of land used in this analysis is based on acreage where we have active operations. We may own or lease, but do not operate, additional land that is not included in this analysis. This calculation assumes that the acreage operated for pipelines includes land within the 50-foot corridor of a pipeline’s centerline and excludes production facilities and non-PHMSA jurisdictional gathering lines in the CO₂ business segment. Acreage operated for a facility includes land within the facility’s security fence line for the Natural Gas Pipelines, Terminals, and CO₂ business segments and acreage we own, within and outside the security fence line, for the Products Pipelines business segment. We use WDPA determinations for the areas characterized as protected conservation areas. For our Mexico operations, the areas characterized as endangered species habitats are determined by the International Union for Conservation of Nature endangered or critically endangered designations. For our U.S. operations, we used the USFWS designated areas for endangered species instead of the International Union for Conservation of Nature designations, recommended by SASB, because we believe the USFWS dataset better reflects the biodiversity risk for our operations. For the 2020 reporting year, we downloaded the USFWS dataset in the first quarter of 2021, the WDPA dataset in the second quarter of 2021, and completed the analysis using our GIS datasets as of the second quarter of 2021.

(b) Defined as operated land within five kilometers of the boundary of a protected conservation area or endangered species habitat.

(c) Our Terminals business segment assets are often located in coastal areas for marine transportation access; these coastal areas have a higher concentration of conservation areas. Our Terminals business segment’s “near designated areas” decrease in 2020 was driven by changes to the WDPA database and increased accuracy of facility boundaries within our GIS system.

(d) Defined as operated land within the boundary of protected conservation area or endangered species habitat.
Acreage Disturbed and Restored

In 2020, a large portion of the acreage disturbed by our operations was due to the PHP project. During the project, PHP used approximately 7,600 acres for permanent right-of-way, temporary construction right-of-way, facility sites, and road access. The temporary construction right-of-way acreage and permanent right-of-way totaled approximately 7,000 acres, which has been restored or is in the process of being restored. A relatively small amount of land is not expected to be restored, specifically the long-term use surface sites, facility sites, and access roads. In order to minimize our impact during our projects, we use existing access roads whenever possible rather than building new ones. Our restoration includes replacing topsoil that was conserved during construction and seeding the appropriate plant species for the area. For the PHP project, approximately 93% of the total acreage disturbed has been restored or is in the process of being restored. Restoration is expected to continue through the middle of 2022.

6.3 Hydrocarbon Spills
(SASB Midstream EM-MD-160a.4, SASB Exploration & Production EM-EP-160a.2)

According to data from PHMSA and FERC, 99.999% of crude oil, petroleum products, and natural gas transported by pipelines reach their destinations safely and uneventfully.\(^{31}\)

We strive to prevent hydrocarbon releases from our operations, but sometimes such releases do occur. They usually are:

- minimal,
- below reportable quantities,
- contained in secondary containment facilities, and
- promptly remediated.

Our emergency response procedures are designed to promptly limit the impact to the environment if a release occurs or migrates outside of containment. Although measures are in place to prevent environmental contact, there are infrequent cases where some volume of hydrocarbon migrates outside containment.

The number, volume, volume in Unusually Sensitive Areas, and recovered volume of hydrocarbon spills are provided below.

<table>
<thead>
<tr>
<th>Number of hydrocarbon spills(a)(b)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas Pipelines</td>
<td>9</td>
<td>17</td>
<td>21</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>7</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Terminals</td>
<td>9</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>CO(_2)</td>
<td>11</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Kinder Morgan Canada(c)</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>37</td>
<td>43</td>
<td>41</td>
</tr>
</tbody>
</table>

### Aggregate volume of hydrocarbon spills(a)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas Pipelines</td>
<td>23</td>
<td>407</td>
<td>818</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>11,180</td>
<td>423</td>
<td>1,093</td>
</tr>
<tr>
<td>Terminals</td>
<td>70</td>
<td>46</td>
<td>132</td>
</tr>
<tr>
<td>CO₂</td>
<td>229</td>
<td>99</td>
<td>337</td>
</tr>
<tr>
<td>Kinder Morgan Canada(c)</td>
<td>28</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,530</td>
<td>975</td>
<td>2,380</td>
</tr>
</tbody>
</table>

### Aggregate volume of hydrocarbon spills in Unusually Sensitive Areas(a)(d)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas Pipelines</td>
<td>1</td>
<td>—</td>
<td>273</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>162</td>
<td>32</td>
<td>1,012</td>
</tr>
<tr>
<td>Terminals</td>
<td>17</td>
<td>20</td>
<td>113</td>
</tr>
<tr>
<td>CO₂</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Kinder Morgan Canada(c)</td>
<td>0</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>180</td>
<td>52</td>
<td>1,398</td>
</tr>
</tbody>
</table>

### Volume recovered(e)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas Pipelines</td>
<td>23</td>
<td>329</td>
<td>806</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>7,047</td>
<td>402</td>
<td>502</td>
</tr>
<tr>
<td>Terminals</td>
<td>32</td>
<td>33</td>
<td>129</td>
</tr>
<tr>
<td>CO₂(f)</td>
<td>211</td>
<td>97</td>
<td>332</td>
</tr>
<tr>
<td>Kinder Morgan Canada(c)</td>
<td>19</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,332</td>
<td>861</td>
<td>1,769</td>
</tr>
</tbody>
</table>

### Percentage recovered

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>64 %</td>
<td>88 %</td>
<td>74 %</td>
</tr>
</tbody>
</table>

---

(a) A spill is defined as greater than one barrel released to surface water, soil, or groundwater, excluding spills contained within impermeable secondary containment.

(b) We do not operate in the Arctic and therefore have nothing to report for SASB EM-MD160a.4.

(c) On August 31, 2018, the assets comprising the Kinder Morgan Canada business segment were sold, so this segment does not have results of operations on a prospective basis.

(d) Includes spills, as defined in note (a), in Unusually Sensitive Areas in the U.S. as identified in the National Pipeline Mapping System by PHMSA. Unusually Sensitive Areas in Canada are identified by the Canadian Council on Ecological Areas Conservation Areas Reporting and Tracking System; the National Hydro Network - 2016, Government of Canada; Natural Resources Canada; Earth Sciences Sector; and Canada Centre for Mapping and Earth Observation. If the National Pipeline Mapping System data was unavailable for a spill location, we used the protected conservation areas by the WDPA and the areas characterized as endangered species habitats by the USFWS, as the basis for whether the spill occurred in an Unusually Sensitive Area.

(e) The volume of spills recovered is the amount of spilled hydrocarbons (in bbl) removed from the environment through short-term spill response activities, excluding amounts that were recovered during longer-term remediation at spill sites and amounts that evaporated, burned, or were dispersed. The volume recovered is reported for the year the associated spill occurred.

(f) After applying a more consistent definition of short-term spill response activities, we found that additional volumes were recovered in 2019. We have updated our 2019 CO₂ business segment’s volume recovered from our 2019 Report.

The data for 2018 includes a 10,910 barrel release from our Products Pipelines business segment, 6,779 barrels of which have been recovered. As of June 2021, our installation of a system to remediate the remainder is pending, awaiting regulatory agency approval.

The increase in the volume of hydrocarbon spills in 2020 was driven by an estimated 1,000 barrel release of gasoline from our Products Pipelines business segment. Spill cleanup efforts are ongoing, and as of
July 2021, approximately half of the volume spilled has been recovered. We are continuing our assessment of the incident and its impact, after which any potential longer-term remedial actions will be evaluated.

6.4 Marine Spills and Releases to the Environment
(SASB Marine Transportation TR-MT-160a.3)

We own a fleet of 16 medium-range Jones Act-qualified product tankers, each with 330,000 barrels of cargo capacity. The fleet is the largest and most modern in the industry and transports crude oil, condensate, and refined products under long-term contracts.32 Our vessels are operated by Intrepid Ship Management, a subsidiary of Crowley Maritime Corporation, a leading operator and technical manager in the U.S. maritime industry.

Intrepid’s management system is designed to fulfill the requirements of:
- International Safety Management Code for the Safe Operation of Ships and for Pollution Prevention,
- ISO 9001:2008 Quality management system, and
- ISO 14001:2004 Environmental management systems.

Consistent with our own philosophy, one of Intrepid’s goals is to continually operate with no harm to people, property, or the environment.

The number and aggregate volume of marine spills and releases are provided below.

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of marine spills and releases to the environment</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Aggregate volume of marine spills and releases to the environment (cubic meters)(a)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

(a) The 2018 and 2020 aggregate volume of marine spills and releases to the environment are less than half of a cubic meter.

6.5 Environmental Fines and Penalties

In line with our OMS, we strive to comply with applicable environmental regulations. Notwithstanding our efforts, we occasionally receive environmental fines and penalties for alleged releases, permit violations and similar events. Payments for environmental fines and penalties may be remitted one or several years after an incident occurs.

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32 Based on average ship age and number of latest generation vessels operated. Fleet age assessment based on Appendix A of the Wilson Gillette December 2020 report of operational Jones Act product tankers and large oceangoing barges.
Our environmental fines and penalties paid are provided below.

<table>
<thead>
<tr>
<th>Environmental fines and penalties paid(a)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>648</td>
<td>215</td>
<td>70</td>
</tr>
</tbody>
</table>

(a) Environmental fines and penalties paid include monetary fines, penalties, and settlements greater than $5,000 paid to environmental regulatory agencies and excludes the costs of supplementary environmental projects, any work we were mandated to complete as part of the enforcement action, and the amounts paid to non-environmental regulatory agencies. Environmental fines and penalties are reported based on the year the payment was made. The year when the payment was made may differ from the year the incident took place.

7.0 Employee and Contractor Health and Safety

7.1 Discussion of Safety Management Systems to Integrate Culture of Safety and Emergency Preparedness

Our employee and contractor safety management systems are integrated into our OMS. An overview of our OMS, including our health and safety training, are described in Section 2.2 Management System of the Sustainability Report. Additional details about our contractor safety policies are also provided in Section 8.0 Supply Chain Management of the Sustainability Report.

Safety Initiatives
Our safety initiatives are managed at the business segment level and safety programs are tailored to specific operations.

- **COVID-19 Mitigation Efforts**
  During 2020, we spent an incremental $15 million on employee safety costs associated with our COVID-19 mitigation efforts, primarily for PPE, enhanced cleaning protocols, temperature screening and other measures we adopted to protect our employees. Our business segments traced each positive COVID-19 case and discussed emerging trends with senior management.

- **Safety In Motion®**
  In 2020, our Natural Gas Pipelines business segment continued implementation of the SIM® program which offers a multifaceted approach to eliminating sprain and strain injuries. The SIM® process uses an action and education process that has a track record of preventing, reducing or managing strain, pain, and musculoskeletal injuries. The process includes a training program that, through physical demonstrations during training, allows employees to experience how small changes in physical techniques significantly reduce the risk factors that lead to unnecessary stress and strain. The SIM® system encompasses:
  - ergonomics;
  - body mechanics;
  - fitness; and
  - auditing, observation, coaching, and medical management.
in 2020 was for a contractual true-up claim arising from the previous El Paso Corporation and El Paso Marketing L.P. settlement.

11.0 Prevention of Corruption and Bribery throughout the Value Chain  

Our policies prohibit us and our employees from engaging in corrupt practices and provide guidelines on acceptable behavior. Our employees, directors, agents, contractors, business partners, and third-party representatives are prohibited from giving or accepting bribes, kickbacks, or other improper payments in conjunction with our business. While the U.S. Foreign Corrupt Practices Act contains a narrow exception that allows for small-dollar facilitation payments to be made to a foreign official in order to expedite routine governmental actions that are non-disccretionary in nature, our policies do not allow facilitation payments of any kind.

As part of our management system for preventing corruption and bribery, our internal controls require that transactions be:

- accurately described with an explanation of the purpose of the transaction;
- sufficiently supported by documentation; and
- appropriately approved by the required level of management, based on the dollar value of the transaction, prior to entering into a commitment and again before processing for payment.

Additionally, we have internal controls for adding payees to our accounting system and for approving payments to vendors. Our controls require review and approval by one or more individual(s) a level higher in our accounting system reporting chain than the person requesting the new payee or payment.

The amount of legal or regulatory fines, settlements, or penalties associated with bribery and corruption is provided below.

<table>
<thead>
<tr>
<th>Legal or regulatory fines, settlements, or penalties associated with bribery and corruption</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>


12.0 Operational Safety

12.1 Asset Integrity Management

We work to provide safe, reliable, and efficient system operations. Through our OMS, our employees comprehensively assess operational risks related to our assets. We develop programs, policies, and procedures to address those risks. Our primary tools for maintaining safe operations include our asset integrity management programs.
Pipelines and Liquids Terminals

We use state-of-the-art technology for maintenance and integrity testing at our transmission pipelines and facilities and liquids terminals facilities. We conduct activities to monitor the integrity of our transmission pipelines and facilities and liquids terminals, including:

- monitoring transmission pipelines and liquids terminals 24 hours a day, seven days a week by trained personnel using SCADA computer systems;
- visually inspecting pipeline rights-of-way by air and/or ground on a regular basis;
- performing internal transmission pipeline inspections periodically using smart pigs;
- using cathodic protection to protect our pipelines, storage tanks, and storage wells from external corrosion;
- using our public awareness program, described in Section 16.1.1.1 Public Awareness Program of the Sustainability Report, to communicate with stakeholders in an effort to prevent third-party damage to our pipelines;
- participating in the Pipeline Safety Management Systems Group to share best practices for safe operations;
- working to develop and improve our business processes, operations procedures, and risk and opportunity assessments;
- maintaining well-defined roles and responsibilities;
- providing employee training; and
- executing quality assurance programs such as third-party audits and application of performance metrics.

More information on how we use smart pigs as part of our integrity management program can be found on our Maintaining our pipelines’ integrity through in-line inspections case study video and fact sheet at https://www.kindermorgan.com/Safety-Environment/ESG#tabs-case_studies.

Underground Natural Gas Storage Facilities

We maintain risk management programs and monitoring systems for well and reservoir integrity and deliverability at each of our underground natural gas storage facilities. Our operations and maintenance procedures are subject to periodic inspections and audits by regulators and our own internal auditors that are independent of the business segments. We have procedures in place to meet or exceed regulations to maintain the safety and reliability of our underground natural gas storage facilities over the long term.

12.2 Damage Prevention

Because one of our greatest operational risks is third-party line strikes, we actively support organizations whose mission is to promote safe digging, including:

- **CGA** - we are a platinum-level sponsor and regularly promote CGA’s message to “call 811 before you dig” on our website and social media channels;
- **Pipeline Ag Safety Alliance** - a member-driven organization whose mission is to prevent damage to buried pipelines through education and improved communication with agricultural communities;
- **Gold Shovel Standard** - a nonprofit organization committed to improving workplace safety, public safety, and buried infrastructure integrity through greater transparency among buried-asset operators, locators, and excavators to drive continuous improvement in damage prevention;
- **Drain Tile Safety Coalition** - a nonprofit coalition sponsored by pipeline and utility operators and One Call Centers committed to improving drain tile safety and preventing accidents involving underground infrastructure; and
- **Area Damage Prevention Councils, State One Call Centers, and One Call Boards** in the states where we operate.
12.3 Business Continuity Planning and Emergency Preparedness

Our ability to respond quickly in an emergency is part of our commitment to the safety of the communities in which we operate and our commercial obligations to customers. Our business continuity plans cover the preparation for and the recovery of functions to address potential business or supply chain disruptions. To manage the associated risk, we work to continuously improve:

- our planning prior to events;
- procedures for safely responding to, and managing disruptions;
- our ability to quickly recover and assume normal operations; and
- engineering controls to prevent or limit business interruptions.

We maintain site-specific emergency response plans and protocols for communicating with external stakeholders that include notifications to regulatory agencies and actions to respond quickly and efficiently in an emergency. Our corporate Crisis Support Team augments our business segments’ existing emergency response procedures and capabilities with additional resources as needed. We monitor events that present risks to our assets by utilizing GIS platforms and other tools to identify potential operational disruptions. We provide certain employees and contractors with emergency response training. Our emergency response personnel are trained to use the National Incident Management System Incident Command System and to respond to emergencies by:

- securing the safety of the public, our employees, and the environment;
- promptly notifying governmental response organizations and agencies;
- engaging with the local utility provider;
- managing the emergency;
- coordinating response activities; and
- restoring service.

Pandemic Preparedness

Since 2006, we have had a Pandemic Preparedness Committee and Pandemic Preparedness Plan to plan, reduce risk, and mitigate impacts to employees and critical business functions. Our Pandemic Preparedness Committee, which consists of leaders across our business segments and corporate functions, is charged with determining the appropriate planning and response measures should a pandemic occur. The Pandemic Preparedness Committee has regularly scheduled meetings to evaluate conditions and potential events presenting risk to our operations. During a pandemic, our priorities are to protect our employees and their families, and to keep our critical infrastructure businesses running.

Pandemic planning assumptions and recommendations are included as part of our business continuity and business segment asset planning and preparedness. Our Pandemic Preparedness Plan follows guidance set forth by the following organizations:

- World Health Organization,
- Centers for Disease Control and Prevention,
- U.S. Food and Drug Administration,
- OSHA,
- API,
- state and local health agencies, and
- other governmental regulatory agencies.

Our Pandemic Preparedness Plan has been designed to enhance existing business continuity planning and to be scalable with various phases of a pandemic event. At each phase of a pandemic we review and
incorporate applicable lessons learned. Using the corporate plan as a baseline, each business segment develops and maintains plans addressing operational risk associated with their specific assets during a pandemic.

Based on the size and scope of an event, our Crisis Support Team works with our business segments and corporate functions to implement a standardized pandemic tracking process. Functional areas report back to the Crisis Support Team, giving us the ability to detect abnormal clusters of pandemic-like illness to better identify potential risk areas and take corrective actions.

In order to prevent the spread of disease during a pandemic, certain non-medical interventions are implemented, such as:

- monitoring federal, state, and local pandemic-related guidelines;
- educating our employees with the latest CDC guidance;
- having our office-based employees work remotely;
- providing return to the office safety guidelines and protocols to remote employees prior to their return;
- communicating proper hygiene etiquette, such as hand washing;
- enhancing our workplace cleaning procedures and protocols;
- establishing a secure supply chain to provide the necessary PPE to our workforce;
- complying with international testing requirements for employees that travel internationally to maintain our assets;
- establishing testing programs for early detection, contact tracing, and mitigation;
- hosting on-site vaccine distribution clinics;
- promoting social distancing and workforce modifications;
- isolating employees that perform critical work tasks and job functions; and
- raising employee awareness through communications prepared by our Crisis Support Team and approved by our Pandemic Preparedness Committee.

During the COVID-19 pandemic, our Pandemic Preparedness Plan allowed us to adapt to the changing circumstances of the pandemic. The Plan was used to help limit our employees’ exposure to the virus while continuing to provide uninterrupted operations of our assets. We engaged with peer companies and other organizations to consider their pandemic preparedness activities and to share best practices. We protected the compensation of our employees who were required to quarantine until vaccines became widely available. We implemented a testing program for our essential workers at our strategic operational assets and conducted over 11,000 COVID-19 tests for our employees. Many of our office-based employees successfully worked from home during the pandemic, and during that time, we were able to achieve many company-related accomplishments, such as a company reorganization and the start-up of the PHP.

First Responder Joint Exercises
To better prepare personnel and practice our emergency response, we regularly conduct joint mock emergency exercises with first responders. By conducting these exercises, employees and emergency responders are not only able to test their equipment, personnel, and procedures, but also to meet and work together face-to-face prior to an actual emergency.

Example drill scenarios include, among others, the following:

- pipeline releases;
- line strikes;
- tank failures;
well blowouts;
loss of communications;
severe weather events, e.g., hurricanes, floods, tornadoes, and blizzards;
wildfires;
security incidents, including physical or cyber-attacks;
pipeline explosions;
third-party train derailments; and
events that test our ability to maintain business continuity within our corporate functions.

Natural Disaster Preparedness and Response
As part of our commitment to emergency preparedness, we plan for and have established procedures for responding to a wide variety of natural disasters. We maintain hazard identification and risk assessments for our transmission pipelines. The purpose of these risk assessments is to identify potential risks and natural disaster scenarios and develop response plans. This planning involves local response officials, other operators and their facilities, and land and right-of-way personnel.

We use a variety of tools to forecast and monitor weather-related events, including:

- weather event and tide level monitoring through:
  - third-party meteorological services,
  - local and national weather and news feeds, and
  - internal and external situational reports specific to impacted areas;
- GIS mapping of real-time situational data overlaid on our asset maps;
- internal communication processes to provide situational updates to affected personnel, management, and executives as events unfold;
- annual testing of backup work locations that support critical business functions in the event of natural disasters by checking:
  - day-to-day communications capabilities,
  - infrastructure readiness,
  - awareness of the potential for natural events and risks,
  - accuracy of the disaster response and business continuity plans, and
  - training completions.

When our assets are threatened by a potential hazard, such as a hurricane, we monitor the event and location based on the threat level and forecasted storm paths in relation to our assets. Situation-specific communications are sent to key personnel at potentially affected facilities and in related corporate functions. These communications provide daily event updates for assets that may be impacted and include notifications tied to our disaster preparedness and response procedures. Using GIS technology, we monitor forecasted paths and impact areas. Our internal GIS platform also allows us to analyze location-specific data, including local supply chain resources that are useful in supporting effective responses.

Emergency Response
We maintain an emergency response notification system to inform internal support personnel and enable efficient communication and decision-making in responding to emergency events. Our process is designed to facilitate real-time communication of emergency events to our personnel with incident response or reporting responsibilities. Our process allows for more timely, effective, and efficient responses in emergency situations and reporting to regulatory agencies.

During an emergency, we seek to respond effectively, contain the situation, and restore customer services as soon as possible. We seek to provide for the well-being and safety of our employees, first responders,
the public, and the environment. We practice a disciplined, competent, and proactive approach when an event occurs. We maintain backup control centers in different parts of the country so we can relocate our critical control room personnel and maintain operations during emergencies.

Once the event has passed, a final notification is sent to the distribution list of personnel notifying them to begin the demobilization process and gather information for the lessons learned phase. We have procedures to determine and document lessons learned so that risk assessments are updated and performance improvements are tracked and completed.

**Emergency Response Support**

To support our ability to operate under various conditions, we have developed and maintain a reliable supply chain. For planning prior to an emergency, we maintain response and support capabilities to provide additional resources to supplement those of our potentially affected local operations. Our supply chain management personnel maintain lists of emergency response contractors, materials and supplies vendors, and transportation and fuel sources. We also maintain a database of our emergency response equipment. We have procedures in place to raise spending limits for affected personnel, to assist affected employees, and to increase security resources.

**12.4 Reportable Pipeline Incidents**

*(SASB Midstream EM-MD-540a.1)*

One of our primary goals is to prevent pipeline incidents. Should an incident occur, we investigate the causes and contributing factors in an effort to prevent similar incidents going forward. Despite our prevention efforts, incidents occurred in the reporting period.

The number of reportable pipeline incidents, number of significant reportable pipeline incidents, and percentage of reportable pipeline incidents that are significant are provided below.

<table>
<thead>
<tr>
<th>Number of reportable pipeline incidents(a)(b)(c)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas Pipelines</td>
<td>22</td>
<td>27</td>
<td>18</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>13</td>
<td>12</td>
<td>16</td>
</tr>
<tr>
<td>Terminals</td>
<td>13</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>CO₂</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Kinder Morgan Canada(d)</td>
<td>0</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>53</td>
<td>60</td>
<td>55</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of significant reportable pipeline incidents(c)(e)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Gas Pipelines</td>
<td>9</td>
<td>14</td>
<td>15</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>7</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Terminals</td>
<td>5</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>CO₂</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Kinder Morgan Canada(d)</td>
<td>0</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>23</td>
<td>24</td>
<td>25</td>
</tr>
<tr>
<td>Percentage of reportable pipeline incidents that are significant</td>
<td>2018</td>
<td>2019</td>
<td>2020</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td>------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td>Natural Gas Pipelines</td>
<td>41 %</td>
<td>52 %</td>
<td>83 %</td>
</tr>
<tr>
<td>Products Pipelines</td>
<td>54 %</td>
<td>33 %</td>
<td>31 %</td>
</tr>
<tr>
<td>Terminals</td>
<td>38 %</td>
<td>31 %</td>
<td>19 %</td>
</tr>
<tr>
<td>CO₂</td>
<td>40 %</td>
<td>20 %</td>
<td>40 %</td>
</tr>
<tr>
<td>Kinder Morgan Canada(d)</td>
<td>0 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>43 %</td>
<td>40 %</td>
<td>45 %</td>
</tr>
</tbody>
</table>

(a) Reportable hazardous liquid pipeline incidents include explosions or fires not intentionally set by the operator, releases of five gallons or more (excluding releases of less than five bbl associated with pipeline maintenance activities), a fatality, an injury necessitating hospitalization, or estimated property damage, including cost of clean-up and recovery, value of lost product, and damage to the property of the operator or others, or both, exceeding $50,000.

(b) Reportable gas gathering, transmission, storage, and distribution incidents include: i) an event that involves a release of gas from a pipeline, liquified natural gas, liquefied petroleum gas, refrigerant gas, or gas from an LNG facility, and that results in one or more of the following consequences: death or personal injury necessitating in-patient hospitalization; estimated property damage of $50,000 or more, including loss to the operator and others, or both, but excluding cost of gas lost; or unintentional estimated gas loss of three million ft³ or more; ii) an event that results in an emergency shutdown of an LNG facility. Activation of an emergency shutdown system for reasons other than an actual emergency does not constitute an incident; iii) an event that is significant in the judgment of the operator, even though it did not meet the criteria of the above paragraphs of this definition.

(c) The number of pipeline incidents and significant incidents reported for 2018, 2019, and 2020 uses data as of July 2019, February 2020, and March 2021, respectively.

(d) On August 31, 2018, the assets comprising the Kinder Morgan Canada business segment were sold, so this segment does not have results of operations on a prospective basis.

(e) Significant reportable pipeline incidents are defined as an incident that includes one of the following conditions: a liquid release volume greater than or equal to 50 bbl, a highly volatile liquid release greater than five bbl, a fatality, an injury necessitating hospitalization, liquid releases resulting in a fire or explosion, or total cost that exceeds $50,000 in 1984 dollars. For 2018, 2019, and 2020, the thresholds in 1984 dollars are $104,659, $106,762, and $108,926, respectively. For highly volatile liquid and CO₂ releases, PHMSA combines the unintentional and intentional release volumes to determine if the incident meets the significant liquid release threshold.

In each year presented above, the most frequent reason that reported incidents were categorized as significant was due to total incident costs exceeding the monetary threshold of $50,000 in 1984 dollars, or $108,926 for 2020.

### 12.5 Natural Gas and Hazardous Liquid Pipelines Inspection
（SASB Midstream EM-MD-540a.2）

We aim for safe operations and zero pipeline incidents. As described in Sections 2.2 Management System and 12.1 Asset Integrity Management of the Sustainability Report, we use risk management programs and state-of-the-art technology for maintenance and integrity testing at our transmission pipelines and facilities and liquids terminals facilities. We work to meet or exceed the regulatory requirements for testing and inspecting our pipelines, find opportunities to improve, and apply sound integrity management principles and technologies.

The number of inspections we make varies from year to year depending on our annual integrity program requirements.
The percentage of natural gas pipelines and hazardous liquid pipelines inspected through ILIs, pressure tests, direct assessments, or other technologies are provided below.

<table>
<thead>
<tr>
<th>Percentage of natural gas pipelines inspected(a)(b)</th>
<th>Year Ended December 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 %</td>
<td>19 %</td>
</tr>
<tr>
<td>20 %</td>
<td>20 %</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percentage of hazardous liquid pipelines inspected(a)(b)(c)</th>
<th>Year Ended December 31</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 %</td>
<td>27 %</td>
</tr>
<tr>
<td>28 %</td>
<td>28 %</td>
</tr>
</tbody>
</table>

(a) For segments of pipe that are inspected more than once for the same types of anomalies during the same calendar year, the mileage inspected used in this calculation is counted once. In some limited instances where multiple inspections for different types of anomalies are conducted on the same segment in the same year, the mileage for each inspection is counted separately.

(b) The GIS pipeline mileage used to calculate the percentage of natural gas and hazardous liquid pipelines inspected is as of the first quarter of 2021.

(c) Includes pipeline inspection data from TMPL, Puget Sound pipeline system, and Kinder Morgan Canada Inc. up to the sale date of August 31, 2018 and the U.S portion of the Cochin Pipeline and KML up to the sale date of December 16, 2019.

From 2018 through 2020, over 32,500 miles of our natural gas pipelines and 8,900 miles of hazardous liquid pipelines were assessed using ILIs, pressure testing, or direct assessments.

12.6 Rail Transportation Operational Safety - Accident and Non-Accident Releases and FRA Recommended Violation Defects

(SASB Midstream EM-MD-540a.3, SASB Rail Transportation TR-RA-540a.2, SASB Rail Transportation TR-RA-540a.3)

We operate liquids and bulk products rail loading and unloading facilities across our Natural Gas Pipelines, Products Pipelines, and Terminals business segments. We maintain business segment and site-specific procedures for the safe, efficient, and compliant operation of the facilities and loading and/or unloading of rail cars.

Release events from rail cars can fall into two categories. Accident releases are those that result from derailment, collision, or other rail-related accidents. Non-accident releases are those that occur when there is no derailment, collision, or other rail-related accidents.

Accident and non-accident releases and alleged FRA recommended violation defects usually occur at rail yards not owned or operated by us, many of which are several hundred miles from our facility where a rail car was loaded or unloaded. We may be listed as the shipper or carrier on the required reporting form, depending on our involvement in the shipping process. In most cases, we do not own or transport the rail car, nor do we own the product contained within the rail cars.

Unintentional releases of hazardous material from rail cars can occur for many reasons, such as defective equipment, tampering, or human error. If there is a release while we are in possession of the rail car, we employ the emergency response procedures that are described in Section 6.3 Hydrocarbon Spills of the Sustainability Report.

FRA recommended violation defects include matters such as loose bolts, valves, or plugs, defective safety equipment, such as gaskets or pins, and in some cases, vapor releases from loose equipment. If a vapor release occurs at one of our facilities, it is promptly mitigated by personnel at our rail yards. Any defective or loose equipment identified at our facilities is promptly corrected.
Relocation Assistance
We provide relocation assistance to eligible employees to provide career development opportunities that may become available at our other locations.

16.0 Community Relations

16.1 Processes to Manage Risks and Opportunities Associated with Community Rights and Interests (SASB Exploration & Production EM-EP-210b.1, GRI 413-1)

Our neighbors, communities, and local governments play an important role in how we conduct our business. We live, work, and play in these communities. Our policies are designed to facilitate our building trust and fostering collaboration within the communities in which we operate, including our commitment to:

- community engagement,
- respect,
- transparency and responsiveness,
- negotiate in good faith,
- training,
- fairness, and
- responsible construction.

We engage our leadership and deploy resources to help us fulfill these requirements. Our internal Corporate Communications and Public Affairs department helps develop and implement our community relations strategies to reach a variety of stakeholders identified through stakeholder mapping. Our internal community consultation guidelines recognize that it is important to identify project stakeholders, determine and monitor their needs and expectations, and then work with them on meeting those needs and expectations as appropriate. In addition, project-specific team members help fulfill our commitment to communicate and work with communities in an effort to build trust and foster collaboration. Our Public Affairs team provides insights, guidance, and resources to operations and project-specific employees.

As described in Section 6.1 Environmental Management Policies and Practices for Active Operations of the Sustainability Report, we take our local stakeholders’ concerns and feedback into consideration during the development of our growth projects and follow our construction and mitigative procedures that take into account plans to minimize impacts to nearby residents. This process helps address potential issues prior to the start of construction. During construction we also consult with stakeholders directly affected by our operations. This dialogue is intended to help us resolve issues as they arise or, better still, prevent issues from arising in the first place. Information about the additional ways we engage with stakeholders is described in Section 16.1.1 Stakeholder Engagement and Consultation Mechanisms of the Sustainability Report.

We participate in industry trade associations to further communicate the benefits of our customers’ products and our services. We serve on communications committees where we assist in the development of communication materials that address topics such as:

- safety,
- construction,
- restoration activities,
- environmental considerations, and
- the social and economic benefits of the industry.
For more information, see our Community Relations Policy at https://www.kindermorgan.com/WWWM/media/Documents/Community_Relations_Policy.pdf.

16.1.1 Stakeholder Engagement and Consultation Mechanisms
(GRI 102-21, GRI 102-43)

We strive to build and maintain healthy relationships throughout the areas where we operate. Many of our Community Relations Policy commitments are accomplished through ongoing stakeholder engagement and consultation.

We have helped develop, establish, and promote industry best practices for stakeholder engagement. We are committed to making stakeholder engagement a priority on our projects.

For certain new projects, our Corporate Communications and Public Affairs department develops a project-specific outreach and stakeholder engagement plan and timeline to notify stakeholders early about the project and to open and establish lines of communication. We respond to stakeholder feedback on each project and incorporate that feedback into the project planning process, including community engagement and community development planning.

We offer stakeholders a variety of ways to contact us about major growth projects, such as project specific:

- toll-free phone numbers,
- email addresses,
- websites,
- public meetings, and
- in-person meetings.

Throughout a project’s timeline, our personnel may interact with a wide array of stakeholders, including:

- elected officials,
- media outlets,
- landowners,
- local citizens groups,
- indigenous peoples,
- protesters, and
- other members of the public.

We have systems in place for communicating with these different interest groups and training in place for project employees and contractors to prepare them for interactions with varying audiences. Initial project briefings and training sessions educate employees and contractors on communication procedures and resources. This training also provides:

- an overview of our company,
- an overview of the project, and
- the project’s purpose and benefits.

The training reiterates the importance of being a good neighbor in the communities where the project is located. We also provide instructions for accessing relevant project personnel when needed to respond to specific stakeholder questions.
A summary of the ways we regularly engage and consult with stakeholders is provided below, including in the stages before, during, and after the construction of projects.

<table>
<thead>
<tr>
<th>Landowners</th>
<th>Community Members</th>
<th>Emergency Responders</th>
<th>Government and Regulators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Town halls and open houses</td>
<td>Town halls and open houses</td>
<td>In-person meetings</td>
<td>Regulatory filings</td>
</tr>
<tr>
<td>In-person meetings</td>
<td>In-person meetings</td>
<td>On-line emergency responder training</td>
<td>Public policy and legislative issue engagement</td>
</tr>
<tr>
<td>Home and site visits</td>
<td>Project websites</td>
<td>Facility tours</td>
<td>Industry group involvement</td>
</tr>
<tr>
<td>Project websites</td>
<td>Social media</td>
<td>Emergency response tabletops and exercises</td>
<td>Facility tours</td>
</tr>
<tr>
<td>Social media</td>
<td>Community investment programs</td>
<td>The Responder E-newsletter</td>
<td>In-person meetings</td>
</tr>
<tr>
<td>Public awareness communications</td>
<td>Employee volunteer projects</td>
<td>Emergency Response Plans</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Partnerships with local and regional organizations</td>
<td>Public awareness communications</td>
<td></td>
</tr>
</tbody>
</table>

For our larger projects, we often also create project-specific websites. We provide contact information on our webpage where stakeholders can obtain further information if they have a question or concern about a projects’ development or operation.

16.1.1.1 Public Awareness Program

Keeping our communities safe is of utmost importance and we use our Public Awareness Program to keep local stakeholders informed about pipeline safety.

Our Public Awareness Program is designed to:

- create public awareness about pipelines in the areas where we operate,
- provide important safety information to people living and working near our pipelines,
- increase knowledge of the regulations for working around pipelines,
- prevent damage to our pipelines,
- educate first responders and the public on our emergency preparedness response activities, and
- enhance public safety.

Our program was developed under federal pipeline safety regulation consultation guidelines. Our program is an example of our ongoing stakeholder consultations in which we engage with, provide information to, and receive feedback from our stakeholders.

As part of our outreach plans, we target communications to the following stakeholder groups:

- residents,
- business owners,
- farmers and ranchers,
- schools,
- contractors, and
- government officials.

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Our program advocates pipeline safety and safe digging practices to the public through multiple avenues, including:

- brochures;
- newsletters;
- newspaper, magazine, radio, and television advertisements;
- direct mail;
- social media;
- direct contact; and

We tailor the type, language, and formatting of our communications to the target audience, message to be delivered, and best practices for the selected medium.

To manage our program’s engagement strategy, we maintain a Public Awareness Program evaluation plan that includes measures for evaluating effectiveness. For example, we track our stakeholder engagement interactions and our responses to requests for information. On average, we receive over 300 requests for information about our assets each year. We also receive requests for training and safety information from emergency responders.

To assess the effectiveness of our program, we conduct public awareness surveys. We evaluate whether our public awareness actions are achieving the following intended goals and objectives:

- information is reaching the intended stakeholder audiences;
- recipient audiences understand the messages being delivered;
- recipients are motivated to respond appropriately in alignment with the information provided; and
- the program is impacting the underlying intended results, such as reduction in the number of incidents caused by third-party damage.

We also conduct audits to assess the program and identify program improvements and changes.

We place a high value on public safety and seek to educate the public to increase their:

- awareness of pipeline locations,
- understanding of potential hazards from an unintentional release, and
- ability to identify and respond to a potential release.

In addition to our Public Awareness Program, our project-specific emergency response plans detail how to communicate with external stakeholders to more effectively resolve potential concerns quickly and safely.

For more information about our Public Awareness Program, see our website at https://www.kindermorgan.com/Safety-Environment/Public-Awareness/Index.

For more information about our Responder E-newsletter, see our website at https://www.kindermorgan.com/Safety-Environment/Public-Awareness/The-Responder.

**16.2 Social Investment Programs**  
(GRI 102-12, GRI 201-1, GRI 203-1, GRI 203-2)

We are committed to giving back to the communities in which we operate. We actively look for opportunities for our employees to get involved in community programs and strengthen their relationships with our stakeholders.
Connect.Inspire.Give
In 2018 we launched a redesigned volunteer program that includes additional volunteer opportunities in the local community, including collection drives for school supplies, toys, pet food, and other community needs.

Our volunteer program schedule includes many diverse events such as:
- fun runs benefiting non-profits,
- repairing homes for the elderly and disadvantaged,
- working at a food pantry,
- restoring parks and trails,
- feeding the homeless community, and
- working with Special Olympics athletes.

The goal of our program is to enable employees to connect with each other across various departments, learn more about their communities, improve morale, and develop new skills while working toward the common goal of improving peoples’ lives. For example, in 2020, we were part of a multi-organizational effort to host the Charlton-Pollard Trash Bash, where our employees contributed to the removal of nearly 1,500 pounds of trash in a Beaumont, Texas neighborhood. We hope that the organizations we support through these efforts inspire employees to give their time, talent, and donations.

Community Investments
We are committed to investing in the communities in which we operate. We budget funds annually to distribute to community organizations and initiatives across our business segments and operating regions. The community organizations receiving these contributions typically fit into one of the following categories:
- public safety and emergency response,
- children’s educational or athletic programs, or
- environmental sustainability and education.

We also have made contributions to local organizations supporting recovery efforts from natural disasters.

In addition to the community investments made on behalf of the business segments, we also make community investments in areas where major growth projects are proposed or under construction. Recipient organizations are identified in coordination with local stakeholders in the project area including elected officials and local NGOs.

Below are some of the organizations to which we contributed in 2020:
- Blanco County Services - donated funds to county road repairs and maintenance and to the Peyton Colony School Trust
- Fredericksburg School District and Fire Department - donated a learning lab and renovations at Stonewall Elementary School
- Girl Scouts of Greater Chicago - supported local Girl Scout Troops

Kinder Morgan Foundation
The Kinder Morgan Foundation’s mission is to provide today’s youth with opportunities to learn and grow in order to become tomorrow’s leaders. The Foundation’s primary goal is to help today’s science, math and music students become the engineers, educators, and musicians who could support our diverse
communities for many years to come. The Foundation provides donations through four types of programs, including:
- Kinder Morgan Foundation grants,
- Employee gift matching,
- Disaster relief assistance, and
- United Way employee gift matching.

These programs are described in more detail below.

*Kinder Morgan Foundation Grant Program*

The Kinder Morgan Foundation grant program focuses exclusively on academic education and the arts. These grants support programs that benefit under-served youth, with a focus on minorities and girls, and a majority of the contributions are directed to STEM programs. The Kinder Morgan Foundation’s target is to donate more than $1 million to qualifying 501(c)(3) organizations in the U.S. each year.

In 2019, the grant program was updated to target communities in select locations across the U.S. that are densely populated, include high concentrations of our employees and customers, and were in close proximity to our main offices. In 2020, the Kinder Morgan Foundation issued grants to 97 organizations that provide educational, arts, and cultural programs. These organizations originally estimated that they could collectively serve approximately 2.1 million students, although the actual number of students served may have been less due to the pandemic. The contributions provided by the Kinder Morgan Foundation are typically used to provide direct support to a specified number of students or as general funding for the organization to support activities throughout the donation year. The grants ranged from $5,000 to $20,000 per qualifying organization.

*Employee Gift Matching Program*

The Kinder Morgan Foundation also funds our Employee Matching Gift Program. This program matches gifts made to university foundations, kindergarten through 12th grade education foundations, non-profits that support arts and culture, and STEM education programs benefiting underserved youth, such as minorities and females, in primary and secondary schools. Our full-time employees are eligible to designate up to three employee matching grants to be donated to qualifying organizations, totaling a maximum of $2,000 per calendar year.

*Disaster Relief Program*

The Kinder Morgan Foundation provides disaster relief assistance to organizations when natural disasters significantly impacts our operations or employees. These funds are awarded based on the size and scale of the disaster and the needs assessed by local operations. In 2018, 2019, and 2020, the Foundation donated to the Greater Houston Community Foundation for recovery efforts related to Hurricane Florence, Tropical Storm Imelda, and Hurricane Laura, respectively. Additionally, in 2020, we contributed $250,000 to COVID-19 response and recovery programs across the U.S.

*United Way Employee Gift Matching Program*

The Kinder Morgan Foundation matches 50% of each employee’s donation made during the company’s annual United Way campaigns.
The Kinder Morgan Foundation donations, employee donations, and corporate and project-related community investments are provided below.

<table>
<thead>
<tr>
<th>Kind Morgan Foundation donations</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>$1,030</td>
<td>$1,084</td>
<td>$782</td>
</tr>
<tr>
<td>Employee Matching(a)</td>
<td>105</td>
<td>103</td>
<td>114</td>
</tr>
<tr>
<td>Disaster Relief</td>
<td>87</td>
<td>83</td>
<td>326</td>
</tr>
<tr>
<td>United Way(a)</td>
<td>135</td>
<td>111</td>
<td>224</td>
</tr>
<tr>
<td>Subtotal</td>
<td>1,357</td>
<td>1,381</td>
<td>1,446</td>
</tr>
<tr>
<td>Employee donations(b)</td>
<td>374</td>
<td>326</td>
<td>562</td>
</tr>
</tbody>
</table>

**Community investments**

| Donations made to Native American tribes(c) | 255 | 262 | 266 |
| Other community investments                | 337 | 254 | 1,696 |
| Total                                        | 592 | 516 | 1,962 |

(a) These are donations made by the Kinder Morgan Foundation and do not include employee contributions.
(b) Employee donations include donations made through the employee matching program and to the United Way.
(c) Scholarships made to Native American tribes are for the calendar year applicable, per the grant agreement.

### 17.0 Human Rights and Rights of Indigenous Peoples

#### 17.1 Human Rights


We conduct our business consistent with the human rights philosophy expressed in the International Labor Organization Declaration on Fundamental Principles. We believe supporting fundamental human rights to be a basic responsibility in conducting our business. We support the United Nations Global Compact Human Rights Principles, derived from the United Nations Universal Declaration of Human Rights, which are:

- Principle 1: businesses should support and respect the protection of internationally proclaimed human rights, and
- Principle 2: businesses should make sure they are not complicit in human rights abuses.

We prohibit the use of child labor or forced labor in our operations in the U.S., Canada, and Mexico. Our employees and contractors, with the exception of some interns, must be at least 18 years of age.

We also recognize and respect our employees’ and suppliers’ rights to join associations for the purpose of collective bargaining in a manner that is consistent with laws, rules, regulations, and customs.

Our employees, consultants, contractors, suppliers, vendors, and business partners are expected to:

- treat people with dignity,
- respect human rights,
- adhere to standards of conduct consistent with our Code of Business Conduct and Ethics when conducting company-related business activities, and
- adhere to our Human Rights Statement.
Within the areas of our activity and influence, we are committed to:

- being attentive to concerns raised by stakeholders,
- working with stakeholders to support human rights, and
- providing remedies to correct negative human rights impacts.

For more information, see our Human Rights Statement at https://www.kindermorgan.com/WWKM/media/Documents/Human_Rights_Statement.pdf.

17.2 Rights of Indigenous Peoples
(SASB Exploration & Production EM-EP-210a.3)

We respect the diversity of culture and unique history of Indigenous Peoples. We strive to build long-term relationships and commercial partnerships with Indigenous Peoples through meaningful engagement based on mutual respect. In the course of our projects and operations, we conduct business with Indigenous Peoples consistent with our Code of Business Conduct and Ethics and our Indigenous Peoples Policy. We recognize the legal and constitutional protected rights of Indigenous Peoples. We engage in good faith with community members while communicating and cooperating with affected Indigenous Peoples. We are committed to:

- participating in good faith engagement;
- continuing to partner with community members in suitable employment opportunities, as well as education, commercial, and community development opportunities;
- identifying opportunities to support youth, education, culture, and the environment; and
- negotiating in good faith with indigenous and government entities.

Listening & Responding
We strive to operate and grow in a socially and environmentally responsible way. We work to establish positive interactive relationships with Indigenous Peoples who have, or claim to have, an ancestral interest in lands affected by our operations or projects. We communicate early and often with these affected Indigenous groups and National tribal experts. We listen to and engage with Indigenous Peoples through one-on-one, group, and public meetings.

In 2020, we worked with a federally recognized tribe on a portion of our PHP project right-of-way that crossed ancestral tribal lands. After listening to the concerns of the tribe, we invited tribal members to serve as Monitors during the construction process and to help oversee the protection of the tribe’s ancestral land.

Right-of-way Renewals
We have a long history of working with Indigenous groups when renewing right-of-way grants. These renewals occur approximately every 20 years. We understand that the needs of Indigenous members and organizations change over time, so we begin our renegotiations for right-of-way renewals approximately 18 to 24 months in advance of expiration. During negotiations, we engage with:

- current Tribal leaders,
- Tribal heads of Operations,
- Tribal Engineering,
- Tribal Finance,
- Tribal Legal,
- Bureau of Indian Affairs liaison, and
- other Tribal representatives the Tribe deems appropriate.
**Open Houses**
One of the primary ways we meet with and listen to communities, including Indigenous Peoples, that may be impacted by one of our projects, is by holding project open houses. Open houses are publicized locally, and we encourage individuals or groups with an interest in our projects to attend these meetings.

**Walk the Route**
During planning for certain projects, we invite the members of Indigenous groups, with interests in a specific project, to walk the project site or route with us to identify anything of special interest to their specific Indigenous group. For the interests identified, we have meaningful consultation with the affected Indigenous group to listen to the history and importance of the matters identified and agree on the best path forward. These matters may include:
- insects, birds, and animals;
- plants;
- sacred sites, including stone formations, and;
- historical and cultural resources.

**Employment and Community Development**
For our projects, we work to meet or exceed compliance with the respective Tribal Employment Rights Ordinances and Native American Preference law in offering Indigenous community members employment opportunities as available. We also meet with Tribal leaders to discuss other possible educational, commercial, and community development opportunities.

Over the past three years, we have donated over $783,000 to Native American tribes with whom we do business. These contributions include scholarships and donations to local fire departments. Our donation amounts to these tribes are included in Section 16.2 Social Investment Programs of the Sustainability Report.

**Maintaining Relationships**
We maintain positive, long-term relationships even after a project is in service or right-of-way renewals have been finalized. We achieve this by:
- holding public awareness and first responder meetings in Indigenous communities,
- having Tribal representatives meet with our executives and visit our facilities,
- making presentations to Tribal classrooms on our energy business,
- participating in Tribal Feast Day events, and
- awarding scholarships as provided in right-of-way agreements.

**Public Participation in Indigenous Matters**
Our employees are participants in industry conferences, Bureau of Indian Affairs conferences, and Tribal Organization conferences. We not only attend these events, but also participate as speakers and panel members. We also consult regularly on matters affecting National Tribal law and practices.

For more information on how we build long-term relationships and commercial partnerships with Indigenous Peoples, see our Indigenous Peoples Policy. For an example of how we operationalize our Indigenous Peoples Policy, see our Respecting Indigenous Peoples and Communities case study video and fact sheet at [https://www.kindermorgan.com/Safety-Environment/ESG](https://www.kindermorgan.com/Safety-Environment/ESG). This policy and case study demonstrate our commitment to the social, economic, and cultural rights of Indigenous Peoples, reflecting the spirit of the ILO Convention 169 and the United Nations Declaration on the Rights of Indigenous Peoples.
As described in Sections 2.2 Management System and 12.3 Business Continuity Planning and Emergency Preparedness of the Sustainability Report, we work to continuously improve our processes and procedures for mitigating acute physical climate change risks. We routinely drill scenarios that include these acute risks. To further address chronic risks identified through the 4 °C Scenario analysis, we evaluated which of our assets could likely be affected by the rising sea levels projected in a 4 °C Scenario. As a result of this analysis, we reviewed our engineering standards and made adjustments, where warranted, to address potential future risk due to rising sea levels, changes in tidal patterns, wildfires, hurricanes, and other extreme weather events.

3.0 Risk and Opportunity Management

Our management system is designed to help us monitor and assess various types of risks and opportunities, including those related to climate. We identify and evaluate risks and opportunities based on both actual and potential likelihood and significance. Depending on the nature of the risk or opportunity being considered, we evaluate consequences based on a variety of attributes such as:

- health and safety,
- financial,
- operational, and
- environmental.

Our management system promotes continuous improvement and adjustment to changing conditions, including actual and potential risks and opportunities in the near-, medium-, and long-term. This integrated and comprehensive approach helps facilitate resiliency in our assets and business strategy.

Our management system establishes intentional, routine risk and opportunity management activities that are designed to achieve the following objectives:

- maintain financial and operational discipline;
- reveal and manage risks and opportunities, increasingly including climate-related risks and opportunities; and
- continually improve our performance and culture.

Our management system processes and procedures are performed through regular meetings, processes, and reports that establish a rhythm for our business as outlined in the following table.
### Weekly

**Monday Management Meeting**
- Actual and forecasted financial performance vs. budget for the week, month, quarter, and year, which includes costs of compliance, fuel, energy, production, and public relations
- Demand for our services
- Near-term business development opportunities and risks
- General business risks and opportunities
- EHS and pipeline encroachment incidents
- Customer credit risk changes and accounts receivable activity for non-investment grade customers
- Impacts on business from weather, natural disasters, and other incidents
- Capital project progress

### Monthly

**Business Segment Operations Meeting**
- Progress toward reducing risk of high consequence assets and operations
- Internal and external incidents, near misses, and lessons learned
- Process improvements, efficiency, and productivity improvements
- Progress on expanding systems to more assets and operations, more operations goals, and more regulatory and other requirements
- Leading indicators and their meaning
- Significant results of internal and external audits, evaluations, and assessments, including status of corrective actions
- Stakeholder feedback
- Other key performance indicators

**Earnings Meetings**
Review actual financial results for the month and the quarter.

**Accounts Receivable Review Meeting**
Discuss collection status for past due accounts receivable balances.
### Meeting and Topics Covered

Each topic is covered as warranted and is not covered at every meeting. Other topics, not listed below, are also periodically covered. There are also additional regular meetings not listed below.

### Quarterly

**Quarterly Business Review for each business segment**

Respective business segment presidents, COOs, and function heads provide the CEO and President with a “state of the business” presentation.

- Financial performance
- Near-, medium-, and long-term
  - strategies
  - market dynamics and trends
  - risks and opportunities
- Commercial discussions
- Progress and plans for reducing risk to potential high consequence assets and operations
- Operational performance
- Expansion project updates
  - risks and opportunities
  - environmental and other permits and related compliance activities
  - financial performance vs. forecast and budget
    - forecasted project capital expenditures
    - forecasted project EBITDA
    - estimated in-service date
  - milestone completion dates and projected in service date
  - safety
  - quality
  - regulation
  - project opposition
  - impacts from weather, natural disasters, and other incidents
  - supply chains
- The status and effectiveness of corrective actions resulting from previous management reviews
- Regulatory and litigation updates
- These reviews may also include a long-range outlook financial projection and a less comprehensive review on other subjects

**Operations Group Meeting**

COO and Business segment COOs share knowledge and best practices across business segments and review progress on actions taken to improve safety and performance.

- Proposed best practices across business segments
- Conflicts in interpretations of regulatory requirements identified by the EHS or legal departments
- Proposed modifications to the OMS
- Updates from operations working groups
- Internal and external incident and near miss trends and lessons learned

**Operations Working Group Meetings**

- Operational considerations and regulatory risks
  - Incident Review
  - OMS adjustments
  - Security
  - Disaster Preparation, Response and Recovery
  - Regulatory Compliance
  - Compliance Systems
  - Process Safety Management/Risk Management Plans

### Personnel Involved in Process

- CEO, President, COO, Business Segment and Operating Company Presidents, CFO, CAO, General Counsel, Corporate Department Management, Business Segment COOs, Department Vice Presidents and Directors

- COO, Business Segment COOs, Working Group Leads

- Subject Matter Professionals
### Meeting and Topics Covered

Each topic is covered as warranted and is not covered at every meeting. Other topics, not listed below, are also periodically covered. There are also additional regular meetings not listed below.

<table>
<thead>
<tr>
<th>Periodically</th>
<th>Annually</th>
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<tbody>
<tr>
<td><strong>Long-Range Outlook Update</strong></td>
<td><strong>Budget Review</strong></td>
</tr>
<tr>
<td>– Five-year projections of:</td>
<td>– CEO, President, COO, Business Segment and Operating Company Presidents, Business Segment COOs, CFO, General Counsel, Corporate and Business Segment Financial Planning</td>
</tr>
<tr>
<td>– Revenue</td>
<td>– Manager level and above</td>
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<tr>
<td>– Capital expenditures</td>
<td></td>
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<tr>
<td>– Operating expenses</td>
<td></td>
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<tr>
<td>– Distributable cash flow, EBITDA, and segment EBDA</td>
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<tr>
<td>– Adjust budget for projects, contract changes, etc.</td>
<td></td>
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<tr>
<td>– Translate to an annual plan</td>
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</tbody>
</table>

In addition to our management system, to address certain risks we maintain other risk management programs and processes, such as:

- Energy commodity price risk management and mitigation program,
- Process Safety Management/Risk Management Plans,
- IMP,
- Responsible Care®,
- Cyber Threat Response Plan, and

### 4.0 Metrics and Targets

#### 4.1 Climate-Related Metrics


See Section 3.0 Greenhouse Gas Emissions of our Sustainability Report for our metrics to measure climate-related risk and opportunities.
4.2 Scope 1, Scope 2, and Scope 3 GHG Emissions

See Section 3.1 Gross Global Scope 1 and 2 Emissions, Percentage Methane, Percentage Covered under Emissions-Limiting Regulations of our Sustainability Report for our gross global Scope 1 and 2 GHG emissions.

4.3 Climate-Related Targets
(CDP C4.1, CDP C4.1a, CDP C4.1b, CDP C4.2)

See Section 3.4.3 GHG Targets of our Sustainability Report for our climate-related targets.
February 14, 2022

BY ELECTRONIC MAIL (shareholderproposals@sec.gov)

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: Kinder Morgan, Inc. – Withdrawal of No-Action Request with Respect to the Shareholder Proposal Submitted by As You Sow.

Ladies and Gentlemen:

This letter is submitted by Kinder Morgan, Inc. (the “Company”), pursuant to Staff Legal Bulletin No. 14 (July 13, 2001), to notify the Staff of the U.S. Securities and Exchange Commission (the “Commission”) that the Company hereby withdraws its no-action request submitted to the Commission (via email to shareholderproposals@sec.gov on January 11, 2022) with respect to the shareholder proposal and statements in support thereof (the “Proposal”) submitted by As You Sow (the “Proponent”). Pursuant to a letter agreement between the Company and the Proponent dated February 11, 2022, a copy of which is attached hereto as Exhibit 1, the Proponent has withdrawn the Proposal.

Should the Staff have any questions or require further information, please feel free to contact me at Catherine_James@kindermorgan.com.

Sincerely,

[Signature]

Catherine James
Vice President and General Counsel

cc:

Bracewell LLP

711 Louisiana Street
Suite 2300
Houston, Texas 77002
Attn: Troy L. Harder
Phone: (713) 221-1456
E-mail: Troy.Harder@bracewell.com
Proponent

As You Sow
2020 Milvia St., Suite 500
Berkeley, CA 94704
Attn: Olivia Knight
E-mail: oknight@asyousow.org
shareholderengagement@asyousow.org

Shareholder

Warren Wilson College
701 Warren Wilson Road
Swannanoa, NC 28778
Attn: Benjamin Linthicum
E-mail: [redacted]
Exhibit 1

Copy of Letter Agreement (Withdrawal Agreement)
between Kinder Morgan, Inc. and Proponent
Kinder Morgan, Inc.
Attn: Adam S. Forman
Vice President and Secretary
1001 Louisiana Street
Houston, Texas, 77002

Re: Withdrawal of 2022 climate justice shareholder proposal

Dear Kinder Morgan team,

As You Sow appreciates the constructive dialogue we have had with Kinder Morgan regarding the requested report on emissions monitoring from its facilities and potential ways to mitigate impact on local communities. Following As You Sow's submission of the Resolution, and several dialogues, we have agreed to the following:

Kinder Morgan's Actions:

Kinder Morgan agrees to undertake the following actions:

- Kinder Morgan will conduct ongoing meetings throughout 2022 with community representatives from the Dutchtown area (including, Dutchtown South Community Corporation) based in St. Louis, Missouri, in a manner consistent with how Kinder Morgan engages with similar stakeholders, to discuss community concerns regarding the Kinder Morgan terminal located in the industrial area across an interstate highway from Dutchtown. The Company will keep As You Sow updated and informed on progress and outcomes every three months beginning in February 2022.

- Kinder Morgan will create a community engagement webpage on the Company’s corporate website to act as a resource for communities seeking to contact the company, on or by, October 21st, 2022. The page will include, but is not limited to:
  - A summary of Kinder Morgan’s community engagement process.
  - A statement about the Company’s commitment to community engagement efforts.
  - Contact information for the Kinder Morgan’s public affairs group.

As You Sow’s Actions:

In exchange for Kinder Morgan’s agreement to undertake the actions described above, As You Sow agrees to withdraw its shareholder proposal and agrees that such proposal need not appear in Kinder Morgan’s 2022 proxy statement.

As You Sow can release a public statement regarding Kinder Morgan’s actions. Both As You Sow and Kinder Morgan each will have sign-off on the final language of the release and will work collaboratively to coordinate on any media inquiries.
This agreement will become effective on the date the last party below executes this agreement.

Andrew Behar, CEO
As You Sow

Kinder Morgan, Inc.

Adam S. Forman
Vice President and Secretary

02/11/2022
Date

2/9/2022
Date