

# EMPOWERING EVOLUTION



ESG Report  
Calendar Year 2020



## ABOUT EQT AND THIS REPORT

# LETTER FROM THE CHIEF EXECUTIVE OFFICER

102-14 ▾

Dear Stakeholders,

2020 was a transformational year — not just for EQT, but for our entire way of life. The COVID-19 global pandemic forced the world to stop and meaningfully reassess priorities. We at EQT are no different in this regard than most of you. We used the pandemic to reassess “what’s working” and “where can we do better.” With respect to environmental, social and governance (ESG) matters specifically, we saw tremendous renewed interest from our stakeholders on our approach to climate strategy, reducing greenhouse gas (GHG) emissions and addressing how EQT fits into a low carbon economy. We took this feedback and developed an impactful ESG strategy that works hand-in-hand with our corporate strategy and includes measurable short-, mid- and long-term goals to objectively assess whether we are delivering on our ESG promises. In short, we are turning our vision into reality and executing on our mission to be the operator of choice for all stakeholders.

I am pleased to share *Empowering Evolution*, EQT’s 2020 annual ESG Report produced under disclosure frameworks maintained by the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), Disclosing the Facts (DTF) and the American Exploration and Production Council (AXPC). This report outlines our 2020 operational data, environmental and governance disclosures and our social outreach efforts. Notably, we have added new disclosures under two additional ESG reporting frameworks this year — AXPC and TCFD. We believe AXPC’s recently established ESG framework is useful in that it allows our stakeholders to compare metrics across the industry using a standard language and measurement. With respect to TCFD, we have worked with various stakeholders, including our employees, the investment community, non-governmental organizations, academia and environmental consultants to develop an ESG strategy for addressing climate change in alignment with TCFD’s disclosure framework, and we are proud to publicly share this strategy for the first time in this report.

Coming into the organization in 2019, our executive team’s initial focus was on evolving our operations, organization and technology in order to optimize efficiency and ensure we are maximizing our human capital and assets. We successfully executed foundational changes in 2019 to further this strategy, including repositioning our operations to execute on combo-development, implementing a digital work environment across our organization and electrifying our frac fleet through the transition to next-generation electric hydraulic fracturing fleets. These initiatives began to pay dividends in 2020.

Approximately 80% of our Marcellus wells are now set for combo-development, and for the full year 2020, our Pennsylvania Marcellus well costs averaged approximately \$675 per foot — approximately 8% below our projected target. Comparing year-end 2020 to year-end 2018, we reduced our Production segment Scope 1 GHG emissions by approximately 32%, Production segment Scope 1 GHG emissions intensity by approximately 33%, capital expenditures by over 60%, contractor work hours by over 50% and trucks on the road by 53%.

While delivering on our promises with respect to our operations, organization and technology in 2020, we also continued our evolution, specifically with respect to our ESG efforts. In 2020, we established a management-level ESG Steering Committee to oversee and promote the development and execution of our ESG strategy. This Committee, which reports to both our Board-level Public Policy and Corporate Responsibility Committee and Corporate Governance Committee, is comprised of me, our Chief Financial Officer and our General Counsel, as well as other senior leaders representing functions impactful to our stakeholders. Our ESG Committee has been laser-focused on creating and overseeing the execution of several initiatives that will continue to ensure that EQT is a leader in ESG and plays a key role in the low carbon economy. The initiatives included:

- Entering into a pilot project with Project Canary/IES TrustWell to certify that the natural gas produced from two of our well pads is “responsibly produced natural gas”
- Entering into a project to obtain [Equitable Origin](#) and [MiQ](#) certification of natural gas produced from over 200 of our well pads, which collectively produce approximately 4.0 billion cubic feet per day in gross volume (approximately 4.5% of the total natural gas produced in the United States)
- Establishing a digital framework for capturing, analyzing and executing opportunities for enhancing our ESG performance, including developing tools in our digital work environment to measure, project and analyze emissions
- Publicly announcing our support of the use of the Congressional Review Act<sup>[1]</sup> to reinstitute [New Source Performance Standard \(NSPS\) 0000a rules](#)<sup>[2]</sup> with respect to methane emissions
- Joining the Oil and Gas Methane Partnership 2.0, a Climate and Clean Air Coalition initiative led by the UN Environment Programme, in partnership with the European Commission, the UK Government, the Environmental Defense Fund and other leading oil and gas companies

To further demonstrate that our impact on climate change is a priority for EQT, we tied our 2021 incentive compensation program to a targeted reduction in our Scope 1 GHG intensity, ensuring that our management team and employees have a direct financial interest in achieving our emissions reduction goals.

Additionally, the ESG Committee has been working diligently with our Board of Directors and stakeholders to develop a comprehensive ESG strategy with meaningful emissions reduction targets. We are pleased to share that we intend to pursue the following emissions reduction goals for our Production segment operations:

- Achieving net zero Scope 1 and Scope 2 GHG emissions by or before 2025
- Reducing our Scope 1 GHG emissions intensity to below 160 MT CO<sub>2</sub>e/Bcfe (representing an approximately 70% reduction compared to 2018 levels) by or before 2025
- Reducing our Scope 1 methane emissions intensity to below 0.02% (representing an approximately 65% reduction compared to 2018 levels) by or before 2025

At EQT, we embrace our responsibility as the largest natural gas producer in the United States, and we are confident that these goals will allow EQT to play a meaningful role in accelerating the sustainable pathway to a low carbon future.

Sincerely,



Toby Z. Rice  
President and Chief Executive Officer

<sup>[1]</sup> <https://www.washingtonpost.com/climate-environment/2021/04/28/methane-congressional-review-act/>

<sup>[2]</sup> <https://ir.eqt.com/investor-relations/news/news-release-details/2021/EQT-Issues-Statement-in-Support-of-Reinstating-Federal-Methane-Rule/default.aspx>





ABOUT EQT AND THIS REPORT

# CORPORATE PROFILE

## About EQT

102-2; 102-4; 102-5; 102-7; 102-10; 102-45 ▾

EQT Corporation (New York Stock Exchange: EQT) is a leading independent natural gas production company with operations focused in the cores of the Marcellus and Utica Shales in the Appalachian Basin, one of the lowest carbon-intensive and methane-intensive basins in the United States. We are dedicated to responsibly developing our world-class asset base and being the operator of choice for our stakeholders. By leveraging a culture that prioritizes operational efficiency, technology and sustainability, we seek to continuously improve the way we produce environmentally responsible, reliable, low-cost energy. We have a longstanding commitment to the safety of our employees, contractors and communities, and to the reduction of our overall environmental footprint. Our values are evident in the way we operate and in how we interact each day — trust, teamwork, heart and evolution are at the center of all we do.

Our mission is to realize the full potential of EQT to become the operator of choice for all stakeholders.

As the largest producer of natural gas in the country, we are responsible for producing the equivalent of over one minute of every hour of electricity consumed in the United States. At EQT, we embrace this responsibility, and we are dedicated to empowering evolution and enhancing the critical role that natural gas plays in the future energy mix, both domestically and abroad.

Our business model and corporate strategy are rooted in the tenets of technological innovation, data transparency and efficiency — maximizing the value derived from our assets while minimizing the impact of our operations on the environment. We strive to continuously improve the way we work, maintain a rewarding and collaborative workplace, and are committed to engaging our landowners and supporting the communities where we operate. Furthermore, we are focused on testing the boundaries of what is possible in operational performance, leveraging technological and human capital to execute our combo-development strategy, leading to a step-change in operational efficiency.



In 2020, we reduced our capital expenditures by approximately \$694 million, or 39% compared to 2019, while keeping sales volumes relatively flat at 1,498 billion cubic feet of natural gas equivalent (Bcfe). For the full year 2020, our Pennsylvania Marcellus well costs averaged approximately \$675 per foot — approximately 8% below our projected target. We expect our Pennsylvania Marcellus well costs to remain relatively constant going forward, and in 2021, we plan to transition more activity to our West Virginia Marcellus assets, with the primary objective of reducing our West Virginia Marcellus well costs. With 624 permanent employees as of December 31, 2020, we generated approximately \$3.1 billion in total operating revenues in 2020.

During 2020, we also executed certain strategic transactions aimed at solidifying our core inventory and acreage position. In May 2020, we sold certain non-strategic assets in Pennsylvania and West Virginia for an aggregate purchase price of approximately \$125 million in cash, subject to customary purchase price adjustments. The sold Pennsylvania assets included 80 Marcellus wells and approximately 33 miles of gathering lines; and the sold West Virginia assets included 809 conventional wells and approximately 154 miles of gathering lines.

Additionally, in the fourth quarter of 2020, we acquired upstream assets and an investment in midstream gathering assets located in the Appalachian Basin (collectively, the Chevron Assets) from Chevron U.S.A. Inc. (Chevron) for an aggregate purchase price of \$735 million, subject to certain purchase price adjustments (the Chevron Acquisition). The Chevron Acquisition closed on November 30, 2020, and had an effective date of July 1, 2020. Given that the Chevron Acquisition occurred late in our reporting year, we have generally excluded data from the Chevron Assets from this report; however, all year-end financial information and reserves and acreage data included in this report include the Chevron Assets. Additionally, we have included separate select environmental and production data pertaining to the Chevron Assets, annualized over 2020, as specifically indicated in this report.

Unless otherwise noted, all references to “EQT,” “EQT Corporation,” “we,” “our” or “us” in this report refer collectively to EQT Corporation and its consolidated subsidiaries, exclusive of the Chevron Assets.

## RELATED RESOURCES

[EQT Corporate Website](#) ➔

[2020 Form 10-K](#) ➔

[2021 Proxy Statement](#) ➔

[Corporate Profile](#) ➔

# Markets and Products

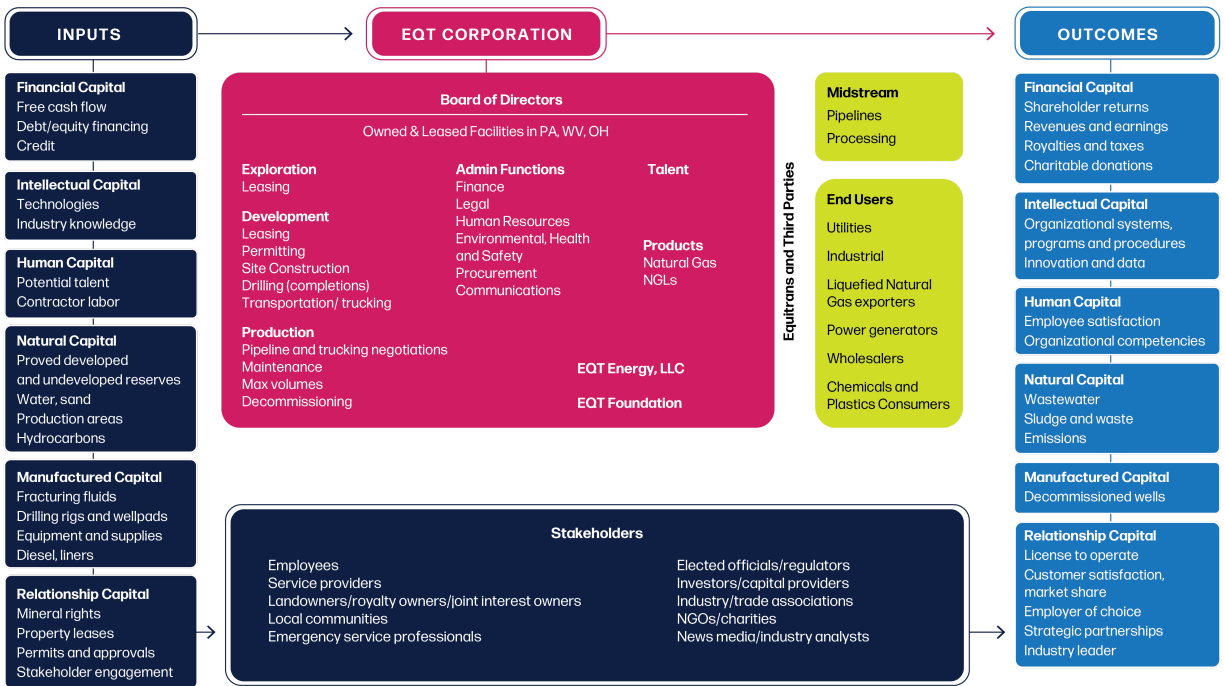
102-6; 102-9 ▾

The natural gas supply chain, from discovery to market delivery, is a complex series of activities. For end users to receive natural gas or natural gas-derived products, the resource must first be identified and produced. We have investments within this phase of the value chain, including drilling, completion, pumping and gas field service providers, casings for drilling and information technology products.

We produce natural gas and, to a lesser extent, natural gas liquids (NGLs) sold as a commodity to marketers, utilities, power generators and industrial customers in the Appalachian Basin and markets accessible through our current transportation portfolio, which includes markets in the Gulf Coast, Midwest and Northeast United States and Canada. As of December 31, 2020, approximately 60% of our sales volumes reach markets outside Appalachia. We also contract with certain processors to market a portion of our NGLs on our behalf.

In 2020, we spent approximately \$1.2 billion with over 1,250 suppliers. Of our total supplier spend, nearly 90% was spent inside our operational footprint while the remaining 10% went to suppliers outside our operating area. See [Community Impacts and Safety](#) for additional information.

Our value chain is shown below.



## RESERVES AND PRODUCTION

SASB EM-EP-000.A

The tables below show our 2018, 2019 and 2020 gross and net production data, using various standard industry denominations<sup>[1]</sup> for measuring volumes of natural gas, oil/condensate and NGLs. Although historically we have only disclosed our net production volumes, we have chosen to disclose both our gross and net production volumes in this report, as we believe that understanding our gross production is helpful in calculating certain intensity metrics.

### Gross Production<sup>[2]</sup>

	2018	2019	2020 (EQT)	2020 Annualized (Chevron Assets)
<b>Natural Gas</b>				
Bcfe	1,739	1,802	1,747	170
MBOE	289,814	300,293	291,248	28,316
MMcf	1,738,883	1,801,755	1,747,486	169,895
<b>Oil/Condensate</b>				
Bcfe	4	5	5	14
MBOE	680	820	761	2,259
Mbbl	680	820	761	2,259
<b>Total Gross Production</b>				
Bcfe	1,743	1,807	1,752	184
MBOE	290,494	301,113	292,009	30,575

In 2020, our daily gross production averages (excluding production from the Chevron Assets) were as follows (based on a 365-day year):

- Natural gas: 4,788 MMcf/day
- Oil/Condensate: 2 Mbbl/day

## Net Production<sup>[3]</sup>

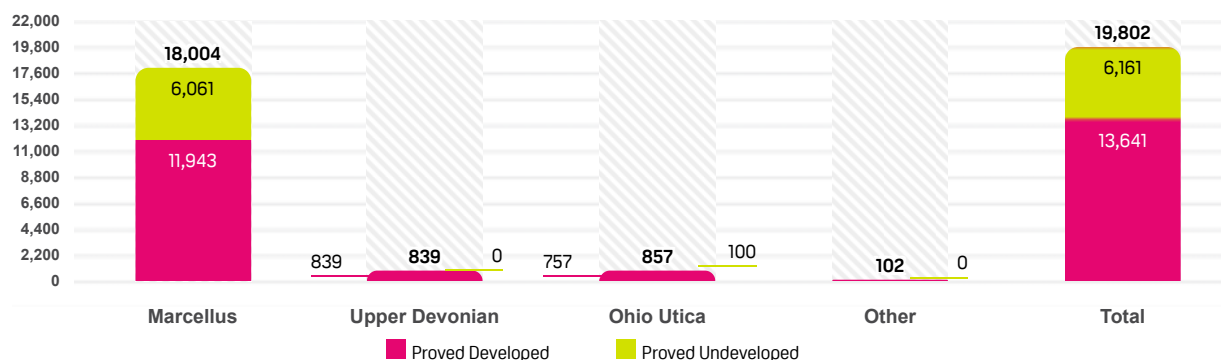
	2018	2019	2020 (EQT)	2020 Annualized (Chevron Assets)
<b>Natural Gas</b>				
Bcfe	1,387	1,435	1,409	122
MBOE	231,120	239,189	234,809	20,331
MMcf	1,386,718	1,435,134	1,408,852	121,977
<b>Oil</b>				
Bcfe	4	5	4	6
MBOE	680	822	699	924
Mbbl	680	822	699	924
<b>NGLs (including ethane)</b>				
Bcfe	97	68	72	24
MBOE	16,148	11,305	12,078	3,965
Mbbl	16,148	11,305	12,078	3,965
<b>Total Net Production</b>				
Bcfe	1,488	1,508	1,485	152
MBOE	247,948	251,316	247,586	25,220

In 2020, our daily net production averages (excluding production from the Chevron Assets) were as follows (based on a 365-day year):

- Natural gas: 3,860 MMcf/day
- Oil: 2 Mbbl/day
- NGLs: 33 Mbbl/day

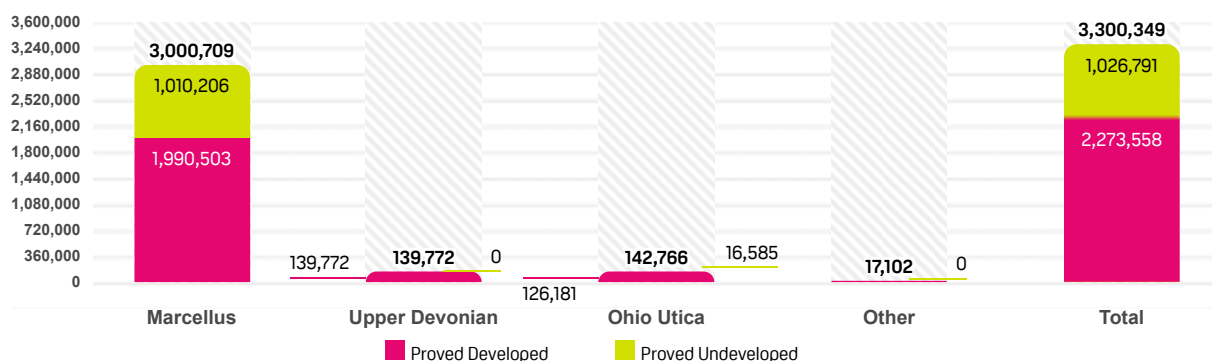
The following charts provide a breakdown of our proved natural gas, NGLs and crude oil reserves — the estimated quantity of economically producible hydrocarbons held within the formations where we operate. Our [2020 Form 10-K](#) provides an explanation of how we determine our reserves. As of December 31, 2020, we had 19.8 trillion cubic feet equivalent of proved natural gas, NGLs and crude oil reserves across approximately 1.8 million gross acres, including approximately 1.5 million gross acres in the Marcellus Shale.

### 2020 Proved Reserves (Bcfe)





## 2020 Proved Reserves (MBOE)



As a natural gas producer, our production process encompasses both producing and in-process wells, as outlined in the table below.

## 2020 Wells

	Gross	Net
Productive wells — natural gas	3,203	2,852
In-process wells — natural gas	392	373

As of December 31, 2020, we also owned and operated an insignificant number of high-pressure gathering lines. We had no productive or in-process oil wells as of December 31, 2020.

<sup>[1]</sup> Throughout this report, we use the following denominations to measure and disclose volumes of natural gas, oil/condensate and NGLs: MMcf = million cubic feet; Mbbl = thousand barrels of oil/NGLs; Bcfe = billion cubic feet of natural gas equivalent; MBOE = thousand barrels of oil equivalent. A conversion rate of 6 MMcf to 1 MBOE is used to convert MMcf to MBOE.

<sup>[2]</sup> "Gross Production" means gross wellhead production of natural gas and oil/condensate produced from all wells operated by EQT (or in the case of the Chevron Assets, Chevron), including volumes from EQT-operated wells subject to a third-party working interest. NGLs are derived from the processing of natural gas and are not directly produced from the wellhead. Therefore, our gross production of NGLs is effectively included in the volume of natural gas produced.

<sup>[3]</sup> "Net Production" is the amount of EQT's interest in volumes of natural gas, NGLs and oil from a well or property after giving effect to all third-party interests (i.e., 100% of the volumes from a well minus the percentage of volumes from the well associated with a third party's contractual rights to volumes from the well (known as a "working interest"), if any). Net production differs from gross production because net production includes EQT's working interest in wells that are not operated by EQT and also excludes volumes from EQT-operated wells that are attributable to a third-party's working interest in the well. All net production information related to natural gas is reported net of the effect of any reduction in natural gas volume resulting from the processing of NGLs.

# COVID-19 Response

In response to the outbreak of the COVID-19 global pandemic in 2020, we formed a COVID-19 Response Task Force comprised of our executive team and other key members of management that oversaw our efforts to ensure the safety of our employees and contractors while continuing operations.

Our Environmental, Health and Safety (EHS) team implemented enhanced safety policies and procedures for anyone visiting an EQT site, which we have continued to use in 2021. All individuals entering an EQT site are temperature checked and required to take a short health screening to prevent anyone feeling ill from coming on site. Any visitors that fail the health screening or have temperatures above the acceptable range are denied access to the location. Additionally, due to the large number of individuals visiting our sites from other states, we offer and require rapid COVID-19 tests before being permitted onsite. Our team also developed a tracing and accountability system for everyone on an EQT site, initially to assist in the event of a safety incident, which proved invaluable in enabling us to perform contact tracing during the pandemic. In 2020, we identified 20 traceable instances where individuals who had visited our field locations with a shack guard present tested positive for COVID-19. In response to these positive tests, our accountability system enabled us to notify over 700 companies and inform over 5,000 individuals about their potential exposure to COVID-19.

Our COVID-19 Response Task Force made the decision for our office-based employees to transition to a work-from-home environment beginning on March 16, 2020. To-date, our office-based employees have not returned to work in our offices. During this time, we have leveraged our digital work environment to enable our workforce to stay engaged and productive.

Our internal polling showed that 99% of responding employees have felt productive and connected while working from home, and 98% of respondents reported that they are as, or more, engaged working from home as they were while working in the office. We have also taken steps to increase the cleanliness of our offices that remain in use, in particular our field offices. In addition to our regular nightly cleanings, we contracted a disinfecting company to perform deep cleanings at all of our office locations on a weekly basis. In the event of a potential exposure, the building or site disinfecting company is notified to respond to that site and perform another deep cleaning.

We also recognize the importance of employee access to personal protective equipment (PPE) and COVID-19 testing. We have provided both field and office employees with proper PPE, including masks, Gator Guards, latex gloves and hand sanitizer, to protect themselves from COVID-19. Additionally, we created a centralized drive-up COVID-19 testing location.

In total, we have invested over \$660,000 in PPE, thermometers, temperature kiosks, weekly office and location deep cleanings and COVID-19 testing.



ABOUT EQT AND THIS REPORT

# SUSTAINABLE VALUE CREATION

## Natural Gas and the Global Economy

Natural gas represents a critical component of the domestic and global energy supply mix, as it is readily available, affordable and reliable. In the United States, the shale revolution has unlocked an abundant supply of low-cost natural gas. The benefits of the revolution have been meaningful, both in spurring the domestic economy and in maintaining reduced power and heating costs for consumers. One of the most meaningful benefits, however, has been the impact on greenhouse gas (GHG) emissions. According to the [U.S. Energy Information Administration](#), since 2007, energy-related domestic carbon dioxide emissions have declined at an average pace of 1.3% per year — principally attributable to the large-scale replacement of coal-fired power plants and increased use of natural gas and renewables.<sup>[1]</sup>

During this same period, the United States transitioned from a net importer to a net global exporter of natural gas.<sup>[2]</sup> Not only does the export of domestically produced natural gas allow the United States to limit the geopolitical influence of other major producers like Russia, it also allows the United States to leverage its robust regulatory environment — as well as the elevated level of transparency and the relatively low environmental impact of its operators — to justify and command a greater market share of the global energy supply mix, thereby increasing the U.S. impact on achieving global climate goals. We believe that our actions in seeking to obtain certifications for responsibly sourced natural gas add further credence to the case for domestically produced natural gas as a result of the amount of interest we have seen from potential international purchasers.

Furthermore, natural gas will continue to play an important role in the impact of energy on social equity locally, nationally and abroad. Our operations are principally concentrated in Southwestern Pennsylvania, Southeastern Ohio and Northern West Virginia — areas historically characterized as lower socioeconomic regions. Responsible development of natural gas has led to an infusion of a significant amount of capital in our operating areas, both to landowners and the broader communities, and has served as an engine for improving the quality of life in these regions, as described in Local Impacts. Our operations also positively affect disadvantaged groups in the United States.

### ACCELERATING THE LOW CARBON TRANSITION

TCFD: Strategy – a, b ▾

We recognize the risks and opportunities that climate change poses to our business and have developed a strategy for how we can best counter the effects of both transition and physical risks. This strategy is underpinned by our values; represents the short-, medium- and long-term opportunities for our organization; and is built on two foundational beliefs.



## *Belief 1: Natural gas is critical to accelerating a sustainable pathway to a low carbon future*

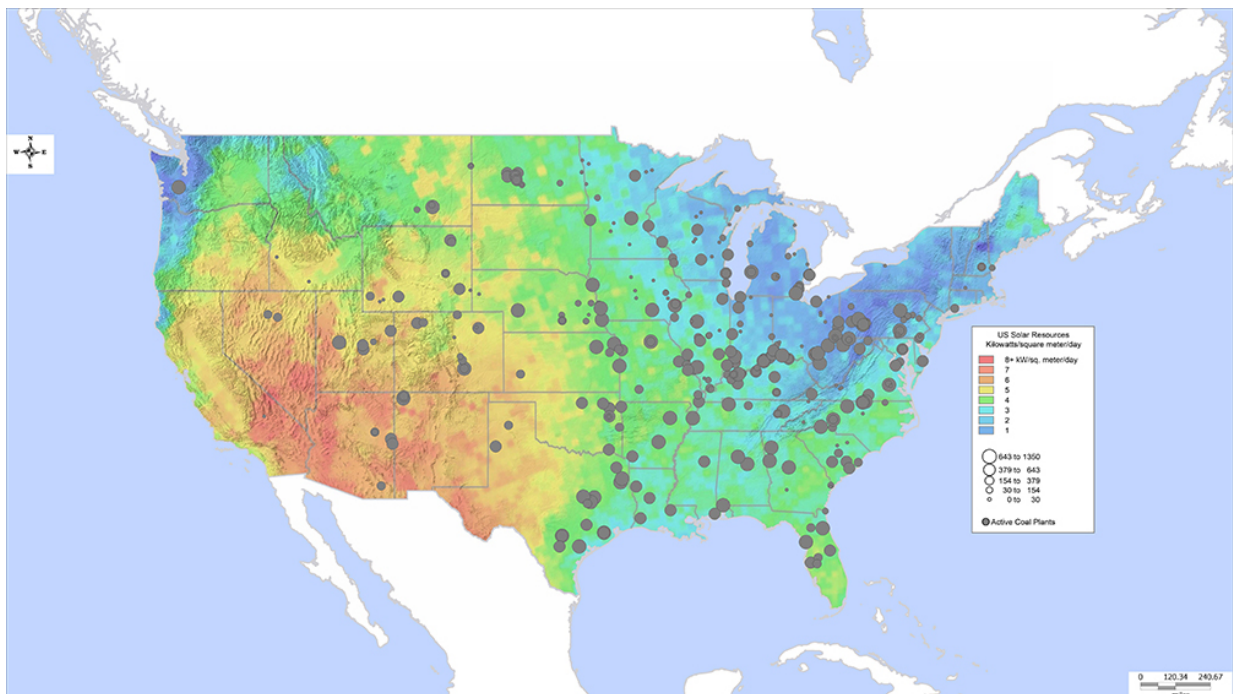
Natural gas is a critical commodity in facilitating the growth of renewables as a portion of our global power supply domestically and globally. Among sources of continuous, reliable power, natural gas leads in its combination of accessibility, lower environmental impact and exportability. As we have seen with recent power shortages, natural gas has served as a necessary fuel source, filling the gap left with the intermittency of renewable power. As the United States scales renewable power, while awaiting technological breakthroughs, the volatility of demand within the power sector on non-renewable power will only increase.

Furthermore, rapid replacement of coal-fired power generation with natural gas-fired generation represents the “lowest hanging fruit” in meaningfully accelerating our pathway to decarbonization, especially in the eastern United States.

A majority of the anticipated doubling of the renewable power share of the U.S. electricity generation mix by 2050 is projected to be attributable to solar power. The benefits of this increased renewable share can be seen through the reduction in the generation mix share held by coal — the highest GHG intensive component of the U.S. electricity generation mix. However, the ability and pace at which the United States can replace coal-fired power generation with renewables will face headwinds in areas where replacement is most needed, as approximately 70% of coal-fired power generation is located in regions characterized as having low renewable power-potential.

For instance, solar panels in the Northeast and the Southeast United States are approximately 15% and 50%,<sup>[3]</sup> respectively, as effective as solar panels in the Southwestern United States. As such, up to eight times the materials and acreage would be needed to generate the same amount of energy from a solar panel in other parts of the United States as it would in the Southwest. This reduced efficacy not only impacts the economics of a solar project, but also the reliability of the power generated thereby.

### U.S. Solar and Coal Resource Availability<sup>[4]</sup>



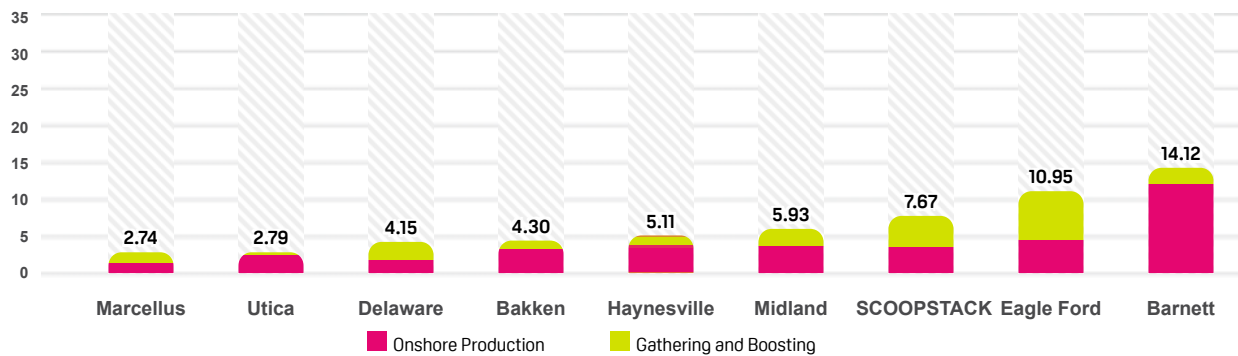
To put this into context, replicating the power generation potential of EQT alone would require covering an area roughly the size of Delaware with solar panels, assuming a nationwide average solar capacity of 25%. Further, absent meaningful advancements in battery technologies, this state-wide solar farm would still require a supplementary reliable baseload power (such as natural gas, nuclear or coal). Luckily, however, an alternative carbon reduction opportunity exists in the very geographic location where a solution is most needed, and that is low-cost, low-carbon intensity Appalachian natural gas.

## Belief 2: Natural gas, and in particular Appalachian natural gas, will differentiate itself

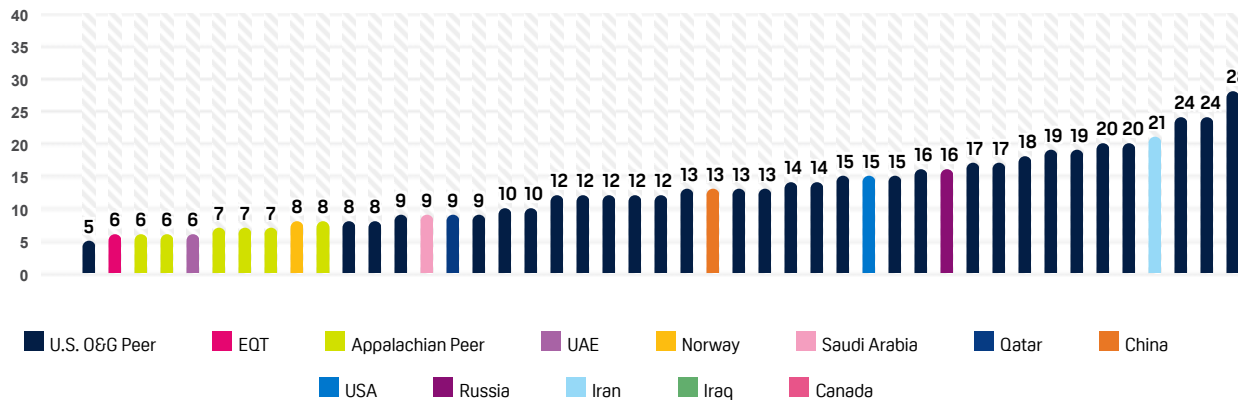
As the debate about the energy future plays out, we believe greater differentiation will occur between natural gas and oil, and basin-specific supplies. We believe there will be a decoupling of “oil and gas,” not in the historical sense regarding relative price, but in a fundamental sense between natural gas-focused companies and oil-focused companies. While their production methods are similar, the consumption of their products — and the pathways to most effectively decarbonize that consumption — differ.

As exhibited in the charts below, emissions intensities of natural gas and oil companies differ starkly. While we believe all are working to reduce their intensities, natural gas companies have a significant advantage. In addition to geology-based advantages, natural gas operators in Appalachia, such as EQT, have been at the forefront of responsible development for many years. As a result, natural gas companies, and in particular Appalachian natural gas companies, hold a meaningful advantage in the costs that will be incurred by such companies to achieve net zero GHG emissions.

2019 Methane Intensity by Basin (kg CO<sub>2</sub>e/BOE)<sup>[5]</sup>



2019 CO<sub>2</sub> Emissions Intensity (kg/BOE)<sup>[5]</sup>



As principal end uses differ between natural gas (power) and oil (transportation), the trajectories and cost/benefit of natural gas and oil differ as well. Moreover, the primary pathways to accelerating the low carbon transition of one product’s end use (transportation) are through increased usage of the other’s (power for vehicle electrification and hydrogen-based transportation). As such, we believe that as the energy transition debate evolves, and the focus on potential solutions shifts from supply to consumption, the traditional grouping of “oil and gas” companies will diverge.

Much like how we see natural gas differentiating itself from oil and coal, we see specific sources of natural gas sources differentiating from others. Production of domestic natural gas, and specifically natural gas produced in Appalachia, offers both the lowest carbon dioxide and methane emissions in the country. Furthermore, intensities of Appalachian natural gas producers are, in many instances, orders of magnitude lower than other domestic and foreign supply sources.

Appalachian natural gas offers a lower carbon intensity alternative to other importable reliable baseloads — such as coal or foreign natural gas — to support global decarbonization efforts.

<sup>[1]</sup> <https://www.eia.gov/environment/emissions/carbon/>

<sup>[2]</sup> <https://www.eia.gov/energyexplained/natural-gas/imports-and-exports.php>

<sup>[3]</sup> Based on kilowatts per square meter per day. Source: Hitachi ABB Power Grids.

<sup>[4]</sup> Source: Hitachi ABB Power Grids

<sup>[5]</sup> Source: Rystad Energy; methane intensity data was calculated as of February 2021 and emissions intensity data was calculated as of May 2021.

# Our Strategy and Vision

103-1; 103-2 ▾

We believe we have demonstrated, in a short time, our ability to meaningfully improve the emissions profiles of upstream operations through a modern approach to our operations. Following the implementation of new leadership in 2019, we rapidly transformed EQT from a 130-year-old firm to a modern, digitally-enabled natural gas company.

Promoting and investing in sustainable practices creates value for EQT and our stakeholders and lessens our impact on the environment and our communities, all while creating process efficiencies. Examples include working to lower our emissions and our impact on land, maintaining transparent relationships with communities and landowners and engaging with and supporting the safety of our employees and contractors. To that end, we pursue responsible development in a way that minimizes our environmental impact while maximizing efficiencies. We are one of the lowest-cost producers of natural gas in the United States, and believe our environmental, social and governance (ESG) strategy will be an integral part of our success.

## VISION FOR EQT IN THE ENERGY TRANSITION

SASB EM-EP-420a.1; SASB EM-EP-420a.4 ▾

Our views on the role of natural gas in a low carbon future influence our corporate strategy. Our strategy is divided into three segments: *Evolve*, *Consolidate* and *New Ventures*. The execution of these strategic segments is not necessarily sequential, but each builds upon and supports the others.

***Evolve*** focuses on realizing the full potential of the assets under our control. This evolution started in mid-2019, has progressed rapidly and can be measured by our financial and operational performance to-date. At its core, the purpose of evolution is to distinguish EQT's capabilities from those of our peers, differentiating EQT to facilitate our next strategic path.

One aspect of differentiation has been the adoption of our combo-development operational strategy, providing high confidence, predictability and improved well and emissions performance. In just two years, we have reduced our Production segment Scope 1 greenhouse gas (GHG) emissions intensity by approximately 33%, in large part as a result of efficiencies gained through combo-development. Please read more about combo-development [here](#). For more information about the *Evolve* aspect of our strategy, please see [Climate Change and GHG Emissions](#).

Another differentiation effort that we have undertaken is that of the product that we sell from an emissions standpoint. In January 2021, we entered into a pilot project with Project Canary/IES TrustWell to demonstrate that our natural gas is produced with high environmental and social standards, and that global energy market demand exists and is growing for differentiated energy products. Under the terms of the pilot, Project Canary's "Canary X" emissions monitoring devices have been installed on two of our well pads to measure methane concentrations at the site level every second and communicate the results to a cloud database every minute. The data collected from the emissions monitoring devices are independently verified and used to issue a TrustWell Certification certifying that gas produced from our participating well pads is "responsibly sourced natural gas."

Additionally, in April 2021, we entered into a separate project to obtain Equitable Origin and MiQ certification of natural gas produced from over 200 of our well pads located in Greene and Washington counties, Pennsylvania, which collectively produce approximately 4.0 billion cubic feet per day in gross volume. As part of the project, Equitable Origin and MiQ will oversee an independent, third-party audited assessment of our natural gas production from the selected well pads focusing on ESG performance, including methane emissions. When the certification project with Equitable Origin and MiQ is completed, we will be producing more certified natural gas than any other producer's total domestic natural gas production (certified or uncertified).

We believe that facilitating the establishment of a market for certified natural gas and other products that leverage our low emissions intensities and focus on sustainability will open additional opportunities for symbiotic financial and ESG value creation.

And finally, our differentiation can be seen in the aggressive targets that we have established for our company, including a target of achieving net zero Production segment Scope 1 and Scope 2 GHG emissions by or before 2025 and significant



reductions in both GHG and methane emission intensities during that timeframe. For more information on our emissions targets, see [GHG Emissions and Targets](#).

EQT's evolution starts, however, at the genetic level, namely who we are and how we operate. We have invested heavily in technological and human capital to allow us to take insight into action, ensuring that high quality structured data is readily available to inform decision-makers. This is not limited to financial and operational data. For instance, we are currently layering into our digital work environment the functionality to ascribe emissions down to the well level, allowing us to target high return on investment emissions reduction opportunities — such as a pneumatic device replacement initiative — to generate optimal value through decarbonization. Furthermore, our advancements in measuring our desktop emissions are also helping to evolve our field emissions measurement capabilities and demonstrates our commitment to best-in-class certification standards and emissions monitoring and measurement technologies. We believe our team, and the scalability of our platform, will allow us to reap similar benefits from application across a broader set of operations through consolidation.

**Consolidate** focuses on generating value through applying our evolved approach to a broader set of assets, allowing us to accelerate emissions reduction efforts within the natural gas space. It means strategically asserting control over a greater amount of absolute emissions in the short term based on our belief and demonstrated track record, that we can have a greater impact on the pace of emissions reductions in the medium- and long-term.

Our Chevron Acquisition is a prime example of our ability to create strong financial value while at the same time creating an opportunity to meaningfully improve our pro forma emissions profile. In furtherance of our commitment to “ESG accretion,” 10% of our company-wide short-term incentive compensation program is ascribed to a targeted pro forma year-over-year 4% reduction in Scope 1 GHG emissions intensity.

We believe that other acquisitions, in particular acquisitions where we have the opportunity to replace more meaningful development operations than were present in the Chevron Acquisition, will allow us to effectuate even more outsized improvements to our pro forma operations through increased use of combo-development.

Our focus on consolidation also lays the groundwork for new ventures, increasing our market share of a key feedstock in emerging energy technologies while increasing our scale and investible assets. Natural gas is not “big oil.” Unlike integrated oil and natural gas companies or pure oil exploration and production companies, we derive only a small portion of our revenues from the sale and ultimate consumption of oil. Accordingly, we are not disincentivized from pursuing decarbonization actions that affect oil consumption, such as in transportation where increased use of electric vehicles would likely result in an increase in natural gas consumption and a decrease in oil consumption (and a corresponding reduction in GHG emissions). The increased natural gas consumption would result from being directly sourced for generating electricity or indirectly sourced through new fuel cell technologies, such as blue hydrogen. However, natural gas-focused companies represent approximately less than 5% of the total market capitalization of the entire “oil and gas” industry. Natural gas needs a leader that can compete for capital and investments and help guide the energy transition to ensure that all avenues of decarbonization are diligently pursued.

**New Ventures** focuses on laying the foundation for the evolution of our company over the long-term through a meaningful participation in energy transition opportunities. It is our belief that not only will we have opportunities to accelerate the path to a low carbon future, but also that we will have opportunities to develop, invest in, partner with and acquire attractive new ventures to position alongside, and enhance the value of, our strong and sustainable base business.

We believe that our leadership has a demonstrable leading-edge track record in assessing and commercializing emerging technologies. Furthermore, our recent technological and cultural transformation has instilled across our organization the mentality, approach and nimbleness necessary to adapt in dynamic environments. When combined with being the largest producer of low-cost, low carbon intensity natural gas, we believe we will have a competitive advantage in decarbonization opportunities.

To this end, in 2021 our Board of Directors authorized the establishment of an innovation fund — a \$75 million pool of capital — that we can use to develop, invest in, partner with and acquire new ventures or otherwise pursue initiatives aligned with our ESG strategy through 2025. Our guiding principles in allocating capital to new ventures generally center on (i) promoting natural gas demand and participating in the low carbon transition, (ii) leveraging our assets, skillsets and relationships to capture opportunities, (iii) targeting opportunities for meaningful scale and growth, (iv) deploying proven technology and (v) improving our ESG reputation.

Taken together, these strategies influence the long-term trajectory of EQT, including how we view our role in accelerating a transition to a low carbon future and how we believe we can progress towards a path that is aligned with the Paris Agreement. We believe our *Evolve*, *Consolidate* and *New Ventures* strategy will allow us to react nimbly and effectively as data continues to emerge and technologies continue to develop on our collective path to a low carbon future.

# Our Impact

Our current management team joined EQT in June 2019 and immediately began work evolving our operations, organization and technology in order to optimize efficiency and ensure we are maximizing our assets. These efforts have translated into drastic improvements in efficiencies in a short period of time. Comparing year-end 2020 to year-end 2018, we reduced our Production segment Scope 1 greenhouse gas (GHG) emissions by approximately 32%, Production segment Scope 1 GHG emissions intensity by approximately 33%, capital expenditures by over 60%, contractor work hours by over 50% and trucks on the road by 53%.

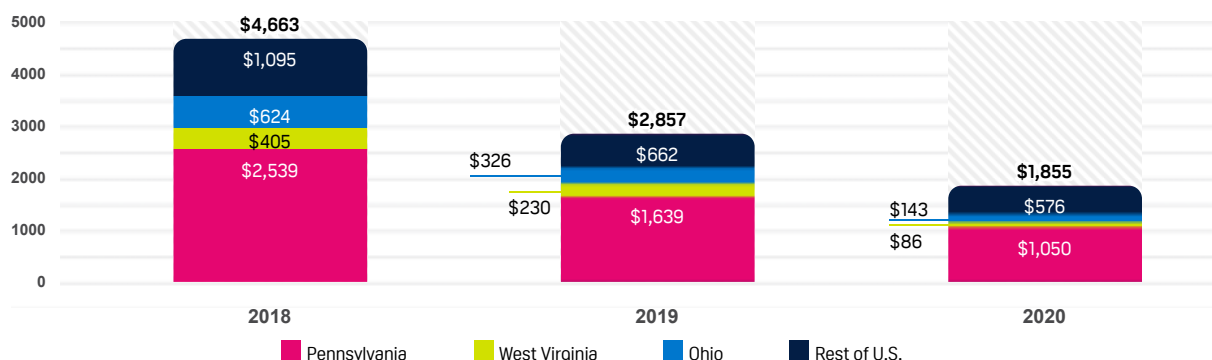
In November 2020, we acquired Chevron's Appalachian assets. The Chevron Acquisition added existing production volumes to our business, representing approximately 9.5% of our total gross production in 2020, after adding the annualized production from the Chevron Assets to our total production. Despite this principally being an acquisition of producing volumes, and thus not having meaningful opportunities to leverage our operating model to improve operational efficiencies, we are targeting a 4% reduction in our Scope 1 GHG emissions intensity for the entire company in 2021. Achieving this 4% reduction in emissions intensity is a component of our 2021 incentive compensation program, under which our executives and other employees participate.

## LOCAL IMPACTS

We track the indirect economic impacts of our business operations on the U.S. economy by annually commissioning an independent analysis. According to the analysis, EQT provided approximately \$1.9 billion in value-added contributions to the U.S. Gross Domestic Product (GDP) where:

- 69% of contributions occurred in three states where we operate
- 31% of contributions related to out-of-state suppliers who provided goods and services for operational activities in our operating area

EQT GDP Contributions (millions of dollars)



See additional information related to local indirect economic impacts in [Community Impacts and Safety](#).



ABOUT EQT AND THIS REPORT

# STAKEHOLDER ENGAGEMENT AND MATERIALITY

## Engaging Stakeholders

102-40; 102-42; 102-43; 102-44 ∨

Our mission is to become the operator of choice for all stakeholders. By stakeholders, we mean those most interested in, and affected by, our operations — employees, contractors, service providers, landowners, local communities, emergency service professionals, elected officials, regulators, and investors and capital providers, among others.

Stakeholders provide us with valuable feedback from a variety of perspectives. We monitor stakeholder interests specific to us and to the broader natural gas industry, and actively engage with stakeholders as part of our effort to continuously improve.

We believe in maintaining an open and honest dialogue with our stakeholders and provide numerous avenues for our stakeholders to engage with us. Based on our experience and ongoing communications with stakeholders, we have developed specific methods of response designed to meet our stakeholders' diverse expectations and engagement preferences.

Many of our stakeholders share similar, broad-based concerns about the natural gas industry overall; however, select individual groups may have specific concerns. Our integrated engagement strategies for each stakeholder group are outlined below, with corresponding information about each group's key concerns. We provide links to our management approach and performance for each topic covered in this report.



For the purposes of this report, we define our workers as follows:

- **Employees:** Full-time and part-time employees of EQT.
- **Contract Workers:** Temporary workers assigned to fill a role or complete a specific project.
- **Service Providers:** Third-party or outsourced providers hired to perform specialized services for EQT.

## Stakeholder Engagement Approaches

Stakeholder	Engagement Approaches	Key Topics and Concerns
<b>Employees</b>	<p>Ongoing:</p> <ul style="list-style-type: none"> <li>▪ Print and electronic communications</li> <li>▪ Employee staff meetings</li> <li>▪ Employee town halls</li> <li>▪ Digital work environment (Salesforce)</li> <li>▪ Lunch and learn seminars</li> <li>▪ Volunteer activities</li> <li>▪ Surveys and polls</li> <li>▪ Compliance Network</li> <li>▪ Ethics HelpLine</li> </ul>	<ul style="list-style-type: none"> <li>▪ Occupational Health and Safety</li> <li>▪ Talent Attraction and Retention, Diversity and Inclusion</li> <li>▪ Community Impacts and Safety</li> <li>▪ Ethics and Integrity</li> </ul>
<b>Service Providers</b>	<p>Ongoing:</p> <ul style="list-style-type: none"> <li>▪ <a href="#">Corporate website</a></li> <li>▪ Request-for-proposal process</li> <li>▪ Training sessions</li> <li>▪ Safety meetings</li> <li>▪ Trade shows</li> <li>▪ Diversity initiatives</li> </ul>	<ul style="list-style-type: none"> <li>▪ Procurement Practices</li> <li>▪ Financial Performance</li> <li>▪ <a href="#">Local Labor and Supplier Impacts</a></li> <li>▪ Occupational Health and Safety</li> <li>▪ <a href="#">Supplier Diversity</a></li> </ul>
<b>Landowners/Royalty Owners/Joint Interest Owners</b>	<p>24/7 communication:</p> <ul style="list-style-type: none"> <li>▪ Owner Relations hotline (844-EQT-LAND or <a href="mailto:OwnerRelations@eqt.com">OwnerRelations@eqt.com</a>)</li> <li>▪ <a href="#">Owner Relations web page</a></li> <li>▪ Online owner relations portals for account access</li> </ul> <p>As needed or requested:</p> <ul style="list-style-type: none"> <li>▪ In-person meetings</li> <li>▪ Letters</li> <li>▪ Access to company land agents</li> <li>▪ Town halls</li> <li>▪ Public meetings</li> </ul>	<ul style="list-style-type: none"> <li>▪ <a href="#">Landowner Relations</a></li> <li>▪ Community Impacts and Safety</li> <li>▪ <a href="#">Biodiversity and Land Impacts</a></li> </ul>

Stakeholder	Engagement Approaches	Key Topics and Concerns
Local Communities	<p>24/7 communication:</p> <ul style="list-style-type: none"> <li>Email access to <a href="#">Government and Community Affairs representatives</a></li> <li>Social media platforms <ul style="list-style-type: none"> <li><a href="#">Facebook</a></li> <li><a href="#">LinkedIn</a></li> <li><a href="#">Twitter</a></li> </ul> </li> </ul> <p>As needed or requested:</p> <ul style="list-style-type: none"> <li>In-person meetings with EQT Local Government and Community Affairs Specialists</li> <li>Weekly operation updates to townships</li> <li>Facility and rig tours</li> <li>Community meetings</li> <li>Surveys</li> <li>Public safety communications</li> </ul> <p>Ongoing:</p> <ul style="list-style-type: none"> <li>Community relationship building</li> <li>Local natural gas task force involvement at the county level</li> <li>Philanthropic investment programs</li> <li>Presentations to local organizations</li> <li>Sponsorships</li> <li>Advertising</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Noise, Dust, Road Impacts, Traffic, Schedule of Operations</a></li> <li><a href="#">Water</a></li> <li><a href="#">Community Impacts and Safety</a></li> </ul>
Emergency Service Professionals	<p>As needed or requested:</p> <ul style="list-style-type: none"> <li>In-person meetings</li> <li>Public meetings</li> <li>Safety outreach</li> <li>Local donations</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Public Safety and Emergency Preparedness</a></li> <li><a href="#">Occupational Health and Safety</a></li> </ul>
Elected Officials/Regulators	<p>Ongoing:</p> <ul style="list-style-type: none"> <li>Weekly drilling and completion activity location updates</li> <li>Policy discussions</li> <li>Meetings with national and state elected officials and regulators, and local municipal leaders and lobbyists</li> <li>Attending and/or participating in township meetings</li> </ul> <p>As needed or requested:</p> <ul style="list-style-type: none"> <li>In-person meetings</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Noise, Dust, Road Impacts, Traffic, Schedule of Operations</a></li> <li><a href="#">Air Quality</a></li> <li><a href="#">Biodiversity and Ecosystem Health</a></li> <li><a href="#">Technological Evolution</a></li> <li><a href="#">Water</a></li> <li><a href="#">Public Policy and Perception</a></li> <li><a href="#">Indirect Economic Impacts</a></li> </ul>

Stakeholder	Engagement Approaches	Key Topics and Concerns
Investors/Capital Providers	<p>Ongoing:</p> <ul style="list-style-type: none"> <li>Investor Relations website</li> <li>Routine updates, presentation postings and news releases to our Investor Relations websites</li> <li>Meetings with investors, banks, credit rating agencies, and insurance companies regarding stakeholder relations, governance and compensation</li> <li>Investor conferences, meetings and calls</li> <li>Responses to inquiries submitted to the Corporate Secretary of EQT via the contact listed on our Investor Relations website</li> </ul> <p>At least once each quarter:</p> <ul style="list-style-type: none"> <li>Earnings releases</li> <li>Securities and Exchange Commission filings</li> <li>Investor teleconferences and the related replays and transcripts</li> </ul> <p>Annually:</p> <ul style="list-style-type: none"> <li>Proxy statement</li> <li>Shareholder meeting</li> </ul>	<ul style="list-style-type: none"> <li>Financial and Operational Performance</li> <li>Strategic Direction</li> <li>Governance</li> <li>Risk Management</li> <li>Climate and Greenhouse Gas (GHG) Emissions</li> <li>Executive Compensation</li> <li>Operational Performance</li> </ul>
Industry/Trade Associations	<p>Ongoing:</p> <ul style="list-style-type: none"> <li>Chamber of Commerce memberships</li> <li>Membership in trade associations</li> <li>Participation in association leadership</li> </ul>	<ul style="list-style-type: none"> <li>Air Quality</li> <li>Climate and GHG Emissions</li> <li>Community Impacts and Safety</li> <li>Privacy and Data Security</li> <li>Public Policy and Perception</li> </ul>
Non-Governmental Organizations (NGOs)/Charities	<p>As needed or requested:</p> <ul style="list-style-type: none"> <li>Project partnerships</li> <li>Reporting on environmental, economic and social topics</li> <li>Philanthropic investments</li> <li>Environmental assessments</li> <li>In-person meetings</li> </ul>	<ul style="list-style-type: none"> <li>Local Communities</li> <li>Water</li> <li>Air Quality</li> <li>Climate and GHG Emissions</li> <li>Effluents and Waste</li> <li>Biodiversity and Ecosystem Health</li> </ul>
News Media/Industry Analysts	<p>As needed or requested:</p> <ul style="list-style-type: none"> <li>News releases</li> <li>Media statements</li> <li>Website-based Newsroom</li> <li>Phone calls</li> <li>Email correspondence</li> <li>In-person meetings</li> <li>Interviews</li> <li>Speaking engagements by executives and senior managers</li> </ul>	<ul style="list-style-type: none"> <li>Local Communities</li> <li>Air Quality</li> <li>Biodiversity and Ecosystem Health</li> <li>Water</li> <li>Climate and GHG Emissions</li> <li>Occupational Health and Safety</li> <li>Public Safety and Emergency Preparedness</li> <li>Operational Performance</li> <li>Financial Performance</li> <li>Governance</li> <li>Executive Compensation</li> <li>Leasing</li> <li>Legal</li> </ul>

# Strategic Materiality Assessment

102-46 ▾

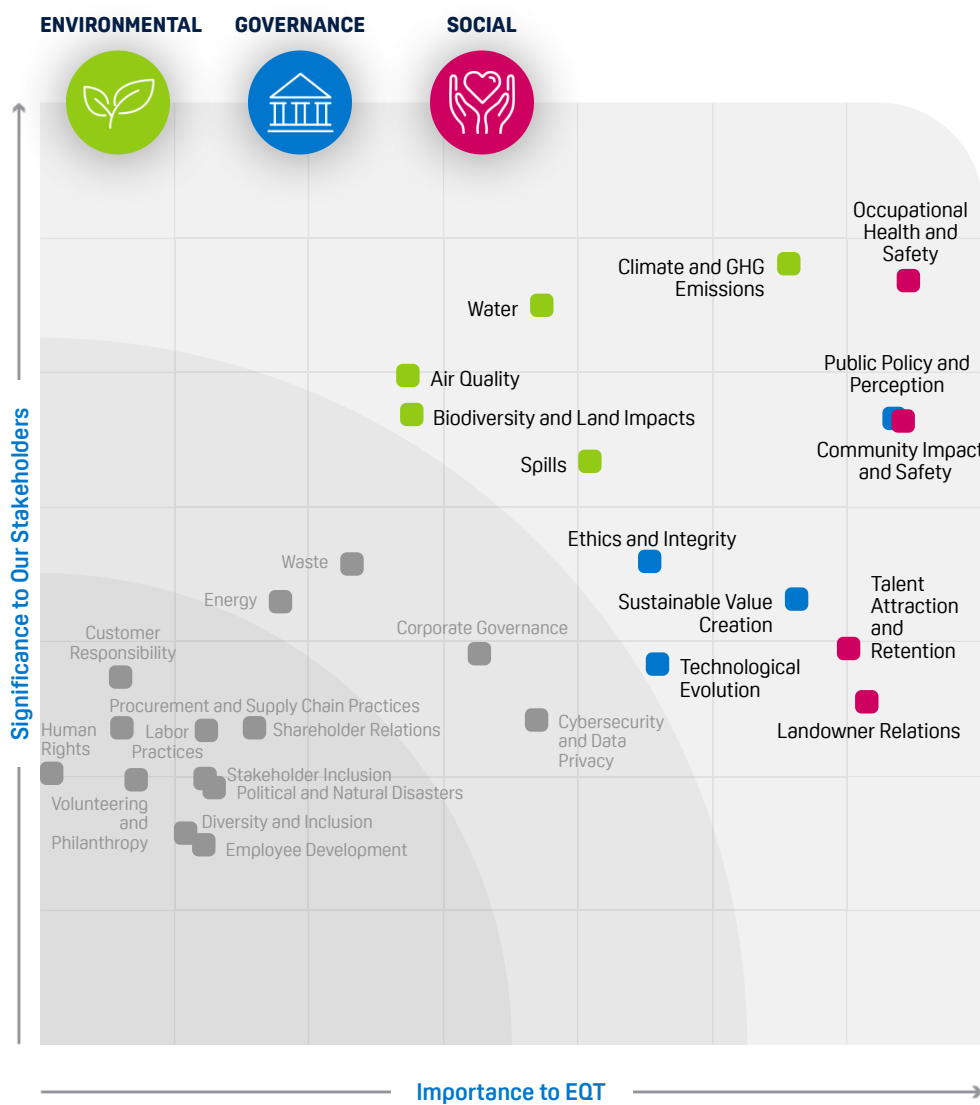
In 2020, we undertook a strategic materiality assessment to analyze the environmental, social and governance (ESG) topics most important to our operations, internal and external stakeholders, and corporate strategy. Coordinated by Environmental Resources Management (ERM), a leading sustainability consulting firm, this comprehensive process followed the Global Reporting Initiative’s materiality process of Identification, Prioritization and Validation. Read about the full process in our [2019 ESG Report](#).

## MATERIAL TOPICS

102-47 ▾

We proudly cover our material topics in this report, and are using the findings to inform our organizational strategy and management approaches. We did not use the U.S. Securities and Exchange Commission’s concept of materiality within the context of this report. The interactive infographic below displays the results of our 2020 materiality assessment.

Materiality Matrix<sup>[1]</sup>





# Environmental

## AIR QUALITY

### DEFINITION / BOUNDARY

Managing and minimizing non-GHG air emissions (volatile organic compounds, nitrogen oxides, etc.) across EQT's value chain.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- Permitting
- Completions turbines
- Compressor stations
- Sites
- Drilling sites

#### External:

- Water hauling (contractors)
- Landowners
- Local communities
- Appalachian Basin flora and fauna
- Local, state and federal governments

## BIODIVERSITY AND LAND IMPACTS

### DEFINITION / BOUNDARY

Using land management systems and practices that protect soil quality, biodiversity, forests, animal welfare and habitats, including during reclamation and decommissioning.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- Site design
- Development
- Operations
- Decommissioning

#### External:

- Landowners
- Local communities
- Appalachian Basin flora and fauna
- Local, state and federal governments

## CLIMATE AND GHG EMISSIONS

### DEFINITION / BOUNDARY

Addressing and mitigating current and potential climate change impacts on EQT's operations, including regulations on GHG emissions and emission trading, the increasing market demand for renewable energy sources and EQT's own GHG emissions.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- Drilling
- Completions
- Production
- Gas field service
- Transportation
- Environmental, Health and Safety (EHS)

#### External:

- Midstream
- End users
- Environment
- Local communities
- Global populations
- Local, state and federal governments
- Emissions trading markets

## SPILLS

### DEFINITION / BOUNDARY

Preventing spills and leakages into the environment and managing them when they occur, with particular attention paid to harmful substances.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- Drilling
- Completions

#### External:

- Water hauling (contractors)
- Local communities
- Appalachian Basin flora and fauna

## WATER

### DEFINITION / BOUNDARY

Minimizing water use and increasing use of recycled water to protect local water sources while preserving water quality through sound wastewater management practices.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- Drilling
- Completions
- Production
- EHS

#### External:

- Appalachian Basin watersheds (Pennsylvania, West Virginia, Ohio)
- Landowners
- Local communities
- Commercial disposal facilities (Ohio)
- Local, state and federal governments

## Governance

## ETHICS AND INTEGRITY

### DEFINITION / BOUNDARY

Ensuring that we preserve our integrity and credibility with our stakeholders by promoting ethical business behavior throughout the value chain, preventing corruption and favoritism, providing mechanisms for stakeholders to report on concerns, and operating in accordance with our values — Trust, Teamwork, Heart and Evolution.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- All employees

#### External:

- Business partners
- Local, state and federal governments

## PUBLIC POLICY AND PERCEPTION

### DEFINITION / BOUNDARY

Thoughtfully engaging in political activity, providing corporate contributions to political candidates and organizations, and contributing to public policy and dialogue that supports the responsible development of natural gas as a resource for addressing domestic and global energy demands and as a tool for enhancing social equity.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- Executive team
- Public Relations team
- Public Policy and Corporate Responsibility Committee

#### External:

- Local, state and federal officials
- Industry/trade associations
- Landowners
- Local communities
- U.S. residents

## SUSTAINABLE VALUE CREATION

### DEFINITION / BOUNDARY

Creating long-term value for investors and society by providing access to affordable and reliable domestic energy.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- Operations

#### External:

- Natural gas users (industrial, commercial, residential)
- Investors
- Domestic and international economies

## TECHNOLOGICAL EVOLUTION

### DEFINITION / BOUNDARY

Exploring and implementing technologies and innovative processes to reduce costs, improve safety and environmental performance, enable a digital workplace and support EQT's business strategy.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- All employees

#### External:

- Appalachian Basin flora and fauna
- Local communities
- Contractors



# Social

## COMMUNITY IMPACTS AND SAFETY

### DEFINITION / BOUNDARY

Managing positive and negative impacts on and relations with the communities in which EQT operates, including traffic and impacts on roads; noise pollution; indirect local economic impacts; public safety and emergency planning; and other specific community concerns. Also includes EQT's financial, educational and other community support.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- Site design and construction
- Marcellus and Utica operations
- Decommissioning
- EQT Foundation

#### External:

- Water hauling (contractors)
- Landowners
- Local communities
- Local, state and federal governments
- State and local first responders
- Law enforcement
- Suppliers
- NGOs/charities

## LANDOWNER RELATIONS

### DEFINITION / BOUNDARY

Maintaining positive, trusted relationships with landowners through engagement, open communication and maintaining timely reporting channels.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- Owner Relations team

#### External:

- Landowners
- Local communities

## OCCUPATIONAL HEALTH AND SAFETY

### DEFINITION / BOUNDARY

Ensuring the safety and well-being of all workers by maintaining safe working conditions, supplying personal protective equipment and providing resources to maintain and improve physical and emotional health.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- All employees (especially field operations)

#### External:

- Contractors

## TALENT ATTRACTION AND RETENTION

### DEFINITION / BOUNDARY

Attracting workers with valuable skills, including local talent, and developing strategies for retaining and engaging employees by providing professional development opportunities and technology-enabled work tools, promoting diversity and inclusion, and ensuring workforce changes are communicated effectively.

### PRIMARY STAKEHOLDERS IMPACTED

#### Internal:

- All employees

#### External:

- Local labor markets

<sup>[1]</sup> "Impact Boundary" refers to potential items that may be impacted by a material topic, and EQT's involvement in such impacts.



# ENVIRONMENTAL



## LESSENING OUR ENVIRONMENTAL IMPACT

We strive to operate safely, protect the environment and continuously improve our practices in support of responsible natural gas production. We carefully measure our air emissions and water use while monitoring and mitigating impacts on the air, land and water. Our commitment to environmental protection is embedded in our policies, programs, technological investments, collaborations and leadership.

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# 23M

gallons of diesel fuel eliminated from  
fully transitioning to electric frac fleets  
in 2020

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## ENVIRONMENTAL

# CLIMATE AND GHG EMISSIONS

## Why It Matters to Us

103-1 ▾

We recognize that climate change is the preeminent sustainability issue affecting all industries today and in particular, natural gas producers like EQT. Furthermore, the makeup of the future energy mix has significant environmental, social and economic ramifications for the United States and will influence future demand for — and consequently the price of — natural gas. We seek to remain informed on climate science and we are committed to understanding both how climate change affects our business and how EQT impacts climate change.

As the largest natural gas producer in the United States, we are particularly conscious of methane emissions. While natural gas produces significantly less carbon dioxide compared to other fossil fuels, methane emissions are a strong concern for our stakeholders. We maintain strong management systems to effectively drive down our emissions and lessen our impact, and we maintain and monitor best management practices to minimize greenhouse gas (GHG) emissions while making improvements to reduce our climate impact. As a result, our operations have one of the lowest GHG emissions intensities in the country, and our methane emissions intensity is significantly below the 2025 Production segment target set by the [ONE Future Coalition](#), a group of 38 natural gas companies working together to voluntarily reduce the methane emissions intensity across the natural gas value chain to 1% (or less) by 2025.

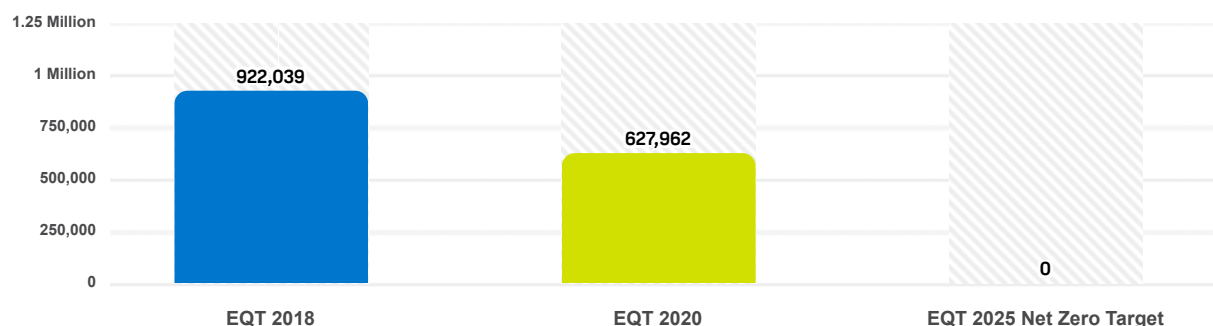
In conjunction with publishing this report, we announced our establishment of the following aggressive emissions targets for our Production segment operations:

Achieve net zero Scope 1 and Scope 2 GHG emissions by or before 2025

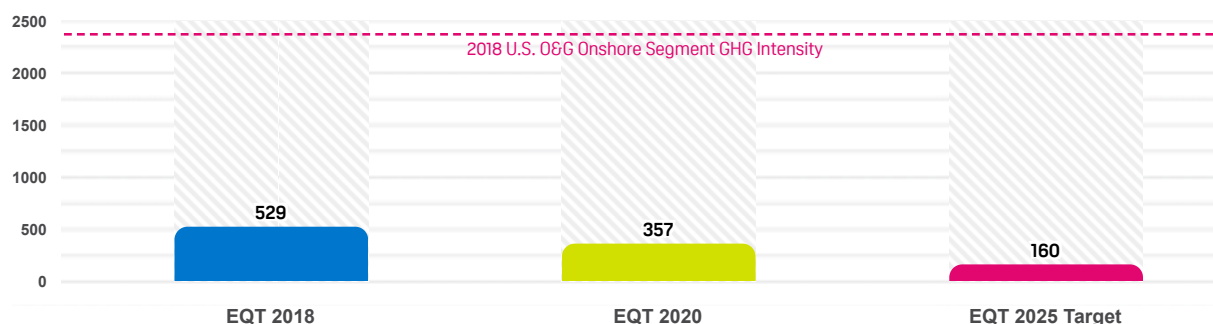
Reduce our Scope 1 GHG emissions intensity to below 160 MT CO<sub>2</sub>e/Bcfe (representing an approximately 70% reduction compared to 2018 levels) by or before 2025

Reduce our Scope 1 methane emissions intensity to below 0.02% (representing an approximately 65% reduction compared to 2018 levels) by or before 2025

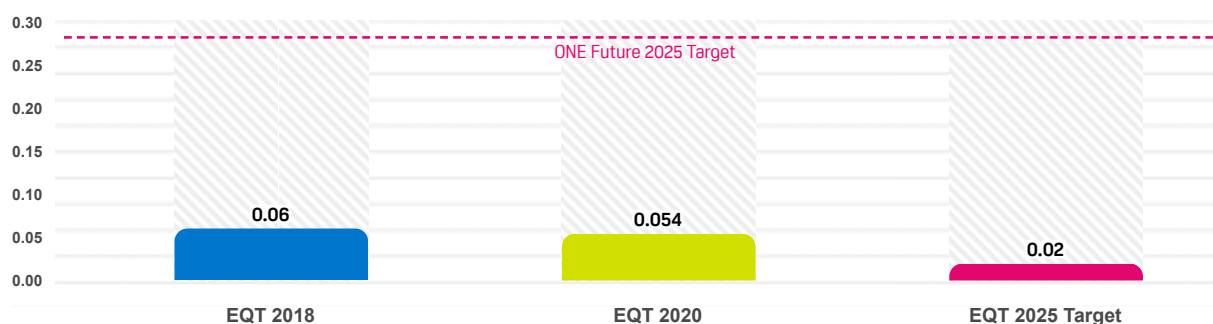
## Production Segment Scope 1 and 2 GHG Emissions (net metric tons CO<sub>2</sub>e)<sup>[1]</sup>



## Production Segment Scope 1 GHG Emissions Intensity (metric tons CO<sub>2</sub>e emitted/gross annual production (Bcfe))<sup>[2]</sup>



## Production Segment Scope 1 Methane Emissions Intensity (metric tons CH<sub>4</sub> emitted/(gross annual production + methane content [metric tons CH<sub>4</sub>]))



For more information on our emissions targets, see [GHG Emissions and Targets](#).

<sup>[1]</sup> 2018 EQT GHG emissions data does not include Scope 2 GHG emissions, as we began calculating our Scope 2 GHG emissions in 2020.

<sup>[2]</sup> 2018 U.S. O&G Onshore Segment GHG Emissions Intensity calculated based on 2018 U.S. onshore oil and gas GHG emissions of 111,000,000 MT CO<sub>2</sub>e (derived from [EPA Flight Tool GHGRP Data](#)) and 2018 U.S. onshore production of 45,738 Bcfe (derived from Enverus).

# Governance

## 103-2; TCFD: Governance – a, b

Two Board-level committees contribute to setting our direction with respect to Environmental, Social and Governance (ESG) matters. The Corporate Governance Committee and the Public Policy and Corporate Responsibility (PPCR) Committee of our Board of Directors are responsible for approving, and making changes to, our ESG strategy, including reviewing our climate strategy and emissions targets. As part of its mandate to provide oversight of our ESG strategy, the PPCR Committee specifically considers climate change issues when developing, reviewing and assessing our ESG strategy in coordination with the Corporate Governance Committee and our ESG Committee. In 2020, we updated our [PPCR Committee Charter](#) and [Corporate Governance Committee Charter](#) to explicitly include oversight of ESG issues.



Our Vice President, Environmental, Health and Safety, and General Counsel provide updates on our GHG emissions and reduction initiatives to the PPCR Committee at least quarterly. In response to such updates, the PPCR Committee provides comments and feedback on our GHG management and emissions reduction initiatives, which are relayed to our ESG Committee for further consideration.

Our ESG Committee, comprised of our Chief Executive Officer, General Counsel, Chief Financial Officer and other senior leaders, meets biweekly and supports the Corporate Governance and PPCR Committees in helping to guide and ensure execution of our ESG strategy. The ESG Committee also assists our executive team and senior management in developing, implementing and monitoring initiatives, processes, policies and disclosures in accordance with our ESG strategy. In combination with the Board and Board Committee oversight described above, the ESG Committee provides input to the Board on strategic direction and works with senior management and specific business departments to coordinate the implementation and execution of our ESG strategy company-wide.

Our business departments, including our Environmental, Production, Finance and Business IT teams, work collaboratively to explore and implement new technologies to collect, report, forecast and reduce our emissions in line with initiatives established by our ESG Committee. Oversight of these initiatives is managed through our digital work environment and monitored by our ESG Committee.

## Strategy

### 103-2; TCFD: Strategy – a, b, c; TCFD: Governance – b

In recent years, the effects of climate change on the planet and economy have become more apparent, and increased stakeholder scrutiny of climate change management, in combination with rapidly changing regulations, have brought this topic to the forefront of the business environment.

As the nation's largest producer of natural gas, both the effects of climate change as well as the prevailing views on how to optimally curb the impact thereof have the potential to meaningfully impact EQT. Increased adverse weather events could affect our ability to operate on schedule, impact service providers and increase the difficulty of complying with regulations directed at mitigating weather events, such as run-off restrictions and operations in severe heat. In addition, the impacts of climate change also have the potential to affect EQT financially. As investors continue to focus on climate change management and mitigation, demand for natural gas could decrease, reducing the price we receive for our product. Furthermore, our access to capital funding could be restricted if we are unable to articulate and execute our sustainable development strategy.

Given the dynamism in the debate about the optimal manner to accelerate a sustainable path to a low carbon future, our vision for how we can best contribute to countering the effects of climate change first centers on positioning our company to be able to react nimbly and effectively as data continues to emerge and technologies continue to develop. To that end, we have spent considerable time and resources building a technological and cultural foundation within our company to allow us to adjust our corporate strategy as the balance of risks and opportunities fluctuate. We have begun to better integrate climate change into our business strategy, incorporating emissions footprint considerations into the foundation of our business. At the corporate level, we built a proprietary emissions model that will be integrated with our financial model, allowing us to layer-in different cost-of-carbon scenarios in making capital allocation decisions. Additionally, at the asset level, we are currently layering into our digital work environment the functionality to attribute emissions down to the well level, allowing us to optimize our capital expenditures by investing in the parts of our business that present the best return on investment for reducing greenhouse gas (GHG) emissions.

Second, while we are positioning our company to evolve, our strategy is built on two key beliefs:

- Natural gas is critical to accelerating a sustainable pathway to a low carbon future
- Natural gas, and in particular Appalachian natural gas, will differentiate itself from oil

As such, two of the three prongs in our long-term strategy focus on maintaining a long-term interest in natural gas assets, continuing to improve on our track record for strong financial performance concurrent with significant emissions reduction (*Evolve*) and expanding the reach of those benefits over a broader base of assets (*Consolidate*).

As a part of the energy mix, natural gas consumption will be directly impacted not only by the rate at which climate change effects are seen, but also by prevailing views on the best methods to mitigate future impacts of climate change. The consumption of, and demand for, natural gas can be both negatively and positively affected by either of these, in particular as it pertains to the relative market share of energy supply for power, and thus risks and opportunities exist in what we believe will be an increasingly dynamic environment.

And third, while we anticipate maintaining a long-term interest in natural gas assets, we see the potential to meaningfully participate in energy transition opportunities. To this end, in 2021 our Board of Directors authorized the creation of an

innovation fund, establishing a \$75 million pool of capital that we can use to develop, invest in, partner with and acquire new ventures or otherwise pursue initiatives aligned with our environmental, social and governance (ESG) strategy through 2025. Our guiding principles on allocating capital to new ventures generally center on (i) promoting natural gas demand and participating in the low carbon transition, (ii) leveraging our assets, skillsets and relationships to capture opportunities, (iii) targeting opportunities for meaningful scale and growth, (iv) deploying proven technology and (v) improving our ESG reputation. For more information on our corporate strategy, please see [Sustainable Value Creation](#).

While we have not yet conducted a formal scenario analysis to determine potential impacts of climate-related risks and opportunities, we plan to layer our bottoms-up analysis of natural gas supply over different demand forecasts and pricing scenarios to better understand our climate-related risks and opportunities.

For more information about climate-related risks, see pages 17-19 of our [2020 Form 10-K](#).

## REDUCING GHG, METHANE AND OTHER EMISSIONS

### SASB EM-EP-110a.3 ▼

Our emissions depend greatly on the type and amount of field activity conducted at any given time and vary on an annual basis. We review our Scope 1 emissions inventory on a source-by-source basis to determine areas of opportunity and to monitor our overall impact.

Our Scope 1 emissions primarily originate from our operations and fleet transportation. Fuel combustion and natural gas-driven pneumatic equipment are currently the largest contributors to our Scope 1 emissions, and we therefore dedicate resources to improving these processes and equipment. We outline our environmental guidelines and data tracking expectations in our Environmental, Health and Safety (EHS) Management System.

We outline our approach for each source below. Our primary emissions reduction activities include:

- [Strategic site design](#)
- [Leak Detection and Repair Program](#)
- [Preventing venting and flaring](#)
- [Preventing releases during well unloading](#)
- [Using glycol pumps on dehydration units](#)

Our focus on implementing innovative technologies, best management practices and aligned policies over the past several years has directly resulted in decreasing our methane emissions intensity. We regularly review technologies to see if they can cost-effectively reduce our emissions in the short term (read more about this process in [Technological Evolution](#)). For example, pursuant to our pilot project with Project Canary to certify a portion of our natural gas under the IES TrustWell Certification, we have installed Project Canary’s “Canary X” emissions monitoring devices on two of our well pads to measure methane concentrations at the site level every second and communicate the results to a cloud database every minute. The data collected from the emissions monitoring devices is assessed on over 300 metrics related to production practices, including air, land, water and waste management, as well as drilling and completion processes, and ultimately used to assign a TrustWell Certification rating to the participating well pads.

We also actively participate with [ONE Future](#) and [The Environmental Partnership](#), both of which seek to improve the industry’s environmental performance. Using a science-based approach, ONE Future, a collaborative group of natural gas companies, has set a 2025 target for methane emissions intensity for the industry at or below 1%, and a target of 0.28% for the Production segment and 0.08% for the Gathering and Boosting segment. We outperform the ONE Future methane intensity targets for the industry and our applicable operating segments, as shown below.

### Methane Intensity

	EQT Methane Intensity — Production Segment Emissions <sup>[1]</sup>	ONE Future Production Sector Methane Intensity Target	EQT Methane Intensity — Gathering and Boosting Segment Emissions <sup>[2]</sup>	ONE Future Gathering and Boosting Segment Methane Intensity Target
2018	0.06%	0.28%	N/A	0.08%
2019	0.06%		N/A	
2020 <sup>[3]</sup>	0.054%		0.076%	

Through The Environmental Partnership, we collaborate with other upstream companies to evaluate best management practices for reducing emissions. Resources provided by The Environmental Partnership include programs designed to reduce methane emissions and volatile organic compounds using proven cost-effective technologies.

EQT's 2020 methane intensity for its Scope 1 Production segment emissions is approximately 81% lower than the 2025 target set by ONE Future for the Production segment.

## Site Design

We currently use pneumatic level switches and liquid level controllers to set thresholds and control motor valves for managing fluid in vessels such as separators, scrubbers and contact towers. For example, we operate thousands of pneumatic controllers and level switches that regulate gas/liquid separation volumes or activate shutdowns when high or low liquid levels occur.

Air, natural gas, electricity or other supply media can power pneumatic controllers and level switches, with natural gas being the most common power source for pneumatic devices. The U.S. Environmental Protection Agency (EPA) classifies natural gas pneumatic controllers and level switches into three categories: continuous high-bleed, continuous low-bleed and intermittent-bleed. High-bleed pneumatic controllers are significant sources of methane emissions when compared to low- or intermittent-bleed controllers.<sup>[4]</sup>

Replacement of a high-bleed controller with a low-bleed or intermittent-bleed controller results in a reduction of GHG emissions by approximately 96% and 64%, respectively.<sup>[5]</sup> We do not currently operate any high-bleed pneumatic controllers; we currently use only low-bleed and intermittent-bleed pneumatic controllers in our production facilities.

In 2020, we conducted an inventory of our Scope 1 emissions to determine which of our activities are the primary drivers of our GHG emissions. Based on our analysis, we determined that a substantial portion of our Scope 1 emissions are generated from natural-gas-powered pneumatic devices.

Although the vast majority of pneumatic devices used in the oil and gas industry are powered by natural gas, alternative available options are powered by nitrogen, compressed air, or other non-GHG emitting sources — each of which eliminates emissions from the pneumatic device with, in certain instances, *de minimis* increases in emissions attributable to power generation.

Beginning in 2020, we began an initiative to replace all natural-gas-powered pneumatic equipment in our operations by 2023. We believe this can be accomplished with only a limited capital outlay, which we believe is unique in the industry and is driven by the high productivity-to-well (and site) ratio of our asset base.

## Leak Detection and Repair Program

One of the most significant investments we have made to reduce emissions releases has been our investment in leak detection and repair (LDAR) surveys. Going beyond compliance with robust state and federal requirements on air emissions, our LDAR program involves:

- Utilization of optical gas imaging (OGI) technology at all compressor stations, dehydration facilities and unconventional sites for conducting LDAR surveys ranging from monthly to annually, depending on the facility
- A team of EQT employees who have completed a three-day training consisting of classroom and onsite experience with OGI experts, certified to operate gas detection cameras
- Use of three types of OGI cameras, all verified by the manufacturer to meet the EPA's LDAR requirements under the EPA's New Source Performance Standards for the Oil and Natural Gas Industry
- Annual auditory, visual and olfactory inspections for each of our conventional wells
- Quarterly mechanical integrity inspections for our conventional wells in Pennsylvania and quarterly visits to conventional wells with storage vessels in West Virginia to perform inspections for gas leaks
- Remote gas detection monitors inside the gas processing units of our unconventional wells that monitor for leaks in real time and that automatically alert EQT's gas control center to assign a specialist to conduct an inspection
- Leak repairs conducted as soon as reasonably possible
- Resurveying all leak repairs with an OGI camera to confirm the repair was successful

Our standard practice exceeds state and federal requirements related to leak repair procedures, and we are upgrading our management system to track leak repairs at our sites. In 2020, no repairs were delayed beyond the applicable regulatory limits, and more than 92%<sup>[6]</sup> of all leaks detected in our production operations were repaired immediately.

In January 2021, we entered into a pilot project with Project Canary/IES TrustWell to demonstrate that our natural gas is produced with high environmental and social standards, and that global energy market demand exists and is growing for differentiated energy products. Under the terms of the pilot, Project Canary's "Canary X" emissions monitoring devices have been installed on two of our well pads to measure methane concentrations at the site level every second and communicate the results to a cloud database every minute. The data collected from the emissions monitoring devices are independently verified and used to issue a TrustWell Certification certifying that gas produced from our participating well pads is "responsibly sourced natural gas."

We are actively developing plans to increase our usage of next-generation monitoring technologies — such as those employed in our pilot project with Project Canary — across a broader portion of our asset base. While we already employ leading practices in detection, we are driven to constantly improve our ability to identify and quickly address potential emissions incidents.

## Leak Detection and Repair Metrics<sup>[7]</sup>

	2019	2020 EQT	2020 Chevron Assets
Total optical gas imaging surveys	977	675	134
Total leaking components	1,058	371	97
Components repaired immediately	911	342	80
Components repaired within 2 to 15 days	146	29	17
Components repaired after 15 days	1	0	0

## Venting/Flaring Practices

We use a [green completions program](#) to reduce our volume of vented and flared gas during our operations. Green completions technology transfers the natural gas at the wellhead to a separator immediately after well completion as opposed to flaring or venting the gas. Through the use of green completions technology, we did not vent or flare any gas during our completions operations during 2020, and we remain committed to zero flaring other than in emergency situations.

During the production phase of a well, our flaring and venting practices differ based on the amount of condensate and oil produced from the well. Generally, the industry considers a "dry gas" well as a well that produces water, methane and ethane but not significant natural gas liquids (NGLs), condensate or oil. A well that consistently produces natural gas in addition to condensate and/or oil is considered a "wet gas" well. Dry gas wells generally have significantly lower emissions when compared to wet gas wells and require less emissions controls. The significant majority of the wells we operate are dry gas wells and no gas is flared in connection with producing from our dry gas wells. To minimize flaring at our wet gas wells, we use various methods of emissions minimization options including the design of closed-vent systems with low-pressure separators, vapor recovery systems and vapor destruction systems.

We leverage best management practices for the installation of pilot-operated valves and latch-down hatches on closed-vent systems, necessitating the installation of low-pressure separators with vapor recovery systems during periods of high production. The valves, hatches and additional separators have significantly improved sealing, reduced leaks and led us to standardize the installation of latch-down hatches on all new installations. We conduct monthly LDAR inspections on these closed-vent systems and condensate sites.

## Well Unloading

As a natural gas well ages, "liquid loading" occurs as liquids — primarily water — accumulate in the wellbore. These liquids create backpressure that restricts or stops the gas flow. To restore productivity, multiple approaches can be used to unload the fluid from the wellbore; the simplest is to flow the well to a lower pressure environment, such as an atmospheric tank. As part of our ongoing efforts to minimize emissions, we follow guidance from [The Environmental Partnership](#) to reduce methane emissions from well unloading.

If a well only produces through production casing, we install tubing to reduce flow area, allowing the produced gas from the well to efficiently unload the fluid. We install well tubing on an accelerated schedule to limit the amount of venting that occurs from well unloading activities, reducing the amount of methane emissions. We are able to further minimize tank venting by using automated plunger lift equipment in wells with tubing. Where this is not possible, it may be necessary to use a swab rig to mechanically remove fluids from a well to restore flow. For unconventional wells, we have personnel on site while unloading wells. Additionally, we follow the industry best practice of installing plunger lifts one to three years into a well's life. Each of these methods helps reduce our emissions associated with the removal of liquids from our wells.<sup>[8]</sup>

## Dehydration Units

To reduce methane emissions during production operations, we use glycol pumps rather than natural gas pneumatic pumps on existing dehydration systems to transfer bulk glycol. These pumps only emit gas embedded within the glycol and do not need to be powered by natural gas pressure, resulting in lower methane emissions. Additionally, to further minimize emissions, our standard protocol is to install condensers on new dehydration regenerator still columns. These units condense volatile liquid organics out of the gas and vapor streams collecting marketable NGLs and minimizing odors and emissions. The resulting emissions are sent to a vapor destruction unit.

## Electrifying Our Frac Fleet

As described in [Air Quality](#), we continued to electrify our hydraulic fracturing (frac) fleet in 2020, switching from conventional diesel fleets to electric fleets powered by a natural-gas-fired turbine using EQT-produced natural gas. We project that the implementation of these next-generation electric frac fleets has eliminated over 23 million gallons of diesel fuel from our operations annually. The electrification of our frac fleet also decreases our emissions due to the corresponding reduction in vehicle use that would otherwise be needed to deliver diesel fuel to our well pads.

## Transportation

We have operations in multiple states, requiring us to rely on trucks and other fleet vehicles for the transportation of workers and materials to job sites. EQT vehicles drive millions of miles annually, and we actively pursue efficient, cleaner-burning alternatives, such as compressed natural gas (CNG), for our vehicles. In 2020, our focus on centralized development in the core of our operational footprint led to a fleet reduction of approximately 95 trucks, utilizing newer, fuel-efficient, technology-enabled vehicles to further reduce total vehicle miles and associated emissions. Read more about our transportation improvements in [Water](#).



<sup>[1]</sup> Calculated using ONE Future's methodology for calculating methane intensity for Production segment emissions. Includes only Scope 1 methane emissions.

<sup>[2]</sup> Calculated using ONE Future's methodology for calculating methane intensity for Gathering and Boosting segment emissions. Includes only Scope 1 methane emissions. We did not participate in ONE Future's calculation of methane intensity for our Gathering and Boosting segment emissions in 2018 and 2019.

<sup>[3]</sup> 2020 methane intensities are inclusive of emissions from the Chevron Assets. 2020 methane intensities are preliminary — final 2020 calculations are expected to be published by ONE Future in the third quarter of 2021.

<sup>[4]</sup> Source: 40 CFR 98 Subpart W - Table W-1A

<sup>[5]</sup> Source: [https://www.law.cornell.edu/cfr/text/40/appendix-Table\\_W-1A\\_to\\_subpart\\_W\\_of\\_part\\_98](https://www.law.cornell.edu/cfr/text/40/appendix-Table_W-1A_to_subpart_W_of_part_98)

<sup>[6]</sup> Based on EQT historical assets — excluding leaks associated with the Chevron Assets.

<sup>[7]</sup> Metrics only include optical gas imaging survey data.

<sup>[8]</sup> <https://www.ourenergypolicy.org/wp-content/uploads/2014/04/epa-liquids-unloading.pdf>



# Risk Management

**SASB EM-EP-420a.1; TCFD: Risk Management – a, b, c; TCFD: Governance – b** ✓

At EQT, risk management has historically been decentralized, and we are currently reorganizing our approach to create a consolidated risk function, overseen by a designated risk leader. Doing so will enable us to coordinate between risk assessment functions and establish a consistent language and methodology across groups.

To ensure we are aligned and aware of our business risks, we survey senior leaders annually to assess Tier 1 enterprise risks. Based on this survey, we create a list of our top risks and present this information to our Board of Directors on an annual basis. We also conduct quarterly follow-up assessments to re-rank top risks and identify new or more effective measures for mitigation.

Our Financial group frequently uses models to assess the impact of our identified risks. This includes financial modeling, as well as commodity forecasting. For climate change specifically, we consider risk to our business, including demand for natural gas, renewables and other energy sources. In the first half of 2021, we built a proprietary emissions model that will be integrated with our financial model which will help us better understand carbon pricing and enable us to make business decisions based on both financial and climate impact. As we consolidate our risk function, we also plan to more explicitly incorporate transition and physical risks associated with climate change into our analysis.

Understanding the climate change risks and opportunities relevant to our business is fundamental to our ability to operate. In addition to setting reduction targets for our Scope 1 and 2 emissions, we are exploring new ventures and researching alternative technologies to further assist in decarbonization. We believe that natural gas will play a critical role in the energy transition and for that reason have engrained our climate strategy into our corporate strategy. For more information on our corporate strategy, please see [Sustainable Value Creation](#).

## GHG Emissions and Targets

**103-1; SASB EM-EP-110a.1; SASB EM-EP-110a.2; 305-1; 305-2; 305-4; 305-5; TCFD: Metrics and Targets – a, b, c** ✓

We monitor and report on operational air emissions as required by state and federal regulations. We gather operational data and calculate emissions annually to comply with emissions inventory requirements in each state where we have operations. For sources subject to the [EPA's Greenhouse Gas Reporting Program](#), we submit reports to the U.S. Environmental Protection Agency (EPA), where they are validated electronically. We are not subject to any greenhouse gas (GHG) emissions-limiting regulations and seek continuous improvement capabilities in areas that provide the most opportunity for GHG reductions.

Our GHG emissions are broken into three categories or “scopes.” Scope 1 emissions are direct GHG emissions from sources we own or control. Scope 2 emissions are GHG emissions from the generation of purchased electricity consumed in connection with our operations. Scope 3 emissions are all other indirect GHG emissions as a result of our activities, from sources not owned or controlled by us. We explain how we calculate our Scope 1, 2 and 3 emissions in more detail below; however, the [Greenhouse Gas Protocol](#) has additional information about how the scopes are defined.

### SCOPE 1 GHG EMISSIONS

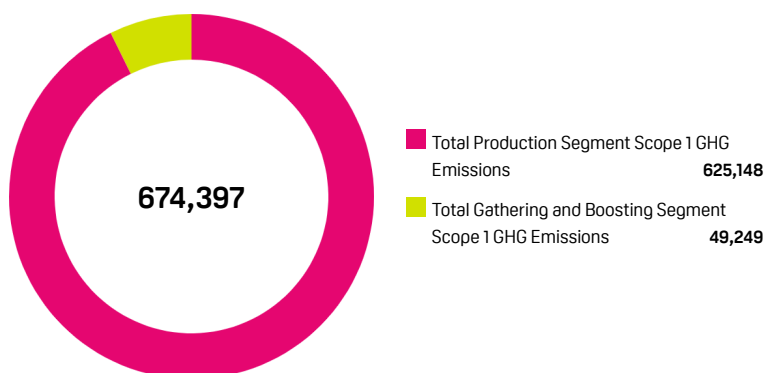
We calculate our Scope 1 GHG emissions in accordance with Subpart C (Stationary Fuel Combustion) and Subpart W (Petroleum and Natural Gas Systems) of the EPA Greenhouse Gas Reporting Program. Pursuant to the EPA's rules and regulations, emissions are reported according to defined “industry segments” as opposed to a single set of emissions at the operator level. There are five industry segments under the EPA's reporting framework for petroleum and natural gas companies: Production; Gathering and Boosting; Processing; Transmission and Storage; and Distribution. The significant majority of our operations (and consequently our Scope 1 GHG emissions) fall within the Production segment.

In November 2018, we completed the spin-off of Equitrans Midstream Corporation (New York Stock Exchange: ETRN), a separate, publicly traded company formed to hold our former natural gas gathering, transmission, storage and water services businesses (the ETRN Spin-Off). Following the ETRN Spin-Off, we no longer held a material amount of midstream assets, and accordingly, we stopped including our Scope 1 GHG emissions from our remaining limited midstream assets (which fall within the Gathering and Boosting segment) in our ESG Reports following the ETRN Spin-Off.

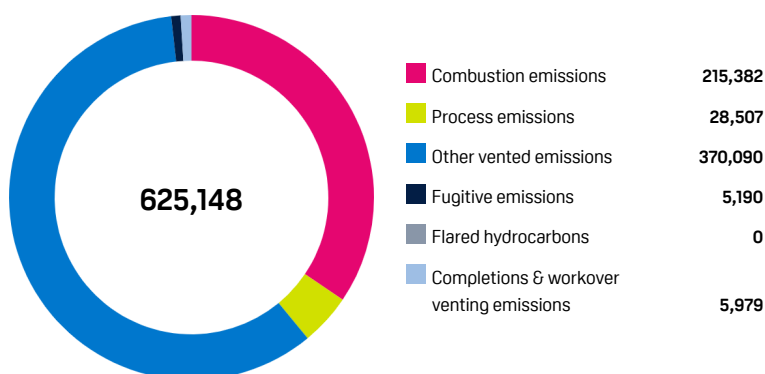
Although we still only own an insignificant amount of midstream assets, we are disclosing 2018, 2019 and 2020 emissions from these assets as identified below as emissions from the Gathering and Boosting segment. We have no emissions within the Processing, Transmission and Storage or Distribution segments.



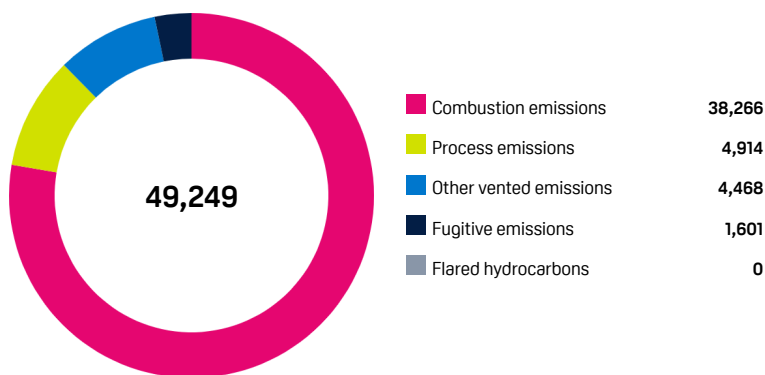
## Scope 1 GHG Emissions (metric tons CO<sub>2</sub>e)<sup>[1]</sup>



## Production Segment Scope 1 GHG Emissions (metric tons CO<sub>2</sub>e)



## Gathering and Boosting Segment Scope 1 GHG Emissions (metric tons CO<sub>2</sub>e)



## Scope 1 Emissions Sources (metric tons CO<sub>2</sub>e)

Accounting Metric	2018 <sup>[2]</sup>	2019	2020 (EQT)	2020 Annualized (Chevron Assets)
<b>Production Segment Scope 1 GHG Emissions</b>				
Combustion emissions <sup>[3]</sup>	466,346	202,952	215,382	50,311
Process emissions <sup>[4]</sup>	15,615	90,591	28,507	3,333
Other vented emissions <sup>[5]</sup>	410,122	489,983	370,090	72,831
Fugitive emissions <sup>[6]</sup>	23,019	6,818	5,190	347
Flared hydrocarbons <sup>[7]</sup>	0	0	0	0
Completions and workover venting emissions	6,937	5,349	5,979	1,139
<b>Total Production Segment Scope 1 GHG Emissions</b>	<b>922,039</b>	<b>795,693</b>	<b>625,148</b>	<b>127,961</b>
<b>Gathering and Boosting Segment Scope 1 GHG Emissions</b>				
Combustion emissions <sup>[3]</sup>	48,289	58,679	38,266	3,724

Accounting Metric	2018 <sup>[2]</sup>	2019	2020 (EQT)	2020 Annualized (Chevron Assets)
Process emissions <sup>[4]</sup>	8,625	9,569	4,914	1,867
Other vented emissions <sup>[5]</sup>	6,028	4,716	4,468	402
Fugitive emissions <sup>[6]</sup>	10,789	10,703	1,601	0
Flared hydrocarbons <sup>[7]</sup>	0	0	0	0
<b>Total Gathering and Boosting Segment Scope 1 GHG Emissions</b>	<b>73,731</b>	<b>83,667</b>	<b>49,249</b>	<b>5,993</b>

## Scope 1 GHG Emissions Intensity<sup>[8]</sup>

	2018	2019	2020 (EQT)	2020 (Chevron Assets)
Production Segment GHG Emissions Intensity (Production Segment Scope 1 GHG Emissions (metric tons CO <sub>2</sub> e) / Gross Production of Hydrocarbons (Bcfe))	529	440	357	695
<b>Gathering and Boosting Segment GHG Emissions Intensity</b> (Gathering and Boosting Segment Scope 1 GHG Emissions (metric tons CO <sub>2</sub> e) / Gross Production of Hydrocarbons (Bcfe))	42	46	28	33
<b>Total Scope 1 GHG Emissions Intensity</b> (Total Scope 1 GHG Emissions (metric tons CO <sub>2</sub> e) / Gross Production of Hydrocarbons (Bcfe))	571	487	385	728

## SCOPE 2 GHG EMISSIONS

While we have not historically tracked our Scope 2 GHG emissions (i.e., indirect GHG emissions from purchased electricity to power certain of our operations), we developed a methodology to calculate these emissions in 2020, and are including the data for the first time in this report. A third-party entity, typically a utility, generates these emissions at their facility.

The two prevailing methods for calculating Scope 2 GHG emissions are the market-based approach and the location-based approach. Under the market-based approach, Scope 2 emissions are calculated based on the reporting company's contracts with electric utilities. Under the location-based approach, Scope 2 emissions are calculated based on the average emissions intensity of the reporting company's local power grid. We use the location-based approach to calculate our Scope 2 emissions.

## Scope 2 GHG Emissions (metric tons CO<sub>2</sub>e)<sup>[9]</sup>

	2020
Carbon dioxide (CO <sub>2</sub> )	2,796
Methane (CH <sub>4</sub> )	7
Nitrous oxide (N <sub>2</sub> O)	11
<b>TOTAL</b>	<b>2,814</b>

## SCOPE 3 GHG EMISSIONS

Similar to Scope 2 emissions, we began efforts to track and understand our Scope 3 GHG emissions (i.e., other indirect emissions) in 2020. There are 15 categories of Scope 3 emissions. To fully understand our Scope 3 emissions, for 2020, we calculated our Scope 3 emissions within all 15 categories. We then conducted a materiality assessment to determine which of the 15 categories are material to helping our stakeholders understand our Scope 3 emissions impact.

As is the norm within our industry, the substantial majority of our 2020 Scope 3 emissions were generated from category 11 (use of sold products). As such, we are reporting only Scope 3 emissions from category 11, which is also in line with the

## Scope 3 GHG Emissions (metric tons CO<sub>2</sub>e)<sup>[10]</sup>

	2020
Use of Sold Products (Category 11)	87,465,365

## GHG EMISSIONS TARGETS

### SASB EM-EP-110a.3 ▾

As discussed in our Climate Strategy and [Sustainable Value Creation](#), the Evolve aspect of our strategy focuses on realizing the full potential of our current asset base. The purpose of evolution is to distinguish our capabilities from those of our peers, differentiating EQT. In line with that focus, we have set the following short- and medium-term goals for our Production segment operations to keep us on track:

■ Achieve net zero Scope 1 and Scope 2 GHG emissions by or before 2025

■ Reduce our Scope 1 GHG emissions intensity to below 160 MT CO<sub>2</sub>e/Bcfe (representing an approximately 70% reduction compared to 2018 levels) by or before 2025

■ Reduce our Scope 1 methane emissions intensity to below 0.02% (representing an approximately 65% reduction compared to 2018 levels) by or before 2025

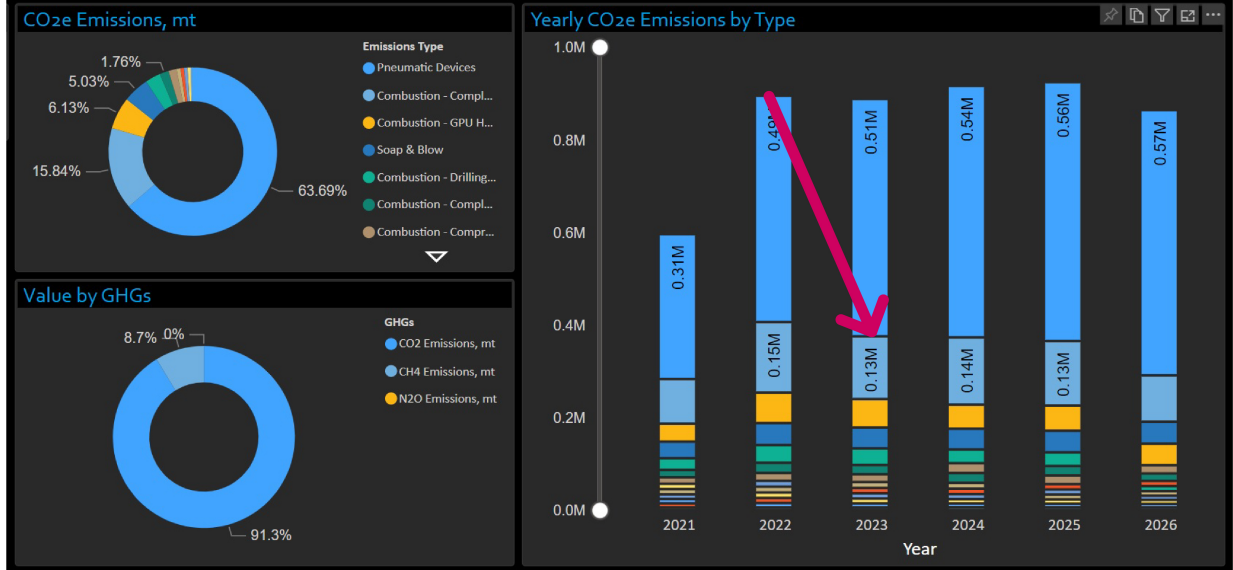
To further demonstrate that our impact on climate change is a priority for EQT, we have tied our 2021 incentive compensation program, under which our executives and other employees participate, to a reduction in our Scope 1 GHG intensity.

As is demonstrated by our emissions intensity targets, we are planning to achieve our goal of net zero Scope 1 and 2 emissions by or before 2025 primarily through operational improvements. In fact, we have already made a significant amount of headway in our efforts to achieve net zero Scope 1 and 2 emissions in advance of establishing this target. For example, by transitioning to a combo-development strategy, exclusively employing electric frac fleets and other operational initiatives, we have been able to cut our combustion emissions in half between 2018 and 2020, despite maintaining flat production levels.

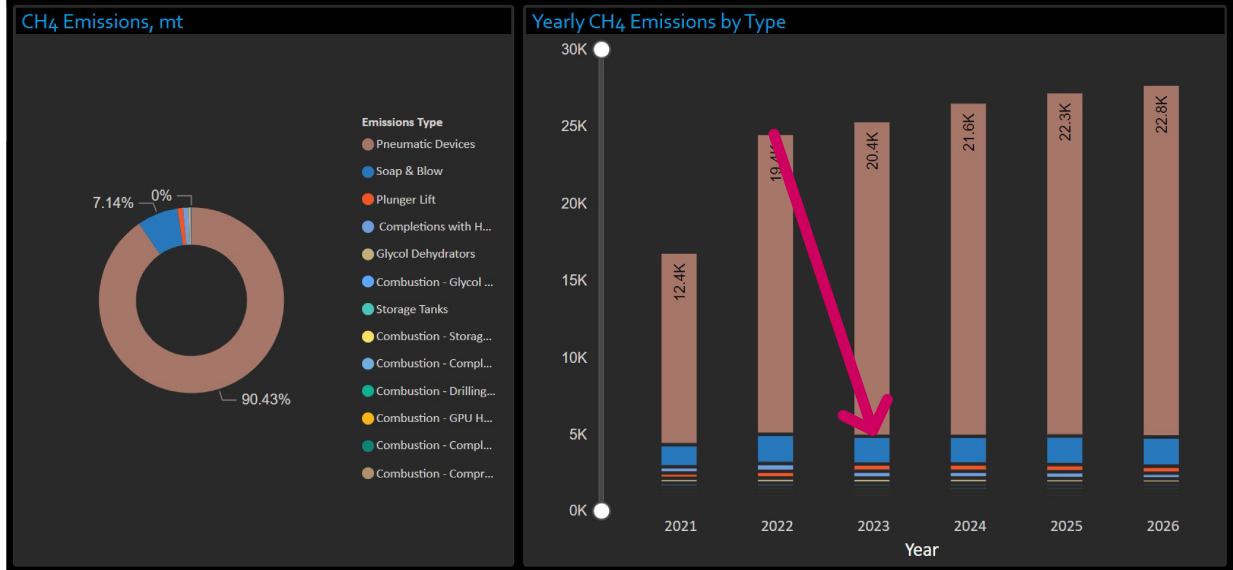
In 2020, we conducted an inventory of our Scope 1 emissions to determine which of our activities are the primary drivers of our remaining GHG emissions. Based on our analysis, we determined that a substantial portion of our Scope 1 emissions are generated from one piece of equipment — pneumatic devices.

Although the vast majority of pneumatic devices used in the oil and gas industry are powered by natural gas, alternative available options are powered by nitrogen, compressed air, or other non-GHG emitting sources — each of which eliminates emissions from the pneumatic device with, in certain instances, *de minimis* increases in emissions attributable to power generation. We believe that we can replace our natural-gas-powered pneumatic devices across our asset base in their entirety with only a limited capital outlay, which we believe is unique in the industry and is driven by the high productivity-to-well (and site) ratio of our asset base. We are committed to rapidly deploying our pneumatic device replacement program — a program which is already underway — with a goal of completely eliminating natural gas-powered pneumatic devices from our operations by 2023, representing a substantial portion of our emissions reduction efforts.

## Greenhouse Gas Emissions - CO<sub>2</sub>e



## Greenhouse Gas Emissions - CH<sub>4</sub>



While we are already operating at an industry-leading emissions intensity level — in part driven by prior adoption of emissions-friendly operational technologies like electric frac crews and hybrid drilling rigs — we fully anticipate additional opportunities for operational improvements above and beyond our pneumatic device replacement initiative, albeit of lesser impact, to contribute to achieving our net zero goal.

As we prioritize emissions reduction opportunities, we place a premium on true emissions reduction. This is not only when making capital allocation decisions for emissions elimination programs versus generating offsets and purchasing credits, but also in how we prioritize projects that will support actual emissions reductions versus emissions reported pursuant to EPA guidance. For example, starting in 2020, we began a process to replace our natural-gas-powered pneumatic devices on newer well sites. Our internal research has shown that actual annual emissions attributable to pneumatic devices during the first two years of the productive life of a well are roughly equal to the actual emissions for the remaining balance of the well's life. Importantly, while these early life pneumatic device emissions likely exceed the flat annual emissions attributed under EPA guidelines (which apply a single emissions factor regardless of the life of the well), we also found that EPA guidelines result in inflated emissions for the remainder of the life of the well.<sup>[1]</sup> As such, when we initiated our pneumatic device replacement program in 2020, we began by targeting all new development and all sites that were within their first two years of production. Quite simply, our goal is to reduce actual emissions, not “desktop” emissions.

Further to that end, we are actively developing plans to increase our usage of next-generation monitoring technologies — such as those employed in our pilot project with Project Canary/IES TrustWell — across a broader portion of our asset base. While we already employ leading practices in detection, we are driven to constantly improve our ability to identify and quickly address potential emissions incidents. As a demonstration of this commitment, in 2021, we announced our participation in the Oil and Gas Methane Partnership (OGMP) 2.0, a Climate and Clean Air Coalition initiative led by the UN Environment Programme, in partnership with the European Commission, the UK Government, the Environmental Defense Fund and other leading oil and gas companies. Pursuant to the OGMP 2.0 framework, we will endeavor to achieve a “gold standard” emissions monitoring strategy, which leverages modern emissions monitoring technologies across our asset base to demonstrate verifiable achievement of “near zero” emissions intensity by or before 2025.

We are also committed to doing what we can — in light of who we are — to accelerate a sustainable pathway to a low carbon future. In one regard, this means leveraging the impact of our operating model through consolidation, and thereby accelerating a reduction of emissions within the natural gas production industry. In another, it means buttressing our efforts to reduce our emissions with carbon offset creation opportunities. In addition to generating credits that could be attached to our products to facilitate the establishment of differentiated products markets, we believe that opportunities exist for us to create offsets through activities that are consistent with our core competencies.

Offset generation represents a portion of our plan to achieve net zero Scope 1 and 2 GHG emissions by or before 2025. Given the varying maturity of technologies underpinning offset generation opportunities, we are contemplating principally relying on more proven offset opportunities to achieve our net zero goals, such as land management and biological carbon sequestration initiatives. We plan to execute on these opportunities organically, leveraging our extensive landowner relations function. As context, our ability to offset the remaining emissions associated with our Production segment operations following our elimination of natural gas-powered pneumatic devices could be achieved by executing on these types of programs covering less than 3% of our total acreage footprint alone.

Additionally, while our net zero target does not include our Scope 3 emissions, we are exploring ways to meaningfully impact the emissions impact of the use of the products we sell and of others in the industry. As we noted above, our recent technological and cultural transformation has instilled across our organization the mentality, approach and nimbleness necessary to adapt in dynamic environments. These changes have been intentional and were pursued in part to allow EQT to evolve. The reality is that we do not believe that setting a net zero Scope 3 emissions target at this time is the optimal manner for EQT to contribute to an acceleration of a sustainable pathway to a low carbon future.

Across the industry, there is a growing movement to divest high carbon intensive operations or assets in order to achieve corporate net zero targets. The problem with this approach is that the divested assets continue in operation, in many instances shifting to operators who are not subject to public scrutiny. In essence, it represents a shifting of emissions out of the hands of accountable operators — driven by a desire to achieve a corporate net zero goal — not a reduction in emissions aligned with achieving our collective emissions reduction goals.

We are taking the opposite approach. We believe our track record demonstrates both that we are a committed leader in emissions reduction and field measurement efforts and that we can advance the rate of improvement in meeting a 1.5-degree scenario through consolidation. Although consolidation would inherently ascribe to our Company Scope 3 emissions of any future acquired operations (emissions that would exist even if they were not acquired by us), it also puts those operations in the hands of stewards that will be accountable for accelerating emissions reduction efforts. We believe that advancing the collective goal of accelerating a rapid reduction of emissions of the industry should be the driving factor in shaping our strategy, and we will do just that.

To that end, we believe that we will have a competitive advantage in emerging energy transition technologies. We believe that our leadership has a demonstrable leading-edge track record in assessing and commercializing emerging technologies. When combined with being the largest producer of low-cost, low-carbon intensity natural gas, we believe we have a competitive advantage as opportunities develop. In furtherance of this, in 2021 our Board of Directors authorized the creation of an innovation fund, establishing a \$75 million pool of capital that we can use to develop, invest in, partner with and acquire new ventures or otherwise pursue initiatives aligned with our ESG strategy through 2025. Our guiding principles on allocating capital to new ventures generally center around (i) promoting natural gas demand and participating in the low carbon transition, (ii) leveraging our assets, skill sets and relationships to capture opportunities, (iii) targeting opportunities for meaningful scale and growth, (iv) deploying proven technology and (v) improving our ESG reputation.

We believe these goals provide the right prioritization and targets to guide our strategy and decision-making throughout the Company, will continue to position EQT as a leader and the energy industry, and will accelerate a sustainable pathway to a low carbon future.

<sup>[1]</sup> EQT is subject to the methodologies for reporting GHG emissions under Subpart C (Stationary Fuel Combustion) and Subpart W (Petroleum and Natural Gas Systems) of the EPA Greenhouse Gas Reporting Program. We calculate our Scope 1 GHG emissions using EPA calculation guidelines under 40 CFR Part 98 Subpart Q. Under this Rule, hydrofluorocarbons, perfluorinated chemicals, sulfur hexafluoride and nitrogen trifluoride are not expected to be emitted in this sector. Our Scope 1 GHG emissions figures include all of our Scope 1 GHG emissions, regardless of size. Subpart W only requires certain GHG emissions to be reported to the EPA if the emissions exceed a certain specified level, so in some cases our Scope 1 GHG emissions disclosed in this report may be greater than the amount we report to the EPA. Additionally, although not shown in our total Scope 1 GHG emissions figure, we had 6,326, 4,721 and 3,782 metric tons carbon dioxide equivalent (CO<sub>2</sub>e) attributable to our fleet operations in 2018, 2019 and 2020, respectively.

<sup>[2]</sup> Our 2018 emissions figures include emissions from our midstream operations that were subsequently transferred to Equitrans Midstream Corporation in connection with the spin-off of Equitrans Midstream Corporation as a separate, publicly traded corporation in November 2018.

<sup>[3]</sup> Combustion emissions include emissions from our diesel and natural gas drill rigs, completion engines, stationary engines, reboilers, gas processing units (GPUs), vapor destruction units (VDUs) and generators.

<sup>[4]</sup> Process emissions originate from our glycol and desiccant dehydrators.

<sup>[5]</sup> Other vented emissions include emissions from our storage tanks, reciprocating compressors, well liquid unloading operations, pneumatic controllers and pumps.

<sup>[6]</sup> Fugitive emissions include equipment leak surveys and population count emissions.

<sup>[7]</sup> For purposes of this report, we use the [AXPC's definition](#) of "flaring," which is the flaring of wellhead gas from the primary separator at assets operated by EQT. This definition of flaring specifically does not include (i) combustion of low-pressure gas volumes from crude oil/condensate and produced water storage vessels or other low-pressure separators for the purpose of controlling emissions, or (ii) flaring from drilling and/or well completion, which are either (a) exempt from reporting to the EPA (e.g., flaring gas during the drill-out phase of completing a well), or (b) disclosed in our EPA emissions inventory reports under emissions from other sources (e.g., flaring associated with the operation of VDUs is captured under combustion emissions, and flaring associated with the operation of glycol dehydrators is captured under process emissions). For further discussion of our venting and flaring practices, see Venting/Flaring Practices.

<sup>[8]</sup> In prior years we have calculated our intensity metrics using net production of hydrocarbons as the denominator in the calculation. We have decided to switch to using gross production of hydrocarbons as the denominator for our intensity metrics, beginning with this year's report. While there is no standard formula for calculating emissions intensity, we believe gross production is a more accurate representation for calculating our intensity, because gross production is a measure of the actual volume of hydrocarbons produced from the wells we operate. Accordingly, we have restated our 2018 and 2019 Scope 1 GHG emissions intensity metrics using gross production as the denominator in the calculation. We have also provided our net production volumes in the Corporate Profile section of this report, in the event a reader desires to calculate our intensity metrics using net production.

<sup>[9]</sup> Scope 2 emissions include only indirect emissions from EQT's operations — does not include possible indirect emissions associated with the Chevron Assets.

<sup>[10]</sup> Scope 3 emissions include only indirect emissions from EQT's operations, and exclude possible indirect emissions associated with the Chevron Assets.

<sup>[11]</sup> We presented these findings to the EPA in November 2020 in part to assist in their analysis on how to best tackle pneumatic device emissions.



ENVIRONMENTAL

WATER

Why It Matters to Us

103-1    ▾

Natural gas production requires water to operate sophisticated processes and procedures. Effectively managing our water consumption and disposal is critical to safeguarding human and ecological health while maintaining access to the water sources we need to operate. In addition, the efficient use and transport of water improves the efficiency of our operations while driving down air emissions through decreased vehicle transportation. At EQT, we work to uphold high standards of water management to preserve stakeholder trust, minimize our environmental impact and protect this valuable natural resource.

What We Are Doing

103-2    ▾

We recognize that natural gas development activities are water-intensive, and we are dedicated to protecting water resources by operating responsibly. We use best-in-class management practices for evaluating water sources, permitting locations, operating withdrawal sites and discharging water. We identify potential risks at each stage of our operations and implement appropriate mitigation measures. Further, we strive to protect the fresh water in our communities by investing in new technology, leveraging industry best practices and reusing water whenever possible. We strongly support transparency and disclose the chemical makeup of our fracturing fluids.

GOVERNANCE

Our Environmental, Health and Safety (EHS) department, led by our Vice President, EHS, is responsible for the oversight and management of our environmental footprint, including following water-related procedures and meeting permit requirements. Our Completion and Production teams are responsible for overseeing the management of operations, including associated water use. Each quarter, we share environmental progress, including material environmental violations, with the Public Policy and Corporate Responsibility Committee of our Board of Directors.



WATER WITHDRAWALS

303-1

We operate within the Appalachian Basin, which has a relatively abundant supply of water with low to moderate baseline water stress when compared to [other basins in the United States](#). That said, we understand water is a precious resource, and effectively managing any amount of water use is important. Prior to initiating any water withdrawal, we assess the water source to determine a reasonable rate that can be extracted without harming the existing uses supported by the water source and obtain approval from appropriate regulatory bodies.

During our operations, we strive to minimize the quantity of fresh water used, mindfully select water sources close to our well pads to minimize transportation and choose sources with adequate, sustainable capacity to support our withdrawal without impacting the watershed. Regulatory agencies in Pennsylvania, West Virginia and Ohio issue permits to us for water withdrawal based on the availability and quality of local supplies. We have procedures in place to ensure that we maintain compliance with our water permitting and reporting requirements.

As much as possible, we use our own or third-party produced water for our operations to minimize freshwater withdrawals. We use the following definitions in this report pertaining to water use and recycling:

Water Withdrawn/Water Consumption	Normalized Fresh Water Withdrawn	Recycled Water
The water obtained from sources such as lakes, rivers, reservoirs or municipal spigots/hydrants for use in our operations. We obtain permits for our freshwater sources and adhere to all applicable local, state and federal guidelines. Due to the nature of natural gas extraction, virtually all water we withdraw is used immediately; therefore, we use “water withdrawal” and “water consumption” interchangeably throughout this report.	The ratio of water withdrawn (in cubic meters or m <sup>3</sup> ) to barrels of oil equivalent per day (BOE) produced.	Water that is recycled for reuse in our operations. This includes flowback, drilling water and produced water collected from drilling operations.

We cooperate with state agencies to obtain permits for each of our water withdrawal sites, which includes a full evaluation of each respective watershed. We adhere to agency recommendations on flow rates and do not exceed the maximum daily allowance to protect the quality and quantity of each source. Surface water withdrawals are taken in accordance with a state-approved water management plan to prevent withdrawal during low-flow conditions. This process also helps ensure that adequate water is available for aquatic species and downstream users. In addition to surface water withdrawal, we obtain water from municipalities in accordance with contracts with local or regional municipal water suppliers. We oversee our contractors’ compliance with water withdrawal requirements using a daily review and approval process prior to water withdrawal.

MONITORING IMPACTS

Well integrity is critical in preventing impacts on water supplies typically found within a few hundred feet of the surface. To protect these shallow aquifers, we use fresh water, soap and air to drill the section of a well that could contain any fresh water. After drilling the freshwater section of the well, steel pipes (casings) are cemented in the borehole to protect groundwater and allow production of gas. We perform casing pressure tests and run cement bond logs as required by individual state regulations and submit reports on these tests and logs to the applicable state agency. We had no well integrity failures in 2020 that resulted in an adverse impact on the environment.

Our water-well protection program includes conducting both pre- and post-drill sampling at landowners’ private water supplies. We analyze water supplies — including water wells, springs, ponds and streams — for general water quality constituents as well as metals, dissolved gas, petroleum constituents and, if warranted, bacteriological parameters. We also follow the [Marcellus Shale Coalition’s recommendation](#) for pre-drill water supply surveys. We conduct multiple pre-drill sampling for all water sources within 3,000 feet of the site and post-drill sampling for sources within 1,500 feet of the site based on hydrogeological conditions and other factors as necessary to protect domestic water supplies.

We maintain a database of pre- and post-drill results and submit analytical results to the property owner as well as the relevant state environmental agency. We examine every landowner quality or quantity concern that is brought to our attention. If we perceive an issue, we immediately conduct a thorough hydrogeologic review and coordinate with the appropriate internal and external stakeholders to address and resolve it.

We store both fresh and recycled water in double-wall tanks and open impoundments, where permissible. Our impaired water impoundments, located only in West Virginia, are inspected weekly and have leak detection systems. We do not currently have plans to create any new impaired water impoundments. In our other operating areas, we use tanks protected by containment that meet Spill Prevention, Control, and Countermeasure best practices to store water produced during production. Containment at all unconventional sites is inspected monthly for adequacy.

## TRANSPORTING WATER AND AVOIDING SPILLS

To further improve water efficiency, we continue to transition away from water transportation by truck. We are working to source all fresh water for our operations from pipelines, which reduces truck traffic, our carbon footprint and air emissions. As of December 31, 2020, approximately 98% of the fresh water we consume was delivered to our sites using pipelines. In 2020, we focused on electrifying our water pumps with either natural gas or electricity rather than diesel. We are also pursuing utility power for sites where we are unable to transition our water pumps from diesel to natural gas. In 2021, we plan to continue to run pilot tests to further understand the potential impact of electrifying our pumps. We are also working to develop a 45-mile mixed-use water system in West Virginia that will serve as the backbone for optimal development efficiencies moving forward, while also reducing environmental impacts and improving long-term operating expenses. The water system is expected to service approximately 1.8 million feet of pay currently on our development schedule, with an extensive inventory of future locations to also benefit from this infrastructure.

In cases where water is transported via truck — primarily for our produced water — we are working to increase our visibility of water use. Our onsite dashboards enable our managers to access real-time data from multiple service providers and contractors in one centralized place. In 2020, we installed water meters on vehicles to improve water management accountability. We also have tank level monitors to prevent spills, alarms to prevent overfilling and technology to identify leaks in lines as soon as they occur. This data is available in both our offices and the field, which proved invaluable in reducing the number of employees and contractors on site in response to COVID-19 in 2020, as well as enabling continued access to the data while employees work from home.


## WASTEWATER MANAGEMENT

303-2 

In addition to adhering to applicable local and federal regulations, we follow best practices for safe wastewater disposal. We frequently evaluate wastewater treatment technologies that could further reduce disposal amounts.

We also work to recycle the majority of our wastewater after the completion of a well by collecting flowback, drilling and produced water to reuse when fracturing new wells. We seek to collaborate with local peers to promote sharing wastewater for reuse and have several sharing agreements with other operators, which generated approximately \$2.3 million in cost savings in 2020 by reducing our water costs and transportation and disposal expenses. Over the last three years, we have annually recycled over 70% of the water that is produced from our drilling and completions operations. To enhance our recycling capabilities, we use a third-party storage facility to safely store wastewater until it is ready for reuse. We do not currently use any wastewater for purposes other than hydraulic fracturing. In 2020, despite decreased activity levels for the entire exploration and production industry, thereby reducing opportunities to reuse produced water, we were still able to recycle 73% of our produced water.

In an effort to improve our footprint as it relates to water, in 2020 we developed the Water App, a logistics and data management tool that optimizes our trucking schedule, tracks logistics, improves dispatch and has made our daily management of water more efficient. The mapping function within the app also provides us with greater insight into our performance and we have used the app to improve our overall recycling and cost savings in Appalachia.

 Our improved efficiency resulting from the Water App has decreased the number of trucks that are used to transport our water by 28% and led to a 17% reduction in disposal costs compared to 2019.

Any wastewater that cannot be recycled is disposed of at permitted commercial disposal facilities. We typically employ underground injection control wells in Ohio, where formations are most suitable for injection. We conduct routine inspections of these facilities to confirm compliance with operating permits. We frequently explore alternatives to injection for any wastewater we are unable to recycle.

We understand that seismic activity due to wastewater disposal can be a concern for stakeholders. Deep-well injection represents approximately 14% of our total wastewater disposal each year, and in recent years Ohio upgraded its injection and permitting program to further address potential seismicity risks. Additionally, the overall volumes injected in Ohio are relatively small compared to other states that have experienced seismicity, such as Oklahoma, where the injection is roughly 50 times greater than Ohio.

## Hydraulic Fracturing

SASB EM-EP-140a.3

Natural gas extraction often involves hydraulic fracturing — the process of injecting fluid into the well to create pressure to crack the underground shale formation and release the natural gas contained in the formation. The fluid injected into the well, referred to as fracturing fluid, is composed of water mixed with sand and a small percentage of chemical additives. To reduce the potential for groundwater impacts, our wells are completed with multiple layers of steel casing and cement through a process known as triple casing, which seals and isolates freshwater zones.

We are proud to be a charter registrant of [FracFocus.org](#), an independent website created by the Ground Water Protection Council and the Interstate Oil and Gas Compact Commission to disclose chemicals used during hydraulic fracturing. FracFocus decouples trade names from individual ingredients on the chemical disclosure form by listing all the ingredients without the specific recipe. We publicly disclose via FracFocus all of the chemicals used in our hydraulically fractured wells and regularly update such disclosures.

Additionally, we continuously explore more environmentally friendly alternatives for our fluids. We do not use diesel additives in our fracturing fluid and have worked to optimize and reduce the amount of other chemicals used.

## How We Are Doing

103-3; 303-3; 303-5; SASB EM-EP-140a.1

We use dashboards in our digital work environment to enable us to monitor our performance against key operational indicators, including environmental incidents, and to drive internal transparency, accountability and improved data accuracy. Additionally, we have incorporated automatic notifications to alert employees when any data concerns occur, making our operations more proactive and efficient. We also leverage a Production Control Center to optimize schedules and monitor our assets in real time, and utilize annual third-party environmental audits for select operating facilities and sites. We continue to add sensors to our wells with the intention of modernizing our completions activities.

We track all water withdrawals by source. In almost all cases, we consume the water we withdraw immediately and do not store water for long periods of time; therefore, our withdrawal and consumption are effectively the same. As shown in the table below, our primary sources of water in 2020 were surface and municipal water. While many of our water storage facilities and pits passively collect rainwater for use in our operations, rainwater continues to have a minimal effect on our water usage. Our freshwater use varies annually for the following reasons:

- The location and seasonal availability of fresh water may not match the location and timing of drilling and completions activity
- The completion of more hydraulically fractured wells results in greater total water usage
- The use of longer laterals — the horizontal portion of the well — requires more water for each completion on an absolute basis for each well, but reduces our overall water needs at an operator level

### Water Withdrawal/Consumption (thousands of m<sup>3</sup>)<sup>[1]</sup>

Metric	2019	2020
Freshwater sources		
Surface water	1,208	406
Groundwater	0	0

Metric	2019	2020
Third-party water (third party and municipal)	6,275	6,111
<b>Total fresh water consumed<sup>[2]</sup></b>	<b>7,483</b>	<b>6,517</b>
<b>Non-freshwater sources</b>		
Produced water <sup>[3]</sup>	2,672	1,942
Wastewater <sup>[4]</sup>	22	118
<b>Total non-fresh water consumed</b>	<b>2,694</b>	<b>2,060</b>
<b>Total water consumed</b>	<b>10,177</b>	<b>8,577</b>

### 303-4; SASB EM-EP-140a.2; SASB EM-EP-140a.4

We do not intentionally discharge any produced water to surface water, which is why we do not disclose a strategy or standards for relevant disposal and treatment. During 2020, we did not hold any permits to discharge wastewater and there were no occurrences of groundwater or surface water impacts resulting from our hydraulic fracturing operations conducted in targeted formations.

## Produced Water

Metric	2019	2020
<b>Total volume of produced water</b>	<b>3,460 (100%)</b>	<b>3,370 (100%)</b>
Amount and percent of produced water discharged to groundwater (thousands of m <sup>3</sup> )	0 (0%)	0 (0%)
Amount and percent of produced water injected (thousands of m <sup>3</sup> )	659 (19%)	906 (27%)
Amount and percent of produced water recycled <sup>[5]</sup> (thousands of m <sup>3</sup> )	2,801 (81%)	2,464 (73%)
Amount and percent of produced water reused at EQT sites (thousands of m <sup>3</sup> )	--	1,941 (58%)
Amount and percent of produced water delivered directly to third-party fracs (thousands of m <sup>3</sup> )	--	84 (2%)
Amount and percent of produced water delivered indirectly to third-party fracs via recycling facilities (thousands of m <sup>3</sup> )	--	439 <sup>[6]</sup> (13%)
Volume of hydrocarbons discharged to the environment via water (metric tons)	0	0

<sup>[1]</sup> Due to the nature of natural gas extraction, virtually all water we withdraw is used immediately; therefore, “water withdrawal” and “water consumption” are synonymous for our purposes. We do not withdraw sea water.

<sup>[2]</sup> Please note, we operate primarily within areas with very low to low Baseline Water Stress (<20%) and very low risk to Water Depletion ([Water Risk Filter](#)). Some wells operated by us within Tioga County, Pennsylvania, have medium Baseline Water Stress.

<sup>[3]</sup> Includes all impaired water (produced, flowback, drilling, containment and cellar water).

<sup>[4]</sup> Includes impaired water used from other operators and third-party recycling centers.

<sup>[5]</sup> This is the amount of EQT produced water that is recycled by any means, including reused at EQT sites, delivered directly to third party fracs, delivered indirectly to third party fracs via recycling facilities, or evaporated and/or treated and discharged to the environment without creating additional waste streams. In 2020 we began tracking our specific recycling activities and have disclosed them under “Amount and percent of produced water recycled” for 2020.

<sup>[6]</sup> In 2020, we consumed more recycled water than we delivered indirectly to third party fracs via recycling facilities; on a net basis, this amount is 0.



## ENVIRONMENTAL

# SPIILLS

## Why It Matters to Us

103-1 ▾

In addition to impacting the environment, spills can adversely impact our landowner partners and lead to environmental fines, remediation costs, operational delays and reputational risk. We recognize stakeholder concerns regarding the substances involved in a spill, and work hard to avoid spills and mitigate the potential impacts on human and environmental health when a spill occurs.

## What We Are Doing

103-2 ▾

We are committed to preventing spills to protect people, the environment and our business. We take our approach to managing spills seriously by seeking to meet or exceed all local, state and federal policies. If a spill does occur, we seek to ensure a timely and effective response. We outline all expectations related to spills to our employees in our Environmental, Health and Safety (EHS) Management System, and our Contractor Environmental Handbook shares our expectations with contractors.

### GOVERNANCE

Our Environmental Operations Compliance team oversees our compliance, spill prevention and response activities, reporting to our Director, Environmental Affairs. A member of this team and two backup individuals are available at all times to receive calls in the event of a spill. All large-scale incidents are reported to our Vice President, Environmental, Health and Safety and our Chief Executive Officer. Our Vice President, Environmental, Health and Safety reports information on spills to our Public Policy and Corporate Responsibility Committee on a quarterly basis and to our Environmental, Social and Governance (ESG) Committee on a periodic basis.

### SPILL PREVENTION

To reduce the likelihood and impact of significant spills, we maintain Spill Prevention, Control and Countermeasure (SPCC) plans for every worksite that stores fluid. These comprehensive plans, based on regulation established by the U.S. Environmental Protection Agency (EPA), guide our employees and contractors to minimize the chance for a release and dictate the actions required should a spill occur. The plans define training programs, inspection protocols, secondary containment monitoring and repair programs required at each of our natural gas wells and compressor stations.

We deploy targeted strategies at each stage of our operations to prevent spills. We implement measures to monitor the risk of a spill and detect potential equipment failures, including installing pressure sensors and conducting onsite inspections. We pay special attention to managing wastewater from our operations during production. For example, we require pad drains to be closed during operations to prevent substances from leaving the site. Water collected from the pad drains is tested to ensure we meet applicable water quality requirements before it is released back into the environment. The completion phase of our operations represents the biggest risk for potential leaks due to the large volume of water on site. To appropriately manage these risks, we deploy ongoing monitoring activities and utilize specialized spill containment and leak prevention equipment to reduce the risk of groundwater contamination.

At EQT, we hold our employees and contractors to high standards for spill prevention. We want everyone working on our behalf to take spill prevention seriously, and continuously work to improve the training we provide related to managing spills. Our [FOCUS](#) program promotes an overall culture of safety — including spill prevention — through family, obligation, communication, understanding and support. FOCUS includes trainings like our safe water hauling training, which was completed by more than 490 EQT contractors and employees in 2020. For additional details, see [Occupational Health and Safety](#).

## SPILL RESPONSE

When a spill is reported, we request photos and videos to immediately determine the magnitude of the spill so our Remediation team can further investigate the incident and determine an appropriate response. We strive to achieve a two-hour response time from our professional remediation company, regardless of the spill size.

In the event of a spill, we use appropriate cleanup techniques to mitigate the spill's effects, including removal of effluents from soil. We promptly remove and dispose of cleanup materials according to prevailing federal, state and local regulatory requirements, thereby minimizing the impact on the environment and local community. We then evaluate the cause of the spill to identify and implement corrective action. We work to prevent repeat accidents by integrating improved techniques and protocols into design standards, operations and future spill prevention plans. We share these with employees and contractors to continuously improve our operations.

Our emergency response and preparedness program requires the following actions in the event of an incident:

- Determine the source and type of spill, and begin taking corrective action
- Evacuate any employees requiring medical attention
- Isolate the area, and stop the spill as soon as possible using appropriate methods
- Contain the spill with available resources, including containment ditches, diking and spill kits complete with absorbent booms, pads, pillows and personal protective equipment (we do not use chemical dispersants)
- Report the spill through our Emergency Hotline, which notifies the relevant Environmental Coordinator to determine appropriate remediation actions
- Perform, or observe, proper cleanup measures as directed by the Environmental Coordinator

As part of our Company policy, we hire professional service contractors to manage all spills associated with our operations, and in 2020 we hired an additional contractor to improve our spill response time. Our Contractor Environmental Handbook describes our formal spill prevention and mitigation expectations, including guidance on using and maintaining secondary containment to prevent spills, regularly inspecting equipment, reporting all spills to our Emergency Dispatch Center and using a spill kit. We also follow up with contractors involved in a spill to better understand the incident and discuss our expectations. For example, after we experienced a diesel spill when a contractor was unable to maintain direct line of sight with the tank during filling, our fuel supplier began requiring the presence of two people when refilling day tanks on active operations. Additionally, to identify any spills or areas of stained gravel prior to loading, our water truck hauling partners follow a 360 degree walk around policy before beginning work.

Utilizing our digital work environment, we generate dedicated spill reports to notify appropriate personnel of a spill and provide our professional remediation contractors with access to these reports. This enables contractors to upload status updates and appropriate documentation into one centralized system, and allows for more cohesive tracking and reporting of spills.

During quarterly meetings with EQT contractors, we provide examples of real-life incidents to help prevent future spills. Due to COVID-19, we only held one large in-person contractor meeting in January, where nearly 600 contractors attended. As we were unable to hold further in-person trainings, we pivoted our focus to computer-based trainings specifically focused on SPCC and EQT's spill policy. The SPCC training was deployed to employees and business partners, while the spill policy training was deployed to employees.



# How We Are Doing

103-3; 306-3; SASB EM-EP-160a.2

We continually work to improve our process for managing spills. Members of our Environmental, Health and Safety (EHS) team perform proactive environmental inspections and hazard hunts on all of our well sites on a periodic basis. Our EHS team performed 2,198 proactive environmental inspections and 1,735 proactive hazard hunts in 2020. In 2020, we implemented a procedure requiring water haulers to obtain water from cellars and secondary containment before accessing produced water tanks. Doing so ensures that our cellars and containments are proactively managed, reducing the number of separate dispatches needed from water trucks to manage fluid levels. Additionally, in response to finding pinholes in pad liners after frac crews moved off site, we increased the thickness of the pad liners at our sites during completions activities. The pinholes were causing leaks, and the new thicker liners have drastically reduced releases.

We also host a quarterly roundtable to discuss a broad set of topics, including spill performance. We invite our peers in the Appalachian Basin to participate in the roundtable events, which allows us to discuss key topics such as equipment failures and process improvements. In 2020, we held three roundtable discussions, all of which were either conducted virtually or socially distanced in an outdoor setting.

While our total spills resulting in release did not increase dramatically in 2020, we experienced just over double the number of spills in excess of one barrel compared to 2019. Toward the end of 2019, we began to widely distribute our hotline number for reporting spills and also began strongly emphasizing spill reporting regardless of size or quantity — even down to the size of a quarter. As a result of these leading indicator efforts, our spill numbers started off higher in 2020 compared to prior years due to our increased emphasis on transparency in reporting spills. Additionally, we increased reporting and pad hand-off inspections in 2020, which led to additional discoveries of releases due to holes in certain completions containments. Lastly, in 2020, we transitioned to using all electric completions fleets, which resulted in us and certain of our business partners having to work through new technologies and improving upon them. As part of the transition, we increased the thickness of our completions containments, but in doing so, we initially experienced some failures of the welds in containment seams which resulted in additional spills. We believe that these issues associated with our transition to electric completions fleets have now been fully resolved, and our spill numbers flattened out to typical levels toward the end of 2020. We anticipate an improvement in the number and volume of spills in 2021.

We do not operate in the Arctic and, therefore, we had no spills that impacted the Arctic or shorelines with [Environmentally Sensitive Index](#) rankings 8 to 10.

## Reportable Spills Resulting in a Release<sup>[1]</sup>

	2019		2020	
	#	BOE	#	BOE
Hydrocarbon release >1 BBL (1 BOE)	4	65	3	156
Non-hydrocarbon releases >1BBL (1 BOE)	8	59	23	212
Total spills resulting in release >1BBL (1 BOE)	12	123	26	368
Total hydrocarbon spills	13	68	8	158
Total non-hydrocarbon spills	57	131	82	228
<b>TOTAL SPILLS RESULTING IN RELEASE</b>	<b>70</b>	<b>199</b>	<b>90</b>	<b>386</b>

<sup>[1]</sup> Includes reportable spills and volumes outside containment.





## ENVIRONMENTAL

# BIODIVERSITY AND LAND IMPACTS

## Why It Matters to Us

103-1 ▾

At EQT, we recognize the important role land plays in our daily activities, as we owned or leased approximately 1.8 million gross acres primarily in Pennsylvania, West Virginia and Ohio in 2020. The potential impact of natural gas operations on biodiversity, habitats and land are highly regulated and a primary focus for local communities, landowners and many industry associations. Ensuring our operations — including site design, development, operation and decommissioning — do not negatively impact the surrounding landscape and local biodiversity is critical to building trust with our valued stakeholders, and aligns with our commitment to environmental stewardship.

## What We Are Doing

103-2; 304-1; 304-2 ▾

Our day-to-day operations inevitably affect the land to some degree. We focus our efforts on mitigating, avoiding and monitoring any impacts on the land and wildlife where we operate throughout the life cycle of a site. Addressing any issues identified during the permitting phase enables us to proactively minimize or avoid land impacts. As a member of the [Marcellus Shale Coalition](#), we participate in working groups that focus on site planning, development, restoration and other topics that foster land protection. Our Permitting and Civil group works closely with our Environmental, Health and Safety (EHS) team through the permitting, monitoring and decommissioning of sites. Our guidelines are outlined in our comprehensive EHS Management System.

We do not conduct surface operations on legally protected lands such as federally designated wetlands, federal lands and national parks. We follow federal, state and local regulations regarding species and habitat protection during operational activity near protected lands or areas of high biodiversity.

## 2020 Leased or Owned Acreage in Legally Protected Areas<sup>[1]</sup>

	Wetlands (km <sup>2</sup> )		Federal Land and Parks (km <sup>2</sup> )	
	EQT	Chevron Assets	EQT	Chevron Assets
Kentucky	55.8	0.0	224.1	0.0
Ohio	9.8	0.0	0.1	0.0
Pennsylvania	36.6	0.9	121.9	9.0
Virginia	11.3	0.0	1.9	0.0
West Virginia	57.2	0.1	89.7	0.0
Other States	11.4	0.0	4.6	0.0
<b>TOTAL</b>	<b>182.1</b>	<b>1.0</b>	<b>442.3</b>	<b>9.0</b>

## SURVEYS AND PERMITTING

We assess all of our operating sites for biodiversity risks, including those related to wetlands, ground stability, drainage systems and endangered species prior to any development. We work with a third-party surveying and mapping team to assess sites and create wetland delineation reports. We also conduct geotechnical surveys to develop construction plans that minimize the risk of slope failure and use soils investigation surveys to confirm that our operations will not strain stormwater systems or contribute to flooding. These surveys ensure that we can safely begin construction without significantly impacting the land.

Bats, snakes, mussels and plants are the most common endangered species found within our operating areas. We conduct studies in coordination with the U.S. Fish and Wildlife Service and state wildlife resource agencies to determine whether threatened or endangered species exist in a region prior to commencing operations. If identified, we postpone development until appropriate mitigation activities, in consultation with a biologist, are completed. We also use various domestic environmental registries to identify potential impacts to threatened, endangered and special concern species or resources near potential areas of operation. We make it a priority to avoid disturbing these species and habitats; where this is not possible, we work with appropriate federal and state agencies to develop and execute protection plans. Plans can include implementation of artificial structures, such as bat boxes, artificial bark and species relocation, if required.

## RELATED RESOURCE

[EQT Production](#) ➔



## ONGOING MONITORING OF ACTIVE SITES

### SASB EM-EP-160a.1 ▾

Once a site is in development, we continuously monitor for biodiversity and land impacts. Our site-specific environmental management plans align with the most stringent local regulatory requirements, often applying standards exceeding those required by law. These plans include a Spill Prevention, Control, and Countermeasure Plan (see [Spills](#) for more information), groundwater protection plans and other topics as applicable to the area. Our plans detail the necessary, site-specific actions to be taken in the event of an incident. For sites where endangered species have been identified and relocated, we continue to monitor species' health in their new environment for up to two years. We also work with a third party who conducts monthly site inspections, documenting the condition of the site and noting any stabilization issues, spills or site damage. Identified issues are reported to our Permitting and Civil team, which sends a maintenance crew to address the issue on a priority schedule based on criticality. Depending on the nature of the issue, our Permitting and Civil team also coordinates with our EHS team. In 2020, we automated the process for reporting issues through our digital work environment to automatically notify the relevant response teams.

## DECOMMISSIONING AND INACTIVE SITES

Once site operations are complete, we work with property owners to restore their land — as closely as possible — to its original condition. We reestablish contours and revegetate with state-approved seed mixes, native seed mixes and/or vegetation requested by landowners. We also commonly accommodate agency requests to use specialized seed mixes (e.g., pollinator mixes) and landowner requests for topsoil segregation. These techniques support local flora and fauna by allowing wildlife movement, restoration of the habitat and prevention of invasive species. We work with landowners to successfully accommodate their preference for returning their land to its pre-construction condition all while meeting the regulatory requirements set forth by state and federal agencies. We continue to monitor the site until the Department of Environmental Protection determines that we have met their requirements. This enables us to maintain positive relationships with landowners and communities, while also supporting biodiversity and habitat protection.

<sup>[1]</sup> We use [U.S. Fish and Wildlife Service](#) and [U.S. Geological Survey](#) data to identify protected wetlands and land areas of high biodiversity.

# How We Are Doing

103-3; 304-3; 304-4; SASB EM-EP-160a.3 

We seek to prevent significant incidents by using best management practices for assessing, monitoring and mitigating potential or actual impacts on biodiversity and land. Failure to do so can result in environmental violations, which we track closely to monitor our performance. We measure our notice of violation (NOV) rate as it applies to violations specific to earth disturbance, as a significant violation could prevent our future access to permits. In 2020, we received 77 NOVs associated with biodiversity and land.

We also carefully track any impacts on biodiversity and habitats. We did not conduct surface operations on any land classified as a protected area or area of high biodiversity value in 2020, and instead leveraged our horizontal drilling technology to extract resources from beneath these areas. Two development sites in Pennsylvania required special coordination with state agencies to minimize the disturbance of the Great Blue Heron and the White Trout Lilly, which were later determined not to be a concern given the scope of our projects. A third site also required special coordination to address an acreage restriction on clearing to protect a special concern bat species. In West Virginia, all projects were properly coordinated with the U.S. Fish and Wildlife Service (USFWS) and only one project was identified as potentially harmful to threatened and endangered bats. In that instance, the construction schedule was adjusted to avoid tree clearing during restricted times of the year, thus limiting our impact on the threatened and endangered species. We had no new build construction projects in Ohio in 2020.

## 2020 Proved and Probable Reserves In or Near Protected Areas

	2020
Percentage of proved reserves in or near sites with protected conservation status or endangered species habitat <sup>[1]</sup>	67.7%
Percentage of probable reserves in or near sites with protected conservation status or endangered species habitat <sup>[2]</sup>	60.5%

We also closely track and identify threatened and endangered species within our core operating area. Twelve endangered species and three threatened species occupy habitats within our core operating area, covering Pennsylvania, West Virginia and Ohio. The Migratory Bird Treaty Act protects certain species that use EQT's core operating area as either breeding grounds or seasonal habitat. Additionally, the Bald and Golden Eagle Protection Act protects Bald and Golden Eagles, which nest in the area. The following table summarizes the species of concern located within our core operating area.

## 2020 U.S. Fish and Wildlife Service Threatened and Endangered Species – Core Operating Area

	Animal	Plant
Endangered	<ul style="list-style-type: none"> <li>Indiana Bat</li> <li>Virginia Big-eared Bat</li> <li>Clubshell Mussel</li> <li>Fanshell Mussel</li> <li>Northern Riffleshell Mussel</li> <li>Pink Mucket Mussel</li> <li>Purple Cat's Paw Mussel</li> <li>Rayed Bean Mussel</li> <li>Sheepnose Mussel</li> <li>Snuffbox Mussel</li> </ul>	<ul style="list-style-type: none"> <li>Northern Bulrush</li> <li>Running Buffalo Clover</li> </ul>
Threatened	<ul style="list-style-type: none"> <li>Northern Long-eared Bat</li> <li>Eastern Massasauga Snake</li> <li>Rabbitsfoot Mussel</li> <li>Flat-spined Three-toothed Snail</li> </ul>	<ul style="list-style-type: none"> <li>Virginia Spiraea</li> </ul>

	Animal	Plant
Bald and Golden Eagle Protection Act	<ul style="list-style-type: none"> <li>■ Bald Eagle</li> <li>■ Golden Eagle</li> </ul>	<ul style="list-style-type: none"> <li>■ N/A</li> </ul>

We continuously work to improve our biodiversity and land protection processes in alignment with regulatory requirements and industry best practices. In 2020, our Civil and Permitting team established a benchmark to better understand how quickly we address and solve issues identified by monitoring crews. The team has used the data to better define priority levels and identify solutions that enable our maintenance teams to respond to issues more efficiently.

We are also exploring additional opportunities to minimize our land impact. As described in [Water](#), we are connecting more sites with water pipelines, allowing us to eliminate unnecessary water impoundments and reduce road traffic from water hauling. In 2020, we continued our investment in combo-development and have achieved our production volume target with fewer sites. Combined with maximizing lateral footage of our wells (horizontal drilling), we can further reduce our impact on land. For every site we eliminate, we estimate that we will prevent 40 to 50 acres of tree clearing and grading, as well as reduce associated road impacts.

As we continue exploring and implementing new technologies and processes across the business, our commitment to environmental stewardship will remain a key influence and motivator.

<sup>[1]</sup> Calculated based on the location of protected areas (with a 5-kilometer buffer around such locations) identified on the U.S. Geological Survey map (<https://maps.usgs.gov/padus/>), and surveys maintained by Protected Planet (<https://www.protectedplanet.net/en/thematic-areas/wdpa?tab=WDPA>) and the National Audubon Society (<https://www.audubon.org/important-bird-areas>), mapped against the location of EQT's proved reserves.

<sup>[2]</sup> Calculated based on the location of protected areas (with a 5-kilometer buffer around such locations) identified on the U.S. Geological Survey map (<https://maps.usgs.gov/padus/>), and surveys maintained by Protected Planet (<https://www.protectedplanet.net/en/thematic-areas/wdpa?tab=WDPA>) and the National Audubon Society (<https://www.audubon.org/important-bird-areas>), mapped against the location of EQT's probable reserves.





## ENVIRONMENTAL

# AIR QUALITY

## Why It Matters to Us

103-1 ▾

Air emissions associated with our fleet, onsite equipment and other aspects of our operations can impact local air quality. We carefully track and monitor our local air emissions and sources to capitalize on innovative opportunities to improve our systems and processes. We work with regulators, communities and other stakeholders to decrease our impact and reduce local air emissions. Our strong record of environmental compliance and positive reputation help facilitate future permitting processes.

For information related to greenhouse gas emissions, see [Climate and GHG Emissions](#).

## What We Are Doing

103-2 ▾

We monitor operational air emissions in compliance with relevant state and federal regulations. We use this data to inform the continuous improvement of our processes and procedures. Individual permits require activity and emission data tracking and, in some cases, our historical data inventories date back to 2011.<sup>[1]</sup> Across our operations, we continue to implement new and improved technologies that lead to more efficient processes and reduce local air emissions.

### GOVERNANCE

Our environmental program is managed by our Director, Environmental, Health and Safety (EHS), who is responsible for the oversight and management of all aspects of our environmental footprint. Our environmental program is ultimately guided by the Public Policy and Corporate Responsibility (PPCR) Committee of the Board of Directors as well as the Environmental, Social and Governance Committee. The Air Quality team, within the EHS department, is responsible for air quality permitting, compliance and reporting. The PPCR Committee receives quarterly reports on environmental progress such as emission reports, notices of violations and strategic initiatives directed at improving our emissions profile.



## PERMITS AND MONITORING

Prior to construction or operation at a new wellsite location, we may be required to obtain air quality and other operational permits. When we receive a new permit, our Operations group reviews the permit to identify any future compliance responsibilities. We communicate permit requirements to our field workers, who collect and upload data into our Environmental Management System. We track emissions, obligations, limits and other air quality requirements using our Environmental Management System and third-party software. We review the Environmental Management System monthly and identify improved processes for tracking and entering information. In 2021, we began the process of building a new digital air emissions tracking platform that will enable any EQT employee to view or export our emissions data from a centralized location.

## ELECTRIFYING OUR FRAC FLEET

In alignment with our unyielding focus on decreasing completion costs and improving efficiencies while minimizing environmental impact, throughout 2020 we continued the transition to electric hydraulic fracturing (frac) fleets, a process that we began at the end of 2019. As of December 31, 2020, we have fully transitioned to exclusively using electric frac fleets, which use onsite natural gas to power a portion of our completions operations. Using onsite natural gas to power our frac fleets enables us to reduce local air emissions, decrease our carbon footprint, reduce trucks on the road and capture proven operational efficiencies. In 2020, our electric frac fleets removed approximately 23 million gallons of diesel fuel from our operations and took several thousand trucks off the road. We also extended our agreement with U.S. Well Services in January 2021 to expand current electric hydraulic fracturing services and deploy a second electric frac fleet on a contracted basis.

We project that our transition to electric frac fleets will eliminate over 23 million gallons of diesel fuel from our operations annually.

## RELATED RESOURCES

[S. Well Services, Inc. and EQT Corporation  
Finalize Long-Term Electric Frac Contract →](#)  
[EQT Expands Electric Frac Fleet →](#)

<sup>[1]</sup> We previously had data inventories dating back to 1991, but the facilities associated with such historical data have since been divested and such records were purged.

# How We Are Doing

103-3 ▾

## AUDITS AND REPORTING

We conduct inspections and audits to review compliance obligations and improve our operations. Our Corporate Audit group periodically selects internal programs or processes to audit. In reviewing findings, lessons learned can be applied to similar facilities via a Plan-Do-Check-Act cycle of continuous improvement.

Where required, we submit emissions reports and, in some cases, permit compliance certifications, to applicable regulatory authorities. The reporting requirements vary by state. We submit reports to the U.S. Environmental Protection Agency and *de minimis* thresholds for relevant emissions in some states.



## INSPECTIONS AND BENCHMARKING

### 305-7; SASB EM-EP-120a.1 ▼

Our Air Quality team periodically inspects work site locations to evaluate air quality compliance. They also meet with state regulators to ensure that we are aligned with state air quality regulations. We participate in a network of industry and regulatory groups to stay abreast of emerging regulations. Our Environmental, Health and Safety department also conducts internal inspections on our facilities and sites, and field personnel perform periodic leak detection and repair inspections, as described in [Climate and GHG Emissions](#).

We benchmark our air emissions against our peers to identify potential improvement areas and evaluate our primary sources of internal emissions across our operating regions. In areas of success, we consult with state regulators and share best practices through our engagement in The Environmental Partnership and ONE Future.

We aim for 100% facility compliance with all permit requirements and emissions limitations, and we review any operational incidents and notices of violation. We use stack test data, manufacturers’ data and published emissions factors to calculate our air emissions.

### Significant Air Emissions

Metric	Unit of Measure	2018	2019	2020 (EQT)	2020 Annualized (Chevron Assets)
<b>Production Segment Emissions</b>					
Nitrogen oxides (NOx)	kilograms	3,413,603	1,378,736	1,121,323	87,992
	tons	3,762	1,519	1,236	97
Sulfur oxides (SO <sub>2</sub> )	kilograms	4,157	1,882	3,773	2,404
	tons	5	2	4	3
Volatile organic compounds (VOC)	kilograms	1,646,913	1,593,584	1,075,636	128,774
	tons	1,815	1,756	1,185	142
Hazardous air pollutants (HAP)	kilograms	117,680	115,394	97,272	23,320
	tons	130	127	107	26
Particulate matter (PM)	kilograms	112,352	44,590	35,251	1,801
	tons	124	49	39	2
Carbon monoxide (CO)	kilograms	949,086	487,436	328,845	40,164
	tons	1,045	537	362	44
Formaldehyde	kilograms	23,856	22,038	6,278	178

Metric	Unit of Measure	2018	2019	2020 (EQT)	2020 Annualized (Chevron Assets)
	tons	26	24	7	< 1
<b>Gathering and Boosting Segment Emissions</b>					
Nitrogen oxides (NO <sub>x</sub> )	kilograms	79,893	85,888	60,753	10,017
	tons	88	95	67	11
Sulfur oxides (SO <sub>2</sub> )	kilograms	785	1,654	220	19
	tons	< 1	2	< 1	< 1
Volatile organic compounds (VOC)	kilograms	63,826	65,656	77,574	1,745
	tons	70	72	85	2
Hazardous air pollutants (HAP)	kilograms	11,779	10,195	12,141	142
	tons	13	11	13	< 1
Particulate matter (PM)	kilograms	5,612	8,644	3,811	6
	tons	6	10	4	< 1
Carbon monoxide (CO)	kilograms	16,244	22,003	10,157	648
	tons	18	24	11	< 1
Formaldehyde	kilograms	5,978	6,402	6,774	98
	tons	7	7	8	< 1

Air Emissions Intensities (air emissions [tons]/gross production of hydrocarbons [BCFE])<sup>[1]</sup>

Metric	2018	2019	2020 (EQT)	2020 Annualized (Chevron Assets)
<b>Production Segment Air Emissions Intensities</b>				
Nitrogen oxides (NO <sub>x</sub> )	2.16	0.84	0.71	0.53
Sulfur oxides (SO <sub>2</sub> )	< 0.00	< 0.00	< 0.00	0.02
Volatile organic compounds (VOC)	1.04	0.97	0.68	0.77
Hazardous air pollutants (HAP)	0.07	0.07	0.06	0.14
Particulate matter (PM)	0.07	0.03	0.02	0.01
Carbon monoxide (CO)	0.60	0.30	0.21	0.24
Formaldehyde	0.01	0.01	< 0.00	< 0.00
<b>Gathering and Boosting Segment Air Emissions Intensities</b>				
Nitrogen oxides (NO <sub>x</sub> )	0.05	0.05	0.04	0.06
Sulfur oxides (SO <sub>2</sub> )	< 0.00	< 0.00	< 0.00	< 0.00
Volatile organic compounds (VOC)	0.04	0.04	0.05	0.01
Hazardous air pollutants (HAP)	0.01	0.01	0.01	< 0.00
Particulate matter (PM)	< 0.00	0.01	< 0.00	< 0.00
Carbon monoxide (CO)	0.01	0.01	0.01	< 0.00
Formaldehyde	< 0.00	< 0.00	< 0.00	< 0.00

<sup>[1]</sup> Historically, we have calculated our intensity metrics using net production of hydrocarbons as the denominator in the calculation. We have decided to switch to using gross production of hydrocarbons as the denominator for our intensity metrics, beginning with this year's report. While there is no standard formula for calculating emissions intensity, we believe gross production is a more accurate representation for calculating our intensity, because gross production is a measure of the actual volume of hydrocarbons produced from the wells we operate. Accordingly, we have restated our 2018 and 2019 emissions intensity metrics using gross production as the denominator in the calculation. We have also provided our net production volumes in the Corporate Profile section of this report, in the event that a reader desires to calculate our intensity metrics using net production.



## SUPPORTING OUR WORKERS, COMMUNITIES AND LANDOWNERS

Our continued success is contingent on ensuring the safety, well-being and development of our employees and contractors while maintaining proactive, transparent relationships with the communities in which we work and the landowners whose cooperation is imperative to our business. We place the highest priority on the safety of our stakeholders and aim to create a work environment that provides our talent with the tools and growth opportunities they need for success.

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^15%

increase in female hires compared to  
2019

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SOCIAL

# OCCUPATIONAL HEALTH AND SAFETY

## Why It Matters to Us

103-1 ▾

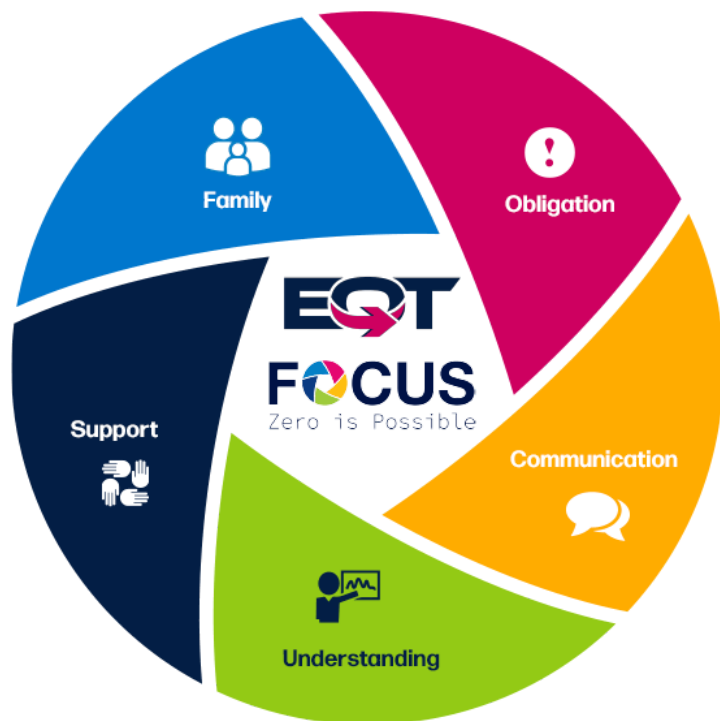
At EQT, we understand that to achieve operational excellence, safety must come first. The safety of our employees and contract workers is a top priority, as natural gas extraction activities, including well operations and water hauling, can pose health and safety risks to workers. A strong safety record also contributes to our success through attracting and retaining employees and demonstrating strong management to investors and other stakeholders.

## What We Are Doing

103-2; SASB EM-EP-320a.2 ▾

The safety of our people and the environment is at the core of everything we do. We prioritize safety objectives over business objectives, and we conduct our active business operations in accordance with the applicable health and safety requirements established by the U.S. Occupational Safety and Health Administration (OSHA) and other regulatory bodies. As we strive to be the safest operator in the Appalachian Basin, we implement technologies, robust training and clear safety guidelines to ensure all workers — including our large contractor base — have the resources to work safely. Our EQT FOCUS program and training promotes an overall culture of safety and serves as a coaching tool for our employees and contractors.





## F IS FOR FAMILY

Family is about expanding our connections and caring for the people here at work and at home, and treating everyone as our family.

## O IS FOR OBLIGATION

Each one of us has an obligation to perform our jobs efficiently and safely in a manner that protects the health and safety of ourselves and those around us.

## C IS FOR COMMUNICATION

Communication is engaging in respectful conversations that focus on our common goals and values

## U IS FOR UNDERSTANDING

Understanding is being aware of our safety goals and how we can each contribute to achieving them

## S IS FOR SUPPORT

Support is working together to create an environment where Zero is Possible, a safe working environment to ensure we all return home safely to our families

FOCUS exemplifies our commitment to creating an environment where “Zero is Possible,” and ensures that all employees and contract workers receive the same messaging on why safety is important to the EQT family — at home and on the job. The program has been so well received by employees that we have begun rolling out the program to our contractors, ensuring their buy-in to our culture and mission. We apply a FOCUS lens to our safety management processes, training, contractor guidance and interaction with local communities. We reward our employees and contractors that exemplify our safety culture using challenge coins — one for each letter of the acronym. Workers receive a coin and recognition across the organization for going beyond expectations and, if they are awarded all five letters, they receive a gift.

As a responsible corporate citizen, we share our best safety practices with our peers to help improve overall industry safety performance. Through our active membership in the ISNetworld® Appalachian Working Group, we share safety-related best practices and innovations with a group of natural gas producers to improve safety performance within the Appalachian Basin.

## RELATED RESOURCES

[Safety at EQT](#) ➔

[EHS Site](#) ➔

## GOVERNANCE AND DATA TRACKING

Our Safety department is part of EQT’s Environmental, Health and Safety (EHS) department and works alongside the Environmental, Fleet and Security teams. The Vice President, EHS, who reports directly to our Chief Executive Officer, leads the department and provides quarterly updates to the Public Policy and Corporate Responsibility Committee of the Board of Directors.



We maintain an annual Short-Term Incentive Plan (STIP), which provides the terms of annual bonus opportunities to be granted to our executive officers and other participating employees based on the achievement of performance goals specified in the applicable year's STIP for the applicable year. Our 2020 STIP included pay-out factors based on our total recordable injury rate for employees and contractors and our notices of violation rate. For 2021, the EHS pay-out factors in the STIP are based on (i) employee days away, restricted or transferred (employee DART) and (ii) safety intensity — which is based on the average of four hazard scores: a completions hazard score, a construction hazard score, a drilling hazard score and a production hazard score. The EHS pay-out factors in our 2021 STIP comprise 15% of our total annual incentive plan funding. For more information about the 2021 STIP and the related performance metrics, see our [2021 Proxy Statement](#).

We use a centralized database to track all EHS data in a single location that is available to all EQT employees. This provides the entire organization with transparency on our overall EHS performance, as well as the performance of individual departments. The EHS department updates this data monthly, including the EHS metrics tracked under our STIP.

## EHS MANAGEMENT SYSTEM AND RISK IDENTIFICATION

**403-1; 403-2; 403-4; 403-7; 403-8** ✓

Our EHS Management System is informed by federal and state regulatory requirements of OSHA, the Pennsylvania Department of Environmental Protection, the Ohio Department of Natural Resources and the West Virginia Department of Environmental Protection. Our EHS Management System enables us to systematically identify and manage workforce safety risk by communicating our EHS Policy, workforce safety information, awareness and training, safety procedures, performance monitoring and safety verification processes to our employees and contractors at all locations. We are committed to auditing our EHS Management System annually to provide updates when needed and ensure alignment with current issues and regulatory requirements. As a result of our 2019 audit, and with the assistance of our Internal Audit department, we have also revised our contractor auditing process to streamline the auditing process across all of our operational groups. In 2020, 18,011 workers<sup>[1]</sup> (100% of our employees and contract workers) were covered by the EHS Management System.

The identification, prioritization and management of our safety risk are core to our EHS Management System. Our detailed risk and hazard analysis (RHA) process uses a hierarchy of safety controls to relentlessly pursue, establish and sustain proper safeguards. Before any fieldwork begins, the RHA requires a systematic safety review of the site construction plan and all daily onsite workforce activities. If a task is deemed unsafe, everyone on site has the obligation and authority to stop such work without fear of retribution or discipline. To ensure the RHA functions properly, we use a multi-layered verification process — a qualified team of internal and external safety experts oversees observation, testing, inspections and audits. We share verification results with our leadership team, and, if potential weaknesses are identified, we take action to strengthen them.

We encourage employees to communicate with management about issues or initiatives that could help improve overall performance. Our toll-free emergency number operates 24 hours a day, seven days a week. Our call center received 1,868 calls in 2020 and has played a critical role in enabling us to collect the necessary information to dispatch appropriate individuals and agencies to mitigate incidents. We require all employees, contractors and vendors to report an emergency, medical issue, fire, spill, safety concern, etc. Members of the EHS department field those calls to ensure the right teams are notified to respond.

We also maintain a community hotline number for community members to report safety concerns; see [Community Impacts and Safety](#) for more information on how we protect our communities.

**Emergency Hotline: 1-833-990-1534**

## SAFETY TRAINING

**403-5** ✓

Safety training is a critical component of our workplace safety initiatives. All EQT employees receive core safety training annually, along with more frequent specialized training tailored to the work performed and the types of issues faced. We customize specialized training subjects and delivery methods as needed. For example, monthly safety meetings with field employees, held virtually in 2020 due to COVID-19 constraints, cover issues such as:

- Stop-work authority
- Personal protective equipment
- Incident reporting and investigation
- Regulatory citation information
- Emergency preparedness
- Outdoor safety
- Safe driving
- Industry specific technical safety training

We continue to have contractors take our FOCUS training program, including training on water hauler truck safety and rollover prevention. We also made adjustments to the typically hands-on and interactive aspects of the program in 2020 due to COVID-19. Many of the trainings were offered virtually, and participants were able to engage more directly through the use of breakout rooms. Where possible, we offered in-person trainings in socially distanced outdoor settings. In 2020, we also launched a computer-based FOCUS training for office employees, which provided information on proper posture and ergonomics while working at a desk and typing.

“FOCUS is a set of common beliefs and values that drive a safety mindset and helps build a strong and sustainable safety culture. It helps align employees and contractors with attitudes and behaviors necessary to live safety 24/7. FOCUS strengthens a belief in safety and equips leaders with the skills necessary to lead safety more from belief rather than compliance. FOCUS is simply a way of life and the way we work every day.”

– Diane Dick, FOCUS Trainer

On average, field-based EQT employees received approximately 237 hours of EHS training during 2020, while office-based EQT employees received approximately 30 hours of EHS training. Contract workers received approximately 10 hours of EHS training from EQT.

## CONTRACTOR SAFETY

Contract workers made up approximately 90% of our total workforce hours in 2020, necessitating transparency from and collaboration with our partner companies. A contractor expecting to perform services in drilling, construction, maintenance or other operations-related activities at EQT must agree to adhere to our EHS Policies and Program. These include safety requirements that are updated regularly to reflect best practices, and apply to all work performed by a contractor's employees and the employees of their subcontractors. Contractors must also pass a qualification process developed by ISNETWorld® — an industry-recognized platform for monitoring safety metrics and performance. ISNETWorld® ensures our contractors qualify by providing vital information regarding their performance in the following key areas:

- Safety Management Systems
- Injury and illness statistics
- Department of Transportation (DOT) inspection compliance
- DOT motor carrier safety rating
- Written safety programs and safety training
- Experience modification rating
- Fatality history

Our EHS department collaborates with our Supplier Relations Management group to oversee all new contractors' compliance with our safety standards. If a contractor does not satisfy our safety standards, EHS collaborates with the supplier, applicable operations departments and Supplier Relations Management to seek improvement. If the supplier does not improve, safer service providers are engaged. Existing contractors who fail to meet our rules and standards are not permitted to continue to work on an EQT site.

We remain engaged with our contractors as work evolves to ensure we achieve our joint commitment to safety. We track contractor safety incident rates (injury and vehicle accidents) provided by contractors via ISNETWorld®, and our contractor safety auditing process is incorporated in our contractor safety qualification program. We also conduct quarterly contractor safety meetings and held smaller, virtual meetings in 2020 to continue collaborating and sharing learnings with contractors.

We have also automated certain aspects of our operations to improve efficiency and enhance the safety of our workers. In our drilling operations, we perform remote geosteering and use Baker Hughes' directional drilling services. Our wellbore data are gathered remotely via satellite and analyzed for quality control issues. Adjustments in the speed and direction of drilling are made remotely, and if necessary, instructions are sent electronically to crews on location to make corrections. This not only decreases the number of onsite personnel, thereby reducing the potential for safety issues, but it also allows us to use the best geosteers and Baker Hughes' best directional drillers and personnel to perform services on multiple wells and rigs simultaneously.

In our completions operations, we eliminated the use of hammer unions in our hydraulic fracturing operations. Hammer unions have been a known failure point in the industry for a long time, even spawning safeguards on this type of connection due to numerous failures. We have replaced the labor associated with carrying and hammering hundreds of connections with a controlled, mechanically assisted rig-up with connections that are bolted together instead of hammered. We are also testing a "quick connect" connection that could further reduce onsite labor hours. Eliminating hammer unions from our hydraulic fracturing operations has decreased the risk of failed connections, thereby improving equipment life and creating a safer work environment that requires less labor to deploy and has a lower operational cost.

We have automated our wellhead controls, which has decreased the number of personnel needed to be on location to execute valve actuation and maintenance, while also increasing valve maintenance and reliability. Our automated system opens and closes the valves on our drilling rigs and greases the valves on a set schedule, which increases the valve's life.

Additionally, we perform vibration analysis on our wells, which tells our pump operator if the well pump is operating within a specified "danger zone." Staying outside the "danger zone" extends the life of the pump and decreases the frequency at which pumps need to be rebuilt. Rebuilding well pumps is a very labor-intensive process that has often resulted in workforce injuries and spills, so keeping pump rebuilds to a minimum improves our efficiency as well as our safety and environmental impact.

## TRAFFIC SAFETY

Safe driving is an area of particular importance for EQT, as our site activities result in heavy truck traffic that affects surrounding communities. In addition to our FOCUS training for water haulers, we maintain Traffic Control Plans, Fleet Safety Procedures and personnel with law enforcement backgrounds to monitor contractors and operate speed radar equipment. Not only do these individuals help ensure our employees and contractors follow our guidelines, they also support community safety and concerns. Read more about our efforts to protect public safety in [Community Impacts and Safety](#).

We also work closely with driving safety and industry experts to reduce risk when operating an EQT vehicle. Both new and experienced drivers must demonstrate their safe driving skills through a periodic supervisor-observation session. New employees undergo a series of computer-based training programs and behind-the-wheel training, including a defensive driving module. We provide additional instruction for those employees operating specialty vehicles or haul trailers, performing off-road travel or driving construction vehicles on public roads. One such course is a U.S. DOT training, which enables drivers to cross state lines and remain in compliance with relevant laws. We require contractors to record miles driven for EQT in ISNETWorld® to establish contractor preventable vehicle accident rates.

We require all of our water hauling vendors to have video cameras installed in their vehicles — one camera facing the driver and another forward-facing camera to show the roadway. These cameras allow us to conduct periodic spot checks on the drivers to verify that they are following the bonded routes, adhering to posted speed limits and ensure that they are not distracted while driving. The cameras have also assisted us in determining the cause of accidents and are used to share lessons learned from different events.

In 2020, we developed the Water App to allow us to track the location and status (e.g., loaded, unloaded, etc.) of water trucks and other vehicles of our service providers. The application launched in early 2021 and is enabling us to more efficiently source local, available vehicles — thereby reducing mileage traveled — and monitor for vehicles that fail to operate within our standards, such as defined speed levels. We believe that this insight will increase the effectiveness of our incident response times, and we estimate that this tool will reduce miles traveled by approximately 600 miles per day.

## OCCUPATIONAL HEALTH SERVICES

403-3

Healthy employees are more adept at performing their roles safely. To this end, our Medical Services team plays a key role in ensuring the occupational health of EQT employees, providing advice and teaming with the EHS department on repetitive motion hazards, industrial hygiene results and the potential for elevated noise exposure. The Medical Services team is accessible to all EQT employees 24 hours a day, seven days a week.

Read more about employee wellness in [Talent Attraction and Retention, Diversity and Inclusion](#).

<sup>[1]</sup> Inclusive of EQT employees and contract workers. The number of individuals in both demographics is as of December 31, 2020.

## How We Are Doing

103-3; 403-9; 403-10; SASB EM-EP-320a.1

If a safety incident does occur, we record the nature of the event as prescribed by the Occupational Safety and Health Administration (OSHA) injury/illness recordkeeping requirements in our safety incident management database. After each incident, we conduct a thorough incident review to clarify possible causes, identify options to prevent recurrences and highlight opportunities to improve training, processes and procedures using the hierarchy of safety controls. EQT personnel also conduct regular incident review meetings with senior management. By tracking and analyzing safety incidents, we can assess the effectiveness of our approach to safety management and strive for continuous improvement.

We track leading indicators — near-miss incidents, number of trainings held, audits performed on contractors and our own operations and survey results — to better benchmark ourselves and identify areas for improvement. We conducted an employee safety survey in 2020, the results of which show that we are moving from an “informed” maturity to “proactive” maturity. Most employees expressed that we promote a values-driven, proactive and mutually accountable culture and that we are developing a more consistent alignment of our core safety values. We plan to survey our own employees again in 2021 for year-over-year comparison.

In addition to the use of safety incident metrics, we also use several safety management verification processes to evaluate our safety program:

- Safety team inspection program
- Safety team contractor monthly safety auditing program
- External (third-party experts) Environmental, Health and Safety (EHS) Management System and worksite auditing program

We analyze all results from our safety verification programs for potential systemic issues and establish actions to promote continuous and sustainable program improvement.

### Work-Related Injuries<sup>[1]</sup>

	2018		2019		2020	
	#	Rate	#	Rate	#	Rate
Fatalities from work-related injury	0	0	0	0	0	0

	2018		2019		2020	
High-consequence work-related injuries <sup>[2]</sup>	1	0.06	0	0	1	0.16
Workforce accidents <sup>[3]</sup>	39	3.20	16	1.98	13	2.02
Lost time accidents <sup>[4]</sup>	0	0	1	0.12	3	0.47
Recordable work-related injuries (including fatalities)	6	0.49	4	0.49	5	0.78
Main types of work-related injury	Nearly 65% caused by slip and fall, struck by/against or insect bites		Accidental methanol ingestion, ergonomics (heavy lifting), slip and fall and finger injury as a result of being caught in or between equipment		Majority of injuries caused by struck by/against, slip and fall, or hand and finger injuries as a result of being caught in or between equipment	
<b>CONTRACTORS</b>	<b>#</b>	<b>Rate</b>	<b>#</b>	<b>Rate</b>	<b>#</b>	<b>Rate</b>
Fatalities from work-related injury	2	0.01	0	0	0	0
Workforce accidents <sup>[3]</sup>	372	3.04	173	2.44	64	2.18
Lost time accidents <sup>[4]</sup>	29	0.24	10	0.14	6	0.20
Recordable work-related injuries (including fatalities)	98	0.80	29	0.41	15	0.51
Main types of work-related injury	Nearly 70% either struck by/against, slip and fall, or hand and finger injuries as a result of being caught in or between equipment		Majority of injuries caused by struck by/against, slip and fall, or hand and finger injuries as a result of being caught in or between equipment		Majority of injuries caused by struck by/against, slip and fall, or hand and finger injuries as a result of being caught in or between equipment	

## Total Recordable Incident Rate (TRIR)

Metric	Unit of Measure	2018	2019	2020
Full-time employees	Incidents per 200,000 hours worked	0.49	0.49	0.78
Contract employees		0.80	0.41	0.51
Short-service employees		0	0.25	0

Our number of workforce accidents — for employees and contractors — decreased in 2020 compared to 2019. The majority of injuries continue to result from struck by/against, slips and falls and hands/fingers getting caught in or between equipment. Additionally, we had zero fatalities in 2020. We did have a slight uptick in the number of employee high-consequence work-related injuries, lost time accidents and recordable work-related injuries as compared to 2019. These incidents were reviewed by our EHS team, and we created videos for all of our employees to watch regarding the incidents/injury. In the videos, the individuals who were injured describe what occurred and what they could have done differently to prevent the incident from occurring. These videos have been very well received by our field employees because the message is coming from their peers. Additionally, our year-over-year employee and contractor TRIR increased, in large part as a result of significant efficiency gains realized across our Company in 2020. Our employees' hours worked decreased by 21% compared to 2019, and our contractor hours worked decreased by 59%. Despite the decrease in hours worked, we still maintained relatively flat year-over-year production volumes, demonstrating that our workforce is doing more with less and becoming increasingly more efficient. However, because "hours worked" is the denominator in the calculation of TRIR, fewer hours worked translates to higher TRIR for a similar incident count.

## Work-Related Ill Health

	2018	2019	2020
<b>EMPLOYEES</b>			
# of fatalities as a result of work-related ill health	0	0	0

	2018	2019	2020
# of cases of work-related ill health	1	1	0
<b>CONTRACTORS</b>			
# of fatalities as a result of work-related ill health	0	0	0
# of cases of work-related ill health	3	0	1

We had only one employee and one contractor with work-related ill health in 2020, both of whom experienced an allergic reaction to bee stings.

### Near Miss Frequency Rate<sup>[5]</sup>

	2018	2019	2020
Full-time employees	3.70	0.99	0.78
Contract employees	1.95	1.56	2.08
Short-service employees <sup>[6]</sup>	N/A	0	0

Our employee near-miss frequency rate has decreased year-over-year. Our contractor near-miss frequency rate increased in 2020, but as we want to promote contractor reporting on all near misses, this increase does not represent negative safety performance.

### EQT Preventable Vehicle Accident Rates<sup>[7]</sup>

	2018	2019	2020
Preventable vehicle accident rates (Employees)	1.27	1.10	1.14
Preventable vehicle accident rates (Contractors) <sup>[8]</sup>	2.15	2.36	1.63

Our employee preventable vehicle accident rate increased slightly in 2020 due to increased numbers of accidents involving deer, which are frequently on back country roads that our team members often travel.

<sup>[1]</sup> All rates are calculated per 200,000 hours worked.

<sup>[2]</sup> Inclusive of cases with a return to work date greater than six months from the date of the incident.

<sup>[3]</sup> Includes all reported injuries.

<sup>[4]</sup> Number of lost workdays per 100 full-time equivalents (FTE).

<sup>[5]</sup> All rates are calculated per 200,000 hours worked.

<sup>[6]</sup> Short-service employee information available for EQT employees only.

<sup>[7]</sup> Number of preventable vehicle accidents \* 1,000,000 / miles driven.

<sup>[8]</sup> Does not include contractor information associated with the Mountain Valley Pipeline project. Inclusive of contractor preventable vehicle accidents occurring on and off EQT property.





## Promoting Safety During COVID-19

In response to the outbreak of the COVID-19 global pandemic in 2020, we formed a COVID-19 Response Task Force comprised of our executive team and other key members of management to discuss the potential impacts of the pandemic on our daily operations and the safety of our employees and business partners. Our EHS team updated safety policies and procedures for all EQT site visitors, including temperature checks and brief health screenings, as well as rapid testing for out-of-state visitors, to minimize potential exposures. Employees believing they may have been exposed to the virus were encouraged to make arrangements with the EHS team and Medical Services team to utilize our drive-up testing site at our Woodcliff office in Canonsburg, Pennsylvania.

To enhance safety at all locations, our EHS team developed a tracing system to assist with accountability for any onsite incidents and enabling an accurate headcount. The system proved invaluable during the pandemic as it allowed us to perform contact tracing for individuals that may have been exposed to individuals who tested positive for the virus. In 2020, we received notice of 20 traceable instances where individuals who tested positive for COVID-19 had been at one of our field locations with a guard shack present. In response to these positive cases, over 700 companies were notified and we informed over 5,000 individuals of their potential exposure to COVID-19.

We also implemented weekly deep cleanings in our offices, in addition to regular evening cleanings, and have provided all employees, both field- and office-based, with the proper personal protective equipment to protect themselves. As the pandemic spread, we were able to use our digital work environment to quickly and seamlessly pivot to a distributed workforce model.



SOCIAL

# COMMUNITY IMPACTS AND SAFETY

## Why It Matters to Us

103-1; 413-2 ▾

Being a good neighbor and operating responsibly in our local communities is critical to being the operator of choice for all stakeholders. Although we provide significant benefits to the communities in which we operate, including direct and indirect job creation, landowner royalties, road improvements and financial contributions, our operations have the potential to create negative impacts. These may include traffic and road congestion, dust, noise pollution and potential accidents from operations, which can occur at or near any of our sites as the majority of our operations run continuously. We have increased our focus on the areas surrounding our direct operations and proactively engage with local communities to further mitigate our impact.

Our efforts to positively impact our community focus on mitigating the potential negative impacts of our business and maximizing the benefits of our operations by providing sustainable benefits to local economies and charitable support. We mitigate potential negative impacts primarily through proper site assessments and active engagement with landowners and local communities for the duration of our operations. In 2020, we continued to place particular emphasis on increasing the transparency of our engagement efforts with our landowners. We also strive to be a good neighbor and corporate citizen by working collaboratively with, and giving back to, the communities in which we live and operate. Our approach includes:

- Working with Communities — How we mitigate local impacts, address concerns and promote public safety
- Supporting Local Economies — Our impacts through job creation, tax revenue generation and royalty payments
- Giving Back to Our Communities — Our charitable contributions in the areas where we operate

# Working with Communities

103-2; 413-1; SASB EM-EP-210b.1 

From the planning and design phase to well decommissioning, we are committed to proactively addressing community concerns and other risks associated with local operations. This process involves ensuring we follow all applicable laws at the township, county and state levels, as well as addressing community concerns before we begin construction.

In 2020, we continued building the EQT NetworQ, a coalition of EQT stakeholders, including leaseholders and community members, among others, to disseminate knowledge on the benefits of natural gas on local communities and domestic and global economies. We are in the process of identifying and sorting stakeholders into categorized subgroups, but have implemented new technology to enable us to communicate with small subsets of our stakeholders. For example, in 2020 we were able to send targeted communications to community groups, legislators and other regulators informing them about the launch of our 2019 ESG Report. We look forward to leveraging learnings through our NetworQ communications to better inform our engagement.

## RELATED RESOURCE

[Community at EQT](#) 

## MITIGATING LOCAL IMPACTS

The size of a site dictates the amount of time required to prepare and build the site but, at a minimum, construction takes 120 days before drilling operations can commence. Prior to construction, our Land department engages with landowners<sup>[1]</sup> near a planned site to discuss its location. Our Local Government and Community Affairs Specialists — regionally based EQT employees — are responsible for establishing and maintaining relationships with civic organizations, elected officials, emergency response personnel, business owners, residents and other local stakeholders. These specialists work to understand and address our stakeholders' primary concerns. This team obtains approval for construction in accordance with local ordinances through township hearing boards, which guide operational practices in the applicable community. COVID-19 actually enhanced our engagement with these groups as the virtual nature of 2020 enabled us to improve our digital communications and bring more groups into our regular cadence of communication. Via email, we were also able to contact every township, county and state level government representative within the acreage we acquired from Chevron in 2020.

Access to sites can be located near or shared with community neighborhoods and can lead to temporary heavy traffic and operations near local residences, which is a regular safety concern in our local communities. When designing construction routes to sites, we carefully consider the locations of schools, recreation areas and local population. We curtail traffic on roads traveled by school buses and place custom signs along our active truck routes, alerting our drivers and contractors that truck travel is prohibited during school bus pick-up and drop-off times on township roads. These signs also alert the community to slow down and watch for children. We also widen roads, ensure the road base is suitable for heavy loads and try to make roads safer by building turnouts and issuing flaggers to help control traffic. To further mitigate these impacts on local communities, we consistently complete road upgrades prior to commencing operations, including roads at, and leading to, a site. We also conduct proactive noise assessments. These efforts have led to a decrease in road issues, traffic, noise and, as a result, complaints and community disturbance. We also implemented a communications process to provide neighbors within a certain radius of construction information about upcoming operations and to provide a means of receiving periodic updates.

During the active operation of a site, we provide monthly updates to local townships and counties, as applicable, and our Local Government and Community Affairs team actively communicates with communities as needed and/or in alignment with local policies. Due to COVID-19, we held these meetings virtually when possible in 2020. For townships and counties where this was not possible, we met in person in accordance with our COVID-19 safety guidelines, requiring attendees to wear masks and socially distance. Once a well is brought online and the gas is flowing, our Owner Relations team becomes the primary point of contact for the community.

We engaged in organization-wide local community engagement, impact assessment and development programs in all regions where we operated in 2020.

## ADDRESSING COMPLAINTS

103-3 ▾

We respond to and track community complaints and concerns reported via our [Owner Relations hotline](#). Through a dedicated email address, phone number and submission form on our external website, community members can easily contact our Owner Relations team members about any concerns they may have. We use a data-driven approach to resolve issues by completing assessments related to the concern (e.g. noise assessment) and collecting relevant data to determine the best resolution. In 2020, we received approximately 17,500 inquiries, with approximately 45% of such inquiries concerning questions about royalties or other payments. We fully resolved 98% of the inquiries received by our Owner Relations team in the same calendar year.

Annually, we analyze our response results to identify trends in performance, benchmark against previous data and determine any required procedural changes.

### RELATED RESOURCE

[Community Engagement](#) →

[Owner Relations](#) →

## EMERGENCY PLANNING

SASB EM-EP-540a.2 ▾

The safety of the communities where we operate, and that of our employee and contractor workforce, is a top priority. We maintain and operate equipment responsibly to create a safe environment in the communities where we operate, and focus our emergency management efforts on prevention, preparedness and response. Our Crisis Management team — in conjunction with the Environmental, Health and Safety department — provides guidance and expertise in emergency response and crisis management. These functions also develop and maintain emergency notification procedures, training and support.

Operating units develop site-specific emergency action and response plans to prepare for significant risks, and teams in the field lead a tailgate safety meeting focused on hazard prevention and emergency preparedness before daily operations begin. Our Crisis Management team also conducts annual emergency scenario drills, and we contract with experts to provide immediate support in areas such as well control, firefighting and spill response as needed. In 2020, we conducted these drills and trainings on site in outdoor, socially distanced settings.

To address and proactively respond to community safety concerns, we regularly communicate with our communities through the channels described above, and work closely with emergency response personnel, public works employees, elected officials, school districts and other key community members to engage them in the process, provide factual information, learn from them and build relationships. Most often, the awareness and subsequent conversations surround:

- Identification of the activity occurring at a local job site
- The types of equipment being used
- The most appropriate response for various scenarios
- EQT's emergency or crisis response plan

In addition, we work hand-in-hand with local first responders, building relationships and providing trainings and site tours to ensure all parties have the knowledge needed to respond in the unlikely event of an emergency at an EQT site. During on-location trainings, we conduct mock incidents for EQT employees and first responders to resolve. First responders continue to use the "Oil and Gas 101" handbook we created in 2019, which includes photos and descriptions for each phase of operations. We provide employee training on incident response and command structure approximately every six months. Though there was limited activity in 2020 due to COVID-19, we also participate in the Southwest PA Oil & Gas Emergency Management Alliance, a coalition of producers, supply companies and first responders dedicated to promoting safety in the upstream industry. The group is managed by Washington County Emergency Management Services.

## RELATED RESOURCE

Safety at EQT →

### Road Safety

Vehicle safety is included in both our employee and contractor safety expectations, and our EHS Program documents include a section on safe vehicle operation. We develop a mandated Traffic Control Plan for all active sites, which we distribute to employees, contractors and subcontractors. These plans outline our specified speed limits, curfews and route restrictions. We also track all employees and contractors coming on or off EQT sites to increase visibility and promote safety. We require all workers coming onto a location to watch a safety video and pass a test created by the Environmental, Health and Safety department. Individuals are then issued a safety badge containing their name, company and vehicle information, which is used to track arrival and departure from the site. In 2020, we trained and issued safety badges to over 17,000 individuals. This system also proved invaluable during the COVID-19 pandemic in assisting with our contact tracing efforts, enabling us to contact individuals and companies in instances of potential exposure. We believe this system will also enhance our emergency response readiness, as we now have real-time information regarding on-location workers, enabling us to provide an accurate head count to first responders.

We track worker driving behaviors to ensure they are following our guidelines, and to more easily monitor their location, enabling us to determine who was involved if an accident does occur or if we receive a community complaint. We also use private road monitors with law enforcement backgrounds to continuously surveil our truck traffic once operations begin. These monitors are also involved in investigating community complaints regarding employee or contractor violations.

Read more about employee and contractor safety in [Occupational Health and Safety](#).

In 2020, we experienced zero Tier 1 Process Safety events.

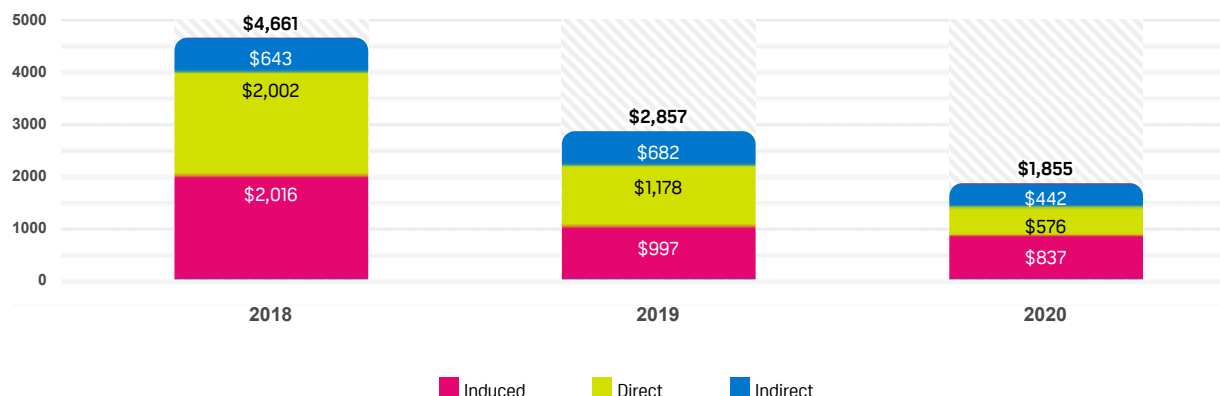
<sup>[1]</sup> Although EQT does not currently operate in Native American/Indigenous communities, we are committed to working with these groups if/when applicable.

## Supporting Local Economies

203-2

Our operations have a significant influence on the local economies where we operate by supporting economic growth via job creation, tax revenue generation and landowner royalty payments. We track the indirect economic impacts of our business operations to better understand and communicate how our operations contribute to the U.S. and local economies by annually commissioning an independent analysis. Environmental Resources Management (ERM) analyzed our year-end 2020 data and compiled the results into a study entitled, “EQT Corporation 2020 Economic Impact Analysis.” According to the analysis, our direct activities produced approximately \$576 million of U.S. Gross Domestic Product (GDP) in 2020, and the indirect GDP impact through our suppliers was \$442 million. Our total induced impact — that is, the impact of spending by EQT employees, contractors and suppliers — was approximately \$837 million.

EQT Economic Impact (millions of dollars)



Further, our activities generated approximately \$252 million in state and local tax revenues in 2020, supporting state and local governments.

## 2020 State and Local Tax Payments (millions of dollars)<sup>[1]</sup>

	Pennsylvania	West Virginia	Ohio	Rest of United States <sup>[2]</sup>	Total
Property taxes	\$27.4	\$15.1	\$9.1	\$29.5	\$81.1
Income tax	\$13.5	\$(9.2)	\$1.3	\$3.2	\$8.8
Sales tax	\$31.1	\$3.4	\$5.9	\$23.1	\$63.5
Other personal taxes	\$0.6	\$0.1	\$0.1	\$0.4	\$1.1
Other taxes on production and imports	\$5.8	\$1.0	\$0.4	\$4.1	\$11.4
Other	\$37.4	\$7.9	\$9.6	\$31.4	\$86.3
<b>TOTAL</b>	<b>\$115.8</b>	<b>\$18.3</b>	<b>\$26.4</b>	<b>\$91.8</b>	<b>\$252.2</b>

Additionally, we paid approximately \$355 million in royalty payments to our landowners in 2020.

## 2020 Royalties Paid (millions of dollars)

State <sup>[3]</sup>	Royalties Paid
Pennsylvania	\$165
West Virginia	\$10
Ohio	\$38
All other states	\$142
<b>TOTAL</b>	<b>\$355</b>

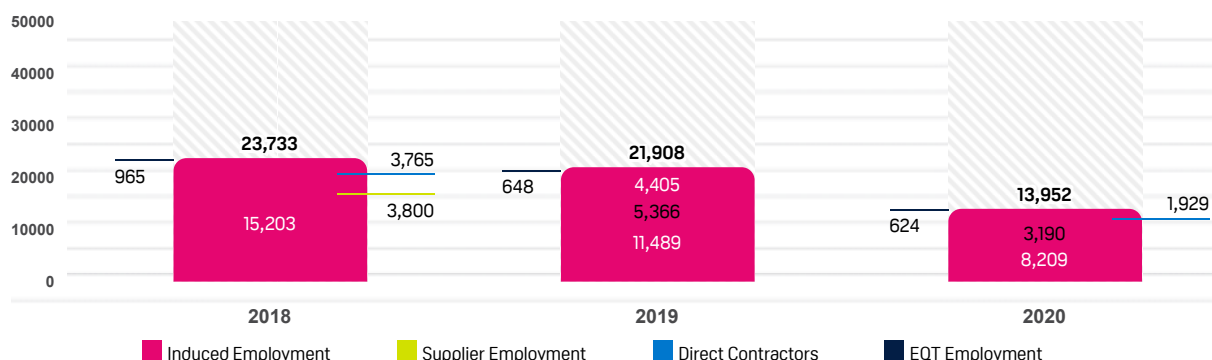
## LOCAL LABOR AND SUPPLIER IMPACTS

### 204-1 ▾

Our operations — entirely in the United States — support local economies via taxes paid, road infrastructure improvements, local hiring of personnel and suppliers, and use and support of local service establishments. We sustain local jobs for employees, contractors and suppliers to support our daily operational activities. In addition to our direct employees, we supported approximately 14,000 ancillary jobs through our operations in 2020. This includes direct contractors — who make up most of our visible workforce — suppliers and supply chain employees who support our production, gathering and transmission activities. Employment contributions also include the earnings spent by those employees, contractors and suppliers — or the induced impact — which drives employment in sectors providing various goods and services to the communities where EQT and our contractors and suppliers operate and live.



## Estimated U.S. Labor Impacts (number of jobs)



<sup>[1]</sup> Numbers may not add to exact total due to rounding.

<sup>[2]</sup> Other states include *de minimis* direct benefits and the broader indirect economic benefit from our activities as a result of us receiving goods and services from companies located outside of our operating areas.

<sup>[3]</sup> Royalties paid is based on the state of residence of the recipient of the royalty.

## Giving Back to Our Communities

### 203-1

Our efforts to support our communities extends into local giving, sponsorship and philanthropic efforts through EQT Corporation and the EQT Foundation (the Foundation) — a separate 501(c)(3) organization. We and the Foundation both generally restrict our charitable contributions to organizations primarily within the communities near EQT's active operations. We each support programs that build trusting relationships in our local communities, help educate a future workforce for the natural gas industry and keep the environment where EQT operates beautiful and flourishing.

Our Stakeholder Affairs team approves the majority of corporate donations to local communities, following a routine review and pre-approval process to avoid supporting illegal or otherwise inappropriate activities and to ensure that each recipient organization's initiatives are consistent with EQT's values and corporate strategy. Our philanthropic investments support a variety of organizations ranging from small local nonprofits to municipalities seeking additional support for community projects that exceed their budgets. Other types of corporate support include sponsorships of county fairs, community festivals and other local events that enable us to bond with our neighbors, enhance the quality of life for residents, educate residents about our Company and industry and provide an opportunity for community members to engage with EQT employees. In 2020, due to the COVID-19 pandemic, most community events, gatherings and fundraisers were canceled or postponed. In lieu of sponsorship, the funds for these events were carried over into 2021 for future events or repurposed depending on the needs of the host organization or community. Where in-person interactions were not possible, we also used social media to connect directly with our neighbors.

Highlights from our 2020 local giving and corporate sponsorship initiatives include:

- Participation in livestock auctions at county fairs and re-donation of the livestock purchased at such auctions, with proceeds contributed to 4H
- Donations of \$10,000 each to 21 fire departments in our core operational area
- \$43,000 raised for area school districts and nonprofits to provide holiday gifts and food packages as part of EQT's #GivingTuesday efforts
- Funding for a trailhead mural project at Greene River Trail in Greene County, Pennsylvania
- Funding for a new playground for children in Lone Pine, Washington County, Pennsylvania

Qualifying nonprofit organizations may also apply for grants through the Foundation, which are reviewed by the Foundation's Board of Directors to ensure compliance with U.S. laws and regulations applicable to corporate foundations. Foundation grants complement EQT's corporate support to build relationships throughout our operational footprint. In 2020, the

Foundation shifted funding priority areas to better align the Foundation's philanthropic investments with EQT's corporate strategy. The Foundation now prioritizes funding within the following three categories

- Community Enrichment
- Education and Workforce
- Environment

The Foundation gave more than \$3.6 million in 2020 to support local communities; examples of grant recipients include:

- Carnegie Science Center — EQT West Virginia STEMakers Education Engagement
- Dress for Success Pittsburgh — Women in the Workforce, Greene and Washington counties
- The Education Partnership — Adopt-A-School Program
- Eva K Bowlby Public Library — STREAM Room Remodel
- Friends of Wetzel County — New Martinsville Blueprint Communities Beautification Project
- Greater Washington County Food Bank — Water Conservation Project
- House of the Carpenter — Feeding programs for Belmont County, Ohio
- Ohio Valley Farmers Market — Kids Can Cook! Program
- Operation Warm — New winter coats to children in need in Pennsylvania and West Virginia
- United Way of Southwestern Pennsylvania — PA 2-1-1 Southwest Expansion
- Classroom / COVID-19 At-Home Learning Technology Projects via:
  - Community Foundation of Greene County — West Greene High School STEM (Science, Technology, Engineering and Math) Education Enhancement
  - Computer Reach — At Home Computer Program
  - Consortium for Public Education — Digital Learning enhancements at Bethlehem-Center School District
  - Intermediate Unit 1 Foundation — Internet connectivity to Greene County Schools; Primary computer connections in Bentworth School District

## RELATED RESOURCE

[EQT Foundation](#) ➔

Our corporate philanthropic investments and road and infrastructure improvements for communities totaled more than \$28 million in 2020, while the Foundation provided more than \$3 million in grants and contributions.

### EQT Community Investments

	2018	2019	2020
Philanthropic investments and giving (EQT Corporation)	\$1,047,322	\$1,029,142	\$518,000
Roads and infrastructure improvements (EQT Corporation)	\$10,523,755	\$22,889,397	\$27,600,000
<b>TOTAL INVESTMENTS (EQT CORPORATION)</b>	<b>\$11,571,077</b>	<b>\$23,918,539</b>	<b>\$28,118,000</b>
<b>TOTAL GRANTS AND CONTRIBUTIONS (EQT FOUNDATION)</b>	<b>\$7,778,600</b>	<b>\$5,111,970</b>	<b>\$3,662,864</b>



## Brightening Christmas for Families in Need

In December 2020, we donated both time and money to support multiple toy drives throughout our operational footprint to put toys under Christmas trees for hundreds of families in need. Partnering with numerous school districts, boards of education and nonprofit organizations in Pennsylvania, Ohio and West Virginia, we donated \$43,500 toward holiday giving programs. Additionally, several EQT employees gave their personal time and resources to help provide Christmas gifts to families in need through a local Adopt-A-Family program with a local nonprofit, Blueprints.



## SOCIAL

# TALENT ATTRACTION AND RETENTION, DIVERSITY AND INCLUSION

## Why It Matters to Us

103-1 ▾

To realize EQT's full potential to become the operator of choice for all stakeholders, it is essential that we maintain a strong workforce and foster a culture that aligns our entire workforce with the tasks necessary to execute our mission. Attracting and retaining diverse talent leads to more innovation and overall business success, as we rely on a broad range of skills to operate our business. We are steadfast in our commitment to hire, retain and develop the best and brightest in our industry and ensure all employees find purpose and meaning in their roles.

## What We Are Doing

103-2 ▾

We aim to develop a workforce that produces peer leading results. To further that goal, we are focused on creating a modern, innovative, diverse, collaborative and digitally-enabled work environment where top talent wants to contribute at the highest levels. From our recruitment processes to our robust benefits package, learning and development opportunities and technology-driven work environment, we aim to attract and retain top talent in our industry.

We engrain our organizational values — trust, teamwork, heart and evolution — into our Company culture to illustrate what is needed for our Company to succeed. Transparency, integrity, collaboration and a willingness to look for better ways to operate all support our end-goal of elevating accurate data to be analyzed and acted upon by decision-makers.

We are highly focused on ensuring that we get the best out of our employees, that they grow, that they are heard and that they are valued. We have spent considerable time, capital and effort in infusing technological and human capital support into our organization to maximize our employees' capabilities. We leverage our digital capabilities and successful programs to recruit talent and promote learning, development and performance. We also use our digital work environment to engage directly with our employees, including through sharing company updates and personnel accomplishments and internal polling. Employees have the ability to see the results of the polls and provide additional feedback to management on questions posed in the poll.

We measure the career development of our employees through the lens of personal growth, contributions to value creation and recognition of one's actions. As we continue to evolve as a Company, we aim to solicit and respond to employee feedback to shape our policies and actions to be the best EQT.

## ATTRACTING TALENT

When recruiting talent and promoting job opportunities at EQT, we aim to communicate who we are as an organization — a Company with deep history that is also a leader in innovation and committed to modernization. Our Human Resources (HR) team seeks to attract and resonate with talent by showcasing who we are and what we do on our company website, career pages and social media, including LinkedIn and Glassdoor. We often find that some of the most consequential decision-making tools for our prospective candidates are personal recommendations and authentic online reviews from our own employees. Our job opportunities are distributed to a multitude of job boards, and our team is highly skilled in leveraging LinkedIn for additional sourcing and networking efforts. We also redesigned our [EQT.com Careers page](#) in 2020 to better resonate with prospective talent by sharing a “behind-the-curtain” view of our culture and environment, as well as personifying our opportunities through employee testimonials. We maintain policies compliant with all federal and local regulations, including the Equal Employment Opportunity Commission and Americans with Disabilities Act, to ensure fair and equitable recruiting. We also promote career mobility within EQT by maintaining Internal Applicant Guidelines.

EQT's Glassdoor rating improved from 3.3 (out of 5.0) in December 2019 to 4.2 in December 2020. The overall rating takes into account individual scores in five categories — culture and values, work-life balance, senior management, compensation and benefits and career opportunities — based on reviews from current and former employees.

## RELATED RESOURCE

[EQT Careers](#) ➔

## EMPLOYEE BENEFITS

401-2; 403-6 ▼

Ensuring employees have the resources and support they need to live a healthy life is critical for sustaining a workplace of choice. In January 2021, we introduced Our Equity for All program, giving all permanent employees a stock grant and ownership in EQT, as we firmly believe that ownership breeds greater commitment, performance and engagement for all employees. We continue to offer comprehensive family benefits, including 80 hours of paid paternity leave and 12 weeks of paid maternity leave for both birth and adoptive mothers, in addition to our in vitro fertilization (IVF) benefit. Both aspects of our family leave policy go beyond legal obligations, as the United States has no legal requirements for paid parental leave. Other notable employee benefits include our dress for your day policy, flexible work arrangements, volunteer time off and a vacation donation program where employees can offer paid vacation days to a colleague dealing with a serious personal situation that requires them to take off significant amounts of time from work that would not be covered by existing leave benefits.

For the first time, we conducted an employee survey to gather feedback on the changes employees wanted to see regarding their benefits in 2020. From the survey results, employees were most interested in enhanced flexibility in working arrangements. In response, we rolled out a relocation request process to allow employees in certain roles to work remotely and/or continue to work at EQT if they move.

## 2020 Employee Benefits

Healthcare	Insurance	Financial	Lifestyle
Medical*	Life insurance (company paid)*	Relocation assistance	Paid time off
Dental*	Accidental death and disability (company paid)*	Company match on contributions to 401(k) retirement savings (up to 6% of eligible compensation)*	Education assistance program
Vision*		Company contribution to 401(k) retirement savings (3% of eligible compensation)*	Flexible work arrangements and optional 9/80 work schedule
IVF benefit	Short-term disability (company paid)*	Employee Stock Purchase Plan*	Paid leave of absence
	Long-term disability (company paid)*	Equity for All employee stock grant program*	Extended unpaid leave of absence
	Business travel accident (company paid)*	Health Savings Account*	Vacation Donation Program
	Optional life insurance - employee, spouse, child*	Credit Union*	Employee Assistance Program*
		Severance pay	Extended family and medical leave (includes maternity/paternity leave)
			Adoption benefit
			Infertility benefit
			Commuter reimbursement accounts*
			Wellness programs*
			Foundation Donation Program
			Matching gift program - 100% match up to \$50,000 per year
			Relocation request process

\*These benefits are not available to part-time employees. Part-time employees scheduled to work for at least 20 hours each week are eligible for all other benefits.

## Employee Wellness

In addition to our formal benefits package, we offer the EQT Take Charge wellness program, sponsored by one of our health service providers. Take Charge offers personal health coaching, wellness information, health management programs, newsletters and employee educational sessions conducted by medical professionals during work hours. The program is designed to aid employees and their families in managing personal health and wellness issues. In addition, employees who participate annually in a biometric screening and complete a wellness coaching conversation receive a Health Savings Account contribution from EQT.

Complementing Take Charge is our Employee Assistance Program (EAP), which offers additional wellness and lifestyle services, including confidential short-term counseling and treatment programs and referrals to providers with expertise in family and relationship counseling, elder care, money management and legal problems. We pay in full for up to five in-person counselor visits. Any employee, including those who waive our medical coverage, plus anyone living in their household, can take advantage of the EAP and its additional resources.

At no cost to our employees, we offer annual onsite health screening, which enables employees to ask health-related questions during consultation with a medical professional. We protect our employees' privacy by ensuring that individual results remain confidential and third-party providers supply only aggregated information for analysis purposes.



## PROMOTING ENGAGEMENT DURING THE COVID-19 PANDEMIC

When the COVID-19 pandemic necessitated remote working for many of our employees in 2020, we wanted to ensure they continued to feel connected to their teams and to the entire Company. Our HR department rapidly implemented a holistic virtual onboarding program, to engage new employees in the organization immediately. Additionally, we held digital town halls with Q&A segments to increase communication with employees, and used internal polling on various ongoing topics to measure employee engagement, both of which positively impacted our culture of engagement. Poll results indicated that employees appreciate the two-way communication strategies we have developed and implemented over the past two years, and we plan to continue to explore new ways to continue to build upon these communication efforts in the future.

“I can’t say enough about my positive experience interviewing and onboarding in a remote environment. I was shocked to learn that I was the first person to be virtually onboarded because the process was so smooth and relatively effortless on my end. The HR team as well as the Accounting team that I ultimately report to were all extremely accommodating throughout the entire process.”

— Mackenzie DiDominic, Accounting Specialist

“From the interview process to onboarding, EQT HR did an amazing job creating a remote experience that was very user friendly and thorough. It was very clear what steps needed to be taken and where to find resources to complete each step.”

— Michael Fisher, Lead Business Process Analyst

## EMPLOYEE DEVELOPMENT

404-2 ▾

During an employee’s tenure with EQT, we aim to provide the resources needed to enhance their skills and knowledge, and to promote a culture where employees feel empowered to advance their education and career. This begins with our new-hire orientation, where employees learn about our culture, organization, benefits, performance expectations and other available resources to help them succeed from their first day of employment. Orientation also reinforces our commitment to workplace safety, ethical conduct and environmental stewardship. All employee onboarding is now offered 100% online through Salesforce Trailhead, which has received positive feedback from new hires who went through the onboarding process in 2020. Following orientation, employees receive additional training as needed to develop the skills necessary to perform their job tasks safely and effectively. This includes mandatory and work-specific trainings, and we offer optional participation in seminars, workshops and certification programs to ensure that employees are continually prepared for their job tasks.

Employees continually work with their managers or supervisors to identify other appropriate training opportunities as they grow their careers with EQT. Employees have access to learning modules through LinkedIn Learning and Salesforce Trailhead, which offer development opportunities covering a wide range of relevant topics, such as supporting mental health, working on cross-functional teams and developing habits for improving performance. Some employees may seek to expand their formal education, and our Tuition Reimbursement Program (formerly Education Assistance) provides financial assistance to those who enroll in degree programs and satisfy established grade requirements. Our Tuition Reimbursement Program, which was revamped in 2020, reimburses 100% of eligible education expenses up to \$5,250 and 70% of all eligible education expenses thereafter. Undergraduate and graduate programs are both covered under the program, as well as online programs, provided a business case can be made for why program completion will benefit the employee and EQT.

In 2020, we transitioned from annual to quarterly performance reviews to promote an ongoing feedback culture for our employees. One of these reviews includes “360-degree” feedback, where employees can request feedback from individuals at all levels and departments of the Company. In addition, employees participate in formal development planning with their direct managers to discuss aspirations and development gaps in experience and/or skillsets. These discussions are intended to create a scenario for success in the employee’s current role as well as to identify additional responsibilities and opportunities. Going forward, we are working to support employees’ ability to provide ongoing public recognition of their peers’ accomplishments within our digital work environment.

As our employees near the end of their careers, we also provide training and additional resources to aid them in the transition from active employment. Our independent 401(k) plan administrator offers online courses, one-on-one meetings and telephone advice about retirement options. We also help retiring employees navigate the digital health insurance marketplace as they seek to transition their health insurance providers.

DIVERSITY AND INCLUSION

405-1

At EQT, we firmly believe that diversity of backgrounds, education and skillsets among our employees supports a successful workforce and improved performance. We strive to recruit the best available talent, including qualified candidates who are racial and ethnic minorities, veterans, disabled persons and LGBTQ+, and candidates from all age groups and genders. For example, we continue to work with [Diversity Pennsylvania](#) and other organizations committed to growing diverse workplaces to promote our job openings and support a diverse applicant pool. Our talent acquisition strategy is strengthened by our partnership with [Vibrant Pittsburgh](#), a nonprofit organization that works with employers and diverse community groups to organize, promote and implement initiatives designed to welcome and retain diverse talent.

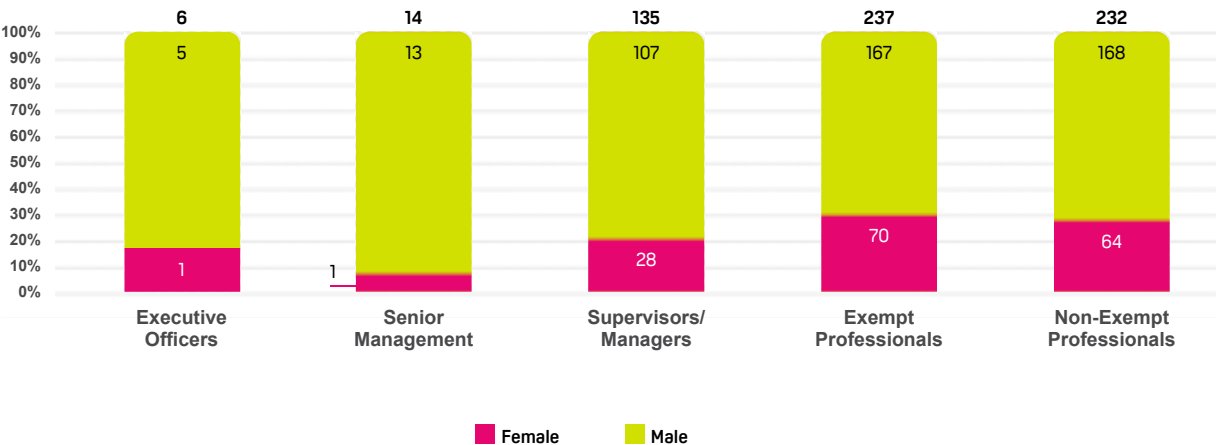
Our transition to a work-from-home environment beginning in March 2020 in response to the COVID-19 pandemic has also enabled us to expand our search for talent nationally. Approximately 7% of our new hires in 2020 reside in locations outside our primary operating area. While we will continue to seek and hire qualified candidates from our local communities, our newly developed flexible work arrangement policies and similar remote work opportunities that we are exploring will allow us to broaden our talent search beyond our core operating area, helping ensure that we have access to diverse, highly qualified talent.

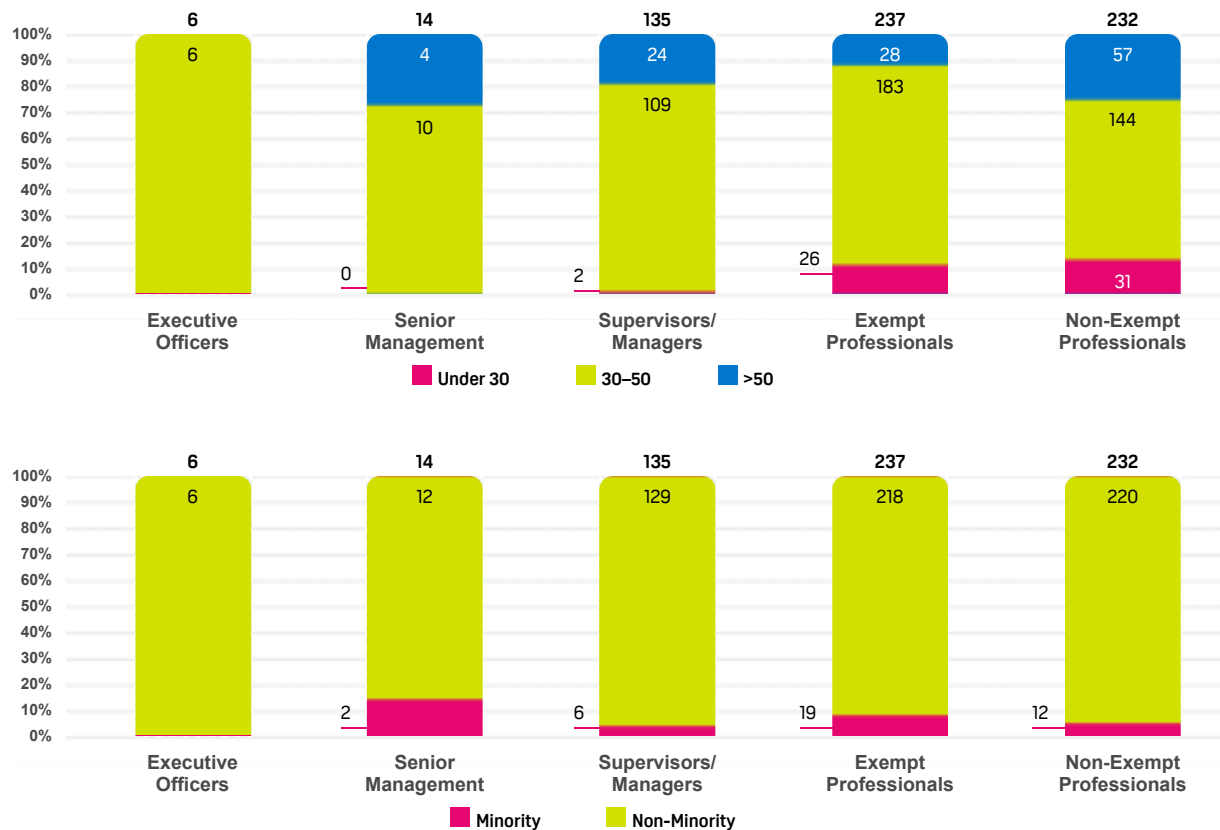
In 2020, we also developed a “Modern Intern” program to attract and build our talent pipeline while also meeting COVID-19 pandemic restrictions. We surveyed our department managers to understand which of our departments were best suited to host interns and identified top national programs, local programs and diverse programs to attract a diverse pool of intern candidates. Interns selected for our 2021 summer program are 33% gender diverse and 33% racially diverse. The implementation of virtual internships will also enable us to tap into more diverse geographies and involve more students with the energy industry in the future. We also hope to grow the pool of diverse candidates interested in our industry by providing learning programs and opportunities to visit our sites to students in local school districts. Our intent is for initiatives like these to foster students’ interest in potential careers in our industry and at EQT, growing our diversity organically.

Our digital work environment enables us to more easily connect individuals across EQT and promote inclusivity. Not only have employees regularly used our digital work environment to post articles, comments and photos, message one another and discover shared connections with colleagues, they have also indicated that they feel more connected and included within their department and at EQT.

Furthermore, our flattened organizational structure enables more employees to be seen and recognized for the value that they create. Employees routinely work with leaders and personnel outside their department, gaining increased opportunities for learning and exposure.

2020 Employee Diversity<sup>[1]</sup>





Our efforts in creating a more inclusive organization are part-and-parcel with our overall approach to maximizing human capital. As we establish a cultural foundation for our organization, we are committed to improving the diversity of our employee base. While headwinds exist in growing our diverse employee base, both in low turnover limiting opportunities to attract more diverse candidates and operating in a region that does not have a significant minority workforce, we are focused on improving. Currently, the tenure of our diverse employees exceeds that of our employees who are part of the majority demographic at EQT, a positive signal in diverse employee retention. Our 50% female representation on our Board of Directors continues to expand our reach to diverse talent. Although we hired fewer employees in 2020, we increased our percentage of female hires by 15% and increased our percentage of diverse hires by 5% compared to 2019. In 2020, 36% of our new hires were women and 13% were from diverse backgrounds.

## Equitable Pay

405-2 ▾

As transparency and accountability are cornerstones of our garnering trust with our stakeholders, in 2019 we began disclosing our gender pay ratios (calculated by dividing the average basic salary and remuneration<sup>[2]</sup> for women by that of men) in accordance with Global Reporting Initiative standards:

### Gender Pay Ratios

	2019	2020
Executive Officers	66.2%	74.5%
Senior Management	89.5%	86.5%
Supervisors/Managers	80.6%	94.1%

	2019	2020
Exempt Professionals	87.5%	82.2%
Non-Exempt Professionals	82.2%	87.0%

We are committed to ensuring that our organization provides fair and equitable pay that is in line with market rates for our industry and region. Given our goal of maintaining a relatively flat organization, our compensation structure is market-based — tailoring pay to competitive rates focused on job-specific duties and scope of responsibility — as opposed to being based on an employee's title or level within the organization. Market rates based on job responsibility vary significantly, and are why regulatory agencies typically look at compensation related to responsibility as opposed to title. In a flat organization, similarly titled employees can have significant variation in market compensation. The pay gaps noted in the chart above can be attributed to the relatively low numbers of women to men in each of the broad categories provided and differences in market rates among roles within each of such categories.

For information on the diversity breakdown of our Board of Directors, see [Corporate Governance](#).

## SUPPLIER DIVERSITY

We seek out small and diverse local suppliers whenever possible to strengthen our ability to deliver high performance to our customers and communities through a strategic sourcing approach supported by our Board of Directors and management team. We consider diverse suppliers as those that are Minority Business Enterprises, Women's Business Enterprises and/or Veteran Owned Businesses. Further, we encourage our top vendors to consider diverse subcontractors as it helps these businesses develop relevant experience and provides us with additional opportunities to work with diverse businesses which we may not otherwise have had the chance. We maintain visual management tools in our digital work environment to track diverse service provider spend in order to identify targeted outreach opportunities, and we integrate supplier diversity goals within our standard procurement practices to inform a broader-reaching, competitive and data-driven approach to award business. We continue to target opportunities to expand our diverse supplier universe, target diverse suppliers in our bidding processes and set goals for increasing diverse supplier utilization.

In 2020, we spent just over \$75 million — 9.3% of our supplier spend with non-publicly traded companies — with minority-owned businesses. We have awarded bids to diverse businesses in more than 58 supplier categories, exceeding our previous commitment to increase the number of supplier categories in which we spend with diverse service providers from 25 to 40 by 2021, more than doubling the opportunities for EQT to work with diverse service providers.

- Encouraging top suppliers to seek out and include diverse businesses in their bids and as part of their proposed scope of work
- Giving greater consideration to vendors who complete and submit a subcontracting document with their proposal identifying where and how they will utilize diverse vendors as part of the bidding process
- Conducting meetings with our top contractors to provide supplier diversity education, outline reporting requirements for subcontracting with diverse suppliers, and identify specific products purchased by the top contractors to help align them with diverse firms selling those products
- Tracking diverse vendor usage by asking our top contractors to provide their monthly spend with diverse subcontractors and local suppliers

In 2020, our new leadership team redesigned our approach to supplier diversity, decentralizing the function and integrating goals within our standard procurement practices. Our prior approach to supplier diversity led to a significant concentration of spending with a limited number of diverse service providers, and thus the benefits of our supplier diversity program were concentrated in the hands of a few service providers. Our procurement function as a whole realigned in 2020 to seek a broader-reaching, competitive and data-driven approach as opposed to relationship-driven awarding of business. With respect to supplier diversity, we target opportunities to expand our diverse supplier universe, target diverse suppliers in our bidding processes and set goals for increasing diverse supplier utilization.

As of June 30, 2020, we have spent approximately \$40 million — 12% of our supplier spend with non-publicly traded companies — with over 100 minority-owned businesses. We have awarded bids to diverse businesses in more than 25 supplier categories, and we are committed to increasing our spending with diverse service providers from 25 to 40 supplier categories by 2021, nearly doubling the opportunities for EQT to work with diverse service providers.

<sup>[1]</sup> EQT defines minority population to include American Indian/Alaska Native, Asian, Black/African American, Hispanic or Latino, or any employee disclosing two or more races.

<sup>[2]</sup> "Remuneration" includes all forms of compensation (other than basic salary) that are reported on an employee's Form W-2.

# How We Are Doing

103-1; 401-1 ▾

Our Human Resources team reviews and evaluates our employment and diversity and inclusion programs on a regular basis. During these evaluations, we confirm compliance with applicable laws and regulations, and assess whether our programs remain competitive with the external labor market and align with our values. When reviewing our programs, we consider:

- Feedback from exit interviews
- Annual employee engagement surveys
- Internal polls and corresponding comments and suggestions provided by our workforce through our digital work environment
- Turnover rate
- Internal assessments of diverse representation
- Internal assessments of compensation and benefit plans
- Benchmarking of peer companies in the natural gas industry
- External employee ratings and reviews

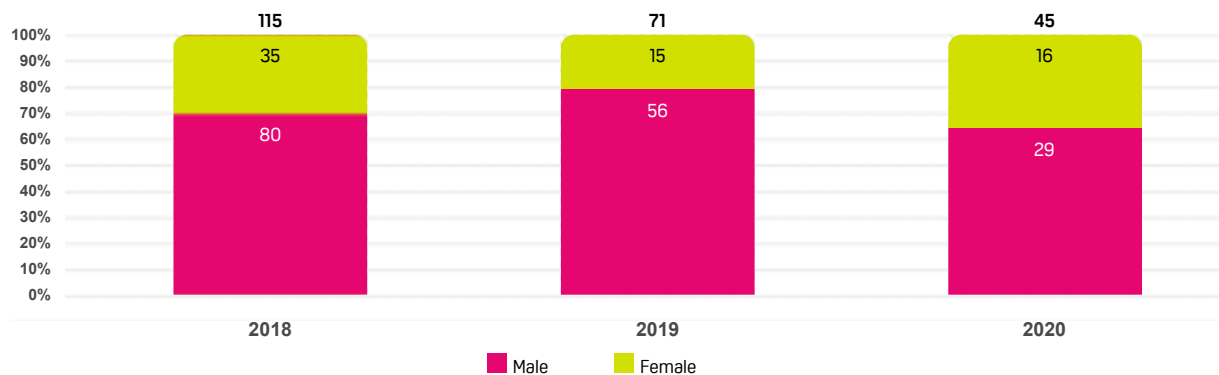
EQT was named a 2021 National Top Workplace by Energage — EQT's engagement percentage exceeded the average engagement score for all Top Workplaces by approximately 9%.

We also leverage succession planning to identify and mitigate human capital risks. Our management team reviews these evaluations and may adjust existing programs or develop plans to address any areas of concern that arise.

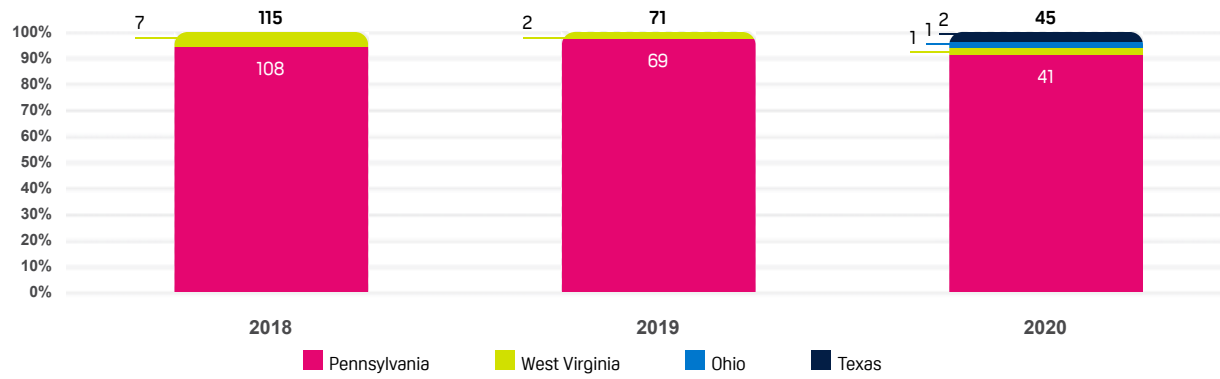
In 2020, we hired 45 employees across our operations.

## New Hires<sup>[1][2]</sup>

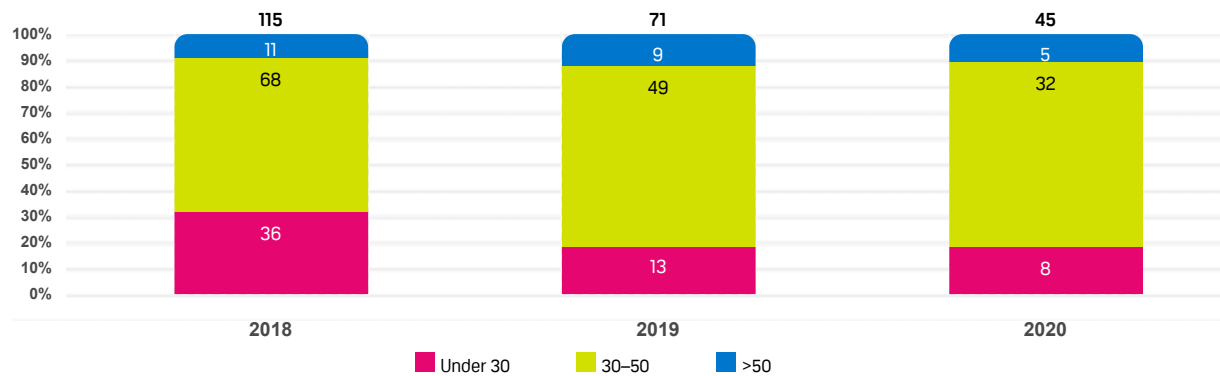
Gender



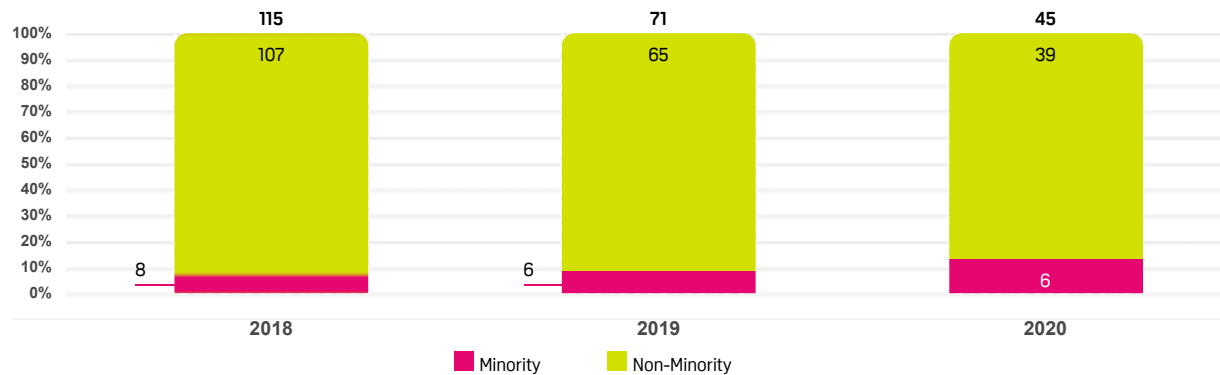
## Region



## Age



## Race and Ethnicity



### 401-3

Our retention rate for employees taking parental leave in 2020 was 94%.

## 2020 Parental Leave

	Male	Female	Total
Eligible	460	164	624
Not eligible	0	0	0
Took parental leave	27	9	36



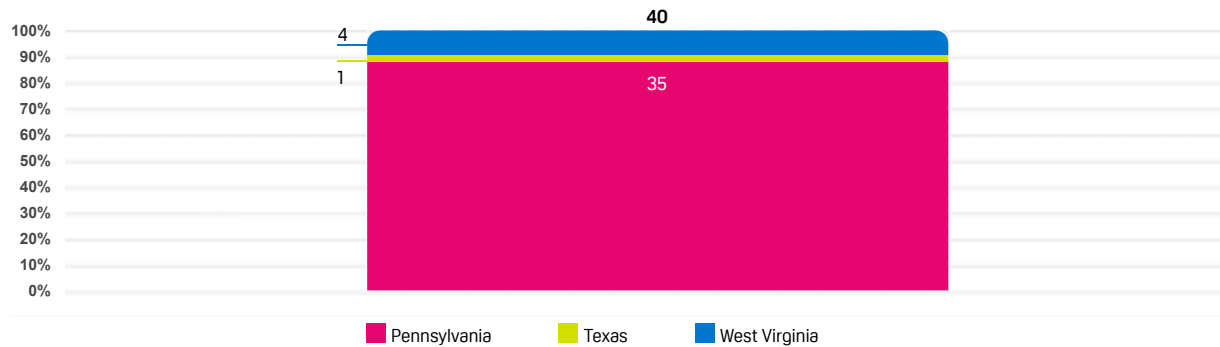
	Male	Female	Total
Returned to work	27	9	36
Return to work rate	100%	100%	100%
Retention after 12 months	25	9	34
Retention rate	93%	100%	94%

#### 404-3

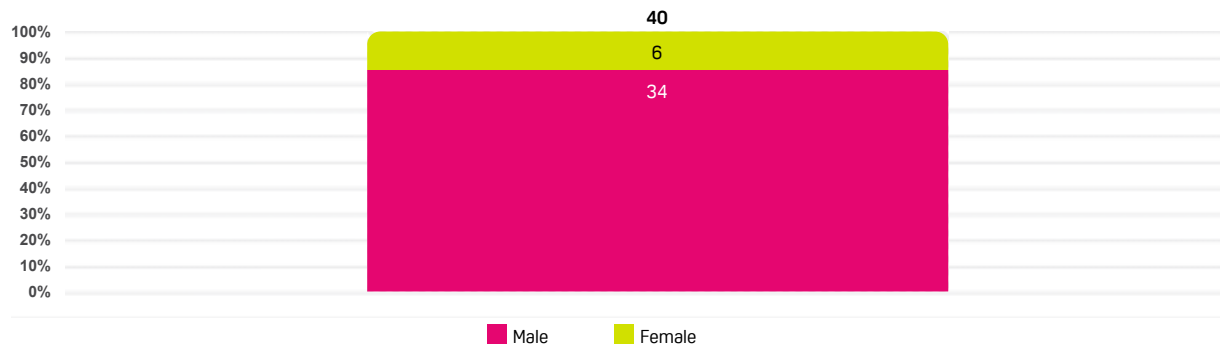
100% of our employees received at least one formal quarterly performance review in 2020. We look forward to formalizing our quarterly performance review process in 2021 and beyond, including the annual 360-degree feedback process. We believe this will help employees have more proactive conversations with their supervisors, better identify areas for growth and engagement and obtain more comprehensive feedback. We are working on developing the best approach to obtaining employee performance feedback on an ad hoc basis and plan to report outcomes from the changes to our review process next year.

### Turnover (Voluntary)

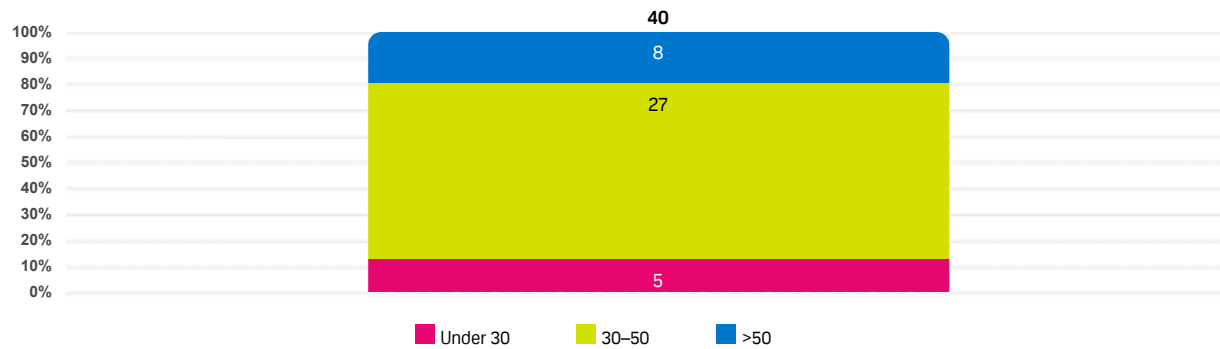
#### Region



#### Gender



## Age



Our turnover was lower in 2020 compared to 2019, likely due to employees settling into new roles following our 2019 workforce realignment. In addition, the new relocation request benefit we began offering in 2020 has enabled us to retain employees that otherwise would have left EQT upon moving.

<sup>[1]</sup> Numbers may not add to 100% due to rounding.

<sup>[2]</sup> EQT defines minority population to include: American Indian/Alaska Native, Asian, Black/African American, Hispanic or Latino, or any employee disclosing two or more races.



SOCIAL

# LANDOWNER RELATIONS

## Why It Matters to Us

103-1 ▾

At EQT, we view the local landowners we work with as valued partners, and our ability to operate hinges on maintaining positive, proactive relationships with these individuals. During every step of the process, our goal is to create mutual trust through transparency, proactive engagement and appropriate responsiveness to concerns.

## What We Are Doing

103-2 ▾

We value our relationships with landowners and understand they are critical to our mission to realize the full potential of EQT and become the operator of choice for all stakeholders. We take a proactive approach to cultivating and maintaining landowner relations with a focus on ensuring all landowners clearly understand how our plans and operations may affect them. While we were only able to hold one of our usual in-person meetings before the COVID-19 pandemic began in 2020, we leveraged virtual meetings and increased the frequency of our mass communications, keeping landowners well informed throughout the year. In 2020, we continued to improve and refine our processes for carefully tracking and responding to landowner concerns and questions.

Please read about our wider community engagement activities in [Community Impacts and Safety](#).

## LANDOWNER ENGAGEMENT

We believe face-to-face interactions with landowners build trust and open channels for future dialogue. Due to the COVID-19 pandemic, we were unable to hold any of our Landowner Town Hall meetings during 2020, but we maintained our commitment to open communication channels by increasing the frequency of our mass outreach and ensuring our landowner hotline was available.

We send targeted correspondence to select landowners to provide updates on relevant projects. We continue to send updates and correspondence to ensure these critical stakeholders understand what to expect throughout the life cycle of our operations in their area.

## TRACKING AND RESPONDING TO CONCERNS

We offer several avenues for landowners to contact us. We manage a hotline number and maintain a dedicated webpage to provide landowners with an opportunity to easily voice concerns and ask questions. We promote the use of the hotline number by communicating relevant information during in-person meetings, on company business cards and on our corporate website.



Our Owner Relations team manages all landowner requests and questions that we receive via our online portal, telephone or written mail by adding trackable cases in our digital work environment. For entries made through our website, landowners are provided a list of potential issues to choose from to automatically generate a corresponding tagged case. For landowners who choose to contact us by phone, if all Owner Relations team members are on calls, the caller can leave a voicemail that is automatically transcribed into a case, enabling our Owner Relations agents to proactively follow up on concerns. We have also refined the data we collect for these cases to ensure internal accountability and that cases are routed appropriately.

Our process results in stronger relationships with members of the local communities where we operate and better tracking of landowner feedback. Through this system, we can track thousands of questions and comments each year, as well as how quickly we respond to the landowner and close each matter. We strive to resolve any issue identified by a landowner within seven business days of the notification date and cycle approximately 600 cases every 10 calendar days. In 2020, our Owner Relations team received approximately 17,500 inquiries, and fully resolved 98% of such inquiries in 2020. In 2021, we plan to implement a formalized call center that will allow us to report more specific response time data.

Landowner matters are communicated to our Vice President, Land, who reports directly to our Chief Executive Officer. Relevant topics on landowner relations are communicated to the Board of Directors on a regular basis. Our management team also reviews aggregate information on the types and volumes of calls we receive from landowners on a weekly basis.

## LANDOWNER PRIVACY

We must request certain personal information from landowners for legal and tax purposes, and we work to protect their privacy by maintaining systems that handle incoming information and prevent breaches. We strategically limit the number of employees who manage landowner data, and employees who do handle sensitive information are required to complete relevant training.

## RELATED RESOURCES

[Owner Relations at EQT](#) →

[Leasing with EQT](#) →

[Landowner Forms and FAQs](#) →

# How We Are Doing

103-3 ▾

We are continually working to better understand the types of feedback we receive from landowners and proactively address any significant issues identified through this process. We manage all landowner communications internally to promote more direct relationships. As an example, in November and December 2020, we received over 6,000 calls that were handled by our team of eight Owner Relations agents. We measure our performance in managing landowner concerns based on how frequently we cycle cases compared to our acceptable open case count.



# GOVERNANCE



## LEADING WITH SUSTAINABLE BUSINESS PRACTICES

We understand that embodying responsible governance and ethics practices is critical to being the operator of choice for all stakeholders. We are committed to operating transparently and ethically while seeking engagements and technological investments that support our overall strategy.

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# 25%

of our STIP funding is linked to ESG-  
focused measures

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## GOVERNANCE

# CORPORATE GOVERNANCE

## Our Governance Structure

102-18; 102-22; 102-23; 405-1 ▾

Our Board of Directors (our Board) is the highest governance body at EQT and oversees the management of our business with a focus on policy and strategic direction. We have only one class of voting stock, and all directors on our Board are elected annually, reinforcing our Board's accountability to our shareholders. Additionally, our Board has adopted comprehensive Corporate Governance Guidelines, which, among other things, require that a majority of our directors be independent and our Board annually appoints an independent director to serve as Board Chair. We outline our Board leadership philosophy, including the responsibilities of our independent Board Chair, in paragraph 5(g) of our [Corporate Governance Guidelines](#).

As of December 31, 2020, our Board had four standing Committees:

- Audit
- Management Development and Compensation
- Corporate Governance
- Public Policy and Corporate Responsibility

The duties of each standing Board Committee are set forth in a written charter, a copy of which is available on our [Governance Documents page](#).

Consistent with our core values, our Board appreciates the value of diversity and believes diversity affords the opportunity for a variety of viewpoints, improving the quality of dialogue, contributing to a more effective decision-making process and enhancing overall culture in the boardroom. Details regarding certain diversity characteristics of our Board are included in the chart below.

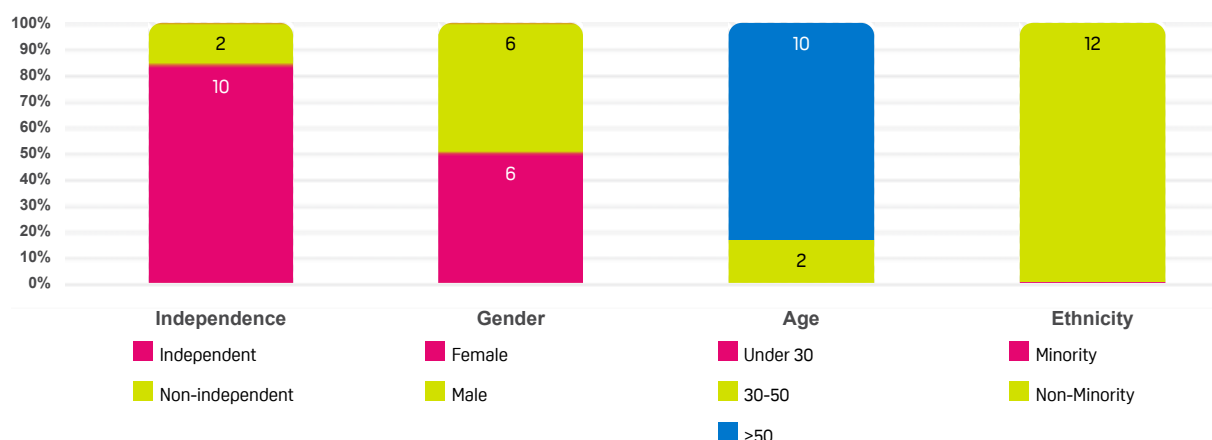
Our Board benefits from significant gender diversity, with women comprising 50% of our Board as of December 31, 2020. Additionally, female directors serve in key leadership roles, chairing our Board and three of our four standing Board Committees.

Our Board also recognizes the importance of racial and ethnic diversity and the potential benefits afforded by such enhanced diversity. Our Board is committed to the goal of improving racial and ethnic diversity on public company boards. Consistent with this goal, as our Board evolves, racial and ethnic diversity will be an important factor considered in assessing the Board's overall mix of skills, experience, background and characteristics.

## RELATED RESOURCE

[EQT Board of Directors](#) ➔

### EQT Board of Directors Composition and Diversity<sup>[1]</sup>



<sup>[1]</sup> Data as of December 31, 2020. Minority population includes American Indian/Alaska Native, Asian, Black/African American, Hispanic or Latino or any employee disclosing two or more races.

## ESG Oversight

102-20; 102-26; 102-29; 102-31

Two Board-level Committees contribute to setting our direction with respect to Environmental, Social and Governance (ESG) matters. The Corporate Governance Committee and the Public Policy and Corporate Responsibility (PPCR) Committee are responsible for approving, and making changes to, our ESG strategy. Each of these Committees revised its charter in 2020 to include explicit ESG oversight.

Our management ESG Committee, formed in early 2020, supports the Corporate Governance and PPCR Committees and helps guide and ensure execution of our ESG strategy. The ESG Committee, comprised of our Chief Executive Officer, General Counsel, Chief Financial Officer and senior leaders from our critical business functions, typically meets every other week, and no less than once per month. Due to the pandemic, beginning in April 2020, committee meetings have been held virtually in accordance with health and safety guidance. The ESG Committee reports and makes recommendations regularly to both the Corporate Governance and PPCR Committees on emerging ESG matters. Our full Board also discusses critical ESG topics, such as safety, governance, sustainability, climate change and other environmental matters, as applicable.

## EXECUTIVE COMPENSATION

In addition to periodic evaluation of our progress on select ESG initiatives by the Corporate Governance and PPCR Committees and by our Board, the Management Development and Compensation Committee (the Compensation Committee) of our Board reviews our performance with respect to specific ESG performance metrics established by the Compensation Committee under our annual Short-Term Incentive Plan (STIP). Our STIP provides annual bonus opportunities to our executive officers and other participating employees based on the achievement of performance goals established by the Compensation Committee in designing the STIP for the applicable year.

For 2021, 25% of our STIP funding is linked to ESG-focused measures, specifically, greenhouse gas intensity, safety intensity and employee DART (days away, restricted or transferred). The Compensation Committee added greenhouse gas intensity as a performance metric for the 2021 STIP in recognition of climate change as the preeminent sustainability issue affecting all industries, and retained safety metrics to continue to highlight the importance of the safety, well-being and development of our employees and contractors. In this regard, a portion of our executive and senior management compensation is directly tied to our ESG performance. For more information about the 2021 STIP and the related performance metrics, see our [2021 Proxy Statement](#).

## ESG STRATEGY DEVELOPMENT AND IMPLEMENTATION

102-19; 102-21 ▾

To ensure our ESG strategy is, and continues to be, fully informed, our ESG Committee leverages external research and benchmarking, researches ESG best practices, evaluates data trends and engages stakeholders — all in an effort to identify the ESG issues most pertinent to EQT, as well as potential opportunities for improvement. Examples of our stakeholder engagement include external outreach to investors, credit providers, landowners, environmental certification organizations, nongovernmental organizations and other groups to better understand how we can address key ESG issues, and internal polling of employees to better understand the impact of our social initiatives. Stakeholder outreach is a standing agenda item for each ESG Committee meeting. For more information on our engagement strategy, see [Stakeholder Engagement and Materiality](#).

The ESG Committee also assists our executive team and senior management in developing, implementing and monitoring initiatives, processes, policies and disclosures in accordance with our ESG strategy. In combination with our Board and Board Committee oversight described above, the ESG Committee both provides input to the Board on strategic direction and works with senior management and specific business departments to coordinate the company-wide implementation and execution of our ESG strategy.

### RELATED RESOURCES

[EQT 2020 Form 10-K](#) ➔

[EQT Code of Business Conduct and Ethics](#) ➔

## ESG REPORTING

102-32 ▾

Our ESG Committee oversees our ESG reporting process, including coordination with internal subject matter experts as needed. In addition, our entire Board has an opportunity to review and provide feedback regarding our annual ESG Report.



GOVERNANCE

# ETHICS AND INTEGRITY

## Why It Matters to Us

103-1 ▾

In 2020, we continued to build our culture around our company values — trust, teamwork, heart and evolution. Each EQT employee has a responsibility to carry out our values and enhance our reputation as a company with integrity. It is imperative that we do what we say and do the right thing, as all EQT stakeholders expect this of us. Trust from our communities and other stakeholders is imperative to our ability to operate.

## What We Are Doing

103-2; 102-16; 205-2; SASB EM-EP-510a.2 ▾

At EQT, we firmly believe that each of us is responsible for maintaining and enhancing our reputation by always acting with integrity. Our values drive the culture we expect employees to maintain at all times.



**TRUST**  
Always doing the right thing.  
Doing what you say you will do.



**TEAMWORK**  
Working together toward a common goal.  
Sharing, respecting and embracing diversity of thought.  
Understanding customers.  
Respecting the wrench.



**HEART**  
Caring about what you do (actions).  
Caring about the relationships you form (impact).  
Bringing passion and drive to be the best at what you do (attitude).



**EVOLUTION**  
Driving to get better every day.  
Understanding your environment to prioritize any needed adaption.  
Being transparent (which enables collaboration that triggers innovation and leads to evolution).

## RELATED RESOURCE

[Our Mission and Values](#) ➔

Our [Code of Business Conduct and Ethics](#) (Code), updated in November 2020,<sup>[1]</sup> provides a foundation for our values and sets clear expectations for our employees and all individuals who perform business on our behalf. The Code acts as a guide and resource related to personal responsibilities, compliance with law and the use of good judgement. Our Compliance and Ethics Program Manager revises the Code and other ethics-related policies when needed, in collaboration with subject matter experts, to ensure our policies reflect the ever-changing work environment and legal and regulatory landscape across the many topics covered. These topics include environmental, health and safety; human rights; avoiding conflicts of interest; communicating and cooperating with regulators; political involvement; diversity and inclusion; honest and ethical dealing; and other topics. Our General Counsel and applicable executive management, up to and including the Chief Executive Officer, approve any changes to the Code. Depending on the materiality of the changes, revisions are also reported to the Board of Directors.

Annually, all employees must confirm their continued understanding and compliance with the Code. We provide a core curriculum of online training on the Code and individual topics covered within the Code such as bribery and anti-corruption. This core curriculum is required for every new employee and biennially for all employees, and supplemented with additional courses depending on job responsibilities.

Our suppliers, vendors, agents, contractors and consultants (collectively, our business partners) are expected to provide services or goods in compliance with the Code or their own written code of conduct, if it complies with the U.S. Federal Sentencing Guidelines and all applicable laws and regulations. We annually remind the majority of our business partners of their obligation to comply with the Code and, specifically, their responsibilities related to conflicts of interest.

## COMMUNICATING CONCERNS

102-17 ▼

Although the Code provides strong guidance for our employees and business partners, it cannot be all-inclusive. We annually provide a combination of in-person and online training to reinforce the message that employees are encouraged to communicate concerns of misconduct to their supervisors, the EQT Compliance Network or the [Ethics HelpLine](#).

Ethics HelpLine: 1-800-242-3109  
[www.eqt.ethicspoint.com](http://www.eqt.ethicspoint.com)

The EQT Compliance Network, which consists of a group of senior-level employees from Internal Audit, Human Resources, Compliance and Ethics, Legal and Environmental, Health and Safety, is another resource available to employees to seek guidance regarding ethical and lawful behavior and to report suspected misconduct.

Our Ethics HelpLine allows our employees to call and report misconduct, and obtain resources to help them do the right thing. In the beginning of 2020, we introduced our Ethics HelpLine web-intake form as an additional way to report misconduct and ask questions anonymously. We wanted to establish a new medium for employees to feel safe speaking up, and we realized that some employees may feel more comfortable reporting misconduct electronically and in written form rather than over the phone. In 2020, 22% of reports received through the Ethics HelpLine were submitted through the web-intake form.

We publicize our Ethics HelpLine phone number and instructions for how to access our web-intake form at all of our work locations and provide it to our business partners so they may anonymously ask questions or report suspected misconduct. At the end of 2020, signs that advertised both the EQT Emergency Hotline and the Ethics HelpLine were posted at all active field sites. These signs included contact information and the types of information that should be reported through each channel. The Ethics HelpLine is operated by a nationally recognized, independent service provider and is available 24 hours a day, seven days a week by phone and web form. We maintain a zero-tolerance policy concerning retaliation for anyone who makes a good faith report of an alleged Code violation.

<sup>[1]</sup> On November 16, 2020, we modified our Code of Business Conduct and Ethics to (i) include a letter from our Chief Executive Officer, (ii) incorporate our mission and values into the Code, (iii) reflect certain personnel changes, (iv) add additional information regarding our new EHS coaching tool — FOCUS and contact information for our Emergency hotline and (v) incorporate certain other non-substantive changes (e.g., new branding/logo).

# How We Are Doing

103-3 

We had 16 reports of compliance violations in 2020, a decrease from 26 reports of violations in 2019. In 2020, 50% of reports were substantiated as actual violations, compared to 46% in 2019. Two factors likely drove the decrease in reports and violations in 2020. First, our number of employees decreased slightly compared to 2019. Second, the majority of our workforce began working from home in March 2020 due to the COVID-19 pandemic. With employees working from home and socially distancing, we saw a decline in the types of misconduct that typically occur in an in-person working environment.

We use a variety of surveys, scoring systems and data sources to benchmark our performance alongside peers and other businesses. This enables us to identify training opportunities, improve policies and improve communication to internal and external stakeholders. We share gathered information and insights among Compliance, Internal Audit and Human Resources staff to ensure we meet our expectation to do the right thing.

All of our employees assigned to receive training on our Code in 2020 completed the training.





## GOVERNANCE

# PUBLIC POLICY AND PERCEPTION

## Why It Matters to Us

103-1 ▾

Growing debate within public, regulatory and investor groups related to the transition to a low carbon economy has contributed to an enhanced focus on natural gas, as well as other fossil fuels. As the largest producer of natural gas in the United States, we believe it is our duty to serve as an informed resource to policymakers on issues directly affecting EQT and natural gas industry activities. Pursuing thought leadership opportunities in the industry and advocating for responsibly developed natural gas may lead to improvements to, and better perceptions of, the industry, while supporting our goal to be the natural gas operator of choice.

Additionally, we have an opportunity to elevate the conversation with policymakers to explain how natural gas can be used not just as a resource for meeting growing energy demands domestically and globally, but also as a tool for enhancing the quality of life in many disadvantaged communities. Responsible development of natural gas can help improve these areas by providing a low-cost, low-impact, reliable source of energy, while also providing a number of direct and indirect benefits to the broader community through job creation, landowner royalties, road improvements and philanthropic investments in educational programs and municipal services.

## What We Are Doing

103-2 ▾

Our support of issues that affect our operations and communities are rooted in ensuring that we and others in the industry fairly and safely produce natural gas. We aim to be a thought leader that state and local elected officials seek out for consultation on questions related to our industry. We seek opportunities to engage with regulators, legislators and other natural gas companies to proactively shape policies in the best interest of all stakeholders.

## PUBLIC POLICY ISSUES AND ENGAGEMENT

### SASB EM-EP-530a.1

When considering and engaging on policy issues for the industry, we aim to see the larger impact — on communities, operators, the environment and the economy. We collaborate with government agencies such as the National Safety Council and the Occupational Safety and Health Administration to improve safety regulations related to the industry. We also work to support federal, state and local policies that promote stable investment climates for natural gas exploration, production, storage and transportation. These may include policies governing environmental protection, taxes, natural gas production, transportation and expanding the use of natural gas in sectors such as transportation, manufacturing and electricity generation. The impact on our stakeholders remains a key driver in our influence and engagement.

We typically seek to engage in shaping policies affecting our Company and our industry at the local and state level directly, while we often engage in federal policies through membership in our [member associations](#). In all cases, we take a tailored approach to engaging in policy issues. Rather than releasing a statement in response to every social and political issue that arises, we choose to use our voice in limited, thoughtful instances so that when we do choose to speak on an issue it carries real weight and meaning. For example, in April 2021, we were one of the first companies in our industry to publicly announce our support of using the Congressional Review Act to reinstitute [New Source Performance Standards \(NSPS\) 0000a rules](#) with respect to methane emissions. We believe that setting clear federal standards on methane emissions will help establish sound environmental policies that promote increased access to clean and affordable energy sources.

## GOVERNANCE AND POLICIES

We conduct our public policy activities in compliance with applicable local, county, state and federal laws, guided by our Public Relations and Government Affairs teams, collectively referred to as “Stakeholder Affairs.” Additionally, the Public Policy and Corporate Responsibility (PPCR) Committee of our Board of Directors periodically evaluates these activities. The PPCR Committee reviews and receives reports regarding our approach to public policy matters, including corporate political spending; diversity; environmental, health and safety; and energy.

Our Political Contributions and Political Activity Policy and Lobbying Disclosure and Compliance Policy help manage our interactions with regulatory agencies and elected officials. We require, among other things, that employees not engage in lobbying activity on behalf of EQT, nor use corporate treasury dollars for political purposes without permission from our General Counsel. The PPCR Committee annually reviews our contributions made to political candidates and discusses public policy issues that affect EQT to help ensure compliance with our policies and with applicable law.

## POLITICAL SPENDING

Our political involvement is limited to the United States, and we comply with the laws and regulations in each jurisdiction where we are active politically. This includes federal and state campaign finance laws regarding political spending in support of political parties, politicians and related institutions. We fund our political spending through:

- The non-partisan EQT Corporation Federal Political Action Committee (the Federal PAC), sourced solely from the voluntary contributions of EQT employees
- The non-partisan EQT Corporation State Political Action Committee (the State PAC), sourced from voluntary employee contributions and transfers from the Federal PAC
- EQT corporate treasury dollars

In 2020, we fully revamped our Federal and State PAC governance, including approving amended and restated bylaws and reconstituting the Board of Directors of both PACs. Members from our executive team now comprise the PAC Board, and our General Counsel serves as Chair of both PAC Boards. Our PAC Boards meet every other month, and at each meeting, representatives from our Stakeholder Affairs team present to the PAC Boards on relevant political issues and key political races. At each meeting the PAC Boards also discuss fundraising efforts and solicitation and contribution strategies for the PACs.

## Corporate Memberships

102-12; 102-13 ▾

We are committed to being an active participant in collaborations to improve our industry. We participate in the [ONE Future Coalition](#), a group of natural gas companies working together to voluntarily reduce methane emissions across the natural gas supply chain, and [The Environmental Partnership](#), where upstream companies share best management practices to improve environmental performance. We also participate in industry associations, such as the [Marcellus Shale Coalition](#), the [Gas & Oil Association of West Virginia](#) and the [American Exploration & Production Council](#), to discuss local, state and federal issues pertinent to natural gas, and the ISNetworld® Appalachian Working Group to share safety-related best practices.

In 2020, we built a tool in our digital work environment that allows us to track our corporate memberships. The tool tracks our membership status, renewal date, membership dues, the organization type and the geographic focus of the organization. All of this data can now be accessed by any EQT employee. Additionally, every new corporate membership is submitted for approval to our Environmental, Social and Governance (ESG) Committee, and the ESG Committee also reviews our current memberships on an annual basis. The ESG Committee uses a pre-defined scoring rubric to assign a membership score to each proposed membership, based on the organization's influence, historical success in achieving its stated goals, and whether the organization's mission is aligned with our corporate mission and strategy. The ESG Committee used our membership tracking tool and scoring rubric to reassess all of our corporate memberships in 2020, and based on such assessment, we chose to discontinue certain memberships while taking a more active role in the organizations that scored highly in our analysis. At least one EQT employee is assigned as the relationship manager for each of our corporate memberships, and many EQT employees also sit on the boards of local chambers of commerce and industry associations of which we are members. We provide a list of our corporate memberships, disclosing 2020 dues paid and the portion allocated to lobbying under [How We Are Doing](#).

## THOUGHT LEADERSHIP

Thought leadership is a critical component to achieving our mission. We believe firmly that natural gas is an essential energy form in the United States with strong potential in developing nations. We are continuing to build the EQT NetworQ, a coalition of EQT stakeholders — including employees, contractors, leaseholders and community members, among others — for which our goal is to provide vital information and elevate issues of interest to our stakeholders, as well as empower these individuals to speak up and act as a voice for industry support and positive changes. We have completed the first phase of building the coalition and have launched a few campaigns, including our ESG campaign that involved sending targeted communications to community groups, legislators and other regulators following the launch of our 2019 ESG Report to inform them of its publication. Additionally, we began to communicate our operational updates to local elected officials using the same technology. Using the EQT NetworQ to communicate with our stakeholders enables us to know exactly who opened the communication, which stakeholders clicked on links and ultimately allows us to begin to learn how stakeholders prefer to consume information so that we can better tailor our communications in the future. Moving forward, we plan to further engage and communicate with our stakeholders using the EQT NetworQ to keep them informed and engaged.

# How We Are Doing

103-3; 415-1 ▾

## PUBLIC POLICY ISSUES

We continued working with legislators and regulators in 2020 to help develop policies and regulations that further safe, efficient natural gas development. In 2020, we provided guidance to legislators, administration officials and regulators on the following issues:

- Royalty statement transparency — Pennsylvania and West Virginia
- Co-tenancy and additional leasing laws — West Virginia
- Severance tax — Pennsylvania, West Virginia, Ohio
- Energy infrastructure — Pennsylvania, West Virginia, Ohio
- COVID-19 response rules and regulations — Pennsylvania, West Virginia, Ohio
- Regional Greenhouse Gas Initiative — Pennsylvania

- Volatile Organic Compounds regulations — Pennsylvania
- Deep-well spacing rules and regulations — West Virginia
- Lease release legislation — West Virginia
- Critical infrastructure legislation — Pennsylvania

## POLITICAL CONTRIBUTIONS

Through our Federal and State PACs, along with EQT corporate treasury dollars, we spent \$155,750 in 2020, as shown below.

### 2020 Political Contributions

Funding Source	Beneficiary of Contribution	Amount (\$)
EQT Corporation Political Action Committees	Candidates for, and members of, U.S. Congress and U.S. Senate	\$2,500
	Candidates for, and members of, Pennsylvania state elected office	\$44,500
	Candidates for, and members of, West Virginia state elected office	\$19,250
	Candidates for, and members of, Ohio state elected office	\$2,500
	Candidates for, and members of, county and municipal elected office	\$2,000
<b>Total PAC Political Contributions</b>		<b>\$70,750</b>
EQT Corporation	EQT corporate treasury contributions to political candidates and other political organizations	\$85,000
<b>Total 2020 Political Contributions</b>		<b>\$155,750</b>

We also paid \$839,798 in corporate memberships in 2020, with approximately \$193,662 of that total allocated to lobbying. The table below details our participation in industry and trade organizations.

### 2020 Membership Associations<sup>[1]</sup>

2020 Association Name	Membership Dues	Dues Allocated to Lobbying
Allegheny Conference on Community Development / Greater Pittsburgh Chamber of Commerce	\$50,000	\$3,500
American Exploration & Production Council (AXPC)	\$120,000	\$84,000
Boston College Center for Corporate Citizenship	\$6,000	\$0
Center for Corporate Social Responsibility at Waynesburg University	\$2,000	\$0
Doddridge County Chamber of Commerce	\$0	\$0
Greene County Chamber of Commerce	\$700	\$0
Harrison County Chamber of Commerce	\$475	\$0
Independent Oil and Gas Association of West Virginia <sup>[2]</sup>	\$5,000	\$0
Independent Producers EHS Forum	\$0	\$0
Marcellus Shale Coalition	\$190,000	\$29,260
Marion County Chamber of Commerce	\$595	\$0
Mon Valley Regional Chamber of Commerce	\$475	\$0
Monongahela Area Chamber of Commerce	\$330	\$0
Natural Gas Supply Association	\$250,000	\$20,000
Ohio Chamber of Commerce	\$5,000	\$1,500
Ohio Oil and Gas Association	\$80,000 <sup>[3]</sup>	\$25,600 <sup>[4]</sup>
Our Nation's Energy Future Coalition (ONE Future)	\$20,000	\$0

2020 Association Name	Membership Dues	Dues Allocated to Lobbying
Pennsylvania Chamber of Business and Industry	\$39,973	\$19,987
Peters Township Chamber of Commerce	\$300	\$0
Propane Gas Association of New England	\$350	\$0
Public Affairs Council	\$2,800	\$0
Shale Energy Alliance	\$0	\$0
St. Clairsville Area Chamber of Commerce	\$500	\$0
The Environmental Partnership	\$0	\$0
Utilities, Telecommunications & Energy Coalition of West Virginia	\$1,000	\$0
Washington County Chamber of Commerce	\$800	\$0
West Virginia Chamber of Commerce	\$7,000	\$875
West Virginia Manufacturers Association	\$1,000	\$140
West Virginia Oil and Natural Gas Association <sup>[2]</sup>	\$55,000	\$8,800
Wetzel County Chamber of Commerce	\$500	\$0
<b>Total</b>	<b>\$839,798</b>	<b>\$193,662</b>

<sup>[1]</sup> Excludes organizations in which EQT Foundation (and not EQT Corporation) is a member.

<sup>[2]</sup> At the end of 2020, the Independent Oil and Gas Association of West Virginia and the West Virginia Oil and Natural Gas Association voted to combine and become the Gas & Oil Association of West Virginia (GO WV). We became a member of GO WV in 2021 following the combination.

<sup>[3]</sup> Includes \$40,000 attributable to 2021 membership dues paid in 2020.

<sup>[4]</sup> Includes \$12,800 attributable to 2021 membership dues allocated to lobbying, paid in 2020.



## GOVERNANCE

# TECHNOLOGICAL EVOLUTION

## Why It Matters to Us

103-1 ▾

Our ability to adopt innovative technologies enables us to cut costs, improve productivity, reduce environmental impacts, improve safety, attract and retain talent, adapt to fluctuations in commodity prices and remain a market leader. We leverage new technologies to benefit our processes, communities, environment, employees and other stakeholders to ensure we are the operator of choice. Our focus on technological evolution and continuous improvement are critical for our future success as the largest natural gas producer in the United States.

## What We Are Doing

103-2 ▾

Our strategic use of technology and commitment to process improvement plays a critical role in [worker safety](#), [community well-being](#) and our ability to [create sustainable value](#). We believe innovative ideas can arise from any part of our business, so we maintain open channels for submitting ideas and clear steps for implementation. In 2020, we continued to increase our focus on optimizing performance by building a foundation of reliable and visible data as we digitized our processes. Our aim going forward is to leverage our data to take action and inform operational decisions.

### DIGITAL WORK ENVIRONMENT

Our digitally-enabled workplace supports transparency, collaboration and data accuracy. Our digital work environment serves as our primary platform for online communication and collaboration. It is the home for our critical work processes and allows our employees to connect in real time, ensuring a shared and transparent view of operational data that drives decisions. It provides the structure that empowers our workforce to be agile, efficient and highly synchronized. The use of this technology has transformed our culture by:



- Enabling every employee across EQT to access a unified, accurate view of critical data
- Promoting collaboration across business areas and with executives and senior management
- Driving accountability for data collection and timely reporting
- Encouraging employees to connect, share ideas and provide feedback
- Fostering innovation and capturing ideas that add value to the Company
- Providing insights on areas for improvement
- Reinforcing data quality to inform goal-setting, strategy and focus areas for EQT

Not only has our digital work environment encouraged innovative thinking and idea-sharing, it also proved invaluable during the COVID-19 pandemic. We were able to quickly shift all office-based employees to work from home in 2020, and realized that our digital platform was also well suited to aid in contact tracing. We were also able to access all field data remotely, enabling us to quickly and safely resolve many issues without needing to send an employee on site. Read more about our COVID-19 response in our [Corporate Profile](#).

## INNOVATION PROCESSES

At EQT, we are focused on evolving our technology to achieve our goals and improve our performance in key indicators associated with material topics such as health and safety, environmental impacts, community impacts and operational efficiency.

In 2020 we implemented a Special Project Pipeline process where any employee at the Company can submit a new idea for consideration and adoption into our operating procedures. Once the idea is submitted through our digital work environment, a member from our Information Technology team is automatically notified of the submission and schedules a time to review the submission with the requestor. The goal of that meeting is to confirm alignment with our mission, explore benefits to our operations and costs or develop new business objectives.

We had so many ideas submitted that went through the Special Project Pipeline in 2020 that we began developing a new feature in the Special Project Pipeline called “IT Prime.” IT Prime will help us fast-track well-planned ideas that meet a few general guidelines. We believe this will take our innovation process to the next level by giving our business the tools to develop meaningful ideas and allow us to deliver quick solutions.

## DATA INNOVATION

The future of technological innovation — such as artificial intelligence, automation and a digital work environment — requires extensive, efficient and accurate data collection. We have developed a “Plan to Pay” system and integrated it into our digital work environment, giving us a more holistic view of operations. Now all bids, cost estimates and other relevant data points are tied to our Master Operations Schedule so we can seamlessly plan and launch projects. By capturing activity and forecasting data in real time, we promote collaboration across relevant groups, including Procurement, Operations and Production. Our Plan to Pay system also exemplifies our efforts to automate systems, as our operating teams can plan a job and automatically receive a service provider name that connects to bids and generates a cost forecast. Underpinning the successful use of our data technology is a workforce culture that supports efficient and accurate data collection. We trust our employees to follow their training and instincts in decision-making, and promote accountability to keep our operations performing efficiently.

We are also expanding our data technology to monitor well safety. In 2020, we developed a function within our digital work environment to enable employees to search various safety checks on each well to stay ahead of repairs. Employees also have the ability to generate work orders and proactively have the well checked, all within the same system.

# How We Are Doing

103-3 ▾

Technological evolution is about making sure we are the operator of choice, now and in the future. In alignment with our Company strategy, we strive to develop and explore new technology that supports our operations and Environmental, Social and Governance program. We are focused on implementing new technologies and evolving our processes to create value for our communities, our employees and our business. We measure our innovation by the value it adds to our stakeholders, such as improved local air quality, cost reductions and improved safety metrics.

As a result of implementing new technologies, in 2020 we substantially reduced our Pennsylvania Marcellus well costs, eliminated over 23 million gallons of diesel fuel from our operations and were able to effectively and safely manage our operations with minimal disruption in the wake of the COVID-19 pandemic. In 2021 we plan to focus on measuring the labor power hours required to deploy our work. We strive to understand how we can continue to enable employees to be efficient and focus on core competencies rather than additional work, which would further increase the efficiency of our operations.



## Electrifying Our Operations

We have long understood the benefits of natural gas as a fuel source in our operations and we were early adopters and regular users of dual fuel diesel/natural gas hydraulic fracturing fleets (frac fleets) alongside our conventional diesel frac fleets in our completions operations. In 2019, as part of our mission to become the operator of choice for all stakeholders, we launched a concentrated effort to find and incorporate into our completions operations equipment that is leading-edge in both its technology and its impact on our stakeholders.

We quickly realized that one of the most substantial things that could be done, both in terms of emissions and effects on stakeholders, was to replace our dual fuel and conventional diesel frac fleets with fully electric frac fleets that are powered by a natural gas turbine. We began transitioning to electric frac fleets in 2019, and we completed the full transition to electric frac fleets in 2020. From an environmental standpoint, we project that this transition has eliminated over 23 million gallons of diesel fuel from our operations annually. This not only improves our emissions profile, but also eliminates the spill potential associated with diesel and dual fuel frac fleets that require regular changes of motor oil and coolant to operate properly. From a stakeholder standpoint, electric frac fleets operate at a noise level comparable to ambient noise — significantly lower decibels compared to dual fuel and conventional diesel frac fleets. This benefits stakeholders that reside near our operations as well as our stakeholders that work in and around our equipment every day.

We have also been able to leverage the knowledge and expertise gained from implementing these next generation electric frac fleets into our operations and applied it to improving related equipment. For example, we were the first operator in the nation to completely eliminate hammer unions from our hydraulic fracturing operations. Hammer unions have been a known failure point in the industry for a long time, even spawning safeguards on this type of connection due to numerous failures. Eliminating hammer unions from our hydraulic fracturing operations decreases the risk of failed connections, thereby creating a safer work environment that requires less labor to deploy and has a lower operational cost. We were first in the nation to deploy a fully electric wireline unit to take advantage of the power generated on location and to decrease emissions and noise pollution while increasing reliability and uptime. These examples are just the beginning of our transition to the next generation of completions that fully utilize the electricity generated on our sites to power all operations and introduce innovation and technologies to further decrease our impact on the environment and our stakeholders.

# HIGHLIGHT STORIES



## Amwell Playground Development

With the onset of remote learning in 2020 due to the COVID-19 pandemic, many children flocked to a local church in Amwell Township, Pennsylvania, because it had the best internet connection in the area. The church quickly became a schoolhouse and took responsibility for feeding and tutoring local children, but soon realized the need for a new playground to give the children a break from looking at their screens. EQT was proud to fund a large portion of the playground and support this needed hub in the community during the COVID-19 pandemic.



## COVID-19 Emergency Response

As the onset of COVID-19 started to make its impact across Appalachia, the effects of the virus became especially apparent to the nonprofit community. In response, the EQT Foundation awarded \$360,000 in emergency grant support to community foundations and feeding programs across our operational footprint. Funds given to community foundations were earmarked for relief funds to assist nonprofits with COVID-19-related response efforts. From the purchasing of personal protective equipment for staff and volunteers, to emergency support to help offset resources from canceled fundraisers, the needs were many and diverse in each community.

In addition to Foundation support of local food banks, EQT Corporation gifted an additional \$12,500 to smaller, grassroots feeding programs in our direct operational footprint. Throughout the summer months, EQT employees also spent personal time volunteering to help with drive-through food distribution events, as well as packaging food boxes for delivery.

As an additional response to the pandemic, the international Giving Tuesday movement — #GivingTuesdayNow — set a campaign to encourage worldwide philanthropy on May 5, 2020. From April 1 to May 5, the EQT Foundation double-matched gifts made by employees to nonprofits. The EQT Foundation donated a total of \$77,505 to nonprofits across the country in response to employee giving.



## Employees Innovate for Safety and Receive FOCUS Coins

Adam Lemley, a Flowback Coordinator in our Production team, received his fourth FOCUS coin for SUPPORT during the flowback operations on the Strosnider well pad in 2020. Adam took proactive steps to reduce a chance of spills when rigging down flowback sites. Instead of letting the flowback tanks drive off containment and potentially contaminate the gravel on the pad, Adam and his crew took the initiative to wipe off flowback tank tires and absorbent pads to clean off residual fluids before the flowback tanks drove off containment, thereby decreasing the chance of contaminating the gravel on the pad. This outstanding thinking promotes positive impacts on the environment and SUPPORTS our EHS initiatives.

On the same site, Ron Virgili, a supervisor on our Production team, was awarded a FOCUS coin for UNDERSTANDING after identifying the need to develop an alternative method for how drivers pull water off the production tank battery under our current design. While talking through the process with production engineering and EHS, Ron proposed an alternative approach that would eliminate the bleed-off valve on the pumping assembly, thereby decreasing accidental fluid loss from drivers taking hoses off their trucks and minimizing the chance of damage to the containment area from hoses being tossed into it. He clearly has an UNDERSTANDING of the process and the need to improve on it for the betterment of EQT and the environment.



## Improving Safety Measure for Water Haulers

In response to an increase in rollovers involving trucks hauling fresh and produced water from well pads to other locations, our EHS team developed a cross-functional task force with our business partners to understand the cause of the accidents and brainstorm how to prevent them. We determined that the majority of accidents occurred while drivers were distracted or traveling too fast for the road conditions. In rolling out our FOCUS safety program to our contractors, we chose to have water haulers go through the inaugural training. With the support of our Water team, we filmed various scenarios to display proper and improper driving techniques. More than 500 contractors completed the training, for which we received overwhelmingly positive feedback.

Another concern was that the trucks were possibly overloaded and the weight of the water and the truck design were making the trucks unstable. We contracted with a third-party inspection service and set up unannounced weigh stations at different locations, allowing us to weigh the trucks and perform safety inspections before the trucks were offloaded to ensure a legal amount of water was being hauled. These inspections were also educational for drivers, as inspectors were able to discuss proper use of tag axles and truck operation. Additionally, we worked with truck owners and manufacturers to discuss truck design and understand if we are using the safest vehicles possible. Our areas of focus included:

- Obtaining a better understanding of the rollover events and determining the underlying causes of rollovers
- Determining if underlying causes of rollovers could be mitigated by re-design of tanks or chassis configurations
- Determining if underlying causes of rollovers could be mitigated with further driver intervention processes, such as additional driver training, awareness and/or warning systems
- Beginning to research potential for longitudinal tank baffles to lessen side to side fluid motion



## Revamping Our First Responder Giving Program

In an effort to give impactful gifts to fire departments in our operating areas, we awarded 21 separate \$10,000 donations to volunteer fire departments in our core operating areas in 2020. It was a difficult year for many local volunteer departments due to the cancellation or postponement of fundraisers and community events, and we wanted to recognize the impact these men and women have on keeping our communities safe. These funds can be used wherever they are most needed, but will especially help offset fire truck and equipment costs.

# CONTENT INDICES

## Global Reporting Initiative (GRI) Content Index

### GENERAL STANDARD DISCLOSURES

GRI Indicator	Description	Location
Organizational Profile		
102-1	Name of the organization	EQT Corporation
102-2	Activities, brands, products, and services	<a href="#">Corporate Profile</a> Hydraulic fracturing is prohibited in some regions of the United States; however, we do not have active operations in these areas. Additionally, there are no bans on any of our primary brands, products or services.
102-3	Location of headquarters	Pittsburgh, Pennsylvania
102-4	Location of operations	<a href="#">Corporate Profile</a>
102-5	Ownership and legal form	<a href="#">Corporate Profile</a>
102-6	Markets served	<a href="#">Corporate Profile</a>
102-7	Scale of the organization	<a href="#">Corporate Profile</a>
102-8	Information on employees and other workers	<b>Employee Information (as of 12/31/20)</b>  Permanent Employees: 624 <ul style="list-style-type: none"> <li>Female: 164</li> <li>Male: 460</li> <li>Pennsylvania: 490</li> <li>West Virginia: 112</li> <li>Ohio: 9</li> <li>Other States: 13</li> </ul> Temporary Employees: 189  Full-time Permanent Employees: 617 <ul style="list-style-type: none"> <li>Female: 161</li> <li>Male: 456</li> <li>Pennsylvania: 483</li> <li>West Virginia: 112</li> <li>Ohio: 9</li> <li>Other States: 13</li> </ul> Part-time Permanent Employees: 7 <ul style="list-style-type: none"> <li>Female: 3</li> <li>Male: 4</li> <li>Pennsylvania: 7</li> </ul>
102-9	Supply chain	<a href="#">Corporate Profile</a>
102-10	Significant changes to the organization and its supply chain	<a href="#">Corporate Profile</a> <a href="#">2020 Form 10-K, p. 7-8</a>
102-11	Precautionary Principle or approach	Although we do not formally follow the precautionary principle, we assess environmental risks across our operations.
102-12	External initiatives	<a href="#">Public Policy and Perception</a>



102-13	Membership of associations	<a href="#">Public Policy and Perception</a>
Strategy		
102-14	Statement from senior decision-maker	<a href="#">Letter from the Chief Executive Officer</a>
Ethics and Integrity		
102-16	Values, principles, standards and norms of behavior	<a href="#">Ethics and Integrity</a>
102-17	Mechanisms for advice and concerns about ethics	<a href="#">Ethics and Integrity</a>
Governance		
102-18	Governance structure	<a href="#">Corporate Governance</a>
102-19	Delegating authority	<a href="#">Corporate Governance</a>
102-20	Executive-level responsibility for economic, environmental and social topics	<a href="#">Corporate Governance</a>
102-21	Consulting stakeholders on economic, environmental, and social topics	<a href="#">Corporate Governance</a>
102-22	Composition of the highest governance body and its committees	<a href="#">Corporate Governance</a>
102-23	Chair of the highest governance body	<a href="#">Corporate Governance</a>
102-24	Nominating and selecting the highest governance body	The Corporate Governance Committee of the Board of Directors identifies and recommends to the Board requisite skills and characteristics for individuals qualified to serve as directors. The Corporate Governance Committee identifies potential director candidates through many sources, including third-party search firms and unsolicited shareholder submissions. All EQT directors annually stand for election by shareholders. For additional information on Board member qualifications, please see the <a href="#">Board of Directors page</a> on our website. For more information on our director nomination and selection process, see pages 23-24 of <a href="#">our 2021 Proxy Statement</a> .
102-25	Conflicts of interest	We disclose conflicts of interest to stakeholders as required by law. <a href="#">Our Code of Business Conduct and Ethics</a> outlines our policy to avoid conflicts of interest (we also have an internal Conflicts of Interest Policy). We maintain a majority of independent directors and our Corporate Governance Committee monitors related-person transactions. For more information, see pages 28-31 of <a href="#">our 2021 Proxy Statement</a> .
102-26	Roles of highest governance body in setting purpose, values and strategy	<a href="#">Corporate Governance</a>
102-27	Collective knowledge of highest governance body	Upon election, our directors participate in an initial orientation to Board service and routinely receive information from management to inform them about company business, including related economic, environmental and social topics. We encourage our directors to participate in outside educational programs, for which we fund or reimburse our directors' participation.
102-28	Evaluating the highest governance body's performance	The Board and its Committees use performance assessments to evaluate how well they are fulfilling their governance responsibilities. The Board and its Committees conduct annual self-assessments and each director — in a discussion with the Chair of the Board — provides feedback on individual director performance. Although the Board does not publicly disclose any actions taken in response to its annual self-assessments, it takes the assessment process seriously and responds appropriately to the results to improve overall governance performance.
102-29	Identifying and managing economic, environmental and social impacts	<a href="#">Corporate Governance</a>
102-30	Effectiveness of risk management processes	<p>The Board oversees and evaluates the process for assessing the major risks facing EQT and the related risk mitigation options. These responsibilities include:</p> <ul style="list-style-type: none"> <li>■ Performing an annual review of our major risks</li> <li>■ Addressing major risks with management via presentations throughout the year (initiated by management or requested by the Board)</li> <li>■ Delegating oversight for certain risks to Committees of the Board</li> </ul> <p>Additionally, the Audit Committee of the Board reviews our major risk exposures and key processes implemented to monitor and control such exposures. When making decisions on behalf of EQT, the Board considers the feedback provided by its respective stakeholders.</p>

102-31	Review of economic, environmental and social topics	<a href="#">Corporate Governance</a>
102-32	Highest governance body's role in sustainability reporting	<a href="#">Corporate Governance</a>
102-33	Communicating critical concerns	<p>To achieve sustainable performance for shareholders, employees, landowners, customers and communities, the Board is committed to overseeing EQT with integrity, accountability and transparency. The Board welcomes input on how it is doing and provides stakeholders multiple ways to communicate with our governing body.</p> <p>The Chair of the Board is a key point of contact on the Board for concerns or inquiries. Avenues for contacting the Chair or other members of the Board include:</p> <ul style="list-style-type: none"> <li>■ Communicating directly with the Board (and with independent directors, individually or as a group) by sending an email to <a href="mailto:independentchair@eqt.com">independentchair@eqt.com</a>. Traditional written correspondence, directed to EQT's Corporate Secretary, sent to the following address:  EQT Corporation c/o Corporate Secretary 625 Liberty Avenue Suite 1700 Pittsburgh, Pennsylvania 15222</li> <li>■ Communications sent to EQT's Corporate Secretary are reviewed by the Corporate Secretary or an appropriate individual on their staff and such communications are promptly delivered to the appropriate director or directors, unless the communications are junk mail or mass mailings.</li> <li>■ Communications may be made anonymously or confidentially.</li> </ul>
102-34	Nature and total number of critical concerns	<p>While we do not maintain a record of concerns communicated to the Board, we have conducted a formal shareholder engagement program since 2010, and we maintain active dialogue with our shareholders year-round. Through our investor relations program, senior executives hold meetings with our investors or potential investors to discuss operations, strategy and other critical items as outlined on page 7 of <a href="#">our 2021 Proxy Statement</a>. During 2020, our team had over 1,000 interactions with our shareholders, including hosting meetings with shareholders that collectively own approximately 65% of our common stock. Our management team uses our annual ESG Report to help guide conversations with investors regarding economic, environmental and social topics. When investors pose specific questions, our management team schedules calls and/or meetings to address their inquiries accordingly.</p> <p>As described in <a href="#">Stakeholder Engagement and Materiality</a>, the Board values and regularly considers the input and feedback of all stakeholders in its oversight of our sustainability efforts.</p>
102-35	Remuneration policies	<p>Our independent director compensation — including descriptions of cash, equity-based and other compensation — as well as related processes, are outlined on pages 31-35 of <a href="#">our 2021 Proxy Statement</a>.</p> <p>We also have compensation recoupment, or a “clawback” policy, applicable to current and former executive officers if we are required to prepare an accounting restatement due to material noncompliance with any financial reporting mandate under U.S. securities laws. The policy authorizes us to recoup certain compensation from covered executives who received equity or non-equity incentive compensation.</p>
102-36	Process for determining remuneration	<p>Annually, the Corporate Governance Committee reviews, and the entire Board approves, the compensation of our executive officers.</p> <p>The Management Development and Compensation Committee of the Board establishes the target total direct compensation for executive officers by establishing base salaries, setting long-term and annual incentive targets, and approving perquisites. The Management Development and Compensation Committee approves annual and long-term incentive programs on a yearly basis with recommendations from management and an independent compensation consultant. For more information regarding our executive compensation process, see pages 45-46 of <a href="#">our 2021 Proxy Statement</a>; additionally, pages 47-75 describe our executive compensation program and performance.</p>

102-37	Stakeholders' involvement in remuneration	The Management Development and Compensation Committee considers investor feedback during the design of our long-term incentive programs. At our 2020 annual meeting of shareholders, 98.3% of votes cast approved the "Say-on-Pay" proposal, approving the compensation of our named executive officers.
102-38	Annual total compensation ratio	See page 76 in <a href="#">our 2021 Proxy Statement</a> .
102-39	Percentage increase in annual total compensation ratio	Our annual total compensation ratio increased from less than 0.0001 for 2019 to 65.05:1 in 2020. Our current President and Chief Executive Officer joined EQT in July 2019 and agreed to total annual compensation for 2019 in the amount of \$1.00, as calculated pursuant to Securities and Exchange Commission rules. For 2020, our President and Chief Executive Officer's total annual compensation increased to \$7,526,515, as calculated pursuant to Securities and Exchange Commission rules.
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	<a href="#">Stakeholder Engagement and Materiality</a>
102-41	Collective bargaining agreements	None of our employees are covered by collective bargaining agreements.
102-42	Identifying and selecting stakeholders	<a href="#">Stakeholder Engagement and Materiality</a>
102-43	Approach to stakeholder engagement	<a href="#">Stakeholder Engagement and Materiality</a>
102-44	Key topics and concerns raised	<a href="#">Stakeholder Engagement and Materiality</a>
<b>Reporting Practices</b>		
102-45	Entities included in the consolidated financial statements	<a href="#">Corporate Profile</a>
102-46	Defining report content and topic Boundaries	<a href="#">Stakeholder Engagement and Materiality</a>
102-47	List of material topics	<a href="#">Stakeholder Engagement and Materiality</a>
102-48	Restatements of information	We have restated our 2018 and 2019 Scope 1 emissions data to include emissions from our Gathering and Boosting segment operations. Additionally, we have restated our GHG emissions intensities by using gross annual production as the denominator in the calculation (as opposed to our historical approach of using net annual production).
102-49	Changes in reporting	We're now addressing the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) and disclosures from the American Exploration & Production Council (AXPC). Our TCFD responses can be found in <a href="#">Climate and GHG Emissions</a> .
102-50	Reporting period	January 1, 2020 through December 31, 2020
102-51	Date of most recent report	October 23, 2020
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Andrew Breese, Director, Investor Relations (412-395-2555; <a href="mailto:ABreese@eqt.com">ABreese@eqt.com</a> )
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI content index	This page
102-56	External assurance	We conducted a self-assessment of the report; however, we did not submit the report for external assurance.

## SPECIFIC STANDARD DISCLOSURES

GRI Standard	Disclosure	Description	Location or Direct Answer	Omission
<b>GRI 200 Economic Standard Series</b>				
<b>Indirect Economic Impacts</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Community Impacts and Safety</a>	
	103-2	The management approach and its components	<a href="#">Community Impacts and Safety</a>	
	103-3	Evaluation of the management approach	<a href="#">Community Impacts and Safety</a>	
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	<a href="#">Community Impacts and Safety</a>	
	203-2	Significant indirect economic impacts	<a href="#">Community Impacts and Safety</a>	
<b>Procurement Practices</b>				

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Talent Attraction and Retention, Diversity and Inclusion</a>	
	103-2	The management approach and its components	<a href="#">Talent Attraction and Retention, Diversity and Inclusion</a>	
	103-3	Evaluation of the management approach	<a href="#">Talent Attraction and Retention, Diversity and Inclusion</a>	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	<a href="#">Community Impacts and Safety</a>	
Anti-Corruption				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Ethics and Integrity</a>	
	103-2	The management approach and its components	<a href="#">Ethics and Integrity</a>	
	103-3	Evaluation of the management approach	<a href="#">Ethics and Integrity</a>	
GRI 205: Anti-Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	<a href="#">Ethics and Integrity</a>	
GRI 300 Environmental Standards Series				
Energy				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary		Not material
	103-2	The management approach and its components		Not material
	103-3	Evaluation of the management approach		Not material
GRI 302: Energy 2016	302-1	Energy consumption within the organization	<a href="#">Data Download</a>	
Water				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Water</a>	
	103-2	The management approach and its components	<a href="#">Water</a>	
	103-3	Evaluation of the management approach	<a href="#">Water</a>	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	<a href="#">Water</a>	
	303-2	Management of water discharge-related impacts	<a href="#">Water</a>	
	303-3	Water withdrawal	<a href="#">Water</a>	Information unavailable for 303-3: We do not track rainwater usage and we do not have any plans to begin tracking rainwater usage.
	303-4	Water discharge	<a href="#">Water</a>	
	303-5	Water consumption	<a href="#">Water</a> We do not have reservoirs. Our Aboveground Storage Tanks hold impaired water and are temporary structures. Our freshwater impoundments collect rainwater, but are only used to store water when we need it for a current operation, and rainwater has a minimal effect on our total water usage.	
Biodiversity				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Biodiversity and Land Impacts</a>	
	103-2	The management approach and its components	<a href="#">Biodiversity and Land Impacts</a>	
	103-3	Evaluation of the management approach	<a href="#">Biodiversity and Land Impacts</a>	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<a href="#">Biodiversity and Land Impacts</a>	
	304-2	Significant impacts of activities, products and services on biodiversity	<a href="#">Biodiversity and Land Impacts</a>	
	304-3	Habitats protected or restored	<a href="#">Biodiversity and Land Impacts</a>	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	<a href="#">Biodiversity and Land Impacts</a>	
Emissions				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Climate and GHG Emissions</a> <a href="#">Air Quality</a>	

GRI 305: Emissions 2016	103-2	The management approach and its components	<a href="#">Climate and GHG Emissions</a> <a href="#">Air Quality</a>	
	103-3	Evaluation of the management approach	<a href="#">Climate and GHG Emissions</a> <a href="#">Air Quality</a>	
	305-1	Direct (Scope 1) GHG emissions	<a href="#">Climate and GHG Emissions</a>	
	305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">Climate and GHG Emissions</a>	
	305-4	GHG emissions intensity	<a href="#">Climate and GHG Emissions</a>	
	305-5	Reduction of GHG emissions	<a href="#">Climate and GHG Emissions</a>	
	305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ) and other significant air emissions	<a href="#">Air Quality</a>	Information unavailable for 305-7: We do not currently track Persistent Organic Pollutants (POPs) and we do not have any plans to begin tracking POPs.

#### Effluents & Waste

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Spills</a>	
	103-2	The management approach and its components	<a href="#">Spills</a>	
	103-3	Evaluation of the management approach	<a href="#">Spills</a>	
GRI 306: Effluents and Waste 2016	306-2	Waste by type and disposal method	<a href="#">Data Download</a>	
	306-3	Significant spills	<a href="#">Spills</a>	
	306-4	Transport of hazardous waste	We did not create or transport hazardous waste in 2020.	

#### Environmental Compliance

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Biodiversity and Land Impacts</a>	
	103-2	The management approach and its components	<a href="#">Biodiversity and Land Impacts</a>	
	103-3	Evaluation of the management approach	<a href="#">Biodiversity and Land Impacts</a>	
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	<ul style="list-style-type: none"> <li>Total number of 2020 environmental non-monetary sanctions: 2 (one of which was rescinded)</li> <li>Total number of 2020 significant environmental fines: 0</li> <li>Total monetary value of 2020 significant environmental fines: N/A</li> <li>Cases brought through dispute resolution mechanisms: 9 (one of which was rescinded)</li> </ul> <p>*For purposes of this disclosure, EQT defines "significant fine" as a monetary fine equal to or exceeding \$300,000.</p>	

#### GRI 400 Social Standards Series

##### Employment

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Talent Attraction and Retention, Diversity and Inclusion</a>	
	103-2	The management approach and its components	<a href="#">Talent Attraction and Retention, Diversity and Inclusion</a>	
	103-3	Evaluation of the management approach	<a href="#">Talent Attraction and Retention, Diversity and Inclusion</a>	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	<a href="#">Talent Attraction and Retention, Diversity and Inclusion</a>	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<a href="#">Talent Attraction and Retention, Diversity and Inclusion</a>	
	401-3	Parental leave	<a href="#">Talent Attraction and Retention, Diversity and Inclusion</a>	

##### Occupational Health and Safety

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Occupational Health and Safety</a>	
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GRI 403: Occupational Health and Safety 2018	103-2	The management approach and its components	Occupational Health and Safety	
	103-3	Evaluation of the management approach	Occupational Health and Safety	
	403-1	Occupational health and safety management system	Occupational Health and Safety	
	403-2	Hazard identification, risk assessment and incident investigation	Occupational Health and Safety	
	403-3	Occupational health services	Occupational Health and Safety	
	403-4	Worker participation, consultation and communication on occupational health and safety	Occupational Health and Safety	
	403-5	Worker training on occupational health and safety	Occupational Health and Safety	
	403-6	Promotion of worker health	Talent Attraction and Retention, Diversity and Inclusion	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	
	403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety	
	403-9	Work-related injuries	Occupational Health and Safety	We are unable to include high-consequence work-related injuries for contractors as we do not currently track contractor recovery times for injuries.
	403-10	Work-related ill health	Occupational Health and Safety	
Training and Education				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Talent Attraction and Retention, Diversity and Inclusion	
	103-2	The management approach and its components	Talent Attraction and Retention, Diversity and Inclusion	
	103-3	Evaluation of the management approach	Talent Attraction and Retention, Diversity and Inclusion	
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	Talent Attraction and Retention, Diversity and Inclusion	
	404-3	Percentage of employees receiving regular performance and career development reviews	Talent Attraction and Retention, Diversity and Inclusion	
Diversity and Equal Opportunity				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Talent Attraction and Retention, Diversity and Inclusion	
	103-2	The management approach and its components	Talent Attraction and Retention, Diversity and Inclusion	
	103-3	Evaluation of the management approach	Talent Attraction and Retention, Diversity and Inclusion	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Talent Attraction and Retention, Diversity and Inclusion Corporate Governance	
	405-2	Ratio of basic salary and remuneration of women to men	Talent Attraction and Retention, Diversity and Inclusion	
Local Communities				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Community Impacts and Safety	
	103-2	The management approach and its components	Community Impacts and Safety	
	103-3	Evaluation of the management approach	Community Impacts and Safety	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impacts assessments and development programs	Community Impacts and Safety	
	413-2	Operations with significant actual and potential negative impacts on local communities	Community Impacts and Safety	
Public Policy				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Public Policy and Perception	
	103-2	The management approach and its components	Public Policy and Perception	
	103-3	Evaluation of the management approach	Public Policy and Perception	
GRI 415: Public Policy 2016	415-1	Political contributions	Public Policy and Perception	



Socio Economic Compliance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Community Impacts and Safety</a>	
	103-2	The management approach and its components	<a href="#">Community Impacts and Safety</a>	
	103-3	Evaluation of the management approach	<a href="#">Community Impacts and Safety</a>	
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	<p>Except as set forth in GRI 307-1 (Non-compliance with environmental laws and regulations), we were not subject to any significant fines or non-monetary sanctions in 2020.</p> <p>*For purposes of this disclosure, we define “significant fine” as a monetary fine equal to or exceeding \$300,000.</p>	
Custom Topic: Landowner Relations				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	<a href="#">Landowner Relations</a>	
	103-2	The management approach and its components	<a href="#">Landowner Relations</a>	
	103-3	Evaluation of the management approach	<a href="#">Landowner Relations</a>	
	Custom	Number of calls and emails received from landowners	<a href="#">Landowner Relations</a>	

# Sustainability Accounting Standards Board (SASB) Index

## SUSTAINABILITY DISCLOSURE TOPICS AND ACCOUNTING METRICS – OIL AND GAS EXPLORATION AND PRODUCTION

Topic	Accounting Metric	Response/Location
Greenhouse Gas Emissions	SASB EM-EP-110a.1: Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	<a href="#">Climate and GHG Emissions — GHG Emissions and Targets</a>
	SASB EM-EP-110a.2: Amount of gross global Scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions	<a href="#">Climate and GHG Emissions — GHG Emissions and Targets</a>
	SASB EM-EP-110a.3: Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	<a href="#">Climate and GHG Emissions — Strategy; GHG Emissions and Targets</a>
Air Quality	SASB EM-EP-120a.1: Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10)	<a href="#">Air Quality — Inspections and Benchmarking</a>
Water Management	SASB EM-EP-140a.1: (1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	<a href="#">Water — How We Are Doing</a>
	SASB EM-EP-140a.2: Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	<a href="#">Water — How We Are Doing</a>
	SASB EM-EP-140a.3: Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	<a href="#">100%; see Water — Hydraulic Fracturing for more information</a>
	SASB EM-EP-140a.4: Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	<a href="#">Water — How We Are Doing</a>
Biodiversity Impacts	SASB EM-EP-160a.1: Description of environmental management policies and practices for active sites	<a href="#">Biodiversity and Land Impacts — Ongoing Monitoring of Active Sites</a>
	SASB EM-EP-160a.2: Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	<a href="#">Spills — How We Are Doing</a>
	SASB EM-EP-160a.3: Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	<a href="#">Biodiversity and Land Impacts — How We Are Doing</a>
Security, Human Rights and Rights of Indigenous Peoples	SASB EM-EP-210a.1: Percentage of (1) proved and (2) probable reserves in or near areas of conflict	We do not have any reserves in or near areas of conflict.

	SASB EM-EP-210a.2: Percentage of (1) proved and (2) probable reserves in or near indigenous land	To our knowledge, we do not have any reserves in or near Indigenous land.
	SASB EM-EP-210a.3: Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	We do not operate in areas of conflict.
<b>Community Relations</b>	SASB EM-EP-210b.1: Discussion of process to manage risks and opportunities associated with community rights and interests	<a href="#">Community Impacts and Safety — Working with Communities</a>
	SASB EM-EP-210b.2: Number and duration of non-technical delays	Our operations are subject to numerous regulatory and permitting requirements. We strive to account for potential delays in obtaining regulatory and permitting approvals or similar non-technical factors in our scheduling process. In 2020, none of our operations were stopped or delayed due to unanticipated non-technical factors.
<b>Workforce Health and Safety</b>	SASB EM-EP-320a.1: (1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	<a href="#">Occupational Health and Safety — How We Are Doing</a>
	SASB EM-EP-320a.2: Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	<a href="#">Occupational Health and Safety — What We Are Doing</a>
<b>Reserves Valuation &amp; Capital Expenditures</b>	SASB EM-EP-420a.1: Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	<a href="#">Climate and GHG Emissions — Risk Management; Sustainable Value Creation — Vision for EQT in the Energy Transition</a>
	SASB EM-EP-420a.2: Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	We estimate that we had 275,070 metric tons CO <sub>2</sub> embedded in our proved hydrocarbon reserves in 2020.
	SASB EM-EP-420a.3: Amount invested in renewable energy, revenue generated by renewable energy sales	At certain of our sites, we either use solar technology to generate power or capture natural gas from the field to power fuel cells, generating on-site energy. We do not track the amount of energy produced by these means as it is only used in remote locations and on a limited basis.
	SASB EM-EP-420a.4: Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	<a href="#">Sustainable Value Creation — Vision for EQT in the Energy Transition</a>
<b>Business Ethics and Transparency</b>	SASB EM-EP-510a.1: Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	0% — We only operate in the United States, therefore, we have no reserves in these countries.
	SASB EM-EP-510a.2: Description of the management system for prevention of corruption and bribery throughout the value chain	<a href="#">Ethics and Integrity — What We Are Doing</a>
<b>Management of the Legal &amp; Regulatory Environment</b>	SASB EM-EP-530a.1: Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	<a href="#">Public Policy and Perception — Public Policy Issues and Engagement</a>
<b>Critical Incident Risk Management</b>	SASB EM-EP-540a.2: Description of management systems used to identify and mitigate catastrophic and tail-end risks	<a href="#">Community Impacts and Safety — Emergency Planning</a>

## ACTIVITY METRICS

Activity Metric	Response/Location
Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas	<a href="#">Corporate Profile — Reserves and Production</a> . We did not produce any synthetic natural gas or synthetic oil in 2020.
Number of offshore sites	We do not operate any offshore sites.
Number of terrestrial sites	As of December 31, 2020, we operated 471 well pads.

## Disclosing the Facts Index

Indicator	Response/Location
1) Well Evaluation	<a href="#">Water — Monitoring Impacts</a>

Indicator	Response/Location
2) Well Integrity	We had no well integrity failures in 2020 that resulted in a release to the environment. <a href="#">See Water — Monitoring Impacts</a>
3) Near Misses	<a href="#">Occupational Health and Safety — How We Are Doing</a>
4) Offset Well Assessment	<a href="#">Water — Hydraulic Fracturing; Monitoring Impacts</a>
5) Avoiding Induced Seismic Activity	<a href="#">Water — Wastewater Management</a>
6) Pre-drill H <sub>2</sub> O Monitoring	<a href="#">Water — Monitoring Impacts</a>
7) Post-drill H <sub>2</sub> O Monitoring	<a href="#">Water — Monitoring Impacts</a>
8) Evaluating Water Scarcity	<a href="#">Water — Water Withdrawals</a>
9) Total Water Use	<a href="#">Water — How We Are Doing</a>
10) Freshwater and Non-freshwater Use	<a href="#">Water — How We Are Doing</a>
11) Water Source Types	<a href="#">Water — How We Are Doing</a>
12) Wastewater Use	<a href="#">Water — How We Are Doing</a>
13) Reducing Fresh water	As much as possible, we seek to use our own or third-party produced water for our operations to minimize freshwater withdrawals. In 2020, 24% of the total water that we consumed came from non-freshwater sources, including our produced water or third-party impaired water. <a href="#">See Water — Water Withdrawals; How We Are Doing</a>
14) Wastewater Volume	<a href="#">Water — Wastewater Management; How We Are Doing</a>
15) Wastewater Storage Methods	<a href="#">Water — Monitoring Impacts; Wastewater Management</a>
16) Wastewater Storage Safeguards	<a href="#">Water — Monitoring Impacts; Wastewater Management</a>
17) Drilling Residuals	Our drill mud and cuttings are processed using solids control equipment that efficiently separate drilling fluids from solids. Drying agents then remove any residual moisture, and the dried cuttings are stored in containers and transported by truck to landfills that are pre-approved to accept these solids in their permitted disposal cells. We continue to improve the efficiency of our solids management program by using higher efficiency systems that create better separation of drilling fluid and drill cuttings, reducing the overall weight of the disposed product. Using more effective drying agents decreases the amount of agents needed, which also decreases the weight of the disposed product.
18) NORM	We actively review whether new processes will generate naturally occurring radioactive materials (NORM).
19) Managing Inactive Wells	<a href="#">Biodiversity and Land Impacts — Decommissioning and Inactive Sites</a>
20) Use of Waste Products	<a href="#">Water — Wastewater Management.</a> We continuously evaluate minimization and beneficial reuse options for our waste products from both an environmental and economic standpoint. Currently, reuse of our wastewater is only used for hydraulic fracturing operations.
21) Toxicity Reduction	<a href="#">Water — Hydraulic Fracturing</a>
22) Dry Chemical Use	We currently do not use any dry hydraulic fracturing chemicals in our operations.
23) Eliminating BTEX	We do not use any benzene, toluene, ethylbenzene or xylene (BTEX) chemicals in our hydraulic fracturing fluids.
24) CBI Disclaimer	We publicly disclose via FracFocus.org the chemicals used in our hydraulically fractured wells and regularly update such disclosures. As of December 31, 2020, EQT did not directly claim any confidential business information (CBI) restrictions with respect to disclosing chemicals used in our hydraulically fractured wells; however, some of our chemical vendors and suppliers refuse to publicly detail the composition of their proprietary additives, citing CBI protections, and therefore, the chemical makeup of our hydraulic fracturing fluid as reported on FracFocus may not be complete due to such third-party CBI restrictions. To the extent one or more chemicals in our hydraulic fracturing fluid cannot be publicly disclosed on FracFocus due to third-party CBI restrictions, the entry is marked as “Proprietary” in lieu of listing the chemical additive name or number. However, even if a chemical is marked as “Proprietary,” the supplier of the chemical, as well as the chemical’s purpose and ingredient concentration, is listed in the FracFocus report. <a href="#">See Water — Hydraulic Fracturing</a>
25) Reducing CBI Claims	As noted above, some of the vendors and suppliers who supply chemicals used in our hydraulic fracturing fluid refuse to publicly detail the composition of their proprietary additives, citing CBI protections. Where possible, we work with our vendors to develop self-sourced fracturing chemicals in an effort to minimize our environmental impact and reduce the use of unknown chemicals that cannot be disclosed because of their protection as CBI. We also work with our vendors to ensure that data from our well completions is accurately and timely submitted to FracFocus.org. <a href="#">See Water — Hydraulic Fracturing</a>

# American Exploration and Production Council (AXPC) Index

Topic	Metric	EQT	Chevron Assets (2020 Annualized)
Production of Hydrocarbons	Gross Annual Production of Oil/Condensate (Bbl)	760,568	2,259,016
	Gross Annual Production of Natural Gas (Mcf)	1,747,486,099	169,894,770
	Total Gross Annual Production (BOE)	292,008,251	30,574,811
	Total Gross Annual Production (MBOE)	292,009	30,575
Greenhouse Gas Emissions	GHG Emissions (MT CO <sub>2</sub> e)	674,397	133,954
	GHG Intensity (#) (GHG Emissions (MT CO <sub>2</sub> e) / Gross Annual Production (MBOE))	2.31	4.38
	Percent of GHG Emissions Attributed to Gathering and Boosting Segment	7.3%	4.5%
	Methane Emissions (MT CH <sub>4</sub> )	16,135	3,079
	Methane Intensity (#) (Methane Emissions (MT CH <sub>4</sub> ) / Gross Annual Production (MBOE))	0.06	0.10
	Percent of Methane Emissions Attributed to Gathering and Boosting Segment	2.3%	2.9%
Flaring	Gross Annual Volume of Flared Gas (Mcf)	0	0
	Percentage of Gas Flared per Mcf of Gas Produced (Gross Annual Volume of Flared Gas (Mcf) / Gross Annual Gas Production (Mcf))	0%	0%
	Volume of Gas Flared per Barrel of Oil Equivalent produced (Gross Annual Volume of Flared Gas (Mcf) / Gross Annual Production (BOE))	0	0
Spills	Produced Liquid Spilled (Bbl)	294	0
	Total Produced Liquid (MBbl)	20,411	4,988
	Spill Intensity (%) (Produced Liquid Spilled (Bbl) / Total Produced Liquid (MBbl))	1.44%	0%
Water Use	Freshwater Consumed (Bbl)	40,990,696	N/A
	Freshwater Intensity (#) (Freshwater Consumed (Bbl) / Gross Annual Production (Boe))	0.14	N/A
	Recycled Water (Bbl)	21,945,150	N/A
	Total Water Consumed (Bbl)	62,935,846	N/A
	Water Recycle Rate (%) (Recycled Water (Bbl) / Total Water Consumed (Bbl))	34.9%	N/A
	Does your company use WRI Aqueduct, GEMI, Water Risk Filter, Water Risk Monetizer, or other comparable tool or methodology to determine the water stressed areas in your portfolio?	At the end of each year, in preparation for submitting responses to the Carbon Disclosure Project (CDP), we use WRI Aqueduct to evaluate whether we withdrew any water from sources of water with high baseline water stress.	N/A
Safety	Total Employee OSHA Recordable Cases	5	N/A
	Annual Employee Workhours	1,284,455.54	N/A
	Employee TRIR (Number of Employee OSHA Recordable Cases x 200,000 / Annual Employee Workhours)	0.78	N/A
	Total Contractor OSHA Recordable Cases	15	N/A

Topic	Metric	EQT	Chevron Assets (2020 Annualized)
	Annual Contractor Workhours	5,866,688.96	N/A
	Contractor TRIR (Number of Contractor OSHA Recordable Cases x 200,000 / Annual Contractor Workhours)	0.51	N/A
	Total Employee and Contractor OSHA Recordable Cases	20	N/A
	Annual Employee and Contractor Workhours	7,151,144.50	N/A
	Employee and Contractor Combined TRIR (Number of Combined Employee and Contractor OSHA Recordable Cases x 200,000 / Annual Combined Employee and Contractor Workhours)	0.56	N/A

All metrics under the "Greenhouse Gas Emissions" topic are limited to Scope 1 emissions.

## Task Force on Climate-related Financial Disclosures (TCFD) Index

### Governance

Disclose the organization's governance around climate-related risks and opportunities.

a) Describe the board's oversight of climate-related risks and opportunities.	<a href="#">Climate Change and GHG Emissions — Governance</a>
b) Describe management's role in assessing and managing climate-related risks and opportunities.	<a href="#">Climate Change and GHG Emissions — Governance; Strategy; Risk Management</a>

### Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	<a href="#">Climate Change and GHG Emissions — Strategy; Sustainable Value Creation — Accelerating the Low Carbon Transition; 2020 Form 10-K, pgs. 17-20, 36-37</a>
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	<a href="#">Climate Change and GHG Emissions — Strategy; Sustainable Value Creation — Accelerating the Low Carbon Transition</a>
c) Describe the potential impact of different scenarios, including a 2°C scenario, on the organization's businesses, strategy and financial planning.	<a href="#">Climate Change and GHG Emissions — Strategy</a>

### Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

a) Describe the organization's processes for identifying and assessing climate-related risks.	<a href="#">Climate Change and GHG Emissions — Risk Management</a>
b) Describe the organization's processes for managing climate-related risks.	<a href="#">Climate Change and GHG Emissions — Risk Management</a>
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	<a href="#">Climate Change and GHG Emissions — Risk Management</a>

### Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<a href="#">Climate Change and GHG Emissions — GHG Emissions and Targets</a>
b) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<a href="#">Climate Change and GHG Emissions — GHG Emissions and Targets</a>
c) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	<a href="#">Climate Change and GHG Emissions — GHG Emissions and Targets</a> We are exploring new ventures and researching alternative technologies to address our Scope 3 emissions.