



2019 Interim Corporate Sustainability Report

“what gets measured gets managed;

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Equitrans Midstream At-A-Glance

(as of December 31, 2018)

950
miles of
interstate
pipelines

2,130
miles of
gathering
lines

\$1.495
billion
operating
revenue

770
employees

\$885
million capital
expenditures

and what gets managed gets done.”



A Message for OUR STAKEHOLDERS

On November 13, 2018, Equitrans Midstream Corporation was launched as a powerful independent company with a very bright future – the culmination of EQT Corporation’s upstream and midstream business separation. We have a unique asset position across the prolific Marcellus and Utica shale region and, through our rich 135-year history, our midstream business was built and transformed by capturing opportunities that have achieved tremendous growth. Equitrans Midstream, or E-Train as we like to call it, now emerges with strong fundamentals and – as we work to deliver solutions for our customers and create additional value for our shareholders – our goal is to achieve the scale and scope of a premier, top-tier midstream company.

Although E-Train has been operating as a standalone, publicly traded company for only a short time – we have more than a century of responsible natural gas operations experience and we know, understand, and believe in the importance of sustainability reporting. When considering E-Train’s sustainability obligations, we cannot underestimate the effects that our business operations have on the financial stability of our Company, our employees, our shareholders, and the many other stakeholders in the communities in which we operate. In simple terms, sustainability reporting is an organization’s ability to be transparent in its performance metrics . . . because as the saying goes – **“what gets measured gets managed; and what gets managed gets done.”**

Managing the impacts of our activities – whether related to safety, environmental, governance, or social performance – is an integral part of how we do business. We strive to set operating standards that are consistent with our desire to be a continued and welcome partner in the communities in which we live and operate. Our culture of safety and environmental compliance continues to demonstrate E-Train’s commitment to managing our operations responsibly – because the health and safety of our people and the public will remain our top priority, always.



Given that E-Train became an independent company in late 2018, we are producing an “interim” Corporate Sustainability Report (CSR) for 2019 – with plans to develop and deliver a more comprehensive and robust CSR, utilizing Global Reporting Initiative guidelines, in 2020. As the majority of sustainability reporting is based on the prior year-end’s performance data, this timeframe will give E-Train one full-year of operations as a standalone company and ensure more accuracy in our data and performance reporting.

We are proud to share with you our interim 2019 CSR, which provides a snapshot review of our safety and environmental stewardship efforts; our governance structure; how we support our communities through direct and indirect economic benefits; and how we work to effectively manage the construction and operation of our many infrastructure projects. Our success as a Company depends on our ability to operate safely, responsibly, and collaboratively to ensure that all stakeholders will benefit from our activities.

Sincerely,

A handwritten signature in black ink that reads "Diana M. Charletta".

Diana M. Charletta
President and Chief Operating Officer

Company Profile

The Equitrans family consists of two publicly traded entities – Equitrans Midstream Corporation (ETRN) and EQM Midstream Partners, LP (EQM). This report collectively represents information, data, and performance metrics on behalf of both entities.

EQM is a growth-oriented limited partnership formed to own, operate, acquire, and develop midstream assets in the Appalachian Basin. As one of the largest gatherers of natural gas in the United States, EQM provides midstream services to producers, utilities, and other customers through its strategically-located natural gas transmission, storage, and gathering systems, and water services to support energy development and production in the Marcellus and Utica regions.

ETRN owns the non-economic general partner interest and a majority ownership of the limited partner interest in EQM – and through its investment, ETRN provides midstream services to multiple third parties in Pennsylvania, West Virginia, and Ohio through its three primary assets: the gathering system, the transmission and storage system, and its water services assets. Throughout this report, ETRN will be used to collectively represent both ETRN and/or EQM operations, activities, and programs – unless specifically described otherwise.



As our journey continues, the core drivers of our activities will primarily involve three aspects of our business:

- 1) Gathering and transporting natural gas supplies from the most prolific natural gas basin in North America
- 2) Increasing access to local, regional, and national markets
- 3) Providing water and other midstream services to producers across the Basin

In a nutshell, ETRN's principal strategy is to leverage its existing and planned growth projects and to identify and execute on strategically aligned acquisition and joint venture opportunities that will expand our footprint across the Appalachian Basin. As we optimize the delivery of natural gas to meet the nation's demand for clean energy, we will continue to prioritize our commitment to safety and to the enrichment of the communities where our employees live and work.



Our success as a Company depends on our ability to operate safely, responsibly, and collaboratively to ensure that all stakeholders will benefit from our activities.

OUR VISION | What We Aspire To Be

To be the premier midstream services company in North America – providing safe, reliable, and innovative infrastructure solutions for the energy industry.



OUR MISSION | What We Do and How We Do It

We move the energy that keeps America moving . . . providing innovative solutions and reliable energy infrastructure services in a safe, efficient, and responsible manner. We operate with integrity, accountability, and transparency to:

- *Deliver sustained value for our customers and shareholders*
- *Provide an engaging workplace for our employees*
- *Preserve and protect the environment*
- *Support the communities where we live and work*

Our Core Values shape our ETRN culture and support our Vision and Mission – they are the essence of our identity and provide the framework for our conduct, as well as for the relationships we have with our customers, communities, vendors, and shareholders.

OUR CORE VALUES | The Principles That Guide Our Behaviors and Decisions

Safety

Compliance is just a start.

We are committed to responsible operations that will safeguard the environment and protect the health and safety of our employees, contractors, and communities – always.

Integrity

Doing the right thing.

We will act ethically and demonstrate accountability for our actions, behaviors, and decisions. If something goes wrong, we will own it and make it right.

Collaboration

A reliable partner inside and out.

We will cultivate an inclusive, respectful work environment that values differing perspectives and encourages the power of teamwork and accountability.

Transparency

Communication is key.

We will listen and clarify understanding before acting. We will communicate openly with each other – and with our customers, shareholders, and other external stakeholders.

Excellence

In all we do and how we do it.

We will operate in relentless pursuit of flawless execution to produce high-quality work and achieve sustainable results. We will keep our commitments.

Our Corporate Sustainability Framework

At Equitrans Midstream, our Core Values are the foundation for our corporate sustainability framework. The five pillars of this framework are aimed at delivering long-term, sustainable value to our shareholders, business partners, communities, and our employees.



Safety Leadership: We believe that a commitment to safety is paramount – **above all else** – and that execution is not successful unless **Zero Is Possible**. The safety and well-being of our employees, contractors, and the people who live in our communities is our highest priority. We all have a shared responsibility to create a workplace where Zero Is Possible – and we must all demonstrate safety leadership to achieve successful results.

Environmental Stewardship: We strive to meet or exceed both expectations and regulatory requirements. Through continuous improvement initiatives, we incorporate sustainable practices into our day-to-day operations, such as utilizing new technologies

to support our emission reduction program, optimizing conservation of natural resources, and enhancing procedures or guidelines to improve our performance.

Corporate Governance: Together with our Boards of Directors, we are committed to transparent corporate governance principles that will strengthen the confidence and trust of our many stakeholders. The Boards of Directors of Equitrans Midstream and EQGP Services, LLC, the general partner of EQM Midstream Partners, are the highest governance bodies of ETRN and EQM Midstream Partners, respectively, and are responsible for overseeing the management of our business and affairs.

Economic Impact: We contribute to the U.S. and local economies by providing access to cleaner, affordable domestic energy, supporting economic development in local communities, creating job opportunities, and generating tax revenue at the state and local level. As we better understand our economic impact, we will engage with our communities to develop solutions that support them and seek new opportunities to contribute to the economy.

Stakeholder Engagement: We believe in maintaining an open, transparent, and honest dialogue with our diverse audience of stakeholders. As we have learned through the years, stakeholders provide a valuable perspective into our business and our operations; and through this active engagement, we are better able to identify process gaps and implement continuous improvement efforts.

Safety In The Workplace

At Equitrans Midstream, we have a safety platform that we call ZIP Today – which stands for **Zero Is Possible – Today**. This simple acronym represents our strong belief that injuries are preventable. ZIP – Today serves as a recognizable, visible reminder to continue developing **a strong safety culture** and reminds our employees that their commitment to safety is paramount – **above all else** – and that execution is not successful unless **Zero Is Possible!**



An ongoing, safety-first focus is needed as part of our social license to operate. We need to demonstrate our commitment to doing the right thing in everything we do, and everywhere we operate. We do this because it is the right thing to do – and also because we believe that success in safety helps promote success in our business endeavors. We also work to impress this set of beliefs upon our vendors, contractors, and suppliers – as these various companies and their thousands of employees are an extension of ETRN and EQM and they must also maintain a stringent focus on safety and believe that **Zero Is Possible**.

Our active business operations are conducted in accordance with the applicable health and safety requirements established by the U.S. Occupational Safety and Health Administration (OSHA) and other regulatory bodies. However, compliance is just the beginning. As we continue striving to improve, we work to integrate proper safety and health practices into all of our operations and our employees play a critical role in making sure that their co-workers return home safely each day. Further, every worker – regardless of title or work responsibilities – has the full authority and responsibility to stop any unsafe work activity.

Safety Education & Training

Education, risk mitigation, and performance monitoring form the core of ETRN's workplace safety initiatives. Every employee receives core safety training annually, along with more frequent specialized training tailored to the work performed and the types of issues faced. For example, monthly safety meetings held with field employees cover issues such as:

- Natural gas safety
- Stop work authority/responsibility
- Incident investigation
- Safe driving
- Hazard recognition
- Safe job procedures
- Industry specific technical safety training



We have a steadfast commitment to providing our employees with the necessary tools and information to work safely and empowering them to stop work if situations warrant – and as individuals, we are each held accountable for following procedures and demonstrating safety leadership. During 2018, ETRN employees logged more than **7,500 hours of safety education and training.**

Our Safety Performance

ETRN closely monitors health and safety performance, challenges, and statistics to ensure safe worksites; effective, ongoing safety training for our employees; and continuous identification of opportunities to improve. As an example, our Field Safety Technician program enables employees to take greater ownership of their own personal safety as well as demonstrate safety leadership to co-workers. The program also enables employees to identify and prevent situations that could cause harm to themselves or those around them.

More importantly, every safety-related incident provides an opportunity to learn and improve, regardless of whether an injury was involved. As part of our standard process, we conduct a thorough incident investigation to clarify possible causes, identify options to prevent recurrences, and highlight opportunities to improve education, training, processes, and procedures. When an injury does occur, ETRN records the nature of the event as prescribed by the OSHA Injury/Illness Recordkeeping Guidelines.

During 2018, the most frequently recorded injury and incident types involved employees working outdoors; and the most commonly observed incidents included insect bites, slips/trips/falls, and “struck-by” accidents, such as using hand tools. In 2019, we are shifting our focus from traditional safety metrics to a more advanced “look-forward” approach that includes identifying incidents with serious potential for injuries, or as we call them, ISPs. By utilizing this approach, we hope to prevent injuries before there is an actual occurrence.

In addition, our Health, Safety, Security and Environment Policy is being updated and revised to reflect our status as a standalone midstream company and is expected to be published by Q4 2019.

A snapshot of our 2018 year-end Safety performance statistics is as follows, which is based on employee hours worked and/or work-related miles driven, as of year-end 2018:



Contractor Safety

Our safety focus also includes the numerous contract workers who perform work at ETRN – both in the field and in the office. To ensure that our job sites remain safe, every company providing contract workers must mirror our commitment to safety. We expect each contractor, including their subcontractors and agents, to adhere to ETRN's relevant policies, as well as to all applicable U.S. laws and regulatory requirements related to health, safety, and employment.

To prequalify contractors before they obtain authorization to begin working for us, ETRN relies on ISNETWorld® – an industry recognized platform for monitoring safety metrics and performance. The ISNETWorld® database provides vital information regarding a contractor's 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

We expect to provide complete contractor safety performance statistics in our 2020 CSR report.

Emissions Mitigation

ETRN strives to protect the environment and continuously improve our practices in support of responsible pipeline operation and construction. We carefully monitor our emissions and energy use, as well as our operational impact on biodiversity, ecosystems, and the air. Our Health, Safety, Security and Environment Policy is being revised to reflect our status as a standalone midstream company and will be published by Q4 2019.

Through its ownership interest in EQM, ETRN is in the business of constructing and operating pipelines for the transmission of natural gas, as well as water services assets used in natural gas production. Methane is the most significant component of the gas that ETRN moves for its customers – from the point of extraction, to processing, and ultimately to business and residential consumers. Because methane is part of the product that we move – and product delivery is how we generate revenue – we must be accountable and responsible for understanding, assessing, and improving our methane management practices. This is an ongoing effort that is beneficial both environmentally and economically; and as we strive for continuous improvement, we must analyze current and future potential emission mitigation practices.

ETRN acknowledges that it is not enough to achieve regulatory compliance on greenhouse gas (GHG) emissions. We must seek out and implement best practices – and in the face of ongoing climate change – we must reduce our carbon footprint to mitigate operational impacts for the sustainability of our business and our communities.

We recognize that the transmission of methane-containing products, such as natural gas, is necessary to meet our country's current energy needs; however, it's important that there is a balance between the increasing market demand for energy sources and the need to mitigate the impact of GHG emissions. As the effects of climate change on our planet become increasingly apparent, we will proactively attempt to mitigate our GHG emissions by continuing to meet or exceed current regulatory requirements.

Natural gas produces significantly less carbon dioxide compared to other fossil fuels – and when combusted, natural gas releases up to 50% less CO₂ than coal and 20-30% less than oil. The benefits of natural gas for methane mitigation, versus other fuel sources, are well-established; however, we do not intend to stop there.

ETRN is developing a climate change strategy that will outline our position on related regulatory and economic policies. We will focus our GHG strategy to address the specific factors of our midstream business operations to mitigate, or potentially eliminate, GHG emissions to the greatest extent possible. More comprehensive disclosure will be included in our 2020 CSR, which will utilize year-end 2019 data.

As we consider our strategy, we are actively addressing our GHG mitigation efforts. Some of the actions described below are standard practices that are or will be used by ETRN to mitigate controllable emissions of methane. When reviewing our potential mitigation practices or projects, the information scope will include “controllable” emissions, which

include those that can be reduced by either a change in operational practice or equipment design. “Controllable” emissions do not include those that result from events such as emergency situations, pipeline failures, or acts of God, etc. Generally, if an event is a one-time occurrence and cannot be fully predicted, it is not considered to be controllable.

Current Regulatory Requirements – Federal and/or State

Control

Based on federal requirements, the only methane regulation that currently affects a portion of our assets is 40 CFR 60 Subpart OOOOa (Quad Oa). Quad Oa was announced on June 3, 2016 and was the first regulation that explicitly stated its purpose was to limit greenhouse gases. Previously, Environmental Protection Agency (EPA) regulations that were intended to regulate methane emissions did so by regulating volatile organic compounds (VOCs), which are also a component of natural gas. In this case, the EPA stated that methane reduction was a “co-benefit” to controlling VOCs.

Assets potentially affected by Quad Oa, depending on their date of construction, reconstruction, or modification are:

- Reciprocating compressors
- Pneumatic controllers
- Storage vessels
- Fugitive emission components at compressor stations

At the state level, current environmental agency requirements regarding control of methane emissions are established in air

permits. Requirements to control methane are typically a co-benefit to VOC control and are not explicitly stated. As of the printing of this report, the only exception to this is the general permit to be issued by the Pennsylvania Department of Environmental Protection for compressor stations. The most recent version of the GP-5, as it is commonly referred to, has explicit methane control requirements.

Monitoring and Reporting

The EPA’s GHG reporting rules in 40 CFR 98 Subpart W – Petroleum and Natural Gas Systems are contained in 40 CFR 98 – Mandatory Greenhouse Gas Reporting. The rule requires a facility having emissions of 25,000 metric tons or more of CO₂e per year to submit an annual report of GHGs to the EPA.

Additionally, methane emissions must be reported to the state regulatory agencies within ETRN’s operating areas, as applicable. In some cases, Subpart W methodologies are used to calculate emissions for the state; however, in certain cases, methodologies based on engineering and process knowledge or vendor guarantees may be used.

Methane Intensity Rate *(as of year-end 2018)*

In 2018, ETRN reported total methane emissions of 4,850.5 tons. Our midstream operations, which include gathering, transmission, and compressor station facilities, had a methane intensity of 1.3 mtons/Tbtu. ETRN’s assets included 101 compressor stations/dehydration facilities; 950 miles of transmission lines; and 2,130 miles of high- and low-pressure gathering lines.

Voluntary Reduction Programs

Various industry organizations offer voluntary reduction programs that provide an organized set of metrics and an accountability structure, allowing companies to reduce methane emissions beyond regulatory requirements and to quantify such reductions.

During the second quarter of 2019, we joined the Environmental Partnership (EP) – a voluntary reduction program offered through the American Petroleum Institute (API) and the ONE Future Coalition, which is a group of natural gas companies working together to voluntarily reduce methane emissions across the natural gas supply chain, with a goal to lower emissions to 1% by 2025.

Current Methane Mitigation Methods

Below is a list of several GHG mitigation projects being implemented across different parts of our operations:

Compressor Blowdowns to Suction or Reduce Pressure

During planned blowdowns, discharge gas will be recycled to suction gas prior to venting to the atmosphere at compressor stations that are equipped to do so. Since suction pressure is less than discharge pressure, this practice reduces the volume of gas (and methane) that is vented to the atmosphere.

Utilizing Instrument Air

Newer compressor stations are equipped with instrument air systems to run pneumatic controllers. Utilizing this type of system prevents natural gas from “bleeding” into the atmosphere, as most pneumatic controllers have a non-zero bleed rate.

Utilizing Air Starts on Units

Rather than utilizing natural gas, newer compressor stations are equipped with air or electric systems to start engines.

Replacement of High-Bleed Controllers

A high-bleed controller has a continuous natural gas bleed rate greater than six standard cubic feet per hour (scfh). ETRN has replaced numerous high-bleed controllers with models that have lower bleed rates.

Reducing Full Emergency Shut Down (ESD) System Test Emissions

Compressor stations regulated by the DOT are required to undergo an annual test of the ESD system. Previously, ETRN conducted annual ESD tests in a manner that vented all gas contained in the station. We have updated our operating procedures to only blowdown the full station once every five years, as allowed by DOT regulations. During the four tests that occur during a full-station blowdown, the operations team blocks the vents and actuates the ESD valves, but does not blowdown the piping, thus mitigating any emissions.

Work-Stacking

In 2018, ETRN began an effort to coordinate or “stack” work that required station shutdowns. Since work that requires a shutdown often also requires a blowdown, the “work-stacking” effort minimizes emissions while also maximizing equipment uptime and availability.

An early opportunity to stack work was identified for newer Caterpillar units, which are required to have a rod packing replacement at 26,000 hours and a major

maintenance event at 27,000 hours. The increase in unit availability and the reduction in emissions from this single effort highlighted the importance of analyzing ETRN's work management system for similar opportunities.

Future Mitigation Methods

ETRN is also evaluating several potential GHG mitigation efforts, some of which include:

Expansion of LDAR Program

At compressor station facilities, a Leak Detection and Repair (LDAR) program is used to identify leaks from valves, mechanical joints, compressors, etc. Once a leak is identified, it is repaired within a designated timeframe and the required documentation is maintained.

Based on regulatory or permit requirements, LDAR is required at many, but not all, of ETRN's compressor stations and dehydration facilities. In 2019, ETRN took steps to go beyond compliance requirements by implementing LDAR programs for compressor stations that were not subject to the program through a permit or regulatory requirement.

Pneumatic Controller Upgrades

Select vendors now provide "no bleed" or "very low bleed" pneumatic controllers. While the "no bleed" controllers do bleed some gas while actuating, ETRN is working to determine proper emissions reporting for such controllers. We are selecting two sites at which to install these controllers in order to evaluate their cost, emissions savings, and technical feasibility.

Identification of Remaining High-Bleed Pneumatic Controllers

ETRN anticipates identifying and potentially replacing any remaining high-bleed pneumatic controllers. Each possible replacement will be screened for economic and technical feasibility.

Recompression of Pipeline Gas Prior to Blowdown

New portable technology, known as "ZeVac," is available to compress gas from pipelines to nearby lower-pressure pipelines prior to pipeline blowdown for maintenance and other procedures. ETRN is evaluating the economic and technical feasibility to utilize the ZeVac equipment for future activities.

Flaring of Pipeline Gas

ETRN will evaluate the economic and technical feasibility of flaring pipeline gas, rather than utilizing a blowdown, during pipeline maintenance events. Although this practice would reduce the methane emissions by as much as 99%, other air pollutants would be emitted due to combustion. Such an activity would need to be assessed for permitting applicability and/or other regulatory impacts.

Upgrading Existing Stations with Air or Electric Starts

Although newer compressor stations are equipped with air or electric systems to start engines, many of our older stations and assets utilize gas to start equipment. ETRN will conduct an economic and technical feasibility evaluation, by location, to determine which stations, if any, will be upgraded with air or electric engine starts.

Pipeline Safety & Emergency Preparedness

Safety is ETRN's number one priority and core value – and we will not compromise safety, at any time, to gain a business advantage. In keeping with our ZIP-Today platform, we know that our commitment to safety is paramount – **above all else** – and that execution is not successful unless Zero Is Possible. We want to ensure the health and safety of the communities in which we operate through careful pipeline construction and operation; ongoing asset maintenance, including pipelines and compressor stations; and programs/policies that support crisis or emergency situations. We also provide safety awareness education and emergency response protocols to local emergency responders and other community members.

Pipeline Safety

We believe it is important for our community members to understand and know that we operate with their safety in mind; and that we have established safety protocols, procedures, and processes that we utilize across our operations and routinely update as needed. When it comes to protecting communities, the careful design, construction, and operation of our pipelines and related facilities is essential. During design, construction, and operation of our natural gas pipelines and facilities, we integrate preventive measures to promote employee, contractor, and community safety. We carefully design and maintain our gathering and transportation pipelines – and prioritize public safety and environmental protection. In doing so, we meet or exceed safety standards and practices through:



Design

- Comply with local, state, and federal regulations
- Design facilities consistent with industry standards and best practices
- Optimize routes to avoid sensitive areas

Construction

- Inspect construction activities to verify safe and proper installation measures
- Test pipelines prior to placing them in-service to certify integrity
- Examine welds to ensure safety

Operations

- Monitor, control, and analyze natural gas flow 24/7 via our state-of-the-art Gas Control Center
- Mitigate corrosion through maintenance of cathodic protection systems, fluid sampling, and flow control
- Maintain rights-of-way for aerial patrols and routine on-site inspections
- Sustain comprehensive operating and maintenance programs to ensure the integrity of the assets and minimize the potential for third-party damage



As we optimize the delivery of natural gas to meet the nation's demand for clean energy, we will continue to prioritize our commitment to safety.

Integrity Management

- Identify high-consequence areas along transmission lines, based on population and land/building use
- Create a risk model that prioritizes the high-consequence areas for integrity assessment
- Complete specific evaluations, such as corrosion investigations and pressure testing, to assure integrity of the pipelines

Security

- Provide on-site security through electronic monitoring, fences, buildings, locks, and surveillance

Community Awareness

- Annual mailing of safety brochure to residents and businesses located near pipelines
- Participate in meetings for first responders and excavators to provide pipeline safety information
- Promote national "811 – Call before you dig" program to prevent accidents
- Participate in and sponsor PA 811 Safety Day

We dedicate resources to adhere to gas transmission pipeline integrity federal regulations (subpart O), as well as other public safety assessments, such as pipeline assessments, excavations, and material testing. These additional elements – although not federally required – contribute to ongoing safe operations. In 2018, we spent approximately \$2 million on pipeline safety initiatives. Through these established routines

and regulations, we limit the likelihood of pipeline incidents and protect our workers and communities.

Public Safety Awareness

ETRN understands that pipeline and compressor station operations can affect our communities. We communicate regularly with our communities to increase awareness of our activities and address potential safety concerns. We work closely with emergency response personnel, public works employees, elected officials, school districts, and other key community members to engage them in the process; educate them, as well as learn from them; and build relationships. Often times, we address topics such as:

- Activity occurring along a pipeline route or at a compressor station facility
- What type of equipment is being used
- ETRN's emergency or crisis response plan
- Appropriate responses for various incident scenarios

Through these interactions, ETRN and our communities are better prepared to jointly respond to potential safety-related incidents. Additionally, local officials and first responders become familiar with our operations and feel more comfortable contacting ETRN should an incident occur. Our conversations include education relating to what they should and should not do to help ETRN resolve an incident quickly and safely. These engagements build trust and establish lasting relationships, as well as help streamline the response process if there is an incident.

Local Communities

At ETRN, we believe that local communities are essential to the continued success and growth of ETRN's business and operations. Additionally, we know that our operations can and do affect communities; therefore, it is important that we maintain the support and trust of our local communities. In doing so, we focus on three primary aspects of stakeholder engagement: managing our impacts; community investment; and corporate reputation management.

We continually work to build trust by sharing information related to our current, planned, and proposed operations. We operate with integrity, accountability, and transparency as we strive to uphold our reputation as a responsible midstream services operator – and through public engagement, education, and local giving we will continue to support the communities in which we live and work.

Addressing Community Concerns & Public Perceptions

Natural gas pipelines and related facilities evoke a certain amount of public concern, both locally and nationally. To better understand these concerns at the local level, ETRN relies on our Government Affairs group to establish and maintain relationships with civic organizations, elected officials, emergency response personnel, business owners, residents, and other local stakeholders. In addition, ETRN's Land and Construction groups are often engaged with landowners, local officials, and other community members to assist in reporting and resolving concerns. We use these engagement opportunities to develop or refine policies and procedures designed to

minimize or eliminate operational issues before they become larger concerns or disputes.

Our conscious efforts to understand and work with local communities support our vision to be the premier midstream services operator in North America, help us develop positive relationships with our communities, and keep ETRN's reputation in good standing. But we cannot rely on just a few functional groups to improve the public perception of our Company – each ETRN employee is responsible for supporting our corporate reputation. Efforts to protect and maintain ETRN's corporate reputation include:

- Gathering information to help identify local concerns before they inconvenience neighbors
- Advocating for the community by ensuring that issues or concerns are addressed at the appropriate level within the Company and ultimately achieve resolution
- Acting as a conduit for suggesting ways to strengthen ETRN's processes and procedures
- Providing opportunities for residents to learn about current or future projects and how they may affect their communities
- Building relationships prior to the start of activity in new areas



Community Investments

Through our local corporate giving and sponsorship program, ETRN invests in and provides support to various associations and organizations in the communities in which we live and work. Additionally, the Equitrans Midstream Foundation – a separate 501(c)(3) organization – will support other non-profit groups located in our operating regions.

All corporate donations and sponsorships are approved by leaders of the Corporate Communications or Government Affairs teams. They utilize a review and pre-approval process in order to avoid support of illegal or otherwise inappropriate activities and the appearance of impropriety that could arise if contributions were made to individuals or local authorities with decision-making responsibilities regarding ETRN's current or future operations. ETRN donations support a variety of organizations ranging from small local non-profits 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. Through our support, we can educate residents about our Company, enhance the quality for life for community members, and maintain our reputation as a good corporate citizen.

More information on the philanthropic efforts of the Equitrans Midstream Foundation will be provided in our 2020 CSR.

Political Involvement & Public Policy

ETRN serves as an informed resource to policymakers on issues directly affecting our operations and those of the natural gas industry in general – and we actively engage with federal, state, and local politicians regarding issues that affect our operations and communities. Our expertise in natural gas gathering and transportation enables us to have meaningful discussions around energy policy, which supports fair and balanced laws and regulations that benefit all of ETRN's stakeholders. Beginning in 2020, we will disclose our political engagement activities via our website to support transparency for our stakeholders.

Governance

ETRN focuses on conducting public policy activities in compliance with local, state, and federal laws. ETRN has internal policies that help manage our interactions with regulatory agencies and elected officials and that require, among other things, that no employee engage in lobbying activity on behalf of ETRN, nor use corporate treasury dollars for political purposes, without permission from our Government Affairs leader or General Counsel.

Political Spending & Policy Issues

ETRN complies with laws and regulations in every operational jurisdiction in which we plan to strategically spend on political contributions. This includes federal and state campaign finance laws regarding political spending in support of political parties, politicians, and related institutions. We do not engage in political activity or make financial or in-kind contributions to political parties, politicians, or related institutions outside the United States.



We also work to support federal, state, and local policies that promote stable investment climates for natural gas transportation and storage. These may include policies governing environmental protection, taxes, natural gas pipelines, and expanding the use of natural gas in sectors such as transportation, manufacturing, and electricity generation. When engaging with

policymakers, we consider the impacts to ETRN, our stakeholders, communities, and the environment.

Our 2020 CSR will include a comprehensive listing of issues and organizations that ETRN supported during 2019 – as well as the methods by which we fund our political spending.

Corporate Governance

ETRN and EQM Governance Structure

The Boards of Directors of ETRN and EQGP Services, LLC, the general partner of EQM, are the highest governance bodies of ETRN and EQM, respectively, and are responsible for overseeing the management of our business and affairs. Our philosophy regarding board leadership is outlined in paragraph 5(f) of our Corporate Governance Guidelines. For more information, please see the Governance sections of our ETRN and EQM websites.

Board Committees

The **ETRN Board** has four standing committees:

- Audit
- Corporate Governance
- Health, Safety, Security and Environmental
- Management Development and Compensation

The **EQM Board** has two standing committees:

- Audit
- Conflicts

For more information regarding our respective boards and committees, please see:

- Pages 1-14 of ETRN's 2019 Proxy Statement
- Page 125 of ETRN's 2018 Form 10-K
- Pages 105-109 of EQM's 2018 Form 10-K

The ETRN Corporate Governance Committee is responsible for establishing and recommending to the ETRN Board the requisite skills and characteristics to be found in individuals qualified to serve as ETRN directors. The Corporate Governance Committee may identify potential director

candidates through many sources, including third-party search firms and unsolicited shareholder submissions. All ETRN directors annually stand for election by shareholders. For more information, see pages 13-14 of ETRN's 2019 Proxy Statement.

ETRN appoints the directors for EQM's general partner. For more information, see paragraph 5(a) of EQM's Corporate Governance Guidelines.

ETRN and EQM directors routinely receive information from management to educate them about ETRN and/or EQM business, including related governance, economic, environmental, and social topics. Directors of ETRN and EQM are encouraged to participate in additional educational programs, in which participation would be funded or reimbursed by ETRN or EQM, as applicable.

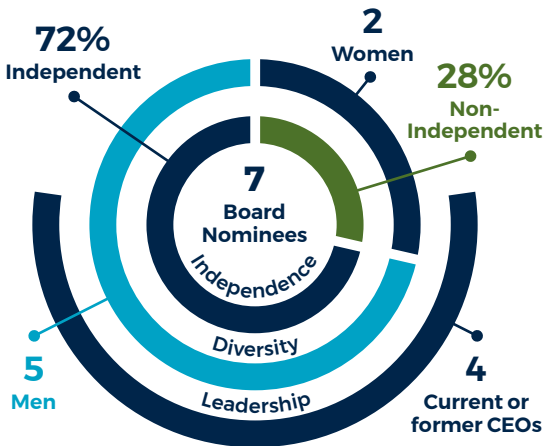
ETRN and EQM disclose conflicts of interest to stakeholders as required by law. ETRN's and EQM's Code of Business Conduct and Ethics outlines our policy to avoid conflicts of interest, and we also have an internal Conflicts of Interest Policy. ETRN maintains a majority of independent directors and ETRN's Corporate Governance Committee and the EQM Board must approve related person transactions when required under the ETRN and EQM Related Person Transaction Approval Policies. No compensation committee interlocks involving ETRN directors exist. For more information see:

- Page 17 and Appendix A of ETRN's 2019 Proxy Statement
- Pages 138-139 of EQM's 2018 Form 10-K; a list of Certain Relationships and Related Transactions begins on page 126

The ETRN and EQM Boards and committees will use performance assessments to evaluate how well they are fulfilling their governance responsibilities. Under the ETRN Corporate Governance Guidelines, the ETRN Corporate Governance Committee is to conduct, lead or arrange an annual evaluation of the effectiveness of the ETRN Board. Similarly, each ETRN Board committee must conduct an annual evaluation of its own effectiveness. As part of the review process, comments from all directors are solicited. The performance assessment of the ETRN Board and each ETRN Board committee will be discussed with the full ETRN Board on an annual basis. At EQM, the EQM Board and Audit Committee also conduct annual self-assessments. Although the ETRN and EQM Boards do not, and will not, publicly disclose the actions taken in response to their annual self-assessments, directors take the assessment process seriously and process results are, and will be, taken into account to improve overall governance performance.

**Board of Directors
Composition & Diversity**

The following chart provides an overview of the attributes represented on ETRN’s Board:

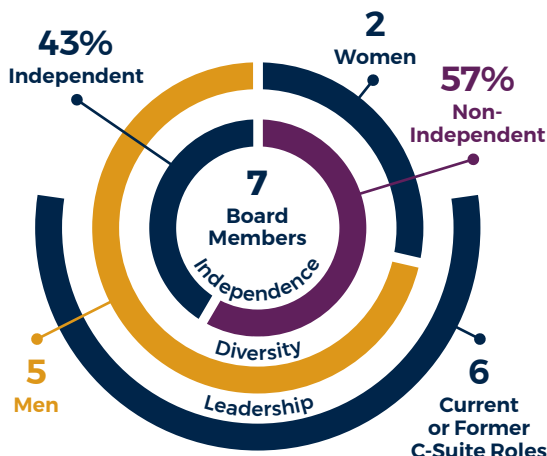


Each of ETRN’s directors brings a unique skillset to the ETRN Board, which may include experience in areas such as Energy, Regulatory, and/or Government Affairs, and/or experience in fields such as finance or accounting. All ETRN directors have prior experience on the boards of other companies.

ETRN’s directors are also experienced in the following areas:



The following chart provides an overview of the attributes represented on EQM's Board:



Sustainability & Risk Management

In addition to general oversight of our business and affairs, the ETRN and EQM Boards also perform specific functions, as set forth in Paragraph 2 of the respective Corporate Governance Guidelines for their organizations. These include, as applicable:

- Oversight of succession planning for the CEO and other key officers
- Review, approval, and monitoring of fundamental financial and business strategies and major corporate actions
- Reviewing the process for assessing major risks facing ETRN or EQM, as applicable, and options for mitigation
- Confirming that processes are in place that are reasonably designed to maintain the integrity of ETRN's and EQM's respective financial statements; promote compliance with laws and regulations applicable to the organizations and their respective directors,

officers, and employees; and sustain good relationships with customers, suppliers, and other stakeholders

Oversight of certain matters is delegated to Board committees. The ETRN and EQM Audit Committees each are to review and discuss their respective organization's process for assessing major risk exposures and policies implemented by management to monitor and control such exposures, including financial risk exposures (including financial statement risk and other risk exposures as may be delegated by the applicable Board for oversight) and risk management policies. When making decisions on behalf of the applicable company, the ETRN and EQM Boards consider the feedback provided by ETRN's and EQM's respective stakeholders.

The day-to-day operations of ETRN and EQM incorporate the assessment and management of sustainability, risks, and opportunities. The Health, Safety, Security and Environmental Committee of the ETRN Board provides oversight for many aspects of ETRN's and EQM's sustainability, risks, and opportunities and the actions taken to address these issues.

Board and Committee Meetings

Economic, environmental, and social impacts, risks, and opportunities facing ETRN and EQM are reviewed, as warranted, at Board and committee meetings.

Communicating with the Board

To achieve sustainable performance for securityholders, employees, customers, and communities, the ETRN and EQM

Boards are committed to overseeing their organizations with integrity, accountability, and transparency. They welcome input on how they are doing, and each organization provides stakeholders multiple ways to communicate with its governing body.

The ETRN Lead Independent Director and EQM Presiding Director are the key points of contact for concerns or inquiries at their respective Boards. Communications may be made anonymously or confidentially and avenues for contacting the ETRN and EQM Boards include:

- Each Company's Corporate Secretary, Investor Relations contact, management team, and respective websites
- The Compliance Hotline
- Traditional written correspondence

ETRN and EQM maintain active dialogue with our shareholders and unitholders throughout the year. Through our Investor Relations program, senior executives hold meetings with ETRN and/or EQM investors or potential investors to discuss operations, strategy, and other critical items. When investors pose specific questions, our Investor Relations team schedules calls and/or meetings to address their inquiries accordingly. Our Investor Relations team intends to use the annual CSR to help guide conversations with investors regarding economic, environmental, social, and governance topics.

Director & Executive Compensation

ETRN non-employee director compensation, including descriptions of cash and equity-based compensation, and related processes

are outlined on pages 18-21 in ETRN's 2019 Proxy Statement. Annually, the Corporate Governance Committee reviews and the ETRN Board approves the compensation.

EQM non-employee director compensation, including descriptions of cash and equity-based compensation, and related processes are outlined on pages 122-123 of EQM's 2018 Form 10-K. Annually, the EQM Board reviews and approves the compensation.

In discharging the ETRN Board's responsibilities relating to compensation of ETRN's executive officers, the Management Development and Compensation Committee recommends, and the ETRN Board approves, the target total direct compensation for named executive officers by establishing base salaries and setting short-term (bonus) and long-term incentive targets. When appropriate, the Management Development and Compensation Committee also provides certain limited perquisites and other benefits to executive officers and other key employees.

The Management Development and Compensation Committee approves annual and long-term incentive programs on a yearly basis, with recommendations from management and information from an independent compensation consultant.

At the Annual Meeting of Shareholders of ETRN held on June 11, 2019, ETRN's shareholders considered a proposal to approve, on an advisory basis, the compensation of ETRN's named executive officers for 2018, with a majority of votes cast in favor of such proposal.

Economic Impact

As a successful midstream services operator, ETRN's business contributes to sustainable growth of the U.S. economy and the communities in which we operate. ETRN's operations have a significant influence on the local economies by supporting economic growth via job creation and tax revenue generation.

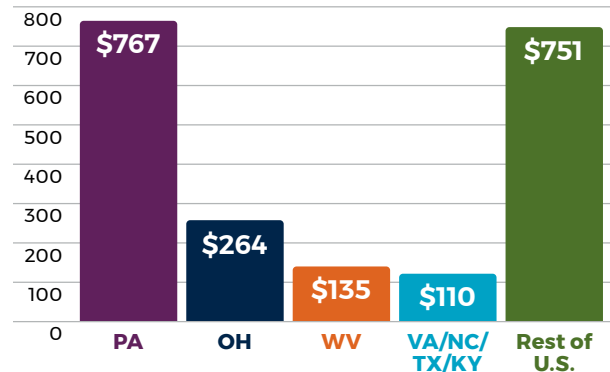
ETRN tracks the indirect economic impacts of our business operations to better understand and communicate how our operations positively contribute to the economy by annually commissioning an independent analysis of the direct and indirect economic impacts of our activities on both local and U.S. economies. In 2019, FTI Consulting, Inc. analyzed our year-end 2018 data and compiled the results into a study titled, "The Economic Impact of Equitrans Midstream Corporation and EQM Midstream Partners: Investments and Operational Activities." The full report can be found on our ETRN and EQM websites.

National Economy

According to FTI Consulting, Inc.'s analysis, we provided \$2.03 billion in value-added contributions to the U.S. Gross Domestic Product (GDP). Of this \$2.03 billion in economic benefits:

- 57.5% of contributions occurred in ETRN's three primary operating states
- 42.5% of contributions related to out-of-state suppliers that provided goods and services for business activities in ETRN's and EQM's operating area

2018 ETRN GDP Contributions by State
(\$ millions)



Our direct activities produced \$515 million of GDP, and the indirect GDP impact through our suppliers was \$404 million. Our total induced impact, that is, the impact of spending by ETRN employees, contractors, and suppliers was \$1,107 million.

2018 ETRN Level of Economic Effect
(\$ millions)



Labor Impacts

ETRN's activities in 2018 significantly benefited the U.S. economy. In addition to ETRN's own employees, we supported 22,000 ancillary jobs across our operations in 2018. This includes direct contractors, suppliers, and supply chain employees that support our construction, gathering,

transmission and storage, and water services activities. Additional highlights include \$2.03 billion of U.S. GDP generated, and \$227 million in state and local tax revenues supported. Most of the contributions shown below are in the PA-WV-OH region, which is home to ETRN's headquarters and the majority of our operations.

ETRN Economic Activities and Resulting Economic Contributions to the U.S. Economy

ETRN and EQM Economic Activities

Employees	927 ¹
Employee compensation	\$123 million
Capital expenditures	\$885 million
Rights-of-way payments	\$65 million ²
Dividends, stock repurchases, and distributions	\$737 million

ETRN and EQM Economic Contributions

Ancillary jobs supported	22,000
GDP contribution	\$2.03 billion
Ancillary labor income	\$1.26 billion
Average annual compensation per ancillary job supported	\$57,200
State and local tax revenues supported	\$227 million

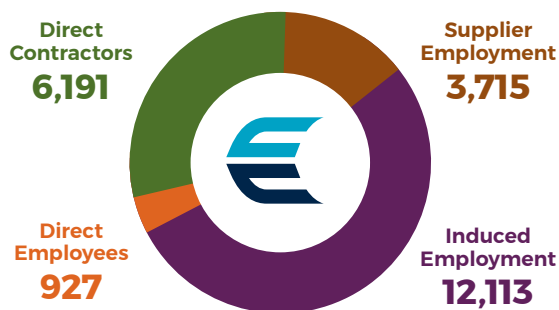
1. The daily business operations of EQM are conducted by employees of ETRN and its subsidiaries; EQM does not have any employees. ETRN had 770 total employees at the end of 2018; however, throughout the whole of 2018, ETRN had a total of 927 employees, which included terminated employees; and/or employees who worked for the midstream business unit but were transferred to the upstream business unit during the year; and/or paid interns. The IMPLAN model defines employment as including full- and part-time employees at equal weights; therefore, the economic analysis reflects direct employment of 927 and results include the compensation paid to 927 employees.

2. Includes 45.5% of rights-of-way payments related to MVP, which is equivalent to EQM's ownership interest in Mountain Valley Pipeline, LLC.



In 2018, ETRN directly employed 927 people across seven states. EQM does not have any employees and the daily business operations of EQM are conducted by employees of ETRN and its subsidiaries. ETRN's employment contributions extend beyond direct employees. A significant number of contractors are retained to support capital expenditures and operations. Furthermore, earnings spent by such employees and contractors and ETRN's suppliers contribute to the economy in sectors such as housing or entertainment. The graphic below shows these employment contributions inclusive of ETRN's 927 employees.

U.S. Employment Contributions by ETRN in 2018



State and Local Taxes Supported

ETRN's activities for 2018 generated \$227 million in state and local tax revenues. These support the operations of state and local governments, such as their funding for transportation and education. The table below shows the state and local tax revenues supported by ETRN's operations and capital investments in 2018.

State and Local Tax Payments from ETRN's Activities in 2018 (\$ millions)

Category	PA	WV	OH	Other States	Rest of U.S.	U.S.
Property Taxes	\$27.0	\$10.4	\$4.7	\$3.7	\$36.8	\$82.6
Income Taxes	\$19.1	\$1.8	\$0.2	\$0.6	\$11.1	\$32.8
Sales Taxes	\$29.2	\$6.8	\$0.6	\$5.9	\$39.0	\$81.5
Other Personal Taxes	\$2.6	\$0.3	\$0.1	\$0.3	\$4.7	\$8.0
Other Taxes on Production and Imports	\$5.5	\$3.0	\$0.1	\$0.5	\$5.2	\$14.4
Other	\$1.3	\$0.3	\$0.4	\$0.2	\$5.3	\$7.5
Total	\$84.8	\$22.5	\$6.2	\$11.3	\$102.1	\$226.8



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