



Moving America's Energy for Over

25 years

2021
Corporate Responsibility
Report

ENERGY TRANSFER'S 2021 CORPORATE RESPONSIBILITY REPORT

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# A MESSAGE FROM OUR CO-CEOS

2021 presented us with the opportunity to celebrate our 25th anniversary, a key milestone in the formation of what is now the largest and most diversified energy infrastructure company in North America. As you will see on display throughout this report, we proudly reflect on our company's history and set the foundation for our next 25 years. One thing that has stayed true throughout the last 25 years is our unwavering



commitment to maintaining a unified focus on operational excellence in all aspects of our business. We believe that this is not only the right thing to do, but that it provides us with a strategic advantage as we continue to expand our domestic and international footprints to efficiently and reliably transport energy.

Among our Partnership's highlights of 2021 was the acquisition of Enable Midstream. The combination of our complementary assets enhanced our operational capabilities and allowed us to expand our natural gas, crude oil and NGL transportation capacity. One of our unique strengths as a company is our ability to acquire and onboard new companies - strategically growing our assets and expanding our footprint.

We also increased our export capabilities to meet rising global demand. We are the only logistics provider with export facilities on both the U.S. Gulf and East Coasts. In total, our percentage of worldwide NGL exports has doubled over the last two years, capturing nearly 20 percent of the world market, which was more than any other company or country exported during the fourth quarter of 2021. Operationally, we moved record volumes through our NGL pipelines, primarily driven by growth in volumes through the Mariner East and Lone Star NGL Pipeline systems and through our Marcus Hook and Nederland Terminals.

As we emerge from what we hope is the worst of the COVID pandemic, we are faced with new challenges. The global economy is feeling the effects of war and oil embargos, demonstrating the importance of ensuring domestic energy resources produced and transported here in the United States continue to be developed safely and in an environmentally friendly manner to meet the needs of Americans. And not only that, but global supplies must remain abundant to meet the needs of those around the world. American oil and gas supplies are among the most responsibly produced in the world, and Energy Transfer plays a vital role in securing our nation's energy security by moving more than one-third of our nation's energy through our system of pipelines across the United States. This is a responsibility we take very seriously as we strive to deliver energy reliably and safely to support America's energy security and economic prosperity.

We are proud of how far we've come over the last 25 years, and we look forward to continuing to provide energy for America for decades to come.

Sincerely,

Tom Long, co-CEO

Mackie McCrea, co-CEO



#### A MAJOR MILESTONE: CELEBRATING 25 YEARS

Last year marked an important milestone—Energy Transfer's 25th anniversary. On April 17, 1996, Kelcy Warren and Ray Davis set out to build the premier midstream infrastructure company from the ground up. What started as a small intrastate pipeline company with 200 miles of natural gas pipeline in East Texas with 20 employees now totals approximately 120,000 miles of pipeline and is ranked 59th on the Fortune 500 list of America's largest companies with nearly 12,000 employees partnership-wide. The combined strength, vision and grit of Warren and Davis quickly catapulted Energy Transfer from a maverick upstart to the industry's leading midstream company through the combination of strategic acquisitions and significant organic growth projects.

Energy Transfer has transformed itself from a natural gas-focused company to an international powerhouse through a series of strategic acquisitions, including Southern Union Company, Sunoco, Regency and Enable, and now exports, transports, processes, stores and terminals natural gas, crude oil, NGLs, refined products and liquefied natural gas. It also achieved a variety of industry milestones, including the construction of the first 42-inch natural gas pipeline in Texas.



# ENERGY TRANSFER RINGS CLOSING BELL AT NYSE



Energy Transfer leadership from various departments helped celebrate the 25th anniversary of the company's IPO completion by ringing the closing bell on the New York Stock Exchange on June 25, 2021.

"To look back 25 years to the time when Ray and I bought our first assets as Energy Transfer to where we are today is truly remarkable. It has been quite a ride. Our journey has not always been easy, but we have built a company that has the best pipeline assets in the industry. I am not only proud of what we have accomplished, but I am excited about where we are going.

We have a terrific leadership team in place and amazing employees who I am honored to work alongside."

—Kelcy Warren, Chairman of the Board

# **ABOUT ENERGY TRANSFER:**

MOVING AMERICA'S ENERGY, ONE MILE AT A TIME

Energy Transfer is one of the largest and most diversified energy services companies in North America with approximately 120,000 miles of natural gas, natural gas liquids, crude oil and refined product pipelines and related facilities. Our assets span 41 states, and we transport nearly 30 percent of the natural gas and oil produced in the United States. Energy Transfer and its consolidated subsidiaries employ over 12,000 employees, and the combined entity ranked 59th on the 2021 Fortune 500 list of America's largest companies.

**APPROXIMATE MILES OF PIPELINES:** 

120,000 MILES

**OUR ASSETS SPAN:** 

41 STATES

**ENERGY TRANSFER EMPLOYS OVER:** 

12,000 EMPLOYEES

**2021 FORTUNE 500 LIST:** 

RANKED 59<sup>TH</sup>





#### **CORE VALUES AND BELIEFS**

Energy Transfer is dedicated to responsibly, reliably, and safely delivering America's energy through our commitment to upholding our core values and beliefs in everything we do. We are driven to inspire our employees to create superior value for our customers, investors and unitholders. We are committed to maintaining a unified focus on operating excellence, respecting all others and the communities in which we do business.



#### ETHICS AND INTEGRITY

We believe in doing the right thing. We hold our employees to the highest standards of conduct, without compromise. Honesty, integrity, and respect in all we do is essential to our success.



#### **EXCELLENCE AND RESULTS**

We believe in the continual pursuit of excellence and seek to constantly improve what we do and how we do it. We are accountable for our actions and the resulting outcomes that drive us to achieve superior financial and operating results.



#### **CORPORATE STEWARDSHIP**

We believe in giving back to the communities in which we live and work through strategic investments of our business resources, financial contributions and employee volunteerism.



#### **WORKING SAFELY**

We believe in putting safety first. The safety of our employees, the communities in which we do business, and the environment are our top priorities.



#### **SOCIAL RESPONSIBILITY**

We believe in respecting all stakeholder groups in the communities in which we do business by establishing open and honest communication channels and active community outreach programs to facilitate the infrastructure needed to transport a diverse and reliable supply of energy to meet the needs of all Americans.



#### **OUR PEOPLE**

We believe that we will succeed together as one. We recognize that our people are our most valued resource, and we are committed to maintaining a culture of trust and respect that provides equal opportunities for our employees to excel in the work environment while conducting themselves in a manner that exemplifies our values.

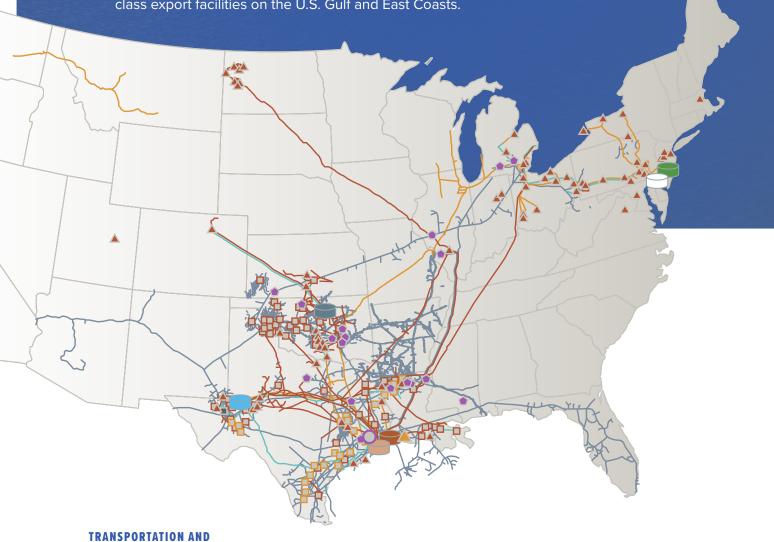


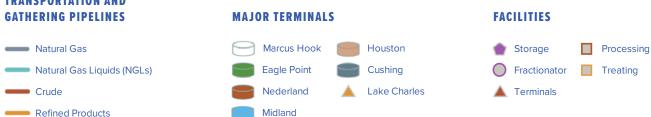
#### ENTREPRENEURIAL MINDSET

We believe in challenging the status quo by creating a creative and flexible environment that stimulates innovation balanced with thoughtful and measured risk-taking to foster growth. We embrace change and are eager to champion new and better ways to operate in a safer, faster and more cost-efficient manner in ever-changing business environments.

## **ASSET OVERVIEW**

We own and operate one of the largest and most diversified portfolios of energy assets in the United States. With approximately 120,000 miles of pipelines spanning the country, our operations include natural gas midstream; intrastate and interstate transportation and storage; crude oil, NGL and refined products transportation; terminalling services, acquisition, and marketing activities; as well as NGL storage, fractionation and LNG regasification. Approximately 30 percent of our nation's natural gas and crude oil are transported through our pipelines. Our geographic diversity includes a strategic footprint in all the major domestic production basins and worldclass export facilities on the U.S. Gulf and East Coasts.





#### **BUSINESS SEGMENT OVERVIEWS**

# **NATURAL GAS**

We provide natural gas gathering, compression, treating, transportation, storage and marketing services.

INTERSTATE TRANSPORTATION CAPACITY:

STORAGE CAPACITY:

30.5 Bcf/d

235 Bcf

INTRASTATE TRANSPORTATION CAPACITY:

PROCESSING CAPACITY:

PROCESSING & TREATING FACILITIES:

24 Bcf/d 11.2 Bcf/d

75+



# **NATURAL GAS LIQUIDS**

- Propane de-ethanizer in Mont Belvieu, TX
- Fractionators at King Ranch, TX, and Geismar, LA

AGGREGATE TRANSPORTATION CAPACITY:

3 MMBbls/d

TOTAL EXPORT CAPACITY:

>1.1 MBbls/d

STORAGE CAPACITY:

70 MMBbls

FRACTIONATION CAPACITY:

>900 MBbls/d

MONT BELVIEU FRACTIONATORS:

7

# **CRUDE OIL**

An integrated set of pipeline, terminalling, and acquisition and marketing assets that service the movement of crude oil from producers to end-user markets.

STORAGE CAPACITY:

TERMINALS:

66 MMBbls

8





# REFINED PRODUCTS

We provide refined products transportation and terminalling services, as well as acquisition and marketing activities, to refined products markets in several regions of the United States via our integrated pipeline and terminalling assets. The products transported in these pipelines include multiple grades of gasoline as well as middle distillates such as heating oil, diesel and jet fuel.

STORAGE CAPACITY:

8 MMBbls

**ACTIVE MARKETING TERMINALS:** 

## **2021 FINANCIAL HIGHLIGHTS:**

ADJUSTED EBITDA:

\$13.0 Billion

up 24% from 2020

**DISTRIBUTABLE CASH FLOW:** 

\$8.2 Billion

up 43% from 2020

**EXCESS CASH FLOW AFTER DISTRIBUTIONS:** 

APPROX. \$6.4 Billion

CAPITAL EXPENDITURES:

GROWTH: \$1.4 Billion

MAINT: \$522 Million

LONG-TERM DEBT REDUCTION:

\$6.3 Billion

## **2021 COMPANY HIGHLIGHTS:**



#### **ENABLE ACQUISITION**

On December 2, 2021, we completed the acquisition of Enable Midstream Partners — strategically expanding our footprint in Oklahoma, Arkansas, Texas and Louisiana. The acquisition improved our connectivity and further solidified our leadership role in the midstream sector.

The acquisition significantly strengthened Energy Transfer's position in the Anadarko, Arkoma and Haynesville Basins. Enable's assets include approximately:

**GATHERING PIPELINES:** 

14,000 Miles

Includes natural gas, crude oil, condensate and produced water

**INTERSTATE PIPELINES:** 

**7,800 Miles** 

**INTRASTATE PIPELINES:** 

2,200 Miles

NATURAL GAS PROCESSING CAPACITY:

2.6 Bcf/d

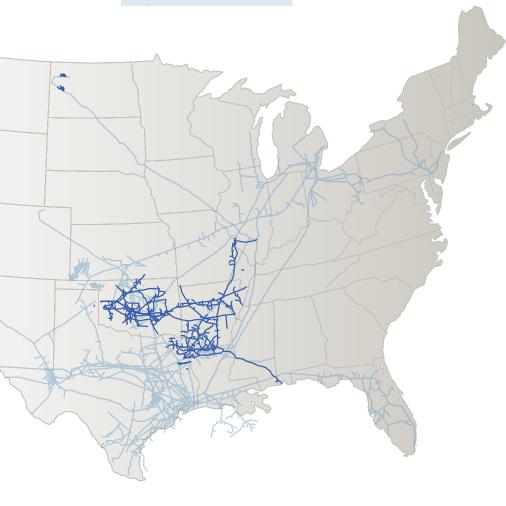
**NATURAL GAS STORAGE FACILITIES:** 

NATURAL GAS STORAGE CAPACITY:

84.5 Bcf

The combination of Energy Transfer and Enable's complementary assets allows us to continue to provide flexible, reliable, and competitive services for our natural gas, crude oil and NGL transportation customers. Throughout 2021, we initiated the process of asset optimization - identifying and evaluating a number of commercial and operational synergies that are expected to enhance the operational capabilities of our systems by capitalizing on improved efficiencies and increasing utilization and profitability of our combined assets.

**ENABLE ASSETS ENERGY TRANSFER ASSETS** 







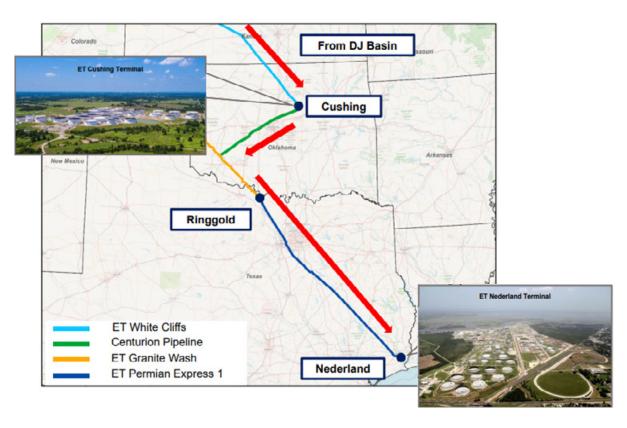
#### **NEDERLAND TERMINAL EXPANSION**

Our Nederland Terminal, located along the Sabine-Neches waterway in southeast Texas, is a 1,200-acre complex that is the largest single-owned, aboveground storage facility in the United States. Nederland receives, stores and ships natural gas liquids (NGLs) for a wide range of customers. We completed a multi-year major expansion project in 2021, bringing our companywide total NGL export capacity to more than 1.1 million barrels per day. In 2021, we loaded nearly 26 million barrels of ethane out of the facility and expect significant growth in the years ahead. We also expect our Liquified Petroleum Gas (LPG) export volumes at Nederland to continue growing.

#### **CUSHING SOUTH PIPELINE EXPANSION**

We completed a capacity expansion on the Cushing South Pipeline, a 65,000 barrels per day crude oil pipeline strategically connecting our Cushing and Nederland Terminals. Further pipeline capacity projects are expected to help meet growing demand in the region.





#### **COMPLETION OF MARINER EAST PIPELINE**

Construction of the final phase of the Mariner East project continued through 2021 and was completed early 2022, bringing Energy Transfer's total NGL capacity on the Mariner East pipeline system to 350,000 to 375,000 barrels per day, including ethane. The Mariner East pipeline system transports NGLs from the Marcellus and Utica Shale areas in Western Pennsylvania, West Virginia and Eastern Ohio to markets in Pennsylvania and beyond, including to Energy Transfer's Marcus Hook Terminal. In 2021, NGL volumes through the Mariner East pipeline system and Marcus Hook Terminal increased nearly 10 percent over 2020, and we expect volumes to continue growing.

#### MONT BELVIEU STORAGE EXPANSION

Energy Transfer's Mont Belvieu Complex is an integrated liquids storage and fractionation facility. The facility is strategically located along the Texas Gulf Coast with access to multiple NGL and refined products pipelines, the Houston Ship Channel trading hub, and numerous chemical plants, refineries and fractionators. It is located 30 miles east of Houston and situated above one of the world's largest underground salt dome formations. In 2021, we brought online a 3 million barrel, high-rate storage well, which increased our total wells to 24 and our NGL storage capabilities at Mont Belvieu to 53 million barrels.

#### TED COLLINS LINK CONSTRUCTION

Construction on the Ted Collins Link progressed in 2021. This strategic project significantly increases the utilization of existing assets by repurposing the Eaglebine Pipeline that was previously bringing barrels out of the Permian and provides market connectivity between our Nederland and Houston terminals. It could ultimately allow us to transport up to 275,000 barrels per day of crude oil from West Texas and Nederland to our Houston Terminal, showcasing our unique ability to provide low gravity Bakken and WTI barrels to markets along the Gulf Coast.







#### PERMIAN BRIDGE PROJECT

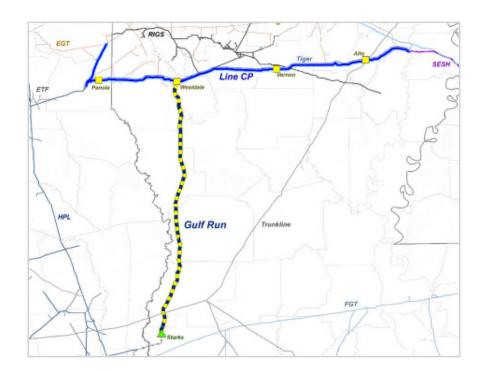
The Permian Bridge Project connects our gathering and processing assets in the Delaware and Midland Basins. It allows us to move approximately 115,000 million cubic feet per day of rich gas out of the Midland Basin and utilize available processing capacity more efficiently, while also providing access to additional takeaway options. We expect additional expansion opportunities as well.

#### **GREY WOLF PROCESSING PLANT**

In 2021, we commenced construction on a new 200 million cubic feet per day cryogenic processing plant in the Delaware Basin. The Grey Wolf plant helps support the significant growing producer demand in the region. In addition to providing incremental revenue to our midstream segment, once in service, the volumes from the tailgate of the plant will utilize our gas and NGL pipelines for takeaway, providing three revenue streams.

#### **GULF RUN PIPELINE**

In 2021, preconstruction activities commenced on the Gulf Run Pipeline in Louisiana, a 42-inch interstate natural gas pipeline with 1.65 billion cubic feet per day of capacity. Backed with a 20-year commitment from Golden Pass LNG, the pipeline provides natural gas transportation between the most prolific natural gas producing regions in the United States and the LNG export market through our extensive pipeline network.

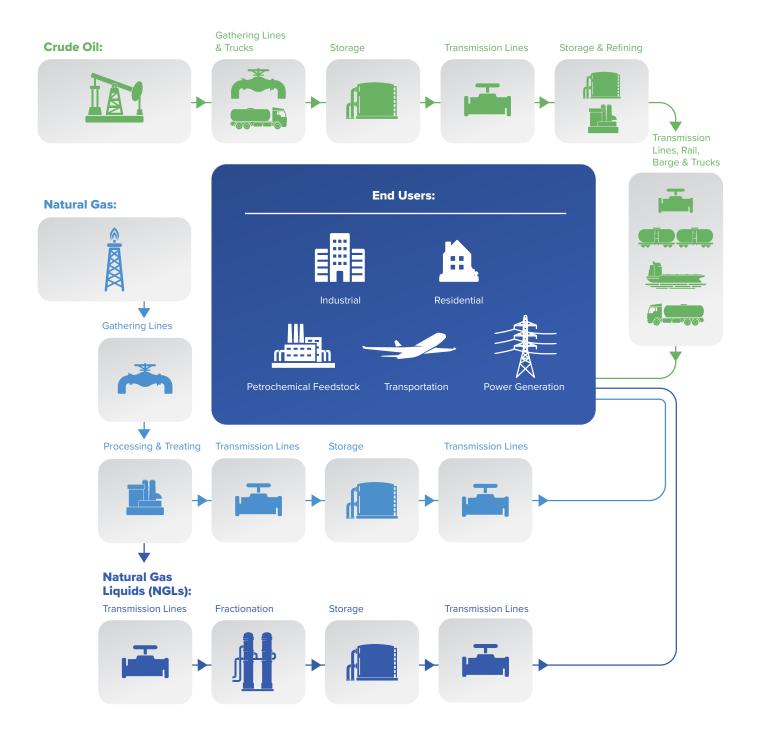






# **OUR VALUE CHAIN: AN INTEGRATED MODEL**

Our mission is to safely and reliably deliver the energy that makes our lives possible. Services provided by Energy Transfer—from pipelines to processing—play a critical role in the energy supply chain and serve as an important foundation for American manufacturing. Our value chain includes transportation and terminalling assets for crude oil, natural gas liquids (NGLs) and refined products, NGL fractionation, and natural gas gathering, compression, treating, processing, transportation and storage assets.



#### **MODERN NECESSITIES:** MADE FROM OIL & NATURAL GAS

More than 6,000 products used in our modern society are made from the petrochemicals that are derived from the oil and natural gas transported though our network of pipelines across the country. Not only do the fossil fuels we deliver and process help power homes, hospitals, schools and businesses, but they are a critical component in the manufacturing of essential products that are used in our everyday lives. From clothes to food to transportation, fossil fuels impact life in thousands of ways many never imagined. Some of these products include fuel, makeup, hand sanitizers, vitamins, eyewear, paint, car parts, carpeting, polyester clothing, sporting equipment, heart valves and wind turbine blades.







#### JUST A FEW OF THE PRODUCTS MADE FROM OIL AND NATURAL GAS

Fuel

Adhesives Air mattresses Ammonia Antifreeze **Antihistamines** Antiseptics Artificial turf **Asphalt** Aspirin **Awnings** Backpacks **Balloons** Ballpoint pens **Bandages** 

Cameras Candies and gum Candles Car enamel Carpeting

Beach umbrellas

Boats

Caulking Cell phones Clothing Coffee makers Cold cream Computer keyboards Computer monitors Cortisone Crayons Credit cards Dashboards **Dentures** Deodorant Detergent Dishwashing liquid Drinking cups

Dyes Electric blankets Electrical tape Enamel **Epoxy paint** Eyeglasses Fan belts

Faucet washers **Fertilizers** Fishing lures Floor wax

Food preservatives Footballs

Fuel tanks Glue Glycerin Golf bags Golf balls Guitar strings Hair coloring Hand lotion Hand sanitizer Hearing aids Heart valves House paint Ice chests Insect repellent Insecticides

Insulation iPads/iPhones Kayaks Laptops Life jackets Light-weight aircraft Lipstick

Lubricants

Luggage

Nail polish Noise insulation Nylon rope Oil filters Paint brushes **Perfumes** Petroleum jelly Pharmaceuticals **Pillows** Plywood adhesive Polyester Propane Purses

Motorcycle helmets

Putty Refrigerants Refrigerators Roller skates Roofing Rubbing alcohol Safety glasses Shampoo Shaving cream Shoe polish Shoes/sandals

Skateboards Soft contact lenses Solar panels Solvents **Spacesuits** Sunglasses Synthetic rubber Tape **Tents** Tires Tool boxes Tool racks Toothbrushes

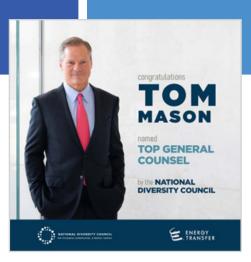
Toothpaste Trash bags Trucks **Tubing** TV cabinets Umbrellas Upholstery Vinyl flooring Vitamin capsules Water pipes Wind turbine blades Yarn

#### **INDUSTRY RECOGNITION:**



We are proud of our co-CEOs Tom Long and Mackie McCrea for being named Midstream Executives of the Year by D CEO Magazine. In its fourth year, D CEO's Energy Awards honor outstanding leaders in oil and gas and energy finance who continue innovating and moving the industry forward. Awards celebrate leaders in upstream, midstream services (including technology companies), energy finance, and renewables.

> Beth Hickey, Executive Vice President of U.S. Gas Pipelines, was honored by Oil & Gas Investor as one of the **25 Most Influential** Women in Energy for 2021.





Tom Mason, Executive Vice President, General Counsel and President LNG, was named as a **2021 Top General Counsel** by the National Diversity Council.

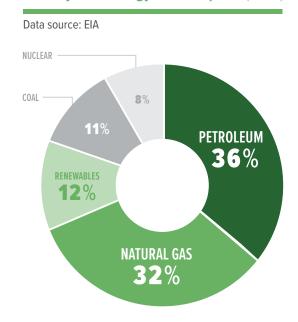


Energy Transfer supports the introduction of low carbon energy sources to lower emissions, and we believe for there to be a successful expansion of energy sources, traditional energy companies will continue to play an important role for decades to come.

At Energy Transfer, we believe fossil fuel companies will continue to evolve, as we have always done. By focusing on innovation, efficiency and optimization, we are continuously working to deliver solutions that reduce emissions and ensure we are building a long-term position as a responsible company.

Responsibly produced and affordable fossil fuels are necessary to achieve energy security while also meeting emission reduction goals.

**Primary U.S. Energy Consumption** (2021)



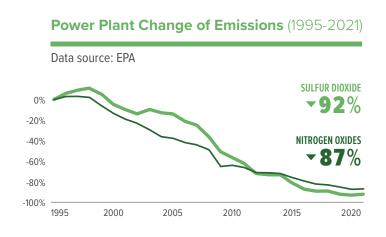
#### **ENERGY SECURITY**

According to the U.S. Energy Information Administration (EIA), 36 percent of our energy consumption in 2021 came from petroleum, followed by natural gas at 32 percent and renewables at 12 percent. Even as the use of renewable energy begins to rise, natural gas will continue to be needed for decades to come to generate electricity to fulfill the country's growing demand for additional energy. According to the EIA's 2021 International Energy Outlook, demand for oil and gas will continue to rise steadily through 2050. The United States has abundant reserves of natural gas, making it affordable and readily available. Domestic production also reduces America's reliance on unstable and sometimes unfriendly overseas sources.

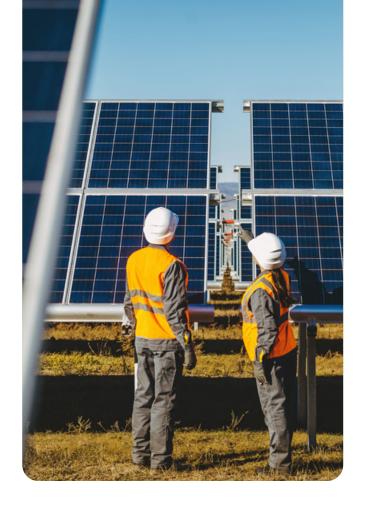
#### **EMISSIONS REDUCTION**

Further, we believe that increased utilization of a variety of hydrocarbons is compatible with a longterm reduction in overall emissions. As one of the leading exporters of propane and ethane, we help to significantly reduce global emissions by providing clean-burning fuel as an alternative to diesel and bunker fuel. Developing countries commonly use carbon-dense fuels such as wood, animal waste, coal, diesel and bunker fuel for power generation and residential heating and cooking, and these fuels emit significantly more emissions than propane, ethane or natural gas. Expanded use of natural gas can help improve air quality when it is used to replace less environmentally friendly sources.

The energy industry is continuously innovating to reduce emissions. According to the U.S. Environmental Protection Agency, from 1995-2021, annual emissions of sulfur dioxide from power plants fell by 92 percent, and annual emissions of nitrogen oxides from power plants fell by 87 percent. This is due in large part to power generation from natural gas replacing retiring coal-fired plants.



Additionally, the industry is continuously innovating to find more ways to reduce our carbon footprint. According to the EPA's Inventory of U.S. Greenhouse Gas Emissions and Sinks, between 1990 and 2019, total GHG emissions from the natural gas transmission and storage sector decreased by 33 percent even as consumption of natural gas increased by 49 percent.



#### ALTERNATIVE ENERGY INITIATIVES

In 2021, we formally developed a dedicated group to understand, prepare and innovate as we move toward a lower-carbon future. Energy Transfer's Alternative Energy Group is focused on pursuing alternative energy projects that complement our existing midstream assets and strives to help reduce our environmental footprint in a manner that makes economic sense. Various opportunities include solar and wind farms (either as a power purchaser or in partnership with third-party developers), as well as renewable diesel, renewable natural gas, forestry carbon credit projects, and carbon capture, utilization, and sequestration. Energy Transfer tapped Tom Mason, Executive Vice President, General Counsel & President LNG, to lead the group. Mason has more than 30 years of industry experience, including 14 years as Energy Transfer's General Counsel.

#### **POWERING OUR ASSETS**

Powering our assets through renewable energy sources, primarily solar and wind, is an established part of our operations where it is economically viable to do so. In fact, the electricity we purchase on any given day originating from solar and wind sources is nearing 20 percent—enough energy to power about 40,000 homes. Since 2019, we have entered into dedicated solar contracts to purchase 108 megawatts of solar power to support the operations of our assets. We also operate approximately 21,000 solar panel-powered metering stations across the United States.













# STRATEGIC ALTERNATIVE ENERGY INITIATIVES FROM 2021 INCLUDE:

#### **Maplewood 2 Solar Project**

Energy Transfer signed its first-ever dedicated solar contract in 2021. The Maplewood 2 Solar Project located in West Texas is a **28-megawatt facility** that delivers low-cost, clean power to Energy Transfer under a 15-year Power Purchase Agreement with Recurrent Energy. The Maplewood 2 solar farm helps to power our assets in West Texas, including three cryogenic plants and numerous compressor and pump stations. The facility includes **92,249 solar modules** (panels) and encompasses approximately 200 acres of land in Pecos County.

#### **Eiffel Solar Project**

In September 2021, Energy Transfer announced a second agreement to purchase low-cost solar power—the Eiffel Solar Project in Lamar County, Texas. Energy Transfer signed a 15-year Power Purchase Agreement with SB Energy for **80 megawatts** of electricity from its Eiffel Solar project in northeast Texas.

#### Renewable Natural Gas Initiatives

Energy Transfer is growing its Renewable Natural Gas (RNG) business with an increasing number of RNG interconnects. When certain businesses such as dairy/animal residuals, landfills, or wastewater treatment plants produce or handle organic waste, it can be repurposed into a **clean, renewable fuel source called biogas**. Biogas can be conditioned or upgraded to pipeline-quality natural gas, becoming RNG. Utilizing our extensive gas system, we're able to safely and reliably transport RNG. In 2021, we had six RNG interconnects transporting up to **17,650 million cubic feet per day.** 

#### **Carbon Capture**

We continue to pursue and expand our carbon capture business. We believe our franchise will allow us to participate in a variety of projects involving carbon capture and other innovative uses, which will help us reduce our carbon footprint. We are pursuing several carbon projects related to our assets, including projects involving the capture of carbon dioxide from processing and treating plants for use in enhanced oil recovery or carbon sequestration.

Our carbon capture opportunity at the Marcus Hook facility would involve capturing carbon dioxide from flue gas and delivering it to customers for use in the food and beverage industries. This reduces the carbon footprint of our Marcus Hook facility and the commodities exported from this facility.

Additionally, we signed a letter of intent with CapturePoint Solutions to jointly develop a carbon capture and sequestration hub in Northern Louisiana. The proposed project would include the construction of a carbon dioxide gathering system to transport carbon emissions from producers in northern Louisiana to a carbon sequestration facility that is capable of permanently sequestering carbon dioxide in a secure geological formation. Finally, we entered into a partnership with Battelle, a leader in geologic carbon dioxide storage, to help explore opportunities.

# **ENVIRONMENTAL, SOCIAL AND** CORPORATE GOVERNANCE: STRATEGIC OBJECTIVES

Energy Transfer is focused on Environmental, Social and Corporate Governance (ESG) related strategies and objectives that positively impact our employees, operations, unitholders and the communities where we operate. Our approach to ESG serves as a roadmap for our environmental and social priorities and is deeply rooted in our decades-long commitment to responsible business practices. Key areas include environmental conservation, supporting our employees and the communities where we operate, investing in our assets, and disciplined corporate governance.



# **Environmental**

**Emission reduction** 

Carbon capture

**Energy efficiency** 

Water management

**Emergency preparedness** 

Alternative energy

**Wetland conservation** 

Wildlife protection

Weatherization

Pipeline safety



# Social

**Operational safety** 

**Personal safety** 

**Public awareness** 

**Supporting communities** 

**Charitable giving** 

**Employee volunteerism** 

Stakeholder engagement

**Community liaisons** 



# Governance

**Ethical standards** 

**Board governance** 

**Asset investments** 

**Asset optimization** 

Risk management

**Employee benefits** 

**Employee support** 

Cybersecurity

**Equal opportunity** 

**Nondiscrimination** 

#### **IMPROVING LIVES**

We believe that "long-term value creation" should inform and drive all ESG programs, and that the primary measure of success should be the improvement of human lives. The affordable and reliable energy molecules that we safely move and process every day are essential to sustaining and improving human life and creating a more secure future. Moreover, our emission reduction goals can only be achieved by utilizing clean fuels like natural gas, ethane and propane.

In a rapidly changing world, our ESG team continuously works to reevaluate and develop innovative strategies to ensure Energy Transfer maintains operational excellence. We work with our government regulators, peer companies and trade associations to continuously improve our efficiencies and reduce our emissions. We utilize the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) standards for voluntary ESG reporting, as well as the Midstream ESG Reporting Template developed by the Energy Infrastructure Council (EIC) and GPA Midstream Association.







#### MANAGING WEATHER EVENTS

We design and maintain our systems to safely operate in all weather conditions; from extreme cold to extreme heat, and all other weather-related events including hurricanes. Our extensive experience with operating pipelines, processing plants and storage facilities, combined with a significant amount of planning and preparation, allows for operational resiliency and provides us the ability to manage our systems and deliver natural gas in a manner that places the needs of humans above all else.

Extreme conditions cause an increase in the demand for energy, and our underground pipeline network and underground storage facilities play a critical role in ensuring a continuous supply of natural gas is available to power the U.S. electrical grid. Our pipeline systems are continuously monitored to determine areas that may be more susceptible to extreme weather conditions. We also maintain detailed emergency response plans for all our facilities and resources that can be implemented quickly in preparation for severe weather or in response to any type of emergency event.



#### **MAXIMIZING OUR ASSETS**

We construct and operate our pipelines in accordance with federal and state regulatory laws and standards, but we also go above and beyond by investing millions of dollars to ensure the integrity of our assets. Some areas of additional protection include:

- In cold weather climates, we may enclose aboveground facilities like metering stations or compressor stations to protect against wind and snow.
- Heat tracing technology is installed along specific areas of our pipelines, particularly in areas with extreme winters or higher altitudes, to protect the pipes from freezing, prevent condensation, and control viscosity and temperature.
- We routinely deploy cleaning "PIG" devices through our natural gas pipelines to eliminate the accumulation of liquids and the buildup of condensation. Our systems are also designed to accommodate methanol injections, which act as an antifreeze, as part of our winter storm preparation.
- We use computerized Supervisory Control and Data Acquisition (SCADA) systems on all our pipelines that send critical data to our operations teams for 24/7 monitoring. These systems can detect an increase in pressure in sections of the line which could indicate a frozen fixture.



Preparation and response are key to our operational success during weather events. Whether we are preparing for seasonal changes or a specific weather event, our operations teams meet regularly to identify areas that may need additional attention, review resources, and strategize response logistics. When conditions may present a challenge to employee response times, we prepare by stationing personnel at key assets in advance of the storm to ensure we have the proper manpower on hand to safeguard our assets and make sure they continue to run smoothly.

To prepare for potential electrical outages during a storm, emergency generators are in place to independently power our facilities as needed, and specialty equipment is brought in such as hot start engines, steam trucks and steam generators. We also keep our facilities idling so they are ready at all times.

Additionally, during freezing temperatures, we are able to continue to supply natural gas to our customers to meet critical demand by pulling additional natural gas from our underground storage units. Because of our integrated system that runs throughout the country, we are also able to bring gas in from other geographic areas through our vast footprint and/or purchase gas from other suppliers for delivery to customers.

#### **TEXAS' 2021 WINTER STORM**

We are proud we were able to continue to supply gas to meet the critical demand load during the 2021 freeze when others were not. Because of our ability to move large volumes of natural gas by pulling from our seven underground storage facilities in Texas, Louisiana, Oklahoma and Kansas at maximum withdrawal rates and bring gas into our system from market hubs in Texas, we were able to maintain power plants, cities and local utilities throughout the state. These steps and more, performed by our highly-skilled operations departments, provided electrical generation for millions of Texans.

Since 2014, we have spent over \$30 million to prepare our systems for unprecedented winter storms by installing a dry gas fuel system in West Texas. These additional measures ensured our systems were able to run properly during this extreme winter event by providing a reliable fuel source to our compressors to prevent freezing and provide steady heat. Additionally, preparation included packing our pipelines with natural gas to their maximum to provide additional supply and serve as additional storage.

Catalytic heaters were also purchased prior to the 2021 freeze and were distributed to critical compressor stations and emergency generator fuel lines. Continuous rolling blackouts became one of the biggest issues for consumers, but our preparation kept nearly all of the emergency generators at our facilities running for the entire duration of the storm. The use of Dual Drive compressors was also instrumental in keeping our assets running during freezing conditions by transitioning between natural gas and electricity.

We know that it takes considerable investments to maintain one of the largest systems in the industry. Over the past three years, we have spent approximately \$1.5 billion for maintenance related to our assets with approximately half of that spent on our Texas assets.





Maintaining the highest safety standards is essential to delivering excellence across Energy Transfer's operations. We believe in the continuous pursuit of excellence and seek to constantly improve what we do and how we do it. Our comprehensive safety programs, policies, and systems drive us toward best-in-class Environment, Health & Safety (EH&S) compliance and performance. We invest substantial resources to safeguard our assets—from pipelines, storage facilities and gathering systems, to natural gas processing and treating facilities, fractionators and marketing terminals. In 2021, we spent more than \$522 million in maintenance costs to ensure the safety of our assets.

#### **CULTURE OF CONTINUOUS IMPROVEMENT**

Our EH&S and Organizational Excellence (OE) programs are designed to promote a culture of continuous improvement across our engineering, operations, maintenance, and construction activities. These programs incorporate a collective set of attitudes, values, norms, beliefs and practices that our employees and contractors adhere to with respect to continuous improvement. We foster a positive culture through our focus on collaboration, public and individual safety, and protection of the environment. The OE program highlights five pillars to promote continuous improvement:

- Proactively identify and manage risk and promote the sharing of lessons learned
- Safely execute work in an environmentally sound and regulatory-compliant manner
- Regularly evaluate projects, jobs, and tasks to ensure desired results and performance
- Swiftly act and take ownership, encouraging leadership at all levels
- Continuously improve by inspiring and nurturing change, encouraging conversations, and identifying improvements

**Energy Transfer is committed** to continuously improving pipeline safety programs by utilizing the Pipeline Safety Management System (PSMS). The PSMS defines how we design, construct, operate and care for pipeline assets in a way that ensures safety and reliability. It is based around a set of core elements designed to promote a process and culture of continuous improvement and learning from experience and includes measuring performance by promoting risk management reviews. It also applies the "PDCA" four-step management method: Plan, Do, Check, Act.



#### **EMPLOYEE QUALIFICATION & COMPETENCY**

We implement our pipeline safety protocols by using the most proven technology and employing those who are among the most skilled pipeline workers in the industry. More than 3,800 operations personnel are trained and qualified in accordance with pipeline safety regulations. Per federal and state requirements, we developed 124 Operator Qualification (OQ) Tasks supporting the regulatory aspects of pipeline asset operations and maintenance. Our operations employees collectively maintain 64,427 individual qualifications, and per our operator qualifications process, all initial and subsequent qualifications are continually tracked in our Career Development Management System (CDMS). Each OQ Task has an identified requalification frequency based on a Difficulty, Importance, and Frequency Analysis conducted by company Subject Matter Experts. Additionally, to keep our operations employees informed on OQ, equipment, procedure, and process updates, more than 2,000 computerbased and instructor-led trainings are available for initial and refresher training.





**124** Operator Qualification Tasks



**64,427** individual qualifications





2,000+ computer-based and instructor-led trainings







#### RISK REDUCTION

Our health and safety management system consists of an integrated set of programs, systems, policies and procedures (detailed below) that are relevant to our industry and effectively manage our EH&S compliance, performance and risk. Together, our programs, systems, policies and procedures use advanced data management software systems to manage how we do our business and drive continuous improvement and accountability.

#### **PROGRAMS:**

Overarching programs that support the way we do our business to drive EH&S compliance and performance.

- Asset Management and Reliability
- Community Outreach
- Damage Prevention/One Call
- EH&S Management and Compliance
- Emergency Preparedness
- Internal Audit
- Mechanical Integrity Program

- Organizational Excellence Program
- Pipeline Integrity Risk Management
- Process Safety Management
- Security
- Spill Prevention Program
- Training Programs
- Pipeline Safety Management System

Process Safety Management (PSM) is a regulation put into motion by the federal Occupational Safety and Health Administration (OSHA) and is designed as a tool to properly manage natural gas as well as highly hazardous chemicals.

The goal is to prevent or minimize the consequences of the release of such chemicals. PSM is an additional layer of protection and risk assessment and provides several tools that help ensure safe operations. A Process Hazard Analysis (PHA) helps identify, reduce and manage workplace hazards with a detailed, step-by-step review of operating processes and procedures. A Layers of Protection Analysis (LOPA) is used to help fill in the gaps. The analysis evaluates scenario risk and compares it with risk tolerance criteria to decide if existing safeguards are adequate, and if additional safeguards are needed. It helps focus on the most critical safeguards. Energy Transfer has a comprehensive and disciplined PSM system in place that follows the 14 rules and practices requested by OSHA.

- 1. Employee Participation
- 2. Process Safety Information
- 3. Process Hazards Analysis
- 4. Operating Procedures

- 6. Contractors
- 7. Pre-Startup Review
- 8. Mechanical Integrity
- 9. Hot Work Permit
- 10. Management of Change
- 12. Emergency Planning & Response
- 13. Compliance Audits
- 14. Trade Secrets



#### **SYSTEMS:**

Key EH&S and compliance programs to support and promote continuous improvement.

- Asset Compliance Tracking Software (ACTS)
- Career Development Management System (CDMS)
- Engine Reliability
- Environmental Information Management System

- ET/PSM Management of Change
- GIS Database
- Incident Management System (IMS - Intelex)
- Job Plans
- SAP Preventative Maintenance

#### **POLICIES & PROCEDURES:**

Expectations and requirements to maintain compliance and improve EH&S performance.

- Contractor Safety Manual
- E&C Standard for Procurement, Design, Construction, and Commission
- Environmental Policy and Guidelines Manual
- Organizational Excellence Policy Document

- Pipeline Integrity Management Plans
- Remediation Policy
- Safety Procedures and Forms Manual relevant to our industry
- Standard Operating Procedures (SOPs)
- Vehicle Safety Policy

#### **PEOPLE AND CAPITAL:**

Resource commitment to maintain compliance and improve EH&S performance.

- 400+ individuals support operations safety performance and compliance by providing EH&S, Technical Services and Integrity support
- 20+ individuals dedicated to Public Relations, Government Affairs, and Stakeholder Engagement
- \$522 million in capital expenditures to maintain our assets
- Security team to plan and manage all security operations
- Dedicated team to communicate and implement One Call Damage Prevention
- Employee Volunteer Program
- Right-of-Way team to work with landowners
- Power Optimization group improving energy efficiency

## INCIDENT MANAGEMENT SYSTEM PLATFORM

We continuously pursue a zero-incident culture by implementing strategic protocols to mitigate risk and eliminate adverse events. To help achieve this goal, our Incident Management System (IMS) employs a five-step risk reduction cycle to document and report any unwanted events. Events reported through this system undergo a thorough investigation, followed by corrective actions and then sharing of lessons learned to prevent future similar events. The custom platform offers tracking and trending data on all established metrics and Key Performance Indicators (KPIs).

- Draft All employees are empowered to create an initial incident in IMS and submit to their supervisor for Verification
- Verification Supervisors verify the draft incidents and progress them to local Subject Matter Experts for Investigation
- Investigation Subject Matter Experts complete the Investigation portion of incidents and submit for **Approval**
- Approval Area Director or Discipline Director approves the completed incidents and submits them for Closure
- Closure The risk reduction cycle ends when the incident is closed. Incident data is then evaluated and communicated to Management

Events tracked in the IMS platform include: Abnormal Operations, Contractor Incidents, Damage Prevention Events, Environmental Incidents, Injury/Illness, Mechanical & Tank Integrity Events, Mechanical/Electrical/Controls (MEC), Pipeline Regulatory Leak/Failure, Pipeline Safety, Related Conditions, Property Damage, PSM Incidents, Security Incidents and Vehicle Incidents.

## **NEAR-MISS AND GOOD CATCH PROGRAM**

Our Intelex platform provides a robust system for capturing, analyzing, and reporting situations considered "nearmisses" and "good catches." A near-miss is an unplanned event that did not result in injury, illness, or damage—but had the potential to do so. A good catch is an actionoriented program that implies someone did something positive to prevent an incident from occurring. Both help create a healthy safety culture and serve as significant leading indicators that help us assess potential hazards and prevent safety and environmental incidents. Information on near-misses and good catches are collected and shared with others so they can be on the lookout for similar situations. In 2021, we had 2,826 near-misses/good catches reported internally.

#### **KEY PERFORMANCE INDICATORS**

Our Environmental and Safety Key Performance Indicators (KPIs) provide a data review of incident types and occurrence rates in real time. Interactive maps provide a platform to pull the data for specific geographic areas and time periods. Incident information and GIS location data is processed directly from the IMS platform to the dashboard. KPIs are based on quantifiable metrics established in accordance with OSHA and PHMSA and are used to identify and track industry safety and environmental trends.

#### ANALYTICS/BUSINESS INTELLIGENCE REPORTS

Using a Power Business Intelligence (BI) analytics tool, we customize real-time reports that provide more information than the typical EH&S incident management system that traditionally focuses on lagging indicators. These interactive reports provide data analytics in a way that can be used to make business decisions that drive continuous improvement.

The data analytics provide a more comprehensive way to review data and provide employees with real-time access that assists with developing strategic initiatives that transform our EH&S pipeline safety programs and move them beyond compliance. Power BI reports in place include:



#### **EH&S Dashboard**

Report provides an overview of environmental incidents, vehicle incidents and nearmiss incidents. Each report can be filtered by date, department, type and more.



#### **Engineering Records**

Report provides an overview of the total number of projects that have been received and are complete. The number of projects is also shown by year, regulated/nonregulated and project type.



### **Management of Change** (MOC) Report

Report provides an overview of all MOC records. The MOC Details Report can be filtered by department, requestor, entry administrator, reason for change, MOC date created, MOC number, change category, type of change, and workflow status. Other reports within the MOC Report include the MOC Approvals and MOC Action Items reports.





#### **Underground Storage**

Report shows the working storage of each storage field and can be filtered by location, month, unit and volume.



### **Operations Incident Report**

Report provides an overview of all incidents. Master and sub incident count is shown by department and the status of each incident. This report shows details pertaining to each of the following incident types: injury/illness incidents, vehicle incidents, contractor incidents, property damage, security incidents, PSM incidents, environmental incidents, Pipeline Regulatory leaks/failures, abnormal operations, pipeline safetyrelated conditions, damage prevention, mechanical and tank integrity, and Mechanical, Electrical and Control equipment.



#### **Engine Reliability Report**

Report provides valuable information for use in our maintenance planning and Engine Life-Cycle management. It includes metrics on Engine Hours Operated, Average Engine Utilization, Average Commercial Availability and Average Mechanical Availability.



# **Standard Operating Procedure (SOP) Revision History**

Report provides an overview of all SOP revision requests. Reports can be filtered by status, document type and more and searched by SOP, Best Practice or Form Title.



#### **GIS Regulatory Metrics**

Report provides an overview of the total number of pipeline miles by state, asset type, class type, product shipped, High Consequence Areas (HCA), and Moderate Consequence Areas (MCA).



## **Operator Qualifications** (OQ) Report

A series of reports related to the pipeline OQ program including the following reports: Pipeline Operator Qualifications, **Technical Training** Summary Report, Company Evaluators and Proctors, Control Room Operator Qualifications, Employee Qualification and Technical Training Overview.

#### **KPI TRENDS & IMPROVED PERFORMANCE**

We determine the success of our safety, regulatory, and environmental management programs by analyzing our year-over-year progress through KPIs. Our goal is to always improve year over year. The below improvements include our 2021 averages in our required PHMSA reportables:



#### **NATURAL GAS:**

**27% decrease in volume** of natural gas unintentionally released in a Class 3 location in 2021 vs. 2020

57% less MSCF in 2021 than the 3-Year Average (2018-2020)

**40% fewer** natural gas incidents in a Class 3 location in 2021 vs. 3-Year Average (2018-2020).



#### LIQUIDS:

Total Volume of Hazardous Liquids Released in 2021 was **13% less** than in 2020

**Total Number of Accidents** >5 bbls in 2021 was **the** same as the 5-Year Average (2016-2020)

According to a 2021 safety report by the Association of Oil Pipelines and the American Petroleum Institute, liquids pipeline incidents impacting people or the environment have decreased 31 percent over the past five years, and total pipeline incidents decreased by 17 percent, even while pipeline mileage and barrels per day have increased nearly 10 percent. Pipeline incidents impacting people or the environment caused by corrosion, cracking or weld failure decreased by 32 percent over the last five years. Operations and maintenance incidents impacting people or the environment declined 34 percent between 2017 and 2021. The improvement is due to our culture of "safety first, safety always" and a commitment to zero incidents.

#### SAFELY MONITORING OUR ASSETS

#### **CONTROL CENTERS**

Our state-of-the-art control centers are dedicated exclusively to the safe operation of our pipelines. The pipeline controllers for Energy Transfer are highly trained and are qualified to ensure that our products reach the customers in a reliable and safe manner. It is a unique role, as these employees are often the first to recognize or respond to a safety-related condition in real time, as they continually analyze and monitor our assets 24 hours a day, 7 days a week, 365 days a year. They also recognize improvements along the pipeline that have a direct financial impact to the company. Energy Transfer has over 230 pipeline controllers and growing with every new acquisition.

HOURS A DAY



DAYS A WEEK





#### PIPELINE SURVEILLANCE TECHNOLOGY COMMITTEE

Our Pipeline Surveillance Technology Committee was formed in 2016 to evaluate technologies that are currently used within the pipeline industry and determine if these technologies could be implemented on Energy Transfer assets. The committee also evaluates current testing and new or advancing technologies within the industry through various industry consortiums and state or federal programs such as iPIPE, PRCI, FAA, HSAC, Texas A&M, etc. Additional committee functions include:

- Recommendations for any pilot study programs to be initiated on Energy Transfer assets.
- Guidance on the use of drone technology by company and contractor personnel relative to company assets. For example, what is allowed and not allowed, what requirements and safety measures need to be met or considered, or appropriate and innovative uses.
- Increased member participation across other business segments (Environmental, Regulatory Affairs, IT – SCADA and Engineering) to broaden groups' ability to address regulatory drivers such as Greenhouse Gases (GHGs), Environmental, Social, Governance (ESG) criteria, Leak Detection and Repair (LDAR), Methane mitigation, etc. and recommend proven technologies that can be deployed for specific applications.
- Sponsoring the use of Orbital Sidekick (OSK) aerial leak detection technology accompanied by satellite imagery to meet New Mexico methane detection initiatives.



#### PIPELINE PROTECTION COMMITTEE

Our Pipeline Protection Committee is an interdepartmental network formed to regulate and provide managerial oversight of strategic programs within our pipeline safety management system. The members in this network all have shared common goals, including damage prevention and continuous improvement of the protection of pipelines from unwanted events. While each function has a unique role of its own, there are also clear, purposeful overlaps. This group is responsible for leading, developing and implementing the company's damage prevention initiative, with the goal of enhancing safety and environmental protection by preventing damage to the company's pipeline systems through increased awareness and knowledge of pipelines. The Committee includes Aerial Patrol, Encroachments, One Call/Damage Prevention, and Public Awareness.

Aerial Patrol - With 12 aircraft located throughout the United States, the Aerial Patrol Department provides aerial coverage for much of Energy Transfer's pipeline systems. The Aerial Patrol group consists of 14 employees, including ten pilots and three mechanics. Patrol pilots can inspect up to 1,000 miles of pipeline per day, including patrol areas that are difficult to access from the ground, and send information quickly to field personnel. In addition to providing surveillance, the department also assists with field personnel ride-along flights for ROW inspections, FAA airspace restrictions for planned pipeline blowdowns, and post-natural disaster inspections. The Aerial Patrol Department complements existing pipeline integrity programs and contributes to Energy Transfer's pipeline safety. Safety is a top priority for the group, as detailed in their Safety Management System and thorough safety processes. During 2021, our aerial patrol team safely flew a total of **8,043 hours**. Since we first began to track the group's flight time in 2007, the group has successfully completed 78,636 hours without an accident.

**Encroachments** - A pipeline crossing, also known as an encroachment, is a temporary or permanent structure across, on, along or under a facility or pipeline right-of-way. Crossings require written consent from pipeline operators to ensure the continued integrity and safe operation of the pipeline. When the Standard Operating Procedure and/or Standard Crossing Guidelines cannot be met, or if the operations group needs assistance, our Encroachment Department will determine pipeline easement rights and review plans. All requests are tracked to make sure existing assets stay safely maintained. As our company grows, so does the number of encroachments. In 2021, we processed 1,414 encroachment requests, nearly 200 more than the previous year. The department is also responsible for the management of relocation projects, both reimbursable and non-reimbursable. In 2021, we processed 19 relocation projects.

One Call/Damage Prevention - The greatest risk to underground pipelines is accidental damage during excavation. To protect our pipelines and other underground facilities, individuals are required to use the One Call system prior to any excavation-related activities on public and private property. Our One Call/Damage Prevention group tracks all line hits, near misses and One Call violations that happen on our system and performs Root Cause Analyses to determine how to avoid these events in the future. During this process, they file reports with the proper state agencies and reach out to excavators to ensure they are better informed of the One Call laws going forward. In 2021, we received 687,907 One Call tickets, including 22,737 emergency tickets which require a response within four hours. The group is responsible for loading all new pipelines into the company's GIS mapping system, along with keeping the mapping files current and covered for One Call with the various state One Call agencies. Additionally, they operate Energy Transfer's One Call ticketing system, Irth UtiliSphere, and are responsible for daytime callouts on all emergency tickets that come into the system as well as running numerous reports for management throughout the company.

**Public Awareness** - Energy Transfer has a comprehensive public awareness program designed to raise key stakeholders' awareness of the presence of pipelines in their communities in areas where the company operates facilities. Key stakeholder groups include the affected public, emergency responders, public officials and excavators.

The company's public awareness plan is consistent with federal pipeline safety regulations, which require pipeline operators to develop and implement public awareness programs that follow the guidance provided by the American Petroleum Institute (API) Recommended Practice (RP) 1162, "Public Awareness Programs for Pipeline Operators."

Our primary goal is to ensure that the community knows where pipelines are located, how to recognize a leak, and who to contact and what to do in the event of a pipeline incident. Public awareness outreach includes individual and group meetings, mass mailings, training programs and supplemental activities to educate stakeholders.











Our commitment to safety is at the forefront of everything we do.

Energy Transfer's "safety strong" focus is integrated across all areas of our operations and is central to our core culture. Our rigorous safety performance processes clearly outline the expectations and personal responsibility required of all employees and contractors. Paving the way for continuous operational excellence, these processes provide the framework for an injury- and incident-free workplace by addressing risk management, required training, leadership and communication, personal wellness, and properly maintained facilities. Combined, these safety elements helped us improve our safety performance for 2021.

#### **EVERYTHING STARTS WITH SAFETY**

Our commitment to safety is at the forefront of everything we do. Organizationally, we have set the standard at zero reportable incidents. This requires embracing a mindset of continuous improvement to ensure our safety procedures and processes are best-inclass. Just as important, however, is the verification that our procedures and processes are clearly understood throughout our operations teams and that they are always followed by employees and contractors. Our safety training program for field employees begins upon hiring. Knowing how to safely perform tasks and respond to incidents is crucial to steady performance and to the protection and well-being of our people, our facilities, and the surrounding communities. Annual training addresses standard operating procedures, emergency response procedures, vehicle safety and safe work habits.



#### VEHICLE SAFETY TRAINING

In 2021, we reached a 93 percent level of the Federal Motor Carrier Safety Administration's documentation requirements, up from 90 percent in 2019. Some areas achieved a level of 100 percent, including the Eastern Division, DAPL North and South Dakota, Montello, Akron and the South Division. Our driver safety training program focuses on compliance with these regulations and provides monthly measurement tracking for management.

#### **LIFE SAVERS PROGRAM**

The successful Life Savers Program was created in 2019 and continued throughout 2021. It serves as an important way to keep focus on critical safe work practices.

# DRIVER INTERVENTION **PROGRAM**

Implemented in 2021, the Driver Intervention Program monitors employees' driving habits and helps prevent vehicle incidents. There are three elements to the Driver Intervention Program:



Rank drivers by risk and identify drivers with driving behaviors that put them at a higher risk



Coach drivers to modify their driving habits to reduce risk



Monitor drivers to verify improved driving habits

#### SAFETY ENGAGEMENTS

We were excited to fully roll out "Engagements" our proprietary mobile application that provides a communication platform to simply track interactions to verify expectations for safety.



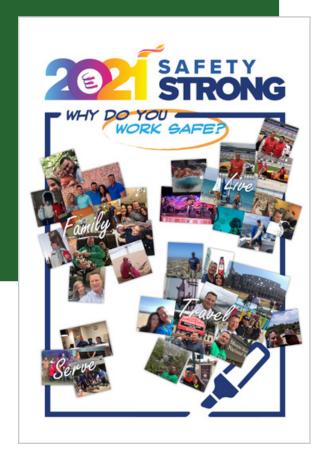
Employees at all levels document interactions—or "engagements"—with other employees and/or contractors to validate and track safety oversight. The Engagements can be during routine work, projects, or everyday tasks. In 2021, 2,591 safety engagements and quality job reviews were completed by our employees. Engagements are a leading indicator that show how engaged we are in our safety process. It also provides us with trending data on our safety metrics, identifies opportunities for improvement and provides a mechanism for feedback. Engagements help document and verify that: Standards are Understood, Standards are Maintained, and Individuals are Accountable.

#### SAFETY STRONG POSTERS

As part of Energy Transfer's ongoing efforts to pursue safety excellence, we developed a 2021 Safety Strong poster. Employees identified why they work safely in the space provided on the poster. Submissions ranged from photos of family members, to illustrations, to descriptive explanations. The posters were placed in highly visible and prominent locations, and safety representatives would use the posters as an opportunity to discuss the importance of working safely.

#### SAFETY STRONG LEARNING SERIES

The 2021 Safety Strong Learning Series is an online training program to improve the skills and knowledge of our field safety specialists and operations management teams. The webinar series provides a deep dive compared to standard safety trainings. Any employee can register for the course.



#### SAFETY INCIDENT RATES

There are over 200 Environmental, Health & Safety (EH&S) professionals that support our operations. The EH&S group assists others throughout the organization in identifying consistent training for personnel, including the training that is required by applicable laws, regulations, standards, and permit conditions. Our impressive safety accomplishments are due to the engagement and intervention efforts to prevent incidents (as opposed to reacting to them), which is supported by our safety culture and accomplished by individual efforts and focus. The management team sets internal safety incident rate goals, setting the stage for continuous improvement year over year and striving toward our goal of zero incidents.

#### TOTAL RECORDABLE INCIDENT RATE\*

A key metric in looking at a company's safety performance is the Total Recordable Incident Rate (TRIR). We are pleased to report that our TRIR was 0.88, remaining essentially flat from 2020. This marks a 47.7 percent decrease since 2016 and continues our multi-year trend of improving our safety performance. The TRIR is based on 15,530,228 hours worked. Energy Transfer uses the industry standard measurement of incidents (injuries) per 200,000 man-hours worked in calculating our total recordable incident rate and lost time incident rate. The lost time incident rate was 0.61. and the TRIR for contractors working on major projects was 0.62. We believe our low TRIR speaks to our investment in and focus on safety and environmental compliance as well as the reliability of our assets.

#### PREVENTABLE VEHICLE INCIDENT RATE

A key metric for measuring vehicle safety is the Preventable Vehicle Incident Rate (PVIR). In 2021, our PVIR was 1.27, a 17.4 percent decrease in five years. The PVRI is based on 109,600,208 miles driven.

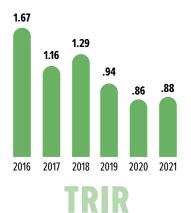
# DAYS AWAY, RESTRICTED OR TRANSFERRED INCIDENT RATE

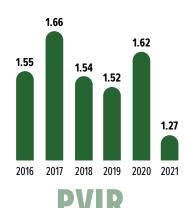
The Days Away, Restricted or Transferred (DART) Incident Rate reflects more serious injuries resulting in lost workdays. In 2021, our DART incident rate was 0.61.

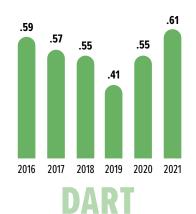
15,530,228

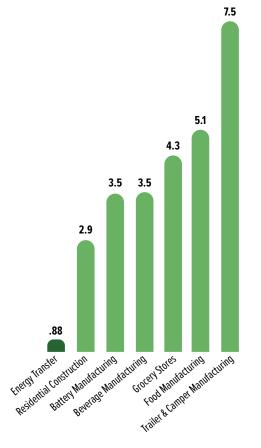
<sup>\*</sup>Data does not include COVID-related cases

# 6-YEAR OVERVIEW FOR TRIR, PVIR AND DART









# ENERGY TRANSFER'S SAFETY RECORD VS. OTHER INDUSTRIES

Energy Transfer's incident rate is well below other industries, primarily due to our strong safety culture and our approach to safety training, prevention and continuous improvement.



Our crude trucking business includes 333 drivers operating 288 trucks. In 2021, they drove over 18 million miles, opened/closed 7.9 million valves and climbed 82 million stairs, safely hauling over 39 million barrels of crude oil.

#### DISTINGUISHED SAFETY AWARDS

Working safely is at the core of everything we do. It is with great pride that we acknowledge the 2021 accomplishments of our employees and their commitment to safely operating our assets each and every day.

#### 2021 INDUSTRY LEADER ACCIDENT PREVENTION AWARD

The American Gas Association recognized Energy Transfer as a 2021 leader in accident prevention by having a DART incident rate below the industry average for company size and type. This is the third time Energy Transfer has been recognized in the past six years.

# 2021 SOUTHERN GAS ASSOCIATION **MERITORIOUS ACTION AWARD**

The Southern Gas Association awarded Warren Miguad Jr. with the 2021 Meritorious Action Award. Miguad, an Energy Transfer mechanic in West Palm Beach, FL, courageously saved two lives after rescuing them from a burning truck on his way to work.





# 2021 INTERNATIONAL LIQUID TERMINALS ASSOCIATION'S SAFETY EXCELLENCE AWARD

**Energy Transfer's Marketing Terminals** division was honored by the International Liquid Terminals Association (ILTA) for the company's strong safety record.

## 2021 FLORIDA ENERGY PIPELINE ASSOCIATION'S SAFETY AWARD

Energy Transfer's Dave Shellhouse received the inaugural safety award for outstanding leadership in safety from the Florida Energy Pipeline Association. Shellhouse is the Vice President of Operations for the Southeast Division and is responsible for the Florida gas transmission system. His leadership helped establish Energy Transfer's annual Safety Olympics, which is designed to evaluate safety knowledge and critical safe work practice skills through competitive safety challenges.

#### **EXTENSIVE PUBLIC AWARENESS**

An important aspect of responsible pipeline operations is ongoing education and communication with those who live and work near pipelines. Developed under the guidance of federal pipeline safety regulations, our comprehensive public awareness program provides critical information regarding pipeline safety, damage prevention and emergency response. Our key stakeholders are anyone who lives and works near our pipelines, including residents, emergency responders, public officials, schools, businesses, places of congregation and excavators. We use a wide range of communications tactics and platforms, from printed mailings, face-to-face meetings, television, radio, social media, print media and our corporate website. In 2021, our annual public awareness mailing reached 392,451 total stakeholders (362,677 excavators and 29,774 emergency officials).

Integral to our Public Awareness Program is our partnership with local emergency responders and public officials, which establishes important lines of communication, coordinates resources, and develops a concerted response system for managing pipeline-related incidents. We implement a series of activities to engage with these critical stakeholders, including facilitated liaison meetings, training exercises, personal outreach, and annual distribution of targeted communications materials. Our public awareness team adapted to the challenges posed by the COVID-19 pandemic by conducting virtual outreach when necessary. In 2021, we participated in 482 liaison meetings educating 8,509 stakeholders (emergency and public officials and excavators) across 26 states.

Energy Transfer is a leading member of the Pipeline Operators Safety Partnership (POSP), POSP an organization of pipeline operators committed to building partnerships with emergency responders and providing the education needed to safely respond to a pipeline-related emergency. This collaborative initiative goes above and beyond compliance requirements

In addition to our annual liaison meetings, we have also provided pipeline-specific outreach sessions to emergency responders during construction of new pipeline systems, as needed. For example, throughout construction of our Mariner East and West pipeline systems (2013-2021), emergency responder outreach sessions were conducted in Michigan, Ohio, Pennsylvania and West Virginia. Our comprehensive Mariner Emergency Responder Outreach (MERO) educated a total of 3,304 emergency responders. In 2021, as construction was completed, we hosted 17 sessions reaching 312 emergency responders.

# TOTAL MERO ATTENDANCE BY STATE SINCE 2013:

Michigan: 200 Ohio: 515

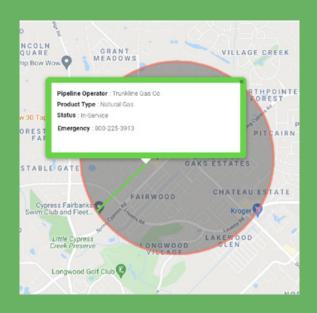
Pennsylvania: **2,565** West Virginia: **24** 

**GRAND TOTAL: 3,304** 

and supplements our public awareness activities. Since 2012, Energy Transfer has hosted 15 events and met with more than 7,690 emergency responders. At the POSP conference in 2021, Energy Transfer employees met with emergency responders from 31 states and Canada.

#### PIPELINE LOCATOR

A new and unique feature in 2021 was the introduction of Pipeline Locator (available on the Energy Transfer website). Anyone can enter an address to view pipelines within a two-mile radius that are owned or maintained by Energy Transfer or an affiliate. The search results include the name of the pipeline operator, the product transported, and emergency contact information. Pipeline system information is actively managed by our GIS department. With more than 18 professionals, the GIS team is dedicated to maintaining high quality, reliable and consistent information to ensure proper compliance and distribution of information for internal use as well as for various regulatory agencies.



Additionally, our in-house emergency management team conducts annual emergency preparedness exercises in accordance with regulations set forth by the Environmental Protection Agency. These exercises prepare personnel to respond to emergency incidents and events in a coordinated manner alongside regulatory agencies and local responders.

# **2021 EMERGENCY** RESPONSE EXERCISES

- 76 annual OPA 90 emergency response exercises
- 11 annual CFR 192/195 facilities emergency response exercises
- 8 annual H2S emergency response exercises
- 33 geographic response strategies
- 78 unannounced emergency procedures exercises

The Energy Transfer Marcus Hook Terminal (MHT) Fire Brigade participated in its annual Industrial Fire Brigade Training at the Texas A&M Engineering Extension Services facility in College Station, Texas. The brigade was joined by local fire departments. Attendees spent the first three days learning how to fight flammable liquid and natural gas liquids fires under the direction of MHT emergency response leaders. The fourth day was spent responding to scenario-based emergencies with other fire brigade participants from across the country. These included incidents at pump and compressor rows, rail cars, truck loading racks and storage tanks.

# **COMPREHENSIVE ENVIRONMENTAL MANAGEMENT**

Protecting public health and the environment is the primary goal of our environmental management teams, both in the construction and operation of our assets. These teams work to reduce our emissions and minimize our environmental impact. We do this by incorporating a variety of technology and environmental management processes, using renewable energy sources when possible, and partnering with industry organizations to share best practices and further the advancement of a clean energy future.

# **ENVIRONMENTAL MANAGEMENT SYSTEMS**

Energy Transfer operates and maintains an Environmental Management System to drive improved performance and compliance, while providing necessary capital and personnel to implement our environmental policies. Our environmental management teams consist of 99 environmental professionals supporting operations and 16 environmental professionals supporting engineering and construction. There are over 8,000 environmental tasks that are completed on an annual basis by the environmental professionals supporting our operations. Our environmental professionals are focused on ensuring we are responsibly and efficiently reducing emissions, protecting and preserving the land, water and air around us, and that we remain in compliance with all applicable regulations.

# **EMISSIONS PREVENTION TECHNOLOGY, OPPORTUNITIES & INITIATIVES**

We are committed to identifying and implementing cost-effective emissions reduction and prevention programs, including the reduction of our carbon footprint (methane and carbon dioxide). As part of this commitment, we make significant investments each year in technology to reduce emissions and improve our overall operations performance and efficiency. Some examples include:



#### ASSET OPTIMIZATION

We have a long history of strategically acquiring companies and consolidating our operations. Asset optimization is the process of identifying and evaluating commercial and operational synergies that enhance the operational capabilities of our systems by capitalizing on improved efficiencies and increasing utilization and profitability of combined assets. Additionally, another aspect of this process is retiring older, less efficient assets, further reducing our carbon footprint.



#### **DUAL DRIVE**

In our natural gas compression business, the use of our patented Dual Drive technology, which offers the ability to switch compression drivers between an electric motor and a natural gas engine, allows us to reduce our emissions of nitrogen oxide, carbon monoxide, carbon dioxide and volatile organic compounds. More information on Dual Drive technologies can be found on page 51.



#### CARBON CAPTURE & SEQUESTRATION

Carbon capture and sequestration (CCS) is a method for reducing the amount of carbon dioxide emitted to the atmosphere through the process of capturing and storing the emissions. It plays a critical role in reducing carbon dioxide emissions. We implement CCS at several of our existing treating and processing facilities, which allowed us to sequester more than 86,328 metric tons of carbon dioxide in 2021. We are also actively pursuing numerous other carbon capture and sequestration projects related to our gathering and processing facilities. At our Marcus Hook Terminal, we are working on capturing carbon dioxide from flue gas and delivering it to customers in the food and beverage industries.

One way we capture carbon is through the process of Acid Gas Injection (AGI). AGI is an environmentally beneficial method of managing acid gas and is essentially the compression of a low-pressure gas stream to sufficient pressure to achieve injection and storage in a deep and secure geologic formation. Acid gas storage wells and related infrastructure must meet rigorous safety design requirements, even beyond those of a normal production or service well. Currently, three of our natural gas processing facilities capture and recover hydrogen sulfide and carbon dioxide from various process streams and inject the gas into permanent geologic storage formations.

# **ENGINE AND TURBINE EMISSION-REDUCTION TECHNOLOGIES**

Energy Transfer has used various emissions-reduction technologies on engines and turbines for several years. These include:



#### **ENGINES**

**Lean-burn Technologies** – computer programs are used to maximize air-to-fuel ratios so that consistent low emissions (primarily nitrogen oxide and carbon monoxide) may be achieved on a more regular basis.

Oxidative Catalysts – filter media which are inserted in the exhaust stream of the engine to reduce carbon monoxide, volatile organic compounds and formaldehyde in varying quantities depending on the type of specific catalyst. These are mainly used on lean-burn-style engines and some turbines.

**3-Way Catalysts** – catalysts are used on rich-burn engines where a reduction in nitrogen oxide, carbon monoxide, volatile organic compounds and formaldehyde are

#### **Selective Catalytic Reduction (SCR)** -

catalyst used to reduce a specific pollutant, typically nitrogen oxide, within an exhaust stream. This may be used in conjunction with an oxidative catalyst to obtain a reduction in multiple pollutants. Typically, urea or ammonia is injected as a fine mist into the exhaust stream to cause a chemical reaction with nitrogen oxide. After the injection process, the exhaust stream is routed through a catalyst media to complete the reduction process.



#### TURBINES

Gas turbines are used as an energy efficient way to increase pipeline gas pressure at our control and transmission stations, as well as generate electricity for critical facilities. Gas turbines without any emissions controls normally produce 10 percent of the emissions of engines on a per energy input basis.

- SoLo NOx [Solar Turbines] and Dry Low NOx (DLN) - company-specific proprietary emission-reduction technologies, similar to the lean-burn methodology on engines. Approximately 75 percent of our gas turbines are equipped with SoLoNOx which allows us to reduce nitrogen oxide, carbon monoxide and unburned hydrocarbon emissions by 32 percent annually.
- Selective Catalytic Reduction (as detailed at left)
- Oxidative Catalyst (as detailed at left)
- Water Injection technique using water injected into the combustion chamber to reduce the combustion temperature, thereby reducing nitrogen oxide generation.

#### **SOLAR TURBINE EMISSIONS SUMMARY**

Solar units with SoLoNOx packages: 41.51% Solar horsepower with SoLoNox: 72%

Reduction in emissions by using SoLoNOx: 30.23%



#### THERMOELECTRIC GENERATOR

In remote areas where local commercial power isn't available, we often use a Thermoelectric Generator which is a solid-state device that converts heat flux (temperature differences) directly into electrical energy through a phenomenon called the Seebeck effect. These generators consume up to 50 percent less fuel than competitive technologies and are tied directly into our pipelines. They use natural gas as a fuel source for heat and produce low voltage that keeps our batteries charged and communications up and running for our Gas Control Centers.



#### PNEUMATIC DEVICES

We installed approximately 12,000 low emission pneumatic devices throughout our pipeline system to help reduce methane emissions primarily at our automated valve sites. Pneumatic devices allow us to safely and efficiently adjust and control our operations through liquid level controllers, pressure regulators and valve controllers. Low-emission pneumatic devices allow us to effectively prevent approximately 61 tons (2.9 million cubic feet) of methane emissions every day.



#### THERMAL OXIDIZERS

Thermal oxidizers are an important emission control device that reduce the environmental footprint of natural gas operations. Thermal oxidizers destroy volatile organic compounds and convert methane to carbon dioxide (a less intense greenhouse gas), thereby reducing volatile organic compounds and methane emissions by 98 percent or more. Thermal oxidizers are installed voluntarily at many of our more than 50 natural gas processing and sweetening plants. These plants improve the quality of the gas product and make it suitable for transportation and use in homes and businesses.



#### OPTICAL GAS IMAGING

At many of our 2,200 gas gathering and processing facilities we use Optical Gas Imaging (OGI) cameras, which allow us to reduce emissions, improve safety, reduce costs, prevent product loss and maintain equipment integrity. The OGI cameras represent leading edge technology and are an integral part of our rigorous leak detection and repair program. The cameras allow us to pinpoint the exact location of emissions originating from various components (valves, flanges, pumps, pipe fittings, etc.) located within processing and compression facilities. Cameras provide an additional layer of safety and emissions prevention as they are used in addition to the regularly scheduled inspections performed by our highly skilled technicians several times per year.



#### PIPELINE BLOWDOWN DIRECT INJECTION

When possible, we use the direct injection system when conducting pipeline blowdown procedures to conduct maintenance operations and testing on pipelines. Direct injection reduces the pressure within the pipeline and thereby prevents release of methane into the atmosphere.



#### **SMART PIGS**

We use in-line inspection tools, or smart pigs, which allow us to detect corrosion, cracks or other defects along our pipeline systems, thereby protecting the environment and the safety of our communities, employees and landowners.



# LIQUIDS MANAGEMENT PROCESS ON GAS GATHERING PIPELINES

We implemented an innovative liquids management process throughout much of our natural gas gathering pipeline system by using stabilizers at our processing plants. All 44 of our stabilizers, which reduce the vapor pressure of natural gas liquids for storage and transport, have vapor recovery units to route any vapors from the stabilization process back into the plant for processing. Our liquids management process has allowed us to minimize flash emissions and methane emissions.

We also use large, specially designed slug catchers at the inlets of our gas processing facilities to separate the incoming gas and liquids, preventing the liquids from entering the gas stream. This process allows us to manage and store liquids within pipelines and pressure vessels, thereby eliminating flash emissions and methane emissions that may be associated with liquid storage tanks. These captured liquids are pushed to the natural gas processing plants where the liquid is stabilized. By stabilizing the liquid instead of storing it in a traditional liquid storage tank, a single 10,000 barrel per day stabilizer can keep as much as 40,000 tons of volatile organic compounds per year out of the atmosphere.



#### CRUDE TRUCKING DIRECT INJECTION

Using a direct injection method to move crude oil from delivery trucks in a one-step process rather than an often-used two-step process allows us to reduce emissions at our crude trucking unloading stations. Our direct injection process routes crude oil directly into large pipeline storage tanks rather than multiple small temporary storage tanks that are then required to be pumped into the larger pipeline tanks. In addition, hundreds of tons of volatile organic compounds emissions are prevented annually through the process of pulling the vapors back into the large pipeline tanks when unloading the crude trucks through a vapor vent-back process.

#### CHEMICAL INJECTION PUMPS

Chemical Injection Pumps (CIPs) are used throughout the oil and gas industry to inject relatively small amounts of chemicals into process streams to enable the production and processing of petroleum products. We continue to explore opportunities to convert our gas-driven chemical injection pumps to electric, which would eliminate gas exhaust. Solarpowered electric chemical pumps are in the U.S. EPA Natural Gas STAR Program's list of recommended technologies to reduce methane emissions. In our Southeast Texas Pipeline System, we installed 46 solar-charged electric-driven pumps. One dualhead electric solar-driven pump replaces two of the pneumatic gas-driven injection pumps used for methanol and chemical injections. Many of the electric solar-driven pumps are dual-head injections, with one solar-charged electrical-driven pump. This eliminates the need for dual pumps, as well as completely eliminating emissions caused by the pneumatic gas-driven diaphragm pumps.

#### **ENERGY EFFICIENCY**

We have integrated various technology and work practices in the design and operation of our facilities in an attempt to achieve synergistic environmental impact reductions. Below are some of the ways in which we optimize our facilities and practices to be energy efficient.



#### **FRACTIONATORS**

Our fractionators in Mont Belvieu, Texas, are world-class facilities that are designed to be resource efficient and built with state-of-the art emissions-reduction equipment. The heaters at our Mont Belvieu fractionators are equipped with ultra-low nitrogen oxide burners. In addition, the hot oil heaters are outfitted with selective catalytic reduction emission control systems that further reduce nitrogen oxide emissions.

Our Mont Belvieu fractionators recover heat from the overhead products and product compression which decreases the necessary firing rate of our hot oil heaters and reduces potential emissions from combustion. Another added benefit of recovering and utilizing the heat in the process is the reduction of necessary cooling of the products in the cooling systems. By reducing the amount of necessary cooling, the amount of raw water, water discharge and particulate matter emissions is decreased

The product and refrigeration cooling systems at the Mont Belvieu fractionators utilize Wet Surface Air Coolers in lieu of conventional evaporative cooling towers, and their design eliminates volatile organic compound emissions from the cooling tower effluent and further reduces particulate matter emissions, raw water usage and water discharge when compared to conventional evaporative cooling towers. The Wet Surface Air Coolers are equipped with drift eliminators, an emissions-control technology that further reduces particulate matter emissions. The Wet Surface Air Coolers require less air and water flow when compared to conventional evaporative cooling towers, which reduces the

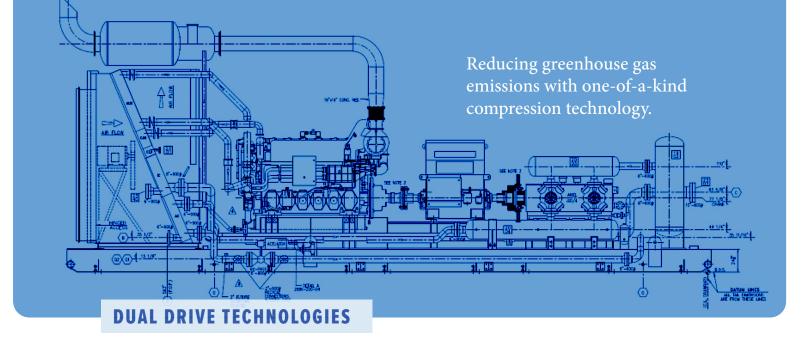
amount of horsepower needed to drive the fans and water pumps and results in an overall reduction of the carbon footprints of the systems. Additionally, the Wet Surface Air Cooler water is sourced from a local water conservation and reclamation district.

# LIQUIDS PIPELINES SYSTEM **OPTIMIZATION**

To further limit environmental impacts, Energy Transfer implements a variety of techniques to optimize its operations, reduce power consumption, and reduce indirect emissions across its network of oil pipelines. These techniques include:

- Allocating larger volumes of crude oil to more energy efficient pipelines and ensuring that oil is balanced across both heavy and light crude lines.
- Operating pipelines at consistent flow rates leads to more energy efficient operations and less overall power consumption, similar to an automobile having greater fuel efficiency on the highway versus the city.
- Adding a Drag Reducing Agent to the crude oil reduces pipeline fluid friction, which causes the oil to flow more efficiently, thereby decreasing the amount of energy needed to move the crude oil through the pipeline and allowing some pump stations to be bypassed.
- Introducing power limits on some stations to avoid unnecessary spikes in the flow rate.





Dual Drive Technologies, an independent company within Energy Transfer, offers an award-winning hybrid natural gas compression system that reduces emissions through its patented ability to switch compression drivers between an electric motor and a natural gas engine, and vice-versa. The first Dual Drive was installed in East Texas in 2000, and since then our fleet has grown to include nearly 100 units with approximately 400,000 total horsepower and 300 megawatts in multiple services

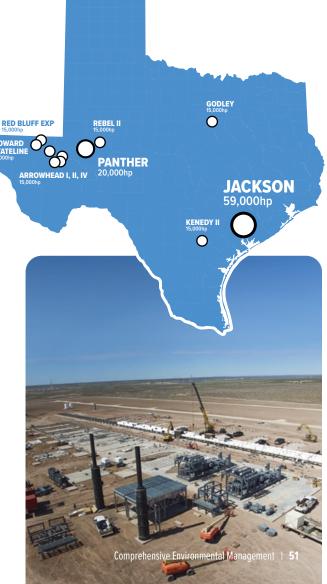
from field gathering, transmission and cryogenic plant

installations.

#### **EMISSIONS REDUCTION**

Dual Drive technology reduces greenhouse gas emissions and is often used in ozone non-attainment areas to improve air quality by providing an ultralow-emission alternative for natural gas compression. In 2021, this one-of-a-kind compression technology allowed us to operate using electric power on our units over 80 percent of the time, reducing emissions by 766,788 tons of carbon dioxide annually. To put that into perspective, an average car in the United States emits 4.6 metric tons of CO<sub>2</sub> annually, so our technology removed the equivalent of approximately 150,000 cars from the road. The powerful combination of a natural gas engine and an electric motor make this patented design the most efficient in the industry.

Energy Transfer began selling Dual Drives to other companies, helping to further reduce the industry's carbon footprint. In 2021, there were 11 units operated by third parties across the West Texas region, saving an additional 124,000 tons of carbon dioxide annually.



**ENERGY TRANSFER'S EMISSIONS SAVED USING DUAL DRIVE TECHNOLOGY** (81 DUAL DRIVE UNITS)

**NOx 888 tons** 

co **963 tons** 

**VOC 572 tons** 

CO<sub>2</sub> **766,788 tons** 

**ESTIMATED THIRD PARTIES' EMISSIONS SAVED USING DUAL DRIVE TECHNOLOGY** (11 DUAL DRIVE UNITS)

**NOx 180** tons

co **190 tons** 

**VOC 115 tons** 

CO<sub>2</sub> 124,000 tons





# **ENVIRONMENTAL EXCELLENCE AWARD**

In September of 2021, Dual Drive Technologies received the Environmental Excellence Award from the GPA Midstream Association, Dual. Drive was selected for its unique design which reduces greenhouse gas emissions and offers increased function efficiency associated with residue compression units in Energy Transfer's gas processing plants from the Eagle Ford Shale to the Delaware Basin of Texas, and everywhere in between.

#### SYSTEM RELIABILITY

The Dual Drive compression system significantly reduces the burden on the electrical grid during severe weather events and peak usage periods. Since the system is powered by both natural gas and electricity and can instantaneously transition between the two, the compressor can participate in demand response programs, providing flexibility for utilities in the event of degradation of the grid due to extreme high peaks or weather events. During the 2021 winter storm in Texas, the technology was instrumental in responding to market conditions by seamlessly transitioning between natural gas and electricity, thereby staying online during freezing conditions.

Dual Drive is bridging the gap between utility grid stability and improved air quality through reduced emissions, while at the same time being an energy management tool to control energy costs. It's a win-win for both the environment and the electrical grid.

#### **NOISE MITIGATION**

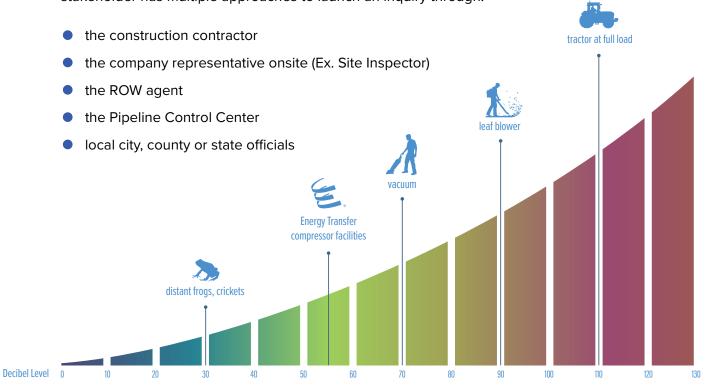
We take responsibility for controlling noise from our operations and will mitigate as necessary. We ensure compliance with federal, state and local regulations. Noise impact is a key consideration in our engineering and construction processes. We carefully analyze anticipated noise levels during the job scoping and planning stages of our projects and incorporate equipment and sound abatement tools in our operations.

If noise levels are expected to be problematic during construction and/or operation, mitigation measures are addressed during the project scoping, site selection process, and planning stages. Priority is determined based on the location selected and its proximity to high consequence areas (HCAs). Several factors are taken into consideration during this process:

- Location and population density of selected location
- Equipment or type of facility to be installed
- Proximity to HCAs

- Decibel rating on equipment to be installed
- Decibel rating on construction equipment to be utilized

All sound mitigation solutions are tailored to match specific noise abatement requirements, however, the most common form of sound mitigation used during construction are sound walls. Controls are determined by city, county and state regulations. Should a noise complaint arise, project managers are responsible and accountable for addressing the matter, and the stakeholder has multiple approaches to launch an inquiry through:



## WATER MANAGEMENT

**Energy Transfer significantly** increased the utilization of wastewater oil recovery in 2021. Wastewater from our extensive gas gathering system is collected in produced water tanks located at many of our facilities. We also have trucks that extract small amounts of wastewater from hundreds of pipe risers along our system. These wastewater streams are aggregated at centrally located processing sites that separate the oil and water. Through autonomous gravity separation processes, these recovery systems allow us to recover approximately 95 percent of the oil entrained in the wastewater from our gathering and boosting assets. The remaining water is then sent to third-party skimming processes where additional oil recovery occurs. Energy Transfer recovered nearly 150,000 barrels of oil and condensate in 2021—a 353 percent increase from 2020.

## INDUSTRY COLLABORATIONS

Energy Transfer aligns with organizations that focus on emissions reductions, sharing in best reporting practices, research, and the development of new technology to promote safety and improve environmental performance.

#### **ENERGY INFRASTRUCTURE COUNCIL AND GPA MIDSTREAM**

In 2020, the Energy Infrastructure Council (EIC) and GPA Midstream released the first-ever Midstream ESG Reporting Template. The ESG Reporting Template is the product of an extensive review of best-practice ESG reporting among member companies and the ESG reporting requirements from numerous critical stakeholders. The collaborative process included members from both EIC and GPA Midstream (including Energy Transfer) and featured significant participation from in-house ESG specialists and professionals with operational and technical expertise. To ensure widespread adoption, EIC received critical input and guidance from numerous investors. EIC and GPA Midstream are also continuing to expand investor and stakeholder engagement to ensure that the Reporting Template evolves as the ESG environment and midstream companies' ESG efforts advance. Version 2.0 of the template was released in April 2022, and we continue to participate with our industry partners in these ongoing efforts and look forward to sharing more about these efforts in our 2022 report.

#### INTELLIGENT PIPELINE INTEGRITY PROGRAM

The Intelligent Pipeline Integrity Program (iPIPE) is an industry-led consortium whose focus is to contribute to the advancement of new and emerging technologies to prevent and detect gathering pipeline leaks. Our participation in iPIPE is a proactive industry effort to evaluate new technologies that can be used for leak detection, leak prevention, change detection and pipeline risk modeling.

#### PIPELINE RESEARCH COUNCIL INTERNATIONAL

The Pipeline Research Council International (PRCI) is an industry research forum for technology developments and projects that assure the safe, reliable, environmentally sound and cost-effective pipeline transportation of energy to consumers worldwide. Energy Transfer participates in a leadership role in PRCI through Board membership and active participation in every technical committee, including the CO2 Task Force. Many of the research projects focus on the development of new technologies that help reduce direct and indirect emissions from pipeline operations.

#### **CENTER FOR LNG**

The Center for Liquefied Natural Gas (CLNG) advocates for public policies that advance the use of liquefied natural gas (LNG) in the United States and its export internationally. Natural gas has played a significant role in reducing carbon dioxide emissions from the U.S. power sector to 25-year lows. LNG offers the promise of a clean energy future that is affordable and accessible to all communities across the globe. Access to LNG can help lift people out of poverty, grow local economies, clean up the environment and enable access to modern, reliable energy.

# CONSERVATION & ENVIRONMENTAL STEWARDSHIP

We believe in protecting diverse ecosystems across our operational footprint and beyond. Protecting and preserving our treasured natural resources for future generations to enjoy is of great importance to us as a good corporate citizen and a responsible operator. We do this by maintaining our pipeline rights-of-way in a manner that nurtures native plant growth and fosters natural environments for wildlife habitats. We also partner with wildlife and conservation organizations to extend our efforts to positively impact the broader areas adjoining our rights-of-way and the communities through which our assets pass. Additionally, we take great care to plan new projects and maintenance activities in a manner that minimizes our environmental footprint as much as possible and restores the area to its natural beauty when we are done.

For years, Energy Transfer has proudly shown its commitment to the environment by supporting conservation-focused organizations. In 2021, Energy Transfer donated over \$1.4 million to support various environmental causes.

onservation & Environmental Stewardship | **55** 

# **ENVIRONMENTAL PROTECTION**

During the planning, construction and operation of new and existing infrastructure projects, we strive to protect the environment. An environmental review, using in-house subject matter experts and third-party specialists, is a key component for all projects.

We do the following during an environmental review to help reduce our footprint and maintain the natural integrity of the area:



Evaluate the location, scope and timing of new projects and adjust, when possible, to avoid impacts to vulnerable species or sensitive



Reestablish an



Develop, as necessary, and achieve mitigate residual impacts after appropriate measures have been applied.



Work with surface owners in a cooperative fashion to minimize and restore areas disturbed by our construction or operations.



Engage with affected parties on ecological preservation issues pertaining to our development, construction and ongoing operations, including interests specific to affected Indigenous peoples.



resources to implement this



Reduce the duration, intensity, extent and/or likelihood of impacts on the



Collaborate with peers through the sharing of best



Train employees on the importance of environmental protection and ecological preservation and provide information on the species or habitat sensitivities for the location or project on which they are working.



Report meaningful and relevant progress in accordance with project approvals, when appropriate.



Fully understand and comply with all applicable laws, rules, regulations, standards, and permit conditions intended to protect the ecosystems in which we operate, including the requirements to conduct baseline

#### RESTORATION

In addition to the comprehensive environmental review process, we work hard to restore our rights-of-way to their original state or better, and we partner with conservation organizations to protect natural resources and wildlife.

In 2021, a multi-year study on Integrated Vegetation Management (IVM) was successfully completed on Energy Transfer's right-of-way in Arkansas. IVM is defined as the practice of promoting desirable, stable, low-growing plant communities that will resist invasion by tall growing tree species through the use of appropriate, environmentally sound, and costeffective control methods. Studies like this provide new perspectives for managing rightsof-way and demonstrate successful cooperation between energy companies, conservation organizations, and state and federal regulatory agencies.







As part of the completion of the construction of the Mariner East pipeline project, we participated in "close-out" meetings with townships and municipalities across Pennsylvania. The pipeline system traverses seven State Game Lands - designated state lands with the primary purpose of managing habitat for wildlife and providing opportunities for lawful hunting and trapping. To construct our pipeline system beneath these tracts of land, we coordinated closely with the Pennsylvania Game Commission and successfully restored these critical lands post construction. In addition to right-of-way restoration, we made additional long-term investments in the region, including:



Expanding and improving roadway and parking places



Planting special seeds and trees to attract wildlife and support pollinators



Creating a large turkey habitat, including special tree and seed planting



Donating to the Ruffed Grouse Society to help create ruffed grouse habitat

# WETLAND CONSERVATION

Pipeline developers are required to obtain authorizations from the U.S. Army Corps of Engineers (Corps) as well as other state and federal regulatory agencies prior to constructing certain pipeline segments. The Corps is responsible for authorizing activities that may affect federally regulated waters and wetlands. Energy Transfer invests significant money on wetland mitigation before planning pipeline projects.

In 2021 alone, Energy Transfer spent over \$5.5 million on wetland mitigation projects.

- Gulf Run Since the early phases of planning the project in 2019, \$1.1 million has been invested in project mitigation.
- Nederland Marsh Development \$4.5 million
- Ted Collins Link \$714.000

#### DUCKS UNLIMITED PARTNERSHIP

Partnering with Ducks Unlimited (DU), we helped develop a multi-year program to support key wetland and grassland conservation efforts. Energy Transfer's \$5 million contribution helps conserve more than 8,500 acres of coastal wetlands and grasslands in Ohio and Louisiana. Our operations overlap with several of DU's priority landscapes and provide excellent opportunities to support wetlands conservation work. There were several notable project updates in 2021, including:

#### **LOUISIANA**

Atchafalaya Delta Wildlife Management Area (WMA) Energy Transfer Project Phase II: This project is located at Atchafalaya Delta WMA, which is a 137,000-acre wildlife management area at the mouth of the Atchafalaya River. The conservation objective of this project is to enhance and create deltaic wetlands by constructing one new crevasse and extending one existing crevasse. The two crevasses are located on the east side of the Atchafalaya River. One is located off Community Pass and the second is off of Natal Pass. The Natal Pass crevasse will be an extension of an original crevasse that was created as part of Phase I. These crevasses will allow for increased flow of freshwater and sediments to shallow water areas that have become somewhat isolated from the Atchafalaya River. The crevasses will improve habitat conditions for fish and wildlife and provide improved boat access for public hunting and fishing.

#### OHIO

Through our support, DU has helped more than 20 continuing conservation projects in Ohio through DU's Big Rivers Initiative and Great Lakes Initiative.

Andreoff Wildlife Area: DU helped the Ohio Division of Wildlife acquire and establish the Andreoff Wildlife Area, nearly 720 acres of prime Ohio habitat now open for recreational opportunities.



Toussaint Wildlife Area: This project restored 125 acres of Lake Erie coastal wetlands and featured restored fish passage into the wetlands.

Little Portage Wildlife Area: The engineering design is complete and DU expects to bid and contract the construction in summer 2022.

Middle Harbor Coastal Wetland: In 2021, DU installed a new vertical pump, which is used to manage water levels and fish passage in a 350-acre Lake Erie coastal wetland.

Buehler property: In 2021, DU restored 37.7 acres to native grass and trees.

Genzman property: In 2021, DU restored an 8-acre wetland and 29 acres of native grass and trees.

# WILDLIFE PROTECTION & HABITAT RESTORATION

We understand the many important benefits of maintaining healthy and diverse ecosystems and strive to minimize our impact on biodiversity in areas where we work and operate. As such, we take a proactive approach to partnering with organizations that help cultivate thriving ecosystems by protecting and preserving animals and their habitats:

#### LESSER PRAIRIE CHICKEN

We participate in the Lesser Prairie Chicken Candidate Conservation Agreement with Assurances, a collaborative effort of state wildlife agencies to help reduce the threats to at-risk species. Since joining the Conservation Agreement with industry partners, the Lesser Prairie Chicken population has more than doubled from 2014 levels.

#### TEXAS HORNSHELL MUSSEL

Energy Transfer supports the Texas Hornshell Mussel Candidate Conservation Agreement with Assurances. The Agreement is a collaborative effort with the U.S. Fish and Wildlife Service to reduce threats to this endangered species.

#### RUFFED GROUSE

We partner with the Pennsylvania Game Commission on the Roughneck Aspen Management Project to increase the amount of early successional habitat for ruffed grouse and woodcock.

#### TRI-STATE BIRD & RESCUE

We continue our annual support to Tri-State Bird Rescue & Research, a nonprofit conservation organization in Delaware that supports indigenous wild bird rehabilitation.



#### NATIONAL WILD TURKEY FEDERATION

In North Central Pennsylvania, our sponsorship of the Wolf Run wildlife area with the National Wild Turkey Federation helps support habitat management through a five-year prescribed fire project that helps restore pitch pine scrub oak communities that promote habitat diversity and excellent nesting conditions for wild turkeys.

#### PENNSYLVANIA STATE GAME LANDS

We donated 229 acres in southwestern Pennsylvania to the Pennsylvania Game Commission. The land is primarily wooded forest, which is common habitat for deer, grouse, bear and turkey. We donated the land as replacement habitat for areas of State Game Lands in Sullivan and Bradford Counties where we installed a natural gas pipeline.

#### WILDLIFE HABITAT COUNCIL

We continue our annual support of the Wildlife Habitat Council, a conservation organization that helps preserve and enhance biodiversity on corporate lands by empowering environmental stewardship through partnerships and education.

# PARTNERSHIP FOR THE DELAWARE ESTUARY

We continue our annual support of the Partnership for the Delaware Estuary, which leads collaborative, science-based efforts to improve the Delaware River and Bay, covering portions of Delaware, New Jersey and Pennsylvania.

#### ARBOR DAY FOUNDATION

As part of Energy Transfer's 25th anniversary celebration, we partnered with the Arbor Day Foundation to plant 25,000 trees in three domestic forests in Indiana, Michigan and Texas. The projects will help improve wildlife habitats and address other local environmental issues, including watershed restoration, disease, and invasive species control.

#### THE ENVIRONMENTAL PARTNERSHIP

Energy Transfer joined The Environmental Partnership in 2021, a growing coalition of nearly 100 energy companies committed to continuously improving the industry's environmental performance. The nonprofit organization is focused on working with member companies to adopt technology and best practices that will advance emission-reduction efforts.





#### LAVENDER FARM

Natural Resources Operations, a subsidiary of Energy Transfer, manages approximately 675,000 acres of land throughout parts of West Virginia, Kentucky, Indiana and Virginia. Land management activities include selling timber, managing royalties from oil, coal and natural gas, and leasing land for farming and industrial uses. One of the leases in West Virginia has an exceptional story: the Appalachian Botanical Company. Founded in 2019, the company grows lavender and raises bees on reclaimed coal land—a viable and economically sustainable path to rehabilitate old mining land. The Appalachian Botanical Company currently cultivates 75 acres and plans to expand in the future.

#### **CLEAN AIR ACTION CORPORATION**

Energy Transfer owns approximately six percent interest in the Clean Air Action Corporation. For three decades, the Clean Air Action Corporation has improved air quality through its tree planting program while providing income opportunities to farmers in Tanzania, Uganda, Kenya and India. Today, more than 100,000 farmers have planted over 20 million trees that protect against erosion, preserve biodiversity, and restore degraded land.





# **OUR SOCIAL RESPONSIBILITY**

We are committed to being a good neighbor, business partner and valued member of the communities in which our employees live and work. Our social responsibility approach not only advances our business and mission to be a trusted energy provider, but also helps build communities across the country.

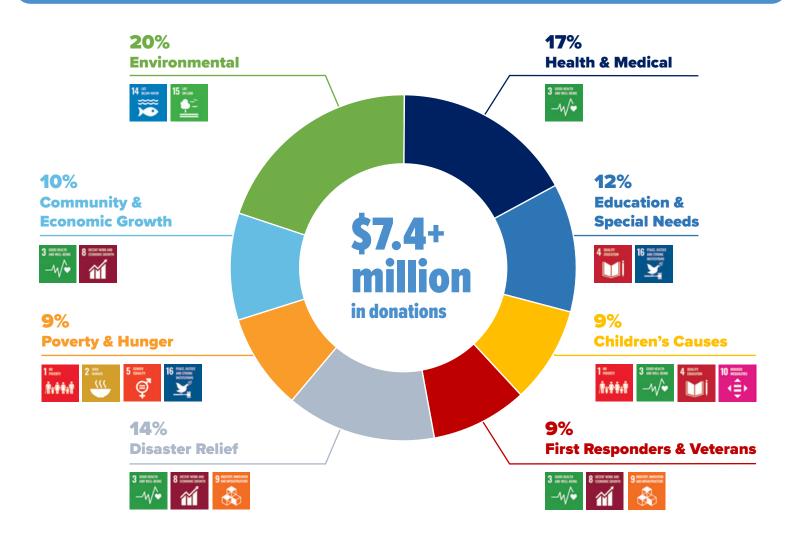


Lifting up the communities in which we operate is fundamental to who we are as a company. We do this by strategically investing in programs that make a difference in the lives of others by utilizing our robust corporate giving, employee giving, foundation giving and employee volunteer programs.

Our corporate giving efforts focus on nonprofit, 501(c)(3) organizations across the U.S. dedicated to education, hunger, health, veteran support, children's causes, environmental stewardship and combating homelessness. We have long-standing commitments to causes including MD Anderson Children's Cancer Hospital, Salvation Army, American Heart Association, Ronald McDonald House and many more. Big or small, national or local, every charitable organization has an important role in our communities.

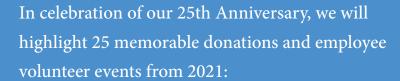


In 2021, Energy Transfer supported more than 250 local and national nonprofit organizations, donating \$7.4 million dollars. Our corporate giving efforts focus on nonprofit, 501c(3) organizations across the U.S. that support many of the United Nations Sustainable Development Goals.



Along with charitable donations, Energy Transfer employees are supported and encouraged to volunteer their time and talents to assist others in need and to build relationships in their communities. Despite the ongoing challenges of the COVID-19 pandemic, we were still able to make a difference in the lives of others by focusing our employee volunteer efforts on a combination of in-person activities that could be conducted safely while adhering to social distancing protocols, virtual volunteer activities, and through employee donations.

Emerging from the challenges posed by COVID-19, we are happy to report an increase in the total amount of volunteer hours in 2021. More than 1,200 Energy Transfer employees volunteered 2,700 total hours of their personal time—a 20 percent increase from 2020.



\*Sponsored in partnership with Sunoco



#### **Mercy Street**

Energy Transfer\* donated \$150,000 to Mercy Street Sports, the sports ministry of Mercy Street, a Christian nonprofit with a mission to cultivate mutually transforming relationships with inner-city youth through sports, Christian mentoring, and leadership development. Since 2013, Energy Transfer and its executives, along with the Energy Transfer & Sunoco Foundations, have provided more than \$950,000 to Mercy Street.

#### **MD Anderson Children's Cancer Hospital**

We were proud to support the MD Anderson Children's Cancer Hospital and help fund critical research to advance pediatric cancer treatments. In 2021, Energy Transfer\* donated \$1.6 million to MD Anderson Children's Cancer Hospital. This is our largest ever employee-driven campaign. Together with our employees, Energy Transfer has donated more than \$10 million to MD Anderson since 2014. Every dollar donated goes directly toward the innovative and lifesaving cancer research and patient care initiatives at MD Anderson Children's Cancer Hospital.

#### **Yellowstone Schools**

Energy Transfer donated \$50,000 to sponsor a kindergarten class at Yellowstone Schools in Houston, Texas. Yellowstone is committed to partnering with students and families to provide an excellent education, develop faith and character, and prepare scholars for life beyond high school. Yellowstone Schools educate nearly 500 low-income children.

#### S.M. Wright Foundation

Energy Transfer donated \$12,500 to the S.M. Wright Foundation to support two important holiday events in Dallas, Texas. The first, the annual Thanksgiving Feast, provides hot meals, groceries and clothing to lowincome and homeless families. The second, Christmas in the Park, supports thousands of less fortunate kids and families in need of holiday assistance.

#### **Corsicana COVID Vaccination Center**

**Energy Transfer proudly** donated 500 bottles of water and snacks to support emergency volunteers in Navarro County, Texas, during the COVID-19 vaccine rollout.

#### **Endeavors Veteran Wellness Center**

Energy Transfer donated \$250,000 to Endeavors to support San Antonio's first veteran wellness center. Endeavors is a longstanding national nonprofit that provides an array of programs and services in support of children, families, Veterans and those struggling with mental illness and other disabilities.

#### **Salvation Army's Red Kettle Program**

Energy Transfer donated \$50,000 to support the Salvation Army's Red Kettle Program. Since 2012, we've donated more than \$700,000 to support the Salvation Army and their efforts to combat poverty, provide disaster relief, and care for homeless youth.

#### **University of Mary's Workforce Development Program**

In 2018, Energy Transfer\* pledged \$5 million to support the University of Mary's state-of-the-art engineering facility and workforce development in North Dakota. In 2021, the workforce development initiative conducted 63 trainings for 872 participants.

#### **Got Our Troops**

Energy Transfer donated \$20,000 to the Got Our Troops Foundation (GOT) in Louisiana. GOT provides aid to military members and their families. Over the years, we have donated \$60,000 to the organization.

#### **First Responder Fund**

In 2021, Energy Transfer donated over \$280,000 to the First Responder Fund in Pennsylvania, Michigan and Ohio. The grants helped fund portable radios, turnout gear and vehicle equipment.

#### **Share the Shoes**

Energy Transfer's 5th Annual Share the Shoes partnership with the Dallas Police Department provides shoes for children in need. Energy Transfer donated \$13,800 and over 550 shoes.

#### Salvation Army's Angel Tree Program

One of our favorite holiday traditions — Energy Transfer donated \$27,000 and helped provide Christmas gifts for children in need.

#### **Toys for Tots Bike Drive**

Energy Transfer donated \$5,400 for Toys for Tots, helping to deliver educational toys, books and games to children in need across New Jersey and Ohio.

#### **Wreaths Across America**

Energy Transfer donated \$6,000 to Wreaths Across America, and employees volunteered across Texas, Florida, Delaware, Hawaii, Pennsylvania and Indiana to honor veterans by putting wreaths with red bows on the headstone of each veteran's grave.

#### **Meals on Wheels**

Energy Transfer donated \$30,000 to support the Meals on Wheels program in Houston, Dallas and San Antonio. Since 2013, Energy Transfer has proudly donated more than \$122,000 for nutritious meals to homebound seniors and disabled adults.

#### **Special Olympics**

Energy Transfer employees in Pennsylvania and Texas were proud to support the Special Olympics and support children and adults with intellectual and physical disabilities.

# Exton Little League Baseball Field

With a \$3.5 million donation, Energy Transfer funded the Exton Little League field and park in West Whiteland Township, Pennsylvania.

#### **Hurricane Ida Relief Efforts**

Energy Transfer donated \$75,000 to support the hurricane relief efforts of the American Red Cross and the Salvation Army in communities devastated by Hurricane Ida.

#### **Dallas Stars**

Energy Transfer became the home helmet sponsor of the Dallas Stars for the 2021-2022 NHL season.

#### **Astros Foundation**

Energy Transfer donated \$25,000 to the Astros Foundation as part of the season-long initiative that pledged \$25 for every strikeout recorded by an Astros pitcher at home in 2021. The initiative and the final donation total of \$25,000 recognizes and celebrates Energy Transfer's 25 years as a midstream energy leader.

# Harrisburg Community Foundation

Energy Transfer donated \$175,000 to the Harrisburg Community Foundation to support the Harrisburg Park Project in South Dakota.

#### **Cherokee Creek Music Festival**

Employees volunteered close to 1,500 hours in support of the Cherokee Creek Music Festival, an annual event benefiting various children's charities. Since 2007, \$2 million has been distributed among 12 different charities.

#### Fisher House

In honor of Veteran's Day, Energy Transfer donated \$25,000 to the Fisher House Foundation, an organization that builds homes where military and veteran families can stay free of charge while a loved one is in the hospital.

#### **McNeese State University Foundation**

A donation of \$10,000 went to support the McNeese State University Foundation in Lake Charles, LA. The foundation supports student scholarships through endowments.

#### **Linton Fire Department**

Energy Transfer supports numerous fire departments every year. The Linton Fire Department in Indiana received a donation of \$10.000.



# **2021 VOLUNTEER** OF THE YEAR AWARD

Energy Transfer's Brad Widener, Vice President of Operations at the Mont Belvieu Plant, was named Volunteer of the Year by the Mayor of Mont Belvieu. He was honored for his outstanding dedication to his community, further demonstrating the type of commitment and kindness we support in our leaders.



#### SUPPORTING OUR COMMUNITIES

In addition to charitable giving and employee volunteerism, we also support local communities through the payment of millions of dollars in taxes, including income, property, motor fuel and sales/ use taxes. These taxes help support local government services, build and maintain public roadways, and provide resources for first responder organizations, hospitals, public schools and much more.

Energy Transfer paid **\$70 million** in income tax in 2021.

Energy Transfer paid nearly \$560 million in property taxes across 40 different states.









The total motor fuel and sales/use tax paid, collected and remitted by Energy Transfer in 2021 was over \$137 million.









Note: Excludes taxes paid by Sunoco

#### RESPECTFUL STAKEHOLDER ENGAGEMENT

We are committed to operating our business in a manner that honors and respects all people and the communities in which we do business. Our Code of Business Conduct and Ethics and Stakeholder Engagement Policy require that company business be conducted in a lawful and ethical manner. These policies are designed to build trust in the communities in which we operate.

Every employee acting on behalf of the Partnership must adhere to these policies:

## Respect and Trust

Positive, meaningful relationships are based on mutual respect and trust. We are committed to understanding issues from the stakeholders' perspective, as those issues relate to our plans and project needs.

## **Meaningful Outreach**

We engage with affected stakeholders early and often when planning a project. Stakeholders include landowners, community and business leaders, local, state and federal government officials, and all appropriate regulatory officials.

#### **Accurate Information**

We consistently provide stakeholders with accurate and timely information regarding the importance of energy infrastructure, the reason and need for proposed projects, and the processes in place that govern our projects.

# **Good Faith Negotiations**

We listen to stakeholders' concerns while negotiating honestly and in good faith.

# **Timely Response**

We respond in a timely manner to stakeholders' concerns. We also provide stakeholders a single point of contact to enable direct communications in response to project concerns.

In addition to our own guidelines, Energy Transfer has adopted America's Natural Gas Transporters' Commitment to Landowners, which has been endorsed by the Interstate Natural Gas Association of America (INGAA) and is applicable to all of our infrastructure projects across all product lines.

#### EXTERNAL STAKEHOLDER RELATIONSHIP MANAGEMENT

Stakeholder engagement is a priority. We have several teams of liaisons who establish and maintain relationships with a variety of external stakeholders, including local communities, state and local governments, and the investment community. These teams include:



# **Right-of-Way (ROW)**

This ROW team manages land-related matters for all projects - from new construction to day-to-day ongoing operations. With 60 full-time employees, 40 of whom serve as land agents, the team manages landowner relationships along Energy Transfer's entire pipeline system. The number of land agents at a local level may increase during construction projects to include contractors. Land agents are our "boots on the ground" that work with landowners along our pipeline routes to obtain survey permission, negotiate voluntary easement agreements, manage questions and concerns during construction, and ensure the landowner is satisfied through the life of the pipeline. Landowners can contact their land agent any time during construction of a pipeline or throughout its operations. Once a project is complete and in-service, our ROW Team continues to be the primary source for ongoing communication with landowners.



#### **Public Affairs**

Our Public Affairs professionals communicate early and often with county and municipal officials, emergency managers, school administrators, and other local management stakeholders. Prior to construction, public affairs liaisons consult with stakeholders to assess potential impacts and bring feedback to the project team for collaborative design and mitigation measures. Liaisons maintain those relationships throughout construction in order to provide updates, answer questions or address concerns.



#### **Government Relations**

Our Government Affairs team engages, develops and maintains relationships with local, state and federal officials in order to share information about proposed and existing company projects, provide feedback on proposed legislation, and discuss broader industry and economic issues. They provide counsel to all levels of Energy Transfer's organization and support other departments, including Legal, Compliance, and Public Relations, with stakeholder and regulatory engagement, media relations, and employee communications activities.



#### Investor Relations

Our Investor Relations team serves as the bridge between our management team and our key financial stakeholders. They work to maintain an open dialogue and build strong relationships with all of our current and potential investors by providing transparent and timely company updates. Resources include press releases, quarterly earnings calls and regularly posting investor presentations and SEC filings to our corporate website. Throughout 2021, our investor relations and executive management teams engaged in numerous investor conferences, meetings and phone calls to discuss Energy Transfer's goals and key milestones, growth outlook, ESG initiatives, and other current events.

# **RESPECT FOR ALL PEOPLE, TRADITIONS AND CULTURES**

We believe that creating healthy, strong communities requires a collective commitment to doing what is right. That includes respecting local cultures, supporting economic development opportunities, and engaging with those organizations that care for our communities.

We operate our business in a manner that honors and respects all people and the communities in which we do business. We believe in fostering a respectful workplace by sharing our varied backgrounds to make us a stronger, more successful organization.







We proudly support women in the energy industry, with women holding nearly 20% of our key leadership positions in 2021. Additionally, we employ nearly 625 women in our operations and engineering departments alone, helping to make our Partnership what it is today.

20% of key positions are female led

625 women in our operations and engineering departments We are strong supporters of our military and are pleased to have more than 600 veterans and active service members of the U.S. military within the Energy Transfer family. We support numerous community-based programs dedicated to making life better for those who serve or have served our country, such as Carry the Load, Got Our Troops Foundation, and Helicopters for Heroes.

**Employing** 

veterans and active service members of the **U.S.** military

We also respect the history and culture of indigenous people and recognize their legally protected rights. We maintain multi-year easement agreements with 17 Native American Tribes across seven different states. In 2021, we spent \$17.1 million on mutually agreed easements. Additionally, we were pleased to fund a total of \$36,000 in scholarships to support various Native American schools.

**Maintain** multi-year easement agreements with

**Native American Tribes** 

# **DISCIPLINED & ETHICAL CORPORATE GOVERNANCE**

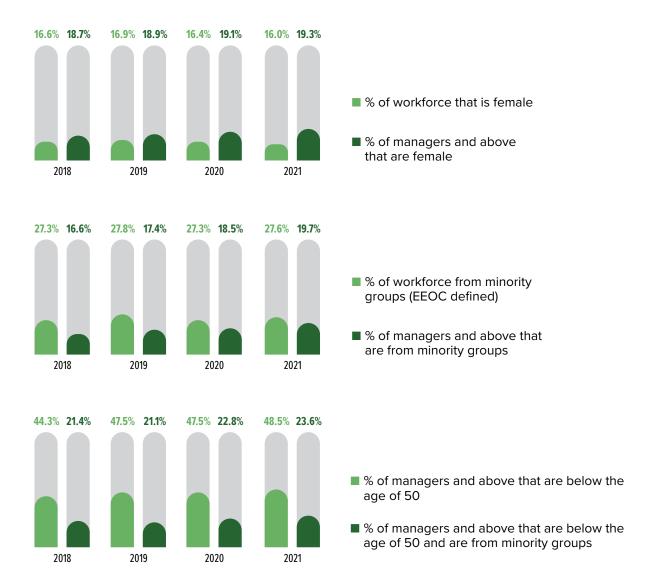
Energy Transfer's Board of Directors and its leadership team work closely to monitor risks and opportunities. The ethical standards of our Partnership rest on obeying the law and doing what is right. Every Energy Transfer employee must respect and obey the laws of the cities, states and countries in which we operate. And we believe that strict adherence to our Code of Business Conduct and Ethics policy is not only the right thing to do, but it is in the best interest of the Partnership, our unitholders, our customers, and the industry in general. In all instances, our policies require that business be conducted in a lawful and ethical manner, and every employee acting on behalf of the Partnership must adhere to these policies. Employees who violate these policies will be subject to disciplinary action and/or discharge.

# THE ENERGY TRANSFER FAMILY

At Energy Transfer, we realize our dedicated, results-driven employees are our most valued asset. Energy Transfer and its consolidated subsidiaries employed a total of 12,558 employees in 2021. We go to great lengths to recruit and invest in our employees who share our core values and who bring their own unique backgrounds, experiences, and perspectives to share in our vision of excellence and growth. We value a diverse and respectful workplace. To recruit and retain our employees, we strive to offer competitive wages, provide learning and advancement opportunities, and foster an atmosphere where health, safety, and wellness are significant factors in how we structure our business.

#### **EMPLOYEE DEMOGRAPHICS**

Note: 2021 excludes workforce numbers from Enable. The acquisition was completed in December 2021 and will be reported in our 2022 report. Excludes Canadian offices.



#### **WORK LIFE BALANCE**

Work life balance is an important part of the Energy Transfer family culture, and we can proudly report that on average 93 percent of our employees are local, residing within 50 miles of their respective offices. This was calculated by looking at our offices across the country that employ 50 employees or more. This dynamic creates more opportunities for our employees to spend time with their families and less time commuting to and from the office each day.

As a United States-based company, Energy Transfer makes it a priority to keep jobs local, as opposed to outsourcing to other countries. Various corporate services, including Human Resources and Information Technology, are based in the United States.

## **EMPLOYEE TRAINING & DEVELOPMENT**

We believe a company is only as good as its people. That's why we invest in their growth through training and development opportunities to ensure that our employees across the country are prepared and empowered to lead. Employees are encouraged to invest in themselves – and leadership is driven to inspire employees—to maintain a unified focus on operating excellence. At the end of the day, our people are our most valued resources. Excellent training and development, combined with a culture of honesty, trust and respect, results in a company with strong values engrained into its foundations and employees.

In 2021, we rolled out a new, comprehensive training dashboard that allows company management to actively monitor training activities. Companywide, there are 16 compliance trainings that are actively managed and updated, in addition to numerous targeted trainings. As a result of the new dashboard, employee trainings are prioritized, and completion rates have improved. In 2021, over 99 percent of Energy Transfer employees completed the annual Code of Business Conduct and Ethics training. In addition, 99 percent of employees completed the annual harassment training.

#### REQUIRED COMPLIANCE TRAININGS FOR ALL EMPLOYEES INCLUDE:

FERC **Standards of Conduct**  FCPA/ **Anti-Corruption**  **Code of Business Conduct and Ethics** 

Conflicts of Interest. Gifts, Insider Trading

Sexual Harassment

The Compliance Training department keeps open lines of communication with the Office of Ethics and Compliance (OEC), Legal, Human Resources and other various departments in determining and adjusting the training materials. The OEC reviews gifts, conflicts of interest, due diligence, and ethics helpline activity, and provides feedback to the Compliance Training department on necessary changes based on compliance incidents. Each training course provides the participant with the contact information of applicable departments if they need guidance or have any questions or concerns.

Employees have access to webinars that expand their knowledge of our business, enhance their interpersonal skills, and encourage the ongoing development of business skills. Energy Transfer also offers a series of leadership development courses designed to educate supervisors on how to lead and motivate employees, along with how to effectively engage in performance and development conversations with direct reports.

As of December 16, 2020. additional to our procurementrelated contracts (and many of our services agreements) that requires suppliers to sign off on the Code of Business Conduct and Ethics. As of January 5, 2021, existing suppliers must sign the contract Code of Business Conduct and Ethics Form.

#### EMERGING LEADERS

Energy Transfer's Emerging Leaders Program is a development program for selected individual contributors to teach employees management skills and expand their knowledge of the business. To date, 66 percent of Emerging Leaders graduates have been promoted into a supervisory role.

#### ENERGY TRANSFER/SMU EXECUTIVE LEADERSHIP DEVELOPMENT PROGRAM

Our Executive Leadership Development Program, developed in partnership with SMU's Cox School of Business, is designed to provide an advanced, high-quality learning experience for our senior executives to develop the following areas of leadership:

- Leveraging Trust & Influence for Results
- Leading Effectively & Understanding Organizational Change
- The Impact of Culture
- Strategic Thinking for the Entrepreneurial Mindset

#### INTERNSHIP PROGRAM

Energy Transfer offers a unique internship opportunity for college-aged students. The 12-week program provides real-world experience within various departments including tax, accounting, commercial, engineering, marketing, supply chain, alternative energy, and finance, and is combined with thoughtful mentorship opportunities. In 2021, Energy Transfer employed 15 interns across the company.

Vernon, an intern supporting the newly developed Alternative Energy Group, had this to say about his experience:

"Energy Transfer created an environment that allowed me to develop an understanding of the oil and gas industry and apply it to the emerging sector of alternative energy. My managers helped me better understand the large-scale perspective of how a public company, like ET, will make a positive impact on the alternative energy space and add real-world environmental and economic value."

## **EMPLOYEE SUPPORT**

Energy Transfer has policies which provide for, with appropriate management approval, work from home, part-time employment, and flexible work schedules, including flextime between the hours of 6 a.m. and 7 p.m. and, at some locations, compressed work schedules. These policies are included in the Partnership's Employee Handbook and Collective Bargaining Agreements.

The Partnership offers a Flexible Spending Account for dependent care. The program is offered to 100 percent of eligible employees. All employees are eligible for the Employee Assistance Program that helps find childcare and elder care resources in the employee's community as well as counseling services that can help with family and parenting challenges. Additionally, lactation rooms are available at many of our offices.

In addition to the Family Medical Leave Act, the Company provides Short-Term Leave and Long-Term Disability for employee's own injury or illness and paid sick time and personal leave options for reasons not covered under FMLA or Short-Term Leave, such as reasonable dependent care leave or other personal reasons.

Regarding COVID-19, as an essential business providing critical energy infrastructure, the safety of our employees and the continued operation of our assets are our top priorities, and we will continue to operate in accordance with federal, state and local health guidelines and safety protocols. We have implemented several new policies and provided employees with training to help maintain the health and safety of our workforce.

When asked what she likes about her job in crude trucking:

Brandi McDonald, who has been with the company for 10 years, talks about the time she is able to be home with her family, the longevity of the job, and our benefits package, including a 401k. McDonald said "I see the future" when thinking about her career with Energy Transfer.

## **BOARD OF DIRECTORS**

Energy Transfer's Board of Directors (Board) provides general oversight of the business and engages with management to deliver value to our stakeholders. The Board has adopted both the Code of Business Conduct and Ethics applicable to our directors, officers and employees, and Corporate Governance Guidelines for the Board.

In 2021, the Board comprised 11 persons, six of whom qualified as "independent" under the NYSE's corporate governance standards. They have experience, skills and qualifications relevant to the business of Energy Transfer, such as experience in energy or related industries or with financial markets, expertise in natural gas operations or finance, and a history of service in senior leadership positions. They also have significant experience in corporate responsibility-related matters.

#### THE BOARD HAS THREE COMMITTEES:



#### **Audit**

The Audit Committee has the authority and responsibility to review our external financial reporting, review procedures for internal auditing and the adequacy of our internal accounting controls, and engage and direct our independent accountants. The Audit Committee provides risk oversight through its quarterly meetings, where it receives a report from Energy Transfer's internal auditor, who reports directly to the Audit Committee, and reviews Energy Transfer's contingencies with management and our independent auditors.



#### **Conflicts**

The Conflicts Committee generally reviews any proposed related-party transaction that may be material to Energy Transfer to determine if the transaction presents a conflict of interest and whether the transaction is fair and reasonable to Energy Transfer.



## Compensation

The Compensation Committee establishes standards and makes recommendations concerning the compensation of our officers and directors. In addition, the Compensation Committee determines and establishes the standards for any awards to our employees and officers under the equity compensation plans, including the performance standards or other restrictions pertaining to the vesting of any such awards.

## RISK MANAGEMENT

Energy Transfer's management team oversees our Enterprise Risk Management program to identify, evaluate and manage risk exposure. Our risk management policies and procedures are instituted at every level by managers and above and are monitored and reviewed for effectiveness through an audit assessment, the results of which are reported to executive management.

A Compliance Risk Assessment is conducted every two years (and more frequently, if necessary, based upon changes to the business environment) by the Office of Ethics and Compliance, which reports to Energy Transfer's Legal Department. The Internal Audit Group prepares an annual audit plan (identifying areas of risk and potential for review) and conducts audits on the effectiveness of policies on a periodic basis. These results are communicated to the executive management team and to the Audit Committee of the Board.

## CYBERSECURITY PROGRAMS

Protecting the nation's energy infrastructure from the real and ever-changing threats from cybercriminals is a critical focus for Energy Transfer. Our Security Operations Center processes over 3,500 security events per second. Over 10 million emails per month are discarded for being malicious and 70 percent of email is never delivered.

We strive to proactively protect the organization's property, mission, customers, employees, and the public through a robust cybersecurity program modeled after the National Institute of Standards and Technology (NIST) Cybersecurity Framework and led by the Information Security Management Office. Through partnerships with the Federal Bureau of Investigation (FBI), Cybersecurity and Infrastructure Security Agency (CISA), Transportation Security Administration (TSA), and the U.S. Coast Guard (USCG), we follow industry cybersecurity standards and work diligently to protect the nation's critical infrastructure against cyberattacks from domestic and international threats. Using a defense-in-depth approach, layers of technology, policies and training are employed at all levels of the enterprise to keep the company's IT and SCADA assets secure and operational. We use security threat intelligence, incident response, strong identity and access management, supply-chain security assessments, endpoint protection, network segmentation, event monitoring, and a Security Operations Center (SOC) to ensure the confidentiality, integrity, and availability of systems. Our security program is vetted through third-party audits, assessments, and penetration tests to validate its effectiveness and compliance with legal and regulatory requirements.

## **ETHICS HELPLINE**

Energy Transfer has an anonymous and confidential third-party administered helpline, EthicsPoint, that is available 24 hours a day. Any person - an employee, former employee, whistleblower, or concerned citizen - can report instances of possible non-compliance. There is an established process for appropriately handling reports. All reports are escalated to the Chief Compliance Officer, the Office of Ethics and Compliance, Human Resources and the Internal Audit Group and then investigated and promptly resolved. The Code of Business of Conduct and Ethics is clear that retaliation will never be tolerated for anyone raising a possible compliance issue in good faith. The company does not allow any form of retaliation against employees based upon their use of the helpline or reporting of any violations of the law or company policies.

## UNION RELATIONS

Energy Transfer respects the right of its employees to choose whether to be represented by a union. Approximately 1,365 of Energy Transfer's employees in the U.S. are represented by unions. Additionally, Energy Transfer has a long-standing collective bargaining agreement (CBA). Generally consistent with industry standards, our CBAs are subject to renegotiations after terms of three or four years. After each negotiation, an updated CBA is provided by the Partnership to all represented employees and their management. In addition, the Partnership will train management on any changes so they understand the rights of the employees under the CBA, and often, at the union's request, will assist the union with the materials for training the represented employees on the CBA. Each of Energy Transfer's CBAs has a non-discrimination clause that specifically explains and protects each represented employee's right to join and assist the union, free of discrimination or intimidation. All CBAs have multi-step grievance procedures that allow a represented employee and the union to raise grievances to various levels of management and, if needed, seek resolution through a decision by a neutral arbitrator.

Energy Transfer has a well-established history of positive, cooperative business relationships with the unions representing our employees. We seek to build and strengthen our relationship with labor leadership through two-way, open and honest communication that promotes a greater understanding of Partnership and employees' needs and fosters opportunities for growth for both.

## **EQUAL OPPORTUNITY AND NON-DISCRIMINATION**

From our founding in 1996 to the present, whether our number of employees was 20 or now more than 12,000, Energy Transfer has had a steadfast, unwavering commitment to equal employment and non-discrimination. Energy Transfer's Equal Employment Opportunity and Anti-Discrimination, Anti-Harassment, Non-Retaliation and Disability Accommodation Policies are set forth in our Employee Handbook as our Governing Principles of Employment ("EEO Policies"). These EEO Policies prohibit any discrimination, harassment and/or retaliation based on race, color, religion, sex, national origin, age, disability, pregnancy, veteran status, citizenship status, or any other characteristic protected by law. These EEO Policies clearly provide employees with multiple avenues to report any violations of the policies, including to the employee's Human Resources representative, any manager, the EVP and CHRO, or to a confidential helpline. Reports can be made anonymously, and the Partnership commits in these policies to promptly investigate any reports of violations and, where it determines that a violation of policy has occurred, to take appropriate corrective and/or preventative actions. Employees are informed of and acknowledge their understanding of these policies from the start of their employment. In addition, to ensure its locations have all required employment law posters, the Partnership engages a third-party service that monitors and provides the Partnership with all postings required by applicable federal, state and local law.

The Partnership promotes equal employment and equal opportunity through various measures. These measures include but are not limited to:

## **Equal Employment Opportunity** & Anti-Discrimination Policy

Provides for multiple avenues to report and have grievances addressed

## Leadership & **Developmental Trainings**

Offered through our Learning and Development Organization, including our Leadership training program that is required for all managers and above

## **Affirmative Action Programs**

Covers all U.S. employees of Energy Transfer and promotes equal opportunity through our analysis, reporting, and monitoring of the Partnership's employment selection processes and other personnel activities and development of placement goals and action-oriented programs to remove impediments and enhance equal employment opportunities for women, minorities, individuals with disabilities and protected veterans

With respect to our selection processes, the Partnership posts all jobs with Circa, a company that partners with over 21,000 outreach partners that include veterans, women, and minorities. We also support gender pay equality.

## STAFFING PHILOSOPHY

A cornerstone of Energy Transfer's staffing philosophy is a commitment to maintaining an efficient organization. This commitment is fueled by our belief that protecting the job security of our employees through economic downturns and reorganizations is fundamental to retaining our employees and treating them as our most valued resource.

Throughout the Partnership, a strict job requisition approval policy, which requires multiple levels of management review including executive-level reviews, ensures appropriate workforce planning and avoids or minimizes redundancies.

When changing and, at times, unforeseeable business circumstances result in the unavoidable need to reorganize and reduce the workforce, all such reorganizations and reductions are carefully reviewed by and coordinated through the Human Resources department. In addition, where possible, measures are taken by management and Human Resources to redeploy affected employees into appropriate open Partnership jobs. Energy Transfer offers job placement services and severance plans, which provide severance payments and continuation of health care benefits to help mitigate the consequences of employment loss for affected employees.

As part of our core values of doing the right thing and valuing our people, Energy Transfer always strives to avoid or minimize involuntary workforce reductions. While the business circumstances and exigencies involved in each restructure differ, Energy Transfer has routinely used measures such as reducing the workforce through attrition, hiring freezes, elimination of overtime, reduction of scheduled work hours, internal redeployment, and reduction of contractors to avoid or minimize the impact to our workforce.

## **SUBSIDIARIES AND AFFILIATES**

In addition to our core business segments, we also have a stake in various operations held by multiple subsidiaries and affiliates, which include retail propane, natural gas marketing services, natural resources operations, and natural gas compression services, among others. Subsidiaries and affiliates in these areas include:











## INDUSTRY AFFILIATIONS

Energy Transfer partners and collaborates with national and state trade and professional associations that represent and support the oil and gas industry. We share information, participate in legislative and regulatory advocacy, promote pipeline research and technology advancements, and seek to foster a common alliance in navigating the future of the industry.

## WE MAINTAIN ASSOCIATIONS WITH THE FOLLOWING ORGANIZATIONS:

Arizona Tax Research Assn.

Arkansas Independent Producers & Royalty Owners

Association of Oil Pipelines

Chamber of Commerce of the US

Colorado Oil & Gas Association

Common Ground Alliance

Consumer Energy Alliance

Energy Equipment & Infrastructure Alliance

**Energy Infrastructure Council** 

**Environmental Partnership** 

Florida Energy Pipeline Association

Gas Processors Association

Greater Oklahoma City Chamber of Commerce

Illinois Chamber of Commerce

**INGAA** Foundation

Intelligent Pipe Integrity Program (iPIPE)

International Liquid Terminals Association

Iowa Association of Business & Industry

Jobs for Texas

Louisiana Association of Business & Industry

Louisiana Gas Association

Louisiana Midcontinent Oil & Gas Association

Michigan Chamber of Commerce

Michigan Oil & Gas Association

National Association of Manufacturers

National Petroleum Council

New Mexico Oil & Gas Association

New Mexico One Call Board

North Dakota Chamber of Commerce

North Dakota Petroleum Council

Ohio Oil & Gas Association

Oklahoma State Chamber of Commerce

Petroleum Alliance of Oklahoma

Pipeline Research Council International

South Dakota Chamber of Commerce

Southern Gas Association

Texas Association of Manufacturers

Texas Civil Justice League

Texas Gas Association

Texas Oil & Gas Association

Texas Pipeline Association

Texas Taxpayers & Research Association

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GRI Standard	Disclosures	Description	Location or Direct Answer
GRI 102: General Disclosures 2016			
GRI 102: General	Organization pro	file	
Disclosures 2016	102-1	Name of the organization	Energy Transfer LP
	102-2	Activities, brands, products, and services	<ul> <li>2021 Annual Report on Form 10-K, Item 1. Business, Segment Overview, pages 10-15.</li> <li>Asset Overview, page 7.</li> </ul>
	102-3	Location of headquarters	8111 Westchester Drive, Suite 600, Dallas, Texas 75225
	102-4	Location of operations	Asset Overview, page 7.
	102-5	Ownership and legal form	2021 Annual Report on Form 10-K, Item 1. Business, Overview, pages 8-9.
	102-6	Markets served	2021 Annual Report on Form 10-K, Item 1. Business, pages 1-28.
	102-7	Scale of the organization	<ul> <li>2021 Annual Report on Form 10-K, Item 1.         Business, Human Capital Management,         pages 42-43.</li> <li>Asset Overview, page 7.</li> <li>2021 Annual Report on Form 10-K,         Consolidated Statements of Operations.         Selected Financial Data, page F - 6.</li> <li>2021 Annual Report on Form 10-K, Item 7.         Management's Discussion and Analysis         of Financial Condition and Results of         Operations, Segment Operating Results,         pages 98-107.</li> </ul>
	102-8	2021 Annual Report on Form 10- K, Item 1. Business, Human Capital Management, page 42-43.	2021 Annual Report on Form 10-K, Item 1. Business, Human Capital Management, page 42-43.
	102-9	Supply chain	Our Value Chain: An Integrated Model, page 14.
	102-10	Significant changes to the organization and its supply chain	2021 Company Highlights, pages 10-13.
	102-12	External initiatives	<ul> <li>Alternative Energy Initiatives, pages 19-21.</li> <li>Respectful Stakeholder Engagement,         <ul> <li>External Stakeholder Engagement, pages 66-67.</li> </ul> </li> <li>Extensive Public Awareness, page 43-44.</li> <li>Culture of Continuous Improvement, page 26.</li> <li>Industry Collaborations, page 54.</li> <li>Wetland Conservation, pages 58-60.</li> <li>Our Social Responsibility, pages 61-65.</li> </ul>
	102-13	Membership of associations	Industry Affiliations, pages 78-79.

GRI 102: General	Strategy		
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	102-15	Key impacts, risks, and opportunities	2021 Annual Report on Form 10-K, Item 1A. Risk Factors, pages 43-86.
	Ethics and int	egrity	
	102-16	Values, principles, standards, and norms of behavior	Energy Transfer website, Governance & Policies, Code of Business Conduct and Ethics     Energy Transfer website, About, We Believe in Doing What's Right     Energy Transfer website, Safety Culture, Our Safety Values     Energy Transfer website, Corporate Responsibility, Respecting All People and All Cultures     Energy Transfer website, Corporate Responsibility, Our Values and Principles
	102-17	Mechanisms for advice and concerns about ethics	Energy Transfer EthicsPoint Confidential Hotline
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	102-18	Governance structure	2021 Annual Report on Form 10-K, Item 10.  Directors, Executive Officers and Corporate  Governance, pages 139-145.
	102-19	Delegating authority	2021 Annual Report on Form 10-K, Item 10.  Directors, Executive Officers and Corporate  Governance, pages 139-145.
	102-20	Executive-level responsibility for economic, environmental, and social topics	2021 Annual Report on Form 10-K, Item 10.  Directors, Executive Officers and Corporate Governance, pages 139-145.
	102-21	Consulting stakeholders on economic, environmental, and social topics	2021 Annual Report on Form 10-K, Item 10. Directors, Executive Officers and Corporate Governance, Meetings of Non-management Directors and Communications with Directors, page 141.
	102-22	Composition of the highest governance body and its committees	Energy Transfer website, Governance & Policies, Board of Directors     2021 Annual Report on Form 10-K, Item 10.     Directors, Executive Officers and Corporate Governance, pages 139-145.
	102-23	Chair of the highest governance body	2021 Annual Report on Form 10-K, Item 10.  Directors, Executive Officers and Corporate Governance, Directors and Executive Officers of Our General Partner, page 141.
	102-24	Nominating and selecting the highest governance body	<ul> <li>2021 Annual Report on Form 10-K, Item 10.         Directors, Executive Officers and Corporate         Governance, Board of Directors, page 139.     </li> <li>Energy Transfer website, Governance &amp; Policies, ET Corporate Governance Guidelines, II. Director Qualifications, pages 1-2</li> </ul>

GRI 102: General Disclosures 2016	102-25	Conflicts of interest	<ul> <li>2021 Annual Report on Form 10-K, Item 10.         Directors, Executive Officers and Corporate         Governance, Conflicts Committee, pages 140.     </li> <li>Energy Transfer website, Governance &amp; policies, ET Audit Committee Charter, page 7, paragraph 26</li> <li>Energy Transfer website, Governance &amp; Policies, Code of Business Conduct and Ethics, Conflict of Interest, page 5</li> <li>Energy Transfer website, Governance &amp; policies, ET Ethics for Senior Financial Officers, page 1, paragraph 1</li> </ul>
	102-26	Role of highest governance body in setting purpose, values, and strategy	Energy Transfer website, Governance & Policies, ET Corporate Governance Guidelines, III. Director Responsibilities, E. Meeting Agendas, page 3
	102-27	Collective knowledge of the highest governance body	Energy Transfer website, Governance & Policies, ET Corporate Governance Guidelines, VII. Director Orientation and Continuing Education, page 5
	102-28	Evaluating the highest governance body's performance	Energy Transfer website, Governance & Policies, ET Corporate Governance Guidelines, IX. Annual Review, page 5
	102-29	Identifying and managing economic, environmental, and social impacts	<ul> <li>2021 Annual Report on Form 10-K, Item 10.         <u>Directors, Executive Officers and Corporate Governance, Risk Oversight, page 139.</u> </li> <li>Energy Transfer website, Governance &amp; Policies, ET Audit Committee Charter, page 7, paragraph 24</li> </ul>
	102-30	Effectiveness of risk management processes	<ul> <li>2021 Annual Report on Form 10-K, Item 10.         Directors, Executive Officers and Corporate Governance, Risk Oversight, page 139.     </li> <li>Energy Transfer website, Governance &amp; Policies, ET Audit Committee Charter, page 7, paragraph 24</li> </ul>
	102-31	Review of economic, environmental, and social topics	2021 Annual Report on Form 10-K, Item 10. Directors, Executive Officers and Corporate Governance, Risk Oversight, page 139.
	102-33	Communicating critical concerns	2021 Annual Report on Form 10-K, Item 10. Directors, Executive Officers and Corporate Governance, Meetings of Non-management Directors and Communications with Directors, page 141.
	102-35	Remuneration policies	<ul> <li>Energy Transfer website, Governance &amp; Policies, ET Corporate Governance Guidelines, VI. Director Compensation, pages 4-5</li> <li>Energy Transfer website, Governance &amp; Policies, ET Compensation Committee Charter</li> <li>2021 Annual Report on Form 10-K, Item 11. Executive Compensation, pages 146-161.</li> <li>2021 Annual Report on Form 10-K, Item 10. Directors, Executive Officers and Corporate Governance, Compensation and Nominating/Corporate Governance Committee, pages 140-141.</li> </ul>

GRI 102: General	102-36	Process for determining remuneration	2020 Annual Report on Form 10-K, Item 11.
Disclosures 2016			<ul> <li>Executive Compensation, pages 146-161.</li> <li>Energy Transfer website, Governance &amp; Policies, ET Compensation Committee Charter</li> </ul>
	102-38	Annual total compensation ratio	2021 Annual Report on Form 10-K, Item 11.  Executive Compensation, CEO Pay Ratio, page 160.
	Stakeholder e	engagement	
	102-40	List of stakeholder groups	Respectful Stakeholder Engagement, pages 66-67.
	102-41	Collective bargaining agreements	2021 Annual Report on Form 10-K, Item 1A. Risk Factors, page 51, third italicized paragraph.
	102-42	Identifying and selecting stakeholders	Respectful Stakeholder Engagement, pages 66-67. Extensive Public Awareness, page 43.
	102-43	Approach to stakeholder engagement	Energy Transfer website, Corporate     Responsibility, Stakeholder Engagement     Policy.     Respectful Stakeholder Engagement; External     Stakeholder Relationship Management, pages     66-67.     Extensive Public Awareness, page 43.
	Reporting pra	ctice	
	102-45	Entities included in the consolidated financial statements	2021 Annual Report on Form 10-K, Item 15. Exhibits and Financial Statement Schedules, Exhibit Number 21.1: List of Subsidiaries, hyperlink available on page 173.
	102-46	Defined report content and topic Boundaries	Table of Contents
	102-47	List of material topics	Table of Contents
	102-48	Restatements of information	Not applicable.
	102-49	Changes in reporting	The 2021 Corporate Responsibility Report was expanded.
	102-50	Reporting period	January 1, 2021 through December 31, 2021
	102-51	Date of most recent report	December 1, 2022
	102-52	Reporting cycle	Annual
	102-54	Claims of reporting in accordance with the GRI Standards	This index has been prepared with reference to the GRI Standards.
	102-55	GRI content index	This document represents the content index.
	102-56	External assurance	No external assurances sought for the report.
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GRI 201: Economi	c Performance	2016	
GRI 103:	Management	approach disclosures	
Management Approach 2016	103-1	Explanation of the material topic and its Boundary	2021 Annual Report on Form 10-K.
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GRI 201:	Topic-specific	disclosures	
Economic Performance 2016	201-1	Direct economic value generated and distributed	<ul> <li>2021 Annual Report on Form 10-K, Notes for Consolidated Financial Statements, 17. Reportable Segments, pages F - 73 through F - 76.</li> <li>2021 Annual Report on Form 10-K, Notes for Consolidated Financial Statements, 6. Debt Obligations, pages F - 28 through F - 30.</li> <li>2021 Annual Report on Form 10-K, Notes for Consolidated Financial Statements, 8. Equity, pages F - 34 through F - 41.</li> <li>2021 Annual Report on Form 10-K, Notes for Consolidated Financial Statements, 3. Acquisitions, Divestitures and Related Transactions, page F - 24.</li> <li>2021 Annual Report on Form 10-K, Notes for Consolidated Financial Statements, 10. Income Taxes, page F - 43.</li> <li>25 Memorable Donations, pages 63-64.</li> </ul>
	201-2	Financial implications and other risks and opportunities due to climate change	2021 Annual Report on Form 10-K, Item 1.     Business, Climate Change, pages 39-42.     2021 Annual Report on Form 10-K, Item 1A.     Risk Factors, pages 67-70.
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GRI 204: Procurer	nont Prostices	2016	
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	103-2	The management approach and its components	Employee Training & Development, pages     71-73.
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GRI 103:	Management a	pproach disclosures	
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	103-3	Evaluation of the management approach	Risk Management, Cybersecurity, Ethics Helpline, pages 71-76.
GRI 205: Anti-	Topic-specific	disclosures	
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	207-3	Stakeholder engagement and management of concerns related to tax	Energy Transfer website, Governance & Policies     2021 Annual Report on Form 10-K, Item 10.     Directors, Executive Officers and Corporate Governance, Meetings of Non-management Directors and Communications with Directors, page 141.
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	103-3	Evaluation of the management approach	Energy Transfer website, Emissions & Innovation, Alternative Energy Group

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	305-5	Reduction of GHG emissions	<ul> <li>Emissions Prevention Technology,         Opportunities &amp; Initiatives: Energy Efficiency;         Dual Drive Technologies, pages 46-52.     </li> <li>Energy Transfer website, Emissions &amp; Innovation</li> </ul>	
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	103-1	Explanation of the material topic and its Boundary  The management approach and its	<ul><li>page 67.</li><li>Energy Transfer website, Governance &amp;</li></ul>				
	103-1 103-2 103-3	Explanation of the material topic and its Boundary  The management approach and its components  Evaluation of the management approach	<ul> <li>page 67.</li> <li>Energy Transfer website, Governance &amp; Policies, Code of Business Conduct and</li> </ul>				
Approach 2016	103-1 103-2 103-3 Pr Privacy 2016	Explanation of the material topic and its Boundary  The management approach and its components  Evaluation of the management approach	<ul> <li>page 67.</li> <li>Energy Transfer website, Governance &amp; Policies, Code of Business Conduct and</li> </ul>				
GRI 418: Custome GRI 103: Management	103-1 103-2 103-3 Pr Privacy 2016	Explanation of the material topic and its Boundary  The management approach and its components  Evaluation of the management approach	<ul> <li>page 67.</li> <li>Energy Transfer website, Governance &amp; Policies, Code of Business Conduct and</li> </ul>				
GRI 418: Custome GRI 103: Management	103-1 103-2 103-3 Pr Privacy 2016 Management	Explanation of the material topic and its Boundary  The management approach and its components  Evaluation of the management approach  approach  Explanation of the material topic and	page 67.  • Energy Transfer website, Governance & Policies, Code of Business Conduct and Ethics, Political Contributions, pages 11-12  Risk Management; Cybersecurity Programs,				

# SASB CONTENT INDEX

SASB Topic	SASB Code	Accounting Metric	Disclosure Level	Location or Direct Answer
Greenhouse Gas Emissions	EM-MD-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Partially disclosed.	Energy Transfer website, ESG Data, Midstream ESG Reporting
	EM-MD-110a.2	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	Partially disclosed.	Energy Transfer website, Emissions & Innovation
Ecological Impacts	EM-MD-160a.1	Description of environmental management policies and practices for active operations	Partially disclosed.	Corporate Responsibility Report 2021, pages 55-60 Energy Transfer website, Conservation Culture of Continuous Improvement, pages 26-36. Energy Transfer website, Safety Culture, Regulatory Standards Energy Transfer website, Fact Sheets & Brochures
	EM-MD-160a.4	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume in Unusually Sensitive Areas (USAs), and volume recovered	Partially disclosed.	EIC GPA Midstream Reporting Template 2021
Competitive Behavior	EM-MD-520a.1	Total amount of monetary losses as a result of legal proceedings associated with federal pipeline and storage regulations	Partially disclosed.	<ul> <li>2021 Annual Report on Form 10-K, Item 3. Legal Proceedings, pages 87-89.</li> <li>2021 Annual Report on Form 10-K, Notes for Consolidated Financial Statements, 11. Regulatory Matters, Commitments, Contingencies and Environmental Liabilities, pages F - 45 through F - 52.</li> </ul>
Operational Safety, Emergency	EM-MD-540a.1	Number of reportable pipeline incidents, percentage significant	Partially disclosed	Pages 33-36
Preparedness & Response	EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	Partially disclosed.	<ul> <li>Pages 26-36</li> <li>Pages 37-44</li> <li>Pages 43-44</li> <li>Energy Transfer website, Public Awareness</li> <li>Energy Transfer website, Safety Culture</li> <li>Energy Transfer website, Fact Sheets &amp; Brochures</li> </ul>