ENERGY TRANSFER





Energy in **MOTION**

2019 Community Engagement Report





Welcome to our 2019 Community Engagement Report

Thank you for your interest in our Partnership. This year's Energy in Motion-themed report will highlight for you not only our business achievements, but the work that our nearly 10,000 employees do day in and day out to ensure the safety of our people, the safety of our environment, and the safety of the communities through which we pass. We say that a lot at Energy Transfer, because it is what we truly believe.

The one constant of the energy business is that it is always changing, always in motion. But in the midst of this motion is our unwavering focus on doing what is right: for our unitholders, for our employees, and for our stakeholders.

We own and operate one of America's largest energy portfolios with nearly 90,000 miles of pipelines in 38 states and Canada and an international office in Beijing. Our core operations include transportation, storage, and terminalling for natural gas, crude oil, natural gas liquids, and refined products. We are proud of the critical role we play in supporting U.S. manufacturing and refining, in maintaining our country's energy security, and in fueling the lives of Americans.

Our employees are driven by a collective commitment to operating excellence, respecting all others, and taking care of the land through which we cross. Our employees also share a deep responsibility to uphold our culture of safety, our commitment to giving back to our communities, and our dedication to environmental stewardship.

Our 2019 performance was driven by record financial and operational results across the majority of our business segments. We transported nearly 23,788 BBtu per day of natural gas, 1.3 million barrels per day of natural gas liquids, and 4.7 million barrels per day of crude oil. We also fractionated over 700,000 barrels per day of natural gas liquids or NGLs.

We couldn't have achieved these results without the perseverance and commitment of our employees to stay true to our core values. Again, on behalf of the leadership team at Energy Transfer, thank you for your interest in learning more about how we operate, not only as a good business partner in the communities in which we work, but just as importantly, as a valued community partner.

Sincerely,

Kelcy Warren, Chief Executive Officer and Chairman of the Board



Table of Contents

I Business Highlights 6

II Energy Transfer at a Glance 14

III Diversity and Inclusion 24

IV Social and Stakeholder Responsibility 28

V Operating Safely and Responsibly 38

VI Safely Protecting Our People 50

VII Environmental Management 56

VIII Conservation and Restoration 68

IX Community Investment 78

X Industry Awards and Affiliations 96

2019 Business Highlights Snapshot

Expanded crude capacity on the Permian Express system



Houston Terminal

Acquired refined products storage and export terminal in SEMGroup merger

Commenced NGL service on the Mariner East 2 pipeline

J.C. Nolan

Began diesel operations on the J.C. Nolan pipeline and terminal



Marcus Hook Industrial Complex
Achieved a Safety Performance Milestone for One Year with Zero OSHA Recordable Injuries

Achieved record NGL transportation and fractionation, natural gas gathering, and crude oil transportation numbers

Launched a proprietary Environmental and Social Risk Management (ESRM) Program

Beijing

Opened first international office



Forbes America's Best Large Employers list for the third year in a row



In 2019, our business reported record financial and operational results across the majority of our business units, once again demonstrating the strength of our fully integrated and diversified asset base. Our strong financial performance included record adjusted EBITDA of $11.2 billion and excess cash flow after distributions of $3.1 billion.

We transported a Partnership record of nearly 23,788 BBtu per day of natural gas, 1.3 million barrels per day of natural gas liquids, 4.7 million barrels per day of crude oil, and fractionated over 700,000 barrels per day of natural gas liquids or NGLs.

We also experienced several new business milestones this year, including the expansion of our business internationally, the completion of several strategic growth projects such as loading our first shipment of natural gasoline at our Nederland terminal on the Gulf Coast, which is the largest above-ground crude storage facility in the United States that is singularly owned, and the acquisition of SemGroup, among others. Also key to our business in 2019 was our support of local economies through the job opportunities and tax revenue generated by our ongoing operations in 38 states throughout the country.



SemGroup Acquisition

Our acquisition of SemGroup in December increased Energy Transfer's scale across multiple regions and provided increased connectivity for our crude oil and NGL transportation businesses. We now also have access to the Houston Ship Channel's deep-water docks and refining complex, which increases our reach and will generate opportunities for other aspects of our portfolio.

First International Office

In April, we opened our first international office in Beijing to meet the growing global demand for ethane and liquid natural gas products. This strategic move enables us to better leverage the increasing export opportunities of much-needed, clean-burning energy products to China and other Asian markets, and facilitate growth across Energy Transfer's diverse platform of assets.



Nederland Expansion

Our expansion project underway at Nederland will further expand our LPG export capabilities and provide enhanced connectivity to our storage and fractionation facilities at Mont Belvieu. This project, expected to be in service in the fourth quarter of 2020, will increase Nederland's LPG export capacity to approximately 500,000 barrels per day. In 2019, Nederland received over half a billion barrels (1.46 million barrels per day) of crude oil via pipeline, and loaded or unloaded more than 420 ships and 1,800 barges.



Ted Collins Link

We announced plans for the Ted Collins Link, a crude oil pipeline that will utilize existing assets in West Texas and provide a strategic connection between our Nederland and Houston Terminals, two of the largest crude oil terminals in the U.S. When completed, Energy Transfer's Nederland and Houston Terminals will have access to over one million barrels per day of inbound crude oil for deliveries to our terminals and to refineries in Houston and on the Gulf Coast. It is expected to be in service in the fourth quarter of 2021.

First Natural Gasoline Shipment

We completed the first natural gasoline shipment from our Nederland Terminal on the Gulf Coast in July. Nederland is the largest above-ground crude oil storage facility in the United States, providing storage and distribution services for refiners and other large transporters of crude oil and natural gas liquids with 150 storage tanks, five ship docks, and four barge docks.

Mont Belvieu Fractionator VI

The 150,000 barrel per day Fractionator VI at our Mont Belvieu, Texas, facility was placed into service mid-February and became full by March. It provides much-needed capacity to handle incremental fractionation demand. Upon completion of Frac VII in 2020, we will have the capability of fractionating in excess of 900,000 barrels per day.



Marcus Hook Industrial Complex

Energy Transfer completed modifications to the Mariner East 1 Pipeline and Marcus Hook Industrial Complex (MHIC) to enhance the reliability of the system and allow for improved flows through the facility. Additional expansions to increase capacities of propane and butane by 50,000 barrels per day by the end of 2020 are underway to better serve our customers with additional throughput capabilities at the terminal.

JC Nolan Diesel Pipeline and Terminal

The JC Nolan Pipeline and Terminal was placed into service in July and has a throughput capacity of approximately 36,000 barrels per day of diesel fuel. The pipeline transports diesel fuel from a tank farm in Hebert, Texas, to the newly constructed terminal in Midland, Texas, which services up to 216 tanker trucks per day delivering fuel across Texas and New Mexico. The pipeline and terminal are a joint venture between Energy Transfer and Sunoco LP.



Permian Express 4 Expansion

The April completion of the Permian Express 4 Expansion added 120,000 barrels per day of capacity to the system, which transports crude oil from the Permian Basin to Gulf Coast markets.



Panther II Processing Plant

Our 200 million cubic feet per day processing plant in the Permian Basin was commissioned in December 2019, allowing us to process more than 2.7 billion cubic feet per day of natural gas.

Arrowhead III Processing Plant

During the third quarter, we successfully brought on Arrowhead III, our 200 million cubic feet per day processing plant in the Permian Basin. Operating at near capacity at the end of the year, it brought our total processing capacity in the Permian Basin to approximately 2.5 billion cubic feet per day.

Red Bluff Express

The Red Bluff Express pipeline was completed ahead of schedule in August. The approximately 108-mile pipeline is designed to transport approximately 1.4 billion cubic feet per day of natural gas in West Texas.

2019 Local Economic Benefits

Our operations support local economies through investments in ongoing job development, annual tax revenues, and bolstered local businesses. These funds sustain and improve vital government services as well as provide support for first responder organizations and much-needed hospitals and public schools. Below are some statistics that demonstrate the critical role we play in supporting local communities.



- More than $630,400,000 paid in property taxes to 34 states
- More than $112,633,000 in sales tax paid or accrued from buying materials, supplies and services, much of that from local vendors
- More than 4,000 jobs created from new projects:
  - **Marcus Hook Industrial Complex Optimization:** the two-year Project Labor Agreement, estimated at $200 million, will support approximately 1,200 skilled tradesmen
  - **Permian Express:** 52 construction jobs created to support the new project
  - **Mont Belvieu Fractionator VIII:** approximately 24 full-time jobs created
  - **Lone Star Express Loop:** approximately 2,800 jobs created during project construction
  - **DAPL construction at Johnson's Corner Terminal:** 24 construction-related jobs created
- Nearly $15 million paid in easement agreements to 17 Native American tribes in seven states in 2019. We also purchased power from the Navajo Tribal Utility Authority in Arizona for $5.5 million. Both easement and power purchase agreement payments are ongoing and have been paid annually for decades. We also fund two educational scholarships annually totaling $20,000 for students on the Navajo reservation in New Mexico.



Integrated Value Chain

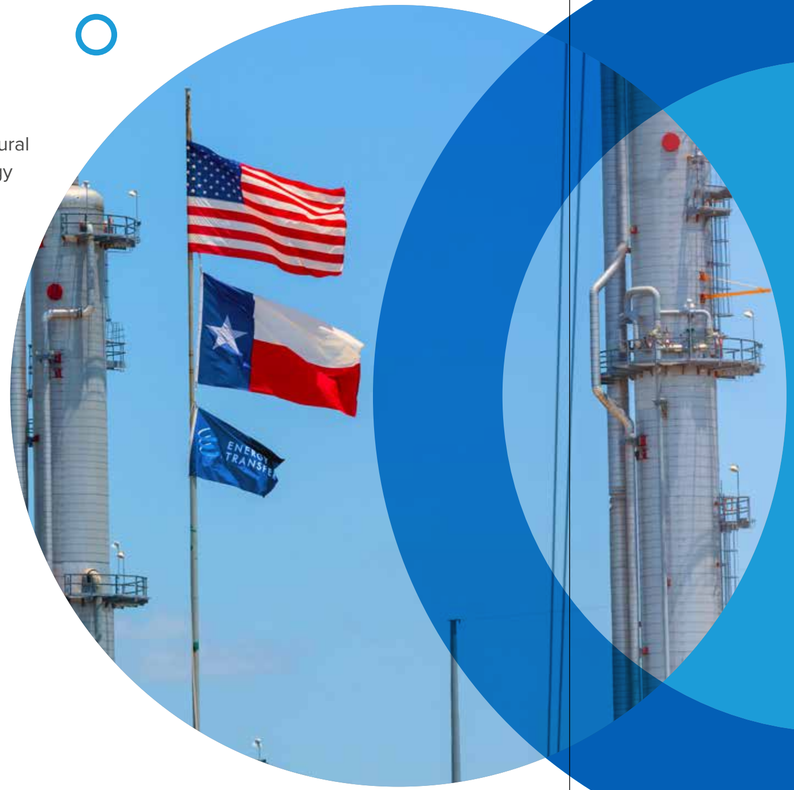
Our platform extends across the energy value chain as we continue to build critical mass where we operate, developing new takeaway capacity and extending the vertical chain from the wellhead to new emerging markets.

We are working daily to expand our footprint in all of the major domestic production areas in order to more efficiently transport petroleum products and provide much-needed infrastructure and optionality to customers around the U.S. Our diverse portfolio of energy assets make us one of the country's largest and most diversified midstream service providers with a "best in class" logistics and transportation platform for natural gas, natural gas liquids, crude oil, and refined products. We are committed to maintaining and operating our assets safely, efficiently, and in an environmentally responsible manner.

Texas Roots, Global Reach

Energy Transfer was formed in 1996 with about 200 miles of intrastate natural gas pipelines in East Texas and 20 employees. Over the years, Energy Transfer has undertaken several initiatives in response to changing market dynamics to expand our services with an emphasis on geographic, business line, and fee-based diversification. In 2004, Energy Transfer became a publicly-traded Master Limited Partnership (MLP) through a reverse merger with Heritage Propane. This merger set the stage for Energy Transfer's rapid growth into one of the largest and most diversified investment-grade MLPs in the United States through the successful combination of key organic growth projects and strategic M&A. And in 2019, we became an international company with the opening of our Beijing office as a strategic move to meet growing global demand for ethane and liquid natural gas products.

*Our **proven track record** of effectively integrating the businesses and cultures of these acquisitions has allowed us to evolve into the leading midstream partnership we are today.*





Key Milestones to Our Success

1996 • Established Energy Transfer with 200 miles of natural gas pipelines and 20 employees.

2002 • Acquired Oasis Pipeline and certain midstream assets from Aquila, Inc.

2004 • Became a publicly traded company, and acquired TUFCO pipeline system, which provided a significant presence in the Barnett Shale and Bossier Sands producing regions.

2005 • Acquired Houston Pipeline Company, which provided access to the Houston Ship Channel and takeaway capabilities to Eastern interstate markets.

2006 • Acquired Transwestern Pipeline, which transformed Energy Transfer from a small intrastate operator to an industry player with significant interstate assets.

2007 • Constructed first 42-inch natural gas pipeline in the State of Texas.

2011 • Acquired Louis Dreyfus Highbridge Energy LLC through a joint venture, which expanded our NGL platform through the addition of the Mont Belvieu fractionation facility and a 1,066-mile intrastate pipeline.

2012 • Acquired Southern Union, Sunoco Inc. and Sunoco Logistics, which solidified our presence on the East Coast and catapulted Energy Transfer into becoming the leading midstream player.

2017 • Merged ET and Sunoco Logistics, increasing the combined company's scale and diversification and enhancing service capabilities for its customers.

• Placed the Rover Pipeline into service, the largest natural gas pipeline project in our country's history at the time.

2018 • Placed the Dakota Access Pipeline into service, transforming North Dakota's oil industry.

• Placed Mariner East 2 Pipeline into service, transporting NGLs from the Marcellus and Utica Shales to markets in Pennsylvania and beyond.

2019 • Acquired SemGroup, a pivotal move that provided a strategic position in the Houston Ship Channel's deep-water docks and refining complex.



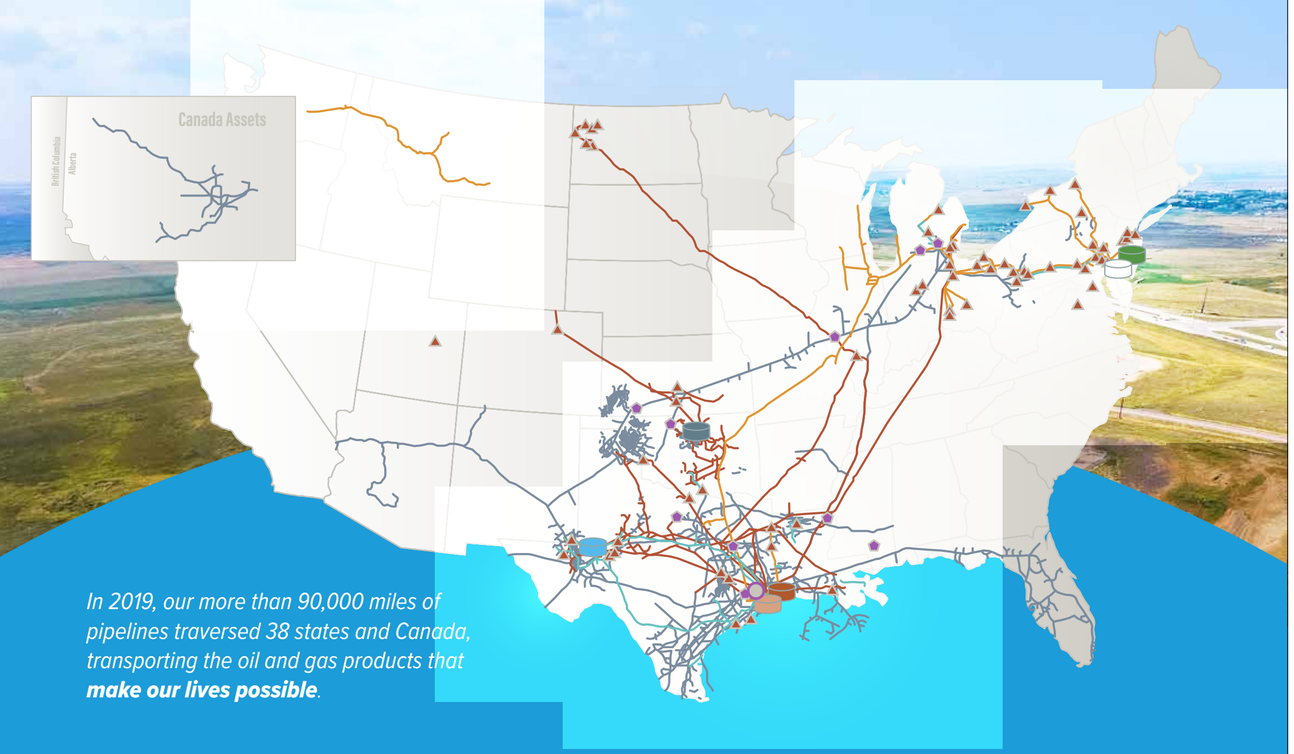
While we remain focused on strategic growth and operating excellence, we never forget our ***highest priority is safety*** *— the safety of our people, our communities, and our assets.*

Here is a look back at the key acquisitions that built the largest and most diversified portfolio of energy assets in the United States:



TUFCO 2004 · HPL Houston Pipeline Co. 2005 · Transwestern Pipeline 2006 · LDH ENERGY 2011 · Southern Union Company 2012 · SUNOCO 2012

SUSSER Holdings Corporation 2014 · REGENCY ENERGY PARTNERS 2015 · PennTex MIDSTREAM PARTNERS 2016 · Sunoco Logistics 2017 · SemGroup 2019



In 2019, our more than 90,000 miles of pipelines traversed 38 states and Canada, transporting the oil and gas products that ***make our lives possible****.*

- Natural Gas
- Natural Gas Liquids
- Crude
- Refined Products
- Fractionator
- Storage
- Terminals
- Lake Charles Regas
- Eagle Point Terminal
- Marcus Hook Terminal
- Cushing Terminal
- Midland Terminal
- Nederland Terminal
- Houston Terminal

Operations Overview

Natural Gas

- Approximately 28,700 miles of natural gas transportation pipelines with approximately 42.9 Bcf/d of capacity via interstate and intrastate pipelines.
- Natural gas storage facilities located in the Southwest and Midwest with approximately 150 Bcf/d of capacity.

NGLs

- More than 4,800 miles of NGL pipelines with 2,000 MBbls/d of capacity.
- NGL fractionation facilities with a total capacity of more than 900 MBbls/d.
- NGL storage facilities in the Southwest, Northeast, and Midwest with a capacity of approximately 63 MMBbls.

Crude

- Approximately 10,770 miles of crude oil pipelines in the Southwest and Midwest.
- Eight crude oil terminals with storage capacity totaling 64 MMBbls located in the Southwest, Midwest and Northeast.

Refined Products

- More than 3,265 miles of refined products pipelines in several regions of the U.S.
- Approximately 35 refined products terminals located primarily in the Northeast, Midwest, and Southwest with storage capacity totaling approximately 8 MMBbls.

Midstream

- More than 41,000 miles of gathering pipelines with approximately 8.8 Bcf/d of processing capacity.
- Gathering and processing assets located in the Southwest and Northeast regions of the U.S.

Export Capabilities

- Only logistics provider with export facilities on both the U.S. Gulf Coast and East Coast via three world-class terminals.
- **Nederland Terminal:** 5 ship docks and 4 barge docks that accommodate up to Suez Maxed-sized ships for exporting crude oil, propane, butane, ethane and natural gasoline.
- **Marcus Hook Industrial Complex:** 4 export docks that accommodate VLGC-sized and VLEC vessels for exporting NGLs.
- **Houston Terminal:** 5 ship docks and 7 barge docks that accommodate Suez Max-sized ships for exporting crude oil and heated products.



Buy American Policy

Energy Transfer has a “buy American first” policy that expresses the Partnership's commitment to supporting U.S. companies and products. It is always our priority to source the materials needed for the construction and operation of our pipelines and related facilities from American companies when possible.

For example, when materials were sourced for the construction of the Dakota Access and Rover Pipelines, we purchased all the steel in the U.S. that was available at that time to manufacture the pipe before looking elsewhere. This meant we were able to manufacture 76% of the pipe for Rover in the U.S., along with all compression assembly and packaging, and 57% of the pipe for Dakota Access.

Additionally, our Rover Pipeline project spent more than $1.2 billion purchasing major materials and goods needed for construction from companies across the United States. In the states across the project route, Rover bought more than $125 million in materials from companies like Ohio-based Ariel Corporation, Industrial Piping Specialists, and Emerson Process Management.

For the Dakota Access Pipeline project, the majority of the major materials were purchased, manufactured, or assembled in the U.S., contributing nearly $1 billion in direct spend to the U.S. economy.

*Our Procurement Guidelines state that buying American-made products is a top priority: “It is the intent of Energy Transfer for its capital projects that a priority be given to the procurement of any component of the projects to be manufactured by U.S. registered companies located within the borders of the U.S. and using U.S. employees. Matters of cost, item availability, and project schedule will be the key factors in evaluating if U.S. materials can be selected for the project. With that discretion given to the project and procurement teams, weight is to be given to a ‘**Buy American**’ approach."*



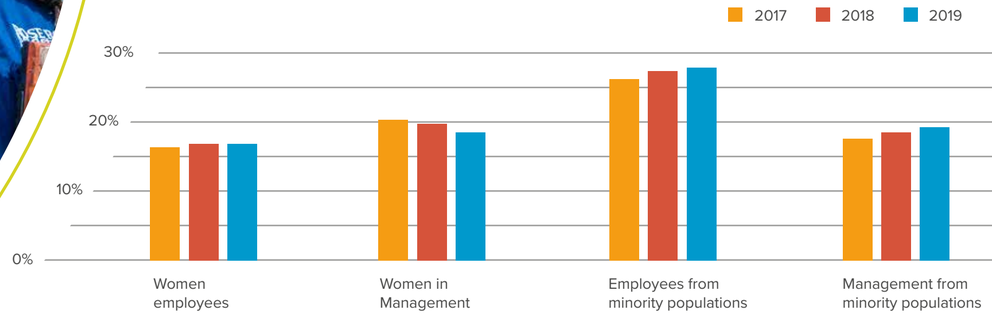


Diversity and Inclusion

We believe in cultivating environments that are diverse and inclusive; environments that speak to the very fabric of who we are as an Energy Transfer family. It's one of the reasons we were honored by Forbes in 2019 as one of America's best large employers, ranking 56th on the list of 500 companies. We know this would not have been possible without the dedication of our employees in doing what is right by respecting, celebrating, and sharing in our varied backgrounds to make us a stronger, more successful organization.

We are proud to champion women in the energy industry, and our more than 630 women working in key positions in our operations and engineering departments bring tremendous value to our organization.

Below is an illustration of our commitment to hiring and retaining a diverse group of individuals who proudly represent Energy Transfer across 38 states and more than 90,000 miles of pipeline.



We proudly employ more than 600 veterans and active service members of the U.S. Military and support numerous community-based programs dedicated to making life better for those who serve, such as Patriots and Heroes Outdoors in Texas and Got Our Troops Foundation in Louisiana.

We also believe that to be truly successful we need to lift up those around us to keep our communities strong and our economy growing. We are pleased to support community-based programs like the Golden Triangle Empowerment Center in Southeast Texas that provides work and life skills training to those who have not been afforded the opportunity to gain necessary work skills for long-term employment. We also support the Texas Senate Hispanic Research Council's Luna Legislative Scholars and Fellows Program, whose mission it is to provide educational and leadership opportunities to Hispanic youth by encouraging participation at all levels of government.





We believe in cultivating environments that are diverse and inclusive; ***environments that speak to the very fabric of who we are as an Energy Transfer family.***



Stacia Brightmon's Story: When Opportunity, Determination, and Empowerment Meet

Stacia Brightmon, a Marine Corps veteran, found herself in circumstances not altogether uncommon for many veterans: homeless and jobless. With two boys to support and a strong determination to succeed, she took a leap of faith and joined Houston-based S&B Engineers and Constructors' Women in Construction Apprenticeship Program after receiving an invitation to apply from the Texas Workforce Commission.

S&B actively recruits women, veterans, and those who are underrepresented in the construction industry for a 16-week on-the-job-training program that provides skills necessary to build rewarding, long-term careers. We were thrilled to have her apprentice on an Energy Transfer project. Stacia's training took place at our Mont Belvieu facility on the construction of our Lone Star NGL Fractionator VI and VII, which came online in February 2019 and February 2020, respectively. Through her hard work and dedication, she quickly advanced from a pipefitter helper to a safety compliance officer within S&B. This amazing career woman, mother, and mentor to others now owns her own home, earns more than she ever imagined, and is a sought-after speaker, having been invited to the White House in October 2018 and most recently, the 2020 Republic National Convention.

S&B has performed construction work for Energy Transfer totaling more than $10 billion over the years. Through this longstanding relationship, we have been honored to support S&B's unique apprenticeship program by offering a wide-range of learning opportunities for more than 60 apprentices who have honed their trade skills at our facilities.

We are so privileged to play even a small role in her success and the success of the others who, through the vision of S&B, have changed their lives and the lives of their families. We look forward to continuing to work with S&B and to be part of its remarkable apprenticeship program.

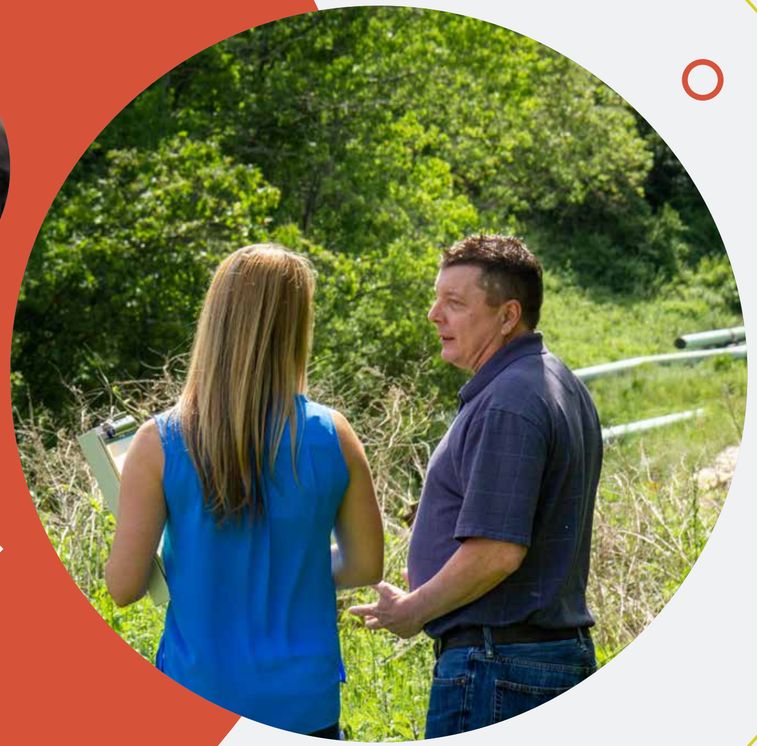
2019 Annual National Diversity and Leadership Conference



Energy Transfer was proud to be the promoting sponsor of the 2019 Annual National Diversity and Leadership Conference, our fourth year as a sponsor. The conference highlights the importance of ***diversity and inclusion as a strategy for success in our communities and workplaces****. The Council's Annual Leadership Excellence Award for 2019, recognizing exceptional leadership skills and a commitment to fostering equality, was awarded to Energy Transfer's Chris R. Curia, Executive Vice President and Chief Human Resources Officer.*

NATIONAL DIVERSITY COUNCIL
An inclusive community, a better nation





Ethics & Principles

We are committed to operating our business in a manner that honors and respects all people and the communities in which we do business.



We recognize that people are our most valued resource, and we are committed to hiring and investing in employees who strive for excellence and live by our Core Values. We value our employees for what they bring to our organization by embracing those from all backgrounds, cultures, and experiences. We also believe that the keys to our success have been the cultivation of an atmosphere of inclusion and respect within our family of partnerships and sustaining organizations that promote diversity and provide support across all communities. These are the principles upon which we build and strengthen relationships among our people, our stakeholders, and those within the communities we support. We are stronger together.



Respecting All People and All Cultures

We believe strict adherence to our Code of Business Conduct and Ethics is not only right, but is in the best interest of the Company, its unitholders, its customers, and the industry in general. In all instances, the policies of the Company require that the business of the Partnership be conducted in a lawful and ethical manner. 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 responding to project concerns.





Priority on Public Awareness

Vast underground pipeline networks safely cross our communities, efficiently transporting approximately two-thirds of the natural gas and petroleum products we use every day. An important aspect of responsible pipeline operations is ongoing education and communication with those who live and work near pipelines.

Our comprehensive Public Awareness Program is designed to provide a greater understanding of the important role we all play in contributing to pipeline safety.

Developed under the guidance of federal pipeline safety regulations through PHMSA, our program provides critical pipeline safety information to key stakeholder audiences who live and work near our pipelines, including residents, emergency responders, public officials, schools, businesses, places of congregation, and excavators.

We use a wide-range of communications tactics to provide this critical information to stakeholders, including printed mailings, face-to-face meetings, television, radio, and print media, along with a number of social media platforms and our corporate website.

Strengthening Community Networks

In 2019, we mailed 688,502 pipeline safety brochures to residents, emergency responders, excavators, emergency officials, public officials, and businesses along our pipelines as part of our efforts to educate stakeholders about pipeline safety, damage prevention, and emergency response. This important safety information was communicated in both English and Spanish.



2019 Stakeholders

Brochures Mailed

Affected Public*	282,934
Emergency Responders	33,084
Excavators	368,620
Public Officials	3,864
TOTAL	**688,502**

*Affected Public includes residents, places of congregation, businesses, and schools.



Call Before You Dig

Our community outreach is also done through our participation in key industry associations, including, Association of Oil Pipe Lines (AOPL), INGAA Foundation, Common Ground Alliance, and state One Call/811 systems, to name a few.

Promoting 811 and the “Call Before You Dig” messages are an important part of our outreach effort to inform neighbors and excavators that third-party pipeline strikes are one of the most common causes of pipeline incidents.

Building relationships with our stakeholders begins prior to construction and is maintained through our continued efforts to be a good neighbor in the communities where we operate. In areas where we have active construction, we conduct additional outreach beyond our normal Public Awareness Program. That outreach includes public open houses, individual stakeholder meetings, mailed and emailed newsletters, dedicated project websites and social media channels, advertising, and local sponsorships.



Building Partnerships

Integral to our Public Awareness Program is our partnership with local emergency responders and public officials that 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.

The liaison meetings are industry efforts designed to provide critical information that emergency responders, excavators, and public officials need to know about safe digging practices and pipeline emergency response. The meetings are offered annually where we operate pipeline assets. It is important for all stakeholders along our pipelines to know where pipelines are located, who the pipeline operator is, how to recognize a potential pipeline release, what to do in a pipeline emergency, and how our company personnel will respond.

The program objective is to:

- Bring together pipeline operators and emergency responders to pre-plan for pipeline emergency response.
- Utilize a local pipeline incident scenario to evaluate response coordination among internal and external operators and responders.
- Promote interactions between pipeline operators and responders.
- Educate stakeholders on safe digging practices, One Call, and pipeline damage prevention.



Targeted Outreach

In 2019, our in-house public awareness group sponsored 568 liaison meetings with excavators, emergency responders, and public officials with a total attendance of 31,183.

568 Liaison Meetings

Attendance by Stakeholder

Emergency Responders	12,642
Excavators	13,372
Public Officials	5,169

TOTAL ATTENDEES **31,183**

In addition to the annual liaison meetings, we also provide our own pipeline-specific outreach sessions to emergency responders prior to putting new pipelines into service. Along our Mariner East and West pipeline systems in Michigan, Ohio, Pennsylvania, and West Virginia, more than 2,400 emergency responders and public officials have attended our Mariner Emergency Responder Outreach (MERO) trainings since 2013. And in North Dakota, South Dakota, Iowa, and Illinois, nearly 700 responders attended 33 Dakota Access Pipeline Emergency Responder Outreach sessions before the pipeline went into operation.

*Along our Mariner East and West pipeline systems, more than **2,400 emergency responders and public officials** have attended our Mariner Emergency Responder Outreach (MERO) trainings since 2013.*



Measuring Performance

Public awareness and pipeline safety go hand-in-hand, and the importance of this relationship between the two cannot be understated. That is why we continually seek to improve our standards by conducting assessments that measure the effectiveness of our Public Awareness Program.

At each of our liaison meetings, we ask the emergency responder agencies to complete a survey and provide feedback. The surveys help us determine the extent of their knowledge, what resources they need, and how we can improve our program. We are proud that 99.5% of responders indicated they would recommend the training to others.

Additionally, the U.S. Department of Transportation requires pipeline operators to measure their public awareness programs' effectiveness every four years. We accomplish this by participating in a joint pipeline industry research survey, which is designed to quantifiably measure the comprehension and retention of key messages by stakeholder audiences and benchmark our results to others in the industry. The results of the survey provided useful feedback and showed that our communications have a positive impact on stakeholder awareness as well as overall education around Call Before You Dig.

Awareness levels of pipelines are high:

- 93% of emergency responders were aware of pipelines in their community.
- 92% of our neighbors along the pipelines were aware of pipelines' presence.
- Approximately 8 of every 10 respondents are aware of pipelines in their community.
- Levels of being informed about pipelines in the community were above peer group levels for all audiences:
  - 96% of emergency responders were informed about pipelines in their community.
  - 91% of public officials were informed of pipelines.
  - More than 80% of the affected public and excavators are aware/very familiar with 811/the One Call System.
  - Three-quarters (or more) of excavators, emergency responders, and public officials agree that pipeline companies are providing needed information.

Safety comes first in everything we do.

We invest significant resources to ensure the safety of our assets— from pipelines, storage facilities and gathering systems, to natural gas processing and treating facilities, fractionators, and marketing terminals. We know that maintaining the highest safety standards is key to ***delivering excellence*** *across our Partnership. Our robust safety programs, policies, and systems continually drive us toward best-in-class Environment, Health & Safety (EH&S) compliance and performance.*



A Culture of Continuous Improvement

Energy Transfer is focused on delivering excellence across the Partnership through our Environmental, Health & Safety (EH&S) and Organizational Excellence (OE) programs. These programs promote a culture of continuous improvement across our engineering, operations, maintenance, and construction activities.

These programs include a collective set of attitudes, values, norms, beliefs, and practices that our employees and contractors share with respect to continuous improvement. We believe a positive culture is one where there is a commitment to collaboration, public safety, protection of the environment, and every person's safety. It also includes a positive attitude towards compliance (meeting and exceeding minimum standards), our customers, and the health of our business.

The OE program emphasizes the following five pillars to promote continuous improvement:

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



The OE program is based on the American Petroleum Institute's Recommended Practice 1173 and formalizes essential pipeline safety management system elements that have been and will continue to be part of our practices:

- Leadership and Management Commitment
- Stakeholder Engagement
- Risk Management
- Operational Controls
- Incident Investigations, Evaluations & Lessons Learned
- Safety Assurance
- Management Review & Continuous Improvement
- Emergency Preparedness & Response
- Competence, Training & Awareness
- Documentation & Recordkeeping

Effective Risk Reduction

We have an integrated set of programs and policies to effectively manage EH&S compliance, performance, and risk. These programs and policies use advanced data management software systems to better manage Emergency Preparedness, Organizational Excellence, Pipeline Safety Management, Environmental Policy, and a Key Performance Indicator (KPI) Performance Dashboard launched in 2019. These programs listed below work in coordination to drive accountability for the outcome of events:



Programs

Overarching way we do business to drive compliance and EH&S performance

- **Process Safety Management**
- **EH&S Management and Compliance**
- **Organizational Excellence Program**
- **Emergency Preparedness**
- **Pipeline Integrity Risk Management**
- **Mechanical Integrity Program**
- **Spill Prevention Program**
- **Asset Management and Reliability**
- **Security**
- **Internal Audit**
- **Training Programs**
- **Community Outreach**
- **Damage Prevention/ One Call**



Systems

Key elements to implement and improve our EH&S and Compliance Programs

- **Asset Compliance Tracking Software (ACTS)**
- **Incident Management System (Intelex)**
- **Career Development Management System (CDMS)**
- **GIS Database**
- **SAP Preventative Maintenance**
- **Engine Reliability**
- **Environmental Information Management System (EMIS)**



Policies

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

- **Environmental Policy and Guidelines Manual**
- **Safety Procedures and Forms Manual**
- **Contractor Safety Manual**
- **Standard Operating Procedures (SOPs)**
- **Vehicle Safety Policy**
- **Remediation Policy**
- **E&C Standards for Procurement, Design, Construction, and Commission**
- **Pipeline Integrity Management Plans**



People & Capital

Resource commitment to maintain compliance and improve EH&S performance

- **400+ individuals support EH&S and Compliance**
- **20+ individuals dedicated to Public Relations, Government Affairs, and Stakeholder Engagement**
- **In 2019, our capital expenditures to maintain and improve our assets were $588 million.**
- **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**



Striving for **Zero**

We are committed to pursuing a zero-incident culture by continuously working to mitigate risk and eliminate adverse events. To help achieve this goal we use an Incident Management System (IMS) with a five-step risk reduction cycle to document and report any EH&S incident. 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-designed IMS platform provides tracking and trending data on all established metrics and Key Performance Indicators (KPIs).



Our customized IMS platform provides more information than the typical EH&S incident management system that traditionally focuses on lagging indicators. While lagging indicators are important factors, they lack the breadth and depth of data necessary to make business decisions that can transform operations. By collecting more comprehensive data and providing employees with real-time access, we are able to develop strategic initiatives that transform our EH&S pipeline safety programs and move them beyond compliance.

monitor, discover, resolve and share

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.

Closed

The risk reduction cycle ends when the incident is closed. Incident data is then evalutated and communicated to Management.

KPI Performance Assurance Dashboard

Our Environmental and Safety Key Performance Indicators (KPIs) provide a real-time review of incident types and occurrence rates. Data can be pulled for customized time periods and specific geographic areas via an interactive map. Incident information and GIS location data is fed directly from our custom-designed IMS platform to the new dashboard. The KPIs are based on quantifiable metrics established in accordance with OSHA and PHMSA, which are used to identify and track safety and environmental trends in the industry.





KPI Trends Highlight Improved Performance

We evaluate the success of our safety, regulatory, and environmental management programs by analyzing our year-over-year progress through KPIs. We saw significant improvements in 2019. We outperformed industry averages in many categories, including:

29%

Internal Total Recordable Incident Rate (TRIR) improved 29% from 2018 to 2019—below industry average

25%

Reportable air releases decreased 25% since 2016

Outperformed industry average in transmission HCA leaks for last 6 years

Outperformed industry average in transmission large spill HCA failures over last 3 years

Outperformed industry average in transmission HCA failures/5,000 miles for the last 6 years

Safety is Priority One

Because safety is our top priority, we invest hundreds of millions of dollars annually to fulfill our commitment to the public and our employees that we maintain our assets in a manner that ensures they operate safely and responsibly for decades. It's the right thing to do.

In 2019, our capital expenditures to maintain and improve our assets were $588 million.





$588 MM

spent in 2019



Pipeline Safety Management

Our comprehensive Pipeline Safety Management Systems (PSMS) are based on a set of core principles that define how we design, construct, operate, and care for our assets. Our PSMS is based on a four-step management policy: **Plan, Do, Check, Act.** This policy forms the basis for our focus on continuous improvement and measuring performance.

Our rigorous pipeline safety protocols include using the most proven technology and the most skilled pipeline workforce in the industry. Our more than 3,000 operations personnel are trained and qualified in accordance with pipeline safety regulations. Qualifications for all aspects of operations and maintenance are reassessed in accordance with our operator qualifications process.







Real-Time Monitoring

We have a state-of-the-art pipeline integrity program that enables us to monitor our assets 24 hours a day, 7 days a week, 365 days a year. Our control centers are dedicated exclusively to the safe operation of our pipelines and are staffed by highly trained teams who closely analyze a pipeline's pressure, temperature, and flow rate, 24 hours a day. The pipelines can be shut down remotely and in many cases, in real time.

We also routinely patrol the pipeline route on the ground and by air for any potential hazards, exceeding federal safety regulations in these and other areas. Our fleet of aircraft conduct aerial surveys of the pipeline rights-of-way on a weekly basis. This investment illustrates our commitment to safely and efficiently transporting, storing, processing, and terminalling our country's oil and gas products.

24/7
365

*Energy Transfer has a state-of-the-art pipeline integrity program that enables us to monitor our assets **24 hours** a day, **7 days** a week, **365 days** a year.*

Our fleet of aircraft conduct aerial surveys of the pipeline rights-of-way on a weekly basis.

Safely Protecting Our People

*We care deeply about the safety of our employees, the general public, and our contractors. We are committed to implementing safety performance processes with a focus on being the "**best of the best**" in our peer group. This commitment is held as a fundamental core value and is an integral part of how we conduct our business.*





Recognized for Safety Improvement

Energy Transfer's goal is operational excellence. To us this means we have an injury and incident-free workplace, every day. To achieve this, we strive to hire and maintain the most qualified and dedicated workforce in the industry and make safety and safety accountability part of our daily operations.

Our efforts really paid off this year with a 29% decrease in our OSHA TRIR from 2018. TRIR provides companies with a look at their safety record performance for the year by calculating the number of recordable incidents per 200,000 hours worked. Out of 18 million hours worked, our TRIR was 0.94, down from 1.32 in 2018, versus the industry average for 2019 which was 1.3. We are pleased with these accomplishments, which speak to the investment in and focus on safety and environmental compliance as well as the reliability of our assets. While this achievement is praiseworthy, we will continue to strive for zero reportable incidents.

We were honored to receive the GPA Midstream Association's Chairman's Award for Safety Improvement for achieving a 25% or greater reduction in TRIR compared to the industry average TRIR for the three previous years.

Committed to Safety

Our EH&S Department's more than 100 safety professionals provide environmental and safety training to our field representatives. This group also assists others throughout the organization in identifying continuous training for personnel, including the training that is required by applicable laws, regulations, standards, and permit conditions.

Our safety standards and expectations are clearly communicated to all employees and contractors with the expectation that each individual has the obligation to make safety the highest priority.

Our safety culture promotes an open environment for discovering, resolving, and sharing safety challenges. We strive to eliminate unwanted safety events through a comprehensive process that promotes:

- Leadership, employee involvement, and communication
- Personal responsibility to comply with SOPs and regulatory requirements
- Effective risk reduction processes
- Maintain clean facilities
- Contractor safety
- Personal wellness



"We operate each day with one key value in mind, and that is to make sure our people return home safely to their families and loved ones at the end of the day."

– Clint Cowan, Vice President, EH&S

Safety Excellence Achievements



"The accomplishment is more than just a number. It is proof of a strong safety culture and our ability to rise to the challenge."

– Ed Human, Marcus Hook Sr. Director

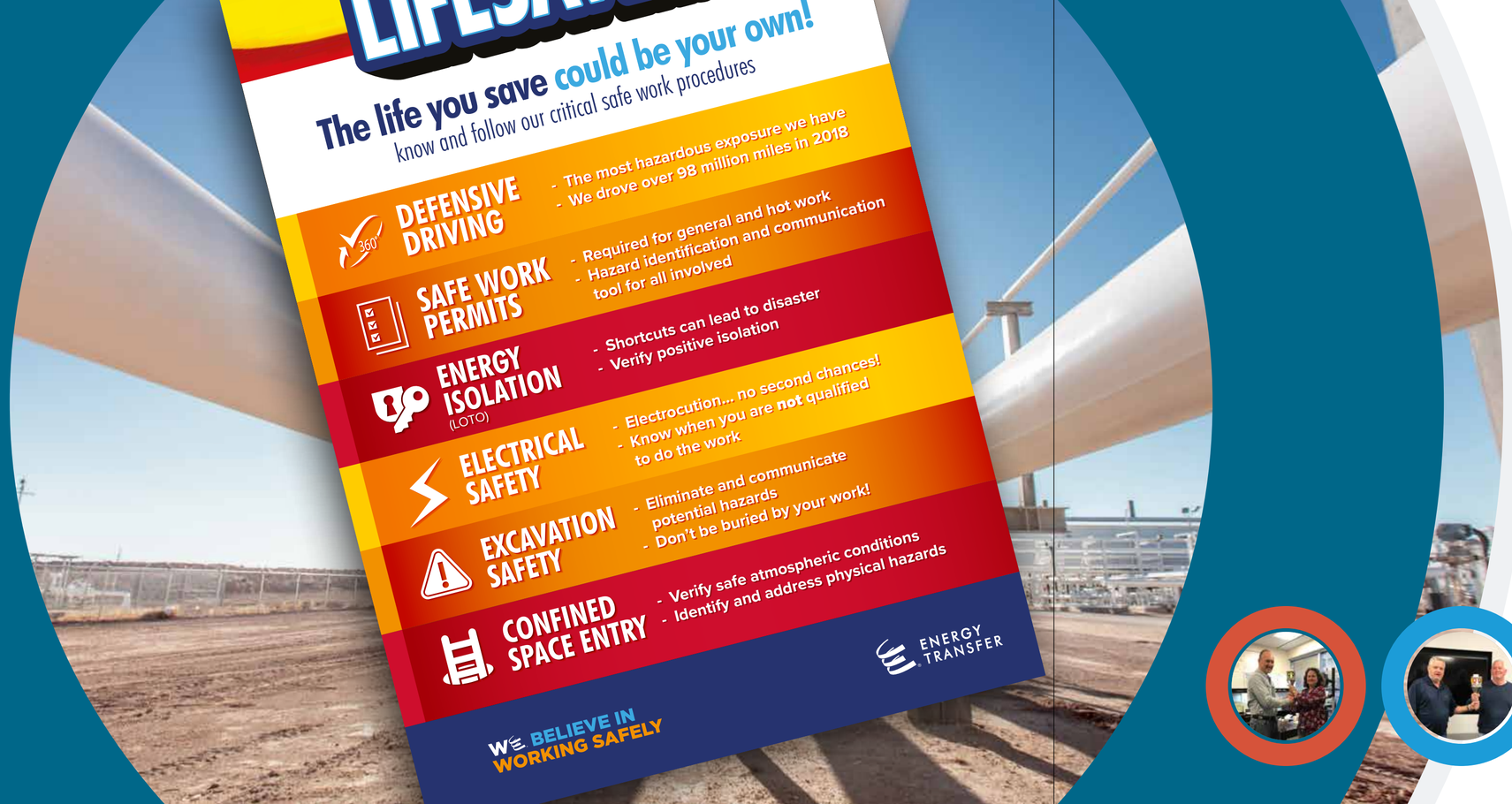
We are proud of our numerous safety accomplishments in 2019 and believe recognition from industry authorities is a direct reflection of our employees' dedication to safety and our commitment to ensuring a safe work environment.

Our Marcus Hook Industrial Complex reached a Safety Performance Milestone for One Year with Zero OSHA Recordable Injuries from 2019 to 2020. We are proud of the exceptional safety culture demonstrated by the leadership at Marcus Hook and implemented day-in-and-day-out by the employees.

We are also committed to working with contractors who maintain the highest standards of excellence in construction. We were pleased that S&B Engineers and Constructors, Ltd. received the 2019 National Excellence in Construction Eagle Award from the Associated Builders and Contractors trade association for its work on our Lone Star NGL Frac V project at our Mont Belvieu fractionation facility.

Energy Transfer Awards

- GPA Midstream Chairman's Award for Safety Improvement
- Marcus Hook Industrial Complex Safety Performance Milestone — One Year with Zero OSHA Recordable Injuries
- National Excellence in Construction Eagle Award for our Lone Star NGL Frac V Project



2020 SAFETY OLYMPICS

The life you save could be your own!

That is the motto of our Lifesavers safety campaign launched by our Operations group in 2019, created to help our operations, measurement, and engineering and construction employees know and follow critical safe work practices to help move us toward our goal of zero incidents. The highlight of the campaign is the Lifesavers Safety Olympics, which is designed to "ignite" a little friendly competition as teams pass a safety torch during a series of challenges intended to evaluate knowledge and skills on topics such as electrical safety, excavation safety, confined space entry, and energy isolation. The final Safety Olympics event will be held in 2020 and awards will be presented for outstanding safety practices.





Environmental Management

We take immense pride in being good stewards of the environment and reducing our footprint, a practice we have incorporated into our daily operations for more than 10 years. We recognized early the need to decrease emissions and integrate alternative energy sources such as wind, battery, and solar power when it is economically beneficial.

Protecting public health and the environment is the primary initiative for our environmental management teams, both in the construction and operation of our assets. These teams consist of more than 80 environmental engineers, scientists, and geologists who are focused on ensuring that our environmental management systems responsibly and efficiently reduce emissions, protect and preserve the land, water, and air around us, and remain in compliance with all applicable regulations.

It also means incorporating the best technology available to reduce our emissions and minimize any environmental impacts.





Dual Drive Compressors

Dual Drive Technologies, an independent company within the Energy Transfer family, offers an efficient 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.

In 2019, this unique technology allowed us to operate using electric power on our units approximately 70 percent of the time, reducing emissions by 531 tons of nitrogen dioxide, 571 tons of carbon monoxide, 500,000 tons of carbon dioxide, and 397 tons of VOCs this year alone.

"Through the choice of Dual Drive compression, we were able to significantly reduce greenhouse gas emissions without placing an undue burden on the electrical grid, said David Coker, VP of ETT Power Optimization. Because the Dual Drive Compression system can smoothly transition from electricity to natural gas instantaneously, we were able to participate in Demand Response, as well as be available to utilities when there was a degradation of the grid due to extremely high peaks or extreme weather events. The use of Dual Drive compression is a win-win for both the environment and the electrical grid."

Dual Drive technology is often used in ozone non-attainment areas to improve air quality by providing an ultralow-emission alternative for natural gas compression.

*In 2019, our Dual Drive Technologies natural gas compression system **reduced emissions by**:*

500,000 tons *of carbon dioxide*

571 tons *of carbon monoxide*

531 tons *of nitrogen dioxide*

397 tons *of VOCs*

Committed to the reduction

of our carbon footprint.



Emissions Prevention Initiatives

We are committed to identifying and implementing cost-effective emissions reduction and prevention opportunities, including the reduction of our carbon footprint (methane and CO_2). As part of this commitment, we make significant investments each year in technology to reduce emissions and improve our overall operations performance and efficiency.

These technology investments include pneumatic devices, thermal oxidizers, FLIR optical imaging cameras, in-line inspection tools, stabilizers, and vapor vent-back systems.

Pneumatic Devices

To date, we have installed approximately 12,000 low-emission pneumatic devices throughout our 90,000 miles of pipeline systems, 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 71 tons (2.9 million standard cubic feet) of methane emissions every day.

Thermal Oxidizers

Thermal oxidizers are an important emission control device that reduce the environmental footprint of the operation. In most cases, these devices are installed voluntarily in an effort to go above and beyond the regulations. Thermal oxidizers destroy volatile organic compounds (VOCs) and convert methane to CO_2 (a less carbon-intense greenhouse gas), thereby reducing VOC and methane emissions by 98 percent, and in some cases by more than 99 percent. Thermal oxidizers are used 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.

Pipeline Blowdown Direct Injection

We also use the direct injection system when conducting pipeline blowdown procedures in order 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.

Thermal oxidizers reduce

VOC and methane emissions

*by at least **98 percent**.*



Emissions Prevention *continued*

*A single 10,000 barrel per day stabilizer can keep as much as **40,000 tons** of VOCs per year out of the atmosphere*

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 the 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 operation and less overall power consumption, similar to fuel efficiency for an automobile.
- Adding a Drag Reducing Agent to the crude oil to reduce pipeline fluid friction, allowing oil to flow more efficiently and allowing for some pump stations to be bypassed, reduces total energy consumption.
- Introducing power limits on some stations to avoid unnecessary spikes on the flow rate.

Crude Truck Unloading and 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 eliminate 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 VOC emissions are prevented annually through the process of pulling the vapors back into the tanks when unloading the crude trucks through a vapor vent-back process.

Liquids Management

We have also implemented an innovative liquids management process throughout much of our natural gas gathering pipeline system through the use of 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. 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 (which happens when vapor is released as pressure on the liquid changes) 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 VOCs per year out of the atmosphere. In addition to preventing flash emissions, this process also prevents emissions from tanks and liquid loading/unloading that occur when vapors are displaced as a tank is filled, and when vapors are displaced due to changes in tank temperature and pressure (tank working and breathing losses).





Tech Driven Emissions Prevention

In our pursuit of operational excellence, we investigate new and emerging technology options to improve our systems. We strive to use proven technology to prevent emissions, manage pipeline integrity risks, and reduce environmental impacts.

FLIR Optical Gas Imaging Camera

We use Optical Gas Imaging (OGI) cameras at our more than 2,200 gas gathering and processing facilities. These OGI cameras represent leading-edge technology and are an integral part of our rigorous leak detection and repair (LDAR) 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. In addition to reducing emissions, the OGI camera inspections improve safety, reduce costs, prevent product loss, maintain equipment integrity, and are part of our safety management plan.

OGI cameras equip our highly skilled technicians with the technology to quickly evaluate our facilities in accordance with state and federal environmental regulations. Where locations are not federally regulated, we go above and beyond by performing inspections several times a year as an added safety and emissions prevention measure.

In-line Inspection Tools

Additionally, we use the latest proven technology to test the integrity of our pipelines. In-line Inspection Tools, or “smart pigs,” are electronic tools that travel through the pipe to detect any anomalous conditions that may indicate corrosion, cracks, or other defects. Using the smart pigs, we are able to identify issues within the system before they become a risk. Data collection, inspections, and smart pig tool runs are part of the comprehensive Integrity Management Plan we implement to ensure the long-term integrity of the pipeline. This pipeline inspection system helps to protect the environment and the safety of our communities, employees, and landowners.

Furthermore, we go above and beyond the PHMSA regulation of baseline testing. We inspect the entire pipeline each time we conduct testing in accordance with specified terms, and again any time there is an outside force. This too is an above and beyond effort that ensures the safety of our assets, community, and employees.



*In-line Inspection Tools help **protect the environment and the safety** of our communities, employees, and landowners.*

Renewable Energy Use

Powering our assets through renewable energy sources is an established part of our operations where it is economically viable to do so. We are pleased to share some of the ways we source and generate electrical power to reduce our carbon footprint and advance our efforts to further the protection of the environment.

Landfill Power Generation

PEI Power (PEI), our gas-fired electric generating facility in Pennsylvania, is powered by landfill gas (a renewable fuel) and generates approximately 75 megawatts of electrical power per day. The total electricity generated offsets approximately 133,000 tons of CO_2 annually, or the equivalent of removing 18,000 cars from the road.

PEI is able to generate enough electricity from landfill gas to power approximately 30,000 homes, making it one of the largest landfill gas renewable energy facilities in the United States. PEI has partnered with the U.S. Environmental Protection Agency's Landfill Methane Outreach Program, a voluntary public/private partnership encouraging cost-effective landfill gas use as a way to reduce methane emissions from landfills.





Solar and Wind

While we mainly rely on electrical energy powered by natural gas to run our assets, we do use a diversified mix of energy sources when it makes economic sense to do so. This includes solar and wind power to generate electrical power.

In fact, the electrical energy we purchase on any given day originating from solar and wind sources is nearing 20 percent, enough energy to power about 40,000 homes. This includes our first-ever dedicated solar contract with Recurrent Energy that was signed in the summer of 2019 to purchase solar energy from the Permian Basin of West Texas.

We also operate approximately 18,000 solar panel-powered metering stations across the country. The combined output from these solar panels generates approximately 4,000 kilowatts of electrical power per day, running the natural gas chromatographs, measurement, controls, and communications equipment that is essential to our operations.

As an added benefit, generating power directly at each of our metering stations reduces electric transmission inefficiencies and limits the infrastructure footprint needed for these facilities.

Investing in Conservation and Ecological Restoration

*Each year, we partner with conservation organizations and invest in projects that **protect** natural resources, **restore** disturbed land, and **improve** habitat for wildlife.*





Committed to Conservation and Preservation

Energy Transfer's dedication to environmental stewardship is woven into all aspects of our business. We recognize the importance of healthy and diverse ecosystems and the role they play in our quality of life. From design and construction of our assets, to restoration and operation, we are dedicated to protecting the environment around us and ensuring its long-term integrity for future generations.





Delaware

Ongoing support to conservation groups is important to us, which is why we donate $10,000 annually to Tri-State Bird Rescue & Research, a nonprofit conservation organization in Delaware that supports indigenous wild bird rehabilitation.

Additionally, the Energy Transfer/Sunoco Foundation issued a $10,000 grant to the Partnership for the Delaware Estuary to support the Mispillion River Living Shoreline Project. The project's goal is to stabilize eroding shoreline and combat the erosion of tidal marshes which provide foraging areas and nesting grounds to fish, birds, and other animals.



Louisiana

Through our Ducks Unlimited partnership, we supported the Cameron Prairie Terracing Project which funded the restoration of approximately 1,800 acres in Cameron Parish. This construction in open water areas created suitable conditions for plant communities that enhanced foraging, loafing, and nesting conditions for a multitude of waterbirds while also enhancing habitat for fish.

We also supported Ducks Unlimited's Pointe aux Chenes Wildlife Management Area Moist Soil Unit Project, which included the creation of an 85-acre moist soil unit, managed through the installation of two small water control structures, water pumps, and levee repairs, to provide an optimal foraging habitat for birds.

We also sponsored the 10th Annual Red River Cleanup in Shreveport and Bossier, an event where local residents gather to remove trash and debris from the water and surrounding areas.

DUCKS UNLIMITED



North Dakota

In North Dakota, we planted 21,141 trees in consultation with various county soil conservation districts traversed by the Dakota Access Pipeline. This brings the total number of trees planted over a two-year period to 29,931.

29,000+ trees planted

1,300+ acres enhanced

Ohio

In October 2019, Ducks Unlimited and Energy Transfer helped the Ohio Division of Wildlife acquire and establish Andreoff Wildlife Area, nearly 720 acres of prime Ohio habitat now open for recreational opportunities. Energy Transfer's support has directly conserved thousands of acres of waterfowl habitat across the country and also benefitted those who depend on these wetland areas for their livelihoods.

Our $5 million donation to Ducks Unlimited also funded these projects:

- Our donation helped enhance a 337-acre project of the Ottawa National Wildlife Refuge in Northwest Ohio. The area was reconfigured to allow for more natural water flows from Lake Erie, which will encourage native vegetation and wildlife habitat.
- With our support, Ducks Unlimited acquired 35 acres to add to Funk Bottoms Wildlife Area, including improving access to public land.
- Our support helped replace two water control structures at the 300-acre Big Spring wetland of Killbuck Wildlife Area. This restoration project restored 140 acres of wetlands and 80 acres of native grass in the reservoir of Killdeer Plains Wildlife Area to turn a barren, former water reservoir into fresh new habitat for ducks.





Pennsylvania

We were pleased to partner with the Pennsylvania Game Commission, Ruffed Grouse Society, and Chief Oil & Gas on the Roughneck Aspen Management Project. Through this joint venture, which won the Northeast Environmental Partnership Award, we were able to create 107 acres of early successional habitat on State Game Lands 12 and 36 to attract ruffed grouse—Pennsylvania's state bird—as well as American woodcock, golden-winged warbler, deer, bear, and turkey.

We were also proud to fund the renovations for the Pennsylvania Game Commission's State Game Lands 46 in Lebanon and Lancaster counties. These renovations provide improved access to one of the state's most-visited game lands in Pennsylvania, where each spring thousands of visitors flock to see the migration of up to 150,000 snow geese.

Energy Transfer supported the Trout in the Classroom program with an $18,000 donation. The program was developed to introduce students to water conservation and coldwater resource projects. We also donated $12,000 to support Trout Unlimited's Poplar Run Conservation project in Northwestern Pennsylvania.

We were honored to receive the Northeast Environmental Partnership Award for our collaborative work in creating ***more than 100 acres*** *of wildlife habitat for Ruffed Grouse in Bradford County, PA.*

Texas & Other State Partners

For the second year, we participated in the Lesser Prairie Chicken (LPC) Candidate Conservation Agreement with Assurances (CCAA). The range-wide plan is a collaborative effort of the state wildlife agencies of Texas, New Mexico, Oklahoma, Kansas, and Colorado and is administered by Western Association of Fish and Wildlife Agencies. The CCAA is a voluntary agreement intended to reduce or remove the threats to species that are candidates for listing under the Endangered Species Act, or that are likely to become candidates for listing.

Since 2014, we have supported the Texas Hornshell Mussel Candidate Conservation Agreement with Assurances through the Center of Excellence in cooperation with the U.S. Fish and Wildlife Service.

West Virginia

1,000+
trees planted

In West Virginia, we planted 1,079 trees and shrubs at all stream crossings along a section of our Rover Pipeline route, creating new habitats and ecosystems for indigenous birds and animals.







Biodiversity Conservation



Energy Transfer strives to minimize impacts on the biodiversity of ecosystems in areas where we work and through implementation of one or more of the following approaches:

- Evaluate options and adjust where possible the location, scope, and timing of the development of a new project to avoid impacts to a vulnerable species or sensitive ecosystems.
- Reduce the duration, intensity, extent, and/or likelihood of impacts on the ecosystem where possible.
- Reestablish an ecosystem's composition, structure, and function to a healthy state.
- Develop, as necessary, and achieve measurable conservation outcomes that can mitigate residual impacts after appropriate avoidance, minimization, and restoration measures have been applied.
- Work with surface owners in a cooperative fashion to minimize and restore areas disturbed by our construction or operations.

As part of our planning, development, construction, and decision-making processes, we take care to:

- 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 studies and impact assessments.
- Provide adequate resources to implement this policy.
- 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 which they are working.
- Engage with affected parties on ecological preservation issues pertaining to our development, construction, and ongoing operations, including interests specific to affected Indigenous peoples.
- Collaborate with peers through sharing of best practices.
- Report meaningful and relevant progress in accordance with project approvals, when appropriate.





Your Community is Our Community

We believe that using our corporate giving programs to enrich the communities in which we do business is important. In fact, giving back to the communities in which we live and work is a foundational part of our company culture, and is at the heart of what we do.

We are very fortunate to be able to give to local, regional, and national organizations throughout the country through our corporate giving program, the Energy Transfer/Sunoco Foundation, and our local outreach programs. Together, they allow us to make a direct impact on those who live in the thousands of communities through which our more than 90,000 miles of pipelines pass.

For us, community investment is more than just money. It is also encouraging our employees to contribute their time and talents to worthy causes that are meaningful to them through volunteering, serving on boards, and raising money.

We hope that our community investment efforts help existing programs thrive and encourage the development of new programs so individuals and families receive the respect and support they deserve.





Enriching Lives of Others

Our corporate giving efforts focus on nonprofit, 501(c)(3) organizations across the U.S. including hunger, health, veteran support, children's causes, environmental stewardship, disaster relief, and combating homelessness.

In 2019, we were able to support more than 100 organizations throughout the country through donations totaling more than $7 million dollars.

American Heart Association | American Red Cross
Big Brothers Big Sisters | Ducks Unlimited
Fisher House Foundation | Genesis Women's Shelter
Houston Food Bank | Jordan Spieth and Friends
Juvenile Diabetes Research Foundation
MD Anderson Cancer Center | Meals on Wheels Programs
North Texas Food Bank | Philabundance
Phillies Home Run Derby | Readers to Leaders
Ronald McDonald House | Salvation Army
San Antonio Food Bank | Sleep in Heavenly Peace
Special Olympics Pennsylvania | Special Olympics Texas
Wreaths Across America

Over **$7million** donated to more than **100 organizations**













$2 million
MD Anderson Children's Cancer Hospital

$20,000
Got Our Troops Foundation in Louisiana

$6,000
Readers to Leaders literacy program in Texas

$306,000
Smiles in the Playground Accessible Park in Pennsylvania

$5,000
Rebuilding Together Houston

$10,000
El Ranchito de los Niños in New Mexico



$1.5 million
City of Mandan in North Dakota



$110,000
The Salvation Army

$762,000
American Red Cross

$250,000
Philabundance in Pennsylvania



*Helping fund critical research to **advance** pediatric cancer treatments.*



A Focus on Health

We were thrilled to participate in the groundbreaking ceremony of the American Cancer Society's new Hope Lodge in partnership with Baylor Scott & White Health on the Baylor University Medical Center campus in Dallas. We were honored to contribute $250,000 to the development of this special place that cancer patients and their caregivers call home at no cost during treatments.

We proudly continued our long-standing support of Houston's MD Anderson Children's Cancer Hospital as part of our ongoing commitment to end childhood cancer. We donated a combined $2 million from Energy Transfer, our employees, and the Energy Transfer/Sunoco Foundation to help fund critical research to advance pediatric cancer treatments. Since 2014, we have donated more than $6.1 million to this world-renowned cancer hospital.

Energy Transfer and our employees also participated in fundraising events such as the March for Babies by the March of Dimes Foundation and The Heart Walk for the American Heart Association.







Building Brighter Futures

We had the unique privilege to fully fund the construction of a handicap-accessible playground in Aston, Pennsylvania, with a special focus on children with disabilities. Our donation of more than $306,000 for Smiles in the Playground brought this long-hoped-for idea to fruition on December 16, 2019. The park was definitely filled with special smiles all around on opening day.

We were also excited to launch a three-year partnership with Special Olympics Pennsylvania to serve as the Law Enforcement Torch Run Guardians of the Flame Premier Sponsor. Our $150,000 donation, part of our $450,000 multi-year commitment, was used to sustain programs and help these special athletes across the state participate in the year-round events.

A highlight for our employees is the annual Salvation Army Angel Tree program. We are proud to report that our employees across the country donated over 10,000 Christmas gifts to families in need. We also donated $110,000 to the Salvation Army chapters in Houston, San Antonio, and Dallas.



*Recognizing and **supporting** **veterans** has always been important to Energy Transfer and our employees.*



Honoring our Heroes

Recognizing and supporting veterans has always been important to Energy Transfer and our employees. We continued our annual tradition of donating $25,000 to the Fisher House Foundation through our Foundation. Fisher House provides “a home away from home” for families and patients receiving medical care at major military and VA medical treatment centers.

Wreaths Across America was a new company-wide initiative for Energy Transfer in 2019. Our employees, along with their families, participated in the National Wreaths Across America Day, which occurs each December to honor fallen veterans throughout the country by laying Christmas wreaths on the graves of these heroes.

We also had the distinct honor of donating $200,000 to bring to life the vision of a local Dallas artist to honor five officers who lost their lives while protecting their community. The Dallas Police Memorial for Fallen Officers was unveiled in 2019 at the Dallas Police Department Headquarters with the help of city leaders and the families of the fallen officers.





Supporting the Youth

Energy Transfer and its Foundation donated over $50,000 in continuing support of Mercy Street, a nonprofit that provides after-school mentoring and sports programming to children in West Dallas, a historically under-resourced community. Approximately 1,200 kids were impacted by this multi-year donation of more than $429,200.

We are also proud to support recreational activities for kids in Dallas's urban communities through our support of the Texas Ranger Youth Academy. We donated $250,000 in 2019 as part of our $1 million commitment to the organization.

In the spirit of giving, our employees in Houston and San Antonio worked with the Sleep in Heavenly Peace organization to build and deliver beds to children who did not have one of their own.









Helping the Hungry

Supporting Philabundance, Pennsylvania's largest hunger relief organization, is a long-standing tradition. Not only do our employees regularly volunteer to pack food for local distribution, but our Foundation provides an annual donation of $250,000.

Energy Transfer and its Foundation also sponsored food delivery trucks for the Houston, San Antonio, and North Texas Food Banks totaling $150,000 of our $575,000 commitment. Our employees also volunteered by sorting and packing meals for those who would otherwise go hungry.



We were also happy to answer the call of Faith Restoration in Center Township, Pennsylvania, which was in desperate need of a $40,000 refrigerated truck to transport perishables to those in need.



Bettering Communities

Along with our Foundation, we were proud to pledge $5 million to North Dakota's University of Mary's Vision 2030 campaign. Three of the $5 million was a contribution towards the university's new engineering facility, while $2 million allowed the university to launch a workforce development initiative in the state, which in 2019, had 266 participants through 35 business partnership agreements.

We were also pleased to present $1.5 million of our $3 million commitment to the City of Mandan, North Dakota, to help fund improvements to its Morton Mandan Public Library and Main Street parks that serve as community gathering places. This donation is part of our continued commitment to communities near our pipeline operations.

Supporting first responders continues to be a priority for us. As such, we had the privilege to present $50,000 to the Slovan-Smith Township Volunteer Fire Department in Western Pennsylvania to help fund the construction of its new firehouse.

We also continued supporting emergency response trainings at the renowned Texas A&M Engineering Extension Service in College Station, Texas. This year we sent first responders and employees from Southeast Pennsylvania to train on Fire and Emergency Services. We also sent 55 of our employees from Mont Belvieu, Texas, for emergency response training.

Supporting education also took center stage for us this year. Our support of the Ohio 4-H Foundation's Drone Design Challenge offered students new ways to advance STEM skills by working in teams to find ways to better reseed native habitats for native pollinators using drones.

And lastly, we were excited to officially let the dogs loose at the Energy Transfer-sponsored Ingo Dog Park in Center Township, Pennsylvania, the brainchild of a group of local high school students who saw a need in their community for a dog park.

Our employees volunteered more than **6,000 hours.**



Our People Make the Difference

We strive to be a good corporate citizen. Each year, thousands of our dedicated employees across the country tirelessly volunteer to make life a little brighter for individuals and families who stand to benefit the most.

Our employees volunteered more than 6,000 hours through company-sponsored events, making 2019 a record year for the company. This is an increase of more than 2,000 volunteer hours from 2018.





We are proud *that our employees make a difference in their communities and in the lives of so many people.*

Employees Going the Extra Mile



Joel Hassette–Community Volunteer, Veteran, Operations Supervisor, LA

Joel and his family are active volunteers in their community. When Energy Transfer adopted 333 elementary school teachers in New Iberia, Louisiana, to make sure they had what they needed to begin the school year, Joel stepped in to make sure this effort was a big success.

Joel also enjoys volunteering in the classroom. “This allows me to also teach kids about another type of energy we love at Energy Transfer, which is positive energy.”

“In addition to supplying the school with two iPads, we gave each teacher a $75 gift card for school supplies and hosted an appreciation luncheon to acknowledge everything they do to educate the youth of today to become the leaders of tomorrow.”



TJ Edwards–I&E Tech, ND

Tracy Edwards, or “TJ” is one of more than 40 volunteer firefighters within the Energy Transfer family who dedicates his time to serving the Stanley Fire Department in addition to his job as an Instrumentation and Electrical Tech at our Stanley, North Dakota field office. Serving his community as a firefighter has been a lifelong dream for TJ. At just 17 years old, TJ received his Firefighter 1 and extrication certifications, and now 6 years later, he is still answering the call.

“Giving back to my community and helping others in times of need has always been important to me. I’m thankful to work for a company that has always been supportive of my role as a volunteer first responder because they understand the importance of people working together to protect the safety and welfare of those who live in our communities. Serving as a firefighter for the last 6 years has allowed me to do just that.”



Samuel Chase–Board Member of Pennsylvania State Police Camp Cadet, Senior IT Specialist, PA

Samuel is a veteran volunteer, both for Energy Transfer-sponsored organizations and for many in his local community. He has served as a board member of the Pennsylvania Camp Cadet Program, a police youth program, for the last three years.

He is also a 25-year volunteer with the Philadelphia Race for the Cure as Quad Captain, and a board member for Friends of Curtis Arboretum and Philabundance. “It is an absolute joy to work for a company that is so community focused and committed to giving back.”

“I’m proud of Energy Transfer’s support of this weeklong camp that provides a phenomenal learning experience for the kids to see what a day in the life of a Pennsylvania state trooper is really like.”



Faye Riggs–Community Volunteer, Sr. Admin. Assistant, TX

Faye began volunteering with Ronald McDonald House in Texas Children’s Hospital more than 15 years ago.

“Volunteering with Ronald McDonald allows me to support families whose children are in the Texas Children’s Hospital Intensive Care Unit. I have the opportunity to comfort every family that enters the door, and in a very small way, help families find comfort in stressful situations. I treat each person as extension of my own family, and I take pride in knowing that I am affiliated with a group who works hard to ensure each family’s needs are met during a very difficult time in their lives. I also love that for the past 11 years, Energy Transfer has supported the Ronald McDonald charity.”

Here are some other organizations our **employees supported** in 2019:

Employee Giving Events

- Annual School Supply Drives
- The Brookwood Community
- Children's Hospital of Philadelphia
- Dallas Heart Walk
- Dallas Police Department's Share the Shoes Drive
- Dragon Boat Races benefitting the Children's Miracle Network Hospitals
- Eagle Point Team Annual Bike Drive
- Louisiana Troopers Charities
- MD Anderson Children's Cancer Hospital Campaign
- Salvation Army Angel Tree
- Toys for Tots





Employee Volunteer Events

- Consumer Energy Alliance Energy Day
- Houston Arboretum and Nature Center
- Meals on Wheels Programs
- Philabundance
- Readers to Leaders
- Rebuilding Together Houston
- Salvation Army's Red Kettle Campaign
- San Antonio Children's Shelter
- Sky High for Kids
- Sleep in Heavenly Peace
- The Stewpot













2019 Awards

One Year Zero OSHA Recordable Injuries Marcus Hook Industrial Complex Safety Performance Milestone

Five-Year Safety Milestone Award International Liquid Terminals Association

40 Years Without a Lost-Time Injury Tuscola Trunkline location Safety Achievement

Chairman's Award for Safety Improvement GPA Midstream Association

Corporation of the Year Award Gulf Coast Regional Blood Center

Northeast Environmental Partnership Award for collaborative work to create more than 100 acres of wildlife habitat for Ruffed Grouse in Bradford Co., Pa.

D CEO's Midstream Innovator of the Year Kelcy Warren

Ranked as 7th Best CEO to Work for among Fortune 100 Companies from Glassdoor, receiving a 97% approval rating from employees

Ranked #5 Happiest Fortune 100 Company from Glassdoor

Named to Forbes America's Best Large Employers for the third year in a row, moving up four places to #56 out of 500 companies

2019 Top Workplaces Ranked #6 by the San Antonio Express-News and #16 by the Houston Chronicle

National Excellence in Construction Eagle Award presented to S&B Engineers and Constructors, Ltd. for our Lone Star NGL Fractionator V Project



Industry Affiliations

We actively engage and collaborate with trade and professional associations that support the continuity of a robust, forward-thinking oil and gas industry. We seek to share best practices, participate in legislative advocacy, promote cybersecurity awareness, and advance pipeline research and technology developments, among other key focus areas.

We maintain relationships with the following associations:

- Arizona Tax Research Association
- Association of Oil Pipelines
- Center for LNG
- Common Ground Alliance
- Consumer Energy Alliance/PFAA
- Energy Infrastructure Council
- Florida Energy Pipeline Association
- Gas Processors Association
- Greater North Dakota Chamber of Commerce
- International Liquid Terminals Association
- INGAA Foundation
- Iowa Association of Business and Industry
- intelligent Pipeline Integrity Program (iPIPE)
- Louisiana Association of Business & Industry
- Louisiana Energy Export Association
- Louisiana Gas Association
- Louisiana Midcontinent Oil and Gas
- Louisiana Oil and Gas Association
- Mariner's Advisory Committee
- Michigan Chamber of Commerce
- Michigan Oil & Gas Association
- National Association of Manufacturers
- National Petroleum Council
- New Mexico Oil & Gas Association
- North American Energy Standards Board
- North Dakota Petroleum Council
- Pipeline Research Council International (PRCI)
- Ohio Oil and Gas Association
- Petroleum Alliance of Oklahoma
- South Dakota Chamber of Commerce
- Southern Gas Association
- Texas Association of Manufacturers
- Texas Civil Justice League
- Texas Energy Coalition
- Texas Gas Association
- Texas Oil and Gas Association
- Texas Pipeline Association
- Texas Taxpayers & Research Association
- West Virginia Oil & Natural Gas Association



Advancing Environmental Technology

Our memberships with iPIPE and PRCI demonstrate our resolve to advance a zero-incident culture and protect the environment.

iPIPE

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. As part of our membership, our engineers and environmental specialists collaborate with other industry experts in the research, development and commercialization of promising technologies.

PRCI

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 plays a leadership role in PRCI through Board membership and participation in every technical committee. Many of the research projects focus on the development of new technologies that help to directly or indirectly reduce emissions from pipeline operations.



*The one constant of the energy business is that it is always changing, **always in motion**. But in the midst of this motion is our unwavering focus on **doing what is right**.*

ENERGY TRANSFER

energytransfer.com





Printed on 100% recycled paper.