

EQT Corp  
Form DEF 14A  
February 17, 2017  
Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a)**  
**of the Securities Exchange Act of 1934**

Filed by the Registrant  [ X ]  
Filed by a Party other than the Registrant  [ ]

Check the appropriate box:

- [ ] Preliminary Proxy Statement  
 [ ] Confidential, for Use of the Commission only (as permitted by Rule 14a-6(e)(2))  
 [ X ] Definitive Proxy Statement  
 [ ] Definitive Additional Materials  
 [ ] Soliciting Material pursuant to §240.14a-12

EQT Corporation

(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- [ X ] No fee required.  
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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

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Table of Contents

*We are now entering the next phase of EQT's strategy that will focus on enhancing our position as an industry leader in natural gas drilling, production, transportation, and commercial marketing activities, as well as maintaining our strong financial platform and leading cost structure.*

February 17, 2017

Dear Shareholder,

On behalf of the Board of Directors and senior management team of EQT Corporation, I am pleased to invite you to participate in our Annual Shareholders Meeting, which will be held at EQT Plaza, 625 Liberty Avenue, Pittsburgh, PA 15222 on Wednesday, April 19, 2017 at 8:00 a.m. Eastern Time.

This shareholder package describes the key business items to be discussed during the meeting and contains the Notice of Annual Meeting of Shareholders and the proxy statement. Along with additional information, the proxy statement includes:

- A proxy summary that highlights the voting matters we are asking you to consider, along with the supporting details found elsewhere in the proxy statement, and the Board's voting recommendation for each item
- A detailed discussion and analysis of EQT's compensation programs for senior executives, including our philosophy for aligning pay and performance, and the individual components that drive executive compensation decisions
- Information regarding the qualifications of our current directors
- A review of EQT's corporate governance

Your participation, regardless of how many shares you hold, is very important to EQT. To ensure your shares are represented and voted as you intend, we urge you to carefully read the proxy statement and respond as soon as possible with your instructions. If you are planning to

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personally attend the annual meeting, we request that you cast your votes now by telephone, via the Internet, or by completing and signing your paper proxy card, voting direction card, or vote instruction form. Casting your votes now will ensure your votes are properly recorded.

On March 1, 2017, I will step down from my role as Chief Executive Officer, and will continue on as Executive Chairman until this time next year. When my tenure as CEO began in 2010, EQT was already a well-run, shareholder-value focused company and my goal was to elevate the importance of our financial strategy. We successfully created two new public entities; completed several transactions, including asset dropdowns, the selling of non-core assets and acquiring of assets within EQT's core operations; and our midstream infrastructure platform was bolstered through organic growth projects all the while maintaining a strong balance sheet and solid share price performance. We are now entering the next phase of EQT's strategy that will focus on enhancing our position as an industry leader in natural gas drilling, production, transportation, and commercial marketing activities, as well as maintaining our strong financial platform and leading cost structure.

I look forward to this exciting next chapter of EQT's continued and successful evolution and I thank you for your support as a valued EQT shareholder.

David L. Porges

*Chairman and Chief Executive Officer*

EQT Corporation | 625 Liberty Avenue Suite 1700 | Pittsburgh, PA 15222-3111

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Table of Contents

625 Liberty Avenue, Suite 1700

Pittsburgh, PA 15222

**Notice of Annual Meeting of Shareholders**  
**To Be Held April 19, 2017**

The annual meeting of shareholders of EQT Corporation (the Company or EQT) will be held on Wednesday, April 19, 2017, at 8:00 a.m. (Eastern Time) at EQT Plaza, located at 625 Liberty Avenue in Pittsburgh, Pennsylvania. If you owned common stock of EQT Corporation at the close of business on February 8, 2017, the record date, you may vote at this meeting.

At the meeting, we plan to ask you to:

- 1) Elect the eleven directors nominated by the Board of Directors to serve for new one-year terms;
- 2) Approve a non-binding resolution regarding the compensation of the Company's named executive officers for 2016 (say-on-pay);
- 3) Provide a non-binding recommendation as to the frequency with which shareholders will vote on say-on-pay proposals in future years;
- 4) Ratify the appointment of Ernst & Young LLP as EQT's independent registered public accounting firm for 2017; and
- 5) Transact such other business as may properly be presented at the meeting or any adjournment or postponement of the meeting.

Please consider the issues presented in the attached proxy statement, and vote your shares as promptly as possible by following the voting instructions included in the proxy statement.

If you plan to attend the meeting, please follow the advance registration instructions under "Questions and Answers About the Annual Meeting Who can attend the annual meeting, and how do I obtain an admission ticket?" on page 11 of the proxy statement and watch for an admission ticket in the mail. You will need an admission ticket to enter the meeting.

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On behalf of the Board of Directors

Nicole King Yohe  
Corporate Secretary

February 17, 2017

**Important Notice Regarding the Availability of Proxy Materials**

**for the Shareholder Meeting to Be Held on April 19, 2017:**

This notice and proxy statement and our annual report on Form 10-K for the year ended December 31, 2016 are also available online at <http://www.proxyvote.com>.

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Table of Contents

**2017 PROXY STATEMENT TABLE OF CONTENTS**

	<u>Page</u>
<b><u>2017 Proxy Statement Summary</u></b>	1
<b><u>Proxy Statement</u></b>	6
<b><u>Questions and Answers About the Annual Meeting</u></b>	6
<b><u>Item No. 1 Election of Directors</u></b>	14
<b><u>Corporate Governance and Board Matters</u></b>	21
<u>Board Meetings and Committees</u>	21
<u>Compensation Process</u>	23
<u>Board Leadership Structure</u>	25
<u>Board's Role in Risk Oversight</u>	26
<u>Director Nominations</u>	27
<u>Contacting the Board</u>	29
<u>Governance Principles</u>	29
<u>Independence and Related Person Transactions</u>	30
<u>Compensation Committee Interlocks and Insider Participation</u>	32
<b><u>Directors' Compensation</u></b>	33
<b><u>Equity Ownership</u></b>	36
<b><u>Executive Compensation</u></b>	39
<b><u>Compensation Discussion and Analysis</u></b>	39
<u>How We Performed in Fiscal Year 2016</u>	40
<u>Pay for Performance Results</u>	41
<u>Management Development and Compensation Committee Highlights</u>	42
<u>Consideration of 2016 Say-on-Pay Vote</u>	43
<u>Compensation Philosophy</u>	43
<u>Making Executive Compensation Decisions</u>	48
<u>Components of the Company's Compensation Program</u>	50
<b><u>Cautionary Statements</u></b>	63
<b><u>Report of the Management Development and Compensation Committee</u></b>	64
<b><u>Compensation Policies and Practices and Risk Management</u></b>	64



<b><u>Compensation Tables</u></b>	65
<u>Summary Compensation Table</u>	65
<u>2016 Grants of Plan-Based Awards Table</u>	68
<u>Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table</u>	69
<u>Outstanding Equity Awards at Fiscal Year-End</u>	73
<u>Option Exercises and Stock Vested</u>	74
<u>Pension Benefits and Nonqualified Deferred Compensation</u>	75
<u>Potential Payments Upon Termination or Change of Control</u>	75
<u>Payments to be Made Pursuant to Written Agreements with the Named Executive Officers</u>	75
<u>Payments to be Made Pursuant to Company Plans</u>	78
<u>Payments Triggered Upon Hypothetical Termination of Employment or Change of Control on December 31, 2016</u>	81
<b><u>Item No. 2 Approval of a Non-Binding Resolution Regarding the Compensation of the Company's Named Executive Officers for 2016 (Say-On-Pay)</u></b>	91
<b><u>Item No. 3 Provide a Non-Binding Recommendation as to the Frequency with Which Shareholders Will Vote on Say-On-Pay Proposals in Future Years</u></b>	92
<b><u>Report of the Audit Committee</u></b>	93
<b><u>Item No. 4 Ratification of Appointment of Independent Registered Public Accounting Firm</u></b>	94
<b><u>Additional Information</u></b>	96
<i>Appendices</i>	
<u>Appendix A Director Compensation Peer Companies</u>	A-1
<u>Appendix B Non-GAAP Financial Information</u>	B-1
<u>Appendix C 2016 Compensation Peer Companies Financial Metrics</u>	C-1
<u>Appendix D 2017 Compensation Peer Companies Financial Metrics</u>	D-1



Table of Contents

## EQT CORPORATION

### 2017 PROXY STATEMENT SUMMARY

*This summary highlights information about EQT Corporation (the Company or EQT) and the upcoming 2017 annual meeting of shareholders. This summary does not contain all the information you should consider in advance of the meeting, and you should read the entire proxy statement carefully before voting. The proxy statement and annual report on Form 10-K for the year ended December 31, 2016 (or a notice of Internet availability of proxy materials containing instructions on how to access such materials) will be mailed on or about February 27, 2017.*

#### Annual Meeting of Shareholders

- Time and Date: 8:00 a.m. (Eastern Time) on Wednesday, April 19, 2017
- Place: EQT Plaza  
625 Liberty Avenue  
Pittsburgh, PA 15222
- Record Date: February 8, 2017
- Admission: You are entitled to attend the annual meeting if you were an EQT shareholder as of the close of business on the record date. If you plan to attend the meeting, you must obtain an admission ticket and abide by the agenda and procedures for the annual meeting (which will be distributed at the meeting). If your shares are held by a broker, bank or other holder of record in street name (including shares held in certain EQT employee benefit plans), you must also provide proof of your ownership of the shares as of the record date in order to attend the meeting. See Questions and Answers About the Annual Meeting Who can attend the annual meeting, and how do I obtain an admission ticket? on page 11 of this proxy statement for additional information and instructions.

#### Voting Matters and Board Recommendations

	Board Voting	Page Reference
	Recommendation	(for more detail)
Election of eleven directors, each for a one-year term expiring at the 2018 annual meeting of shareholders ( <i>Item No. 1</i> )	FOR EACH	
	DIRECTOR NOMINEE	14

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Management Proposals:

Approval of a non-binding resolution regarding the compensation of EQT's named executive officers for 2016 (*Item No. 2*)

FOR 91

Provide a non-binding recommendation as to the frequency with which shareholders will vote on say-on-pay proposals in future years (*Item No. 3*)

1 YEAR 92

Ratification of independent registered public accounting firm for 2017 (*Item No. 4*)

FOR 94

*EQT Corporation 2017 Proxy Statement 1*

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Table of Contents**Board and Board Committees**

Name	Age	Director Since	Principal Occupation	Independent	Committee Memberships	Other Public Company Boards
Vicky A. Bailey	64	2004	<ul style="list-style-type: none"> <li>President, Anderson Stratton International, LLC</li> <li>Vice President, BHMM Energy Services, LLC</li> </ul>	X	PPC (Chair), EC	<ul style="list-style-type: none"> <li>Cheniere Energy</li> </ul>
Philip G. Behrman, Ph.D.	66	2008	<ul style="list-style-type: none"> <li>Retired Senior Vice President, Worldwide Exploration, Marathon Oil Corporation</li> </ul>	X	AC, PPC	<ul style="list-style-type: none"> <li>None</li> </ul>
Kenneth M. Burke	67	2012	<ul style="list-style-type: none"> <li>Retired Partner, Ernst &amp; Young LLP</li> </ul>	X	AC, PPC	<ul style="list-style-type: none"> <li>None</li> </ul>
A. Bray Cary, Jr.	68	2008	<ul style="list-style-type: none"> <li>President, CEO and Director, West Virginia Media Holdings, LLC</li> </ul>	X	CGC (Chair), MDCC, EC	<ul style="list-style-type: none"> <li>None</li> </ul>
Margaret K. Dorman	53	2012	<ul style="list-style-type: none"> <li>Retired Executive Vice President, CFO and Treasurer, Smith International, Inc.</li> </ul>	X	AC	<ul style="list-style-type: none"> <li>None</li> </ul>
David L. Porges (Chairman)	59	2002	<ul style="list-style-type: none"> <li>Chairman and CEO, EQT Corporation</li> <li>Chairman, President and CEO, EQT GP Services, LLC1</li> <li>Chairman, President and CEO, EQT Midstream Services, LLC2</li> </ul>		PPC, EC	<ul style="list-style-type: none"> <li>EQT GP Holdings</li> <li>EQT Midstream Partners</li> </ul>
James E. Rohr (Lead Independent Director)	68	1996	<ul style="list-style-type: none"> <li>Retired Chairman and CEO, The PNC Financial Services Group, Inc.</li> </ul>	X	MDCC, EC (Chair)	<ul style="list-style-type: none"> <li>General Electric</li> <li>Marathon Petroleum</li> <li>Allegheny Technologies</li> </ul>
Steven T. Schlotterbeck	51	2016	<ul style="list-style-type: none"> <li>President, EQT Corporation</li> </ul>		PPC, EC	<ul style="list-style-type: none"> <li>EQT GP Holdings</li> <li>EQT Midstream Partners</li> </ul>
Stephen A. Thorington	61	2010	<ul style="list-style-type: none"> <li>Retired Executive Vice President and CFO, Plains Exploration and Production Company</li> </ul>	X	AC (Chair), EC	<ul style="list-style-type: none"> <li>EQT GP Holdings</li> </ul>
Lee T. Todd, Jr., Ph.D.	70	2003	<ul style="list-style-type: none"> <li>President, Lee Todd Consulting, LLC</li> <li>Retired President and Retired Professor of Electrical Engineering, University of Kentucky</li> </ul>	X	CGC, MDCC (Chair), EC	<ul style="list-style-type: none"> <li>None</li> </ul>
Christine J. Toretti	59	2015	<ul style="list-style-type: none"> <li>President, Palladio, LLC</li> </ul>	X	CGC	<ul style="list-style-type: none"> <li>None</li> </ul>

AC Audit Committee

CGC Corporate Governance Committee

MDCC

PPC

Management Development and Compensation Committee

Public Policy and Corporate Responsibility Committee

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EC Executive Committee

1 EQT GP Services, LLC is the general partner of EQT GP Holdings, LP (EQGP), a publicly-traded master limited partnership. As of December 31, 2016, EQT held a 90.1% limited partner interest and the non-economic general partner interest in EQGP.

2 EQT Midstream Services, LLC is the general partner of EQT Midstream Partners, LP (EQM), a publicly-traded master limited partnership. As of December 31, 2016, EQGP held the 1.8% general partner interest, all incentive distribution rights and a 26.6% limited partner interest in EQM.

*Elections:* All directors stand for election annually.

*Attendance:* In 2016, each EQT director attended 95.5% or more of all meetings of the Board and the Board committees on which the director served. Overall attendance at such meetings was over 97.9%.

### Other Governance Highlights

- 11 directors (9 independent)
- All members of the Audit, Management Development and Compensation, and Corporate Governance Committees are independent
- Lead Independent Director
- Majority voting standard for director elections
- Initiatives on sustainability, environmental matters and social responsibility
- Annual review by the Board of EQT's major risks with certain oversight delegated to Board committees
- Compensation recoupment ( clawback ) policy applicable to all current and former executive officers
- 8 full Board meetings in 2016
- Frequent meetings of independent directors in executive session without any EQT officer present (8 in 2016)
- Proxy access starting in 2017
- Significant shareholder engagement
- Hedging and pledging of EQT securities by executive officers and directors is prohibited
- Double trigger payout rights under long-term incentive awards
- Significant equity ownership guidelines for executive officers (8X base salary for Chief Executive Officer; 3X base salary for other executive officers)

*EQT Corporation 2017 Proxy Statement 2*

Table of Contents

**EQT Business Highlights**

Against a backdrop of depressed natural gas prices and volatile equity markets, EQT delivered another solid year of operational performance, while maintaining its focus on safety excellence and environmental responsibility. The Company achieved record annual production sales volumes, including a 26% increase in total sales volumes and a 31% increase in Marcellus sales volumes. However, the average realized price to EQT for production sales volumes decreased 20% to \$2.47 per Mcfe in 2016 from \$3.09 per Mcfe in 2015. A loss on derivatives not designated as hedges, coupled with this decrease in the average realized price, resulted in a net loss attributable to EQT of \$453 million for the year ended December 31, 2016 as compared to net income attributable to EQT of \$85 million for the prior year. EQT's cash provided by operating activities was \$1,064 million in 2016, compared to \$1,217 million in 2015. During 2016, EQM reported net income of \$538.0 million, \$82.8 million higher than 2015, driven in part by record gathered volumes of 722.1 TBtu, a 21% increase over the previous year.

EQT and its consolidated subsidiaries achieved a number of other key results in 2016 described in detail in the Company's annual report on Form 10-K for the year ended December 31, 2016, including, but not limited to, the following:

- Proved reserves increased 35% over 2015;
- Gathered volume was 21% higher than 2015;
- Acquired 145,500 net Marcellus acres, with 92,300 net Utica acres;
- Ohio Valley Connector placed in-service;
- Distributions to EQT from EQGP totaled \$150 million; and
- Cash and marketable securities at year-end were \$1.4 billion (excluding EQM).

In 2016, the Company also completed a number of important transactions and continued activities on a number of important projects:

- EQT sold to EQM certain transmission, storage and gathering assets located in southwestern Pennsylvania and northern West Virginia for \$275 million;
- EQT completed two equity offerings, raising net proceeds of \$1.2 billion; and
- EQM completed a debt offering raising net proceeds of \$491.4 million and sold common units through its At the Market offering program raising net proceeds of \$217.1 million.

For more complete information regarding EQT's 2016 performance, please review EQT's annual report on Form 10-K for the year ended December 31, 2016. The charts below illustrate elements of EQT's performance during the five-year period (three-year period for gathering expense per unit) ended December 31, 2016, including total shareholder return, production sales volume and gathering

expense per unit:

**Value of \$100 Invested in EQT stock on  
December 31, 2011(1)**

**Production Sales Volume(2)**

**Gathering Expense per Unit(3)**

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(1) Calculated with the reinvestment of quarterly dividends in additional shares of EQT common stock.

(2) Volumes attributable to natural gas liquids and crude oil were converted to Mcfe at the rate of six Mcfe per barrel for all periods.

(3) Due to the recast of the reporting segments, data is not available for 2012 and 2013.

*EQT Corporation 2017 Proxy Statement 3*

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Table of Contents

**Executive Compensation Highlights**

EQT's compensation program is designed to reward its named executive officers (determined in accordance with Securities and Exchange Commission (SEC) rules and identified in the table on the following page) when the Company achieves strong financial and operational results, and the Management Development and Compensation Committee of EQT's Board of Directors (the Compensation Committee) believes the 2016 compensation of EQT's named executive officers is consistent with the Company's commitment to link pay with performance. For a discussion of the alignment of the named executive officers' compensation with EQT performance, see *Pay for Performance Results and Compensation Philosophy* under the caption *Compensation Discussion and Analysis* beginning on page 41 of this proxy statement.

The primary components of EQT's 2016 compensation program were base salary and annual and long-term performance-based incentive compensation. As reflected in the table below, the total compensation packages for EQT's named executive officers are generally weighted in favor of at-risk compensation through annual and long-term performance-based incentive compensation. For additional information regarding EQT's compensation philosophy and the elements of EQT's compensation programs for 2016 and 2017, see the *Compensation Discussion and Analysis* portion of this proxy statement.

The table below sets forth the total direct compensation (which includes base salary and annual and long-term incentives) of Messrs. Porges, McNally, Crawford, Gardner, Schlotterbeck and Conti, EQT's named executive officers for 2016, and the percentage of each named executive officer's total direct compensation that is performance-based and, therefore, at-risk. The Compensation Committee establishes the total direct compensation for named executive officers each year by establishing base salaries and setting annual and long-term incentive targets. The amounts for each component of total direct compensation set forth in the table below were calculated in accordance with SEC rules. Total direct compensation, which is not a substitute for the total compensation as reported in the Summary Compensation Table on page 65 of this proxy statement, omits certain other compensation (e.g., 401(k) contributions and perquisites) that is reflected in the Summary Compensation Table. For additional information, including information regarding how total compensation is calculated under SEC rules, see the footnotes accompanying the Summary Compensation Table and the *Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table* beginning on page 69 of this proxy statement.

Table of Contents**2016 Total Direct Compensation**

NAMED EXECUTIVE OFFICER	BASE	BONUS	ANNUAL INCENTIVE	LONG-TERM INCENTIVE AWARDS	TOTAL DIRECT COMPENSATION	% OF TOTAL DIRECT COMPENSATION PERFORMANCE-BASED
	SALARY		AWARD	AWARDS		
	(\$)(1)	(\$)	(\$)	(\$)(2)	(\$)	
<b>David L. Porges</b>	850,000	-	2,500,000	6,059,586	9,409,586	91%
Chairman and Chief Executive Officer						
<b>Robert J. McNally</b>	323,550	500,000	660,000	3,700,990	5,184,540	74%
Senior Vice President and Chief Financial Officer						
<b>Randall L. Crawford</b>	463,501	-	940,000	1,874,912	3,278,413	86%
Senior Vice President						
<b>Lewis B. Gardner</b>	385,501	-	490,000	1,407,438	2,282,939	83%
General Counsel and Vice President, External Affairs						
<b>Steven T. Schlotterbeck</b>	519,634	-	1,300,000	3,749,118	5,568,752	91%
President						
<b>Philip P. Conti</b>	431,400	-	115,000	-	546,400	21%
Former Senior Vice President and Chief Financial Officer						

(1) Includes base salary earned during 2016.

(2) Includes the grant date fair value of stock options and other long-term performance-based equity compensation.

## Important Dates for 2018 Annual Meeting of Shareholders

- Shareholder proposals submitted for inclusion in EQT's 2018 proxy statement under SEC rules must be submitted in writing and received by EQT's Corporate Secretary on or before October 30, 2017.
- Under EQT's bylaws, shareholder proposals to be presented in person at the 2018 annual meeting of shareholders (but not included in the 2018 proxy statement) must be submitted in writing and received by EQT's Corporate Secretary not earlier than the close of business on December 20, 2017, and not later than the close of business on January 19, 2018.
- Under EQT's bylaws, a shareholder, or group of twenty or fewer shareholders, owning continuously for at least three years shares of the Company representing an aggregate of at least 3% of the voting power entitled to vote in the election of directors, may nominate and include in EQT's 2018 proxy statement director nominees constituting the greater of (i) two and (ii) 20% of the Board, provided that such nominations are submitted in writing and received by EQT's Corporate Secretary not earlier than September 30, 2017, and not later than the close of business on October 30, 2017, and contain the required information set forth in EQT's bylaws.

For additional information, see [Questions and Answers About the Annual Meeting](#) "When are shareholder proposals due?" on page 13 of this proxy statement.

Table of Contents

## **EQT CORPORATION**

625 Liberty Avenue, Suite 1700

Pittsburgh, PA 15222

## **PROXY STATEMENT**

We have elected to furnish our proxy statement and annual report to certain of our shareholders over the Internet pursuant to SEC rules, which allows us to reduce costs associated with the 2017 annual meeting of shareholders. On or about February 27, 2017, we will mail to certain of our shareholders a notice of Internet availability of proxy materials containing instructions regarding how to access our proxy statement and annual report online (the eProxy Notice). The eProxy Notice contains instructions regarding how you can elect to receive printed copies of the proxy statement and annual report. All other shareholders will receive printed copies of the proxy statement and annual report, which will also be mailed to such shareholders on or about February 27, 2017.

## **QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING**

EQT Corporation is soliciting proxies for its 2017 annual meeting of shareholders. This proxy statement and the accompanying materials contain information about the items you will vote on at the annual meeting and about the voting process. We sometimes refer to EQT Corporation in this proxy statement as EQT, EQT Corporation, the Company, we or us.

### **What items will be voted on at the annual meeting?**

Shareholders will vote on the following items if each is properly presented at the annual meeting:

- the election to the Company's Board of Directors of the eleven directors nominated by the Board to serve for new one-year terms (Item No. 1);
- the approval of a non-binding resolution regarding the compensation of the Company's named executive officers for 2016 (Item No. 2);
- provide a non-binding recommendation as to the frequency with which shareholders will vote on say-on-pay proposals in future years (Item No. 3);

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- the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for 2017 (Item No. 4); and
- such other business as may properly be presented at the meeting or any adjournment or postponement of the meeting.

### **What are the Board's voting recommendations on each item?**

Your Board of Directors recommends that you vote **FOR** Item Nos. 1, 2 and 4; and **FOR Every ONE Year** on Item No. 3.

### **How do I contact EQT's Corporate Secretary?**

You may contact the Company's Corporate Secretary by sending correspondence to: 625 Liberty Avenue, Suite 1700, Pittsburgh, Pennsylvania 15222, Attn: Corporate Secretary.

### **Who is entitled to vote, and how many votes do I have?**

You may vote if you held common stock of EQT Corporation at the close of business on February 8, 2017. For each item presented for vote, you have one vote for each share you own.

Table of Contents

**What if I received an eProxy Notice of Internet Availability of Proxy Materials?**

The SEC permits us to electronically distribute proxy materials to shareholders. We have elected to provide access to our proxy materials and annual report to certain of our shareholders on the Internet instead of mailing the full set of printed proxy materials. On or about February 27, 2017, we will mail to certain of our shareholders an eProxy Notice containing instructions regarding how to access our proxy statement and annual report and how to vote online. If you received an eProxy Notice by mail, you will not receive printed copies of the proxy materials and annual report in the mail unless you request them. Instead, the eProxy Notice instructs you how to access and review all of the important information contained in the proxy statement and annual report. The eProxy Notice also instructs how to submit your vote over the Internet. If you received an eProxy Notice by mail and would like to receive a printed copy of our proxy materials and annual report, you should follow the instructions for requesting such materials included in the eProxy Notice.

**What is the difference between holding shares as a shareholder of record or as a beneficial owner?**

If your shares are registered directly in your name with the Company's transfer agent, Computershare, you are considered the shareholder of record of those shares. The notice of annual meeting, proxy statement and accompanying materials have been sent directly to you by Computershare.

If your shares are held in a stock brokerage account or by a bank or other holder of record (including shares held through employee benefit and/or compensation plans), you are considered the beneficial owner of shares held in street name. The eProxy Notice or notice of annual meeting, proxy statement and accompanying materials have been forwarded to you by your broker, bank or other holder of record that is considered the shareholder of record of those shares. As the beneficial owner, you have the right to direct your broker, bank or other holder of record in voting your shares by using the voting direction card or vote instruction form (VIF) included in the mailing, or by following the instructions from the holder of record for voting by telephone or on the Internet.

If your shares are held through the Employee Savings Plan, the 2009 Long-Term Incentive Plan (the 2009 LTIP) or the 2014 Long-Term Incentive Plan (the 2014 LTIP), see [How do I vote shares held through the Employee Savings Plan?](#) and [How do I vote restricted shares held through the 2009 LTIP or the 2014 LTIP?](#) below for instructions regarding how to vote your shares and the right of the holders of record to vote your shares on matters for which they have not received voting instructions.

**How do I vote if I am a shareholder of record?**

If you are a shareholder of record, you may vote your shares:

- in person by attending the annual meeting;
- by completing the proxy card as outlined in the instructions on the card and mailing the card in the prepaid envelope provided;

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- by following the instructions at the Internet site <http://www.investorvote.com/EQT>; or
- by following the instructions for telephone voting after calling 1-800-652-VOTE (8683).

If the name on the accounts is the same, the shares on your proxy card may represent: (i) shares for which you have a certificate; (ii) shares that you hold in book-entry form; and (iii) shares that you have in a dividend reinvestment account of the 2009 Dividend Reinvestment and Stock Purchase Plan.

*EQT Corporation 2017 Proxy Statement 7*

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Table of Contents

If you vote by proxy, your shares will be voted as indicated in your properly completed unrevoked proxy. If you return your proxy card but do not indicate how your shares should be voted on an item, the shares represented by your properly completed unrevoked proxy card will be voted as recommended by the Board of Directors. If you do not return a proxy card or do not vote in person, by telephone or on the Internet, your shares will not be voted.

In the case of Internet or telephone voting, you should have your proxy card in hand and retain the card until you have completed the voting process. If you vote by Internet or telephone, you do not need to return the proxy card by mail. Even if you plan to attend the meeting, we encourage you to vote by proxy as soon as possible.

See [What if I received an eProxy Notice of Internet Availability of Proxy Materials?](#) above if you received an eProxy Notice.

**How do I vote if I am a beneficial holder of shares held in [street name](#) ?**

If your shares are held by a broker, bank or other holder of record in [street name](#) (including shares purchased through the 2008 Employee Stock Purchase Plan and its predecessor), you should receive (i) an eProxy Notice or (ii) a VIF together with copies of the proxy statement and annual report.

If you receive a VIF, your broker, bank or other holder of record (or designee thereof) will vote your shares in accordance with the instructions on your returned vote instruction form. You may instruct the holder of record to vote your shares:

- [by completing the VIF as outlined in the instructions on the form and mailing the form in the prepaid envelope provided;](#)
- [by following the instructions at the Internet site <http://www.proxyvote.com>; or](#)
- [by following the instructions for telephone voting after calling 1-800-454-VOTE \(8683\).](#)

See [Is my vote important and how are the votes counted?](#) below for the right of brokers, banks and other holders of record to vote on routine matters for which they have not received voting instructions.

Please review your VIF for the date by which your instructions must be received in order for your shares to be voted. You may also vote in person at the meeting if you obtain a legal proxy from your broker, bank or other holder of record and present it to the inspectors of election with your ballot. In the case of Internet or telephone voting, you should have your VIF in hand and retain the form until you have completed the voting process. If you vote by Internet or telephone, you do not need to return the VIF by mail.



See What if I received an eProxy Notice of Internet Availability of Proxy Materials? above if you received an eProxy Notice.

### **How do I vote shares held through the Employee Savings Plan?**

If you hold shares through the Employee Savings Plan, you will receive a separate voting direction card, proxy statement and annual report. The trustee of the Employee Savings Plan will vote your shares in accordance with the instructions on your returned direction card. You may instruct the trustee to vote your shares:

- by completing the direction card as outlined in the instructions on the card and mailing the card in the prepaid envelope provided;
- by following the instructions at the Internet site <http://www.investorvote.com/EQT>; or

*EQT Corporation 2017 Proxy Statement 8*

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Table of Contents

- by following the instructions for telephone voting after calling 1-800-652-VOTE (8683).

If you do not return a direction card or if you return a direction card with no instructions, the trustee will vote your shares in proportion to the way other plan participants voted their shares. Please note that the direction cards have an earlier return date and different mailing instructions than the proxy cards. Please review your direction card for the date by which your instructions must be received in order for your shares to be voted.

In the case of Internet or telephone voting, you should have your direction card in hand and retain the card until you have completed the voting process. If you vote by Internet or telephone, you do not need to return the direction card by mail.

**How do I vote restricted shares held through the 2009 LTIP or the 2014 LTIP?**

Employees holding restricted shares through the 2009 LTIP or the 2014 LTIP will receive a separate voting direction card, proxy statement and annual report. The administrator of the 2009 LTIP and the 2014 LTIP (or its designee) will vote your restricted shares in accordance with the instructions on your returned direction card. You may instruct the administrator to vote your shares:

- by completing the direction card as outlined in the instructions on the card and mailing the card in the prepaid envelope provided;
- by following the instructions at the Internet site <http://www.investorvote.com/EQT>; or
- by following the instructions for telephone voting after calling 1-800-652-VOTE (8683).

If you return a direction card with no instructions, the administrator or its designee will vote your shares as recommended by the Board of Directors. If you do not return a direction card, your shares will not be voted. Please note that the direction cards have an earlier return date and different mailing instructions than the proxy cards. Please review your direction card for the date by which your instructions must be received in order for your shares to be voted.

In the case of Internet or telephone voting, you should have your direction card in hand and retain the card until you have completed the voting process. If you vote by Internet or telephone, you do not need to return the direction card by mail.

**May I change my vote?**

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If you are a shareholder of record, you may revoke your proxy before polls are closed at the meeting by:

- voting again by submitting a revised proxy card or voting by Internet or telephone, as applicable, on a date later than the prior proxy;
- voting in person at the meeting; or
- notifying the Company's Corporate Secretary in writing that you are revoking your proxy.

Attendance at the annual meeting alone is not sufficient to revoke a prior properly submitted proxy.

If you are a beneficial owner of shares, you may submit new voting instructions by contacting your broker, bank or other holder of record. Your last validly submitted vote is the vote that will be counted.

*EQT Corporation 2017 Proxy Statement 9*

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Table of Contents

**What if I receive more than one proxy card and/or VIF?**

If you receive more than one proxy card as a shareholder of record, you have shares registered differently in more than one account. We encourage you to have all accounts registered in the same name and address whenever possible. You can do this by contacting our transfer agent, Computershare, at P.O. Box 30170, College Station, Texas 77842-3170, at its toll free number (1-800-589-9026) or on its website at <http://www.computershare.com/investor>. If you receive more than one VIF, please contact the broker, bank or other holder of record holding your shares to determine whether you can consolidate your accounts.

**What is householding?**

We have adopted a procedure approved by the SEC called householding, which reduces our printing costs and postage fees. Under this procedure, shareholders of record who have the same address and last name may receive only one copy of our proxy statement and annual report unless one or more of these shareholders notify us that they wish to continue receiving individual copies. Shareholders who participate in householding will continue to receive separate proxy cards.

If a shareholder of record residing at a household to which we sent only one copy of our proxy statement and annual report wishes to receive separate documents in the future, he or she may discontinue householding by contacting our transfer agent, Computershare, at P.O. Box 30170, College Station, Texas 77842-3170, at its toll free number (1-800-589-9026) or on its website at <http://www.computershare.com/investor>. If you are an eligible shareholder of record receiving multiple copies of our proxy statement and annual report, you can request householding by contacting the Company's Corporate Secretary. See "How do I contact EQT's Corporate Secretary?" above. If you own your shares through a broker, bank or other holder of record, you can request householding by contacting the applicable holder of record.

If a shareholder of record residing at a household to which we sent only one copy of our proxy statement and annual report wishes to receive an additional copy for this meeting, he or she may contact the Company's Corporate Secretary. The Company will promptly deliver, upon written or oral request, a separate proxy statement and annual report to a shareholder at a shared address to which a single copy of the documents was delivered.

**What is a broker non-vote?**

If you are a beneficial owner whose shares are held of record by a broker, bank or other holder of record, you have the right to direct your broker, bank or other holder of record in voting your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker, bank or other holder of record does not have discretionary authority to vote. This is called a broker non-vote. In these cases, the broker, bank or other holder of record can register your shares as being present at the annual meeting for purposes of determining the presence of a quorum but will not be able to vote on those matters for which specific authorization is required under New York Stock Exchange (NYSE) rules.

**Is my vote important and how are the votes counted?**

Your vote is very important. Each share of EQT stock that you own as of February 8, 2017, the record date for the annual meeting, represents one vote. If you do not vote your shares, you will not have a say in the important issues to be voted on at the meeting. Many of our shareholders do not vote, so the shareholders who do vote influence the outcome of the proposals in greater proportion than their percentage ownership of the Company.

*EQT Corporation 2017 Proxy Statement* 10

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Table of Contents

At the close of business on the record date for the meeting, EQT Corporation had 173,331,564 shares of common stock outstanding. The following are the voting requirements to elect the eleven nominees to the Board and approve the other proposals presented in this proxy statement and the discretionary authority of brokers, banks or other holders of record with respect to each proposal:

<b>PROPOSAL</b>	<b>VOTE REQUIRED</b>	<b>BROKER DISCRETIONARY VOTING ALLOWED</b>
Election of Directors <b>(Item No. 1)</b>	Majority of votes cast. If a nominee receives a greater number of votes against than votes for election, the Board will consider whether to accept the nominee's previously submitted conditional resignation.	No
Approval of a non-binding resolution regarding the compensation of the Company's named executive officers for 2016 <b>(Item No. 2)</b>	Majority of votes cast.	No
Recommendation as to the frequency with which shareholders will vote on say-on-pay proposals in future years <b>(Item No. 3)</b>	The frequency option that receives the highest number of votes cast is the option that will be deemed to have been recommended by the shareholders.	No
Ratification of Ernst & Young LLP <b>(Item No. 4)</b>	Majority of votes cast.	Yes

For purposes of the approval of all Items above, abstentions, broker non-votes and the failure to vote are not votes cast and, accordingly, have no effect on the outcome of such proposals.

### What constitutes a quorum for the meeting?

A majority of the outstanding shares, present or represented by proxy, constitutes a quorum. A quorum is necessary to conduct business at the annual meeting. You are part of the quorum if you have returned a proxy. Abstentions and broker non-votes also are counted in determining whether a quorum is present.

**How will my shares be voted on other matters not included in this proxy statement that may be presented to the annual meeting?**

Since no shareholder has indicated an intention to present any matter not included in this proxy statement to the annual meeting in accordance with the advance notice provision in the Company's bylaws, the Board is not aware of any other proposals for the meeting. If another proposal is properly presented, the persons named as proxies will vote your returned proxy in their discretion.

**Who can attend the annual meeting, and how do I obtain an admission ticket?**

You may attend the annual meeting if you were a shareholder on February 8, 2017. Seating is limited and will be offered on a first come, first served basis. If you plan to attend the meeting, you will need an admission ticket, which you can obtain by checking the appropriate box on your proxy card, direction card or VIF or by writing to the Company's Corporate Secretary. See How do I contact EQT's Corporate Secretary? above. If a broker, bank or other holder of record holds your shares, you must include proof of your ownership of EQT stock as of February 8, 2017, such as a copy of your brokerage

Table of Contents

account statement or an omnibus proxy, which you can obtain from your broker, bank or other holder of record, and we will send you an admission ticket.

Shareholders must present a form of photo identification, such as a driver's license, in order to be admitted to the annual meeting. No cameras, laptops, recording equipment, other similar electronic devices, signs, placards, briefcases, backpacks, large bags or packages will be permitted in the annual meeting. The Company reserves the right to deny admittance to any shareholder who attempts to bring any such item into the annual meeting. Small purses are permissible, but they and any bags or packages permitted in the meeting room will be subject to inspection. The use of mobile phones or other communication devices, tablets and similar electronic devices during the annual meeting is prohibited, and such devices must be turned off and put away before entering the meeting room. All security procedures and instructions require strict adherence. By attending the annual meeting, shareholders agree to abide by the agenda and procedures for the annual meeting, copies of which will be distributed to attendees at the meeting.

**What happens if the meeting is postponed or adjourned?**

If the meeting is postponed or adjourned, your proxy will still be good and may be voted at the postponed or adjourned meeting. You will still be able to change or revoke your proxy until it is voted. See "May I change my vote?" above.

**Who pays for the solicitation of proxies?**

We do. We are soliciting proxies primarily by use of the mails. However, we may also solicit proxies in person, by telephone, by facsimile, by courier or by electronic means. To the extent that our directors, officers or other employees participate in this solicitation, they will not receive any compensation for their participation, other than their normal compensation. D.F. King & Co., Inc. assists us with the solicitation for a fee of \$7,500 plus reasonable out-of-pocket expenses. We also reimburse brokerage firms and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for sending proxy materials to shareholders and obtaining their proxies.

**May I nominate someone to be a director of EQT?**

Shareholders may either nominate individuals to serve as directors at the annual meeting or recommend individuals as possible director-nominees to the Corporate Governance Committee of the Board of Directors to consider in its normal course.

If you are a shareholder entitled to vote at an annual meeting, you may present at the meeting the nomination of one or more persons for election as a director of EQT Corporation. To do this, you must send advance written notice to the Company's Corporate Secretary. See "How do I contact EQT's Corporate Secretary?" above. According to our bylaws, we must receive notice of nominations for the 2018 annual meeting not earlier than the close of business on December 20, 2017 (i.e., the 120th day prior to April 19, 2018, the one-year anniversary of this year's annual meeting), and not later than the close of business on January 19, 2018 (i.e., the 90th day prior to April 19, 2018). For additional information, see "Corporate Governance and Board Matters - Director Nominations" on page 27 of this proxy statement.



In addition, a shareholder, or group of twenty or fewer shareholders, owning continuously for at least three years shares of the Company representing an aggregate of at least 3% of the voting power entitled to vote in the election of directors, may nominate and include in EQT's 2018 proxy statement director nominees constituting the greater of (i) two and (ii) 20% of the Board, provided that such nominations are submitted in writing and received by EQT's Corporate Secretary not earlier than September 30, 2017, and not later than the close of business on October 30, 2017, and contain the required information set forth in

Table of Contents

EQT's bylaws. For additional information, see [Corporate Governance and Board Matters](#) [Director Nominations](#) on page 27 of this proxy statement.

In addition, the Board's Corporate Governance Committee will consider candidates recommended by the Company's shareholders. If the Corporate Governance Committee determines to nominate as a director an individual recommended by a shareholder, then the recommended individual will be included on the Company's slate for the next annual proxy statement. Shareholders should send their recommendations to the Corporate Governance Committee Chair by addressing the recommendation to the Company's Corporate Secretary. The Corporate Secretary must receive any recommendations as far in advance of the annual meeting of shareholders as possible in order to provide sufficient time for the Corporate Governance Committee to consider the recommendation.

Any notice or recommendation provided by the nominating shareholder must include an original irrevocable conditional resignation signed by each proposed nominee, as well as certain information about the person or persons nominated and the nominating shareholder (see [Director Nominations](#) under the caption [Corporate Governance and Board Matters](#) below for details). For additional information, contact the Corporate Secretary.

### **When are shareholder proposals due?**

Under SEC rules, eligible shareholders may submit proposals for inclusion in the proxy statement for our 2018 annual meeting. Shareholder proposals must be submitted in writing and must be received by the Company's Corporate Secretary on or before October 30, 2017 for them to be considered for inclusion in the 2018 proxy statement. See [How do I contact EQT's Corporate Secretary?](#) above.

Under our bylaws, you may present proposals in person at the 2018 annual meeting, in addition to proposals that will be included in our proxy statement, if you are a shareholder entitled to vote and comply with the following procedures. The Corporate Secretary must receive such proposals to be presented not earlier than the close of business on December 20, 2017 (i.e., the 120th day prior to April 19, 2018, the one-year anniversary of this year's annual meeting), and not later than the close of business on January 19, 2018 (i.e., the 90th day prior to April 19, 2018). Proposals received outside that time period, including any proposal nominating a person as a director, may not be presented at the 2018 annual meeting. All proposals must be accompanied by the information required by Section 1.09 of our bylaws (a copy of which will be provided to any shareholder upon written request to the Corporate Secretary). Shareholder proposals to recommend an individual to serve as a director of the Company are discussed in the section [Director Nominations](#) under the caption [Corporate Governance and Board Matters](#).

In addition, pursuant to our bylaws, a shareholder, or group of twenty or fewer shareholders may nominate and include in EQT's 2018 proxy statement director nominees provided that such nominations are submitted in writing and received by EQT's Corporate Secretary not earlier than September 30, 2017, and not later than the close of business on October 30, 2017. For additional information, see [Corporate Governance and Board Matters](#) [Director Nominations](#) on page 27 of this proxy statement.



Table of Contents

## ITEM NO. 1 ELECTION OF DIRECTORS

### (Item No. 1 on the proxy card)

**The Board of Directors recommends a vote FOR each nominee for the Board of Directors.**

Directors are elected for one-year terms. Notwithstanding the expiration date of his or her term, each director holds office until his or her successor is elected and qualified; provided, however, each director has agreed to resign the day following the annual meeting date immediately following his or her seventy-fourth birthday.

The Board of Directors consists of eleven members as of the date this proxy statement was filed with the SEC. The terms of all eleven directors expire at the 2017 annual meeting. Mses. Vicky A. Bailey, Margaret K. Dorman and Christine J. Toretti, Messrs. Kenneth M. Burke, A. Bray Cary, Jr., David L. Porges, James E. Rohr, Steven T. Schlotterbeck and Stephen A. Thorington, and Drs. Philip G. Behrman and Lee T. Todd, Jr., have been nominated to serve for a term of one year to expire at the 2018 annual meeting. As previously announced, Mr. Porges will retire from his duties as Chief Executive Officer on February 28, 2017. Mr. Porges has agreed, if reelected, to remain as Executive Chairman of the Board to ensure a smooth transition through February 28, 2018. The persons named as proxies will vote for the nominees named, unless you vote against, or abstain from voting for or against, one or more of them. The eleven nominees for election have agreed to serve if elected, and the Board has no reason to believe that such nominees will be unavailable to serve. In the event that any of the nominees is unable or declines to serve as a director at the time of the annual meeting, then the persons named as proxies intend to vote for substitute nominees proposed by the Board, unless the Board decides to reduce the number of directors. Each nominee must be elected by a majority of the votes cast for election, and votes may not be cumulated.

In addition, under our bylaws, each nominee has submitted an irrevocable conditional resignation to be effective if the nominee receives a greater number of votes against than votes for his or her election in an uncontested election. If this occurs, the Board will decide whether to accept the tendered resignation not later than 90 days after certification of the election. The Board's determination shall be made without the participation of any nominee whose resignation is under consideration with respect to the election. The Board's explanation of its decision will be promptly disclosed on a Form 8-K furnished to the SEC.

**The Board of Directors recommends a vote FOR each nominee for the Board of Directors.**

### Nominees to Serve for a One-Year Term Expiring in 2018

Vicky A. Bailey

Age 64

Director since

June 2004

President, Anderson Stratton International, LLC (strategic consulting and government relations), since November 2005; and Vice President, BHMM Energy Services, LLC (utility and facilities management services), since January 2006. Ms. Bailey is a director of Cheniere Energy, Inc. (energy company primarily engaged in liquefied natural gas related businesses), since March 2006; and was a director of Cleco Corporation (energy services company with regulated utility and wholesale energy businesses), June 2013 through March 2016.

Chair of the Public Policy and Corporate Responsibility Committee and member of the Executive Committee.

*EQT Corporation 2017 Proxy Statement* 14

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Table of Contents

*Qualifications.* Ms. Bailey has substantial regulatory and senior management experience in the energy industry, having previously served as a commissioner of the Federal Energy Regulatory Commission, President of PSI Energy, Inc. (a regulated utility) and commissioner of the Indiana Utility Regulatory Commission. These experiences enable her to provide valuable insights into issues facing the Company's regulated transmission business, particularly with respect to interacting with regulatory agencies. In addition, Ms. Bailey provides leadership to the Board with respect to energy policy issues, owing to her previous experience as Assistant Secretary for the Office of Policy and International Affairs at the Department of Energy. Ms. Bailey also draws upon public company board experience in supporting the Company's strategic efforts.

**Philip G. Behrman, Ph.D.**

**Age 66**

**Director since  
July 2008**

Retired Senior Vice President, Worldwide Exploration, Marathon Oil Corporation (integrated energy company), October 2000 through July 2008.

Member of the Audit Committee and the Public Policy and Corporate Responsibility Committee.

*Qualifications.* Dr. Behrman brings extensive business, senior management and technical industry experience to the Board, having served in various senior management and technical positions with numerous major energy companies throughout his career. In particular, Dr. Behrman has substantial expertise in energy exploration and production business operations, making him uniquely positioned to provide valuable perspectives with respect to the operations of the Company's production business.

**Kenneth M. Burke**

**Age 67**

**Director since  
January 2012**

Retired Partner, Ernst & Young LLP (EY) (Big Four accounting firm), October 1982 through June 2004.

Member of the Audit Committee and the Public Policy and Corporate Responsibility Committee.

*Qualifications.* Mr. Burke brings over three decades of experience focused on the energy industry, primarily oil and gas. Mr. Burke retired from EY in 2004, where he held a number of leadership positions, including National Energy Industry Director and Partner-in-Charge of the Houston Energy Services Group. He also co-authored the book *Oil and Gas Limited Partnerships: Accounting, Reporting and Taxation*. During his years at EY, Mr. Burke served as audit partner for numerous companies in the oil and gas industry. Mr. Burke also has substantial experience as a

Table of Contents

director of both public and private companies where he has served on and chaired a number of committees. Mr. Burke's past public company board service includes Trico Marine Services, Inc. (provider of subsea trenching and marine support vessels and services) and Pride International, Inc. (offshore drilling contractor) (now part of Ensco plc).

**A. Bray Cary, Jr.** **Age 68** **Director since July 2008**

President, Chief Executive Officer and Director, West Virginia Media Holdings, LLC (media company), since October 2001.

Chair of the Corporate Governance Committee and member of the Management Development and Compensation Committee and the Executive Committee.

*Qualifications.* Mr. Cary has extensive public affairs, media relations and senior management experience, having founded and led various media and marketing businesses throughout his career. Mr. Cary utilizes his broad business experience to provide valuable insights with respect to general business and management issues facing the Company. Most importantly, Mr. Cary is uniquely positioned to provide leadership to the Board in public affairs and media relations.

**Margaret K. Dorman** **Age 53** **Director since January 2012**

Retired Chief Financial Officer and Treasurer, Smith International, Inc. (supplier of oil and gas products and services), May 1999 through October 2009.

Member of the Audit Committee.

*Qualifications.* Ms. Dorman brings to the Company a wealth of financial expertise and experience in the natural gas industry, having served in numerous financial positions with Smith International, Inc. (now part of Schlumberger Limited), including as the chief financial officer for more than a decade, during a period of expansive growth. Prior to her time at Smith International, Inc., Ms. Dorman worked as an auditor, ultimately progressing to the role of



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senior audit manager. In addition to her financial controls experience, she has extensive experience building banking relationships, structuring debt financings, integrating acquisitions and as the lead investor relations executive, dealing with significant shareholder matters. Ms. Dorman also has prior board and audit committee experience, having served as a director of Hanover Compressor Company (full service natural gas compression business) (now part of Exterran Holdings, Inc.), from 2004 to 2007, including as a member (and ultimately chair) of its audit committee.

*EQT Corporation 2017 Proxy Statement* 16

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Table of Contents**David L. Porges****Age 59****Director since  
May 2002**

Chairman and Chief Executive Officer, EQT Corporation, since December 2015; Chairman, President and Chief Executive Officer, EQT Corporation, May 2011 through November 2015. Mr. Porges is also Chairman, President and Chief Executive Officer of EQT GP Services, LLC, the general partner of EQGP (the EQGP General Partner) (a natural gas transmission, storage and gathering publicly-traded master limited partnership), since January 2015 and Chairman, President and Chief Executive Officer of EQT Midstream Services, LLC, the general partner of EQM (the EQM General Partner) (a natural gas transmission, storage and gathering publicly-traded master limited partnership), since January 2012. As of December 31, 2016, EQT held a 90.1% limited partner interest and the non-economic general partner interest in EQGP and EQGP held the 1.8% general partner interest, all incentive distribution rights and a 26.6% limited partner interest in EQM.

Member of the Public Policy and Corporate Responsibility Committee and the Executive Committee.

*Qualifications.* Mr. Porges brings extensive business, leadership, management and financial experience, and tremendous knowledge of the Company's operations, culture and industry, to the Board. Mr. Porges has served in a number of senior management positions with the Company since joining the Company as Senior Vice President and Chief Financial Officer in 1998. He has also served as a member of the Company's Board since May 2002. Prior to joining the Company, Mr. Porges held various senior positions within the investment banking industry and also held several managerial positions with Exxon Corporation (now Exxon Mobil Corporation, an international oil and gas company). Mr. Porges served on the board of directors of Westport Resources Corp. (oil and natural gas production company) (now part of Anadarko Petroleum Corporation), from April 2000 through 2004. Mr. Porges' strong financial and industry experience, along with his understanding of the Company's business operations and culture, enable Mr. Porges to provide unique and valuable perspectives on most issues facing the Company. Moreover, Mr. Porges' service on the Board creates a vital link between management and the Board, has provided the Company with decisive and effective leadership and will facilitate a smooth transition to Mr. Schlotterbeck's leadership.

**James E. Rohr****Age 68****Director since  
May 1996**

Retired Executive Chairman, The PNC Financial Services Group, Inc. (PNC) (financial services), April 2013 through April 2014; and Chairman and Chief Executive Officer, PNC, May 2001 through April 2013. Mr. Rohr has served as a director of General Electric Company (a multinational industrial, energy and technology conglomerate), since September 2013; Marathon Petroleum Corporation (a petroleum product refiner, marketer and transporter), since July 2013; and Allegheny Technologies, Inc. (specialty metal producer), since 1996. Mr. Rohr was a director of PNC, from 1990 through April 2014; and BlackRock, Inc.



Table of Contents

(provider of investment, advisory and risk management solutions), from December 1999 through April 2014.

Lead Independent Director, Chair of the Executive Committee and member of the Management Development and Compensation Committee.

*Qualifications.* Mr. Rohr's past experience as Chairman and Chief Executive Officer of one of the country's largest financial services companies provides him with valuable business, leadership and management experience, with particular emphasis on capital markets and corporate finance transactions. Mr. Rohr's experience enables him to provide cutting edge insights into the capital markets and corporate finance issues facing the Company. Mr. Rohr is also able to draw on his past experience as the chief executive officer of a major public company, along with his service as a director of a number of other public companies.

**Steven T. Schlotterbeck**

**Age 51**

**Director since  
January 2017**

President, EQT Corporation and President, Exploration and Production, since December 2015; Executive Vice President, EQT Corporation and President, Exploration and Production, January 2014 through December 2015; Senior Vice President, EQT Corporation and President, Exploration and Production, April 2010 through December 2013. Effective March 1, 2017, Mr. Schlotterbeck will become the President and Chief Executive Officer of EQT Corporation, the EQGP General Partner and the EQM General Partner. Mr. Schlotterbeck has been a member of the board of directors of the EQGP General Partner (the EQGP Board) since its formation in 2015 and a member of the board of directors of the EQM General Partner (the EQM Board) since January 2017.

Member of the Public Policy and Corporate Responsibility Committee and the Executive Committee.

*Qualifications:* Mr. Schlotterbeck brings extensive business, senior management and natural gas industry experience to the Board, having held various senior management and petroleum engineering positions within the energy industry over the past 27 years including with Marathon Oil Company in the Gulf of Mexico and Alaska, Eastern American Energy Corporation and Statoil Energy, Inc. Mr. Schlotterbeck's extensive industry knowledge and senior management experience enables him to bring valuable perspectives regarding the natural gas industry and business management issues.



Table of Contents

**Stephen A. Thorington**

**Age 61**

**Director since  
September 2010**

Retired Executive Vice President and Chief Financial Officer, Plains Exploration & Production Company (energy company engaged in the upstream oil and gas business) (now part of Freeport-McMoRan Inc.), September 2002 through April 2006. Mr. Thorington has been a director of the EQGP General Partner since April 2015. Mr. Thorington was a director of KMG Chemicals, Inc. (diversified chemical company), May 2007 through December 2014, at which time he retired from the board at the conclusion of his then-current term. Mr. Thorington also was a director of QRE GP, LLC, the general partner of QR Energy, LP (oil and natural gas production master limited partnership) (now part of Breitburn Energy Partners LP), January 2011 through November 2014.

Chair of the Audit Committee and member of the Executive Committee.

*Qualifications.* Mr. Thorington has significant experience in energy company management, finance and corporate development, as well as natural gas exploration and production. Mr. Thorington has served in a number of senior management positions with energy industry companies and, earlier in his career, held various senior positions within the investment banking industry. Finally, Mr. Thorington has extensive experience on other public company boards, including recent service as a member of audit, compensation, conflicts and nominating and corporate governance committees. Mr. Thorington is able to draw upon these diverse experiences to provide guidance with respect to accounting matters, financial markets and financing transactions, exploration and production operations and investor relations.

**Lee T. Todd, Jr., Ph.D.**

**Age 70**

**Director since  
November 2003**

Retired President, Lee Todd Consulting, LLC (technology consulting services), October 2014 through April 2016. Dr. Todd was Professor of Electrical Engineering at the University of Kentucky (major public research university), July 2011 through September 2014; and President of the University of Kentucky, July 2001 through June 2011.

Chair of the Management Development and Compensation Committee and member of the Corporate Governance Committee and the Executive Committee.

*Qualifications.* Dr. Todd's past service as President of the University of Kentucky provides valuable leadership and management experience, including experience leading a large organization. Prior to joining the University of Kentucky, Dr. Todd developed a strong reputation as an innovator of emerging technology, having founded and led numerous successful technology companies. Dr. Todd also has experience serving on boards of a variety

of public companies, private companies and foundations. These strong leadership and business experiences, along with Dr. Todd's appreciation for the importance of innovation, enable him

Table of Contents

to offer a unique perspective with respect to business and technology issues facing the Company.

**Christine J. Toretti**

**Age 59**

**Director since  
October 2015**

President, Palladio, LLC (consulting company), since 2011. President, The Jack Company (a natural gas production company), 1988 through 2015; and Chairman and Chief Executive Officer, S.W. Jack Drilling Company (privately-held land-based drilling company), 1990 through 2010. Ms. Toretti has served as Vice Chairman of S&T Bancorp, Inc. (S&T Bank) (financial services), since 2013 and a director since 1984.

Member of the Corporate Governance Committee.

*Qualifications.* Ms. Toretti has extensive experience in the industry having been the Chairman and Chief Executive Officer of a large, privately-held, land-based drilling company. Ms. Toretti's experience, including her role as Vice Chairman and member of the Nominating Committee of S&T Bank, qualifies her to serve as a member of our Corporate Governance Committee. Ms. Toretti also serves on a number of non-profit boards. Ms. Toretti's leadership skills and industry experiences enable her to provide valuable insights into issues facing the Company.

*EQT Corporation 2017 Proxy Statement* 20



Table of Contents

## CORPORATE GOVERNANCE AND BOARD MATTERS

### Board Meetings and Committees

In 2016, the Board of Directors held 6 regular meetings and 2 special meetings. The independent directors met 8 times in executive session without any officer of the Company present. In 2016, each director attended 96% or more of the total number of meetings of the Board and the Committees on which the director served, and overall attendance at such meetings was over 98%. The Company encourages its directors to attend the annual meeting of the shareholders, and it has been their practice to do so. All directors with the exception of Mr. Shapira, whose term expired at the 2016 annual meeting, attended the 2016 annual meeting.

The Board has five standing Committees: Audit, Management Development and Compensation, Corporate Governance, Public Policy and Corporate Responsibility and Executive. The Board may from time to time form new Committees, disband an existing Committee and delegate additional responsibilities to a Committee. The responsibilities of the Committees (other than the Executive Committee) are set forth in written charters, which are reviewed periodically by the Committees and, where appropriate, the Corporate Governance Committee and the Board. All of the charters are available on the Company's website at [www.eqt.com](http://www.eqt.com) by clicking on the Investors link on the main page and then on the Corporate Governance link followed by the Charters and Documents link. Additional information about each of the Board's Committees is provided below.

<b>Audit Committee</b>	
<b>Stephen A. Thorington</b> <i>Committee Chair</i>	<i>Meetings Held in 2016: 10</i>
<p><i>Additional Committee Members:</i> Philip G. Behrman, Ph.D.; Kenneth M. Burke; and Margaret K. Dorman</p> <p><i>Primary Responsibilities:</i> The Audit Committee assists the Board by overseeing the accounting and financial reporting processes of the Company and related disclosure matters; the audits and integrity of the Company's financial statements; the qualifications, independence and performance of the Company's registered public accountants; and the qualifications and performance of the Company's internal audit function. The Committee also oversees the Company's compliance with legal and regulatory requirements, including the Company's code of business conduct and ethics. For additional information regarding the Committee's responsibilities, see <a href="#">Report of the Audit Committee</a> and <a href="#">Board's Role in Risk Oversight</a> below.</p> <p><i>Independence:</i> Each member of the Committee is independent under the Company's corporate governance guidelines, applicable NYSE listing standards and SEC rules. Each member of the Committee is financially literate. The Board</p>	

has determined that each of Ms. Dorman and Messrs. Burke and Thorington qualifies as an audit committee financial expert (as defined under SEC rules). The designation as an audit committee financial expert does not impose upon the members any duties, obligations or liabilities that are greater than are generally imposed upon them as members of the Committee and the Board. As audit committee financial experts, Ms. Dorman and Messrs. Burke and Thorington also have accounting or related financial management experience under applicable NYSE listing standards.

Table of Contents

<b>Management Development and Compensation Committee</b>	
<b>Lee T. Todd, Jr., Ph.D.</b>	<i>Meetings Held in 2016: 9</i>
<i>Committee Chair</i>	
<p><i>Additional Committee Members:</i> A. Bray Cary, Jr. and James E. Rohr</p> <p><i>Primary Responsibilities:</i> The Management Development and Compensation Committee (the Compensation Committee) discharges the Board’s responsibilities relating to compensation of the Company’s executive officers, including determining and approving, based on input from the Corporate Governance Committee and the other independent directors regarding the Chief Executive Officer’s performance for the prior year and in light of the goals and objectives established by the Corporate Governance Committee for the upcoming year, the Chief Executive Officer’s compensation level; reviewing and approving the performance of, and compensation structure for, the Company’s executive officers (other than the Chief Executive Officer); and reviewing and approving all compensation plans and employment and severance agreements for executive officers. The Compensation Committee has the sole authority to retain and terminate one or more compensation consultants, independent legal counsel or other advisors. It may also obtain advice and assistance from internal legal, accounting, human resources and other advisors. The Compensation Committee oversees and, where required by law, administers the Company’s benefit plans, incentive-based compensation plans and other equity-based plans. The Compensation Committee also reviews the Company’s succession plan for all executive officers other than the Chief Executive Officer (whose succession plan is reviewed by the full Board). Pursuant to its Charter, the Compensation Committee has the power to form and delegate authority to subcommittees and to delegate authority to one or more members of the Compensation Committee or to individuals and committees consisting of employees of the Company.</p> <p><i>Independence:</i> Each member of the Compensation Committee is (i) independent under the Company’s corporate governance guidelines and applicable NYSE listing standards (including the enhanced independence standards for compensation committee members under the NYSE listing standards); (ii) a non-employee director for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the Exchange Act); and (iii) an outside director for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code).</p>	

<b>Corporate Governance Committee</b>	
<b>George L. Miles, Jr.</b>	
<b>January 1, 2016 – April 20, 2016</b>	

A. Bray Cary, Jr. following April 20, 2016

Meetings Held in 2016: 6

*Committee Chair*

*Additional Committee Members:* Prior to and including April 20, 2016: A. Bray Cary, Jr.; David S. Shapira; and Christine J. Toretti. Following April 20, 2016: Lee T. Todd, Jr., Ph.D. and Christine J. Toretti.

*Primary Responsibilities:* The Corporate Governance Committee is responsible for recommending director-nominees for each annual meeting of shareholders, Board Committee membership (including Committee Chairs) and nominees for the Board's Lead Independent Director. The Committee oversees the self-assessment process for the Board and its Committees and makes recommendations regarding the Board's compensation structure. It also identifies and approves corporate goals and objectives relevant to the Chief Executive Officer's compensation and annually reviews the Chief Executive Officer's performance against such goals and objectives, after receiving input from the Lead Independent Director. The Committee also recommends director independence determinations to the Board and reviews related person transactions under the Company's related person transaction approval policy.

*Independence:* Each member of the Committee is (i) independent under the Company's corporate governance guidelines and applicable NYSE listing standards (including the enhanced independence standards for compensation committee members under the NYSE listing standards) and (ii) a non-employee director for purposes of Rule 16b-3 under the Exchange Act.

Table of Contents

<b>Public Policy and Corporate Responsibility Committee</b>	
<b>Vicky A. Bailey</b> <i>Committee Chair</i>	<i>Meetings Held in 2016: 4</i>
<i>Additional Committee Members:</i> Philip G. Behrman, Ph.D.; Kenneth M. Burke; and David L. Porges. Effective January 1, 2017, Steven T. Schlotterbeck joined the Committee.	
<i>Primary Responsibilities:</i> The Public Policy and Corporate Responsibility Committee reviews and provides input and direction to the Company's management and the Board regarding industry, legislative and regulatory activities of significance to the Company relating to environmental, health and safety matters; government affairs (including industry and other organizations that express views about legislative and regulatory affairs); and other matters likely to influence the Company's reputation.	

<b>Executive Committee</b>	
<b>James E. Rohr</b> <i>Committee Chair</i>	<i>Meetings Held in 2016: None</i>
<i>Additional Committee Members:</i> Prior to and including April 20, 2016: Vicky A. Bailey; George L. Miles, Jr.; David L. Porges; Stephen A. Thorington; and Lee T. Todd, Jr., Ph.D. Following April 20, 2016: Vicky A. Bailey; A. Bray Cary, Jr.; David L. Porges; Stephen A. Thorington; and Lee T. Todd, Jr., Ph.D. Effective January 1, 2017, Steven T. Schlotterbeck joined the Committee.	
<i>Primary Responsibilities:</i> The Executive Committee has the authority to act in all matters that the full Board may act upon when the Board is not in session, unless limited by a resolution of the Board and except to the extent limited by law.	

**Compensation Process**Establishing Target Total Direct Compensation

In discharging the Board's responsibilities relating to compensation of the Company's executive officers, the Compensation Committee establishes the target total direct compensation (base salary plus annual and long-term incentives) for executive officers by establishing base salaries and setting long-term and annual incentive targets. When appropriate, the Compensation Committee also reviews and modifies perquisites.

#### Establishing Annual and Long-Term Incentive Programs

The Compensation Committee annually approves plan design, including performance measures and target payout, for annual and long-term incentive programs. These deliberations, which usually start with recommendations from management and involve discussions among management, the Compensation Committee's independent compensation consultant and the Compensation Committee, usually span several meetings before a design is approved. After the end of the performance period for any performance award, the Compensation Committee certifies the levels at which the performance measures were satisfied and approves the amount of incentive award payable to each executive officer.

#### Equity Grants

The Compensation Committee may make equity grants to executive officers at any time during the year. The Compensation Committee generally does not grant equity awards when in possession of material non-public information. If in possession of such information, the Compensation Committee does not take such information into account when determining whether or in what amounts to make such grants.

Table of Contents

The Compensation Committee and, solely in the case of restricted EQM phantom units, the EQM Board have delegated to Mr. Porges, in his capacity as a director of the applicable entity, the authority to grant the following:

- a limited number of restricted EQT shares and/or EQT restricted units to (i) newly hired or recently promoted employees on the condition that no award exceeds the 50th percentile of the market long-term incentive compensation target in value, except as may result from an award being rounded-up to the next highest number of shares evenly divisible by 10, (ii) other employees in recognition of exceptional performance on the condition that no award exceeds 1,000 shares, and (iii) employees who participate in the Company's educational assistance program, on the condition that no individual award exceeds 500 shares; provided that in each case no recipient is an executive officer of the Company, and with respect to subsections (ii) and (iii) only, the recipient is not a participant in the Company's most recent long-term incentive award program; and
- a limited number of restricted EQM phantom units to newly hired or recently promoted employees on the condition that no award exceeds the 50th percentile of the market long-term incentive compensation target in value, except as may result from an award being rounded-up to the next highest number of units evenly divisible by 10; provided that no recipient is an executive officer of the Company.

All such awards must be made on standard terms approved by the Compensation Committee (and, in the case of EQM awards, the EQM Board) and are reported to the Compensation Committee (and, in the case of EQM awards, the EQM Board) for informational purposes at the next meetings of the Compensation Committee and the EQM Board, as applicable. Mr. Porges authorizes restricted EQT shares and/or EQT restricted units and EQM phantom units periodically throughout the year on pre-established dates and does not coordinate the timing of such grants with the release of material non-public information. If in possession of such information, Mr. Porges does not take such information into account when determining whether or in what amounts to make such grants.

The Compensation Committee has not delegated its authority to award equity to any other executive officer.

Compensation Consultant

The Compensation Committee has the sole authority to hire, terminate and approve fees for compensation consultants, independent legal counsel and other advisors as it deems to be necessary to assist in the fulfillment of its responsibilities. During 2016, the Compensation Committee utilized Pay Governance LLC (Pay Governance) as its independent compensation consultant, and Pay Governance reported directly to the Compensation Committee.

Representatives of Pay Governance do not make recommendations on, or approve, the amount of compensation for any executive officer. The Compensation Committee may request information or advice directly from representatives of Pay Governance and may direct the Company to provide information to representatives of Pay Governance. Representatives of Pay Governance regularly interact with representatives of the Company's human resources department and periodically with the Chief Executive Officer and representatives of the Company's legal department.

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During 2016, Pay Governance provided market data and counsel regarding executive officer compensation programs and practices, including specifically:

- competitive benchmarking;
- peer group identification and assessment;

*EQT Corporation 2017 Proxy Statement* 24

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Table of Contents

- advice and market insight as to the form of, and performance measures for, annual and long-term incentives;
- marketplace compensation trends in the Company's industry and generally; and
- advice regarding the performance of the Company's annual review of compensation risk.

During 2016, Pay Governance also performed benchmarking services for the Corporate Governance Committee related to director compensation for the Company's Board.

Other than the executive and director compensation services provided for the Compensation Committee and the Corporate Governance Committee, respectively, representatives of Pay Governance also performed the following services during 2016:

- Consistent with prior years, Pay Governance performed benchmarking services for director compensation related to the EQGP Board (2016 fees totaled \$12,400) and the EQM Board (2016 fees totaled \$18,000).
- The Company's management engaged Pay Governance to perform a competitive benchmarking analysis for non-executive officers of the Company (2016 fees totaled \$28,625).

The Compensation Committee has considered the services provided by Pay Governance during 2016, as well as Pay Governance's responses to a questionnaire regarding Pay Governance's relationship with the Company and its management, and determined that such services do not compromise Pay Governance's independence as the Compensation Committee's independent compensation consultant.

Role of Senior Management

The Company's senior management has an ongoing dialogue with the Compensation Committee and the Compensation Committee's independent compensation consultant regarding compensation and plan design. Most ideas originate with management due to its direct involvement in, and knowledge of, the business goals, strategies, experiences and performance of the Company. Management's ideas are reviewed with the independent compensation consultant and frequently modified by the Compensation Committee prior to ultimate adoption. The Compensation Committee engages in active discussions with the Chief Executive Officer concerning: (i) who should participate in programs and at what levels, (ii) which performance measures should be used, (iii) the determination of performance targets and (iv) whether and to what extent performance measures for the previous year have been achieved. The Chief Executive Officer is advised by the other executive officers of the Company.

We provide additional information regarding the Compensation Committee and our policies and procedures regarding executive compensation, including the role of executive officers in recommending executive compensation, below under the caption Compensation Discussion and Analysis.

## **Board Leadership Structure**

As described in the Company's corporate governance guidelines, the Board of Directors believes that the functions of the Chairman of the Board are distinct from those of the Chief Executive Officer but that both functions may be effectively performed by the same individual. From time to time, generally in connection with succession planning, the Board considers whether the Chairman of the Board and the Chief Executive Officer should be separate, and if separate, whether the Chairman of the Board should be an outside director or an inside director. The Board is currently satisfied with the Chief Executive Officer performing the functions of the Chairman of the Board because Mr. Porges is able to utilize his in-depth knowledge and perspective gained in running the Company to effectively and efficiently guide the full Board by recommending Board and Committee meeting agendas, leading Board discussions on critical issues and creating a vital link among the Board, management and shareholders. As previously

Table of Contents

announced, when Mr. Porges steps down as Chief Executive Officer on February 28, 2017, Mr. Schlotterbeck will become the Chief Executive Officer. Assuming he is reelected, Mr. Porges will remain as Executive Chairman of the Board through February 28, 2018. The Board believes this will facilitate a smooth transition from Mr. Porges to Mr. Schlotterbeck.

Pursuant to the Company's corporate governance guidelines, when the Board does not have an independent Chairman, the Board must designate an independent director as the Lead Independent Director. When a Lead Independent Director has been designated, the Lead Independent Director's exclusive duties are:

- convening, presiding over and setting agendas for regularly scheduled and special executive sessions of independent/non-management directors (which typically occur at each regularly scheduled meeting of the Board), including calling a meeting of the independent/non-management directors, if requested by any other director;
- presiding over any meeting at which the Chairman is not present;
- consulting with the Chairman to set the annual calendar of topics to be covered at Board meetings and reviewing meeting agendas;
- providing input to the Corporate Governance Committee in connection with the evaluation of the Chief Executive Officer's performance;
- facilitating an assessment process with respect to the Board as a whole as well as for individual directors;
- serving as the designated director to speak with shareholders (when requested) and to receive communications from interested parties; and
- serving as the Chair of the Executive Committee.

In April 2016, the Board, based on a recommendation from the Corporate Governance Committee, re-elected Mr. Rohr as its Lead Independent Director to serve until the first regular Board meeting following the Company's 2017 annual meeting of shareholders. Mr. Rohr has held this position since May 2011. The service of the Lead Independent Director complements Mr. Porges' role as Chairman by, among other things, providing directors, shareholders and other constituents a direct contact to an independent member of the Board. When in office, the Lead Independent Director's term is one year, but an individual may serve multiple consecutive terms upon recommendation of the Corporate Governance Committee and approval of the Board.

## Board's Role in Risk Oversight

The Company's corporate governance guidelines provide that the Board of Directors is responsible for reviewing the process for assessing the major risks facing the Company and the options for their mitigation. The Board executes on this oversight responsibility in a variety of ways, including:

- performing an annual review of the Company's major risks;
- addressing major risks with management via presentations (initiated by management or requested by the Board) throughout the year; and
- delegating oversight for certain risks to the Board Committees. For example, the Audit Committee is responsible for reviewing and discussing with management the Company's major financial risk exposures and the actions management has taken to monitor and control such exposures. The Compensation, Corporate Governance and Public Policy and Corporate Responsibility Committees also review and discuss with management major risk exposures associated with their respective areas of oversight.

The Company primarily manages enterprise risk through an Enterprise Risk Committee consisting of certain executive officers and business unit and functional leaders. The Enterprise Risk Committee meets

Table of Contents

periodically throughout the year to review, prioritize and address the Company's major risk exposures and to consider new or emerging risks. The Corporate Director, Enterprise Risk and Compliance reports the results of the risk assessment annually to the Board of Directors. The Board reviews and assesses the report of the Corporate Director, Enterprise Risk and Compliance and determines whether any further action is required.

## Director Nominations

The responsibilities of the Corporate Governance Committee include identifying and recommending to the Board the requisite skills and characteristics to be found in individuals qualified to serve as members of the Board and recommending to the Board the director nominees for each annual meeting of shareholders. The Corporate Governance Committee typically considers new nominees for the Board in the context of a vacancy on the Board resulting from resignation or retirement of a director or to fill a skill need identified by the Board. The Corporate Governance Committee has historically used third-party search firms to assist it in identifying potential director candidates. Director candidates have also been identified by senior management and members of the Board considering individuals both within and external to their respective networks.

As set forth in the Corporate Governance Committee's charter, the Corporate Governance Committee will consider submissions from shareholders in making its recommendation. Any shareholder desiring to recommend an individual to serve as a director of the Company should submit the following information to the Corporate Governance Committee Chair, care of the Corporate Secretary, no earlier than the close of business on the 120th day and no later than the close of business on the 90th day prior to the first anniversary of the preceding year's annual meeting:

- The information required by Sections 1.09 and 1.10 of the Company's bylaws (a copy of which will be provided to any shareholder upon written request to the Corporate Secretary), including, but not limited to, (i) the proposing person's notice, (ii) the nominee's written questionnaire with respect to the background and qualifications of such nominee and the background of any other person or entity on whose behalf the nomination is being made, (iii) a written representation and agreement of the nominee in the form provided by the Corporate Secretary, and (iv) the nominee's executed irrevocable conditional resignation letter.
- In addition, the Company may require the shareholder to provide such further information as it may reasonably request.

Additionally, as set forth in Section 1.11 of the Company's bylaws, a shareholder, or group of twenty or fewer shareholders, owning continuously for at least three years shares of the Company representing an aggregate of at least 3% of the voting power entitled to vote in the election of directors, may nominate and include in EQT's proxy statement director nominees constituting the greater of (i) two and (ii) 20% of the Board, provided that such nominations are submitted in writing and received by EQT's Corporate Secretary not earlier than the close of business on the 150th day and not later than the close of business on the 120th day prior to the first anniversary of the date that the Company mailed its proxy statement for the preceding year's annual meeting of shareholders and include the following:

- The information required by Sections 1.09 and 1.10 of the Company's bylaws (a copy of which will be provided to any shareholder upon written request to the Corporate Secretary), including, but not limited to, (i) the proposing person's notice, (ii) the nominee's written questionnaire with respect to the background and qualifications of such nominee and the background of any other person or entity on

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whose behalf the nomination is being made, (iii) a written representation and agreement of the nominee in the form provided by the Corporate Secretary that the nominee consents to being named in the Company's proxy statement and form of proxy card as a nominee and to serving as

*EQT Corporation 2017 Proxy Statement* 27

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Table of Contents

a director of the Company if elected, and (iv) the nominee s executed irrevocable conditional resignation letter.

- The information required by Section 1.11 of the Company s bylaws, including, but not limited to, (i) all other questionnaires required of the Company s directors; and (ii) such additional information as is necessary to permit the Board of Directors to determine that the director nominee is independent and that his service as a member of the Board of Directors would not violate any applicable law, rule or regulation, or the NYSE listing standards.

See How do I contact EQT s Corporate Secretary? under the caption Questions and Answers About the Annual Meeting above.

In evaluating individuals identified as possible director-nominees, whether the source of the possible nominee is another director, a member of management, a shareholder or otherwise, the Corporate Governance Committee assesses the experience and personal characteristics of the possible nominee against the guidelines identified below. Possible nominees satisfying the guidelines are then further evaluated to identify, in the judgment of the Corporate Governance Committee, the best match for the Board. The Corporate Governance Committee retains the right to modify the guidelines, including the criteria for evaluating the qualifications of potential nominees for election to the Board as set forth therein, from time to time.

<i>Individual Qualifications</i>	<ul style="list-style-type: none"> <li>• Possesses integrity, competence, insight, creativity and dedication together with the ability to work with colleagues while challenging one another to achieve superior performance</li> <li>• Has attained prominent position in his or her field of endeavor</li> <li>• Possesses broad business experience</li> <li>• Has ability to exercise sound business judgment</li> <li>• Is able to draw on his or her past experience relative to significant issues facing the Company</li> <li>• Has experience in the Company s industry or in another industry or endeavor with practical application to the Company s needs</li> <li>• Has sufficient time and dedication for preparation as well as participation in Board and Committee deliberations</li> <li>• Has no conflict of interest</li> <li>• Meets such standards of independence and financial knowledge as may be required or desirable</li> </ul>
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	<ul style="list-style-type: none"> <li>• Possesses attributes deemed to be appropriate given the then current needs of the Board</li> </ul>
<p><i>Composition of the Board as a Whole</i></p>	<ul style="list-style-type: none"> <li>• A diversity of background, perspective and skills related to the Company's business</li> <li>• A diversity of race, gender and age</li> </ul>

The Board believes that its members possess individual qualifications consistent with the guidelines set forth above. In addition to the specific individual director qualifications identified under the caption "Item No. 1 Election of Directors" above, the Board believes that its members offer insightful and creative views and solutions with respect to issues facing the Company. The Board also believes that its members function well together as a group. Finally, the Board believes that it has appropriate diversity consistent with the guidelines set forth above.



Table of Contents

## Contacting the Board

You may communicate directly with the Lead Independent Director (and with independent directors, individually or as a group, through the Lead Independent Director) by sending an email to [presidingdirector@eqt.com](mailto:presidingdirector@eqt.com). You may also write to the Lead Independent Director, the entire Board, any Board Committee or any individual director by addressing such communication to the applicable director or directors, care of the Corporate Secretary, at EQT Corporation, 625 Liberty Avenue, Suite 1700, Pittsburgh, Pennsylvania 15222. The Corporate Secretary will open such communications and will promptly deliver such communications to the director or directors (as appropriate) designated therein, unless such communications are junk mail or mass mailings.

## Governance Principles

The Company maintains a corporate governance page on its website that includes key information about its corporate governance practices, including its corporate governance guidelines, code of business conduct and ethics and charters for the Audit Committee, the Management Development and Compensation Committee, the Corporate Governance Committee and the Public Policy and Corporate Responsibility Committee. The corporate governance page can be found at [www.eqt.com](http://www.eqt.com), by clicking on the Investors link on the main page and then on the Corporate Governance link. The Company will provide copies of its corporate governance guidelines, code of business conduct and ethics and any of the Board Committee charters upon request by a shareholder to the Corporate Secretary. See [How do I contact EQT's Corporate Secretary?](#) under the caption [Questions and Answers About the Annual Meeting](#) above.

EQT's corporate governance policies and practices are compliant with applicable corporate governance requirements:

- The Board of Directors has adopted corporate governance guidelines.
- Nine of the eleven members of the Board are independent of the Company and its management.
- The Board's non-management directors meet periodically in executive session, and the Lead Independent Director has been identified as the presiding director at all such executive sessions.
- All members of each of the key Board Committees – Audit, Management Development and Compensation and Corporate Governance – are independent of the Company and its management.
- Each of the key Committees has a charter that meets applicable legal requirements and reflects good corporate governance.
- The Board and each of the key Committees engage in annual self-assessments, which involve, among other things, reviews of individual director performance.
- The Company's directors are encouraged to participate in educational programs relating to corporate governance and business-related issues, and the Company provides funding for such activities.
- The Company has a code of business conduct and ethics applicable to all employees and directors of the Company.

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- The Corporate Governance Committee reviews the Company's governance policies and practices periodically and makes recommendations to the Board.

*EQT Corporation 2017 Proxy Statement* 29

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## Table of Contents

### Shareholder Engagement

We value feedback from our shareholders and are committed to maintaining an active dialogue with our shareholders year-round. We maintain a robust investor relations program, through which senior executives held more than 900 meetings with EQT, EQM and/or EQGP investors or potential investors in 2016 to discuss operations, strategy and other critical items. In addition, 2016 marked the seventh consecutive year of shareholder outreach efforts targeting the Company's compensation and governance practices. Feedback from these outreach meetings is provided to the Corporate Governance Committee and the Compensation Committee, as appropriate, for consideration. In 2016, we requested governance and compensation targeted meetings with investors representing approximately 55% of our outstanding shares, met with holders of 20% of our outstanding shares and were told by holders representing another 20% that meetings were unnecessary as they were content with our practices. The Board values our investors' feedback and, indeed, has implemented several changes as a result of feedback received from our shareholder engagement program, including: the prohibition of the pledging of EQT securities by executive officers and directors; the establishment of a compensation recoupment policy; enhanced disclosure of our short-term incentive plan design; and development of our proxy access bylaw. Investor feedback is also strongly considered during the design of our long-term incentive programs.

### Sustainability

EQT's corporate social responsibility commitments are to operate as a safe, responsible and accountable corporate citizen. EQT is committed to transparency, and helping our shareholders understand the origins, risks, costs and benefits associated with natural gas development. This also means raising awareness of the significant improvements that have taken place and continuing to ensure safe operations, protect our environment, create jobs and boost our local and national economy. In 2016 EQT received an Environmental, Social and Governance (ESG) score (which is a measure of a company's disclosure of quantitative and policy-related ESG data) of 52.7 from Bloomberg Finance, L.P., compared to an average score of 23.3 for the members of our peer group for the 2016 Incentive PSU Program (defined and described under the caption "Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table"). To learn more about EQT's sustainability efforts please view our 2016 Corporate Social Responsibility Report on our website, by visiting [www.eqt.com](http://www.eqt.com), clicking on the "Investors" link on the main page and then on the "Sustainability Reporting" link.

## **Independence and Related Person Transactions**

### Director Independence

In accordance with the Company's corporate governance guidelines, a majority of directors at any time will be independent. For a director to be considered an independent director, the Board must annually determine that he or she has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has such a relationship with the Company), except as a director. To assist it in determining director independence, the Board established guidelines, which are included in the Company's corporate governance guidelines, that conform to the independence requirements under the NYSE listing standards.

The Board considers all relevant facts and circumstances in making an independence determination. Any relationship involving a Company director that complies with the independence standards set forth in the Company's corporate governance guidelines and is not otherwise a related person transaction (as defined under the caption "Review, Approval or Ratification of Transactions with Related Persons" below) under the

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Company's related person transaction approval policy (the related person transaction policy) is deemed to be an immaterial relationship not requiring consideration by the Board in assessing independence.

*EQT Corporation 2017 Proxy Statement* 30

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Table of Contents

Based on the independence standards set forth in the Company's corporate governance guidelines, the Board has determined that all of the Company's directors other than Messrs. Porges and Schlotterbeck (who are executive officers of the Company) have met the above standards and are independent of the Company and its management.

Director ownership of Company stock is encouraged and is not in itself a basis for determining that a director is not independent, provided that such ownership may preclude participation on the Audit Committee if its magnitude is sufficient to make the director an "affiliated person" of the Company as described in the Audit Committee charter. See "Equity-Based Compensation" under the caption "Directors' Compensation" below for a description of the equity ownership guidelines for directors.

During the preceding three fiscal years, the Company made no contributions to any tax-exempt organization in which any independent director of the Company is an executive officer.

Review, Approval or Ratification of Transactions with Related Persons

Under the Company's written related person transaction policy, Company management, with the assistance of the Company's legal department, is responsible for determining whether a transaction between the Company and a Related Person (as defined below) constitutes a Related Person Transaction (as defined below). Such determination is based on a review of all facts and circumstances regarding the transaction, including information provided in annual director and executive officer questionnaires. Upon determination that a transaction is a Related Person Transaction that has not been approved by the full Board of Directors, the material facts regarding the transaction are reported to the Corporate Governance Committee for its review. The Corporate Governance Committee then determines whether to approve, ratify, revise, reject or take other action with respect to the Related Person Transaction.

Under the related person transaction policy, a "Related Person Transaction" is generally a transaction in which the Company or a subsidiary is a participant, the amount involved exceeds \$120,000 and a Related Person has a direct or indirect material interest. A "Related Person" is generally any person who is a director or executive officer of the Company, any nominee for director, any shareholder known to the Company to be the beneficial owner of more than 5% of any class of the Company's voting securities and any immediate family member (as defined by the SEC) of any of the foregoing persons.

Under the policy, the following transactions are deemed to be automatically pre-approved and do not need to be brought to the Corporate Governance Committee for individual approval: (i) transactions involving employment of an executive officer by the Company, as long as the executive officer is not an immediate family member of another executive officer or director of the Company and the compensation paid to the executive officer was approved by the Compensation Committee; (ii) transactions involving compensation and benefits paid to a director for service as a director of the Company; (iii) transactions on competitive business terms with another company in which the only relationship of a director or immediate family member of a director is as an employee or executive officer, a director or a beneficial owner of less than 10% of that company's shares, provided that the amount involved does not exceed the greater of \$1,000,000 or 2% of the other company's consolidated gross revenue; (iv) transactions where the interest of the Related Person arises solely from the ownership of a class of equity securities of the company, and all holders of that class of equity securities receive the same benefit on a pro-rata basis; (v) transactions where the rates or charges involved are determined by competitive bids; (vi) transactions involving the rendering of services as a common or contract carrier or public utility at rates or charges fixed in conformity with law or governmental regulation; (vii) transactions involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture or similar services; and (viii) charitable contributions, grants or endowments by the Company or the Company's charitable foundation to a charitable or non-profit organization, foundation or university in which a Related Person's only relationship is as an employee or a director or trustee, if the aggregate amount involved does not exceed the greater of \$1,000,000 or 2% of

the recipient's consolidated gross revenue.

Table of Contents

The related person transaction policy does not limit or affect the application of the Company's code of business conduct and ethics and related policies, which require directors and executive officers to avoid engaging in any activity or relationship that may interfere, or have the appearance of interfering, with the performance of the directors' or executive officers' duties to the Company. Such policies require all directors and executive officers to report and fully disclose the nature of any proposed conduct or transaction that involves, or could involve, a conflict of interest and to obtain approval before any action is undertaken.

Transactions with Related Persons

Based on information provided by the Company's directors and executive officers and assessments by the Company's management, the Corporate Governance Committee determined that there were no Related Persons Transactions in 2016 requiring disclosure in this proxy statement.

**Compensation Committee Interlocks and Insider Participation**

During all of 2016, Dr. Todd and Messrs. Cary and Rohr served as members of the Compensation Committee. None of these Compensation Committee members is a current or former officer or employee of the Company or had any relationship with the Company requiring disclosure. In addition, none of the Company's executive officers served as a member of the board of directors or compensation committee (or similar committee) of another entity, one of whose executive officers served as a member of the Company's Board of Directors or the Compensation Committee.

Table of Contents

## DIRECTORS COMPENSATION

Compensation of directors is annually reviewed by the Corporate Governance Committee and approved by the Board. No compensation is paid to employee directors for their service as directors.

In 2016, the Corporate Governance Committee engaged Pay Governance to conduct an annual review of the total compensation for non-employee directors for 2017. Specifically, retainer fees, meeting fees, chairperson premiums, stock-based long-term incentives and director matching gift benefits were evaluated using, as the competitive benchmark, levels of total compensation paid to directors of:

- the 219 general industry companies with 2015 revenues of \$1 billion to \$4 billion that are identified in Appendix A; and
- the following 23 energy industry companies:

Antero Resources Corporation	National Fuel Gas Company
Cabot Oil & Gas Corporation	Newfield Exploration Company
Chesapeake Energy Corporation	Noble Energy, Inc.
Cimarex Energy Co.	ONEOK, Inc.
Concho Resources Inc.	Pioneer Natural Resources Company
CONSOL Energy Inc.	QEP Resources, Inc.
Continental Resources, Inc.	Range Resources Corporation
Devon Energy Corporation	SM Energy Company
Energen Corporation	Southwestern Energy Company
EOG Resources, Inc.	Spectra Energy Corp
EXCO Resources, Inc.	Whiting Petroleum Corporation
Marathon Oil Corporation	

At the time the above 2017 director compensation peer group was determined, the Company had expected that the Company's peer group for the 2017 Incentive PSU Program would be identical. The peer group for the 2017 Incentive PSU Program was subsequently modified to eliminate Spectra Energy Corp. as it signed an agreement to be acquired.

Set forth below is a description of the compensation of the Company's non-employee directors:

### *Cash Compensation*

- An annual cash retainer of \$60,000 is paid on a quarterly basis.



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- An additional annual cash retainer of \$6,000 is paid on a quarterly basis to members of the Audit Committee other than the Chair.
- The cash meeting fee is \$1,500 for each Board and Committee meeting attended in person. If a director participates in a meeting by telephone, the meeting fee is \$750. These fees are paid on a quarterly basis.
- For the Audit Committee Chair, an annual committee chair retainer of \$15,000 is paid (the retainer increased to \$20,000 effective in 2017). For the Compensation, Corporate Governance, Public Policy and Corporate Responsibility and Executive Committee Chairs, an annual committee chair retainer of \$10,000 is paid. These fees are also paid on a quarterly basis.

### *Equity-Based Compensation*

- The Company grants to each non-employee director, on an annual basis, stock units that vest upon award and are payable on a deferred basis under the Company's directors' deferred compensation plans. The 2016 annual grant was 3,420 deferred stock units,

*EQT Corporation 2017 Proxy Statement* 33

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Table of Contents

which were awarded on January 1, 2016 to each non-employee director serving at that time. Each non-employee director serving on the Board on January 1, 2017 received an award of 2,730 deferred stock units. Each deferred stock unit is equal in value to one share of Company common stock but does not have voting rights. Dividends are credited quarterly in the form of additional deferred stock units. The value of the stock units granted in 2013 and subsequent years will be paid in shares of Company common stock upon termination of service as a director. The value of the stock units granted prior to 2013 will be paid in cash (or, if a director made a prior election to settle the award in equity, in Company common stock) upon termination of service as a director.

- Newly elected non-employee directors are expected to receive an equity grant upon joining the Board equal to the pro rata amount of the then applicable annual grant.
- The non-employee directors are subject to equity ownership guidelines which require them to hold shares (or share equivalents, including deferred stock units) with a value equal to five times the annual retainer. Under the guidelines, directors have up to five years from joining the Board to acquire a sufficient number of shares (or share equivalents, including deferred stock units) to meet the ownership guidelines. Each of the Company's non-employee directors satisfies the equity ownership guidelines.

*Deferred Compensation*

- The Company has deferred compensation plans for non-employee directors. In addition to the automatic deferral of stock units awarded, non-employee directors may elect to defer up to 100% of their annual retainers and fees into the 2005 Directors' Deferred Compensation Plan and receive an investment return on the deferred funds as if the funds were invested in Company common stock or permitted mutual funds. Prior to the deferral, plan participants must irrevocably elect to receive the deferred funds either in a lump sum or in equal annual installments. Deferred funds for which directors have elected to receive an investment return as if the funds were invested in Company common stock are distributed in shares of common stock. Distributions are made or, if applicable, commence following termination of service as a director. The directors' deferred compensation accounts are unsecured obligations of the Company. Mr. Cary deferred fees under the plan in 2016. The 1999 Directors' Deferred Compensation Plan continues to operate for the sole purpose of administering amounts vested under the plan on or prior to December 31, 2004.

*Other*

- All directors are eligible to participate in the Matching Gifts Program of the EQT Foundation on the same terms as Company employees. Under this program, the EQT Foundation will match gifts of at least \$100 made by a director to eligible charities, up to an aggregate total of \$50,000 per director in any calendar year.
- Non-employee directors who joined the Board prior to May 25, 1999 may designate a civic, charitable or educational organization as beneficiary of a gift, payable in a lump sum following the death of the director, funded by a life insurance policy purchased by the Company. The proceeds of the life insurance policy (and, therefore, the amount of the gift) approximate the present value of ten equal annual installments of \$50,000. The directors do not receive any financial benefit from this program because the charitable deductions accrue solely to the Company. Mr. Rohr is the only active director entitled to this benefit.
- The Company reimburses directors for their travel and related expenses in connection with attending Board and Committee meetings and related activities. The Company also provides non-employee directors with \$20,000 of life insurance and \$250,000 of travel accident insurance while traveling on business for the Company.



Table of Contents

The table below shows the total 2016 compensation of the Company's non-employee directors:

**2016 Directors Compensation Table**

NAME	FEES			TOTAL
	EARNED		ALL OTHER	
	OR PAID	STOCK AWARDS	COMPENSATION	
(1)	IN CASH (\$ (2))	(\$ (3))	(\$ (4))	(\$)
Ms. Bailey	85,750	178,285	32,356	296,391
Dr. Behrman	91,500	178,285	21,435	291,220
Mr. Burke	91,500	178,285	360	270,145
Mr. Cary	95,478	178,285	51,435	325,198
Ms. Dorman	87,000	178,285	360	265,645
Mr. Miles	27,904	178,285	50,712	256,901
Mr. Rohr	87,750	178,285	28,936	294,971
Mr. Shapira	26,382	178,285	51,701	256,368
Mr. Thorington	96,000	178,285	187,703	461,988
Dr. Todd	94,750	178,285	32,274	305,309
Ms. Toretta	78,000	178,285	35,045	291,330

- (1) Messrs. Miles and Shapira retired from the Board at the 2016 annual meeting on April 20, 2016.
- (2) Includes annual cash retainers, meeting fees and committee chair fees, some of which have been deferred at the election of the director.
- (3) This column reflects the aggregate grant date fair values determined in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718 for the deferred stock units awarded to each director during 2016. On January 1, 2016, the Company granted 3,420 deferred stock units to each non-employee director serving at that time. The grant date fair value is computed as the sum of the number of deferred stock units awarded on the grant date multiplied by the closing stock price of the Company's common stock on the business day prior to the grant date, which closing stock price was \$52.13 on December 31, 2015. The aggregate number of awarded deferred stock units, including accrued dividends thereon, held at December 31, 2016 was: Ms. Bailey 31,108; Dr. Behrman 21,759; Mr. Burke 12,788; Mr. Cary 21,759; Ms. Dorman 12,788; Mr. Miles 2,611; Mr. Rohr 35,703; Mr. Thorington 16,104; Dr. Todd 32,983; and Ms. Toretta 3,937.
- (4) This column reflects (i) dividends accrued on deferred stock units to be settled in cash, (ii) annual premiums of \$44.55 per director (\$22.28 for Mr. Thorington) paid for life insurance and travel accident insurance policies, and (iii) the following matching gifts made to qualifying organizations under the EQT Foundation's Matching Gifts Program: \$29,800 for Ms. Bailey; \$20,000 for Dr. Behrman; \$50,000 for Mr. Cary; \$50,000 for Mr. Miles; \$25,000 for Mr. Rohr; \$50,000 for Mr. Shapira; \$47,510 for Mr. Thorington; \$29,493 for Dr. Todd; and \$35,000 for Ms. Toretta. The non-employee directors may use a *de minimis* number of tickets purchased by the Company to attend

sporting or other events when such tickets are not otherwise being used for business purposes. The use of such tickets does not result in any incremental costs to the Company.

In addition to compensation earned for his service on EQT's Board, this column reflects compensation Mr. Thorington received for his service on the EQGP Board, consisting of \$139,458 in cash retainers, meeting fees and committee chair fees, EQGP's share of the life insurance and travel accident insurance policies and an equity grant of EQGP phantom units with a grant date fair value of \$65,186.

Table of Contents**EQUITY OWNERSHIP****Stock Ownership of Significant Shareholders**

The following shareholders reported to the SEC that they owned more than 5% of the Company's outstanding common stock:

<b>NAME AND ADDRESS</b>	<b>SHARES BENEFICIALLY OWNED</b>	<b>PERCENT OF COMMON STOCK OUTSTANDING</b>
JPMorgan Chase & Co. 270 Park Avenue New York, NY 10017	18,835,449(1)	10.9%
The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355	16,685,575(2)	9.7%
BlackRock, Inc. 55 East 52nd Street New York, NY 10055	13,525,006(3)	7.8%
T. Rowe Price Associates, Inc. 100 E. Pratt Street Baltimore, MD 21202	13,439,852(4)	7.7%
State Street Corporation	9,362,350(5)	5.4%

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One Lincoln Street

Boston, MA 02111

Boston Partners	9,149,805(6)	5.3%
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One Beacon Street, 30th Floor

Boston, MA 02108

(1) Information based on Amendment No. 1 to Schedule 13G filed with the SEC on January 11, 2017, reporting that JPMorgan Chase & Co. has sole voting power over 17,067,607 shares, sole dispositive power over 18,676,587 shares, shared voting power over 79,158 shares and shared dispositive power over 157,458 shares.

(2) Information based on Amendment No. 5 to Schedule 13G filed with the SEC on February 9, 2017, reporting that The Vanguard Group has sole voting power over 270,113 shares, sole dispositive power over 16,369,015 shares, shared voting power over 44,307 shares and shared dispositive power over 316,560 shares.

(3) Information based on Amendment No. 8 to Schedule 13G filed with the SEC on January 24, 2017, reporting that BlackRock, Inc. has sole voting power over 12,002,857 shares and sole dispositive power over 13,525,006 shares.

(4) Information based on Amendment No. 10 to Schedule 13G filed with the SEC on February 7, 2017, reporting that T. Rowe Price Associates, Inc. (T. Rowe Price) has sole voting power over 4,496,593 shares and sole dispositive power over 13,415,052 shares. According to T. Rowe Price, the shares are owned by various individual and institutional investors for which T. Rowe Price serves as an investment advisor with power to direct investments and/or sole power to vote the securities. For the purposes of the Exchange Act reporting requirements, T. Rowe Price is deemed to be a beneficial owner of the shares; however, T. Rowe Price expressly disclaims that it is, in fact, the beneficial owner of the shares.

(5) Information based on Schedule 13G filed with the SEC on February 8, 2017, reporting that State Street Corporation has shared voting power and shared dispositive power over 9,362,350 shares.

(6) Information based on Schedule 13G filed with the SEC on February 10, 2017, reporting that Boston Partners has sole voting power over 7,135,390 shares, sole dispositive power over 9,149,805 shares and shared voting power over 14,132 shares.

### Equity Ownership of Directors and Executive Officers

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The following sets forth the number of shares of EQT common stock, EQGP common units and EQM common units beneficially owned by the Company's directors and named executive officers (as determined under SEC rules) and all directors and executive officers as a group as of February 1, 2017,

*EQT Corporation 2017 Proxy Statement* 36

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Table of Contents

including EQT shares, EQGP common units and EQM common units they had the right to acquire within 60 days after February 1, 2017.

The amounts and percentages of EQT shares, EQGP common units and EQM common units beneficially owned are reported below on the basis of regulations of the SEC governing the determination of beneficial ownership of securities. Under SEC rules, a person is deemed to be a beneficial owner of a security if that person has or shares voting power, which includes the power to vote or to direct the voting of such security, or investment power, which includes the power to dispose of or to direct the disposition of such security. Except as indicated by footnote, the persons named below have sole voting and investment power with respect to all EQT shares, EQGP common units and/or EQM common units shown as beneficially owned by them, subject to community property laws where applicable, and none of the EQT shares, EQGP common units or EQM common units are subject to a pledge.

NAME	EXERCISABLE STOCK OPTIONS (1)	NUMBER OF SHARES BENEFICIALLY OWNED (2)	DEFERRED STOCK UNITS PAYABLE IN CASH (3)	PERCENT OF CLASS (4)
David L. Porges (5) Chairman and Chief Executive Officer	322,500	519,534	0	*
Vicky A. Bailey Director	0	12,889	20,949	*
Philip G. Behrman Director	0	13,570	11,601	*
Kenneth M. Burke Director	0	12,888	2,630	*
A. Bray Cary, Jr. Director	0	17,770	11,601	*
Margaret K. Dorman Director	0	12,888	2,630	*
James E. Rohr Director	0	23,769	32,461	*
Stephen A. Thorington Director	0	22,888	5,946	*
Lee T. Todd, Jr. Director	0	14,588	22,825	*
Christine J. Toretta Director	0	6,667	0	*
Robert J. McNally Senior Vice President and Chief Financial Officer	0	15,560	0	*
Randall L. Crawford Senior Vice President	152,000	78,939	0	*
Lewis B. Gardner General Counsel and Vice President, External Affairs	20,300	34,368	0	*
Steven T. Schlotterbeck(6) President	153,700	134,792	0	*
Philip P. Conti(7) Former Senior Vice President and Chief Financial Officer	84,900	73,384	0	*
	766,000	1,016,972	110,643	1.0%

Directors and executive  
officers as a group  
(17 individuals)

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\* Indicates ownership or aggregate voting percentage of less than 1%.

Table of Contents

(1) This column reflects the number of shares of Company common stock that the executive officers and directors had a right to acquire within 60 days after February 1, 2017 through the exercise of stock options.

(2) This column reflects shares held of record and shares owned through a broker, bank or other nominee, including, for executive officers shares owned through the Company's 401(k) plan. For the non-employee directors, this column includes deferred stock units (as described in the Equity-Based Compensation discussion included under the caption Directors Compensation above), including accrued dividends, that will be settled in common stock, over which the directors have no voting or investment power prior to settlement (Ms. Bailey 12,889 units; Dr. Behrman 12,888 units; Mr. Burke 12,888 units; Mr. Cary 12,888 units; Ms. Dorman 12,888 units; Mr. Rohr 16,153 units; Mr. Thorington 12,888 units; Dr. Todd 12,888 units and Ms. Toretti 6,667 units). For Dr. Behrman and Messrs. Cary and Rohr, this column also includes deferred stock units, including accrued dividends, that will be settled in common stock in connection with the deferral of director fees, over which the directors have sole investment but no voting power prior to settlement (Dr. Behrman 682 units; Mr. Cary 4,882 units; and Mr. Rohr 2,910 units).

(3) This column reflects the number of deferred stock units granted prior to 2013 held by the non-employee directors through the directors' deferred compensation plans that will be settled in cash, including:

- deferred stock units (as described in the Equity-Based Compensation discussion included under the caption Directors Compensation above), including accrued dividends (Ms. Bailey 20,949 units; Dr. Behrman 11,601 units; Mr. Burke 2,630 units; Mr. Cary 11,601 units; Ms. Dorman 2,630 units; Mr. Rohr 22,280 units; Mr. Thorington 5,946 units; and Dr. Todd 22,825 units); and

- deferred stock units, including accrued dividends, resulting from the curtailment in 1999 of the directors' retirement plan (Mr. Rohr 10,181 units).

(4) This column reflects for each of the named executive officers and directors, as well as all executive officers and directors as a group, (i) the sum of the shares beneficially owned, the stock options exercisable within 60 days of February 1, 2017 and the deferred stock units that will be settled in common stock, as a percentage of (ii) the sum of the Company's outstanding shares at February 1, 2017, all options exercisable by the executive officer and director group within 60 days of February 1, 2017 and all deferred stock units that will be settled in common stock upon termination of the directors' service. These calculations exclude all deferred stock units included in the column captioned Deferred Stock Units Payable in Cash .

(5) Shares beneficially owned include 50,000 shares that are held in a trust of which Mr. Porges is a co-trustee and in which he shares voting and investment power.

(6) Shares beneficially owned include 28,012 shares owned by Mr. Schlotterbeck's wife.

(7) Shares beneficially owned include 5,000 shares that are held in the Conti Family Foundation and in which Mr. Conti has sole voting and investment power.

As of February 1, 2017, the directors and named executive officers of the Company also held, of record or beneficially through a broker, bank or other nominee, EQGP common units in the following amounts (with respect to Mr. Thorington, this amount also includes phantom units including accrued distributions to be settled in EQGP common units): Mr. Porges 56,263 units; Ms. Bailey 3,241 units; Dr. Behrman 19,741 units; Mr. Burke 5,000 units; Mr. Cary 19,841 units; Ms. Dorman 19,841 units; Mr. Rohr 30,940 units; Mr. Thorington 39,436 units; Dr. Todd 3,241 units; Mr. Crawford 100,000 units; and Mr. Gardner 28,503 units; Mr. Schlotterbeck 37,762. As of February 1, 2017, the directors and executive officers of the Company owned, as a group, 396,432 EQGP common units, representing less than 1.0% of the then outstanding EQGP common units.

As of February 1, 2017, the directors and named executive officers of the Company also held, of record or beneficially through a broker, bank or other nominee, EQM common units in the following amounts: Mr. Porges 42,148 units; Ms. Bailey 1,000 units; Mr. Cary 12,000 units; Ms. Dorman 11,000 units; Mr. Rohr 2,655 units; Mr. Thorington 5,000 units; Dr. Todd 1,500 units; Mr. Conti 13,268 units; Mr. Crawford 32,897 units; Mr. Gardner 9,359 units; and Mr. Schlotterbeck 7,897 units. As of

Table of Contents

February 1, 2017, the directors and executive officers of the Company owned, as a group, 159,000 EQM common units, representing less than 1.0% of the then outstanding EQM common units.

**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires that the Company's directors, executive officers and all persons who beneficially own more than 10% of the Company's common stock file initial reports of ownership and reports of changes in ownership of the Company's common stock with the SEC. As a practical matter, the Company assists its directors and executive officers by monitoring transactions and completing and filing Section 16 reports on their behalf. Based solely upon the Company's review of copies of filings or written representations from the reporting persons, the Company believes that all reports that were required to be filed under Section 16(a) of the Exchange Act were filed on a timely basis during 2016 except that Dr. Todd filed a Form 4 on October 5, 2016 for a sale of 500 shares that occurred on January 5, 2016 by his investment advisor without Dr. Todd's knowledge.

**EXECUTIVE COMPENSATION**

The Compensation Discussion and Analysis (CD&A) below contains statements regarding future Company performance targets and goals. These targets and goals are disclosed in the limited context of EQT's compensation programs, may have been established one or more years ago, and should not be understood to be statements of management's expectations or estimates of future company results or other guidance. EQT specifically cautions investors not to apply these statements to other contexts.

Definitions of terms that are used, but not defined, in the CD&A can be found in the Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table below. The Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table and the CD&A contain references to the Company's adjusted EBITDA, a financial measure that has not been calculated in accordance with generally accepted accounting principles (GAAP), which is also referred to as a non-GAAP supplemental financial measure. Attached as Appendix B is a reconciliation of the Company's 2016 and 2015 adjusted EBITDA to net income, the most directly comparable GAAP financial measure, as well as other important disclosures regarding non-GAAP financial measures.

As shareholders, you are invited to express your view of the compensation paid to the Company's named executive officers for 2016, as discussed and analyzed below. In considering how to vote on Item No. 2 below, you should be guided by the following discussion, and should evaluate whether the Management Development and Compensation Committee (or, as used in the CD&A, the Compensation Committee) has adequately aligned the interests of the Company's named executive officers with those of its shareholders.

**Compensation Discussion and Analysis**

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EQT's core values include a commitment to operational excellence, integrity and accountability. The Company believes that after reading this CD&A you will agree that its executive compensation program:

- is designed to attract and retain the highest quality named executive officers;
- aligns the interests of the Company's named executive officers with the interests of its shareholders by directly linking executive pay to Company performance;
- directly supports the Company's strategic plan by focusing employee performance on specific drivers; and
- is market-based and premised upon informed industry benchmarking.

*EQT Corporation 2017 Proxy Statement* 39

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Table of Contents

In summary, the Company's compensation program is designed to reward the named executive officers when the Company achieves strong financial and operational results, and the Company believes the 2016 compensation of its named executive officers is consistent with its commitment to link pay with performance.

This CD&A describes the Company's compensation philosophy and the components of the Company's compensation program for the Company's named executive officers included in the Summary Compensation Table below. In 2016, our named executive officers were:

- David L. Porges<sup>1</sup>, Chairman and Chief Executive Officer;
- Robert J. McNally, Senior Vice President and Chief Financial Officer;
- Randall L. Crawford<sup>2</sup>, Senior Vice President;
- Lewis B. Gardner, General Counsel and Vice President, External Affairs;
- Steven T. Schlotterbeck, President; and
- Philip P. Conti<sup>3</sup>, Senior Vice President, Special Projects and former Senior Vice President and Chief Financial Officer.

The named executive officers of EQT have managerial responsibility for three public companies: EQT, EQGP and EQM. At December 31, 2016, EQT owned a 90.1% limited partner interest and the non-economic general partner interest in EQGP, and EQGP in turn owned a 26.6% limited partner interest, the 1.8% general partner interest and all of the incentive distribution rights in EQM. The named executive officers receive compensation for their services only from EQT. EQT, in turn, allocates a portion of its compensation costs to EQGP and EQM in accordance with agreements with those organizations. This proxy statement sets forth the entire compensation paid by EQT to each of the named executive officers.

**How We Performed in Fiscal Year 2016**

The Company achieved a number of key results in 2016 described in detail in the Company's annual report on Form 10-K for the year ended December 31, 2016, including, but not limited to, the following:

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1 In October 2016, Mr. Porges advised the Company, the EQM General Partner and the EQGP General Partner that he would retire as Chief Executive Officer of each entity. Effective March 1, 2017, Mr. Schlotterbeck will become the President and Chief Executive Officer of each entity.

2 In January 2017, Mr. Crawford advised the Company that he would step down as Senior Vice President effective February 28, 2017, utilizing the good reason termination provisions of his confidentiality, non-solicitation and non-competition agreement. Mr. Crawford will also cease to be an executive officer of the EQM General Partner on February 28, 2017; and he ceased serving as a director of the EQM General Partner on January 17, 2017. Effective March 1, 2017, Mr. Crawford will no longer be employed by EQT.

3 In August 2015, Mr. Conti, then Senior Vice President and Chief Financial Officer of EQT, the EQM General Partner and the EQGP General Partner, advised the Company that he intended to retire. His successor, Robert J. McNally, commenced employment on March 21, 2016, at which time Mr. Conti became, Senior Vice President, Special Projects and Principal Financial Officer of EQT, EQM and EQGP, Mr. Conti having agreed to serve as principal financial officer pending a transition period for Mr. McNally. Mr. Conti relinquished the title and role of Principal Financial Officer, and ceased service as an executive officer of the Company, on April 22, 2016. Mr. Conti retired on January 2, 2017, at which time he commenced participation in the executive alternative work arrangement described under the caption Payments to be made Pursuant to Written Agreements with the Named Executive Officers .



Table of Contents

- Production sales volume was 26% higher than 2015;
- Proved reserves increased 35% over 2015;
- Gathered volume was 21% higher than 2015;
- Acquired 145,500 net Marcellus acres, with 92,300 net Utica acres;
- Ohio Valley Connector placed in service;
- Distributions to EQT from EQGP totaled \$150 million; and
- Cash and marketable securities at year-end were \$1.4 billion (excluding EQM).

In 2016, the Company also completed a number of important transactions and continued activities on a number of important projects:

- EQT sold to EQM certain transmission, storage and gathering assets located in southwestern Pennsylvania and northern West Virginia for \$275 million;
- The Mountain Valley Pipeline project continued in line with expectations;
- EQT completed two equity offerings, raising net proceeds of \$1.2 billion; and
- EQM completed a debt offering raising net proceeds of \$491.4 million and sold common units through its At the Market offering program raising net proceeds of \$217.1 million.

Looking forward to 2017, the Company has positioned itself operationally to increase its capital expenditures as compared with 2016 and to maintain an industry leading cost structure, while leveraging its strong liquidity position.

**Pay for Performance Results**

The Compensation Committee aims to align the named executive officers' compensation with the performance of the Company. In 2016, the Compensation Committee's independent compensation consultant, Pay Governance, prepared the assessment below of the alignment of the aggregate realizable compensation awarded to the Company's Chief Executive Officer for the three-year period ending December 31, 2015 (the last year for which information was publicly available) with the performance of the Company on a relative basis during the same three-year period to the 2016 peer group discussed below.

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The chart below shows the results of this assessment and compares:

- the Company's composite performance on three factors (earnings before interest, taxes, depreciation and amortization (EBITDA) growth, return on invested capital and total shareholder return (TSR) (weighted equally)) to the performance of the 2016 peer group over the three-year period ending December 31, 2015; and
- the total realizable compensation of the Company's Chief Executive Officer to the total realizable compensation of the chief executive officers of the 2016 peer group over the same period. Realizable compensation is defined as the sum of: (i) base salary earned during the three-year period, (ii) actual non-equity incentive compensation earned during the three-year period, (iii) aggregate current value of restricted stock grants received during the three-year period, (iv) aggregate in-the-money value of stock option grants received during the three-year period, and (v) for performance plans, the actual payouts for awards beginning and ending during the three-year period and an estimated payout for unvested awards received during the three-year period.

*EQT Corporation 2017 Proxy Statement* 41

---

Table of Contents

**Pay-for-Performance Alignment**

Source: Pay Governance LLC

As reflected in the chart above, the realizable three-year total compensation of the Company's Chief Executive Officer positioned the Company at the 95th percentile of the 2016 peer group, which is aligned with the Company's composite performance over the same period at the 80th percentile, showing the close link between the Chief Executive Officer's compensation and Company performance.

While the Company's relative performance is an indication of overall performance, it is more accurately a reflection of the Company's achievement of specific financial and operational objectives, which the Company uses in structuring annual and long-term incentive plans.

**Management Development and Compensation Committee Highlights**

The Compensation Committee evaluates and, when appropriate or desirable, takes action with respect to various aspects of the Company's compensation programs. The following are a few of the Compensation Committee's key actions:

- *The Compensation Committee managed the onboarding of a new Chief Executive Officer-elect, a new Chief Financial Officer and other high level management. With the announced retirements of Messrs. Porges and Conti and the stepping down of Mr. Crawford and the Company's principal accounting officer, and after receiving the advice of its independent consultant, the Compensation Committee designed appropriate compensation packages for the transitioning executives.*

- *The Compensation Committee evaluated the results of the Company's annual compensation and governance shareholder outreach program.*

§ For the seventh consecutive year, representatives of the Company's human resources and legal departments requested meetings with holders of the Company's outstanding shares to review the Company's compensation and governance practices and to understand any areas of concern. In 2016, meetings were requested with investors representing approximately 55% of the Company's

Table of Contents

outstanding shares and meetings or calls were held with the holders of approximately 20% of the Company's outstanding shares, while the holders representing another 20% of the outstanding shares indicated that meetings were unnecessary as the investors were content with Company practices.

§ The Compensation Committee also considered how the Company compares on key compensation features identified by proxy advisory services.

- *The Compensation Committee structured the 2017 annual and long-term incentive programs for the Company's named executive officers.* These programs continue to focus on total shareholder return, as well as financial and operational measures that drive the Company's success.

**Consideration of 2016 Say-on-Pay Vote**

In establishing and recommending 2017 compensation for the Company's named executive officers, the Compensation Committee considered the results of the 2016 say-on-pay vote at the 2016 annual meeting of shareholders. At that meeting, approximately 96% of the votes cast approved the compensation of the Company's named executive officers for 2015.

Based on the results of the 2016 say-on-pay vote and feedback received through the shareholder outreach program, the Compensation Committee concluded that the compensation paid to the named executive officers and the Company's overall pay practices received strong shareholder support and do not require substantial revision to address shareholder concerns. Nonetheless, the Compensation Committee did undertake a thorough analysis of its compensation programs and made certain modifications for 2017 as described below.

The Compensation Committee recognizes that executive pay practices continue to evolve. Consequently, the Compensation Committee intends to continue paying close attention to the advice and counsel of its independent compensation advisors and invites our shareholders to communicate any concerns or opinions on executive pay directly to the Compensation Committee or the Board. Please see the caption "Contacting the Board" under "Corporate Governance and Board Matters" above for information about communicating with the Compensation Committee and the Board.

At our 2011 annual meeting of shareholders, our shareholders expressed a preference that advisory votes on executive compensation occur every year. In accordance with the results of that vote, the Compensation Committee determined to implement an advisory vote on executive compensation every year until the next vote on the frequency of shareholder votes on executive compensation, which will occur with this 2017 annual meeting. After consideration of the Company's say-on-pay vote results over the past six years, input received through our shareholder outreach process, the say-on-pay vote frequency for other Standard & Poor's 500 companies and other matters the Board of Directors considered to be relevant, the Board determined to recommend that the shareholders continue to hold the advisory vote on executive compensation every year. See Item No. 3: "Provide a Non-Binding Recommendation as to the Frequency with Which Shareholders Will Vote on Say-On-Pay Proposals in Future Years" below.

## Compensation Philosophy

- **Compensation Program is Designed to Achieve the Company's Objectives**

The objectives of EQT's compensation programs are to attract, motivate and retain highly-talented named executive officers who can ensure that the Company is able to safely, efficiently and profitably produce, gather and transport natural gas. The Company seeks executives who are willing to trade guaranteed compensation for the opportunity presented by performance-based, at-risk compensation that depends upon achieving challenging performance objectives with an acceptable level of risk-taking. To create the

Table of Contents

necessary performance incentive, the compensation programs provide not only for increased pay as a reward for above-median performance but also for below-median pay for sub-par performance. Stated differently, the programs are structured to require a commitment to performance because a large percentage of a named executive officer's compensation is not guaranteed.

• **Compensation is Related to Performance and is Aligned with the Company's Strategic Plan**

The total compensation packages for the named executive officers are generally weighted in favor of performance-based, at-risk compensation through annual and long-term performance-based incentive pay. The various programs that comprise the total compensation package link payout to the Company's performance on specific pre-established, objective performance measures. The table below reflects the actual fixed and performance components of the compensation package of each named executive officer, as a percentage of actual total direct compensation (base salary and annual and long-term incentives), for 2016 as reflected in the Summary Compensation Table.

EXECUTIVE OFFICER	PERCENTAGE OF TOTAL DIRECT COMPENSATION FOR 2016	
	FIXED (1)	PERFORMANCE-BASED (2)
David L. Porges	9%	91%
Robert J. McNally	26%	74%
Randall L. Crawford	14%	86%
Lewis B. Gardner	17%	83%
Steven T. Schlotterbeck	9%	91%
Philip P. Conti	79%	21%

(1) This column reflects each named executive officer's base salary earned during 2016 (as shown for 2016 in the Salary column of the Summary Compensation Table) and, in the case of Mr. McNally, his signing bonus (as shown for 2016 in the Bonus and Stock Awards columns of the Summary Compensation Table), as a percentage of the sum of the executive's total direct compensation for 2016 set forth in the Summary Compensation Table.

(2) This column reflects each named executive officer's non-equity incentive plan compensation and equity compensation for 2016 (as shown for 2016 in the Non-Equity Incentive Plan Compensation, Stock Awards (excluding the restricted share portion of Mr. McNally's signing bonus) and Option Awards columns of the Summary Compensation Table), as a percentage of the sum of the executive's total direct compensation for 2016 set forth in the Summary Compensation Table.

The Compensation Committee aligns its executive compensation decisions with the strategic plan for the Company. As the Company's strategic plan evolves, the Compensation Committee makes corresponding changes to financial and operational metrics used to measure performance under its compensation plans to drive group and individual performance most likely to achieve the business plan and uphold strong returns to shareholders. The Company's strategic plan for recent years has focused on growth of production sales volume and maximizing EBITDA each of which is a performance measure under the Company's incentive plans.

- **Total Compensation Should be Competitive**

When considering the total compensation package for a named executive officer, as described in this CD&A, the Compensation Committee benchmarks each element of total direct compensation and the mix of compensation (cash versus equity) against the peer group. The Company has chosen to structure the total compensation package for the named executive officers as a mix of base salary and annual and long-term incentives to be competitive in the marketplace.

*EQT Corporation 2017 Proxy Statement* 44

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Table of Contents

- **Compensation-Related Risk Should be Thoughtfully Managed**

The Company's compensation program is designed to avoid excessive risk-taking. Please see Compensation Policies and Practices and Risk Management below for a discussion regarding the evaluation of risks associated with the Company's compensation programs. In 2013, the Compensation Committee adopted a compensation recoupment (or clawback) policy applicable to current and former executive officers of the Company. Pursuant to that policy the Company may, in certain circumstances, recoup certain annual and long-term incentive compensation paid to the covered individuals in the event of an accounting restatement due to material non-compliance with financial reporting requirements under U.S. securities laws.

- **Incentive Compensation Balances Annual and Long-Term Performance**

The Company's compensation programs are designed to maintain a balance between rewarding the achievement of strong annual results and ensuring the Company's long-term growth and success. To this end, a mix of both annual and longer-term incentives is provided and allocated in a manner generally consistent with the peer group. Participation in both the annual and long-term incentive programs, which is largely based on comparative benchmarking, increases at higher levels of responsibility, as the named executive officers have the greatest influence on the Company's strategic direction and results over time.

- **Peer Groups Help Establish Target Total Direct Compensation and Define Competitive Levels of Performance**

The Compensation Committee generally looks to an industry-specific peer group of companies to help establish base salary and target annual and long-term incentives for the named executive officers and to ensure that the total direct compensation of the named executive officers is competitive. The Compensation Committee also uses industry-specific peer groups in measuring relative company performance for purposes of some of our long-term incentive programs, which impacts a portion of each named executive officer's long-term incentive compensation. Peer groups are reviewed with the Compensation Committee's independent compensation consultant for appropriateness for the particular purpose.

For 2016, target total direct compensation for the named executive officers was determined by reference to, among other things, the market median total direct compensation of the following companies, in each case as reported in the most recent proxy statement for each company (which we refer to as the 2016 peer group):

Cabot Oil & Gas Corporation	Newfield Exploration Company
Chesapeake Energy Corporation	Noble Energy, Inc.
Cimarex Energy Co.	ONEOK, Inc.
Concho Resources Inc.	Pioneer Natural Resources Company
CONSOL Energy Inc.	QEP Resources, Inc.
Continental Resources, Inc.	Range Resources Corporation
Energen Corporation	SM Energy Company
EOG Resources, Inc.	Southwestern Energy Company
EXCO Resources, Inc.	Spectra Energy Corp.
Marathon Oil Company	Ultra Petroleum Corp.

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National Fuel Gas Company

Whiting Petroleum Corporation

This group of companies was selected in the fall of 2015 by the Compensation Committee with the assistance of its independent compensation consultant after conducting a thorough analysis of the prior peer group and other potential peers. Selection criteria for the 2016 peer group included consideration of industry, strategic focus, talent competitiveness, whether a peer is a peer of peers, peers identified by the

*EQT Corporation 2017 Proxy Statement* 45

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Table of Contents

larger proxy advisory services, geographic location, ownership structure, and current and historical financial and stock performance and scope. Financial and stock performance metrics considered included net income, market capitalization and revenue, and market performance over one, three and five year periods.

As a result of its review, the peer group selected by the Compensation Committee was reduced to twenty-two companies for 2016 from twenty-five companies for 2015, largely driven by industry consolidation and difficult economic times. Specifically, the Compensation Committee removed MarkWest Energy Partners, LP (subject to an acquisition agreement), Quicksilver Resources, Inc. (filed for bankruptcy protection), Questar Corporation (primarily a distribution company) and The Williams Companies, Inc. (subject to an acquisition agreement at the time of the peer group review) and added Marathon Oil Company (based on Marathon's emphasis on exploration, production, and some midstream activities, its historical market capitalization, financial performance and executive compensation, and identification by the larger proxy advisory services as a peer).

The financial metrics at the median of the 2016 peer group are intended to approximate, on balance, the Company's financial metrics. See Appendix C for a comparison of financial metrics of the 2016 peer group available at the time of selection. The 2016 peer group served as a guide to establish the 2016 base salaries and 2016 target annual and long-term incentive compensation for Messrs. Porges, Crawford and Schlotterbeck and measured relative company performance for purposes of the Company's 2016 Incentive PSU Program<sup>1</sup> (see the Determining Target Total Direct Compensation section below for a discussion of how the peer group data was used to establish the 2016 compensation levels for the named executive officers).

In the fall of 2016, the Compensation Committee reviewed its peer group with its independent compensation consultant and concluded to remove Spectra Energy Corp. (subject to an acquisition agreement) and Ultra Petroleum Corp. (filed for bankruptcy protection) and to add Antero Resources Corporation (an appropriately sized direct competitor with sufficient historical data to make inclusion appropriate (having completed its initial public offering in 2013)) and Devon Energy Corporation (industry alignment and recognizing that, on balance, the peer group would remain appropriately sized). Based on management's recommendation, the Compensation Committee determined to maintain the size of the 2017 peer group at 22 companies after determining that all appropriately positioned and sized companies were included in the peer group. The financial metrics at the median of the 2017 peer group are intended to approximate, on balance, the Company's financial metrics. See Appendix E for a comparison of financial metrics of the 2017 peer group available at the time of selection.

The 2017 peer group served as a guide to establish the 2017 base salaries and 2017 target annual and long-term incentive compensation for the named executive officers and measures relative company performance for purposes of the Company's 2017 Incentive PSU Program.

**• The Compensation Committee is Mindful of Tax Considerations When Designing Compensation**

The Compensation Committee considers the impact of the applicable tax laws with respect to compensation paid under the Company's plans, arrangements and agreements. Code Section 162(m) disallows, with certain exceptions, a federal income tax deduction for annual compensation over \$1

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<sup>1</sup> All Company incentive programs in which the named executive officers participate are identified and defined on page 69 of this proxy statement. Historically company performance programs based on relative total shareholder return and an internal metric (typically, sales volume

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growth, cash flow growth or similar) have been referred to as Executive Incentive Performance Programs or EPIPs . Commencing in 2016, such programs are referred to as Incentive Performance Share Unit Programs or Incentive PSUs . This change is purely for the convenience of the reader and does not reflect any philosophical or other change by the Compensation Committee.

*EQT Corporation 2017 Proxy Statement*46

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Table of Contents

million paid to any covered employee. The covered employees are the person who served as principal executive officer as of the close of the tax year and the three most highly-compensated officers serving at year-end other than the principal executive officer and the principal financial officer. An exception to the deduction limit is provided under the Code for performance-based compensation paid pursuant to shareholder-approved plans that meet certain criteria.

Long-term incentive awards outstanding in 2016 were granted under plans approved by the Company's shareholders. These plans provide for award opportunities designed to qualify as performance-based compensation under Code Section 162(m). More specifically, the awards under the 2014 Incentive PSU Program, the 2015 Incentive PSU Program, the 2016 Incentive PSU Program and the 2017 Incentive PSU Program and the stock option awards are anticipated, but cannot be guaranteed, to be fully deductible by the Company under the performance-based compensation exemption.

In addition, the Executive STIP permits the payment of annual incentive awards that are designed to be deductible performance-based compensation under Code Section 162(m). The 2016 and 2017 annual incentive awards are also anticipated, but cannot be guaranteed, to be fully deductible under the performance-based compensation exemption.

Although the Compensation Committee generally attempts to structure compensation to preserve deductibility, it also believes that there are circumstances in which the Company's interests are best served by maintaining flexibility in the way compensation is provided, even if it might result in the non-deductibility of certain compensation for tax purposes. For example, the Company has the ability to grant service-based restricted shares and other stock-based awards under the 2014 LTIP and to make cash bonuses and equity grants that are not designed to qualify as performance-based compensation under the Code. In the case of the signing bonus for Mr. McNally described below, the Compensation Committee concluded that the importance of attracting a highly qualified, industry experienced chief financial officer, including consideration of compensation lost when departing his prior employer, was sufficient to warrant the granting of awards not designed to be deductible under Code Section 162(m).

- **Executives are Encouraged to Own Equity**

Consistent with the goal of driving long-term value creation for shareholders, the Company's equity ownership guidelines require significant equity ownership by our named executive officers. As of December 31, 2016, the named executive officers' holdings relative to their equity ownership guidelines were:

NAME (YEAR OF EXECUTIVE OFFICER STATUS) (2)	OWNERSHIP GUIDELINES (MULTIPLE OF BASE SALARY)	ACTUAL MULTIPLE OF BASE SALARY OWNED	VALUE REQUIRED BY OWNERSHIP GUIDELINES	AGGREGATE QUALIFYING VALUE OWNED
David L. Porges (1998)	8X	41.6X	\$6,800,000	\$35,357,834(1)
Robert J. McNally (2016)	3X	1.2X	1,294,200	517,298
Randall L. Crawford (2003)	3X	22X	1,390,500	10,206,139
Lewis B. Gardner (2008)	3X	8.6X	1,156,500	3,331,247
Steven T. Schlotterbeck (2008)	3X	14.2X	1,569,000	7,408,792(3)

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- (1) Excludes 50,000 shares of EQT common stock (value of \$3,270,000 at December 31, 2016) held in a trust of which Mr. Porges is a co-trustee and in which he has beneficial interest and shares voting.
- (2) Mr. Conti ceased to have a stock ownership guideline when he ceased serving as an executive officer of the Company in April 2016.
- (3) Excludes 28,012 shares of EQT common stock (value of \$1,831,985 at December 31, 2016) owned by Mr. Schlotterbeck's wife.

*EQT Corporation 2017 Proxy Statement* 47

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Table of Contents

Qualifying holdings include EQT stock, EQGP units and EQM units owned directly, EQT shares held in the Company's 401(k) plan, time-based restricted stock and units, and performance-based awards for which only a service condition remains, but do not include other performance-based awards or options. Although mandatory, there is no deadline for achieving the ownership guidelines and executives are not required to purchase EQT stock, EQGP units or EQM units. The net shares or units acquired through incentive compensation plans (through the exercise of options, the vesting of restricted stock or similar) must be retained if an executive has not satisfied his target. An executive's failure to meet the equity ownership guidelines may influence an executive's mix of cash and non-cash compensation. Executives are not permitted to pledge their EQT equity, or EQGP equity if they are also directors or executive officers of the EQGP General Partner or EQM equity if they are also directors or executive officers of the EQM General Partner. Executives are not permitted to hedge or otherwise invest in derivatives involving EQT stock, EQGP units or EQM units.

**Making Executive Compensation Decisions**

**• Determining Target Total Direct Compensation**

The Compensation Committee establishes the target total direct compensation for named executive officers by establishing base salaries and setting annual and long-term incentive targets. When appropriate, the Compensation Committee also provides certain limited perquisites and makes other awards. When establishing target total direct compensation for each named executive officer, the Compensation Committee considers:

- the market median target total direct compensation for the peer group as compiled by the Compensation Committee's independent compensation consultant;
- the scope of the executive's responsibility, internal pay equity, succession planning, industry-specific technical skills and abilities that may be difficult to replace; and
- the Chief Executive Officer's compensation recommendations.

The Compensation Committee also seeks input from or the approval of the other independent directors of the Board when appropriate or desirable.

When appropriate, the Compensation Committee sets base salaries and annual incentive targets at or below market median. The Compensation Committee has established long-term incentive targets for the named executive officers other than the Chief Executive Officer above market median after considering the factors identified above. The Compensation Committee has also granted special awards when circumstances warrant.

In considering the amount and type of each component of compensation, the Compensation Committee considers the effect of each element on all other elements as well as the allocation of target total compensation between cash and equity. The Compensation Committee is committed to providing a significant portion of each named executive officer's equity-based compensation in performance-based awards.

Compensation previously earned by the named executive officers does not typically affect the Compensation Committee's compensation decisions. This reflects the Compensation Committee's view that a named executive officer's compensation level should reflect the current market value of his services. The Compensation Committee further believes that reducing a named executive officer's compensation based on the value of past compensation would weaken the competitiveness of the Company's compensation programs and the incentive to achieve superior performance in the future and make it more difficult to attract, motivate and retain executive talent.



Table of Contents

In 2016, the target total direct compensation of Mr. Porges substantially exceeded the target total direct compensation of the other named executive officers. This differential is consistent with, and largely driven by, pay differentials reflected in the peer groups as the management and oversight responsibilities of a chief executive officer are significantly broader in scope than those of the other named executive officers.

• **Tally Sheets**

Annually the Compensation Committee is provided with a tally sheet for each named executive officer designed to provide the Compensation Committee with a full picture of the executive's compensation history as well as of all compensation payable upon his termination of employment and upon a change of control. Each tally sheet sets forth:

- a history of at least five years of base salary, annual incentive targets and awards and perquisites; and
- a complete history since hire date of long-term incentive awards, including realized gains as well as potential gains on unexercised or unvested awards.

The tally sheets also reflect the value of compensation due to each named executive officer under certain termination scenarios, including:

- termination of the executive by the Company with and without cause, as defined in any applicable agreement or policy;
- termination by the executive for good reason, as defined in the applicable agreement;
- termination by the executive other than for good reason, including retirement;
- termination of the executive following a change of control; and
- disability or death.

With regard to each scenario, the tally sheets include:

- the cash amounts payable to the executive, including outplacement and other payments;
- the cost of benefits continuation;
- the value of all equity awards, including the acceleration of unvested equity awards and the value of forfeited awards;

- the value of any cutback of benefits to avoid excise tax;
- retirement benefits; and
- any other compensation payable to the executive upon termination.

The tally sheets are provided to Compensation Committee members in an electronic resource book for easy reference. This resource book also contains base salary, annual and long-term incentive targets, all incentive plan documentation and all employment-related agreements for each of the named executive officers.

• **Role of the Independent Compensation Consultant**

The Compensation Committee has the sole authority to hire, terminate and approve fees for compensation consultants, outside legal counsel and other advisors as it deems to be necessary to assist in the fulfillment of its responsibilities. During 2016, the Compensation Committee utilized Pay Governance as its independent compensation consultant, and Pay Governance reported directly to the Compensation Committee. Representatives of Pay Governance provided the Compensation Committee with market data and counsel regarding executive officer compensation programs and practices, including specifically:

Table of Contents

- competitive benchmarking;
- peer group identification and assessment;
- advice and market insight as to the form of and performance measures for annual and long-term incentives;
- marketplace compensation trends in the Company's industry and generally; and
- advice regarding the performance of the Company's annual review of compensation risk.

Representatives of Pay Governance do not make recommendations on, or approve, the amount of compensation for any executive officer. The Compensation Committee may request information or advice directly from representatives of Pay Governance and may direct the Company to provide information to representatives of Pay Governance. Representatives of Pay Governance regularly interact with representatives of the Company's human resources department and periodically with the Chief Executive Officer and representatives of the legal department.

**Components of the Company's Compensation Program**

The following describes each element of the Company's executive compensation arrangements: base salary, annual incentives, long-term incentives, special awards, health and welfare benefits, retirement programs, perquisites, and non-compete agreements.

• **Base Salary**

The base salary for each named executive officer is established taking into account the factors discussed under "Determining Target Total Direct Compensation" above. Base salaries are ordinarily considered and, where appropriate, adjusted early each year.

In 2016, Mr. Porges' base salary remained constant, having not increased since March 2012. The 2016 base salaries of Messrs. Crawford, Gardner and Conti remained the same as their 2015 base salaries, as such amounts continued to approximate base salaries at the market median. Mr. Schlotterbeck's 2016 base salary was increased to \$523,000 from \$505,500 in recognition of the additional responsibilities associated with his promotion to President of the Company. Mr. McNally's 2016 base salary was established at \$431,400, consistent with the market median.

Effective March 1, 2017, Mr. Schlotterbeck's base salary was increased to \$750,000 which is 88% of the market median because he is new to the Chief Executive Officer role. Mr. Porges' base salary will again be held constant as he transitions to the Executive Chairman role on March 1, 2017. Mr. McNally's 2017 base salary was increased to \$475,000, effective March 1, 2017, in connection with his assumption of responsibilities for business development, facilities, information technology, innovation and procurement in addition to his previous responsibilities for finance, accounting, tax and internal audit. Mr. McNally's new salary approximated the market median for his position taking into consideration his additional responsibilities. Mr. Gardner's 2017 base salary was increased to \$400,000 from \$385,500 to approximate the market median. Mr. Conti commenced executive alternative work status (for which he receives no base salary) on January 2, 2017.

- **Annual Incentives**

Before or at the start of each year, the Compensation Committee approves the target annual incentive award for each named executive officer taking into account the factors discussed under *Determining Target Total Direct Compensation* above.

For 2016, the Compensation Committee approved the following target annual incentive awards for the named executive officers: \$850,000 for Mr. Porges; \$242,665 for Mr. McNally; \$385,000 for Mr. Crawford; \$214,500 for Mr. Gardner; \$460,000 for Mr. Schlotterbeck; and \$320,000 for Mr. Conti. For Messrs. Porges, Crawford, Gardner, Schlotterbeck and Conti, these levels were unchanged from 2015 targets as they continued to approximate the market median. In the case of Messrs. Porges, Conti and Crawford the targets were also consistent with the 2014 targets. Mr. McNally's 2016 target annual

*EQT Corporation 2017 Proxy Statement* 50

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Table of Contents

incentive award was established at the market median and reflects a prorated amount based upon his service commencement date.

The 2017 target annual incentive award for Mr. Schlotterbeck was increased to \$850,000, in recognition of the market median for the chief executive role. Mr. McNally's target annual incentive was increased to \$356,250 to reflect the market median of his position with his additional responsibilities and a full year of service to the Company. Mr. Gardner's target annual incentive was increased to \$220,000 to reflect the market median. Messrs. Porges, Crawford and Conti did not receive target awards.

The Executive STIP, which is the annual bonus plan in which the named executive officers participate, is structured with an intent to preserve the full deductibility of awards under Code Section 162(m). In order to do this, the Compensation Committee establishes one or more objectively determinable performance goals or measures before or at the beginning of each year. Performance against these measures results in an objectively determinable bonus amount, except that the Compensation Committee is permitted to exercise, and has historically exercised, downward discretion in determining the actual payout under the plan. The Compensation Committee does not have discretion to pay a higher amount under the Executive STIP than that specified by the objective formula.

2016 Annual Incentives

The 2016 performance measure approved for the Executive STIP was adjusted 2016 EBITDA compared to business plan. Adjusted 2016 EBITDA was calculated consistent with all GAAP line items using a constant commodity price of \$2.71 per Mcfe and excluding the effects of acquisitions and dispositions of greater than \$100 million. This measure, which has been successfully used as the annual performance metric since the 2009 plan year, was selected because it drives behavior consistent with the shareholders' interests and the Company's business plan embodies the goals and priorities of the Company. Moreover, cash flow measures such as EBITDA are often utilized by capital intensive companies and their investors as an indicator of such companies' performance, including their ability to fund their activities and service their debt (see Appendix B for additional information about this metric). In selecting adjusted 2016 EBITDA compared to business plan, the Compensation Committee considered, among other things, the relative rigor of the 2016 business plan, including the forecasted growth rate and the importance of managing costs in a low price environment for natural gas.

The Compensation Committee held the commodity price constant to avoid the undue positive or negative effect of commodity prices which are beyond the control of plan participants and may be volatile. In order to hold the commodity price constant, the Committee adjusts actual results for, among other things, derivatives, basis and fixed price sales and price-driven impairments.

The Compensation Committee believed that the exclusion of acquisitions and dispositions of over \$100 million from the calculation of adjusted 2016 EBITDA would encourage named executive officers to pursue monetization transactions to further the Company's strategic plan to accelerate development of the Company's Marcellus and Utica Shale assets.

Under the Executive STIP, a pool to pay bonuses to the Company's seven eligible officers (which include the named executive officers) was funded based upon adjusted 2016 EBITDA relative to plan, as follows:

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<b>ADJUSTED 2016 EBITDA COMPARED TO BUSINESS PLAN</b>	<b>PERCENTAGE OF ADJUSTED 2016 EBITDA AVAILABLE FOR ALL EXECUTIVE OFFICER 2016 ANNUAL INCENTIVE AWARDS</b>
At or above plan	2%
5% below plan	1.5%
25% below plan	1%
Greater than 25% below plan	No bonus

*EQT Corporation 2017 Proxy Statement* 51

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Table of Contents

The percentage of adjusted 2016 EBITDA available for the pool was interpolated between levels and capped at 2%. After determining the pool available for distribution, the Compensation Committee determined the value of the award to each named executive officer based upon consideration of the individual's 2016 target award and 2016 performance on Company, business unit and individual value drivers. Generally, the Compensation Committee aims to award between zero and three times the value of a named executive officer's target award, but the Compensation Committee may award up to \$5 million to each named executive officer, subject to the overall cap. The Compensation Committee believes that this structure provides the Compensation Committee with flexibility to reward superior individual performance in years of superior company performance and appropriately recognize exceptional efforts in the face of goals established at a challenging threshold.

The Compensation Committee considered the following as a basis for addressing the performance of each named executive officer:

- a review of Mr. Porges' performance performed by the Corporate Governance Committee and the Chair of the Compensation Committee and reviewed with all independent directors. Mr. Porges provides a self-assessment to the Corporate Governance Committee and the Chair of the Compensation Committee to assist their review, and input is requested from the Lead Independent Director and other independent directors; and
- a report by Mr. Porges regarding the performance of each other named executive officer.

Adjusted 2016 EBITDA of \$1,391 million exceeded the Company's business plan by approximately 1.8%. Following discussion regarding the macro events affecting the Company, including the low price for commodities and consistent with the Executive STIP and Code Section 162(m), the Compensation Committee exercised downward discretion in determining the award to each named executive officer taking into consideration each named executive officer's target award and performance on Company, business unit and individual value drivers. In assessing the value driver performance of each named executive officer, the Compensation Committee considered, among other things, the effort on a number of important transactions and projects, the Company's strong balance sheet and the Company's exceptional 2016 operational performance (discussed under the caption "How We Performed in Fiscal Year 2016" in this CD&A) notwithstanding the depressed price for commodities. The five-year trend in the Company's performance on certain metrics discussed below is set forth in the "2016 Proxy Statement Summary" section of this proxy statement under the caption "EQT Business Highlights." The following are the highlights of each named executive officer's 2016 performance:

EXECUTIVE OFFICER	2016 PERFORMANCE HIGHLIGHTS
<b>David L. Porges</b>	<p>Mr. Porges served in the role of Chairman and Chief Executive Officer of EQT throughout 2016. He also served as Chairman, President and Chief Executive Officer of the EQM General Partner and the EQGP General Partner. Mr. Porges' 2016 incentive award recognized the Company's efforts on important transactions and projects, as well as its strong performance in a weak price market, as follows:</p> <ul style="list-style-type: none"> <li>• supported strong operational results, including, record annual production sales volume and record gathered volume;</li> <li>• maintained a strong balance sheet with EQT holding approximately \$1.4 billion in cash and marketable securities at year-end (excluding EQM);</li> <li>• completed two underwritten public offerings of EQT common stock;</li> <li>• acquisition of approximately 145,500 net Marcellus acres, including 122,100 net acres acquired through four sizable transactions;</li> </ul>





Table of Contents

EXECUTIVE OFFICER	2016 PERFORMANCE HIGHLIGHTS
	<ul style="list-style-type: none"> <li>• completed EQT sale to EQM of Allegheny Valley Connector, LLC, Rager Mountain Storage Company LLC and certain gathering assets, for \$275 million;</li> <li>• completed and placed in-service the 37-mile Ohio Valley Connector pipeline;</li> <li>• leadership on achieving other EQT and business unit value drivers, including continued progress with the Mountain Valley Pipeline and continued development of a culture of innovation; and</li> <li>• year-over-year improvement in key safety areas.</li> </ul> <p>The Compensation Committee also considered the increase in EQT's stock price of 25% overall: from \$52.13 on December 31, 2015 to \$65.40 on December 31, 2016.</p>
<b>Robert J. McNally</b>	<p>Mr. McNally served as Senior Vice President and Chief Financial Officer of EQT, the EQM General Partner and the EQGP General Partner commencing March 21, 2016, assuming the role of principal financial officer on April 22, 2016. Mr. McNally also serves on the EQM Board and the EQGP Board. Mr. McNally's role includes management of the treasury, accounting, tax, financial risk and internal audit functions. Mr. McNally's incentive award was prorated based on service and recognized his performance on Company, business unit and individual value drivers in 2016, including:</p> <ul style="list-style-type: none"> <li>• supported the acquisition of approximately 145,500 net Marcellus acres, including 122,100 net acres acquired through four sizable transactions;</li> <li>• issued EQT equity through which EQT received net proceeds of approximately \$795.6 million;</li> <li>• issued EQM equity through which EQM received net proceeds of approximately \$217.1 million;</li> <li>• issued EQM senior debt through which EQM received net proceeds of approximately \$491.4 million;</li> <li>• completed EQT sale to EQM of Allegheny Valley Connector, LLC, Rager Mountain Storage Company LLC and certain gathering assets, for \$275 million;</li> <li>• evaluated multiple business development opportunities;</li> <li>• provided strong oversight for accounting disclosure and control systems as evidenced by the lack of significant internal control or financial reporting deficiencies; and</li> <li>• continued successful tax planning initiatives.</li> </ul>
<b>Randall L. Crawford</b>	<p>Mr. Crawford led the Company's midstream and commercial businesses throughout 2016, serving as Senior Vice President and President, Midstream and Commercial, EQT, and as Executive Vice President and Chief Operating Officer of the EQM General Partner. Mr. Crawford also serves on the EQM Board. Mr. Crawford's incentive award recognized his performance on Company, business unit and individual value drivers in 2016, including:</p> <ul style="list-style-type: none"> <li>• increased gathered volumes by 21% in 2016;</li> <li>• increased gathering revenues by \$62.4 million or 19% in 2016;</li> <li>• executed on important infrastructure projects including: <ul style="list-style-type: none"> <li>○ timely completion of the Ohio Valley Connector pipeline project - EQT's largest pipeline project to date</li> <li>○ completion of the initial phase of three gathering projects</li> </ul> </li> </ul>



Table of Contents

EXECUTIVE OFFICER	2016 PERFORMANCE HIGHLIGHTS
	<ul style="list-style-type: none"> <li>○ continued progress on the Mountain Valley Pipeline</li> <li>• closed new contracts with Range Resources Corporation to add 600 MMcf/day of long-term commitments;</li> <li>• renegotiated third party gathering agreement to reduce rates for EQT and provide EQM an estimated \$600 million in infrastructure investment opportunities;</li> <li>• exceeded the business plan revenue target for the commercial operation and continued to develop and direct the commercial sales strategy;</li> <li>• negotiated the sale of non-core gathering assets, resulting in an \$8 million gain;</li> <li>• provided leadership through meeting with EQM stakeholders to communicate issues critical to EQM including strategy and technical information; and</li> <li>• achieved an excellent environmental and safety record.</li> </ul>
<b>Lewis B. Gardner</b>	<p>Mr. Gardner served as General Counsel and Vice President, External Affairs throughout 2016. Mr. Gardner also serves on the EQM Board and the EQGP Board. His role includes the management of the legal, enterprise risk, external affairs, corporate communications, environmental, health and safety, governance and corporate secretary functions. Mr. Gardner's incentive award recognized his performance on Company, business unit and individual value drivers in 2016, including:</p> <ul style="list-style-type: none"> <li>• effective management of corporate governance, compliance and litigation matters;</li> <li>• supported acquisition of approximately 145,500 net Marcellus acres, including 122,100 net acres acquired through four sizable transactions;</li> <li>• supported evaluation of environmental, safety and legal aspects of multiple business development opportunities and financing transactions;</li> <li>• supported regulatory filings for the Mountain Valley Pipeline and other gathering projects;</li> <li>• leadership in governmental affairs matters; and</li> <li>• improved employee safety engagement and enhanced preventable vehicle accident training.</li> </ul>

Table of Contents

EXECUTIVE OFFICER	2016 PERFORMANCE HIGHLIGHTS
<b>Steven T. Schlotterbeck</b>	<p>Mr. Schlotterbeck served as President, EQT Corporation and led the Company's exploration and production business (also serving as President, Exploration and Production) throughout 2016. As President of EQT Corporation, Mr. Schlotterbeck's responsibilities include human resources, external affairs, environmental, health and safety matters, information technology, procurement and facilities functions. Mr. Schlotterbeck also serves on the board of EQT, the EQM Board and the EQGP Board. In 2016, Mr. Schlotterbeck was named as the successor to Mr. Porges upon Mr. Porges' retirement as Chief Executive Officer on February 28, 2017. Mr. Schlotterbeck's incentive award recognized his performance on Company, business unit and individual value drivers in 2016, including:</p> <ul style="list-style-type: none"> <li>• record annual production sales volumes, including a 26% increase in total sales volumes and a 31% increase in Marcellus sales volumes, which represents the seventh consecutive year of annual production sales volume growth in excess of 25%;</li> <li>• invested approximately \$0.8 billion on well development in the Marcellus, including completion of 130 gross horizontal wells;</li> <li>• acquired approximately 145,500 net Marcellus acres, including 122,100 acquired through four sizeable transactions;</li> <li>• lowered production lease operating expenses by 21% over 2015 levels;</li> <li>• leadership of the information systems, human resources, procurement, external affairs and environmental, health and safety functions;</li> <li>• leadership in meeting with EQT stakeholders to communicate exploration and production issues critical to EQT including strategy and technical information; and</li> <li>• an excellent environmental and safety record.</li> </ul>
<b>Philip P. Conti</b>	<p>Mr. Conti served as Senior Vice President and Chief Financial Officer of EQT, the EQM General Partner and the EQGP General Partner through March 20, 2016, as Senior Vice President and Principal Financial Officer of the three entities from March 21, 2016 through April 22, 2016 and as Senior Vice President, Special Projects of EQT for the balance of the year. Mr. Conti also serves on the EQM Board and, through March 21, 2016, the EQGP Board. As Senior Vice President and Chief Financial Officer, Mr. Conti's role included the management of the treasury, accounting, tax, financial risk and internal audit functions. As Senior Vice President, Special Projects for EQT, Mr. Conti's role was to assist with Mr. McNally's transition and perform such projects as Messrs. Porges or McNally required. Mr. Conti's incentive award recognized his contributions in 2016, including:</p> <ul style="list-style-type: none"> <li>• provided oversight for accounting disclosure and control systems in the first quarter of 2016;</li> <li>• worked to maintain EQT's investment grade credit rating;</li> <li>• willingness to serve as the principal financial officer of EQT, the EQM General Partner and the EQGP General Partner for the first quarter of 2016.</li> </ul>

Although permitted to distribute a total of \$27.8 million to the seven eligible officers, the Compensation Committee distributed less than \$6.5 million. See the Summary Compensation Table below for the amount awarded to each named executive officer in 2016.



Table of Contents

2017 Annual Incentives

In December 2016, the Compensation Committee selected adjusted 2017 EBITDA as compared to business plan as the performance measure under the 2017 Executive STIP. Adjusted 2017 EBITDA will be calculated consistent with all GAAP line items but calculated using constant commodity prices, and excluding any charge or benefit associated with the repurchase of debt by the Company and the impact of acquisitions and/or dispositions in which the total consideration paid, received or assumed is in excess of \$100 million. Adjusted 2017 EBITDA was selected as the 2017 performance measure for the same reasons that adjusted 2016 EBITDA was selected for 2016. Under the Executive STIP, the pool available for all executive officer incentive awards will be funded based upon adjusted 2017 EBITDA relative to the 2017 business plan consistent with funding permitted under the 2016 annual incentive plan. Also consistent with 2016 and prior years, after determining the pool available for distribution for 2017, the Compensation Committee will determine the value of the award to each named executive officer based upon consideration of the individual's 2017 target award and 2017 performance on Company, business unit and individual value drivers.

• **Long-Term Incentives**

2016 Long-Term Incentive Awards (2016 options and 2016 Incentive PSU Program)

In developing the 2016 long-term incentive program, the Compensation Committee designed a program that the Compensation Committee believed would align the interests of the named executive officers with the interests of shareholders, drive appropriate performance, be market competitive, be effective for retention purposes, be tax efficient, minimize earnings volatility, and result in a portfolio approach to performance metrics. The Compensation Committee's considerations included:

- market data regarding the long-term incentive design using the 2015 peer group;
- the appropriate way to incentivize executives toward the success of the Company, EQGP and EQM;
- the portfolio of existing long-term incentive programs and their combined influence on focusing executive behavior on critical activities;
- feedback received during the Company's 2015 shareholder outreach program;
- the availability of EQT shares and EQM and EQGP units under appropriately approved plans; and
- the views of the larger proxy advisory services.

Table of Contents

As a result of its analysis, and with input from its independent compensation consultant, the Compensation Committee designed a long-term incentive compensation program for 2016 that included stock options and performance units under the 2016 Incentive PSU Program:

<b>TYPE OF AWARD</b>	<b>APPROXIMATE PERCENT OF AWARDED VALUE</b>	<b>RATIONALE</b>
Stock Options	25%	Stock options encourage executives to focus broadly on behaviors that should lead to a sustained long-term increase in the price of EQT stock, which benefits all shareholders.
2016 Incentive PSU Program	75%	The 2016 Incentive PSU Program performance units drive long-term value directly related to EQT stock performance but allow for the delivery of some value, assuming relative performance, even if the stock price declines. Performance units have stronger retention value than options but less leverage in a rising stock price environment.

Management presented multiple programs to the Compensation Committee for consideration, noting, among other things, that consistent with the prior year many companies in the 2015 peer group included time-based awards, as well as stock options and other performance-based awards, in their long-term incentive programs. After considering the market data, the pros and cons of the alternatives presented by management and the appropriate use of equity (EQT, EQM and EQGP) and cash for currency, the Compensation Committee determined to include exclusively EQT stock options and other EQT performance-based awards in the 2016 long-term incentive program in order to provide higher leverage for performance and to focus executive attention on the performance of the consolidated companies. After assessing the market and adjusting for its determination not to award time-based awards, the Compensation Committee determined to allocate the value of the awards as described above.

The options granted to Messrs. Porges, Crawford, Gardner and Schlotterbeck in January 2016 have a term of ten years and an exercise price of \$52.13. The options will vest on January 1, 2019, contingent upon continued service with the Company on such date. The options granted to Mr. McNally in March 2016 will expire on January 1, 2026 and had an exercise price of \$63.33. The options will vest on January 1, 2019, contingent upon continued service with the Company on such date.

The performance measures for the 2016 Incentive PSU Program are the Company's:

- TSR over the period January 1, 2016 through December 31, 2018, as ranked among the comparably measured TSR of the 2016 peer group; and
- compound annual production sales volume growth.

The Compensation Committee chose TSR ranking among peers because it forges a direct link to shareholder performance on a relative basis rather than on an absolute basis, and is an important indicator of the Company's success in achieving its strategic objectives. The Compensation Committee chose compound annual production sales volume growth because it believes an internal metric is important to serve as a modifier to

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TSR and to drive appropriate behavior. The Compensation Committee considered a variety of internal financial and operational performance metrics (including expense management, capital usage and absolute TSR performance) before deciding upon compound annual production sales volume growth. In selecting compound annual production sales volume growth, the Compensation Committee considered, among other things, that production sales volume growth, as a significant driver

*EQT Corporation 2017 Proxy Statement* 57

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Table of Contents

of shareholder value, was an appropriate performance measure that was easy to measure and for employees to understand.

In approving the payout matrix for the 2016 Incentive PSU Program, the Compensation Committee considered the alignment of the matrix with the Company's historical and expected growth and the importance of managing costs in a low price environment for natural gas. The analysis behind the selection of the 2016 peer group is described above under the caption "Peer Groups Help Establish Target Total Direct Compensation and Define Competitive Levels of Performance." Having given consideration to these and other factors, including the advice of its independent compensation consultant, the Compensation Committee determined that the payout matrix was appropriately rigorous and would provide rewards appropriate to performance.

The payout opportunity under the 2016 Incentive PSU Program ranges from:

- no payout if the Company is one of the nine lowest-ranking companies in the 2016 peer group as to TSR and has compound annual production sales volume growth over the performance period of less than 0%;
- to target payout if the Company ranks fourteenth through twelfth in the 2016 peer group as to TSR and has compound annual production sales volume growth over the performance period equal to 5%;
- to three times the target award if the Company is one of the three highest-ranking companies in the 2016 peer group as to TSR and has compound annual production sales volume growth over the performance period of at least 25%.

Earned 2016 Incentive PSU Program units are expected to be distributed in Company common stock. The election to pay awards in Company common stock under the 2016 Incentive PSU Program was consistent with the Company's efforts to utilize cash to accelerate development of its assets. In addition, payment in common stock further aligns the interests of the named executive officers with those of shareholders and allows favorable, non-variable accounting treatment.

The Compensation Committee established the 2016 target awards by taking into account the factors discussed under "Determining Target Total Direct Compensation" above. The target awards to Messrs. Porges, Crawford and Gardner were at the median of the 2016 peer group, consistent with the Compensation Committee's general philosophy. The target award to Mr. Schlotterbeck was at the 75th percentile of the 2016 peer group in recognition of the added responsibilities associated with his promotion to President of the Company. Mr. Conti did not receive a long-term incentive award in light of his pending retirement from the Company.

Long-Term Incentive Awards extending through and beyond 2016

During 2016, in addition to the awards described above, the named executive officers held unvested options that were granted in 2014 and 2015, as well as unvested awards under the 2014 Incentive PSU Program and the 2015 Incentive PSU Program for which the relevant performance or service periods had not yet been completed. In 2016, the Compensation Committee certified the relevant performance and authorized payout for the 2013 Incentive PSU Program and the EQM TR Program. Please refer to the "Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table" below for a description of the terms of the 2014 and 2015 options, the 2014 Incentive PSU Program

and the 2015 Incentive PSU Program.

Table of Contents2017 Long-Term Incentive Awards (2017 options, 2017 Incentive PSU Program and 2017 Restricted Stock Awards)

In developing the 2017 long-term incentive program, the Compensation Committee designed a program that the Compensation Committee believes aligns the interests of the named executive officers with the interests of shareholders, drives appropriate performance, is market competitive, is effective for retention purposes, is tax efficient, minimizes earnings volatility, and results in a portfolio approach to performance metrics. The Compensation Committee's considerations also included:

- market data regarding the long-term incentive design at the 2016 peer group;
- the appropriate way to incentivize executives toward the success of the Company, EQGP and EQM;
- the portfolio of existing long-term incentive programs and their combined influence on focusing executive behavior on critical activities;
- feedback received during the Company's 2016 shareholder outreach program;
- the availability of EQT shares and EQM and EQGP units under appropriately approved plans;
- the proxy compensation table presentation; and
- the views of the larger proxy advisory services.

The process involved consideration of the pros and cons of multiple variations of long-term incentive programs. As a result of its analysis, and with input from its independent compensation consultant, the Compensation Committee designed a long-term incentive compensation program for 2017 that includes stock options, restricted stock and performance units under the 2017 Incentive PSU Program:

<b>TYPE OF AWARD</b>	<b>PERCENT OF AWARDED VALUE</b>	<b>RATIONALE</b>
Stock Options	25%	Stock options encourage executives to focus broadly on behaviors that should lead to a sustained long-term increase in the price of EQT stock, which benefits all shareholders.
Restricted Stock Awards	25%	The EQT restricted stock awards are a strong retention tool for executives, though not focused on driving performance and containing less leverage than options and performance units.
2017 Incentive PSU Program	50%	The 2017 Incentive PSU Program performance units drive long-term value directly related to EQT stock performance but allow for the delivery of some value, assuming relative performance, even if the stock price declines. Performance units have stronger retention value than options but less leverage in a rising stock price environment.

The EQT restricted stock award element is new for 2017, and reflects the Committee's acknowledgement that market data continued to show strong usage of restricted stock as a retention tool by many members of the 2016 peer group. The allocation of the 2017 long-term incentive program among stock options, time-based restricted stock and other performance-based awards reflects the Committee's desire to incorporate this new retention tool while continuing the Committee's historic emphasis on performance-based incentive compensation.

Consistent with 2016, the 2017 long-term incentive programs utilize EQT equity as the only delivery currency in order to focus executive attention on the performance of the consolidated companies.

Table of Contents

The options granted in January 2017 have a term of ten years and an exercise price of \$65.40 per share. The options will vest on January 1, 2020, contingent upon continued service with the Company on such date.

The restricted stock granted in January 2017 will vest on January 1, 2020, contingent upon continued service with the Company on such date.

The performance measures for the 2017 Incentive PSU Program are the Company's:

- TSR over the period January 1, 2017 through December 31, 2019, as ranked among the comparably measured TSR of the 2017 peer group; and
- compound annual production sales volume growth.

After considering relative cash flow growth and relative return on capital as performance metrics, relative TSR was selected for the same reason it was selected for 2016 and prior years. The selection of compound annual production sales volume growth followed consideration of other internal metrics, including expense management, capital usage and absolute TSR performance. Consistent with recent years, the Compensation Committee selected compound annual production sales volume growth because sales volumes are an important driver of shareholder value that is easy to measure and for employees to understand.

The payout opportunity under the 2017 Incentive PSU Program ranges from:

- no payout if the Company is one of the nine lowest-ranking companies in the 2017 peer group as to TSR and has compound annual production sales volume growth over the performance period of less than 0%;
- to target payout if the Company ranks fourteenth through twelfth in the 2017 peer group as to TSR and has compound annual production sales volume growth over the performance period equal to 5%;
- to three times the target award if the Company is one of the three highest-ranking companies in the 2017 peer group as to TSR and has compound annual production sales volume growth over the performance period of at least 25%.

In approving the payout matrix, the Compensation Committee considered the alignment of the matrix with the Company's historical and expected growth and, following discussion with its independent compensation consultant, concluded that the payout matrix would provide rewards appropriate to performance. The analysis behind the selection of the 2017 peer group is described above under the caption "Peer Groups Help Establish Target Total Direct Compensation and Define Competitive Levels of Performance." Having given consideration to these and other factors, including the advice of its independent compensation consultant, the Compensation Committee determined that the payout matrix was appropriately rigorous.

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Earned 2017 Incentive PSU Program units are expected to be distributed in Company common stock. The election to pay awards in Company common stock under the 2017 Incentive PSU Program is consistent with the Company's efforts to utilize cash to accelerate development of its assets. In addition, payment in common stock further aligns the interests of the named executive officers with those of shareholders and allows favorable, non-variable accounting treatment.

The target awards to Messrs. McNally and Gardner were at the median of the 2017 peer group, consistent with the Compensation Committee's general philosophy. The target award to Mr. Schlotterbeck was at 80% of the market median for his new position as President and Chief Executive Officer, which he will assume March 1, 2017, recognizing that he is new to that role. Messrs. Porges, Crawford and Conti did

*EQT Corporation 2017 Proxy Statement* 60

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Table of Contents

not receive long-term incentive awards. The number of options, restricted shares and target units under the 2017 Incentive PSU Program awarded to the named executive officers were as follows:

<b>EXECUTIVE OFFICER</b>	<b>2017 OPTIONS</b>	<b>2017 RESTRICTED SHARES</b>	<b>2017 INCENTIVE PSU PROGRAM</b>
Robert J. McNally(1)	25,900	7,650	15,300
Lewis B. Gardner	17,800	5,280	10,560
Steven T. Schlotterbeck	58,200	17,210	34,410

(1) Number of units reflects award as of January 1, 2017. On February 8, 2017, the Compensation Committee approved an additional award, effective March 1, 2017, with a value of \$200,000 to reflect Mr. McNally's additional responsibilities. The number of options, restricted shares and incentive performance share units resulting from the award will not be determinable until March 1, 2017.

- **Special Award**

In conjunction with joining the Company as Chief Financial Officer of EQT, the EQM General Partner and the EQGP General Partner, Mr. McNally received a signing bonus consisting of \$500,000 in cash and 7,900 shares of EQT restricted stock. The restricted shares vest on March 21, 2017, contingent upon continued service with the Company on such date. If Mr. McNally terminates his employment with the Company prior to March 21, 2018, Mr. McNally is required to repay the cash bonus plus the value of the restricted stock at vesting. The award reflected the value of incentive awards Mr. McNally would have received from his prior employer had he not joined EQT. Restricted stock has the benefit of helping Mr. McNally to achieve his equity ownership guidelines.

- **Other Benefits**

Health and Welfare Benefits

The named executive officers participate in the same health and welfare benefit plans offered to other EQT employees, including medical, prescription drug, dental, vision, short- and long-term disability, and the wellness and employee assistance programs. The same contribution amounts, deductibles and plan design provisions are generally applicable to all employees. The Company also facilitates an executive physical benefit for each named executive officer which includes preferred access to healthcare professionals and related services for each named executive officer and his spouse.

Retirement Programs

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The named executive officers participate in the same defined contribution 401(k) plan as other EQT employees. The Company has historically contributed an amount equal to 6% of each participant's base salary to an individual investment account for the employee, subject to applicable tax regulations. In addition, the Company matches a participant's elective contribution by contributing to the participant's individual investment account an amount equal to 50% of each dollar contributed by the employee, subject to a maximum Company contribution of 3% of the employee's base salary and to applicable tax regulations.

Once Company contributions for named executive officers reach the maximum level permitted under the 401(k) plan, Company contributions are continued on an after-tax basis through a retirement annuity product offered by Fidelity Investments Life Insurance Co. Under this program, the Company also contributed to the annuity an amount equal to 11% of each named executive officer's annual incentive award. Because Mr. McNally did not receive a 2015 annual incentive award, he did not receive the 11% contribution in 2016. The after-tax annuity program contains no vesting requirements.

The Company currently has no defined benefit retirement plan, supplemental executive retirement plan (SERP) or deferred compensation obligations to any employee.

*EQT Corporation 2017 Proxy Statement* 61

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Table of Contents

Perquisites

Consistent with its philosophy of pay for performance, the Company provides modest perquisites to its named executive officers that, in number and value, are below median competitive levels for the peer group. Perquisites offered to each named executive officer include the following: a car allowance, a country club and a dining club membership, executive physical, financial planning, life insurance and accidental death and disability insurance (both of which exceed the level of insurance provided to other employees), *de minimis* personal usage of Company purchased event tickets and, except for Mr. McNally, parking. Messrs. Porges, Crawford and Schlotterbeck are beneficiaries of a travel security insurance policy.

See footnote (6) to the Summary Compensation Table below for a discussion and breakdown of the perquisites provided to the named executive officers in 2016.

• **Agreements with the Named Executive Officers**

The Compensation Committee believes that severance protections can play a valuable role in attracting, motivating and retaining highly talented executives. Accordingly, the Company provides such protections for the named executive officers under their agreements which are described in detail under the caption "Potential Payments Upon Termination or Change of Control" below.

Importantly, the executive agreements include covenants not to compete with, or solicit employees, customers, potential customers, vendors or independent contractors from, the Company for a specified period of time and to maintain the confidentiality of the Company's information for as long as the information is confidential. The Compensation Committee believes that these covenants are extremely valuable to the Company.

In conjunction with his retirement, the Compensation Committee approved an employment agreement with Mr. Conti that set forth his compensation and responsibilities during the transition of Mr. McNally as the new Chief Financial Officer for EQT, the EQM General Partner and the EQGP General Partner and modified, in certain respects, the benefits to which Mr. Conti would be entitled while serving in executive alternative work arrangement status (the executive alternative work arrangement is described below under "Payments to be Made Pursuant to Written Agreements with the Named Executive Officers"). Most significantly, the employment agreement provided that Mr. Conti would:

- continue to receive his base salary through January 2, 2017;
- be entitled to receive an annual incentive award for the 2016 plan year;
- continue to vest in the 2014 Incentive PSU while he is an executive alternative work arrangement employee in good standing; and
- sign a general release.

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In exchange, Mr. Conti agreed to serve as the principal financial officer of EQT, EQM and EQGP following Mr. McNally's start date, if so requested by the Company, and to perform such additional projects as are requested by the Company. The Compensation Committee believed that these services, particularly Mr. Conti's flexibility regarding continued service as the principal financial officer of the three companies, in light of his preference to retire, constituted good and valuable consideration for the additional compensation.

The Compensation Committee also approved the terms of a transition agreement and general release with Mr. Crawford in connection with his January 2017 termination of employment for "good reason" under his confidentiality, non-solicitation and non-competition agreement. The transition agreement established Mr. Crawford's last day of service to EQT, EQM and EQGP, confirmed Mr. Crawford's continued

*EQT Corporation 2017 Proxy Statement* 62

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Table of Contents

participation in the 2016 plan year of the Executive STIP, provided that Mr. Crawford would be entitled additional compensation of \$400,000 following his termination of employment and generally confirmed the other benefits Mr. Crawford was entitled to, and obligations Mr. Crawford was subject to, under his confidentiality, non-solicitation and non-competition agreement.

See Potential Payments Upon Termination or Change of Control below for more detail regarding the Company's agreements with each named executive officer, including the value of the benefits provided under the agreement.

Excise Tax Provisions

If any compensation to a named executive officer is accelerated or becomes vested, that executive could, in some cases, be considered to have received parachute payments within the meaning of Code Sections 280G and 4999. Pursuant to these tax laws, the executive could be subject to a 20% excise tax on parachute payments that exceed a certain amount, in which case the Company would be denied a tax deduction for such excess parachute payments. The agreement with each executive officer contains a best net provision, pursuant to which any parachute payments will be reduced to the extent necessary to avoid triggering the excise tax, unless the executive would have a more favorable after-tax result by receiving the unreduced payments and paying the excise tax himself, without a gross-up from the Company. Due to the structure of the excise tax, it is not possible to determine in advance which calculation would produce the more tax-efficient result. If the excise tax is triggered, the Company would not enjoy a tax deduction on the amount of the excess parachute payments but in no event would the Company be obligated to pay any portion of the excise tax.

### **Cautionary Statements**

Disclosures in this proxy statement may contain certain forward-looking statements within the meaning of Section 21E of the Exchange Act and Section 27A of the Securities Act of 1933, as amended. Statements that do not relate strictly to historical or current facts are forward-looking and usually identified by the use of words such as anticipate, estimate, approximate, expect, intend, plan, believe and other words of similar meaning in connection with any discussion of future operating or financial matters. Without limiting the generality of the foregoing, forward-looking statements contained in this proxy statement include the matters discussed regarding the expectation of performance under compensation plans, anticipated financial and operational performance of the Company and its subsidiaries and reserves estimates. These statements involve risks and uncertainties that could cause actual results to differ materially from projected results. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. The Company has based these forward-looking statements on current expectations and assumptions about future events. While the Company considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks and uncertainties, many of which are difficult to predict and are beyond the Company's control. The risks and uncertainties that may affect the operations, performance and results of the Company's business and forward-looking statements include, but are not limited to, those set forth in the Company's annual report on Form 10-K for the year ended December 31, 2016.

Any forward-looking statement speaks only as of the date on which such statement is made, and the Company does not intend to correct or update any forward-looking statements, whether as a result of new information, future events or otherwise.



Table of Contents

## **Report of the Management Development and Compensation Committee**

We have reviewed and discussed the Compensation Discussion and Analysis (CD&A) with the management of EQT Corporation. Based on our review and discussions, we recommended to the Board of Directors that the CD&A be included in the EQT Corporation Proxy Statement for 2017.

This report is not soliciting material, is not deemed to be filed with the SEC and is not to be incorporated by reference in any filing of EQT Corporation under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

*This report has been furnished by the Management Development and Compensation Committee of the Board of Directors.*

Lee T. Todd, Jr., Chair

A. Bray Cary, Jr.

James E. Rohr

## **Compensation Policies and Practices and Risk Management**

Culminating in early 2017, members of the Company's senior management, with the assistance of the Compensation Committee's independent compensation consultant, conducted a risk assessment of the Company's compensation programs for all employees. The results of such assessment were presented to the Compensation Committee. Based on the assessment, the Company and the Compensation Committee believe that the Company's compensation programs are balanced and do not create risks reasonably likely to have a material adverse impact on the Company. Important factors taken into account include, but are not limited to, the following:

- the Company does not use highly leveraged short-term incentives that drive high risk investments at the expense of long-term Company value;
- the Company's annual incentive compensation is based on balanced performance measures that promote disciplined progress towards longer-term goals, and payments are capped;
- the performance periods and vesting schedules for long-term incentives overlap and, therefore, reduce the motivation to maximize performance in any one period at the expense of performance in other periods;
- the Company's compensation programs reward consistent, long-term performance by heavily weighting compensation to long-term incentives that reward sustainable stock, financial and operating performance;

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- variations of the Company's compensation programs have been in place for many years, and the Company has seen no evidence that they encourage excessive risk-taking;
- the Compensation Committee has authority to exercise downward discretion to reduce or eliminate payouts under all of the Company's compensation programs;
- the Company's equity ownership guidelines require executives to hold a meaningful equity interest, linking their interests to the interests of shareholders; and
- hedging and pledging of EQT securities by EQT executive officers and directors, EQGP securities by EQGP executive officers and directors, and EQM securities by EQM executive officers and directors, is prohibited under the Company's policies.

*EQT Corporation 2017 Proxy Statement* 64

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Table of Contents**Compensation Tables**

The following tables contain information concerning the compensation of the Company's principal executive officer, its principal financial officer (including both Mr. Conti, who served as the principal financial officer through April 22, 2016, and Mr. McNally, who served as principal financial officer for the balance of the year) and each of its other three most highly compensated executive officers who were serving as executive officers at the end of 2016. References to named executive officers in this Compensation Tables section are to the six individuals included in the following tables:

**Summary Compensation Table**

NAME AND PRINCIPAL POSITION	YEAR	SALARY (\$)(1)	BONUS (\$)(2)	STOCK AWARDS (\$)(3)	OPTION AWARDS (\$)(4)	NON-EQUITY	ALL OTHER	TOTAL (\$)
						INCENTIVE PLAN COMPENSATION (\$)(5)	COMPENSATION (\$)(6)	
David L. Porges Chairman and Chief Executive Officer	2016	850,000	-	4,926,468	1,133,118	2,500,000	369,062	9,778,648
	2015	850,000	1,000,000	6,690,025	1,072,610	2,100,000	393,613	12,106,248
	2014	850,000	-	4,169,644	1,059,100	2,275,000	400,156	8,753,900
Robert J. McNally Senior Vice President and Chief Financial Officer	2016	323,550	500,000	3,008,725	692,265	660,000	53,837	5,238,377
Randall L. Crawford Senior Vice President	2016	463,501	-	1,524,254	350,658	940,000	217,021	3,495,434
	2015	460,905	500,000	2,936,499	471,630	900,000	200,457	5,469,491
	2014	448,461	-	2,150,834	547,350	962,500	204,558	4,313,703
Lewis B. Gardner General Counsel and Vice President, External Affairs	2016	385,501	-	1,143,720	263,718	490,000	135,580	2,418,519
	2015	382,520	500,000	1,608,654	258,700	432,000	137,887	3,319,761
	2014	365,193	-	615,002	157,975	460,000	131,569	1,729,739
Steven T. Schlotterbeck President	2016	519,634	-	3,047,802	701,316	1,300,000	205,944	5,774,696
	2015	501,558	500,000	3,495,295	561,180	1,025,000	231,334	6,314,367
	2014	476,731	-	2,304,585	585,175	1,100,000	189,122	4,655,613
Philip P. Conti Former Senior Vice President and Chief Financial Officer	2016	431,400	-	-	-	115,000	178,645	725,045
	2015	426,516	500,000	2,517,402	403,970	780,000	183,881	4,811,769
	2014	404,846	-	1,843,334	469,475	840,000	178,022	3,735,677

(1) Each named executive officer's annual base salary is paid over 26 equal pay periods each year. This amount reflects base salary earned in 2016.

(2) Amounts for 2015 in this column reflect the total amount of each named executive officer's bonus award in connection with the initial public offering of common units of EQGP. See 2015 Special Award under the caption

Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table below for further discussion of the 2015 Special Award. With respect to Mr. McNally, this column reflects the cash portion of his signing bonus. See McNally's Signing Bonus Restricted Share Award and Cash under the caption Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan Based Awards Table below for further discussion of McNally's signing bonus.

(3) This column reflects the aggregate grant date fair values determined in accordance with FASB ASC Topic 718 for performance units granted in the applicable year under the 2014 Incentive PSU Program, the 2015 Incentive PSU Program, the 2016 Incentive PSU Program (each as defined and described under the caption Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table below) and, in the case of Mr. McNally, the restricted share portion of his signing bonus, in each case using the assumptions described below. Pursuant to SEC rules, the amounts shown in the Summary Compensation Table for awards subject to performance conditions are based on the probable outcome as of the date of grant and exclude the impact of estimated forfeitures.

The 2014 Incentive PSU Program is a three-year program that provides stock-based awards. Each individual listed above who was a named executive officer on January 1, 2014 was granted an award under the 2014



Table of Contents

Incentive PSU Program on January 1, 2014. The vesting and payment of the awards is expected to occur in the first quarter of 2017. The performance period for the 2014 Incentive PSU Program was January 1, 2014 through December 31, 2016. The grant date fair values of the awards were: \$4,169,644 for Mr. Porges; \$2,150,834 for Mr. Crawford; \$615,002 for Mr. Gardner; \$2,304,585 for Mr. Schlotterbeck; and \$1,843,334 for Mr. Conti. The grant date fair values were computed by multiplying the number of units awarded to each named executive officer (24,950 for Mr. Porges; 12,870 for Mr. Crawford; 3,680 for Mr. Gardner; 13,790; for Mr. Schlotterbeck; and 11,030 for Mr. Conti) by \$167.12, the grant date fair value of each unit calculated using a Monte Carlo pricing model with the following assumptions: (i) risk-free rate of return: 0.78%; (ii) dividend yield: 0.46%; (iii) volatility: 31.38%; and (iv) term: three years. Assuming, instead, that the highest level of performance conditions would be achieved, the grant date fair values of these awards would have been: \$5,241,247 for Mr. Porges; \$2,703,601 for Mr. Crawford; \$773,058 for Mr. Gardner; \$2,896,865 for Mr. Schlotterbeck; and \$2,317,072 for Mr. Conti.

The 2015 Incentive PSU Program is a three-year program that provides stock-based awards. Each individual listed above who was a named executive officer on January 1, 2015 was granted an award under the 2015 Incentive PSU Program on January 1, 2015. The performance period for the 2015 Incentive PSU Program is January 1, 2015 through December 31, 2017. The grant date fair values of the awards were: \$6,690,025 for Mr. Porges; \$2,936,499 for Mr. Crawford; \$1,608,654 for Mr. Gardner; \$3,495,295 for Mr. Schlotterbeck; and \$2,517,402 for Mr. Conti. The grant date fair values were computed by multiplying the number of units awarded to each named executive officer (47,410 for Mr. Porges; 20,810 for Mr. Crawford; 11,400 for Mr. Gardner; 24,770 for Mr. Schlotterbeck; and 17,840 for Mr. Conti) by \$141.11, the grant date fair value of each unit calculated using a Monte Carlo pricing model with the following assumptions: (i) risk-free rate of return: 1.10%; (ii) dividend yield: 0.53%; (iii) volatility: 27.45%; and (iv) term: three years. Assuming, instead, that the highest level of performance conditions would be achieved, the grant date fair values of these awards would have been: \$8,406,267 for Mr. Porges; \$3,689,821 for Mr. Crawford; \$2,021,334 for Mr. Gardner; \$4,391,969 for Mr. Schlotterbeck; and \$3,163,210 for Mr. Conti.

The 2016 Incentive PSU Program is a three-year program that provides stock-based awards. Each named executive officer was granted an award under the 2016 Incentive PSU Program on January 1, 2016, with the exception of Mr. Conti who retired as Senior Vice President and Chief Financial Officer and therefore did not receive long-term incentive awards and Mr. McNally who was granted an award on March 21, 2016 upon his commencement of employment. The performance period for the 2016 Incentive PSU Program is January 1, 2016 through December 31, 2018. The grant date fair values of the awards were: \$4,926,468 for Mr. Porges; \$2,508,418 for Mr. McNally; \$1,524,254 for Mr. Crawford; \$1,143,720 for Mr. Gardner; and \$3,047,802 for Mr. Schlotterbeck. The grant date fair values were computed by multiplying the number of units awarded to each named executive officer (69,780 for Mr. Porges; 35,530 for Mr. McNally; 21,590 for Mr. Crawford; 16,200 for Mr. Gardner; and 43,170 for Mr. Schlotterbeck) by \$70.60, the grant date fair value of each unit calculated using a Monte Carlo pricing model with the following assumptions: (i) risk-free rate of return: 1.31%; (ii) dividend yield: 0%; (iii) volatility: 28.43%; and (iv) term: three years. Assuming, instead, that the highest level of performance conditions would be achieved, the grant date fair values of these awards would have been: \$8,436,402 for Mr. Porges; \$4,295,577 for Mr. McNally; \$2,610,231 for Mr. Crawford; \$1,958,580 for Mr. Gardner; and \$5,219,253 for Mr. Schlotterbeck.

Mr. McNally was granted 7,900 restricted shares on March 21, 2016 (the McNally Restricted Share Award). The restricted shares are expected to vest upon the one-year anniversary of the grant date, contingent upon continued service upon such date. The grant date fair value of the award was \$500,307. The grant date fair value was computed as the number of restricted shares awarded on the grant date, multiplied by the closing price of the Company's common stock on the grant date, which closing price was \$63.33 per share on March 21, 2016.

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See Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table below for further discussion of the 2014 Incentive PSU Program, the 2015 Incentive PSU Program, the 2016 Incentive PSU Program and the McNally Restricted Share Award.

(4) This column reflects the grant date fair values of option awards granted on January 1, 2014, January 1, 2015, January 1, 2016 and March 21, 2016.

The grant date fair values of the 2014 option awards were calculated by multiplying the number of shares underlying options awarded to each named executive officer (47,600 for Mr. Porges; 24,600 for Mr. Crawford; 7,100 for Mr. Gardner; 26,300 for Mr. Schlotterbeck; and 21,100 for Mr. Conti) by \$22.25, the grant date fair

*EQT Corporation 2017 Proxy Statement* 66

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Table of Contents

value of each option calculated using a Black-Scholes option pricing model with the following assumptions: (i) risk-free rate of return: 1.72%; (ii) dividend yield: 0.15%; (iii) volatility factor: 24.80%; and (iv) expected term: five years.

The grant date fair values of the 2015 option awards were calculated by multiplying the number of shares underlying options awarded to each named executive officer (53,900 for Mr. Porges; 23,700 for Mr. Crawford; 13,000 for Mr. Gardner; 28,200 for Mr. Schlotterbeck; and 20,300 for Mr. Conti) by \$19.90, the grant date fair value of each option calculated using a Black-Scholes option pricing model with the following assumptions: (i) risk-free rate of return: 1.61%; (ii) dividend yield: 0.12%; (iii) volatility factor: 26.80%; and (iv) expected term: five years.

The grant date fair values of the 2016 option awards (other than Mr. McNally's) were calculated by multiplying the number of shares underlying options awarded to each named executive officer (78,200 for Mr. Porges; 24,200 for Mr. Crawford; 18,200 for Mr. Gardner; and 48,400 for Mr. Schlotterbeck) by \$14.49, the grant date fair value of each option calculated using a Black-Scholes option pricing model with the following assumptions: (i) risk-free rate of return: 1.73%; (ii) dividend yield: 0.16%; (iii) volatility factor: 28.52%; and (iv) expected term: five years. The grant date fair value of the 2016 option awards granted to Mr. McNally was calculated by multiplying the number of shares underlying options awarded to Mr. McNally (39,900) by \$17.35, the grant date fair value of each option calculated using a Black-Scholes option pricing model with the following assumptions: (i) risk-free rate of return: 1.38%; (ii) dividend yield: 0.17%; (iii) volatility factor: 28.90%; and (iv) expected term: five years.

See Option Awards 2014 Options, Option Awards 2015 Options and Option Awards 2016 Options under the caption Narrative Disclosure Summary Compensation Table and 2016 Grants of Plan-Based Awards Table below for further discussion of the 2014, 2015 and 2016 options.

(5) This column reflects the dollar value of annual incentive compensation earned under the Executive STIP (as defined and described under the caption Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table below) for the applicable plan year. The awards were paid to the named executive officers in cash in the first quarter of the following year. See Non-Equity Incentive Plan Compensation Executive STIP under the caption Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table below for further discussion of the Executive STIP for the 2016 plan year.

(6) This column includes the dollar value of premiums paid by the Company for group life, accidental death and dismemberment insurance, the Company's contributions to the 401(k) plan and the 2006 Payroll Deduction and Contribution Program and perquisites. For 2016, these amounts were as follows:

NAME	INSURANCE (\$)	401(K) CONTRIBUTIONS (\$)	2006 PAYROLL DEDUCTION AND CONTRIBUTION		TOTAL (\$)
			PROGRAM (\$)	PERQUISITES (SEE BELOW) (\$)	

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David L. Porges	1,938	23,850	283,650	59,624	369,062
Robert J. McNally	739	15,900	3,513	33,685	53,837
Randall L. Crawford	1,058	23,850	116,865	75,248	217,021
Lewis B. Gardner	880	23,850	58,365	52,485	135,580
Steven T. Schlotterbeck	1,192	23,850	135,667	45,235	205,944
Philip P. Conti	985	23,850	100,776	53,034	178,645

Once 401(k) contributions for the named executive officers reach the maximum level permitted under the 401(k) plan, Company contributions are continued on an after-tax basis under the 2006 Payroll Deduction and Contribution Program through an annuity program offered by Fidelity Investments Life Insurance Co. Each year, the Company also contributes an amount equal to 11% of each named executive officer's annual incentive award to such program.

*EQT Corporation 2017 Proxy Statement* 67

Table of Contents

The perquisites the Company provided to each named executive officer in 2016 are itemized below:

NAME	CAR ALLOWANCE (\$)	COUNTRY AND DINING CLUB ANNUAL DUES (\$)	FINANCIAL PLANNING (\$)	PARKING (\$)	PHYSICAL (\$)	OTHER (\$)	TOTAL
							PERQUISITES (\$)
David L. Porges	9,180	16,244	15,000	2,400	15,200	1,600	59,624
Robert J. McNally	6,969	10,195	-	-	8,867	7,654	33,685
Randall L. Crawford	9,060	13,984	11,700	2,400	7,600	30,504	75,248
Lewis B. Gardner	9,060	10,825	15,000	2,400	15,200	-	52,485
Steven T. Schlotterbeck	9,060	6,280	10,695	2,400	15,200	1,600	45,235
Philip P. Conti	9,060	11,374	15,000	2,400	15,200	-	53,034

The car allowance is an amount paid to the executive intended to cover the annual cost of acquiring, maintaining and insuring a car. The entire cost of country and dining club dues has been included in the table although the Company believes that only a portion of the cost represents a perquisite. Financial planning is the actual cost to the Company of providing to each executive financial planning and tax preparation services. The physical is the actual cost to the Company for providing the executive physical benefit, which includes preferred access to healthcare professionals and related services for each named executive officer and his spouse. The other column reflects the actual cost to the Company in connection with travel assistance services procured by the Company for the benefit of Messrs. Porges, Crawford and Schlotterbeck and their families. For Mr. Crawford this also includes \$28,904, which is the cost of a flight chartered by the Company to attend an industry golf outing, which the Company believes provided valuable benefits to the Company but meets the SEC definition of a perquisite. For Mr. McNally this also includes certain amounts received related to his relocation to Pittsburgh. The named executive officers may use two tickets purchased by the Company to attend up to four sporting or other events when such tickets are not otherwise being used for business purposes. The costs of such tickets used for personal purposes are considered *de minimis* by the Company and are not included as perquisites in the Summary Compensation Table because there are no incremental costs to the Company associated with such use.

**2016 Grants of Plan-Based Awards Table**

NAME	TYPE OF AWARD (1)	GRANT DATE	APPROVAL DATE	ESTIMATED FUTURE PAYOUTS UNDER NON-EQUITY INCENTIVE PLAN ESTIMATED FUTURE PAYOUTS UNDER						ALL OTHER STOCK AWARDS: NUMBER OF	ALL OTHER OPTION AWARDS: NUMBER OF
				THRESHOLD	TARGET	MAXIMUM	THRESHOLD	TARGET	MAXIMUM	AWARDS OF STOCK OR UNITS (#) (4)	SECURITIES UNDERLYING OPTIONS (#)
				(\$)	(\$) (2)	(\$) (2)	(#)	(#) (3)	(#) (3)		
David L. Porges	PSU	1/1/2016	12/01/2015	-	-	-	-	69,780	209,340	-	-
	ESTIP	-	-	-	850,000	5,000,000	-	-	-	-	-
	SO	1/1/2016	12/01/2015	-	-	-	-	-	-	-	78,200
Robert J. McNally	PSU	3/21/2016	12/01/2015	-	-	-	-	35,530	106,590	-	-
	ESTIP	-	-	-	242,665	5,000,000	-	-	-	-	-
	SO	3/21/2016	12/01/2015	-	-	-	-	-	-	-	39,900
	RS	3/21/2016	3/07/2016	-	-	-	-	-	-	7,900	-
Randall L. Crawford	PSU	1/1/2016	12/01/2015	-	-	-	-	21,590	64,770	-	-
	ESTIP	-	-	-	385,000	5,000,000	-	-	-	-	-
	SO	1/1/2016	12/01/2015	-	-	-	-	-	-	-	24,200
	PSU	1/1/2016	12/01/2015	-	-	-	-	16,200	48,600	-	-

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Lewis B. Gardner	ESTIP	-	-	-	214,500	5,000,000	-	-	-	-	-
	SO	1/1/2016	12/01/2015	-	-	-	-	-	-	-	18,200
Steven T. Schlotterbeck	PSU	1/1/2016	12/01/2015	-	-	-	-	43,170	129,510	-	-
	ESTIP	-	-	-	460,000	5,000,000	-	-	-	-	-
	SO	1/1/2016	12/01/2015	-	-	-	-	-	-	-	48,400
Philip P. Conti	PSU	1/1/2016	12/01/2015	-	-	-	-	-	-	-	-
	ESTIP	-	-	-	320,000	5,000,000	-	-	-	-	-
	SO	1/1/2016	12/01/2015	-	-	-	-	-	-	-	-

(1) Type of Award:

PSU = 2016 Incentive PSU Program Awards  
 ESTIP = Executive STIP for the 2016 Plan Year  
 SO = Stock Options  
 RS = Restricted Shares

EQT Corporation 2017 Proxy Statement 68

Table of Contents

(2) These columns reflect the annual incentive award target and maximum amounts payable under the Executive STIP for the 2016 plan year. Under the Executive STIP, a formula based on adjusted 2016 EBITDA compared to the Company's business plan establishes the maximum payment from which the Compensation Committee typically exercises its discretion downward in determining the actual payment. The payout amounts could range from no payment, to the percentage of base salary identified as the target annual incentive award (target), to \$5 million (maximum). See Non-Equity Incentive Plan Compensation Executive STIP under the caption Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table below for further discussion of the Executive STIP for the 2016 plan year.

(3) These columns reflect the target and maximum number of units payable under the 2016 Incentive PSU Program. Under the 2016 Incentive PSU Program, the performance measures are TSR over the period January 1, 2016 through December 31, 2018, as ranked among the comparably measured TSR of the applicable peer group, and compound annual production sales volume growth. The payout amounts for the 2016 Incentive PSU Program could range from 0% of units granted, to 100% of units granted (target), to 300% of units granted (maximum), dependent upon the satisfaction of the performance measures over the performance period. See Stock Awards 2016 Incentive PSU Program under the caption Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table below for further discussion of the 2016 Incentive PSU Program.

(4) This column reflects the number of time-based restricted share units granted to Mr. McNally on March 21, 2016 as a portion of his signing bonus. See McNally's Signing Bonus Restricted Share Award and Cash under the caption Narrative Disclosure to Summary Compensation Table and 2016 Grants of Plan-Based Awards Table below for further discussion of the McNally Restricted Share Award.

**Narrative Disclosure to Summary Compensation Table and  
2016 Grants of Plan-Based Awards Table**

Set forth below is a discussion of material elements of the Company's executive compensation program. This discussion should be read in conjunction with the discussion under the caption Compensation Discussion and Analysis above and the Summary Compensation and 2016 Grants of Plan-Based Awards Tables above. A reconciliation of each non-GAAP financial measure disclosed below to the most directly comparable GAAP financial measure is set forth in Appendix B to this proxy statement.

*Definitions of Certain Defined Compensation Plans and Programs*

The following terms used in this proxy statement shall be defined as follows:

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- 2009 LTIP 2009 Long-Term Incentive Plan
- 2014 LTIP 2014 Long-Term Incentive Plan
- 2014 Incentive PSU Program 2014 Executive Performance Incentive Program
- 2015 Incentive PSU Program 2015 Executive Performance Incentive Program
- 2016 Incentive PSU Program 2016 Incentive Performance Share Unit Program
- Executive STIP 2011 Executive Short-Term Incentive Plan

### *Base Salary*

The base salary for each named executive officer reflected in the Summary Compensation Table above is the base salary actually earned and reflects a proportionate amount of any increase made during the applicable year.

### *Non-Equity Incentive Plan Compensation Executive STIP*

Before or at the start of each year, the Compensation Committee establishes the performance measure for determining awards under the Executive STIP. This performance measure establishes the maximum annual incentive award that the Compensation Committee may approve as performance-based compensation for tax purposes pursuant to Code Section 162(m), subject to the shareholder approved



Table of Contents

individual limit set forth in the Executive STIP, but does not set an expectation for the amount of annual incentive that will actually be paid. The Compensation Committee is permitted to exercise, and has generally exercised, downward discretion in determining the actual payout under the annual incentive plan. The Compensation Committee may not exercise upward discretion. The performance measure approved for the Executive STIP for the 2016 plan year was the Company's 2016 EBITDA (i) calculated using a constant commodity price of \$2.71 per Mcfe, adjusted for all cash settled derivatives and all basis and fixed price sales set forth in the Company's 2016 business plan, (ii) excluding the effects of non-cash derivative gains (losses) not included in the Company's 2016 business plan, (iii) excluding gains/losses on derivatives not designated as hedges, (iv) excluding the effects of non-cash developed and undeveloped oil and gas property impairments and (v) excluding the effects of acquisitions and dispositions of greater than \$100 million (adjusted 2016 EBITDA), compared to the Company's 2016 business plan, as follows:

<b>ADJUSTED 2016 EBITDA COMPARED TO BUSINESS PLAN</b>	<b>PERCENTAGE OF ADJUSTED 2016 EBITDA AVAILABLE FOR ALL EXECUTIVE OFFICER 2016 ANNUAL INCENTIVE AWARDS</b>
At or above plan	2%
5% below plan	1.5%
25% below plan	1%
Greater than 25% below plan	No annual incentive

The percentage of adjusted 2016 EBITDA available for all executive officer annual incentives was interpolated between levels and capped at 2%. The Company's actual adjusted 2016 EBITDA of \$1,391 million exceeded plan by approximately 2%, which allowed the Compensation Committee to award annual incentives to the Company's executive officers in an aggregate amount of \$27.8 million, subject to a \$5 million cap per executive officer. As described under the caption Compensation Discussion and Analysis above, the Compensation Committee exercised its discretion to pay each named executive officer a lesser amount based on the individual's 2016 target award and 2016 performance on Company, business unit and individual value drivers.

The Executive STIP provides that the annual awards will be paid in cash, subject to Compensation Committee discretion to pay in equity. The Compensation Committee typically considers settling awards in equity rather than cash only when an executive has not satisfied the applicable equity ownership guidelines.

*Stock Awards 2014 Incentive PSU Program*

Awards under the 2014 Incentive PSU Program were granted on January 1, 2014. The performance measures for the 2014 Incentive PSU Program were the Company's:

- TSR over the period January 1, 2014 through December 31, 2016, as ranked among the comparably measured TSR of the applicable peer group; and
- compound annual production sales volume growth over the performance period.

The payout opportunity under the 2014 Incentive PSU Program ranged from:

- no payout if the Company was one of the nine lowest-ranking companies in the applicable peer group as to TSR and had compound annual production sales volume growth over the performance period of less than 0%;
- to target payout if the Company ranked seventeenth through fourteenth in the applicable peer group as to TSR and had compound annual production sales volume growth over the performance period equal to 10%;

Table of Contents

- to three times the target award if the Company was one of the four highest-ranking companies in the applicable peer group as to TSR and had compound annual production sales volume growth over the performance period of at least 30%.

The performance period for the 2014 Incentive PSU Program ended on December 31, 2016, with the Company having achieved a TSR of negative 25.1%, resulting in a ranking of 12th in the applicable peer group, and compound annual production sales volume growth of 26.1%. The awards (including accrued dividends) are expected to be distributed in shares of Company common stock at a 2.21X payout multiple in the first quarter of 2017.

*Stock Awards 2015 Incentive PSU Program*

Awards under the 2015 Incentive PSU Program were granted on January 1, 2015. The performance measures for the 2015 Incentive PSU Program are the Company's:

- TSR over the period January 1, 2015 through December 31, 2017, as ranked among the comparably measured TSR of the applicable peer group; and
- compound annual production sales volume growth over the performance period.

The payout opportunity under the 2015 Incentive PSU Program ranges from:

- no payout if the Company is one of the nine lowest-ranking companies in the applicable peer group as to TSR and has compound annual production sales volume growth over the performance period of less than 0%;
- to target payout if the Company ranks seventeenth through fourteenth in the applicable peer group as to TSR and has compound annual production sales volume growth over the performance period equal to 6.4%;
- to three times the target award if the Company is one of the four highest-ranking companies in the applicable peer group as to TSR and has compound annual production sales volume growth over the performance period of at least 26.4%.

If earned, the share units are expected to be distributed in shares of Company common stock equal to the target award (including accrued dividends) multiplied by the applicable payout multiple.

*Stock Awards 2016 Incentive PSU Program*

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Awards under the 2016 Incentive PSU Program were granted on January 1, 2016. The performance measures for the 2016 Incentive PSU Program are the Company's:

- TSR over the period January 1, 2016 through December 31, 2018, as ranked among the comparably measured TSR of the applicable peer group; and
- compound annual production sales volume growth over the performance period.

The payout opportunity under the 2016 Incentive PSU Program ranges from:

- no payout if the Company is one of the nine lowest-ranking companies in the applicable peer group as to TSR and has compound annual production sales volume growth over the performance period of less than 0%;
- to target payout if the Company ranks fourteenth through twelfth in the applicable peer group as to TSR and has compound annual production sales volume growth over the performance period equal to 5.0%;

*EQT Corporation 2017 Proxy Statement* 71

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Table of Contents

- to three times the target award if the Company is one of the three highest-ranking companies in the applicable peer group as to TSR and has compound annual production sales volume growth over the performance period of at least 25.0%.

If earned, the share units are expected to be distributed in shares of Company common stock equal to the target award (including accrued dividends) multiplied by the applicable payout multiple.

*Option Awards 2014 Options*

The 2014 options were awarded on January 1, 2014 with an exercise price of \$89.78. The options expire on January 1, 2024 and vested on January 1, 2017.

*Option Awards 2015 Options*

The 2015 options were awarded on January 1, 2015 with an exercise price of \$75.70. The options expire on January 1, 2025 and vest on January 1, 2018, contingent upon continued service with the Company on such date.

*Option Awards 2016 Options*

The 2016 options were awarded to Messrs. Porges, Crawford, Gardner and Schlotterbeck on January 1, 2016 with an exercise price of \$52.13. The 2016 options were awarded to Mr. McNally on March 21, 2016 with an exercise price of \$63.33. The 2016 options expire on January 1, 2026 and vest on January 1, 2019, contingent upon continued service with the Company on such date.

*McNally's Signing Bonus Restricted Share Award and Cash*

In connection with the commencement of his employment on March 21, 2016, Mr. McNally received a signing bonus consisting of a restricted share grant and cash. The McNally Restricted Share Award is expected to vest on the one-year anniversary of the grant date contingent upon continued service with the Company at such date. If earned, the restricted shares will be distributed in shares of Company common stock (including accrued dividends). Mr. McNally will be required to repay the value at vesting of the McNally Restricted Share Award and the cash portion of the signing bonus if he terminates his employment with the Company prior to March 21, 2018.

*2015 Special Award*

In connection with the initial public offering of EQGP common units in May 2015, the named executive officers (and other long-term incentive eligible employees as well as directors of EQT and EQGP) were offered the opportunity to purchase EQGP units through the directed unit program associated with EQGP's initial public offering. In order to recognize the efforts of the named executive officers in connection with the offering and to encourage their personal investment in EQGP, each named executive officer was eligible to receive from the Company a limited cash award to be used by the named executive officer to match his purchase of EQGP units. Each named executive officer (other than Mr. McNally who was not an employee) participated and benefited to the maximum special award approved for him.

Table of Contents**Outstanding Equity Awards at Fiscal Year-End**

NAME	OPTION AWARDS				EQUITY AWARDS				
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS EXERCISABLE (#)	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#) (1)	OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE	NUMBER OF SHARES OR UNITS OF STOCK THAT HAVE NOT VESTED (#)(2)	MARKET VALUE OF SHARES OR UNITS OF STOCK THAT HAVE NOT VESTED (\$)(3)	EQUITY INCENTIVE PLAN AWARDS: NUMBER OF SHARES, UNITS OR OTHER RIGHTS THAT HAVE NOT VESTED (#) (4)	EQUITY INCENTIVE PLAN AWARDS: MARKET OR PAYOUT VALUE OF UNEARNED SHARES, UNITS OR OTHER RIGHTS THAT HAVE NOT VESTED (\$)(5)	
David L. Porges	76,700	-	44.84	1/1/2018	-	-	75,198	4,917,949	
	105,800	-	54.79	1/1/2022	-	-	142,719	9,333,823	
	92,400	-	58.98	1/1/2023	-	-	69,905	4,571,787	
	-	47,600	89.78	1/1/2024	-	-	-	-	
	-	53,900	75.70	1/1/2025	-	-	-	-	
	-	78,200	52.13	1/1/2026	-	-	-	-	
Robert J. McNally	-	39,900	63.33	1/1/2026	-	-	35,575	2,326,605	
	-	-	-	-	7,910	517,314	-	-	
Randall L. Crawford	38,500	-	44.84	1/1/2018	-	-	38,790	2,536,866	
	44,800	-	54.79	1/1/2022	-	-	62,646	4,097,048	
	44,100	-	58.98	1/1/2023	-	-	21,629	1,414,537	
	-	24,600	89.78	1/1/2024	-	-	-	-	
	-	23,700	75.70	1/1/2025	-	-	-	-	
	-	24,200	52.13	1/1/2026	-	-	-	-	
Lewis B. Gardner	13,200	-	58.98	1/1/2023	-	-	11,091	725,351	
	-	7,100	89.78	1/1/2024	-	-	34,317	2,244,332	
	-	13,000	75.70	1/1/2025	-	-	16,229	1,061,377	
	-	18,200	52.13	1/1/2026	-	-	-	-	
Steven T. Schlotterbeck	38,500	-	44.84	1/1/2018	-	-	41,562	2,718,155	
	44,800	-	54.79	1/1/2022	-	-	74,565	4,876,551	
	44,100	-	58.98	1/1/2023	-	-	43,248	2,828,419	
	-	26,300	89.78	1/1/2024	-	-	-	-	
	-	28,200	75.70	1/1/2025	-	-	-	-	
	-	48,400	52.13	1/1/2026	-	-	-	-	
Philip P. Conti	32,400	-	54.79	1/1/2022	-	-	33,243	2,174,092	
	31,400	-	58.98	1/1/2023	-	-	53,703	3,512,176	
	-	21,100	89.78	1/1/2024	-	-	-	-	
	-	20,300	75.70	1/1/2025	-	-	-	-	

(1) The options reflected in this column vest according to the following schedule: the options expiring in 2024 vested on January 1, 2017, the options expiring in 2025 will vest on January 1, 2018 and the options expiring in 2026 will vest on January 1, 2019. The vesting of option awards may accelerate. See Potential Payments Upon

Termination or Change of Control below for a discussion of, among other things, a revised vesting schedule and circumstances under which the vesting of an award will accelerate.

(2) This column reflects the McNally Restricted Share Award (including accrued dividends). The McNally Restricted Share Award was granted on March 21, 2016 and is expected to vest on March 21, 2017. The vesting of the restricted share award may accelerate. See Potential Payments Upon Termination or Change of Control below for a discussion of, among other things, circumstances under which the vesting of an award will accelerate.



Table of Contents

(3) This column reflects the payout value at December 31, 2016 of the McNally Restricted Share Award (including accrued dividends) determined by multiplying the number of units shown in the column to the left by \$65.40, the closing price of the Company's common stock on December 31, 2016. The actual payout value will depend upon the Company's stock price upon vesting.

(4) This column reflects performance units awarded but that had not yet vested at December 31, 2016 pursuant to the 2014 Incentive PSU Program, the 2015 Incentive PSU Program and the 2016 Incentive PSU Program (including accrued dividends). The number of performance units under the 2014 Incentive PSU Program and the 2015 Incentive PSU Program reflect maximum award levels because, through December 31, 2016, payout was projected above the target level for each program. The number of performance awards under the 2016 Incentive PSU Program reflects target award levels because, through December 31, 2016, payout was projected below target. Awards under the 2015 Incentive PSU Program and the 2016 Incentive PSU Program do not vest until payment following the end of the respective performance periods. Awards under the 2014 Incentive PSU Program will vest upon payment which is expected to occur in the first quarter of 2017. The vesting of the awards under the 2014 Incentive PSU Program, 2015 Incentive PSU Program and 2016 Incentive PSU Program may accelerate. See "Potential Payments Upon Termination or Change of Control" below for a discussion of, among other things, circumstances under which the vesting of an award will accelerate.

(5) This column reflects the payout values at December 31, 2016 of unearned performance units granted under the 2014 Incentive PSU Program, the 2015 Incentive PSU Program and the 2016 Incentive PSU Program (including accrued dividends). The payout values are determined by multiplying the number of units as shown in the column to the left by \$65.40, the closing price of the Company's common stock on December 31, 2016. The actual payout values under the 2014 Incentive PSU Program, the 2015 Incentive PSU Program and the 2016 Incentive PSU Program will depend upon, among other things, the Company's actual performance through the end of the applicable performance periods and the Company's closing stock price on the payout date.

**Option Exercises and Stock Vested**

NAME	OPTION AWARDS		STOCK AWARDS	
	NUMBER OF SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED ON EXERCISE (\$ (1))	NUMBER OF SHARES ACQUIRED ON VESTING (#) (2)	VALUE REALIZED ON VESTING (\$ (3))
David L. Porges	-	-	99,895	6,269,621
Robert J. McNally	-	-	-	-
Randall L. Crawford	21,400	714,332	41,937	2,581,747
Lewis B. Gardner	-	-	13,178	817,474
Steven T. Schlotterbeck	19,800	447,876	41,937	2,581,747
Philip P. Conti	-	-	25,478	1,524,220

(1) The value realized on exercise is calculated as the difference between the market price of the shares underlying the options at exercise and the applicable exercise price of those options.

(2) This column reflects the aggregate number of performance awards (including accrued dividends) under the 2013 Executive Performance Incentive Program (2013 Incentive PSU Program) that vested in 2016. For Messrs. Porges, Crawford, Gardner and Conti, this column also reflects the aggregate number of performance units (including accrued distributions) under the EQM Total Return Program (EQM TR Program) that vested in 2016. The performance awards under the 2013 Incentive PSU Program (including accrued dividends) and the EQM TR Program (including accrued distributions) vested and were distributed in Company common stock and EQM common units, respectively, on February 25, 2016.

(3) This column reflects the value realized upon the vesting of performance awards under the 2013 Incentive PSU Program (including accrued dividends) and the EQM TR Program (including accrued distributions). The value realized on vesting of the 2013 Incentive PSU Program and the EQM TR Program is calculated based on the number of performance awards that vested and the closing price of the Company's common stock and EQM's common units, respectively, on February 25, 2016.

Table of Contents

**Pension Benefits and Nonqualified Deferred Compensation**

None of the named executive officers participates in a Company-sponsored defined benefit pension plan. The Company does not maintain a deferred compensation plan for employees, and there are no deferred compensation balances.

**Potential Payments Upon Termination or Change of Control**

The Company maintains certain plans and has entered into certain agreements that require the Company to provide compensation to the named executive officers in the event of a termination of employment or a change of control of the Company. These plans and agreements are summarized below, and such summaries are qualified in their entirety by reference to the full text of such plans and agreements. The 2009 LTIP, the 2014 LTIP, the 2014 Incentive PSU Program, the 2015 Incentive PSU Program, the 2016 Incentive PSU Program, the Executive STIP, the forms of stock option agreements, the McNally Restricted Share Award agreement and the other written agreements described below have been filed with the SEC as exhibits to the Company's annual report on Form 10-K for the year ended December 31, 2016

**Payments to be Made Pursuant to Written Agreements with the Named Executive Officers**

Confidentiality, Non-Solicitation and Non-Competition Agreements

The Company has confidentiality, non-solicitation and non-competition agreements with each of the named executive officers.

*Porges, McNally, Crawford, Gardner and Schlotterbeck Agreements*

In each agreement, the named executive officer agrees, among other things, to the following restrictive covenants:

- restrictions on competition (30 months for Mr. Porges; 24 months for other named executive officers);
- restrictions on customer solicitation (30 months for Mr. Porges; 24 months for other named executive officers); and
- restrictions on employee, consultant, vendor or independent contractor recruitment (36 months for all named executive officers).

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The agreements provide for severance payments and benefits to the named executive officers in the event of a termination of employment by the Company without cause or by the named executive officer for good reason (each as defined below), regardless of whether that termination occurs before or after a change of control. In such an event, the named executive officer will be entitled to receive the following severance benefits:

- *Severance payment.* A lump sum cash severance payment equal to the sum of the following amounts:
  - § 24 months of base salary (or 30 months, in the case of Mr. Porges);
  - § two times (or 2.5 times, in the case of Mr. Porges) the average annual incentive earned for the three full years prior to the named executive officer's termination. With respect to Mr. McNally, who has not been employed with the Company for three years, the average annual incentive will be calculated by including for each calendar year Mr. McNally was not employed by the Company and for 2016, the greater of (i) Mr. McNally's actual award for such year and (ii) Mr. McNally's target annual incentive award at the time of termination; and
  - § \$200,000 (or \$250,000, in the case of Mr. Porges).

*EQT Corporation 2017 Proxy Statement* 75

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Table of Contents

- *Benefits payment.* A lump sum cash payment equal to the monthly COBRA rate for family coverage, multiplied by 12.
- *Vesting of time-based equity awards.* Stock options, restricted stock, restricted stock units and other stock awards with time-based vesting restrictions will become immediately vested and exercisable in full and any restrictions on such awards shall lapse.
- *Vesting of performance-based equity awards.* Performance-based equity awards will remain outstanding and will be earned, if at all, based on actual performance through the end of the performance period as if the named executive officer's employment had not been terminated.

Cause is defined as the named executive officer's (i) conviction of a felony, a crime of moral turpitude or fraud or the executive having committed fraud, misappropriation or embezzlement in connection with the performance of his duties; (ii) willful and repeated failures to substantially perform assigned duties; or (iii) violation of any provision of a written employment-related agreement or express significant policies of the Company.

Good reason is defined as the named executive officer's resignation within 90 days after: (i) a reduction in the named executive officer's base salary of 10% or more (unless the reduction is applicable to all similarly situated employees); (ii) a reduction in the named executive officer's annual short-term bonus target of 10% or more (unless the reduction is applicable to all similarly situated employees); (iii) a significant diminution in the named executive officer's job responsibilities, duties or authority; (iv) a change in the geographic location of the named executive officer's primary reporting location of more than 50 miles; and/or (v) any other action or inaction that constitutes a material breach by the Company of the agreement.

In the event that the named executive officer's employment is terminated by the Company under qualifying circumstances, the named executive officer is also entitled to the benefits provided to all employees under the Company's severance plan. In order to receive severance benefits under a non-competition agreement, the named executive officer must execute and deliver to the Company a general release of claims.

The agreements do not provide for any tax gross-ups. In the event the named executive officer would be subject to a 20% excise tax under Section 4999 of the Internal Revenue Code (imposed on individuals who receive compensation in connection with a change of control that exceeds certain specified limits), the payments and benefits to the named executive officer would be reduced to the maximum amount that does not trigger the excise tax unless the named executive officer would retain greater value (on an after-tax basis) by receiving all payments and benefits and paying all excise and income taxes.

*Conti Agreement*

In connection with his retirement in 2016, the Company and Mr. Conti entered into an employment agreement reaffirming the benefits and covenants, including the covenants as to confidentiality, non-competition and solicitation, included in his confidentiality, non-solicitation and non-competition agreement (all consistent with the agreements described above) and providing that:

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- if Mr. Conti remained employed by the Company through January 2, 2017 and delivered an acceptable release of claims, the share units granted to Mr. Conti under the 2014 Incentive

*EQT Corporation 2017 Proxy Statement* 76

---

Table of Contents

PSU Program would continue to vest so long as he remained in good standing under the executive alternative work arrangement; and

- Mr. Conti would remain eligible for a short-term incentive award for the 2016 plan year under the Executive STIP while in executive alternative work arrangement status.

Executive Alternative Work Arrangement

Each named executive officer other than Mr. Schlotterbeck has elected to participate in an executive alternative work arrangement pursuant to which the named executive officer would provide no less than 100 hours of service to the Company for one year following the relinquishment of full-time status. Under the arrangement each participating named executive officer has also agreed to be available for up to 300 additional hours of service per year upon request of the Company. In no event will a named executive officer work more than 400 hours per year. Once commenced, the arrangement will automatically renew for four successive annual terms unless terminated by either party.

Notwithstanding an election to participate in the arrangement, participation is contingent on (i) the executive being an executive officer in good standing with the Company at the time of the move to part-time status; (ii) the executive's employment being terminated by the Company without cause, or the executive providing the Company with at least 90 days advance written notice of his intention to discontinue employment; and (iii) the executive not terminating his employment for good reason.

In consideration for a participating named executive officer's agreement to provide services to the Company under the arrangement, each named executive officer will be paid at an established hourly rate. The named executive officer will also receive the following benefits which, unless otherwise noted, will extend for the term of the arrangement or, if the arrangement is terminated by the Company without cause, for five years:

- the right to purchase health benefits at 100% of the Company's premium (or premium equivalent) rates during the term of the arrangement and, under certain circumstances, until age 70;
- continuance of service credit for purposes of the named executive officer's medical savings account during the term of the arrangement only;
- reimbursement for monthly dues for one country club and one dining club membership;
- executive level physicals and related health and wellness services for the executive and his spouse (up to a maximum annual benefit of \$15,000);
- smartphone service and reasonable access to the Company's service desk; and
- tax, estate and financial planning services not to exceed \$15,000 per calendar year.

Under the terms of the arrangement, the covenants as to non-competition and non-solicitation contained in each participating named executive officer's confidentiality, non-solicitation and non-competition agreement remain in effect throughout the alternative work arrangement and for a

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period thereafter of not less than the time frames established in the confidentiality, non-solicitation and non-competition agreements.

Cause and good reason under the arrangements have the same meaning as under the confidentiality, non-solicitation and non-competition agreements.

*EQT Corporation 2017 Proxy Statement* 77

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Table of Contents

**Payments to be Made Pursuant to Company Plans**

2009 LTIP and 2014 LTIP

Awards granted under the 2009 LTIP and the 2014 LTIP provide that a participant would be entitled to the benefits described below in the termination scenarios described below:

*Termination for Good Reason or Without Cause*

Upon termination for good reason or without cause, all awards under the 2009 LTIP and the 2014 LTIP will vest as required by the confidentiality, non-solicitation and non-competition agreements described above. Good reason and cause have the meaning set forth in such agreements.

*Voluntary Termination for any reason other than Good Reason*

Generally, upon a voluntary termination of employment for any reason other than good reason, all unvested options, restricted shares and performance awards are forfeited. Unexercised vested options held on the date of termination would be exercisable for the remaining original term of the options.

If following the voluntary termination the participant remains on (i) the Company's Board of Directors for the 2014 Incentive PSU Program; (ii) the Company's Board of Directors or the EQM Board for the 2015 Incentive PSU Program or the 2015 Options; or (iii) the Company's Board of Directors, the EQM Board or the EQGP Board for the 2016 Incentive PSU Program, the McNally Restricted Share Award or the 2016 Options, then the participant's awarded share units continue to vest for so long as the participant remains on such board.

*Termination for Cause*

Upon termination of employment for cause, all unvested options, restricted shares and performance awards, and all unexercised vested options, are forfeited.

*Termination Resulting from Death or Disability*

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If a participant's employment is terminated as a result of death or disability, (i) all unvested restricted shares would vest and (ii) unvested options would vest as follows:

<b>2014 OPTIONS</b>	
<b>TERMINATION DATE</b>	<b>PERCENT VESTED</b>
On or after January 1, 2016 and prior to January 1, 2017	50%

<b>2015 OPTIONS</b>	
<b>TERMINATION DATE</b>	<b>PERCENT VESTED</b>
On or after January 1, 2016 prior to January 1, 2017	25%
On or after January 1, 2017 and prior to January 1, 2018	50%

<b>2016 OPTIONS</b>	
<b>TERMINATION DATE</b>	<b>PERCENT VESTED</b>
Prior to January 1, 2017	0%
On or after January 1, 2017 and prior to January 1, 2018	25%
On or after January 1, 2018 and prior to January 1, 2019	50%

Unexercised vested options held on the date of death or disability are exercisable for one year after the termination of employment.

Table of Contents

A participant who dies or becomes disabled before payment may receive payment for a percentage of the participant's awarded performance share units, contingent upon achievement of the performance conditions, as follows:

<b>2014 INCENTIVE PSU PROGRAM</b>		
<b>DATE OF DEATH OR DISABILITY</b>		<b>AWARDED SHARE UNITS</b>
January 1, 2016	December 31, 2016	50%

<b>2015 INCENTIVE PSU PROGRAM</b>		
<b>DATE OF DEATH OR DISABILITY</b>		<b>AWARDED SHARE UNITS</b>
January 1, 2016	December 31, 2016	25%
January 1, 2017	December 31, 2017	50%

<b>2016 INCENTIVE PSU PROGRAM</b>		
<b>DATE OF DEATH OR DISABILITY</b>		<b>AWARDED SHARE UNITS</b>
Prior to January 1, 2017		0%
January 1, 2017	December 31, 2017	25%
January 1, 2018	December 31, 2018	50%

*Change of Control Under the 2009 LTIP*

In the event of a change of control of the Company:

- all unvested options granted under the 2009 LTIP automatically accelerate and become fully exercisable; and
- the performance period under the 2014 Incentive PSU Program automatically ends, performance is calculated and amounts earned through the date of the change of control are paid out following the close of the performance period.

The 2009 LTIP defines change of control to mean, generally, any of the following events:

- the sale of all or substantially all of the Company's assets, unless the Company's shareholders prior to the sale own at least 80% of the acquirer's stock after the sale;
- the acquisition by a person or group of beneficial ownership of 20% or more of the Company's outstanding common stock, subject to enumerated exceptions;
- the termination of the Company's business and the liquidation of the Company;

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- the consummation of a merger, consolidation, reorganization, share exchange or similar transaction of the Company, unless the Company's shareholders immediately prior to the transaction continue to hold more than 60% of the voting securities of the resulting entity, no person beneficially owns 20% or more of the resulting entity's voting securities and individuals serving on the Company's Board immediately prior to the transaction constitute at least a majority of the resulting entity's board; and
- a change in the composition of the Board, so that existing Board members and their approved successors do not constitute a majority of the Board.

The change of control vesting features of the 2009 LTIP (approved by the Company's shareholders in 2009) are in place because the Company believed that utilizing a single event to vest awards provided a simple and certain approach for treatment of equity awards in a transaction that may result in the elimination or de-listing of the Company's common stock. These provisions recognize that such transactions have the potential to cause a significant disruption or change in employment relationships and thus treat all employees the same regardless of their employment status after the transaction. In addition, the provisions provide the Company's employees

*EQT Corporation 2017 Proxy Statement* 79

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Table of Contents

with the same opportunities as the Company's other shareholders who are free to realize the value created at the time of the transaction by selling their equity.

*Change of Control Under the 2014 LTIP*

In 2014, the Company adopted and the Company's shareholders approved the 2014 LTIP, which provides, as a default, double trigger vesting of awards provided that such awards are assumed by an acquirer in a change of control transaction or equitably converted in the transaction. In other words, vesting of awards granted under the 2014 LTIP generally accelerates only if the participant's employment is involuntarily terminated or the participant resigns for good reason within two years after a qualifying change of control. The Company believes double trigger vesting of equity awards enhances shareholder value by encouraging executive retention during and following a change of control transaction, enhancing post-change of control integration with an acquirer, and aligning executive incentives with the interests of the Company's shareholders. Beginning in 2015, the named executive officers' long-term incentive awards were granted under the 2014 LTIP.

In the event of a change of control of the Company, the treatment of awards outstanding under the 2014 LTIP, including the 2015 Incentive PSU Program, the 2016 Incentive PSU Program and the McNally Restricted Share Award, depends on whether the awards are assumed by an acquirer in a change of control or equitably converted in the transaction. If the awards are assumed by the acquirer or equitably converted in the transaction *and* the participant's employment is involuntarily terminated or the participant resigns for good reason within two years after the qualifying change of control then, upon such termination or resignation:

- all of participant's unvested options granted under the 2014 LTIP automatically accelerate and become fully exercisable;
- all of participant's time-based vesting restrictions on restricted shares or units lapse; and
- the performance criteria and other conditions to payment of participant's 2015 Incentive PSU Program award and 2016 Incentive PSU Program award automatically shall be deemed to have been achieved at the actual performance level achieved as of the end of the calendar quarter immediately preceding the date of termination, and such awards shall be paid on that basis.

However, if the awards are not assumed by the acquirer or equitably converted in the transaction:

- all unvested options granted under the 2014 LTIP automatically accelerate and become fully exercisable;
- all of participants time-based vesting restrictions on restricted shares lapse; and
- the performance criteria and other conditions to payment under the 2015 Incentive PSU Program and 2016 Incentive PSU Program shall be deemed to have been achieved at the actual performance level achieved as of the end of the calendar quarter immediately preceding the date of the change of control and such awards shall be paid on that basis.

Change of control under the 2014 LTIP has the same meaning as under the 2009 LTIP.

*General*

A participant has no rights in respect of awards under the 2014 Incentive PSU Program, the 2015 Incentive PSU Program or the 2016 Incentive PSU Program prior to payment.

Executive STIP

The Executive STIP contains guidelines to determine awards when the participant's status changes during the year. The guidelines provide for no payment in the case of a participant who is terminated for reasons of misconduct, failure to perform or other cause. Participants may be considered for a pro-rata payment in the

*EQT Corporation 2017 Proxy Statement*80

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Table of Contents

event of termination due to reorganization (and not the fault of the participant), resignation, death or disability, in all such cases contingent upon achievement of the performance criteria and the participant otherwise qualifying for incentive payment, and subject to the Compensation Committee's discretion to pay a lesser amount.

In the event of a change of control (as defined in the 2014 LTIP), the plan year under the Executive STIP will automatically end, the performance goals shall be deemed to have been achieved for the pro-rata portion of the calendar year that elapsed through the date of the change of control at target levels or, if actual performance is greater, at actual levels, and incentive awards will be paid to the participants, subject to terms of the plan and the Compensation Committee's discretion to pay a lesser amount.

Participants have no rights in respect of awards under the Executive STIP prior to payment.

401(k) Plan

Under the Company's 401(k) plan, unvested Company contributions vest automatically upon a change of control, the involuntary termination of the participant without cause or the termination of the participant's employment due to the participant's death or disability. If the participant's employment is terminated for any other reason, the unvested Company contributions are forfeited.

Other Plans

The Company maintains a severance pay plan for eligible employees whose employment is terminated by the Company for reasons other than misconduct or performance. The cash benefit available under the plan depends upon, among other things, the reason for the separation, the term of employment of the individual and whether the individual delivers a release of claims. The maximum benefit available under the severance pay plan consists of:

- a lump-sum cash severance payment equal to the individual's bi-weekly salary (annual salary divided by 26) multiplied by the lesser of 13 or his or her actual years of service;
- health benefits continuation for a maximum period of six months (or if the individual has waived medical coverage, a \$600 waiver payment in lieu thereof); and
- for individuals with ten or more years of Company service and who have not waived medical coverage for the applicable calendar year, an additional cash payment of up to \$14,000.

The Company provides a life insurance benefit equal to one times base salary for all employees. Each named executive officer receives an additional one times base salary life insurance benefit.

**Payments Triggered Upon Hypothetical Termination of Employment or**

**Change of Control on December 31, 2016**

The tables below reflect the amount of compensation payable to each named executive officer upon a hypothetical termination of employment or change of control on December 31, 2016 (for Mr. Conti, upon his actual retirement on January 2, 2017). For purposes of the analysis, the Company has assumed that:

- (i) any amount payable in the discretion of the Compensation Committee will be paid, the amount paid will conform to any guidelines included in an applicable plan, and the amounts constituting benefits and perquisites will be paid at market rates. These assumptions are not intended to be suggestive of the decisions that the Compensation Committee will make in any actual circumstance;

*EQT Corporation 2017 Proxy Statement* 81

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Table of Contents

- (ii) each named executive officer will take all action necessary or appropriate for such named executive officer to receive the maximum available benefit, such as the execution of a release of claims or compliance with the covenants described above;
- (iii) no named executive officer will remain on the Company's Board of Directors, the EQGP Board or the EQM Board following termination of employment;
- (iv) in the event of a change of control, the acquirer does not assume or equitably convert the outstanding long-term incentive awards issued under the 2014 LTIP and therefore such awards accelerate and payout upon the change of control. Under the terms of the 2014 LTIP, however, an acquirer could elect to allow such awards to remain outstanding or to convert such awards to other awards on an equitable basis. If such amounts are, in fact, paid upon the occurrence of a change of control, the named executive officer would not be entitled to a duplicate payment upon a subsequent termination of employment for any reason.
- (v) Awards granted under the 2009 LTIP would have automatically accelerated in the event of a change of control of the Company at December 31, 2016 in accordance with the terms of the 2009 LTIP.

The closing price of the Company's common stock on December 31, 2016 (\$65.40 per share) is used where payment amounts or values are dependent upon the Company's stock price.

Set forth below are additional assumptions that the Company made in the tables below with respect to certain plans and arrangements.

*2014 Incentive PSU Program*

December 31, 2016 was the natural end of the performance period under the 2014 Incentive PSU Program. The payout for the 2014 Incentive PSU Program was calculated using a payout multiple of 2.21X based on the Company's actual TSR ranking and the Company's compound annual production sales volume growth during the performance period.

*2015 Incentive PSU Program and 2016 Incentive PSU Program*

In calculating the payments following a termination of employment in respect of the 2015 Incentive PSU Program and the 2016 Incentive PSU Program, the tables below assume that the performance at the end of the applicable performance period (December 31, 2017 and December 31, 2018, respectively) remains unchanged from performance as of December 31, 2016. The payout for the 2015 Incentive PSU Program was calculated using a payout multiple of 2.15X based on the Company's TSR ranking and compound annual production sales volume growth through December 31, 2016. The payout for the 2016 Incentive PSU Program was calculated using a payout multiple of 0X based on the Company's TSR ranking and compound annual production sales volume growth through December 31, 2016. In an actual termination scenario, the Company's actual payment obligation would be determined based on actual performance through the end of the performance period and payment would be made to the then-former executive at the same time it is made to all employees, if at all.

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In calculating the payments following a change of control in respect of the 2015 Incentive PSU Program and the 2016 Incentive PSU Program, the end of the performance periods under the programs is assumed to have accelerated to December 31, 2016. The payout for the 2015 Incentive PSU Program was calculated using a payout multiple of 2.15X based on the Company's TSR ranking and compound annual production sales volume growth through December 31, 2016. The payout for the 2016 Incentive PSU Program was calculated using a payout multiple of 0X based on the Company's TSR ranking and compound annual production sales volume growth through December 31, 2016.

*EQT Corporation 2017 Proxy Statement* 82

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Table of Contents

*Executive STIP*

December 31, 2016 was the natural end of the performance period under the Executive STIP for the 2016 plan year. Typically, benefits under the Executive STIP are not paid until January or February of the following year. Each named executive officer's actual 2016 non-equity incentive award under the Executive STIP is included in all termination scenarios below, other than termination for cause. The Company notes that such inclusion is reflective only of payments that may be made upon termination. Because the actual 2016 payout under the Executive STIP exceeded the target payout, no additional payment would be required as a result of a change of control.

*Executive Alternative Work Arrangement*

The analysis below assumes that, when eligible, the executive remains in executive alternative work status for five years and receives payment for 100 hours of service each year.

*Other Assumptions*

The actual amounts to be paid to each named executive officer upon a termination of employment or a change of control may be determined only at the time of the termination of employment or change of control.

For the purposes of the tables below, "good reason" is defined in the named executive officer's confidentiality, non-solicitation and non-competition agreement. In all cases, "termination by executive without good reason" includes retirement.

For purposes of the calculation to determine the total "parachute payments" within the meaning of Code Sections 280G and 4999 to be made to each named executive officer (the 280G calculation) and the potential reduction (clawback), if any, of the parachute payments to avoid an excise tax under the named executive officer's confidentiality, non-solicitation and non-competition agreement, the Company assigned no value to the agreement of the named executive officer not to compete with the Company. This is a conservative approach to calculating the total parachute payments and the potential clawback. In fact, the Company believes each named executive officer's non-compete agreement has substantial value that would be determined at the time of termination of employment and would serve to decrease the total parachute payments and the actual clawback to the named executive officer, if any, at the time of an actual termination of employment following a change in control.

For purposes of the 280G calculation, the Company did not assign any acceleration value to the Executive STIP for the 2016 plan year. Upon a change of control, the Executive STIP would result in a payout at target levels, or if actual performance was greater, at actual levels. Because the Executive STIP for the 2016 plan year paid out at above target levels for actual performance through December 31, 2016, there would have been no increased value or accelerated payment for purposes of the 280G calculation upon a change of control at December 31, 2016. Additionally, while a change of control on December 31, 2016 would result in some minor acceleration with respect to the timing of payments under the 2014 Incentive PSU Program, the performance period was completed as of December 31, 2016, and the payout of such award to the named executive officers would not increase under the terms of the program as a result of the change of control.

The discussion above and the tables below do not address:

- vested Company contributions and retirement match to the 401(k) plan;
- distributions of amounts invested in the Company's employee stock purchase plan;
- life insurance in an amount equal to one times base salary;
- payments under the Company's long-term disability insurance policy; or
- similar payments;

Table of Contents

as these plans and arrangements do not discriminate in favor of the Company's named executive officers and are available generally to all salaried employees.

In addition, the discussion above and the tables below do not address Company contributions under the 2006 Payroll Deduction and Contribution Program, as these amounts are vested immediately and are therefore unaffected by a termination of employment or a change of control.

Table of Contents**David L. Porges****Potential Payments Upon a Termination of Employment or Following a Change of Control**

Upon a termination of employment on December 31, 2016, Mr. Porges would be entitled to the following payments:

EXECUTIVE BENEFITS AND PAYMENTS UPON TERMINATION	TERMINATION BY COMPANY WITHOUT CAUSE	TERMINATION BY COMPANY FOR CAUSE	TERMINATION BY EXECUTIVE FOR GOOD REASON	TERMINATION BY EXECUTIVE WITHOUT GOOD REASON	DEATH	DISABILITY
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
<b>Compensation:</b>						
Cash Payment of Base Salary	2,125,000	0	2,125,000	0	0	0
Cash Payment of Short-Term Incentives	5,729,167	0	5,729,167	2,500,000	2,500,000	2,500,000
<b>Executive Alternative Work Arrangement Compensation</b>	444,697	0	0	444,697	0	0
<b>Other Benefits and Perquisites:</b>						
Company Severance Benefit	435,000	0	0	0	0	0
Post-Termination Health Care / Insurance	7,570	0	0	0	0	0
Life Insurance Proceeds	0	0	0	0	850,000	0
Cash Payment	16,270	0	16,270	0	0	0
Outplacement Services or Cash in Lieu	250,000	0	250,000	0	0	0
<b>Total (excluding long-term incentive)</b>	9,007,704	0	8,120,437	2,944,697	3,350,000	2,500,000

In addition, under outstanding long-term incentive programs (and including the intrinsic value of outstanding options), Mr. Porges would be entitled to cash and stock payments with an aggregate value of \$14,642,541 upon a termination of employment by the Company without cause or upon termination by him for good reason, \$3,292,698 upon termination by him without good reason, and \$6,776,453 upon his death or disability, assuming, in each case, actual performance through the end of the applicable performance period is consistent with performance through December 31, 2016. Under those same programs (and again including the intrinsic value of outstanding options), Mr. Porges would be entitled to \$14,642,541 upon the occurrence of a change of control on December 31, 2016.

Table of Contents**Robert J. McNally****Potential Payments Upon a Termination of Employment or Following a Change of Control**

Upon a termination of employment on December 31, 2016, Mr. McNally would be entitled to the following payments:

<b>EXECUTIVE BENEFITS AND PAYMENTS UPON TERMINATION</b>	<b>TERMINATION BY COMPANY WITHOUT CAUSE (\$)</b>	<b>TERMINATION BY COMPANY FOR CAUSE (\$)</b>	<b>TERMINATION BY EXECUTIVE FOR GOOD REASON (\$)</b>	<b>TERMINATION BY EXECUTIVE WITHOUT GOOD REASON (\$)</b>	<b>DEATH (\$)</b>	<b>DISABILITY (\$)</b>
<b>Compensation:</b>						
Cash Payment of Base Salary	862,800	0	862,800	0	0	0
Cash Payment of Short-Term Incentives	1,320,000	0	1,320,000	660,000	660,000	660,000
<b>Executive Alternative Work Arrangement Compensation</b>	262,852	0	0	262,852	0	0
<b>Other Benefits and Perquisites:</b>						
Company Severance Benefit	16,592	0	0	0	0	0
Post-Termination Health Care / Insurance	7,570	0	0	0	0	0
Life Insurance Proceeds	0	0	0	0	432,000	0
Cash Payment	16,270	0	16,270	0	0	0
Outplacement Services or Cash in Lieu	200,000	0	200,000	0	0	0
<b>Total (excluding long-term incentive)</b>	2,686,084	0	2,399,070	922,852	1,092,000	660,000

In addition, under outstanding long-term incentive programs (and including the intrinsic value of outstanding options), Mr. McNally would be entitled to cash and stock payments with an aggregate value of \$599,907 upon a termination of employment by the Company without cause or upon termination by him for good reason and \$517,314 upon his death or disability, assuming, in each case, actual performance through the end of the applicable performance period is consistent with performance through December 31, 2016. Under those same programs (and again including the intrinsic value of outstanding options), Mr. McNally would be entitled to \$599,907 upon the occurrence of a change of control on December 31, 2016.

Table of Contents**Randall L. Crawford****Potential Payments Upon a Termination of Employment or Following a Change of Control**

Upon a termination of employment on December 31, 2016, Mr. Crawford would be entitled to the following payments:

<b>EXECUTIVE BENEFITS AND PAYMENTS UPON TERMINATION</b>	<b>TERMINATION BY COMPANY WITHOUT CAUSE (\$)</b>	<b>TERMINATION BY COMPANY FOR CAUSE (\$)</b>	<b>TERMINATION BY EXECUTIVE FOR GOOD REASON (\$)</b>	<b>TERMINATION BY EXECUTIVE WITHOUT GOOD REASON (\$)</b>	<b>DEATH (\$)</b>	<b>DISABILITY (\$)</b>
<b>Compensation:</b>						
Cash Payment of Base Salary	927,000	0	927,000	0	0	0
Cash Payment of Short-Term Incentives	1,975,000	0	1,975,000	940,000	940,000	940,000
<b>Executive Alternative Work Arrangement Compensation</b>	303,488	0	0	303,488	0	0
<b>Other Benefits and Perquisites:</b>						
Company Severance Benefit	245,750	0	0	0	0	0
Post-Termination Health Care / Insurance	2,422	0	0	0	0	0
Life Insurance Proceeds	0	0	0	0	464,000	0
Cash Payment	16,270	0	16,270	0	0	0
Outplacement Services or Cash in Lieu	200,000	0	200,000	0	0	0
<b>Total (excluding long-term incentive)</b>	3,669,930	0	3,118,270	1,243,488	1,404,000	940,000

In addition, under outstanding long-term incentive programs (and including the intrinsic value of outstanding options), Mr. Crawford would be entitled to cash and stock payments with an aggregate value of \$6,676,187 upon a termination of employment by the Company without cause or upon termination by him for good reason, \$1,550,010 upon termination by him without good reason, and \$3,218,478 upon his death or disability, assuming, in each case, actual performance through the end of the applicable performance period is consistent with performance through December 31, 2016. Under those same programs (and again including the intrinsic value of outstanding options), Mr. Crawford would be entitled to \$6,676,187 upon the occurrence of a change of control on December 31, 2016.



Table of Contents**Lewis B. Gardner****Potential Payments Upon a Termination of Employment or Following a Change of Control**

Upon a termination of employment on December 31, 2016, Mr. Gardner would be entitled to the following payments:

<b>EXECUTIVE BENEFITS AND PAYMENTS UPON TERMINATION</b>	<b>TERMINATION BY COMPANY WITHOUT CAUSE (\$)</b>	<b>TERMINATION BY COMPANY FOR CAUSE (\$)</b>	<b>TERMINATION BY EXECUTIVE FOR GOOD REASON (\$)</b>	<b>TERMINATION BY EXECUTIVE WITHOUT GOOD REASON (\$)</b>	<b>DEATH (\$)</b>	<b>DISABILITY (\$)</b>
<b>Compensation:</b>						
Cash Payment of Base Salary	771,000	0	771,000	0	0	0
Cash Payment of Short-Term Incentives	961,333	0	961,333	490,000	490,000	490,000
<b>Executive Alternative Work Arrangement Compensation</b>	305,943	0	0	305,943	0	0
<b>Other Benefits and Perquisites:</b>						
Company Severance Benefit	198,750	0	0	0	0	0
Post-Termination Health Care / Insurance	7,570	0	0	0	0	0
Life Insurance Proceeds	0	0	0	0	386,000	0
Cash Payment	16,270	0	16,270	0	0	0
Outplacement Services or Cash in Lieu	200,000	0	200,000	0	0	0
<b>Total (excluding long-term incentive)</b>	<b>2,460,866</b>	<b>0</b>	<b>1,948,603</b>	<b>795,943</b>	<b>876,000</b>	<b>490,000</b>

In addition, under outstanding long-term incentive programs (and including the intrinsic value of outstanding options), Mr. Gardner would be entitled to cash and stock payments with an aggregate value of \$2,469,038 upon a termination of employment by the Company without cause or upon termination by him for good reason, \$84,744 upon termination by him without good reason and \$754,025 upon his death or disability, assuming, in each case, actual performance through the end of the applicable performance period is consistent with performance through December 31, 2016. Under those same programs (and again including the intrinsic value of outstanding options), Mr. Gardner would be entitled to \$2,469,038 upon the occurrence of a change of control on December 31, 2016.

Table of Contents**Steven T. Schlotterbeck****Potential Payments Upon a Termination of Employment or Following a Change of Control**

Upon a termination of employment on December 31, 2016, Mr. Schlotterbeck would be entitled to the following payments:

<b>EXECUTIVE BENEFITS AND PAYMENTS UPON TERMINATION</b>	<b>TERMINATION BY COMPANY WITHOUT CAUSE (\$)</b>	<b>TERMINATION BY COMPANY FOR CAUSE (\$)</b>	<b>TERMINATION BY EXECUTIVE FOR GOOD REASON (\$)</b>	<b>TERMINATION BY EXECUTIVE WITHOUT GOOD REASON (\$)</b>	<b>DEATH (\$)</b>	<b>DISABILITY (\$)</b>
<b>Compensation:</b>						
Cash Payment of Base Salary	1,046,000	0	1,046,000	0	0	0
Cash Payment of Short-Term Incentives	2,150,000	0	2,150,000	1,300,000	1,300,000	1,300,000
<b>Executive Alternative Work Arrangement Compensation</b>	0	0	0	0	0	0
<b>Other Benefits and Perquisites:</b>						
Company Severance Benefit	275,500	0	0	0	0	0
Post-Termination Health Care / Insurance	7,570	0	0	0	0	0
Life Insurance Proceeds	0	0	0	0	523,000	0
Cash Payment	16,270	0	16,270	0	0	0
Outplacement Services or Cash in Lieu	200,000	0	200,000	0	0	0
<b>Total (excluding long-term incentive)</b>	<b>3,695,340</b>	<b>0</b>	<b>3,412,270</b>	<b>1,300,000</b>	<b>1,823,000</b>	<b>1,300,000</b>

In addition, under outstanding long-term incentive programs (and including the intrinsic value of outstanding options), Mr. Schlotterbeck would be entitled to cash and stock payments with an aggregate value of \$7,689,514 upon a termination of employment by the Company without cause or upon termination by him for good reason, \$1,550,010 upon termination by him without good reason, and \$3,424,913 upon his death or disability, assuming, in each case, actual performance through the end of the applicable performance period is consistent with performance through December 31, 2016. Under those same programs (and again including the intrinsic value of outstanding options), Mr. Schlotterbeck would be entitled to \$7,689,514 upon the occurrence of a change of control on December 31, 2016.

Table of Contents

**Philip P. Conti**

**Payments Upon a Termination of Employment on January 2, 2017**

As previously disclosed, Mr. Conti notified the Company in August 2015 that he intended to retire. His successor commenced employment on March 21, 2016, at which time Mr. Conti became Senior Vice President, Special Projects and Principal Financial Officer of EQT, the EQGP General Partner and the EQM General Partner. Mr. Conti relinquished the title and role of Principal Financial Officer, and ceased service as an executive officer of EQT, EQGP and EQM, on April 22, 2016. Mr. Conti continued to serve as the Senior Vice President, Special Projects for EQT for the balance of 2016, retiring as a full time employee on January 2, 2017. Mr. Conti commenced participation in the executive alternative work arrangement at that time. Mr. Conti continues to serve on the EQM Board.

In connection with his service during 2016, Mr. Conti received a 2016 short term incentive award of \$115,000 under the Executive STIP, which was paid in February 2017. In addition, EQT stock options granted on January 1, 2014 and having no intrinsic value vested on January 1, 2017. Assuming that he is in good standing under the executive alternative work arrangement on the payment date, Mr. Conti will be entitled to payment in respect of 24,490 units (calculated using the confirmed multiplier of 2.21X, with a value of \$1,601,646 based upon the December 31, 2016 closing price of EQT common stock) issued under the 2014 Incentive PSU Program (including accrued dividends) which is expected to be paid in EQT common stock in the first quarter of 2017. If he continues to serve as a director of the EQM General Partner through the regularly scheduled payment dates, Mr. Conti will be entitled to cash and stock payments with an aggregate value of \$2,517,060 under outstanding long-term incentive programs (and including the intrinsic value of outstanding options), assuming in each case, actual performance through the end of the performance period is consistent with performance through December 31, 2016.

On a going forward basis, Mr. Conti is entitled to the benefits under his executive alternative work arrangement, which are described under the caption *Payments to be Made Pursuant to Written Agreements with the Named Executive Officers*. Assuming he participates in the program for five years, the Company estimates the value Mr. Conti will receive to be \$319,722.

Table of Contents

**ITEM NO. 2 APPROVAL OF A NON-BINDING RESOLUTION REGARDING THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS FOR 2016 (SAY-ON-PAY)**

**(Item No. 2 on the proxy card)**

**The Board of Directors recommends a vote FOR approval of the compensation of the Company's named executive officers for 2016.**

As discussed in the Compensation Discussion and Analysis section above, the Company's executive compensation program is designed to attract and retain the highest quality named executive officers, directly link pay to Company performance and build value for the Company's shareholders. The Company's program provides total compensation opportunities at levels that are competitive in its industry, ties a significant portion of each named executive officer's compensation to individual performance and achievement of the Company's business objectives, and closely aligns the interests of the Company's named executive officers with the interests of shareholders. In sum, the Company's compensation is designed to reward named executive officers when the Company achieves strong results, and the Company believes the 2016 compensation of its named executive officers is consistent with the strong financial and operational results achieved and the strategic actions taken by the Company.

This proposal, commonly known as a say-on-pay proposal, gives the Company's shareholders the opportunity to express their views on the compensation of its named executive officers in accordance with Section 14A of the Exchange Act. This vote is not intended to address any specific item of compensation, but rather the overall compensation of the Company's named executive officers and the philosophy, policies and practices described in this proxy statement.

Accordingly, the Board invites you to review carefully the Compensation Discussion and Analysis section above and the tabular and other disclosures on compensation under the caption Executive Compensation above, and cast a vote to approve the compensation programs for the Company's named executive officers through the following resolution:

Resolved, that the shareholders approve the compensation of the Company's named executive officers for 2016, as discussed and disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the executive compensation tables and any related material disclosed in this proxy statement.

The say-on-pay vote is advisory, and therefore not binding on the Company, the Compensation Committee or the Board of Directors. The Board and the Compensation Committee value the opinions of the Company's shareholders and, to the extent there is any significant vote against the named executive officer compensation as disclosed in this proxy statement, the Board will consider the shareholders' concerns and the Compensation Committee will evaluate whether any actions are necessary to address those concerns.

**The Board of Directors recommends a vote FOR approval of the compensation of the Company's named executive officers for 2016.**

Table of Contents

**ITEM NO. 3 PROVIDE A NON-BINDING RECOMMENDATION AS TO THE  
FREQUENCY WITH WHICH SHAREHOLDERS WILL VOTE ON  
SAY-ON-PAY PROPOSALS IN FUTURE YEARS**

**(Item No. 3 on the proxy card)**

**The Board of Directors recommends a vote FOR Every ONE Year on Item No. 3.**

The Board invites our shareholders to indicate how frequently the Company should seek an advisory say-on-pay vote on the compensation of its named executive officers, such as Item 2 included on page 91 of this proxy statement. Shareholders may indicate whether they would prefer an advisory say-on-pay vote on named executive officer compensation once every one, two, or three years, or abstain from voting.

We held our last advisory vote on the frequency of say-on-pay proposals in 2011, and based on the vote of our shareholders we concluded to hold an advisory vote on the compensation of our named executive officers every year. We are required to hold an advisory vote on the frequency of say-on-pay proposals every six years. After careful consideration, the Board of Directors has determined that an advisory vote on executive compensation that occurs every year continues to be the most appropriate alternative for the Company, and therefore the Board recommends that you vote for a one-year interval for the advisory say-on-pay vote on executive compensation.

In formulating its recommendation, the Board considered that an annual advisory vote on executive compensation will allow the Company's shareholders to provide the Company with their direct input on the Company's compensation philosophy, policies and practices as disclosed in the proxy statement every year. Additionally, an annual advisory vote on executive compensation is consistent with the Company's policy of seeking input from, and engaging in discussions with, the Company's shareholders on corporate governance matters and the Company's executive compensation philosophy, policies and practices and is consistent with the views expressed by our shareholders through our shareholder engagement program. The Company understands that our shareholders may have different views as to what is the best approach for the Company, and the Company looks forward to hearing from our shareholders on this proposal.

Shareholders who have concerns about executive compensation during the interval between say-on-pay votes are welcome to bring their specific concerns to the attention of the Board. Please refer to "Contacting the Board" on page 29 for information about communicating with the Board.

Please mark on the proxy card your preference as to the frequency of holding shareholder advisory votes on executive compensation, as either every year, every two years, or every three years, or you may abstain from voting.

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The option of one year, two years or three years that receives the highest number of votes cast by shareholders will be the frequency for the advisory vote on executive compensation that has been selected by shareholders. The Board will take the results of the vote into account when deciding when to call for the next advisory vote on executive compensation. However, because this vote is advisory and not binding on the Board of Directors in any way, the Board may decide that it is in the best interests of our shareholders and the Company to hold an advisory vote on executive compensation more or less frequently than the option approved by the Company's shareholders.

A scheduling vote similar to this Item No. 3 will occur at least once every six years.

### **Action by Shareholders**

The frequency option that receives the highest number of votes cast is the option that will be deemed to be the option recommended by the shareholders. Abstentions, broker non-votes and the failure to vote are not votes cast, and, accordingly, have no effect on the outcome of this proposal.

**The Board of Directors recommends a vote FOR Every ONE Year on Item No. 3.**

*EQT Corporation 2017 Proxy Statement* 92

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Table of Contents

## **REPORT OF THE AUDIT COMMITTEE**

The primary role of the Audit Committee is to assist the Board of Directors in its oversight of the Company's accounting and financial reporting processes. In doing so, the Audit Committee is responsible for the appointment and compensation of the Company's independent registered public accounting firm and has oversight for its qualification, independence and performance. The Audit Committee's charter guides our duties and responsibilities. The Audit Committee charter, which was amended during 2016, is available on the Company's website at [www.eqt.com](http://www.eqt.com). As set forth in the charter, management is responsible for the internal controls and accounting and financial reporting processes of EQT Corporation. The independent registered public accounting firm is responsible for expressing opinions on the conformity of EQT Corporation's audited consolidated financial statements with generally accepted accounting principles and on the effectiveness of the Company's internal control over financial reporting. Our responsibilities include monitoring and overseeing these processes.

Our Committee is composed of four non-employee, independent members of the Board of Directors. No member currently serves on more than two other public company audit committees. The Board of Directors has determined that each of Kenneth M. Burke, Margaret K. Dorman and Stephen A. Thornton is an audit committee financial expert, as that term is defined by the SEC. In addition, the Board has determined that Philip G. Behrman, Ph.D., the other member of the Audit Committee, is financially literate. The members of our Committee are not professionally engaged in the practice of auditing or accounting. The Audit Committee's considerations and discussions referred to below do not assure that the audit of the Company's financial statements has been carried out in accordance with generally accepted auditing standards, that the financial statements are presented in accordance with generally accepted accounting principles or that the Company's auditors are in fact independent.

In the performance of our oversight function, we have reviewed and discussed the audited financial statements of the Company for the fiscal year ended December 31, 2016 and management's assessment of the effectiveness of the Company's internal control over financial reporting with the management of EQT Corporation. We have discussed with Ernst & Young LLP, the Company's independent registered public accounting firm, the matters required to be discussed under Public Company Accounting Oversight Board (PCAOB) standards and such other matters as we have deemed to be appropriate. We also have received the written disclosures and the letter from Ernst & Young LLP required by the applicable PCAOB requirements regarding the independent accountant's communications with the Audit Committee concerning independence, and we have discussed with Ernst & Young LLP that firm's independence from management and the Company. We also reviewed the amount of fees paid to Ernst & Young LLP for both audit and non-audit services. In doing so, we considered whether the provision of non-audit services to the Company was compatible with maintaining the independence of Ernst & Young LLP.

Based on the reports and discussions above, we recommended to the Board of Directors that the audited financial statements be included in the EQT Corporation 2016 annual report on Form 10-K.

This report is not soliciting material, is not deemed to be filed with the SEC and is not to be incorporated by reference in any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

*This report has been furnished by the Audit Committee of the Board of Directors.*



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Stephen A. Thorington, Chair

Philip G. Behrman, Ph.D.

Kenneth M. Burke  
Margaret K. Dorman

*EQT Corporation 2017 Proxy Statement* 93

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Table of Contents

## ITEM NO. 4 - RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

### (Item No. 4 on the proxy card)

**The Board of Directors recommends a vote FOR ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for 2017.**

The Audit Committee has reappointed Ernst & Young LLP as the Company's independent registered public accounting firm (an independent accounting firm) to examine the consolidated financial statements of the Company and its subsidiaries for the calendar year 2017. In deciding whether to reappoint Ernst & Young LLP, the Audit Committee considered a number of factors, including but not limited to: the quality of services, the effectiveness of communications and the technical expertise and knowledge of the industry. The Audit Committee is directly involved with the selection of the lead engagement partner, including in connection with the mandated rotation of the independent auditor's lead engagement partner.

Ernst & Young LLP (including its predecessor) has acted as an independent accounting firm for the Company since 1950. Although shareholder approval is not required for the appointment of an independent accounting firm, the Audit Committee believes the Company's shareholders should participate as a matter of good corporate practice. If the shareholders fail to ratify the selection, it will be considered as a direction to the Board to consider the appointment of another independent accounting firm for the following year. Even if the selection is ratified, the Audit Committee in its discretion may select a different independent accounting firm at any time during the year if it determines that such a change would be in the best interests of the Company and its shareholders.

Representatives of Ernst & Young LLP are expected to be present at the annual meeting to respond to appropriate questions and to make a statement if they desire to do so.

The following chart details the fees billed to the Company by Ernst & Young LLP during 2016 and 2015 (excluding the fees billed to EQGP and EQM as described below):

	2016 (\$)	2015 (\$)
Audit Fees (1)	2,491,515	2,678,265
Audit-Related Fees (2)	101,000	83,000
Tax Fees	0	0
All Other Fees	0	0
<b>Total</b>	<b>2,592,515</b>	<b>2,761,265</b>

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(1) Includes fees for the audit of the Company's annual financial statements and internal control over financial reporting, reviews of financial statements included in the Company's quarterly reports, and services that are normally provided in connection with statutory and regulatory filings or engagements, including certain attest engagements and consents. Audit fees for 2015 include fees related to the initial public offering of EQGP.

(2) Includes fees for audits of, and consents related to, employee benefit plans and attest engagements not required by statute or regulation.

The Audit Committee has adopted a Policy Relating to Services of Independent Auditors under which the Company's independent accounting firm is not allowed to perform any service that may have the effect of jeopardizing the independent accounting firm's independence. Without limiting the foregoing, the independent accounting firm may not be retained to perform the following:

- Bookkeeping or other services related to the accounting records or financial statements
- Financial information systems design and implementation
- Appraisal or valuation services, fairness opinions or contribution-in-kind reports
- Actuarial services

Table of Contents

- Internal audit outsourcing services
- Management functions
- Human resources functions
- Broker-dealer, investment adviser or investment banking services
- Legal services
- Expert services unrelated to the audit
- Prohibited tax services

All audit and permitted non-audit services for the Company and its subsidiaries (other than for EQGP, EQM and their respective subsidiaries) must be pre-approved by the Audit Committee. The Audit Committee has delegated specific pre-approval authority with respect to audit and permitted non-audit services to the Chair of the Audit Committee but only where pre-approval is required to be acted upon prior to the next Audit Committee meeting and where the aggregate audit and permitted non-audit services fees are not more than \$75,000. The Audit Committee encourages management to seek pre-approval from the Audit Committee at its regularly scheduled meetings. In 2016, 100% of the professional fees reported as audit-related fees required to be pre-approved were pre-approved pursuant to the above policy.

The Audit Committee of the EQGP Board approves all audit and permitted non-audit services pertaining to EQGP and its subsidiaries, excluding EQM. The Audit Committee of the EQM Board approves all audit and permitted non-audit services pertaining to EQM and its subsidiaries. All fees associated with such services are reported to the Company's Audit Committee at its next meeting. Ernst & Young LLP also served as the independent accounting firm for EQGP and EQM during 2015 and 2016 and in connection with such service incurred the following fees:

- For EQGP during 2016 \$328,000, which includes fees for the audit of EQGP's annual financial statements and internal control over financial reporting, reviews of financial statements included in EQGP's quarterly reports, any comfort letter procedures and attest engagements required by statute or regulation;
- For EQGP during 2015 \$292,000, which includes fees for the audit of EQGP's annual financial statements, reviews of financial statements included in EQGP's quarterly reports, any comfort letter procedures and attest engagements required by statute or regulation;
- For EQM during 2016 \$858,092 (\$843,092 for the audit of EQM's annual financial statements and internal control over financial reporting, reviews of financial statements included in EQM's quarterly reports, any comfort letter procedures and attest engagements required by statute or regulation and \$15,000 for audit-related fees associated with EQM acquisitions from EQT and attest engagements not required by statute or regulation); and
- For EQM during 2015 \$1,171,936 (\$1,119,436 for the audit of EQM's annual financial statements and internal control over financial reporting, reviews of financial statements included in EQM's quarterly reports, any comfort letter procedures and attest engagements required by statute or regulation and \$52,500 for audit-related fees associated with EQM acquisitions from EQT and attest engagements not required by statute or regulation).

**The Board of Directors recommends a vote FOR ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for 2017.**

*EQT Corporation 2017 Proxy Statement* 95

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Table of Contents

## **ADDITIONAL INFORMATION**

### **Other Matters**

As of the date of this proxy statement, we do not know of any other matters that may be presented for action at the 2017 annual meeting. However, should other matters properly come before the meeting, the persons named as proxies will vote in a manner as they may, in their discretion, determine.

### **2016 Annual Report on Form 10-K**

The annual report on Form 10-K for the year ended December 31, 2016 is enclosed with this proxy statement.

### **Websites**

Website addresses referenced in this proxy statement are provided for convenience only, and the content on the referenced websites does not constitute a part of this proxy statement.

Table of Contents**APPENDIX A****DIRECTOR COMPENSATION PEER COMPANIES**

A. M. Castle & Co.	Cincinnati Bell Inc.	Hologic Inc.	Mueller Industries Inc.	Teradyne Inc.
Actuant Corporation	Cofina SGPS, S.A.	Hubbell Inc.	Nu Skin Enterprises Inc.	The Brink's Company
Axiom Corporation	CoreLogic, Inc.	IHS Inc.	NVR, Inc.	The Cheesecake Factory Incorporated
Akamai Technologies, Inc.	Covanta Holding Corporation	International Flavors & Fragrances Inc.	Olympic Steel Inc.	The Cooper Companies Inc.
Alere Inc.	Cracker Barrel Old Country Store, Inc.	Intuitive Surgical, Inc.	Packaging Corporation of America	The Hain Celestial Group, Inc.
Amedisys Inc.	Cubic Corporation	ITT Inc.	Papa John's International Inc.	The Royal Bank Of Scotland plc
Ametek Inc.	Deluxe Corp.	Kaiser Aluminum Corporation	Paychex, Inc.	The Toro Company
Analog Devices, Inc.	Diebold, Incorporated	Kansas City Southern	Perrigo Company plc	Thor Industries Inc.
AO Smith Corp.	Donaldson Company, Inc.	Keurig Green Mountain, Inc.	Plexus Corp.	Titan International Inc.
AptarGroup, Inc.	Dycom Industries Inc.	Lam Research Corporation	Polycom, Inc.	Towers Watson & Co.
Barnes Group Inc.	Edwards Lifesciences Corp.	Landstar System Inc.	Prudential Financial, Inc.	TriMas Corporation
Beam Suntory Inc.	EnerSys	Leggett & Platt, Incorporated	Regal Beloit Corporation	Trinity Industries Inc.
Bio-Rad Laboratories, Inc.	Equinix, Inc.	LifePoint Health, Inc.	Republic Airways Holdings Inc.	TW Telecom Inc.
Brady Corp.	Express Inc.	Linear Technology Corporation	Rolinco N.V.	Universal Forest Products Inc.
Brinker International, Inc.	Ferro Corporation	Marriott Vacations Worldwide Corp.	Ruby Tuesday, Inc.	Valmont Industries, Inc.
Brocade Communications Systems, Inc.	FLIR Systems, Inc	Materion Corporation	Sanderson Farms, Inc.	Verisk Analytics, Inc.
Cabot Corporation		McDermott International Inc.	ScanSource, Inc.	Vulcan Materials Company

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Fortune Brands Home & Security, Inc.				
Cadence Design Systems Inc.	GATX Corp.	MEDNAX, Inc.	Sensient Technologies Corporation	Walter Energy, Inc.
Carpenter Technology Corp.	Griffon Corporation	Meredith Corporation	Snap-on Incorporated	Watsco Inc.
Catalyst Paper Corporation	Happy Creek Minerals Ltd.	Mettler-Toledo International Inc.	SOCO International plc	Weight Watchers International, Inc.
Chemtura Corporation	HB Fuller Co.	Modine Manufacturing Company	Steris Plc	West Pharmaceutical Services, Inc.
Church & Dwight Co. Inc.	Hexcel Corp.	MSA Safety Incorporated	Teleflex Incorporated	Worthington Industries, Inc.

Source: Pay Governance LLC



Table of Contents**APPENDIX B****NON-GAAP FINANCIAL INFORMATION**

The Executive STIP for the 2015 and 2016 plan years utilized, and the Executive STIP for the 2017 plan year utilizes, adjusted EBITDA compared to the Company's business plan as a performance measure. For purposes of the Executive STIP for the 2015 plan year, adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, calculated using a constant natural gas price of \$4.00 per Mcfe, normalized for weather and excluding the effects of acquisitions and dispositions of greater than \$100 million. For the 2016 plan year, adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization (i) calculated using a constant commodity price of \$2.71 per Mcfe, adjusted for all cash settled derivatives and all basis and fixed price sales set forth in the Company's 2016 business plan, (ii) excluding the effects of non-cash derivative gains (losses) not included in the Company's 2016 business plan, (iii) excluding gains/losses on derivatives not designated as hedges, (iv) excluding the effects of non-cash developed and undeveloped oil and gas property impairments and (v) excluding the effects of acquisitions and dispositions of greater than \$100 million. Adjusted EBITDA is a non-GAAP supplemental financial measure that the Company's management uses to assess: (i) the Company's performance versus prior periods; (ii) the Company's operating performance as compared to other companies in its industry; (iii) the ability of the Company's assets to generate sufficient cash flow to make distributions to its investors; (iv) the Company's ability to incur and service debt and fund capital expenditures; and (v) the viability of acquisitions and other capital expenditure projects and the returns on investment of various investment opportunities. Adjusted EBITDA contains certain adjustments that are not included in the Company's calculation of EBITDA, a separate non-GAAP supplemental financial measure used by external users of the Company's financial statements, such as industry analysts, investors, lenders and ratings agencies.

Adjusted EBITDA should not be considered as an alternative to net income, operating income or any other measure of financial performance or liquidity presented in accordance with GAAP. Adjusted EBITDA has important limitations as an analytical tool because it excludes some, but not all, items that affect net income. Additionally, because adjusted EBITDA may be defined differently by other companies in its industry, the Company's definition of adjusted EBITDA may not be comparable to similarly titled measures of other companies, thereby diminishing its utility.

Adjusted EBITDA was selected as a performance measure under the Executive STIP for the 2015, 2016 and 2017 plan years because adjusted EBITDA growth drives behavior consistent with the shareholders' interests, and the Company's business plan embodies the goals and priorities of the Company. The table below reconciles the Company's adjusted EBITDA as shown in this proxy statement with the Company's net income, the most comparable financial measure calculated in accordance with GAAP, for the applicable year as set forth in the Company's 2016 annual report on Form 10-K.

	2016	2015
(in millions)		
Net (loss) income	\$ (131)	\$ 322
(Deduct)/add back:		
Income taxes	(263)	105
Interest expense	148	147
Depreciation, depletion and amortization(*)	928	819
EBITDA	682	1,393
Price adjustment	183	439
Non-cash derivatives	526	-
Impairments	7	-

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Acquisitions/divestitures	(7)	0
Adjusted EBITDA	\$ 1,391	\$ 1,832

B-1

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Table of Contents**APPENDIX C****2016 COMPENSATION PEER  
COMPANIES****FINANCIAL METRICS**

<b>Company</b>	<b>2014 Net Income (\$MM)</b>	<b>12/31/14 Market Cap (\$MM)</b>	<b>2014 Revenue (\$MM)</b>
Cabot Oil & Gas Corporation	104	12,230	2,035
Chesapeake Energy Corporation	1,917	13,016	19,557
Cimarex Energy Co.	507	9,248	2,432
Concho Resources Inc.	538	11,273	2,732
CONSOL Energy Inc.	163	7,782	3,683
Continental Resources, Inc.	977	14,278	4,627
Energen Corporation	568	4,667	1,344
EOG Resources, Inc.	2,915	50,455	16,727
EXCO Resources, Inc.	121	594	641
Marathon Oil Corporation	3,046	19,093	10,924
National Fuel Gas Company	299	5,854	2,113
Newfield Exploration Company	900	3,722	2,249
Noble Energy, Inc.	1,214	17,163	4,960
ONEOK, Inc.	314	10,366	12,195
Pioneer Natural Resources Company	930	22,163	4,428
QEP Resources, Inc.	784	3,643	3,403
Range Resources Corporation	634	9,017	2,024
SM Energy Company	666	2,601	2,522
Southwestern Energy Company	924	9,637	4,038
Spectra Energy Corp	1,082	24,357	5,903
Ultra Petroleum Corp.	543	2,016	1,182
Whiting Petroleum Corporation	65	5,542	3,025
50% Percentile	650	9,443	3,214
EQT Corporation	387	11,469	2,470
EQT Percent Rank	26%	63%	35%

Source: Pay Governance LLC

Table of Contents**APPENDIX D****2017 COMPENSATION PEER  
COMPANIES****FINANCIAL METRICS**

<b>Company</b>	<b>2015 Net Income (Loss) (\$MM)</b>	<b>12/31/15 Market Cap (\$MM)</b>	<b>2015 Revenue (\$MM)</b>
Antero Resources Corporation	941	6,040	2,430
Cabot Oil & Gas Corporation	(114)	7,321	1,495
Chesapeake Energy Corporation	(14,685)	2,993	13,457
Cimarex Energy Co.	(2,409)	8,452	1,453
Concho Resources Inc.	66	11,992	2,436
CONSOL Energy Inc.	(375)	1,810	2,843
Continental Resources, Inc.	(354)	8,572	2,680
Devon Energy Corporation	(14,459)	13,152	13,145
Energen Corporation	(946)	3,230	763
EOG Resources, Inc.	(4,525)	38,914	8,704
EXCO Resources, Inc.	(1,192)	350	457
Marathon Oil Corporation	(2,204)	8,527	5,596
National Fuel Gas Company	(379)	3,618	1,761
Newfield Exploration Company	(3,362)	5,321	2,062
Noble Energy, Inc.	(2,441)	14,095	4,052
ONEOK, Inc.	245	5,161	7,763
Pioneer Natural Resources Company	(273)	18,729	4,018
QEP Resources, Inc.	(149)	2,368	2,480
Range Resources Corporation	(714)	4,168	1,714
SM Energy Company	(448)	1,336	1,514
Southwestern Energy Company	(4,556)	2,734	3,339
Whiting Petroleum Corporation	(2,219)	1,927	2,092
50% Percentile	(714)	5,321	2,480
EQT Corporation	85	7,952	2,126
EQT Percent Rank	87%	61%	39%

Source: Pay Governance













