



Hess Corporation Sets New Emission Reduction Targets, Demonstrates Industry Leading ESG Performance in Newly Released Annual Sustainability Report

July 21, 2021

- **Significantly outperformed five year emission reduction targets for 2020**
- **Set new five year emission reduction targets for 2025**
- **Confirmed economic resilience of Hess portfolio in transition to a lower carbon economy**
- **Continued to foster a diverse and inclusive work environment and invest in community programs that advance equal opportunity through education**
- **Recognized as an industry leader in environmental, social and governance (ESG) performance and disclosure**

NEW YORK--(BUSINESS WIRE)--Jul. 21, 2021-- Hess Corporation (NYSE: HES) today announced publication of its 24th annual sustainability report, which provides a comprehensive review of the company's strategy and performance on environmental, social and governance (ESG) programs and initiatives. Hess Corporation's [2020 Sustainability Report](http://www.hess.com/sustainability/sustainability-reports) is available on the company's website at www.hess.com/sustainability/sustainability-reports.

"Our longstanding commitment to sustainability guides our strategy and actions to create value for all of our stakeholders," CEO John Hess said. "Our strategy aligns with the world's growing need for the affordable, reliable and cleaner energy necessary to ensure human welfare and global economic development. At the same time, we recognize that climate change is the greatest scientific challenge of the 21st century and support the aim of the Paris Agreement and a global ambition to achieve net zero emissions by 2050. We have set aggressive emission reduction targets and are investing in technological and scientific advances designed to reduce, capture and store carbon emissions."

Hess Corporation's 2020 Sustainability Report shows how sustainable business practices are integrated into the company's strategy, goals and daily operations. Highlights include:

- **Reducing greenhouse gas emissions:** In 2020, Hess significantly outperformed its five year targets to reduce Scope 1 and 2 greenhouse gas (GHG) emissions intensity by 25% and flaring intensity by 50% from its operated assets – reducing GHG emissions intensity and flaring intensity by 46% and 59%, respectively, compared to 2014 levels.

Hess has set five year GHG reduction targets for 2025 – to reduce operated Scope 1 and 2 GHG emissions intensity by 44% and methane emissions intensity by 52% from 2017. These targets exceed the 22% reduction in carbon intensity by 2030 assumed in the International Energy Agency's (IEA) Sustainable Development Scenario, which is consistent with the Paris Agreement's less than 2°C ambition.

The company also is contributing to groundbreaking work by the Salk Institute to develop plants with larger root systems that are capable of absorbing and storing potentially billions of tons of carbon per year from the atmosphere.

- **Conducting scenario based carbon asset risk assessments:** In line with the Task Force on Climate-Related Financial Disclosures (TCFD) framework, Hess conducted an annual assessment using the supply and demand scenarios from the IEA to test the resilience of the company's portfolio against a range of environmental policies and market conditions. Hess' current asset portfolio is robust and its pipeline of forward investments is projected to provide strong financial returns under the IEA's Sustainable Development Scenario, which assumes all the pledges of the Paris Agreement are met.
- **Operating safely throughout the pandemic:** In 2020, in the midst of the pandemic and the most active Atlantic hurricane season on record, the company achieved a 19% reduction in its workforce total recordable incident rate and a 50% reduction in its workforce lost time incident rate compared with 2019. In 2020, Hess also reached a five year low in its severe and significant safety incident rate, achieving a nearly 10% reduction from 2019.

Since early 2020, a multidisciplinary emergency response team has been overseeing plans and precautions to reduce the risks of COVID-19 in Hess' work environment. The company also has provided financial and volunteer support for a variety of community relief efforts.

- **Advancing diversity, equity and inclusion:** Hess has a longstanding commitment to diversity, equity and inclusion in its workplace and the communities where it operates. In 2020, Hess extended unconscious bias training to all Hess employees, expanded its employee resource groups and held listening sessions with employees from underrepresented groups to inform future actions. The company also continued to make investments to advance equal opportunity and economic growth in the communities where it operates, with a particular focus on education and work skill development.

- **Maintaining top quartile ESG performance:** In 2020, Hess achieved leadership status in the CDP Global Climate Analysis for the 12th consecutive year and earned a place on the Dow Jones Sustainability Index for North America for the 11th consecutive year. Hess was ranked No. 9 on the 2020 list of 100 Best Corporate Citizens and was the only U.S. oil and gas company included in the Bloomberg Gender-Equality Index. Hess also was the only U.S. oil and gas company awarded a Level 4 star rating by the Transition Pathway Initiative in their September 2020 report based on the company's efforts to support the transition to a low carbon economy and mitigate climate change in line with TCFD recommendations.

Hess Corporation's 2020 Sustainability Report was prepared in accordance with the Core level for sustainability reporting under the Global Reporting Initiative (GRI) Standards, an independent organization that provides the world's most widely recognized sustainability reporting and disclosure standards. Preparation of the report was informed by TCFD recommendations and oil and gas industry metrics from the Sustainability Accounting Standards Board (SASB). The report has been third-party assured by ERM Certification and Verification Services.

Hess Corporation is a leading global independent energy company engaged in the exploration and production of crude oil and natural gas. More information on the company is available at www.hess.com.

Cautionary Statements

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Words such as "anticipate," "estimate," "expect," "forecast," "guidance," "could," "may," "should," "would," "believe," "intend," "project," "plan," "predict," "will," "target" and similar expressions identify forward-looking statements, which are not historical in nature. Our forward-looking statements may include, without limitation: information about sustainability goals and targets and planned social, safety and environmental policies, programs and initiatives; our future financial and operational results; our business strategy; estimates of our crude oil and natural gas reserves and levels of production; benchmark prices of crude oil, natural gas liquids and natural gas and our associated realized price differentials; our projected budget and capital and exploratory expenditures; expected timing and completion of our development projects and proposed asset sale; and future economic and market conditions in the oil and gas industry.

Forward-looking statements are based on our current understanding, assessments, estimates and projections of relevant factors and reasonable assumptions about the future. Forward-looking statements are subject to certain known and unknown risks and uncertainties that could cause actual results to differ materially from our historical experience and our current projections or expectations of future results expressed or implied by these forward-looking statements. The following important factors could cause actual results to differ materially from those in our forward-looking statements: fluctuations in market prices of crude oil, natural gas liquids and natural gas and competition in the oil and gas exploration and production industry, including as a result of COVID-19; reduced demand for our products, including due to COVID-19 or the outbreak of any other public health threat, or due to the impact of competing or alternative energy products and political conditions and events; potential failures or delays in increasing oil and gas reserves, including as a result of unsuccessful exploration activity, drilling risks and unforeseen reservoir conditions, and in achieving expected production levels; changes in tax, property, contract and other laws, regulations and governmental actions applicable to our business, including legislative and regulatory initiatives regarding environmental concerns, such as measures to limit greenhouse gas emissions and flaring as well as fracking bans; disruption or interruption of our operations due to catastrophic events, such as accidents, severe weather, geological events, shortages of skilled labor, cyber-attacks or health measures related to COVID-19; the ability of our contractual counterparties to satisfy their obligations to us, including the operation of joint ventures under which we may not control; the ability to satisfy the closing conditions of the proposed asset sale; unexpected changes in technical requirements for constructing, modifying or operating exploration and production facilities and/or the inability to timely obtain or maintain necessary permits; availability and costs of employees and other personnel, drilling rigs, equipment, supplies and other required services; any limitations on our access to capital or increase in our cost of capital, including as a result of weakness in the oil and gas industry or negative outcomes within commodity and financial markets; liability resulting from litigation, including heightened risks associated with being a general partner of Hess Midstream LP; and other factors described in Item 1A—Risk Factors in our Annual Report on Form 10-K and any additional risks described in our other filings with the Securities and Exchange Commission.

As and when made, we believe that our forward-looking statements are reasonable. However, given these risks and uncertainties, caution should be taken not to place undue reliance on any such forward-looking statements since such statements speak only as of the date when made and there can be no assurance that such forward-looking statements will occur and actual results may differ materially from those contained in any forward-looking statement we make. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events or otherwise.

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