



Hess Corporation Publishes 25th Annual Sustainability Report

July 25, 2022

- **Recognized as an industry leader in environmental, social and governance (ESG) performance and disclosure**
- **Made significant progress toward aggressive 2025 emissions reduction targets**
- **Enhanced climate related risk disclosure in line with latest TCFD guidance through a new report feature – Hess’ Low Carbon Transition Framework**
- **Fostered a work environment based on diversity, equity and inclusion**
- **Continued to invest in social programs that make a positive and lasting impact in the communities where Hess operates**

NEW YORK--(BUSINESS WIRE)--Jul. 25, 2022-- Hess Corporation (NYSE: HES) today announced publication of its 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 2021 Sustainability Report is available on the company’s website at www.hess.com/sustainability/sustainability-reports.

“This year marks the publication of our 25th annual sustainability report, demonstrating our longstanding commitment to sustainability and transparency,” CEO John Hess said. “We believe climate risks can and should be addressed while at the same time meeting the growing demand for affordable and secure energy, which is essential to ensuring a just and orderly energy transition. Our strategy is to deliver high return resource growth, a low cost of supply and industry leading cash flow growth – while at the same time maintaining our industry leadership in ESG performance and disclosure.”

Hess Corporation’s 2021 Sustainability Report shows how sustainable business practices are integrated into the company’s strategy, goals, metrics and daily operations for the benefit of all of its stakeholders. Highlights include:

- **Reducing greenhouse gas emissions:** After significantly outperforming its five year emissions reduction targets for 2020, Hess set new five year reduction targets for 2025 – to reduce both operated Scope 1 and 2 greenhouse gas (GHG) and methane emissions intensities by approximately 50% from 2017 and to achieve zero routine flaring from its operations by the end of 2025. These targets exceed the carbon intensity reductions by 2030 assumed in the International Energy Agency’s (IEA) Sustainable Development and Net Zero Scenarios, which are consistent with the Paris Agreement’s aim to limit the global average temperature rise to well below 2°C. In 2021, Hess made significant progress toward these five year targets. To help mitigate societal emissions, Hess 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.
- **Enhancing climate related risk disclosure in line with latest TCFD guidance:** The Task Force on Climate-Related Financial Disclosures (TCFD) provides a universal framework for companies to communicate their responses to the physical, reputational and transition risks of climate change. In this year’s Sustainability Report, Hess introduces a Low Carbon Transition Framework in line with revised TCFD guidance issued in October 2021 that provides a detailed summary of the company’s climate related risks, opportunities and actions in the areas of governance, strategy, risk management, metrics and targets.
- **Operating safely through workforce engagement:** In 2021, the company achieved a 9% reduction in its workforce total recordable incident rate (TRIR) from 2020. Hess also reached a six year low in its severe and significant safety incident rate, achieving a 14% reduction from 2020. In 2021, Hess successfully completed a number of major operational milestones – all with zero recordable safety incidents -- including adding two drilling rigs in the Bakken and one in North Malay Basin and completing the Tioga Gas Plant turnaround.

In 2021, a multidisciplinary emergency response team continued to oversee plans and precautions to reduce the risks of COVID-19 in Hess’ work environment and ensure business continuity. The company also has provided financial and volunteer support for a variety of community relief efforts.

- **Advancing diversity, equity and inclusion and investing in communities:** Hess has a longstanding commitment to diversity, equity and inclusion (DEI) in its workplace and the communities where it operates. In 2021, the company hired a dedicated head of DEI and a dedicated expert to lead supplier related DEI and sustainability efforts and expanded its DEI training and efforts to attract and retain more diverse job candidates. The company also continued to make investments in 2021 to advance equal opportunity and economic growth in the communities where it operates, including a \$9 million

financial commitment over three years to fund educational programs and support services in three underserved Houston communities and a \$1.4 million grant to the Jackie Robinson Foundation to provide four year scholarships and internship opportunities to underrepresented college students and to support the new Jackie Robinson Museum that will serve as a venue for educational programming.

- **Maintaining top quartile ESG performance:** In 2021, Hess achieved leadership status in the CDP Global Climate Analysis for the 13th consecutive year and earned a place on the Dow Jones Sustainability Index for North America for the 12th consecutive year. Hess received a AAA rating in the MSCI ESG ratings for 2021 after earning AA ratings from MSCI ESG for 10 consecutive years. The AAA rating designates Hess as a leader in managing industry specific ESG risks relative to peers. Hess was the No. 1 energy company on the 2021 list of 100 Best Corporate Citizens and the only U.S. oil and gas producer included in the Bloomberg Gender-Equality Index. Hess also was awarded a top (Level 4) ranking by the Transition Pathway Initiative in their November 2021 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 2021 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, oil and gas industry metrics from the Sustainability Accounting Standards Board (SASB) and the World Economic Forum (WEF) Stakeholder Capitalism Core Metrics. 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 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, perceptions regarding the oil and gas industry, 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, fracking bans as well as restrictions on oil and gas leases; operational changes and expenditures due to climate change and sustainability related initiatives; disruption or interruption of our operations due to catastrophic events, such as accidents, severe weather, geological events, shortages of skilled labor, cyber-attacks, health measures related to COVID-19 or climate change; the ability of our contractual counterparties to satisfy their obligations to us, including the operation of joint ventures under which we may not control and exposure to decommissioning liabilities for divested assets in the event the current or future owners are unable to perform; 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 environmental obligations and 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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