Welcome to your CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Hess Corporation (HES) (and its affiliates) is a leading global independent energy company engaged in the exploration and production of crude oil and natural gas. Since 2014, Hess has been a pure play exploration and production (E&P) company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1, 2022

End date

December 31, 2022

Indicate if you are providing emissions data for past reporting years

No

C0.3

(C0.3) Select the countries/areas in which you operate.

Malaysia
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

Note: The third-party assurance statement is attached to this PDF and begins on PDF page 157

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-OG0.7

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Row 1

Oil and gas value chain

Upstream

Midstream

Other divisions

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	US42809H1077

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Chief Executive Officer (CEO)	Hess Corporation has established an Environment, Health and Safety (EHS) Committee of the Board, which is tasked with assisting the Board in identifying, evaluating and monitoring EHS risks and strategies (including climate change) that have the potential to affect the people, environment or communities where we operate, or our company's business activities, performance or reputation. Our Chief Executive Officer (also a Board member) participates in these meetings, along with six outside Directors who are also members of the Board. Our CEO has oversight of climate-related issues including reviewing and guiding both strategy and implementation. As an example, our CEO participated in the development, review and approval of Hess's climate-related targets. Our short-term (thru 2025) targets include reducing GHG emissions intensity of our operated assets by 50% to 17 kilogram (kg) CO2e per BOE by 2025 versus our 2017 baseline of 34 kg per BOE, a reduction in methane emissions intensity to 0.19% by 2025, which equates to a 56% reduction in methane emissions intensity versus our 2017 baseline of 0.43% and implementing zero routine flaring at all Hess operated assets by 2025. In support of these targets, we have set a short-term target for 2023 to reduce our Bakken operations routine flaring rate to 3%, along with a commitment to purchase renewable energy certificates to offset 100% of Scope 2 emissions generated from purchased electricity. In 2022, Hess's medium term targets (GHG & Methane emissions intensity & zero routine flaring, all for 2025) became short term targets because they rolled over into our short term window (0-3 years) with the year change. A new medium term target is under consideration by our climate change task force. Our long-term target is to achieve net zero Scope 1 and 2 GHG emissions on an equity basis by 2050. Our CEO and the EHS Board Committee review progress against these targets when they receive quarterly EHS briefings. This oversight helps the company stay aligned and focused on its overarching climate objectives. The EHS Board Committee also reviews climate-related issues that are deemed high priority within the company and by external stakeholders. Formal Board level oversight allows these high priority issues to be reviewed with the EHS Board Committee and for senior management to receive EHS Board Committee feedback and input in determining strategy for handling these matters.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain

Scheduled – some meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Reviewing innovation/R&D priorities Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing and guiding scenario analysis Overseeing the setting of corporate targets Monitoring progress towards corporate targets Overseeing and guiding public policy engagement Overseeing value chain engagement Reviewing and guiding the risk management process	Hess' climate change strategy is aligned with the Task Force on Climate-Related Disclosures (TCFD) recommendations: Governance; Strategy; Risk Management; and Metrics & Targets. In late 2021, TCFD updated its guidance and Hess has integrated these recommended enhancements into our climate strategy and our Enterprise Risk Management Process. We will continue to enhance our reporting as we gather more information and refine our data collection process. In late 2020, Hess established a task force to lead our climate change strategy implementation and to evaluate the medium and long term aspects of our strategy. The task force is composed of nine senior executives responsible for various functions throughout the company, with oversight provided by our Chief Operating Officer and members of his operating committee. The task force was instrumental in Hess' endorsement of the World Bank's Zero Routine Flaring by 2030 Initiative (ZRF), our commitment to achieve zero routine flaring from our operated assets by the end of 2025, our carbon credits agreement with the government of Guyana and developing our plan to achieve net zero Scope 1 and 2 GHG emissions on an equity basis by 2050. The task force will continue to monitor, enhance and evaluate Hess' progress towards these objectives, as well as assess emerging technologies with emissions reduction potential. The EHS Board Committee is updated on a regular basis, as the EHS Board Committee has oversight of climate-related issues including reviewing and guiding both the strategy and implementation. This oversight improves alignment and focus with our overarching climate objectives. By overseeing progress against climate-related goals and targets, the EHS Board Committee can monitor our climate-related actions for consistency with our climate change strategy.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	We view climate-related competence as including the following skill set: -An individual who has environmental and climate related experience -An individual who has a long-term perspective for strategic planning -An individual who understands efforts to stress test the company's business plans against the goal, as envisaged by the Paris Agreement, to keep the global temperature rise well below 2 degrees C -An individual who understands climate impacts on the global supply chain -An individual who arranges for the full Board to be briefed by internal and external experts on climate-related risks, opportunities, strategies, and policies -An individual who recommends that executive compensation be linked to climate-related targets -Having one or more individuals on the Board with this skill set ensures that climate-related risks and opportunities are properly quantified, considered in the development of the company's strategies and policies and provides perspective to the Board as to how Hess' oil and gas portfolio might be impacted by a transition to a lower carbon economy In addition, Hess has assigned a full Board Committee, the EHS Board Committee, formal responsibility to oversee climate change matters. In 2022, a new Board member was elected and joined the EHS Committee with significant knowledge of sustainability, energy policy and innovation.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Providing climate-related employee incentives
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Our CEO has oversight of climate-related issues because EHS issues, including climate change, are deemed high priority issues within the company and by external stakeholders. Formal oversight by the CEO serves as a critical link between the Board and senior management. This link allows these important issues to be reviewed with the EHS Board Committee and for senior management to receive EHS Board Committee feedback and input in determining strategy for handling these matters. Our CEO reviews and provides input and feedback on climate-related issues including, strategy , budgets for climate mitigation activities, major capital expenditures related to low-carbon products or services, providing climate-related employee incentives, developing and implementing our low carbon transition framework, guidance on our

internal cost of carbon used to evaluate significant new investment decisions and conducting climate-related scenario analysis. Our CEO also ensures that external experts brief the Board on climate-related issues, risks and opportunities so that the Board gets additional perspective on these important matters. Additionally, our CEO receives updates and monitors progress on climate related issues when they are presented by the EHS department on a quarterly basis at EHS Board Committee meetings. As an example, our CEO participated in the development, review and final approval of Hess' climate related emissions targets. Our short-term (thru 2025) targets include reducing GHG emissions intensity of our operated assets by 50% to 17 kilogram (kg) CO2e per BOE by 2025 versus our 2017 baseline of 34 kg per BOE, a reduction in methane emissions intensity to 0.19% by 2025, which equates to a 56% reduction in methane emissions intensity versus our 2017 baseline of 0.43% and implementing zero routine flaring at all Hess operated assets by 2025. In support of these targets, we have set a short-term target for 2023 to reduce our Bakken operations routine flaring rate to 3%, along with a commitment to purchase renewable energy certificates to offset 100% of Scope 2 emissions generated from purchased electricity. In 2022, Hess's medium term targets (GHG & Methane emissions intensity & zero routine flaring by 2025) became short term targets because they rolled into our short term (0-3 year) window with the year change. A new medium term target is under consideration by the executive led task force responsible for our climate strategy. Our long-term target is to achieve net zero Scope 1 and 2 GHG emissions on an equity basis by 2050. Our CEO and the EHS Board Committee review progress against these targets when they receive quarterly EHS briefings. This oversight helps the company stay aligned and focused on its overarching climate objectives.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	As an added measure to incentivize Hess employees and executives to continue to support our industry leading performance in sustainability, we link employee compensation to EHS and climate initiatives, including flare reduction. The annual incentive plan (AIP) payout is primarily determined based on enterprise performance results that align with the company's business strategy and applies to all employees. In 2022, the EHS component of the total AIP metric was 20%. Our climate related AIP target which was included as part of the EHS component, accounted for 5% of the total AIP metric.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Chief Executive Officer (CEO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Achievement of a climate-related target

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

As an added measure to incentivize Hess employees and executives to continue to support our industry leading performance in sustainability, in the company's long term incentive plan, we link employee compensation to EHS and climate initiatives, including flare reduction. In 2022, our annual incentive plan (AIP) payout was primarily determined based on enterprise performance results that align with the company's business strategy and applies to all employees, including executives. In 2022, the EHS component of the total AIP metric was 20%. Our climate related AIP target which was included as part of the EHS component, accounted for 5% of the total AIP metric.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

This incentive is directed at reducing our annual flaring, a critical component of our low carbon transition framework linked to reducing GHG emissions from combustion sources and ultimately supports both our short-term GHG intensity reduction target and, our long term target to achieve net zero emissions on an equity basis for Scope 1 and 2 emissions by 2050.

Entitled to incentive

Corporate executive team

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Achievement of a climate-related target

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

As an added measure to incentivize Hess employees and executives to continue to support our industry leading performance in sustainability, in the company's long term incentive plan, we link employee compensation to EHS and climate initiatives, including flare reduction. In 2022, our annual incentive plan (AIP) payout was primarily determined based on enterprise performance results that align with the company's business strategy and applies to all employees, including executives. In 2022, the EHS component of the total AIP metric was 20%. Our climate related AIP target which was included as part of the EHS component, accounted for 5% of the total AIP metric.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

This incentive is directed at reducing our annual flaring, a critical component of our low carbon transition framework linked to reducing GHG emissions from combustion sources and ultimately supports both our short-term GHG intensity reduction target and, our long term target to achieve net zero emissions on an equity basis for Scope 1 and 2 emissions by 2050.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	Primarily related to near term business decisions required for operational budgetary and planning purposes
Medium-term	4	10	Primarily related to project level changes at our various assets

Long-term	11		Primarily addresses changes in energy supply and demand and related policies as well as the emergence of new technologies that could alter the company's overall portfolio

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

The Enterprise Risk Management framework starts with some key tools: a common language, our “risk dictionary”- which defines technical and non-technical risk terms- and a risk ranking matrix. The risk tools set Hess’s threshold for substantive financial impacts and are used to identify and prioritize material transition and physical climate risks. Risks are considered substantive when the potential financial impact is greater than $100 million and the likelihood of occurrence is medium or higher (based on a number of risk categories).

In addition, when we evaluate new capital projects with a substantive financial impact, we apply either actual carbon pricing where a regulatory framework for it exists or - where a framework does not exist - we evaluate the potential impact of carbon cost as set out in our planning guidance (currently $50/tonne). Our planning guidance directs evaluations for all substantive investment decisions to include sensitivities using the IEA's carbon pricing in one of its more stringent scenarios from the 2022 WEO, the Announced Pledges Scenario carbon pricing which ranges up to $200/tonne.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

At Hess, we have an Enterprise Risk Management framework (ERM) that is led by the Chief Risk Officer, who reports to the Chief Financial Officer. Hess applies a comprehensive, standardized approach to identifying and managing risks of all types across our Direct operations, Upstream Suppliers and Downstream Customers.
Our ERM framework, which includes consideration of EHS & SR risks, enables Hess' Board of Directors and executive leadership to strengthen consistency of risk considerations in making business decisions. Our Board of Directors has oversight over the ERM framework and is charged with understanding the key risks affecting the company's Direct operations, Upstream Suppliers and Downstream Customers and how those risks can be managed.
Hess' ERM framework is used to develop a holistic risk profile for each asset and major capital project, drawing input from subject matter experts, performance data, incident investigations, lessons learned and recent audits. In these risk assessments, we identify risks and assess their likelihood and potential impact to people, the environment, our reputation and our business. Our Risk Management Standard helps to align and integrate risk management across the company. The standard establishes a risk framework, accountabilities and expectations across the organization to provide a consistent and integrated risk management process across our business. Climate risks are considered throughout both enterprise and functional risk assessments from the perspective of potential financial impact, physical, reputational and regulatory impacts.
Corporate Risk oversees day-to-day implementation of the ERM framework, including developing and verifying compliance with relevant policies and standards. On a quarterly basis, each asset reviews their risk profile to assess and reposition, if appropriate, their risks for the short, medium and long term. The EHS Board Committee also reviews a comprehensive Company risk profile on a quarterly basis to evaluate short, medium and long-term EHS risks and the full Board does the same on an annual basis.
In addition, to providing perspective to stakeholders, Hess conducts an annual scenario planning exercise to assess portfolio resilience over the longer term. This scenario-based approach enables us to assess and communicate to our shareholders our understanding of future risks and opportunities in relation to the evolution of energy demand, energy mix, the emergence of new technologies and possible changes by policymakers with respect to GHG emissions. Hess has chosen to model three key scenarios detailed in the IEA's 2022 World Energy Outlook (the STEPS, APS, and NZE 2050) against our own internal base planning case. The TCFD recommends that organizations use a 2 degree C or lower scenario to test portfolio resilience. Such scenarios usually feature reductions in demand for oil, natural gas and coal and a growth in clean technologies. The APS and Net Zero 2050 Scenarios, which are included in the 2022 WEO and are part of Hess' modeling, fit with this recommendation.
Our strategy includes minimizing our carbon footprint by expanding use of our risk register and the prioritization process to identify opportunities that help grow our business while mitigating risk.
As part of the Hess climate change strategy, we also identify and manage climate-related opportunities. We take cost-effective, appropriate steps to monitor, measure, and reduce emissions through applying innovation and efficiency to reduce energy use, waste and emissions across our operations. (1) Transition/Market Risk/Opportunity:

(Situation) We used our ERM framework to identify that reducing flaring could be a significant opportunity for the company. As part of this ERM framework, North Dakota asset level subject matter experts identified flaring reduction as an opportunity to reduce GHG emissions. The Company recently set a target to achieve zero routine flaring by 2025. Our flare reduction strategy is a key component of our climate-related strategy because it provides us with an opportunity to reduce GHG emissions, increase our supply of natural gas to the marketplace where natural gas can serve as a bridging fuel in a transition to a lower carbon environment and generate additional revenue. (Task) We set a target to eliminate routine flaring at all Hess operated assets by the end of 2025. (Action) To support the achievement of our flaring related commitments, and in partnership with Hess Midstream, we continue to focus on the buildout of gas infrastructure in the Bakken and adjusting our operating practices and facility design to reduce flaring. Hess Midstream has invested over $3.6 billion gross in infrastructure spending to reduce flaring. (Result) This is a win-win for Hess because it generates additional revenue and supports efforts to transition to lower carbon emitting products, since natural gas is less carbon intensive than other fossil fuels. Between 2019 to 2022, we have reduced flaring from 71 MMSCFD to 27 MMSCFD and eliminated 1.4 million tonnes of annual CO2e emissions. This reduction, along with additional flare reduction initiatives, is expected to position us to achieve zero routine flaring by 2025.
For managing physical risks within our Direct operations, each Hess asset maintains an emergency response plan that details procedures for emergency scenarios, including severe weather events, because increased storm severity could materially affect our operations. When storms such as hurricanes that could affect facility operations develop, Hess monitors the position, conditions, movement, and intensity. Each facility is advised as appropriate to initiate evacuation of personnel and to take steps to protect the environment and operations equipment. (2) Physical Risk/Opportunity: (Situation) Through our ERM framework, our Gulf of Mexico subject matter experts identified that hurricanes pose a significant risk to the company. In 2022, we experienced one hurricane. 2021 was more typical where we experienced two tropical storms, Nicholas and Claudette, which required sheltering in place and one hurricane, Ida, which required us to execute our emergency response plans and evacuate our three operated platforms, the relocation of the drilling ship and the evacuation of our Fourchon shore base, all in our Gulf of Mexico operations. (Task/Action). Total net deferred production was approximately 1.9 million barrels of oil which equated to a market value of approximately $135 million, along with additional operating expenses of approximately $5 million and annual emergency response preparedness expenses of approximately $2 million. We also sustained some property damage to these production platforms which cost an additional $ 3 million to repair.(Result) Despite the disruption to our business from the shut-down, there were no known injuries or process safety events and no known environmental impacts.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Example: An example of a current regulation which has the potential to have a substantive impact on our business is the North Dakota NDIC order 24665 which was established to increase gas capture and reduce the volume of natural gas flared in the state of North Dakota. Starting in November 2020, using the methodology established by the state which allows for exemptions, the gas capture target was set at 91%. The gas capture percentage is calculated by summing monthly gas sold plus monthly gas used on lease plus monthly gas produced divided by the total monthly volume of associated gas produced. If you are unable to attain the gas capture goals, wells are restricted to 200 bbls of oil per day if 60% of the monthly volume associated gas produced from the well is captured. The penalty for failure to file an application for a hearing within a month following a violation is $1000 per month up to a maximum of $12,500 per month beginning at $1000 for the first month and doubling for each additional month. Three months of violations result in a penalty of $12,500 per month per well. In 2022, using the NDIC calculation methodology, Hess achieved a gas capture rate of 97%, thereby exceeding the regulatory requirement of 91%. Explanation: Our EHS & External Affairs groups systematically, reviews current energy and climate related federal and state regulations, including flaring regulations and, as key participants in the ERM framework, include significant current regulatory risks in the ERM risk register for each Hess asset, project or business unit, if applicable.
Emerging regulation	Relevant, always included	Example: An emerging regulatory risk for Hess is the substantial regulatory uncertainty created by changing political dynamics. For example, the Bureau of Land Management's Methane and Waste Prevention Rule, which has the potential to impact our operations and contribute to compliance costs, was finalized in the Obama Administration in 2016 and became effective in January 2017. The Trump Administration suspended aspects of that rule that were not effective as of December 2017 while it developed a revised rule that was issued in 2018. Both the 2016 and the 2018 rules were vacated in court (with appeals still pending in two different circuit courts) leaving the industry to adhere to a Notice to Lessees that was issued in 1980. At the onset of the Biden administration, it stated its intent to revisit and revise the Waste Prevention Rule. In November 2022, the Administration issued a proposed rule for public comment. We do not expect to see a final rule before Fall 2023, at the earliest. As you can see from the above example, determining applicability remains a challenge when it is unclear which regulation applies at any given time and companies have to make operational and administrative

		changes each time a regulation is revised. Additionally, the rigor and costs of emerging regulatory programs will likely increase as countries seek to align with voluntary GHG reduction commitments, including, but not limited to the pledges that they made to the Paris Agreement. In early 2023, Hess completed its annual scenario planning exercise to test the resilience of our portfolio against various alternative views of the market. This exercise establishes a range of energy supply, demand, oil, natural gas and carbon prices and emissions estimates that are projected to prevail under different publicly available long-term scenarios for environmental policy and market conditions. We tested the robustness of Hess' asset portfolio and intended forward investments under multiple scenarios, including the IEA's Announced Pledges and Net Zero by 2050 scenarios. Explanation: Our EHS & External Affairs group systematically reviews energy and climate related emerging regulatory risks and, as key participants in the ERM framework, include significant emerging regulatory risks in the ERM risk register for each Hess asset, project, or business unit, if applicable.
Technology	Relevant, always included	Example: A technology risk for Hess is related to methane emissions, which could result in significant compliance costs and liabilities. The rigor and costs of these types of emissions reduction programs will likely increase as countries seek to align with the pledges that they made through the Paris Agreement and seek to regulate GHG emissions. Hess has implemented a leak detection and repair (LDAR) program for Natural Gas and Oil Production sources in North Dakota, which encompass 100% of our on-shore facilities over which we have operational control (excluding joint ventures) This program combines monthly audible, visual and olfactory inspection of our equipment and semi-annual optical gas imaging to detect fugitive emissions. Because methane detection and leak prevention and repair is a critical program for Hess, we work with API Environmental Partnership, ONE Future, and other organizations to acquire, as appropriate, the most up to date technology including sensing solutions, thermal imaging, visual light imaging, video, analytics, and measurement and diagnostic technologies. We also provide the necessary training to the people using this thermal imaging equipment so that they are aware of the latest technological advances in methane leak detection and repair. In 2022, the cost of conducting this LDAR program was approximately $1.9 million, which resulted in 22,700 Mscf of recovered gas for the year at an average repair cost of $84.10 per Mcf (approximately 17x average commodity cost of gas in 2022).

		Explanation: Our EHS, Technology and Operations teams systematically review technology related risks, and as key participants in the ERM framework include significant technology risks in the ERM risk register for each Hess asset, project or business unit, if applicable. Technology risks are assessed in relation to process emissions reductions. Where possible, we are integrating technology driven mitigation opportunities into our capital projects budgets and operating plans.
Legal	Relevant, always included	Example: An example of a legal risk for Hess is beginning in 2017, certain states, municipalities and private associations in California, Delaware, Maryland, Rhode Island and South Carolina separately filed lawsuits against oil, gas and coal producers, including Hess, for alleged damages purportedly caused by climate change. These proceedings include claims for monetary damages and injunctive relief. The ultimate impact of the aforementioned proceedings, and of any related proceedings by private parties, on our business or accounts cannot be predicted at this time due to the large number of other potentially responsible parties and the speculative nature of the alleged causation and damages. Explanation: Our Legal team systematically reviews energy and climate related legal issues and, as key participants in the ERM framework, include significant legal risks in the ERM risk register for each Hess asset, project or business unit, as applicable.
Market	Relevant, always included	Example: A market risk for Hess is a rapid transition toward natural gas as a bridge fuel to a lower carbon economy. Climate change initiatives may reduce demand for crude oil and other hydrocarbons and may have an adverse effect on our sales volumes, revenues and margins. In response to this risk, Hess Midstream invested over $3.6 billion gross in infrastructure spending in the Bakken in North Dakota to reduce flaring and sell more gas to generate additional revenue and lower emissions. Explanation: Our EHS and Economics groups systematically review energy and climate related market related risks, and as key participants in the ERM framework, include significant market risks in the ERM risk register for each Hess asset, project or business unit, as applicable.
Reputation	Relevant, always included	Example: A reputational risk for Hess is related to potential negative public perception of Hess' management of climate-related issues that could theoretically lead to our exclusion from ESG indices, which could increase our cost of capital. Because we cannot predict shareholders' future actions, we are unable to assign a specific monetary value to the potential for future higher cost of capital if we are excluded from ESG indices. However, as of December 31, 2022, thirteen of Hess' top fifteen institutional investors use sustainability data to evaluate ESG

		performance. As of the end of 2022, over $31 billion (approximately 70%) of Hess shares were owned by investors who are signatories to the United Nations Principles for Responsible Investment indicating investor concern with ESG performance. Explanation: Our External Affairs group systematically reviews energy and climate related reputational risks and, as key participants in the ERM framework, include significant emerging regulatory risks in the ERM risk register for each Hess asset, project, or business unit, as applicable. To help mitigate these risks, part of Hess's strategy is to be a leader in ESG reporting and performance among its peers. As part of our recently updated environment, health, safety and social responsibility strategy, Hess leadership and our Board have set short-term intensity reduction targets for 2025: (1) reduce operated Scope 1 and 2 GHG emissions intensity by approximately 50% from our 2017 level of 34 kilograms CO2e per BOE to 17 kilograms of CO2e per BOE and (2) reduce methane emissions intensity by approximately 56% from our 2017 level to an intensity of 0.19%. In addition, we have set a short-term target to achieve zero routine flaring by 2025. We have also set a long-term target to achieve net zero Scope 1 and Scope 2 GHG equity emissions by 2050. A new medium term target is under consideration by the executive led taskforce responsible for our climate strategy. From our ESG initiatives, we have been consistently recognized as a leader in the oil and gas industry for our disclosure and transparency by CDP and DJSI. In addition, in 2022, Hess once again achieved a Level 4-strategic assessment rating by the Transition Pathway Initiative (TPI). When we benchmark our performance with our peers we are consistently in the top quartile.
Acute physical	Relevant, always included	Example: Acute physical risk for Hess is related to increased storm activity, which could materially affect our operations in the Gulf of Mexico. In 2022, we experienced one hurricane in the Gulf of Mexico. In 2021, which was a more typical year, we experienced two tropical storms, Nicholas and Claudette, which required sheltering in place and one hurricane, IDA, which required the evacuation of our three operated platforms, the relocation of the drilling ship and the evacuation of our Fourchon shore base. Total gross deferred production was approximately 1.9 million barrels of oil which equated to a market value of approximately $135 million, along with additional operating expenses of approximately $5 million, along with annual emergency response costs of approximately $2 million. We also sustained approximately $3 million of property damage related to hurricane Ida. Despite the disruption to our business from these storms, there were no known injuries or process safety events and no

		known environmental impact. To summarize, our total estimated cost of actions related to these storms was approximately $145 million. Explanation: Our Operations team systematically reviews energy and climate related acute physical risks, and as key participants in the ERM framework include significant acute physical risks in the ERM risk register for each Hess asset, project, or business unit, as applicable.
Chronic physical	Relevant, always included	Example: Chronic physical risks for Hess is related to potential extreme weather events, change in precipitation patterns, and sea level rise. For example, in areas where we operate, like the Gulf of Mexico and offshore Malaysia, these types of risks could significantly impact the way we design and build new offshore platforms, as well as add substantive cost, which we define through our ERM framework as over $100 million, to building and managing new offshore platforms. Explanation: Our Operations and project groups systematically review energy and climate related chronic physical risks and as key participants in the ERM framework include significant chronic physical risks in the ERM risk register for each Hess asset, project, or business unit, as applicable.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Changing precipitation patterns and types (rain, hail, snow/ice)

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

To the extent that climate change may result in more extreme weather related events, Hess could experience increased costs related to preparedness and recovery of affected operations. In 2022, Hess experienced one hurricane. 2021 was more typical where, for example, we experienced two tropical storms and one hurricane which affected Hess' operated production platforms in the Gulf of Mexico, which increased costs and deferred revenues due to business disruption. In addition, the potential for more robust metocean structural standards for offshore platforms to withstand storms of increased severity could increase capital costs for offshore facilities. Although we maintain insurance coverage against property and casualty losses, there can be no assurance that such insurance will fully protect the Company against liability from all potential consequences and damages. Moreover, some forms of insurance may be unavailable in the future or be available only on terms that are deemed economically unacceptable.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

100,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Increased storm activity could materially affect our operations in the Gulf of Mexico. Because we cannot predict the frequency and impact of weather related events associated with our operations, we are unable to assign a specific monetary value to such events. However, as an example, risks are considered substantive (ERM framework) when they have a medium or higher likelihood of occurring and have an impact of $100 million or greater.

Cost of response to risk

145,000,000

Description of response and explanation of cost calculation

Situation: Each Hess asset, including operated production platforms in the Gulf of Mexico, has an emergency response plan with procedures for emergency scenarios and

severe weather events, as increased storm severity could materially affect our operations. Task: When a hurricane might affect facility operations, Hess monitors the position, conditions, forecast of movements and intensity. A facility is advised as appropriate to evacuate personnel and when possible, to protect equipment and environment. Action: In 2022, we experienced one hurricane. 2021 was more typical where, in the Gulf of Mexico, we experienced two tropical storms, Nicholas and Claudette which required sheltering in place and one hurricane, Ida, which required the evacuation of our three operated platforms, the relocation of the drilling ship and the evacuation of our Fourchon shore base. Total gross deferred production was about 1.9 million barrels of oil with a market value of approximately $135 million based on an average WTI crude oil price of $71.65 in September, 2021. In addition, in 2021, Hess experienced increased operating expenses of approximately $5 million from these storms which included maintaining oil spill response standby vessels, helicopter transport, shore base support and transport, boats and fuel, rental equipment and employee assistance. Result: Following the emergency response risk management during this hurricane reduced the financial impact of the shutdown related to hurricane Ida. There were no known injuries or process safety events and no known environmental impact. We experienced some property damage to these platforms resulting in $3 million of repairs. Hess also maintains strategic relationships and mutual aid agreements with third party emergency response and crisis management specialists, to supplement and support our response effort and mitigate risk. The cost of programs is approximately $2 million per year which includes annual subscriptions for oil spill response($1.8 million), emergency preparedness ($.2 million) and weather forecasting ($.1 million).
To summarize, our cost of response to this risk can be calculated as follows: lost production = $135 million; increased operating expenses = $5 million; platform repairs = $3 million and emergency response services = $2 million = total cost of response of $145 million.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Reputation

Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

To align our strategic sustainability actions with changes in the social, political, economic and regulatory landscape and evolving stakeholder expectations, we convened a multidisciplinary project team and steering committee in late 2019 to update our EHS & SR strategy, including establishing our next set of climate related goals and targets. In Phase 1, we identified 26 sustainability topics relevant to our company. We then validated and prioritized the topics through a stakeholder engagement process. In Phase 2, we conducted a benchmarking assessment to review practices of our peers, supermajors and national oil companies. The project team and steering committee reviewed the results, carefully considered practices in each area and identified what was fit for purpose for Hess. In Phase 3, we identified the eight most material sustainability topics for our company and slated those to be the focus of our EHS & SR strategic actions through 2025. These eight topics are: Climate Related Risks and Greenhouse Gas Emissions; Process Safety and Release Prevention; Occupational Health and Safety; Emergency Preparedness and Response; Water Management; Diversity; Equality and Inclusion; Supply Chain and Contractor Management and Community and Stakeholder Engagement.

The company specific risk that we are trying to mitigate through being well regarded in ESG transparency, disclosure and performance is a potential fall in our North American ESG rankings (i.e.; Hess consistently achieves leadership status on CDP), which could result in reputational harm potentially impacting our cost and access to future capital. Negative perceptions of Hess' management of climate related issues could theoretically lead to our exclusion from ESG indices, which could increase our cost of capital. Because we cannot predict shareholders future actions, we are unable to assign a specific monetary value to the potential for future higher cost of capital if we are excluded from ESG indices. However, 13 of 15 of Hess' top institutional investors used sustainability data to evaluate ESG performance. At year-end 2022, approximately $31 billion (70% of Hess' outstanding shares) were owned by investors who were signatories to the United Nations Principles for Responsible Investment which shows that investors are concerned with ESG performance. For example, Hess views financial risk of $100 million or greater with a medium or higher potential to occur as substantive.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

100,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We cannot predict shareholders' future actions, and hence we are unable to assign a specific monetary value to the potential for future higher cost of capital if we are excluded from ESG indices. However, 13 of Hess' top 15 institutional investors used sustainability data to evaluate ESG performance. As of the end of 2022, approximately $31 billion of Hess shares were owned by investors who were signatories to the United Nations Principles for Responsible Investment, which shows that investors are concerned with ESG performance. While it is not possible to determine the potential financial impact of reputational damage related to an unknown event, as an example, risks are considered substantive (ERM framework) when they have a medium or higher likelihood of occurring and have an impact of $100 million or greater.

Cost of response to risk

500,000

Description of response and explanation of cost calculation

Situation: Hess is managing reputational risks through our climate change strategy, closely aligned with the TCFD recommendations around Governance, Strategy, Risk Management and Metrics and Targets. Task: Our strategy includes public disclosure of our strategy, programs and performance; reducing operational flaring, energy efficiency and more renewable energy in our energy spend. Action: In 2022, we purchased approximately 960,000 MWh of Green-e certified RECs, primarily from wind power, to offset 100% of our Scope 2 purchased electricity emissions with renewable energy. In addition, we accounted for energy efficiency and carbon costs in all major new investments. We are dedicated to transparency through reporting, e.g.; in our annual Sustainability Report with a GRI Index and external assurance. Result: In 2022, Hess earned CDP climate leadership for the 14th consecutive year and was included in the DJSI North America for the 13th consecutive year. In addition, in 2022, once again, we achieved the highest level rating (Level 4 - strategic assessment) awarded by the Transition Pathway Initiative, a global initiative that assesses companies' preparedness for the transition to a low carbon economy and their efforts to address climate change. We work with others in our industry on energy efficiency, GHG reduction, energy management, flaring reduction, and upstream energy performance methodology. We are proactively reducing GHGs where we operate, including where GHG emissions are not currently regulated.

Costs of our climate strategy implementation, including staff time, are part of the cost of salaries. Hess also spends $500,000 annually on costs for CDP reporting services, GHG assurance and external consultants. Cost of management of ESG reporting helps us achieve our goal of being in the top quartile performance in our sector for ESG transparency, disclosure and performance.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

The issue of fugitive emissions of methane during natural gas production has received attention as shale energy production in the U.S. has increased. Because methane is emitted by natural sources and human activities, questions related to attribution and measurement have led to uncertainties in estimates of current and projected methane emissions. In 2016, the U.S. Environmental Protection Agency (EPA) and the Bureau of Land Management finalized regulations aimed at controlling fugitive methane emissions. Since these regulations are currently in a state of flux, we do not expect to see a final rule before fall 2023. Determining applicability remains a challenge when it is unclear which regulation applies at any given time and companies have to make operational and administrative changes each time a regulation is revised.

As part of our updated EHS & SR strategy and to avoid the risk of potentially lowering Hess' ESG rankings, Hess established a global methane intensity reduction target of 0.19% by 2025, using a 2017 baseline of 0.43%; our 2022 methane intensity was 0.15%, surpassing our 2025 target. We attribute this result to a combination of our continued efforts to reduce methane emissions, which include increasing natural gas capture, reducing flaring, continuing our LDAR program and replacing and retrofitting the remaining high bleed pneumatic controllers in our North Dakota operations. Although we aim to maintain this performance in support of our year end 2025 target, we recognize that significant changes are imminent due to the introduction of new measurement, reporting and verification (MRV) frameworks and protocols. As Hess and the broader oil and gas industry adopt these MRV practices, we anticipate that we may have to adjust our historical inventory. Therefore, we do not believe it would be appropriate to adjust our 2025 methane intensity target until we understand the full implications of MRV related changes to our inventory. In 2022, the cost of conducting our LDAR program was approximately $1.9 million, which resulted in 22,700 Mscf of recovered gas for the year at an average repair cost of $84.10 per Mcf .If programs like Hess' LDAR program were not implemented and the state decided to further regulate flaring and/or methane emissions, this could result in selective well's being shut-in,

which might increase Hess' operating costs and reduce revenues due to less gas being supplied to Hess Midstream's Tioga Gas Plant for processing and sale.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

100,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

If we do not manage methane emissions, Hess, faces a potential reputational risk related to negative public perception of Hess' management of climate-related issues that could theoretically lead to our exclusion from ESG indices, which could increase our cost of capital. Because we cannot predict shareholders' future actions, we are unable to assign a specific monetary value to the potential for future higher cost of capital if we are excluded from ESG indices. While it is not possible to determine the potential financial impact of reputational damage related to unknown events, as an example, risks are considered substantive (ERM framework) when they have a medium or higher likelihood of occurring and have an impact of $100 million or greater. In this example, the $100 million could be associated with Hess paying a higher interest rate to borrow money which could increase our cost of capital. In this example, the $100 million could also be associated with the financial impact of halting operations, thereby losing production, as well as increased operating costs and capital expenditures related to materials, labor and repairs to damaged facilities.

Cost of response to risk

1,900,000

Description of response and explanation of cost calculation

Situation: Hess is a founding member of the ONE Future Coalition focused on voluntary reduction of methane emissions to less than 1% of methane production across the value chain by 2025. Hess also participates in several programs under the Environmental Partnership by API. Task: Key to Hess EHS & SR strategy is voluntary reduction in methane emissions. Action: Under the “Leak Program for Natural Gas and Oil

Production Sources", Hess conducted 718 semi-annual surveys at 391 sites in 2022. Of the 2.25 million devices and components surveyed, only 0.05% were found to be leaking. Approximately 61% of those components with leaks were repaired immediately and over 93% of all component leaks were repaired within 30 days. Since our first year of participation in this program in 2019, our leak occurrence rate has reduced by 56%, from 0.113% to 0.05%. Under the program "Replace, Remove or Retrofit High-Bleed Pneumatic Controllers," Hess has completed its phase-out of high bleed pneumatic controllers in our North Dakota operations in 2021. We replaced 60 high bleed controllers and removed seven from service. This phase out program reduced our overall pneumatic controller methane emissions by 80%, from 1,583 tonnes of methane in 2019 to 318 tonnes in 2021. To help meet our ONE Future, Environmental Partnership commitments, and to continue to drive down methane emissions, Hess continues to implement our LDAR program for Natural Gas and Oil Production sources in North Dakota, which encompass 100% of our total operated on-shore U.S. assets. In 2022, LDAR resulted in 22,700 Mscf of recovered gas at an average repair cost of $84.10 per Mcf (approximately 17x average commodity cost of gas in 2022).

Result: Currently, conducting Hess' LDAR program in North Dakota increases operating costs by approximately $1.9 million per year, which is comprised of approximately $1.2 million for repairing methane leaks, $.6 million for labor costs and $.1 million for transportation costs. Costs might materially increase if Hess is required to modify its operating systems or shut-in production due to future methane regulation.

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Increased direct costs

Company-specific description

An example of a current regulation which has the potential to have a substantive impact on our business is the North Dakota NDIC order 24665 which was established to increase gas capture and reduce the volume of natural gas flared in North Dakota. Starting in November 2020, using the methodology established by the state which allows for exemptions, the gas capture target was set at 91%. If operators are unable to attain the gas capture goals, wells are restricted to 200 bbls of oil per day if 60% of the

monthly volume associated gas produced from the well is captured. The penalty for failure to file an application for a hearing within a month following a violation is $1000 per month up to a maximum of $12,500 per month beginning at $1000 for the first month and doubling for each additional month. In 2022, using the NDIC calculation methodology, Hess achieved a gas capture rate of 97%; exceeding the regulatory requirement of 91%. As part of Hess' climate change strategy, we continue to take appropriate steps to monitor, measure and reduce emissions through applying innovation and efficiency to reduce energy use, waste and emissions across our operations.

Our flare reduction strategy is a key component of our climate change strategy; it provides us with an opportunity to reduce GHG emissions, increase our supply of natural gas to the marketplace where natural gas can serve as a bridging fuel in a transition to a lower carbon environment and to generate additional revenue. Hess Midstream has invested over $3.6 billion gross in infrastructure to construct, capture, transport, and process natural gas in North Dakota during the past ten years. This $3.6 billion gross investment includes the following actions by Hess Midstream; twice expanding the Tioga Gas Plant to significantly increase gas processing capacity; building several new and expanding several existing gas compressor stations; building new and expanding existing gas gathering and processing pipelines throughout the North Dakota region and building a new gas processing plant through our Targa JV south of the Missouri river. Through these actions, we have reduced our natural gas flaring in the Bakken region from 68 MMSCFD in 2019 to 25 MMSCFD in 2022 and eliminated over 1.4 million tonnes of GHG emissions. We have recently set a target to achieve zero routine flaring by year-end 2025 and have established a short-term target to reduce Bakken operations routine flaring to 3% in 2023.

Time horizon

Long-term

Likelihood

Very unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

250,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

If you are unable to meet the NDIC's 91% gas capture target subject to exemptions, effective November, 2020, the penalty is $1000 per month per well up to a maximum penalty of $12,500 per month, per well, along with restricted production of 200 bbls./day per well if less than 60% of the monthly gas is captured. At year-end 2022, Hess operated 1664 wells. As a result, the maximum potential penalty for not meeting the 91% gas capture rate would be as follows; $12,500 per well per month x 12 months = $150,000 per well x 1664 wells = $249,600,000). Since Hess is well above the 60% gas capture rate, we would not be production constrained.

Cost of response to risk

90,000,000

Description of response and explanation of cost calculation

Situation: Hess' North Dakota asset accounted for approximately 56% of Hess's total 2022 operated production. Hess' North Dakota asset is subject to the North Dakota NDIC order24665 gas capture rule. Task: Under the NDIC order 24665 gas capture rule, starting in November, 2020, Hess must capture at least 91% of the gas produced from each well according to established NDIC methodology subject to exemptions or be subject to penalties of $1000 per month per well up to a maximum penalty of $12,500 per well per month after three months of violations, in addition to potentially being production constrained at 200 bbls. per well per day if you do not capture at least 60% of the gas produced. Action: We have reduced our natural gas flaring in the Bakken region from 68 MMSCFD in 2019 to 25 MMSCFD in 2022 and eliminated over 1.4 million tonnes of GHG emissions through the $3.6 billion gross infrastructure investments that we have made by Hess Midstream over the past decade. We have recently set a target to achieve zero routine flaring by year-end 2025 and have established a short-term target to reduce Bakken operations routine flaring to 3% in 2023. Result: Hess Midstream has invested over $3.6 billion gross over the past ten years in infrastructure in the Bakken in North Dakota to reduce flaring and sell more natural gas to generate additional revenue. In 2022, this has enabled us to increase our natural gas capture rate to 97%, which was well above the NDIC gas capture target of 91%. This is a positive business decision because under the NDIC order 24665 gas capture rule the fine for non-compliance, subject to exemptions, is up to $12,500 per month per well which potentially could have resulted in a fine of approximately $250 million ($12,500 per month per well x 12 months = $150,000 x 1664 wells = $249,600,000), in addition to potential reputational damage resulting from non-compliance.

The $90,000,000 cost to respond to this risk results from a one time capital investment of approximately $3.6 billion gross spread over the 40 year estimated life of the asset.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Ability to diversify business activities

Primary potential financial impact

Other, please specify

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

As part of Hess' climate change strategy, we continue to take cost-effective, appropriate steps to monitor, measure and reduce emissions through applying innovation and efficiency to reduce energy use, waste and emissions across our operations. Our flare reduction strategy is a key component of this program; it provides us with an opportunity to reduce greenhouse gas emissions, increase our supply of natural gas to the marketplace where natural gas can serve as a bridging fuel in a transition to a lower carbon environment and to generate additional revenue. We have reduced our natural gas flaring in the Bakken region of North Dakota from 68 MMSCFD in 2019 to 25 MMSCFD in 2022 and eliminated over 1.4 million tonnes of GHG emissions, while increasing gas production by approximately 25%, as a result of investing $3.6 billion gross in infrastructure investments through Hess Midstream to capture natural gas produced from our operations and minimize flaring. We have set a target to achieve zero routine flaring at our operated assets by year-end 2025. To help accomplish this objective, we have set a short-term flare reduction target to reduce the routine flaring rate in the Bakken operation to 3% in 2023, which is tied to our AIP compensation for all

employees. In late 2020, Hess established a task force to lead our climate change strategy implementation and to evaluate medium and longer term aspects of our strategy. The task force is composed of nine senior executives responsible for various functions throughout the company, with oversight provided by our Chief Operations Officer and members of his operating committee. The task force was instrumental in Hess' endorsement of the World Bank's Zero Routine Flaring by 2030 Initiative , our commitment to achieving zero routine flaring from our operated assets by the end of 2025, our carbon credits agreement with the government of Guyana and developing our plan to achieve net zero Scope 1 & 2 equity GHG emissions by 2050. The EHS Board Committee is updated on a regular basis, as the EHS Board Committee has oversight of climate-related issues including reviewing and guiding both climate change strategy and implementation. This oversight improves alignment and focus on our overarching climate objectives. By overseeing progress against climate-related goals and targets, the EHS Board Committee can monitor our climate-related actions for consistency with our climate change strategy.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

86,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We have reduced our natural gas flaring in the Bakken region from 68 MMSCFD in 2019 to 25 MMSCFD in 2022 and eliminated over 1.4 million tonnes of GHG emissions through the $3.6 billion gross infrastructure investments that we have made by Hess Midstream over the past decade. We have recently set a target to achieve zero routine flaring by year-end 2025 and have established a short-term target to reduce Bakken operations routine flaring to 3% in 2023. Based on the average North Dakota natural gas price of $5.50 per Mcf for 2022 found in Hess' 2022 SEC 10-K, the estimated market value of the amount of wellhead gas and natural gas liquids that was captured instead of flared is approximately $86 million per year. (68-25=43 MMscfd x 365 days x $5.50 per MCF = $86 million).

Cost to realize opportunity

3,600,000,000

Strategy to realize opportunity and explanation of cost calculation

Situation: Part of Hess' climate change strategy is to take appropriate steps to monitor, measure and reduce emissions, energy use, and waste across our operations, through applying innovation and efficiency. Task: Our task is to reduce flaring at our North Dakota operation. Action: For example, Hess, Midstream expanded the Tioga Gas Plant from 115 million cubic feet of natural gas per day (MMSCFD) to 400 MMSCFD and expanded its natural gas liquids fractionation capacity from 8 thousand barrels per day (MBD) to 60 MBD to provide the Bakken region with more capacity to process liquids-rich associated natural gas and reduce operational flaring. Hess also has ongoing short-term wellhead gas capture projects. Hess is a member of the North Dakota Petroleum Council's Flaring Task Force. Hess has recently established a target to achieve zero routine flaring at our operated assets by year-end 2025, along with a short-term target to reduce the Bakken operations routine flaring rate to 3% in 2023. We routinely track the flaring rate, flared volumes, and progress toward our flaring target; results are regularly reported internally.

Result: Hess Midstream has invested over $3.6 billion gross to construct capture, transport, process and fractionation infrastructure at Bakken during the past ten years. This $3.6 billion gross investment includes the following actions by Hess Midstream; expanding the Tioga Gas Plant to significantly increase gas processing capacity; building several new and expanding several existing gas compressor stations; building new and expanding existing gas gathering and processing pipelines throughout the North Dakota region and building, through our Targa JV, a new gas processing plant south of the Missouri river. These expenditures represent one-time capital costs. Costs for staff resources to obtain the necessary licenses and permits and to operate new and expanded infrastructure are considered routine. Between 2018 and 2022, we reduced flaring in North Dakota from 68 MMscfd to 25 MMscfd and eliminated over 1.4 million tonnes of GHG emissions,

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Other, please specify

Emissions reduction initiative and increased gas capture resulting in additional revenue generation

Primary potential financial impact

Increased revenues resulting from increased production capacity

Company-specific description

Hess is a founding participant in The Environmental Partnership, which focuses on technologically feasible and commercially proven solutions that result in significant emissions reductions. Hess participates in the Leak Program for Natural Gas and Oil Production Sources and the Program to Replace, Remove or Retrofit High Bleed Pneumatic Controllers, along with other programs focused on pipeline blowdowns, compressor station emissions reductions and flare management. Hess implemented a leak detection and repair (LDAR) program for Natural Gas and Oil Production Sources which encompasses 100% of our on-shore U.S. assets in North Dakota. In 2022, we conducted 718 semiannual surveys at 391 sites which resulted in 22,700 Mscf of recovered gas for the year at an average repair cost of $84.10 per Mcf (approximately 17x average commodity cost of gas in 2022).Of the approximately 2.25 million devices and components surveyed, only 0.05% were found to be leaking. Approximately 61% of those components with leaks were repaired immediately and over 93% were repaired within 30 days. Since our first year of participation in this program in 2019, our leak occurrence rate has reduced by 56% from 0.113% to 0.05%. In addition, Hess has completed its phase out of high bleed pneumatic controllers in our North Dakota operations in 2021.This phase out program reduced our overall pneumatic controller methane emissions by 80%, from 1,583 tonnes of methane in 2019 to 318 tonnes in 2021.

As part of our EHS & SR strategy update, we also established a 2025 global methane intensity target of 0.19% for 2025, using a 2017 baseline of 0.43%. Our 2022 methane intensity based on this methodology was 0.15%, surpassing this target. We attribute this result to a combination of our continuing efforts to reduce methane emissions, which include increasing natural gas capture, reducing flaring, and continuing leak detection and repair program in our North Dakota operations. While we aim to maintain this performance, we recognize that significant changes are imminent due to the introduction of new measurement, reporting and verification (MRV) frameworks and protocols. We anticipate that as Hess and the broader oil and gas industry adopt these MRV practices that inventories, metrics and targets will need to be adjusted. Therefore, we do not believe it would be appropriate to adjust our 2025 methane intensity target until we understand the full implications of MRV related changes to our inventory.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

454,640

Potential financial impact figure – maximum (currency)

954,640

Explanation of financial impact figure

Hess utilized the EPA's Natural Gas STAR estimates of economic and environmental benefits of voluntarily replacing non-regulated high-bleed units with low bleed units before end-of-life. Based on this information, we assumed a natural gas price of $5.50 per thousand cubic foot (per Hess 2022 SEC 10-K, avg. 2022 North Dakota natural gas price) and 260 Mcf natural gas savings for each of the 248 units. The total monetized value realized by this program from reducing emissions is approximately $354,640 per year (248 units x 260 Mcf x $5.50 = $354,640). Potential additional maintenance cost savings range from $100,000 to $600,000 per year. (low = $354,640 + $100,000 = $454,640; high = $354,640 + $600,000 = $954,640).

Cost to realize opportunity

458,800

Strategy to realize opportunity and explanation of cost calculation

Situation: Advancement in shale energy technology has resulted in an increased supply of cleaner burning, abundant, low cost natural gas; however, there is considerable debate about fugitive methane leakage along the natural gas value chain. Task: Find technical solutions that yield continuous improvement in the management of methane emissions across the natural gas value chain. Action: Hess has committed to several industry-wide voluntary efforts designed to promote technologically feasible and commercially proven solutions that reduce methane emissions. Results: Hess is a founding member of the ONE Future Coalition which is comprised of companies across the natural gas industry focused on identifying policy and technical solutions that yield continuous improvement in the management of methane emissions. Under this voluntary agreement, Hess set the target to reduce methane emissions for the sectors within the natural gas value chain where Hess participates to 0.47% by 2025. In 2022, Hess' onshore U.S. methane intensity was 0.39%, well below the 2025 One Future combined target of 0.47% for the sectors in which we operate.

Another part of Hess' emissions reduction strategy is to apply innovation and efficiency to reduce energy use, waste and emissions reductions. In 2017, Hess joined the Environmental Partnership initiative launched by the American Petroleum Institutes focused on voluntary reductions in methane emissions. Hess participates in two programs established by the Partnership: 1) Leak Program for Natural Gas and Oil Production Sources and 2) Program to Replace, Remove or Retrofit High-Bleed

Pneumatic Controllers within five years. Under the Leak Program, Hess conducted 718 semi-annual surveys at 391 sites in 2022, implementing repair of fugitive emissions at selected sites using detection methods and technology, such as U.S. EPA Method 21 or optical gas imaging cameras. Under the Replace, Remove or Retrofit program Hess identified 248 high-bleed pneumatic controllers in North Dakota in 2019 that required replacement . This program was completed in 2021 with the replacement of all high bleed pneumatic controllers. Using EPA's Natural Gas STAR estimated implementation cost per unit $1,850 for the 248 controllers, total implementation costs would be approximately $458,800. This is a one-time cost.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Opportunities for improved efficiency: In support of our GHG emissions and flaring reduction targets, we undertake a variety of emissions reductions initiatives.

In North Dakota we continue to use piping rather than trucks to transfer fresh water for completions at our North Dakota business unit. In 2022, nearly
all of the water used for our well completions in North Dakota was transferred by piping- this amounted to approximately 21.1 million barrels. In addition, we completed infrastructure projects that transferred 5.3 million barrels of oil and 6.5 million barrels of produced water by pipeline instead of trucks. Collectively, approximately 32.9 million barrels was transported via piping instead of by truck which reduced truck transport emissions by 31,276 tonnes in 2022 and eliminated 235,000 truck deliveries. Hess also utilizes gas to liquids conversion units at remote sites. GTUIT units convert natural gas to natural gas liquids rather than flaring. In 2022, Hess operated 4 GTUIT units for most of the year which allowed us to capture 2.3 million gallons of natural gas liquids which avoided 76 MMscf of gas flared resulting in a reduction of 7,568 tonnes of CO2e emissions.

In late 2020, Hess established a task force to lead our climate change strategy

implementation and to evaluate the medium and longer term aspects of our strategy. The task force is comprised of nine senior executives from multiple functions throughout the company, with oversight provided by our Chief Operations Officer and the company's operating committee. The task force was instrumental in Hess' endorsement of the World Bank's Zero Routine Flaring by 2030 initiative, and our commitment to achieve zero routine flaring by 2025. The task force also established our target to achieve net zero equity Scope 1 and 2 emissions by 2050. The task force will continue to monitor, enhance and evaluate Hess' progress towards these objectives, as well as assess emerging technologies with emissions reduction potential. The EHS Board Committee is updated on a regular basis, as the EHS Board Committee has oversight of climate-related issues including reviewing and guiding both the strategy and implementation. This oversight improves alignment and focus with our overarching climate objectives. By overseeing progress against climate-related goals and targets, the EHS Board Committee can monitor our climate-related actions for consistency with our climate change strategy.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

67,473,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Each initiative has its own financial implications, but as an example: In 2022, Hess transported, within our North Dakota business unit, about 32.9 million barrels of fresh water, produced water and oil, collectively, via pipeline instead of by truck saving an estimated incremental $19 million in 2022 based on the cost differential between truck transport and pipe transport. Cost of truck transport is $2.05 per barrel. Cost of pipe transport is $1.47 per barrel. Savings by using pipe transport instead of truck transport is $0.58 per barrel.
(calculation as follows: 32.9 million barrels in 2022 . Transport of 32.9 million barrels via truck @ $2.05/bbl. = $67 million; transport of 32.9 million barrels via pipe @ $1.47/bbl. = $48 million; net savings = $19 million).

Cost to realize opportunity

48,379,000

Strategy to realize opportunity and explanation of cost calculation

Situation: To manage the opportunities presented by energy efficiency, we are implementing a number of initiatives, including use of pipe to transport freshwater, produced water and oil to production sites instead of using trucks. Task: In North Dakota, we use significant volumes of freshwater, produced water and oil in our production activities. Previously this fresh water, produced water and oil was trucked to our well sites. Now the majority of this fresh water and significant quantities of produced water and oil is transported via pipe which significantly reduces truck transport emissions and reduces the truck traffic on roads. Action: Once the opportunity to use pipe was identified, a test project was undertaken to determine what type of pipe would withstand ambient temperature extremes as well as durability with heavy vehicle operations. Successful testing allowed us to increase pipe use each year. Result: In 2022, the majority of the freshwater we used for well completions in North Dakota (approximately 21.1 million barrels) and significant quantities of produced water (6.5 million barrels) an oil (5.3 million barrels)were transported using pipe.

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

To align our strategic sustainability actions with changes in the social, political, economic and regulatory landscape and evolving stakeholder expectations, we convened a multidisciplinary project team and steering committee in late 2019 to develop and oversee an update of our EHS & SR strategy, including establishing our next set of climate related goals and targets. In Phase 1, we identified 26 sustainability topics relevant to our company. We then validated and prioritized the topics through a stakeholder engagement process. In Phase 2, we conducted a benchmarking assessment to review practices from our peers, supermajors and national oil companies. The project team and steering committee reviewed the results, carefully

considered practices in each area and what was fit for purpose for Hess. In Phase 3, we identified the eight most material sustainability topics for our company and slated those to be the focus of our EHS & SR strategic actions through 2025. These eight topics are: Climate Related Risks and Greenhouse Gas Emissions; Process Safety and Release Prevention; Occupational Health and Safety; Emergency Preparedness and Response; Water Management; Diversity, Equity and Inclusion; Supply Chain and Contractor Management and Community and Stakeholder Engagement.

Reputational enhancement: The company specific opportunity that we are trying to realize through being a leader in ESG transparency, disclosure and performance is maintenance and improvement in our North American ESG rankings (i.e., Hess consistently achieves leadership status on CDP), which could result in improved reputation, public awareness and accountability which could impact our cost and access to future capital.

In late 2020, Hess established a task force to lead our climate change strategy implementation and to evaluate medium and longer term aspects of our strategy. This task force is comprised of nine senior executives from multiple functions throughout the company with oversight provided by our Chief Operating Officer and members of the company's operating committee. The task force was instrumental in Hess' commitment to achieve zero routine flaring by 2025 and also established our target to achieve net zero equity Scope 1 and 2 emissions by 2050.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

100,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Positive perceptions of Hess' management of climate change and related disclosures have led to our inclusion in ESG indices, which could theoretically decrease our cost of capital. Because we cannot predict shareholders' future actions or the makeup of our top shareholders going forward, at this time we are unable to assign a specific monetary

value to the potential for future lower cost of capital resulting from our inclusion on ESG indices. However, thirteen of Hess' top fifteen institutional investors used sustainability data to evaluate ESG performance and inform shareholding strategy. At year-end 2022, approximately $31 billion of Hess shares (70%) were owned by investors who were signatories to the United Nations Principles for Responsible Investment which shows that investors are concerned with ESG performance. As an example, Hess would view a financial opportunity of $100,000,000 or more related to enhanced reputational ESG performance as substantive.

Cost to realize opportunity

500,000

Strategy to realize opportunity and explanation of cost calculation

Situation: The company continuously seeks to enhance its reputation. Task: To be a leader in ESG transparency, disclosure and performance.
Action: Hess is managing these opportunities through implementation of our climate change strategy, which includes public disclosures of our strategy, programs and performance; reducing operational flaring; energy efficiency and more renewable energy in our energy spend; accounting for energy efficiency and carbon costs in all major new investments. Hess continues to meet our goal of top quartile performance in our sector for the quality of our climate change disclosures. Result: In 2022, Hess earned CDP climate leadership for the 14th consecutive year, and was included in the DJSI North America for the 13th consecutive year. In 2022, for the second consecutive year, Hess also achieved the highest level rating (Level 4- strategic assessment) by the Transition Pathway Initiative (TPI), a global initiative that assesses companies' preparedness for the transition to a low carbon economy and their efforts to address climate change. We also work with others in our industry on energy efficiency and GHG emissions reduction, energy management systems, operational flaring reduction, and upstream energy performance methodology. We are proactively reducing GHG emissions intensity in countries where we operate, including those where GHG emissions are not currently regulated.

Costs of implementing our climate change strategy, such as CSR report preparation and responding to CDP, including staff time are not separated from the costs of salaries. In addition to staff time, Hess spends approximately $500,000 annually on costs that include CDP reporter services, GHG report assurance, and external consultants.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

Stakeholders can request information and provide feedback on any aspect of our business plans and strategy, including climate-related information, through our website. Senior management also meets regularly with key shareholders/stakeholders to update them on Hess's business plans and strategy, including climate-related issues.

Frequency of feedback collection

More frequently than annually

Attach any relevant documents which detail your climate transition plan (optional)

Please refer to Hess' Low Carbon Transition Framework on pages 40-41 of the attached Hess 2022 Sustainability Report.

hess-2022-sustainability-report.pdf

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA STEPS (previously IEA NPS)	Company-wide		2022 IEA - STEPS To help quantify climate related risks and opportunities- and to provide perspectives to our investors and other key stakeholders on how Hess' oil and gas portfolio might be impacted by a transition to a lower carbon economy-Hess conducts an annual

			scenario planning exercise as a methodology to assess portfolio resilience over the longer term. This scenario based approach allows us to assess and communicate to our shareholders our understanding of future risks and opportunities in relation to the potential evolution of energy demand, energy mix, the emergence of new technologies, and possible changes by policymakers with respect to greenhouse gas emissions. Hess modeled the International Energy Agency's (IEA's) 2022 World Energy Outlook (WEO) STEPS (2.5 degree C median increase by 2100 scenario) against our own internal base planning case. Our first step in the scenario analysis process is to establish a Hess base case, which for 2023 was premised off a $75 per barrel Brent oil price through 2050, and a $5.00 per million British thermal units Henry Hub natural gas price through 2050; both cost bases are in 2023 real terms. In addition, in the base case, we apply a carbon price of $50/tonne for our assets and intended forward investments. Hess' base case was then compared against various oil, natural gas and carbon prices in the IEA's STEPS - running our current asset portfolio and intended forward investments through these varying sets of assumptions to assess financial robustness. Our conclusions are that under the STEPS, the Hess portfolio remains resilient, with production from our current reserve base remaining economic over the next 30 years; our portfolio, adjusted for assumptions in this scenario, continues to generate sufficient cash flow to deliver our development plan; and there are no stranded assets and no expected changes to the Hess base plan under this scenario.
Transition scenarios IEA APS	Company-wide		2022 IEA - APS To help quantify climate related risks and opportunities- and to provide perspectives to our investors and other key stakeholders on how Hess' oil and gas portfolio might be impacted by a transition to a lower carbon economy-Hess conducts an annual scenario planning exercise as a methodology to assess portfolio resilience over the longer term. This scenario based approach allows us to assess and communicate to our shareholders our understanding of future risks and opportunities in relation to the

			potential evolution of energy demand, energy mix, the emergence of new technologies, and possible changes by policymakers with respect to greenhouse gas emissions. Hess modeled the International Energy Agency's (IEA's) 2022 World Energy Outlook (WEO) APS (1.7 degree C median increase by 2100 scenario) against our own internal base planning case. The APS meets the TCFD requirement to model at least one scenario where the global average temperature is kept well below 2 degree C. Our first step in the scenario analysis process is to establish a Hess base case, which for 2023 was premised off a $75 per barrel Brent oil price through 2050, and a $5.00 per million British thermal units Henry Hub natural gas price through 2050; both cost bases are in 2023 real terms. In addition, in the base case, we apply a carbon price of $50/tonne for our assets and intended forward investments. Hess' base case was then compared against various oil, natural gas and carbon prices in the IEA's APS - running our current asset portfolio and intended forward investments through these varying sets of assumptions to assess financial robustness. Our conclusions are that under the APS, the Hess portfolio remains resilient, with production from our current reserve base remaining economic over the next 30 years; our portfolio, adjusted for assumptions in this scenario, continues to generate sufficient cash flow to deliver our development plan; and there are no stranded assets and no expected changes to the Hess base plan under this scenario.
Transition scenarios IEA NZE 2050	Company-wide		2022 IEA NZE To help quantify climate related risks and opportunities- and to provide perspectives to our investors and other key stakeholders on how Hess' oil and gas portfolio might be impacted by a transition to a lower carbon economy-Hess conducts an annual scenario planning exercise as a methodology to assess portfolio resilience over the longer term. This scenario based approach allows us to assess and communicate to our shareholders our understanding of future risks and opportunities in relation to the potential evolution of energy demand, energy mix, the emergence of new technologies, and possible

			changes by policymakers with respect to greenhouse gas emissions. Hess modeled the International Energy Agency's (IEA's) 2022 World Energy Outlook (WEO) NZE (1.4 degree C median increase by 2100 scenario) against our own internal base planning case. The NZE also meets the TCFD requirement to model at least one scenario where the global average temperature is kept well below 2 degree C. Our first step in the scenario analysis process is to establish a Hess base case, which for 2023 was premised off a $75 per barrel Brent oil price through 2050, and a $5.00 per million British thermal units Henry Hub natural gas price through 2050; both cost bases are in 2023 real terms. In addition, in the base case, we apply a carbon price of $50/tonne for our assets and intended forward investments. Hess' base case was then compared against various oil, natural gas and carbon prices in the IEA's NZE scenario - running our current asset portfolio and intended forward investments through these varying sets of assumptions to assess financial robustness. Our conclusion is that under the NZE scenario, the majority of Hess' current reserve base is producible over the next 30 years, with lower operating cash flow relative to the Hess development plan driven by lower commodity prices and the cost of CO2. In summary, based on the results of our 2023 scenario planning analysis, we conclude that we can produce our current reserve base and deliver strong performance under the STEPS and APS and produce the majority of our current reserve base under the NZE.
Physical climate scenarios RCP 8.5	Company-wide		RCP 8.5 scenario Hess considers the potential physical risks associated with climate change- such as increased severity of storms, droughts and flooding, as well as meteorological and oceanographic studies at offshore facilities- through our ERM framework and value assurance process. We have looked at the Representative Commitment Pathway (RCP 8.5) scenario which is the status quo; projected temperature increase of 4.3 degree C by 2100. Mitigations to address changing storm magnitude are incorporated into the design of our facilities, where appropriate, and severe weather management and

			business continuity plans are maintained for all locations. We also assess how climate change may impact water availability and water stress using the World Resources Institute's Aqueduct Tool. In 2019, we initiated a phased program of climate related physical risk assessments to inform our wider ERM process on potential climate impacts. These assessments consider the potential impact to the facilities and infrastructure we operate, as well as how these may be affected by predicted future climate change scenarios. The geospatial output from this analysis allows us to overlay climate variables such as extreme heat stress, extreme cold, rainfall, water stress, fire, storm intensity and coastal flooding projections and create heat maps showing the changes from the baseline values for our operations. Our conclusions are as follows: In the Gulf of Mexico, we have identified potential risks associated with worker heat stress and flooding of coastal logistics infrastructure; however, these risks would also apply broadly to the oil and gas industry and would necessitate mitigation at a state and national level. In the Bakken, we identified a potential increase in extreme heat stress, decrease in extreme cold, mild increase in rainfall and negligible change in extreme drought, all compared with the baseline, as well as projected water stress to be at a medium risk in the future compared with the baseline generated using the WRI Aqueduct tool. In the North Malay Basin, we identified a potential increase in extreme heat stress, increasing ocean temperature at all depths, subtle intensification in the maximum cyclone windspeed and increase in coastal flood inundation due to rising sea levels. We have adopted a flexible approach to these assessments that will enable us to reevaluate climate impacts as the science evolves and as our operations change and adapt.
Physical climate scenarios RCP 4.5	Company-wide		RCP 4.5 scenario Hess considers the potential physical risks associated with climate change- such as increased severity of storms, droughts and flooding, as well as meteorological and oceanographic studies at offshore

			facilities- through our ERM framework and value assurance process. We have looked at the Representative Commitment Pathway (RCP 4.5) scenario, with temperature rises at 2.4 degree C. Mitigations to address changing storm magnitude are incorporated into the design of our facilities, where appropriate, and severe weather management and business continuity plans are maintained for all locations. We also assess how climate change may impact water availability and water stress using the World Resources Institute's Aqueduct Tool. In 2019, we initiated a phased program of climate related physical risk assessments to inform our wider ERM process on potential climate impacts. These assessments consider the potential impact to the facilities and infrastructure we operate, as well as how these may be affected by predicted future climate change scenarios. The geospatial output from this analysis allows us to overlay climate variables such as extreme heat stress, extreme cold, rainfall, water stress, fire, storm intensity and coastal flooding projections and create heat maps showing the changes from the baseline values for our operations. Our conclusions are as follows: In the Gulf of Mexico, we have identified potential risks associated with worker heat stress and flooding of coastal logistics infrastructure; however, these risks would also apply broadly to the oil and gas industry and would necessitate mitigation at a state and national level. In the Bakken, we identified a potential increase in extreme heat stress, decrease in extreme cold, mild increase in rainfall and negligible change in extreme drought, all compared with the baseline, as well as projected water stress to be at a medium risk in the future compared with the baseline generated using the WRI Aqueduct tool. In the North Malay Basin, we identified a potential increase in extreme heat stress, increasing ocean temperature at all depths, subtle intensification in the maximum cyclone windspeed and increase in coastal flood inundation due to rising sea levels. We have adopted a flexible approach to these assessments that will enable us to reevaluate climate impacts as the science evolves and as our operations

			change and adapt.
Physical climate scenarios RCP 2.6	Company-wide		RPC 2.6 scenario Hess considers the potential physical risks associated with climate change- such as increased severity of storms, droughts and flooding, as well as meteorological and oceanographic studies at offshore facilities- through our ERM framework and value assurance process. We have looked at the Representative Commitment Pathway (RCP 2.6) scenario, a very stringent pathway with a projected temperature rise of 1.6 degree C. Mitigations to address changing storm magnitude are incorporated into the design of our facilities, where appropriate, and severe weather management and business continuity plans are maintained for all locations. We also assess how climate change may impact water availability and water stress using the World Resources Institute's Aqueduct Tool. In 2019, we initiated a phased program of climate related physical risk assessments to inform our wider ERM process on potential climate impacts. These assessments consider the potential impact to the facilities and infrastructure we operate, as well as how these may be affected by predicted future climate change scenarios. The geospatial output from this analysis allows us to overlay climate variables such as extreme heat stress, extreme cold, rainfall, water stress, fire, storm intensity and coastal flooding projections and create heat maps showing the changes from the baseline values for our operations. Our conclusions are as follows: In the Gulf of Mexico, we have identified potential risks associated with worker heat stress and flooding of coastal logistics infrastructure; however, these risks would also apply broadly to the oil and gas industry and would necessitate mitigation at a state and national level. In the Bakken, we identified a potential increase in extreme heat stress, decrease in extreme cold, mild increase in rainfall and negligible change in extreme drought, all compared with the baseline, as well as projected water stress to be at a medium risk in the

			future compared with the baseline generated using the WRI Aqueduct tool. In the North Malay Basin, we identified a potential increase in extreme heat stress, increasing ocean temperature at all depths, subtle intensification in the maximum cyclone windspeed and increase in coastal flood inundation due to rising sea levels. We have adopted a flexible approach to these assessments that will enable us to reevaluate climate impacts as the science evolves and as our operations change and adapt.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

With a potential transition to a lower carbon economy, how resilient is Hess' current asset portfolio over the next 30 years?
Will Hess have any stranded assets over the next 30 years under the various IEA scenarios?
In the event of a transition to a lower carbon economy, how will potentially lower demand for oil and gas impact Hess' performance?

After several years of conducting scenario analysis, senior management began focusing on how to best manage the potential risks and opportunities identified from conducting scenario analysis. In late 2020, Hess established a new task force to lead our climate change strategy implementation and to evaluate medium and longer term aspects of our strategy. The task force is comprised of nine senior executives from multiple functions throughout the company, with oversight provided by our Chief Operating Officer and the company's operating committee, of which our COO is a member. The task force was instrumental in Hess' endorsement of the World Bank's Zero Routine Flaring by 2030 Initiative, and our commitment to achieve zero routine flaring by 2025, our carbon credits agreement with the government of Guyana and developing our plan to achieve net zero Scope 1 and 2 GHG emissions on an equity basis by 2050. The task force will continue to monitor, enhance and evaluate Hess' progress towards these objectives, as well as assess emerging technologies with emissions reduction potential.

Results of the climate-related scenario analysis with respect to the focal questions

Hess established a base case, which for 2023 was premised off a $75 per barrel Brent oil price and a $5.00 per million British thermal unit Henry Hub natural gas price, both through 2050. Hess' base case was then compared against various oil, natural gas and carbon prices in the IEA's three key scenarios, running our current/planned asset portfolio through these varying sets of assumptions to assess financial robustness.

First focal question - resilience: Under the STEPS and APS, the Hess portfolio remains resilient with production from our current reserve base economic over the next 30 years and it continues to generate sufficient cash flow to deliver Hess' development plan. Under NZE, we will experience lower operating cash flow driven by lower commodity prices and the cost of CO2. We will continue to monitor for indicators that the world is moving towards NZE and expect that these indicators would provide Hess sufficient time to adjust our portfolio accordingly.

Second focal question - stranded assets: Under the STEPS and APS, there are no stranded assets; under NZE, the majority of Hess' current reserve base is producible over the next 30 years.

Third focal question - financial impact from potentially lower oil and gas demand from a transition to a lower carbon economy: We expect that Guyana's low breakeven costs, along with aggressive cost reduction activities in North Dakota, will contribute substantially to structurally lowering our portfolio breakeven costs to less than $50 per barrel Brent oil by 2027. As a result, Hess is well positioned to retain our share in the marketplace as a low cost producer, even with the gradually reducing global oil demand projected under the IEA's various scenarios.

Conducting scenario analysis as part of our business strategy informed senior management that we needed to stress test new investments to ensure economic viability under a wide range of potential market conditions. Situation: When Hess entered into a joint venture (JV) project at the Stabroek Block (offshore Guyana), we worked with the JV parties on initial development of the Liza field (within block) to attempt to minimize emissions across the whole value chain. Task: Since we knew that this project was one of the largest recent offshore developments in the world, we understood the climate-related risks of this project and wanted to minimize GHG emissions. Action: The actions taken by Hess' joint venture to mitigate climate-related risks was a substantive business decision which resulted in investing in a system to reinject the associated gas from oil production for storage to minimize flaring from these oil fields. Result: This gas reinjection program had a significant impact on reducing GHG emissions by dramatically reducing natural gas flaring associated with oil production and should cover the short, medium and long term as we expect it to extend for the life of these oil fields.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	We begin a risk assessment by bringing together functional and asset level subject matter experts to establish a holistic risk profile for each asset. We use the results of asset-level risk assessments to generate a company-wide portfolio view of risk scenarios and impacts in financial terms. Included in our recent 2020 Strategy Refresh was a determination of EHS&SR priority risks and stakeholder expectations. This priority risk register is updated annually to reflect changing business conditions and risk prioritization. Since our products are carbon intensive, we have identified potential future risks of carbon pricing. Managing these costs proactively is expected to make us more economically and environmentally competitive. We expect this to have a high to moderate impact in the long-term horizon as our strategy includes minimizing our carbon footprint as we grow. We use this process to identify opportunities that help us grow our business while mitigating risk. For example, we, through Hess Midstream, have invested over $3.6 billion gross in a substantive business decision to add infrastructure in North Dakota to reduce flaring, which reduces GHG emissions and allows us to increase revenue by capturing and selling gas, as well as using it to run our operations. This effort generates additional revenue and supports efforts to transition to low carbon products. To help achieve this, we have set a new 2025 target to reduce our global methane intensity to 0.19% from a 2017 baseline of 0.43%; in 2022, we achieved a methane intensity reduction rate of 0.15%. We are awaiting changes in methane measurement, reporting and verification protocols before reevaluating our 2025 target. Our LDAR program in North America helps us mitigate

		methane emissions and promote the use of natural gas. This program comprises monthly audible, visual and olfactory equipment inspection for the potential of leakage and semi-annual optical gas imaging performed by our certified field assurance personnel to detect fugitive emissions. In 2022, the cost of implementation in ND was approx. $1.9 million, which resulted in 22,700 Mscf of recovered gas for the year at an average repair cost of $84.10 per Mcf (approx. 17x average commodity cost of gas in 2022). These measures; together with the steps we are taking to reduce flaring in ND, aim to help further reduce our fugitive emissions.
Supply chain and/or value chain	Yes	Situation: When Hess enters into new joint venture (JV) projects, we engage directly to evaluate project economics, promote safety and minimize emissions. For example, at the Stabroek Block (offshore Guyana), in which Hess holds a 30% interest, we worked with the JV parties on initial development of the Liza field (within the block) to attempt to minimize emissions across the whole value chain as we develop these fields. Task: Since we knew that this project was one of the largest recent offshore developments in the world, we understood the climate-related risks of this project and wanted to minimize GHG emissions. While these types of JV investments are equity investments for Hess, we view these investments as having the potential for reputation risks and opportunities. Our climate change strategy includes continuing to take cost-effective, appropriate steps to monitor, measure and reduce emissions through applying innovation and efficiency to reduce energy use, waste and emissions across our operations. We also believe it can be appropriate to use reasonable efforts to extend that strategy across non-operated joint ventures. Action: The actions taken by Hess' joint venture, to mitigate climate-related risks was a substantive business decision which resulted in investing in a system to reinject the associated gas from oil production for storage to minimize flaring from these oil fields. Result: A gas reinjection program in Guyana has had a significant impact on reducing greenhouse gas emissions by dramatically reducing natural gas flaring associated with oil production and should cover the short, medium and long term as we expect it to extend for the life of these oil fields. When we look at Supply Chain issues, in general, we examine short term (< 3 year), medium term (4

		to year to 10 years) and longer term (> 10 years) impacts on our business operations.
Investment in R&D	Yes	Hess has a central technology budget for R&D projects. In addition, each asset may have their own individual budget for technology based projects. We expect R&D activity associated with climate-related opportunities to have a moderate to high impact on our business in the long-term.
Operations	Yes	We begin a risk assessment by bringing together function and asset level subject matter experts to establish a holistic risk profile for a particular asset, project or business unit. We use the results of these risk assessments to generate company-wide portfolio view of risks and impacts on value in financial terms. Included in our 2020 Strategy Refresh was a determination that EHS&SR priority risks and stakeholder expectations. This priority risk register is updated annually to reflect changing business conditions and risk prioritization. We have identified potential future risks of climate change (both transitional and physical) to our operations. Managing these costs proactively means that our cost per barrel is coming down and is expected to make us more economically and environmentally competitive. We expect this to have a high to moderate impact as our strategy includes minimizing our carbon footprint in order to enhance our ESG performance and minimize reputational risk. In North Dakota, our most strategic decision influenced by climate related risks was, through Hess Midstream to invest over $3.6 billion gross to develop infrastructure to reduce flaring. This allows us to increase revenue by capturing and selling gas that was previously flared. This infrastructure investment is expected to result in substantial climate-related benefits associated with flare reduction in the medium and long term. This effort is also expected to generate additional revenue and supports efforts to transition to lower carbon emitting products. As part of our updated EHS & SR strategy, Hess established a global methane intensity reduction target of 0.19% by 2025, using a 2017 methane baseline. The continued implementation of our LDAR program is expected to help us minimize methane emissions and mitigate risk. This program comprises monthly audible, visual and olfactory inspection of equipment with the potential to leak; and, semi-annual optical gas imaging

		which is performed by our field assurance personnel who are certified in the use of infra-red thermal cameras and other monitoring techniques to detect fugitive emissions. In 2022, the cost of implementation in ND was approximately $1.9 million, which resulted in 22,700 Mscf of recovered gas for the year at an average repair cost of $84.10 per Mcf (~17x avg. commodity cost of gas in 2022).

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Indirect costs Assets	Indirect/Operating Costs Description: In 2016, Hess introduced an internal price of carbon into our new investment decision process with the aim to test a projects financial resilience over the long-term (typical project lifecycle of 20-40 years) in a carbon constrained environment. We conducted a benchmark study and set a $40/tonne carbon price which was at the high range of what the super majors were using at the time, as well as equivalent to the Obama Administration's social cost of carbon. If a carbon regulation was in effect in a particular country where we are doing business, we used that country's cost of carbon. Return on investment was then calculated with and without a sustained $40 per tonne price on carbon (or the applicable country-specific value). Setting an internal cost of carbon enables management to evaluate project value and review different options and technologies to achieve the most efficient ones, as well as to achieve the company's long-range strategic objectives. Since establishing a price on carbon is a long-term measure, we periodically review this carbon price. In 2022, we amended our planning guidance to include evaluating new investments using the IEA's APS carbon pricing as a sensitivity case. (Situation) For example, Hess applied the $40/tonne price of carbon when evaluating the Stampede project in the Gulf of Mexico and the North Malay Basin project in Malaysia. (Task/Action) Using a sustained $40/tonne price of carbon in the project economics to evaluate different options and technologies for GHG emissions reductions. (Result) Since the technologies applied to both of these projects resulted in desired production levels over the long term with relatively low levels of GHG emissions, the projects were sanctioned and the $40/tonne carbon price did not have a substantive impact on these business decisions. In 2022, our $40/tonne internal

		carbon price was revised to $50/tonne going forward. As part of our long term financial planning process, to help quantify climate-related risks and opportunities- and to provide perspectives to our investors and to other key stakeholders- Hess now conducts an annual scenario planning exercise as a methodology to assess portfolio resilience over the longer term (2050 time frame which is consistent with the Paris Accord). This scenario-based approach allows us to assess and communicate to our shareholders our understanding of future risks and opportunities in relation to the potential evolution of energy demand, energy mix, the emergence of new technologies and possible changes by policymakers with respect to GHG emissions. Because the TCFD recommends transparency around key parameters, assumptions and analytical choices, Hess has chosen to model the three main scenarios detailed in the IEA's 2022 World Energy Outlook (the Stated Policy Scenario (STEPS), the Announced Pledges Scenario (APS), and the Net Zero 2050 (NZE) scenario) against our own internal base planning case. These scenarios include incorporating long-range carbon prices of up to $250 per tonne into the planning process. Furthermore, the TCFD recommends that organizations use a 2 degree C or lower scenario to test portfolio resilience- in other words, a scenario under which global warming is kept to well below a 2 degree C increase compared to preindustrial levels. Such scenarios usually feature reductions in demand for oil, natural gas and coal and a growth in clean technologies. The APS and the NZE scenario in the IEA's 2022 WEO which are part of Hess's modeling, fits within this recommendation. The Hess portfolio and our pipeline of forward investments remain resilient in the STEPS and APS, with production from our current reserve base economic over the next 30 years and no stranded assets and no expected change to the Hess' development plan. Under the NZE scenario, the majority of Hess' current reserve base is producible over the next 30 years, with lower operating cash flow relative to the Hess' development plan driven by lower commodity prices and the cost of CO2. As part of our annual scenario planning exercise, we will continue to monitor for indications that the world is moving along the NZE pathway; we expect that these indications would provide Hess sufficient time to complete a detailed review of our cost structure and adjust our portfolio accordingly. Recalibrating our financial planning process to evaluate potential climate-related impacts on our long-term business decisions through the use of carbon pricing and scenario analysis has resulted in changes in business strategy which help us identify potential cost-effective opportunities to minimize GHG emissions . (Situation) For example, at the Stabroek Block

		(offshore Guyana), in which Hess holds a 30% interest, we worked with the JV parties on initial development of the Liza field(within the block) to attempt to minimize emissions across the whole value chain as we develop these fields. (Task/ Action) Since we knew that this project was one of the largest recent offshore developments, we understood the climate-related risks of the project and seek to minimize gas flaring and resulting GHG emissions. We viewed this activity as having a substantive impact on our business (Result) The action taken by Hess' joint venture, to mitigate climate-related risks was to invest in a system to reinject the associated gas from our future oil production for storage so that we could minimize flaring from these oil fields.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
Row 1	Yes, we identify alignment with our climate transition plan

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric

CAPEX

Type of alignment being reported for this financial metric

Alignment with our climate transition plan

Taxonomy under which information is being reported

Objective under which alignment is being reported

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

3,000,000,000

Percentage share of selected financial metric aligned in the reporting year (%)

100

Percentage share of selected financial metric planned to align in 2025 (%)

100

Percentage share of selected financial metric planned to align in 2030 (%)

100

Describe the methodology used to identify spending/revenue that is aligned

Hess utilizes our annual scenario analysis exercise to determine this metric, which we also identify as our cross-industry metric for Capital Deployment according to the TCFD methodology. As a pure play exploration and production company, Hess includes capital expenditures related to all oil and gas assets producible at an acceptable rate of return (i.e., not stranded) under the IEA's APS, a Paris aligned scenario. This metric is based on annual capital investment deployed towards assets that are included in our low carbon transition framework under the IEA's APS. In 2022, we spent approx. $3 billion in capital, primarily at our Guyana and Bakken, ND assets. Based on our scenario analysis, under the APS, Hess' portfolio remains resilient with production from our current reserve base remaining economic over the next 30 years. Our portfolio, adjusted for the APS assumptions, continues to generate sufficient cash flow to deliver our development plan and there are no stranded assets or expected changes to the Hess base plan under this scenario. As a result, 100% of the capital deployed in 2022 met our criteria to be included in our low carbon transition framework.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2017

Base year Scope 1 emissions covered by target (metric tons CO2e)

3,767,666

Base year Scope 2 emissions covered by target (metric tons CO2e)

237,651

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

4,005,317

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2050

Targeted reduction from base year (%)

100

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

0

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

3,670,074

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

3,670,074

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

8.369949245

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

Hess' net zero GHG emissions target covers all of Hess' Scope 1 & 2 equity based emissions. Our net zero absolute GHG emissions reduction target by 2050 puts us on the emissions reduction trajectory to meet the aims of the Paris Agreement which is in keeping with the concept of science based targets, even through no science based targets have been developed for oil and gas companies.

Plan for achieving target, and progress made to the end of the reporting year

The target is new for Hess. In 2022, we purchased renewable energy certificates to offset all of our Scope 2 emissions from purchased electricity. We have an executive led task force which will continue to refine our plan to achieve net zero Scope 1 and 2 GHG emissions on an equity basis by 2050. This task force will continue to examine additional opportunities to address the remainder of our GHG emissions through a combination of operational practices, energy efficiency projects and advanced technologies still in development, along with the use of carbon credits.

List the emissions reduction initiatives which contributed most to achieving this target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Intensity metric

Metric tons CO2e per unit of production

Base year

2017

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

28.77

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

4.95

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

33.72

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2025

Targeted reduction from base year (%)

50

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

16.86

% change anticipated in absolute Scope 1+2 emissions

17

% change anticipated in absolute Scope 3 emissions

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

18.5

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

0

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

18.5

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

90.2728351127

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

As part of Hess' updated climate change strategy and in alignment with TCFD's criteria for target setting, in late 2020, we established a new GHG reduction target for 2025, using 2017 as a baseline. Our target is to reduce the GHG emissions intensity of our operated assets (Scope 1 and Scope 2) to 17 kg carbon dioxide equivalent (CO2e) per BOE by 2025 versus a 2017 baseline of 34 kg CO2e per BOE. This GHG reduction target utilizes a market based approach to GHG accounting, which allows the use of RECs to mitigate the environmental impact of Scope 2 GHG emissions.

Plan for achieving target, and progress made to the end of the reporting year

On a market basis, we have reduced our cumulative GHG emissions intensity through 2022 to 18.5 kg CO2e per BOE or by 45% towards our 50% goal, compared with our 2017 baseline of 34 kg CO2e per BOE. Flare reduction is the primary driver for achieving our 2025 greenhouse gas (GHG) emissions intensity target, as well as our target to achieve zero routine flaring by 2025.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production
Target(s) to reduce methane emissions
Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number
Low 1

Year target was set
2022

Target coverage
Company-wide

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2022

Consumption or production of selected energy carrier in base year (MWh)
960,819

% share of low-carbon or renewable energy in base year
0

Target year
2022

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
100

% of target achieved relative to base year [auto-calculated]
100

Target status in reporting year
Achieved

Is this target part of an emissions target?
No, this is a commitment on Hess's part to purchase RECs to offset 100% of annual purchased electricity requirements

Is this target part of an overarching initiative?
No, it’s not part of an overarching initiative

Please explain target coverage and identify any exclusions

Part of Hess's strategy is to purchase 100% of our annual electricity consumption from renewable sources based on electricity usage each year. Because this is an annual target to purchase 100% renewables based on actual electricity consumption for the year, we are effectively setting a new target each year. As a result, the base year, start year and the target year are all the same (2022). In accordance with our target to purchase 100% renewable energy (based on our 2022 electricity use of 960,819 MWh, our goal was to purchase 960,819 RECs (KPI in baseline year), which we accomplished by purchasing 960,198 Green-e certified RECs, primarily from wind power generation to offset U.S. purchased electricity requirements and 621 I-Recs to offset Malaysian purchased electricity requirements.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

A component of Hess's climate-related strategy, as approved by the Board, is an annual commitment to purchase renewable energy certificates to offset 100% of annual purchased electricity requirements.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Methane reduction target

Other, please specify

Operated Methane emitted (MMscf)

Target denominator (intensity targets only)

Other, please specify

Operated Natural Gas Sales (MMscf)

Base year

2017

Figure or percentage in base year

0.4272

Target year

2025

Figure or percentage in target year

0.19

Figure or percentage in reporting year

0.15

% of target achieved relative to base year [auto-calculated]

116.8634064081

Target status in reporting year

Achieved

Is this target part of an emissions target?

No, although achieving this target helps reduce GHG emissions

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

Hess is part of the ONE Future coalition which was established to voluntarily lower methane emissions to less than 1% across the natural gas value chain. To achieve this goal, ONE Future has established methane emissions rate targets for each sector of the natural gas value chain; production (0.28%); gathering and boosting (0.08%); processing (0.11%); transmission and storage (0.30%); and distribution (0.22%), which cumulatively total 1%. Hess has activities in three sectors, production, gathering and boosting and processing. In 2022, our methane emissions rate from production was 0.189%, our methane emissions rate from gathering and boosting was 0.125% , and our methane emissions rate from processing was 0.073%. Our combined methane emissions rate from production, gathering and boosting and processing was 0.387%, which is well below the 2025 ONE Future combined target of 0.47% for those three sectors. In addition to this commitment, as part of our EHS & SR strategy update, in 2020, we established a 2025 global methane intensity target. Our target uses natural gas sales as a denominator, where the ONE Future Protocol uses methane production. For our global methane intensity target of 0.19% by 2025, we are using a 2017 baseline intensity of 0.43% or anticipate achieving over a 50% reduction in methane intensity versus our baseline. As of year-end 2022, we achieved a methane intensity reduction rate of 0.15%, surpassing our 2025 target. Although we aim to maintain this performance in support of our year end 2025 target, we recognize that significant changes are imminent due to the introduction of new measurement, reporting and verification (MRV) frameworks and protocols, such as those introduced by the Oil and Gas Methane Partnership (OMGP), GTI Veritas and Energy Emissions Modeling and

Data Lab (EEMDL). We anticipate that as Hess and the broader oil and gas industry adopt these MRV practices that inventories, metrics and targets will inevitably need to be adjusted. And, we believe that as MRV practices evolve, we may have to adjust our historical inventory. Therefore, we do not believe it would be appropriate to adjust our 2025 methane intensity target until we understand the full implications of MRV related changes to our inventory.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

We attribute achieving this methane intensity reduction target ahead of schedule to a combination of our continued efforts to reduce emissions, which include increased natural gas capture, reducing flaring, and continuing our leak detection and repair program in our North Dakota operation.

Target reference number

Oth 2

Year target was set

2021

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Resource consumption or efficiency

Other, please specify

routine flaring

Target denominator (intensity targets only)

Base year

2021

Figure or percentage in base year

9.5

Target year

2025

Figure or percentage in target year

0

Figure or percentage in reporting year

7.9

% of target achieved relative to base year [auto-calculated]

16.8421052632

Target status in reporting year

Underway

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

Our commitment to achieve zero routine flaring from our operated assets by the end of 2025 is through our endorsement of the World Bank's Zero Routine Flaring by 2030 (ZRF) Initiative, so our reporting on this metric is guided by the World Bank's Global Gas Flaring Reduction Partnership (GGFR). Firstly, this commitment applies to associated gas flaring from oil production operations. Hess has elected, however, to apply the GGFR definitions across all of our operations, including our gas production operations in North Malay Basin and at midstream facilities in North Dakota. Additionally, the GGFR defines routine flaring as "flaring that occurs during the normal production of oil, and in the absence of sufficient facilities to utilize the gas onsite, dispatch it to a market or reinject it." Nonroutine flaring events will still occur past 2025. These can include flaring from initial well flowback, process upsets, unavailability of equipment or natural gas handling infrastructure and malfunctions. Based on these definitions, in 2022, around 29% or 7.9 MMscfd of our total flaring (27.3 MMscfd) was routine, 58% was nonroutine and 13% was safety flaring. All of our routine flaring was limited to our North Dakota production operations - no routine flaring occurred at our offshore facilities in the Gulf of Mexico, offshore in North Malay Basin, or at Hess Midstream facilities in 2022.

Plan for achieving target, and progress made to the end of the reporting year

To support the achievement of our flaring related commitments, and in partnership with Hess Midstream, we continue to focus on the buildout of gas infrastructure in the Bakken while at the same time adjusting our operating practices and facility design to reduce flaring.

List the actions which contributed most to achieving this target

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	4	273,915
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Waste reduction and material circularity

Waste reduction

Estimated annual CO2e savings (metric tonnes CO2e)

212,706

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

10,840,500

Investment required (unit currency – as specified in C0.4)

90,000,000

Payback period

>25 years

Estimated lifetime of the initiative

>30 years

Comment

As part of Hess' climate change strategy, we will continue to take steps to monitor, measure and reduce emissions through applying innovation and efficiency to reduce energy use, waste and eliminate emissions across our operations. Our flare reduction strategy is a key component of this program because it provides us with an opportunity to increase our supply of natural gas to the marketplace where natural gas can serve as a bridging fuel in a transition to a lower carbon economy, generate revenue and it enables us to reduce greenhouse gas emissions. Primarily through infrastructure investments by Hess Midstream, during 2022 we reduced flaring from 32.7 MMscfd in 2021 to 27.3 MMscfd in 2022 or by 5.4 MMscfd. Based on an average 2022 U.S. onshore natural gas price of $5.50 per thousand cubic foot (MCF) found in Hess' 2022 SEC 10-K, the estimated market value of the amount of wellhead gas and natural gas liquids that was captured instead flared approximated $10.8 million (32.7-27.3=5.4 MMscfd x 365 x $5.50 per MCF = $10.8 million). This 5.4 MMscfd reduction in flaring reduced GHG emissions by 212,706 tonnes in 2022 vs. 2021. Hess Midstream's $3.6 billion gross investment in North Dakota to build out natural gas infrastructure over the past 10 years when annualized over an estimated 40 year field life approximates $90 million per year.

Initiative category & Initiative type

Low-carbon energy consumption
Wind

Estimated annual CO2e savings (metric tonnes CO2e)

47,664

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

1,607,775

Payback period

No payback

Estimated lifetime of the initiative

1-2 years

Comment

Part of Hess' climate-related strategy is to purchase renewable energy certificates (RECs) to offset 100% of the emissions related to purchased electricity. As an outgrowth of our scenario analysis, we established a taskforce comprised on nine senior

executives from multiple functions throughout the company to assess and make recommendations with respect to climate change mitigation strategies and emissions reduction technologies and opportunities. Since the teams formation, the results of scenario analysis have been used to directly inform our business objectives and strategy. In the interim, while we pursue longer range opportunities, the committee was tasked with purchasing 100% REC's annually to offset 100% of the company's purchased electricity requirements. In the short-term, we expect this action to help result in enhancing Hess' ESG reputation in the marketplace. In 2022, we purchased 960,819 REC's which offset 100% of our purchased electricity. Last year, we purchased 869,928 REC's, so the net increase of 90,891 incremental REC's in 2022 enabled us to offset an additional 47,664 tonnes of Scope 2 GHG emissions. The cost of the 960,819 REC purchases in 2022 was $1,607,775.

Initiative category & Initiative type

Energy efficiency in production processes
Fuel switch

Estimated annual CO2e savings (metric tonnes CO2e)

11,693

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

19,000,000

Investment required (unit currency – as specified in C0.4)

48,000,000

Payback period

<1 year

Estimated lifetime of the initiative

3-5 years

Comment

To manage the opportunities presented by energy efficiency, we are using flexible pipe to transport freshwater, produced water and oil to many of our North Dakota drilling/production sites rather than trucking water and oil to these locations. In 2022, we transported 32.9 million barrels, collectively, of fresh water, produced water and oil via pipe instead of via truck thereby eliminating 31,276 tonnes of CO2e emissions previously resulting from truck deliveries. In 2021, the transport of 20.6 million barrels, collectively, of fresh water, produced water and oil via pipe, thereby eliminating 19,583 tonnes of CO2e emissions previously resulting from truck deliveries. On an incremental

basis, we reduced CO2e emissions by 11,693 tonnes in 2022 versus 2021. The annual monetary investment and savings are calculated as follows: In 2022, we transported 32.9 million barrels via pipe at an average cost of $1.47 per barrel, thereby costing $48 million in transportation costs. In 2022, transporting those 32.9 million barrels via truck would have cost $2.05 per barrel, resulting in an overall cost avoidance of $67 million. As a result, we saved $19 million ((32.9 million bbls. x 2.05/bbl for truck = $67,473,000) - (32.9 million bbls. x $1.47/bbl = $48,379,000 for transport via pipe)). Resulting savings were ($67 million - $48 million = $19 million).

Initiative category & Initiative type

Energy efficiency in production processes
Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

1,852

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

3-5 years

Comment

In 2022, we collaborated with Digital Stream Energy to take natural gas from a wellsite that would otherwise be flared to generate electricity. The electricity generated is used to power computer servers. The natural gas consumed by DSE in 2022 was 106.2 MMscf compared to 87.6 MMscf in 2021, for an incremental increased of 18.6 MMscf. DSE gets the gas from Hess at no cost and turns it into electricity that is used to power computer servers. Through these efforts, Hess gets the benefit of 1,852 tonnes of CO2e emissions reductions.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal price on carbon	Capital projects which meet investment hurdles and are approved by key stakeholders that result in energy efficiency and emissions reductions activities.
Internal price on carbon	We use this when we evaluate new projects to ensure that they are financial viability.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify

Natural gas considered as a bridging fuel

Type of product(s) or service(s)

Heat

Other, please specify

Natural gas used as bridging fuel to displace coal

Description of product(s) or service(s)

We consider natural gas, which typically has about half the GHG emissions of coal in electricity generation, as a bridging fuel as customers transition to a lower carbon economy. The April, 2021, Complementary European Union Delegated Act recognizes natural gas as a transition fuel in decarbonization, stating that it will continue to play an important role in terms of energy consumption and generation until 2030.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

10

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other

Other, please specify

Gas capture, storage and utilization to reduce CO2e emissions

Description of product(s) or service(s)

Our climate change strategy includes continuing to take cost-effective, appropriate steps to monitor, measure and reduce emissions through applying innovation and efficiency to reduce energy use, waste and emissions across our operations. We also believe it can be appropriate to use reasonable efforts to extend that strategy across our non-operated joint ventures. As a result we, along with our JV partners, invested in a system to reinject the associated gas from oil production for storage to minimize flaring from these oil fields. At our Guyana JV asset, the Liza Phase 2 project design eliminates routine flaring by using produced gas to power the FPSO and by reinjecting gas into the reservoir to conserve the gas and to improve oil recovery, thereby reducing emissions compared with traditional methods. As a pure play E&P company, based on our scenario analysis, Hess includes all oil & gas assets producible at an acceptable rate of return (i.e., not stranded) under the IEA's APS (less than 2 degree scenario) in our low carbon transition plan. According to a study by Wood Mackenzie, Guyana is one of the highest margin, lowest carbon intensity, highest growth oil developments globally. As a

result, we are categorizing the 2022 revenue from the oil produced at our Guyana asset as a component of our low carbon transition plan.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

23

C-OG4.6

(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.

Natural gas continues to play a critical role in the transition to a low carbon economy. However, there remains debate about the role that methane- the primary constituent of natural gas - and fugitive methane leakage along the natural gas value chain may have in reducing this fuel's climate benefits. Hess, along with our trade associations and many others in the oil and gas industry, has been focused on identifying strategies to add transparency around methane emissions reporting and address methane leakage, which are both key to realizing the benefits of natural gas as a transition fuel.

Hess supports the Global Methane Pledge to reduce methane emissions by 30% below 2020 levels by 2030, which was announced by the U.S. and European Union at the 26th United Nations Climate Change Conference of the Parties (COP 26) in Glasgow, Scotland. We have

established our own methane emissions intensity target as part of our short term climate strategy, and are also a founding member of both the ONE Future Coalition, a group of companies from the natural gas industry focused on reducing methane emissions across the value chain, and The Environmental Partnership, which aims to progress actions to reduce air emissions associated with natural gas and oil production. We believe that performance based programs such as ONE Future and The Environmental Partnership, together with individual companies' methane emissions reduction targets, are effective at achieving voluntary reductions of methane emissions in the oil and gas industry. Hess supports the enactment of cost effective direct methane regulations that would preserve a state's ability to adapt implementation to local conditions, and we welcome continued engagement with the U.S. government to help develop a methane rule that encourages significant methane emissions reductions while also providing producers with the flexibility needed to continue supplying reliable and affordable energy to consumers.

Situation: Hess became one of the founding members of ONE Future, a coalition of companies from across the natural gas industry focused on identifying policy and technical solutions that yield continuous improvement in the management of methane emissions associated with the production, processing, transmission and distribution of natural gas. Task: If adopted widely, ONE Future's system of emissions management could lower total methane emissions to less than 1% of gross production - the point at which the use of natural gas for any purpose provides clear and immediate greenhouse gas reduction benefits compared to any other conventional fossil fuel. Action: To achieve its goal, ONE Future has established 2025 methane emission rate targets for each sector of the natural gas value chain: production (0.28%); gathering and boosting (0.08%); processing (0.11%); transmission and storage (0.30%) and distribution (0.22%), which cumulatively total to the 1% target. Hess and Hess Midstream have activities in three sectors, production, gathering and boosting and processing. Result: In 2022, Hess' methane emissions rate for production was 0.19%, our emissions rate from gathering and boosting was 0.13% and our emissions rate from processing was 0.07%. Our combined methane emissions rate from the production, gathering, boosting, and processing sectors was 0.39%, which is well below the 2025 combined target of 0.47% for those three sectors.

In 2021, Hess set a target to reduce operated methane emissions intensity to 0.19% by 2025, which equates to an over 50% reduction in methane emissions intensity versus our 2017 baseline. As of year end 2022, we have achieved a methane intensity rate of 0.15%, surpassing our 2025 target. This result can be attributed to our continued efforts to reduce methane emissions, which include increasing natural gas capture, reducing flaring, continuing our leak detection and repair (LDAR) program, and replacing and retrofitting the remaining high bleed pneumatic controllers in our North Dakota operations. The intensity rate is also a product of the significant strides we've made in updating our methane emissions estimation process, which are intended to keep us aligned with industry standards and help us to adjust to evolving stakeholder expectations. While we aim to maintain this performance in support of our year end 2025 target, we recognize that significant changes are imminent due to the introduction of new measurement, reporting and verification (MRV) frameworks and protocols. Therefore, we do not believe it would be appropriate to adjust our 2025 methane intensity reduction target until we understand the full implications of MRV related changes to our inventory.

C-OG4.7

(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Yes

C-OG4.7a

(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

Situation: In order to meet both our ONE Future and Environmental Partnership commitments, we continued implementation of our leak detection and repair (LDAR) program for Natural Gas and Oil Production sources in North Dakota. Based on our U.S. methane emissions, the scope of this program includes 100% of our total on-shore operated methane assets. Task: The protocol includes: a monthly audible, visual and olfactory inspection of equipment with the potential to leak and semi-annual optical gas imaging, which is performed by our field assurance personnel who are certified in the use of infra-red thermal cameras and other monitoring techniques to detect fugitive emissions. Action: For example, we apply this protocol at our North Dakota production operations where in 2022 we conducted 718 semiannual surveys at 391 sites and surveyed approximately 2.25 million devices and components, where we found only 0.05% to be leaking. Result: Approximately 61% of those components with leaks were immediately repaired and over 93% of all component leaks were repaired within 30 days. In 2022, the cost of implementing this program across all of our U.S. operations was approximately $1.9 million, which resulted in 22,700 Mscf of recovered gas for the year at an average repair cost of 84.10 per Mcf (approximately 17x average commodity cost of gas in 2022). Our LDAR program which began in 2017, is conducted every year with semi-annual optical gas imaging performed by field assured personnel using infra-red cameras. This LDAR program is one component of a business strategy focused on voluntarily reducing methane emissions. Looking ahead, in addition to continuing with our LDAR program, we are partnering with Satelytics, a geospatial analytics software company, to obtain satellite remote sensing data- with the capability of identifying super emitting events (greater than 100 kilograms of methane emissions per hour)- across all of our Bakken facilities. Piloted 2018-2022, initiated monthly service in 2023. In addition, we are also piloting drone detection technology, fixed fence line sensors and fixed infrared cameras within the Bakken region. These measures, together with the steps we are taking to reduce flaring in North Dakota, aim to help further reduce our fugitive methane emissions.

C-OG4.8

(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

Flare reduction is a key component of Hess's climate related strategy because it provides us with an opportunity to increases our supply of natural gas to the marketplace where natural gas can serve as a bridging fuel in a transition to a lower carbon environment and reduces greenhouse gas emissions. Because reducing flaring across our operations is a major component of Hess's emissions reduction strategy, Hess has set a 2025 target to achieve zero routine flaring across all of our operated facilities. We have reduced our flaring in the Bakken region of North Dakota from 68 MMSCFD in 2019 to 25 MMSCFD in 2021 or by 64% and eliminated over 1.4 million tonnes of GHG emissions in support of our 2025 zero routine flaring target. Hess has committed to achieve zero routine flaring from our operated assets by the end of 2025 through our endorsement of the World Bank's Global Gas Flaring Reduction Partnership(GGFR). We plan to achieve this commitment five years ahead of the 2030 GGFR deadline. In further support of this target, we set a 2022 Annual Incentive Plan (AIP) target tied to all employees compensation to reduce our Bakken North Dakota operations routine flaring rate to 5% and achieved that goal. For 2023, we have set a 3% routine flaring rate target as part of our AIP target and by year-end 2025, we plan to achieve our 0% routine flaring target. Hess views this as a substantive business decision. Our primary focus on flaring reduction is related to increased capture of natural gas through increased availability and reliability at our compressor stations; aggressive expansion of gathering and processing infrastructure; enhanced communication with third party gatherers; and improved planning of new wells to prioritize gathering of new natural gas production. More than $3.6 billion gross has been spent by Hess Midstream on infrastructure in North Dakota over the past 10 years, supporting our strong performance over the past several years. Hess Midstream is continuing to execute significant capital projects to increase natural gas capture rates, which provide economic returns through the sale of the additional natural gas and NGLs captured.

In the summer of 2021, Hess Midstream conducted a successful and safe turnaround of the Tioga Gas Plant. The maintenance activities completed during the turnaround are expected to help maintain a safe and reliable plant. The turnaround, along with an expansion project that was competed in 2020, increased processing capacity from 250 to 400 MMSCFD. These improvements in capacity at TGP are complemented by the Little Missouri 4 gas plant, operated by Targa Resources, which came online in 2019 and can process 200 MMSCFD of natural gas. Hess Midstream also installed an additional 14 MMSCFD of capacity at the new Blue Buttes Compressor Station in the second quarter of 2021, which has further expanded our ability to bring more natural gas to market. Hess Midstream added a further 85 MMSCFD natural gas compression and gathering capacity in 2022.. These improvements will help us continue to reduce flaring and help us meet our 2025 zero routine flaring target. In addition to infrastructure buildout, we have continued to improve compressor station reliability. We have reduced compressor trips and routine downtime issues and as a result we have reduced our flaring by an additional 56 thousand tonnes of CO2e per year. We have also enhanced our relationships and lines of communication with third party gas gatherers to further reduce downtime and bottlenecks. We estimate that these enhancements helped to reduced flaring by

2 MMSCFD , equivalent to a reduction of approximately an additional 63,000 tonnes of CO2e per year

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, a divestment

Name of organization(s) acquired, divested from, or merged with

Denmark Operation

Details of structural change(s), including completion dates

The Denmark operation was sold in 2021 and Hess operated this asset through August of 2021. In 2021, GHG emissions for this asset totaled 153,921 tonnes which were included in our 2021 actual results. In 2022, there were no emissions for this asset. Anywhere we calculate intensity reduction numbers we have removed Denmark operations from our 2017 baseline to be consistent with our 2025 target setting methodology.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	We continuously look for opportunities to improve our GHG data collection efforts and calculation methodologies, and have made a number of restatements in our performance data, mainly with respect to our methane inventory, including the following: -Improved the calculation methodology for our fugitive emissions

		estimates for our Gulf of Mexico facilities. We are now using equipment specific component count estimates, consistent with our regulatory reporting. This change will be applied to our inventory back to the 2017 baseline, -We are now using actual leak rate measurements as the basis of our fugitive methane estimates at our North Malay Basin facilities. This change will apply to 2022 data and beyond. -We are now using LDAR emissions factors for all of our North Dakota facilities, not just those where LDAR was required by regulation. This change will apply to 2022 data and beyond. -Adopted new methane slip emissions factors (from the 2021 API GHG Compendium) for our gas fired internal combustion sources. This change will be applied to our inventory back to 2017 baseline. -We have included estimated methane volumes from reported gas releases incidents. We have collated incident related gas releases back to 2017. Also for completeness, we have included certain emissions sources previously designated as not material to our overall emissions profile, including electricity use emissions from our Solar gas cavern in Minnesota. We also continue to fine-tune the activity data used for our emissions calculations. The overall impact of these historical data changes are not material at the consolidated company level; i.e., less than 1% impact on our overall GHG emissions baseline (our GHG Protocol has a 5% threshold for a baseline restatement for changes in methodology). However, since we have also established a methane intensity reduction target and these restatements result in slightly over a 5% impact on our methane baseline, we have decided to incorporate these changes into our 2017 GHG baseline. Hess is fully committed to achieving our original 2025 GHG intensity and methane intensity reduction goals and therefore no change is planned for those targets.

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 1	Hess's current base year for target setting is 2017. Hess has established two 2025	Yes

			intensity reduction targets; a target to reduce the GHG intensity of our operated assets to 17 kilograms carbon-dioxide equivalent per BOE by the end of 2025 and a target to reduce methane emissions intensity of our operated assets to 0.19% by the end of 2025. As stated above in C5.1b, we have made several changes in our methodology and data improvements, primarily related to methane emissions. The Hess GHG Protocol states that we will restate our base year emissions when changes in emissions that result from changes in methodology and data improvement result in a 5% or greater change in Hess' GHG inventory base year emissions. The methodology and data changes that we made result in less than a 1% change in our 2017 GHG emissions baseline which would not precipitate a change in our baseline for GHG target setting. However, since we also have a methane intensity reduction target and the data changes result in having a 5.4% impact in increasing our methane emissions in 2017, we have decided to restate our 2017 GHG emissions baseline since it has a more material impact on our methane target.	

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2017

Base year end

December 31, 2017

Base year emissions (metric tons CO2e)

2,422,944

Comment

Our original 2017 Scope 1 baseline was 2,410, 427 which has been adjusted to 2,422,944 for the impact of the methodology and data changes related to our 2017 methane emissions.

Scope 2 (location-based)

Base year start

January 1, 2017

Base year end

December 31, 2017

Base year emissions (metric tons CO2e)

330,707

Comment

No change in Scope 2 location baseline for these methodology and data changes which only impacted Scope 1 emissions in 2017.

Scope 2 (market-based)

Base year start

January 1, 2017

Base year end

December 31, 2017

Base year emissions (metric tons CO2e)

295,661

Comment

No change in Scope 2 market baseline for these methodology and data changes which only impacted Scope 1 emissions in 2017.

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Purchased goods and services. The Purchased goods and services category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Capital goods. The Capital goods category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Fuel-and-energy-related activities. The Fuel-and-energy-related activities category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Upstream transportation and distribution. The Upstream transportation and distribution category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Waste generated in operations. The Waste generated in operations category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3 category 6: Business travel

Base year start

January 1, 2017

Base year end

December 31, 2017

Base year emissions (metric tons CO2e)

4,600

Comment

For Business travel, our Scope 3 emissions baseline year is 2017 and we do not have a Scope 3 Business travel emissions reduction target. The Business travel category does not meet Hess' 5% materiality threshold; however, since a component of our climate-related strategy is to purchase carbon offsets to offset 100% of all employee business travel, we report this category of Scope 3 emissions for the current reporting year.

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Employee commuting. The Employee commuting category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Upstream leased assets. The Upstream leased assets category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Downstream transportation and distribution. The Downstream transportation and distribution category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions..

Scope 3 category 10: Processing of sold products

Base year start

January 1, 2017

Base year end

December 31, 2017

Base year emissions (metric tons CO2e)

1,813,028

Comment

For Processing of sold products, our Scope 3 emissions baseline year is 2017 and we do not have an emissions reduction target for Processing of sold products. We report Processing of sold products Scope 3 emissions for the current reporting year.

Scope 3 category 11: Use of sold products

Base year start

January 1, 2017

Base year end

December 31, 2017

Base year emissions (metric tons CO2e)

41,846,423

Comment

For Use of sold products, our Scope 3 emissions baseline year is 2017 and we do not have a Use of sold products emissions reduction target. We report Use of sold products Scope 3 emissions for the current reporting year.

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for End of life treatment of sold products. The End of life treatment of sold products does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Downstream leased assets. The Downstream leased assets category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Franchises. Hess does not have any Franchises. As a result, we have determined that the Franchise category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Investments. The Investments category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Other (upstream). All Hess Operated Upstream assets that meet the 5% materiality threshold have been included in the Use of Sold Products and Processing of Sold Products categories for the reporting year. As a result, the Other (upstream) category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

We do not have a Scope 3 emissions baseline or emissions reduction target for Other (downstream). Hess does not have any downstream operations. As a result, we have determined that the Other (downstream) category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess' Scope 3 emissions.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2nd edition, 2011
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
US EPA Mandatory Greenhouse Gas Reporting Rule

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

2,231,000

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

435,933

Scope 2, market-based (if applicable)

0

Comment

A component of Hess's climate-related strategy is a target to purchase renewable energy certificates (REC's) to offset 100% of our Scope 2 purchased electricity requirements. In 2022, we purchased 960819 RECs to meet this objective.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only

has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Purchased goods and services category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor

over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Capital goods category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Fuel-and-energy-related activities category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Upstream transportation and distribution category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In

previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Waste generated in operations category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Business travel

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,408

Emissions calculation methodology

Other, please specify

We calculate the CO2e emissions in accordance with the US EPA Climate Leaders GHG Inventory Protocol, Table 7 Business Travel Emissions Factors. GWPs used for CO2, CH4 and N2O were 1, 25, and 298, respectively.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The reporting boundary for this Scope 3 category is operational control. We utilize our travel agency's records which include the number of short, medium and long haul flights flown, as well as rental car miles driven. While the GHG emissions associated with business travel are below our 5% materiality threshold, we are reporting these emissions because a component of our climate change strategy is to offset 100% of emissions associated with employee business travel with carbon credits. In 2022, we purchased 1408 carbon credits to offset all of our business travel.

Employee commuting

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Employee commuting category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where

we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Upstream leased assets category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and

related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Downstream transportation and distribution category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Processing of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,664,035

Emissions calculation methodology

Other, please specify

Hess uses GHG emissions factors multiplied by the quantity of crude oil produced.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved

methodology resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

46,580,153

Emissions calculation methodology

Other, please specify

We report Scope 3 category 11 emissions by calculating combustion emissions for our oil, natural gas and marketed products based on specified emissions factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The End of life treatment of sold products category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production

company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Downstream leased assets category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the

accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. Hess has no franchises. As a result, the Franchises category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Investments category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Other (upstream) category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

To estimate our Scope 3 emissions, we follow the methodology established by IPIECA in its 2016 report Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions. This guidance, which is currently the industry standard, is based on the World Resources Institute's and World Business Council for Sustainable Development's Scope 3 guidance. In 2014, Hess completed divestment of all downstream (refining, terminals and retail) operations and became a pure play exploration and production company as that term is defined by section 1.1.1 of API's Guidance Document for GHG reporting. Hess uses a 5% of Scope 3 emissions (48.2 million tonnes in 2022) as a

materiality threshold for reporting. Therefore, our 2022 materiality threshold is 2.4 million tonnes CO2e. Per the guidance and the Hess materiality threshold, Hess only has one material Scope 3 category in 2022: Category 11 "Use of Sold Products" where we calculate combustion emissions for our oil, natural gas and marketed oil products. In previous years, the Category 10 "Processing of Sold Products" exceeded our materiality threshold but it did not in 2022. Despite the fact that it is less than our materiality threshold in 2022, we have decided to continue reporting Category 10 to provide additional information about our total Scope 3 emissions. The refining of our crude oil products by others can be an energy intensive process but has made significant energy efficiency improvements over the past several years. In 2021, we enhanced the accuracy of our Scope 3 emissions calculations. For Category 11, we previously assumed all liquids sold were crude oil. We now account for our two separate liquid products - crude oil and natural gas liquids (NGL)-by using separate emissions factors for each product. For Category 10, where we previously applied a single GHG factor over time, we now use annual factors that take into account the improving efficiency and related emissions reductions at U.S. refineries between 2017 and 2021. This improved methodology has resulted in Hess' Scope 3 emissions totals being lowered by approximately 4 million tonnes of CO2e each year between 2017 and 2020. The Other (downstream) category does not meet Hess' 5% materiality threshold and is therefore not relevant to calculating Hess's Scope 3 emissions.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000197015

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2,231,000

Metric denominator

unit total revenue

Metric denominator: Unit total

11,324,000,000

Scope 2 figure used
Market-based

% change from previous year
37

Direction of change
Decreased

Reason(s) for change
Change in revenue

Please explain
Intensity per USD decreased because of significantly higher price for crude oil and natural gas in 2022

Intensity figure
0.0185

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
2,231,000

Metric denominator
barrel of oil equivalent (BOE)

Metric denominator: Unit total
120,591,000

Scope 2 figure used
Market-based

% change from previous year
3

Direction of change
Increased

Reason(s) for change
Change in output

Please explain
Lower CO2e emissions in 2022 primarily related to lower natural gas flaring in North Dakota offset by a 7% decline in production volumes for 2022 versus 2021.

C-OG6.12

(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO2e) per unit of hydrocarbon category.

Unit of hydrocarbon category (denominator)

Other, please specify

thousand barrels of crude oil equivalent

Metric tons CO2e from hydrocarbon category per unit specified

18.5

% change from previous year

3

Direction of change

Increased

Reason for change

Lower GHG emissions in 2022 related to lower natural gas flaring offset by a 7% decline in production volumes in 2022 vs. 2021.

Comment

Over $3.6 billion gross has been spent in infrastructure in North Dakota by Hess Midstream over the past ten years. Hess has set a 2025 target to achieve zero routine flaring for all operated facilities.

C-OG6.13

(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Oil and gas business division

Upstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0.15

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.05

Details of methodology

In 2021, Hess set a target to reduce operated methane emissions intensity to 0.19% by 2025, which equates to more than a 50% reduction in methane intensity versus our 2017 baseline. As of year end 2022, we have achieved a methane intensity rate of 0.15%, surpassing our 2025 target. Our calculation methodology is based on 357 MMscf of methane emissions emitted in 2022 from our operations divided by natural gas sales of 232,497 mmscf x100 = 0.15%. In terms of methane expresses as a % of total

hydrocarbon production, the calculation is based on 357 MMscf of methane emissions emitted in 2022 divided by operated total hydrocarbon production of 120,592 Mboe x 6 mcf/boe = 357 MMscf/723,549 MMscf = 0.05%.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	2,058,320	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	171,410	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	1,270	IPCC Fourth Assessment Report (AR4 - 100 year)

C-OG7.1b

(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Emissions category

Flaring

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

765,610

Gross Scope 1 methane emissions (metric tons CH4)

1,764

Total gross Scope 1 emissions (metric tons CO2e)
810,036

Comment

Emissions category
Flaring

Value chain
Upstream

Product
Gas

Gross Scope 1 CO2 emissions (metric tons CO2)
33,290

Gross Scope 1 methane emissions (metric tons CH4)
1,073

Total gross Scope 1 emissions (metric tons CO2e)
59,851

Comment

Emissions category
Flaring

Value chain
Midstream

Product

Gross Scope 1 CO2 emissions (metric tons CO2)
92,546

Gross Scope 1 methane emissions (metric tons CH4)
309

Total gross Scope 1 emissions (metric tons CO2e)
100,306

Comment

Emissions category
Combustion (excluding flaring)

Value chain
Upstream

Product
Oil

Gross Scope 1 CO2 emissions (metric tons CO2)
557,010

Gross Scope 1 methane emissions (metric tons CH4)
304

Total gross Scope 1 emissions (metric tons CO2e)
565,246

Comment

Emissions category
Combustion (excluding flaring)

Value chain
Upstream

Product
Gas

Gross Scope 1 CO2 emissions (metric tons CO2)
341,504

Gross Scope 1 methane emissions (metric tons CH4)
9

Total gross Scope 1 emissions (metric tons CO2e)
342,118

Comment

Emissions category
Combustion (excluding flaring)

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

230,098

Gross Scope 1 methane emissions (metric tons CH4)

5

Total gross Scope 1 emissions (metric tons CO2e)

230,345

Comment

Emissions category

Fugitives

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

56

Gross Scope 1 methane emissions (metric tons CH4)

1,893

Total gross Scope 1 emissions (metric tons CO2e)

47,384

Comment

Emissions category

Fugitives

Value chain

Upstream
Other (please specify)

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

0.19

Total gross Scope 1 emissions (metric tons CO2e)

5

Comment

Emissions category

Fugitives

Value chain

Midstream

Other (please specify)

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

38,206

Gross Scope 1 methane emissions (metric tons CH4)

1,500

Total gross Scope 1 emissions (metric tons CO2e)

75,709

Comment

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
United States of America	1,829,026
Malaysia	401,975

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
North Malay Basin	401,974	7.013	103.214
Garden Banks 260 A (Baldpate)	116,220	27.735	91.895
North Dakota Production	1,059,037	48.286	102.917
Tioga Gas Plant	222,009	48.286	102.917
North Dakota Gathering	183,332	48.286	102.917
Mississippi Canyon 724 A Gulf Star -1 (Tubular Bells)	118,799	28.294	88.875
Green Canyon 468 A (Stampede)	128,609	27.3	90.33
Tioga Rail Terminal	1,020	48.286	102.917

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Oil and gas production activities (upstream)	1,824,640	
Oil and gas production activities (midstream)	406,360	
Oil and gas production activities (downstream)	0	

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	435,556	0
Malaysia	377	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By facility

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
North Dakota Production	143,219	0
Tioga Gas Plant	125,374	0
Tioga Gas Gathering	160,093	0
Tioga Rail Terminal	1,180	0
Corporate - Houston office	5,576	0
NMB Office	377	0
Mentor	114	0

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Oil and gas production activities (upstream)	149,172	0	
Oil and gas production activities (midstream)	286,761	0	

Oil and gas production activities (downstream)			

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	In 2022, Hess purchased 960,819 RECS to meet our target to source 100% of purchased electricity requirements from renewable sources. In 2021, we purchased 869,928 RECs to meet our 2021 target to source 100% of purchased electricity requirements from renewable sources. As a result, our net increase of 90,891 RECs resulted in an increase in the amount of incremental GHG emissions we needed to offset increased Scope 2 electricity usage of 47,664 tonnes. The calculation is as follows: 2021 = 869,928 RECs x .446323 (2021 electricity C02e factor in C02e Tonnes/Mw-hr) = 388,269 tonnes. 2022= 960,819 RECs x .4537098 (2022 electricity CO2e factor in CO2e Tonnes/Mw-hr) = 435,933 tonnes. Incremental CO2e = 435,933-388,269= 47,664 tonnes. However, since we have an annual commitment to offset 100% of our Scope 2 electricity usage and we are using a Market based approach to calculate year over year emissions changes, we purchased an additional 90,891 RECs to offset the 47,664 tonnes

				of additional CO2e emissions due to increased electricity usage.
Other emissions reduction activities	226,251	Decreased	0.092	Emissions reductions attributable to Other emissions reduction activities are 226,251 tonnes, which equates to 9.2% of 2021 market-based emissions of 2,470,702. The CO2e savings results from three emissions reduction projects. The first project is related to natural gas flaring. In 2021, we generated 32.7 MMscfd of flaring which resulted in 1,159,749 tonnes of CO2e emissions. In 2022, we generated 27.3 MMscfd of flaring which resulted in 947,043 tonnes of CO2e emissions. The incremental emissions reductions due to flaring were 212,706 tonnes of CO2e.. The second project resulted from our collaboration with Digital Stream Energy (DSE) to take natural gas from a wellsite that would have otherwise been flared to generate electricity. In 2021, we captured 87.6 MMscf of natural gas for electricity generation which resulted in reducing CO2e emission by 8723 tonnnes. In 2022, we captured 106.2 MMscf of natural gas for electricity generation which resulted in reducing CO2e emissions by 10,575 tonnes. The incremental emissions reductions due to DSE electrification were 1,852 tonnes of CO2e. The third project resulted from reducing CO2e emissions by transporting oil, freshwater and produced water via pipe versus truck thereby eliminating truck deliveries and related CO2e emissions. In 2021, we transported 20.6 million barrels of freshwater, produced water and oil via pipe vs. truck thereby eliminating 19,583 tonnes of CO2e emissions. In 2022, we transported 32.9 million barrels of freshwater, produced water and oil via pipe versus truck, thereby eliminating 31,276 tonnes of CO2e emissions. The

				incremental emissions reductions due to transport via pipe vs. truck were 11,693 tonnes of CO2e. To summarize, the three projects reduced CO2e emissions of 212,706+1,852+11 ,693 = 226,251. Emissions value= 2022 other emissions reduction activities/ 2021 market based emissions x100 = (226,251/2,470,702)x 100 = 9.2%.
Divestment	153,921	Decreased	0.062	In August 2021, we sold our Denmark asset which generated 153,921 tonnes of GHG emissions in 2021. Calculation = (153,921/2,470,702 (Denmark emissions/Market based 2021 GHG emissions)x100=6.2%)
Acquisitions				
Mergers				
Change in output	140,470	Increased	0.057	This change in output results primarily from an increase from 2 drilling rigs in 2021 to 4 drilling rigs in 2022 in ND resulting in an increase in diesel fuel combustion. Calculation = (140,470/2,470,702 (Change in Output/2021 market based emissions)x100=5.7%.
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	5,243,654	5,243,654
Consumption of purchased or acquired electricity		2,483,865	0	2,483,865
Total energy consumption		2,483,865	5,243,654	7,727,518

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

Oil

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

4,138,127

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

1,105,527

Comment

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
5,243,654

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption
United States of America

Sourcing method
Other, please specify
Unburned energy attribute certificates, Renewable Energy Certificates (RECs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
960,198

Tracking instrument used
US-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2022

Comment

Hess purchased 960,198 RECs which represent the MWh purchased from utilities. The utilities used 2,482,260 MWh of fuel to provide Hess with 960,198 MWh of electricity.

Country/area of low-carbon energy consumption
Malaysia

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
621

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Malaysia

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2022

Comment
Hess purchased 621 IRECs which represent the MWh purchased from utilities. The utilities used 1,605 MWh of fuel to provide Hess with 621 MWh of electricity.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
United States of America

Consumption of purchased electricity (MWh)
960,198

Consumption of self-generated electricity (MWh)
0

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

960,198

Country/area
Malaysia

Consumption of purchased electricity (MWh)
621

Consumption of self-generated electricity (MWh)
0

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

621

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-OG9.2a

(C-OG9.2a) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).

	In-year net production	Comment
Crude oil and condensate, million barrels	71	From 10K
Natural gas liquids, million barrels	20	From 10K
Oil sands, million barrels (includes bitumen and synthetic crude)		
Natural gas, billion cubic feet	208	From 10K

C-OG9.2b

(C-OG9.2b) Explain which listing requirements or other methodologies you use to report reserves data. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries/areas, please explain this.

Proved reserves – In accordance with Securities and Exchange Commission regulations and practices recognized in the publication of the Society of Petroleum Engineers entitled, "Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information," those quantities of crude oil and condensate, NGLs and natural gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.
We cannot provide data for 2P and 3P reserves because this information is highly speculative in nature and might lead to misleading conclusions by investors and the company considers this information confidential.

C-OG9.2c

(C-OG9.2c) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.

	Estimated total net proved + probable reserves (2P) (million BOE)	Estimated total net proved + probable + possible reserves (3P) (million BOE)	Estimated net total resource base (million BOE)	Comment
Row 1				We cannot provide this data for 2P and 3P reserves because this information is highly speculative in nature and might lead to misleading conclusions by investors and the company considers this information confidential.

C-OG9.2d

(C-OG9.2d) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.

	Net proved + probable reserves (2P) (%)	Net proved + probable + possible reserves (3P) (%)	Net total resource base (%)	Comment
Crude oil/ condensate/ natural gas liquids				We cannot provide this data for 2P and 3P reserves because this information is highly speculative in nature and might lead to misleading conclusions by investors and the company considers this information confidential.
Natural gas				We cannot provide this data for 2P and 3P reserves because this information is highly speculative in nature and might lead to misleading conclusions by investors and the company considers this information confidential.
Oil sands (includes bitumen and synthetic crude)				We cannot provide this data for 2P and 3P reserves because this information is highly speculative in nature and might lead to misleading conclusions by investors and the company considers this information confidential.

C-OG9.2e

(C-OG9.2e) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.

Development type

Onshore

In-year net production (%)

5

Net proved reserves (1P) (%)

0

Net proved + probable reserves (2P) (%)

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment

We cannot provide data for 2P and 3P reserves because this information is highly speculative in nature and might lead to misleading conclusions by investors and the company considers this information confidential.

Development type

Shallow-water

In-year net production (%)

18

Net proved reserves (1P) (%)

5

Net proved + probable reserves (2P) (%)

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment

We cannot provide data for 2P and 3P reserves because this information is highly speculative in nature and might lead to misleading conclusions by investors and the company considers this information confidential.

Development type

Deepwater

In-year net production (%)

32

Net proved reserves (1P) (%)

27

Net proved + probable reserves (2P) (%)

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment

We cannot provide data for 2P and 3P reserves because this information is highly speculative in nature and might lead to misleading conclusions by investors and the company considers this information confidential.

Development type

Tight/shale

In-year net production (%)

45

Net proved reserves (1P) (%)

68

Net proved + probable reserves (2P) (%)

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment

We cannot provide data for 2P and 3P reserves because this information is highly speculative in nature and might lead to misleading conclusions by investors and the company considers this information confidential.

C-OG9.5a/C-CO9.5a

(C-OG9.5a/C-CO9.5a) Break down, by fossil fuel expansion activity, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.

	CAPEX in the reporting year for this expansion activity (unit currency as selected in C0.4)	CAPEX in the reporting year for this expansion activity as % of total CAPEX in	CAPEX planned over the next 5 years for this expansion activity as % of total CAPEX planned	Explain your CAPEX calculations, including any assumptions

		the reporting year	over the next 5 years	
Exploration of new oil fields	208	7		Exploration expenses for oil assets per 10K; $208/$2953. We do not provide capital expenditure estimates beyond 2023 as we consider this information confidential
Exploration of new natural gas fields	0	0		
Expansion of existing oil fields	2,238	76		Development expenses for oil assets per 10K; $2238/2953. We do not provide capital expenditure estimates beyond 2023 as we consider this information confidential
Expansion of existing natural gas fields	507	17		Development expenses for gas assets per 10K; $507/$2953. We do not provide capital expenditure estimates beyond 2023 as we consider this information confidential

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	As an additional measure beyond our emission reduction efforts, which are currently focused on our Scope 1 & 2 emissions, we are pursuing ways to help mitigate climate change on a global scale. Hess has made a strong

		financial commitment to help fund the Salk Institute's Harnessing Plants Initiative. Salk's research is intended to be a bold scalable approach aimed at using plants to mitigate climate change. One track of Salk's research, the Harnessing Plants Initiative, is targeted at developing plants that can store more carbon and keep it in the soil longer. According to Salk, the key is suberin, a plant tissue with an affinity for carbon that is already found in roots. By increasing root mass, depth and suberin content, researchers aim to transform wheat, rice, corn and other crops capable of absorbing and storing significant amounts of carbon from the atmosphere. The fundamental discovery phase of this project is being conducted in a laboratory setting. From there, Salk aims to collaborate with governments and the agriculture industry to bring development of these specialized plants to a global scale by 2030, with the capability of absorbing and storing significant amounts of carbon per year from the atmosphere by 2035.

C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)	Average % of total R&D investment planned over the next 5 years	Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan
Other, please specify Nature based solutions	Applied research and development	100	2,500,000	100	As as pure play upstream E&P company with no downstream activities, our low carbon transition framework focuses on achieving net zero Scope 1 & 2 equity emissions by 2050. As an additional measure beyond our emissions reduction efforts, we are pursuing ways to help mitigate climate change on a global scale. In early 2023, we announced a $50 million donation

					over the next five years to the Salk Institute's Harnessing Plants Initiative (HPI) which aims to mitigate climate change by optimizing plants and supporting wetlands to increase capture of excess atmospheric carbon. These funds are in addition to Hess' prior commitments of $12.5 million to support Salk's HPI research and $3 million to establish the endowed Hess Cahir in Plant Science. Salk aims to collaborate with governments and the agriculture industry to bring development of these specialized plants to a global scale by 2030, with the capability of absorbing and storing significant amounts of carbon per year from the atmosphere by 2035. Note: This budget and spending is related to Scope 3 emissions reduction opportunities.
Advanced monitoring techniques	Pilot demonstration	11	2,176,000	15	We are committed to improving our methane emissions reporting to align with the newer technologies and reporting protocols that are becoming available. Along with many of our industry colleagues and interested

					stakeholders, we have invested significant time and resources to understand the limitations of our current methane inventories and to identify more accurate and cost effective ways to measure and reconcile our methane data. We are partnering with Satelytics, a geospatial analytics software company, to obtain satellite remote sensing data – with the capability of identifying super emitting events (greater than 100 kilograms of methane emissions per hour) – across all of our Bakken facilities. Piloted 2018–2022, initiated monthly service in 2023. Conducted pilot phase aerial surveys at Hess operated Gulf of Mexico facilities in 2022. Included in reporting beginning in 2022, we are piloting multiple technologies in the Bakken including Drone detection, Fixed Fence Line sensors and Fixed Infrared Cameras. Note: This R&D budget is related to our Scope 1 &2 emissions and is strictly R&D and does not include asset expenditure on

					Technology based emissions reduction projects.
Carbon capture, utilization, and storage (CCUS)	Applied research and development	1	115,000	50	Hess is exploring the technical viability of implementing CCS in our portfolio and working on understanding the scale and cost implications through various research projects. Because of the overlap in operational requirements, implementing CCS can be a natural translation of oil and gas skills. Focusing on technologies with adjacencies to our core competencies and complementary to our existing skill sets will help position us well to deliver high resource, low cost barrels while producing these barrels with a low emissions profile. Note: This R&D budget is related to our Scope 1 & 2 emissions and is strictly R&D and does not include asset expenditure on Technology based emissions reduction projects.

C-OG9.7

(C-OG9.7) Disclose the breakeven price (US$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid/ share buybacks.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

ERM CVS - Assurance Report for Hess_CDP Climate Change Questionnaire 2023_18 JULY 2023.pdf

Page/ section reference

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

Note: The third-party assurance statement is attached to this PDF and begins on PDF page 157

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

ERM CVS - Assurance Report for Hess_CDP Climate Change Questionnaire 2023_18 JULY 2023.pdf

Page/ section reference

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Note: The third-party assurance statement is attached to this PDF and begins on PDF page 157

Page/ section reference

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Processing of sold products

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

ERM CVS - Assurance Report for Hess_CDP Climate Change Questionnaire 2023_18 JULY 2023.pdf

Page/section reference

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Use of sold products

Verification or assurance cycle in place
Annual process

Status in the current reporting year

Note: The third-party assurance statement is attached to this PDF and begins on PDF page 157

Complete

Type of verification or assurance

Limited assurance

Attach the statement

ERM CVS - Assurance Report for Hess_CDP Climate Change Questionnaire 2023_18 JULY 2023.pdf

Page/section reference

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year emissions intensity figure	ISO14064-3	C6.1,C6.3,C6.5 [1]
C7. Emissions breakdown	Year on year change in emissions (Scope 1 and 2)	ISO14064-3	C7.1b,C7.2,C7.3b,C7.4,C7.5,C7.6,C7.7,C7.9a [1]

[1] ERM CVS - Assurance Report for Hess_CDP Climate Change Questionnaire 2023_18 JULY 2023.pdf

Note: The third-party assurance statement is attached to this PDF and begins on PDF page 157

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Shadow price

How the price is determined

Benchmarking against peers

Other, please specify

In addition to Hess using our own internal price of carbon of $50/tonne, we also evaluate all new investment opportunities using the IEA's latest carbon prices based on the Announced Pledges Scenario which range up to $200 per tonne.

Objective(s) for implementing this internal carbon price

Change internal behavior

Drive low-carbon investment

Identify and seize low-carbon opportunities

Stakeholder expectations

Stress test investments

Scope(s) covered

Scope 1

Scope 2

Pricing approach used – spatial variance

Uniform

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

When we evaluate new investment projects, we develop a base case scenario and then we apply a $50/tonne shadow price for the cost of carbon for each year across a projects expected life span, which represents a static price of carbon. However, in addition, we also evaluate new investment projects using the IEA's APS scenario carbon prices which change over time; i.e., for advanced economies- $135/tonne in 2030; $175/tonne in 2040 and $200/tonne in 2050 which allows for an evolutionary approach to carbon pricing.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

50

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

200

Business decision-making processes this internal carbon price is applied to

Capital expenditure

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for all decision-making processes

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

We use a carbon price of $50/tonne to evaluate all significant new investments, unless this investment is in a country that currently has carbon regulations. In that instance, we would use whatever price is in effect in that country. For example, Hess applied this shadow price of carbon when evaluating the Stampede project in the Gulf of Mexico in 2013 and the North Malay Basin project in Malaysia in 2016. The resulting outcome of applying this shadow price for carbon did not substantially impact the Net Present value of these projects and both were sanctioned. In early 2022, we amended our planning guidance to stress test all significant new investments based on the IEA's APS carbon pricing which currently ranges up to $200/tonne.

Type of internal carbon price

Shadow price

How the price is determined

Other, please specify

As part of our annual scenario planning exercise, we stress test Hess' portfolio of existing assets and intended forward investments against the 2022 IEA WEO's Stated Policy, Announced Pledges and Net Zero emissions scenarios carbon prices

Objective(s) for implementing this internal carbon price

Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Identify and seize low-carbon opportunities
Stakeholder expectations
Stress test investments

Scope(s) covered

Scope 1
Scope 2

Pricing approach used – spatial variance

Uniform

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

As part of our scenario analysis exercise, we establish a Hess base case to evaluate our current asset portfolio and intended forward investments. We then compare our base case against the various oil, natural gas and carbon prices in the IEA's three key scenarios - STEPS, APS, and NZE - running our current asset portfolio and intended forward investments through these varying sets of assumptions to assess financial robustness. As far as carbon prices are concerned, we use the carbon prices in the IEA's three scenarios (Advanced Economies) which are as follows: i.e., STEPS - $54/tonne, $62/tonne and $77/tonne for 2030, 2040 and 2050; APS - $135/tonne, $175/tonne and $200/tonne for 2030, 2040 and 2050 and NZE - $140/tonne, $205/tonne and $250/tonne for 2030, 2040 and 2050, respectively, which allows for an evolutionary approach to carbon pricing.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

0

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

250

Business decision-making processes this internal carbon price is applied to

Risk management

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for all decision-making processes

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

As part of our annual scenario planning exercise, we stress test Hess' portfolio of existing assets and intended forward investments against the 2022 IEA WEO Stated Policy, Announced Pledges and Net Zero emissions scenario. This scenario analysis exercise was instrumental in driving the establishment in late 2020 of an executive led task force to evaluate the medium and long term aspects of our climate-related strategy. The task force is comprised of nine senior executives responsible for various functions throughout the company, with oversight provided by our Chief Operating Officer and members of his operating committee. The taskforce was instrumental in Hess' endorsement of the World Bank's Zero Routine Flaring by 2030 Initiative (ZFR), our commitment to achieve zero routine flaring from our operated assets by the end of 2025, our carbon credits agreement with the Government of Guyana and developing our plan to achieve net zero Scope 1 and 2 GHG emissions on an equity basis by 2050. The taskforce will continue to monitor, enhance and evaluate Hess' progress towards these objectives, as well as assess emerging technologies with emissions reduction potentials.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Other, please specify

Collect other climate related information at lease annually from suppliers. In adopting a broader ESG screening criteria as part of our management approach, we engaged 55% of our suppliers to be re-registered within sourcing and contracting tools.

% of suppliers by number

55

% total procurement spend (direct and indirect)

50

% of supplier-related Scope 3 emissions as reported in C6.5

2

Rationale for the coverage of your engagement

Why We Engage: We selected the 55% to engage as they represent the majority of our spend and procurement activity. These engagements are an important component of the operational GHG reduction opportunities we're pursuing in support of Hess' commitment to implement a substantive climate change strategy and ultimately to achieve net zero Scope 1 and 2 emissions on an equity basis by 2050. We view our suppliers and contractors (over 2100) as important partners in advancing our sustainability and supplier diversity efforts, and these partnerships play an important role in helping us achieve many of the key actions outlines in our updated climate-related Environment, Health & Social Responsibility strategy. Our suppliers and contractors are critical to our success and play a significant role in Hess' day-to-day business operations. They collaborate with us to promote efficient operations, maintain high standards of EHS performance, mitigate risks and create shared value. As such, supply chain and contractor management are one of our key sustainability issues.
How We Engage: We tailor our approach to ongoing supplier engagement using a range of criteria, including contract value and risk level, so that we focus on deeper engagement with our most strategic suppliers to innovate and collaborate on climate-related activities that represent over 50% of our spend of approximately $3.2 billion in 2022. Definitions: "Strategic" Suppliers represent the most critical suppliers to our operations, reputation, and license to operate. Strategic Suppliers represent a very small number of suppliers, and a significant amount of spend, risk and criticality. Strategic suppliers should offer the best return on investment due to innovation, collaboration and risk, and gain sharing. "Core" suppliers deliver important work that is required for day-to-day operations, or small to medium projects. They are more numerous than Strategic suppliers and may include integrated (digital or physical) suppliers that are important to Company operations.

Impact of engagement, including measures of success

Measures of Success: We collect GHG emissions data from our suppliers and partners where emissions are directly attributable to our operational footprint. For example, we collect data from suppliers engaged in the following activities: Electricity Providers (Scope 2); Drilling and Completions providers (Scope 1); Transport and Logistics Providers (Scope 1 &2); Third party gathering and processing. We have added broader ESG screening criteria which will allow us to report on climate related supplier data in the future. One of our goals of including ESG screening criteria in the re-registration process and annual engagement and collaboration with strategic and core suppliers is to strengthen relationships and potentially expand business activities with suppliers who promote transparency and demonstrate good ESG performance.

Threshold for Success: We baseline 100% of our suppliers for re-registration: 55% received re-registration information in 2022 and the remaining 45% will receive re-registration information in 2023 regarding their compliance and maturity on climate-related activities. In 2023 and beyond, we will continue to conduct supplier

engagements with our strategic and core suppliers on climate related issues to help explore ways to reduce both ours and their environmental footprint and improve operational efficiency.

Comment

As part of this re-registration process, we includes ESG screening criteria which baselined ESG behaviors including climate related information for gap closure assessment. As part of this re-registration process the following climate-related information is being collected: (1) Does your organization have an environmental policy that is aligned with or exceeds legal requirements; (2) Does your organization have a process to identify, assess and manage climate-related risks and opportunities; (3) Does your organization quantify and report your GHG emissions; (4) Does your organization offer sustainable products and/or services to reduce environmental impact (e.g.; water use, GHG emissions reductions, etc.) and (5) In the last 5 years, has your organization had a significant environmental impact. This information will now be updated periodically as part of our supplier engagement process. In 2022, we re-registered 1500 suppliers (55% of total), and we also completed 45 supplier engagements, including three each with ten strategic suppliers and one each with 15 core suppliers.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Offer financial incentives for suppliers who reduce your operational emissions (Scopes 1 & 2)

Other, please specify

Engage with suppliers on operational emissions reduction opportunties

% of suppliers by number

0.01

% total procurement spend (direct and indirect)

0.02

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Why We Engage: Natural Climate Solutions (NCS) are defined as actions that conserve, restore and improve the use of management of high carbon ecosystems (e.g., peatlands, forests, wetlands, grasslands, agricultural lands, coastal ecosystems) while increasing carbon storage and avoiding GHG emissions. According to IPCC, NCS could provide at least 30% of the emissions reductions needed to achieve zero emissions globally by 2050. A significant part of Hess' climate change strategy is our commitment to achieve net zero Scope 1 & 2 GHG emissions on an equity basis by 2050. Our approach to achieving Scope 1 & 2 net zero emissions by 2050 can be defined in three primary focus areas: direct emissions reductions in our asset portfolio,

application of technologies with adjacencies to our operations and the use of RECs and carbon credits. This NCS agreement with the Government of Guyana is a component of the third prong of our strategy (use of carbon credits) which will help mitigate the portion of our GHG portfolio emissions which we cannot mitigate through direct emissions reductions and technological advancements, such as CCS.

How We Engage: Hess is supporting NCS, including by focusing on global deforestation. Avoiding global deforestation is foundational to the Paris Agreement's aim of limiting the global average temperature rise to well below 2 degrees C and was one of the major commitments made at the COP 26 climate summit, where more than 130 countries, including Guyana, pledged to end deforestation by 2030. On December 2, 2022, Hess Corporation and the Government of Guyana announced a historic agreement which will serve to support Guyana's efforts to protect the country's vast forests and provide capital to improve the lives of Guyana's citizens through investments made by the Government as part of Guyana's Low Carbon Development Strategy (LCDS) 2030. As Guyana's partner in this agreement, Hess will purchase high quality carbon credits, for a minimum of $750 million between 2022 and 2032, directly from the Government of Guyana. This multi-year deal is for the purchase of 37.5 million high quality REDD+ carbon credits(current and future issuance) that are independently verified to represent permanent and additional emissions reductions.

Impact of engagement, including measures of success

Measures of success: Providing $750 million in funding over eleven years towards the goals of Guyana's Low Carbon Development Strategy (LCDS) 2030 which outlines how the country's rainforest resources can help combat climate change while protecting a sustainable, low carbon economy.

Threshold for success: Tracking that 15% of the proceeds from this agreement ($112 million) will be directed for developing indigenous Amerindian communities. This accounts for nine such tribes in Guyana which represent 10% of the population.

Comment

Type of engagement

Other, please specify

Engage with suppliers on operational emissions reduction opportunities

Details of engagement

Other, please specify

Engage with suppliers on operational emissions reduction opportunities

% of suppliers by number

0.3

% total procurement spend (direct and indirect)

20

% of supplier-related Scope 3 emissions as reported in C6.5

10

Rationale for the coverage of your engagement

Why We Engage: We are engaging with our major suppliers on opportunities for emissions reductions at our operations worldwide. These projects are important examples of the operational GHG reduction opportunities we're pursuing in support of Hess' commitment to implement a substantive climate change strategy and ultimately to achieve net zero Scope 1 & 2 emissions by 2050.

How We Engage: Examples include suppliers engaged in the following activities: Methane detection and mitigation, flare reduction and vapor recovery, energy efficiency, carbon capture and storage.

Impact of engagement, including measures of success

Measures of Success: Engagement initiated have resulted in pilot trials for specific suppliers and technologies in 2022. Threshold for Success: Assuming successful pilot implementation and economic viability, expanding some of these pilot projects to common practice in our operations in 2023 and beyond.

Comment

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We engage with parties throughout our value chain.

Method of engagement: When we enter into new joint venture projects, we engage directly to evaluate project economics and identify ways to minimize emissions.

Strategy for prioritizing engagement. Our strategy for prioritizing joint ventures is in line with our overall business strategy. Our mission is to be a trusted energy partner and we are committed to helping meet the world's growing energy needs in a safe, environmentally responsible, socially sensitive and profitable way. Sustainability practices are a fundamental part of our business strategy and operations - they create value for our shareholders and opportunities to continuously improve business performance. We evaluate all potential relationships with third parties while considering the overall impact on our business and the environment, including project economics and emissions production. Specifically, we prioritize select joint venture parties based on the size of our financial investment. When we make significant financial investments (over $50 million), we generally endeavor to engage in a higher level of direct involvement in an effort to minimize environmental, social and reputational risk.

Success is based on whether or not the goals of the project have been met, which include measuring actual performance against safety, environmental, social and financial metrics established during the project planning process. In addition, in countries where we have joint ventures which include regulatory related emissions trading schemes, success is based on measuring compliance costs for carbon emissions.

As an example, flare reduction is a key component of Hess's climate change strategy. Since 2012, Hess Midstream has invested in infrastructure in North Dakota to capture and monetize natural gas produced from our operations and minimize flaring. One such example is a 50/50 joint venture between Hess Midstream Partners LP and Targa Resources Corp., another midstream energy company, to construct a new 200 million standard cubic feet per day gas processing plant called Little Missouri Four at a cost of $200 million. The new gas plant located at Targa's existing Little Missouri facility, south of the Missouri River in McKenzie County, North Dakota. The plant became operational in August of 2019 and has helped Hess Midstream and Targa process additional amounts of natural gas and reduce flaring.

Another example of how we work with our JV partners is at the Stabroek Block (offshore Guyana), in which Hess holds a 30% interest; In Guyana we worked with the JV parties on initial development of the Liza field (within the block) to attempt to minimize emissions across the whole value chain as these fields are developed.

Task: Since we knew that this project was one of the largest recent offshore developments in the world, we understood the climate related risks of this project and wanted to minimize GHG emissions. While these types of JV investments are equity investments for Hess, we view these investments as having the potential for reputation risks and opportunities. Our climate change strategy includes continuing to take cost effective, appropriate steps to monitor and reduce emissions through applying innovation and efficiency to reduce energy use, waste and emissions across our operations. We also believe it is appropriate to use reasonable efforts to extend that strategy across non-operated joint ventures.

Action: The action taken by Hess' joint venture, to mitigate climate-related risks was a substantive business decision which resulted in investing in a system to reinject the associated gas from oil production for storage so that we could minimize flaring from these oil fields.

Result: This gas reinjection program in Guyana has had a significant impact on reducing greenhouse gas emissions by dramatically reducing natural gas flaring associated with oil production and should coer the short, medium and long term as we expect it to extend for the life of these oil fields. When we look at Supply Chain issues, in general we examine short term (<3 year), medium term (4 year - 10 year) and longer term (>11 year) impacts on our business operations.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization’s purchasing process?

No, and we do not plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Please refer to Page 39 of the attached Hess 2022 Sustainability Report

hess-2022-sustainability-report.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

Hess is a member of many associations, organizations and collaborative working groups. While many of these associations, organizations and collaborative working groups share Hess' position on key issues including climate change, our positions do not always align with all positions of these groups, and our membership should not be considered a direct endorsement of the entire range of activities that they undertake or have previously undertaken. These organizations often provide broader value to our company in the form of industry standards, along with opportunities to promote continuous improvement in our sustainability performance and transparency through industry led voluntary programs. Decisions by Hess to become a member or to discontinue a particular membership or relationship with an organization are made based on a variety of factors.

To address concerns related to potential inconsistencies on a variety of issues, we publish our own positions on key sustainability topics in our annual sustainability report. To illustrate our alignment on climate change policies with our national and international memberships and associations, we evaluate major advocacy organizations that have historically received more than $50,000 from Hess in any given year. Our 2023 evaluation was conducted using publicly available positions and statements, along with our own assessment of each organization's activities regarding climate change and whether their climate positions are consistent with the following Hess positions: (1) support for the Paris Agreement's aim to limit global average temperature rise; (2) acknowledgement of the need to accelerate GHG emissions reductions through

technological innovation; (3) support for a carbon price applied to emitters across all sectors; (4) support for the direct regulation of methane and (5) support for standardization of climate related disclosures. Although we are an active member of IPIECA on sustainability development issues; i.e., climate change, biodiversity impacts and access to energy-issues that are often too complex for individual companies to tackle alone- we do not include IPIECA in this evaluation. Unlike other organizations that we belong to, IPIECA is not a lobbying organization. IPIECA instead represents its members by engaging with stakeholders and governments on climate change and other sustainability topics and by providing a forum for encouraging continuous improvement of industry performance.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

American Petroleum Institute

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, and they have changed their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

API has continued to enhance its position on climate and continues to consider forward leaning climate action that is consistent with the five Hess positions included in our analysis. We will continue to share our viewpoint on climate policy in an attempt to promote changes in policy direction, where appropriate.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

50,000

Describe the aim of your organization's funding

We do not publicly disclose trade association figures but we evaluate major advocacy organizations that received more than $50,000 from Hess in the reporting year, and the American Petroleum Institute received more than $50,000 from Hess in the reporting year. Hess belongs to a number of trade associations-organized under section 501(c)(6) of the Internal Revenue Code- that include our industry peers and other

companies in related sectors. Trade associations provide forums through which companies across the oil and gas industry can develop unified public policy agendas, exchange technical and industry best practices and approach issues relevant to our business with a common voice. We require all our trade associations to publicly disclose all expenses related to lobbying activities, as outlined by the Lobbying Disclosure Act. Our trade association lobbying activities accounted for approximately 24.5 % of our total lobbying spend of $987,000 in 2022.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

American Exploration & Production Council (AXPC)

Is your organization's position on climate change policy consistent with theirs?

Mixed

Has your organization attempted to influence their position in the reporting year?

Yes, we attempted to influence them but they did not change their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

AXPC has maintained climate positions that are mostly consistent with the five Hess positions included in 2023 annual trade association review (C12.3). Of the (5) criteria that we evaluate, AXPC has not directly and publicly supported the aim of the Paris Agreement or a carbon tax. However, AXPC has established public principles that demonstrate thoughtful consideration of these issues and a willingness to work with all stakeholders as these policies are further developed. Further, as AXPC has now publicly indicated a willingness to support direct regulation of methane throught their comments on the EPA's proposed methane rule, we have considered them "consistent" with Hess on this issue. Overall, we consider AXPC to be "mostly consistent" with Hess' positions. As a new member of this organization, we will continue to share our viewpoint on climate policy in an attempt to more closely align AXPC's position with ours.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

50,000

Describe the aim of your organization's funding

We do not publicly disclose trade association figures but we evaluate major advocacy organizations that received more than $50,000 from Hess in the reporting year, and the American Exploration & Production Council received more than $50,000 from Hess in the reporting year. Hess belongs to a number of trade associations-organized under section 501(c)(6) of the Internal Revenue Code- that include our industry peers and other companies in related sectors. Trade associations provide forums through which companies across the oil and gas industry can develop unified public policy agendas, exchange technical and industry best practices and approach issues relevant to our business with a common voice. We require all our trade associations to publicly disclose all expenses related to lobbying activities, as outlined by the Lobbying Disclosure Act. Our trade association lobbying activities accounted for approximately 24.5 % of our total lobbying spend of $987,000 in 2022.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is not aligned

Trade association

Other, please specify

National Ocean Industries Association (NOIA)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, and they have changed their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

NOIA's Climate Change Position and Principles are consistent with the four positions applicable to NOIA of Hess' five positions included in our 2023 trade association evaluation. As on offshore organization, NOIA does not address onshore methane regulation, which is an additional Hess position considered for other organizations in our 2023 trade association evaluation. Hess will continue to support NOIA's efforts to balance the environment, social, economic and energy needs of society and continue to share our viewpoint on climate policy, in an attempt to promote changes in policy direction, where appropriate.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

50,000

Describe the aim of your organization's funding

We do not publicly disclose trade association figures but we evaluate major advocacy organizations that received more than $50,000 from Hess in the reporting year, and the National Ocean Industries Association received more than $50,000 from Hess in the reporting year. Hess belongs to a number of trade associations-organized under section 501(c)(6) of the Internal Revenue Code- that include our industry peers and other companies in related sectors. Trade associations provide forums through which companies across the oil and gas industry can develop unified public policy agendas, exchange technical and industry best practices and approach issues relevant to our business with a common voice. We require all our trade associations to publicly disclose all expenses related to lobbying activities, as outlined by the Lobbying Disclosure Act. Our trade association lobbying activities accounted for approximately 24.5 % of our total lobbying spend of $987,000 in 2022.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

hess-2022-sustainability-report.pdf

Page/Section reference

Pages 39,40,41

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Hess Sustainability report

Publication
In mainstream reports

Status
Complete

Attach the document
2022 Hess Annual Report.pdf

Page/Section reference
Pages 3, 9-11

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
Hess Annual report and 10K

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	UN Global Compact	We reaffirm our support of the Ten Principles of the United Nations (U.N.) Global Compact as well as the U.N. Sustainable Development Goals. This report and our GRI Content Index demonstrate our progress against the Ten Principles. Our annual Communication on Progress submittals to the U.N. Global Compact are available at unglobalcompact.org. Our Sustainability Report was prepared in accordance with the Global Reporting Initiative (GRI) Standards. The report and the broader sustainability disclosures on our website are also informed by the guidance documents, templates and other engagements including United Nations (U.N.) Global Compact's Ten Principles.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, both board-level oversight and executive management-level responsibility	The Board is actively engaged in overseeing Hess' sustainability practices and works alongside senior management to evaluate sustainability risks and global scenarios in making strategic decisions, including those related to biodiversity. The EHS Board Committee has specific oversight responsibility and makes recommendations to the full board of directors so that sustainability risks and opportunities are taken into account when making strategic decisions. The EHS Board Committee assists the board in identifying, evaluating and monitoring EHS & SR strategies and material risks with the potential to affect the people, environment and communities where we operate as well as our company's business activities, performance and reputation.

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Adoption of the mitigation hierarchy approach Commitment to avoidance of negative impacts on threatened and protected species	Other, please specify Participate in the Cross Sector Biodiversity Initiative -partnership of IPIECA, the International Council on Mining and Metals and the Equator Principles Association which develop and share good practices for safeguarding biodiversity and ecosystems

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations

Tools and methods to assess impacts and/or dependencies on biodiversity

IBAT – Integrated Biodiversity Assessment Tool

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

As part of our ongoing operations, we conduct annual risk assessments to identify our potential impacts on key biodiversity areas, species, habitats and cultural resources, as well as to adopt mitigations. To do this, we utilize third party software programs – such as the Integrated Biodiversity Assessment Tool, which incorporates datasets including the International Union for Conservation of Nature's (IUCN) Red List of Threatened Species, the World Database on Protected Areas and the World Database on Key Biodiversity Areas. These annual risk assessments enable us to maintain a list of IUCN Red List species with habitats that overlap with or are adjacent to our operations

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity-sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify

In 2022, at our Bakken asset, which involves continuous operations and activities, we found that there were four category I–III areas adjacent to our operations but none that overlapped.

Country/area

United States of America

Name of the biodiversity-sensitive area

Bakken Asset in North Dakota

Proximity

Adjacent

Briefly describe your organization's activities in the reporting year located in or near to the selected area

In 2022, at our Bakken asset, which involves continuous operations and activities, we found that there were four category I–III areas adjacent to our operations but none that overlapped.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

No

Mitigation measures implemented within the selected area

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

As part of our ongoing operations, we conduct annual risk assessments to identify our potential impacts on key biodiversity areas, species, habitats and cultural resources, as well as to adopt mitigations. To do this, we utilize third party software programs – such as the Integrated Biodiversity Assessment Tool, which incorporates datasets including the International Union for Conservation of Nature's (IUCN) Red List of Threatened Species, the World Database on Protected Areas and the World Database on Key Biodiversity Areas. These annual risk assessments also enable us to identify IUCN protected areas (Categories I–VI) that overlap or are adjacent to our operations. In 2022, at our Bakken asset, we found that there were four category I–III areas adjacent to our operations but none that overlapped.

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments

Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Education & awareness

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	Response indicators

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Other, please specify Biodiversity	

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	President and COO	President

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms

Independent Limited Assurance Report to Hess Corporation

ERM Certification & Verification Services Incorporated ("ERM CVS") was engaged by Hess Corporation ("Hess") to provide limited assurance in relation to the selected information set out below and presented in Hess' 2023 CDP Climate Change Questionnaire (the "CDP Questionnaire").

Engagement summary	
Scope of our assurance engagement	Whether the consolidated corporate greenhouse gas ("GHG") emissions data for Hess' global operations for the period January 1 to December 31, 2022 reported at sections C6.1, C6.3 and C6.5 of the CDP Questionnaire are fairly presented, in all material respects, in accordance with the reporting criteria. The GHG inventory, reported on an operational control basis and covering emissions of CO_2, N_2O and CH_4, includes: • Total Scope 1 Direct GHG emissions from stationary fuel combustion, mobile fuel combustion, flaring, and fugitive sources (metric tonnes CO_2e). • Total Scope 2 Indirect GHG emissions (location-based and market-based) from purchased electricity (metric tonnes CO_2e). • Total Scope 3 Other indirect emissions from the following three categories (metric tonnes CO_2e): – Category 6: Business Travel – Category 10: Processing of sold products – Category 11: Use of sold products Whether the information reported at the following sections of the CDP Questionnaire is fairly presented: C4.1, C4.1b*, C4.2, C5.1, C5.2, C6.2, C6.4, C6.10*, C7.1a, C7.1b, C7.2, C7.3b, C7.4, C7.5, C7.6, C7.7, C7.9a and C8.2a. Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the CDP Questionnaire.
Reporting period	January 1 – December 31, 2022
Reporting criteria	WRI/WBCSD Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004, as updated January 2015) WRI/WBCSD Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) U.S. EPA Mandatory Greenhouse Gas Reporting Rule IPIECA's Petroleum Industry Guidelines for reporting GHG emissions (2nd edition, 2011) IPIECA's Estimating petroleum industry value chain (Scope 3) greenhouse gas emissions (2016) Hess' GHG Inventory Protocol
Assurance standard and level of assurance	We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Standards Board. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Respective responsibilities

Hess is responsible for preparing the CDP Questionnaire and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the CDP Questionnaire.

ERM CVS' responsibility is to provide conclusions to Hess on the agreed scope based on our engagement terms with Hess, the assurance activities performed and exercising our professional judgement. We accept no responsibility, and deny any liability, to any party other than Hess for the conclusions we have reached.

Our conclusion

Based on our activities, as described below, and taking into account the limitations described under 'The limitations of our engagement', below, nothing has come to our attention to indicate that the data and information as shown below and reported at Sections C6.1, C6.3 and C6.5 of the CDP Questionnaire are not fairly presented, in all material respects, in accordance with the reporting criteria.

Total Scope 1 GHG emissions	2,231,000 metric tonnes CO_2e
Total Scope 2 GHG emissions (location-based)	435,933 metric tonnes CO_2e
Total Scope 2 GHG emissions (market-based)	0 metric tonnes CO_2e
Scope 3 GHG emissions	
– Category 6: Business Travel	1,408 metric tonnes CO_2e
– Category 10: Processing of sold products	1,664,035 metric tonnes CO_2e
– Category 11: Use of sold products	46,580,153 metric tonnes CO_2e

In addition, nothing has come to our attention to indicate that the information reported in the following sections of the CDP Questionnaire, taking into account the limitations described under 'The limitations of our engagement' below, is not fairly presented: C4.1, C4.1b*, C4.2, C5.1, C5.2, C6.2, C6.4, C6.10*, C7.1a, C7.1b, C7.2, C7.3b, C7.4, C7.5, C7.6, C7.7, C7.9a and C8.2a.

Our assurance activities

Considering the level of assurance and our assessment of the risk of material misstatement of the selected information a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Assessing the appropriateness of the reporting criteria for the selected information.
- Interviews with relevant Hess staff to understand and evaluate the data management systems and processes (including IT systems and internal review procedures) used for collecting and reporting the information.
- An analytical review of the 2022 GHG emissions data from all Hess assets and a check on the completeness and accuracy of the data consolidation at the Hess corporate level.
- An in-person visit to Hess' operations in North Dakota and a virtual visit to Hess' operations in the Gulf of Mexico, to verify the source data for the operations' 2022 GHG emissions.
- An in-person visit to Hess' head office in Houston, Texas to review the consolidation process and the results of the internal data validation process, and to conduct interviews with subject matter experts responsible for preparing the GHG inventory and the CDP Questionnaire.
- A review of the calculations of the GHG emissions from underlying activity data, including the conversion factors and emission factors used.
- A review of samples of documentary evidence, including internal and external documents, supporting the underlying activity data for the 2022 GHG emissions.
- A review of the presentation of the data and information relevant to the scope of our work in the CDP Questionnaire to assess their consistency with our findings.

The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Our assurance activities included a review of the appropriate application by Hess of purchased renewable energy certificates (RECs) to offset its Scope 2 GHG emissions. We do not provide a conclusion on the quality of these RECs.

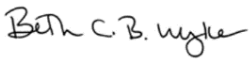
* For the production figures used in the calculations of progress against intensity targets included in Section C4.1b of the CDP Questionnaire, and the revenue and production figures used in the calculations of the intensity figures included in Section C6.10 of the CDP Questionnaire, we have not independently reviewed or verified the production or revenue figures. Our work in relation to these figures was limited to confirming consistency with data in Hess's Form 10-K for the year ended December 31, 2022.

Our independence, integrity and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

The team that has undertaken this assurance engagement has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Hess in any respect.



Beth Wyke
Partner, Head of Corporate Assurance Services
Malvern, PA

July 18, 2023

ERM Certification & Verification Services Incorporated
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