

FOUNDATIONS FOR THE FUTURE

# *Sustainability* Report



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CELEBRATING **70** YEARS OF OIL & NATURAL GAS

1954-2024

**APA**  
Corporation



## Introduction

This report includes a comprehensive view of our approach to, and progress on, sustainability initiatives across the company. The Introduction and ESG Overview sections, on [pp. 4-32](#), summarize the key messages and disclosures for the topics we believe matter most to both the company and our stakeholders. Data included in this report cover the 2023 calendar year unless otherwise noted.



### 2024 Sustainability Report

To view the report online, please visit the APA website at [apacorp.com/sustainability](https://apacorp.com/sustainability).

### Media or Other Stakeholder Inquiries

Members of the media and other external stakeholders are welcome to contact our Corporate Communications & Public Affairs Department with inquiries or for information about the company. These requests may be directed to [media@apachecorp.com](mailto:media@apachecorp.com).

# Welcome to



## APA CORPORATION'S 2024 Sustainability Report

# Contents



## 04

### Introduction

About APA Corporation	05
APA Highlights	06
Our Operations	08
About This Report	10
Letter From the CEO	12
The Energy We Produce Helps Fuel Human Progress	14

## 23

### ESG Overview

ESG Oversight	24
Our Sustainability Approach	28
Our ESG Goals	30
Climate Scenario Analysis	32

## 33

### Environment

Air	34
Greenhouse Gas Emissions Performance and Goals	38
Water	40
Biodiversity and Environmental Stewardship	48
Environmental and Waste Management	56

## 59

### Our People

Employee Recruitment	60
Employee Benefits and Development	62
Learning and Development	66
Diversity and Inclusion	68
Workforce Demographics	72
Employee Engagement	74

## 79

### Health and Safety

Our Safety Philosophy	80
2023 Key Safety Metrics and Highlights	82
Contractor Safety Management	90
Crisis Preparedness and Emergency Management	92



## 93

### Community

Our Approach to Social Investment and Community Engagement	94
Local Economic Impact	106
Understanding and Addressing Stakeholder Concerns	108
Human Rights	111

## 113

### Governance

Corporate Governance and Compensation Practices	114
Governance	115
Engagement	124
Governance Documents	126

## 127

### Appendix

Key Performance Data	128
Performance Data by Country	132
Apache's 2023 Employer Information Report, EEO-1 Consolidated Report	133
TCFD Analysis	134
Board Matrix	142
Water Scarcity Maps	144
AXPC ESG Metrics Template	145
Awards and Recognitions	146
Reporting Standards and Frameworks	147
Endnotes	162
Glossary of Terms	164

OUR PURPOSE

To meet the growing demand for energy and to do so in a *cleaner, more sustainable* way.



We believe society can accomplish both, and we strive to meet these challenges while creating value for all our stakeholders.

Learn more at [apacorp.com](https://apacorp.com)



# About APA Corporation

APA Corporation (APA) owns consolidated subsidiaries that explore for and produce oil and natural gas in the U.S., Egypt and the U.K., and that explore for oil and natural gas offshore Suriname and elsewhere.

Since 1954, our company has been unified by our values, culture and commitment to building shareholder value, with a collective sense of purpose that empowers every employee to make decisions and achieve our goals. Our global team is brought together by a sense of ownership and the knowledge that the best answers win. We aim to be a community partner in our areas of operation, focused on protecting the safety and health of our employees, our communities and the environment while continuously looking for more sustainable ways to operate.

2023-2024

# APA Highlights

We strive to continuously improve the breadth and quality of the data we present. We provide some of our key highlights here.

## GHG INTENSITY TARGETS

Published greenhouse gas (GHG) emissions targets, which are directly linked to the long-term compensation of our employees. [\(Read more on pp. 12, 30, 38, 128.\)](#)

## EXCEEDING METHANE REDUCTION GOAL

Converted more than 2,800 pneumatic devices to reduce methane emissions in our U.S. onshore operations, significantly exceeding our original goal of 2,000 devices by the end of the year. [\(Read more on pp. 12, 22, 26, 30, 36, 114, 128.\)](#)

## REDUCING IMPACTS ON FRESH WATER: RECYCLE, REUSE, REPEAT

Utilized 61% recycled produced water for completions in our U.S. onshore operations as part of our efforts to reduce the need for fresh water in our hydraulic fracturing operations. [\(Read more on pp. 13, 30, 128.\)](#)

## INCREASED FOCUS ON ADVANCING METHANE EMISSIONS MEASUREMENT AND REDUCTION

Joined the *Oil & Gas Methane Partnership 2.0*, part of the U.N. Environment Programme, a group focused on methane emissions reduction and improving the accuracy and transparency of methane emissions reporting. [\(Read more on pp. 12, 37, 128.\)](#)

## ANNOUNCED SITE RESTORATION PARTNERSHIP

Commenced a partnership with the *Borderlands Research Institute* at Sul Ross State University on a research project to investigate methods to improve habitat restoration efforts at end-of-service well pads in the Permian Basin. [\(Read more on pp. 13, 51, 103.\)](#)

## LAUNCHED APACHE CORPORATION TREE GRANT PROGRAM INTERNATIONALLY

Expanded our award-winning *Apache Corporation Tree Grant Program* to enhance green spaces across Scotland. Since 2005, we have donated more than 5 million trees to over 1,000 nonprofits and government agencies. [\(Read more on pp. 13, 99, 102.\)](#)

## DROVE PERFORMANCE AND ACCOUNTABILITY WITH SUSTAINABILITY AND SAFETY OBSERVATION GOALS

Encouraged employees and contractors to proactively identify at-risk conditions and behavior across operations, resulting in a 10% increase in the observation rate and related actions. [\(Read more on p. 12, 30, 85.\)](#)

## STANDARDIZED OUR APPROACH TO SAFETY ACROSS THE COMPANY

Adopted the industry-standard International Association of Oil & Gas Producers (IOGP) Life-Saving Rules to simplify and standardize our approach to safety and align more closely with industry partners. [\(Read more on pp. 12, 30, 81-82, 86, 88.\)](#)

## RECORD-SETTING SAFETY YEAR

Finished 2023 with our lowest Total Recordable Incident Rate (TRIR) on record. [\(Read more on pp. 81-83.\)](#)

## INCREASED BENEFITS FOR EXPANDING FAMILIES AND WORKING PARENTS

Provided comprehensive and inclusive family building tools for U.S. employees, including fertility treatment support services, adoption and surrogacy reimbursement, and backup care for children and elderly family members. [\(Read more on p. 64.\)](#)

## EXPANDED MENTAL HEALTH BENEFITS

Expanded our mental health benefits to include all employees and eligible family members worldwide, providing 16 free sessions with a mental health therapist or coach, among other resources. [\(Read more on p. 64.\)](#)

## RECOGNIZED EMPLOYEE EXCELLENCE

Introduced Well Deserved, a new employee recognition program allowing team members to recognize their colleagues for effort, impact or initiatives surpassing expectations. [\(Read more on pp. 75, 77.\)](#)

## EXPANDED PERMIAN BASIN PRESENCE

Completed the acquisition of Callon Petroleum Company in April 2024. We are applying APA standards to the Callon operations and will report integrated performance in the 2025 Sustainability Report.

## OUR VISION



Learn more at [apacorp.com](https://apacorp.com)

# Our Operations

APA maintains a diversified asset portfolio, including conventional and unconventional, onshore and offshore, oil and natural gas exploration and development interests.

## 2023 FINANCIAL AND PRODUCTION HIGHLIGHTS

**\$7.4 billion**

Oil, Natural Gas and Natural Gas Liquids (NGL) Revenue

**267 Mbbbls/d**

Reported Oil and NGL Production

**828 MMcf/d**

Reported Natural Gas Production

**807 MMboe**

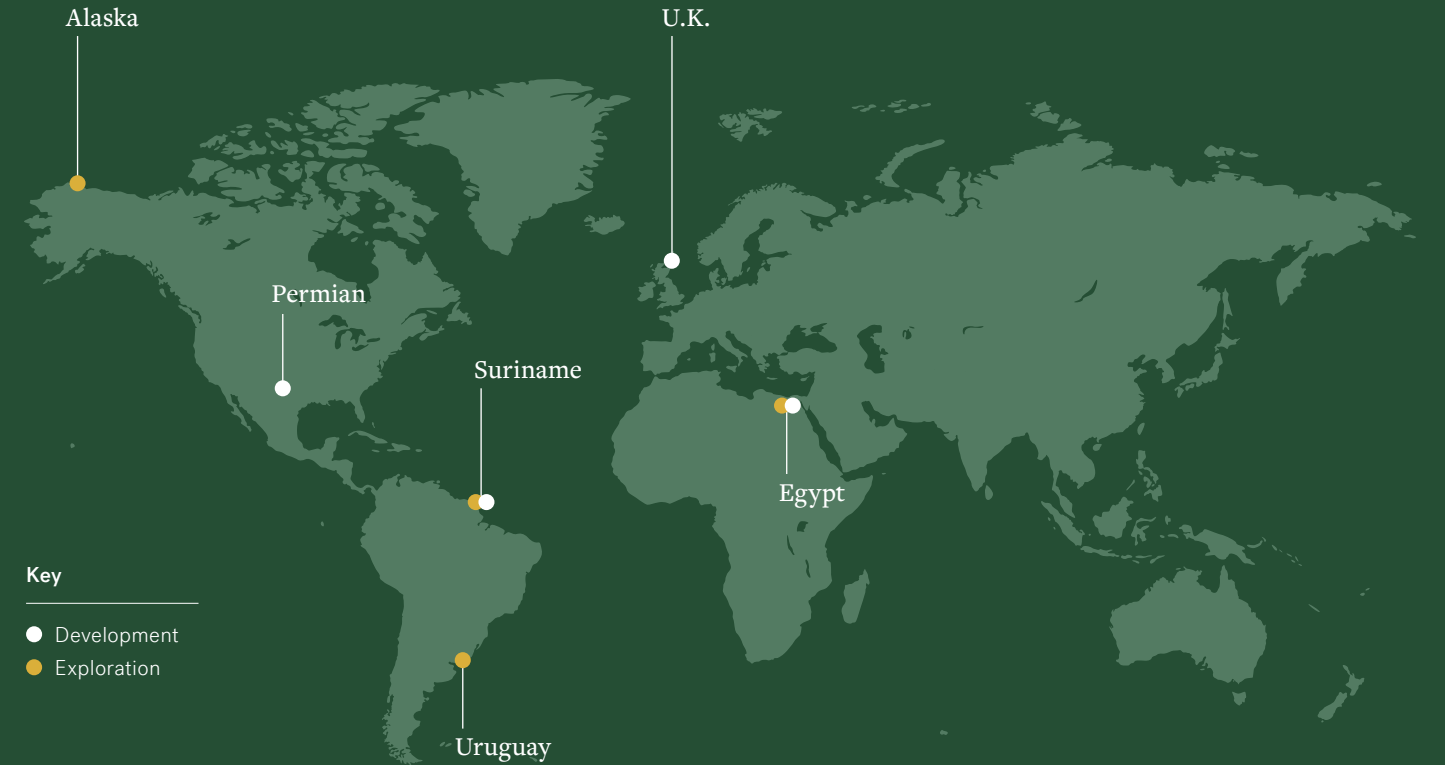
Proved Reserves

In the U.S., our operations are primarily located in the Permian Basin. We also have operations along the Texas Gulf Coast and in the Gulf of Mexico, where we are focused primarily on asset retirement activities. Internationally, we have conventional onshore assets in Egypt's Western Desert, offshore assets in the U.K.'s North Sea and an offshore exploration program in Suriname. We have also continued to expand our portfolio by investing in exploration opportunities in Alaska and offshore Uruguay.



## APA Global Operations Map

APA Corporation's subsidiaries have operations in the U.S., Egypt's Western Desert and the U.K.'s North Sea, with exploration opportunities offshore Suriname and elsewhere.



### 2023 OPERATION DATA BY OPERATING AREA

	Proved Reserves (MMboe)	Gross Acreage* (in thousands)	Reported Oil and NGL Production (Mbbbls/d)	Reported Natural Gas Production (MMcf/d)
U.S.	566	3,686	142	452
Egypt	171	5,295	89	326
U.K.	70	292	36	50
Other International	–	6,177	–	–

\*Developed and undeveloped

#### Key

Mcf/d: thousand cubic feet a day  
 MMcf/d: million cubic feet a day  
 Bbls/d: barrels a day  
 Mbbbls/d: thousand barrels a day  
 Mboe: thousand barrels of oil equivalent  
 MMboe: million barrels of oil equivalent

# About This Report

Our 2024 Sustainability Report covers APA’s performance in the areas of environmental stewardship, communities and people, and governance — in particular, air and water, health and safety, and employee and community involvement.

The report was prepared in accordance with the **Global Reporting Initiative Sustainability Reporting Standards** at the core level. We also consulted the Oil and Gas Industry Guidance on Voluntary Sustainability Reporting developed by **Ipieca** (the global oil and gas industry association for environmental and social issues), the **American Petroleum Institute** and the **International Association of Oil and Gas Producers** (IOGP); the **Sustainability Accounting Standards Board’s Oil and Gas Exploration and**

**Production Sustainability Accounting Standard**; and the recommendations of the **Task Force on Climate-related Financial Disclosures**. (See the Reporting Standards and Frameworks section starting on **p. 147** for an index of indicators from these frameworks discussed in this report.)

Data included in this report cover the 2023 calendar year unless otherwise noted.

## Identifying Our Most Important Issues

In 2021, we conducted a materiality assessment to understand internal and external stakeholders’ perspectives on the most important sustainability issues associated with our operations. The results of that analysis have remained relevant and helped guide the content of this report.

We determined our most important issues through a **four-step** process:

### 01 IDENTIFY

We identified our sustainability-related issues, impacts, benefits, risks and opportunities through interviews and document-based research representing the views of internal and external stakeholders, including employees, investors, lenders, nongovernmental organizations, customers, academics, community members and regulators.

### 02 PRIORITIZE

Issues were prioritized based on the level of importance that internal and external stakeholders placed on them and the level of risk or opportunity they represent to the company and to external stakeholders. Level of risk or opportunity was determined based on the potential for each issue to positively or negatively impact the environment, local communities, employees, contractors and the company’s financial performance.

### 03 REVIEW AND REVISE

We reviewed the initial prioritization with internal stakeholders to validate the issue ratings by importance and revised them as needed.








### 04 DETERMINE REPORT CONTENT

We focus our reporting on the issues of greatest concern to our company and stakeholders.

We review and update this analysis regularly and will continue to revise our report content based on the results.

## APA Stakeholders’ Most Important Issues<sup>1</sup>

We found the following issues are of highest importance to our internal and external stakeholders:

-  Biodiversity and land surface impacts.
-  Diversity and inclusion in our workforce.
-  Employee and contractor health and safety.
-  Environmental, social and governance (ESG) integration and accountability (e.g., goals/targets, executive compensation).
-  Impacts of climate change on our business, along with transition plans and GHG emissions.
-  Local economic impacts.
-  Regulation and compliance.
-  Reporting and transparency on ESG issues.
-  Spills, releases and process safety.
-  Water availability, water quality and wastewater management.

## Assuring report content

At APA, we hold ourselves to a high standard of accuracy and excellence in our activities, including the content of this Sustainability Report. This report was developed by a cross-functional team of subject-matter experts throughout the company and reviewed by the board’s Corporate Responsibility, Governance, and Nominating Committee, the executive leadership team and our Internal Audit function (described on **p. 118**). A rigorous internal review included verifying data points and facts, providing added accountability for the accuracy of this report.

**GHD**, a privately owned global professional services company, is verifying all measurement frameworks and reported attainment levels associated with the goal of eliminating at least 1 million tonnes of annualized carbon dioxide equivalent (CO<sub>2</sub>e) by the end of 2024. The verification process includes regular meetings between APA and GHD to review the projects and data.

(See **p. 167** for a more detailed description of our “forward-looking statements.”)



# Letter From the CEO

Dear APA Stakeholders,

In 2023, global energy security challenges were a striking reminder of the vital importance of oil and natural gas to a functioning, prosperous society, underpinning APA's efforts to deliver foundational energy products as cleanly and efficiently as possible.

Hydrocarbons remain critically important, supplying fuel for markets worldwide while further establishing the U.S. as a secure and reliable energy provider. In the developing world, efficient and affordable energy sources continue to be scarce, which emphasizes the need for access to oil and natural gas to fuel human progress.

APA's long-standing strategy has propelled the company's success thus far: remaining committed to oil and gas, building and growing a high-quality portfolio, maintaining financial discipline, and delivering top operational performance.

Over the last year, we have built on our foundation of responsible operations by setting pragmatic yet ambitious ESG goals focused on emissions reduction, worker safety and conservation of freshwater resources.

In April, we expanded our Permian presence by acquiring Callon Petroleum Company. We are working diligently to align these assets with APA's operating standards. We have demonstrated our ability to grow production while remaining committed to safe operations and reducing environmental impacts.

## An unwavering commitment to safety

No matter the goals we set, safety always comes first. We are deeply committed to the safety of all employees and contractors, as well as the communities where we operate. In 2023, we adopted the industry-standard **IOGP Life-Saving Rules** (LSR) to provide clear and consistent information on risks in the workplace and the proper mitigations to help protect the workforce. To better integrate these rules, we set and reached a short-term, compensation-linked goal for employees and contractors to increase our safety observation rate and actions by 10%, which helps us



**John J. Christmann IV**  
Chief Executive Officer



proactively identify at-risk conditions and behaviors across operations. Additionally, we built upon our excellent safety record by achieving a severe incident rate (SIR) at or below our target of 0.028. As we move into 2024, we aim to lead by example by reaching a compensation-linked safety goal of conducting at least 4,000 LSR inspections with more than 30% leadership participation. We are also targeting an SIR of less than 0.01 in 2024.

## Proactive and tangible steps to reduce emissions

Early last year, we joined the **U.N. Oil & Gas Methane Partnership** (OGMP) 2.0, the only comprehensive, measurement-based international methane reporting framework for the oil and gas sector. To reduce our methane emissions, we converted more than 2,800 pneumatic devices to instrument air or by valve retrofit across our U.S. operations, exceeding our original target, and did so ahead of schedule.

Additionally, we set a new long-term goal to reduce our global Scope 1 GHG emissions intensity 10%–15% by 2030, with a near-term, compensation-linked milestone to reduce our global Scope 1 GHG intensity at least 5% by 2025, both against a 2021 baseline. We have also made significant

progress on our 2022 long-term goal of implementing projects capable of eliminating at least 1 million tonnes of annualized CO<sub>2</sub>e emissions by year-end 2024.

In 2024, APA introduced a new long-term goal to reduce methane intensity 50% (compared to 2021) by year-end 2026. Additionally, the company will deliver projects to reduce diesel consumption in Egypt by 10% by year-end 2024.

## Conserving water across our operations

Water is essential to our operations, but we also recognize that it is a limited and critical resource. Because of this, we have focused on limiting fresh water usage and achieved our 2023 goal of utilizing at least 50% recycled produced water for completions in our U.S. onshore operations. We exceeded this goal, hitting 61% usage of recycled produced water. We are also cognizant of water scarcity across our global operations; in 2023, more than 98% of our global operational water usage was recycled or nonfresh water.

## Investing in our people and communities

We know that attracting and retaining the best talent is critical to our company's success, and that providing a work environment that helps people thrive is core to achieving our objectives. Last year, we moved forward with implementing our **Future of Work** program by rolling out new technology for all U.S. and Egypt employees, and we are on schedule to complete office relocations in Houston and Cairo in 2024. The new offices will improve our workspace and better support our vibrant work culture by prioritizing employee connection, collaboration and development. We also continued clarifying our corporate vision by rolling out updated company values of safety, integrity, people, stewardship and ingenuity.

Creating shared value for all APA stakeholders is a key tenet of our approach to community partnerships. We focus on three primary giving areas: community well-being, environmental stewardship and access to energy. In 2023, we expanded long-standing projects and introduced new ones, diversifying the impact of our community partnership initiatives. We entered into a new partnership with the **Youth Leaders Foundation** in Egypt to support its **She Leads** program, a business and personal growth curriculum that empowers Egyptian girls.

“APA’s sustainability story over the last year is one of durability and consistency, based on a clear *foundation for the future.*”

We also extended our award-winning **Apache Corporation Tree Grant Program** to Scotland, where in 2024 we donated 3,600 trees to nonprofit partners in the country. Since 2005, through our Tree Grant Program, we have donated more than 5 million trees to nonprofit organizations and government agencies across our U.S. operating areas. We also announced a new partnership with the **Borderlands Research Institute** to address well-pad restoration in the Permian Basin. University researchers will investigate methods to improve habitat restoration efforts in the area with the goal of publishing a science-backed, best reclamation practices document to be shared with other operators.

In addition to community well-being and environmental stewardship, access to energy is a key pillar of our giving strategy. During the summer of 2023, APA partnered with the **Suriname Ministry of Natural Resources** to identify villages in the interior of the country where energy access was severely limited. Working alongside the ministry, APA donated commercial-grade generators to two remote villages located in Suriname's rainforest, improving the lives of approximately 1,300 people by providing more reliable power.

APA's sustainability story over the last year is one of durability and consistency, based on a clear foundation for the future. This proven foundation has successfully positioned the company to continue to execute on our ESG strategy, empower our talented global workforce, and act as a partner for progress in the communities where we live and work. As energy security continues to gain importance on the global stage, we believe oil and gas will be the most reliable, affordable energy source for the billions of people who need it, whether in the developed or developing world. We will continue to pursue responsible oil and gas production with the same focus, determination and commitment that have guided the company since its founding 70 years ago.

**John J. Christmann IV**

Chief Executive Officer

July 23, 2024

The Energy We Produce Helps Fuel

# Human Progress

“As globalization and technological advancements continue, the need for *reliable, affordable and responsibly produced energy* has only increased.”

## Level-setting: the indisputable value of natural gas and oil

As globalization and technological advancements continue, the need for reliable, affordable and responsibly produced energy has only increased. Society faces a notable challenge, sometimes referred to as the “energy trilemma,” in trying to balance the competing demands of 1) economic growth, 2) environmental protection and 3) energy and national security concerns. Leaning too far into one area of the trilemma can create negative consequences for the other crucial priorities.

This is a complex problem that requires a comprehensive and thoughtful solution. Without energy, modern society as we know it, including access to life-saving medical care, instant communication, high-speed transportation, and power supply for electricity, would cease to exist.

Over the past century, oil and gas have helped to fuel these advances. Thanks to their unique chemistry, hydrocarbons provide a highly efficient source of energy to generate electricity, power industrial processes, heat our homes, and fuel transportation. In addition to simply producing heat when burned, oil and gas also serve as feedstocks for



## Essential to Modern Life

Oil and gas support a wide range of products and activities that improve the quality of life for billions of people across the globe, including the following:

 COOKING AND HEATING	 CELLPHONES AND COMPUTERS	 CONSTRUCTION	 AVIATION	 TRANSPORTATION	 AGRICULTURE
 SOLAR PANELS	 WIND TURBINES	 PLASTIC MATERIALS	 MEDICAL DEVICES	 HYGIENE PRODUCTS AND COSMETICS	 FABRIC AND CLOTHING

“We believe our contribution to the world’s energy mix is most effective when we focus on *what we do best* – safely exploring for and producing oil and natural gas.”

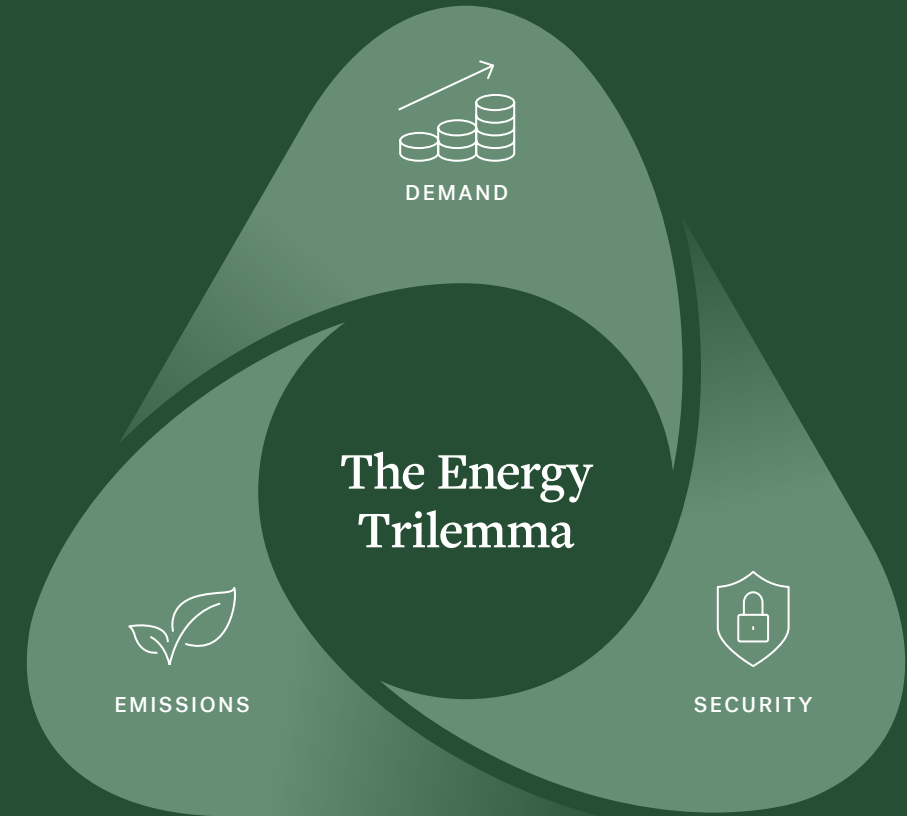


manufacturing numerous other products, including plastics, medical equipment, cosmetics, sporting goods, clothing, electronics and more. Even those who seek to eliminate fossil fuels are forced to acknowledge how important such feedstocks are, often limiting their calls for a phase-out specifically to combustion.

As a company that produces oil and gas both for energy and as an input into other products, APA's strategy is decidedly focused on responsible exploration and development for the long term. We believe our contribution to the world’s energy mix is most effective when we focus on what we do best — safely exploring for and producing oil and natural gas, while actively seeking to reduce our operational carbon footprint. This leaves other more qualified organizations to research and pursue alternative solutions to the energy trilemma.

### Challenges faced in the energy transition

Evidence of a rapid energy transition is increasingly difficult to come by, with the push to net zero serving as an example. Over the last few years, the aggressive emissions reduction ambitions that have served as goal posts of the energy transition have been called into question, as actual reductions are falling short of needed milestones to remain on track. In 2023, the U.N. completed its first assessment of emissions reductions and progress toward the stated 2050 goals of the 2015 Paris Agreement in a document known as *The Global Stock Take* (GST). The GST’s assessment noted insufficient progress toward global emission reduction targets, as alternative energy projects faced significant financing hurdles and investors failed to realize the anticipated returns. Specifically, the GST noted, the “implementation of the Paris Agreement is lacking across all areas and not where it should be.”<sup>2</sup>



#### MEETING DEMAND

Global demand for affordable, accessible energy is steadily increasing as the world population rises and developing nations seek to improve their standard of living. Meeting growing demand will require a consistent supply of oil and natural gas for decades to come.



#### ACHIEVING SECURITY

Reliable, affordable energy is a challenge faced by both developing and developed countries, requiring multiple sources of supply, including oil and natural gas. Without a steady supply of hydrocarbons or active investment in their production, a secure energy future would be at risk.



#### REDUCING EMISSIONS

The climate is changing, requiring all industries to bear a collective responsibility in mitigating environmental impacts. Over time, oil and gas producers have successfully managed to increase production while substantially reducing emissions.

In fact, the goal of reaching net zero by 2050 is increasingly viewed as unrealistic and disconnected from global needs.<sup>3</sup> According to the **International Renewable Energy Agency** (IRENA), achieving net zero by 2050 would require a dramatic scaling up of technology that is not yet equipped for mass deployment.<sup>4</sup>

The reality of the challenges inherent in a complete overhaul of our energy system are also coming to light in the ESG investing space, with evidence of outflows from ESG-focused funds. In 2023, ESG investment funds encountered their first calendar year of outflows and also saw sustainable fund closures outpace fund launches in the second half of the year.<sup>5</sup> This can be tied to numerous factors, including fund underperformance, political backlash against ESG in the U.S., economic uncertainty in China, and the significant upfront investment required by clean energy projects, which can affect short-term return on investment (ROI) calculations.

The pace of the transition has long been predicated on a belief that future supply and demand will either remain at current levels or find balance as alternative energy sources replace traditional fuels. This assumption is already being called into question, particularly as advanced technological tools such as artificial intelligence (AI) are expected to cause

energy demand to skyrocket. According to the **International Energy Agency** (IEA), energy demand for data centers, which power AI tools, is expected to double by 2026, an increase that is equivalent to the amount of energy used per year by the entire country of Japan.<sup>6</sup> Additionally, the global population is steadily rising, and is expected to grow nearly 40% by 2100.<sup>7</sup> While material advancements in energy efficiency may help temper the strain of rising demand, their predictability and scalability remain unknown.

Meeting growing demand will require more affordable energy, not less, and in varying forms. In fact, 775 million people lack access to electricity, representing 10% of the global population.<sup>8</sup> They are denied the privileges of modern life, many of which are fueled by abundant oil and natural gas. Their efforts to improve their standard of living through greater access to affordable and reliable energy will compound future demand for energy, further complicating the transition.



HUMAN PROGRESS

Meeting *growing demand* will require more *affordable energy*, not less, and in varying forms.



Learn more at [apacorp.com](https://www.apacorp.com)

775 million people lack access to energy.

40% growth expected in the global population by 2100.

### Oil and natural gas as a tool for stability

Geopolitical strife increased in 2023, highlighting energy security challenges and confirming the importance of energy independence for the U.S. and its allies. Due to the emergence and application of new technologies, along with greater drilling and completion efficiencies, the U.S. now leads the world in oil production, followed by Saudi Arabia, Russia, Canada and Iraq.<sup>9</sup> Current and future consumers of energy are faced with a wide range of possible suppliers, but many come with risks.

Although regional conflict in the Middle East has historically had a destabilizing impact on the price of oil, this was not the case last year. American energy dominance, as the world's leading oil producer and largest exporter of natural gas, acted as a stabilizing force, signaling certainty to a market that previously would have responded with heightened volatility.<sup>10</sup> Yet, in spite of the economic and political flexibility provided by this energy advantage, Western energy policy continues to undermine oil and gas exploration and production. This has created challenging

operational environments and empowered threat actors with access to immense oil and natural gas reserves, such as Iran,<sup>11</sup> Russia and Venezuela.<sup>12</sup> Rather than bolster exploration and production by companies in places with stringent environmental regulations and responsible operations, such as in the U.S.,<sup>13</sup> the U.K.<sup>14</sup> and Australia,<sup>15</sup> government policies have inadvertently encouraged the growth of unregulated operators in hostile nations with little to no oversight or accountability.<sup>16</sup>

Short-term regulatory actions, combined with the unrealistic expectations of net-zero targets, have forced nations to rely on more carbon-intensive fuel sources, while isolating the cleanest oil and gas producers. The energy crisis experienced in Europe triggered an unplanned reversion to coal, with previously retired coal power plants in the U.K. being used during the winter months.<sup>17</sup> The same was true in Germany in an effort to avoid the impact of natural gas shortages.<sup>18</sup> Compared to natural gas, coal produces twice the emissions,<sup>19</sup> requiring Germany to more closely monitor the implementation of its emissions reductions strategy.<sup>20</sup> In 2023, coal mining in China reached record levels, with analysts predicting a continued increase in 2024.<sup>21</sup>

Meanwhile, government leaders in the U.S. and the U.K., driven by domestic political movements and a skyrocketing cost of living,<sup>22</sup> have levied exorbitant tax rates,<sup>23</sup> suspended natural gas infrastructure development, and lifted or failed to enforce sanctions on some of the least environmentally responsible oil producers in the world.<sup>24</sup> In the U.K., the Energy Profits Levy (EPL) represents an overall tax burden of 75% for North Sea oil and gas producers, one of the highest in existence.<sup>25</sup> The EPL may score short-term political points with a population frustrated by higher energy prices, but in the long term it will compromise domestic U.K. energy production and security. As a direct result of the EPL, APA and many other operators in the U.K. North Sea have reduced investment or ceased drilling for new resources outright.

In the U.S., amid the pressing global need for energy security and reliability, the federal government initiated a pause on all new permitting for liquefied natural gas (LNG) export capacity, jeopardizing future development of LNG infrastructure<sup>26</sup> and associated employment and power supply. With less U.S.-produced natural gas on the market, our allies are left with few options but to rely on coal and

“While material advancements in energy efficiency may help temper the strain of rising demand, their *predictability* and *scalability* remain unknown.”



countries that are less environmentally focused. For example, in 2022, compared to the U.S., estimated natural gas flaring intensity was 219% higher in Russia, and 124% higher in Iran.

By contrast, as oil and gas production has grown in the U.S.,<sup>27</sup> CO<sub>2</sub> emissions have continued to fall. In 2023, the U.S. economy grew by 3%,<sup>28</sup> however, U.S. CO<sub>2</sub> emissions from power generation decreased by 7%, due largely to coal-to-gas switching.<sup>29</sup> In the Permian Basin, the most prolific oil production basin in the U.S., methane intensity fell by nearly 85% from 2011 to 2022, even though oil and natural gas production increased by 416% over the same period.<sup>30</sup>

Clearly, U.S. operators have demonstrated themselves to be highly efficient, responsible energy partners to the world. As such, they should be encouraged and incentivized to lead the production, and if necessary, expansion of hydrocarbons over the next several decades. APA believes in the long-term value of oil and gas and recognizes its critical impact on global stability and prosperity. We will remain committed to delivering these needed products with top-tier operational excellence.

### APA is delivering consistent and tangible progress

While pressure to commit to an unknowable, net-zero future remains across the industry, APA's sustainability strategy has remained consistent. We lead with pragmatism and accountability, making short- and medium-term commitments that we have, and will, continue to deliver on.

Rather than focus on ever-changing variables that cannot be reasonably controlled by our business, we believe in effecting change within our direct sphere of influence. As such, we have achieved numerous ambitious ESG goals over the last several years and made significant progress toward identifying projects to reduce 1 million metric tonnes of CO<sub>2</sub>e by year-end 2024. In 2023, we utilized greater than 50% recycled produced water for completions across our U.S. onshore operations, converted more than 2,800 pneumatic devices to reduce methane emissions, and built upon our excellent safety record by achieving a severe incident rate (SIR) at or below target of 0.028.

# 1 million

metric tonnes of CO<sub>2</sub>e reduction across our operations by year-end 2024 is our goal.

This commitment to operational excellence and safety is not limited to our U.S. operations. In Egypt, we apply our best practices philosophy and have elected to report 100% of our Egypt joint-venture-operated emissions, rather than just the portion of emissions associated with our equity stake. We have also set a new compensation-linked goal to deliver projects that will reduce diesel consumption for power generation in Egypt by 10% by year-end 2024. The conversation around energy transition has shifted over the last year from a choice between fossil fuels and renewables to a recognition of the need for both. This energy evolution requires bright minds, creative thinkers, pragmatic doers and effective leaders — all of which can be found in the oil and gas industry.

As a company, we will always commit ourselves to building a cleaner, more sustainable world, a promise that many countries with significant oil and gas production have neither made nor kept. Society faces not so much a fossil fuel challenge but rather an emissions challenge, the solution to which will require a joint global effort that brings oil and gas producers, consumers and technological innovators to the table. For years, APA's foundational principles have underpinned a consistent and robust ESG track record, achieving one milestone after another as demand for our product continues to rise. We do not see this demand dwindling, particularly when the energy trilemma remains unresolved. Human progress hinges on access to energy, and we remain committed to exploration, production and growth as we responsibly navigate what lies ahead.



“The conversation around energy transition has shifted over the last year from a choice between fossil fuels and renewables to a recognition of *the need for both.*”

# ESG Overview

We are committed to being a leader on the environmental, social and governance (ESG) issues most pertinent to us and within our company's ability to control.

We set ambitious short- and medium-term ESG goals tied to all employees' incentive compensation. Our board of directors regularly reviews our performance, providing oversight and input on our ESG strategy.

ESG Oversight	24
Our Sustainability Approach	28
ESG Goals	30
Climate Scenario Analysis	32

# ESG Oversight

## Board oversight

We know that driving performance and fostering a culture of continuous improvement starts at the top, which is why our board of directors is actively involved in ESG issues. The full board regularly reviews company actions and seeks external perspectives on a range of sustainability issues, including environmental, health and safety (EHS) performance; climate-related risks and opportunities, greenhouse gas (GHG) emissions and water usage; human capital management and succession planning; diversity and inclusion (D&I); and cybersecurity.

Board members, including our chief executive officer, engage directly with ESG-focused shareholders to gain external perspectives on key ESG issues. Directors and executives participate in ESG conferences to enhance opportunities for in-person discussion with stakeholders and ongoing education on ESG issues. The board also invites external experts and advisers to present on current and future risks, as well as trends that could impact our company, our industry or the broader business or geopolitical landscape.



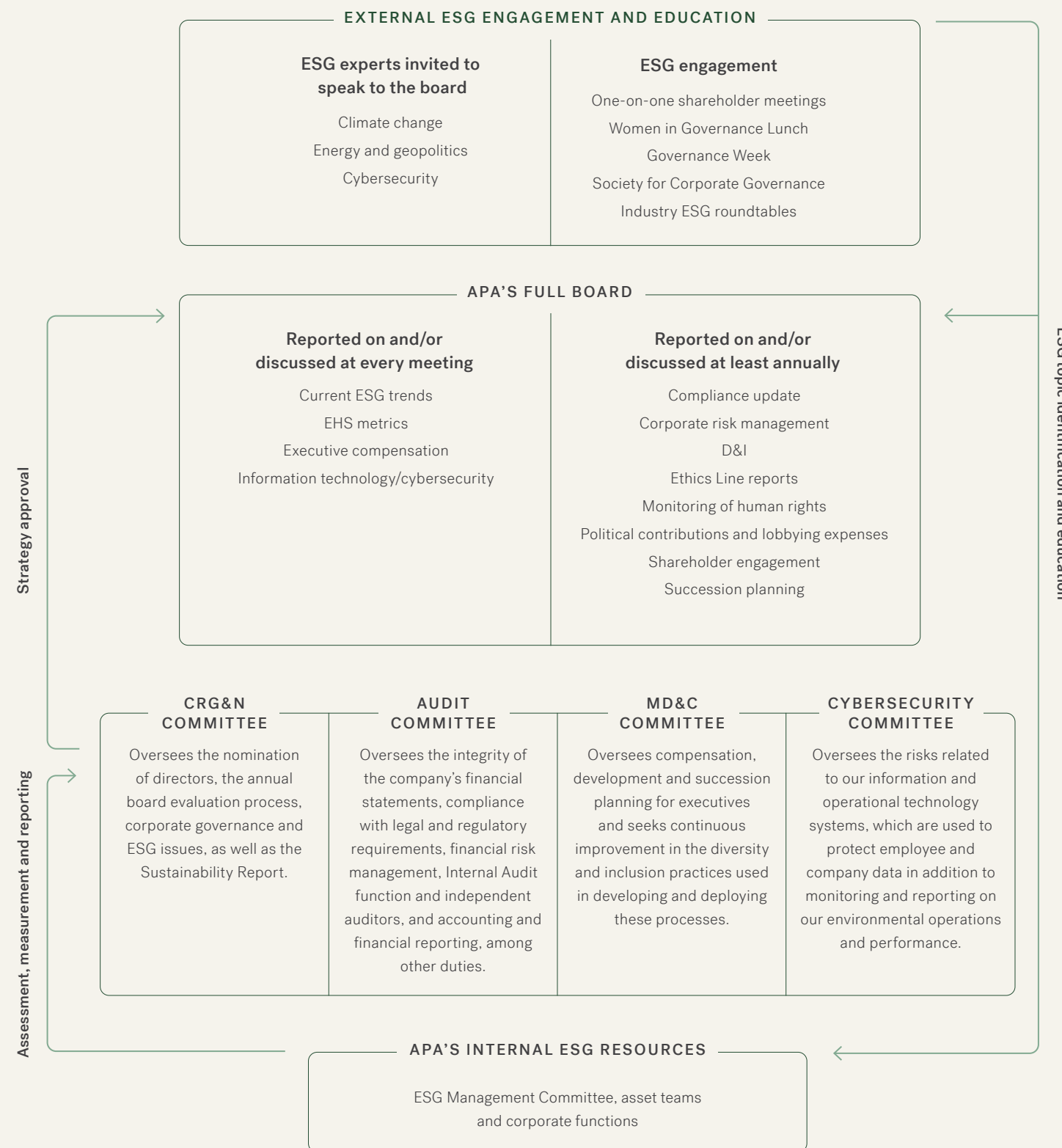
“We know that driving performance and fostering a culture of continuous improvement starts at the top.”

## Board ESG framework

Our board and senior management are directly engaged in assessing and managing risks, opportunities and performance on a wide range of ESG topics, including climate change-related risks and opportunities. These matters are of such a strategic nature that the board retains direct oversight responsibility, with all four board committees providing additional oversight unique to their areas of focus — the Corporate Responsibility, Governance, and Nominating (CRG&N) Committee; the Audit Committee; the Management Development and Compensation (MD&C) Committee; and the Cybersecurity Committee, which was newly formed in 2023. All board committees are chaired by diverse board members.

The CRG&N Committee oversees the company’s efforts on ESG issues. This committee’s annual calendar includes designated meetings for in-depth discussions on various topics, including governance trends that impact the company and the energy industry, approval of political contributions and lobbying expenditures using company funds, monitoring of human rights, and review of this report. The Audit Committee reviews with management the guidelines and policies governing the process by which both management and the relevant departments assess and manage our exposure to risk. The MD&C Committee oversees succession management and development plans, executive compensation, human capital programs — including D&I — and evaluation and scoring of overall corporate performance metrics. The Cybersecurity Committee reviews risks related to our cybersecurity policies, procedures and plans, and also oversees the management of risks related to APA’s privacy, network security, data security and compliance with applicable information security and data protection laws and industry standards.

## Board ESG Framework



## Prioritizing and managing sustainability initiatives

APA commits considerable time, energy and capital to reducing our environmental impact, fostering a safety-first work culture, building cybersecurity safeguards, and managing the evolving opportunities and risks associated with climate change. We engage every level of the organization and all functional areas of the business through a “wellhead-to-boardroom” approach, which aligns our collective interests and incentivizes top performance and accountability. We underpin this alignment by linking 20% of all executives’ and employees’ annual incentive compensation directly to ESG- and safety-performance-related goals.

Beginning in 2022, our compensation-linked ESG goals have included both short- and long-term targets. We review and update our compensation goals annually to drive ongoing performance improvement. In past years, our goals have included initiatives to reduce emissions, increase the use of recycled water and expand D&I efforts across the company. For 2023, our compensation goals included reducing methane emissions by converting more than 2,000 pneumatic devices to instrument air or through valve retrofit; achieving a Severe Incident Rate at or below 0.028; and utilizing at least 50% recycled produced water for completions in U.S. onshore operations. All three goals were achieved in 2023.

## ESG MANAGEMENT COMMITTEE

We have a dedicated, cross-functional ESG Management Committee, which evaluates ESG trends and refines our strategic framework to assist the company in focusing on our most significant sustainability processes and outcomes. The committee is led by APA’s president and chief financial officer and comprises five officers overseeing environment, health and safety; corporate communications and public affairs; investor relations; corporate governance; and human resources. As a team, they focus on strategic sustainability planning and communications and driving key initiatives across the organization.

The ESG Management Committee meets regularly to discuss ESG trends, develop tangible, target-based goals and resource recommendations, review progress and make adjustments where necessary.

## ESG engagement

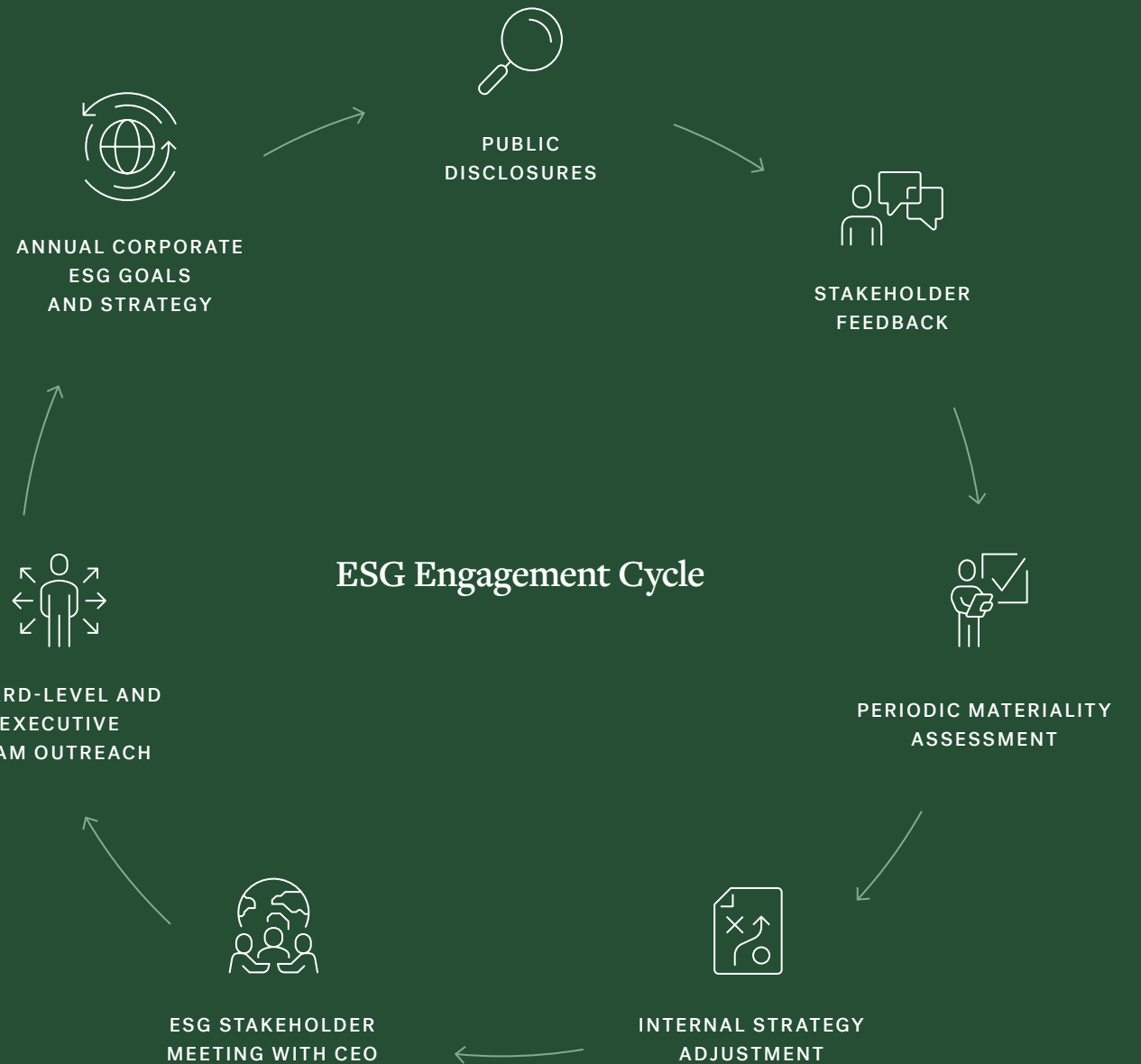
To better understand external perspectives and concerns, members of APA’s board, executive team, or ESG Management Committee regularly engage with a wide range of stakeholders, including shareholders, employees, customers, suppliers, government agencies, and regulators, nongovernmental organizations and others. They engage on a variety of ESG issues, including GHG emissions, climate change-related risks, corporate governance and human capital management. [\(Read more about our approach to stakeholder and shareholder engagement in the Governance section starting on p. 124.\)](#)

## Cross-functional ESG Management

Our ESG Management team is made up of **five** functional groups that assist our business with sustainability strategy, planning and implementation:

-  ENVIRONMENT, HEALTH AND SAFETY (EHS)
-  CORPORATE COMMUNICATIONS AND PUBLIC AFFAIRS
-  CORPORATE GOVERNANCE
-  INVESTOR RELATIONS

-  HUMAN RESOURCES
-  ESG STAKEHOLDER MEETING WITH CEO



# Our Sustainability Approach

Our greatest contribution to society is providing affordable, reliable and responsibly produced energy.

We believe that hydrocarbon production and consumption will remain a significant component of the global energy landscape for decades to come. Within that context, APA operates with a sense of urgency to support carbon management nearest to the wellhead, to understand our potential impacts on and uses of natural capital, and to preserve finite natural resources. With employees, assets and operations on four continents, we recognize the importance of being a global steward and community partner. We help meet the world's energy needs. This enables and empowers global progress and contributes



100%

of our 2023 community investment was aligned with the U.N. SDGs.

## Our Three ESG Pillars



## The U.N. Sustainable Development Goals (U.N. SDGs)



directly and indirectly to many of the U.N. Sustainable Development Goals (SDGs), including reducing poverty, ensuring access to affordable and clean energy, and promoting sustainable economic growth. Since 2020, we have aligned 100% of our community giving with the U.N. SDGs. An index in the Appendix demonstrates how our business further aligns with the U.N. SDGs [\(read more on pp. 160-161\).](#)

APA recognizes the importance of adding value for all stakeholders and considering their views in developing the company's strategy. Three years ago, we undertook an extensive materiality assessment to learn from a cross-section of our key internal and external stakeholders, as well as leading thinkers in the energy, environmental and social policy spaces. We have used this information to continue to enhance our sustainability processes and initiatives [\(read more on pp. 10-11\).](#)

## ESG pillars and performance

We have three primary pillars where we focus our attention, concentrate our resources, measure our performance and enhance our positive impact. These pillars — Air, Water and Communities+People — serve as the foundation for our ESG strategy, initiatives and compensation-linked goals. [\(See 2024 Sustainability Report Quick Summary.\)](#)

“APA recognizes the importance of *adding value* for all stakeholders and considering their views in developing the *company's strategy*.”

# Our ESG Goals

To ensure that sustainability initiatives remain a priority across our organization, the board and ESG Management Committee take an active role in overseeing our ESG strategy and driving performance with rigorous goals and by linking executive and employee compensation to their achievement. Our strong foundation of disclosure, accountability and oversight underpins the substantial progress we are making toward our ESG goals in each operating area. Our goals are intentionally challenging and focused on near-term actions so we can drive timely and impactful results.

## Short-term targets<sup>31</sup>

### AIR

- **NEW FOR 2024** Deliver projects that will reduce diesel consumption for power generation in Egypt by 10% by year-end 2024.
- Reduce methane emissions in U.S. onshore operations by converting more than 2,000 pneumatic devices to instrument air or by valve retrofit.

✓ **ACHIEVED** — more than 2,800 pneumatic devices were replaced or converted in 2023.

### WATER

- Utilize at least 50% recycled produced water for completions in U.S. onshore operations.

✓ **ACHIEVED** — utilized 61% recycled produced water for completions in 2023.

### SAFETY

- **NEW FOR 2024** Conduct at least 4,000 Life-Saving Rule inspections with greater than 30% leadership participation.
- **NEW FOR 2024** Achieve a Severe Incident Rate (SIR) at or below 0.01.
- Maintain the momentum of APA's excellent 2022 safety performance by achieving an SIR at or below 0.028.
- Encourage employees and contractors to proactively identify at-risk conditions and behaviors across operations by setting a goal to increase the safety observation rate and actions by 10%.

✓ **ACHIEVED** — our SIR was 0.005 in 2023.

✓ **ACHIEVED** — more than 17,000 AIM for ZERO submissions were logged across our global operations in 2023, up from 14,000 in 2023 — a greater than 21% increase.

## Medium-term targets

- **NEW FOR 2024** By 2026, reduce APA's global methane intensity by 50% compared to the 2021 baseline year.

- Implement projects that eliminate at least 1 million tonnes of annualized carbon dioxide equivalent emissions by year-end 2024. As of February 2024, we have implemented 70% of the projects necessary to achieve this goal. We have also engaged a third party to verify the total tonnes of emissions reductions associated with projects completed by year-end 2024.

🎯 **ON TRACK TO ACHIEVE THIS GOAL**

- Reduce our global Scope 1 GHG intensity by 10%–15% by 2030, with a near-term compensation-linked milestone to reduce our global Scope 1 GHG intensity at least 5% by year-end 2025.

🎯 **ON TRACK TO ACHIEVE THIS GOAL**

- Accelerate the surface reclamation of more than 150 plugged and abandoned sites in U.S. onshore operations by year-end 2025.

🎯 **ON TRACK TO ACHIEVE THIS GOAL**



## OUR CORE VALUES

# Ingenuity



We set aggressive goals, question the status quo, and seek top performance through *continuous improvement*.

See all of our core values at [apacorp.com](https://www.apacorp.com)

# Climate Scenario Analysis

Scenario and portfolio planning are part of our ongoing business planning and risk management processes. When formulating our long-term investment and development plans, we consider a range of pricing scenarios, including scenarios in a carbon-constrained world, that assess the potential climate-related risks and opportunities influencing fossil fuel supply and demand. To continue to improve our understanding of the potential risks and opportunities associated with climate change, we update our Task Force on Climate-related Financial Disclosures (TCFD)-aligned, climate-focused scenario planning analysis annually, based on revisions to external and internal data. This analysis includes external forecasts of future demand, pricing in energy markets, and changes in government regulations and policy that might occur based on different scenarios.

Given the dynamic nature of our business, APA historically performs annual scenario analyses with five-year time horizons. These analyses include the input of experts from several internal functional areas. However, we appreciate the value of climate-related financial analysis that takes into consideration longer-term supply/demand, regulatory frameworks and pricing scenarios, as recommended by TCFD. Since 2021, we have incorporated these longer-term views into our planning process, using external analysis for demand, carbon and commodity comparison-pricing scenarios. These external cases are then compared to our internally prepared base-case pricing analysis, averaged out to 2040. For more information, see our TCFD analysis on [pp. 134-141](#).

“We work every day to *reduce* our environmental footprint, *enhance* the safety of our operations and *partner* with our communities to create *long-lasting* value.”

## Our Climate Statement

Climate change is an important issue for our company, our stakeholders and our industry. We are committed to reducing our emissions while helping to meet increasing global energy demand in affordable and reliable ways.

Oil and gas products underpin the global economy, elevate billions to higher standards of living and enable innovation and practical expansion of other energy sources.

We work every day to reduce our environmental footprint, enhance the safety of our operations and partner with our communities to create long-lasting value. We are focused on opportunities where we can have a meaningful impact on our key ESG focus areas of Air, Water and Communities+People. To drive continuous progress, we set compensation-linked targets that reduce our environmental impact in areas such as flaring, emissions and freshwater usage.



# Environment

Environmental stewardship is critical to sustaining life, human progress and our success as an oil and gas company.

At APA Corporation (APA), collaborative and interdisciplinary teams come together to evaluate better uses of technology, conduct research, execute emissions reduction projects and expand our water conservation efforts.

The efforts from these cross-functional teams help us to comply with environmental regulations, achieve environmental and energy management systems ISO certifications in applicable areas, and apply both preventative and corrective measures. All personnel in APA's operating areas are required to follow our **EHS Policy**, which provides an overarching framework for conducting business in a way that protects our workforce, our communities and the environment.

Air	34
Greenhouse Gas Emissions Performance and Goals	38
Water	40
Biodiversity and Environmental Stewardship	48
Environmental and Waste Management	56

# Air

We are committed to helping address the dual challenge of reducing emissions while responsibly producing reliable, secure, affordable energy to help meet the world’s growing needs.

These efforts extend beyond just reducing air emissions from our operations. We collaborate with others in developing emissions reduction and leak detection solutions as key elements of industrywide operations. Greenhouse gas (GHG) and non-GHG air pollutant emissions are important issues for our company, the upstream oil and gas industry, and the world at large. We recognize concerns over climate change-related risks and localized air quality impacts, as anthropogenic sources of air pollutants shape and affect our business and the communities where we operate.

In 2023, we improved our emissions performance through leveraging key technology and infrastructure enhancements in our operations. For example, we:

- Increased the use of electricity from the grid to power well sites and facilities, including by replacing diesel or gas-fired engines at 22 facilities in our U.S. Delaware Basin onshore operations where electric power was not previously available.
- Continued to add natural gas compressors at our remote production facilities in Egypt to bring more natural gas to market and reduce flaring volumes.
- Increased the number of U.S. locations where we have routed compressor blowdown to flare or recapture/recycle, effectively reducing our methane emissions.
- Reduced methane emissions from glycol recovery units at our offshore facilities in the U.K. through optimizing capture of previously vented emissions.
- Reduced U.S. onshore trucking-related emissions associated with water transportation by utilizing pipelines to move water to and from facilities.

- Utilized additional operational monitoring technology at our U.S. onshore facilities to identify in near real time changes in operating conditions that can indicate intermittent emission events, allowing personnel to respond faster.
- Implemented projects across our operations to switch to lower-emitting power sources, such as by replacing diesel-powered generators and energizing equipment with new power line extensions from existing gas-powered turbines where practical in the Western Desert of Egypt.

[\(See pp. 38–39 and p. 128 for more details on our emissions performance over the past five years.\)](#)



## Tackling Emissions in Egypt

Since the summer of 2023, communities in Egypt have faced more frequent rolling power outages that profoundly disrupt everyday lives and businesses. This is due to declining gas production in the region, combined with greater exports to the European Union since the beginning of the war in Ukraine, which has been further exacerbated by decreasing imports of Israeli gas due to the Israel-Hamas war in Gaza, which began in 2023.

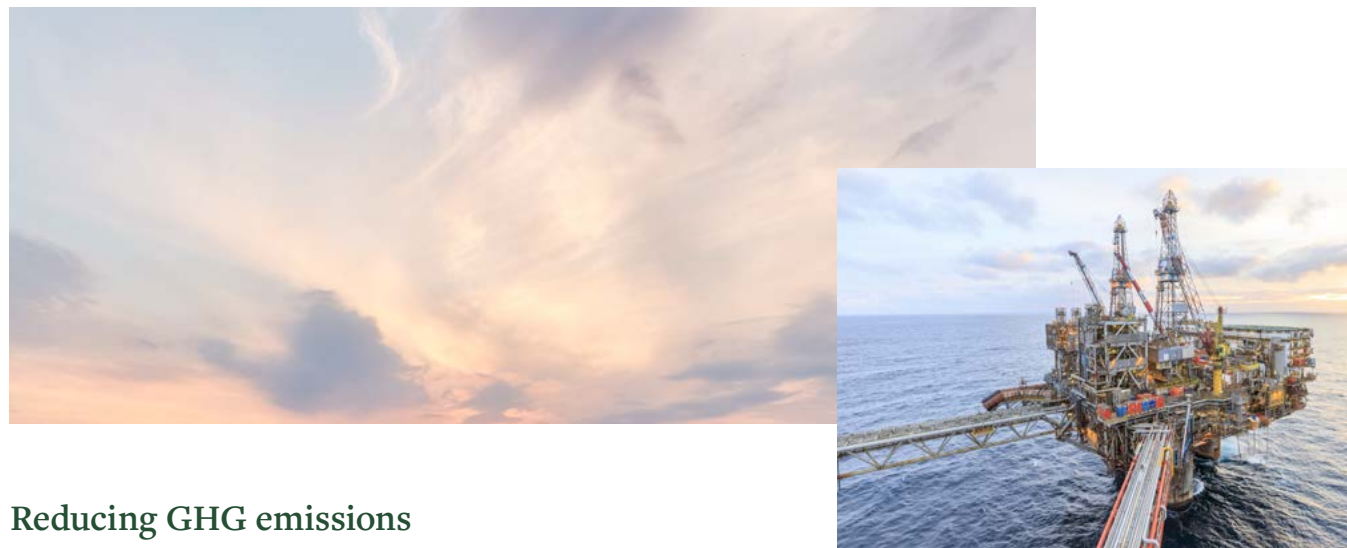
Considering these supply disruptions, it is even more important that companies such as ours work with in-country partners to more efficiently produce oil and natural gas and increase production volumes while operating our assets in an environmentally conscious way. We are working closely with our joint venture partners in Egypt to evaluate and improve our energy efficiency, while finding ways to reduce emissions from our production and improve emissions data collection and reporting.

In Egypt, our operations include both upstream production and midstream distribution and processing of hydrocarbons, which means we operate a greater portion of the value chain there than we do in our U.S. onshore and North Sea offshore operations. As a result, we report greater Scope 1 emissions in Egypt than we would for the same production volumes elsewhere. In addition, we own a two-thirds stake and 50% joint venture interest in Egypt, representing approximately one-third equity in Egypt; however, we report 100% of Egypt-operated emissions in this report. The country of Egypt has yet to establish GHG calculation protocols or reporting regulations, and we believe that including the full emissions from our Egyptian operations, rather than just our equity share, adds transparency to our corporate emissions tracking and reporting.

Our technical and support teams across the organization have worked collaboratively on efforts focused on continuous improvement in our emissions data reporting and calculation methodologies over the last four years. For example, in 2022, our field teams in Egypt revamped the foundation of our GHG emissions calculations with a comprehensive, field-verified equipment inventory. This task involved identifying active and idle operating equipment at more than 60 upstream and midstream facilities, requiring hundreds of work hours across a variety of functions, to improve the basis and accuracy of our emissions calculations. Having an improved understanding of our emission sources and the contributing source data enables us to identify more targeted emissions reduction projects, allowing us to better manage and reduce emissions in furtherance of our corporate goals. As we continue to improve the management of emissions data through enhanced calculation methodologies and measurement capabilities, we anticipate greater data accuracy over time.

“Focusing specifically on combustion emissions in our operations, we have set a goal to deliver projects that *reduce diesel consumption for power generation* in Egypt by 10% by year-end 2024.”





## Reducing GHG emissions

We have implemented a range of technologies and operational practices to reduce GHG emissions. For example, we design and engineer new facilities to minimize emissions, have preventive maintenance programs in place for existing facilities and, where necessary and appropriate, use equipment specially designed to perform in severe service conditions that might affect emissions.

### FLARING REDUCTIONS

To support our mission to continually reduce emissions from flaring, APA has undertaken several projects and is planning a series of additional energy efficiency and methane utilization initiatives. In Egypt, projects that have been completed include implementing flare-to-power generation at remote facilities and substituting diesel-based power generation with newly gathered and rerouted produced gas streams.

In the U.K., on our Beryl Alpha platform, we have begun conceptual engineering and are planning to commence in 2024 Front End Engineering Design (FEED) work on a flare gas recovery system to recover gas from the flare system and reroute it to a low-pressure compression train for export.

In the U.S., our reduced-emissions completions process captures gas produced during well completions and workovers to be processed for sale rather than being flared or vented.

**25%**

reduction in flaring emissions, totaling 527,439 tonnes of CO<sub>2</sub>e since 2019.

### VENTING

In the oil and gas industry, venting refers to the direct release of natural gas, most of which is methane. There are many safety and operational reasons for venting to occur; however, APA seeks to reduce venting within our operations. To reduce GHG emissions, we preferentially flare gas rather than vent it, as direct methane emissions have a higher global warming potential. Recently, we have undertaken multiple projects and process improvements to reduce venting emissions, in particular, the venting of methane-rich gas streams. In the U.K., we have successfully rerouted venting from glycol recovery units to low-pressure flares, resulting in a 64% reduction in methane emissions from gas venting at our Beryl platforms.

For valve actuators and mechanical controllers, we are working to change the motive source from natural gas to air. These projects are focused on reducing known sources of methane venting even when small incremental volumes were being released. APA is converting these devices either to operate on inert gases or retrofitting the controllers so that we are capturing the methane vented from these devices to prevent the gas from being emitted.

We are continuing our efforts to reduce the number of methane-emitting pneumatic controllers in our U.S. onshore operations and have decreased methane emissions by an estimated 1,448 tonnes between 2022 and 2023, an approximate 17% year-over-year reduction. We have also continued our progress on rerouting compressor blowdown vents to flare and are now using this approach at 30 facilities. In addition to these achievements, we have improved our leak detection and repair program and the average time it takes to close repairs.

### LEAK DETECTION AND REPAIR (LDAR)

Leak detection inspections to reduce emissions are an ongoing part of field personnel's on-site activities. We work to repair leaks when they occur at the time they are detected, subject to verification of safe operating conditions. By the end of 2023, our closure time for leak repairs had improved to less than five days on average.

Our field personnel proactively engage in asset integrity inspections in accordance with applicable regulations and our Environment, Health and Safety (EHS) standards. Field personnel are trained to perform audio, visual and olfactory inspections for possible leaks as a part of their overall competency. As a part of our LDAR program in U.S. onshore operations, we use optical gas imaging (OGI) cameras to examine new and modified facilities to identify and address any leaks after the facilities come online. Existing facilities that are a part of the LDAR program are examined at least twice per year with an OGI camera. OGI inspections focus on components of a facility that have the potential for leakage, including actuators, flanges, manifolds, pressure vessels, tanks and valves. In 2023, 350 unique facilities were surveyed using OGI cameras as part of our LDAR program, and more than 650 well sites were also inspected. We further enhanced our LDAR program by adding more OGI cameras and introducing other technologies that facilitate the quantification of emissions detected by the OGI cameras.

### ELECTRIFICATION

We are increasing electrification in our U.S. and Egypt operations at locations where we have access to the electrical grid. These efforts reduce diesel consumption, noise pollution and overall GHG emissions, as grid-scale power generation has a lower GHG intensity than on-site generation. In Egypt, we have installed overhead power lines to connect to the grid in our eastern operating areas, where more stable grid power is available. This effort has freed up approximately 5 million liters of diesel for other users in Egypt on an annual basis. In our U.S. onshore operations, in some remote production locations where utility electric power is unavailable, we have installed on-site solar panels to supplement or eliminate gas-powered equipment. We will continue to research and identify ways we can electrify our operations.

APA proactively engages with stakeholders to evaluate the role of renewable power resources in electrifying our operations as part of our efforts to reduce Scope 1 (direct) and Scope 2 (indirect) emissions.

## Reducing Methane Emissions Through Industrywide Initiatives

We recognize that reducing global emissions is a team effort. During 2023, we continued our long-standing participation in industry partnerships focused on reducing methane emissions by setting and meeting goals, cooperating in knowledge-sharing between partners and delivering on commitments that drive emissions-reduction performance improvements across the industry.

### U.N. ENVIRONMENT PROGRAMME'S OIL & GAS METHANE PARTNERSHIP 2.0

In 2023, we joined the U.N. Environment Programme's Oil & Gas Methane Partnership 2.0 (OGMP 2.0), the only comprehensive, measurement-based international methane reporting framework for the oil and gas sector.

### THE ENVIRONMENTAL PARTNERSHIP

We are also a member of The Environmental Partnership, a program of the American Petroleum Institute (API) that brings together more than 100 oil and gas companies to address environmental challenges and improve environmental performance in our industry.

### ONE FUTURE COALITION

We are a charter member of the ONE Future Coalition, a group of more than 50 companies seeking to reduce methane losses to less than 1% of total U.S. methane production across the natural gas value chain by 2025.



# Greenhouse Gas Emissions Performance and Goals

We calculate emissions from our drilling, completion, production, gathering and boosting, and gas processing operations.

## our 1 Million Tonnes GHG Reduction Goal

As part of our 2022 long-term incentive compensation plan, we set a goal for the implementation of projects capable of eliminating at least 1 million tonnes of annualized CO<sub>2</sub>e emissions by year-end 2024. We have identified and executed many projects across our operations that will contribute to meeting this goal. We are working with GHD, a third-party consultant, to support our work by verifying project deployment and emissions reduction calculations, providing international operational experience and helping to track our progress on these projects. Through numerous additional projects, most of which are already underway and planned for completion this year, we are on track to meet or exceed this goal.

### GHG INTENSITY AND METHANE INTENSITY REDUCTION GOALS<sup>32</sup>

- ⊙ Reduce global Scope 1 GHG intensity 10%–15% by year-end 2030, with a near-term, compensation-linked milestone to reduce at least 5% by year-end 2025.
- ⊙ By year-end 2026, reduce APA's global methane intensity by 50% compared to the 2021 baseline year.

### DIESEL REDUCTION GOAL

- ⊙ Deliver projects that will reduce diesel consumption for power generation in Egypt by 10% by year-end 2024.

We monitor a range of emission sources — including combustion, flaring, venting and fugitive emissions — to determine our overall GHG inventory. As a global company, we report under multiple regulatory frameworks. These include the U.S. Environmental Protection Agency (EPA) Subpart W GHG reporting protocol in the U.S., the API Compendium of GHG emissions for the Natural Gas and Oil Industry in Egypt, and the U.K. Emissions Trading Scheme for our North Sea operations. Since APA does not direct or control the end use of our produced oil and gas, we exclude the calculation of Scope 3 emissions, which are dominated by category 11: use of sold products.

The GHGs included in our GHG inventory calculations are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O). Consistent with the Intergovernmental Panel on Climate Change's Fourth Assessment Report, we assign a 100-year global warming potential (GWP) to each of these component gases as part of our GHG inventory calculation. These values are 1 for CO<sub>2</sub>, 25 for CH<sub>4</sub> and 298 for N<sub>2</sub>O. The mass of each component gas multiplied by its GWP results in a calculated value of carbon dioxide equivalents (CO<sub>2</sub>e) for that component.

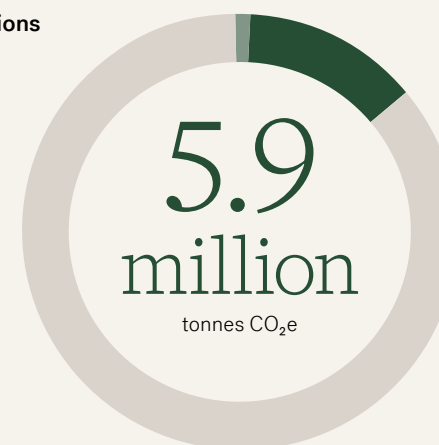
### Goal-related emissions transparency

APA strives for accuracy and transparency in emissions data management and reporting, which supports improved emissions management.

To enhance transparency when calculating and reporting emissions related to goals and targets, APA follows a range of best practices, including:

- Disclosing emissions related to material assets divested during the reporting period.
- Undertaking potential recalculations and restatements in cases of material changes such as ownership, control, acquisitions, divestiture or data improvements, or correction of errors.
- Reporting the Egypt joint-venture-operated emissions rather than our equity-based percentage.

### 2023 GHG Emissions

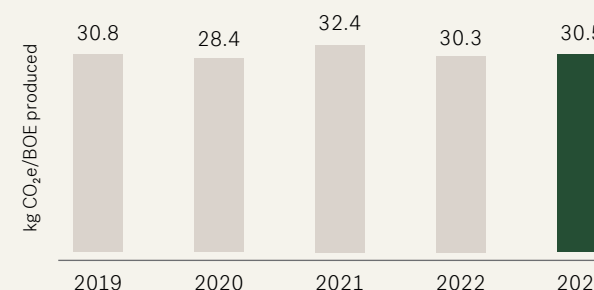


• 84.7% CO<sub>2</sub>  
5.05 million tonnes CO<sub>2</sub>e

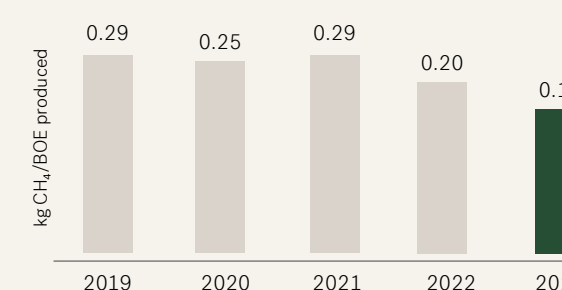
• 14.7% CH<sub>4</sub>  
878,755 tonnes CO<sub>2</sub>e

• 0.6% N<sub>2</sub>O  
32,815 tonnes CO<sub>2</sub>e

### Global GHG emissions intensity



### Global methane emissions intensity



### CALCULATING OUR GHG AND METHANE EMISSIONS INTENSITIES

$$\text{GHG Emissions Intensity} = \frac{\text{Scope 1 Emissions (kg CO}_2\text{e)}}{\text{Gross Production (BOE Produced)}}$$

$$\text{Methane Emissions Intensity} = \frac{\text{Methane Emissions (kg CH}_4\text{)}}{\text{Gross Production (BOE Produced)}}$$

**Key**  
kg: kilograms      BOE: barrels of oil equivalent

## Non-GHG Air Emissions

In the U.S., the Clean Air Act (CAA) requires the EPA to set ambient air quality standards for common non-GHG air pollutants, often referred to as criteria pollutants. The CAA focuses on a group of six criteria that are regulated by the EPA due to their harmful effects on human health and the environment, specifically carbon monoxide, lead, nitrogen oxides, ozone, particulate matter and sulfur dioxide. Lead is not a significant emission from our operations. We manage the other five regulated non-GHG emissions through air permits, and registrations are administered by state environmental agencies pursuant to the CAA.

### Our management efforts include the following:

- Emission technologies are used to control criteria pollutant emissions in catalytic converters, flares and vapor recovery units.
- Monitoring helps us verify that emission control technologies are functioning properly.
- Modeling is used to evaluate the proper emission technology that is required for each site.

# Water

Water is a vital resource that supports everything around us — healthy ecosystems, vibrant communities — and our own oil and gas operations.

Our water strategy is centered on a safe, responsible approach to water management that targets the minimization of spills, reduction of freshwater use, and utilizing recycled produced water in our operations. We believe this approach helps balance competing water needs for our stakeholders and watersheds, while managing risks that could disrupt our operations.

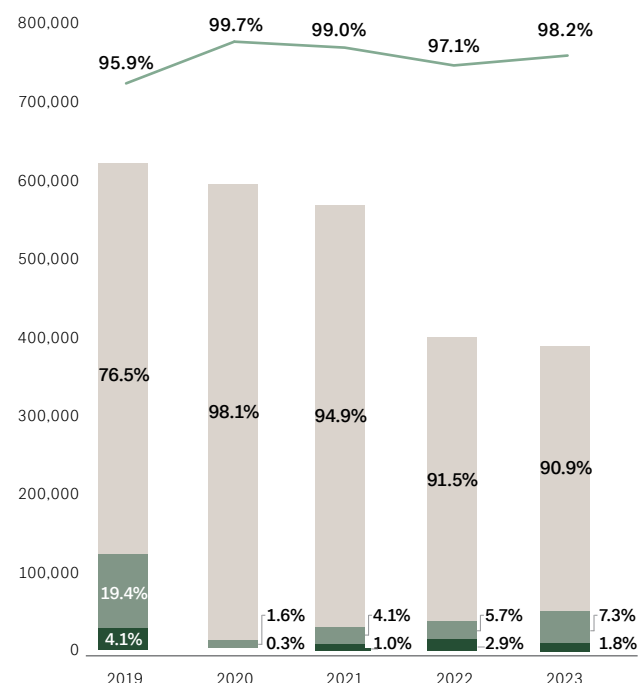
We work to avoid utilizing freshwater resources that are shared and relied upon by other end users, such as agriculture and municipal water systems. We prioritize the use of nonfresh water in our operations whenever safe and feasible, and we continue to work to increase the recycling of produced water.



## Operational water use

Our primary water use is for secondary oil recovery operations (i.e., waterfloods) in legacy oil fields in the Permian Basin. We also use water during the drilling and completion of new wells. The chart below shows the global volumes and sources of water used in our operations for enhanced oil recovery from existing wells and for the drilling and completion of new wells, including for hydraulic fracturing. As the chart indicates, over the past five years, more than 95% of the water we have used globally has been nonfresh groundwater or recycled produced water. Particularly in the U.S., we have maintained this high percentage of nonfreshwater use through strategic planning and investment in our water infrastructure, allowing us to recycle an increasing amount of produced water from our operations. In some instances, as an alternative to fresh water, we have also used treated municipal wastewater as a source for our operational water needs.

Global operational water usage chart



- Recycled Produced Water (thousand barrels [Mbbls])
- Nonfresh Water (Mbbls)
- Fresh Water (Mbbls)
- Recycled and Nonfresh Water (%)

“We seek to *minimize our use of fresh water* by finding *innovative ways to recycle* produced water, *source other alternatives* to fresh water and *reduce the overall amount* of water required for our operations.”

In line with Ipeica’s sustainability reporting recommendations, a leading reporting framework for the oil and gas industry, we define consumptive use of water as considering only fresh water and nonfresh water from surface or shallow groundwater (including treated municipal wastewater), since it is from these sources that the industry’s water use results in removal from the normal surface or groundwater cycle.<sup>33</sup> The water consumption calculations in the Key Performance Data chart (see p. 128) and Performance Data by Country chart (see p. 132), therefore, reflect only the fresh water and nonfresh water from surface or shallow groundwater consumed in our operations.

## U.S. ONSHORE PRODUCED WATER MANAGEMENT — RECYCLING AND INFRASTRUCTURE

We seek to minimize our use of fresh water by finding innovative ways to recycle produced water, source other alternatives to fresh water and reduce the overall amount of water required for our operations.

Produced water is nonpotable water released from deep underground formations and brought to the surface during oil and gas drilling and production. Most of our produced water is reused for secondary oil recovery by being reinjected into the field where it originated. We also recycle produced water by using it in hydraulic fracturing fluids. Upstream oil and gas operations continuously generate produced water that must be safely managed. Making use of these volumes by reusing and recycling produced water reduces the likelihood that our activities will compete with other users who rely on freshwater resources. It also helps reduce operating costs associated with water purchases and the need to transport and dispose of produced water from our operations.

We have implemented a variety of technologies and treatment processes that allow us to store larger volumes of treated produced water for longer periods, including the use of multiple smaller impoundments and the application of



>98%

of water used in our global operations was nonfresh or recycled produced water in 2023.

## Increased Produced Water Recycling in U.S. Onshore Hydraulic Fracturing Operations

Many of our U.S. onshore operations are in areas considered to be water-scarce (see [water scarcity maps on p. 144](#)). In these locations, we have prioritized reducing the use of fresh water in our hydraulic fracturing operations by increasing our usage of recycled produced water and nonfresh water.

As we developed our 2023 environmental, social and governance goals, we sought to increase the percentage of produced water that we recycle downhole in our hydraulic fracturing operations. In 2022, our recycling percentage for hydraulic fracturing was 32% (see hydraulic fracturing water use, U.S. operations chart to the bottom right). Challenging ourselves to do better, we set a target to increase this to at least 50% by year-end 2023 and linked it to incentive compensation.

Well thought-out plans and tight coordination between the Completions and Water teams allowed us to execute an efficient recycling plan throughout the year. The result was a resounding success in achieving our 2023 recycling goal, with a total of 61% of our hydraulic fracturing water comprising recycled produced water. This was in addition to our substantial water recycling in secondary oil recovery operations.

### 2023 WATER GOAL ACHIEVED

61%

of water utilized in U.S. hydraulic fracturing operations in 2023 was recycled produced water, up from 32% in 2022.

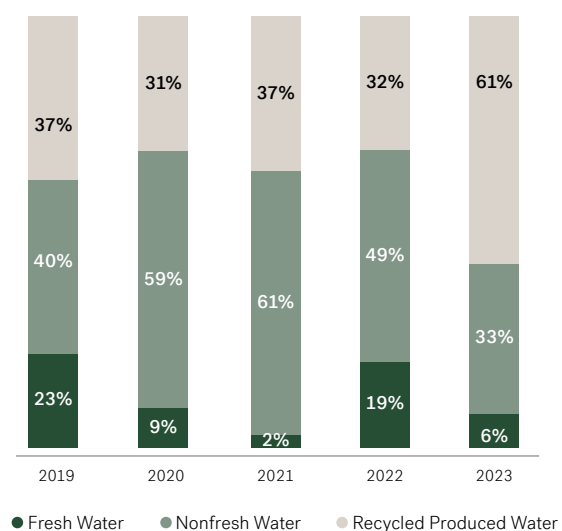
Highest recycling percentage in past five years.

advanced chemistry. Increasing the volume of our storage capacity allows us to hold produced water longer so we can reuse it even when immediate operational needs do not align with the volume of produced water generated at any point in time. Together, these capacity and treatment enhancements enable us to better match the availability of recycled water to our operation schedules and to increase the proportion of recycled water we are able to use.

The chart to the bottom right shows that the amount of recycled produced water we have been able to use in our U.S. hydraulic fracturing operations has been up and down over the past five years. Variances in produced water recycling are often influenced by two primary factors, both of which are reflected in the water data. The first factor is the level of unconventional drilling and completions activity. The lower overall activity levels we experienced in 2020 and early 2021 meant fewer opportunities for produced water recycling. As our operational activity returned to pre-pandemic levels in 2022, our water recycling opportunities increased as well.

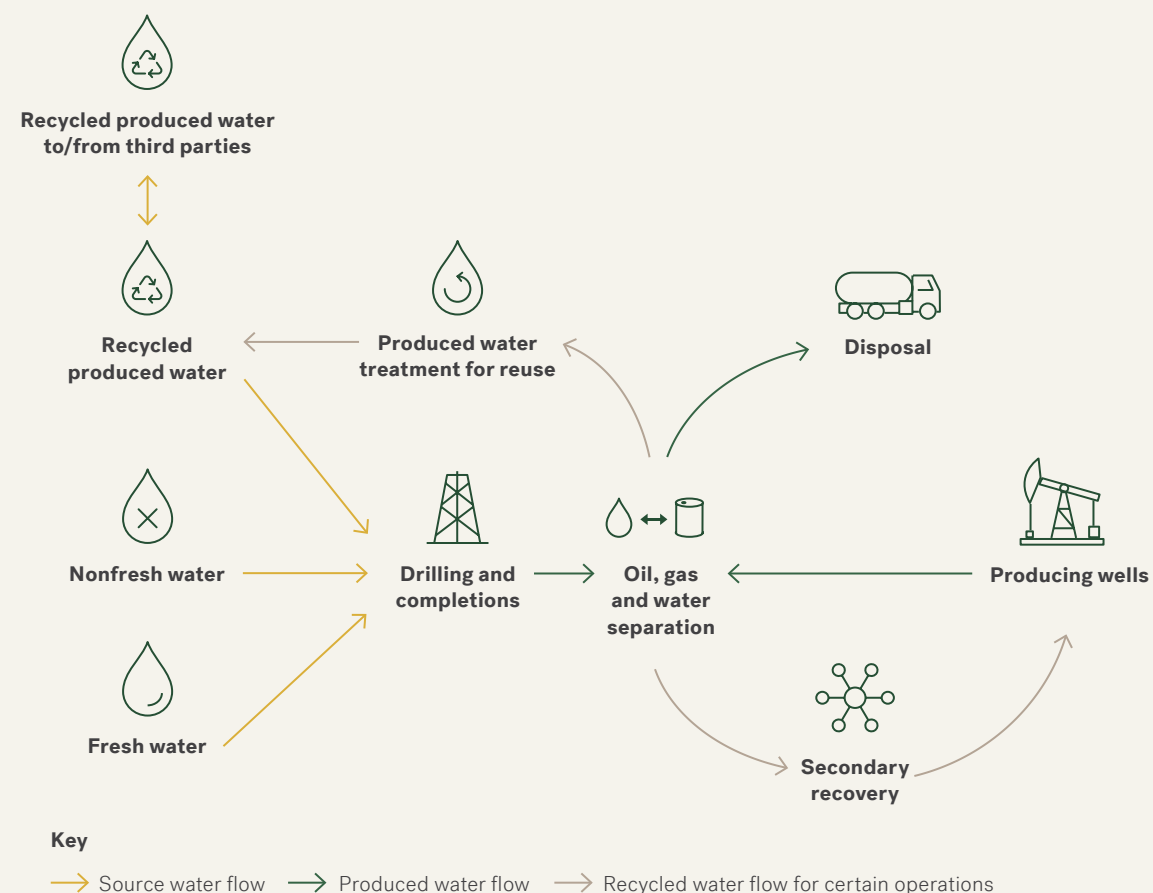
The other key factor that can influence produced water recycling is location. For efficient water recycling at advantageous cost and scale, the availability of local recycling infrastructure significantly impacts our ability to store, transport and recycle produced water. Developing wells in new areas or at some distance from well-established areas can limit our ability to efficiently recycle water and maintain the development schedule. For example, our operations in the Austin Chalk formation in Texas were not conducive to recycling large volumes of produced water, due to a lack of storage infrastructure. Despite these challenges, our percentage of recycled produced water increased to 61% in 2023, which is our highest recycling percentage for hydraulic fracturing in over five years.

Hydraulic fracturing water use, U.S. operations



## Operational Water Use and Water Sources

Production operations, drilling and completions are our primary uses of water, which we source from groundwater aquifers, surface water, municipal water and produced water.



### KEY WATER DEFINITIONS

- Fresh water**  
As used in this report, water sources with a total dissolved solids concentration of up to 1,000 milligrams per liter.<sup>19</sup> Uses of water from these sources can include drinking water, potable water and water used for agriculture. The definition can vary in accordance with local statutes and regulations and is defined within this document for reporting purposes.
- Nonfresh water**  
Water sources that do not meet the definition of fresh water. These sources could include produced water and brackish groundwater.
- Produced water**  
Nonfresh water found in hydrocarbon formations that is brought to the surface during the oil and gas production process.
- Recycled produced water**  
Produced water that has been treated for reuse in subsequent operations, including well completions or secondary recovery.
- Secondary recovery**  
A process that involves injecting water or gas into producing formations to improve oil and gas recovery.
- Water consumption**  
Water volumes used in APA's operations that are sourced from water withdrawals.
- Water withdrawals**  
Water volumes drawn from surface water, groundwater, seawater, municipal sources and producing formations.

In our U.S. onshore operations, we take strict measures to store produced water in a manner that reduces the risk of impacts on soil, groundwater and surface water quality. Once treated, recycled produced water is stored in engineered, double-lined impoundments equipped with leak detection technology or in tanks that are routinely inspected and monitored. Loss of primary containment in impoundments is rare, but if it should occur, these recycled water storage systems have secondary containment and detailed, location-specific spill prevention countermeasures and control plans.

Another benefit of the water-related infrastructure investments we have made within our U.S. onshore operations is the ability to safely move water through pipelines instead of trucks. This reduces trucking-related emissions, minimizes the potential for spills during loading and unloading, and lessens impacts from heavy trucks on local roadways. Since 2020, all of the water used in our hydraulic fracturing operations in the Permian Basin has been transported by either permanent or temporary pipelines.

Looking ahead, we continue to work on innovative solutions to improve our produced water management. For example, APA supports the exploration of safe, cost-effective alternatives to deep well injection as a means of produced water disposal, especially in our U.S. onshore Permian operations where the large volume of produced water provides opportunities for beneficial reuse outside of oil and gas activity. Options we have investigated include evaporating the safe, treated water derived from produced water, or discharging the suitable quality portion of treated water in accordance with applicable regulations and industry best management practices. [\(See the Operational Water Use and Water Sources diagram on p. 43 for more detail on water use in our operations.\)](#)

**WATER SCARCITY ASSESSMENTS**

Water management efforts are especially important in our onshore operating areas in regions considered water-scarce, such as the U.S. Permian Basin and in Egypt. We take into account location, water management pricing and applicable regulations in assessing water scarcity. When appropriate, we utilize various data sources, such as the U.S. Drought Monitor and the World Resources Institute’s Aqueduct tool, to confirm our assessments of water-scarce areas within our operations. [\(The results of these assessments and the maps prepared using these tools can be found on p. 144 of this report.\)](#)



**SAFEGUARDING WATER QUALITY EXAMPLES IN U.S. ONSHORE OPERATIONS**

We use industry best practices to safeguard water quality, both onshore and offshore, which can vary widely based on operational location and regulatory structure. For example, in our U.S. onshore operations these safeguards include proper management of produced water, monitoring of chemicals used, and safe transport of produced and other nonfresh water for recycling or disposal. We actively work with regulators like the **Railroad Commission of Texas** and industry groups such as **API** and the **Energy Water Initiative** to stay current on water protection and recommended practices.

Before beginning operations in a new area, we test and obtain baseline water quality data. We also conduct post-drilling water quality monitoring based on the location’s risk profile, which includes consideration of proximity to surface water resources and to residential or agricultural uses, and the potential to impact shallow groundwater resources. Water quality tests include, but are not limited to, pH, salinity and total petroleum hydrocarbons.

Protecting aquifers by maintaining the integrity of our wells is another way we safeguard water quality. We take great care when planning and performing operations to minimize the chances of a well failure that could impact local water resources. Our engineers, geologists and geophysicists design our well drilling plans and completion programs after extensive review, using knowledge of the local geology, drill-log and well-integrity evaluation data, as well as other observed operational conditions.

In addition, we consider potential impacts on adjacent wells or faults and develop mitigation plans to prevent adverse impacts. We adjust well-completion treatment volumes and pumping pressures based on well spacing and formation fracture direction, remotely monitor our nearby wells using surveillance technologies and notify offset operators in advance of our operations.

We design the surface casings of our wells to protect usable groundwater intervals and follow industry best practices in the construction of the wells. This includes verifying casing and cement integrity with pressure tests and physical

inspections. We monitor and record essential data from cement jobs and perform evaluations to verify adequate isolation of producing intervals, including zonal isolation for protecting usable groundwater intervals. Our cement testing methods include cement bond logs, ultrasonic evaluation and temperature logging to verify the cement has bonded properly to the protective casing and the formation. We perform pressure tests on every casing string. We also conduct pressure testing and monitoring before and during all hydraulic fracturing operations.

**DISCLOSING HYDRAULIC FRACTURING FLUID CHEMICALS**

Hydraulic fracturing fluid is composed of water, sand and minimal chemical additives. The chemicals are added to facilitate the process of delivering the sand to the formation,<sup>34</sup> as well as to protect the well from damage during operations. We have taken many steps to ensure we use environmentally suitable chemicals in our fracturing operations, and the minimum amount necessary for the required purpose.

**Day in the Life of a Water Lead**

Watch the video at [apacorp.com](https://www.apacorp.com)

The first thing **Mark Collier**, production operations water lead in West Texas, asks himself every day is: How can I recycle more water?

Throughout 2023, Collier’s primary focus was to support his team in achieving APA’s goal of using at least 50% recycled produced water for completions in U.S. onshore operations. He and his team went above and beyond their target, utilizing more than 60% recycled produced water for the full year.

“Finding cost-effective ways to utilize more and more recycled water is what we strive for every day,” Collier said. “We set the standard pretty high in 2023, using 34 million barrels of recycled water and partnering with different stakeholders to make sure we got the job done.”

To support this work, **Tyler Hussey**, water resource supervisor, implemented a multiyear plan to reduce brackish water usage and expand water recycling facilities, while also working with the company’s Land department to support relationships with landowners through this process.

Additionally, the company has worked closely with several other operators in surrounding core areas to share excess recycled produced water with them, and vice versa, acting as a good neighbor in a joint effort to reduce environmental impacts.

“None of this happens overnight; it’s intentional and strategic,” Hussey said. “We ask ourselves what the next three years will look like, and then we help spearhead the appropriate steps to prepare the company for operational success. It’s not just us. Everyone is on board and plays their part.”



**Mark Collier**

PRODUCTION OPERATIONS WATER LEAD

MIDLAND, TX



**Tyler Hussey**

WATER RESOURCE SUPERVISOR

MIDLAND, TX

## Spill Response Protocol

Our trained personnel actively monitor operations to detect spills and stand ready to respond should they occur.

01



### DETECT SPILL

02



### RESPOND PROMPTLY

Field personnel respond promptly and follow a planned spill response protocol, including regulatory reporting as required.

03



### FOLLOW A PLANNED SPILL RESPONSE PROTOCOL TO DETERMINE:

Spilled material + Source + Location

04



### TAKE ACTION

Minimize the potential for adverse impacts by taking action.

### CLEAN UP

We are committed to restoring the affected area in accordance with cleanup requirements.

We have been an industry leader in transparency about our use of hydraulic fracturing additives. We report 100% of our U.S. hydraulic fracturing chemical use to the [FracFocus.org](https://www.fracfocus.org) website. The public disclosure of information on FracFocus.org provides a readily available data source that facilitates external analysis of the water volumes and chemicals used in specific wells or areas. We conduct periodic reviews of FracFocus information and meet with vendors and subject-matter experts to discuss available options for more sustainable chemical alternatives.

## Spill prevention

To mitigate spills within our operations, we begin by planning and designing our activities to minimize the risk of spills and to reduce the impact if one should occur. During construction, we adhere to well and pipeline integrity standards and assess the operational condition of our equipment according to recognized industry best practices.

For example, on our modern Permian Basin unconventional well pads, we use primary and secondary containment systems, including impermeable membranes of at least 30-millimeter thickness under relevant equipment, when installing new or modified facilities in our U.S. onshore operations.

Importantly, our spill risk-mitigation strategy also informs how and when we use recycled produced water in our operations. We reduce the potential for produced water spills by prioritizing the transportation of produced water in pipelines rather than trucks to mitigate the risks inherent in handling the water during loading/unloading activities. We also tailor our produced water management and spill avoidance practices to the unique circumstances of our local operating areas. While this may limit our use of recycled produced water in some operational settings, it reduces the potential impact on local surface water in the unlikely event of a spill.

We train employees to identify and mitigate spill-related risks as part of their regular job duties, and we select contractors who do the same. As outlined in our environmental management system and the EHS requirements under our Master Service Agreements, which are available on our contractor website, contractors must complete written training programs addressing proper waste handling, waste disposal and spill response.

Drilling and completions personnel actively monitor operations to detect spills, and they stand ready to respond if one should occur. Production operations are also monitored continuously at more than 300 facilities (including those with the highest production volumes) through automated on-site systems and remote monitoring centers that are staffed 24/7. We are committed to following all applicable cleanup, remediation and reporting requirements.

## Offshore spill preparedness

While prevention is always the ultimate goal, we prioritize our capability to respond to offshore spills if they occur. We maintain multiple memberships with subsea intervention organizations that provide access to comprehensive emergency response services for the industry.

Our collaborations with **Clean Gulf Associates**, **National Response Corporation**, **Wild Well Control** and **Oil Spill Response Limited** help us ensure our response capabilities.

The latter two organizations provide us with global access to capping stacks and the ability to mobilize two of them in the event of an incident. The capping stacks are strategically stored at five international locations — the U.K., Brazil, Norway, Singapore and South Africa — and are ready for immediate use and transportation by sea or air in the event of an incident.



## Downhole water disposal and induced seismicity

APA plays an active role in industry research groups focused on studying “induced seismicity,” which studies have shown may result from water injection into deep disposal zones.

We collaborate with leading universities and have funded research to better understand the fundamentals of induced seismic activity in the areas in which we operate. We’re pleased to support and engage with the **Center for Injection and Seismicity Research** at the University of Texas’ Bureau of Economic Geology, and with the **TexNet** project, a seismic monitoring program.

We also actively participate in industry working groups — including those associated with the **Texas Oil and Gas Association** — and maintain close contact with the **Railroad Commission of Texas** in order to be responsive to regulators’ potential concerns regarding induced seismicity. We carefully review the potential for induced seismicity in our operating areas based on seismic risk analysis of available geologic data, including known fault characteristics, states of stress and other parameters. To mitigate risk, our subject-matter experts follow the most current research. We also actively engage with leading outside experts to test ideas and interpretations. Our mitigation plans are designed to address community impacts from seismic events, as well as how seismic events in the broader area might impact our operations.

“APA plays an active role in industry research groups focused on studying ‘induced seismicity.’”

# Biodiversity and Environmental Stewardship

Protecting species and their habitats in the areas where we operate is an important priority for our company.

We have processes in place to assess and avoid sensitive species and their habitats, as well as areas of cultural or historical significance, and we have long maintained our commitment to refrain from operating in protected areas.<sup>35</sup>

Prior to bringing in heavy equipment to prepare a well site or introducing facility improvements, we conduct biodiversity assessments as part of our predevelopment planning processes. These assessments begin as a desktop review to screen for evidence of specific indicator species, and if we note any species of concern we then enlist specialists to perform a thorough review. We use this information in planning our surface activities and in proactively designing our development plans to avoid disturbances, and to mitigate impacts on sensitive species' habitats, particularly in areas with the highest biodiversity value.

We also participate in collaborative efforts to preserve and promote biodiversity in our areas of operation. In the Permian Basin, for example, we are actively working with the **National Fish and Wildlife Foundation** (NFWF) and the **Pecos Water Conservation Initiative** on conservation projects supporting habitat restoration on land, and species preservation in the Pecos River Watershed.

At the end of their service lives, wells that are no longer productive are plugged in accordance with applicable regulations. We strive to return well pads to a natural condition, except where landowners prefer the well pads to be left in place.

To drive continuous improvement in restoration efforts, we set a goal in 2023 to accelerate land reclamation at more than 150 well sites that were designated to be plugged across our U.S. onshore operations. This goal is linked to long-term incentive compensation for executives and employees.

## Protecting sensitive species across our operations

Throughout our operations, we seek to protect species in the area. We undertake comprehensive pre-operation assessments for the presence of sensitive species and habitats, and we evaluate potential impacts. In addition to these site assessments, we:

- Avoid erosion-prone areas or areas that have certain Endangered Species Act sensitivity.
- Avoid siting wells in areas where permanent and/or seasonal water features may interact and result in seasonally high or abnormal flows.
- Minimize surface impacts by consolidating infrastructure.
- Work with stakeholders to plant native vegetation where applicable.

To help protect the lesser prairie chicken (LEPC), a species of prairie grouse endemic to the high southern plains of the U.S., we participated in a collaborative conservation effort to safeguard its population and habitat. This conservation work has focused on protecting, improving and restoring native habitats to help LEPC populations recover and thrive. Our U.S. environmental and Geographic Information Systems teams work collaboratively to develop maps of threatened and endangered species in areas where we operate, to protect LEPC and many other critical species. These maps are reviewed and updated as information changes. This procedure includes a distribution and approval process in which our environmental team conducts a desktop review of all surface development, specific to threatened and endangered species.





Additionally, in the marine environments where we operate, we use location-specific wildlife management programs to assess, mitigate and minimize the potential impacts of seismic operations. For example, in our exploratory activities in Suriname, every drill ship has onboard a certified protected species observer (PSO) dedicated to looking out for whales, turtles and other sensitive marine species. These PSOs are empowered to stop any operational activity if they see a protected species in the area. We have observed no impact on marine wildlife in the more than 8,600 square kilometers of exploratory marine seismic surveying conducted as part of our exploration activities in Suriname.



Our biodiversity management approach is designed to manage risks and mitigate impacts to biodiversity, from strategic planning through to site operations, by complying with in-country regulatory requirements for collecting data on site diversity through site habitat assessments. This is accomplished with the use of side-scan sonar data, coupled with photographs and samples that are reviewed by environmental scientists to identify any potential sensitive seabed features and assess the conditions of any sensitive habitats based on regulatory criteria. For example, prior to drilling wells in the North Sea (on the U.K. Continental Shelf), we conducted habitat assessment surveys to identify sensitive seabed fauna and habitats that could be disturbed by drilling operations.

The objective of a habitat assessment survey is to acquire sufficient environmental data to describe all habitats around the well location and to identify and delineate the extent of any potentially sensitive habitats or species near the well location and anchor corridor.

### Managing lands with a focus on conservation

While we are committed to protecting species and habitats in all the places where we explore for and produce oil and gas, we also focus on conserving threatened ecosystems in our Gulf Coast landholdings in Louisiana, and on lands we own elsewhere, including the Ucross Ranch in Wyoming.

Although we do not conduct oil and gas operations in these areas, we believe in the importance of acting as a responsible landowner and steward, optimizing opportunities and partnerships for sustainable land management.



### Making a Buzz Across the Pond

Near our Aberdeen office in Scotland, we sponsored the maintenance and preservation of a bee colony, providing a safe haven for an additional beehive to thrive and grow as it supports the local ecosystem. [\(Read more on p. 100 in the Community section.\)](#)

## A Long History of Responsibly Closing End-of-Service Well Pads

In our U.S. onshore operations, we have a dedicated crew responsible for returning former well pads to their natural condition once they are no longer productive, a process called “plugging and abandonment,” or P&A. Our P&A crew in Texas and New Mexico is experienced at closing former wells and reclaiming the old equipment before reseeding and revegetating these areas to promote their return to a natural condition.

Going back many years, P&A manager **Guinn Burks** and his team in Midland, Texas, have a strong track record of plugging these former wells correctly, with no need to return for rework. This attention to detail and technical performance not only saves the company money by avoiding having to rework the closed wells, it also reduces impacts and disturbances to the sensitive desert environment where these former wells are located.

While there are some differences between New Mexico and Texas concerning requirements for the reclamation of former well pads, the accepted industry practice generally calls for breaking up compacted topsoil, scattering seeds and allowing nature to take over. Our P&A team wondered if there was more we could do to help restore the native plants and animals that depend on the land and to support a healthy ecosystem.

In December 2023, we announced a research partnership with the **Borderlands Research Institute** (BRI) at Sul Ross State University in Alpine, Texas, and **Texas Native Seeds**, a project of the Caesar Kleberg Wildlife Research Institute at Texas A&M Kingsville, to launch a multiyear investigation into methods to improve habitat restoration efforts in the Permian Basin. One goal of this project is publishing a science-backed, best practices reclamation document to be shared with other Permian operators. The project will help inform oil and gas operators in the Permian about how changes in the industry’s collective approach to restoring end-of-service well pads can have broader benefits to local biodiversity and reunite fragmented habitats.

“We are committed to operating with safety and excellence throughout a well’s life-cycle,” said Burks. “Our P&A team pays great attention to detail as we decommission our wells as responsibly as possible. This partnership with BRI is a natural extension of that longstanding practice and supports our efforts to continuously improve.”

Through this research project, we hope to understand and share cost-effective best management practices that provide real and documented biodiversity benefits, not just for the reclaimed acreage of our well pad footprint, but also the interconnection between these former well sites and the surrounding flora and fauna native to the regions.

Throughout the course of the project, Guinn and his team will be observing the results of the BRI study and will apply the same focus and attention to detail in reclaiming and restoring the native habitat at these locations as they have shown in closing and sealing the wells.

“We are committed to operating with *safety* and *excellence* throughout a well’s life-cycle.”



**Guinn Burks**

P&A MANAGER  
MIDLAND, TX



## Louisiana Reef Permitting Process

START

**01** Initial meeting with the **Louisiana Department of Wildlife and Fisheries** (LDWF)

**02** Determine reefing locations for each structure

**03** Depending on water depth, an environmental survey may be required

**04** Submit plats and surveys to LDWF

**05** Plats and final drawings signed and stamped to LDWF

**06** LDWF internal approval process

**07** Operator submits application to the **Bureau of Safety and Environmental Enforcement** and LDWF

**08** LDWF submits application to **Army Corps of Engineers** (ACOE)

**09** ACOE receives permit and issues public notice

**10** Public hearing may be held

**11** ACOE issues approved permit

**12** Estimated costs to reef and remove sent to LDWF

**13** LDWF accepts cost amount

**14** Final paperwork submitted

**15** Work begins

FINISH

## In It for the Long Run: Safely Decommissioning Gulf of Mexico Assets

In 2021, APA took over the responsibility for decommissioning certain Gulf of Mexico (GOM) shelf properties it had owned previously, when the current owner and operator, which had purchased these assets from APA, failed to fulfill its obligations within the period required by law. As a result, APA will perform the decommissioning of defaulted properties.

“We’ve made significant progress toward this goal, working closely with key stakeholders on the federal level and on the state level in Texas, Louisiana and Alabama to execute these projects safely and efficiently,” said GOM asset manager **Julie Traylor**.

We have identified critical processes and strategic partners that will help us keep crews safe and minimize the risk of environmental impacts. Essential first steps in our decommissioning operations include assessing and addressing safety issues on the platforms and removing any remaining hydrocarbons.

In 2023, the company decommissioned more than 450 wells and 105 pipelines, and dismantled more than 100 platforms, more than any other operator has done in a single year. APA also recycled nearly 32,000 tons of iron, transporting all dismantled infrastructure safely to shore without incident.

“This has been an incredible project to take part in,” said Traylor. “In addition to structures that have been removed, our team has identified opportunities for platforms to be transitioned to artificial reefs in place or nearby, thereby reducing retirement costs and preserving the biodiversity they fostered over the decades these platforms were in service.”

Preserving and enhancing the native marine life that has created habitats on and near the platforms is another priority for APA. This can include turning platforms into artificial reefs where appropriate.

The regulatory approval process to determine whether a structure should be turned into an artificial reef or removed is rigorous, requiring careful environmental, structural and tow route considerations. In Louisiana, for example, if an operator is seeking to “reef” a site that has not been previously approved, the process can take up to two years and requires both the **Louisiana Department of Wildlife and Fisheries** approval and **Louisiana Shrimp Association**’s review (see [Louisiana Reef Permitting Process on p. 52](#)). In Texas, reefing is limited in certain areas due to their proximity to the Flower Garden Banks, a collection of 17 separate natural reefs along the GOM coast that create a chain of protected habitats for ecologically and economically important species.

“As we look to 2024 and beyond, we are regularly reviewing our decommissioning strategy for opportunities to enhance marine life, which requires long-term planning to stay ahead of the game,” said EHS director **Laura Hogge**. “Whether this leads to reefing in place or full structure removal, we are diligently working through the required process.”

**405**  
wells decommissioned

**100+**  
platforms dismantled

**~32,000**  
tons of iron recycled



**Julie Traylor**  
GOM ASSET  
MANAGER  
HOUSTON, TX



**Laura Hogge**  
EH&S DIRECTOR  
HOUSTON, TX



**PROTECTING AND RESTORING GULF COAST WETLANDS**

Louisiana's swamps and marshes are among the nation's most at-risk wetlands. For several decades, the state has lost about 20 square miles of wetlands per year,<sup>36</sup> due to natural processes of subsidence, saltwater intrusion and shoreline erosion, as well as human activities such as levee construction along the Mississippi River and the dredging of navigation canals.

These wetlands serve as breeding grounds for thousands of species of aquatic life, land animals and birds, and provide habitat for more than 5 million migratory waterfowl each year. They also act as a storm surge buffer against hurricanes and provide flood control by holding excess water during periods of heavy rainfall. Furthermore, they filter pollutants and absorb nutrients, replenishing aquifers and purifying water.

On the Gulf Coast, wetlands also support billions of dollars in revenue and thousands of jobs in oil and gas development, shipping, fisheries, ecotourism, recreation and other industries.

Through our wholly owned subsidiary **Apache Louisiana Minerals LLC** (ALM), APA owns and manages approximately 270,000 acres of predominantly wetlands in Louisiana. We prioritize protecting these Gulf Coast swamps and marshes and the species that call these areas home.



~9,600

feet of marsh terraces were constructed and an existing freshwater marsh enhancement project rehabilitated by ALM in Lafourche Parish, which was severely impacted by Hurricane Ida in 2021.

Local employees work year-round to manage and protect the land through projects that benefit the wetlands and the species that inhabit them. In 2023, we accomplished many great projects for the benefit of the wetlands and the flora and fauna that inhabit them. These activities included replanting native vegetation, operating water-control structures to restore normal hydrologic patterns, combating invasive flora and fauna, rebuilding shorelines, creating terraces in open water environments and repairing nesting structures for birds. Below are just a few examples:

- We partnered with **Ducks Unlimited** to construct 114,000 feet of marsh terraces, perform levee maintenance and replace an aging water control structure in Terrebonne Parish. This project, which received North American Wetlands Conservation Act and NFWF funding of approximately \$4 million, created emergent marsh habitat, while maintaining optimal water levels for waterfowl during the migratory season and for marsh regeneration during the growing season. Additional partners in this project included the Terrebonne Parish Consolidated Government, Terrebonne Parish Levee & Conservation District and the Dularge Hunting Club.
- We continued our partnership with the **Terrebonne Parish** Consolidated Government to create terraces in open water areas to provide habitat diversity and storm surge protection for the local community. This phase 2 project created an additional 13,000 feet of marsh terraces.
- We provided access to our property for various types of scientific research, including an ongoing study to monitor marsh health in real time and a coyote research project to determine whether any of these animals may be descendants of the rare red wolf.
- We continued our work with local and state levee boards to finalize construction of a section of the Morganza-to-the-Gulf Hurricane Protection System, which crosses a portion of ALM's property. This levee system provides invaluable flood protection to the citizens of South Louisiana, yet it is designed as a "leaky system" to maintain and stabilize the wetlands inside the levees.
- We continued to monitor the success of our osprey nesting platforms, in partnership with the **Barataria-Terrebonne National Estuary Program**.
- We continued our ongoing battle against invasive species such as giant salvinia, water hyacinth, nutria and feral hogs.



**UCROSS RANCH: A MODEL OF SUSTAINABLE RANGELAND MANAGEMENT**

**The Ucross Ranch**, located near the base of the Big Horn Mountains in Wyoming, is partially owned by APA and is managed by the **Apache Foundation**, a nonprofit subsidiary of APA. Since 2005, the Foundation has overseen the 20,000-acre ranch as a model for profitable and sustainable land-use management practices, protecting increasingly threatened grassland ecosystems.

Ucross provides a unique opportunity to study erosion impacts on uplands and stream areas from different grazing practices. We have found that a high-intensity, short-duration rotation grazing strategy for cattle, as opposed to a more traditional year-round approach, has reduced bare ground on the ranch's rangelands from approximately 50% to less than 2% and significantly improved streambank stability, all while tripling the sustainable stocking rate for cattle. Due to these practices, the ranch also provides excellent habitat for mule deer, white-tailed deer, pronghorn, sage grouse, sharp-tailed grouse, turkey, gray partridge and many species of waterfowl.

We regularly partner with academic researchers and state and federal natural resource management agencies to support research and conservation projects on the ranch. For example, since 2012, the Apache Foundation has participated in the longest-running rangeland erosion study

in the nation's history, conducted by Kansas State University. We are also actively working to conserve water by voluntarily converting more than 900 acres of previously flood-irrigated alfalfa to pivot irrigation — resulting in a 45%–50% reduction in water use and the dual benefit of a slight increase in alfalfa yield.

Since 2015, the Ucross Ranch has been recognized as an Important Bird Area by the **Audubon Society** and the **American Bird Conservancy**. The Apache Foundation has continued improving the ranch's ecosystem for bird habitat use by providing 120 acres of bird wetlands and 25 reservoirs fed by runoff water. Drought conditions in 2021 and 2022 persisted through the first half of 2023 across much of Wyoming, putting a strain on local waterfowl seeking suitable habitat. However, we continued to witness healthy populations of waterfowl habitats at Ucross, due to our ability to pump and maintain water levels in several reservoirs.

The Apache Foundation continues to build on the work it began in 2022 with local beekeepers and honey producers, supporting additional beehives across the ranch to address recent declines in bee populations. These beehives will help boost honeybee populations and provide access to approximately 900 acres of high-quality alfalfa forage for the bees to use for pollination and to produce honey.

# Environmental and Waste Management

Our environmental and waste management programs are modeled on industry best practices and are specific to the country and operational agreements in place with our joint venture partners.

The environmental management systems for our operations in Egypt and the U.K. are ISO 14001:2015 certified, providing the framework and structure for handling our waste in those operating areas.

These programs aim to reduce waste, protect water resources, minimize hazards to employees and facilitate recycling and circular waste management life-cycles.

Our primary solid waste streams are drilling residuals, solids from produced water and waste from our office buildings.



## Preserving and Protecting Our Link to the Past

As part of our U.S. onshore operations, we conduct archeological reviews and surveys in areas where suspected historical or cultural resources could be encountered. We follow relevant state and National Historic Preservation Act requirements to protect Native American artifacts should they be encountered during exploration and development. If unexpected discoveries are made during any phase of a project, an immediate stop-work order is issued and the situation is carefully reviewed prior to resuming activities. [\(Read more on APA's commitment to respecting Indigenous peoples on p. 112 in the Community section.\)](#)

OUR CORE VALUES

# Stewardship



We have an unwavering commitment to *responsible operations*.

See all of our core values at [apacorp.com](https://www.apacorp.com)

We typically do not have significant volumes of hazardous waste in our operations as compared to traditional manufacturing. However, as part of our decommissioning of facilities in the Gulf of Mexico, we have had to manage increased waste volumes, all of which are classified as hazardous or nonhazardous. Hazardous waste is carefully managed and tracked in accordance with applicable regulations. Nonhazardous waste is further evaluated for potential recycling, and those streams are then diverted and managed as appropriate.

**MANAGEMENT OF DRILLING WASTE**

Drilling residuals are the mixture of mud, cuttings and drilling fluid residues that come out of a well during the drilling and completion process. We capture drilling residuals on site and dispose of them based on composition and according to applicable regulations in our operating areas.

When we previously drilled in the North Sea, we used both reinjections to the reservoir of drill cuttings and rig-based drill-cutting treatment and processing facilities, to significantly reduce the volume of materials shipped to shore for treatment and disposal.

These processes have the added benefit of lowering emission impacts and the risk of safety and spill incidents associated with transport.

APA meets or exceeds applicable disposal requirements in all of our operating areas. While regulatory disposal requirements differ slightly by state and country, they generally include specifications for classifying and segregating hazardous and nonhazardous waste, manifesting, transportation and disposal.

**Recycling Waste Across Our Operations**

**01 RECYCLING PROGRAM**

The **AIM for ZERO WASTE** recycling program was developed to align our day-to-day office and field waste management behavior in the U.S. and U.K. with the company’s mission and core values. We encourage our employees to reduce the volume of waste sent to landfills. In 2023, we collected and recycled 80 metric tonnes of paper and cardboard, while our plastic and aluminum can recycling efforts resulted in 14.5 metric tonnes collected.

In our U.K. office, we have seen even farther-reaching success with the newly operational “Energy from Waste” facility near Aberdeen. This facility converts all local nonrecyclable waste to energy for the national grid. This, combined with our in-office recycling program, means that no waste is sent to landfills from our U.K. office.

In 2023, working with a third-party waste vendor at our Houston office, we collected and recycled over 300 tonnes of paper and cardboard. Furthermore, we diverted nearly a half-ton of plastic from landfills — which works out to about 25,000 empty water bottles kept out of the environment by responsibly recycling them.

**02 U.K. ECO-FRIENDLY DINING**

In the U.K., office-based personnel use only reusable beverage containers and biodegradable disposable containers. The remaining waste is either recycled, shipped to compost or to energy-from-waste facilities, resulting in zero landfill waste.

**03 ELECTRONIC WASTE**

We are also committed to recycling electronic waste. We host an electronic waste recycling month at our offices annually, allowing employees to bring in electronic waste from home to be recycled. In 2023, our U.K. operations collected and recycled 24,000 pounds of electronic waste, while our U.S. operations recycled nearly 35,000 pounds of electronic waste.

**04 SCRAP METALS**

Our office and field locations collect and recycle scrap metals on a regular basis. In the U.K., we collected and recycled 543 tonnes of scrap metal, while our GOM decommissioning project reclaimed and recycled an additional 28,800 tonnes of scrap steel in 2023. All combined, that’s roughly equivalent to the weight of 21,500 cars.

# Our People



Our commitment to people begins with our employees<sup>37</sup> — the foundation that drives our organization’s success.

By building a diverse and inclusive workplace, supporting employee development and well-being, and providing a comprehensive Total Rewards package, we are investing in our employees to help them achieve their full potential and that of our company.

Employee Recruitment	60
Employee Benefits and Development	62
Learning and Development	66
Diversity and Inclusion	68
Workforce Demographics	72
Employee Engagement	74

# Employee Recruitment

Over the past several years, we have undertaken a range of initiatives to attract top talent and better align our business and hiring teams with candidates seeking opportunities at the company.

In 2022, we expanded our talent acquisition team to include a dedicated lead and a dedicated senior recruiter tasked with enhancing our company’s engagement with diverse groups on college campuses. In 2023, we continued to improve our campus-based recruiting efforts by participating in more than 15 university recruiting events across seven college campuses within and outside Texas, in addition to virtual career fairs.

To support our ongoing improvement, we implemented college recruitment retrospective sessions with 20 functional leaders across the company, to determine if our campus recruiting efforts were meeting the needs of the business and to identify areas for improvement. The feedback gained from these sessions will shape and inform our future recruiting programs.

In Egypt, the local human resources (HR) team has partnered with Egyptian universities, including the American University in Cairo and Mansoura University, by facilitating mock interview sessions to assist students pursuing careers in oil and gas and preparing them for their job searches. As an ever-present guiding principle, we remain committed to our goal of hiring from the local talent pool in the places where we live and work.

Employees help us recruit top talent in other ways, too. Our community partnerships team has been integral in coordinating college recruitment efforts in alignment with the company’s strategy and core values. We leverage our employee resource groups (ERGs) as spokespeople for our company in support of our recruiting efforts. Through our Ambassador Program, we equip employees with background knowledge, facts and statistics to inform recruits and others about the critical link between human progress and oil and natural gas.

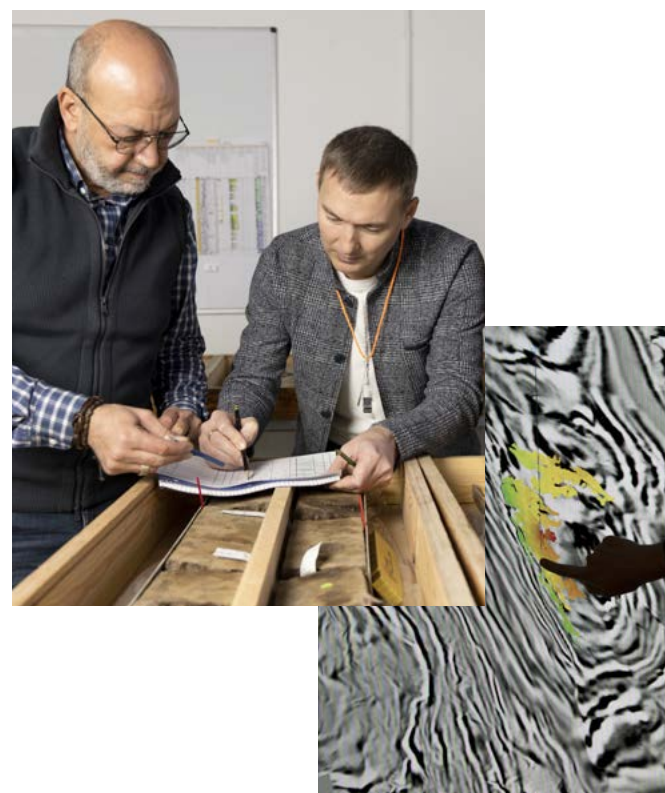
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interns are participating in our revitalized internship program in the summer of 2024.

## Internship program

We are excited to kick off our revitalized internship program and will welcome 25 interns across 13 disciplines to our new Houston headquarters in the summer of 2024. We recruited interns through university visits and our membership in the American Association of Petroleum Geologists.

During the 12-week program, interns will gain exposure to function-specific projects and leadership, networking opportunities with fellow interns, career development reviews through performance appraisals, and on-site field visits to better understand our operations and assets. As we continue to grow our internship program we will explore options for expanding it outside the U.S. and for increasing field-based assignments and aligning internship recruiting with open positions at the company.



In our operations outside the U.S., we strive to recruit most of our workforce from the host country. In locations with mature oil and natural gas basins, such as the North Sea, we typically find a workforce with deep expertise in the industry. However, in other locations, such as Egypt and Suriname, professionals with advanced technical skills are not always immediately available among the local workforce, and additional investment is required.

In Egypt, advancing the local workforce has been a focus of our operations for many years. We first began operating in Egypt 30 years ago through a joint venture with the Egyptian General Petroleum Corporation (EGPC). Our agreement with EGPC included requirements for the hiring of Egyptian nationals. At that time, the pool of local candidates for petroleum engineering and geological roles was limited. Initially, we hired oil and gas experts from abroad, but we have helped build local expertise by collaborating with Egyptian universities to develop technical coursework that has prepared students to work in the industry.

Today, we are continuing to make progress on our efforts to hire Egyptian nationals who have industry experience. Historically, Egyptian petroleum engineers and geologists have sought work opportunities elsewhere across the Middle East and North Africa to broaden their technical knowledge base. To capitalize on this, we seek to recruit Egyptian nationals working abroad in engineering and geological jobs who would like to return to their home country. Hydrocarbon exploration and production is the single largest industry in the country, representing approximately 24% of its total gross domestic product.<sup>38</sup> As the industry’s need for technical skills continues to grow, the pool of experienced Egyptian oil and gas technical professionals has grown alongside it, allowing us to expand the number of local Egyptians in our workforce.

In Suriname, where our operations are relatively new, we are focused on building local employment capacity. As operational needs and demand for local hiring increase we will lean heavily on local resources, such as our deputy country manager, a Suriname native, to help us identify and recruit for open positions. We ultimately want to fill jobs with local members of the Surinamese population.

See the Community section ([pp. 96, 98, 103](#)) for more on how we are investing in local communities in Suriname and Egypt.

## Employee referrals

Referrals from our current employees continue to be one of our best recruiting tools for positions at all levels. By enabling existing employees to participate in the candidate identification process, we can secure candidates who exhibit our core values. Through our employee referral program in 2023 we filled 18 roles — a 64% increase compared with 2022. To build on this success, we are raising awareness of the referral program and highlighting successes among employees to encourage them to help us in connecting job opportunities with well-qualified candidates.

We know enthusiasm for our industry and our company is a terrific way to attract talent, and we appreciate our employees promoting our company within their many and varied networks.

## Hiring locally

We place a high priority on investing in the areas where we operate, which includes hiring and developing local talent. Local hiring is a win-win prospect, allowing us to make meaningful economic contributions to these communities in which we live and work, especially in areas where well-paying jobs may be scarce.

# Employee Benefits and Development

We are committed to finding and retaining the best candidate for every job. Effectively building and supporting our team is central to delivering top performance and continuous improvement.

## Total Rewards compensation and benefits

Our Total Rewards approach to compensation and benefits is designed to attract, retain and reward top talent. As part of our compensation philosophy, we offer and maintain a robust total compensation package to all employees that includes a competitive base salary, industry-leading benefits and performance-driven incentives. We believe that focusing on both short- and long-term incentives provides fair and competitive compensation while aligning employee and shareholder interests. Our incentive compensation

programs also promote our operational; financial; environmental, social and governance (ESG); and workforce safety initiatives, by rewarding company and individual performance on these priorities.

In addition to salary, bonus and equity compensation, we provide employee benefits that cultivate a family-friendly work environment and focus on our employees' overall wellness. Our robust benefits offering ranks among the best in our industry peer group and includes comprehensive health care and retirement benefits, as well as locally relevant wellness benefits.



## Future of Work

We launched the **Future of Work** program in 2021 to better understand our workforce's needs, identify a long-term working model, and assess the technology and real estate investments required to support our employees' engagement, productivity and well-being.

In 2023, we progressed our efforts across **three** aspects:

### 01 WORKSPACE AND ENVIRONMENTAL DESIGN

In Houston and Cairo, we completed design of our new workspaces. Employees in Houston moved into their new office space in May 2024, and Cairo employees expect to move during the third quarter of the year. Our new buildings offer fresh and inspiring work environments with floorplans that encourage face-to-face connection while continuing to enable hybrid work options and a digital-first mindset. From the ergonomic chairs and sit-to-stand desks, to lighting options in offices and abundant natural light, we designed our space with the comfort and well-being of our employees in mind.

We utilized sustainable materials and implemented practices to increase water and energy efficiency and further minimize waste.

We also partnered with **Ocean Bottle**, a company that manufactures reusable water bottles from recycled plastic found in severely polluted waters. Through our Ocean Bottle partnership, we expect to reduce our single-use plastic water bottle waste by 75%. This collaboration also funded the collection of 32,000 pounds of plastic from waterways and oceans — the equivalent of removing five 12-ounce plastic water bottles from waterways for each reusable bottle we purchased. Employees in the U.S. and Egypt will receive these high-quality, reusable water bottles, which can be refilled at stations throughout their new buildings. Through the Ocean Bottle app, employees can track their refills, each of which supports the collection of plastic bottles from rivers and coastal waterways, where plastic is most at risk of ending up in the ocean.

### 02 TECHNOLOGY

Across all locations we kicked off our **Digital Dexterity** program, a drive to incorporate new technology and best-available techniques to improve our employees' day-to-day experience and support our hybrid working model. We initiated an effort to accelerate our move to a digital-first mindset by using less paper, streamlining our electronic records, improving access to information and reducing storage costs. In 2023, we reduced our global physical records footprint by recycling more than 200 tonnes of paper, which has the environmental impact of preserving more than 5,000 trees.

To support employees in transitioning to and getting the most out of our upgraded technology, we implemented a global change campaign to optimize their experience with our most frequently used tools, with content including tech tips and tricks and monthly virtual learning sessions. In Houston, we completed the refresh of our entire technology fleet by providing all employees new laptop computers for mobility and standardizing audio/visual equipment throughout the office building.

### 03 WAYS OF WORKING

To increase efficiency across the organization, we kicked off a series of campaigns to support new or improved ways of working. The first of these focused on conducting effective meetings, to improve collaboration and enable more focused or creative time. Future campaigns will focus on maximizing the use of our new workspace to build connections, support employee development and leverage tech solutions.

“Our *robust benefits offering* ranks among the best in our industry peer group and includes comprehensive health care and retirement benefits, as well as locally relevant wellness benefits.”

### Health and wellness

We invest in benefit programs to support our employees’ health and wellness and continue to look for ways to be a great place to work. In 2023, we further enhanced our benefits offerings, including by:

- Adding a comprehensive and inclusive family-building benefit through **Progyny**, a U.S. fertility benefits provider, to support employees on unique paths to parenthood. Services include access to a patient care advocate dedicated to assisting with fertility treatments, connecting families with the right fertility specialist, and providing guidance and resources for adoption and surrogacy.
- Adding a comprehensive maternity and family benefits solution through **Ovia Health**, which offers support for some of life’s biggest transitions, such as starting a family, navigating a healthy pregnancy and balancing life as a working parent. Services include access to expert content and tips, personalized health insights, and on-demand health coaching with registered nurses to support U.S. employees.
- Providing adoption and surrogacy reimbursements up to \$10,000 for U.S. employees navigating those processes.
- Expanding mental health benefits to cover all employees and eligible family members worldwide, including 16 free sessions with a mental health therapist or coach each year. These benefits also include:
  - A library of well-being and self-care resources.
  - A learning platform that offers on-demand and interactive courses on mental health topics.



- Structured group and community sessions to facilitate conversations on topics related to mental health, including current events and diversity, equity, inclusion and belonging.
- An integrated alcohol and mental health recovery program.
- Announcing a new partnership with **Bright Horizons** to offer backup care for all U.S.-based employees in 2024. This program provides backup care for employees’ children or elderly family members when their regular care plans fall through or in an emergency situation.

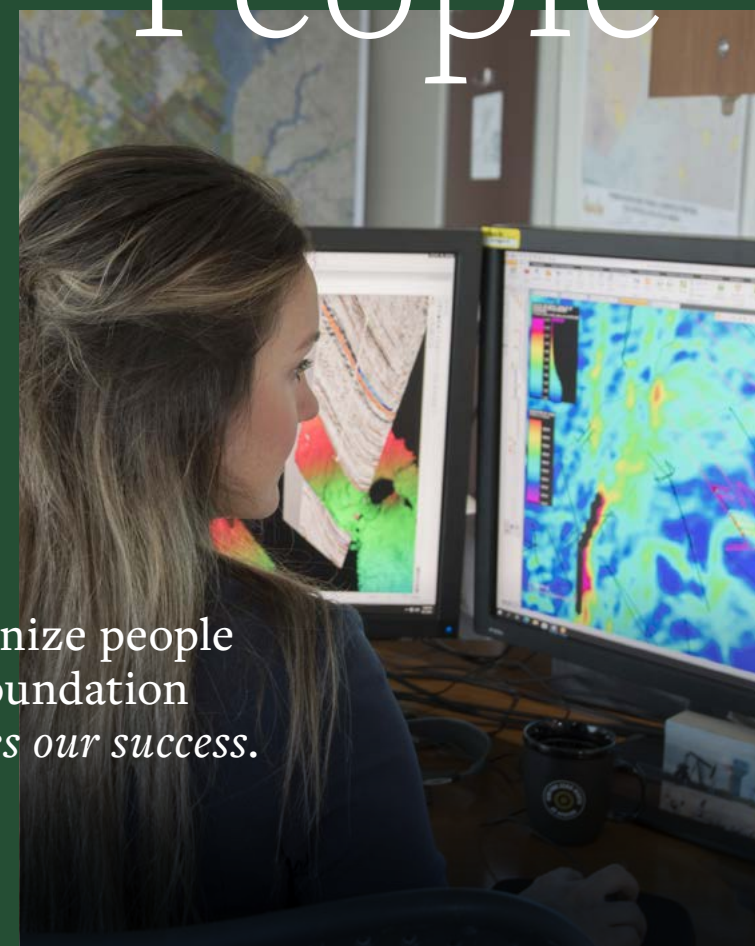
Our global wellness program encourages and promotes physical, financial, social and emotional well-being. Employees receive monthly updates highlighting wellness topics and activities, and are invited to compete in company challenges that encourage an active lifestyle and increase participants’ awareness of the benefits available to them and their families.

## New in 2024

Backup care offered for all U.S.-based employees’ children or elderly family members.

### OUR CORE VALUES

# People



We recognize people are the foundation that *drives our success.*

See all of our core values at [apacorp.com](https://www.apacorp.com)

# Learning and Development

Our approach to learning and development centers on helping our employees meet their professional goals while aligning individual performance with company objectives.



## Employees Own and Grow Their Careers

As our employees navigate their career journeys, it is critical that we establish a transparent and supportive structure for employee growth and development. As part of these ongoing efforts, we evaluated our job catalog across the organization to better align and streamline levels within the organization and standardize job responsibilities.

In July 2023, we launched a streamlined global job catalog with clarified job titles and standardized duties. All employees received job titles that more clearly reflect the duties and responsibilities they perform. In 2024, we will continue to refine our job catalog to allow leaders and employees more visibility into job qualifications including education, certification and experience requirements. We will also expand our focus on developing core competencies for each job.

These updates to our career framework process have aligned our approach with the oil and gas industry and best compensation framework practices to:

- enable consistency across the company concerning job titles; create transparency in job descriptions, competency requirements and pay practices;
- provide alignment between internal job functions and external job titles; and
- improve the overall employee experience by helping to keep individuals well informed of all job-level requirements and proficiencies with a clear path for career advancement.

We call this approach “own and grow your career” — giving our employees the necessary tools and resources to plan, grow and align their professional development to prepare them for vertical or lateral shifts as opportunities are available unique to their own career goals.

In 2023, we conducted one-on-one performance and career development discussions throughout the year with 100% of employees. Employees and managers were provided resources, guidance and training to support them in the performance management process. We regularly reassess and realign learning and development resources to improve ongoing development opportunities across technical, compliance, business and personal development areas. During 2023, employees completed nearly 48,000 training courses across a variety of subjects.

### Leadership development program

Since launching our Leadership Development Program in 2021, we remain focused on continued growth for leaders to drive cultural change and support the overall employee experience with career development. In 2023 and 2024, people leaders at all levels are completing a 360° assessment process and will receive results that will inform an individualized leadership competency-based development plan in the coming year. These development plans will seek to align leader behavior with our core values and enable continued development of leadership competencies.



## Global Mentorship Program

Formally launched in April 2021, our internal **Global Mentorship Program** provides mentors an opportunity to guide their mentees in developing goals and core leadership skills. Mentors offer feedback and coaching, share their knowledge and insight, and extend networking opportunities to their mentees, which encourages a culture of continuous improvement. Mentors and mentees have provided positive feedback on the effectiveness of the program.

After participating as a mentor in the program, **Stuart Taylor**, an operational performance director based in Aberdeen, Scotland, reflected that as a seasoned leader with more than 30 years of oil and gas experience, “It is part of the requirements of leadership to help the continued development of future leaders in the company.” He also noted that it gave him a better understanding of the challenges in other areas of the business when mentoring outside his core discipline.



**Stuart Taylor**

OPERATIONAL PERFORMANCE DIRECTOR

ABERDEEN, SCOTLAND

# Diversity and Inclusion

Diversity and inclusion (D&I) are vital to our long-term success. A more diverse workforce and an inclusive environment where all our people can openly voice their thoughts make everyone stronger.

As the energy landscape continues to evolve, we believe we will need more perspectives rather than fewer, and we maintain efforts to increase diversity, innovative ideas and nuanced perspectives. We are committed to cultivating a work environment where all employees are valued and can thrive, with a sense of belonging not only as employees, but as people.

## D&I strategy

D&I can mean different things to different people, which is why we approach this topic from multiple angles, with an attitude of mutual respect and an openness to understanding cultural differences. As part of our evolving D&I strategy, we participated in external surveys to benchmark our D&I programs and gain insight into best practices. We solicit feedback from our diverse workforce and look for ways to support employees' experiences in a personal, authentic way. To further our D&I commitment company-wide, we continued a range of diversity-related information campaigns in 2023, including employee spotlights, heritage month celebrations hosted by our ERGs and recognition of global holidays.

## Attracting diverse candidates

Recruiting talent from historically underrepresented groups is a key component of our D&I efforts. Our hiring managers are guided by our internal standards for identifying and hiring top talent. We provide them access to a tailored curriculum of courses that provide training and clarity on candidate selection, interviewing and hiring practices. We continued to make progress in our efforts to attract diverse candidates by partnering with student resource groups such as the **National Association of Black Accountants** and the **Bauer Women's Society** at the **C.T. Bauer College of Business at the University of Houston**. We are also expanding our efforts to reach candidates from Historically Black Colleges and Universities (HBCUs), including expanding our recruiting efforts at **Texas Southern University** and **Prairie View A&M**.

We regularly review our recruiting approach and performance to ensure our process is fair and strives for a diverse and inclusive workforce. Through our partnership with **OutSolve**, (formerly Meyer Consulting Group), an independent firm that specializes in workforce diversity, our HR team reviews all recruiting and applicant data for alignment with our overall diversity aspirations and for pay equity among our new hires.

## Ensuring pay equity

During each annual compensation program planning cycle, we conduct a wage gap analysis to identify differences in pay. Generally, differences are related to seniority, experience, performance and other legitimate business reasons. When pay differences are not clearly tied to such factors, we undertake a deeper review and make corrections as needed to ensure wage gaps do not correlate with gender, ethnic or racial differences.

To provide equitable pay for substantially similar work, we have established pay bands for all positions that are rooted in market data obtained through participation in market surveys with peer companies. We also have processes in place to ensure that our pay systems and decisions are both transparent and objective. Specifically, we use:

- Objective metrics to measure performance, which are directly linked to compensation.
- Guidelines for annual compensation changes based on an employee's pay range, performance rating and location, to confirm consistency in the company's approach to compensation.
- Training for all compensation decision-makers on the importance of providing adequate employee performance feedback, making objective performance rating decisions based on goal achievement and ensuring compensation changes are in alignment with established guidelines.

Our pay equity analysis is reviewed and confirmed annually by a third-party consultant to assure its accuracy and validity.



STEM EDUCATION

THE POSSE FOUNDATION

TECHFEST

## Expanding Diversity in STEM Education and Careers

Science, technology, engineering and math (STEM) skills are essential for our workforce. APA employs a diverse group of leaders in STEM positions throughout our global operations.

We are seeking to increase the diversity of ethnicities, genders and perspectives in STEM roles as an important element of our D&I efforts. Expanding the pipeline of diverse candidates in these fields is key to advancing D&I at our company and throughout our industry, and we are working to encourage women and other traditionally underrepresented groups to pursue STEM careers.

### THE POSSE FOUNDATION

Our work with the **Posse Foundation**, an organization that supports college success and leadership development initiatives for students from underserved groups, is one example of how we are contributing to this fundamental need. [\(Read more about our work with the Posse Foundation on p. 97.\)](#)

### TECHFEST

We also sponsor **TechFest**, a charity that promotes STEM fields to young people and the broader community. TechFest hosts a weeklong annual event in Aberdeen, that features a range of STEM-focused activities, workshops, demonstrations and shows designed to inspire and engage children in the science and technology fields. Through our support, children experience and enjoy activities such as our **Energy Explorers** workshop — which focuses on different energy sources and the vital role that oil and gas plays in energy security — and the **Apache Dome**, a mobile planetarium featuring educational presentations on the night sky.

“ERGs are open to all employees and help to *build* connections, *support* our community outreach programs and *encourage* career development.”

### Diversity & inclusion training

In 2023, we continued D&I training opportunities for all employees. We also continued to review and enhance our D&I training programs. For example, we identified an opportunity for leaders to improve their delivery of quality, constructive feedback. We incorporated this training into our performance management process and leadership development program, with a focus on how to identify and mitigate unconscious bias when assessing performance. We also provided unconscious bias training for hiring managers and recruiting teams.



### Employee resource groups

We support ERGs focused on advancing inclusion, belonging and understanding for employees across our organization.

Each of the ERGs has the support of an executive sponsor who provides guidance and advice to the group, serves as a conduit from the employees directly to senior levels of leadership and champions the group’s mission. Networking, professional development and community outreach are just some of the many benefits of participation in our ERGs.

ERGs are open to all employees and help to build connections, support our community outreach programs and encourage career development. Our varied and active ERGs regularly host informal educational opportunities throughout the year on a variety of topics relevant to the ERG and the wider workforce. Whether it’s a lunch-and-learn, a cultural heritage celebration, a book club reading and discussion on a diverse author or topic, or an after-work social event to bring people together and strengthen connections between employees, our ERGs contribute to a rich and welcoming workplace. We continue to support employees as they form additional ERGs; in 2023, we introduced the Apache Pan-Asian Network (APAN).

The D&I site on our intranet provides information on how to join or initiate ERGs ([described on p. 71](#)).

### Conducting business fairly and ethically

In addition to our proactive D&I efforts, we strongly enforce our Code of Business Conduct and Ethics (Code). The Code requires that we conduct our business, including employment practices, in accordance with all applicable laws, rules, regulations and government requirements. APA is an equal opportunity employer. All employment decisions are made without regard to race, color, religion, sex, familial status, marital status, sexual orientation, genetic information, gender identity, national origin, age, veteran status, disability or any other status protected by applicable federal, state or local law. These standards support our commitment to meet or exceed the requirements of applicable laws and regulations in the countries where we operate. Any form of discrimination by or toward employees, contractors, suppliers or customers in our workplace is strictly prohibited ([see the Supplier Code of Conduct and the Community section, p. 107](#), for information on our Supplier Diversity program).

## Employee Resource Groups



**BLACK PROFESSIONALS NETWORK**

The Apache Black Professionals Network (ABPN) is committed to promoting a work environment in which Black employees can thrive, both professionally and personally, with a sense of purpose, support and community involvement. To achieve this, the ERG maintains a focus on cultural awareness, career growth, community engagement and advocacy. In 2023, ABPN led conversations with African American external panelists on career development, and network leaders participated in roundtable discussions with industry leaders about the group’s efforts, best practices and strategic initiatives. Members also supported Black History Month activities, including a pop-up shopping event to support Black-owned local businesses, social networking events at a Houston Astros game and informal conversations on literature.

ABPN is deeply involved in supporting community youth with resources and opportunities. Since 2021, the ERG has awarded scholarships to support talented students at two HBCUs — *Texas Southern University* and *Prairie View A&M University*.



**PRIDE NETWORK**

The Apache Pride Network (APN) focuses on creating a safe space for LGBTQ+ employees and allies, where members can support and learn from each other and provide a sense of belonging. The ERG was launched in June 2021 to coincide with Pride Month. Throughout 2023, APN provided resources to support LGBTQ+ employees and allies, facilitated a Q&A session between members and a senior executive, and hosted networking events and awareness day celebrations.



**PAN-ASIAN NETWORK**

APAN is the newest ERG at the company, launched in December 2023. The group’s mission is to create community and support for Asian employees and to celebrate members’ unique backgrounds, experiences and perspectives. To achieve this, APAN is focused on promoting educational and cultural activities about the Asian community and offering personal and professional development through networking.



**WOMEN'S NETWORK**

The Apache Women’s Network (AWN) focuses on providing members with learning programs, networking events and community engagement opportunities to support women in our workforce. In 2023, AWN hosted financial literacy sessions and women’s health awareness events, and co-hosted a session with the Apache Young Professionals Network (AYPN) on the importance of nonverbal communication. The group also led discussions with female company leaders on career development and hosted a discussion on literature. Additionally, AWN held a professional clothing drive for local nonprofit *Dress For Success Houston* during Women’s History Month to support and empower local women entering the workforce. AWN members also assembled supply kit care packages for survivors and families receiving assistance from the *Houston Area Women’s Center*.

In 2024, AWN launched its first international chapter in Egypt in celebration of International Women’s Day.



**YOUNG PROFESSIONALS NETWORK**

AYPN is a group of young professionals who are determined to succeed in the industry. It develops future business leaders through career development opportunities, meaningful connections and philanthropy.

In 2023, the network introduced a professional development series for members to glean leadership knowledge from company leaders and other professionals. It also launched intramural volleyball and kickball teams and hosted a chili cook-off and networking event with company leadership at the *Petroleum Club of Houston*.



**UNIDOS**

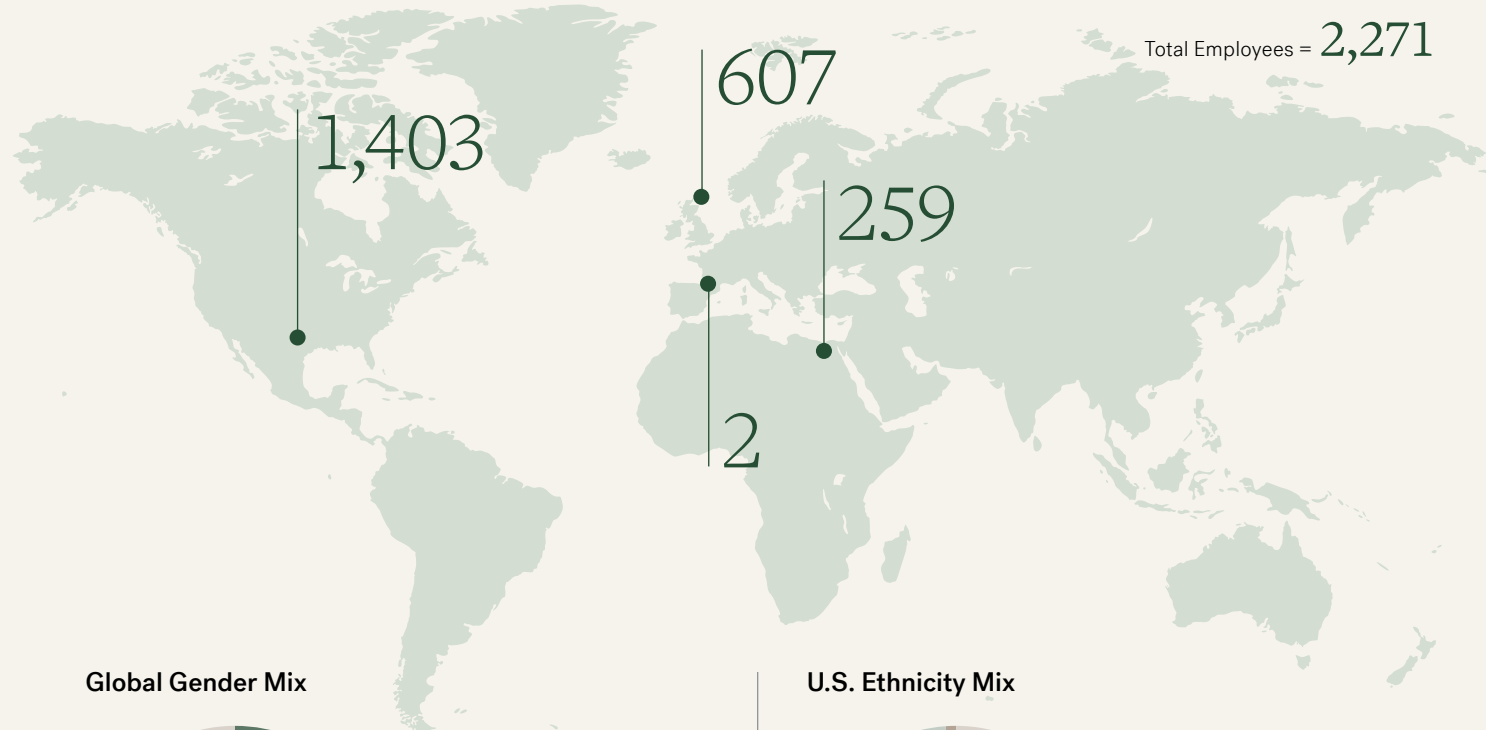
Unidos was launched in September 2022 to coincide with National Hispanic Heritage Month, and in 2023 it established a Permian chapter. Unidos’ mission is to build a supportive and collaborative environment, creating networking and educational opportunities while spotlighting unique backgrounds, cultures and topics impacting the Hispanic and Latin community. Since its inception, Unidos has led volunteer initiatives in partnership with nonprofit organizations — such as *Sunshine Kids* — by collecting gifts throughout the holiday season for children undergoing cancer treatment and by hosting lunch-and-learns with outside organizations including the *Institute for Hispanic Culture* and the *Houston Minority Supplier Development Council*.

### New in 2024

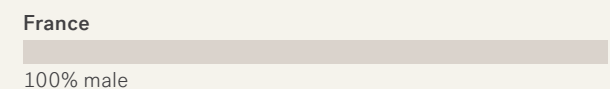
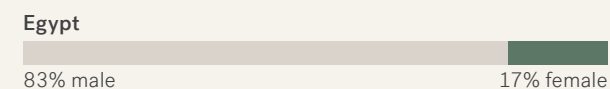
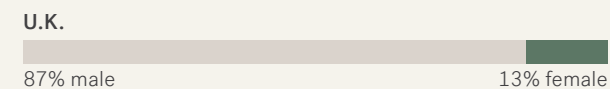
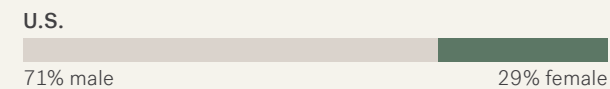
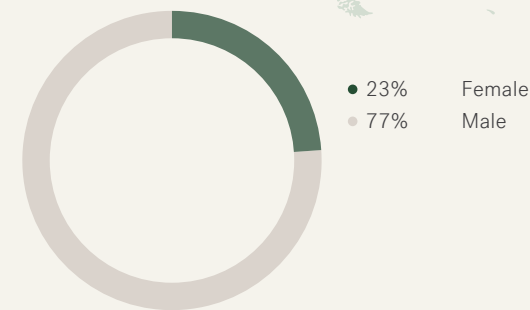
We are launching Rally Point, a U.S.-based ERG, for all employees who are currently serving, families of active or veteran service members, or employees who have an interest in supporting veterans.

# Workforce Demographics\*

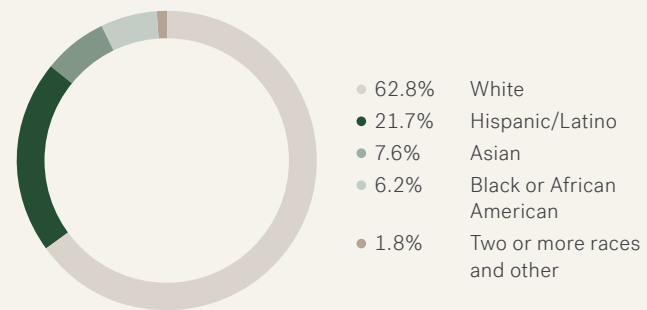
## Total Employees by Country



## Global Gender Mix



## U.S. Ethnicity Mix



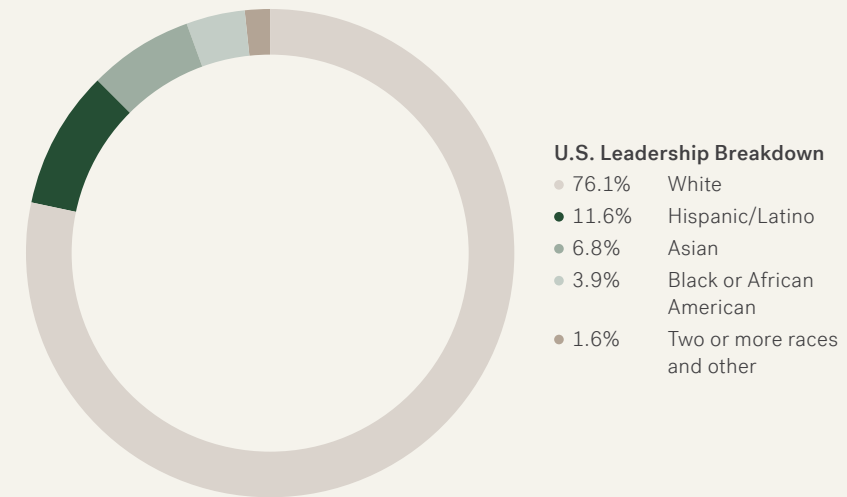
**37%**

of U.S. employees self-identify as an ethnic minority.

\* Our workforce demographics are reported by employees' work location as of Dec. 31, 2023. They are based on employee self-identification and subject to change based on employee assignment. All APA employees are employed by our subsidiary Apache Corporation. This data is comparable to Equal Employment Opportunity, or EEO-1, reported data. (Our 2023 Equal Employment Opportunity Consolidated Report can be found on [p. 133](#) in the Appendix.)

# Workforce Demographics\* (Continued)

## Leadership Diversity (leadership defined as supervisor level or equivalent and above)



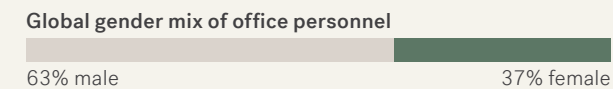
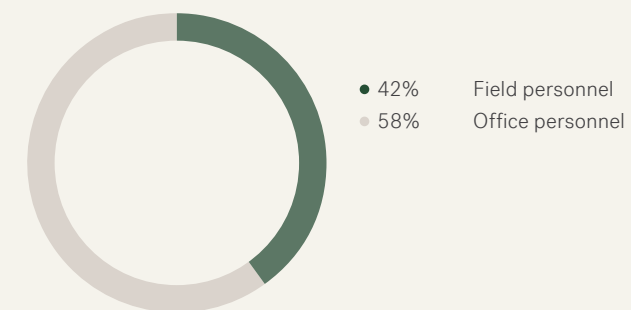
**24%**

of U.S. leadership self-identifies as an ethnic minority.

**20%**

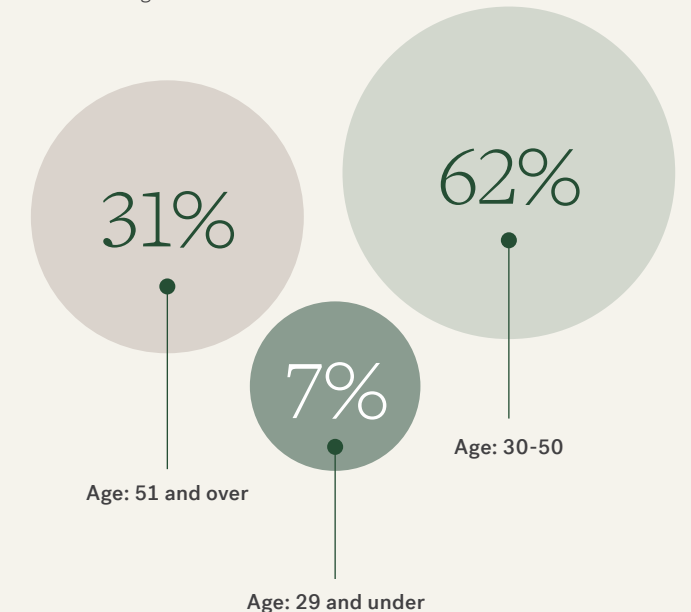
of global leadership self-identifies as female.

## Global Field/Office Demographics



## Global Age Breakdown

- 169 Age: 29 and under
- 1,405 Age: 30-50
- 697 Age: 51 and over



# Employee Engagement

Engaging employees in our corporate mission and values is critical to enhancing safety and environmental performance, boosting morale, improving job satisfaction and advancing our success as a company.

## Employee Feedback Survey Results

Our results from the 2022 employee survey were above industry averages in the areas of engagement, inclusion and well-being. With a 76% response rate, employees indicated they feel respected in the workplace, have trust in their managers, believe the company has strong ethics, feel their skills are utilized, and that there is a high level of collaboration across the company.

**76%** survey response rate, which is above the industry average.

Our overall scores:

<b>76%</b> engagement	<b>74%</b> inclusion	<b>74%</b> employee well-being
--------------------------	-------------------------	-----------------------------------

The company's highest ratings included the following:

<b>89%</b> respect for employees	<b>87%</b> trust in managers	<b>83%</b> corporate ethics
-------------------------------------	---------------------------------	--------------------------------

We foster employee engagement in several ways. These include providing growth, leadership development and community outreach opportunities while maintaining a fair, inclusive work environment. The foundation of our employee engagement strategy is building a sense of common purpose around our mission, which our leadership supports through frequent and transparent communication. For example, we hold quarterly town hall meetings hosted by the chief executive officer (CEO) and other members of the executive leadership team to address the company's progress on business goals and answer questions from employees around the globe. We also host regular meetings with our vice president of Investor Relations that provide employees an opportunity to hear about and ask questions regarding financial markets, APA's stock performance and the market performance across our industry. We also invite employees to participate in live presentations broadcast globally that feature external speakers discussing topics relevant to the energy industry.

## Employee feedback survey

Understanding employees' perspectives is central to our outreach efforts. In 2022, we launched a global survey to measure employee engagement and gauge our progress on building an inclusive workplace. The survey results and other data, which we assess regularly, can be found in the graphic to the bottom left.

We also identified from survey responses topics of interest to employees and areas for improvement, including communications, strategic alignment and inclusion of diverse perspectives.

### COMMUNICATION

We are committed to sharing information in a timely manner; maintaining open communication about our company's goals, objectives and strategies; and seeking innovative ways to reach our workforce.

## TEAM Apache

Supporting our employees in volunteering for causes that matter to them is an important element of both our employee engagement and community investment efforts. TEAM Apache, which stands for "Together Everyone Achieves More," was relaunched in March 2022 as the volunteer arm of our Community Partnerships department. The program promotes and supports hyper-local, grassroots volunteer opportunities as well as larger-scale, high-visibility partnership opportunities with local governments, hospitals, museums and the like.

The group hosted multiple volunteer opportunities throughout 2023, including on-site blood drives, joining with other companies to assemble hundreds of donated BMX bikes for distribution to local children at Christmastime, tree-planting events, bicycle rides to raise funds for local charitable causes, and support for local animal shelters. The group has longstanding connections with major volunteer events such as the **Bike MS: Texas MS 150**, the **Houston Livestock Show and Rodeo**, **Montgomery County YMCA's annual Dragon Boat Races** and **Houston Energy Day** — just to name a few.



In 2023, we continued to prioritize transparency about organizational change, clarity on our vision, and leadership responsiveness to feedback. We rolled out our updated company vision and values, which reflect the current organization and promote our focus on human progress and our commitment to providing critical energy resources to the world as an oil and gas company.

To exemplify our values in action, we introduced "Well Deserved," an employee recognition program (described on p. 77), as a way for employees to appreciate team members who make a difference in the workplace.

### STRATEGIC ALIGNMENT

To further clarify our business strategy, our president and chief financial officer hosts periodic Q&A-based conversations with employees to provide insight on current strategic initiatives and opportunities that lie ahead for driving our success. A clear strategy helps us prioritize our work and purpose. Our leadership is committed to ensuring employees understand our strategy and how each of them plays a role in supporting our long-term success. We will continue to improve how we align our company objectives with team and individual goals.

### INCLUSIVE PERSPECTIVES

We aim to leverage the unique perspectives of all employees in our workplace. In response to survey findings that pinpointed an opportunity for leaders to enhance their openness to diverse perspectives, we integrated a training module on giving and receiving feedback into our leadership development program (see p. 70).

## Communications effectiveness survey

As an extension of the 2022 employee survey, during 2023 we gathered feedback on the effectiveness of internal corporate communication programs through quantitative surveys and multiple focus group discussions. Global employee participation helped us better understand how to improve internal communication clarity and effectiveness. Key findings provided insight into the effectiveness of our communications channels and content, as well as helping us identify areas for improvement.

As a result of these findings, in 2023 we launched a multi-pronged communications campaign to help connect employees to the company’s strategy. In October 2023, our executive leadership team reframed our strategy messaging and shared it with pillar, function and asset leaders at a global offsite meeting. It was also shared with all employees at a global town hall, and strategic messages have been reiterated and reinforced as a regular part of meeting agendas across the organization.

We will maintain efforts to improve communications effectiveness, including by providing tools for managers to reinforce and amplify consistent company messages; by implementing targeted information sessions and communications toolkit enhancements for business decisions; and by promoting messaging through our Global Communications Council, which includes individuals identified as highly connected and influential across the organization. The council also provides feedback to leadership on company messaging and ideas for other communications.

### Ambassador Program

We developed an Ambassador Program in 2018, to create employee development opportunities and offer education on industry best practices. Initially, the program focused on employees in external-facing roles who regularly engage with key stakeholders. In 2022, we expanded the program to all U.S. employees. The enhanced program focuses on empowering employees to communicate and advocate on behalf of our company and industry with friends, family and other external stakeholders.



### Global Service Awards Program

To celebrate employees’ professional milestones and anniversaries, we offer a more personalized experience for service milestones that invites managers and colleagues to share congratulatory remarks and photos in a yearbook that will serve as an employee’s memory keepsake.

We do this through multiple communication channels including a speaker series, regularly updated training sessions, an informational website and periodic updates on issues of relevance to the industry. The program touches on emerging and recurring topics like energy security, energy poverty, our ESG strategy and the role oil and gas will play in the future global energy mix.

#### SPEAKER SERIES

A component of our Ambassador Program is a global speaker series in which we invite external experts from the energy industry to share their insights and knowledge with employees. These speakers have extensive experience in the industry and provide a third-party perspective on various topics including energy security, the future of energy demand and energy poverty. They help employees understand the dynamic forces shaping energy markets and industry trends. Through this series, employees gain valuable perspectives, stay informed about industry developments and enhance their understanding of the energy value chain.

#### ‘THREE THINGS CAMPAIGN’

To keep ambassadors informed on energy issues and policies that affect our industry, we summarize key talking points in a ‘three things’ format. These are structured to make them easy to recall and are shared on our program website, through the internal Teams channel and sent via email. We share industry news, trending topics and information from industry associations that align with our company strategy and oil and gas industry messaging.

#### TRAINING AND APPLICATION

Ambassador training courses are interactive and limited to a small group of attendees per session. In 2023, we trained 80 employees and will continue seeking opportunities to train employees to understand our messaging and apply it in real time. In addition to training, ambassadors participated in Texas Energy Day and Houston Energy Day, where they connected with industry professionals and elected officials to talk about the importance of the oil and gas industry to the state and national economy.

We launched a survey to gather feedback from ambassadors on the training. The data measured the success of our program in the areas of topic/content, featured speakers, training format (in-person, virtual or hybrid) and time commitment. We will evaluate the results of this survey for insights and will leverage our Global Communications Council for ways to improve the training and set expectations for continuous engagement, with a special focus on our people leaders. We are expanding the Ambassador Program to other operating areas in 2024.



## Well Deserved, Our Global Employee Recognition Program

In 2023, we introduced a new way to recognize great work across the company, Well Deserved, which has two important functions. The first is to recognize and publicly acknowledge employees for their efforts that demonstrate excellence in the areas of Environment, Health and Safety or sustainability. The second is to provide a way for employees to express appreciation for their peers whose effort, impact or initiative surpassed expectations.

Employees can issue an e-card to recognize the day-to-day efforts of their colleagues or nominate them for an award for outstanding performance. The award nomination allows employees to earn points toward purchasing goods or redeeming gift cards.

Since launching the program in May 2023, a total of 3,761 Well Deserved awards and 1,275 e-cards have been issued across the global organization. Employees have shared that, thanks to the program, they feel more connected and that their work is being acknowledged.

These recognition efforts help foster a respectful and inclusive work environment that reinforces values and behaviors to promote employee engagement, collaboration and increased productivity. This program is one of the ways we are working to create a culture of feedback by recognizing employee accomplishments across the organization and extending visibility beyond each employee’s direct manager and work group.

Since the program’s launch, our CEO and other executives have highlighted Well Deserved award recipients in quarterly town halls. In celebration of National Employee Recognition Day and Administrative Professionals Day, we hosted companywide appreciation events to recognize the daily contributions of our global workforce.

In addition to award recognitions, Well Deserved is also used by managers to acknowledge their team members’ work anniversaries, birthdays and job promotions.

3,761

Well Deserved awards recognized

1,275

e-cards sent to employees

#### WELL DESERVED AWARD STATISTICS

Percentages reflect awards and e-cards issued to demonstrate our company values in action.



- 38.3% People
- 22.9% Stewardship
- 13.7% Ingenuity
- 13.5% Safety
- 11.5% Integrity

\* Numbers do not add to 100% due to rounding.



**SiQi Lu**

SENIOR FACILITIES ENGINEER

CAIRO, EGYPT



**Brenda Udunna**

GLOBAL SUPPLY CHAIN MANAGER

HOUSTON, TX

## 2023 Sustainability Award Winners

Each year, the company hosts an employee awards ceremony to recognize the incredible accomplishments of individuals across the company. The sustainability award, given to two employees in 2023, specifically recognizes excellence in addressing sustainability issues and the implementation of innovative solutions.

**SiQi Lu**, senior facilities engineer for onshore facilities engineering and sustainability projects at Khalda Petroleum Company (KPC), our joint venture in Egypt, was critical to the success of reducing emissions across our Egypt operations over the last two years. He improved the tracking of composition sampling in all key emissions locations to advance the program, in addition to incorporating new areas and facilities.

“SiQi exemplifies the imperative of taking Apache’s responsibility to the environment seriously and conducting our business with honesty and integrity,” said **Tim Johnston**, Lu’s manager and director of facilities engineering and projects at KPC. “He is a detail-oriented, forward-thinking team member who breaks down complex problems, identifies roadblocks and fosters bilateral support from within the KPC joint venture.”

“The sustainability award specifically recognizes excellence in *addressing sustainability issues* and the implementation of *innovative solutions*.”

**Brenda Udunna**, global supply chain manager for supplier diversity and sustainability strategy and process, also received the award. Udunna was described by her peers as a motivated and passionate leader on ESG initiatives. She drove change and transformed policy in field operations and across the company’s global supply chain.

“I’ve seen firsthand how dedicated, hardworking and passionate Brenda is about her job as it relates to sustainability and supplier diversity,” said **Sarah Robichaux**, global supply chain strategy and process director and Udunna’s direct manager. “As a highly renowned and respected pillar in the community, Udunna is an incredible ambassador who has pioneered and developed our supplier diversity program from the ground up.”

Both Lu and Udunna exemplify the company’s deep commitment to excellence in sustainability, rising to the challenge of meeting global energy demand while reducing environmental impacts and enhancing diversity in the industry.

# Health and Safety

We are committed to the health and safety of our employees, contractors and people in the communities where we operate.

We apply our core values, standards and operating practices throughout our workforce to maintain a strong safety culture.

Employees and contractors participate in APA Corporation’s safety observations program, **AIM for ZERO**. This program encourages personnel to proactively share observations of at-risk conditions and behavior, which are reviewed and acted upon by leadership and followed up with focused safety awareness campaigns to drive improvement.

The vice president of Environment, Health and Safety (EHS) seeks feedback through annual safety culture surveys, and we also host joint employee, leadership and contractor meetings. Contractor performance reviews are held to provide cross-functional engagement and alignment.

Our Safety Philosophy	80
2023 Key Safety Metrics and Achievements	82
Contractor Safety Management	90
Crisis Preparedness and Emergency Management	92

# Our Safety Philosophy

We foster a safety culture that empowers our workforce to stop any task if they observe conditions or behavior they consider unsafe.

This means all team members in the office or on location have stop-work authority, allowing them to halt activity, reevaluate working conditions and review safety procedures before proceeding.

In 2023, we published an updated **EHS Policy**, affirming our values and commitment to protecting health, safety and the environment. Among other things, the updated policy underscores leadership's commitment to supporting continuous improvement through visible engagement and the provision of necessary resources and training. All personnel in each operating area are required to follow their respective EHS policies.



We strive to be incident-free across our global operations every day, a sentiment supported by visible and engaged leadership. Senior operations leadership makes regular visits to the field across our global operations to reinforce our safety messaging. Through these efforts, we saw continued year-over-year improvements in a number of safety metrics — achieving the company's lowest Total Recordable Incident Rate (TRIR).

In 2023, we adopted the **International Association of Oil & Gas Producers (IOGP) Life-Saving Rules**. These rules are considered best practice throughout the oil and gas industry, helping to establish alignment between our employees and contractors and promoting clear communication and expectations. Transitioning from internally developed rules to industry-standard rules helps simplify and standardize our approach and align more closely with our industry partners. We have updated our EHS training, AIM for ZERO and other observation programs, incident investigations and safety alerts to integrate the Life-Saving Rules.

We are developing operating area-specific safety programs as well as cascading the process-safety best practices we have already established in our offshore operations to apply them more uniformly across all our assets, both on- and offshore. We believe these changes, along with continued emphasis on communication and participation among employees and contractors, are vital to the ongoing improvement of our health and safety program and performance.

To further drive continuous improvement on safety, we track leading indicators such as control-of-work inspections and high-potential incident data, as well as lagging indicators of safety incidents when they do occur. Using leading indicators to stay informed about our current performance allows us to make course corrections on an ongoing basis should we fall out of alignment with our program goals.

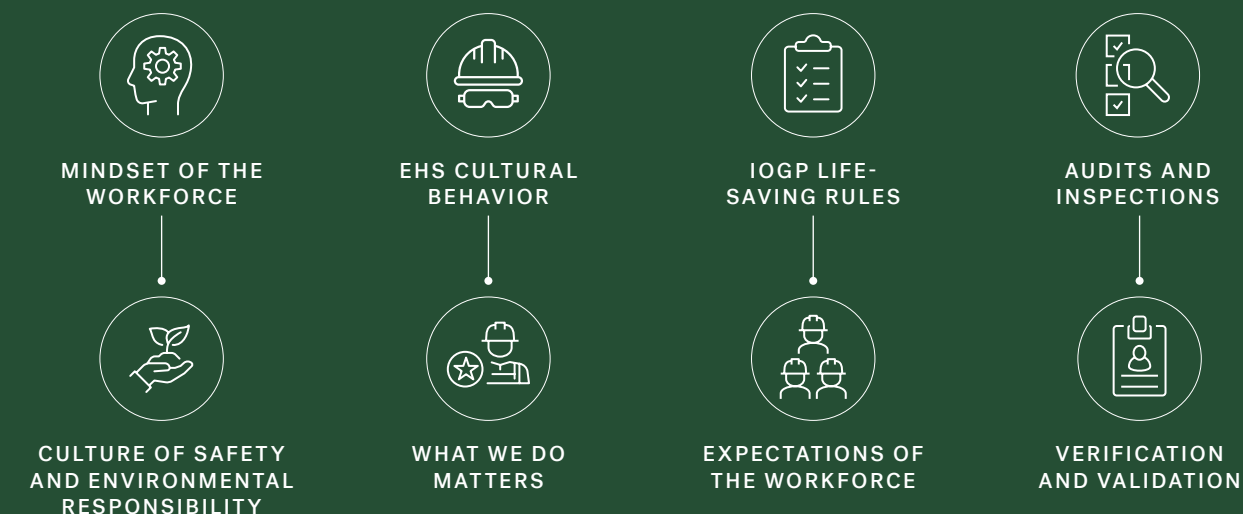
We also publicly report our **expectations for managers'** engagement on health and safety.

**4,900+**  
instances of 'stop work' captured within the AIM for ZERO safety observation database in 2023.



## AIM for ZERO

**AIM for ZERO** is a companywide initiative to instill a mindset of safety and environmental responsibility in our employees and contractors at all levels. It's a way of working and empowering our workforce to do the right thing, regardless of the situation. Here are some of our focus areas:



## Championing the IOGP Life-Saving Rules

To cement the importance and drive adoption of the **IOGP Life-Saving Rules**, in March 2023 and continuing monthly throughout the year, we identified organizational leaders to champion one of the nine IOGP Life-Saving Rules each month by sharing their insights and stories across the organization. These individuals gave video testimonials related to the featured Life-Saving Rule, and we encouraged our teams in the field to cover these topics in their monthly safety meetings. We provide materials to supervisors to help them talk about and promote the rules within their teams, and we make additional resources available to all employees on our internal EHS intranet site.

# 2023 Key Safety Metrics and Achievements

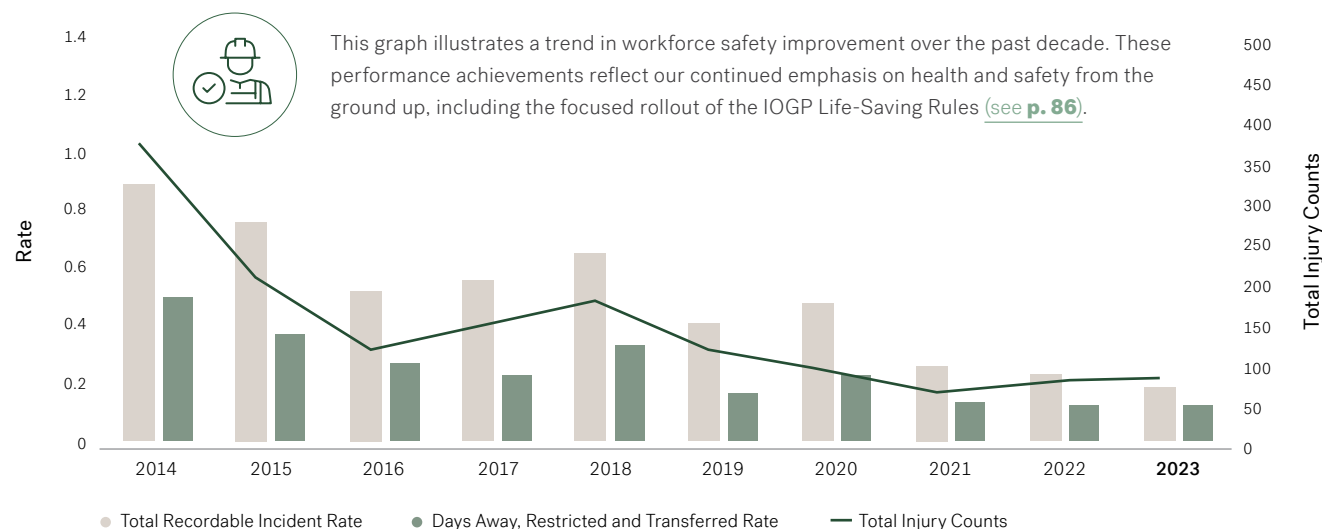
In 2023, we improved on several key safety performance indicators and achieved our safety objectives for the year, including safety goals tied to our annual incentive compensation program.

Collectively, we improved on nearly all corporate leading and lagging safety metrics. We surpassed our record-setting safety performance of 2022 — finishing 2023 with an even lower TRIR of 0.22 — and we continued to improve on our Severe Incident Rate (SIR), lowering our overall rate by 55%.

Notable safety achievements that contributed to our improved overall performance in 2023 include:

- **Egypt:** Asset leadership and joint-venture teams at Khalda Petroleum Company completed over 415 safety awareness inspections and initiated more than 240 stop-work actions, while the Drilling, Completion and Workover team reduced recordable injuries by 70% from 2022.
- **U.K.:** Across our North Sea operations, we achieved a greater than 55% reduction in TRIR, with more than 8,700 AIM for ZERO observation submissions — nearly one observation every hour throughout the year.

- **U.S.:**
  - **Delaware Basin** achieved zero recordable injuries and zero at-fault vehicle incidents. This asset team also reported over 2,900 AIM for ZERO observations.
  - **Southern Midland Basin** achieved zero recordable injuries and reported over 1,850 safety observations.
  - The **Legacy** team completed over 1,070 AIM for ZERO observations.
- **Our office locations** had zero employee recordable injuries worldwide.



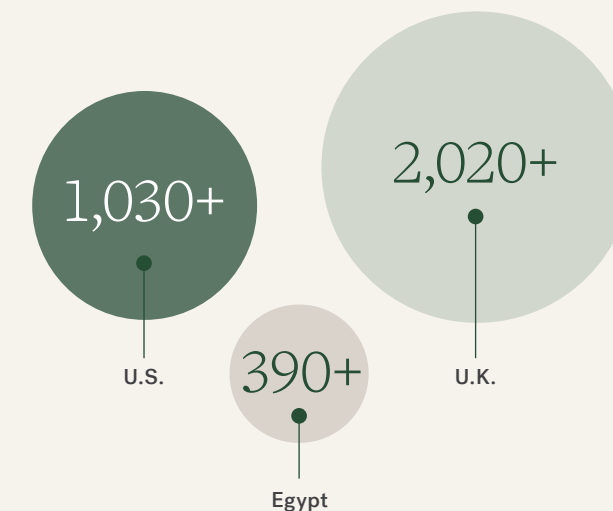
## Focused Safety Inspection Campaign

In August 2023, we launched a 12-week safety inspection campaign focused on driving down injury and near-miss events across our global operations. APA leadership participated in field-based inspections that verified job safety-critical tasks and provided on-site coaching of field personnel. Recommendations were made to mitigate hazards, but in some cases, the jobs were stopped immediately to address them. This global campaign completed more than 3,440 safety inspections.

# 35%

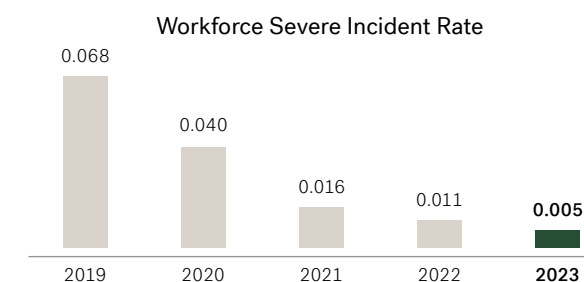
reduction of events after completing the global campaign.

## 2023 Global Safety Inspection Campaigns

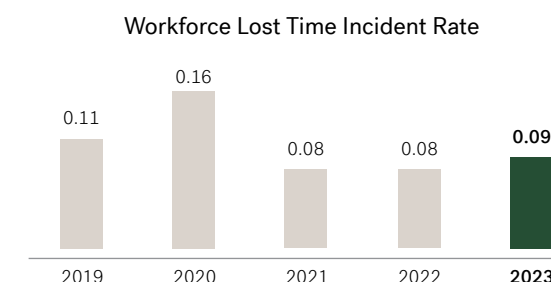


Across most key metrics, we achieved below-target incident rates. These improvements were largely the result of a concerted effort to emphasize safety across our assets, empowering our employees and contractors to assess hazards effectively and employ appropriate controls to mitigate them. The charts below show our workforce's five-year SIR and Lost Time Injury Rate (LTIR) performance. (See p. 129 for more details on our safety performance over the past five years.)

In 2023, we achieved a total workforce SIR of 0.005, a 55% reduction compared to 2022, while our LTIR of 0.09 represented an increase of 12.5% compared to 2022. Sadly, a contractor working in Egypt was fatally injured in 2023. We worked closely with the contracting firm to identify the root cause of this accident and proactively shared the lessons learned throughout our organization to help prevent future incidents. Our unwavering focus on understanding the root causes of accidents and continuing to make improvements in health and safety is reflected in our SIR.



SIR is defined as the rate of incidents resulting in fatal injury, permanent or significant loss or impairment of a body part or organ function, or that otherwise permanently changes or disables individuals in their normal life activity, per 200,000 hours worked.



The LTIR is calculated by multiplying the total number of lost-time injuries by 200,000 hours, then dividing by the total hours worked.\* LTIR cases considered in this rate are those work-related injuries and illnesses that lead to an individual's missing work.

\* Apache employees and contractors worked more than 75 million hours in 2023.

## Incident reporting and management

In 2022 and continuing throughout 2023, the EHS and operations teams collaborated to improve our approach and communications concerning incident reporting and management. Key improvements we made were identified as part of our ongoing review process and through feedback received from our workforce, include:

- Cross-functional collaboration on incident investigations.
- Deeper understanding of root causes.
- Cross-functional input on preventive and corrective actions.
- Global participation in learning-from-incidents sessions.
- Refocused weekly EHS performance dashboard.
- Operations-led, bi-weekly reviews of AIM for ZERO submissions.

Our data management portal helps standardize how we track indicators, respond to incidents, facilitate the management-of-change process, and track stakeholder communications. This system allows us to better identify and communicate root causes and incorporate lessons

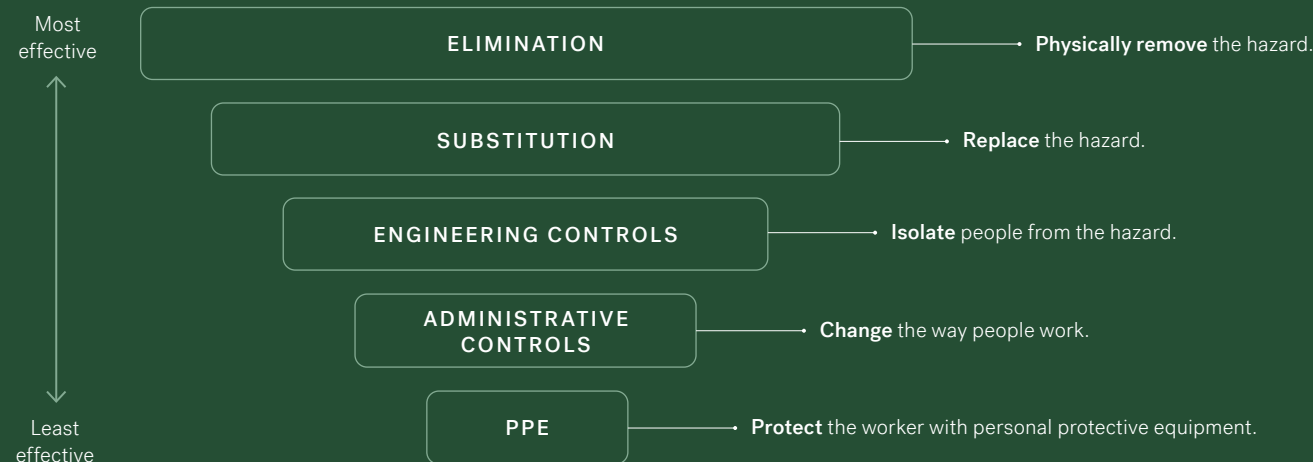
learned from incidents, so that we can mitigate and, where possible, eliminate across our operations the conditions that caused them.

We communicate and share progress on our health and safety metrics weekly to managers at every level within the company. We share these metrics with all employees quarterly at employee town halls.

## Hazard identification and mitigation and process safety

To protect worker health and safety, we use a hierarchy of controls evaluation in our approach to occupational health and safety hazards, to minimize and mitigate exposure to these risks. Following this approach, which is based on the National Institute for Occupational Safety and Health best practices, we focus first on eliminating hazards — the most effective way to avoid incidents — and then move through hazard mitigation strategies (see the graphic below for more detail on the hierarchy we follow). We identify, assess and manage hazards at all stages of our operations — beginning before facility design and continuing through construction, modification, operation and decommissioning. This approach is supported by actionable observations by safety staff and operations personnel, task-based risk assessments, semiannual operational risk reviews, operationally led root-cause analyses and knowledge sharing of incident findings.

## Hierarchy of Controls



## A Robust Safety Culture Begins at the Top — and Is Informed by All

We believe that inviting input from our workforce and encouraging all personnel to be active participants in our initiatives is foundational for safety performance improvement. To further empower our employees, we listen to and track their feedback with an annual safety culture survey, which helps guide our EHS strategy. The survey solicits employee feedback on critical safety and environmental aspects of company operations. Survey questions reflect the company's commitment to environmental stewardship, the overall health and safety of our workforce, and the prioritization of APA's sustainability initiatives.

In 2023, to integrate contractors further into our EHS programs, we continued our U.S. contractor EHS survey and received 584 contractor responses, more than doubling the participation in 2022.

Survey feedback helped us identify key themes and develop three major focus areas for our safety engagement program: Worker Competency, Control of Work Procedures and Standards, and Contractor Management.

Our behavior-based safety program, **AIM for ZERO**, gives workers direct access to submit ideas and suggestions for improvement, and to identify potential hazards to prevent safety incidents. In 2023, more than 17,000 AIM for ZERO submissions were logged across our global operations, up from 14,000 in 2022. Based on these submissions, we evaluated potential safety improvements and implemented them as appropriate.

We also ask our employees and contractors to share their safety observations directly within the AIM for ZERO tool. We view the greater than 21% increase in observations as positive for our operations, as it shows that workers are focused on identifying hazards. This enables us to better monitor key trends and identify areas of concern, allowing us to focus on potential improvements to address safety and prevent injuries and other incidents. In the North Sea, we also host semiannual leadership and employee safety meetings.

### FOCUS AREAS FOR OUR SAFETY ENGAGEMENT PROGRAM



### 2023 SAFETY ENGAGEMENT BY THE NUMBERS

**584** contractor responses, more than doubling participation in 2022. **17,000+** submissions logged in AIM for ZERO across our operations.





**LIFE-SAVING RULES**

**BYPASSING SAFETY CONTROLS**

Obtain authorization before overriding or disabling safety controls



- I understand and use safety-critical equipment and procedures which apply to my task
- I obtain authorization before:
  - Disabling or overriding safety equipment
  - Deviating from procedures
  - Crossing a barrier

**CONFINED SPACE**

Obtain authorization before entering a confined space



- I check and use my breathing apparatus when required
- I obtain authorization to enter
- I confirm:
  - Energy sources are isolated
  - The atmosphere has been tested and is monitored
  - There is an attendant standing by
  - Rescue plan is in place

**DRIVING**

Follow safe driving rules



- I always wear a seatbelt
- I do not exceed the speed limit, and I reduce my speed for road conditions
- I do not use phones or operate devices while driving
- I am fit, rested and fully alert while driving
- I follow journey management requirements

**ENERGY ISOLATION**

Verify isolation and zero energy before work begins



- I have identified all energy sources
- I confirm that hazardous energy sources have been isolated, locked and tagged
- I have checked there is zero energy and tested for residual or stored energy

**HOT WORK**

Control flammables and ignition sources



- I identify and control ignition sources
- Before starting any hot work:
  - I confirm flammable material has been removed or isolated
  - I obtain authorization
- Before starting hot work in a hazardous area I confirm:
  - A gas test has been completed
  - Gas will be monitored continually

**LINE OF FIRE**

Keep yourself and others out of the line of fire



- I position myself to avoid:
  - Moving objects
  - Vehicles
  - Pressure releases
  - Dropped objects
- I establish and obey barriers and exclusion zones
- I take action to secure loose objects and report potential dropped objects

**SAFE MECHANICAL LIFTING**

Plan lifting operations and control the area



- I confirm that the equipment and load have been inspected and are fit for purpose
- I only operate equipment that I am qualified to use
- I establish and obey barriers and exclusion zones
- I never walk under a suspended load

**WORK AUTHORIZATION**

Work with a valid permit when required



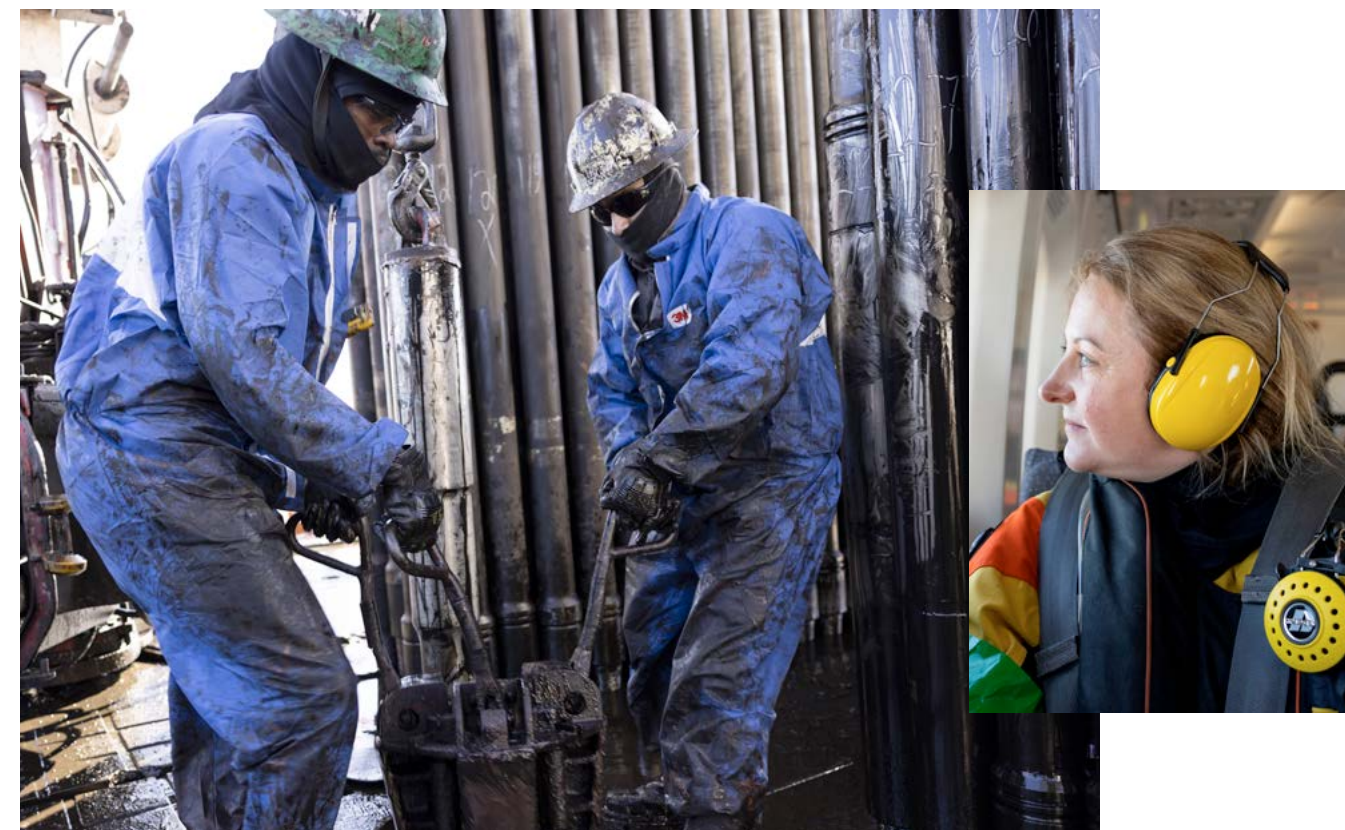
- I have confirmed if a permit is required
- I am authorized to perform the work
- I understand the permit
- I have confirmed that hazards are controlled and it is safe to start
- Stop and reassess if conditions change

**WORKING AT HEIGHT**

Protect yourself against a fall when working at height



- I inspect my fall-protection equipment before use
- I secure tools and work materials to prevent dropped objects
- I tie off 100% to approved anchor points while outside a protected area



We employ a Process Safety Management (PSM) framework to protect equipment and assure operational integrity. Our process builds layers of protection around potential hazards for equipment, machinery and processes using an approach similar to our health and safety hierarchy of controls. We use field-focused efforts centered on leading key indicators to help identify opportunities for continuous improvement. Our PSM program includes defined equipment inspections and process safety audits to identify hazards that could lead to equipment failure and puts systems in place to track corrective actions. Examples include Control of Work process audits, digital safety inspections, trend analysis and timely feedback to and from the workforce. Incident alerts are distributed to staff and, as appropriate, to contractors, to alert them to changes in operating conditions or to instances in which a control may have failed. These alerts are also tracked and maintained on an internal "Learning from Incidents" webpage.

Additionally, controls and management systems are regularly reviewed and enhanced to drive continuous performance improvement. Our worker health and safety programs and PSM programs work together to help ensure our equipment is safe to operate, our workers can operate the equipment safely and, ultimately, we maximize safe runtime by reducing equipment failures.

**Safety inspections and assessments**

We perform safety inspections and assess performance against our safety standards and procedures to help promote safe work practices. For example, APA's operations in Egypt are ISO 45001:2018 certified (occupational health and safety management system), validating our continuing efforts to put robust systems in place to prevent work-related injuries and to promote a healthy and safe workplace. As part of this certification, we perform regular audits of our performance against established standards. In the North Sea, we conduct Advanced Safety Audits, which focus on observations made during the performance of a specific task and are completed routinely at our offshore facilities. We leverage mobile technology within our internal safety database in the U.S. and Egypt to conduct real-time pre-operations inspections and rig-up assessments.

We also track improvements made in process safety. For higher-risk tasks dealing with hot work, energy isolation, confined space and other potential hazards, our Control of Work system is critical to enhancing the safety of our workforce. Our Safety Audit and Control of Work processes have proven effective, as evidenced by our declining TRIR.

“In 2024, we will continue developing educational and training content in furtherance of our commitment to the *Life-Saving Rules*.”



### Health and safety training and education

Training and continuing education are foundational to the success of our operations. Our online training platform gives employees easy access to safety-related information. We offer specific training courses to keep field employees and managers informed about evolving issues and best practices for our industry. These courses encourage a mindset of personal responsibility, while emphasizing our focus on the hierarchy of controls.

In 2023, we rolled out training for each of the **IOGP Life-Saving Rules**, including specific examples of how the rules have been applied at our facilities and actions every employee and contractor can take to increase their safety awareness. In 2024, we will continue developing educational and training content in furtherance of our commitment to the Life-Saving Rules.



### Driving safety

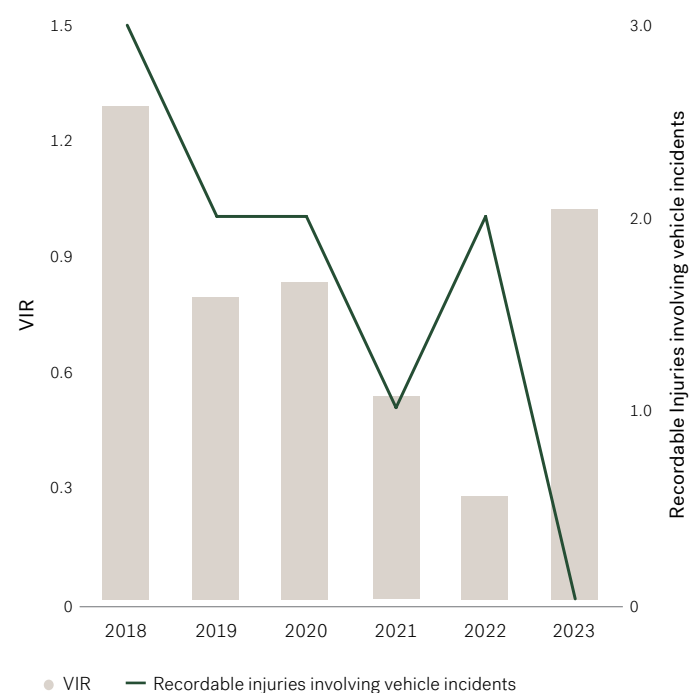
In 2023, our employees drove more than 21 million miles, an increase from approximately 19 million miles in 2022. Despite this year-over-year rise, our Vehicle Incident Rate (VIR) remained strong, with zero serious or personal injuries resulting from work-related vehicle incidents. Notably, all vehicle incidents were considered minor, and there were no serious incidents.

Our unwavering commitment to driving safety includes the use of in-vehicle monitoring systems in our U.S. and Egypt onshore operations. These real-time monitoring systems are overseen by the **Apache Incident Management** call center and locally based information centers. The graph on the right shows the number of recordable injuries involving vehicles and VIR over the past six years.

**21 million+**

miles driven by our personnel in 2023.

Reducing injuries related to VIR



OUR CORE VALUES

# Safety



*We never compromise on safety.*

See all of our core values at [apacorp.com](http://apacorp.com)

# Contractor Safety Management

Like others in our industry, we rely on contractors to support nearly every aspect of our operations, from exploration and production to well decommissioning and remediation activities.

## Contractor Management Process



### EVALUATION OF EHS MANAGEMENT SYSTEMS

- Utilizing third-party data management services.
- Reviewing top operational risks and mitigating controls.



### ASSESSMENT OF TECHNICAL CAPABILITIES AND SERVICE QUALITY

- Verifying and validating operational readiness.
- Training compliance and competency.



### COMPLIANCE ASSURANCE

- Performing EHS audits.
- Conducting performance reviews.



### CONTINUOUS IMPROVEMENT

- Sharing and adopting industry best practices.
- Reviewing lessons learned.

Contractors typically account for about two-thirds of our total workforce hours each year. Coordination and oversight of our contractor relationships are thus critical to our success. All contractors and suppliers providing on-site services are vetted by our EHS Department using **ISNetworld**.

Leveraging the power of a third-party contractor management data service, we set minimum selection criteria for all contractors on core training, insurance and other health and safety management topics. Adherence to these criteria is incorporated in contractual provisions required for approval of all master services agreements.

We proactively and continuously engage with our contractors to promote alignment with APA's core values, EHS standards and operational excellence. Our contractor-facing [website](#) sets out our EHS expectations for contractors, while our comprehensive contractor management process addresses the entire life-cycle of supplier engagement, from selection and evaluation to monitoring and post-contract review. (See the [Supplier Diversity](#) section on [p. 107](#) for more information.)



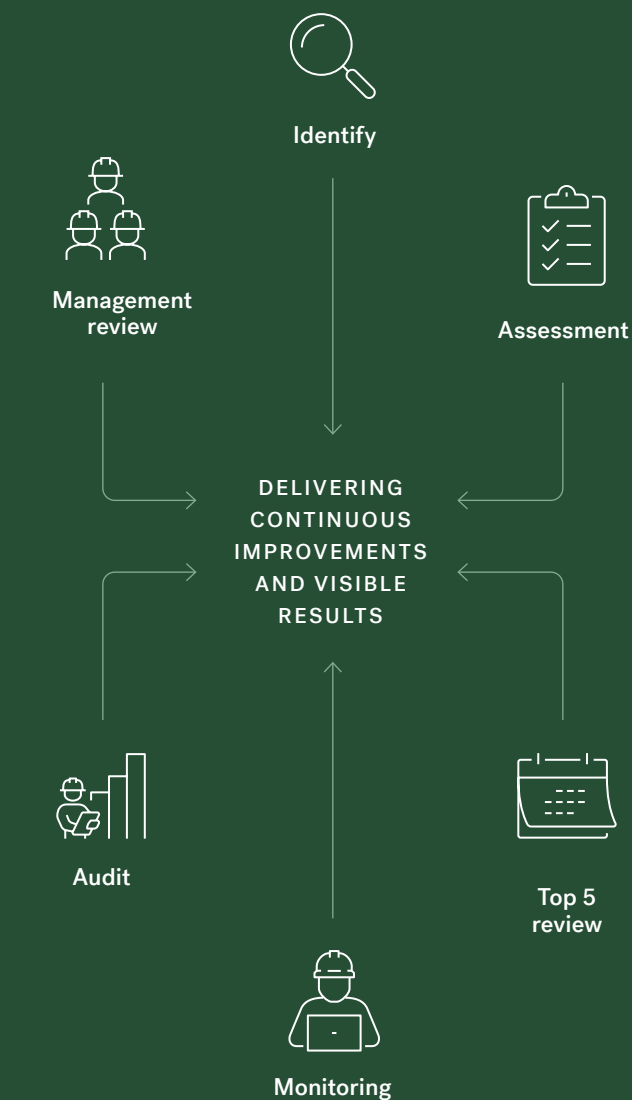
“We engage *all levels* of our contract workforce by conducting in-person safety meetings, monthly performance reviews and frequent on-site inspections.”

We engage all levels of our contract workforce by conducting in-person safety meetings, monthly performance reviews and frequent on-site inspections. In 2022, we introduced the inaugural Executive Contractor Roundtable, hosted by our chief executive officer (CEO) and the executive vice president of Operations, and expanded it to include Egypt in 2023. It includes CEOs and other senior-level leaders from various contractor companies, to discuss key safety-related topics, lessons learned and current industry challenges affecting safety performance. By fostering direct interaction among our contractors and employees from senior leadership to front-line workers, and across all functions, we seek to reinforce expectations and share industry best practices companywide.

All contractors providing U.S.-based services are required to have a code of conduct or code of ethics and a method to demonstrate that their employees are aware of — and adhere to — that code. We require all suppliers to attest to our Supplier Code of Conduct, which includes ESG expectations. In addition to the internal review process described above, we assess contractors using leading third-party supply chain management tools that evaluate a range of criteria, including performance and management of safety, anti-corruption, financial health and other business issues. All suppliers are screened for Office of Foreign Assets Control restrictions and compliance using the Blue Umbrella reputation and risk management tool, which covers anti-corruption, bribery, politically exposed parties, prior governmental enforcement actions, adverse media and more.

We continue to evolve our contractor audit and inspection process by leveraging data gathered through performance reviews with our contractors. Additionally, our Control of Work inspections help us regularly highlight specific EHS focus areas. When we identify deficiencies during our audits and inspections, we can now have more meaningful conversations internally, as well as with our contractors. We have implemented an EHS opportunity and risk management framework to help us assess and work with contractors on safety performance.

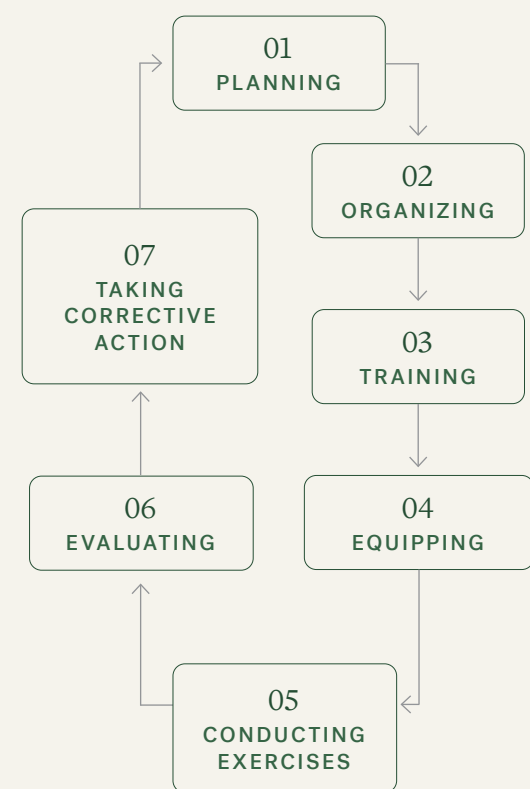
## Contractor EHS Opportunity and Risk Management Framework



# Crisis Preparedness and Emergency Management

We develop emergency preparedness and response plans to mitigate impacts of unplanned events and natural disasters.

## Response Preparedness Cycle



These plans provide a framework and management structure to effectively mitigate the impacts of crisis, emergency or business continuity events. Our business continuity plans provide cross-functional alignment and are designed to maintain business operations during potential disruptions. We regularly review and update these plans as needed.

We also train employees on our emergency response plans and on managing unplanned events.

Forming dedicated Incident Management Teams is central to our preparedness approach. In 2023, we conducted 18 Incident Management Team exercises across our operations to improve our ability to respond to unexpected incidents. We identified corrective action items with recommendations after each exercise, and an implementation plan was developed and tracked for each. These activities are critical to our preparedness efforts and enhance the company's ability to test established plans.



# Community



We strive to be a good neighbor in the areas where we operate.

We work to achieve this by understanding community interests and concerns, supporting local economies through our investment decisions and employment opportunities, and supporting local partners doing critical work in the community. Our commitment to work with local stakeholders is integrated into how we conduct our business.

Our Approach to Social Investment and Community Engagement	94
Local Economic Impact	106
Understanding and Addressing Stakeholder Concerns	108
Human Rights	111

# Our Approach to Social Investment and Community Engagement

From Midland to Cairo, Paramaribo to Aberdeen, our communities have unique well-being, environmental and energy access challenges, requiring a carefully curated approach.

Supporting progress in our communities is an important component of our company’s overall environmental, social and governance strategy. In 100% of our operating areas, we have established key relationships with community partners that enable us to address specific needs.

To help focus our efforts in creating shared value for our business and the communities in which we work, we have identified three pillars of social investment:

– **Community well-being:** Addressing acute social needs within our geographically and culturally diverse operational footprint.

– **Environmental stewardship:** Maintaining our long-standing legacy and commitment to balancing environmental stewardship and conservation with responsible energy development.

– **Access to energy:** Creating opportunities for underserved communities that lack access to reliable, affordable energy.

We support critical initiatives, community development programs and nonprofit organizations in our operating areas that align with these pillars through direct assistance and partnership, employee matching gifts and employee volunteering.



## About the U.N. Sustainable Development Goals (U.N. SDGs)

The U.N. SDGs are a comprehensive set of global goals to end poverty, protect our planet and improve living conditions of the global population. In 2023, 100% of our social investment was aligned with them.

### Our community partnerships in action

- ① Apache Tree Grant Program
- ② The Clean Cooking Alliance
- ③ Springboard Girls Schools

## Community Partnerships — Our Strategic Areas of Focus



### COMMUNITY WELL-BEING

Around the world, each of our communities has unique and specific needs. Opportunities for partnership include improving quality of life through access to education and essential medical supplies; supporting vulnerable populations, including women and children in need; responding to natural disasters; and supporting first responders.



### ENVIRONMENTAL STEWARDSHIP

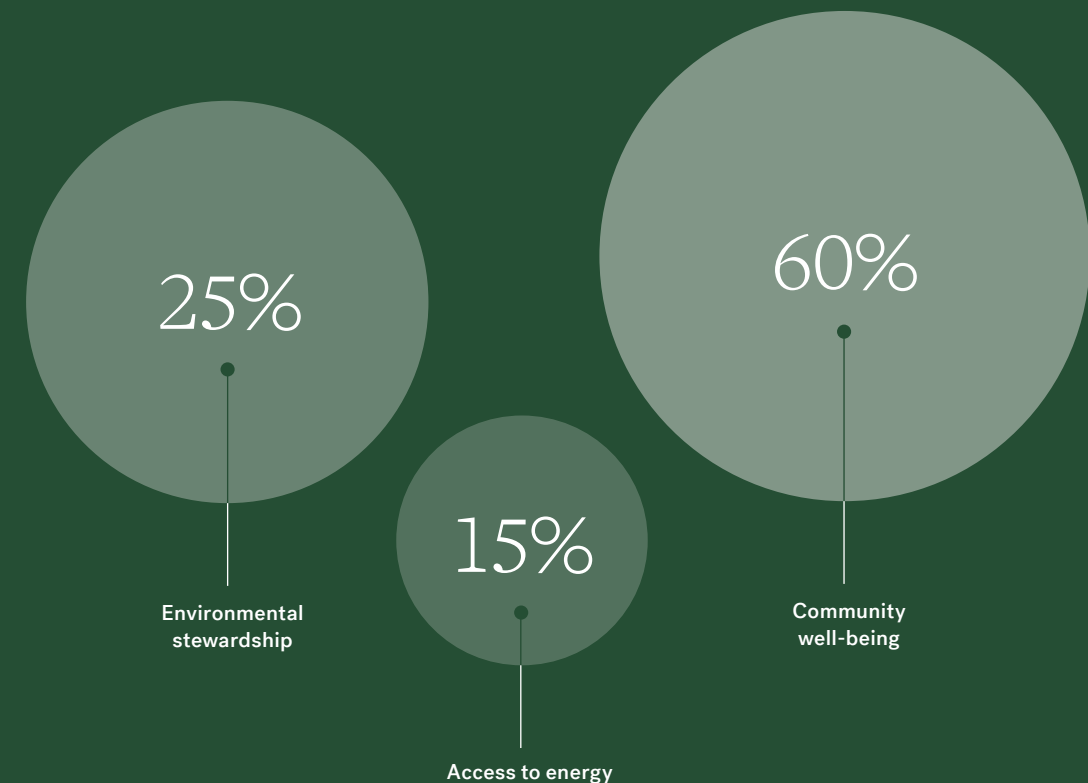
Taking care of the environment goes hand in hand with responsible energy development and includes initiatives that support habitat, species and water conservation.



### ACCESS TO ENERGY

Access to reliable energy is critical for progress. Our community partnership efforts in this area seek to expand access to energy for communities in developing nations, and to enhance the reliability and affordability of energy in developed countries.

### 2023 INVESTMENT BY PILLAR





## Empowering Girls Through Education in Rural Egypt

Springboard continues to serve as our signature education program in Egypt. Partnering with the **Ministry of Education**, we oversee 201 community schools for girls in Giza, Minya and Fayoum governorates. For more than 19 years, Apache has addressed issues of access and retention in regions where educational opportunities for girls and young women are scarce. We continuously develop programming in and outside the classroom, procure supplies such as books and computers, organize educational student outings and find ways to support the girls in their home lives. More than 15,000 Egyptian girls have learned to read and write through **Springboard**.

We also provide professional development opportunities to Springboard staff through the **American University in Cairo (AUC)**, which has trained more than 500 of our educators in multigrade classroom management and instructional technology. In 2023, we initiated the second phase of AUC professional development for educators, with a focus on English language, mathematics and science.

Approximately 85% of students in Springboard schools graduate, and some of those students have continued their education through university and postgraduate programs. Springboard is a hallmark of the company's community well-being pillar, addressing the needs of underserved and vulnerable populations through advancement and opportunity.

## Community well-being

**SDGs 3, 4 and 5 – Good Health and Well-being, Quality Education and Gender Equality**

Supporting the advancement of the communities in which we operate is a key component of our social impact strategy. Throughout 2023, we focused our efforts on expanding educational opportunities and improving health and well-being.

### ADVANCING EDUCATIONAL OPPORTUNITIES

We believe that access to education is a crucial component of any sustainable society. That is why advancing educational opportunities, especially for women and other vulnerable groups, is an important focus of our community investments. Our contributions support organizations that recognize communities are stronger and healthier when women and girls are educated and have opportunities to elevate their standard of living. This work is particularly important in developing communities where we operate, including in Egypt and Suriname. In these locations, we have supported the construction of girls' schools, a women's shelter and several health care organizations.

In the U.S. and the U.K., we have worked to identify key partners in expanding educational opportunities for children.

For example, through the **Permian Strategic Partnership**, we supported 134 elementary schools in the Permian Basin by gifting fully equipped science, technology, engineering and math (STEM) centers, reaching more than 60,000 students and 2,000 teachers in 22 counties in Texas and New Mexico.

In the U.K., we partnered with **TechFest**, an organization that fuels inquisitive minds and inspires young people to embrace STEM subjects. We also supported an Apache Energy Explorers workshop, which focused on building young people's interest in STEM to inspire the next generation of energy professionals.

Eight U.K. employees also volunteered as mentors for TechFest's STEM in the Pipeline project, which gives high school graduates the opportunity to create an oilfield development plan with the support of industry experts.

## Supporting Educational Opportunities for Underserved Groups

We support the **Posse Foundation**, an organization founded in 1989 to advance college success and leadership development initiatives for students from underrepresented backgrounds. The foundation provides students with full scholarships to four-year universities and provides equitable educational and growth opportunities in minority and urban communities in the Houston area.

In 2021, we entered a four-year partnership with the foundation and have supported 205 university scholars to date with coaching, mentoring and networking resources. This partnership furthers the foundation's mission to expand the pool from which top colleges and universities can recruit outstanding, diverse young leaders; helps these institutions build more inclusive campus environments; and provides encouragement and support to Posse Scholars throughout their academic studies.

For the second consecutive year, we hosted **Posse Houston's Dynamic Assessment Process**, an annual event that gathers top-performing high school students to participate in rapid-fire interviews to qualify for Posse scholarships. Our employees served as interviewers, witnessing first-hand the enthusiasm, drive and potential of students who were offered an opportunity to pursue higher education as Posse Scholars. Of the 51 Posse scholarship recipients interviewed last year, 20% were interviewed at APA headquarters in Houston.

To further support our goal of promoting diversity and inclusion (D&I) within the company, the Apache Black Professionals Network, in partnership with APA Corporation (APA), granted \$10,000 in STEM scholarships to two Historically Black Colleges and Universities: **Texas Southern University** and **Prairie View A&M University**.



Photo by Posse Foundation



Photo by Posse Foundation

205

university scholars supported through our partnership with the Posse Foundation.

\$10,000

in STEM scholarships granted.





**IMPROVING HEALTH AND WELL-BEING**

We also focus on contributing to the health and well-being of our local communities. In the U.S., we support ground-breaking medical research, while in developing communities, we provide critically needed medical supplies.

Our hometown of Houston is not just the energy capital of the world, it is also a world leader in advancing medical care. In 2023, we continued a multiyear, \$1 million commitment to the **University of Texas MD Anderson Cancer Center**. Our contributions support medical research in the development and integration of modern technologies and innovative procedures for the treatment of neurological cancers through the **Image Guided Cancer Therapy Program**.

**Youth Leaders Foundation She Leads Program**

The **She Leads** program, an initiative of the Youth Leaders Foundation, empowers young girls in Egyptian vocational schools by offering a development plan that focuses on personal growth and a business curriculum to prepare them for careers as successful entrepreneurs.

Apache kicked off its partnership with She Leads in 2023, with employees participating in a judging panel for business plans developed by budding female entrepreneurs.

In Egypt, access to medical care is limited in rural areas, and many residents in the Western Desert are unable to make the long journey to Cairo for basic healthcare needs. In 2023, we initiated a partnership with the **Ibrahim Badran Foundation** to expand medical convoys and mobile clinics to remote areas. This multiphase partnership will bring medical care to more than 28,000 patients living in the governorate of Matrouh.

Improving the quality of life for those in need or at risk, such as victims of domestic abuse, is key to ensuring sustainable and healthy communities. In Suriname, Houston and Aberdeen, we have partnered with organizations that provide care and shelter for vulnerable populations. In 2023, we supported 61 women and children escaping domestic violence in Suriname. As part of this effort, we helped build and provide funding for a shelter in Paramaribo that offers ongoing emergency, advocacy and support services. We also partnered with the **Houston Area Women’s Center** to fund and assemble nearly 300 supply kits for survivors of domestic violence.

In the U.K. during 2023, we partnered with a grant-giving charity, **Cash for Kids**, to help provide winter coats for 850 children whose families couldn’t afford to buy adequate clothing during the coldest months of the year. Additionally, over the past 15 years, our U.K. offshore workforce has donated more than £1 million to **Maggie’s Aberdeen**, a cancer support charity, making regular donations to help fund the center’s important work for the community in North East Scotland. The charity supports around 10,000 people every year who are affected by cancer.

**Environmental stewardship**

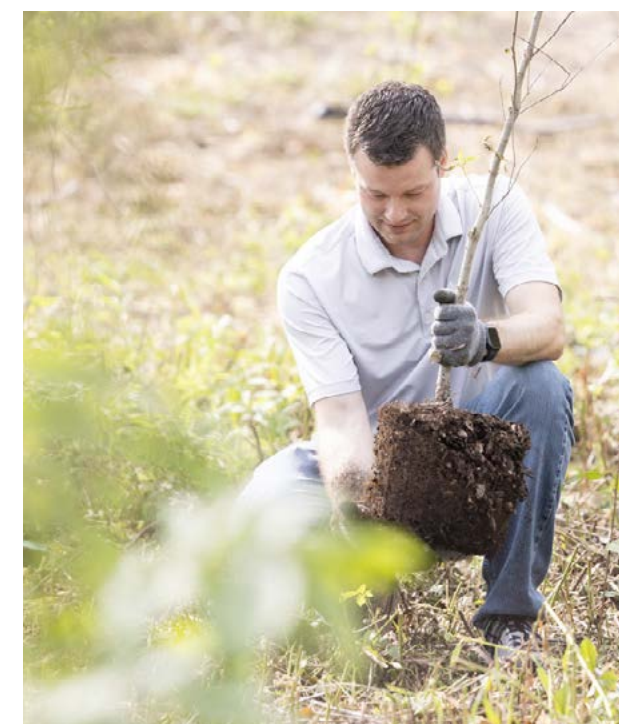
**SDG 15 — Life on Land**

We maintain a legacy of supporting land conservation in the U.S. Our environmental stewardship initiatives focus on large-scale wildlife and habitat conservation through partnerships with organizations such as the **National Fish and Wildlife Foundation** (NFWF) and the **Texas Parks and Wildlife Foundation**. We also focus on enhancing public green spaces through reforestation and environmental education, including through our award-winning **Apache Corporation Tree Grant Program**, established in 2005.

In 2022, the Apache Corporation Tree Grant Program achieved its 5 millionth tree donation, a goal originally envisioned by our founder, Raymond Plank.

Through the program, we distribute trees to a wide variety of nonprofit organizations and government agencies across the U.S., including cities, counties, schools, state and local parks, universities, youth associations, wildlife refuges and community groups. In 2023, we expanded our tree grant program to Scotland.

In addition to using trees to beautify neighborhoods and preserve natural habitats, nonprofit and governmental groups often request trees to support a range of conservation efforts, including reforestation in areas affected by natural disasters.



**5 million+**

trees have been donated since the launch of the Apache Corporation Tree Grant Program in 2005.

Last year, we donated more than 206,000 trees to 61 nonprofit partner organizations. Examples of our tree-planting partners and projects for the 2023/2024 planting season include:

- **Houston Botanic Garden**, a 132-acre park filled with horticultural displays, natural ecosystems and walking trails.
- **Houston Wilderness**, an alliance of business, environmental and government interests dedicated to preserving the diverse ecoregions of the Gulf Coast.
- **The city of Houston** and **Harris County**, for the reforestation of Houston’s public parks, nature trails and roadways.
- **The Texas Parks and Wildlife Department**, for the establishment of wildlife habitat and reforestation at multiple Texas state parks and nature centers.
- **Big Bend Conservation Alliance**, to conserve the living heritage and unique natural and cultural resources of the greater Big Bend region of Texas.
- **Texas Longleaf Team**, to promote the restoration and maintenance of the longleaf pine ecosystem on public and private forestlands across 20 Texas counties.
- **River Dee Trust** in Scotland, a community-based charitable organization, to improve the ecology of fish stocks of the River Dee.

Last year, we initiated a partnership with **Houston Wilderness**, an organization that promotes, protects and preserves the 10 ecoregions around Greater Houston through its collaborative “Super Trees” for Sustainability Initiative, an effort to plant 2,500 trees as part of the 25-mile **Houston Ship Channel Trees Program**. Super Trees are native tree species that provide the highest levels of carbon absorption and sequestration, air pollution and flood mitigation, erosion control, and urban heat island reduction.



**CONSERVATION INITIATIVES**

We are active in conservation efforts, including in the wetlands of the Louisiana Gulf Coast, in the green meadows and blue seas of Scotland, in the Pecos Watershed, in the desert of the Permian Basin and in the high plains of Wyoming.

Through the **Pecos Watershed Conservation Initiative**, we work closely with eight other oil and gas companies, the NFWF, and the **U.S. Department of Agriculture’s Natural Resources Conservation Service**, to help protect the Pecos River Watershed, a habitat to many rare species.

In 2023, we announced a partnership with the **Borderlands Research Institute (BRI)** at Sul Ross State University in Alpine, Texas, to launch a well-pad restoration research project (see p. 51 in the Environment section). Through this multiyear partnership, researchers at BRI and **Texas Native Seeds**, a project of the **Caesar Kleberg Wildlife Research Institute at Texas A&M Kingsville**, will investigate methods to improve habitat restoration efforts in the Permian Basin with the goal of publishing best practices in reclamation, backed by science, to be shared with other Permian operators. The BRI project will help inform oil and gas operators in the

Permian about how changes in the industry’s collective approach to restoring end-of-service well pads can benefit local biodiversity and reunite fragmented habitats.

In Aberdeen, through our office property manager, we have partnered with **The Habitat People** to sponsor a local beehive, contributing to the preservation and maintenance of 60,000 honeybees near Apache’s offices. The Habitat People is a Scottish consultancy and habitat management company that works to create and manage biodiverse habitats to benefit the land and surrounding communities. Honeybees are crucial to a stable, healthy food supply because the majority of plants consumed by people rely on bee pollination for reproduction.

We also launched a partnership in the U.K. last year with the **British Divers Marine Life Rescue (BDMLR)**, which is the U.K.’s only charity dedicated to the rescue and relief of marine mammals and other marine life along the country’s coastline. We are supporting BDMLR with personal protective equipment and medical kits across the U.K. in addition to storage trailers for rescue equipment and fish supplies for the organization’s seal hospital.

**Tackling Beach Litter in North East Scotland on World Ocean Day**

In 2023, volunteers from Apache’s Aberdeen office cleared more than 3.5 tonnes of litter from a beach on the northeast coast of Scotland. Our employees teamed up with local beach cleaning initiative, **Turning the Plastic Tide**, to clean up marine litter from Cairnbulg Beach, near the fishing village of Fraserburgh, on World Ocean Day. The beach has become notorious for accumulating litter, with more than 15.5 tonnes removed over the past two years.

“Supporting impactful community initiatives is important for Apache, as many of our employees live and work in Aberdeen and the surrounding areas,” said U.K. country manager **Jillian Owen**. “We are delighted to play a small part in tidying up Cairnbulg Beach before the busy summer season. Millions of tonnes of plastic and litter end up in our oceans every year, and we hope our World Ocean Day beach clean is a small step towards helping to keep our stunning Scottish beaches litter-free all year round.”

In addition to the volunteer support, Apache is sponsoring Turning the Plastic Tide in 2024 by donating £10,000 to the campaign. Funds will go towards the project’s work in carrying out community and school group beach cleanups and contribute to educating students about littering and the impact it can have on our shores and local wildlife.

Owen added, “The work that the initiative is doing to educate young people about the dangers of littering is essential to safeguarding our beautiful North East coastlines, not only today, but for generations to come. The work they are doing in schools across the region is truly invaluable to protecting our beaches and wildlife in the North Sea and further afield.”

“The work that the initiative is doing to educate young people about the dangers of littering is *essential* to safeguarding our beautiful North East coastlines, not only today, but for *generations* to come.”

**3.5 tonnes**

of litter cleared by Apache’s Aberdeen team from a beach on the northeast coast of Scotland.

**£10,000**

donated to Turning the Plastic Tide 2024 campaign.



**Jillian Owen**

U.K. COUNTRY MANAGER

ABERDEEN, SCOTLAND



## Planting 400+ Trees in Houston’s East End for Texas Arbor Day

Few things stand the test of time like trees, growing year after year amid changing seasons, shifting populations and evolving landscapes. However, urban progress often results in drastic change — the city of Houston, for example, has significantly transformed since its founding almost 190 years ago, growing into a major hub of international commerce as the energy capital of the world. Its significant increase in development has meant a loss of green spaces and trees.

**Houston Wilderness** is a nonprofit alliance founded in 2003 that protects and promotes diverse ecoregions along the Gulf Coast. To preserve the vibrant ecosystems of the city while supporting the pursuit of a more prosperous and sustainable future, it identified a unique opportunity to plant trees along and nearby the Houston Ship Channel.

“When most people think of the ship channel, trees aren’t the first thing that come to mind,” said **Ana Tapia**, Houston Wilderness senior director of environmental projects. “That’s exactly why we’re doing it. The policy structure of our organization wants this to become a standard, so that when companies develop newer infrastructure, they think, ‘OK, we did the pipelines, we did defenses, we did security... now, where do the trees go?’”

Southeast Houston, where the ship channel is located, is heavily industrialized. However, Tapia and the Houston Wilderness team believe that this shouldn’t undermine the area’s environmental value. Apache supports this effort, and through the **Apache Corporation Tree Grant Program**, we donated more than 2,500 trees to Houston Wilderness, 425 of which were planted on Texas Arbor Day this year by Apache employees, several other corporate volunteer groups and students from Cesar E. Chavez High School.

“To be able to get outside on a bright Friday morning with my colleagues and make a tangible impact that will last for generations is really special,” said **Ronald Keichline**, sustainability advisor and co-lead for TEAM Apache, the company’s volunteer group. “Donating trees is one good thing, but it’s another to actually put them in the ground, particularly at a high school, where students will have the opportunity to look after the trees and learn about their benefits to the local environment.”

The trees planted at Chavez, which include Live Oaks and Red Maples, are classified as super trees according to researchers at Rice University. These native tree species provide the highest levels of carbon absorption and sequestration, air pollution and flood mitigation, erosion control and urban heat island reduction. According to Houston Wilderness, the trees we planted on Texas Arbor Day will contribute to the sequestration of more than 67,000 pounds of carbon dioxide (CO<sub>2</sub>) emissions each year, assuming a high survival rate. This represents the annual CO<sub>2</sub> emissions of nearly seven passenger vehicles.<sup>39</sup>

“Communities in Houston’s East End need shade and space for recreation, so to know that companies such as Apache are looking to give back is awesome,” Tapia said. “We don’t necessarily have the bandwidth to put these trees in the ground, so the support is deeply appreciated.”



## Access to energy

### SDG 7 — Affordable and Clean Energy

Access to reliable energy is critical to societal progress. Nearly 774 million people, 10% of the worldwide population, lack access to electricity. Roughly 2.2 billion — or one-third of people globally — live without clean cooking facilities.<sup>40</sup>

In 2022, as part of our work to broaden access to energy, we initiated a multiyear partnership with the **Clean Cooking Alliance** (CCA), a U.N. Foundation nonprofit organization focused on building a dynamic, inclusive and financially sustainable clean cooking industry, with the goal of achieving global access to clean cooking by 2030.

Our financial support will help CCA facilitate a catalytic finance accelerator program for early-stage clean cooking entrepreneurs — based in the developing world — by providing access to technical support, funding and external networks to expand their businesses. This will ultimately help drive a sustainable market for clean cooking solutions, including clean-burning liquefied petroleum gas (LPG).

The program will complement current CCA initiatives and will be open to clean cooking distributors and manufacturers at early stages of growth. It will include 12 to 14 weeks of core modules, such as industry and venture fundamentals, pitch-day coaching and possible entry to a CCA cooking industry catalyst (CIC) program. The CIC program aims to demonstrate the viability of commercially attractive and scalable business models to deliver high-impact clean cooking solutions.

Additionally, we have engaged in conversations with Suriname’s Ministry of Natural Resources and conducted extensive research and on-the-ground evaluations of energy access needs in Suriname. In 2023, we installed two new commercial-grade generators in Drietabbetje and Asidonhopo, remote villages in the country’s interior that provide six consistent hours of power each day during the week and 12 consistent hours a day on the weekends, a significant improvement from the intermittent and less reliable energy sources used previously.

We have also continued a long-standing partnership with **Switch Energy Alliance** (SEA), which provides collaborative energy education to more than 15 million students and environmental organizations around the world. We also supported SEA’s production of Switch On, the sequel to Switch, a film that explores energy needs across the developing world.

As we work to enhance Access to Energy as a pillar of our strategic giving plan, our Community Partnerships team is exploring new opportunities to address energy poverty with partners who recognize the significant role companies like ours can play in advancing global energy progress.



Photo by UNDP Sustainable Energy Hub

Photo by Clean Cooking Alliance



**Lovans  
Owusu-  
Takyi**

FOUNDER OF  
SUSTAINABLE  
ENERGY  
TECHNOLOGIES

GHANA

## Access to Energy: APA's Support of Clean Cooking Business Champions in West Africa

Cooking is an unpleasant task for some, a labor of love for others. For all people, however, it is a necessity. Across the globe today, 2.2 billion people live without access to clean cooking facilities, meaning that the tools they use to prepare meals are rudimentary at best, and that they often rely on dung or firewood to cook their food.<sup>41</sup> These inefficient solid fuel sources can cause elevated levels of indoor pollution, leading to numerous diseases such as strokes, ischemic heart disease, chronic obstructive pulmonary disease and lung cancer.<sup>42</sup> As an oil and gas producer, we know we have a role to play in expanding access to energy. Recognizing an opportunity for us to contribute, in 2022 we entered into a multiyear partnership with the Clean Cooking Alliance (CCA), an international nonprofit increasing accessibility to clean cooking for billions of people around the world.

"As a nonprofit leader and entrepreneur, being able to connect with other clean cooking innovators through programming facilitated by CCA has been essential," said **Lovans Owusu-Takyi**, a Ghanaian business owner who founded **Sustainable Energy Technologies** (Setech) in 2019. "The solution to Africa's energy access challenges can be discovered and implemented by African-manufactured clean cooking tools, which we have improved in the last few years."

*"The solution to Africa's energy access challenges can be discovered and implemented by African-manufactured clean cooking tools."*

CCA is active in multiple African nations, supporting both seasoned and emerging entrepreneurs with financial networks and business workshops, to help them develop sustainable energy solutions and build pathways to economic resilience. In Africa, 93% of rural populations lack access to clean cooking fuels and technologies, and it is often women and children who are exposed to high levels of smoke inhalation, vision impairment and other health issues when relying on rudimentary wood- or dung-fueled stoves.<sup>43</sup>

Owusu-Takyi has taken this challenge head on, connecting rural mothers, wives and daughters to modern and clean cooking tools they so desperately need. Since Setech's founding, the company has sold more than 160,000 low-cost clean cooking stoves to people living in rural and periurban areas throughout Ghana. The primary challenge he and many other clean cooking entrepreneurs face is cost: although the stoves are sold for \$15 to \$18 each, most people living in rural areas cannot afford them, especially when firewood is freely available.



Photos by Clean Cooking Alliance



**Happy  
Amos**

FOUNDER OF  
ROSHAN  
RENEWABLES

NIGERIA

"What ends up happening is people like my grandmother, who really need the cook stoves, are struggling to afford them," said **Happy Amos**, founder of **Roshan Renewables**, a Nigeria-based, women-led cookstove manufacturing company. "For people in rural communities who can just go cut down a tree and bring it back home at no cost, they still wonder what the point is of using improved cookstoves."

Amos, who participated in the APA-supported venture accelerator last year, started her company in 2014 after tending to her sick grandmother, who lived in a remote village and was relying on a three-stone fire stove for warm meals. Amos had just graduated with a degree in business administration when she realized she had stumbled upon an idea that would not only help her grandmother, but many other families in rural Nigeria.

Both Amos and Owusu-Takyi have implemented savvy sales strategies to ensure these clean cook stoves reach their target market — and once a microbusiness owner or village matriarch tries the stove for the first time, they realize how much healthier and more efficient it is.

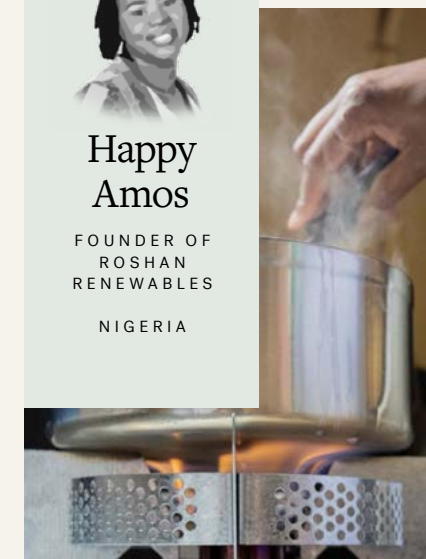
"I remember one woman telling me 'My dear, just go, I have used this stone stove since before you were born,'" Amos said. "I asked her to at least use my clean cook stove for one week for her small bean cake business, and she agreed. A week later, I came back...I was standing there thinking she had not seen me yet, since she was counting her earnings. She turned around and instantly handed me the money for the cook stove, asking if I could bring her another one so she could sell more bean cakes to other people."

In addition to using the "try-before-you-buy" sales strategy, Amos and Owusu-Takyi have worked to establish savings and loan groups for villages, with Amos particularly focusing on women. Within Amos' model, up to 25 women can collectively contribute funds on a periodic basis, which can then be loaned as needed, either for cook stoves or other needs. This acts as an empowering economic tool for people who may not otherwise have access to capital, enhancing purchasing power for communities that need it.<sup>44</sup>

Owusu-Takyi, who has worked in the sustainability space in Africa for decades, believes locally manufactured cook stoves are one important piece of the affordability puzzle, since many tend to be imported into Ghana from the West. Partially subsidizing production costs via carbon financing is a solution he and Amos both hope for. Another key aspiration is greater access to what is considered by locals to be the cooking-fuel gold standard: LPG.

"With LPG, you eliminate smoke, which immediately makes it a better option," Owusu-Takyi said. "We need to make LPG more affordable, especially for rural communities. Although we are not there yet, companies in Ghana are introducing a pay-as-you-go model, so changes like this would be good to promote LPG at the local level."

Looking ahead, both Amos and Owusu-Takyi expressed their desire for an energy expansion that would consider all forms of clean cooking solutions for a more sustainable African future. At CCA's venture accelerator bootcamp last fall, where these entrepreneurs first met and began their journeys with CCA, Amos and Owusu-Takyi caught a glimpse of what that future could look like.



Photos by Clean Cooking Alliance

# Local Economic Impact

Our operations benefit local communities through direct and indirect hiring and spending.

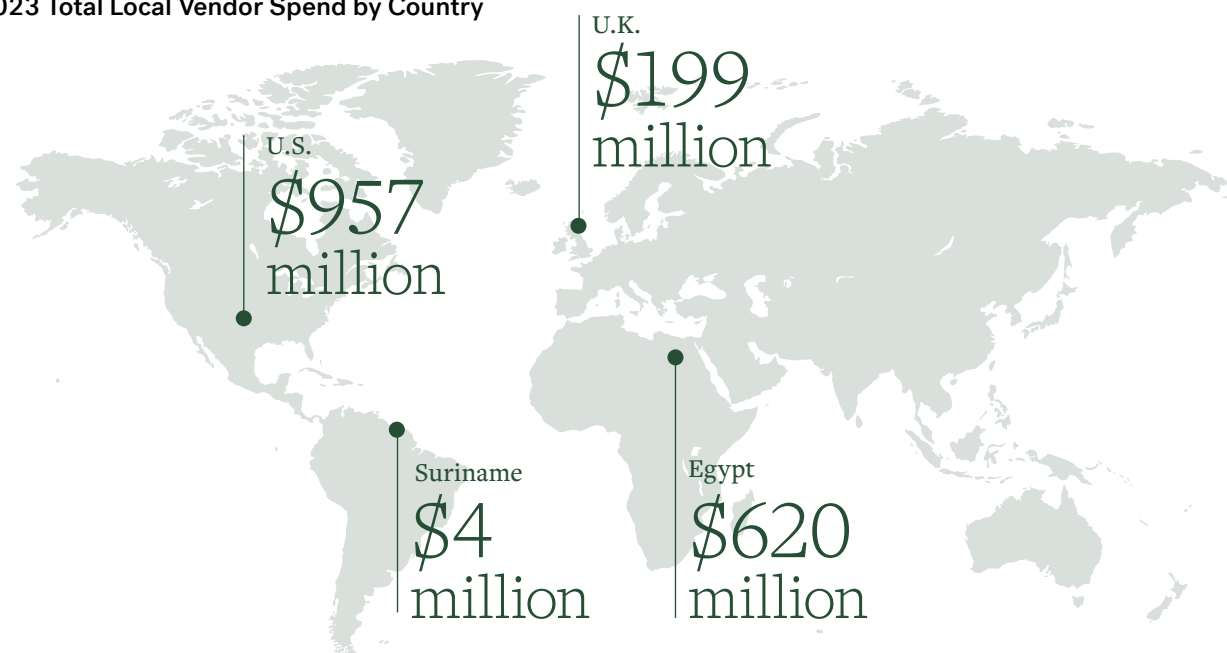
Hiring locally is one way we make meaningful economic contributions to the communities where we operate. We offer competitive wages and benefits and actively recruit qualified local candidates who demonstrate the skills and experience that meet specific job requirements. [\(Learn more about local hiring on p. 61.\)](#)

We also focus on developing business relationships with local suppliers and contractors. Although many products and services for the oil and gas industry are commonly provided by large, multinational suppliers, we engage directly with local businesses where we can to help expand our local supply base. Welding services, workover and plugging-and-abandonment rigs, water hauling, roustabout crews, construction crews, civil project installation crews, decommissioning, pump repair and production equipment fabrication are some of the categories for which we use local suppliers. Sourcing and contracting locally makes economic sense for our company, supports local jobs and economic development, and engenders goodwill within the communities where we live and work.

Since 2019, our operating areas have spent, on average, 41% of their budgets with local suppliers and contractors.



## 2023 Total Local Vendor Spend by Country



“Supplier diversity is an *integral* part of our sourcing, contracting and procurement processes.”

## Supplier diversity

We believe the success of our company and society is enhanced by enabling diverse suppliers to share in overall economic growth. We understand that supplier diversity not only improves our position in the marketplace, but positively impacts the communities where we operate. When diverse suppliers flourish and prosper, their communities also benefit from that success. [\(Read about APA's progress on D&I in the Our People section on pp. 68-71.\)](#)

Supplier diversity is an integral part of our sourcing, contracting and procurement processes. Our Global Supply Chain team makes sourcing and contracting decisions based on best total value, and we recognize the opportunities that diverse suppliers bring to a competitive supply base and to achieving our goals.

We recently established a supplier diversity program in the U.S. and tied the success of this program to short-term incentive compensation in 2022. As part of this effort, we launched a supplier diversity webpage that provides an avenue for diverse suppliers to engage directly with us, broadening our sourcing options and increasing our exposure to innovative ideas and solutions. Suppliers can register and provide their information via the online portal or email us directly. The webpage also gives suppliers access to numerous resources, including our Supplier Code of Conduct, certification requirements, contact information and details on what we look for in suppliers.

We also maintain external transparency by reporting annual Tier 1 spend by diverse supplier categories, which can be found on our [website](#) and on [p. 130](#) of this report. In 2023, we hosted a daylong exhibition and seminar dedicated to expanding supplier outreach and supporting diverse suppliers through the certification process in the Midland-Odessa area. More than 80 suppliers and community organizations attended, including the **Houston Minority Supplier Development Council**, **Southwest Minority Supplier Development Council**, **Women's Business Enterprise Alliance**, **Midland Hispanic Chamber of Commerce** and the **Permian Basin Petroleum Association**.

We also participate in supplier diversity special interest groups to publicize our program and encourage diverse suppliers to register with us if they are interested in doing business with our company.



## Supplier Diversity team receives 2023 Diversity Champion Trailblazer Award

**The Institute for Supply Management (ISM)** recognized Apache's Supplier Diversity team with the 2023 Diversity Champion Trailblazer Award, which celebrates organizations that have advanced diversity within their company and profession and positively impacted its talent base and/or supply base partners. It also recognizes organizational programs that set new standards, drive new possibilities and exceed expectations to improve the supply management profession. ISM is the first and largest worldwide not-for-profit professional supply management organization. Founded in 1915, ISM has a community of more than 50,000 members across 100 countries.

# Understanding and Addressing Stakeholder Concerns

Being a good neighbor means taking the time to listen. Through our subsidiaries, we operate in numerous communities around the world, each with its own characteristics and needs.

We hold ourselves to a high standard of community engagement and responsiveness everywhere we operate, while tailoring our approach to the unique circumstances of each community. We focus on developing positive relationships within our communities by treating those who live and work in them with dignity and respect. We listen to their concerns and do what we reasonably can to address them through a broad and inclusive process.

We consider stakeholder input in our decision-making, both in the pre-development planning phases and after operations begin. We maintain open communication with local officials and community leaders to promote friendly and proactive dialogue, and encourage community members to reach out with any issues. We routinely meet with local emergency responders to help facilitate a coordinated response in the rare event of an incident and to make sure they know to call our 24-hour emergency number immediately if they suspect there is a problem at one of our locations.


Our Corporate Communications and Public Affairs Department conducts internal Ambassador Program training sessions (see p. 76) for employees who regularly interact with community stakeholders, so they can develop strong communication and respectful engagement skills. Regular feedback, formal and informal, provides a foundation for mutually beneficial outcomes for our communities, our employees and our company.


## Minimizing impacts on our communities


While most of the high-activity elements of our operations are short-lived, we recognize they can create some concentrated, though temporary, inconveniences. Our guiding principle is to minimize these impacts as much as possible from the outset. On issues ranging from the size of our well pads to our trucking routes, we carefully plan our


projects and thoughtfully work out logistics to minimize issues such as traffic congestion, road safety, dust, noise and odors.

During the well-pad siting process we take multiple factors into consideration, including accessibility and road conditions. We often drive the roads in the area beforehand to get a ground-level view of the surroundings and preemptively address potential concerns, such as vulnerable roads, residential proximity and other factors.

 Once we commit to a well-pad location, we develop approved routes for heavy trucking to reduce the potential for widespread disturbance and traffic congestion. We then require all heavy trucks servicing the location to use the approved routes, which minimizes the impact on other drivers and the community.

 We also work to reduce our impact on local roads and communities by encouraging safe driving practices among our employees and contractors. We use vehicle monitoring devices to help ensure employees operate fleet vehicles safely on public roadways. [\(Read more about driving safety on p. 88 in the Health and Safety section.\)](#) Where warranted, we also implement dust-suppression measures to reduce the impact on nearby residents and for the safety of other vehicles traveling on the road. In addition, we reduce truck traffic and road impacts by using pipelines instead of vehicles to transport water and oil whenever possible.

 Noise, light and odor are other common community concerns. We install sound barriers as needed, often by planting trees for noise buffering as well as visual screening. We use specialized, dark skies-friendly lighting to reduce impacts on nearby residents. We have also introduced lighting modifications in our operations, such as shielding on certain lights, experimenting with different fixtures and adjusting our lighting so that it points downward rather than upward toward the night sky.

 Odor from our operations can occur when a formation contains hydrogen sulfide. If concerns over nuisance odors from hydrogen sulfide cannot be addressed through the well-pad siting process, we can install controls during the production stage to mitigate them.

## Partnering with the Permian Basin

We are a founding member of the *Permian Strategic Partnership*, a coalition of 28 energy companies partnering with local leaders in the Permian Basin to improve residents' quality of life by addressing growing challenges, such as affordable housing, road safety and access to quality health care and public education. In 2023, we contributed nearly \$1.4 million in support of the following programs:



**PERMIAN BASIN MEDICAL CENTER**

Supporting the creation of the *Permian Basin Behavioral Health Center* (PBBHC), a 200-bed comprehensive mental health facility providing inpatient and outpatient care for all ages. PBBHC will also serve as the teaching home of the psychiatric department at the Texas Tech University Health Sciences Center Permian Basin campus.



**UNIVERSITY OF TEXAS PERMIAN BASIN (UTPB)**

Partially funded the expansion of the UTPB nursing and pre-medical program and licensed professional counselors program.



**MIDLAND COLLEGE PRE-K LAB AND CENTER FOR TEACHING EXCELLENCE**

Helped support the addition of 288 pre-K teaching seats, up from 68 in 2022. This increase in training opportunities for early childhood teachers aided in bridging the teacher shortage in the Permian Basin.



**TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER**

Supporting the expansion of the family medicine residency program, physician's assistant program, surgery residency and sub-specialty program, and *Medicine on the Move*, a mobile care initiative that provides medical care to rural communities.



**HOLDWORTH CENTER**

Supported training for educational leaders to fill teaching and administrative positions in Permian Basin school districts. The program's goal is to train more than 250 future principals, strengthen 100 sitting leaders and build stronger leadership development systems in the region's largest school districts.



**ODESSA COLLEGE**

An additional 94 students in Texas received expanded support through scholarships, as well as new trucks, trailers and instructors at the *Odessa College Truck Driving Academy* campuses in Odessa, Pecos and Andrews.



**PERMIAN BASIN MEDICAL PROFESSIONALS**

Supported the addition of 21 family medicine residents and two mental health fellows to primary care providers in the Permian Basin.



**CAL RIPKEN, SR. FOUNDATION STEM CENTERS**

Helped 60,000 students and 2,000 teachers in 134 elementary schools across 22 counties gain access to state-of-the-art STEM centers and continuing education opportunities in 2023.



### Addressing community concerns

While we work hard to anticipate community concerns up front through our stakeholder engagement process, it is critical that we have a formal process for community members to share their concerns with us at every step along the way, so that we can document, address and work to resolve them. Moreover, we strive for continuous improvement, making sure we learn from every complaint to avoid similar issues across our operations.

### Good Neighbor Line

We have grievance mechanisms for public feedback, concerns and comments, including in person at our offices and via email, phone and social media.

Community grievances can also be expressed to the company via our toll-free Good Neighbor Line at:

**866-705-2400**

As part of our effort to be responsive to community needs, we operate a formal grievance telephone line, the Good Neighbor Line. This hotline is routed to our Apache Incident Management (AIM) call center, ensuring that someone is there to answer calls and address community concerns at any time of the day or night. The AIM call center is staffed 24 hours a day by employees in Houston, where they monitor security cameras on our properties worldwide and catalog any concerns that are flagged or called in.

We are one of a small number of independent oil and gas companies with a 24-hour call center operated by employees rather than by a third party. We believe that having our own employees receive community concerns allows us to respond more quickly and effectively.

We have also established a tracking and ticketing system and a matrix for cataloging the types of concerns raised. Grievances are consolidated and maintained in a central system, and issues are routed to the appropriate contact for further action. Common types of inquiries include safety concerns regarding employees and contractors, and general questions regarding our operations. All inquiries are thoroughly and individually investigated to determine the underlying details and develop appropriate resolutions.

Company representatives work to address each situation and provide a timely response to the inquiry. Most issues are successfully resolved within 72 hours.

The Good Neighbor Line received three calls in 2023. Upon investigation, AIM Center personnel determined these complaints were unfounded and no further action was required.

# Human Rights

Respect for human rights is at the core of our company values and how we conduct our business. We support the honest, fair and dignified treatment of all human beings, and we are committed to ensuring we are not complicit in human rights abuses.

Our adopted Human Rights Principles formalize our practices and are consistent with the Ruggie Principles for Human Rights.

Three of our subsidiaries based in the U.K. — Apache North Sea Limited, Apache Beryl I Limited and Apache North Sea Production Limited — publish statements in accordance with the U.K. Modern Slavery Act. This law requires certain companies doing business in the U.K. to post a statement regarding the steps the company has taken to ensure, as much as reasonably possible, that modern slavery or human trafficking is not taking place within the organization or its supply chain.

Our Code of Business Conduct and Ethics (Code) outlines for all employees the company’s high standards for anti-discrimination, anti-harassment, workplace health and safety, and fair employment practices including prohibitions on forced child labor. We train each employee annually on the Code.

Our Global Supply Chain Department has developed a Supplier Code of Conduct, available in four languages — English, Spanish, Arabic and Dutch — to help ensure that our suppliers and contractors also meet our expectations related to human rights, supplier diversity, health and safety, labor practices, business integrity, ethics, intellectual property management and the environment. These standards are based on well-respected and recognized international standards, including those of the International Labour Organization, the U.N. Universal Declaration of Human Rights and industry best practices. Compliance with these standards is an expectation for the way we do business. The Supplier Code of Conduct defines the minimum standards that our suppliers and contractors — and their suppliers and subcontractors — are expected to respect and follow.

Additionally, through our master services agreements, we require suppliers and contractors to have their own code of conduct or code of ethics and to conduct business with their supply chains in a way that respects and adheres to our adopted Human Rights Principles, including the prevention of human trafficking.

Every employee receives instruction on how to report any suspected human rights abuses to our 24-hour Emergency Hotline and/or our Compliance, HR and Legal departments. We require all office and field personnel to report any human rights concerns they may identify in the course of their business.

We also monitor adherence to these principles, and the results are assessed and reported annually to the Corporate Responsibility, Governance, and Nominating Committee of our board.

*“Every employee receives instruction on how to report any suspected human rights abuses to our 24-hour Emergency Hotline and/or our Compliance, HR and Legal departments.”*

## Addressing human trafficking

Human trafficking is one of the fastest-growing organized crime activities around the world and is increasingly common in areas with new and rapidly expanding economic activity.

We have taken a leadership role in our industry to address human trafficking and are an active member of the **Oil and Gas Trafficking Advocacy Group**, which works to prevent sex and labor trafficking at home and abroad. The group comprises numerous oil and gas companies and meets regularly to discuss prevention and awareness topics and the role the industry can play in ending trafficking, for the safety and security of the communities in which we live and work.

We also work with **Truckers Against Trafficking** (TAT), which exists to educate, equip, empower and mobilize members of the trucking, bus and energy industries to combat human trafficking. Apache first established its relationship with TAT in 2015, recognizing the importance of empowering and educating front-line workers to recognize when human trafficking might be taking place. TAT creates and maintains online robust educational materials to help in identifying and reporting possible trafficking incidents. In February 2024, Apache co-sponsored and co-hosted a TAT coalition building event in Midland, Texas. Seventy-nine participants from law enforcement, government and nongovernment organizations, and representatives from multiple energy companies, joined together to talk about how to end human trafficking. These efforts support our commitment to protecting human rights in the communities where we operate.



We proactively provide employees, contractors and suppliers with resources that describe trafficking behaviors. We also encourage those who suspect a trafficking crime might be taking place in the U.S. to call the **National Human Trafficking Hotline** number to report these behaviors.

Our Code of Business Conduct and Ethics prohibits employees and other representatives from engaging in any activity that supports, encourages or is linked to forced labor, modern slavery or human trafficking.

## Respecting Indigenous peoples

Building enduring relationships with the communities in which we operate is an integral part of our business. This commitment includes recognition of and respect for the Indigenous peoples who may live and work in these communities or have a strong connection to the land. Where applicable, we endeavor to incorporate Indigenous peoples' perspectives into project planning, design and execution. During the exploration and development phase of a project, we prioritize open communication by conducting community meetings and working directly with Indigenous groups.

Our board previously approved an update to APA's Indigenous Peoples Principles as part of a regular review and monitoring of our Human Rights Principles. We will continue reviewing these principles regularly, including when entering new operating areas, and update them as necessary to meet the changing expectations of our global landscape. Screening for historical sites, including Indigenous sites, is part of APA's project planning and construction practices. ([Read more on preserving and protecting cultural resources in the Biodiversity section on p. 56.](#)) **The Good Neighbor Line**, our community grievance mechanism, is also available for Indigenous peoples to communicate concerns or issues.

## National Human Trafficking Hotline

Call: 888-373-7888  
 TTY: 711  
 Text: 233733

# Governance

At APA, we believe that maintaining robust and contemporary corporate governance practices is vital to the success of our business.

Effective governance can help APA deliver value, protect our reputation and enable us to better understand and respond to the varied needs of our stakeholders. More than simply a set of written principles and protocols, corporate governance is embedded in our culture of transparency and integrity, which is demonstrated daily in our actions and engagements.

Corporate Governance and Compensation Practices	114
Governance	115
Engagement	124
Governance Documents	126

# Corporate Governance and Compensation Practices

Our corporate governance and compensation policies and practices are regularly reviewed at the board level, and changes are made as appropriate. We seek input from a wide array of stakeholders to ensure our governance structure evolves to keep pace with the ever-changing needs and expectations of the world in which we operate.

Based on direct feedback from our stakeholders, we have steadily enhanced APA's governance and compensation framework to align with corporate best practices. Specific examples of improvements we have made in recent years include the following:

- Publishing greenhouse gas (GHG) emissions targets directly linked to the long-term compensation of our executives and employees.
- Expanding our short-term compensation goals to include emissions reduction initiatives focused on the removal of pneumatic devices from our U.S. onshore-operated assets and expanding our long-term compensation goals to include reductions in our GHG intensity.
- Establishing a dedicated Cybersecurity Committee to oversee risks related to our information technology systems, which are used to protect employee and company data in addition to monitoring and reporting on our environmental operations and performance.
- Dedicating resources to enhance compliance, safety, and diversity and inclusion (D&I) training; expanding skills development opportunities; and improving the health, wellness, education and diversity of our workforce.
- Maintaining board oversight of adherence to our Human Rights Principles, diversity initiatives, environmental, social and governance (ESG) strategy, environmental performance, health and safety performance, political contributions, climate change and transition risks, risk management and cybersecurity.

- Expanding and improving our annual proxy statement to include an explanation of our pay practices and their alignment with strategic goals, including sustainability topics.
- Appointing a new independent board chair.
- Refreshing and expanding the experience and diversity of our board members, 50% of whom are now either women or ethnically diverse, including by adding two new board members in 2024 and planning for two long-serving board members to leave the board at the end of their terms at the 2024 Annual Meeting.
- Chairing all four board committees with diverse board members.
- Launching a revised conflicts-of-interest training and attestation program that all employees worldwide are required to undertake annually.
- Expanding outreach to internal and external stakeholders about the externally hosted ethics line we maintain through which any person may report, anonymously if they so choose, suspected violations of law or APA policies.



# Governance



APA's Board of Directors (top row): **Lamar McKay** (nonexecutive Chair of the Board), **Annell R. Bay**, **Matthew R. Bob**, **John J. Christmann IV**, **Juliet S. Ellis** (bottom row): **Charles W. Hooper**, **Chansoo Jung**, **Peter A. Ragauss**, **David L. Stover**, **Anya Weaving**

APA's chief executive officer (CEO) is responsible for delivering the company's corporate strategy and objectives, while championing safe operations and prudent financial management. The board of directors, which is elected by the company's shareholders, oversees management and ensures that the long-term interests of shareholders are being served.

## Board of directors

APA's board of directors plays a vital role in the design, implementation and monitoring of our corporate governance practices. All of APA's nonemployee directors, including the board chair, are independent, in accordance with standards established by Nasdaq and the U.S. Securities and Exchange Commission. Board members are selected based on a wide range of criteria, including relevant expertise; dedication to the highest ethical, environmental, health and safety standards; and a willingness to question and challenge management.

Over the past four years, we have refreshed our board with six new directors. Our newest directors bring a variety of skills and perspectives to the board, including through financial, executive, analytical, cybersecurity, environmental,

governance and international experience. These fresh perspectives continue to help the board fulfill its commitment to its oversight role and prudently manage our risks and strategies.

The board's diversity encompasses — among other elements — race, gender, age and experience. As of 2023, 50% of our board members are female or ethnic minorities. These diverse directors play critical roles on our board, including chairing the Corporate Responsibility, Governance, and Nominating (CRG&N) Committee; the Management Development and Compensation (MD&C) Committee; the Audit Committee; and the Cybersecurity Committee, which was formed in 2023. They also participate in our shareholder engagement efforts.

# 50%

of APA's board members are women or ethnically diverse.

In addition, 50% of the current directors have experience with environmental issues, much of which they have gained through experience as executives in areas that require extensive focus on environmental issues. [\(A comprehensive matrix on pp. 142-143 provides additional details on the board of directors' experience and demographics.\)](#)

Board members are subject to a mandatory retirement age of 75.

The board conducts a comprehensive evaluation annually for every director, which includes in-depth conversations and personalized feedback. For the full board, our nonexecutive chair interviews each board member individually to solicit feedback on a wide range of performance-related matters. In turn, the chair of the CRG&N Committee interviews each board member to solicit feedback on the nonexecutive chair's performance. Each committee also conducts a thorough annual self-evaluation in the committee's executive session. These evaluations are then shared with the full board during the board's executive session.

In the first quarter of 2023, the board also engaged with the **National Association of Corporate Directors** (NACD), which administered an independent evaluation of board members. This involved individual interviews with the directors and an online survey that each director completed. After discussion with the independent board chair and the chair of our CRG&N Committee, the NACD issued a report to the full board. As a result of this evaluation and the board's annual self-evaluation, the board has continued to make changes to its practices to hold more effective and consequential meetings.

The board will continue to evaluate its membership and committee assignments in furtherance of APA's core value to seek top performance through continuous improvement.

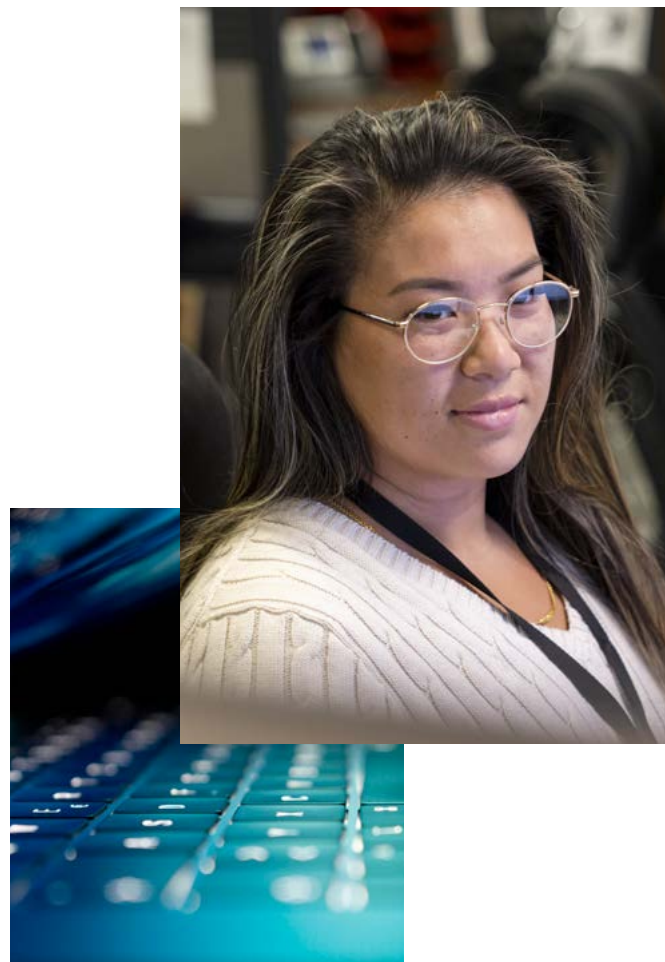
100%

of employees completed the annual cybersecurity awareness training in 2023.

## Cybersecurity

Cyberattacks use increasingly sophisticated methods and could pose serious risks to our company's revenue, reputation, data integrity and ability to operate in a safe and environmentally responsible way. We are working to reduce the risks posed by malicious online actors through an evolving combination of technology and expertise.

Our cybersecurity safeguards and programs are organized and managed based on the recommendations of an internationally recognized cybersecurity framework developed by the **National Institute of Standards and Technology**. We have also integrated cybersecurity into our incident response plans and management systems companywide. Our Information Technology (IT) Security team is on the front line every day, monitoring, identifying and responding to potential cyberattacks that threaten the company.



“Employees throughout the organization are responsible for *ongoing identification and management of operational and nonoperational risks.*”

APA's CyberSmart employee security awareness and education initiative is an ongoing, year-round instructional campaign that includes online courses, simulated threats, educational opportunities with internal and external subject-matter experts, webinars and required attestation of the company's cybersecurity policies for all employees. In addition, we continue to work with our technology partners to assess existing controls, design secure networks and defend our systems against the current global threat landscape. In 2023, we established our **CyberSmart Defender Network**, a multidisciplinary team that includes representatives from across various departments responsible for raising awareness of cybersecurity issues, sharing learnings and gaining access to advanced cybersecurity information and training.

## Enterprise risk management

Employees throughout the organization are responsible for ongoing identification and management of operational and nonoperational risks. As part of these efforts, both operational and nonoperational risk owners formally review risk registers at least semiannually, including identifying and evaluating emerging risks, and update them as necessary.

These efforts are supported by our corporate Enterprise Risk Management (ERM) function. This function is overseen by the vice president of Internal Audit, Risk Management and Compliance, who verifies that procedures are in place for the corporatewide identification and management of both operational and nonoperational risks and provides oversight of ongoing, companywide monitoring and risk management. Climate matters and related risks are included in this process. As part of a broader management framework, in 2023, we finalized and implemented functional standards across the organization to further ensure consistency in processes and risk mitigation measures. These standards underpin and further bolster our ERM program. Aspects of risk management, including updates to the overall risk management program, are reported directly to the board of directors' Audit Committee. The chair of the Audit Committee then reports on this process to the full board.

To help ensure the ongoing strength and effectiveness of our efforts, our company's board of directors has established a Cybersecurity Committee, which that meets at least once each fiscal year, or more frequently if circumstances dictate, to carry out the duties and responsibilities of the committee. The Cybersecurity Committee assists the board with the oversight of our cybersecurity policies, procedures, plans and the risks associated with them. The Cybersecurity Committee's responsibilities include providing oversight of the quality and effectiveness of APA's cybersecurity programs; reviewing policies and procedures to prepare for, defend against, recover from and respond to any material cybersecurity attacks; overseeing APA's management of risks related to its cybersecurity systems and processes; and overseeing the preparation of APA's disclosures in its reports filed with the **Securities and Exchange Commission** relating to our cybersecurity systems.

We continue to enhance our ERM program and overall corporate risk posture each year, including enhancing processes related to risk identification, risk assessment and monitoring of remedial actions and their effectiveness. In 2023, we continued to make progress on an initiative to define and communicate functional standards across the organization and develop related policies and procedures, which will enhance risk management and further bolster the ERM program. We continue to evaluate our risks related to combating corruption and corporate compliance by periodically conducting and refreshing a compliance and ethics-specific risk assessment. In 2023, we added country risk identification and analysis to the process.

### Internal audit

Our Internal Audit group is an independent, objective assurance and consulting function designed to add value by assessing and improving the company's operations and processes. The group applies a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, internal controls, governance and business processes. The group reports to the board of directors' Audit Committee, providing an independent assessment mechanism for the board on the company's

business practices and performance. Internal auditors assess more than 100 different departments and processes across the company. Based on audit results, the Internal Audit group develops specific recommendations for continuous improvement.

Audit targets are chosen based on a detailed risk assessment protocol. Each target is generally reviewed at least once every four years, with many reviewed more frequently. Examples of audits conducted include ERM processes, supply chain activities, various operational and financial functions, GHG emissions data, safety reporting, information technology systems and processes, and governance practices. Our Internal Audit group also verifies content and data in this Sustainability Report. [\(See Assuring report content, p. 11.\)](#)

In addition to conducting our own rigorous internal audits, we participate in a range of third-party reviews that provide an external assessment of, and insight into, the effectiveness of our processes and controls. We will continue to use external reviews, as well as our own internal audit process, to identify and address opportunities to improve safety, environmental and social performance.

100+

different departments and processes across the company are assessed by our Internal Audit group.



### OUR CORE VALUES

# Integrity



We conduct our business with *respect, honesty and dignity.*

See all of our core values at [apacorp.com](https://www.apacorp.com)

## Compliance and ethics

The goal of our compliance and ethics program is to advance our purpose, vision and values (see pp. 4, 7, 31, 57, 65, 89, 119), as well as supporting our people and culture, partnering to drive value through integrity, responsible conduct and compliance with applicable laws, rules and regulations.

Through guidance and education, oversight, enforcement and reporting, the program provides an ethical foundation enabling us to accomplish our vision, create value and make a difference for our stakeholders. The director of Compliance seeks to ensure that the company has a well-defined and understandable compliance program designed to prevent and detect misconduct. Our program, including our **Code of Business Conduct and Ethics** (Code), is communicated utilizing various channels reaching our employees and stakeholders across the globe, and we tailor our communications and training to include real-world and relevant on-the-job scenarios. Our Internal Audit department provides valuable periodic testing and review of our compliance program, reinforcing its efficiency, effectiveness and enabling program enhancement.

### Ethics Line, a 24-hour Anonymous Ethics Hotline

[www.apacorp.com/ethicsline](http://www.apacorp.com/ethicsline)

North America: 866-756-2599  
 Egypt: 0800-000-9534  
 Trinidad: 800-203-0148  
 U.K.: UFIN 00-800-5588-1345  
 Other countries: 800-5588-1345

[Online form](#)

Our Code sets the framework for our **core values**, standards and expectations, and our commitment to compliance and ethics. We believe that each of us has a duty to uphold integrity and respect in every decision we make, every day. These expectations apply to every employee and include, but are not limited to, the areas of equal employment opportunity, anti-harassment, safeguarding our assets and financial integrity, safety and security, conflicts of interest, data privacy, political contributions and lobbying, and combating corruption. Our Code extends to our directors, officers, employees, affiliates and representatives. Our board of directors annually reviews the Code and makes updates or revisions where necessary or appropriate.

We are committed to conducting our business fairly and ethically. Doing this requires that every director, officer, employee and contractor act with integrity and speak up if they have concerns about unethical behavior.

Our compliance program emphasizes every employee's duty to report unethical behavior, suspected violations of law or company policy, and we provide various ways to raise concerns or ask questions, including to supervisors, human resources, and the Legal and Compliance departments. We also have the Ethics Line, a 24-hour-a-day anonymous telephone line available to employees and external stakeholders to raise a concern or ask a question, confidentially and anonymously. Our Ethics Line is hosted by **Convercent**, a third-party provider. Allegations of unprofessional or unethical behavior are taken seriously. All concerns related to potential misconduct involving any company representative — whether received through the Ethics Line or otherwise — are tracked and investigated by the director of Compliance, with assistance as necessary from other functions throughout the organization. Additionally, our Code, policies — such as the company's **Voice Your Concern** policy — and training reinforce our firm commitment to prohibiting retaliation and outline our investigation and enforcement process. When suspected unethical behavior is reported, we strive to:

- Maintain confidentiality and protect the privacy of all parties concerned, to the extent possible, while we look into the allegation.
- Take appropriate corrective actions to address unethical behavior.
- If necessary, disclose the results of investigations to law enforcement agencies.



100%

of our employees completed anti-bribery and anti-corruption training in 2023.

In addition to the Ethics Line, a procedure for submitting a complaint or concern regarding accounting, internal accounting controls or auditing matters is available on our [website](#).

Particularly significant allegations are escalated to the CEO, general counsel, and vice president of Human Resources. We continue to partner with a third-party training provider for our computer-based training courses.

Our training supports and educates all our employees, both full-time and part-time. We provide employees with annual Code training, available in four languages. We complement our program and training with easy-to-absorb, accessible information on our dedicated intranet site, including FAQs, news and updates and helpful guidance on key compliance topics. We strive to provide our employees with a learning experience that is active, relevant and engaging. These interactive trainings include real-world scenarios and quizzes, so that our employees can demonstrate their knowledge.

Each year, we update and enhance the training content to build on our audience's knowledge and to capture trending and newsworthy topics. Our training works seamlessly with the company's learning and development system and notification process for all employees. The majority of our computer-based trainings are offered to employees in English, Arabic, Dutch and Spanish. Additionally, in 2023, we tailored our annual Code training by providing additional training for our people leaders on leading with values, building a speak-up culture and how to respond better to employee concerns.

In 2023, 100% of our employees participated in Code, Anti-Corruption and Conflicts of Interest training campaigns. These trainings reinforce our expectations and refresh employees' knowledge of our values, compliance programs and responsibility to report concerns. Each employee also certifies that they have read the Code or policy and understand our commitment to acting ethically.

Our board of directors also receives the Code training annually.

Key company policies are reinforced through compliance bulletins and a newly improved Compliance and Ethics intranet page, which provides relatable examples and explanations of internal policies and requirements. This content is often updated in response to major developments or internal investigations. New employees are introduced to our Code, our compliance policies and our commitment to combating corruption through online training as they begin their careers at APA.

“We provide employees with annual Code training, available in *four languages*: English, Arabic, Dutch and Spanish.”

## Combating corruption

We prohibit corruption and are committed to combating it. We will not use bribes or unethical tactics to gain an unfair business advantage.

We understand that corruption comes in many forms, so we provide our employees with company-specific guidance to help avoid corruption and navigate common situations where corruption may occur. This includes guidance on the definition of a bribe and examples of “something of value.” Our internal **guidance** helps our employees — particularly those who manage risky transactions or relationships, including with governments or government officials — navigate complex anti-corruption issues. We also provide easy to absorb, mobile-accessible information before an employee travels abroad on company business.

Additionally, all employees receive annual anti-corruption training and must certify that they have read and understand our policies and procedures related to anti-corruption laws, including the U.S. Foreign and Corrupt Practices Act, the U.K. Bribery Act and other applicable anti-corruption laws. To increase the retention and effectiveness of this training, we strive to make sure that employees have the information they need at the time it is most necessary and relevant to their work, with an enhanced compliance and ethics intranet site that includes dedicated sections for gifts and entertainment, conflicts of interest, and news and updates.

For example, to reinforce the company’s anti-corruption policies and procedures, we provided a news bulletin in early December 2023, highlighting International Anti-Corruption Day and Human Rights Day.

“We understand that corruption comes in many forms, so we provide our employees with company-specific guidance to help *avoid corruption* and *navigate common situations* where corruption may occur.”



## Public policy and political disclosures

We operate in the highly regulated natural gas and oil industry on an international level, with our operations affected by the policies of local, state and federal governments. The company participates in the political and public policy process in a responsible and ethical way that serves both the best interests of our shareholders and the safety and well-being of our workforce and other key stakeholders. Our public policy activities include education and advocacy efforts at all levels of government.

We are committed to complying with all applicable state and federal rules pertaining to lobbying and disclosures. Relevant reports regarding our activities are publicly available on the appropriate state and U.S. federal websites, including the Office of the Clerk, U.S. House of Representatives; the Secretary of the Senate, U.S. Senate; and the various state ethics commissions.

In addition to following external regulations, we have developed our own policy on political contributions and lobbying expenditures, including board oversight thereof. This **policy** can be accessed on the APA website. Our Government Affairs function manages and coordinates the company’s political and public policy activities and provides an annual disclosure of those activities in our **Disclosure of Political Contributions and Lobbying** on the APA website.



### POLITICAL CONTRIBUTIONS

In the U.S., we may consider corporate contributions, where allowable by law, for direct expenditures and/or independent expenditures in support of candidates, ballot measures, inaugurations, political party conventions and/or causes that align with the company’s business objectives. All contributions using corporate funds are reviewed and approved by the board’s CRG&N Committee.

Employees can support candidates for public office through the **Apache Political Action Committee** (ApachePAC), which is funded exclusively through voluntary contributions from eligible employees. Employee contributions to ApachePAC are neither tax deductible nor matched or reimbursed by the company, either directly or indirectly.

ApachePAC contributes to federal and state political candidates who support responsible development of oil and natural gas and other business issues of interest to the company. Disbursements by ApachePAC are made solely based upon the best interests of the company and our shareholders, not on the personal agendas of individual directors, officers or employees. Distributions are approved by the ApachePAC Board, per the ApachePAC policy. All ApachePAC contributions are fully disclosed in reports filed with the **Federal Election Commission** (FEC) and the various state ethics commissions, which can be accessed on the FEC’s website at [fec.gov](https://www.fec.gov) and on the respective state websites.

## 7 Consecutive Years Leading in Transparency Around Our Political Disclosures

Since 2017, APA has maintained a top-tier, Trendsetter distinction on the **CPA-Zicklin Index of Corporate Political Disclosure and Accountability**. The nonpartisan **scorecard** benchmarks the **S&P 500** and **Russell 1000** to enable companies to compare their policies and practices to those of their peers and leaders in their industries.

### TRADE ASSOCIATIONS

APA is actively involved in trade and industry associations to share technical expertise and best practices. Additionally, we participate in important public education and advocacy efforts on major issues relevant to our industry.

Our participation in trade and industry associations is subject to management oversight by our Government Affairs function, which approves our memberships and serves as our principal representative in such associations.

We pay regular membership dues to several trade associations. Some utilize a portion of those dues for nondeductible state and federal lobbying and political expenditures. Pursuant to the requirements of the **Internal Revenue Code**, such trade associations must provide us with the percentage of our annual dues that are attributable to lobbying and political expenses. We disclose these contributions and post a **report** annually on our website.

### LOBBYING

We lawfully engage in the legislative process to communicate our views on legislative and regulatory matters affecting our business at the federal, state and local levels. This activity is subject to various rules and regulations, and we are committed to complying with those requirements.

# Engagement

## 2023 Fall Engagement

The board members and executives pictured below engaged with shareholders to discuss these topics:

- ✓ Company strategy
- ✓ Executive compensation (pay-for-performance, peer group, compensation metrics, realized pay)
- ✓ Climate-related topics (emissions, methane, Task Force on Climate-related Financial Disclosures, Sustainability Accounting Standards Board and the Oil & Gas Methane Partnership 2.0)
- ✓ ESG goals and targets
- ✓ Cybersecurity
- ✓ Human capital, D&I
- ✓ Board diversity, culture, refreshment and experience



(Top row): Lamar McKay, Juliet Ellis, Annell Bay, Mark Maddox  
(bottom row): Gary Clark, Brandy Jones, Jessica Jackson, Rajesh Sharma

## Stakeholder engagement

We regularly engage with a wide range of stakeholders to gain their insights and input on issues, trends, best practices and specific stakeholder interests and concerns. Both the board of directors and senior management recognize that the long-term interests of shareholders are advanced by responsibly addressing the concerns of other stakeholders and interested parties, including employees, customers, suppliers, government officials and the public at large.

[\(See pp. 108-110 of the Community Section to read more about our approach to stakeholder engagement.\)](#)

## Shareholder engagement

We place significant importance on engagement with our investors. We regularly engage with shareholders and appreciate feedback on topics such as corporate governance, business strategy, compensation and ESG issues.

Our shareholder engagement starts at the top. The board values our shareholders' perspectives and welcomes feedback on our business, corporate governance, executive compensation and sustainability practices.

Our independent board chair and other board members are available to shareholders at our virtual annual meeting and governance conferences. In addition, board members engage with shareholders during the spring and fall engagement campaigns. Board members can also be contacted at any time during the year through our corporate secretary, who relays communications to them as appropriate.

In addition to attending numerous investor conferences, the executive team regularly visits shareholders in their offices, convenes meetings in our corporate office in Houston and hosts site visits for more focused discussions on company operations. For example, we have given groups of shareholders direct access to our operations and personnel through field visits to water-recycling facilities, well-completion operations and data analytics centers.

## Stakeholder Engagement Overview

The table below summarizes how we engage with key stakeholder groups.

STAKEHOLDER GROUP	ENGAGEMENT METHODS	READ MORE IN THIS REPORT
 <b>Investors</b>	<ul style="list-style-type: none"> <li>– Annual shareholder meeting</li> <li>– Investor days and conferences</li> <li>– ESG-focused investor meetings</li> <li>– Governance conferences</li> <li>– Ongoing one-on-one investor discussions</li> </ul>	Board Oversight, <a href="#">p. 24</a> Shareholder Engagement, <a href="#">p. 124</a>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>– Ongoing employee trainings</li> <li>– Quarterly employee town halls</li> <li>– Regular leadership communications</li> <li>– Employee feedback surveys</li> <li>– Regular employee resource group offerings</li> <li>– Online employee appreciation program</li> <li>– Safety culture survey</li> </ul>	Learning and Development, <a href="#">p. 66</a> Employee Engagement, <a href="#">pp. 74-76</a> Ambassador Program, <a href="#">p. 76</a> Well Deserved, Our Global Employee Recognition Program, <a href="#">p. 77</a> Safety Inspections and Assessments, <a href="#">p. 87</a>
 <b>Landowners and mineral owners</b>	<ul style="list-style-type: none"> <li>– Ongoing engagement via our Land Department</li> <li>– Community grievance line and resolution process</li> </ul>	Understanding and Addressing Stakeholder Concerns, <a href="#">pp. 108-110</a>
 <b>Local communities</b>	<ul style="list-style-type: none"> <li>– Local community outreach and philanthropy</li> <li>– Community grievance line and resolution process</li> <li>– Community meetings</li> <li>– Local job fairs and other recruitment efforts</li> </ul>	Employee Recruitment, <a href="#">pp. 60-61</a> Our Approach to Social Investment and Community Engagement, <a href="#">pp. 94-105</a> Addressing Community Concerns, <a href="#">p. 110</a>
 <b>Suppliers and contractors</b>	<ul style="list-style-type: none"> <li>– Contractor vetting process</li> <li>– Ongoing contractor assessments</li> <li>– Contractor engagement meetings</li> <li>– Diverse supplier sourcing</li> </ul>	Contractor Safety Management, <a href="#">pp. 90-91</a> Supplier Diversity, <a href="#">p. 107</a> Supplier Diversity <a href="#">website</a>
 <b>Regulators and government entities</b>	<ul style="list-style-type: none"> <li>– Supporting regulatory development as relevant to our business</li> <li>– In collaboration with trade associations</li> </ul>	Trade Associations, <a href="#">p. 123</a>
 <b>Nongovernmental organizations and academics</b>	<ul style="list-style-type: none"> <li>– ESG investor engagement</li> <li>– Research support and funding</li> </ul>	ESG Engagement, <a href="#">p. 26</a> Downhole Water Disposal and Seismicity, <a href="#">p. 47</a> Biodiversity and Environmental Stewardship, <a href="#">pp. 48-55</a> Shareholder Engagement, <a href="#">p. 124</a>
 <b>Local media</b>	<ul style="list-style-type: none"> <li>– Regular contact with and response to local television stations, newspapers and radio stations</li> </ul>	

# Governance Documents

To view these documents, visit [apacorp.com/about/governance/governance-documents/](https://apacorp.com/about/governance/governance-documents/).

- [!\[\]\(4b0af0b244ed3cb7d18c9a106a417476\_img.jpg\) APA's Audit Committee Charter](#)

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- [!\[\]\(1e9237bfd9d5f2b028dec389c6b0ce92\_img.jpg\) APA's Code of Business Conduct and Ethics](#)

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- [!\[\]\(ba95e7772f2130c24040e1b3c41f3b9e\_img.jpg\) APA's Corporate Responsibility, Governance, and Nominating Committee Charter](#)

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- [!\[\]\(96510c5409c5bc2612887a524a817fb2\_img.jpg\) APA's Cybersecurity Committee Charter](#)

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- [!\[\]\(c5b2d3f7d7e9ca79cc6d2fc7b7d4dc3e\_img.jpg\) APA's Directors' and Officers' Stock Ownership Requirements](#)

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- [!\[\]\(c441729a210168cc145828cf4ee4be49\_img.jpg\) APA's Executive Compensation Clawback Policy](#)

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- [!\[\]\(b8c0c6daaaa99da5135b096473425014\_img.jpg\) APA's FCPA and Anti-Corruption Compliance Guide](#)

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- [!\[\]\(d08ca66764819261ab94bd245f005c87\_img.jpg\) APA's Governance Principles](#)

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- [!\[\]\(516bb4382594eaaf0828abd8a790e7d6\_img.jpg\) APA's Human Rights Principles](#)

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- [!\[\]\(b338671040076723bcd528ae4114a4dc\_img.jpg\) APA's Indigenous Peoples Principles](#)

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- [!\[\]\(0a3e57234f072b49a364f7d68af768ff\_img.jpg\) APA's Management Development and Compensation Committee Charter](#)

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- [!\[\]\(24744da3d56b6771208e0821ceefa52c\_img.jpg\) APA's Margin Loans and Pledges by Directors and Officers](#)

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- [!\[\]\(570e8b8ed3d111c29d404b6c1c037f4f\_img.jpg\) APA's Monitoring of Human Rights Principles](#)

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- [!\[\]\(8d6ba81cb91911ed80d9166fc21c34a2\_img.jpg\) APA's Policy on Parachute Payments for Executives and Accelerated Vesting of Equity Upon Change in Control](#)

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- [!\[\]\(308ca3ece0c8529cbc799bd9db92ea22\_img.jpg\) APA's Policy on Prohibiting Hedging APA Securities by Directors and Officers](#)

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- [!\[\]\(4950db2601eef54006475cd0c293daba\_img.jpg\) APA's Political Contributions and Lobbying Expenditures Policy](#)

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- [!\[\]\(e6a4654e02993673dd10642e6cad2420\_img.jpg\) APA's Procedures for the Submission of Complaints and Concerns Regarding Accounting, Internal Accounting Controls, or Auditing Matters](#)

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- [!\[\]\(8a9a650b17f5f6f79f8e8c08f6768484\_img.jpg\) APA's Supplier Code of Conduct](#)

# Appendix



Key Performance Data	128
Performance Data by Country	132
Apache's 2023 Employer Information Report, EEO-1 Consolidated Report	133
TCFD Analysis	134
Board Matrix	142
Water Scarcity Maps	144
AXPC ESG Metrics Template	145
Awards and Recognitions	146
Reporting Standards and Frameworks	147
Endnotes	162
Glossary of Terms	164

# Key Performance Data

	Units	2023	2022	2021	2020	2019
<b>Global Greenhouse Gas (GHG) Emissions<sup>1</sup></b>						
Operated emissions <sup>2,3</sup> (Scope 1)	Thousand tCO <sub>2</sub> e	5,962	5,679	6,255	6,290	7,300
Carbon dioxide	Thousand tCO <sub>2</sub> e	5,050	4,703	4,831	4,830	5,600
Methane	Thousand tCO <sub>2</sub> e	879	945	1,389	1,410	1,650
Nitrous oxide	Thousand tCO <sub>2</sub> e	33	31	35	50	50
Operated direct emissions (Scope 1) by source						
Flaring	Thousand tCO <sub>2</sub> e	1,573	1,409	1,477	1,480	2,060
Venting	Thousand tCO <sub>2</sub> e	575	576	690	420	430
Fuel combustion	Thousand tCO <sub>2</sub> e	3,635	3,495	3,548	3,550	3,790
Fugitives	Thousand tCO <sub>2</sub> e	179	199	541	830	1,020
Operated indirect emissions (Scope 2)	Thousand tCO <sub>2</sub> e	221	215	343	490	690
<b>Global Emissions Intensities<sup>3,4</sup></b>						
Global GHG emissions intensity	kg CO <sub>2</sub> e/boe	30.5	30.3	32.4	28.4	30.8
Global methane emissions intensity	kg CH <sub>4</sub> /boe produced	0.18	0.20	0.29	0.25	0.29
<b>Global Energy Use</b>						
Energy use	Thousand MWh	4,350	4,190	4,600	4,880	5,020
Combustion energy	Thousand MWh	3,820	3,670	3,720	3,730	3,980
Electricity	Thousand MWh	530	520	880	1,150	1,040
<b>Global Water Use by Source<sup>5</sup></b>						
Total water consumption	Thousand Bbls	36,518	33,825	29,055	11,100	144,784
Freshwater consumption	Thousand Bbls	7,161	11,345	5,572	1,525	25,423
Groundwater (drilling)	Thousand Bbls	3,069	3,498	2,499	—	—
Groundwater (completions)	Thousand Bbls	3,302	6,363	560	1,525	24,291
Groundwater (enhanced oil recovery)	Thousand Bbls	31	—	—	—	—
Surface water	Thousand Bbls	590	1,319	1,043	—	407
Municipal water	Thousand Bbls	170	165	1,469	—	725
Nonfreshwater consumption	Thousand Bbls	29,357	22,480	23,483	9,575	119,362
Groundwater (drilling)	Thousand bbls	977	3,881	1,916	—	76,469
Groundwater (completions)	Thousand bbls	19,072	16,657	20,655	9,575	41,855
Groundwater (enhanced oil recovery)	Thousand bbls	9,308	—	—	—	—
Surface water consumption	Thousand Bbls	—	1,941	913	—	1,039
Total water used in production	Thousand Bbls	402,284	396,811	567,630	593,720	616,779
Total recycled/reused <sup>6</sup>	Thousand Bbls	365,767	362,986	538,575	582,620	471,995
Secondary recovery reused <sup>6</sup>	Thousand Bbls	330,838	352,171	526,350	577,542	441,571
Hydraulic fracturing recycled/reused <sup>6</sup>	Thousand Bbls	34,928	10,816	12,226	5,078	30,424
Produced water received from third parties (produced water in)	Thousand Bbls	14,872	1,699	—	—	740
Produced water sent to third parties (produced water out)	Thousand Bbls	3,287	3,074	—	—	—
Produced water sent for injection disposal	Thousand Bbls	200,292	207,717	180,279	238,208	285,130
<b>Global Water Metrics</b>						
Freshwater consumption	%	20	34	19	14	18
Nonfreshwater consumption	%	80	66	81	86	82
Produced water recycled/reused	%	59	59	57	82	50
Produced + nonfreshwater as a percentage of total water usage	%	98.2	97.1	99.0	99.7	95.9
Fresh water as a percentage of total water usage	%	1.8	2.9	1.0	0.3	4.1
Freshwater consumption intensity	Bbls/boe	0.05	0.08	0.04	0.01	0.76
<b>U.S. Hydraulic Fracturing Water Use<sup>5</sup></b>						
Nonfreshwater	%	33	49	62	59	40
Recycled produced water	%	61	32	37	31	37
Freshwater use	%	6	19	2	9	23
<b>Spills</b>						
Hydrocarbon spills	No. >1 barrel in size	320	185	379	302	187

# Key Performance Data (Continued)

	Units	2023	2022	2021	2020	2019
<b>Certifications</b>						
ISO 14001:2015 (Environmental Management System)						
Operations certified (by revenue)	%	59	55	—	—	—
Operations certified (by production)	%	46	47	—	—	—
ISO 45001:2018 (Occupational Health and Safety Management Systems)						
Operations certified (by revenue)	%	41	38	—	—	—
Operations certified (by production)	%	35	37	—	—	—
ISO 50001:2018 (Energy Management System)						
Operations certified (by revenue)	%	18	17	—	—	—
Operations certified (by production)	%	11	10	—	—	—
<b>Health and Safety</b>						
Hours worked — workforce	Million hours	75	76	50	36	53
Employee hours worked	Hours	12,170,255	11,770,580	11,500,000	12,100,000	15,100,000
Contractor hours worked	Hours	63,178,489	64,296,792	38,600,000	24,000,000	38,000,000
Lost Time Incident Rate (LTIR)						
Employee	Per 200,000 hours worked	0.08	0.05	0.07	0.05	0.05
Contractor	Per 200,000 hours worked	0.09	0.08	0.08	0.20	0.12
Workforce	Per 200,000 hours worked	0.09	0.08	0.08	0.16	0.11
Total Recordable Incident Rate (TRIR)						
Employee	Per 200,000 hours worked	0.05	0.17	0.21	0.27	0.09
Contractor	Per 200,000 hours worked	0.26	0.24	0.27	0.58	0.54
Workforce	Per 200,000 hours worked	0.22	0.23	0.26	0.48	0.41
Days Away, Restricted or Transferred (DART) Rate						
Employee	Per 200,000 hours worked	0.05	0.08	0.14	0.13	0.07
Contractor	Per 200,000 hours worked	0.15	0.12	0.13	0.28	0.21
Workforce	Per 200,000 hours worked	0.14	0.12	0.13	0.23	0.17
Severe Incident Rate (SIR)						
Employees	Per 200,000 hours worked	0.000	0.000	0.017	0.000	0.026
Contractors	Per 200,000 hours worked	0.006	0.012	0.016	0.067	0.084
Workforce	Per 200,000 hours worked	0.005	0.011	0.016	0.040	0.068
Vehicle Incident Rate (VIR)						
Fatalities	#	1	0	0	3	7
Employees	#	0	0	0	0	1
Contractor	#	1	0	0	3	6
Workforce	#	1	0	0	3	7

# Key Performance Data (Continued)

	Units	2023	2022	2021	2020	2019
<b>Our People</b>						
Global full-time employees	#	2,271	2,273	2,253	2,272	3,163
U.S.	#	1,403	1,378	1,381	1,430	2,132
U.K.	#	607	651	638	598	638
Egypt	#	259	241	230	237	385
Suriname	#	0	0	2	7	8
France	#	2	3	2	—	—
Embedded contractors <sup>7</sup>	#	377	471			
U.S.	#	264	310			
U.K.	#	48	98			
Egypt	#	63	61			
Suriname	#	2	2			
France	#	0	0			
<b>Global Gender Mix</b>						
Total female employees	%	23.0	24.0	22.9	22.1	
U.S.	%	29.3	29.1	28.6	27.0	
U.K.	%	12.7	14.3	12.4	12.0	
Egypt	%	16.6	16.6	17.4	17.0	
Suriname	%	0.0	0.0	0.0	14.0	
France	%	0.0	33.3	50.0	0.0	
Total male employees	%	77.0	76.0	77.1	77.9	
Female employees in leadership positions <sup>8</sup>	%	20.0	20.0	17.6	17.6	
<b>Global Age Breakdown (Total Employees)</b>						
29 and Under	%	7.4	7.7	7.9	9.9	
30-50	%	61.9	61.5	62.1	60.5	
Over 50	%	30.7	30.9	30.0	29.6	
<b>U.S. Ethnicity Mix (Total U.S. Employees)</b>						
American Indian or Alaskan Native	%	0.5	0.5	0.6	0.8	
Asian	%	7.6	7.1	7.1	6.8	
Black or African American	%	6.2	5.9	6.5	6.0	
Hispanic/Latino	%	21.7	21.0	19.1	18.6	
Native Hawaiian or other Pacific Islander	%	0.1	0.1	0.1	0.1	
Two or more races	%	1.2	0.8	0.8	0.8	
White	%	62.8	64.7	65.8	66.9	
<b>U.S. Ethnicity Mix of Leadership<sup>8</sup></b>						
American Indian or Alaskan Native	%	0.8	0.6	0.9	0.7	
Asian	%	6.8	7.0	6.1	6.3	
Black or African American	%	3.9	3.8	4.3	3.0	
Hispanic/Latino	%	11.6	9.1	8.1	11.0	
Native Hawaiian or other Pacific Islander	%	0.3	0.3	0.3	0.2	
Two or more races	%	0.5	0.6	0.6	0.5	
White	%	76.1	78.7	79.8	78.3	
<b>Economic Contributions</b>						
Total local vendor spend	\$ Million	1,780	1,186	860	962	1,553
Total global vendor spend	\$ Million	4,104	2,918	1,937	2,324	4,116
Local spend percentage	%	43	41	44	41	38
Tier 1 U.S. vendor spend with diverse suppliers	%	6.9	4.8	3.8	—	—
<b>Social Investment</b>						
Community well-being	%	60.0	71.0	79.7	77.0	74.0
Environmental stewardship	%	25.0	20.0	15.8	21.0	26.0
Access to energy	%	15.0	9.0	4.5	2.0	0.0

# Key Performance Data (Continued)

	Units	2023	2022	2021	2020	2019
<b>Financial and Production Highlights</b>						
Oil and gas production revenues	\$ Billion	7.4	9.2	6.5	4.0	6.3
Natural gas production	MMcf/d	828	865	830	893	980
Oil and natural gas liquids production	Mbbls/d	267	252	250	291	310
Proved reserves	MMboe	807	890	913	874	1,011
<b>Percentage of Operations by Country by Revenue</b>						
U.S.	%	41	45			
U.K.	%	18	17			
Egypt	%	41	38			
<b>Percentage of Operations by Country by Production</b>						
U.S.	%	54	53			
U.K.	%	11	10			
Egypt	%	35	37			

**Key**

kg CO <sub>2</sub> e/boe:	kilograms of carbon dioxide equivalent per barrels of oil equivalent produced
kg CH <sub>4</sub> emitted/boe produced:	kilograms of methane emitted per barrels of oil equivalent produced
Mbbls:	thousands of barrels
Bbls/boe:	barrels of water per barrels of oil equivalent
tCO <sub>2</sub> e/Mboe:	tonnes of carbon dioxide equivalent per thousands of barrels of oil equivalent
MWh:	megawatt hour
MMcf/d:	millions of cubic feet of natural gas per day
Mbbls/d:	thousands of barrels of oil or natural gas liquids per day
MMboe:	millions of barrels of oil equivalent

<sup>1</sup> Our emissions are determined using engineering calculations and methods outlined by applicable regulations.

<sup>2</sup> Operated emissions include Scope 1 emissions calculated under applicable regulatory requirements and boundaries in the U.S. and U.K. For operations within the U.S., Scope 1 emissions include emissions reported to the U.S. Environmental Protection Agency under Subpart C and Subpart W.

<sup>3</sup> 2021 and 2022 emissions and intensities were updated to reflect data improvements and a better understanding of our emissions sources in Egypt.

<sup>4</sup> Global intensities were calculated using Scope 1 emissions from production and gathering and boosting operations in APA's U.S. and U.K. operating areas and Egypt joint venture operations and associated gross production.

<sup>5</sup> 2019 global water data was updated in this year's report due to improved granularity of historic values.

<sup>6</sup> Recycled/reused water categorization by operational use was new in 2020, and provided for 2019. APA operates a number of secondary recovery fields that utilize waterflood drives that reuse produced water. For APA's hydraulic fracturing operations, produced water reuse is defined as water that is reused directly without treatment; produced water recycled is defined as water that is treated before reuse, and is therefore recycled.

<sup>7</sup> Embedded contractors are members of contractor organizations that were selected by Apache and who are subject to Apache's competency requirements. These personnel are supervised by Apache employees, and most work primarily on Apache sites.

<sup>8</sup> Leadership role is defined as supervisor level and above or equivalent.

# Performance Data by Country

2023	Units	U.S.	U.K.	Egypt
<b>Key Emissions Data by Country</b>				
Operated Emissions — Scope 1 (tCO <sub>2</sub> e)	Thousand tCO <sub>2</sub> e	1,038	931	3,993
Carbon dioxide	Thousand tCO <sub>2</sub> e	862.9	870.6	3,316.5
Methane	Thousand tCO <sub>2</sub> e	173.8	44.5	660.5
Nitrous oxide	Thousand tCO <sub>2</sub> e	0.8	16	16.1
Operated Emissions by Source (tCO <sub>2</sub> e)				
Flaring	Thousand tCO <sub>2</sub> e	166	210.4	1,196.2
Venting	Thousand tCO <sub>2</sub> e	114.1	14.6	446
Fuel combustion	Thousand tCO <sub>2</sub> e	711.7	701.5	2,221.8
Fugitives	Thousand tCO <sub>2</sub> e	45.5	4.7	129.1
Operated Emissions — Scope 2 (tCO <sub>2</sub> e)	Thousand tCO <sub>2</sub> e	219.8	1	0.7
<b>Key Water Data by Country</b>				
Total water consumption	Thousand Bbls	34,820	170	1,530
Freshwater consumption	Thousand Bbls	5,460	170	1,530
Total water used in production	Thousand Bbls	188,050	47,020	167,210
Total recycled/reused*	Thousand Bbls	153,240	46,850	165,680
<b>ISO Certifications by Country</b>				
ISO 14001:2015 (Environmental Management Systems)		No	Yes	Yes
ISO 45001:2018 (Occupational Health and Safety Management Systems)		No	No	Yes
ISO 50001:2018 (Energy Management System)		No	Yes	No

**Key**  
 tCO<sub>2</sub>e: tonnes of carbon dioxide equivalent  
 Bbls: barrels of water

\* Recycled/reused water categorization by operational use was new in 2020. APA operates a number of secondary recovery fields that utilize waterflood drives that reuse produced water. For APA's hydraulic fracturing operations, produced water reuse is defined as water that is reused directly without treatment; produced water recycled is defined as water that is treated before reuse, and is therefore recycled.

# Apache's 2023 Employer Information Report EEO-1 Consolidated Report

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC) 2023 EMPLOYER INFORMATION REPORT (EEO-1 COMPONENT 1)		EEOC Standard Form 100 (SF 100) Revised 08/2023 OMB Control Number: 3046-0049 Expiration Date: 11/30/2026												
<b>SECTION A – TYPE OF REPORT</b> CONSOLIDATED REPORT														
<b>SECTION B – EMPLOYER IDENTIFICATION</b>														
OFS COMPANY ID 5540307		EMPLOYER NAME APACHE CORPORATION												
ADDRESS 2000 POST OAK BOULEVARD, SUITE 100			CITY/TOWN HOUSTON	STATE TX	ZIP CODE 77056									
<b>SECTION C – HEADQUARTERS OR ESTABLISHMENT-LEVEL IDENTIFICATION (if applicable)</b>														
HQ/ESTABLISHMENT-LEVEL UNIT ID		HEADQUARTERS OR ESTABLISHMENT-LEVEL NAME												
HEADQUARTERS OR ESTABLISHMENT-LEVEL ADDRESS			CITY/TOWN	STATE	ZIP CODE									
<b>SECTION D – EMPLOYER IDENTIFICATION NUMBER (EIN)</b> 410747868														
<b>SECTION E – EMPLOYER FILING ELIGIBILITY</b> <input checked="" type="checkbox"/> YES (Employer Is Eligible to File) <input type="checkbox"/> NO (Employer Is Not Eligible to File) <input type="checkbox"/> EMPLOYER NO LONGER IN BUSINESS														
<b>SECTION F – FEDERAL CONTRACTOR DESIGNATION (if applicable)</b> Unique Entity ID (UEI): 554030-7 <input type="checkbox"/> YES (Single-Establishment Employer is Federal Contractor) <input checked="" type="checkbox"/> YES (Multi-Establishment Employer is Federal Contractor) <input checked="" type="checkbox"/> YES (Headquarters is Federal Contractor) <input type="checkbox"/> YES (Non-Headquarters Establishment is Federal Contractor) <input checked="" type="checkbox"/> YES (One or More Non-Headquarters Establishments is Federal Contractor)														
<b>SECTION G – NAICS INFORMATION</b> 211120 - Crude Petroleum Extraction														
<b>SECTION H – WORKFORCE DEMOGRAPHIC DATA</b>														
JOB CATEGORIES	Race/Ethnicity													Row Total
	Hispanic or Latino		Not Hispanic or Latino											
	Male	Female	Male					Female						
		White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or More Races	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or More Races	
Executive/Senior Level Officials and Managers	0	0	20	0	2	0	0	8	0	0	0	0	0	30
First/Mid-Level Officials and Managers	36	8	182	5	14	0	2	1	57	8	10	1	1	326
Professionals	53	57	272	18	46	0	0	7	119	33	31	0	0	639
Technicians	0	0	1	0	1	0	0	0	3	1	1	0	1	9
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support Workers	5	16	10	6	0	0	0	0	28	14	2	0	0	81
Craft Workers	141	1	197	3	1	0	3	3	0	0	0	0	0	349
Operatives	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Laborers and Helpers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>CURRENT 2023 REPORTING YEAR TOTAL</b>	<b>235</b>	<b>82</b>	<b>682</b>	<b>32</b>	<b>64</b>	<b>0</b>	<b>5</b>	<b>11</b>	<b>215</b>	<b>56</b>	<b>44</b>	<b>1</b>	<b>2</b>	<b>1434</b>
<b>PRIOR 2022 REPORTING YEAR TOTAL</b>	<b>214</b>	<b>80</b>	<b>686</b>	<b>29</b>	<b>57</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>210</b>	<b>56</b>	<b>43</b>	<b>1</b>	<b>2</b>	<b>1393</b>
<b>SECTION I – WORKFORCE SNAPSHOT PERIOD</b> 12/1/2023 - 12/15/2023														
<b>SECTION J – HEADQUARTERS OR ESTABLISHMENT-LEVEL COMMENTS (optional)</b> Not Applicable														

# Task Force on Climate-related Financial Disclosures (TCFD) Analysis

Climate change is an important issue for our company and our stakeholders. We are committed to helping address the energy trilemma (see p. 17), including the challenges that climate change presents, while also continuing to produce reliable, secure, affordable energy to help meet the world’s needs and drive global prosperity. Our efforts are focused on reducing Scope 1 and Scope 2 emissions from our oil and gas operations.

The task of identifying and managing the opportunities and risks presented by climate change, balanced against the need to provide secure energy resources to meet increasing worldwide demand, is an important part of our business planning and enterprise risk management. The TCFD disclosure framework was designed to facilitate the presentation by companies of their efforts around climate change, focusing on four key areas: governance, strategy, risk management, and metrics and targets.

Our business planning and risk management process considers how concern over climate change influences our operations from regulatory, lending and investment perspectives. Recent examples of U.S. and international regulatory changes, such as those implemented as part of the Inflation Reduction Act’s Waste Emissions Charge (WEC) and the U.K. Energy Profits Levy, have prompted us to evaluate their impact on our business and future investment decisions. For this reason, the highest levels of our leadership team, including senior management and the board of directors, oversee our planning process on climate-related issues.

For investors and lenders in the oil and gas industry, concerns include the impact of new regulations; changes in energy demand; public policy and political attitudes toward demand for hydrocarbons; and competition to supply from lower-carbon energy sources.

In this 2024 Sustainability Report we have updated our scenario analysis, using the 2023 International Energy Agency (IEA) World Energy Outlook (WEO) scenarios against which to disclose our performance. (See p. 159 for an index of TCFD-related disclosures throughout the report.)

## Governance

Our board of directors and senior management are directly engaged in assessing our business strategy, including ongoing review and oversight of how capital is deployed. This process includes evaluating climate change-related risks and opportunities for the company.

The board’s Audit Committee oversees the risk management process (described in more detail below and on pp. 24-25), which includes management of climate change-related business, legal and regulatory risks. The Corporate Responsibility, Governance, and Nominating (CRG&N) Committee oversees management and performance on environmental, social and governance (ESG) issues, including the content of this report. The Management Development and Compensation (MD&C) Committee has recommended to the full board who adopted a resolution that linked greenhouse gas (GHG) emissions metrics to compensation for all employees, including executives. (See opposite page and on p. 30.)

In addition to the work of these committees, the full board receives periodic updates on climate change-related topics, including our corporate approach to risk management, climate-related risks and opportunities, GHG emissions management, third-party ESG ratings, and our overall sustainability performance. The board also invites outside experts on ESG issues to provide ongoing education on relevant subjects, including differing perspectives on climate-related risks and opportunities.

Our ESG Management Committee, a cross-functional team comprising five corporate officers, is tasked with overseeing our climate and emissions strategy, goals and performance. Sponsored and led by the president and chief financial officer, and generally meeting at least quarterly, this team is tasked with integrating our sustainability priorities across the business.

To help drive focus and accountability throughout the company, we are continuing to expand our use of ESG-based performance metrics and tying them to incentive compensation for all employees — from the executive level to the field. In 2023, 20% of short-term compensation was linked to our combined Environmental, Health and Safety (EHS) and ESG goals. The ESG component featured two distinct goals. The first was to eliminate methane emissions associated with at least 2,000 methane-emitting pneumatic devices, either by conversion to instrument air or by retrofitting valves to recirculate rather than emit the gas. The second goal was to utilize at least 50% recycled produced water for completions in our U.S. onshore operations. Also in 2023, for the second consecutive year we added an ESG metric to the performance share program in our long-term incentive compensation (LTIC) plan. The new ESG metric, set by the MD&C Committee, was to reduce our Scope 1 GHG emissions intensity by 10%-15% by 2030, with a near-term, compensation-linked milestone to reduce at least 5% by year-end 2025. This metric is in addition to the 2022 LTIC goal to identify and implement projects capable of eliminating at least 1 million tonnes of annualized carbon dioxide equivalent (CO<sub>2</sub>e) emissions by year-end 2024. All of these 2023 goals were achieved.

We consider sustainability matters — including climate-related issues — to be critical areas in which to identify, track and mitigate risk. (Read more on our prioritizing and managing ESG initiatives on pp. 26-30.)

## Strategy

We are committed to producing energy safely and responsibly. Highlights of what this means to us include the following:

- We work to reduce our environmental footprint, operate safely and increase the benefits we provide to the communities where we live and work.
- A key part of our corporate vision is to be the premier exploration and production company. That aspiration extends beyond financial results; it begins and ends with working to achieve the best safety and environmental record, year after year.

- We are focused on reducing emissions across our operations. We have programs for preventing, identifying and correcting methane leaks.
- In 2023, we made significant progress in deploying emissions reduction projects across our assets, in furtherance of our LTIC goal to eliminate 1 million tonnes of annualized CO<sub>2</sub>e emissions by year-end 2024.
- We are using cleaner-burning natural gas and electricity as alternatives to diesel to power our field operations where practicable, which reduces diesel fuel consumption and localized air emissions.

## SCENARIO-PLANNING FRAMEWORK

In 2023, we updated our scenario-planning framework to align with TCFD recommendations by adding details related to the U.S. onshore base-case scenario pricing analysis. Scenario planning has long been embedded in our business and risk management processes, to assess how commodity demand drives the prices of our products. Two recent examples include the oil price crash that resulted from plummeting demand due to COVID-19, and the impact of the Russian invasion of Ukraine on natural gas prices across Europe. Undertaking scenario analyses is particularly important for us given that our international asset portfolio exposes us to multiple commodity prices and a broader range of regulatory pressures than those experienced by pure-play operators or our U.S. onshore-focused peers. Our scenario-planning analysis includes the input of experts from multiple internal functional areas, for a more rigorous, multidisciplinary approach.

We consider a range of pricing scenarios when forming our long-term investment and development plans. These include scenarios involving a carbon-constrained future, which reflect the potential climate-related risks and opportunities influencing fossil fuel supply and demand. We also evaluate the relative balance within our portfolio of oil and natural gas production to account for supply and demand issues. However, our expanded, climate-specific scenario-planning framework goes even further, by including third-party market-based forecasts of future demand and pricing in energy markets, based on assumptions concerning potential changes in government regulations and policy.

The TCFD guidance recommends that companies consider risks relating to the potential impact of climate change over near-, medium- and long-term time frames. However, the dynamic nature of our business has been clearly demonstrated by the commodity price volatility observed over the past few years, driven by the pandemic and by geopolitical impacts on global markets. Given such volatility, we believe our scenario analyses should be conducted over

“Our scenario-planning analysis *positively supports* that the break-even prices referenced in each of APA’s core development areas of operation indicate the *long-term potential* for generating positive returns.”

medium-term time frames. In our view, it is challenging to accurately assess scenario outcomes beyond a five-year time horizon, given the number and unpredictability of variables. However, for this exercise, in our climate-related risk assessments we have projected our base-case pricing analysis out to 2040, comparing it to external predictions of demand, carbon pricing and comparison-pricing scenarios.

**APA base-case scenario**

APA’s own base-case scenario takes a conservative approach to future oil pricing, with an 18-year average blended oil price that is most closely aligned with the WEO’s Announced Pledges Scenario (APS) ([described in more detail below](#)). Our 18-year average oil pricing, discounted for fees projected to be associated with the U.K. Emissions Trading Scheme in the North Sea and the WEC in the U.S., is \$52 per blended West Texas Intermediate (WTI)/Brent barrel (Bbl).

Our base-case scenario is a quantification of our business perspective, utilizing an internal oil pricing deck that builds in an anticipated carbon price under the U.K. emissions trading scheme, such that our WTI/Brent blended pricing accounts for the assumption of a carbon tax on our U.K. production. To account for recent regulation in the U.S., a WEC fee is applied to forecasted future production in the U.S. As defined by the IEA’s WEO, Egypt is classified as an emerging market country with a developing economy; therefore, no carbon pricing is assumed until 2030, escalating to \$17/tonne for Egypt production barrels in 2040. In our base-case scenario, our crude oil pricing assumption after forecasted carbon fees is a WTI/Brent blend at \$52 per Bbl, remaining flat until 2040.

Based on this assessment, we believe our company is well positioned when compared to any of the external pricing scenarios below. Our diverse asset base including development in Egypt and active exploration plays in emerging market countries provides us with optionality to invest in areas not overly burdened by carbon pricing.

**2023 WEO scenarios**

Our updated analysis includes the following IEA scenarios from the 2023 WEO report, against which we compare our internal APA base-case scenario: the Stated Policies Scenario (STEPS) and the Announced Pledges Scenario (APS). In addition, even though we do not currently have a commitment on net zero, we also present the Net Zero Emissions by 2050 (NZE) scenario in this year’s analysis. Under any of the pricing scenarios considered, the third-party break-even prices referenced in each of APA’s core areas of operation indicate the long-term potential for generating positive returns.

The STEPS scenario reflects all current governmental carbon policies, assessed sector to sector. Under this scenario, carbon pricing is applied to the company’s U.K. oil production using existing country-based carbon tax structures, and is applied to our U.S. onshore production using the WEC fees. The 2023 STEPS shows a cumulative growth in world oil demand to 101.5 million Bbls of oil per day by 2030, followed by a decline to 97.4 million Bbls of oil per day by 2050. In the STEPS scenario, oil prices are shown to fall from 2022’s \$98 per Bbl to \$85 per Bbl in 2030, and as demand slowly declines over the next 20 years, the oil price falls to \$83 per Bbl in 2050.

The APS scenario assumes all countries’ announced climate commitments are met in full and on time, including nationally determined contributions. This scenario includes all announced net zero pledges, and reflects any shortfalls associated to the alignment with the 2015 Paris Agreement. In our analysis, carbon pricing is applied to the company’s U.K. production in all years, while its U.S. and Egypt production is burdened only from 2030 onward.

In contrast to STEPS, the APS projects much lower demand for oil in 2050 compared to 2020, with demand declining to 92.5 million Bbls per day in 2030, then declining more rapidly to 54.8 million Bbls per day in 2050. The APS scenario therefore predicts a larger price decline than the STEPS scenario, with oil at \$74 per Bbl in 2030, and slowly sliding to \$60 per Bbl in 2050. However the APS scenario predicts smaller changes in demand and pricing than the NZE scenario.

The NZE scenario represents the lowest demand scenario, with demand rapidly declining to 77.5 million Bbls per day in 2030, then declining more gradually to 24.3 million Bbls per day in 2050. The NZE scenario predicts a significant price decline due to eroding demand, with oil at \$42 per Bbl in 2030, declining further to \$25 per Bbl in 2050. It is important to note that under these price assumptions, taking into account the projected carbon pricing for advanced economy countries, the NZE yields a negative net price per Bbl after 2030. In short, the carbon prices of advanced economy countries with the assumed IEA NZE scenario pricing, combined with the predicted lower prices per Bbl, would make it impossible to profitably produce oil in advanced economy countries, effectively pushing future development of oil to emerging market countries with no, or only minimal, carbon pricing impacts.

The STEPS, APS and NZE scenarios’ projected oil and natural gas demand and carbon emissions through 2050 are shown in the charts on [p. 141](#).

**Resilience in a global market**

The focus of our scenario-planning exercises is our continued ability to meet demand for natural gas and oil in a global market. We actively monitor the demand scenario predictions and how they can affect global supply. We evaluate demand on a medium-term basis, to avoid overreacting to short-term cycles or to commodity price fluctuations that are influenced by unpredictable disruptions, such as occurred during the COVID-19 pandemic and with the geopolitical impact of Russia’s invasion of Ukraine.

Our international portfolio of assets allows us to proactively manage our production mix to mitigate our exposure to WTI/Brent crude pricing disparity and to costs associated with carbon pricing where applicable. Our portfolio consists of a diversified global resource base, not a pure-play operating area asset. We currently have active development onshore in the U.S. and Egypt, with limited activity offshore in the U.K. North Sea. This multibasin asset portfolio enables us to shift capital investment to, or from, certain assets in response to changes in geographic commodity prices, local regulations, energy demand, supply-side issues or other market factors. Coupled with our experience as a cost-conscious producer and resource-efficient operator, we believe this approach reduces our carbon risk and helps the company optimize its capital investment in response to the market’s price signals and energy needs.

The resilience of our approach can be seen in the results of our asset scenario-planning assessment, which compares projected break-even prices for our operating basins from third-party assessors (Wood Mackenzie and Enverus) to the average forecasted WTI/Brent blend equivalent pricing for

2022–2040, from each of the four planning scenarios discussed above. In all but the NZE scenario, the third-party break-even prices in Egypt and Permian yield profits. In the North Sea, the APS break-even price post-2030 is \$1 per Bbl below third-party estimates of APA’s break-even prices. However, APA’s North Sea asset is in the later stages of its development life and, given U.K. initiatives like the North Sea Transition Authority’s move to net zero, it is likely APA will be transitioning these assets into decommissioning before 2040. Again, our scenario-planning analysis positively supports that the break-even prices referenced in each of APA’s core development areas of operation indicate the long-term potential for generating positive returns.

The following tables provide a summary of key climate-related risks and opportunities, and their timeframes, that we have identified and are working to address now and into the future.



\* Break-even pricing is from 2022 Wood Mackenzie Asset Report: Egypt Western Desert Apache and other fields. The U.K. North Sea sector includes the break-even 2024 Wood Mackenzie Insight: Q1 2024 Pre-FID Upstream Project Tracker: (UK Northern North Sea).

The APA Permian break-even pricing is the average of APA Tier 1 and Tier 2 break-even from the 2022 Enverus report: Scoop Stack Play Fundamentals Rebounding From the Depths.

## Climate-related transition risks

Key: Near Term = 1-2 years Medium Term = 3-5 years Long Term = 5+ years

Type	Risks	Timing	Potential Impacts and Responses
POLICY AND LEGAL	<b>Changes in Regulation</b>		
	– Introduction of carbon taxes or cap and trade in U.S.	Long Term	– Changes in asset base
	– Federal oil and gas permit ban	Medium Term	– Decreased asset diversification
	– More stringent emissions regulations	Near Term	– Increased use of technology, including electrification and enhanced oil recovery (EOR)
	– Alignment with Paris Agreement	Long Term	
	<b>Changes in National Policies</b>		
	– Biden Administration’s Climate Pledge	Near Term	– Shift in operational areas
	– U.K. Carbon Budget	Near Term	– Enhanced water recovery and reuse
	– National hydraulic fracturing bans	Long Term	– Increased community engagement and reporting
	– National water policies on freshwater usage limits	Long Term	– Stranded assets
	<b>Changes in Tax Programs</b>		
	– Elimination of exploration tax incentives for oil and gas	Long Term	– Capital planning changes
– Increased alternative energy tax incentives	Long Term	– Support for growth in emerging markets and economies	
– U.K. Energy Profit Levy (EPL)	Near Term	– Increased costs of compliance	
TECHNOLOGY AND MARKET	<b>Equipment and Technology</b>		
	– Costs of installing lower-emission production and transportation technology	Near Term	– More efficient energy use, leading to a decrease in market demand
	– Alternative fuel technologies that ease the transition from fossil fuels to alternatives	Long Term	– Failure to keep up with technological advances
	– Disruptive technologies in energy generation and/or transportation	Long Term	
REPUTATION	<b>Stigma of Fossil Fuels</b>		
	– Stakeholder withdrawal of investment due to ESG-related concerns	Near Term	– Increased availability of green/ESG-linked lending
	– Climate change litigation and publicity	Long Term	– Increased dependence on midstream companies
	– Impacts on talent pipeline and supply chain due to market and energy transition	Medium Term	– Decreased industry appeal to emerging workforce talent

## Climate-related physical risks

Type	Risks	Timing	Potential Impacts
ACUTE	<b>Onshore</b>		
	– Severe temperature changes affecting our operations (e.g., 2021 Winter Storm Uri)	Near Term	– Enhanced requirements for asset hardening
	– Seasonal droughts affecting our operations	Medium Term	– Increased focus on emergency contingency planning and preparation
	– Tornadoes or other severe storms affecting our operations	Near Term	– Increased cooperation and integration with community partners
	<b>Offshore</b>		
	– Hurricanes and tropical storms affecting our operations	Near Term	– Damage to assets and communities
CHRONIC	<b>Onshore</b>		
	– Changes in rainfall or weather patterns affecting our operations	Long Term	– Operational disruptions due to supply chain or impairment of crew-change operations during weather events
	– Extended droughts and temperature changes affecting our operations	Medium Term	– Damage to equipment or impaired access to offshore platforms
	– Changes in water availability patterns affecting our operations (surface water and groundwater)	Long Term	– Increased costs related to additional operational expenses and insurance premiums for offshore or nearshore operations
	– Biodiversity and species listings affecting our operations	Long Term	
	<b>Offshore</b>		
	– Rising sea levels affecting our operations	Long Term	
	– Sea temperature change and current-related changes affecting our operations	Long Term	

## Climate-related opportunities

Key: Near Term = 1-2 years Medium Term = 3-5 years Long Term = 5+ years

Type	Opportunities	Timing	Potential Impacts and Responses
RESOURCE EFFICIENCY	– Transportation fuel-related improvements (in miles-per-gallon ratings)	Long Term	– Additional product delivered to market
	– Improved resource capture due to reduced GHG emissions	Near Term	– Project economies that increase the potential to expand operations
	– Increased recovery of hydrocarbons from the reservoir	Medium Term	– Decreased emissions within company vehicle fleet and operations equipment
ENERGY SOURCE	– Increased demand for natural gas for power generation	Medium Term	– Collaboration with midstream and downstream companies
	– Development of economic demand for hydrogen and hydrogen-based technologies	Medium Term	– Increased expectations for enhanced reliability
	– Utilization of field gas-generated power for drilling and completion equipment	Near Term	– Decreased emissions from operations
	– Portable power not connected to the grid	Medium Term	
PRODUCTS AND SERVICES	– Development of grey and blue hydrogen markets	Medium Term	– Focus on green label products and enhanced ESG certification
	– Premium pricing for delivery of certified, responsibly extracted resources	Near Term	– Conversion and retrofitting of assets to capture carbon dioxide (CO <sub>2</sub> ) and other emissions
	– Development of commercial carbon capture utilization and storage (CCUS) market in aging oil fields around the world	Medium Term	– Extended life of assets
MARKETS	– Development of new markets for refined products to offset reduction of transportation fuel demand	Long Term	– Emergence of exportation assets
	– Expanding crude oil and natural gas markets in developing economies throughout the world	Long Term	– Increased focus on reliability and output
	– Development of hydrogen and CCUS markets	Medium Term	– Identification of ESG key performance indicators and projects tied to green lending
	– Access to green bonds and capital to expand ESG efforts related to hydrogen, CCUS and water recycling	Near Term	– Partnerships to reduce societal GHG emissions
	– Identification of changing regulatory environments and the effect on market development	Medium Term	
	– Transition of current EOR and water disposal practices to CCUS for industrial segments	Near Term	– Increased demand across operations footprint
RESILIENCE	– Hydrogen from natural gas	Medium Term	– Support to local policy makers for advancing technologies
	– Expansion of local supply chains in developing countries to ensure the necessary tools are available to maintain operations	Medium Term	– Changes in recruiting, retention and workforce development
	– Development of localized staff to ensure employee attraction and workforce retention	Medium Term	– Increased spend and development in local communities

## Risk Management

Scenario analyses are integrated into our risk management processes for asset planning and capital investment and are reviewed by senior managers and executives. The final analyses are presented to the board’s CRG&N Committee for review prior to publication.

We also have a Risk Management function within our EHS group focused on health, safety, environmental and security risks — including climate change-related risks. The EHS risk

management team works with personnel in other departments to identify, understand and mitigate these risks across our operations. Employees at all levels of the company representing multiple disciplines participate in analyzing the potential impacts of climate change-related risks on our business, supporting a comprehensive approach to risk management that is ultimately reviewed by the board’s CRG&N Committee.

**MANAGING CLIMATE CHANGE-RELATED OPPORTUNITIES AND RISKS**

We strive for continuous improvement in our operational processes to further lower costs, reduce our environmental footprint and optimize capitalization of natural gas in a lower-carbon energy future, including by:

- Our commitment to reducing GHG emissions (see p. 30).
- Employing leak detection and repair programs, using the latest equipment and technologies, to reduce methane losses (see p. 37).
- Addressing GHG emissions from our operations through the elimination of routine flaring and by powering our equipment with utility grid electricity where practicable (see pp. 36–37).
- Working to address the potential physical impacts to our operations posed by climate change. For example, to mitigate the risk of reduced fresh water supplies critical to our operations (as well as to conserve those resources), we are continuing efforts to optimize water recycling, especially in areas already deemed water-scarce (see pp. 40–47).
- Collaborating with industry, governmental and nongovernmental partners to encourage others in our industry to reduce emissions and to develop more effective technologies to do so, including:
  - As a partner in the **Oil & Gas Methane Partnership 2.0**, part of the U.N. Environment Programme, a group focused on methane emissions reduction and improving the accuracy and transparency of methane emissions reporting.
  - As a founding member of the **ONE Future Coalition**, a group of more than 40 companies across the natural gas value chain that is focused on reducing methane emissions.
  - As a member of the **American Petroleum Institute’s The Environmental Partnership**, a group of U.S. oil and gas companies working to address environmental challenges and further improve environmental performance in our industry. (See p. 37 for more information on these partnerships.)
  - As a member of the **American Exploration and Production Council (AXPC)**, working with other operators to develop collaborative solutions to reduce GHG emissions while “meeting the world’s growing need for abundant, low-cost, reliable energy.” (See p. 145 for our 2023 data as submitted to the AXPC.)

**METRICS AND TARGETS**

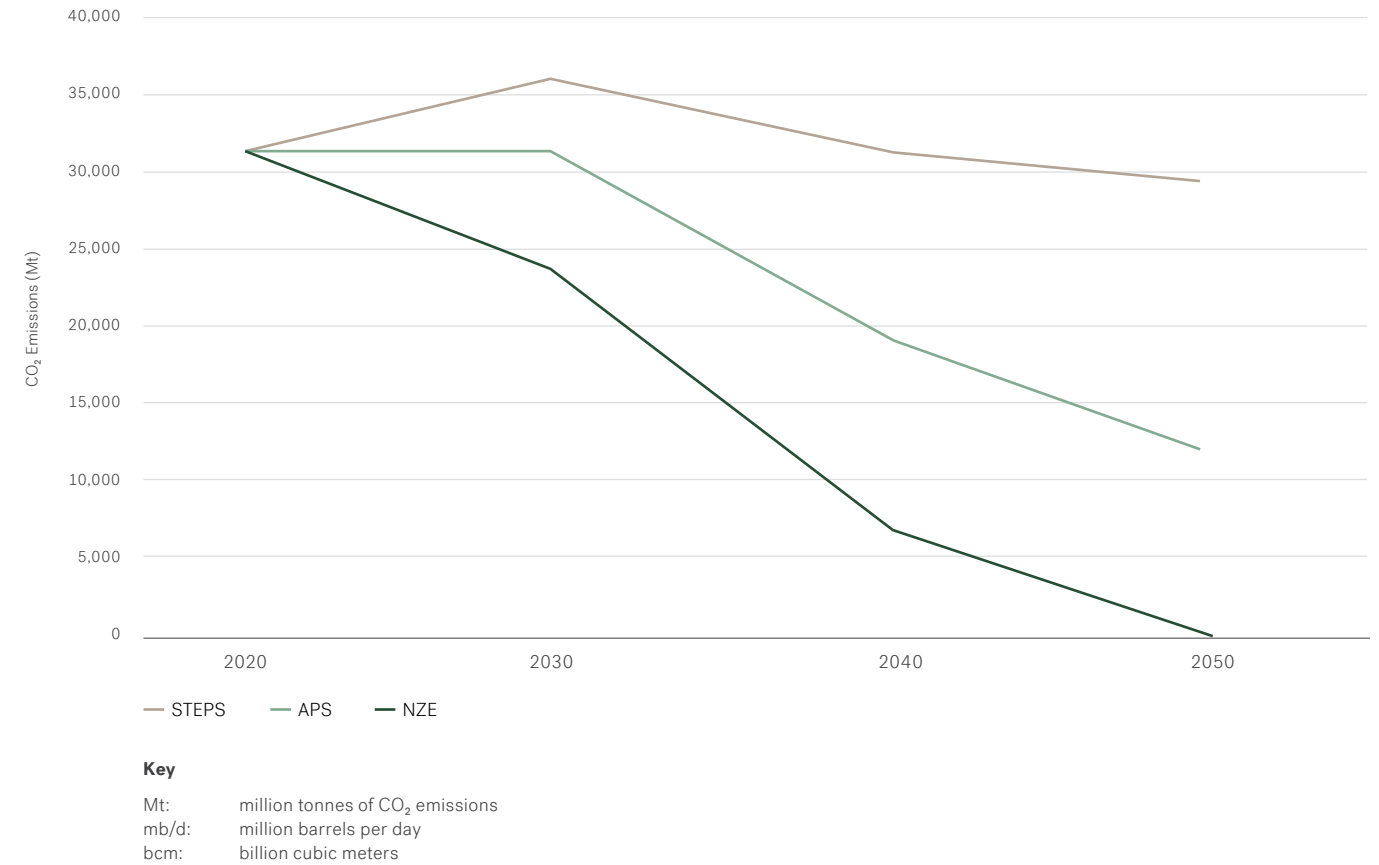
We use a wide range of metrics and targets to assess and drive our performance in managing climate change-related risks, in particular by reducing operational methane and other GHG emissions. We measure our progress in reducing these emissions using intensity metrics (emissions per unit of production), rather than total emissions, because intensity metrics provide a more comparable year-over-year measure of our performance that is not skewed by changes in activity levels, acquisitions and divestitures, and other factors. However, we do focus on absolute emissions reductions when we evaluate the implementation of a particular project and how that project influences future emissions-related operational decisions.

We measure and report our GHG emissions as total CO<sub>2</sub>e and by primary gas type, including carbon dioxide, methane and nitrous oxide. (See pp. 38–39 and p. 128 for GHG and methane emissions performance data.)

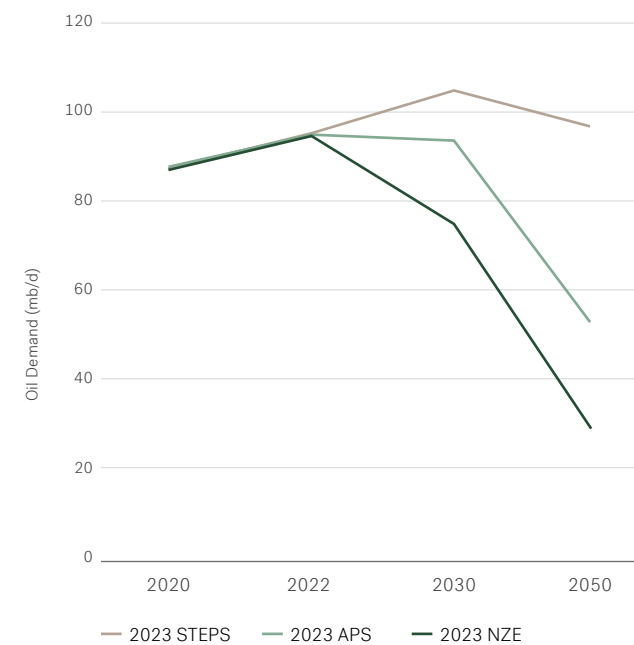
To drive performance improvements in 2022, we adopted and achieved a target to reduce upstream flaring by 40% in our Egyptian operations. We also set a goal, tied to long-term incentive compensation for all employees, of identifying and implementing projects capable of eliminating 1 million tonnes of annualized CO<sub>2</sub>e emissions by year-end 2024. In 2023, we set a compensation-linked goal to eliminate methane emissions from more than 2,000 pneumatic devices — which are the highest source of methane emissions in our U.S. onshore operations — by converting them to instrument air or by valve retrofits. We also introduced a longer-term goal to reduce our companywide Scope 1 GHG emissions intensity 10%–15% by 2030, with a near-term, compensation-linked milestone to achieve a minimum 5% reduction by year-end 2025. We have achieved our 2022 flaring goal and 2023 pneumatic controller goal, and we are on track to meet the remaining goals slated for achievement in 2024, 2025 and by 2030.

“We are *on track* to achieve a compensation-linked goal to implement projects capable of *eliminating* 1 million tonnes of annualized CO<sub>2</sub>e emissions by year-end 2024.”

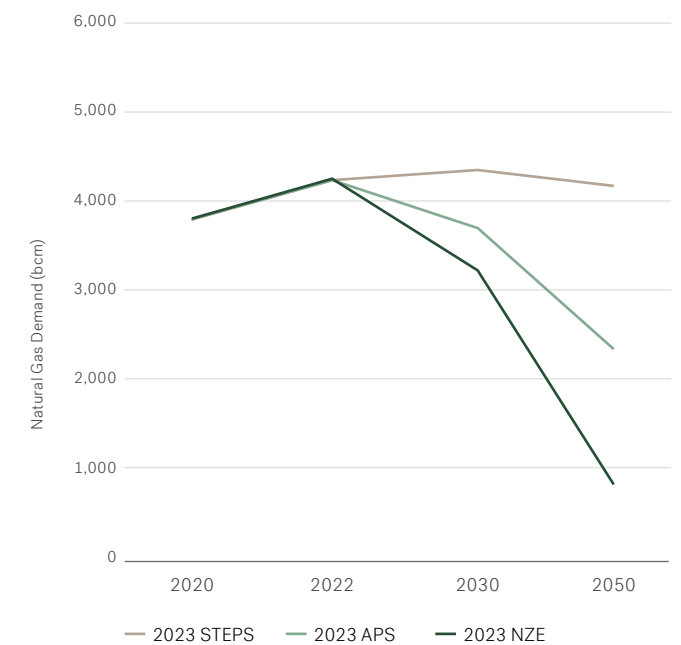
**Total World CO<sub>2</sub> Emissions (Mt)**



**IEA World Oil Demand**



**IEA World Natural Gas Demand**



# Board Matrix

This table displays the experience, diversity and tenure of APA's board of directors.

Knowledge, Skills & Experience	Annell Bay	Matthew Bob	John Christmann	Juliet Ellis	Charles Hooper	Chansoo Joung	Lamar McKay	Peter Ragauss	David Stover	Anya Weaving
<b>STRATEGIC</b>										
<b>Portfolio</b>										
Industry Experience	●	●	●			●	●	●	●	●
Global	●	●	●	●	●	●	●	●	●	●
<b>Financial</b>										
Financial Reporting/Accounting/M&A		●	●	●		●	●	●	●	●
Risk Management/Compliance	●		●	●	●	●	●	●	●	●
<b>ESG</b>										
Environmental	●		●				●		●	●
Human Capital Management	●		●	●	●		●	●	●	
Government Affairs/Regulatory/Legal										
Corporate Governance/Ethics	●	●	●	●	●	●	●	●	●	●
<b>CORE COMPETENCIES</b>										
Executive/Senior Leadership	●	CEO	CEO	●	●	●	●	CFO	CEO	CFO
Engineering/Technology/Cybersecurity			●		●		●	●	●	
Operations	●	●	●				●	●	●	
<b>CHARACTERISTICS</b>										
<b>Demographic Background</b>										
Military Veteran					●					
Ethnic Minority					●	●				
Gender (male/female)	F	M	M	F	M	M	M	M	M	F
Age in Years (as of April 12, 2024)	68	67	57	65	66	64	65	66	66	47
<b>Board Information</b>										
Tenure (year joined)	2014	2024	2015	2019	2022	2011	2021	2014	2022	2024
Independence	●	●		●	●	●	●	●	●	●
Number of public company boards, including APA	1	—	—	1	1	—	1	1	—	—

# Board Matrix (Continued)

Director skills criteria definitions from the table on [p. 142](#) are listed below:

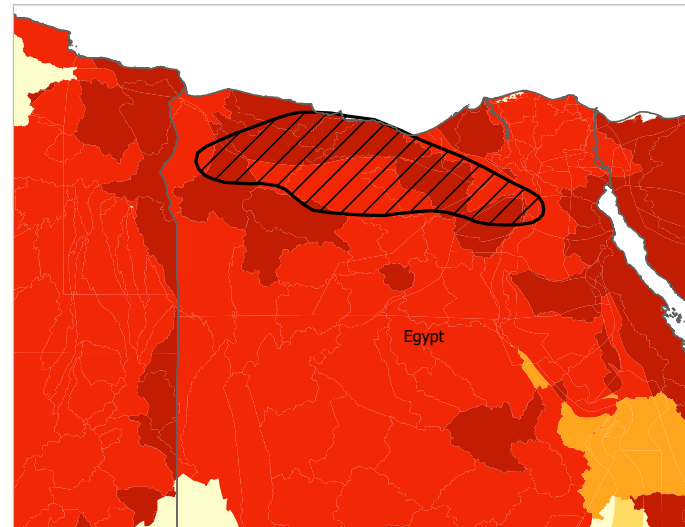
<b>STRATEGIC SKILLS</b>
<b>Industry Experience</b> Exploration and production experience is critical to oversight of APA's core operations.
<b>Global</b> International expertise supports APA's global footprint, which includes operations in the United States, Egypt's Western Desert and the United Kingdom's North Sea, and Suriname.
<b>Financial Reporting/Accounting/M&amp;A</b> Familiarity with executing transactions and financial reporting matters helps APA focus on delivering long-term, full-cycle returns through effective capital allocation and contributes to audit and reporting oversight.
<b>Risk Management/Compliance</b> Experience in managing risk and compliance allows the full board and specific committees to meet their stated oversight responsibilities.
<b>Environmental</b> This oversight experience supports APA's commitment to environmental stewardship.
<b>Human Capital Management</b> With a significant number of employees worldwide, experience in engaging, developing and retaining talent is key to APA's long-term success.
<b>Corporate Governance/Ethics</b> Understanding of corporate governance trends and best practices allows APA to continue meeting and exceeding the evolving expectations of our stakeholders.
<b>CORE COMPETENCIES</b>
<b>Executive/Senior Leadership</b> Senior leadership expertise allows our board to provide effective oversight of and support to our management team across a variety of challenging and complex matters.
<b>Engineering/Technology/Cybersecurity</b> Engineering and technology expertise at the board level encourages APA to take a differentiated approach to exploration and production, while cybersecurity expertise helps to protect these efforts.
<b>Operations</b> Operational expertise supports our relentless focus on costs and performance excellence, which allows APA to deliver top-tier returns to our shareholders.

# Water Scarcity Maps

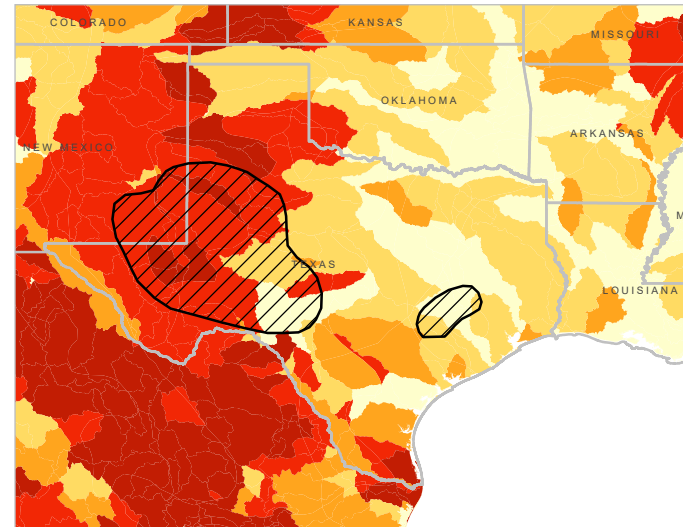
When appropriate, we utilize various data sources, such as the U.S. Drought Monitor and the World Resources Institute's Aqeduct tool, to confirm our assessment of water-scarce areas within our operations.

The examples shown below are created by applying the water scarcity mapping tools to the geographic information system layers of APA-operated areas, as of April 25, 2024.

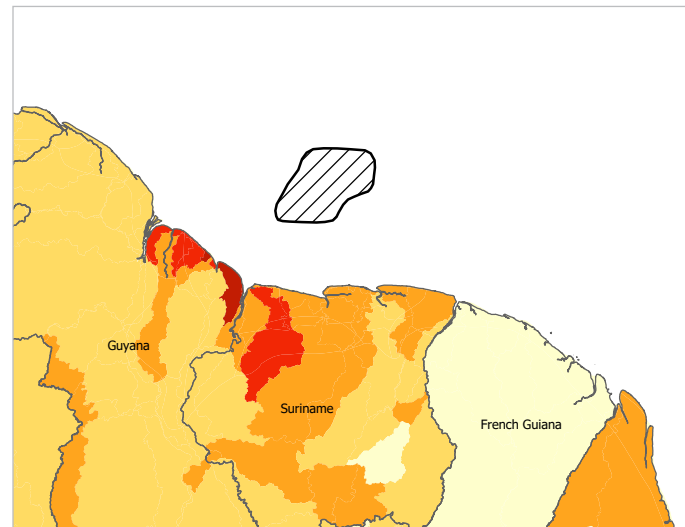
Egypt



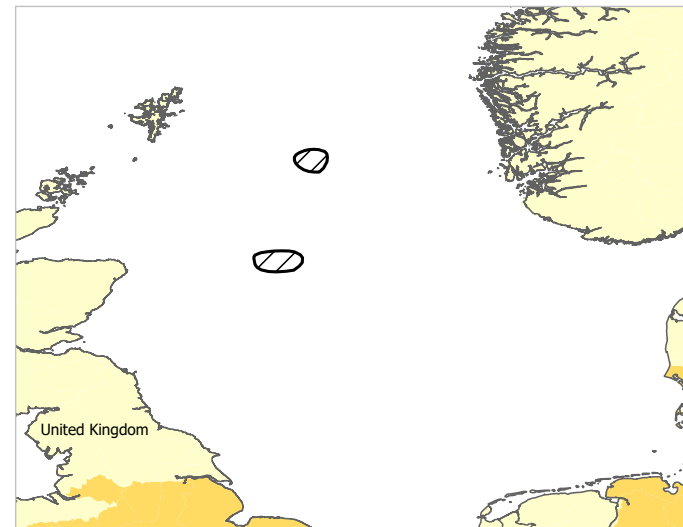
U.S.



Suriname



U.K. North Sea



**Water Risk Level**



# AXPC ESG Metrics Template

To provide investors and the public with transparency and consistency in the reporting of key upstream ESG indicators, American Exploration and Production Council (AXPC) launched the AXPC ESG Metrics Framework and Template in February 2021. These have been available for use on a voluntary basis in sustainability reporting since 2021.

AXPC's ESG Metrics Framework and Template are centered on five key metrics groupings that AXPC members believe are essential to capture in promoting more consistent reporting across member companies — GHG Emissions, Flaring, Spills, Water Use and Safety.

Reporting Company: Apache Corporation

Reporting Period: 2023

	2023*
<b>GHG Emissions</b>	
Methane Intensity Methane Emissions (tonnes CH <sub>4</sub> )/Gross annual production — Climate (Mboe)	0.08
Percentage of Methane Emissions Attributed to Boosting and Gathering Segment	81.00%
GHG Intensity GHG Emissions (tonnes CO <sub>2</sub> e)/Gross annual production — Climate (Mboe)	12.6
Percentage of GHG Emissions Attributed to Boosting and Gathering Segment	77.30%
<b>Flaring</b>	
Percentage of Gas Flared per Mcf of Gas Produced Gross Annual Volume of Flared Gas (Mcf)/Gross Annual Gas Production (Mcf)	0.65%
Volume of Gas Flared per Bbl of Oil Equivalent Produced Gross Annual Volume of Flared Gas (Mcf)/Gross Annual Production (Boe)	0.02
<b>Spills</b>	
Spill Intensity Produced Liquids Spilled (Bbl)/Total Produced Liquids (Mbbbl)	0.101
<b>Water Use</b>	
Fresh Water Intensity Fresh Water Consumed (Bbl)/Gross Annual Production (Boe)	0.066
Does your company use WRI Aqeduct, GEMI, Water Risk Filter, Water Risk Monetizer or other comparable tool or methodology to determine the water-stressed areas in your portfolio?	Yes
<b>Safety</b>	
Employee TRIR # of Employee OSHA Recordable Cases x 200,000/Annual Employee Workhours	0.00
Contractor TRIR # of Contractor OSHA Recordable Cases x 200,000/Annual Contractor Workhours	0.80
Combined TRIR # of Combined OSHA Recordable Cases x 200,000/Annual Combined Workhours	0.63

\* These metrics represent U.S. operations only, as prescribed and agreed upon by AXPC members.

# Awards and Recognitions

We are proud to be recognized by third parties for our sustainability efforts. As illustrated by the list below, recent awards acknowledge our responsible operations, transparency in political disclosures, progress expanding our business diversity, and accountability and commitment to being an employer of choice, among other achievements.



**The Institute for Supply Management (ISM)**  
2023 Diversity Champion Trailblazer Award



**Trendsetter in Political Disclosure and Accountability**  
CPA-Zicklin Index of Corporate Political Disclosure and Accountability (2017-2023)



**The Best Place for Working Parents® 2023 Businesses**  
Best Place for Working Parents®



**2023 Industrial Reuse Champion**  
WaterReuse



**World's Most Admired Companies**  
FORTUNE



**2023 Fortune 500**  
FORTUNE

# Reporting Standards and Frameworks

APA has prepared this report in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards, including the updated GRI 1: Foundation 2021, GRI 2: General Disclosures 2021 and GRI 3: Material Topics 2021, for the reporting period of January 1, 2023 to December 31, 2023. We also include indicators from Ipieca's Sustainability Reporting Guidance for the Oil and Gas Industry, the Sustainability Accounting Standards Board's Oil and Gas Exploration and Production Sustainability Accounting Standard, recommendations of the Task Force on Climate-related Financial Disclosures and the U.N. Sustainable Development Goals.

Disc. #	Disclosure Title	Location in Report/Response/Omission
<b>GRI 2: General Disclosures 2021</b>		
2-1	Organizational details	Introduction — About APA Corporation, <a href="#">p. 5</a> Introduction — Our Operations, <a href="#">pp. 8-9</a> <a href="#">2023 Form 10-K</a> , p. 1 APA is headquartered in Houston, Texas.
2-2	Entities included in the organization's sustainability reporting	<a href="#">2023 Form 10-K</a> , pp. 1-13
2-3	Reporting period, frequency and contact point	<b>Reporting period:</b> Data included in this report cover the 2023 calendar year unless otherwise noted. <b>Frequency:</b> Annual <b>Contact:</b> Rajesh Sharma, Corporate Secretary, APA Corporation, 2000 W. Sam Houston Pkwy S., Suite 200, Houston, TX 77042
2-4	Restatements of information	Information about any restatements is provided in the footnotes to the relevant data.
2-5	External assurance	Introduction — About This Report, <a href="#">pp. 10-11</a>
2-6	Activities, value chain and other business relationships	Introduction — About APA Corporation, <a href="#">p. 5</a> Introduction — Our Operations, <a href="#">pp. 8-9</a> Community — Local Economic Impact, <a href="#">p. 106</a> <a href="#">2023 Form 10-K</a> , pp. 1-12, 35-37, F-19-F-20
2-7	Employees	Our People — Workforce Demographics, <a href="#">pp. 72-73</a> Key Performance Data — Our People, <a href="#">p. 130</a>
2-8	Workers who are not employees	Health and Safety — Contractor Safety Management, <a href="#">pp. 90-91</a> Key Performance Data — Health and Safety, <a href="#">p. 129</a> Key Performance Data — Our People, <a href="#">p. 130</a> Embedded contractors — Embedded Contractors are members of contractor organizations that were selected by Apache and who are subject to Apache's competency requirements. These personnel are supervised by Apache employees, and most work primarily on Apache sites. The number of embedded contractors by operating area include: Egypt: 63 Suriname: 2 U.K.: 48 U.S.: 264
2-9	Governance structure and composition	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Governance — Governance, <a href="#">pp. 115-123</a> Appendix — Board Matrix, <a href="#">pp. 142-143</a> <a href="#">2024 Proxy Statement</a> , pp. 3-10 <a href="#">Corporate Governance Principles</a>
2-10	Nomination and selection of the highest governance body	<a href="#">2024 Proxy Statement</a> , pp. 7-9 <a href="#">Corporate Governance Principles</a> Corporate Responsibility, Governance, and Nominating Committee Charter
2-11	Chair of the highest governance body	Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> <a href="#">2024 Proxy Statement</a> , pp. i-ii, 3, 7, 13, 17 <a href="#">Corporate Governance Principles</a>

## GRI Content Index (Continued)

Disc. #	Disclosure Title	Location in Report/Response/Omission
2-12	Role of the highest governance body in overseeing the management of impacts	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Health and Safety — Crisis Preparedness and Emergency Management, <a href="#">p. 92</a> Community — Our Approach to Social Investment and Community Engagement, <a href="#">pp. 94-95</a> Community — Understanding and Addressing Stakeholder Concerns, <a href="#">pp. 108-110</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a> Governance — Engagement, <a href="#">pp. 124-125</a> <a href="#">2024 Proxy Statement</a> , pp. 5-7 <a href="#">Code of Business Conduct and Ethics</a> <a href="#">Corporate Governance Principles</a> <a href="#">Corporate Responsibility, Governance, and Nominating Committee Charter</a> <a href="#">Cybersecurity Committee Charter</a>
2-13	Delegation of responsibility for managing impacts	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a> <a href="#">Corporate Responsibility, Governance, and Nominating Committee Charter</a>  Sustainability issues, including health, safety, security, environment, community affairs and human resources, are overseen by the vice president of Environment, Health and Safety, executive vice president of Administration and senior vice president of Corporate Affairs and Marketing.
2-14	Role of the highest governance body in sustainability reporting	Governance — Internal Audit, <a href="#">p. 118</a> <a href="#">Corporate Responsibility, Governance, and Nominating Committee Charter</a>  The Board of Directors' CRG&N Committee oversees discussion of the most important sustainability topics covered in this report. The report is reviewed and approved by this committee, select members of our executive team, as well as our Internal Audit function ( <a href="#">described on p. 118</a> ).
2-15	Conflicts of interest	<a href="#">2024 Proxy Statement</a> , pp. 5, 45 <a href="#">Code of Business Conduct and Ethics</a>
2-16	Communication of critical concerns	Governance — Compliance and Ethics, <a href="#">pp. 120-121</a> <a href="#">2024 Proxy Statement</a> , p. 12 <a href="#">Code of Business Conduct and Ethics</a>
2-17	Collective knowledge of the highest governance body	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Appendix — Board Matrix, <a href="#">pp. 142-143</a> <a href="#">Corporate Governance Principles</a>
2-18	Evaluation of the performance of the highest governance body	<a href="#">Corporate Governance Principles</a>
2-19	Remuneration policies	<a href="#">2024 Proxy Statement</a> , pp. 21-47
2-20	Process to determine remuneration	<a href="#">2024 Proxy Statement</a> , pp. 21-47
2-21	Annual total compensation ratio	<a href="#">2024 Proxy Statement</a> , p. 41
2-22	Statement on sustainable development strategy	Introduction — Letter From the CEO, <a href="#">pp. 12-13</a>
2-23	Policy commitments	Introduction, <a href="#">pp. 4-22</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Health and Safety — Our Safety Philosophy, <a href="#">pp. 80-81</a> Governance — Compliance and Ethics, <a href="#">pp. 120-121</a> <a href="#">Code of Business Conduct and Ethics</a> <a href="#">FCPA and Anti-Corruption Compliance Guide</a>

## GRI Content Index (Continued)

Disc. #	Disclosure Title	Location in Report/Response/Omission
2-24	Embedding policy commitments	Introduction, <a href="#">pp. 11-22</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Health and Safety — Our Safety Philosophy, <a href="#">pp. 80-81</a> Governance — Compliance and Ethics, <a href="#">pp. 120-121</a> <a href="#">Code of Business Conduct and Ethics</a> <a href="#">FCPA and Anti-Corruption Compliance Guide</a>
2-25	Processes to remediate negative impacts	Community — Addressing Community Concerns, <a href="#">p. 110</a> Community — Respecting Indigenous Peoples, <a href="#">p. 112</a> Governance — Compliance and Ethics, <a href="#">pp. 120-121</a>
2-26	Mechanisms for seeking advice and raising concerns	Governance — Compliance and Ethics, <a href="#">pp. 120-121</a> <a href="#">Code of Business Conduct and Ethics</a>
2-27	Compliance with laws and regulations	<a href="#">2023 Form 10-K</a> , pp. 18, 27, 30, 59, F-36-F-40  We report all material legal matters and fines in our annual Form 10-K.
2-28	Membership associations	ESG Overview — ESG Engagement, <a href="#">p. 26</a> Environment — Reducing Methane Emissions Through Industrywide Initiatives, <a href="#">p. 37</a> Governance — Trade Associations, <a href="#">p. 123</a>
2-29	Approach to stakeholder engagement	ESG Overview — ESG Engagement, <a href="#">p. 26</a> Community — Understanding and Addressing Stakeholder Concerns, <a href="#">pp. 108-110</a> Governance — Engagement, <a href="#">pp. 124-125</a>
2-30	Collective bargaining agreements	We did not have any employees covered under collective bargaining agreements during the reporting period.
<b>GRI 3: Material Topics 2021</b>		
3-1	Process to determine material topics	Introduction — Identifying Our Most Important Issues, <a href="#">pp. 10-11</a>  We determined the content for this report based on the issues we understand to be most important to our company and our stakeholders. We conducted an analysis of our most important issues following the materiality guidance in GRI Standard 101: Foundation, 2016. We also followed GRI's principles for stakeholder inclusiveness, understanding sustainability context and completeness.
3-2	List of material topics	Material topics: Indirect Economic Impacts, Procurement Practices, Energy, Water and Effluents, Emissions, Environmental Compliance, Occupational Health and Safety, Local Communities and Public Policy.  There have been no significant changes to the list of material topics from previous reporting periods.
<b>TOPICAL STANDARDS</b>		
<b>GRI 201: Economic Performance 2016</b>		
201-1	Direct economic value generated and distributed	Introduction — Our Operations, <a href="#">pp. 8-9</a> Key Performance Data — Financial and Production Highlights, <a href="#">p. 131</a> <a href="#">2023 Form 10-K</a> , pp. F-6, F-52-F-54
201-2	Financial implications and other risks and opportunities due to climate change	Introduction — About This Report, <a href="#">pp. 10-11</a> ESG Overview — Climate Scenario Analysis, <a href="#">p. 32</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a> <a href="#">2023 Form 10-K</a> , pp. 24, 26-27, F-36
201-3	Defined benefit plan obligations and other retirement plans	<a href="#">2023 Form 10-K</a> , pp. 50, 53, F-7, F-42-F-45, F-51

## GRI Content Index (Continued)

Disc. #	Disclosure Title	Location in Report/Response/Omission
<b>GRI 203: Indirect Economic Impacts 2016</b>		
3-3	Management of material topics	Introduction — The Energy We Produce Helps Fuel Human Progress, <a href="#">pp. 14-22</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Community — Our Approach to Social Investment and Community Engagement, <a href="#">pp. 94-105</a> Community — Local Economic Impact, <a href="#">pp. 106-107</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a>
203-1	Infrastructure investments and services supported	Introduction — The Energy We Produce Helps Fuel Human Progress, <a href="#">pp. 14-22</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Community — Our Approach to Social Investment and Community Engagement, <a href="#">pp. 94-105</a> Community — Local Economic Impact, <a href="#">pp. 106-107</a>
203-2	Significant indirect economic impacts	Introduction — The Energy We Produce Helps Fuel Human Progress, <a href="#">pp. 14-22</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Community — Our Approach to Social Investment and Community Engagement, <a href="#">pp. 94-105</a> Community — Local Economic Impact, <a href="#">pp. 106-107</a>
<b>GRI 204: Procurement Practices 2016</b>		
3-3	Management of material topics	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Health and Safety — Contractor Safety Management, <a href="#">pp. 90-91</a> Community — Local Economic Impact, <a href="#">pp. 106-107</a> Community — Human Rights, <a href="#">pp. 111-112</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a>
204-1	Proportion of spending on local suppliers	Community — Local Economic Impact, <a href="#">pp. 106-107</a> Key Performance Data — Economic Contributions, <a href="#">p. 130</a>
<b>GRI 205: Anti-corruption 2016</b>		
205-2	Communication and training about anti-corruption policies and procedures	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Governance — Governance, <a href="#">pp. 115-123</a> <a href="#">Code of Business Conduct and Ethics</a> <a href="#">FCPA and Anti-Corruption Compliance Guide</a> <a href="#">Supplier Code of Conduct</a>
<b>GRI 302: Energy 2016</b>		
3-3	Management of material topics	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> ESG Overview — Our Sustainability Approach, <a href="#">pp. 28-29</a> Environment — Air, <a href="#">pp. 34-39</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a>
302-1	Energy consumption within the organization	Key Performance Data — Global Energy Use, <a href="#">p. 128</a>
302-2	Energy consumption outside of the organization	Omitted: 302-2 Reason: Information unavailable/incomplete  Explanation: Because there is currently no international guideline for the determination of energy consumption in Scope 3, we do not currently disclose the information required.
302-3	Energy intensity	Omitted: 302-3 Reason: Information unavailable/incomplete  Explanation: We do not currently disclose the information required. We are working to improve our reporting on energy consumption within and outside the organization.
302-4	Reduction of energy consumption	Omitted: 302-4 Reason: Information unavailable/incomplete Explanation: We do not currently disclose the information required. We are working to improve our reporting on energy consumption within and outside the organization.

## GRI Content Index (Continued)

Disc. #	Disclosure Title	Location in Report/Response/Omission
302-5	Reductions in energy requirements of products and services	Omitted: 302-5 Reason: Not applicable Explanation: We do not offer products whose energy requirements can be reduced.
<b>GRI 303: Water and Effluents 2018</b>		
3-3	Management of material topics	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Environment — Water, <a href="#">pp. 40-47</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a>
303-1	Interactions with water as a shared resource	Environment — Water, <a href="#">pp. 40-47</a>
303-2	Management of water discharge-related impacts	Environment — Water — Safeguarding Water Quality, <a href="#">pp. 44-45</a>
303-3	Water withdrawal	Key Performance Data — Global Water Use by Source, Global Water Metrics, U.S. Hydraulic Fracturing Water Use, <a href="#">pp. 128, 132</a>  Omitted: 303-3 (b, c) Reason: Not applicable Explanation: For the purposes of our reporting, fresh water withdrawn is considered equal to fresh water use, as none of the fresh water withdrawn is returned to a freshwater source by APA or a third party (as defined by Ipieca in Sustainability reporting guidance for the oil and gas industry, 2020).
303-4	Water discharge	Omitted: 303-4 Reason: Not applicable Explanation: Produced water is our primary source of potential wastewater. We recycle and reuse this water back into operations or dispose of it in approved and audited disposal wells.
303-5	Water consumption	Key Performance Data — Global Water Use by Source, Global Water Metrics, U.S. Hydraulic Fracturing Water Use, <a href="#">pp. 128, 132</a>
<b>GRI 306: Effluents and Waste 2016</b>		
306-3	Significant spills	Environment — Spill Prevention, <a href="#">pp. 46-47</a> Environment — Offshore Spill Preparedness, <a href="#">p. 47</a> Key Performance Data — Spills, <a href="#">p. 128</a>
<b>GRI 304: Biodiversity 2016</b>		
304-2	Significant impacts of activities, products and services on biodiversity	Environment — Biodiversity and Environmental Stewardship, <a href="#">pp. 48-55</a> Environment — In It for the Long Run: Safely Decommissioning Gulf of Mexico Assets, <a href="#">p. 53</a>
304-3	Habitats protected or restored	Environment — Biodiversity and Environmental Stewardship, <a href="#">pp. 48-55</a> Environment — In It for the Long Run: Safely Decommissioning Gulf of Mexico Assets, <a href="#">p. 53</a> Community — Environmental Stewardship, <a href="#">pp. 99-102</a>
<b>GRI 305: Emissions 2016</b>		
3-3	Management of material topics	Introduction — About This Report, <a href="#">pp. 10-11</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Environment — Air, <a href="#">pp. 34-39</a> Environment — Greenhouse Gas Emissions Performance and Goals, <a href="#">pp. 38-39</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a>
305-1	Direct (Scope 1) GHG emissions	Key Performance Data — Global Greenhouse Gas Emissions, <a href="#">p. 128</a>
305-2	Energy indirect (Scope 2) GHG emissions	Key Performance Data — Global Greenhouse Gas Emissions, <a href="#">p. 128</a>
305-3	Other indirect (Scope 3) GHG emissions	Omitted: 305-3 Reason: Information unavailable/incomplete Explanation: Because there is currently no international guideline for the determination of energy consumption in Scope 3, we do not currently disclose the information required.
305-4	GHG emissions intensity	Key Performance Data — Global Emissions Intensities, <a href="#">p. 128</a> Environment — Greenhouse Gas Emissions Performance and Goals, <a href="#">pp. 38-39</a>
305-5	Reduction of GHG emissions	Environment — Greenhouse Gas Emissions Performance and Goals, <a href="#">pp. 38-39</a> Key Performance Data — Global Greenhouse Gas Emissions, <a href="#">p. 128</a>

## GRI Content Index (Continued)

Disc. #	Disclosure Title	Location in Report/Response/Omission
305-6	Emissions of ozone-depleting substances (ODS)	Omitted: 305-6 Reason: Not material Explanation: Not material
305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	Omitted: 305-7 Reason: Information unavailable/incomplete Explanation: We do not yet have a process in place to disclose this data.
<b>GRI 306: Waste 2020</b>		
3-3	Management of material topics	Introduction — About This Report, <a href="#">pp. 10-11</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Environment — Environmental and Waste Management, <a href="#">p. 56</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a>
306-1	Waste generation and significant waste-related impacts	Environment — Environmental and Waste Management, <a href="#">p. 56</a>
306-2	Management of significant waste-related impacts	Environment — Environmental and Waste Management, <a href="#">p. 56</a>
<b>GRI 308: Supplier Environmental Assessment 2016</b>		
308-1	New suppliers that were screened using environmental criteria	Health and Safety — Contractor Safety Management, <a href="#">pp. 90-91</a> Community — Supplier Diversity, <a href="#">p. 107</a> All field-based contractors are screened on environmental criteria. <a href="#">Supplier Code of Conduct</a>
<b>GRI 403: Occupational Health and Safety 2018</b>		
3-3	Management of material topics	Introduction — About This Report, <a href="#">pp. 10-11</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Health and Safety — Our Safety Philosophy, <a href="#">pp. 80-81</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a>
403-1	Occupational health and safety management system	Health and Safety, <a href="#">pp. 78-92</a>
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety, <a href="#">pp. 78-92</a>
403-3	Occupational health services	Health and Safety, <a href="#">pp. 78-92</a>
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety, <a href="#">pp. 78-92</a>
403-5	Worker training on occupational health and safety	Health and Safety — Health and safety training and education, <a href="#">p. 88</a>
403-6	Promotion of worker health	Our People — Employee Benefits and Development, <a href="#">pp. 62-64</a>
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety — Contractor Safety Management, <a href="#">pp. 90-91</a>
403-8	Workers covered by an occupational health and safety management system	All our workers are covered by an occupational health and safety management system.
403-9	Work-related injuries	Key Performance Data — Health and Safety, <a href="#">p. 129</a>
403-10	Work-related ill health	Omitted: 403-10 Reason: Information unavailable/incomplete Explanation: We do not yet have a process in place to disclose this data.
11.8.3	Report the total number of Tier 1 and Tier 2 process safety events, and a breakdown of this total by business activity (e.g., exploration, development, production, closure and rehabilitation, refining, processing, transportation, storage).	Process safety events for APA's U.K. offshore production only: <b>2023</b> Tier 1 = 0 Tier 2 = 0 <b>2022</b> Tier 1 = 0 Tier 2 = 3 <b>2021</b> Tier 1 = 0 Tier 2 = 4
11.8.4	Disclosures for organizations with oil sands mining operations	Omitted: 11.8.4 Reason: Not applicable Explanation: We do not have oil sands mining operations.

## GRI Content Index (Continued)

Disc. #	Disclosure Title	Location in Report/Response/Omission
<b>GRI 404: Training and Education 2016</b>		
404-1	Average hours of training per year per employee	Our People — Employee Benefits and Development, <a href="#">pp. 62-64</a> Health and Safety — Health and safety training and education, <a href="#">p. 88</a>
404-2	Programs for upgrading employee skills and transition assistance programs	Our People — Employee Benefits and Development, <a href="#">pp. 62-64</a>
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
405-1	Diversity of governance bodies and employees	Our People — Workforce Demographics, <a href="#">pp. 72-73</a> Governance — Governance, <a href="#">pp. 115-123</a> Key Performance Data — Our People, Global Gender Mix, Global Age Breakdown, U.S. Ethnicity Mix, U.S. Ethnicity Mix of Leadership, <a href="#">p. 130</a> Appendix — Board Matrix, <a href="#">pp. 142-143</a> Appendix — 2023 EEO-1 Consolidated Report, <a href="#">p. 133</a>
<b>GRI 413: Local Communities 2016</b>		
3-3	Management of material topics	Introduction — About This Report, <a href="#">pp. 10-11</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Community — Our Approach to Social Investment and Community Engagement, <a href="#">pp. 94-105</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a>
413-1	Operations with local community engagement, impact assessments, and development programs	Community — Our Approach to Social Investment and Community Engagement, <a href="#">pp. 94-105</a> Community — Local Economic Impact, <a href="#">pp. 106-107</a> Community — Understanding and Addressing Stakeholder Concerns, <a href="#">pp. 108-110</a>
413-2	Operations with significant actual and potential negative impacts on local communities	Community — Our Approach to Social Investment and Community Engagement, <a href="#">pp. 94-105</a> Community — Understanding and Addressing Stakeholder Concerns, <a href="#">pp. 108-110</a>
11.15.4	Report the number and type of grievances from local communities identified, including: — percentage of the grievances that were addressed and resolved; — percentage of the grievances that were resolved through remediation."	Introduction — Our Operations, <a href="#">pp. 8-9</a> Community — Addressing Community Concerns, <a href="#">p. 110</a>
11.16.2	List the locations of operations that caused or contributed to involuntary resettlement or where such resettlement is ongoing. For each location, describe how peoples' livelihoods and human rights were affected and restored.	We are unaware of any instances of involuntary resettlement during the reporting period.
<b>GRI 414: Supplier Social Assessment 2016</b>		
414-1	New suppliers that were screened using social criteria	All field-based contractors are screened on health, safety and environmental criteria.
<b>GRI 415: Public Policy 2016</b>		
3-3	Management of material topics	Introduction — About This Report, <a href="#">pp. 10-11</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a> Governance — Public Policy and Political Disclosures, <a href="#">pp. 122-123</a> <a href="#">Political Contributions and Lobbying Expenditures Policy</a>
415-1	Political contributions	Governance — Public Policy and Political Disclosures, <a href="#">pp. 122-123</a> <a href="#">2023 Political Contributions and Expenditures Disclosures</a>
11.2.4	Describe the organization's approach to public policy development and lobbying on climate change.	Governance — Public Policy and Political Disclosures, <a href="#">pp. 122-123</a> Omitted: 11.2.4 Reason: Information unavailable/incomplete Explanation: We do not currently disclose the information required.

## Ipieca-API-IOGP Sustainability reporting guidance for the oil and gas industry (4th Edition 2020)

Disc. #	Disclosure Title	Location in Report/Response/Omission
<b>GOVERNANCE AND BUSINESS ETHICS</b>		
GOV-1	Governance approach	Governance, <a href="#">pp. 113-126</a>
GOV-2	Management systems	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> ESG Overview — Our Sustainability Approach, <a href="#">pp. 28-29</a> Governance, <a href="#">pp. 113-126</a>
GOV-3	Preventing corruption	Governance — Governance, <a href="#">pp. 115-123</a> <a href="#">Code of Business Conduct and Ethics</a>
GOV-4	Transparency of payments to host governments	
GOV-5	Public advocacy and lobbying	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> Governance — Public Policy and Political Disclosures, <a href="#">pp. 122-123</a> <a href="#">Political Contributions and Lobbying Expenditures Policy</a>
<b>CLIMATE CHANGE AND ENERGY</b>		
CCE-1	Climate governance and strategy	Introduction — About This Report, <a href="#">pp. 10-11</a> ESG Overview — Climate Scenario Analysis, <a href="#">p. 32</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
CCE-2	Climate risk and opportunities	Introduction — About This Report, <a href="#">pp. 10-11</a> ESG Overview — Climate Scenario Analysis, <a href="#">p. 32</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
CCE-3	Lower-carbon technology	Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
CCE-4	Greenhouse gas (GHG) emissions	Environment — Air, <a href="#">pp. 34-39</a> Key Performance Data — Global Greenhouse Gas Emissions, Global Emissions Intensities, <a href="#">p. 128</a> Appendix — AXP ESG Metrics Template, <a href="#">p. 145</a> <a href="#">2024 Sustainability Report Quick Summary</a>
CCE-5	Methane emissions	Environment — Reducing Methane Emissions Through Industrywide Initiatives, <a href="#">p. 37</a> Environment — Greenhouse Gas Emissions Performance and Goals, <a href="#">pp. 38-39</a> Key Performance Data — Global Greenhouse Gas Emissions, Global Emissions Intensities, <a href="#">p. 128</a>
CCE-6	Energy use	Environment — Reducing GHG Emissions, <a href="#">pp. 36-37</a> Key Performance Data — Global Energy Use, <a href="#">p. 128</a> <a href="#">2024 Sustainability Report Quick Summary</a>
CCE-7	Flared gas	Appendix — AXP ESG Metrics Template, <a href="#">p. 145</a>

## Ipieca-API-IOGP Sustainability reporting guidance for the oil and gas industry (4th Edition 2020) (Continued)

Disc. #	Disclosure Title	Location in Report/Response/Omission
<b>ENVIRONMENT</b>		
ENV-1	Freshwater	Environment — Safeguarding Water Quality, <a href="#">pp. 44-45</a> Key Performance Data — Global Water Use by Source, Global Water Metrics, U.S. Hydraulic Fracturing Water Use, <a href="#">pp. 128, 132</a> <a href="#">2024 Sustainability Report Quick Summary</a>
ENV-2	Discharges to water	Environment — Spill Prevention, <a href="#">pp. 46-47</a> Environment — Offshore Spill Preparedness, <a href="#">p. 47</a> Key Performance Data — Spills, <a href="#">p. 128</a>
ENV-3	Biodiversity Policy and Strategy	Environment — Biodiversity and Environmental Stewardship, <a href="#">pp. 48-56</a>
ENV-4	Protected and priority areas for biodiversity conservation	Environment — Biodiversity and Environmental Stewardship, <a href="#">pp. 48-56</a> <a href="#">2024 Sustainability Report Quick Summary</a>
ENV-5	Emissions to air	Environment — Air, <a href="#">pp. 34-39</a>
ENV-6	Spills to the environment	Environment — Spill Prevention, <a href="#">pp. 46-47</a> Environment — Offshore Spill Preparedness, <a href="#">p. 47</a> Key Performance Data — Spills, <a href="#">p. 128</a>
ENV-7	Materials management	
ENV-8	Decommissioning	
<b>SAFETY, HEALTH AND SECURITY</b>		
SHS-1	Safety, health and security engagement	Health and Safety — Our Safety Philosophy, <a href="#">pp. 80-81</a> Key Performance Data — Health and Safety, <a href="#">p. 129</a> <a href="#">2024 Sustainability Report Quick Summary</a>
SHS-2	Workforce and community health	Community — Our Approach to Social Investment and Community Engagement, <a href="#">pp. 94-105</a>
SHS-3	Occupational injury and illness incidents	Health and Safety — Our Safety Philosophy, <a href="#">pp. 80-81</a> Key Performance Data — Health and Safety, <a href="#">p. 129</a> <a href="#">2024 Sustainability Report Quick Summary</a>
SHS-4	Transport safety	
SHS-5	Product stewardship	
SHS-6	Process safety	Health and Safety, <a href="#">pp. 79-92</a>
SHS-7	Security risk management	

## Ipieca-API-IOGP Sustainability reporting guidance for the oil and gas industry (4th Edition 2020) (Continued)

Disc. #	Disclosure Title	Location in Report/Response/Omission
<b>SOCIAL</b>		
SOC-1	Human rights due diligence	Community — Human Rights, <a href="#">pp. 111-112</a> Governance — Governance, <a href="#">pp. 115-123</a> <a href="#">Human Rights Principles</a> <a href="#">Monitoring of Human Rights Principles</a> <a href="#">Supplier Code of Conduct</a>
SOC-2	Suppliers and human rights	Community — Human Rights, <a href="#">pp. 111-112</a> Governance — Governance, <a href="#">pp. 115-123</a> <a href="#">Human Rights Principles</a> <a href="#">Monitoring of Human Rights Principles</a> <a href="#">Supplier Code of Conduct</a> <a href="#">Supplier Diversity</a>
SOC-3	Human rights and security	
SOC-4	Site-based labour practices and worker accommodation	
SOC-5	Workforce diversity and inclusion	Our People — Diversity and Inclusion, <a href="#">pp. 67-70</a>
SOC-6	Workforce engagement	Our People — Employee Engagement, <a href="#">pp. 74-78</a>
SOC-7	Workforce training and development	Our People — Employee Benefits and Development, <a href="#">pp. 62-64</a>
SOC-8	Workforce non-retaliation and grievance systems	Governance — Governance, <a href="#">pp. 115-123</a> <a href="#">Code of Business Conduct and Ethics</a>
SOC-9	Local community impacts and engagement	Community, <a href="#">pp. 93-112</a>
SOC-10	Engagement with indigenous peoples	Community — Respecting Indigenous Peoples, <a href="#">p. 112</a> <a href="#">Human Rights Principles</a> <a href="#">Indigenous Peoples Principles</a>
SOC-11	Land acquisition and involuntary resettlement	
SOC-12	Community grievance mechanisms	Community — Understanding and Addressing Stakeholder Concerns, <a href="#">pp. 108-110</a> Governance — Governance, <a href="#">pp. 115-123</a> <a href="#">Code of Business Conduct and Ethics</a>
SOC-13	Social investment	Community — Our Approach to Social Investment and Community Engagement, <a href="#">pp. 94-105</a> Community — Local Economic Impact, <a href="#">pp. 106-107</a> Community — Supplier diversity, <a href="#">p. 107</a> Key Performance Data — Economic Contributions, Social Investment, <a href="#">p. 130</a>
SOC-14	Local procurement and supplier development	Health and Safety — Contractor Safety Management, <a href="#">pp. 90-91</a> Community — Local Economic Impact, <a href="#">pp. 106-107</a> Community — Supplier Diversity, <a href="#">p. 107</a> Key Performance Data — Economic Contributions, Social Investment, <a href="#">p. 130</a> <a href="#">Supplier Code of Conduct</a> <a href="#">Supplier Diversity</a>
SOC-15	Local hiring practices	Our People — Hiring locally, <a href="#">p. 61</a> Key Performance Data — Economic Contributions, Social Investment, <a href="#">p. 130</a>

## Sustainability Accounting Standards Board’s Oil and Gas Exploration and Production Sustainability Accounting Standard (Version 2023-12)

Disc. #	Disclosure Title	Location in Report/Response/Omission
<b>ACTIVITY METRICS</b>		
EM-EP-000.A	Wellhead production	<a href="#">2023 Form 10-K</a> , pp. 3-8
EM-EP-000.B	Number of offshore sites	<a href="#">2023 Form 10-K</a> , pp. 3-8
EM-EP-000.C	Number of terrestrial sites	<a href="#">2023 Form 10-K</a> , pp. 3-8
<b>GREENHOUSE GAS EMISSIONS</b>		
EM-EP-110a.1	Gross global Scope 1 emissions	Environment — Greenhouse Gas Emissions Performance and Goals, <a href="#">pp. 38-39</a> Key Performance Data — Global Greenhouse Gas Emissions, <a href="#">p. 128</a> <a href="#">2024 Sustainability Report Quick Summary</a>
EM-EP-110a.2	Gross global Scope 1 emissions by source	Environment — Greenhouse Gas Emissions Performance and Goals, <a href="#">pp. 38-39</a> Key Performance Data — Global Greenhouse Gas Emissions, <a href="#">p. 128</a> <a href="#">2024 Sustainability Report Quick Summary</a>
EM-EP-110a.3	Emissions reduction plans, targets and performance	Introduction — Letter From the CEO, <a href="#">pp. 12-13</a> ESG Overview — ESG Goals, <a href="#">p. 30</a> Environment — Greenhouse Gas Emissions Performance and Goals, <a href="#">pp. 38-39</a> Key Performance Data — Global Greenhouse Gas Emissions, <a href="#">p. 128</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a> <a href="#">2024 Sustainability Report Quick Summary</a>
<b>WATER MANAGEMENT</b>		
EM-EP-140a.1	Freshwater withdrawal and consumption, including in regions of high baseline water stress	Environment — Safeguarding Water Quality, <a href="#">pp. 44-45</a> Key Performance Data — Global Water Use by Source, Global Water Metrics, U.S. Hydraulic Fracturing Water Use, <a href="#">pp. 128, 132</a> <a href="#">2024 Sustainability Report Quick Summary</a>
EM-EP-140a.2	Volume of produced water and flowback generated, discharged, injected, recycled	Environment — Safeguarding Water Quality, <a href="#">pp. 44-45</a> Key Performance Data — Global Water Use by Source, Global Water Metrics, U.S. Hydraulic Fracturing Water Use, <a href="#">pp. 128, 132</a> <a href="#">2024 Sustainability Report Quick Summary</a>
EM-EP-140a.3	Percentage of wells with disclosure of fracturing chemicals	Environment — Disclosing Hydraulic Fracturing Fluid Chemicals, <a href="#">pp. 45-46</a>
<b>BIODIVERSITY IMPACTS</b>		
EM-EP-160a.1	Environmental management practices for active sites	ESG Overview — ESG Goals, <a href="#">p. 30</a> Environment — Biodiversity and Environmental Stewardship, <a href="#">pp. 48-55</a> <a href="#">2024 Sustainability Report Quick Summary</a>
EM-EP-160a.2	Number and aggregate volume of hydrocarbon spills	Environment — Spill Prevention, <a href="#">pp. 46-47</a> Environment — Offshore Spill Preparedness, <a href="#">p. 47</a> Key Performance Data — Spills, <a href="#">p. 128</a>
<b>SECURITY, HUMAN RIGHTS OF INDIGENOUS PEOPLES</b>		
EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Community — Human Rights, <a href="#">pp. 111-112</a> Governance — Governance, <a href="#">pp. 24-27</a> <a href="#">Indigenous Peoples Principles</a> <a href="#">Human Rights Principles</a> <a href="#">Supplier Code of Conduct</a>

## Sustainability Accounting Standards Board’s Oil and Gas Exploration and Production Sustainability Accounting Standard (Version 2023-12) (Continued)













Disc. #	Disclosure Title	Location in Report/Response/Omission
<b>COMMUNITY RELATIONS</b>		
EM-EP-210b.1	Process to manage risks and opportunities associated with community rights and interests	Community, <a href="#">pp. 93-112</a>
<b>WORKFORCE HEALTH AND SAFETY</b>		
EM-EP-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	Key Performance Data — Health and Safety, <a href="#">p. 129</a>
EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> ESG Overview — Our Sustainability Approach, <a href="#">pp. 28-29</a> ESG Overview — ESG Goals, <a href="#">p. 30</a> Health and Safety, <a href="#">pp. 78-92</a>
<b>RESERVES VALUATION &amp; CAPITAL EXPENDITURES</b>		
EM-EP-420a.1	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
EM-EP-420a.4	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
<b>BUSINESS ETHICS &amp; PAYMENTS TRANSPARENCY</b>		
EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International’s Corruption Perception Index	We do not have any proved or probable reserves in countries that have the 20 lowest rankings in Transparency International’s Corruption Perception Index.
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Governance — Combating Corruption, <a href="#">p. 122</a> <a href="#">Code of Business Conduct and Ethics</a> <a href="#">FCPA and Anti-Corruption Compliance Guide</a> <a href="#">Supplier Code of Conduct</a>
<b>CRITICAL INCIDENT RISK MANAGEMENT</b>		
EM-EP-540a.1	Tier 1 loss of primary containment events	Key Performance Data — Spills, <a href="#">p. 128</a>
EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Environment — Spill Prevention, <a href="#">pp. 46-47</a>

## Task Force on Climate-related Financial Disclosures (TCFD) Index






Disclosure Title	Location in Report/Response/Omission
<b>GOVERNANCE</b>	
Board’s oversight of climate-related risks and opportunities	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> ESG Overview — Climate Scenario Analysis, <a href="#">p. 32</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
Management’s role in assessing and managing climate-related risks and opportunities	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> ESG Overview — Climate Scenario Analysis, <a href="#">p. 32</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
<b>STRATEGY</b>	
Climate-related risks identified	Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
Impact of climate-related risks and opportunities on strategy	Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
Resilience of strategy under different climate-related scenarios	ESG Overview — Climate Scenario Analysis, <a href="#">p. 32</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
<b>RISK MANAGEMENT</b>	
Organization’s processes for identifying and assessing climate-related risks	ESG Overview — Climate Scenario Analysis, <a href="#">p. 32</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
Organization’s processes for managing climate-related risks	ESG Overview — Climate Scenario Analysis, <a href="#">p. 32</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>
Processes for identifying, assessing and managing climate-related risks in overall risk management processes	ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> ESG Overview — Our Sustainability Approach, <a href="#">pp. 28-29</a> Governance — Corporate Governance and Compensation Practices, <a href="#">p. 114</a> Governance — Governance, <a href="#">pp. 115-123</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a> <a href="#">2023 Form 10-K</a> , pp. ii, 19, 21, 24, 26-27, F-36
<b>METRICS AND TARGETS</b>	
Metrics used to assess climate-related risks and opportunities	Introduction — About This Report, <a href="#">pp. 10-11</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> ESG Overview — Our Sustainability Approach, <a href="#">pp. 28-29</a> Environment — Air, <a href="#">pp. 34-39</a> Key Performance Data — Global Greenhouse Gas Emissions, <a href="#">p. 128</a>
Scope 1 and 2 greenhouse gas emissions	ESG Overview — Our Sustainability Approach, <a href="#">pp. 24-27</a> Environment — Greenhouse Gas Emissions Performance and Goals, <a href="#">pp. 38-39</a> Key Performance Data — Global Greenhouse Gas Emissions, <a href="#">p. 128</a>
Targets used to manage climate-related risks and opportunities and performance	Introduction — About This Report, <a href="#">pp. 10-11</a> Introduction — Letter From the CEO, <a href="#">pp. 12-13</a> ESG Overview — ESG Oversight, <a href="#">pp. 24-27</a> ESG Overview — Our Sustainability Approach, <a href="#">pp. 28-29</a> Environment — Air, <a href="#">pp. 34-39</a> Key Performance Data — Global Greenhouse Gas Emissions, <a href="#">p. 128</a> Appendix — Task Force on Climate-related Financial Disclosures (TCFD) Analysis, <a href="#">pp. 134-141</a>

## U.N. Sustainable Development Goals Index

The table below provides locations in this report that describe how APA's work is helping to drive progress toward all 17 U.N. Sustainable Development Goals.

U.N. Sustainable Development Goal	Location in Report
 <b>Goal 1:</b> End poverty in all its forms everywhere.	Community, <a href="#">pp. 93-112</a>
 <b>Goal 2:</b> End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	Community, <a href="#">pp. 93-112</a>
 <b>Goal 3:</b> Ensure healthy lives and promote well-being for all at all ages.	Health and Safety, <a href="#">pp. 79-92</a> Community, <a href="#">pp. 93-112</a>
 <b>Goal 4:</b> Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Our People, <a href="#">pp. 59-78</a> Community, <a href="#">pp. 93-112</a> Governance, <a href="#">pp. 113-126</a>
 <b>Goal 5:</b> Achieve gender equality and empower all women and girls.	Our People, <a href="#">pp. 59-78</a> Community, <a href="#">pp. 93-112</a>
 <b>Goal 6:</b> Ensure availability and sustainable management of water and sanitation for all.	Environment, <a href="#">pp. 33-58</a> Community, <a href="#">pp. 93-112</a>
 <b>Goal 7:</b> Ensure access to affordable, reliable, sustainable and modern energy for all.	Environment, <a href="#">pp. 33-58</a> Community, <a href="#">pp. 93-112</a> Governance, <a href="#">pp. 113-126</a>
 <b>Goal 8:</b> Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	Our People, <a href="#">pp. 59-78</a> Governance, <a href="#">pp. 113-126</a>
 <b>Goal 9:</b> Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	Community, <a href="#">pp. 93-112</a>
 <b>Goal 10:</b> Reduce inequality within and among countries.	Our People, <a href="#">pp. 59-78</a> Community, <a href="#">pp. 93-112</a>
 <b>Goal 11:</b> Make cities and human settlements inclusive, safe, resilient and sustainable.	Health and Safety, <a href="#">pp. 79-92</a> Community, <a href="#">pp. 93-112</a>
 <b>Goal 12:</b> Ensure sustainable consumption and production patterns.	Environment, <a href="#">pp. 33-58</a> Governance, <a href="#">pp. 113-126</a>

## U.N. Sustainable Development Goals Index (Continued)

U.N. Sustainable Development Goal	Location in Report
 <b>Goal 13:</b> Take urgent action to combat climate change and its impacts.	Environment, <a href="#">pp. 33-58</a> Governance, <a href="#">pp. 113-126</a>
 <b>Goal 14:</b> Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	Environment, <a href="#">pp. 33-58</a>
 <b>Goal 15:</b> Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss.	Environment, <a href="#">pp. 33-58</a> Community, <a href="#">pp. 93-112</a>
 <b>Goal 16:</b> Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	Our People, <a href="#">pp. 59-78</a> Community, <a href="#">pp. 93-112</a> Governance, <a href="#">pp. 113-126</a>
 <b>Goal 17:</b> Strengthen the means of implementation and revitalize the global partnership for sustainable development.	Environment, <a href="#">pp. 33-58</a> Our People, <a href="#">pp. 59-78</a> Community, <a href="#">pp. 93-112</a> Governance, <a href="#">pp. 113-126</a>

# Endnotes

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- <sup>32</sup> These goals were set based on the composition of APA's assets in 2023 and based on the potential reduction opportunities within those assets. Since the acquisition of Callon Petroleum at the beginning of 2024, our emissions footprint and intensities as a corporation have changed and different baseline and project opportunities are available. In 2024 once we have refined our near-term plan, these intensities will be re-evaluated and potentially modified based on the new composition of assets and projects.
- <sup>33</sup> Based on Ipicca's Sustainability Reporting Guidance for the Oil and Gas Industry (2020).
- <sup>34</sup> Sand is the solid material (proppant) used to hold small, hydraulic induced fractures open during and after the fracturing treatment process. The completions fluid is designed to hydraulically induce fractures and then place sand to keep these fractures open to allow production of oil and natural gas.
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# Glossary of Terms

Term	Definition (as used in this Report)
<b>AIM for ZERO</b>	APA's behavior-based safety program.
<b>AIM for ZERO WASTE</b>	A recycling program developed to align our day-to-day office and field behavior in the U.S. and U.K.
<b>Announced Pledges Scenario (APS)</b>	An IEA scenario that assumes that all climate commitments made by governments worldwide, including Nationally Determined Contributions and longer-term net zero targets, as well as targets for access to electricity and clean cooking, will be met in full and on time.
<b>Annualize</b>	To calculate or adjust to reflect a rate based on a full year.
<b>Apache Ambassador Program</b>	An employee training course that covers key energy issues and communications skills to help employees have conversations and answer questions about our industry.
<b>Apache Louisiana Minerals LLC (ALM)</b>	A wholly owned subsidiary of APA.
<b><u>Apache Corporation Tree Grant Program</u></b>	A charitable program that has provided trees to nonprofit charitable partners and government agencies in the U.S. since 2005, for beautification, preservation of natural habitats and reforestation.
<b>Barrel of Oil Equivalent (BOE)</b>	A unit of energy based on the approximate energy released by burning one barrel (42 U.S. gallons) of crude oil.
<b>Carbon Dioxide Equivalent (CO<sub>2</sub>e)</b>	A metric measure used to standardize the climate effect of various greenhouse gases, based on their global-warming potential.
<b>Consumptive use of water</b>	Use of fresh water and nonfresh water from surface or shallow groundwater, including treated municipal wastewater, since the industry's use of water from these sources typically removes these volumes from the normal surface or groundwater cycle.
<b>Corporate Responsibility, Governance, and Nominating (CRG&amp;N) Committee</b>	APA board committee that oversees the nomination of directors, the annual board evaluation process, corporate governance and ESG issues, as well as this Sustainability Report. <a href="#">(See the CRG&amp;N Committee charter for more details.)</a>
<b>CyberSmart</b>	Employee online security awareness and education initiative.
<b>Days Away, Restricted or Transferred (DART) Rate</b>	The rate of injuries sustained by employees, contractors or both leading to missed workdays, restricted work activities or transfers to another job, per 200,000 hours worked.
<b>Embedded Contractors</b>	Members of contractor organizations that were selected by Apache and who are subject to Apache's competency requirements. These personnel are supervised by Apache employees, and most work primarily on Apache sites.
<b>Employee Resource Groups (ERGs)</b>	Voluntary groups of employees that come together based on shared identity, interests or life experiences. ERGs provide support, enhance career development and contribute to personal development in the work environment.
<b>Energy poverty</b>	A lack of access to modern, affordable and reliable energy sources.
<b>Enhanced Oil Recovery (EOR)</b>	A process that involves injecting chemicals, gas or thermal fluids to improve oil recovery.
<b>ESG</b>	Environmental, social and governance
<b>ESG Pillars</b>	Air, Water, Community + People
<b>Foreign Corrupt Practices Act (FCPA)</b>	A 1977 U.S. federal law that prohibits U.S. citizens and entities from bribing foreign government officials to benefit their business interests.
<b>Fresh Water</b>	Water with a total dissolved solids concentration of up to 1,000 milligrams per liter. <sup>21</sup> Uses of water from these sources can include drinking water, potable water and water used for agriculture. The definition can vary in accordance with local statutes and regulations and is defined within this document for reporting purposes.
<b>Future of Work</b>	An APA program whose aim is to better understand our workforce and its needs, to identify a long-term working model and to understand the technology and real estate investments required to support our employees' well-being, engagement and productivity.
<b>GHG Intensity</b>	The ratio that expresses the amount of Scope 1 Emissions as kg CO <sub>2</sub> e per gross operated BOE.
<b>Global Warming Potential (GWP)</b>	The heat absorbed by any greenhouse gas in the atmosphere, as a multiple of the heat that would be absorbed by the same mass of carbon dioxide. Consistent with the <i>Intergovernmental Panel on Climate Change's Fourth Assessment Report</i> , we assign a 100-year GWP to each of these GHG component gases as part of our GHG inventory calculation. These values are 1 for CO <sub>2</sub> , 25 for CH <sub>4</sub> and 298 for N <sub>2</sub> O. The mass of each component gas multiplied by its GWP results in a calculated value of carbon dioxide equivalents (CO <sub>2</sub> e) for that component.
<b>Greenhouse Gas (GHG)</b>	Gases in the Earth's atmosphere that trap heat. Along with CO <sub>2</sub> , GHGs include methane (CH <sub>4</sub> ), nitrous oxide (N <sub>2</sub> O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF <sub>6</sub> ).
<b>Important Bird Area (IBA)</b>	An area identified using an internationally agreed set of criteria as being globally important for conserving bird populations.

# Glossary of Terms (Continued)

Term	Definition (as used in this Report)
<b>Induced Seismicity</b>	Typically, minor earthquakes and tremors caused by human activities that impact the stresses and strains on the Earth's crust. Induced seismicity can be associated with industrial processes including geothermal energy extraction, mining, dam building, construction and hydraulic fracturing.
<b>International Energy Agency (IEA)</b>	An autonomous intergovernmental organization, established in 1974, that provides policy recommendations, analysis and data on the entire global energy sector.
<b>Ipieca</b>	A global not-for-profit oil and gas industry association for environmental and social issues.
<b>Leak Detection and Repair (LDAR)</b>	The process of identifying leaking equipment and repairing it to minimize emissions of methane and other volatile organic compounds.
<b>Lesser Prairie-Chicken (LEPC)</b>	A pale grouse of the southern Great Plains, found only in prairie and agricultural land with shinnery oak and sand sagebrush.
<b>Local Spend (for U.S. Suppliers)</b>	Expenditures with suppliers whose operations are primarily within the state or operating area where the goods or services are provided. <i>Note: Some U.S. operating areas cover multiple states. For example, the Permian consists of Texas and New Mexico. If a supplier provides goods or services in multiple states within the same operating areas, they will still be considered local. If they cover multiple operating areas and states (e.g., Texas, New Mexico and Oklahoma), they are considered nonlocal.</i>
<b>Local Spend (for Egypt, North Sea and New Ventures Suppliers)</b>	Expenditures with suppliers whose operations are primarily within the country or operating area where the goods or services are provided. <i>Note: Some international operational areas cover multiple countries. If a supplier provides goods or services in multiple countries within the same operating area, they will still be considered local.</i>
<b>Lost Time Incident Rate (LTIR)</b>	The rate of injuries sustained by employees, contractors or both leading to loss of productive work in the form of absenteeism or delays, per 200,000 hours worked.
<b>Management Development and Compensation (MD&amp;C) Committee</b>	APA board committee that oversees succession planning, executive compensation, diversity and inclusion, and evaluation and scoring of overall corporate performance metrics. <a href="#">(See the MD&amp;C Committee charter for more details.)</a>
<b>Methane Intensity</b>	The ratio that expresses the amount of methane emitted per gross operated BOE.
<b>Natural Gas Value Chain</b>	Operations in the production, gathering and boosting, transmission and storage, gas processing and distribution segments.
<b>Nonfresh Water</b>	Water that does not meet the definition of fresh water. Sources of nonfresh water include produced water and brackish groundwater.
<b>Non-GHGs</b>	Traditionally regulated air pollutants that include particulate matter (often referred to as particle pollution), ground-level ozone, carbon monoxide (CO), sulfur dioxide (SO <sub>2</sub> ), nitrogen oxides (NO <sub>x</sub> ), lead, volatile organic compounds (VOCs) and nonmethane volatile organic compounds (NMVOCs).
<b>ONE Future Coalition</b>	A group of more than 50 natural gas companies working together to voluntarily reduce methane emissions across the natural gas value chain to 1% (or less) by 2025.
<b>Optical Gas Imaging (OGI) Cameras</b>	Scientific instruments used to locate leaks and emissions, including of methane, that are released into the atmosphere.
<b>Pecos Watershed Conservation Initiative (PWCi)</b>	A collaborative effort of corporate partners, biodiversity experts and regulatory agencies that aims to protect the Pecos River watershed in New Mexico and Texas.
<b>Produced Water</b>	Nonfresh water found in hydrocarbon formations that is brought to the surface during the oil and gas production process.
<b>Protected Species Observer (PSO)</b>	Certified industry professionals who are trained in identifying species of concern and applying their knowledge to protect them during marine construction activities.
<b>Recycled Water</b>	Produced water that has been treated for reuse in subsequent operations, including well completions or secondary recovery.
<b>Reduced-Emission Completions</b>	A process that captures gas produced during well completions and workovers so it can be processed for sale rather than flared.
<b>Routine Flaring</b>	Flaring during normal oil production operations in the absence of sufficient facilities or amenable geology to re-inject the produced gas, utilize it on-site, or dispatch it to a market.
<b>Scope 1 Emissions</b>	GHG emissions that occur from direct releases of GHGs or combustion from sources that are owned or controlled by APA.
<b>Scope 2 Emissions</b>	Indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling.
<b>Scope 3 Emissions</b>	Emissions that result from activities involving assets that are not owned or controlled by APA, but that are indirectly part of our value chain.
<b>Secondary Recovery</b>	A hydrocarbon production process that involves injecting water or gas into producing formations to improve oil and gas recovery.

# Glossary of Terms (Continued)

Term	Definition (as used in this Report)
<b>Severe Incident Rate (SIR)</b>	The rate of incidents resulting in fatal injury, permanent or significant loss or impairment of a body part or organ function, or that otherwise permanently changes or disables individuals in their normal life activity, per 200,000 hours worked.
<b>Stated Policies Scenario (STEPS)</b>	An IEA scenario that reflects current policy settings based on a sector-by-sector and country-by-country assessment of the specific policies in place, as well as those that governments around the world have announced.
<b>Switch Energy Alliance (SEA)</b>	A nonprofit organization that provides collaborative global energy education and solutions for over 15 million students and environmental organizations.
<b>Task Force on Climate-related Financial Disclosures (TCFD)</b>	A reporting framework for climate-focused scenario planning analysis.
<b>The Environmental Partnership (TEP) of the American Petroleum Institute</b>	A group of more than 90 oil and gas companies working together to address environmental challenges and improve environmental performance in our industry.
<b>Total Recordable Incident Rate (TRIR)</b>	The rate of recordable injuries sustained by employees, contractors or both that occur per 200,000 hours worked.
<b>U.N. Sustainable Development Goals (U.N. SDGs)</b>	A blueprint for achieving a better and more sustainable future for all by addressing the global challenges we face, including poverty, inequality, climate change, environmental degradation, peace and justice.
<b>Vehicle Incident Rate (VIR)</b>	The rate of vehicle-related incidents per 1 million miles driven.
<b>Water Consumption</b>	Water volumes used in APA's operations that are sourced from water withdrawals.
<b>Water-scarce Regions</b>	Regions where there is a lack of freshwater resources to meet the baseline water demand.
<b>Water Withdrawals</b>	Water volumes drawn from surface water, groundwater, seawater, municipal sources and producing formations.
<b>Well Deserved</b>	Our employee recognition program, which supports a culture that reinforces values, behavior and results to encourage a respectful and inclusive workplace.

## Cautionary Statement Regarding Forward-Looking Statements and Risk

This report includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act), including statements regarding our environmental, social and governance (ESG) strategy, management and performance and other business plans, initiatives and objectives, including with respect to emissions reduction goals, the anticipated timing of achieving such goals, if at all; with respect to new projects and technologies, the implementation and timing, if at all, and anticipated benefits, if any, of such new projects and technologies; and with respect to freshwater consumption goals, the anticipated timing of achieving such goals, if at all. All statements other than statements of historical facts, including information about our ESG and sustainability goals, targets and commitments and planned social, safety and environmental policies, programs and initiatives, are forward-looking statements. These statements are generally accompanied by the use of forward-looking terminology such as "may," "will," "could," "expect," "intend," "project," "estimate," "anticipate," "plan," "believe," "continue," "seek," "guidance," "goal," "might," "outlook," "possibly," "potential," "prospect," "should," "would," or similar terminology, but the absence of these words does not mean that a statement is not forward looking. All forward-looking statements are based on management's current assumptions and expectations, and although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to have been correct. All such statements are intended to enjoy the protection of the safe harbor for forward-looking statements within the meaning of Section 21E of the Exchange Act. Our actual future results, including the achievement of goals, targets or commitments, could differ materially from our expectations as the result of changes in circumstances, assumptions not being realized, or other risks, uncertainties or factors. Important factors that could cause actual results to differ materially from our expectations are included in the company's annual and quarterly reports filed with the Securities and Exchange Commission (SEC), as well as, with respect to our ESG strategy, management and performance, the assumptions, risks, uncertainties, and factors identified in this report and in our other ESG reporting, including factors such as (i) the availability of funding for the goals, initiatives, and programs described in this report; (ii) our ability to achieve reductions in greenhouse gas and CO<sub>2</sub>e emissions, freshwater consumption, and energy use and other sustainability goals and objectives; (iii) changes in our strategies and priorities; (iv) changes in the priorities of our customers and suppliers; (v) the timing and amounts of our future investments; (vi) the accuracy of our estimates and assumptions and the scenarios on which we base such estimates and assumptions; (vii) the future effect of legislation, rulemaking and changes in policy; (viii) the impact of acquisitions and divestitures; (ix) the competitive environment; (x) our ability to attract and retain personnel with the technical skills necessary to implement our ESG initiatives; (xi) the timing and efficacy of our technologically developed solutions; (xii) the willingness of our partners to comply with our programs and initiatives; and (xiii) the impact of global economic, business, political, and climate conditions on the goals, initiatives, and programs described in this report. We urge you to consider all of the risks, uncertainties and factors identified above or discussed in such reports carefully in evaluating the forward-looking statements in this report. We also advise you that the disclosure of forward-looking statements and other information included in this report does not indicate that the materiality of such information rises to the standard of "materiality" for purposes of federal securities law disclosure requirements and SEC filings. The forward-looking statements in our reporting are made as of the effective date identified on the applicable report, unless otherwise indicated, and we undertake no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

## About Our GHG Emissions Estimates

The estimated APA GHG emissions described in this report are derived from a combination of measured and estimated data using the best reasonably available information as of December 31, 2023. We use industry standards and practices for estimating GHG emissions, including guidance from the U.S. EPA, U.K. ETS, API, SASB and Ipieca. We continue to improve data quality including those with respect to equipment inventories and estimation or measurement of GHG emissions. The uncertainty associated with APA's emissions estimates depends on variation in the processes and operations, the availability of sufficient representative data, the quality of available data, and the methodologies used for measurement and estimation. We intend to continue to update our emissions estimates, in accordance with applicable standards, in the event of significant changes as additional data become available, or estimation methodologies are refined, and to reflect significant changes to APA's assets, operations or emissions boundaries. APA has endeavored to estimate direct GHG emissions from our operations (Scope 1) and indirect emissions associated with the generation by others of electricity that we purchase for use in our operations (Scope 2).



2000 W Sam Houston Pkwy S, Ste 200  
Houston, TX 77042  
[apacorp.com](http://apacorp.com)