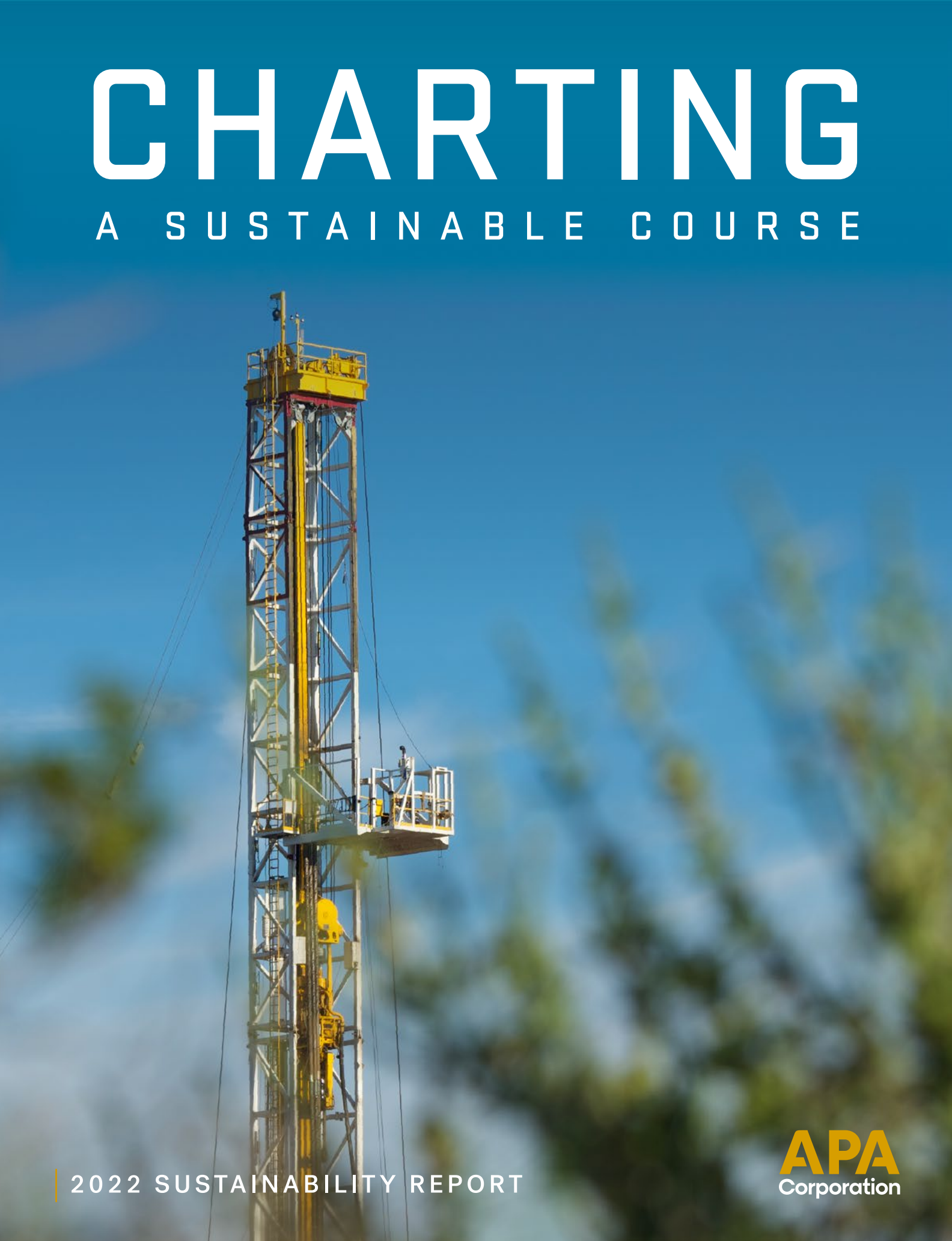
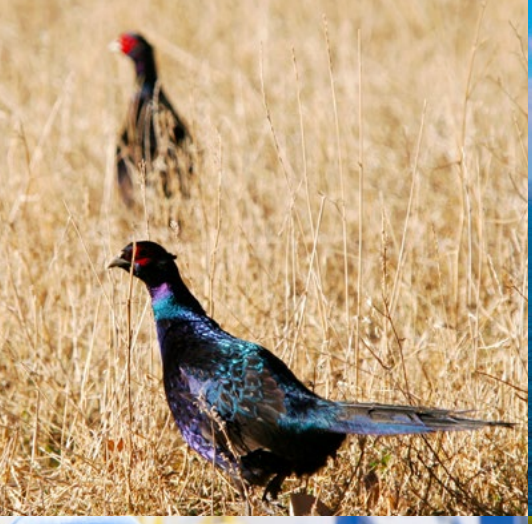
CHARTING

A SUSTAINABLE COURSE



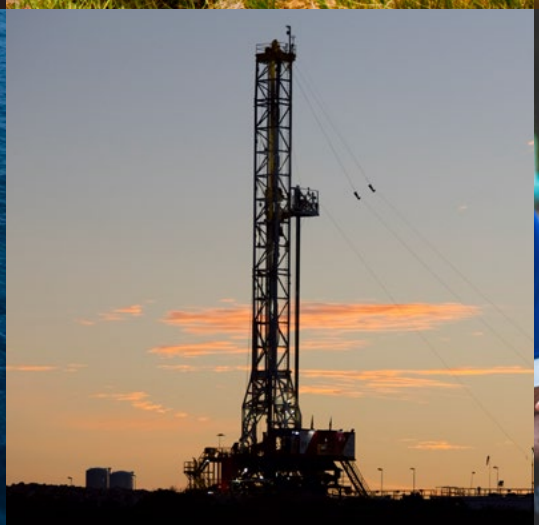
2022 SUSTAINABILITY REPORT

APA Corporation








2022 Sustainability Report
To view the report online, please visit the APA Corporation website at apacorp.com/sustainability.

APA Corporation Website
apacorp.com

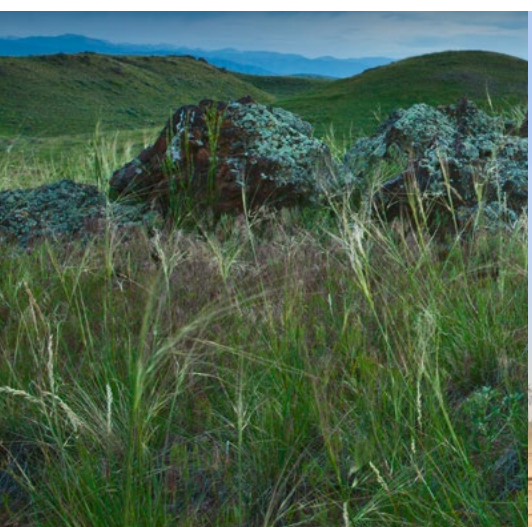
Media or Other Stakeholder Inquiries
Members of the media and other external stakeholders are welcome to contact our Communications & Public Affairs department with inquiries or for information about the company. These requests may be directed to media@apachecorp.com.

Welcome to APA Corporation's

2022 SUSTAINABILITY REPORT:

CHARTING A SUSTAINABLE COURSE

This report includes a comprehensive view of our approach to, and progress on, sustainability initiatives across the company. We have organized this year's report to consolidate and summarize our key messages and disclosures on some of the topics that matter most to both the company and our stakeholders in the Introduction and ESG Overview sections found in the first 22 pages of the report. Data included in this report cover the 2021 calendar year unless otherwise noted.



CONTENTS

OUR PURPOSE

THE WORLD FACES A DUAL CHALLENGE:

To meet 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.

OUR VISION

To be the premier exploration and production company, contributing to global progress by helping to meet the world's energy needs.

OUR CORE VALUES

- Safety is not negotiable and will not be compromised.
- We derive benefit from the Earth and take our environmental responsibility seriously.
- Expect top performance and innovation.
- Seek relentless improvement in all facets.
- Drive to succeed with a sense of urgency.
- Invest in our greatest asset: our people.
- Foster a contrarian spirit.
- Treat our stakeholders with respect and dignity.
- Conduct our business with honesty and integrity.

About APA Corporation

APA Corporation (APA) subsidiaries have exploration and production operations in the U.S., Egypt's Western Desert, and the U.K.'s North Sea, and exploration operations offshore Suriname and the Dominican Republic.

Since 1954, our team has been unified by our values, our culture and our commitment to building shareholder value, with a shared sense of purpose that empowers every employee to make decisions and achieve the company's 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, communities and the environment, while continuously looking for more sustainable ways to operate.

In 2021, Apache Corporation transitioned to a holding company structure; as a result, APA Corporation was formed and became the parent company publicly traded on the Nasdaq stock exchange.

Our Operations

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

In the U.S., our operations are primarily focused in the Permian Basin. We also have operations in East Texas, the Gulf of Mexico and along the Gulf Coast.

Internationally, we have conventional onshore assets in Egypt's Western Desert, offshore assets in the U.K. North Sea, an offshore appraisal and exploration program in Suriname, and an offshore exploration block in the Dominican Republic.

2021 Financial and Production Highlights

$6.5 billion
Oil and Gas Revenue

250 Mbbls/d
Oil and Natural Gas Liquids (NGL) Production

830 MMcf/d
Natural Gas Production

913 MMboe
Proved Reserves

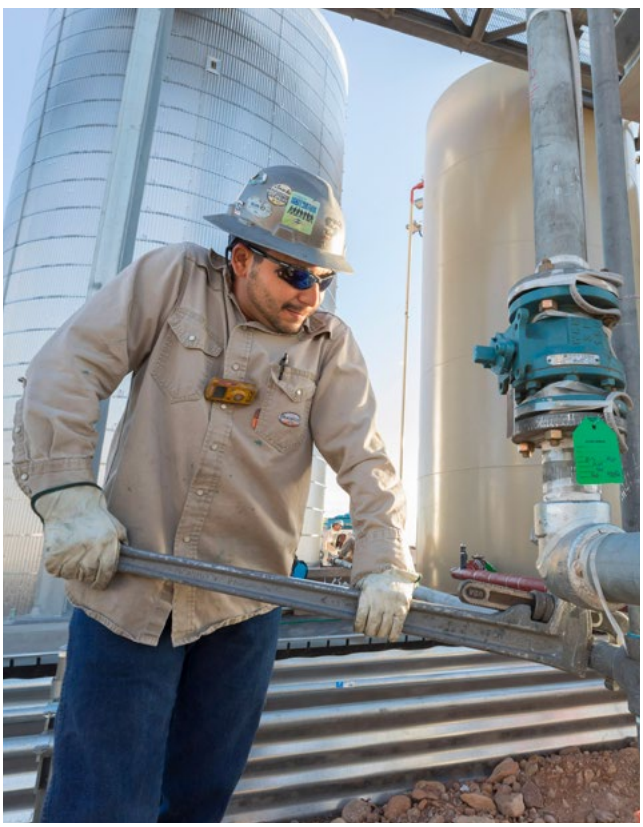
2021 Operational Data by Region

	Proved Reserves (MMboe)	Gross Acreage* (in thousands)	Oil and NGL Production (Mbbls/d)	Natural Gas Production (MMcf/d)
U.S.	617	3,809	141	527
Egypt	197	5,300	71	264
U.K.	99	494	38	39
Other International	–	2,934	–	–

*Developed and undeveloped

Key

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



Altus Midstream

In October 2021, Altus Midstream, APA Corporation's midstream business, announced its business combination with privately owned EagleClaw.

The transaction was completed in February 2022, and Kinetik (Nasdaq: KNTK) was formed. Kinetik assumed operatorship of all the Altus gathering and processing facilities going forward. The merger reduced APA's ownership from approximately 79% to less than 20%. In March 2022, subsidiaries of APA sold a portion of their ownership in Kinetik.

Letter from the CEO

DEAR APA STAKEHOLDERS,

In 2021, we demonstrated our commitment to efficient, safe and responsible operations by achieving a number of impactful goals across the company. We progressed important initiatives designed to reduce our emissions and protect the environment, as well as to advance the health and wellbeing of our employees and people in the communities in which we operate.

Recent global events underscore the importance of affordable, reliable and abundant sources of energy. People around the world are facing some of the highest electricity, fuel and heating costs in recent times, and the energy supply to Europe is now at risk. These drastic changes in global energy markets, amid calls for an energy transition, reinforce the need to balance affordability and reliability with efforts to deliver cleaner, lower-carbon solutions.

The energy industry continues to evolve, as it has done many times in modern history. We believe that an "energy expansion," rather than an "energy transition," will be the likely outcome, in which both traditional and alternative energy sources will be necessary to meet rising global demand. Specifically, we strongly believe that the world will need oil and natural gas for decades to come and are committed to helping deliver those needed resources in cleaner, more innovative ways.

For APA, reducing our GHG emissions is a top priority, and one we are urgently addressing. While we appreciate the symbolic importance of long-term, net zero commitments that have become common in ESG disclosures, we believe that absent the purchase of direct emissions offset credits or significant asset sales, viable pathways to delivering on these commitments are generally not feasible without a substantial step change in cost-effective, easily implementable technologies.

Further, a proper estimate of future asset portfolio composition and hydrocarbon production levels is a critical foundation necessary for making a credible long-term, net zero commitment. As a company with a relatively short asset life (proved reserve base), it is not possible to accurately predict the composition of our asset portfolio, or our hydrocarbon production levels, two or three decades from now. What we can say is that it is unlikely that any of the wells we are drilling now, or currently have on production, will be producing material amounts of hydrocarbons in 2050, or even 2040.

John J. Christmann IV
Chief Executive Officer and President

Our current strategy does not contemplate APA transitioning to an alternative energy producer. We are a natural gas and oil exploration and production company, and we are confident that even in a net zero future, the world will continue to utilize natural gas and oil.

As such, we will continue to focus on taking deliberate near- and medium-term actions that will generate predictable and meaningful reductions in absolute GHG emissions and GHG intensity from our operated assets.

We concentrate our sustainability efforts on three primary pillars that help focus our resources and direct our efforts toward activities that can deliver the most positive and relevant impact. These pillars — Air, Water and Communities+People — are the foundation for our ESG strategy, initiatives and compensation-linked goals.

In 2021, we eliminated routine flaring in our U.S. onshore operations by establishing and communicating clear objectives to our teams and providing them with the support

needed for success. The achievement of this goal enabled us to reduce U.S. onshore flaring intensity to less than 1% of gross annual natural gas production. In 2022, we are focusing our attention on our international operations, with the cornerstone of our efforts being to reduce upstream flaring in Egypt by 40%.

Setting emissions goals and targets is an important part of our effort to continuously improve. We have been establishing targets for a number of years, starting with our commitment to the ONE Future methane intensity reduction target in 2015, which we achieved six years ahead of schedule. In 2022, we established our first long-term compensation-linked goal: the implementation of projects capable of eliminating at least 1 million tonnes of annualized CO_2e by year-end 2024. In 2023, we will publish new greenhouse gas intensity targets.

We also continue to use best practices to safeguard water resources both onshore and offshore. Over the last five years, thanks to the dedication of our team, more than 95% of the water we have used has been recycled, recycled produced water and/or nonfresh water. These goals and initiatives reiterate to our employees — and the world — the high value we place on operating in a safe, environmentally responsible way.

Our commitment to people begins with our employees and extends to our communities. We made significant improvements in all four categories of our key performance indicators for health and safety, demonstrating our commitment to enhancing a strong safety culture. Over the past year, many of our employees returned to the office, and we implemented a hybrid work model that integrates the lessons learned from two years of remote work. For 2022, we are building upon the success of the hybrid work model by initiating a Future of Work program to enhance the employee experience.

We are focused on creating an environment where everyone feels a sense of belonging and is empowered to thrive and grow. To advance our commitment to diversity and inclusion, we provided unconscious bias training for our workforce, expanded employee resource groups, and built an important partnership with the Posse Foundation to support underserved communities. Through Posse, we are supporting 60 university scholars from underserved groups with coaching, mentoring and networking resources, helping to build a future pipeline of diverse employment candidates.

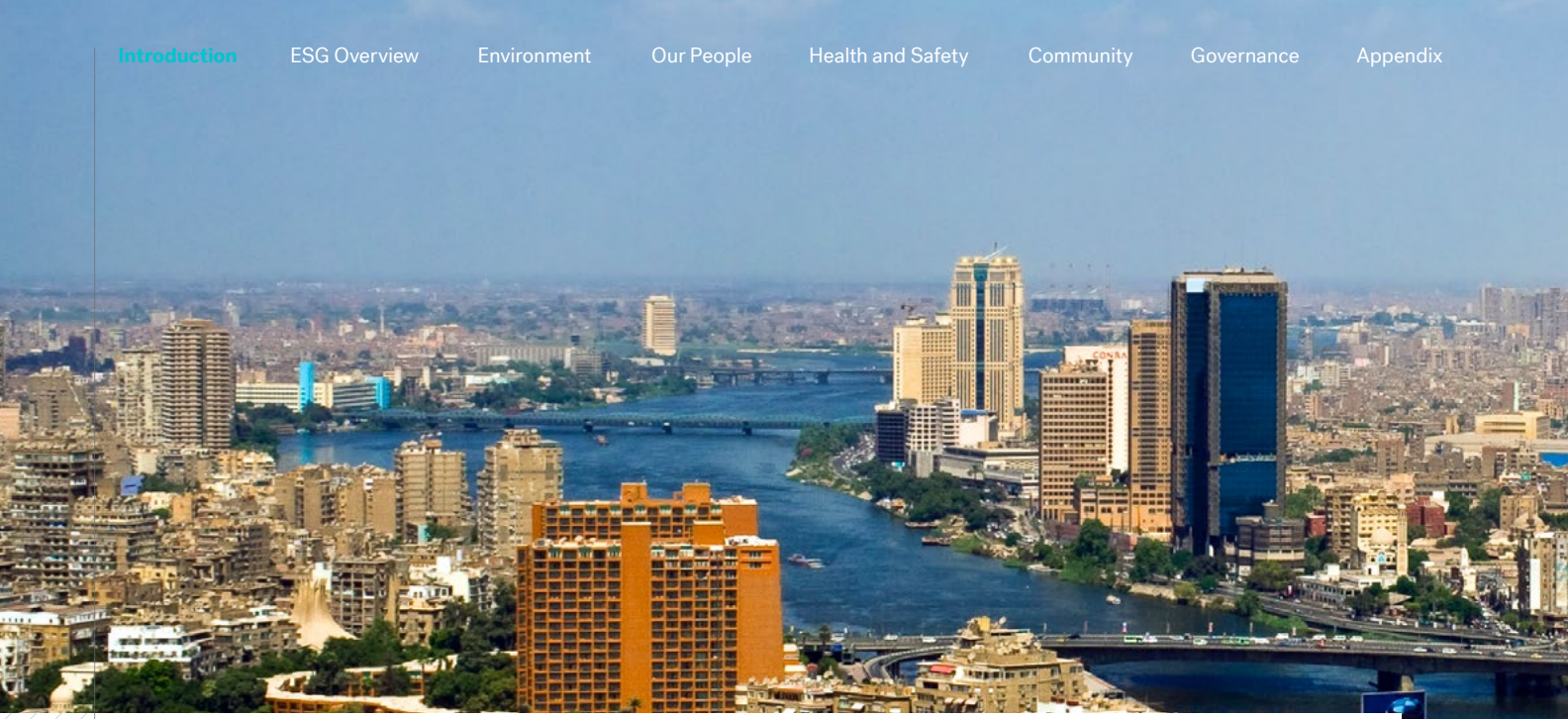
> “We are charting a steady course and positioning ourselves as a partner to the world by providing affordable, reliable and abundant sources of energy.”

We continue to engage actively in our communities and help support the needs of the people in locations where we operate. Our community engagement focuses on three key areas of support: sustainable communities, environmental stewardship and access to energy. We will continue to seek new ways to support our local communities, such as by expanding our longstanding Apache Tree Grant Program, continuing our support of primary school education for girls in Egypt through our Springboard program, and helping underserved communities access reliable energy.

Our management and Board of Directors continue to provide oversight of ESG issues and work to ensure alignment with industry best practices. They regularly engage with stakeholders and incorporate their feedback into our management approach. We strive to identify and prioritize ESG opportunities that simultaneously benefit society and create shareholder value.

This report details our commitments, goals and achievements across the globe, and outlines how we are continuing to responsibly meet global energy demand and will do so for decades to come. Through all of our endeavors, we are charting a steady course and positioning ourselves as a partner to the world by providing affordable, reliable and abundant sources of energy while working to continuously reduce our environmental footprint and increase our positive social impact.

John J. Christmann IV
Chief Executive Officer and President



CHARTING A SUSTAINABLE COURSE

BALANCING GLOBAL PROGRESS AND EMISSIONS REDUCTION

At APA, our focus is on meeting the global, dual challenge of producing the energy that is fundamental to human progress, while also reducing emissions. Natural gas and oil support thousands of systems and products we rely on every day, from the obvious — like electricity, heat and transportation — to the less obvious, such as powering food production and even the development of alternative energy sources. Hydrocarbons also provide raw materials for essential products ranging from medicine and medical devices to cellphones and computers.

Oil and gas play a critical role in enabling the extraction and shipping of raw materials needed to make solar panels, wind turbines and batteries. Further, natural gas is necessary to fill the void in electricity generation that cannot be met by these alternative energy systems when the sun is not shining and the wind is not blowing. Natural gas power plants in particular serve as a complement to such intermittent energy sources, because unlike other options, they can start up very quickly.

According to the International Energy Agency (IEA), access to modern energy is "crucial to human wellbeing and to a country's economic development."[1] Where there is affordable, abundant energy, people are healthier, have access to better education and are given greater opportunities to elevate their families to a higher standard of living.

Today and tomorrow, we face the challenge of meeting the world's rising energy demand while reducing emissions. Oil and natural gas exist in abundance throughout the globe, and their continued development can provide affordable, reliable energy to billions across the world.

At APA, we strive to increase energy access by producing the oil and natural gas people need to thrive, and to do so in a cleaner, more sustainable way. By establishing ambitious, short-term goals as part of our long-term strategy to address environmental, social and governance (ESG) issues, APA is taking immediate action to further global progress while remaining accountable in fulfilling rigorous and timely ESG strategies, execution and disclosure (p. 20).

> "Today and tomorrow, we face the challenge of meeting the world's rising energy demand while reducing emissions."

Energy Security — Closing the Gap

Over the last century, access to energy has elevated the quality of life for billions of people around the world. However, stark challenges remain in many developing nations. Nearly 759 million people lack access to electricity, and about 2.6 billion, or one-third of the world's population, live without clean cooking fuels and facilities. Nearly 940 million people would need to be connected to electricity by 2030 to achieve universal energy access.[2]

Energy poverty, which can be defined as a lack of access to modern, affordable and reliable energy sources, is not just felt in the developing world. Tightening energy supply, as witnessed in 2020 and 2021, coupled with recent geopolitical tensions, has underscored the importance of maintaining access to sustainable energy.

This year U.S. inflation hit a 30-year high, with energy prices experiencing one of the largest percentage increases.[3] The repercussions took a toll on the American population, with at least one in four Americans struggling to pay their energy bill in 2021, often reducing or skipping basic expenses to cover energy costs.[4]

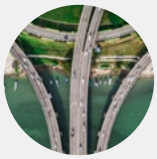
Europeans experienced similar financial constraints, feeling the impact of high energy prices even more acutely. In 2021, the U.K. Consumer Prices Index rose by 4.9%, on top of the 4.8% increase already witnessed in 2020.[5] In 2022, the British energy regulator Ofgem raised the annual energy price cap by £693 (or $900) per 2,900kWh of electricity, 12,000kWh of gas and 4,200kWh of electricity during off-peak hours, largely due to market price increases stemming from underlying supply and demand imbalances and also geopolitical circumstances.[6] Germany, which turned primarily to coal when energy alternatives proved unable to meet demand,[7] witnessed an 18% increase in energy costs in 2021, according to the nation's Federal Statistical Office, Destatis.[8] Clearly, developed nations are not exempt from energy access and affordability challenges, especially amid the perfect storm of rising inflation and geopolitical tensions in energy-producing regions.

Lack of clean cooking fuels is an even more widespread problem, affecting one-third of the world's population and creating significant indoor air quality and health issues.[9] Emissions from wood, dung and indoor coal usage are linked to 2.5 million premature deaths annually.[10] The burden to find cooking fuel sources often falls to women and children — having a greater impact not only on their health but on their ability to pursue education and to work outside the home.[11]

POWERING EVERYDAY LIFE

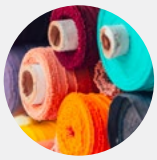
Oil and gas support a wide range of products and activities that improve the quality of life for billions of people across the globe, including the following:

Transportation



Heating

Fabric and clothing



Agriculture

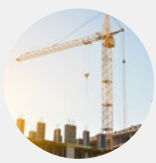
Soap and beauty

Plastic materials

Medical devices

Cellphones and computers

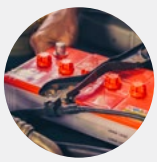
Construction



Solar panels

Wind turbines

Batteries



Closing the energy security gap as the global population rises and energy demand continues to increase is a worthwhile and challenging task. Oil and natural gas currently comprise 68% of U.S. energy consumption[12] and over half of all global energy consumption.[13] The world cannot affordably or practically decarbonize by eliminating the production of such efficient and affordable energy sources.[14] Communities around the world require a level of accessibility and reliability that only oil and natural gas can provide, as longer-cycle alternative energy and carbon reduction technology investments continue to be phased in. To support global progress and ensure that the most vulnerable populations are not left further behind, innovative solutions that limit the environmental impact of all energy sources while maintaining necessary levels of oil and gas production will be vital in the coming decades.

Energy Expansion and the Ongoing Need for Natural Gas and Oil

The future of energy and the changing dynamics and mix of resources is commonly referred to as the "energy transition." While we agree that our energy systems are continuously evolving and changing, we see phrases like "energy expansion" or "energy evolution" as a more accurate depiction of how our energy future will unfold. We will need to harness the full power of human intellect to reduce emissions while delivering all forms of energy production in both a pragmatic and forward-thinking manner, encouraging innovation rather than elimination.

Looking ahead at the IEA's Stated Policies Scenario, oil and natural gas will continue to make up 50% of the world energy supply in 2050.[15] The uses for oil go far beyond transportation and heating. Oil provides the raw materials for a wide variety of products, from everyday items such as fabric, soap, cellphones and beauty products to life-saving medical devices. Oil also goes into the fabrication of solar panels, wind turbines and batteries, ultimately supporting the expansion of additional sources of energy.[16] Even in the more aggressive scenarios outlined by the IEA, oil and gas will continue to play a substantial role, comprising 42% in the Announced Pledges Scenario, 30% in the Sustainable Development Scenario, and 19% in the Net Zero Scenario.[17]

Natural gas demand increases in every scenario over the next five years, according to the IEA.[18] This will be especially true for developing economies in Asia, where natural gas can serve as a reliable, cleaner alternative to other sources.[19]

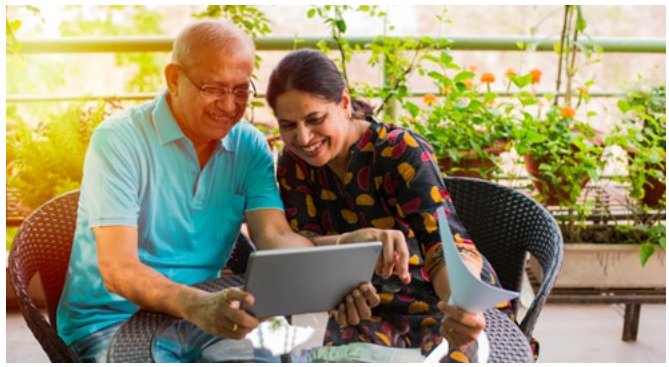
The critical role for natural gas in providing reliable and affordable energy, while also reducing emissions, has been clearly demonstrated in the United States over the last 15 years. According to the U.S. Energy Information Administration (EIA), between 2005 and 2019, the U.S. electric power sector, despite significant overall energy output growth, decreased its CO_2 emissions by 32%. This was primarily driven by a shift from coal to natural gas in the electricity generation mix,[20] reducing U.S. CO_2 emissions from electricity generation to the lowest levels in a generation.[21] This serves as an example for other nations seeking cleaner energy sources to meet increasing demand.

Recently, as global consumption has recovered from the impact of the pandemic, demand has increased for all energy sources, including coal, which is considered both reliable and affordable but is far more emissions-intensive than natural gas. In 2021, global coal consumption grew by an estimated 4.5%,[22] raising demand back above 2019 levels, particularly in China, India and Germany.

This international "return to coal" began to offset some of the positive environmental impacts and absolute greenhouse gas emission reductions realized over the last 15 years in the U.S. This pushed global coal-related emissions 0.4% above 2019 levels, to just under the global high in coal-related CO_2 emissions seen in 2014.[23] As witnessed in the U.S., natural gas can serve as a reliable alternative to coal, reversing the global emission trends of the last few years.

In time, the global energy mix is likely to reflect this shift, with natural gas playing an integral part in successfully meeting demand, while fueling human progress in a sustainable manner.

Innovation, rather than elimination, can unlock monumental energy potential that meets the dual challenge of increasing supplies while reducing environmental impacts.



An "All-of-the-Above" Energy Future

As the global energy mix continues to evolve, the energy industry is working to reduce the environmental impact of all sources. The future of energy will require an all-of-the-above approach to addressing the dual challenge of meeting global energy demand and reducing emissions. It is highly likely that natural gas and oil will be part of the global energy mix for decades to come, with natural gas serving as a cleaner alternative to traditional sources, including coal and firewood, and with oil remaining an indispensable component of the transportation and materials sectors.

At APA, we work with our industry partners to advance progress on these challenges. Our team of rigorous, innovative engineers, scientists and other professionals is determined to make a positive difference by providing these essential resources in cleaner, more sustainable ways. We will continue to invest in technology and work to develop innovative solutions that minimize emissions, conserve water and protect habitats, while safely producing energy to elevate people and families around the world.

Global Energy Poverty by the Numbers

2.5 million

premature deaths are linked to emissions from wood, dung and indoor coal usage annually.[10]

759 million

people lack access to electricity.[2]

2.6 billion

people live without clean cooking fuels and facilities, which is one-third of the world's population.[2]

ENERGY ACCESS IN THE IVORY COAST

Stéphane Aka

Director of Suriname Planning

Growing up in Abidjan, Ivory Coast, Stéphane Aka, APA's director of Suriname Planning, was not often found wanting. Although his home country had experienced significant political turbulence throughout the late 1990s and early 2000s, Stéphane was one of the fortunate ones — he had consistent access to electricity, clean running water and transportation. Life in the nation's largest city was comfortable. Visiting his family in the Ivorian countryside, however, was an entirely different story.

Nestled behind a moatlike lake, the village of N'Gokro isn't easily accessed by modern modes of transport. Instead, visitors must cross the lake that surrounds its borders by small boat or canoe, often bumping into local fishermen in the process.

"In the summertime, we would visit — it was fairly apparent that you were in a different place," Stéphane said. "It's day and night. No propane; only firewood was used for cooking, typically over a clay pot."

Although N'Gokro has changed over the past five years, with recent access to electricity becoming a reality for residents, gas stoves are still not widely available, with traditional clay pots and firewood serving as primary cooking tools. The lack of roadways and infrastructure remains the same, making it difficult for local commerce to flourish.

Stéphane's cousin, a local fisherman, still depends on his daily catch to secure his livelihood. If a bridge were to connect N'Gokro to nearby villages, or if cars and the energy to fuel them were more accessible, Stéphane believes this could directly raise the standard of living for many people like his cousin.

"Once you have expanded electricity and energy access, then you could build further," Stéphane said. "The pace of progress tends to be measured in years, so I can only hope that it takes place sooner rather than later."

Much work remains to be done in N'Gokro and the Ivory Coast at large. Progress has been made, but most Ivorians living in rural areas still lack access to electricity, transportation and an abundance of clean, running water. Affordable, reliable energy is sorely needed, a fact Stéphane now reflects on after working in energy exploration and production.

"In parts of my country, energy access is a tangible reality — it resonates differently when I put it back into perspective from that village," Stéphane said. "Initially, I didn't make such a connection, but it's absolutely fundamental."

ENERGY TRANSFORMING LIVES IN EASTERN INDIA

Rana Roy

Vice President of Drilling, Completions and Workovers

Growing up in the town of Ranchi, India, in the 1970s and '80s, Rana Roy, APA vice president of Drilling, Completions and Workovers, faced numerous energy security challenges. Electrical power was intermittent at best, lasting only six or seven hours each day. His family's meals were typically cooked over coal or firewood, producing toxic fumes that were trapped in their small apartment kitchen.

As a child, Rana recalls being awoken by a stubborn cough each morning, likely due to smoke inhalation from the coal-fired stove.

"Smoke would fill the small flat every morning and it would be everywhere," Rana said. "At times, there would be coal or firewood shortages, making cooking a luxury. Energy resources were scarce, so we had to work with what we had."

It was not until Rana was in high school that his family was able to access liquefied petroleum gas (LPG) to replace coal and firewood in their kitchen. Residents from Ranchi and surrounding villages waited in never-ending lines for the coveted LPG cylinders, knowing the difference cleaner energy would make in their lives.

Soon, quality of life drastically improved for both Rana's family and communities in surrounding areas that were able to access clean cooking fuel. Forty years later, Ranchi has blossomed into a bustling city and industrial center, boasting a vibrant railway station and software technology parks, and was recently named the capital of Jharkhand state. Rana has witnessed this transformation during visits to India, where his family still resides.

"It's astounding to see the change that has taken place in Ranchi and surrounding areas since my childhood. The city has made leaps and bounds that were hard to imagine 40 years ago," he said. "I think that affordable access to energy plays a very important role in uplifting people's lives. I'm deeply proud of the work I do in an industry that positively impacts generations of people, myself included."

Environmental, Social and Governance (ESG) Oversight

Board Oversight of ESG

We know that culture — and performance — start at the top, so our Board of Directors is actively involved in ESG issues. The Board regularly reviews management reports and welcomes external perspectives on a range of sustainability issues, including environmental, health and safety performance; climate-related risks and opportunities, greenhouse gas (GHG) emissions and water usage; succession planning; diversity and inclusion; and cybersecurity. To foster continuous ESG engagement and education, our Board members routinely pursue opportunities to remain well informed on recent developments. Although most in-person conferences and meetings were postponed or canceled in 2021 due to the ongoing pandemic, our Board has participated in virtual conferences and ESG webinars when practicable. The Board also invites external experts on ESG issues to provide ongoing education, multiple points of view and fresh insights.

Board members, including our CEO and president, also engage directly with ESG-focused shareholders to gain external perspectives on key ESG issues. They have also attended and spoken at ESG conferences, enabling further in-person discussion of these issues.

Board ESG Framework

APA's Board has three standing committees, each devoted to a separate aspect of risk oversight — the Corporate Responsibility, Governance & Nominating (CRG&N) Committee; the Audit Committee; and the Management Development & Compensation (MD&C) Committee. The CRG&N Committee oversees the company's efforts on ESG issues. This committee's annual calendar includes designated meetings for in-depth discussion on various ESG topics, including human rights, governance matters that impact the company and the energy industry, and this report. The Audit Committee regularly reviews matters related to cybersecurity. The MD&C Committee oversees succession planning, executive compensation, diversity and inclusion, and evaluation and scoring of overall corporate performance metrics.

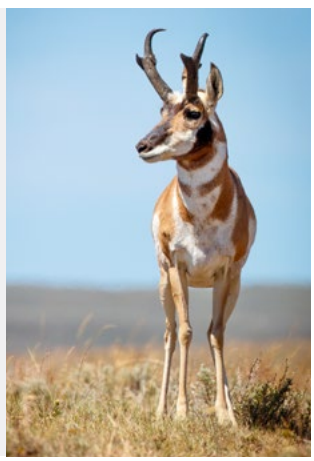
Prioritizing and Managing ESG Initiatives

APA commits considerable time, energy and capital to reduce its impact on the environment and to manage 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 employees' annual incentive compensation directly to ESG-related goals, including safety performance. Compensation-linked ESG goals for 2022 include both short- and long-term targets.

THIRD-PARTY ENGAGEMENT

The following are some of the key organizations with which we engage on ESG issues:

As You Sow	McDonald Observatory
The Aspen Institute	The Mitchell Foundation
Ceres	National Fish and Wildlife Foundation (NFWF)
Environmental Defense Fund (EDF)	The Nature Conservancy
The Environmental Partnership	ONE Future Coalition
Interfaith Center on Corporate Responsibility (ICCR)	Sustainability Accounting Standards Board



Above: We partnered with the NFWF to improve habitats for pronghorn and other species of the Pecos Watershed.

BOARD ESG FRAMEWORK

External ESG Engagement and Education

ESG Experts Invited to Speak to the Board

Climate change
Energy and geopolitics
Cybersecurity

ESG Engagement

One-on-one shareholder meetings
Women in Governance Lunch
Governance Week
Society for Corporate Governance
Industry ESG Roundtables

APA's Full Board

Reported on and/or Discussed at Every Meeting

Current ESG trends
Environmental, health and safety metrics
Executive compensation

Reported on and/or Discussed at Least Annually:

Compliance update
Corporate risk management
Diversity and inclusion
Ethics Hotline reports
Information technology/cybersecurity
Monitoring of human rights
Political contributions and lobbying expenses
Shareholder engagement
Succession planning

Corporate Responsibility, Governance & Nominating Committee

Oversees the nomination of Directors, the annual Board evaluation process, corporate governance and ESG issues, as well as the Sustainability Report.

Audit Committee

Oversees the integrity of the company's financial statements, compliance with legal and regulatory requirements, financial risk management, Internal Audit function and independent auditors, and accounting and financial reporting, among other duties.

Management Development & Compensation Committee

Oversees compensation, development and succession planning for executives and seeks continuous improvement in the diversity and inclusion practices used in developing and deploying these processes.

APA's Internal ESG Resources

ESG Management Committee, Asset-Level Teams and Corporate Functions

Assessment, measurement and reporting

ESG topic Identification and education

ESG MANAGEMENT COMMITTEE

In early 2020, we created a dedicated, cross-functional team to evaluate ESG trends and develop a strategic framework to assist the company in focusing on its most significant ESG processes and outcomes. The team, made up of five officers overseeing environment, health and safety; corporate communications and public affairs; investor relations; corporate governance and human resources, focuses on strategic ESG planning and communications, and on driving key initiatives across the organization. Regularly scheduled meetings are held to discuss ESG trends, to develop tangible, target-based goals and resource recommendations, and to review progress and make adjustments where necessary.

Under the leadership of the chief financial officer, the committee's scope was expanded in 2021. The committee targets at least two meetings per month, and is tasked with integrating our ESG priorities and communications across the business.

ESG Engagement

To better understand external perspectives and concerns, members of APA's Board, executive team and ESG Management Committee regularly engage with a wide range of stakeholders, including shareholders, employees, customers, suppliers, government agencies and regulators, nongovernmental organizations, and others 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. 90.)

ESG MANAGEMENT COMPONENTS

Our ESG Management team is made up of five strategic groups that assist our business with ESG issues:

Environment, Health and Safety

Corporate Communications and Public Affairs

Investor Relations

Corporate Governance

Human Resources


ESG ENGAGEMENT CYCLE
Establishing Annual Corporate ESG Goals and Strategy
Public Disclosures
Stakeholder Feedback
Periodic Materiality Assessment
Internal Strategy Adjustment
Annual ESG Meeting with CEO
Board-Level and Executive Team Outreach

Our Approach to ESG Matters

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, and within that context, APA Corporation operates with a sense of urgency to support carbon management and the preservation of finite natural resources. We are committed to delivering our products in an environmentally and socially responsible manner, and to operating our company so that it is financially stable and successful in a carbon-constrained future. We believe it is important to thoroughly understand, discuss and address the environmental externalities and risks associated with all forms of energy production and use, and not simply those associated with hydrocarbons. Only through this lens can the world properly assess the complex challenges of the energy transition.

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, which enables and empowers global progress and contributes directly and indirectly to many of the United Nations Sustainable Development Goals (U.N. 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 (see pp. 68-73) with the U.N. SDGs, to help us identify our greatest potential for positive impact. An SDG index in the Appendix demonstrates how our business further aligns with the U.N. SDGs (see pp. 129-130.)

100%

of our community giving has been aligned with the U.N. SDGs since 2020.

APA recognizes the importance of adding value for all stakeholders and incorporating those views into the company's strategy. We undertook an extensive materiality assessment in 2021 to learn from a cross-section of our key stakeholders, as well as leading thinkers in the energy, environmental and social policy spaces. We have used this information to continue to enhance our ESG processes and initiatives (see p. 94-95.)

ESG Pillars and Performance

We have three primary pillars on which we concentrate our resources, focus our attention, measure performance and maximize our positive impact. These pillars — Air, Water and Communities+People — serve as the foundation for our ESG strategy, initiatives and compensation-linked goals. (See progress across our ESG pillars on p. 19.) ➤

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

PROGRESS ACROSS OUR ESG PILLARS

Air

Achieved
our goal to **end routine flaring in U.S.** onshore operations in October 2021, three months ahead of schedule.

18%
reduction in **Scope 1 emissions**, totaling 1.3 million tonnes CO_2e since 2019.

27%
reduction in **flaring emissions**, totaling 540,000 tonnes CO_2e since 2017.

Monitoring Technology
piloted **real-time GHG emissions monitoring** in Permian Basin facilities in 2021.

51%
reduction in **Scope 2 emissions**, totaling 350,000 tonnes CO_2e since 2019.

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

Water

97%
of the water used in our U.S. hydraulic fracturing operations in 2021 was **nonfresh** or **recycled** produced water.

86%
of the total water utilized for production operations since 2017 has been **recycled** or **nonfresh**.

Achieved
a 2021 goal to reduce U.S. total operational water usage to comprise less than **20% fresh water**.

Communities+People

44%
of our total global vendor spend in 2021 was with **geographically local suppliers and contractors**.

~15,000
girls in Egypt have learned to **read and write** in schools we have supported since 2004.

34%
of **U.S. employees self-identified as ethnic minorities**, up from 25% in 2017.

Primary Workforce Safety Goals ● Below Target ● Met Target ● Above Target

0.26
Total Recordable Incident Rate (TRIR) of 0.26 per 200,000 hours worked in 2021.

0.13
Days Away, Restricted or Transferred (DART) Rate of 0.13 per 200,000 hours worked in 2021.

0.53
Vehicle Incident Rate (VIR) of 0.53 per million miles driven in 2021.

ESG Goals

At APA, we prioritize near-term, actionable initiatives over long-term promises without clear pathways for delivery. Our emphasis is on generating timely and impactful ESG outcomes. Our annual incentive compensation-linked goals include quantitative and qualitative operational, financial, health and safety, and other ESG objectives that drive both near- and long-term performance.

2021 ESG GOALS AND ACHIEVEMENTS

U.S. Onshore Routine Flaring and Flaring Intensity

- Eliminated U.S. onshore routine flaring, achieving 100% of target by October 2021 (see p. 28).
- Delivered year-end U.S. flaring intensity at 0.30%, achieving 100% of target of below 1% flaring intensity (see p. 28).

Key Performance Indicators in Safety Metrics

- Achieved incident rates at least 38% below target in each of our Total Recordable Incident Rate (TRIR), Days Away, Restricted and Transfer Rate (DART), Severe Injury and Fatality (SIF) and Vehicle Incident Rate (VIR) metrics.
- Achieved an approximately 45% reduction in recordable incidents year-over-year.
- Severe injuries and driving-related incidents were significantly reduced, to their lowest levels in 10 years. (For more information, see the Health and Safety section on pp. 56-62).

Freshwater Utilization Reduction

- Reduced freshwater utilization to a rate of 3%, achieving 100% of target of less than 20% freshwater consumption in U.S. operations (see p. 32).

Foster a More Inclusive Culture Where All Employees Can Thrive

DIVERSITY AND INCLUSION

In 2021, we further strengthened our commitment to diversity and inclusion (D&I) with the following key accomplishments (see pp. 44-47):

- Launched annual mandatory D&I training for all our people leaders and assigned it as recommended training for all employees across our global locations.
- Refreshed the Global D&I Council to obtain our employees' perspectives and feedback on initiatives.
- Increased employee engagement by promoting employee resource groups.
- Launched global employee engagement campaigns to celebrate the diversity of our employees.
- Introduced a global mentorship program to promote access to leadership and career development.
- Conducted our annual pay equity analysis.
- Expanded community outreach efforts to continue our support of underserved populations.

ORGANIZATIONAL DEVELOPMENT

During 2021, we launched an updated approach to global performance management, focusing on development, which included a detailed framework for core, leadership and technical competencies. In addition, the company allocated additional resources to support employees in their personal and professional development (see pp. 51-53), including:

- Utilized third-party online training offerings.
- Partnered with a leading HR consultancy to provide leadership and personal development coaching.
- Offered ongoing education for people leaders around our leadership competencies and behaviors.
- Provided annual compliance, antitrust, bribery, corruption, and code of business conduct and ethics training, required for all employees.
- Delivered cybersecurity training focusing on keeping company and employee personal information safe.

2022 ESG GOALS

NEAR-TERM TARGETS:

Emissions Reduction

- **40% reduction of upstream flaring** in Egypt by year-end 2022.

Supplier Diversity

- Establish by year-end a **supplier diversity program** and externally report Tier 1 spend by category.

People

- Develop and implement a **Future of Work strategy** inclusive of working model, workplace and technology enhancements.

Safety

- **Reduce our Total Recordable Incident Rate** (TRIR) and **Severe Incidents and Fatalities** (SIF) **events**.

LONG-TERM GOAL:

Emissions Reduction

- Deliver projects that **eliminate more than 1 million tonnes of CO_2e** emissions annually by year-end 2024.

Our Approach to Climate Scenario Analysis

Our Climate Statement

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

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

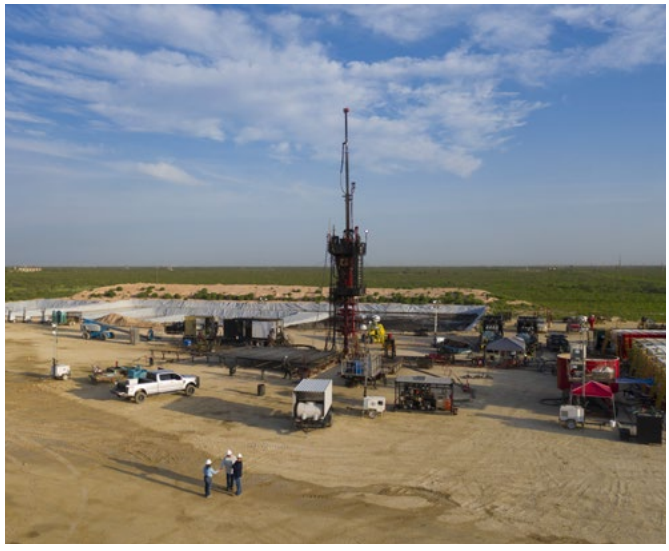
We work every day to reduce our environmental footprint, ensure the safety of our operations and partner with our communities to create long-lasting value. We are focused on opportunities where we can have a meaningful impact on our key ESG focus areas of Air, Water and Communities+ People. To drive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

Task Force on Climate-related Financial Disclosures (TCFD) Scenario Planning Framework

Scenario and portfolio planning are part of our ongoing business planning and risk management processes. We consider a range of pricing scenarios when forming our long-term investment and development plans, including scenarios in a carbon-constrained world, that assess the potential climate-related risks and opportunities influencing fossil fuel supply and demand. However, to better understand and prepare for potential risks and opportunities associated with climate change, in 2021, we undertook an expanded, climate-focused scenario planning analysis in alignment with the TCFD reporting framework. This analysis includes forecasts of future demand and pricing in energy markets, as well as changes in government regulations and policy that might occur based on different future scenarios.

Given the dynamic nature of our business, APA traditionally performs annual scenario analyses with five-year time horizons, which includes the input of experts from several internal functional areas. However, we appreciate the value of climate-related financial analysis with longer-term supply/demand, regulatory frameworks and pricing taken into consideration, as recommended by TCFD. In 2021, we incorporated these longer-term views into our planning process, using external analysis for demand scenarios, carbon pricing and comparison-pricing scenarios. These external cases are then compared to our internally prepared base-case pricing analysis, averaged out to 2040.

Specifically, we included the following International Energy Agency (IEA) scenarios from the 2021 World Economic Outlook (WEO) report: the Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS) and the Sustainable Development Scenario (SDS). Under all future pricing scenarios considered, the break-even prices referenced in each of APA's core areas of operations indicate the long-term potential for generation of positive returns. (For more detailed discussion of scenarios, please read our comprehensive TCFD-aligned analysis on pp. 105-112.)



> "We work every day to reduce our environmental footprint, ensure the safety of our operations and partner with our communities to create long-lasting value."

ENVIRONMENT

Protecting the environment is essential to the work we do every day. We are committed to utilizing innovative technology to help us do this, and are developing and implementing industry-leading methods for reducing emissions, conserving water and protecting habitats. Our efforts to reduce venting and flaring, recycle and reuse water, and conduct predevelopment planning in biodiverse areas all contribute to more sustainable operations.

All employees and contractors are expected to uphold our commitment to environmental conservation, which is supported by a comprehensive team of Environment, Health and Safety (EHS) professionals throughout the organization. All APA operating areas are required to follow our worldwide EHS standards, which provide an overarching framework for conducting business safely and in a way that protects our workforce, communities and the environment.

Air

Greenhouse gas (GHG) and methane emissions are important issues for our company. These emissions represent a climate change-related risk that could both shape and affect our business over time.

Emissions

We are committed to helping address the challenges that climate change presents, while also continuing to produce reliable, affordable energy to help meet the world's needs and drive global prosperity. Reducing emissions from our operations and collaborating with others across our value chain to develop better approaches to emissions reduction and leak detection are key elements of this commitment.

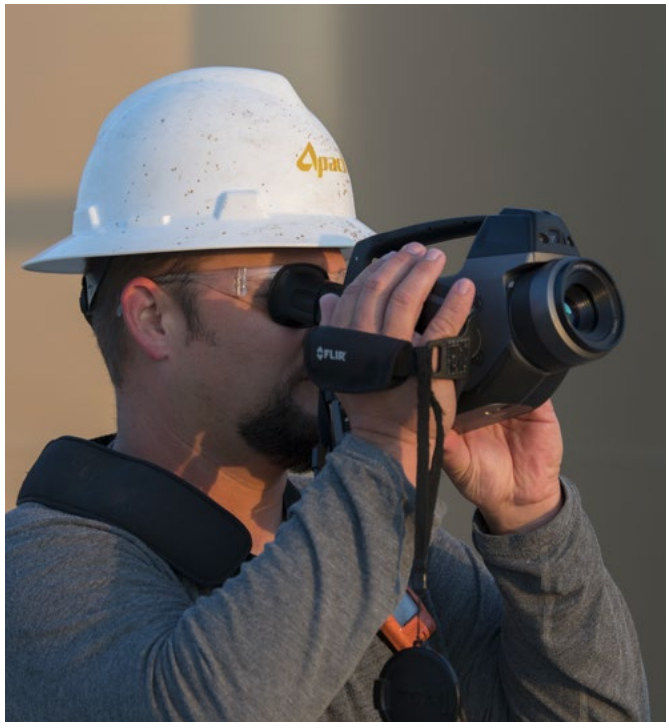
REDUCING GHG EMISSIONS

We use a range of methods to minimize GHG emissions. For example, we carefully design and engineer new facilities to minimize emissions, implement preventive maintenance programs for existing infrastructure, and work to optimize the efficiency of our operations and minimize gas venting. We adhere to applicable design standards, follow recognized engineering best practices, and use equipment specially designed to perform in severe service conditions where necessary and appropriate.

Reducing Flaring

Last year, we committed to eliminating routine flaring across our U.S. onshore operations by year-end 2021 and to reducing our overall flaring intensity to less than 1% of the gas we produce. Both of these goals were directly linked to the annual incentive compensation for management and all employees, and we achieved both ahead of schedule. Additional information regarding our flaring and related emissions reduction goals can be found on our Environment webpage.

> "Reducing emissions from our operations and collaborating with others across our value chain to develop better approaches to emissions reduction and leak detection are key elements of our commitment."



Leak Detection and Repair

Leak detection and inspections to reduce emissions and ensure compliance with applicable rules and regulations are an ongoing part of employees' on-site activities. We strive to repair leaks at the time they are detected. When this is not possible, the leak is repaired when the required resources become available and safe operating conditions can be ensured. Our preventive maintenance programs help to minimize leaks from equipment and preemptively identify maintenance issues or improperly functioning equipment by using historical operational data to facilitate proactive upkeep, repair and replacement schedules.

Our employees proactively engage in asset integrity inspections in accordance with APA Work Rule 11 and worldwide environmental, health and safety (EHS) standards. Field employees are trained to perform olfactory, visual and audio inspections for possible leaks as a part of their overall competency training, as described in our air quality summary.

As a part of our leak detection and repair (LDAR) program, we use optical gas imaging (OGI) cameras to examine newly constructed facilities and identify and address leaks as the facilities come online. Existing facilities that are a part of the LDAR program are reexamined 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 2021, 222 facilities were surveyed by OGI cameras as part of our LDAR program.

We also use OGI cameras to assess equipment as a part of risk-based mechanical integrity programs and to inspect wellheads, compressor stations and buried pipeline routes near residential communities and public facilities. Employees and contractors using OGI cameras are trained and certified to interpret survey results and initiate next steps to determine the nature and source of an identified leak.

Reducing Venting

We seek to minimize emissions by reducing the venting of gas. Also, we conduct reduced-emission completions, a process that captures gas produced during well completions and workovers so it can be processed for sale rather than flared.

222

facilities surveyed by OGI cameras as part of our U.S. onshore LDAR program in 2021.

Electrification

Where we have access to the electrical grid at well sites and facilities, we prefer to power our operations using electricity rather than internal combustion engines, thereby reducing fuel consumption, noise pollution and on-site GHG emissions. We continue to research and identify ways we can electrify our operations. APA is proactively engaging with stakeholders to improve our environmental performance, including by evaluating the role that renewable resources could play in electrifying our operations to support further reduction of our Scope 2 (indirect) emissions.

OUR EMISSIONS PERFORMANCE

2021 Emissions Reduction Activities

In 2021, our overall emissions performance improvements can be attributed both to optimizations of our operational profile and to the implementation of operational enhancements. For example, in several of our operations, we:

- Increased the use of electricity from the grid to power well sites and facilities, replacing diesel or gas-fired engines.
- Focused on evaluating infield equipment usage with operational needs, in order to identify lower-emitting power sources, such as solar-powered generators.
- Increased access to gathering and pipeline infrastructure, resulting in less flaring and trucking-related emissions.
- Utilized technology to monitor operational conditions.

(See pp. 28-29 and 98-99 for more details on our emissions performance over the past five years.)

> “We committed to eliminating routine flaring in our U.S. onshore operations by year-end 2021, and achieved this crucial goal three months ahead of schedule.”

CASE STUDY

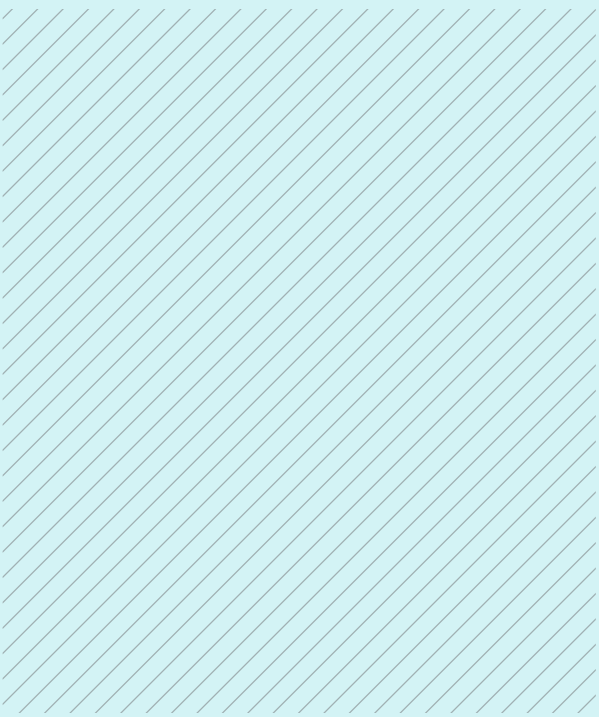
Reducing Methane Emissions Through Industrywide Initiatives

We are participating in industry partnerships focused on reducing methane emissions by setting and meeting voluntary goals and commitments to drive performance improvements.

We are a charter member of the ONE Future Coalition, a group of more than 50 companies that came together with the goal of reducing methane losses to less than 1% of total U.S. methane production across the value chain by 2025. The natural gas value chain is defined as operations in the production, gathering and boosting, transmission and storage, gas processing and distribution segments.

100%

of our applicable U.S. sites had LDAR monitoring in place since 2020.



We are also a member of The American Petroleum Institute's The Environmental Partnership, a group of more than 90 oil and gas companies working together to address environmental challenges and improve environmental performance in our industry. As a member of the partnership, APA has made and is implementing three commitments to help reduce emissions:

1. **Implement a leak detection program**, including ongoing monitoring and timely repair of fugitive emissions, utilizing detection methods and technologies such as OGI cameras at all relevant sites by 2025. As part of this program, we commit that repairs of any identified leaks will be completed within 60 days, unless a delay is required until the next scheduled shutdown or pending the availability of necessary parts. Since year-end 2020, 100% of our applicable U.S. sites had LDAR monitoring in place, and in 2021, we conducted surveys at 222 sites.

2. **Replace, remove or retrofit high-bleed pneumatic controllers with low- or zero-emitting devices** by 2025, using alternative technologies such as continuous-low-bleed controllers, intermittent-vent controllers, electrically operated controllers and valve actuator or mechanical controllers, or compressed air to replace natural gas as the motive gas. We are working to reduce the number of high-bleed pneumatic controllers in our onshore U.S. operations by replacing them with lower-emission alternatives.

3. **By 2025, implement a monitoring program to minimize emissions** associated with the unloading of liquids that can build up and restrict natural gas flow, particularly as a well ages.

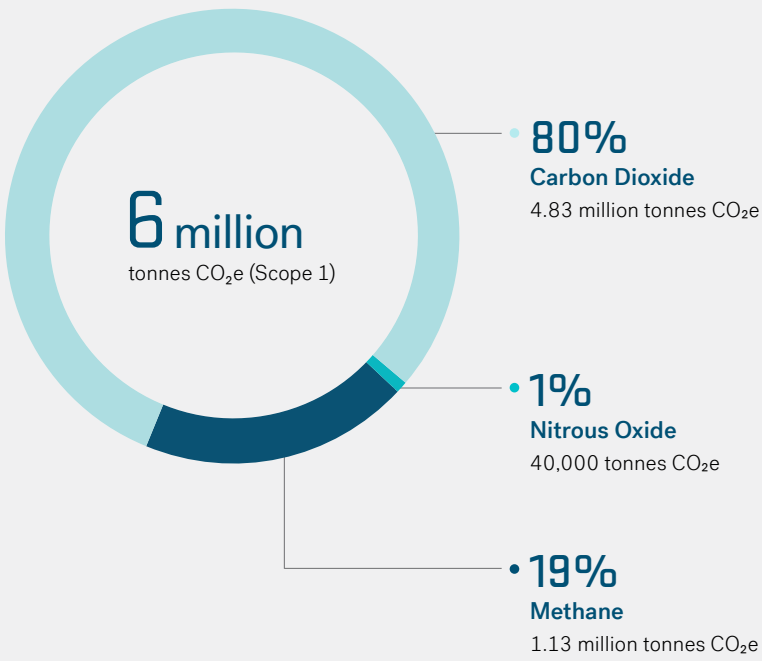
Greenhouse Gas Emissions Performance and Goals

We calculate emissions from our drilling, completion, production, gathering and boosting, and gas processing operations. We monitor a range of emission sources — including combustion, flaring, venting and fugitive emissions — to determine our overall GHG inventory.

The GHGs included in our GHG inventory calculations are carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O). Each of the GHG components has a global warming potential (GWP) assigned to it by the U.S. Environmental Protection Agency (EPA) for use in its GHG reporting programs.

The mass of each component gas multiplied by its GWP results in a calculated value of carbon dioxide equivalents (CO_2e) for that component.

2021 GHG Emissions



Emissions Performance

100%
elimination of U.S. onshore routine flaring in 2021.

27%
reduction in flaring emissions since 2017.

32%
reduction in global methane emissions from 2019 to 2021.*

18%
reduction in global GHG (Scope 1) emissions from 2019 to 2021.*

0.3%
U.S. onshore flaring intensity in 2021.

* APA significantly reduced activity levels across its operations in early 2020, in response to the COVID-19 pandemic and its related impacts. As a result, we view 2019 as a more relevant base for assessing year-over-year water usage and emissions intensity improvements.

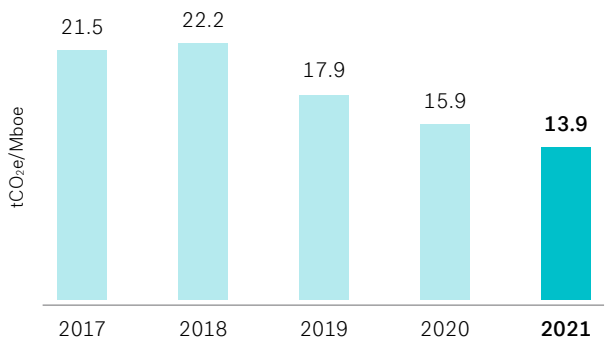
EVALUATING INNOVATIVE TECHNOLOGY

Methane emissions from oil and gas operations are a focal point for global greenhouse gas mitigation initiatives. We are working with LongPath Technologies, Inc., a leader in providing 24/7, real-time monitoring solutions, to better measure and assess our emissions. Their technology places a single laser within several individual facilities, sending out eye-safe light over miles-long pathways through the air. Combined with small mirrors on monitored sites, this allows for real-time reporting of quantified emissions volumes at each facility.

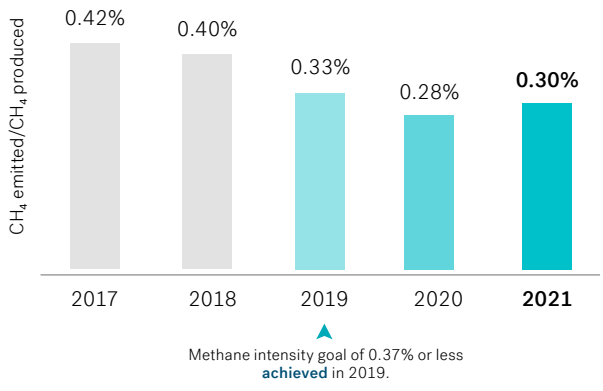
Building on the program's success in 2021, we expanded our partnership in 2022 to monitor approximately 40 Apache facilities throughout the Permian Basin. LongPath's technology provides our teams with the data needed to fulfill our commitment to reducing emissions, while meeting global energy needs in more innovative and sustainable ways. Read more in the press release available online.

➤ **Right:** Through our partnership with LongPath Technologies, our team receives real-time methane emissions reporting at our operations in the Permian Basin.

Global GHG Emissions Intensity



Global Methane Emissions Intensity



COMPENSATION-LINKED, SCIENCE-BASED TARGETS – OUR GHG ELIMINATION GOAL

As part of our 2022 long-term incentive compensation plan, we set a goal to eliminate 1 million tonnes of global carbon dioxide equivalent (CO_2e) emissions from our natural gas and oil operations by year-end 2024 compared to year-end 2021. We have identified a number of projects across our operations that will drive this elimination and we are working with a third-party vendor to support our work by verifying project deployment and emissions reductions, providing compatible international operational experience, and helping to track long-term incentive compensation-related projects.

1 million

tonnes of CO_2e emissions eliminated by year-end 2024.

Water

Water is a key component of our oil and gas operations, and we recognize the need for water balance in areas where we operate.

From overabundance of water during extreme weather events that may impact our assets, to water scarcity in arid regions, we consider water availability and access to clean water throughout our project lifecycles. We use best practices in our efforts to safeguard water quality both onshore and offshore. These safeguards include proper management of produced water, monitoring of chemicals used, and safe transport of recycled water and waste for disposal, all of which are a core part of our sustainable operating strategy.

Water Management

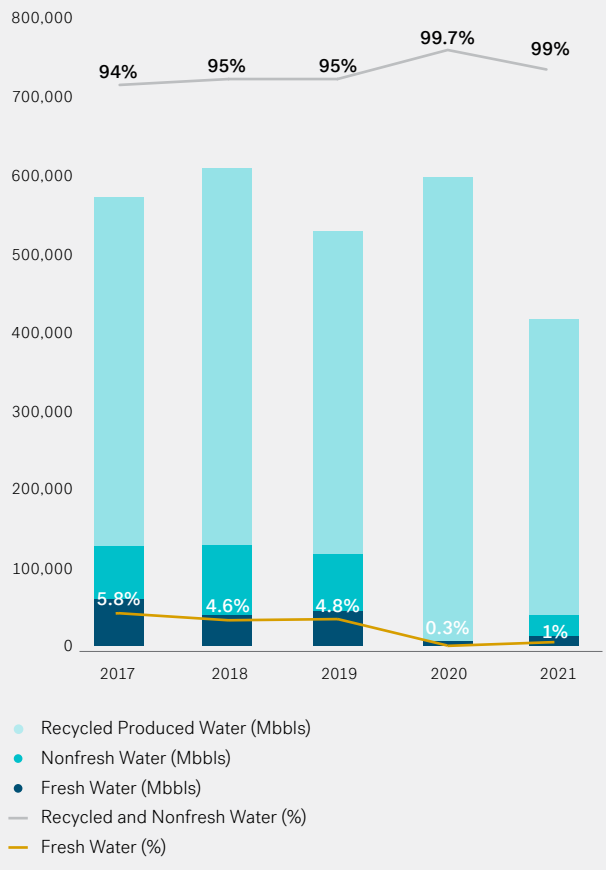
Fresh water is a limited resource in some of the areas where we operate. We seek to minimize our use of fresh water by finding innovative ways to reuse produced water, source alternatives to fresh water, and reduce the overall amount of water required for our operations. We seek to use nonfreshwater sources for our operations wherever possible, with a preference for reusing and recycling produced water.

We also follow strict protocols to protect water quality. We actively work with regulators like the Railroad Commission of Texas and industry groups like the American Petroleum Institute and the Energy Water Initiative, to ensure that our operations meet or exceed industry standards.

We strive to ensure that our operational activity does not limit access to freshwater resources that are relied on by end users, such as municipal water systems and agriculture. These water management efforts are especially important in our onshore operating areas in regions considered water-scarce, such as the U.S. Permian Basin and Egypt. We account for location, 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 assessment of water-scarce areas within our operations. The results of this assessment and the maps prepared using these tools can be found on p. 104 of this report.

OPERATIONAL WATER USAGE

Our primary operational water use is enhanced oil recovery in legacy oil fields in the Permian Basin. We also use water for drilling and completing new wells. The chart below shows the volumes of water that are either injected to enhance oil recovery from existing wells or used in the drilling and completion of new wells, including hydraulic fracturing. As the chart indicates, over the last five years, more than 95% of the water we have used has been recycled, produced or nonfresh water. We have achieved this reduction in freshwater consumption largely by increasing our reuse of produced water and by sourcing nonfresh water for use in hydraulic fracturing operations. In some instances, treated municipal wastewater has been used as a source for our operational water needs, as an alternative to fresh water.



In line with Ipieca, a leading reporting framework for the oil and gas industry, we define consumptive use of water as limited to 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.[24] The water consumption calculations in the Key Performance Data chart on pp. 98-99 of this report therefore reflect only the fresh water and nonfresh water from surface or shallow groundwater that are consumed in oil and gas operations. Prior to 2020, we included produced water usage in our consumptive use calculations. Water consumption intensity values for 2020 and prior years were restated accordingly in the 2021 report, to reflect this definition.

RESPONSIBLE MANAGEMENT OF PRODUCED WATER

Produced water is nonpotable water released from deep underground formations and brought to the surface during oil and gas exploration and production. Most of our produced water is reused for secondary recovery operations by being reinjected into the field where it was produced. We also recycle produced water for use in hydraulic fracturing fluids. Reusing and recycling produced water reduces the chance that our activities compete with other uses of 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.

In some areas of our operations, more water is produced than can be reused or recycled. We continue to pursue alternatives to deep-injection disposal, such as by evaporating the freshwater component of excess produced water to the atmosphere, or by discharging a treated portion of the water in accordance with applicable regulations and industry best management practices (see the Operational Water Use and Water Sources diagram on p. 33 for more detail on water use in our operations).

We also continue to expand our use of recycled produced water for hydraulic fracturing operations. Additionally, we continue to evaluate alternative storage and reuse technologies in all our areas of operation, based on criteria including transportation, infrastructure, treatment methods and cost.

We have applied a variety of innovative technologies and treatment processes to allow us to store larger volumes of treated produced water for longer periods, including by using smaller impoundments and by applying advanced chemistry. This enables us to better match the availability of recycled water to our operation schedules and to increase the proportion of recycled water used in our operations. In the past five years, we have increased our Permian Basin produced water storage capacity to nearly 16 million Bbls, and have improved our treatment of stored recycled water during reduced activity in 2019 and 2020 to ensure this water remains ready for reuse.

In our U.S. onshore operations, we take measures to ensure that produced water is handled in a manner that reduces the risk of impacts to 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 should it occur, these recycled water storage systems have secondary containment and detailed, location-specific spill prevention countermeasures and control plans.

We have also expanded our water-related infrastructure in our U.S. onshore operations, allowing us to move water within most of our operations without trucks. This reduces trucking-related emissions, minimizes the potential for spills during loading and unloading, and lessens the impact of heavy trucks on local roads. We have worked with the American Petroleum Institute to develop recommended practices for lay-flat hosing that is commonly used to transport produced water to and from well locations. These specifications include parameters to ensure the quality and performance of this piping across our industry. Since 2020, water used for hydraulic fracturing in the Permian Basin has been transported by either permanent or temporary pipeline.

97%

of the water used in our U.S. hydraulic fracturing operations in 2021 was nonfresh or recycled produced water.

SAFEGUARDING WATER QUALITY

Before beginning operations in a new area, we test and obtain baseline water quality data. We also conduct post-drilling water quality monitoring as needed, based on the location's risk profile. Water quality tests include, but are not limited to, pH, salinity and total petroleum hydrocarbons.

We follow comprehensive procedures for the handling of chemicals on the surface and during subsurface operations across groundwater-bearing zones, to help safeguard water quality.

Protecting aquifers by maintaining the integrity of our wells is another way we protect 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. For the entire depth to which each well will be drilled, our engineers, geologists and geophysicists design our well drilling plans and completion programs after a detailed and extensive review, using local geological knowledge and observed operational conditions.

In addition, we consider potential impacts to adjacent wells or faults and include mitigation plans to prevent adverse impacts. Based on well spacing and formation fracture direction, well-completion treatment volumes and pumping pressures are adjusted, and nearby wells are remotely monitored using surveillance technologies.

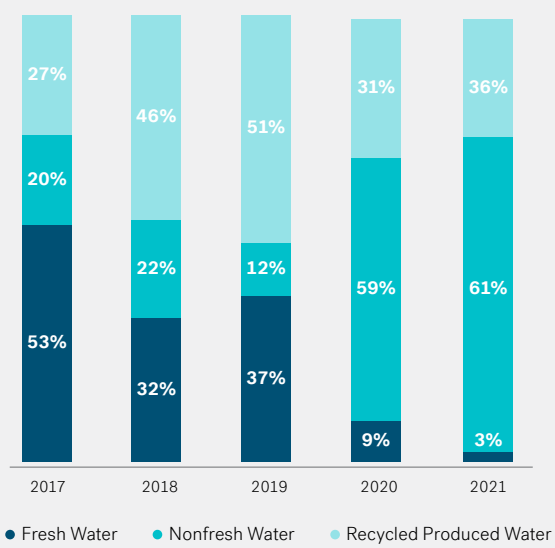
We design the surface casings of our wells to protect usable groundwater intervals and follow industry best practices in the construction of the wells. This includes verifying casing and cement integrity with pressure tests and physical inspections. We monitor and record essential data from cement jobs and perform evaluations to ensure adequate isolation of producing intervals, including zonal isolation for protected water resources. We use industry best practices for our cement testing methods, including cement bond logs, ultrasonic testing and temperature logging, when appropriate, to ensure the cement has bonded properly to the protective casing and the formation. We perform pressure tests on every surface casing string. We also conduct pressure testing and monitoring prior to and during all hydraulic fracturing operations.

INCREASING NONFRESHWATER USE FOR HYDRAULIC FRACTURING IN THE U.S.

Parts of our U.S. onshore operations are considered water-scarce areas, and in these cases, we have reduced the use of fresh water in our U.S. hydraulic fracturing operations by increasing the use of recycled produced water and nonfresh water. From 2018 to 2021, freshwater use as a percentage of total water used for hydraulic fracturing decreased from 32% to 3%. However, it is important to note that our overall activity in 2020 and 2021 was down considerably: total hydraulic fracturing water usage decreased by 77% in 2020 compared to activity in 2019, which reduced our opportunities to reuse produced water. Activity increased in 2021, resulting in more than double the usage of water for hydraulic fracturing than in 2020. However, our overall water use for hydraulic fracturing in 2021 was less than 60% of the volume used in 2019.

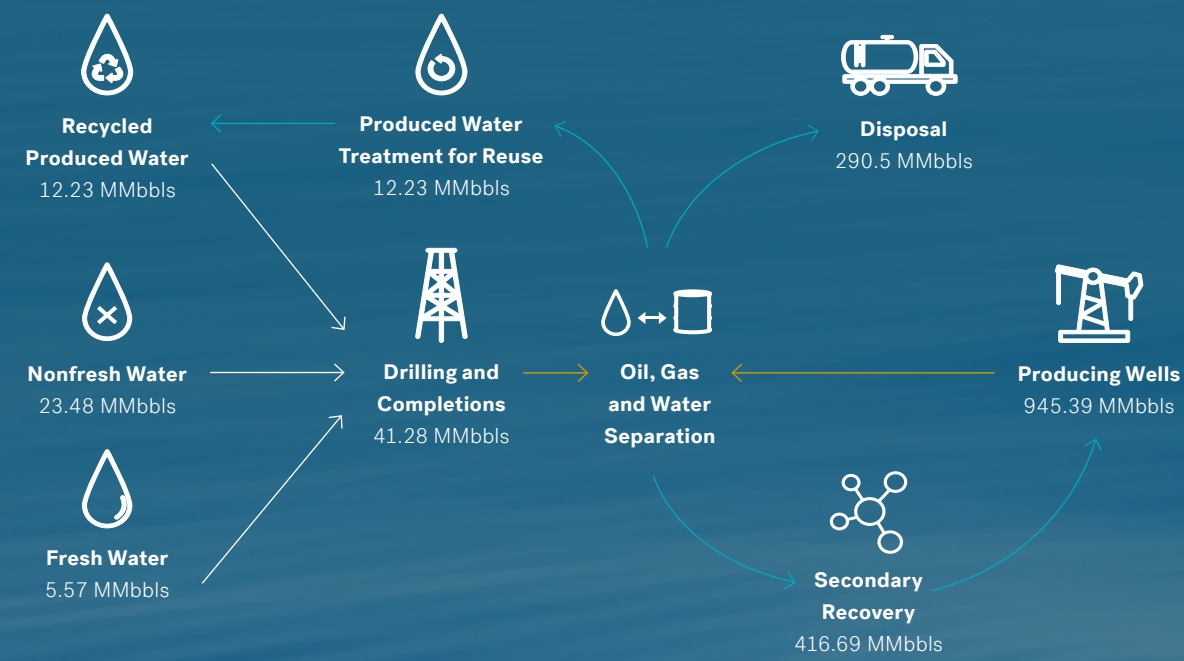
➤ **Right:** The hydraulic fracturing water use reported in the graph to the right is a subset of total global operational water use (see p. 30 for more information on total water use).

Hydraulic Fracturing Water Use, U.S. Operations



OPERATIONAL WATER USE AND WATER SOURCES

Drilling, completions and production operations are our primary uses of water, which we source from groundwater aquifers, surface water, municipal water and produced water. The volumes noted in the diagram below are for our 2021 operational water use, in millions of barrels (MMbbls).



Key

- Source water flow
- Produced water flow
- Recycled water flow for certain operations

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.[19] 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 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.

Spill Mitigation

We are committed to mitigating spills throughout the lifecycle of our operations.

We begin by planning and designing our operations to minimize the risk of spills and to reduce any impact if they occur. During construction, we follow well and pipeline integrity standards, and we routinely assess the integrity of our equipment in accordance with recognized industry best practices.

We use primary and secondary containment systems, including impermeable membranes under relevant equipment, when installing new facilities in onshore U.S. operations.

Our spill mitigation strategy extends to how and when we use recycled produced water in our operating areas. For example, we prioritize transporting produced water in permanent pipelines rather than trucks to reduce the potential for spills. We also tailor our produced water management and spill reduction practices to our operating areas. In the Austin Chalk area in Texas, because our operations are often close to flood plains of local rivers, we proactively mitigate spill risks by using only water of a quality similar to that of the local watershed. While this limits the volume of recycled produced water used in our operations, it also reduces the potential impact to local surface water in the unlikely event of a spill (see pp. 30-32 for more on how we prevent produced water releases).

We also 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 available in our Environmental, Health and Safety Master Service Agreement Requirements available on our contractor website, our contractors are required to have completed written training programs addressing waste handling, waste disposal and spill response.

During drilling and completion activities, personnel actively monitor the operations to detect spills, and they stand ready to respond as quickly as possible if one should occur. Some production operations are also monitored continuously through automated on-site systems and remote monitoring centers that are staffed 24/7. In the event that a spill does occur, field personnel respond promptly and follow a planned spill response protocol to determine the spill source and location, and then act to minimize the potential for adverse impacts. We are also committed to following all applicable local and national cleanup and reporting requirements.

SPILL RESPONSE PROTOCOL

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

Spill Detected

Prompt Response
Field personnel respond promptly and follow a planned spill response protocol.

Follow a Planned Spill Response Protocol to Determine:

Spill source + Location

Take Action
to minimize the potential for adverse impacts.

Clean up
We are committed to restoring the affected area in accordance with local and national cleanup requirements.

Offshore Spill Preparedness

While prevention is always our ultimate goal, we continuously expand our capability to respond to offshore spills if one should occur. We are members of multiple subsea intervention organizations that provide global access to a comprehensive package of emergency response services for the industry.

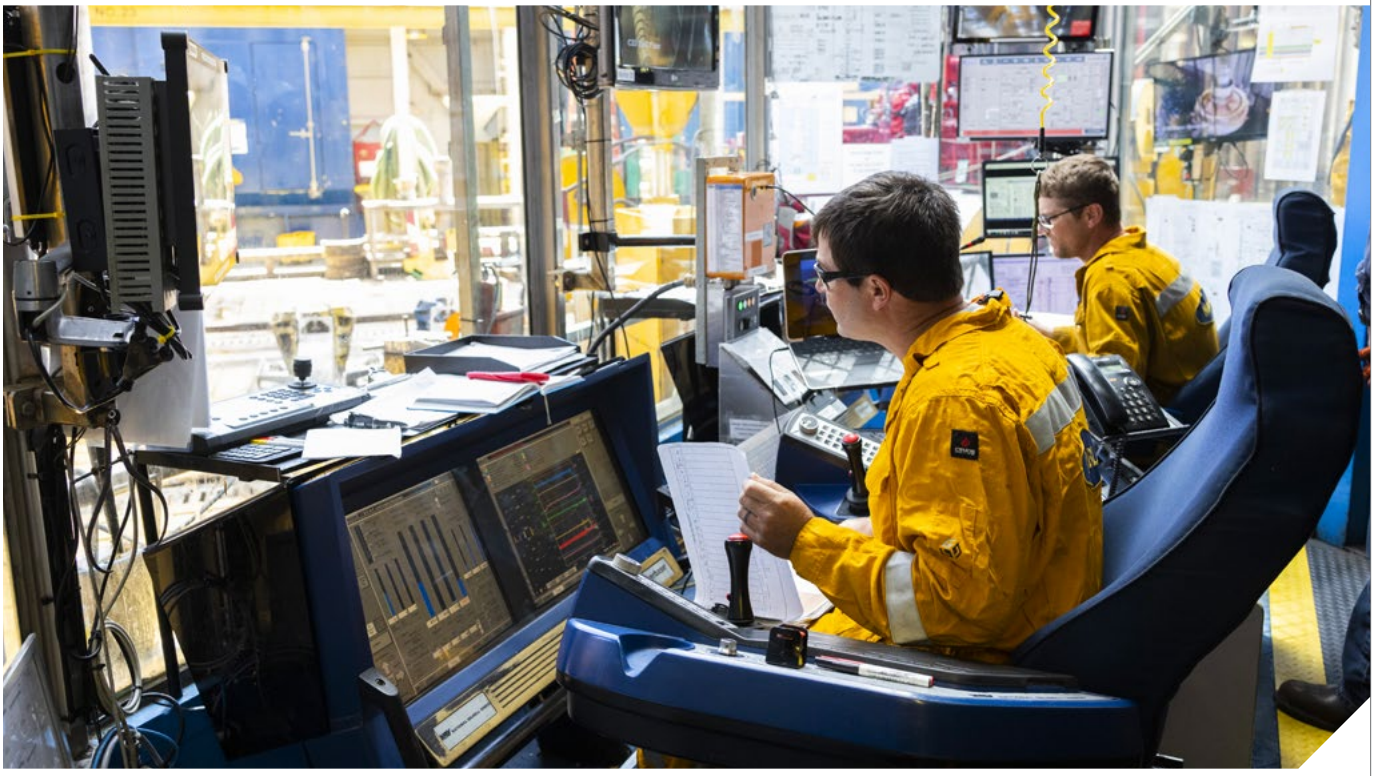
As described in the Health and Safety section (see p. 66), we have memberships with Clean Gulf Associates, National Response Corporation, Wild Well Control and Oil Spill Response Limited. The latter two organizations provide us with global access to several capping stacks and the ability to mobilize two of them in the event of an incident. The capping stacks are strategically stored in five international locations — the U.K., Brazil, Norway, Singapore and South Africa — and are ready for immediate use and transportation by sea and/or air in the event of an incident.

In Suriname, we maintain our proactive approach toward oil spill prevention through preparation, planning and training with key stakeholders. We have assisted the Surinamese government in the development of a National Oil Spill Contingency Plan and provided our industry partners with subject-matter experts to train and educate government agencies.

We evaluate oil spill response equipment providers and contract with them for specific spill response equipment based on our operations. We also pre-stage equipment in multiple locations for rapid response in the event of a spill.

Pre-staging locations include the APA Shore Base in Chaguaramas, Trinidad; aboard contracted offshore supply vessels and a contracted drill ship; and in the Port of Paramaribo, Suriname. Though our operations in the region are entirely located within Suriname, we have also proactively coordinated with local and state agencies in neighboring Guyana, which shares a maritime border with Suriname and could potentially be affected by a spill from our operations. We invite Guyanese officials to participate in our spill response training exercises to establish a cross-border communication protocol, and we communicate regularly with the Guyanese officials about spill preparedness.

In addition, APA Suriname has entered a Mutual Aid Memorandum of Understanding with local exploration and production companies in the Suriname/Guyana areas to make the industry's collective expertise and technology available in oil spill preparedness and response.



Greener Chemicals for Hydraulic Fracturing

Hydraulic fracturing fluid is typically composed of water, sand and minimal chemical additives. The chemicals are added to facilitate the process of delivering the sand to the formation and generating the fractures, as well as to protect the well from damage during operations. We have taken many steps to use environmentally suitable chemicals in our operations.

Disclosing Chemical Usage Data

We have been an industry leader in transparency about our use of hydraulic fracturing additives.

We report 100% of our U.S. hydraulic fracturing activity to the FracFocus.org website. The public disclosure of information on FracFocus.org provides a readily available data source that facilitates external analysis of the chemicals used in specific wells or areas. We conduct periodic reviews of FracFocus information and meet with vendors and subject-matter experts to discuss options for identifying more sustainable chemical alternatives.

We also encourage service companies to provide environmentally responsible chemical additives at economically acceptable prices. For example, while we do not use BTEX (benzene, toluene, ethylbenzene, xylene) as a stand-alone chemical additive to hydraulic fracturing fluids, we work with our chemical vendors in a continuous improvement process to provide additives that minimize even trace amounts of added BTEX that may be present in a select few hydrocarbon-based additives.

Chemical Risk Reduction Strategies

We have also implemented an enhanced chemical management system to better standardize and control the chemical additives used in our operations. We have developed our own risk assessment framework through which we evaluate all chemicals before they are used in our hydraulic fracturing operations. This assessment framework focuses on screening and/or reducing the use of chemicals that pose potential environmental hazards, for example, identifying additives that have risks of bioaccumulation and replacing them with biodegradable alternatives.

COMPONENTS OF FRACTURING FLUID

Below are fluids and chemicals that APA uses for hydraulic fracturing in our U.S. onshore wells.

Water | **Sand** | **Guar Gum** Derived from guar beans | **Sodium Hydroxide** | **Ethanol** Derived from corn | **Methanol**

Other additional chemicals (like biocides)

99%

of fracturing fluid.

1%

of fracturing fluid is made of chemical agents like these that reduce friction, prevent corrosion and increase the lifecycle of the well.

Biodiversity

Protecting species and habitats in the areas where we operate is an important priority at APA Corporation.

We conduct biodiversity assessments as part of our predevelopment planning processes. These assessments include reviewing state and federal maps produced by specialists who oversee the protection of habitats of endangered or threatened species. This information is used in the planning of possible surface disturbances and helps us proactively design our development plans to avoid these areas and to mitigate impacts to sensitive species habitats. We also participate in collaborative efforts to conserve 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 and the Pecos Water Conservation Initiative on conservation projects supporting habitat restoration on land, and on species conservation projects in the Pecos River.

Above: The lesser prairie-chicken, a species that APA actively protects.

Protecting Sensitive Species Across Our Operations

To help protect the lesser prairie-chicken (LEPC), a species of prairie grouse endemic to the southern high plains of the U.S., we participated in a collaborative conservation effort to safeguard its population and habitat. The conservation work has focused on protecting, improving and restoring native habitat to help LEPC populations recover and thrive. Thanks in part to the success of this collaboration, the LEPC has flourished in our areas of operation.

Helped by voluntary conservation activities carried out by companies in the oil and natural gas industry, including APA, the LEPC and also the dunes sagebrush lizard have been removed from consideration for listing under the federal Endangered Species Act.

Additionally, in the marine environments where we operate, we use careful, location-specific wildlife management programs equipped with the latest technology and tools to assess, mitigate and minimize the potential impacts of seismic operations. In Suriname, where we continue our exploratory drilling activities, every drilling ship has on board a certified protected species observer (PSO) with the dedicated responsibility of looking out for whales, turtles and other sensitive marine species. These PSOs can stop any operational activity if they see a protected species in the area. So far, we have observed no impact to marine wildlife in the more than 8,600 square kilometers of exploratory marine seismic surveying that has been conducted as part of exploration activities in Suriname.

In 2021, we conducted seismic operations offshore the Dominican Republic, similar to those in Suriname. In addition to our use of PSOs, acoustic monitoring and equipment with built-in turtle excluder devices were selected for the protection of marine species. While dolphins, whales and various avian species were observed during the program, there were no observed disturbances to the species and no mitigation measures were needed.

Managing Lands With a Conservation Focus

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

PROTECTING AND RESTORING GULF COAST WETLANDS

Louisiana 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, due to natural processes of subsidence, saltwater intrusion and shoreline erosion.

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 during hurricanes and provide flood control by holding excess water during 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.

In Louisiana, through its wholly owned subsidiary Apache Louisiana Minerals LLC (ALM), APA owns and manages approximately 270,000 acres that are predominantly wetlands. We place a high priority on protecting the swamps and marshes of the Gulf Coast region and the species that call these areas home.

Our local employees work year-round to manage and protect the land. In the last two years, hurricanes have significantly affected these wetlands. In 2020, coastal Louisiana was directly impacted by the landfall of five named storms, several of which resulted in significant destruction of wetlands. In 2021, Hurricane Ida made landfall in southeast Louisiana, directly impacting our Houma office, numerous facilities and employees, and knocking out electricity and communication networks for weeks. Employees' houses were damaged, including two that were no longer safely inhabitable. It took weeks to assess the impact to the company's property.

Above: We own Ucross Ranch in Wyoming, where we focus on conserving the threatened ecosystems native to the area.

> "Despite the weather-related setbacks, we were still able to accomplish many projects to benefit the wetlands and the flora and fauna that inhabit them."

Right: ALM staff repaired the osprey nesting platforms that were damaged by Hurricane Ida, in partnership with the Barataria-Terrebonne National Estuary Program.

Despite the weather-related setbacks, we were still able to accomplish many projects to benefit the wetlands and the flora and fauna that inhabit them. Our activities included replanting native vegetation, building and operating water-control structures to restore normal hydrologic patterns, combating invasive flora and fauna, rebuilding shorelines, creating earthen terraces in open water environments, and repairing nesting structures for birds.

- ALM partnered with Ducks Unlimited to install several water-control structures on our property in Cameron Parish, to maintain optimal water levels for waterfowl during the migratory season as well as optimal levels for marsh regeneration during the growing season.
- We partnered with the Terrebonne Parish Consolidated Government to install wetland terraces in open water areas, to provide habitat diversity and storm surge protection for the local community.
- We provided access to our property for various types of scientific research, including an ongoing study to monitor marsh health in real time, as well as a coyote research project to determine whether some of these animals may be descendants of the rare red wolf. We are also participating in a wetland creation project in partnership with the Louisiana Coastal Protection and Restoration Authority and the National Marine Fisheries Service, to create approximately 465 acres of new wetlands.
- We are working 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 Apache property. This levee system provides invaluable flood protection to the citizens of South Louisiana, yet is a "leaky system" by design, in order to maintain and stabilize the wetlands that are located inside the levee systems.
- ALM staff worked to straighten up the osprey nesting platforms, which were severely damaged by Hurricane Ida's Class 4 winds. This project is an ongoing partnership with the Barataria-Terrebonne National Estuary Program. Within two weeks of repairing these artificial nest sites, ospreys were observed actively building nests on some of the platforms.
- We are installing nesting boxes to be used for Black-bellied Whistling Ducks on our property in Cameron Parish. The nesting boxes are provided by our partners at Delta Waterfowl and will be installed by surface lessees with our assistance.
- ALM successfully applied for a competitive grant from the Coastal Protection and Restoration Authority to construct additional wetland terraces on our property in Cameron Parish.
- We continued our ongoing battle against invasive species such as giant salvinia, water hyacinth, nutria and feral hogs.

Above: Cutthroat Trout (Oncorhynchus clarkii) a species that we protect in the Pecos River. Photo by NFWF.

PARTNERING TO PROTECT THE PECOS RIVER WATERSHED ECOSYSTEMS

In 2019, as part of continued development activity in the Permian Basin, we joined the Pecos Watershed Conservation Initiative (PWCI), a collaborative effort of eight corporate partners and biodiversity experts with the National Fish and Wildlife Foundation and the U.S. Department of Agriculture's Natural Resources Conservation Service. The purpose of the initiative is to help protect the Pecos River watershed, which supports some of the most biodiverse arid and semiarid ecosystems in the world and is home to rare fish and aquatic species found nowhere else on Earth. Since its inception in the fall of 2017, the PWCI has invested a total of $6.49 million in 34 projects that address three priority strategies: habitat restoration and management of riparian and grassland systems, species intervention and species information. Some of the projects in 2021 included cross-jurisdictional habitat restoration, such as reviving 16,500 acres of Chihuahuan desert grasslands, installing more than 60 miles of pronghorn-friendly fencing and restoring hydrology at four aquatic habitat sites.

UCROSS RANCH: A MODEL OF SUSTAINABLE RANGELAND MANAGEMENT

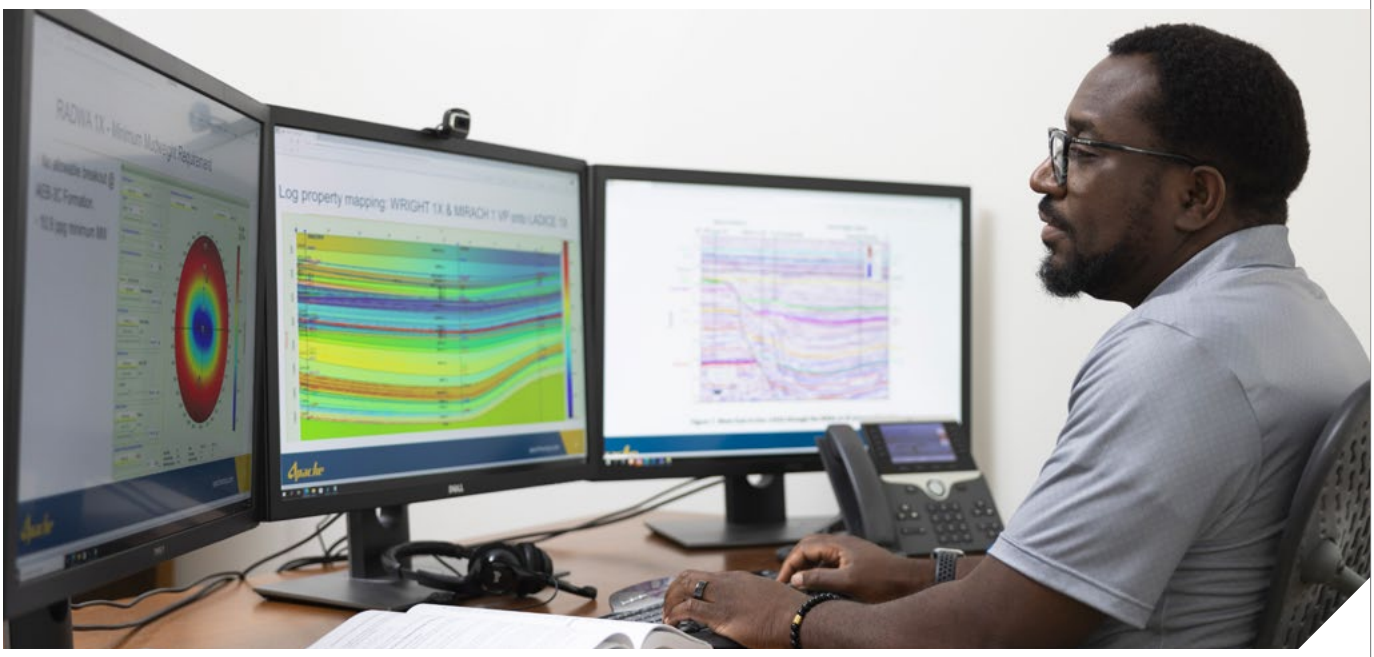
The Ucross Ranch, located near the base of the Big Horn Mountains in Wyoming, is partially owned by Apache and is managed by the Apache Foundation, a nonprofit subsidiary of Apache Corporation. Since 2005, the Foundation has overseen the 20,000-acre ranch as a model for profitable and sustainable land-use management practices, protecting increasingly threatened grassland ecosystems. Ucross provides a unique opportunity to compare the more traditional year-round grazing practices originally used in this area, with the ranch's current short-duration approach, in terms of erosion impacts on uplands and stream areas.

Utilizing a short-duration rotation grazing strategy for cattle 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. In large part 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 as well as 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, which is being conducted by Kansas State University.

In 2015, following work done by the Apache Foundation to improve the quality of the ranch's ecosystems as a sanctuary for birds, the Ucross Ranch was recognized as an Important Bird Area (IBA) by the Audubon Society and the American Bird Conservancy. In 2021, to help further increase waterfowl populations and boost the number of waterfowl that use the ranch for nesting habitat, the Apache Foundation installed 20 nesting structures across the 20,000-acre ranch to help retain waterfowl and provide safe, predator-free platforms for geese and ducks to nest on.

In 2021, the Apache Foundation worked with local beekeepers and honey producers to introduce additional beehives across the ranch to address recent declines in bee populations. The addition of beehives will help boost honeybee populations and provide access to the approximately 900 acres of high-quality alfalfa forage that the bees use to pollinate and produce honey.



Seismicity and Oil and Gas Operations

To further ensure the protection of groundwater, the environment and local communities, APA plays an active role in industry research groups focused on studying “induced seismicity.”

We have collaborated with leading universities and have funded research to better understand and model the fundamentals of induced seismic activity in the areas in which we operate. For example, we support and engage with the Center for Integrated Seismicity Research at the University of Texas’ Bureau of Economic Geology, as well as with the TexNet project, a seismic monitoring program.

We carefully review the potential for induced seismicity in our operating areas based on an 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 in the field, and we actively engage with leading experts to test ideas and interpretations.

Waste Management

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

Overall, the programs are geared toward the reduction of waste, protection of water resources, minimizing hazards to employees, and facilitating recycling and circular waste management lifecycles.

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

Disposal 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 in accordance with applicable regulations in our operating areas.

While regulatory disposal requirements differ slightly by state and country, they are fairly uniform overall and include specifications for the classification and segregation of hazardous and nonhazardous waste, manifesting, transportation and disposal methods.

In our North Sea Forties Field, we use rig-based drill-cutting treatment and processing facilities to significantly reduce the volume of return materials that are shipped back to shore for treatment and disposal. This system reduces emission impacts as well as the risk of safety and spill incidents associated with transport.

AIMING FOR ZERO WASTE IN THE OFFICE AND THE FIELD

The AIM for ZERO WASTE recycling program was developed to align our day-to-day office and field 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.

Employee Action

We reinforce our commitment to waste reduction and recycling throughout the year. By leveraging our employees, we identify and implement waste reduction opportunities and encourage recycling at each of our office locations.

Electronic Waste

We are committed to recycling electronic waste and host an electronic waste recycling month at the office annually, allowing employees to bring in waste electronics from home to be recycled.

Eco-Friendly Dining

In the U.S., the company makes available and encourages employees to utilize reusable beverage containers. We also offer reusable food containers in our dining facilities in Houston and Midland, Texas, to further reduce the polystyrene that ends up in landfills. In our Houston office, we have switched all remaining disposal containers to be eco-friendly.

Scrap Metals

Office and field locations collect and recycle scrap metals on a regular basis.

OUR PEOPLE

Our commitment to people begins with our employees — our most important resource and greatest competitive advantage. By building a diverse and inclusive workplace, supporting employee development and wellbeing, and providing a comprehensive Total Rewards package, we are investing to help achieve the full potential of our employees and our company. Over the last year, our employees have adjusted to returning to the office in a hybrid work model and have continued to take measures to minimize the spread of COVID-19, all while producing high-quality work to help our company achieve its goals.

All employees of APA companies are employed by our subsidiary Apache Corporation.

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 makes everyone stronger.

As the energy landscape continues to evolve, we need increased diversity, innovative ideas and nuanced perspectives more than ever. 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

As part of developing our D&I strategy, we participated in external surveys to benchmark our D&I programs and gain insight into best practices. With this data, we measured the success of our programs in the areas of recruiting, talent management, learning and development, employee engagement, supply chain and community partnership efforts. We are merging the results of these external surveys with insights gained from internal listening sessions to identify and implement changes and opportunities that will help us advance workplace diversity.

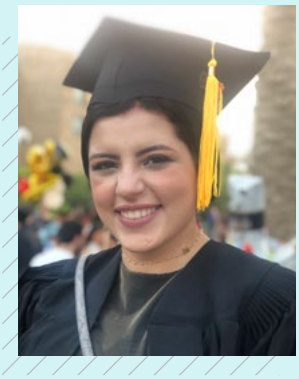
We know that data drives progress and accountability. We have developed D&I dashboards as a key part of our approach to help us assess the diversity of our workforce. An internal dashboard utilized by our human resources department tracks gender and ethnic diversity across management, new hires and promotions, to drive accountability and measure progress as we implement processes to advance D&I. We also incorporate a D&I goal in our annual incentive compensation program to build diversity strategically across our organization. Year-end data for 2021 can be found on our public D&I dashboard, on pp. 48-49 and also in the Key Performance Data chart on p. 99. Our 2021 Equal Employment Opportunity Consolidated Report, or EEO-1 data, can be found on p. 101 in the Appendix.

In addition to our proactive D&I efforts, we strongly enforce our Code of Business Conduct and Ethics. The Code requires that we conduct 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 Community section, p. 77, for information on our Supplier Diversity program).

Attracting Diverse Candidates

Recruiting talent from historically underrepresented groups is a key component of our D&I efforts. We ensure that our hiring managers meet our internal standards for identifying and hiring diverse talent. We provide access to a tailored curriculum of courses that provide training and clarity on candidate selection, interviewing and hiring practices. While our recruiting and hiring efforts slowed dramatically in 2020, they have begun to recover.



CASE STUDY

Nadine El Tanahy: From All-Star Student to Apache Engineer

In 2016, Apache Egypt announced a scholarship program in partnership with the American University in Cairo, partially covering tuition payments for two distinguished undergraduate students majoring in petroleum engineering.

Nadine El Tanahy quickly distinguished herself in her studies, winning a scholarship from Apache in 2016. An internship within Apache's Egyptian operations followed. The Engineering Summer Internship Program involved rotations through the offices of Apache Egypt, and of the Qarun Petroleum Company (QPC) and Khalda Petroleum Company (KPC) joint ventures.

In early 2019, she received the STEM Star of the Year Award at the Egypt Petroleum Show (EGYPS), held under the patronage of His Excellency President Abdel Fattah el-Sisi of Egypt. (Shown here with Egypt's Minister of Petroleum and Mineral Resources, H.E. Tarek El Molla.) ➤

The award recognizes a high-potential female university student in the Middle East or North Africa who is pursuing a STEM degree and has a keen interest in the oil and gas industry.

After graduating with honors, El Tanahy joined Apache Egypt as a full-time employee and was seconded to KPC, one of two Apache joint ventures with the Egyptian General Petroleum Company (EGPC). Nadine has already completed six months of rotational training experience in various technical departments, including drilling engineering, reservoir engineering and production engineering. She joins a growing group of women contributing to Apache's significant efforts in Egypt, where the company is the country's largest U.S. investor and top oil producer.

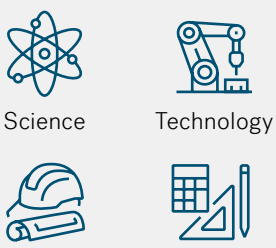
EXPANDING DIVERSITY IN EDUCATION AND CAREERS

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

But 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 for advancing diversity and inclusion at our company and throughout our industry, and we are working to encourage women and other traditionally underrepresented groups to pursue STEM careers.

Apache's 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 (see more about POSSE Foundation on p. 69).

STEM skills



In 2022, we have continued to make progress in our efforts to attract diverse candidates by partnering with student resource groups like the National Association of Black Accountants and 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.

Our recruiting approach and performance are regularly reviewed to ensure our process is fair and reflective of a diverse and inclusive workforce. Through our partnership with Meyer Consulting Group, an independent firm that specializes in workforce diversity, our HR team reviews all recruiting and applicant data to ensure alignment with our overall Affirmative Action Plan and 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 or other legitimate business reasons. When pay differences are not clearly tied to such factors, we undertake a deeper review and correct wage gaps to ensure they do not correlate with gender, ethnic or racial differences.

To ensure equitable pay for substantially similar work, we have a process to make pay systems and decisions more transparent and objective, in addition to having pay bands for specific jobs. These processes include:

- Objective metrics to measure performance, which are directly linked to compensation.
- Compensation guidelines, based on defined pay ranges, performance and positions, to ensure consistency in the company's compensation.
- Training for all compensation decision-makers on the importance of collecting objective metrics, utilizing compensation systems, and focusing on consistent compensation for jobs rather than compensation percentage increases.

D&I Training

In 2021, we continued mandatory companywide D&I training for all our leaders with direct reports, and assigned it as recommended training for all other employees. The training focused on unconscious bias, allyship, mitigating micro-aggressions, leveraging micro-affirmations, inclusive leadership, and the benefits of diversity, inclusion and belonging.

To help make our commitment to D&I more visible companywide, we have utilized a range of diversity-related information campaigns, including employee spotlights, heritage month celebrations and global holidays. The D&I site on our intranet also provides information on how to join or initiate Employee Resource Groups (described on p. 47). ➤

Diversity & Inclusion Council

Our workforce is a global community that spans many regions around the world and encompasses the unique characteristics of the people who live in these areas. In 2019, we established the Apache Global Community to support our overall D&I efforts. This diverse group is comprised of members that represent the company's gender, ethnic, geographical and functional diversity, including employees from different management levels, corporate positions and fields. Renamed in 2020 as the Diversity & Inclusion Council, this team champions our D&I culture by providing employee perspectives, ideas and feedback on our D&I initiatives, companywide policies and HR processes.

Employee Resource Groups

We support Employee Resource Groups (ERGs) focused on advancing inclusion, belonging and understanding for employees across our organization. All ERGs have an executive sponsor who provides guidance and advice to the group. Networking, professional development and camaraderie are just some of the many benefits of our three current ERGs: the Apache Women's Network (AWN), Black Professionals Network (ABPN) and Pride Network (APN).

ERGs are open to all employees and help build connections, support our community outreach programs and foster career development. In the coming years, we will continue to support employees as they form additional ERGs. For example, a relaunch of TEAM Apache, our community volunteer ERG, occurred in 2022. A new leadership team, as well as an executive sponsor, to support this group has recently been selected.

EMPLOYEE RESOURCE GROUPS

APACHE BLACK PROFESSIONALS NETWORK

Black Professionals Network

The Apache Black Professionals Network (ABPN) is committed to promoting a corporate environment where Black employees thrive, both professionally and personally, with a sense of purpose, support and community involvement. To achieve this, ABPN facilitates continuing education, professional and personal growth, mentorship, networking and community impact opportunities for Black professionals and allies.

In 2021, ABPN focused on cultural awareness, career growth, community engagement and advocacy. The group hosted personal and professional development events such as Work/Life Balance during the COVID pandemic, Diversity in the Workplace and Charting Your Career Path, which was led by an external panel of career development experts. ABPN also hosted virtual social networking events and book club meetings.

ABPN is deeply committed to supporting community youth with resources and opportunities. In 2021, ABPN provided scholarships to support talented, underprivileged students at two HBCUs — Texas Southern University and Prairie View A&M University. ABPN also donated material and built a butterfly garden at Rusk Middle School and donated to Operation Turkey, which provides free Thanksgiving dinners to families in need.

APACHE WOMEN'S NETWORK

Women's Network

The Apache Women's Network (AWN) focuses on providing its members with learning programs, networking and community engagement opportunities to support our female workforce. In 2021, AWN, in partnership with Government Affairs, hosted the Women's Public Leadership Network (WPLN). The WPLN is an organization dedicated to educating, organizing and inspiring women to become civically engaged, seek public office and effect change in their communities. The event provided information on offices, boards and commissions, and provided resources for assistance in getting involved in political leadership.

AWN also held several virtual events, including a global session on mental and physical health, a conversation with the vice president of EHS, and networking events. To further engage members, AWN launched SharePoint and Teams sites and rolled out a new logo, which represented Apache women in corporate and operational functions.

APACHE PRIDE NETWORK

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, foster equality and provide a sense of belonging. The ERG was launched in June 2021 to coincide with Pride Month. In a few short months, APN developed a charter, gained an executive sponsor and increased membership in both the U.K. and U.S. chapters. It also hosted a launch event. In the upcoming year, APN plans to provide resources to support LGBTQ+ employees and allies, host networking events and plan community service activities.

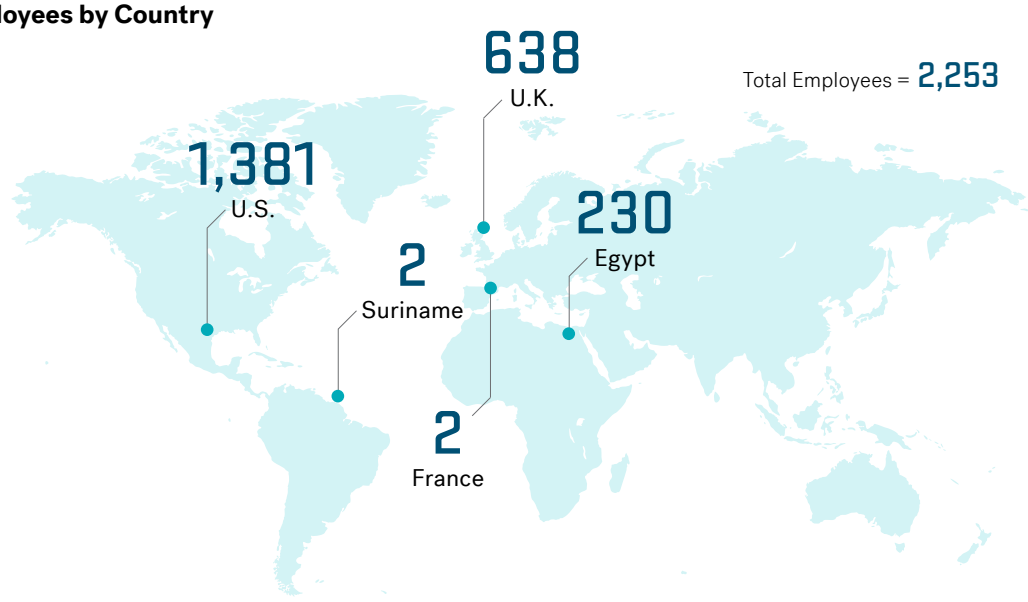
TEAM APACHE

TEAM Apache

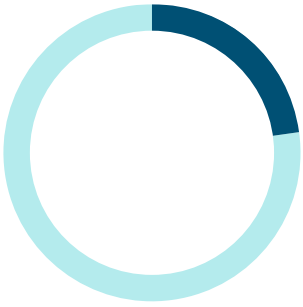
TEAM Apache, which stands for Together Everyone Achieves More, is relaunching in 2022. This employee resource group is the volunteer arm of Apache's Community Partnerships and Employee Engagement departments. TEAM Apache's mission is to provide meaningful volunteer opportunities for Apache employees that instill a sense of pride, ownership and accomplishment for their efforts in the community. A new leadership team has been selected to develop a team charter, recruit volunteers and coordinate volunteer activities.

Workforce Demographics*

Total Employees by Country



Global Gender Mix



Global

- 23% Female
- 77% Male

U.S.
71% male 29% female

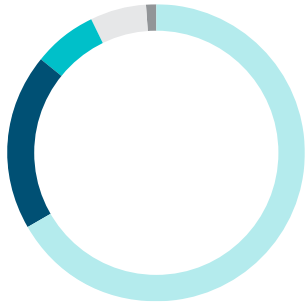
U.K.
88% male 12% female

Egypt
83% male 17% female

Suriname
100% male 0% female

France
50% male 50% female

U.S. Ethnicity Mix



U.S.

- 66% White
- 19% Hispanic
- 7% Asian
- 6% Black
- 1% Other

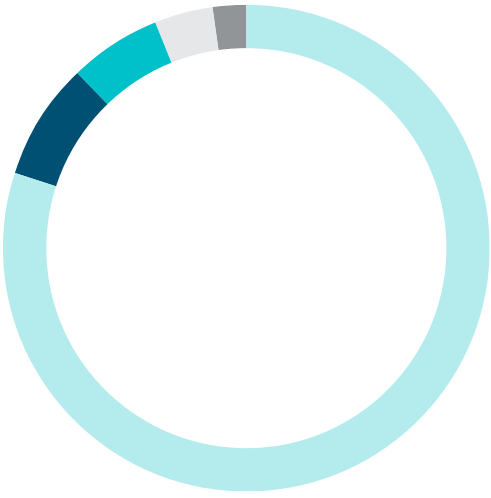
34%

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

* Our workforce demographics are reported by employees' work location as of Dec. 31, 2021. They are based on employee self-identification, and subject to changed 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 2021 Equal Employment Opportunity Consolidated Report can be found on p. 101 in the Appendix.

Workforce Demographics (Continued)

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



U.S. leadership breakdown

- 80% White
- 8% Hispanic
- 6% Asian
- 4% Black
- 2% Other

20%

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

18%

of global leadership self-identifies as female.

Global Field/Office Demographics

Field vs. Office

- 42% Field personnel
- 58% Office personnel

Global gender mix of office personnel

63% male 37% female

Global gender mix of field personnel

96% male 4% female

Ethnicity mix of U.S. office personnel

35% racial/ethnic minorities

Ethnicity mix of U.S. field personnel

33% racial/ethnic minorities

Global Age Breakdown

Global

- 8% Age: 29 and under
- 62% Age: 30-50
- 30% Age: 51 and over

Hiring Locally

We place a high priority on investing in the areas where we operate, which includes hiring and developing local talent. Local hiring allows us to make meaningful economic contributions to these communities, especially in areas where professional jobs may otherwise be scarce.

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, making this task relatively easy. 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 Suriname, where our operations are relatively new, we are focused on building local employment capacity to support future oil production. 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.

In Egypt, advancing the local workforce has been a focus of our operations for many years. We first began operating in Egypt more than 20 years ago, through a joint venture with the Egypt General Petroleum Corporation. Our agreement included requirements for the hiring of nationals. At that time, local candidates for petroleum engineering and geological roles were limited. Initially, we hired oil and gas experts from abroad, but we helped to build local expertise by collaborating with Egyptian universities to develop technical coursework that 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 across the Middle East and North Africa to broaden their technical knowledge base. To capitalize on this, we recently established partnerships with firms that are helping 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 15% of its total gross domestic product (GDP). 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.

See the Community section (pp. 68-70, 74-75, 80) for more on how we are investing in local communities in Suriname and Egypt.

> "As operational needs and demand for local hiring increase, we will lean heavily on local resources."

Recruitment, Development and Engagement

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

Employee Recruitment

We focus our recruiting efforts primarily on local colleges and universities, and have additionally developed strategic partnerships focused on recruiting diverse candidates (see pp. 44-46).

Throughout 2021, we continued to build on the progress made through our updated recruiting platform and integrated it into our existing HR systems for a more effective recruitment and onboarding process. We are also using a new applicant tracking software, search engine optimization and XML feeds to help our job postings reach more diverse groups. As a result, we have been able to locate a broader pool of candidates interested in applying for our open positions.

In October 2021, the Apache HR team announced a transformation of the recruitment function aimed at better aligning our business and hiring teams with candidates seeking opportunities with Apache. During this transition, we identified a talent acquisition lead and hired a fully dedicated senior recruiter. In 2022, the team will continue to advance our mission of finding diverse, talented candidates.

We believe that referrals from our current employees are one of our best recruiting tools. By enabling existing employees to participate in the candidate identification process, we can secure candidates who more readily exhibit our Core Values. For example, six roles were filled by employee referral candidates to our external job portal by current team members in 2021.

In Egypt, the local HR team supported mock interview efforts at the American University in Cairo (AUC) to assist students in petroleum with the interview process. We have had great success in the past partnering with local Egyptian universities such as AUC and Mansoura University, and look forward to continuing those partnerships in the future. As an ever-present guiding principle, we remain committed to hiring in the locations where we live and work.

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 that includes a competitive base salary, industry-leading benefits and performance-driven incentives. We believe that focusing on both short-term and long-term incentives provides fair and competitive compensation while aligning employee and shareholder interests. Our incentive compensation programs also reward company and individual performance by integrating with our operations; financial; environmental, social and governance; and workforce safety initiatives.

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

A few examples of recent enhancements to our benefit offerings for employees include:

- Our U.S. family leave policies allow paid time off for all new parents, including adoptive and surrogate parents, and leave for employees providing elder care.
- Mental health benefits are available to all U.S.-based employees and eligible family members, including 16 free sessions with a mental health therapist or coach each year. These benefits also include:
  - A library of wellbeing 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 a variety of topics related to mental health; current events; and diversity, equity, inclusion and belonging.
  - An integrated alcohol and mental health recovery program.
- A global wellness platform encourages and promotes physical, financial, social and emotional wellbeing.

Learning and Development

Our approach to learning and development focuses on helping our employees meet their professional goals and aligning individual performance with company objectives. In 2021, we formally introduced an enhanced performance management system with transparent ratings linked to bonus outcome and merit review. Employees and managers were provided toolkits, guidance and training to support all stages associated with overall performance management. We regularly reassess and realign learning and development resources to improve ongoing development opportunities across technical, compliance, business and personal development areas.

We continuously evaluate our training providers to offer the best available programs to our employees. In 2021, we added to our development opportunities Franklin Covey, a leading training provider, in our vendor portfolio specifically dedicated to offering leadership training and personal development to our employees.

Learning by the Numbers

827
Unique courses.

29,375
Hours of training.

51,193
Course completions.

Leadership Development Program

In 2021, we launched our Leadership Development Program, focusing on vice presidents down to senior managers. Over 100 leaders have completed the first steps of this process, which includes 360-evaluations, one-on-one coaching, and workshops focused on core leadership competencies. In these workshops, leaders explored their leadership behavior and how to utilize their strengths with delegation, managing change in their teams, creating an engaging culture, and focusing on giving and receiving feedback. In 2022, we will work on progressing to the next level of leaders and continuing growth with our senior leaders.

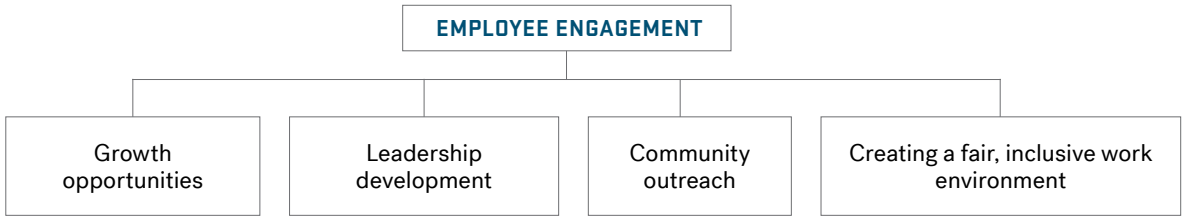
Leadership Development Program by the Numbers

100
Participants.

350+
Coaching sessions.

Succession Planning

Identifying and preparing future leaders is a principal element of employee development and succession planning. Our HR team works with company leadership to identify internal successors for all vice president and higher-level positions. In 2021, we strengthened our succession planning by focusing on our leadership competencies as part of the identification process. We utilized these competencies along with development plans to assist leaders in honing their skill sets to continue leadership growth.



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.

We foster employee engagement in several ways. These include providing growth opportunities, leadership development, community outreach opportunities and creating a fair, inclusive work environment. The foundation of our employee engagement strategy is building a sense of common purpose around mission, which our leadership supports through frequent, transparent and honest communication. For example, we hold quarterly town hall meetings hosted by the CEO and president that 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 and ask questions regarding financial markets, APA's stock performance and the market performance of our industry peers. We also invite employees to participate in live presentations broadcast to global offices that feature external speakers discussing topics relevant to the energy industry.

Understanding employees' perspectives is central to our outreach efforts. In 2022, we plan to launch a refreshed employee engagement survey that will measure employee engagement and gauge our progress on building an inclusive workplace. As in the past, the survey results will be used to identify focus areas to continuously improve our work environment.

We also support our employees in their efforts to give back to the communities where we live and work, by sponsoring volunteer service opportunities. We look for meaningful volunteer opportunities that instill a sense of pride, ownership and accomplishment for employees in their respective communities.

EMPLOYEE ENGAGEMENT WITH LOCAL STAKEHOLDERS

Our Ambassador Program offers a communications skills course and provides access to resources on key energy issues for our employees. The program's benefits are twofold — employee development opportunities and education on industry best practices. Our employees are trained to actively listen and remain open and responsive to community members' concerns, helping to build lasting relationships.

MENTORSHIP PROGRAM

In 2020, we began piloting a companywide Mentorship Program. Formally launched in April 2021, this program provides mentors an opportunity to guide their mentees in developing goals and core leadership skills, and accessing networking opportunities. More than 15% of the employee population participated in the program in 2021. A survey was conducted at the end of the mentoring session to assess the effectiveness of the program. Both mentors and mentees provided positive feedback, and the program will be continued in 2022.

136
Mentors

204
Mentees

CASE STUDY

Reimagining the Employee Experience

As the world gradually returned to in-person activity, and employees adjusted to a hybrid work model, we took advantage of an opportunity to answer an important question about the future of work. In this new era, what would be the most effective workplace strategy to support the productivity and work/life balance of our employees?

To better understand our workforce and its needs, we launched the Future of Work program, to identify a long-term working model and to understand the technology and real estate investments required to support our employees' wellbeing, engagement and productivity.

Above: We position employees with technology to collaborate in-person and remotely, to ensure an effective hybrid work strategy.

As part of this program, we partnered with a workplace consulting firm to analyze current employee work patterns. We then launched three pilot programs to test possible working models, and presented workplace strategy recommendations to the executive leadership team.

A key element of this program was collecting and integrating employee feedback via benchmarks, day-in-the-life analysis, pulse surveys and participant interviews and observations.

In 2022, we will identify and begin implementing a workplace strategy that enhances employee collaboration and development, optimizes productivity, enriches employees' connection to our culture and supports wellbeing.

> "To better understand our workforce and its needs, we launched the Future of Work program."

HEALTH AND SAFETY

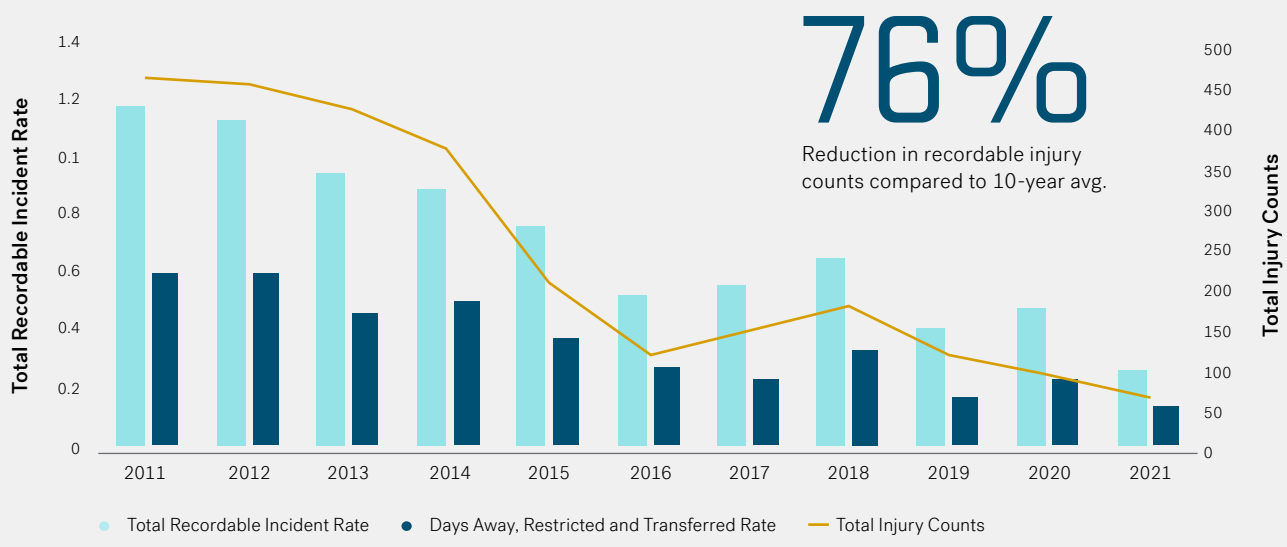
We are committed to maintaining the health and safety of our employees, contractors and the communities where we operate.

We strive to achieve this objective through the application of our Core Values, standards and operating practices throughout our global workforce, including contractors. We additionally expect all partners across our value chain to support these efforts.

2021 Key Safety Metrics and Achievements

We made significant improvements in 2021 in all four categories of our key performance indicators.

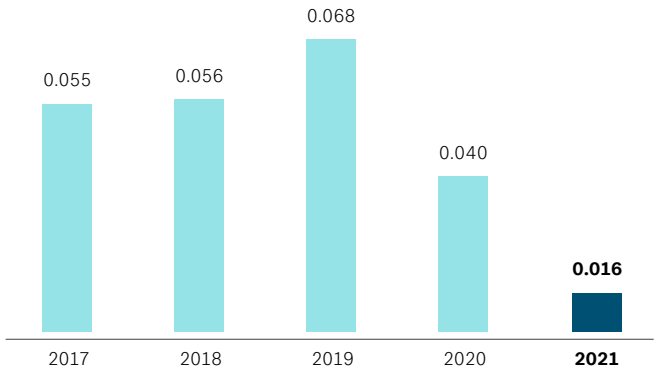
Specifically, we achieved incident rates more than 38% below targets in each of our Total Recordable Incident Rate (TRIR), Days Away, Restricted or Transferred (DART) Rate, Severe Injury and Fatality (SIF) rate and Vehicle Incident Rate (VIR) metrics. Globally, we achieved an approximately 45% reduction in recordable incidents year over year. We significantly reduced severe injuries, and driving-related incidents were at their lowest levels in 10 years. The graph below demonstrates a distinct trend in safety improvement over the past decade:



Since 2019, we have separately tracked a SIF metric to increase corporate visibility and awareness of incidents that result in fatal or life-altering injury or illness. Life-altering injuries or illnesses are defined as those that result in the permanent or significant loss of a body part or organ function, or that otherwise permanently change or disable individuals in their normal life activity.

The graph to the right shows the historical five-year SIF rates for our workforce. In 2021, we achieved a SIF rate of 0.016, a 50% reduction compared to 2020. In addition to the overall reduction in SIF incidents, the Apache global workforce, including contractors, did not incur a single fatality in 2021.

Workforce Severe Injury and Fatality Rate



SIF rate is calculated by multiplying the total number of SIF events by 200,000 hours, then dividing by the total hours worked. SIF events considered in this rate are those that result in a fatal or life-altering injury or illness.

Incident Reporting and Management

In 2021, our Environment, Health and Safety (EHS) department made a number of enhancements to our cross-functional approach to incident management, based in part on improvements identified in 2020, including:

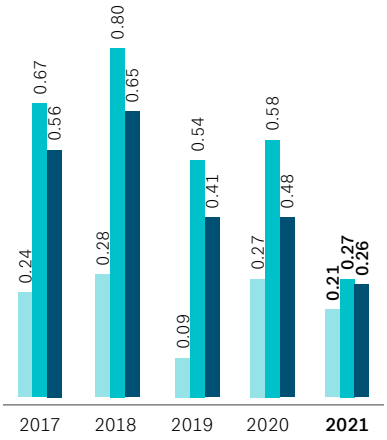
- More constructive feedback on incident investigations.
- Deeper understanding of root causes.
- More effective preventive and corrective actions.
- More effective sharing of lessons learned.
- Revitalizing EHS safety committee meetings.
- Refocusing the weekly EHS performance dashboard.
- Conducting monthly "all-employee" EHS leadership town halls.
- Launching a global hand and finger injury prevention campaign.
- Conducting bi-weekly review meetings of our AIM for ZERO behavior-based safety program.

We monitor leading and lagging metrics of our performance to measure the effectiveness of our proactive and preventive health and safety programs. Our data management portal helps standardize the way we track leading and lagging indicators, respond to incidents, facilitate the Management of Change process and monitor stakeholder communications. This system helps us better identify and communicate root causes and incorporate lessons learned from incidents, so that we can mitigate and — where possible — eliminate the conditions that caused them, across our operations.

We provide regular updates on our health and safety metrics weekly to managers at every level within the company, and also at quarterly employee town halls, meetings of the Environment, Social and Governance (ESG) Management Committee and at each Board meeting. Using leading indicators to stay abreast of our current performance allows us to make more effective course corrections throughout the year should our performance fall out of sync with our program goals.

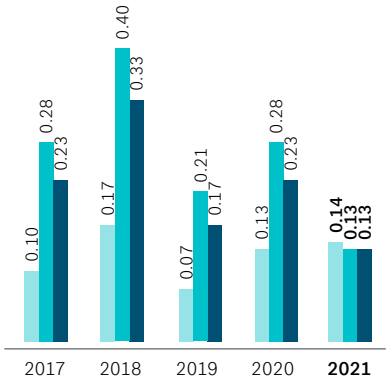
Expectations for managers' engagement in health and safety can be found here.

Total Recordable Incident Rate



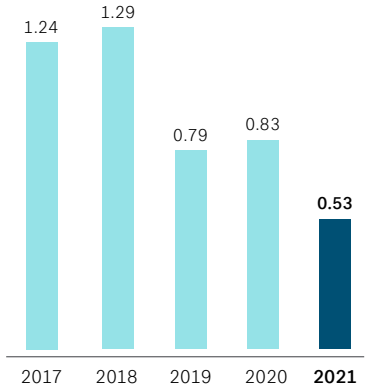
The TRIR is calculated by multiplying the total number of recordable injuries by 200,000 hours, then dividing by the total hours worked.* The TRIR measures the rate of work-related injuries and illnesses that result in medical treatment beyond first aid. Medical treatment includes, among other things, the use of prescription medication to relieve inflammation or ease discomfort.

Days Away, Restricted or Transferred Rate



The DART rate is calculated by multiplying the total number of DART injuries by 200,000 hours, then dividing by the total hours worked.* DART cases considered in this rate are those work-related injuries and illnesses that lead to an employee missing work, requiring restrictions in work duties or requiring a transfer from regular work duties.

Vehicle Incident Rate



The VIR is calculated by multiplying the total number of recordable vehicle incidents by 1 million miles, then dividing by the total miles driven.**

* Apache employees and contractors worked more than 50 million hours in 2021.
** Includes miles driven by Apache employees.

Our Safety Philosophy

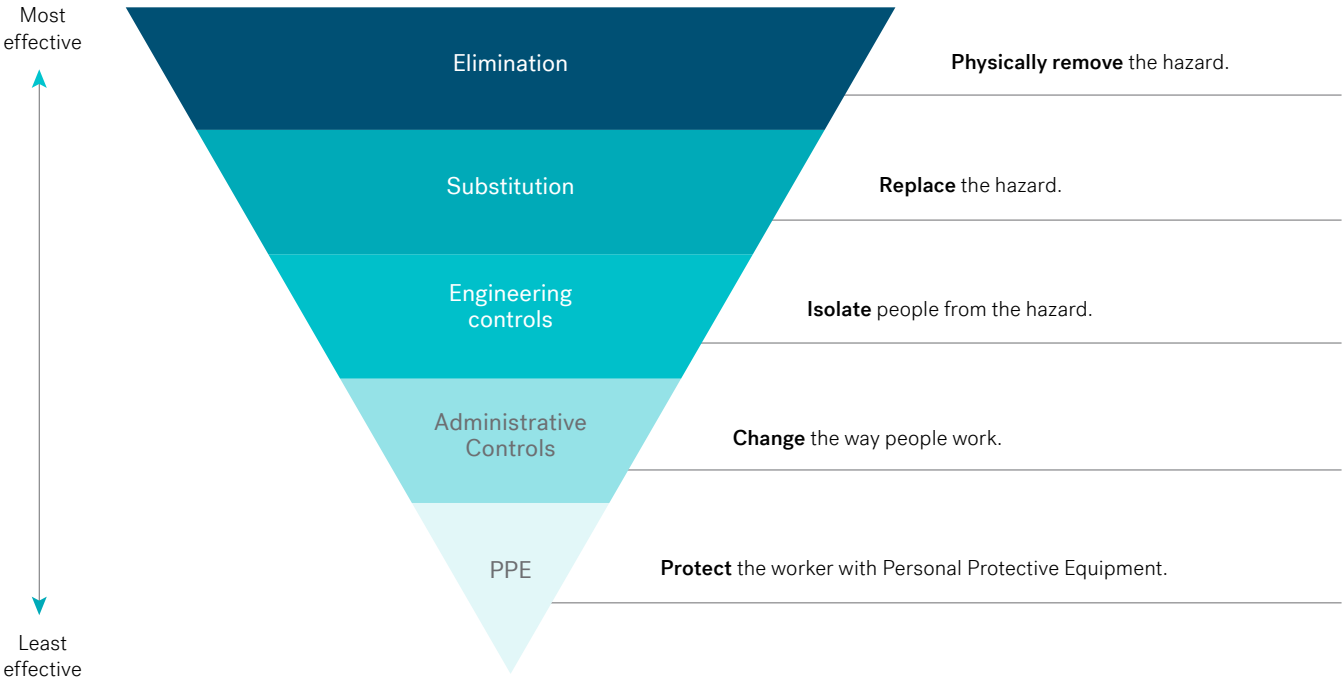
We foster a safety culture that empowers our workforce to stop any task if conditions or behavior are thought to be potentially unsafe. This means every team member on location has stop-work authority, allowing them to halt activity, reevaluate working conditions, and ensure procedures are in place for everyone's safety before proceeding.

We strive to be incident-free across our global operations every day, with the support of visible and engaged leadership, by setting clear expectations and making safety personal for all employees and contractors. In 2021, as activity levels rebounded from the COVID-19 pandemic and travel restrictions eased, our senior leadership, including our COO, vice president of EHS and other senior staff, made personal visits to our global operations to reinforce our safety messaging.

We believe that empowering the voice of our workforce is foundational for performance improvement. Toward this end, our behavior-based safety program, AIM for ZERO, provides direct access for workers to submit ideas, suggestions or observations for improvement, and to identify potential hazards for the prevention of safety incidents. In 2021, over 10,000 AIM for ZERO submissions were logged across our global operations. We act on these submissions by evaluating potential safety improvements and implementing them where feasible and appropriate.

Additionally, we ask our contractors to share their safety observations with us, and in 2021, more than 130,000 submissions were logged by several core contract companies throughout our global operations. We view this overall increase in observations as a positive for our operations, as it shows that workers are focused on hazard identification. This enables us to better monitor key trends and identify areas of concern, allowing us to focus on potential improvements to address safety hazards and prevent injuries and other incidents.

HIERARCHY OF CONTROLS



Hazard Identification and Mitigation

We follow a hierarchy of controls to minimize and mitigate exposures to occupational hazards. Based on this approach, we focus first on eliminating hazards — the most effective way to avoid incidents — and then move through hazard mitigation strategies (see the hierarchy we follow, which is based on recommendations by the National Institute for Occupational Safety and Health [NIOSH], in the graphic above). We identify, assess and manage hazards during facility design, construction, modification and operation. Hazard assessment findings and recommendations are reviewed by our safety staff, and the results are communicated to relevant operational personnel.

Our workforce strives to identify, assess and eliminate or mitigate risks in our operations and work activities by effective planning, control of work, and incident management. This is demonstrated through actionable observations, task-based risk assessments, semiannual operational risk reviews, operationally led root-cause analyses, and knowledge sharing of incident findings. We use field-focused efforts centered on leading key indicators to help identify opportunities for continuous improvement. Examples include control of work process audits, digital safety inspections, trend analysis and timely feedback to the workforce. Incident alerts are delivered to staff and contractors as appropriate to alert them to changes in operating conditions or in areas where 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, iterated and improved upon to drive continuous improvements in performance.

Above: Advanced Safety Audits are completed routinely on offshore Beryl Alpha platform.

Safety Audits and Assessments

Our teams conduct audits and inspections in all our operating areas. In the North Sea, Advanced Safety Audits (ASAs) are completed routinely on our offshore facilities. As with the AIM for ZERO program, these ASAs focus on observations made during the performance of a specific task. Often, actions will be observed and notations made that identify areas of concern or potential improvements to both safety and performance. Last year, over 2,500 ASAs were completed on our offshore platforms in the North Sea.

In our operations in the U.S. and Egypt, we have implemented tools that allow for mobile on-site inspections by supervisors. These inspections leverage mobile technology within our internal safety database to complete pre-job inspections and rig-up assessments in real time. This program was implemented in early 2021, and last year, over 600 specific worksite inspections were completed within U.S. onshore operations. Within our Egypt operations, over 1,300 safety inspections were completed using this newly developed inspection process.

Apache Area	Inspections
North Sea Inspections	2,572
Egypt Inspections	1,354
U.S. Onshore Inspections	627
APA Total	**4,553**

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 purpose of the survey is to solicit feedback from employees on key safety and environmental aspects of company operations. Survey questions are focused to reflect the company's commitment to environmental stewardship, the overall health and safety of our workforce, and the prioritization of APA's ESG initiatives.

Our 2021 safety culture survey yielded a nearly 70% engagement rate from our global workforce. We saw notable changes in some of the areas we focused on, such as increased use of a safety moment at the start of all meetings, and improved communication through the distribution of Incident Alerts. We also collected open-ended responses, which allowed employees to provide additional responses in their own words. This feedback helped us to identify key themes and develop three major focus areas for our 2022 safety engagement program: Worker Competency, Control of Work Procedures and Standards, and Contractor Management.

MOST NOTABLE IMPROVEMENTS

Safety Culture

Apache has provided well-defined procedures that address proper job steps and hazards.

20%

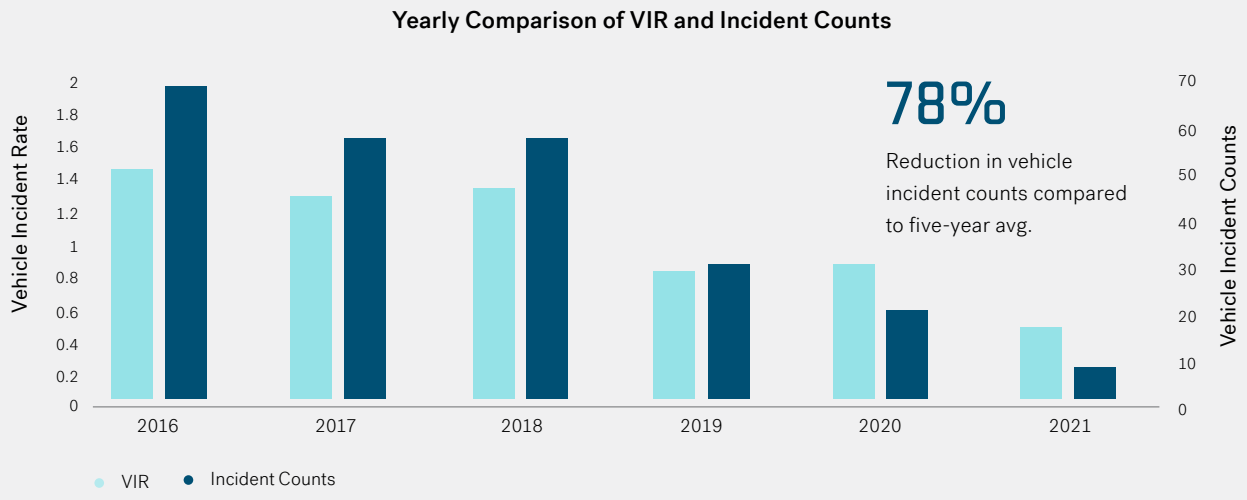
more respondents agreed with this statement than in 2020.

Safety Moments

Office meetings always contain a safety moment or topic.

44%

of respondents agreed with this statement in 2021, up from 26% in 2020.



Driving Safety

In 2021, our employees drove nearly 19 million miles while working for the company and achieved the best Vehicle Incident Rate (VIR) in the company's history. The team's hyper-focus on driving safety, leveraging real-time monitoring data and expanding training across our operations, resulted in a 78% reduction in VIR compared with our company's five-year average.

We use in-vehicle monitoring systems in the U.S. and Egypt to help ensure the safe driving habits of our workforce. These real-time monitoring systems are overseen by the Apache Incident Management Center and locally based information centers. Over the last several years, we have seen a steady decrease in recordable vehicle incidents across our global operations. In Egypt, there were two recordable vehicle incidents in 2021, compared to eight the previous year. Above is a graph that shows the improvements in vehicle incident counts and VIR in the past five years.

Health and Safety Training and Education

Training and continuing education are foundational to our operations. Our online training platform, which is incorporated into our in-house training system, 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.

2021 Safety Training Highlights

~26,000

EHS training modules.

17,000+

hours logged.

CASE STUDY

Safety Doesn't Happen by Accident

Even in the face of a rebounding ongoing pandemic and an uptick in operational activity, in 2021, the company achieved performance breakthroughs that set new safety records.

During 2021, EHS and Operations teams advanced priorities identified from the 2020 Safety Culture Survey, as well as the fundamentals of cross-functional collaboration, process formalization and AIM for ZERO program improvements.

These global performance improvements were underpinned by a relentless focus based on APA's Core Values. Key examples of how our employees put our values into action to keep each other safe include:

Putting People First: We put people's safety first, even when it means stopping work to do so. For example, when winter storm Uri froze much of the U.S. in February 2021, traveling was dangerous and power was disrupted, requiring a careful balance of safety and production. The U.S. onshore team monitored and managed production ahead of the cold temperatures and kept field teams off the roads. In a similar scenario in Egypt, work was also halted during scheduled maintenance at the Tarek gas plant while crews safely waited out a severe sandstorm that obscured visibility and cut power and cellphone service.

Action to Mitigate Operational Risks: We revitalized our approach to systematic risk assessment by establishing key risk indicators, implementing smarter controls and formalizing the documentation of findings to align intention with action.

Enhanced Transparency and Communication: In 2021, corporate leadership including the COO with EHS established a discussion forum between the joint venture operating entity, Apache Egypt and Khalda Petroleum Company (KPC), which facilitated two-way dialogue between frontline personnel and leadership. Operations teams witnessed tangible benefits and greatly improved transparency in communication as a result of the forum.

Total Recordable Incident Rate (TRIR) and severe injuries were at their lowest in over 10 years, down by 44% and 59%, respectively.

Learning From Incidents: In 2021, we instituted a collaboration session that assembled cross-functional international teams to comprehensively assess incidents and share findings. Maintaining on-site safety for team members and partners requires a collaborative approach to auditing and thoroughly discussing contractor policies and procedures. Establishing key takeaways from incidents and setting clear expectations with contractor leaders can prevent future incidents from occurring, when implemented in addition to regularly scheduled in-depth training.

Reminding Ourselves of the Basics and Tightening Control of Work: We optimized and utilized structured processes to manage our asset integrity lifecycle and verify control of work. As operational activity increased, we knew it was important to renew our focus on basic protocol and to have leadership and employees consistently reinforce work rules and safety standards. The elements of "Stop. Think. Act. Review." underpin everything we do.

Contractor Management

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

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.

Leveraging the power of a third-party contractor management data service, we set minimum criteria for all contractors on topics including core training, insurance, and health and safety management. Meeting these criteria is incorporated as contractual provisions that are required for approval of all master services agreements.

We engage consistently and actively with our contractors to promote alignment with APA's Core Values, including EHS standards and operational excellence. Our contractor-facing website outlines our EHS expectations for our contractors, with applicable documents available for download. Our comprehensive contractor management process addresses the full lifecycle of supplier engagement, from selection and evaluation to monitoring and post-contract review.

In 2021, as pandemic restrictions began to ease, quarterly in-person contractor safety meetings were reintroduced. These engagements are held in each production area and are open to all contract companies and crews working in that area. In 2022, we are also planning larger, town-hall style meetings for contractors on drilling, completions and workover activities.

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. In addition to the internal review process described above, we also assess contractors using leading third-party supply chain management tools that provide evaluations on a range of criteria, including performance and management of safety, anti-corruption, financial health and other business issues.

Frequent contractor safety audits, both at job sites and in contractor field offices, are critical components of our compliance assurance process. Our contractor audits assess a range of controls, including EHS management systems, data analytics, training compliance and competency.

In 2021, the field operations EHS team completed 357 distinct on-site rig inspections. These consist of a wide range of checks to ensure Occupational Health and Safety (OSHA) compliance among our workover vendors. In 2022, we will continue to improve our audit and inspection processes by formalizing checklists, frequency and methodology.

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

- Verification and validation of operational readiness.
- Training compliance and competency.

Compliance Assurance

- EHS audits.
- Performance reviews.

Continuous Improvement

- Sharing and adopting industry best practices.
- Reviewing lessons learned.
- Evaluation of emerging technologies.

TRANSITIONING THROUGH THE GLOBAL PANDEMIC

Throughout 2021, we continued to adapt to the global pandemic and prepare for changes in activity as the world transitioned from the impact the pandemic had on work life. The health and safety of our workforce remained a priority, as activity increased with improved market conditions, which required us to maintain operational continuity. The dedication and diligence of our employees and contractors in adhering to health, safety and hygiene protocols were critical to maintaining a safe workplace. Enduring the global pandemic and the constant changes associated with it provided opportunities to evaluate business practices and operations. By regularly reassessing and evolving our best practices throughout the pandemic, we were able to foster and create innovative solutions and enhancements throughout our business, increasing the company's resilience for future events.

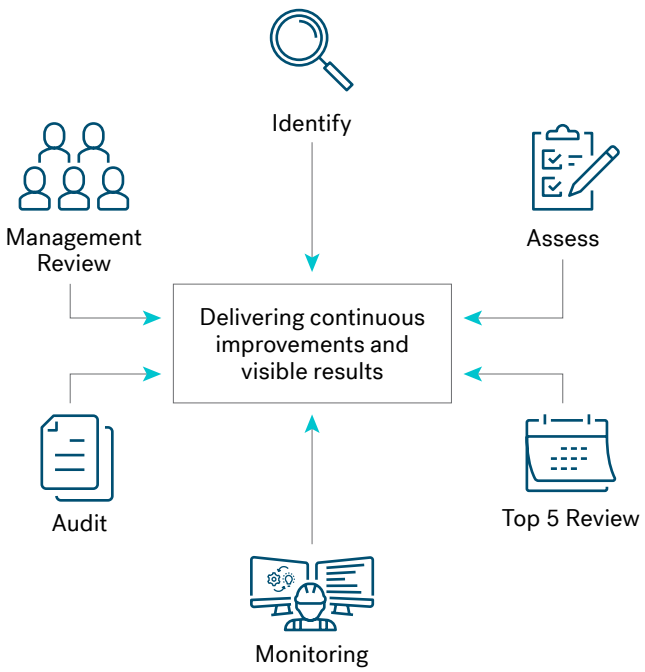
The COVID-19 pandemic has led to numerous changes in the way we conduct our business, including how we support employee health and safety. It has introduced a new set of challenges for keeping our workforce safe while maintaining operational continuity. As always, even when faced with seemingly insurmountable challenges, our employees rose to the task and succeeded in developing and implementing new ways to keep one another healthy and safe. The company provided masks, hand sanitizer and implemented new work protocols to ensure the adherence to proper social distancing recommendations. The company also provided access to COVID vaccines and boosters for employees and their families. This global crisis has illustrated the resounding ability of our team to adapt as circumstances change and make the necessary adjustments to ensure that worker safety and health remain a top priority.

Crisis and Emergency Risk Management

Emergency Preparedness Resilience

In recent years, we have enhanced our operations risk management program, which is helping us reduce operational risks across the company. A cross-functional team with representation from many areas of the business worked together to implement process improvements in the program.

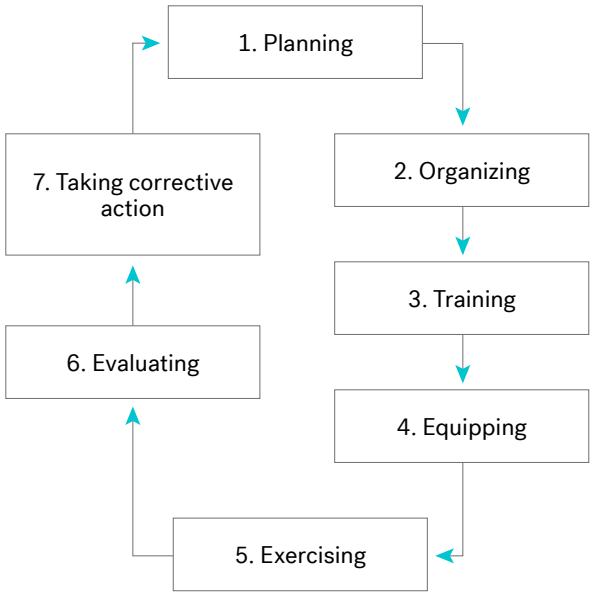
OPPORTUNITY AND RISK MANAGEMENT FRAMEWORK



Incident Management

We train employees on incident response and managing unplanned events, including how to implement mitigation measures. In 2021, we conducted 13 Incident Management Team exercises across our operations to improve our ability to respond to unexpected incidents. Coupled with a training matrix and response plans, these efforts are a crucial step in crisis and emergency management preparedness for the business. Corrective action items were identified after each exercise with recommendations, and an implementation plan developed and tracked for each. These training activities are critical to our preparedness efforts and illustrate the company's ability to test and analyze established plans.

COORDINATION DURING AN INCIDENT RESPONSE



RESILIENCE IN ACTION

Incidents rarely happen when most convenient, as demonstrated over the Fourth of July weekend in 2021, when Apache's Incident Management Team (IMT) was called to action. IMT members were activated to help mitigate the impact of a third-party well-control event nearby. The IMT stepped in to help the operator with the well, successfully coordinating a response to regain control of the well, mitigate environmental impacts, protect vulnerable wildlife in the area and manage channels of communication with affected stakeholders.

This response presented unique challenges, since, for example, certain response resources were not readily available over the holiday weekend. The IMT worked quickly to find new suppliers within a matter of hours and coordinated beginning-to-end resource management at the response site.

The incident response was further complicated by torrential flooding and strained network communications in the area. However, the IMT's leadership and commitment to our response priorities of Life Safety, Incident Stabilization and Environmental Protection resulted in a safe response with no injuries, successful well-control restoration operations, and robust efforts to assess environmental impact and prevent undue damage.

Industry Collaborations and Partnerships

We are active in several industry collaborations to improve our response capabilities, including Oil Spill Response Limited, which provides well control and spill response support globally to our offshore areas of operation. We maintain additional memberships with Clean Gulf Associates and National Response Corporation for spill response in the Gulf of Mexico. We also have a contract with Wild Well Control, which provides support for a well-control incident in any other area of operation.

U.K. NORTH SEA – VESSELS OF OPPORTUNITY AND SHETLANDS BASE

In 2021, we made significant efforts to increase our preparedness for environmental incidents. We identified two additional response services that will be engaged in 2022 through our response partner Oil Spill Response Limited (OSRL).

One challenge when operating in remote, offshore locations is the ability to swiftly transport appropriate vessels, equipment and personnel to the desired location in order to begin implementation of Oil Pollution Emergency Plans. This is particularly the case for the Beryl field, which lies some 190 miles from Aberdeen on the Scottish mainland.

The response services to be added are based in Shetland, a group of islands much closer to the field. The first is a Vessels of Opportunity (VOO) service, which will ensure that vessels are available to respond to an offshore pollution incident within 24 hours of a confirmed request. The service will be provided by OSRL in conjunction with the Scottish Fishermen's Federation (SFF), and is to consist of fishing vessel crews that are provided with the equipment and training to respond quickly and effectively in the event of a spill. The second will be OSRL's own additional spill response resources, located in Shetland. Having access to these services will help ensure our capability to respond to any spill incident that may occur in the field and underlines our commitment to being an environmentally responsible operator.

U.K. TIER 3 OIL SPILL EXERCISE

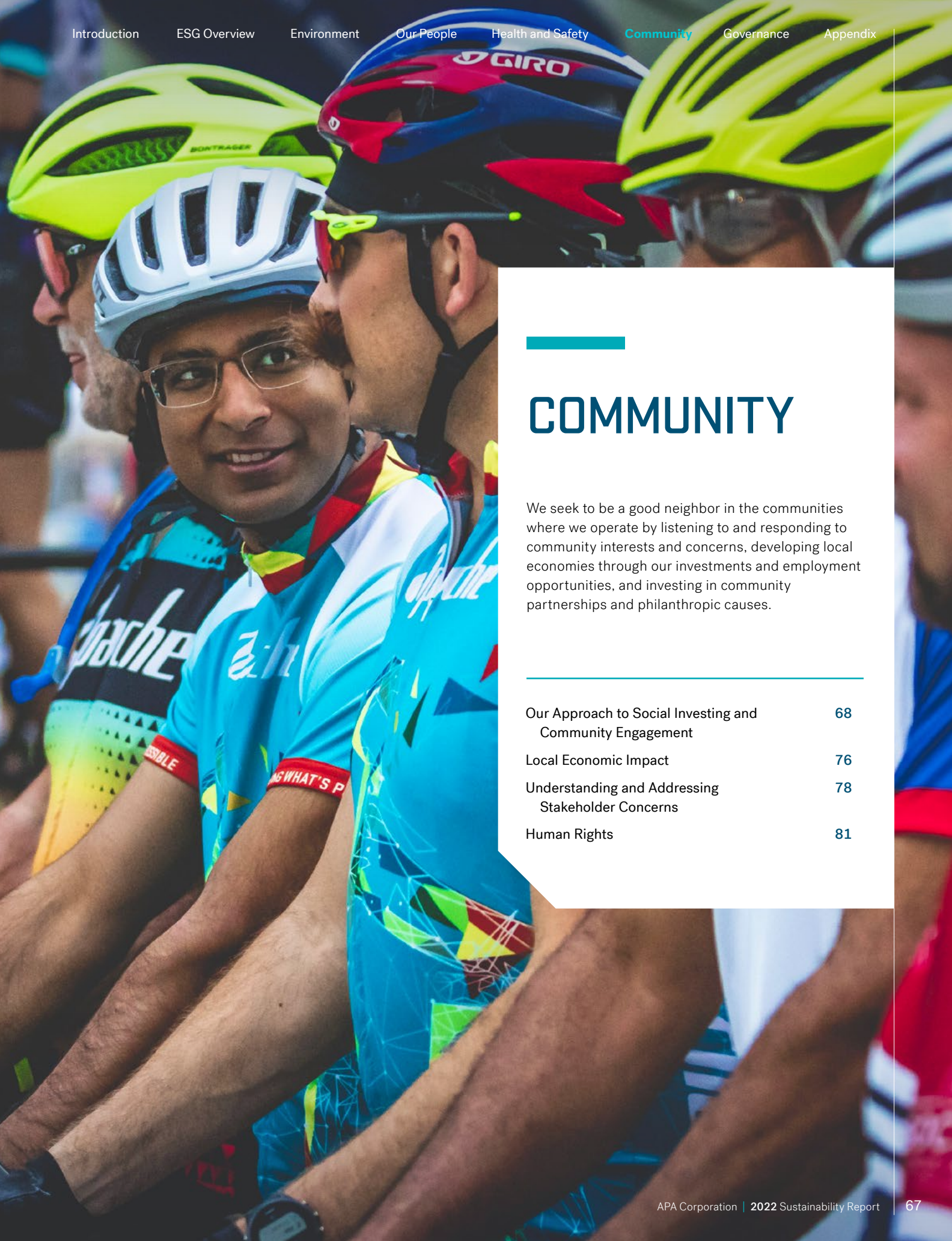
In September 2021, we conducted our triennial Tier 3 Oil Spill Exercise in the North Sea, a daylong event that included personnel from across the company's crisis management organization.

The exercise is a regulatory requirement established by the U.K. National Contingency Plan for companies operating on the U.K. Continental Shelf. It tests the interface between our crisis and emergency management organization and the numerous regulators, government agencies and emergency response services that form the U.K.'s emergency response to a major oil spill.

Participants in the exercise include the Secretary of State's Representative for Maritime Salvage and Intervention (SOSREP), who represents the overriding interests of the state and has the authority to intervene in an incident on behalf of the government; the Maritime and Coastguard Agency; the U.K. environmental regulator, the Offshore Petroleum Regulator for Environment and Decommissioning (OPRED); and various environmental agencies including Marine Scotland, the Scottish Environment Protection Agency (SEPA) and the Joint Nature Conservation Committee (JNCC).

The exercise was based on a hypothetical scenario involving a blowout during drilling operations at the Garten 3 development well at the Beryl field in the North Sea. Our response teams were required to develop source control options and present these to the SOSREP. This process demonstrated our ability to implement Oil Pollution Emergency Plans in the event of a worst-case environmental scenario.

The exercise achieved its objective, and our response was commended by both the SOSREP and the OPRED evaluator. Several areas of improvement were identified, which have since been incorporated into procedural updates, ensuring the continual improvement of our crisis management strategy.



COMMUNITY

We seek to be a good neighbor in the communities where we operate by listening to and responding to community interests and concerns, developing local economies through our investments and employment opportunities, and investing in community partnerships and philanthropic causes.

Our Approach to Social Investing and Community Engagement

From Midland to Cairo and Paramaribo to Aberdeen, our communities each have unique social, 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 (ESG) strategy.

To help focus and maximize our efforts, we have identified commonly held community needs across our operating areas into three pillars: **Sustainable Communities**, **Environmental Stewardship** and **Access to Energy**. Based on these pillars, we are committed to:

- Addressing acute social needs within the local communities where we operate.
- Ensuring we remain focused on our long-standing legacy and commitment to environmental stewardship and conservation.
- Supporting underserved communities that lack access to reliable, affordable energy.

Above: Apache founded Springboard in 2004 to provide educational opportunities to underserved populations in Egypt.

Sustainable Communities

(SDG 11 — Sustainable Cities and Communities)

Supporting the sustainable prosperity of the communities in which we operate is a key component of our social impact strategy. Throughout 2021, we focused our efforts on vulnerable populations by advancing educational opportunities, improving health and wellbeing, and responding to humanitarian and natural disasters.

ADVANCING EDUCATIONAL OPPORTUNITIES

Advancing educational opportunities, especially for women and other vulnerable groups, is an important focus of our community investments. These contributions are part of our overall effort to support organizations that recognize that when women and girls have the opportunity to cultivate strong voices, communities are stronger and healthier. This work is particularly important in developing communities of Egypt, Suriname and the Dominican Republic.

ABOUT THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The U.N. SDGs are 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. The United Nations SDG areas of focus for the next decade (2020-2030) are "tackling growing poverty, empowering women and girls, and addressing the global climate emergency."[20]

CASE STUDY

Supporting Educational Opportunities for Underserved Groups

Access to education is a crucial component of any sustainable society. Our work to support the Posse Foundation is one way we are contributing to this fundamental need. The **Posse Foundation**, established in 1989, supports college success and leadership development initiatives for students from underserved groups. The foundation provides equitable educational and growth opportunities in Houston and the Permian Basin, most often serving minority and rural communities.

In 2021, APA entered a four-year partnership with the foundation, supporting 60 university scholars 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; help these institutions build more inclusive campus environments; and ensure that Posse Scholars persist in their academic studies.

Above: The Posse Foundation supports college students with coaching, mentoring and networking resources. Photo by Posse Foundation

In addition, and in alignment with APA's goal to promote diversity and inclusion within the company, the company, in partnership with the Apache Black Professionals Network (ABPN), granted $10,000 in STEM scholarships to two Historically Black Colleges and Universities (HBCUs), Texas Southern University and Prairie View A&M University.

Additionally, Apache helped to support **Independent Petroleum Association of America** (IPAA)'s Energy Workforce Education virtual platform, which provides STEM resources and education to over 1,500 middle school and high school students across Texas.

HEALTH AND WELLBEING

We also focus on contributing to the health and wellbeing of our local communities. In the U.S., we are supporting groundbreaking medical research, while in developing communities, we are providing critically needed medical supplies.

Our hometown of Houston is not just the energy capital of the world, it is also a world leader in medical care and advancements. In 2021, 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. We also initiated a partnership with Medical Bridges, an organization that matches the critical medical supply needs of developing countries around the world with medical supply surpluses at the Texas Medical Center.

Improving the quality of life for vulnerable women and children, especially those who experience domestic abuse, is a key component of ensuring sustainable and healthy communities. During the pandemic, when domestic abuse cases dramatically increased, APA began supporting organizations that were responding to that increase in Houston, the Permian Basin and in Suriname. In 2021, we continued our focus on this important issue by supporting more than 25 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 provides ongoing emergency shelter, advocacy and support services.

2021 Community Support Highlights

2.0 million

Surinamese dollars pledged jointly with TotalEnergies to flood disaster relief and increased distribution of COVID-19 vaccines.

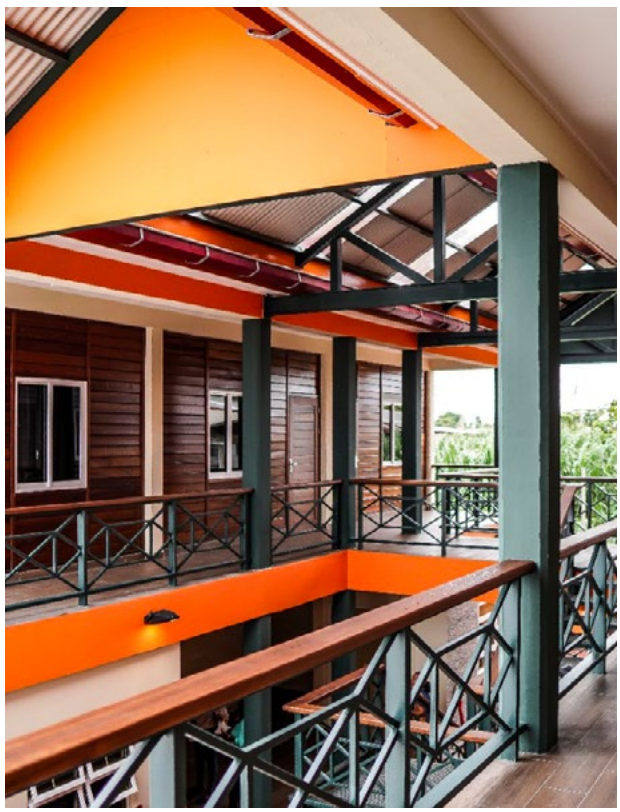
12,500

meals provided to people affected by natural disasters Winter Storm Uri and Hurricane Ida.

RESPONDING TO HUMANITARIAN AND NATURAL DISASTERS

In communities where we operate, APA identifies specific, disruptive events, such as extreme weather or an increased need for access to basic resources, and steps up to offer support. In 2021, we responded after several storms battered the U.S. Gulf Coast, leaving Texans and Louisianans without access to food, drinking water or medical supplies. In the aftermath of Winter Storm Uri, we provided 5,000 meals to vulnerable senior citizens, military veterans, homeless individuals and first responders. We also provided similar aid to those affected by Hurricane Ida in Terrebonne Parish in Louisiana, donating 7,500 meals, bottled water and medical kits. In Suriname, we partnered with TotalEnergies by jointly pledging 2 million Surinamese dollars to flood disaster relief and increased distribution of COVID-19 vaccines.

In 2021, building on our work to support young women pursuing an education in Egypt (see pp. 74-75), we contributed to Vital Voices Global Partnership, a nonprofit focused on advancing global women's leadership that supports displaced Afghan women refugees.



Above: Through our partnership with the STICRIS Women's Shelter in Paramaribo, Suriname, we are able to help provide shelter and support for women and children who are in crisis.

Environmental Stewardship
(SDG 15 — Life on Land)

Since our founding, the company has had 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 and the Texas Parks and Wildlife Foundation. We also focus on enhancing public green spaces, reforestation and environmental education, with such initiatives as our award-winning Apache Corporation Tree Grant Program.

In 2021, we donated 55,000 trees to 66 community partners through the Apache Corporation Tree Grant Program.

Examples of tree planting partners and projects include:

- Exploration Green, to create and maintain a 200-acre park, natural habitat and wetlands conservation project in Greater Houston.
- The City of Houston and Harris County, for the reforestation of Houston's public parks, nature trails and roadways.
- The National Butterfly Center in South Texas, for the reforestation of native trees on 350 acres of protected lands for native pollinators and wildlife species.
- The Texas Parks and Wildlife Department, for the establishment of wildlife habitats and reforestation at multiple Texas state parks and nature centers.
- Tree New Mexico, to benefit its NeighborWoods program serving the Albuquerque, New Mexico, community.
- Bayou Vermilion Preservation Association, to increase the number and diversity of native wetland trees in Louisiana's municipal parks.
- The Trust for Public Land, in support of a multiyear reforestation and wildlife habitat preservation project at Bayou Teche National Wildlife Refuge in Louisiana.

Above: The Apache Tree Grant program donated 55,000 trees to 66 community partners in 2021.

Since 2015, we have partnered with the Friends of the Wildlife Corridor to plant more than 90,000 seedlings across 98 acres of the South Texas National Wildlife Refuge Complex, a series of national wildlife refuges on the southern tip of Texas. This initiative is part of the U.S. Fish and Wildlife Service's habitat restoration program, which will preserve the ecological function of the Tamaulipan thornscrub forests and provide habitat for endangered wildlife in the region.

Through the Tree Grant program, we have distributed more than 4.8 million trees to a wide variety of nonprofit organizations and government agencies in the U.S., including cities, counties, schools, state and local parks, universities, youth associations, wildlife refuges and community groups. 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.

4.8 million

trees donated through the Apache Tree Grant Program since its founding in 2005.

Above: The Big Bend region in West Texas is one of the areas where we help conserve land.

CONSERVATION INITIATIVES

We are active in conservation efforts, including on the Louisiana Gulf Coast, the Pecos Watershed in West Texas and New Mexico, the high plains of Wyoming and, most recently, in partnership with Respect Big Bend in West Texas.

Through the Pecos Watershed Conservation Initiative, we work closely with eight other oil and gas companies, the National Fish and Wildlife Foundation and the U.S. Department of Agriculture's Natural Resources Conservation Service, to help protect the Pecos River Watershed, which is home to many rare and endemic species. In 2019, we joined as an energy adviser to the Respect Big Bend Stakeholder Advisory Group (SAG), composed of landowners, nonprofits and community members. Sponsored by the Cynthia and George Mitchell Foundation, Respect Big Bend is focused on providing solutions that balance energy development and environmental conservation, while addressing community needs and concerns about future development. We provided the group with guidance and insight into lessons learned about effective stakeholder and community engagement in and around the company's Alpine High asset (learn more about these and other conservation programs on pp. 37-40.)

One example of our community and conservation efforts in Alpine High is our work with the Texas Parks and Wildlife Foundation to restore and improve Balmorhea State Park in West Texas. We led a matching gift campaign in 2018 that raised $2 million to repair the nearly 100-year-old, spring-fed swimming pool at the park. Many of our contractors participated with local landowners in the successful effort to raise the funds needed to do the delicate work of repairing the pool while protecting its unique aquatic habitat. We donated an additional $1 million to create an endowment to ensure that the park would have a sustainable source of funding for beautification and education initiatives for years to come.

Access to Energy

(SDG 7 — Affordable and Clean Energy)

Access to reliable energy is critical to societal progress. Nearly 759 million people, or 10% of the worldwide population, lack access to electricity, and about 2.6 billion, or one-third, live without clean cooking facilities.

Apache partners with Switch Energy Alliance (SEA), which provides collaborative global energy education and solutions for over 15 million students and environmental organizations.

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 that companies like APA play in advancing global energy progress.

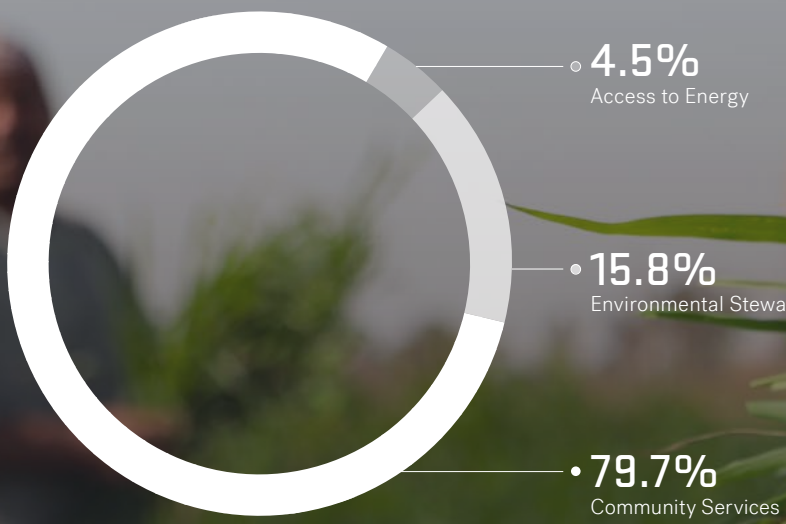
OUR ONGOING SUPPORT OF SWITCH ENERGY ALLIANCE

As part of our commitment to increasing energy access, we supported the production of Switch On, the sequel to Switch, a film that explores energy needs across the developing world: Switch Energy Alliance (switchon.org).

Photo by Switch Energy Alliance

COMMUNITY PARTNERSHIPS – OUR STRATEGIC AREAS OF FOCUS

2021 Investment Data



Sustainable Communities*

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 to societal progress. Our community partnership efforts in this area seek to expand access to energy for communities in developing nations, and to address reliability and affordability of energy in developed countries.

* Includes charitable giving in the areas of Education; Health & Wellbeing; First Responders & U.S. Military Support; Women, Youth & Family Services; Community Resources; and Arts.

CASE STUDY

Creating Educational Opportunities for Girls in Egypt

In many rural villages in Egypt, lack of local access to education and safety concerns for young girls have resulted in limited educational opportunities. We are in our 18th year of supporting Springboard Girls Schools, an Apache-founded community project that helps educate girls in remote areas of Egypt. We remain one of the primary funding sources of the program. Springboard works with governmental and nongovernmental organizations in support of the Egyptian government's Girls' Education Initiative.

We have also supported the construction and ongoing maintenance of nine coeducational schools, which serve about 350 Bedouin students in areas near our drilling and production operations in the Western Desert of Egypt.

Through Springboard, Apache supported the construction of 201 mostly one-room girls' schools in Egypt, which have enabled approximately 15,000 girls, like Amira Sidhom Habib, to learn how to read and write.

Amira joined a secondary school in El Minya where she excelled, graduating with a 93% overall score, and was later accepted at Cairo University, where she studied science, with a focus in biotechnology. Amira seized these incredible opportunities to work with instructors, collaborate with her peers and develop her personal and professional knowledge and skills. Today, she is in her final semester as a full-time student at the University of Cairo, working every day to achieve her dreams.

Despite the success of the Springboard program, there are still barriers to increasing access to quality education for girls in Egypt. The three main barriers for community schools, as identified by the assessment of the American University in Cairo (AUC) of public and community schools in Egypt, are aging school infrastructure, lack of qualified teachers and a high dropout rate. APA has focused most recently on addressing the first two, and in doing so, seeks to encourage graduation and reduce dropout rates as well.

> "Educational opportunities at Springboard provide an outlook for young girls who might have missed a chance to learn elsewhere."
>
> — **Mojida Fawzy**, Teacher at Springboard Girls School

CASE STUDY (Continued)

Above: Apache provides training for teachers and supervisors at Springboard Girls Schools.

We are working to improve school infrastructure through ongoing maintenance of the schools, ensuring they are structurally safe and have the electrical capabilities to support current and future e-learning initiatives.

We are addressing the second issue through a teacher training program in partnership with the AUC. In 2018, we established a program with the AUC to provide training and development courses for 402 teachers and 201 supervisors who work in Springboard schools. At the end of 2021, these 603 Springboard educators completed the final phase of their two-year development and training program at the university.

Two inspirational women, Mojida Fawzy and Sahar Ismael Abdel Nasser, have helped to transform the lives of more than 80 students through their love of teaching, strong leadership and dedication to the community.

"The biggest benefit Springboard brings to our community is these schools help create an aspiration of what it means to be a successful member of society," Mojida explains. "Educational opportunities at Springboard provide an outlook for young girls who might have missed a chance to learn elsewhere."

Both women are motivated by the idea of giving back, as well as by their devotion to lifelong learning. In their time at Springboard, Mojida and Sahar have been able to share their love of learning with their students, instilling in them a sense of pride and accomplishment.

"When our students learn to read and write and feel confident in expanding their skills, they become exceptional, well-rounded individuals: academically, socially and morally," Sahar says.

The 90-hour Teacher Development Program aims to enrich teachers' interpersonal, social and psychological skills, empowering them to help create active and well-rounded citizens. Sessions focus on professionalism, learning theories, assessment methods, classroom management and active citizenship. The teachers are also introduced to concepts such as resilience, autonomy, innovation, lifelong learning, multigrade teaching and the various stages of human development. The 90-hour Supervisor Development Program strives to improve the supervisors' professional roles in effecting positive change within their schools. In total, we have contributed $340,000 to fund all three phases of these two training programs.

Springboard Girls Schools by the Numbers

201
schools built.

600+
teachers and supervisors trained.

5,000
students enrolled annually.

~15,000
girls in APA-supported schools in Egypt who have learned to read and write since 2004.

Local Economic Impact

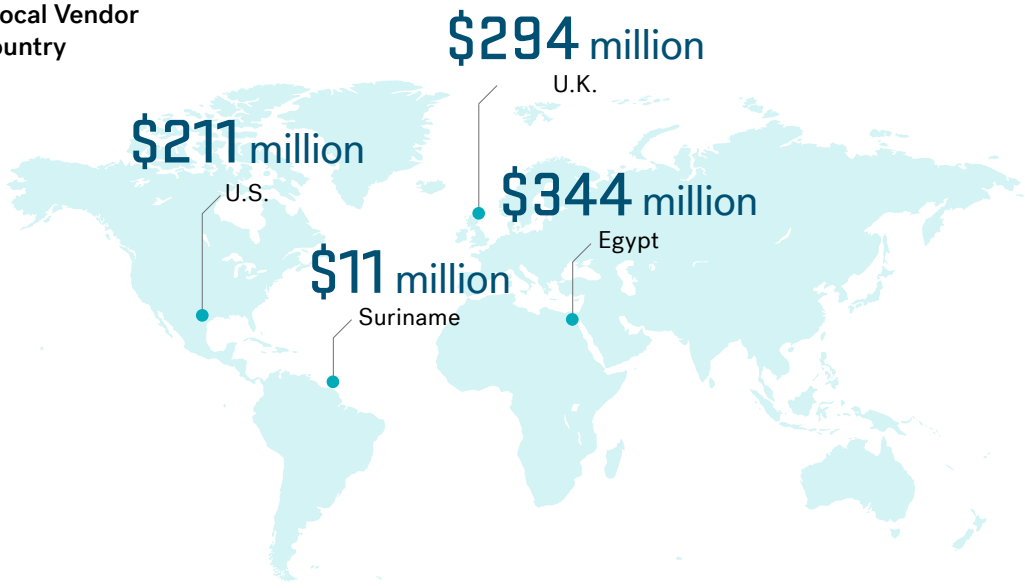
Our operations benefit local communities in the form of direct and indirect hiring and spending.

The practice of hiring locally is one way in which 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 the requirements of particular jobs (learn more about local hiring on p. 50).

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 to help expand our local supply base. Welding services, workover and P&A rigs, water hauling, roustabout crews, construction crews, civil project installation crews, pump repair and production equipment fabrication are some of the categories in which we utilize local suppliers. Sourcing and contracting locally not only makes economic sense — it also engenders goodwill within the communities in which we live and work.

Since 2017, our operating areas, on average, spend more than 35% of their budgets with suppliers and contractors that are geographically local.

2021 Total Local Vendor Spend by Country



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 will not only enhance our position in the marketplace, but positively impact the communities in which we operate. When diverse suppliers flourish and prosper, their communities also benefit greatly from that success.

We have made supplier diversity 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.

In line with our ESG objective to diversify our supplier base, we recently established a supplier diversity program in the U.S. As part of this work, in early 2022, we launched a supplier diversity webpage, where suppliers can find numerous resources regarding our Supplier Code of Conduct, necessary certifications and what we ultimately look for in suppliers.

The webpage provides an avenue for diverse suppliers to engage directly with us and to broaden our sourcing options and increase the company's exposure to innovative ideas and solutions. Suppliers can register and provide their information via the online portal or email us directly. We participate in supplier diversity special interest groups to publicize our program and encourage diverse suppliers to register online if they are interested in doing business with APA Corporation and its subsidiaries.

44%

of total global vendor spend is with geographically local suppliers and contractors.

3.8%

of U.S vendor spend is with suppliers categorized as diverse and small businesses, 2.2% and 1.6% respectively.

Understanding and Addressing Stakeholder Concerns

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

We follow the same high standards 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 all that we reasonably can to address them through a broad and inclusive process.

We consider stakeholder input in our decision-making processes, both in the pre-development planning phases and after we begin operations. We maintain open communication with local officials and community leaders to promote friendly and proactive dialogue, and we encourage community members to reach out if they have any issues to discuss. We routinely meet with local emergency responders to help ensure 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. For employees that regularly interact with the community, we have an Ambassador Training Program (see p. 53) that helps them develop strong communication and respectful engagement skills. Regular formal and informal feedback provide a foundation for mutually beneficial outcomes for our communities, our employees and our company.

Minimizing Impacts on the Community

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

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

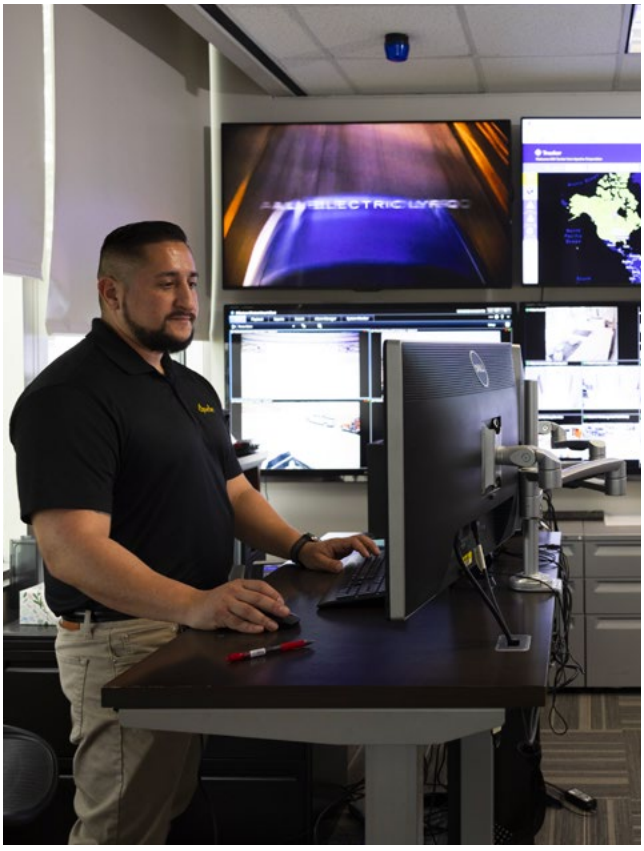
Once we commit to a pad location, we develop approved routes for heavy trucking, to reduce the potential for widespread disturbance and traffic congestion. We then require all heavy trucks servicing the location to use the approved routes, which minimizes the impact on other drivers and on the community.

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 that employees operate vehicles safely on public roadways. When 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 impacts on roads 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 as well as visual screening, and we use specialized lighting to reduce the impact on nearby residents.

We have also introduced several important modifications in our operations, including by installing shielding on certain lights, experimenting with different fixtures and adjusting our lighting so that it points downward rather than up toward the night sky.

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



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 and for the company to be able to document, address and work to resolve those concerns. Moreover, we strive for continuous improvement, making sure we learn from every complaint, and try to avoid any similar issues elsewhere across our operations.

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 properties worldwide and catalog any concerns that are flagged. We are one of only a few independent oil and gas companies with a 24-hour call center operated by employees rather than by a third party. We believe 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 receive a thorough, individualized investigation 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.

In 2021, the Good Neighbor Line received two phone calls from individuals concerned about safety compliance and issues regarding site traffic. Both complaints were addressed and resolved.

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 made to the company via our toll-free Good Neighbor Line: **1-866-705-2400**.

PARTNERING WITH THE PERMIAN BASIN

We are a founding member of the Permian Strategic Partnership, a coalition of 17 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.

CASE STUDY

Engaging the Surinamese Community

Whether through education, training, employment or service agreements, we strive to ensure that our projects have direct and long-lasting benefits for host country citizens and their local communities. In Suriname, where we are still in the initial stages of oil and gas exploration and appraisal, we look for ways to make a meaningful impact on a variety of social causes and are already making investments in local employment capacity-building, health and welfare.

We are working to build local employment capacity to support our future offshore production facilities and expand opportunity for local communities. As part of this effort, we helped fund a 2017 baseline survey to understand the labor capacity of the industrial service sector in Suriname. The survey found that there are significant gaps in the labor pool required to meet the needs of the offshore industry and identified a need to update vocational and technical learning opportunities. Based on these findings, we are engaging with Surinamese education authorities to develop resources that will help fill these gaps and facilitate the participation of local talent in future offshore development.

We are also supporting the development of local technical skills by sponsoring a two-year master's program with Anton de Kom University, the only university in the southern Caribbean that offers a graduate degree in petroleum geology. A master's degree in this field would be instrumental in helping Surinamese nationals establish technical careers in the oil and gas industry.

Most of our other social investments in Suriname focus on health and welfare, particularly for disadvantaged communities. In 2019, we initiated the construction of a women's shelter in association with STICRIS (Women's Shelter Foundation in Critical Situations) in the capital city of Paramaribo. Now completed, this shelter provides services for up to 11 women and their children at any given time. Despite the COVID-19 pandemic, the construction of the building was finalized and handed over to the foundation in November 2020 in time to meet increasing demand due to the pandemic. In 2021, APA continued its support of STICRIS by providing continued security upgrades and needed supplies and resources.

Human Rights

Respect for human rights is at the core of APA's values and operations. We support the honest, fair and dignified treatment of all human beings.

Our Human Rights Principles formalize our practices and are consistent with the framework laid out by John Ruggie, who served as United Nations special representative on business and human rights.

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

Our Global Supply Chain department developed a Supplier Code of Conduct to ensure that our suppliers and contractors 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 of doing business with APA. The code defines the nonnegotiable minimum standards that our suppliers and contractors, and their sub-tier suppliers or subcontractors are expected to respect and adhere to.

> "APA requires all office and field personnel to report any human rights issues they may identify in the course of their business."

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 human rights principles, including the prevention of human trafficking.

Three of APA's subsidiaries based in the U.K. — Apache North Sea Limited, Apache Beryl I Limited and Apache North Sea Production Limited — publish annual 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.

Every employee is given instruction on how to report any suspected human rights issues to our 24-hour hotline and/or our Compliance, HR and Legal departments. APA requires all office and field personnel to report any human rights issues they may identify in the course of their business.

The company monitors adherence to these principles and the results are thoroughly assessed and reported annually to the Corporate Responsibility, Governance & Nominating Committee of our Board.

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. We 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, composed of numerous oil and gas companies, 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 proactively inform employees, contractors and suppliers of available resources that describe trafficking behaviors to watch for, and we provide the National Human Trafficking Hotline number to report these behaviors.

We have also hosted town halls and presentations with our contracting firms to alert them to the dangers of human trafficking and to highlight ways they can help prevent it. Those who suspect a trafficking crime might be taking place in the U.S. are encouraged to phone the National Human Trafficking Hotline or to call local law enforcement agencies.

Our Code of Business Conduct and Ethics prohibits employees from engaging in any illegal activities, such as soliciting prostitution, that could support human trafficking.

Respecting Indigenous Peoples

An integral part of our business is building enduring relationships with the communities in which we operate. This commitment includes recognition of and respect for the Indigenous peoples who live and work in these communities and have a strong connection to the land. We seek to incorporate Indigenous perspectives into project planning, design and execution, as well as operational planning. During the exploration and development phase of a project, we promote open communication by conducting community meetings and working directly with Indigenous groups and local nongovernmental organizations.

We recently updated APA's Indigenous Peoples Principles as part of our regular review and monitoring of our human rights principles. These principles will be reviewed regularly, including when entering new operating areas, and updated to ensure that they meet with the changing expectations of our global landscape. The Good Neighbor Line, APA's community grievance mechanism, is also available to Indigenous peoples to communicate concerns or issues.

NATIONAL HUMAN TRAFFICKING HOTLINE

Call: **1-888-373-7888**
(TTY: 711)

Text **233733**

GOVERNANCE

At APA Corporation (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. Beyond just 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

Our corporate governance 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.

APA continues to progress its governance and compensation framework to further align with corporate best practices. In many cases, this is based on direct feedback from our stakeholders. Specific examples of improvements we made include:

- Linking a portion of annual and long-term incentive compensation of all employees directly to environmental, social and governance (ESG) goals that address routine flaring, freshwater consumption and diversity and inclusion programs.
- Enhancing compliance, safety, and diversity and inclusion training; expanding skills development opportunities; and improving the health, wellness, education and diversity of our workforce.
- Board oversight of adherence to human rights principles, diversity initiatives, ESG strategy, environmental performance, health and safety performance, political contributions, climate change and transition risks, and risk management.
- Further expanding and improving our annual proxy statement explanation of our pay practices and their alignment with strategic goals, including ESG topics.
- Maintaining an independent, nonexecutive Board chair.
- All three board committees are chaired by diverse board members.
- Refreshing and expanding the diversity of our Board members, 50% of whom are now diverse in terms of gender or ethnicity.[25]
- Adopting ongoing enhancements to both our Human Rights Principles and Indigenous Peoples Principles.
- Maintaining an externally hosted hotline through which any person may report, anonymously if they so choose, suspected violations of law or APA policies.

Corporate Governance by the Numbers

20%

of incentive compensation for all employees is tied to ESG goals.

50%

of Board members are diverse in terms of gender or ethnicity.[25]

Governance

APA's CEO and president is responsible for delivering the company's corporate strategy and objectives, while ensuring 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 Securities and Exchange Commission. Board members are selected based on a wide range of criteria, including expertise; dedication to the highest ethical, health, safety and environmental standards; and a willingness to question and challenge management.

The Board's diversity encompasses — among other elements — race, gender, age and experience. In 2022, 50% of APA's Board members are female or ethnic minorities.[25] These Directors play critical roles on our Board, including chairing the Corporate Responsibility, Governance and Nominating (CRG&N) Committee, the Management Development and Compensation Committee, and the Audit Committee, and taking a leading role in our shareholder engagement.

Above: Apache's CEO and president, John J. Christmann IV, right, discusses company strategy and objectives in a virtual forum with employees globally.

In addition, 60% of current Directors have experience with environmental and regulatory issues.[25] Our Directors have acquired applicable experience through their respective service as executives in areas that require extensive interaction with regulatory and environmental agencies. (A comprehensive matrix on p. 103 provides additional details on the Board of Directors' experience and demographics.)

In recent years, we have taken several steps to improve Board composition and succession that will ensure ongoing access to relevant expertise and seasoned experience. As of the 2022 annual meeting of shareholders, the Board's average term length is 5.6 years. Nine of the Board's 11 members were appointed after 2014, and all Board members are subject to a mandatory retirement age of 75. Each year, the Board conducts a comprehensive Board evaluation process for every Director, which includes in-depth conversations and personalized feedback.

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 operations and non-operations risk owners formally review risk registers on a semiannual basis, updating them as necessary, including identifying and evaluating emerging risks.

These efforts are supported by our corporate Enterprise Risk Management (ERM) function overseen by the vice president of Internal Audit, Risk Management and Compliance, which ensures that procedures are in place for the corporatewide identification and management of both nonoperational and operational risks and provides oversight of ongoing, companywide monitoring and risk management. Climate matters and attendant risks posed to the company are included in this process. Aspects of risk management, including an annual update on the overall risk management program, are reported directly to the Board of Directors' Audit Committee.

We continue to improve the ERM function each year, including enhancing processes related to risk identification, risk assessment and monitoring of remediation actions and effectiveness. We have further progressed risk ranking methodologies and identification of key risk indicators to aid in management of existing and emerging risks. For example, we implemented a new risk management information technology (IT) application in 2021, which serves as a common repository for company risk data and provides an automated means of tracking and reporting on the effectiveness of our risk mitigations.

We have also strengthened our approach to enterprise risk by bringing in a new full-time head of Enterprise Risk who is primarily focused on corporatewide identification and management of both nonoperational and operational risks. In addition, we formed a Corporate Risk Management Committee comprised of executive leadership team members. ERM provides regular updates to the Corporate Risk Management Committee on the status of risk management and emerging risks.

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 concerning 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, to ensure that every group or process is generally reviewed at least once every four years, with many reviewed more frequently. Examples of audits conducted include enterprise risk management processes, supply chain activities, various operational and financial functions, greenhouse gas emissions, safety reporting, IT systems and processes, and governance practices. Our Internal Audit group also verifies all content and data in this Sustainability Report (see About This Report, p. 93).

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 performance. Moving forward, 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.

Compliance

The goal of our Compliance and Ethics program is to support value creation by promoting responsible conduct in accordance with applicable laws, rules, regulations and government requirements. The program provides guidance, training, oversight, enforcement and reporting. The director of Compliance seeks to ensure that the company has well-defined and articulated standards and procedures designed to deter and detect misconduct. Internal Audit conducts periodic testing of the compliance program, reinforcing efficiency and effectiveness and enabling program enhancements. These standards, and specifically our Code of Business Conduct and Ethics, are communicated utilizing a wide range of examples, effectively translating our overarching policies and standards into real-world, on-the-job scenarios. All employees are required to participate in annual compliance and ethics training relevant to their work and have the responsibility to report any suspected misconduct or unethical or illegal activity.

Our online training module allows us to provide instruction on various compliance topics in four languages, and is refreshed annually. 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. For example, to reinforce the company's anti-corruption policies and procedures, we now provide easy to absorb, mobile-accessible information before any employee travels abroad on company business.

Key company policies are reinforced through compliance bulletins and a newly improved Compliance and Ethics intranet page, which provide relatable examples and explanations of internal policies and requirements in response to major national issues or internal investigations. New employees are introduced to our Code of Business Conduct and Ethics; our compliance policies, such as our Conflicts of Interest policy; and our commitment to combating corruption, through online training as they begin their careers at Apache. Additionally, as part of our

pandemic response, we reiterated our requirements for workplace conduct, reminded employees of changes in their jobs or roles — both within and outside the organization — and that their conflict-of-interest disclosures may need to be updated.

We are committed to preserving, protecting and fostering the culture of trust and integrity that has long defined our company. Doing this requires that every Board Director, officer, employee and contractor voice their concern if they observe or suspect a violation of the law or the company's policies.

To facilitate this reporting, we maintain an Ethics Hotline, a 24-hour, anonymous third-party hotline hosted by Convercent. Employees and external stakeholders may submit anonymous reports relating to suspected unethical conduct or possible violations of our standards, policies, procedures or regulations. Concerns may be submitted online or by telephone. All concerns related to potential misconduct involving any company representative — whether received through the Ethics Hotline or otherwise — are tracked and investigated by the director of Compliance, with assistance as necessary from other functions throughout the organization. In addition to the Ethics Hotline, a procedure for submitting a complaint or concern regarding accounting, internal accounting controls or auditing matters is available on our website.

Concerns that fall under the following categories are escalated for reporting to the CEO, general counsel and vice president of Human Resources, and then promptly reported to a designated member of APA's Board of Directors if they:

- May involve substantial risk to human health or safety.
- Pose potential for criminal liability or fines against the company.
- May involve potential antitrust, bribery or corruption violations.
- Pose concerns that otherwise merit escalation.

Ethics and Anti-Corruption

Our policy is to conduct business fairly, ethically and in compliance with applicable laws, regulations and other government requirements. Our Code of Business Conduct and Ethics requires not only the avoidance of misconduct, but also the avoidance of acts or omissions that may give the appearance of misconduct.

ETHICS HOTLINE

North America:	**866-756-2599**
Egypt:	**0800-000-9534**
Trinidad:	**800-203-0148**
United Kingdom:	**UFIN 00-800-5588-1345**
Other countries:	**800-5588-1345**
Online Form	

Our Code is based on our Core Values and outlines our commitment to high standards of conduct applicable to every employee, including, but not limited to, the areas of equal employment opportunity, anti-harassment, social media guidelines, conflicts of interest, handling of confidential information, data privacy and recordkeeping, anti-corruption and anti-bribery, political contributions and lobbying, and insider trading. In addition, the Code and supplementary policies, such as the company's Voice Your Concern Policy, emphasize every employee's duty to report any suspected violation of law or company policies, provide guidance on how to submit a report, highlight and reinforce our anti-retaliation policy, and outline our investigation and enforcement process.

All employees, as well as APA's Board of Directors, receive training on the Code as part of the hiring and onboarding process and are then required to annually certify that they have read the Code and fulfilled the requirements and expectations set forth in the document. Directors, officers and employees are responsible for promptly reporting any actual, attempted or apparent violations of applicable laws, rules, regulations or company policies.

100%

of employees and Directors completed the Code of Business Conduct and Ethics certification in 2021.

100%

of employees completed cybersecurity awareness training in 2021.

In 2021, we worked with a third-party consultant to revamp the training and recertification process for the Code. To continue to adapt to the changing work environment induced by the pandemic, training was again administered in 2021 using a third-party module system. We achieved 100% employee participation in both the Code and anti-bribery corruption training online. The standard policies of the Code will be reviewed annually and rotated in content modules that capture trending and newsworthy topics. This new system works in tandem with the company's 'A' Game learning system and notification process for all employees. The Code is offered to employees in English, Spanish and Arabic, and the training modules include an additional Dutch option.

Our Board of Directors annually reviews the Code and makes updates or revisions where necessary or appropriate.

Additionally, employees are required to follow our company-specific Foreign Corrupt Practices Act (FCPA) Compliance Guide, and all employees, particularly including those who engage directly with foreign governments or officials or otherwise, may deal with issues implicated by the FCPA or other applicable anti-corruption laws, receive annual training on the FCPA and its relevance to their work. All employees are also required to read and understand our policies and procedures with respect to matters that may pertain to the FCPA or similar laws.

In 2019, the company updated its conflicts of interest, and gifts and entertainment policies, and introduced a new disclosure module. We expanded related policies to underscore our commitment to ethical conduct, honesty and transparency. In 2022, we will launch a new online conflicts of interest training and attestation program that all employees worldwide will be required to participate in annually.

Public Policy and Political Disclosures

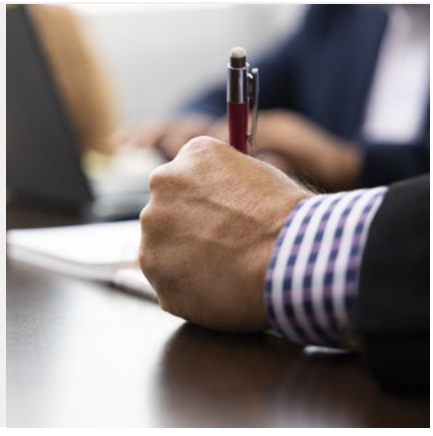
We operate in the highly regulated natural gas and oil industry on an international level, with our operations affected by the policies of local, state and federal governments. The company participates in the political and public policy process in a responsible and ethical way that serves both the best 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 Corporation 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 Corporation website.

APA IS A TRENDSETTER IN POLITICAL DISCLOSURE AND ACCOUNTABILITY AMONG ALL S&P 500 COMPANIES

The CPA-Zicklin Index benchmarks the political disclosure and accountability policies and practices for election-related spending of leading U.S. public companies. Issued annually, it is produced by the Center for Political Accountability, in conjunction with the Zicklin Center for Business Ethics Research at The Wharton School at the University of Pennsylvania. For the last five years, we have maintained the distinction of "trendsetter" for our policies and proactive disclosures.



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 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 not 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 its 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 and on the respective state websites.

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 regarding 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. Per the requirements of Section 162(e)(1) 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 federal and state rules and regulations, and we are committed to complying with those requirements.

EVOLVING 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 Information Technology Security team is on the frontline every day, monitoring, identifying, preventing and responding to potential cyberattacks that threaten the company.

In 2020, we launched the CyberSmart employee security awareness and education initiative. This program has evolved into a yearlong 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.

To help ensure the ongoing strength and effectiveness of our efforts, cybersecurity is overseen at the Board level.

Engagement

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 the Community section starting on p. 78 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 accessible to shareholders at our annual meeting and governance events. In addition, Board members engage with shareholders individually throughout the year. Board members can also be contacted through our corporate secretary, who relays communications to them as appropriate.

The CEO and president and other members of the executive team maintain an active schedule of meetings and communications with shareholders. Our CEO holds an annual meeting with a diverse group of our stakeholders to discuss ESG issues and progress on targets and goals for the coming year. In that meeting, these investors can pose questions on ESG and other subjects and receive answers directly from our CEO.

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

In 2021, members of our Board and management reached out directly to shareholders representing approximately 63% of outstanding shares to discuss, among other topics, our business strategy; our compensation practices, particularly considering the COVID-19 pandemic; diversity and inclusion; and environmental and social stewardship. Shareholders owning approximately 55% of our shares either met with us in engagement meetings, attended our ESG event with our CEO and president, or told us no meeting was necessary this year. Based on feedback from these discussions, we have continued to increase the level of our disclosures in this Sustainability Report and in our proxy statement, and have modified our compensation program, among other improvements.

Above: APA Suriname hosts President Chan Santokhi of Suriname, far right, and U.S. Ambassador Karen L. Williams, center right, on an offshore rig tour.

STAKEHOLDER ENGAGEMENT OVERVIEW

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

Stakeholder Group	Engagement Methods	Read More in this Report
 **Investors**	– Annual shareholder meeting – Investor days and conferences – ESG-focused investor meetings – Governance conferences – Ongoing one-on-one investor discussions	Shareholder Engagement, p. 90
 **Employees**	– Ongoing employee trainings – Quarterly employee town halls – Regular leadership communications – Employee satisfaction surveys – Safety Survey	Learning and Development, p. 52 Employee Engagement, p. 53
 **Landowners and mineral owners**	– Ongoing engagement via our land department – Community grievance line and resolution process	Understanding and Addressing Stakeholder Concerns, p. 78
 **Local communities**	– Local community outreach and philanthropy – Community grievance line and resolution process – Community meetings – Local job fairs and other recruitment efforts	Our Approach to Social Investing and Community Engagement, p. 68 Understanding and Addressing Stakeholder Concerns, pp. 78-79
 **Suppliers and contractors**	– Contractor vetting process – Ongoing contractor assessments – Contractor engagement meetings	Contractor Management, p. 63
 **Regulators and government entities**	– Supporting regulatory development as relevant to our business – In collaboration with trade associations	Trade Associations, p. 89
 **NGOs and academics**	– ESG investor engagement – Research support and funding	ESG Engagement, p. 16 Seismicity and Oil and Gas Operations, p. 41 Shareholder Engagement, p. 90
 **Local media**	– Regular contact with and response to local television stations, newspapers and radio stations	

GOVERNANCE DOCUMENTS

To view these documents, visit apacorp.com/about/governance/governance-documents/.

- APA's Audit Committee Charter
- APA's Code of Business Conduct and Ethics
- APA's Corporate Governance Principles
- APA's Corporate Responsibility, Governance and Nominating Committee Charter
- APA's Directors' and Officers' Stock Ownership Requirements
- APA's Executive Compensation Clawback Policy
- APA's Foreign Corrupt Practices Act and Anti-Corruption Compliance Guide
- APA's Human Rights Principles
- APA's Indigenous Peoples Principles
- APA's Management Development and Compensation Committee Charter
- APA's Margin Loans and Pledges by Directors and Officers
- APA's Monitoring of Human Rights Principles
- APA's Policy on Parachute Payments for Executives and Accelerated Vesting of Equity Upon Change in Control
- APA's Policy on Prohibiting Hedging APA Securities by Directors and Officers
- APA's Political Contributions and Lobbying Expenditures Policy
- APA's Procedures for the Submission of Complaints and Concerns Regarding Accounting, Internal Accounting Controls, or Auditing Matters
- APA's Supplier Code of Conduct

About This Report

Our 2022 Sustainability Report covers the performance of APA Corporation (APA) in the areas of community involvement, governance and environmental stewardship — in particular, air and water, health and safety, workplace and employee issues.

APA Corporation

The report was prepared in accordance with the Global Reporting Initiative (GRI) 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 & Gas Producers; the Sustainability Accounting Standards Board's Oil and Gas Exploration and Production Sustainability Accounting Standard (SASB); as well as the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) (see the Reporting Standards and Frameworks section starting on p. 114 for an index of indicators from these frameworks discussed in this report).

Data included in this report cover the 2021 calendar year unless otherwise noted.

Identifying Our Most Important Issues

Last year, we conducted an update to the materiality assessment previously completed in 2017. The results and feedback from the 2021 assessment helped us to understand both 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 to guide the content of this report.

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

1. **Identify:** We identified our sustainability-related issues, impacts, benefits, risks and opportunities by interviewing a range of internal and external stakeholders, reviewing documents representing a wide variety of stakeholder views and interests, and reviewing peer companies' critical issues. For our internal stakeholders, we considered the perspectives of employees from across our organization. The external stakeholders interviewed included mainstream investors, ESG-focused investors, institutional lenders, ESG-focused nonprofit organizations, NGOs, customers, academics, community members and leaders in the areas where we operate, as well as regulators. Based on these interviews and documents reviewed, we developed a comprehensive list of issues across a suite of topics, including governance, environment and society.

2. **Prioritize:** Issues were prioritized based on the level of importance internal and external stakeholders placed on those issues and the level of risk or opportunity they represent to the company and to external stakeholders. Level of risk or opportunity was developed based on the potential for each issue to positively or negatively impact the environment, local communities, employees, contractors and the company's financial performance.

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

4. **Determine report content:** We used the final issues list to evaluate whether we were adequately reporting on the issues that are most important to our internal and external stakeholders. Our analysis confirmed that the issues on which we have consistently reported are, in fact, the issues of greatest concern to our stakeholders.

Moving forward, we plan to review and update this analysis regularly, and we will continue to revise our report content based on the results.

APA's Important Issues[26]

Based on our 2021 materiality analysis, we found that the following issues are of highest importance to our internal and external stakeholders:

- Impacts of climate change on business, transition plans, greenhouse gas emissions.
- Employee and contractor health and safety.
- ESG integration and accountability (e.g., goals/targets, executive compensation).
- Regulation and compliance.
- Reporting and transparency on ESG issues.
- Diversity, equity and inclusion of our workforce.
- Water availability, water quality and wastewater management.
- Spills, releases and process safety.
- Biodiversity/site impacts.
- Local economic impacts.

Increasing Transparency

We believe that transparency is critical to our relationships with stakeholders, and we strive to continuously improve the breadth and quality of the data we present. In this year's report, we have enhanced disclosures related to our:

- Progress toward ESG goals.
- TCFD analysis utilizing IEA's 2021 WEO scenario plans, including Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS) and Sustainable Development Scenario (SDS) scenarios.
- Detailed disclosure of 2021 water and air data at country level.
- 2021 safety performance and the improvements in the following areas: Total Recordable Incident Rate (TRIR), Days Away, Restricted and Transfer rate (DART), Severe Injury and Fatality (SIF) and Vehicle Incident Rate (VIR).
- Discussion on our efforts to affect global progress and energy security.
- Increased board diversity both in ethnicity and global leadership experience.

> "Content has been organized to align with our three ESG pillars: Air, Water and Communities+People."

Assuring Report Content

At APA Corporation, we hold ourselves to a high standard of accuracy and excellence in all 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 select members of our executive team, as well as our Internal Audit function (described on p. 86). The rigorous internal review included verifying data points and facts, providing added accountability for the accuracy of this report. See p. 131 for a more detailed description of "forward-looking statements."

Endnotes

[1] IEA (2020), *Defining energy access: 2020 methodology*, International Energy Agency, Paris, https://www.iea.org/articles/defining-energy-access-2020-methodology.

[2] IEA (2021), *Tracking SDG7: The Energy Progress Report, 2021*, IEA, Paris https://www.iea.org/reports/tracking-sdg7-the-energy-progress-report-2021, pp. 1-2.

[3] Table 1. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category - 2022 M02 Results (bls.gov)

[4] U.S. Census Bureau, March 2022 Household Pulse Survey, https://www.census.gov/programs-surveys/household-pulse-survey/data.html.

[5] U.K. Office for National Statistics, January 2022 Consumer Price Inflation: https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/january2022.

[6] U.K. Office of Gas and Electricity Markets, February 2022 press release, "Price cap to increase by £693 from April," https://www.ofgem.gov.uk/publications/price-cap-increase-ps693-april.

[7] German Federal Statistical Office, September 2021 press release, "Electricity production in the 1st half of 2021: coal most important energy source," https://www.destatis.de/EN/Press/2021/09/PE21_429_43312.html.

[8] German Federal Statistical Office, October 2021 press release, "Inflation rate at +4.5% in October 2021," https://www.destatis.de/EN/Press/2021/11/PE21_513_611.html.

[9] World Health Organization, September 2021 fact sheet, "Household air pollution and health," https://www.who.int/news-room/fact-sheets/detail/household-air-pollution-and-health.

[10] IEA (2020), *World Energy Outlook 2020*, IEA, Paris, https://www.iea.org/reports/world-energy-outlook-2020, p. 201.

[11] IEA, *WEO 2017 Special Report: Energy Access Outlook*, WEO-2017 Special Report: Energy Access Outlook (windows.net), p. 57.

[12] U.S. Energy Information Administration, Monthly Energy Review, Table 1.3 and 10.1, April 2021, preliminary data: https://www.eia.gov/energyexplained/us-energy-facts/.

[13] IEA, *World total final consumption by source*, 1971-2019, IEA, Paris, https://www.iea.org/data-and-statistics/charts/world-total-final-consumption-by-source-1971-2019.

[14] IEA (2020), "The Oil and Gas Industry in Energy Transitions," IEA, Paris, https://iea.blob.core.windows.net/assets/4315f4ed-5cb2-4264-b0ee-2054fd34c118/The_Oil_and_Gas_Industry_in_Energy_Transitions.pdf, p. 14.

[15] IEA (2021), *World Energy Outlook 2021*, IEA, Paris, https://www.iea.org/data-and-statistics/data-product/world-energy-outlook-2021-free-dataset.

[16] International Association of Oil & Gas Producers, *Oil in everyday life*, https://www.iogp.org/wp-content/uploads/2017/07/Oils-Many-Uses-ENG.pdf.

[17] IEA (2021), *World Energy Outlook 2021*, IEA, Paris, https://www.iea.org/reports/world-energy-outlook-2021.

[18] IEA (2021), *Natural gas demand by scenario, 2010-2030*, IEA, Paris, https://www.iea.org/data-and-statistics/charts/natural-gas-demand-by-scenario-2010-2030.

[19] EIA (2021), *International Energy Outlook 2021*, IEO2021: Schedule, Focus, and Publication (eia.gov), p. 13.

[20] EIA (2021), Power Plant Operations Report, 2021, https://www.eia.gov/todayinenergy/detail.php?id=48296#.

[21] EIA (2021), U.S. Energy-Related Carbon Dioxide Emissions, 2020: https://www.eia.gov/environment/emissions/carbon/.

[22] IEA (2021), *Coal consumption by region, 2000 to 2021*, IEA, Paris, https://www.iea.org/data-and-statistics/charts/coal-consumption-by-region-2000-to-2021.

[23] IEA (2021), *Change in CO_2 emissions by fuel, 1990-2021*, IEA, Paris, https://www.iea.org/data-and-statistics/charts/change-in-co2-emissions-by-fuel-1990-2021.

[24] Based on Ipieca's Sustainability Reporting Guidance for the Oil and Gas Industry (2020).

[25] On July 14, 2022, Board Chair John E. Lowe announced his retirement, to be effective September 1, 2022. In preparation for his departure, we have adjusted Board stats, where applicable, to reflect the future 10-person Board of Directors.

[26] Issues are grouped by topical categories that align with our approach to ESG issues, not in order of importance or priority.

[27] The IEA crude oil price is a weighted average import price among IEA member countries. IEA, *World Energy Outlook 2021*, p. 101.

APPENDIX

Key Performance Data

	Units	2021	2020*	2019	2018	2017
Global Greenhouse Gas Emissions[1]						
Operated emissions[2] (Scope 1)	Thousand tCO_2e	**6,000**	6,280	7,300	7,580	6,890
Carbon dioxide	Thousand tCO_2e	**4,830**	4,830	5,600	5,770	5,080
Methane	Thousand tCO_2e	**1,130**	1,400	1,650	1,760	1,760
Nitrous oxide	Thousand tCO_2e	**40**	50	50	50	50
Operated direct emissions (Scope 1) by source						
Flaring	Thousand tCO_2e	**1,470**	1,480	2,060	1,970	2,010
Venting	Thousand tCO_2e	**520**	420	430	810	660
Fuel combustion	Thousand tCO_2e	**3,540**	3,550	3,790	3,920	3,280
Fugitives	Thousand tCO_2e	**470**	830	1,020	880	940
Operated indirect emissions (Scope 2)	Thousand tCO_2e	**340**	490	690	800	850
Global Emissions Intensities[3]						
Global GHG emissions intensity	tCO_2e/Mboe	**13.9**	15.9	17.9	22.2	21.5
Global methane emissions intensity	%	**0.30**	0.28	0.33	0.40	0.42
Global Energy Use						
Energy use	Thousand MWh	**4,600**	4,880	5,020	5,320	4,730
Combustion energy	Thousand MWh	**3,720**	3,730	3,980	4,120	3,450
Electricity	Thousand MWh	**880**	1,150	1,040	1,200	1,280
Global Water Use by Source						
Total water consumption	Thousand Bbls	**29,055**	11,100	114,521	125,380	124,203
Freshwater consumption	Thousand Bbls	**5,572**	1,526	25,440	27,996	32,920
Groundwater	Thousand Bbls	**3,059**	1,526	24,308	23,850	26,999
Surface water	Thousand Bbls	**1,043**	—	407	2,386	2,513
Municipal water	Thousand Bbls	**1,469**	—	725	1,759	3,407
Nonfreshwater consumption	Thousand Bbls	**23,483**	9,575	89,082	97,384	91,284
Groundwater consumption	Thousand Bbls	**22,571**	9,575	88,043	97,384	90,523
Surface water consumption	Thousand Bbls	**913**	—	1,039	—	761
Total water used in production	Thousand Bbls	**457,364**	593,720	524,888	603,952	566,484
Total recycled/reused[4]	Thousand Bbls	**428,310**	582,620	410,367	478,572	442,281
Enhanced oil recovery (EOR) reused[4]	Thousand Bbls	**416,084**	577,542	379,943	446,710	428,865
Hydraulic fracturing recycled/reused[4]	Thousand Bbls	**12,226**	5,078	30,424	31,863	13,416
Produced water sent for injection disposal	Thousand Bbls	**290,545**	238,208	346,758	197,484	205,713
Global Water Metrics						
Freshwater consumption	%	**19**	14	22	22	27
Nonfreshwater consumption	%	**81**	86	78	78	73
Produced water recycled/reused	%	**48**	62	44	55	52
Produced + nonfreshwater as a percent of total water usage	%	**98.8**	99.7	95.2	95.4	94.2
Fresh water as a percent of total water usage	%	**1.2**	0.3	4.8	4.6	5.8
Fresh water consumption intensity	Bbls/boe	**0.04**	0.01	0.76	0.87	0.97
U.S. Hydraulic Fracturing Water Use						
Nonfreshwater	%	**61**	59	12	22	20
Produced water captured for reuse	%	**36**	31	51	46	27
Freshwater use	%	**3**	9	37	32	53
Spills						
Hydrocarbon spills	No. >1 Bbl in size	**379**	302	187	341	302
Health and Safety						
Hours worked - workforce	Million hours	**50**	36	53	54	53
Employee hours worked	Hours	**11,500,000**	12,100,000	15,100,000	15,800,000	15,500,000
Contractor hours worked	Hours	**38,600,000**	24,000,000	38,000,000	37,800,000	37,800,000
Employee Total Recordable Incident Rate	Per 200,000 hours worked	**0.21**	0.27	0.09	0.28	0.24
Contractor Total Recordable Incident Rate	Per 200,000 hours worked	**0.27**	0.58	0.54	0.80	0.67
Workforce Total Recordable Incident Rate	Per 200,000 hours worked	**0.26**	0.48	0.41	0.65	0.56
Employee Days Away, Restricted or Transferred Rate	Per 200,000 hours worked	**0.14**	0.13	0.07	0.17	0.10
Contractor Days Away, Restricted or Transferred Rate	Per 200,000 hours worked	**0.13**	0.28	0.21	0.40	0.28
Workforce Days Away, Restricted or Transferred Rate	Per 200,000 hours worked	**0.13**	0.23	0.17	0.33	0.23
Vehicle Incident Rate	Per million miles driven	**0.53**	0.83	0.79	1.29	1.24
Workforce fatalities	#	**0**	3	7	1	4
Employee fatalities	#	**0**	0	1	0	0
Contractor fatalities	#	**0**	3	6	1	4

Key Performance Data (Continued)

	Units	2021	2020*	2019	2018	2017
Our People						
Global full-time employees	#	**2,253**	2,272	3,163	3,420	3,358
United States	#	**1,381**	1,430	2,132	2,441	2,411
United Kingdom	#	**638**	598	638	590	560
Egypt	#	**230**	237	385	388	386
Suriname	#	**2**	7	8	1	1
France	#	**2**	—	—	—	—
Global Gender Mix						
Total female employees	%	**22.9**	22.1			
United States	%	**28.6**	27.0			
United Kingdom	%	**12.4**	12.0			
Egypt	%	**17.4**	17.0			
Suriname	%	**0.0**	14.0			
France	%	**50.0**	0.0			
Total male employees	%	**77.1**	77.9			
Female employees in leadership positions[5]	%	**17.6**	17.6			
Global Age Breakdown (Total Employees)						
29 and Under	%	**7.9**	9.9			
30-50	%	**62.1**	60.5			
Over 50	%	**30.0**	29.6			
U.S. Ethnicity Mix (Total U.S. Employees)						
White	%	**65.8**	66.9			
Black	%	**6.5**	6.0			
Asian	%	**7.1**	6.8			
Hispanic	%	**19.1**	18.6			
Other	%	**1.5**	1.7			
U.S. Ethnicity Mix of Leadership[5]						
White	%	**79.8**	77.8			
Black	%	**4.3**	3.0			
Asian	%	**6.1**	6.3			
Hispanic	%	**8.1**	11.5			
Other	%	**1.7**	1.4			
Economic Contributions						
Total local vendor spend	$ Million	**860**	962	1,553	1,443	1,090
Total global vendor spend	$ Million	**1,937**	2,324	4,116	4,615	4,071
Local spend percentage	%	**44**	41	38	31	27
Tier 1 U.S. vendor spend with diverse suppliers	%	**3.8**	—	—	—	—
Social Investing						
Community[6]	%	**79.7**	77	74	76	76
Environmental Stewardship	%	**15.8**	21	26	24	24
Access to Energy[7]	%	**4.5**	2	0	0	0
Financial and Production Highlights						
Oil and gas production revenues	$ Billion	**6.5**	4.0	6.3	7.3	5.9
Natural gas production		**830**	893	980	966	958
Oil and natural gas liquids production	Mbbls/d	**250**	291	310	305	298
Proved reserves	MMboe	**913**	874	1,011	1,234	1,175

Key

Bbls: barrels of water
Bbls/boe: barrels of water per barrels of oil equivalent
tCO_2e/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 NGL per day
MMboe: millions of barrels of oil equivalent

[1] Our emissions are determined using engineering calculations and methods outlined by applicable regulations.

[2] 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.

[3] 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.

[4] Recycled/reused water categorization by operational use is new in 2020, and provided for years 2016-2019. 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.

[5] Leadership role defined as supervisor level and above or equivalent.

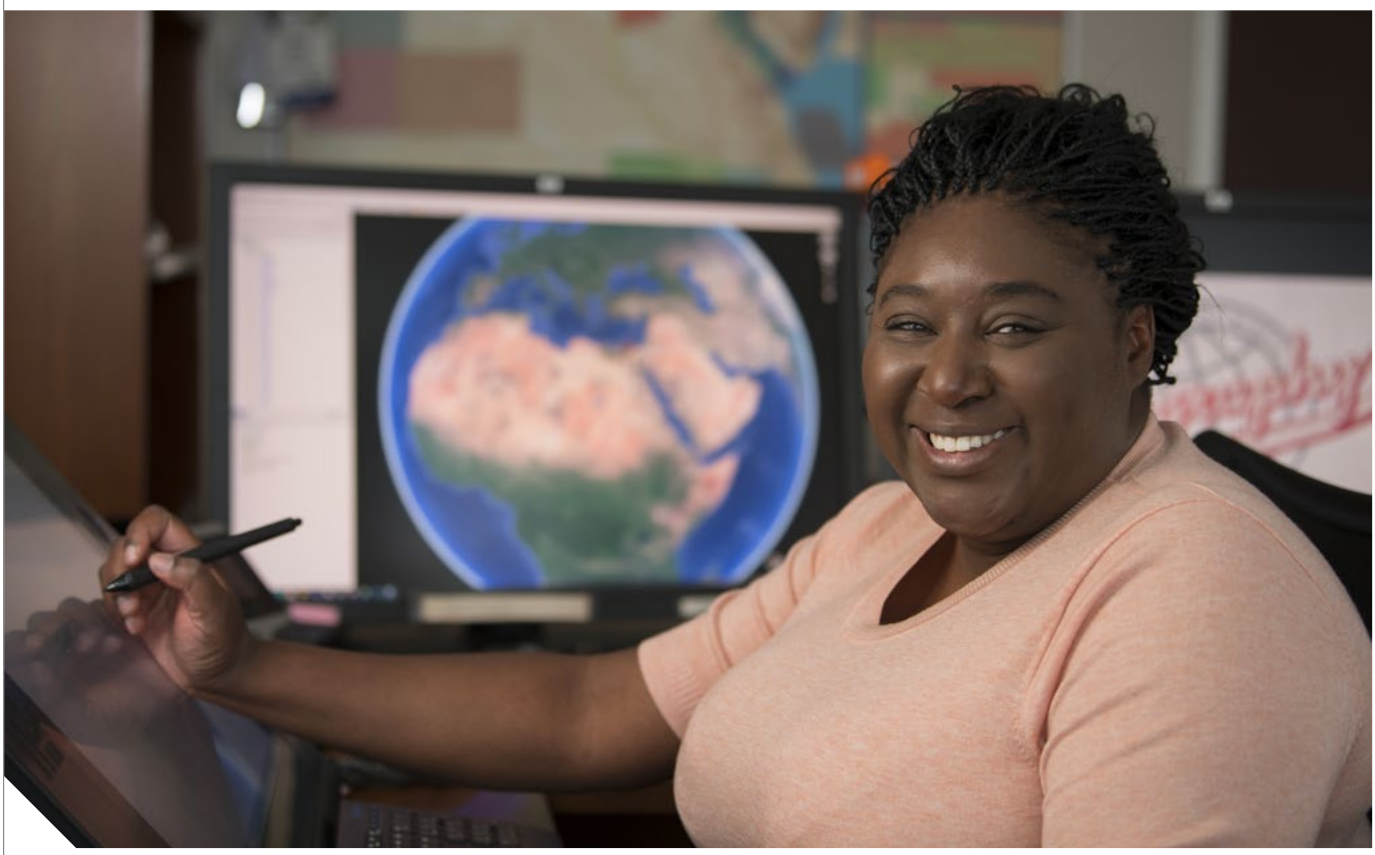
[6] Community charitable giving includes the following areas: Education; Health & Wellbeing; First Responders & Military Support; Women, Youth & Family Services; Community Resources; and Arts.

[7] Providing access to energy for communities in developing nations, as well as addressing reliability and affordability of energy in developed countries.

* APA significantly reduced activity levels across its operations in early 2020 in response to the COVID-19 pandemic and its related impacts. As a result, we view 2019 as a more relevant base for assessing year-over-year water usage and emissions intensity improvements.

Performance Data by Country

2021	Units	U.S.	U.K.	Egypt
Key Emissions Data by Country				
Operated emissions (Scope 1)	Thousand tCO_2e	892	915	4,190
Carbon dioxide	Thousand tCO_2e	672	854	3,307
Methane	Thousand tCO_2e	220	42	865
Nitrous oxide	Thousand tCO_2e	1	19	17
Operated direct emissions (Scope 1) by source				
Flaring	Thousand tCO_2e	129	156	1,180
Venting	Thousand tCO_2e	141	17	366
Fuel combustion	Thousand tCO_2e	558	738	2,244
Fugitives	Thousand tCO_2e	63	5	398
Operated indirect emissions (Scope 2)	Thousand tCO_2e	343	280	9
Key Water Data by Country				
Total water consumption	Thousand Bbls	21,720	—	7,340
Freshwater consumption	Thousand Bbls	1,060	—	4,510
Total water used in production	Thousand Bbls	179,700	46,260	231,400
Total recycled/reused[4]	Thousand Bbls	157,980	46,260	224,070



Apache's 2021 Employer Information Report EEO-1 Consolidated Report

CO= 5540307
U= 5540307

EQUAL EMPLOYMENT OPPORTUNITY
2021 EMPLOYER INFORMATION REPORT EEO-1
CONSOLIDATED REPORT

SECTION B - COMPANY IDENTIFICATION

1. APACHE CORPORATION
2000 POST OAK BOULEVARD
SUITE 100
HOUSTON, TX 77056

2.a. APACHE CORPORATION
2000 POST OAK BOULEVARD
SUITE 100
HOUSTON, TX 77056

c. EIN= 410747868

SECTION C - TEST FOR FILING REQUIREMENT

1- Y 2- Y 3- Y DUNS= 006961551

SECTION E - ESTABLISHMENT INFORMATION

NAICS: 211120 - Crude Petroleum Extraction

SECTION D - EMPLOYMENT DATA

JOB CATEGORIES	HISPANIC OR LATINO		NOT-HISPANIC OR LATINO												OVERALL TOTALS
			********** MALE **********						********** FEMALE **********						
	MALE	FEMALE	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	
EXECUTIVE/SR OFFICIALS & MGRS	0	0	22	0	0	2	0	0	8	0	0	0	0	0	32
FIRST/MID OFFICIALS & MGRS	26	9	209	6	0	11	3	1	41	9	1	7	0	1	324
PROFESSIONALS	44	43	254	14	0	40	1	3	109	27	0	34	1	4	574
TECHNICIANS	3	6	12	2	0	1	0	0	12	2	0	3	1	0	42
SALES WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ADMINISTRATIVE SUPPORT	4	15	7	5	0	1	0	0	37	16	0	1	0	0	86
CRAFT WORKERS	122	1	196	5	0	0	3	2	1	1	0	0	0	0	331
OPERATIVES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LABORERS & HELPERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SERVICE WORKERS	2	0	2	4	0	0	0	0	0	0	0	0	0	0	8
TOTAL	201	74	702	36	0	55	7	6	208	55	1	45	2	5	1,397
PREVIOUS REPORT TOTAL	208	65	782	37	0	56	9	6	215	52	1	44	3	6	1,484

SECTION F - REMARKS

DATES OF PAYROLL PERIOD: 12/1/2021 THRU 12/15/2021

SECTION G - CERTIFICATION

CERTIFIED DATE [EST]: 5/16/2022 11:51 AM

CERTIFYING OFFICIAL: Mark Smith
TITLE: Lead, HR Talent Acquisition
EMAIL: marka.smith@apachecorp.com
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EEO1 REPORT CONTACT PERSON: Mark Smith
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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 disclosure and accountability and work to be an employer of choice, among other achievements.

2022

ESG Accelerator Award
Energy Workforce & Technology Council

2022 List of America's Most Responsible Companies
Newsweek

List of America's Best Midsize Employers for 2022
Forbes

2021

Trendsetter in Political Disclosure and Accountability
CPA-Zicklin Index of Corporate Political Disclosure and Accountability

E&P Explorer of the Year for 2020
Wood Mackenzie

2020 Best Safety Results (Sam Croft Drillship)
Noble Services LLC

One of the World's Most Admired Companies
FORTUNE

Board Matrix

This table displays the experience, diversity and tenure of APA Corporation's (APA) Board of Directors.

	Annell Bay	John Christmann	Juliet Ellis	Charles Hooper	Chansoo Joung	John Lowe*	Lamar McKay	Amy Nelson	Daniel Rabun	Peter Ragauss	David Stover
Knowledge, Skills and Experience											
Public Company CEO Experience		•					•		•		•
Public Company CFO Experience										•	
Executive Senior Leadership	•	•	•	•		•	•		•	•	•
Financial Reporting		•	•		•	•	•	•	•	•	•
Risk Management	•	•	•	•	•	•	•	•	•	•	•
Accounting			•		•	•			•	•	
Corporate Governance/Ethics	•	•	•	•	•	•	•	•	•	•	•
Environmental/Regulatory	•	•				•	•	•	•		•
Legal									•		
Global Experience	•	•	•	•	•	•	•		•	•	•
Operations	•	•				•	•	•	•	•	•
Strategic Planning/Oversight		•	•	•	•	•	•	•	•	•	•
Mergers and Acquisitions		•			•	•	•	•	•	•	•
Upstream Experience	•	•			•	•	•	•	•	•	•
Midstream Experience		•			•	•			•	•	
Demographic Background											
Military Veteran				•							
Ethnic Minority				•	•						
Gender (male/female)	F	M	F	M	M	M	M	F	M	M	M
Age in Years (as of April 1, 2022)	66	55	63	64	61	63	63	53	67	64	64
Board Tenure (year joined)	2014	2015	2019	2022	2011	2013	2021	2014	2015	2014	2022
Number of Public Company Boards including APA	3	1	2	1	2	3	2	3	3	2	1

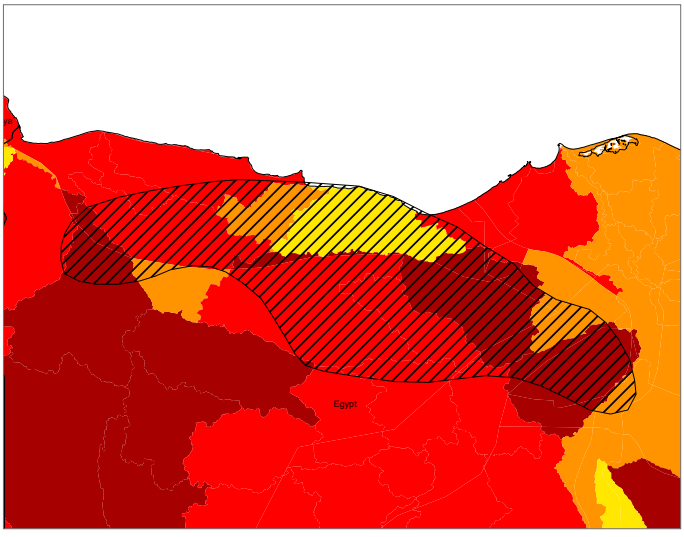
* On July 14, 2022, Board Chair John E. Lowe announced his retirement, to be effective September 1, 2022.

Water Scarcity Maps

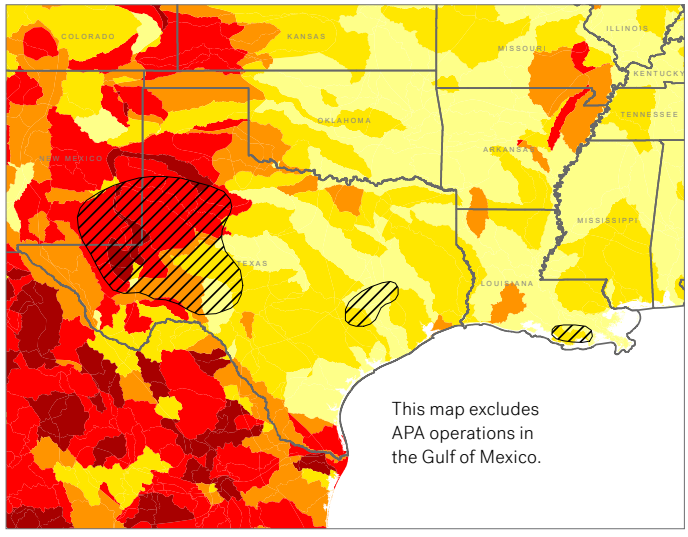
When appropriate, we utilize various data sources, such as the U.S. Drought Monitor and the World Resources Institute's Aqueduct tool, to confirm our assessment of water-scarce areas within our operations.

The examples shown below are created by applying the water scarcity mapping tools to the geographic information system (GIS) layers of APA-operated areas, as of June 30, 2022.

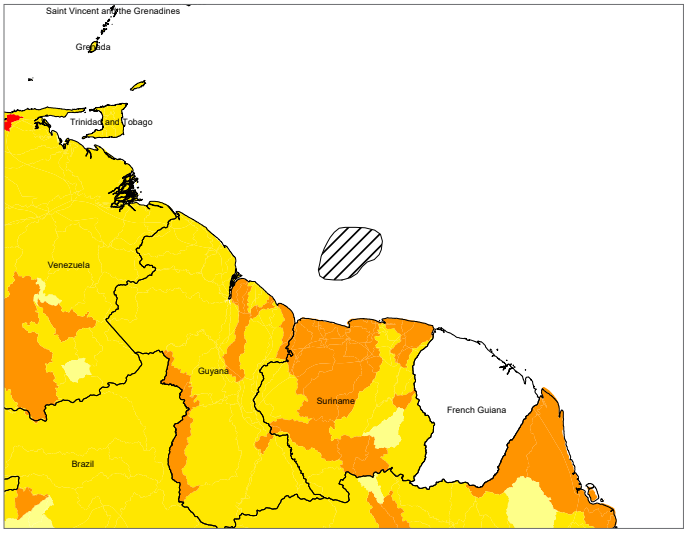
Egypt



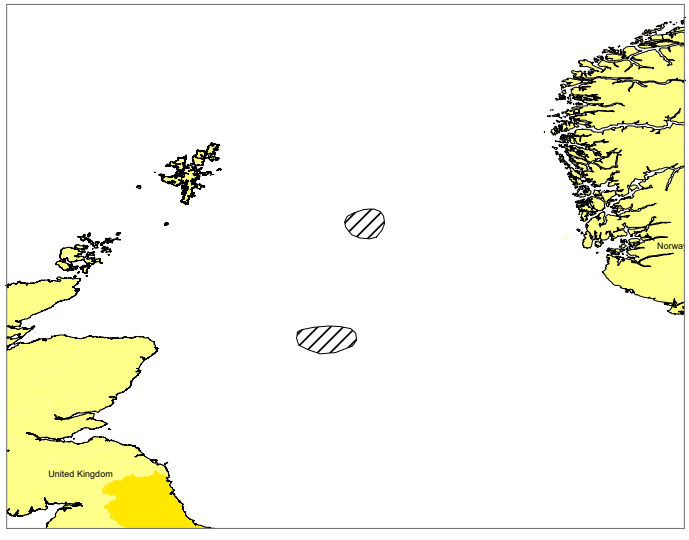
U.S.



Suriname



U.K. North Sea



Water Risk Level

APA Operations | Low | Low-Medium | Medium-High | High | Extremely High

Our 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 challenges that climate change presents, while also continuing to produce reliable, affordable energy to help meet the world's needs and drive global prosperity. We are therefore focused on reducing emissions from our operations.

Identifying and managing opportunities and risks presented by climate change are an important part of our business planning and enterprise risk management.

Climate change influences our operations from regulatory, lending and investment perspectives. For this reason, the highest levels of our leadership team, including senior management and the Board of Directors, oversee our planning process.

Investor interest in how companies are assessing and managing climate change-related risks is growing. This is reflected by the creation of the Task Force on Climate-related Financial Disclosures (TCFD) by the Financial Stability Board — an international body founded to promote reform and supervision of international financial regulations — to help organizations provide consistent climate-related financial information to stakeholders. For investors in the oil and gas industry, concerns include the impact of new regulations, changes in energy demand and competition from lower-carbon energy sources.

In this year's Sustainability Report, we continue to increase disclosure on how we identify and address climate change-related risks, and our overall alignment with the TCFD's recommendations to communicate information on climate change-related governance, strategy, risk management, and metrics and targets (see p. 128 for an index of TCFD-related disclosures throughout the report).

Governance

Our Board of Directors and senior management are directly engaged in assessing business strategy, including review of how capital is deployed. This process includes managing 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 p. 14), which includes management of climate change-related business, legal and regulatory risks. The Corporate Responsibility, Governance & Nominating Committee oversees management and performance on environmental, social and governance (ESG) issues, including the content of this report. The Management Development & Compensation (MD&C) Committee has also taken steps that link ESG performance to compensation for all employees, including executives (see below and p. 84).

In addition to the work of these committees, the full Board receives updates on climate change-related topics, including our corporate approach to risk management, climate-related risks and opportunities, greenhouse gas (GHG) emissions management, third-party ESG ratings and overall ESG performance. The Board also invites outside experts on ESG issues to provide ongoing education on relevant subjects, as well as differing perspectives on climate-related risks and opportunities.

Our ESG Management Committee, a cross-functional team comprised of five corporate officers, is tasked with overseeing our climate and emissions strategy, goals and performance. Sponsored by the chief financial officer, and generally meeting at least twice per month, this team is tasked with integrating our ESG priorities across the business.

To help drive focus and accountability across the company, we are continuing to expand ESG-based performance metrics and tying them to incentive compensation for all employees — from the executive level to the field. In 2021, 10% of short-term compensation was linked to nonsafety ESG goals, including a goal to eliminate routine flaring in the U.S. onshore and to achieve a less than 1% flaring intensity rate. We achieved both goals, as well as goals to reduce freshwater consumption and to foster a more diverse and inclusive culture. For 2022, 20% of short-term compensation will be linked to the combined environmental, health and safety (EHS) and ESG goals. We also added an ESG metric, beginning in 2022, to the performance share program in our long-term incentive compensation plan. The new ESG metric, set by the MD&C Committee, is measured against a list of projects identified to deliver a target elimination of 1 million tonnes of carbon dioxide equivalent (CO_2e) emissions over a three-year performance period.

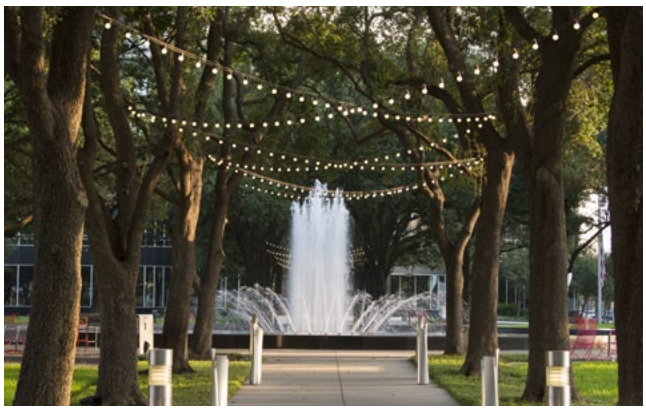
We consider ESG matters — including climate change-related issues — as critical areas in which to identify, track and mitigate risk. (Read more on our prioritizing and managing ESG initiatives on pp. 19-21.)

Strategy

We are committed to producing energy safely and responsibly. Highlights of what this means to us include:

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

- We work every day 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 (E&P) company. That 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 eliminating methane leaks. In 2021, we eliminated routine flaring from our U.S. onshore operations three months ahead of schedule.
- We are using clean-burning natural gas and electricity as alternatives to diesel to power our field operations where practicable, which reduces fuel consumption and localized air emissions.
- For 2022, we set goals to reduce upstream flaring in Egypt by 40% by year-end, and to deliver projects to support our long-term incentive compensation-linked goal to eliminate 1 million tonnes of CO_2e emissions throughout our worldwide assets by the end of 2024.



SCENARIO-PLANNING FRAMEWORK

In 2021, we revised and updated our scenario-planning analysis to more closely align with TCFD recommendations, and are continuing to refine and expand on that approach in 2022. For years, scenario planning has been embedded in our ongoing business and risk management processes. Our analysis includes the input of experts from several internal functional areas, for a more rigorous, multidisciplinary planning approach.

We consider a range of pricing scenarios when forming our long-term investment and development plans. These include scenarios in a carbon-constrained future, which reflect the potential climate-related risks and opportunities influencing fossil fuel supply and demand. However, our expanded climate-specific scenario-planning framework goes even further, by including market-based third-party forecasts of future demand, pricing in energy markets, and assumptions based on changes in government regulations and policy.

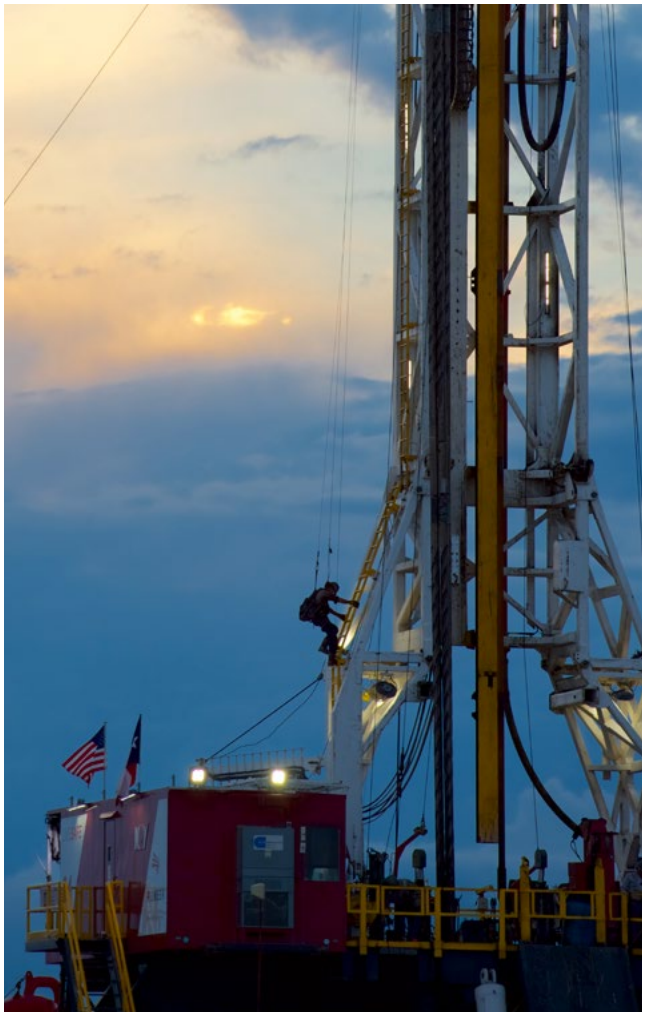
The TCFD guidance recommends that companies consider risks relating to the potential impact of climate change over short-, medium- and long-term timeframes. The dynamic nature of our business has been clearly demonstrated by the commodity price volatility observed in the last 36 months, driven by the global pandemic and by geopolitical impacts on global markets. We believe that scenario analyses should be conducted over medium-term timeframes, since, in our view, it is challenging to accurately assess scenario outcomes beyond a five-year time horizon, given the number and unpredictability of variables. As a result, in our climate-related risk assessments, we include external predictions of demand, carbon pricing and comparison-pricing scenarios, which we compare to our base-case pricing analysis that we have projected out to 2040, in order to align our analysis more closely with climate-scale timeframes. Under each future pricing scenario considered, the break-even prices referenced in each of APA's core areas of operations indicate the long-term potential for generating positive returns.

2021 World Energy Outlook Scenarios

We include in our analysis the following International Energy Agency (IEA) scenarios from the 2021 World Energy Outlook (WEO) report, which we compare against our internal APA base-case scenario: the Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS) and the Sustainable Development Scenario (SDS). Under all future pricing scenarios considered, the break-even prices referenced in each of APA's core areas of operation indicate the long-term potential for positive returns generation.

Stated Policies Scenario (STEPS) reflects all current governmental carbon policy settings, assessed sector to sector. This scenario has been modified from 2020 to reflect the higher fossil fuel demand seen today, and it projects a decline in demand after 2030 that is greater than was projected in previous versions of this scenario. Under this scenario, carbon pricing is applied to company's U.K. oil production only. The 2021 STEPS scenario results in a cumulative growth in world oil demand equivalent to 103 million Bbls of oil per day by 2030, remaining flat through 2050. In the STEPS scenario, oil prices are shown to fall to $77 per IEA Bbl[27] in 2030 even with this increasing demand, and then, as demand levels off, the oil price rises to $88 per IEA Bbl[27] in 2050.

Provided below and in contrast to STEPS, both the APS and SDS scenarios project lower demand for oil in 2050 compared to 2020. In these scenarios, the decrease in oil demand corresponds to a decrease in oil price.



Announced Pledges Scenario (APS) reflects all countries' announced climate commitments being met in full and on time, including nationally determined contributions. This scenario includes all announced net zero pledges, but still reflects gaps from the goals of the 2015 Paris Agreement described in the SDS. The APS shows the highest impact of carbon pricing among all scenarios, and carbon pricing is applied to the company's U.S. and U.K. production, while Egypt production is burdened from 2030 forward. The APS scenario represents the mid-case demand scenario, with demand increasing through 2030 to pre-pandemic levels, close to 96 million Bbls per day, before declining to less than 77 million Bbls per day in 2050. The APS scenario predicts a more subdued price decline to $67 per IEA Bbl[27] in 2030, and down to $64 per IEA Bbl[27] in 2050.

Sustainable Development Scenario (SDS) assumes additional policy incentives and targets greater action on climate change measures, which are anticipated to limit the global rise in temperature to less than 2°C by 2050. Carbon pricing is applied to all oil production, with pricing the same for U.S. and U.K. production, while Egypt production is not burdened by carbon pricing until 2040. The SDS scenario predicts that the 2020 demand level will remain relatively flat through 2030, at approximately 88 million Bbls per day, before dropping sharply to 47 million Bbls per day by 2050. The SDS scenario projects a more rapid decline in oil price, to $56 per IEA Bbl[27] in 2030, and $50 per IEA Bbl[27] in 2050.

In the 2021 WEO analysis, the STEPS, APS and SDS scenarios each have different projections for world oil and natural gas demand at their target years of 2030 and 2050 (see graphics on p. 112).

APA Base-Case Scenario

APA's own base-case scenario takes a conservative approach to future oil pricing, with a 20-year average blended oil price closely aligned to the APS and SDS scenarios. Our 20-year average oil pricing, discounted for anticipated carbon constraints, is $48 per blended (West Texas Intermediate [WTI]/Brent) Bbl, with annual realized pricing fluctuating between $53 and $44 per blended Bbl. We believe our company is well placed in any of the previously described scenarios.

APA Base-Case Scenario — Our base-case scenario is an assessment of our business perspective utilizing an internal oil pricing deck that includes a U.K. emissions trading scheme (ETS) carbon price built in, such that our WTI/Brent blended pricing accounts for the assumption of a carbon tax on U.K. Bbls. To account for the possibility, as in the SDS,

of more aggressive climate change measures to limit the global rise in temperature to less than 2°C by 2050, with a carbon tax also being applied to U.S. Bbls, our U.S. production in this scenario is discounted at the same rate as in the SDS scenario.

In our base-case scenario, our crude oil pricing assumption is a mixed WTI/Brent blend, starting at $53 per Bbl in 2023, escalating to $54 in 2030, and remaining flat at $54 until 2040. For the estimated U.S. portion of our annual production, we discounted the crude price at a rate equal to the SDS carbon price for advanced economies. 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 for those Bbls.

Resiliency in a Global Market

The focus of our scenario-planning exercises is our continued ability to meet demand for fossil fuel products in a global market. We actively monitor the demand scenario predictions and how they can affect the global supply. We evaluate demand on a medium-term basis, to avoid overreacting to short-term cycles or commodity price fluctuations that are influenced by unpredictable disruptions to market trends, as occurred early in the pandemic.

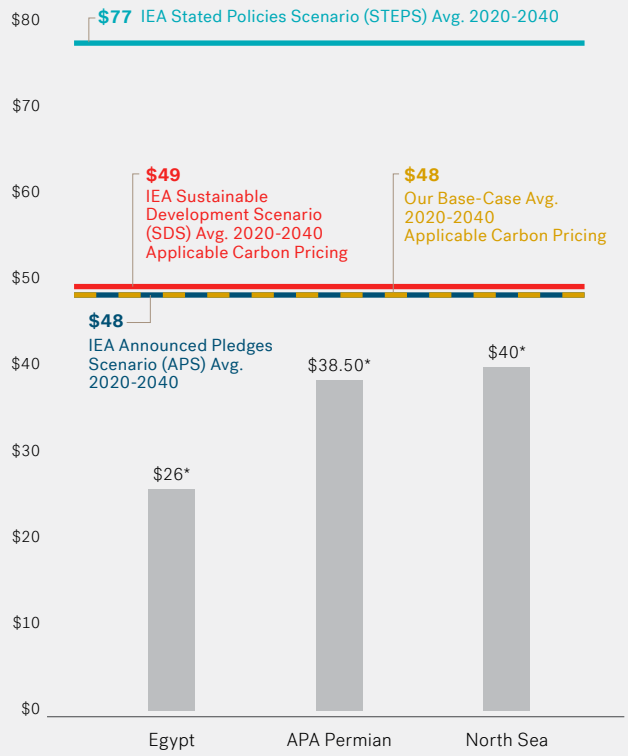
Our international portfolio of assets allows us to proactively manage our production mix to mitigate exposure to WTI/Brent crude pricing disparity and to the risk associated with carbon pricing for production in economically developed regions. Our portfolio consists of a diversified, global resource base, not a pure-play, single-region asset. We currently have active development onshore in the U.S. and Egypt, and 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 capital in response to the market's price signals and energy needs.

The resiliency 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 realized WTI/Brent blend equivalent pricing for 2021-2040, from each of the four planning scenarios discussed above. Even in the two scenarios burdened by a weighted-average carbon price for our U.S. production, the third-party break-even price is at a minimum $8 per Bbl less than those scenario prices. Again, our scenario-planning analysis positively supports that the break-even prices referenced in each of APA's core areas of operation indicates the long-term potential for generating positive returns.

The following tables provide a summary of the key climate-related risks and opportunities we have identified and are working to address now and into the future.

ASSET SCENARIO-PLANNING ASSESSMENT

WTI/ Brent Blend Equivalent Break-Even Price $/Bbl (2020)



* Break-even pricing is from 2021 Wood Mackenzie reports for Apache's Egypt fields. The U.K. North Sea sector includes the break-even Final Investment Decision (FID) Tracker Shell U.K. Central North Sea.

The APA Permian break-even pricing is the average of Apache Tier 1 and Tier 2 break-even from the 2021 Enverus Operator Leaderboard Report EIA Permian WTI.

Climate-related Transition Risks

Type	Risks	Potential Impacts and Responses
Policy and Legal	**Changes in Regulation** – U.S. policy on carbon taxes or cap and trade – Federal permit ban – State-based emissions regulations – Alignment with Paris Agreement	– Changes in asset base – Decreased asset diversification – Increased use of technology, including electrification and enhanced oil recovery (EOR)
	Changes in National Policies – Biden Administration's Climate Pledge – U.K. Carbon Budget – National hydraulic fracturing bans – National water policies on freshwater usage limits	– Shift in operational areas – Enhanced water recovery and reuse – Increased community engagement and reporting – Stranded assets
	Changes in Tax Programs – Elimination of exploration tax incentives for oil and gas – Increased alternative energy tax incentives	– Capital planning changes – Support for growth in emerging markets and economies – Increased costs of compliance
Technology and Market	**Equipment and Technology** – Costs of installing lower-emission production and transportation technology – Alternative fuel density technologies that ease the transition from fossil fuels to alternatives – Disruptive technologies in energy generation and/or transportation	– More efficient energy use, leading to a decrease in demand – Failure to keep up with technology advancements
Reputation	**Stigma of Fossil Fuels** – Stakeholder withdrawal of investment due to ESG-related concerns – Climate change litigation and publicity – Loss of supply chain due to market and energy transition	– Increased availability of green/ESG-linked lending – Increased dependence on midstream companies – Decreased company appeal to emerging workforce talent

Climate-related Physical Risks

Type	Risks	Potential Impacts
Acute	**Onshore** – Severe temperature changes (e.g., 2021 Winter Storm Uri) – Seasonal droughts – Tornados or other severe storms **Offshore** – Hurricanes and tropical storms	– Enhanced requirements for asset hardening – Increased focus on emergency contingency planning and preparation – Increased cooperation and integration with community partners – Damage to assets and communities – Changes in population distribution and settlement patterns – Shrinking of local economies – Decreased access to local talent
Chronic	**Onshore** – Changes in rainfall or weather patterns – Extended droughts and temperature changes – Changes in water availability patterns (surface water and groundwater) – Biodiversity and species listings **Offshore** – Rising sea levels – Sea temperature change and current-related changes	– Damage to equipment or impaired access to offshore platforms – Increased costs related to additional operational expenses and insurance premiums for offshore or nearshore operations – Operational disruptions due to supply chain or impairment of crew change operations during weather events

Climate-related Opportunities

Type	Risks	Potential Impacts and Responses
Resource Efficiency	– Transportation fuel-related improvements (in miles-per-gallon ratings) – Improved resource capture due to reduced GHG emissions – Increased recovery of hydrocarbons from the reservoir	– Additional product delivered to market – Project economies that increase the potential to expand operations – Decreased emissions within company vehicle fleet and operations equipment
Energy Source	– Increased demand for natural gas for power generation – Development of economic demand for hydrogen and hydrogen-based technologies – Utilization of field gas-generated power for drilling and completion equipment – Portable power not connected to the grid	– Collaboration with midstream and downstream companies – Increased expectations for enhanced reliability – Decreased emissions from operations
Products and Services	– Development of new markets for refined products offsetting reduction of transportation fuel demand – Premium pricing for delivery of certified, responsibly extracted resources – Development of commercial carbon capture utilization and storage (CCUS) market in aging oil fields around the world	– Focus on green label products and enhanced ESG certification – Conversion and retrofitting of assets to capture CO_2 – Extended life of assets
Markets	– Expanding fossil fuel markets in developing economies throughout the world – Development of hydrogen and CCUS markets – Access to green bonds and capital to expand ESG efforts related to hydrogen, CCUS and water recycling – Identification of changing regulatory environments to understand market development	– Emergence of exportation assets – Increased focus on reliability and output – Identification of ESG key performance indicators and projects tied to green lending – Partnerships to reduce societal GHG emissions
Resilience	– Transition of current EOR and water disposal practices to CCUS for industrial segments – Hydrogen from natural gas – Expansion of local supply chains in developing countries to ensure the necessary tools to maintain operations – Development of localized staff to ensure employee attraction and maintain the workforce	– Increased demand across operations footprint – Support to local policy makers for advancing technologies – Changes in recruiting, retention and workforce development – 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 CGR&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. These formal risk management teams work with personnel in other departments to identify, understand and mitigate 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.

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 greenhouse gas emissions (see p. 21).
- Employing leak detection and repair programs, using the latest equipment and technologies, to reduce methane losses (see pp. 24-27).
- Addressing GHG emissions from our operations through the elimination of routine flaring, and our commitment to power our equipment with electricity, where practicable (see p. 26).
- Working to address the potential physical impacts to our operations posed by climate change. For example, to mitigate the risk of reduced freshwater supplies critical to our operations, we are continuing efforts to optimize water recycling, especially in water-scarce areas (see pp. 30-32).
- 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 founding member of the ONE Future Coalition, working with 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 (API) The Environmental Partnership, working together with a group of U.S. oil and gas companies to address environmental challenges and further improve environmental performance in our industry. (See p. 27 for more information on these partnerships.)
  - As a member of the American Exploration and Production Council (AXPC), working together 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. 113 for our 2021 data as submitted to the AXPC.)

> "In 2023, we will publish greenhouse gas intensity targets."

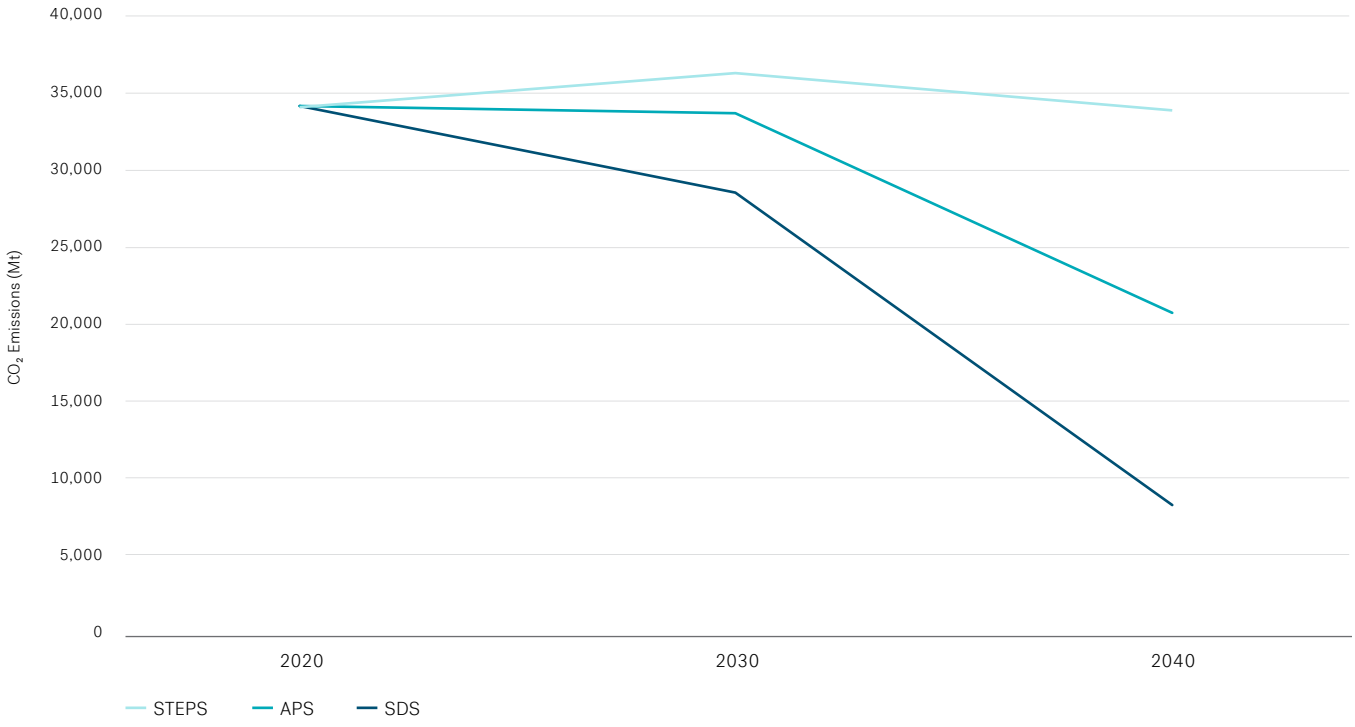
Metrics and Targets

We use a wide range of metrics and targets to assess and drive our performance in managing climate change-related risks, in particular our ability to reduce operational GHG and methane emissions.

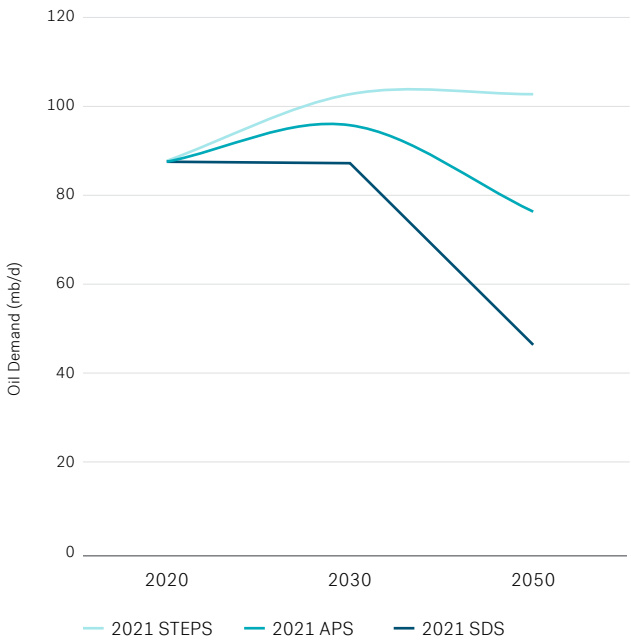
We measure our progress in reducing GHG and methane emissions based on intensity metrics (emissions per unit of production), because intensity metrics provide a more comparable year-over-year measure of our performance that is not skewed by changes in activity levels, acquisitions and divestitures, and 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_2 equivalents and by primary gas type, including CO_2, methane and nitrous oxide (see pp. 28-29 and 98 for GHG and methane emissions performance data).

To drive performance improvements, we adopted an upstream flaring reduction target in Egypt of 40% in 2022, and also set a goal, tied to long-term incentive compensation, of identifying and implementing 1 million tonnes of CO_2e elimination projects by year-end 2024. In 2019, through the API's The Environmental Partnership, we made three additional commitments toward reducing our methane emissions: implementing a leak detection program at all relevant sites by year-end 2024; replacing high-bleed pneumatic controllers with low- or zero-emitting devices by year-end 2024; and implementing a monitoring and emissions reduction program for liquids unloading, also by year-end 2024. Progress on all of these commitments can be found on p. 27.

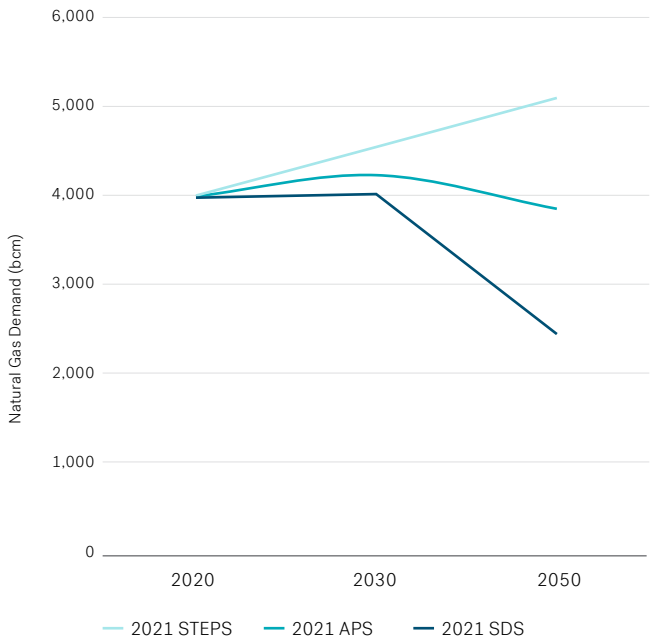
Total World CO_2 Emissions (Mt)



2022 IEA World Oil Demand



IEA World Natural Gas Demand



AXPC ESG Metrics Template

To provide investors and the public with transparency and consistency in the reporting of key upstream ESG indicators, AXPC launched the AXPC ESG Metrics Framework and Template in February 2021. These are available for use on a voluntary basis in sustainability reporting beginning in 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 — Greenhouse Gas (GHG) Emissions, Flaring, Spills, Water Use and Safety.

Reporting Company: Apache Corporation
Reporting Period: 2021

	2021*
Greenhouse Gas Emissions	
Methane Intensity Methane Emissions (Metric tons CH_4)/Gross annual production — Climate (Mboe)	0.11
Percent of Methane Emissions Attributed to Boosting and Gathering Segment	71.80%
GHG Intensity GHG Emissions (Metric tons CO_2e)/Gross annual production — Climate (Mboe)	10.67
Percent of GHG Emissions Attributed to Boosting and Gathering Segment	78.59%
Flaring	
Percentage of Gas Flared per Mcf of Gas Produced Gross Annual Volume of Flared Gas (Mcf)/Gross Annual Gas Production (Mcf)	0.30%
Volume of Gas Flared per Bbl of Oil Equivalent Produced Gross Annual Volume of Flared Gas (Mcf)/Gross Annual Production (Boe)	0.01
Spills	
Spill Intensity Produced Liquids Spilled (Bbl)/Total Produced Liquids (Mbbl)	0.060
Water Use	
Fresh Water Intensity Fresh Water Consumed (Bbl)/Gross Annual Production (Boe)	0.01
Water Recycling Rate Recycled Water (Bbl)/Total Water Consumed (Bbl)	88%
Does your company use WRI Aqueduct, GEMI, Water Risk Filter, Water Risk Monetizer or other comparable tool or methodology to determine the water-stressed areas in your portfolio?	Yes
Safety	
Employee TRIR # of Employee OSHA Recordable Cases x 200,000 / Annual Employee Workhours	0.16
Contractor TRIR # of Contractor OSHA Recordable Cases x 200,000 / Annual Contractor Workhours	0.89
Combined TRIR # of Combined OSHA Recordable Cases x 200,000 / Annual Combined Workhours	0.62

* These metrics represent U.S. operations only, as prescribed and agreed upon by AXPC members.

Reporting Standards and Frameworks

This report was prepared using the Global Reporting Initiative (GRI) Sustainability Reporting Standards and is in accordance with the GRI Standards (2018) at the core level. We are in the process of transitioning to the updated GRI Universal Standards (2021) and have included the indicators from the General Disclosures (2021) and Material Topics (2021) in this index. 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 United Nations Sustainable Development Goals.

GRI Content Index

Disc. #	Disclosure Title	Location in Report/Response/Omission
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021		
2-1	Organizational details	Introduction — About APA Corporation (APA), p. 03 Introduction — Our Operations, p. 04 2021 Form 10-K, p. 1
2-2	Entities included in the organization's sustainability reporting	2021 Form 10-K, pp. 1-7, 11-12
2-3	Reporting period, frequency and contact point	Reporting period: Calendar 2022 Frequency: Annual Contact: Rajesh Sharma, Corporate Secretary, APA Corporation, 2000 Post Oak Blvd., Suite 100, Houston, TX 77056-4400
2-4	Restatements of information	Information about any restatements is provided in the footnotes to the relevant data.
2-5	External assurance	Governance — Assuring Report Content, p. 95
2-6	Activities, value chain and other business relationships	Introduction — About APA Corporation (APA), p. 03 Introduction — Our Operations, p. 04 2021 Form 10-K, pp. 1, 2-8, 12, 36-38, F-21
2-7	Employees	Key Performance Data — Our People, p. 99
2-8	Workers who are not employees	Health and Safety — Contractor Management, p. 63 Key Performance Data — Health and Safety, p. 98
2-9	Governance structure and composition	ESG Overview, pp. 14-22 Governance — Governance, pp. 85-89 2022 Proxy Statement, pp. 16-17, 28 Corporate Governance Principles
2-10	Nomination and selection of the highest governance body	2022 Proxy Statement, pp. 9, 12-13 Corporate Governance Principles, p. 03 Corporate Responsibility, Governance, and Nominating Committee Charter
2-11	Chair of the highest governance body	Governance — Corporate Governance and Compensation Practices, p. 84
2-12	Role of the highest governance body in overseeing the management of impacts	ESG Overview, pp. 14-22 Health and Safety — Crisis and Emergency Risk Management, pp. 65-66 Community — Our Approach to Social Investing and Community Engagement, pp. 68-75 Community — Understanding and Addressing Stakeholder Concerns, pp. 78-79 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89 Governance — Engagement, pp. 90-91 Governance — About This Report, pp. 93-95 2022 Proxy Statement, pp. 11-12, 53 Code of Business Conduct and Ethics Corporate Governance Principles Corporate Responsibility, Governance, and Nominating Committee Charter

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2-13	Delegation of responsibility for managing impacts	ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89 Corporate Responsibility, Governance, and Nominating Committee Charter Sustainability issues, including health, safety, security, environment, community affairs and human resources, are overseen by the vice president of Environment, Health and Safety, senior vice president of Administration, and vice president of Corporate Communications and Public Affairs.
2-14	Role of the highest governance body in sustainability reporting	Corporate Responsibility, Governance, and Nominating Committee Charter The Board of Directors' Corporate Responsibility, Governance & Nominating Committee oversees discussion of the most important sustainability topics covered in this report. The report is reviewed and approved by select members of our executive team, as well as our Internal Audit function (described on p. 86).
2-15	Conflicts of interest	2022 Proxy Statement, p. 54 Code of Business Conduct and Ethics
2-16	Communication of critical concerns	Governance — Compliance, pp. 86-87 2022 Proxy Statement, p. 10 Code of Business Conduct and Ethics
2-17	Collective knowledge of the highest governance body	ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Governance — Corporate Governance and Compensation Practices, p. 84 Appendix — Board Matrix, p. 103 Corporate Governance Principles, pp. 1-2
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Principles, p. 04
2-19	Remuneration policies	2022 Proxy Statement, pp. 25-44
2-20	Process to determine remuneration	2022 Proxy Statement, pp. 25-52
2-21	Annual total compensation ratio	2022 Proxy Statement, p. 53
2-22	Statement on sustainable development strategy	Introduction — Letter from the CEO, pp. 06-07
2-23	Policy commitments	Introduction, p. 02 ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Health and Safety — Emergency Preparedness Resilience, p. 65 Governance — Governance, pp. 85-89 Code of Business Conduct and Ethics FCPA and Anti-Corruption Compliance Guide
2-24	Embedding policy commitments	Introduction, p. 02 ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Health and Safety — Emergency Preparedness Resilience, p. 65 Governance — Governance, p. 85-89 Code of Business Conduct and Ethics FCPA and Anti-Corruption Compliance Guide
2-25	Processes to remediate negative impacts	Community — Addressing Community Concerns, p. 79 Governance — Compliance, pp. 86-87
2-26	Mechanisms for seeking advice and raising concerns	Governance — Governance, pp. 85-89 Code of Business Conduct and Ethics
2-27	Compliance with laws and regulations	2021 Form 10-K, pp. F-36, F-37, F-38 We report all material legal matters and fines in our annual Form 10-K.

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2-28	Membership associations		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Health and Safety — Industry Collaborations and Partnerships, p. 66 Governance — Public Policy and Political Disclosures, pp. 88-89
2-29	Approach to stakeholder engagement		ESG Overview — ESG Engagement, p. 16 Community — Understanding and Addressing Stakeholder Concerns, pp. 78-79 Governance — Engagement, pp. 90-91
2-30	Collective bargaining agreements		2022 Proxy Statement, p. 22
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GRI 3: Material Topics 2021			
3-1	Process to determine material topics		Governance — About This Report, pp. 93-95
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 from previous reporting periods to the list of material topics and topic Boundaries.
ECONOMIC PERFORMANCE			
GRI 103: Management Approach 2016			
103-2	The management approach and its components		2021 Form 10-K, pp. 36-53
103-3	Evaluation of the management approach		Governance — Governance, pp. 85-89
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	11.14.2 11.21.2	Introduction — Our Operations, p. 04 Key Performance Data — Financial and Production Highlights, p. 99 2021 Form 10-K, pp. F-6, F-54, F-55
201-2	Financial implications and other risks and opportunities due to climate change	11.2.2	ESG Overview — Our Approach to Climate Scenario Analysis, p. 22 Governance — About This Report, p. 93-95 Appendix — Our TCFD Analysis, pp. 105-112 2021 Form 10-K, pp. 29-30
201-3	Defined benefit plan obligations and other retirement plans		2021 Form 10-K, pp. F-7, F-10, F-42, F-43
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GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	11.14.1	Global Progress — Charting a Sustainable Course, pp. 8-13 Community — Our Approach to Social Investing and Community Engagement, pp. 68-75 Community — Local Economic Impact, pp. 76-77 Governance — About This Report, pp. 93-95 Issue boundary — inside and outside the organization
103-2	The management approach and its components		Global Progress — Charting a Sustainable Course, pp. 8-13 ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Community — Our Approach to Social Investing and Community Engagement, pp. 68-75
103-3	Evaluation of the management approach		Global Progress — Charting a Sustainable Course, pp. 8-13 ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Community — Our Approach to Social Investing and Community Engagement, pp. 68-75 Governance — Internal Audit, pp. 86

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203-1	Infrastructure investments and services supported	11.14.4	Global Progress — Charting a Sustainable Course, pp. 08-13 ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Community — Our Approach to Social Investing and Community Engagement, pp. 68-75
203-2	Significant indirect economic impacts	11.14.5	Global Progress — Charting a Sustainable Course, pp. 08-13 ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Community — Our Approach to Social Investing and Community Engagement, pp. 68-75
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GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	11.14.1	ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Health and Safety — Contractor Management, p. 63 Community — Supplier Diversity, p. 77 Community — Human Rights, pp. 81-82 Governance — About This Report, pp. 93-95 Issue boundary — inside and outside the organization
103-2	The management approach and its components		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Community — Local Economic Impact, pp. 76-77 Community — Supplier Diversity, p. 77 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89
103-3	Evaluation of the management approach		Community — Supplier Diversity, p. 77 Governance — Governance, pp. 85-89
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	11.14.6	Community — Local Economic Impact, pp. 76-77 Community — Supplier Diversity, p. 77 Key Performance Data — Economic Contributions, p. 99
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GRI 103: Management Approach 2016			
103-2	The management approach and its components	11.14.1	ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Governance — Governance, pp. 85-89 Code of Business Conduct and Ethics FCPA and Anti-Corruption Compliance Guide Supplier Code of Conduct
103-3	Evaluation of the management approach		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Governance — Governance, pp. 85-89
GRI 205: Anti-corruption 2016			
205-2	Communication and training about anti-corruption policies and procedures	11.20.3	Governance — Ethics and Anti-Corruption, pp. 87-88 Code of Business Conduct and Ethics FCPA and Anti-Corruption Compliance Guide Supplier Code of Conduct

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103-2	The management approach and its components	11.1.1	ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Environment — Air, pp. 24-27 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89
103-3	Evaluation of the management approach		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89
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302-1	Energy consumption within the organization	11.1.2	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Air — Emissions, pp. 24-26 Key Performance Data — Global Energy Use, p. 98
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GRI 103: Management Approach 2016			
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103-2	The management approach and its components		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Environment — Water — Safeguarding Water Quality, p. 32 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89
103-3	Evaluation of the management approach		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Environment — Water — Water Management, pp. 30-31
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	11.6.2	Environment — Water — Water Management, pp. 30-31
303-2	Management of water discharge-related impacts	11.6.3	Environment — Water — Safeguarding Water Quality, p. 32
303-3	Water withdrawal	11.6.4	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Water — Safeguarding Water Quality, p. 32 Key Performance Data — Global Water Use by Source, Global Water Metrics, U.S. Hydraulic Fracturing Water Use, p. 98
303-4	Water discharge	11.6.5	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Water — Safeguarding Water Quality, p. 32 Key Performance Data — Global Water Use by Source, Global Water Metrics, U.S. Hydraulic Fracturing Water Use, p. 98
303-5	Water consumption	11.6.6	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Water — Safeguarding Water Quality, p. 32 Key Performance Data — Global Water Use by Source, Global Water Metrics, U.S. Hydraulic Fracturing Water Use, p. 98
GRI 306: Effluents and Waste 2016			
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GRI 103: Management Approach 2016			
103-2	The management approach and its components		Environment — Biodiversity, pp. 37-40 Governance — About This Report, pp. 93-95
103-3	Evaluation of the management approach		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89
GRI 304: Biodiversity 2016			
304-2	Significant impacts of activities, products and services on biodiversity	11.4.3	Environment — Biodiversity, pp. 37-40
304-3	Habitats protected or restored	11.4.4	Environment — Biodiversity, pp. 37-40
EMISSIONS			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	11.1.1 11.2.1 11.3.1	Environment — Air, pp. 24-27 Governance — About This Report, pp. 93-95 Issue boundary — inside and outside the organization
103-2	The management approach and its components		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Environment — Air, pp. 24-27
103-3	Evaluation of the management approach		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Environment — Air, pp. 24-27 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89
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305-1	Direct (Scope 1) GHG emissions	11.1.5	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Air - Greenhouse Gas Emissions Performance and Goals, pp. 28-29 Key Performance Data — Global Greenhouse Gas Emissions, p. 98
305-2	Energy indirect (Scope 2) GHG emissions	11.1.6	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Air — Greenhouse Gas Emissions Performance and Goals, pp. 28-29 Key Performance Data — Global Greenhouse Gas Emissions, p. 98
305-4	GHG emissions intensity	11.1.8	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Air — Greenhouse Gas Emissions Performance and Goals, pp. 28-29 Key Performance Data — Global Emissions Intensities, p. 98
305-5	Reduction of GHG emissions	11.2.3	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Air — Greenhouse Gas Emissions Performance and Goals, pp. 28-29 Key Performance Data — Global Emissions Intensities, p. 98
WASTE			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	11.5.1 11.8.1	Environment — Waste Management, p. 42 Governance — About This Report, pp. 93-95
103-2	The management approach and its components		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Environment — Waste Management, p. 42 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89

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306-2	Management of significant waste-related impacts	11.5.3	Environment — Waste Management, p. 42
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GRI 103: Management Approach 2016			
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103-2	The management approach and its components		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89
103-3	Evaluation of the management approach		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89
GRI 307: Environmental Compliance 2016			
307-1	Non-compliance with environmental laws and regulations	11.6.2	2021 Form 10-K, pp. F-36, F-37, F-38 We report all material legal matters and fines in our annual Form 10-K.
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GRI 103: Management Approach 2016			
103-2	The management approach and its components		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Health and Safety — Contractor Management, p. 63 Community — Local Economic Impact, pp. 76-77 Community — Supplier Diversity, p. 77 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89 Governance — Governance Documents, p. 92 Supplier Code of Conduct
103-3	Evaluation of the management approach		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Health and Safety — Contractor Management, p. 63 Community — Local Economic Impact, pp. 76-77 Community — Supplier Diversity, p. 77 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89 Governance — Governance Documents, p. 92 Supplier Code of Conduct
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria		Health and Safety — Contractor Management, p. 63 Community — Supplier Diversity, p. 77 Supplier Code of Conduct All field-based contractors are screened on environmental criteria.

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403-1	Occupational health and safety management system	11.9.2	Health and Safety, pp. 55-66
403-2	Hazard identification, risk assessment, and incident investigation	11.9.3	Health and Safety, pp. 55-66
403-3	Occupational health services	11.9.4	Health and Safety, pp. 55-66
403-4	Worker participation, consultation, and communication on occupational health and safety	11.9.5	Health and Safety, pp. 55-66
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403-6	Occupational health and safety management system	11.9.7	Our People — Recruitment, Development and Engagement, pp. 51-54
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	11.9.8	Health and Safety, pp. 55-66
403-8	Workers covered by an occupational health and safety management system	11.9.9	Health and Safety, pp. 55-66
403-9	Work-related injuries	11.9.10	Health and Safety — 2021 Key Safety Metrics and Achievements, pp. 56-57 Key Performance Data — Health and Safety, p. 98
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GRI 103: Management Approach 2016			
103-2	The management approach and its components		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Our People — Recruitment, Development and Engagement, pp. 51-54 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89
103-3	Evaluation of the management approach		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Our People — Recruitment, Development and Engagement, pp. 51-54 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89

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404-2	Programs for upgrading employee skills and transition assistance programs	11.7.3 11.10.7	Our People — Recruitment, Development and Engagement, pp. 51-54
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103-3	Evaluation of the management approach		Our People — Diversity and Inclusion, pp. 44-47 Our People — Hiring Locally, p. 50 Our People — Recruitment, Development and Engagement, pp. 51-54
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	11.11.5	Our People — Diversity and Inclusion, pp. 44-47 Governance — Governance, pp. 85-89 Key Performance Data — Our People, Global Gender Mix, Global Age Breakdown, U.S. Ethnicity Mix, U.S. Ethnicity Mix of Leadership, p. 99 Appendix — 2021 EEO-1 Consolidated Report, p. 101 Appendix — Board Matrix, p. 103
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103-3	Evaluation of the management approach		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Community — Respecting Indigenous Peoples, p. 82 Governance — Governance, pp. 85-89
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103-3	Evaluation of the management approach		Community, pp. 67-82
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	11.15.2	Community, pp. 67-82
413-2	Operations with significant actual and potential negative impacts on local communities	11.15.3	Community — Understanding and Addressing Stakeholder Concerns, pp. 78-79
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103-3	Evaluation of the management approach		ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 Health and Safety — Contractor Management, p. 63 Community — Local Economic Impact, pp. 76-77 Community — Supplier Diversity, p. 77 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89 Governance — Governance Documents, p. 92
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ENV-4	Protected and priority areas for biodiversity conservation	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Biodiversity, pp. 37-40
ENV-5	Emissions to air	Environment — Air, pp. 24-27
ENV-6	Spills to the environment	Environment — Spill Mitigation, p. 34 Environment — Offshore Spill Preparedness, p. 35 Key Performance Data — Spills, p. 98
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SAFETY, HEALTH AND SECURITY		
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SHS-2	Workforce and community health	Community — Our Approach to Social Investing and Community Engagement, pp. 68-75 Community — Engaging the Surinamese Community, p. 80
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SOCIAL		
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SOC-2	Suppliers and human rights	Community — Human Rights, pp. 81-82 Governance — Governance, pp. 85-89 Human Rights Principles Monitoring of Human Rights Principles Supplier Code of Conduct
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SOV-5	Workforce diversity and inclusion	Our People — Diversity and Inclusion, pp. 44-47
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SOC-8	Workforce non-retaliation and grievance systems	Governance — Governance, pp. 85-89 Code of Business Conduct and Ethics
SOC-9	Local community impacts and engagement	Community, pp. 67-82
SOC-10	Engagement with indigenous peoples	Community — Respecting Indigenous Peoples, p. 82 Indigenous Peoples Principles Human Rights Principles
SOC-11	Land acquisition and involuntary resettlement	
SOC-12	Community grievance mechanisms	Community — Understanding and Addressing Stakeholder Concerns, pp. 78-79 Governance — Governance, pp. 85-89 Code of Business Conduct and Ethics
SOC-13	Social investment	Community — Our Approach to Social Investing and Community Engagement, pp. 68-75 Community — Local Economic Impact, pp. 76-77 Community — Supplier Diversity, p. 77 Key Performance Data — Economic Contributions, Social Investing, p. 99
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Sustainability Accounting Standards Board's Oil and Gas Exploration and Production Sustainability Accounting Standard

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ACTIVITY METRICS		
EM-EP-000.A	Wellhead production	2021 Form 10-K, pp. 3-8
EM-EP-000.B	Number of offshore sites	2021 Form 10-K, pp. 3-8
EM-EP-000.C	Number of terrestrial sites	2021 Form 10-K, pp. 3-8
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EM-EP-110a.1	Gross global Scope 1 emissions	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Air — Greenhouse Gas Emissions Performance and Goals, pp. 28-29 Key Performance Data — Global Greenhouse Gas Emissions, p. 98
EM-EP-110a.2	Gross global Scope 1 emissions by source	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Air — Greenhouse Gas Emissions Performance and Goals, pp. 28-29 Key Performance Data — Global Greenhouse Gas Emissions, p. 98
EM-EP-110a.3	Emissions reduction plans, targets and performance	Introduction — Letter from the CEO, pp. 06-07 ESG Overview — ESG Pillars and Performance, pp. 18-19 ESG Overview — ESG Goals, pp. 20-21 Environment — Air — Greenhouse Gas Emissions Performance and Goals, pp. 28-29 Key Performance Data — Global Greenhouse Gas Emissions, p. 98 Appendix — Our TCFD Analysis, pp. 105-112
WATER MANAGEMENT		
EM-EP-140a.1	Freshwater withdrawal and consumption, including in regions of high baseline water stress	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Water — Safeguarding Water Quality, p. 32 Key Performance Data — Global Water Use by Source, Global Water Metrics, U.S. Hydraulic Fracturing Water Use, p. 98
EM-EP-140a.2	Volume of produced water and flowback generated, discharged, injected, recycled	ESG Overview — ESG Pillars and Performance, pp. 18-19 Environment — Water — Safeguarding Water Quality, p. 32 Key Performance Data — Global Water Use by Source, Global Water Metrics, U.S. Hydraulic Fracturing Water Use, p. 98
EM-EP-140a.3	Percentage of wells with disclosure of fracturing chemicals	Environment — Greener Chemicals for Hydraulic Fracturing, p. 36
BIODIVERSITY IMPACTS		
EM-EP-160a.1	Environmental management practices for active sites	ESG Overview — ESG Pillars and Performance, pp. 18-19 ESG Overview — ESG Goals, pp. 20-21 Environment — Biodiversity, pp. 37-40
EM-EP-160a.2	Number and aggregate volume of hydrocarbon spills	Environment — Spill Mitigation, p. 34 Environment — Offshore Spill Preparedness, p. 35 Key Performance Data — Spills, p. 98
SECURITY, HUMAN RIGHTS OF INDIGENOUS PEOPLES		
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, pp. 81-82 Governance — Governance, pp. 85-89 Indigenous Peoples Principles Human Rights Principles Supplier Code of Conduct
COMMUNITY RELATIONS		
EM-EP-210b.1	Process to manage risks and opportunities associated with community rights and interests	Community, pp. 67-82

Sustainability Accounting Standards Board's Oil and Gas Exploration and Production Sustainability Accounting Standard (Continued)

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WORKFORCE HEALTH AND SAFETY		
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, p. 98
EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 ESG Overview — ESG Goals, pp. 20-21 Health and Safety, pp. 55-66
RESERVES VALUATION & CAPITAL EXPENDITURES		
EM-EP-420a.1	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	Appendix — Our TCFD Analysis, pp. 105-112
BUSINESS ETHICS & PAYMENTS TRANSPARENCY		
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Governance — Ethics and Anti-Corruption, pp. 87-88 Code of Business Conduct and Ethics FCPA and Anti-Corruption Compliance Guide Supplier Code of Conduct
CRITICAL INCIDENT RISK MANAGEMENT		
EM-EP-540a.1	Tier 1 loss of primary containment events	Key Performance Data — Spills, p. 98
EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Environment — Water, pp. 30-33

Task Force on Climate-related Financial Disclosures (TCFD) Index

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Management's role in assessing and managing climate-related risks and opportunities	ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to Climate Scenario Analysis, p. 22 Appendix — Our TCFD Analysis, pp. 104-112
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Climate-related risks identified	Appendix — Our TCFD Analysis, pp. 105-112
Impact of climate-related risks and opportunities on strategy	Appendix — Our TCFD Analysis, pp. 105-112
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Processes for identifying, assessing and managing climate-related risks in overall risk management processes	ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Governance — Corporate Governance and Compensation Practices, p. 84 Governance — Governance, pp. 85-89 Appendix — Our TCFD Analysis, pp. 105-112 2021 Form 10-K, pp. ii, 20-21, 27-30
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Scope 1 and 2 greenhouse gas emissions	ESG Overview — Our Approach to ESG Matters, pp. 18-19 Environment — Air — Greenhouse Gas Emissions Performance and Goals, pp. 28-29 Key Performance Data — Global Greenhouse Gas Emissions, p. 98
Targets used to manage climate-related risks and opportunities and performance	Introduction — Letter from the CEO, pp. 06-07 ESG Overview — Environmental, Social and Governance (ESG) Oversight, pp. 14-17 ESG Overview — Our Approach to ESG Matters, pp. 18-19 Environment — Air, pp. 24-27 Governance — About This Report, pp. 93-95 Key Performance Data — Global Greenhouse Gas Emissions, p. 98 Appendix — Our TCFD Analysis, pp. 105-112

United Nations Sustainable Development Goals Index

The table below provides locations in this report that describe how APA Corporation's work is helping to drive progress toward all 17 U.N. Sustainable Development Goals.

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	Goal 1: End poverty in all its forms everywhere.	Community, pp. 67-82
	Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	Community, pp. 67-82
	Goal 3: Ensure healthy lives and promote well-being for all at all ages.	Health and Safety, pp. 55-66 Community, pp. 67-82
	Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	Our People, pp. 43-54 Community, pp. 67-82 Governance, pp. 83-96
	Goal 5: Achieve gender equality and empower all women and girls.	Our People, pp. 43-54 Community, pp. 67-82
	Goal 6: Ensure availability and sustainable management of water and sanitation for all.	Environment, pp. 23-42 Community, pp. 67-82
	Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all.	Environment, pp. 23-42 Community, pp. 67-82 Governance, pp. 83-96
	Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	Our People, pp. 43-54 Governance, pp. 83-96
	Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	Community, pp. 67-82
	Goal 10: Reduce inequality within and among countries.	Our People, pp. 43-54 Community, pp. 67-82
	Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable.	Health and Safety, pp. 55-66 Community, pp. 67-82
	Goal 12: Responsible consumption and production — ensure sustainable consumption and production patterns.	Environment, pp. 23-42 Governance, pp. 83-96

United Nations Sustainable Development Goals Index (Continued)

U.N. Sustainable Development Goal		Location in Report
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	Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	Environment, pp. 23-42
	Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss.	Environment, pp. 23-42 Community, pp. 67-82
	Goal 16: 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, pp. 43-54 Community, pp. 67-82 Governance, pp. 83-96
	Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development.	Environment, pp. 23-42 Our People, pp. 43-54 Community, pp. 67-82 Governance, pp. 83-96

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," "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_2e 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, 2021. 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).

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