



## POLITICAL CONTRIBUTIONS AND LOBBYING EXPENDITURES

Apache Corporation believes it can best further the interests of its shareholders and stakeholders by being non-partisan. We operate in many countries, all of which occasionally change governments, and we need to be able to operate effectively in these ever-changing settings. We also employ human beings of many different political persuasions, and we need to maintain an environment in which they all feel respected.

We recognize that we operate in an inherently political world. We recognize that it is essential that we function in this world. To balance this reality with our non-partisan status, we have carefully delineated three areas in which we feel we can appropriately channel our interactions with political entities and policymakers:

1. Political entities at all levels make the rules by which we operate. It is therefore essential that we work with these entities. In some cases we are required by law or regulation to do so, and in others our participation is invited. We supplement these required or requested communications when we believe doing so improves decision making related to our operations or the policy issues connected to them.

Any of these communications that constitute lobbying on our part is disclosed pursuant to all governing lobbying laws. We have always, in addition, been willing to answer questions that shareholders ask us about any of these efforts, and we pride ourselves on working openly with groups from across political spectrums. Membership in trade associations comprises most of our expenditures in this area.

Although a small portion of our dues payments to trade associations is allocated by the associations to their lobbying efforts, we do not make contributions to trade associations for purposes of political contributions or special fundraising requests earmarked for political campaigns and candidate expenditures. We believe that most Americans would not consider themselves to be making political expenditures when they support entities such as The Red Cross or The Consumers Union Foundation, and we similarly do not consider basic energy-sector or business-sector trade association memberships as ones which justify labeling us as political or partisan operators.

Apache does not make contributions to candidates for office or to other entities designed to support or oppose any individual for public office. The board has always viewed these as unnecessarily partisan and not core to our need to interact with those who make the rules that govern us. Apache does, however, occasionally make contributions to state and local ballot measures.

2. We share our expertise. Being in the energy sector, which affects so many aspects of human life, our people have expertise that can inform policy discussions on many subjects. We are therefore willing in appropriate circumstances to share our expertise, often pursuant to requests by shareholders, NGOs, policymakers and political entities.

3. We promote educational and charitable activities relevant to, or made possible by, our operations. These range from creating and funding 200 schools for girls in Egypt, where we have large operations, to financing and providing expertise to academic institutions, NGOs and trade groups that further better environmental, social and governance practices.

All of these may fall within the exceptionally expansive definition of “political contributions and or lobbying expenditures” that some individuals and entities use, but each of these falls within our requirements of being both non-partisan and within our areas of expertise and responsibility.

Some of our employees who wish to make political contributions with their personal money participate in our company’s PAC. Since its inception this PAC has remained a very small entity by the standards of most large companies.

We have never pressed employees to participate in the PAC as we believe that that blurs the line between personal decision making with personal money and the use of corporate funds. All of these contributions are fully disclosed.

#### BOARD OVERSIGHT

Because we value our non-partisan position and limit our political, policy, education and charitable endeavors to those that fall within these narrow parameters, Apache’s total financial commitment to these efforts combined has consistently fallen below the materiality standard that governs US disclosure obligations. Apache posts a disclosure of political contributions and lobbying expenditures on our corporate website at [www.apachecorp.com](http://www.apachecorp.com).

However, Apache’s board of directors regularly reviews our overall approach to these outward-facing decisions and expenditures and periodically does a more detailed “spot checking” or targeted audit of individual decisions and expenditures to assess the implementation of this corporate-focused rather than partisan-focused political, policy, education and charitable policy. Meetings to review the policy governing political contributions and lobbying expenditures are an official part of board committee calendars.

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