

A Powerful Vision:

Delivering Responsibly Produced Energy to Power Global Progress

We believe Apache's vision statement should inspire our workforce and capture the benefits we provide to the world, so in 2018 we took a fresh look.

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

The spirit of Apache and its people has always been about more than just delivering profits. Certainly, we produce energy. But, by responsibly producing affordable natural gas and oil, we are contributing to global progress by helping to meet the world's energy needs. And, we are improving sustainability by minimizing impacts and providing tangible benefits to our stakeholders and the communities where we live and work. We know some don't see our industry this way. From claims that oil and gas assets may be "stranded" as the world moves to a low-carbon economy, to suggestions that younger generations aren't interested in oil and gas jobs, our industry is sometimes portrayed as having a limited future and lacking in positive purpose. Respectfully, we disagree. We believe the energy our industry produces and the responsible way Apache operates are making an important contribution now and into the future by powering human progress, driving prosperity, enabling a cleaner energy future and supporting more sustainable development.

Powering Human Progress

We believe that energy is essential to advancing human progress and elevating quality of life around the globe. Energy underpins the ability of

individuals, and society as a whole, to reach their full potential by enabling education, supporting job creation, advancing human health, powering industries and driving prosperity.

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 providing raw materials for products ranging from medicines and medical devices to cell phones and computers.

Helping to Address Energy Poverty

The ability of our industry to advance human progress is even clearer when we consider the nearly 3 billion people who live in energy poverty, lacking access to modern energy services. International experts estimate that nearly 860 million people around the world do not have access to electricity and about 2.6 billion lack access to clean cooking fuels, relying instead on wood, dung and other fuels that have high emissions and negative health impacts.¹ Women and children usually benefit the most from access to modern energy, as it reduces their disproportionate subsistence-related workloads and health risks while freeing up time for, and

¹ International Energy Agency, *Energy Access*, <https://www.iea.org/energyaccess/>.

increasing their access to, education and other opportunities.²

With our nation's abundant resources, American natural gas and oil could help significantly reduce the number of people living in energy poverty. Apache and others in our industry are working to expand exports of abundant natural gas and oil to provide cleaner, more reliable and more affordable energy to reduce energy poverty and elevate people's lives all over the world.

Driving Prosperity and Opportunity Here at Home

The natural gas and oil industry continues to drive economic prosperity in the U.S. Our industry is not just creating numerous jobs – nearly 2 million direct and indirect jobs – we are also contributing to economic advancement and helping to address income inequality.³

Furthermore, as we continue to focus on the diversity of our workforce, the natural gas, oil and petrochemical industries are expected to hire more than 700,000 African American and Hispanic workers and nearly 300,000 women over the next 15 years.³ At Apache, we are already working to diversify our workforce. In the past

three years, we have increased our number of female employees in U.S.-based engineering and geoscience jobs by 20 percent and increased the percentage of U.S. employees identifying as ethnic minorities by 27 percent.

Enabling a Cleaner Energy Future

Apache's products are also helping to lead the transition to a cleaner energy future. We recognize the climate is changing, and we are a part of the solution to tackle climate challenges. Increased use of clean, abundant, domestic natural gas has been the primary factor in reducing U.S. carbon dioxide emissions from electricity generation to near 25-year lows. Furthermore, innovations from the natural gas and oil industry have helped make the country's air quality 70 percent cleaner.⁴

Exporting natural gas to other countries will further expand these benefits globally while bringing economic benefits here at home. For example, depending on natural gas prices, exporting to other countries could contribute between 220,000 and 452,000 American jobs from 2016 to 2035 and add up to \$73 billion annually to the U.S. economy.⁵

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² International Institute for Applied Systems Analysis, *Access to Modern Energy: Assessment and Outlook for Developing and Emerging Regions*, https://www.iiasa.ac.at/web/home/research/researchPrograms/Energy/IIASA-GEF-UNIDO_Access-to-Modern-Energy_2013-05-27.pdf.

³ IHS, *Minority and Female Employment in the Oil & Natural Gas and Petrochemical Industries, 2015-2035*, <https://www.api.org/~media/Files/Policy/Jobs/16-March-Women-Minorities-Jobs/Minority-and-Female-Employment-2015-2035.pdf>.

⁴ U.S. Environmental Protection Agency, *Our Nation's Air: Status and Trends Through 2018*, <https://gispub.epa.gov/air/trendsreport/2019/#growth>.

⁵ ICF, *Impact of LNG Exports on the U.S. Economy: A Brief Update*, <https://www.api.org/~media/Files/Policy/LNG-Exports/API-LNG-Update-Report-20171003.pdf>.



In addition to providing cleaner energy, natural gas plays a central role in enabling the wider use of renewables by providing flexible backup energy when sun, wind or other renewable sources are not active or can't meet peak demand.

We are reducing our own emissions to further improve the lifecycle GHG footprint of our products. As members of ONE Future, a coalition of companies in our industry, we have illustrated that it's possible to achieve the aggressive, science-based goal of reducing methane leaks/losses to less than 1 percent of production across the natural gas value chain. In fact, in 2017 ONE Future member companies collectively achieved a methane leak/loss rate of just 0.552 percent across the entire value chain – seven years ahead of schedule. Since 2014, we have reduced our own

global methane leak/loss rate by 40 percent and our global GHG intensity by 4 percent.

Using Our Global Platform to Deliver on a Powerful Vision

At Apache, we understand that the future success of our company hinges upon our ability to produce lasting benefits for all stakeholders. By delivering responsibly produced, affordable and reliable energy, we seek to use our global platform to support sustainability and contribute to human progress. We believe natural gas and oil can and will play a central role in continuing to advance more sustainable progress around the globe. We are proud to help meet the world's energy needs in ways that are innovative, safe, environmentally responsible and profitable – for the long-term benefit of all our stakeholders.

U.S. Energy by the Numbers

70%

improvement in air quality, in part from innovations in the natural gas and oil industry

14%

decrease in U.S. carbon dioxide emissions from 2005 to 2017⁶

\$73 billion

expected annual contribution to the U.S. economy as a result of natural gas exports, between 2016 and 2035

⁶ U.S. Environmental Protection Agency, *Inventory of Greenhouse Gas Emissions: 1990-2017*, <https://www.epa.gov/sites/production/files/2019-04/documents/us-ghg-inventory-2019-main-text.pdf>.