

# HESS MIDSTREAM

## 2022 Sustainability Report



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## Corporate Values

Hess Midstream is committed to the Hess Values of integrity, performance, social responsibility, independent spirit, value creation and people, which set the framework and establish the ethical standards by which we conduct business. For further detail, please visit the Hess website at [hess.com/company/values](https://hess.com/company/values).

## Reporting Scope and Boundaries

Hess Midstream's 2022 Sustainability Report is a companion to Hess Corporation's 2022 Sustainability Report. This report should be read in conjunction with Hess' 2022 Sustainability Report, available at [hess.com/sustainability](https://hess.com/sustainability), which provides greater detail on sustainability strategy, management systems and programs for Hess that also apply to Hess Midstream.

"We," "our," "us," "Hess Midstream" and like terms refer to and include Hess Midstream LP and our subsidiaries, including Hess Midstream Operations LP and its subsidiaries, as well as our general partner Hess Midstream GP LP. "Hess," "enterprise" and "enterprisewide" as used within this report refer to Hess Corporation.

Through our agreements with Hess, Hess employees and contractors perform all

operational and administrative services for us in support of our assets, including matters related to environment, health, safety and social responsibility (EHS & SR). In addition, Hess employees are seconded as necessary to develop and execute our business strategy. As a result, Hess Midstream's operations are generally conducted in accordance with Hess' robust management and assurance systems, programs and practices. As described in more detail throughout this report, we also follow Hess' management approach to EHS & SR issues and benefit from Hess' significant experience in these areas.

## Reporting Standards and Assurance

We used leading sustainability reporting frameworks to guide the content for this report, including the Energy Infrastructure Council and GPA Midstream Association Environment, Social and Governance Reporting Template; the Sustainability Accounting Standards Board standard for oil and gas – midstream; the Taskforce for Climate-Related Financial Disclosures; and the Global Reporting Initiative Standards. An index of our sustainability reporting indicators can be found at [hessmidstream.gcs-web.com/sustainability-report](https://hessmidstream.gcs-web.com/sustainability-report).

The performance data on pages 28–29 of this report were assured by ERM Certification and Verification Services. See the assurance statement on page 30.

## Requests for Information

We invite your questions, comments and suggestions regarding this report. To send us your questions or comments or to request more information or additional copies of this report, please contact:

President and Chief Operating Officer  
Hess Midstream  
1501 McKinney Street  
Houston, TX 77010

You can also send an email to [hessmidstream@hess.com](mailto:hessmidstream@hess.com).



**On the Cover**  
Gas Processing Operations,  
North Dakota

# About Hess Midstream

Hess Midstream owns and operates an expansive and diverse set of midstream assets that provides basin leading services to affiliates of Hess Corporation and a third party customer base. Our facilities are primarily located in the Bakken and Three Forks shale plays in the Williston Basin area of North Dakota, which we collectively refer to as the Bakken – one of the most prolific crude oil producing basins in North America.

## GATHERING

Hess Midstream owns and operates approximately 1,900 miles of crude oil and natural gas gathering pipelines and facilities, located primarily in McKenzie, Williams and Mountrail counties, North Dakota, in the Bakken region. These facilities compress natural gas and move crude oil and natural gas from remote wells to processing and storage facilities and have a capacity to gather approximately 240,000 barrels per day (BBLD) of crude oil and to compress approximately 410 million standard cubic feet per day (MMSCFD) of natural gas.

Hess Midstream also owns and operates a produced water gathering and disposal business that supports Hess’ produced water gathering and disposal needs in North Dakota and serves third party

customers. This business includes approximately 290 miles of produced water gathering pipelines and eight produced water handling and disposal facilities that have a disposal capacity of 110,000 BBLD.

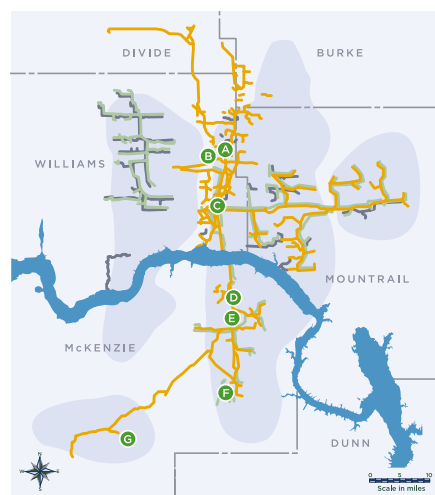
## PROCESSING AND STORAGE

Hess Midstream owns and operates the Tioga Gas Plant, a large, strategically located gas processing plant north of the Missouri River, and owns 50% of the Little Missouri 4 gas processing plant, which is operated by Targa Resources and is located south of the Missouri River, for a combined processing capacity of 500 MMSCFD. In addition, Hess Midstream owns a propane storage cavern and terminal in Minnesota.

## TERMINALS AND EXPORT

Hess Midstream owns and operates integrated, interconnected terminal facilities that provide flexibility for crude oil export with an approximate capacity of 385,000 BBLD and natural gas liquids export of 100,000 BBLD. These include truck and pipeline terminals, a rail terminal and rail cars and a pipeline header system, all of which provide access to intrastate and interstate pipeline systems and markets.

## Hess Midstream Current Portfolio of Operations



- A Tioga Gas Plant
  - B Tioga Rail Terminal
  - C Ramberg Terminal Facility
  - D Hawkeye Gas Facility
  - E Hawkeye Oil Facility
  - F Johnson's Corner Header System
  - G Little Missouri 4 Gas Plant
- Hess Operated Acreage
  - County and State Borders
  - Crude Oil Gathering Pipelines
  - Natural Gas Gathering Pipelines
  - Water Gathering Pipelines

Note: The Little Missouri 4 Gas Plant is operated by Targa Resources. Not pictured on the map are the underground propane storage cavern and rail and truck loading and unloading facility that are operated by Hess Midstream and are located in Mentor, Minnesota.

## 2022 Highlights

- We brought online two new compressor stations, increasing existing capacity by 25%. This has helped us increase our gas capture capability and support Hess’ greenhouse gas (GHG) emissions goals, including its commitment to achieve net zero Scope 1 and 2 GHG emissions on an equity basis by 2050.
- Through our gas capture initiatives, we supported Hess in achieving its 5% routine flaring intensity reduction target in 2022 as part of its commitment to achieve zero routine flaring by the end of 2025.
- We transported approximately 38.7 million barrels of produced water, nearly 82% of which was by pipe, a 2 percentage point increase from 2021.

## Delivering Value for Our Stakeholders in 2022



### WORKFORCE AND COMMUNITIES

We generate value through the jobs created in our supply chain and in the broader economy.

- \$281 million in total supplier spend across approximately 335 suppliers



### SHAREHOLDERS

We are committed to consistent and ongoing returns to our shareholders.

- 26% increase in dividends paid per share since 2021
- \$1.2 billion in share repurchases since 2021 as part of our Shareholder Return of Capital framework
- Three year total shareholder return of 62% for the 2020–2022 performance cycle at year end



### SOCIETY

We contribute value to society through the direct economic value we generate.

- \$11.2 million in royalties, taxes and other remittances to governments

# Sustainability Approach

Hess Midstream is committed to sustainable and responsible operations. We are aligned with Hess in its aim to help meet the world's growing energy needs and address key challenges facing the world today, including climate change. We believe sustainable and responsible operations create value for the benefit of all our stakeholders – our shareholders, our business partners and the local communities and economies where we operate – which in turn benefits society at large.

## SUSTAINABILITY GOALS AND TARGETS

Hess Midstream is aligned with Hess' environment, health, safety and social responsibility strategy. We play a critical role in progress toward shared goals and performance improvements, including Hess' commitment to achieve net zero Scope 1 and 2 greenhouse gas (GHG) emissions on an equity basis by 2050.



Our performance against targets set in 2022 is summarized in the table below. We

are also sharing an additional strategic goal in the area of occupational health and safety.

Sustainability Goals and Targets				
Material Issues	2022 Goals and Targets	2022 Progress	2023 Goals and Targets	Discussion (page #)
<b>Asset Integrity and Process Safety</b>	Achieve 99% completion of all safety critical equipment maintenance and corrective work orders with performance standards in our work order system	Surpassed our target by achieving 100% completion, totaling 1,929 work orders	Achieve 99% completion of all safety critical equipment maintenance and corrective work orders with performance standards in our work order system	13
<b>Occupational Health and Safety</b>	Achieve a 10% reduction in our workforce total recordable incident rate (TRIR), compared with the prior three year average	With a TRIR of 0.28 in 2022, we saw a 7% reduction from the prior three year average, but missed our target of a 10% reduction	Achieve a 10% reduction in our workforce TRIR, compared with prior three year average	12
	Achieve a 10% reduction in our severe and significant safety incident (SSSI) rate, year over year	After having one severe and zero significant incidents in 2021 for an SSSI rate of 0.14, we had zero severe and three significant incidents in 2022 for an SSSI rate of 0.41, and we missed our target	Achieve a 10% reduction in our SSSI rate, year over year	12
	Consistent with Hess, continuously evaluate and enhance programs, including our behavioral safety observation program and our hazard observation program*	Began consolidation of our behavioral safety observation and our hazard observation program	Initiate the rollout of the revised safety observation program	11
<b>Climate Related Risk and GHG Emissions</b>	Continue to improve performance related to reducing methane emissions through ONE Future targets for gathering and boosting (0.08%) and processing (0.11%) by 2025	Reduced our methane emissions intensity rate for both gathering and boosting and processing compared with 2018, with 2022 rates of 0.13% and 0.07% respectively	Continue to improve performance related to reducing methane emissions in line with ONE Future targets	15

\* Denotes a goal that was not formalized in our 2021 Sustainability Report, although we were progressing efforts toward the goal in alignment with Hess.

## REPORTING STANDARDS

Hess Midstream's third sustainability report is a companion to the 2022 Hess Sustainability Report. This report was prepared using the Energy Infrastructure Council (EIC) and GPA Midstream Association Environment, Social and Governance (ESG) Reporting Template, a midstream specific guide for sustainability reporting developed in collaboration with ESG specialists, operational and technical experts and investors.

This report and our broader sustainability disclosures on our website are also informed by the following:

- Oil and gas industry metrics for midstream from the Sustainability Accounting Standards Board
- Recommendations from the Taskforce for Climate-Related Financial Disclosures
- Global Reporting Initiative (GRI) Standards, including the Oil and Gas Sector Standard



Access our index of sustainability reporting indicators at [hessmidstream.gcs-web.com/sustainability-report](https://hessmidstream.gcs-web.com/sustainability-report)

## MATERIALITY

Our materiality assessment, completed in 2021, helped validate the most material sustainability issues for Hess Midstream and guide the content development for this report. We started with the inputs and results from Hess' most recent materiality assessment (see page 6 of the 2022 Hess Sustainability Report), which included Hess Midstream, and then prioritized the issues and identified any gaps with respect to the midstream business. The midstream assessment included: interviews and workshops with internal stakeholders; topics identified by midstream specific sustainability reporting frameworks; consideration of our midstream peers' material issues; and consultation with third party sustainability experts.

Based on the materiality assessment, the five most material sustainability issues for Hess Midstream are as follows:

- Asset Integrity and Process Safety
- Occupational Health and Safety
- Climate Related Risk and GHG Emissions
- Corporate Governance
- Community and Stakeholder Engagement

We review key stakeholder perspectives and consider operational and regulatory risks to validate these issues annually. Reporting boundaries and public disclosures for each sustainability topic relevant to Hess Midstream are described on pages 4–5.

## RESTATEMENTS

We believe our approach to restating data complies with the GRI Standards' principle of comparability and specific disclosure regarding restatements of information. For GHG emissions, Hess Midstream follows the Hess GHG Inventory Protocol.

We also look for opportunities to improve our data collection efforts and calculation

methodologies on an ongoing basis. In 2022, we incorporated new emissions factors in our methane inventory (see page 20) and adjusted historical air emissions (see page 27).



Access the Hess GHG Inventory Protocol at [hess.com/sustainability/climate-change-energy](https://hess.com/sustainability/climate-change-energy)

## ASSURANCE

We utilize Hess' internal information systems for the centralized collection of data from Hess Midstream facilities. In order to evaluate accuracy and reliability, we conduct quality assurance/quality control reviews and validation of both aggregated and facility level data. Individual numbers in the charts, tables and text may not precisely sum to the total amounts shown due to rounding.

The performance data disclosed on pages 28–29 of this report were assured by ERM Certification and Verification Services. See the assurance statement on page 30. External reviews help ensure consistent and objective data collection and reporting of our sustainability performance.



Gas Processing Operations | North Dakota

## REPORTING BOUNDARIES BY SUSTAINABILITY TOPIC

The table below outlines the reporting boundaries and references for further discussion of sustainability issues covered within this report, and the table on the next page outlines the sustainability issues covered by Hess Midstream's supplemental disclosures found on our website at [hessmidstream.gcs-web.com/sustainability-report](https://hessmidstream.gcs-web.com/sustainability-report), as well as in Hess' sustainability reporting.

### Key Sustainability Topics Addressed in This Report

#### Corporate Governance<sup>1</sup>

We provide oversight for sustainability issues through our Board of Directors and our executive leadership.

See page 7 of this report.

#### Enterprise Risk Management

We apply Hess' enterprise risk management process – a comprehensive, standardized approach to identifying and managing risks of all types, including those related to process safety, climate change and cybersecurity – across our operations.

See page 8 of this report.

#### Community and Stakeholder Engagement<sup>1</sup>

We follow Hess' community and stakeholder engagement processes, actively pursuing dialogue with stakeholders to share our values, vision and goals and to seek feedback.

See page 9 of this report.

#### Occupational Health and Safety<sup>1,2</sup>

We emphasize a culture of ownership for occupational health and safety by following the safety standards and assurance processes of the Hess Operational Management System (HOMS).

See pages 11–13 of this report.

#### Asset Integrity and Process Safety<sup>1,2</sup>

We aim to prevent the unplanned or uncontrolled loss of primary containment of any material by following the asset integrity and process safety related standards and assurance processes of HOMS.

See page 13 of this report.

#### Climate Related Risk and Greenhouse Gas Emissions<sup>1,2</sup>

We play an integral role in Hess' climate goals and strategy and are aligned with Hess' oversight and management approach to climate related risk, including accounting for the cost of carbon in significant new investment decisions and assessing a broad range of energy transition risks as an integral part of Hess' business planning cycle.

See pages 15–22 of this report.

#### Energy Use<sup>2</sup>

We follow Hess' energy management approach, which incorporates energy reduction principles and the procurement of electricity from renewable sources.

See page 23 of this report.

#### Release Prevention<sup>2</sup>

We follow Hess' approach to release prevention, including standards for produced water management, pipeline asset integrity and well integrity, to help manage potential environmental impacts to water and surface ecosystems.

See pages 25–27 of this report.

#### Air Emissions Management<sup>2</sup>

We follow Hess' air quality management approach, including its leak detection and repair program, which helps us maintain regulatory compliance and achieve emissions reductions.

See page 27 of this report.

#### Water Management<sup>2</sup>

We follow Hess' risk based, lifecycle approach to managing water, through which we carefully assess and work to mitigate potential impacts on water resources.

See page 27 of this report.

#### Regulatory Compliance

We are committed to compliance with applicable regulations, an important element of HOMS, and we follow Hess' approach.

See page 27 of this report.

<sup>1</sup> This is one of Hess Midstream's material sustainability issues based on our 2021 materiality assessment.

<sup>2</sup> In addition to the segregated Hess Midstream data found on pages 28–29 in this report, aggregated quantitative data for this topic can be found on pages 70–71 of the 2022 Hess Sustainability Report and online at [hess.com/sustainability/performance-data/key-sustainability-metrics](https://hess.com/sustainability/performance-data/key-sustainability-metrics).

Although our top material issues have driven the content for this report, many of the other relevant sustainability issues included in our materiality assessment are also important to our stakeholders and our company and will continue to be addressed in our business processes and external reporting. Here we provide a brief description of each issue, as well as resources to learn more about our management approach and performance for each. These issues are described in more detail in the 2022 Hess Sustainability Report, available at [hess.com/sustainability](https://hess.com/sustainability), as well as in the Hess Midstream GRI Content Index, available at <https://hessmidstream.gcs-web.com/sustainability-report>.

## Additional Sustainability Topics Addressed by Hess and Hess Midstream Outside of This Report

### Business Conduct

We have adopted Hess' business ethics and integrity programs and practices, including Hess' Code of Business Conduct and Ethics and related training.

*See pages 15–16 of the 2022 Hess Sustainability Report.*

### Political Engagement

We are represented by Hess in its advocacy efforts with an array of stakeholders, including legislators and regulators at the local, state and federal level.

*See pages 15–17 of the 2022 Hess Sustainability Report.*

### Emergency Preparedness and Response

By following Hess' approach to emergency preparedness and response, we respond to actual or threatened injuries to people, spills and releases to the environment; damage to our assets; and impacts to the company's reputation.

*See page 32 of the 2022 Hess Sustainability Report.*

### Economic Contributions<sup>1</sup>

With Hess, we contribute to the local economy in North Dakota through community capacity building and supplier spend.

*See pages 5 and 24–25 of the 2022 Hess Sustainability Report.*

### Human Capital Management

We do not have our own employees. Hess Midstream utilizes Hess employees through both a secondment agreement and an omnibus agreement, so employee demographics and employment practices, including those related to diversity, equity and inclusion, are as reported for Hess.

*See pages 11–12 and 35–37 of the 2022 Hess Sustainability Report.*

### Supply Chain and Contractor Management

We follow Hess' approach to supply chain and contractor management, collaborating with suppliers and contractors to promote efficient operations; maintain high standards of environment, health and safety performance; mitigate risks; and create shared value.

*See pages 17–19 and 33 of the 2022 Hess Sustainability Report.*

### Biodiversity and Ecosystem Services<sup>1</sup>

We are committed to conserving biodiversity and habitats in the places where we operate, and we follow Hess' biodiversity management approach.

*See pages 63–64 of the 2022 Hess Sustainability Report.*

### Waste Management<sup>1</sup>

We follow the Hess Waste Management Standard, which requires application of the waste minimization principles – Remove, Reduce, Reuse, Recycle, Recover, Treat and Dispose – across our operations.

*See page 64 of the 2022 Hess Sustainability Report.*

<sup>1</sup>Aggregated quantitative data for this topic can be found on pages 70–71 of the 2022 Hess Sustainability Report and online at [hess.com/sustainability/performance-data/key-sustainability-metrics](https://hess.com/sustainability/performance-data/key-sustainability-metrics).





# How We Operate

Hess Midstream aims to help meet the world's growing energy needs in a way that protects the health and safety of the Hess and Hess Midstream workforce, safeguards the environment and contributes to the sustainability of the communities where we operate while delivering long term value to shareholders and other stakeholders. Our expectations for sustainable management and performance are defined by the Hess Values and our Code of Business Conduct and Ethics (Code of Conduct), Human Rights Policy and Environment, Health and Safety (EHS) Policy. We apply these principles to key company processes and initiatives, as described in this section.

## CORPORATE GOVERNANCE

The highest level of oversight at Hess Midstream rests with our Board of Directors, which is composed of four members who are appointed by Hess, three members who are appointed by Global Infrastructure Partners and three members who are independent.

Our Board is actively engaged in overseeing our company's strategy and performance, including risk management and sustainability issues such as climate change (see pages 16–17).

Our Board has a standing Audit Committee and may, from time to time, establish a Conflicts Committee. The Audit Committee provides oversight of the integrity of our financial statements and our compliance with legal and regulatory requirements and corporate policies and controls, as well as risk management. All three members of the Audit Committee are independent under standards established by the New York Stock Exchange and the Securities Exchange Act of 1934, as amended, and all are "audit committee financial experts" as defined by relevant Securities and Exchange Commission (SEC) rules. The Conflicts Committee, when established, reviews specific matters that may involve conflicts of interest in accordance with the terms of our partnership agreement, and all members of the committee must be independent.

Hess Midstream is led by executive officers who manage our business and provide oversight on operational, strategic, financial and environment, health, safety and social responsibility (EHS & SR) matters under our employee secondment agreement with Hess. These officers may also perform responsibilities for Hess and its affiliates unrelated to our business. Hess Midstream's President and Chief Operating Officer meets regularly with our Board to provide updates on sustainability related issues, including climate change, and to prioritize ongoing and future actions.



Access our 2022 SEC Form 10-K filing for further detail on our executives' roles at <https://hessmidstream.gcs-web.com/investors>

## MANAGEMENT SYSTEM

Hess Midstream utilizes the Hess Operational Management System (HOMS), an overarching framework of 14 interdependent elements designed to help us manage risks throughout a project and asset lifecycle; coordinate technical expertise, standards and processes across the organization; and align asset level operations with Hess and Hess Midstream's standards and business priorities. Each HOMS element focuses on an aspect of a management system – for example, risk management, competency assurance and training, supply chain management, emergency preparedness and response – and together align with the Commit-Plan-Do-Check-Adjust cycle. HOMS is designed to address key risk areas such as asset integrity, occupational health and safety, environmental responsibility and contractor management.

HOMS activities are managed through a "Heads of" and Technical Authority Network, composed of leaders of Hess' key functions (e.g., EHS, Wells, Reliability Operations, Projects and Facilities Engineering and Global Supply Chain), who are supported by relevant technical

authorities and subject matter experts. Hess Midstream utilizes the expertise of the Heads of each functional area to provide oversight of activities in that area across our operations, verify that relevant standards are applied as appropriate and work with each operated asset to optimize safety, quality, delivery, cost and people management. This group meets monthly with Hess and Hess Midstream leadership to optimize synergies across Hess' and Hess Midstream's functions and assets, support shared initiatives and promote transparency of activities.

## HOMS Assurance

Hess' assurance efforts help verify and validate alignment of expectations and requirements across its operated and nonoperated assets – including Hess Midstream – and drive continuous improvement. Under Hess' revised three tiered assurance framework, implemented in 2021, Tier I "health of process" audits, conducted by Hess' Corporate Audit team, verify that our Tier II and Tier III activities are being performed according to HOMS and related expectations. Tier II assurance is led by Hess' technical authorities and subject matter experts and includes independent audits and collaborative assessments involving assets to confirm proper EHS & SR and major accident event (MAE) risk management. Both Tier I and Tier II assurance activities follow a risk based plan and cover various EHS and Process Safety/MAE topics under HOMS. Tier III assurance, led by asset teams, includes self checks of processes and practices.

In 2022, key assurance activities of Hess Midstream included Tier I financial and operations audits of Tioga Gas Plant's contracting and procurement processes; Tier II assessments covering incident reporting and investigation, MAE barrier health and cybersecurity; and Tier III regulatory audits covering U.S. Occupational Safety and Health

Administration's Process Safety Management Rule and various U.S. Department of Transportation's regulated pipeline management topics.

### KEY ENTERPRISE PROCESSES

We follow Hess' key business processes, such as enterprise risk management (ERM), value assurance, due diligence and Lean thinking, to help identify and mitigate risks in potential, new and existing operations; achieve operational excellence; and evaluate investment opportunities. See pages 12–14 of the 2022 Hess Sustainability Report for more information.

### Enterprise Risk Management

Hess Midstream's Board has ultimate oversight over the ERM process and is charged with understanding the key risks affecting our business – such as EHS & SR risks, including those related to process safety, climate change and cybersecurity as well as other business risks – and how those risks can be managed. The ERM program provides a framework that enables the Board and executive leadership to make informed business decisions.

Annually, Hess' Chief Risk Officer provides the Board's Audit Committee with a comprehensive review of our enterprise level risks, the status of the ERM program and risk management strategies. Similarly, Hess' Chief Information Security Officer provides updates of cybersecurity threats to the Board's Audit Committee at least twice per year. Enterprise level risks are discussed periodically by our full Board.

Hess' Risk team oversees day-to-day implementation of the ERM process across Hess Midstream, including developing relevant policies and standards, and Hess' Corporate Audit team verifies compliance with Hess' ERM Standard and process.

As part of the ERM process, Hess Midstream assets are required to conduct risk assessments periodically. These risk assessments draw input from

subject matter experts, performance data, incident investigations, lessons learned and recent audits. As a result of these risk assessments, specific risks are identified, collated in risk registers and assigned a risk level based on the likelihood and potential impact to people, the environment, our reputation and our business. Each risk's level is evaluated relative to the company risk appetite. For example, if certain environment or safety risks are classified as high or intolerable, they may be considered unacceptable relative to our risk appetite and would require further review and consultation. Each risk is assigned to an accountable party who develops a risk plan to mitigate or manage that specific risk.

Climate risks are considered throughout the ERM process from the perspective of potential financial, physical, reputational and regulatory impacts. Further discussion of our approach to managing climate risks can be found on pages 16–17 of this report and pages 44–50 of the 2022 Hess Sustainability Report.

### SOCIAL RESPONSIBILITY

The Hess Value of Social Responsibility underpins the way we conduct business, driving our efforts to protect the health and safety of our workforce and safeguard the environment. We ultimately aim to have a lasting social impact wherever we operate.

Our Code of Conduct and recently revised and adopted Human Rights Policy codify these commitments. In our revised Human Rights Policy, we are explicit about our human rights commitments related to: labor rights, including the prohibition of child and forced labor; supply chain; community development and stakeholder engagement; security; Indigenous peoples, including aiming to follow free, prior and informed consent when applicable; and governance and transparency. We also retained our endorsement of a number of voluntary initiatives and endorsed a number of new ones (see graphic below).

Our Code of Conduct and Human Rights Policy are supported through procedures and training programs specific to the needs of Hess Midstream's operational locations. For example, Hess' ERM, value assurance and due diligence processes enable us to identify human rights risks and impacts across our projects and operations and develop mitigations where relevant; our stakeholder engagement process and community feedback mechanism enable us to engage with key stakeholders, address potential issues and prevent human rights related incidents; and Hess' Code of Conduct training emphasizes the importance of human rights, gives an overview of our commitments and offers guidance on integrating respect for human rights into our daily work.

### Our Voluntary Commitments

- Universal Declaration of Human Rights
- United Nations (U.N.) Guiding Principles on Business and Human Rights
- International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- ILO Core Conventions on Rights at Work
- U.N. Sustainable Development Goals
- U.N. Voluntary Principles on Security and Human Rights
- ILO Indigenous and Tribal Peoples Convention (No. 169)
- U.N. Declaration on the Rights of Indigenous Peoples
- U.N. Global Compact
- Extractive Industries Transparency Initiative

We also expect our suppliers and contractors to respect our Code of Conduct, Human Rights Policy and related policies or to adopt equivalent standards and to take reasonable measures to communicate and uphold our requirements across their business and value chain.

Given the enhancements made to our Human Rights Policy, our commitments in other related policies and our additional pledges included in our sustainability disclosures, we have retired our Social Responsibility Policy.



Access our Code of Conduct and EHS and Human Rights Policies at [hessmidstream.com/company](https://hessmidstream.com/company)

### Stakeholder Engagement

Hess Midstream’s approach to social responsibility emphasizes proactive stakeholder engagement and social risk and impact management in the communities where we operate.

We follow Hess’ stakeholder planning and engagement process to prioritize safety, integrity and transparency, and we are committed to managing our stakeholder relationships with respect. This process is aligned with, and included in, the Hess Risk Management Standard and results in an External Affairs and Stakeholder Plan that includes Hess Midstream. The plan identifies relevant stakeholders and proposes stakeholder specific engagement strategies, enabling Hess Midstream to build relationships with external stakeholders and to identify opportunities for benefiting communities while improving our business and strengthening our license to operate. We engage with stakeholders across the lifecycle of our projects from early planning through decommissioning and land reclamation.

We work with Hess to actively engage with a wide range of external stakeholders to share our values, vision and goals; seek feedback on operations; and mitigate impacts. These stakeholders may include the following:

- *Land Users/Landowners:* Residents, landowners, commercial land interests, farmers, ranchers

- *Resources Users/Rights Holders:* Mineral rights owners, water rights owners and users, hunters, fishers
- *Governments:* Local, regional and national authorities
- *Parties With Direct Economic Interests:* Investors, shareholders, coventure partners, vendors and suppliers, contractors, unions
- *Parties With External Business Interests:* Chambers of commerce, industry organizations, local businesses, sustainability initiatives
- *Special Interest Groups:* Nongovernmental organizations, religious groups, cause oriented nonprofits, community groups
- *Community Services:* Police, fire and emergency medical services; health care services; education services; human services agencies
- *Indigenous Groups:* Formally recognized groups, tribal coalitions, government supporting agencies, Indigenous advocacy groups



Access recent examples of stakeholder engagement activities at [hess.com/sustainability/social-responsibility/stakeholder-engagement](https://hess.com/sustainability/social-responsibility/stakeholder-engagement)

### Community Feedback Mechanisms

In the communities where we operate, we do our best to address potential issues early, and we believe that strong and transparent stakeholder relationships help us do that. Formal community

feedback mechanisms are an important part of our commitment to solicit external stakeholder feedback for our operational impacts and help us respond to and act on feedback through an established process.

We share information about Hess’ community feedback mechanisms with stakeholders in a variety of ways, including through community meetings, town halls and local hearings. We also post emergency contact numbers along the perimeter of our facilities to enable community members to raise immediate concerns.

Hess Midstream utilizes Hess’ community feedback mechanisms. We accept feedback and grievances (anonymously, if desired) through several access points, including the Hess Owner Solutions team, our North Dakota front desk staff and our Surface Land team. After we receive feedback, the response team then investigates and draws personnel from various disciplines – such as EHS, operations, maintenance, civil construction and human resources – that are best able to respond to the concern and reach a resolution. Although feedback and grievances can cover any topic related to our operations, the most commonly raised topics include pipeline subsidence, road conditions, land reclamation, fencing, cattle guards and weed control.

In 2022, Hess Midstream received 80 grievances. Of these grievances, 95% have been resolved, and we remain committed to resolving the remaining 5%, which require construction activities that will be planned for when weather conditions and planting seasons allow.

### Building Relationships With Community Members

We proactively engage with local community members to understand and address their interests and concerns, as well as to improve our operations. We do this in a variety of ways. In 2022, for example, representatives from Hess Midstream participated in tailgating events at two local high schools’ homecoming football games and served hamburgers, hot dogs and drinks to local fans, players, coaches and parents. Throughout both events, we welcomed feedback and answered questions about our operations. When needed, we followed up with individuals. All proceeds from the event were donated by Hess to local first responders.



# Safety and Health

Our ultimate goal is to have everyone, everywhere, every day, home safe. This commitment to safety is embedded in the Hess Values and continuously reinforced at every level of the enterprise, including through Board of Directors oversight of safety procedures and performance.

In 2022, Hess Midstream worked closely with Hess and our contractors to reflect on safety incidents and identify and address areas for improvement consistent with the Hess Safety Improvement Framework. The Hess Safety Improvement Framework has four key components: cultivating a strong safety culture; refining our safety procedures, processes and tools; engaging our workers on safety and adopting clear safety goals; and measuring and striving to improve our safety performance. These components, along with 2022 improvement actions, are described throughout this section.

Occupational health and safety, process safety and asset integrity, which are among our most important sustainability issues according to our materiality assessment, are described in this section. Emergency preparedness and response, another important issue for Hess Midstream, is covered in the 2022 Hess Sustainability Report.

## OCCUPATIONAL SAFETY

Hess Midstream emphasizes a safety culture of ownership by empowering workers. This is done, in part, through our behavioral safety observation program and hazard observation program, through which workers proactively make peer to peer observations and identify and address potential hazards and risks. We have been working to consolidate these two programs into one and roll

## Transportation Safety

Transportation safety is an important component of our occupational safety program. We follow Hess' Land Transportation Safety Guideline, which focuses on driver training and competency, the use of in-vehicle monitoring systems and journey management planning (see pages 29–30 of the 2022 Hess Sustainability Report). We believe this program has helped us achieve zero collisions in 2022 and reduce speeding to 5.53 seconds per 1,000 miles, both 100% reductions from 2018.

out the updated program across our enterprise, enabling workers to more easily facilitate shared learning.

In 2022, we reinforced our safety culture by continuing to deliver Hess' frontline safety leadership training program to Hess employees and expanding it to include Hess and Hess Midstream contractors. The aim of this training program is to empower frontline leaders to be role models who help set safety expectations. We also began implementing improvement actions identified through Hess' 2021 safety culture survey.

We also strengthened a number of procedures, processes and tools in 2022. For example, we implemented a new Heavy Equipment Movement Procedure, which was collaboratively developed by Hess employees and both Hess and Hess Midstream contractors. This procedure aims to minimize potential line of fire risks – risks associated with being struck by and caught between hazards such as moving objects like vehicles – by establishing specific requirements for heavy equipment operators and spotters. We began conducting assurance against this procedure earlier in 2023. We are also working with some of our contractors to screen emerging technologies and conduct pilots, including pilots for line of fire risks.

We continued to engage our workers on safety in 2022. Members of our Board conducted field visits to discuss our safety culture and better understand our key strategies and processes. Hess employees and contractors and Hess Midstream contractors completed approximately 730 site safety observations and eight leadership site visits in 2022.

We also have engaged Hess employees and contractors and Hess Midstream contractors through Hess' Bakken joint leadership and frontline worker safety steering committee, which is responsible for developing asset level plans consistent with Hess' strategic safety priorities, and two midstream related subcommittees, which are responsible for implementation of these asset level safety plans. These committees provide a critical link between Hess' and Hess Midstream's leadership and workers, as well as between Hess and Hess Midstream and our contractors, and underpin our efforts to create a safety culture that fosters open communication and continuous learning and improvement. These committees serve as a venue to share best practices and lessons learned, and in 2022, we discussed topics such as managing safety among subcontractors.

### Key Performance Metrics<sup>1</sup>

Our severe and significant safety incident (SSSI) rate increased from 0.14 in 2021 – when we had one severe incident – to 0.41 in 2022 – when we had three significant incidents. We also experienced two recordable incidents and one lost time incident in 2022 after having no recordable or lost time incidents in 2021.

Along with Hess, Hess Midstream has been reviewing concerns and discussing common safety challenges with industry peers, business partners and contractors to identify lessons learned and to inform improvement efforts. As the COVID-19 pandemic has transitioned to an endemic phase, work activity levels have increased for Hess and Hess Midstream and more broadly for our industry, causing labor shortages, increases in short service employees and crew continuity challenges.

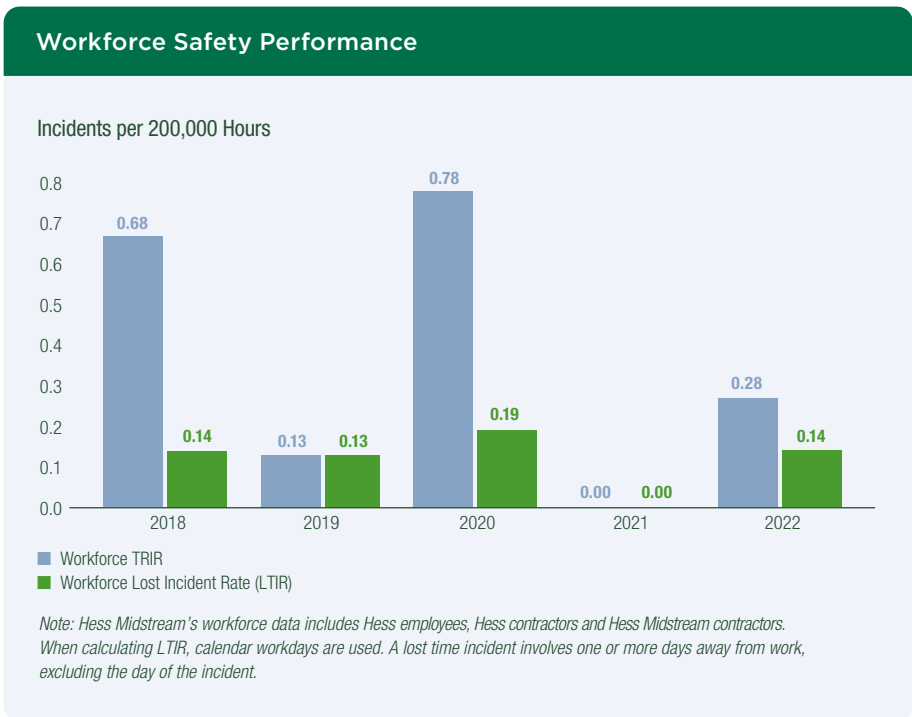
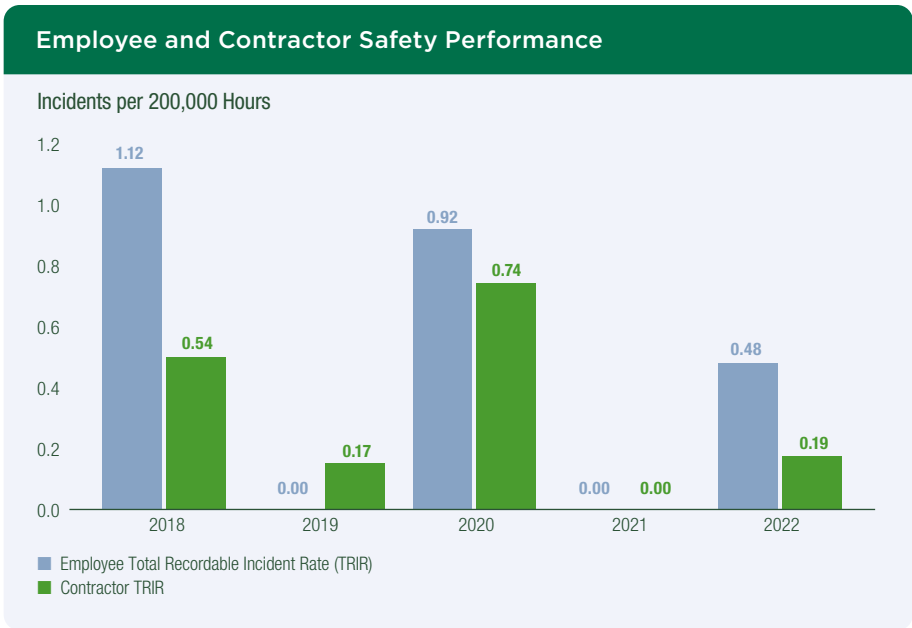
To support overall safety improvements, we engage with our contractors – through mechanisms such as the Bakken joint leadership and frontline worker safety steering committee discussed previously – to share learnings and reinforce safety expectations, culture and procedures across our operations. We have also instituted measures with key contractors to help reduce worker turnover, promote consistency in work teams and reward operational safety performance.

In 2022, we also revised contractual exhibits in our standard contract by adding new safety requirements related to short service employee programs, lone worker policies, subcontractor management practices and heavy equipment movement practices.

Again in 2023, we have set annual targets aimed at reducing our TRIR and SSSI, which are reviewed by our Board of Directors.

### OCCUPATIONAL HEALTH

Safeguarding the health and wellbeing of the employees and contractors working on Hess Midstream sites is a key element of our approach to environment, health and safety.



As part of our continuous improvement efforts, in 2022, we implemented Hess' new Industrial Hygiene Procedure, which focuses on protecting workers from potential workplace health hazards by outlining key occupational health requirements and processes and providing a consistent, efficient

approach to health risk management. We also implemented Hess' new Fitness for Duty Procedure, which provides the occupational health and fitness requirements for different jobs being performed at our sites and describes how fitness for duty will be determined.

<sup>1</sup>Although Hess Midstream does not have any direct employees, we are able to report "employee" safety incident data because incidents involving Hess' employees are attributed to Hess Midstream facilities and locations in Hess' incident reporting system.

In compliance with these procedures, a baseline industrial hygiene review was conducted at the Tioga Gas Plant and the Tioga Rail Terminal in 2022, and where appropriate, improvement actions were implemented.

## PROCESS SAFETY AND ASSET INTEGRITY

Hess Midstream's process safety standards aim to prevent the unplanned or uncontrolled loss of primary containment of any material that could result in an incident such as injury, fire, explosion, toxic release or other environmental impact. These standards support our compliance with regulatory requirements, including, where applicable, the U.S. Occupational Safety and Health Administration (OSHA) Process Safety Management (PSM), the U.S. Environmental Protection Agency Risk Management Program, and the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration requirements.

We focus on identifying and maintaining the process safety systems at our facilities that could impact asset integrity and the safe and proper operation of equipment. In particular, we address the following:

- *Design integrity:* Reducing risks in the design and construction of facilities
- *Technical integrity:* Inspecting, testing and maintaining hardware and software barriers
- *Operational integrity:* Working within operational design limits

We identify, manage and mitigate process safety risks in a variety of ways, including by following the Hess North Dakota Management of Change (MOC) Procedure, conducting pre-startup safety reviews and completing inspections and maintenance of integrity critical equipment.

The MOC Procedure applies whenever there is a change in process chemicals, process technology, equipment, control systems, facility siting, procedures

or personnel. A key step in the MOC Procedure is to perform a risk assessment prior to approving an MOC, and if recommendations are developed during this assessment, they are addressed during an MOC's implementation.

Pre-startup safety reviews are conducted prior to starting up equipment or facilities, which validates compliance with equipment and construction design specifications, development of new or revised operating procedures, completion of necessary training and resolution of any recommendation identified in the risk assessment.

Inspections and maintenance of integrity critical equipment (ICE) – or barriers and safeguards that prevent or mitigate process safety events (PSEs) through detection, isolation, containment, control or emergency preparedness and response within our facilities – follow a risk based approach. We utilize ICE performance standards, which set specific requirements and criteria for inspections and tests, to help ensure that ICE barriers are effective. In 2022, we again achieved 100% inspection and testing of ICE, with 1,929 work orders of critical performance standard assurance tests completed.

In 2022, we continued our efforts to strengthen our approach to process safety. For example, we progressed implementation of an electronic Permit to Work system, which is currently in place at the Tioga Gas Plant. This system streamlines the work authorization and notification process, as well as establishes a handover process once

### Process Safety Events

PSE Count	2018	2019	2020	2021	2022
<b>Tier 1</b>	0	4	0	2	1
<b>Tier 2</b>	1	4	9	6	7

work is completed. We also enhanced our approach to process safety management training by expanding field based, hands on offerings covering topics such as valve inspections and pipeline system operations.

### Key Performance Metrics

Hess tracks process safety key performance indicators (KPIs) pursuant to the International Oil & Gas Producers' *Process Safety – Recommended Practice on Key Performance Indicators*, Report No. 456, November 2018. Categorized as Tier 1 and Tier 2 KPIs, these are reported at an enterprisewide level in both internal and external reports.

Hess Midstream had one Tier 1 PSE and seven Tier 2 PSEs in 2022. We completed an investigation and root cause analysis of the Tier 1 PSE and are implementing appropriate corrective actions to help prevent similar incidents in the future.

We also track Tier 3 and Tier 4 KPIs, which are leading process safety indicators primarily designed to monitor risk control systems and process safety barriers, and use them to drive continuous improvement. An example of a Tier 4 KPI is the execution of required maintenance on ICE, which is an indicator that was again included in the 2022 annual incentive plan bonus calculation for Hess employees.

### Undertaking a Comprehensive Review of Pressure Safety Valves

Pressure safety valves (PSVs) are a key ICE barrier and, in many cases, a company's last line of defense in preventing a possible PSE. In 2021 and 2022, Hess Midstream completed a comprehensive review of all PSVs that are a part of processes covered by OSHA PSM as well as PSVs at five compressor stations. This effort went beyond regulatory requirements. As part of this review, we identified and upgraded PSVs to align with recommended sizing specifications from the latest industry best practices, helping us protect people and the environment.





# Climate Change and Energy

Hess Midstream supports the Paris Agreement’s aim to limit global average temperature rise to well below 2°C and is fully aligned with Hess’ position and strategy related to climate change. Hess’ climate strategy is aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), established by the G20 Financial Stability Board, and its implementation is led by senior members of the Hess leadership team, which includes Hess Midstream executives.

We play a critical role in Hess meeting its commitment to achieve net zero Scope 1 and 2 greenhouse gas (GHG) emissions on an equity basis by 2050 and its 2025 GHG reduction targets (see pages 18–19). For example, Hess’ operated Scope 1 and 2 GHG emissions decreased by 0.2 million tonnes, or 7%, in 2022 compared with 2021, due primarily to a significant reduction in natural gas flaring in North Dakota associated with aggressive expansion of Hess Midstream’s natural gas gathering, compression and processing infrastructure. Our continued focus on infrastructure improvements also supports Hess’ commitment to achieve zero routine flaring at its operated assets by the end of 2025.

Hess Midstream supports voluntary reductions in methane emissions through adoption of the ONE Future Coalition (ONE Future) sectoral methane intensity targets for gathering and boosting and processing. We have made significant progress toward these targets in addition to supporting Hess’ separate global methane intensity target (see pages 18–19).



See the full Hess Climate Change Position statement on page 39 of the 2022 Hess Sustainability Report at [hess.com/sustainability](https://www.hess.com/sustainability)

## EXTERNAL ENGAGEMENT AND COMMITMENTS

Hess Midstream participates in a number of climate related initiatives that address emissions reductions and measurement and reporting, including ONE Future and The Environmental

Partnership (The Partnership), and has contributed to the pursuit of technological innovation for enhanced leak detection and prevention through organizations like the Intelligent Pipeline Integrity Program (iPIPE) in North Dakota. We also engage with key stakeholders, including government agencies, investors, private landowners and communities, on issues such as climate change and consider their feedback when reviewing enhancements to our annual reporting.

### ONE Future

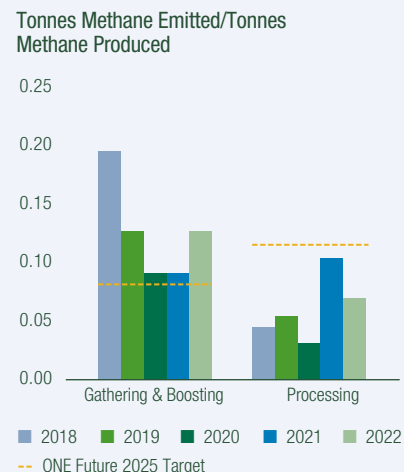
ONE Future, which Hess and seven other companies founded in 2014, is a group with representation from across the natural gas value chain focused on identifying policy and technical solutions that yield continuous improvement in the management of methane emissions associated with the production, gathering and boosting, processing, transportation and distribution of natural gas. By the end of 2022, ONE Future membership had grown to 55 companies.

ONE Future offers a performance based, flexible approach that is expected to yield significant reductions in methane emissions, and its measurement protocol has been approved by the U.S. Environmental Protection Agency (EPA).

The goal of ONE Future is to voluntarily lower methane emissions to less than 1% of gross methane production across the U.S. natural gas value chain by 2025. Peer reviewed analyses indicate that a leak/loss rate of 1% or less across the U.S. natural gas value chain provides immediate GHG reduction benefits. To achieve this goal, ONE Future has established 2025 methane emissions rate targets for each sector of the natural gas value chain, as shown in the chart above, right. In 2022, the ONE Future members’ overall methane emissions intensity was 0.42% across the U.S. natural gas value chain compared with the ONE Future goal of 1%.

Hess Midstream operates in two of the ONE Future sectors – gathering and boosting and processing. Although our

### Methane Emissions Intensity Based on the ONE Future Protocol Methodology



absolute methane emissions decreased between 2021 and 2022, our methane emissions intensity in gathering and boosting increased year over year primarily due to weather related curtailment of Bakken production in 2022. Between 2018 and 2022, Hess Midstream made significant progress in reducing our methane emissions intensity rate for gathering and boosting, reducing our rate from approximately 0.20% to 0.13%. This 35% intensity reduction is mainly attributable to the electrification of compressors. Our methane emissions intensity from processing was 0.07% in 2022, well below the ONE Future target of 0.11%.

Initiatives involving Hess Midstream operations – including the provision of gathering infrastructure and resultant flaring intensity reduction, as well as the continued implementation of our leak detection and repair (LDAR) program – have also been instrumental in lowering Hess’ onshore production methane emissions intensity from 0.45% in 2018 to 0.19% in 2022 (further surpassing the 0.28% ONE Future production target).

With additional efficiency improvements planned for the coming years, we anticipate that we will achieve our sectoral ONE Future targets.

## The Environmental Partnership

Hess Midstream is a member of The Partnership, which aims to progress actions to reduce air emissions associated with natural gas and oil production through adoption and promotion of industry best practices. The Partnership is focused on technologically feasible and commercially proven solutions that result in significant emissions reductions. In addition to specifying best practices for member companies over specific time frames, The Partnership provides a forum for participants to share information and analyze best practices and technological breakthroughs in order to help the industry improve its understanding of emissions reduction strategies.

A key goal of The Partnership is furthering actions to reduce air emissions associated with natural gas and oil production. The Partnership has initiated six Environmental Performance Programs, two of which have a midstream focus and both of which we are implementing:

- *Compressor Program*: Participants are committed to implementing practices that minimize emissions associated with centrifugal and reciprocating compressors. These include conversion of compressors to electric drive, improving vent gas capture and improving rod packing replacement practices.
- *Pipeline Blowdowns*: Participants are committed to implementing reduction practices that minimize emissions during pipeline blowdowns, including routing blowdown gas to low pressure systems or to flare.

We progressed our implementation of both programs in 2022, and Hess submitted information on our efforts to The Partnership.



See the 2022 Annual Report from The Environmental Partnership at [theenvironmentalpartnership.org/annual-reports/2022-annual-report](https://theenvironmentalpartnership.org/annual-reports/2022-annual-report)

## Intelligent Pipeline Integrity Program

Hess Midstream continues to support Hess' active involvement in iPIPE, a collaboration of oil and gas operators and the University of North Dakota's Energy and Environmental Research Center. iPIPE aims to review advanced technologies that enhance pipeline integrity efforts, including remote emissions monitoring by drones. Hess works with iPIPE members to review a range of technologies and choose a few for additional investment and testing. Hess and Hess Midstream will continue to test the effectiveness of these systems compared with our current standard optical gas imaging camera based LDAR systems, maintaining our current LDAR practices until remote sensing systems are further improved and accepted as regulatory or industry best practice. See page 26 for further detail on remote monitoring related to release detection.

## GOVERNANCE

The Hess Midstream Board of Directors oversees Hess Midstream's sustainability practices so that sustainability risks and opportunities, including those related to climate change, are taken into account when strategic decisions are made. The President and Chief Operating Officer of Hess Midstream meets regularly with the Hess Midstream Board and provides updates on strategic initiatives, including those related to climate change.

## RISK MANAGEMENT

Through the Hess enterprise risk management (ERM) process, we have developed a risk profile for all midstream operations. The risk profile identifies key risks, including those

related to climate change. For each risk scenario, we estimate the likelihood and potential impact that the identified climate change risks could have on the business. We compile all identified risks on risk registers, including summaries that catalog actions for managing or mitigating each identified risk.

The ERM framework enables our Board and executive leadership to strengthen consistency of risk considerations in making business decisions. Our Board has oversight of the ERM framework and is charged with understanding the key risks affecting the company's business and how those risks are managed.

The October 2021 TCFD guidance recommends that companies provide investors and other stakeholders with an understanding of how an organization's climate related risks are identified, assessed and managed and whether those processes are integrated into an existing risk management process. As recommended, we have categorized these risks into two categories, as follows:

- *Transition risks*, which are associated with the rate of change in policy actions, technologies or market conditions aimed at emissions reductions, energy efficiencies, subsidies or taxes, along with potential sources of reputational risk, associated with climate related objectives
- *Physical risks* due to increased severity of storms, droughts and flooding, for both new projects and existing operations, which includes assessing how climate change may impact water availability and water stress in the areas we operate using the World Resources Institute's Aqueduct Tool (see page 27)

The table on the following page provides a summary of the key climate related risks that Hess and/or Hess Midstream has identified, assessed and managed.

## Hess Midstream Risk Mitigation by TCFD Risk Type

TCFD Risk Type	Risk Description (Examples)	Potential Time Horizon	Potential Financial Impact	Risk Mitigation Strategies
<b>Energy Transition Risks</b>				
<b>Market</b>	<ul style="list-style-type: none"> <li>Price volatility</li> <li>Demand degradation</li> <li>Stranded assets due to stranded reserves</li> </ul>	Short, medium and long term	Decreased revenue	<ul style="list-style-type: none"> <li>Account for the cost of carbon in significant new investment decisions.</li> <li>Hess incorporates carbon risk scenario analysis that includes Hess Midstream into its business planning cycle annually to test the resilience of its portfolio against various alternative views of future market conditions, including evaluation of the most ambitious International Energy Agency GHG reduction scenarios, where sufficient public data is available to conduct modeling.</li> <li>Hess publishes results of its annual scenario based carbon asset risk assessment in its sustainability report.</li> </ul>
<b>Policy and Legal</b>	<ul style="list-style-type: none"> <li>Changes in national and state regulations</li> <li>Changes in tax programs</li> <li>Exposure to litigation</li> </ul>	Short and medium term	Increased operating costs and increased capital expenditures	<ul style="list-style-type: none"> <li>Regularly review emerging legal and regulatory issues.</li> <li>Engage with policy makers.</li> <li>Support transparent carbon pricing.</li> <li>Engage in voluntary emissions reduction programs to reduce the need for additional regulation.</li> </ul>
<b>Technology</b>	<ul style="list-style-type: none"> <li>Step changes in technologies that accelerate the transition away from oil and gas</li> </ul>	Medium and long term	Decreased revenue	<ul style="list-style-type: none"> <li>Apply technological solutions to reduce process emissions (e.g., carbon capture and sequestration).</li> <li>Enhance energy efficiency.</li> <li>Work with key external stakeholders to keep abreast of the latest technological advancements.</li> </ul>
<b>Reputation</b>	<ul style="list-style-type: none"> <li>Shifts in consumer preferences</li> <li>Stigmatization of oil and natural gas sector</li> <li>Increased stakeholder concern or negative shareholder feedback</li> </ul>	Medium and long term	Increased cost of capital	<ul style="list-style-type: none"> <li>Monitor Hess Midstream's environmental, social and governance risk exposure ratings.</li> <li>Continue to monitor and mitigate our exposure to reputational risk through the Hess ERM process.</li> </ul>
<b>Physical Risks</b>				
<b>Acute</b>	<p>Increased severity of extreme weather events, such as:</p> <ul style="list-style-type: none"> <li>Severe temperature changes</li> <li>Seasonal droughts</li> </ul>	Short, medium and long term	Decreased revenue and increased operating costs	<ul style="list-style-type: none"> <li>Hess includes Hess Midstream when reviewing the risk exposure of its assets under the various Intergovernmental Panel on Climate Change (IPCC) Representative Commitment Pathway (RCP) scenarios from the IPCC's Assessment Report 5 (AR5) and AR6, including RCP 8.5 (4.3°C increase by 2100), RCP 4.5 (2.4°C increase by 2100) and RCP 2.6 (1.6°C increase by 2100).</li> <li>Maintain insurance coverage under certain of Hess' corporate insurance policies and continue to be subject to the shared deductibles and limits under those policies. Carry insurance policies separate from Hess for business interruption, certain property damage and third party liabilities, which include sudden and accidental pollution liabilities, at varying levels of deductibles and limits that we believe are reasonable and prudent under the circumstances to cover our operations and assets.</li> <li>Hess maintains emergency response teams and conducts training and exercises against plans for Hess Midstream facilities.</li> </ul>
<b>Chronic</b>	<ul style="list-style-type: none"> <li>Changes in weather patterns</li> <li>Changes in water availability</li> <li>Changes in biodiversity and species listings</li> </ul>	Medium and long term	Decreased revenue and increased operating and capital expenditures	<ul style="list-style-type: none"> <li>Hess includes Hess Midstream when reviewing the risk exposure of its assets under the various IPCC RCP scenarios as detailed above. These climate related risk assessments, which inform the wider ERM process on potential climate impacts, consider the potential impact to the facilities and infrastructure we operate, as well as how these may be affected by predicted future climate change scenarios. Hess has adopted a flexible approach to these assessments that will enable it to reevaluate climate impacts as the science evolves and as Hess and Hess Midstream operations change and adapt.</li> <li>Assess how climate change may impact water availability and water stress in North Dakota.</li> <li>Conduct formal environmental and social impact assessments (ESIAs) on major capital projects that include biodiversity and cultural heritage baseline and field studies and identify species on the International Union for Conservation of Nature Red List.</li> <li>Use the results of ESIAs to create avoidance or mitigation strategies, where appropriate.</li> <li>Have personnel use the Hess-created threatened and endangered species field guides during their field activities.</li> </ul>

## STRATEGY AND TARGETS

As part of its climate change strategy and in alignment with TCFD's criteria for target setting, Hess has outlined short, medium and long term climate strategies and emissions reduction targets within its Low Carbon Transition Framework. Hess Midstream remains committed to supporting these objectives, as described on the following pages.

See Hess' Low Carbon Transition Framework on pages 40–41 and details of its Strategy and Targets on pages 50–54 in the 2022 Hess Sustainability Report at [hess.com/sustainability](https://hess.com/sustainability).

### Emissions Reduction Targets

Hess Midstream played a critical role in Hess achieving its historical GHG emissions reduction targets and will continue to play a critical role in Hess' 2025 targets as well as in its plans to achieve net zero Scope 1 and 2 GHG emissions on an equity basis by 2050.

Hess' 2025 target is to reduce the GHG emissions intensity of its operated assets to 17 kilograms (kg) carbon dioxide equivalent (CO<sub>2</sub>e) per barrels of oil equivalent (BOE) — equivalent to 17 tonnes of CO<sub>2</sub>e per thousand BOE — by 2025. This GHG reduction target utilizes a market based approach to GHG accounting, which allows the use of renewable energy certificates (RECs) to mitigate the environmental impact of Scope 2 GHG emissions.

Continued flare reduction is a primary driver for achieving Hess' and Hess Midstream's climate objectives, including Hess' 2025 GHG emissions intensity target and commitment to achieve zero routine flaring by the end of 2025 through the World Bank's Zero Routine Flaring by 2030 initiative. Hess has also tied flare reduction to compensation to help drive further GHG reductions. Specifically, in 2022, Hess set an annual incentive plan compensation target to achieve a

5% routine flaring intensity in its North Dakota production operations, which it achieved. In 2023, Hess set a target of 3% routine flaring intensity in its North Dakota production operations to continue driving this progress. Hess Midstream's gas capture initiatives contribute to Hess' ability to achieve these commitments.

In addition to its ONE Future commitment, Hess has established a global methane intensity target of 0.19% by 2025. The target uses natural gas sales as a denominator, whereas the ONE Future protocol uses methane production. We expect that Hess Midstream's continued efforts to increase natural gas capture and reduce flaring, paired with our LDAR program, will support Hess in achieving this global target.

### Emissions Reduction Priorities

Hess' approach to achieving its net zero emissions commitment can be defined in three primary focus areas: direct emissions reductions in its asset portfolio, application of technologies with adjacencies to its operations and the use of carbon credits and RECs.

Hess' significant reductions in flaring in recent years, which have supported its overall GHG reduction efforts, have primarily been related to Hess Midstream's focus on natural gas capture through increased availability and reliability at our compressor stations; expansion of gathering and processing infrastructure; and enhanced communication and coordination with third party gatherers.

More than \$3.6 billion (gross) has been spent on midstream infrastructure in North Dakota over the past 10 years, supporting Hess' strong performance over the past several years. Hess Midstream is continuing to execute capital projects to increase natural gas capture rates, which provide economic returns through the sale of the additional natural gas and natural gas liquids (NGLs) captured and to reduce

flaring in the Bakken region. In 2022, the Hess Midstream team constructed, commissioned, and brought into operation two new greenfield compressor stations. East Nesson Compressor Station 2, which has a capacity of 51 million standard cubic feet per day (MMSCFD), came online in March, and Goliath Compressor Station, which has a capacity of 34 MMSCFD came online in September. This additional capacity — a 25% increase from existing capacity — contributed to increased natural gas capture in 2022.

These efforts have supported significant reductions in flaring, which, when paired with continued implementation of the Hess and Hess Midstream LDAR program and the phaseout of high bleed pneumatic controllers (which was completed in 2021), have also contributed to reductions in methane emissions intensity in recent years.

Hess' executive led task force that includes Hess Midstream executives provides oversight for Hess' climate change strategy implementation and works to identify and recommend GHG reduction opportunities, evaluating and implementing technologies as appropriate and evaluating capital and infrastructure requirements. The task force has identified over 90 potential opportunities to reduce emissions, has developed a marginal abatement cost curve (MACC) — an economic efficiency prioritization tool — to evaluate opportunities and has included updates to the MACC in Hess' budget and planning process. Utilizing a MACC has helped Hess and Hess Midstream better understand the scale of these opportunities and better quantify them in terms of emissions reductions and costs. Of note, these opportunities are at various stage gates, and some that are currently being evaluated or piloted may not move forward to implementation.

A selection of opportunities that Hess Midstream is currently evaluating, piloting or implementing in collaboration with Hess across these different areas is shown in the table below.

## GREENHOUSE GAS PERFORMANCE

Hess Midstream reports GHG emissions from our operated facilities according to the Hess GHG Inventory Protocol. Our GHG emissions estimates include carbon dioxide (CO<sub>2</sub>), methane and nitrous oxide,

which are reported in units of CO<sub>2</sub>e. We use global warming potentials based on the values in the *Fourth Assessment Report: Climate Change 2007*, prepared by the IPCC to estimate CO<sub>2</sub>e totals.

Hess Midstream reports direct (Scope 1) operated GHG emissions from stationary combustion sources, such as turbines, engines, heaters and flares, and noncombustion fugitive emissions sources, such as connectors, compressor seals, pneumatic pumps and valves. In addition, we report indirect emissions (Scope 2)

associated with purchased electricity. The factors used to estimate emissions for these combustion and noncombustion sources are primarily those prescribed by the EPA in its GHG Mandatory Reporting Rule (40 CFR Part 98, Subpart C and Subpart W). Below, we detail where we have updated emissions factors for specific sources based on recent measurements and restated historical emissions, where appropriate.



Access the Hess GHG Inventory Protocol at [hess.com/sustainability/climate-change-energy](https://hess.com/sustainability/climate-change-energy)

Selected Climate Opportunities				
TCFD Opportunity Type	Emissions Source Category	Opportunity Description	Estimated Emissions Reduction	Financial Benefits
Resource Efficiency	Flare reduction and elimination	Reinjection of NGLs into the product line at compressor stations	M	Reduced operating costs through efficiency gains
		Installation of flare gas liquid recovery system to capture NGLs from flare gas stream	M	
		Reduction in cold venting using improved flare surveillance systems and analytics	M	
	Reduced fuel combustion	Replacement of natural gas powered compressors with electric motor driven compressors	M	Reduced operating costs through efficiency gains and reduced equipment downtime
		Utilization of flexible hose for water transport	L	
		Piloting of optimized intercooler temperatures to increase compressor efficiency	L	
	Design improvements to lower electricity consumption	Piloting of optimized piping heat trace design at compressor stations	L	Reduced operating costs through efficiency gains
	Improved natural gas capture to reduce fugitives and flaring	Piloting of mobile cross compressor skids to capture vented emissions during equipment blowdown operations	L	Increased production capacity and revenues
		Piloting of automated pigging systems to reduce frequency of blowdowns	L	
		Piloting of vapor recovery units for recovering low pressure vapors from tanks and compressor packings	L	
Direct emissions measurement and monitoring trial to better understand and prevent equipment leaks and cold venting		L		
	Testing of machine learning and artificial intelligence to improve our ability to predict and prevent fugitive leaks	M		
Energy Source	Electrification and market based instruments	Use of RECs and/or offsets to address 100% of our Scope 2 emissions	H	Reduced operating costs through efficiency gains
Diversification and Resilience	Carbon capture and sequestration	Evaluation of carbon capture and sequestration opportunities	H	Potential tax incentives

Notes:

**H** Relatively higher emissions reduction potential, 100,000 tonnes of CO<sub>2</sub>e per year or greater

**M** Medium emissions reduction potential, between 10,000 and 100,000 tonnes of CO<sub>2</sub>e per year

**L** Relatively lower emissions reduction potential, up to 10,000 tonnes of CO<sub>2</sub>e per year

All opportunities shown are being evaluated, piloted and/or implemented in the short to medium term.

## Methane Reporting and Verification

We support the approach of using direct methane measurement to reconcile and validate emissions inventories. We do believe, however, that there are still significant challenges to the interpretation of methane measurement data, including the following:

- Many of the emerging methane measurement technologies that have the potential to increase frequency of measurement are relatively immature and have high levels of uncertainty.
- There is a lack of widely accepted reconciliation methodologies and protocols.
- Few of the measurement technologies under evaluation have regulatory equivalency.
- Regulators have been slow to adopt measurement based emissions factors, a step that will be needed before companies can fully reconcile their inventories with regulatory reporting.

In order to help address some of these concerns, we have been active in a wide range of initiatives to try to progress the adoption of methane measurement, reporting and verification (MRV), including the following in 2022:

- Monitored and evaluated evolving methane measurement technologies through active involvement in ONE Future and iPIPE program
- Conducted LDAR surveys, aerial LiDAR surveys and satellite remote sensing (through a third party) to obtain site and/or source specific leak detection and methane measurement data

- Initiated simultaneous technology pilots at one compressor station in order to rapidly compare technologies, with the aim to evaluate the applicability of these different technologies for reconciliation purposes and to correlate measurements with operational activity data in order to prioritize mitigation
- Initiated trials with two data analytics software vendors that take source inventory data, measurement data and real time operations data to help predict and prevent leaks
- Supported development of the GTI Veritas measurement and reconciliation protocols through our ONE Future membership
- Met with the Oil and Gas Methane Partnership (OGMP) directly to discuss the fundamental requirements of an OGMP 2.0 commitment and indirectly through our involvement in ONE Future and Ipeca and engaged with peer companies to learn more about their OGMP implementation

As we conduct these methane measurement technology and service evaluations, we are considering how they would help us comply with voluntary MRV frameworks and standards and also current and anticipated regulations. OGMP 2.0 and the Oil and Gas Climate Initiative's Aiming for Zero Methane Emissions Initiative provide frameworks for companies to develop their MRV programs. We are currently evaluating MRV protocols published by the OGMP, GTI Veritas and the Energy Emissions Modeling and Data Lab. These frameworks and protocols are not currently complementary. However, we are supporting efforts across the industry to encourage harmonization of these protocols and standards.



See more detail on Hess' methane management program on pages 56–58 and 69 of its [2022 Sustainability Report](#)

## Restatements

We continuously look for opportunities to improve our GHG data collection efforts and calculation methodologies, and we have made a number of restatements in the performance data within this report, mainly with respect to our methane inventory, including the following:

- We are now using LDAR emissions factors for all of our facilities, not just those where LDAR is required by regulation. This change applies to 2022 data and beyond.
- We adopted new methane slip emissions factors (from the 2021 American Petroleum Institute GHG Compendium) for our gas fired internal combustion sources.

- We have included estimated methane volumes from reported gas releases incidents. We have collated incident related gas releases back to 2018.

Also, for completeness, we have included certain emissions sources previously designated as not material to our overall emissions profile, including electricity use emissions from our solar gas cavern in Minnesota. We also continue to fine-tune the activity data used for our emissions calculations.

These methodology changes resulted in an approximate 22,000 tonne increase in Hess Midstream's 2021 methane emissions and an approximate 16,000 tonne increase in our overall Scope 1 and 2 GHG emissions, compared with the values previously reported in the 2021 Hess Midstream Sustainability Report.

## Hess Midstream as a Portion of Hess' Operated GHG Emissions (Scope 1 and 2)

Million Tonnes of CO<sub>2</sub>e



### Operated Scope 1 and 2 Emissions

Hess Midstream represented approximately 26% of Hess' Scope 1 and 2 GHG emissions profile in 2022, as illustrated on the previous page.

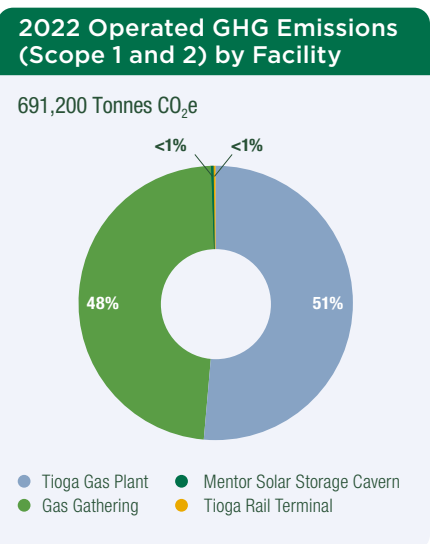
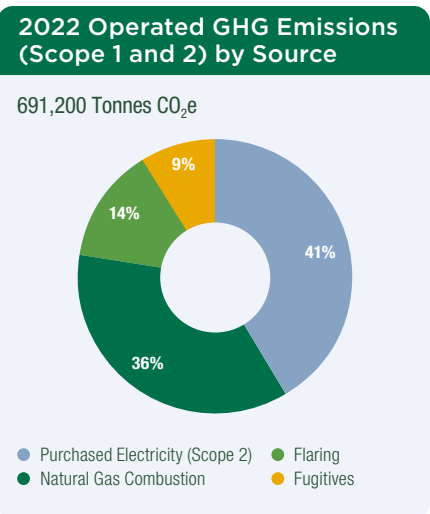
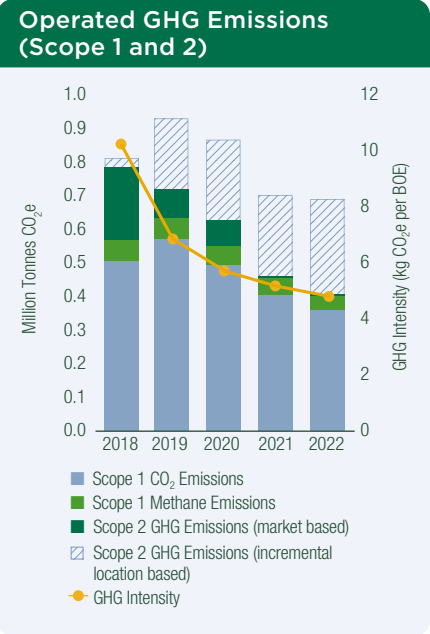
In 2022, of our total estimated 691,200 tonnes of GHG emissions, natural gas combustion in processing operations accounted for 250,000 tonnes, flaring accounted for 94,300 tonnes and purchased electricity accounted for 286,800 tonnes of emissions. Fugitive emissions and venting accounted for the remaining 60,200 tonnes. When considering the total 691,200 tonnes of emissions on a facility basis, gas gathering accounted for 333,400 tonnes, and the Tioga Gas Plant accounted for 355,500 tonnes. The Tioga Rail Terminal and Mentor solar storage cavern accounted for the remaining 2,300 tonnes.

Our absolute Scope 1 and 2 GHG emissions were reduced by approximately 18% between 2018 and 2022. Between 2021 and 2022, our Scope 1 and 2 emissions decreased by 2%, due in part to incremental improvements in availability

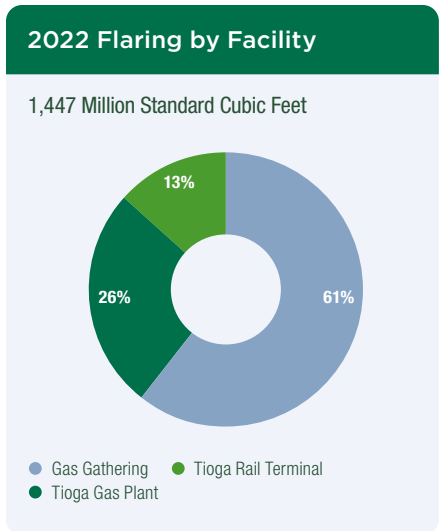
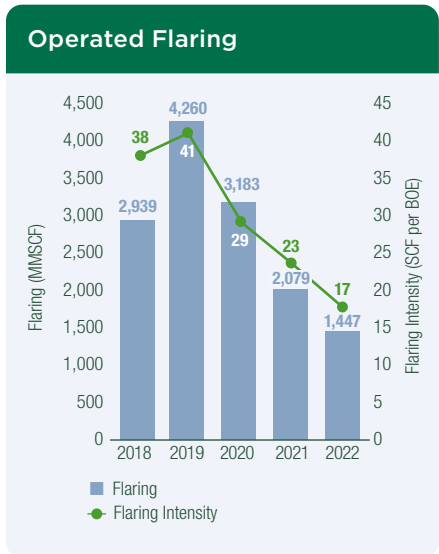
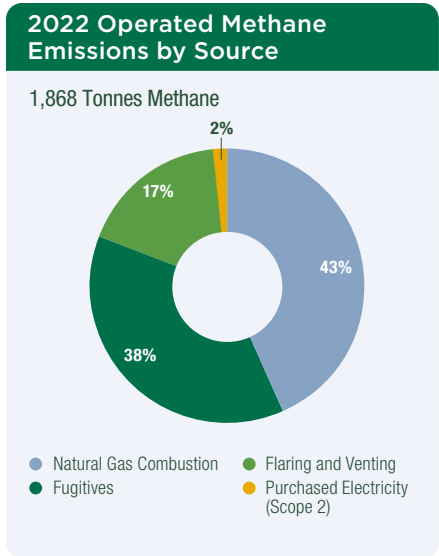
and reliability at our compressor stations. Our Scope 2 emissions from purchased electricity increased in 2022 due to the electrification of our compressor stations. In 2022, as in previous years, we used RECs to mitigate the environmental impact of our Scope 2 CO<sub>2</sub>e emissions. As a result, Hess Midstream's 2022 market based GHG emissions were approximately 404,500 tonnes. Location based absolute Scope 1 and 2 GHG emissions were 691,200 tonnes.

Currently, there are no common metrics among midstream companies to calculate GHG emissions intensity. For emissions intensity purposes, we include all the natural gas, NGLs and crude oil that pass through our gathering and handling facilities, terminals and gas processing plants in the denominator.

Based on this methodology, Hess Midstream has reduced our market based GHG emissions intensity from approximately 10.2 kg per BOE in 2018 to 4.8 kg per BOE in 2022, or by 53%, through a series of flare reduction initiatives and electrification of gas compressor stations.



Emissions Monitoring | North Dakota



### Flaring

In 2022, flaring from Hess Midstream facilities totaled approximately 1.4 billion standard cubic feet, a 30% decrease from 2021 and a 51% decrease from 2018. This decrease reflects our continued focus on natural gas capture through increased availability and reliability at our facilities and improved coordination with Hess on the planning of new wells to prioritize gathering of new production.

The majority (approximately 61%) of our 2022 flaring volume occurred in the gathering systems at compressor stations and at the Tioga Gas Plant, mostly from safety flaring due to weather related impacts and maintenance. The remaining 13% of total flaring in 2022 was at the Tioga Rail Terminal from safety flaring associated with rail car loading vapors.

Our throughput also decreased year over year primarily due to Hess' weather related curtailment of Bakken production in 2022. When our flaring volume is normalized against the volume of hydrocarbons

processed (standard cubic feet, or SCF, per BOE), our flaring intensity in 2022 was around 17 SCF per BOE, a 26% decrease from 2021 and a 55% decrease from 2018.

In 2022, we continued to focus on the buildout of gas infrastructure while at the same time adjusting our operating practices and facility design to reduce flaring.

### Methane

In 2022, our total Scope 1 and 2 methane emissions were approximately 1,868 tonnes, which equates to approximately 46,700 tonnes of CO<sub>2</sub>e when applying a Global Warming Potential of 25 (consistent with U.S. regulatory reporting) and represented an 11% decrease from 2021. Our major sources of methane, based on our regulatory emissions inventory estimates, are the residual unburned methane associated with flaring, the uncombusted methane released in the exhaust from natural gas internal combustion engines ("methane slip") and fugitive emissions from connectors, pumps, compressor seals and pipelines.







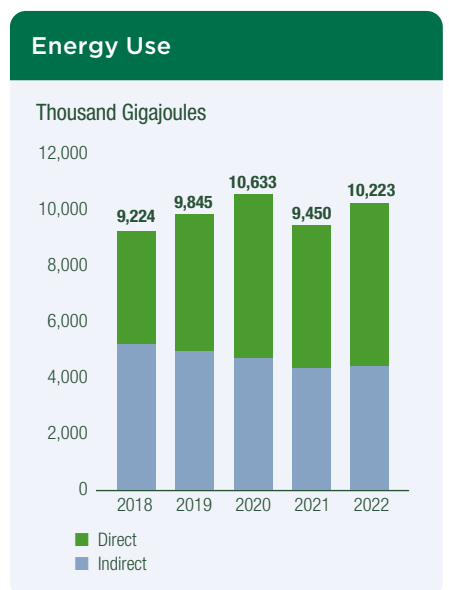
Oil Gathering Operations | North Dakota

### ENERGY USE

Hess Midstream generates and purchases energy primarily for gas compression, processing, heating and cooling. In 2022, energy consumption from midstream facilities was approximately 10.2 million gigajoules (GJ), 8% higher than in 2021. This increase is primarily due to the electrification of our compressor stations. Forty-three percent of our energy use was from natural gas combusted to

operate our equipment, primarily at our gathering and boosting and processing facilities in North Dakota. The remaining 57% was indirect energy (i.e., energy used by utilities to provide electricity) primarily purchased for use at the Tioga Gas Plant and our electric compressor stations.

Hess Midstream's approximate 630,000 megawatt hours (MWh) of purchased electricity in 2022 were offset by Hess' purchase of 630,000 RECs, primarily from wind power generation.





# Environment

Hess Midstream is committed to protecting the environment, and doing so is a central part of the work we do every day. With oversight from our Board of Directors and executive leadership, we strive to continuously and effectively address environmental risks and improve our performance. We follow the Hess Operational Management System (HOMS), which provides us with the framework, guidance and tools to identify, mitigate and manage potential impacts from our operations. We have dedicated resources to support adherence to HOMS, which helps us to comply with environmental laws and regulations and international standards and to uphold our voluntary commitments. We use key metrics to drive and track improvements in our environmental performance. We also support Hess in its collaboration with peers, governments and nongovernmental organizations to help drive environmental performance improvements across our industry.

Spill prevention, air emissions management, water management and environmental compliance, which are among our key sustainability issues, are described in this section. Our approaches to biodiversity and waste management, which are also important topics for Hess Midstream, mirror Hess' and are described on pages 67–69 of the 2022 Hess Sustainability Report.

## SPILL PREVENTION

We follow Hess' operating standards to help us minimize the risk of a release or spill and manage our potential environmental impacts on water and surface ecosystems. We do this by taking a lifecycle approach – from initial project planning through construction, operations, maintenance and decommissioning. We adhere to the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA)'s and the North Dakota Industrial Commission's asset integrity regulations as required. In addition, we often voluntarily extend

these asset integrity regulations to nonjurisdictional equipment.

During project planning and construction, Hess Midstream undertakes localized risk assessments and develops designs based on specific landscape, ecosystem, community and regulatory criteria. We use best practice construction techniques, including location and function specific choices about materials, cathodic protection and corrosion prevention to maximize the integrity of our facilities. When appropriate, we obtain third party assurance reviews during pipeline construction to confirm accurate implementation of standards, plans and other requirements. We perform extensive testing that often exceeds regulatory requirements, including hydrostatic testing and radiography, before operating the pipelines or adjoining facilities.

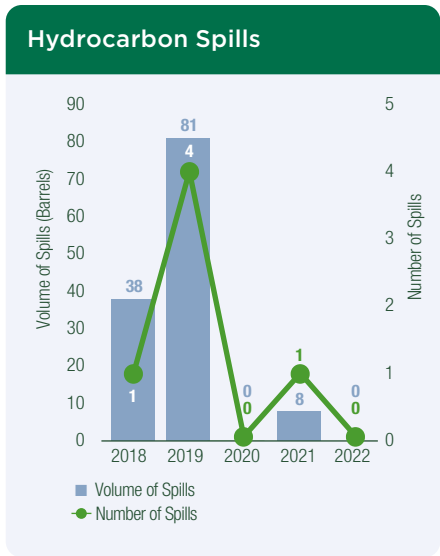
Once operating, we follow a risk based approach for ongoing inspections and preventive maintenance in which we employ remote and in person monitoring, smart pigging, corrosion monitoring and aerial surveillance practices based on the operational and technical conditions

of the pipelines. Hess has extended its cathodic protection program and aerial surveillance practices to include Hess Midstream pipelines that are not under PHMSA jurisdiction.

We perform inline inspections; close interval, soil-to-pipeline gradient cathodic protection surveys; and flyover inspections that go beyond applicable regulations on some pipelines. In 2022, to address releases and spills that result from corrosion and integrity issues, we further refined our inspection and surveillance programs. These refinements included advancing the implementation of enhanced, real time remote monitoring systems for our equipment, including integrity critical equipment, that tracks alignment with applicable operating parameters to help us identify and prioritize maintenance planning and response.

We are continuing a multiyear effort through the American Petroleum Institute's (API) Pipeline Safety Management System group to implement, evaluate and enhance API Recommended Practice 1173, a best practice pipeline safety management system. In 2022, we continued our





quarterly steering committee meetings to drive implementation of API 1173 by bringing together leadership and relevant cross functional teams to identify, review and discuss important integrity related key performance indicators.

In the event a spill or release should occur, we maintain spill preparedness and response plans, and we conduct emergency response exercises and other training. To support a swift and effective response to any loss of primary containment (LOPC) incident, we maintain

strong relationships with mutual aid and emergency response organizations at the local and regional level.

### Key Performance Metrics

We track LOPC events through the Hess incident reporting system by size and material, and we report spills in accordance with applicable industry and regulatory guidance. We also use leading and lagging indicators to monitor our LOPC performance, which is factored into Hess' LOPC performance and included in its annual incentive plan.

In our sustainability reporting, we disclose hydrocarbon spills based on the Energy Infrastructure Council and GPA Midstream Association Environment, Social and Governance Reporting Template, which defines a hydrocarbon release as "a release of liquid materials containing hydrocarbons to the ground or water from facilities and pipelines outside of sized secondary containment that stays onsite or migrates offsite that is greater than five barrels." We use this same threshold to report nonhydrocarbon spills.

In 2022, we had zero hydrocarbon spills and two nonhydrocarbon spills, one of which occurred in July 2022 at an underground pipeline carrying produced water and accounted for 99% of spilled volume. We purchased this pipeline in 2019 as part of an acquisition of a larger collection system after the pipeline's installation, commission and initial operation. In response to this event, Hess' emergency response organization was activated and, in collaboration with the North Dakota Department of Environmental Quality (DEQ), a Unified Command was stood up. We isolated the leak, horizontally and vertically investigated to delineate the impacts and developed DEQ approved remediation strategies, which included engaging relevant stakeholders, repairing the line, disposing of approximately 33,500 tonnes of soil at a Hess audited landfill and remediating the impacted soils. Additional long term remediation activities and monitoring were implemented or are underway where appropriate. A root cause failure

### Using Advanced Technology to Enhance Release Detection

Through the Intelligent Pipeline Integrity Program, Hess and Hess Midstream have collaborated with other oil and gas operators and the state of North Dakota to help advance leak detection. To date, over 140 different technologies have been vetted, resulting in eight completed projects.

In 2022, we progressed implementation of one of these technologies to significantly enhance release and spill detection capabilities at Hess Midstream. This technology, a near daily remote sensing protocol developed by Satelytics, uses geospatial analytics, proven algorithms and unique data collection methodology to identify, locate and measure potential releases, as well as physical risks, in both upstream and midstream infrastructure. Satelytics' approach uses a mix of satellites, drones, stratospheric balloons, airplanes, fixed cameras and onsite hardware to assess specific equipment, overall sites and higher level landscapes for signs of potential releases. They analyze the multispectral imagery that is collected through a combination of automated software and proprietary algorithms and provide alerts to operators when potential issues are detected. This process enables near continuous measurement, early detection and remote investigation of potential issues.

The initial implementation of this technology at Hess Midstream is focused on detecting liquid releases, such as hydrocarbons and produced water. The technology will ultimately be used to detect land movement and erosion, encroachments on right of ways, vegetation management and coarse resolution methane detection.

analysis was also performed that identified external damage to the pipeline consistent with line strikes believed to have occurred during pipeline installation.

In 2022, we recovered approximately 1% of the volume spilled during the initial cleanup, after which we continued remediation efforts until the relevant regulatory agency deemed that no further action was necessary.

## AIR EMISSIONS

The normal operation of fuel combustion and processing equipment, as well as flaring activities, results in air emissions of nitrogen oxides (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>) and volatile organic compounds (VOCs). Fugitive emissions sources, including compressor seals, pneumatic pumps and valves, can also contribute to VOC emissions.

### Key Performance Metrics

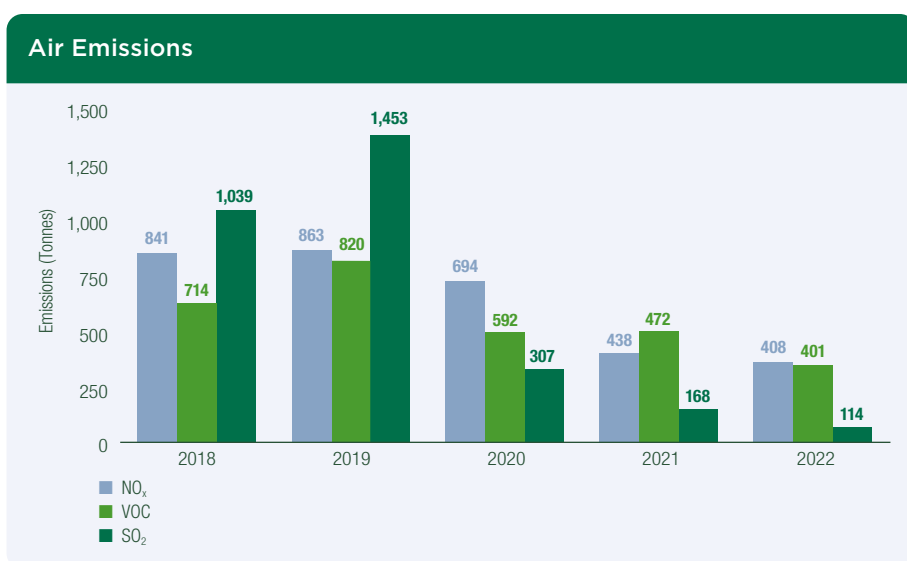
From 2021 to 2022, we observed a 7% decrease in NO<sub>x</sub> emissions, a 32% decrease in SO<sub>2</sub> emissions and a 15% decrease in VOC emissions, which can be attributed to continued efforts to improve our equipment at the Tioga Gas Plant and electrify our compressor stations. Overall, emissions of NO<sub>x</sub>, SO<sub>2</sub> and VOCs have been steadily decreasing from our operations since 2019, as shown in the chart above.

Historical air emissions data have been restated as a result of adding and removing emissions sources to our inventory and updating emissions calculations.

## WATER MANAGEMENT

### Freshwater Use

The communities and ecosystems where we operate depend on water to thrive, and our operations have the potential to impact this resource through our use of fresh water.



Hess Midstream does not operate in a high baseline water stress area based on the water stressed resource analysis conducted in 2022 using the World Resources Institute's Aqueduct tool, and our use of fresh water is limited and primarily associated with hydrostatic testing of pipelines and other facilities and cooling water. However, reducing our freshwater use, as well as supporting Hess' efforts to reduce its own freshwater use, remains important to us. In 2022, for example, Hess Midstream supported a Hess pilot project to reduce its freshwater consumption by 30% through enabling the use of produced water as an alternative water source in its completions activities. We did this by providing the pipeline infrastructure, produced water volumes and operational support.

### Water Quality

Our impacts to water quality are primarily related to potential spills. We have rigorous management practices in place to help prevent and mitigate potential impacts on water quality, including continuously improving our approach to managing produced water.

In addition to our spill prevention program discussed above, the produced water gathering and disposal system that we own and operate helps reduce the risk of spills and improve safety and operational efficiency by enabling us to transition away from moving water by truck. Reducing the use of trucks helps to reduce truck related air emissions and the potential for transport safety incidents.

Our operations are covered by the DEQ's routine review of groundwater quality monitoring wells, which is intended to identify any potential impacts to groundwater. We also maintain a separate groundwater monitoring program for our produced water disposal wells.

## REGULATORY COMPLIANCE AND LEGAL PROCEEDINGS

Hess Midstream did not receive any environmental penalties or fines in 2022. We had four instances of alleged noncompliance: two for stormwater discharge exceedances, one for a missed opacity observation and one for an administrative activity associated with a communication tower's permit renewal.

# Performance Data

This table shows our publicly reported performance data for Hess Midstream. Our U.S. Securities and Exchange Commission (SEC) Form 10-K filing, which can be found at [hessmidstream.gcs-web.com/investors/sec-filings](https://www.hessmidstream.gcs-web.com/investors/sec-filings), provides more detail on our financial and governance information.

	Units	2022	2021	2020	2019	2018
<b>Business Performance and Selected Economic Metrics</b>						
Sales and other operating revenue	\$ Million	1,275	1,204	1,092	848	713
Net income	\$ Million	621	618	485	318	326
Total assets	\$ Million	3,588	3,486	3,375	3,278	2,991
Total liabilities	\$ Million	3,059	2,733	2,049	1,946	1,115
Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) <sup>(1)</sup>	\$ Million	983	909	749	551	505
Debt to adjusted EBITDA	#	3.0	2.9	2.6	3.2	2.0
Capital expenditure	\$ Million	232	183	253	317	271
<b>Activity</b>						
Gross throughput	Thousand BOE	84,429	88,495	110,093	104,779	76,759
Miles of pipeline <sup>(2)</sup>	Miles	2,114	2,065	1,827	1,786	1,688
Number of reportable pipeline incidents	#	1	0	0	0	0
Natural gas pipelines inspected	%	40	0	23	0	0
Hazardous liquid pipelines inspected	%	19	20	16	33	10
<b>Governance<sup>(3)</sup></b>						
Members of the Board of Directors	#	10	10	10	10	–
Independent Board members	%	30	30	30	30	–
Female members of the Board	%	0	0	0	0	–
Minority members of the Board <sup>(4)</sup>	%	10	0	0	0	–
Board members in the below-50 age group	%	20	20	10	10	–
Board members receiving less than 80% votes cast in favor when running unopposed in last five years	#	N/A	N/A	N/A	N/A	–
Percent of the Limited Partnership Board elected by unit holders	%	100% (Sponsors)	100% (Sponsors)	100% (Sponsors)	100% (Sponsors)	–
Corporate officers (Vice President and above) that are female	%	25	25	20	20	–
Corporate officers (Vice President and above) from minority groups <sup>(4)</sup>	%	0	0	0	0	–
<b>Safety Performance<sup>(5)(6)</sup></b>						
Fatalities – workforce (employees + contractors)	#	0	0	0	0	0
Workforce total recordable incident rate	Per 200,000 hours worked	0.28	0.00	0.78	0.13	0.68
Employee total recordable incident rate	Per 200,000 hours worked	0.48	0.00	0.92	0.00	1.12
Contractor total recordable incident rate	Per 200,000 hours worked	0.19	0.00	0.74	0.17	0.54
Employee days away, restricted or transferred	Per 200,000 hours worked	0.48	0.00	0.46	0.00	0.00
Contractor days away, restricted or transferred	Per 200,000 hours worked	0.00	0.00	0.37	0.17	0.18
Workforce lost time incident rate	Per 200,000 hours worked	0.14	0	0.19	0.13	0.14
Employee lost time incident rate	Per 200,000 hours worked	0.48	0.00	0.46	0.00	0.00
Contractor lost time incident rate	Per 200,000 hours worked	0.00	0	0.12	0.17	0.18
Tier 1 process safety events	#	1	2	0	4	0
Tier 2 process safety events	#	7	6	9	4	1

<sup>(1)</sup> Adjusted EBITDA and Debt to adjusted EBITDA are non-GAAP (U.S. Generally Accepted Accounting Principles) measures and should not be considered an alternative to, or more meaningful than, other measures reported in accordance with GAAP. For definitions and reconciliations of Adjusted EBITDA and Debt to adjusted EBITDA to their most directly comparable financial measures calculated and presented in accordance with GAAP, see Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in the 2022 HESS Midstream 10-K report.

<sup>(2)</sup> Total excludes produced water pipelines, which are detailed on page 1.

<sup>(3)</sup> Due to restructuring of our Board of Directors in 2019, governance data requested by EIC/GPA is only available from 2019 to 2022. See page 5 of our 2021 SEC Form 10-K for further detail.

<sup>(4)</sup> Minority status is as defined by the U.S. Equal Employment Opportunity Commission.

<sup>(5)</sup> The rates for incidents and illness do not account for COVID-19 cases that were determined to be work related on the basis that an alternative explanation for how an employee contracted the disease could not be identified. Although not included in our rates, these cases are recorded in Hess' OSHA Injury and Illness logs, where applicable.

<sup>(6)</sup> Although Hess Midstream does not have any direct employees, we are able to report "employee" safety incident data because incidents involving Hess' employees are attributed to Hess Midstream facilities and locations in Hess' incident reporting system.

	Units	2022	2021	2020	2019	2018
<b>Greenhouse Gas (GHG) Emissions and Flaring<sup>(1)</sup></b>						
Total GHG emissions (Scope 1 and 2) (location based)	Tonnes CO <sub>2</sub> e	691,240	703,792	867,730	930,449	813,711
Scope 1 GHG emissions	Tonnes CO <sub>2</sub> e	404,479	455,332	549,889	632,000	566,526
Carbon dioxide	Tonnes CO <sub>2</sub> e	359,092	403,985	492,184	570,392	504,290
Methane	Tonnes CO <sub>2</sub> e	45,934	51,690	58,232	63,018	62,424
Scope 2 GHG emissions (location based)	Tonnes CO <sub>2</sub> e	286,761	248,460	317,841	298,448	247,185
Scope 2 GHG emissions (market based)	Tonnes CO <sub>2</sub> e	0	986	76,533	84,899	218,610
Total GHG emissions (Scope 1 and 2) (market based)	Tonnes CO <sub>2</sub> e	404,479	456,318	626,422	716,899	785,136
GHG emissions intensity (market based)	Kg CO <sub>2</sub> e/BOE	4.8	5.2	5.7	6.8	10.2
Scope 1 methane emissions intensity from gathering and boosting <sup>(2)</sup>	%	0.13	0.09	0.09	0.13	0.20
Scope 1 methane emissions intensity from processing <sup>(2)</sup>	%	0.07	0.11	0.03	0.05	0.04
Flaring	Thousand SCF	1,447,231	2,078,598	3,182,985	4,259,501	2,938,695
Flaring intensity	SCF/BOE	17	23	29	41	38
<b>Energy Use</b>						
Operated direct energy use	Thousand GJ	4,405	4,325	4,787	4,984	5,192
Operated indirect energy use (gross)	Thousand GJ	5,818	5,125	5,846	4,862	4,032
Net purchased electricity by primary energy source	Thousand MWh	630	555	633	527	437
Renewable energy certificates <sup>(3)</sup>	Thousand MWh	630	552	481	377	50
Percent of electricity used that is renewable energy	%	100	100	76	72	12
<b>Environment</b>						
Hydrocarbon spills – number <sup>(4)</sup>	#	0	1	0	4	1
Hydrocarbon spills – volume <sup>(4)</sup>	Barrels	0	8	0	81	38
Nonhydrocarbon spills – number <sup>(4)</sup>	#	2	0	1	3	2
Nonhydrocarbon spills – volume <sup>(4)</sup>	Barrels	34,385	0	29	182	12
Hydrocarbon liquid releases intensity per mile of pipeline <sup>(4)</sup>	Barrels/Mile	0.000	0.004	0.000	0.046	0.023
Nitrogen oxides emissions	Tonnes	408	438	694	863	841
Sulfur dioxide emissions	Tonnes	114	168	307	1,453	1,039
Volatile organic compounds emissions	Tonnes	401	472	592	820	714
Environmental fines and penalties – operated	\$	0	302,000	0	0	9,000

<sup>(1)</sup> All GHG emissions and flaring values are reported on an operated basis.

<sup>(2)</sup> Based on ONE Future methodology.

<sup>(3)</sup> Denotes the number of renewable energy certificates purchased annually by Hess to offset Hess Midstream's purchased electricity.

<sup>(4)</sup> Includes releases that are both beyond secondary containment and greater than five barrels.



Gas Processing Operations | North Dakota

# Independent Limited Assurance Report to Hess Midstream

ERM Certification & Verification Services Inc. (ERM CVS) was engaged by Hess Corporation (Hess) to provide limited assurance on Hess Midstream LP's (Hess Midstream) Performance Data for 2022 disclosed in Hess Midstream's 2022 Sustainability Report (the 2022 Report) as set out below.

Engagement summary	
<b>Scope of our assurance engagement</b>	Whether the Performance Data for 2022 disclosed on pages 28–29 of the 2022 Report are fairly presented, in all material respects, in accordance with the reporting criteria.
<b>Reporting period</b>	January 1 – December 31, 2022
<b>Reporting criteria</b>	<ul style="list-style-type: none"> <li>• <b>Safety performance:</b> U.S. Department of Labor Occupational Safety and Health Administration</li> <li>• <b>GHG emissions:</b> World Resources Institute/World Business Council for Sustainable Development GHG Protocol Corporate Accounting and Reporting Standard; Ipieca's Petroleum Industry Guidelines for reporting GHG emissions (2nd edition, 2011); U.S. Environmental Protection Agency Mandatory Greenhouse Gas Reporting Rule</li> <li>• Energy Infrastructure Council and GPA Midstream Association ESG Reporting Template version 2.0</li> <li>• Hess' internal criteria and definitions</li> </ul>
<b>Assurance standard and level of assurance</b>	We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Standards Board. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
<b>Respective responsibilities</b>	Hess is responsible for preparing the Performance Data in the 2022 Report, and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the 2022 Report. ERM CVS' responsibility is to provide conclusions to Hess on the agreed scope based on our engagement terms with Hess, the assurance activities performed and exercising our professional judgement. We accept no responsibility, and deny any liability, to any party other than Hess for the conclusions we have reached.

## Our conclusion

Based on our activities, nothing has come to our attention to indicate that the Performance Data for 2022 disclosed on pages 28–29 of the 2022 Report are not fairly presented, in all material respects, in accordance with the reporting criteria.

## Our assurance activities

We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance opinion and conclusion. A multidisciplinary team of sustainability and assurance specialists performed the following activities:

- Interviews with relevant Hess staff to understand and evaluate the data management systems and processes (including IT systems and internal review procedures) used for collecting and reporting the Performance Data.
- An analytical review of the 2022 data from all Hess Midstream assets and a check on the completeness and accuracy of the data consolidation at the Hess Midstream corporate level.
- A review of samples of documentary evidence, including internal and external documents, relating to the Performance Data for the 2022 reporting period.
- A review of the restatement of selected Safety, Greenhouse Gas and Flaring, Energy Use and Environment Performance Data for the 2018-2021 reporting periods.
- A review of the presentation of the Performance Data for 2022 in the 2022 Report, to ensure consistency with our findings.

## The limitations of our engagement

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

For the Business Performance and Selected Economic Metrics data for 2022, our work was limited to assessing the alignment of the data with the data in Hess Midstream's audited financial statements, as included in its Form 10-K, for those reporting periods. We have not independently verified these data.

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

Our assurance work was conducted using a combination of desk-based reviews of information and data, and virtual interviews and meetings with the Hess corporate reporting team and subject matter experts. We did not undertake any in-person visits to Hess Midstream operations.

## Our independence, integrity and quality control

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

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

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Hess in any respect.

*Beth C. B. Wyke*

Beth Wyke | Partner, Head of Corporate Assurance Services | Malvern, PA  
November 29, 2023

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## SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

This report contains “forward-looking statements” within the meaning of U.S. federal securities laws. Words such as “anticipate,” “estimate,” “expect,” “forecast,” “guidance,” “could,” “may,” “should,” “would,” “believe,” “intend,” “project,” “plan,” “predict,” “will,” “target” and similar expressions identify forward-looking statements, which are not historical in nature. Our forward-looking statements may include, without limitation: our future financial and operational results; our business strategy; our industry; our expected revenues; our future profitability; our maintenance or expansion projects and the expected timing, completion and benefits of our projects; our projected budget and capital expenditures and the impact of such expenditures on our performance; future economic and market conditions in the oil and gas industry; and information about sustainability goals and targets and planned social, safety and environmental policies, programs and initiatives.

Forward-looking statements are based on our current understanding, assessments, estimates and projections of relevant factors and reasonable assumptions about the future. Forward-looking statements are subject to certain known and unknown risks and uncertainties that could cause actual results to differ materially from our historical experience and our current projections or expectations of future results expressed or implied by these forward-looking statements. The following important factors could cause actual results to differ materially from those in our forward-looking statements: the ability of Hess and other parties to satisfy their obligations to us, including Hess’ ability to meet its drilling and development plans on a timely basis or at all, its ability to deliver its nominated volumes to us, and the operation of joint ventures that we may not control; our ability to generate sufficient cash flow to pay current and expected levels of distributions; reductions in the volumes of crude oil, natural gas, natural gas liquids (NGLs) and produced water we gather, process, terminal or store; the actual volumes we gather, process, terminal and store for Hess in excess of our minimum volume commitments and relative to Hess’ nominations; fluctuations in the prices and demand for crude oil, natural gas and NGLs; changes in global economic conditions and the effects of a global economic downturn or inflation on our business and the business of our suppliers, customers, business partners and lenders; the direct and indirect effects of an epidemic or outbreak of an infectious disease, such as COVID-19 and its variants, on our business

and those of our business partners, suppliers and customers, including Hess; our ability to comply with government regulations or make capital expenditures required to maintain compliance, including our ability to obtain or maintain permits necessary for capital projects in a timely manner, if at all, or the revocation or modification of existing permits; our ability to successfully identify, evaluate and timely execute our capital projects, investment opportunities and growth strategies, whether through organic growth or acquisitions; costs or liabilities associated with federal, state and local laws, regulations and governmental actions applicable to our business, including legislation and regulatory initiatives relating to environmental protection and health and safety, such as spills, releases, pipeline integrity and measures to limit greenhouse gas emissions and climate change; our ability to comply with the terms of our credit facility, indebtedness and other financing arrangements, which, if accelerated, we may not be able to repay; reduced demand for our midstream services, including the impact of weather or the availability of the competing third-party midstream gathering, processing and transportation operations; potential disruption or interruption of our business due to catastrophic events, such as accidents, severe weather events, labor disputes, information technology failures, constraints or disruptions, and cyber-attacks; any limitations on our ability to access debt or capital markets on terms that we deem acceptable, including as a result of weakness in the oil and gas industry or negative outcomes within commodity and financial markets; liability resulting from litigation; risks and uncertainties associated with Hess’ proposed merger with Chevron Corporation; and other factors described in Item 1A — Risk Factors in our Annual Report on Form 10-K, as well as any additional risks described in our other filings with the Securities and Exchange Commission.

As and when made, we believe that our forward-looking statements are reasonable. However, given these risks and uncertainties, caution should be taken not to place undue reliance on any such forward-looking statements, since such statements speak only as of the date when made, there can be no assurance that such forward-looking statements will occur, and actual results may differ materially from those contained in any forward-looking statement we make. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events or otherwise.

