



# Commitment to Sustainability

SUSTAINABILITY  
REPORT

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# Letter to Stakeholders

## DEAR STAKEHOLDER,

**EOG Resources has emerged from the downturn a stronger company led by the resilience of our employees. Like much of the global economy, our industry and communities were faced with ongoing challenges stemming from the COVID-19 pandemic throughout 2021. EOG employees remained motivated, engaged, and focused on applying innovative solutions and new technologies to further lower our cost structure and improve our environmental performance.**

Our high-return multi-basin inventory, low-cost operations, peer-leading technology, pristine balance sheet, commitment to sustainability, and a culture strengthened by the challenges we have overcome together, puts EOG in its strongest position ever to deliver low-cost, reliable, and cleaner energy while generating significant value to shareholders.

To meet growing energy demand, long-term energy solutions will require a worldwide portfolio of diverse energy sources including supplies of low cost, lower emissions oil and natural gas production. The challenge for the industry is to lower our environmental footprint while producing energy that is affordable and reliable. We believe that

affordable, reliable energy and lower carbon energy aren't mutually exclusive. Companies that invest in innovative solutions to meet the world's energy needs will be part of the long-term sustainable energy solution. At EOG, we are focused on being among the lowest cost, highest return, and lowest emissions producers of oil and natural gas playing a significant role in the long-term future of energy.

Operationally, we have never been more efficient. Financially, we delivered record net income, free cash flow, and cash return to shareholders last year. We also made significant progress on our environmental and safety performance:

- **WE ACHIEVED**  
our near-term 2025 methane emissions percentage target of 0.06% last year — a 50% reduction from 2019.
- **WE CAPTURED**  
99.8% of natural gas produced at the wellhead, meeting our 2021 gas capture target.
- **WE IMPROVED**  
our safety performance with lower total recordable and lost time incident rates.
- **WE REDUCED**  
our freshwater intensity rate by 55% since 2020.

I am particularly proud of our employees' efforts to reduce methane emissions. It was through their dedication and focus that we achieved our 2025 methane emissions percentage target last year.



I am particularly proud of our employees' efforts to reduce methane emissions. It was through their dedication and focus that we achieved our 2025 methane emissions percentage target last year. However, we aren't done. We are currently deploying a continuous methane monitoring solution named iSense<sup>SM</sup>. iSense is featured in one of this year's In-Focus articles and represents just one example of how EOG's unique culture drives innovation.

The In-Focus article titled *Decentralized Structure Fosters Innovation*, provides a "behind the scenes" look at one aspect of our culture that leads to solutions like iSense. EOG's decentralized model not only fosters innovation within eight operating area-teams, it also compounds the impact of innovation by taking ideas originating in one operating area and expanding them across multiple basins. From the latest in information technology-driven solutions to reduce emissions to innovation focused on drilling and completions operations to procurement of casing and sand, EOG is unique in its ability to leverage its culture and operating structure to get incrementally better every year.

Another important element of EOG's culture is communicating openly and transparently, which is reflected in the enhanced disclosures in several sections this year:

- **Safety**  
added detail on our efforts regarding safe driving, hazard identification and mitigation, and contractor safety assessments.
- **Biodiversity, Surface Impact Minimization, and Seismicity**  
included specific descriptions of efforts unique to our operating areas.
- **Stakeholder Engagement Approach**  
identified the strategies and tools we use to facilitate engagement throughout the year.
- **Executive Compensation**  
established a separately weighted ESG performance factor tied to executive compensation in 2020, we increased the percentage to 7.5% last year and have increased it once again in 2022 to 10%.
- **Environment Metrics**  
added disclosures for Other Air Emissions (SO<sub>2</sub>, NO<sub>x</sub>, and VOCs) and Number of Oil Spills to the Data Tear Sheet (See [page 6](#) for the disclosures.).

We believe the world will continue to demand affordable, reliable, and cleaner energy in the years ahead and that oil and natural gas will remain an essential source of long-term global energy supply to meet that demand. EOG has the asset quality, size, scale, and environmental footprint to compete globally on oil and natural gas cost of supply while producing barrels with a lower environmental footprint. We are driven to be a premier provider and a long-term global oil and natural gas exploration and production leader.

Sincerely,



**Ezra Y. Yacob**  
Chairman of the Board and  
Chief Executive Officer  
October 2022

# About EOG

EOG Resources, headquartered in Houston, Texas, is one of the largest crude oil and natural gas exploration and production companies in the United States.

EOG's business and operational strategy focuses on creating long-term shareholder value by controlling operating and capital costs and maximizing reserve recoveries. Maintaining the lowest possible operating cost structure, coupled with efficient and safe operations and robust environmental stewardship practices and performance, is integral in the implementation of EOG's strategy.

We use advanced technologies, such as 3D seismic, core analysis, and microseismic, to develop proprietary petro-physical models. These models inform our execution of precision horizontal targeting and customized advanced completions.

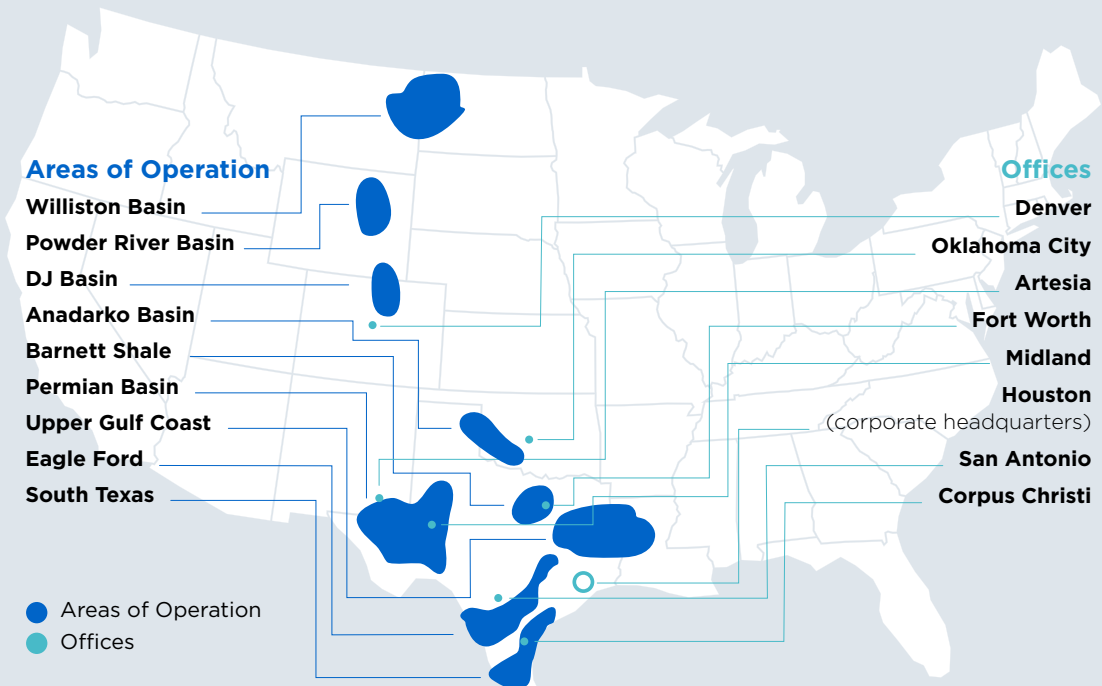
In order to find and develop low-cost reserves, EOG emphasizes exploration and drilling of internally generated prospects. This strategy is intended to consistently deliver cost-effective crude oil and natural gas production that maximizes the generation of cash flow and earnings from each unit of production, allowing the company to deliver long-

term growth in shareholder value while maintaining a strong balance sheet.

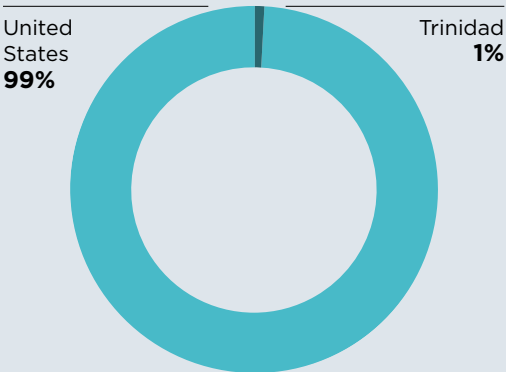
As of December 31, 2021, EOG's total estimated net proved reserves were 3,747 MMBoe and were located in the United States and Trinidad, with approximately 99% of our year-end net proved reserves located in the United States.\* Such U.S. reserves comprised 42% crude oil and condensate, 22% natural gas liquids, and 36% natural gas.

\* In May 2021, EOG completed the sale of all of our interest in EOG Resources China Limited. EOG no longer has any operations or assets in China.

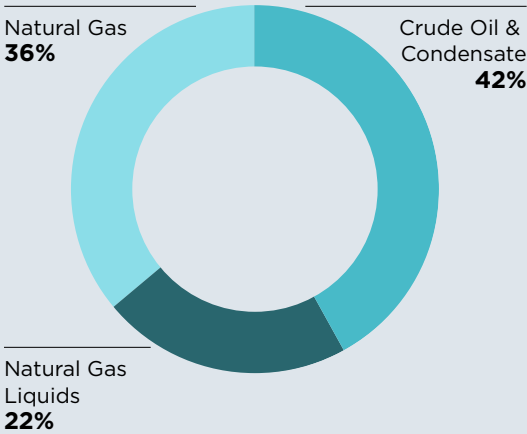
U.S. Operations  
as of December 31, 2021



Estimated Net Proved Reserves  
as of December 31, 2021



U.S. Net Proved Reserves by Type  
as of December 31, 2021



# About This Report

Our 2021 Sustainability Report presents our environmental, social, and governance (ESG) performance. We report on our 2021 activities and accomplishments, progress toward near-term emissions targets, and areas where we are focused moving forward.

This report reflects our ongoing commitment to enhancing our ESG-related disclosures and transparency. Subjects featured highlight EOG’s decentralized structure and focus on enabling innovation.

We cover issues and topics that we believe are of interest to our stakeholders. However, identification of an item for inclusion in this report is not meant to correspond with the concept of materiality associated with disclosures required by the U.S. Securities and Exchange Commission (SEC). Information about issues deemed material to our investors as defined by regulatory requirements may be found in our SEC filings.

In developing the contents of this report, we were informed by an in-depth analysis of topics of interest to our stakeholders, topics being considered by ESG rating agencies and surveys, and peer reporting and benchmarking.

The report is also informed by common voluntary reporting frameworks, including the disclosure framework of the Sustainability Accounting Standards Board (SASB) and the recommended disclosure elements from the Financial Stability Board’s Task Force on Climate-related Financial Disclosures (TCFD).

➦ Refer to the [SASB and TCFD Indexes](#) starting on [page 70](#) in the Appendix to see how we map the contents of this report to SASB and TCFD disclosure topics.

To support more comparability in reporting across independent oil and natural gas exploration and production companies in the United States, we are also including metrics based on the American Exploration and Production Council’s ESG metrics framework.

➦ Refer to [American Exploration and Production Council — ESG Metrics on page 73](#) in the Appendix for more information.

## SCOPE

Unless otherwise stated, the topics and information covered in this report apply to our U.S. operations for the year ended December 31, 2021, and do not include our international operations. International operations represented 1% of our total net proved reserves as of December 31, 2021, and less than 5% of our total production in 2021.

### REVIEW AND VERIFICATION

The data included in this report was subject to internal review and verification. The 2021 greenhouse gas (GHG) emissions and energy use data presented in this report was also subject to independent third-party verification and assurance and was verified at a reasonable level of assurance.

➦ Refer to [Internal and Third-Party Verification and Assurance on page 75](#) in the Appendix for more information.

STAKEHOLDER ENGAGEMENT

EOG interacts with a variety of stakeholders who are interested in different aspects of our business, including our financial performance; human capital management practices; health, safety, and environmental performance and management; public policy positions; and community investment and engagement. We consider stakeholder interests when developing our approach to ESG matters and the content in this report. The accompanying table is an overview of stakeholders with whom we engage regularly and examples of strategies and tools we typically use to facilitate engagement.

EOG Stakeholders	
Communities	<ul style="list-style-type: none"><li>Local outreach and partnerships</li><li>Grievance and resolution mechanisms</li><li>Philanthropy — community investment and volunteerism</li><li>Work with local first responders in preparedness planning</li></ul>
Contractors	<ul style="list-style-type: none"><li>Onboarding and assessments</li><li>Training on safety and environmental topics</li><li>Grievance and resolution mechanisms</li></ul>
Employees	<ul style="list-style-type: none"><li>Talent acquisition and training</li><li>Technical conferences and periodic reviews with senior executives</li><li>Cross-functional working groups</li><li>Meetings and training on safety and environmental topics</li><li>Health and wellness programs and wellness ambassadors</li><li>Grievance and resolution mechanisms</li><li>Internal electronic newsletters</li></ul>
Investors	<ul style="list-style-type: none"><li>Individual investor discussions and correspondence</li><li>Earnings calls</li><li>SEC filings</li><li>Annual sustainability report</li><li>Annual shareholders meeting</li><li>Investor conferences</li></ul>
Land and Mineral Owners	<ul style="list-style-type: none"><li>Local outreach and engagement</li><li>Dedicated section on EOG website</li><li>Grievance and resolution mechanisms</li></ul>
Nongovernmental Organizations	<ul style="list-style-type: none"><li>Education and information exchanges</li><li>Annual sustainability report</li></ul>
Regulators and Legislators	<ul style="list-style-type: none"><li>Education and information exchanges</li><li>Regulatory compliance and audits</li><li>Permit reviews</li><li>Hearings</li></ul>

# Data Tear Sheet<sup>1,2</sup>

	Units	2021	2020	2019
OPERATIONS				
Total Gross Operated Production (U.S.)	MMBoe	356	328	361
Total Gross Operated Natural Gas Production (U.S.)	Bcf	812	721	764
Workforce Hours Worked	Millions	31	30	44
Gross Completed Wells	#	563	615	878

	Units	2021	2020	2019
ENVIRONMENT				
GHG Emissions <sup>2</sup>				
GHG Emissions				
Scope 1 Greenhouse Gas Emissions	Million metric tons CO <sub>2</sub> e	5.0	4.5	5.4
Scope 2 Greenhouse Gas Emissions	Million metric tons CO <sub>2</sub> e	0.4	0.4	
Scope 1 GHG Emissions by Constituent Gas				
Carbon Dioxide (CO <sub>2</sub> )	Million metric tons CO <sub>2</sub> e	4.7	4.2	5.0
Methane (CH <sub>4</sub> )	Million metric tons CO <sub>2</sub> e	0.2	0.3	0.4
Nitrous Oxide (N <sub>2</sub> O)	Million metric tons CO <sub>2</sub> e	0.003	0.003	0.004
Scope 1 GHG Emissions by Source				
Combustion	Million metric tons CO <sub>2</sub> e	4.1	3.6	4.0
Flaring	Million metric tons CO <sub>2</sub> e	0.6	0.5	1.0
Pneumatics	Million metric tons CO <sub>2</sub> e	0.05	0.1	0.2
Other Sources	Million metric tons CO <sub>2</sub> e	0.3	0.2	0.2

	Units	2021	2020	2019
Scope 1 GHG Intensity				
GHG Intensity Rate	Metric tons CO <sub>2</sub> e/Mboe	14.0	13.6	15.0
GHG Intensity Rate by Source				
Combustion	Metric tons CO <sub>2</sub> e/Mboe	11.5	11.1	11.0
Flaring	Metric tons CO <sub>2</sub> e/Mboe	1.6	1.6	2.8
Pneumatics	Metric tons CO <sub>2</sub> e/Mboe	0.1	0.2	0.5
Other Sources	Metric tons CO <sub>2</sub> e/Mboe	0.8	0.7	0.7
Methane Intensity				
Methane Intensity Rate	Metric tons CO <sub>2</sub> e/Mboe	0.7	0.8	1.2
Methane Emissions Percentage (of natural gas production only)	%	0.06	0.08	0.12
Wellhead Gas Capture				
Wellhead Gas Capture Rate	%	99.8	99.6	98.8
Energy Use				
Electricity Usage	Thousand MWh	721	644	
Other Air Emissions				
Sulfur Dioxide (SO <sub>2</sub> )	Metric tons	160		
Nitrogen Oxides (NOx)	Metric tons	9,700		
Volatile Organic Compounds (VOCs)	Metric tons	8,400		
Water Management				
Total Water Used (MMBbls)	MMBbls	196	185	268
Reuse	MMBbls	107	84	91
Percent Sourced From Reuse	%	55	46	34
Nonfresh Water	MMBbls	71	65	111



	Units	2021	2020	2019
Percent Sourced From Nonfresh Water	%	36	35	41
Fresh Water	MMBbls	18	36	67
Percent Sourced From Fresh Water	%	9	19	25
Total Water Intensity Rate	Bbls/boe	0.55	0.56	0.74
Reuse Intensity Rate	Bbls/boe	0.30	0.26	0.25
Nonfreshwater Intensity Rate	Bbls/boe	0.20	0.20	0.31
Freshwater Intensity Rate	Bbls/boe	0.05	0.11	0.18
Spills				
Spills Over Five Barrels				
Oil Spill Volume	Bbls	3,587	2,081	3,151
Recovered	Bbls	2,352	1,379	2,374
Oil Spill Rate	Bbls/Mboe	0.010	0.006	0.009
Recovered	Bbls/Mboe	0.007	0.004	0.007
Spills Over One Barrel				
Oil Spill Volume	Bbls	4,109	2,514	
Recovered	Bbls	2,627	1,612	
Oil Spill Rate	Bbls/Mboe	0.012	0.008	
Recovered	Bbls/Mboe	0.007	0.005	
Produced Water Spill Volume	Bbls	25,304	14,526	
Recovered	Bbls	17,558	8,961	
Number of Oil Spills	#	263		

	Units	2021	2020	2019
SOCIAL				
Our People				
Employees (as of December 31)	#	2,697	2,776	2,801
Employee Voluntary Turnover <sup>3</sup>	%	3.8	1.5	3.3
Employee Representation				
Executive- and Senior-Level Managers <sup>4</sup>				
Female	%	21.6	17.6	8.8
Minority <sup>4,5</sup>	%	10.8	11.8	11.8
Black or African American	%	0.0	2.9	2.9
Asian	%	5.4	5.9	5.9
Other	%	5.4	2.9	2.9
First- and Mid-Level Managers <sup>4</sup>				
Female	%	17.6	16.4	18.3
Minority <sup>4,5</sup>	%	20.2	18.8	17.5
Hispanic or Latino	%	11.7	10.3	9.3
Black or African American	%	1.9	1.8	1.9
Asian	%	5.0	5.2	4.6
Other	%	1.7	1.5	1.6
Professionals <sup>4</sup>				
Female	%	35.1	36.6	36.0
Minority <sup>4,5</sup>	%	31.0	28.8	28.3
Hispanic or Latino	%	13.7	12.4	12.0
Black or African American	%	3.1	2.9	2.9
Asian	%	11.3	10.8	10.8
Other	%	3.0	2.9	2.7

	Units	2021	2020	2019
<b>All Other</b>				
Female	%	30.5	32.9	31.4
Minority <sup>4,5</sup>	%	28.4	27.7	26.5
Hispanic or Latino	%	22.4	21.4	20.8
Black or African American	%	2.2	2.3	2.1
Asian	%	0.7	1.1	0.7
Other	%	3.1	3.0	2.9
<b>Total</b>				
Female	%	29.1	30.3	30.0
Minority <sup>4,5</sup>	%	27.2	25.9	25.0
Hispanic or Latino	%	16.2	15.1	14.7
Black or African American	%	2.4	2.4	2.4
Asian	%	5.9	5.8	5.4
Other	%	2.7	2.6	2.5
<b>Safety</b>				
<b>Total Recordable Incident Rate (TRIR)</b>				
Employee	Incidents per 200,000 work hours	0.37	0.56	0.20
Contractor	Incidents per 200,000 work hours	0.41	0.42	0.67

	Units	2021	2020	2019
Workforce	Incidents per 200,000 work hours	0.40	0.45	0.61
<b>Lost Time Incident Rate (LTIR)</b>				
Employee	Incidents per 200,000 work hours	0.03	0.13	0.10
Contractor	Incidents per 200,000 work hours	0.13	0.13	0.21
Workforce	Incidents per 200,000 work hours	0.11	0.13	0.19
<b>Work-Related Fatalities</b>				
Employee	#	0	0	0
Contractor	#	0	1	0
<b>UNITS OF MEASURE</b>				
Bbls	barrels			
Bcf	billion cubic feet of natural gas			
Boe	barrels of oil equivalent			
MBoe	thousand barrels of oil equivalent			
MMBbls	million barrels			
MMBoe	million barrels of oil equivalent			
MWh	megawatt hour			

<sup>1</sup> U.S. operations.

<sup>2</sup> The metrics in this table and elsewhere in this report have been calculated using the best available information at the time of preparation of this report. The data utilized in calculating such metrics is subject to certain reporting rules, regulatory reviews, definitions, calculation methodologies, adjustments, and other factors. As a result, these metrics are subject to change if updated data or other information becomes available. Accordingly, certain metrics in this table and elsewhere in this report in respect to prior years may be revised from previous sustainability reports to reflect updated data and other information. Any updates to the metrics in this table, prior to our next sustainability report, will be set forth in the data tear sheet posted to the “Sustainability” section of the EOG website. Further, certain total amounts in this table and presented elsewhere in this report may not equal the sum of their components due to rounding.

<sup>3</sup> Does not include voluntary retirement rates of 1.1%, 0.9%, and 1.6% for 2021, 2020, and 2019, respectively.

<sup>4</sup> As defined by the U.S. Equal Employment Opportunity Commission (EEOC).

<sup>5</sup> Based on employee self-identification. The “Other” category includes American Indian/Alaska Native, Native Hawaiian or other Pacific Islander, and two or more races.

# Environment

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33	Spill Prevention and Management	→
35	Biodiversity and Land Stewardship	→
38	Seismicity	→

## 2021 HIGHLIGHTS

### NEAR-TERM EMISSIONS TARGETS

**13.5**

GHG intensity rate by 2025

**0.06**

methane emissions percentage by 2025

**ZERO**

routine flaring by 2025

**99.8%**

wellhead gas capture rate in 2022

### NET ZERO AMBITION

**NET ZERO**

Scope 1 and Scope 2 GHG emissions by 2040

EOG is focused on playing a significant role in the long-term future of energy by being among the lowest-cost, highest-return, and lowest-emissions producers of oil and natural gas.

### EMISSIONS PERFORMANCE

**50% REDUCTION**

in methane emissions percentage since 2019

**72% REDUCTION**

in reported emissions for pneumatics since 2019

### REDUCING FRESHWATER USE

We thoughtfully manage water across the life cycle of our operations with a focus on reducing use of fresh water and protecting water quality.

**91%**

of water sourced from reuse or nonfreshwater sources

### PROTECTING BIODIVERSITY AND MINIMIZING SURFACE IMPACTS

We seek to protect biodiversity throughout the life cycle of our operations, including integration of habitat and wildlife conservation into the planning, management, and restoration of our exploration and production activities.

# Our Environmental Practices

**EOG’s approach to environmental stewardship is based on the same decentralized structure, operational and technological focus, and innovative culture that drives our leadership in the exploration and development of unconventional oil and natural gas plays. Supported by companywide management systems and executive oversight, this approach empowers innovation, ownership, and operating-area-specific practices while maintaining our high standards of environmental performance.**

Few unconventional oil and natural gas plays are alike. Each is unique and therefore requires tailored techniques and technology to develop. EOG’s decentralized structure fosters play-specific solutions to optimally develop and maximize both the value of any given asset and our ability to understand, protect, and conserve the unique environmental resources of the local area.

Our people are focused on innovation to minimize our environmental footprint, improve the energy efficiency of our field operations, and reduce emissions. Within each of our operating areas, we continually test technologies that are most suitable for the location’s unique geology and surface area environment. Many are shareable and adaptable across our operations.

We also work with community, government, and other industry stakeholders in each operating area to tailor our environmental practices to address localized factors.

## APPROACH TO ENVIRONMENTAL MANAGEMENT

At EOG, we are guided by our Safety & Environmental Policy, which commits to safeguarding people and the environment by making performance the responsibility of every EOG employee and contractor. Key elements of our policy include:



### Compliance

Our policy is to comply with all applicable environmental laws and regulations and to apply responsible standards where such laws or regulations do not exist.



### Continuous Improvement

We strive to continuously drive environmental performance improvement through setting goals, training, monitoring progress, and utilizing data-driven decision-making and adaptive management.



### Environmental Protection

We are committed to reducing the impact of our operations on the environment.



### Planning

We make environmental matters an integral part of our business planning, training, development, and decision-making.



### Transparency

We seek to make consistent, informed decisions by promoting knowledge sharing, data stewardship, and collaboration within the organization, and with stakeholders.



### Engagement

We engage with regulators, industry groups, and others to facilitate the development of sound, effective laws and regulations, policies, and procedures to protect the environment, employees, contractors, and communities and to raise the standards of our industry.



### Communication

We communicate openly with our customers, employees, contractors, communities, appropriate officials, public interest groups, shareholders, and other stakeholders regarding significant environmental matters.

OUR COMMITMENT TO PROTECTING THE ENVIRONMENT

Our commitment to environmental stewardship is evidenced throughout our exploration and development operations — from our initial exploration efforts through the life of a well’s production to reclamation, restoration, and decommissioning.

The following practices — many of which are described in more detail throughout this section — are just a few of the efforts EOG undertakes.



Drilling & Completions

- Reducing drilling days and associated emissions footprint
- Limiting disposal of drilling fluids through reuse and recycling
- Using reduced emissions completions systems
- Minimizing the use of chemical additives
- Minimizing freshwater usage

Infrastructure & Facilities

- Installing oil, natural gas, and water pipeline infrastructure to reduce truck traffic and emissions
- Limiting our overall surface footprint with multi-well pads and centralized production and compression facilities
- Designing and implementing enhanced spill containment and mitigation controls
- Real-time, remote facility monitoring using Supervisory Control and Data Acquisition (SCADA) systems

Production

- Recycling produced water for reuse in operations
- Minimizing and eliminating emissions, including through our:
  - Flaring reduction initiatives
  - Efforts to reduce emissions from pneumatic controllers and pumps
  - Leak detection and repair (LDAR) program

Decommissioning, Restoration, and Reclamation

- Following industry practices for plugging and abandoning wells and surface reclamation and restoration
- Revegetating unused acreage during reclamation and restoration of well sites and facilities, using native plants where appropriate
- Partnering with stakeholders to restore land in a manner responsive to the specific interests of local communities and landowners

PLANNING FOR WEATHER EVENTS AND RELATED PHYSICAL RISKS

As part of the evaluation and planning of our operations, EOG considers how to mitigate relevant physical risks from weather changes and extreme weather events such as floods, hurricanes, and intense heat and cold.

We operate a diversified portfolio of assets across multiple regions that have unique environmental and weather-related considerations. Our decentralized structure enables us to apply our localized knowledge, so we are prepared for the weather-related physical risks specific to each of our operating areas. For instance, in areas prone to flooding, we build drainage systems and protective structures to help prevent flooding of our facilities. Across our operating areas, including areas prone to water scarcity, EOG is focused on reducing the use of fresh water. In areas prone to extreme heat, we take measures to protect the health and safety of our employees and contractors, including using cooling trailers.

EOG also operates four control centers, built to manage our operations in our most active areas. In the event of severe weather, EOG can remotely monitor production and infrastructure of an impacted operating area from one of our control centers and, if needed, safely shut down operations in our most active areas.

# Environmental Management Systems

**Our environmental management systems (EMS) are key to integrating our proactive approach to environmental stewardship into our planning, development, and decision-making. Our EMS provide a framework to manage our environmental processes and performance. They also provide transparency and help us identify and manage environmental risks, leverage opportunities, and drive continuous improvement.**



## Management Oversight

Safety and environmental leaders from each of our operating areas review EOG’s performance and oversee the development of strategies to improve our processes. This review system further helps us identify trends to enhance the overall safety and environmental strategy for our organization. (See [page 59](#) for more.)



## Compliance and Performance

We assess environmental compliance and performance under our environmental permits; applicable federal, state, and local safety and environmental rules and regulations; and EOG’s internal policies.



## Performance Goals

Our EMS also support our efforts to set environmental goals, review progress, and track our performance. We set environmental goals on an annual basis, and the data from our EMS allows management to assess performance systematically. EOG’s environmental performance is considered in evaluating employee performance and compensation, including executive compensation.



## Environmental Management Applications

As part of our EMS, we use a combination of internally developed and third-party systems to organize large quantities of data into a database structure so it can be easily analyzed, monitored, and maintained to improve our day-to-day operations. In addition, data in our EMS are used to track regulatory monitoring and reporting schedules, environmental incidents, and process changes that are being implemented.



## Contractor Management

Our contractor onboarding process includes an orientation on EOG’s environmental management and stewardship expectations to help promote sound environmental practices by our contractors.



## Training, Communication, and Engagement

Regular environmental training, communication, and engagement are important to consistent performance. We train employees and contractors on a variety of topics including:

- Environmental stewardship
- Optical gas imaging (OGI) training for EOG’s LDAR program
- Spill prevention control and countermeasure

In 2021, we also published an internal environmental and sustainability newsletter to inform and engage our employees on environmental focus areas, including key messages from leadership, performance metrics, programs, and initiatives.

### Leveraging Information Technology to Drive Transparency and Performance

EOG’s environmental stewardship practices leverage our extensive suite of data and predictive analytics tools. Our Information Systems team has developed over 140 desktop and mobile applications in-house, a number of which help support our EMS and environmental performance, including:

- Real-time data capture, including daily reporting of water reuse, potential leaks, and high-pressure flaring metrics
- Mobile access to data and analysis
- Facility and equipment optimization through automation
- Continuous improvement of facility design

These applications drive transparency throughout the organization by:

- Providing advanced measurement and tracking tools, including real-time operational and financial data for select parameters
- Enhancing our ability to monitor performance and set goals
- Equipping company personnel with information to make better, faster, well-informed decisions

In 2021, we introduced two new emissions management applications, iSense<sup>SM</sup>, our proprietary continuous methane monitoring system (see

*In Focus — iSense Continuous Leak Detection System on page 24*), and iEnergy, which helps EOG improve our data-driven planning and identification of operational GHG emissions reduction opportunities. These new applications expand the portfolio of proprietary information technology applications we use to identify and implement emissions reduction opportunities and to help manage and improve our

#### iEnergy Helps EOG Manage Operational GHG Emissions Performance

To support our emissions reduction efforts, we continue to seek ways to better understand, measure, and manage emissions. In 2021, EOG launched a new data visualization tool to help track, anticipate, and manage our operational GHG emissions performance and support our emissions reduction efforts. The application, which we call iEnergy, provides greater visibility on operational GHG emissions at the facility level for our operations. This data helps us evaluate and monitor emissions performance across our U.S. operating areas on a daily basis and enhances data-driven planning and identification of potential areas for improvement.

Launching iEnergy also helps to drive transparency and informed decision-making throughout the company. For example, operational employees can use this data to identify potential areas for improvement in order to contribute to our emissions reduction efforts.

environmental performance. Other environmental management applications include Trident<sup>SM</sup>, which helps manage our water resources in real time (see *Leveraging Technology to Support Our Approach to Water Management on page 31*), and iDetect<sup>SM</sup>, our automated leak detection software (see *Spill Prevention and Management on page 33*).

As a data-focused company, we believe that increasing the accuracy and transparency of emissions data across the company will help us continue to support our GHG emissions reduction efforts and drive further improvements across our company.





# Climate-Related Risks, Long-Term Strategy, and Scenario Analysis

**Global supply and demand for crude oil and natural gas may be affected by several factors, including the availability of alternative energy sources, consumer demand and behavior, and carbon-related regulations and policy initiatives. Countries across the globe continue to implement policies and actions designed to reduce global GHG emissions as part of the broader framework of the Paris Agreement to limit global warming to well below 2°C compared to preindustrial levels. At the same time, efforts to provide reliable and affordable energy are needed to provide energy security and support economic development and opportunity for a growing global population.**

Forecasts of how to meet global energy demand in the future are wide ranging. The timing and scale of specific climate-related efforts bring unique challenges to predicting the impact on future supply, demand, and commodity prices. However, exposure to commodity prices determined by supply and demand factors outside our control, such as the business cycle, geopolitical conditions, and regulatory changes, is a risk we are long accustomed to managing as an oil and natural gas company.

We believe oil and natural gas will remain an essential source of long-term global energy supply with demand gravitating toward the most efficient producers — the most efficient from a capital perspective and the most efficient from an emissions perspective. EOG is focused on playing a significant role in the long-term

future of energy by being among the lowest-cost, highest-return, and lowest-emissions producers of oil and natural gas. We believe this is the best strategy for a sustainable business model in a commodity business exposed to volatile prices and the risks that drive price volatility, including climate-related risks. To support this strategy, we follow a conservative financial structure and our capital allocation is guided by our “premium well” strategy focused on low-cost, high-return wells. (See [page 16](#) for more.)

Our strategy is also supported by a strong focus on addressing emissions from our operations. Our approach includes adopting practices that minimize and/or eliminate emissions, developing and investing in technologies that reduce both costs and emissions intensity, and setting near- and long-term emissions targets and ambitions. (See [page 18](#) for more.)

We seek to further manage climate-related regulatory, legal, and reputational risks by, among other things, actively managing our portfolio of diverse oil and natural gas assets to provide future investment optionality, actively engaging with our shareholders and other stakeholders on climate-related matters, and evaluating the resilience of our portfolio to climate-related scenarios. We also monitor and assess any climate-change-related developments that could impact EOG and the oil and natural gas industry to determine the impact on our business and operations, and take actions where appropriate.

Our Board retains primary responsibility for risk oversight, including climate-related risks. To assist the Board in carrying out its oversight responsibilities, members of our senior management discuss climate change and environment-related matters with our Board throughout the year. Senior management also reviews with the Board our environmental performance as well as trends and industry comparisons at least annually. (See [Board Risk Oversight of ESG Matters](#) on [page 59](#) for more information on risk management.)

See [page 17](#) for a description of our long-term premium well strategy and the climate scenario analysis undertaken to evaluate the potential future implications for oil and natural gas supply and demand, as related to the long-term resilience of our portfolio against various climate-related conditions and policy changes through 2040.



MANAGEMENT OF CLIMATE-RELATED RISKS

The table below sets out certain aspects of our operations and other activities that support our management of climate-related risks.

Governance Framework	Management Approach	Ambition, Targets, and Performance
<ul style="list-style-type: none"><li>Nominating, Governance and Sustainability Committee has primary responsibility for oversight and guidance with respect to ESG-related matters.</li><li>Executive and employee compensation are linked to ESG performance, including intensity reductions for GHG, methane, and flaring.</li><li>Executives review analyses of climate-related strategies and opportunities and guide related goals and ambitions.</li></ul>	<ul style="list-style-type: none"><li>Follow a low-cost, high-returns premium well strategy.</li><li>Monitor and assess climate-related developments that could impact EOG and the oil and gas industry to determine the impact on our business and operations and take actions where appropriate.</li><li>Sustainable Power Group (SPG) to identify and implement reduction initiatives.</li><li>Improve operational efficiencies and decrease emissions intensity across operations by identifying and implementing technological and operational innovations.</li><li>Develop and invest in technological innovations to capture operational emissions.</li><li>Evaluate renewable energy credits (RECs) and other mechanisms for Scope 2 emissions.</li><li>Conduct scenario analysis and review results, including resilience of portfolio.</li><li>Engage with shareholders and other stakeholders.</li></ul>	<ul style="list-style-type: none"><li>Set ambition to achieve net zero Scope 1 and Scope 2 GHG emissions by 2040.</li><li>Set near-term target to reduce GHG intensity rate to 13.5 for U.S. operations by 2025.</li><li>Set near-term target to reduce methane emissions percentage to 0.06% for U.S. operations by 2025.</li><li>Set goal to achieve zero routine flaring for companywide operations by 2025.</li><li>Disclose Scope 1 and Scope 2 emissions.</li></ul>

RESILIENCE OF EOG’S LONG-TERM PREMIUM WELL STRATEGY

EOG is a returns-focused company at every level of the organization and has been since our founding. During the downturn of 2015 and 2016, we were faced with the possibility of an extended period of low oil prices. In response, we implemented a rigorous new investment hurdle rate named the premium well investment standard. A premium well delivers a minimum of 30% direct after-tax rate of return using a fixed commodity price deck of \$40 per barrel of oil and \$2.50 per thousand cubic feet of natural gas for the life of the well.

In the three years that followed, 2017 through 2019, the premium well standard drove a step change in our capital efficiency and resulting financial performance. The standard proved successful and became a permanent investment hurdle rate designed to shield our future financial performance against commodity price cycles. In 2020, a year of unprecedented oil volatility and prices that averaged just \$39 per barrel, our premium well strategy proved resilient and enabled EOG to generate positive adjusted net income and free cash flow.

In 2021, we raised the bar by doubling the investment hurdle rate to a 60% direct after-tax rate of return

using the same flat \$40 oil and \$2.50 natural gas prices. The double-premium well standard drove another step change in EOG’s financial performance as evidenced by our record-setting performance in 2021.

EOG’s unique premium well strategy positions the company to be one of the lowest-cost oil and natural gas producers worldwide, capable of earning competitive returns throughout commodity price cycles.

PREMIUM WELL STANDARD PERFORMANCE

Our annual financial results demonstrate the success of the premium well standard.\*

2017–2021

Cumulative free cash flow:

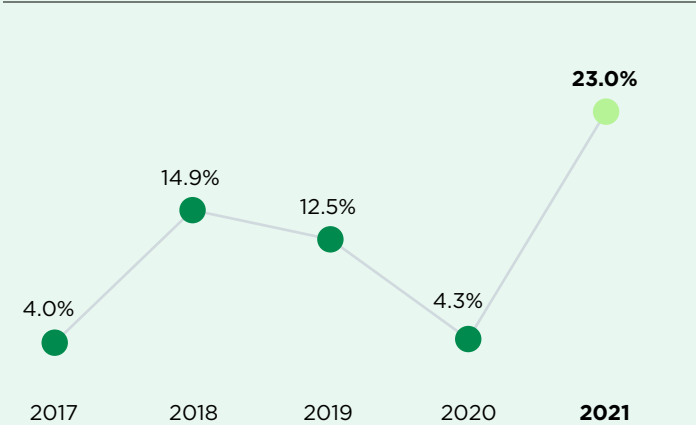
\$11.9 billion

Regular dividend per share growth:

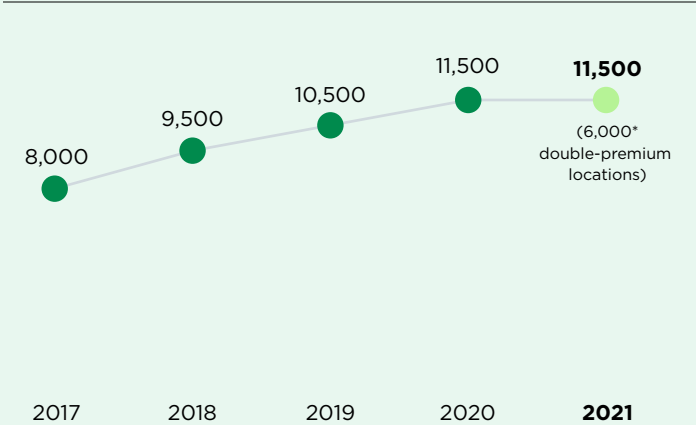
more than quadrupled

\* See *Non-GAAP Financial Measures* in the Appendix starting on [page 76](#) for reconciliation schedules.

Return on Capital Employed (ROCE)



Premium Location Inventory



We believe that this investment standard will strengthen EOG’s ability to continue delivering higher returns, lower declines, and more free cash flow potential. Our double-premium inventory now accounts for over 6,000 of the 11,500 total premium locations in our inventory, representing more than 11 years of drilling at the current pace.

EOG’s unique premium well strategy positions the company to be one of the lowest-cost oil and natural gas producers worldwide, capable of earning competitive returns throughout commodity price cycles.

SCENARIO ANALYSIS

To evaluate the resilience of our portfolio under different climate-related scenarios, we considered the Sustainable Development Scenario (SDS) in the International Energy Agency’s (IEA’s) *World Energy Outlook (WEO) 2021*. The WEO uses a model to estimate the future supply, demand, and prices for oil and natural gas under various hypothetical scenarios. The SDS is based on the main energy-related components of the United Nations’ Sustainable Development Goals, including the Paris Agreement’s goal of limiting the increase in global average temperatures to well below 2°C above preindustrial levels. The SDS is widely recognized and used to assess portfolio resilience within the oil and natural gas industry under a carbon-constrained scenario.

Under the SDS, demand for oil and natural gas is projected to decrease by 2040, however oil and

gas remains a key part of meeting the future energy demand during the same time period.

Our analysis used a reference case model for our U.S. operations running through 2040. To be conservative, we did not assume that successful exploration will add to our current premium inventory. We assumed development of only our existing non-premium inventory after our premium inventory was drilled. Other assumptions used to develop our reference case model included the following:

- A commodity price outlook determined by the SDS pricing assumptions beginning in 2030 and based on strip pricing in earlier years, which averaged \$65 Brent per barrel of oil (\$61 West Texas Intermediate equivalent per barrel of oil) and \$3.09 per million Btu of natural gas over the life of the scenario.
- Carbon pricing costs defined by the SDS for carbon dioxide taxes in advanced economies of \$100 per metric ton beginning in 2030 and growing to \$140 per metric ton by 2040. The reference case model used projections for our Scope 1 and Scope 2 GHG emissions that, for conservatism, assumed no meaningful emissions reduction improvements. These assumptions resulted in additional costs that grow to approximately \$1.85 per barrel of oil equivalent by 2040.
- Realistic production growth and steady, consistent regular dividend growth through 2040, supported by an internal requirement to generate free cash flow every year.

Evaluating our reference case model under the SDS assumptions (noted to the left) resulted in significant profitability and free cash flow.

We further stress-tested our reference case model using a flat commodity price of \$50 per barrel of oil and \$2.00 per thousand cubic feet of natural gas. Using the same carbon pricing costs, production growth, and dividend growth assumptions, the more conservative commodity price scenario still yielded significant profitability and free cash flow.

The scenarios we evaluated are not predictions of the future. Rather they test the resilience of our portfolio over time under various possible climate-related scenarios. We believe the results of the analysis confirm the resiliency of EOG’s premium well inventory against climate-related risks to long-term commodity pricing and demand. This analysis also supports our ongoing efforts to identify and manage climate-related risks, including those related to changes in the global energy demand and supply mix, and global climate change policy.

We believe that our culture of disciplined capital allocation, premium well strategy, and high-return, low-cost oil and natural gas production, supported by a conservative financial structure and focus on addressing emissions from our operations, will drive long-term, sustainable shareholder and stakeholder value.

# Managing Emissions

**Continuing to improve our emissions performance is important for environmental, operational, and economic reasons. We know that to be part of the long-term energy solution we not only have to be a low-cost producer, but we have to do it with a responsible environmental footprint.**

EOG proactively manages and minimizes emissions of methane and other greenhouse gases from our existing operations through responsible operating practices, such as advance infrastructure planning,

and through the use of proven in-field and information systems technology.

Our approach to reducing emissions from our future operations remains operationally focused. We are investing in and piloting new technologies and processes to reduce, monitor, and manage emissions. These investments are paying off in two ways: they can lower our emissions and can also provide learning mechanisms to drive future innovations that contribute to our sustainable business model.

We also use our near-term emissions targets and long-term net zero ambition to drive continued improvement in our emissions performance and innovation in our practices. We believe the practices and processes described in this report, coupled with continued investment in innovation and the application of future technologies, will help us achieve our near-term targets and net zero ambition. Our progress toward targets is regularly reviewed by executive management and our Board of Directors, and we will continue to report our progress annually.

## EMISSIONS REDUCTION PATHWAYS

We are taking actions or planning to address emissions from our operations through three primary categories: reduce, capture, and offset. Examples of our efforts include the following:



### Reduce

- Expanding closed loop gas capture
- Eliminating routine flaring
- Implementing continuous leak detection
- Testing leaner fuels to reduce combustion-related emissions

🔗 See *In Focus — Production Facility Innovation* on [page 20](#) for more information.



### Capture

- Launching carbon capture and storage (CCS) pilot project
- Prioritizing concentrated CO<sub>2</sub> emissions locations for CCS
- Evaluating additional CCS locations



### Offset

- Evaluating projects and other options to offset remaining GHG emissions

LONG TERM: NET ZERO AMBITION

In 2021, we announced our ambition to reach net zero Scope 1 and Scope 2 GHG emissions by 2040. Our net zero ambition helps set the long-term direction for our efforts to address emissions from our operations across three primary categories: reduce, capture, and offset.

Reducing emissions intensity from our operations is an immediate and direct path to reducing our carbon footprint. With that focus, we have made significant progress, achieving a number of technical innovations and operational advancements that have enabled us to generate significant reductions in methane intensity and overall Scope 1 GHG intensity rates over the past several years. We are also exploring technology to capture carbon emissions from our operations, which includes a pilot carbon capture and storage project. For Scope 2 emissions we are evaluating RECs and other mechanisms to support our pathway to net zero. Beyond reducing and capturing emissions, we expect to evaluate options to offset GHG emissions.

To assist both our current emissions intensity reduction efforts and long-term, net zero ambition, we are developing and implementing technology to measure and calculate more detailed, real-time data for our facilities. Having a more accurate picture of our emissions also helps identify where we need to focus our efforts for the most immediate and impactful result and encourages innovation and development of unique solutions to achieve our net zero ambition. (See [page 24](#) for more.)

NEAR TERM: EMISSIONS TARGETS

EOG recognizes the need for near-term targets on emissions in addition to our net zero ambition for 2040.

These targets function as more than just steps toward our net zero ambition; they also serve as incubators to help us learn and build expertise through the application of existing technology and pilots of new technology. We have made significant progress on our targets, including meeting our methane percentage target in 2021. (See [page 27](#) for more.)

Going forward, we will work to maintain continued strong methane performance and evaluate further reduction and target setting opportunities. We will also continue to drive GHG emissions reductions across our operations, with a focus on combustion operations, the largest contributor to our total GHG emissions.

Our emissions intensity performance is considered in evaluating executive compensation. For 2021, year-over-year reductions in our GHG, methane, and flaring intensity rates, as well as wellhead gas capture rate, were included as part of a separately weighted, ESG-specific performance goal considered when determining our executives’ annual bonuses. Similarly, for our 2022 executive compensation, our separately weighted ESG goal will include achieving GHG, methane, and flaring emissions intensity rates below 2021 levels and maintaining a wellhead gas capture rate of 99.8% or higher. (See [page 67](#) for more.)

Reducing emissions intensity from our operations is an immediate and direct path to reducing our carbon footprint. With that focus, we have made significant progress, achieving a number of technical innovations and operational advancements that have enabled us to generate significant reductions in methane intensity and overall Scope 1 GHG intensity rates over the past several years.

EMISSIONS TARGETS AND AMBITIONS

Net zero

ambition for Scope 1 and Scope 2 GHG emissions by 2040

13.5

GHG intensity rate by 2025

0.06

methane emissions percentage by 2025

Zero

routine flaring by 2025

99.8%

wellhead gas capture rate in 2021

Our targets are based on our current operating footprint, and we expect to reassess our targets as changes to our asset base and operations warrant.

Production Facility Innovation

EOG proactively manages and minimizes greenhouse gas emissions from our operations by using innovative technology and practices, advance infrastructure planning, and efficient facility design. We continuously look for ways to improve the design of our facilities to minimize emissions and maximize the recovery of resources. Our facilities are also periodically reviewed to optimize equipment and implement new technologies. Where operationally appropriate, we install specialized control equipment. In addition, we develop and implement proprietary applications to optimize equipment efficiency and reduce emissions from our operations.

In addition to our focused efforts to optimize specific facility equipment components, we also apply facility-level technologies and practices. These include Closed Loop Gas Capture (CLGC) that minimizes flaring during downstream interruptions, advanced

planning of facility design and take away optionality, our leak detection and repair (LDAR) program, and continuous methane monitoring.

Many of the practices and technologies used by EOG are only possible because we operate significant portions of our own gathering and boosting infrastructure. This increased operational control and footprint allows us to further optimize how we manage our operations to drive emissions reductions across a larger scope of the value chain.

The diagram below highlights targeted practices, in-field equipment, and in-house technologies and solutions we implement to reduce emissions at our facilities.

See *In Focus — iSense<sup>SM</sup> Continuous Leak Detection System* on [page 24](#) for more information on continuous methane monitoring.

Equipment-Specific Technologies and Practices\*

Capturing Gas Vapors

Vapor Recovery Towers (VRTs)

- Capture gas vapors before tanks

Intermediate Low-Pressure Separators

- Capture gas vapors upstream of tanks and reduce vapor compression horsepower needs

Tanks

- Maintain thief hatches
- Collect gas vapors from tanks and send to sales, where feasible

Vapor Recovery Units

- Recover gas vapors from intermediate low-pressure separators, tanks, or VRTs

Optimizing Equipment and Operations

Pneumatics

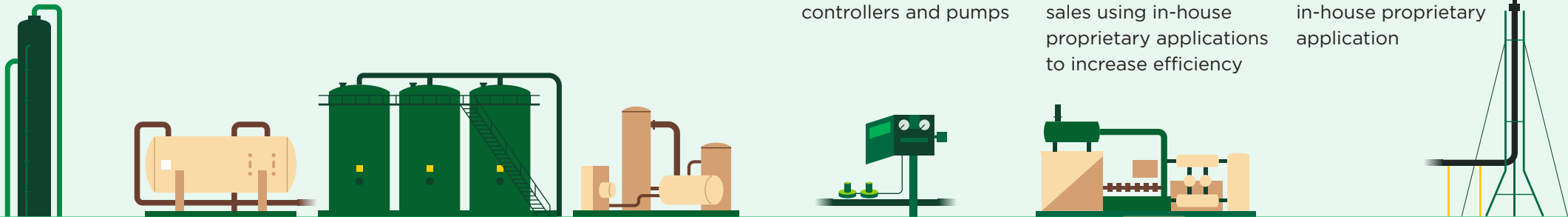
- Replace, retrofit, or remove high-bleed natural-gas-powered pneumatic controllers
- Install instrument air to operate pneumatic controllers and pumps

Compressor Engines

- Testing leaner fuels to reduce combustion-related emissions
- Reduce compression required for gas lift operations and sales using in-house proprietary applications to increase efficiency

Flare

- Control gas vapors from tanks
- Monitor, analyze, and control production equipment to minimize gas flaring using an in-house proprietary application



\* The diagram is intended to share information on the various technologies and practices in use at facilities across our U.S. operations. It is not representative of a specific facility; each of our operating areas and facilities are unique and may use any combination of these techniques.

TODAY: OPERATING PRACTICES

EOG’s approach is to proactively manage and minimize emissions of greenhouse gases from our operations through advance infrastructure planning, efficient facility design, and the use of innovative, in-field technology.

We are developing and implementing technologies to better understand and monitor emissions. This helps us focus our efforts towards immediate and impactful results and encourages innovation and development of unique solutions. (See [page 24](#) for more.)

We plan for and install natural gas gathering pipelines early in the life of a play to minimize flaring and other sources of emissions. This is particularly important for the development of oil plays that produce large quantities of associated gas. We also contract for sufficient pipeline takeaway capacity and, where possible, multiple takeaway options to provide production flow assurance. (See [page 22](#) for more.)

We continuously look for ways to improve the design of our facilities to minimize emissions and maximize the recovery of resources. Our facilities are periodically reviewed to optimize equipment

and implement new technologies. Using centralized facilities, including multi-well pads and centralized gas lift, allows for sharing equipment and eliminates the need for multiple separators and tanks, which reduces emissions.

In addition, our in-house, proprietary applications have allowed us to automate and optimize artificial lift, a process used to enhance oil recovery from wells. This increases the efficiency of our artificial lift process, reducing gas lift volumes and the overall compression needed to inject gas, which helps minimize emissions from combustion and flaring.

Other tactics we use in the field to minimize emissions from our operations include low-bleed and no-bleed controllers, instrument air systems, engines equipped with emissions control technology, electric- and solar-powered pumps, and automation. Where feasible, we install specialized control equipment, such as vapor recovery units and towers, vapor balance systems, high-efficiency combustion devices, and multistage separators. In addition, in certain operating areas, we install electricity infrastructure to permit the use of electric-powered (versus fuel-powered) equipment.

**We take a comprehensive approach to minimizing emissions across our operations from early planning stages through ongoing production.**

In early 2020, we established a Sustainable Power Group (SPG) to bring even greater emphasis to improving our environmental performance and creating long-term value for the company. Working directly with employees in each of our operating areas, this team of engineers and other specialists is dedicated to identifying and implementing emissions reduction initiatives. The SPG provides leadership and supports our culture of innovation to develop and apply technologies and other solutions to achieve our emissions targets and net zero ambition.



Flaring

Minimizing flaring is a priority for EOG, as it not only reduces our emissions footprint, it also increases the amount of natural gas we are able to process and sell. We continually review all processes where flaring can occur — such as at the wellhead, storage tanks, and during completions — to maximize gas capture and improve our performance. Our approach includes active management oversight of our operations aided by information technology, advance infrastructure planning, and in-field technology innovation.

Daily operations are actively managed to minimize flaring through use of proprietary desktop and mobile applications built in-house that provide real-time data capture and reporting of our flaring metrics. Management and field personnel are able to analyze the causes and conditions of flaring daily and are able to take actions in the field to minimize or even eliminate the need for flaring. The result is better, faster, well-informed decisions. Data access through our information systems drives transparency throughout the company and helps us meet our flaring and wellhead gas capture goals.

REDUCING OR ELIMINATING FLARING

Advance Infrastructure Planning

We install infrastructure and plan for takeaway optionality early in the life of a play to minimize flaring. These efforts include:

- Planning for the gathering and takeaway infrastructure needed to transport our production when formulating our development plans for a play.
- Planning for the regulatory permitting process well in advance of the need for infrastructure construction to begin.
- Installing natural gas gathering infrastructure early in the development of a play so that natural gas associated with the production of oil can be gathered, processed, and sold.
- Securing the ability to sell to multiple markets to provide takeaway options for our natural gas production and mitigate the effects of downstream market interruptions.
- Establishing control centers for our most active areas to control the flow of our natural gas in real time and avoid interruptions in executing our takeaway plans.

In-Field Practices and Technologies

We further reduce or eliminate flaring in our operations through the use of targeted practices, in-field technology, and internally developed solutions including:

- Seeking to route the natural gas to on-site separators during completion operations early in the process rather than flaring.
- Capturing tank vapors from storage tanks and routing them back to the sales line through vapor recovery equipment.
- Implementing new practices and technologies to improve the efficiency of our recovery systems to capture gas vapors.
- Employing CLGC, a process that uses automation to reroute natural gas back into existing wells when a downstream interruption occurs. After piloting this technology in 2020, we have installed additional systems in the Permian Basin and continue to evaluate opportunities for further expansion in our operations.
- Applying our proprietary applications to monitor operational conditions and lower the potential for flaring.



Pneumatics Program

Over the past five years, EOG has implemented a comprehensive program focused on reducing emissions from — and refining emissions data used for calculations associated with — pneumatic controllers and pumps. We have retrofitted, replaced, or removed all of the high-bleed natural-gas-powered pneumatic controllers in our operations. Additionally, we have converted to or installed pneumatic pumps and controllers that use instrument air systems (i.e., compressed air) rather than natural gas. We have also converted to or installed pneumatic pumps that utilize solar power. In other instances, we route pneumatic controller and pump exhaust gas to a control device, which reduces methane emissions.

Leak Detection and Repair Program

Each of EOG’s operating areas has an ongoing LDAR program in place. While LDAR is required for certain EOG locations by state regulations, federal regulations, or both, EOG has also implemented a voluntary LDAR program across our U.S. operations. Our proactive, voluntary LDAR program detects and repairs leaks at our facilities, including in central tank batteries, compressor stations, and production facilities, that are not otherwise subject to regulatory LDAR requirements, resulting in lower methane emissions.

EOG’s LDAR program includes:

- **Component-level monitoring** — We monitor emissions from components such as connectors, pressure relief valves, controllers, and tank thief hatches.
- **AVO inspections** — We integrate audio, visual, and olfactory (AVO) inspections to identify and manage emissions as part of other field and facility visits.
- **OGI technology** — A substantial part of the monitoring under our LDAR program is conducted through the use of optical gas imaging, such as infrared cameras and other thermal imaging technology.
- **Proprietary automated LDAR systems** — We use proprietary information technology system applications to capture LDAR data electronically, including a mobile application to record data directly in the field. These applications facilitate survey scheduling and timely repairs, as well as monitoring and verification throughout our LDAR program. These applications also improve the accuracy of our data, help identify trends, and eliminate paper-based processes.
- **Monitoring-frequency guidelines** — In 2021, we enhanced our LDAR program by increasing the frequency of surveys, visiting 95% of facilities at least twice during the year with leak detection equipment. The other 5% of facilities were monitored in accordance with our past practice of visiting every facility at least once a year. In 2022, we are continuing to enhance our program.
- **Timely repair and resurvey** — Once a leak is identified, we follow time-based protocols for the repair and the resurvey of repaired components that are supported with software and automation.
- **Documentation, review, and retention** — Our LDAR program includes requirements for record maintenance and retention.
- **Ongoing review and improvement** — Our LDAR program is reviewed on an annual basis for trends and opportunities for improvement and has been instrumental in minimizing fugitive emissions at EOG facilities.

## iSense<sup>SM</sup> Continuous Leak Detection System

Over the last several years, our leak detection and repair program, or LDAR, has advanced from audio-visual-olfactory (sound-sight-smell) surveys to surveys using more accurate optical gas imaging to today's deployment of scalable solutions of the latest technology — continuous methane monitoring. This technology detects potential leaks and provides real-time alerts to help accelerate repairs and will provide data and trend analysis to potentially prevent future methane releases.

We have been evaluating continuous methane monitoring technology for the past few years. There are several third-party systems available to monitor and detect potential methane leaks, using either intermittent or continuous monitoring technology. About 18 months ago, we began a pilot project using a solution we built in-house, named iSense, which is a monitoring solution that uses methane sensing technology to continuously monitor facilities and provide real-time alerts of potential leaks to a control center. We tested iSense against other monitoring solutions in use and available on the market today and confirmed that our sensor detected methane release events consistent with these third-party systems. The results from these tests

confirmed that iSense is the most effective solution for EOG to use to detect leaks and accelerate repairs while also being scalable and economic.

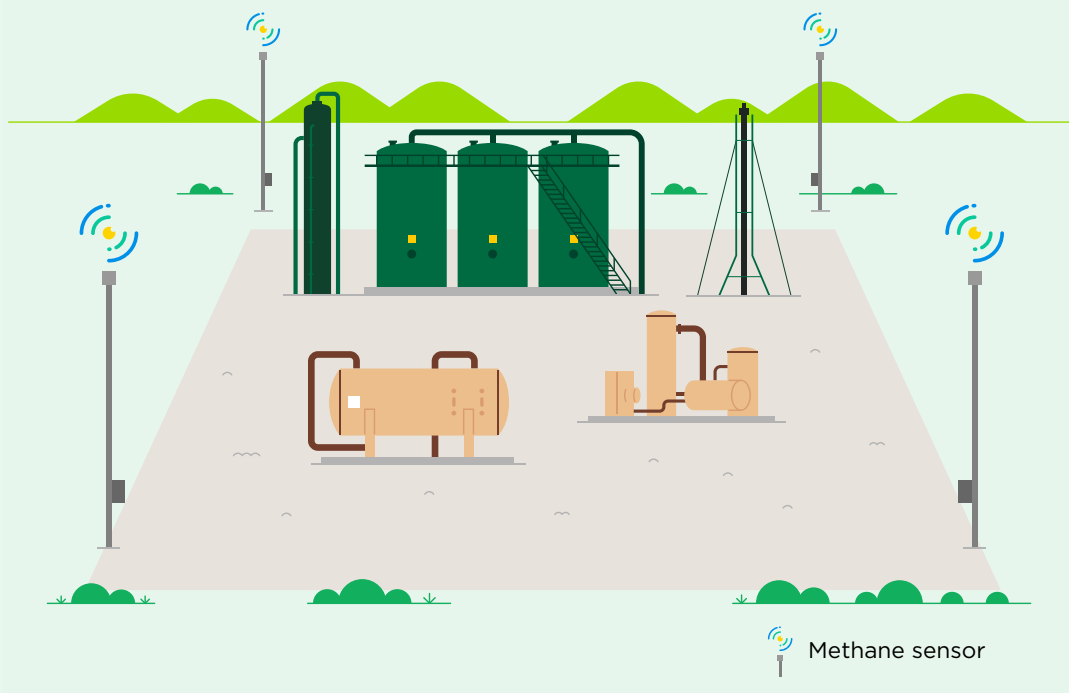
Like so many of our innovations, this technology has been spearheaded by our employees across the company. Since the pilot, our employees are rapidly deploying iSense in the field, prioritizing areas of highest potential impact. The initial installations are focused in the Delaware Basin and currently cover about 60% of our production.\* We expect that most of the remaining Delaware Basin production will be monitored by iSense by year-end. We plan to continue to roll out iSense in other operating areas next year.

Using our proprietary system allows us to own the data creation, flow, and storage, which is a priority with all our information systems. Owning the iSense data and retaining direct control of its collection provides invaluable flexibility to improve both data quality as well as the tools to analyze and integrate iSense data with existing operational data from our production facilities. This data, along with our ability to monitor our operations from any one of our four control centers, will enhance the 24/7 capability to continuously identify, prioritize, and repair leaks. In the future, when data from iSense is paired with other real-time production and facilities data, we expect to be able to make improvements in the design of facilities to minimize releases. We are also optimistic that we will be able to more readily determine the source of a methane release and assess its likely size.

The development and testing of continuous methane monitoring technologies and systems is an example of how EOG's decentralized structure fosters innovation and drives performance improvements. Our iSense system is the product of EOG employees working on multidisciplinary teams to identify opportunities to improve and being empowered to develop, test, and pilot a solution. (See *In Focus — Decentralized Structure Fosters Innovation* on [page 51](#) for additional details on EOG's culture.)

Leveraging technology to enhance our methane leak detection and repair program is another great example of EOG's culture of continuous improvement throughout our operations.

\* Based on percentage of gross oil production handled at central tank batteries covered by iSense.



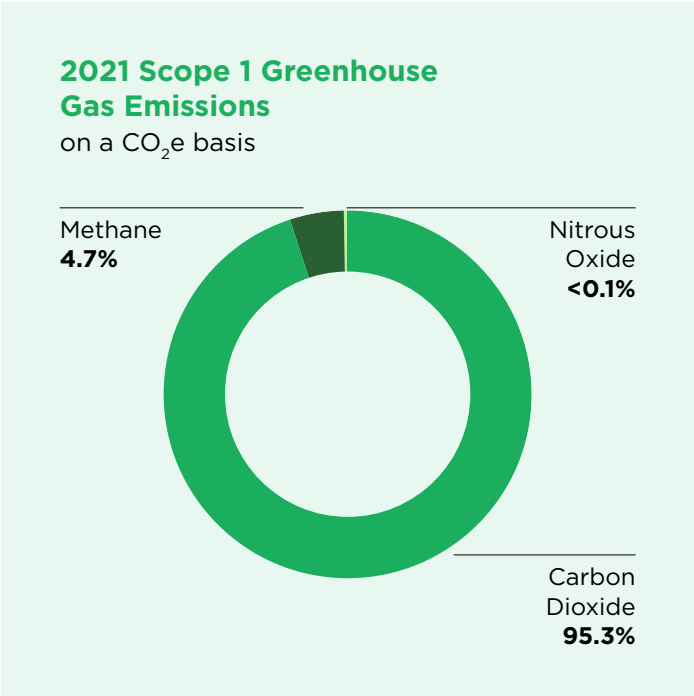
SCOPE 1 EMISSIONS

For the metrics disclosed in this section, EOG uses Scope 1 GHG emissions as reported to the Environmental Protection Agency (EPA) by EOG pursuant to the EPA’s Greenhouse Gas Reporting Program. We also include emissions that are subject to the EPA Greenhouse Gas Reporting Program but are below the EPA’s basin reporting threshold and would otherwise go unreported. We measure our emissions intensity in total and broken out by constituent gases and sources to help us track the effectiveness of our emissions reduction efforts. Our intensity rates are a measure of emissions per unit of production.

For more detailed descriptions of the metrics in this section and information regarding the methodology used to calculate them, including formulas and CO<sub>2</sub>e conversion factors, see the [Appendix](#) starting on [page 65](#).

Constituent Gases

EOG’s GHG emissions are primarily composed of carbon dioxide, methane, and nitrous oxide. The Scope 1 GHG emissions from our 2021 operations comprised these three gases in the following percentages:



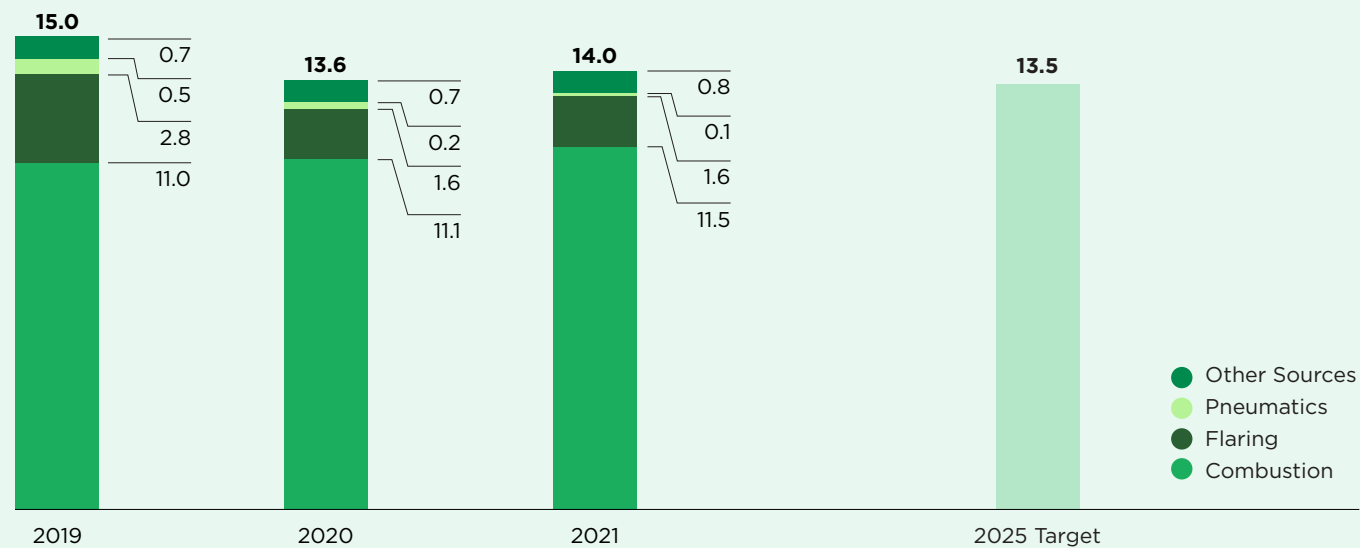
Year-Over-Year Variances by Source

Our GHG intensity rate in 2021 increased by 3% year over year driven by increased activity compared to 2020. Due to the oil price war followed by the COVID-19 pandemic, 2020 was an anomalous year for the oil and natural gas industry during which EOG chose to reduce production by deferring new activity and shutting in existing production. In 2021, our operational activities returned to a more normal level, resulting in an increase in the combustion emissions intensity and an overall intensity rate increase. We continue to focus on responsibly managing our emissions.

Measuring and evaluating changes in our GHG intensity rate by source enhances our ability to manage our emissions and identify areas for improvement.

Year-over-year variances in emissions intensities can be driven by both changes in operational practices and technologies as well as refining emissions calculations. Our focus is on identifying and implementing operational improvements, which include process refinements, equipment changes, and/or efficiency improvements. We also work to continuously improve emissions calculations to increase the accuracy of emissions data.

GHG Intensity Rate — Total and by Source  
metric tons CO<sub>2</sub>e/MBoe



Combustion

Our combustion GHG intensity rate increased slightly in 2021 due to increased operational activity compared with 2020. In 2021, there was increased drilling, well completion, and production activity, which increased emissions ahead of oil and gas being produced.

As combustion is the largest source of our Scope 1 GHG emissions, EOG is focused on identifying opportunities to optimize compression operations. For example, as we expand the use of centralized gas lift compressors, we are able to replace

many small combustion engines with larger, more efficient engines serving the same number of well sites while also improving run time. Additionally, we are working to optimize gas lift volumes, which reduces combustion.

Flaring

Our flaring GHG intensity rate performance remained flat in 2021. High-pressure flaring continued to decline as a result of operational efforts and targeted process improvements, including active management and employee oversight and control center supervision.

In addition to operational improvements in the field, we refined calculations relating to flaring emissions to increase accuracy. As a result of more detailed facility modeling, reductions in high-pressure flaring were offset by an increase in emissions reported for low-pressure flaring. (See [page 22](#) for more.)

Pneumatics

Our pneumatics GHG intensity rate continued to decline in 2021 due to operational improvements to capture or control pneumatic pumps emissions and emissions calculation refinements that included improving the accuracy of input factors for our pneumatic inventory.

Our program to retrofit pneumatic pumps to use solar power or instrument air at existing facilities, along with our use of solar power and instrument air for pneumatic pumps and controllers, as applicable, at new facilities, also contributed to reductions in our GHG intensity rate from pneumatic sources in 2021. (See [page 23](#) for more.)

Other Sources

Our other sources GHG intensity rate remained relatively flat in 2021. We reduced fugitive emissions as a result of the ongoing success of our LDAR program and increased the frequency of leak detection surveys. We also continued to focus on reducing other emissions sources in this category.

Methane Emissions and Year-Over-Year Variance

EOG continued to reduce methane emissions across our operations. Our focused efforts on flare reductions, increased accuracy of emissions calculations, and pneumatic controllers and pump conversions contributed to reducing our methane intensity rate by 13% and our methane emissions percentage by 25%, meeting our 2025 methane emissions percentage target of 0.06%.

We will work to maintain our strong methane emissions reduction performance and assess further target setting opportunities. Our ongoing focus will be to implement operational improvements and evaluate technologies and methodologies that advance our ability to detect and quantify methane emissions. For example, we piloted our continuous methane leak detection system, iSense, in 2021. Our efforts to collect, integrate, and analyze data from our operations through applications like iSense enable us to deploy resources more effectively to help minimize methane emissions. (See *In Focus — iSense Continuous Leak Detection System* on [page 24](#) for additional information.)

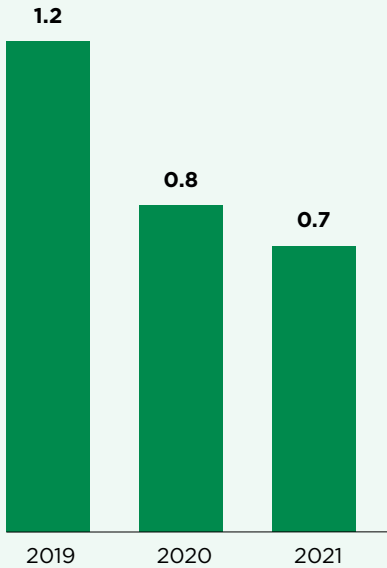
*A note regarding methane emissions metrics:* We present our methane emissions both as an intensity rate relative to our total gross operated production and as a percentage metric relative solely to our natural gas production. We believe presenting these two methane metrics allows for consistency with the other GHG metrics presented in this report and greater comparability with peer reporting and

industry target setting frameworks, which vary in calculation methodology.

SCOPE 2 EMISSIONS

For 2021, our indirect Scope 2 emissions from our U.S. operations were 389,865 metric tons CO<sub>2</sub>e, or approximately 8% of the total Scope 1 and Scope 2 emissions from our U.S. operations.

Methane Intensity Rate  
metric tons CO<sub>2</sub>e/MBoe



OTHER AIR EMISSIONS

In this year’s report, we began disclosing other air emissions, including sulfur oxides, nitrogen oxides, and volatile organic compounds, from our U.S. operations. For more information on the metrics and calculation methodology, see the [Data Tear Sheet](#) starting on [page 6](#) and [Definitions](#) on [page 67](#).

Methane Emissions Percentage  
methane emitted/gross natural gas production



In 2021 we achieved our 2025 target and going forward will continue to focus on maintaining strong performance.

THE ENVIRONMENTAL PARTNERSHIP

EOG is a member of The Environmental Partnership, a collaborative effort of more than 90 oil and natural gas companies committed to continuously improving environmental performance in member operations across the country. The Partnership’s goals include accelerating methane emissions reductions through specific environmental performance programs that members have committed to implementing within their operations and providing a platform for the industry to collaborate with stakeholders and share best practices and new technologies. See the accompanying table for more information on EOG’s implementation of The Environmental Partnership’s programs.

Environmental Partnership Goals

A program to replace, remove, or retrofit high-bleed pneumatic controllers.

A leak detection and repair program for natural gas and oil production facilities.

The monitoring of the manual liquids unloading process on natural gas wells to prevent wellhead venting.

A flare management program to reduce flaring of associated gas from oil production.

EOG 2021 Progress

EOG successfully replaced, removed, or retrofitted all high-bleed pneumatic controllers by the end of 2019. Additionally, EOG continued converting low-bleed and intermittent-vent pneumatic controllers to instrument air in 2021.

In 2021, EOG surveyed over 5,100 sites and completed over 12,600 surveys.

100% of manual liquid unloading events performed in 2021 were monitored by personnel.

EOG is committed to reducing routine flaring of associated gas. EOG had a U.S. wellhead gas capture rate of 99.8% for 2021. We have also committed to companywide zero routine flaring by 2025.

CDP

Consistent with our commitment to transparency, EOG participates in the CDP’s climate change and water programs. Our participation in these programs allows investors and the public to better understand the climate-change-related aspects of our business and our water stewardship practices.

# Hydraulic Fracturing

**Hydraulic fracturing is part of certain well completion processes. It entails pumping pressurized fluid into underground formations to create tiny fractures or spaces that allow crude oil and natural gas to flow more easily from the reservoir into the well so that it can be brought to the surface. This enables EOG to produce crude oil and natural gas from formations that would otherwise not be recoverable.**

Hydraulic fracturing technology has been safely used by the oil and gas industry for decades. More than 1 million wells have been hydraulically fractured, and the technique is constantly being refined to improve the stimulation of a well and maximize reserve recovery.

EOG takes numerous steps to conduct our hydraulic fracturing operations safely and responsibly. They include the following steps.

## BASELINE GROUNDWATER TESTING

A key component of EOG’s water management practices is the performance of baseline water sampling prior to drilling a well in a new area. When testing in areas where regulatory requirements have not been established, we use an internal sampling program based on best practices developed by state and local authorities. Samples are sent to certified third-party laboratories for independent testing.

## WELLBORE INTEGRITY

Prior to drilling any well, EOG performs a site-specific analysis to determine the design and techniques that will be implemented to maintain the integrity of the wellbore throughout the geologic formations the well will intersect. To maintain wellbore integrity, we use cement isolation of casing string, which are lengths of steel pipe. Other standard practices include surface casing tests and annular pressure monitoring.

- Surface casing is the primary steel pipe to be set in the vertical wellbore. This section of casing can run several thousand feet deep and performs many functions including the protection of shallow water aquifers, if present. The integrity of the surface casing is tested prior to flowing the well as a further measure of protection.
- Annular pressure is the pressure that exists in the space between the well casing and internal production tubing. To protect wellbore casing, we establish a maximum allowable annular pressure for each well we operate and monitor this pressure through the life of the well. We engage with industry groups and regulators to incorporate evolving technologies and best practices into state regulations for wellbore integrity.

## MINIMIZING CHEMICAL ADDITIVES

While chemical additives used in hydraulic fracturing fluid are typically less than 1% of the fluids used, an ongoing focus of EOG is to further minimize the amount of chemicals used to complete our wells.

## TRANSPARENCY

EOG publicly discloses the fracturing fluids used for 100% of our well completions on the industry website [FracFocus.org](https://www.fracfocus.org) (hosted by the Ground Water Protection Council and the Interstate Oil and Gas Compact Commission).



# Water Management

**EOG is focused on responsibly managing the water used, produced, transported, treated, stored, and disposed of across our operations in a cost-effective and environmentally sustainable manner. This includes a water sourcing strategy centered on reducing freshwater use and implementing or expanding water reuse where feasible.**

## WATER MANAGEMENT OVERSIGHT AND TECHNOLOGY

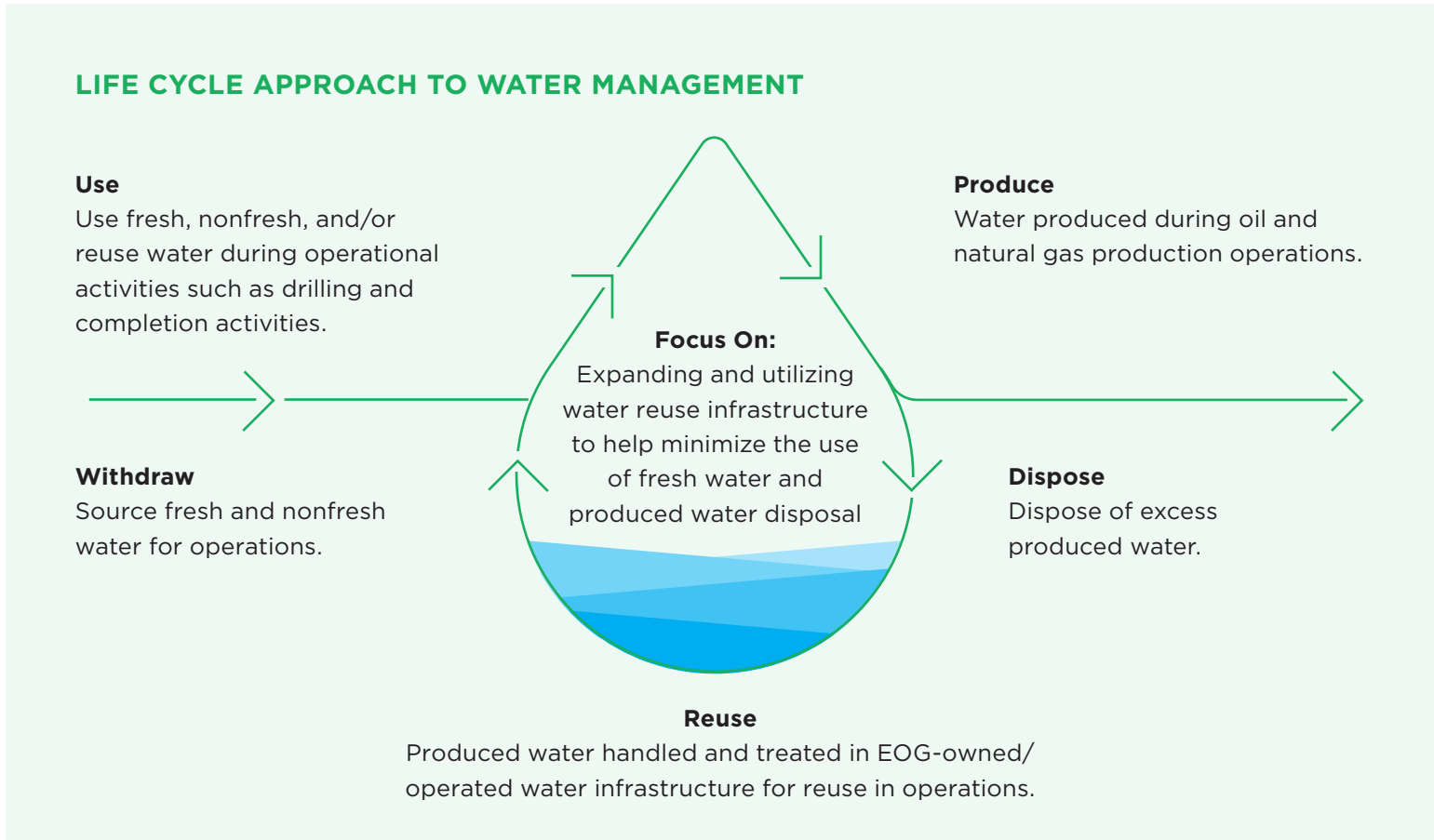
EOG’s strategic water resources team (SWRT) is responsible for overseeing the management of water resources across our operations. The SWRT is led by our companywide Director of Water Resources and includes water management representatives from each of our operating area offices.

Every oil and natural gas producing region has unique risks and opportunities regarding water, from identifying sources and reuse options to determining best methods for water transportation and disposal. The SWRT collaborates with multiple disciplines within EOG and local water management teams to determine water quality and quantity needs, develop multiple water source options and scenarios, and maximize reuse options with the goal of also minimizing disposal needs.

EOG also addresses the unique risks and opportunities regarding water in each of our operating areas by:

- Engaging with stakeholders in the communities where we operate to better understand the

- characteristics of the region and to discuss and collaborate on our water management plans.
- Developing proprietary desktop and mobile applications to support our water management approach and report key water metrics, including real-time water reuse.
- Evaluating the full life cycle of water used in our operations, from acquisition through transportation, storage, production, treatment, reuse, and disposal.
- Conducting a comprehensive evaluation of available sources of water in each of our operating areas, including water reuse and conservation options.
- Developing water transportation infrastructure to maximize the use of pipelines to move water and reduce truck traffic.
- Leveraging our SWRT to accelerate the implementation of best practices throughout the company.





SOURCES OF WATER

EOG uses various sources of water, including surface water, fresh, and nonfreshwater aquifers, and produced water that is recycled and reused.

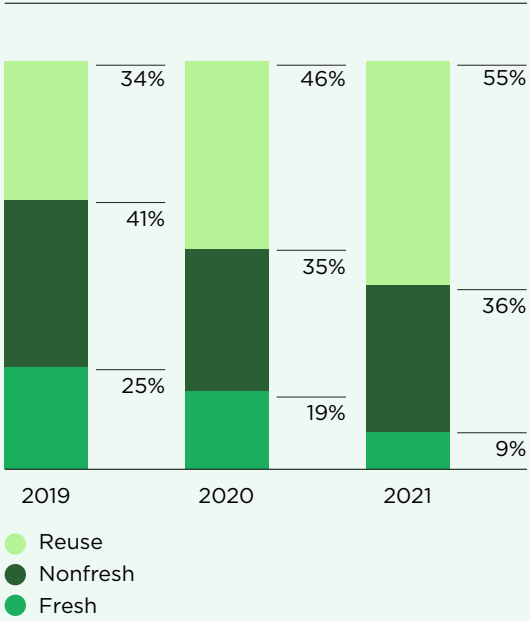
When sourcing water, we focus on reducing freshwater use as much as possible by implementing or expanding reuse capabilities and using nonfreshwater sources, where feasible. Availability of water sources can vary significantly based on a number of factors, including geography, drilling and completion activity levels, production levels, and available infrastructure. Therefore, our approach to water management can differ between operating areas.

We evaluate water sourcing options through our SWRT, local water management teams, Trident proprietary water management tool, and third-party analytical tools and studies.

Our proactive and innovative approach to water management has resulted in significant achievements in increasing the water sourced from reuse and reducing freshwater use. In 2021, 91% of the water we sourced across our U.S. operations was from reuse or nonfreshwater sources, reducing our total freshwater use percentage to less than 10%.

In our Permian Basin operations, over 99% of the water we sourced was from reuse or nonfreshwater sources in 2021, reducing our freshwater use in the Permian Basin to less than 1%.

Sources of Water  
percent of total



For more information regarding the definitions used for the water sources discussed in this section, see [page 69](#) of the [Appendix](#).

Nonfresh Water

EOG is committed to conserving water resources in the communities in which we operate. We take steps to minimize overall freshwater usage, which includes the use of nonfreshwater sources. When sourcing nonfresh water, EOG targets sources that are not primarily utilized as public drinking water sources.

LEVERAGING TECHNOLOGY TO SUPPORT OUR APPROACH TO WATER MANAGEMENT

EOG's proprietary desktop and mobile applications support our ability to make well-informed, targeted decisions from executive-level oversight to decisions in the field. Trident, one of our proprietary desktop and mobile applications, is central to many of our initiatives for addressing water risks and opportunities in our operating areas. We developed and piloted Trident in 2018, and we are continuing to assess opportunities for expanding implementation and functionality of this tool.

Trident supports the evaluation and development of an advanced planning, location-specific water management approach. For example, it facilitates our efforts to optimize the use and management of water resources across our operations. It provides map-based visualizations of our infrastructure, allowing for location-specific scenario planning for water sourcing, storage, and transportation. It also provides real-time operational control to prevent bottlenecks, anticipate takeaway needs, minimize trucking of water, and promote reuse opportunities. By combining topographic information with automated shut-off valves in the field, Trident also helps manage temporary water lines in our reuse infrastructure (see [page 32](#)) and supports our efforts to prevent and mitigate spills. (See [page 33](#) for more.)

In addition, we have incorporated map-based tools based on the World Resources Institute's (WRI's) Aqueduct tool into Trident to enhance our ability to evaluate water scarcity in our operations.

Water Reuse

We continue to expand our reuse infrastructure to help us minimize our use of fresh water and reuse produced water. As of year-end 2021, nearly all of our operating areas have some level of reuse capability.

The percentage of water we sourced from reuse for our operations has steadily increased over the past three years. In 2021, we increased the percentage of total water we sourced from reuse for our U.S. operations to 55%, up from 46% in 2020, and we believe that this percentage will continue to increase in 2022.

Managing Produced Water and Maximizing Reuse Capability

We have implemented processes and infrastructure designed to reuse or safely dispose of produced water, with a focus on expanding our reuse capabilities. For example, we have implemented automated spill detection technology on our reuse collection ponds and water pipelines where applicable (see [page 33](#)). We also follow spill prevention and containment processes when transporting, storing, and treating produced water.

We have installed pipelines and temporary, lay-flat hoses to transport produced water in many of our operating areas. These pipelines not only help us increase our ability to reuse water but also reduce the potential for spills compared to trucking water as well as our impacts on roads, road safety risks, and trucking-related emissions. We have also

installed dual-purpose water lines that can support sourcing and gathering of produced water for reuse. Optimizing reuse capability is facilitated by our Trident water management tool. (See [page 31](#) for more.)

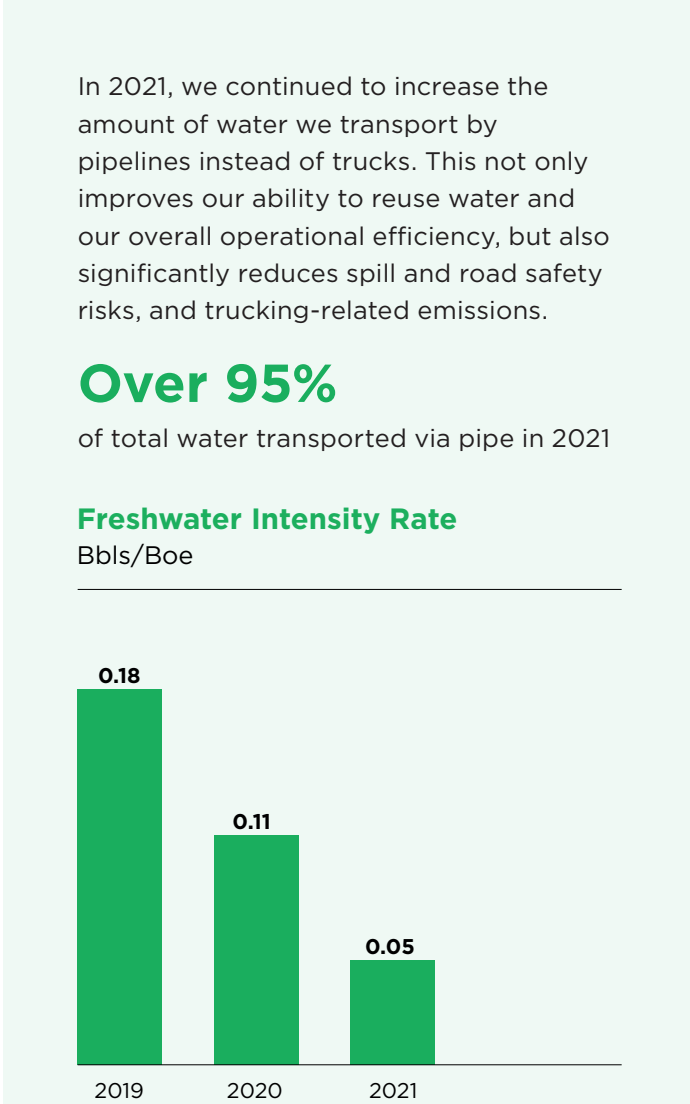
In areas where produced water cannot be reused, we take measures to responsibly handle and dispose of it at sites that are approved and permitted by the appropriate regulatory authorities. EOG periodically conducts regulatory assessments of these disposal facilities to monitor compliance with applicable regulations. Where possible, we prioritize moving water to disposal through pipelines rather than by truck.

FRESHWATER INTENSITY RATE

To assess performance and support our focus on minimizing freshwater use, we track the freshwater intensity of our operations. Our 2021 freshwater intensity rate was 0.05 barrels of fresh water per barrel of oil equivalent. This rate decreased by 55% in 2021, reflecting the success of our continued efforts to reduce freshwater use by expanding our water reuse infrastructure and identifying and utilizing nonfreshwater sources.

In addition to freshwater intensity, we report our total water intensity rate and intensity rates for the other sources of water used in our operations — nonfresh and reuse. We also track and report absolute water use. See the [Data Tear Sheet](#) starting on [page 6](#) for additional water data.

For information regarding the methodology used for the water metrics in this section, including the formulas and definitions, see the [Appendix](#) starting on [page 65](#).



# Spill Prevention and Management

**EOG’s goal is to proactively minimize and seek to eliminate the risk of spills.**

Spill prevention is integrated into our operational planning processes. For example, we install secondary containment under our crude oil and produced water storage tanks. Additionally, our produced water reuse system infrastructure uses specially engineered, double-lined water storage facilities with leak detection technologies such as pond-level detectors.

Each operating area has spill prevention and management plans. These plans include site-specific information on spill prevention and control, countermeasures, waste management, and flow-line integrity. If a spill does occur, our spill prevention and management plans are designed to facilitate quick containment of the spill and implement recovery efforts to minimize environmental impact. We conduct regular training to review plan requirements and personnel responsibilities, including incident response training focused on responding to emergencies.

Proactive asset integrity maintenance and facility improvements are also important elements of our approach to spill prevention, as they help to address potential risks associated with infrastructure over time, such as corrosion. For example, we perform regular inspections and maintenance of relevant equipment including tanks, compressors, pipelines,

line heads, and pumps. A cross-functional group supports our asset integrity efforts and facilitates innovation and communication of new ideas and lessons learned across our operating areas.

## SPILL PREVENTION AND MANAGEMENT PRACTICES

We use multiple methods to help us reduce spill risks, including:

- Site-specific spill prevention and response plans
- Regular equipment inspections and preventative maintenance
- Secondary containment on tanks
- “Nearly full” tank alarms
- Control-center-based continuous monitoring and remote shut-off capabilities in our most active areas
- Automated and remote leak monitoring and detection technology, including our proprietary iDetect<sup>SM</sup> software

## Automating Spill Prevention and Management

We have also implemented a range of remote monitoring and automated spill prevention systems. For example, our control centers in our most active areas, which are staffed 24 hours a day, continuously monitor pump volumes, line pressure, and other operational parameters to proactively identify potential issues that could result in a release or other operational upset.

We are also continuing to expand implementation of our iDetect proprietary leak detection software. This technology uses sensors to detect potential leaks in real time on flow lines, gathering systems, and lay-flat lines for temporary water transfers, including reuse water systems. If a potential leak is detected, iDetect sends an alarm notification directly to the mobile devices of our field personnel, which includes a full description and volume estimate of the potential leak. We integrated iDetect into other automation systems in our control centers, allowing remote monitoring in our most active areas and shutdowns if a leak is detected. Additionally, iDetect facilitates spill prevention by providing data to evaluate the origins of leaks and better plan our facility and pipeline designs.

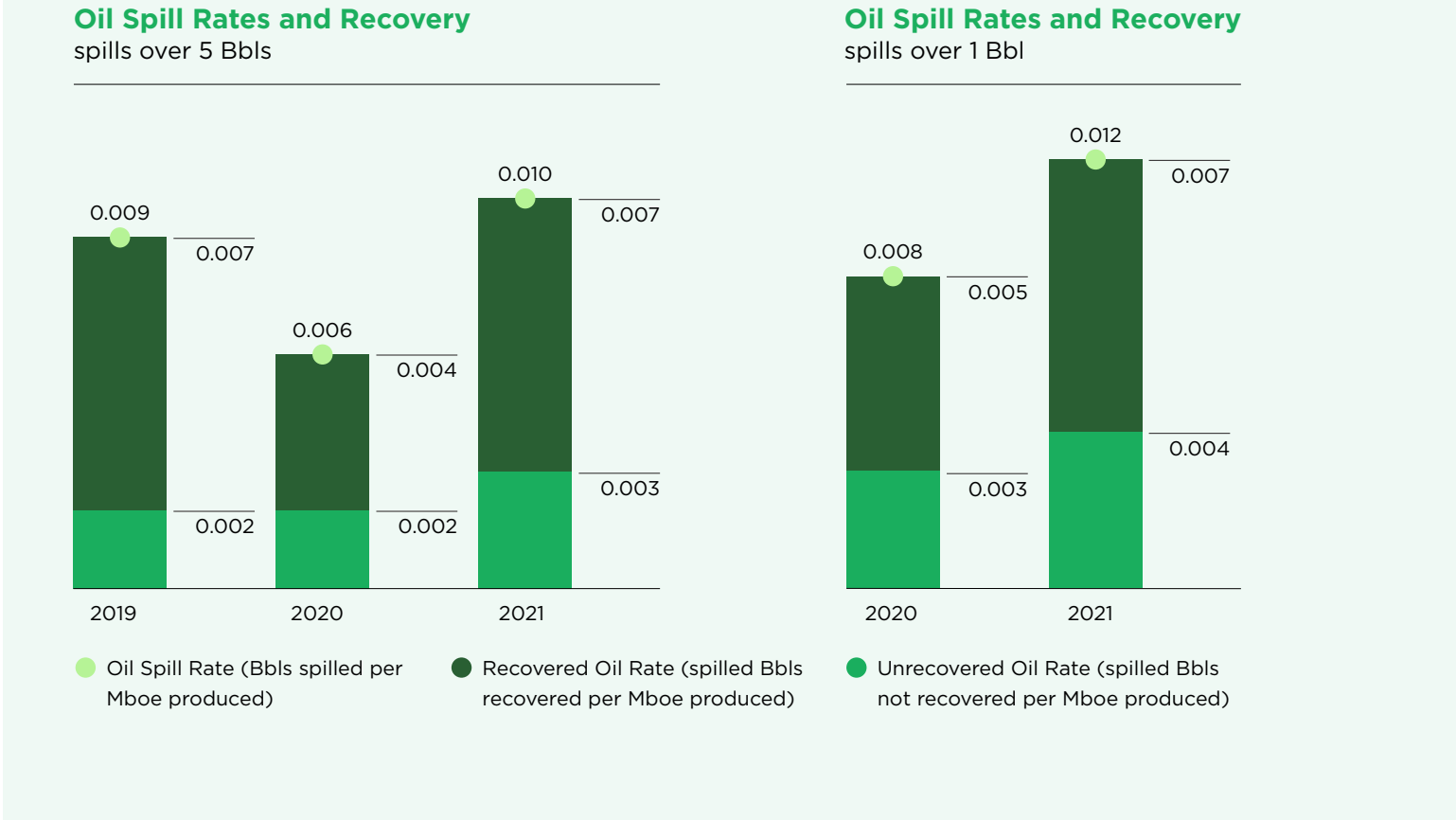
OIL AND PRODUCED WATER SPILLS AND RECOVERY

EOG tracks and documents the volume, number, and rate of oil spills and the volume of produced water spills from our U.S. operations, as well as the recovery volumes from those spills. We also consider our oil spill rate performance in our executive compensation program.

EOG has historically reported oil spills outside of primary containment that were greater than five barrels, because it is the most common regulatory spill reporting threshold for our primary operating areas. In our 2020 Sustainability Report, we began disclosing oil and produced water spills greater than one barrel to be more consistent with industry peer reporting. While we have continued that practice this year, we are also disclosing the total number of oil spills.

For more information regarding our spill metrics, including the relevant definitions and the regulatory oil spill reporting requirements (i.e., volume thresholds) for our primary operating areas, see the *Appendix* starting on *page 65* and the *Data Tear Sheet* starting on *page 6*.

In 2021, our oil spill rate for spills greater than one barrel increased by 50% and our produced water spill volume increased 57% from 2020. The increases in 2021 were a result of operational challenges and



conditions experienced during Winter Storm Uri. In response, we enhanced our winterization plan for critical equipment and will continue to focus on preventative maintenance. These efforts will be supported by our cross-functional group focused on asset integrity and facilities innovation. (See *page 33* for more.)

In 2021, we recovered 66% of oil from spills over five barrels and 64% of oil from spills over one barrel. We also recovered 66% of the total volume of our produced water spills over one barrel.

# Biodiversity and Land Stewardship

**EOG is committed to environmental stewardship throughout the life cycle of our operations, which includes integrating biodiversity and land conservation in the planning and management of our exploration and production activities and subsequent restoration. We also partner with local stakeholders, including community groups, government agencies, and academic institutions, at various stages of project development and operation to help conserve local habitats and wildlife and collaborate on initiatives that go beyond our regulatory requirements.**

## APPROACH TO BIODIVERSITY AND LAND USE MANAGEMENT

Our approach to managing biodiversity and land use seeks to focus on avoidance, and then to minimize, mitigate, and offset impacts. We tailor our approach to address the unique biodiversity and surface features, risks, and opportunities for each site. This includes conducting pre-development assessments and ongoing monitoring to help avoid and minimize potential impacts and to support successful site reclamation and restoration. We include third-party experts in these reviews as relevant.

As part of our predevelopment process, we evaluate locations to identify site characteristics. These reviews include desktop assessments for a range of features (see accompanying box). In locations where more information may be needed, or to confirm our desktop analysis, we undertake site visits that include a multidisciplinary team of EOG personnel, contractors, regulators, and other stakeholders as relevant.

### PREDEVELOPMENT SITE ASSESSMENTS

As part of our predevelopment site assessments we undertake desktop reviews for:

- Protected species and critical habitats
- Vegetation
- Wetlands and waters of the United States
- Hydrology
- Topography and soils
- Archaeological sites and cultural resources
- Other special features unique to an operational area

We seek to locate well pads and other operations where they will avoid impacts to biodiversity or cultural resources. We also seek to downsize and centralize our drilling and production facilities and use directional and horizontal drilling technology with longer laterals to reduce our overall surface footprint. During facility construction and operations, we monitor and adjust our activities to minimize potential impacts.

After active operations are complete, we undertake restoration and reclamation. This can include reducing well pad footprints as well as restoring impacted

surface areas after active construction, drilling, and completions work is finished to minimize impacts for wells with ongoing production. We also restore surface impacts related to permanent and temporary pipelines and access roads once those are no longer needed for ongoing operations.

Once production activities are completed we decommission wells, including site restoration and reclamation. We have regulatory and contractual responsibilities to remove assets, including the plugging and abandonment of wells at the end of oil and natural gas production operations. This process involves a number of steps:

- An internal multidisciplinary team including land, geology, production, and reservoir engineering personnel reviews the well and develops a well closure plan.
- Where required, EOG notifies the appropriate state or federal agency of the plan to plug and abandon the well and provides a closure plan with a wellbore closure diagram.
- Existing surface production equipment is removed and reused at other locations where possible, and equipment that cannot be reused is salvaged.
- Wells are plugged by filling former production zones with intervals of cement pursuant to relevant state or federal regulations on the size and depth of cement plugs.
- Once the well is plugged, remaining surface equipment is removed and surface restoration commences.



Beyond our legal, regulatory, and contractual obligations, we work in partnership with landowners and state and federal regulators to restore land in a manner that is responsive to the specific interests of the local communities.

**We work with landowners, local communities, and regulatory agencies to undertake reclamation and restoration projects that address the unique biodiversity issues of our sites and interests of local communities.**

Management Oversight

EOG personnel from multiple functions, including S&E, operations, drilling, and production, participate in the predevelopment assessment processes. Executive leadership meets with operating areas throughout the year to review and discuss topics that can include biodiversity-related efforts.

AVOIDING AND MINIMIZING BIODIVERSITY IMPACTS

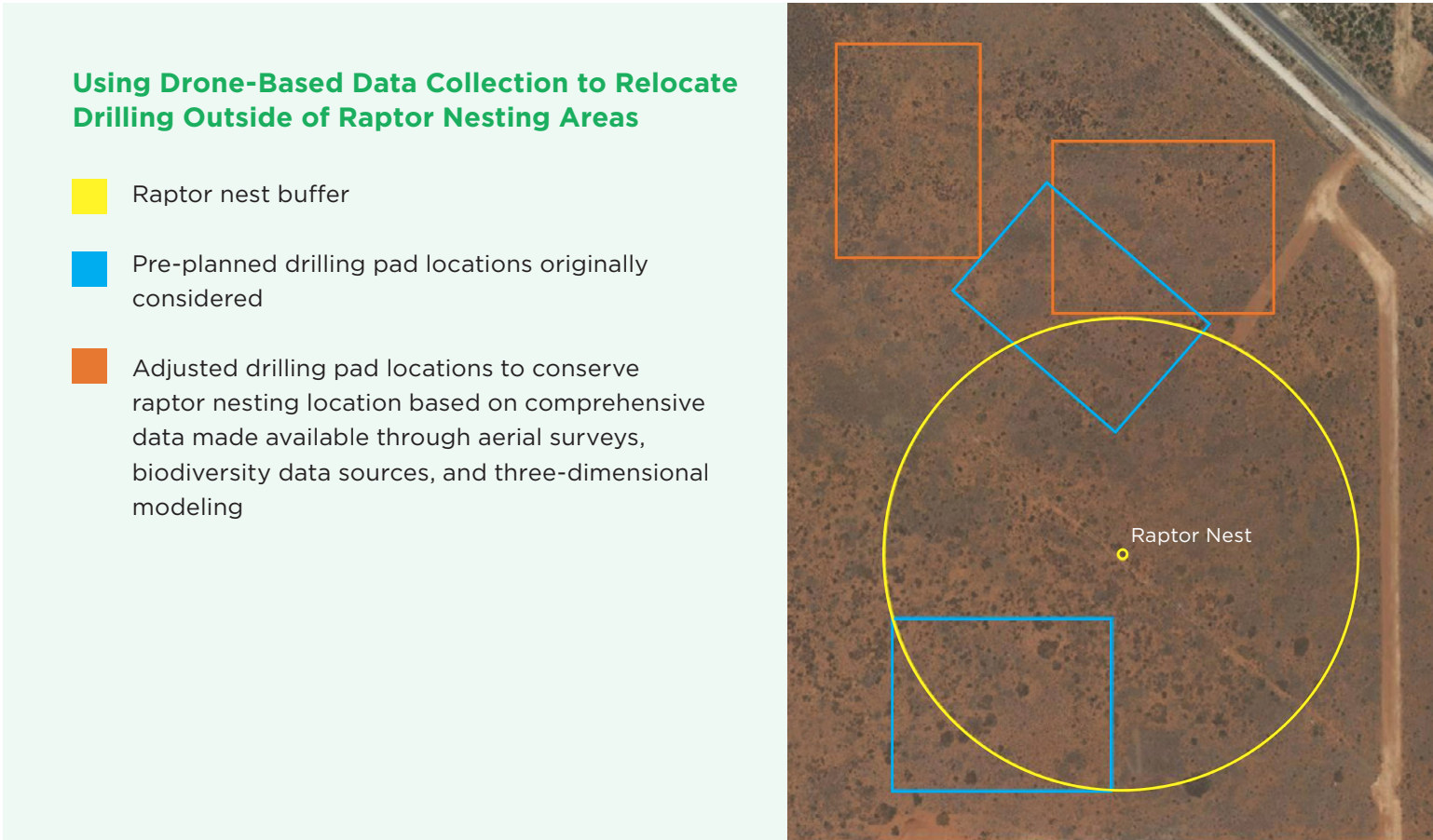
The following are examples of our efforts to avoid and minimize biodiversity impacts in our operations.

Improving Biodiversity Assessment Data to Support Habitat Avoidance

In 2020, we began using drones and fixed wing aircraft to support location assessments. We collect aerial imagery and light detection and ranging (LiDAR) remote sensing as part of our predevelopment planning in the Permian Basin in New Mexico. By combining this high-resolution aerial information with environmental data from national and state government sources, we are able to create three-dimensional elevation maps

that enhance our ability to visualize and adjust well pad and infrastructure locations away from sensitive habitat areas and identify areas for targeted on-site surveys. We share these combined data sets with federal regulators to augment their assessment and management tools.

We also use drone-based data collection to help identify raptor nesting locations near our well sites and relocate drilling pads outside of raptor nesting areas, as illustrated below.



Avian Monitoring and Conservation Planning in the Powder River Basin

Since 2014, EOG has led a study to develop better information on the territory and nesting patterns of Ferruginous Hawks, a raptor species that nests throughout the basin. Through a project developed with, and approved by, the U.S. Bureau of Land Management and the Wyoming Game & Fish Department, EOG has fitted 16 of these birds with GPS transmitters over the last seven years to provide real-time, year-round information on their movements and specific details on their breeding locations and migration patterns. This program has allowed us to better support the breeding and nesting of Ferruginous Hawks and manage our operations to avoid impacts to the hawks, including guiding the placement of drilling rigs and timing of our operations.



Protecting Species and Habitats Through Candidate Conservation Agreements

EOG participates in collaborative programs between landowners, the U.S. Fish and Wildlife Service, and other entities to protect species that are listed as endangered (e.g., the Texas Hornshell Mussel) by the U.S. Fish and Wildlife Service or are being considered for listing as threatened or endangered (e.g., the Dunes Sagebrush Lizard and Lesser Prairie Chicken) under the Endangered Species Act. Through these agreements, we commit to taking mitigative actions to protect certain sensitive areas and designated habitat zones or contributing funds to support habitat restoration and reclamation.

Creating Owl Towns and Nesting Perches in the Permian Basin

In 2019, we began implementing initiatives to improve nesting conditions for raptors and burrowing owls in our Permian Basin operations. Since then, we have worked with a biologist to install a total of 18 raptor nesting platforms and to create four “owl towns” with a total of 34 artificial burrows. We continue to monitor how the birds respond to these artificial perches and burrows, allowing us to modify and improve existing equipment and designs.

RECLAIMING AND RESTORING LANDS

We work with landowners, local communities, and regulatory agencies to undertake reclamation and restoration projects that address the unique biodiversity issues of our sites and interests of local communities.

Sagebrush Reseeding to Accelerate Reclamation

In Wyoming, EOG has collaborated with local stakeholders to reclaim land previously used as water reservoirs for drilling and production activities. EOG has worked with Wyoming regulators to plant sagebrush seedlings grown by Sheridan College students to reestablish vegetation and accelerate the restoration of native grasslands and scrublands. Based on the growth rates of these sagebrush seedlings, we are identifying future planning sites and evaluating how to enhance planting practices.





Expanding on this work, during the summer of 2021, EOG personnel collected mature sagebrush from a new well site under development and replanted them at a reclamation site. For this pilot project, our team used special tree and shrub transplant equipment to move the plants while keeping the root mass and surrounding soil intact. The technique for preserving the root structure and accompanying soil supports faster plant reestablishment that benefits the habitats of local birds.

Restoring Native Texas Grasslands

Since 2015, EOG has supported Texan by Nature, a collaborative partnership between natural resource users and conservation experts to promote conservation efforts that help sustain Texas’s working

lands, water supplies, and wildlife. In the Eagle Ford, EOG is working in partnership with Texan by Nature and private landowners to create over 350 acres of native pollinator habitat by reseeding well pads, pipeline rights of way, and other areas associated with our leases with native grasses and nectar-producing plants. These grasses and plants can provide high-protein forage and food plots, which maintain and improve habitat conditions for the monarch butterfly and numerous other species in this migratory corridor. Additionally, the native grasses require less maintenance and are more drought tolerant than nonnative grasses. Since starting this project in 2019, over 60% of the 350-acre commitment has been or is planned to be planted, and we continue to identify additional sites for reseeding.



Seismicity

EOG takes a proactive approach to understanding seismic activity around our areas of operation. We collect and review available geologic data, including 3D seismic subsurface images. We deploy and help fund local seismic monitoring arrays in operating areas with active seismicity. We also monitor flow rates and pressures in our hydraulic fracturing and produced water disposal operations (see [Water Reuse](#) on [page 32](#) for more information on produced water management). This information is integrated into our proprietary mapping and analysis applications to support the multidisciplinary analyses our staff undertake as part of our daily operations. Additionally, we work proactively with regulators by providing data and other deliverables to support their research and planning efforts.

To advance industry knowledge regarding seismicity, we participate in research and other initiatives with other operators, trade organizations, and academic institutions. EOG sponsors scientific research through the Center for Integrated Seismicity Research, a research center managed by the Bureau of Economic Geology. We also serve on the Center for Integrated Seismicity Research Science Advisory Committee.



# Social

40	Our Communities	→
46	Our People	→
52	Safety	→

## 2021 HIGHLIGHTS

### CULTURE IS KEY TO OUR SUSTAINABLE SUCCESS

Our decentralized structure empowers and drives innovation and performance improvements across the company by encouraging employees in each operating area to develop their own solutions to unique challenges

### TOP PLACES TO WORK

Based on the 2021 engagement survey, our offices in Artesia, Houston, Oklahoma City, and San Antonio were each recognized as a Top Workplace by Energage, and EOG was included in the Top Workplace USA list

### DIVERSE AND INCLUSIVE WORKPLACE

**22%**  
of our executive- and senior-level managers are women, a 23% increase from 2020

### SAFETY PERFORMANCE

**11%**  
reduction in  
workforce  
Total Recordable  
Incident Rate  
compared to 2020

**15%**  
reduction in  
workforce  
Lost Time Incident  
Rate compared  
to 2020

### COMMUNITY ENGAGEMENT AND INVESTMENT

Understanding and responding to community needs is key to creating shared value in the communities where we live and work

**\$7.1 million**  
contributed by EOG, our U.S. employees, and  
our directors to support community needs



# Our Communities

## Understanding community needs and responding to concerns is key to creating shared value in the communities where we live and work.

As a decentralized company, our local engagement efforts benefit from the insights of our employees and their families who live in the local communities where we operate. Each of our operating areas is unique, and we proactively engage with community stakeholders, including property owners, civic leaders, elected officials, first responders, nonprofits, and local community groups, to identify and address specific community needs and concerns.

### ENGAGING IN OUR COMMUNITIES

EOG develops and maintains mutually beneficial relationships in the communities where we live and work in many ways. The largest and most direct way is by providing diverse career opportunities, a large percentage of which EOG fills with local candidates.

We support numerous efforts to help improve quality of life through charitable donations and local community giving; partnering with local community organizations; encouraging local volunteerism; investing in initiatives that increase access to science, technology, engineering, and math (STEM) education in our local communities; and by generating local and state tax revenue both directly and indirectly from our operations.

Stakeholder engagement is integral to building and preserving relationships. In keeping with

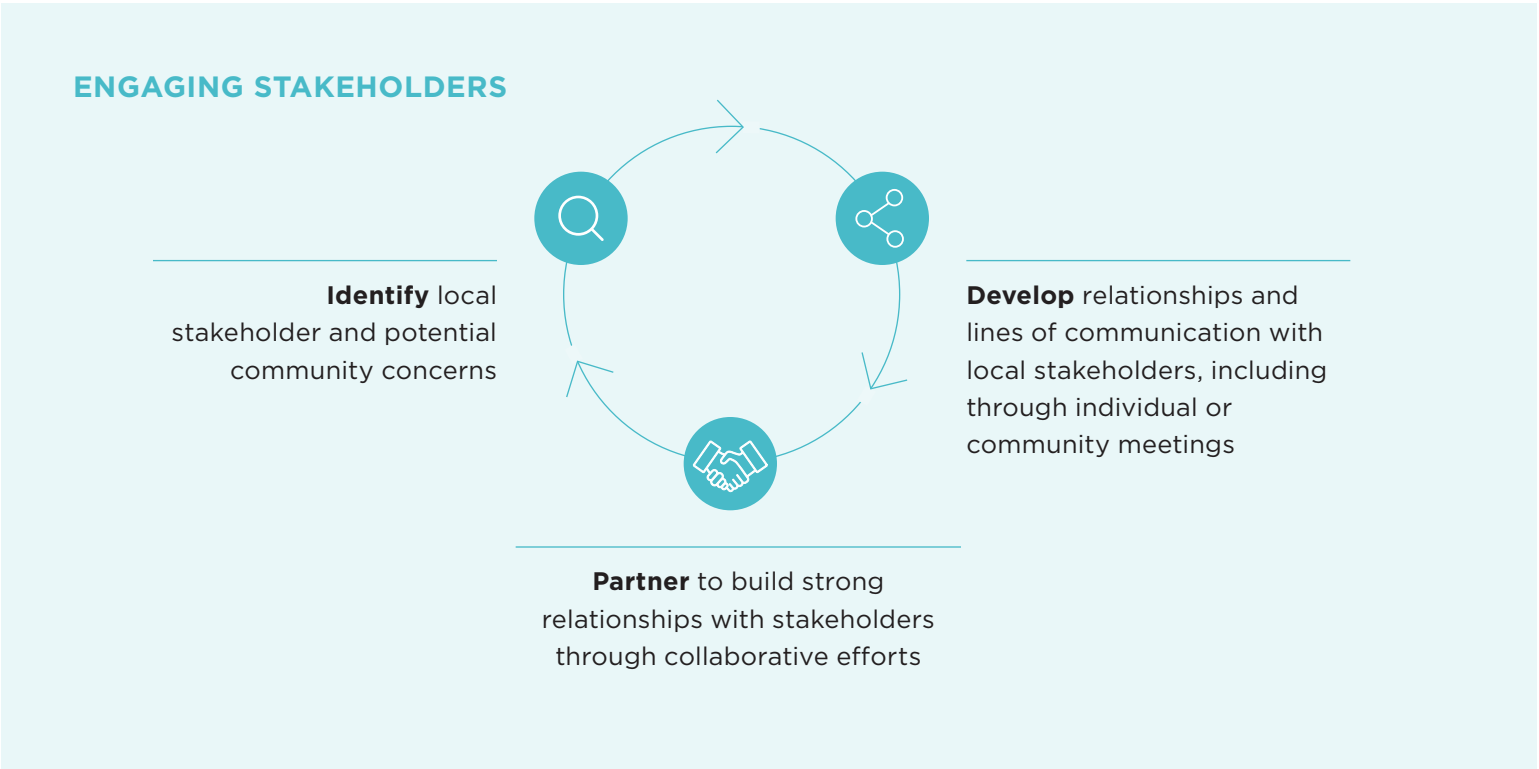
EOG’s culture, our stakeholder outreach efforts are decentralized. Local offices are empowered to develop and maintain close working relationships with community stakeholders, actively communicate on a regular basis, and be responsive.

Our stakeholder engagement includes a wide range of activities throughout the life cycle of our operations. We meet with community leaders and permitting authorities to discuss specific projects during the planning process and on an ongoing basis. We also reach out to — and engage with — community leaders and civic organizations to learn how we can support local philanthropic and other community efforts.

In addition, the land personnel in our operating areas work closely with surface and mineral owners and other community members near our operations to communicate plans and address questions and concerns. Our Land Administration Call Center addresses questions from interest owners, including inquiries related to land and royalty ownership.

### Respect for Cultures, Traditions, and Indigenous Peoples

EOG respects the rights and local traditions of stakeholders where we operate. We seek to contribute to economic growth, social development, and the overall welfare of the community, and to tailor our actions to each community’s particular culture.



## EOG Volunteer Culture: Employee Powered, EOG Supported

Employees power EOG’s tradition of volunteerism by donating their time to a wide range of charitable and community organizations. The company supports this culture of volunteering by providing employees with eight hours of paid volunteer time annually. This allows employees the flexibility to volunteer their time to support community causes that are meaningful to them. Additionally, members of our executive team sponsor, organize, and participate in volunteer activities that allow our employees to come together with purpose to support community needs.

Our corporate *Energize You* wellness program recognizes and encourages volunteerism as an important contributor to overall well-being. Participating in

volunteer activities is one of the ways that employees can earn points toward quarterly incentives. In 2021, the wellness program further promoted volunteerism through the Community Engagement Challenge, a competition among EOG divisions to have the highest percentage of employees using volunteer hours for community service activities. It resulted in more than 45 community service activities across our operating areas.

Despite the ongoing pandemic, EOG employees found ways to safely donate their time and efforts to a broad range of community projects.



### STEM Education & Job Training



- Encouraged the next generation of STEM professionals by guest lecturing at Newcastle Public Schools in Oklahoma.
- Supported educators by participating in an energy education workshop in Oklahoma and hosting a field tour in Wyoming.
- Helped deliver classroom supplies to San Antonio educators through United Way’s “Write Start Project” back-to-school drive.



### Health & Wellness



- Collected wellness items to support the Center for Transforming Lives’ efforts to help women and children living in poverty in Fort Worth.
- Decorated and assembled bags of medically tailored meals for Project Angel Heart in Colorado.



### Community Vitality & Quality of Life



- Packaged and distributed donations at food banks in Colorado, New Mexico, and Texas.
- Built safe, affordable housing through Habitat for Humanity in Denver, Fort Worth, Houston, Oklahoma City, and San Antonio.
- Beautified communities with trash cleanups in Utah and Texas, including a section of the Gulf Coast EOG adopted through Texas Adopt-A-Beach.

As part of our commitment to respect tribal heritage resources, we proactively engage federal, state, and local land management agencies in multiple jurisdictions to create cooperative cultural review and assessment protocols. Our goal in these efforts is to address site-specific concerns based on stakeholder input, local knowledge, and cultural preservation best practices.

Stakeholder engagement is integral to building and preserving relationships in the communities where we live and work. In keeping with EOG’s culture, our stakeholder outreach efforts are decentralized. Local offices are empowered to develop and maintain close working relationships with community stakeholders, actively communicate on a regular basis, and be responsive.

Stakeholder Grievance Reporting Mechanisms

We provide multiple mechanisms for stakeholders to report concerns or ask questions related to our operations.

- **Company contacts** — Feedback may be provided to company representatives at work locations or by contacting representatives in the Human Resources or Legal Department as well as the Compliance Committee.

- **24-hour hotlines** — We maintain a 24-hour compliance and ethics hotline and online reporting system through which concerns can be shared confidentially and anonymously. We also maintain a Land Administration Call Center for interest owners.

See the *Governance section* starting on *page 55* for further discussion of our Codes of Business Conduct and Ethics and Compliance Program and *page 62* for more on the investigation and resolution process.

HUMAN TRAFFICKING PREVENTION

EOG has raised awareness and conducts training for employees and contractors to identify and prevent human trafficking.

EOG is a corporate sponsor of Truckers Against Trafficking, a nonprofit that was formed to educate, equip, empower, and mobilize members of the trucking, bus, and energy industries to combat human trafficking. Human-trafficking-prevention educational materials created specifically for energy companies by Truckers Against Trafficking are available to company personnel.

EOG is also an active member in other industry groups working to raise awareness about human trafficking. For example, an EOG representative serves on the Board of Directors of the Energy Security Council, an organization that brings together members of the energy industry and law

enforcement to collaborate and share best practices on different issues, including human trafficking.

COMMUNITY INVESTMENT

EOG employees take pride in their communities, and EOG encourages and supports investing in and giving back to those communities in a variety of ways, including financial and in-kind giving and volunteerism.

Our giving is focused on causes and organizations that are of particular importance to our company, our local communities, and our employees. In 2021, our contributions largely fell into three categories: STEM education and job training, health and wellness, and community vitality and quality of life.

CHARITABLE DONATIONS AND COMMUNITY GIVING

In 2021, EOG, our U.S. employees, and our directors contributed

**\$7.1 million**

to support charitable and community needs.

This amount included

**\$2.1 million**

in matching gift donations by EOG.

2021 COMMUNITY INVESTMENT HIGHLIGHTS

Examples of community investments made in 2021 include the following:



Health & Wellness

- Sponsored a Bike MS team for over 20 consecutive years, raising over \$245,000 in 2021.
- Provided financial support to the Carl McCain Memorial Foundation to help individuals and families who have worked in the energy industry cover expenses when they are financially burdened by medical costs.
- Supported organizations such as The Council on Recovery, Texas Children’s Hospital, and Hunting For The Cure, which provides outdoor experiences for children with cancer.



STEM Education & Job Training

- Donated funds to the Switch Energy Alliance, an organization dedicated to inspiring an energy-educated future.
- Supported the Independent Petroleum Association of America Energy Workforce Education Center,

which encourages students to delve into the energy industry and its many career fields, through funding of the Exploring Energy Program and providing career guidance to high school students.

- Sponsored students from Cristo Rey Jesuit College Preparatory School of Houston through a unique corporate work-study program. The program provides students of limited economic resources with the opportunity to gain work experience and earn up to 50% of the cost of their annual tuition.

MATCHING GIFTS PROGRAM

EOG has one of the largest matching gifts programs in the industry. In 2021, employee and director contributions to qualified charitable organizations were matched dollar for dollar, up to \$100,000 per employee or director. EOG also matched contributions made under our annual United Way campaign, which was in addition to the matching gifts program limit.



Community Vitality & Quality of Life

- Supported more than a dozen food banks, many of which were in areas that were hit hard by Hurricane Ida in August 2021.
- Supported efforts to expand adult literacy in Houston by helping sponsor Houston’s Adult Literacy Blueprint and donating laptops to the Mayor’s Office for Adult Literacy.
- Supported LGBTQ Saves, which provides safe spaces for social and personal development of lesbian, gay, bisexual, transgender, and queer (LGBTQ) youth, as well as Tony’s Place, a drop-in center focusing on LGBTQ+ youth up to 25 years of age who are unstably housed, couch surfing, or experiencing homelessness.
- Participated in Discard and Donate and Move For Hunger, which are programs that work with employees who are relocating to collect unwanted household items and unopened food for donation to local facilities.



Partnering With Local Community Organizations

We invest resources and funds in our communities through partnerships with nonprofits and state-affiliated agencies, which helps to maximize our positive impact. Organizations that we have partnered with include the Oklahoma Energy Resources Board (OERB) and Wyoming Agriculture in the Classroom, and we are a founding member of the Permian Strategic Partnership (PSP).

We supported the OERB by participating in workshops and roundtables that help educate that state’s next generation of innovators and leaders. Wyoming Agriculture in the Classroom helps students develop an understanding of Wyoming’s resources so that they are capable of serving as stewards of that state’s future. EOG’s participation includes hosting site visits at some of our facilities to help teachers better understand our industry and the work we do in their communities.

See *In Focus — Developing the Next Generation of Energy Professionals Through STEM Education* on page 45 to learn more.

SUPPORTING THE PERMIAN STRATEGIC PARTNERSHIP

We are a founding member of the Permian Strategic Partnership, which was formed by oil and gas companies operating in the Permian Basin region, and we continue to contribute funds and other support to the organization annually. The PSP collaborates with citizens, community organizations, private foundations, civic leaders, and government officials to develop solutions that strengthen local communities in West Texas and southeast New Mexico. From its inception in 2018 through 2021, the PSP has committed over \$90 million to community-oriented investments in road improvements, quality schools, affordable housing, improved health care, and workforce development. In 2021, EOG committed funds to the PSP to support the projects below.



Permian Warrior Partnership, a collaboration with America’s Warrior Partnership to increase support for the approximately 20,000 veterans across the Permian Basin region. The partnership aims to provide community support for local veterans and ensure access to quality services and opportunities.

A COVID-19 campaign using digital and social media, TV, video, and print outlets to encourage vaccination.



UTeach Permian Basin, which focuses on recruiting and training STEM majors for the teaching field.



The Catalyst workforce development program, which aims to align industry training needs with the ability of the educational and training systems to provide relevant resources.



A SkillPoint Alliance program that aims to provide rapid training in fields such as electrical; heating, ventilation, and air conditioning (HVAC); and plumbing.

Efforts to expand the availability of health care resources in Permian Basin communities, such as the following:

- Expansions of building infrastructure for health-related studies at Odessa College and Texas Tech University. These projects aim to increase the number of students graduating with degrees in health-related fields.
- Scholarships for The University of Texas Permian Basin and funding for Texas Tech University Health Sciences Center’s (TTUHSC) Rural Residency Track.
- TTUHSC’s Medicine on the Move initiative, which will help provide rural communities with expanded access to quality and affordable health care via mobile health care units.



Developing the Next Generation of Energy Professionals Through STEM Education

The oil and gas industry continues to be transformed by advances in technology and innovation that focus on lowering costs, increasing efficiency, and reducing its environmental footprint. STEM education has been key in this transformation and will help create the next generation of energy professionals.

EOG invests time and financial contributions in initiatives that increase access to STEM education across the communities where we live and work.

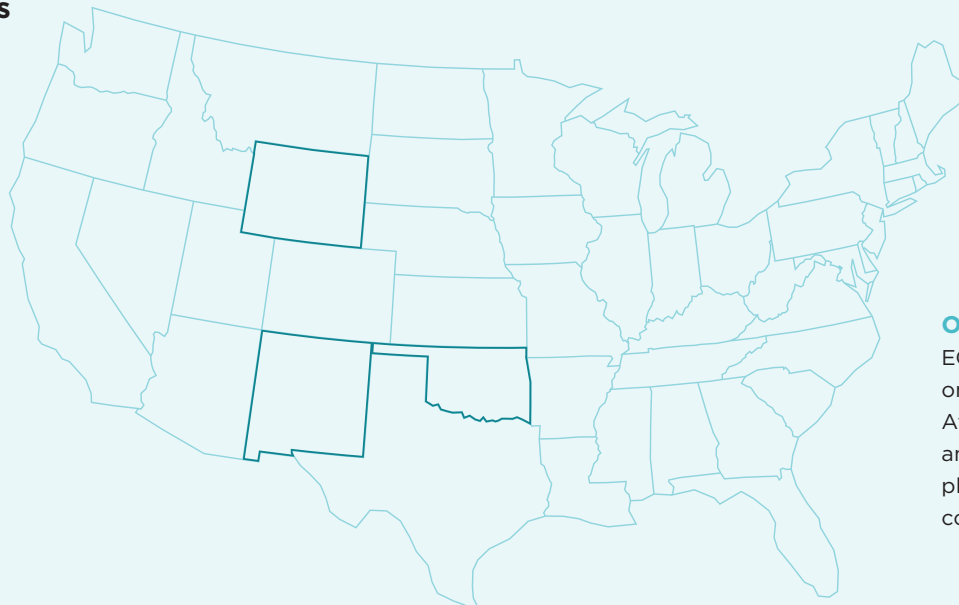
We strive to help students foster an interest in science, technology, engineering, and math and raise awareness of energy-related STEM careers. EOG supports a range of STEM programming that reaches students from elementary school through the college and university levels. At the elementary, middle, and high school levels, we often partner with a nonprofit or industry organization that promotes early access to STEM learning and exposure to STEM-related careers. Our support also includes financial contributions to schools and organizations as well as engaging with students and educators directly through tours and workshops.



STEM Education Support in Elementary, Middle, and High Schools

NEW MEXICO

EOG donated funds to help the Cal Ripken, Sr. Foundation build STEM centers that will give elementary school students in southeast New Mexico opportunities to participate in STEM activities. STEM centers will provide hands-on learning activities and access to learning tools that support STEM education.



WYOMING

EOG hosted a group of elementary school teachers for a drilling rig tour through Wyoming Agriculture in the Classroom. The nonprofit develops STEM and natural-resource-related curricula for elementary school students and offers teachers training and support to bring the curriculum into their classrooms.

OKLAHOMA

EOG volunteered with the OERB to educate students and teachers on the oil and gas industry and STEM activities in the classroom. At a STEM summer camp, middle school students learned about oil and gas careers, geology, and safety. Another presentation took place at an energy education workshop for K-12 educators and covered bringing interactive STEM activities into the classroom.

# Our People

**EOG's culture is key to our sustainable success. Innovative and highly engaged employees at all levels of the company drive our collaborative approach and continuously learn from one another. By providing employees with a quality work environment and maintaining a consistent college recruiting and internship program, EOG is able to attract and retain some of the industry's best and brightest — individuals who will embrace the company's culture and our commitment to sustainability and corporate responsibility.**

## RECRUITING AND RETENTION

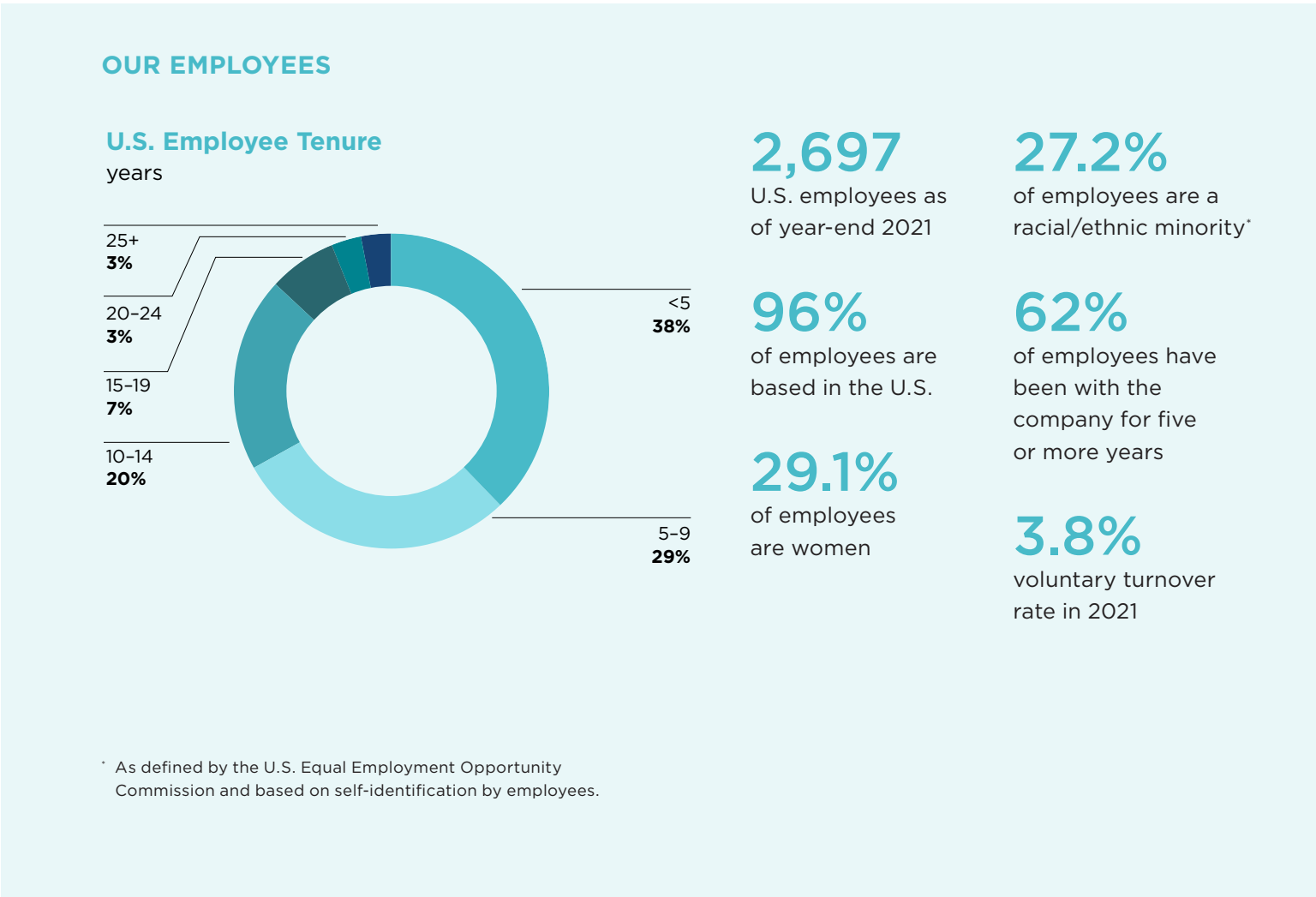
EOG values attracting and retaining talent, and for this reason, we offer competitive salaries, bonuses, and a subsidized, comprehensive benefits package. EOG also offers a holistic wellness program, tuition reimbursement (see [page 49](#)), a matching gifts program, and a flexible work schedule. New-hire stock grants, annual stock grants, and an employee stock purchase plan give every employee the opportunity to be a participant in the company's success. (See [page 50](#) for more.)

EOG is an equal employment opportunity and affirmative action employer. All employment decisions are made without regard to factors such as sex, race, color, age, religion, national origin, physical or mental disability, pregnancy, protected veteran status, genetic information, sexual orientation, gender identity, or any other characteristic protected by law.

## EMPLOYEE ENGAGEMENT


Our decentralized organization supports engagement by empowering employees at all levels to develop new ideas that help us improve performance across the organization. We engage employees and build our collaborative culture by encouraging teams

throughout the company — and across disciplines — to share their thoughts and solutions at regular internal conferences and planning sessions. This focus on employee empowerment and the cross-pollination of ideas underpins our ability to innovate and continuously improve.



In addition to fostering engagement across functions and operating areas, members of our executive team routinely interact with personnel throughout the company. For example, they participate in operating area reviews and annual technical conferences with employees from across disciplines, as well as the annual management conference that is attended by leaders from across the company. Furthermore, our CEO provides a company update to each operating area at least three times per year.

EOG also facilitates engagement through regular all-staff meetings in our operating areas, company newsletters, intranet articles, and training. We organize a broad range of volunteer activities and support employees in volunteering in our communities.

 Read about some of the organizations to which our employees gave their time in 2021 in *In Focus* — *EOG Volunteer Culture: Employee Powered, EOG Supported* on page 41.

**We engage employees and build our collaborative culture by encouraging teams throughout the company — and across disciplines — to share their thoughts and solutions at regular internal conferences and planning sessions. This focus on employee empowerment and the cross-pollination of ideas underpins our ability to innovate and continuously improve.**

EOG continues to be recognized as a Top Workplace by Energage based on an annual survey of employees across the company’s operations, reflecting EOG’s positive culture and work environment. Based on the 2021 survey, our offices in Artesia, Houston, Oklahoma City, and San Antonio were each recognized as a Top Workplace. EOG was also included on the Top Workplace USA list, which recognizes companies that create a positive work environment by prioritizing a people-centered culture and giving employees a voice.



EOG Resources is a Top Workplace three years running!



EOG Resources is a Top Workplace 12 years running!



EOG Resources is a Top Workplace nine years running!



EOG Resources is a Top Workplace nine years running!



Top Workplace USA recognizes companies that create a positive work environment by prioritizing a people-centered culture and giving employees a voice.

RESPONSE TO COVID-19 PANDEMIC

As our industry and communities continued to face challenges stemming from the COVID-19 pandemic, EOG remained focused on keeping employees motivated and engaged. Our resilience helped us emerge stronger in 2021. We maintained our commitment to keeping our employees and their families safe and providing the technology and support to enable them to not only work safely and productively from the office or at home, but also to remain engaged and connected across the company.

This technology and support included proprietary in-house applications that employees could access through their phones, tablets, and computers, as well as an external online collaborative work platform and video conferencing capabilities. We also continued to adapt our safety protocols as we reopened our offices in a phased approach to allow employees to spend more time back in the workplace during the last half of the year.

DIVERSITY AND INCLUSION

EOG and our employees have a collective responsibility for creating a workplace where everyone feels included and respected. EOG values gender, racial, ethnic, and cultural diversity. We believe diversity in background and experience lead to diversity of thought, which helps drive innovation.

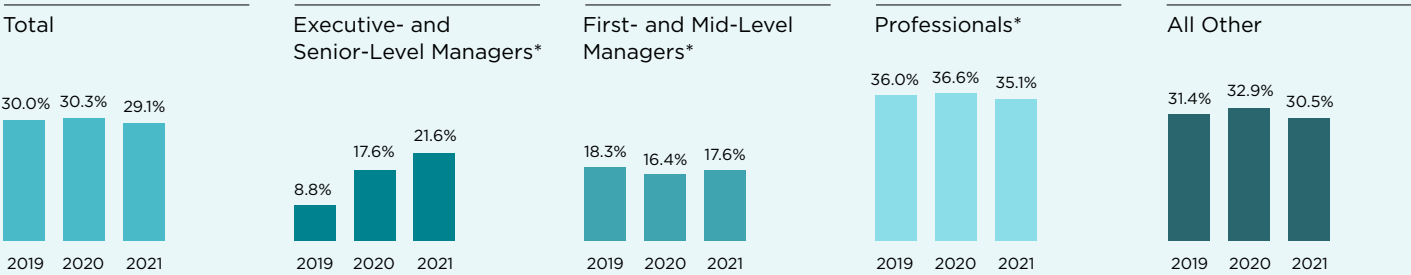
We have taken steps to raise employee awareness and provide leadership support to help advance our diversity and inclusion (D&I) efforts. We have a D&I Working Group to engage employees at the grassroots level and help develop and implement D&I initiatives. Sponsored by an executive-level steering committee, the working group is made up of employees from multiple disciplines across our operating areas and typically meets monthly.

Among our other D&I efforts, we have enhanced our approach to college recruiting. At schools where EOG has established recruiting pipelines, we are expanding our efforts by partnering with student and university organizations that focus on underrepresented groups, including female and minority students. This includes sponsoring student events, lunches, and speakers. In 2021, we also conducted recruiting at an expanded group of colleges, with a focus on building relationships with minority-serving institutions.

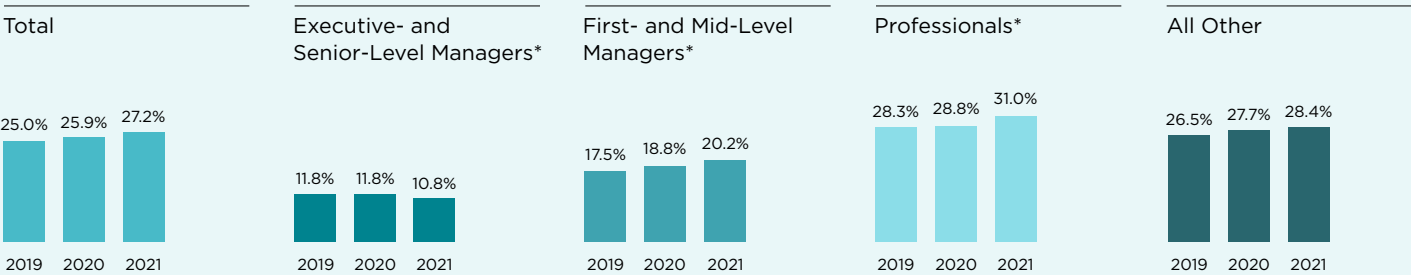
To provide context around our demographics across the company, our disclosures include information on female and minority representation.

U.S. FEMALE AND MINORITY\* EMPLOYEES  
as of December 31, 2021

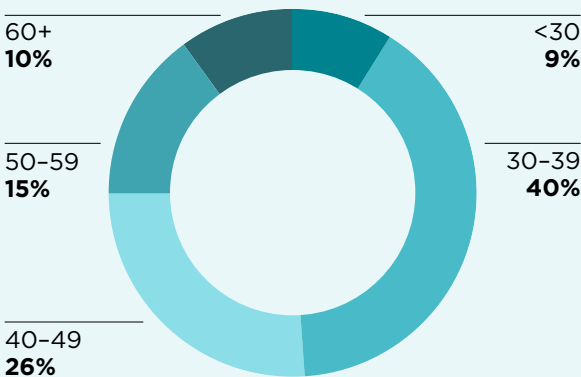
Female Representation



Minority\*\* Representation



U.S. EMPLOYEE AGES  
years



We focus on developing our employees for meaningful career opportunities, including promotion into supervisory and management positions and enhanced compensation opportunities.

\* As defined by the U.S. Equal Employment Opportunity Commission.  
\* Based on self-identification by employees.

For more detailed information, see the [Data Tear Sheet](#) starting on [page 6](#). In addition to the diversity metrics presented in this report, we also make a copy of our [EEO-1 Report](#) available in the Sustainability section of our website. EEO-1 report data is based on a pay period in the fourth quarter of a given year, which was December 18 through December 31 for the 2021 report, and adheres to reporting requirements of the U.S. Equal Employment Opportunity Commission. As a result, EEO-1 report data may differ from our employment data reported as of December 31, including in this sustainability report.

TRAINING AND DEVELOPMENT

EOG provides training in leadership, management skills, communication, team effectiveness, technical skills, and use of EOG systems and applications. We focus on developing our employees for meaningful career opportunities, including promotion into supervisory and management positions and enhanced compensation opportunities. Our leadership training, in particular, is focused on providing continuity of leadership at EOG by further developing the skills needed to lead a multidisciplined, diverse, and decentralized workforce.

EOG also holds several internal technical conferences each year designed to share best practices and technical advances across the company. These annual conferences cover exploration, drilling, completions, reservoir engineering, production, facilities, and

safety and environmental topics. EOG is a member of the RPS Nautilus Training Alliance, the premier membership-based training program for the oil and gas industry. Technical personnel are encouraged to attend this training annually.

EOG’s Tuition Reimbursement Program provides 90% reimbursement for postsecondary education that either better qualifies an employee for present duties or prepares the employee for future placement within the company. The policy also provides 100% reimbursement for professional certification tests, such as professional engineer or certified public accountant.

WELLNESS

We are committed to the health and wellness of our employees. Wellness at EOG encompasses more than just physical health — it includes emotional, social, and financial health. It is important to us that our programs and benefits help our employees find success both in their personal and professional lives.

Wellness Program

Our *Energize You* wellness program, administered through Virgin Pulse, gives employees the opportunity to earn points that can be used to receive cash, to make donations to charities, or to purchase merchandise from an online store. Employees earn points by taking “journeys,” which are daily, self-guided online courses to help build healthy habits.

They can also earn points through various types of coaching, volunteering in the community, attending safety meetings, making charitable donations, donating blood, taking part in team challenges, and more.

EOG promotes engagement, awareness, education, and prevention throughout the year by supporting wellness-themed activities for employees. These activities are planned by more than 80 active volunteer Wellness Ambassadors across the company and include lunch and learns on health-related topics; donation drives for food, clothing, or school supplies; and virtual workout challenges and classes.

BENEFITS PROGRAM

Helping our employees stay healthy and plan for their futures is important to EOG. Our benefits program is designed to support a holistic approach to employee wellness. We provide U.S. employees with medical, prescription drug, vision, and dental coverage. These benefits are also available to our employees’ legally recognized spouses and eligible dependents. EOG provides both short- and long-term disability protection, basic life, and accidental death and dismemberment coverage as well.

Two new benefits for medical plan members added in 2021 were Lyra Health and Hinge Health. We have long prioritized the mental and emotional well-being of employees through our Employee Assistance Program (EAP), and using Lyra Health as an EAP provider further enhanced the scope and availability of the services offered. Lyra’s evidence-based mental health platform gives access to a curated network of clinicians. Hinge Health provides an easy-to-access digital platform for addressing back pain or other musculoskeletal issues through self-guided exercise therapy sessions.





Decentralized Structure Fosters Innovation

EOG is unique in our ability to leverage our culture and operating structure to get incrementally better every year. Our decentralized model fosters innovation across operating areas and compounds the impact of innovation by taking ideas born in one operating area and expanding them across multiple basins and across multiple functions — from innovative completion techniques and drilling motor designs to improved procurement practices like self-sourced sand to information-technology-driven solutions to reduce emissions.

Executive leadership works to empower every employee as a decision-maker, idea generator, and critical contributor to EOG’s performance and success. This empowerment is further bolstered by giving employees access to real-time performance data across a wide range of operational and financial functions with more than 140 proprietary applications developed in-house through cross-functional collaboration.

Once improvement ideas have been identified locally, we foster collaborative, multidisciplinary teams across each of our operating areas to innovate, test, and share new technologies and practices to improve performance across everything we do. Examples of our communication and collaboration forums include the following:

**Technical conferences** bring employees from across our operating areas who work in the same discipline together to present and discuss ideas. Annual technical conferences are held for nearly every discipline across our operations (e.g., Drilling, Exploration) and support functions (e.g., Safety and Environmental, Accounting).

**Division reviews** are hosted by each EOG operating area multiple times a year to share performance as well as new innovations and to collect input from executive management. Executive management engages in daylong reviews of each operating and support discipline.

**Specialized functional teams**, such as our Sustainable Power Group (SPG), strategic water resources team, and Safety and Environment Group, share expertise and learnings from across the company on topics including emissions reduction, water management, and environmental and safety performance.

**The EOG Technology Center** provides a venue that functions as an innovation laboratory to test ideas and technological advancements for improved operational performance, including emissions reductions and produced water spill management.

The validity of our approach can be seen in the results from everyday operational practices to large projects. Closed Loop Gas Capture (CLGC) is one such success story. This technology provides an alternative to the flaring that can result from downstream market interruptions. While the idea was initiated by employees operating in the Delaware Basin, the innovative solution has since been shared across the company. Other operating areas are conducting pilot projects to understand its localized application. We have also supported regulatory adoption of CLGC, which has led to a successful partnership with the government of New Mexico for the approval of this technology.

In another example, we established the SPG to support emissions performance efforts. The SPG provides centralized communication and coordination to maximize contributions from across the organization. The group brings together employees who understand the unique features of each of our operational areas and have strong working relationships with their colleagues across disciplines and areas. Building on this knowledge and rapport, they test technologies in the field, utilize the EOG Technology Center, and then share results with the goal of scaling successful emission management solutions.

See *In Focus — iSense Continuous Leak Detection System* on [page 24](#) for another example of innovation at EOG.

Advancing a Culture of Innovation



Executive empowerment and oversight



Access to real-time performance data



Multidisciplinary teams across operating areas



Cross-company communication channels

EOG believes that leadership, commitment, and communication are key characteristics of safe operations. We also emphasize the importance of having our employees and contractors take personal responsibility for conducting operations in a safe manner.

PROMOTING SAFE OPERATIONS

To help promote safe operations, we seek to:

- **Communicate** a vision for safe operations that is both visible and consistent
- **Empower** all personnel to be proactive and use their stop-work authority
- **Take measures** to continuously improve the safety of our operations
- **Support** our contractors' safety programs

SAFETY MANAGEMENT AND OVERSIGHT

EOG's safety management processes provide a framework for assessing safety performance in a systematic way. Guided by our companywide Safety and Environmental Policy and Safe Practices Manual, these processes are adaptable to the specific risks and conditions of our operating areas.

The majority of our safety personnel are based in our operating area offices to support our decentralized organization. Their reporting structure is to our companywide Vice President, Safety and Environmental, and ultimately to our Chief Operating Officer (COO). This approach promotes local responsibility while supporting implementation of companywide processes across our areas of operation. To foster accountability, EOG's safety performance is also considered in evaluating employee performance and compensation, including executive compensation.

EOG discusses safety management across the company in a variety of ways to drive the sharing of ideas and continuous improvement. For example, our Safety Support team, composed of safety representatives from all operating areas, holds regular meetings to share area-specific safety matters and projects. The team also shares resources and collaborates on safety-focused projects.

Safety performance is reported to supervisors and division leadership regularly. Senior leadership for each of our operating areas also provides regular reports to our executive management on safety performance and related matters.

SAFETY PREPAREDNESS AND TRAINING

Knowing what to do and how to do it is critical to strong, consistent performance. We provide initial, periodic, and refresher safety training to employees and contractors. These safety training programs focus on topics such as operating procedures, safe work practices, and emergency and incident response.

While practices vary across operating areas, they can include the following:

- Providing the Safe Practices Manual to employees and contractors and making it available online for easy reference
- Offering safety training courses for EOG employees and contractors who work at EOG's facilities, plus additional online safety and operational courses to employees

INTEGRATED SAFETY PRACTICES

At EOG, we strive to achieve strong, consistent safety performance across our operations. We have implemented several practices to help drive this performance.

All workers are empowered to proactively identify and communicate potential hazards, near misses, and other safety issues. These observations can help us to recognize trends and identify and mitigate factors that can lead to incidents. We collect incident data to identify trends and implement corrective actions as necessary. (See *Monitoring Performance — Incident Rates* on page 54.)

Hazards and appropriate safety precautions are assessed, identified, and discussed in prejob safety meetings before tasks are performed. As necessary, we also conduct safety stand-downs in which we stop work across an operation to discuss safety hazards and mitigations.

All employees and contractors working on our sites have the authority — and are encouraged — to request that work be stopped if they are concerned about safety. This allows personnel to ask questions or confirm procedures. Employees can also report safety concerns or grievances through our ethics hotline, which is managed by a third party. (See [page 62](#) for more.)

SAFETY HAZARD IDENTIFICATION AND RISK MANAGEMENT PRACTICES

Our practices related to hazard identification and risk management include:

- **Providing** initial, periodic, and refresher safety training
- **Collecting** incident data and conducting trend analysis
- **Identifying** and reporting potential hazards and near misses
- **Utilizing** work methods that manage the level of risk
- **Taking corrective actions** as necessary

SAFE DRIVING

Driving is a common aspect of our work given the remote location of many EOG operations. We work to equip our employees with tools related to safe driving practices including:

- **Awareness** — Our Safe Practices Manual includes specific guidance on our vehicle safety expectations and practices.
- **Training** — Safe driving practices are a common focus in our field safety meetings. We also offer specific hands-on, decision-based driver training, as available.
- **GPS Monitoring** — We equip EOG vehicles with GPS-based vehicle monitoring systems, which provide data for driver feedback that increases driver awareness and allows for focused driver-skills training.
- **Route Planning** — We plan our travel logistics to route truck traffic onto secondary roads and time our activities outside of local high-traffic times where possible.

PROMOTING SAFETY THROUGH CONTRACTOR ENGAGEMENT

We engage with our contractors on safety matters. This engagement includes reviewing the safety practices and performance of contractors with master service agreements to perform work on our locations. In addition, we assess the safety performance of contractors and the programs they have in place while working on location for EOG, monitor performance,

and provide them with various training opportunities. (See [page 52](#) for more.)

Since 2019, we have used a third-party vendor or internal systems to support prescreening and ongoing reviews of contractors, including tracking their safety performance and management programs. EOG undertakes assessments of certain contractors' compliance with our safety standards. Additionally, certain contractor reviews are completed for different safety-related elements. This includes reviewing safety policies, procedures, and training, as well as on-site safety performance assessments to review contractor compliance with our safety requirements.

EMERGENCY RESPONSE

Each of EOG's operating areas develops and maintains a written plan that provides a framework for rapid and effective response to emergency situations to protect local communities, our employees and contractors, and the environment. These plans support, and are components of, EOG's corporate Crisis Management Plan, which details our overall corporate response should an emergency occur. Emergency response plans include a tiered response level for activation of the plan based on the type of incident and the response required.

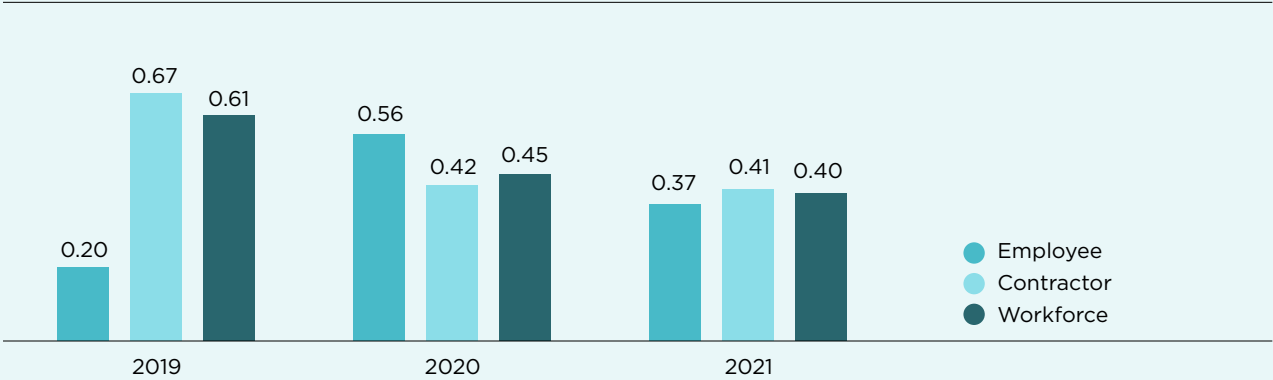
These plans are updated as needed, and training is provided to relevant field and office personnel, including contractors as needed. We also conduct periodic drills, including incident command system training and tabletop drills, to prepare EOG employees and contractors to respond appropriately to incidents.

MONITORING PERFORMANCE — INCIDENT RATES

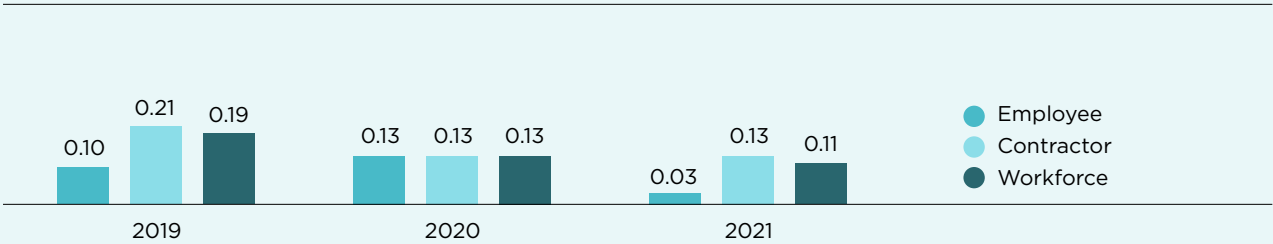
Our workforce Total Recordable Incident Rate (TRIR) fell by 11% in 2021 following double-digit percentage improvements in each of the preceding two years. We also saw a 15% reduction in workforce Lost Time Incident Rate (LTIR) in 2021. We believe the reductions in our workforce safety metrics over the past several years reflect a number of factors, including the increased availability of safety data and our continued engagement with contractors.

➦ See the *Appendix* starting on *page 65* for related formulas and definitions and the *Data Tear Sheet* starting on *page 6* for expanded safety metrics, including work-related fatalities.

Total Recordable Incident Rate\*  
incidents per 200,000 hours worked



Lost Time Incident Rate\*  
incidents per 200,000 hours worked



\* EOG utilizes the industry-standard measurement, as established by the Occupational Safety and Health Administration (OSHA), of incidents (injuries) per 200,000 hours worked in calculating the total recordable incident rate and lost time incident rate. We work closely with our contractors to capture the hours worked by their employees and subcontractors.

# Governance

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## 2021 HIGHLIGHTS

### BOARD DIVERSITY AND TENURE

The composition of EOG’s Board reflects a balance of experience and perspectives.

**9.1 YEARS**

average director tenure  
(as of October 5, 2022)

**33%**

of directors are women or are  
racially/ethnically diverse

**2/3**

of Board committee chairs are women

### BOARD OVERSIGHT

EOG’s strong corporate governance practices enhance board and management accountability to our stockholders and other stakeholders and enhance our risk oversight and management efforts.

### EXECUTIVE COMPENSATION TIED TO ESG

In 2021, the Compensation and Human Resources Committee again established a separately weighted ESG-related annual performance goal to:

- Reduce GHG, methane, and flaring emissions intensity rates
- Reduce total recordable incident rate
- Reduce oil spill rates
- Increase wellhead gas capture rate

### CYBERSECURITY

Data and information technology systems are supported by the continued evaluation and modification of our business continuity plans as well as our cyberthreat detection and mitigation systems.



# Board of Directors

Currently, our Board of Directors comprises eight nonemployee, independent directors, and our Chairman of the Board and Chief Executive Officer, Ezra Yacob.

All directors are elected annually under a majority-vote standard, which provides our stockholders with a meaningful voice in the annual director election process. Our Board committees — the Audit Committee, the Compensation and Human Resources Committee, and the Nominating, Governance and Sustainability Committee — are each solely composed of independent directors.

The independent directors regularly meet in executive sessions led by the independent Presiding Director, who is elected annually by the independent directors of our Board. The independent Presiding Director, whose duties are set forth in our Corporate Governance Guidelines, plays a valuable role in the overall leadership of the Board and serves as a liaison between our Chairman of the Board and Chief Executive Officer and other executive officers, and the independent directors.

## EOG BOARD OF DIRECTORS



**Janet Clark**  
DIRECTOR SINCE 2014  
Nominating, Governance  
and Sustainability  
Committee Chair



**Mike Kerr**  
DIRECTOR SINCE 2020



**Charlie Crisp**  
DIRECTOR SINCE 2002



**Julie Robertson**  
DIRECTOR SINCE 2019  
Compensation and Human  
Resources Committee Chair



**Bob Daniels**  
DIRECTOR SINCE 2017



**Don Textor**  
DIRECTOR SINCE 2001



**Jim Day**  
DIRECTOR SINCE 2008  
2022 Presiding Director



**Ezra Yacob**  
DIRECTOR SINCE 2021  
Chairman of the Board and  
Chief Executive Officer



**Cris Gaut**  
DIRECTOR SINCE 2017  
Audit Committee Chair



DIRECTOR DIVERSITY, SKILLS,  
AND EXPERIENCE

The directors serving on our Board possess diverse professional experiences, skills, and backgrounds. Our directors also have high standards of personal and professional ethics, proven records of success in their respective fields, and valuable knowledge of our business and of the oil and gas industry.

➦ See *Key Director Skills and Areas of Experience* on *page 58* for descriptions of certain key skills and areas of experience that we believe are relevant to our business, along with a matrix setting forth the number of our current directors that possess each skill or area of experience.

Our Board and the Nominating, Governance and Sustainability Committee regularly review the composition, performance, and skillsets of the Board and Board committees. In deciding what the Board’s priorities should be for further refreshment, we take into account the results of the Board evaluations; the current composition of the Board; the areas of experience, skillsets, and diversity of our directors; and the attributes of potential director candidates.

The Board and the Nominating, Governance and Sustainability Committee also actively seek to create a pipeline of individuals qualified to become Board members, including candidates with diverse ethnic and racial backgrounds and gender diversity. The Nominating, Governance and Sustainability Committee utilizes various approaches for identifying

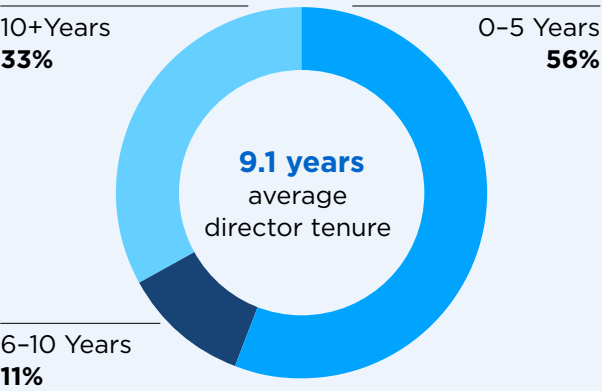
director candidates, including recommendations from current and former EOG directors, EOG’s contacts in the business community, and professional search firms. If we engage a search firm to assist in identifying candidates for the Board, our policy is to instruct the search firm to seek out and present qualified women and minority candidates for consideration.

In evaluating director candidates and Board committee appointees, the Nominating, Governance and Sustainability Committee considers a person’s range of professional experience, skills, background, and diversity in gender and race, as well as other credentials and qualifications, including those set forth in our Corporate Governance Guidelines.

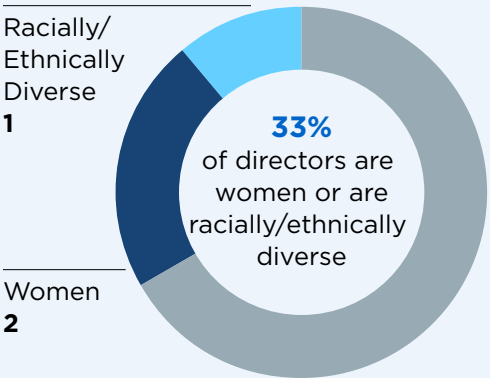
BOARD DIVERSITY AND TENURE

We have advanced diversity on the Board in part through refreshment, including the appointment of three new directors in the past three years. These charts reflect the diversity and tenure of our Board as of October 5, 2022.

Board Tenure



Director Diversity



KEY DIRECTOR SKILLS AND AREAS OF EXPERIENCE

Below are descriptions of certain key skills and areas of experience that we believe are relevant to our business, along with a matrix setting forth the number of our current directors that possess each skill or area of experience.

SKILL/EXPERIENCE	RELEVANCE	NUMBER OF DIRECTORS
Executive Management	Has a demonstrated record of leadership and valuable perspectives on issues affecting large and complex organizations.	9
Financial Reporting, Accounting & Finance	Has an understanding of, and experience with, financial reporting and accounting matters and capital markets matters (both debt and equity) relevant to a large, publicly traded company.	8
Energy Industry (Upstream Exploration)	Contributes valuable perspective on issues specific to our operations in the upstream exploration sector of the oil and gas industry.	7
Energy Industry (Marketing & Midstream)	Contributes valuable perspective on issues specific to our operations in the marketing and midstream sector of the oil and gas industry.	3
Energy Industry (Oilfield Services)	Contributes valuable perspective on issues specific to the oilfield services sector (as it relates to our operations) of the oil and gas industry.	4
Corporate Governance & Risk Management	Has an understanding of, and experience with, the roles of corporate strategy and risk management necessary for organizational performance.	9
International	Provides valuable insights into the international aspects of our business and operations.	9

SKILL/EXPERIENCE	RELEVANCE	NUMBER OF DIRECTORS
Governmental & Regulatory	Has an understanding of the role governmental and regulatory actions and decisions may have on our business.	9
Public Company Board Service	Contributes an understanding of corporate governance practices and trends and insights into board management.	6
Environmental, Health & Safety	Strengthens the Board's oversight and understanding of the interrelationship between environmental and safety matters and our operational activities and strategy.	9
Human Resources & Compensation	Has an understanding of compensation factors and components that influence the attraction, motivation, and retention of a talented workforce.	9
Civic, Community & Charitable Organizations	Contributes to a better understanding of sustainable engagements with the communities in which we do business.	9
Technical, Geologic, and Engineering	Education background brings an understanding of technical, geologic, and engineering disciplines necessary for the identification of our exploration plays and development of our prospect inventory.	4
Information Technology	Contributes to the Board's understanding of innovative information technology applications utilized in our operations and business.	6

# Oversight and Practices

**EOG’s strong corporate governance practices enhance board and management accountability to our shareholders and other stakeholders and enhance our risk oversight and management efforts.**

## BOARD RISK OVERSIGHT OF ESG MATTERS

Our Board has primary responsibility for risk oversight, including risks related to environmental, social, and governance matters. To ensure that our Board has a comprehensive view of EOG’s overall risk exposure, the Board regularly reviews our long-term strategic plans. Principal issues and risks that we may face in executing those plans — including regulatory, legal, market, financial, reputational, and ESG-related risks — are evaluated along with the processes we employ to identify, manage, and mitigate such risks.

To assist with its risk oversight responsibility, the Board delegates certain elements of its oversight functions to one or more of its standing committees.

**The Nominating, Governance and Sustainability Committee** has primary responsibility for oversight and guidance of ESG-related matters. As part of this responsibility, the Committee reviews potential ESG-related impacts to the company and makes recommendations to the Board, our Audit Committee, Compensation and Human Resources Committee, and management, as appropriate.

**The Audit Committee** has primary responsibility for oversight of our guidelines and policies with respect to risk assessment and risk management, including major financial and other risk exposures,

such as cybersecurity risks. The Audit Committee also oversees our Ethics and Compliance Program and policies, as well as Internal Audit function, and monitors the results of compliance efforts. (See [Page 62](#) for a related discussion.)

**The Compensation and Human Resources Committee**, in consultation with the Board and the Nominating, Governance and Sustainability Committee, oversees matters relating to our human capital management. Our approach to human capital management focuses on employee culture, recruiting, and retention; compensation, training, and development; diversity and inclusion; and safety. For additional discussion regarding these areas, see [Our People](#), starting on [page 46](#), and [Safety](#), starting on [page 52](#).

While all our current directors have experience with environmental, safety, human resources, and compensation matters, members of our senior management assist the Board with their risk oversight function by presenting and discussing emerging ESG-related risks — including risks associated with climate change — throughout the year. In addition, at least once per year, members of senior management report to our Board on EOG’s safety and environmental performance, climate-related scenario analyses, sustainability disclosures, and feedback from key stakeholders on ESG and other issues, in addition to reviewing trends and other industry information.


Our Board, Compensation and Human Resources Committee, and Nominating, Governance and Sustainability Committee also receive regular reports

from — and have regular discussions with — our Vice President, Human Resources and other members of our senior management on various human capital management topics, including peer benchmarking data and trends.

**To ensure that our Board has a comprehensive view of EOG’s overall risk exposure, the Board regularly reviews our long-term strategic plans. Principal issues and risks that we may face executing those plans — including regulatory, legal, market, financial, reputational, and ESG-related risks — are evaluated along with the processes we employ to identify, manage, and mitigate such risks.**

## ROLE OF MANAGEMENT IN ASSESSING AND MANAGING ESG MATTERS

Our executive management team is responsible for supporting our Board and its committees in discharging their risk oversight functions, including with respect to ESG matters. The executive management team works with personnel across the company to assess and manage risks, implement sustainability efforts, and report performance. Ideas for improvement are generated by multidisciplinary teams at every level of the organization, with members of executive management providing centralized oversight of key issue areas.

 See [In Focus: Decentralized Structure Fosters Innovation](#) on [page 51](#) to learn more.

For example, our President and Chief Operating Officer (COO) provides overall leadership for safety and environmental matters, including risks and opportunities in connection with emissions management and climate change. As part of our integrated approach to management of these matters, our Director of Sustainability, our Vice President, Safety and Environmental, and our Manager of Sustainable Power regularly brief executive management on these matters.

Our Safety and Environmental (S&E) Group and Sustainable Power Group also meet regularly with our COO to discuss emissions reduction strategies and play critical roles in assessing and managing safety and environmental risks across the company.

The S&E Group is responsible for managing and measuring environmental and safety performance. They work collaboratively with our operations group on initiatives related to our technologies and practices for managing safety and environmental matters and with other departments with respect to related policy and regulatory matters. The S&E Group's senior leadership is centralized at EOG's Houston headquarters and includes our Vice President, Safety and Environmental, our Director of Safety and Environmental, our Director of Water Resources, our Directors of Environmental, and our Director of Safety. Field-level management of safety and environmental matters is performed

by S&E personnel that work in our operating area offices and live in the local communities. As such, the majority of EOG's S&E staff is integrated with EOG's operations in order to effectively manage day-to-day safety and environmental matters.

The Sustainable Power Group is dedicated to supporting EOG's efforts to identify and implement emissions reduction initiatives. The Sustainable Power Group (SPG) comprises engineers and other specialists and is led by our Manager of Sustainable Power, who reports to the group's Executive Vice President. The team provides leadership and supports our culture of innovation to develop and apply technologies and other solutions to help achieve our emissions targets and net zero ambition.

To facilitate a consistent team effort in assessing and managing environmental and safety risks across the company, S&E leaders across all of our operating area offices and S&E personnel at our Houston headquarters meet throughout the year to discuss our safety and environmental policies, best practices, and related risks. The team also periodically updates our executive management regarding progress toward our safety and environmental strategic goals and any related risks.

EOG has also implemented the following practical mechanisms as part of our efforts to identify, assess, and manage environmental and safety matters and

facilitate continuous improvement and consistency throughout our decentralized operations:

- Regular reports to our executive management from both the senior leadership in each of our operating areas on their area's safety and environmental performance and related matters and the SPG
- S&E conferences attended by the S&E teams from each operating area and senior executives
- Regular meetings among EOG's S&E personnel to share information, best practices, and goals
- Regular S&E training, available to employees and contractors, as applicable
- Discussion of ESG matters at EOG's in-house drilling, completions, and production & facilities technical conferences to increase engagement by our operations personnel
- Environmental staff dedicated to GHG emissions data collection and analysis
- Monthly meetings to discuss production and facility GHG emissions that are attended by a multidisciplinary team, including production facility engineers, the SPG, and representatives from our legal, sustainability, S&E, and information systems groups

EXECUTIVE COMPENSATION

EOG’s executive compensation program is designed to attract and retain a highly qualified and motivated management team and reward individual executive officers for their contributions to the achievement of our key short-term and long-term goals. EOG’s executive officers are eligible to receive bonuses under the Annual Bonus Plan based on the achievement of operational, financial, and strategic goals established by the Compensation and Human Resources Committee of the Board. The Committee believes that setting specific performance goals around continuous improvement helps establish important benchmarks and communicates EOG’s top priorities to our executive officers and employees.

Our ESG-related annual performance goals have historically incorporated improving our strong S&E record, including reducing our recordable incident and oil spill rates. In 2019, the Compensation and Human Resources Committee expanded the ESG-related annual performance goals to include the reduction of EOG’s GHG emissions intensity rate and methane emissions intensity rate, in each case for 2019, below prior years.

In 2020, the Compensation and Human Resources Committee again expanded our ESG-related annual performance goals. Based on its review of our compensation program and shareholder feedback, the Committee established a separately weighted ESG-related annual performance goal to reduce our

GHG, methane, and flaring emissions intensity rates, total recordable incident rate, and oil spill rates below 2019 levels.

In 2021, this Committee again established a separately weighted ESG-related annual performance goal — specifically, to reduce our GHG, methane, and flaring emissions intensity rates, total recordable incident rate, and oil spill rates below 2020 levels and increase our wellhead gas capture rate above the 2020 level.



2022 ESG-RELATED ANNUAL PERFORMANCE GOAL

ESG-related performance is evaluated under a separately weighted ESG-related goal as part of the Annual Bonus Plan. The weighting of this goal increased from 5% to 7.5% for 2021 and to 10% for 2022. It includes the following criteria:

- Reduction of each of our GHG, methane, and flaring emissions intensity rates below 2021 levels
- Total recordable incident rate and oil spill rates below the averages of the prior three years
- Wellhead gas capture rate of at least 99.8%

ETHICAL BUSINESS PRACTICES

EOG is committed to conducting our business in accordance with the highest ethical standards and in compliance with the laws of all countries where we operate, as well as ensuring that all employees and business partners are treated fairly and with respect.

To reinforce this commitment, EOG maintains a Compliance Program. The program includes strong nonretaliation provisions intended to ensure that EOG’s business is conducted with high ethical standards and in compliance with the letter and spirit of the law. The program also includes review and enforcement of EOG’s Codes of Business Conduct and Ethics and other policies related to legal compliance and ethics; overseeing employee communications, training, and compliance monitoring; and monitoring the investigation and resolution of complaints and inquiries.

The Audit Committee of the Board oversees EOG’s Compliance Program, and we have a standing Compliance Committee that is responsible for implementing EOG’s Compliance Program and providing regular reports to the Audit Committee. The standing members of the Compliance Committee are our General Counsel, Chief Financial Officer, Vice President, Human Resources, and Vice President, Internal Audit.



CODES OF BUSINESS CONDUCT AND ETHICS

EOG’s Codes of Business Conduct and Ethics detail our expectations with respect to business conduct, our legal and ethical responsibilities, and our expectations for our officers, directors, and employees as well as our contractors and vendors.

**Directors, Officers, and Employees** — *EOG’s Code of Business Conduct and Ethics for Directors, Officers, and Employees* includes sections on workplace safety, security, data privacy, protection of the environment, human rights, and fair treatment and mutual respect of workers. All employees are required to acknowledge receipt of EOG’s Code of Business Conduct and Ethics for Directors, Officers, and Employees when hired. In addition, employees agree to adhere to EOG’s Code of Business Conduct and Ethics for Directors, Officers, and Employees and related policies in accepting annual grants of restricted stock from EOG’s Compensation and Human Resources Committee.

**Contractors and Vendors** — Our contractors and vendors must agree to abide by *EOG’s Code of Business Conduct and Ethics for Vendors and Contractors*. The policy obligates our contractors and vendors to provide their services in compliance with applicable laws and regulations, including those relating to environmental, health, safety, and human rights matters.

In addition, we maintain a *Code of Ethics for Senior Financial Officers* to which our Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer, and controllers are subject. All three of these codes can be found in the “*Board of Directors*” section of the “*Company*” page of [eogresources.com](http://eogresources.com).

EOG also requires our directors, officers, employees, contractors, and vendors to comply with related policies, including those related to anticorruption and anti-money-laundering compliance. Our Codes of Business Conduct and Ethics and the related policies are reviewed annually — including with our Audit Committee — and updated as necessary or appropriate.

EOG’s Codes of Business Conduct and Ethics detail our expectations with respect to business conduct, our legal and ethical responsibilities, and our officers, directors, and employees as well as our contractors and vendors.

TRAINING AND CONFIDENTIAL REPORTING MECHANISMS

To promote our commitment to ethical business practices, EOG maintains an active global compliance training program. Training is provided to employees upon joining the company and then to employees and contractors periodically thereafter. All employees also complete harassment prevention training.

EOG encourages employees, contractors, and business partners to report any violations of the Codes of Business Conduct and Ethics or other conduct relating to EOG’s business that they suspect may be unethical or in violation of applicable laws and regulations.

EOG provides several confidential options for reporting actual and suspected misconduct, including speaking with a supervisor or contact at EOG, an EOG Human Resources representative, or a member of EOG’s Legal Department or Compliance Committee. Employees, contractors, suppliers, business partners (including joint venture partners), shareholders, and other external stakeholders may also report actual or suspected misconduct anonymously through EOG’s confidential 24-hour hotline or by submitting a confidential report online.

EOG’s *hotline and online reporting system* are hosted by a third party to maintain anonymity. The hotline and online reporting system are available worldwide in local languages spoken in our areas of operation. A link to both resources is publicly available on [eogresources.com](http://eogresources.com), including in the “*Board of Directors*” section of the “*Company*” page. All complaints received are immediately forwarded to the Chief Compliance Officer, periodically reviewed by the Compliance Committee, and investigated as appropriate. The Audit Committee is also regularly updated regarding matters reported through the hotline or online reporting system.



EOG’s third-party hotline and online reporting system include the ability to arrange a callback time to hear the status of EOG’s response to a report and to answer any follow-up questions anonymously. EOG does not tolerate retaliation, including legal retaliation, for raising an ethical or legal concern or asking questions in good faith.

RESPECT FOR HUMAN RIGHTS

EOG is committed to conducting our business in a manner that respects the dignity and human rights of all individuals. We also encourage and expect our contractors and vendors to adhere to this same commitment.

Oversight of our approach to human rights issues is primarily the responsibility of our Nominating, Governance and Sustainability Committee.

To formalize our commitment and reflect our practices, in 2021 we adopted a companywide *Human Rights Policy* and added a human rights provision to our Code of Business Conduct and Ethics for Directors, Officers, and Employees and our Code of Business Conduct and Ethics for Vendors and Contractors. Our Codes of Business Conduct and Ethics also provide guidance on issues such as nondiscrimination, anti-harassment, workplace safety, and equal employment opportunities.

To help implement our human rights commitment, we provide guidance on the importance of respecting human rights and identifying potential human rights issues as part of our global compliance training program.

INTERNATIONAL STANDARDS AND FRAMEWORKS INFORMING OUR APPROACH TO HUMAN RIGHTS

- United Nations Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, including those regarding freedom of association and prohibitions on child labor, forced labor, and discrimination in the workplace

We also recognize the importance of internationally recognized principles regarding the rights of Indigenous groups, such as those in the United Nations Declaration on the Rights of Indigenous Peoples. (See *page 40* for more information on EOG’s approach to engagement with local stakeholders, including Indigenous peoples.)

PUBLIC ADVOCACY AND ENGAGEMENT

EOG does not contribute corporate funds to any federal, state, or local political candidate, party, organization, or campaign. In addition, EOG does not sponsor or administer a political action committee.

We respect and support the right of our directors, officers, and employees to support political parties and candidates with their personal time and money. However, use of EOG company resources for such purposes, including employee time, company funds, and company supplies, is prohibited without the express approval of EOG’s Chief Executive Officer.

EOG engages with regulators and elected officials to educate them on issues affecting our company and industry, changing technologies, and best practices. In addition, EOG employees are active participants in industry coalitions and working groups, including those focused on safety, water reuse, and reducing emissions, to share information and promote best practices.

EOG pays membership dues to certain trade associations and benefits from the time these trade associations spend engaged in efforts to educate lawmakers and voters on issues relevant to the oil and gas industry.

As part of our ongoing evaluation of our trade association memberships, we monitor the policy positions of the trade associations of which we are active members. While we strive to promote

policies and practices that we support through our membership and participation in trade associations, trade associations represent their collective membership, not individual member companies, and may take positions on a wide variety of matters that are not necessarily supported by EOG.

Our Government Relations group reviews and oversees our participation in trade associations and, at least once a year, the Board’s Nominating, Governance and Sustainability Committee reviews EOG’s contributions to trade associations, including any amounts related to political activities and lobbying expenses.

**INFORMATION TECHNOLOGY  
AND CYBERSECURITY**

EOG relies on information technology systems to run our business, including managing data from creation in the field to delivery to end users with proprietary applications built in-house. EOG’s supply chain of data helps enable us to operate as a real-time, mobile, and transparent company; to empower employees to make well-informed decisions; and to identify and develop opportunities for improvement, including the company’s ESG performance.

As our reliance on data and our information technology systems has increased, we have continued to evolve and modify our business continuity plans as well as our cyberthreat detection and mitigation systems. We have implemented and invested in controls, procedures, and protections designed to protect our systems, identify and remediate vulnerabilities in our systems and

related infrastructure, and monitor and mitigate the risk of data loss and other cybersecurity threats and intrusions.

Additionally, our internal audit team, in conjunction with third-party experts, plays an important role in reviewing and assessing our cybersecurity controls, procedures, and protections, including conducting penetration testing and vulnerability assessments of the external devices utilized by our employees and contractors. We also monitor the cyber risk exposure and security practices of EOG and key service providers to assess cyber preparedness. In the event of an incident, there is a response team and plan in place with predefined escalation and response procedures.

Our Information Systems team is responsible for cybersecurity strategy and planning. The team reports to our Senior Vice President and Chief Information and Technology Officer who, in turn, reports to our Chief Executive Officer. Our executive management team, which is responsible for the day-to-day management of cybersecurity risk, regularly reports to the Audit Committee regarding cybersecurity matters. As part of its risk oversight responsibility, our Audit Committee oversees our policies, strategies, and initiatives for mitigating cybersecurity and information technology risks.

While we have experienced limited cybersecurity incidents in the past, we believe potential threats and intrusions to EOG’s systems have been effectively managed and contained by EOG’s intrusion technology systems and staff, and we have not had, to date,

any business interruptions or material losses from breaches of cybersecurity. As technology and potential cybersecurity threats evolve, we will look to adapt and enhance our security measures as necessary.



**CYBERSECURITY IS  
EMBEDDED IN OUR CODES  
OF BUSINESS CONDUCT  
AND ETHICS**

Our Codes of Business Conduct and Ethics communicate the following expectations of employees and contractors related to cybersecurity matters:

- Safeguard EOG’s information systems and related technologies from theft, fraud, unauthorized access, alteration, or other damage.
- Avoid any usage of EOG’s information systems that might lead to a breach of EOG’s information systems security.
- Immediately contact a member of EOG’s Information Systems team upon becoming aware of a situation that might compromise EOG’s information systems security.

# Appendix

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# Formulas

				2021 Metric
GHG Intensity Rate (Metric Tons CO <sub>2</sub> e/MBoe)	=	$\frac{\text{EOG Scope 1 GHG Emissions}}{\text{EOG Production}}$	$\frac{4,972,755}{355,829}$	= <b>14.0</b>
Methane Intensity Rate (Metric Tons CO <sub>2</sub> e/MBoe)	=	$\frac{\text{EOG Scope 1 Methane Emissions}}{\text{EOG Production}}$	$\frac{232,261}{355,829}$	= <b>0.7</b>
Combustion Emissions Intensity Rate (Metric Tons CO <sub>2</sub> e/MBoe)	=	$\frac{\text{EOG Scope 1 GHG Emissions for GHG Source: Combustion}}{\text{EOG Production}}$	$\frac{4,103,674}{355,829}$	= <b>11.5</b>
Flaring Emissions Intensity Rate (Metric Tons CO <sub>2</sub> e/MBoe)	=	$\frac{\text{EOG Scope 1 GHG Emissions for GHG Source: Flaring}}{\text{EOG Production}}$	$\frac{556,381}{355,829}$	= <b>1.6</b>
Pneumatics Emissions Intensity Rate (Metric Tons CO <sub>2</sub> e/MBoe)	=	$\frac{\text{EOG Scope 1 GHG Emissions for GHG Source: Pneumatics}}{\text{EOG Production}}$	$\frac{45,632}{355,829}$	= <b>0.1</b>
Other Sources Emissions Intensity Rate (Metric Tons CO <sub>2</sub> e/MBoe)	=	$\frac{\text{EOG Scope 1 GHG Emissions for GHG Source: Other Sources}}{\text{EOG Production}}$	$\frac{267,068}{355,829}$	= <b>0.8</b>
Methane Emissions Percentage (MCF/MCF)	=	$\frac{\text{EOG Scope 1 Methane Emissions in MCF}}{\text{EOG Natural Gas Production}}$	$\frac{483,854}{811,672,692}$	= <b>0.06%</b>
Wellhead Gas Capture Rate (MCF/MCF)	=	$\frac{\text{Wellhead Natural Gas Captured}}{\text{EOG Natural Gas Production}}$	$\frac{810,162,018}{811,672,692}$	= <b>99.8%</b>
Total Water Intensity Rate (Bbls/Boe)	=	$\frac{\text{Total Water Used}}{\text{EOG Production}}$	$\frac{196,054,730}{355,828,901}$	= <b>0.55</b>
Reuse Intensity Rate (Bbls/Boe)	=	$\frac{\text{Reuse Water Used}}{\text{EOG Production}}$	$\frac{107,275,101}{355,828,901}$	= <b>0.30</b>
Nonfreshwater Intensity Rate (Bbls/Boe)	=	$\frac{\text{Nonfresh Water Used}}{\text{EOG Production}}$	$\frac{71,098,058}{355,828,901}$	= <b>0.20</b>

				2021 Metric
Freshwater Intensity Rate (Bbls/Boe)	=	$\frac{\text{Fresh Water Used}}{\text{EOG Production}}$	$\frac{17,681,571}{355,828,901}$	= <b>0.05</b>
Oil Spill Rate (over 5 Bbls) (Bbls/MBoe)	=	$\frac{\text{Oil Spill Volume}}{\text{EOG Production}}$	$\frac{3,587}{355,829}$	= <b>0.010</b>
Recovered Oil Rate (over 5 Bbls) (Bbls/MBoe)	=	$\frac{\text{Recovered Oil Volume}}{\text{EOG Production}}$	$\frac{2,352}{355,829}$	= <b>0.007</b>
Oil Spill Rate (over 1 Bbl) (Bbls/MBoe)	=	$\frac{\text{Oil Spill Volume}}{\text{EOG Production}}$	$\frac{4,109}{355,829}$	= <b>0.012</b>
Recovered Oil Rate (over 1 Bbl) (Bbls/MBoe)	=	$\frac{\text{Recovered Oil Volume}}{\text{EOG Production}}$	$\frac{2,627}{355,829}$	= <b>0.007</b>
Employee Lost Time Incident Rate (LTIR)	=	$\frac{\text{Number of Employee Lost Time Incidents x 200,000}}{\text{Workforce Hours Worked by Employees}}$	$\frac{1}{5,913,410}$	= <b>0.03</b>
Employee Total Recordable Incident Rate (TRIR)	=	$\frac{\text{Number of Employee Recordable Incidents x 200,000}}{\text{Workforce Hours Worked by Employees}}$	$\frac{11}{5,913,410}$	= <b>0.37</b>
Contractor Lost Time Incident Rate (LTIR)	=	$\frac{\text{Number of Contractor Lost Time Incidents x 200,000}}{\text{Workforce Hours Worked by Contractors}}$	$\frac{17}{25,500,814}$	= <b>0.13</b>
Contractor Total Recordable Incident Rate (TRIR)	=	$\frac{\text{Number of Contractor Recordable Incidents x 200,000}}{\text{Workforce Hours Worked by Contractors}}$	$\frac{52}{25,500,814}$	= <b>0.41</b>
Workforce Lost Time Incident Rate (LTIR)	=	$\frac{\text{Number of Workforce Lost Time Incidents x 200,000}}{\text{Workforce Hours Worked}}$	$\frac{18}{31,414,224}$	= <b>0.11</b>
Workforce Total Recordable Incident Rate (TRIR)	=	$\frac{\text{Number of Workforce Recordable Incidents x 200,000}}{\text{Workforce Hours Worked}}$	$\frac{63}{31,414,224}$	= <b>0.40</b>

# Definitions

Metric Term	Definition	Reference Source (If Applicable)
GHG AND METHANE EMISSIONS METRICS		
EOG Scope 1 GHG Emissions	<p>The metrics in this report present the total Scope 1 emissions for the specified gas(es) associated with EOG's gross operated U.S. onshore production, gathering and boosting, and gas processing segment sources as reported to the EPA pursuant to the EPA Greenhouse Gas Reporting Program. Also includes emissions that are subject to the EPA Greenhouse Gas Reporting Program but are below the basin reporting threshold and would otherwise go unreported.</p> <p>The emissions data have been converted to a carbon dioxide equivalent (CO<sub>2</sub>e) — the conversion to CO<sub>2</sub>e accounts for the higher global warming potential (GWP) of methane and nitrous oxide compared to carbon dioxide. The 100-year GWP of methane is 25 and nitrous oxide is 298.</p>	<p>U.S. Environmental Protection Agency, <i>Greenhouse Gas Reporting Program</i>, 40 CFR Part 98, Subparts C and W.</p> <p>IPCC, 2007: Climate Change 2007: <i>The Physical Science Basis. Contribution of Working Group I to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change.</i></p>
EOG Scope 1 Methane Emissions in Thousand Cubic Feet (MCF)	<p>The metrics in this report present the total Scope 1 Methane (CH<sub>4</sub>) emissions associated with EOG's gross operated U.S. onshore production, gathering and boosting, and gas processing segment sources as reported to the EPA pursuant to the EPA Greenhouse Gas Reporting Program. Also includes emissions that are subject to the EPA Greenhouse Gas Reporting Program but are below the basin reporting threshold and would otherwise go unreported.</p> <p>The total is converted to MCF using the following formula:</p> $(\text{CH}_4 \text{ MT})/\text{yr} \times 1000\text{kg}/\text{MT} \times (2.20462 \text{ lbs})/\text{kg} \times \text{lbmole}/(16.04 \text{ lbs CH}_4) \times (379.3 \text{ scf})/\text{lbmole} \times \text{Mscf}/1000\text{scf}$	<p>U.S. Environmental Protection Agency, <i>Greenhouse Gas Reporting Program</i>, 40 CFR Part 98, Subparts C and W.</p>
EOG Natural Gas Production	EOG's gross operated U.S. onshore natural gas wellhead production.	EOG operations data.
EOG Production	EOG's gross operated U.S. onshore production.	EOG operations data.

Metric Term	Definition	Reference Source (If Applicable)
GHG Source: Combustion	<p>Combustion emissions sources are portable equipment (i.e., drilling and completion equipment), stationary engines, and stationary heaters. Combustion means the combustion of fuel to run these sources.</p> <p>Combustion includes external fuel combustion, where the flame and products of combustion are separated from contact with the process fluid to which the energy is delivered, and internal fuel combustion, where the expansion of high-temperature and high-pressure gases produced by combustion applies direct force to a component of an engine, such as pistons, turbine blades, or a nozzle.</p>	U.S. Environmental Protection Agency, <i>Greenhouse Gas Reporting Program</i> , 40 CFR Part 98, Subparts C and W.
GHG Source: Flaring	Flaring emissions sources include flare stacks, associated gas, dehydrators, completions, workovers, and storage tanks. A flare is one type of combustion device, whether at ground level or elevated, that uses an open or closed flame to combust waste gases or to control emissions without energy recovery.	U.S. Environmental Protection Agency, <i>Greenhouse Gas Reporting Program</i> , 40 CFR Part 98, Subparts C and W.
GHG Source: Other	<p>Other emissions sources are amine equipment, compressor emissions, venting, and fugitives. Amine equipment are sweetening units that treat natural gas. Compressor emissions are from centrifugal or reciprocating compressors. For centrifugal compressors, this is blowdown valve leakage through the blowdown vent, unit isolation valve leakage through an open blowdown vent without blind flanges, and wet seal oil degassing vents. For reciprocating compressors, this includes blowdown valve leakage through the blowdown vent, unit isolation valve leakage through an open blowdown vent without blind flanges, and rod packing emissions.</p> <p>Venting means gases or vapors are emitted directly to the atmosphere. Venting emissions sources may come from dehydrators, equipment blowdown, liquids unloading, workovers, compressors, and storage tanks. EOG's practice is to capture and/or control venting emissions when feasible.</p> <p>Fugitive emissions sources are equipment leaks from valves, connectors, open-ended lines, pressure relief valves, pumps, flanges, and other components such as instruments, loading arms, stuffing boxes, seals, dump lever arms, and breather caps.</p>	U.S. Environmental Protection Agency, <i>Greenhouse Gas Reporting Program</i> , 40 CFR Part 98, Subparts C and W.
GHG Source: Pneumatics	Pneumatics emissions sources are attributable to pneumatic controllers and pneumatic pumps. Pneumatic controllers are natural gas-driven devices used during normal production operations to control temperature, level, flow, and pressure. Pneumatic pumps are natural-gas-powered pumps used during normal production operations to inject and/or move fluids.	U.S. Environmental Protection Agency, <i>Greenhouse Gas Reporting Program</i> , 40 CFR Part 98, Subparts C and W.

DEFINITIONS

Metric Term	Definition	Reference Source (If Applicable)
Net Zero	For EOG, net zero means all of our Scope 1 and Scope 2 emissions will be reduced, captured, and/or offset. This covers Scope 1 and Scope 2 GHG emissions from the company's activities and operations over which it has operational control. GHG emissions inventories will be informed by the GHG Protocol guidance and use CO <sub>2</sub> e as a common unit of measure. Scope 2 emissions will be calculated using the market-based methodology.	
Scope 1 Emissions	<p>Direct emissions from sources that are owned or controlled by the reporting company.</p> <p>See <i>EOG Scope 1 GHG Emissions and EOG Scope 1 Methane Emissions in Thousand Cubic Feet (MCF)</i> and the related GHG Source definitions for descriptions of Scope 1 emissions metrics presented in this report for 2021, 2020, and 2019, and our 2025 GHG and methane emissions targets.</p>	Greenhouse Gas Protocol, a Corporate Accounting and Reporting Standard, Revised (2004).
Scope 2 Emissions	<p>Indirect emissions from the generation of purchased or acquired electricity, steam, heat, or cooling consumed by the reporting company.</p> <p>The Scope 2 emissions presented in this report are reported on an operated basis using the location-based methodology and are calculated based on EOG's purchased electricity consumption in the United States using the most recently available EPA eGrid (Emissions &amp; Generation Resource Integrated Database) State GHG emissions factors for the given year.</p>	Greenhouse Gas Protocol, GHG Protocol Scope 2 Guidance (2015).
Scope 3 Emissions	All indirect emissions (not included in Scope 2) from sources that are not owned or controlled by the reporting company that occur in the value chain of the reporting company, including both upstream and downstream emissions. Since Scope 3 emissions are, by definition, the direct emissions of another entity and beyond the control of the reporting company, uncertainty in estimation and potential for the double-counting of emissions are concerns.	EOG operations data.
Wellhead Gas Capture Rate	The percentage by volume of wellhead natural gas captured upstream of low pressure separation and/or storage equipment such as vapor recovery towers and tanks.	EOG operations data.
Electricity Usage	EOG's purchased electricity consumption in the United States in a given year.	

Metric Term	Definition	Reference Source (If Applicable)																
Other Air Emissions	<p>Other Air Emissions are emissions of: (1) oxides of nitrogen (NOx), reported as NOx, which includes NO and NO<sub>2</sub> but excludes N<sub>2</sub>O; (2) oxides of sulfur (SOx), reported as SO<sub>2</sub>, which includes SO<sub>2</sub> and SO<sub>3</sub>; and (3) volatile organic compounds (VOCs), which are defined by the U.S. Environmental Protection Agency in 40 CFR Part 51.100.</p> <p>Other Air Emissions estimates are calculated for stationary sources included in regulatory air emissions inventory and permitting requirements based on operating data, emissions factors, and engineering calculations.</p>	<p>EOG operations data.</p> <p>Regulatory air requirements for EOG’s U.S. operating areas.</p>																
Metric Term	Definition	Reference Source (If Applicable)																
OIL SPILL METRICS																		
Oil Spill	Spill of crude oil.	<p>EOG operations data.</p> <p>Regulatory spill reporting requirements (i.e., volume thresholds) for EOG’s primary operating areas:</p> <table><tr><th>STATE/ JURISDICTION</th><th>REPORTING THRESHOLD</th></tr><tr><td>New Mexico</td><td>&gt;5 Barrels</td></tr><tr><td>North Dakota</td><td>&gt;1 Barrel</td></tr><tr><td>Tribal North Dakota</td><td>All Spills</td></tr><tr><td>Oklahoma</td><td>&gt;10 Barrels</td></tr><tr><td>Texas</td><td>&gt;5 Barrels</td></tr><tr><td>Wyoming</td><td>&gt;10 Barrels</td></tr><tr><td>Federal (BLM leases)</td><td>&gt;10 Barrels</td></tr></table>	STATE/ JURISDICTION	REPORTING THRESHOLD	New Mexico	>5 Barrels	North Dakota	>1 Barrel	Tribal North Dakota	All Spills	Oklahoma	>10 Barrels	Texas	>5 Barrels	Wyoming	>10 Barrels	Federal (BLM leases)	>10 Barrels
STATE/ JURISDICTION	REPORTING THRESHOLD																	
New Mexico	>5 Barrels																	
North Dakota	>1 Barrel																	
Tribal North Dakota	All Spills																	
Oklahoma	>10 Barrels																	
Texas	>5 Barrels																	
Wyoming	>10 Barrels																	
Federal (BLM leases)	>10 Barrels																	
Produced Water Spill	Spill of produced water. See <i>Water Metrics</i> for definition of produced water.	EOG operations data.																
Recovered Oil	Crude oil that is retrieved from the spill location and is not lost to the environment.	EOG operations data.																
Unrecovered Oil	Crude oil that is not recovered from the total spill volume.	EOG operations data.																



DEFINITIONS

Metric Term	Definition	Reference Source (If Applicable)
SAFETY METRICS		
Lost Time Incident	<p>A job-related injury or illness that results in an employee or contractor, as applicable, requiring one or more days away from work, beyond the day of the onset of the injury or illness, as determined by a physician or other licensed health care professional, and regardless of whether the employee, or contractor, as applicable, is scheduled to work or not.</p> <p>EOG utilizes the industry-standard measurement of incidents (injuries) per 200,000 hours worked in calculating our LTIR.</p>	U.S. Department of Labor, Occupational Health and Safety Administration, OSHA Recordable Incidents.
Workforce Hours Worked	Amount of total workforce labor hours worked in the calendar year by EOG employees and contractors.	EOG workforce data.
Recordable Incident	<p>A job-related incident or injury is recordable if it requires medical treatment beyond first aid or causes death, days away from work, restricted work, transfer to another job, or loss of consciousness.</p> <p>EOG utilizes the industry-standard measurement of incidents (injuries) per 200,000 hours worked in calculating our TRIR.</p>	U.S. Department of Labor, Occupational Health and Safety Administration, OSHA Recordable Incidents.
Work-Related Fatality	A loss of life of an employee or contractor as a result of an EOG recordable incident.	U.S. Department of Labor, Occupational Health and Safety Administration, OSHA Recordable Incidents.

Metric Term	Definition	Reference Source (If Applicable)
WATER METRICS		
Fresh Water	Water that has a total dissolved solids concentration of less than or equal to 1,000 milligrams per liter of water. The volumes reported are not a result of commingling of fresh and nonfresh sources to stay below threshold. The volumes reported do not include reuse water that has been treated to meet threshold.	U.S. Geological Survey, Water Science Dictionary of Terms.
Nonfresh Water	<p>Water that has a total dissolved solids concentration that exceeds 1,000 milligrams per liter of water. Examples of nonfresh water include saline water, seawater, brackish groundwater or surface water, reclaimed water from a municipal or industrial facility, desalinated water, or remediated groundwater used for industrial purposes.</p> <p>The volumes reported are not a result of commingling of fresh and nonfresh sources to reach threshold.</p>	U.S. Geological Survey, Water Science Dictionary of Terms, Water Basics Glossary.
Reuse Water	Water that is sourced from treated fluid and/or produced water generated from EOG-operated or third-party oil and natural gas wells. Does not include 1) water used in enhanced oil recovery or secondary recovery or 2) any fresh water or nonfresh water that may be blended or mixed with reuse water in EOG's operations.	EOG operations data.
Produced Water	The water (brine) brought up from the hydrocarbon-bearing strata during the extraction of oil and natural gas, and can include formation water, injection water, and any chemicals added downhole or during the oil/water separation process.	U.S. Environmental Protection Agency, <i>Effluent Guidelines and Standards, Oil and Gas Extraction Point Source Category</i> , 40 CFR Part 435.
Total Water Used	All fresh water, nonfresh water, and reuse water used in EOG's U.S. onshore operations.	EOG operations data.

# SASB and TCFD Indexes

In preparing this report, we consulted the disclosure framework set forth in the Sustainability Accounting Standards Board’s (SASB) Oil & Gas — Exploration and Production Sustainability Accounting Standard. We also took into consideration the recommended disclosure elements from the Financial Stability Board’s Task Force on Climate-related Financial Disclosures (TCFD).

Supporting our commitment to transparent ESG-related disclosures, we are providing the following tables indicating the location of our disclosures in relation to the SASB’s disclosure topics and the TCFD’s core elements. While the following tables map where we report information on the disclosure topics, we may provide a different unit of measure, different metric, partial information, or narrative disclosure for the topic area.

## 2021 SASB INDEX

Disclosure Topic		Disclosure Location
ACTIVITY METRICS		
EM-EP-000.A	Production volumes	Net production: <u>2021 10-K</u> , pp. 2, 4-5, 38, F-40, F-49  Gross production: Data Tear Sheet, p. 6
EM-EP-000.B	Number of offshore sites	EOG’s well sites in Trinidad are offshore; see <u>2021 10-K</u> , pp. 3 and 28  Otherwise, EOG’s offshore interests are <i>de minimis</i> and are operated by third-party operators; see <u>2021 Form 10-K</u> , p. 8.
EM-EP-000.C	Number of terrestrial sites	<u>2021 10-K</u> , pp. 27-30
GREENHOUSE GAS EMISSIONS		
EM-EP-110a.1	Gross global Scope 1 emissions, percentage methane	Data Tear Sheet, p. 6  Environment — Managing Emissions, p. 25
EM-EP-110a.2	Gross global Scope 1 emissions by source	Data Tear Sheet, p. 6  Environment — Managing Emissions, p. 25
EM-EP-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Environment — Environmental Management Systems, p. 12  Environment — Climate-Related Risks, Long-Term Strategy, and Scenario Analysis, pp. 14-17  Environment — Managing Emissions, pp. 18-19

In providing this information, EOG is not endorsing the terms as defined and/or utilized by the SASB or TCFD, and we are not seeking to comply with any specific recommendations or to make any specific disclosures under those frameworks. Inclusion of an item in this report is not meant to correspond with the concept of materiality associated with disclosures required by the SEC. Information about issues deemed material to our investors as defined by regulatory requirements may be found in our SEC filings.

Disclosure Topic		Disclosure Location
AIR QUALITY		
EM-EP-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N <sub>2</sub> O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10)	Data Tear Sheet, p. 6  Environment — Managing Emissions, p. 27
WATER MANAGEMENT		
EM-EP-140a.1	Fresh water consumed	Data Tear Sheet, pp. 6-7  Environment — Water Management, pp. 30-32
EM-EP-140a.3	Percentage of wells with disclosure of fracturing fluid chemicals	Environment — Hydraulic Fracturing, p. 29
BIODIVERSITY IMPACTS		
EM-EP-160a.1	Description of environmental management policies and practices for active sites	Environment — Our Environmental Practices, pp. 10-11  Environment — Environmental Management Systems, p. 12  Environment — Climate-Related Risks, Long-Term Strategy, and Scenario Analysis, pp. 14-17  Environment — Managing Emissions, pp. 18-19  Environment — Biodiversity and Land Stewardship, pp. 35-38

Disclosure Topic	Disclosure Location	
EM-EP-160a.2	Aggregate volume of hydrocarbon spills, volume in Arctic, and volume recovered	Data Tear Sheet, p. 7 Environment — Spill Prevention and Management, p. 34 Metrics for volumes in Arctic are not applicable to EOG.
SECURITY, HUMAN RIGHTS & RIGHTS OF INDIGENOUS PEOPLES		
EM-EP-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	We do not currently have any proved or probable reserves in or near areas of active conflict.
EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, Indigenous rights, and operation in areas of conflict	Social — Our Communities, pp. 40-42 Governance — Oversight and Practices, p. 63 We do not currently operate in any areas of active conflict.
COMMUNITY RELATIONS		
EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Social — Our Communities, pp. 40-43
WORKFORCE HEALTH & SAFETY		
EM-EP-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate	Data Tear Sheet, p. 8 Social — Safety, p. 54
EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production life cycle	Social — Safety, pp. 52-53

Disclosure Topic	Disclosure Location	
RESERVES VALUATION & CAPITAL EXPENDITURES		
EM-EP-420a.1	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	Environment — Climate-Related Risks, Long-Term Strategy, and Scenario Analysis, pp. 14-17
EM-EP-420a.4	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	Environment — Climate-Related Risks, Long-Term Strategy, and Scenario Analysis, pp. 14-17
BUSINESS ETHICS & TRANSPARENCY		
EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perceptions Index	We do not currently have proved or probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perceptions Index.
EM-EP-510a.2	Description of the management system for prevention of bribery throughout the value chain	Governance — Oversight and Practices, pp. 61-62
MANAGEMENT OF THE LEGAL & REGULATORY ENVIRONMENT		
EM-EP-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Environment — Climate-Related Risks, Long-Term Strategy, and Scenario Analysis, pp. 14-17  Governance — Oversight and Practices, pp. 63-64
CRITICAL INCIDENT RISK MANAGEMENT		
EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Social — Safety, pp. 52-53

2021 TCFD INDEX

Disclosure Recommendation	Disclosure Location
GOVERNANCE	
Board's oversight of climate-related risks and opportunities	Environment — Climate-Related Risks, Long-Term Strategy, and Scenario Analysis, pp. 14-17
Management's role in assessing and managing climate-related risks and opportunities	Governance — Oversight and Practices, pp. 59-60
STRATEGY	
Climate-related risks and opportunities the organization has identified over the short, medium, and long term	Environment — Climate-Related Risk, Long-Term Strategy, and Scenario Analysis, pp. 14-17
Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Environment — Managing Emissions, pp. 18-28
Resilience of the company's strategy under different climate-related scenarios, including a 2°C or lower scenario	
RISK MANAGEMENT	
Processes for identifying and assessing climate-related risks	Environment — Our Environmental Practices, pp. 10-11
Processes for managing climate-related risks	Environment — Environmental Management Systems, pp. 12-13
Integration of climate-related risks into overall risk management	Environment — Climate-Related Risk, Long-Term Strategy, and Scenario Analysis, pp. 14-17
	Environment — Managing Emissions, pp. 18-28
	Governance — Oversight and Practices, pp. 59-60

Disclosure Recommendation	Disclosure Location
METRICS AND TARGETS	
Metrics used to assess climate-related risks and opportunities	Data Tear Sheet, p. 6
Scope 1 and Scope 2 greenhouse gas emissions and the related risks	Environment — Environmental Management Systems, pp. 12-13
Targets used to manage climate-related risks and opportunities and performance against targets	Environment — Climate-Related Risk, Long-Term Strategy, and Scenario Analysis, pp. 14-17
	Environment — Managing Emissions, pp. 18-28

# American Exploration and Production Council — ESG Metrics

In February 2021, the American Exploration and Production Council (AXPC) released a voluntary framework of common ESG metrics to support more consistency and comparability in reporting across independent oil and natural gas exploration and production companies in the United States.

EOG currently discloses data on all of the metric categories covered by the AXPC framework in the *Data Tear Sheet*. However, the metrics we disclose in the Data Tear Sheet may have some variations in scope and content from the AXPC framework and, in some instances, we disclose metrics beyond

what is covered by the AXPC framework. Nevertheless, EOG does support the effort for more consistency and comparability in reporting across upstream U.S. exploration and production companies, and as such, we are providing the following AXPC metrics for 2021 along with the metrics in the Data Tear Sheet. We strive to continually improve our data-performance reporting and, in an effort to provide improved consistency and comparability in data across the industry, will continue to evaluate appropriate frameworks for reporting in future years.

## 2021 AXPC ESG METRICS<sup>1</sup>

ESG Metrics Topic	2021 Metric
GREENHOUSE GAS EMISSIONS <sup>2</sup>	
GHG Emissions (metric tons CO <sub>2</sub> e)	4,615,890
GHG Intensity	$\frac{\text{EOG GHG Emissions (metric tons CO}_2\text{e)}}{\text{EOG Gross Annual Production — as Reported Under Subpart W (MBoe)}}$ 12.98
Percent of GHG Emissions Attributed to Boosting and Gathering Segment	67%
Methane Emissions (metric tons CH <sub>4</sub> )	8,967
Methane Intensity	$\frac{\text{EOG Methane Emissions (metric tons CH}_4\text{)}}{\text{EOG Gross Annual Production — as Reported Under Subpart W (MBoe)}}$ 0.03
Percent of Methane Emissions Attributed to Boosting and Gathering	45%

ESG Metrics Topic	2021 Metric
FLARING	
Gross Annual Volume Flared Gas (MCF)	1,510,674
Percentage of Gas Flared per MCF of Gas Produced	$\frac{\text{EOG Gross Annual Volume of Flared Gas (MCF)}}{\text{EOG Gross Annual Gas Production (MCF)}}$ 0.2%
Volume of Gas Flared per Thousand Barrels of Oil Equivalent	$\frac{\text{EOG Gross Annual Volume of Flared Gas (MCF)}}{\text{EOG Gross Annual Production (Boe)}}$ 0.004
WATER USE	
Freshwater Intensity	$\frac{\text{EOG Fresh Water Consumed (Bbl)}}{\text{EOG Gross Annual Production (Boe)}}$ 0.050
Water Recycling Rate	$\frac{\text{EOG Recycled Water (Bbl)}}{\text{EOG Total Water Consumed (Bbl)}}$ 55%
Water Stress Assessment	Does EOG use WRI Aqueduct, GEMI, Water Risk Filter, Water Risk Monetizer, or other comparable tool or methodology to determine the water stressed areas in portfolio?  YES

<sup>1</sup> EOG is not reporting oil and produced water spills using the AXPC metric. EOG’s spill metrics for oil and produced water spills over one barrel reported in our 2020 Sustainability Report include spills outside of primary containment (e.g. tanks or pipes), which includes spills that are both outside and within secondary containment. The AXPC metric only includes oil and produced water spills greater than one barrel outside of impermeable secondary containment (e.g., lined berms and dikes).

<sup>2</sup> EOG GHG and methane emissions values and intensities include emissions from onshore production, gathering and boosting, and gas processing segments reported to the EPA pursuant to the Greenhouse Gas Reporting Program (GHGRP) under Subparts C and W as well as GHG and methane emissions that are subject to the GHGRP but are below the basin reporting threshold and would otherwise go unreported. AXPC GHG and methane emissions values and intensities include only emissions from onshore production and gathering and boosting segments reported to the EPA pursuant to the GHGRP under Subpart W.

ESG Metrics Topic		2021 Metric
SAFETY		
Employee Total Recordable Incident Rate	$\frac{\text{Number of EOG Employee OSHA Recordable Cases x 200,000}}{\text{EOG Employee Work Hours}}$	0.37
Contractor Total Recordable Incident Rate	$\frac{\text{Number of EOG Contractor OSHA Recordable Cases x 200,000}}{\text{EOG Contractor Work Hours}}$	0.41
Combined Total Recordable Incident Rate	$\frac{\text{Number of EOG Employee and Contractor OSHA Recordable Cases x 200,000}}{\text{EOG Employee and Contractor Work Hours}}$	0.40

ESG Metrics Topic		2021 Metric
SUPPORTING DATA		
Gross Annual Oil Production (Bbl)		220,550,119
Gross Annual Gas Production (MCF)		811,672,692
Gross Annual Production (Boe)		355,828,901
Gross Annual Production (MBoe)		355,829
Gross Annual Production — as Reported Under Subpart W (MBoe)		355,652
Fresh Water Consumed (Bbl)		17,681,571
Recycled Water (Bbl)		107,275,101
Total Water Consumed (Bbl)		196,054,730
Employee OSHA Recordable Cases		11
Contractor OSHA Recordable Cases		52
Combined OSHA Recordable Cases		63
Annual Employee Work Hours		5,913,410
Annual Contractor Work Hours		25,500,814
Annual Combined Work Hours		31,414,224



# Internal and Third-Party Verification and Assurance

EOG’s sustainability reporting involves various internal subject matter experts who were called upon to provide verified information for each of the topics included in this report. Members of EOG’s internal audit team also participated in the verification and review of the data included in this report. Further, EOG obtained independent third-party verification and reasonable assurance of our 2021 GHG emissions and energy use data included in the Data Tear Sheet starting on page 6. This verification was performed by an internationally recognized certification body according to the ISO 14064 - 3:2019 — Greenhouse Gases — Part 3: Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions.

Prior to publication, this 2021 Sustainability Report was also reviewed by EOG’s executive officers and the members of the Nominating, Governance and Sustainability Committee of EOG’s Board of Directors.

# Additional Disclosures

## FORWARD-LOOKING STATEMENTS

This report includes certain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding EOG’s plans, objectives, and projections with respect to our current and future operations, performance, and business strategy and statements regarding EOG’s practices, programs, policies, initiatives, plans, goals, objectives, strategies, ambitions, and targets with respect to environmental, social, and governance matters. Although EOG believes the expectations reflected in our forward-looking statements are reasonable and are based on reasonable assumptions, no assurance can be given that such assumptions are accurate or that any of such expectations will be achieved (in full or at all) or will prove to have been correct. EOG’s forward-looking statements speak only as of the date made, and EOG undertakes no obligation, other than as required by applicable law, to update or revise our forward-looking statements, whether as a result of new information, subsequent events, anticipated or unanticipated circumstances, or otherwise. Important factors that could cause EOG’s actual results to differ materially from the expectations reflected in EOG’s forward-looking statements are enumerated in the section entitled “Information Regarding Forward-Looking Statements” on pages 53 and 54 of EOG’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021, filed with the SEC and any updates to those factors set forth in EOG’s subsequent Quarterly Reports on Form 10-Q. Also, see the section entitled “Risk Factors” on pages 14 through 27 of EOG’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021, for a discussion of certain risk factors that affect or may affect EOG’s business, operations, and performance, and any updates to those factors set forth in EOG’s subsequent filings with the SEC.

## THIRD-PARTY SCENARIOS

The scenario discussed in this report from the IEA’s *World Energy Outlook 2021* is based on the IEA’s Sustainable Development Scenario. The IEA’s Sustainable Development Scenario is based on the main energy-related components of the United Nations’ Sustainable Development Goals, including the Paris Agreement’s goal of limiting the increase in global average temperatures to well below 2°C above preindustrial levels. In its *World Energy Outlook 2021*, the IEA also presents a Stated Policies Scenario and an Announced Pledges Scenario. Projected energy demand is highest under the Stated Policies Scenario, which incorporates existing policy frameworks affecting energy markets and specific policy initiatives that have been announced. IEA’s Announced Pledges Scenario was designed to reflect announced net zero pledges and enhanced Nationally Determined Contributions if they are implemented in time and in full. The IEA’s *World Energy Outlook 2021* also includes a “Net Zero Emissions by 2050” case, which extends the Sustainable Development Scenario by modeling a pathway in the next 10 years to reach net zero emissions globally by 2050, resulting in lower projected energy demand relative to the Sustainable Development Scenario. The scenario discussed in this report does not incorporate the Net Zero Emissions by 2050 case. The IEA does not endorse any particular scenario, nor does EOG. The use or inclusion herein of a third-party scenario reflects the modeling assumptions and outputs of the respective scenario authors and is not an endorsement by EOG of its accuracy or likelihood.

RESERVES

The reserve estimates disclosed in this report are of EOG’s “proved” reserves — that is, the quantities of oil and gas that are estimated to be recoverable with a high degree of confidence. Statements of reserves are only estimates and may not correspond to the quantities of oil and gas ultimately recovered. For related discussion, see the sections entitled “Risk Factors” and “Supplemental Information to Consolidated Financial Statements - Oil and Gas Producing Activities” in EOG’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021. Crude oil equivalent volumes are determined using a ratio of 1.0 barrel of crude oil and condensate or natural gas liquids to 6.0 thousand cubic feet of natural gas.

METRICS REPORTING

The metrics contained in this report have been calculated using the best available information at the time of preparation of this report. The data utilized in calculating such metrics is subject to certain reporting rules, regulatory reviews, definitions, calculation methodologies, adjustments, and other factors. These metrics are subject to change if updated data or other information becomes available. Metrics in this report in respect of prior years may be revised from previous Sustainability Reports to reflect updated data and other information. Any updates to the metrics in the *Data Tear Sheet* in this report, prior to our next Sustainability Report, will be set forth in the data tear sheet posted to the “Sustainability” section of the EOG website at [eogresources.com](http://eogresources.com). Total amounts presented in this report may not equal the sum of their components due to rounding. Percent changes presented in this report may reflect rounding.

ABOUT EOG

EOG Resources, Inc. (NYSE: EOG) is one of the largest crude oil and natural gas exploration and production companies in the United States with proved reserves in the United States and Trinidad. For further information regarding EOG and our operations, please see our information filed with and/or furnished to the United States Securities and Exchange Commission (SEC) from time to time and our corporate website at [eogresources.com](http://eogresources.com).

Non-GAAP Financial Measures

To supplement the presentation of our financial results prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America, EOG’s annual and quarterly earnings materials and other investor and stakeholder communications may contain certain financial measures that are not prepared or presented in accordance with GAAP. A reconciliation of each of the non-GAAP financial measures referenced in this report to their most directly comparable GAAP financial measure is included in the tables below. We use these and other non-GAAP financial measures for purposes of 1) comparing our financial and operating performance with the financial and operating performance of other companies in our industry and 2) analyzing our financial and operating performance across periods. For additional information, see the “Reconciliations & Guidance” section of the “Investors” page of our website at [eogresources.com](http://eogresources.com).

In millions of USD, except ratio data (Unaudited)	2021	2020	2019	2018	2017	2016
Interest Expense, Net (GAAP)	178	205	185	245	274	
Tax Benefit Imputed (Based on 21% for 2018-2021 and 35% for 2017)	(37)	(43)	(39)	(51)	(96)	
After-Tax Net Interest Expense (Non-GAAP) — (a)	141	162	146	194	178	
Net Income (Loss) (GAAP) — (b)	4,664	(605)	2,735	3,419	2,583	
Adjustments to Net Income (Loss), Net of Tax (See Detail of Adjustments to Net Income (Loss) on page 77)	364	1,455	158	(201)	(1,934)	
Adjusted Net Income (Non-GAAP) — (c)	5,028	850	2,893	3,218	649	
Total Stockholders’ Equity — (d)	22,180	20,302	21,641	19,364	16,283	13,982
Average Total Stockholders’ Equity* — (e)	21,241	20,972	20,503	17,824	15,133	
Current and Long-Term Debt (GAAP) — (f)	5,109	5,816	5,175	6,083	6,387	6,986
Less: Cash	(5,209)	(3,329)	(2,028)	(1,556)	(834)	(1,600)
Net Debt (Non-GAAP) — (g)	(100)	2,487	3,147	4,527	5,553	5,386
Total Capitalization (GAAP) — (d) + (f)	27,289	26,118	26,816	25,447	22,670	20,968
Total Capitalization (Non-GAAP) — (d) + (g)	22,080	22,789	24,788	23,891	21,836	19,368
Average Total Capitalization (Non-GAAP)* — (h)	22,435	23,789	24,340	22,864	20,602	

\* Average for the current and immediately preceding year

## NON-GAAP FINANCIAL MEASURES

In millions of USD, except ratio data (Unaudited)

	2021	2020	2019	2018	2017	2016
<b>RETURN ON CAPITAL EMPLOYED (ROCE)</b>						
<b>Calculated Using GAAP Net Income (Loss) — [(a) + (b)]/(h) (Non-GAAP)</b>	<b>21.4%</b>	<b>-1.9%</b>	<b>11.8%</b>	<b>15.8%</b>	<b>13.4%</b>	
<b>Calculated Using Non-GAAP Adjusted Net Income — [(a) + (c)]/(h) (Non-GAAP)</b>	<b>23.0%</b>	<b>4.3%</b>	<b>12.5%</b>	<b>14.9%</b>	<b>4.0%</b>	

## DETAIL OF ADJUSTMENTS TO NET INCOME (LOSS) (GAAP):

Year Ended December 31, 2021	Before Tax	Income Tax Impact	After Tax
Adjustments:			
Add: Mark-to-Market Financial Commodity Derivative Contracts Impact	514	(112)	402
Add: Certain Impairments	15	—	15
Less: Gains on Asset Dispositions, Net	(17)	9	(8)
Less: Tax Benefits Related to Exiting Canada Operations	—	(45)	(45)
<b>Total</b>	<b>512</b>	<b>(148)</b>	<b>364</b>

Year Ended December 31, 2020	Before Tax	Income Tax Impact	After Tax
Adjustments:			
Add: Mark-to-Market Financial Commodity Derivative Contracts Impact	(74)	16	(58)
Add: Certain Impairments	1,868	(392)	1,476
Add: Losses on Asset Dispositions, Net	47	(10)	37
<b>Total</b>	<b>1,841</b>	<b>(386)</b>	<b>1,455</b>

Year Ended December 31, 2019	Before Tax	Income Tax Impact	After Tax
Adjustments:			
Add: Mark-to-Market Financial Commodity Derivative Contracts Impact	51	(11)	40
Add: Certain Impairments	275	(60)	215
Less: Gains on Asset Dispositions, Net	(124)	27	(97)
<b>Total</b>	<b>202</b>	<b>(44)</b>	<b>158</b>

Year Ended December 31, 2018	Before Tax	Income Tax Impact	After Tax
Adjustments:			
Add: Mark-to-Market Financial Commodity Derivative Contracts Impact	(93)	20	(73)
Add: Certain Impairments	153	(34)	119
Less: Gains on Asset Dispositions, Net	(175)	38	(137)
Less: Tax Reform Impact	—	(110)	(110)
<b>Total</b>	<b>(115)</b>	<b>(86)</b>	<b>(201)</b>

Year Ended December 31, 2017	Before Tax	Income Tax Impact	After Tax
Adjustments:			
Add: Mark-to-Market Financial Commodity Derivative Contracts Impact	(12)	4	(8)
Add: Certain Impairments	261	(93)	168
Add: Losses on Asset Dispositions, Net	99	(35)	64
Add: Legal Settlement — Early Lease Termination	10	(4)	6
Add: Joint Venture Transaction Costs	3	(1)	2
Add: Joint Interest Billings Deemed Uncollectible	5	(2)	3
Less: Tax Reform Impact	—	(2,169)	(2,169)
<b>Total</b>	<b>366</b>	<b>(2,300)</b>	<b>(1,934)</b>

## NON-GAAP FINANCIAL MEASURES

In millions of USD (Unaudited)	2021	2020	2019	2018	2017
Net Cash Provided by Operating Activities (GAAP)	8,791	5,008	8,163	7,769	4,265
Adjustments:					
Changes in Components of Working Capital and Other Assets and Liabilities					
Accounts Receivable	821	(467)	92	368	392
Inventories	13	(123)	(90)	395	175
Accounts Payable	(456)	795	(169)	(439)	(324)
Accrued Taxes Payable	(312)	49	(40)	92	64
Other Assets	136	(325)	(358)	125	659
Other Liabilities	116	(8)	57	(11)	90
Changes in Components of Working Capital Associated With Investing and Financing Activities	200	(75)	115	(301)	(90)
Other Noncurrent Income Taxes — Net (Payable) Receivable	—	113	239	149	(513)
<b>Cash Flow From Operations Before Working Capital (Non-GAAP)</b>	<b>9,309</b>	<b>4,967</b>	<b>8,009</b>	<b>8,147</b>	<b>4,718</b>
Cash Flow From Operations Before Working Capital (Non-GAAP)	9,309	4,967	8,009	8,147	4,718
Less:					
Total Capital Expenditures (Non-GAAP) (See Reconciliation of Total Expenditures (GAAP) to Total Capital Expenditures (Non-GAAP))	(3,755)	(3,344)	(6,094)	(6,023)	(4,083)
<b>Free Cash Flow (Non-GAAP)</b>	<b>5,554</b>	<b>1,623</b>	<b>1,915</b>	<b>2,124</b>	<b>635</b>

## RECONCILIATION OF TOTAL EXPENDITURES (GAAP) TO TOTAL CAPITAL EXPENDITURES (NON-GAAP):

In millions of USD (Unaudited)	2021	2020	2019	2018	2017
Total Expenditures (GAAP)	4,255	4,113	6,900	6,706	4,613
Less:					
Asset Retirement Costs	(127)	(117)	(186)	(70)	(56)
Noncash Expenditures of Other Property, Plant, and Equipment	—	—	(2)	(1)	—
Noncash Acquisition Costs of Unproved Properties	(45)	(197)	(98)	(291)	(256)
Noncash Finance Leases	(74)	(174)	—	(48)	—
Acquisition Costs of Proved Properties	(100)	(135)	(380)	(124)	(73)
Exploration Costs	(154)	(146)	(140)	(149)	(145)
<b>Total Capital Expenditures (Non-GAAP)</b>	<b>3,755</b>	<b>3,344</b>	<b>6,094</b>	<b>6,023</b>	<b>4,083</b>



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