



HESS OPERATIONAL MANAGEMENT SYSTEM



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Our aspiration is to become the Best Performing Energy Investment. To be the best, we need to maintain very high standards and continually strive for increased excellence in everything we do. The Hess Operational Management System (HOMS) puts our values into practice and provides the framework to help us perform our jobs safely, responsibly and efficiently.

HOMS aligns with the Operational Excellence pillar of the House of Hess and leverages the Technical Authority (TA) structure. Its goal is to enable us to systematically manage the risks associated with process safety, occupational safety and health and the environment; deliver reliable operations; and continually improve by applying Lean principles. Regular management reviews help us assess gaps, drive risk reduction activities and measure progress on key operational metrics.

HOMS endeavors to rationalize, align, and organize into a single, comprehensive, enterprise-wide governance framework all active Hess standards, procedures and guidance documents for our various work streams. It is our expectation that having a central, easily accessible tool will help clarify expectations for each job and work area to our workforce, help eliminate waste and drive continuous improvement.

Everyone associated with our operations worldwide shall comply with HOMS, from my senior leadership team (the OpCom), to managers, to front-line workers.

With our collective commitment, we can continue our path toward making our company truly exceptional and achieve our key priority of everyone, everywhere – home safe.



Greg Hill

President and Chief Operating Officer



PURPOSE

The purpose of this manual is to illustrate what the Hess Operational Management System (HOMS) is and how it supports the Operational Excellence pillar through a continuous improvement cycle. Figure 1 illustrates the House of Hess. The purpose of HOMS is to help Hess operate in a safe, responsible and efficient manner.

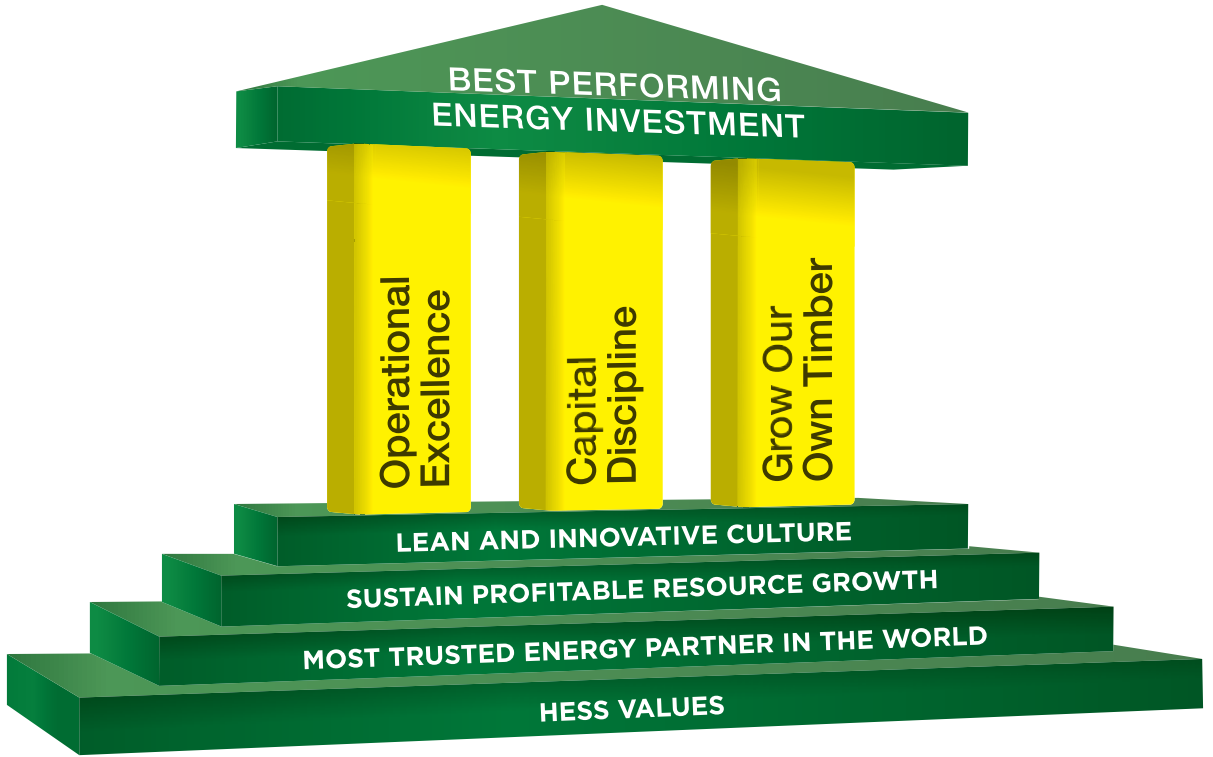


Figure 1: House of Hess

SCOPE

In support of the Operational Excellence pillar of the House of Hess, HOMS applies to all operations, disciplines and assets. Non-operational projects are governed by the Guidelines for the Management of Non-Operated Joint Ventures (EP-MGT-GUD-01001).

ACCOUNTABILITIES

HOMS is a framework that enables continuous improvement of our operations and helps Hess maintain safe and efficient operations. To do this, HOMS is aligned to the Operational Excellence pillar of the House of Hess. The RACI chart in Figure 2 illustrates high-level roles and responsibilities for HOMS.

Task	President & COO	OpCom	HTA Network	Assets	HOMS Coordinator
Development of HOMS	A	C	R	C	R
Implementation of HOMS	A	I	C	R	C
Assurance of HOMS	I	A	R	R	C
Management Review of HOMS	A	C	R	R	C

Figure 2: RACI Chart

Table 1 lists the RACI terms and definitions.

Table 1: RACI Terms and Definitions

Term	Definition
Responsible (R)	Those who do the work to achieve the task.
Accountable (A)	Those who are ultimately answerable for the correct and thorough completion of the deliverable or task. Those who assure the prerequisites of the task are met and delegate the work to those responsible.
Consult (C)	Those whose opinions are sought, typically subject matter experts, TAs or decisions makers. Typically, a two-way conversation.
Informed (I)	Those who are kept up to date on progress. Typically, a one-way conversation.

HOMS TERMS AND ABBREVIATIONS

Term	Definition
5S	Process for creating and maintaining an organized, clean, safe and high-performance workplace.
Cascading Metrics	Aligned KPIs from one level of the organization to the next, providing line of sight from the organization's highest level down to an individual employee's goals.
COO	Chief Operating Officer
Dashboard	Visual management tool that displays the status of key metrics/KPIs, including gaps between actual performance and targets, countermeasures to close gaps and the implementation status.
E&P	Exploration and Production
EHS	Environmental, Health and Safety
ExCom	Hess Executive Committee
HAZID	Hazard Identification review
HAZOP	Hazard and Operability review
HOMS framework	Hess Operational Management System framework
Individual Development Plan	A document completed by an individual for the plan of self-development. The plan is then reviewed and discussed by supervision to match the individual goals with company goals.
ICE	Integrity Critical Equipment
KPI	Key Performance Indicator
Lean at Hess	A framework for how Hess is transforming into a learning organization that strives for perfection through continuous improvement.
Management Review	A formal review conducted on an annual basis (or as needed) that incorporates data from the previous cycle into the business plan for the following cycle.
OpCom	Hess Operational Committee
Operating Rhythm	A set of interconnected regular meetings focused on communicating progress towards targets/commitments and countermeasures for closing performance gaps.
PDCA	Plan, Do, Check, Adjust (application of the Scientific Method to business problems)
PEAR	People, Environment, Asset and Reputation
PLT	Production Leadership Team
RACI	Responsible, Accountable, Consult, Inform
Rapid Improvement Event	A concentrated, structured effort to standardize or improve a specific process using appropriate Lean tools.
TA0	Technical Authority 0: Highest decision-making level in the TA structure. Final technical and business decisions organization wide.
TA1	Technical Authority 1: Second highest technical decision-making level. Coordinates efforts of TA2s. Responsible for functional governance organization wide.
TA2	Technical Authority 2: Standard owner and reviewers. Provide technical assurance. Assist TA3s at the asset or project level with implementation.
TA3	Technical Authority 3: Standard and program implementation via local procedures and guidelines at the asset or project level.

OPERATIONAL EXCELLENCE

Operational Excellence is the pillar of the House of Hess that reflects how we operate safely and responsibly. How we operate is driven by our company vision and values, which reflect who we are as an organization.

VISION

Hess aims to be the Best Performing Energy Investment.

We expect to achieve this goal by:

- Delivering superior and consistent financial performance
- Providing long-term profitable growth
- Responding swiftly to market opportunities
- Building long-term relationships with our stakeholders and positioning ourselves as the business partner and employer of choice

VALUES

Our Corporate Values reinforce our commitment to traditional Hess strengths and underscore the qualities that define us as a leading global independent energy company. At Hess, six core values guide our actions as individuals at work and as a corporation: Integrity, People, Performance, Value Creation, Social Responsibility and Independent Spirit. They are the basic building blocks of our organization's culture and represent our company's collective conscience. Although our strategy changes over time based on business conditions, our values are enduring.

Independent Spirit: A 'Can Do' Attitude

We are committed to preserving the special qualities and unique personality that have made us a successful independent enterprise.

People: We Grow, Develop and Reward People

We are committed to attracting, retaining and energizing the best people by investing in their professional development and providing them with challenging and rewarding opportunities for personal growth.

Performance: Carefully Measuring Our Efforts

We are committed to a culture of performance that demands and rewards outstanding results throughout our business.

Value Creation: Building a Sustainable Enterprise

We are committed to creating shareholder value based on sustained financial performance and long-term profitable growth. That means managing risk and carefully considering each strategic, tactical and investment decision.

Social Responsibility: Being a Trusted Partner

We are committed to meeting the highest standards of corporate citizenship by protecting the health and safety of our employees; safeguarding the environment; and creating a long-lasting, positive impact on the communities where we do business.

Integrity: Always Do the Right Thing

We are committed to the highest level of integrity in all our relationships. We treat our employees, customers and partners with fairness, honesty and respect, just as we would want them to treat us. At Hess, our goal is to build long-term relationships and trusted partnerships.

OPERATIONAL EXCELLENCE

PROCESS SAFETY

Process safety is a disciplined framework for managing the integrity of hazardous operating systems and processes by applying good design principles, engineering and operating and maintenance practices. This differs from occupational safety, which prioritizes more common safety concerns that relate to people safety. It focuses on the prevention and control of events with a potential to release hazardous materials or energy. Because the safety of both people and the environment are a core Hess value, we concentrate on excellent process safety execution throughout our operations.

This is integrated into our operations by designing wells and facilities to meet process safety requirements. Setting key performance indicators (KPIs), such as Tier 1 and Tier 2 process safety events, Integrity Critical Equipment (ICE) maintenance and alarm rates allows us to track the health of our program. We use KPIs to identify trends and prevent or mitigate incidents by making these metrics visible to our organization. Process safety is a team effort with overlapping responsibilities for its successful implementation.

Components of HOMS that directly relate to process safety are indicated throughout this manual in *blue italics*.

MANAGEMENT OF OPERATIONS

OWNERSHIP OF HOMS

As indicated in the Accountabilities section of this manual, the President and COO is accountable for the development and implementation of HOMS. The OpCom is informed for the implementation of HOMS throughout the business.

GOVERNANCE STRUCTURE

Our company has established the HOMS to bring a standardized approach to the management of operations that applies across our organization regardless of the type, location or size of a business unit (to include assets, projects and functional disciplines). While this approach sets forth certain minimum requirements, it also allows our business units to customize operational elements based on their individual needs and local requirements.

The HOMS framework, comprised of 14 discrete elements, outlines OpCom's minimum corporate-wide expectations for each element. The business units are expected to align their organizational structure and operating rhythm to the HOMS framework in a manner that meets or exceeds OpCom's expectations while simultaneously accounting for local operating conditions.

HOMS is based on a continuous improvement cycle. The HOMS framework is meant to enable business units to meet objectives in a safe and responsible manner while systematically searching for improvement opportunities and striving for excellence through establishment of a Commit-Plan-Do-Check-Adjust (standard terminology for Management Systems) cycle shown in Figure 3.

COMMIT	Element 1. Organization and Leadership
PLAN	Element 2. Risk Management Element 3. Compliance Element 4. Improvement
DO	Element 5. Competency Assurance and Training Element 6. Contractor Management Element 7. Design, Operations and Management Element 8. Management of Change Element 9. Emergency Preparedness Response Element 10. Incident Reporting and Investigation Element 11. Documents and Data Control
CHECK	Element 12. Performance Measurement and Communication Element 13. Assurance
ADJUST	Element 14. Management Review

Figure 3: Elements in the Continuous Improvement Cycle

The HOMS framework is a component of the Hess Business Management System, as illustrated in Figure 4. This structure, which is essential to our license to operate, enables us to maintain safe and reliable operations while on our journey to excellence in all areas of our operations.

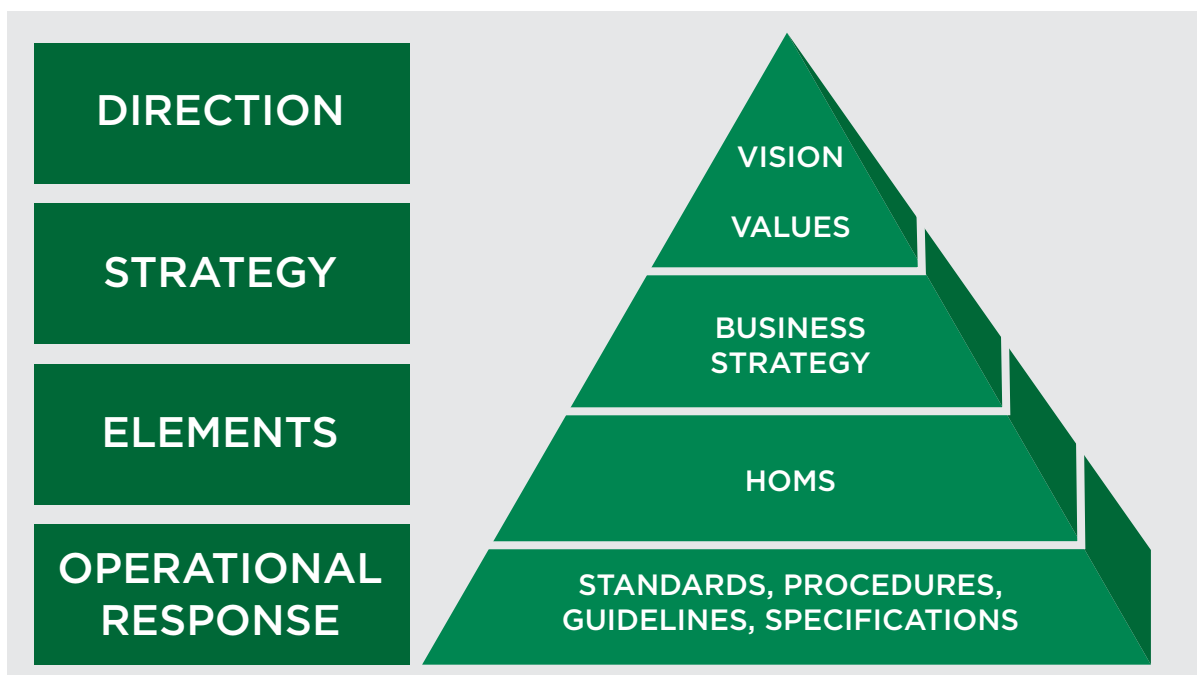


Figure 4: Hess Business Management System

DIRECTION

The direction of the company is set by the ExCom and OpCom based on the following components:

- Vision – A statement of where we want to go as a company (See Vision under Operational Excellence)
- Values – What we stand for and what we expect to be judged against (See Values under Operational Excellence)
- Policies – Those documents operationalizing our Vision and Values

STRATEGY

The strategy to maintain safe and reliable operations on our journey to excellence is to:

- Apply HOMS across our business units in a consistent manner while still accounting for local operational conditions to drive sustainable top quartile performance and continuous improvement.
- Deliver the tools to consistently manage risk.
- Set goals as well as metrics to track our progress with the objective of improving our performance.
- Assure that we properly manage our risk as well as compliance with applicable requirements.

ELEMENTS

OpCom’s minimum expectations for each of the 14 elements of the HOMS framework are listed under each respective element in the following pages.

OPERATIONAL RESPONSE

The Hess organization is comprised of business units that operate in different environments and regions around the world as well as different phases of the E&P business lifecycle (i.e., acquisition, exploration, development, production, maintenance, divestment and abandonment).

The leaders of these business units are responsible for establishing documented formal systems and processes (documented as appropriate) that align with the HOMS 14-element framework. This is referred to as an “operational response.”

The depth and degree to which leaders need to address the 14 elements depend on a risk-based analysis of the local circumstances and the activity or operation being managed. If a formal risk assessment determines that risk is sufficiently low and adherence to any part of the 14 elements is not applicable or appropriate, a formal dispensation shall be required from the appropriate leadership.

ORGANIZATION AND LEADERSHIP

A photograph of an offshore oil rig at sunset. The rig is illuminated with warm lights, and the sky is a mix of orange, yellow, and blue. The rig is positioned in the center-right of the frame, with a large crane arm extending to the left. The ocean is visible in the foreground.

PURPOSE

The Organization and Leadership element establishes the requirement for an organizational structure to be in place that assigns individual and group responsibilities for the implementation, maintenance and ongoing improvement of HOMS.

EXPECTATIONS

- Leaders help assure that HOMS is developed, documented, implemented and supported throughout the organization.
- Leaders demonstrate their support and personal commitment to all aspects of HOMS through active participation in initiatives associated with the implementation, maintenance and improvement of HOMS.
- Leaders engage in clear two-way dialogue with employees, contractors and stakeholders.
- Leaders are responsible for setting clear goals and objectives to drive business performance.
- Leaders demonstrate the Hess Way of Working behaviors by personal example and engage with and motivate the workforce to meet objectives.
- Leaders work to confirm that appropriate funding is in place to resource activities that enable the maintenance of safe and reliable operations and drive continuous improvement.
- Roles, responsibilities and interfaces are defined and understood for all safety critical positions within the organization.
- Leaders are accountable for the implementation and sustainability of HOMS.

PLAN

PURPOSE

The Risk Management element establishes the requirement for business units to have an effective risk management process to identify and effectively manage the risks and hazards (collectively “risks”) that have the potential to impact people (health and safety), the environment, our assets and reputation and the communities where we operate.

EXPECTATIONS

- *Processes for the identification of risks, the assessment of risks, elimination of risks or implementation of effective control measures for risks are established and promoted so that risks are effectively managed.*
- *A hierarchy of risk assessments is conducted and integrated across technical areas in a manner that outlines the level of management review applied to different tiers of risk and drives consistent prioritization of risk mitigation actions.*
- *Risk assessments are reviewed at specified intervals and updated as changes to the risk assessments are planned so that effective controls and precautions are established and understood by impacted parties before a change is implemented.*
- *Risk assessments are regularly performed and updated. Identified risks are assigned a risk rating based on the severity, impact and likelihood criteria in a manner consistent with applicable risk management governing documents.*
- *Effective control measures and mitigations are developed so that risks associated with operations and activities are appropriately managed. A hierarchy of control measures is used to determine the most appropriate means of controlling and mitigating risks.*
- *Details of the identified risks, risk ratings, agreed control measures and mitigations are documented in a trackable database that allows for a consolidated view of identified risks.*
- *A structured process specifies monitoring intervals so that identified risks and agreed mitigation activities are reviewed (structured process), discussed, actioned and reported to appropriate levels of management in a timely manner.*

PURPOSE

The Compliance element establishes the requirement to evaluate and verify compliance with Applicable Requirements, as defined below. Applicable Requirements may include the following:

- International laws and conventions
- National, federal, state, or local regulations
- Industry standards or codes of practice
- Agreements with local authorities
- Guidelines to which the Production Leadership Team (PLT), business units, assets or functional departments have subscribed
- Voluntary commitments made by the company to adhere to certain codes of conduct or practice

This element includes the identification, assessment and communication of Applicable Requirements to impacted personnel.

EXPECTATIONS

- Applicable Requirements relevant to operations and activities are identified, and relevant information is provided to those affected by or responsible for compliance.
- Personnel with specific responsibilities or accountabilities for compliance with Applicable Requirements are made aware of their responsibilities or accountabilities and how and where information can be accessed.
- Regulators and other agencies and organizations responsible for drafting, administering or enforcing Applicable Requirements are identified and consulted as appropriate.
- Systems are established to identify and assess the impact on existing and planned operations and activities of any new or changes to existing Applicable Requirements.
- Compliance assessments of Applicable Requirements are conducted as part of management reviews (see Element 14).

PLAN

PURPOSE

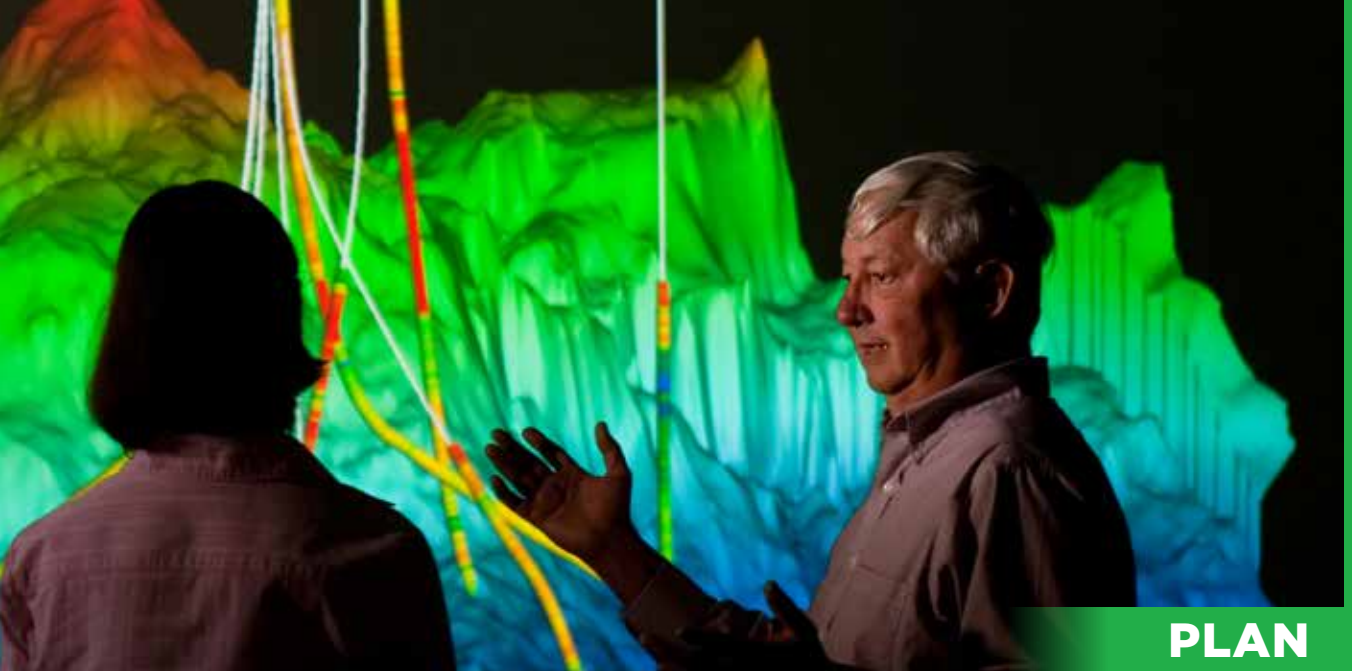
The Improvement element establishes how we leverage the Lean at Hess model to continuously improve our business to achieve sustained top quartile performance through the continuous elimination of waste.

In creating a “Distinctive Lean Culture” the Hess workforce develops and understands a common Commit-Plan-Do-Check-Adjust methodology and uses standard tools, processes and leader behaviors in delivering objectives. This cycle underpins our continuous improvement culture by helping establish that targets are set, performance gaps are identified and both incremental and breakthrough improvements are pursued. Lean is how we achieve excellence throughout Hess.

EXPECTATIONS

For each Hess operation and function:

- **Hess Way of Working** behaviors are evident at all levels of the organization with individuals and teams recognized for how they work in addition to what they achieve. Individual Development Plans include building and demonstrating Lean skills, which leaders coach and share with their teams.
- **Annual Business Plans** are developed and include operating targets for key metrics aligned with business objectives and tracked through an operating rhythm. **Breakthrough** activities are identified, with stretch targets to generate step-change performance improvements towards strategic goals.
- **Value Streams** are visualized, well understood and actively managed. Handover points are clearly identified and managed through well-defined conditions of satisfaction. Multidisciplinary teams work across the value stream to continuously reduce overall lead time to complete the work. Co-owners, suppliers and contractors, as applicable, are actively engaged in understanding and improving the value stream.



PLAN

- A clearly defined **Operating Rhythm** of interlocking meetings at multiple levels is in place and aligned with the value stream and business objectives. Meetings and reporting are structured to drive accountability for performance. A regular check-and-adjust cycle is established to improve rhythm effectiveness.
- A series of **Cascading Metrics** is established and used in the operating rhythm to manage the organization towards meeting its short- and long-term business objectives. Targets, leading metrics and lagging metrics are visible on **Dashboards** at all levels of the organization and are used to establish alignment, prioritize activity and develop effective countermeasures.
- Structured, Lean-based methodologies (e.g., Rapid Improvement Event, 5S) are used to address gaps, eliminate waste and address defects. Key processes are standardized, and owners are empowered so that they reflect best current practice and are continuously improved.

COMPETENCY ASSURANCE AND TRAINING



DO

PURPOSE

The Competency Assurance and Training element establishes the requirement for validating the competence of personnel through selection, training and assessment. In addition, this element establishes the need for safety-critical personnel to be provided with details of their roles and responsibilities and how their individual efforts contribute toward maintaining and improving overall Hess performance.

EXPECTATIONS

- Recruitment, selection and placement processes identify the experience, knowledge and behavioral qualifications for an assigned role and improvement plans, as applicable, are established.
- A clear definition of roles and responsibilities as well as reporting authorities is provided to personnel occupying safety-critical roles. These definitions are reviewed and revised as appropriate to reflect significant organizational changes.
- Personnel are made aware of the role they play in achieving relevant objectives and targets. For employees, this occurs through the performance feedback process whereas for contractors, this occurs through contractor performance review processes, as applicable.
- *Safety-critical personnel are assessed against relevant competence governing documents. Any areas for improvement are identified, and suitable training or other appropriate mitigations are planned based on a training and competence needs assessment.*
- Skill and performance-related training courses and training course providers are evaluated to verify that expected learning results are being or can be met.
- *Training matrices and competence profiles are established for identified safety-critical positions.*
- Refresher training is provided periodically, or as required, so that skill and knowledge levels are maintained.
- *Records of completed training, as well as any assessments and other evidence showing that required levels of competence have been met, are maintained for personnel in identified safety-critical positions.*

CONTRACTOR MANAGEMENT

PURPOSE

The Contractor Management element establishes the requirement for consistent management of contractors, who are key contributors to our operational execution. As part of contract management, key assurance and feedback processes are established, implemented and monitored to maintain high standards of contractor performance and drive continuous improvement.

EXPECTATIONS

- Pre-qualification, selection, performance and retention criteria are established for critical scopes of work.
- Key performance indicators as well as core deliverables are established for safety, quality, delivery and cost. Requirements are documented in contract terms and scope-of-work content.
- *Hazards and risks associated with the work to be performed are identified and managed accordingly by the contractor.*
- *Systems are in place to enable performance monitoring as well as compliance verification against performance requirements.*
- Processes are established to provide for feedback between the contractor and company such that lessons learned, developed best practices and performance reviews are shared.
- Controls established for critical interfaces between contractor and company activities are coordinated and include communications and reporting requirements.
- Records of contractor performance are maintained and leveraged in business planning.
- Supplier relationships are prioritized, and promoted as partners in Hess.

DESIGN, OPERATIONS AND MAINTENANCE



DO

PURPOSE

The Design, Operations and Maintenance element establishes the requirement for new and existing operations and support activities in every phase of development to be properly planned and reviewed. New and existing projects or facilities shall be properly designed, procured, constructed, operated, modified and maintained to help assure the integrity of the operation.

EXPECTATIONS

- *Technical, environmental, health and safety requirements are considered at each stage in the design, construction or modification of any facility/development. Additionally, baseline data are collected and considered as appropriate.*
- *Potential hazards are identified and risks evaluated using appropriate risk assessment tools (e.g., HAZOPs and HAZIDs). Risks are mitigated through the implementation of appropriate control measures.*
- *Systems or processes are established to help confirm that when facilities are being designed and specified, risks are appropriately considered.*
- *Technical integrity requirements and associated accountabilities are documented and well understood. Specifications for facilities, including reference to design and engineering standards, and any local regulatory requirements are clearly referenced in relevant documentation.*
- *Quality assurance processes are established to verify that the required standards and specifications are met.*
- *Variances from design standards are identified and managed at an appropriate level, with the reasons documented and retained.*
- *Operational, maintenance and Environment, Health and Safety (EHS) expertise is integrated early in the project or design stage so that experience and lessons learned from other projects and current operations are applied as appropriate.*

- *Pre-startup reviews are carried out and documented on all newly-installed or modified equipment to confirm that:*
 - *Performance standards and specifications have been met.*
 - *All verification, testing and inspection is complete and satisfactory.*
- Handover and acceptance processes are agreed between design, construction, and engineering groups and the operational and maintenance groups for all new or modified facilities and critical equipment.
- Post-startup reviews are carried out and documented on all newly-installed or modified equipment to confirm that:
 - Construction/fabrication is in accordance with design.
 - All required verification testing has been completed and is satisfactory.
- *Key operating parameters are established and regularly monitored so that they remain within acceptable defined limits.*
- *Clearly defined startup, operating, maintenance and shutdown procedures are established.*
- *Maintenance management and quality assurance programs are developed and maintained to help verify the continued integrity of facilities and critical equipment.*
- *Risks introduced by simultaneous operations are assessed and managed.*
- *Decommissioning, remediation and restoration plans are established using risk-based studies for end-of-life equipment and/or facilities.*
- *A formal work permitting process is established to manage operational risks.*
- *Bypasses of safety critical equipment are formally risk-assessed, documented, communicated and managed.*
- Environmental objectives, including waste, emissions, and water usage are tracked and stewarded.

**DO****PURPOSE**

The Management of Change element establishes the requirement for effective management of planned or unplanned changes to people, processes and equipment. These changes are required to be evaluated so that any risks arising from them can be appropriately controlled.

EXPECTATIONS

- *A management of change process is established and followed for emergency, temporary and permanent changes to people, processes and equipment.*
- *Management of Change evaluates, documents and authorizes changes prior to implementation.*
- *The risks associated with a change are assessed in accordance with appropriate governance documents.*

EMERGENCY PREPAREDNESS AND RESPONSE

DO

PURPOSE

The Emergency Preparedness and Response element establishes the requirement to develop and maintain an Emergency Preparedness and Response program to identify potential emergency scenarios relevant to Hess' operations and develop appropriate response and mitigation plans to address the scenarios.

EXPECTATIONS

- *Potential emergency scenarios that could arise out of operations, activities and local circumstances are identified and risk-assessed.*
- *Incident management plans are established to address identified potential emergency scenarios to control them, prevent escalation and mitigate loss in the event of their occurrence. These plans are premised on the priorities of People, Environment, Asset and Reputation (PEAR), in that order.*
- *Incident management plans identify and describe the equipment, facilities and personnel required for an emergency response.*
- *All personnel who have a direct role to play in an emergency are informed of their responsibilities, fit for their role and trained to the required level of competence, including the use of emergency management tools and resources.*
- *Periodic drills and exercises, which involve external resources as appropriate, are conducted to test incident management plans to improve emergency response and crisis management capabilities.*
- *Reviews are conducted after an emergency has occurred or an exercise has taken place so that improvements to incident management plans are identified, recorded and implemented.*
- *Reviews are conducted after major industry-related incidents to assess our company's preparedness levels.*

INCIDENT REPORTING AND INVESTIGATION



DO

PURPOSE

This Incident Reporting and Investigation element establishes the requirement to report, record and investigate unplanned events that resulted or could have resulted in an Environmental, Health and Safety (EHS) or business impact.

Understanding the causes of these events enables the development of appropriate corrective and preventative actions to improve systems, work practices and the working environment to minimize the probability of a similar incident occurring.

EXPECTATIONS

- *Unplanned events (i.e., incidents, near misses, etc.) are reported in a timely manner to the appropriate level of management as defined by its classification.*
- *Unplanned events are investigated at a level commensurate with their classification.*
- *Incident investigations are documented to include the root causes and corrective and/or preventive actions that have been identified to help prevent reoccurrence.*
- *Responsibilities for the completion of corrective and preventive actions are clearly established.*
- *Incident investigation reviews are undertaken to validate timely closure of actions.*
- *Lessons learned from incident investigations are shared across the company and to external organizations, as appropriate.*

DOCUMENTS AND DATA CONTROL

PURPOSE

The Documents and Data Control element establishes the requirement to effectively control, maintain and retain information and records.

EXPECTATIONS

- Systems are established and responsibilities delegated for the management and control of critical documents and records (hard copy and/or electronic) associated with our operations.
- Critical documents and records are reviewed at specified intervals to confirm continued accuracy and applicability.
- Records are maintained to demonstrate compliance with relevant legal and other requirements.
- Documented processes exist for the retention of documents and records arising out of business activities.
- Obsolete documents and records are clearly identified, removed from circulation and/or destroyed if allowed and appropriate.
- Appropriate data disaster recovery plans are established and maintained.
- Responsibilities for document development, review, approval and control are identified.
- Documents developed in support of HOMS are approved at a management level commensurate with the level of risk associated with the activity or process described in a document.

PERFORMANCE MEASUREMENT AND COMMUNICATION



CHECK

PURPOSE

The Performance Measurement and Communication element establishes the requirement to assess overall performance. This element also establishes the requirement for effective communication of information within the various levels and functions of the organization and with external stakeholders.

These requirements provide the means to make appropriate adjustments to priorities and allocation of resources so that our overall objectives can be achieved.

EXPECTATIONS

- Performance indicators are established, communicated and understood throughout the organization.
- The nature and frequency of performance monitoring is determined by the criticality and risk associated with a process, operation or activity.
- Equipment used for monitoring and measuring purposes is calibrated in accordance with the manufacturer's instructions and/or relevant industry standards and marked with a unique indicator to identify its calibration status.
- Performance is measured and reported against leading (activity-based) and lagging (outcome-based) indicators.
- Systems are established for reporting performance relevant to objectives and targets.
- The nature and frequency of reporting requirements are such that variations from expected outcomes are identified with sufficient time to enable changes to priorities and the allocation of resources so that objectives and targets remain achievable.
- Systems are established to promote open communication of information to the workforce and relevant external stakeholders.
- Internal communication systems are structured to promote open dialogue and two-way communication between management and the workforce.
- External communication systems are established for reviewing and responding to requests for information from external stakeholders.
- Documented procedures are established for workforce involvement and consultation.

PURPOSE

The Assurance element establishes the requirement to conduct assurance-related assessments to verify compliance with HOMS and external requirements and evaluate HOMS' effectiveness.

EXPECTATIONS

- A structured, tiered assurance scheme is established, and the output from it is used to drive business planning and performance expectations in future business cycles.
- Audits and assessments are planned and scheduled based on the organization's priorities and activities, level of risk and results of previous audits.
- Audits are conducted to determine compliance with regulations and appropriate industry standards as well as HOMS requirements.
- Reports are prepared by auditors or assessors and distributed to appropriate management personnel who are accountable for addressing gaps and associated risks.
- Actions arising out of audit issues and observations are prioritized, tracked and used to systematically improve HOMS.



ADJUST

PURPOSE

The Management Review element establishes the requirement to conduct management reviews in a consistent and visible way as a means of reviewing:

- Progress against improvement programs
- Overall performance
- The effectiveness of HOMS

This information is used to improve our performance and processes.

EXPECTATIONS




- Management reviews are conducted to assess progress against improvement programs.
- Reviews include an assessment of performance against objectives and targets.
- Opportunities for further improvements are identified, and improvement plans are revised and updated.
- The scheduling of management reviews is synchronized with the annual business review process to allow results to be fully integrated.

APPENDIX A: APPLICABLE POLICIES

Policies that relate to this HOMS manual include:

- Hess Environment, Health and Safety Policy
- Hess Corporate Social Responsibility Expectations
- Human Rights Policy

APPROVALS

APPROVER	Greg Hill President & Chief Operating Officer		7/17/19
REVIEWER	Mike Turner SVP, Production		7/8/19
REVIEWER	Richard Lynch SVP, Technology & Services		8 July 2019
TECHNICAL AUTHORITY / ORIGINATOR	Josh Dubach Advisor, HOMS Coordinator		7/8/19
	NAME	SIGNATURE	DATE



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