

Disrupting **ENERGY** for good

2024 CORPORATE
SUSTAINABILITY REPORT

Forward-Looking Statements and Cautionary Statements

Certain statements in regarding Civitas Resources, Inc.'s (the "company," "Civitas," or "Civitas Resources") future expectations, beliefs, plans, objectives, financial conditions, assumptions, or future events or performance that are not historical facts are "forward-looking" statements based on assumptions currently believed to be valid. Forward-looking statements are all statements other than statements of historical facts. The words "anticipate," "believe," "ensure," "expect," "if," "intend," "estimate," "probable," "project," "forecasts," "predict," "outlook," "aim," "will," "could," "should," "would," "potential," "may," "might," "anticipate," "likely," "plan," "positioned," "strategy," and similar expressions or other words of similar meaning, and the negatives thereof, are intended to identify forward-looking statements. Specific forward-looking statements include statements regarding Civitas' plans and expectations with respect to its future operations, production, ESG and sustainability-related plans and objectives, capital expenditures, divestitures, and the effects of such on Civitas' results of operations, financial position, growth opportunities, reserve estimates, and competitive position. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from those anticipated, including, but not limited to, Civitas' future financial condition, results of operations, strategy, and plans the ability of Civitas to successfully execute on its ESG and sustainability objectives; the ability of Civitas to realize anticipated synergies or other benefits from Civitas' recent acquisitions in the timeframe expected or at all; changes in capital markets and the ability of Civitas to finance operations in the manner expected; the effects of commodity prices; the risks of oil and gas activities; and the fact that operating costs and business disruption may be greater than expected. Additionally, risks and uncertainties that could cause actual results to differ materially from those anticipated also include: declines or volatility in the prices we receive for our oil, natural gas, and natural gas liquids; general economic conditions, whether internationally, nationally, or in the regional and local market areas in which Civitas does business, including any future economic downturn, the impact of continued or further inflation, disruption in the financial markets, and the availability of credit on acceptable terms; Civitas' ability to identify and select possible additional acquisition and disposition opportunities; the effects of disruption of our operations or excess supply of oil and natural gas due to world health events, and the actions by certain oil and natural gas producing countries, including Russia; the ability of our customers to meet their obligations to us; our access to capital on acceptable terms; our ability to generate sufficient cash flow from operations, borrowings, or other sources to enable us to fully develop our undeveloped acreage positions; our ability to continue to pay dividends at their current level or at all; the presence or recoverability of estimated oil and natural gas reserves and the actual future sales volume rates and associated costs; uncertainties associated with estimates of proved oil and gas reserves; the possibility that the industry may be subject to future local, state, and federal regulatory or legislative actions (including additional

taxes and changes in environmental, health, and safety regulation and regulations addressing climate change); environmental, health, and safety risks; seasonal weather conditions, as well as severe weather and other natural events caused by climate change; lease stipulations; drilling and operating risks, including the risks associated with the employment of horizontal drilling and completion techniques; our ability to acquire adequate supplies of water for drilling and completion operations; the availability of oilfield equipment, services, and personnel; exploration and development risks; operational interruption of centralized oil and natural gas processing facilities; competition in the oil and natural gas industry; management's ability to execute our plans to meet our goals; unforeseen difficulties encountered in operating in new geographic areas; our ability to attract and retain key members of our senior management and key technical employees; our ability to maintain effective internal controls; access to adequate gathering systems and pipeline take-away capacity; our ability to secure adequate processing capacity for natural gas we produce, to secure adequate transportation for oil, natural gas, and natural gas liquids we produce, and to sell the oil, natural gas, and natural gas liquids at market prices; costs and other risks associated with perfecting title for mineral rights in some of our properties; potential impacts following the result of the upcoming presidential election in the United States, including volatility in the political, legal, and regulatory environments; political conditions in or affecting other producing countries, including conflicts or hostilities in or relating to the Middle East (including the current events related to the Israel-Palestine conflict), South America, Russia (including the current events involving Russia and Ukraine), and the Red Sea, and other sustained military campaigns or acts of terrorism or sabotage; the effects of any pandemic or other global health epidemic; other economic, competitive, governmental, legislative, regulatory, geopolitical, and technological factors that may negatively impact our businesses, operations, or pricing; and disruptions to our business due to acquisitions and other significant transactions. Expectations regarding business outlook, including changes in revenue, pricing, capital expenditures, cash flow generation, strategies for our operations, oil and natural gas market conditions, legal, economic, and regulatory conditions, and environmental matters are only forecasts regarding these matters. Additional information concerning other factors that could cause results to differ materially from those described above can be found under the "Risk Factors" and "Management's Discussion and Analysis" sections of Civitas' Annual Report on Form 10-K for the year ended December 31, 2023, subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, and other filings made with the Securities and Exchange Commission. All forward-looking statements speak only as of the date they are made and are based on information available at the time they were made. Civitas assumes no obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

Table of Contents

Who We Are →		
CEO Letter	4	
Our Company	5	
About Our Report	6	
Sustainability Summary →		
Sustainability Governance	7	
ESG Materiality	8	
Sustainability Targets and Progress	9	
2023 Sustainability Highlights	10	
Strong Governance →		
Oversight at the Board Level	11	
Board Committees	12	
Executive Leadership	13	
Sustainability Management and Compensation	14	
Code of Conduct and Human Rights	15	
Risk Management	16	
Cybersecurity	17	
Security and Supply Chain Management	18	
Political and Regulatory Engagement	19	
Lower Carbon Future →		
OGMP Methane Reporting	20	
Measuring and Managing Our Emissions	21	
Emissions Reduction Targets and Progress	22	
Emissions Reduction Initiatives	23	
Carbon Credits	24	
Energy Management	25	
Sustainable Energy Development →		
Biodiversity and Ecosystems	26	
Water Management and Well Integrity	29	
Spill Prevention and Management	30	
Waste Management	31	
Workforce Health and Safety	32	
Safety Programs	33	
Emergency Preparedness and Contractor Safety	34	
Employee and Community Engagement →		
Human Capital Management	35	
Diversity, Equity, and Inclusion	38	
Community Engagement	40	
Landowner Relations	41	
Philanthropy and Social Investment	42	
Appendix →		
Performance Metrics and Content Indices	45	
2024 TCFD Response	52	



Contents

- Who We Are** 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

CEO Letter

Dear Stakeholders,

Civitas is a stronger company today. In 2023, we transformed our company through strategic acquisitions that added scale and diversity to our portfolio, building on our history of consolidation. Entering the Permian Basin offered new opportunities to innovate for our growing company, including the opportunity to maintain our commitment to sustainability leadership across two operating areas.



“We aim for exceptional performance in the sustainability aspects of our business, with specific goals to mitigate risks and benefit our stakeholders and the communities where we operate. At Civitas, these aren’t competing interests, but rather motivation to innovate and improve.”

– Chris Doyle

We embraced a lower carbon future from the beginning, becoming the first carbon neutral operator in Colorado.

Motivated by our company targets, we significantly reduced our GHG emissions — eliminating nearly 300,000 mT CO₂e GHG emissions through pneumatic retrofits, and reducing our Scope 1 GHG emissions intensity by 41% from our 2019 baseline.

We also recognized other sustainability successes in 2023, including: enhancing our sustainability governance practices, achieving our safety targets, and making strong progress on our voluntary initiative to plug orphan wells across Colorado. Through our integrated sustainability program, we have built a structure that is able to scale and sustain as our company grows. All of these achievements support our strategic pillars, specifically our objective of demonstrating ESG leadership.

Civitas brings these same operating procedures and high standards of execution to our Permian operations. By taking the time to understand and learn from our acquisitions, we set realistic pathways to achieve our sustainability goals without sacrificing financial or operational performance.

We have a vision to ‘disrupt energy for good’ and advance sustainable energy development. Civitas will be at the forefront of a positive transformation within the energy sector, starting locally with the areas where we operate.

Producing responsible energy starts with the safety of our workforce and communities. Safety is non-negotiable at Civitas — all on-site workforce are empowered to identify risks and speak up, knowing they have the full support of leadership to put safety first, even if it impacts production. Whether working in the field or corporate office, we all navigate dynamic environments with potential hazards and distractions. We must remain diligent in our safety protocols.

We’ve set high expectations in this letter, but I know the results are what counts. In this report, we chronicle our journey toward sustainability leadership and transparently report on our sustainability-related performance.

As you read, I hope you’ll be able to recognize the passion our team members bring to work every day. They push past the status quo in their pursuit of excellence — bringing a next-level commitment that inspires me when I’m in the office or the field.

At Civitas, our progress will not be limited. You can count on us to continue innovating and improving in 2024 and beyond, further bolstering our reputation for collaboration and positive transformation.

Chris Doyle
President and Chief Executive Officer
August 2024

Our Strategic Pillars

1
Generate
Free Cash Flow

2
Maintain
a Premier Balance Sheet

3
Return
Cash to Shareholders

4
Demonstrate
ESG Leadership

Contents

- Who We Are** 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

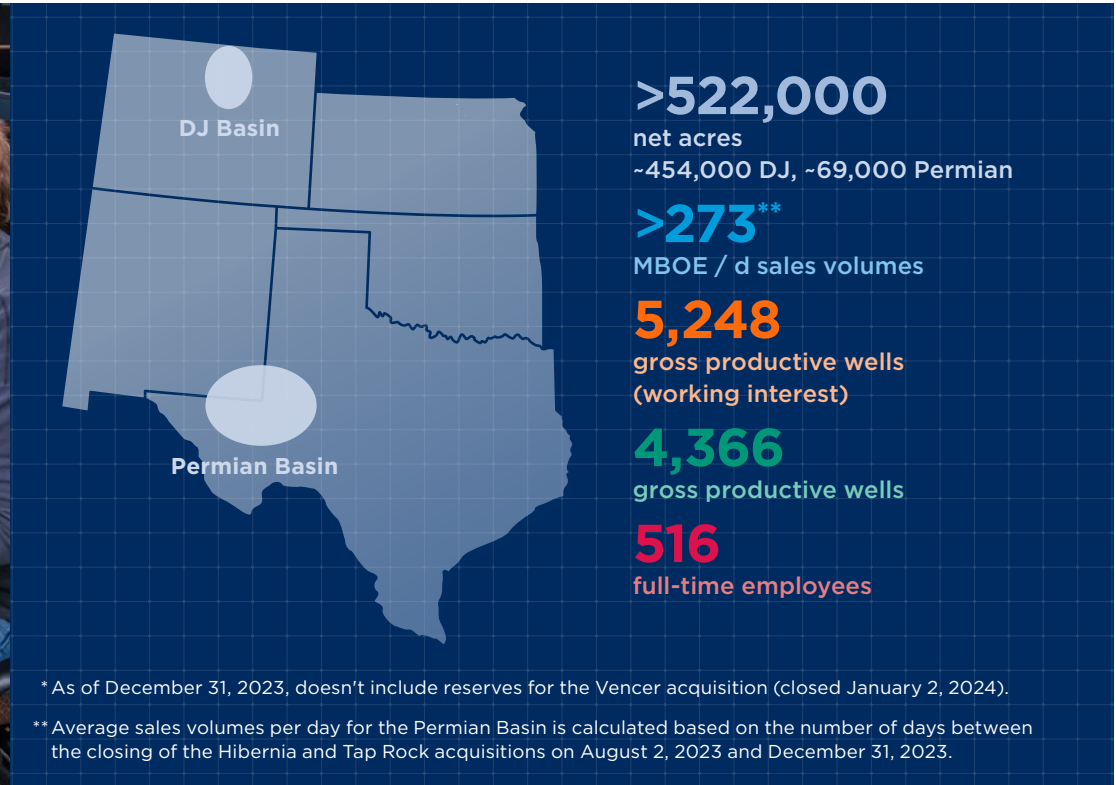
Our Company

Civitas Resources (NYSE: CIVI) is an independent exploration and production company focused on the acquisition, development, and production of crude oil and associated liquids-rich natural gas primarily in the Denver-Julesburg Basin (Colorado) and the Permian Basin (Texas and New Mexico).

We're committed to pursuing compelling economic returns and generating significant free cash flow. To that end, we strive to outperform our peers by minimizing operating costs and capital reinvestment rates, maximizing capital efficiency, and holding production broadly flat over time.

Civitas was formed in November 2021 with the consolidation of Bonanza Creek Energy, Crestone Peak Resources, Extraction Oil and Gas, and HighPoint Resources, creating the largest pure-play energy producer in the DJ Basin. In 2023, Civitas expanded its footprint into the Permian Basin through acquisitions of Tap Rock Resources, LLC ("Tap Rock") and Hibernia Energy III, LLC ("Hibernia"), followed by our acquisition of the oil and gas assets of Vencer Energy Holdings, LLC ("Vencer") in early 2024.

During the integration of our acquired assets, we take the time to learn from their operations while working to ensure that the high standards Civitas was founded on are embedded within their existing structures.



Contents

- Who We Are** 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

About Our Report

Civitas’ 2024 report discloses the company’s performance from January 1, 2023 through December 31, 2023, with some references to past or future activities. This report is intended to update key stakeholders on the company’s sustainability initiatives, targets, and progress; and operational metrics indicative of our performance.

To maximize transparency, this report references and builds on sustainability and climate disclosure standards and frameworks including:

- **Sustainability Accounting Standards Board (SASB)**
- **Task Force on Climate-related Financial Disclosures (TCFD)**
- **American Exploration and Production Council (AXPC) ESG Metrics Framework**

In addition to the point-in-time disclosures provided in reference to these frameworks, supplemental data that becomes available after the date of publication of this report may, by Civitas’ discretion, be made accessible on the Civitas website. However, Civitas doesn’t comprehensively commit to update this information on a go-forward basis.

The company plans to at least annually evaluate the voluntary disclosure landscape, integrate evolving regulations, and consider stakeholder expectations to determine future reporting best practices.

A&D Impact on Our Reporting

Civitas’ entry into the Permian Basin impacts the qualitative and quantitative disclosures included in this report. Unless noted, the programs and initiatives discussed in the report apply to all of our operating areas but may be at different adoption levels. Acquired assets’ environmental, social, and governance (ESG) datasets may not align with Civitas methods until a full calendar year of operational control. This could cause later changes or updates to previous reporting as we continue to improve data controls and processes for these assets.

From a quantitative standpoint, acquisitions are included in our performance data from the time of ownership, subject to limited data misalignments as noted. The only exception is Scope 1 emissions data, which is included for the full calendar year in alignment with Environmental Protection Agency (EPA) Subpart W reporting.

Carbon Neutrality

Throughout this report, we make reference to our ‘carbon neutrality.’ Our use of the term is based on our purchase of certified carbon credits and renewable energy certificates in an amount that offsets our emissions, which may differ from the way that such term is used or defined by other companies or by industry stakeholders. Accordingly, the term may not equate with any other use or definition of the term by other companies or industry stakeholders.

Additional Reporting Resources

Below are company documents, many of which are referenced in this report, that provide additional insight into our sustainability strategy and commitments.

- [Biodiversity Policy](#) →
- [Code of Business Conduct and Ethics](#) →
- [Corporate Governance Guidelines](#) →
- [Human Rights Policy](#) →
- [2024 Proxy Statement](#) →

Archived Reports

Civitas has conducted annual sustainability reporting since 2022. Archived reports are available on the [company’s website](#).

Sustainability Summary

Contents

- Who We Are **4**
- Sustainability Summary** **7**
- Strong Governance **11**
- Lower Carbon Future **20**
- Sustainable Energy Development **26**
- Employee and Community Engagement **35**
- Appendix **45**

At Civitas, we prioritize both our financial and sustainability performance, recognizing that they aren't competing interests. Our commitment to sustainability is a value creator and challenges us to seek continuous innovation and reject the status quo. We see every day as an opportunity for continuous improvement as we work to produce more responsible energy for the benefit and prosperity of consumers and our communities.

Our sustainability program is designed to help the company manage key risks related to health, safety, reputation, regulatory, legal, social, and local impacts. We believe robust ESG-focused operating practices provide a competitive advantage in an increasingly stringent regulatory environment.

2023 Highlights

<p>4 sustainability-related targets, 3 focused on emissions reduction</p>	<p>Introduced internal sustainability leadership taskforce (ESG Steering Group)</p>	<p>Integrated sustainability-related data management systems across enterprise</p>
--	--	---



Sustainability Governance

Our Board of Directors provides the highest level of oversight for our sustainability program. The Board's oversight occurs primarily through its Sustainability Committee, which guides and supports the company's social, environmental, health, safety, regulatory, and compliance policies, programs, and initiatives. The Sustainability Committee meets at least quarterly and raises business-critical matters in the intervening time.

At the management level, our Senior Vice President of Environmental, Health, Safety & Regulatory and Chief Sustainability Officer (SVP of EHSR and CSO), leads the company's ESG program. The SVP of EHSR and CSO reports on progress, risks, and opportunities to the executive management team weekly and is a key member of the ESG Steering Group. Our SVP of EHSR and CSO also regularly interacts with the Sustainability Committee Chair and other directors to help ensure appropriate Board oversight of the company's ESG program.

Contents

- Who We Are **4**
- Sustainability Summary** **7**
- Strong Governance **11**
- Lower Carbon Future **20**
- Sustainable Energy Development **26**
- Employee and Community Engagement **35**
- Appendix **45**

ESG Materiality

We derive business value by safely and responsibly developing energy resources in a way that is aligned with our stakeholders. Civitas uses established external assessment frameworks to disclose decision-useful and comparable data to help our stakeholders identify and understand potential ESG-related risks.

In late 2021, we performed a materiality assessment and published our inaugural disclosure as a consolidated ESG scorecard to establish the baseline of our ESG program. This assessment helped identify sustainability-related risks and opportunities that could have the most impact on our business and prioritized insights for executive leadership and cross-functional stakeholders throughout our organization.

Considering the company’s significant growth, expansion outside of the DJ Basin, and transformation of its executive management team, we performed a new sustainability materiality assessment in 2024. The assessment was conducted by a third-party ESG consulting firm to help ensure impartiality throughout the process. ESG topics were ranked by internal and external stakeholders to help prioritize and guide Civitas’ approach to these topics. We will continue to re-evaluate this assessment periodically for alignment with the market and our stakeholders’ expectations.

Based on our 2024 materiality assessment, the following topics (in alphabetical order) were in the top quartile for importance to employees, the company, and external stakeholders:

- Air emissions
- Asset integrity
- Board composition
- Business ethics and transparency
- Company culture
- Emergency response and preparedness
- Employee welfare
- Greenhouse Gas (GHG) emissions
- Health and safety
- Management of legal and regulatory environment



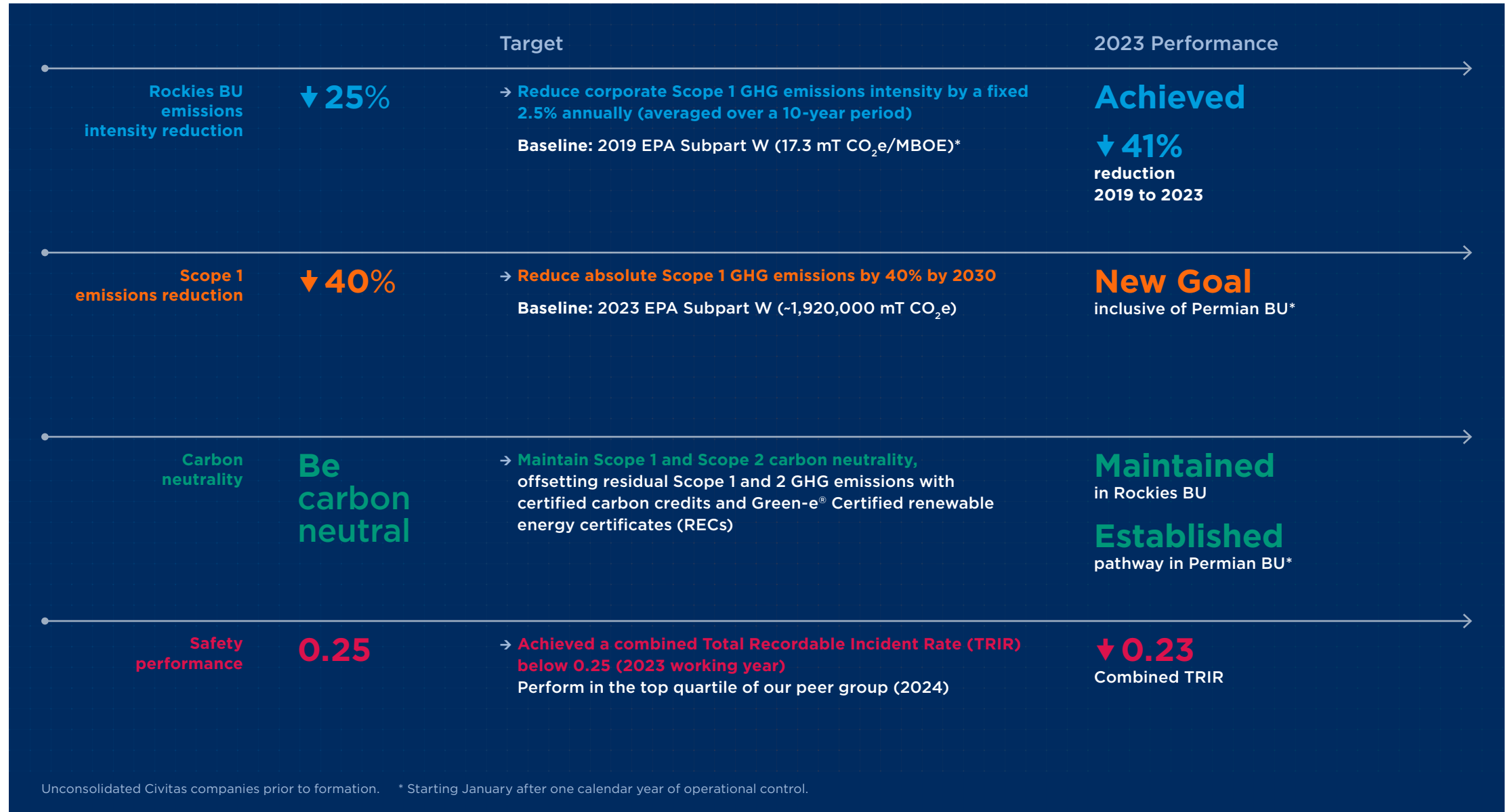
In this report, we use terms such as “material” or “materiality.” Such terms aren’t defined as they’re used under the securities or other laws of the U.S. or any other jurisdiction, or as they are used in the context of financial statements and financial reporting. Materiality, for this document’s purposes, shouldn’t be read as equating to any use of the word in other Civitas reporting or filings.

Contents

- Who We Are 4
- Sustainability Summary 7**
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

Sustainability Targets and Progress

Our targets align both our business strategy and our team as we work together to achieve our sustainability commitments and demonstrate ESG leadership.




Unconsolidated Civitas companies prior to formation. * Starting January after one calendar year of operational control.

Contents

- Who We Are 4
- Sustainability Summary 7**
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45


2023 Sustainability Highlights




↓ 20%
reduction, YOY absolute Scope 1 GHG emissions (Rockies BU)

↓ 41%
reduction in Scope 1 GHG emissions intensity from 2019 to 2023 (Rockies BU)

↓ 0.23
combined TRIR safety performance; achieving our annual safety target



Integrated sustainability-related data management systems
to improve productivity and align work processes



\$1,000
employee giving match, new 2023 benefit

2
days Volunteer Time Off, new employee benefit added in 2023

Established an ESG Steering Group
facilitating executive stakeholder engagement from operations, legal, financial reporting, and investor relations functions

~10,000
pneumatic devices retrofitted on 125 pad sites



19
orphan wells voluntarily plugged as part of our orphaned well abandonment program

Strong Governance

We're a company built on a foundation of consolidation, working to bring assets up to our high standards of operational and sustainability performance. These standards of excellence start at the top with our Board and executive leadership team taking an active role in overseeing our business to maximize long-term value. Their commitment to strong governance is demonstrated through oversight and accountability — layered with transparency and accessibility to our various stakeholders.

2023 Highlights

89%
Board independence

44%
Board diversity - 22% racially diverse, 33% female

2
new directors added in 2023

- Contents
- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11**
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45



Oversight at the Board Level

The Civitas Board is responsible for setting strategy, managing risks, and overseeing management. To ensure alignment with shareholder interests, Civitas compensates its Board primarily in stock and requires members to retain ownership of their shares as long as they remain independent directors.

Our Board consists of nine directors who are elected annually. All are independent, except our CEO. Our Board separated the Chair and CEO roles to encourage the CEO to focus on managing our business and allow the Chair to function as an important liaison between management and the Board. We believe this enhances the ability of the Board to provide oversight of the company's management and affairs.

Civitas places a high priority on recruiting highly qualified talent with diverse backgrounds, and each director shares their highly experienced skill sets and perspectives with the Board.

Contents

- Who We Are **4**
- Sustainability Summary **7**
- Strong Governance** **11**
- Lower Carbon Future **20**
- Sustainable Energy Development **26**
- Employee and Community Engagement **35**
- Appendix **45**

Board Committees

The Board’s four committees — Audit, Compensation, Sustainability, and Nominating and Corporate Governance — meet regularly with leadership and employees to provide guidance and ensure alignment with our strategic objectives. Each standing committee has adopted a formal charter of its duties, functions, and responsibilities.

50%
of Board committees are chaired by diverse directors

Name of Director	Audit Committee	Compensation Committee	N&CG Committee	Sustainability Committee
Independent Directors				
Byers†	●			●
Clark†	●	●		
Fox			●	●
Hudak	●			●
Trimble†	●			●
Van Kempen*		●	●	
Willard		●	●	
Wojahn		●	●	
Inside Director				
Doyle				

* Board Chair ● Committee Chair ● Member † Financial Expert



“Civitas approaches sustainability holistically, considering risk management, stakeholder interest, and shareholder value creation when developing its ESG strategy and goals. It’s a company that proves you can operate without sacrifices, delivering both strong operational and sustainability performance.”

– Carrie Hudak, Sustainability Committee Chair

Audit Committee

Our Audit Committee provides oversight on all financial and accounting matters and is responsible for monitoring the company’s compliance with legal and regulatory requirements, including audits performed internally and externally by an independent auditor. The committee also oversees the company’s estimates of proved oil and gas reserves, cybersecurity and information technology risks, and the management of financial reporting and internal control risks.

Sustainability Committee

Our Sustainability Committee oversees our sustainability strategy and performance, and provides guidance on our social, environmental, health, safety, and regulatory compliance policies and initiatives. This committee collaborates with other Board committees to support our executive team in the development, oversight, and achievement of our ESG-related commitments and targets. The committee meets at least quarterly but has the authority to raise emerging ESG issues as needed.

Compensation Committee

Our Compensation Committee directs and implements policies around executive compensation and provides guidance on benefit plans and stockholder proposals related to executive compensation. This committee also evaluates CEO performance and spearheads management continuity planning and talent development.

Nominating and Corporate Governance Committee

Our Nominating and Corporate Governance Committee oversees Board governance and succession planning by identifying, evaluating, and recommending qualified nominees for Board election. It also collaborates with the Board and committee chairs to review competencies, diversity, expertise, and qualifications for the various Board committees, and develops and oversees our corporate governance processes.

[View our committee charters →](#)

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11**
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

Executive Leadership



Civitas experienced a transformational year in 2023 as we significantly expanded our portfolio outside of the DJ Basin, establishing operational scale in a second premier oil basin and more than doubling our proved reserves, daily production, and the depth of our high-quality drilling inventory. In addition to these operational changes, we added the following members to our leadership team:

- **Hodge Walker, Chief Operating Officer**
- **Jeff Kelly, Chief Transformation Officer**
- **Kayla Baird, Senior Vice President and Chief Accounting Officer**

These officers join the other members of our executive team, including our: President and CEO, Chief Financial Officer and Treasurer, and Chief Administrative Officer and Corporate Secretary.

Each of these executives bring substantial industry and sector experience to their leadership positions, complementing our Board’s expertise to help ensure thoughtful, ethical, and professional governance. Our leadership team is committed to ESG leadership in their respective elements of our business.



“Our Transformation team is looking for ways to disrupt the way we do business today.”
 – **Jeff Kelly**, Chief Transformation Officer

Establishing a Transformation Office for Streamlined Operations

Since being formed in November 2021, Civitas has fundamentally transformed its portfolio through the addition of premium assets and talent in the Permian and DJ Basins. To facilitate the successful transition of these assets and mature our company’s processes, we created a Transformation Office. The Office is comprised of several existing internal teams and a multidisciplinary coalition of leaders, all who focus on connecting individuals, teams, data, and technology to realize efficiencies and increase data-based decision-making.

These team members are partners within the business, and are called in to address our most pressing organizational challenges. One of the Office’s first priorities was to reform our operating model, which was initially designed for a significantly smaller organization. The Transformation team is modernizing the company’s digital footprint — automating processes and driving new data and technology solutions. This will include aggressively attacking operating inefficiencies and

capacity challenges that are hindering growth, integration efforts, and innovation.

Jeff Kelly, Chief Transformation Officer, leads our Transformation initiative. Kelly joined Civitas in 2023 after serving as Managing Director, Asset Management at The Blackstone Group. During his time there, he was responsible for driving growth, value creation, and strategic transformation within its Private Equity Energy portfolio. Before Blackstone, Kelly worked at Anadarko Petroleum, where he held various leadership roles and contributed to driving efficiencies, strategic organizational alignment, and maximizing value creation.

“Starting with a blank slate and no barriers, we are pursuing opportunities that accelerate our ability to leapfrog over our peers,” said Kelly. “The Transformation team is studying both industry examples and innovative solutions outside oil and gas to build organizational processes and structures that will maximize growth and value creation for Civitas.”

Contents

Who We Are 4

Sustainability Summary 7

Strong Governance 11

Lower Carbon Future 20

Sustainable Energy Development 26

Employee and Community Engagement 35

Appendix 45

Sustainability Management and Compensation

ESG Steering Group

For an added layer of accountability, in 2024, we formed our ESG Steering Group. Made up of various members from the management team, this committee shares its multidisciplinary expertise to influence strategic ESG topics and decision-making at the company.

As these leaders have regular interaction with our stakeholders, they also advise on our external sustainability-related communications helping to ensure transparency, accuracy, and authenticity.

ESG Steering Group members:

- Chief Administrative Officer and Corporate Secretary
- Chief Operating Officer
- Senior Vice President, General Counsel, and Assistant Corporate Secretary
- Senior Vice President and Chief Accounting Officer
- Senior Vice President, EHSR and Chief Sustainability Officer
- Vice President, Investor Relations

Executive Compensation Aligned with Performance

We strive to create a compensation program that encourages long-term value creation by tying individual compensation to the long-term performance of our stock while acknowledging and fostering the unique qualifications, skills, experience, and responsibilities of each individual.

Our compensation program objectives are:

- To attract, retain, and motivate the most qualified individuals in the oil and gas industry;
- To provide a total compensation package that aligns pay with performance and is flexible enough to respond to changing market conditions; and
- To align the interests of our senior officers with our stockholders' interests.

Our compensation program rewards senior officers for performance that creates stockholder value, recognizing that incentive compensation is only earned by successfully implementing our long-term strategy and delivering strong stockholder returns. Conversely, our senior officers will experience weaker compensation outcomes for weaker stock performance. Our compensation program, including benefits, is reviewed by our Compensation Committee annually.

At our 2023 Annual Meeting of Stockholders, more than 98% of the votes cast approved our named executive officers' compensation on an advisory basis.

Employee Compensation Tied to Sustainability Targets

Civitas offers competitive compensation to reward and retain top performers, help ensure employee ownership in company business objectives, and further align with shareholder interests.

Cash bonuses, based on key performance indicators (KPIs), are awarded annually to non-executive employees. These KPIs include sustainability targets such as safety performance and spill prevention.

In addition to the annual cash bonus, every Civitas employee is awarded stock equity with a structured vesting schedule.



Considering Sustainability in Financial Management

Civitas seeks to incorporate critical sustainability considerations, including climate risks, into our financial planning management as overseen by the Board.

For example, the company calculates an internal cost of carbon to evaluate capital and operational expenditures in terms of their relative potential to reduce carbon dioxide equivalent emissions per dollar spent in the management of climate-related risks. The price incorporates values such as the market cost of voluntary carbon credits, the cost of carbon credits in global regulated markets, the published federal social cost of carbon, and the intrinsic cost of carbon based on actual carbon-reduction projects within Civitas.

The company prioritizes reducing operational Scope 1 and Scope 2 GHG emissions through the retirement of certified carbon credits and RECs as a means of offsetting residual emissions. This creates a financial incentive to invest in operational emissions reduction projects and an internal culture focused on identifying emissions reduction opportunities. The cost of carbon serves as a hurdle rate, along with internal rate of return, for evaluating projects for the greatest emissions reduction impact so that projects with a lower cost of carbon emissions reduction per dollar spent are prioritized.

Contents

- Who We Are **4**
- Sustainability Summary **7**
- Strong Governance** **11**
- Lower Carbon Future **20**
- Sustainable Energy Development **26**
- Employee and Community Engagement **35**
- Appendix **45**

Code of Conduct and Human Rights

Building and maintaining trust is at the heart of how we operate. We believe that trust starts with integrity — following the highest standards in our business ethics and personal conduct and fully complying with applicable laws and regulations. Our Audit Committee has ultimate oversight of our compliance, business ethics, and professional conduct as managed by our company’s executive team.

Our **Code of Business Conduct and Ethics** (Code) sets guidelines to ensure the company and our employees are following our standards and operating in a legal and ethical manner. Our Code also applies to our Board, agents, suppliers, vendors, and contractors, and complements our Contractor Expectations Manual for Environmental, Health, Safety, and Regulatory (Contractor Expectations Manual). All employees are required to review and confirm their acknowledgment of our Code annually.

Our Code covers:

- Antitrust misconduct
- Bribery or theft
- Conflicts of interest
- Drugs and alcohol on the job
- Harassment or discrimination
- Human rights violations
- Illegal activities
- Insider trading
- Retaliation
- Giving and receiving gifts

Our Code has a dedicated Health, Safety, and Environmental Policy reinforcing our commitment to comply with applicable health, safety, and environmental laws, rules, and regulations in a manner that has the highest regard for the health and safety of human life and the environment.

Compliance Hotline

Company employees and partners are mandated to report potential violations of the Code to their supervisor, our General Counsel, or through our Compliance Hotline. The company maintains a Compliance Hotline, managed by an independent third-party vendor, to provide employees and contractors with the ability to anonymously communicate any concerns to management. Our Vice President of Human Resources and General Counsel oversee this hotline and are the first to review reports, which are provided directly to the Audit Committee Chair. These leadership team members identify the appropriate first steps to manage the issue and remain engaged through resolution to ensure a full, independent investigation is conducted.

We will not retaliate against any employee, contractor, or other stakeholder who notifies us of a potential violation of our Code, nor will we tolerate any harassment or discrimination against an employee who reports an offense.

If an investigation indicates that a Code violation has possibly occurred, we will take action appropriate under the circumstances. If we determine an employee is responsible for a Code violation, they will be subject to disciplinary action up to, and including, termination of employment and possibly civil action or referral for criminal prosecution.

Our Code, Insider Trading Policy, and Corporate Governance Guidelines are available on our [website](#).

Human Rights Policy

It’s our responsibility as an operator to protect and respect human rights, and it is expected that our third-party contractors, suppliers, and business partners act in a manner consistent with our **Human Rights Policy**.

Our operations adhere to fundamental human rights principles, including those concerning freedom of association, collective bargaining, and non-discrimination. Our Human Rights Policy aligns with the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the International Labor Organization Declaration on Fundamental Principles and Rights at Work.

We take a proactive approach to human rights and Indigenous rights. We conduct community impact assessments before operating in new areas and actively engage community members throughout our operating lifecycle. Per our policy,

the company is committed to providing fair wages, including paying our employees a living wage. Child and forced labor are never permitted.

Currently, we don’t operate on Indigenous land; however, we do abide by Free Prior and Informed Consent best practices and refrain from operating in protected areas.

Similar to our Code, any perceived violations of our Human Rights Policy must be reported to appropriate company personnel or through our third-party, anonymous Compliance Hotline. We have a strict non-retaliation policy against anyone who reports a potential violation in good faith. All reports are investigated and if a violation is confirmed, disciplinary action will occur. Specific to contractors and suppliers, any violation of our Human Rights Policy could result in the termination of our relationship.

The company had no identified human rights incidents in 2023.

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11**
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

Risk Management

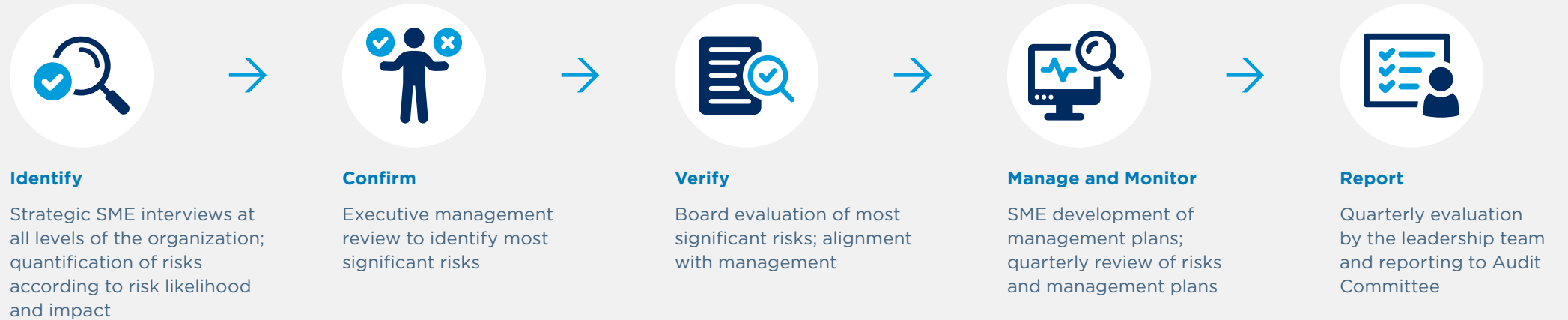
Risk oversight is one of our Board’s most important fiduciary duties and a key component of a healthy, sustainable company. Our Audit Committee is charged with risk ownership, and reports to the Board-at-large on both risk identification and management plans.

While the Audit Committee oversees our risk management processes, Civitas executive leadership is responsible for our enterprise risk management (ERM) program. Our ERM program sets a consistent and comprehensive process for identifying risks across our organization and confirming that controls are in place to mitigate risks to appropriate levels.

At least quarterly, our management team assesses emerging risks and those risks deemed most significant through our ERM process. For both risk categories, the team reviews if a risk is advancing and the company’s mitigating factors. Company subject matter experts (SMEs) are individual risk owners and accountable for their respective risk management plans. Findings from these assessments are presented quarterly to the Audit Committee and, as appropriate, elevated to the Board.



Annual ERM Process



Contents

Who We Are 4

Sustainability Summary 7

Strong Governance 11

Lower Carbon Future 20

Sustainable Energy Development 26

Employee and Community Engagement 35

Appendix 45

Cybersecurity

We proactively manage risks around information technology (IT), recognizing cybersecurity as a consistent operational risk. Our Audit Committee maintains oversight of cybersecurity risks and receives quarterly management reports on potential risks, data privacy concerns, and risk mitigation or remediation tactics implemented.

Our Vice President of Information Technology leads our cybersecurity initiatives — managing daily operations, coordinating incident response, and routinely reviewing our security model and its current and potential future practices with external auditors for alignment with industry best practices, changes in audit compliance requirements, and adherence to planned business objectives. The Vice President of Information Technology also provides regular updates and reports on our cybersecurity status and risk assessments to the Board.

Cybersecurity Protection Measures

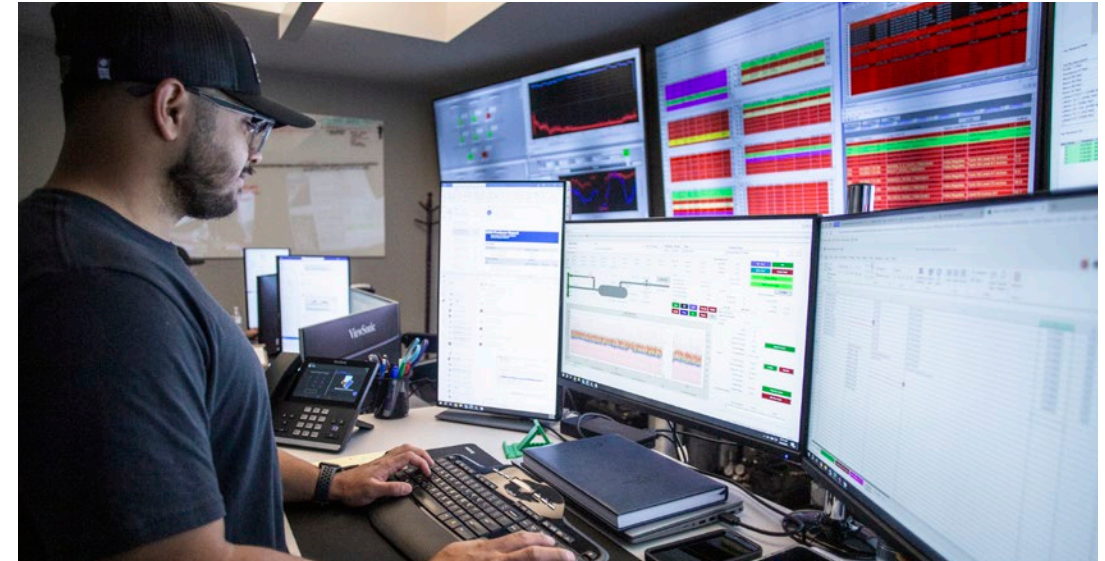
We remain vigilant to protect our IT resources and private data through a robust system of data protection and cybersecurity measures. These measures include:

- Regularly evaluating new and emerging risks and ever-changing legal and compliance requirements
- Making strategic investments to keep our data secure
- Monitoring sensitive information on a frequent basis
- Performing annual and ongoing cybersecurity awareness training for our employees

We have a long-standing information security risk program structured according to the National Institute of Standards and Technology Cybersecurity Framework, industry best practices, privacy legislation, and other global and local standards and regulations.

This program deploys both commercially available solutions and proprietary systems to actively manage threats to our IT environment and includes a defense-in-depth approach with multiple layers of security controls, including network segmentation, security monitoring, endpoint protection, and identity and access management, as well as data protection best practices and data loss prevention controls. These controls and practices are intended to preserve the confidentiality, integrity, and continued availability of our company data and information, and information in our care.

We haven't experienced any material information security breaches in the last three years.



Cybersecurity Awareness and Business Response

Our cybersecurity awareness program includes an extensive employee onboarding training requirement and monthly training on protecting corporate data and digital assets. We also complete annual internal security audits and vulnerability assessments of our information systems and related controls, including systems affecting personal data.

In addition, we leverage cybersecurity specialists to complete annual external audits and objective assessments of our cybersecurity program and practices, including our data protection practices, and to conduct targeted attack simulations. We continually

enhance our information security capabilities to protect against emerging threats, while also increasing our ability to detect and respond to cyber incidents and maximize our resilience to recover from potential cyberattacks.

We have a reliable incident response plan in place that provides a documented runbook for responding to cybersecurity incidents and facilitates coordination across multiple parts of our entity.

Civitas maintains the following policies to drive effective responses to cyber threats:

- IT Security
- Disaster Recover Policy
- IT Incident Response and Recovery

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11**
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

Security and Supply Chain Management



Protecting Our Physical Assets

Civitas has a team dedicated to protecting our company’s physical assets, including monitoring our on-site facilities and investigating any concerns or reports of misconduct. Our security team includes current and former law enforcement or military officers who spend most of their time in our field operations and report to our EHSR department.

Security team responsibilities:

- Site security
- Gate closures and locks
- On-site camera installation, maintenance, and monitoring
- Investigations as a result of camera alerts
- Liaison with local and state law enforcement
- Employee and contractor management processes
- Drug and alcohol use investigations
- Code investigations
- Compliance Hotline follow up

Our security team members complete peace officer certification annually. Through this certification, they receive training in topics such as anti-bias and de-escalation.

Supply Chain Management

To help ensure we’re partnering with high-quality suppliers, we use ISNetworld® to collect and review health and safety performance, insurance and financial stability, and other ESG-related criteria. This enables us to streamline our qualification process to onboard new partners and efficiently monitor our existing vendors.

Our suppliers must abide by our Code and adopt our EHS standards as defined in our Contractor Expectations Manual. This comprehensive document reviews general working requirements, specific safety and occupational health considerations, and environmental standards to help ensure alignment with our sustainability objectives.

All on-site contractors must complete training on our Contractor Expectations Manual.

We meet at least quarterly with on-site company contractors to share learnings and discuss key safety or environmental concerns, among other business priorities. Our ISNetworld® software also schedules additional meetings with our ‘top spend’ partners, during which we conduct in-depth reviews of their performance.

To supplement these meetings and our ongoing monitoring, our EHSR team also conducts field audits of our contractors at least annually. The audits include field observations, compliance evaluation, and a tabletop review of the results.

Partnering with First Responders

Shayne Heap started his career in law enforcement, working his way up to Elbert County Sheriff (Colorado). In 2022, Heap joined Civitas as Security Manager and regularly meets with local first responders to educate them about industry trends, site concerns, and general oil and natural gas operations awareness.

He takes emergency responders on-location, giving them access to our facilities to better understand operational dangers and to discuss trespassing as a community safety concern. These targeted meetings help first responders better patrol oil and natural gas sites and increase their safety awareness should they need to respond to a site emergency.

Also, during these meetings or through his relationships, Heap identifies local first responder needs. With ‘veterans and first responders’ as a charitable giving pillar, we have dedicated funding to provide resources to these important community programs.

For example, in 2023 Civitas helped fund a new emergency response vehicle for the Bennett-Watkins Fire Rescue, which covers a service area of approximately 365 square miles around the towns of Bennett and Watkins, and unincorporated Adams and Arapahoe counties.

Contents

Who We Are 4

Sustainability Summary 7

Strong Governance 11

Lower Carbon Future 20

Sustainable Energy Development 26

Employee and Community Engagement 35

Appendix 45

Political and Regulatory Engagement

Civitas’ trade association memberships play a crucial role in the company’s advocacy and regulatory strategy. These partners keep the company informed on the legislative and regulatory environment, provide valuable resources and forums for the exchange of best practices, offer industry insights, and host professional development opportunities.

Our trade memberships include:

- Adams County Regional Economic Partnership
- American Petroleum Institute (API)
- AXPC
- Aurora Economic Development Council
- Colorado Chamber of Commerce
- Colorado Oil & Gas Association
- Colorado Preparedness & Response Network
- Coloradans for Responsible Energy Development
- New Mexico Oil & Gas Association
- Permian Basin Petroleum Association
- South Platte Water Related Activities Program
- Texas Oil & Gas Association (TXOGA)
- Western Governors’ Association



Political Involvement

We engage regularly with local, state, and federal legislators and regulators, sharing our expertise and representing the company’s views in policy formulation material for our industry. For us, having a seat at the table is important as we work side-by-side with regulators and lawmakers to deliver more positive and solution-oriented outcomes in the rulemaking process.

Civitas is committed to working with state regulators and local elected leaders in our operating areas to achieve their objectives while maintaining a safe, efficient, sustainable, and operable environment for the company and the communities where we do business.

For example, in 2023, we participated in the process to develop a groundbreaking regulation in Colorado that requires oil and gas operators to directly measure methane emissions. The data collected from these measurements will inform annual emissions inventories and confirm that companies meet the state’s GHG intensity standards.

Our legislative and regulatory engagement is conducted in accordance with applicable laws and regulations and our Code. Our Government Affairs and Regulatory Policy Team oversees our political involvement and reports directly to our SVP of EHSR and CSO, helping to ensure our political and government affairs activities align with our company sustainability goals.

Disclosures of federal lobbying can be found at the website for the [Office of the Clerk for the U.S. House of Representatives](#), and state lobbying disclosures are available at the [Colorado Secretary of State website](#), [New Mexico Secretary of State website](#), and the [Texas Ethics Commission website](#).

Regulatory Preparedness

Our experience operating in Colorado — a state that has some of the most stringent oil and gas production regulations in the country — has helped us establish processes for proactively planning company compliance with potential future regulations and policies.

In Colorado, we hold weekly meetings with regulators to discuss air permitting, inspections, and rule interpretation, and often provide real-world data on a functional level and serve as a technical expert. We’re taking a similar approach in Texas and New Mexico, building relationships with local regulatory agencies and executing our operations to meet or exceed the environmental requirements.

Contents

- Who We Are **4**
- Sustainability Summary **7**
- Strong Governance **11**
- Lower Carbon Future** **20**
- Sustainable Energy Development **26**
- Employee and Community Engagement **35**
- Appendix **45**

Lower Carbon Future

Civitas has embraced a lower carbon future since our company’s founding. We were the first operator in Colorado to be carbon neutral, and we’re committed to reducing Scope 1 GHG emissions by 40% from our 2023 baseline by 2030. We’ve already made strategic operational upgrades to reduce our emissions and we continue to examine new ways to support global climate goals.

We have a proven track record of bringing acquired assets up to our high operating standards. This commitment includes driving acquired assets to carbon neutrality starting the January after the first full calendar year of operational control. We see our role as providing responsibly produced and affordable energy to the market.

2023 Highlights

<p>41% reduction in Scope 1 GHG emissions intensity (2019–2023, Rockies BU); target achieved</p>	<p>Awarded Gold Standard for OGMP 2.0 reporting pathway</p>	<p>~10,000 pneumatic devices retrofitted on 125 pad sites</p>
---	--	--



OGMP Methane Reporting

As part of our emissions reduction strategy, we joined the Oil & Gas Methane Partnership (OGMP) 2.0, a comprehensive, measurement-based methane reporting framework for the sector. The company was awarded a Gold Standard Pathway for the 2023 Reporting Year, highlighting Civitas’ acceptable targets, implementation plan, and reporting.

For the pathway submission, Civitas collected data to calculate source-specific emissions factors for pneumatic devices, fugitive leaks, engine methane slip, and incomplete combustion in enclosed combustion devices. Ultimately, the company will seek to fulfill Level 4 and Level 5 methane emissions disclosure guidelines under the program — the levels requiring the highest granularity and level of reporting.

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20**
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

Measuring and Managing Our Emissions



Measuring Our Emissions Impact

To best design our emissions reductions program, we must first calculate our impact. In 2022, we began an extensive initiative with a team of internal personnel and external resources to better understand our emissions profile. This process included conducting an independent field audit to tally tens of thousands of natural gas pneumatic devices, a significant source of GHG emissions, and a target for meaningful emissions reduction.

We also consolidated data management across our legacy companies through an Environmental Management Information System (EMIS). This EMIS serves as the central system for recording GHG and air quality data — calculating emissions, monitoring emission limits, and tracking permit requirements as applicable. The system also sends alerts and reminders when action is required.

Our carbon metrics dashboard offers an opportunity for near real-time data review and improved information for operational decision-making. This visualization platform integrates enterprise-wide data from EMIS, allowing the company to review aggregated data far ahead of the traditional annual GHG reporting cycle. The dashboard also enables a granular progress assessment on specific emissions reduction projects and is used for optimization of the company’s project spend (prioritizing higher return emissions reduction projects) and residual emissions offset management.

The company’s data systems and software, in combination, provide a strong methodology to track and analyze data. Data is fed into the EMIS system and applied to EPA-compliant templates based on applicable Greenhouse Gas Reporting Program forms.

Monitoring to Quantify Emissions

The company’s efforts to detect and quantify emissions throughout its operational footprint are foundational to our status as a carbon neutral operator. In 2022 and 2023, we strengthened and improved our emissions monitoring, developing detailed planning to meet impending GHG intensity targets — especially methane intensity — required by Colorado and federal regulations.

As an operator in a state with some of the most rigorous air emissions regulations in the nation, proactively participating in the development of and preparing to meet new Colorado standards is a competitive advantage for Civitas.

Air quality reviews are conducted weekly, and the company regularly coordinates with appropriate state regulators to participate in voluntary air pollution emissions reduction activities, especially during the summer ozone season.

The company also continued its annual flyover assessment program, partnering with two external groups to monitor the DJ Basin and Permian Basin, analyzing company sites and pipelines using top-tier technology.

In addition to GHG emissions, air monitors measure total Volatile Organic Compounds, Particulate Matter, and Hazardous Air Pollutants. Civitas measures and reports on Criteria Air Pollutants for the Colorado Emissions Inventory in July of each year.

Carbon Neutrality and Emissions Reduction Strategy

-  **Establish climate-related goals and measure progress**
-  **Reduce emissions in support of reduction targets**
-  **Offset residual Scope 1 and Scope 2 emissions through the purchase of certified carbon credits and RECs**

Through our acquisitions, we maintain a commitment to carbon neutral operations. We pledge to take newly acquired assets to carbon neutral status starting the January after the first full calendar year of operational control (from exit TSA date), giving our team an opportunity to baseline emissions, schedule project budgets, and implement emissions reduction initiatives.

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20**
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

Emissions Reduction Targets and Progress

As the company continues to grow, the path to driving emissions reduction goals and maintaining our carbon neutrality lies in our ability to innovate, pursue proactive initiatives, and disrupt the status quo. Establishing financial incentives, with a focus on internally reducing and eliminating our emissions to mitigate the usage of voluntary carbon credits, is an important component of our carbon neutrality framework.

The company’s internal cost of carbon is used as part of a strategy to minimize climate-related risks and prioritize projects with low carbon emissions and/or high emissions reduction value. Projects where the cost of reducing emissions is significantly more than the internal cost of carbon require additional analysis before approval. This process helps ensure we mitigate climate risk as efficiently as possible.

Civitas’ legacy companies were early adopters of emissions management and mitigation programs including pneumatic retrofits, methane monitoring technologies, drilling electrification, and supplying third-party certified responsibly sourced gas (RSG). We have built upon these efforts to continually advance our emissions reduction program. Increased accessibility and accuracy of our GHG data has improved corporate confidence and clarity around our ability to set and meet operational GHG emissions targets.

Target	2023 Performance**
<p>Reduce Scope 1 GHG emissions intensity by a fixed 2.5% annually (averaged over a 10-year period; Rockies BU)</p> <p>Baseline: 2019 EPA Subpart W (17.3 mT CO₂e/MBOE)*</p>	<p>Achieved</p> <p>41% reduction 2019 to 2023</p>
<p>Reduce absolute Scope 1 GHG emissions by 40% by 2030</p> <p>Baseline: 2023 EPA Subpart W (-1,920,000 mT CO₂e)</p>	<p>New goal, inclusive of Permian BU</p>
<p>Reduce pneumatic emissions by 80% by 2025 (Rockies BU) and 65% by 2030 (Permian BU)</p> <p>Baseline: 2021 Rockies BU (533,621 mT CO₂e); 2023 Permian BU (-10,000 mT CO₂e)</p>	<p>45% reduction in Rockies BU (291,808 mT CO₂e)</p> <p>New goal related to Permian BU</p>
<p>Maintain zero routine flaring in our Rockies BU and achieve zero routine flaring in Permian BU by 2030 (in alignment with the World Bank Group)</p>	<p>Zero routine flaring achieved for Rockies BU</p>
<p>Maintain Scope 1 and Scope 2 carbon neutrality, offsetting residual Scope 1 and 2 GHG emissions with certified carbon credits and Green-e® Certified RECs</p>	<p>Maintained in Rockies BU</p> <p>Established pathway in Permian BU</p>

* Unconsolidated Civitas companies prior to formation

** 2023 data includes full year reported emissions for acquired Permian Basin assets



Defining the Cost of Carbon

Internal cost of carbon is a tool to measure the impact and success of emissions reduction programs.

As incremental carbon emissions become more difficult to eliminate, the internal cost of carbon range is likely to increase. This is demonstrated with Civitas’ project-based cost of carbon, which has increased from approximately \$28/mT CO₂e (November 2021) to almost \$36/mT CO₂e for projects installed in 2023.

For carbon neutral companies like Civitas, the cost to purchase verified carbon credits to annually offset residual emissions also becomes a line item in the three-, five-, and 10-year internal rate of return calculations for new projects.

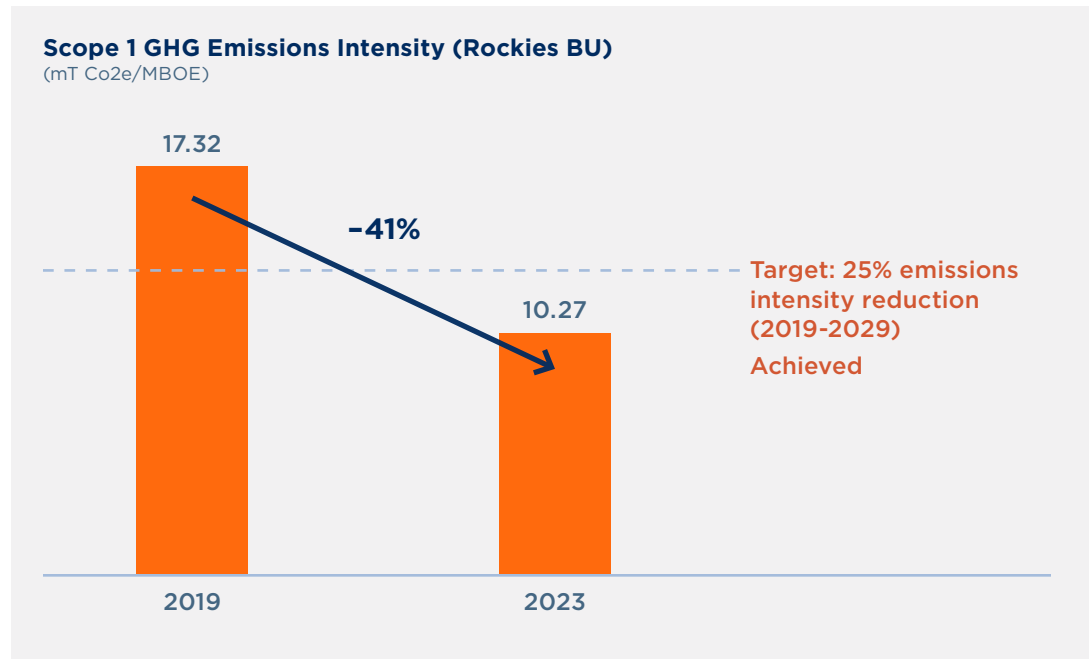
Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20**
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

Emissions Reduction Initiatives

Venting from natural gas pneumatics is one of the most significant contributors to our emissions profile. As such, the company committed \$15 million in 2023 to conduct a natural gas pneumatic retrofit — a high value emissions reduction project at \$36/mT CO₂e cost of carbon with significant benefits in methane reduction. We completed the retrofit of 125 sites by year-end 2023 and estimate this project reduced GHG emissions by nearly 20% from 2021 to 2023 (an annualized number, not reflected in Subpart W).

In 2024, we dedicated \$18 million to voluntary emissions reduction projects with much of this budget allocated to our newly acquired Permian assets. This is in addition to our ~\$9 million anticipated for carbon emissions permitting and monitoring.



Other 2023 emissions reduction initiatives include:

- Asset optimization through infrastructure consolidation
- Compression optimization, electrification, and replacement of outdated engines
- Facilities designed to manage or control maintenance emissions
- Tankless or closed-loop production facilities
- Plugging of inactive vertical wells
- Monthly LDAR (OGI camera) and routine visual inspections for leak detection
- Continuous ambient emissions monitoring at new facilities in preproduction and early production operations
- Pipeline transportation of oil where feasible, reducing truck hauling
- Flowback to tankless facilities and pipeline infrastructure
- Fuel gas measurement on engines and engine upgrades
- Pressurized workover operations equipment to decrease venting
- Enhanced gas vapor extraction and emissions controls on tanks
- Electrifying compressors, where feasible and appropriate
- Installing electric-powered artificial lift technologies, where feasible

Detecting and Repairing Leaks

Civitas equips newly constructed facilities in the Rockies BU with 24/7 leak detection technology, and is currently piloting this technology in our Permian BU. These advanced tools enable leak detection and repair at monthly, quarterly, semiannual, and annual inspection intervals. The technology has far-reaching benefits beyond leak detection, including tank level measurements, spill notifications, safety and fire response notifications, equipment run-time, and leak quantification.

We have 150 air monitoring systems at more than 135 locations equipped with 24/7, real-time ambient air monitoring stations. In 2023, we expanded our long-range laser detection program using innovative technology to detect leaks at existing adjacent infrastructure sites.

In addition to stationary monitoring systems, we perform leak detection with optical gas imaging (OGI) cameras, exceeding state and federal compliance levels. This technology allows the technician to survey all the equipment and piping at a facility and see very small methane leaks that might otherwise be undetectable.

Civitas performed OGI inspections at more than 12,000 DJ Basin sites in 2023. Of the leaks that were detected, 83% were repaired within 24 hours.

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20**
- Sustainable Energy Development 26
- Employee and Community Engagement 35
- Appendix 45

Carbon Credits

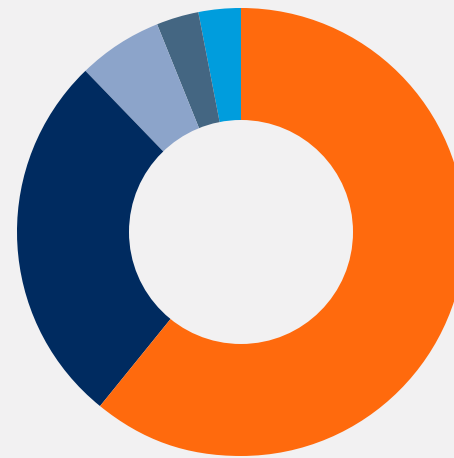
Civitas seeks to offset residual Scope 1 emissions that haven't been or cannot be eliminated with certified carbon credits. These credits are validated and offered through the four voluntary carbon credit project registries that we consider the most credible: American Carbon Registry, Gold Standard, Climate Action Reserve, and Verra's Verified Carbon Standard program's registry.

We offset Scope 2 emissions with Green-e® certified RECs, providing assurance that the company's renewable energy certificates are legitimate, measurable, and only claimed by one party.

Our disciplined investment principles include a dynamic approach to carbon credit selection over an array of offset project types. The company prioritizes methane-eliminating projects, high-quality U.S.-centric nature-based offsets with clear additionality, energy efficiency, and international offset projects that have co-benefits mitigating negative environmental or social impacts. Our sustainability team governs our carbon credits program.

Civitas holds -1.5mm mT CO₂e in voluntary carbon credits and RECs after 2023 retirements, helping to ensure neutrality through and beyond 2024.

2023 Carbon Credits by Type



- Landfill Methane: 61%
- Renewable Generation: 27%
- Biomass Replacement: 6%
- Forest Preservation: 3%
- Recycling: 3%

61%
United States

39%
International

Carbon Credit Projects Support Vulnerable Populations

When selecting international carbon credits, we prioritize projects that both reduce carbon and bolster community growth. For example, Civitas held the Gold Standard 10790 – Efficient and Clean Cooking for Households in Somalia project in our portfolio.

Through this project, highly efficient, improved cookstoves were deployed across households, institutions, and small and medium enterprises. In exchange, this project retired 50,000 mT CO₂e of 2021 vintage carbon credits toward residual emissions occurring in 2023.



Contents

Who We Are 4

Sustainability Summary 7

Strong Governance 11

Lower Carbon Future 20

Sustainable Energy Development 26

Employee and Community Engagement 35

Appendix 45

Energy Management



Energy Efficiency

Where feasible, Civitas strives to utilize energy-efficient systems and technologies recognizing that using less energy overall is the most effective solution for emissions reduction. Our sites are designed with energy conservation technologies like variable frequency drives on motors, pump-off controllers on artificial lift, and thermostats on electrical resistance heating technology to reduce electrical consumption. When possible, compressor systems are managed to optimize load and provide dual service. We believe the aggregate impact of these efforts and investments is meaningful to our total impact.

We continue to expand our RSG program, which uses third-party companies to verify Civitas has produced its natural gas according to high ESG and safety standards. Most notably, our RSG program confirms to customers that the production has a lower GHG emissions footprint than traditionally sourced gas.

As of mid-April 2024, Civitas has 11 locations that can produce certified gas volumes with a methane intensity of 0.01% in a non-fungible token transaction environment.

19 Orphan Wells Voluntarily Plugged in 2023

In 2022, Civitas partnered with the state of Colorado to voluntarily plug 42 orphan wells located in and around our operating areas. Orphan wells are inactive sites that other operators have abandoned, and if not remediated appropriately, can emit GHGs and pose a potential risk for groundwater contamination.

In 2023, we plugged 19 of these wells — investing approximately \$2.1 million to get the job done. We expect to plug the remaining 23 wells by the end of 2024.

Cleaning up orphan well sites is typically the responsibility of the state. Understanding the importance and urgency of statewide efforts to reduce GHG emissions, Civitas joined forces with

the Colorado Energy & Carbon Management Commission (ECMC) to identify these orphan wells (located in urban and suburban areas) and coordinate the downhole reclamation activities.

Of the 19 wells completed, 12 were discovered to be emitters prior to cleanup. Plugging these wells has resulted in emissions reductions of more than 730 mT CO₂e per year.

Beyond remediating abandoned wells, Civitas has robust standards in place to safely ‘plug and abandon’ wells under our ownership that have reached the end of their economic life. These sites are fully reclaimed according to state guidelines and for the beneficial use of landowners.

Sustainable Energy Development

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26**
- Employee and Community Engagement 35
- Appendix 45

At Civitas, a sustainable future begins with respect — respect for the natural resources that are at the foundation of our operations; respect for the safety and well-being of our employees and contractors; and respect for the health and vitality of our communities. We translate this respect into action, working every day to responsibly produce safe, affordable, and reliable energy with a reduced environmental footprint.

It’s not only the right thing to do, but also a market advantage as we transition into a lower carbon future. We can be both profitable and purposeful, sustainably developing the energy needed to maintain and improve quality of life.

2023 Highlights

700 environmental surveys conducted	100% of wells disclosed in FracFocus	0.23 combined TRIR
---	--	------------------------------



Biodiversity and Ecosystems

We’re committed to sustainably managing natural resources in the areas in which we operate. As defined in our [Biodiversity Policy](#), we conduct formal environmental resource assessments (ERAs) for all projects prior to beginning new operations. Desktop surveys, field surveys, wetland delineations, and alternative site analyses supplement the ERAs, allowing us to fully understand potential biodiversity and ecosystem impacts.

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26**
- Employee and Community Engagement 35
- Appendix 45

Biodiversity and Ecosystems

Biodiversity Protection through our Operational Lifecycle



Using these assessments, we proactively design our projects to account for local wildlife and minimize our environmental impact. Civitas strategically prioritizes the buildout of new assets in locations where there has already been environmental disturbance to minimize any new impact. We also have independent, third-party biologists review seasonal implications on wildlife to help ensure we don't unknowingly impact breeding grounds, nests, or other seasonal wildlife in the area. If active nests or other sensitive wildlife or habitats are found, appropriate protection and mitigation measures are implemented, including project delays.



Civitas partners with independent biologists to conduct site surveys and advise on specific topics of expertise, ranging from wetlands to endangered species and habitats.

In 2023, we conducted more than 700 environmental surveys, and more than 15 projects were delayed to protect active nest sites.

In addition to complying with local, state, and federal wildlife protection requirements, we voluntarily implement the following practices for biodiversity and ecosystem conservation:

- Environmental site assessments to survey for sensitive wildlife prior to moderate or minor operations
- Collaboration with wildlife agencies (e.g., Colorado Parks and Wildlife and U.S. Fish and Wildlife Service) for wildlife protection, mitigation guidance, data provision, and to report injured or orphaned wildlife

- Buffer establishment aligned with species-specific buffer zone guidance from wildlife agencies
- Operational scheduling outside sensitive wildlife seasons, when possible
- Limited working hours in certain seasons and habitats
- Sound wall installation to reduce noise and light impacts
- Employee wildlife education and biodiversity protection training
- Implementation of stormwater management practices to mitigate erosion-driven impacts to water ecosystems

None of Civitas' operational sites are located near protected areas such as World Heritage Areas.



Contents

- Who We Are **4**
- Sustainability Summary **7**
- Strong Governance **11**
- Lower Carbon Future **20**
- Sustainable Energy Development** **26**
- Employee and Community Engagement **35**
- Appendix **45**

Biodiversity and Ecosystems

Employee Education and Stop Work Authority

All relevant field personnel are trained to understand their responsibilities under our EHSR Manual and Biodiversity Policy, have a baseline understanding of wildlife protections and regulations, and strive to maintain awareness of surrounding wildlife during the execution of their duties.

We empower all employees and contractors to use Stop Work Authority should they encounter an unexpected species, habitat, wetland, or cultural artifact during operations. There is no retaliation if an employee or partner uses Stop Work Authority in good faith.



In 2023, workover operations were delayed on several pad sites due to the identification of: nearby burrowing owls, a killdeer nest on a pad, and neighboring raptor nests.

Site Reclamation and Decommissioning

Civitas has a robust reclamation program that clearly defines the protocols and processes for decommissioning sites and reclaiming habitats and restoring or rehabilitating disturbed areas. Each project has a reclamation plan included in the corresponding permits for the property.

The company performs interim reclamation — the middle phase between drilling and the final reclamation element of plugging a well — partnering with biologists, reclamation experts, and other natural resource specialists to return the land to a state that will benefit the ecosystem. Collaboration with third-party vendors to collect aerial survey data to view disturbance areas and conduct change analyses from initial buildout to disturbance helps us design reclamation plans.

We consult with landowners to return sites to owner specifications where possible, including using native seed mixes and/or local plants. If a site is being decommissioned, we remove all equipment, prioritizing reusing or recycling the materials first. All waste, including hazardous waste, is disposed of according to state and federal regulations.

Mapping the Future of GIS, One Student at a Time

GIS — or geographic information system — is a computer-based tool that uses geospatial techniques and data to map an area’s physical features. Specific to Civitas, we use GIS to highlight features such as pipelines, building structures, and wildlife habitats and vegetation in a single map. This allows us to better identify any concerns, monitor changes, and perform forecasting for streamlined operations.

Few people understand the importance of GIS more than Heather Hicks, Ph.D. and Civitas Director of Spatial Analytics and Data Science. With more than 30 years of professional experience in geospatial science, Hicks has been teaching GIS to graduate students at the University of Denver (since 2004) and at Johns Hopkins University (since 2009).



“Obviously, students must learn the GIS technology, but more importantly, they need to know the ‘why’ — the business purpose,” said Hicks. “I want to develop students who have an intellectual curiosity and critical thinking skills — the ability to take it to the next step.”

Hicks, who teaches about 200 graduate students per year, is always enthusiastic about mentoring young minds on the importance of GIS.

“In the oil and gas industry, understanding the spatial relationships between assets can improve our understanding of the environment we work in and drive better decisions,” said Hicks. “Employees who have these critical GIS skill sets are always needed in our industry.”

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26**
- Employee and Community Engagement 35
- Appendix 45

Water Management and Well Integrity



Water is a critical commodity in our communities, and necessary for our operations. We understand our responsibility to conserve and protect this important resource.

Where possible, we work to reduce our freshwater consumption, including using tanks and temporary collapsible water pipelines to minimize unnecessary water evaporation. At sites where water collection infrastructure systems are available, we ‘reverse pipe’ water into disposal systems that enable water reuse and recycling. Civitas continues to pilot water recycling programs in the DJ and uses recycled water in the Permian where feasible.

Water Disposal and Induced Seismicity

In our operating areas, we dispose of produced water responsibly through salt-water disposal (SWD) wells. As part of our produced water management, we search for the closest water disposal locations to reduce drive times and distances as well as utilize produced water transportation pipelines wherever feasible.

The use of SWD wells has been linked to induced seismicity in certain states and it is a risk we take seriously. We follow all state and federal regulatory guidelines around SWD wells and work proactively with state and federal regulators in areas where we operate to address seismicity concerns. In addition, we partner with our peers and industry associations, including

TXOGA, to monitor, collect, and share information that guides industry best practices in the Permian Basin.

We are committed to innovation and technological advances that will help us mitigate seismicity by reducing freshwater usage and expanding produced water reuse in our operations in Texas and New Mexico.

Well Integrity and Water Sampling

We live and work in the areas where we operate, so protecting our ground and freshwater during the well lifecycle is as important to us as it is to our neighbors. We design, drill, and complete our wells to the highest standards — meeting or exceeding industry and regulatory requirements.

Civitas implements consistent ground and freshwater protection measures before any drilling activity begins and through the lifecycle of the well. Some of these measures include:

- Utilizing multiple layers of steel casing and cement barriers
- Employing a system that continuously monitors wellbore integrity
- Pressure testing before, during, and after the completions process
- Testing for mechanical integrity throughout the lifecycle of the well
- Monitoring sites (both while on-site and through cameras) for spill prevention
- Automatic shut-off should a spill or unexpected release occur

We conduct baseline water sampling according to regulatory and owner contract requirements. Specific to Colorado, ECMC Rule 615 requires we monitor and extract water samples from available groundwater sources or local freshwater wells within a 0.5-mile radius of a new site. This sampling, completed before drilling on a new site, establishes an analytical baseline.

Subsequent samples are collected six to 12 months post-well completion, five to six years post-completion, and every five years thereafter during the life cycle of the completed well. A final sample is required to be collected and analyzed six to 12 months after the well has been permanently closed.

We disclose 100% of the chemicals used during hydraulic fracturing of our wells to FracFocus.

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26**
- Employee and Community Engagement 35
- Appendix 45

Spill Prevention and Management



Protecting our employees, neighbors, and the environment is a top priority, and we go to great lengths to proactively manage our spill risks. Our spill prevention protocol is based on industry best practices and employee training and includes strategic facility design, maintenance programs, and spill prevention procedures.

Our facilities operate using a combination of monitoring and control procedures including secondary containment, emergency shutdown systems, pressure relief valves, and automatic shutdown software. We also perform routine non-destructive testing (NDT) on our tanks to quickly identify any areas of degradation, weakness, cracking, corrosion, or welding defects to reduce the potential for spills or leaks.

To prepare for the potential of a spill, we conduct emergency and spill response training at least annually with targeted employee teams. This training program supports our Corporate Emergency Management Program and enables our employees to respond efficiently and comprehensively.

Spill training includes:

- Training and plan reviews with local first responders
- Spill Prevention, Control, and Countermeasure plan
- Emergency response drills (planned and unannounced)

Common Spill Cause	Civitas Readiness Response
Equipment failure	Remote monitoring with shutdown capabilities; on-site personnel routinely and proactively checking equipment
Extreme weather	Remote monitoring; automatic / emergency shutdown capabilities
Human error	Targeted training; comprehensive planning; consistent procedures in place
Tank corrosion	Routine NDT, remote and on-site monitoring; automatic shutdown software; secondary containment

If a spill should occur, our Spill Response Notification Program allows us to notify relevant team members to secure the site, stop the spill, and protect the surrounding environment. Qualifying spills are immediately reported to regulators.

We review the details of each spill and determine the level of investigation necessary to help us capture causal factors and identify lessons learned. We incorporate these insights into our facility designs and maintenance processes and our emergency and response training for employees and local responders.



"We believe strong sustainability performance, backed by robust, sustainability-focused operating practices, is a value creator for a company."

- Hodge Walker, Chief Operating Officer

Contents

Who We Are 4

Sustainability Summary 7

Strong Governance 11

Lower Carbon Future 20

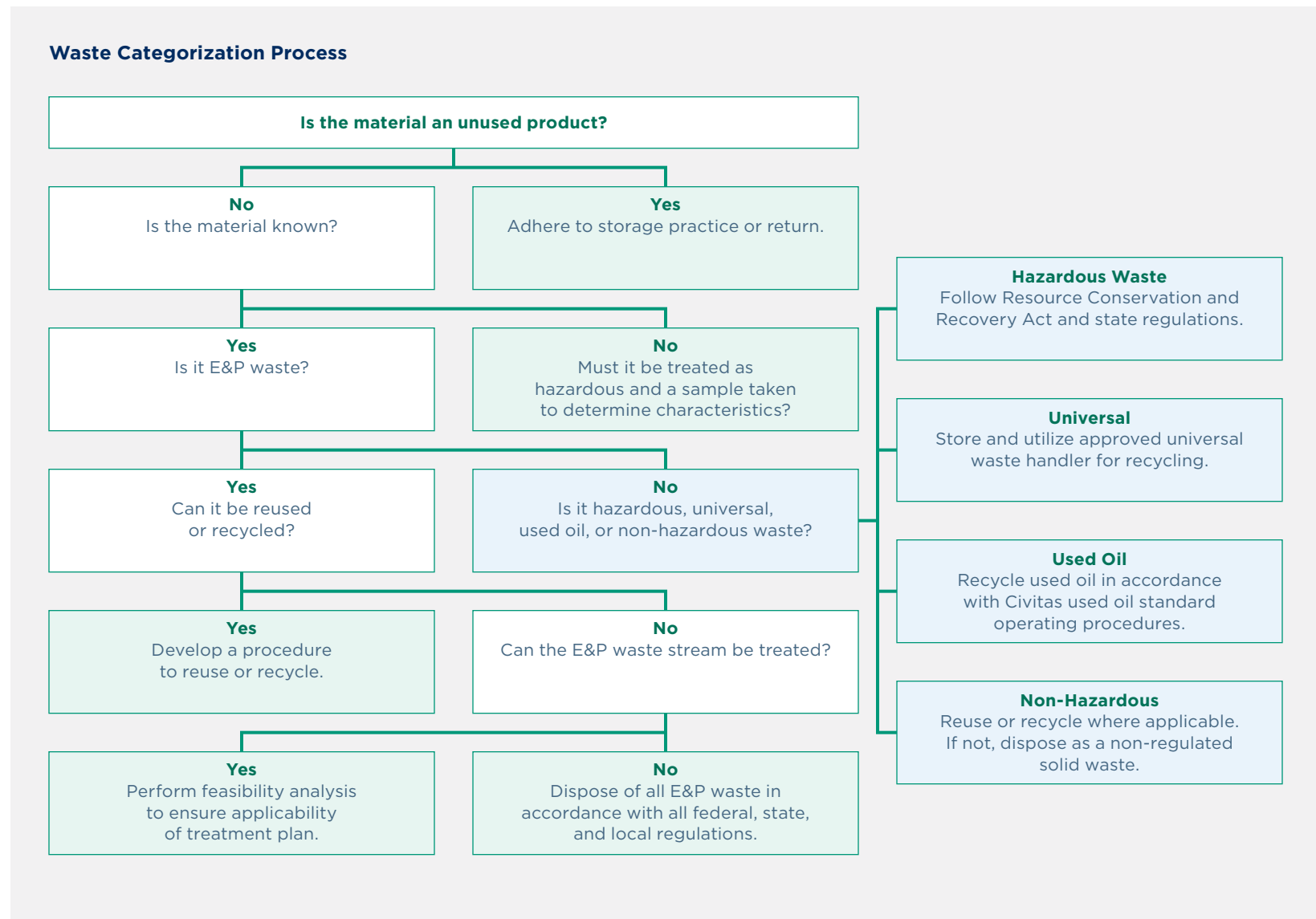
Sustainable Energy Development 26

Employee and Community Engagement 35

Appendix 45

Waste Management

We strive to minimize waste and reduce our environmental impact through an effective waste management program. For waste that needs disposal, we have established waste management protocols specific to our operational areas. We also provide job-specific training to help ensure employee safety and regulatory compliance at each of our sites.



We continue to make technological advances around waste management in our drilling activities. Due to our emissions-controlled multi-stage separation process, we're able to reuse our drilling fluids. This practice reduces consumption of a drilling fluid containing a highly-refined and odor-stabilized oil base and extends its useful life significantly. Solids removed from the product are treated to mitigate any remaining volatile compounds inherent to the reservoir rock and meet solid waste disposal guidelines.

Reusing our drilling fluids:

- Reduces our potential waste stream from drilling fluid by ~50%
- Decreases truck traffic to and from the site for deliveries and disposal
- Prolongs the life of our technical components

In addition to these advances, we utilize water-based muds (instead of oil-based) during surface hole drilling and, when feasible, in other phases of our drilling operations. Using this approach reduces the oil-based mud cuttings transferred for waste disposal.

NORM

In some instances, naturally occurring radioactive material (NORM) may be found in subsurface sediment and can shift to surface equipment such as pipes during operations. We follow regulatory guidelines on the safe handling, removal, and transport of NORM waste. We also provide specialized training for employees who handle NORM-impacted waste.

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26**
- Employee and Community Engagement 35
- Appendix 45

Workforce Health and Safety



The company sets the expectation that safety is executed at every decision point and each employee and contractor be a safety leader. Our safety allows us to set consistent standards, empower our on-site workforce, monitor performance, learn from incidents, and adjust accordingly for continuous improvement.

We expect our employees and contractors to operate in a safe and environmentally responsible manner, and are committed to abiding by all applicable laws, regulations, industry best practices, and internal policies and standards. Safety is not assigned to one department or specific individuals; it is embedded in our culture with every employee taking responsibility for doing their job in a safe manner.

Our Sustainability Committee oversees our health and safety strategy and works closely with management to implement the company’s health and safety programs and initiatives. Additionally, our SVP of EHSR and CSO shares weekly safety updates with the executive leadership team to ensure continuous oversight and accountability.

EH&S Management System

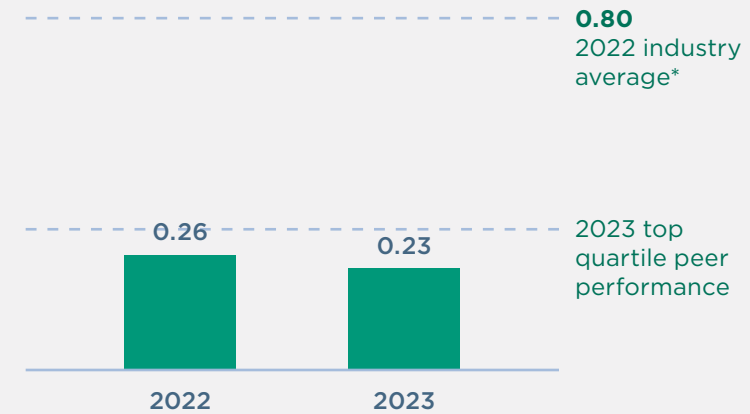
Our EH&S management system provides a consistent approach to identifying potential risks and methods to mitigate them. By collaborating with our employees in the development of this system, we’re further encouraging ownership, leading to improved health and safety outcomes. The new system is expected to be implemented throughout the business in 2024 and audited annually.

Safety Target and Performance

While our goal is always zero incidents, the company achieved a combined workforce TRIR of 0.23 in 2023. This placed Civitas in the top quartile of its peer group, which is where we intend to remain in 2024.

YOY Safety Performance

Combined TRIR (employees and contractors)



*Industry average per the U.S. Bureau of Labor Statistics oil and gas extraction industry, code 211.

Contents

- Who We Are **4**
- Sustainability Summary **7**
- Strong Governance **11**
- Lower Carbon Future **20**
- Sustainable Energy Development** **26**
- Employee and Community Engagement **35**
- Appendix **45**

Safety Programs

Compliance and Awareness

EHSR Manual and Policies

All employees are required to abide by Civitas’ EHSR Policy as stated in the EHSR Manual, which is provided to every employee. Civitas’ safety management systems align with OSHA, API RP74, and API RP54 and target continual improvement and industry best practices.

Safety Performance Monitoring

We use data such as TRIR, near misses, Serious Injury & Fatality (SIF) actual and potential, and fatalities to evaluate our safety performance. Our executive leadership team receives a weekly report on our safety performance by business unit. Safety performance data is also shared at least quarterly with the Sustainability Committee and monthly at field safety meetings. Should there be an increase in incident rates, a mitigation plan is proposed and executed, often incorporating other strategy components and processes.

Training and Safety Awareness

Our employees are provided opportunities to participate in online, classroom, and field training courses. Hiring managers and supervisors work with the EHSR department to build training profiles and assign courses specific to job positions, as relevant. Courses are mandatory, with participation and completion factored into the annual performance management process. Training topics include (but are not limited to): Confined space awareness, personal protective equipment, emergency and spill response, hot work, lockout tagout, critical lifts and rigging, electrical and overhead lines, pressure testing, rig moves, and working at heights.

Driver Safety

To best equip and protect our drivers, we offer targeted training and in-vehicle monitoring. Our training includes learning how to anticipate dangerous situations, minimizing road risks, staying alert, and avoiding accidents. We also equip our fleet vehicles with an advanced web-based tracking system that monitors and tracks fleet driver metrics such as speeding, harsh braking, harsh cornering, and seat belt use.

On-Site Safety Ownership

JSA and Hazard Identification

In our field locations, we prepare pre-job checklists, risk assessments, and change management actions, and we host tail-gate safety meetings. Each asset site has a job safety analysis (JSA) that identifies hazards and how they’re controlled. On-site workforce, including contractors, are required to review the JSA before coming on location.

Stop Work Authority

Employees and contractors have the right and responsibility to stop work when an unsafe condition could result in injury, adversely impact the surrounding environment, or damage property.

Drug and Alcohol Free

We prohibit the use, possession, or distribution of drugs and alcohol, including marijuana (even if legal in our states of operation). The possession or use of these substances on a Civitas site facility will result in severe action, up to and including dismissal.

Learning from Incidents

Near Miss Analysis

By assigning risk rankings to near misses based on SIF potential and considering near misses as if they had occurred, we are better able to identify root causes, mitigate future risks, and establish protection and control procedures.

Incident Management and Investigation

Every illness, injury, near miss, or spill that occurs on a Civitas site is required to be immediately reported to the appropriate Civitas contact. Depending on the severity level, we may engage our emergency response team, local first responders, and regulatory agencies, according to local requirements. We have established a uniform system for capturing essential information to understand incident causation and develop actions to prevent recurrence. Through this system, we can continually track and monitor relevant incident metrics and apply proactive risk management.

Lessons Learned

We send out a weekly newsletter to every employee sharing safety stories and showcasing lessons learned and best practices.

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26**
- Employee and Community Engagement 35
- Appendix 45

Emergency Preparedness and Contractor Safety



Emergency Preparedness

As a responsible member of the communities where we operate, we have processes in place to prepare for and appropriately respond to a wide range of emergencies. Consistently investing in our response capabilities equips us to mitigate and manage impacts to people and the environment in the event of an incident.

Our Corporate Emergency Management Program establishes the expectations, guidelines, procedures, and responsibilities, adheres to the guidelines stipulated in our EHSR Manual, and guides the

implementation of our emergency response plans. Procedures for handling emergencies are essential to ensure the protection of life, property, and the environment.

Emergency Response Plans and Drills

Several agencies review and approve our plans, including the EPA, the Pipeline and Hazardous Materials Safety Administration and various state agencies. We recognize that our emergency response plans are most effective when coupled with regular, comprehensive training and drills. In 2023,

we conducted numerous tabletop drills, plan reviews, and trainings to ensure that our emergency response teams remain prepared to handle emergencies. Our exercises follow the guidelines of the federal government’s National Preparedness for Response Exercise Program. Civitas also facilitates training for local responders when requested and ensures consistent communication with regulatory agencies and other stakeholders in the event of an emergency.

Contractor Safety

Contractors play a critical role in keeping our worksites safe. We require that all on-site workforce follow the same protocols, which we define in our Contractor Expectations Manual. This manual provides contractors with a clear understanding of the environmental, health, and safety expectations that we require for our third-party contractors and subcontractors. The following procedures are in place to clearly describe our high standards for contractor management:

→ Contractors are evaluated and selected based upon their EHS management practices and performance criteria, including risk tiering and dollar spend in comparison to risk. For a balanced approach to the selection process, we use a third-party supply chain management software application (ISNetworld®) to verify a contractor’s safety, procurement, regulatory, and quality data.

- Our contractor review process monitors subcontractor safety performance against established protocols.
- Contractor safety performance is also monitored in the field and verified.
- We aspire to provide contractors with a workplace free of hazards and where identified hazards or EHS issues are promptly addressed. Contractors are empowered to identify and communicate new hazards through our Stop Work Authority program.
- Contractors are required to participate in frequent safety meetings held on our sites to stay informed and compliant with company standards.
- Short service employees (SSE), those who have less than six months of industry experience, are expected to wear a distinguishing feature, such as a green hard hat, while on the job site. The contractor will assign a mentor and have a system in place to determine length of SSE service and a means to ensure job skill competencies for removal from SSE status. We prohibit crews from consisting of more than 50% SSEs.

Employee and Community Engagement

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35**
- Appendix 45

Civitas believes a diverse, inclusive, and agile workforce is a value differentiator and key to growing a sustainable company. As we have grown and evolved, we remain committed to protecting and nurturing our people.

We respect and value every stakeholder and seek to develop productive and mutually beneficial relationships. This isn't just something we talk about — it's reflected in the daily actions of our team. Our employees have a passion for innovation and share a desire to collaborate and positively transform our operating areas for the betterment of our communities.

2023 Highlights

<p>4 employee resource groups formed</p>	<p>\$1,000 employee giving match, new 2023 benefit</p>	<p>825 volunteers hours logged by our employees</p>
---	---	--



Human Capital Management

At Civitas, our people are the force behind our operations, leading our relentless pursuit of excellence. Building and maintaining a culture that welcomes diverse perspectives, encourages exploration of new ideas, and rewards top performers helps us to grow and scale sustainably. We seek to attract and retain leading talent through purposeful recruitment and employee engagement programs.

Contents

Who We Are 4

Sustainability Summary 7

Strong Governance 11

Lower Carbon Future 20

Sustainable Energy Development 26

Employee and Community Engagement 35

Appendix 45

Human Capital Management



Recruitment

In our search for talent across geographic regions, Civitas prioritizes local hiring for both employees and contractors — specifically across field operations — to support employment opportunities in local communities. We also rely on a wide range of recruitment tools to attract the best talent in our industry and enhance our reach among underrepresented groups in the communities where we operate.

Professional Development

Civitas invests in leadership training and professional development programs that enable its employees to reach their full potential and perform at their best. Our ongoing training opportunities, available in person or online, focus on enhancing skills in leadership, safety, and technical proficiency.

We also offer tuition reimbursement up to the maximum nontaxable limit of \$5,250 annually.

Employee Engagement

Each year, we conduct an annual employee engagement survey to gain employee insights and improve workplace culture. Our executive team reviews these survey results and shares high-level results with the entire company. Each manager receives the results specific to their department and is encouraged to develop action plans around areas of feedback. Employee survey results also are used to set company goals for the next year.

Employees also participate in annual employee performance reviews, which are complemented by consistent communication between managers and employees. Civitas supervisors proactively connect with their employees to discuss goals, growth, and development opportunities, and provide critical feedback to support improved employee performance. As part of their performance management process, employees establish goals that align with environmental and safety elements to support our sustainability commitment.

Other engagement opportunities:

- CEO quarterly townhalls
- Senior leadership lunch and learns
- Volunteer activities
- Employee Engagement Committee

The purpose of the Employee Engagement Committee is to develop and support an environment where employees feel engaged and are committed to their work. The committee organizes a series of educational, volunteer, and other activities to foster engagement. Areas of activity include, pride, mental health, veterans, and more.



Contents

Who We Are 4

Sustainability Summary 7

Strong Governance 11

Lower Carbon Future 20

Sustainable Energy Development 26

Employee and Community Engagement 35

Appendix 45

Human Capital Management

Employee Compensation and Benefits

We recognize that within our competitive operating environment, compensation and benefits play an important role in attracting and retaining our workforce. We offer competitive pay to support our pay-for-performance culture. Employees are eligible for bonus payouts and all employees receive annual grants of restricted stock units to drive ownership in company performance.

Our Compensation Committee oversees our compensation programs and regularly modifies the program to incentivize achievement of our corporate strategy and issues important to our stakeholders. For both benefits and compensation, we conduct market analyses to help ensure fair and equitable pay, competitive offerings, and supportive resources to meet employee needs.

In 2023, Civitas formed employee resource groups (ERGs) as part of our diversity, equity and inclusion (DEI) initiative. The company started the program with four preliminary groups, including one focused on promoting mental health and well-being in the workplace.

Our benefits include:

- 401(k) plan and company match
- Stock awards
- Paid time off and paid sick leave
- Volunteer time off
- Health insurance coverage for all full-time employees, including medical, dental, and vision
- Infertility benefits
- Life and accidental death and dismemberment insurance programs
- Short-term and long-term disability programs
- Maternity and parental leave (beyond legal requirements)
- Private personal spaces for nursing
- Health and flexible spending accounts (HSA / FSA) and dependent care programs
- Employee assistance program (EAP)
- Fitness reimbursement
- Tuition reimbursement
- Charitable gift match of up to \$1,000 per employee
- Remote work options with a hybrid schedule



Employee Well-Being

At Civitas, we recognize that a comprehensive safety culture must also support health and mental well-being. For this reason, we offer benefits to encourage a healthy lifestyle and work-life balance.

- **Fitness Reimbursement:** Civitas offers an expansive fitness reimbursement program covering gym memberships and ski season passes to encourage physical activity for preventive health benefits.
- **EAP:** Our EAP includes complimentary counseling sessions (three per condition, per family member, per year). The EAP also provides support during critical seasons of life, including child or elder care research, legal assistance and tobacco cessation, among other offerings. Our EAP benefit is free to Civitas employees and their family members.
- **Remote Work Flexibility:** Employees may work remotely on Monday and Friday if their roles allow and they have manager approval. We are also flexible with non-recurrent situations that may require an employee to need to work remotely.
- **Updated Holiday Program:** Based on our 2022 employee survey, we changed our designated holidays during peak busy season into floating holidays, so that employees can fully take advantage of their earned time off.

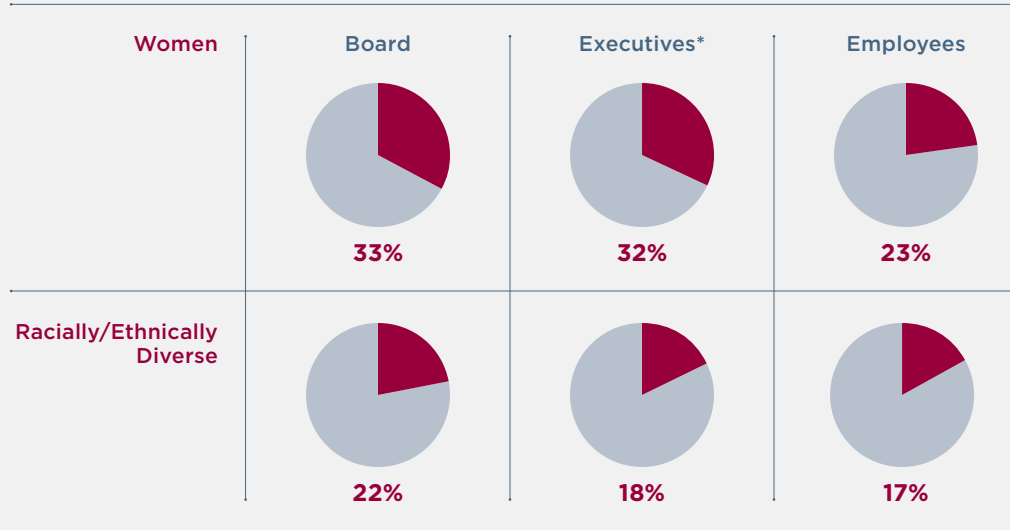
Contents

- Who We Are **4**
- Sustainability Summary **7**
- Strong Governance **11**
- Lower Carbon Future **20**
- Sustainable Energy Development **26**
- Employee and Community Engagement** **35**
- Appendix **45**

Diversity, Equity, and Inclusion

We believe embracing a diverse and inclusive workforce is critical to our collective success as a business and will enable Civitas to gain valuable perspectives for continuous improvement. We are committed to creating and maintaining a workplace where all employees can participate and contribute to the success of the business and are valued for their diverse expertise, experiences, and ideas.

2023 Workforce Diversity



As of December 31, 2023.
*Defined as vice president and above.



"At Civitas, we value passion, and we ask our team to demonstrate their passion through ownership, curiosity, and entrepreneurship. There are no better qualities for us to bring into our future as a growing company with a defining purpose to produce domestic energy."

- Ji Rim, Senior Vice President of EHSR and Chief Sustainability Officer

Empowering Women to Lead in Our Industry

Business Transformation Analyst Lia Fields volunteered to take photos at her first meeting of the Colorado-based Women in Oil & Gas Association (WOGA) in 2015. Eight years later, she became president.

When Fields joined WOGA, it was initially about sisterhood since there were very few women at the company where she worked. She quickly discovered many members of WOGA were already doing what she aspired to do. That's the calling of WOGA — mentoring, educating, and coaching women in the oil and gas industry to enhance their personal and professional skill sets.

WOGA has more than 300 members and, through meetings and social events, provides an environment for women

to organically connect with other women in the industry, discuss careers, and offer support.

"Our goal is to encourage and provide opportunities for the next generation of women leaders in energy sector careers," said Fields.

In addition to networking, WOGA brings in speakers, executive coaches, and other resources to enhance professional development. Association members also team up to raise funds for nonprofits that support young women in the sciences.

Civitas is a corporate sponsor of WOGA and is a passionate supporter of the organization's collaborative efforts to develop and empower women in the oil and gas industry.

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35**
- Appendix 45

Diversity, Equity, and Inclusion



Employee Resource Groups

A work culture where all employees feel valued is rooted in representation. In early 2023, Civitas formed ERGs as part of our DEI activities. These voluntary, employee-driven groups provide an opportunity for those with shared identities and interests to meet and support each other and provide feedback to create a more inclusive work environment.

Civitas currently hosts four ERGs: veterans, women, pride, and mental health. Each group has a charter, chair, and executive sponsor and holds forums at least monthly for employees to share open dialogue around challenging topics, issues, passions, and ideas. The meetings are collaborative and centered on problem-solving.

In 2024, the ERGs are focusing on engaging new employees, including those from acquired companies, to make all feel welcome.

Maintaining Our Culture

To maintain a culture of inclusivity and create better awareness across our organization, we mandate unconscious bias training annually for all employees. This training is meant to provide guidance on how employees are expected to conduct themselves in a manner that is appropriate for all coworkers. Our Human Rights Policy makes it clear there is zero tolerance for any type of discrimination or sexual harassment.

Civitas provides equal opportunity for all candidates, employees, and consultants regardless of race, religion, gender, sexual orientation, age, ethnic or national origin, social origin, disability, family status, or any other protected status and personal characteristics for all aspects of employment.



Required Annual Training for All Employees

- Diversity and inclusion
- Unconscious bias
- Anti-discrimination
- Anti-harassment



“We know if we create an environment where every employee has an outlet to express their views and share different perspectives, it will lead to better ideas and solutions. The results are extremely rewarding to see.”

– Alyssa Bromley, Supervisor, Compliance Systems and DEI Chair

Contents

Who We Are 4

Sustainability Summary 7

Strong Governance 11

Lower Carbon Future 20

Sustainable Energy Development 26

Employee and Community Engagement 35

Appendix 45

Community Engagement

Civitas takes a proactive approach to operating our sites, communicating with stakeholders, looking for opportunities to mitigate associated impacts — direct or indirect — and working to ensure all operations are conducted with the utmost respect for surrounding communities.

We take pride in establishing and maintaining relationships with our neighbors and landowners in the areas where we operate. Because of the locations of our assets, our communities are diverse (urban, rural, and residential neighborhoods) and include many types of stakeholders, including individual neighbors, homeowner associations, developers, and municipalities. We know that engaging and building trust with these stakeholders is one of our most important jobs.

We work to build this trust by listening and collaborating, and by delivering on our safety and environmental stewardship commitments.

Neighbor Relations

It's important to keep our neighbors informed and provide a forum for comments and feedback on our operational plans and activities.

We offer a dedicated call center and email address as a central hub for answering neighbor questions and reporting concerns, which we promote at in-person meetings and on our website. Phone calls and emails are captured in a software system where the data is tracked and analyzed for trends. This process helps ensure community issues are acknowledged and addressed.

We collaborate closely with local and state safety officials to meet or exceed applicable regulatory standards and provide transparent and comprehensive information about our operations to neighboring communities. By listening to our neighbors, we have incorporated advanced technologies and practices designed to enhance the well-being and safety of our communities.

Neighbor Communications Tools

- In-person and virtual meetings
- Mailers
- Phone calls
- Dedicated websites
- Call center
- Dedicated neighbor email address



Community Issues	Our Solutions
Noise	<ul style="list-style-type: none"> → Quiet completion equipment reducing noise impacts by 300% → Construction of sound barrier walls → Use of electric grid power to decrease engine noise
Truck Traffic & Road Damage	<ul style="list-style-type: none"> → Use of pipelines to transport oil and reduce number of heavy-haul trucks on the road
Dust	<ul style="list-style-type: none"> → Use of fresh water to reduce fugitive dust emissions → Use of aggregate material or recycled asphalt to top dress our access road and pad surface → Posting 20 MPH max speed limit on access road and location
Emissions	<ul style="list-style-type: none"> → Closed-loop system captures 99% of Scope 1 GHG emissions → Use of electric grid power eliminates exhaust emissions → Plugging and reclaiming older wells to eliminate emissions

Contents

Who We Are 4

Sustainability Summary 7

Strong Governance 11

Lower Carbon Future 20

Sustainable Energy Development 26

Employee and Community Engagement 35

Appendix 45

Landowner Relations

We're committed to early collaboration and mutually beneficial relationships with our mineral and surface owners. We recognize the importance of maintaining long-lasting relationships with owners, and we encourage open dialogue and two-way communication throughout our operational lifecycle.

Members of our Land, Regulatory, Operations, and EHSR teams connect with landowners in person throughout our operational life cycle. During these conversations, we share and discuss operational plans and work to prepare owners for what to expect. These team members are also responsible for informing owners about any updates or changes and addressing any questions or concerns.

In addition to face-to-face meetings, surface and mineral owners can contact members of our team by phone, email, or mail. Our dedicated call center also is available to owners, along with a 24/7 Owner Relations website.

Should a spill or other event occur on one of our sites, landowners and regulators are notified within 24 hours to meet regulatory directives.

In Colorado, operators must go through a multi-step process before construction or drilling can commence on a new site.

1. Attain landowner consent to operate on the land prior to the permitting process.
2. Obtain a permit from the local government with land use jurisdiction.
3. File a permit application with the ECOM and collaborate with staff to verify and approve the proposed operations.
4. Host public and virtual meetings for public comments and inquiries about operational plans.



Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35**
- Appendix 45

Philanthropy and Social Investment

Positive transformation includes sharing the value our company creates with the communities where we live and work.



Civitas Community Foundation

In 2022, Civitas launched the Civitas Community Foundation, a 501(c)(3) organization providing scholarships to students in communities near our company operations. Graduating high school seniors within any of our operating counties can apply and the scholarships are open to any field of study.

In 2023, Civitas awarded \$10,000 scholarships to 20 graduating seniors in the DJ basin and will expand this program into the Permian in 2024.



Charitable Giving

We facilitate meaningful partnerships with trustworthy organizations, guided by our five charitable giving pillars and company foundation goals. Our charitable giving pillars best align with the needs of our communities, our company values, and our business strategies.

In 2023, we donated more than \$1,130,000 as an organization. These donations include: more than \$850,000 from direct corporate donations, \$200,000 as student scholarships through the Civitas Community Foundation, and more than \$80,000 through our employee charitable donation match program (a new benefit we introduced in 2023).

2023 Corporate Donations

\$98,250 Agriculture	\$163,050 Community Infrastructure	\$338,900 Education	\$126,500 Humanitarian Relief	\$105,137 Veterans and First Responders
--------------------------------	--	-------------------------------	---	---

Civitas also donated \$22,000 to industry charitable organizations in 2023.



In 2023, we continued our partnership with Operation Warm, a non-profit that manufactures brand-new, high-quality coats and shoes for children in need. We donated \$100,000 to provide outerwear to kids attending schools within our operating areas.

Contents

- Who We Are 4
- Sustainability Summary 7
- Strong Governance 11
- Lower Carbon Future 20
- Sustainable Energy Development 26
- Employee and Community Engagement 35**
- Appendix 45

Philanthropy and Social Investment

Joining the PSP

In 2024, in alignment with our entry into the Permian Basin, we joined the Permian Strategic Partnership (PSP). The PSP is a coalition of energy companies and higher education institutions that work together to improve access to education, healthcare, workforce development, and infrastructure in West Texas and Southeast New Mexico. Since 2019, the partnership has committed more than \$160 million, which was leveraged into more than \$1.5 billion in investments in the Permian.



"Civitas is proud to partner with the Permian Strategic Partnership to ensure the communities where we operate are premier places to work and live. By joining the PSP, we are actively shaping the future of our region. Our goal is to build a sustainable future in all the areas we operate, including the Permian Basin."

- Chris Doyle, President and CEO

Employee Volunteerism

In addition to financial donations, our employees give their time generously to local nonprofit organizations. Our employees share their leadership skills as board members and serve as hands-on volunteers with charities active in their communities.

To show how much the company values this service, Civitas announced Volunteer Time Off as a new benefit in 2023. Employees receive two days of paid time off to volunteer throughout the year. While many employees volunteer with their teams, they can also serve an organization of their choice.

Employee Serves Women's Bean Project for 20 Years



To Amber Shettron, Director of Corporate Reserves, the Women's Bean Project is more than meets the eye. The job training program serves chronically unemployed women, but its mission focuses on empowering women in need of second chances.

The Denver-based nonprofit supports 60 women who spend six to nine months working in the organization's food manufacturing business to make food products that are sold online and in retail outlets. The women are paid and they receive training, workshops, therapy, classes, and other resources to support self-improvement and preparation for the job market. The project has a 100% success rate in placing women in jobs after they depart the program.

Shettron became a Women's Bean Project volunteer 20 years ago after hearing about the organization through a colleague.

"What they do is amazing," said Shettron. "Many of these women have been incarcerated, experienced drug addiction or domestic abuse, and they are here to learn not only about how to get a job, but the importance of showing up for work and how to find housing, childcare, and transportation."

"Women exit the program with confidence and the skills to ensure success," added Shettron. "They have turned their lives around."

For more than 16 years, Shettron has served as a captain for the organization's annual April fundraiser and assisted on the food packaging production line. To show their support, Civitas employees purchased two tables at last year's fundraiser, volunteered to work at the facility, and donated funds matched through the Civitas Donation Match Program. In 2024, Civitas plans to set up a monthly volunteer schedule for all employees who want to be involved in the organization.

Appendix

Contents

Who We Are	4
Sustainability Summary	7
Strong Governance	11
Lower Carbon Future	20
Sustainable Energy Development	26
Employee and Community Engagement	35
Appendix	45



Contents

Who We Are **4**

Sustainability Summary **7**

Strong Governance **11**

Lower Carbon Future **20**

Sustainable Energy Development **26**

Employee and Community Engagement **35**

Appendix 45

Performance Metrics and Content Indices

The following table references SASB’s Oil & Gas – Exploration and Production industry standard and AXPC’s ESG Metrics Framework for quantitative and qualitative data. All information is presented for historical reference and is subject to future revisions and adjustments as appropriate. This data represents a point-in-time snapshot of Civitas’ performance for the 2023 calendar year, and includes Permian Basin performance metrics from July 1, 2023 with the exception of full year data for Scope 1 emissions or as otherwise noted. Civitas may at its discretion provide additional and updated data on the Civitas website.

Description	Unit of Measure	Applicable Frameworks (SASB / AXPC)	Rockies BU	Permian BU	Enterprise	Notes
Greenhouse Gas Emissions						
Gross global Scope 1 GHG emissions	Metric tons CO ₂ e	SASB EM-EP-110a.1; AXPC	998,183.20	921,948.12	1,920,131.32	As reported under EPA’s Greenhouse Gas Reporting Program (Subpart W)
Gross global Scope 1 GHG intensity rate	Metric tons CO ₂ e / MBOE		10.27	20.61	13.53	
Total electricity consumed	MWh		169,801.75	104,846.26	274,648.01	
Gross Scope 2 GHG emissions (market-based)	Metric tons CO ₂ e		85,521.88	40,465.54	125,987.42	When available, utility-provided emission factors are used for market-based emission factors. Otherwise, emissions factors from the Green-E Residual Mix (published March 31, 2024) are used.
Gross Scope 2 GHG emissions (location-based)	Metric tons CO ₂ e	AXPC	89,821.74	41,206.70	131,028.43	
Total Scope 1 & 2 Emissions (location-based)	Metric tons CO ₂ e	AXPC	1,088,004.94	963,154.82	2,051,159.73	
Gross global Scope 1 & 2 GHG intensity rate	Metric tons CO ₂ e / MBOE		11.19	21.53	14.45	When available, utility-provided emission factors are used for market-based emission factors. Otherwise, emissions factors from the Green-E Residual Mix (published March 31, 2024) are used.
Methane emissions (mT CO ₂ e) as a percentage of gross Scope 1 GHG emissions	Percentage (%)	SASB EM-EP-110a.1	1%	0%	1%	
Percentage of Scope 1 GHG emissions covered under emissions-limiting regulations	Percentage (%)	SASB EM-EP-110a.1	100%	0%	52%	
Gross Scope 1 GHG emissions from flared hydrocarbons	Metric tons CO ₂ e	SASB EM-EP-110a.2	55,220.13	238,047.23	293,267.37	
Gross Scope 1 GHG emissions from other combustion	Metric tons CO ₂ e	SASB EM-EP-110a.2	639,071.07	663,966.65	1,303,037.72	
Gross Scope 1 GHG emissions from process emissions	Metric tons CO ₂ e	SASB EM-EP-110a.2	3,000.51	7,573.70	10,574.21	
Gross Scope 1 GHG emissions from other vented emissions	Metric tons CO ₂ e	SASB EM-EP-110a.2	296,281.63	9,510.98	305,792.61	
Gross Scope 1 GHG emissions from fugitive emissions	Metric tons CO ₂ e	SASB EM-EP-110a.2	4,609.85	2,849.56	7,459.41	
Methane emissions	Metric tons CH ₄	AXPC	12,578.04	1,498.46	14,076.50	
Methane intensity	Metric tons CH ₄ / MBOE	AXPC	0.13	0.03	0.10	

NR = Not Reported

Contents

Who We Are **4**

Sustainability Summary **7**

Strong Governance **11**

Lower Carbon Future **20**

Sustainable Energy Development **26**

Employee and Community Engagement **35**

Appendix 45

Performance Metrics and Content Indices

Description	Unit of Measure	Applicable Frameworks (SASB / AXPC)	Rockies BU	Permian BU	Enterprise	Notes
Greenhouse Gas Emissions						
Percentage of GHG emissions attributed to boosting and gathering segment	Percentage (%)	AXPC	11%	0%	6%	
Percentage of methane emissions attributed to boosting and gathering segment	Percentage (%)	AXPC	2%	0%	2%	
Gross annual volume of flared gas	Thousand cubic feet (MCF)	AXPC	0.00	1,802,589.80	1,802,589.80	
Percentage of gas flared per MCF of gas produced	Percentage (%)	AXPC	0.00%	1.79%	0.58%	
Volume of gas flared per barrel of oil equivalent produced	MCF / BOE	AXPC	0.00	0.04	0.01	
Air Emissions						
NOx (excluding N ₂ O)	Tons	SASB EM-EP-120a.1	3,664	NR	3,664	Criteria pollutants aren't currently reported for Permian operations. PM ₁₀ not required for Colorado Emissions Inventory. Comprehensive inventory not maintained.
SOx	Tons	SASB EM-EP-120a.1	-	NR	-	
Volatile organic compounds (VOCs)	Tons	SASB EM-EP-120a.1	3,993	NR	3,993	
Particulate matter (PM ₁₀)	Tons	SASB EM-EP-120a.1	NR	NR	NR	
Water Management						
Total water withdrawn	Thousand cubic meters (m ³)	SASB EM-EP-140a.1	10,745	7,812.63	17,988.06	In Oct. 2024, we updated our 2022 water data due to a unit error in a previously published report. Our 2022 water withdrawn and consumed amount was 10,745 thousand cubic meters (m ³).
Total water consumed	Thousand cubic meters (m ³)	SASB EM-EP-140a.1	10,745	7,812.63	17,988.06	
Freshwater consumed	Barrels (bbls)	AXPC	63,999,078	34,207,904	98,206,982	
Percentage water withdrawn in regions with high or extremely high baseline water stress	Percentage (%)	SASB EM-EP-140a.1; AXPC	100%	100%	100%	Per WRI Water Risk Atlas tool
Volume of produced water and flowback generated	Thousand cubic meters (m ³)	SASB EM-EP-140a.2	2,925.34	9,234.05	12,159.39	
Percentage discharged of produced water and flowback generated	Percentage (%)	SASB EM-EP-140a.2	0%	0%	0%	
Percentage injected of produced water and flowback generated	Percentage (%)	SASB EM-EP-140a.2	100%	100%	100%	
Percentage recycled of produced water and flowback generated	Percentage (%)	SASB EM-EP-140a.2	0%	0%	0%	
Hydrocarbon content in discharged water	Metric tons	SASB EM-EP-140a.2	0.00	0.00	0.00	
Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Percentage (%)	SASB EM-EP-140a.3	100%	100%	100%	

NR = Not Reported

Contents

Who We Are **4**

Sustainability Summary **7**

Strong Governance **11**

Lower Carbon Future **20**

Sustainable Energy Development **26**

Employee and Community Engagement **35**

Appendix 45

Performance Metrics and Content Indices

Description	Unit of Measure	Applicable Frameworks (SASB / AXPC)	Rockies BU	Permian BU	Enterprise	Notes
Water Management						
Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Percentage (%)	SASB EM-EP-140a.4	14%	0%	0%	There were no cases where the deterioration of surface water quality was identified as originating from oil and gas development.
Total water intensity	Consumed (Bbl) / Gross Annual Production (MBOE)		658.51	1,098.47	797.18	
Freshwater intensity	Fresh Water Used (Bbl) / Gross Annual Production (BOE)	AXPC	0.66	0.76	0.69	
Recycled water	Barrels (bbls)	AXPC	2,500	14,932,039	14,934,539	
Water recycle rate	Recycled Water (Bbl) / Total Water Used (Bbl)	AXPC	0.00	0.30	0.13	
Biodiversity Impacts						
Number of hydrocarbon spills	Number	SASB EM-EP-160a.2	48	18	66	Permian data (as of 8/2/2023) may be overstated as defined level of containment can't be confirmed as in alignment. Disclosed Permian data includes all spills greater than 1 bbl (regardless of containment noted in event).
Aggregate volume of hydrocarbon spills	Barrels (bbls)	SASB EM-EP-160a.2	584	800	1,384	
Total produced liquids	Thousand barrels (Mbbbl)	AXPC	80,526	78,684	159,209	
Produced liquids spilled	Barrels (bbls)	AXPC	582	800	1,382	
Spill intensity	Produced Liquids Spilled (Bbl) / Total Produced Liquids (MBbl)	AXPC	0.007	0.010	0.009	
Aggregate volume of hydrocarbon spills in Arctic	Barrels (bbls)	SASB EM-EP-160a.2	0	0	0	
Aggregate volume of hydrocarbon spills impacting shorelines with ESI rankings 8-10	Barrels (bbls)	SASB EM-EP-160a.2	0	0	0	
Aggregate volume of hydrocarbon spills recovered	Barrels (bbls)	SASB EM-EP-160a.2	126	659	795	

NR = Not Reported

Contents

Who We Are **4**

Sustainability Summary **7**

Strong Governance **11**

Lower Carbon Future **20**

Sustainable Energy Development **26**

Employee and Community Engagement **35**

Appendix 45

Performance Metrics and Content Indices

Description	Unit of Measure	Applicable Frameworks (SASB / AXPC)	Rockies BU	Permian BU	Enterprise	Notes
Biodiversity Impacts						
Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Percentage (%)	SASB EM-EP-160a.3	>0.01%	>0.01%	>0.01%	Previous reporting had aligned only with local Colorado definitions of critical areas and habitats (a broader definition). To best represent our total portfolio, we standardized our 'critical habitat' definition according to the US Fish and Wildlife Service delineations per SASB. Percentages reflect proved reserves only. Proved reserves are based on the 2023 year-end reserves report filed with the Securities and Exchange Commission (SEC). Civitas doesn't disclose information on probable reserves.
Security, Human Rights, and Rights of Indigenous Peoples						
Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Percentage (%)	SASB EM-EP-210a.1	0	0	0	Percentages reflect proved reserves only. Proved reserves are based on the 2023 year-end reserves report filed with the SEC. Civitas doesn't disclose information on probable reserves.
Percentage of (1) proved and (2) probable reserves in or near Indigenous land	Percentage (%)	SASB EM-EP-210a.2	0	0	0	
Community Relations						
Number and duration of non-technical delays	Number, days	SASB EM-EP-210b.2	0	0	0	We voluntarily comply with ozone reduction measures stipulated in operating agreements or counties for designated high-ozone advisories.
Workforce Health and Safety*						
Employee OSHA recordable cases	Number	AXPC	2	0	2	
Contractor OSHA recordable cases	Number	AXPC	13	5	18	
Combined OSHA recordable cases	Number	AXPC	15	5	20	
Annual employee workhours	Hours	AXPC	689,852	112,929	802,781	
Annual contractor workhours	Hours	AXPC	10,945,782	5,417,349	16,363,131	Contractor workhours are estimated by the controller using API's spend-based method.
Annual combined workhours	Hours	AXPC	11,635,634	5,530,278	17,165,928	
Total recordable incident rate (TRIR) for full-time direct employees	Rate	SASB EM-EP-320a.1; AXPC	0.58	0.00	0.50	
Total recordable incident rate (TRIR) for contract employees	Rate	SASB EM-EP-320a.1; AXPC	0.24	0.18	0.22	
Total recordable incident rate (TRIR) for both full-time and contract employees	Rate	SASB EM-EP-320a.1; AXPC	0.26	0.18	0.23	

NR = Not Reported

* Permian data as of August 2, 2023

Contents

Who We Are **4**

Sustainability Summary **7**

Strong Governance **11**

Lower Carbon Future **20**

Sustainable Energy Development **26**

Employee and Community Engagement **35**

Appendix 45

Performance Metrics and Content Indices

Description	Unit of Measure	Applicable Frameworks (SASB / AXPC)	Rockies BU	Permian BU	Enterprise	Notes
Workforce Health and Safety*						
Fatality rate	Rate	SASB EM-EP-320a.1	0.00	0.00	0.00	
Near miss frequency rate (NMFR)	Rate	SASB EM-EP-320a.1	12.47	NR	NR	
Average hours of health, safety, and emergency response training for direct employees	Hours	SASB EM-EP-320a.1	NR	NR	NR	
Average hours of health, safety, and emergency response training for contract employees	Hours	SASB EM-EP-320a.1	NR	NR	NR	
Reserves Valuation and Capital Expenditures						
Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	Million barrels (MMbbls), Million standard cubic feet (MMscf)	SASB EM-EP-420a.1	NR	NR	Reserves table in TCFD response	Amounts reflect proved reserves only. Proved reserves under 2023 Actual Scenarios are based on SEC respective year-end reports. Civitas doesn't disclose information on probable reserves.
Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	Metric tons CO ₂ e	SASB EM-EP-420a.2	NR	NR	66,892,718	
Amount invested in renewable energy, revenue generated by renewable energy sales	US dollar	SASB EM-EP-420a.3	0	0	0	
Business Ethics and Transparency						
Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Percentage (%)	SASB EM-EP-510a.1	0	0	0	
Critical Incident Management						
Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Rate	SASB EM-EP-540a.1	NR	NR	NR	

NR = Not Reported

* Permian data as of August 2, 2023

Contents

Who We Are **4**

Sustainability Summary **7**

Strong Governance **11**

Lower Carbon Future **20**

Sustainable Energy Development **26**

Employee and Community Engagement **35**

Appendix 45

Performance Metrics and Content Indices

Description	Unit of Measure	Applicable Frameworks (SASB / AXPC)	Rockies BU	Permian BU	Enterprise	Notes
Activity Metrics / Additional Metrics						
Production of oil	Thousand barrels per day (Mbbbl/day)	SASB EM-EP-000.A	170.21	76.55	246.75	
Gross annual oil production	Barrels (bbls)	AXPC	62,126,008	27,939,063	90,065,071	Activity metrics align with those reported to the EPA on Subpart W forms rather than financial statements.
Production of natural gas	Million standard cubic feet per day (MMscf/day)	SASB EM-EP-000.A	576.42	276.10	852.52	
Gross annual gas production	Thousand cubic feet (MCF)	AXPC	210,393,860	100,774,749	311,168,609	
Gross annual production	Thousand barrels of oil equivalent (MBOE)	AXPC	97,192	44,735	141,927	
Production of synthetic oil	Thousand barrels per day (Mbbbl/day)	SASB EM-EP-000.A	0	0	0	
Production of synthetic gas	Million standard cubic feet per day (MMscf/day)	SASB EM-EP-000.A	0	0	0	
Number of offshore sites	Number	SASB EM-EP-000.B	0	0	0	
Number of terrestrial sites	Number of active wells	SASB EM-EP-000.C	3,390	503	3,893	Activity metrics align with those reported to the EPA on Subpart W forms rather than financial statements.
Total production	Thousand barrels of oil equivalent (MBOE)		98,401	31,213	129,614	This calculation uses a 5.8 conversion factor for gas production and reflects financial statement reporting.
Production of NGLs	Thousand barrels per day (Mbbbl/day)		58	20	78	

NR = Not Reported

Contents

- Who We Are **4**
- Sustainability Summary **7**
- Strong Governance **11**
- Lower Carbon Future **20**
- Sustainable Energy Development **26**
- Employee and Community Engagement **35**
- Appendix 45**

Performance Metrics and Content Indices

Description	Applicable Frameworks (SASB / AXPC)	Disclosure Location
Qualitative Metrics		
Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	SASB EM-EP-110a.3	Lower Carbon Future; 2024 TCFD Response
Description of environmental management policies and practices for active sites	SASB EM-EP-160a.1	Biodiveristy & Ecosystems; Water Management and Well Integrity; Spill Prevention; Waste Management
Discussion of engagement processes and due diligence practices with respect to human rights, Indigenous rights, and operation in areas of conflict	SASB EM-EP-210a.3	Code of Conduct & Human Rights; Human Rights Policy
Discussion of process to manage risks and opportunities associated with community rights and interests	SASB EM-EP-210b.1	Code of Conduct & Human Rights; Human Rights Policy; Community Engagement
Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	SASB EM-EP-320a.2	Workforce Health & Safety
Discussion of how price and demand for hydrocarbons or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	SASB EM-EP-420a.4	Sustainability Management and Compensation; Emission Reduction Initiatives; Carbon Credits; 2024 TCFD Response
Description of the management system for prevention of corruption and bribery throughout the value chain	SASB EM-EP-510a.2	Code of Conduct & Human Rights
Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	SASB EM-EP-530a.1	Political and Regulatory Engagement
Description of management systems used to identify and mitigate catastrophic and tail-end risks	SASB EM-EP-540a.2	Risk Management

NR = Not Reported

Contents

Who We Are **4**

Sustainability Summary **7**

Strong Governance **11**

Lower Carbon Future **20**

Sustainable Energy Development **26**

Employee and Community Engagement **35**

Appendix 45

TCFD: Climate Risk Analysis

Civitas, in alignment with the TCFD framework, has identified the below climate-related risks. These risks are categorized as either ‘transition’ (impacted by the shift to a lower carbon economy) or ‘physical’ (related to the physical impact of climate change). For more information on our approach to climate-related risk identification, please see Civitas’ most recent [10-K filing](#).

Risk Type	Time Horizon	Civitas Mitigation
Transition Risks		
<p>Policy & Legal Increasingly stringent regulations could reduce profitability as additional emissions reduction requirements are adopted. If a regulated price on carbon is instituted, the additional cost could be borne by exploration and production operators, depending on where in the value chain the fee is collected.</p>	<p>→ Short- to Medium-term</p>	<p>→ Emissions reduction efforts</p> <p>→ Maintaining carbon neutrality through the purchase of verified carbon credits and RECs</p> <p>→ Trade association memberships</p> <p>→ Policy engagement</p> <p>→ Partnership with local regulatory bodies and lawmakers to increase industry education</p> <p>→ Internal carbon pricing for project evaluation</p>
<p>Emerging Technology Emerging technologies, particularly in the utilities sector, could create more efficient systems and further encourage renewable energy adoption, serving to decrease oil and natural gas demand.</p> <p>Also, the effort to retrofit and overhaul Civitas’ facilities with low emission technology could be costly and time-consuming. Operational reliability of new technologies is yet to be proven.</p>	<p>→ Medium- to Long-term</p>	<p>→ Product differentiation to offer lower carbon options</p> <p>→ Utilization of advanced technology to enhance operational efficiency</p> <p>→ Implementation of cost-effective emissions reduction measures</p>
<p>Market – Supply & Demand An imbalance between the supply and demand dynamics of fossil fuels could decrease the price of oil and/or natural gas, potentially resulting in lower company revenue. As adoption of renewable energy increases, demand for certain fossil fuels may decrease.</p>	<p>→ Medium- to Long-term</p>	<p>→ Responsibly Sourced Gas certification</p> <p>→ Contracts structured to scale work activity according to demand</p> <p>→ Commodity price hedging to cover a portion of production</p> <p>→ Analyzing supply chains to ensure high quality product delivery</p>
<p>Reputation Negative perceptions about our industry’s climate impact could cause shifts in investor sentiment, anti-development efforts, and increased regulatory, legislative, and judicial scrutiny.</p>	<p>→ Medium- to Long-term</p>	<p>→ Emissions reduction efforts</p> <p>→ Maintaining carbon neutrality through the purchase of verified carbon credits and RECs</p> <p>→ Responsibly Sourced Gas certification</p> <p>→ Reporting transparency</p> <p>→ External stakeholder engagement</p> <p>→ Community and regulatory partnerships</p>

- Contents
- Who We Are **4**
- Sustainability Summary **7**
- Strong Governance **11**
- Lower Carbon Future **20**
- Sustainable Energy Development **26**
- Employee and Community Engagement **35**
- Appendix 45**

TCFD: Climate Risk Analysis

Risk Type	Time Horizon	Civitas Mitigation
Transition Risks		
<p>Acute The physical effects of climate change could disrupt our production and cause us to incur significant costs in preparing for or responding to those effects. Certain severe weather events, including wildfires and flooding, have been tied to climate change.</p>	→ Short-, Medium-, and Long-Term	<ul style="list-style-type: none"> → Emergency response planning → Spill prevention efforts, including secondary containment → Ozone reduction and air quality improvement efforts → Participation in voluntary curtailment activities when warranted
<p>Chronic Sustained higher temperatures and prolonged droughts could lead to a decline in the amount of available water necessary to perform our operations.</p>	→ Short-, Medium-, and Long-Term	→ Water management and recycling programs

Time Horizons

- Short-term: 1-2 years
- Medium-term: 2-5 years
- Long-term: 5+ years

Contents

Who We Are 4

Sustainability Summary 7

Strong Governance 11

Lower Carbon Future 20

Sustainable Energy Development 26

Employee and Community Engagement 35

Appendix 45

TCFD: Climate-Related Opportunities

Civitas, in alignment with the TCFD framework, has identified the below climate-related opportunities that may provide our organization with new pathways to operational efficiency, better returns and enhanced environmental stewardship.

Efficiencies from Emissions Reductions (Short-, Medium-, and Long-Term):

New regulations continue to drive more efficient operations and require operators to develop new processes and implement solutions to streamline measurement, reduce leakage, and increase efficiencies.

Equipment such as air-operated pneumatic devices and pumps and efficient electric compressors can help reduce emission profiles. Other emissions-reducing technologies include tankless and closed-loop facility designs and energy-efficient engines. Also, new methane detection equipment enables more effective leak detection and repair programs while keeping product in the pipeline.

Opportunity: Civitas is piloting emissions reduction technologies to find effective and cost-efficient solutions for the company. In 2023, as part of the company’s OGMP 2.0 reduction pathway work, Civitas employed the use of additional continuous monitoring solutions at sites and trained internal staff on using leak quantification technology to better understand and contain methane leakage on-site.

For additional information on our emission reduction efforts, see [Emissions Reduction Initiatives](#).

Energy Source Switching (Short-, Medium-term): Grid-electrification of drilling rigs, fracturing fleets, and production facilities can provide a path forward to future carbon reductions as the electric grid decarbonizes. Electrification also provides additional direct air emissions reduction benefits as our industry faces more restrictive air permitting and regulatory requirements related to our operations.

Opportunity: Civitas continues to increase and offset electric consumption, seeing a 39% increase in electric consumption while hydrocarbon production remained flat year-over-year in our Rockies BU.

Products and Services (Medium-, and Long-Term): Demand for fossil fuels is strong, and a transition to a lower-carbon energy economy will likely require the continued use of oil and natural gas for fuel, utility power generation, and in the materials supply chain.

Opportunity: With focused effort to continue to lower our emissions intensity profile, we may be a partner of choice (as compared to other operators) to meet customer demand for energy and chemical feedstocks.

Markets (Short-, Medium-, and Long-Term): A price on carbon and stringent regulatory requirements could make the costs of business comparatively more expensive for higher-emitting companies than for lower-emitting ones.

Opportunity: Our track record of reducing the emissions of acquired assets gives us unique experience in efficiently implementing emission reduction initiatives, which we may be able to leverage to acquire additional assets and implement emissions saving measures to remain below regulated emissions targets.

Resilience (Short-, Medium-, and Long-Term): Transition risks relating to carbon regulations, lower potential product demand, and physical climate risks will continue to tighten the parameters for successful operations. Those operators who can successfully navigate these risks are likely to gain a larger market share.

Opportunity: By operating with a lower carbon focus and including physical climate risk as a factor in acquisitions and operations, Civitas’ business model is carbon resilient, which positions the company well for future growth in a lower-carbon energy economy.

Time Horizons

Short-term: 1-2 years

Medium-term: 2-5 years

Long-term: 5+ years

In 2024, we’ve allocated \$18 million to voluntary emissions reduction projects with much of this budget dedicated to our newly acquired Permian assets. This is in addition to our ~\$9 million anticipated for carbon emissions permitting and monitoring.

Defining the Cost of Carbon

As the incremental metric ton of carbon emissions becomes more difficult to eliminate, the internal cost of carbon range is likely to increase. This is demonstrated with Civitas’ project-based cost of carbon which has increased from approximately \$28/mT CO₂e (November 2021) to almost \$36/mT CO₂e for projects installed in 2023.

For carbon neutral companies like Civitas, the cost to purchase verified carbon credits to annually offset residual emissions also becomes a line item in the three-, five-, and 10-year internal rate of return calculations for new projects.

Contents

Who We Are **4**

Sustainability Summary **7**

Strong Governance **11**

Lower Carbon Future **20**

Sustainable Energy Development **26**

Employee and Community Engagement **35**

Appendix 45

TCFD: Scenario Analysis

Civitas guides its climate-related strategies in part through scenario analysis of long-term trends and developments in energy markets. Annually, the company reviews scenarios developed by the International Energy Agency’s (IEA) World Energy Outlook (WEO) related to global energy supply and demand and implications for energy security, climate change goals, and economic development.

Through the WEO 2023, we studied two report scenarios: 1) Stated Policies Scenario (STEPS) and 2) Net Zero Energy by 2050 (NZE), which each assume different sets of changes in policy, technology, market demand, and energy efficiency through 2050. We juxtaposed these scenarios against our 2023 Actual Observations (CIVI AO) — Civitas data that comports to reserve pricing and SEC filings as of year-end 2023. By using 2023 pricing as a comparative number for the 2030 scenarios, Civitas is able to compare those scenarios as if they were in place today and demonstrate what impacts they would have on reserves.

All scenarios assume that methane monitoring and emission reduction technologies continue to evolve and proliferate with a focus on continuous ambient air emissions monitoring with immediate intervention. Each scenario also assumes that newer hydraulic fracturing equipment and technology will continue to improve, becoming more efficient and lower emitting.

	CIVI AO	STEPS	NZE
Description	Provides a snapshot comparison of actual market conditions at the end of the calendar year	Highlights the direction of the energy economy, based on the actual state of play in different sectors, countries, and regions	Maps out a transition pathway that would limit global warming to 1.5°C
Policy	Sees multiple legal cases regarding the ability of the EPA to regulate carbon emissions as either pending or resolved without any overarching directive for any party, outside of the federal government; global outlook includes increased carbon limitations being imposed on select markets	Assumes the continuation of the latest policy implementation levels, including energy, climate, and related industrial policies; also assumes certain countries have regulated carbon pricing frameworks	Requires much more determined policy action by foreign governments; assumes that all advanced economies have established regulatory carbon pricing frameworks
Oil and Natural Gas Demand	Generally steady, continuing to track just below that anticipated in the long-term STEPS outlook and well above the NZE outlook	Remains steady through 2030, then slightly decreases until 2050	Predicts an approximate 20% decrease in demand for oil through 2030, and a much more dramatic drop by 2050
IEA Crude Oil Pricing (2023 USD/barrel)	\$78	\$85 in 2030 / \$83 in 2050	\$42 in 2030 / \$25 in 2050

Based on our scenario study, Civitas’ portfolio proves resilient particularly as the company continues to adopt emissions reduction practices to best position the company for a lower carbon future. Civitas reports the following proved reserves under each scenario:

2023 Reserves Analysis

Scenarios	Net Proved Reserves*		
	Oil (MMbbls)	Natural Gas (MMscf)	NGL (MMbbls)
CIVI AO	273	1,320	205
STEPS	277	1,358	210
NZE	202	940	147

* Proved reserves are based on the 2023 year-end reserves report filed with the SEC.



civitasresources.com

CIVITAS RESOURCES, INC.
555 17th Street
Suite 3700
Denver, Colorado 80202