



vital
Energizing human potential

2023
Sustainability
Report

in this report



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More information about our climate risks, opportunities and scenario analysis can be found in our [Climate Risk and Resilience Report](#).



Letter from Our Leaders November 2023

Vital Energy exists to energize human potential. We believe in a future where people are powered by sustainable and abundant energy — a vision we intend to achieve by producing the affordable, lower carbon intensity energy needed to power people’s lives.

Global energy challenges are complex and require balancing energy security demands with a lower carbon economy — all while managing a commodity price environment, ever-expanding disclosure and regulatory requirements, and building value for our shareholders. Although daunting, we won’t back down from this challenge or be held back by conventional thinking. Rather, we are determined to lead our industry through innovation and a limitless mindset.

As we look ahead, the most viable operators will be both economically and environmentally sustainable. We are well-positioned for success as a pure play operator in the Permian Basin — an oil and gas play with the lowest breakeven development costs in North America — and through our track record of decreasing emissions across our operations.

We are taking a comprehensive approach to reducing our emissions, and it’s working. We have achieved two of our short-term climate targets — our Scope 1 Greenhouse Gas (GHG) emissions intensity is below our 2025 target of 12.5 mtCO₂e / MBOE and our methane emissions are below our 2025 target of 0.20%.¹ We reached these milestones three years ahead

¹ As a percentage of natural gas produced.

of schedule by instilling environmental and safety best management practices across our Company and investing in new technologies to optimize production, lower operating costs and reduce our emissions.

Just as technology and innovation drive value at Vital Energy, so does our commitment to sustainability. Sustainability is integrated into our operational decision-making and backed by a culture committed to protecting both our people and the environment. In 2022, we had zero employee safety incidents and the best combined employee and contractor safety performance in our history. This performance required daily dedication from our team, and we commend every Vital Energy employee for continuing to make safety a priority.

Vital Energy intends to be a leader in producing secure, sustainable and abundant energy — ensuring that future generations will be able to live life to their fullest potential. Thank you for your interest as we work together to create a future that provides plentiful energy for all.

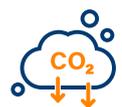
Sincerely,

Jason Pigott
President and CEO

William Albrecht
Chair, Board of Directors

Jarvis V. Hollingsworth
Chair, Nominating, Corporate Governance, Environmental and Social Committee of the Board of Directors

our targets by 2025



< 12.5 mtCO₂e / MBOE
Scope 1 GHG Emissions Intensity

ACHIEVED



< 0.20%
Methane Emissions¹

ACHIEVED



Eliminate
Routine Flaring



50% Recycled Water
for Completion Operations



< 10 mtCO₂e / MBOE
Scope 1 and 2 GHG Emissions Intensity

by 2030

About Us

Founded in 2006, Vital Energy, Inc. (NYSE: VTLE) is an independent energy company with headquarters in Tulsa, Oklahoma. Vital Energy's business strategy is focused on the acquisition, exploration and development of oil and natural gas properties in the Permian Basin of West Texas. Since our earliest days, we've focused on something greater than producing hydrocarbons — providing the energy vital to helping people live better, healthier and more prosperous lives.



289

Full-time employees in Oklahoma and Texas



163,286

Net acres operated in the Permian Basin



77,947

Net BOE per day production



19%

Net oil production growth over 2021



302.3 MMBOE

Proved reserves
30% natural gas, 39% oil,
31% natural gas liquids



\$220 million

Free cash flow

As of or for the year ended, Dec. 31, 2022 as applicable



We are Vital Energy

Purpose

We exist to energize human potential.

Vision

We see a future in which people are powered in sustainable and abundant ways.

Mission

We set ourselves apart by advancing a limitless mindset.

Values

Our company values are foundational to delivering on our purpose.

Unafraid

- Dare to dream
- Seize opportunities
- Seek feedback
- Challenge precedents
- Experiment unapologetically

Unshakeable

- Stay true to what is right
- Anticipate obstacles
- Push past perceived limits
- Pivot when needed
- Celebrate the journey

Unbiased

- Invite diversity
- Lead with curiosity
- Follow the facts
- Get comfortable with conflict
- Listen with an open mind

We believe energy provides opportunity,
and opportunity provides hope and freedom.
This means that energy is not only important, **Energy is Vital.**



2022 Sustainability Highlights

At Vital Energy, we believe responsibly produced hydrocarbons are essential to energizing human potential. That's why we are committed to reducing our environmental impact and stewarding the resources in our care with every barrel we produce.

Focused on Stewardship

HUMAN RESOURCES

- Workforce health and safety programs
- Neighbor and community safety measures
- Stakeholder engagement

NATURAL RESOURCES

- Biodiversity protection
- Land conservation and spill prevention
- Emissions and water management

FINANCIAL RESOURCES

- Governance practices
- Stockholder engagement
- Reporting transparency

Oversight and Accountability

Our Board of Directors has ultimate oversight of our environmental, social and governance (ESG) strategy and performance with our Nominating, Corporate Governance, Environmental and Social (NGE&S) committee monitoring ESG and climate issues on at least a quarterly basis.

Vital Energy's Chief Sustainability Officer (reporting to our CEO) leads the implementation of our ESG strategy with support from our ESG Management Committee, a group comprised of cross-functional Company leaders. To further drive accountability across the executive team, environmental and safety metrics have been incorporated into our short- and long-term incentive programs (STIP and LTIP) respectively.



First Permian Operator Certified for Responsible Production

In 2022, Vital Energy was proud to be the first Permian operator to receive a third-party, industry-specific certification for responsible operations through Project Canary's TrustWell Certification. This certification placed Vital Energy in the top quartile of operators committed to risk mitigation and environmental responsibility.

Project Canary's robust certification process evaluated operations and risk mitigation associated with our Howard County development program, representing approximately 30% of our gross operated oil production in 2022. In 2023, we doubled both our certification and continuous emissions monitoring programs to cover our near-term development program, representing approximately 60% of our gross operated oil production.

Additionally, 80% of our 2022 certified volumes achieved a Low Methane Rating for site specific emissions less than 0.20% methane as a percentage of natural gas produced. We are proud to be the first company to earn a Low Methane Rating, demonstrating our continued commitment and progress to reducing GHG and methane emissions associated with our operations.



2022 Sustainability Highlights CONTINUED

Significant Progress Toward Our Environmental Targets

	Category	2019 Baseline	Target	2022 Performance	Target Status
by 2025	Scope 1 GHG emissions intensity	26.03 mtCO ₂ e / MBOE	below 12.5 mtCO ₂ e / MBOE (52% reduction from baseline)	10.70 mtCO ₂ e / MBOE	Achieved (59% reduction from baseline)
	Methane emissions	0.87% ¹	below 0.20% (77% reduction from baseline)	0.11%	Achieved (87% reduction from baseline)
	Routine flaring	867 MMCF / year	Zero	500 MMCF / year	42% reduction to date
	Recycled water	35% water recycling rate 8 million bbls recycled	50% for completion operations	49% water recycling rate 18.5 million bbls recycled	99% toward our target
by 2030	Combined Scope 1 and 2 GHG emissions intensity	26.53 mtCO ₂ e / MBOE	below 10 mtCO ₂ e / MBOE (62% reduction from baseline)	12.37 mtCO ₂ e / MBOE	86% toward our target 53% reduction to date

¹ As a percentage of natural gas produced.

Social and Governance Highlights

Safety



- 0** Employee safety incidents
- 0** Employee or contractor fatalities
- 0.61** Combined Total Recordable Incident Rate (TRIR), the lowest in Company history

Diversity, Equity and Inclusion



- 60%** Board diversity
- 75%** Board Committees led by diverse directors
- 55%** New hires were diverse

Governance



- 2** New Board directors
- 50%** Of directors have environmental and sustainability expertise
- 20%** Of STIP and 15% of executive LTIP tied to sustainability and safety performance



Performance Metrics

	Unit or Formula	2019	2020	2021	2022
OPERATIONS					
Total production (gross operated, 2-stream)	BOE (6:1, gas-to-oil ratio)	41,102,411	41,080,064	40,947,409	42,253,583
Oil production (gross operated, 2-stream)	Bbls	14,115,232	13,247,713	19,143,245	20,292,417
Wet gas production (gross operated, 2-stream)	MCF	114,222,878	129,039,873	130,824,987	131,766,996
Acres of land under management	Acres	133,513	133,199	166,064	163,286
Total gross operated wells	Number	1,269	1,322	1,644	1,689
Revenue	\$ (in thousands)	\$ 837,281	\$ 677,192	\$ 1,394,075	\$ 1,920,796
EMISSIONS					
Total global Scope 1 GHG emissions	mtCO ₂ e	1,070,077	950,218	708,178	452,106
Scope 2 emissions	mtCO ₂ e	20,288	21,578	65,361	70,574
Scope 3 emissions ¹	mtCO ₂ e	14,572,966	14,450,486	14,719,384	15,524,955
Gross global Scope 1 GHG emissions intensity rate	mtCO ₂ e / MBOE	26.03	23.13	17.29	10.70
Methane emissions as a percentage of natural gas produced	mtCH ₄ / MCF	0.87%	0.60%	0.32%	0.11%
Methane emissions intensity	mtCH ₄ / Gross annual production as reported under subpart W (MBOE)	0.50	0.38	0.20	0.07
Percentage of natural gas flared per MCF of natural gas produced	Gross annual volume of flared natural gas (MCF) / Gross annual natural gas production (MCF)	1.93%	0.75%	0.73%	1.15%
Routine flaring	MMCF	867	758	945	500
WATER					
Freshwater intensity	Freshwater / Gross operated production (BOE)	0.66	0.59	0.58	0.45
Water recycle rate	Recycled water (bbls) / Total water consumed (bbls)	35%	19%	26%	49%
SPILLS					
Produced fluid spill intensity (secondary containment)	Bbls spilled / 1,000 bbls produced	0.20	0.11	0.02	0.03

¹ Estimated Scope 3 emissions based on gross operated sales volumes using the Ipeca Category 11 methodology, which incorporates EPA GHG emissions factors. Our Scope 3 estimates are preliminary, and subject to uncertainty, inconsistency, duplication.



Performance Metrics CONTINUED

	Unit or Formula	2019	2020	2021	2022
SAFETY					
TRIR (combined)	(Number of recordable incidents * 200,000) / Total workforce working hours	0.86	0.74	1.44	0.61
TRIR (employees)	(Number of recordable incidents * 200,000) / Total employee working hours	0.37	0.78	1.22	0.00
TRIR (contractors)	(Number of recordable incidents * 200,000) / Total contractor working hours	1.00	0.73	1.53	0.78
Fatalities (combined)	Number	0	0	0	0
Fatalities (employees)	Number	0	0	0	0
Fatalities (contractors)	Number	0	0	0	0
WORKFORCE					
Employee headcount	Number	280	256	273	289
Employee diversity within workforce	Percentage	47%	47%	47%	49%
Women as a percent of the workforce	Percentage	29%	27%	27%	28%
Women as a percent of leadership ¹	Percentage	21%	20%	27%	26%
Minorities as a percent of the workforce	Percentage	26%	25%	26%	28%
Minorities as a percent of leadership ¹	Percentage	11%	11%	9%	12%
GOVERNANCE					
Independent directors (NYSE standards)	Percentage (Number)	89% (8)	91% (10)	89% (8)	90% (9)
Women directors	Percentage (Number)	22% (2)	44% (4)	44% (4)	30% (3)
Minority directors	Percentage (Number)	0% (0)	22% (2)	22% (2)	40% (4)
Total diverse directors	Percentage (Number)	22% (2)	36% (4)	56% (5)	60% (6)
Average director tenure	Years	7.3	4.3	3.3	3.1

Additional metrics
are available in our
[Data Tables](#).

¹ Leadership is defined as those in supervisory roles, excluding corporate officers.



Our Role in the Future of Energy

We believe in a future where people are powered by sustainable and abundant energy. This future is possible, in part due to the energy we produce to energize human potential.

The World Needs Access to Reliable, Affordable Energy

By 2050, the world economy could more than double in size, with emerging markets growing nearly twice as fast as advanced economies.¹ Historically, when economies grow so does energy demand.

Yet, for the first time in two decades, the number of people without access to modern energy is also increasing. According to the International Energy Agency (IEA), 770 million people live without electricity and often the electricity that is available is unreliable.² Additionally, more than 2.5 billion people rely on inefficient and polluting cooking fuels like animal dung and crop waste.^{2, 3} **This means that nearly 1 out of every 3 people on earth don't have the reliable energy they need to energize their potential.**

There are many reasons for this increasing lack of energy access, including the effects of the global pandemic and associated supply chain disruptions, inflationary pressures and geopolitical tensions. However, these reasons underscore the importance of producing reliable and affordable energy today. The bottom line is that the world needs access to reliable, available energy that is low cost and low carbon.

¹ PWC, "[The Long View: How Will the Global Economic Order Change by 2050?](#)" February 2017. Accessed May 2023.

² IEA, "[Access to Electricity](#)," Accessed April 2023.

³ IEA, "[Access to Clean Cooking](#)," Accessed April 2023.

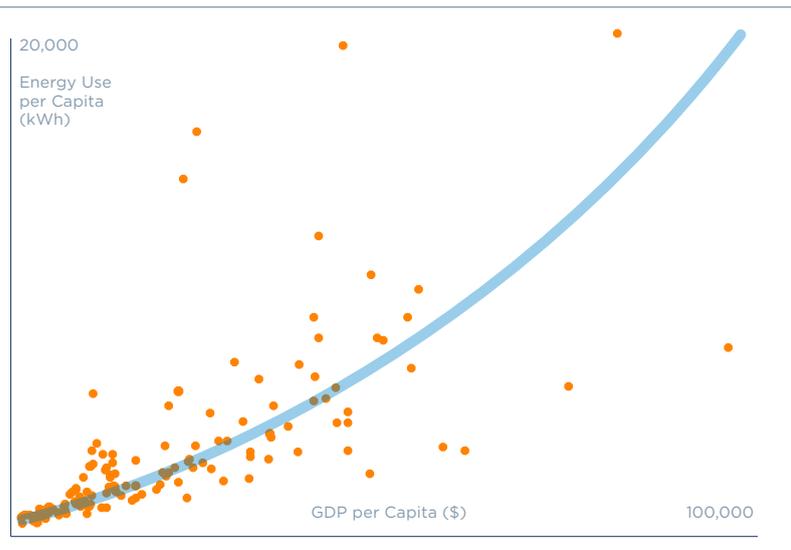
⁴ Our World in Data, "[GDP per Capita vs. Energy Use, 2015](#)," Accessed September 2023. Annual energy use per capita, measured in kilowatt-hours per person vs. gross domestic product (GDP).

⁵ Our World in Data, "[Energy Use per Capita vs. Share in Extreme Poverty, 2018](#)," Accessed September 2023. Per capita energy use is measured in kilowatt-hours (kWh) per year. Extreme poverty is defined as living below the International Poverty Line of \$2.15 per day.

GDP per Capita vs. Energy Use 2015⁴

● = one country

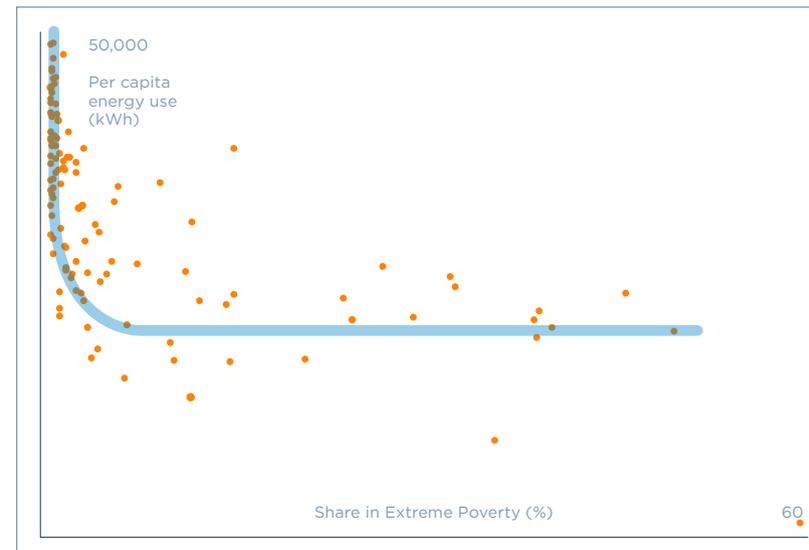
Energy demand grows with economies



Energy Use per Capita vs. Share in Extreme Poverty⁵

● = one country

More reliable, affordable energy is needed



Our Role in the Future of Energy CONTINUED

U.S. Production is Leading

The U.S. is the largest oil and natural gas producer in the world and has already shown measurable progress in reducing emissions.¹ Using flaring as a proxy for environmental performance, the U.S. has stronger performance than all other countries that have material volumes of energy production. Also, flaring associated with U.S. oil and natural gas production has declined more rapidly than any other country, underscoring our commitment to producing reliable and environmentally sustainable energy.²

Additionally, U.S. oil and natural gas production is highly regulated, ensuring proper governance and a high degree of concern for the safety and well-being of our workforce and operating areas. Like Vital Energy, many companies in our industry are committed to protecting human rights and creating a safe, inclusive workplace for all.

Low Cost is Sustainable

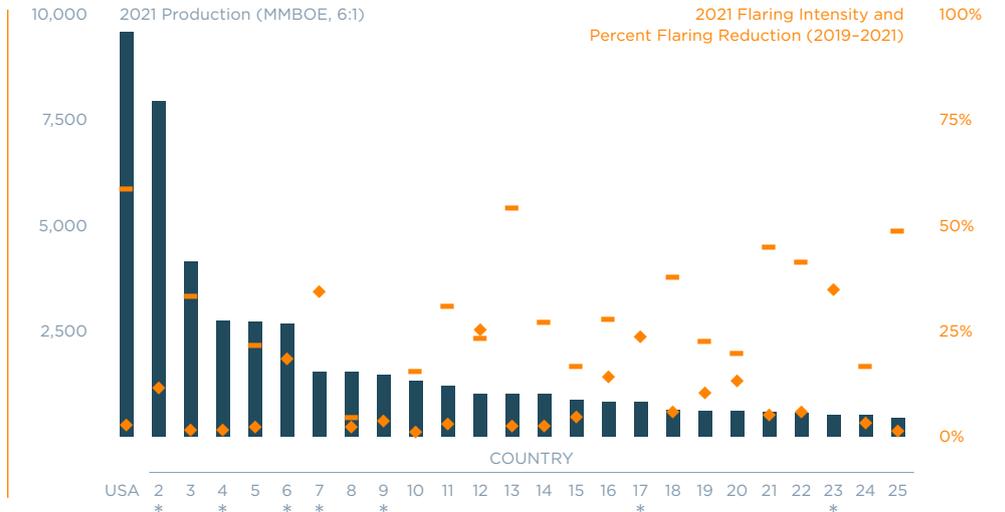
A key attribute to future industry leadership is cost efficiency. Those producers with the lowest costs will have a significant advantage in a more competitive marketplace. As a pure play producer, Vital Energy operates in the Permian Basin, which boasts the lowest

¹ U.S. Energy Information Administration, "Rankings about Energy in the World," production through 2021. Accessed September 2023.

Global Production vs Flaring²

- Production (MMBOE) (2021)
- ◆ Flaring Intensity (MCF / BOE) (2021)
- ▬ Percent Flaring Reduction (2019-2021)

* Countries with increased flaring

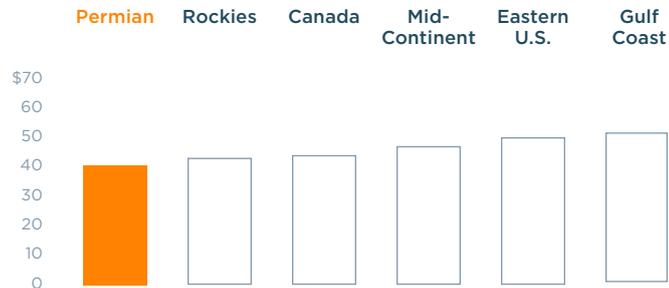


breakeven development costs for existing oil and natural gas plays in North America. Furthermore, our assets are in the Permian's two lowest cost sub-basins (Delaware and Midland). These strategic locations, coupled with our continued commitment to optimizing our production, underscore the resilience of our assets.³

² Enverus, May 2023.

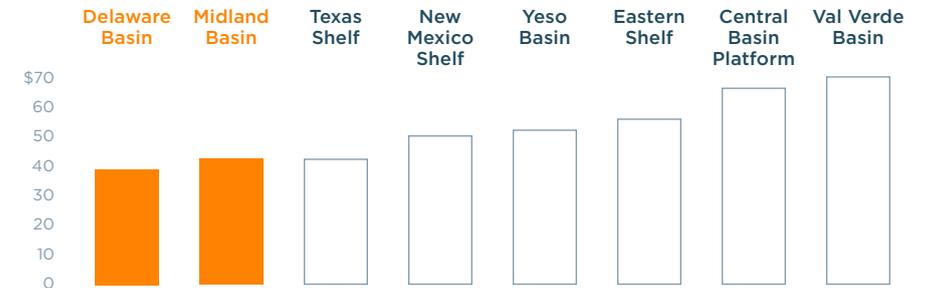
³ Enverus. Breakeven data (20:1) for North American Oil and Natural Gas Basins, April 2023. Enverus. Breakeven data (20:1) for Permian Basin sub-basins, April 2023.

Breakeven Oil Prices for North American Oil and Natural Gas Basins³



Vital Energy assets are well positioned to continue supplying the lower cost, lower carbon energy the world needs.

Breakeven Oil Prices for the Permian Basin³



Vital Energy Operations

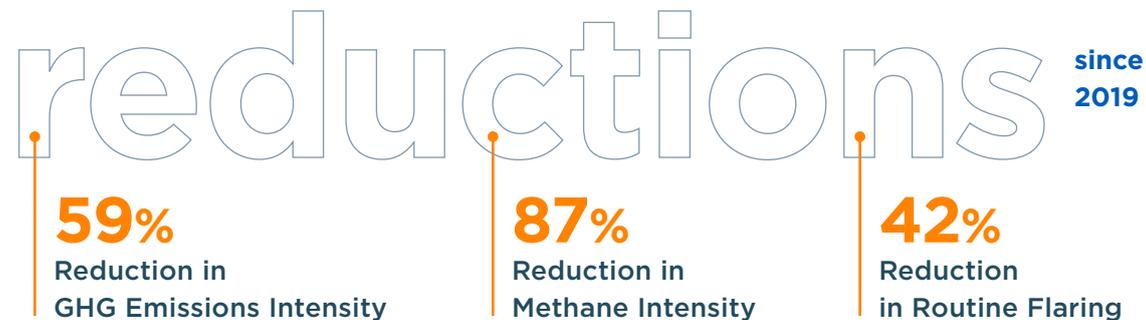


Our Role in the Future of Energy CONTINUED

Supporting the Lower Carbon Transition

As the IEA states, the “landscape of the oil and gas industry is diverse, meaning there is no single strategic response” for supporting a low carbon transition. However, a variety of approaches (specific to a company’s circumstances) must be developed for the industry to reduce emissions and improve environmental performance.¹

Vital Energy, through target setting and strategic planning, has identified and started implementing measurable emissions reduction initiatives. In fact, the company has already achieved two of its three 2025 emissions reduction targets, reducing Scope 1 GHG and methane emissions intensities by 59% and 87% respectively since 2019.²



We are proud to be the first operator in the Permian Basin to have a portion of our production certified as TrustWell™ Responsibly Sourced by Project Canary. In 2023, we expanded our certification and continuous emissions monitoring programs to cover our near-term development program, representing approximately 60% of our gross operated oil production. Additionally, 80% of our 2022 certified volumes achieved a Low Methane Rating. Vital Energy was the first company to earn this rating, demonstrating our continued commitment to reducing GHG and methane emissions associated with our operations.

¹ IEA, “Oil and Gas Industry Needs to Step Up Climate Efforts Now,” January 20, 2020.

² Please refer to our [performance metrics table](#) for the data used to calculate these percentages.



We are confident that our remaining 2025 and 2030 emissions reduction targets are achievable by continuing our focus on:

- Converting to non-vent pneumatic devices
- Electrifying our field operations, where feasible
- Expanding digital technology and emissions monitoring to cover more facilities
- Increasing the frequency of our on-site leak detection and repair program
- Reducing flaring through third-party offtake, where feasible



Our Role in the Future of Energy CONTINUED

Resilient in a Lower Cost, Lower Carbon Economy

We expect our assets to be resilient sources of reliable energy in a lower carbon economy, according to our risk analysis. We evaluate risks and opportunities as defined by the Task Force on Climate-related Financial Disclosure (TCFD)'s framework — considering both timing and impact to our business strategy, performance and financial planning.

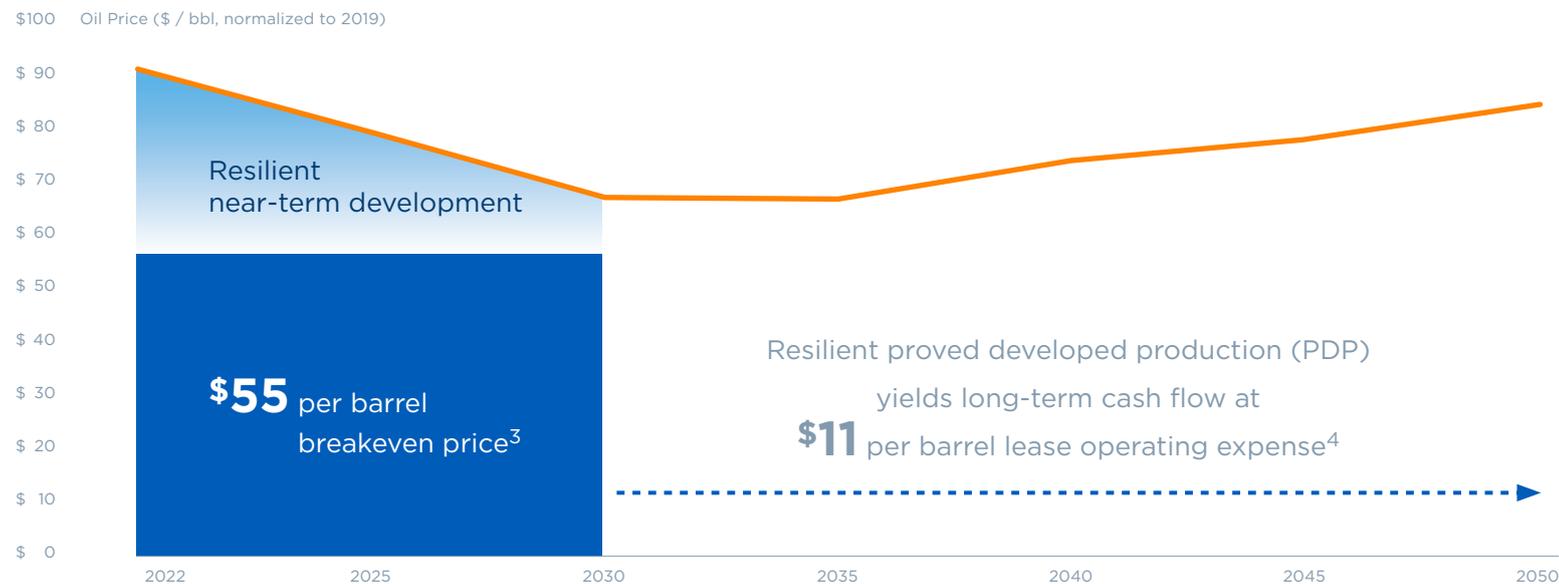
For our scenario analysis, we evaluated eight individual scenarios developed from the IEA, Wood Mackenzie and the Network for Greening the Financial System (NGFS), analyzing the projected pricing of oil from 2030 through 2050 against our breakeven price in five-year increments. We believe this analysis provides us a comprehensive picture of carbon pricing transition risk across the next decade.

Although there are risks, we find that the shift to a net zero scenario also offers opportunity for Vital Energy. The United States Energy Information Administration (EIA) and the IEA both continue to project that oil and natural gas will remain a significant part of the global energy mix across most scenarios limiting warming to 1.5°C or 2°C. In the IEA Net Zero Emissions by 2050 Scenario, oil and natural gas are projected to account for 8% and 11% (respectively) of the world's primary energy demand. This means that even in a net zero scenario, oil and natural gas production will represent approximately 20% of future energy supply.¹

¹ IEA, "Net Zero by 2050: A Roadmap for the Global Energy Sector," Accessed April 2023.

Inventory Resilience Through 2030 Provides Long-term Cash Flow

- Average Development Inventory Breakeven (per barrel)
- ⋯ Average Lease Operating Expense (per barrel)
- Median Oil Price Across Climate Scenarios²



To learn more, read our [TCFD-aligned climate report](#).

¹ We utilized the following climate scenarios from Central Banks and Supervisors Network for Greening the Financial System (NGFS) and the IEA to create the median net zero curve: Divergent NZ REMIND, Divergent NZ MESSAGEix, Divergent NZ GCAM, NZ 2050 REMIND, NX 2050 MESSAGEix, and NZ 2050 GCAM.

² Breakeven price calculated using a 20:1 natural gas to oil ratio; Vital Energy [June 2023 Investor Presentation](#). Breakeven price doesn't reflect acquisitions made in 2023.

³ Average Lease Operating Expense (December 2022, SEC reserves case).



Using Technology to Improve Performance, Advance Sustainability

- Increase revenue
- Optimize production
- Improve efficiencies
- Mitigate environmental impact
- Protect our workforce

Our Digital Transformation



Reflecting our limitless mindset, we recognize the value of technology in improving our operations and advancing sustainability across our industry. Particularly as we prepare for a lower carbon future, we embrace data and implement new technology for more efficient operations.

In 2019, we began a digital transformation — focused on helping our engineers solve operational problems easier, more efficiently and often with better results.

Intelligent Well, our digital transformation initiative, focuses on optimizing our production operations with an aspiration to include all operations. Functioning as our data analytics platform, Intelligent Well leverages advanced cloud technologies, ensuring scalability and seamless integration of sophisticated machine learning and artificial intelligence algorithms. This platform positions Vital at the forefront of data-centric decision making in our industry and has already enhanced operational outcomes.

Since adopting Intelligent Well, our differential technology and change leadership increased productive field delivery by 2%–3% over initial performance. Moreover, the Intelligent Well program creates safer sites by monitoring and alerting field staff to prevent adverse environmental or safety incidents.

INTELLIGENT WELL PROGRAM AND FOCUS AREAS

measure ▶
through real-time
data collection and analysis

optimize ▶
decisions
and processes

automate ▶
processes and engage
team members when needed

Well performance
and economics

Artificial lift
(Smart Lift)

Safety and
environmental protection

Enhanced monitoring
and remote diagnostics

Automated
paperwork



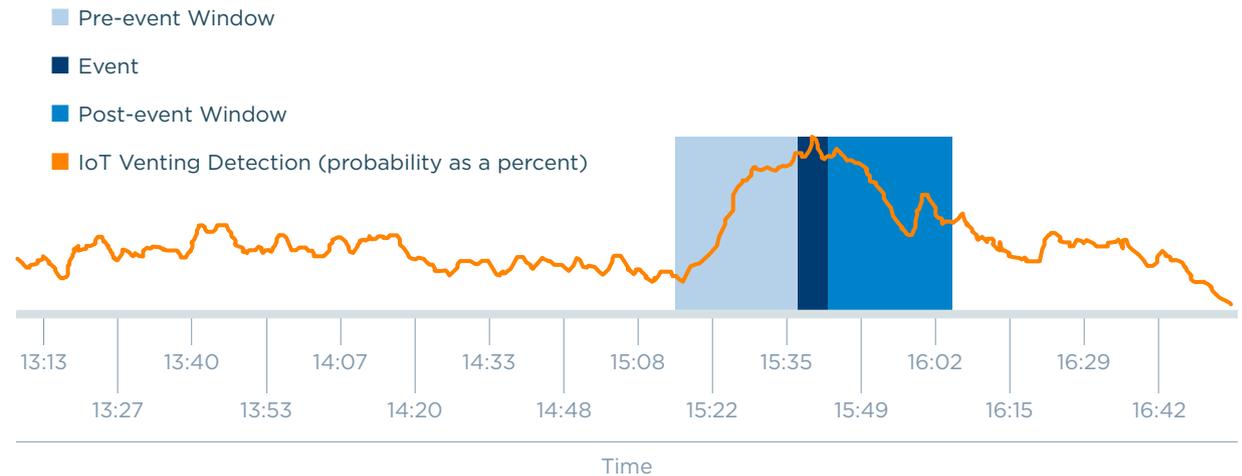
Using Technology to Improve Performance, Advance Sustainability CONTINUED

Contributing to Intelligent Well data are key solutions including:

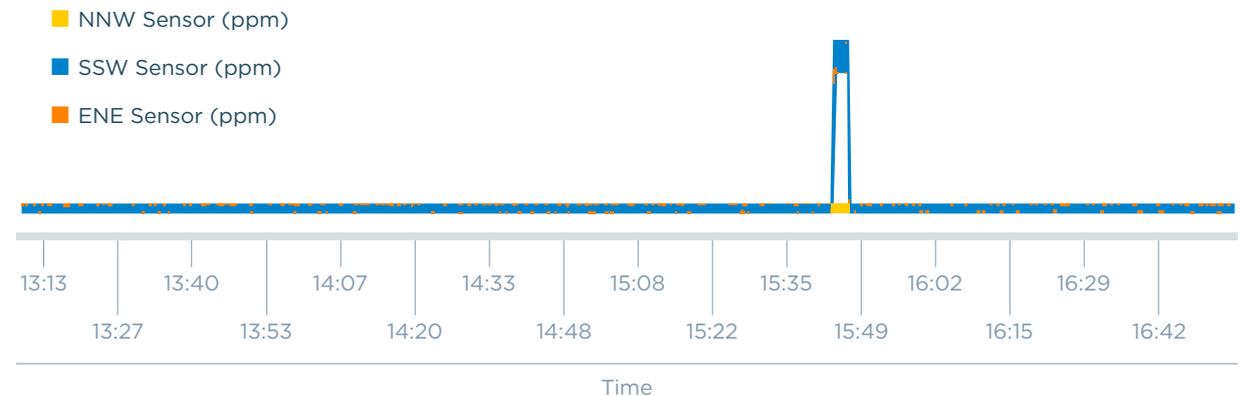
Technology Solution	Innovation
Supervisory Control and Data Acquisition (SCADA) Computer-based system that collects real-time data for remote monitoring, controlling equipment and spill prevention; allows for remote adjustments and alerts should there be a time-sensitive event	98% of sites covered by SCADA technology
Dynamic Routing Using remote sensor data, the app detects real or potential events and alerts / routes lease operators for site visits and maintenance	Continuous digital supervision of over 1,500 wells, 64 million barrels of fluid, and 100 billion cubic feet of natural gas
Electric Submersible Pump (ESP) Algorithms Machine-learning algorithms that help produce high well flow rates by optimizing ESP operating parameters and by better predicting potential ESP failures that could stop production	Continuous machine learning supervision currently optimizing over 200 wells, 62 million barrels of fluid, and 19 billion cubic feet of natural gas
Thermal Imaging Cameras / Computer Vision On-site cameras that detect venting and flaring; often paired with Continuous Emissions Monitoring Systems for comprehensive emissions detection; insights can predict when vents may occur and trigger repairs in advance	Continuous monitoring currently at 24 sites covering over 32,000 barrels per day of gross operated oil production

Innovation and technology are critical tools in reaching our business objectives. We will continue to grow our Intelligent Well platform, being agile and adopting new solutions to increase revenue, optimize production and achieve our safety and sustainability goals.

Computer Vision Predicts and Detects Emission Event, Confirmed by Continuous Emissions Monitoring System



Continuous Emissions Monitoring System



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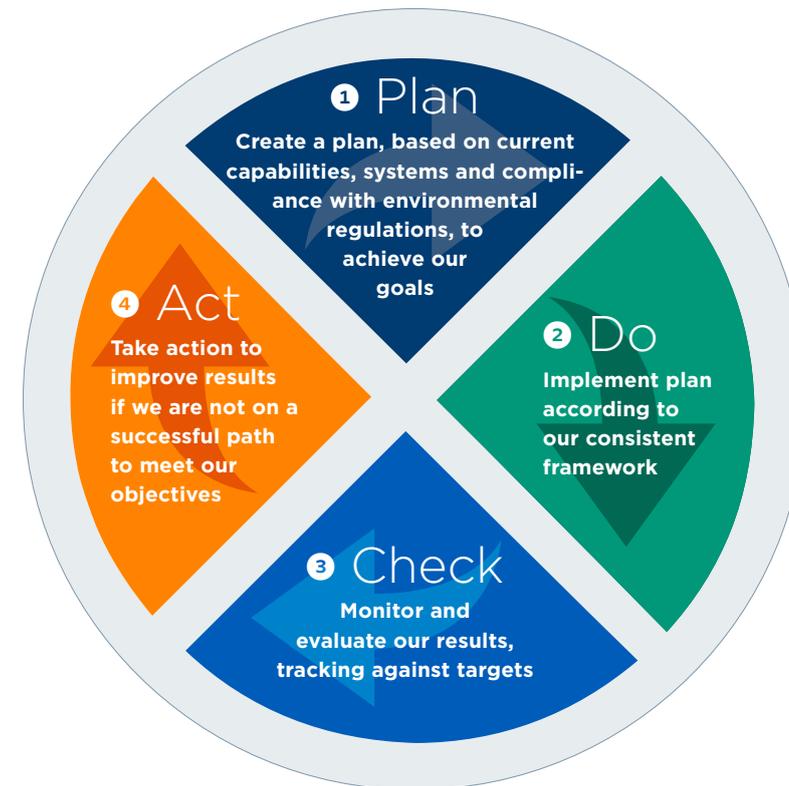
Environmental Management System (EMS)

Sustainable solutions require a balanced approach to producing reliable and affordable energy while reducing our environmental footprint for future generations. Our focus on continuous improvement, environmental stewardship and employee ownership are an important part of Vital Energy's culture of staying true to what is right. Read our [Environmental and Biodiversity Policy](#) [here](#).

Vital Energy's EMS is a set of processes and procedures that help the Company maintain compliance and decrease risk and environmental impacts. The system is integrated into our operations and offers our team a consistent framework for decision-making and training practices. Our Internal Audit team regularly reviews and audits our EMS both in part and as a comprehensive system. Due in part to the effectiveness of this system, Vital Energy has not paid any material fines related to environmental or ecological issues in the past five fiscal years.

Responsibility for implementing and managing our EMS, as well as educating our internal teams, is held by our Chief Sustainability Officer and our Vice President of Operations, who leads our Operations and Environmental, Health and Safety (EHS) teams. Senior executives and our Board of Directors also provide oversight for our EMS initiatives to ensure improvements to our environmental performance.

We developed our EMS framework in reference to the ISO 14001 Standard, using the "Plan-Do-Check-Act" (PDCA) methodology as our standard system approach.



EMS
framework

Our EMS in Action – Using Technology for Emissions Reduction

Plan | After setting emissions reduction targets for 2025, we adopted a carbon abatement curve (CAC) to identify technology solutions that provide economical carbon abatement relative to the current cost of offsetting such emissions.

Do | Based on our CAC and other operational analysis, we are prioritizing specific projects and investments, including electrification, enhanced monitoring, facility upgrades and technology adoption, on sites with the largest operational emissions.

Check | At least quarterly, we monitor our emissions profiles on the sites where the approach was adopted and compare this data against our baseline to measure effectiveness and progress toward our targets.

Act | If there are any issues or unexpected results, our teams work together to continuously improve outcomes.



Emissions Management

Climate change is an important issue to our stakeholders and one that we take seriously. We recognize the need for our industry to reduce its carbon footprint to better align with global climate goals. Through strong governance, targeted goal setting and proactive emissions reduction programs, Vital Energy is working to be a leader among our peers in a lower carbon future.

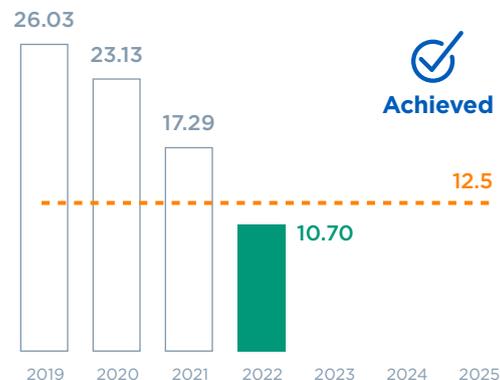
Our priority is to reduce the Scope 1 and 2 emissions associated with our operations. When developing our 2025 and 2030 targets, we created corresponding roadmaps to achieve our reductions. For hard-to-abate emissions, we may consider the future use of high-quality offsets; however, we do not intend to use offsets to reduce emissions that could otherwise be economically abated.

In 2021–2022, we invested approximately \$8.3 million to retrofit facilities and replace pneumatics across our operations. These changes mitigated \$8 million per year in potential methane fees and allowed us to achieve our 2025 methane emissions target ahead of schedule.

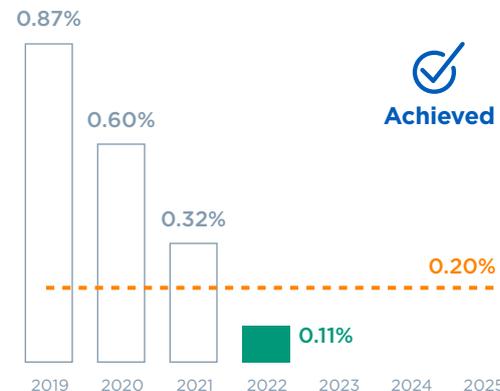
Emissions Reduction Initiatives

Scope 1 Emissions	Scope 2 Emissions	Scope 3 Emissions
<ul style="list-style-type: none"> Replacing pneumatic devices and reducing vented emissions Expanding electrification of field operations Expanding continuous emissions monitoring and our LDAR program Monitoring approximately 60% of gross operated oil production via continuous emissions monitoring program 	<ul style="list-style-type: none"> Exploring renewable energy partnerships, particularly those partnerships that create additional renewable energy on the grid vs. buying unbundled renewable energy credits 	<ul style="list-style-type: none"> Partnering with third-party midstream and refining companies that purchase our produced products to mitigate emissions across the value chain Collaborating with energy consumers in our value chain to explore opportunities for mutual benefit

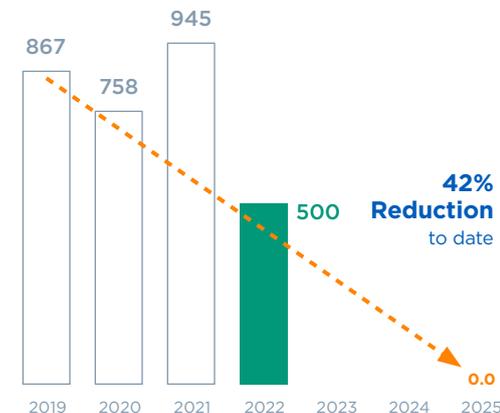
Scope 1 GHG Emissions Intensity Target
by 2025 (mtCO₂e / MBOE)



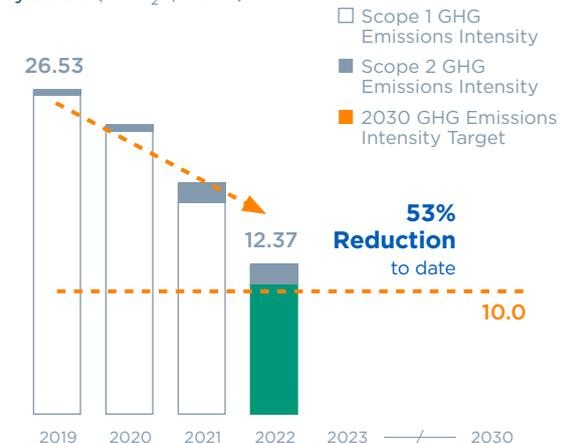
Methane Emissions Target
by 2025 (mCH₄ / MCF)



Elimination of Routine Flaring Target
by 2025 (MMCF per year)



Scope 1 and 2 GHG Emissions Intensity Target
by 2030 (mtCO₂e / MBOE)



Emissions Reduction Targets and Progress

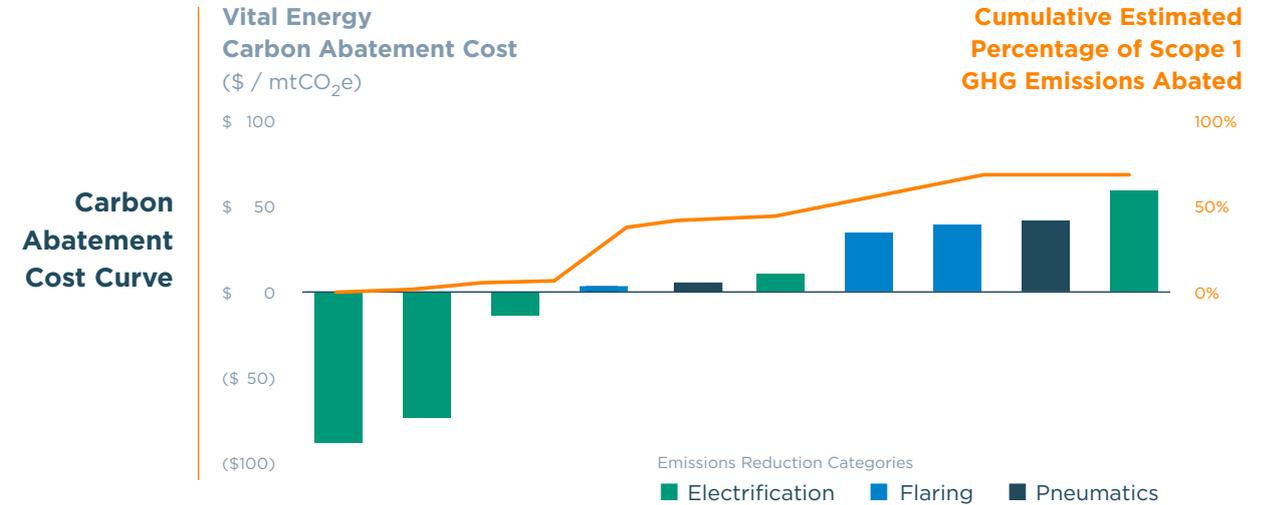


Emissions Management CONTINUED

To continue our progress and help us plan for future capital expenditures, we adopted a carbon abatement cost (CAC) curve. The results of this curve show expected money spent compared to emissions reduction results — enabling better decision-making when selecting solutions that provide carbon abatement relative to the cost of offsetting such emissions.

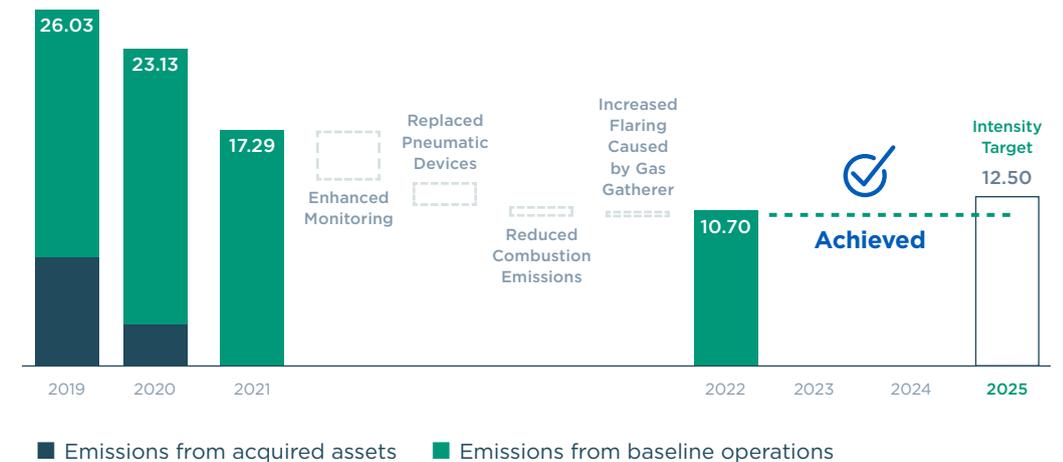
Using our CAC curve, our pathway to achieving our 2025 and 2030 targets includes:

- Enhancing monitoring and leak mitigation:** We adopted technology solutions (thermal imaging cameras and IoT sensor arrays) that help to reduce emissions through continuous emissions monitoring systems (CEMS) and early leak detection. Additionally, we deployed CEMS to monitor approximately 60% of our gross operated oil production. Combining the data from these devices enables us to detect, and in some cases predict, when emissions events will occur. In addition, we are expanding our LDAR program to inspect all Company-operated facilities at least quarterly and are integrating a drone to inspect our gathering lines, compressor sites and other operated facilities.
- Reducing flared and vented emissions:** We proactively collaborate with our gas gatherers to mitigate the impact of service disruptions, including exploring additional offtake points where operationally and contractually appropriate. Also, we continue to implement new initiatives and technologies to mitigate vented emissions, such as converting pneumatic devices to non-vent and outfitting facilities with vapor recovery systems and on-site combustors.
- Electrifying operations:** In addition to our new electric hydraulic fracturing fleet, we have eliminated the use of diesel generators for our production sites and continue to evaluate opportunities to electrify portions of our drilling and production operations, where feasible. For example, in our 2023 drilling program, we powered several multi-well pad developments with lower carbon electricity from the ERCOT grid. In areas where there is no access to electric grid power, we use natural gas generators until alternative sources of low carbon electricity are available.



Reduction Progress vs. 2025 Target

Scope 1 GHG Emissions Intensity
(mtCO₂e / MBOE)



Emissions Management CONTINUED



Resilient in a Lower Carbon Future

Although there are risks to a lower carbon future, we find that this transition offers opportunity for Vital Energy. Given our focus on lowering the carbon intensity of our oil and natural gas production, and our position in two of the most economic basins in the world, we believe we are well positioned to supply a portion of future oil and natural gas demand.

In fact, we evaluated eight different 1.5°C, 2°C and net zero scenarios, comparing our projected Permian breakeven cost of \$55 per barrel of oil (for our development plans up

to 2030) against the median expected price of crude oil per scenario. Vital Energy's cost was well below the expected price across six of the eight different scenarios reviewed.

Beyond 2030, our projected lease operating expense is \$11 per barrel, suggesting Vital Energy's assets and operations will deliver long-term cash flow in a net zero future. To learn more about our climate governance and analysis around climate-related risks and opportunities, please read our [TCFD-aligned climate report](#).



We are confident our current asset portfolio will remain resilient in a lower carbon energy future.



Water Management

Water is vital to our communities and a key resource for our operations. That's why we set a specific target focused on responsible water management.

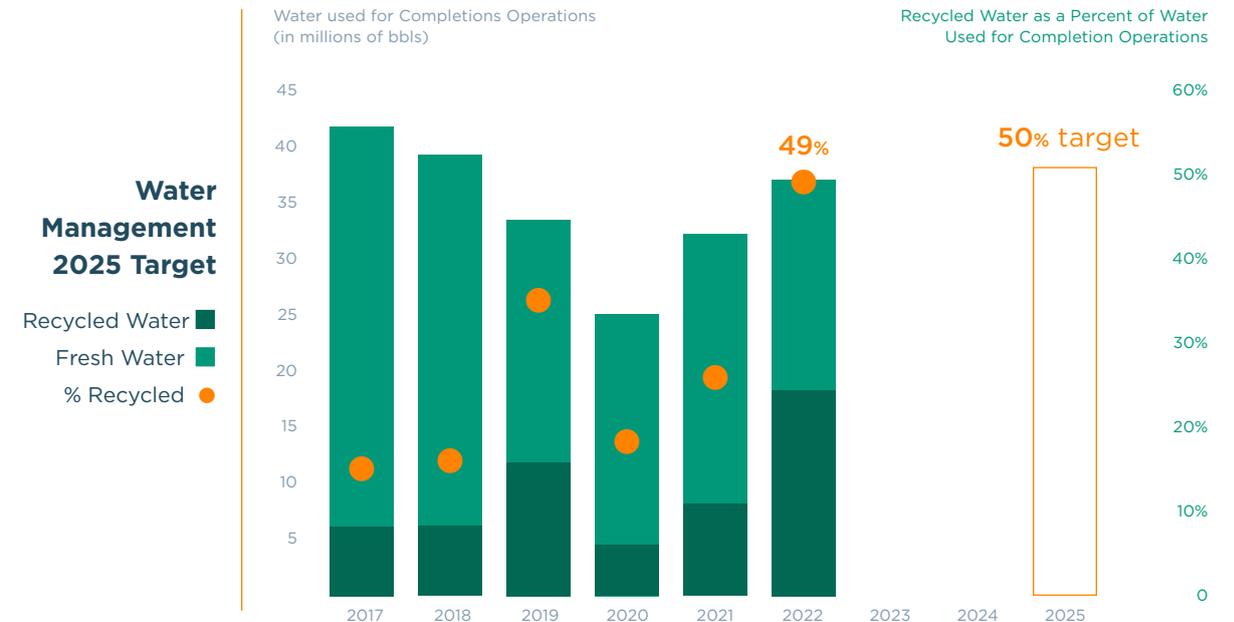


Target by 2025

Use at least **50%** recycled water for completion operations

Vital Energy considers access to water a fundamental human right. We recognize our role in helping to protect this natural resource and take pride in our holistic approach to managing and minimizing our impact on freshwater supplies. We source 100% of our fresh water within the Midland Basin and do not discharge any water (fresh water or produced) to surfaces or wetlands.

Our Company-operated water infrastructure provides a reliable source of water for our completion operations while providing low-cost takeaway capacity for flowback and produced water. In new development areas, where Company-operated infrastructure did not exist, we partnered with third parties to provide reliable water handling and recycling for our operations. Due to these combined efforts, we recycled 18.5 million barrels of produced water in 2022, more than doubling the volume of water recycled in 2021.





Water Management CONTINUED

Our successful recycling programs, combined with our water recycling target, are helping the Company mitigate water-related risks that could impact our future ability to operate. Through our enterprise risk management ([ERM](#)) process, we continue to monitor these risks and our mitigation strategies.

Water-related Risks and Responses

Industry Risk	Vital Energy Response	Mitigation Program	
Lack of access to freshwater sources due to water stress	All of our 2022 completion operations were supplied with fresh water from sites in Howard County, an area designated as high baseline water stress per the World Resources Institute Aqueduct tool. Separately, the Texas Water Board indicates aquifer depths in Howard County have not changed significantly over the last 10 years, despite industry activity in the area.	<ul style="list-style-type: none"> Water recycling program Increased operational efficiency, reducing freshwater intensity 	<ul style="list-style-type: none"> Internal water monitoring Stakeholder engagement for water monitoring
Induced seismicity linked to underground injection wells	Our current operations are located outside of Seismic Response Areas as defined by the Texas Railroad Commission. Therefore, we don't consider induced seismicity as a material risk under our Enterprise Risk Management (ERM) process. However, we do recognize induced seismicity as an industry risk and will continue to monitor the issue.	<ul style="list-style-type: none"> Partnership with trade organizations (including the TXOGA Water Committee) that engage on this issue Internal seismicity task force studies and applies relevant learnings to our operations 	<ul style="list-style-type: none"> Engagement with other operators / water midstream companies regarding water handlings and increasing recycling Water recycling program
Regulatory changes specific to water permitting, tariffs or withdrawal restrictions	We proactively monitor the regulatory landscape for potential changes. Additionally, we established a 2025 target to increase the percentage of recycled water used in our completion operations.	<ul style="list-style-type: none"> Partnership with local trade organizations 	<ul style="list-style-type: none"> Water recycling program

In addition to freshwater use, we are diligent in the management of our produced water, following industry best practices at each water lifecycle stage.

• **On-site storage:** Produced water is temporarily stored in tanks inside of a secondary containment, which is lined with an impermeable barrier, where appropriate.

• **Transport:** 95% of our produced water is transferred through pipelines, reducing truck traffic, emissions and the possibility of spills.

• **Recycle or dispose:** We prioritize recycling whenever feasible and otherwise utilize saltwater disposal wells. We do not discharge produced water.

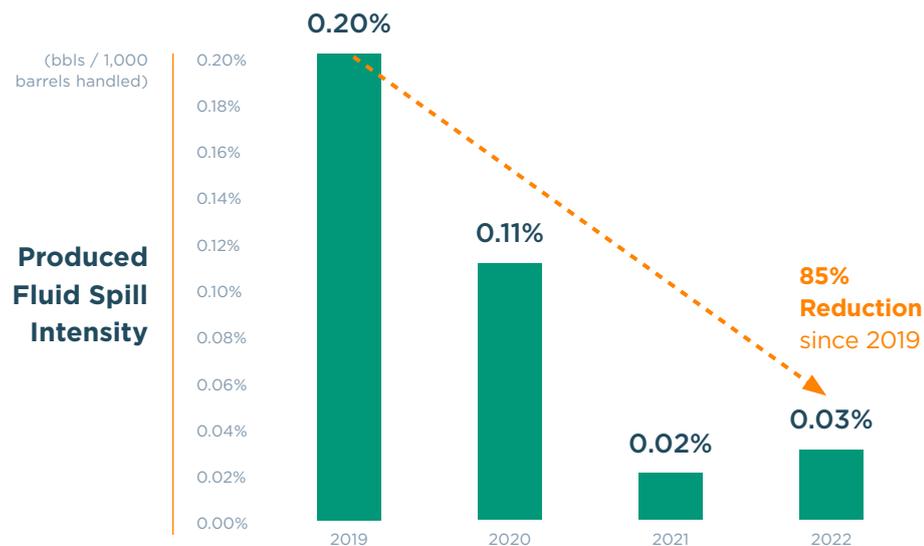


Land Stewardship and Spill Prevention

Protecting the surface and ecosystems in and near our operations is a commitment we make every day. It is our priority to minimize surface disturbance and avoid biodiversity impact through careful site planning, operating with the smallest footprint possible and preventing spills.

Our planning includes sound well design and construction based on recognized standards for retaining fluid and materials within the wellbore (preventing migration to groundwater sources or surface areas) and maintaining long-term integrity of the well. We also include primary and secondary containment at our operated production facilities. These standards are verified by a third-party organization as part of certifying our production as responsibly sourced.

To further incentivize spill prevention among our workforce, we include spill intensity as a performance metric in our employee STIP program. Since 2019, we have reduced our produced fluid spill intensity rate by 85%.



To reduce the frequency and volume of fluid spills, our Operations and EHS teams identified potential risks and developed spill prevention plans. Team members meet monthly to track our progress and study any spills or potential spills recorded through our Root Cause Analysis program.

Spill Prevention Programs

- Quarterly site inspections
- Continuous monitoring on-site with remote shutdown capabilities to mitigate spill potential
- Early warning alarms on storage facilities to notify field personnel of a potential spill
- Aerial surveillance monitoring (twice per week) of all operated oil, natural gas and water lines
- Impermeable secondary containment liners at all new storage facilities
- Training in proper fluids management for employees and service providers who transfer crude oil to other locations
- Closed-loop management systems used 100% of the time in high-volume hydraulic fracturing operations

We do not use diesel or BTEX chemicals in our hydraulic fracturing activities. We also report 100% of our completion operations to FracFocus, a chemical disclosure database offered as a public resource.



Land Stewardship and Spill Prevention CONTINUED

Should a spill occur, Vital Energy prioritizes the safety of our employees and communities while working to contain the spill and prevent environmental impact through efficient implementation of our emergency response action plan. Once controlled, we begin spill remediation efforts with the goal of recovering as much of the spilled fluid as possible and fully restoring any impacted areas. Each of our field employees annually completes Hazardous Waste Operations and Emergency Response (HAZWOPER) training.



Pipeline Integrity

Pipelines are our preferred transportation method. We regularly transfer produced water, oil and natural gas through pipelines, and it is critical that we ensure the integrity of these pipelines to prevent releases or leaks.

PRE-INSTALLATION	<ul style="list-style-type: none"> All Company-operated pipelines are evaluated prior to installation.
POST-INSTALLATION	<ul style="list-style-type: none"> All Company-operated pipelines are evaluated after installation to ensure there was no public encroachment.
DURING OPERATION	<ul style="list-style-type: none"> All pipelines adhere to the PIPES Act and are part of the PHMSA Portal. We participate in the Texas 811 Call Before You Dig coalition, which educates the public and marks pipelines to prevent pipeline damage during subsurface work. Pipelines are installed with cathodic protection systems to prevent corrosion, and these systems are inspected regularly. We have a quarterly maintenance and inspection program through which a majority of our pipelines are cleaned and inspected by a third-party pipeline compliance company. Our pipelines are included in our aerial emissions monitoring efforts, and in 2023, we are piloting the use of drones for more enhanced monitoring.



Biodiversity Protection

We recognize our responsibilities as a steward of the land on which we operate, and we consider biodiversity management as an important facet of this stewardship. Our [Environmental and Biodiversity Policy](#) focuses on avoiding or limiting impacts to critical habitats and species.

Vital Energy works to identify and evaluate sensitive species and habitats during the initial stages of our project planning. We ensure any expansion of our operations avoids critical areas of biodiversity and we accelerate environmental restoration as appropriate.

Our Approach to Biodiversity Management

Avoid

Conduct site assessments to determine biodiversity profiles and possible impacts; create operational avoidance plans whenever possible

Minimize

If an impact can't be avoided, minimize disruption as much as possible; examples include emphasizing multi-pad developments and longer horizontal wells, as well as limiting noise and traffic

Restore

Following a disturbance, restore the area as efficiently as possible and in partnership with affected stakeholders; our goal is to restore to the site's previous condition (or better), plant native species and meet landowner needs

Vital Energy does not operate near or adjacent to protected or priority areas for biodiversity conservation, and we have no reserves in or near sites with protected conservation status or endangered species habitat. The Company is committed to preventing operations in protected areas or areas of high biodiversity value as designated under the International Union for Conservation of Nature (IUCN), United Nations Educational, Scientific and Cultural Organization (UNESCO) sites, Key Biodiversity Areas and designated wetlands.

Site Decommissioning

Decommissioning is the process by which we retire a well, which most often occurs when the well reaches the end of its economic life. We follow regulatory guidelines for well closure and do not consider a well site decommissioned until we have final signoff from regulatory agencies and have complied with the terms of the oil and gas lease.

We work with the landowner to return the site to the condition most conducive to the landowner's future use, often reseeded with native grasses and flora or returning the land to agricultural use.

Site Decommissioning Steps

1 Permit

Inform the necessary regulatory agencies

2 Dismantle

Take apart the equipment at the facility

3 Remove

Transfer the equipment to another site, recycle the materials or dispose of the waste properly

4 Plug

Plug the wellbore with cement to prevent migration of fluids between formations, cut the upper casing and cap the well below the surface to allow surface restoration

5 Certify

Submit the well closure for regulatory approval

6 Restore

Restore the site to the original landscape or otherwise comply with the oil and gas lease (in partnership with the landowner)

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Our Board of Directors



At Vital Energy, we see a future where people's lives are powered in sustainable and abundant ways. We realize this vision takes dedication and leadership. Accordingly, our Board of Directors' governance practices and active engagement provide oversight, accountability and alignment with our stockholders.

The Vital Energy Board currently consists of 10 directors serving staggered three-year terms. In the last five years, 90% of our Board has been refreshed as part of an intentional effort to increase diversity and knowledge around ESG and technology — expertise that reflects the future of the energy business. Respect, trust and collaboration are underlying values that drive our Board's decision-making process.

Our NGE&S Committee continually assesses the skill sets, experiences and characteristics of our directors to ensure alignment with Vital Energy's strategic objectives. The Board is committed to proactive renewal and believes its membership should reflect a diversity of industry, experience, gender, race, ethnicity and age to ensure the Board serves the long-term interests of stockholders and promotes the best interests of the Company. The [Board Skills Matrix](#) is assessed regularly and evolves with the organization's needs.

Board Snapshot

90%
Independent

3.1 yrs
Average
director tenure

60 yrs
Average
director age

60%
Diverse
40% racially diverse
30% women

75%
Board Committees
led by diverse
directors

50%
Of directors have
environmental
and sustainability
expertise

2
New directors
joined the Board
in 2022



Our Board of Directors CONTINUED

Independent Chair and Effective Governance

The Chair of our Board is an independent director with a separate, distinct role from our CEO. Our Board holds regular meetings without involvement from Company management and our four Committees are comprised of only independent directors. The Board and its Committees conduct self-assessments and review the Board's leadership structure annually.

AUDIT COMMITTEE	Chair: Frances Powell Hawes Members: John Driver, Jarvis V. Hollingsworth, Lori A. Lancaster, Edmund P. Segner, III
FINANCE COMMITTEE	Chair: Lori A. Lancaster Members: William E. Albrecht, Dr. Craig Jarchow, John Driver, Edmund P. Segner, III
COMPENSATION COMMITTEE	Chair: Dr. Craig Jarchow Members: William E. Albrecht, Dr. Shihab Kuran, Lisa M. Lambert
NOMINATING, CORPORATE GOVERNANCE, ENVIRONMENTAL AND SOCIAL COMMITTEE (NGE&S)	Chair: Jarvis V. Hollingsworth Members: Frances Powell Hawes, Dr. Shihab Kuran, Lisa M. Lambert

We believe that dialogue with our stockholders is a key element of good corporate governance. We conduct an extensive annual outreach program enabling investors to engage directly with members of our Board and senior leadership. Discussion topics include our corporate strategies and goals, Company performance, executive compensation, governance policies and practices, and environmental and social matters.

Over the course of fall 2022 and winter 2023, we reached out to stockholders representing more than 50% of our shares outstanding and held one or more meetings with all investors who accepted our invitation. A summary of key feedback (detailed further in our [Proxy](#)) was shared with our Board and helped align our governance and compensation practices and disclosures with stockholder expectations.

Governance Best Practices

Majority voting standard

Market-based executive severance plan

Enhanced clawback policy

ESG metrics tied to executive compensation

Separate independent Board Chair and CEO

Director resignation policy

Our Board met 27 times in 2022, either as whole or in Committee.

ESG-related matters discussed at

63%

of Board and Committee meetings



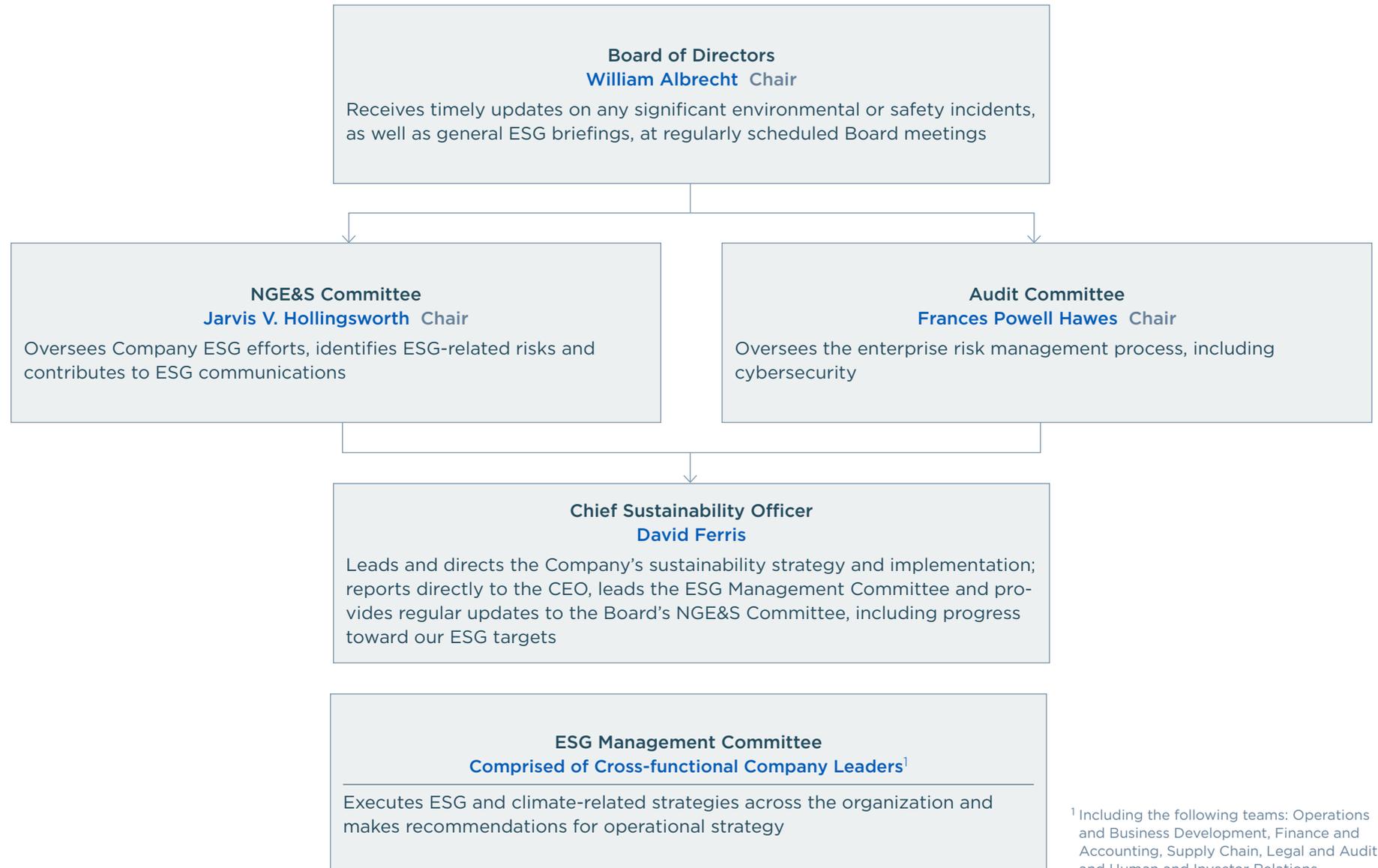
ESG Oversight and Management

Consistent with our Company values of driving accountability and involvement, ESG oversight and accountability occurs at multiple levels of our organization. Our Board's NGE&S Committee has ultimate oversight of ESG matters, discussing risks and opportunities at each of its quarterly meetings.

ESG-related matters were discussed at nearly two-thirds (63%) of Board meetings. Within our Board Committee meetings, directors reviewed:

- Environmental, health or safety incidents
- Strategies and policies related to human capital management
- ESG risks, exposures and opportunities (including climate)
- Cybersecurity

To learn more about our climate-related oversight and management, view our [TCFD-aligned climate report](#).



¹ Including the following teams: Operations and Business Development, Finance and Accounting, Supply Chain, Legal and Audit, and Human and Investor Relations



Compensation Tied to ESG Performance

We design our executive remuneration program to attract, retain and motivate highly qualified and committed personnel who will successfully execute our strategy and create stockholder value. The Board establishes the Company's compensation philosophy. Pay practices are reviewed annually and the executive compensation program is updated based upon recommendations from the Compensation Committee.

The process includes reviewing the prior year say-on-pay voting results, soliciting input from the Compensation Committee's independent compensation consultant, reflecting on all feedback received from stockholders throughout the year, comparing the Company's compensation program with its peers, and evaluating the Company and management team's performance.

Specific to sustainability, we tie both our executive and employee compensation programs to environmental and safety metrics. By aligning our Short-Term Incentive Program (STIP) and Long-Term Incentive Program (LTIP) payouts to sustainability targets, we are further incentivizing accountability and ownership related to ESG performance across the organization.

Our STIP has incorporated quantifiable environmental goals related to our spill intensity and air stewardship since 2020, with refined safety goals added for 2022. Additionally, we continued to incorporate an LTIP emissions reduction metric for 2023, which is tied to progress related to our 2025 emissions reduction targets. For more information on our executive and employee pay programs, please view our [Proxy](#).



2023 STIP Performance Metrics Employees

10% spill intensity,
flaring intensity

10% employee and
contractor safety

2023 LTIP Performance Metrics Executives

15% emissions
reduction targets





Code of Conduct and Ethics Reporting

Our Code of Conduct and Business Ethics establishes a workplace culture committed to the highest ethical standards and the law. Our Code was adopted by the Board and applies to directors, officers and employees. A separate Code of Ethics governs the actions of our Senior Financial Officers, in accordance with applicable U.S. federal securities laws and the NYSE Listed Company Manual.

Vital Energy employees must attest to the Code each year and are responsible for reporting any violations or perceived unethical situations to Company representatives or confidentially through our Ethics & Compliance Hotline.

Our Code strictly prohibits:

- Illegal activities
- Antitrust offenses
- Corruption and insider trading
- Conflicts of interest
- Bribery and facilitation payments
- Harassment
- Retaliation for reporting in good faith

Vital Energy has a robust Whistleblower Policy that encourages any employee, business partner or other stakeholder to submit a good faith complaint regarding accounting, internal controls, auditing matters or concerns related to treatment of people or the environment. Individuals may report their concerns to Company leadership or confidentially and anonymously through our third-party Ethics & Compliance Hotline. Our Internal Audit department, our General Counsel and, as relevant, our Board's Audit Committee review and investigate all reports.

We will not retaliate against anyone who, in good faith, notifies us of a possible violation of law or our Code, nor will we tolerate any harassment or intimidation of any employee who reports a suspected violation. In addition, there are federal whistleblower laws that protect employees from discrimination or harassment for providing information to us or governmental authorities, under certain circumstances. In support of these laws and our Whistleblower Policy, we offer job protection for anyone who makes a related report.

Violations of our Code or related policies are not permitted and may result in disciplinary action, up to and including termination of employment.



Code of Conduct and Ethics Reporting CONTINUED

ESG-Related Policies

We believe strong [ESG policies](#) are an essential step in supporting our Code and ultimately being a responsible energy producer.

Human Capital Management Policy

Vital Energy believes that all qualified persons are entitled to equal employment opportunity. We prohibit discrimination and commit to hiring based on experience, abilities and aptitudes. Promotions and advancements are and will remain based on an employee's achievement, ability, performance and attitude.

Human Rights Policy

Vital Energy prohibits the use of human trafficking, child labor and forced labor. Our policy also protects employees' rights to freedom of association and security. And, it protects the rights of Indigenous peoples and the right to water. We also extend our commitment to business ethics to our supply chain vendors, as described in our [Supplier Management Policy](#).

Insider Trading Policy

We prohibit directors, officers and employees from engaging in hedging transactions designed to hedge or offset a decrease in market value of such a person's common stock in the Company.

Anti-Bribery and Anti-Corruption Policy

Vital Energy operates in compliance with anti-bribery and anti-corruption laws such as the U.S. Foreign Corrupt Practices Act. Additionally, we strictly prohibit gifts and facilitation payments (small payments made to government officials in exchange for expedited services such as approvals of permits or licenses).

Anti-Discrimination, Anti-Harassment and Anti-Retaliation Policy

We have a zero-tolerance policy for any discrimination or harassment based in any status or characteristic protected by law. This policy works to ensure that no employee discriminates against, harasses, or retaliates against another for any reason.

Environmental and Biodiversity Policy

Our Environmental and Biodiversity policy outlines our oversight and environmental commitments. We recognize our responsibility as a steward of the land on which we operate. As such, we consider conservation, restoration and management as important facets of this stewardship. Our policy also focuses on minimizing, mitigating and avoiding impacts to critical habitats and species.

Advocacy and Lobbying

Vital Energy does not make contributions to any political party, committee, candidate or holder of a government position unless permitted by law and does not lobby on behalf of the company. It is against our Human Capital Management Policy to lobby our employees on behalf of a political candidate and to reimburse employees for political contributions or expenditures.

We do participate in industry trade associations to collaborate with subject matter experts from other companies and influence the direction of those organizations. We have reviewed the climate statements for each trade association to ensure their statements are generally aligned with our views.



Enterprise Risk Management

A key responsibility of our Board is overseeing the assessment and management of the Company's exposure to various risks. Our directors participate in risk management education and receive regular reports regarding our enterprise risk management (ERM) process. ERM is a dynamic process to identify, assess, prioritize and mitigate the Company's most significant enterprise risks and uncertainties that could materially impact the long-term health of the Company or prevent the achievement of strategic objectives.

ERM process:

Identify risks	Develop rating criteria (e.g., impact, velocity, likelihood) and identify key risks
Assess and prioritize risks	Validate and assess current list of risks by gathering internal and external insights on drivers or root causes
Mitigate	Create a mitigation plan based on the assessment and prioritization of risks
Monitor and report	Monitor and evaluate effectiveness of risk mitigation and Key Risk Indicators (KRIs); report quarterly to executives and Board
Integrate	Discuss plans with third parties and embed risks into operational and strategic planning

Our Director of Internal Audit, who functionally reports to the Audit Committee Chair and administratively reports to our General Counsel, facilitates the ERM program. We leverage a combination of our quarterly and annual internal ERM efforts and regular stakeholder engagement to understand and focus on issues of material significance to both Vital Energy and our stakeholders. Once potential risks are identified, we conduct appropriate analyses for each of our potential key risks, including stress tests for financial, operational

and strategic business risks. We also monitor the legislative environment and regulatory developments to identify any pending matters that may impact our business. Our ERM process continues to evolve to reflect our sector's dynamic risk landscape.

Our risk assessments of such issues, as it relates to ESG matters, are informed by the Oil & Gas Exploration & Production Sustainability Accounting Standards Board (SASB) Materiality Standard as well as stakeholder feedback.

Continued ERM Priority Action Items

Ongoing evaluation of top enterprise risks including commodity price, capital markets, illiquidity, credit markets tightening and counterparty risk

Integrating climate change and energy transition planning more deeply into our strategic planning, including efforts to ensure high-quality emissions data and progress toward our reduction targets

Strengthening processes for prioritizing and allocating resources to manage risks

Continuing to improve and integrate best practices for managing cybersecurity risks by protecting our computer systems, data assets and infrastructure

Providing quarterly updates to management and the Board on climate-related risks and continuing to embed risk analysis outcomes into our business strategy

Continuing to prioritize the health and safety of our workforce through continual technology, communication and training improvements

To learn about our climate-related risk management, view our [Climate Risk and Resilience Report](#).



Cybersecurity Protection

We are heavily dependent on our information systems and computer-based programs, including our well operations information, seismic data, electronic data processing and accounting data. As identified through our ERM process, cybersecurity is a key risk — one closely monitored throughout our organization, up to the Board level. Our Chief Technology Officer, supported by our Chief Information Security Officer, briefs the Board on cybersecurity matters as needed during regularly scheduled Audit Committee meetings. Cybersecurity topics are also regularly discussed during full Board meetings.

To manage information and cybersecurity risks, Vital Energy continues to improve and integrate best practices for protecting our computer systems, data assets and infrastructure. Our Chief Information Security Officer provides focused and critical oversight of cybersecurity issues. Furthermore, our information security and financial controls are audited annually by third-party auditors, and a third-party security partner provides risk assessments on an annual basis, including vulnerability assessments and penetration testing to simulate hacker attacks.

We are committed to equipping our employees with resources, skills and tools to mitigate cybersecurity risks. All employees participate in twice monthly cybersecurity training with additional training for users who underperform in anti-phishing campaigns. We recognize these measures have become more critical due to remote work, and we continuously evaluate improvements and new measures to protect our information and computing systems.

Employees participate in three hours (on average) of cybersecurity training annually. Cybersecurity training topics include:

Cybersecurity foundations

Insider threats and social engineering

Clear desk and document disposal

Passwords, social media and external devices

Becoming a human firewall





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Workforce Health and Safety

Vital Energy exists to energize human potential. Our thoughtful approach to how we do business is built on collaboration with our stakeholders and a mutual respect for our employees, business partners and neighbors. We're working to power lives and provide energy for all, whether close to home or as part of a global, lower carbon future.

From our CEO to our team in the field, we work together to achieve our goal of zero incidents — taking action every day through our dedicated safety programs and procedures. We also ensure personal care through preventive health and well-being benefits.

	2019	2020	2021	2022
Total Recordable Incident Rate (TRIR)				
Employee + Contractor	0.86	0.74	1.44	0.61
Employee	0.37	0.78	1.22	0.00
Contractor	1.00	0.73	1.53	0.78
Lost Time Incident Rate (LTIR)				
Employee + Contractor	0.86	0.74	1.00	0.46
Employee	0.37	0.78	1.22	0.00
Contractor	1.00	0.73	0.92	0.58
Fatalities				
Employee + Contractor	0	0	0	0

ZERO 2022

Employee safety incidents

Employee or contractor fatalities

We attribute this success to a robust safety program and increased safety training. We also continue to drive organizational focus on safety and incentivize safe behaviors by including safety metrics in our Company STIP.





Workforce Health and Safety CONTINUED

Working Toward Zero Incidents: Safety Programs

Pre-Job Safety Meeting and Job Safety Analysis (JSA)	We provide annual JSA training to all field employees. Our field employees also perform contractor safety observations where the contractor's JSA is analyzed and we confirm that a pre-job safety meeting has been performed.
All-Field Employee Safety Meetings	Field employee safety meetings cover a variety of topics and are conducted monthly, in person and virtually.
Stop Work Authority	Each employee or contractor on a Vital Energy site is empowered (and required) to stop work if they believe conditions are unsafe for people, the environment or our operations. We will never retaliate against an employee or partner who stops work in good faith.
Hazard Hunts	Our senior EHS Coordinator performs hazard hunts (reviews of potential hazards in work areas) on workover rigs on a weekly basis. One rig is looked at per week with the rig crew, rig supervisor and the operations engineering supervisor in attendance. We also conduct monthly hazard hunts on drilling rigs and completion sites.
Root Cause Analysis	Should an incident occur, we conduct a thorough analysis to determine the root cause of the incident and develop corrective actions, if necessary. We also share lessons learned with relevant teams.
Employee Training	We provide safety training designed specifically to mitigate incidents most likely to occur in an employee's role. Field and office personnel both complete safety training and, in 2022, field employees completed an average of 34.5 safety training hours per employee.
Contractor Management	<p>Vital Energy only onboards those contractors who ascribe to our Code, meet our minimum safety standards and have a track record that exceeds our minimum safety performance requirements.</p> <p>We leverage third-party services to help manage contractors on location and we track key performance indicators (KPIs) to ensure timely action on any contractor-related issues and to capture lessons learned. Additionally, our field safety consultants observe our operations and in-field contractors to ensure best-in-class safe practices.</p>
Emergency Response Planning	At least annually, field employees participate in emergency response trainings during which we review each employee's role in the event of an emergency. EHS also conducts an annual tabletop exercise and mock crisis for operations.
Safety Audits	We conduct biannual external safety audits on all active drilling rigs to help ensure compliance with Occupational Safety and Health Administration (OSHA) regulations. Audit findings are captured and addressed in a timely manner and benchmarked against other local operators.



Workforce Health and Safety CONTINUED

In addition to our safety-related programs, we provide numerous benefits to promote the health and well-being of our employees.

Flexible Work Schedule – Our work schedule options enable eligible employees to build a plan that is most suitable to their work and home needs. We have flexible work hours and allow employees to work nine-hour workdays Monday through Thursday and four hours on Fridays. Employees in approved roles may also work from home offices on Thursdays and Fridays. Many of our field employees work eight days on, six days off or two weeks on, two weeks off to maximize their personal time.



Health and Fitness – In 2023, we held all medical premiums flat for our employees and continue to pay over 80% of the health insurance premiums to help ensure our employees and their families have access to affordable healthcare. We also provide an on-site fitness center for headquarter employees and all employees are eligible to receive a \$50 per month reimbursement to cover health-related activities.

Employee Assistance Program (EAP) – Our EAP program is a professional counseling and referral service designed to help employees navigate personal, family and job issues. Services are provided at no cost to employees and their immediate family members and can help with emotional and mental health, family matters, addiction and workplace issues. Employees may also access legal and financial resources through this benefit.

Family Accommodations – Following the birth of a child, mothers can use up to 12 weeks of paid maternity leave and non-birthing parents can use up to four weeks of paid parental leave. We also provide on-site lactation rooms to give breastfeeding mothers a calm and private space. In order to meet the needs of our evolving workforce, Vital Energy may offer a reduced hours schedule for employees who have experienced life events and need additional flexibility.

Caregiving Support – Family First is a free, confidential, caregiving benefit that provides access to a team of experts to support employees' caregiving needs. It offers personalized caregiving solutions, including help with special needs dependents; insurance, Medicare and Medicaid navigation; eldercare and aging in place; and financial and legal issues, among other concerns.

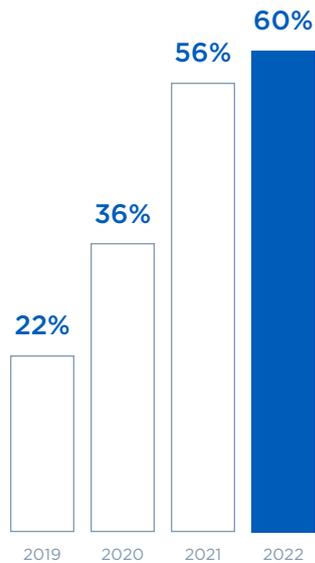
Severance – When appropriate, we provide non-officer severance assistance to ensure our employees are supported following an involuntary separation from the Company.



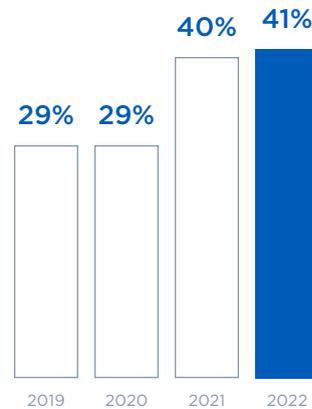
Diversity, Equity and Inclusion (DEI)

Guided by mutual respect and trust, we support and encourage a diverse, equitable and inclusive workplace. We believe a diverse workforce is critical to attaining our highest level of productivity, creativity and efficiency and helps our organization accomplish our mission.

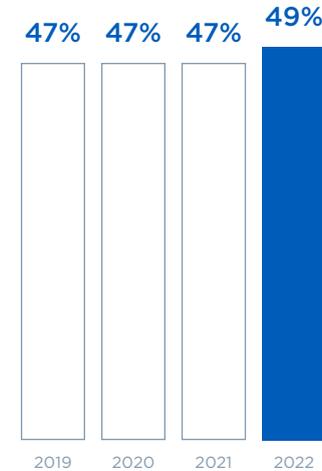
Board Diversity



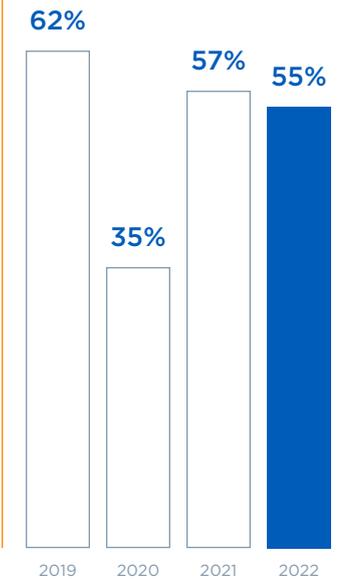
Leadership Diversity¹



Workforce Diversity



New Hire Diversity



Our [Commitment to Diversity, Equity and Inclusion \(DEI\)](#) informs the recruitment, retention and development strategies we use to increase diversity across our organization. These efforts are managed by our Vice President of Human Resources (with oversight from our Board's NGE&S Committee) and further support our strict anti-discrimination and anti-harassment workplace as defined by our Code and related policies.

Vital Energy employees participate in anti-harassment training to help ensure companywide understanding of and commitment to creating a safe workplace for all.

To further provide transparency related to our workforce diversity, we share our [EEO-1 workforce diversity data](#) in this report.

¹ Leadership is defined as those in supervisory roles, excluding corporate officers. 2022 percentage differs slightly from our 2023 proxy due to rounding.



Diversity, Equity and Inclusion (DEI) CONTINUED

DEI: Commitment in Action

Recruiting	Retention	Training
<p>Commitment</p> <p>As an equal opportunity employer, we are committed to recruiting diverse candidates to attract and retain a talented workforce. We partner with and post open employment opportunities with organizations targeting diverse populations, including: veterans, women, disabled individuals, LGBTQ+ people and those participating in vocational rehabilitation programs.</p>	<p>Key to retaining top talent is working to maintain a corporate culture that is supportive and safe for people with diverse backgrounds. One way we do this is by encouraging employee-led groups that bring together members of our workforce for mentoring and networking.</p>	<p>We host DEI-related trainings for our workforce to build cultural and unconscious bias awareness and clearly communicate Vital Energy's commitment to DEI. These trainings foster greater communication and inclusion within our workplace.</p>
<p>2022 Progress</p> <p>In 2022, 55% of our new hires were diverse.</p> <p>We are working to revamp our interview process to include interviewers outside of the hiring department to prevent bias during the final candidate selection process. We are also reworking our talent acquisition process to better understand job boards that provide diverse candidates</p>	<p>Vital Energy launched the Vital Women's Network and became a corporate member of UPWARD, a program focused on advancing women into leadership roles. Both foster a community of support for women in our workplace.</p>	<p>In 2022, the entire Company participated in unconscious bias and inclusion training at an average of three hours of training per employee. This is in addition to our anti-harassment training.</p>

Supporting Women in our Workforce

In 2022, Vital Energy launched the Vital Women's Network — an employee affinity group focused on strengthening networks, developing strategic connections and cultivating learning experiences among the Company's female workforce. The group is supported by a Company membership to UPWARD, an organization that offers sustainable frameworks and tangible resources to advance women to executive leadership. Through our corporate membership, all women at the Company can access the My Upward virtual community, virtual events and leadership trainings, as well as the organization's learning library.

In addition to online resources, the Vital Women's Network offers monthly in-person events and activities. All female Vital Energy employees are invited to:



Build Up
Support female-focused causes through volunteering

Meet Up
Create relationships through interdepartment gatherings

Move Up
Attend networking opportunities with senior leaders and Board members



Workplace

We strive to be a company of empowered individuals who are unafraid, unshakable and unbiased. Our workplace culture encourages diversity of people, backgrounds and beliefs to challenge precedents and push past perceived limits. Respect and two-way communications support an inclusive work environment where employees feel comfortable sharing ideas and feedback.

We regularly engage with our employees and consider their feedback when determining additional employee programs or initiatives to implement. We host townhall meetings, providing opportunities for employees to engage with executive leadership, and our leadership team holds companywide virtual meetings twice monthly to highlight exciting, ongoing projects and provide time for Q&A sessions.

Employees also have a chance to contribute feedback during annual performance reviews and mid-year review meetings during which they discuss their performance goals and individual and team assessments. Participants in our Leadership Enhancement Training Series (LETS) also receive a formal 360-review that incorporates feedback from peers, direct reports, supervisors and others across the Company.



At the end of 2022, we conducted an employee engagement survey to understand what we are doing well, measure job satisfaction and happiness, and determine where we could improve. The survey highlighted several areas of strength for the company including:

SAFETY	Appropriate measures are taken to ensure safety at our locations.
ENVIRONMENTAL RESPONSIBILITY	We promote environmental responsibility across our operations.
CAREER DEVELOPMENT AND OUTLOOK	We feel a sense of meaning and purpose in our work and we are inspired to work beyond what is required to help the company succeed.
TEAMWORK	We know we can depend on other members of our team.

We are proud that our survey results were above industry average across every category. However, we are also committed to continuous improvement to further strengthen our workplace. This year, we created employee-led focus groups about workload and flexibility, DEI, communication, recognition and rewards.

Workplace CONTINUED

Employee Investment

Vital Energy strongly believes in the talent of our team, and we pride ourselves on the investment we make in our employees' success through career development opportunities.

For every employee, we provide a third-party digital competency training platform through our Company intranet that offers a variety of self-paced learning opportunities ranging in topics from basic computer skills to more advanced data visualizations. As part of annual performance reviews, employees are encouraged to continue developing and refining skills aligned with their roles and interests.

We also encourage employees to identify their strengths, career drivers and key development areas through resources such as our Spectrum Development program. All employees participate in this training program, which focuses on personal development and strengthening team relationships through understanding the natural gifts, talents, skills, styles and temperaments of people. Employees also have an opportunity to participate in our Educational Assistance Program and tuition reimbursement up to the IRS maximum of \$5,250 per year, per employee.

Recognizing that our field team has unique training needs, we utilize a third-party learning management system to offer in-depth training courses specific to each job function. This robust training program specifically focuses on lease operators and field technicians, and communicates consistency across our processes, encourages career development and gives our management team clarity when considering field employees for promotion. Within this program, field employees must complete three levels (fundamental, intermediate and advanced) for each job function. For lease operators, this is an average of more than 50 hours of training, which is separate from our safety training program.





Workplace CONTINUED

Another focus of our professional development program is building strong leaders. Recognizing the effectiveness of our people leaders directly impacts the performance and experience of their teams. All supervisory employees, typically manager level and above, participate in Leadership Enhancement Training Series (LETS) to improve leadership capabilities through group sessions, individual coaching and mentorship.

While LETS works to build individual skill sets, it also encourages collaboration among our leadership team, enhancing the communication and trust necessary

for an organization to thrive. The program takes about a year to complete with quarterly follow-up meetings to ensure skills are being integrated successfully across the organization.

Beyond LETS and other professional development opportunities, we encourage employees in their careers by offering long-term incentives in the form of stock rewards. At least annually, eligible employees receive company stock shares, which vest over three years, based on individual and company performance.

Our **Leadership Enhancement Training Series** improves leadership capabilities through group sessions, individual coaching and mentorship.

24 leaders participating
in a cohort in 2022

1,500 training hours or **62.5** hours per person



Human Rights and Indigenous Rights

Vital Energy fosters an environment in which everyone's human rights are recognized and respected throughout the Company. As detailed in our [Human Rights Policy](#) endorsed by our CEO, we uphold all internationally recognized human rights and follow all applicable national and local regulations as they pertain to the fundamental rights of all stakeholders.

Our Human Rights Policy applies to all Vital Energy employees, officers and directors and requires reporting of any perceived or actual human rights violations. We encourage reporting through our confidential Ethics & Compliance Hotline. Each contact is reviewed by our Director of Internal Audit and our General Counsel, and report to our Board Audit Committee as relevant.

Vital Energy's commitment to human rights aligns with the principles of the UN's Universal Declaration of Human Rights, the UN's Guiding Principles on Business and Human Rights and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. This includes prohibiting the use of human trafficking, child labor and forced labor.

As stated in our Human Rights Policy, we support the rights of our employees to lawfully and peacefully associate (freedom of association), organize and bargain collectively. Our employees are not represented by independent trade unions, and we are committed to negotiating agreements that provide attractive and competitive levels of compensation, benefits and working conditions for our employees. We do not have external security personnel and are committed to ensuring our business operates in a manner that is fair, equitable and competitive in the global market.

Vital Energy does not currently operate on or adjacent to any lands under the governance of Indigenous peoples. Should we do so, we would follow all applicable laws and conduct community consultations to establish business practices that are respectful of Indigenous peoples' sovereignty, security (including water security and access to resources) and unique rights.

We commit to not relocate or resettle people for the benefit of our operations and we will consult with local communities and key stakeholders in the early stages of any major project. We will also apply the general principles of Free, Prior and Informed Consent (FPIC) in keeping with best practices for community engagement.





Community Engagement

Energizing human potential means responsibly producing energy vital to human progress. It also means supporting and strengthening our communities through stakeholder engagement, economic investment and philanthropy.

We value the partnerships necessary to operate successfully in our local communities. We encourage two-way communications with our owners and offer various resources to contact our Company, including a dedicated website section, email address and 24-hour field emergency phone number. In addition to these resources, community members may contact the Company through our Ethics & Compliance Hotline.

When development is near a populated area and mitigation is appropriate, we implement our dust control protocols, raise sound walls and direct traffic away from residential areas, all in an effort to mitigate risk and be a good neighbor.

As we continue to grow, we are committed to consulting with local communities and engaging with key stakeholders in the early stages of any major project. We apply the general principles of FPIC in keeping with best practices for community engagement.

In the Community

\$1,000

Per employee (corporate donation match)

8 hrs

Annual PTO for each employee to volunteer

\$242,024

Employee donations in 2022

\$226,517

Corporate donations in 2022

Economic Investment and Charitable Giving

Vital Energy is proud of the economic contributions our operations bring to the communities where we live and work. As of December 31, 2022, our local employment and tax payments include:

167

Local employees in Midland and Garden City, Texas offices

122

Local employees in Tulsa office

\$835 million

Paid in royalties and state and local taxes

Each year, we share our company's success by giving back locally. In 2022, for the third consecutive year, we increased the amount of our charitable giving, resulting in over \$468,000 in donations. This includes both employee and corporate contributions as well as our Charitable Matching Program, through which we match employee and director donations of up to \$1,000 per individual per year to a nonprofit organization of their choice.

Community Contributions

- Employee donations
- Company donations
- Volunteer hours

* Volunteer hours were not tracked in 2019





Community Engagement CONTINUED

Vital Energy and our employees also believe in making a meaningful community impact through volunteering. We offer employees eight hours of paid time off per year to volunteer, through which they can volunteer for a preferred organization or participate in a company-sponsored activity.

We hold regular office floor competitions for canned food drives for the Tulsa Area United Way's Day of Caring and clothing drives to help support the City Lights Foundation of Oklahoma. Additionally, we support the needs of other charities, including West Texas Rehabilitation Center, Food Bank of Eastern Oklahoma, West Texas Food Bank, Sky High for Kids and Make-A-Wish Foundation both in Texas and in Oklahoma.



(ABOVE) Vital Energy was a proud sponsor of Tulsa's first Juneteenth Festival, 5K and Fun Run in 2023. In addition to donating, we also rallied our 'Vital Volunteers' to help with the event.

(RIGHT) Vital Energy employees supported Sky High for Kids, a non-profit organization that funds pediatric cancer research, through a fundraiser at the Tulsa Country Club. The event raised \$60,000 to support the organization, which is working to end childhood cancer.





Supply Chain Management

Vital Energy's reputation for integrity is directly related to the conduct of our people and those with whom we work. Accordingly, we have a formal program to assess suppliers for safety, quality, sustainability and financial assurance, and our policies regarding gifts, gratuities and conflicts of interest extend to our vendors, suppliers and contractors. We work closely with our suppliers and business partners to monitor our procurement processes and recognize the significance of these practices for sustainability and human rights.

Our Supply Chain team monitors and manages supplier compliance with our Code and related policies. Specifically, we have a Supplier Management Specialist, a full-time employee in our Supply Chain team whose sole job is to help ensure our contractor management policies and procedures are followed. Should a supplier be out of compliance, we take disciplinary action up to termination.

Each year, we conduct a supplier survey to better evaluate our suppliers' ESG policies and the diversity of our supplier base. Understanding our suppliers' sustainability practices provides a baseline to evaluate our suppliers' alignment with our ESG commitment. We will continue engaging with our suppliers to strengthen our supply chain resilience and encourage best practices that support our sustainability objectives. Please see our [Supplier Management Policy](#) to learn more.

2022 Supply Chain Survey Results

E

57% Have an environmental management system

67% Have a program in place to conserve, reduce or reuse water

67% Have a waste management policy

S

19% Reported diverse ownership

50% Conduct inclusion and diversity training for all employees

45% Have a human rights policy

G

87% Have a Code of Conduct

80% Have a system to report ethical concerns without fear of retaliation

68% Routinely identify risks of corruption



resources

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About This Report

Our 2023 Sustainability Report is Vital Energy's fourth sustainability report and the first under the Company's new name. In developing this report, we referenced sustainability reporting frameworks, standards and industry groups such as the SASB Oil & Gas - Exploration and Production Standard, TCFD, Ipeca, AXPC and API.

The report contains quantitative metrics drawn from available data for the 2022 calendar year and qualitative information from both 2022 and 2023 (partial year). Vital Energy discloses gross emissions related to our operated properties and therefore uses gross production associated with those assets. Data is believed to be accurate at the time of publication and is confirmed by internal review. Changes in calculation, methodology or categorization may occur and will be noted in future reporting.

Vital Energy engaged third-party specialists DrivePath Advisors, Georgeson and HXE Partners to support the stakeholder engagement process, report content development, quantitative data collection, limited data assurance and calculations, and report design.

Disclaimer

Various statements contained in this report may be considered forward-looking statements. These forward-looking statements include statements, projections and estimates concerning our operations, performance, business strategy, oil, natural gas liquids and natural gas reserves, drilling program capital expenditures, liquidity and capital resources, the timing and success of specific projects, outcomes and effects of litigation, claims and disputes, derivative activities and potential financing. Forward-looking statements are generally accompanied by words such as "estimate," "project," "predict," "believe," "expect," "anticipate," "potential," "could," "may," "will," "foresee," "plan," "goal," "should," "intend," "pursue," "target," "continue," "suggest" or the negative thereof or other variations thereof or other words that convey the uncertainty of future events or outcomes. Forward-looking statements are not guaranteeing of performance. These statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. The data and information herein are as of December 31, 2022, unless otherwise indicated.



Data Assurance

Independent Verification Statement at the Limited Assurance Level for CY2022

For Vital Energy: September 21, 2023

Scope of Engagement

HXE Partners was contracted by Vital Energy to provide independent, third-party verification of Vital Energy's Greenhouse Gas (GHG) emissions inventory, injury rate inventory, and other environmental metric reporting for the calendar year (CY) 2022, with responsibility for providing a limited level of assurance regarding their accuracy and completeness, in accordance with the ISO 14064-Part 3: *Specification with Guidance for the Verification and Validation of Greenhouse Gas Statements*, and the International Standard on Assurance Engagements (ISAE) 3000 Revised, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Our engagement covered Vital Energy's owned operations across the U.S. using the operational reporting method. The scope of our review included Vital Energy's data sources encompassing:

- **All Scope 1** emission sources: from oil and gas production operations (flared emissions, vented emissions process emissions, fugitives, and combustion), fleet mileage (diesel and gasoline consumption) and Volatile Organic Compounds (VOCs)
- **All Scope 2** emission sources: purchased electricity
- Total Energy Usage from purchased electricity, natural gas, propane, and motor vehicle fleet
- **Scope 3 emissions from Use of Sold Products (Category 11)**
- **Safety Metrics** LTIR (Employee and Contractor), TRIR (Employee and Contractor), Fatalities (Employee and Contractor), Process Safety Events

Other verified environmental metrics related to Vital's business and operating process are listed below:

- **Freshwater Withdrawn and Consumed**
- **Volume of Produced Water**
- **Volume of Flowback Water**
- **Liquid Waste Generation**
- **Solid Waste Generation**

Vital Energy is responsible for collecting, analyzing, and presenting data sources provided to HXE, as well as for maintaining effective internal controls over the systems from which the data sources. Data sources have been approved by and remain the responsibility of Vital Energy.

The verification assessment, conducted in accordance with ISO-14064-3 and ISAE 3000 included:

- Verification of Vital Energy's reporting methodologies for the greenhouse gas emissions and environmental related data sources with:
 - The World Resources Institute / World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol: *A Corporate Accounting and Reporting Standard (Revised Edition)*
- Review that the data sources have considered sector guidelines
- Evaluation of the accuracy and reliability of provided data sources

Verification Process and Document Review

As part of this assurance engagement, HXE conducted the following verification activities:

- Conducting an overarching strategic/risk analysis
- Generating and developing a verification plan and a data and information sampling plan
- Interviewing relevant employees at Vital Energy responsible for managing GHG emissions and environmental data and records

- Verifying GHG emissions and environmental data and records at an aggregated level for CY 2022
- Reviewing Vital Energy's data management systems, from data handling to internal verification procedures, to confirm that there were no significant errors, omissions, or misstatements in provided data sources
- Conducting materiality review of findings

HXE discussed the specific review tasks completed and which areas were flagged for clarification or improvement with Vital Energy. Vital Energy has addressed all requests for clarification and has completed all necessary corrective actions. The following data has been fully verified to the limited assurance method.

Table 1. Summary of Vital Energy's Data for CY2022

Scope of GHG Emissions and Energy Use	Value	Unit
Scope 1 GHG Emissions	452,106	MTCO ₂ e
Scope 2 (Market Based Emissions)	70,574	MTCO ₂ e
Scope 3 (Use of Sold Products)	15,524,955	MTCO ₂ e

Environmental & Safety Metrics	Value	Unit
LTIR - Employee	0	Rate
LTIR - Contractor	0.58	Rate
TRIR - Employee	0	Rate
TRIR - Contractor	0.78	Rate
Fatality - Employee and Contractor	0	Number of Fatalities
Process Safety Events	1	Number of Events
Liquid Waste	99.36	Cubic Meters
Solid Waste	3,390.6	Cubic Meters
Freshwater Consumed	19,005,836	Barrels
Freshwater Withdrawn	19,005,836	Barrels
Volume of Flowback Water	7,715,869	Barrels
Volume of Produced Water	59,046,697	Barrels

Assurance Finding

Based on these review processes and procedures, nothing has come to HXE's attention that would cause us to believe that Vital Energy has not, in all material respects:

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data and information as summarized in Table 1 above.

The opinion expressed is formed based on a **limited level of assurance** and at the materiality of the professional judgment of the verifier. Note the extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Signed,



On behalf of HXE Partners LLC
September 21, 2023

Sustainability Accounting Standards Board (SASB)



SASB standards help companies around the world identify, manage and communicate financially-material sustainability information to their investors. The following table references the specific “Oil & Gas – Exploration and Production” industry standard.

SASB CODE	DESCRIPTION	UNIT	2017	2018	2019	2020	2021	2022	
GHG EMISSIONS									
EM-EP-110a.1	Gross global Scope 1 GHG emissions	Metric tons CO ₂ e			1,070,077	950,218	708,178	452,106	
	Gross global Scope 1 GHG emissions intensity rate	Metric tons CO ₂ e / MBOE			26.03	23.13	17.29	10.70	
	Methane emissions as a percentage of gross Scope 1 GHG emissions	Percentage			48%	41%	29%	15%	
	Percentage of Scope 1 GHG emissions covered under emissions-limiting regulations	Percentage			0%	0%	0%	0%	
EM-EP-110a.2	(1) Gross Scope 1 GHG emissions from flared hydrocarbons	Metric tons CO ₂ e			337,600	277,991	97,814	130,282	
	(2) Gross Scope 1 GHG emissions from other combustion	Metric tons CO ₂ e			384,808	294,257	309,509	257,051	
	(3) Gross Scope 1 GHG emissions from process emissions	Metric tons CO ₂ e			0	0	0	0	
	(4) Gross Scope 1 GHG emissions from other vented emissions	Metric tons CO ₂ e			330,026	361,602	285,538	51,277	
	(5) Gross Scope 1 GHG emissions from fugitive emissions	Metric tons CO ₂ e			13,466	12,406	11,303	8,204	
EM-EP-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Qualitative			Through target setting and strategic planning, we have identified and begun implementing measurable emissions reduction initiatives. Our emissions reduction targets include: By 2025: <12.5 mtCO ₂ e / MBOE Scope 1 GHG emissions intensity (a 52% reduction from 2019 baseline), <0.20% methane emissions (a 77% reduction from our 2019 baseline), zero routine flaring; By 2030: <10 mtCO ₂ e / MBOE Scope 1 & 2 GHG emissions intensity (a 62% reduction from our 2019 baseline). We have achieved two of our short-term climate targets – our 2022 Scope 1 GHG emissions intensity is below 12.5 mtCO ₂ e / MBOE and our 2022 methane emissions are below 0.20% – three years ahead of schedule. We reached these milestones by instilling environmental and safety best management practices across our Company and investing in new technologies to optimize production, lower operating costs and reduce our emissions. More information, including details on our emissions reduction initiatives, is available in our Emissions Management section and our Climate Risk and Resilience Report .				

■ Metric not reported for this year.

SASB CONTINUED


SASB CODE	DESCRIPTION	UNIT	2017	2018	2019	2020	2021	2022
AIR QUALITY								
EM-EP-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) particulate matter (PM ₁₀)	Metric tons	Our facilities are permitted consistent with federal and state requirements that focus on tracking NO _x , SO _x , VOCs and PM ₁₀ emissions at a facility level. In addition, we are expanding our continuous emissions monitoring system (CEMS) to cover more facilities across the field to detect and mitigate emissions releases on our locations.					
			For 2022: NO _x emissions: 2,692 mt CO emissions: 1,193 mt VOC emissions: 3,423 mt.					
WATER MANAGEMENT								
EM-EP-140a.1	(1) Total fresh water withdrawn	Cubic meters (m3)	5,636,928	5,238,310	3,472,717	3,266,870	3,764,762	3,021,687
	(2) Total fresh water consumed	Cubic meters (m3)	5,636,928	5,238,310	3,472,717	3,266,870	3,764,762	3,021,687
	(2) Percentage of each in regions with High or Extremely High Baseline Water Stress	Percentage	0%	0%	0%	63%	100%	100%
EM-EP-140a.2	(1) Volume of produced water and flow back generated	Cubic meters (m3)	3,467,922	4,523,856	4,779,470	4,346,482	7,484,755	11,841,125
	(1) Percentage discharged	Percentage	0%	0%	0%	0%	0%	0%
	(2) Percentage injected	Percentage	70%	77%	61%	83%	82%	72%
	(3) Percentage recycled	Percentage	30%	23%	39%	17%	18%	28%
	(3) Hydrocarbon content in discharged water	Metric tons	0	0	0	0	0	0
EM-EP-140a.3	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Percentage	100%	100%	100%	100%	100%	100%
EM-EP-140a.4	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Percentage	Not tracked as defined by this metric.					

SASB CONTINUED



SASB CODE	DESCRIPTION	UNIT	2017	2018	2019	2020	2021	2022	
BIODIVERSITY IMPACTS									
EM-EP-160a.1	Description of environmental management policies and practices for active sites	Qualitative	Vital Energy has an environmental management system (EMS), which is a set of processes and procedures that help the Company maintain compliance and decrease risk and environmental impacts. The system is integrated into our operations and offers our team a consistent framework for decision-making and training practices. Our EMS framework follows the “Plan-Do-Check-Act” methodology as our standard system approach and covers all our operational sites. We also reference our Environmental and Biodiversity Policy, which outlines our oversight and environmental commitments. More information can be found in our Environment section .						
EM-EP-160a.2	Number and aggregate volume of hydrocarbon spills and volume recovered	Number, bbls	Events: 155 Spilled: 1,715 Recovered: 1,050 Recovery rate: 0.61 Spill rate oil (spills / MBO): 0.13	Events: 165 Spilled: 3,020 Recovered: 826 Recovery rate: 0.27 Spill rate oil (spills / MBO): 0.22	Events: 174 Spilled: 1,197 Recovered: 361 Recovery rate: 0.30 Spill rate oil (spills / MBO): 0.08	Events: 87 Spilled: 401 Recovered: 265 Recovery rate: 0.66 Spill rate oil (spills / MBO): 0.03	Events: 66 Spilled: 381 Recovered: 153 Recovery rate: 0.40 Spill rate oil (spills / MBO): 0.02	Events: 168 Spilled: 695 Recovered: 89 Recovery rate: 0.13 Spill rate oil (spills / MBO): 0.03	
	Number and aggregate volume of non-hydrocarbon (water) spills and volume recovered	Number, bbls	Events: 203 Spilled: 10,084 Recovered: 4,721 Recovery rate: 0.47 Spill rate water (spills / MBW): 0.18	Events: 175 Spilled: 3,190 Recovered: 2,154 Recovery rate: 0.68 Spill rate water (spills / MBW): 0.05	Events: 174 Spilled: 7,809 Recovered: 4,723 Recovery rate: 0.60 Spill rate water (spills / MBW): 0.15	Events: 120 Spilled: 3,931 Recovered: 2,966 Recovery rate: 0.75 Spill rate water (spills / MBW): 0.08	Events: 85 ¹ Spilled: 1,005 Recovered: 466 Recovery rate: 0.46 Spill rate water (spills / MBW): 0.01	Events: 196 Spilled: 1,971 Recovered: 728 Recovery rate: 0.37 Spill rate water (spills / MBW): 0.02	
	Number and aggregate volume of hydrocarbon spills in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	Number, bbls	Vital Energy does not operate in the Arctic or along shorelines with ESI rankings 8-10, as such, we have no spills in these areas.						
			Events: 0 Spilled: 0 Recovered: N/A	Events: 0 Spilled: 0 Recovered: N/A	Events: 0 Spilled: 0 Recovered: N/A	Events: 0 Spilled: 0 Recovered: N/A	Events: 0 Spilled: 0 Recovered: N/A	Events: 0 Spilled: 0 Recovered: N/A	
EM-EP-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Percentage	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	

¹ Certain spill data for 2021 was updated from previous reporting to help ensure consistent methodology year-over-year.

SASB CONTINUED



SASB CODE	DESCRIPTION	UNIT	2017	2018	2019	2020	2021	2022
SECURITY, HUMAN RIGHTS AND RIGHTS OF INDIGENOUS PEOPLES								
EM-EP-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Percentage	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%
EM-EP-210a.2	Percentage of (1) proved and (2) probable reserves in or near Indigenous land	Percentage	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%
EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, Indigenous rights, and operation in areas of conflict	Qualitative	<p>Vital Energy fosters an environment in which the human rights of all are recognized and respected throughout the Company. As detailed in our Human Rights Policy endorsed by our CEO, we uphold all internationally recognized human rights and follow all applicable national and local regulations as they pertain to the fundamental rights of all stakeholders.</p> <p>Vital Energy does not currently operate on or adjacent to any lands under the governance of Indigenous peoples. Should we do so, we would follow all applicable laws and conduct community consultations to establish business practices that are respectful of Indigenous peoples' sovereignty, security (including water security and access to resources) and unique rights. We commit to not relocating or resettling people for the benefit of our operations. More information can be found in our Human Rights section.</p>					
COMMUNITY RELATIONS								
EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Qualitative	<p>We value the partnerships necessary to operate successfully in our local communities. We encourage two-way communications with our owners and offer various resources to contact our Company, including a dedicated website section, email address and 24-hour field emergency phone number. In addition to these resources, community members may contact the Company through our Ethics & Compliance Hotline.</p> <p>As we continue to grow, we are committed to consulting with local communities and engaging with key stakeholders in the early stages of any major project. We apply the general principles of Free, Prior and Informed Consent (FPIC) in keeping with best practices for community engagement. More information can be found in our Community Engagement section.</p>					
EM-EP-210b.2	Number and duration of non-technical delays	Number, days	0	0	0	0	0	0

SASB CONTINUED



SASB CODE	DESCRIPTION	UNIT	2017	2018	2019	2020	2021	2022
WORKFORCE HEALTH AND SAFETY								
EM-EP-320a.1	(1) Total recordable incident rate (TRIR)	Rate, #	TRIR (combined): 1.20	TRIR (combined): 1.19	TRIR (combined): 0.86	TRIR (combined): 0.74	TRIR (combined): 1.44	TRIR (combined): 0.61
			TRIR (employees): 1.61	TRIR (employees): 0.30	TRIR (employees): 0.37	TRIR (employees): 0.78	TRIR (employees): 1.22	TRIR (employees): 0.00
			TRIR (contractors): 1.11	TRIR (contractors): 1.44	TRIR (contractors): 1.00	TRIR (contractors): 0.73	TRIR (contractors): 1.53	TRIR (contractors): 0.78
	(2) Fatality rate	Rate, #	Fatalities (combined): 0	Fatalities (combined): 1	Fatalities (combined): 0	Fatalities (combined): 0	Fatalities (combined): 0	Fatalities (combined): 0
			Fatalities (employees): 0	Fatalities (employees): 0	Fatalities (employees): 0	Fatalities (employees): 0	Fatalities (employees): 0	Fatalities (employees): 0
			Fatalities (contractors): 0	Fatalities (contractors): 1	Fatalities (contractors): 0	Fatalities (contractors): 0	Fatalities (contractors): 0	Fatalities (contractors): 0
	(3) Near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) shortservice employees	Rate, hours	(3) For 2022: NMFR (combined): 29.29 NMFR (employees): 40.27 NMFR (contractors): 26.47					
			(4a) On average, full-time field employees receive 17.5 hours of annual training. New supervisors receive another 16 hours for HAZWOPER certification, which is renewed annually with an 8-hour refresher. Office employees receive 10 hours of annual training, including both environmental and safety training.					
			(4b) Contract supervisors receive 19.5 hours of training per year through our monthly safety meetings.					
			(4c) New field employees must complete the 8-hour SafeLand Certification course before engaging in field work. Additionally, new field employees receive 24.5 hours of training per year and an additional 3 hours of safety training upon new hire orientation. Our lease operators also participated in training related to fundamental, intermediate and advanced technical operations and standard operating procedures for a total of over 7,000 hours of additional operational training in 2022.					
EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	Qualitative	From our CEO to our team in the field, we work together to achieve our goal of zero incidents. We take action every day through our dedicated safety programs and procedures, including safety meetings, Stop Work Authority, hazard hunts, root cause analysis, emergency response planning and safety audits. We also focus on employee training and comprehensive contractor management. Specific to employee health, we offer numerous benefits to promote well-being. These include flexible work schedules, health and fitness benefits, an employee assistance program, family accommodations and caregiving support. More information can be found in our Workforce Health and Safety section .					

SASB CONTINUED



SASB CODE	DESCRIPTION	UNIT	2017	2018	2019	2020	2021	2022
RESERVES VALUATION AND CAPITAL EXPENDITURES								
EM-EP-420a.1	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	MMbbls, MMscf	Vital Energy's scenario analysis focused on stress testing against various climate scenarios, including those aligned with the IEA's Net Zero Scenario from the latest World Energy Outlook report. We believe these net zero scenarios are the most stringent of scenarios available, given the assumption of a successful low-carbon transition. Based on our climate scenario analyses findings, we expect that our oil and gas production will remain resilient in most net zero scenarios. We plan to evaluate the role of integrating an internal carbon price as part of our sensitivity analyses in the coming years. More information can be found in our Climate Risk and Resilience Report .					
EM-EP-420a.2	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	Metric tons CO ₂ e	Not currently tracked.					
EM-EP-420a.3	Amount invested in renewable energy, revenue generated by renewable energy sales	USD	\$85,971 revenue received ¹	\$73,970 revenue received ¹	\$73,275 revenue received ¹	\$73,275 revenue received ¹	\$73,275 revenue received ¹	\$73,275 revenue received ¹
EM-EP-420a.4	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition and development of assets	Qualitative	<p>Vital Energy annually conducts third-party scenario analyses to provide an even more comprehensive review of the resilience of our business strategy with respect to climate-related scenarios. The methods used aligned with the TCFD and utilized transition risk scenarios from the IEA. The outcome of our analysis found that Vital Energy is positioned to continue producing oil and natural gas profitably, even in a carbon-constrained environment, and our business is likely to be resilient to the potential price impacts outlined in the IEA Net Zero Emissions Scenarios.</p> <p>Vital Energy expects that our portfolio of assets will remain resilient in a range of possible future low oil prices and lower carbon scenarios. We also expect to remain a leading low cost operator through expanding high-margin inventory and leveraging our contiguous acreage position to drive operational efficiency and increase drilling program rates of return. Furthermore, Vital Energy expects to continue acquiring strategic assets which we can develop economically and operate in a way that improves the environmental performance of those assets.</p> <p>Lastly, the Company considers both economic and environmental factors when allocating capital. These investments are guided by our carbon abatement curve which informs our decision-making and enables the Company to achieve a meaningful impact for our investment of human and financial capital. Additionally, our investments reduce the carbon intensity of several of assets we've acquired as part of our corporate transformation and further differentiates Vital Energy as an economically and environmentally sustainable operator. More information can be found in our Climate Risk and Resilience Report.</p>					

¹ Metrics represent revenue received for renewable energy generated on surface land owned by Vital Energy and does not reflect amount invested in renewable energy.

SASB CONTINUED



SASB CODE	DESCRIPTION	UNIT	2017	2018	2019	2020	2021	2022
BUSINESS ETHICS AND TRANSPARENCY								
EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Percentage	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%	1) 0% 2) 0%
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Qualitative	<p>As stated in our Anti-Bribery and Anti-Corruption Policy, Vital Energy operates in compliance with anti-bribery and anti-corruption laws such as the Foreign Corrupt Practices Act. Additionally, we strictly prohibit facilitation payments (small payments made to government officials in exchange for expedited services such as approvals of permits or licenses) and gifts.</p> <p>Violations of our Code of Conduct or related policies are not permitted and may result in disciplinary action, up to and including termination of employment. Employees must attest to our Code (and its policies) annually and are responsible for reporting any violations or perceived unethical situations to Company representatives or confidentially through our Ethics & Compliance Hotline. Employees are protected by our Whistleblower Policy and federal whistleblower laws. Additionally, our suppliers are expected to act in a manner consistent with our Code when conducting business on behalf of Vital Energy. More information can be found in our Code of Conduct and Ethics Reporting section of this report and in our Supplier Management Policy.</p>					
MANAGEMENT OF THE LEGAL AND REGULATORY ENVIRONMENT								
EM-EP-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Qualitative	<p>Vital Energy does not make contributions to any political party, committee, candidate or holder of a government position unless permitted by law and does not lobby on behalf of the company. It is against our Human Capital Management Policy to lobby our employees on behalf of a political candidate and to reimburse employees for political contributions or expenditures. More information can be found in our Anti-Bribery and Anti-Corruption Policy.</p> <p>We do participate in industry trade associations to collaborate with subject matter experts from other companies and influence the direction of those organizations.</p>					
CRITICAL INCIDENT RISK MANAGEMENT								
EM-EP-540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Rate			0	0	0	1
EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Qualitative	<p>Risk oversight and management is a key responsibility of our Board. Our directors participate in risk management education and receive regular reports regarding our enterprise risk management (ERM) process. ERM is a dynamic process to identify, assess, prioritize and mitigate the Company's most significant enterprise risks and uncertainties that could materially impact the long-term health of the Company or prevent the achievement of strategic objectives.</p> <p>Our Director of Internal Audit facilitates our ERM program. We leverage a combination of our quarterly and annual internal ERM efforts and regular stakeholder engagement to understand and focus on issues of material significance to both Vital Energy and our stakeholders. Once potential risks are identified, we conduct appropriate analyses for each of our potential key risks. We also monitor the legislative environment and regulatory developments to identify any pending matters that may impact our business. Our ERM process continues to evolve to reflect our sector's dynamic risk landscape. More information can be found in our ERM section.</p> <p>Throughout our sustainability report we discuss various risk mitigation strategies and in our climate report, we specifically list climate-related risks with their corresponding mitigation plans. More information on these mitigation plans can be found in the Risk Management section of our Climate Risk and Resilience Report.</p>					

■ Metric not reported for this year.

SASB CONTINUED


SASB CODE	DESCRIPTION	UNIT	2017	2018	2019	2020	2021	2022
ACTIVITY METRICS								
EM-EP-000.A	Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas	Thousand barrels of oil equivalent per day (MBOED) from unconventional shale reservoirs	58.3	68.2	80.9	87.8	81.7	82.4
		(1) Thousand barrels of crude oil per day (MBOPD) from unconventional shale reservoirs	Crude Oil: 26.0	Crude Oil: 27.9	Crude Oil: 28.4	Crude Oil: 26.9	Crude Oil: 31.8	Crude Oil: 37.9
		(2) Million standard cubic feet of natural gas per day (MMCFD) from unconventional shale reservoirs	Wet Natural Gas: 193.9	Wet Natural Gas: 241.7	Wet Natural Gas: 314.7	Wet Natural Gas: 365.4	Wet Natural Gas: 299.1	Wet Natural Gas: 267.0
		(3) Thousand barrels of synthetic oil per day (MBOPD)	0	0	0	0	0	0
		(4) Million standard cubic feet of synthetic gas per day (MMCFD)	0	0	0	0	0	0
EM-EP-000.B	Number of offshore sites	Number	0	0	0	0	0	0
EM-EP-000.C	Number of terrestrial sites	Number	1,226 producing wells (gross)	1,246 producing wells (gross)	1,269 producing wells (gross)	1,322 producing wells (gross)	1,917 producing wells (gross)	1,916 producing wells (gross)
All Vital Energy operations are on terrestrial sites.								

International Petroleum Industry Environmental Conservation Association (Ipieca)



Ipieca is the global oil and natural gas industry association for advancing environmental and social performance. The sustainability reporting guidance for the oil and natural gas industry is a key tool to help companies shape the structure and content of their sustainability reporting. The guidance provides direction on the content of a typical industry report by covering 21 sustainability issues and 43 indicator categories. These issues and indicators have been selected based on industry consensus, together with significant insights and suggestions from an independent panel of stakeholders with expertise in the sector and sustainability reporting.

TOPIC

RESPONSE

Governance and Business Ethics

GOV-1: Governance approach

The Vital Energy Board of Directors currently consists of 10 directors serving staggered three-year terms. In the last five years, 90% of our Board has been refreshed as part of an intentional effort to increase diversity and knowledge around ESG and technology — expertise that reflects the future of the energy business. The Chair of our Board is an independent director with a separate, distinct role from our CEO. Our Board holds regular meetings without involvement from management and our four Committees are comprised of only independent directors. In 2022, our Board held 27 meetings either in committee or as a full Board.

Two Board Committees have primary ESG-related governance. Our Audit Committee oversees our enterprise risk management (ERM) process during which ESG and climate-related risks are evaluated. Our Nominating, Corporate Governance, Environmental and Social (NGE&S) Committee has ultimate oversight of ESG matters, discussing risks and opportunities at each of its quarterly meetings. ESG matters were discussed at 63% of Board meetings in 2022.

Our Board, officers and employees are accountable to our Code of Conduct and Business Ethics, which establishes a workplace culture committed to the highest ethical standards and the law. A separate Code of Ethics governs the actions of our Senior Financial Officers, in accordance with applicable U.S. federal securities laws and the NYSE Listed Company Manual. Vital Energy employees must attest to the Code each year and are responsible for reporting any violations or perceived unethical situations to Company representatives or confidentially through our Ethics & Compliance Hotline.

We have a number of policies that support the values and behaviors outlined in our Code. Some of these policies include: Anti-Bribery and Anti-Corruption; Anti-Discrimination, Anti-Harassment and Anti-Retaliation; Environmental and Biodiversity; Human Capital Management; Human Rights and Insider Trading. Violations of our Code or related policies are not permitted and may result in disciplinary action, up to and including termination of employment. More information can be found in our [Governance section](#).

GOV-2: Management systems

Consistent with our Company values of driving accountability and involvement, ESG oversight and accountability occurs at multiple levels of our organization. Our Board's NGE&S Committee has ultimate oversight of ESG matters, discussing risks and opportunities at each of its quarterly meetings. At the executive level, our Chief Sustainability Officer (CSO) leads and directs the Company's sustainability strategy and implementation, reports directly to the CEO, leads the ESG Management Committee and provides regular updates to the Board's NGE&S Committee, including progress toward our ESG targets. Vital Energy's ESG Management Committee (which is made up of cross-functional Company leaders) executes ESG efforts across the organization and makes recommendations for our operations and business strategy.

To further encourage accountability across our business, we set operational targets and, at times, tie them to executive and/or employee compensation. Specific to sustainability, we tie both our executive and employee compensation programs to environmental and safety metrics. By aligning our Short-Term Incentive Program (STIP) and Long-Term Incentive Program (LTIP) payouts to sustainability targets, such as emissions reduction, spill intensity and safety, we are further incentivizing ownership related to ESG performance across the organization. More information can be found in our [Governance section](#).

TOPIC

RESPONSE

Governance and Business Ethics

GOV-3: Preventing corruption

Vital Energy has built a reputation as a trustworthy and ethical Company and positive member of our community. All Vital Energy employees annually certify they are free from conflict of interest and further agree to conduct business honestly and fairly and to not take unfair advantage of anyone through any misrepresentation of material facts, manipulation, concealment, abuse of privileged information, fraud or other unfair business practice.

Our Code strictly prohibits illegal activities, personal loans made by the Company, antitrust offenses, bribery and facilitation payments, corruption, harassment, conflicts of interest, and retaliation for reporting in good faith. As defined in our Anti-Bribery and Anti-Corruption Policy, Vital Energy operates in compliance with anti-bribery and anti-corruption laws (including, but not limited to, the U.S. Foreign Corrupt Practices Act).

As part of attesting annually to abide by our Code, Vital Energy employees agree to report any violations or perceived unethical situations to Company representatives or confidentially through our Ethics & Compliance Hotline. Vital Energy has a robust Whistleblower Policy that encourages any employee, business partner or other stakeholder to submit a good faith complaint regarding accounting, internal controls, auditing matters or concerns related to treatment of people or the environment. We will not retaliate against anyone who, in good faith, notifies us of a possible violation of law or our code, nor will we tolerate any harassment or intimidation of any employee who reports a suspected violation.

Violations of our Code or related policies are not permitted and may result in disciplinary action, up to and including termination of employment. More information can be found in our [Code of Conduct and Ethics Reporting section](#).

According to our Supplier Management Policy, it is imperative that our suppliers adhere to our Code. This includes complying with all applicable anti-corruption laws, including the U.S. Foreign Corrupt Practices Act. No supplier may participate in bribes or kickbacks of any kind, whether in dealing with public officials or individuals in the private sector. Should suppliers fail to meet Vital Energy's requirements or fail to comply with our Code, they may be removed from our Approved Supplier List. Additional details about supplier expectations and compliance can be found in our [Supplier Management Policy](#).

GOV-4: Transparency of payments to host governments

Vital Energy only operates in the U.S. and therefore doesn't have any host governments. Specific to government payments, as stated in our Anti-Bribery and Anti-Corruption Policy, we operate in compliance with anti-bribery and anti-corruption laws such as the U.S. Foreign Corrupt Practices Act. Additionally, we strictly prohibit facilitation payments (small payments made to government officials in exchange for expedited services such as approvals of permits or licenses) and gifts. We require all employees to complete mandatory anti-corruption and anti-bribery training that covers giving and receiving gifts, conflict of interest, appropriate record keeping and our overall commitment to ethical behavior and compliance. More information can be found in our [Anti-Bribery and Anti-Corruption Policy](#).

Violations of our Code or related policies are not permitted and may result in disciplinary action, up to and including termination of employment. Employees must attest to our Code (and its policies) annually and are responsible for reporting any violations or perceived unethical situations to Company representatives or confidentially through our Ethics & Compliance Hotline. Employees are protected by our Whistleblower Policy and federal whistleblower laws. More information can be found in our [Code of Conduct and Ethics Reporting section](#).

GOV-5: Public advocacy and lobbying

Vital Energy does not make contributions to any political party, committee, candidate or holder of a government position unless permitted by law and does not lobby on behalf of the company. It is against our Human Capital Management Policy to lobby our employees on behalf of a political candidate and to reimburse employees for political contributions or expenditures. More information can be found in our [Anti-Bribery and Anti-Corruption Policy](#).

We do participate in industry trade associations to collaborate with subject matter experts from other companies and influence the direction of those organizations. We have reviewed the climate statements for each trade association to ensure their statements are generally aligned with our views. Annually, we publish our contributions to these trade groups in our sustainability report. These contributions can be found in the [Additional Metrics section](#).

TOPIC

RESPONSE

Climate Change and Energy

CCE-1: Climate governance and strategy

Board governance: Our Board's Nominating, Corporate Governance, Environmental and Social (NGE&S) Committee is accountable for monitoring and evaluating programs and policies relating to ESG and climate. Climate concerns and issues are discussed at each quarterly committee meeting and relevant updates are provided to the Board-at-large at least quarterly. The Committee is also actively involved in setting and monitoring the progress of our emissions reduction targets and the portions of our STIP and LTIP awards related to ESG at quarterly Committee meetings. Specific to risk (including climate-related risk), our Board receives an annual ERM report that includes identified risks and mitigation plans.

Operational management: At an organizational level, our ESG Management Committee leads our emissions reduction strategy and activity and executes climate-related risk mitigation plans, as directed by our Chief Sustainability Officer (CSO). This committee is a multi-disciplined team of internal leaders from the operations and business development, finance and accounting, supply chain, legal and audit, and human and investor relations teams, in addition to other departments. Our CSO leads and directs the Company's sustainability efforts, including guiding climate-related strategies. He reports to the CEO and provides regular updates at NGE&S Committee meetings. More information can be found in our [Climate Risk and Resilience Report](#) (Governance section).

Strategy resilience: Annually, Vital Energy conducts third-party scenario analyses to provide an even more comprehensive review of the resilience of our business strategy with respect to climate-related scenarios. The methods used align with the TCFD and utilize transition risk scenarios from the IEA. The outcome of our analysis found that Vital Energy is positioned to continue producing oil and natural gas profitably, even in a carbon-constrained environment, and our business is likely to be resilient to the potential price impacts outlined in the IEA Net Zero Emissions Scenarios.

We expect our portfolio of assets to remain resilient in a range of possible future low oil prices and lower carbon scenarios. We also expect to remain a leading low cost operator through expanding high-margin inventory and leveraging our contiguous acreage position to drive operational efficiency and increase drilling program rates of return. Furthermore, Vital Energy expects to continue acquiring strategic assets that we can develop economically and operate in a way that improves the environmental performance of those assets. More information, including the results of our 2023 analysis against eight different scenarios, can be found in our [Climate Risk and Resilience Report](#) (Strategy section).

CCE-2: Climate risk and opportunities

Risk management: Vital Energy is committed to assessing physical, energy transition and climate-related risks as part of our enterprise risk management (ERM) process and environmental management system. These processes help embed climate-related risks more deeply into our strategic planning process and work to ensure the highest possible data quality of our emissions inventories.

Vital Energy's Director of Internal Audit manages our ERM process and functionally reports to our Board's Audit Committee and administratively reports to our General Counsel. As a member of the ESG Management Committee, our Internal Audit Director tracks and monitors climate-related risks and mitigation plans. These mitigation plans are managed by our Chief Sustainability Officer (strategy) and our Vice President of Operations (implementation). Our Climate Risk and Resilience Report lists our climate-related risks with corresponding mitigation plans in the Risk Management section. These risks include policy and legal, technology, market, reputation and physical risks.

Opportunities: Our annual strategic planning and year-end budgeting process, tied with our ERM process, also highlights climate-related opportunities for our organization. These opportunities include resource efficiencies, energy source shifts to more responsibly sourced oil and gas, and the potential for development of new lower carbon services or products adjacent to our industry.

Emissions reduction: To most effectively mitigate risk and take advantage of climate-related opportunities, we must reduce our emissions and follow through on our pathway to our 2025 and 2030 climate targets. Using our carbon abatement cost (CAC) curve, we have identified and are implementing three primary emissions reduction initiatives: enhancing monitoring and leak mitigation; reducing flared and vented emissions; and electrifying our operations.

More information on all of the above topics can be found in our [Climate Risk and Resilience Report](#).

Our priority is to reduce the Scope 1 and 2 emissions associated with our operations. To support this goal, we developed short-term targets (outlined to the right).

We are also committed to using 50% recycled water for our completion operations by 2025, further reducing this physical climate risk (access to water).

Climate Targets by 2025:

- Reduce our Scope 1 GHG emissions intensity to below 12.5 mtCO₂e / MBOE):
Achieved in 2022; 59% reduction from 2019 baseline
- Reduce our methane emissions to below 0.20% (mCH₄ / MCF):
Achieved in 2022; 77% reduction from 2019 baseline
- Eliminate routine flaring: 42% reduction since 2019

Climate Targets by 2030:

Reduce our Scope 1 and 2 GHG emissions intensity to below 10.0 mtCO₂e / MBOE: 53% reduction since 2019

TOPIC

RESPONSE

Climate Change and Energy

CCE-3: Lower-carbon technology

In 2019, we began a digital transformation focused on helping our engineers more easily solve operational problems, including reducing emissions across our operations. As part of our digital transformation, called Intelligent Well, we adopted technology solutions that help reduce emissions through continuous emissions monitoring systems and early leak detection as well as thermal imaging cameras / computer vision and IoT sensor arrays.

For example, combining the data from these devices enables us to detect, and in some cases predict, when emissions events will occur. On-site sensors and computer vision produce real-time measurements that predict potential venting events associated with equipment failure, allowing us to repair a leak before it occurs.

Other lower carbon technology solutions we are executing include (but are not limited to): piloting drone monitoring, increasing our optical gas imaging inspections, converting vented pneumatic devices to non-vent, outfitting all new Company-operated facilities with vapor recovery systems, utilizing Closed-Loop Flowback systems and electrifying our operations (including the electric frac fleet we deployed in the first quarter of 2023).

More information on our technology adoption is available in our [Using Technology to Improve Performance, Advance Sustainability section](#) and our [Climate Risk and Resilience Report](#).

CCE-4: GHG emissions (Metric tons CO₂e), specific to Vital Energy, upstream only

2017

2018

2019

2020

2021

2022

Scope 1: 1,070,077**Scope 1:** 950,218**Scope 1:** 708,178**Scope 1:** 452,106**Scope 2:** 20,288**Scope 2:** 21,578**Scope 2:** 65,361**Scope 2:** 70,574**Scope 3:** 14,572,966**Scope 3:** 14,450,486**Scope 3:** 14,719,384**Scope 3:** 15,524,955**Scope 1 GHG emissions intensity:**26.03 Metric tons CO₂e / MBOE**Scope 1 GHG emissions intensity:**23.13 Metric tons CO₂e / MBOE**Scope 1 GHG emissions intensity:**17.29 Metric tons CO₂e / MBOE**Scope 1 GHG emissions intensity:**10.70 Metric tons CO₂e / MBOE**Methane emissions:** 512,276**Methane emissions:** 389,167**Methane emissions:** 203,871**Methane emissions:** 68,995

CCE-5: Methane emissions

Our priority is to reduce the Scope 1 (including methane emissions) and Scope 2 emissions associated with our operations. To support this ambition, we set a series of climate-related targets including reducing our methane emissions to below 0.20% (as a percentage of natural gas produced) by 2025. In 2021–2022, we invested approximately \$8.3 million to retrofit facilities and replace pneumatics across portions of our operated development areas. These changes mitigated \$8 million per year in potential methane fees and allowed us to achieve our 2025 methane emissions reduction target ahead of schedule. We have also expanded our continuous emissions monitoring system and leak detection and repair programs. More information can be found in our [Climate Risk and Resilience Report](#).

Our Chief Sustainability Officer (CSO), with support from our CEO and our Board's NGE&S Committee, monitors and tracks progress against our climate-related goals. He also leads our ESG Management Committee which executes our emissions reductions programs and strategies, such as those noted above.

CCE-6: Energy use (gigajoules)

2017

2018

2019

2020

2021

2022

190,360 (Scope 2)

191,305 (Scope 2)

172,019 (Scope 2)

182,958 (Scope 2)

554,191 (Scope 2)

685,293 (Scope 2)

As part of our emissions reduction goals, we committed to reduce our Scope 1 and 2 GHG emissions intensity to 10.0 mtCO₂e / MBOE by 2030. In support of this target, we have implemented several programs to make our operations more energy efficient. These include adopting technology that increase our production using less fuel, consuming electricity from the ERCOT grid, which is comprised of both renewable and non-renewable sources, and exploring renewable energy partnerships. More information can be found in our [Climate Risk and Resilience Report](#).

TOPIC

RESPONSE

Climate Change and Energy

	2017	2018	2019	2020	2021	2022
CCE-7: Flared natural gas (Metric tons CO ₂ e)			337,600 (32% of total Scope 1)	277,991 (29% of total Scope 1)	97,814 (14% of total Scope 1)	130,282 (29% of total Scope)

As part of our emissions reduction goals, we committed to eliminate routine flaring by 2025, in alignment with the World Bank Zero Routine Flaring Initiative. In 2022, we continued to reduce routine flaring volumes resulting in a 42% reduction since our 2019 baseline — and we are on track to meet our 2025 target. Additionally, we have reduced total routine and non-routine flaring by 31% since 2019. All of our flaring occurs in the Permian Basin. More information can be found in our [Climate Risk and Resilience Report](#).

Environment

	2017	2018	2019	2020	2021	2022
ENV-1: Freshwater						
5,636,928 cubic meters withdrawn/consumed	5,238,310 cubic meters withdrawn/consumed	3,472,717 cubic meters withdrawn/consumed	3,266,870 cubic meters withdrawn/consumed	3,764,762 cubic meters withdrawn/consumed	3,021,687 cubic meters withdrawn/consumed	
(15% recycled water used for completion operations)	(16% recycled water used for completion operations)	(35% recycled water used for completion operations)	(19% recycled water used for completion operations)	(26% recycled water used for completion operations)	(49% recycled water used for completion operations)	

Vital Energy considers access to water a fundamental human right. We recognize our role in helping protect this natural resource and take pride in our holistic approach to managing and minimizing our impact on freshwater supplies. We source 100% of our fresh water locally, from within the Midland Basin.

All our 2022 completion operations were supplied with fresh water from sites in Howard County, an area designated as high baseline water stress per the WRI Aqueduct tool. Regardless, the Texas Water Board indicates aquifer depths in Howard County have not changed significantly over the last 10 years, despite industry activity in the area. We have also set a company target of using at least 50% recycled water in our completions operations by 2025.

Our Company-operated water infrastructure provides a reliable source of water for our completion operations while providing low-cost takeaway capacity for flowback and produced water. In new development areas, where Company-operated infrastructure did not exist, we partnered with third parties to provide reliable water handling and recycling for our operations. More information can be found in the [Water Management section](#).

	2017	2018	2019	2020	2021	2022
ENV-2: Discharges to water	0%	0%	0%	0%	0%	0%

ENV-3: Biodiversity policy and strategy

We recognize our responsibilities as a steward of the land on which we operate and consider biodiversity management as an important facet of this stewardship. Our Environmental and Biodiversity Policy focuses on minimizing, mitigating and avoiding impacts to critical habitats and species.

Vital Energy works to identify and evaluate sensitive species and habitats during the initial stages of our project planning. We ensure any expansion of our operations avoids critical areas of biodiversity and we accelerate environmental restoration as appropriate. Our biodiversity management efforts include avoidance (site assessments and avoidance plans), minimization (minimizing disruptions if impact can't be avoided) and restoration (restoring to a site's previous condition or better). More information, including a link to our Environmental and Biodiversity Policy, can be found in our [Biodiversity Protection section](#).

Ipieca CONTINUED



TOPIC

RESPONSE

Environment

ENV-4: Protected and priority areas for biodiversity conservation
 Vital Energy does not operate near or adjacent to protected or priority areas for biodiversity conservation and we have no reserves in or near sites with protected conservation status or endangered species habitats. The Company is committed to preventing operations in protected areas or areas of high biodiversity value as (as designated under the International Union for Conservation of Nature (IUCN)), United Nations Educational, Scientific and Cultural Organization (UNESCO) sites, key biodiversity areas and designated wetlands.

ENV-5: Emissions to air
 Our facilities are permitted consistent with federal and state requirements that focus on tracking NO_x, SO_x, VOCs and PM₁₀ emissions at a facility level. In addition, we are expanding our Continuous Emissions Monitoring Systems (CEMS) pilot to cover more facilities across the field to detect and mitigate emissions releases on our locations.

For 2022: NO_x emissions: 2,692 mt; CO emissions: 1,193 mt and VOC emissions: 3,423 mt..

ENV-6: Spills to the environment	2017	2018	2019	2020	2021	2022
	Hydrocarbon	Hydrocarbon	Hydrocarbon	Hydrocarbon	Hydrocarbon	Hydrocarbon
	Events: 155	Events: 165	Events: 107	Events: 87	Events: 66	Events: 168
	Spilled: 1,715 (bbbls)	Spilled: 3,020 (bbbls)	Spilled: 1,197 (bbbls)	Spilled: 401 (bbbls)	Spilled: 381 (bbbls)	Spilled: 695 (bbbls)
	Recovered: 1,050 (bbbls)	Recovered: 826 (bbbls)	Recovered: 361 (bbbls)	Recovered: 265 (bbbls)	Recovered: 153 (bbbls)	Recovered: 89 (bbbls)
	Spill rate oil (spills / MBO): 0.13	Spill rate oil (spills / MBO): 0.22	Spill rate oil (spills / MBO): 0.08	Spill rate oil (spills / MBO): 0.03	Spill rate oil (spills / MBO): 0.02	Spill rate oil (spills / MBO): 0.03
	Water	Water	Water	Water	Water	Water
	Events: 203	Events: 175	Events: 174	Events: 120	Events: 85	Events: 196
	Spilled: 10,084	Spilled: 3,190	Spilled: 7,809	Spilled: 3,931	Spilled: 1,005	Spilled: 1,971
	Recovered: 4,721	Recovered: 2,154	Recovered: 4,723	Recovered: 2,966	Recovered: 466	Recovered: 728
	Spill rate water (spill / MBW): 0.18	Spill rate water (spill / MBW): 0.05	Spill rate water (spill / MBW): 0.15	Spill rate water (spill / MBW): 0.08	Spill rate water (spill / MBW): 0.01	Spill rate oil (spill / MBW): 0.02

Our spill prevention planning includes sound well design and construction based on recognized standards for retaining fluid and materials within the wellbore (preventing migration to groundwater sources or surface areas) and maintaining long-term integrity of the well. We also include primary and secondary containment at our operated production facilities. These standards are verified by a third-party organization as part of certifying our production as responsibly sourced.

To further incentivize spill prevention among our workforce, we include spill intensity as a performance metric in our employee STIP program. Since 2019, we have reduced our produced fluid spill intensity rate by 85%.

To reduce the frequency and volume of fluid spills, our Operations and EHS teams identified potential risks and developed spill prevention plans. Team members meet monthly to track our progress and study any spills or potential spills recorded through our Root Cause Analysis program.

Should a spill occur, Vital Energy efficiently initiates our emergency response action plan. We prioritize the safety of our employees and communities while working to contain the spill and prevent environmental impact. Once controlled, we begin spill remediation efforts with the goal of recovering as much of the spilled fluid as possible and fully restoring any impacted areas. More information about our spill prevention programs are available in our [Land Stewardship and Spill Prevention section](#).

ENV-7: Materials management
 Our materials management efforts were comprised principally of water and natural gas filters from compressor sites as well as contaminated soil associated with spill remediation. In 2022, we generated 3,390.6 cubic meters of solid waste and 99.36 cubic meters of liquid waste.

ENV-8: Decommissioning
 Decommissioning is the process by which we retire a well, which most often occurs when the well reaches the end of its economic life. We follow all applicable laws for well closure and do not consider a well site decommissioned until we have final sign-off from regulatory agencies and have complied with the terms of the oil and gas lease.

We work with the landowner to return the site to the condition most conducive to the landowner's future use, often reseeded with native grasses and flora or returning the land to agricultural use. Our site decommissioning steps are available in our [Biodiversity Protection section](#).

TOPIC

RESPONSE

Safety, Health and Security

SHS-1: Safety, health and security engagement

From our CEO to our team in the field, we work together to achieve our goal of zero incidents. We take action every day through our dedicated safety programs and procedures, including safety meetings, Stop Work Authority, hazard hunts, root cause analysis, emergency response planning and safety audits. We also focus on employee training and comprehensive contractor management. Employee and contractor safety performance is included in our 2023 STIP to further incentivize safe behaviors.

Specific to contractors, we only work with those partners who have met our minimum safety standards, have a proven track record of safety performance and adhere to our Code. We leverage third-party services to help manage contractors on location and we track key performance indicators (KPIs) to ensure timely action on any contractor-related issues and to capture lessons learned. Our contract supervisors receive approximately 20 hours of safety training per year (on average) through our monthly safety meetings. Many of our vendors and contractors regularly participate in our on-site safety meetings and safety standdown meetings. Additionally, our field safety consultants observe our operations and in-field contractors to improve our safety practices.

For continued learning and best practices sharing, we participate in industry safety organizations including American Exploration and Production Council's (AXPC) safety committee. More information can be found in our [Workforce Health and Safety section](#).

SHS-2: Workforce and community health

Prior to work, we conduct an analysis of a site to identify any potential health and safety factors. These factors are then discussed during our pre-job safety meeting with all field employees. We also provide job safety analysis (JSA) training at least annually to all field employees.

Across our company, we also offer proactive wellness benefits and initiatives to encourage healthier lifestyles. These include flexible work schedules, health and fitness benefits, an employee assistance program, family accommodations and caregiving support. More information can be found in our [Workforce Health and Safety section](#).

SHS-3: Occupational injury and illness incidents

	2017	2018	2019	2020	2021	2022
Combined Workforce						
TRIR: 1.20	TRIR: 1.19	TRIR: 0.86	TRIR: 0.74	TRIR: 1.44	TRIR: 0.61	
LTIR: Not reported	LTIR: Not reported	LTIR: 0.86	LTIR: 0.74	LTIR: 1.00	LTIR: 0.46	
Fatalities: 0	Fatalities: 1	Fatalities: 0	Fatalities: 0	Fatalities: 0	Fatalities: 0	
Employees	Employees	Employees	Employees	Employees	Employees	
TRIR: 1.61	TRIR: 0.30	TRIR: 0.37	TRIR: 0.78	TRIR: 1.22	TRIR: 0	
LTIR: 0.64	LTIR: 0.30	LTIR: 0.37	LTIR: 0.78	LTIR: 1.22	LTIR: 0	
Fatalities: 0						
Contractors	Contractors	Contractors	Contractors	Contractors	Contractors	
TRIR: 1.11	TRIR: 1.44	TRIR: 1.00	TRIR: 0.73	TRIR: 1.53	TRIR: 0.78	
LTIR: 0.51	LTIR: 0.42	LTIR: 1.00	LTIR: 0.73	LTIR: 0.92	LTIR: 0.58	
Fatalities: 0	Fatalities: 1	Fatalities: 0	Fatalities: 0	Fatalities: 0	Fatalities: 0	

In 2022, we had no employee safety incidents and no employee or contractor fatalities. We attribute this success to a robust safety program and increased safety training. We also continue to drive organizational focus on safety and incentivize safe behaviors by including safety metrics in our Company STIP.

Ipieca CONTINUED



TOPIC	RESPONSE					
Safety, Health and Security						
SHS-4: Transport safety (vehicle incident rate - number of incidents/ million miles driven)	2017 1.01	2018 0.95	2019 0.40	2020 0	2021 0.87	2022 0.57
SHS-5: Product stewardship	Vital Energy produces hydrocarbons and employees involved in the production process receive training related to safe operational practices, including operational, chemical and product related hazards. Similarly, hazards associated with our operations are discussed in our pre-job safety meetings prior to conducting operations. Should a non-routine operation occur, we may bring in local first responders to train on potential hazards associated with that operation, as we did when first integrating our "mobile pipeline" LNG units to supply power to remote operating areas.					
SHS-6: Process safety (number of Tier 1 process safety events, upstream)	2017	2018	2019 0	2020 0	2021 0	2022 1
SHS-7: Security risk management	Vital Energy does not have external security forces and doesn't own or operate assets in or near areas of conflict. We are committed to not operating in areas of active conflict to ensure our business operates in a manner that is fair and equitable, and to protect our business from threats, vulnerabilities and risks.					
Social						
SOC-1: Human rights due diligence	<p>Vital Energy fosters an environment in which the human rights of all are recognized and respected throughout the Company. As detailed in our Human Rights Policy endorsed by our CEO, we uphold all internationally recognized human rights and follow all applicable national and local regulations as they pertain to the fundamental rights of all stakeholders. Our policy and commitments align with the principles of the UN's Universal Declaration of Human Rights, the UN's Guiding Principles on Business and Human Rights and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. This includes prohibiting the use of human trafficking, child labor and forced labor. It also protects employees' rights to freedom of association, security and the rights of Indigenous peoples, and the right to water.</p> <p>Our Human Rights Policy applies to all Vital Energy employees, officers and directors and requires reporting of any perceived or actual human rights violations. We encourage reporting through our confidential Ethics & Compliance Hotline. Each contact is reviewed by our Director of Internal Audit and our General Counsel and reported to our Board Audit Committee as relevant.</p> <p>Vital Energy does not currently operate on or adjacent to any lands under the governance of Indigenous peoples. Should we do so, we would follow all applicable laws and conduct community consultations to establish business practices that are respectful of Indigenous peoples' sovereignty, security (including water security and access to resources) and unique rights. We commit to not relocating or resettling people for the benefit of our operations. More information can be found in our Human Rights section.</p>					
SOC-2: Suppliers and human rights	<p>We are committed to continuing to align our supply chain policies and procurement process with human rights and sustainable practices. In 2022, we conducted a supply chain survey that found 45% of our suppliers that responded did have a human rights policy in place. We also include our expectations around the protection of human rights and our supplier performance in our Supplier Management Policy.</p> <p>We continue engaging with our suppliers to further strengthen our supply chain resilience, ensure consistency of service and encourage strong ESG performance. More information is available in our Supplier Management Policy.</p>					

■ Metric not reported for this year.

TOPIC

RESPONSE

Social

SOC-3: Security and human rights
Vital Energy does not have external security forces and doesn't own or operate assets in or near areas of conflict. We are committed to not operating in areas of active conflict to ensure our business operates in a manner that is fair and equitable, and to protect our business from threats, vulnerabilities and risks. We also abide by the principles outlined in our Human Rights Policy.

SOC-4: Site-based labor practices and worker accommodation
We recognize that an engaged, healthy, well-trained workforce is key to our world-class culture and helps us accomplish our strategic goals. We work to foster an environment of safety and inclusion through our Code of Conduct and Business Ethics, related policies and biennial anti-harassment training. Since we only operate in the U.S., our operations and their workforce are also governed by U.S. law specific to minimum wage, legal working age and freedom from discrimination and harassment (these are also commitments outlined in our Anti-Discrimination, Anti-Harassment and Anti-Retaliation Policy).

We firmly believe that everyone at Vital Energy contributes to our Company's success. We also recognize there are always areas for continuous improvement and our hotline provides a mechanism for employees and contractors to report grievances without retaliation and allows the Company to review and adjust, if necessary. Our Ethics & Compliance Hotline is (844) 732-6240.

SOC-5: Workforce diversity and inclusion	2017	2018	2019	2020	2021	2022
		Total diversity: 45%	Total diversity: 47%	Total diversity: 47%	Total diversity: 47%	Total diversity: 49%
		Women (% of workforce): 32%	Women (% of workforce): 29%	Women (% of workforce): 27%	Women (% of workforce): 27%	Women (% of workforce): 28%
		Minorities (% of workforce): 19%	Minorities (% of workforce): 26%	Minorities (% of workforce): 25%	Minorities (% of workforce): 26%	Minorities (% of workforce): 28%

Guided by mutual respect and trust, we support and encourage a diverse, equitable and inclusive workplace. We believe a diverse workforce is critical to attaining our highest level of productivity, creativity and efficiency and helps our organization accomplish our mission.

Our commitment to DEI informs the recruitment, retention and development strategies we use to increase diversity across our organization. These efforts are managed by our Vice President of Human Resources (with oversight from our Board's NGE&S Committee) and further support our strict anti-discrimination and anti-harassment workplace as defined by our Code and related policies. Vital Energy employees participate in biennial anti-harassment training to help ensure companywide understanding of and commitment to creating a safe workplace for all.

In 2022, we introduced several initiatives to further create an inclusive workforce. We launched Vital Women's Network — an employee affinity group focused on strengthening networks, developing strategic connections and cultivating learning experiences among the Company's female workforce. The entire Company also participated in unconscious bias and inclusion training at an average of three hours of training per employee. More information can be found in our [Diversity, Equity and Inclusion section](#) and within our Human Capital Management Policy and our Anti-Discrimination, Anti-Harassment and Anti-Retaliation Policy.

SOC-6: Workforce engagement
Our workplace culture encourages diversity of people, backgrounds and beliefs to challenge precedents and push past perceived limits. Respect and two-way communications support an inclusive work environment where employees feel comfortable sharing ideas and feedback.

We regularly engage with our employees and consider their feedback when determining additional employee programs or initiatives to implement. We host townhall meetings, providing opportunities for employees to engage with executive leadership, and our leadership team holds companywide virtual meetings twice monthly to highlight exciting, ongoing projects and provides time for Q&A sessions.

Employees also have a chance to contribute feedback during annual performance reviews and mid-year review meetings during which they discuss their performance goals and individual and team assessments. Participants in our Leadership Enhancement Training Series (LETS) also receive a formal 360-review that incorporates feedback from peers, direct reports, supervisors and others across the Company.

At the end of 2022, we conducted an employee engagement survey to understand what we are doing well, measure job satisfaction and happiness, and determine where we could improve. Survey results and additional information about our workplace culture is found in our [Workplace section](#).

TOPIC

RESPONSE

Social

SOC-7: Workforce training and development

We believe in the talent of our team and regularly invest in growing our employees' skills and career development opportunities. For every employee, we provide a digital competency training platform through our Company intranet that offers a variety of self-paced learning opportunities ranging in topics from basic computer skills to more advanced data visualizations. We also offer employees resources such as our Spectrum Development program, which focuses on personal development and strengthening team relationships, and tuition reimbursement (up to the IRS maximum of \$5,250 per employee, per year).

Recognizing that certain employees and certain roles have unique training needs, we host specialized training programs for lease operators, field technicians and people leaders. For example, in 2022, our Leadership Enhancement Training Series provided more than 62.5 hours of training per participant. More information can be found in our [Workplace section](#).

SOC-8: Workforce non-retaliation and grievance mechanisms

Should employees need to report a concern, they have several opportunities, from telling a Company representative to reporting confidentially through our third-party Ethics & Compliance Hotline. The Company has a robust Whistleblower Policy, including a commitment to not retaliate against anyone who, in good faith, notifies us of a possible violation of law or our Code. We will also not tolerate any harassment or intimidation of any employee who reports a suspected violation. More information can be found in our [Code of Conduct and Ethics Reporting section](#), which also includes a link to our Anti-Discrimination, Anti-Harassment and Anti-Retaliation Policy.

SOC-9: Local community impacts and engagement

We value the partnerships necessary to operate successfully in our local communities. We encourage two-way communications with our owners and offer various resources to contact our Company, including a dedicated website section, email address and 24-hour field emergency phone number. In addition to these resources, community members may contact the Company through our Ethics & Compliance Hotline. Some community concerns in more populated areas include dust, sound/noise and increased traffic. We implement best management practices to mitigate these risks and be a good neighbor.

In addition to being responsive to the community, we also engage and invest through economic contributions and charitable donations. We provide corporate donations and also host a Charitable Matching Program, matching employee donations up to \$1,000 per employee per year. Employees may also use 8 hours of PTO to volunteer each year. Read more in our [Community Engagement section](#).

SOC-10: Indigenous peoples

Vital Energy does not currently operate on or adjacent to any lands under the governance of Indigenous peoples. Should we do so, we would follow all applicable laws and conduct community consultations to establish business practices that are respectful of Indigenous peoples' sovereignty, security (including water security and access to resources) and unique rights.

We commit to not relocate or resettle people for the benefit of our operations and we will consult with local communities and key stakeholders in the early stages of any major project. We will also apply the general principles of Free, Prior and Informed Consent (FPIC) in keeping with best practices for community engagement. More information can be found in our [Human Rights and Indigenous Rights section](#).

SOC-11: Land acquisition and involuntary resettlement

We commit to not relocate or resettle people for the benefit of our operations and we will consult with local communities and key stakeholders in the early stages of any major project. We will also apply the general principles of Free, Prior and Informed Consent (FPIC) in keeping with best practices for community engagement. More information can be found in our [Human Rights and Indigenous Rights section](#).

SOC-12: Community grievance mechanisms

We encourage community partnerships based on trust and this starts with respect and listening. We encourage two-way communications with our owners and offer various resources to contact our Company, including a dedicated website section, email address and 24-hour field emergency phone number. In addition to these resources, community members may contact the Company through our Ethics & Compliance Hotline to report concerns or grievances. More information can be found in our [Community Engagement section](#).

Ipieca CONTINUED



TOPIC

RESPONSE

Social

SOC-13: Social investment

2017

2018

2019

2020

2021

2022

Corporate donations:
\$126,945

Employee donations:
\$15,648

Corporate donations:
\$194,641

Employee donations:
\$59,044

Corporate donations:
\$216,639

Employee donations:
\$211,830

Corporate donations:
\$226,517

Employee donations:
\$242,024

Vital Energy strengthens our operating areas through a number of philanthropic activities. The Company offers corporate donations as well as an employee donation matching program of up to \$1,000 per employee per year to the employee's nonprofit organization of their choice. We are also actively involved in United Way campaigns and other local donation and sponsorship activities that involve our employees. Lastly, we offer 8 hours of PTO for our employees to volunteer. Many employees volunteer through our 'Vital Volunteers' program. More information, including some of our recent donation and sponsorship activities, can be found in our [Community Engagement section](#).

SOC-14: Local procurement and supplier development

Vital Energy works with many small, local service providers. We strive to develop lasting local partnerships to minimize miles driven and benefit the economies of our operating areas.

SOC-15: Local hiring practices

Vital Energy strives to hire top local talent and provide development opportunities to advance their careers. We work with many small businesses and service providers in our communities. In 2021, we began collecting demographic data for our supply chain in an effort to support local businesses. More information can be found in our [Supply Chain Management section](#).

Task Force on Climate-related Financial Disclosures (TCFD)



The Financial Stability Board created the TCFD to improve and increase reporting of climate-related financial information. The work and recommendations of the Task Force help organizations better understand what financial markets want from disclosure in order to measure and respond to climate change risks. TCFD recommendations are structured around four thematic areas that represent core elements of how organizations operate: governance, strategy, risk management, and metrics and targets.

RECOMMENDED DISCLOSURE

RESPONSE

Governance

Board oversight

Our Board's Nominating, Corporate Governance, Environmental and Social (NGE&S) Committee is accountable for monitoring and evaluating programs and policies relating to ESG, including climate-related risks. Climate concerns and issues are discussed at each quarterly committee meeting and relevant updates are provided to the Board-at-large at least quarterly. Also at quarterly meetings, the Committee actively monitors performance toward our targets and provides updates to the Compensation Committee on ESG metrics related to our Short-Term Incentive Program (STIP) and Long-Term Incentive Program (LTIP). Specific to risk (including climate-related risk), our Board receives an annual enterprise risk management (ERM) report that includes identified risks and mitigation plans.

A more thorough climate governance structure is available in our [Climate Risk and Resilience Report](#) (Governance section).

Management's role in assessing and managing climate-related risks

At an organizational level, our ESG Management Committee leads our emissions reduction strategy and activity and executes climate-related risk mitigation plans, as directed by our Chief Sustainability Officer (CSO). This committee is a multi-disciplined team of internal leaders from the operations and business development, finance and accounting, supply chain, legal and audit, and human and investor relations teams, in addition to other departments.

Our CSO leads and directs the Company's sustainability efforts, including guiding climate-related strategies. He reports to the CEO and provides regular updates at NGE&S Committee meetings.

A more thorough climate governance structure is available in our [Climate Risk and Resilience Report](#) (Governance section).

Strategy

Short-, medium-, and long-term climate-related risks

Vital Energy is committed to assessing physical, energy transition and climate-related risks as part of our ERM process and environmental management system. These processes help embed climate-related risks more deeply into our strategic planning process and work to ensure the highest possible data quality of our emissions inventories.

We have identified climate-related risks using TCFD-aligned categories of policy and legal, technology, market, reputation and physical (acute / chronic) risks. In our Strategy section, we list individual risks under each category as well as their potential impacts on our business, strategy and financial planning.

Our annual strategic planning and year-end budgeting process, tied with our ERM process, also highlights climate-related opportunities for our organization. These opportunities include resource efficiencies, energy source shifts to more responsibly sourced oil and gas, and the potential for development of new lower carbon services or products adjacent to our industry.

Both our risks and opportunities are measured against consistent time horizons: short-term (1-3 years), medium-term (4-6 years) and long-term (7-10 years).

Our [Climate Risk and Resilience Report](#) (Strategy section) lists our risks and opportunities, their possible time horizons and their potential impacts to our business, strategy and financial planning.

The [Risk Management section](#) notes the mitigation plans for reducing climate-related risks to an appropriate level.

TCFD CONTINUED



RECOMMENDED DISCLOSURE

RESPONSE

Strategy

Impact of climate-related risks and opportunities on business, strategy, and financial planning

In our climate report's strategy section, we list both climate-related risks and opportunities with their potential impacts on our business, strategy and financial planning. Specific to opportunities, many relate to increased demand for our responsibly sourced product. For risks, potential impacts could include increased costs, decreased demand, limited access to capital and increased threat of incidents.

Climate risks and opportunities are included in our strategy development and influence our capital budget allocation. Investment decisions are informed by our carbon abatement curve, with input from our ERM findings, to guide investments toward projects that mitigate risk or are both economically and environmentally sustainable.

Additionally, these investments are in line with our emissions reduction targets and included in both our STIP and LTIP programs to create further alignment with climate risks and opportunities across the Company. These considerations are also included in our business strategies and budgets and approved by our Board annually.

A comprehensive table listing our opportunities, risks and their potential impacts on our business, strategy and financial planning is available in our [Climate Risk and Resilience Report](#) (Strategy section).

Resilience of strategy, taking into consideration climate-related scenarios

Annually, Vital Energy conducts third-party scenario analyses to provide an even more comprehensive review of the resilience of our business strategy with respect to climate-related scenarios. The methods used align with the TCFD and utilize transition risk scenarios from the IEA. The outcome of our analysis found that Vital Energy is positioned to continue producing oil and natural gas profitably, even in a carbon-constrained environment, and our business is likely to be resilient to the potential price impacts outlined in the IEA Net Zero Emissions Scenarios.

We expect our portfolio of assets to remain resilient in a range of possible future low oil prices and lower carbon scenarios. We also expect to remain a leading low cost operator through expanding high-margin inventory and leveraging our contiguous acreage position to drive operational efficiency and increase drilling program rates of return. Furthermore, Vital Energy expects to continue acquiring strategic assets that we can develop economically and operate in a way that improves the environmental performance of those assets.

More information, including the results of our 2023 analysis against eight different scenarios, can be found in our [Climate Risk and Resilience Report](#) (Strategy section).

Risk Management

Process to assess climate-related risks

Vital Energy is committed to assessing physical, energy transition and climate-related risks as part of our ERM process and environmental management system. These processes help embed climate-related risks more deeply into our strategic planning and work to ensure the highest possible data quality of our emissions inventories.

Our ERM process identifies, assesses, prioritizes and mitigates the Company's most significant enterprise risks and uncertainties that could materially impact the long-term health of the Company or prevent the achievement of strategic objectives. ERM findings and risk mitigation plans are reviewed at least annually by our Board.

More information on our ERM process, including its steps, is available in our [Climate Risk and Resilience Report](#) (Risk Management section). This section also includes additional detail about risk identification and governance.

Process for managing climate-related risks

Managing our climate-related risks takes collaboration across our company. After risk identification through our ERM process, our Director of Internal Audit tracks and monitors climate-related risks and mitigation plans. As a member of the ESG Management Committee, he works in collaboration with his committee members to help ensure the execution of the risk mitigation plans. Our Chief Sustainability Officer has ultimate oversight of climate-related risk mitigation and leads risk mitigation strategy with our Vice President of Operations leading strategic implementation.

We have developed mitigation plans for the following risks: Policy and legal, technology, market, reputation and physical risks (acute and chronic), which support our larger climate-related targets.

Mitigation plans by individual risk are defined in our [Climate Risk and Resilience Report](#) (Risk Management section).

TCFD CONTINUED



RECOMMENDED DISCLOSURE RESPONSE

Risk Management

Integration of risk process into overall risk management

Our ERM process and its integration across our company is noted in the response above. It's important to highlight that ESG risks and issues (including climate) are overseen by our Board's NGE&S Committee, which monitors and evaluates programs and policies on at least a quarterly basis. The Committee holds primary responsibility for reviewing our ESG performance, including ESG/climate-related risks and exposures.

More information on our ERM process, including its steps, is available in our [Climate Risk and Resilience Report](#) (Risk Management section).

Metrics and Targets

Metrics used to assess climate-related risks; Scope 1, Scope 2 and Scope 3 GHG emissions

Metric	2019	2020	2021	2022
Scope 1 emissions (Metric tons CO ₂ e)	1,070,077	950,218	708,178	452,106
Scope 2 emissions (Metric tons CO ₂ e)	20,288	21,578	65,361	70,574
Scope 3 emissions (Metric tons CO ₂ e)	14,572,966	14,450,486	14,719,384	15,524,955
Methane emissions (mtCH ₄ / MCF) ¹	0.87%	0.60%	0.32%	0.11%
Scope 1 GHG emissions intensity (Metric tons CO ₂ e)	26.03	23.13	17.29	10.70

More information can be found in our [Climate Risk and Resilience Report](#) (Metrics and Targets section).

Targets used to manage climate-related risk and opportunities and performance against these targets

Target	Timeline	Progress
Scope 1 GHG emissions intensity (mtCO ₂ e / MBOE) below 12.5	By 2025	Target Achieved - 2022 Scope 1 emissions intensity was 10.70 (a reduction of 59% over 2019 baseline)
Methane emissions (mtCH ₄ / MCF) below 0.20% ¹	By 2025	Target Achieved - 2022 methane emissions were 0.11% (a reduction of 87% over 2019 baseline)
Eliminate routine flaring (in alignment with the World Bank Zero Flaring Initiative)	By 2025	42% reduction to date
Combined Scope 1 and 2 GHG emissions intensity (mtCO ₂ e / MBOE) below 10.0	By 2030	53% reduction to date

More information can be found in our [Climate Risk and Resilience Report](#) (Metrics and Targets section).

Also, information about how we tie some of these targets to compensation is available in the [Governance section](#).

¹ As a percentage of natural gas produced.

American Exploration & Production Council (AXPC) ESG Metrics



The American Exploration and Production Council (AXPC) is a national trade association representing the largest independent oil and natural gas exploration and production companies in the United States. The AXPC ESG Metrics and Framework centers around five key metrics groupings that AXPC members believe are essential to capture in promoting more consistent reporting across its member companies.

TOPIC	UNIT OR FORMULA	2017	2018	2019	2020	2021	2022
GREENHOUSE GAS EMISSIONS							
GHG Emissions <i>(Scope 3 Category 11: Use of Sold Goods)</i>	Metric tons CO ₂ e			Scope 1: 1,065,901 Scope 2: 20,288 Scope 3: 14,572,966	Scope 1: 946,255 Scope 2: 21,578 Scope 3: 14,450,486	Scope 1: 704,165 Scope 2: 65,361 Scope 3: 14,719,384	Scope 1: 446,814 Scope 2: 70,574 Scope 3: 15,573,756
Scope 1 GHG Emissions Intensity	Scope 1 GHG Emissions (Metric tons CO ₂ e) / Gross Annual Production as Reported Under Subpart W (MBOE)			26.03	23.13	17.20	10.57
Percent of GHG Emissions Attributed to Boosting and Gathering Segment	Percentage			14%	9%	6%	13%
Scope 2 GHG Emissions	Metric tons CO ₂ e			20,288	21,578	65,361	70,574
Scopes 1 & 2 Combined GHG Intensity	(Scope 1 GHG Emissions (Metric tons CO ₂ e) + Scope 2 GHG Emissions (Metric tons CO ₂ e)) / Gross Annual Production as Reported Under Subpart W (MBOE)			26.53	23.66	18.89	12.37
Scope 1 Methane Emissions	Metric tons CH ₄			20,491	15,566	8,155	2,760
Scope 1 Methane Emissions Intensity	Scope 1 Methane Emissions (Metric tons CH ₄) / Gross Annual Production as Reported Under Subpart W (MBOE)			0.50	0.38	0.20	0.07
Percent of Scope 1 Methane Emissions Attributed to Boosting and Gathering Segment	Percentage			2%	3%	5%	16%
FLARING							
Gross Annual Volume of Flared Natural Gas	MCF			2,205,971	961,706	958,664	1,521,032
Percentage of Gas Flared per MCF of Gas Produced	Gross Annual Volume of Flared Natural Gas (MCF) / Gross Annual Natural Gas Production (MCF)			1.93%	0.75%	0.73%	1.15%
Volume of Gas Flared per Boe Produced	Gross Annual Volume of Natural Flared Gas (MCF) / Gross Annual Production (Boe)			6.65%	2.77%	2.34%	3.60%

■ Metric not reported for this year.

AXPC ESG Metrics CONTINUED



TOPIC	UNIT OR FORMULA	2017	2018	2019	2020	2021	2022
SPILLS							
Spill Intensity	Produced Liquids Spilled (bbl) / Total Produced Liquids (Mbb)	0.34	0.15	0.20	0.11	0.02	0.03
WATER USE							
Fresh Water Intensity	Fresh Water Consumed (bbl) / Gross Annual Production (Boe)	1.45	1.16	0.66	0.59	0.58	0.45
Water Recycle Rate	Recycled Water (bbl) / Total Water Consumed (bbl)	15%	16%	35%	19%	26%	49%
Does your company use WRI Aqueduct, GEMI, Water Risk Filter, Water Risk Monetizer, or other comparable tool or methodology to determine the water stressed areas in your portfolio?	Yes or no			WRI Aqueduct	WRI Aqueduct	WRI Aqueduct	WRI Aqueduct
SAFETY							
Employee TRIR	# of Employee OSHA Recordable Cases x 200,000 / Annual Employee Workhours	1.61	0.30	0.37	0.78	1.22	0.00
Contractor TRIR	# of Contractor OSHA Recordable Cases x 200,000 / Annual Contractor Workhours	1.11	1.44	1.00	0.73	1.53	0.78
Combined TRIR	# of Combined OSHA Recordable Cases x 200,000 / Annual Combined Workhours	1.20	1.19	0.86	0.74	1.44	0.61
SUPPORTING DATA							
Gross Annual Oil Production	MBO	12,839	13,660	14,115	13,248	19,143	20,292
Gross Annual Gas Production	MMCF	69,403	88,305	114,223	135,600	130,825	131,767
Gross Annual Production	MBOE	24,406	28,378	33,152	35,848	40,947	42,254
Total Produced Liquids	Mbb	34,651	42,114	44,177	40,586	66,221	79,339
Produced Liquids Spilled	Bbl	11,799	6,210	9,006	4,332	1,386	2,666
Fresh Water Consumed	Bbl	35,455,208	32,947,979	21,842,730	20,547,995	23,679,638	19,005,836
Recycled Water	Bbl	6,446,441	6,484,872	11,834,905	4,706,064	8,504,307	18,536,666
Total Water Consumed	Bbl	41,901,649	39,432,851	33,677,635	25,254,059	32,183,945	37,542,502
Employee OSHA Recordable Cases	Number	5	1	1	2	3	0
Contractor OSHA Recordable Cases	Number	15	17	9	5	10	8
Combined OSHA Recordable Cases	Number	20	18	10	7	13	8
Annual Employee Workhours	Number	Not reported	Not reported	537,573	514,090	491,829	576,032
Annual Contractor Workhours	Number	Not reported	Not reported	1,798,993	1,375,920	1,308,453	2,055,481
Annual Combined Workhours	Number	Not reported	Not reported	2,336,566	1,890,010	1,800,282	2,631,513

■ Metric not reported for this year.

American Petroleum Institute (API) GHG Reporting



The API Compendium of GHG Emissions Methodologies for the Natural Gas and Oil Industry is the foundational reference used by companies and governments across the world as methodologies for reporting GHG emissions from natural gas and oil industry operations.

NUMBER	INDICATOR	UNIT	2019	2020	2021	2022
1. Direct GHG Emissions (Scope 1)						
1.1	Direct GHG Emissions (Scope 1) – All GHGs	Million Metric Tons CO ₂ e	1.07	0.95	0.71	0.45
			Read more about our emissions reduction efforts and climate-related targets in our TCFD-aligned Climate Risk and Resilience Report .			
1.1.1	Upstream – All GHGs	Million Metric Tons CO ₂ e	1.07	0.95	0.71	0.45
1.1.1.1	CH ₄	Million Metric Tons CO ₂ e	0.51	0.39	0.20	0.07
1.1.1.2	Flaring – All GHGs (subset of Scope 1)	Million Metric Tons CO ₂ e	0.34	0.28	0.10	0.13
1.1.1.3	Volume of Flares	MMCF	2.21	0.96	0.96	1.52
1.1.2	Midstream – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
1.1.2.1	CH ₄	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
1.1.3	Downstream – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
1.1.4	LNG – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
1.1.5	Oil and Natural Gas Field Services – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
2. Indirect GHG Emissions from Imported Energy (Scope 2)						
2.1	Indirect GHG Emissions from Imported Electricity + Heat + Steam + Cooling (Scope 2, Market-based)	Million Metric Tons CO ₂ e	0.02	0.02	0.07	0.07
			100% of our electricity is from the ERCOT-West grid			
2.1.1	Upstream – All GHGs	Million Metric Tons CO ₂ e	0.02	0.02	0.07	0.07
2.1.2	Midstream – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
2.1.3	Downstream – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
2.1.4	LNG – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
2.1.5	Oil and Natural Gas Field Services – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
3. GHG Mitigation						
3.1	GHG Mitigation from CCUS, Credits, and Offsets	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
3.1.1	Carbon Capture Utilization or Storage (CCUS) – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
3.1.2	Renewable Energy Credits – (RECs for Indirect Emissions) – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00
3.1.3	Offsets – All GHGs	Million Metric Tons CO ₂ e	0.00	0.00	0.00	0.00

API GHG Reporting CONTINUED

NUMBER	INDICATOR	UNIT	2019	2020	2021	2022
4. Intensity - GHG Emissions						
4.1	Scope 1 + Scope 2 Upstream GHG Intensity	Kilograms CO ₂ e / BOE	26.53	23.66	18.89	12.37
4.2	Scope 1 Upstream Methane Intensity	Kilograms CO ₂ e / BOE	12.46	9.47	4.98	1.63
4.3	Scope 1 Upstream Flaring Intensity	Kilograms CO ₂ e / BOE	8.21	6.77	2.39	3.08
4.4	Scope 1 + Scope 2 Liquids Pipelines Transmission GHG Intensity	Million Metric Tons CO ₂ e / throughput in barrel-miles	0.00	0.00	0.00	0.00
4.5	Scope 1 Natural Gas Pipelines Transmission & Storage Methane Intensity	Percentage	0.00	0.00	0.00	0.00
4.6	Scope 1 + Scope 2 Downstream GHG Intensity	Kilograms CO ₂ e / BOE	0.00	0.00	0.00	0.00
4.7	Scope 1 + Scope 2 LNG GHG Intensity	Million Metric Tons CO ₂ e / MMCF	0.00	0.00	0.00	0.00
4.8	Additional Intensity Metrics, if applicable (e.g., further disaggregated by constituent GHG or by more granular business asset, and/or for additional business assets beyond these categories)	Yes or no			No	
5. Indirect GHG Emissions from Consumers' Use of Products (Scope 3)						
5.1	Indirect GHG Emissions from Use of Sold Products (Category 11)	Million Metric Tons CO ₂ e	14.57	14.45	14.72	15.57
6. Additional Climate-Related Targets and Reporting						
5.1	GHG Reduction Targets		By 2025: <12.5 mtCO ₂ e / MBOE Scope 1 GHG emissions intensity, <0.20% methane emissions, zero routine flaring; By 2030: <10 mtCO ₂ e / MBOE Scope 1 & 2 GHG emissions intensity			
5.2	TCFD-informed Reporting		A comprehensive TCFD disclosure is available within our Climate Risk and Resilience Report .			
5.3	Additional Climate Reporting Resources		Please see Vital Energy's website for more information.			
6. Third-Party Verification						
6.1	Assurance Level	Limited	HXE Partners was contracted to provide independent, third-party verification of Vital Energy's GHG emissions and methane emissions consumption inventory for the calendar years: 2019, 2020, 2021 and 2022, with responsibility for providing a limited level of assurance regarding their accuracy and completeness, in accordance with the ISO 14064 standard.			
6.2	Assurance Provider	HXE Partners				

EEO-1: 2022 Data



The EEO-1 Component report is an annual data collection, mandatory by the U.S. Equal Employment Opportunity Commission / Title VII of the Civil Rights Act of 1964, that requires all private sector employers with 100 or more employees, and federal contractors with 50 or more employees meeting certain criteria, to submit demographic workforce data. The data included is as of 12/31/2022.

Job Categories	Totals	Female	White	Minority	Total Diverse	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Pacific Islander	American Indian or Alaskan Native	Two or More Races
Executive/Senior Managers	12	2	11	1	2	0	0	0	0	0	1
Female		2	1	1	2	0	0	0	0	0	1
Male		0	10	0	0	0	0	0	0	0	0
Leadership	49	14	43	6	20	0	4	0	0	0	2
Female		14	14	0	14	0	0	0	0	0	0
Male		0	29	6	6	0	4	0	0	0	2
Professionals	111	48	83	28	61	3	12	3	0	8	2
Female		48	33	15	48	3	4	3	0	4	1
Male		0	50	13	13	0	8	0	0	4	1
All Others	117	16	71	46	58	3	42	0	0	1	0
Female		16	12	4	16	0	4	0	0	0	0
Male		0	59	42	42	3	38	0	0	1	0
Total	289	80	208	81	141	6	58	3	0	9	5
Female		80	60	20	80	3	8	3	0	4	2
Male		0	148	61	61	3	50	0	0	5	3

Human Capital Management Metrics



TOPIC	UNIT OR FORMULA	2017	2018	2019	2020	2021	2022
SAFETY							
TRIR - Combined	(Number of Recordable Incidents X 200,000) / Total Workforce Working Hours	1.20	1.19	0.86	0.74	1.44	0.61
Employees	(Number of Recordable Incidents X 200,000) / Total Workforce Working Hours	1.61	0.30	0.37	0.78	1.22	0.00
Contractor	(Number of Recordable Incidents X 200,000) / Total Workforce Working Hours	1.11	1.44	1.00	0.73	1.53	0.78
LTIR - Combined	(Number of Total Workforce Lost-time Injuries / Total Hours Worked by Total Workforce) X 200,000			0.86	0.74	1.00	0.46
Employees	(Number of Employee Lost-time Injuries / Total Hours Worked by Employees) X 200,000	0.64	0.30	0.37	0.78	1.22	0.00
Contractor	(Number of Contractor Lost-time Injuries / Total Hours Worked by Contractors) X 200,000	0.51	0.42	1.00	0.73	0.92	0.58
DART Rate - Combined	(Number of Recordable Incidents that Resulted in DART X 200,000) / Total Workforce Working Hours		0.80	0.43	0.32	1.11	0.53
Employees	(Number of Employee Recordable Incidents that Resulted in DART X 200,000) / Total Workforce Working Hours					1.22	0.00
Contractor	(Number of Contractor Recordable Incidents that Resulted in DART X 200,000) / Total Workforce Working Hours					1.07	0.68
Fatalities - Combined	Number	0	1	0	0	0	0
Employees	Number	0	0	0	0	0	0
Contractor	Number	0	1	0	0	0	0
Vehicle Incident Rate	Number of Incidents / Million Miles Driven	1.01	0.95	0.4	0	0.87	0.57
DIVERSITY							
New Hire Diversity	Percentage			62%	35%	57%	55%
Total Workforce Diversity	Percentage		45%	47%	47%	47%	49%
Leadership Diversity	Percentage			29%	29%	40%	41%
Women (as a percent of workforce)	Percentage		32%	29%	27%	27%	28%
Women (as a percent of leadership)	Percentage		22%	21%	20%	27%	26%
Minorities (as a percent of the workforce)	Percentage		19%	26%	25%	26%	28%
Minorities (as a percent of leadership)	Percentage		10%	11%	11%	9%	12%
TURNOVER							
Attrition Rate	Percentage		14.4%	35.4%	16.8%	18.0%	16.6%
Voluntary Turnover Rate	Percentage		12.4%	10.5%	3.8%	9.7%	12.1%

■ Metric not reported for this year.

Additional Metrics



TOPIC	UNIT OR FORMULA	2017	2018	2019	2020	2021	2022
FINANCIAL							
Royalty Payments	\$ (in thousands)	\$184,209	\$242,137	\$229,708	\$157,663	\$289,147	\$627,860
Gross State and Local Tax Payments	\$ (in thousands)	\$60,836	\$73,893	\$67,900	\$51,720	\$130,850	\$207,013
ENVIRONMENTAL							
Volume of Produced and Flowback Water	bbls	21,812,571	28,545,197	30,061,959	27,338,547	47,077,694	66,762,566
Scope 2 Energy Intensity	Energy Use (GJ) / Net Sales (mUSD)	0.30	0.24	0.24	0.37	0.48	0.38
Electricity Consumed (100% from ERCOT Grid)	kWh	52,877,785	53,140,271	47,783,168	50,821,726	153,941,964	190,359,268
Revenue from Renewable Energy	USD	\$85,971	\$73,970	\$73,275	\$73,275	\$73,275	\$73,275
ADVOCACY							
Trade Group Contributions Total	USD		\$52,150	\$51,300	\$37,421	\$237,421	\$331,965
Independent Petroleum Association of America (IPAA)	USD		\$20,000	\$20,000	\$20,000	\$20,000	\$40,000
American Exploration & Production Council (AXPC)	USD		\$0	\$0	\$0	\$175,000	\$215,000
National Petroleum Council (NPC)	USD		\$29,035	\$29,035	\$17,421	\$17,421	\$0
Texas Oil & Gas Association (TXOGA)	USD		\$0	\$0	\$0	\$20,000	\$65,465
The Petroleum Alliance of Oklahoma	USD		\$3,115	\$2,265	\$0	\$5,000	\$11,500

■ Metric not reported for this year.

Board Skills Matrix

		Age	Director Since	Independent	Accounting & Financial Reporting	CEO or Senior Officer Experience	Compensation	Corporate Governance	Cybersecurity	Environmental & Sustainability	Exploration & Production	Finance	Midstream	Oil & Gas Service Providers	Other Public Company Board Experience	Technology Expertise	Gender Diversity	Racial Diversity
	William E. Albrecht Former President, Oxy Oil and Gas, Americas	71	2020	■	■	■	■	■	■	■	■		■	■				
	John Driver CEO, Lynx Technology	58	2022	■	■	■	■	■			■			■	■			■
	Frances Powell Hawes Former Chief Financial Officer, Grant Prideco, Inc.	68	2018	■	■	■	■	■		■	■		■	■		■		
	Jarvis V. Hollingsworth Vice Chairman, Irradiant Partners, L.P.	60	2020	■	■	■	■		■		■			■				■
	Dr. Craig M. Jarchow President, CEO & Director, TG Natural Resources, LLC	62	2019	■	■	■	■	■	■	■	■	■						
	Dr. Shihab Kuran Founder & CEO, Power Edison	53	2022	■		■	■	■	■		■			■	■			■
	Lisa M. Lambert Founder & President, National Grid Partners	55	2020	■		■			■		■					■	■	■
	Lori A. Lancaster Former Managing Director, UBS Securities, Global Energy Group	53	2020	■	■					■	■	■	■	■		■		
	Jason Pigott President & CEO, Vital Energy, Inc.	49	2019			■				■	■	■			■			
	Edmund P. Segner, III Former President & Director, EOG Resources, Inc.	69	2011	■	■	■	■	■		■	■	■	■					
Percentage of Directors				90%	70%	90%	40%	70%	30%	50%	60%	100%	40%	40%	70%	40%	30%	40%