



# Forward-Looking Statements

This report and the materials or websites cross-referenced herein contain "forward-looking statements" within the meaning of Private Securities Litigation Reform Act of 1995. These forward-looking statements represent management's expectations or beliefs concerning future events, and it is possible that the results described in this report will not be achieved. These forward-looking statements are based on current expectations and assumptions and are subject to multiple risks and uncertainties, many of which are beyond our control. The forward-looking statements, other than statements of historical fact, included in this report and the materials or websites cross-referenced, concern the Company's goals and expectations regarding corporate responsibility, sustainability, employees, environmental matters, policy, philanthropy, and business risks and opportunities. These goals and expectations are subject to the risks and uncertainties described in detail in the Company's periodic reports filed with the U.S. Securities and Exchange Commission (the "SEC"), including in its Annual Report on Form 10-K for the year ended December 31, 2022 (the "Annual Report"), and subsequent quarterly reports on Form 10-Q and current reports on Form 8-K.

All forward-looking statements speak only as of the date of this report. You should not place undue reliance on these forward-looking statements. In addition, historical, current, and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve and assumptions that are subject to change in the future. Actual outcomes and results may differ materially from what is expressed or forecast in these forward-looking statements due to a variety of factors, including assumptions not being realized, scientific or technological developments evolving sustainability strategies, changes in the nature or scope of our operations, changes in carbon

markets, evolving government regulations or other changes in circumstances. Any information included in, and any issues identified as material for purposes of, this document may not be considered material for SEC reporting purposes. In the context of this report, the term "material" is distinct from, and should not be confused with, such term as defined for SEC reporting purposes. Website references and hyperlinks throughout this report are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this report, nor does it constitute a part of this report. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this report are reasonable, we can give no assurance that these plans, intentions or expectations will be achieved. The risk factors and other factors noted herein and in the Company's SEC filings could cause its actual results to differ materially from those contained in any forward-looking statement. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.

All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the foregoing. We undertake no obligation to publicly report the results of any revisions to any such forward-looking statements that may be made to reflect events or circumstances after the date of this report or to reflect the occurrence of unanticipated events, except as required by law.

Unless otherwise noted, this report covers information regarding our business assets for periods in which we owned and operated such assets.

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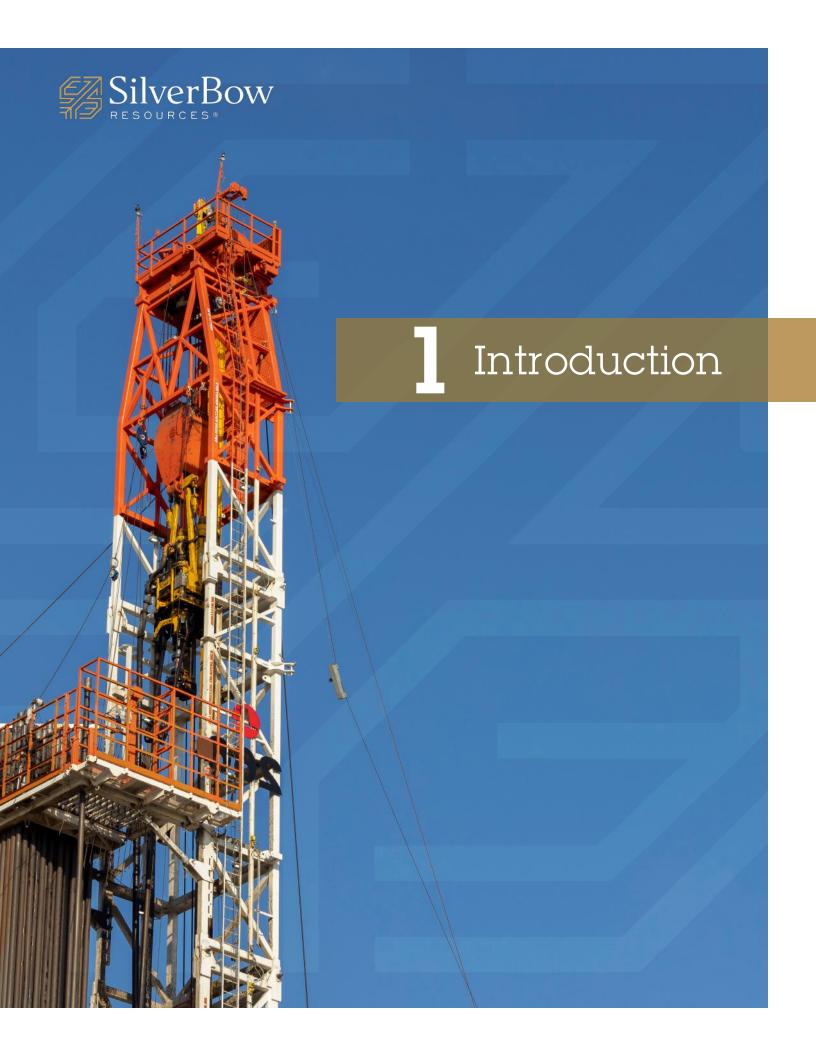
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# About SilverBow

SilverBow Resources, Inc. ("SilverBow," "we," "our," or "Company") is an independent oil and gas exploration and production company headquartered in Houston, Texas. SilverBow is focused on acquiring and developing assets in the Eagle Ford Shale and Austin Chalk in South Texas. With over thirty years of experience in the region, SilverBow sustains a competitive advantage with a highly contiguous acreage position of approximately 180,000 net acres that is designed for optimal and efficient horizontal well development.

In 2022, SilverBow announced four accretive acquisitions which is indicative of the Company's diligent focus on growth and high returns, while maintaining a balanced oil and gas inventory. At the same time, SilverBow carries out its strategy with utmost consideration for its employees and the regions and communities in which it operates. Woven into all aspects of SilverBow's business is a dedication to environmental stewardship.

### **Industry Association Memberships**













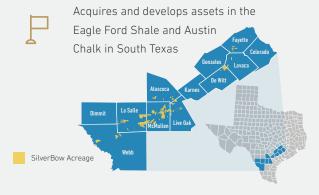
### Company Profile

979 Founded



Headquarters: Houston, Texas

**82** Full-time employees<sup>1</sup>



#### **Production Portfolio**

Assembled approximately 180,000 net acres across five operating areas<sup>1</sup>

Produced an average of 270 million cubic feet of natural gas equivalent per day ("MMcfe/d") in 2022

**2,235** Bcfe Proved reserves<sup>1</sup> (77% natural gas)

#### Responsible Business

Recognized as a **Top Workplace** in Houston, Texas by the Houston Chronicle for the third consecutive year



Philanthropic arm, **SBOW Cares**, supported over **30** charitable organizations

Ongoing commitment to the **Health and Safety** of SilverBow's workforce, with the continuous goal of a safe and incident-free workplace

Continued prioritization and execution of ESG matters with an **ESG Task Force** established in 2020

<sup>1</sup> As of 12/31/22

# **CEO** Letter

I am pleased to share SilverBow's inaugural 2022 Sustainability Report ("Sustainability Report"), summarizing our ongoing efforts towards developing a greater and more sustainable company. This report builds on our first ESG SASB/GRI Disclosure Report ("2021 Disclosure Report"), released in 2022, where we committed to releasing a Sustainability Report in 2023. We recognize that these disclosures are important to our industry, stakeholders and community.

Operational safety, environmental responsibility and community engagement have always been core to our business. Our Sustainability Report represents even greater transparency into our ESG efforts through additional non-SASB/GRI disclosures and more granular metrics. As we matured our ESG program and reporting in 2022, we conducted an ESG materiality assessment with internal stakeholders to identify ESG focus areas beyond the Sustainability Accounting Standards Board recommendations for the Oil and Gas – Exploration & Production industry ("SASB") and Global Reporting Initiatives ("GRI"). I am proud to share these additional metrics.

As a premier oil and gas company in the South Texas Eagle Ford Shale and Austin Chalk, we are driving long-term value through a focus on growth, capital efficiency and cash flow. Alongside our growth model, we are committed to sustainable operations and reducing our overall environmental footprint. A commitment to ESG is critical to meet the demands of our stakeholders and the evolving energy landscape.

SilverBow has, and will always, focus on safety and operations without endangering the environment in the communities in which we operate. To that end, we continuously introduce operational efficiencies, proactively test new technologies, and adapt to evolving regulations and market conditions. As an employer of

choice, we are honored to be named a Top Workplace in Houston, Texas by the Houston Chronicle for the third consecutive year. This milestone speaks to our employees' belief in our mission and values.

SilverBow has, and will always, focus on safety and operations without endangering the environment in the communities in which we operate."

SEAN WOOLVERTON
Chief Executive Officer

Fundamental to our success is the dedication of our talented workforce at every level of the Company. Our ability to execute our strategy hinges on our employees, who we consider our most valuable assets. As such, we foster a culture built to empower our team members, which we refer to as the SBOWay. Through the core tenets of the SBOWay, we work to fulfill our mission while prioritizing our people and local communities.

I look forward to sharing regular updates and developments as we progress along this sustainable path and achieve future ESG milestones.

ean Moodverton

Sincerely,

Sean Woolverton

# The SBOWay



SilverBow is committed to being a premier oil and gas company and a top-tier performer in the regions in which it operates through sustainable and efficient growth of reserves and production. The Company's top-tier talent, high-quality assets and balanced capital structure set it apart from its peers.

In pursuit of its primary objective, SilverBow has fostered a corporate culture to support its workforce. The Company's culture is built upon five core principles that are referred to as the <u>SBOWay</u>.

# SilverBow strives to maintain these ideals throughout its daily operations:



One Team. We recognize the valuable contributions of each individual team member as we work together as a team by:

- Fulfilling expectations and obligations;
- Providing respectful, open and constructive feedback;
- · Valuing others' contributions and collaborations; and
- · Recognizing and rewarding strong performance.



#### **Unleash Potential.** We empower our employees to unleash their full potential by:

- · Creating a high energy and enjoyable work environment;
- · Empowering employees to make decisions;
- Learning and continuously developing ourselves and others; and
- Being purposeful and passionate in what they do.



### **Drive Value.** We drive organizational and shareholder value by:

- · Executing our strategy;
- Optimizing returns while acting responsible;
- Taking intelligent business risks; and
- Thinking big and innovating.



# **Lead the Way.** We lead the way and stay active in our communities by:

- Building trust;
- · Actively seeking diverse perspectives and inspiring change;
- Admitting mistakes and being accountable; and
- Making a difference in our communities.



**Safety Strong**. We promote a safe and healthy work environment in our operations and everything we do by:

- Creating a safe and healthy work environment;
- Making safety a habit;
- Utilizing stop work authority; and
- Being each others' keeper.



# About this Report

SilverBow is pleased to present the Company's inaugural Sustainability Report, which outlines its sustainability efforts and performance during the fiscal year ending December 31, 2022. Performance data included in the report reflects fiscal year 2022 results unless otherwise stated.

SIlverBow's inaugural Sustainability Report describes its strategy to address pertinent ESG issues identified to be most material and relevant to its operations. SilverBow has taken into account and aligned its report with the SASB and GRI frameworks and has reported results against these leading sustainability standards. To maintain transparency with stakeholders, SilverBow also includes Key Performance Indicators ("KPIs") which are both quantitative and qualitative in nature.

This Sustainability Report is not a substitute for material financial information provided in SilverBow's filings with

the SEC, including, but not limited to, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. All references to "material" or "materiality" throughout the report are not meant to have the same meaning as in the context of financial statements or financial reporting or as defined by the SEC. Instead, SilverBow used the GRI's materiality definition to prepare the Company's ESG materiality assessment included in this report.

Any feedback or questions regarding SilverBow's ESG initiatives or this report should be addressed to **ESG@SBow.com**.





# Underpinned by Materiality

SilverBow is committed to the continual development of its robust ESG program that targets the Company's most pressing matters in an effort to maximize its impact. To guide this effort, SilverBow recently conducted an ESG materiality assessment with internal stakeholders to identify the areas of focus for its ESG strategy and steer its disclosures included in the inaugural report. In collaboration with a third-party advisor, SilverBow identified its most material areas through an in-depth analysis of industry materiality matrices and suggested disclosures from SASB, GRI, the Task Force on Climate-

Related Financial Disclosures ("TCFD"), ratings agencies, in addition to internal deliberation across the Company.

The material topics across the ESG pillars unearthed during this process will aid SilverBow's leadership in its ESG efforts and priorities going forward. The results of the 2022 materiality assessment are available below.

The definitions stated below are indicative of the meaning associated with each topic and are not necessarily reflective of SilverBow's current ESG and sustainability practices within each topic.

#### SilverBow's Material ESG Topics

Environment	Definition		
Asset Integrity	SilverBow's products', sites' and facilities' general quality and its ability to perform effectively without detrimental impact on the well-being of stakeholders and communities.		
Biodiversity and Land Use	SilverBow's ecological impact on the sites and areas from which materials are sourced and related management initiatives.		
Climate Change	SilverBow's processes to integrate climate-related risks into its enterprise risk management and related oversight, monitoring and assessment mechanisms.		
Greenhouse Gas Emissions	SilverBow's management, tracking and mitigation of carbon emissions and energy consumption.		
Toxic and Other Emissions	SilverBow's tracking and mitigation of toxic air emissions that are produced as part of its operational processes.		
Water Management	SilverBow's management and oversight of its water usage.		
Waste Management	SilverBow's management of hazardous waste and its ability to minimize total waste production through oversight and responsible consumption.		

Social	Definition	
Health, Safety and Mental Well-Being	SilverBow's management and reporting of employees' health, and safety and mental well-being with the goal of providing an overall incident-free workplace.	
Human Capital	SilverBow's commitment and effort to attract, retain and professionally develop its talent along with its ability to track and report its turnover and retention rates.	
Diversity, Equity and Inclusion	SilverBow's policies, programs and initiatives that promote an inclusive, diverse and equitable organization, as well as the Company's ability to track and communicate improvements over time.	
Human Rights	SilverBow's efforts to ensure value chain compliance with its own standards, as well as all regulations and related corrective action protocols.	
Community Relations	SilverBow's impact and engagement within communities where it operates, including local hiring and procurement, philanthropy and volunteerism.	
Supply Chain Management	SilverBow's management of suppliers, including the mitigation of potential risks by reviewing their environmental and social performance.	

Governance	Definition
Board of Directors Composition	The mix and combination of SilverBow's directors' skills, experience, characteristics, background, independence, tenure, demographics and diversity.
Business Ethics and Transparency	SilverBow's formalized processes, policies and oversight structure to ensure that the Company and its employees are operating ethically, in line with applicable regulations and that reporting of unethical behavior is encouraged.
ESG Oversight	SilverBow's Board's oversight of and management's focus on sustainability issues, ESG program development and related stakeholder engagement and accountability.
Executive Compensation	SilverBow's compensation plan for executives and associated metrics, including those aligning to ESG.
Lobbying and Political Contributions	SilverBow's practices and oversight mechanisms to oversee lobbying activities, political contributions, overall appropriateness and related risk mitigation.
Risk Management	SilverBow's oversight and regulation of risk inherent to the industry or that comes with the Company's operations, including ESG risks.
Shareholder Rights	The rights which a SilverBow shareholder possesses through ownership of Company stock.
Stakeholder Engagement	SilverBow's proactive engagement with key stakeholders on relevant ESG issues, along with the frequency, focus and efficacy of engagement.
Regulatory Oversight	SilverBow's oversight mechanisms to ensure compliance with current regulations and the ability to proactively and systematically monitor and assess emerging regulatory risks.
Cybersecurity and Privacy	SilverBow's practices and oversight mechanisms to protect its networks and data from criminal use and unauthorized access.



Given its importance, ESG is overseen by SilverBow's full Board of Directors, as well as cross-functionally throughout the organization. The Board of Directors retains responsibility for oversight of ESG risks, including those related to climate change, sustainability, strategy and human capital, as well as general oversight of enterprise risk concerns inherent in the business. Certain committees bear responsibility for specific risks and opportunities including, but not limited to the below:



The Nominating and Strategy Committee reviews and makes recommendations to the Board of Directors regarding policies, programs and practices about matters of corporate social responsibility that impact the Company's ability to effectively achieve its business goals.



**The Audit Committee** reviews and discusses the Company's cybersecurity risk management reporting framework with management and the auditors.



The Compensation Committee evaluates and makes recommendations to the Board of Directors regarding the compensation of the directors as well as the compensation of the Company's executive officers.

With the Board of Directors maintaining oversight, SilverBow has an ESG Task Force, comprised of members of the Company's leadership team, which is responsible for carrying out the day-to-day management, monitoring and implementation of its sustainability strategies. The ESG Task Force is led by SilverBow's Executive Vice President and Chief Operating Officer ("EVP and COO"), who reports to the CEO.





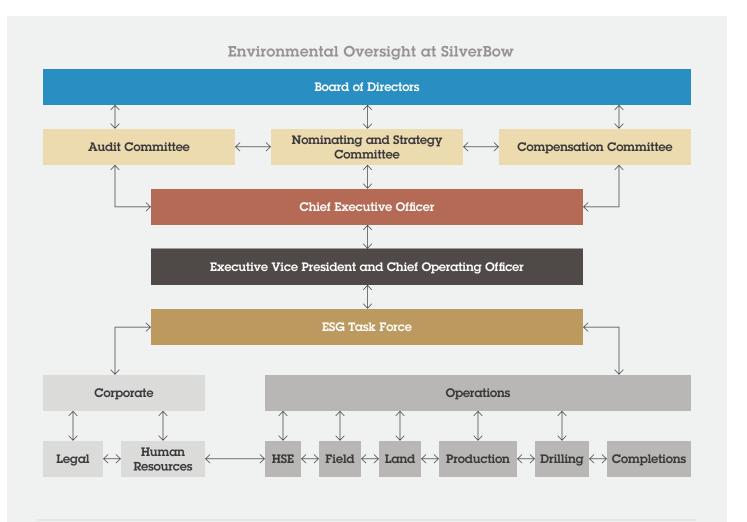
# **Environmental Oversight**

SilverBow has dedicated time and resources to develop a comprehensive oversight structure to progress the Company's ESG program and associated reporting. As mentioned in the ESG Oversight section, SilverBow's full Board of Directors retains responsibility for ESG matters with support and input from executives and senior management. As part of its oversight functions, the Board of Directors is responsible for climate change and sustainability risks.

At the management level, the ESG Task Force provides the Board of Directors regular updates on a quarterly and an as-needed basis. The ESG Task Force is a crossdisciplinary team made up of subject matter experts from multiple departments, specifically individuals from the following teams: Health, Safety and Environmental ("HSE"), Drilling, Completions, Production, Field Operations, Legal, and Human Resources. Led by the EVP and COO who reports to the CEO and the Board, the ESG Task Force is responsible for executing SilverBow's ESG environmental strategies.

The ESG Task Force has always focused on understanding the environmental part of ESG. As a result, the ESG Task Force, in addition to outside consultants and companies, reviews environmental baselines, prepares assessments and reviews associated metrics. The ESG Task Force's goal is to understand the metrics and standardize environmental reporting. Standardized reporting allows for the ESG Task Force to review and analyze the environmental impact of acquired assets and aids SilverBow in determining the best and most efficient method to transition newly acquired assets to SilverBow's performance standards.

Beyond the oversight structure in place, SilverBow has implemented incentives to ensure sustainability metrics are a top priority for the Company. For example, in 2022, compensation for executive management and all employees was linked to the completion of four field environmental milestones addressing emissions and efficiencies.



**Board of Directors** – Oversees SilverBow's ESG program and receives regular updates from the ESG Task Force.

**Board Committees** – Review and make recommendations to the entire Board of Directors on ESG policies, programs and practices; support the Board of Directors on items relevant to its duties.

Chief Executive Officer - Oversees all corporate matters, including those relevant to sustainability.

**Executive Vice President and Chief Operating Officer** – Oversees the ESG Task Force and provides regular ESG updates to the Board of Directors.

**ESG Task Force** – Executes and oversees SilverBow's ESG strategy; reviews and analyzes the environmental impact of acquired assets and helps determine the best and most efficient method to transition newly acquired assets to SilverBow's performance standards.

**Operations** – Ensures ESG measures are implemented into Company-wide systems and processes while promoting day-to-day ESG initiatives that improve the Company's environmental footprint and production efficiencies.

**Corporate** – Ensures regulatory compliance and enables SilverBow's employees to act responsibly through relevant trainings and human capital management.



# Environmental Management and Footprint

## **Environmental Management Strategy**

SilverBow recognizes the importance of minimizing its environmental impact and continuously growing and evolving its environmental management strategy to create sustained value for its stakeholders. Led by the EVP and COO, the cross-disciplinary ESG Task Force, and the HSE team, the Company is well-positioned to adapt to changing environmental norms, regulations and laws. Although this is the Company's inaugural Sustainability Report, SilverBow has historically tracked quantitative and qualitative ESG performance standards and officially formed its ESG Task Force in 2020. These historical and internally tracked ESG performance metrics, while not necessarily publicly reported or aligned with third-party frameworks, allowed SilverBow to understand its operations and assets from an environmental perspective. This perspective has impacted the method by which the Company operates and builds its facilities.

The tremendous growth experienced by the Company in 2022 as a result of multiple acquisitions brought SilverBow new challenges as the Company had to not only effectively integrate the newly acquired assets, but then evaluate and understand how these new assets impacted its environmental footprint. SilverBow is continuing this asset review into 2023, which includes the review of every piece of equipment at each facility, ranging from small, such as pneumatic controllers, to large, including tanks and pipelines. By establishing a foundation for evaluating and understanding newly acquired assets, the Company will use that knowledge to catalyze the environmental improvement of new assets in an efficient manner.

Acquire and Assess

Integrate, Develop and Optimize

Drive Positive Financial and Environmental Outcomes



Driven forward by SilverBow's acquisition and growth strategy, in fiscal year 2022, total gross production<sup>1</sup> increased 17.6% year-over-year while the number of wells<sup>2</sup> increased 63% in the same period.

The HSE team and the ESG Task Force are committed to cultivating a workplace that is safe, fosters environmental stewardship and demonstrates operational excellence. SilverBow's HSE performance strategy is rooted in prevention, meeting statutory and regulatory requirements, continuous performance improvement and operational excellence.

#### SilverBow's HSE objectives:



A Safe and Healthy Workplace



Protection of the Environment



Prevention Rather than Response



Performance that Meets Statutory and Regulatory Requirements



Continuous Performance Improvement

#### **Environmental Sustainability in Practice**

Field employees and contractors participate in HSE trainings and other initiatives to promote HSE's five objectives. For instance, in addition to daily discussions about safety and spills, SilverBow conducts monthly safety meetings in the field where there is a review and discussion of previous months' incidents, related corrective actions and trends. Training topics are also discussed in these monthly safety meetings, ranging from personal protective equipment to blood-borne pathogens. Field employees and contractors spent an average of 65 hours per person on HSE and emergency response training in 2022.

In addition, HSE field representatives constantly monitor operations, conduct regular audits of vendors and contractors and respond to incidents in real-time. These representatives report the results of these audits and incidents across the organization. Relevant recommendations are provided to lessen environmental impacts, improve safety and reduce spills across SilverBow's operations.

The HSE team and the ESG Task Force are, and will continue to be, fundamental to SilverBow's success in achieving its environmental objectives.

<sup>&</sup>lt;sup>1</sup> Gross production values as defined under subpart W for the EPA Greenhouse Gas Reporting Program, thus including production from when SilverBow did not operate the assets.

<sup>&</sup>lt;sup>2</sup> Does not include wells that have been inactive for a long time or temporarily abandoned.

## **Greenhouse Gas Emissions Management**

Managing greenhouse gas emissions is a core element of SilverBow's environmental management strategy. As the Company expands the number of facilities and sites under its operations, it is committed to implementing its greenhouse gas emissions strategy across new and legacy facilities. As such, SilverBow tracks and reports emissions across all of its operations.

While SilverBow's 2021 Disclosure Report represents the Company's first disclosure of Scope 1 emissions within its ESG reporting, the Company has long publicly reported its emissions pursuant to the U.S. Environmental Protection Agency's GHG Mandatory Reporting Subpart W Rule 40 CFR ("EPA GHG Mandatory Reporting Rule"). Specifically, SilverBow works with a third-party emissions consultant that utilizes EPA approved methods, such as ProMax and EPA emission factors, to calculate its emissions.

#### **Acquisition and Emission Optimization Strategy**

SilverBow's key business objectives of robust growth, corporate efficiency and portfolio expansion are supported by a conservative balance sheet. As SilverBow looks to expand its portfolio through organic drilling and accretive acquisitions, the Company recognizes the need to remain cost effective and efficient while improving acquired asset performance through proper integration measures, including those related to emissions management.

With a strong record of acquisitions in the Eagle Ford and Austin Chalk, SilverBow continues to deploy its HSE expertise in reviewing the environmental impact of its current and acquired sites. During 2022, SilverBow successfully closed four acquisitions. Although SilverBow's acquisition strategy leads to fluctuating reported emissions in the near-term, SilverBow is committed to optimizing those emissions in the long-

term. In this regard, the Company actively seeks to understand the emissions from newly acquired assets prior to deploying emission strategies moving forward. This includes an in-depth review of all newly acquired assets to ensure optimization and determine methods by which to reduce and optimize emissions.

Furthermore, these assets directly impact SilverBow's reported emissions during fiscal year periods because the EPA GHG Mandatory Reporting Rule requires that the operator who owned the assets as of December 31, 2022, report those assets' emissions for the full calendar year regardless of who owned the asset or realized production from the assets.

SilverBow maintains an efficient corporate organizational structure and employee footprint which leads to lower absolute Scope 2 emissions.

SilverBow's emissions reduction efforts are intended to lead to decreasing trends regarding the Company's environmental footprint as it continues to improve new and legacy assets.

#### **Emission Management Initiatives**

SilverBow's environmental impact strategy focuses on identifying its emissions and utilizing a cross-disciplinary team to detect methods by which to mitigate those emissions throughout the Company's asset base. The ESG Task Force takes a broad look at emissions from all angles, exploring different methods by which to reduce SilverBow's emissions. In addition, SilverBow works with external consultants and companies to not only identify risks, but provide options for reduction strategies. Understanding and reducing emissions remains a priority for the ESG Task Force in the years ahead.

Specifically, SilverBow has several initiatives underway that are intended to support the Company as it seeks to manage and reduce its emissions, including but not limited to:

**Technological Advancements.** SilverBow replaced pneumatic controllers, reducing methane emissions. For all new and multiple legacy facilities, where electricity is available, SilverBow uses compressed air in place of fuel gas to operate its pneumatic controllers.

Partnerships and Industry Collaboration. SilverBow collaborates with third parties to manage and monitor its emissions. The Company is a member of <a href="The Environmental Partnership">The Environmental Partnership</a>, which is comprised of companies in the U.S. oil and natural gas industry committed to improving the industry's environmental performance.

Floring Efficiencies. SilverBow is making concerted efforts to increase the efficiency of its flaring by stabilizing oil and optimizing its compression at various facilities. The Company also utilizes "green flowbacks" to reduce gas flaring during completion operations and is currently assessing each flare as to whether it is operating correctly and efficiently. SilverBow prioritizes reviewing flares at its newly-acquired facilities to establish baseline performance and identify areas for improvement

In 2022, SilverBow engaged with a third party to evaluate the best application of continuous monitoring devices at its facilities. After various discussions, SilverBow implemented its first continuous monitoring system. The continuous monitoring system is a cloud-based system and accessible to multiple individuals. The system detects not just methane, but all Volatile Organic Compounds ("VOCs"), including Nitrogen Oxide ("NOx") and Sulfur Dioxide ("SOx"), and sends an alarm notification and email at a designated threshold, which indicates that there is a leak or release at the facility. **This allows SilverBow to immediately respond to, assess and repair the leak as needed. In addition, the continuous monitoring system allows for a multi-angle view of the facility at all times.** 

## **Biodiversity and Land Use**

SilverBow is committed to responsibly minimizing the ecological impact of its operations while continuing to serve its customers. The Company has taken meaningful action accordingly through partnerships with environmental firms and initiatives in the field.

None of SilverBow's oil and gas wells and facilities across South Texas are located near endangered species habitats, on indigenous lands or on identified conservation areas. In addition, SilverBow has no proved and probable reserves in or near sites with protected conservation status or endangered species habitat. Still, SilverBow believes that its environmental surface impacts should be minimized, and thus, it prioritizes centralized facilities, roads and multi-well pads. SilverBow also reutilizes the same material from old pads to build new ones in an effort to curb surface disturbance even further.

SilverBow appreciates the importance of implementing biodiversity protections into its processes, and it fully supports such efforts wherever possible.

#### Spill Management

SilverBow approaches spill management through a causal and mitigation lens and has implemented detailed tracking processes. Although not required by regulation, regardless of size, the Company tracks each spill (oil, produced water, or both) and analyzes the root cause of the spill. Following a spill, SilverBow remediates the spill impact to minimize ecological disturbance and reviews it to determine future mitigation measures. When the Company determines that corrosion was the cause, it will have a third party perform metal testing to determine whether the equipment would benefit from a modified chemical mixture to avoid future corrosion.

All SilverBow-built facilities have a Spill Prevention, Control, and Countermeasure Plan ("SPCC") in place, regardless of whether it is required by the EPA. Facilities undergo inspection routinely, while a formal facility inspection occurs annually. In addition, for all new tank battery facilities which undergo significant modifications, SilverBow adds lined and steel walled secondary containment. SilverBow is committed to continuing its high compliance standards across all its operations, with a focus on newly acquired assets aligned with its acquisition strategy.

SilverBow tactically uses its historical and continued data collection to unlock a full understanding of methods by which to prevent spills throughout its asset base. This data collection helps SilverBow explore new and novel methods to prevent and mitigate spills. For instance, in early 2022, the Company started remediating hydrocarbon and produced water spills by using an in-place treatment bioremediation product which accelerates the ground's natural occurring processes while allowing for decreased ground disturbance.

Finding creative solutions to assess and mitigate environmental impact and minimize our footprint is ingrained in SilverBow's culture. I am proud to work for an organization that prioritizes operating sustainably and providing a safe work environment while driving efficiencies in the field."

#### **MIGUEL MORENO**

Health, Safety and Environmental Supervisor at SilverBow

## Water, Waste and Chemical Management

SilverBow understands the importance of managing water, waste and chemicals in a responsible manner. Like all oil and gas companies, the Company utilizes water both in drilling and completion activities. To optimize water usage, SilverBow plans its design volumes and monitors its performance through the use of numerous meters across its facilities. SilverBow is committed to responsibly managing its water consumption and, as such, the Company is continuing to explore ways to perform operations that require less water.

SilverBow's initiatives to manage chemicals continue to be an important part of its overarching environmental strategy. Chemicals are mixed with water and then used by a third-party company to hydraulically fracture the wells.

100% of the wells hydraulically fractured by SilverBow were publicly disclosed in Frac Focus in 2022.

Produced water is a by-product of oil and gas activities and as such, this saltwater needs to be reused, recycled or disposed of in an injection well permitted by the EPA. The Company continues to engage with various third-party companies about the possibility of reusing and recycling produced water. In addition to produced water, in some cases, SilverBow also must dispose of hydrogen sulfide. In this regard, SilverBow is trialing different types of scavengers such that the hydrogen sulfide can be mixed with produced waters and disposed of at regular saltwater disposal wells.

Within its corporate facilitates and offices, SilverBow also looks to reduce its waste through various corporate waste management initiatives. For instance, SilverBow's corporate headquarters are located in a building that is Leadership in Energy and Environmental Design certified. The Company also follows an SEC-approved procedure known as "householding" where only one copy of the proxy and Form 10-K is delivered to shareholders at the same address and materials are delivered by email unless a shareholder makes an election to receive such items in hard copy. Additionally, once a year, SilverBow sponsors an electronics recycling program for all of its employees.



# Environmental Risks Strategy

#### **Environmental Risks**

#### Management Approach

SilverBow recognizes the importance of appropriately managing the environmental risks inherent in its business through proper oversight at all levels of the organization. As described in the Risk Management section, SilverBow has in place a robust structure intended to help mitigate risks, including those related to critical incidents.

The Company's entire Board retains responsibility for general oversight of risk concerns. At each Board meeting, the directors receive reports from SilverBow management that help them assess the risks the Company faces in the conduct of its business. As a means of further reducing risk, directors have the right to visit operations as they see fit. SilverBow has multiple policies, procedures and processes in place to identify and respond to environmental risks, which are overseen by the EVP and COO. The CEO and the EVP and COO also retain the right to conduct unannounced spot audits, similar to the Board.

Additionally, the HSE team conducts periodic reviews of operations to ensure all procedures are being followed. As described in the Environmental Management Strategy section, representatives from the HSE team are on the field at all times, traveling between facilities to monitor operations, conduct audits and report any recommendations back to management.

#### Identified Environmental Risks

SilverBow's business is exposed to risks posed by increasingly strict environmental laws and regulations. Numerous executive, legislative and regulatory proposals affecting the oil and natural gas industry have been introduced, are expected to be introduced, or are otherwise under consideration, by various governmental organizations. In addition, SilverBow's operations are subject to a number of environmental regulations that could lead to higher operating costs, limit the areas in which the Company may operate and reduce demand for the Company's products.

For additional information, please read SilverBow's 2022 Form 10-K, pg. 32.

# **Asset Integrity**

SilverBow's efforts to maintain asset integrity go hand-in-hand with the Company's commitment to a safe and healthy workplace, environmental stewardship and operational excellence. SilverBow's portfolio of assets includes both legacy and acquired assets in varying levels of quality and upkeep.

As described in the <u>Greenhouse Gas Emissions</u> <u>Management</u> section, SilverBow has implemented several improvements to maintain asset quality such as changing out pneumatic controllers and retrofitting legacy facilities with air compressors. In an effort to curb emissions and reduce its overall impact, SilverBow has performed additional unrequired LDAR inspections and opts to fix and repair any issue while onsite, rather than within the allowable 30 days.

SilverBow's Leak Detection Program is another critical area of focus for maintaining the integrity of assets. In line with regulatory requirements, SilverBow uses a third-party compliance and regulatory services firm to conduct semiannual inspections of its facilities with forward-looking infrared ("FLIR") cameras. Regulations require an inspection twice a year in a portion of the Company's facilities, but SilverBow goes above and beyond by inspecting all of its facilities regardless of regulatory requirements. SilverBow uses an independent third party to conduct these inspections. The Company also owns its own FLIR camera to perform its own out-of-cycle inspections.

To mitigate risk, SilverBow attempts to centralize all of its facilities. With a smaller number of facilities, SilverBow can have a more targeted approach to leak detection and environmental and emissions oversight. In addition, fewer facilities reduce the risk of potential mishaps. More fully utilizing existing facilities also requires less overall land use and resources than the building of new and separate facilities.

Pursuant to the Texas Railroad Commission's guidelines, SilverBow also pressure tests production casing immediately prior to any fracturing operations and continuously monitors the casing for any leaks or failures. If a leak is detected, it is immediately addressed with repairs verified through follow-up leak surveys.

SilverBow's robust efforts to maintain asset integrity drove forward zero Process Safety Events for Loss of Primary Containment of greater consequence (Tier 1) in 2022.

# **Reserve Strategy**

SilverBow benefits from having its assets positioned in one of the most economically advantaged oil and gas regions of North America. The Company's proximity to the Gulf Coast allows for lower commodity basis differentials and thus, it would include higher price realizations as compared to other domestic basins. SilverBow also focuses on the highest return and lowest risk projects by adjusting its hydrocarbon mix and cadence.

Additionally, SilverBow limits exposure to commodity price volatility and achieves more predictable cash flow to support current and future capital expenditure plans through the use of a disciplined hedging program. The Company's multi-year price risk management program also includes hedges to limit basis differentials to oil and natural gas pricing as a way of managing risk exposure. For additional information, please read SilverBow's 2022 Form 10-K, pg. 50.





# Our People

SilverBow's employees are the foundation of its success. Integrated programs support the well-being and professional development of SilverBow's workforce across all aspects of its operations. At its core, the Company's human capital management, which is overseen by the Board of Directors, focuses on health, safety and mental well-being, diversity, equity and inclusion, employee recruitment, development and retention, and compensation and benefits.

# Health, Safety and Mental Well-being

SilverBow is committed to fostering a safe working environment in which the health, safety and mental well-being of its employees and contractors is paramount. The Company has instituted several practices and processes to secure such an environment.

#### Safety Leadership & Oversight

SilverBow's EVP and COO leads the Company's overall risk management process and oversees the incorporation of operational safety risks into existing risk management processes. To create a culture where safety is of utmost concern, the HSE team has instituted a Behavioral Based Management System ("BBMS"). The BBMS is a behavioral management method to influence employee and contractor behaviors through observations and feedback, with a goal of promoting safer work habits.

Safety responsibility begins with all employees and contractors with material incidents being discussed with the EVP and COO, CEO, and legal department, where appropriate. As part of its oversight duties, the Board of Directors receives notice of the Total Recordable Incident Rate ("TRIR") on a quarterly and rolling year basis, in addition to being informed of any material incidents.

At the end of each year, SilverBow conducts an evaluation of all first aid cases. Leadership discusses trends and methods by which to mitigate future incidents. To further ensure safety accountability at all levels of the organization, SilverBow integrates TRIR into the Company's bonus incentive compensation program for all employees.

#### Safety Culture & Training

#### Safety Strong

"Safety Strong" is one of the five key tenets of the SBOWay culture. It is through this tenet that SilverBow promotes a safe and healthy work environment under which the Company empowers its employees to take ownership of this effort. In line with the Safety Strong tenet, SilverBow celebrates safety milestones, including the number of days since the last Lost Time Incident and the number of days since SilverBow experienced an Occupational Safety and Health Administration ("OSHA") recordable case.

In 2022, SilverBow had zero OSHA recordable cases among its full-time employees. Spotlighting such successes draws attention to the importance of safety across the organization and recognizes the employees who consistently make safety a habit. SilverBow continuously takes steps to fulfill its vision of a safe and incident-free work environment.

#### SilverBow's Approach

SilverBow aims to approach health and safety matters from a preventive perspective, rather than just a response perspective. The Company employs a safety approach in which supervisors regularly engage with direct reports, which enables supervisors to identify safety gaps in real-time and implement mitigation measures. This approach is individualized as opposed to purely functional and allows supervisors to quickly recognize and act on any behavioral changes that they might notice among their direct reports.

In an effort to encourage its workforce to keep safety in the forefront, SilverBow expects all of its employees, whether in the corporate office or in the field, to work towards the Company's goal of a zero TRIR. Additionally, all employees, vendors and contractors are provided with "stop work" authority, which prevents unsafe conditions, and employees are regularly recognized for reporting any potentially unsafe or unhealthy working conditions and taking steps to remedy those conditions. The Company also employs an anonymous and independent, third-party compliance hotline to give employees and contractors a safe space to speak up about any safety concerns.



During the height of the COVID-19 pandemic, the Company put in place additional safety measures for the protection of its employees, including extra cleaning and protective measures along with work-from-home measures for all employees other than essential personnel whose physical presence in the office was required. The Company has integrated some of these measures following the pandemic for the general health and safety of employees.

SilverBow recognizes that employee training is critical to maintaining safe operations. In 2022, full-time field employees and contractors received an average of 65 hours of health, safety and emergency response training.

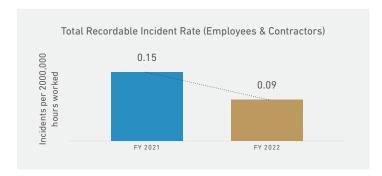
#### **Incident Prevention & Response**

To maintain a safe and incident-free workplace, SilverBow has instituted several safety policies to mitigate risks. Some of those risks are listed within its Code of Ethics and Business Conduct ("Code of Ethics"). The safety policies demonstrate SilverBow's commitment to taking the necessary steps to correct unsafe or unhealthy conditions immediately, while the Code of Ethics details each employee's responsibilities to one another. The numerous safety and other human resources policies provide SilverBow's workforce with guidance and outline the procedures and options for prompt reporting, such as SilverBow's Employee Safety Policy and its Contractor Safety Handbook.

In addition to policies and procedures, the Company also performs risk analyses, job safety analyses and pre-job safety meetings to further mitigate safety risks. The risk and job safety analysis discussions provide for the identification of all task hazards and are the most effective way to reduce exposure to hazards, either through elimination or identification of engineering or administrative controls to mitigate the hazards. The discussions also allow all employees to provide their own perspective as well as fully understand the risks. Additionally, the discussions remind SilverBow's workforce

of its responsibility and authority to "stop work" during the operation if conditions or risks change during the operation.

Such initiatives have led to SilverBow's strong performance across health and safety metrics. Year-over-year TRIR progress is outlined below:



SilverBow is proud that it reduced its TRIR for both employees and contractors to 0.09 in 2022, down 40% year-over-year from 0.15 in 2021. As evidenced by its performance, SilverBow makes an active effort to continuously improve its safety measures. All employees and contractors are encouraged to put safety first, which is essential to driving the Company's performance.

#### Mental Health and Well-being

SilverBow strives to foster a well-rounded environment emphasizing well-being and mental health initiatives. To demonstrate this commitment, SilverBow offers a wellness benefit, which provides each employee up to a \$1,200 reimbursement for purposes related to mental or physical health such as a gym membership. SilverBow also promotes mental health through its employee assistance program and hosts an initiative each May as part of Mental Health Awareness Month.

# Employee Recruitment, Development and Retention

SilverBow's approach to its employees is realized through three primary areas: 1) talent attraction and retention; 2) employee engagement; and 3) talent development.

#### Talent Attraction and Retention

SilverBow's workforce is critical to its continued success. Attracting top talent in the industry is a priority for the Company, particularly given the highly technical nature of the work. SilverBow cares about the holistic well-being of its employees, and it provides competitive medical and financial benefits. It also recognizes that a strong benefits program is a key component to attracting and retaining industry talent. The Company regularly conducts compensation benchmarking against its peers and the local job market to ensure its success in recruiting and retaining top talent. SilverBow's compensation program consists of competitive base salaries, an annual bonus program, recognition awards for achievement and long-term performance incentives.

# Select highlights of SilverBow's benefits and compensation programs are below:



Continuing Education, Training and Educational Assistance Opportunities



Career Development Programs



Parental Leave Policy

401K

401(k) Savings Retirement Plan and Employer Match



Flexible and Hybrid Work-from-Home Schedules for the Corporate Office



Paid Day Off Volunteering at a Charity of Choice and Charitable Donation Opportunities

#### **Employee Engagement**

Employee engagement is essential to SilverBow's performance. Executive management, including the CEO, hosts Company-wide townhalls on a quarterly basis. During the townhalls, Company leaders provide a general update on the business, highlight recent accomplishments and discuss what SilverBow is looking to achieve in the future. The CEO also sends monthly communications on a specific tenet of the SBOWay in an effort to shape and maintain SilverBow's culture.

On an annual basis, SilverBow conducts a third-party survey regarding benefits, corporate culture and employee satisfaction. The results of the survey are utilized to determine overall potential improvement programs to foster a better work environment. For example, the Company's flexible work policy was maintained post-pandemic due to employee feedback from the survey.

The Company also periodically surveys its employees on other human capital and workplace matters. Based on employee feedback, SilverBow offers unique wellness benefits, charitable donation proposal opportunities and, in 2022, a one-time wills and estate planning benefit open to all employees.

In recognition of its efforts to ensure employee satisfaction, SilverBow was awarded a Top Workplaces 2022 honor by



the Houston Chronicle for the third year in a row.

#### **Talent Development**

SilverBow takes a long-term approach to talent development to ensure that its employees have the training, skills and opportunities to succeed, demonstrated through the Company's fundamental principle to "Unleash Potential." The Company offers numerous initiatives to manage the development of employees to build a talented and engaged workforce, including but not limited to the below.

#### Continued Professional Development

SilverBow Leadership, Education and Development program ("SLED"): In partnership with an external consulting firm, the SLED program offers professionally-facilitated development classes, leadership training and business skills workshops.

Technical Training Program: SilverBow offers petro-technical resources and access to industry-standard training courses to better understand and work their respective functions or new/different functions into which they are transitioning.

Continuing Education and Training: Continuing education and training is offered for individuals at the Company who need to maintain licenses (e.g., accountant, attorney, registered engineer, registered geologist).

**Professional Organizations**: Reimbursement is provided to employees for memberships to certain professional organizations, which help support the growth of SilverBow's employees.

Educational Assistance Program: Tuition reimbursement is offered for certain eligible degree programs, consistent with the Company's business operations.

General Training and Development Opportunities and Education: Throughout the normal course of business, SilverBow offers its employees general training and development opportunities and education.

#### **Awards & Recognition**

Spot Bonus Awards: Company leaders nominate employees from all departments throughout the year to receive spot bonuses. In 2022, SilverBow awarded approximately \$100,000 in spot bonuses across all levels of the organization.

SilverBow MVP Award: Every quarter, an employee is selected by a committee of peers and recognized with a SilverBow MVP Award based on the individual's exemplifying the SBOWay core tenets.

#### **Work Environment**

**SBOWay Committee:** The SBOWay Committee is tasked with shaping and maintaining SilverBow's culture to remain steadfast on its five core tenets: One Team, Unleash Potential, Drive Value, Lead the Way, and Safety Strong.

SBOW Cares Committee: The SBOW Cares Committee is responsible for SilverBow's community outreach, ensuring that the Company remains involved in the communities in which it operates and maintains good relations.

SilverBow Employee Association ("SEA"): SEA brings together employees primarily through social, athletic and educational experiences, with the goal of promoting and encouraging the spirit of camaraderie.

Open Door Policy: Open doors are encouraged and all members of management have an open door policy. Any employee can engage with his or her direct supervisor; any manager, senior manager or executive officer; or the Company's Human Resources department, as needed.

#### Diversity, Equity and Inclusion

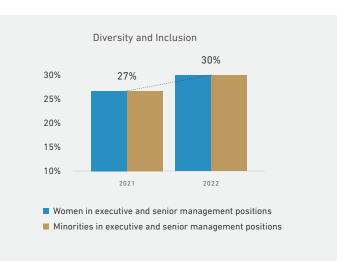
SilverBow is committed to undertaking efforts that create a respectful and supportive environment for every employee. The Company expects all employees to treat one another with mutual respect and therefore has several initiatives that encourage a culture of respect and inclusion. At SilverBow, diversity is seen as an asset given different perspectives drive business success. Therefore, it is important that an inclusive environment is maintained such that all employees feel valued. SilverBow is committed to a diverse workplace that fosters the attraction and retention of unique talents, personalities, work experiences, perspectives, cultures, races, genders, sexual orientation and other differences.

#### **Workforce Diversity**

SilverBow's success relies on the diverse set of skills, viewpoints, backgrounds, experiences and demographics of its people. Its ability to live this value is measured through a year-over-year analysis of demographic data. As stated in its Code of Ethics, the Company is committed to being an equal opportunity employer and discriminating against any employee or person with whom SilverBow does business on the basis of age, race, color, religion, sex (including gender, pregnancy, sexual orientation and gender identity), disability, national origin, genetic information, covered veteran status or other legally protected characteristic is not permitted.

Board of Directors – Notably, in early 2023, SilverBow added to the diversity of skills, experience and gender on its Board of Directors with the addition of two female directors, expanding the Board to nine directors. As of January 2023, SilverBow's Board of Directors is 89% independent, 22% gender diverse and consists of an age range of 39 to 70 years.

**Executive and Senior Management** – The Company's executive and senior management group also exemplifies a diversity of skills, experience and other demographics, and is **30% gender diverse** and **30% underrepresented minority**.



SilverBow will continue to build upon its diversity, equity and inclusion efforts to maintain a diverse workforce in which all voices are heard and talent is developed.



SilverBow is committed to managing its supply chain in an ethical manner and working with suppliers that align with its culture and values. The Company carefully vets its third-party vendors and contractors in an effort to maintain its rigorous standards, including but not limited to their environmental, health and safety, and human rights records.

## **Supply Chain Management**

SilverBow seeks to conduct business with suppliers who embrace and demonstrate high standards of business conduct. Suppliers are expected to fully adhere to SilverBow's Code of Ethics. Additionally, SilverBow seeks to integrate its culture of safety throughout its supply chain by vetting the safety records of potential vendors and contractors and conducting routine safety audits.

### Partnering with Suppliers

SilverBow requires companies providing onsite services to have a Master Services Agreement ("MSA") or similar contract in place. Prior to execution of the MSA, the Company evaluates the companies and assesses their financial resources, safety records and operational performance criteria. Insurance is also required as another risk mitigation tactic. Underperformance in any these areas can prevent the execution of such engagements. SilverBow also requires suppliers to provide information related to their ESG program, including inquiring as to whether or not they track emissions. In certain cases, if further evaluation of a

provider is required, SilverBow will conduct an onsite audit of a potential supplier.

Outside of the initial due diligence process, SilverBow ensures its suppliers maintain their high performance by conducting regular audits post-agreement to monitor and ensure compliance with Company standards. Failure of the audit is met with a warning or an immediate halt of operations, depending on the level of failure. As a method by which to manage the current operating environment and maintain good relations with its suppliers, SilverBow prioritizes long-term service arrangements. These arrangements preserve and advance field knowledge, operational skill sets and risk management. SilverBow also prioritizes working with local suppliers in an effort to maintain a strong presence in the communities in which it operates. In 2022, spending on local suppliers accounted for 100% of total spend.

#### **Human Rights**

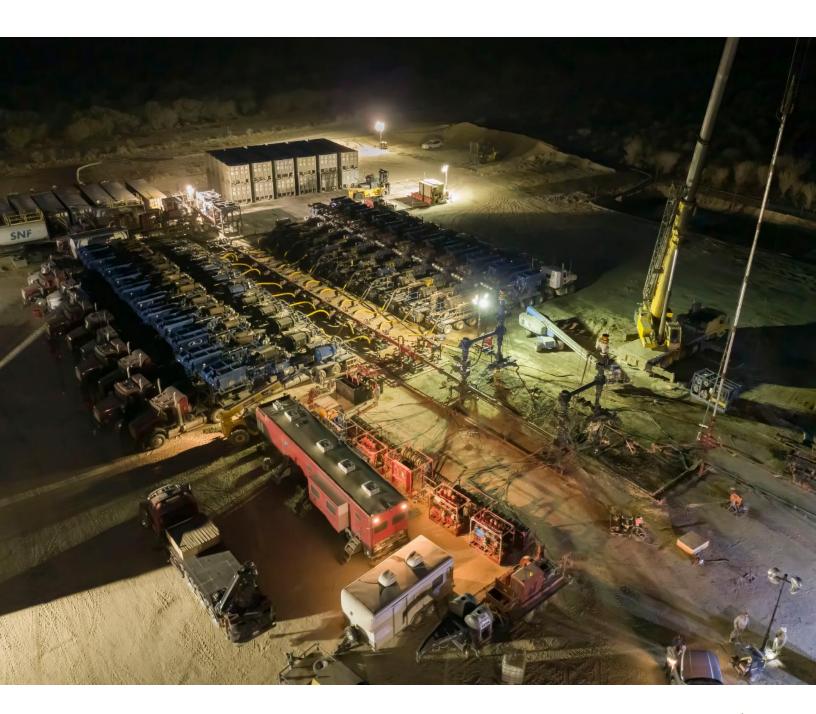
SilverBow is focused on acquiring and developing assets in the Eagle Ford Shale and Austin Chalk located in South Texas. As such, SilverBow's operations are not exposed to areas posing a human rights risk, areas of conflict or indigenous lands; however, regardless of this fact, ethical conduct is critical to SilverBow's continued success. SilverBow is firmly committed to conducting its business in accordance with the highest ethical standards, including practices related to human

rights. Additionally, SilverBow's policies and practices align with all applicable employment laws including, but not limited to, child labor, forced labor, human trafficking and any form of modern slavery.

The Company's Code of Ethics outlines its commitment to the dignity, respect and fairness of its employees and others, diversity and inclusion, and zero tolerance towards illegal discrimination of any kind. SilverBow expects that all employees and representatives of the

Company treat each other with mutual respect and foster a culture of inclusion.

Finally, SilverBow maintains an anonymous compliance and ethics hotline run by an independent, third-party company that is completely unrelated to SilverBow. Any grievances regarding human rights may be reported directly to the Company or anonymously and confidentially through the compliance hotline.





SilverBow is focused on building and maintaining a positive presence in the communities where it operates

through both community involvement and philanthropy.

# Community Relations and Philanthropy

#### **Positive Community Relations**

Community relations is woven into the fabric of the SBOWay corporate culture as the "Lead the Way" tenet, which emphasizes building and maintaining strong relationships within the communities where SilverBow is headquartered and operates. SilverBow leads by example, investing time through volunteering and community programming and charitable contributions. The Company also invests in local communities through job creation, education and training.

The communities in which SilverBow operates are critical stakeholders. Community engagement is therefore an important element of SilverBow's short- and long-term strategic planning and building the trusted relationships. In 2019, SilverBow opened a new field office in Three Rivers,



South Texas as a way of demonstrating its commitment to investing in the areas in which it operates.

As mentioned in the Our Suppliers section, community members have direct access to the Company through an anonymous compliance and ethics hotline run by an independent, third party company. Anyone can access the hotline to communicate concerns or issues.

### Philanthropy

SBOW Cares is the philanthropic arm of the Company and a method by which SilverBow and its employees can further contribute to, and have a deeper impact on, the communities in which it operates. SBOW Cares focuses on three core areas of giving, including:







Education

Feeding the Community

Our Military

# In 2022, the SBOW Cares initiative supported over 30 charitable organizations, including:

Child Advocates

Children's Miracle Network Hospitals

Coastal Food Bank

George West ISD

Hometown Hero Outdoors

Houston Food Bank

Kids' Meals

Live Oak County Fair Association

South Texas Food Bank

Tilden Livestock

Scholarship Association

Wheelchairs for Warriors

Yes Prep - Northbrook High School

To encourage employee philanthropic participation, SilverBow gives employees one day off annually to volunteer at the organization of their choice. Employees are also able to submit requests to the SBOW Cares Committee, made up of a broad group of employees across the Company, to consider donations to certain organizations. Periodically, SilverBow encourages employee involvement and donations by selecting charities or campaigns to encourage employees to donate to. This can cover a variety of philanthropic initiatives - everything from a food can drive benefitting local food banks to a back-to-school supply drive to donations in the event of a disaster.

# Employee Spotlight on Kyndra Joyce

SBOWay Committee Member and an Active SBOW Cares Employee Volunteer



# What motivates you to give back to your community through SBOW Cares?

I am fortunate to work for a Company that cares about serving the communities in which we operate and supporting employees in areas they feel passionate about. SilverBow does a great job of allowing employees to be involved in both how we serve and where we serve. I personally have always been passionate about helping others when it is in my capacity to do so and fulfilling needs as they become apparent to me. I desire to have a positive impact on every person I encounter and in the community in which I work, and SBOW Cares helps me to do that.

# How would you describe your role with SBOW Cares?

Currently, I am a member of the Company's SBOWay Committee, which is responsible for promoting and supporting the culture at SilverBow. In conjunction, I volunteer with SBOW Cares, the Company's community outreach program. I have also led SBOW Cares events such as a canned food drive through which employees collected and donated over 3,800 items of food in support of local food banks.



#### What do you enjoy most about volunteering?

Through SBOW Cares, I enjoy being able to work alongside people who care about serving and meeting the needs of others. From giving a volunteer day to use at my choosing to packing lunches for Kids' Meals, supporting holiday festivities with Child Advocates and distributing gifts to the 172nd Battalion, SBOW Cares always provides great opportunities to give back and get involved in our communities. I'm thankful that I get a chance to be a part of it.





# Corporate Governance

SilverBow has a commitment to strong corporate governance practices that create long-term shareholder value and which provide the foundation for strong operations and build public trust in the Company. Through its strong corporate governance practices, SilverBow promotes a culture of ethics and integrity and empowers its leaders to act in good faith for all stakeholders. As such, the Board of Directors has adopted the <u>Principles of Corporate Governance</u> which are intended to assist it in the performance of its duties and the exercise of its responsibilities.

# **Board of Directors Composition**

SilverBow's entire Board of Directors is charged with overseeing and advising management, as a means of driving long-term sustainable growth and value for the Company. Each director is expected to exercise his or her business judgment to act in what he or she believes to be the best interest of the Company and its stakeholders, to ensure that SilverBow's actions always reflect its values. Directors are required to understand and comply with the Code of Ethics and respective committee charters. The Code of Ethics is annually acknowledged, and committee charters are reviewed on an annual basis.

As of December 31, 2022, the Board of Directors is comprised of seven members, six of whom are independent<sup>1</sup>. The Board has three standing committees as further outlined below: Audit, Compensation and Nominating and Strategy. Directors possess a diverse range of talents, perspectives, skills and expertise to provide sound and prudent guidance with respect to the Company's operations and interests. On an annual basis, the Board of Directors reviews the functions and performance of the Boards and its committees, including its composition and structure, to ensure effective leadership.

Director <sup>2</sup>	Independent	Audit Committee	Compensation Committee	Nominating and Strategy Committee
Marcus C. Rowland / Chairman of Board	Yes			Member
Michael Duginski	Yes	Member		Chair
Gabriel L. Ellisor	Yes	Chair	Member	
David Geenberg	Yes			Member
Christoph O. Majeske	Yes		Chair	
Charles W. Wampler	Yes	Member	Member	
Sean C. Woolverton / Chief Executive Officer	No			

<sup>&</sup>lt;sup>1</sup> SilverBow increased the size of its Board from seven to nine directors in January 2023, eight of whom are independent directors. SilverBow's Board of Directors is now 22% gender diverse

SilverBow's Board of Directors possess a wide variety of backgrounds and experience, providing diverse perspectives and unique insights. As such, directors are well-positioned to offer guidance and recommendations for SilverBow to successfully execute on its long-term strategy.

SilverBow has not established term limits for its directors. Instead, the Nominating and Strategy Committee periodically reviews each director's continuation on the Board of Directors. This strategy allows each director the opportunity to confirm his or her desire to continue as a Board member. Such review is conducted in accordance with the terms of SilverBow's then-applicable Director Nomination Agreement, which gives the right to the Company's shareholder, Strategic Value Partners, to nominate and remove two directors, subject to continued ownership requirements.

The charters of SilverBow's three standing committees – Audit, Compensation and Nominating and Strategy – provide for certain responsibilities outlined in the chart on the right.

#### **Audit Committee**

The Audit Committee is responsible for overseeing the integrity of the financial statements of the Company; compliance with legal and regulatory requirements; the selection, qualifications and independence of the independent auditor; and the performance of the Company's internal audit function and independent auditor. Responsibilities also include reviewing and discussing SilverBow's cybersecurity risk management reporting framework with management and the auditors at least annually.

### **Compensation Committee**

The Compensation Committee is responsible for decisions related to compensation of SilverBow's executive officers, as well as evaluating and making recommendations regarding the compensation of the Directors.

## **Nominating and Strategy Committee**

The Nominating and Strategy Committee identifies individuals qualified to become directors, nominates candidates for directorships, and also recommends to the Board the membership of each of the Board's committees. Additionally, the Nominating and Strategy Committee reviews and makes recommendations to the Board regarding policies, programs and practices respecting matters of corporate social responsibility that impact the Company's ability to effectively achieve its business goals.

# **Executive Compensation**

SilverBow looks to attract individuals who can best execute on the Company's long-term strategy while simultaneously generating value for shareholders and other key stakeholders. As such, the Company offers executive compensation programs that are aligned with both shareholder interests and business performance. Through a mix of base salary, annual cash bonus and long-term incentives, SilverBow is able to offer competitive pay to attract and retain top industry talent.

Oversight of executive compensation lies with the Compensation Committee. In an effort to design a compensation program that fulfills objectives and considers peer market data, the Compensation Committee works with an independent compensation consultant, Frederic W. Cook & Co., Inc., to provide expert advice on the design and implementation of the program. Ultimately, SilverBow's compensation program is built on three primary objectives:



Attract and retain top industry talent



Emphasize pay for performance



Align executive compensation with the creation of shareholder value

Executive officers receive an annual cash incentive bonus, which is tied to the Company's performance across various KPIs approved by the Compensation Committee. Each KPI and its associated metrics are aligned with the Company's long-term mission and goals and is intended to incentivize executive level employees to work towards achieving those operational and financial objectives. One of the KPIs that makes up the bonus is the goal of adding high rate of return locations through acquisition, leasing activity and strategic development.

In 2022, another of the KPIs focused on ESG, including (i) the publishing of ESG metrics, (ii) completion of four field environmental milestones; and (iii) a Health, Safety, and Environmental TRIR with performance between the expected and stretch levels, as included in the Company's 2023 Proxy Statement.

The total compensation for fiscal year 2022 for SilverBow's CEO was \$4,822,458 as provided for in the Company's 2023 proxy statement. The annual total compensation for the Company's median employee in fiscal year 2022, excluding SilverBow's CEO, was \$169,040. The resulting pay ratio of the Company's CEO to the median employee for fiscal year 2022 was 28.5 to 1.



#### **Compensation Governance**

The Compensation Committee is focused on creating a best-in-class executive compensation program. In order to accomplish this, SilverBow incorporates the compensation practices and avoids the compensation pitfalls outlined below.

What We Do	What We Don't Do
<ul> <li>Pay for performance – the majority of pay is at risk and based on Company performance</li> </ul>	× Provide excise tax gross-ups to executives
<ul> <li>Balance short-term and long-term performance in our compensation</li> </ul>	× Allow backdating or repricing of stock options
✓ Use an independent compensation consultant	Allow "single trigger" cash payments upon a change in control
✓ Maintain robust stock ownership requirements	× Provide excessive perquisites
✓ Conduct an annual say-on-pay vote	× Allow for hedging or pledging of Company stock

#### **Shareholder Rights**

SilverBow recognizes the importance of input from its shareholders and makes an effort to engage frequently. Listening to shareholders and ensuring their voices are represented in its long-term strategy is a priority to SilverBow. As such, the Company has implemented various practices to protect shareholder rights. Some of these rights, as addressed in the proxy statement, include but are not limited to:

**Regular Communication:** SilverBow engages routinely with its shareholders and prospective shareholders. Engagement may occur via management calls or roadshows. SilverBow's annual shareholder meeting also provides a channel for communication, transparency and visibility.

**Say-on-Pay:** Shareholders vote on SilverBow's say-on-pay proposal annually. In 2022, the Company received approximately 99% shareholder support for its proposal at its annual meeting, demonstrating strong alignment of compensation programs with shareholders' interests.

Looking ahead, SilverBow will continue to proactively engage with all stakeholders as a means of continuing to enhance value and to execute on its strategy.



# Business Ethics and Transparency

# **Anti-Corruption**

Conducting business in accordance with the highest ethical standards is a top priority for SilverBow and is key to its continued success. SilverBow has a responsibility and obligation to employees and shareholders, as well as to the general public, to maintain open, honest, straightforward and ethical conduct. To that end, SilverBow's Code of Ethics helps the Company govern and maintain its culture of ethical conduct, integrity and trust that make up the SBOWay and serves as a reminder of the corporate policies, roles and laws that affect SilverBow performance.

SilverBow values its reputation for honesty, fair dealing and trust that it has earned with its competitors, suppliers, vendors and contractors. Any solicitation or acceptance of any bribes or kickbacks will not be tolerated. SilverBow requires that the Office of General Counsel be notified by individuals with knowledge of a Company employee, supplier, vendor or contractor soliciting, offering or accepting a bribe or kickback.

Any violation or alleged violation of the Code of Ethics is reviewed and investigated by the Office of General Counsel, Human Resources department, executive management team, Board of Directors and external auditors, as appropriate. Violations may result in additional training and/or disciplinary action, up to and including termination of employment.

SilverBow requires that officers, directors, employees and certain consultants of the Company provide an annual reaffirmation of the Code of Ethics. Each individual is asked to reaffirm and re-acknowledge that they have reviewed and refreshed their knowledge of the Code of Ethics and will continue to comply with all provisions therein.

SilverBow values its reputation for honesty, fair dealing and trust that it has earned with its competitors, suppliers, vendors and contractors.

In addition to the Code of Ethics, SilverBow has additional policies governing expectations of conflict, including the Conflicts of Interest Policy, Insider Trading Policy and Guidelines for Gifts and Entertainment. The Conflicts of Interest Policy and the Insider Trading Policy apply to individuals providing services to the Company, including directors, officers, employees and certain contractors, and clearly articulate SilverBow's position of maintaining its reputation to conduct business with integrity and highest level of ethical conduct. The Guidelines for Gifts and Entertainment is designed to provide individuals with a workable and transparent system for situations not included in the Code of Ethics. On occasion and upon inquiry, the Company also provides a third-party learning resource to employees or contractors related to Insider Trading and the Code of Ethics.

If SilverBow becomes aware of a potential breach of an ethical standard through its compliance hotline or other avenue, the Company will conduct an investigation to ensure an ethical standard has not been breached. The Company maintains an open-door policy as to reporting of ethical misconduct, and an employee may report misconduct including to the employee's supervisor, any member of management of the Company, the Company's Human Resources Department, by writing to the Board of Directors or by calling the Company's anonymous and independent compliance hotline.

These policies and programs further support SilverBow's reputation of honesty and fair dealing that garners trust with suppliers, vendors and contractors. As a means of further ensuring ethical conduct, SilverBow does not participate in any lobbying activities or donate to any Political Action Committees.





# **Enterprise Risk Management**

# **Board of Directors Oversight**

Strong oversight for the enterprise risk concerns inherent in SilverBow's business is essential for the Company's continued success. The entire Board of Directors is responsible for general oversight of any enterprise risk concerns. At each Board of Directors meeting, the directors receive reports from members of SilverBow's senior management that help the Board assess the risks that the Company faces in the conduct of its business. Senior management frequently presents to the Board of Directors about current and planned exploration, and development activities and A&D opportunities that may subject the Company to operational and financial risks.

In addition, the Audit Committee reviews the effectiveness of SilverBow's internal controls over financial reporting with the Company's internal auditor and independent accountant at least annually.

SilverBow's overall risk management includes the review and oversight of risks disclosed in the Risk Factors section of the Company's 2022 Form 10-K (pgs. 21–35) and subsequent Form 10-Q filings. Risks include the business, macroeconomic, financial, legal and regulatory, among other factors.

# Company Policies

SilverBow's safety policies, its Code of Ethics and Human Resources policies are critical to risk management. The Code of Ethics and other Company policies provide guidance, prompt reporting procedures and options, including an anonymous and independent compliance hotline to ensure the Company operates in a safe, healthy, legal and ethical manner. As one of many tools to manage risk, such policies state SilverBow's commitment to the necessary steps to correct any unsafe or unhealthy conditions immediately.

# **Regulatory Oversight**

SilverBow is subject to numerous laws and regulations as a public company and onshore oil and gas operator in Texas. Amongst other agencies, SilverBow is subject to the jurisdiction of the following federal, state and other regulatory agencies:

















Multiple state, federal and other regulatory agencies have proposed regulations related to ESG, including regulations connected to critical infrastructure due to Winter Storm Uri, emission reductions (including methane), methane taxes, flaring, and climate disclosure related to ESG. As a result of these statements, SilverBow's ESG Task Force and its Office of General Counsel are responsible for understanding, reviewing and analyzing how SilverBow could prepare for mandated rules along with pending and proposed legislation.

Membership in industry organizations such as the American Petroleum Institute's Environmental Partnership allows SilverBow to understand the approach peers and other oil and gas companies are taking in regard to climate and ESG regulations. Additionally, the Company works with multiple third party consultants and contractors who provide training sessions and guidance with respect to ESG and expected legislation and rules. In this regard, SilverBow strives to be ahead of anticipated legislation and regulations.

SilverBow intends to comply in all respects with all laws and regulations that are applicable to its business. This applies to its Board of Directors, employees and contractors. The entire Board of Directors is responsible for general oversight of SilverBow's compliance with material legal and regulatory requirements. Additionally, each Board committee, as provided for in its charter, is responsible for oversight of compliance with applicable laws and regulations. At Board of Directors and committee meetings, the Board of Directors receives reports from SilverBow's senior management that help it assess compliance with material laws and regulations and the Company's compliance plans for upcoming and potential laws and regulations.

Notably, SilverBow has not been subjected to any material monetary charges, fines, or penalties for non-compliance with ESG-related laws or regulations in the past three years.



# **Cybersecurity and Privacy**

SilverBow is increasingly focused on protecting its networks, systems and data amid a rise in cybersecurity threats. The Company has in place robust cybersecurity measures and oversight as a means of proactively protecting the Company's business operations from cyberattacks, as well as protecting the privacy of its stakeholders. The Audit Committee is responsible for oversight of SilverBow's cyber risk management. Periodic

cyber risk updates are provided by Company management to the entire Board and Audit Committee, and the Audit Committee annually reviews the effectiveness of such controls. This includes mitigation initiatives, external security assessments, and employee and user training.

A culture of prevention and compliance strengthens the Company's digital security. Over the last few years, SilverBow has implemented various initiatives to mitigate the risks posed by cyberattacks.

#### Initiatives to mitigate the risks posed by cyberattacks operations



Block foreign websites requiring permission to access



Multifactor authentication enabled on all entry points



Annual audits by the Company's external and internal auditors that include cyber testing



Quarterly scanning with vulnerability remediation



Wire payments verified by Treasury Department



Annual security assessments performed



Annual and periodic Company-wide cyber training



Company-wide phishing campaigns

SilverBow also has in place a cybersecurity policy, which is intended to protect SilverBow's data and technology infrastructure. The policy covers antivirus and malware, cybersecurity training and vulnerability and penetration testing. The policy applies to employees, contractors, consultants, vendors and any other individuals with access to SilverBow's systems, software and hardware.

As a result of SilverBow's efforts, the Company is not aware of any material losses relating to cyber breaches or any material impact on its operations to date in the last three years. SilverBow is continuously advancing and improving its cybersecurity measures to stay ahead of new threats and potential incidents that could cause a materially adverse effect on the business.



### Performance Data

General Data			
Metric	Unit	Fiscal Year 2021	Fiscal Year 2022
Total revenue	Millions (\$)	\$407.2	\$753.4
Total number of employees at year end	Count	62	82
Production <sup>1,2</sup>			
Net production of oil	MBbl	1,462	2,634
Net production of natural gas	MMcf	60,510	70,958
Net production of natural gas liquids	MBbl	1,472	1,950
Total net production	MMcfe	78,113	98,460
Gross production of oil	MBbl	2,964.40	4,993.81
Gross production of natural gas	MMcf	109,604.30	119,911.57
Total gross production	MMcfe	127,390.70	149,874.43
Number of offshore sites	Count	0	0
Number of terrestrial sites	Count	509	831

<sup>&</sup>lt;sup>1</sup> Net production is only SilverBow's production post-closing, unlike emissions which are required by EPA GHG Mandatory Reporting Rule 40 CFR 98 Subpart W to include full-year emissions for assets acquired during the fiscal year.

<sup>&</sup>lt;sup>2</sup> Gross production values as defined under subpart W for the EPA Greenhouse Gas Reporting Program, thus including production from when SilverBow did not operate the assets.

Environment Data			
Metric	Unit	Fiscal Year 2021	Fiscal Year 2022
Greenhouse Gas Emissions <sup>1</sup>			
Scope 1 emissions	Metric Tonnes CO <sub>2</sub> e	282,672.77	380,445.36
Scope 1 emissions from flared hydrocarbons	Metric Tonnes CO <sub>2</sub> e	49,504.39	73,092.22
Scope 1 emissions from combustion	Metric Tonnes CO <sub>2</sub> e	160,070.00	234,508.37
Scope 1 emissions from process emissions	Metric Tonnes CO <sub>2</sub> e	0	0
Scope 1 emissions from vented emissions	Metric Tonnes CO <sub>2</sub> e	46.89	48.20
Scope 1 emissions from fugitive emissions	Metric Tonnes CO <sub>2</sub> e	2,206.91	6,423.30
Scope 1 emissions from other sources	Metric Tonnes CO <sub>2</sub> e	70,844.58	66,373.27
Methane emissions	Metric Tonnes CO <sub>2</sub> e	29,617.76	47,420.13
Percentage of methane emissions	Percentage (%)	10.48%	12.46%
Scope 1 emissions covered under limiting regulations	Percentage (%)	0%	0%

Metric	Unit	Fiscal Year 2021	Fiscal Year 2022
Energy			
Amount invested in renewable energy	Dollars (\$)	\$9,534	\$0
Revenue generated by renewable energy sales	Dollars (\$)	\$0	\$0
Spills <sup>2</sup>			
Number of hydrocarbon spills	Count	11	40
Aggregate volume of hydrocarbon spills	Bbl	24	344
Volume of hydrocarbon spills in Arctic	Bbl	0	0
Volume of hydrocarbon spills impacting shorelines with ESI rankings 8-10	Bbl	0	0
Volume of hydrocarbon spills recovered	Bbl	7	315
Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Rate	0	0
Water Management <sup>3</sup>			
Total fresh water withdrawn and consumed	Thousand Cubic Meters	1,184.444	1,500.45
Percentage of total fresh water withdrawn and consumed in regions of high or extremely high base-line water stress	Percentage (%)	37%4	70%
Volume of produced water and flowback generated	Thousand Cubic Meters	507.07	830.55
Percentage of produced water and flow-back generated - discharged	Percentage (%)	n/a	n/a
Percentage of produced water and flow-back generated - injected	Percentage (%)	100%	100%
Percentage of produced water and flow-back generated - recycled	Percentage (%)	0%	0%
Hydrocarbon content in discharged water	Percentage (%)	Not Tracked	Not Tracked
Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Percentage (%)	100%	100%
Biodiversity			
Percentage of proved and probable reserves in or near sites with protected conservation status or endangered species habitat	Percentage (%)	0%	0%

<sup>&</sup>lt;sup>1</sup> Scope 1 emissions are calculated and reported per EPA GHG Mandatory Reporting Rule 40 CFR 98 Subpart W. Per the EPA GHG Mandatory Reporting Rule, SilverBow reports full-year emissions for assets acquired during any period of the fiscal year. As such, emissions include time periods wherein SilverBow did not own the asset or realize production using all available information provided at the time of acquisition.

<sup>&</sup>lt;sup>2</sup> Spill reporting herein is inclusive of all spill occurrences, not only regulatory recordable spills. Note, spill metrics do not include spills from assets prior to their acquisition during 2021 or 2022.

<sup>&</sup>lt;sup>3</sup> SilverBow typically purchases water from third parties which is consumed in its drilling and completion operations.

<sup>&</sup>lt;sup>4</sup> Restated metric which includes incremental enhancements due to ongoing improvements in calculation methodologies.

Social			
Metric	Unit	Fiscal Year 2021	Fiscal Year 2022
Our Employees			
Talent Attraction and Retention			
New hires	Number	5	29
Employee retention	Percentage (%)	93%	88%
Diversity and Inclusion			
Gender			
Women in total workforce	Number	22	30
Women as a percentage of workforce	Percentage (%)	35%	37%
Women in executive and senior management positions <sup>1</sup>	Percentage (%)	27%	30%
Race/Ethnicity			
Minorities in total workforce	Number	25	33
Minorities as a percentage of workforce	Percentage (%)	40%	40%
Minorities in executive and senior management positions <sup>1</sup>	Percentage (%)	27%	30%
Human Rights			
Percentage of proved and probable reserves in or near indigenous land	Percentage (%)	0%	0%
Percentage of proved and probable reserves in or near areas of conflict	Percentage (%)	0%	0%
Non-technical delays	Days	0	0
Safety Training and Employee Engagement			
Average hours of HSE and emergency response training for full-time field employees <sup>2</sup>	Hours per employee per year	65	65
Average hours of HSE and emergency response training for contractors <sup>2</sup>	Hours per contractor per year	65	65
Average hours of HSE and emergency response training for full-time field employees and contractors <sup>2</sup>	Hours per employee + contractor per year	65	65
Health and Safety Engagement	Hours	131	130
Employee survey participation rate	Percentage (%)	97%	90%
Health and Safety			
Full-Time Employees (FTE)			
Total Recordable Incident Rate <sup>3</sup>	Incidents per 200,000 hours worked	0	0
Fatality rate <sup>4</sup>	Fatal accidents per 200,000 hours worked	0	0
Near Miss Frequency Rate <sup>5</sup>	Near misses per 200,000 hours worked	0	0

Metric	Unit	Fiscal Year 2021	Fiscal Year 2022
OSHA Recordable Cases <sup>6</sup>	Count	0	0
Workdays lost due to injuries	Count	0	0
High-Potential Events <sup>7</sup>	Count	0	0
Days Away Restricted Transfer (DART) Rate	Recordable incidents per 200,000 hours worked	0	0
Contractors			
Total Recordable Incident Rate <sup>3</sup>	Incidents per 200,000 hours worked	0.17	0.10
Fatality rate <sup>4</sup>	Fatal accidents per 200,000 hours worked	0	0
Near Miss Frequency Rate <sup>5</sup>	Near misses per 200,000 hours worked	0.34	0.39
OSHA Recordable Cases <sup>6</sup>	Count	0	1
Workdays lost due to injuries	Count	0	0
High-Potential Events <sup>7</sup>	Count	1	1
Full-Time Employees and Contractors			
Total Recordable Incident Rate <sup>3</sup>	Incidents per 200,000 hours worked	0.15	0.09
Fatality rate <sup>4</sup>	Fatal accidents per 200,000 hours worked	0	0
Near Miss Frequency Rate <sup>5</sup>	Near misses per 200,000 hours worked	0.30	0.36
Our Suppliers			
Local Spend			
Total spending on local suppliers	Percentage (%)	99%	100%
Our Communities			
Philanthropy			
Number of charitable organizations supported	Number	20	30

<sup>&</sup>lt;sup>1</sup> Executive and Senior management positions are inclusive of senior managers and officers.

 $<sup>^{\</sup>rm 2}$  Metric includes full-time field and part-time employees as well as contractors.

<sup>&</sup>lt;sup>3</sup> Total Recordable Incident Rate ("TRIR") is calculated by multiplying the number of recordable work-related incidents by 200,000 and dividing the product by the number of total hours worked. A "reportable incident" is defined as any occupational injury or illness that results in days away from work, fatalities, cases that require medical treatment, result in restriction of work or motion, or involve losses of consciousness.

<sup>&</sup>lt;sup>4</sup> Fatality rate is calculated by multiplying the number of work-related fatalities by 200,000 and dividing the product by the number of total hours worked.

<sup>&</sup>lt;sup>5</sup> Near Miss Frequency Rate ("NMFR") is calculated by multiplying the number of near misses by 200,000 and dividing the product by total hours worked. A "near miss" is defined as a potential hazard or incident in which no property was damaged and no personal injury was sustained, but where damage or injury easily could have occurred.

<sup>6</sup> OHSA recordable cases are defined as work related fatalities, days away from work, restricted work or transfer to another job, medical treatment beyond first aid or loss of consciousness.

<sup>&</sup>lt;sup>7</sup> High-potential events are defined by SilverBow as an any incident or near miss that has realistically resulted in a significant injury, fatality or catastrophic loss.

Governance Data					
Metric	Unit	Fiscal Year 2021	Fiscal Year 2022		
Board of Directors Composition					
Number of Directors	Count	7	7		
Average Tenure	Years	5	6		
Average Age	Years	53	54		
Number of independent Directors	Count	6	6		
Corruption and Bribery					
Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Percentage (%)	0%	0%		
Number of material incidents of non-compliance with Code of Ethics in the last three years	Count	0	0		
Material penalty payments	Dollars (\$)	\$0	\$0		
Risk Management					
Process safety event rates for LOPC of greater consequence (Tier 1)	Percentage (%)	0%	0%		
Number of material cyber breaches in the last three years	Count	0	0		



# Sustainability Accounting Standards Board: Oil and Gas – Exploration and Production Industry

Key Topic	Metric	Category	Unit of Measure	SASB Code	Disclosure Reference	
SASB Oil and Gas: Explo	SASB Oil and Gas: Exploration and Production					
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Quantitative	Metric tons CO₂e (t), Percentage (%)	EM-EP-110a.1	Appendix > <u>Performance Table</u>	
Greenhouse Gas Emissions	Amount of gross global Scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions	Quantitative	Metric tons CO₂e	EM-EP-110a.2	Appendix > <u>Performance Table</u>	
Greenhouse Gas Emissions	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	Discussion and Analysis	n/a	EM-EP-110a.3	Environment > Environmental Oversight  Environment > Environmental Management and Footprint	
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N <sub>2</sub> O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10)	Quantitative	Metric tons (t)	EM-EP-120a.1	SilverBow is consistently working to learn more about air emissions and regularly works with multiple third-party air quality consultants and companies. As part of the Company's ongoing efforts, it is analyzing and reviewing the implementation of continuous monitoring systems at applicable facilities.	
Water Management	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m³), Percentage (%)	EM-EP-140a.1	Appendix > <u>Performance Table</u>	
Water Management	Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	Quantitative	Thousand cubic meters (m³), Percentage (%), Metric tons (t)	EM-EP-140a.2	Appendix > <u>Performance Table</u>	
Water Management	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Quantitative	Percentage (%)	EM-EP-140a.3	Appendix > <u>Performance Table</u>	
Water Management	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Quantitative	Percentage (%)	EM-EP-140a.4	SilverBow does not test ground or surface water prior to hydraulic fracturing activities	
Biodiversity Impacts	Description of environmental management policies and practices for active sites	Discussion and Analysis	n/a	EM-EP-160a.1	Environment > Environmental Management and Footprint	

Biodiversity Impacts	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	Quantitative	Number, Barrels (bbls)	EM-EP-160a.2	Appendix > <u>Performance Table</u>
Biodiversity Impacts	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Quantitative	Percentage (%)	EM-EP-160a.3	Appendix > <u>Performance Table</u>
Security, Human Rights and Rights of Indigenous Peoples	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Quantitative	Percentage (%)	EM-EP-210a.1	Appendix > Performance Table
Security, Human Rights and Rights of Indigenous Peoples	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Quantitative	Percentage (%)	EM-EP-210a.1	Appendix > <u>Performance Table</u>
Security, Human Rights and Rights of Indigenous Peoples	Percentage of (1) proved and (2) probable reserves in or near indigenous land	Quantitative	Percentage (%)	EM-EP-210a.2	Appendix > <u>Performance Table</u>
Security, Human Rights and Rights of Indigenous Peoples	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Discussion and Analysis	n/a	EM-EP-210a.3	Social > Our Suppliers
Community Relations	Discussion of process to manage risks and opportunities associated with community rights and interests	Discussion and Analysis	n/a	EM-EP-210b.1	Social > Our Communities
Community Relations	Number and duration of non-technical delays	Quantitative	Number, Days	EM-EP-210b.2	Appendix > Performance Table
Workforce Health and Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, (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) short-service employees	Quantitative	Rate, Hours (h)	EM-EP-320a.1	Appendix > <u>Performance Table</u>
Workforce Health and Safety	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	Discussion and Analysis	n/a	EM-EP-320a.2	Social > Our People and <u>Our Suppliers</u>
Reserves Valuation and Capital Expenditures	Amount invested in renewable energy, revenue generated by renewable energy sales	Quantitative	Reporting currency	EM-EP-420a.3	Appendix > <u>Performance Table</u>
Reserves Valuation and Capital Expenditures	Discussion of how price and demand for hydro-carbons and/ or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	Discussion and Analysis	n/a	EM-EP-420a.4	Environment > Environmental Risks Strategy

Business Ethics and Transparency	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Percentage (%)	EM-EP-510a.1	Appendix > <u>Performance Table</u>
Business Ethics and Transparency	Description of the management system for prevention of corruption and bribery throughout the value chain	Discussion and Analysis	n/a	EM-EP-510a.2	Governance > Business Ethics and Transparency
Management of the Legal and Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	n/a	EM-EP-530a.1	Governance > Risk Management
Critical Incident Risk Management	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Quantitative	Rate	EM-EP-540a.1	Appendix > <u>Performance Table</u>
Critical Incident Risk Management	Description of management systems used to identify and mitigate catastrophic and tailend risks	Discussion and Analysis	n/a	EM-EP-540a.2	Governance > Risk Management

Activity Metric	Category	Unit of Measure	SASB Code	Disclosure Reference
Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas	Quantitative	Thousand barrels per day (Mbbl/day); Million standard cubic feet per day (MMscf/day)	EM-EP-000.A	Appendix > Performance Table
Number of offshore sites	Quantitative	Number	EM-EP-000.B	Appendix > <u>Performance Table</u>
Number of terrestrial sites	Quantitative	Number	EM-EP-000.C	Appendix > Performance Table



# **Global Reporting Initiative**

SilverBow has reported the information cited in this GRI content index for the period from January 1, 2022 to December 31, 2022 with reference to the GRI Standards.

GRI Indicator	Description	Disclosure Reference
The organization an	nd its reporting practices	
2-1	Organizational Details	<u>2022 10-К,</u> рд. 6
2-2	Entities included in the organization's sustainability reporting	SilverBow Resources, Inc. and SilverBow Resources Operating, LLC
2-3	Reporting period, frequency and contact point	January 1, 2022 - December 31, 2022
2-4	Restatements of information	n/a
Activities and work	ers	
2-6	Activities, value chain and other business relationships	2022 10-K, pgs. 6-14
2-7	Employees	Appendix > Performance Table
Governance		
2-9	Governance structure and composition	2023 Proxy Statement, pgs. 5-15
2-10	Nomination and selection of the highest governance body	2023 Proxy Statement, pgs. 6-7, 56-57
2-11	Chair of the highest governance body	2023 Proxy Statement, pgs. 14, 17
2-12	Role of the highest governance body in overseeing the management of impacts	2023 Proxy Statement, pgs. 22-23, 32-33 Code of Ethics and Business Conduct
2-13	Delegation of responsibility for managing impacts	2023 Proxy Statement, pgs. 22-23, 32-33
2-14	Role of the highest governance body in sustainability reporting	2023 Proxy Statement, pgs. 17-18, 32-33
2-15	Conflicts of interest	2023 Proxy Statement, pgs. 17-18, 23
2-16	Communication of critical concerns	2023 Proxy Statement, pgs. 17-18, 57  Code of Ethics and Business Conduct
2-17	Collective knowledge of the highest governance body	2023 Proxy Statement, pgs. 7-15 Code of Ethics and Business Conduct

2-18	Evaluation of the performance of the highest governance body	2023 Proxy Statement, pgs. 22-23, 32-33 Charter for the Nominating and Strategy Committee, pg. 4
2-19	Remuneration policies	2023 Proxy Statement, pgs. 30-31
2-20	Process to determine remuneration	2023 Proxy Statement, pgs. 15-17, 28-38
2-21	Annual total compensation ratio	2023 Proxy Statement, pg. 50
Strategy, policies ar	nd practices	
2-23	Policy commitments	Social > <u>Our Suppliers</u>
2-24	Embedding policy commitments	Social > <u>Our Suppliers</u>
2-26	Mechanisms for seeking advice and raising concerns	Social > <u>Our Communities</u>
Stakeholder engage	ement	
2-29	Approach to stakeholder engagement	Governance > <u>Corporate Governance</u>
Disclosures on mate	erial topics	
3-1	Process to determine material topics	Introduction > SilverBow's ESG Approach
3-2	List of material topics	Introduction > SilverBow's ESG Approach
3-3	Management of material topics	Introduction > SilverBow's ESG Approach
Procurement Practi	ces	
204-1	Proportion of spending on local suppliers	Appendix > Performance Table
Anti-corruption		
205-2	Communication and training about anti-corruption policies and procedures	Governance > Business Ethics and Transparency
Water and effluents		
303-1	Interactions with water as a shared resource	Environment > Environmental Management and Footprint
303-3	Water withdrawal	Environment > Environmental Management and Footprint
303-5	Water consumption	Environment > Environmental  Management and Footprint
Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment > Environmental  Management and Footprint
304-2	Significant impacts of activities, products, and services on biodiversity	Environment > Environmental  Management and Footprint

Emissions		
305-1	Direct (Scope 1) GHG emissions	Environment > Environmental Management and Footprint
305-4	GHG emissions intensity	Environment > Environmental Management and Footprint
Waste		
306-2	Management of significant waste related	Environment > Environmental Management and Footprint
Employment		
401-1	New employee hires and employee turnover	Appendix > <u>Performance Table</u>
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social > <u>Our People</u>
401-3	Parental leave	Social > <u>Our People</u>
Occupational hea	lth and safety	
Occupational hea	Occupational health and safety management system	Social > <u>Our People</u>
		Social > <u>Our People</u> Social > <u>Our People</u>
403-1	Occupational health and safety management system	
403-1 403-5	Occupational health and safety management system  Worker training on occupational health and safety  Prevention and mitigation of occupational health and safety impacts	Social > <u>Our People</u>
403-1 403-5 403-7	Occupational health and safety management system  Worker training on occupational health and safety  Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social > <u>Our People</u> Social > <u>Our People</u>
403-1 403-5 403-7 403-8	Occupational health and safety management system  Worker training on occupational health and safety  Prevention and mitigation of occupational health and safety impacts directly linked by business relationships  Workers covered by an occupational health and safety management system  Work-related injuries	Social > <u>Our People</u> Social > <u>Our People</u> Social > <u>Our People</u> Appendix >
403-1 403-5 403-7 403-8 403-9	Occupational health and safety management system  Worker training on occupational health and safety  Prevention and mitigation of occupational health and safety impacts directly linked by business relationships  Workers covered by an occupational health and safety management system  Work-related injuries	Social > <u>Our People</u> Social > <u>Our People</u> Social > <u>Our People</u> Appendix >
403-1 403-5 403-7 403-8 403-9 Training and educ	Occupational health and safety management system  Worker training on occupational health and safety  Prevention and mitigation of occupational health and safety impacts directly linked by business relationships  Workers covered by an occupational health and safety management system  Work-related injuries  cation  Average hours of training per year per employee	Social > <u>Our People</u> Social > <u>Our People</u> Social > <u>Our People</u> Appendix > <u>Performance Table</u> Appendix >

