

PROPETRO

PROENERGY | PROPEOPLE



SUSTAINABILITY REPORT 2023

An aerial photograph of an industrial site, likely an oil or gas field. The foreground and middle ground are dominated by numerous large, black, rectangular pieces of equipment, possibly generators or power units, arranged in rows. Many of these units feature a prominent red lightning bolt logo. Interspersed among the black units are several bright red pieces of machinery, including what appear to be pumps or specialized vehicles. In the background, there are several large, blue and green shipping containers, a white semi-truck, and other industrial structures. The ground is a mix of dirt and gravel, and the overall scene is one of a busy, well-organized industrial operation.

ABOUT THIS REPORT

This report highlights our commitment to sustainability, and it provides an overview of our governance, oversight, programs, policies, and performance around sustainability matters that are important to ProPetro and its stakeholders. The scope of this report includes all businesses, assets, and joint ventures that are owned and operated by ProPetro. Unless otherwise specifically stated, this report covers ProPetro's activities and performance in 2022. Any data exclusions or additions are noted throughout the report. We look forward to obtaining feedback from our stakeholders and expanding on the initiatives outlined in this report as we continue to advance our practices and disclosures in the future.

This Sustainability Report contains forward-looking information or forward-looking statements. Please see Forward-Looking Statements on page 42 of this report.

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CEO LETTER



At ProPetro, we take great pride in our role as a key contributor to the American energy system. We are dedicated to helping our community safely produce dependable fossil fuels that power the world. As we grow and invest in our communities, we continue to build upon a deep appreciation for the critical role our industry plays in supporting national security and economic growth.

I was born and raised in Midland, Texas, the energy capital of this side of the world. I know that the Permian Basin community, which includes ProPetro, works hard—usually in harsh environments, without complaint—to safely provide a secure supply of oil and natural gas, which are indispensable resources of modern life. I, along with all of my ProPetro teammates, am proud to play an integral role in the success of the Permian Basin.

I am pleased to share here in our inaugural Sustainability Report how ProPetro is pursuing a more sustainable business model and seeks to be a good steward of our planet's resources. Fossil fuels have been integral to human progress and innovation, and thanks to the ongoing advancements in our industry, they will continue to be essential to meeting the world's energy needs for the foreseeable future. As we move forward, we are committed to not only educating others about the critical contributions our industry provides to society, but also applying the most innovative solutions to delivering our services in the most efficient and sustainable manner. We look forward to continuing a tradition of sustainability reporting.

Within our operations, we are making significant progress transitioning our hydraulic fracturing fleets to more efficient and lower-emissions equipment, including dual-fuel and electric-powered offerings. We have taken delivery of seven Tier IV Dynamic Gas Blending (“DGB”) or dual-fuel hydraulic fracturing fleets as of June 2023. These fleets have the capability and flexibility to utilize natural gas for cleaner-burning and lower-cost power on location. Additionally, we have begun to deploy the first of our four electric fleets—which will be powered by natural gas-fueled mobile generators. By the end of 2023, we expect to have the first two of these next-generation fleet offerings working for customers in the field, and we plan to deploy our third and fourth electric fleets in the first half of 2024. These new products—our Tier IV DGB and electric fleets—will significantly reduce our use of diesel by substituting natural gas, which emits fewer greenhouse gases (“GHG”) and has a better overall emissions profile than diesel. We believe that this benefits our customers, ProPetro, and the environment.

None of our success would be possible without our talented and diverse ProPetro team, who continue to deliver tremendous results for our company time and time again. We believe all of our team members are dedicated to working ethically and responsibly to achieve industry-leading results for ProPetro, our shareholders, our customers, and other stakeholders.

By working together to promote energy access and affordability, we are striving to secure a bright and sustainable future for our local communities, our country, and the world. We appreciate your interest in our Company and our 2023 Sustainability Report.

A handwritten signature in black ink, appearing to read 'Sam Sledge'.

Sam Sledge
Chief Executive Officer

ABOUT PROPETRO

ProPetro is a Midland, Texas-based provider of premium completion services to leading upstream oil and gas companies engaged in the exploration and production of North American unconventional oil and natural gas resources. We help bring reliable energy to the world.

The Company was founded in 2005 and has been publicly traded on the NYSE since 2017. In 2010, management strategically focused the Company's efforts on establishing a best-in-class hydraulic fracturing platform targeting the Permian Basin. At the end of 2018, we consummated the purchase of the pressure pumping assets and facilities from affiliates of Pioneer Natural Resources, improving our operating base. Today, our hydraulic fracturing fleet includes newly deployed Tier IV DGB dual-fuel equipment along with our electric fleets (FORCESM), which we have begun to deploy in the second half of 2023. We believe this next-generation equipment meets the evolving needs of our customers for greater fuel flexibility and performance while also providing an improved emissions profile, and when combined with our legacy Tier II diesel fleets, comprises a diverse service offering that is designed to handle the highest-intensity, most complex hydraulic fracturing jobs. In November 2022, we completed the acquisition of Silvertip Completion Services Operating, LLC ("Silvertip"), a provider of wireline perforation and pumpdown services in the Permian Basin. The acquisition of Silvertip added highly complementary, capital-light completion services offerings and positioned us to execute cross-selling opportunities while enhancing our ability to achieve our financial growth targets through a more integrated and diversified service offering.

ProPetro is known today as one of the most efficient and productive completion services companies in the oilfield service industry.¹ With our combination of some of the largest and most demanding public and private E&P operating companies, we have established ourselves as a premium completion services company serving the Permian Basin.

HIGHLIGHTS



~\$1.3B
2022 revenue



~2,000
Employees

¹ <https://www.energypointresearch.com/suppliers.html>

OUR SERVICES

HYDRAULIC FRACTURING

ProPetro is a leading provider of hydraulic fracturing services to E&P companies in the Permian Basin in North America. Our significant investments in recapitalizing our fleet have led to the conversion of over 45% of our fleets to Tier IV dual-fuel equipment to Tier IV dual-fuel equipment as of June 2023, as well as the acquisition, through our capital-light leasing program, of four FORCESM fleets that are expected to be delivered and deployed in the second half of 2023 and early 2024. We believe that this next-generation equipment provides a highly competitive solution for our customers and positions ProPetro to remain a leader in the Permian Basin.

CEMENTING

ProPetro's Cementing Division is equipped with state-of-the-art fluid density monitoring systems, as well as the ability to record and chart densities, volumes, and pressures. ProPetro's Cementing Division can handle a range of solutions, from the smallest casing leaks to covering 3-mile laterals, due to its experienced management team and advanced monitoring systems and equipment.

WIRELINE

ProPetro's wireline services are performed by its subsidiary, Silvertip Completion Services Operating, LLC, which owns and operates 23 wireline units and a best-in-class pumpdown fleet. Silvertip has deep data-collection capabilities, a culture of data-driven decision-making, and an established track record of safety, providing operators with efficient wireline and pumpdown services, including logging, perforating, and pressure control.

PROENERGY, PROPEOPLE

Fossil fuels power our world in our homes, our businesses, and our schools and hospitals, and they are key to many products used in everyday life. One would be hard-pressed to find any item in our possession that is not made from or tied directly to an oil and gas product.² The tremendous technological and social progress society has made since the industrial revolution was built on a foundation of affordable and reliable energy. We believe that oil and gas will remain a bedrock for societal progress into the foreseeable future.

ENABLING OUR MODERN LIFESTYLE

Oil provides the fuel that drives many of our vehicles. Natural gas heats and powers many of our homes. Products derived from oil and natural gas provide materials that are indispensable to our electronic devices, clothing, medical innovations, and everyday household products. Without oil and gas, we would not enjoy the conveniences and standard of living that we take for granted every day.

Today, oil and gas provide over 90% of transportation-sector energy use, one-third of residential and commercial energy need, including for heating and cooking, and 28% of electricity generation.³

OIL AND GAS UNDERPIN OUR MODERN WORLD



Transportation



Power
Generation



Food &
Agriculture



Household
Products



Industrial



Medical &
Pharmaceutical



Personal Care



Electronics

OIL AND GAS WILL
REMAIN THE BEDROCK OF
GLOBAL ENERGY USE

54%

2050 energy
supply

75%

2050 transportation
energy use

25%

2050 residential and
commercial energy use
(i.e., heating and cooking)

54%

2050 industrial
energy supply

Source: ExxonMobil, [2023 Global Outlook for Energy](#), July 2023.

^{2,3} ExxonMobil, [2023 Global Outlook for Energy](#), July 2023.

PROMOTING LIVELIHOODS AND ENERGY SECURITY

Advances in oil and gas extraction, such as hydraulic fracturing, have enabled the development of more energy resources at lower costs, benefitting consumers domestically and abroad. Importantly, the ability to unlock more hydrocarbons in the United States has created good-paying jobs in ProPetro's communities in the Permian Basin in Texas and across the country. In the United States in 2021, 2.3 million jobs are directly provided by the oil and gas industry, with a total of 10.8 million full-time and part-time jobs provided counting the industry's direct, indirect, and induced impacts. Labor income, including salaries and benefits, totaled nearly \$280 billion in 2021.⁴ We believe the oil and gas sector is and will remain a cornerstone of this country's economy.

The same advances that create jobs and energy security in America support energy security around the world. That has never been clearer than after Russia invaded Ukraine in early 2022. The strength of the United States energy industry and its ability to export oil and liquified natural gas ("LNG") has allowed the United States to become a net energy exporter. This strength has been instrumental to keeping the lights on and houses warm across Europe during the Russia-Ukraine conflict. In 2022, as Russia cut supply, for the first time, Europe's liquified natural gas (LNG) imports surpassed its natural gas pipeline imports. The United States provided the primary relief to fill that gap, supplying 42% of Europe's LNG imports last year.

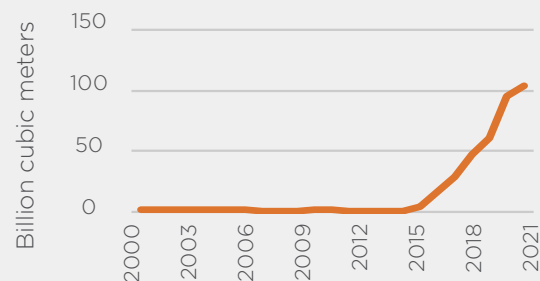
OIL AND GAS WILL REMAIN CRITICAL FOR FUTURE ENERGY NEEDS

Even as the world adopts new forms of energy as part of the energy transition (including solar and wind power), oil and natural gas are very likely to remain the primary source for meeting the world's energy needs for the foreseeable future. Currently, approximately 55% of global energy demand relies on oil and natural gas. According to the ExxonMobil 2023 Global Outlook, in 2050, that share is expected to remain the same, and growth in low-cost natural gas, which is less carbon-intensive than coal, is predicted to displace coal as renewable energy use rises.

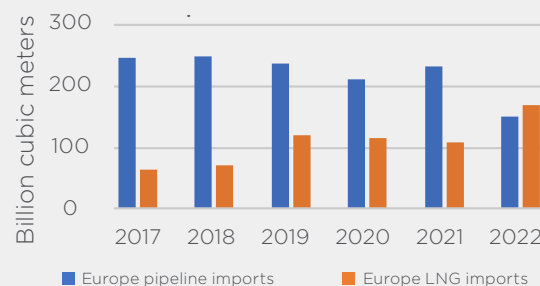
Oil and gas has been core to our country's strength and resilience, and we believe that it will remain a central component of powering the world.

⁴ PwC, [Impacts of the Oil and Natural Gas Industry on the US Economy in 2021](#), April 2023.

U.S. NATURAL GAS EXPORTS RISE



AMERICAN LNG EXPORTS FILL EUROPE'S GAS SHORTFALL

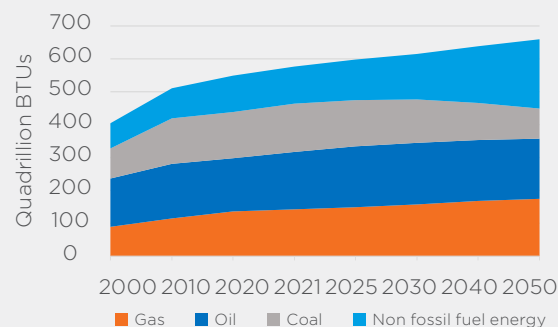


Source: Energy Institute, [2023 Statistical Review of World Energy](#), June 2023

42%

of Europe's LNG in 2022 was supplied by the U.S., 22% of its total natural gas imports

GLOBAL ENERGY DEMAND



Source: ExxonMobil, [2023 Global Outlook for Energy](#), July 2023.

OUR APPROACH TO SUSTAINABILITY

We believe sustainability in our industry is created by offering competitive and effective services for our customers, while providing a value-generating enterprise for our shareholders, teammates, and community and minimizing negative environmental impacts from our operations. Our approach is designed to support the execution of a durable and sustainable business in our sector and is focused on our strategic pillars.



Through the approach described above, we expect to be able to consistently generate robust earnings and increasing free cash flow, allowing us to deliver enhanced shareholder returns and execute on value sharing and distribution strategies over the long term.

At ProPetro, we believe in our name. In other words, we are pro oil and gas and believe in the petroleum products that provide affordable, reliable, secure, transportable, and energy-dense power for our world. In fact, we believe these products promote human flourishing by providing a solution to energy poverty when they are developed and utilized responsibly. We take great pride in providing safe, mission-critical services to help our customers responsibly develop their oil and natural gas resources to support the ultimate delivery of the petroleum products on which people around the world rely.

ProPetro strives to be a leader in the Permian Basin community by providing leading services to our customers and creating high-quality jobs and career-development opportunities for our teammates. We do this by prioritizing the safety of our workforce and community, investing in future generations, and reducing our adverse

environmental impact. As evidenced by our significant investment in transitioning our hydraulic fracturing equipment to Tier IV DGB and electric powered offerings, we are committed to utilizing more environmentally sustainable innovations in our industry and consistently pursuing solutions that enable us to provide our customers with services that are highly efficient. We believe that this approach supports our customers' ability to successfully produce oil and natural gas in this highly competitive industry while reducing the carbon costs of their projects and operations.

As part of our efforts to build and maintain a sustainable business, we continuously seek to identify and measure the impacts of, and risks to, our operations from applicable environmental, social, and governance (ESG) matters. Our sustainability priorities are guided by our stakeholders and informed by the topics covered in third-party frameworks, such as the Sustainability Accounting Standards Board (SASB) Oil and Gas Services standard and the Task Force on Climate-related Financial Disclosures (TCFD). Our disclosures made in reference to the SASB and TCFD frameworks are detailed in the Appendix of this report.

OUR STRATEGY



Optimize operations & industrialize our business



Pursue a more capital-light asset profile & next generation fleet



Develop and integrate innovative technologies



Pursue opportunistic strategic transactions to accelerate value creation & distribution



Maintain a strong balance sheet



Generate robust earnings, increasing free cash flow, and build towards enhanced shareholder returns and value distribution



Our full Board of Directors (Board) provides ultimate oversight of our sustainability programs and policies. However, the Board has delegated this oversight responsibility to the Nominating and Corporate Governance Committee, which receives quarterly updates from management and provides quarterly updates to the full Board on our sustainability and ESG initiatives, progress, and risks. Additionally, our Board has delegated responsibility for human capital management oversight to the Compensation Committee, which is ultimately responsible for our ESG- and sustainability-related executive compensation metrics and strategic priorities related to our broader human capital management program. Beginning in 2021, ESG metrics have been included as components of our Amended and Restated ProPetro Holding Corp. Executive Incentive Bonus Plan (the “Annual Bonus Plan”) for executives. For 2022, ESG metrics regarding the following goals were weighted at 10% as part of the Annual Bonus Plan⁵.

- Scope 1 and Scope 2 greenhouse gas (GHG) emissions inventory
- Lower-emission fleet conversion
- Employee training and development
- Community and company-wide employee engagement

Additionally, due to its critical importance and the priority we place on performing our work safely, a safety performance metric is also included in our Annual Bonus Plan for executives. For 2022, the safety performance metric of annual Total Recordable Incident Rate was weighted as 10% as part of our Annual Bonus Plan.

Direct managerial and operational oversight of our safety and sustainability programs and policies is provided by our Chief Operating Officer (COO), Director of Health, Safety, and Environmental (HSE), and General Counsel, respectively. All executives are responsible for helping drive our sustainability commitments and culture of improvement.

⁵ Additional details on our 2022 executive compensation metrics are available in our 2023 Proxy Report.

ENGAGING OUR STAKEHOLDERS

We seek to engage with our key stakeholders to understand the diversity of their perspectives and address their priorities. Below, we list the primary stakeholders that we have identified. We seek to solicit their feedback, which helps inform our sustainability programs and disclosures.

PROPETRO STAKEHOLDERS



CUSTOMERS

We strive to meet our customers' needs by providing the highest quality service while deploying the latest technologies to reduce emissions and improve economics through displacement of diesel, thereby helping to align with our operational and sustainability objectives.



INVESTORS AND CAPITAL PROVIDERS

We seek to actively engage with our investors and respond to evolving investor expectations, voting priorities, and capital allocation choices and use this feedback in our prioritization of operational initiatives and public reporting. Additionally, we strive to be responsive to the lending and underwriting expectations of lenders and insurers.



BOARD

Our Board is focused on building a durable and sustainable business while seeking to ensure compliance with the evolving regulatory landscape regarding sustainability- and ESG-related issues. The Board represents shareholder interests and appropriately guides and oversees management of the Company.



TEAMMATES

We are focused on the safety, training, and career development of our employees, who are our biggest assets and advocates.



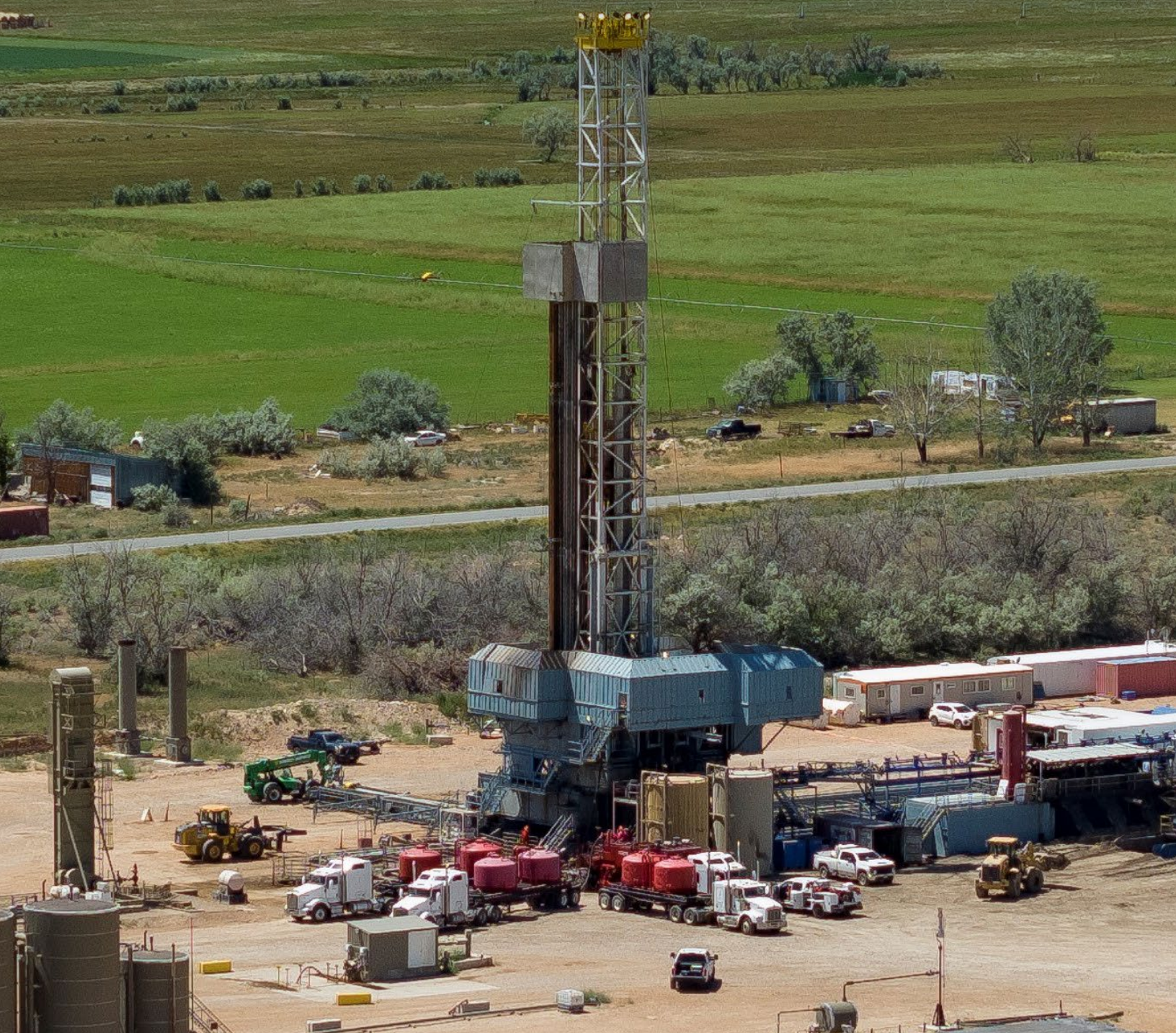
COMMUNITY

Our employee-founded and -driven Positive United Morale Partners (P.U.M.P.) Committee actively drives community and employee engagement through our multifaceted philanthropy and volunteer programs.



ENVIRONMENT

We are committed to managing our operations in a manner that minimizes adverse impact on the environment. We seek to achieve less emissions intensive completions through techniques focused on new technologies, efficiency, and collaborations with our customers, suppliers, and community.

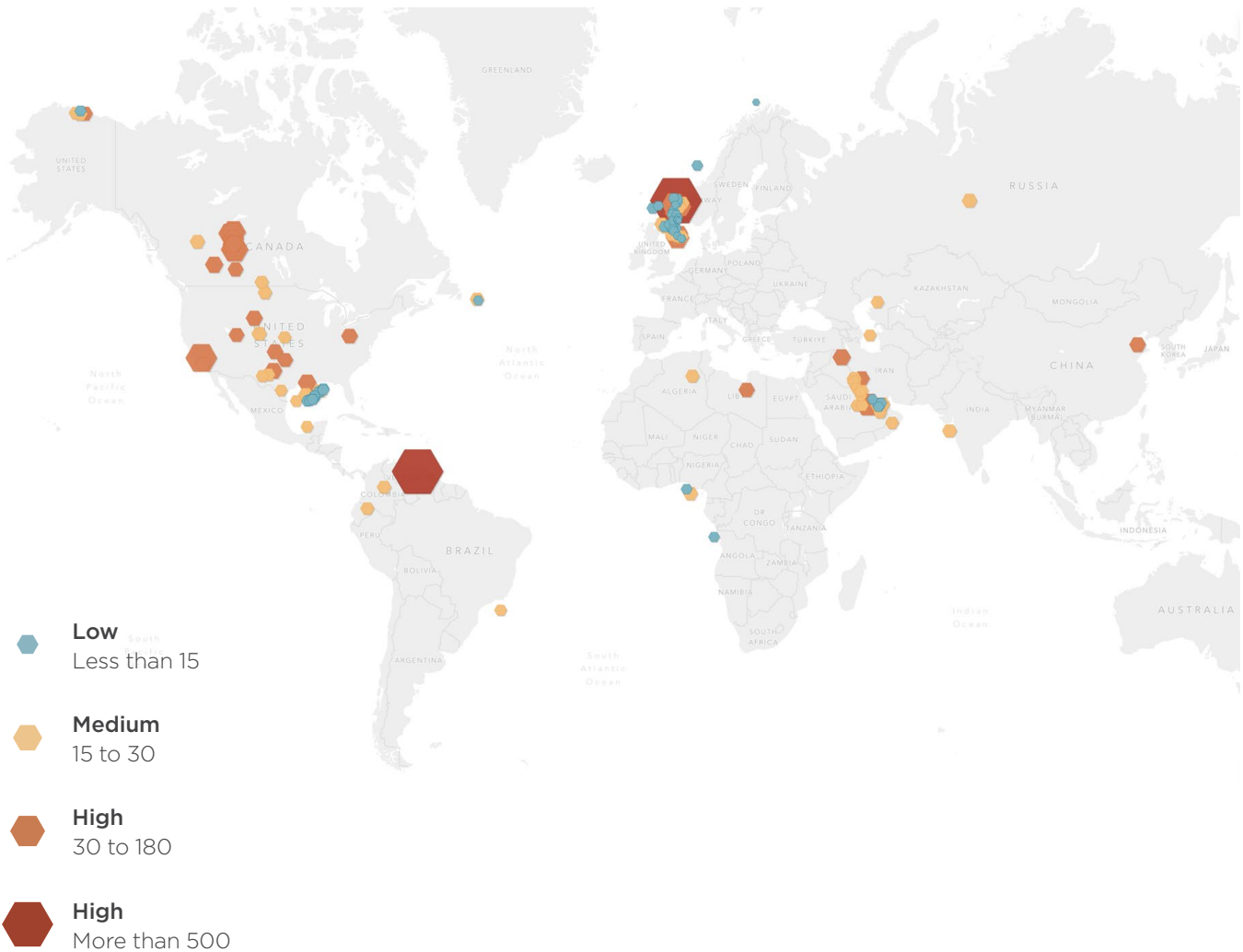


SUPPLYING LOWER-EMISSIONS ENERGY

The growth of low-cost, domestic oil and natural gas has unleashed a reliable, affordable source of energy that powers our national economy and promotes national and international security. A key to this movement has been the Permian Basin in Texas and New Mexico, recognized as the premier basin in North America and where ProPetro focuses its service offerings.

Important to note is that the Permian Basin, which includes the Delaware Basin and Midland Basin, provides a relatively lower-carbon-intensity source of oil and gas. The Delaware Basin has a carbon intensity of approximately 18 kg CO₂e per barrel of oil equivalent (boe) produced, and the Midland Basin is 22 kg CO₂e/boe, among the lower-carbon-intensity sources globally, according to S&P Global Commodity Insights data. Continued industry initiatives to reduce flaring will also likely lower those values further.

CARBON INTENSITY ESTIMATES



Source: S&P Global Commodity Insights, [Chasing the Lowest Carbon Crude](#), June 2022.

STRATEGIC FLEET TRANSITION - EMISSIONS IMPACTED

Since 2021, we have been executing a fleet conversion strategy to incorporate next-generation equipment into our hydraulic fracturing service offering. This strategy led us to aggressively invest in Tier IV DGB equipment, which can displace up to approximately 70% of the diesel⁶ consumed by the fleet with cleaner burning natural gas.⁷ By displacing diesel with lower-emission, more cost-effective natural gas, we have been able to achieve improved efficiency and lower GHG and particulate emissions in our operations. Additionally, we have transitioned our active hydraulic fracturing equipment portfolio from approximately 10% lower GHG emissions equipment in 2021 to approximately 35% in 2022, and we expect to increase to approximately 60% by the end of 2023.

In addition to investing in our Tier IV DGB service offering, we remained focused on the next generation of technology by working with our customers to evaluate electric powered hydraulic fracturing equipment and other pumping innovations. This work culminated in the execution

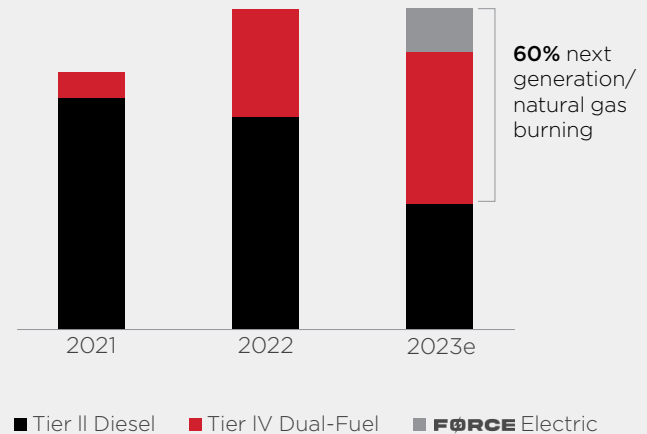
of our strategic long-term lease agreement through which we have agreed to acquire four electric frac fleets. We have now begun to deploy our first electric fleet, and by the end of 2023, we expect to have the first two of these next-generation fleet offerings working in the field, with the third and fourth fleets expected to be deployed in the first half of 2024. We believe this technology will help our customers to reduce costs and their Scope 1 GHG emissions.

These important and significant investments have recapitalized and revitalized our fleet and will allow us to lower our carbon and other emissions. As approximately 79% of our Scope 1 GHG emissions comes from diesel fuel consumption, reducing the diesel consumed by our fleet is the biggest opportunity for reducing our direct GHG emissions.⁸ Pursuing a next-generation fleet by developing and integrating innovative technologies is a pillar of our business strategy and a component of our executive compensation.

EXECUTING ON OUR FLEET TRANSITION STRATEGY

- We expect to end 2023 with at least 7 Tier IV DGB and 2 electric frac fleets, constituting approximately 60% of our active frac fleets.
- Using natural gas to power frac fleets can result in annualized savings of \$10 million to \$20+ million due to the current diesel/natural gas cost differences.
- As a result, our customers have been willing to pay a premium for fuel savings and an improved emissions profile.

FLEET CONFIGURATION



Source: Management estimates; "e" estimate at year-end.

⁶ Management estimates. Actual displacement depends on a number of operating factors, including ambient temperature and natural gas quality and availability.

⁷ Natural gas has less GHG and particulate emissions than diesel.

⁸ Management estimate.



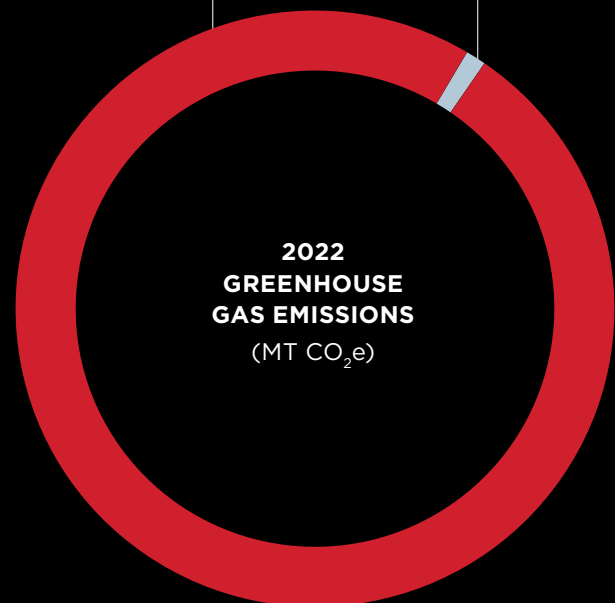
We believe that a lower emissions profile not only aids our competitiveness but also supports our strategic initiative of deploying the innovative tools necessary to support our customers' efforts to be capital efficient by replacing diesel with natural gas, which has fewer GHG emissions and a better emissions profile than diesel and is currently a cost-advantaged fuel in the market. We seek to meet our customers' needs while also pursuing a consistent, sustainable service solution that will increasingly replace diesel with fuels that are less emissions intensive and more cost advantaged. Integrating fuel sources that are less carbon-intensive than diesel, such as natural gas, is important for optimizing fuel consumption and ultimately reducing costs and emissions on our worksites.

244,770

Scope 1

2,688

Scope 2



**2022
GREENHOUSE
GAS EMISSIONS**
(MT CO₂e)

As defined by the GHG Protocol, our Scope 1 emissions are from our fleet and facilities' fuel use and our Scope 2 emissions are from our purchased electricity.

HEALTH, SAFETY, AND ENVIRONMENTAL MANAGEMENT SYSTEM

We recognize our responsibility to promote the highest standards of Health, Safety, and Environmental (HSE) and sustainable management of our business. Our safety efforts are more specifically discussed in our Safety section beginning on page 18. We are committed to developing and maintaining appropriate systems, procedures, and programs to achieve the objectives of our Environmental Compliance and Protection Policy. To deliver on these objectives, we seek to continually reduce environmental incidents, measure our HSE performance across a variety of metrics, pursue continuous improvement in our performance, and provide training for environmental awareness and responsibilities. All field employees receive environmental training during their onboarding process and on a periodic basis thereafter.

Our HSE Management System (HSE-MS) provides the framework through which we monitor and measure our HSE performance and identify activities that could have significant adverse impacts on the environment. Pursuant to the HSE-MS, our HSE team has assigned roles and responsibilities. Our Director of HSE and our COO provide managerial oversight of our program and compliance, with ultimate executive oversight being the responsibility of our Chief Executive Officer (CEO). Our full Board provides ultimate oversight over our HSE programs and performance and receives quarterly updates from management.

KEY TENETS OF OUR HSE-MS FRAMEWORK INCLUDE:

- **Objectives and goals.** We seek to continually reduce accidents and incidents with a goal of being incident- and injury-free. We do this by setting meaningful HSE performance targets that are measurable and monitoring progress against these goals for continuous improvement. An example of this is the inclusion of the Total Recordable Incident Rate (TRIR) safety performance metric in our Annual Bonus Plan for executives.
- **Environmental impact and risk identification, monitoring and reporting.** We incorporate environmental considerations into our procedures. Environmental regulatory requirements are identified at a federal, state, and local level, and policies, procedures, and applicable training programs are established to ensure compliance. Environmental performance is monitored and communicated to appropriate stakeholders internally and externally.
- **Employee training.** As part of our goal of creating an “incident-free” environment, all employees receive initial and periodic training that is appropriate for their respective role and in accordance with applicable law and regulations. Upon initial assignment, new hires will go through a role-specific orientation process of standard HSE training plus any other relevant training. Periodic training takes place annually and as needed following incidents, changes in regulation or policy, for recertification, and to implement new or updated policies/procedures. In addition, periodic safety alerts, safety stand downs, and safety focus alerts are communicated to all employees working on our jobsites.
- **Auditing and continuous improvement.** We check for effective compliance through periodic reporting, self-audits and third-party compliance audits. We use the feedback gained for continuous improvement. Our corporate team supports our field teams in navigating environmental issues and leads a compliance audit program. At the local level, an HSE Field Inspector evaluates performance, compliance, and improvement initiatives for each site. We also voluntarily coordinate with regulatory agencies at municipal, state and federal levels to address short-term and long-term safety and environmental compliance needs.

WASTE

We are committed to safely disposing of waste in our operations. Our Waste Management Program provides procedures designed to ensure hazardous and non-hazardous wastes are identified, handled, stored, transported, and disposed of in a safe and environmentally appropriate manner in full compliance with applicable federal, state, and local regulations. We provide waste-management awareness training to employees responsible for waste handling or management. Additionally, if an employee works with hazardous waste or has hazardous waste management within his or her job description, the person will receive additional training prior to working with hazardous waste and annual waste management refresher training.

BIODIVERSITY

We understand the importance of minimizing adverse impacts and disturbances from our operations to help protect biodiversity. Although our operations primarily occur at our customers' sites, we work with our customers to understand and operate appropriately to protect any identified sensitive areas, habitats, or endangered species.

SPILL PREVENTION

We are committed to preventing fluid release from containment as part of our efforts to protect the environment, our employees, and the communities in which we operate.

Our Environmental Spill Prevention and Contingency Procedure sets forth our responsibilities, procedures and preventive strategies, and our Hazardous Communication (HAZCOM) and Chemical Safety Program provides safety guidelines for receipt, use, and storage of chemicals used by employees and contractors. In addition, we abide by procedures set forth by the U.S. Environmental Protection Agency (EPA), Texas Commission on Environmental Quality (TCEQ), and Railroad Commission of Texas (TRRC).



Over **75%**
of our facilities and maintenance
operational waste is recycled

OUR PREVENTION STRATEGIES INCLUDE, BUT ARE NOT LIMITED TO:

- Provide HAZCOM and Chemical Safety Program training during onboarding and annually thereafter for all employees
- Verify that hazards are identified, assessed, and controlled
- Limit worker exposure to harmful substances to below permissible levels
- Provide role-specific training in potential spill or leak cleanup
- Regularly assess chemical storage units and hoses

SAFETY

We are committed to providing a safe and healthy workplace for all employees and contractors as we strive to eliminate workplace accidents, injuries, and illnesses.



Our safety and health management policies set the foundation of our safety program and covers all ProPetro employees, contractors, facilities, and operations. It is supported by our HSE Handbook, which communicates our procedures and expectations for employees and contractors, who are expected to read, understand, and comply with all provisions set forth in the handbook. ProPetro's safety program includes management leadership and employee involvement, worksite analysis, hazard prevention and control, and training. As described above, our HSE-MS and related policies provide the framework through which we monitor and measure our [HSE performance](#) and identify activities that have significant impacts on the environment.

MANAGEMENT LEADERSHIP AND EMPLOYEE INVOLVEMENT

All our leadership recognizes it is their responsibility to promote the highest standards of safety. Our Director of HSE and COO provide managerial oversight of our program and compliance, with ultimate executive oversight being the responsibility of our CEO. Our full Board provides ultimate oversight over our HSE programs and performance and receives quarterly updates from management. To show accountability, safety performance metrics are included as a component of our executive compensation.

Employee participation in our culture of safety begins in new hire orientation and continues throughout their employment with ProPetro. Employees must complete safety and operational training (as further detailed below) so they can actively monitor and identify potential worksite hazards, which they are responsible for reporting.

WORKSITE ANALYSIS

In accordance with applicable law and regulation, all worksites, facilities, processes, materials, equipment, and job tasks are analyzed for existing and potential hazards that could lead to injury or illness. Supervisors have the responsibility to perform, and all employees (including any subcontractors) are required to participate in, a Job Safety Analysis Process (JSA) at the beginning of each shift, when a new hazard is introduced, when a new job task is introduced, or when additional employees enter the work area. The JSA is the formal process for the identification and assessment of workplace hazards, and then the development and implementation of hazard prevention methods which are communicated to all personnel on site.

Every employee also has the responsibility and authority to stop work immediately, without fear of reprisal, when they see any activity or condition which he or she believes to be unsafe.



HAZARD PREVENTION AND CONTROLS

When an existing or potential hazard is identified, ProPetro has a hierarchy of controls to determine the most effective way to mitigate or eliminate it in accordance with applicable safety laws and regulations. These controls include:

- **Engineering:** eliminating the hazard from the machine, method, material, or facility
- **Substitution:** abating the hazard by limiting exposure or controlling it at its source
- **Administration:** training personnel to be aware of the hazard and to follow safe work procedures to avoid it

TRAINING

All employees receive safety training in accordance with applicable safety laws and regulations upon hire and annually thereafter. The training includes the following topics plus any other job specific topics — Occupational Safety and Health Administration (OSHA) compliance, electrical safety, ergonomics, driving safety, walking and working surfaces, fire prevention, exit routes, personal protective equipment (“PPE” including noise awareness, eye safety, body safety, head protection, and other topics), hazardous materials (Hazmat), hazard communications (HazCom), Hazardous Waste Operations and Emergency Response (HAZWOPER), hand and finger safety, materials handling, respiratory safety, hydrogen sulfide (H₂S) safety, CPR, first aid, accident investigation, accident prevention/signs/tags, behavioral safety, confined space entry, drug and alcohol awareness, pre-job planning, workplace violence, work permits, excavation, industrial hygiene, and site-specific hazards. In 2022, a new safety management and training system, KPA EHS, was implemented to improve the management of the safety training program. In early 2023, we began to use the system to manage our JSA process.

In addition to the formal training, regular “Safety Moment” trainings are also provided based on recent incidents, seasonal safety concerns, or other topics appropriate for our employees and subcontractors.

HEALTH AND SAFETY CHECKS AND AUDITS

Our safety inspectors inspect each of our sites at least once a week for compliance with regulations and our safety standards. We have also conducted external audits of our overall safety program and performance, with the most recent one being concluded in October 2022. We intend to conduct such audits at least every three years.

INCIDENT INVESTIGATION

While ProPetro promotes a culture of safety and has extensive procedures to mitigate hazards, incidents can occur. If an incident occurs, employees are expected to report it to their supervisor, who is responsible for contacting our HSE Incident Hotline, which begins the incident investigation process. There are procedures in place designed to ensure all incidents are thoroughly investigated until resolved, at which point the process concludes with a documented incident report as needed and appropriate. In addition, our health and safety policies have formal emergency response procedures specific to each type of incident. Should a safety issue of importance arise either across our industry or at ProPetro, we conduct safety stand downs to discuss the incident to learn from it and help prevent future occurrences.

EMERGENCY RESPONSE PROGRAM

We have developed an emergency response program to address potential issues such as natural disasters, accidental spills and human-instigated threats. In the case of an incident, a member of the HSE management team will determine if the Catastrophic (CAT) Response Team should be notified. The CAT Response Team is composed of members of our executive, operations, safety, legal, and Human Resources (HR) teams. Our employees are trained on our emergency response procedures, which we regularly test.

TARGETS AND DATA

We track and evaluate safety incidents at wellsites, facilities, and offices, and if an accident does occur, we take actions to mitigate similar incidents from reoccurring in the future. We are committed to continually reducing incidents with an overall “incident free” or zero-incident goal. The Company encourages employees to immediately report any breach of safety protocol. To measure and monitor our progress, we establish a target TRIR each year in our Annual Bonus Plan for executives.



SAFETY PERFORMANCE

(employees and contractors)

	2019	2020	2021	2022
Total Recordable Incident Rate (TRIR) Number of recordable incidents per 200,000 hours worked	0.83	0.49	0.54	0.66
Lost Time Injury Rate (LTIR) Number of lost time injuries per 200,000 hours worked	0.14	0.16	0.14	0.22
DOT Recordable Motor Vehicle Incidents (MVI) Number of vehicle incidents per 1,000,000 miles driven	0.28	0.00	0.00	0.32
Near Miss Frequency Rate (NMFR) Number of near miss events per 200,000 hours worked	0.85	0.94	0.72	0.70
Fatality Rate Number of fatalities per 200,000 hours worked	0	0	0	0

OUR PEOPLE

We believe our teammates are key to the success of our business. Our employer brand “Let’s Grow Together” is a cultural hallmark that reflects our focus of sustainable growth and inclusion across our employee life-cycle objectives of attracting, engaging, developing, rewarding, and retaining top talent.



As of December 31, 2022, we employed approximately 2,000 people, none of whom are unionized. All our employees work for or support our Completion Services reportable segment. Our teammates are a key component of our ability to attract and retain customers as a result of their operational excellence.

ATTRACTION AND RECRUITMENT

As we strive to attract top talent, we have developed a talent attraction strategy supported by a robust Employee Value Proposition (EVP) and recruitment marketing efforts that broaden our reach and target specific and diverse talent pools across traditional, digital, and emerging source channels. In addition to leveraging our EVP across broad talent source channels, we also launched complementary recruitment tools to expand our talent pool for critical positions, including electrical positions for our new electric-fleet service offering. We also partner with several vocational technical schools within the United States to proactively develop talent pipelines for specialized positions, such as commercial drivers and mechanical positions.

We are currently engaging with potential partners to establish initiatives for creating a diverse recruitment pool.

ENGAGEMENT

We believe the engagement of our people drives day-to-day excellence and a shared commitment to meeting our company goals. Our customers and all ProPetro stakeholders benefit when our people are involved, recognized, rewarded, and engaged. To this end, we invest our time and resources to encourage open feedback through employee townhall meetings, skip-level meetings, and formal employee surveys.

As part of our leadership development initiative in 2022, we conducted a formal, anonymous survey that measured 18 organizational constructs. On average, we performed above the relevant industry benchmark by approximately 10% in key areas of employee engagement, including employee voice, leader engagement, team cohesion, and job satisfaction.⁹

We plan to leverage these engagement factors to drive high performance levels, and we look forward to launching a broader employee engagement survey in 2023 that expands the employee voice to several engagement dimensions, including inclusion and belonging, to support ongoing inclusion and engagement efforts.

⁹ Benchmark was an oil and gas industry group provided by the third-party firm that administered survey and consisting of companies involved in the mining and extraction of oil and gas, including associated services.

TALENT DEVELOPMENT

Our employer brand “Let’s Grow Together” focuses on the growth of our most valuable asset: our people. We provide employees with the opportunity to grow their impact and elevate their careers by advancing their skills through formal development programs, experiential learning, and continuing education support.

From frontline employees to our senior leadership, all our employees receive training during onboarding, as well as ongoing training to our high standards for compliance, Code of Conduct (as defined below), and our Safety program.

In addition to partnering with specialized trade schools to provide training and development for our employees, we also offer the following internal role-specific trainings and development opportunities:

- Hydraulic fracturing structured field and equipment simulations
- Commercial Driver’s License (CDL)
- Specialized Mechanical Training

To ensure the continuous development of our workforce, all employees with ninety or more days of service are eligible to receive performance development reviews. In 2022, 74% of our employees received a formal performance development review.

Our development efforts expand beyond our frontline teams. We believe that leadership is a critical differentiator in engagement, performance, and retention of frontline teams. In 2022, this belief catalyzed a substantial investment in a 7-month leadership development initiative for all positions that are responsible for supervision and oversight of other employees, which includes a total of 255 frontline and above leadership positions (~12% of our workforce).

COMPENSATION AND BENEFITS

ProPetro seeks to provide employees with a competitive compensation package that is attractive and performance driven. ProPetro’s benefits program is designed to meet the evolving needs of a diverse workforce by increasing health and financial education while decreasing employee costs.

EMPLOYEES ARE ELEGIBLE TO PARTICIPATE IN BENEFIT OFFERINGS INCLUDING:

- Competitive health benefits
- Strong 401(k) and financial wellness program
- Medical, dental, vision, life, and accidental death and dismemberment insurance
- Short-term and long-term disability insurance
- Tuition reimbursement/education assistance program
- Paid continuing education and certification expenses for work related licenses and certifications
- Paid parental leave
- Paid community service hours, for both Company sponsored and independent events
- Onsite gym (only available at our Midland locations)

To put our goal of continuous benefit plan improvement into action, in 2022, ProPetro executed on several initiatives to enhance our compensation program and benefits offering. Specifically, we optimized the overall health plan design successfully by lowering the cost of dependent coverage to make this more affordable and accessible. Quarterly onsite financial wellness learning opportunities were implemented to allow employees to engage with a professional advisor and schedule private consultations. ProPetro's 401(k) vesting schedule transitioned from a traditional 4-year vesting schedule to an immediate vesting schedule. We also implemented an hourly bonus structure to provide greater reward and recognition and improve employee retention, and for hydraulic fracturing field employees and related field support positions (which support our largest business operation), a performance element was included to drive key operating metrics. Recently, ProPetro introduced a compensation incentive for all employees who participate in community service hours. In the past year, many employees took advantage of the tuition reimbursement/education assistance program that offers tuition assistance. As a result of our generous parental leave policy, employees can take paid time off to welcome new family members. Additionally, ProPetro provides onsite gyms.

RETENTION

Our employee life-cycle objectives ultimately focus on managing the employee experience and retaining top talent. As such, employee turnover is a metric actively monitored by ProPetro, with special attention paid to race, ethnicity, gender, generation, and tenure. We seek to apply insights learned from employee engagement initiatives to improve our talent management programs and the employee experience.

DIVERSITY, EQUITY, AND INCLUSION

We believe that optimizing our operational performance requires a dynamic and diverse set of skills and knowledge. Like the broader industry, we seek opportunities to attract and engage talent of all backgrounds to drive the new perspectives and creativity that fuel the growth of our business. We're proud of our inclusive culture and strive to continue growing — *together*.

To achieve our goals in this area, ProPetro believes we must ensure our recruitment efforts seek out a diverse pool of applicants and that employee development initiatives foster an inclusive culture. ProPetro takes seriously the legal requirement to provide equal opportunities for hiring and advancement to all employees. Our Vice President of HR and General Counsel provide managerial oversight of our diversity, equity, and inclusion (DEI) efforts, and specific initiatives and general progress made within this area are discussed with our Compensation Committee at least twice per year.

We are committed to promoting and encouraging respect for human rights and fundamental freedoms for all. The Company prohibits discrimination and harassment on the basis of race, color, gender, sex, language, religion, national origin, citizenship status, military service or reserve or veteran status, sexual orientation, gender identity or expression, or disability. Our commitment is further detailed in our Human Rights Policy and Code of Ethics & Conduct and Whistleblower Policy (the "Code of Conduct" or the "Code"). All employees receive training on the Code during onboarding and annually thereafter. Additionally, in 2022, we developed and delivered a training for all managers and supervisors focused on anti-harassment, anti-discrimination, and other employment law compliance matters.

In 2022, we revitalized our Women of ProPetro employee resource group, which provides networking, mentorship, and development opportunities for ProPetro's women employees. This group has also provided feedback to management on opportunities to improve benefits for ProPetro's women employees and the Company has implemented certain of these ideas into enhanced benefit offerings (e.g., on-site breast cancer screenings). In connection with the action plan to be developed from our 2023 employee engagement survey, ProPetro will look for opportunities to further support all employees and enhance our DEI efforts.

As described in more detail below, to make it possible for concerns regarding equal employment opportunity to be addressed early and remediated directly, in confidence and without fear of retaliation, the Company provides an anonymous Ethics and Compliance Hotline that is promoted internally and accessible from our intranet and the internet. In addition, we have policies discussing workplace discrimination and sexual/other forms of workplace harassment embedded within our Employee Handbook.



WORKFORCE GENDER DIVERSITY

	2019	2020	2021	2022
Women Executives	0.0%	0.0%	0.0%	0.0%
Women Senior Managers	0.0%	0.0%	0.0%	11.8%
Women Managers ¹⁰	7.8%	11.1%	11.6%	5.7%
Women Non-Managers	6.4%	7.6%	7.9%	7.0%
Women Office/ Professional Personnel	36.2%	31.9%	34.4%	27.3%
Women Field/Operations Personnel	1.4%	2.0%	2.7%	2.9%
Total Women Employees	6.5%	7.8%	8.1%	6.9%

¹⁰ Change in percentage of women managers was largely due to a reclassification of an operating position to add managerial duties and an acquisition that together added over 100 managerial positions in Field/Operational roles.

WORKFORCE ETHNIC/RACIAL DIVERSITY

	2019	2020	2021	2022
Diverse Executives	14.3%	28.6%	28.6%	40.0%
Diverse Senior Managers	0.0%	36.4%	35.7%	35.3%
Diverse Managers	58.2%	64.1%	63.6%	74.6%
Diverse Non-Managers	80.2%	78.9%	80.0%	83.6%
Diverse Office/ Professional Personnel	61.6%	59.3%	58.0%	58.8%
Diverse Field/Operations Personnel	81.4%	80.8%	82.0%	84.9%
Total Diverse Employees	78.5%	76.6%	77.9%	80.6%



COMMUNITIES

The Permian Basin is home to ProPetro, and giving back to the area where we live and work brings us great pride. ProPetro, in combination with our valued suppliers, provides thousands of well-paying jobs to the Permian Basin area and surrounding communities and has established itself as a great place to work.



We provide support and encourage employees who take the initiative to help our community, including by providing up to eight paid community-service hours per year for service initiatives of an employee's choice. Employees can also choose to participate in events organized by our P.U.M.P. Committee. Participation in ProPetro organized or sponsored events is supported in addition to the paid community service time benefit. In addition, community service is a component of the ESG metrics included in our 2022 Annual Bonus Plan for executives, as described earlier in this report.

P.U.M.P. COMMITTEE

We seek to play a role in shaping the future of the Permian Basin by investing in education, donating to first responders and veterans, supporting health and wellness-related organizations, and focusing on charities that support local families and children. We do this through various charities and other organizations that are heavily involved in the Permian Basin communities with the support of the Company. Our world-class employees created the P.U.M.P. Committee to drive their humanitarian endeavors through a variety of events, including:

- Wellness events
- Monthly events at our regional food bank
- Quarterly blood drives
- Thanksgiving meal drives
- School supply donation drives
- Habitat for Humanity building projects

In 2022, ProPetro participated in or organized more than

80 EVENTS FOR THE COMMUNITY



DON'T MESS WITH THE PERMIAN

In 2022, we sponsored our first signature community event, "Don't Mess with the Permian", a community-wide trash pick-up event focused on areas selected in collaboration with the P.U.M.P. Committee. More than 220 volunteers participated and contributed over 400 hours of their time, collecting nearly 12,000 pounds of trash from local roadways, schools, and public areas. We are excited to build on this success in 2023.

GOOD GOVERNANCE

Our fundamental policy is to operate with honesty and integrity in accordance with the highest legal and ethical standards, as we believe upholding these standards helps drive our long-term success.



We believe good governance begins at the top.

PROPETRO BOARD OF DIRECTORS

The Board of Directors of ProPetro sets high standards for the Company's employees, officers, and themselves. The Board provides oversight of ProPetro's strategy, including our sustainability and ESG strategy, through regular interactions with management.

Our Board currently is composed of nine members, all elected annually. Our Board committees—the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee—are each composed solely of independent directors. The independent directors regularly meet in executive sessions, led by our Lead Independent Director, Anthony Best.

BOARD COMMITTEES

AUDIT COMMITTEE

This Committee is responsible for, among other things, the appointment, compensation, retention, and oversight of our independent registered public accounting firm; the oversight of the integrity of the Company's financial statements; and the Company's compliance with legal and regulatory requirements, as well as the design, implementation, and performance of the Company's internal audit function.

COMPENSATION COMMITTEE

This Committee is responsible for, among other things, overseeing the discharge of the responsibilities of the Board relating to compensation of the Company's officers and directors, for the Company's human capital management strategies and initiatives, and for developing an appropriate succession plan for our CEO and other executives pursuant to our Corporate Governance Guidelines and the Committee's Charter. In carrying out these responsibilities, the Committee reviews all components of executive compensation for consistency with our compensation philosophy and with the interests of our stockholders.

PROPETRO BOARD OF DIRECTORS



Phillip A. Gobe
Chairman of the Board
Director since 2019



Samuel D. Sledge
Chief Executive Officer
and Director since 2021



Anthony J. Best
Lead Independent
Director
Director since 2018*



Spencer D. Armour III
Director since 2013*



Mark S. Berg
Director since 2019



G. Larry Lawrence
Director since 2020*



Jack B. Moore
Director since 2017*



Mary P. Ricciardello
Director since 2023*



Michele Vion
Director since 2020*

*Independent Director

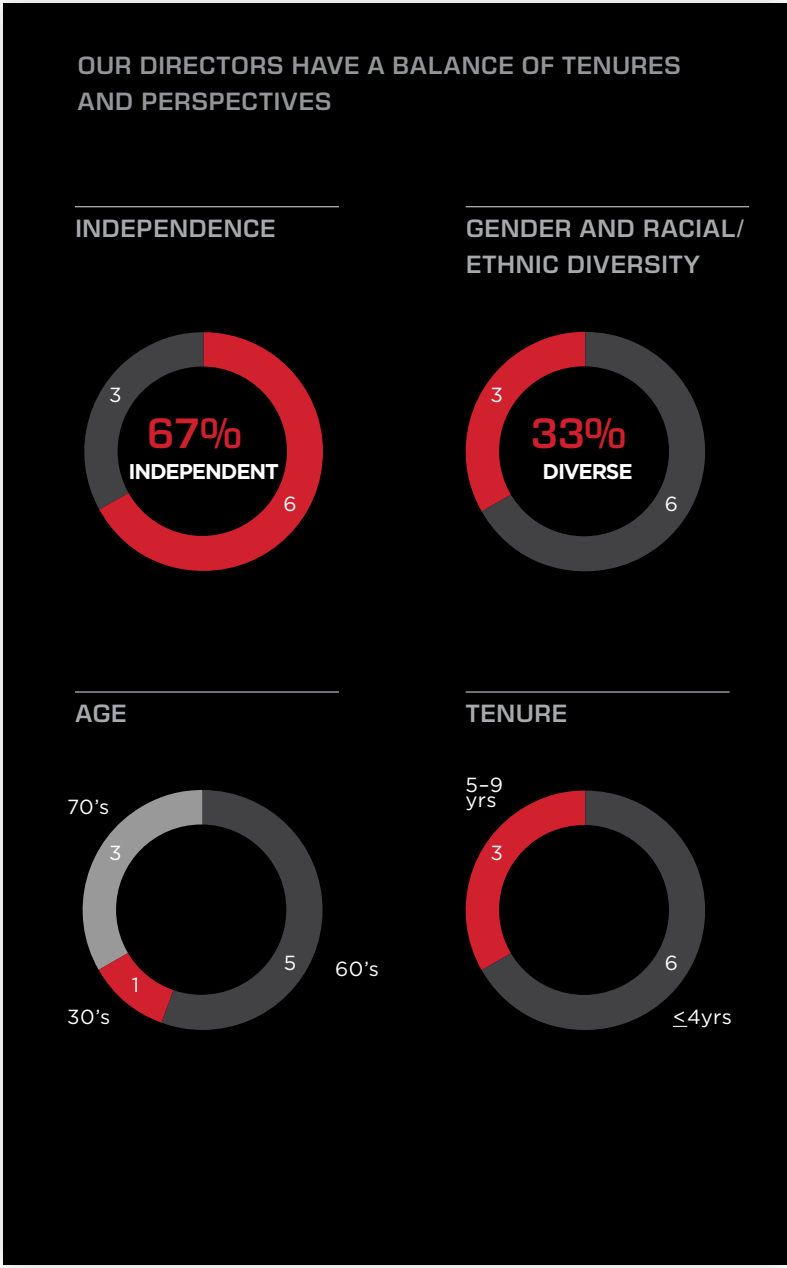
NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

This Committee is responsible for, among other things, identifying individuals qualified to become Board members; selecting or recommending director nominees for each election of directors to the Board; developing and recommending criteria for selecting qualified director candidates to the Board; considering committee member qualifications, appointments, and removals; recommending corporate governance principles, codes of conduct, and compliance mechanisms; providing oversight in the evaluation of the Board and each committee; and overseeing our sustainability and ESG initiatives.

BOARD REFRESHMENT, DIVERSITY, EXPERIENCE, AND SKILLS

Our Board monitors the mix of specific experience, qualifications, and skills of its members, as well as the need for there to be a mix of new and experienced directors, so that the Board, as a whole, has the necessary diversity of strengths, experience, skills, and qualifications to perform its oversight function effectively. Our Board and its committees also perform annual self-evaluations to ensure that they are best equipped to create shared value for the Company’s stockholders.

When refreshing the Board, our Corporate Governance Guidelines specifically take into account the diversity of a potential director nominee, including diversity of gender, race, and ethnicity. The Board is currently one-third diverse by gender and race/ethnicity.



ETHICS AND INTEGRITY

Our Board has adopted our [Code of Ethics and Conduct](#) (the Code) to help equip all our employees, officers, and directors to conduct business in an honest and ethical manner.

The Code addresses conflicts of interest, confidentiality, fair dealing with others, proper use of company assets, compliance with laws, insider trading, keeping of books and records, as well as reporting of violations. The Code, together with our Employee Handbook, details our commitment to maintain a workplace that is free of bribery and corruption and includes operating guidelines such as vendor compliance and expense and travel policies. The Code encourages all covered parties to report violations and suspected violations of the Code, laws, rules, regulations, or any other unethical behavior by any Covered Party or anyone else purporting to be acting on the Company's behalf. Violations of the Code may result in disciplinary action, including dismissal of any officer or other employee where warranted. Employees will not be penalized for good faith reporting of violations or suspected violations of the Code or for cooperating with any Company investigation. Our General Counsel provides oversight of our anti-corruption program and reports to the Audit Committee of the Board on a quarterly basis regarding any issues or complaints received through the Company's hotline. All employees are trained on our anti-corruption program upon hire and must receive follow-up training and certify adherence to our Code annually thereafter. Our Audit Committee considers and discusses with management the Code and the procedures in place to enforce the Code at least annually.

ETHICS AND COMPLIANCE HOTLINE

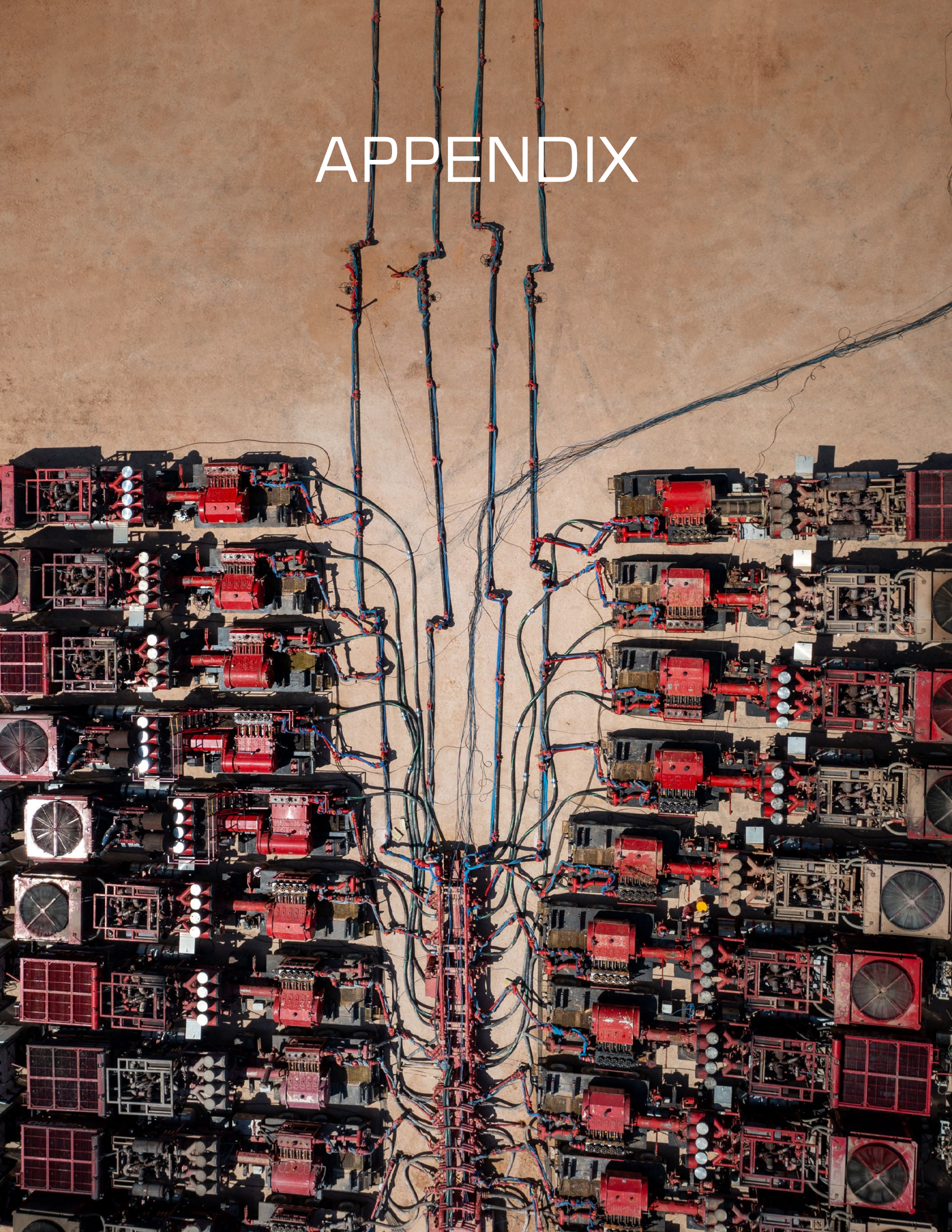
We have an external Ethics and Compliance Hotline available 24/7 to all employees and third parties who wish to report any violations or suspected violations of our Code or other concerns anonymously. The hotline is administered by an independent third party and managed in accordance with the Code. We do not tolerate retaliation against an employee

who makes a report in good faith of actions that may be inconsistent with our Code, policies, laws, or regulations or who assists in an investigation of suspected wrongdoing. Our Ethics Committee reviews all complaints received and directs them to the appropriate department for investigation. Reports regarding accounting, internal accounting controls, or auditing matters are delivered directly to the chair of the Audit Committee along with appropriate members of the Ethics Committee for review and investigation. All reports are logged, investigated, and monitored until resolved. All employees are encouraged to contact their direct manager, HR, the Legal Department, and/or our Ethics and Compliance Hotline should they wish to report on or consult regarding any ethical issues.

DATA PRIVACY AND CYBERSECURITY

We are committed to ensuring the integrity of our data privacy and cybersecurity program. Our IT Director oversees our data privacy and cybersecurity measures. The Audit Committee oversees cybersecurity risks. Internally, we maintain procedures designed to protect the security of personal information, and our Privacy Policy provides details regarding the collection, storage, usage, and destruction of data. We actively monitor internal and external cybersecurity threats and periodically review cybersecurity defenses. We are currently in the process of adopting National Institute of Standards and Technology (NIST) cybersecurity standards. We have not experienced a material data breach in the past three years. The Company also maintains a cyber insurance policy that would defray the costs of a cyber breach. All employees receive data-security training upon hire and receive ongoing training thereafter. We conduct annual penetration testing utilizing a third-party service provider.

APPENDIX



DATA TABLES

ENVIRONMENTAL

Emissions		
METRIC	UNIT	2022
Scope 1 Greenhouse Gases	Metric Tons CO ₂ e	244,770
of which,		
Carbon Dioxide	Metric Tons CO ₂	239,712
Methane	Metric Tons CH ₄	18
Nitrous Oxide	Metric Tons N ₂ O	16
Scope 2 Greenhouse Gases	Metric Tons CO ₂ e	2,688
NOx Emissions	Metric Tons	578
SOx Emissions	Metric Tons	38
VOC Emissions	Metric Tons	47
Energy Use		
METRIC	UNIT	2022
Total Energy Consumption¹¹	GJ	3,668,558
of which,		
Electricity Consumption	GJ	24,661
Diesel Consumption	GJ	2,706,565
Natural Gas (Operations and Tier IV)	GJ	759,818
Unleaded Gasoline Consumption	GJ	105,825

¹¹ Data includes full-year energy use for Silvertip, which ProPetro acquired in November 2022 and represents less than 2% of total energy use.

Waste Management

METRIC	UNIT	2020	2021	2022
Waste Recycled ¹²	Metric Tons	4,842	6,147	10,379

SOCIAL

Human Capital Management

METRIC	UNIT	2020	2021	2022
Total Employee Turnover	%	115%	44%	39%
Involuntary	%	99%	35%	30%
Voluntary	%	16%	9%	9%

Diversity

METRIC	UNIT	2020	2021	2022
Women % Total Employees	%	7.8%	8.1%	6.9%
Women % Executives	%	0%	0%	0%
Women % Senior Managers	%	0%	0%	11.8%
Women % Managers	%	10.2%	11.6%	5.7%
Women % Non-Managers	%	7.6%	7.9%	7.0%
Minorities % Total Employees	%	76.6%	77.9%	80.6%
Minorities % Executives	%	28.6%	28.6%	40.0%
Minorities % Senior Managers	%	36.4%	35.7%	35.3%
Minorities % Managers	%	64.1%	63.6%	74.6%
Minorities % Non-Managers	%	78.9%	80.0%	83.6%

¹² Waste recycled represents our facilities and maintenance operational waste.

Health and Safety				
METRIC	UNIT	2020	2021	2022
Combined: Total Recordable Incident Rate (TRIR)	Number of recordable incidents per 200,000 hours worked	0.49	0.54	0.66
Combined: Lost Time Injury Rate (LTIR)	Number of lost time injuries per 200,000 hours worked	0.16	0.14	0.22
Combined: DOT Recordable Motor Vehicle Incidents (MVI)	Number of vehicle incidents per 1,000,000 miles driven	0.00	0.00	0.32
Combined: Near Miss Frequency Rate (NMFR)	Number of near miss events per 200,000 hours worked	0.94	0.72	0.70
Combined: Fatalities	#	0	0	0
Combined: Fatality Rate	Number of fatalities per 200,000 hours worked	0	0	0
Employee: Total Recordable Incident Rate (TRIR)	Number of recordable incidents per 200,000 hours worked	0.49	0.54	0.66
Employee: Lost Time Injury Rate (LTIR)	Number of lost time injuries per 200,000 hours worked	0.16	0.14	0.22
Employee: Near Miss Frequency Rate (NMFR)	Number of near miss events per 200,000 hours worked	0.94	0.72	0.70
Employee: Fatalities	#	0	0	0
Employee: Fatality Rate	Number of fatalities per 200,000 hours worked	0	0	0
Contractor: Total Recordable Incident Rate (TRIR)	Number of recordable incidents per 200,000 hours worked	0	0	0
Contractor: Lost Time Injury Rate (LTIR)	Number of lost time injuries per 200,000 hours worked	0	0	0
Contractor: Near Miss Frequency Rate (NMFR)	Number of near miss events per 200,000 hours worked	0	0	0
Contractor: Fatalities	#	0	0	0
Contractor: Fatality Rate	Number of fatalities per 200,000 hours worked	0	0	0
Total Hours of Employee Training on Health & Safety Policies and Procedures	Hours	12,190	22,274	42,499

GOVERNANCE

Ethics					
METRIC	UNIT	2020	2021	2022	
Percent of Corporate Employees Acknowledging Code of Conduct	%	100%	100%	100%	
Amount of Fines for Bribery and Corruption	\$ USD	0	0	0	
Legal/Regulatory					
METRIC	UNIT	2020	2021	2022	
Direct Political Contributions	\$ USD	0	0	0	
Board Oversight					
METRIC	UNIT	2020	2021	2022	
Independent % Board of Directors	%	67%	67%	67%	
Racial or Ethnic Minorities % Board of Directors	%	11%	11%	11%	
Women % Board of Directors	%	11%	11%	22%	

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) OIL AND GAS SERVICES STANDARD

SASB is an independent, private sector standards-setting organization dedicated to improving the effectiveness and comparability of corporate disclosures on sustainability and ESG factors. The table below references the SASB accounting metrics with where that information can be found in ProPetro's reporting.

Accounting Metric	Code	Disclosure
Emissions Reduction Services & Fuels Management		
Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles and (2) off-road equipment	EM-SV-110a.1	Total Fuel ¹³ : 3,668,558 GJ (1) 12% (2) 88%
Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	EM-SV-110a.2	See the Supplying Lower Emissions Energy and Strategic Fleet Transition – Emissions Impacted sections of this report.
Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	EM-SV-110a.3	34%
Water Management		
(1) Total volume of fresh water handled in operations, (2) percentage recycled	EM-SV-140a.1	Water used in operations is sourced and managed by our customers.
Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	EM-SV-140a.2	
Chemicals Management		
Volume of hydraulic fracturing fluid used, percentage hazardous	EM-SV-150a.1	Hydraulic fracturing fluid is sourced and managed by our customers.
Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts	EM-SV-150a.2	Chemicals are sourced and managed by our customers. See the Spill Prevention section of this report for more information.
Ecological Impact Management		
Average disturbed acreage per (1) oil and (2) gas well site	EM-SV-160a.1	We do not own, lease, or operate oil or gas well sites as part of our operations.
Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	EM-SV-160a.2	See the Biodiversity section of this report.

¹³ Data includes full-year energy use for Silvertip, which ProPetro acquired in November 2022 and represents less than 2% of total energy use.

Accounting Metric	Code	Disclosure																		
Workforce Health & Safety																				
(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), (4) total vehicle incident rate (TVIR), and (5) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	EM-SV-320a.1	<table border="1"> <thead> <tr> <th>EMPLOYEE TYPE</th> <th>(1) TRIR</th> <th>(2) Fatality Rate</th> <th>(3) NMFR</th> <th>(4) TVIR</th> <th>(5) TRAINING</th> </tr> </thead> <tbody> <tr> <td>Employees</td> <td>0.66</td> <td>0.00</td> <td>0.70</td> <td>0.00</td> <td>Not reported.</td> </tr> <tr> <td>Contractors</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>Not reported.</td> </tr> </tbody> </table>	EMPLOYEE TYPE	(1) TRIR	(2) Fatality Rate	(3) NMFR	(4) TVIR	(5) TRAINING	Employees	0.66	0.00	0.70	0.00	Not reported.	Contractors	0.00	0.00	0.00	0.00	Not reported.
		EMPLOYEE TYPE	(1) TRIR	(2) Fatality Rate	(3) NMFR	(4) TVIR	(5) TRAINING													
		Employees	0.66	0.00	0.70	0.00	Not reported.													
Contractors	0.00	0.00	0.00	0.00	Not reported.															
Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	EM-SV-320a.2	See the Health, Safety, and Environmental Management System and Safety sections of this report.																		
Business Ethics & Transparency																				
Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	EM-SV-510a.1	0 - We only operate in the United States.																		
Description of the management system for prevention of corruption and bribery throughout the value chain	EM-SV-510a.2	See the Ethics and Integrity section of this report.																		
Management of the Legal & Regulatory Environment																				
Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	EM-SV-530a.1	Not reported.																		
Critical Incident Risk Management																				
Description of management systems used to identify and mitigate catastrophic and tail-end risks	EM-SV-540a.1	See the Health, Safety, and Environmental Management System and Safety sections of this report.																		
Activity Metrics																				
Number of active rig sites	EM-SV-000.A	We do not own, lease, or operate any rig sites.																		
Number of active well sites	EM-SV-000.B	We do not own, lease, or operate any well sites.																		
Total amount of drilling performed	EM-SV-000.C	We do not conduct drilling operations.																		
Total number of hours worked by all employees	EM-SV-000.D	Not reported.																		

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX

Governance

Board Oversight - Our Board has ultimate oversight of climate change-related risks and is responsible for reviewing and providing guidance on the company's climate change-related programs and policies as part of its wider sustainability oversight. Specifically, the Nominating and Corporate Governance Committee reviews our sustainability and ESG strategies, initiatives, and policies, including those relating to climate change, and receives updates from the members of the company's management responsible for significant sustainability and ESG activities, including those relating to climate change. Additionally, our Audit Committee is responsible for overseeing the Company's risk assessment and risk management activities, which include climate change-related risks.

Management Oversight - Our senior leadership, including our Chief Executive Officer (CEO), periodically discusses risks and opportunities including those related to environmental issues, including climate change, and how to apply policies and strategies to address those issues in each aspect of the business. Our Director of Health, Safety, and Environmental (HSE) and Chief Operating Officer provide managerial oversight of our program and compliance, with ultimate executive oversight being the responsibility of our CEO.

Strategy

We recognize that climate change can present a risk to our business. We have identified climate-related risks and opportunities that may affect us over the short-, medium-, and longer-term. These include:

Physical Risk - Climate change may result in various physical risks, such as the increased frequency or intensity of extreme weather events or changes in the meteorological and hydrological patterns, that could adversely impact us, our customers', and our suppliers' operations. Such physical risks may result in damage to our customers' facilities or otherwise adversely impact our operations, such as if facilities are subject to water use curtailments in response to drought, or demand for our customers' products, such as to the extent warmer winters reduce the demand for energy for heating purposes, which may ultimately reduce demand for the products and services we provide. Such physical risks may also impact our suppliers, which may adversely affect our ability to provide our products and services. Extreme weather conditions can interfere with our operations and increase our costs, and damage resulting from extreme weather may not be fully insured.

Market Risk - Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, increased attention to climate change, and other sustainability matters, and technological advances in fuel economy and energy generation devices could reduce demand for oil and natural gas, resulting in reduced demand for oilfield services. The impact of the changing demand for oil and natural gas services and products may have an adverse effect on our business, financial condition, results of operations, and cash flows.

Regulatory Risk - The threat of climate change continues to attract considerable attention in the United States and in foreign countries. Numerous proposals have been made and could continue to be made at the international, national, regional and state levels of government to monitor and limit existing emissions of GHGs as well as to restrict or eliminate future GHG emissions. As a result, our operations as well as the operations of our oil and natural gas exploration and production customers are subject to a series of regulatory, political, litigation, and financial risks associated with the production and processing of fossil fuels and emission of GHGs.

Reputational Risk - Organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to sustainability and ESG matters. Such ratings are used by some investors to inform their investment and voting decisions. Unfavorable sustainability and/or ESG ratings and recent activism directed at shifting funding away from companies with energy-related assets could lead to increased negative investor sentiment toward us and our industry and to the diversion of investment to other industries, which could have a negative impact on our stock price and our access to and costs of capital. Additionally, to the extent sustainability and ESG matters negatively impact our reputation, we may not be able to compete as effectively to recruit or retain employees, which may adversely affect our operations.

Energy Transition Opportunity - As approximately 90% of our Scope 1 GHG emissions come from fuel consumption in our operating fleet, our fleet is our biggest opportunity for reducing our direct GHG emissions. Pursuing a next-generation fleet by developing and integrating innovative technologies is a pillar of our business strategy and a component of our executive compensation. At the end of 2022, approximately 33% of our fleet are Tier IV DGB vehicles.

In 2022, the Compensation Committee structured the performance metrics for the Amended and Restated Executive Incentive Bonus Plan to align with and incentivize our strategic fleet transition initiatives. Our business plan for 2022 included a significant reinvestment cycle, as we sought to revitalize our legacy fleet and undertake meaningful investments to acquire and deploy next generation Tier IV DGB and electric fleet equipment in order to allow us to provide a more competitive and sustainable service offering for our customers.

We believe that a lower emissions profile is not only vital to aid in our competitiveness, but also a crucial component in deploying the innovative tools necessary to support our customers' efforts to be capital efficient by replacing diesel with natural gas, which is currently a cost-advantaged fuel in the market. We seek to meet our customers' needs while also pursuing a consistent, more sustainable service solution that will increasingly replace diesel with less carbon-intensive and more cost-advantaged fuels. Integrating fuel sources that are less carbon intensive than diesel, such as natural gas, is important to optimizing fuel consumption on our worksites.

Risk Management

Our Board oversees our strategic direction and in doing so considers the potential rewards and risks of our business opportunities and challenges and monitors the development and management of risks that impact our strategic goals. Our Board and management are intent on managing and mitigating various risks to our business and financial performance, including climate change and other environmental risks. Such risk management topics are reviewed and discussed on a regular basis among our leadership team. Consideration of such risks is implemented in all aspects of our business as part of our operating and business strategy.

Metrics

We are committed to continually improve our energy efficiency and reduce our GHG emissions. We monitor and measure our energy use and our Scope 1 and 2 GHG emissions.

2022 Greenhouse Gas Emissions:

- Scope 1 GHG emissions - 244,770 MT CO₂e
- Scope 2 GHG emissions - 2,688 MT CO₂e

FORWARD-LOOKING STATEMENTS

Certain statements in this report and oral statements made in connection therewith are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Words such as “may,” “could,” “project,” “budget,” “predict,” “pursue,” “target,” “seek,” “objective,” “believe,” “anticipate,” “expect,” “intend,” “estimate,” “will,” “should,” “potential,” “plan,” “forecast” and similar expressions are generally to identify forward-looking statements. All statements, other than statements of historical facts, included in this report that address activities, events or developments that ProPetro expects, believes or anticipates will or may occur in the future, are forward-looking statements. In particular, this report contains forward-looking statements pertaining to, but not limited to, information with respect to the following: ProPetro’s strategic plans, priorities, outlook and expected performance; sustainability and ESG-related goals, strategies, priorities and initiatives, including, among others, those related to GHG emissions reduction and energy efficiency improvement (including lower-emission fleet conversion), waste management, biodiversity, spill prevention, health and safety (including the “incident free” goal), human capital management (including DEI efforts and employee training and development), community engagement, and cybersecurity; ProPetro’s plans to achieve its sustainability and ESG-related goals and to monitor and report progress thereon; sustainability and ESG-related engagement, commitments and disclosure; and other related items.

The actual conduct of ProPetro’s activities, including the development, implementation, progress towards, or continuation of any goals, strategies, priorities and initiatives discussed or forecasted in this report may differ materially in the future. Moreover, many of the assumptions, standards, methodologies, metrics and measurements used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees. These forward-looking statements in this report rely on a number of assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside ProPetro’s control, which could cause results to differ materially from those expected by management. Therefore, the reader should not place undue reliance on these forward looking statements. Such risks and uncertainties include, but are not limited to, the cyclicity of the oil and natural gas industry; the level of capital spending and exploration and production activity within the United States and in the Permian Basin; a decline in prices for oil and natural gas; risks associated with primarily concentrating operations in one major geographic area; the transition to a low carbon economy; a deterioration in general economic, business or industry conditions, including weakening of the broader energy industry; new technology; ProPetro’s inability to obtain capital or financing on satisfactory terms; indebtedness and liquidity needs; restrictions in ProPetro’s ABL Credit Facility (as defined in ProPetro’s most recent Annual Report on Form 10-K) and future financing agreements; losses or impairment charges related to goodwill and long-lived assets including intangible assets; unforeseen interruptions and hazards inherent in the oil and natural gas industry; a terrorist attack, armed conflict or political or civil unrest, including the Russian-Ukraine war, and associated repercussions to supply and demand for oil and gas and the economy generally; claims for personal injury and property damage; cyber security risks; ProPetro’s ability to successfully implement its business plan, including execution of potential mergers and acquisitions; inflation; significant competition; ability to obtain specialized equipment, parts, and key raw materials; reliance on a few key employees; inability to employ a significant number of skilled and qualified workers; regulatory and related policy actions intended by federal, state and/or local governments to reduce fossil fuel use and associated carbon emissions, or to drive the substitution of renewable forms of energy for oil and gas, may over time reduce demand for oil and gas and therefore the demand for ProPetro’s services; physical and transitional risks associated with climate change; and increased attention to sustainability and ESG matters, conservation measures, commercial development, and technological advances. These and other applicable uncertainties, factors and risks are described more fully in ProPetro’s filings with the Securities and Exchange Commission (“SEC”), including its

most recent Annual Report on Form 10-K, and any subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Other unpredictable or unknown factors not discussed in this report could also have material adverse effects on ProPetro, its operations or the outcomes described in the forward-looking statements in this report. The forward-looking statements and statements of intention in this report speak only as of the date of the preparation of this report. ProPetro does not undertake, and expressly disclaims, any obligation to update or revise any forward looking statement or statements of intention, whether as a result of new information, future events, or otherwise.

While this report describes potential future events and matters that may be significant, and with respect to which ProPetro may even use the word “material” or “materiality”, the potential significance of these events and matters should not be read as equating to “materiality” as the concept is used in connection with ProPetro’s required disclosures made in response to SEC and exchange rules and regulations.

Moreover, while this report provides information on several sustainability and ESG-related topics, including goals and ambitions, there are inherent uncertainties in providing such information, due to the complexity and novelty of many methodologies established for collecting, measuring, and analyzing sustainability and ESG-related data. While ProPetro anticipates continuing to monitor and report on certain sustainability and ESG-related information, ProPetro cannot guarantee that such data will be consistent year-to-year, as methodologies and expectations continue to evolve. ProPetro hereby expressly disclaims any obligation or duty not otherwise required by legal, contractual, and other regulatory requirements to update, correct, provide additional details regarding, supplement, or continue providing such data, in any form, in the future. Furthermore, there are sources of uncertainty and limitations that exist that are beyond ProPetro’s control and could impact ProPetro’s plans and timelines, including the reliance on technological and regulatory advancements and market participants’ behaviors and preferences.

In some cases, the information in this report is prepared, or based on information prepared, by third-party vendors and consultants and is not independently verified by ProPetro. This data should not be interpreted as any form of guaranty or assurance of accuracy, future results or trends, and ProPetro makes no representation or warranty as to third-party information. Unless otherwise provided, the information contained in this report is expressly not incorporated by reference into any filing of ProPetro made with the SEC, or any other filing, report, application, or statement made by ProPetro to any federal, state, tribal, or local governmental authority.



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