



GOVERNANCE

Board Size & Independence

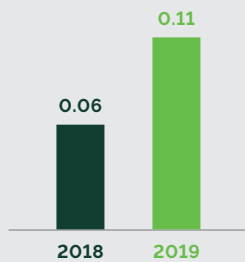


7 out of 9 Concho board members are independent.¹ Concho's lead independent director maintains significant leadership authority and responsibility.

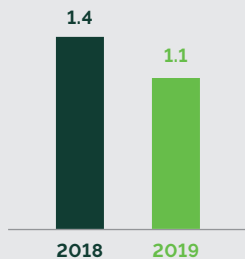
Operating Safely

Demonstrating consistently low incident rates

Total Recordable Incident Rate² Per 200,000 hours



Vehicle Incident Rate² Per million miles driven



Ensuring Accountability

Track record of including sustainability performance measures within executive compensation structure since 2018.

¹ As of June 30, 2020.

² Incident Rates reflect Concho employees only.



ENVIRONMENTAL SUSTAINABILITY

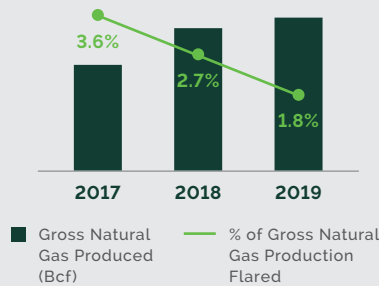
Climate Risk & Air Quality

Managing Impacts to Climate & Air

Reducing emissions & improving air quality performance

Emissions Reduction Performance

2020 PERFORMANCE TRENDING -1%



Managing Climate Risk

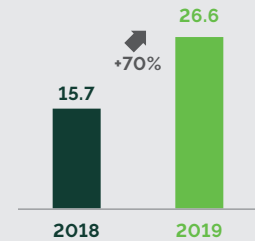
Aligning with the TCFD recommendations & expanding upon challenges & opportunities presented by climate change

Encouraging Water Reuse

Advancing Water Recycling

Advancing our water recycling efforts, which resulted in nearly a 70% increase in reused water volumes in 2019 compared to 2018

Reused Water Volumes MMBBL



Land Stewardship

Contributed \$7.3 million to mitigation efforts & 264,000 acres of conservation through Candidate Conservation Agreements since 2010



SOCIAL IMPACT

Investing in Our Team

Investing in our team & creating a diverse & inclusive culture



Investing in Our Community

Contributed more than \$5 million in Permian Basin communities during 2019

"Concho's community investment philosophy is influenced by our collective passion for giving back and building resilient communities. We are committed to making a positive contribution to the Permian Basin region we call home."

TIM LEACH

Chairman of the Board & Chief Executive Officer

Performance Summary

	UNITS	2019	2018
Governance¹			
Board size	#	10	10
Independent directors	#	8	8
Director average age	years	63.9	62.8
Director average tenure	years	8.2	7.2
Directors joined in the prior 4 years	%	30	30
Board member diversity by race or gender	%	20	20
Other public company boards (average)	#	0.9	0.9
Board meetings held	#	8	10
Committee meetings held	#	23	23
Meeting attendance	%	>75	>75
Health & Safety			
Fatalities – Employees	#	0	0
Total recordable incident rate – Employees ²	rate	0.11	0.06
Lost time incident rate – Employees ²	rate	0.06	0.06
Vehicle incident rate ³	rate	1.1	1.4
Air Quality^{4,5}			
Methane emissions	metric tons CO ₂ e	184,423	213,002
Carbon dioxide emissions	metric tons CO ₂	1,243,227	1,188,830
Total GHG emissions ⁶	metric tons CO ₂ e	1,429,199	1,403,345
GHG emissions intensity	CO ₂ e / MBOE	8.7	8.8
Flared volume	mcf	6,528,540	8,977,277
Flaring as a % of gross gas production	%	18	2.7
Crude oil transported by pipeline	%	90	90
Water			
Water use intensity ⁷	bbls/BOE	0.8	—
Total water use ⁸	mmbbls	137.6	—
Fresh water use ⁹	mmbbls	43.0	—
Non-fresh water use ¹⁰	mmbbls	68.1	—
Recycled produced water use ¹¹	mmbbls	14.3	—
Reclaimed waste water use ¹²	mmbbls	12.2	—
Produced water disposal volume	mmbbls	276.9	—
Spills¹³			
Total spill volume	bbls	34,348	40,337
Total spill count	#	336	416
Total spill rate ¹⁴	rate	0.09	0.13

	UNITS	2019	2018
Workforce¹⁵			
Employee headcount	#	1,453	1,503
Texas	#	1,157	1,139
New Mexico	#	296	364
Employee diversity			
Women in the workforce	%	32	31
Minorities in the workforce	%	29	27
Employee tenure			
< 2 years	%	38	42
2–5 years	%	33	32
6–10 years	%	24	23
11–15 years	%	5	3
Employee training ¹⁶	hours	13,534	14,710
Social & Economic Impact			
Annual community investment	\$ million	5.3	4.7
Annual contributions to species protection ¹⁷	\$ million	0.71	0.71
Ad valorem taxes	\$ million	67.1	33.2
Texas	\$ million	61.7	29.8
New Mexico	\$ million	5.4	3.4
Production taxes	\$ million	282.1	272.2
Texas	\$ million	135.4	114.7
New Mexico	\$ million	146.7	157.5
Royalties ¹⁸	\$ million	297.5	324.5
Texas	\$ million	28.9	37.6
New Mexico	\$ million	115.5	134.7
Federal	\$ million	153.1	152.2

¹ Per proxy statement filed for the applicable year.

² Per 200,000 hours worked.

³ Rate includes only preventable incidents per million miles driven.

⁴ Emissions volumes and resulting intensities contingent upon final GHG reporting review and approval by EPA.

⁵ Scope 1, excluding company-owned vehicle and plane emissions.

⁶ Total facility emissions include CO₂, methane and N₂O.

⁷ Water use intensity is equal to barrels of total water use/demand per barrel of oil equivalent gross production.

⁸ Purchased, treated, reclaimed, fresh, non-fresh sources for drilling and completions usage.

⁹ Water resources with low salinity; <2000 total dissolved solids (TDS).

¹⁰ Water resources with higher salinity; >2000 TDS. Does not include recycled produced water and reclaimed water, which are reported separately.

¹¹ Water produced as a byproduct of oil and gas production that is treated for reuse.

¹² Municipal effluent water sourced from municipalities and other third parties that is treated for reuse.

¹³ Reportable volumes are those greater than five barrels. Includes both produced water and hydrocarbon spills.

¹⁴ Per 1,000 bbls of produced oil and water.

¹⁵ As of December 31 for the applicable year.

¹⁶ Internal training hours only. Does not include HSE training hours.

¹⁷ Via Candidate Conservation Agreements.

¹⁸ Reflects royalty payments made to government entities.