



RING ENERGY
INAUGURAL SUSTAINABILITY REPORT
DECEMBER 2021



This report provides detailed information about Ring Energy, Inc.’s (“Ring”, the “Company”, “we” or “our”) Environmental, Social and Governance (“ESG”) initiatives and related key performance indicators.

In the creation of this document, we consulted the Sustainability Accounting Standards Board’s (“SASB”) Oil and Gas Exploration and Production Sustainability Accounting Standard, the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”), the Sustainable Development Goals (“SDGs”) promulgated by the United Nations, and other reporting guidance from industry frameworks and standards. With its current scope of operations, Ring contributes to the realization of a number of the SDGs: gender equality; clean water and sanitation; decent work and economic growth; and responsible consumption and production. Our actions and initiatives implemented endeavor to help advance these SDGs.

This document covers calendar year 2020, unless otherwise noted. For more information about our ongoing ESG efforts, please visit our website, www.ringenergy.com under “Sustainability”. Also, please see the inside back cover of this document for our Safe Harbor Statement commentary and disclaimer.

ESG, A FOUNDATIONAL CORNERSTONE OF OUR CULTURE

ENVIRONMENTAL



- Reducing our environmental impact, including GHG emissions, flaring and water management
- Sustainably extracting value by evaluating the economic and environmental aspects of each development opportunity

SOCIAL



- Providing a safe work environment and corporate culture that promotes the health and well-being of all employees
- Investing in our workforce, the communities in which we operate, and future generations through social responsibility

GOVERNANCE



- Committed to practicing sound corporate governance
- We recognize the importance of providing transparency of ESG-related matters
- Refreshed all charters, guidelines and bylaws in 2021

Focused on Driving the Long-Term Sustainability of the Business

A FRESH PERSPECTIVE ON A PROVEN STRATEGY

In mid-2020, Ring's Board of Directors (the "Board") performed a strategic evaluation of alternatives for increasing stockholder value. The Board decided a change in approach was necessary to more fully leverage the Company's substantial asset base and future growth opportunities by bringing on a new executive leadership team and refreshed Board, including six of seven members deemed as independent. Together, the Board and executive team share a common vision and individually bring diversity in thought, background, and experience with notable track records of success to the service of Ring's stockholders. The Board and the executive team also share a commitment to providing further transparency on ESG matters.

With over 100 years of combined industry experience in several of the oil and gas producing basins in the United States, significant financial expertise and long-established industry relationships, this Board is accomplished and focused on adding stockholder value. This experience, coupled with the careful application of new and emerging geoscience, engineering, drilling and completion technologies, positions Ring for profitability and success.

In 2021, we created an ESG Task Force that is comprised of management representatives from Health, Safety & Environmental ("HSE"), Operations, Legal, Human Resources, Investor Relations and Finance. The task force is charged with the responsibility to monitor the Company's adherence to our ESG standards and formally communicate their findings on an ongoing basis to our CEO and the Board. This inaugural report is the result of their efforts to disclose our ESG performance record, as applicable, and discuss our plans to drive further alignment in the future with the various reporting frameworks as we continue our ESG reporting journey.



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CHAIRMAN/CEO LETTER TO STAKEHOLDERS

It is my pleasure to present Ring Energy's Inaugural Sustainability Report. We believe it is important to provide greater transparency to our stakeholders regarding our business practices, as well as to more clearly communicate our commitment to our ESG initiatives.

With the full support of our Board and executive team, Ring is focused on creating long-term value for our stockholders and fostering a culture that is steadfast on environmental sustainability, operational safety, social responsibility and sound corporate governance. Supporting our efforts is what we view as a best-in-class employee team, which is our most valuable asset as we execute on our strategic priorities to drive the long-term sustainability of our business.

This includes being good stewards of the environment as we develop and produce our oil and gas resources in a safe and environmentally responsible manner while meeting or exceeding all regulatory requirements. We believe a strong safety culture is key to our continued success, and we are focused on ensuring the health and well-being of our employees, contractors, residents in our local communities and other stakeholders through the promotion of safe operating practices as we strive to be incident-free every day across the organization. We also recognize the strategic importance of leveraging leading corporate governance practices, and have responded over the past year by installing a Board that is 86% independent, expanded each of our Board committees to include all independent members, established a managerial ESG Task Force, amended our bylaws and charters, and changed the name of our "Nominating & Corporate Governance Committee" to "Nominating, Environmental, Social and Governance Committee" to more accurately reflect our ESG priorities.

As we look to the future, we are committed to maintaining and enhancing the high ethical standards and core values that have served us well over the past years and will continue to look for opportunities to improve our ESG, operational and safety performance. A prime example of this commitment is our Target ZERO-365 Safety & Environmental Initiative ("Target ZERO-365") that we developed in 2021 and will fully

CHAIRMAN/CEO LETTER TO STAKEHOLDERS

implement throughout the organization in the first half of 2022. The goal of Target ZERO-365 is to build a culture where employees are empowered and educated on how to work safely, as well as encouraged and rewarded for openly communicating incidents. We are focused on building on our philosophy of continuous improvement, so that Company operations can be conducted safely and efficiently, while minimizing the impact to the environment. To underscore the importance of these initiatives, our Board of Directors has aligned our compensation practices to the progress we make in this regard.

We appreciate the continued support of our employees, contractors, stockholders, business partners and other stakeholders as we continue our ESG journey. Consistent with our transformative Target ZERO-365 initiative, we are identifying opportunities across the business to drive continued improvement and efficiencies. This will allow us to set thoughtful and specific targets in the future that will provide stakeholders a clear scorecard to measure our results, and we look forward to keeping everyone regularly apprised of our progress.

Best regards,



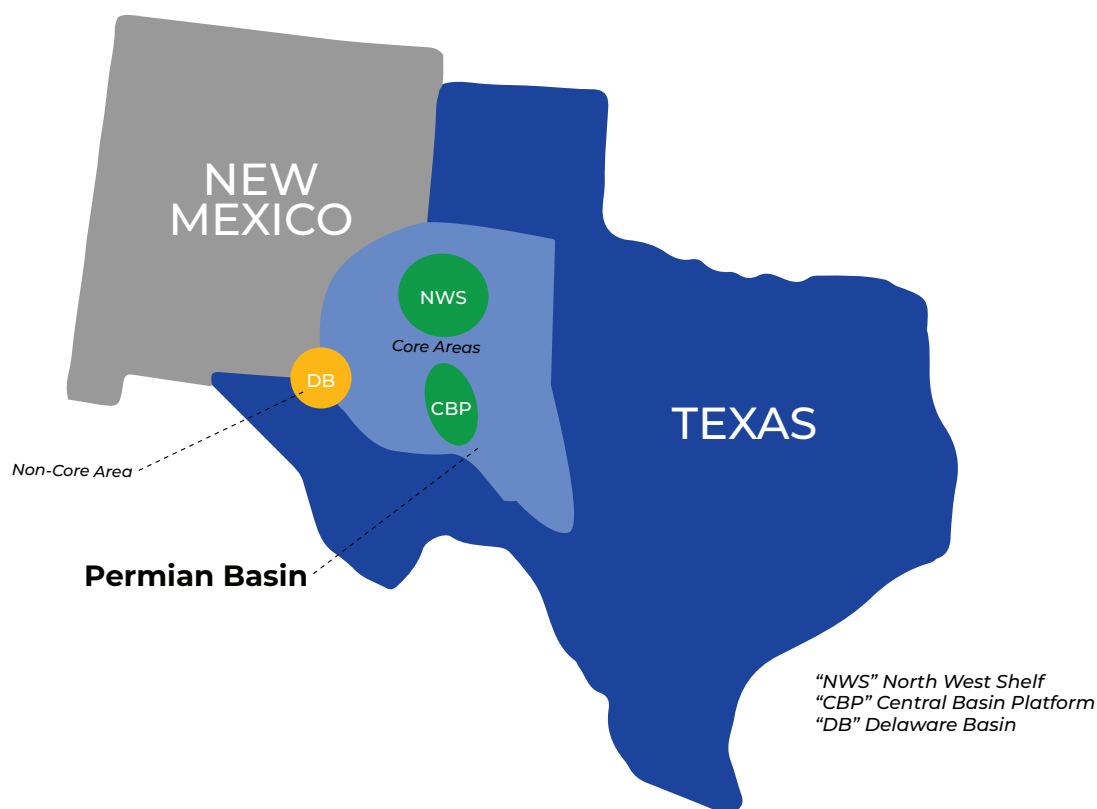
Paul D. McKinney
*Chairman of the Board of
Directors & Chief Executive Officer*



WHO WE ARE

Ring is a publicly traded (NYSE American: REI) growth oriented independent oil and natural gas company headquartered in The Woodlands, Texas. We are focused on the acquisition, exploration and development of high-quality, oil and liquids rich assets in the Permian Basin of Texas and New Mexico, which is recognized as a premier top producing oil basin in North America. Formed in 2012, Ring has aggressively sought to acquire select low decline, long-life hydrocarbon producing properties with highly economic drilling opportunities that can be developed in future years.

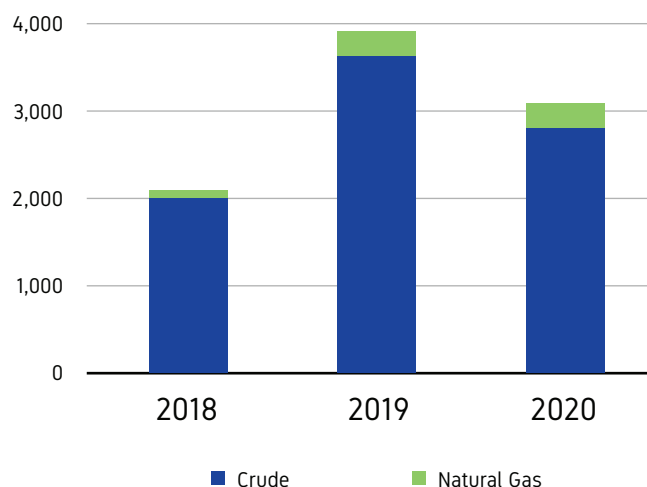
Our drilling operations target the oil and liquids rich producing formations in the Northwest Shelf, the Central Basin Platform, and the Delaware Basin, all of which are part of the Permian Basin. As of December 31, 2020, our leasehold acreage positions totaled 104,455 gross (76,745 net) acres and we held interests in 610 gross (441 net) producing wells. Proved reserves as of December 31, 2020, were approximately 76.5 million barrel of oil equivalent (“BOE”) ⁽¹⁾, of which we are the operator of approximately 97.7%. Our proved reserves as of December 31, 2020 were weighted at approximately 87% oil and 13% natural gas. Of those reserves, approximately 57.5% were classified as proved developed (“PD”) and 42.5% were classified as proved undeveloped (“PUD”).



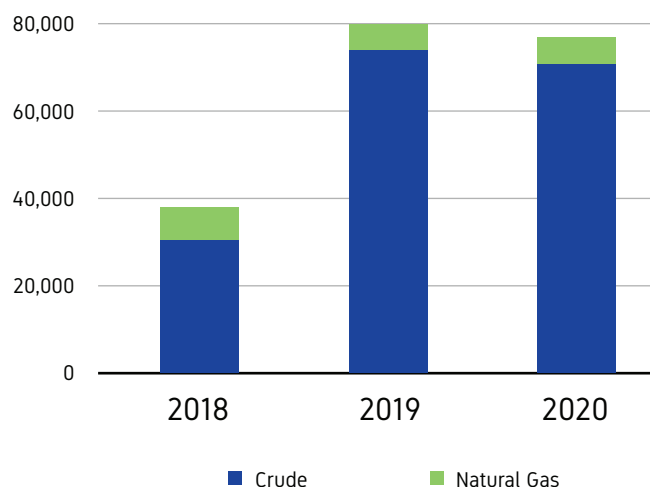
(1) For the calculation of BOE, oil is weighted on a 6 to 1 ratio against natural gas.

OUR BUSINESS

PRODUCTION



PROVED RESERVES



Metric		2018	2019	2020
Production <i>SASB EM-EP-000.A</i>	Producing Areas	2	3	3
	Crude Oil, MBbls	2,047.3	3,536.1	2,801.5
	Natural Gas, MMcf	1,112.2	2,476.5	2,494.5
	Equivalent, Mboe	2,232.7	3,948.9	3,217.3
	Equivalent, Boe/d	6,117	10,819	8,790
Proved Reserves⁽¹⁾	Crude Oil, MBbls	27,809.7	71,359.0	66,264.3
	Natural Gas, MMcf	52,765.7	58,271.9	61,305.0
	Equivalent, MBoe	36,604.0	81,071.0	76,481.8
Number of Sites⁽¹⁾ <i>SASB EM-EP-000.B</i>	Gross Acreage	127,422	166,363	104,455
	Gross Productive Wells	587	627	610
Personnel⁽²⁾	Employees	42	58	41
	Contractors	n/a	n/a	5

Notes:

(1) As of December 31.

(2) Employees counts are as of December 31. Contractor counts as of December 31, 2018 and December 31, 2019 are not available.

Glossary of terms:

MBbls > Thousands of barrels

MMcf > Millions of cubic feet of natural gas

MBoe > Thousands of barrels of oil equivalent (1 barrel of oil = 6 thousand cubic feet of natural gas)

Boe/d > Barrels of oil equivalent per day

OUR MISSION, VISION & STRATEGIC PRIORITIES

MISSION

Our mission is to deliver competitive and sustainable returns to our stockholders by developing, acquiring, exploring for, and commercializing oil and gas reserves vital to the world's health and welfare. Successfully achieving our mission requires a firm commitment to operating safely in a socially responsible and environmentally friendly manner.

VISION

Key principles supporting our strategic vision are:

- Ensuring health, safety, and environmental excellence and a strong commitment to our employees and the communities in which we work and operate;
- Continuing to generate free cash flow to improve and build a sustainable financial foundation;
- Pursuing rigorous capital discipline focused on our highest returning opportunities;
- Improving margins and driving value by continuously targeting additional operating cost reductions and capital efficiencies; and
- Strengthening the balance sheet by steadily paying down debt, divesting of non-core assets and becoming a peer leader in Debt/EBITDA metrics.

STRATEGIC PRIORITIES

We have historically capitalized on our low-risk, high-return asset base that is focused on the conventional San Andres reservoir in the Permian Basin, which is one of the most prolific hydrocarbon producing regions in the United States. As compared to unconventional plays, the San Andres offers much lower initial year and terminal decline rates for production, which helps generate high rates of return and low breakeven economics of approximately \$25 per barrel.

The collective efforts of our management team are focused on providing a fresh perspective on Ring's proven strategy. We are targeting a number of strategic initiatives that we believe will uniquely position Ring for continued operating and financial success, thereby enhancing long-term value for our stockholders.

OUR MISSION, VISION & STRATEGIC PRIORITIES

To accomplish these goals, we are committed to pursuing the following strategic priorities:



Attract and retain the best people because we recognize that our future success can only be achieved through our employees.



Pursue operational excellence with a sense of urgency, which is the foundation that will define our culture and future success. This includes executing our operations in a safe and environmentally responsible manner, applying advanced technologies, continuously seeking ways to reduce our operating cash costs per barrel, and delivering low cost, consistent and efficient execution of our drilling campaigns, work programs and operations.



Prioritize our work programs to invest in the highest risk-adjusted rate-of-return projects in our inventory. This will allow us to profitably grow our production and reserve levels and generate the excess free cash flow required to further pay down debt.



Focus on generating free cash flow and strengthening our balance sheet by reducing debt through the use of excess cash from operations and potentially through proceeds from the sale of non-core assets. Remaining focused and disciplined in this regard will lead to meaningful returns for our stockholders and also provides additional financial flexibility to manage future commodity price cycles.



Pursue strategic acquisitions that maintain or reduce our break-even costs, as well as, improve our margins and lower our operating costs. We are squarely focused on opportunities that are accretive on a cash flow basis that deliver competitive risk and debt-adjusted per share returns to our stockholders.



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We are committed to protecting and preserving the environment in all aspects of our business, including production operations, well work programs, and decommissioning activities. Our policies and procedures are designed to meet or exceed adherence with all federal, state and local regulations, and we expect our contractors to have similar programs in place. Our efforts to minimize our operational impact are multi-faceted, including reducing greenhouse gas (“GHG”) and air emissions, minimizing the use of freshwater, preventing spills, safeguarding local water supplies and minimizing waste. Our ongoing environmental programs are designed to not only reduce our operational impacts but also improve efficiency, lower costs and reduce risk, which promotes the long-term sustainability of our business, while enhancing our relationships with the communities in which we operate.

HSE MANAGEMENT PLAN (“HSE-MP”)

We are focused on building a HSE culture that empowers employees and contractors to create a work environment that protects our workers, protects our environment, protects our communities, and protects our financial sustainability. We believe that our HSE-MP, when properly implemented, will maximize our ability to be incident-free across our operations, while allowing us to build and maintain a culture where the goal of zero incidents for all employees and contractors is of the highest priority. We are proud to announce, **Ring Energy had zero lost time safety incidents and zero OSHA recordable safety incidents in 2020.**



POLICY

We are dedicated to ensuring the health and safety of everyone who plays a part in our operations and those who live in the communities in which we operate. We recognize that strong HSE practices have positive benefits for us and our stakeholders. As such, all Company officers and employees are expected to adopt, promote, and implement our operational principles. By doing so, we believe we can achieve our business goals safely, reliably and without incident.

PRINCIPLES

We are committed to conducting our business in a socially responsible and ethical manner that promotes the preservation of the natural environment. Recognizing that our exploration and production activities interact with the environment in several ways, we seek to conduct our business activities in accordance with the following principles:

- Comply with all applicable laws, regulations and standards relevant to the management of risks to

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the environment arising from our business activities;

- Integrate an environmentally sensitive culture into all relevant aspects of our business;
- Develop and implement appropriate measures to reduce energy consumption, where practicable, increase the efficiency with which energy is being used, and limit environmental impact, waste and cost associated with energy use; and
- Develop and implement appropriate and relevant response systems to limit detrimental impact to the environment should an accident or incident occur.

TRAINING

We strive to ensure all employees and contract personel working on the Company's behalf are provided with the necessary training and knowledge regarding workplace

safety, environmental risks, hazards, mitigation, and associated procedures.

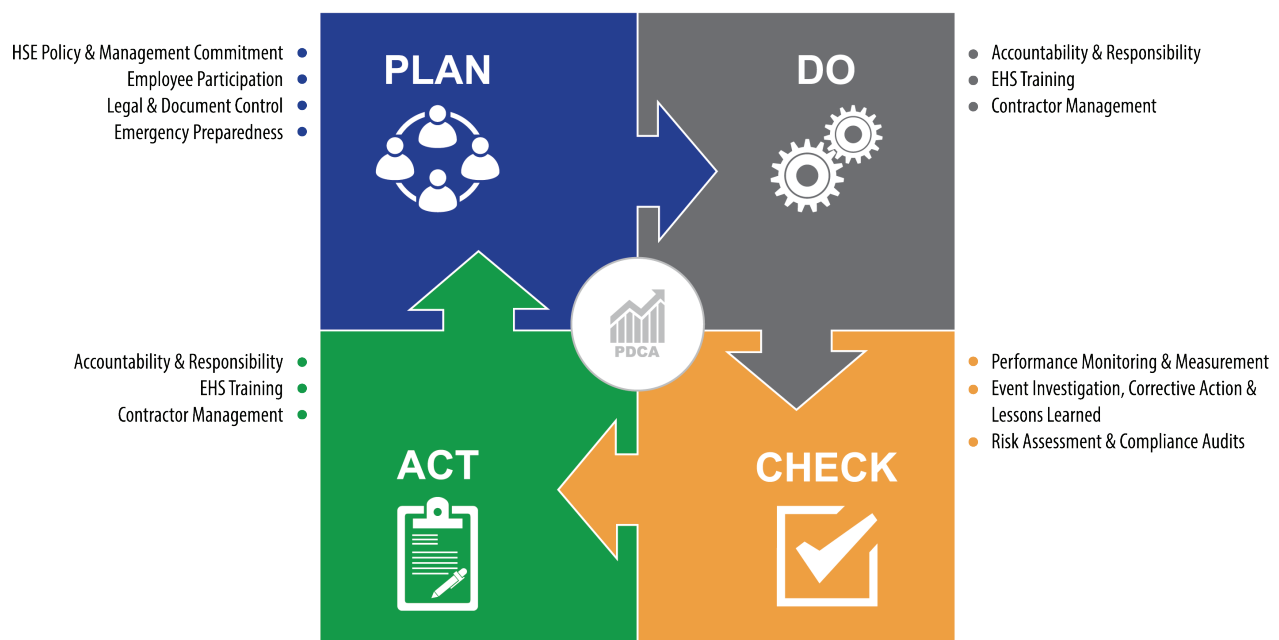
These efforts are designed to ensure safe working conditions, protect the environment from spills, releases and emission events, and ensure compliance with federal, state and local laws and regulations.

OVERSIGHT

The Nominating, Environmental, Social and Governance Committee of our Board of Directors is responsible for developing and overseeing the Company's ESG practices and programs along with any sustainability reports prepared by management.

GREENHOUSE GAS EMISSIONS

We recognize the potential for environmental impact of GHGs and the emissions associated with our operations, and we are continuously seeking opportunities to reduce them. We report total emissions resulting from



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our operations to the U.S. Environmental Protection Agency (“EPA”) and other agencies consistent with regulatory requirements and we will seek to limit the GHG emissions of our drilling and operational activities using a strategy of implementing the most efficient technologies available.

Our operations are comprised of upstream oil and gas production facilities, including well sites, separation facilities and associated tank batteries. The crude oil, natural gas and produced water from the wells are routed to separation facilities where the separated oil and water are then routed to tank batteries for storage prior to being transferred offsite. The separated natural gas is routed to the sales line, or, in some instances, routed to flare for control.

Sources of GHG emissions from these upstream production operations include:

- Compressors;
- Storage tanks;
- Pneumatic devices;
- Gas venting and flaring;
- Hydraulic fracturing, workovers and completions;
- Equipment leaks, and
- Stationary combustion.

We also operate facilities and field office buildings that generate GHG emissions due to use of the following:

- Building and onsite electricity use;
- Refrigerants used in air conditioning units; and
- Fleet vehicles.

This report summarizes the GHG emissions inventory for Ring Energy based on our operations in calendar year 2020. Our assessment in this report quantifies emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and hydrofluorocarbons (HFCs) emissions. Other GHGs, such as perfluorocarbons (PFCs) and sulfur hexafluoride (SF₆), do not originate from our operations. Our management team is focused on using our 2020 and 2021 inventories to establish a baseline against which to measure progress towards defining and achieving our future GHG reduction goals.

In determining the Company’s Scope 1 and Scope 2 GHG emissions, the following guidance references were employed to provide the calculation methodologies used:

- EPA Mandatory Reporting Rule, 40 CFR Part 98, Subparts C and W; ⁽¹⁾
- EPA Emissions and Generation Resource Integrated Database (eGRID), February 2021; ⁽²⁾
- The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (Revised Edition); ⁽³⁾ and
- The Climate Registry (TCR), General Reporting Protocol, Version 3.0 (May 2019) and TCR 2020 Default Emission Factors (April 2020). ⁽⁴⁾

¹https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title40/40cfr98_main_02.tpl

²<https://www.epa.gov/egrid/emissions-generation-resource-integrated-database-egrid>

³<https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

⁴<https://www.theclimateregistry.org/tools-resources/reporting-protocols/general-reporting-protocol/>

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Whenever there were departures or differences between these references, the EPA Mandatory Reporting Rule took precedence.

The figures in the tables below show the reportable facilities' metric tons of carbon dioxide equivalents ("CO₂-e"). Unless otherwise stated, CO₂-e emissions in this report include carbon dioxide, methane and

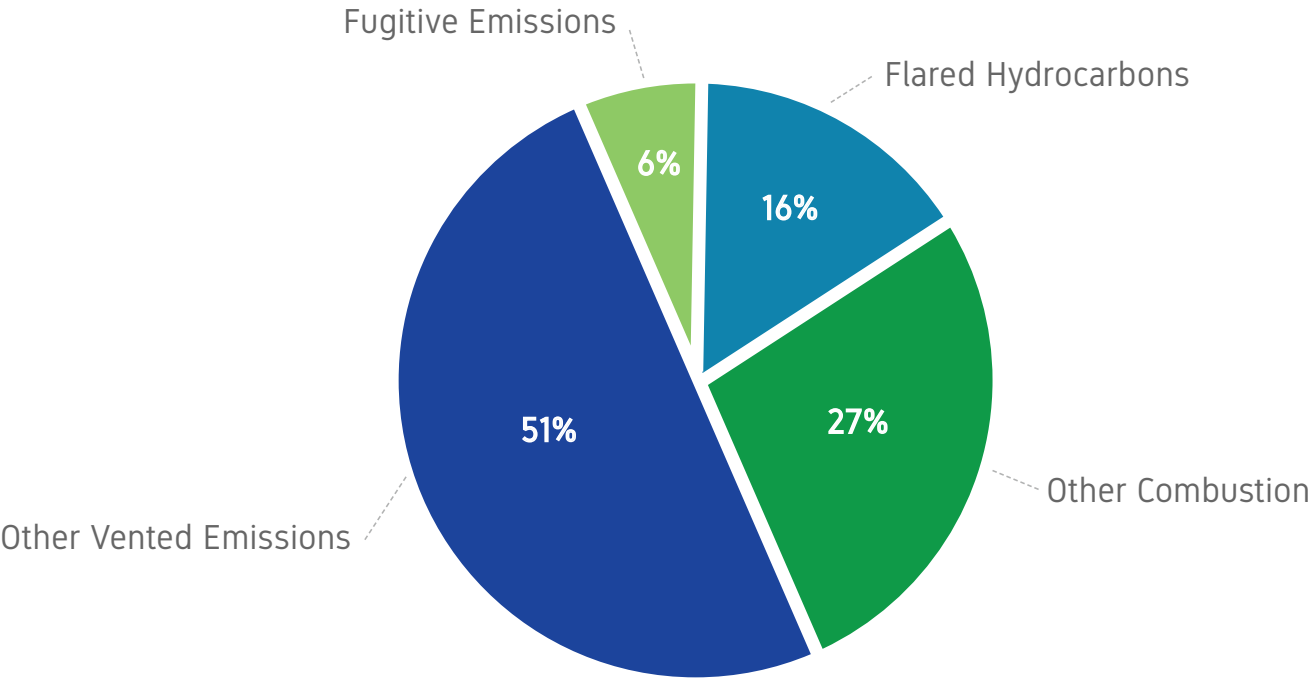
nitrous oxide (CO₂, CH₄, N₂O, respectively), which were consolidated and calculated in accordance with published 100-year time horizon global warming potential ("GWP") values based on the Intergovernmental Panel on Climate Change ("IPCC") Fifth Assessment Report. We focus on CO₂, CH₄, and N₂O GHG emissions because these are the most prevalent GHGs emitted from oil and natural gas industry operations.

METRIC	2020
Gross global Scope 1 emissions including percentage methane <i>(in metric tons CO₂-e)</i> <i>SASB EM-EP-110a.1</i>	113,690 57.7% methane (CH ₄)
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 <i>(in metric tons CO₂-e)</i> <i>SASB EM-EP-110a.2</i>	(1) 17,952 (2) 30,986 (3) 0 (4) 57,911 (5) 6,841

METRIC	2020
Scope 2 emissions <i>(kilowatt hours converted to metric tons CO₂-e)</i> <i>Operations facilities</i> <i>Office facilities</i>	60,418 5
Total Scope 2 emissions	60,423
<i>Gross operated production (in BOE)</i>	4,287,751

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SCOPE 1 GHG EMISSIONS



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AIR EMISSIONS

SASB EM-EP-120a.1

We endeavor to reduce the other emissions from our operations whenever practical and report total emissions to the EPA consistent with regulatory requirements.

Air Emissions (in metric tons)	2020
Nitrogen Oxides (NO _x)	43.58
Sulfur Oxides (SO _x)	0.14
Non-Methane Volatile Organic Compounds (VOCs)	2,410.08
Particulate Matter (10 Micrometers or Less) (PM ₁₀)	1.81

WATER MANAGEMENT

Fresh water is a necessary component of our drilling and completion activities. Produced water is generated along with hydrocarbons from production operations of wells. We are mindful of our water usage and strive to reduce the environmental impact to the communities in which we operate by practicing responsible fresh water usage and adopting best practices in connection with our drilling, completion and production operations.



SASB EM-EP-140a.1

Our 2020 drilling and completion activities resulted in the withdrawal and consumption of approximately 351,000 barrels, or approximately 56,000 cubic meters ("m³"), of fresh water. All of the fresh water withdrawn and consumed was at locations in areas with High or Extremely High Baseline Water Stress as classified by the

World Resource Institute's ("WRI") Water Risk Atlas tool (i.e., Aqueduct). In addition, all the fresh water used was sourced from wells located on surface properties owned by the Company.

SASB EM-EP-140a.2

Our 2020 production operations resulted in 52,310,000 barrels, or approximately 8,310,000 m³ of produced water. Approximately 100% of the produced water was injected/disposed into Company-owned saltwater disposal wells. There was a minor volume of water used in workover operations that was sent to public disposal sites.

SASB EM-EP-140a.3

During 2020, we hydraulically fractured four wells. The fracturing chemicals used on 100% of the wells were disclosed on the FracFocus Chemical Disclosure Registry.

BIODIVERSITY IMPACTS

We monitor, identify, and mitigate trends in surface oil spills and reinforce prevention with employees and contractors. We are cognizant of the surface impact associated with our development activities, and where possible, we employ strategies aimed at minimizing our above-ground footprint.

SASB EM-EP-160a.2

In 2021, we implemented a policy where all spills (hydrocarbon or produced water) are documented, regardless of whether the spills reach volumes exceeding Agency reporting requirement levels or whether the spills were outside secondary containment. The volumes for 2020 that were outside

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secondary containment are presented in the table below. None of these spills impacted environmentally sensitive shorelines or any waters of the United States.

	Hydrocarbon (Oil) Spills		
	Total Spills	Total Volume	
	(#)	Spilled (Bbls)	Recovered (Bbls)
2020	21	550	399

SASB EM-EP-160a.3

Based on our review of multiple mapping and related resources, including the World Database on Protected Areas and the Integrated Biodiversity Assessment Tool, we currently do not have proved or probable reserves in or near sites with protected conservation status or endangered species habitat.

WASTE MANAGEMENT

We mostly generate non-hazardous waste in our operations, including domestic trash, recyclable waste (used oil) and other waste. We strive to avoid the use of materials that become hazardous waste. We recognize our responsibility with using, producing and disposing of materials with hazardous properties and are therefore focused on the full life cycle of waste management. As it relates to the minimal amount of hazardous waste we generate, we focus on the following:

- Using as few hazardous waste products as possible;
- Replacing hazardous waste products with non-hazardous waste products whenever possible;

- Eliminating or altering processes that generate hazardous waste to minimize hazardous waste generation;
- Ensuring that all processes that do generate hazardous waste are designed to produce minimal amounts; and
- Ensuring that hazardous wastes that are generated are recyclable and/or returnable to the supplier, whenever possible.



TARGET ZERO-365 HSE INITIATIVE

A key focus of our management team and Board of Directors is ensuring that Ring instills a clear culture throughout the organization where employees are empowered and educated on how to work safely, as well as encouraged and rewarded for openly communicating incidents. We developed our Target ZERO-365 HSE Initiative during 2021 and will implement and execute this initiative in early 2022. Target ZERO-365 is focused on building on our philosophy of continuous improvement, so that our operations can continue to be conducted safely and efficiently, while minimizing the impact to the environment.


In addition to the ongoing health and safety of our employees and contractors, a mindset of working in an environmentally conscientious manner is essential to protecting the communities in which we operate and where our employees reside. Target ZERO-365 sets the foundation and principles of the desired culture, required employee education, freedom to openly communicate and desire to continuously improve, to ensure the workforce returns home safely and the impact to the environment from company operations is minimized, every day.

At the heart of Target ZERO-365 are 12 guiding principles that set the foundation and expectations for everyone involved with daily company operations to achieve and maintain the desired HSE culture. We call these our “Principles to Work By” and our employees will be required to demonstrate their commitment to them in their work activities. As part of measuring our HSE performance, we will measure and monitor ourselves against a Safety Achievement Matrix and an Environmental Achievement Matrix comprised of various standard industry metrics in both categories. Certain aspects of future compensation for employees and executives will be linked to the progress made on these and other ESG priorities.

We look forward to updating our stakeholders on the success of our Target ZERO-365 initiatives and other HSE enhancements in our next ESG report.



TARGET ZERO-365 HSE INITIATIVE





HSE PRINCIPLES


Our 12 HSE Principles are a critical step for improving efficiencies, lowering cost, and maintaining a safe workplace.


It is an expectation that all:


- Employees abide by the company policies, procedures, and practices associated with these 12 HSE Principles.
- Contractor policies, procedures, and practices are aligned with these 12 HSE Principles.

 Protecting Our Workforce

 Process & Personal Safety Principles

 Environmental & Health Principles

 Continual Improvement & Financial-Sustainability



TARGET ZERO 365
Today, ZERO is Achievable

HSE PRINCIPLES

1

Job Planning
Pre-job meetings, PPE, Permits

2

Driving
Hands-free devices

3

Out of the Zone
Body stays out of the line of fire

4

Mechanical Lifting
Plan the lift and control the areas

5

Working from Heights
Protect yourself from falls

6

Confined Space
Obtain authorization before entering

7

Energy Isolation
Zero energy before work begins

8

Hot Work
Control flammables and ignition sources

9

Authorized Excavations
Call before you dig

10

Spill Management
Preventive maintenance and response

11

Emissions Management
Know your potential source

12

Observations Sharing
Hazard recognition and communication



TARGET ZERO 365
Today, ZERO is Achievable



 SOCIAL

SOCIAL

We strive to attract, develop and retain a highly qualified workforce in the industry as we recognize our future success is a direct result of their efforts. As such, we provide an attractive compensation and comprehensive benefits program, as well as a positive work environment designed to drive a culture of safety and innovation. We are also committed to continuously providing an inclusive, safe and secure work environment where all of our employees can be respected, valued, and successful in achieving their goals, all while contributing to the Company's success. We will continue to promote honesty and integrity in all interactions with our employees and actively support the communities in which we operate with both our time and resources. We recognize and appreciate the ongoing efforts of our employees in their personal commitments from both a time and financial perspective in enhancing the quality of life in our local communities.

WORKFORCE HEALTH & SAFETY

SASB EM-EP-320a.2

HEALTH & SAFETY MANAGEMENT

Overview

Our commitment to building a safety culture that empowers employees and contractors to create a safe work environment and to stop or pause the job if conditions are unsafe is paramount to our success. We strive to be incident-free every day across our operations and are focused on building and maintaining a safe workplace for all employees and contractors. The oil and gas industry has a number of inherent risks, including field personnel working outdoors in all seasons and in all types of weather every day of the year. In addition, our field personnel spend significant time driving on a daily basis, putting them at risk of driving incidents.

Our 2020 field training program included monthly sessions for all field personnel focused on both compliance and hazard-specific training. A strong safety training

program is essential to creating a strong safety culture.

Our Policy

We are focused on ensuring the health and safety of everyone who participates in our operations and those who live in the communities in which we operate. We recognize that strong health and safety practices have positive benefits both for us and our stakeholders. All Company officers, employees and contractors are expected to adhere to our operational principles and, by doing so, we believe we can achieve our business goals safely, reliably and without incident. We will not be satisfied until we succeed in achieving our goal of eliminating all injuries, occupational illnesses and unsafe practices from our activities.

Our Beliefs

Our Beliefs drive Our Behaviors that drive Our Culture:

- Communicate, through our ethics, attitude, and actions, our high regard to safety and health performance and respect for the communities in which we operate;

- Seek to strictly comply with all applicable rules and regulations is the minimal expectation to conduct work;
- Drive improvement through active and visible leadership engagement by seeking input, monitoring performance, and learning from past incidents or unintentional events;
- Provide employees with the resources and training necessary to perform their work safely;
- Conduct regular safety meetings among members of the Company's management and employees to ensure that work is completed safely and appropriately;
- Ensure all personnel are prepared to respond and effectively manage any emergency;
- Encourage conversations among management and employees openly and honestly regarding HSE concerns;
- Adhere to safe work practices and procedures and comply with safe work permits for all permit required work activities; and
- Operate our equipment within operational design limits and in a safe and controlled manner, while ensuring safety devices for our equipment are in place and functioning properly.

Our Goals

Through implementation of our policy, we seek to earn the public's trust and to be

recognized as having appropriate health and safety practices.

To achieve our goals, our expectations related to our safety culture are clear, including:

- We strive to reach zero incidents;
- We will continually improve upon the processes that directly or indirectly lead us to zero incidents;
- All injuries and occupational illnesses are preventable;
- No job is so important that we cannot take the time to do it safely; and
- Safety compliance is a condition of employment.

Responsibility for effectively conducting our safety program resides with, among others:

- Senior management;
- Our HS&E Director;
- Equipment operators;
- Immediate supervisors;
- Operation managers/consultants/supervisors; and
- All of our employees.

Our Commitment to Health & Safety Training and Related Reporting

We offer a wide range of training opportunities for employees and contractors to help them develop their skills and understanding of our health and safety policy and programs. In addition to teaching specific skills, these training opportunities help to build a culture of individual

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accountability for conducting job tasks in a safe and responsible manner.

We are also committed to publicly reporting our workforce health and safety, and related training metrics. In the fourth quarter of 2020, at the direction of our Board of Directors, a new executive team was brought onboard to lead the Company and bring a new approach. The new team is executing on a multi-faceted strategy to enhance the long-term sustainability of Ring. The health and safety of our employees and contractors have always been a top priority for the Company, and the new executive management team has instituted a more formal process for recording and disclosing Ring's health and safety metrics.

We look forward to reporting quantitative lagging and leading metrics for employees and contractors in future ESG reports. Lagging metrics will be consistent with current SASB standard EM-EP-320a.1, and will include total recordable incident rate ("TRIR") and fatality rate. Leading metrics will be driven by trending metrics we identify through our future HSE culture initiative. Additionally, we will report average hours of health, safety and emergency response training.

COVID-19 RESPONSE

Our COVID-19 management plan was built around the need to support all employees in managing their personal and professional challenges. Frequent and transparent

communications were the focus at every level of the organization. During the early stages of the pandemic, our management team directed the Company's response by implementing all relevant county, state and local government guidelines, directives and regulations. We developed and adopted work-from-home provisions and procedures, implemented safe working protocols for production teams, assessed and implemented appropriate return-to-office protocols, and provided timely and transparent communications to employees and key stakeholders.

In response to the COVID-19 pandemic, we provided the following benefits to our employees:

- Covering the cost of COVID-19 testing through expanded insurance coverage;
- Promoting telehealth benefits;
- Promoting mental health and well-being plans; and
- Providing additional paid sick leave for quarantined employees.

We will continue to monitor the COVID-19 situation and follow the advice of government and health advisors, as appropriate to our business operations. We are pleased that through the date of publishing this report, our operations were not materially impacted by COVID-19.

EMPLOYEE RECRUITMENT, ENGAGEMENT & RETENTION

Ring strives to create an exciting, challenging and rewarding work environment that allows our employees to flourish. We want our employees to be productive members of our team that through their dedication, creativity, perseverance and efforts, will help our Company continue to grow.

A key tenet in our ability to succeed depends on recruiting and retaining top talent in the industry. Supporting this initiative was moving our corporate headquarters in January 2021 from Midland, Texas to The Woodlands, Texas, which is located in metropolitan Houston. Houston is clearly recognized as the North American – if not the global – capitol of energy and is home to many of the industry's best and brightest professionals. This provides us with access to a large pool of potential employees and we look forward to expanding our employee team in support of our plans to enhance our existing asset base and further grow the business.

We support both Company and employee identified educational opportunities for employees to advance in their technical and managerial skills and to help provide opportunities to advance throughout our

Company. Our support comes in the form of full or partial funding of educational programs and opportunities,



including time off work to attend and/or prepare for such programs.

We believe employees choose working at Ring in part due to our professional advancement opportunities, on the job training, engaging culture, and competitive compensation and benefits.

We keep our employees and personnel actively engaged through the following mechanisms:

- Bi-weekly employee meetings;
- Weekly executive management team meetings;
- Press releases communicated to employees;
- Encouragement of employees to listen to quarterly earnings calls; and
- All full-time employees undergo a formal annual performance review.

We have a comprehensive and competitive compensation and benefits package to attract and retain our employees. We present employees with a complete summary of their benefits at the time of employment. Some of our benefits include:

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- Industry-competitive base wages and performance-based incentive compensation;
- 401(k), including a Company match program of 100% of up to 6% of base salary for employee contributions;
- Company-supported insurance, including medical, dental, vision, long-term disability, short-term disability, and term life;
- Paid time off and vacation; and
- Paid office parking.

The Company participates in industry compensation surveys to benchmark and compare Company employees' compensation to ensure Ring's compensation practices remain competitive so we can attract and retain high quality talent.

We also have targeted programs in place to develop the leadership potential of our employees, which helps ensure our leadership reflects our workforce. We are committed to building our bench strength, growing our leaders from within and training on best practices, inclusion and other employee-centric imperatives.

We encourage all employees to increase their job-related skills and knowledge through accredited educational programs that contribute to the employee's professional development.

DIVERSITY & INCLUSION

We focus on promoting diversity and inclusion throughout our talent acquisition,

management, and development practices. From recent graduates to experienced hires, we seek to attract and develop top talent to continue building our unique culture of employees from different cultures, backgrounds, skills, and beliefs. Our staff's diversity is reflected in our full-time employees where 30% are women and 28% represent minorities as of September 30, 2021.



The unique backgrounds and experiences of our employees help to develop a wide range of perspectives that lead to better solutions. Our staff's diversity is reflected in our full-time employees where 28% are women and 30% represent minorities.

The majority of our employees are citizens of the United States, with a few retaining dual citizenships in other countries. The employees who are not U.S. citizens are legally registered to live and work here and the Company is committed to helping those employees retain their ability to remain in the U.S. and continue their employment.

As an equal opportunity employer, our policies and practices support diversity of thought, perspective, sexual orientation, gender, gender identity and expression, race, ethnicity, culture and professional experience, among others. We declare as a matter of policy that there shall be no unlawful discrimination among the entire body of employees or applicants for employment based on physical or

mental impairments. Our Board believes that its members should reflect diversity in professional experience, cultural experience, gender and ethnic background. These factors, together with the director qualifications criteria noted in the Governance section of this report, are considered by the Nominating, Environmental, Social and Governance Committee in assessing potential new directors.

The following employee information is as of December 31, 2020:

Gender Diversity	EEO Category	Female	Male
	Exec/Sr. Manager	17%	83%
	Office Professionals	73%	27%
	Field Professionals	0%	100%

Racial/Ethnic Diversity	Ethnicity	Exec/Sr. Manager	Office Professionals	Field Professionals
	Other	33%	8%	39%
	Caucasian	67%	92%	61%

SECURITY, HUMAN RIGHTS & RIGHTS OF INDIGENOUS PEOPLES

SASB EM-EP-210a.2

We respect the land, culture, history, and customs of indigenous peoples. We do not currently operate, conduct business, or have net proved reserves on any lands of indigenous peoples. Should our operations or business activities coincide with lands of indigenous peoples or other culturally significant areas, we will strive to comply with all appropriate rules and regulations, as well as consult with appropriate representatives. In addition, should we enter into a business relationship with any indigenous peoples, we will aim to abide by the principle of free, prior, and informed consent.

We respect upholding human rights in the workplace. As such, we:

- Do not tolerate harassment in the workplace, including sexual harassment and bullying;
- Support and protect the rights of minority groups and women;
- Advocate for equality regardless of race or gender;
- Prohibit any form of discrimination, including discrimination based on gender or race;
- Respect employee privacy;
- Respect freedom of expression, particularly, but not limited to, when exercising an employee's right to stop unsafe work (i.e., Stop Work Authority) and report violations of Company policy; and
- Provide fair wages and benefits in compliance with national and local laws.

SOCIAL

PHILANTHROPY & COMMUNITY DEVELOPMENT

We strive to support charitable and volunteer organizations in the communities where we operate to improve the quality of life for those living in the area. Along with our corporate initiatives, we view the support of our employees who volunteer their time with these organizations as critical and we will continue supporting their efforts.





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We leverage sound corporate governance practices that promote accountability and good decision making, which is a key tenet to our long-term success. Our Board and its committees are responsible for our strategy and governance. Our fundamental policy is to conduct our business with honesty and integrity in accordance with appropriate legal and ethical standards, which we view as critical to our long-term success and sustainability. We expect all employees across the organization to exemplify these principles as they conduct their work activities and appreciate their collective efforts in this regard.

ESG OVERSIGHT

Ring acknowledges the importance of and is committed to providing further transparency on ESG matters. During 2021, we amended our bylaws and charters and changed the name of our “Nominating & Corporate Governance Committee” to “Nominating, Environmental, Social, and Governance Committee” to accurately reflect these priorities.

To further enhance the Company’s and Board’s governance of ESG matters, we formed a managerial ESG Task Force composed of a cross-functional management-level team of employees that are responsible for evaluating risks and opportunities, developing policies, practices, information and communications, and providing reports to our Chairman & CEO and to the Board.

BOARD & STOCKHOLDER RIGHTS KEY HIGHLIGHTS AND GOVERNANCE RESOURCES

RELATING TO THE BOARD

✓ Annual elections of the entire Board	✓ Dedication to continuing director education
✓ Majority independent directors	✓ Dedication to diversity on the Board
✓ Annual evaluations of the Board, each committee, and each director	✓ Designated Lead Independent Director
✓ Insider trading policy that prohibits hedging, pledging, and margin transactions in Company securities	✓ Board committees comprised entirely of independent directors
✓ Maintains corporate governance guidelines	✓ Board oversees ESG practices
✓ Company adopted Annual Say-On-Pay voting	✓ Board oversees succession planning for the CEO and executive officer positions
✓ Adopted director overboarding policy	✓ Adopted officer and director stock ownership guidelines

RELATING TO STOCKHOLDER RIGHTS

✓ Equal voting rights among all stockholders	✓ All stockholders entitled to vote on all director nominees
✓ Ability of stockholders to call a special meeting (at a 10% threshold)	✓ No supermajority voting requirements
✓ Ability of stockholders to act by written consent	

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We maintain a corporate governance section on our website that contains copies of the charters for the committees of our Board. Ring's corporate governance documents can be found at <https://www.ringenergy.com/investors/corporate-governance/governance-documents>.

Available on our website are copies of our Corporate Governance Guidelines, Officer Code of Ethics and Code of Business Conduct. We have adopted an Officer Code of Ethics that applies to our Chief Executive Officer, Chief Financial Officer, as well as the principal accounting officer or controller, or persons performing similar functions and other officers, executives and employees to ensure our highest standards of ethical conduct and fair dealing. The Code of Business Conduct also applies to all of our employees and covers standards for professional conduct, including, among others, conflicts of interest, insider trading (there is also a separate Insider Trading Policy that is signed by all of our employees), protection, proper use of confidential information and Company assets, and compliance with the laws and regulations applicable to the Company's business. Finally, we have adopted Corporate Governance Guidelines to assist the Board in the exercise of its responsibilities.

BOARD COMPOSITION

Our Board consists of seven members, all of whom have significant relevant qualifications and industry experience. Our Charter and Bylaws provide for the



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annual election of directors. At each annual meeting of stockholders, our directors are elected for a one-year term and serve until their respective successors have been qualified and then elected. We believe our Board shares a common vision and individually bring diversity in thought, background, and experience with notable track records of success to the service of Ring's stockholders.

The primary responsibilities of our Board include:

- Evaluating the performance of the CEO;
- Succession planning for the CEO and other senior executives;
- Reviewing and overseeing the implementation of the Company's strategic plans and objectives;
- Overseeing environmental, social and governance practices;
- Overseeing legal and ethical compliance;
- Overseeing the integrity of the Company's financial statements and the Company's financial reporting processes;
- Overseeing the Company's processes for assessing and managing risks;
- Nominating directors, appointing committee members and shaping effective corporate governance;
- Advising and counseling management regarding significant issues facing the Company; and

- Reviewing and approving significant corporate actions.

DIRECTOR NOMINATIONS AND QUALIFICATIONS

Under its charter, the Nominating, Environmental, Social, and Governance (“NESG”) Committee identifies qualified candidates to serve as Board members as necessary to fill vacancies or the additional needs of the Board, and reviews and evaluates candidates recommended by our stockholders. The NESG Committee considers qualified candidates from several sources, including stockholder nominations.

Whether nominated by a stockholder or through the activities of the NESG Committee, the NESG Committee seeks to select candidates who have distinguished records of leadership and success in their area of activity and who will make substantial contributions to our Board operations and effectively represent the interests of our stockholders.

The NESG Committee’s assessment of candidates includes, but is not limited to, consideration of:

- Roles and contributions valuable to the business;
- Personal qualities of leadership, character, judgment, and whether the candidate possesses and maintains a reputation in the community at large of integrity, trust, respect, competence, and adherence to high ethical standards;
- Relevant knowledge and diversity of background and experience in such

things as the Company’s industry, and in general business, technology, finance and accounting, marketing, international business, government, and the like; or

- Whether the candidate is free of conflicts and has the time required for preparation, participation, and attendance at all meetings.

A director’s qualifications in light of these criteria are considered at least each time the director is re-nominated for Board membership.

The NESG Committee also evaluates whether the candidate’s skills are complementary to the existing Board members’ skills, the Board’s needs for particular expertise in fields such as business, technology, financial, marketing, governmental, or other areas of expertise, and assess the candidate’s impact on Board dynamics and effectiveness. The NESG Committee selects candidates that best suit the Board’s current needs and recommends one or more of such individuals to the Board. Our membership criteria and a rigorous selection process help ensure that candidates recommended to the Board will effectively represent the best interests of our stockholders.

The Board considers candidates with significant direct or indirect energy industry experience that can provide the Board as a whole with the talents, skills, diversity, and expertise to serve the long-term interests of the Company and our stockholders.

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Our Board embodies a diverse set of experiences, qualifications, attributes and skills as shown in the following:

	Executive Leadership	Financial	Energy Industry	Past or Present CEO/President/COO	Past or Present CFO	Outside Board(s)
Paul D. McKinney	x		x	x		x
Anthony B. Petrelli	x	x	x	x		x
John A. Crum	x		x	x		x
Richard A. Harris	x	x	x			x
Thomas L. Mitchell	x	x	x		x	x
Regina Roesener	x	x	x	x		x
Clayton E. Eodrum	x	x	x		x	x

BOARD INDEPENDENCE AND DIVERSITY

As required under the listing standards of the NYSE American, a majority of the members of our Board must qualify as independent, as affirmatively determined by our Board. The standards relied upon by the Board in determining whether a director is “independent” are those set forth in the rules of the NYSE American. The NYSE American generally defines the term “independent director” as a person other than an executive officer or employee of a company, who does not have a relationship with the company that would interfere with the director’s exercise of independent judgment in fulfilling the responsibilities of a director.

In addition to the NYSE American criteria, in making the determination of “independence”, the Board considers such other matters including, (i) the business and non-business relationships that each independent director has or may have had with the Company and its other directors and executive officers, (ii) the stock ownership in the Company held by each such director, (iii) the existence of any familial relationships with any executive officer or director of the Company, and (iv) any other relevant factors which could cause any such Director to not exercise his or her independent judgment.

Our NESG Committee evaluated all relevant transactions and relationships between each director then on the Board, and any of his or her family members, and the Company, senior management, and independent Public Company Accounting Oversight Board (“PCAOB”) registered accounting firm. Based on this evaluation and the recommendation of our NESG Committee, our Board determined that current Board members Anthony B. Petrelli, John A. Crum, Richard A. Harris, Thomas L. Mitchell, Regina Roesener, and Clayton E. Woodrum are independent directors, as that term is defined in the listing standards of the NYSE American, and that Paul D. McKinney, our Chairman and CEO, is not independent.

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TOPIC	METRIC
Independence (%)	86%
Key board committee independence (%)	100%
Lead Independent Director	Yes

6 MEN
1 WOMAN
DIVERSITY BY GENDER



6 INDEPENDENT
1 NOT INDEPENDENT
DIVERSITY BY INDEPENDENCE



DIVERSITY BY TENURE
Years

















DIVERSITY BY AGE
Average Age: 67



GOVERNANCE

Our Board includes three committees, including the Audit, Compensation, and NESG. All three committees are chaired by an independent member of our Board.

	Audit Committee	Compensation Committee	Nominating, Environmental, Social, & Governance Committee ("NESG Committee")
Anthony B. Petrelli			
John A. Crum			
Richard E. Harris			
Thomas L. Mitchell			
Regina Roesener			
Clayton E. Woodrum			

 Committee Chair

 Committee Member

Notes: All directors shown above are deemed as Independent, with Anthony B. Petrelli serving as Lead Independent Director.

BOARD LEADERSHIP STRUCTURE

The Chairman of the Board is selected by the members of the Board. Our Board of Directors does not have a policy as to whether the roles of Chairman of the Board of Directors and Chief Executive Officer should be separate or combined. Currently, Paul D. McKinney currently holds the positions of Chairman of the Board and Chief Executive Officer. The Board has determined that the current structure is effective in allowing Mr. McKinney to draw on his knowledge of the operations of the business and industry developments to provide leadership on the broad strategic issues considered by the Board.

At the same time, the appointment of a Lead Independent Director with clearly defined responsibilities and authority, along with the Board's fully independent committees and substantial majority of independent directors, establishes an effective balance between management leadership and appropriate oversight by independent directors. Anthony B. Petrelli currently serves as the Lead Independent Director. Periodically, our NESG committee assesses these roles and the board leadership structure to ensure the interests of Ring and its stockholders are best served.

LEAD INDEPENDENT DIRECTOR

In 2021 we amended our bylaws to provide for the election of a Lead Independent Director.

Duties of the Lead Independent Director

- Presides at all meetings of the Board at which the Chairman is not present and all executive sessions of the independent directors;
- Acts as advisor to CEO and direct liaison between CEO and independent directors;
- Plans, reviews, and approves Board meeting agendas and information presented to

- the Board; calls meetings of the independent directors as appropriate;
- Contributes to annual CEO performance review and assists with succession planning; consults the NESG Committee on the Board's evaluation process;
- Consults with the Audit Committee regarding internal controls and audit matters;
- Consults with the Compensation Committee regarding CEO, executive and employee compensation;
- Participates in consultations and direct communication with major stockholders and their representatives when appropriate; and
- Performs such other duties as the Board may determine from time to time.

Key Attributes of the Lead Independent Director

The Lead Independent Director is selected from among the non-employee directors. The NESG Committee and management discuss candidates for the Lead Independent Director position, and consider many of the same types of criteria as candidates for the chair of other Board committees including:

- Tenure;
- Previous service as a Board committee chair;
- Diverse experience;
- Participation in and contributions to activities of the Board; and
- Ability and willingness to commit adequate time to the role.

BOARD PRACTICES

Our Board held nine meetings during the fiscal year ending on December 31, 2020. During the fiscal year ending on December 31, 2020, no directors attended fewer than 75% of the total number of meetings of our Board and committees on which that director served. At our 2020 annual meeting of stockholders, all then serving members of our Board attended either in person or by video conference participation.

TOPIC	METRIC
Executive sessions	Yes
Board evaluations	Yes
Regular succession planning	Yes
Continuing education for Directors and orienting new Directors	Yes

ANNUAL BOARD EVALUATION

The NESG Committee is responsible for the Board evaluation process. In each fiscal year, the NESG Committee requests that the chairperson of each committee report to the full Board about such committee's annual evaluation of its performance and evaluation of its charter. In addition, the NESG Committee receives comments from all directors and reports to the full Board with an assessment of the Board's and management's performance each fiscal year. In conducting its annual evaluation, our Board utilizes anonymous written questionnaires to solicit feedback on committee and board effectiveness, agenda topics and materials, appropriate delegation of issues to committees, and the appropriateness of board and committee materials. The NESG Committee's review process also includes an annual director

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self-evaluation that prompts each director to reflect and comment on his or her own individual performance and contributions to the Board and the Company.

Director Orientation And Continuing Education

Our Board takes measures as it deems appropriate to ensure that its members may act on a fully informed basis. The NESG Committee evaluates general education and orientation programs for our directors. Newly appointed directors are required to become knowledgeable (if not already) about the responsibilities of directors for publicly traded companies. In addition, we provide our directors with information regarding changes in our business and industry as well as the responsibilities of the directors in fulfilling their duties.

COMPENSATION PRACTICES

Our Compensation Committee, appointed by our Board, assists the Board in performing its responsibilities relating to the compensation of our CEO and other executive officers. The Compensation Committee is responsible for our incentive compensation programs, which include programs for our executive management team.

TOPIC	YEAR/METRIC
Say on pay support (%)	2018 – 76.8%, 2019 – 72.3%, 2020 – 93.4%
Stock ownership guidelines for Executives and Directors*	Yes
Clawback policy*	Yes
Anti-hedging and anti-pledging policy*	Yes
ESG-linked compensation*	Yes

* Established during the calendar year 2021.

COMPENSATION POLICY HIGHLIGHTS

<ul style="list-style-type: none"> Emphasize alignment of interest with stockholders through greater percentage of equity compensation of total compensation 	<ul style="list-style-type: none"> Policy adopted requiring “second trigger” on accelerated vesting of equity awards in the event of a change in control established in each award agreement
<ul style="list-style-type: none"> Long-term vesting and transfer restriction provisions on all equity awards 	<ul style="list-style-type: none"> Established clawback policy on equity awards
<ul style="list-style-type: none"> Policy adopted prohibiting cash buyouts of underwater options 	<ul style="list-style-type: none"> Equity compensation plan does not contain an evergreen provision
<ul style="list-style-type: none"> Equity compensation plan prohibits option repricing without stockholder approval 	<ul style="list-style-type: none"> Officers and directors prohibited from entering into hedging transactions in our securities

OBJECTIVES AND PHILOSOPHY OF OUR EXECUTIVE COMPENSATION PROGRAM

Our executive compensation programs are intended to achieve two objectives. The primary objective is to enhance stockholder value. The second objective is to attract, motivate, reward, and retain employees, including executive personnel, who contribute to the long-term success of the Company and the enhancement of stockholder value. As described in more detail below, our current executive compensation program for Named Executive Officers includes three major elements: (1) a base salary, (2) discretionary annual bonuses, and (3) discretionary equity awards.

We believe that each element of our executive compensation program helps to achieve one or both of the compensation objectives outlined above. Our executives' compensation is based on individual and Company performance and designed to attract, retain, and motivate highly qualified executives while creating a strong connection between financial and operational performance and stockholder value, which is exemplified in the mix of the compensation that we provide to our Named Executive Officers.

In furtherance of our objective to align executive compensation with stockholder value, a significant portion of our Named Executive Officers' compensation is in the form of equity awards. We believe that this structure maximizes the alignment of interests of officers, directors, and employees with those of stockholders

through an increased equity stake in the Company and directly correlating the value of compensation with Ring's long-term stock performance. We believe that our compensation program provides our officers, directors, and employees with a strong incentive to generate gains in market value for our stockholders by placing a significant portion of their compensation at risk of diminished value in the event of poor stock performance.

Our executive compensation program is designed to do the following:

- Align the compensation of our Named Executive Officers and other managers with our stockholders' interests and motivate our executive officers to meet Ring's objectives;
- Pay for performance, taking into consideration both the performance of the Company and the individual in determining executive compensation;
- Promote Named Executive Officer accountability by compensating them for their contributions to the achievement of the Company's objectives (while discouraging excessive risk-taking not in the interest of long-term value for our stockholders); and
- Attract and retain highly qualified executives with significant industry knowledge and experience by providing them with a fair compensation program that provides financial stability and incentivizes growth in stockholder value.

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Our Compensation Committee and Board believe that our executive compensation program provides our executive officers with incentives to meet Ring's goals and objectives, while discouraging excessive risk taking. We believe our executive compensation program is consistently aligned with creating value to our stockholders. The table below lists each material element of our executive compensation program and the compensation objective(s) it is designed to achieve:

COMPENSATION ELEMENT	COMPENSATION OBJECTIVES
Base Salary	<p>Attract and retain qualified executives with significant industry knowledge, experience, and expertise.</p> <p>Provide stability in compensation through a fixed compensation element that considers the Named Executive Officer's skills, experience, expertise, and tenure with the Company.</p>
Non-Equity Incentive Compensation	<p>Motivate and reward executives' performance.</p> <p>Reward achievement of the Company's goals and objectives.</p> <p>Enhance profitability of the Company and stockholder value.</p>
Equity-Based Incentive Compensation	<p>Enhance profitability of the Company and stockholder value by aligning long-term incentives with stockholders' long-term interests.</p> <p>Incentivize achievement of both strategic goals and objectives by providing Named Executive Officers with rewards for their contributions to achieving such goals and objectives.</p> <p>Promote Named Executive Officer accountability by compensating Named Executive Officers for their contributions to the achievement of the Company's objectives (while discouraging excessive risk-taking).</p> <p>Promote pay-for-performance and allow our Named Executive Officers to acquire meaningful interests in the Company.</p> <p>Encourage long-term value creation for stockholders and retention of talented executive officers.</p>

STOCKHOLDER RIGHTS

TOPIC	METRIC
Annual election of Directors	Yes
Majority voting for all Directors in uncontested elections	Yes
Proxy access	Yes
Stockholder ability to amend bylaws	Yes
One share – one vote	Yes

BUSINESS ETHICS AND TRANSPARENCY

SASB EM-EP-510a.1

SASB EM-EP-510a.2

We are committed to conducting our business in accordance with the highest ethical standards, including complying with all applicable laws, rules and regulations. Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built. All directors, officers, and employees should respect and obey all laws, rules, and regulations applicable to the business and operations of Ring. Our reputation is a valuable asset and as such must continually be guarded by all associated with the Company so as to earn the trust, confidence and respect of our suppliers, customers, business partners and stockholders.

Although directors, officers, and employees are not expected to know all of the details of these laws, rules, and regulations, it is important to know enough to determine when to seek advice from supervisors, managers, officers or other appropriate Company personnel. We believe that an awareness of the Company's general policies regarding business conduct is vital for each employee, officer, director, contractor and representative in the achievement of our mission. We are all expected to adhere to high standards of personal integrity, and we will not compromise our principles for a short-term advantage.

Our Code of Business Conduct and Officer Code of Ethics (the "Codes") are located on our website, along with other key governance documents, at <https://www.ringenergy.com/investors/corporate-governance/governance-documents>. The Codes cover a wide range of business practices and procedures. They do not cover every issue that may arise, but set out basic principles to guide the directors, officers, and employees of Ring. In appropriate circumstances, the Codes should also be provided to and followed by Ring's agents and representatives, including consultants.

The Codes are intended to deter wrongdoing and to promote the following:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely, and understandable disclosure in reports and documents Ring files with, or submits to, the Securities and Exchange Commission (the "SEC") and in other communications made by the Company;
- Compliance with applicable governmental laws, rules, and regulations;
- The prompt internal reporting of violations of the Codes to the appropriate person or persons identified in the Codes;
- Accountability for adherence to the Codes; and

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- Adherence to a high standard of business ethics.

The Codes include discussion concerning bribery. At Ring, we do not give or receive kickbacks, rebates, gifts, services, or any other benefits, other than gifts of nominal value from a supplier, competitor, government official, customer or any other person with which the Company does, or expects to do, business. Amounts would be considered in excess of nominal value if they create the appearance of impropriety or actually influence the Company to give preferential, versus arms-length, treatment to the provider.

All employees, contractors, vendors, officers and directors must respect and obey the laws of the cities, states and countries in which we operate. Of note, 0% of Ring's proved and probable reserves are in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index as of the date of publishing this report.

Directors and officers are encouraged to speak to the Chief Executive Officer, the Chief Financial Officer, Chairman of the

NESG Committee, or legal counsel, and employees are encouraged to speak to supervisors, managers, or other appropriate personnel, when in doubt about the best course of action in a particular situation, including reporting any observed illegal or unethical behavior and any perceived violations of laws, rules, regulations, or the Codes. It is the policy of Ring not to allow retaliation for reports of misconduct by others made in good faith. Directors, officers, and employees are expected to cooperate in internal investigations of misconduct.

Ring maintains a Whistleblower Policy, for (1) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (2) the confidential, anonymous submission by Ring's employees of concerns regarding potential activities that may violate any of the Codes or questionable accounting or auditing matters. A confidential hotline has been set up through Lighthouse Services LLC at (844) 240-0005 (English) or (800) 216-1288 (Spanish). In addition, their website may be accessed at <https://www.lighthouse-services.com/ringenergy>.

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Our Board, or someone designated by the Board, shall determine appropriate actions to be taken in the event of violations of the Codes. Such actions will be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Codes and to these additional procedures, and may include written notices to the individual involved that the Board has determined that there has been a violation, censure by the Board, demotion or re-assignment of the individual involved, suspension with or without pay or benefits (as determined by the Board), and termination of the individual's employment or position.

In determining the appropriate action in a particular case, the Board of Directors or such designee shall take into account all relevant information, including the nature and severity of the violation, whether the violation was a single occurrence or repeated occurrences, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action, and whether or not the individual in question had committed other violations in the past.

POLITICAL INVOLVEMENT

Ring does not make corporate contributions to individual candidates or political committees supporting candidates in federal, state, or local elections, and we do not sponsor a political action committee. To communicate our views on legislative and

regulatory matters affecting our operations and industry, we engage in the legislative and regulatory processes through various trade associations.

RESERVES VALUATION & CAPITAL EXPENDITURES

SASB EM-EP-420a.4

Recent studies by the International Energy Agency ("IEA") suggest that, even in a carbon-constrained future scenario, oil and natural gas will continue to make up approximately half of the overall energy mix for the next 20 years. We continuously evaluate the business to identify risks and opportunities. We consider multiple pricing scenarios when forming our forecasts, budgets, and long-term plans. These same principles also apply as we pursue the acquisition of compelling producing assets.

Approximately 87% of our proved reserves at December 31, 2020 were crude oil and 13% were natural gas. As such, we are heavily impacted by movements in crude oil prices, which can also influence natural gas prices. The price we receive for our oil and natural gas production heavily impacts our revenue, profitability, access to capital, and future rate of growth. Oil and natural gas are commodities and, therefore, their prices are subject to wide fluctuations in response to relatively minor changes in supply and demand. Historically, the markets for oil and natural gas have been volatile. These markets will likely continue to be volatile in the future. The prices we receive for our production, and the levels of our production, depend on numerous

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factors beyond our control, including worldwide demand for oil and natural gas, production rates from oil and natural gas producing countries, perceived demand and supply for oil and natural gas, the path of climate change regulation and the price and availability of alternative energy sources.

In addition, because a substantial percentage of our proved properties are proved undeveloped (approximately 43%), we will require significant additional capital to develop such properties before they can become productive. Further, because of the inherent uncertainties associated with drilling for oil and gas, some of these properties may never be developed to the extent that they result in positive cash flow. Even if we are successful in our development efforts, it could take several years for a significant portion of our undeveloped properties to be converted to positive cash flow.

MANAGEMENT OF THE LEGAL & REGULATORY ENVIRONMENT

SASB EM-EP-530a.1

Our oil and natural gas operations are subject to stringent federal, state and local laws and regulations relating to the release or disposal of materials into the environment or otherwise relating to environmental protection. These laws and regulations may require the acquisition of a permit before drilling commences, restrict the types, quantities and concentration of substances that can be released into the environment in connection with drilling and production activities, limit or prohibit drilling

activities on certain lands lying within wilderness, wetlands and other protected areas, and impose substantial liabilities for pollution resulting from our operations. Changes in environmental laws and regulations occur frequently, and any changes that result in more stringent or costly waste handling, storage, transport, disposal or cleanup requirements could require us to make significant expenditures to maintain compliance and may otherwise have a material adverse effect on our results of operations, competitive position or financial condition as well as the industry in general.

At Ring, we strive to comply with all laws and regulations to ensure efficient and sustainable operations that minimize the risk of the assessment of any related administrative, civil and criminal penalties, incurrence of investigatory or remedial obligations, or the imposition of injunctive relief.

CRITICAL INCIDENT RISK MANAGEMENT

The oil and natural gas business involves a variety of operating risks, including the risk of fire, explosions, well blow-outs, pipe failures, industrial accidents, and, in some cases, abnormally high pressure formations which could lead to environmental hazards such as oil releases, chemical releases, natural gas leaks and the discharge of toxic gases. Releases of hydrocarbons or other hazardous substances as a result of accidents can have significant social and environmental consequences.

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Starting in 2021, we began a process of reporting Tier 1 process safety events (“PSE”) rates, as defined by the International Association of Oil & Gas Producers (“OGP”), for instances of loss of primary containment (“LOPC”). LOPC is defined as an unplanned or uncontrolled release of any material from primary containment, including nontoxic and non-flammable materials (e.g., steam, hot condensate, nitrogen, compressed CO₂, or compressed air). For drilling operations, any unplanned or uncontrolled release to the surface is also included.

DATA SECURITY & PRIVACY

The oil and natural gas industry has become increasingly dependent upon digital technologies to conduct day-to-day operations including certain exploration, development and production activities. We depend on digital technology to estimate quantities of oil and natural gas reserves, process and record financial and operating data, analyze seismic and drilling information, process and store personally identifiable information on our employees and royalty owners and communicate with our employees and other third parties. Our business partners, including vendors, service providers, purchasers of our production and financial institutions, are also dependent on digital technology.

At Ring, our security policy is multi-faceted and utilizes various procedures and controls designed to monitor and protect against interruptions from cyber security attacks or breaches, computer viruses or malware that could result in disruption of



our business operations and/or financial loss. However, there can be no assurance that these procedures and controls will be sufficient in preventing security threats from materializing and causing us to suffer losses in the future. As a protection against any such losses, should they occur, we have put in place a cyber liability insurance policy.

Our senior management, corporate officers, and/or legal counsel meet regularly throughout each quarter, to identify legal, governmental, and other external regulatory requirements for their relevancy to our information technology practices. We strive to ensure our internal network architecture and applications are configured and documented – and most importantly protected – to support the reliable storage, processing, and transfer of sensitive data. As cyber threats continue to evolve, we will continue to focus and expend additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities.

SAFE HARBOR STATEMENT

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements involve a wide variety of risks and uncertainties, and include, without limitations, statements with respect to the Company's strategy and prospects. Such statements are subject to certain risks and uncertainties which are disclosed in the Company's reports filed with the SEC, including its Form 10-K for the fiscal year ended December 31, 2020, and its other filings with the SEC. Readers and investors are cautioned that the Company's actual results may differ materially from those described in the forward-looking statements due to a number of factors, including, but not limited to, the Company's ability to acquire productive oil and/or gas properties or to successfully drill and complete oil and/or gas wells on such properties, declines in oil, natural gas liquids or natural gas prices; adverse weather conditions that may negatively impact development or production activities; the timing of exploration and development expenditures; inaccuracies of reserve estimates or assumptions underlying them; revisions to reserve estimates as a result of changes in commodity prices; impacts to financial statements as a result of impairment write-downs; risks related to level of indebtedness and periodic redeterminations of the borrowing base under the Company's credit facility; the Company's ability to generate sufficient cash flows from operations to fund all or portions of its future capital expenditures budget; the Company's ability to obtain external capital to finance exploration, development and operations; results from hedging contracts; its ability to replace oil and natural gas reserves; any loss of senior management or technical personnel; and the direct and indirect impact on most or all of the foregoing on the evolving COVID-19 pandemic. The Company does not undertake any obligation to release publicly the results of any future revisions we may make to this report or to update the data to reflect events or circumstances after the date of this presentation. Therefore, you are cautioned not to place undue reliance on the information in this report.

The Company consulted the Sustainability Accounting Standards Board's ("SASB") Oil and Gas Exploration and Production Sustainability Accounting Standard, the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), the Sustainable Development Goals ("SDGs") promulgated by the United Nations, and other reporting guidance from industry frameworks and standards in preparing this report. Many of the standards and metrics used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation. Such assumptions, however, should not be considered guarantees. All estimates are based on information available at the time of publication and are subject to change as we continuously seek to improve our data management practices, data sources, and calculation methodologies. This report covers our owned and operated businesses and does not address the performance or operations of our suppliers, contractors and partners unless otherwise noted.

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