



**PERMIAN**  
RESOURCES

2023  
Sustainability  
Report





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# Introduction

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## Letter from Our Co-CEOs

**At Permian Resources, we are committed to safely and efficiently producing affordable and reliable energy. Our operations are centered in the Permian Basin, which is located across Southeast New Mexico and West Texas and is known to be one of the largest and most secure oil deposits in the world. We have strategically chosen to focus our operations within one of the Permian’s subbasins called the Delaware Basin. Relative to other areas in the Permian, the Delaware Basin sits at the low end of the cost curve, providing best in class returns for our investors. We believe that in the decades to come, oil and gas will remain integral to the world’s energy mix, and we are committed to responsibly supplying a competitive energy source to meet that need.**

The company was formed in September 2022 as a result of a merger between Centennial Resources Development and Colgate Energy. The successful integration of these two companies’ personnel, infrastructure and operations is a testament to the hard work and dedication of the Permian Resources team. The company is headquartered in Midland, Texas, and over two-thirds of our employees call the Permian Basin home. Simply put, we live where we operate, and we take seriously our responsibility to sustainably develop our resources and partner with our community to make the Permian Basin a better place to work and live.

The uniqueness of our culture stems from the fact that every employee is also a shareholder in Permian Resources. We believe this strong alignment between our employees and shareholders continues to differentiate us and make our story one of success. We take that same approach when it comes to sustainability. We strive to be responsible stewards of the environment in which we operate and active contributors to the well-being of the communities we call home. This inaugural sustainability report highlights our alignment and commitment to our shareholders, the environment and the communities in which we live.

Some of our ESG highlights include:

- ✓ Structured 100% of our Co-CEOs’ compensation as long-term incentive awards structured as performance stock units.
- ✓ Redesigned executive officers’ compensation to have a higher weighting of performance-based compensation.
- ✓ Ensured strong shareholder alignment by including long-term stock grants for 100% of employees, with compensation linked to ESG metrics.
- ✓ Established a dedicated ESG team reporting to our Chief Financial Officer with oversight from our Board of Directors.
- ✓ Achieved a GHG intensity of 13.7 mT – CO<sub>2e</sub>/MBOE, representing a 34% reduction from our 2020 baseline.
- ✓ Achieved a methane intensity of 0.08 mT – CH<sub>4</sub> / MBOE, representing a 45% reduction from our 2020 baseline.
- ✓ Decreased flaring intensity by 79% compared to our 2020 baseline.
- ✓ Committed to eliminating routine flaring by 2030 in alignment with the World Bank initiative.
- ✓ Recorded zero employee recordable events and a Total Recordable Incident Rate (TRIR) of 0.68 for the full workforce in 2022.
- ✓ Reduced our percentage of freshwater used to less than 5%.
- ✓ Utilized recycled water in 27% of our water used for operations.
- ✓ Achieved a 56% reduction in oil spill percentage from 2020 to 2022.
- ✓ Joined the Permian Strategic Partnership (PSP) to further our commitment to improving the quality of life for those living and working in the Permian Basin.

We are proud of this business, of our performance on environmental, social and governance matters, and of this report. Thank you for your interest in Permian Resources’ inaugural sustainability report, and we welcome feedback and engagement with our stakeholders on our sustainability reporting and performance.



**WILL HICKEY**

Co-Chief Executive Officer



**JAMES WALTER**

Co-Chief Executive Officer





## About Permian Resources

Permian Resources is the result of a merger between Centennial Resource Development and Colgate Energy, which closed in September 2022. Permian Resources is the largest pure-play Delaware Basin operator, with approximately 180,000 net acres and 166,000 barrels of oil equivalence per day (BOE/day) net production.\*

Headquartered in Midland, Texas, we are a leading independent oil and natural gas company focused on generating leading returns to our stakeholders through the responsible acquisition, optimization and development of oil and liquids-rich natural gas assets. We leverage our technical expertise and operational flexibility to optimally develop and add to our portfolio of high-return, long-life inventory, enabling us to deliver leading shareholder returns. We are focused on enhancing our high-quality scaled asset base, executing a capital-efficient development program, maintaining a conservative balance sheet and financial policy, and maximizing returns to shareholders through a disciplined investment approach.



NET ACRES  
~180,000

BOE/D NET PRODUCTION  
166,000\*

\*Q2 2023.





## Our Mission

To deliver leading shareholder returns by leveraging our high-quality asset base and technical expertise to sustainably and responsibly develop our oil and natural gas resources to meet the world’s need for affordable, abundant energy.

## Our Vision

To be the leading independent pure-play oil and gas operator in the Delaware Basin; respected by industry peers for our commitment to operational excellence; trusted by shareholders for our track record of operational execution, disciplined capital allocation and focus on cash-on-cash returns; and admired by all stakeholders for our commitment to our employees, partners, communities and the environment.

## Our Values



### Value Creation

We are driven by a desire to create value for all our stakeholders, and maximize returns for our shareholders. We have a strong track record of success operating in the Permian Basin, which provides us with the expertise needed to meet the world’s demand for affordable, abundant energy in a responsible manner.



### Collaboration

We work closely with stakeholders inside and outside our organization to develop relationships based on mutual respect and a shared vision for success. We take ownership of our roles and seek to create transparency and understanding as we act in the best interests of our team members, partners and key stakeholders.



### Environmental Stewardship

Operating responsibly and minimizing our environmental impact are principal components of our business. We recognize that sustainable development of our natural resources is critical to our success.



### Innovation and Excellence

We are a team of passionate individuals who constantly look for ways to innovate and excel. We take pride in doing this ethically and with honesty.



### Community Focus

As a company headquartered in Midland and engaged in the areas in which we live and work, we actively pursue opportunities to reinvest in the growth and prosperity of our local communities as a company and as individuals.



### Health and Safety

We take the health and well-being of our employees and stakeholders seriously. We work to maintain safe operating environments and to implement policies and procedures that support our commitment to protecting our employees and partners.





## About this Report

At Permian Resources, we are dedicated to improving the transparency of our sustainability performance. This sustainability report aims to provide stakeholders with a comprehensive overview of our environmental, social and governance (ESG) performance. References to “we”, “us”, “our” and “Company” throughout this report refer to Permian Resources, and this report supersedes any comment made previously in a report published by the predecessor companies to Permian Resources. All information, unless otherwise stated, is as of December 31, 2022 or for the year ended December 31, 2022. Unless otherwise noted, the information in this report is pro forma for the combination of Centennial and Colgate, and represents the operated assets under each company.

In preparing this report, we have utilized several frameworks to enhance the credibility and relevance of the disclosed information. The following frameworks have been instrumental in shaping the content and structure of this report:

1

### Sustainability Accounting Standards Board (SASB)

To ensure industry-specific disclosure and comparability, we have incorporated the SASB standards into our reporting process. This allows for relevant benchmarking and facilitates meaningful dialogue with stakeholders.

2

### American Exploration & Production Council (AXPC)

We are members of AXPC, a national trade organization representing upstream oil and gas companies that has a framework which allows for uniformity and standardization in upstream oil and gas reporting. The AXPC framework provides clear guidance and standardized metrics for measuring and reporting ESG performance in our industry.

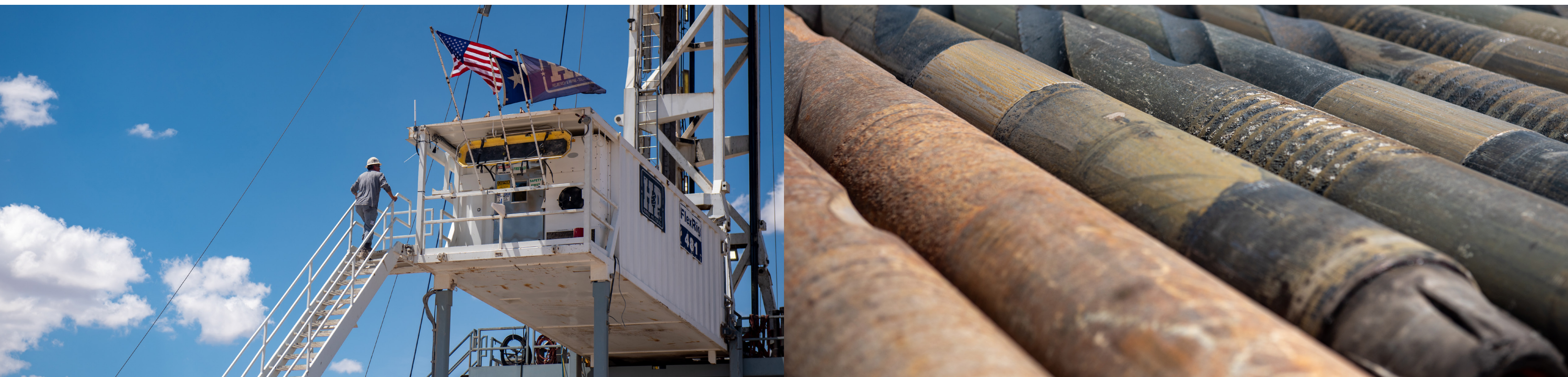
3

### Task Force on Climate-Related Financial Disclosures (TCFD)

This report has been informed by the TCFD framework. By utilizing TCFD standards, we strive to provide stakeholders with a clear understanding of how we manage climate-related risks.

By understanding these frameworks, engaging with industry associations and benchmarking against our peers, Permian Resources seeks to uphold best practices and ensure the accuracy, comparability and relevance of the information presented in this report. These frameworks provide us with a comprehensive roadmap for measuring our sustainability performance, guiding our reporting process and enabling us to effectively communicate our sustainability performance to our stakeholders.

We remain committed to continuous improvement in our sustainability practices, reporting and dialogue. We value the input and feedback we receive from our stakeholders, and we will continue to refine our reporting approach as the standards and priorities evolve around these topics.







# Governance

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# Board of Directors

Our Board of Directors (the “Board”) is composed of ten directors. Six of our ten directors are independent under the New York Stock Exchange listing standards and the rules of the Securities and Exchange Commission. As of September 1, 2023, the average age of our Board members is approximately 50, and the average tenure of the Company’s directors is approximately three years. Our directors are divided into three equal classes, and each of our directors is elected by our stockholders every three years under a majority vote standard.

The Board roles of Chairman and Chief Executive Officer are separated. Currently, Steve Gray serves as the Chairman of the Board. The independent directors regularly meet in executive session, led by the independent Chairman.

Permian Resources’ Board is currently composed of three Committees: Audit; Compensation; and Nominating, Environmental, Social and Governance, each of which is composed entirely of independent directors.

Permian Resources’ Audit Committee is responsible for monitoring and overseeing our financial reporting, auditing and accounting policies and practices, and for monitoring legal and regulatory compliance risk matters and internal control risks.

The principal functions of our Compensation Committee include overseeing and administering our executive compensation policies, plans and practices; assessing the impact of such policies, plans and practices on Company risk and risk management; and reviewing and approving the compensation of the Company’s non-executive officers and other employees. The Compensation Committee solicits input and advice from an independent compensation consultant in carrying out its responsibilities.

Our Nominating, Environmental, Social and Governance (NESG) Committee assists the Board in identifying individuals qualified to become members of the Board, and is responsible for monitoring the independence of Board members, overseeing and approving executive succession plans, and recommending corporate governance principles and practices to the Board.

The principal functions of all our committees are listed in the respective committee’s charter, which is posted on the Investor Relations portion of our website at [permianres.com](https://permianres.com).

The NESG Committee also assists in oversight of the Company’s strategies, policies, controls and systems relating to ESG matters. We have this oversight to:

- Ensure compliance with applicable laws.
- Assist the Company in achieving its ESG goals and objectives.
- Monitor ESG trends and developments.
- Make recommendations to the Board and Company management on ESG matters.
- Oversee annual performance evaluations of the Board and its Committees.

6 of 10  
of our directors are independent



STEVEN GRAY  
Chairman



MAIRE BALDWIN



KARAN EVES



WILLIAM HICKEY



MATTHEW HYDE



ARON MARQUEZ



WILLIAM QUINN



JEFFREY TEPPER



ROBERT TICHIO



JAMES WALTER





## Director Qualifications, Skills and Attributes

The members of the Board have a diversity of experience and a wide variety of backgrounds, skills, qualifications and viewpoints that strengthen their ability to carry out their oversight role on behalf of our stockholders. The accompanying table highlights the key qualifications, skills and attributes that we believe are important to our business and depicts which director possesses each attribute. Each of our directors maintain high standards of personal and professional ethics, have proven track records of success, have knowledge of the oil and gas industry and are well informed on matters related to the Company.

The average tenure of our Company’s directors is approximately

3

years

The average age of our Company’s directors is

50

years

SKILLS AND EXPERIENCE	Steven Gray	Maire Baldwin	Karan Eves	William Hickey	Matthew Hyde	Aron Marquez	William Quinn	Jeffrey Tepper	Robert Tichio	James Walter
Accounting/Financial Oversight		●	●				●	●	●	●
Business Development/M&A	●			●	●	●	●	●	●	●
ESG Oversight			●	●	●	●			●	
Executive Leadership	●	●	●	●	●	●	●			●
Finance/Capital Markets							●	●	●	●
Geology/Reservoir Engineering	●		●	●	●					
Investor Relations		●	●	●			●			●
Marketing/Midstream				●						●
Public Company Board	●	●			●		●	●	●	
Strategic Planning/Risk Management			●	●	●	●	●	●	●	●
TENURE AND INDEPENDENCE										
Tenure (Years)	1	6	1	1	5	1	1	6	6	1
Independent	●	●	●		●	●		●		
DEMOGRAPHICS										
Age	64	57	41	36	67	41	52	57	46	35
Gender	M	F	F	M	M	M	M	M	M	M
White	●	●	●	●	●		●	●	●	●
Ethnic Diversity						●				

Tenure and Age are as of September 1, 2023.  
Tenure includes years served on the Centennial Resource Development Board and the Permian Resources Board.





## Shareholder Alignment and Compensation

**We believe in fostering a strong alignment between our executives, employees and shareholders, and our approach to executive and employee compensation furthers shareholder alignment, and differentiates us from our peers.**

### Executive Compensation

Our executive compensation program is designed to attract, motivate, reward and retain high-caliber management with the skills and competencies that Permian Resources believes are essential to its success. At the same time, our executive compensation aligns with our short- and long-term business objectives, business strategy and financial performance. Following the closing of the merger forming Permian Resources, we eliminated all forms of cash compensation for our Co-CEOs. Instead, we are providing 100% of their compensation in the form of long-term incentive awards structured as performance stock units. We also redesigned the compensation program for our other executive officers to increase the weighting of performance-based compensation. We believe these changes have furthered and will continue to further shareholder alignment, and differentiate us from our peers.

All our executive officers, other than our Co-CEOs, participate in an annual bonus program that is based on the achievement of operational, financial and strategic goals established by the Compensation Committee. Bonuses awarded in 2023 were tied to 2022 performance metrics such as capital returns, free cash flow, leverage, capital efficiency and unit costs, as well as ESG-related performance including limiting flared gas volumes, limiting oil spill volumes, and meeting certain safety standards relating to Total Reportable Incident Rate (TRIR), among other ESG goals.

### Employee Compensation

To achieve strong alignment between our employees and shareholders, we have implemented a comprehensive compensation structure that includes long-term stock grants for all our team members. By offering stock grants as part of their compensation, we ensure that every employee has a vested interest in the long-term success and profitability of our Company.

These long-term stock grants serve as a powerful incentive for our employees to make decisions that are in line with the best interests of our shareholders. When employees have a direct stake in the Company's

performance, they are motivated to act as true owners, making decisions that drive sustainable growth, enhance shareholder value and promote the long-term success of Permian Resources.

We also believe that long-term stock grants encourage employee retention and loyalty. This alignment of interests not only benefits our shareholders, but also creates a positive and supportive work environment where employees are motivated to excel and contribute their best efforts.







## Business Ethics

Permian Resources is committed to the highest business ethics and to complying with all applicable rules, regulations, and local, state, and federal laws. Our corporate governance documents reflect our commitment to maintaining the trust and confidence of shareholders, employees, customers, vendors and other stakeholders with whom we do business, and to treating all such persons fairly and with respect. The governance documents listed below, together with our Committee charters, and other Company policies such as our Insider Trading Policy, Clawback Policy and others, provide the framework for such business ethics.

Please visit the Investor Relations portion of our website at [permianres.com](http://permianres.com) to view the following documents:

- [Code of Business Conduct and Ethics](#)
- [Policy for Accounting-Related Complaints](#)
- [Policy for Related Person Transactions](#)
- [Corporate Governance Guidelines](#)

## Code of Business Conduct and Ethics

The Code of Business Conduct and Ethics communicates our expectations and standards with respect to business conduct, as well as our ethical and legal responsibilities and standards for directors, officers, employees and business partners. The Code is intended to assist directors, officers and employees in recognizing, avoiding and resolving ethical matters, and covers a number of topics, including the standards of honest, ethical and fair conduct, conflicts of interest, gifts and entertainment, use of Company assets, disclosure requirements, compliance, reporting and accountability, insider information and trading, matters relating to health, safety and the environment, confidentiality, anti-corruption laws and others.

## Accounting and Compliance Whistleblower Hotline

Our Board of Directors has adopted a Policy for Accounting-Related Complaints to encourage employees, independent contractors, vendors, customers and business partners to make us aware of any practices, procedures or circumstances that raise concerns about the integrity of our accounting practices, internal accounting controls or other accounting matters. Any employee, independent contractor, vendor or business partner may submit a concern, anonymously or otherwise, regarding accounting matters, suspected violations of laws or our governance documents or other compliance matters to our management team through our Accounting and Compliance Whistleblower Hotline, which we review and investigate in coordination with the Audit Committee of our Board of Directors. We are committed to remaining in compliance with all applicable laws, rules, regulations, standards and policies, including securities laws and regulations, accounting standards, accounting controls and audit practices.

Our Accounting and Compliance Whistleblower Hotline can be accessed on our website or by dialing (844) 418-4481. This website and telephone number are hosted by an independent third party to maintain confidentiality and anonymity when requested.

## Operational Concerns Hotline

We also maintain a general Operational Concerns Hotline to enable our employees, independent contractors, vendors, customers and business partners to make us aware of any concerns relating to our operations, working environment, conflicts of interest, course of dealing with contractors and other business partners, employee relations, security and other operational matters. We are committed to ensuring a safe, secure and ethical workplace and complying with all applicable laws, rules, regulations, standards and policies relating to our operations. Our Operational Concerns Hotline is a convenient and, if desired, a confidential way to report these concerns.

Our Operational Concerns Hotline can be accessed on our website or by dialing (844) 778-5868. This website and telephone number are hosted by an independent third party to maintain confidentiality and anonymity when requested.

## Policy for Related Person Transactions

Our Policy for Related Person Transactions addresses the reporting, review and approval or ratification by the Audit Committee of transactions meeting certain related party criteria or thresholds and involving directors and nominees for director, executive officers, shareholders owning more than 5% of the Company's shares, immediate family members of the foregoing, and other entities owned or controlled by any of the foregoing.

## Corporate Governance Guidelines

Our Corporate Governance Guidelines are intended to assist the Board in the exercise of its responsibilities and to serve the interests of the Company and its stockholders, and to address matters such as Board independence, independent director meetings, director qualification standards, director orientation and education, director responsibilities and compensation, Board access to senior management and outside advisors, director evaluation, director resignation, Board meeting processes and procedures, and succession planning, among others.

### ACCOUNTING AND COMPLIANCE WHISTLEBLOWER HOTLINE

(844) 418-4481 | [permianres.com](http://permianres.com)

### OPERATIONAL CONCERNS HOTLINE

(844) 778-5868 | [permianres.com](http://permianres.com)





## Cybersecurity

Our Information Technology Team plays a crucial role in Permian Resources' operations. Our ability to manage and operate our business effectively depends significantly on our information technology systems. Ensuring the functionality, integrity and confidentiality of our data is the foundation of our team's mission. Therefore, to protect the integrity of our systems, we promote a culture of cybersecurity and awareness throughout our organization. This includes a thorough routine training schedule and multiple information security measures.

Permian Resources employs a wide range of initiatives to secure our systems and data and prevent losses and breaches. We go above and beyond to enhance our data security, including taking the following steps:

- Board of Directors and Audit Committee oversight of our cybersecurity and information security risk management programs and procedures
- Mandatory, annual security training for all employees and contractors, together with foundational security training for all new team members
- Monthly phishing simulation attempts
- Development and implementation of Security Incident Response Policy to prepare for fast and effective response to potential cyberattacks
- Adoption of best practices including multi-factor authentication and updated Endpoint Detection and Response software throughout our information management systems
- Annual penetration tests to identify high-risk areas and develop mitigation strategies
- Disaster recovery environment to minimize business impact in the event of a loss of data integrity
- Third-party vulnerability audits
- Offsite information storage and backup







## Government Relations

Permian Resources operates in a highly regulated industry. Our activity is guided by the laws, rules and policies created, administered and enforced at all levels of government. Because these legal and regulatory requirements can meaningfully affect our activities, Permian Resources' Government Relations Team continually monitors legislative and regulatory bodies, and seeks to understand and inform the development of reasonable public policy affecting our operations and industry, as well as to improve our ESG performance. To do so, Permian Resources is a member of several industry trade associations representing the oil and gas industry that encourage public policy, legislative and regulatory approaches that promote responsible and reasonable operating environments for our Company and our peers.

These associations include the Texas Oil & Gas Association (TXOGA), New Mexico Oil & Gas Association (NMOGA), Permian Basin Petroleum Association (PBPA), American Exploration & Production Council (AXPC) and Texas Alliance of Energy Producers (TAEP). Each of these trade associations, coalitions or other organizations has established committees to monitor policy, law, rulemaking and enforcement efforts. Permian Resources is also a member of other industry groups, including The Environmental Partnership and the Texas Methane and Flaring Coalition, that focus on operational best practices. Permian Resources employees participate in these committees, coalitions and other organizations, including those focused on reducing flaring and other emissions, water reuse and safety matters, to provide expertise and experience, maintain up-to-date knowledge of activities that may impact our Company, and take appropriate action when necessary. We seek to build and cultivate strong relationships at various government levels. This allows us to educate and inform policy makers and guide them toward reasonable and meaningful approaches to the laws and regulations governing our operations and industry.







## TCFD Disclosure

### TCFD Governance

We believe that effective governance structures provide the foundation for responsible decision-making in all aspects of our business, including evaluating our ESG performance. Our ESG governance structure is highlighted by these three components:

1. **NESG Board Committee Oversight of ESG Initiatives:** Our NESG (Nominating, Environmental, Social, and Governance) board committee has the specific responsibility of overseeing our ESG initiatives. This includes evaluating our performance, reviewing targets and metrics, assessing risks and opportunities, and providing guidance and support to ensure alignment with our sustainability objectives. The committee's oversight helps to integrate sustainability considerations into our overall governance framework and to enhance transparency and accountability. Our sustainability team presents to our NESG board committee on at least a quarterly basis.
2. **Chief Financial Officer Oversight of Sustainability Team:** We have designated our Chief Financial Officer as the executive responsible for overseeing our sustainability team. This demonstrates our commitment to integrating sustainability into our financial decision-making processes and underscores the importance we place on embedding sustainability across our organization.
3. **Dedicated Sustainability Team:** We have a dedicated, highly informed sustainability team with an engineering background. This team plays a crucial role in driving our sustainability efforts and is responsible for implementing and managing sustainability programs, identifying improvement opportunities, and coordinating sustainability cross-functional initiatives across our operations.

### TCFD Strategy

We believe that two specific climate-related risks are most impactful to our business.

1. **Regulation:** Regulations around GHG and methane emissions are increasing, and as they do, they present a risk to our business. We believe this is our biggest short-term climate-related risk. We have taken a proactive approach to protecting our business against these risks, and we are dedicated to economically reducing our GHG and methane intensities; in addition, we are committed to transparency through disclosures which enable us to navigate the current regulatory landscape, as well as be prepared for any future requirements.
2. **Market Dynamics:** Reduced demand for hydrocarbons due to the energy transition is a risk to our business, as selling these commodities is our primary source of income. We believe this is our biggest long-term climate-related risk. One mitigant to this risk is the essential role of hydrocarbons in the energy transition. In the 2022 World Energy Outlook, the International Energy Agency (IEA) states that “even as transitions reduce fossil fuel use, there are parts of the fossil fuel system that remain critical to energy security.” As an oil and gas exploration and production company, our decisions are informed by the supply of and demand for hydrocarbons.

### TCFD Risk Management

At Permian Resources, we recognize that effective risk management is crucial for navigating the challenges and opportunities associated with climate change. Our strong governance framework, as outlined previously in this report, serves as a key pillar in our approach to addressing climate-related risks. By leveraging our governance structure, we ensure that climate risks are properly identified, assessed and integrated into our decision-making processes across the organization.

### TCFD – Metrics and Targets

Transparency is a core principle at Permian Resources. We ensure that our performance metrics, including GHG emissions, methane emissions and flaring data, are reported in a comprehensive manner. We continuously monitor and review our performance for these metrics, seeking opportunities for improvement and innovation.

These metrics, along with other relevant environmental indicators, are disclosed in the appendix of our sustainability report. In addition to these metrics, we are committed to the Work Bank Initiative to end routine flaring by 2030.







# Environment

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## Emissions Management

Since 2020, we have made significant progress in emissions management, achieving a 34% reduction in our greenhouse gas (GHG) intensity and a 45% reduction in our methane intensity. We have achieved this by prioritizing projects that economically reduce our emissions. These improvements have been driven by the following targeted initiatives.

### Reduced Flaring

We are highly focused on improving our flaring performance. As a result of the improvements we have made, we have reduced our flaring percentage by 79% since 2020. We have accomplished this through diligent efforts to end routine flaring, to focus on gas conditioning, to implement contracts with midstream partners so we have redundant takeaway, and to improved schedule planning.

To ensure continuous improvement, we have made flaring part of our 2023 annual incentive scorecard. In addition, we are committed to the World Bank Initiative to end routine flaring by 2030.

### Facility Design

Facility design is at the center of our emissions management program. We prioritize installing instrument air pneumatic devices over gas-powered devices, and we are actively working to replace these devices in existing facilities. This initiative reduces our methane emissions and demonstrates our commitment to sustainable practices.

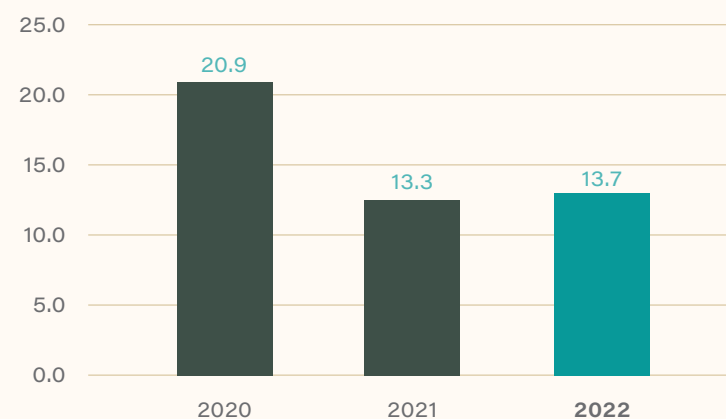
To address venting and flaring from storage tanks, we have prioritized vapor management across our assets. We employ several strategies to achieve this. One approach is the installation of vapor recovery towers (VRT), which maximize gas retention and promote the recovery of entrained gas from storage tanks by routing it to emission control devices. We continuously monitor the performance of VRT installations and ensure appropriate sizing for optimal efficiency. Additionally, we proactively address vapor management when necessary through the installation of vapor recovery units (VRU) on separation equipment. These VRUs help reduce the amount of gas reaching the storage tank recovery systems, leading to reduced emissions.

Our forward-thinking facility design review process has led to breakthroughs in vapor control techniques, resulting in increased vapor management capabilities and the maximization of gas recovery while minimizing emissions during normal operations. We are highly focused on optimizing our VRU and VRT performance, and our environmental and facilities teams will collaborate to properly determine the right size VRU or VRT to install.

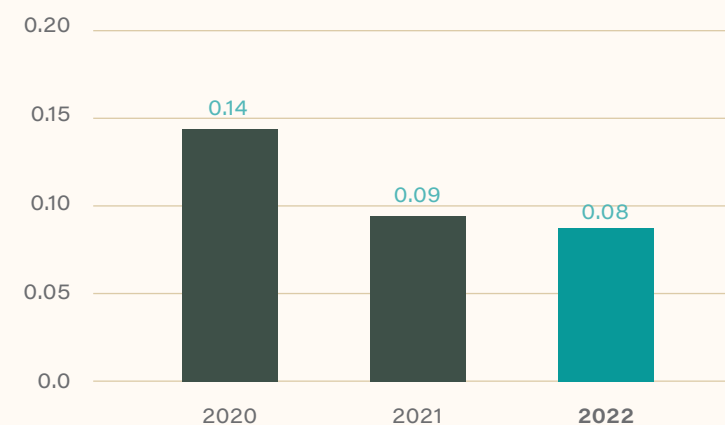
In addition, we focus on the small details of facility design to help reduce emissions. A few specific measures we take include:

- Installation of automated divert valves that direct flash gas flow to the VRU as the primary outlet
- Configuring vent headers to manage flash gas effectively and avoid the need for pressure relief device activation
- Fine-tuning our pressure relief system
- Increasing our pressure rating on all our tanks at new facilities
- Tailoring gas conditions based on localized criteria
- Improving automation to help identify issues sooner

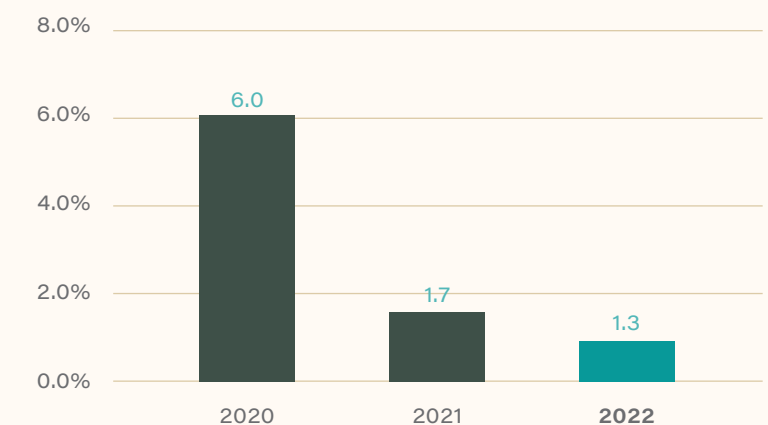
**GHG INTENSITY,**  
mT CO<sub>2</sub>e/MBOE



**METHANE INTENSITY,**  
mT CH<sub>4</sub>/MBOE



**FLARING PERCENTAGE,**  
%



Increase in 2022 GHG intensity is due to increased combustion fuel from increased Drilling and Completion activity.





## Emissions Monitoring

We believe that meaningful emissions monitoring is the key to achieving emission reductions. Our emissions monitoring portfolio takes advantage of the best available technologies, leveraging multiple monitoring techniques to swiftly identify, verify and rectify emission sources as they are discovered. We refer to this entire process as our Leak Detection and Repair (LDAR) program. Our comprehensive LDAR program allows for optimal assessment of our emissions sources, driving improvements in planning, facility design, operations and ultimately emission abatement in the future.

We employ numerous forms of inspection to capture as much data as possible and take action as required in response. This includes:

- Optical Gas Imaging (OGI): We have increased the frequency of OGI inspections to twice the regulatory requirement. This includes monthly inspections at high exposure sites, quarterly inspections at New Source Performance Standards (NSPS) sites, and annual inspections at all other sites.
- Audio, Visual, Olfactory (AVO) inspections: We conduct monthly AVO inspections at high exposure sites, employing sight, sound, and smell assessments.
- Aerial surveys: We conduct aerial flyovers to enhance our emissions detection capabilities.
- Continuous monitoring: We are actively exploring the application of continuous monitoring technology at Permian Resources, and are currently conducting a second pilot program to evaluate its effectiveness.

We utilize our aerial flyover data using an "outside-in approach". The flyover covers the field quickly, and we respond to any emissions events with ground level OGI. We then validate the findings and develop mitigation plans with increased frequency monitoring.

We also actively participate in and contribute to the evolving emissions monitoring space, leveraging emerging technologies to enhance our capabilities.

We conducted over

# 1,200

OGI inspections in 2022.







## Electrifying our Assets

We own multiple electrical substations that service our operations, allowing us to prioritize electric-powered compression and remove gas-powered generators. We intend to invest further in these substations to expand them, allowing us to electrify more of our field. We will continue to look into ways we can electrify our assets, including evaluating electric powered drilling rigs and electric frac fleets (e-fleets).

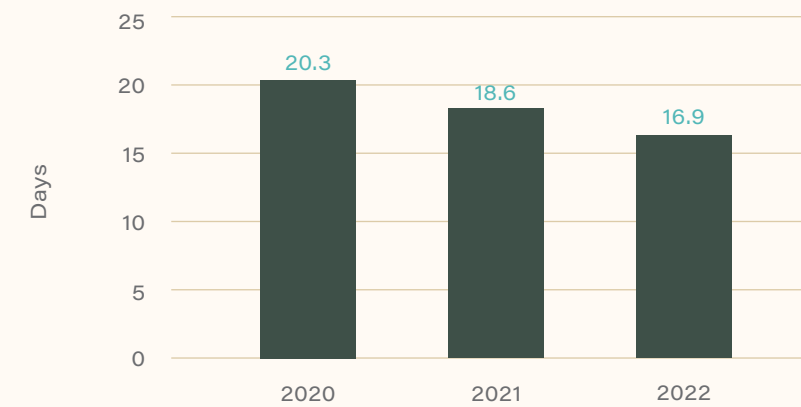
## Reduced Cycle Times

By drilling and completing wells more efficiently, we not only enhance our capital efficiency but also improve our emissions intensity. Faster operations result in fewer days of operation and, consequently, less energy spent per barrel produced. This approach allows us to achieve emissions reductions while maximizing operational productivity.

## Peer Collaboration

We strive for excellence in the area of air quality, and we are always looking to improve. One of the ways we strive to improve is by collaborating with our peers and contributing to discussions with trade organizations of which we are members. We maintain open communication with our peers to learn how they are improving emission performance, while sharing our learnings.

### AVERAGE DAYS FROM SPUD TO RIG-RELEASE



Reduced cycle time equates to consuming less fuel to achieve the same production.







## Water Management

We understand the critical importance of water in our operations, the need to protect local water resources and the need to properly dispose of excess water. Through our responsible water management, we have implemented proactive measures to optimize our water transportation and usage practices.

### Water Conservation

Our primary goal is to minimize the use of fresh water wherever possible. We prioritize the utilization of recycled water for our completion operations, and we typically only use freshwater when mandated by surface owners to facilitate development on their lands. During negotiations with landowners, we strive to secure the ability to source our own water for our operations, empowering us to recycle produced water and reduce our reliance on freshwater sources.

In areas where we don't have access to recycled water, we will use water from water wells we operate. The water we produce from these wells falls within the range of 3,000 to 7,000 total dissolvable solids (TDS), significantly exceeding the 1,000 TDS requirement for EPA-classified freshwater – we refer to this as brackish water.

By utilizing brackish and recycled water instead of freshwater, we actively reduce the strain on local water resources. This approach not only safeguards against the overuse of freshwater resources but also mitigates the risks associated with water sourcing in the event of prolonged droughts or extreme temperatures that can further stress water availability in our operational areas. Increasing the use of recycled water remains a fundamental aspect of our Company strategy.

### Protecting Groundwater

Another key aspect of water management at Permian Resources is protecting our groundwater. Texas and New Mexico are both highly regulated to ensure that groundwater is protected during all phases of our operations. In compliance with regulations, we use freshwater

for all drilling activity when we are drilling above the groundwater depth. This protects groundwater during this phase of drilling. As drilling continues, we set multiple strings of casing and cement to protect our wellbore and create multiple barriers between oil and gas producing zones and ground water zones. We perform tests to ensure the mechanical integrity of the cement and casing.

### Safe Transportation of Water

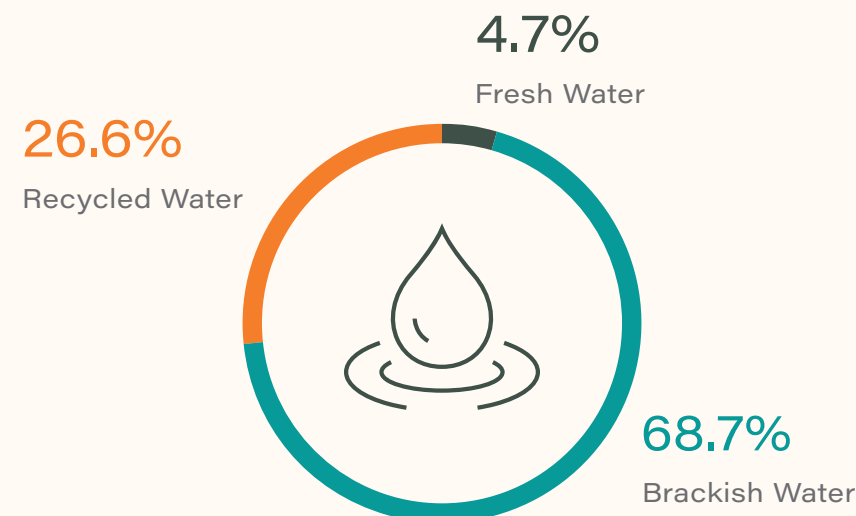
Transporting water across our acreage necessitates a careful balance between logistics and environmental considerations. In the past year, Permian Resources has successfully addressed this challenge by leveraging our existing infrastructure to transport recycled water by pipe, eliminating the need for temporary water lines and trucks. This approach has significantly reduced the risk of leaks, soil contamination, truck traffic and other environmental impacts that can arise from temporary infrastructure installations.

Our goal is to have our water wells fall within a range of

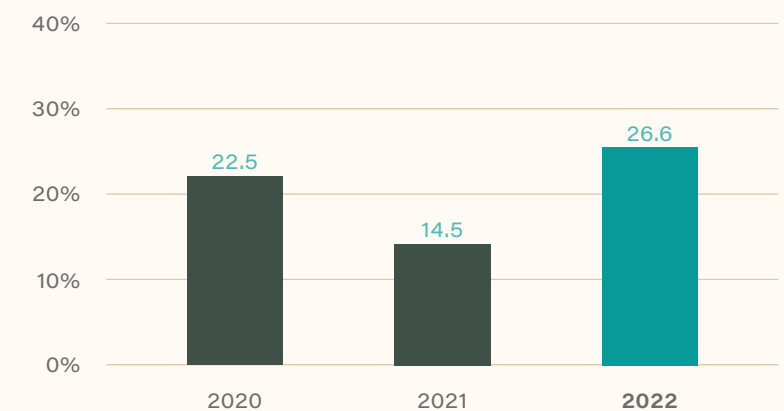
3,000-7,000

total dissolvable solids (TDS) so that we reduce the strain on local freshwater resources

2022 WATER USAGE, BY CATEGORY



RECYCLED WATER USAGE OVER TIME, % OF WATER CONSUMED







## Seismicity and Safe Water Disposal

To mitigate the risks of potential induced seismicity events, we place great emphasis on establishing contracts with reputable third-party water companies for the responsible disposal of our produced water that cannot be recycled. This proactive approach serves multiple purposes and aligns with our commitment to environmental stewardship.

By partnering with specialized water companies, we gain access to their extensive and well-established water transfer systems. These systems are designed to handle large volumes of water and offer strategic disposal options that minimize the likelihood of induced seismicity events. Leveraging the expertise and infrastructure of our trusted partners allows us to ensure the safe and efficient disposal of our produced water, reducing the potential impact on seismic activity in the region. Our partnerships with third-party water companies also allow for increased flexibility in case of increased regulation from a Seismic Response Area (SRA). While our operations today are not near any SRAs, by partnering with a third party that has an extensive water system, we will have the flexibility to shift disposal away from any SRAs.

Through our partnerships with reputable water companies, we actively contribute to the preservation of the local environment, the protection of surrounding communities and the long-term viability of the region. By prioritizing strategic contracts for produced water disposal, we demonstrate our unwavering commitment to mitigating potential risks, ensuring regulatory compliance and fostering a culture of environmental stewardship within our operations.







## Spills Management

**We recognize the critical importance of preventing spills as a way to maintain our commitment to reducing our surface footprint, protecting groundwater and ensuring sustainable operations. In pursuit of this goal, we have tied spill management to executive compensation, implemented several initiatives and made significant investments.**

In 2021, we introduced the Blue Flag Project, a collaborative effort between our field operations leadership and air quality team. This project empowers personnel throughout the organization to identify equipment at higher risk for spills or leaks and request timely repairs. This identified equipment is marked with a blue flag, signaling the need for attention and prompt maintenance. Building on the success of this project, Permian Resources expanded its scope in 2022 to ensure continuous improvement in spill prevention. As part of our efforts, we conduct annual Spill Prevention Control and Countermeasures (SPCC) inspections on all facilities, including facilities where there is not a regulatory requirement, enabling us to proactively identify and address potential vulnerabilities.

Furthermore, in 2022, we made significant investments in preventing spills by increasing the footprint of our secondary containment systems across both existing and new facilities. This proactive measure provides an additional layer of protection, minimizing the potential for fluid releases and enhancing our spill prevention capabilities. Additionally, we remain committed to conducting thorough failure analysis, promoting design confluence and implementing a comprehensive planned maintenance program. Our operations team reviews spill data weekly to ensure rapid response to trends in spill activities and to develop corrective action strategies. We continue to embrace preventative maintenance methodologies to ultimately mitigate releases before they occur.

These collective efforts have yielded tangible results. We have successfully reduced our oil spills by 56% off a 2020 baseline and our water spills by 93% off a 2020 baseline, demonstrating the effectiveness of our preventive measures and our dedication to sustainable practices.

By prioritizing spill prevention and implementing robust initiatives, Permian Resources remains steadfast in its commitment to minimizing environmental impact and ensuring the long-term sustainability of our operations.

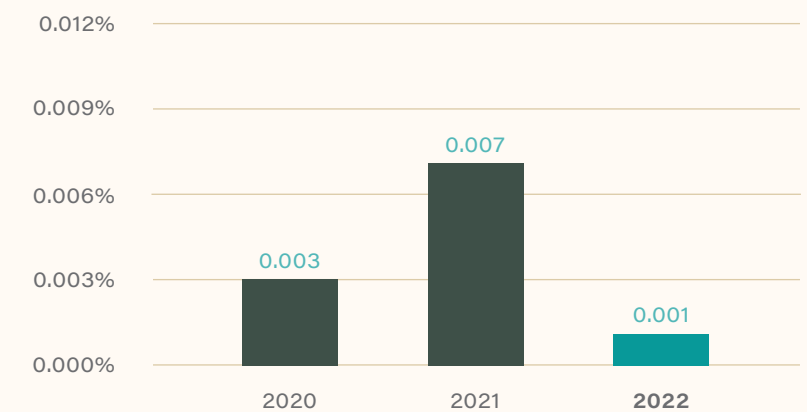
**We have successfully reduced our oil spill volumes by**

# 56%

**from 2020 to 2022**



**OIL SPILL RATE,  
% OF VOLUME PRODUCED**



Spills data is Centennial only prior to the 9.1.22 merger, and combined Centennial and Colgate post merger. Spills data follows SASB and AXPC guidelines to only show spills greater than 1 bbl.





## Biodiversity and Land Conservation

We understand the importance of responsible land stewardship as a fundamental aspect of our operations. In addition to following the various local, state and federal regulations, we are committed to nurturing the lands where we operate and fostering positive relationships with the local communities.

# 99%

of oil production has  
pipeline takeaway

Key aspects of our land stewardship practices include:

# 1

### Environmental Impact Assessments

Before commencing any operations, we conduct environmental impact assessments to evaluate the potential effects on land, water, wildlife and other natural resources. These assessments guide our decision-making process, enabling us to minimize our ecological footprint and implement appropriate mitigation measures.

# 2

### Reclamation and Restoration

We are dedicated to reclaiming and restoring land impacted by our operations. Through reclamation efforts, we aim to rehabilitate the land to its pre-operation state, promoting biodiversity and ecological balance. By investing in reclamation and restoration activities, we contribute to the long-term health and vitality of the ecosystems where we operate.

# 3

### Longer Laterals and Well Density

By working to extend our laterals and drill more wells from the same pad, we not only increase the financial viability of our asset, but we reduce the amount of surface land we use.

# 4

### Connecting Production to Pipelines

By ensuring our production is connected to pipelines, we reduce the need for trucks to haul our oil and water, reducing our impact on the land and wildlife.

We believe that responsible land stewardship goes beyond regulatory compliance. It is about actively engaging with communities, implementing sustainable practices, and striving for continuous improvement. Our partnerships with the cities of Pecos, Texas, and Eunice, New Mexico, exemplify our commitment to nurturing relationships, preserving natural resources and leaving a positive legacy for future generations.

All of our field operations and oil and gas reserves are on fee, state and federal lands, and none of our operations are on or affect tribal lands, indigenous peoples, vulnerable communities or conflict areas.







# Social

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# Health and Safety

The safety and well-being of our employees, contractors, vendors and communities are of utmost importance to us. We are proud of the strong safety culture we have implemented throughout our organization. All team members are empowered to contribute to a safe work environment by following common-sense rules and safe practices. To ensure that health and safety are always prioritized, we have made Total Recordable Incident Rate (TRIR) and Lost Time Incident Rate (LTIR) part of our annual incentive program compensation structure, and performance on safety metrics is presented to all of our officers at our weekly management team meeting.

Our Health and Safety Team works closely with our Operations Team to regularly educate and train our employees and contractors through our comprehensive Health and Safety Management programs. We are committed to providing the safest possible working environment, and our dedication to safety is ingrained in our Company's core values. This commitment extends from individual team members and contractors to our senior leadership, all actively participating in regular safety training initiatives.

We are proud of our safety record at Permian Resources. Our TRIR, which includes incidents involving contractors, was 0.68 in 2022. Ensuring the safety of our team is our top priority, and we continually strive for improvement.

We have worked hard to cultivate a culture of safety and continuous learnings. Our comprehensive Training program stands as a cornerstone in equipping our employees and contractors with the necessary knowledge and skills to operate in a safe and secure manner. Our program encompasses a diverse range of training approaches, including computer-based courses and monthly in-person safety meetings. These meetings serve as valuable platforms for open dialogue, fostering a collaborative environment where safety practices and procedures are shared and reinforced. To enhance the depth and breadth of our training, we make it a practice to routinely invite external instructors who possess specialized expertise in specific topics. This ensures that our workforce remains up to date with the latest industry best practices and regulatory requirements. By investing in robust training initiatives, we empower our

team members to proactively identify and mitigate risks, reinforcing our commitment to the well-being of our personnel.

Another essential aspect of our safety culture is our ongoing work with contractors. We are committed to maintaining a close working relationship with our contractors to ensure the efficient and effective management of incidents. We understand that a collaborative approach is vital to creating a safe and productive work environment. By fostering open lines of communication and mutual trust, we are able to address potential risks and incidents in a timely manner. Our contractors play a crucial role in our operations, and we value their expertise and dedication to safety. Through regular interactions and joint problem-solving, we strive to enhance incident response capabilities and minimize any potential disruptions to our operations.

To facilitate the seamless coordination and oversight of our contractors, we have implemented a comprehensive contractor management program. This program includes a thorough review of contractors' safety history, ensuring that we partner with organizations that share our commitment to safety excellence. Additionally, we conduct vendor site visits for equipment audits, verifying that the necessary safety protocols and standards are being upheld. These site visits allow us to assess the condition and functionality of equipment, identifying any potential hazards and taking proactive measures to mitigate them. Furthermore, we hold periodic Key Performance Indicator (KPI) meetings with our contractors to monitor their safety performance and address any concerns or areas for improvement. By continuously evaluating their performance, we can maintain a high level of safety and operational efficiency across our operations.

INCIDENT RATE	UNIT	2020	2021	2022
Fatalities	Count	-	-	-
Work Force TRIR	#/200,000 Hours	0.50	0.57	0.68
Employee TRIR	#/200,000 Hours	-	-	-
Contractor TRIR	#/200,000 Hours	0.61	0.70	0.78
Work Force LTIR	#/200,000 Hours	-	-	0.06
Employee LTIR	#/200,000 Hours	-	-	-
Contractor LTIR	#/200,000 Hours	-	-	0.07
Employee Hours	Hours	349,638	405,600	474,694
Contractor Hours	Hours	1,650,362	1,716,819	3,062,110

2020 – 8.31.2022 Centennial Only | 9.1.2022 – 12.31.2022 Colgate and Centennial





## The Permian Resources Team

The Permian Resources Team is our most valuable asset. We recognize the critical importance of attracting, developing and retaining talented employees who are passionate about their work. We strive to recruit top talent in the industry by offering competitive compensation packages, opportunities for career growth and a dynamic work environment. Our goal is to develop and sustain a culture dedicated to operational excellence, as well as a sense of community among the people that form Permian Resources.

Our operations and offices span three states, with our team members located across Colorado, New Mexico and Texas. As of February 7th, 2023, we employed 218 full-time team members.

### Investing in Our Team

At Permian Resources, we understand the importance of offering competitive benefits to attract and retain top talent. Our comprehensive benefits package goes beyond the standard offerings, providing employees with a range of benefits that support their well-being, career growth and work-life balance. We believe in the power of employee ownership and equity participation. Through our equity program, we provide our employees with a stake in the Company's success, fostering a shared sense of ownership, motivation and alignment towards long-term sustainable growth.

In addition, we offer opportunities for professional development, such as tuition assistance programs and access to industry conferences and training, enabling our employees to continually enhance their skills and knowledge. By providing these competitive benefits, we aim to demonstrate our commitment to the overall well-being and success of our valued workforce at Permian Resources.

Permian Resources' compensation program is designed to provide competitive, market-based compensation that ties to individual performance and aligns with and furthers Company goals and business strategies. Our compensation practices include an Equitable Pay

Analysis performed annually, which ensures that our employees are compensated fairly for similar roles, regardless of factors such as gender and race. We view our compensation practices as a means for communicating our standards of performance and for motivating and rewarding employees' professional development. These initiatives help us retain our top-tier workforce and attract future talent.

Our competitive benefits package includes the following:

- Up to an 8% employer 401(k) match annually
- Comprehensive medical plans, including coverage for holistic treatments, bariatric surgery, mental health services and assistance with infertility
- Employee Assistance Plan, providing free comprehensive counseling services
- Dental coverage, including orthodontia for both children and adults
- We are also proud to support working parents by offering programs such as:
  - 12 weeks of paid leave for the birthing parent
  - 2 weeks of paid leave for non-birthing parent
  - Adoption assistance up to \$10,000, as well as additional time off
  - Stay and Play Kids areas in our Denver and Midland offices
  - Frequent family-friendly events throughout the year



As of February 7th, 2023,  
we employed

218  
full-time  
team members





## Diversity and Inclusion

We are committed to a diverse workforce because we believe employees with different backgrounds, experiences, interests and skillsets drive a culture of innovation which allows Permian Resources to achieve superior results. Accordingly, we are committed to diversity and inclusion throughout our organization. This commitment extends to our hiring, development and promotion practices that recognize our team members for all of their capabilities, including their unique contributions to Permian Resources' performance.

As of February 7th, 2023, approximately 36% of our workforce are female and 22% percent are an ethnic minority. Among our supervisors and managers, 23% are female and 14% are an ethnic minority.

## Training and Development

Training and development at Permian Resources is a cornerstone of our commitment to employee growth and success. We understand that investing in our employees' development not only enhances their skills and knowledge but also drives overall organizational excellence. Our training initiatives encompass safety training to ensure a secure work environment, leadership development programs and continuous learning opportunities that encourage employees to stay at the forefront of industry advancements. By prioritizing training and development, we allow our workforce to thrive and support the long-term growth and success of Permian Resources.

In the summer of 2023, we launched our first summer intern program at Permian Resources. Our program is designed to provide talented individuals with valuable hands-on experience and the opportunity to explore various aspects of the industry. Throughout the summer, our interns are immersed in a dynamic and supportive work environment where they actively contribute to meaningful projects and collaborate with experienced professionals. Our aim is to foster a culture of learning and growth, empowering interns to develop their skills, expand their knowledge and gain a comprehensive understanding of the industry. We strive to build a pipeline of future talent who are equipped to drive innovation and make a positive impact in the industry.

## Strong Culture, Strong Company

Recognizing the importance of a strong company culture, we work hard to identify and execute team-building events throughout all our office locations.

Such events include:

- Day at the Ballpark
- BBQ & Bingo
- Crawfish Boil
- Family Fall Festival
- Family Trunk or Treat
- Spring and Fall Employee Fitness Challenges
- Spring Shoe Drives
- Winter Coat Drives
- No Tricks and All Treats, providing goodie boxes for our employees' families
- Pecos Rodeo

A recurring theme of our employee Culture Committee is a focus on Permian Resources families, however they are defined. Accordingly, in 2022 we created Stay and Play Kids rooms in our Denver and Midland offices to provide a comfortable and fun environment for our employees' children when childcare is unavailable.







## Community Involvement and Charitable Giving

Permian Resources is committed to serving as a contributing member of the communities where we live and work. In 2022, we directed that commitment toward the following charitable initiatives.

### Permian Strategic Partnership

Permian Resources is a proud member of the Permian Strategic Partnership (PSP), a coalition of over 20 energy companies committed to strengthening and improving the quality of life for Permian Basin residents. PSP partners with local leaders to develop and implement strategic plans that foster superior schools, safer roads, quality healthcare, affordable housing and a trained work force. Since its establishment in 2019 and through the end of 2022, PSP has committed \$125 million in philanthropic investments and continues to fund projects that make our community a better place to live and work.

Consistent with its membership in PSP, Permian Resources has contributed to efforts to strengthen and improve the quality of life for residents in the Permian Basin, making impactful and lasting investments in the communities where our employees live, work and raise their families.

### Permian Roots

Created with the motto of “Let’s Get a Good Thing Growing,” this program provides beauty and greenspaces to the communities we work in and call home. Permian Resources purchased trees that our team members helped plant across Eunice, New Mexico, and Midland and Pecos, Texas. Since its inception, the Roots program has planted trees in four different communities at local schools, public parks, children’s homes, cemeteries and two public golf courses. For this project we have partnered with local schools, providing our local youth an opportunity to participate in an event that gives back to their communities for years to come. We are proud of this effort, and it is a project we plan to continue in the years to come.







## Supporting the Communities Where We Live and Work

Permian Resources is composed of a team of dedicated professionals who realize the importance of giving back to the communities where we live or work, either through a financial commitment or volunteer hours.

In 2022, we provided financial and volunteer support to important charitable initiatives such as:

- West of the Pecos Rodeo and Old Timer’s Reunion
- Ward County Stock Show
- Basin PBS
- Share Autism Walk
- Steers & Stars
- Serve Midland
- Keep Midland Beautiful
- Pecos Prodigy
- Monahans Volunteer Fire Department
- Eunice Fire Department
- Eunice Police Department
- Junior League of Midland – Pink Pantry Project
- Habitat for Humanity – Metro Denver
- West Texas Showdown
- Eunice Municipal Schools
- PBTISD
- Austin Elementary
- Clothes to Kids of Denver

We have also developed and cultivated relationships with fire agencies in New Mexico and Texas, including the Eunice, New Mexico Fire and Rescue Department and the Monahans, Texas Volunteer Fire Department. We are proud that several Permian Resources Team members serve as volunteer fire fighters for these agencies, and we congratulate them and wish them safe efforts in their contributions. In 2022 and continuing into 2023, we provided financial support to both of these agencies in their mission to keep our communities safe and to minimize the loss of life and property damage resulting from fires and accidents. We look forward to continuing our support in the future.

Additional charitable measures include supporting local sports initiatives in communities in which we operate.

## Formalizing our Community Outreach Strategy

In 2022 and 2023, we expanded our charitable giving and community outreach efforts. We have developed a multi-faceted approach, including the adoption of core causes to form long-term partnerships with charitable organizations, and an employee charitable matching program.

Permian Resources is committed to inspiring and assisting students in their educational journeys. Through our Scholarship Program, we will provide financial support to graduating high school students pursuing continuing education in Colorado, New Mexico and Texas.

We are proud of the growth of our community engagement and outreach campaign, which aligns with our goal of positively impacting the communities where we operate, and we are excited to continue developing our corporate strategy and supporting our local communities.

## Pecos Rodeo

We have been the proud title sponsor of the West of the Pecos Rodeo since 2016. This rodeo, which is known as the world’s first rodeo, is one of the many ways that we partner with the Town of Pecos City. Our sponsorship ensures that the storied history of far West Texas is kept alive and provides economic support to the area.



## Patriot Paws

“The mission of Patriot PAWS is to train and provide Service Dogs of the highest quality at no cost to disabled American Veterans and others with mobile disabilities, in order to help restore their physical and emotional independence.”

We take pride in our role in helping provide energy independence to our country. Patriot Paws is another way we can help support our country by serving the Veterans who served our country.







# Appendix

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# Sustainability Performance Metrics

## Emissions

METRIC	FORMULA/UNIT	2020	2021	2022
Gross Operated Oil	BBL	24,229,715	29,434,115	38,614,422
Gross Operated Gas	MCF	89,092,183	132,942,063	168,054,447
Gross Operated BOE	BOE	39,078,412	51,591,126	66,623,497
Gross Operated Water	BBL	92,533,722	129,770,117	175,260,577
GHG CO <sub>2</sub>	mT - CO <sub>2</sub>	673,693	565,490	780,515
GHG CH <sub>4</sub>	mT - CH <sub>4</sub>	5,658	4,864	5,319
GHG N <sub>2</sub> O	mT - N <sub>2</sub> O	2	2	3
GHG CO <sub>2</sub> E	mT - CO <sub>2</sub> e	815,623	687,618	914,309
Scope 2 Emissions	mT - CO <sub>2</sub> e	64,234	119,306	110,659
Scope 1 & 2 Emissions	mT - CO <sub>2</sub> e	879,856	806,923	1,024,968
GHG Intensity (Scope 1)	mT - CO <sub>2</sub> e/MBOE	20.9	13.3	13.7
GHG Intensity (Scope 1 & 2)	mT - CO <sub>2</sub> e/MBOE	22.5	15.6	15.4
Methane Intensity	mT - CH <sub>4</sub> /MBOE	0.14	0.09	0.08
Flare Volumes	MCF	5,373,835	2,252,093	2,158,739
Flare %	%	6.0%	1.7%	1.3%
Combustion	mT - CO <sub>2</sub> e	246,331	378,634	572,350
Flaring	mT - CO <sub>2</sub> e	442,412	176,216	186,780
Venting	mT - CO <sub>2</sub> e	94,488	90,619	107,505
Fugitive	mT - CO <sub>2</sub> e	32,392	42,013	47,673
Process	mT - CO <sub>2</sub> e	-	136	-

All data has been calculated using the best available data and current calculation methodologies at the time of publication and is subject to change.

## Water

METRIC	FORMULA/UNIT	2020	2021	2022
Freshwater	BBL	426,174	6,334,373	3,130,052
Brackish Water	BBL	16,117,999	32,237,088	45,613,339
Recycled Water	BBL	4,804,000	6,567,492	17,642,909
Freshwater Percentage	%	2.0%	14.0%	4.7%
Water Recycle Rate	%	22.5%	14.5%	26.6%

## Spills

METRIC	FORMULA/UNIT	2020	2021	2022
Oil Spill Events	Count	85	47	60
Oil Spill Volumes	BBL	562	749	351
Oil Spill Percent	%	0.003%	0.007%	0.001%
Oil Spills Recovered Volume	BBL	336	435	199
Water Spill Events	Count	68	97	80
Water Spill Volumes	BBL	9,711	2,059	1,032
Water Spill Percent	%	0.014%	0.006%	0.001%
Water Spills Recovered Volume	BBL	4,261	1,406	722

Spills data is Centennial only prior to the 9.1.22 merger, and combined Centennial and Colgate post merger. Spills data follows SASB and AXPC guidelines to only show spills greater than 1 bbl.





Sustainability Performance Metrics (continued)

Safety

METRIC	FORMULA/UNIT	2020	2021	2022
Fatalities	Count	-	-	-
Work Force TRIR	#/200,000 Hours	0.50	0.57	0.68
Employee TRIR	#/200,000 Hours	-	-	-
Contractor TRIR	#/200,000 Hours	0.61	0.70	0.78
Work Force LTIR	#/200,000 Hours	-	-	0.06
Employee LTIR	#/200,000 Hours	-	-	-
Contractor LTIR	#/200,000 Hours	-	-	0.07
Employee Hours	Hours	349,638	405,600	474,694
Contractor Hours	Hours	1,650,362	1,716,819	3,062,110

Safety data is Centennial only prior to the 9.1.22 merger, and combined Centennial and Colgate post merger.

Workforce

METRIC	FORMULA/UNIT	2020	2021	2022
Total Headcount	Count	151	147	218
% Female Employees	%	38%	37%	36%
% Female Managers	%	34%	32%	23%
% Ethnic Minority Employees	%	24%	21%	22%
% Ethnic Minority Managers	%	11%	9%	14%
% Employee Turnover	%	5%	10%	10%

Workforce data is Centennial only for 2020-2021, and combined Centennial and Colgate for 2022. 2022 workforce data is as of February, 7th, 2023.





SASB Index

TOPIC	ACCOUNTING METRIC	SASB STANDARD REFERENCE CODE	DISCLOSURE
Greenhouse Gas Emissions	Gross global Scope 1 emissions; percentage methane; percentage covered under emissions-limiting regulations	EM-EP-110a.1	914,309 mT CO <sub>2</sub> e; 14.5% methane; 0%
	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	EM-EP-110a.2	(1) 186,780; (2) 572,350; (3) 0; (4) 107,505; (5) 47,673
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	EM-EP-110a.3	See “Emissions Management”
Air Quality	Air emissions of the following pollutants:(1) NO <sub>x</sub> (Excluding N <sub>2</sub> O), (2) SO <sub>x</sub> , (3) volatile organic compounds (VOCs), and (4) particulate matter (PM <sub>10</sub> )	EM-EP-120a.1	Not disclosed
Water Management	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	EM-EP-140a.1	(1) 498 (thousand cubic meters); (2) 498 (thousand cubic meters); All our operations are in the Permian Basin, which has medium to extremely high water risk per the World Resource Institute Water Risk Atlas
	Volume of Produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	EM-EP-140a.2	Not disclosed
	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	EM-EP-140a.3	100%
	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	EM-EP-140a.4	Not disclosed
Biodiversity Impacts	Description of environmental management and policies and practices on active sites	EM-EP-160a.1	See “Biodiversity and Land Conservation”
	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	EM-EP-160a.2	60 spill events; 351 bbl spilled; 0 spills in Arctic (no operations), not disclosed, 199 bbl recovered
	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	EM-EP-160a.3	Not disclosed
Security and Human Rights	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	EM-EP-210a.1	0%
	Percentage of (1) proved and (2) probable reserves in or near indigenous land	EM-EP-210a.2	0%
	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights and operation in areas of conflict	EM-EP-210a.3	See “Biodiversity and Land Conservation”

All data has been calculated using the best available data and current calculation methodologies at the time of publication and is subject to change.





SASB Index (continued)

TOPIC	ACCOUNTING METRIC	SASB STANDARD REFERENCE CODE	DISCLOSURE
Community Relations	Discussion of process to manage risks and opportunities associated with community rights and interests	EM-EP-210b.1	See “Biodiversity and Land Conservation” and “Community Involvement and Charitable Giving”
	Number and duration of non-technical delays	EM-EP-210b.2	0
Workforce Health and Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety and emergency response training for (a) full-time employees, (b) contract employees and (c) short-service employees	EM-EP-320a.1	(1) 0; (2) 0; (3) not disclosed; (4) not disclosed
	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	EM-EP-320a.2	See “Health and Safety”
Reserves Valuation & Capital Expenditures	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	EM-EP-420a.1	Not disclosed
	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	EM-EP-420a.2	Not disclosed
	Amount invested in renewable energy, revenue generated by renewable energy sales	EM-EP-420a.3	Not disclosed
	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition and development of assets	EM-EP-420a.4	See “TCFD Disclosure”
Business Ethics and Transparency	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	EM-EP-510a.1	0
	Description of the management system for prevention of corruption and bribery throughout the value chain	EM-EP-510a.2	0
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-EP-530a.1	See “Government Relations”
Critical Incident Risk Management	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	EM-EP-540a.1	Not disclosed
	Description of management systems used to identify and mitigate catastrophic and tail-end risks	EM-EP-540a.2	Not disclosed
Activity Metrics	Production of: (1) oil, (2) natural gas, (3) synthetic oil and (4) synthetic gas	EM-EP-000.A	(1) 38,614 MBBL; (2) 168,054 MMCF; (3) 0; (4) 0
	Number of offshore sites	EM-EP-000.B	0
	Number of terrestrial sites	EM-EP-000.C	1022 wells reported to Subpart-W

All data has been calculated using the best available data and current calculation methodologies at the time of publication and is subject to change.





AXPC Index

GREENHOUSE GAS EMISSIONS	2020	2021	2022
Scope 1 GHG Emissions (Metrics tons CO <sub>2</sub> e)	815,623	687,618	914,309
Scope 1 GHG Intensity Scope 1 GHG Emissions (Metric tons CO <sub>2</sub> e)/Gross Annual Production as Reported Under Subpart W (MBoe)	20.9	13.3	13.7
Percent of Scope 1 GHG Emissions Attributed to Boosting and Gathering Segment	0.5%	3.1%	-
Scope 2 GHG Emissions (Metric tons CO <sub>2</sub> e)	64,234	119,306	110,659
Scopes 1 & 2 Combined GHG Intensity (Scope 1 GHG Emissions (Metric tons CO <sub>2</sub> e) + Scope 2 GHG Emissions (Metric tons CO <sub>2</sub> e))/Gross Annual Production as Reported Under Subpart W (MBoe)	22.5	15.6	15.4
Scope 1 Methane Emissions (Metric tons CH <sub>4</sub> )	5,658	4,864	5,319
Scope 1 Methane Intensity Scope 1 Methane Emissions (Metric tons CH <sub>4</sub> )/Gross Annual Production – As Reported Under Subpart W (MBoe)	0.14	0.09	0.08
Percent of Scope 1 Methane Emissions Attributed to Boosting and Gathering Segment	0.6%	1.9%	-

FLARING	2020	2021	2022
Gross Annual Volume of Flared Gas (Mcf)	5,373,835	2,252,093	2,158,739
Percentage of gas flared per Mcf of gas produced Gross Annual Volume of Flared Gas (Mcf)/Gross Annual Gas Production (Mcf)	6.0%	1.7%	1.3%
Volume of gas flared per barrel of oil equivalent produced Gross Annual Volume of Flared Gas (Mcf)/Gross Annual Production (Boe)	0.138	0.044	0.032

SPILLS	2020	2021	2022
Produced Liquids Spilled (Bbl)/Total Produced Liquids (MBbl)	0.119	0.062	0.010

Spills data is Centennial only prior to the 9.1.22 merger, and combined Centennial and Colgate post merger. Spills data follows SASB and AXPC guidelines to only show spills greater than 1 bbl.

WATER USE	2020	2021	2022
Fresh Water Intensity Fresh Water Consumed (Bbl)/Gross Annual Production (Boe)	0.01	0.12	0.05
Water Recycle Rate Recycled Water (Bbl)/Total Water Consumed (Bbl)	0.23	0.15	0.27
Does your company use WRI Aqueduct, GEMI, Water Risk Filter, Water Risk Monetizer, or other comparable tool or methodology to determine the water-stressed areas in your portfolio?	N	N	N





AXPC Index (continued)

SAFETY	2020	2021	2022
Employee TRIR			
# of Employee OSHA Recordable Cases x 200,000/Annual Employee Workhours	-	-	-
Contractor TRIR			
# of Contractor OSHA Recordable Cases x 200,000/Annual Contractor Workhours	0.61	0.70	0.78
Combined TRIR			
# of Combined OSHA Recordable Cases x 200,000/Annual Combined Workhours	0.50	0.57	0.68

Safety data is Centennial only prior to the 9.1.22 merger, and combined Centennial and Colgate post merger.

SUPPORTING DATA	2020	2021	2022
Gross Annual Oil Production (Bbl)	24,229,715	29,434,115	38,614,422
Gross Annual Gas Production (Mcf)	89,092,183	132,942,063	168,054,447
Gross Annual Production (Boe)	39,078,412	51,591,126	66,623,497
Gross Annual Production (MBoe)	39,078	51,591	66,623
Gross Annual Production – As Reported Under Subpart W (MBoe)	39,078	51,591	66,623
Total Produced Liquids (MBbl)	116,763	159,204	213,875
Produced Liquids Spilled (Bbl)*	10,273	2,808	1,383
Fresh Water Consumed (Bbl)	426,174	6,334,373	3,130,052
Recycled Water (Bbl)	4,804,000	6,567,492	17,642,909
Total Water Consumed (Bbl)	21,348,173	45,138,953	66,386,300
Employee OSHA Recordable Cases*	-	-	-
Contractor OSHA Recordable Cases*	5	6	12
Combined OSHA Recordable Cases*	5	6	12
Annual Employee Workhours*	349,638	405,600	474,694
Annual Contractor Workhours*	1,650,362	1,716,819	3,062,110
Methodology*	Estimate based on activity and past study.		
Annual Combined Workhours*	2,000,000	2,122,419	3,536,804

All data has been calculated using the best available data and current calculation methodologies at the time of publication and is subject to change.

\*Spills and Safety data is Centennial only prior to the 9.1..22 merger, and combined Centennial and Colgate post merger."





## Forward-Looking Statements

This report contains “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, which involve risks, uncertainties, and assumptions. All statements, other than statements of historical fact, including statements regarding Permian Resources’: future performance; business strategy; future operations (including drilling plans and capital plans); estimates and projections of revenues, losses, costs, expenses, returns, cash flow, and financial position; reserve estimates and its ability to replace or increase reserves; anticipated benefits of strategic transactions (including acquisitions and divestitures); and plans and objectives of management (including plans for future cash flow from operations and for executing environmental strategies) are forward-looking statements. When used in this report, the words “aim,” “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “future,” “guidance,” “intend,” “may,” “model,” “outlook,” “plan,” “positioned,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “will,” “would,” and similar expressions (including the negative of such terms) as they relate to Permian Resources are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Although Permian Resources believes that the expectations and assumptions reflected in its forward-looking statements are reasonable as and when made, they involve risks and uncertainties that are difficult to predict and, in many cases, beyond Permian Resources’ control. Accordingly, forward-looking statements are not guarantees of future performance, and Permian Resources’ actual outcomes could differ materially from what Permian Resources has expressed in its forward-looking statements.

Factors that could cause the outcomes to differ materially include (but are not limited to) the following: changes in supply and demand levels for oil, natural gas and natural gas liquids, and the resulting impact on the price for those commodities; the impact of public health crises, including epidemic or pandemic diseases such as the COVID-19 pandemic, and any related company or government policies or actions; actions taken by the members of OPEC and Russia affecting the production and pricing of oil, as well as other domestic and global political, economic, or diplomatic developments, including any impact of the ongoing war in Ukraine on the global energy markets and geopolitical stability; inflationary pressures; rising interest rates and their impact on the cost of capital; regional

supply and demand factors, including delays, curtailment delays or interruptions of production, or governmental orders, rules or regulations that impose production limits; federal and state legislative and regulatory initiatives relating to hydraulic fracturing, including the effect of existing and future laws and governmental regulations; transition risks relating to climate change and the risks and other factors disclosed in Permian Resources’ filings with the Securities and Exchange Commission, including its Forms 10-K, 10-Q and 8-K, which can be obtained free of charge on the Securities and Exchange Commission’s web site at <http://www.sec.gov>.

In light of these factors, the events anticipated by Permian Resources’ forward-looking statements may not occur at the time anticipated or at all. Moreover, Permian Resources operates in a very competitive and rapidly changing environment and new risks emerge from time to time. Permian Resources cannot predict all risks, nor can it assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those anticipated by any forward-looking statements it may make. Accordingly, you should not place undue reliance on any forward-looking statements made in this report. All forward-looking statements speak only as of the date of this report or, if earlier, as of the date they were made. Permian Resources does not intend to, and disclaims any obligation to, update or revise any forward-looking statements unless required by applicable law.