

Pioneer Natural Resources Releases 2022 Sustainability Report

July 25, 2022

DALLAS--(BUSINESS WIRE)--Jul. 25, 2022-- **Pioneer Natural Resources Company (NYSE: PXD)** ("Pioneer" or "the Company") today announced the publication of its [2022 Sustainability Report](#), highlighting the Company's focus and significant progress on environmental, social and governance (ESG) initiatives. The comprehensive report details the Company's strong leadership position on ESG metrics and targets through 2021, including enhanced disclosures on air emissions, water management practices, diversity, equity and inclusion (DEI), board of director governance and community engagement.

Highlights from Pioneer's 2022 Sustainability Report include:

- **Continued progress toward emission reduction targets** – Following the successful integration of two acquisitions in 2021, Pioneer has invested capital to bring the acquired assets in line with the Company's environmental targets. With these assets included in Pioneer's 2021 reported metrics, the Company has achieved a 22% reduction in greenhouse gas (GHG) emissions intensity and a 50% reduction in methane emissions intensity from its 2019 baseline.
- **Joined the Oil and Gas Methane Partnership (OGMP) 2.0 Initiative** – Pioneer has joined OGMP 2.0, which is considered the gold standard on methane emission measurement and reporting for the upstream energy industry. Pioneer is focused on increasing transparency in its methane reporting and measurement, combined with having industry-leading environmental standards throughout its operations.
- **Accelerated zero routine flaring target** – Pioneer plans to end routine flaring by 2025, five years earlier than the Company's previous 2030 target. This commitment is in accordance with World Bank standards and demonstrates Pioneer's focus on environmental stewardship.
- **Strengthened freshwater reduction goal** – Pioneer has strengthened the Company's target to reduce the freshwater used in completions to 20% or less by 2026. This enhanced target reflects Pioneer's dedication to expanding the use of alternative water sources. The Company continues to increase its recycling capabilities and utilize reclaimed water from the cities of Midland and Odessa to achieve this goal.
- **Continued Board refreshment and expanded oversight** – Pioneer has appointed three new directors to the Company's Board of Directors ("Board") with combined expertise in DEI, ESG and alternative energy, in addition to outstanding business experience. The appointments of Lori George Billingsley, Maria Jelescu Dreyfus and Jacinto Hernandez in the past year have expanded the diverse backgrounds of the Company's Board. In addition, the Company further defined and expanded the responsibilities of the Board's Sustainability and Climate Oversight Committee, which monitors ESG trends, risks and opportunities; provides input on ESG goals and targets; and provides oversight of climate-related risk and mitigation plans.
- **Committed to local communities** – Pioneer and its employees donated more than \$9.5 million to numerous charitable organizations in 2021 and has committed more than \$20 million towards humanitarian aid to the people of Ukraine in 2022. Pioneer continues to maintain a leadership role in the Permian Strategic Partnership (PSP), an organization that has participated, along with other stakeholders, in funding over \$950 million of collaborative investments in the Permian Basin.

Chief Executive Officer Scott D. Sheffield stated, "Pioneer continues to demonstrate our leadership position in environmental, social and governance policies and accomplishments, which we are proud to outline in our 2022 Sustainability Report. In addition, we continue to further strengthen our commitments as illustrated by our recent joining of the OGMP 2.0 initiative, which strives to reduce methane emissions and increase reporting transparency."

Chairman of the Board, J. Kenneth Thompson, stated, "Pioneer is committed to sustainable practices while concurrently delivering low-cost energy to the world. The Company's work on its strong ESG strategy is a top priority and key area of oversight for the Board, and we are pleased with Pioneer's progress and continued success."

Additional information on Pioneer's strategy and performance on ESG and HSE initiatives can be found in the Sustainability Report, which is accessible on the Company's website listed below. This year's report references the following reporting standards, terminology and performance metrics: Task Force on Climate-related Financial Disclosure (TCFD), Global Reporting Initiative (GRI), International Petroleum Industry Environmental Conservation Association (IPIECA), Sustainability Accounting Standards Board (SASB) for oil and gas exploration and production standards and the United Nations Sustainable Development Goals (SDGs).

ERM Certification and Verification Services Inc. (ERM CVS) has provided limited assurance of Pioneer's 2021 emissions (Scope 1 and Scope 2) and flaring data. Additional information on the scope of this assurance can be found in the Sustainability Report.

Pioneer is a large independent oil and gas exploration and production company, headquartered in Dallas, Texas, with operations in the United States.

For more information, visit Pioneer's website at www.pxd.com.

Cautionary Statement Regarding Forward-Looking Information

Except for historical information contained herein, the statements in this news release are forward-looking statements that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements and the business prospects of the Company are subject to a number of risks and uncertainties that may cause the Company's actual results in future periods to differ materially from the forward-looking statements. These risks and uncertainties include, among other things, volatility of commodity prices; product supply and demand; the impact of a widespread outbreak of an illness, such as the COVID-19 pandemic, on global and U.S. economic activity and oil and gas demand; the impact of armed conflict and political instability on economic activity and oil and gas supply and demand; competition; the ability to obtain drilling, environmental and other permits and the timing thereof; the effect of future regulatory or legislative actions on Pioneer or the industries in which it operates, including potential changes to tax laws; the ability to obtain approvals from third parties and negotiate agreements with third parties on mutually acceptable terms; potential liability resulting from pending or future litigation; the costs, including the potential impact of increases due to supply chain disruptions, and results of drilling and operating activities; the risk of new restrictions with respect to development activities, including potential changes to regulations resulting in limitations on the Company's ability to dispose of produced water; availability of equipment, services, resources and personnel required to perform the Company's drilling and operating activities; access to and availability of transportation, processing, fractionation, refining, storage and export facilities; Pioneer's ability to replace reserves, implement its business plans or complete its development activities as scheduled; the Company's ability to achieve its emissions reductions, flaring and other ESG goals; access to and cost of capital; the financial strength of (i) counterparties to Pioneer's credit facility and derivative contracts, (ii) issuers to Pioneer's investment securities and (iii) purchasers of Pioneer's oil, NGL and gas production and downstream sales of purchased oil and gas; uncertainties about estimates of reserves, identification of drilling locations and the ability to add proved reserves in the future; the assumptions underlying forecasts, including forecasts of production, operating cash flow, well costs, capital expenditures, rates of return, expenses, and cash flow from downstream purchases and sales of oil and gas, net of firm transportation commitments; tax rates; quality of technical data; environmental and weather risks, including the possible impacts of climate change on the Company's operations and demand for its products; cybersecurity risks; the risks associated with the ownership and operation of the Company's water services business and acts of war or terrorism. These and other risks are described in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 and other filings with the United States Securities and Exchange Commission. In addition, the Company may be subject to currently unforeseen risks that may have a materially adverse effect on it. Accordingly, no assurances can be given that the actual events and results will not be materially different than the anticipated results described in the forward-looking statements. The Company undertakes no duty to publicly update these statements except as required by law.

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Pioneer Natural Resources Company Contacts:

Investors

Neal Shah - 972-969-3900
Tom Fitter - 972-969-1821
Greg Wright - 972-969-1770
Chris Leyboldt - 972-969-5834

Media and Public Affairs

Christina Voss - 972-969-5706

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