



CDP

CLIMATE CHANGE QUESTIONNAIRE

2022



Forward-Looking Statements

PDC Energy's 2022 CDP Climate Change Questionnaire contains "forward-looking statements" within the meaning of securities laws, including discussion of potential future risks, and the company's objectives, goals, plans, processes, intentions and expectations in managing such potential future risks and PDC Energy's business as a whole. Forward-looking statements involve known or unknown risks, either of which may cause the company's results to differ materially from information expressly or impliedly contained within the forward-looking statements. All statements (other than statements of historical fact) included in the 2022 CDP Climate Change Questionnaire that address objectives, goals, plans, processes, intentions and expectations of the company are forward-looking statements. These statements are subject to assumptions, risks and uncertainties that are beyond the company's control. Future results, objectives, goals, plans, expectations and forecasts may be impacted by the risks discussed in the Risk Factors section of PDC Energy's most recent Annual Report on Form 10-K, Form 10-Q or other filings with the SEC. Forward-looking statements contained within this report are made as of the date of this report. Although PDC Energy may voluntarily update its prior forward-looking statements at any time, the company disclaims any commitment to do so other than as required by securities laws.

C0. INTRODUCTION

C0.1

(C0.1) Give a general description and introduction to your organization.

PDC Energy, Inc. is an independent oil and gas company focused on maintaining a strong balance sheet and solid debt metrics while delivering value-added organic growth from a liquids-rich portfolio through horizontal drilling. Our mission is to efficiently and safely produce energy, while respecting the environment, in order to power and better peoples' lives.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting Year	January 1, 2021	December 31, 2021	Yes	1 year

C0.3

(C0.3) Select the countries/areas in which you operate.

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-OG0.7

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Row 1

Oil and gas value chain

Upstream

Other divisions

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	PDCE

C1. GOVERNANCE

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	In September 2021, PDC formalized its ESG Board oversight by incorporating ESG into our Board N&G Committee, establishing an Environmental, Social, Governance and Nominating Committee ("ESGN Committee"). The ESGN Committee is charged with oversight of all ES&N matters, including climate-related issues. The ESGN Committee reviews and assesses the effectiveness of the Company's ESG strategy, initiatives, and monitors, responds to, and makes recommendations regarding ESG-related trends and emerging issues, including climate-related risks and opportunities. In early 2021, PDC engaged a third-party expert to support the Company in an ESG scenario and strategy analysis using the guidelines set out by TCFD to better understand the impacts of a possible carbon-constrained future. The initial results of the analysis were presented to, and supported by, the ESGN Committee. The charter of our ESGN Committee can be accessed at http://www.pdce.com/wp-content/uploads/3.-2021-09-15-ESGN-Comm-Charter-Amended-and-Restated.pdf .
Director on board	Independent board member who serves as chair and provides oversight of ESGN Committee. http://www.pdce.com/culture/corporate-governance/#1542747197959-1bdc8682-7ef9

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
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Scheduled – all meetings	<ul style="list-style-type: none"> • Reviewing and guiding strategy • Reviewing and guiding major plans of action • Reviewing and guiding risk management policies • Reviewing and guiding annual budgets • Reviewing and guiding business plans • Setting performance objectives • Monitoring implementation and performance of objectives • Overseeing major capital expenditures, acquisitions and divestitures • Monitoring and overseeing progress against goals and targets for addressing climate-related issues 	<Not Applicable>	<p>PDC's ESGN Committee meets on a quarterly basis and is charged with, among other things, oversight of climate-related issues. On a quarterly basis, the Committee reviews certain environmental related key performance indicators for the Company, including spill rates and emissions, as well as GHG and methane emission intensity reduction goals. The Committee also periodically reviews internally created presentations that showcase relevant ESG topics and initiatives. The ESGN Committee will review and assess the effectiveness of the Company's ESG strategy, initiatives, as well as monitor, respond to, and make recommendations regarding ESG-related trends, emerging issues, including climate-related risks and opportunities. The Committee receives updates regarding the Company's status with respect to federal, state, and local regulations for air emissions, water, wildlife, spill reporting, safety, and general operations, as relevant. The Committee also regularly reviews disclosure practices, peer benchmarking of ESG metrics, and changing technologies and practices that have the potential to improve the Company's overall ESG strategy and performance, in addition to receiving presentations and education from third-party experts. Given the small size of our Board (currently seven members), the full Board is regularly present for our ESGN Committee meetings and engages with the ESGN Committee specifically on climate-related strategy/ planning and ESG performance-based compensation practices. In order to provide support for the Company's ongoing ESG efforts, in 2021, the Company established an internal ESG Steering Committee ("Steering Committee") consisting of certain members of management, including the General Counsel, SVP Operations and corporate officers who lead HR, EHS, Operations, Sustainability and Public Affairs, Finance, Audit and Investor Relations. This Steering Committee supports the initiatives that are presented and evaluated by the Board ESGN Committee.</p>
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C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	The ESGN Committee of the Board consists of three independent board members with prior experience and exposure to ESG and climate-related issues with broad expertise in a variety of industries.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other C-Suite Officer, please specify (General Counsel)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Chief Financial Officer (CFO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other C-Suite Officer, please specify (SVP, Operations)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other, please specify (VP, Environmental, Health and Safety)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other, please specify (ESG Steering Committee, led by Director of Sustainability and Public Affairs)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Climate-related issues are managed through a multi-layered approach at PDC. At the top, the Board ESGN Committee provides strategic counsel and oversight. At the next level, PDC's Senior Management Team ("SMT"), consisting of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Executive Vice President (EVP) Corporate Development & Strategy, Senior Vice President (SVP) General Counsel and SVP Operations, is engaged in full ESG and climate-related scenario and strategy planning, facilitated by a third-party, setting direction for key functionalities within the Company. Below the SMT oversight is PDC's Steering Committee led by the Company's senior leader from the Sustainability and Public Affairs department, with the Company's General Counsel and SVP of Operations serving as executive sponsors for the committee. Also part of the Steering Committee are senior leaders from Environmental, Health and Safety, Human Resources, Finance, Operations, Legal, Audit and Investor Relations. By including representatives from all key areas of the Company, the Steering Committee ensures a coordinated, Company-wide approach to ESG. The Steering Committee meets more often than monthly and is tasked with providing tangible actions and metrics that will allow PDC to achieve key goals over time. The SMT and Steering Committee recognize the importance of collaboration and integration of ESG across the organization and regularly review the Company's performance versus targets, ensure accuracy of disclosures, engage with investors on climate-related issues, incorporate risk assessment and ESG strategy into financial and operational plans, tie employee compensation to ESG performance, including emissions and spill metrics, encourage and solve for technical and operational changes that improve climate-related performance and develop governance practices responsive to climate-related issues. The lead of the Steering Committee and the VP EHS report monthly to the SMT and quarterly to the ESGN Committee regarding status of major initiatives, and to discuss strategy with respect to climate related risks and opportunities.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	PDC's spill rate and emissions management targets (GHG and methane reductions) are part of the SMT and company-wide compensation structure, specifically achievement of goals related to these topics impact all employees' short-term bonus opportunity.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
All employees	Monetary reward	Emissions reduction target Other (please specify) (Environmental targets, Safety targets)	PDC's 2021 short-term bonus program for all employees is tied to formulaic environmental and safety targets, including air emissions (specifically greenhouse gas intensity and methane intensity), as well as spill volumes, total recordable injury rate (TRIR) and preventable vehicle accident rate (PVAR). Additionally, short-term incentive compensation for 2021 is tied to other ESG initiatives, including establishing systems, processes and a controls framework for those environmental and safety metrics, reducing our total flaring rate in the Delaware Basin, and continuing our enhanced focus on D&I initiatives through D&I training/awareness, diverse interview panels, leadership/training opportunities and corporate policy advancement.
Chief Executive Officer (CEO)	Monetary reward	Emissions reduction target Other (please specify) (Environmental targets, Safety targets)	PDC's 2021 short-term bonus program for all employees is tied to formulaic environmental and safety targets, including air emissions (specifically greenhouse gas intensity and methane intensity), as well as spill volumes, total recordable injury rate (TRIR) and preventable vehicle accident rate (PVAR). Additionally, short-term incentive compensation for 2021 is tied to other ESG initiatives, including establishing systems, processes and a controls framework for those environmental and safety metrics, reducing our total flaring rate in the Delaware Basin, and continuing our enhanced focus on D&I initiatives through D&I training/awareness, diverse interview panels, leadership/training opportunities and corporate policy advancement.

C2. RISKS AND OPPORTUNITIES

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	2	Short term: Operations and budget time frame
Medium-term	3	10	Medium term: Planning time frame
Long-term	11	30	Long-term: Key stakeholder time frame, including investors and employees.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

The Company manages broad business risks utilizing an Enterprise Risk Management (ERM) policy. Risk Impact is graded into four categories on impact (from minimal to catastrophic) and likelihood (from rare to frequent). ESG associated risks can lead to ancillary financial or equity value impacts due to negative effects on reputation and strategy. PDC Energy's Risk Management Committee (RMC) evaluates, monitors, and mitigates (where possible) those risks by appointing risk owners who define the active risk mitigation strategies, and the approach used to monitor risk activity. Emerging risks and trends are also considered. The top ranked risks are reviewed at the Committee's periodic meetings along with a presentation provided by a selected risk owner discussing their risk evaluation metrics and currently employed risk mitigation strategies. Top ranked risks are annually reviewed by the Board, and separately the Audit Committee of the Board, in conjunction with a report from Internal Audit who reviews the ERM processes. The report verifies the RMC Committee properly monitors and addresses existing and emerging risks and trends facing the Company and that the appropriate people, processes, and systems are in place to manage such risks. The Board annually reviews the Company's risk management philosophy and practices, as does the Audit Committee. The Board also considers potential risks to the Company's strategic initiatives.

Annually, the RMC Committee also conducts a survey that includes key subject matter experts, the Senior Management Team and the Board of Directors to assess each individual's Risk Appetite. This process defines the amount and type of risk that PDC Energy is willing to take in order to meet its strategic objectives on an operational, tactical and strategic level.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Climate-related risks and opportunities are considered as part of our Enterprise Risk Management (ERM) Policy. The ERM Policy, in conjunction with the Company's RMC, sets forth a process whereby risks are identified, assessed, and reviewed in consideration of the likelihood of the risk to occur, the potential impact of the risk and the timeframe of the risk. The risk process incorporates risks disclosed in the Risk Factors section of PDC Energy Company's Form 10-K SEC filing, as well as considers potentially relevant risk factors disclosed in peer company's Form 10-K SEC filings, emerging risks discussed in the World Economic Forum's annual Global Risk Report and other potential risks associated with ESG policies. Risk Impact is graded into four categories on impact (from minimal to catastrophic) and likelihood (from rare to

frequent). ESG associated risks can lead to ancillary financial or equity value impacts due to negative effects on reputation and strategy. The Risk Management Committee (RMC) evaluates, monitors, and mitigates (where possible) those risks by appointing risk owners who define the active risk mitigation strategies, and the approach used to monitor risk activity. The RMC committee evaluates, monitors, and mitigates (where possible) those risks by appointing risk owners who define the active risk mitigation strategies, and the approach used to monitor risk activity. Emerging risks and trends are also considered. The top ranked risks are reviewed at the Committee's periodic meetings along with a presentation provided by a selected risk owner discussing their risk evaluation metrics and currently employed risk mitigation strategies. Top ranked risks are annually reviewed by the Board in conjunction with a report from Internal Audit who reviews the ERM processes. The report verifies the RMC Committee properly monitors and addresses existing and emerging risks and trends facing the Company and that the appropriate people, processes, and systems are in place to manage such risks. The Board annually reviews the Company's risk management philosophy and practices. The Board also considers potential risks to the Company's strategic initiatives as part of this process. PDC Energy has a Management ESG Committee consisting of certain members of management including the General Counsel and corporate officers who lead HR, EHS, operations and Investor Relations. This multi-disciplinary team works closely to identify, monitor, and evaluate environmental-related policy, regulatory, and legislative risks in the United States. Members of the RMC Committee are also on the Management ESG Committee. The Management ESG Committee meets regularly and reports to the ESG Committee quarterly regarding environmental performance, status of major initiatives, and to discuss strategy related to climate related risks and opportunities. PDC Energy's annual risk assessment considers emerging regulations, such as carbon pricing mechanisms and emission control requirements, and models the impact.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

Relevance & inclusion		Please explain
Current regulation	Relevant, always included	
Emerging regulation	Relevant, always included	
Technology	Relevant, always included	
Legal	Relevant, always included	Climate-related legal risks could include, but not be limited to, the potential for increased litigation involving climate-related laws or regulations and the Company's disclosures concerning climate-related matters. Federal, state, and local authorities regulate the oil and gas industry. Legislation and regulations affecting the industry are often amended or supplemented. PDC is in substantial compliance with applicable Colorado and Texas and federal GHG and methane regulatory requirements. The foregoing discussion is subject to and supplemented by the "Risk Factor" sections of the Company's Form 10-K and other regulatory filings.
Market	Relevant, always included	
Reputation	Relevant, always included	

Acute physical	Relevant, always included	In light of the location and nature of PDC's operations, the primary physical climate risks for PDC arise from increased exposure of field operations to water stress and wildfire. These risks represent potential increases in frequency and severity of historically-present conditions and events in this region. These risks will require monitoring and management but are not expected to fundamentally alter the strategy and key processes of the company. PDC will continue to study and monitor the best available science to understand and consider both the overall risks and sub-regional variations. In the near term, these may impact operations, budget and capital plans related to preparedness, resiliency and adaptation. In the longer term, depending on developments in the science and granularity of future projects, there could be some strategic impact in prioritizing both operations and potentially M&A activity.
Chronic physical	Relevant, always included	In light of the location and nature of PDC's operations, the primary physical climate risks for PDC arise from increased exposure of field operations to water stress and wildfire. These risks represent potential increases in frequency and severity of historically-present conditions and events in this region. These risks will require monitoring and management but are not expected to fundamentally alter the strategy and key processes of the company. PDC will continue to study and monitor the best available science to understand and consider both the overall risks and sub-regional variations. In the near term, these may impact operations, budget and capital plans related to preparedness, resiliency and adaptation. In the longer term, depending on developments in the science and granularity of future projects, there could be some strategic impact in prioritizing both operations and potentially M&A activity.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

- Emerging regulation
- Mandates on and regulation of existing products and services

Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

In every scenario considered, certain factors are common which could increase PDC costs and/or reduce PDC markets, including:

- Increased regulation aimed at reducing all possible GHG emissions from exploration and production of fossil fuels.
- Increased public policy actions to reduce the consumption of fossil fuels, including potential regulation on use of fossil fuels, taxing the use of fossil fuels, promotion of the development and adoption of energy-efficiency measures, and promotion of the development and adoption of alternative energy sources.

Time horizon

Medium-term

Likelihood

Unknown

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure**Cost of response to risk****Description of response and explanation of cost calculation****Comment**

As a company currently based entirely on upstream oil and gas, PDC recognizes its biggest risks and opportunities are overwhelmingly related to transition as the US and global economies move away from dependence on fossil fuels. These risks appear to be minimal over the short term, but may grow substantially over the medium and long term. In every scenario considered, certain factors are common which could increase PDC costs and/or reduce PDC markets, including:

- Increased regulation aimed at reducing all possible GHG emissions from exploration and production of fossil fuels.
- Increased public policy actions to reduce the consumption of fossil fuels, including potential regulation on use of fossil fuels, taxing the use of fossil fuels, promotion of the development and adoption of energy-efficiency measures, and promotion of the development and adoption of alternative energy sources.

These factors raise the potential of material financial impacts on the company including:

- Decreased revenues
- Decreased margins
- Increased capital demands
- Challenges in attracting and retaining employees
- Reduced access to capital and as the market anticipates investors those decreases.

Quantification of these risks will be extremely complex and will depend on a number of different assumptions. PDC has not yet moved to that quantification of these risks. PDC will work to better understand the quantification of these risks in the future and will disclose as meaningful quantification becomes available.

C2.4**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

C2.4a**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

The opportunities for PDC are found in its ability to identify and potential to manage these risks better than competing firms. While some scenarios would show a substantial decline in the overall market, there would still be a market and PDC would be able to compete for an increased share (perhaps with a reduction in marginal competitors unable to meet rising expectations). PDC's scale may be a limiting factor in its ability to realize these opportunities. To the extent that success depends on major levels of investment, scale may be a crucial factor. However, it is possible that realizing these opportunities will require agility, operating efficiency, experience in acquiring and improving operations, and flexibility in identifying and allying with less conventional partners. In this case, PDC's scale and experience might make it much better able to realize these opportunities than substantially larger firms.

Time horizon

Medium-term

Likelihood

Unknown

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure**Cost to realize opportunity****Strategy to realize opportunity and explanation of cost calculation****Comment**

The opportunities for PDC are found in its ability to identify and potential to manage these risks better than competing firms. While some scenarios would show a substantial decline in the overall market, there would still be a market and PDC would be able to compete for an increased share (perhaps with a reduction in marginal competitors unable to meet rising expectations). PDC's scale may be a limiting factor in its ability to realize these opportunities. To the extent that success depends on major levels of investment, scale may be a crucial factor. However, it is possible that realizing these opportunities will require agility, operating efficiency, experience in acquiring and improving operations, and flexibility in

identifying and allying with less conventional partners. In this case, PDC's scale and experience might make it much better able to realize these opportunities than substantially larger firms. As in considering risks, quantification of these opportunities will be extremely complex and will depend on a number of different assumptions. PDC has not yet moved to that quantification of these opportunities. PDC will work to better understand the quantification of these opportunities in the future and will disclose as meaningful quantification becomes available.

C3. BUSINESS STRATEGY

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, our strategy has been influenced by climate-related risks and opportunities, but we do not plan to develop a transition plan within two years

Publicly available transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

PDC has developed a strategy that has analyzed and includes climate and climate impacts but does not plan to transition away from our core business competency at this time.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
<ul style="list-style-type: none"> • Transition scenarios • Bespoke transition scenario 	Company-wide	Unknown	<p>In deciding to proceed with TCFD disclosure, PDC Energy, Inc. ("PDC") chose to make its assessment of climate-related risks and opportunities a meaningful business analysis rather than a perfunctory exercise to meet reporting expectations. PDC explicitly chose to follow the intent and not just the letter of TCFD. PDC is proud of the efforts its undertaken to date. PDC focused on three principles in preparing for TCFD disclosure: - Substantive Senior Management Team ("SMT") engagement in the process and ownership of the outcomes; - Open consideration of a wide range of potential climate scenarios including 2 degree scenarios; and - Meaningful integration of the results and implications into business strategy and decisions. PDC followed the guidance of TCFD's 2017 Technical Supplement on The Use of Scenario Analysis in Disclosure of Climate-related Risks and Opportunities, as supplemented by TCFD's 2020 Guidance on Scenario Analysis for Non-Financial Companies. The critical elements focused on by PDC include: - Providing clear governance and executive-level leadership, reporting to the CEO, with C-Suite engagement and Board awareness and oversight. This ensures that scenarios are "relevant for (and have legitimacy in the eyes of) the managers who will use them." - Challenging company assumptions "[i]n setting climate-related scenario time horizons," rather than accepting "traditional planning horizons, which are often too short." - Developing sound qualitative scenario narratives before moving to quantification, avoiding "excessive focus on quantification." - Rigorously testing of current and potential strategies to see their value and resilience under different scenarios. - Using outside third party expert resources to provide insight, "challenge [the company's] own thinking about the organization and its business (model)," and "avoid the trap of 'business as usual' mental models [which] can impair the engagement process."</p>
<ul style="list-style-type: none"> • Physical climate scenarios • Bespoke physical scenario 	Company-wide	Unknown	<p>In deciding to proceed with TCFD disclosure, PDC Energy, Inc. ("PDC") chose to make its assessment of climate-related risks and opportunities a meaningful business analysis rather than a perfunctory exercise to meet reporting expectations. PDC explicitly chose to follow the intent and not just the letter of TCFD. PDC is proud of the efforts its undertaken to date. PDC focused on three principles in preparing for TCFD disclosure: - Substantive Senior Management Team ("SMT") engagement in the process and ownership of the outcomes; - Open consideration of a wide range of potential climate scenarios including 2 degree scenarios; and - Meaningful integration of the results and implications into business strategy and decisions. PDC followed the guidance of TCFD's 2017 Technical Supplement on The Use of Scenario Analysis in Disclosure of Climate-related Risks and Opportunities, as supplemented by TCFD's 2020 Guidance on Scenario Analysis for Non-Financial Companies. The critical elements focused on by PDC include: - Providing clear governance and executive-level leadership, reporting to the CEO, with C-Suite engagement and Board awareness and oversight. This ensures that scenarios are "relevant for (and have legitimacy in the eyes of) the managers who will use them." - Challenging company assumptions "[i]n setting climate-related scenario time horizons," rather than accepting "traditional planning horizons, which are often too short." - Developing sound qualitative scenario narratives before moving to quantification, avoiding "excessive focus on quantification." - Rigorously testing of current and potential strategies to see their value and resilience under different scenarios. - Using outside third party expert resources to provide insight, "challenge [the company's] own thinking about the organization and its business (model)," and "avoid the trap of 'business as usual' mental models [which] can impair the engagement process."</p>

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

PDC developed its own qualitative narrative scenarios. As TCFD’s 2017 guidance noted: Organizations just beginning to use scenario analysis may choose to start with qualitative scenario narratives or storylines to help management explore the potential range of climate change implications for the organization. This approach enables management to understand, own and use the scenarios and therefore truly participate in the scenario analysis and its strategic implications. After this is done, management is much better able to determine what should be addressed in future formal TCFD analysis and disclosure. PDC used TCFD’s “STEEP Model of Driving Forces” to develop its scenarios:

- Social: Demographic factors, health and education trends, civil stability
- Technology: Research trends, emerging technologies, technology diffusion
- Economic: Macro- and micro-economic trends, regional and national trends, financial market trends, trade rules and protectionism
- Environment: Ecosystem trends, climate and weather trends, pollution, land use, energy and waste
- Political: Policy, laws and regulations, court decisions, political considerations Scenario development began by looking at potential future directions in environment (especially physical climate change) and political (especially climate-related public policy).

Those hypotheses were then tested against the other STEEP forces and modified accordingly. Scenario development was refined by exploring how each scenario might translate into a different market context, taking into account:

- Energy supply
- Energy demand
- Energy costs
- Energy pricing
- Regulation (both regional and national)
- Social “License to operate” (both regional and national)

Each SMT member was interviewed individually for development of their own potential scenarios without the influence of other SMT members or the “group think” that might stifle challenging conventional wisdom. The results of the interviews were then aggregated anonymously, retaining the key words from SMT members’ own scenarios. The results were reviewed and revised in a workshop with all SMT members and third party expert facilitation. These scenarios were developed rigorously as forward-looking hypothetical futures, without regard for current or potential business strategies or consequences.

Results of the climate-related scenario analysis with respect to the focal questions

While PDC has not yet moved to quantification of the climate risks and opportunities, the scenario and strategy process has enabled PDC to understand the broad direction and potential scale of those risks and opportunities. The scenario analysis identified the potential for substantial risks to the resilience of the business. Increased efforts to decarbonize the economy are likely to include both:

- Efforts to shift away from fossil fuels; and
- Higher expectations (both regulatory and market) on the carbon efficiency of residual fossil fuel providers.

The resilience of the company’s strategy – and indeed the extent to which these efforts represent opportunities or risks – will increasingly depend on both:

- How the company compares to other fossil fuel providers in its climate and environmental efficiency; and
- Whether the company reduces its dependency on fossil fuels as its only energy business.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Not evaluated	
Supply chain and/or value chain	Evaluation in progress	

Investment in R&D	Not evaluated	
Operations	Not evaluated	

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital allocation	PDC has a planned budget for ESG and emissions reduction initiatives.

C4. TARGETS AND PERFORMANCE

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

<Not Applicable>

Intensity metric

Other, please specify (Metric Tons CO2e per Thousand barrels of oil equivalent (MBOE))

Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

15.15

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for Scope 3 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

15.15

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

<Not Applicable>

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure

<Not Applicable>

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2025

Targeted reduction from base year (%)

60

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

6.06

% change anticipated in absolute Scope 1+2 emissions

% change anticipated in absolute Scope 3 emissions

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

13.4

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for Scope 3 (metric tons CO2e per unit of activity)

<Not Applicable>

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

13.4

% of target achieved relative to base year [auto-calculated]

19.2519251925193

Target status in reporting year

Underway

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Target ambition

<Not Applicable>

Please explain target coverage and identify any exclusions

In 2021, PDC began progress towards achieving our multi-year GHG intensity goal. All company-wide operations are included in our Scope 1 intensity calculation with the exception of sources not included in 40 C.F.R. Subpart W reporting or counts of equipment, instead of emissions, required by 40 C.F.R. Subpart W. Additionally, Scope 1 targets do not include emissions from personal vehicles used for business purposes. Plan for achieving target, and progress made to the end of the reporting year In 2021, PDC set and the Board approved GHG reduction targets along with a supporting measurement framework & subordinate goals. The team utilized the WBCSD and World Resources Institute, The GHG Protocol Report framework & targets were based upon past performance & identified projects to reduce emissions in certain reporting categories. PDC created an internal working group dedicated to emissions reduction and responsible for developing &

executing asset level projects to ensure PDCs stated goals are met. The team meets regularly with management to ensure alignment with other corporate strategies & goals. PDC achieved a 12% reduction in GHG Intensity:

- PDC focused efforts to reduce fugitive methane emissions & began a multi-year program to modify existing production facilities by retrofitting gas driven pneumatics with air. 24 facilities in the Wattenberg Basin were completed in 2021 with more than 900 pneumatic devices converted.
- In the Delaware Basin, execution of a multi-faceted project started in 2020, continued with the retrofit of 40 production facilities to gather more accurate data via our air compliance system, install vapor control systems, install tank pressure monitoring systems, & revise our operating procedures to minimize routine flaring.
- Continued focus on minimizing routine flaring in our Delaware operations contributed to a 70% reduction in reported associated venting & flaring from 2020.
- Improvement in data quality & changes to our calculation methodology, in alignment with the GHG Mandatory Reporting Rule (40 CFR 98 Subpart W), allowed PDC to report 2021 emissions more accurately. Additionally, the team undertook a project to revamp our annual GHG calculations to monthly. This allows us to timelier tracking of progress against our emission reduction goals.
- PDC employs a rigorous leak detection & repair program at production facilities that meet or exceed the regulatory requirements of each operating basin. Utilizing LDAR data in the calculation of equipment leaks led to an 85% reduction in reported emissions.
- Changes in both pre-production & production operations, including controlled flowback during completions & workovers & well liquid unloading helped achieve 50% reduction & 60% reduction, respectively, in reported emissions. Additionally, the use of Tier 4 engines on drilling rigs reduced overall emissions.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to reduce methane emissions

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2021

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

- Methane reduction target
- Total methane emissions in CO2e

Target denominator (intensity targets only)

Other, please specify (Thousand of Barrels of Oil Equivalent (MBOE))

Base year

2020

Figure or percentage in base year

7.38

Target year

2025

Figure or percentage in target year

3.69

Figure or percentage in reporting year

6.14

% of target achieved relative to base year [auto-calculated]

33.6043360433604

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes – This is a subset of emissions that are also included in the total GHG emissions target

Is this target part of an overarching initiative?

Reduce short-lived climate pollutants

Please explain target coverage and identify any exclusions

Company-wide coverage. No exclusions.

Plan for achieving target, and progress made to the end of the reporting year

In 2021, PDC set and the Board approved GHG reduction targets along with a supporting measurement framework & subordinate goals. The team utilized the WBCSD and World Resources Institute, The GHG Protocol Report framework & targets were based upon past performance & identified projects to reduce emissions in certain reporting categories. PDC created an internal working group dedicated to emissions reduction and responsible for developing & executing asset level projects to ensure PDCs stated goals are met. The team meets regularly with management to ensure alignment with other corporate strategies & goals. PDC achieved an 17% reduction in CH4 Intensity:

- PDC focused efforts to reduce fugitive methane emissions & began a multi-year program to modify existing production facilities by retrofitting gas driven pneumatics with air. 24 facilities in the Wattenberg Basin were completed in 2021 with more than 900 pneumatic devices converted.
- In the Delaware Basin, execution of a multi-faceted project started in 2020, continued with the retrofit of 40 production facilities to gather more accurate data via our air compliance system, install vapor control systems, install tank pressure monitoring systems, & revise our operating procedures to minimize routine flaring.
- Continued focus on minimizing routine flaring in our Delaware operations contributed to a 70% reduction in reported associated venting & flaring from 2020.
- Improvement in data quality & changes to our calculation methodology, in alignment with the GHG Mandatory Reporting Rule (40 CFR 98 Subpart W), allowed PDC to report 2021 emissions more accurately. Additionally, the team undertook a project to revamp our annual GHG calculations to monthly. This allows us to timelier tracking of progress against our emission reduction goals.
- PDC employs a rigorous leak detection & repair program at production facilities that meet or exceed the regulatory requirements of each operating basin. Utilizing LDAR data in the calculation of equipment leaks led to an 85% reduction in reported emissions.
- Changes in both pre-production & production operations, including controlled flowback during completions & workovers & well liquid unloading helped achieve 50% reduction & 60% reduction, respectively, in reported emissions. Additionally, the use of Tier 4 engines on drilling rigs reduced overall emissions.

List the actions which contributed most to achieving this target

<Not Applicable>

Target reference number

Oth 2

Year target was set

2021

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify (Zero Routine Flaring Intensity)

Target denominator (intensity targets only)

<Not Applicable>

Base year

2020

Figure or percentage in base year

0.0087

Target year

2025

Figure or percentage in target year

0

Figure or percentage in reporting year

0.0067

% of target achieved relative to base year [auto-calculated]

22.9885057471264

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes – This is a subset of emissions that are also included in the total GHG emissions target

Is this target part of an overarching initiative?

Reduce short-lived climate pollutants

Please explain target coverage and identify any exclusions

This target is specific to our operations in the Delaware Basin and it does not include reporting in the Wattenberg Field, which does not allow routine flaring of associated gas per Colorado regulatory requirements.

Plan for achieving target, and progress made to the end of the reporting year

As stated in C4.1b; PDC aims to be a responsible corporate citizen and more transparent about our operations over time, according to our priorities and those of our stakeholders. As the conversation around environmental protection and the reduction of greenhouse gas (GHG) emissions has increased, PDC has engaged leaders across our organization to identify opportunities for improvement and set long-term goals. In early 2021, PDC launched a project to develop company GHG reduction targets, along with a supporting measurement framework and subordinate goals. The team utilized the World Business Council for Sustainable Development and World Resources Institute, The Greenhouse Gas Protocol Report (a corporate accounting and reporting standard) framework to develop our corporate targets. These targets were based upon our past emissions performance and identified projects to reduce emissions in certain reporting categories. PDC's senior management and Board of Directors approved the ambitious corporate environmental targets in mid-2021. PDC has recognized that our aggressive emission reduction targets need continued focus to ensure we meet our targets and has since created an internal working group dedicated to emissions reduction. The team is responsible for developing and executing asset level projects to ensure PDC's stated goals are met. The team meets regularly with management to ensure alignment with other corporate strategies and goals. PDC achieved a 69% reduction in Flaring Intensity (MCF/BOE), from our baseline year of 2020, by initiating multiple projects to achieve reductions in our emissions reporting. These projects impact our GHG Intensity, CH4 Intensity and Flaring

targets. Continued investment in facility modifications and changes to operational practices, to reduce routine flaring of natural gas.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*	2	
Implemented*		
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

- Fugitive emissions reductions
- Oil/natural gas methane leak capture/prevention

Estimated annual CO2e savings (metric tonnes CO2e)

145091

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

100000

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

We cannot separate CO2e savings by project in RY2021. We are working to develop this transparency in 2022. We do not anticipate annual monetary savings for projects implemented in 2021.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Ongoing operational revisions to comply with changing federal and state regulations; including Colorado Reg 7 and Reg 22.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C-OG4.6

(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.

As methane is recognized as a potent greenhouse gas with a nearer term impact to the environment, PDC focused efforts to reduce our fugitive methane emissions. As described in C4.1b and C4.2b above, two projects contributed to the majority of methane emission reductions.

- PDC began a multi-year program to modify existing production facilities by retrofitting gas driven pneumatics with air. Twenty-four (24) facilities in the Wattenberg Basin were completed in 2021 with more than nine hundred (900) pneumatic devices converted.
- PDC employs a rigorous leak detection and repair (LDAR) program at our production facilities that meet or exceeds the regulatory requirements of each operating basin. Utilizing our LDAR data in the calculation of our equipment leaks led to an 85% reduction in reported emissions from 2020.

Additionally, continued focus on minimizing routine flaring in our Delaware operations contributed to a 70% reduction in reported associated venting and flaring from 2020.

C-OG4.7

(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Yes

C-OG4.7a

(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

All facilities are subject to leak detection per various regulatory requirements. Federal, State and/or local regulatory protocols are met or exceeded in all PDC operations.

C-OG4.8

(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

PDC desires to eliminate or minimize routine flaring and has made this a prioritization in our Delaware Basin asset. We have set a target of zero routine flaring intensity by 2025. As described in C4.2b - Oth2 above, execution of a multi-faceted project started in 2020, continued with the retrofit of 40 production facilities to gather more accurate data via our air compliance system, install vapor control systems, install tank pressure monitoring systems, and revise our operating procedures to minimize routine flaring.

PDC achieved an 69% reduction in Flaring Intensity (MCF/BOE), from our baseline year of 2020, and will continue investment in facility modifications and changes to operational practices, to reduce routine flaring of natural gas.

C5. EMISSIONS METHODOLOGY

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

Yes

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2020

Base year end

December 31, 2020

Base year emissions (metric tons CO2e)

1145687.34

Comment

Scope 2 (location-based)

Base year start

January 1, 2020

Base year end

December 31, 2020

Base year emissions (metric tons CO2e)

7223.16

Comment

Although Scope 2 emissions are not included in our Corporate Targets, PDC does track and report our Scope 2 emissions.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

The location-based result has been used as a proxy since a market-based figure cannot be calculated.

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Other, please specify (US EPA 40 CFR Part 98 Subpart W)

C6. EMISSIONS DATA

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

1000596

Start date

January 1, 2021

End date

December 31, 2021

Comment

In addition to greenhouse gas emissions as reported to EPA, PDC includes within Scope 1 data estimated emissions from company operated vehicles. Emissions are converted to CO2e using AR5 Global Warming Potential Values to align with SASB reporting guidance.

Past year 1**Gross global Scope 1 emissions (metric tons CO2e)**

1145687

Start date

January 1, 2020

End date

December 31, 2020

Comment

In addition to greenhouse gas emissions as reported to EPA, PDC includes within Scope 1 data estimated emissions from company operated vehicles. Emissions are converted to CO2e using AR5 Global Warming Potential Values to align with SASB reporting guidance.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**Row 1****Scope 2, location-based**

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?**Reporting year****Scope 2, location-based**

7223.16

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

January 1, 2021

End date

December 31, 2021

Comment**Past year 1****Scope 2, location-based**

5283.43

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

January 1, 2020

End date

December 31, 2020

Comment**C6.4**

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services**Evaluation status**

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain**Capital goods****Evaluation status**

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Upstream transportation and distribution

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Waste generated in operations

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Business travel

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Employee commuting

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Upstream leased assets

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Downstream transportation and distribution

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Processing of sold products

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Use of sold products

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

End of life treatment of sold products

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Downstream leased assets

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Franchises

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Investments

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (upstream)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

End date

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

13.5

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1007819

Metric denominator

Other, please specify (Thousand barrels of oil equivalent (MBOE))

Metric denominator: Unit total

74667

Scope 2 figure used

Location-based

% change from previous year

Direction of change

<Not Applicable>

Reason for change

C-OG6.12

(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO2e) per unit of hydrocarbon category.

Unit of hydrocarbon category (denominator)

Other, please specify (Thousand Barrels of Oil Equivalent (MBOE))

Metric tons CO2e from hydrocarbon category per unit specified

13.4

% change from previous year

12

Direction of change

Decreased

Reason for change

In 2021, PDC set and the Board approved GHG reduction targets along with a supporting measurement framework & subordinate goals. The team utilized the WBCSD and World Resources Institute, The GHG Protocol Report framework & targets were based upon past performance & identified projects to reduce emissions in certain reporting categories. PDC created an internal working group dedicated to emissions reduction and responsible for developing & executing asset level projects to ensure PDCs stated goals are met. The team meets regularly with management to ensure alignment with other corporate strategies & goals. PDC achieved a 12% reduction in GHG Intensity:

- PDC focused efforts to reduce fugitive methane emissions & began a multi-year program to modify existing production facilities by retrofitting gas driven pneumatics with air. 24 facilities in the Wattenberg Basin were completed in 2021 with more than 900 pneumatic devices converted.
- In the Delaware Basin, execution of a multi-faceted project started in 2020, continued with the retrofit of 40 production facilities to gather more accurate data via our air compliance system, install vapor control systems, install tank pressure monitoring systems, & revise our operating procedures to minimize routine flaring.
- Continued focus on minimizing routine flaring in our Delaware operations contributed to a 70% reduction in reported associated venting & flaring from 2020.

- Improvement in data quality & changes to our calculation methodology, in alignment with the GHG Mandatory Reporting Rule (40 CFR 98 Subpart W), allowed PDC to report 2021 emissions more accurately. Additionally, the team undertook a project to revamp our annual GHG calculations to monthly. This allows us to timelier tracking of progress against our emission reduction goals.
- PDC employs a rigorous leak detection & repair program at production facilities that meet or exceed the regulatory requirements of each operating basin. Utilizing LDAR data in the calculation of equipment leaks led to an 85% reduction in reported emissions.
- Changes in both pre-production & production operations, including controlled flowback during completions & workovers & well liquid unloading helped achieve 50% reduction & 60% reduction, respectively, in reported emissions.

Additionally, the use of Tier 4 engines on drilling rigs reduced overall emissions.

Comment

In addition to greenhouse gas emissions as reported to EPA, PDC includes within Scope 1 data estimated emissions from company operated vehicles. Emissions are converted to CO2e using AR5 Global Warming Potential Values to align with SASB reporting guidance.

C-OG6.13

(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Oil and gas business division

Upstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0.059

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.219

Comment

Total methane % of natural gas production is MT CH4 emitted divided by gross natural gas volume (MMCF). Total methane per total hydrocarbon production is expressed as MT CH4 emitted divided by gross hydrocarbon productions in MBOE.

C7. EMISSIONS BREAKDOWNS

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	541887.69	IPCC Fifth Assessment Report (AR5 – 100 year) 40 CFR 98 Subpart W US EPA reporting rule, including estimated emissions from company operated vehicles. Emissions are converted to CO2e using AR5 Global Warming Potential Values

CH4	16368.88	IPCC Fifth Assessment Report (AR5 – 100 year) 40 CFR 98 Subpart W US EPA reporting rule, including estimated emissions from company operated vehicles. Emissions are converted to CO2e using AR5 Global Warming Potential Values
N2O	1.43	IPCC Fifth Assessment Report (AR5 – 100 year) 40 CFR 98 Subpart W US EPA reporting rule, including estimated emissions from company operated vehicles. Emissions are converted to CO2e using AR5 Global Warming Potential Values

C-OG7.1b

(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Emissions category

Combustion (excluding flaring)

Value chain

Upstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

450349

Gross Scope 1 methane emissions (metric tons CH4)

312

Total gross Scope 1 emissions (metric tons CO2e)

459441

Comment

Emissions category

Other (please specify) (Natural Gas Pneumatic Devices)

Value chain

Upstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

1414

Gross Scope 1 methane emissions (metric tons CH4)

15168

Total gross Scope 1 emissions (metric tons CO2e)

426106

Comment

Emissions category

Other (please specify) (Atmospheric Storage Tanks)

Value chain

Upstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

61538

Gross Scope 1 methane emissions (metric tons CH4)

137

Total gross Scope 1 emissions (metric tons CO2e)

65383

Comment**Emissions category**

Other (please specify) (Associated Venting and Flaring)

Value chain

Upstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

14199

Gross Scope 1 methane emissions (metric tons CH4)

59

Total gross Scope 1 emissions (metric tons CO2e)

15845

Comment**Emissions category**

Other (please specify) (Flare Stacks)

Value chain

Upstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

10619

Gross Scope 1 methane emissions (metric tons CH4)

38

Total gross Scope 1 emissions (metric tons CO2e)

11674

Comment**Emissions category**

Other (please specify) (Equipment Leaks)

Value chain

Upstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

26

Gross Scope 1 methane emissions (metric tons CH4)

316

Total gross Scope 1 emissions (metric tons CO2e)

8881

Comment**C7.2****(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	1000596

C7.3**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By business division

C7.3a**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

Business division	Scope 1 emissions (metric tons CO2e)
DJ Asset (Denver Basin)	857281.72
Delaware Asset (Permian Basin)	141382.185

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4**(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.**

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions, metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	1000596	<Not Applicable>	
Oil and gas production activities (midstream)		<Not Applicable>	

Oil and gas production activities (downstream)		<Not Applicable>	
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	7223	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
DJ Asset (Denver Basin)	3996	
Delaware Asset (Permian Basin)	2733	
Offices	494	

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	7223		
Oil and gas production activities (midstream)			
Oil and gas production activities (downstream)			
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

This is our first year of reporting, so we cannot compare to last year

C8. ENERGY

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Please select			
Consumption of purchased or acquired electricity	<Not Applicable>			
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>			

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
<Not Applicable>

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Oil

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Gas

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Total fuel

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

C9. ADDITIONAL METRICS

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-OG9.2a

(C-OG9.2a) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).

	In-year net production	Comment
Crude oil and condensate, million barrels		
Natural gas liquids, million barrels		
Oil sands, million barrels (includes bitumen and synthetic crude)		
Natural gas, billion cubic feet		

C-OG9.2b

(C-OG9.2b) Explain which listing requirements or other methodologies you use to report reserves data. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries, please explain this.

Pursuant to SEC regulations PDC Energy maintains internal controls covering the guidelines and process by which we report total proved SEC reserves to the public. Annually these reserves are prepared by qualified engineers and technicians in the Reservoir Engineering & Technology department as coordinated by the Director of Reservoir Engineering & Technology. All technical inputs required to complete these reserves are secured from various departments throughout the company and are reviewed by the Reservoir Engineering team to ensure suitability and accuracy for SEC requirements in order to pass audit through both internal and external parties.

Upon completion, all reserves are reviewed by our external auditors Ryder Scott and Netherland Sewell & Associates (NSAI) who generate official reports of their independent reserve findings which can be compared to internal reserve results. In addition, internal audits, under guidance from PWC, are performed and final total proved SEC reserves are presented to PDC Energy management, the Audit Committee and the Board of Directors.

C-OG9.2c

(C-OG9.2c) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.

	Estimated total net proved + probable reserves (2P) (million BOE)	Estimated total net proved + probable + possible reserves (3P) (million BOE)	Estimated net total resource base (million BOE)	Comment
Row 1			814.2	

C-OG9.2d

(C-OG9.2d) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.

	Net proved + probable reserves (2P) (%)	Net proved + probable + possible reserves (3P) (%)	Net total resource base (%)	Comment
Crude oil/ condensate/ natural gas liquids			56	
Natural gas			44	
Oil sands (includes bitumen and synthetic crude)				

C-OG9.2e

(C-OG9.2e) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.

Development type

Onshore

In-year net production (%)

Net proved reserves (1P) (%)

100

Net proved + probable reserves (2P) (%)

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/ C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6)
Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	No	

C-OG9.7

(C-OG9.7) Disclose the breakeven price (US\$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid/ share buybacks.

20.17

C10. VERIFICATION

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No emissions data provided

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

PDC Energy GHG Assurance Audit Report_RY 2021_Statement.pdf

Page/ section reference

One page

Relevant standard

Other, please specify (U.S. EPA 40 CFR Part 98 Subpart W reporting requirements)

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. CARBON PRICING

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. ENGAGEMENT

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

No, we do not engage

C12.1e

(C12.1e) Why do you not engage with any elements of your value chain on climate-related issues, and what are your plans to do so in the future?

PDC is currently working on developing new disclosure requests and performance indicators for vendors and suppliers. PDC is also working toward increased collaboration with upstream and midstream partners on innovative methods for reduction of GHG emissions.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

PDC requires most vendors to sign a Master Services Agreement (MSA) that includes regulatory compliance language

including: (1) "all Services shall be performed in compliance with all applicable laws, rules and regulations (including all safety codes, statutes, regulations, precautions, and procedures) and utilizing all necessary or desirable protective equipment and devices, whether suggested or required by safety associations, government agencies, municipalities or otherwise," and (2) "all Goods shall comply with all applicable laws, including but not limited to) product safety, handling, and labeling, environmental laws, codes, rules and regulations." In addition, PDC's Contractor Manual states, "PDC expects its Contractors to identify industry standards and regulations herein which are applicable to their services; integrate their own safety and health procedures; and assure their operations account for all pertinent procedures based on the services rendered." Further, the Manual states, "all Contractors working on PDC sites are solely and full responsible for ensuring their employees, subcontractors, and agents comply with all applicable Occupational Safety and Health Administration (OSHA) and U.S. Environmental Protection Agency regulations."

% suppliers by procurement spend that have to comply with this climate-related requirement

95

% suppliers by procurement spend in compliance with this climate-related requirement

95

Mechanisms for monitoring compliance with this climate-related requirement

No mechanism for monitoring compliance

Response to supplier non-compliance with this climate-related requirement

Suspend and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

It is PDC's objective to responsibly develop natural resources, deliver attractive returns to investors, & meet the environmental goals we have set, including emissions reduction targets. We monitor & engage on policies that may impact our industry & operations. Our government relations team, contract lobbyists, & trade associations identify potential policy risks & opportunities. We participate in legislative & regulatory committees for state & federal trade organizations which include: the Texas Oil & Gas Association (TXOGA), the Colorado Oil & Gas Association (COGA), & the American Exploration & Production Council (AXPC). PDC has relationships with regulators, elected officials, & staff at all levels of government to answer questions, provide feedback, & address issues they raise. PDC regularly engages with like-minded operators in small groups to discuss risks, opportunities, & pathways for engagement on policy issues. We engage with the larger business community through chambers of commerce & business organizations. Our Stakeholder Relations team ensures alignment with company strategy, including climate & sustainability strategies. The team includes government affairs, local affairs, communications & regulatory staff. With regulatory engineers & surface land teams they analyze policy & identify necessary engagement. Potentially impactful issues are reviewed with PDC's senior management. PDC's regulatory staff sends regular updates on potential impacts to the SMEs within PDC for input. When applicable, policy risks are presented in quarterly risk updates to the Board. The CEO & staff that represent PDC in trade organization meetings are provided with regular political updates to ensure consistency among external-facing employees. If a policy merits engagement, we analyze if we share the same position as our trade organization.

Alignment may differ due to our approach to managing climate impacts & social issues, company values, or business strategy & economics. If aligned, we will support & potentially engage with our SMEs. If not aligned, we assess whether we need to engage as an individual party, with like-minded peers, or not engage on the issue. On issues with significant impact to PDC, we may heavily engage through the trade organizations and individually, including participating in trade or state agency/local workgroups & committees, filing for party status at a rulemaking, testifying in public hearings, & providing data/input on draft rules.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate

- Climate-related targets
- Mandatory climate-related reporting
- Methane emissions

Specify the policy, law, or regulation on which your organization is engaging with policy makers

House Bill 21-1266 Environmental Justice Disproportionate Impacted Community and Senate Bill 21-200 Reduce Greenhouse Gases Increase Environmental Justice

Policy, law, or regulation geographic coverage

Sub-national

Country/region the policy, law, or regulation applies to

Other, please specify (State of Colorado, United States of America)

Your organization's position on the policy, law, or regulation

Support with major exceptions

Description of engagement with policy makers

Met with bill sponsors and key committee leaders to provide subject matter resources and suggest changes to benefit PDC. Also engaged through the Colorado Oil and Gas Association.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

There were several aspects of the bill that PDC could not support including new rulemakings, fees, modeling and monitoring requirements, an environmental justice ombudsperson, additional permitting requirements, emission reduction rulemakings to ensure compliance with goals, rulemakings to ensure targets occur for the utility and oil and gas sector which must include protections for DI communities, more robust LDAR requirements, direct emission reduction controls, and a possible GHG credit trading/accounting system. We believe regulation around Environmental Justice Issues should include all stakeholders and be implemented over the course of many years to ensure the intended result is achieved, and that many of these concepts need to start at a Federal level. PDC is compliant with Colorado's regulations and policies which include the most stringent air regulations in the country and robust notification and engagement requirements for Disproportionately Impacted Communities through the Colorado Oil and Gas Conservation Commission (COGCC). PDC recommended economically feasible options and alignment with the COGCC.

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Focus of policy, law, or regulation that may impact the climate

Subsidies for fossil fuel exploration and/or extraction

Specify the policy, law, or regulation on which your organization is engaging with policy makers

State severance tax policy in 2021 ahead of a bill being introduced in 2022

Policy, law, or regulation geographic coverage

Sub-national

Country/region the policy, law, or regulation applies to

Other, please specify (State of Colorado, United States of America)

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

PDC met with potential bill sponsors and hired a Certified Public Accountant to consult PDC on engagement.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

PDC advocated for maintaining Ad Valorem tax credits for the oil and gas industry.

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.**Trade association**

Other, please specify (American Exploration and Production Council (AXPC))

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We have already influenced them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

- Position: American oil and gas producers have an irreplaceable role in meeting the challenge of global climate change. AXPC, representing large independent American oil and gas producers, supports innovative, collaborative solutions that lower greenhouse gas (GHG) emissions while meeting the world's growing need for abundant, low cost, reliable energy. Successful public policy must recognize that oil and gas underpins our standard of living and American oil and gas is critical to our national security and economic prosperity.
- PDC supported the drafting of AXPC's position and related principles.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**Describe the aim of your organization's funding**

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Trade association

Other, please specify (Texas Oil and Gas Association (TXOGA))

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We have already influenced them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

- Position: The Texas Oil and Gas Association (TXOGA) is a trade association whose members represent the entire value chain of the Texas oil and natural gas industry, which account for nearly half of the nation's total oil supply and one-quarter of natural gas production. Our members enrich human lives throughout Texas and the world by providing affordable, reliable energy to consumers. Our members prioritize environmental stewardship and collaboration in developing innovative solutions and breakthrough technologies to meet the energy demands of today and the future. As the world seeks to address climate change, TXOGA members continue to have an essential role to play by delivering meaningful greenhouse gas emission reductions and innovative solutions. To further achieve climate progress, greenhouse gas emission-reduction efforts are a global responsibility with participation from all sectors and industries. TXOGA supports public policy that recognizes oil and natural gas are indispensable, facilitates meaningful greenhouse gas (GHG) emissions reductions, and balances economic, environmental, energy and national security needs while promoting innovation. TXOGA seeks to be part of the solution to climate change.
- PDC supported the drafting of AXPC's position and principles which informed TXOGA's position.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Trade association

Other, please specify (Colorado Oil and Gas Association (COGA))

Is your organization's position on climate change consistent with theirs?

Unknown

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

PDC is not aware of climate positions by COGA, but would engage in discussion through appropriate channels to ensure COGA's position acknowledges impact to climate and the role the oil and gas industry can play in mitigating climate change while providing low-cost, reliable energy.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

PDC-ESG-2021-FINAL.pdf

Page/Section reference

Pg 1-4, 9-11, 15-20.

Content elements

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets
- Other metrics

Comment

C15. BIODIVERSITY

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
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Row 1		<p>In September 2021, PDC formalized its ESG Board oversight by incorporating ESG into our Board N&G Committee, establishing an Environmental, Social, Governance and Nominating Committee (“ESGN Committee”). The ESGN Committee is charged with oversight of all ES&N matters, including climate-related issues. The ESGN Committee reviews and assesses the effectiveness of the Company’s ESG strategy, initiatives, and monitors, responds to, and makes recommendations regarding ESG-related trends and emerging issues, including climate-related risks and opportunities. The charter of our ESGN Committee can be accessed at http://www.pdce.com/wp-content/uploads/3.-2021-09-15-ESGNComm-Charter-Amended-and-Restated.pdf. PDC’s management of biodiversity focuses on preventing and reducing spills and releases, avoiding habitat areas or mitigating impacts to wildlife, and ensuring adequate reclamation and closure of sites. As part of PDC’s ESG governance, the Board of Directors has oversight of environmental issues, which includes wildlife and biodiversity. In 2020, PDC incorporated EHS and additional financial discipline targets into our quantitative compensation metrics, including spills. Within executive management, the Senior Vice President of Operations manages Operations and EHS departments, which each have direct impacts to spills and releases, wildlife, and reclamation. Currently, PDC does not operate in areas identified as critical habitat or in areas with high levels of biodiversity.</p>	<Not Applicable>
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C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity		Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments only	<ul style="list-style-type: none"> • Commitment to not explore or develop in legally designated protected areas • Commitment to respect legally designated protected areas • Commitment to avoidance of negative impacts on threatened and protected species 	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

Does your organization assess the impact of its value chain on biodiversity?		Portfolio
Row 1	Yes, we assess impacts on biodiversity in our upstream value chain only	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	<ul style="list-style-type: none"> • Land/water protection • Land/water management • Species management

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	Other, please specify (Spill volumes, number of spills, land reclaimed, and pad size (land use).)

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	<ul style="list-style-type: none"> • Content of biodiversity-related policies or commitments • Governance • Impacts on biodiversity • Details on biodiversity indicators 	

C16. SIGNOFF

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	General Counsel	Other C-Suite Officer

Submit your response

In which language are you submitting your response?

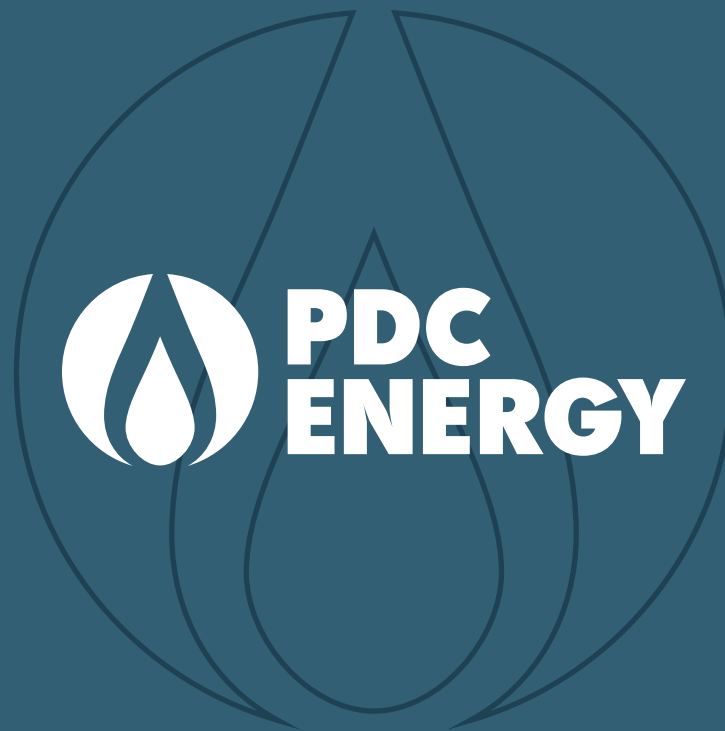
English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Non-public

Please confirm below

I have read and accept the applicable Terms



2022 CDP CLIMATE CHANGE QUESTIONNAIRE

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