



2022  
SUSTAINABILITY  
REPORT





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# CEO Letter



## At Coterra, we are committed to responsible and transparent environmental, social and governance (ESG) practices.

We believe responsible development of oil and natural gas through technology and innovation provides a path to prosperity and a bright sustainable future. We are excited to publish our inaugural Sustainability Report which highlights our ESG metrics and the consistent efforts we are making to improve our performance.

Our ESG practices are ingrained throughout the entire organization. Our Boardroom, where we have Directors that come from multiple industries, brings a diversity of backgrounds and perspectives that enriches our analysis and strategic focus. Our Directors empower and challenge our organization to meet a standard of excellence in everything we do, particularly as it relates to delivering our products safely and cleanly in a manner that reinforces operational excellence.

Being good community partners is central to our company culture. We listen to our employees, our neighbors and all stakeholders to bring the greatest positive impact to the communities where we live and work. Integrity and open communication are an integral part of our decision-making process and we take ownership in both our work and our actions. We strive to connect and engage in ways that lead to richer discussion, increased productivity and long-term value creation. We are committed to building prosperity and safeguarding the neighbors and environment in the communities where we operate.

We prioritize the safety of our employees. We recognize that our employees work extremely hard every day and give us the ability to adapt and thrive in a challenging and competitive industry. We believe safe and environmentally conscious operations not only protect the individuals on our locations, but ultimately lead to more efficient operations.

At Coterra, environmental stewardship and operational excellence are grand engineering and operational challenges. Our organization embraces this challenge from the field to the C-suite. We have an ongoing track record of innovation in environmental stewardship and sustainable practices. We have an amazing group of employees whose focus is on protecting and preserving air quality, water resources and the land on which we operate. One year into the history of Coterra, we are proud of the strides we have made in the multi-year reductions of our greenhouse gas emissions, including methane, supported by the strong foundations from our history and our focus on innovation and excellence. We strive to deliver meaningful emissions reductions and our results are apparent as presented throughout this report. From 2019 to 2021, our team drove a 43% reduction in Scope 1 greenhouse gas emissions intensity, 77% reduction in methane intensity, and a 70% reduction in flare intensity. We are proud of the results to date and are excited for the initiatives we have in place to further advance our ESG performance.

Sustainability means many things to many people. At Coterra, we embrace the environmental, safety and operational footprint challenges that are reflected within this report. We also embrace the sustainable need for clean, affordable and accessible energy here at home and around the world. We are in the midst of a seismic shift within the energy policy landscape. There is a growing, broad understanding that the world will desperately need oil and natural gas for decades to come. This understanding is, in part, driven by the crisis in Europe and by decades of poor energy policy decisions. There is no world energy crisis; there is a world energy policy crisis. We, at Coterra, are committed to be a positive voice in this shifting energy policy landscape. Without the products we deliver every day, the world faces a future of energy poverty, unaffordability and energy insecurity. We are proud of our environmental record, and proud of the role that we serve in delivering safe, affordable, American energy to our country and to the world.

Sincerely,

**Thomas E. Jorden**

Chief Executive Officer & President

# About Coterra

Coterra is an independent, onshore U.S.-based energy company with exposure to natural gas, natural gas liquids and oil, positioning us to meet the unique demands of a new energy marketplace. We embrace innovation, technology and data as we work to create value for our investors, our team members and the communities in which we operate. We believe the key building blocks for sustainable performance are: organization, assets, continuous innovation and financial strength.



## Report Overview

Hydrocarbons are critical to facilitating modern-day civilization, supplying nearly 80% of the world's energy demand in 2020.<sup>1</sup> Coterra is committed to producing these critical energy products in a safe and responsible manner for the benefit of all stakeholders. We strive to reduce our environmental impact, to invest in our people and communities and to govern in accordance with the highest ethical standards.

This report addresses the environmental, social and governance (ESG) topics that are relevant to Coterra's business. On October 1, 2021, Coterra Energy Inc. (Coterra) was formed through the combination of Cabot Oil & Gas Corporation (Cabot) and Cimarex Energy Co. (Cimarex). Performance data within this report reflects pro forma Coterra Energy data on a combined basis for 2021 and prior, unless otherwise stated.

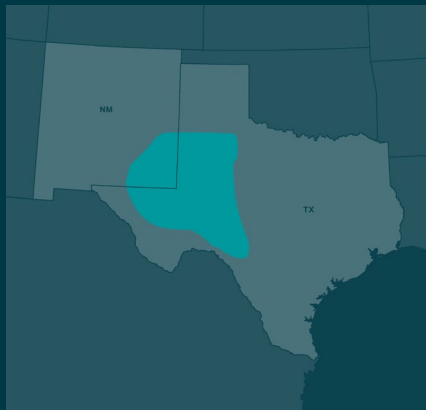
The contents of this report have been informed by our stakeholders, the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board's (SASB) Extractives & Minerals Processing Sector: Oil & Gas - Exploration & Production standard.

## Our Mission

To create value by generating sustainable returns for investors, offering a rewarding experience for our team and delivering reliable energy solutions to all—safely and responsibly.

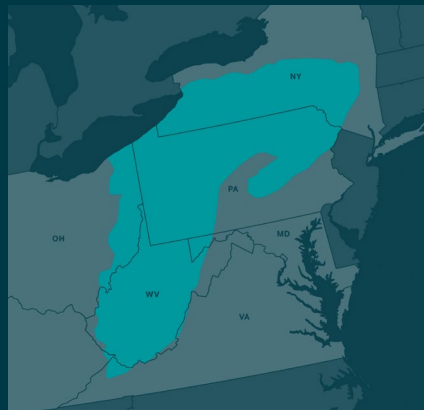
<sup>1</sup>IEA (2021), World Energy Outlook 2021, IEA, Paris <https://www.iea.org/reports/world-energy-outlook-2021>

# Our Portfolio



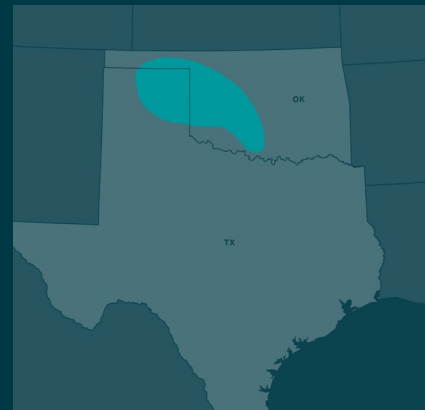
## Permian Basin

Coterra's acreage is located in the Delaware Basin region, which spans west Texas and southeast New Mexico.



## Marcellus Shale

Coterra's operations in the region are primarily concentrated in Susquehanna County within northeast Pennsylvania.



## Anadarko Basin

Coterra's assets within the Anadarko Basin are primarily located in central Oklahoma.

## Activity Metrics (SASB: EM-EP-000.A,B,C)

SASB EM-EP-000.A <sup>2</sup>	Production of:	
	(1) Oil	77.9 Mbbbl/day
	(2) Gas	2,927 MMscf/day
	Natural Gas Liquids	68.3 Mbbbl/day
	(3) Synthetic Oil	0
	(4) Synthetic Gas	0
SASB EM-EP-000.B <sup>3</sup>	Number of Offshore Sites	0
SASB EM-EP-000.C <sup>3</sup>	Number of Terrestrial Sites	1,258

<sup>2</sup>Net production volumes to Coterra

<sup>3</sup>Gross operated upstream and midstream sites



# Climate

## | Climate Governance (TCFD: Governance – a,b)

Coterra's Board of Directors (Board) is responsible for overall risk oversight. Management has primary responsibility for assessing and managing climate-related risks and opportunities. Management regularly interacts with the Board and its committees, including the Environment, Health & Safety Committee (EHS Committee) and the Governance and Social Responsibility Committee (GSR Committee), on climate-related risks and opportunities and other ESG matters.

**The function of the EHS Committee is to assist the Board in providing risk oversight and support of the Company's policies, programs and initiatives on the environment, health and safety. Among other things, the EHS Committee:**

- Oversees the Company's EHS and sustainability policies, programs, data and the reporting and public disclosure thereof;
- Monitors environmental matters and trends in such matters that affect the Company's activities and performance;
- Reviews the Company's compliance with environmental, health and safety laws and regulations, including:
  - management of and responses to environmental releases;
  - safety incidents, statistics and outcomes and the Company's responses;
  - the Company's assessment of and responses to pending legislative and regulatory efforts; and
  - initiatives and training designed to improve EHS performance.
- Consults with the Board and internal and external advisors regarding the management of the Company's EHS programs.

The EHS Committee also compares our EHS performance with established benchmarks such as the Bureau of Labor Statistics (BLS), American Exploration and Production Council (AXPC) and the Independent Producers EHS Managers Forum. This allows the Board to assess our EHS performance on a continuous basis and provides the governance structure to ensure our programs provide a safe working environment for our employees.

**The function of the GSR Committee is to assist the Board in fulfilling its responsibility to the stockholders by:**

- Overseeing and assisting the Board with the Company's efforts for socially responsible operations, programs and initiatives not otherwise delegated to another committee of the Board and the reporting or public disclosure of such efforts by the Company, including this report;
- Identifying qualified individuals to become Board members and assisting the Board in determining the composition of the Board and its committees;
- Assessing Board and committee effectiveness;
- Developing and implementing the Company's corporate governance guidelines; and
- Taking a leadership role in shaping the corporate governance of the Company.

Our Director, EHS, is in charge of day-to-day implementation and management of our environmental programs, including our GHG emissions management.

## Climate Strategy (TCFD: Strategy – a,b,c; SASB: EM-EP-420a.4)

Coterra has identified climate change-related risks and opportunities that may impact our business over the short-, medium- and long-term.

- Short-term risks: risks that might impact near-term financial results, including those that may materialize within the current annual reporting cycle.
- Medium-term risks: risks that might materially impact our financial results due to longer-term manifestation of climate-related impacts that might require us to significantly adjust our strategy, including those that may materialize over a 2- to 5-year timeframe.

- Long-term risks: risks that may fundamentally impact the viability of our long-term strategy and business model, including those that may materialize over a 5- to 10-year timeframe.

The nature of these risks depends on the physical aspects of climate change, market regulations, investor pressure to reduce our carbon footprint and our ability to understand and respond to rapidly evolving developments.

### Identified Risk and Opportunities

#### Regulatory Risks | Short- to Medium-Term

The adoption of climate change legislation or regulations restricting emission of greenhouse gases could result in increased operating costs and reduced demand for the oil and gas we produce.

#### Technology Risks | Medium- to Long-Term

Technological improvements or innovations that support the transition to a lower-carbon, more energy-efficient economic system may have a significant impact on us. The development and use of emerging technologies in renewable energy, battery storage and energy efficiency may lower demand for oil and gas, resulting in lower prices and revenues, as well as higher costs. In addition, many automobile manufacturers have announced plans to shift production from internal combustion engines to electric powered vehicles, and states and foreign countries have announced bans on sales of internal combustion-engine vehicles beginning as early as 2025, which would reduce demand for oil used to produce gasoline and diesel fuels.

#### Market Risks | Medium- to Long-Term

Markets could be affected by climate change through shifts in supply and demand for certain commodities, especially carbon-intensive commodities such as oil and gas or other products dependent on oil and gas. Lower demand for our oil and gas production could result in lower prices and lower revenues. Market risk might also take the form of limited access

to capital as investors shift investments to less carbon-intensive industries and alternative-energy industries. In addition, investment advisers, banks and certain sovereign wealth, pension and endowment funds recently have been promoting divestment from fossil fuel companies and pressuring lenders to limit funding to companies engaged in the extraction, production and sale of oil and gas.

#### Reputational Risks | Medium- to Long-Term

Climate change is a potential source of reputational risk, which is tied to changing customer or community perceptions of an organization's contribution to, or detraction from, the transition to a lower-carbon economy. Negative public perception regarding Coterra and/or our industry resulting from, among other things, concerns raised by advocacy groups about climate change impacts of greenhouse gas emissions including methane, hydraulic fracturing, oil spills and pipeline explosions, coupled with increasing societal expectations that businesses address climate change and potential consumer use of substitutes to carbon-intensive energy commodities may result in increased costs, reduced demand for our oil, natural gas and NGL production, reduced profits, increased regulation, regulatory investigations and litigation and negative impacts on our stock price and access to capital markets. These factors could also cause the permits we need to conduct our operations to be challenged, withheld, delayed or burdened by requirements that restrict our ability to profitably conduct our business.



## Physical Risks | Short-, Medium- & Long-Term

Potential physical risks resulting from climate change might be event-driven (including potential increased severity of extreme weather events, such as hurricanes, droughts or floods) or might be driven by longer-term shifts in climate patterns that could cause sea level rise or chronic heat waves. Potential physical risks might cause direct damage to assets and indirect impacts, such as supply chain disruption, and also could include changes in water availability, sourcing and quality, which could impact drilling and completion operations. These physical risks could cause increased costs, production disruptions and lower revenues, as well as could substantially increase the cost or limit the availability of insurance.

We regularly assess how we might be influenced by a changing climate and take seriously the potential for business disruption which could occur under extreme weather and natural disasters and reputational risks from climate change issues. These risks and responses are reviewed as part of the overall enterprise risk evaluation.

## Market Opportunities | Short- to Medium-Term

With global disruptions in energy supplies relating to the war in Ukraine, supply-chain disruptions and the lack of infrastructure to support renewable energy alternatives, there has been an increase in demand for natural gas. We believe that natural gas can play a significant near-term role in reducing reliance on coal-fired electricity and to smooth the transition to intermittent renewable sources such as solar and wind. Recent disruptions in natural gas flows from Russia to Europe, coupled with the decommissioning of European nuclear power plants and reductions in hydro power generation due to lower water levels, has led to increased use of coal-fired power generation in Europe and increased emissions. This, in turn, has led to increased demand for natural gas imported from the U.S. and other producing countries to Europe. While the ability to export natural gas to Europe and other markets is constrained by the capacity of natural gas liquefaction facilities, these market dynamics have led to an increase in demand from U.S. natural gas and prices for natural gas.

## Emissions Reduction Opportunities | Short-, Medium- & Long-Term

We are actively pursuing strategic actions to manage climate risks and to capture opportunities by investing in projects and technologies to reduce our greenhouse gas emissions including methane, minimizing flare volumes while increasing revenue through improved gas capture and minimizing freshwater sourcing requirements, as well as other actions. Examples of these initiatives are included throughout the remainder of this report. The company's strategic and business planning considers the value of these projects in the context of the company's overall approach to climate change risk management.



## Scenario Analysis

Coterra uses scenario planning to help inform the Company's risk management and business strategy. Evaluation and consideration of future uncertainties is critical to maintaining our business agility and strengthening our capital allocation process. We test the strength and resiliency of our portfolio by sensitizing our internal financial models to multiple macro-commodity pricing scenarios. Specifically related to climate change, we utilize the models developed by two of the largest organizations that collect and track energy data, the International Energy Agency (IEA) and the United States (U. S.) Energy Information Agency (EIA). The IEA has four scenarios presented in their 2021 World Energy Outlook (WEO), and the EIA has nine scenarios presented in their 2022 Annual Energy Outlook (AEO). Energy demand, mix and prices vary across the scenarios, primarily driven by varying degrees of public policy assumptions for the IEA scenarios.

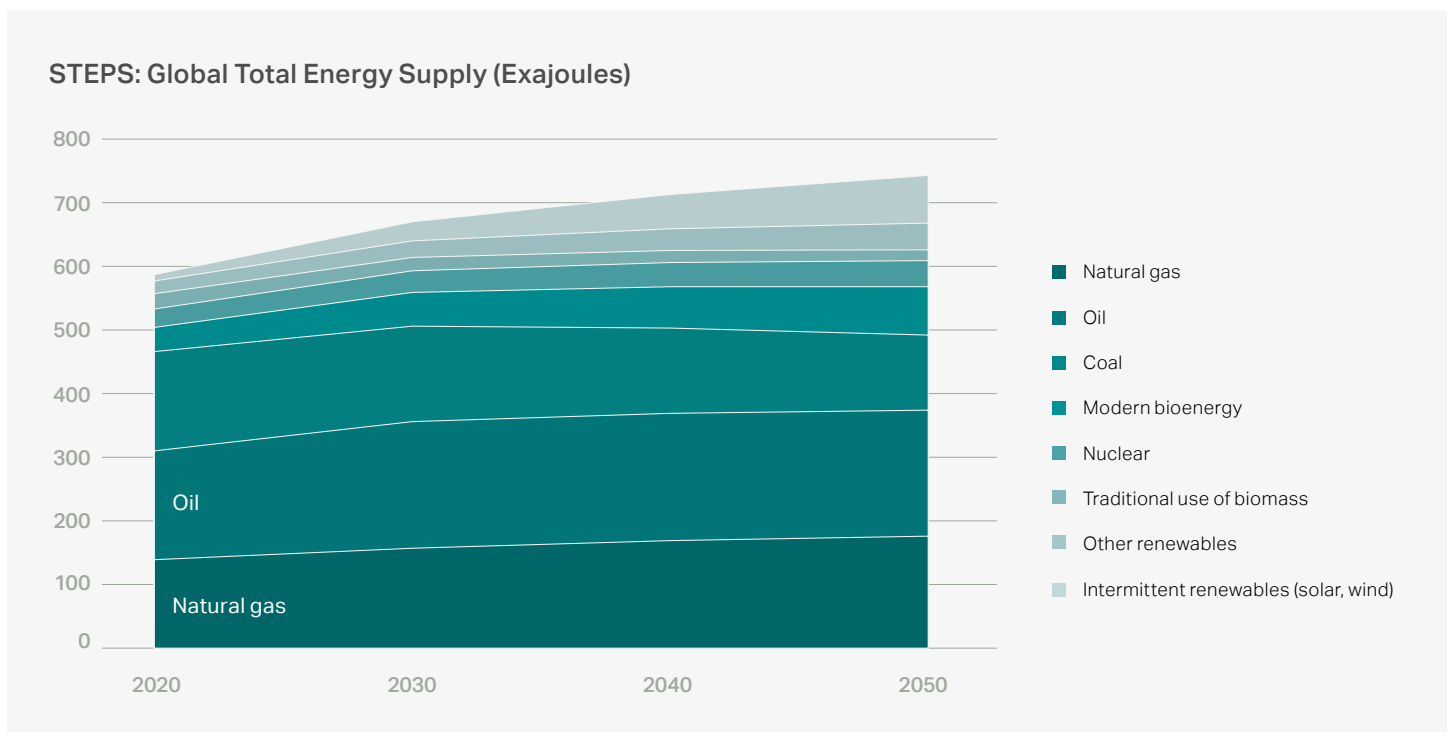
### This report considers the following scenarios:

- EIA 2022 Annual Energy Outlook Reference Case Scenario (EIA Base Case),
- IEA 2021 World Energy Outlook Stated Policies Scenario (STEPS) and
- IEA 2021 World Energy Outlook Sustainable Development Scenario (SDS).

EIA Base Case and STEPS are not designed to achieve a particular outcome. Conversely, SDS is designed to limit the global average temperature increase to 2°Celsius or lower above pre-industrial levels. This scenario's resulting temperature increase above pre-industrial levels peaks at 1.7°Celsius around 2050. Because the assumptions are developed secondary to the end goal in this scenario, it is important to evaluate the feasibility of the assumptions in SDS.

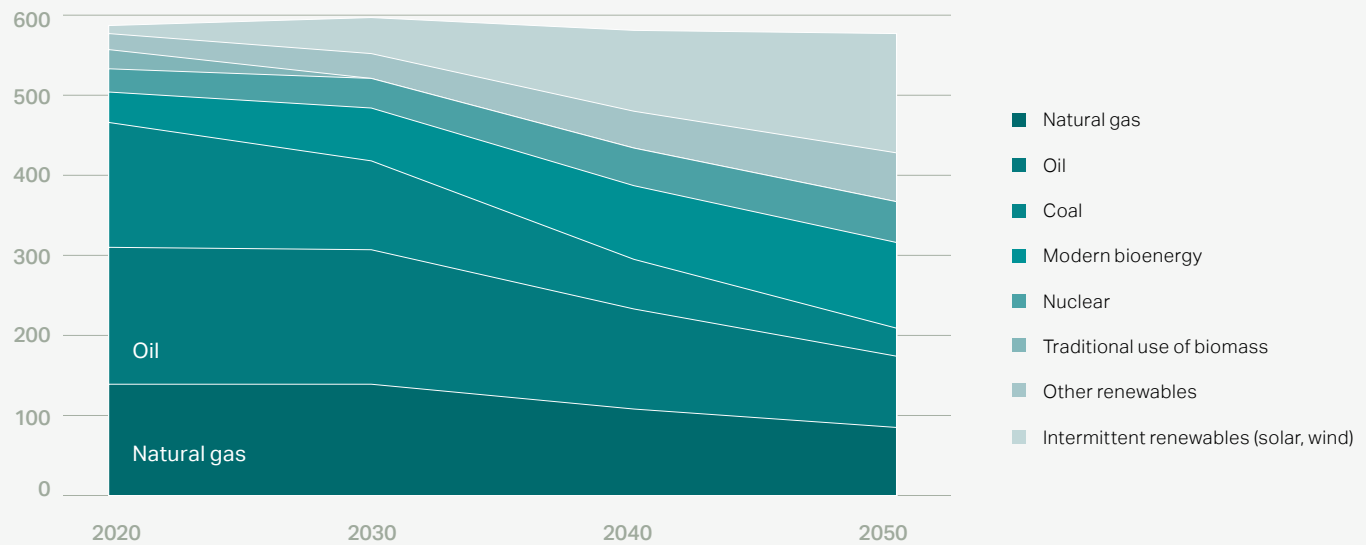
### Global population and average individual wealth expected to grow, bolstering energy demand

By 2050, global population and average individual wealth (GDP<sup>4</sup> per capita) are expected to grow +25% and +94%, respectively, bolstering energy demand. In STEPS, global energy demand grows +26% and the energy mix benefits from a diversity of sources, helping support energy reliability across demand sectors. Oil and natural gas supply grow over the period.



<sup>4</sup>Estimated 2050 GDP by applying IEA's GDP CAGRs to 2020 GDP, from the April 2021 IMF Fiscal Monitor, as referenced in the IEA WEO

## SDS: Global Total Energy Supply (Exajoules)



In SDS, 2050 global energy demand declines 2% after 2020, despite the global wealth and population growth; energy per capita declines 22%, implying significant assumptions around behavioral change and energy efficiency. Additionally, the assumed energy efficiencies are primarily driven by the scenario's public policy assumptions. SDS assumes that public policies supporting a 2°C or lower pathway are enacted equally across the world, and on the same timeline. The proposed efficiencies and global public policy may be difficult to achieve in reality.

Also, the SDS scenario's energy mix favors growth in renewables and electrification. This is driven by significant cost reduction assumptions for low-carbon technologies, including capital costs<sup>5</sup> that decline 60%, 59%, 14%, 36%, 42%, 63% for solar PV, offshore wind, onshore wind, air source heat pumps, battery electric cars and utility-scale stationary batteries, respectively, over the 2020–2050 period. Even with the cost reductions, wind capital costs are still higher than combined-cycle natural gas capital costs. Solar capital costs are lower than combined-cycle natural gas, but solar also has a significantly lower capacity factor due to solar's daily intermittency. Additionally, IEA acknowledges that the SDS's lower demand assumption is critical to limiting overall investment required in this scenario. SDS proposed costs may be understated in reality.

Facilitating low-carbon technologies is a function of the non-renewable critical mineral market, which would also need to grow substantially and at a rapid rate. Critical minerals are non-renewable and could face environmental concerns. They are also geographically concentrated, with China currently holding significant market share of the world's mineral processing market.<sup>6</sup>

Additionally, in SDS, the world's 2050 power generation capacity is 73% intermittent energy, composed of 23% wind, 42% solar and 8% battery storage (charged by intermittent sources). Today, the power mix is approximately 80% dispatchable, so the SDS scenario's lack of dispatchable support might be challenged in reality. SDS also suggests that the buildings and transport sectors are increasingly electrified, further limiting energy diversity and heightening the impact of potential reliability events.

We expect an all-of-the-above energy mix will be the likely path to ensuring energy reliability and affordability for a growing global population.

<sup>5</sup>From IEA's World Energy Outlook – Capital cost percent reductions assume United States and Advanced Economies where applicable

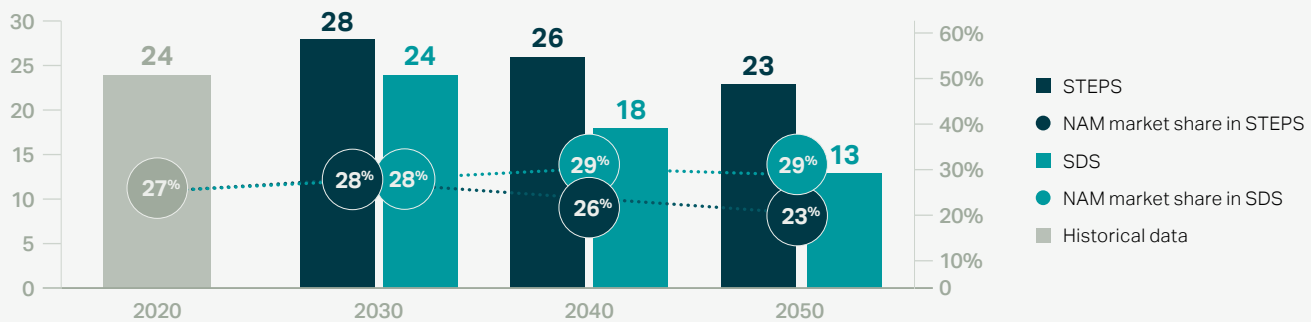
<sup>6</sup>IEA (2021), The Role of Critical Minerals in Clean Energy Transitions, IEA, Paris <https://www.iea.org/reports/the-role-of-critical-minerals-in-clean-energy-transitions>

## North American oil and gas production expected to remain resilient

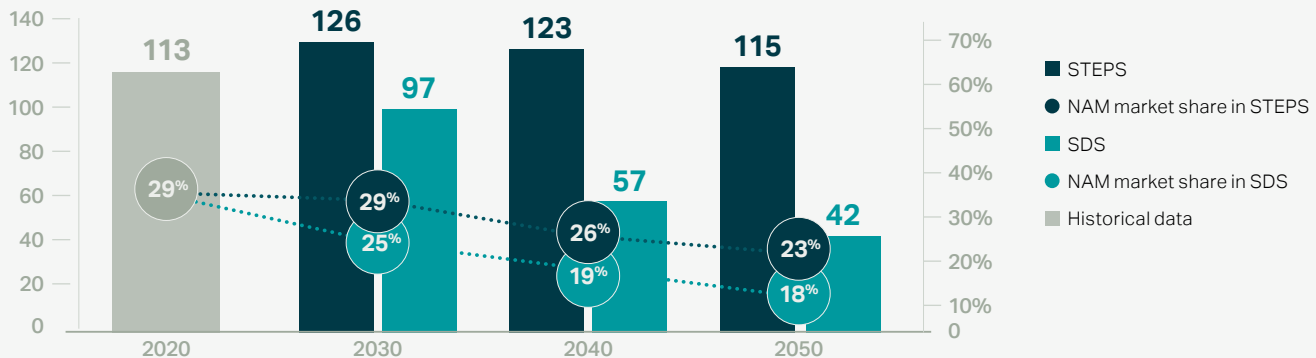
In STEPS, North American oil and gas production remains resilient and maintains substantial global market share after growing over the next decade. In the SDS, North American production declines, and North America concedes nearly one-third of its global natural gas market share, which has negative implications for both global emissions and geopolitical risk. SDS assumes advanced economies implement a \$200/tonne carbon tax by 2050, artificially inflating the cost to produce hydrocarbons.

This results in North America conceding natural-gas market share to regions with higher estimated emission intensities and/or regions that do not have a carbon tax. However, in order to more effectively reduce global emissions, production should be weighted toward the lower emission intensity producers with scale. As the world's largest and one of the lower methane emitting producers,<sup>7</sup> the U.S. should remain a strong contender for global market share in a low-carbon scenario. Additionally, strong market share in global energy production is an important geopolitical tool that should be carefully considered by policy makers.

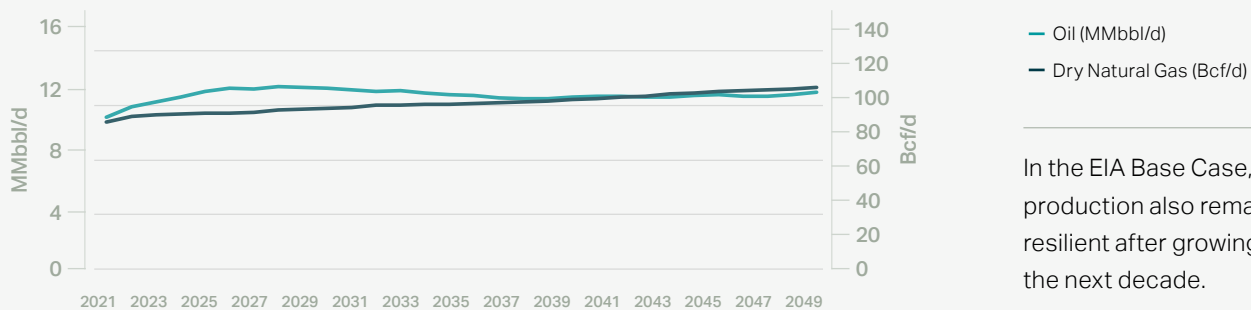
### North America Oil Production (MMbbl/d)



### North America Natural Gas Production (Bcf/d<sup>8</sup>)



### EIA Base Case U.S. Production



In the EIA Base Case, U.S. production also remains resilient after growing over the next decade.

<sup>7</sup>Based on intensity factors from Table 8 in the IEA's World Energy Model

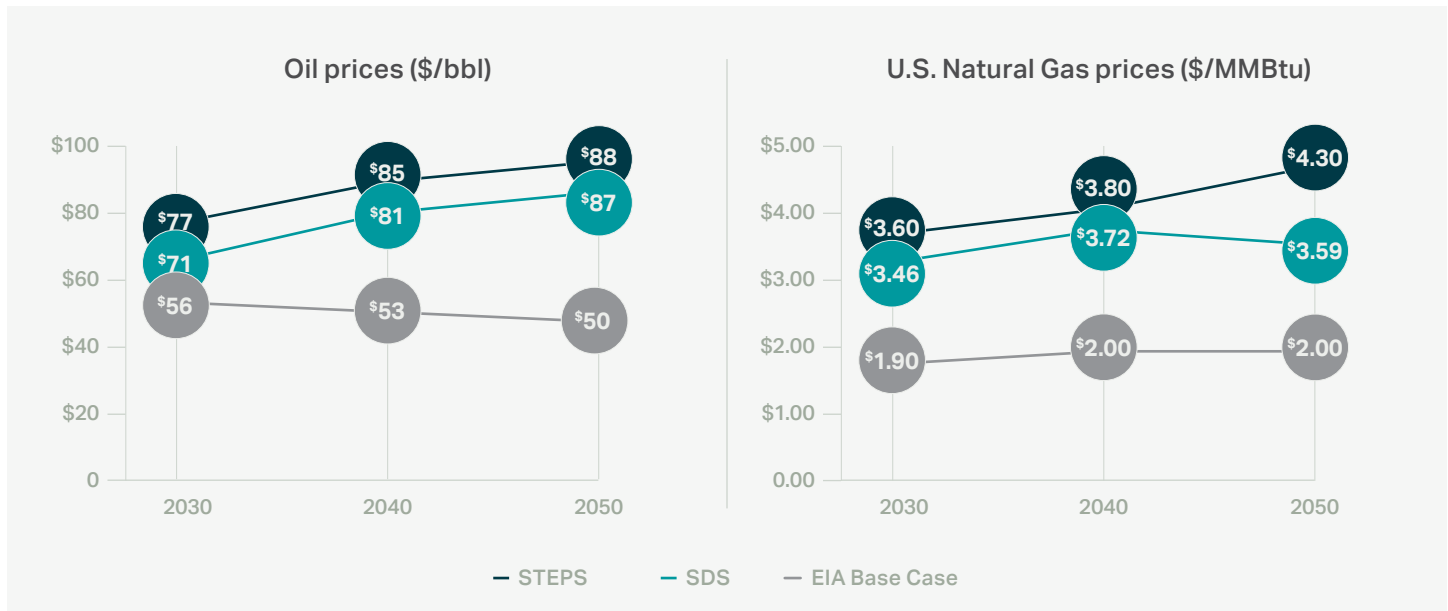
<sup>8</sup>IEA natural gas production has been converted from Bcm to Bcf/d by multiplying Bcm by 35.3 and dividing by 365



## As a low-cost operator, Coterra is defensively positioned for various commodity price environments

As disclosed in our “2Q22 Earning Presentation,” released in August 2022, we estimated that our corporate break-even prices, inclusive of corporate overhead and taxes, are approximately \$40/barrel of crude oil (bbl) and \$2.25/million British thermal units (MMBtu) for oil and natural gas, respectively. Our estimated break-even oil price is competitive across the EIA Base Case, STEPS and SDS.

Recent macro-economic inflationary pressures have increased our cost of goods sold, which has consequently increased our break-even natural gas price estimate. Our current estimated break-even natural gas price slightly exceeds the SDS commodity prices. However, in a lower-commodity price environment like the SDS, we would expect our cost of goods sold to deflate as well, implying a more competitive break-even than currently estimated.



### Conclusion

Hydrocarbons are critical to meeting the world’s growing energy needs, including for transportation, electricity, heating and cooling, cooking and industrial use—ultimately creating the everyday goods all around us. Global population and average individual wealth are expected to grow, driving energy demand. The U.S. is expected to play a significant role in meeting the world’s energy needs by delivering lower emission-intensity oil and gas to the market at scale.

Coterra, the IEA and the EIA believe oil and natural gas will have a continued role in the global energy mix, and we believe we are in a premier position to supply those resources due to our low cost and low greenhouse gas intensity assets, as referenced in this report.

### Sources

Based on IEA data from IEA (2021), World Energy Outlook 2021, IEA, Paris <https://www.iea.org/reports/world-energy-outlook-2021>, All rights reserved; as modified by Coterra Energy Inc.

IEA (2021), World Energy Model, IEA, Paris <https://www.iea.org/reports/world-energy-model>

IMF (International Monetary Fund) (2021a), Fiscal Monitor April 2021, <https://www.imf.org/en/Publications/FM/Issues/2021/03/29/fiscal-monitor-april-2021>

U.S. Energy Information Administration (EIA), Annual Energy Outlook 2022

Coterra’s diversified portfolio across multiple geographic basins with robust low-cost oil, natural gas and NGL reserves allows us to further mitigate our exposure to potential market risks by being able to adapt to changing energy demand needs. Our scenario analysis shows the depth and quality of our portfolio and reaffirms our commitment to delivering low-cost energy to the world in a responsible way.

We intend to continue to use scenario planning to help inform our risk management and business strategy. Evaluation and consideration of future uncertainties is critical to maintaining our business agility and strengthening our capital allocation process.

## Climate Risk Management (TCFD: Risk Management – a,b,c)

Coterra is committed to managing the transition and physical risks related to climate change. We employ a multidisciplinary, company-wide Enterprise Risk Management (ERM) process for integrating risk management throughout our business that includes identifying, evaluating and addressing risks and opportunities on a regular basis. The ERM process receives oversight from our executives and is reviewed by the Board, assigning executive-level responsibility for each identified risk. The risks and impacts associated with our business require effective collaboration among departments, business units and external stakeholders. Climate change risks and opportunities are integrated into this process. When assessing risks in this ERM process, we evaluate each risk depending on the potential magnitude of impacts resulting from the risk, as well as the likelihood that the risk will materialize and impact Coterra. In assessing the magnitude and likelihood of a risk resulting in a material financial impact to Coterra, we also evaluate the expected timing over which the risk might materialize, including short-, medium- and long-term horizons.

We also identify and assess climate-related risks as part of our overall sustainable business strategy. Risk management topics are reviewed and discussed on a regular basis among our leadership team and across the entire organization. Business unit leaders are responsible for incorporating business unit-specific risk management plans into their operations. Depending on the potential impact of the identified risk relative to the risk threshold we are willing to accept, appropriate risk mitigation and monitoring strategies are put in place, with associated controls and assurance mechanisms.

Our risk management process is applied at the operational level to Coterra's projects through integration into our approach to project management, as well as to operating facilities through our operational policies and procedures.



## Climate Metrics (TCFD: Metrics and Targets – a,b; SASB: EM-EP-110a.1,2)

Coterra tracks Scope 1 and 2 total greenhouse gas emissions inclusive of methane and flaring. Data is tracked and reported on an absolute basis and as an intensity relative to production. Coterra's Scope 1 GHG emissions for calendar year 2021 have been verified by a third-party auditor. No material discrepancies were identified supporting Coterra's GHG emissions disclosed to the EPA.

### Greenhouse Gas Emissions

METRIC CODE	METRIC	2019	2020	2021
SASB-EM-EP-110a.1 <sup>9</sup>	Gross global Scope 1 emissions (metric tons CO <sub>2</sub> e)	2,869,327	1,834,657	1,515,275
	Percentage methane	33.2%	25.5%	15.7%
	Percentage covered under emissions-limiting regulations	0%	0%	0%
	Gross global Scope 2 emissions <sup>10,11</sup> (metric tons CO <sub>2</sub> e)	Did not track	136,224	96,454
SASB-EM-EP-110a.2 <sup>9</sup>	Amount of gross global Scope 1 emissions (metric tons CO <sub>2</sub> e) from:			
	(1) Flared hydrocarbons	574,378	287,975	145,742
	(2) Other combustion	1,399,228	1,125,372	1,124,392
	(3) Process emissions	41,801	13,653	12,482
	(4) Other vented emissions	802,728	352,236	216,524
	(5) Fugitive emissions	51,192	55,421	16,135

### Greenhouse Gas Emissions Intensities

METRIC	2019	2020	2021
Company-Wide Scope 1 (metric tons CO <sub>2</sub> e/produced Mboe)	9.59	6.47	5.48
Company-Wide Scope 2 <sup>10,11</sup> (metric tons CO <sub>2</sub> e/produced Mboe)	Did not track	0.49	0.35
Company-Wide Scope 1 + Scope 2 <sup>10,11</sup> (metric tons CO <sub>2</sub> e/produced Mboe)	Did not track	6.96	5.83
Upstream <sup>12</sup> Scope 1 (metric tons CO <sub>2</sub> e/produced Mboe)	6.82	3.93	2.85
Midstream <sup>12</sup> Scope 1 (metric tons CO <sub>2</sub> e/Mboe <sup>13</sup> )	18.65	15.19	14.59

<sup>9</sup>When converting CH<sub>4</sub> and N<sub>2</sub>O to CO<sub>2</sub> equivalent to account for Global Warming Potential (GWP), Coterra uses 25 and 298, respectively, per 40 CFR Part 98 Subpart A

<sup>10</sup>Includes office buildings for which Coterra had operational control

<sup>11</sup>Coterra did not track Scope 2 emissions in 2019

<sup>12</sup>Upstream and midstream relate to the Onshore Production and Onshore Gathering and Boosting EPA defined industry segments, respectively

<sup>13</sup>Midstream Mboe is calculated using quantity of gas received by the facility and transported hydrocarbon liquids to a facility as defined in Subpart W using a 6:1 BOE ratio



### Methane Emissions Intensities (Scope 1)

METRIC	2019	2020	2021
Company-Wide Scope 1 (metric tons CH <sub>4</sub> emitted/metric tons CH <sub>4</sub> produced)	0.168%	0.071%	0.038%
Upstream <sup>12</sup> Scope 1 (metric tons CH <sub>4</sub> emitted/metric tons CH <sub>4</sub> produced)	0.130%	0.064%	0.031%
Midstream <sup>12</sup> Scope 1 (metric tons CH <sub>4</sub> emitted/metric tons CH <sub>4</sub> received)	0.098%	0.063%	0.045%

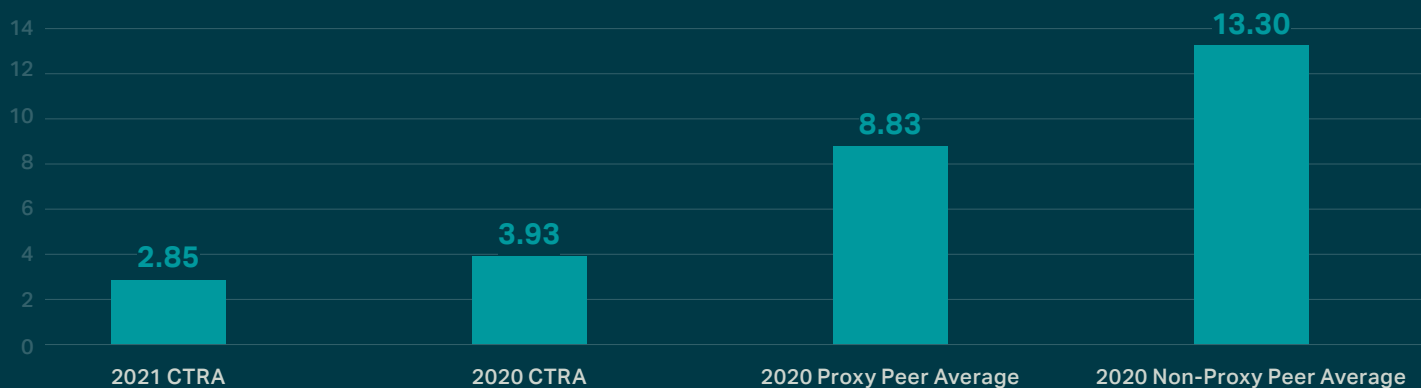
### Flaring Emissions Intensity (Scope 1)

METRIC	2019	2020	2021
Company-Wide flaring <sup>14</sup> (volume of gas flared/volume of gas produced)	0.471%	0.228%	0.141%

Coterra analyzes our upstream emissions on a standalone basis to facilitate comparisons of our performance to our peers<sup>15</sup>, as our peer group has varying levels of operations within the upstream and midstream segments. The following data is derived from EPA Subpart W-submitted data:

### Upstream Segment GHG Intensity (EPA Onshore Production Segment)

#### GHG Intensity (MT CO<sub>2</sub>e/Mboe)



<sup>12</sup>Upstream and midstream relate to the Onshore Production and Onshore Gathering and Boosting EPA defined industry segments, respectively

<sup>13</sup>Midstream Mboe is calculated using quantity of gas received by the facility and transported hydrocarbon liquids to a facility as defined in Subpart W using a 6:1 BOE ratio

<sup>14</sup>Coterra's flaring intensity includes high pressure, low pressure and pilot-light flaring

<sup>15</sup>Our Proxy peers consist of AR, APA, CHK, CLR, DVN, FANG, EOG, EQT, HES, MRO, OXY, OVV and PXD

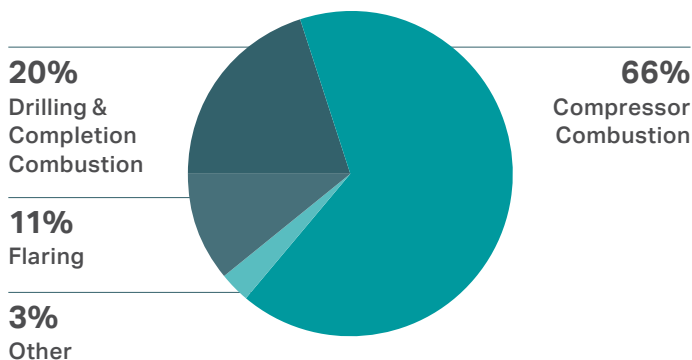
## Emissions Reduction Initiatives

(TCFD: Metrics and Targets – a,c; SASB: EM-EP-110a.3)

Coterra’s two main Scope 1 greenhouse gases emitted are carbon dioxide (CO<sub>2</sub>) and methane (CH<sub>4</sub>). Through innovation and technology, we are committed to reducing the amount of these gases we release related to our operations. Our ongoing analysis of our near real-time emissions data enables us to track CO<sub>2</sub> and CH<sub>4</sub> emissions by each categorical source to identify equipment and/or emission sources with the most potential for emissions reduction opportunities. Coterra also leverages our associations with groups like the American Petroleum Institute’s “The Environmental Partnership” to further identify opportunities for innovations and technologies that may reduce our emission footprint.

## Carbon Dioxide

Carbon dioxide emissions from our operations are primarily produced through combustion. Approximately 86% of Coterra’s carbon dioxide emissions are related to combustion in engines used in our compression, drilling and completion operations, while approximately 11% of our carbon dioxide emissions are related to flaring. The below figure demonstrates the major components of our CO<sub>2</sub> emissions:



From 2019 to 2021, Coterra reduced its absolute CO<sub>2</sub> emissions by approximately 33%. To achieve this reduction to date, and to continue to reduce our CO<sub>2</sub> emissions in the future, Coterra is utilizing electrification, fuel optionality and flare mitigation throughout our operations.

## Electrification

Coterra’s strategic investments to electrify significant portions of our operating areas affords us the opportunity to transition a meaningful portion of the large engines in our operations to electric motors, markedly reducing our CO<sub>2</sub> emissions associated with those sources. Although these initiatives transition some of our Scope 1 emissions into Scope 2 emissions, the net Scope 1 and Scope 2 emissions are typically 25%–45% less due to several factors. First, the emission intensity (CO<sub>2</sub>e/MWh) of the power grid in the areas of our operations are low relative to some other oil and gas production areas. We expect the grids where we operate to continue lowering their emission intensities through improvement of efficiencies related to thermal generation; increased use of lower carbon electrical generation; and possible utilization of carbon capture, utilization and storage (CCUS) within the power generation sector. Second, the efficiency of electric motors to convert energy input into work output tends to be better than internal combustion engines. Electric motors also reduce other pollutants from our operations such as NO<sub>x</sub>, SO<sub>x</sub> and particulate matter and the risk of incomplete combustion resulting in carbon monoxide (CO) and CH<sub>4</sub> emissions. The three largest operational processes for which we are currently abating CO<sub>2</sub> emissions through electrification are compression (e-compression), hydraulic fracturing (e-frac) and drilling (e-drilling).

## Electric Infrastructure

- A Coterra owned grid powers our operations in Culberson and Reeves counties
- Coterra is currently running 6 rigs and 1 hydraulic fracturing crew equipped to run off of grid power, where available
- Coterra plans to exit 2022 with 4 midstream electric compressor units in service
- This system provides optionality for possible behind the meter power generation



Substation: part of Coterra's electric infrastructure

## E-Compression

Approximately 77% of Coterra's 2021 Scope 1 compressor combustion CO<sub>2</sub> emissions were related to our midstream operations in the Permian Basin. In 2022, we have installed several large electric compressors, and we expect the continuation of this initiative in coming years will meaningfully reduce Coterra's CO<sub>2</sub> emissions from this source. We are currently evaluating a scenario in which we could convert over 75% of Coterra's midstream compression horsepower to electric compression by 2027. We also are converting well-site compression to electric compression where technically and economically feasible.

## E-Frac

Coterra's CO<sub>2</sub> emissions related to the combustion of fuels used in the hydraulic fracturing of our wells constituted approximately 82% of Coterra's CO<sub>2</sub> emissions from drilling and completing wells. In the summer of 2022, we began operations with a grid-powered e-frac fleet. Early data suggests that the use of this technology reduces the net Scope 1 and Scope 2 emissions related to hydraulic fracturing by 40%–45% when compared to a traditional diesel-powered fleet.

## E-Drilling

Approximately 18% of our CO<sub>2</sub> emissions from drilling and completing wells are related to the combustion of fuels in the drilling process. In 2021, approximately 50% of the wells we drilled in the Permian Basin utilized grid-powered drilling rigs, and in 2022, Coterra expects that metric to increase to over 80%.

## Fuel Optionality

Where technically and economically feasible, Coterra is utilizing lower CO<sub>2</sub>-producing fuels. Many of the large engines we use in our operations have optionality regarding the type of fuels used in their combustion. Coterra uses a portfolio of options ranging from diesel, biodiesel, field gas and residue gas as fuel for our engines. By investing in infrastructure to deliver, and in some cases utilizing specialized equipment to burn, lower carbon-producing fuels, Coterra is reducing the CO<sub>2</sub> emissions from combustion in our operations.



## Flare Mitigation

Flaring constituted approximately 11% of the Scope 1 CO<sub>2</sub> emissions from Coterra's operations in 2021. We strive to minimize flaring, not only to reduce our overall carbon dioxide emissions, but to minimize the volumes of natural gas we produce and are unable to sell. From 2019 to 2021, Coterra achieved an approximate 70% reduction of its total flaring intensity, computed as the sum of the volume of gas flared from high-pressure, low-pressure and pilot-light flaring in our operations divided by the total volume of gas we produced. This improvement was accomplished via several initiatives.

First, we strive to ensure adequate gathering and pipeline capacity, or takeaway, to move the natural gas we produce to market. Coterra does not operate a single well that does not have a gas-gathering line to accept its gas production, and as of the end of 2021, Coterra has zero routine high-pressure flaring in its operations. Ensuring gas-gathering lines are in place before wells are capable of producing is a result of cooperation between our operations teams, our owned midstream group and our third-party gas gatherers. When either planned or unplanned upset conditions related to our gas takeaway capacity do occur, we work with our partners to reduce the impact of those curtailments. Due to optionality provided by looping within many of our gas-gathering systems, often we can divert gas volumes to other portions of the gathering system to continue to allow gas to flow away from our production facilities. If upset conditions are expected to be of long duration or cause large volumes of gas to be flared, we also often choose to shut-in wells until our takeaway capacity is restored.

Second, Coterra's completion activities follow green completions guidelines. Federal regulation defines green completions as the capture of produced gases during well completion activities and allows for flaring or venting only when it is not technically feasible to capture the gases or when the situation presents a hazardous condition.

In addition, our modern production facility designs result in less gas being flared. The use of our tankless facility design, coupled with vapor recovery units, reduces the volume of low-pressure flaring in our operations and allows us to sell more of the gas we produce.

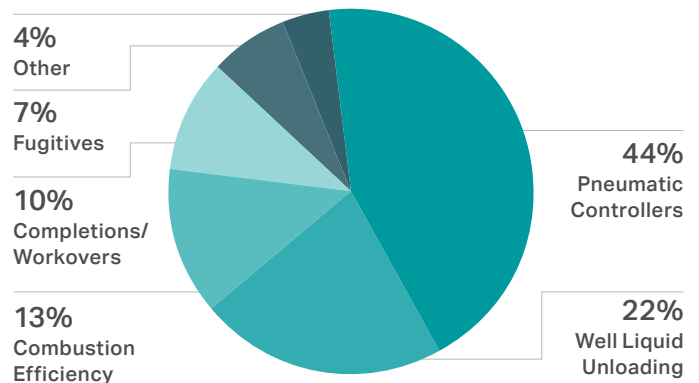
Also, our Coterra owned and operated gas-gathering allows for increased efficiencies related to non-routine high-pressure flaring due to midstream curtailments. In 2021, our Permian high-pressure flare intensity due to midstream curtailment

was approximately 30% less for Coterra-owned gas-gathering compared to our third-party gas gatherers.

Finally, we have begun centralizing high-pressure flares within our operations. By centralizing these flares to strategic points in our gathering systems, we can reduce the number of flares we must manage, resulting in less maintenance and fewer required inspections, which leads to more efficient flare burners and lower incidences of unlit flares. To date, this initiative has eliminated 23 flares from our production facilities by adding 2 centralized flares at our compressor stations. Once completed, we are targeting 7 additional centralized flares to be installed which will eliminate approximately 97 additional flares from our production sites. Also, the centralized flares will prevent the need to install approximately 5-7 production flares at new facilities each year.

## Methane

Methane (CH<sub>4</sub>) constituted approximately 16% of Coterra's computed Scope 1 CO<sub>2</sub>e greenhouse gas emissions in 2021. The figure below demonstrates the major components of our CH<sub>4</sub> emissions:



Coterra is committed to reducing the CH<sub>4</sub> emissions from our operations to reduce our impact on the environment. We would also prefer to capture and sell CH<sub>4</sub> when technically and economically feasible. Between 2019 and 2021, Coterra innovated across its portfolio to generate an over 77% reduction in its CH<sub>4</sub> intensity, computed as the total metric tons of CH<sub>4</sub> emitted divided by the total metric tons of CH<sub>4</sub> produced. To achieve this reduction to date, and to continue to reduce our CH<sub>4</sub> emissions in the future, Coterra is focusing on pneumatic controllers, well liquid unloading, combustion efficiency, venting related to completions and fugitive CH<sub>4</sub> emissions.

## Pneumatic Controllers

Approximately 44% of Coterra's CH<sub>4</sub> emissions in 2021 were related to natural gas-powered pneumatics. To reduce these emissions, we install non-emitting pneumatic devices on new facilities, we have implemented a retrofit program to convert existing facilities to non-emitting pneumatic devices and we have rerouted a portion of our pneumatics related CH<sub>4</sub> emissions from atmospheric bleed to emission-control devices such as flares. Utilizing compressed-instrument air instead of natural gas to power pneumatic control devices is the primary way Coterra attains non-emitting control systems. As of the end of 2021, over 70% of our pneumatic controllers capable of venting to the atmosphere were either configured as non-emitting or were routed to a control device.

## Well-Liquid Unloading

Well-liquid unloading events constituted approximately 22% of Coterra's CH<sub>4</sub> emissions in 2021. Well-liquid unloading events are required to remove fluid buildup in wells to improve or restore well production and are performed by venting wells to atmospheric tanks. Coterra reduced the CH<sub>4</sub> associated with these events by approximately 23% from 2019 to 2021. This reduction was accomplished via several methods. First, Coterra uses well-liquid unloading data in the prioritization process when deciding which wells to install artificial lift systems, capillary strings and wellsite compressors. Second, Coterra requires on-site supervision of the entire unloading process which allows for the events to be of shorter duration, since they are stopped once the well is unloaded. Finally, we hold regular reviews of liquid unloading events with the regional and field staff to analyze best steps forward to reduce emissions from this source.

## Combustion Efficiency

Approximately 13% of Coterra's methane emissions in 2021 were related to combustion efficiency. These emissions are related to the incomplete combustion of fuels burned in engines and flares. Emissions from these sources are calculated using emission factors used in the United States Environmental Protection Agency's Greenhouse Gas Reporting Program and are based on the volume and type of

fuel burned in the engines and flares within our operations. Coterra's initiative to electrify large engines where technically and economically feasible in our operations reduces the CH<sub>4</sub> emissions related to these sources.

## Completion Operations

Venting during completion and workover operations represented approximately 10% of Coterra's CH<sub>4</sub> emissions in 2021. The large majority of these emissions were associated with milling out frac plugs after wells had been hydraulically fractured. Gas returned to surface during this operation is low-pressure, intermittent and not capable of being sent to sales. In 2022, Coterra began piloting a process in our Marcellus Business Unit designed to capture, measure and combust this gas, significantly reducing the CH<sub>4</sub> emissions associated with the process. Should this pilot be successful, Coterra expects a meaningful reduction in CH<sub>4</sub> emissions from this source.

## Fugitive Emissions

Fugitive emissions constituted approximately 7% of Coterra's CH<sub>4</sub> emissions in 2021. These emissions represent the unintended release of gas through various components such as flanges, valves, connectors and pressure relief valves. To help identify and minimize fugitive emissions, Coterra employs the use of optical gas imaging (OGI) cameras for leak-detection inspections on an ongoing basis as required by regulation. In addition to Coterra's OGI inspections required by regulation, we have also instituted additional voluntary OGI inspections on certain facilities. These additional inspections are designed to capture potential large, unintended releases and are carried out either by handheld or drone-based OGI cameras. Members of our team are trained and certified thermographers from the Infrared Training Center. The training provides our operators with not only the operating techniques and basics of thermal science, but also an understanding of the regulatory framework, safety practices, camera techniques and video image interpretive skills.

Coterra has implemented additional enhanced monitoring practices across our operating areas beyond the required surveillance. These monitoring techniques include fixed-wing aerial flyovers, ground-based lasers and point sensors all designed to alert our teams to unintended releases and to more quickly remedy these releases. The technology available to monitor methane emissions is developing and evolving, and Coterra expects a portfolio of solutions will ultimately play a significant role in reducing our fugitive emissions.

In addition to CH<sub>4</sub> surveillance, Coterra's maintenance programs are also designed to reduce our fugitive emissions before they occur. By actively maintaining equipment in proper working order, Coterra reduces its exposure to fugitive emissions related to component failures.

Coterra's modern facility designs also reduce our exposure to fugitive emissions. Our tankless facilities reduce the number of components with a high risk of fugitive emissions.

Between 2019 and 2021, Coterra's efforts related to fugitive methane emissions reduction resulted in an approximately 68% reduction in CH<sub>4</sub> emissions from this source.

## Tankless Facilities

Coterra's tankless facility design targets reducing fugitive emissions, especially those related to atmospheric storage tanks. This design eliminates tanks from our facilities, as well as thief hatches and end-of-line devices that have the potential for fugitive emissions. Our tankless designs also incorporate vapor recovery units that reduce low-pressure flare volumes and allow Coterra to sell more of the gas it produces. Current costs of installing tankless facilities versus conventional facilities are competitive on newly constructed facilities. In a study utilizing continuous methane-emissions monitoring technology, Coterra compared the measured methane emissions from a tankless facility to a conventional facility. The results of that seven-month-long study showed approximately 96% less measured methane emissions from the tankless facility. Coterra is utilizing the tankless facility design on new facilities in our liquid-rich areas of operation, and when Coterra adds new wells to legacy facilities in these areas, we also are retrofitting those legacy facilities to tankless facilities when technically and economically feasible.



Tankless facility: Permian Basin



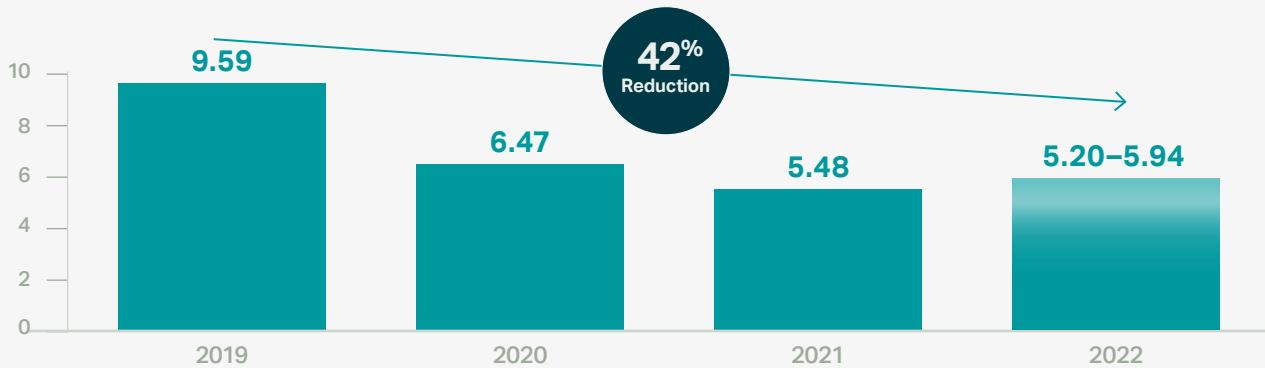
## Climate Targets (TCFD: Metrics and Targets – c; SASB: EM-EP-110a.3)

In 2022, three climate metrics were added to Coterra’s executive short-term incentive targets: greenhouse gas intensity, methane intensity and total flare intensity.

The midpoints of our targets are 5.57 MT CO<sub>2</sub>/Mboe, 0.036% and 0.125% which represent a 42% reduction, a 79% reduction and a 74% reduction, respectively, when compared to a 2019 baseline.

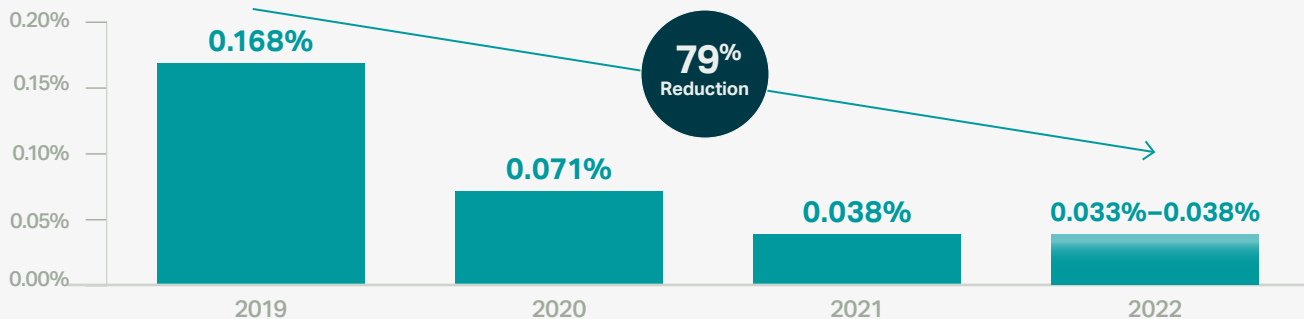
### Greenhouse Gas Emissions Intensity

GHG Emissions (MT CO<sub>2</sub>e)/Gross Annual Total Production



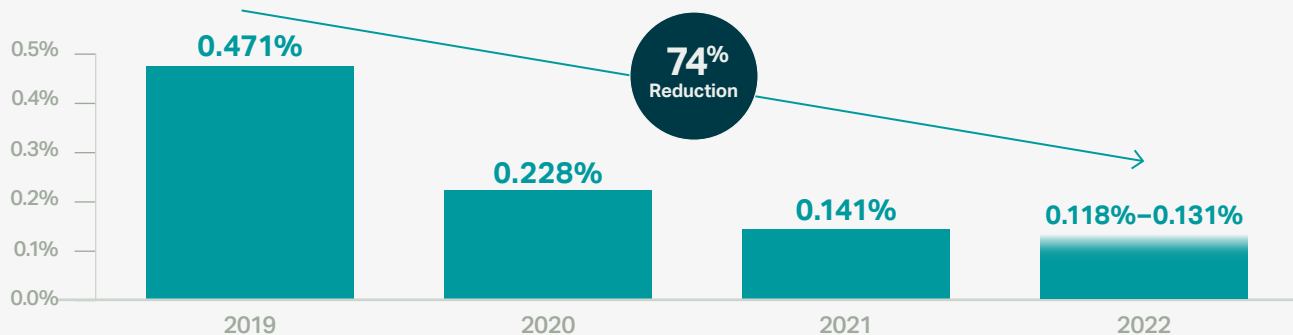
### Methane Emissions Intensity

Methane Emissions (MT CH<sub>4</sub>)/Gross Methane Produced (MT CH<sub>4</sub>)



### Total Company Flare Intensity

Volume of Flared Natural Gas (Mcf)/Gross Total Produced Natural Gas (Mcf)



Figures listed above include only Scope 1 Subpart W reportable emissions. Results represent combined emissions profiles for all years. 2019 to 2022 reductions calculated at midpoint of 2022 targets



# Environmental, Health and Safety

## Environmental, Health and Safety Management System

(SASB: EM-EP-540a.2)

Coterra is focused on improving our Environmental, Health and Safety (EHS) performance. Our EHS Committee of the Board of Directors has ultimate oversight of our EHS policies, programs and initiatives and reports regularly to the full Board. Our EHS management system (MS) establishes a framework for EHS compliance and performance and covers all elements of our operating lifecycle. It influences our management of environmental protection, biodiversity impacts and workforce health and safety, the aspects of which are described in the following sections. The EHS MS has controls and safeguards in place to assist the safe execution of our work within the oil and gas exploration and production sector. Our sites have processes to regularly inspect the facilities and identify, record and track prevention and mitigation efforts for identified potential hazards. The EHS MS is reviewed periodically and updated to incorporate best practices. For key tasks, we have standard operating procedures (SOPs) that provide clear guidelines and requirements to perform the tasks in a safe and environmentally responsible way. Our Director, EHS, provides oversight of our EHS MS.

Coterra's EHS MS outlines our compliance with applicable environmental laws and regulations and highlights our commitments, including monitoring, auditing and enhancing our environmental and safety performance. The EHS MS applies to all our operations and is available to employees on our intranet and to contractors via a third-party service. Employees and contractors are expected to comply with our policies, programs, standards and procedures. Coterra integrates EHS considerations into our projects and operations. EHS regulatory requirements are monitored

for potential changes at a federal, state and local level, and identified changes are then communicated to impacted operations teams.

We provide monthly EHS training for our employees and encourage our contractors' involvement. EHS training topics are generated through analysis of lessons learned, historical trends and regulatory changes. In addition, we also provide EHS leadership training to operational supervisors through an industry-leading consulting company.

Before Coterra proceeds with any non-routine work, we perform a Job Safety Environmental Analysis (JSEA) to identify potential safety and environmental hazards. We conduct EHS review assessments through monthly and quarterly internal inspections and are subject to potential external annual facilities inspections by our insurance company. We have a self-assessment and corrective action management process for proactively identifying and addressing improvement opportunities, including external third-party environmental assessments. We also perform preventative maintenance on equipment across our operating areas to mitigate potential equipment failures.

Our EHS staff participate in our internal EHS network and industry trade groups. Coterra's EHS staff is also encouraged to participate in professional and industry seminars and conferences to remain at the forefront of EHS matters within our industry and to be knowledgeable of EHS best practices across all industries.

## Environmental Protection

### Air Quality (SASB: EM-EP-120a.1)

#### Air Quality Data

METRIC CODE	METRIC	2019	2020	2021
SASB-EM-EP-120a.1 <sup>16</sup>	Air emission of the following pollutants:			
	(1) Metric tons NO <sub>x</sub> (excluding N <sub>2</sub> O)	1,109	839	1,130
	(2) Metric tons SO <sub>x</sub>	2	1	1
	(3) Metric tons volatile organic compounds (VOCs)	58	50	60
	(4) Metric tons particulate matter (PM <sub>10</sub> )	39	32	34

We are committed to minimizing air pollutants emitted. Our air quality programs are designed so that our operations meet or exceed federal and state regulations that establish emissions limits, emissions control requirements, monitoring, testing, record-keeping and reporting requirements to protect and maintain air quality.

To improve our air quality performance, Coterra focuses on our emissions reduction initiatives as described within our response to climate, including but not limited to electrification of drilling, completion, compression and production equipment; centralized flaring; tankless facilities; and non-emitting pneumatic controllers.

### Water Management (SASB: EM-EP-140a.1,2,3)

#### Water Quality Data

METRIC CODE	METRIC	2019	2020	2021
SASB-EM-EP-140a.1	(1) Total freshwater withdrawn (Thousand cubic meters)	6,117	4,169	4,498
	Percentage withdrawn in regions of high or extremely high baseline water stress <sup>17</sup>	0%	0%	0%
	(2) Total fresh water consumed (Thousand cubic meters)	5,632	3,731	4,065
SASB-EM-EP-140a.2	Volume of produced water generated (Thousand cubic meters)	32,101	29,943	30,500
	Volume of flowback generated (Thousand cubic meters)	1,585	968	1,870
	(1) Percentage discharged	0%	0%	0%
	(2) Percentage injected	85.2%	89.3%	78.7%
	(3) Percentage recycled	14.8%	10.7%	21.3%
	Percentage hydrocarbon content in discharged water	0%	0%	0%
	SASB-EM-EP-140a.3 <sup>18</sup>	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	100%	100%

<sup>16</sup>This data table is limited to Coterra's Marcellus Business Unit (MBU) only. Systems are being put into place to be able to capture this data for all areas of operations for reporting year 2022

<sup>17</sup>As defined by the Water Resource Institute's (WRI) Water Risk Atlas tool, Aqueduct

<sup>18</sup>Coterra discloses the chemicals used in hydraulic fracturing fluid through [www.fracfocus.org](http://www.fracfocus.org)

## Water Management

Responsible water management is central to our operations and our communities. We recognize the risk water scarcity poses to Coterra and to our stakeholders. Water is an essential component in our oil and gas operations. Coterra focuses on the efficient management of water across the operations cycle and strives to take the precautions necessary to protect and responsibly use the water supplies in the communities in which we operate. As such, water scarcity is integrated into our risk assessments and as part of our business strategy. In 2021, 0% of our water was withdrawn from high/extremely high water-scarcity risk regions, according to the World Resource Institute's (WRI) Water Risk Atlas tool, Aqueduct. Our EHS Committee and Director, EHS, provide oversight to water management activities and issues.

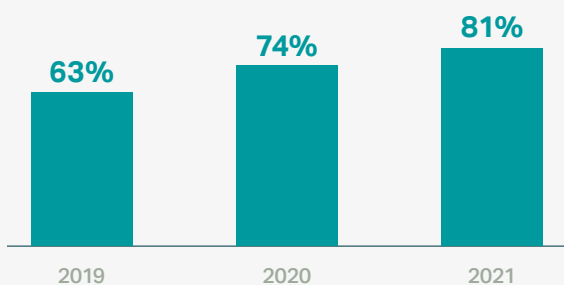
To minimize freshwater usage, we recycle and reuse produced waters where technically and economically feasible. Coterra actively investigates alternative means to minimize freshwater needs, such as sourcing produced water from third-party disposal facilities and other offset operators. When recycled water volumes do not fulfill our stimulation requirements, Coterra purchases water, including freshwater, brackish and other non-potable water, from third-party sources.

In our Marcellus Business Unit operations, while we recycle nearly 100% of the water generated by our flowback and production operations, additional water sourcing is utilized for our Marcellus hydraulic fracturing activity due to the low produced-water volumes. Pennsylvania freshwater withdrawal sources operate in accordance with the Susquehanna River Basin Commission (SRBC)'s Consumptive Use Mitigation Policy through facility-specific conditions presented in dockets issued/approved by the SRBC. Further, freshwater withdrawal facilities are required to be compliant with facility-specific water management plans approved by the Pennsylvania Department of Environmental Protection (PADEP). The approved dockets and plans detail specific withdrawal quantities and limitations at each source to ensure adequate environmental protections and mitigate potential adverse impacts to the sources. Flowback/produced fluid generated is sent to PADEP-permitted beneficial reuse facilities or reused directly in operations. Permitted beneficial reuse facilities that do not return water to the Company for reuse in completions operations will generally provide the treated/stored water to other operators in the basin for reuse/recycling in well-completion activities.

## Permian Basin On-Demand Pipeline System

We have developed an on-demand pipeline system that ties into our existing produced-water gathering, recycling and disposal infrastructure so that we can reuse produced water as source water for our completion operations. Over 200 miles of pipeline reduces the need for surface storage, trucking and minimizes potential spills. This system reduces the Company's need to purchase and use fresh water for hydraulic fracturing operations. As water volume requirements for stimulation operations have grown, Coterra has been able to meet the additional water requirements through this system.

### Permian Basin % Recycled Water Sourced for Completion Operations



Booster Station: Part of Coterra's engineered access for water reuse

## Groundwater Protection

Our groundwater protection program covers our operational regions and includes performing water-supply baseline surveys and sampling; well-integrity processes; engaging with landowners; and complying with federal, state and local regulations. We do not intentionally discharge process water, fracturing water or produced water to surface water bodies.



## Biodiversity Impacts (SASB: EM-EP-160a.1,2)

### Biodiversity Data

METRIC CODE	METRIC	2019	2020	2021
SASB-EM-EP-160a.2	Number of hydrocarbon spills	42	31	17
	Aggregate volume of hydrocarbon spills (Bbls)	602	481	166
	Volume of hydrocarbon spills in the Arctic	0	0	0
	Volume of hydrocarbon spills impacting shorelines with ESI rankings 8–10	0	0	0
	Volume of hydrocarbons recovered from spills (Bbls)	339	150	68

Unplanned releases of any kind are contrary to our commitment to environmental stewardship and represent operational inefficiencies we strive to eliminate. We seek to manage our operations effectively and limit the number of unplanned releases. In the event that we do have an incident, we are prepared with secondary containment systems, auto-shutoff instrumentation and controls, response plans, incident analysis and corrective actions. In addition, we utilize incident response companies for release management, remediation and disposal of waste to ensure all releases are handled effectively.

Our EHS department partners with all operations of the Company and engages with local biodiversity subject-matter experts to support and enhance our activities. As part of our EHS MS, biodiversity and land-use programs receive oversight from our EHS Committee and Director, EHS. Our EHS MS identifies and includes biodiversity management plans for priority areas.

As part of our planning process prior to development operations, Coterra performs environmental assessments (EAs) to identify and mitigate potential biodiversity hazards. Our EAs are informed by data sets and regulations from various state and federal organizations. Coterra's EA process identifies threatened and endangered species, special

concerned species and other resources within the area. In addition, wetland delineations are conducted on proposed well-site locations. To date, EA results have not materially impacted Coterra's ability to construct well-site locations nor impacted Coterra's ability to access reserves.

### Minimizing Surface Impacts

Coterra uses horizontal drilling and multi-well pads along with the latest technology that allows for increased lateral lengths, which reduces the number of pads needed to access reserves and minimizes our overall surface footprint. This also leads to more efficient operations due to less frequent mobilization of drilling rigs and completion crews, fewer individual sites requiring maintenance and less road construction and traffic. To minimize erosion and sedimentation issues, Coterra uses physical controls, optimizes well-pad design and layout and performs regular inspections.

### Site Reclamation

Once a well-pad site is no longer needed, the wells are properly plugged and abandoned, associated equipment is removed and the location is reclaimed. Reclamation is performed per guidelines created by the various federal and state agencies with reclamation oversight.

## Workforce Health & Safety (SASB: EM-EP-320a.1,2)

### Safety Data

METRIC CODE	METRIC	2019	2020	2021
SASB-EM-EP-320a.1 <sup>19</sup>	<b>(a) Full-time employees</b>			
	(1) Total recordable incident rate (per 200k hours worked)	0.70	0.69	0.30
	(1a) Lost time incident rate (per 200k hours worked)	0.46	0.34	0.10
	(2) Fatality rate (per 200k hours worked)	0.00	0.00	0.00
	(3) Near miss frequency rate (per 200k hours worked)	Did Not Track	0.77	0.20
	(4) Average hours of health, safety and emergency response training	Did Not Track	14.32	14.01
	<b>(b) Contract employees</b>			
	(1) Total recordable incident rate (per 200k hours worked)	0.59	0.37	0.44
	(1a) Lost time incident rate (per 200k hours worked)	0.10	0.25	0.27
	(2) Fatality rate (per 200k hours worked)	0.00	0.00	0.02
	(3) Near miss frequency rate (per 200k hours worked)	Did Not Track	0.98	0.22
	<b>(c) Full-time employees &amp; contractor employees</b>			
	(1) Total recordable incident rate (per 200k hours worked)	0.61	0.42	0.42
	(1a) Lost time incident rate (per 200k hours worked)	0.15	0.27	0.24
	(2) Fatality rate (per 200k hours worked)	0.00	0.00	0.01
	(3) Near miss frequency rate (per 200k hours worked)	Did Not Track	0.94	0.22

<sup>19</sup>Short-service employee metrics are included within our full-time employee metrics

Safety is a core value of Coterra. We believe safe operations not only protect the individuals on our locations, but ultimately lead to more efficient operations. We have a formal health and safety policy that applies to all employees. Each employee acknowledges their EHS responsibilities annually. Our commitment to safety is integrated throughout our organization—from frontline employees and contractors to our executive leadership and Board of Directors.

Our Executive Safety Council (ESC), a group of nine management team members, convenes regularly to set safety best practices across our operations. Our Director, EHS, oversees day-to-day implementation and management of our safety programs.

While Coterra strives for a culture of safety, incidents can occur. When we have an incident, we conduct an incident analysis to determine the cause and identify possible measures to prevent future occurrences. We have also implemented safety stand-downs to reinforce our safety principles and to ensure everyone on location recognizes the importance of job safety. A “safety stand-down” is an event where we shut down a job, area or department for a period of time and gather employees and/or contractors together to discuss and reinforce specific safety topics and the overall safety culture at Coterra.

Coterra’s operations are conducted under a Stop Work Authority (SWA) program that empowers employees and contractors to stop work if they discover a dangerous condition or other serious EHS hazard. All Coterra employees and contractors have the authority and obligation to stop any task or operation if they have any concerns or questions regarding any potential EHS hazard. Once an SWA is in effect, work cannot resume until all stop work-issues and concerns have been adequately addressed.

### **Contractor Safety Program**

Coterra employs a diverse group of contractors that provide specialized service functions necessary for our operations. Coterra is dedicated to enhancing our contractor’s safety performance while on our locations by vetting contractors for required training and qualifications, conducting periodic reviews and assessments and addressing incidents.

Coterra’s EHS policies and programs apply to Coterra contractors when on our locations. Contractors are held to the same EHS expectations as Coterra employees. We also

actively monitor and disclose contractor safety performance and participate in local contractor safety councils to explore and assess new ways to improve performance.

Prior to working on a Coterra job site, we review potential contractors for citations, safety statistics, written programs, training documentation and job specific requirements. We use specifically selected criteria and contractual requirements to regularly enhance and maintain contractor safety performance. Our contractors are expected to participate in EHS meetings as deemed necessary for their role. We conduct ongoing field evaluations on contractors to verify implementation of EHS programs and to confirm that our contractors are meeting Coterra’s safety requirements.

Coterra’s contractors execute a Master Service Agreement (MSA) or similar agreement, which contractually obligates them to comply with Coterra’s EHS policies. The MSA also requires contractors to immediately report to Coterra all details of any near miss, injury, illness, property damage and/or environmental impact and to fully cooperate in remedial activities in order to restore and protect the environment. Contractors chosen to work for Coterra are required to participate in the ISNetworld contractor verification program. This industry-leading safety verification process allows us to screen contractors based on their safety performance in relation to their peers. Our MSAs with our contractors include language requiring contractors to provide their employees with appropriate safety equipment and training, as well as to adhere to all applicable environmental and safety regulations. As part of Coterra’s commitment to providing a safe operation, a select group of contractors are selected every year to complete a verification and review process administered by ISNetworld. This process consists of contractor employee interviews and contractor management interviews which are designed to identify gaps in the contractor’s EHS program. Based on these reviews, ISNetworld develops action items and works with the contractor to verify completion of those items.



## Emergency Response Program

Coterra is committed to preparing for and responding to emergencies, and this commitment is detailed in our emergency response program. We have emergency response plans in place for all areas of our operations, based on the Incident Command System (ICS), which is a system that is utilized by all levels of government as well as many private-sector companies. Examples of emergency response plans for our operations are our Crisis Management Plan (CMP); Preparedness, Prevention and Contingency (PPC) Plan; Emergency Response Plan (ERP); and Tactical Response Plan (TRP). The primary purpose of these plans is to establish a response that is efficient, coordinated and effective, while delivering the necessary protection to our people, environment, assets and reputation. We conduct training and drills on a regular basis to ensure the preparedness of our

response personnel. Our stakeholders are also able to report emergencies directly, and we have protocols set forth to communicate with them in the case of an emergency response incident. Our emergency response program is led by Coterra's Senior Vice President – Operations and the corporate Crisis Management Team (CMT), which provides guidance to our regional emergency response teams. Emergency response—related trainings are provided on our Incident Command Module. We actively conduct emergency response drills and engage a third party to help improve our emergency response planning and drills. All Coterra locations have our emergency hotline phone number posted publicly for stakeholder visibility, and we have a guide on emergency response protocols that we share with external stakeholders, including local first responders and officials.





# Community Relations

(SASB: EM-EP-210a.1,b.1,2)

We are committed to building prosperity and safeguarding the neighbors and environment in the communities in which we operate. Using input from our employees who live locally within our operating areas, other local stakeholders and organizations such as the Marcellus Shale Coalition and the Permian Strategic Partnership, we prioritize community engagement in the following areas:

- Workforce development
- Educational assistance
- Minimizing operational impact
- Arts and culture
- Access to healthcare

## Engaging Communities

Coterra’s goal is to minimize our negative impact and maximize our positive impact on the communities in which we operate. We look to connect and engage with our neighbors. When we enter a new area or change our operations significantly, we

meet with the community to share a timeline and key attributes of our operations and listen to community ideas and concerns.

Coterra maintains good community relations by engaging with local communities through education about our operations and actively maintaining a dialogue with our stakeholders such as first responders, community leaders and local elected officials in an effort to continuously seek feedback on and improve our performance. We work to identify local stakeholders and communities of interest, including local and new government officials, and engage organizations such as the Chamber of Commerce and arts groups throughout the year. Operation-specific responsibility for community relations belongs to our Vice President of Government Affairs and Director of External Affairs.

Company contributions are considered on a case-by-case basis with an emphasis on organizations whose work has a broad impact on the community. In addition, Coterra has a charitable match program for employee contributions to 501(c)(3) organizations.

## Community Relations Metrics

METRIC CODE	METRIC	2019	2020	2021
SASB-EM-EP-210a.1	(1) Percentage of proved reserves in or near areas of conflict	0%	0%	0%
	(2) Percentage of probable reserves in or near areas of conflict	0%	0%	0%
SASB-EM-EP-210b.2	Number of non-technical delays	0	0	0
	Duration of non-technical delays (days)	0	0	0

## Security, Human Rights and Rights of Indigenous Peoples (SASB: EM-EP-210a.3)

Coterra endeavors to conduct its business in a socially responsible and ethical manner consistent with human rights principles. We are committed to embedding respect for human rights throughout all aspects of our business and within all geographies in which we operate. We respect the land rights of indigenous people and are committed to protect culturally

sensitive areas. Our Governance and Social Responsibility Committee provides oversight regarding community engagement and social responsibility, including alignment with our Human Rights Policy, which can be found on our website here, [www.coterra.com/a-sustainable-future/](http://www.coterra.com/a-sustainable-future/).



# Business Ethics and Transparency

(SASB: EM-EP-510a.1,2)

METRIC CODE	METRIC	2019	2020	2021
SASB-EM-EP-510a.1	(1) Percentage of proved reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	0%	0%	0%
	(2) Percentage of probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	0%	0%	0%

Coterra is committed to the highest ethical standards in its business through good corporate governance. These high standards permeate the Coterra culture as we strive to provide transparency to our stakeholders including employees, shareholders, business partners, regulators and the communities in which we work. Our Board of Directors are guided by our [Governance Guidelines](#) and play a vital role in the execution and monitoring of corporate governance at Coterra. Our [Environment, Health & Safety Committee](#), [Audit Committee](#), [Governance and Social Responsibility Committee](#) and [Compensation Committee](#) are each made up of independent Directors.

## Compliance

Our [Code of Business Conduct and Ethics](#) covers all areas of professional conduct, including conflicts of interest, customer relationships, insider trading, financial disclosure, intellectual property, political contributions and confidential information, and it requires strict adherence to all laws and regulations applicable to the Company's business. Our Chief Executive Officer, General Counsel, Chief Financial Officer and Chief Human Resources Officer administer and our Board of Directors, Audit Committee, and Governance and Social Responsibility Committee oversee compliance with the Code of Business Conduct and Ethics. Employees, officers and directors receive periodic training on and are required to certify that they have read and understand the Code of Business Conduct and Ethics.

## Whistleblower Hotline

We have an external whistleblower hotline available 24/7 to employees and third parties to report any violations of our Code of Business Conduct anonymously, if they choose. Reports are logged into our system where they are reviewed and processed following our established procedures. Our processes include delegating appropriately for internal investigations on each report. Reports are investigated and tracked until resolved and reported to the Audit Committee of our Board of Directors.

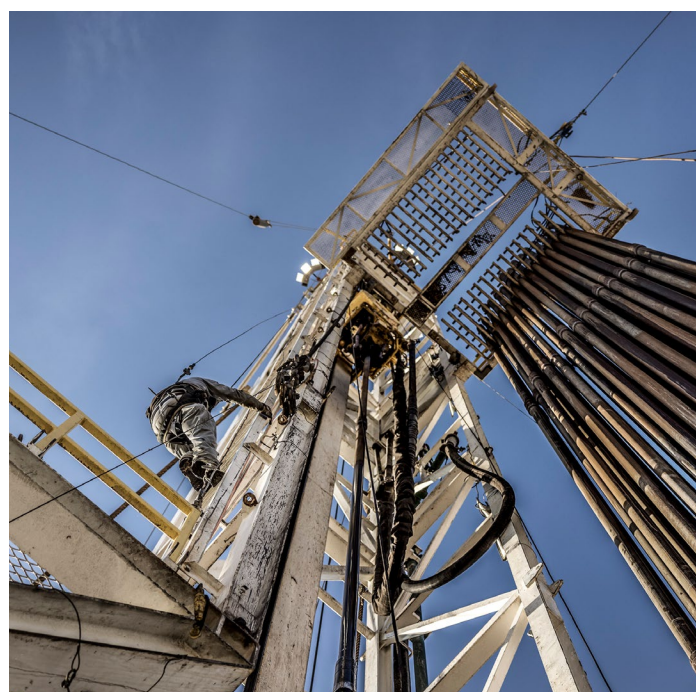
## Political Involvement

We operate in an industry that is heavily regulated and, therefore, we are deeply affected by the political and legislative process. We strongly believe that Coterra's long-term value to our shareholders is enhanced by a business environment that protects and supports the oil and gas industry's ability to responsibly operate to provide important energy resources to consumers. Corporate contributions, if any, in furtherance of this interest are made only if consistent with our Political Contributions and Activities policy within our Code of Business Conduct and Ethics, approved by the Chief Executive Officer and reviewed by our Board of Directors' Governance and Social Responsibility Committee.

## Direct Contributions

From time to time, Coterra supports organizations that are active in the public-policy and political-engagement processes, as they affect the exploration, production and transportation of natural gas and oil, including those organized under Section 527 of the Internal Revenue Code. In so doing, Coterra adheres to our Code of Business Conduct and Ethics and to all U.S. and state laws and regulations that govern political engagement for U.S. public companies. In 2021, Coterra's contributions to Section 527 organizations consisted of the following:

SECTION 527 ORGANIZATION	CONTRIBUTION
Republican Governors Association	\$ 60,000
GOPAC	\$ 25,000
Emerge Pennsylvania	\$ 500
<b>Total</b>	<b>\$ 85,500</b>



## Indirect Political Spending

We are also members of business and industry trade groups [(organized under Section 501(c)(6) of the Internal Revenue Code)] that engage in educational and collaborative initiatives regarding issues that affect our industry. Some of these associations also engage in lobbying activities that seek to promote legislative solutions that are sound and responsible and, in our judgment, appropriately advance not only Coterra's business, but the goals and interests of our industry as a whole. Coterra occasionally makes contributions to 501(c)(4) tax-exempt civic or social-welfare organizations that engage in political activity in support of our industry or the business community as a whole. Our Chief Executive Officer approves Coterra's participation in, and levels of contributions to, all business and trade associations and social welfare organizations.

In 2021, the total non-deductible, lobbying-related portion of our dues paid to all business and trade associations and 501(c)(4) organizations, as reported to us by those organizations, was approximately \$3,050,000, as detailed below:

BUSINESS/TRADE ASSOCIATION OR SOCIAL-WELFARE ORGANIZATION	TITLE
Appalachian Natural Gas Operators	\$ 37,584
American Exploration and Production Council (AXPC)	\$ 84,000
American Petroleum Institute (API)	\$ 2,651,305
Commonwealth Partners Chamber of Entrepreneurs	\$ 50,000
Independent Petroleum Association of America	\$ 11,375
Marcellus Shale Coalition (MSC)	\$ 2,175
New Mexico Oil & Gas Association (NMOGA)	\$ 87,000
Petroleum Alliance of Oklahoma	\$ 24,000
Pennsylvania Chamber of Commerce	\$ 3,850
Shale Energy Alliance	\$ 15,000
Texas Independent Producers & Royalty Owners Association (TIPRO)	\$ 300
Texas Oil & Gas Association (TXOGA)	\$ 80,705
US Oil & GAS Association (USOGA)	\$ 912
Western Energy Alliance	\$ 1,800
<b>Total</b>	<b>\$ 3,050,006</b>



# Human Capital

At Coterra, we believe every employee makes us a stronger company. We strive to maintain minimal hierarchy, creating a culture where anyone who is inspired and offers good ideas can have an impact on how we operate our business.

## Our culture is shaped by three important viewpoints:

- **People First:** We recognize that our employees work hard every day and give us the ability to adapt and thrive in a challenging and competitive industry.
- **Ideas Welcome:** We encourage our employees to speak up and not be afraid to contribute ideas to help improve our company and our performance. We empower our employees to have a voice. We strive to eliminate barriers that prevent the sharing of ideas at all levels of the organization.
- **Team Approach:** Cross-functional team collaboration ensures we make informed business decisions.

We believe that employees should come to work in a safe and open environment where ideas, excellence and hard work lead to rewarding opportunities. Coterra's core principles are established and consistent, however we allow our practices to evolve as we learn, grow and succeed.

## Our operational framework rests on these key pillars:

- **Safety:** We prioritize the safety of our employees and the communities where we operate by emphasizing personal responsibility and safety leadership.
- **Integrity:** Integrity and open communication are key to good decision-making. We honor our commitments and take ownership of both our work and our actions.

- **Transparency:** We are an open culture with a shared mission to create value by generating sustainable returns for investors while responsibly providing reliable energy solutions to all.
- **Excellence:** We are not interested in being average. We believe in challenging ourselves to meet a standard of excellence in everything we do.
- **Opportunity:** We give authority and responsibility to those who demonstrate their ability to perform rather than a system based on tenure.

## Recruitment

During our recruitment process, we define every role and skillset according to the current and future needs of our business. We utilize university-based hiring and internships for technical and future management jobs. We are focused on diversity, inclusion and great talent in our recruiting practices as we build the Coterra culture. During the expansion of our Houston corporate office, we trained hiring managers and required our recruiting partners to focus on presenting hiring managers with diverse slates of candidates. As a result, our post-merger Houston-based hiring has resulted in new team members that are 56% female and 52% ethnic minorities. As candidates experience our culture through the interview process, we have had success in hiring terrific new talent.

## Compensation and Benefits

At Coterra, our employees are an integral part of our success. We are committed to offering employees a total rewards package that includes highly competitive compensation that is focused on driving results and performance and industry leading health, welfare and retirement benefits.



## Our Benefits Include:

- Alternative work schedules that can include working remotely some days, a 9/80 schedule and half-day Fridays
- Education reimbursement, when employees are reimbursed for tuition, books and lab fees up to the maximum IRS allowable reimbursement
- A scholarship program or educational assistance for dependent children of employees
- Medical and prescription insurance, including telehealth options
- Vision and dental insurance
- 100% company-paid life and disability insurance and company-paid spouse and dependent life insurance with lower-cost supplemental insurance buy-up policies for employees and spouses
- Employee assistance program
- Health savings accounts with a generous Company contribution
- Generous paid leave, including paid parental leave, competitive vacation time, flexible time off to care for the physical and mental health of the employee or their family, Company holidays, plus floating holidays to use as the employee chooses and bereavement leave
- 401(k) with Company match and a 100% employer-paid retirement contribution
- Matching gifts program

## Employee Development

Aligning with our culture, we provide employees with the opportunity to advance their careers by elevating skills and capabilities consistent with the needs of our Company. Coterra is committed to cultivate growth and offers training, development programs and engagement events across every level of our organization and at every stage of our employees' careers. We encourage our employees to excel in their field and offer tuition reimbursement to all employees. We offer formal on-site, remote and hands-on field training programs such as geoscience and engineering technical programs with external partners. We also provide leadership training, including courses focused on effective presentations and public speaking, leadership development and engagement. We strive to ensure that our leadership succession plans are aligned with manager assessments, feedback, leadership development programs and mentoring.

## Employee Engagement

At Coterra, we regularly engage with our employees and encourage open dialogue, which is fundamental to our strategy. We value open communication. Rather than conducting anonymous surveys, we often hold small group meetings for employees with senior managers, as well as with the CEO at least annually. Employees are given multiple lines of communication they can utilize if they have any concerns. We utilize our annual salary planning and our annual bonus process as two distinct opportunities for leaders and employees to engage in thoughtful discussion around individual performance, prior year results, development opportunities and career goals. In addition to these formal opportunities, our employees are encouraged to engage in regular discussions with their leaders regarding expectations and performance. Retaining our talent is a priority, and employee turnover is tracked closely and discussed at least annually with our CEO and broader leadership.

## Diversity, Equity and Inclusion (DEI)

Diversity leads to richer discussions, more innovation, better productivity and increased long-term value creation. We are committed to attracting a diverse workforce that has strong technical competence, is not afraid to contribute innovative ideas and works well in a team environment. Our Head of Talent Management oversees our DEI efforts and reports to our Chief Human Resources Officer. The Governance and Social Responsibility Committee of our Board of Directors provides ultimate oversight over DEI matters. The Committee reports quarterly to the full Board and together they act collectively as a Board to review all DEI-related matters. The Board also holds periodic discussions on succession planning as part of the Compensation Committee, which also incorporates DEI. Coterra actively recruits on diverse job boards and provides management with qualified candidates from different demographic backgrounds to ensure a broad talent perspective is considered. All demographic data is regularly shared with leadership. Coterra provides anti-harassment, anti-discrimination, inclusion and workforce management training for all employees as part of the Code of Conduct training at time of hire and on an annual basis thereafter.

A full copy of our EEO-1 report can be found here:

[www.coterra.com/a-sustainable-future/](http://www.coterra.com/a-sustainable-future/).



# Appendix

## Task Force on Climate-related Financial Disclosures (TCFD) Index

This report has been informed by Task Force on Climate-related Financial Disclosures (TCFD). Below is a reference to each of the recommended disclosures:

<b>GOVERNANCE</b> Describe the organization's governance around climate-related risks and opportunities	a. Describe the board's oversight of climate-related risk.	Climate: <a href="#">Page 6</a>
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	Climate: <a href="#">Page 6</a>
<b>STRATEGY</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Climate: <a href="#">Page 7</a>
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Climate: <a href="#">Page 7</a>
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate: <a href="#">Page 9</a>
<b>RISK MANAGEMENT</b> Disclose how the organization identifies, assesses, and manages climate-related risks.	a. Describe the organization's processes for identifying and assessing climate-related risks.	Climate: <a href="#">Page 13</a>
	b. Describe the organization's processes for managing climate-related risks.	Climate: <a href="#">Page 13</a>
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Climate: <a href="#">Page 13</a>
<b>METRICS AND TARGETS</b> Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organization to assess climate risks and opportunities in line with its strategy and risk management process.	Climate: <a href="#">Page 14</a>
	b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse (GHG) emissions, and the related risks.	Climate: <a href="#">Page 14</a>
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Climate: <a href="#">Page 21</a>

# Sustainability Accounting Standards Board (SASB) Index

Extractives & Minerals Processing Sector: Oil & Gas – Exploration & Production standard

This report provides Coterra's performance data informed by SASB's Extractives & Minerals Processing Sector: Oil & Gas - Exploration & Production standard. All data represents full-year 2021 information and represents 100% of Coterra's operating assets. Below is a reference to certain recommended standards:

## SASB Data Table

METRIC CODE	METRIC	2019	2020	2021
<b>Greenhouse Gas Emissions</b>				
SASB-EM-EP-110a.1 <sup>20</sup>	<b>Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)</b>	<b>2,869,327</b>	<b>1,834,657</b>	<b>1,515,275</b>
	Percentage methane	33.2%	25.5%	15.7%
	Percentage covered under emissions-limiting regulations	0%	0%	0%
	<b>Gross global Scope 2 emissions<sup>21,22</sup> (metric tons CO<sub>2</sub>e)</b>		<b>136,224</b>	<b>96,454</b>
SASB-EM-EP-110a.2 <sup>20</sup>	<b>Amount of gross global Scope 1 emissions (metric tons CO<sub>2</sub>e) from:</b>			
	(1) Flared hydrocarbons	574,378	287,975	145,742
	(2) Other combustion	1,399,228	1,125,372	1,124,392
	(3) Process emissions	41,801	13,653	12,482
	(4) Other vented emissions	802,728	352,236	216,524
	(5) Fugitive emissions	51,192	55,421	16,135
SASB-EM-EP-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	See Climate – Emissions Reduction Initiatives, <a href="#">Page 16</a>		
<b>Air Quality</b>				
SASB-EM-EP-120a.1 <sup>23</sup>	<b>Air emission of the following pollutants:</b>			
	(1) Metric tons NO <sub>x</sub> (excluding N <sub>2</sub> O)	1,109	839	1,130
	(2) Metric tons SO <sub>x</sub>	2	1	1
	(3) Metric tons volatile organic compounds (VOCs)	58	50	60
	(4) Metric tons particulate matter (PM <sub>10</sub> )	39	32	34
<b>Water Management</b>				
SASB-EM-EP-140a.1	(1) Total freshwater withdrawn (Thousand cubic meters)	6,117	4,169	4,498
	Percentage withdrawn in regions of high or extremely high baseline water stress <sup>24</sup>	0%	0%	0%

<sup>20</sup>When converting CH<sub>4</sub> and N<sub>2</sub>O to CO<sub>2</sub> equivalent to account for Global Warming Potential (GWP), Coterra uses 25 and 298, respectively, per 40 CFR Part 98 Subpart A

<sup>21</sup>Includes office buildings for which Coterra had operational control

<sup>22</sup>Coterra did not track Scope 2 emissions in 2019

<sup>23</sup>This data table is limited to Coterra's Marcellus Business Unit only. Systems are being put into place to be able to capture this data for all areas of operations for reporting year 2022

<sup>24</sup>As defined by the Water Resource Institute's (WRI) Water Risk Atlas Tool, Aqueduct

METRIC CODE	METRIC	2019	2020	2021
	(2) Total fresh water consumed (Thousand cubic meters)	5,632	3,731	4,065
SASB-EM-EP-140a.2	Volume of produced water generated (Thousand cubic meters)	32,101	29,943	30,500
	Volume of flowback generated (Thousand cubic meters)	1,585	968	1,870
	(1) Percentage discharged	0%	0%	0%
	(2) Percentage injected	85.2%	89.3%	78.7%
	(3) Percentage recycled	14.8%	10.7%	21.3%
	Percentage hydrocarbon content in discharged water	0%	0%	0%
SASB-EM-EP-140a.3 <sup>25</sup>	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	100%	100%	100%

### Biodiversity Impacts

SASB-EM-EP-160a.1	Description of environmental management policies for active sites	See Biodiversity Impacts, <a href="#">Page 25</a>		
SASB-EM-EP-160a.2	Number of hydrocarbon spills	42	31	17
	Aggregate volume of hydrocarbon spills (Bbls)	602	481	166
	Volume of hydrocarbon spills in the Arctic	0	0	0
	Volume of hydrocarbon spills impacting shorelines with ESI rankings 8–10	0	0	0
	Volume of hydrocarbons recovered from spills (Bbls)	339	150	68

### Security, Human Rights and Rights of Indigenous Peoples

SASB-EM-EP-210a.1	(1) Percentage of proved reserves in or near areas of conflict	0%	0%	0%
	(2) Percentage of probable reserves in or near areas of conflict	0%	0%	0%
SASB-EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights and operation in areas of conflict	See Security, Human Rights and Rights of Indigenous Peoples, <a href="#">Page 29</a>		

### Community Relations

SASB-EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	See Community Relations, <a href="#">Page 29</a>		
SASB-EM-EP-210b.2	Number of non-technical delays	0	0	0
	Duration of non-technical delays	0	0	0

### Workforce Health and Safety

SASB EM-EP-320a.1 <sup>26</sup>	<b>(a) Full-time employees:</b>			
	(1) Total recordable incident rate (per 200k hours worked)	0.70	0.69	0.30
	(1a) Lost time incident rate (per 200k hours worked)	0.46	0.34	0.10

<sup>25</sup>Coterra discloses the chemicals used in hydraulic fracturing fluid through [www.fracfocus.org](http://www.fracfocus.org)

<sup>26</sup>Short-service employee metrics are included within our full-time employee metrics



METRIC CODE	METRIC	2019	2020	2021
	(2) Fatality rate (per 200k hours worked)	0.00	0.00	0.00
	(3) Near miss frequency rate (per 200k hours worked)	Did Not Track	0.77	0.20
	(4) Average hours of health, safety, and emergency response training	Did Not Track	14.32	14.01
<b>SASB EM-EP-320a.1<sup>26</sup></b>	<b>(b) Contract employees:</b>			
	(1) Total recordable incident rate (per 200k hours worked)	0.59	0.37	0.44
	(1a) Lost time incident rate (per 200k hours worked)	0.10	0.25	0.27
	(2) Fatality rate (per 200k hours worked)	0.00	0.00	0.02
	(3) Near miss frequency rate (per 200k hours worked)	Did Not Track	0.98	0.22
	<b>(c) Full-time employees + contractor employees:</b>			
	(1) Total recordable incident rate (per 200k hours worked)	0.61	0.42	0.42
	(1a) Lost time incident rate (per 200k hours worked)	0.15	0.27	0.24
	(2) Fatality rate (per 200k hours worked)	0.00	0.00	0.01
	(3) Near miss frequency rate (per 200k hours worked)	Did Not Track	0.94	0.22
<b>SASB-EM-EP-320a.2</b>	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifestyle	See Workforce Health and Safety, <a href="#">Page 26</a>		

## Reserves Valuation and Capital Expenditures

<b>SASB-EM-EP-420a.4</b>	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	See Climate Strategy, <a href="#">Page 7</a>		
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## Business Ethics and Transparency

<b>SASB-EM-EP-510a.1</b>	(1) Percentage of proved reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	0%	0%	0%
	(2) Percentage of probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	0%	0%	0%
<b>SASB-EM-EP-510a.2</b>	Discussion of the management system for prevention of corruption and bribery throughout the value chain	See Business Ethics and Transparency, <a href="#">Page 30</a>		

## Critical Incident Risk Management

<b>SASB-EM-EP-540a.2</b>	Description of management systems used to identify and mitigate catastrophic and tail-end risks	See Emergency Response Program, <a href="#">Page 28</a>		
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## Activity Metrics

<b>SASB-EM-EP-000.A<sup>27</sup></b>	<b>Production of:</b>			
	(1) Oil			77.9 Mbb/d
	(2) Natural gas			2,927 MMscf/d

<sup>26</sup>Short-service employee metrics are included within our full-time employee metrics

<sup>27</sup>Net production volumes to Coterra

METRIC CODE	METRIC	2021
	Natural gas liquids	68.3 Mbbl/d
	(3) Synthetic oil	0
	(4) Synthetic gas	0
SASB-EM-EP-000.B <sup>28</sup>	Number of offshore sites	0
SASB-EM-EP-000.C <sup>28</sup>	Number of terrestrial sites	1,258

<sup>28</sup>Gross operated upstream and midstream sites

## Disclaimer

This report contains terms, standards and reporting metrics used by Task Force on Climate-Related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB, together with TCFD, the Frameworks). The contents of this report are intended as guidance only and may not be comprehensive in scope or coverage, including as to such Frameworks. Coterra Energy Inc. (Coterra or Company) does not intend to and is not endorsing or adopting phrases, specific terms or recommendations from the Frameworks. Non-financial and non-GAAP information, such as that included in this report, is subject to more potential limitations than financial information, given the methods used for calculating or estimating such information. We do not make any express or implied representations or warranties and shall not assume any liability whatsoever for providing guidance or using these Frameworks, or for any errors, mistakes or omissions in this report.

Additionally, the concept of materiality used in this report is not intended to correspond to the concept of materiality associated with the disclosures required by the U.S. Securities and Exchange Commission (SEC). Please refer to our 2021 Annual Report on Form 10-K and our other filings with the SEC for information about the risks and uncertainties to our business and operations and about our industry in general. This report also incorporates a greater number of estimates and assumptions than many of our required disclosures, as well as longer time frames. This means that many of the matters discussed in this report are not, or currently cannot be ascertained to be, "material" as that term is defined by the U.S. federal securities laws. While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws, even where we use the word "material" or "materiality" in this report. Moreover, given the inherent uncertainty

of the estimates, assumptions and timelines contained in this report, we may not be able to anticipate whether or the degree to which we will be able to meet our plans, targets or goals in advance. This report covers our owned and operated businesses and does not address the performance or operations of our suppliers, contractors and partners unless otherwise noted. This report does not distinguish between the activities and operations of Coterra and those of our subsidiaries.

This report contains certain forward-looking statements within the meaning of federal securities laws. Forward-looking statements are not statements of historical fact and reflect Coterra's current views about future events. Such forward-looking statements include, but are not limited to, statements about returns to shareholders, enhanced shareholder value, future financial and operating performance and goals and commitment to sustainability and ESG leadership, emissions reduction targets and other climate- and environmental-related goals, strategies and plans, strategic pursuits and goals, including with respect to the publication of Coterra's sustainability reports and other statements that are not historical facts contained in this report. The words "expect," "project," "estimate," "believe," "anticipate," "intend," "budget," "forecast," "opportunity," "target," "expectation," "plan," "scenario," "predict," "potential," "possible," "may," "should," "could," "would," "will," "strategy," "outlook," "committed," "strive" and similar expressions are also intended to identify forward-looking statements. We can provide no assurance that the forward-looking statements contained in this report will occur as projected and actual results may differ materially from those projected. Readers should not place undue reliance on any forward-looking statement. Moreover, many of the assumptions, standards, metrics and measurements used in preparing this report continue to evolve and are based on assumptions believed to be reasonable at the time of preparation but should not be considered guarantees or promises of future performance. Forward-

looking statements are based on current expectations, estimates and assumptions that involve a number of risks and uncertainties that could cause actual results to differ materially from those projected. These risks and uncertainties include, without limitation, the risk that the combined businesses of Coterra and Cimarex Energy Co. (Cimarex) will not be integrated successfully; the risk that the cost savings and any other synergies from the merger may not be fully realized or may take longer to realize than expected; the volatility in commodity prices for crude oil and natural gas; cost increases; supply chain disruptions; the effect of future regulatory or legislative actions, including the risk of new restrictions with respect to well spacing, hydraulic fracturing, natural gas flaring, seismicity, produced water disposal or other oil and natural gas development activities; disruption from the Merger making it more difficult to maintain relationships with customers, employees or suppliers; the diversion of management's time on integration-related issues; the potential effects of further developments to the long-term impact of the COVID-19 pandemic and variants thereof on Coterra's business, financial condition and results of operations; actions by, or disputes among or between, the Organization of Petroleum Exporting Countries and other producer countries; market factors; market prices (including geographic basis differentials) of oil and natural gas; impacts of inflation; labor shortages and economic disruption (including as a result of the pandemic or geopolitical disruptions such as the war in Ukraine); the presence or recoverability of estimated reserves; the ability to replace reserves; environmental risks; drilling and operating risks; exploration and development risks; competition; the ability of management to execute its plans to meet its goals; global sociodemographic and economic trends; technological innovations (including, but not limited to, the pace of technological developments with respect to leak detection); climate-related conditions and weather events; our ability to gather and verify data regarding environmental impacts; our ability to successfully implement various initiatives throughout the organization under expected time frames; the compliance of various third parties, including our contractors, with our policies and procedures; legal requirements and other unforeseen events or conditions; and other risks inherent in Coterra's businesses. In addition, the declaration and payment of any future dividends,

whether regular base quarterly dividends, variable dividends or special dividends, will depend on Coterra's financial results, cash requirements, future prospects and other factors deemed relevant by Coterra's Board. While the list of factors presented here is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. For additional information about other factors that could cause actual results to differ materially from those described in the forward-looking statements, please refer to Coterra's annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and other filings with the SEC, which are available on Coterra's website at [www.coterra.com](http://www.coterra.com).

Forward-looking statements are based on the estimates and opinions of management at the time the statements are made. Except to the extent required by applicable law, Coterra does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements.

Coterra cautions that its future oil, natural gas and natural gas liquids (NGL) production, revenues and expenses are subject to all of the risks and uncertainties normally incident to the exploration for and development, production and sale of oil, natural gas and NGLs. These risks include, but are not limited to, price volatility, inflation or lack of availability of goods and services, environmental risks, drilling risks, political changes, changes in laws or regulations, the uncertainty inherent in estimating future oil and gas production or reserves and, as noted above, other risks identified in our Form 10-K and our other filings with the SEC.

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