Site Overview

Operator: ARC Resources Ltd.
Certified Unit: Greater Dawson & Sunrise
Location: Dawson Creek, British Columbia, Canada
Area: ~173,000 net Montney acres
Number of employees: Approximately 700
Production phase: Active production
Production volume: ~750 MMcf/d natural gas, ~21,000 boe/d crude oil and liquids
Assessment Body: Keefer Ecological Services Ltd.
Site Profile

ARC Resources Ltd. (ARC) is a Canadian energy producer with corporate headquarters in Calgary, Alberta. On April 6th, 2021, ARC Resources Ltd. (ARC) completed its strategic combination with Seven Generations Energy Ltd. (7G), forming a leading producer in the Montney resource play. Production for the combined company is approximately 340,000 barrels of oil equivalent per day (boe/d), comprised of approximately 130,000 boe/d of crude oil and liquids, and approximately 1.3 billion cubic feet (bcf) per day of natural gas. ARC is now Canada's largest condensate producer, third-largest natural gas producer, and sixth-largest upstream energy company.

A sizeable portion of ARC’s production and assets are in northeastern British Columbia, predominately northwest of Dawson Creek, B.C. The scope of this assessment: Greater Dawson and Sunrise, included these operations: Tower, Septimus, Parkland, Sunrise, Sundown, and Dawson.

This assessment includes all facilities owned and operated by ARC within the Greater Dawson and Sunrise operating area including four gas processing plants, numerous compressor stations, numerous wells (both active and inactive), and water hubs. Inactive, suspended, and remediated facilities were included in the assessment.

Stakeholders and Indigenous Communities

ARC engages with several key stakeholders:

- Shareholders
- Landowners
- Communities
- Contractors
- Suppliers
- Employees

ARC engages and consults with its stakeholders based on regulatory requirements and their respective interests.

The Greater Dawson and Sunrise operations are within the traditional territories of the Saulteau First Nations, Blueberry River First Nations, Halfway River First Nation, West Moberly First Nations, Horse Lake First Nation, Kelly Lake Cree Nation, and the McLeod Lake Indian Band.
The ARC Greater Dawson & Sunrise Certified Unit has met the requirements for certification under the EO100™ Standard for Responsible Energy Development (2017) and the EO100™ Standard Addendum for Shale Oil and Gas Operations (2015).

The EO100™ Standard encompasses the following Principles:

1. Corporate Governance, Transparency & Ethics
2. Human Rights, Social Impact & Community Development
3. Indigenous People’s Rights
4. Fair Labor & Working Conditions
5. Climate Change, Biodiversity & Environment

ARC committed to adopting the EO100™ Standard and completed a self-assessment in September 2021. Equitable Origin-approved independent assessors, Keefer Ecological Services Ltd. (KES), conducted the initial assessment from September to January 2022, which served as the certification assessment.

The assessment team conducted activities in the field that included a review of policies and procedures, visits to pre-selected and randomly selected operations, and interviews with workers, contractors, and management. The assessment team also met with several Indigenous leaders who to verify and contextualize findings on site.

The assessment concluded that ARC has succeeded in meeting or partially meeting all the applicable Level 1 Performance Targets (see Table 1). An independent peer reviewer and a member of Equitable Origin’s Technical Committee reviewed the assessment findings and supported the certification decision. As part of the EO100™ certification, ARC commits to a continuous improvement process and will develop plans to close existing gaps identified by the assessment team.
Table 1: Summary Results by Principle

<table>
<thead>
<tr>
<th>Principle</th>
<th>Performance Target 1</th>
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<tbody>
<tr>
<td>1: Corporate Governance, Transparency &amp; Ethics</td>
<td>84%</td>
</tr>
<tr>
<td>2: Human Rights, Social Impact &amp; Community Development</td>
<td>83%</td>
</tr>
<tr>
<td>3: Indigenous Peoples’ Rights</td>
<td>60%</td>
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<td>4: Fair Labor &amp; Working Conditions</td>
<td>89%</td>
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<tr>
<td>5: Climate Change, Biodiversity &amp; Environment</td>
<td>80%</td>
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</table>

Level 2 and 3 Performance Targets are difficult to meet because they are stretch goals and must be fully met to be counted in the scoring. Nevertheless, the assessment also concluded that Greater Dawson & Sunrise has reached Performance Target levels 2 or 3 in several areas including Fair, Inclusive Engagement & Good Faith Consultation; Land Rights; Community Health & Safety; Grievance Mechanism; Labor & Working Conditions; Working Hours & Leave; Workplace Grievances; Occupational Health & Safety; Emergency Preparedness; Closure & Restoration; Greenhouse Gas Emissions; Air and Visual & Ambient Impacts.
The purpose of this report is to document the EO100™ certification assessment conducted for ARC Resources’ operations in Dawson Creek, British Columbia, Canada. The assessment scope included the Greater Dawson & Sunrise site, which was treated as a single Certifiable Unit, as the well pads, gas plants, compressor stations, and associated infrastructure are in the same geographical area are operated under the same management system and affect the same stakeholders and Indigenous communities. All supporting assessment documents will remain confidential.

Contact Information:

ARC Resources: mjurcevic@arcresources.com
If organizations or individuals have concerns, complaints, or comments about the operator’s EO100™ Certification, they should first contact the Certified Operator directly: 587-349-8162.

Equitable Origin: contact@equitableorigin.org
For more information on Equitable Origin’s Certification System Comments, Complaints and Appeals processes, please visit our website: www.energystandards.org

EO100™ Certification Summary

<table>
<thead>
<tr>
<th>Certificate Issuer:</th>
<th>Equitable Origin, Inc.</th>
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<tr>
<td>Operator:</td>
<td>ARC Resources, Ltd.</td>
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<td>Certified Unit:</td>
<td>Greater Dawson &amp; Sunrise</td>
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<td>Location of Certified Unit:</td>
<td>Dawson Creek, British Columbia, Canada</td>
</tr>
<tr>
<td>Certification date:</td>
<td>April 30, 2022</td>
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<td>Expiration date:</td>
<td>April 30, 2025</td>
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<td>Keefer Ecological Services Ltd.</td>
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<td>Certificate Number:</td>
<td>EO100-30042022-CAN</td>
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