



EQUITABLE
ORIGIN
CERTIFIED



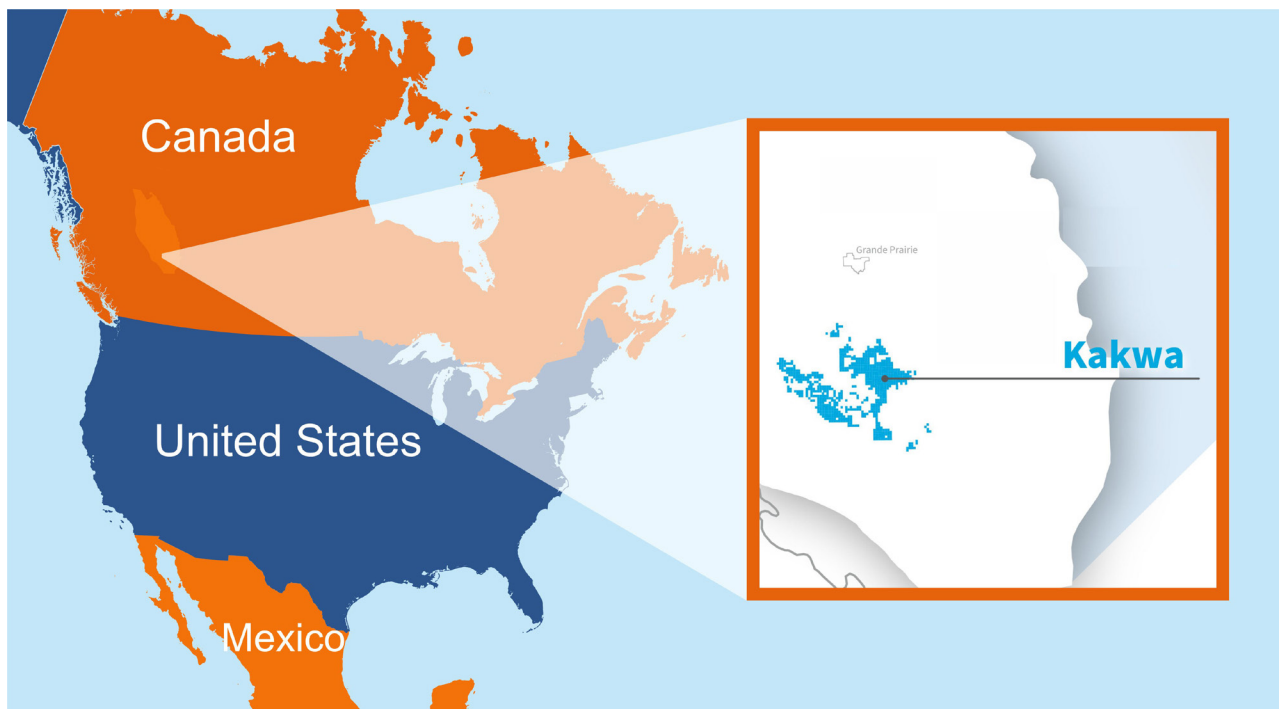
ARC RESOURCES LTD.



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Site Overview

Operator:	ARC Resources Ltd.
Certified Unit:	Kakwa Asset
Location:	Grande Prairie, Alberta, Canada
Area:	~500,000 acres
Segments of Supply Chain Covered:	Production, Gathering, and Processing
Production volume:	~428.9mmcf/d natural gas; 38,031 bbl/d NGLs; 20 bbl/d crude oil; and 69,895 bbl/d condensate
Assessor:	2022 Impact Resolutions Ltd.



Site Profile

ARC Resources Ltd. (ARC) is a Canadian energy producer with corporate headquarters in Calgary, Alberta. ARC shares trade on the Toronto Stock Exchange (TSX) under ARX. ARC Resources Ltd. (ARC) completed its strategic combination with Seven Generations Energy Ltd. (7G) as of 2021, forming a leading producer in the Montney resource play. Current natural gas, crude oil and natural gas liquids production for the corporation will exceed 340,000 barrels of oil equivalent (BOE) per day in 2022. This output comprises approximately 138,000 barrels of natural gas liquids and crude oil per day and 1.2 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. ARC was founded in 1996 with guiding principles focused on long-term profitability, risk management, and operational excellence.

ARC Kakwa River is a condensate-rich natural gas development located between Grande Prairie and Grande Cache, Alberta. ARC Kakwa River's operating facilities produce 176 Mboe/day consisting of 58% crude oil and liquids and 48% natural gas. The development business strategy is to continue to pursue development opportunities within the resource base and to fill existing natural gas processing capacity.

Stakeholders and Indigenous Communities

ARC engages with several key stakeholders:

- Government and regulatory bodies
- Indigenous groups
- Shareholders
- Landowners
- Communities
- Contractors
- Suppliers
- Employees

ARC's Kakwa River Project impacts the traditional lands of Treaty 8 Signatory communities – the Horse Lake First Nation, Sturgeon Lake Cree Nation and Sucker Creek First Nation (SCFN). ARC's lease areas also impact the traditional lands of Indigenous communities called the Aseniwuche Winewak Nation (AWN), whose members are non-status and non-treaty in the Grande Cache area. These communities are the Muskeg Seepee Cooperative, Susa Creek Cooperative, Grande Cache Lake Enterprise, Victor Lake Cooperative, Joachim Enterprise, and Wanyandie Cooperative. They have limited rights to leverage during the regulatory process, but project proponents, including ARC, consult with AWN as a stakeholder versus rights and interest holders.

Certification Results

ARC has met the requirements for re-verification of the Kakwa asset to the EO100™ Standard for Responsible Energy Development (2017) and the EO100™ Technical Supplement for Onshore Natural Gas and Light Oil Production (2022).

The EO100™ Standard encompasses the following Principles:

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

ARC engaged Equitable Origin-approved independent assessors, Impact Resolutions Ltd., to conduct the re-verification assessment from September – December 2022. The assessment team conducted verification activities that included a review of policies, standards and procedures, visits to pre-selected sites, and interviews with employees, consultants, management, external stakeholders, and Indigenous rights holders.

The assessment concluded that ARC has met or partially met all applicable Level 1 Performance Targets. As part of the EO100™ Standard for Responsible Energy Development certification, ARC has committed to a continuous improvement process and will develop plans to close gaps identified by the assessment.

During this re-verification assessment, the assessors concluded that ARC continues to develop its Asset responsibly. ARC can be considered an industry leader in emissions management. From design considerations, operational procedures, and maintenance to cataloging, verifying, and reporting. Their goals are transparent with fundamental, measurable strategies. Despite the absence of standards, the Asset's management of water, waste and chemicals is exceptional. Moving forward, ARC needs to allocate resources to formalize their current good business practices into documented policies, allowing them to fully meet several Principle 1 targets.

The assessors interviewed Awn and SCFN Indigenous communities with traditional lands and resources impacted by ARC operations to verify and contextualize site findings. The assessors suggest that ARC strategically decide to formalize its relationships with Indigenous Peoples' to enhance future development consent. ARC can focus its efforts on improving its achievement regarding Performance Target levels 2 and 3 across all principles.

Table 1: Summary Results by Principle

Principle	2022 Re-Verification Assessment
1: Corporate Governance, Transparency & Ethics	91%
2: Human Rights, Social Impact & Community Development	92%
3: Indigenous Peoples' Rights	83%
4: Fair Labor & Working Conditions	98%
5: Climate Change, Biodiversity & Environment	86%

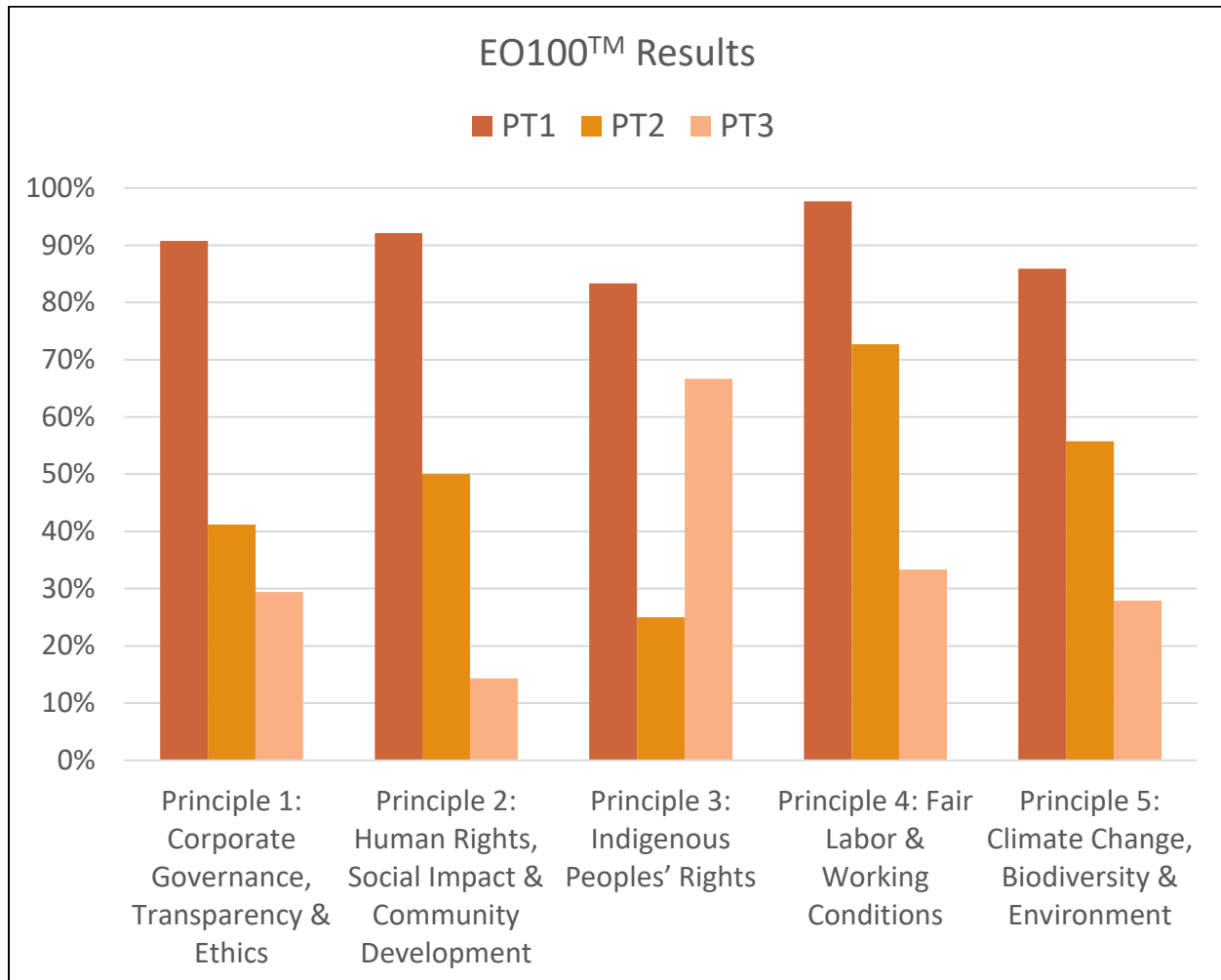


Figure 1: 2022 EO100™ Assessment Results

EO100™ Certification Summary

Certificate Issuer:	Equitable Origin, Inc.
Operator:	ARC Resources, Ltd.
Certified Unit:	Kakwa Asset
Location of certified unit:	Grande Prairie, Alberta, Canada
Certification date:	20 December 2022
Expiration date:	20 December 2023
Certification Standard:	EO100™ Standard for Responsible Energy Development (2017) and the EO100™ Technical Supplement for Onshore Natural Gas and Light Oil Production (2022)
Assessor:	Impact Resolutions Ltd.
Certificate Number:	EO100-20122022-1-CAN

The purpose of this report is to document the EO100™ annual re-verification assessment conducted for ARC Resources' operations in Grande Prairie, Alberta, Canada. The assessment scope included the Kakwa asset, which was treated as a single Certified Unit, as the well pads and associated infrastructure are in the same geographic area and geological formation, are operated under the same management system, and affect the same stakeholders and Indigenous communities. Initial Assessment activities were carried out in July 2018, followed by re-verifications in September 2019, November 2020, November 2021, and most recently from September – December 2022. All supporting assessment documents will remain confidential.

Contact Information:

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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