



EQUITABLE
ORIGIN
CERTIFIED



ARC RESOURCES LTD.

Site Overview

Certificate Issuer:	Equitable Origin, Inc.
Certificate Number:	EO100-20122022-3-CAN
Operator:	ARC Resources Ltd.
Certifiable Unit Name:	<i>Ante Creek Asset</i>
Certification Standard:	EO100™ Standard for Responsible Energy Development (2017) and the EO100™ Technical Supplement: Onshore Natural Gas and Light Oil Production (2022)
Location of Certified Unit:	Valleyview, Alberta, Canada
Area:	~118,460 net Montney acres
Production Volume:	20,193 boe/d (~63.9 MMcf/d natural gas; 1,765 bbl/d NGLs; 7,203 bbl/d crude oil; and 578 bbl/d condensate)
Number of Employees:	Approximately 40 permanent employees and 10 contractors
Segments of Supply Chain Covered:	Production, Gathering, and Processing
Certification Date:	20 December 2022
Re-verification Date:	20 December 2023
Expiration Date:	20 December 2025
Assessment Period:	August-November 2023
Assessment Body:	Impact Resolutions Ltd.

ABOUT THIS REPORT

The purpose of this report is to publicly document the EO100™ Certification assessment conducted of ARC Resources Ltd. (ARC Resources) natural gas operations in Valleyview, Alberta, Canada. The assessment scope covered ARC's *Ante Creek Asset*, detailed below, which were treated as one Certifiable Unit.

The EO100™ Standard for Responsible Energy Development is a set of rigorous performance standards for energy development projects. Developed through a three-year, multi-stakeholder engagement process, the EO100™ Standard is the product of extensive consultation with the energy industry, international NGOs, Indigenous organizations, financial institutions, government, and communities affected by energy projects. The Standard establishes metrics and performance targets to objectively and independently evaluate the environmental, social and governance (ESG) impacts of energy development projects. The EO100™ Standard includes a technical supplement for natural gas and light oil production:

The EO100™ Standard and associated Supplements encompass 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

The EO100™ Standard incorporates and references other leading international Environmental, Social and Governance Performance standards, initiatives and reporting frameworks, including: international human rights standards and conventions (Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights), IFC Performance Standards, Global Reporting Initiative, ISO 26000, AA1000 Assurance Standard, ISO 14001, ISO 45001, Oil and Gas Methane Partnership, Task Force on Climate Related Financial Disclosure, and the Extractives Industries Transparency Initiative. Best practices have been converted into specific and auditable indicators based on the experiences of and feedback from companies and stakeholders. Standards are reviewed and updated on a 5-7 year cycle.

The EO100™ Standard incorporates a scoring system based on three levels of Performance Targets (PTs).

- PT1 indicates that a site's performance meets industry best practices;
- PT2 indicates that a site's performance exceeds industry best practices; and



- PT3 indicates that a site's performance leads industry best practices.

Producers must satisfy all provisions at the level of PT1 to achieve certification under the Standard. Additional points are awarded for achieving PT2s and PT3s, which indicate that the producer goes beyond industry best practices or demonstrates leadership and innovation.

Established in 2009, Equitable Origin is a non-profit 501(c)3 charity based in the US that partners with business, communities and government to incent and reward more transparent, equitable, and sustainable development of energy resources through standards and certification. Our mission is to protect people and the environment by ensuring that energy development is conducted under the highest social and environmental standards.

Read more about our Standards here:

<https://energystandards.org/responsible-energy-development/>

Site Profile

ARC Resources Ltd. is the largest pure-play Montney producer and one of Canada's largest dividend-paying energy companies, featuring low-cost operations and leading ESG performance. The Company was founded in 1996 with guiding principles focused on long-term profitability, risk management, and operational excellence. On April 6, 2021, ARC Resources completed its strategic business combination with Seven Generations Energy Ltd. (7G), the largest producer in the Montney and a leader in responsible energy development. Today, ARC Resources is Canada's largest condensate producer, third-largest natural gas producer, and sixth-largest upstream energy company.

ARC Resources' balanced portfolio includes natural gas, liquids-rich gas, and crude oil, with average production of approximately 350,000 barrels of oil equivalent (boe) per day.



ARC Resources' oldest and smallest producing asset is the *Ante Creek Asset*, located in northwest central Alberta, southeast of Valleyview. The *Ante Creek Asset's* operating facilities produce crude oil, natural gas liquids, and natural gas. This certification assessment includes all facilities owned and operated by ARC Resources within the *Ante Creek Asset*. It is a stable light oil play that completed a facility expansion in 2020. The *Ante Creek Asset* currently produces approximately 18 Mboe/day, consisting of 45% crude oil and liquids and 55% natural gas.



The business strategy is to leverage the 2020 facility expansion to harvest free funds flow. Most wells are produced from a single well site as the asset development predated multi-well pad design.

Stakeholders

In the course of operating this Certified Unit, ARC Resources engages with:

- Government and regulatory bodies
- Non-Government Organizations
- Shareholders
- Landowners
- Contractors
- Suppliers
- Employees

Indigenous Peoples and Rights Holders

Equitable Origin-approved independent Assessors, Impact Resolutions Ltd., reports that ARC Resources' lease areas primarily impact Crown lands of two Treaty 8 Signatory communities, including the Horse Lake First Nation and Sturgeon Lake Cree Nation. ARC Resources regularly engages and consults with these communities, as well as with the Gift Lake Métis community.

Assessment Activities

ARC Resources engaged Equitable Origin-approved independent Assessors, Impact Resolutions Ltd., to conduct the re-verification assessment of their operations between August-November 2023.

To assess conformance of the Certifiable Unit to the associated performance obligations, the assessment team conducted verification activities including a review of policies, standards and procedures, visits to pre-selected sites, and interviews with employees, consultants, and management.

Specific verification activities undertaken as part of this assessment include work to review ARC Resources' documentation and reports (internal and external), interviews and discussions with key personnel and site operators, site investigations relating to workplace environment, health, safety, and environmental observations, and the reviewing of the AER regulations.

As part of this work, Impact Resolutions spent 25 hours performing site-visits and approximately three days on desktop reviews, reviewed 47 documents, and conducted six interviews with internal stakeholders. In addition, the Assessors reviewed applicable regulations and guidance documents from the AER, including relevant content on the AER Dashboard.

All supporting assessment documents are confidential.

Certification Results

Based on the information obtained, Impact Resolutions finds that ARC Resources has met the requirements for the continued certification of its *Ante Creek Asset* in Valleyview, Alberta, Canada to the EO100™ Standard for Responsible Energy Development (2017) and the EO100™ Technical Supplement: Onshore Natural Gas and Light Oil Production (2022).

This reverification assessment concludes that ARC has succeeded in meeting or partially meeting all the applicable Level 1 Performance Targets (see Figure 1, below). It finds that ARC Resources continues to be an industry leader in emissions management – verifying and reporting from design considerations, operational procedures, and maintenance to cataloging. ARC Resources’ goals were found to be transparent with fundamental and measurable strategies.

The Assessors find that ARC Resources continues to develop its approach to formalize its relationships with Indigenous People. The Assessors share that relationship agreements with all impacted Indigenous communities will provide additional supporting evidence of Free Prior and Informed Consent and continued support for the *Ante Creek Asset*.

The Assessors further find that ARC Resources’ *Ante Creek Asset* water, waste and chemicals management is exceptional as they have incorporated the Galatea Waste Coordinator system across all assets allowing for the monitoring and identification of all waste streams and opportunities for reuse and recycling.

ARC Resources has been provided with a list of the remaining gaps identified during this re-verification for incorporation into the Continuous Improvement planning process initiated following the first year’s certification assessment.

Table 1 shows the results summarized by Principle for each Performance Target level.

Table 1: Summary Results by Principle

B-

**Letter
Grade**

Principle	2023 Re-Verification Assessment
1: Corporate Governance, Transparency & Ethics	93%
2: Human Rights, Social Impact & Community Development	93%
3: Indigenous Peoples’ Rights	83%
4: Fair Labor & Working Conditions	99%
5: Climate Change, Biodiversity & Environment	88%

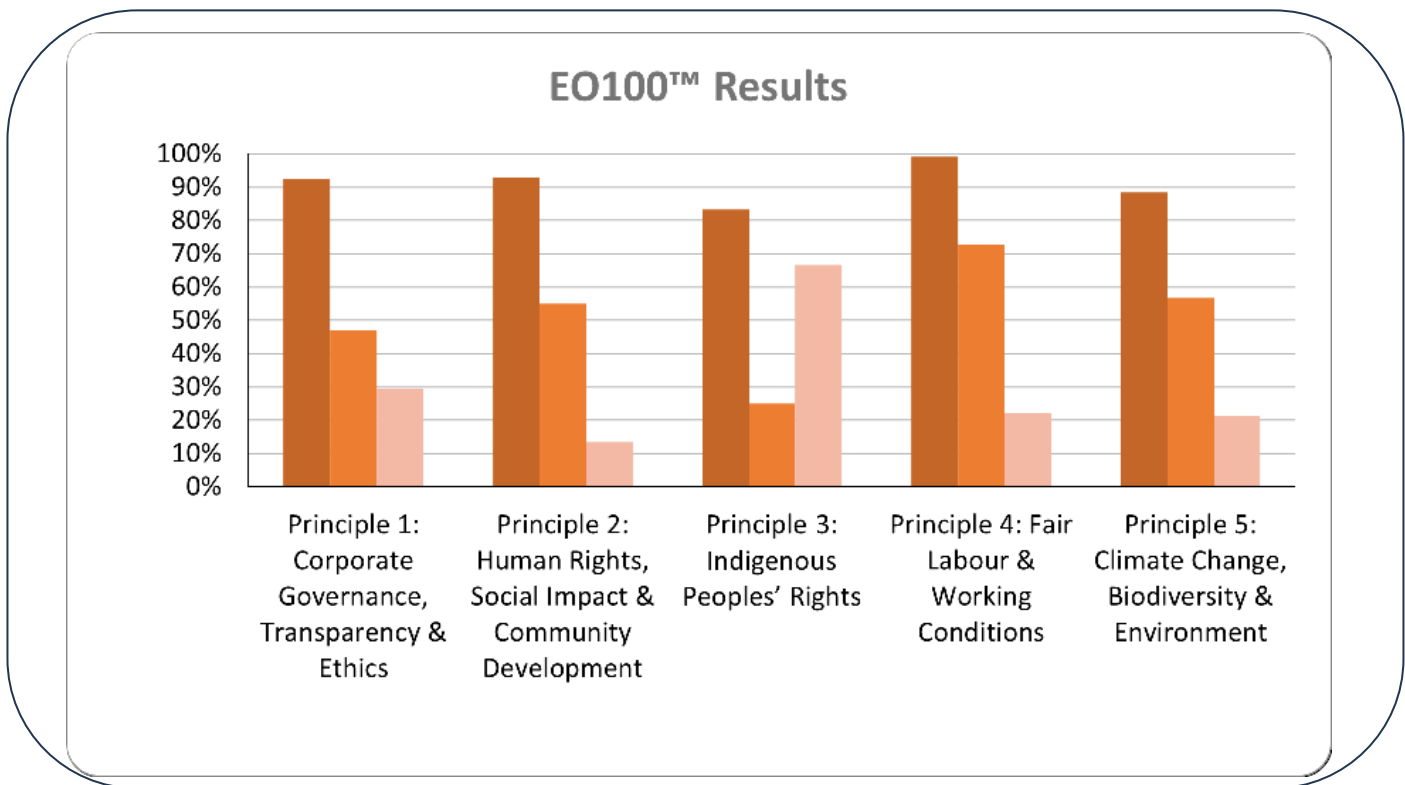


Figure 1: EO100™ Re-Verification Assessment Results

EO100™ Certificate



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Letter Grade

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Assessor: Impact Resolutions Ltd.



Jason Switzer
CEO, Equitable Origin

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