



# 2020

ENVIRONMENTAL, SOCIAL  
& GOVERNANCE REPORT



# LETTER FROM THE CEO

## Dear Stakeholders,

Ascent is committed to creating a sustainable business that improves the quality of life for all people through the delivery of clean, reliable and affordable energy. In 2020, we continued to prioritize our strong ESG focus while also delivering on our operational and financial goals and creating value for our stakeholders.

While this may be a new era of ESG focus in the financial markets, Ascent's team has been focused on environmental stewardship and committed to acting with Integrity First – Safety Always since the inception of our company in 2013. This is a way of life for us, not just a compilation of metrics. We believe that great ESG performance is intrinsically linked to great operational and financial performance.

As we look to the future, we are striving to be an industry ESG leader through our "Energy Is Rising" initiatives and goals. These initiatives focus on limiting our environmental impact through minimizing our emissions, managing our use of water and lessening our impact on the land where we operate. We are also focused on partnering with organizations, like the Switch Energy Alliance led by Dr. Scott Tinker, to promote energy education and work toward reducing energy poverty throughout the world.

We strive to differentiate ourselves from our peers by setting new standards of performance. We continuously improve our ESG programs and are proud of our initiatives and performance including:

- ▲ **Formation of an ESR Committee:** Our Board shares in our commitment to responsible operations and environmental sustainability and, in 2021, formed an Environment, Sustainability and Corporate Responsibility ("ESR") Committee. We are honored to have Barbara Baumann serve as chair of this committee. Ms. Baumann joined our Board in 2020 and has extensive environmental, health and safety experience which has proven to be an asset in her oversight of the committee. The ESR Committee is dedicated to actively overseeing our ESG initiatives and met several times within the first two months of being formed. The ESR Committee's initial action has been focused on finding opportunities to reduce our GHG emissions, setting targets for Ascent's future ESG performance, enhancing our ESG reporting process and working with the Compensation Committee to include ESG metrics in our executive compensation plan.
- ▲ **Minimizing Emissions:** We endeavor to minimize GHG and methane emissions through the implementation of operational improvements specifically designed to reduce emissions. In 2020, these projects included the installation of low emission pneumatic controllers, the use of flash gas compression, close monitoring of our liquids unloading operations and the implementation of a dual-fuel program through which we displaced a portion of the diesel that has historically been used to power our operations with natural gas from the field. We are proud to operate in the Eastern U.S. where operators, including Ascent, are able to produce natural gas and oil at GHG emissions intensity rates that are significantly lower than those of producers in other onshore U.S. operating areas. We also actively participate in organizations that are committed to the reduction of emissions from the natural gas and oil industry.



- ▲ **Water Management:** Through our water use optimization efforts, we have consistently seen annual reductions in the amount of freshwater that we have consumed even in years when our production increased. In 2020, we are proud to say that we set another annual company record by reusing 74% of the water and flowback produced by our operations, and we continue to pursue enhanced water supply and sourcing options in the areas where we operate.
- ▲ **Employee and Contractor Health and Safety:** Our health and safety program is driven by detailed written procedures, extensive employee and contractor training and robust incident reporting and follow-up. In 2020, we implemented an EHS Perfect Day Standard where a perfect day is one without an at-fault motor vehicle accident, OSHA recordable injury or a reportable spill. We are proud to state that, in 2020, we were able to achieve EHS Perfect Days 95% of the time, evidencing our company-wide focus on safety.
- ▲ **Diversity:** At Ascent, our differentiated performance is driven by innovation and teamwork, and we believe that having a diverse team is crucial to our success in these two areas. We are committed to recruiting diverse candidates for our open positions and educating our employees on the importance of diversity and inclusion. We are especially proud of the representation of women in our company. As of December 31, 2020, we had two female Board members, 27% of our senior positions were filled by women and 46% of our corporate office staff were women.
- ▲ **Community Support:** In 2020, we gave over \$400,000 in Ohio and Oklahoma to support organizations like United Way and Imagination Library. We allowed our employees almost 3,200 hours of paid time off to volunteer including through various virtual volunteer opportunities. We also responded to the challenges presented by the COVID-19 pandemic by supporting the schools and health care institutions in the communities where we operate.

We have exhibited our commitment to ESG matters through our participation in organizations that promote responsible operations in the natural gas and oil industry. As members of the ONE Future Coalition and The Environmental Partnership, we are able to actively participate in technical committee meetings and attend insightful presentations. As a result, we have gained valuable insight on new and emerging technology for detecting, measuring and reducing emissions.

In 2020, Ascent also joined the American Exploration & Production Council ("AXPC"), a national trade association representing the largest independent natural gas and oil exploration and production companies in the U.S. AXPC is focused on educating policymakers on the safe and responsible exploration and production of natural gas and oil. As Ascent's CEO, I am honored to sit on the Board of Directors of AXPC. Our management team actively participates in many of AXPC's committees including the ESG, EHS, Climate Task Force, Government Affairs and Human Resources Committees. We believe that our participation in this organization directly contributes to the future success of our industry.

Protecting our workforce has always been a top priority for Ascent and, in 2020, this became even more of a focus as we faced the global COVID-19 pandemic. We could not have fully foreseen the challenges that facing a global pandemic would present, but we were able to rely on our prior business continuity and emergency preparedness planning and the quick, thoughtful action of our team to seamlessly execute our business plan while continuing to protect our workforce.

We believe that excellence in ESG goes hand-in-hand with excellent operational and financial performance. We look forward to continuing to serve as a dedicated environmental steward, prioritize the health, safety and well-being of our employees, act with integrity and support the communities where we operate. Thank you for your support.

**Sincerely,**

**Jeffrey A. Fisher**  
**Chief Executive Officer**



# LETTER FROM THE ESR COMMITTEE CHAIR

## Dear Stakeholders,

Ascent's Board shares management's deeply ingrained commitment to responsible operations and environmental sustainability. Earlier this year, the Board sharpened our focus on these areas in three key ways:

- ▲ We included environmental and safety metrics in the calculation of executive bonuses;
- ▲ We endorsed Ascent's goals for greenhouse gas emissions, optimization of freshwater usage and land recovery; and
- ▲ We formed the ESR Committee to heighten the Board's involvement in Ascent's efforts to protect the environment, enhance the sustainability of our development processes, protect the safety of our employees and other stakeholders, and improve our community outreach and public policy efforts.



As shown by our significant progress to date, as outlined in this 2020 ESG Report, we, and Ascent's management team, remain committed to continuously improving our ESG-related efforts. Thank you for your interest in our company and our commitment to protecting our employees and contractors, our communities, and the environment.

Sincerely,

**Barbara M. Baumann**  
Chair – ESR Committee





# ASCENT 2020 ESG HIGHLIGHTS



Member of ONE Future Coalition, The Environmental Partnership and AXPC



Low methane emissions intensity rate of 0.09% driven by our sophisticated leak detection and repair program



No routine flaring of produced natural gas on company-operated properties



74% reuse of water produced by our operations and continued reductions in our fresh water intensity rate



No federally reportable spills or environmental fines since Ascent's inception



TRIR of 0.49 vs. 2019 Industry Average of 0.60



Management compensation tied to conservative balance sheet, free cash flow and ESG performance



27% of senior positions filled by women and 46% of employees in Oklahoma City headquarters are women



Certified as a Great Place to Work™ for the last five years



Over \$400,000 given to charitable causes in Ohio and Oklahoma



Up to 3,200 hours of employee paid time off provided for volunteer activities

# ENERGY IS RISING

We believe that we can produce energy responsibly while acting as good stewards of the environment and that energy can make a positive impact on people's lives. We have established targets and initiatives that enhance the positive impact of our business while further reducing any negative impacts of our operations.

- ▲ **Carbon Neutrality:** Endeavor to achieve carbon neutrality for Scope 1 and Scope 2 emissions by 2025
- ▲ **Emissions Reduction:** Invest additional resources toward operational improvements that will further minimize our GHG and methane emissions
- ▲ **Water Optimization:** Continue to optimize our use of fresh water, maximize our reuse of produced water and pursue enhanced water supply and sourcing options
- ▲ **Land Recovery:** Minimize our use of land through drilling longer laterals and offset our impact on land by improving local roads
- ▲ **Social Impact:** Continue to support various causes that fuel the lives of people in our operating areas through both financial giving and volunteer efforts and remain committed to fostering diversity and inclusion in our workforce



## PARTNERSHIP WITH SWITCH ENERGY ALLIANCE

Since 2019, Ascent has partnered with the Switch Energy Alliance ("SEA") to address the world's unfolding energy needs, promote energy literacy and work toward eradicating energy poverty. Founded by Dr. Scott Tinker, SEA is a non-profit organization dedicated to engaging students and the general public in a positive conversation on the world's energy challenges. Dr. Tinker is the State Geologist of Texas and is also Director of the Bureau of Economic Geology and a professor holding the Allday Endowed Chair at The University of Texas at Austin. Ascent is proud to work with SEA and Dr. Tinker to provide public education on the role that the natural gas and oil industry plays in fighting energy poverty.



## ABOUT THIS REPORT

This is our 3rd published environment, social and governance (“ESG”) report. This report details the ESG initiatives and supporting data of Ascent Resources, LLC and its wholly-owned subsidiaries (collectively, “Ascent”) for the year ended December 31, 2020. We also present our ESG goals for the future.

Our goal for this report is to present ESG information that is material to our business and relevant to our stakeholders. For this purpose, we consider stakeholders to be our employees, our debt and equity investors, our business partners and the communities where we operate.

In drafting this report, we considered the standards published by the Sustainability Accounting Standards Board (“SASB”) and the Global Reporting Initiative (“GRI”) to guide our disclosure. We have also included metrics calculated in accordance with the AXPC ESG Metrics Framework. AXPC is a national trade association representing the largest independent natural gas and oil exploration and production companies in the U.S. The AXPC ESG Metrics Framework was created to serve as a set of relevant, consistent and comparable metrics for use by its members.

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# ABOUT ASCENT RESOURCES

Ascent is one of the largest private producers of natural gas in the U.S. in terms of daily production and is focused on acquiring, developing, producing and operating natural gas and oil properties located in the Utica Shale in southern Ohio. Focusing on good corporate citizenship, Ascent is committed to delivering low-cost, clean-burning energy to the U.S. and the world with limited environmental impact.

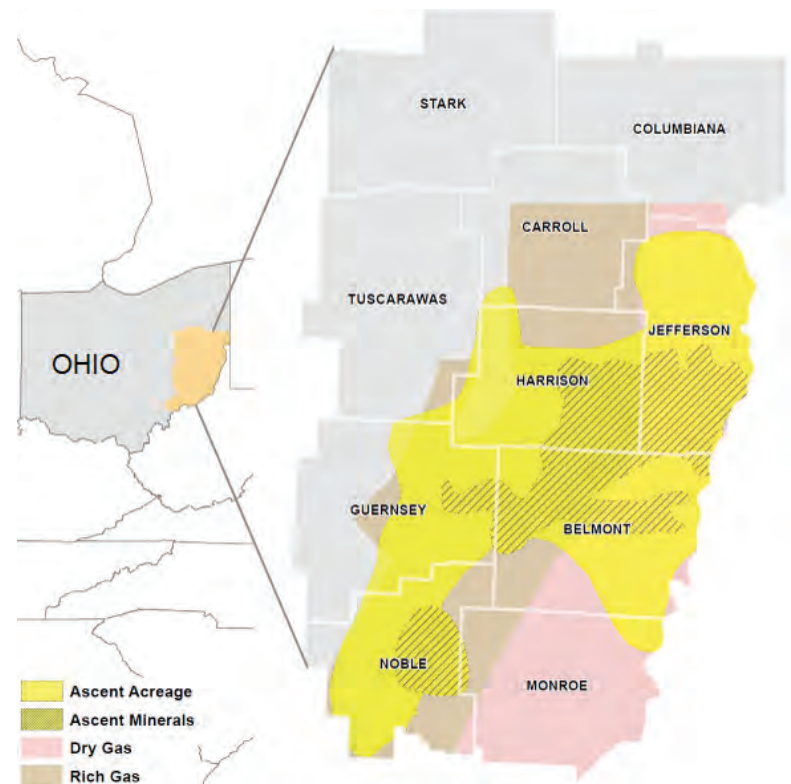
## 2020 Highlights:

- ▲ Average net production of 2.0 bcfe/day
- ▲ Proved natural gas, oil and natural gas liquids reserves of 9.0 tcf as of December 31, 2020, based on SEC pricing
- ▲ Largely contiguous footprint of 337,000 net acres in the core of the Utica Shale, all on non-federal lands
- ▲ Royalty interests in over 78,000 mineral acres
- ▲ Generation of free cash flow of \$114 million
- ▲ Lowest development costs in the Utica Play at \$611 per lateral foot

## Premier Assets, Differentiated Results:

- ▲ We prioritize ESG leadership and have an unwavering belief that environmental stewardship and safety are our top priorities
- ▲ Our team's operational, technical and ESG excellence drives industry-leading metrics
- ▲ Our large, diverse asset base supports sustainable free cash flow
- ▲ We utilize active risk management and a disciplined financial strategy to protect free cash flow

## ASCENT OPERATIONS





# ENVIRONMENTAL PERFORMANCE

Ascent's dedication to environmental stewardship and responsible operational performance is at the heart of all we do. We have demonstrated this dedication by implementing many operational improvements to minimize our emissions, protect water resources, prevent spills, and limit our impact on the land where we operate. Our management team regularly reviews key performance indicators and continuously challenges all employees to find ways to improve our operations. Our environmental specialists work hand-in-hand with our operations team to ensure that we act as a responsible partner in the communities where we operate. These initiatives have resulted in Ascent incurring no environmental fines or penalties since our inception in 2013.

## GREENHOUSE GAS ("GHG") EMISSIONS

Ascent participates in organizations that focus on reducing emissions from the natural gas and oil industry:



As a member of this organization, Ascent is committed to doing its part to lower methane emissions from the natural gas supply chain to 1% by 2025. All Ascent-operated well pads participate in the ONE Future production sector commitment of achieving methane intensity of 0.28% by 2025. In 2020, Ascent's methane emissions intensity was 0.09%, well below the ONE Future Coalition's 2025 target.



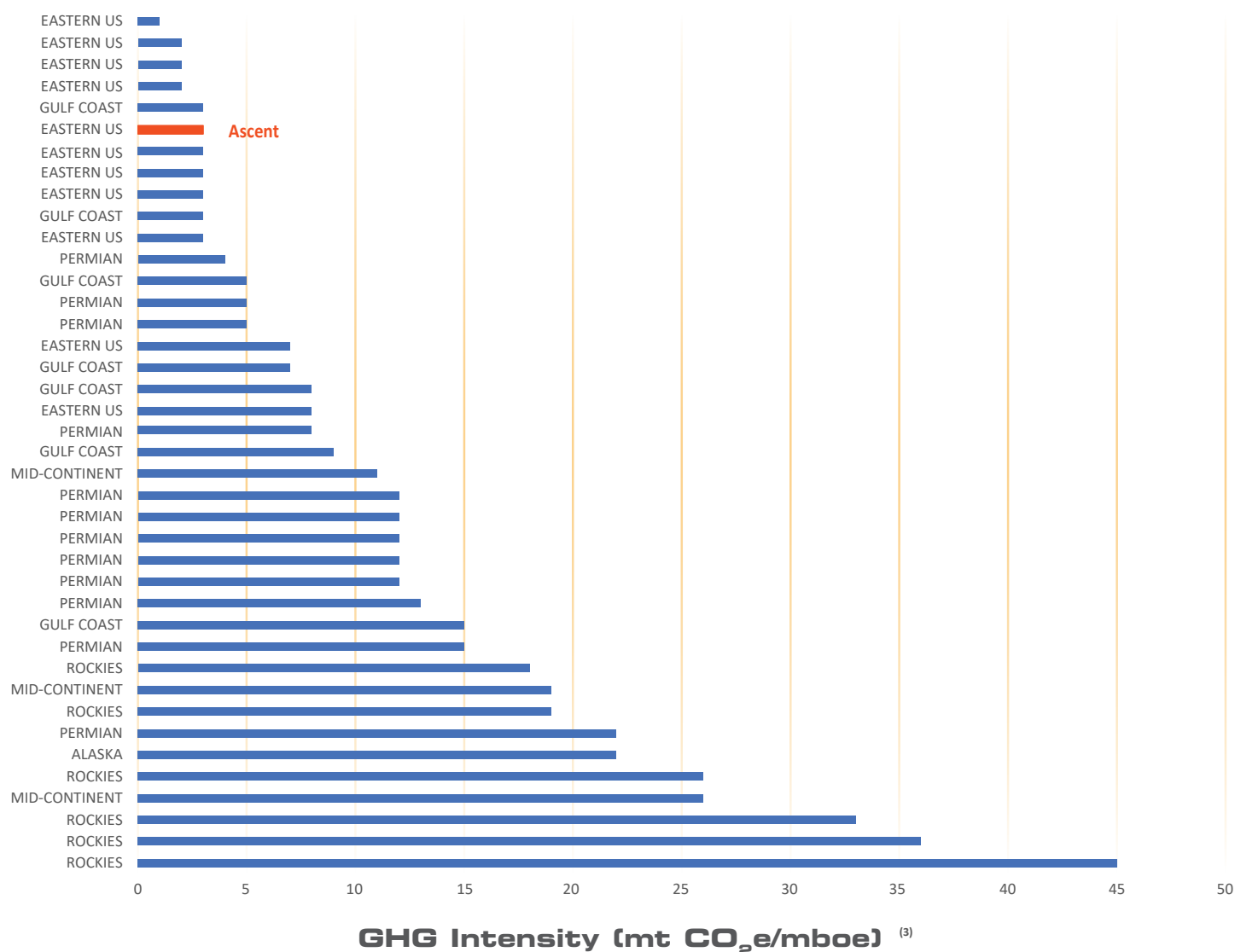
As a participant in this partnership, Ascent collaborates with over 80 U.S. natural gas and oil companies of all sizes who are working together to produce our nation's essential natural gas and oil resources in an environmentally responsible manner. Through this collaboration, we are able to further our knowledge regarding best practices for reducing our emissions.



## GHG EMISSIONS CONT.

Ascent, along with the other operators in the Northeastern U.S., is able to produce natural gas and oil from our Utica Shale operations at a greenhouse gas emissions intensity rate that is significantly lower than that of producers in other onshore U.S. operating areas.

**2019 GHG Intensity by Onshore Operator** <sup>(1,2)</sup>



(1) Source: Enverus ESG. 2020 data is not available as of the date of this report.

(2) Includes top 40 operators by total production in BOE. Emissions were aggregated by operator. Region represents operator's primary region based on total production in BOE.

(3) GHG intensity is rounded to the nearest whole number for the purpose of this presentation.

Newly-drilled Utica Shale wells are highly productive meaning that they produce fewer emissions per BOE from drilling, completing, and operating than wells drilled in other regions in the U.S. Ascent's wells in the Utica Shale have gas gathering infrastructure in place to avoid the need for routine flaring of produced gas. The regulatory environment in the Northeastern U.S. requires operators to monitor and reduce emissions and we make efforts to go beyond these regulatory requirements by further targeting emissions reductions in our operations.



## MINIMIZING EMISSIONS

Ascent works to achieve industry-leading performance through actively monitoring and managing air emissions from its production operations. We incorporate best management practices and are continuously making improvements to our operations to reduce emissions further. Some of these improvements include:

- ▲ **Installing intermittent and low bleed pneumatic controllers:** In keeping with The Environmental Partnership's pneumatic controller program, Ascent does not install or operate high bleed pneumatic controllers. Intermittent vent and low bleed controllers are used throughout our operations to reduce the volume of gas vented to the atmosphere.
- ▲ **Installing flash gas compression:** Ascent designs its wet gas production facilities to minimize the amount of emissions generated at liquid storage tanks through the use of vapor recovery towers and flash gas compression equipment to recover gas for sales. The remainder of emissions generated at the tanks is controlled by a vapor combustor rather than vented to the atmosphere.
- ▲ **Monitoring liquids unloading operations:** In keeping with The Environmental Partnership's manual liquids unloading program, we require that an operator remain onsite at all times during unloading to ensure that the well is turned back to sales or shut-in as soon as is practicable.
- ▲ **Installing artificial lift:** Ascent uses a number of artificial lift and production optimization techniques such as intermitting production, plunger lift, gas lift and wellhead compression to prevent liquids accumulation in its gas production wells. In 2020, Ascent initiated a program of proactive installation of artificial lift which has substantially reduced well-unloading emissions.
- ▲ **No Routine Flaring:** We do not bring any new wells online until there is a pipeline in place for gas takeaway. This results in no routine flaring of produced gas from our well pads.



## DUAL-FUEL USAGE

In 2020, Ascent further reduced GHG emissions by expanding our dual-fuel program. Through this program, we displaced a portion of the diesel that has historically been used to power our completions with natural gas from the field. This program has resulted in:

- ▲ Reduced GHG emissions by using cleaner-burning natural gas in place of diesel;
- ▲ Reduced GHG emissions from reducing the truck traffic related to hauling diesel; and
- ▲ Reduced costs resulting from using field gas instead of purchasing diesel.

In 2020, we estimated that we displaced approximately 1.6 million gallons of diesel and generated cost savings of approximately \$1.3 million as the result of implementing dual-fuel completions. We have further expanded this program in 2021, including extending it to our drilling rigs.

## LEAK DETECTION AND REPAIR

Another important component of operating responsibly is quickly identifying and repairing leaks as they occur. Ascent's experienced environmental, health and safety ("EHS") staff is certified in Optical Gas Imaging by the Infrared Training Center and uses infrared cameras to quickly pinpoint leaks on 100% of our operated well pads. If a leak is detected, the EHS team quickly coordinates repairs with our operations and maintenance personnel. Many repairs are completed immediately upon detection of a leak. In 2020, our average days from detection to repair was 2.5 days, representing a 2-day improvement from 4.5 days in 2019.

We also use data collected through this program to identify areas for improvement and to target opportunities for minimizing leaks going forward. Ascent has initiated efforts to reduce leaks by proactively:



Modifying storage tank thief hatches to reduce the likelihood of leaking



Reviewing and testing potential leak sources, connections and components during our pre-startup safety review of new well pads



Working with lease operators to prevent leaks from common leak sources within gas production units

In 2020, we performed over 500 leak inspection surveys with an average leak occurrence rate of 0.15% across all components surveyed, a decrease from 0.18% in 2019.

## SPILL PREVENTION

We have had no federally reportable spills since our inception in 2013. Our significant success in this area results in part from having comprehensive spill prevention, control and countermeasure plans for every pad location. These plans include facility inspections and are updated as pad equipment or information changes. Our proactive culture also plays a part in our success as all pads are actively monitored for spills. We address all spills promptly and report all spills in our incident management system.



## WATER MANAGEMENT

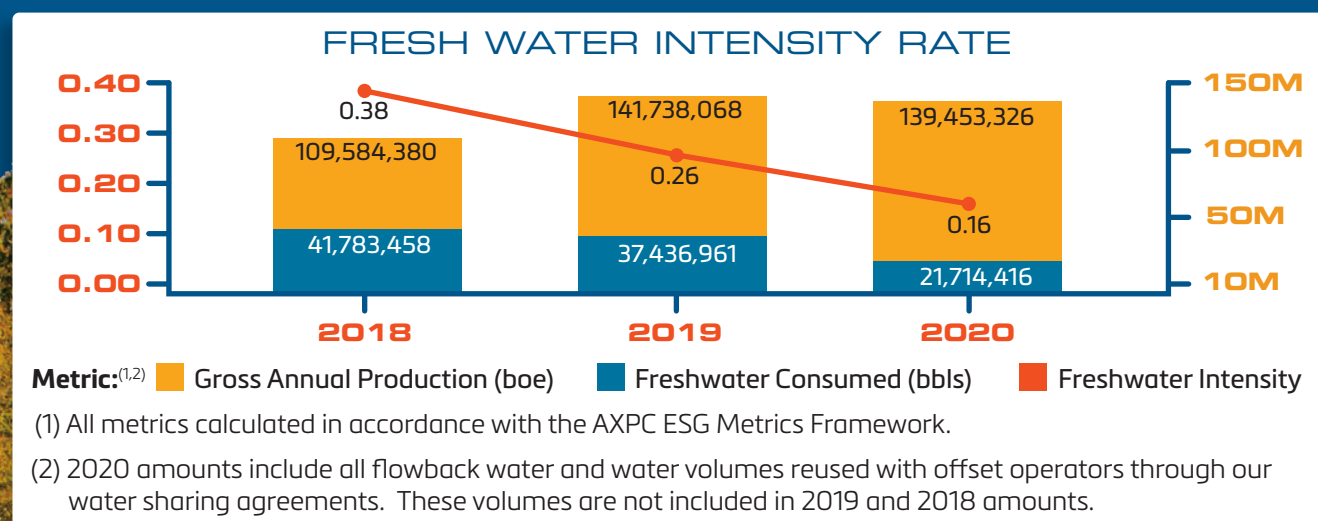
Ascent strives to protect the quality of fresh water in and near our operations from sourcing, transfer and storage to the ultimate use at our drilling and production locations. Our written guide of best management practices and standard operating procedures for water management was developed from our team's vast experience in multiple producing basins and was designed to exceed regulatory requirements and industry standards. We strive to contain all brine waters properly and minimize or eliminate spills. We also require our contractors to operate in a manner consistent with these standards.

In 2020, we were able to reuse 74% of the water and flowback produced by our operations, representing another annual company record for Ascent and an impressive improvement from our reuse percentage in 2019.

To reduce our costs and minimize environmental impact, we strive to optimize our fresh water usage and produced water reuse by:

- ▲ Using statistical evaluation and real-time stream gauging to evaluate the flow characteristics of proposed withdrawal locations to find the optimal water source;
- ▲ Tracking produced water movement and usage using internally-developed software;
- ▲ Focusing on data-driven decision making to complete logistical and technological improvements that reduce costs and minimize environmental impact; and
- ▲ Optimizing our completion design resulting in a 36% reduction in freshwater usage per stage since 2018.

The success of our water management program can be seen in the reduction of the fresh water that we have consumed over the last three years in relation to our production, as shown below in the calculation of fresh water intensity:





In addition to our reuse program, other highlights of our water management program include:

- ⚡ **Temporary Waterlines:** We have been able to sustain all of our fresh water needs using minimal permanent infrastructure. Utilizing above-ground, temporary waterlines, we can effectively mitigate our environmental impact by reducing truck traffic by an estimated 2,350 truckloads per well.
- ⚡ **Pre-Drilling Assessment Program:** To protect both waterways and the surrounding environment, Ascent has implemented a pre-drilling assessment program. We conduct pre-construction field evaluations to delineate and avoid wetlands, rare or endangered species, and historical and cultural resources as provided in the Ohio Historic Preservation Office online mapping system.
- ⚡ **Water Testing:** Stormwater is tested for chloride content and absence of oil sheen as regulated by the Ohio EPA and Ohio Department of Natural Resources. Only water that passes these standards is released back into the environment. We do not treat contaminated water. If water does not pass these standards, we reuse it in our completions operations. Any volumes that are not able to be reused are managed through third-party owned Class II saltwater disposal ("SWD") injection wells. Ascent does not own any SWD injection wells. All SWD injection wells are required to be licensed by the State of Ohio.
- ⚡ **Frac Focus Reporting System:** We report our use of water and hydraulic fracturing chemicals in the Ground Water Protection Council's FracFocus reporting system which serves as a national registry for hydraulic fracturing chemical disclosure and provides information to the general public on hydraulic fracturing.
- ⚡ **Domestic Operations:** By solely operating in the U.S., Ascent does not operate in any areas of high or extremely high baseline water stress as determined by the World Resources Institute.

### REDUCING SURFACE IMPACT

By focusing on drilling extended lateral lengths, Ascent continues to minimize the surface impact that we have on the land where we operate. In 2020, our average lateral length was over 12,000 feet, an increase of 1,000 feet compared to the average in 2019 and, in 2020, Ascent drilled the longest lateral in our history at over 18,000 feet. By drilling longer laterals, we reduce the land disturbance required to execute our development plans.

# HEALTH AND SAFETY

At Ascent, we are guided by the principle of Integrity First, Safety Always. Workplace safety, loss prevention and accountability are thoroughly integrated into all aspects of our company. Employees and contract personnel have the responsibility to conduct individual and collective safety and loss prevention practices. Our objective has always been, and continues to be, a zero-incident work environment.



## 2020 SAFETY INITIATIVES

In 2020, Ascent implemented numerous new safety initiatives including:

- ▲ **EHS Perfect Day Standard:** The EHS Perfect Day Standard brings awareness to the importance of focusing on everyday tasks and not becoming complacent within your scope of work. Through this standard, we track the number of days without an at-fault motor vehicle accident, OSHA recordable injury or a reportable spill. In 2020, Ascent achieved EHS Perfect Days 95% of the time.
- ▲ **Safety Surveys:** Ascent partnered with a third-party company to conduct a survey of our employees and contractors, seeking feedback to develop initial baselines on safety culture maturity, strengths, weaknesses and risks. While the survey concluded that Ascent's safety culture is proactive, we are planning future surveys to confirm this information, monitor changes and identify new opportunities for improvement.
- ▲ **TapRoot® Training:** EHS and Operations employees were trained on the TapRoot® root cause investigation model to identify proximate causes of incidents in a consistent and thorough manner.
- ▲ **COVID-19 Protocols:** We quickly formed a cross-functional response task force and implemented precautionary steps in order to protect the health of our employees and contractors while maintaining essential operations. Additional details can be found below in the section titled "COVID-19 Response".



## INCIDENT REPORTING



All employees and contractors are empowered to use Stop Work Authority if they become aware of unsafe working conditions. Our employees embrace a "Report Everything" culture. All incidents, regardless of severity, are required to be reported using our iScout data management and reporting system. Our Best Catch awards provide positive company-wide recognition and reward to employees and contractors who actively recognize or prevent unsafe working conditions. In 2020, Ascent awarded 12 employees and 12 contractors with Best Catch Awards.

## EMPLOYEE TRAINING

We believe that a comprehensive safety training program is vital to the safety and well-being of our employees and contractors. We are committed to administering a mandatory employee training program that includes:

- ▲ Monthly instructor-led training for all field-based employees;
- ▲ Emergency action plan training to all employees;
- ▲ Annual incident reporting training for all field employees; and
- ▲ Twice-monthly computer-based training ("CBT").

In 2020, we increased the number of hours of CBT training per employee to 34.6 from 13.4 in 2019. The topics included fire prevention and protection, cold weather safety, vehicle safety and personal protective equipment. Through this training, our employees are equipped to prevent incidents and are ready to respond swiftly and appropriately in an emergency.



## EMERGENCY RESPONSE TRAINING

We have sophisticated emergency and tactical response plans supported by extensive employee training. To maintain a high level of readiness should personnel need to evacuate quickly, we also routinely perform evacuation drills on all drilling and completions locations. The drills begin with the manual trigger of an alarm system. Then, all personnel on location at the time of the alarm, including employees, vendors and contractors, gather at the designated muster area upwind of the activity based on windsocks.

## CONTRACTOR SAFETY

Ascent's excellent safety performance also depends on strong relationships with our contractors. We have strict protocols in place for the selection and onboarding of contract workers and hold contractors hired to work on Ascent projects to the same standards we require of our employees.

Ascent believes that substantial, early, clear and frequent interaction with our contractors is the key to successful and safe operations. Before engaging a contractor to do business with Ascent, we perform a detailed review of the contractor's safety performance using the ISNetworkworld program and we require the execution of a master service agreement wherein we detail our contractor safety requirements.

All contractors working on Ascent locations are required to participate in an extensive contractor orientation, in which we review potential safety issues and detail Ascent's expectations for safe and environmentally responsible operations. We continuously communicate with our contractors through employee-led EHS training, quarterly face-to-face meetings with Ascent management, pre-shift communication meetings at the worksites, and daily job safety analysis. In 2020, Ascent's EHS team conducted contractor safety meetings and drills that reached 1,200 individuals while maintaining COVID-19 safety precautions.



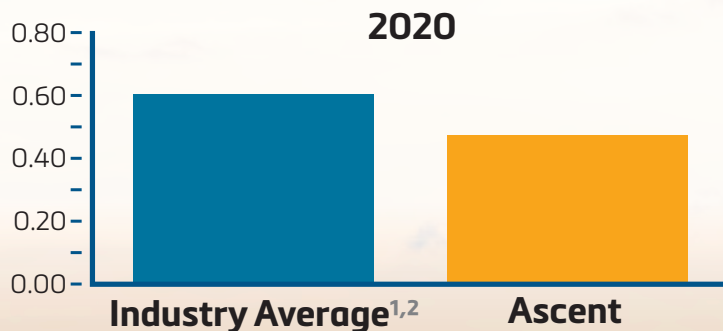
## LOOKING AHEAD – 2021 SAFETY INITIATIVES

In 2021, we have made several additional enhancements to our safety program including:

- ▲ **Incident Review Board:** We formed an incident review board comprised of the Chief Operating Officer and the Vice Presidents of EHS, Operations and Drilling. This board reviews any employee or contractor OSHA recordable incidents, employee at-fault motor vehicle accidents or agency-reportable spills. This review allows us to better understand incident root causes, implement effective corrective actions and promptly amend our current procedures, all in an effort to prevent similar incidents from reoccurring.
- ▲ **Internal EHS Audit Program:** We implemented an internal EHS audit program wherein we perform frequent audits of day-to-day work, quarterly audits on targeted lines of business including drilling, completions and production, and an overall audit of our safety management system.
- ▲ **Ascent Safe Driver Training:** By moving to an in-house driver training program, we are focusing on the particular challenges that our drivers face to further reduce motor vehicle accident rates.

### ASCENT'S SAFETY PERFORMANCE

Our emphasis on safety has resulted in an employee TRIR well below the industry average.



(1) As provided by the U.S. Bureau of Labor Statistics.

(2) The industry average TRIR for 2020 is not yet available. This benchmark is based on the 2019 industry average.

# COVID-19 RESPONSE

To safeguard the health of our employees, contractors and the community while continuing to operate responsibly during the COVID-19 pandemic, we quickly formed a cross-functional response task force and implemented precautionary steps across our operations. Our efforts followed the guidance from the World Health Organization, Centers for Disease Control, and certain state and local governments across our operations. These steps allowed us to protect the health of our employees while providing personnel in the field with guidelines designed to decrease the probability of transmission of COVID-19 while maintaining essential operations. Our aim during this pandemic has been to do everything possible to protect the health of our employees, their families and the community while continuing to operate responsibly and maintain our resiliency.

In order to protect the health of our employees when they returned to the office, we:

- ▲ Developed a detailed return-to-work plan;
- ▲ Posted virus prevention reminders and sanitary procedures throughout offices;
- ▲ Implemented office protocols including mask wearing, limiting the number of employees in shared spaces and closing conference rooms;
- ▲ Added additional day porters for daily office disinfection at all three work locations and engaged a contractor for electrostatic spraying of all buildings to decrease virus spread in offices;
- ▲ Provided all employees with hand sanitizer and access to a temperature check station;
- ▲ Partnered with Axiom Medical Consulting to install a pre-screen attestation tool, CheckIn2Work, to help ensure employee safety; and
- ▲ Developed an internal tracking system to alert employees to possible COVID-19 exposures.

In 2020, we applied lessons learned in responding to COVID-19 to improve our written emergency response plan, better preparing Ascent to face future challenges.



# CORPORATE GOVERNANCE

At Ascent, we strive to conduct our business with integrity, transparency and accountability, to foster proper and ethical business behavior. Ascent's Board of Managers (the "Board") and executive team actively consider and strive to act in the best interests of all stakeholders, including our investors, debtholders, employees, business partners and the communities where we operate.

Ascent is governed by a 12-member Board comprised of two independent members, Ascent's Chief Executive Officer and nine members representing key equity investors.

Ascent is committed to sound corporate governance and, although we are a private company, we have voluntarily implemented the following corporate governance best practices:

- ▲ Independent Board members
- ▲ Diverse Board members
- ▲ Active Audit Committee
- ▲ Independent Audit Committee Chair
- ▲ Board members with financial expertise on Audit Committee including a retired public energy company CFO and a former energy company CFO
- ▲ Active Compensation Committee with an independent Board member on the committee
- ▲ Newly formed ESR Committee chaired by a Board member with environmental, health and safety experience
- ▲ Written Committee charters

In 2020, our Board meeting attendance rate was greater than 97% for all meetings including quarterly and special meetings.

## BOARD COMMITTEES

COMMITTEE	AUDIT COMMITTEE	COMPENSATION COMMITTEE	ESR COMMITTEE (FORMED IN 2021)
NUMBER OF MEETINGS IN 2020	5	5	Not yet applicable; Three meetings in the first five months of 2021
MEMBERSHIP	1 Independent Board member 2 members affiliated with our equity investors	1 Independent Board member 2 members affiliated with our equity investors	1 Independent Board member 2 members affiliated with our equity investors
ATTENDANCE RATE	100%	100%	100% to date in 2021
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Overseeing the integrity of financial statements and financial reporting processes</li> <li>• Reviewing, approving and overseeing compliance under the Code of Business Conduct and Ethics</li> <li>• Engaging and managing relationship with an independent registered public accounting firm</li> <li>• Engaging and managing relationship with independent reserves engineer</li> <li>• Overseeing the performance of internal audit function</li> <li>• Monitoring enterprise risk management</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluating performance and compensation of CEO and members of senior management reporting to CEO</li> <li>• Reviewing and evaluating incentive unit and other employee compensation plans</li> <li>• Monitoring succession planning</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring and benchmarking environmental, health and safety programs and performance</li> <li>• Reviewing current and emerging sustainability trends and technologies</li> <li>• With the Compensation Committee, determining any EHS-related executive compensation targets</li> <li>• Overseeing ESG reporting</li> </ul>



## BOARD OVERSIGHT OF ESG

The Board prioritizes responsible and sustainable operations and for that reason oversees ESG matters including, but not limited to:

- ▲ **Environmental Performance:** Our Chief Operating Officer provides the Board with periodic updates on our environmental initiatives including efforts to reduce our greenhouse gas emissions and our water management program. Our ESR Committee reviews our emissions and water management metrics in relation to those of our peers and the industry as a whole and discusses strategies for continuing to improve this performance.
- ▲ **Health and Safety:** The full Board receives monthly updates on our safety performance and reviews our safety-related metrics in relation to those of our peers. Our Chief Operating Officer and Vice President of EHS provide the Board with updates on improvements to our safety program and a summary of any employee or contractor safety incidents.
- ▲ **Ethics and Compliance:** The Audit Committee is responsible for overseeing, reviewing and updating Ascent's Code of Business Conduct and Ethics (the "Code") and reviewing our processes to monitor compliance and enforce the Code. Ascent's General Counsel provides the Audit Committee with regular updates on compliance matters. The Audit Committee is given a quarterly report of all calls received on our ethics hotlines and a summary of actions taken to resolve the issues.
- ▲ **Enterprise Risk Management ("ERM"):** Our Audit Committee is responsible for overseeing our ERM process and our ERM staff regularly updates executive management and the Audit Committee on the program. Our Audit Committee reviews Ascent's risk register every quarter at a minimum and the full Board is given an update as circumstances change, but at least annually. Our Board is focused on understanding the risks that Ascent may face and having a plan in place to mitigate these risks and minimize impact.
- ▲ **Cybersecurity:** Our Vice President of Information Technology provides the entire Board and the Audit Committee with periodic updates on our cybersecurity programs.
- ▲ **Employee Compensation:** Our Compensation Committee considers the best ways to incentivize our employees, reviews our various compensation plans and, working with the ESR Committee, determines which ESG metrics to use in evaluating the performance of our executive team.



# ETHICS AND COMPLIANCE

## CODE OF BUSINESS CONDUCT AND ETHICS

Our Code of Business Conduct and Ethics applies to all employees, Board members and contractors and provides guiding principles for acting lawfully, ethically and in the best interests of Ascent.

### Compliance areas covered by the Code include:

- ▲ Compliance with Laws, Rules and Regulations
- ▲ Conflicts of Interest
- ▲ Fair Dealing
- ▲ Proper Use of Company Assets
- ▲ Insider Trading
- ▲ Discrimination and Harassment
- ▲ Health and Safety
- ▲ Antitrust Activity
- ▲ Bribery/Payments to Government Personnel
- ▲ Recordkeeping, Reporting and Financial Integrity

### To ensure that our employees are familiar with and accountable to our Code, we:

- ▲ Administer annual web-based training to all employees;
- ▲ Require employees to complete an annual policy attestation certifying that they have read the Code;
- ▲ Review the Code as part of each new employee's onboarding process; and
- ▲ Require employees to complete conflict of interest disclosure forms identifying any potential conflicts of interest.

In 2020, our employees completed a cumulative total of 1,000 hours of compliance training including additional training in workplace harassment for managers.

## ETHICS HOTLINE

We maintain a third-party ethics hotline for use by employees, vendors and other stakeholders in reporting any suspected non-compliance behavior to us. Our hotline number is listed on our internal and external company websites and posted throughout our office buildings. All calls received on the hotline are reviewed by our General Counsel and escalated to the full executive team where appropriate. We also provide a comprehensive report of all calls to our executive team and Audit Committee quarterly. On average, in 2020, we resolved issues within three days of receiving a call on the ethics hotline. Many of the calls received on this hotline are for issues that are unrelated to ethical compliance and none of the calls received in 2020 were related to fraudulent activity.

# RISK MANAGEMENT

Ascent has developed a company-wide culture of risk awareness, empowering all employees to identify and report risks in everything that we do. As 2020 presented its many challenges including a global pandemic, Ascent benefited from established, robust risk management procedures. We also applied lessons learned to make further enhancements to our program.

## ENTERPRISE RISK MANAGEMENT

We work to identify enterprise-wide risks through our formalized ERM process, document our processes, and hold all employees accountable. To foster cross-departmental sharing, we have established an internal ERM Committee of leaders from every department. The ERM Committee meets regularly and is tasked with providing insight into the risks present across the company.

While our ERM Committee considers a comprehensive list of risks, some categories of risks discussed include:

- ▲ Business continuity risk
- ▲ Market risk, including commodity price volatility
- ▲ Safety, health and environmental risk
- ▲ Information security and integrity risk
- ▲ Risk of fraud

The ERM Committee records an assessment of the likelihood of occurrence and potential impact of each risk in a frequently updated risk register that is presented to our executive team, Audit Committee and Board.





Ascent is focused on protecting our employees and stakeholders from continuously evolving cybersecurity threats. We devote extensive resources to identifying cyber threats and responding appropriately. We are focused on maturing our cyber program using preventative and detective controls while prioritizing cybersecurity awareness training and process improvements. As the threat landscape and mitigation techniques evolve, we likewise adapt our security strategies to align with our desired business outcomes.

In 2020, we continued to educate our employees and contractors on cyber threats through engaging training content with over 3,800 individual courses completed.

We were able to swiftly and effectively adapt our security model to meet the unique demands posed by the COVID-19 pandemic. These challenges were met by:

- ▲ Quickly, successfully and securely transitioning to a remote workforce with existing IT resources and technology;
- ▲ Adapting key device monitoring systems to maintain our overall security posture while allowing our employees to efficiently complete their work remotely;
- ▲ Focusing our company-wide cybersecurity training on threats and risks associated with working from home while maintaining high training participation rates; and
- ▲ Remaining engaged and aware of the latest threat intelligence related to our industry, remote workforces and COVID-19 through continuing our collaboration with external agencies like the FBI, ONG-ISAC, an organization focused on cybersecurity in the natural gas and oil industry, and our industry peers.



We continue to mature our cybersecurity program through further alignment with the National Institute of Standards and Technology ("NIST") Cybersecurity Framework. The implementation of controls and capabilities prescribed by the

framework has led to advancements in risk management, asset management, vulnerability management, and incident and disaster response and recovery.

# TALENT ATTRACTION AND RETENTION

Ascent recognizes the value created by hiring the best employees, developing those employees and incentivizing employees to remain at the company. This focus resulted in a low employee voluntary turnover rate of 4% in 2020.



We are proud to say that Ascent has been certified a Great Place to Work™ for the past five years. Great Place to Work™, a global analysis and consulting firm, analyzes corporate culture using company-provided data and anonymous employee surveys. In 2020, 391 of our employees completed these surveys, with 92% of these employees stating that they believe Ascent is a great place to work. In response to the survey question regarding what makes Ascent a great place to work, the primary themes of the open answers included: benefits package, paid time off plan, community involvement, corporate culture and camaraderie including recognition, birthdays and special events.



## BENEFITS

At Ascent, we prioritize the recruitment and retention of experienced and high-performing employees and, for this reason, we recognize the value in offering a comprehensive suite of employee benefits. Many of the benefits that we offer were implemented in direct response to feedback we received from our employees through surveys and other communication channels. In addition to a health insurance package and 401(k) matching program that is comparable to our peers, we also offer many other excellent benefits, including, but not limited to:

- ▲ Employee Assistance Program
- ▲ Wellness Program
- ▲ Maternity Leave
- ▲ Parental Leave
- ▲ Adoption Benefits
- ▲ Tuition Reimbursement
- ▲ Gym Reimbursements

We are continually evaluating all aspects of our human resource programs to ensure we are caring for our employees' health and well-being.



## EMPLOYEE DEVELOPMENT

As an organization, we set annual actionable and measurable goals at the company, department and employee levels. Employees undergo formal evaluations once a year to assess goal completion and adherence to company values. This review helps promote communication and is a useful tool in providing feedback to and receiving feedback from employees.

Ascent continually invests in our employees' success with superior education and training. In 2020, we continued to develop our employees with these educational programs:



**Read to Lead:** Ascent's leadership team participates in a monthly virtual book club, reading and discussing current and relevant business and/or leadership books. This program helps foster an environment of continued professional and personal development for our leaders.

**Lunch & Learns:** Employees learned from their peers and heard from outside agencies, including Oklahoma City University on its graduate business programs and Allied Arts of OKC on its involvement in the community.



**Partnership with Oklahoma City University:** Ascent partnered with Oklahoma City University to offer graduate programs in business and waive all university fees. Employees may combine these savings with our tuition reimbursement program, enabling them to further their education at a more affordable cost.

**URock!:** We also reward exemplary performance throughout the year with our URock! awards and, in 2020, we awarded 49 URock! awards to employees who went above and beyond their required duties.





## DIVERSITY AND INCLUSION

Ascent's policy and practice are to provide equal employment opportunities for all applicants and employees. We are firmly committed to our collective value that all employees should be treated with dignity, fairness and respect, regardless of race, color, religion, sex, gender identity, sexual orientation, national origin, age, disability or genetics. We train and hold our employees accountable for ensuring that the principles of equal employment opportunity, non-harassment and non-discrimination are understood, agreed to, abided by and carried out in all circumstances.

To increase the awareness of unconscious bias in the workplace, Ascent's high-level leadership team participated in "Achieving Inclusion," a diversity and inclusion course. This course was conducted by the Oklahoma State University Center for Executive and Professional Development. Participants explored psychology, organizational behavior and behavioral economics in an effort to further construct an inclusive workplace.

We continue to build a diverse and inclusive workplace and, to this end, we have expanded our already diverse recruiting efforts by posting open positions to 14 additional diversity-related job boards. We actively recruit interns from Historically Black Colleges and Universities and also actively recruit veterans. Veterans currently comprise approximately 9% of our workforce.

We are proud to state that, as of December 31, 2020, women held 27% of senior positions at Ascent. In total, women represent 46% of our Oklahoma City office staff.

As we look to continue to enhance our diversity and inclusion initiatives, we use data received from the Great Place to Work™ surveys to evaluate our program. In these surveys, 98% of respondents agreed that Ascent employees are treated fairly regardless of race or sexual orientation and that Ascent is a physically safe place to work.

In 2021, we are furthering these efforts by partnering with diversity and inclusion offices at nearby universities to recruit students from groups that are historically underrepresented in the natural gas and oil industry.



# COMMUNITY SUPPORT

Ascent is a leader in supporting charitable organizations in Oklahoma and Ohio, both through financial contributions and volunteering of our time.

## CHARITABLE GIVING

In 2020, Ascent contributed over \$400,000 in cash donations to various community organizations in and around our Ohio and Oklahoma offices including donations to the Ohio Governor's Imagination Library, the American Heart Association and the Foundation for Oklahoma City Public Schools.

We also continued our commitment as a United Way of Central Oklahoma Pacesetter company. Due to the COVID-19 pandemic, all activities and internal fundraisers were held virtually this year, but this did not hinder the generosity of our employees or keep us from meeting our goal. Ascent matched employee pledges dollar for dollar and sponsored various non-profit United Way events throughout our Ohio and Oklahoma communities.

Ascent is committed to donations of goods in the communities where we operate. For the fifth year in a row, Ascent partnered with employees and vendors to provide toys to children in Jefferson County, Ohio, through donations to Toys for Tots. In 2020, we served 533 children by donating more than \$25,000 worth of toys. We were also able to donate 250 complete Thanksgiving meals to the Smithfield Food Pantry in Ohio.



*Ascent celebrated the 50th anniversary of Earth Day by partnering with the Ohio Oil and Gas Association to plant a tree at our Cambridge field office.*





## COVID-19 RELIEF

In response to the COVID-19 pandemic, Ascent was compelled to offer resources to help meet the unforeseeable needs of the many organizations in the communities where we work and operate, including:

- ▲ **Cambridge Primary School in Ohio:** Ascent donated 450 reusable water bottles and 450 tubs for personal items to Cambridge Primary School in Ohio. We also donated hand sanitizer and pumps for over 200 classrooms in Ohio.
- ▲ **Belmont, Harrison and Jefferson Counties in Ohio:** Ascent donated 300 pairs of gloves and 156 Tyvek® suits to be used by healthcare workers.
- ▲ **Monroe Elementary in Oklahoma City:** Ascent donated 600 child- and adult-sized masks, 100 face shields, 200 student desk barriers and 400 individual student pencil boxes to Monroe Elementary in Oklahoma City.
- ▲ **Mercy Hospital in Oklahoma City:** Ascent provided meals to frontline COVID-19 employees.

## REMOTE VOLUNTEER OPPORTUNITIES

Our employees are allowed eight hours of paid time off each year to volunteer for charitable organizations of their choice, representing an annual total of almost 3,200 allowed volunteer hours. Although face-to-face volunteer projects were restricted for much of 2020, our employees' commitment to volunteering in our community continued and we were able to complete various virtual projects including:

- ▲ **Citizens Caring for Children:** Our employees donated \$2,500 worth of school supplies and nearly 100 coats to this organization that serves foster families in Oklahoma City by shopping directly from the organization's online wish list.
- ▲ **The Oklahoma Foundation for the Disabled:** Our employees wrote notes of encouragement to adults with developmental disabilities throughout central Oklahoma.
- ▲ **Missing Maps:** Our employees supported humanitarian organizations by helping map areas where disasters occurred.
- ▲ **United Way Virtual Tours:** Employees participated in virtual tours of non-profit agencies in Oklahoma City including Citizens Caring for Children and CASA of Oklahoma County.
- ▲ **Monroe Elementary in Oklahoma City:** Employees served as in-person mentors to students through mid-March 2020 and served as virtual reading buddies during the 2020-2021 school year.



Community Support

*"Cambridge Primary is very appreciative of Ascent's generous donation of tubs and water bottles for our students," said Cambridge Primary principal April Massey. "The tubs will allow students to have a place to keep personal belongings and the water bottles will be used at the water fill stations that have taken the place of drinking fountains. The safety of our students is our top priority and this donation will help support that task."*





## ESG PERFORMANCE METRICS

<b>Economic:</b>	<b>Unit</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Net production	bcfe/d	2.0	2.0	1.4
Gross operated producing wells	#	598	523	396
Proved reserves based on SEC pricing	tcfe	9.0	9.3	7.6
Net acres	#	337,000	349,000	311,000
Mineral acres	#	78,000	77,000	71,000
<b>Environment:</b>				
Total GHG emissions	metric tonnes CO <sub>2</sub> e	504,684	437,780	259,465
GHG emissions - Flared hydrocarbons	metric tonnes CO <sub>2</sub> e	14,633	15,032	10,639
GHG emissions - Other combustion	metric tonnes CO <sub>2</sub> e	185,338	243,573	191,653
GHG emissions - Process emissions	metric tonnes CO <sub>2</sub> e	23,754	5,817	0
GHG emissions - Other vented emissions	metric tonnes CO <sub>2</sub> e	271,573	165,567	52,880
GHG emissions - Fugitive emissions from operations	metric tonnes CO <sub>2</sub> e	9,386	7,791	4,293
GHG emissions intensity	metric tonnes CO <sub>2</sub> e/mmcf	0.60	0.51	0.39
Methane emissions	metric tonnes	12,345	7,243	2,324
Methane emissions intensity rate <sup>(1)</sup>	%	0.09%	0.05%	0.02%
Volume of flared hydrocarbons <sup>(2)</sup>	mscf	116,668	112,686	71,396
Gas flared as a % of production <sup>(2)</sup>	%	0.01%	0.01%	0.01%
Dollar value of fines related to environmental laws	\$	\$0	\$0	\$0
<b>Water<sup>(3)</sup>:</b>				
Total fresh water consumed	bbls	21,714,416	37,436,961	41,783,458
Recycled water used in production	bbls	4,787,645	4,446,242	1,982,139
Total water consumed	bbls	26,502,061	41,883,203	43,765,597
Water recycle rate <sup>(4)</sup>	%	18%	11%	5%
Volume of produced water and flowback generated	bbls	6,431,518	6,528,055	4,044,107
Percentage produced water and flowback discharged	%	0%	0%	0%
Percentage produced water and flowback injected	%	26%	32%	51%
Percentage produced water and flowback recycled	%	74%	68%	49%
Hydrocarbon content in discharged water	metric tonnes	None	None	None
Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	%	100%	100%	100%
Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to baseline	%	0%	0%	0%
Percentage of water withdrawn and consumed in regions with High or Extremely High Baseline Water Stress <sup>(5)</sup>	%	0%	0%	0%

<sup>(1)</sup> Calculated using ONE Future protocol

<sup>(2)</sup> Includes flaring from low pressure emission control flares

<sup>(3)</sup> 2020 amounts include all flowback water and water volumes reused with offset operators through our water sharing agreements. These volumes are not included in 2019 and 2018 amounts.

<sup>(4)</sup> Percentage of total water consumed that is recycled

<sup>(5)</sup> As determined by the World Resources Institute

## ESG PERFORMANCE METRICS CONT.

<b>Spills:</b>				
	Unit	2020	2019	2018
Number of federally reportable spills	#	0	0	0
Total number of hydrocarbon spills greater than 1 bbl <sup>(6)</sup>	#	4	4	13
Volume of hydrocarbon spills greater than 1 bbl <sup>(6)</sup>	bbls	6.07	11.12	22.79
<b>Safety:</b>				
OSHA recordable cases:				
Employee	#	2	1	1
Contractor	#	7	13	20
Total workforce	#	9	14	21
Total recordable incident rate (TRIR) per 200,000 hours worked:				
Employee	Rate	0.49	0.24	0.26
Contractor	Rate	0.59	0.58	0.86
Total workforce	Rate	0.57	0.53	0.77
Lost time incident rate (LTIR) per 200,000 hours worked:				
Employee	Rate	0.25	0.24	0.26
Contractor	Rate	0.34	0.22	0.26
Total workforce	Rate	0.32	0.23	0.26
Near Miss Frequency Rate (NMFR) per 200,000 hours worked:				
Employee	Rate	38.81	100.27	466.73
Contractor	Rate	126.29	188.62	256.38
Total workforce	Rate	103.65	174.53	267.40
Total number of fatalities for total workforce	#	0	0	0
Average hours of health, safety and emergency training for full-time employees	#	34.60	13.40	8.00
<b>Employees:</b>				
Number of employees	#	398	402	366
% Women employees	%	33%	34%	37%
% Women employees in Oklahoma City office	%	46%	47%	50%
% Senior positions filled by women <sup>(7)</sup>	%	27%	33%	33%
% Minority employees	%	9%	9%	9%
% Minority employees in Oklahoma City office	%	13%	13%	12%
% Veterans	%	9%	8%	8%
Employee turnover rate (voluntary)	Rate	4%	6%	10%

<sup>(6)</sup> Includes spills that reached the environment and excludes spills that were contained within impermeable secondary containment

<sup>(7)</sup> Includes SVP, VPs, Treasurer and Directors reporting to CEO

## AXPC METRICS

Below are additional performance metrics, calculated in accordance with the AXPC ESG Metrics Framework. AXPC is a national trade association representing the largest independent natural gas and oil exploration and production companies in the U.S. The AXPC ESG Metrics Framework was created to serve as a set of relevant, consistent and comparable metrics for use by its members.

Greenhouse Gas Emissions	2020
Methane intensity Methane emissions (metric tons CH <sub>4</sub> )/Gross annual production - Climate (mboe)	0.09
Percent of methane emissions attributed to boosting and gathering segment <sup>(1)</sup>	0%
GHG intensity GHG emissions (metric tons CO <sub>2</sub> e)/Gross annual production - Climate (mboe)	3.62
Percent of GHG emissions attributed to boosting and gathering segment <sup>(1)</sup>	0%
Flaring	
Percentage of gas flared per mcf of gas produced Gross annual volume of flared gas (mcf)/Gross annual gas production (mcf) <sup>(2)</sup>	0.00%
Volume of gas flared per barrel of oil equivalent produced Gross annual volume of flared gas (mcf)/Gross annual production (boe) <sup>(2)</sup>	-
Spills	
Spill intensity Produced liquids spilled (bbl)/Total produced liquids (mbbl)	0.001
Water Use	
Fresh water intensity Fresh water consumed (bbl)/Gross annual production (boe)	0.156
Water recycle rate Recycled water (bbl)/Total water consumed (bbl)	18%
Does your company use WRI Aqueduct, GEMI, Water Risk Filter, Water Risk Monetizer, or other comparable tool or methodology to determine the water stressed areas in your portfolio? <sup>(3)</sup>	Yes
Safety	
Employee TRIR # of Employee OSHA recordable cases x 200,000 / Annual employee workhours	0.49
Contractor TRIR # of Contractor OSHA recordable cases x 200,000 / Annual contractor workhours	0.59
Combined TRIR # of Combined OSHA recordable cases x 200,000 / Annual combined workhours	0.57

<sup>(1)</sup> Ascent does not have a boosting and gathering segment

<sup>(2)</sup> Per the AXPC ESG Metrics Framework, this number excludes flaring from low pressure emission control flares

<sup>(3)</sup> Our comparable process includes evaluating stream flow statistics using the drainage area ratio method and the United States Geological Survey Ohio StreamStats computer application, along with manual flow data collection, to determine average daily and seasonal flows of potential sources



## AXPC METRICS CONT.

Supporting Data	2020
Gross annual oil production (bbl)	8,372,532
Gross annual gas production (mcf)	786,484,763
Gross annual production (boe)	139,453,326
Gross annual production (mboe)	139,453
Gross annual production - Climate (mboe)	139,453
Total produced liquids (mbbl)	14,386
Methane emissions (metric tons CH <sub>4</sub> )	12,345
GHG emissions (metric tons CO <sub>2</sub> e)	504,684
Gross annual volume of flared gas (mcf)	-
Produced liquids spilled (bbl)	9
Fresh water consumed (bbl)	21,714,416
Recycled water (bbl)	4,787,645
Total water consumed (bbl)	26,502,061
Employee OSHA recordable cases	2
Contractor OSHA recordable cases	7
Combined OSHA recordable cases	9
Annual employee workhours	814,120
Annual contractor workhours	2,358,038
Methodology	Actuals
Annual combined workhours	3,172,158

# GLOSSARY

The following are abbreviations and definitions of certain terms used in this document, which are commonly used in the natural gas and oil industry:

**“bbl(s).”** Barrel(s) as used in reference to crude oil, condensate, NGL and water. One barrel equals 42 U.S. gallons liquid volume.

**“bcfe.”** Billion cubic feet of natural gas equivalent with one barrel of oil, condensate or NGL converted to six thousand cubic feet of natural gas.

**“boe.”** Barrel of oil equivalent with six thousand cubic feet of natural gas converted to one barrel of oil.

**“CO<sub>2</sub>e.”** Carbon dioxide equivalent. Metric used to compare the emissions from various greenhouse gases on the basis of their global-warming potential, by converting amounts of other gases to the equivalent amount of carbon dioxide with the same global-warming potential.

**“mboe.”** Thousand barrels of oil equivalent.

**“metric tonne.”** 1,000 kilograms or 2,204 pounds.

**“net.”** means:

- In relation to our interest in production and reserves, our interest (operating and non-operating) share after the deduction of royalty and overriding royalty interests; and
- In relation to our interest in leasehold acreage, our gross working interest after the deduction of royalty and overriding royalty interests.

**“operator.”** The individual or company responsible for the exploration, development and/or production of an oil or gas well or lease.

**“proved reserves.”** Defined by the SEC as the quantities of natural gas, oil and NGL, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward from known reservoirs under existing economic conditions, operating methods and government regulations.

**“reserves.”** Estimated remaining quantities of natural gas and oil and related substances anticipated to be economically producible, as of a given date, by application of development projects to known accumulations. In addition, there must exist, or there must be a reasonable expectation that there will exist, the legal right to produce or a revenue interest in the production, installed means of delivering oil and gas or related substances to market, and all permits and financing required to implement the project.

**“royalty interest.”** An interest in an oil and gas lease that gives the owner of the interest the right to receive a portion of the production from the leased acreage (or the proceeds of the sale thereof), but generally does not require the owner to pay any portion of the costs of drilling or operating the wells on the leased acreage.

**“tcfe.”** Trillion cubic feet of natural gas equivalent with one barrel of oil, condensate or NGL converted to six thousand cubic feet of natural gas.

**“U.S.”** United States of America.

# FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Statements that do not relate strictly to historical or current facts are based on current expectations, estimates, projections, opinions or beliefs of Ascent Resources, LLC, its affiliates, subsidiaries or its sources of information (collectively, the "Company") as of the date of this report. Such statements are forward-looking and are usually identified by the use of words such as "seek," "strive," "anticipate," "estimate," "could," "would," "will," "may," "forecast," "approximate," "expect," "project," "intend," "plan," "believe" and other words of similar meaning, or the negative thereof, in connection with any discussion of future operating or financial matters. The forward-looking statements included in this report involve known and unknown risks, uncertainties and assumptions, including the ongoing impact of the COVID-19 pandemic. If any such risks or uncertainties materialize or if any of the assumptions prove incorrect, that could cause actual results to differ materially from projected results expressed or implied by the forward-looking statements in this report. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results or actual performance. The Company has based these forward-looking statements on current expectations and assumptions about future events, taking into account all information currently known by the Company. These expectations and assumptions are inherently subject to significant business, economic, competitive, regulatory and other risks and uncertainties, many of which are difficult to predict and beyond the Company's control. Additional risks of which the Company is not currently aware could cause actual results to differ. The risks and uncertainties that may affect the operations, performance and results of the Company's business and forward-looking statements include, but are not limited to, those set forth in this report.

Any forward-looking statement speaks only as of the date on which such statement is made, and the Company assumes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

Materiality is used within this document to describe issues relating to ESG strategies that we consider to be of high or medium importance in terms of stakeholder interest and potential business impact. Materiality, for the purposes of this document should not, therefore, be read as equating to any use of the word in other reporting or filings by the Company. No part of this report shall be taken to constitute an invitation or inducement to invest in the Company.





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