



2019

**Environmental, Social
& Governance Report**



OUR COMMITMENT TO A SUSTAINABLE FUTURE

Ascent has taken a best-in-class leadership approach to corporate responsibility and we are committed to acting as responsible environmental stewards; operating with a focus on integrity first and safety always; implementing sound corporate governance; and enhancing employee and community relations. We demonstrate our strong commitment to these principles by integrating workplace safety, loss prevention and accountability into all aspects of our company. These initiatives benefit not only the places and people impacted by our operations, but also enhance our ability to meet our financial objectives.

Ascent strives to lead by example in the Appalachian Basin by implementing protocols to increase safety and minimize our environmental impact. We helped pioneer advancements in recycling produced water and leak detection that have positively impacted our operations and the area where we operate.

Our culture is based on integrity first and safety always, allowing us to manage our company responsibly, allocate capital purposefully, and protect our people and the environment.

We actively consider the interests of all stakeholders in all that we do – from those who work for us and partner with us, to those who live near our operations. We believe that our employees, with their strong technical backgrounds and extensive experience, provide a distinct competitive advantage and we are committed to creating a work environment where every employee feels valued and is encouraged to grow and thrive.

With our operational excellence, commitments to safety and environmental stewardship, and strong team of experienced employees, it's easy to see why we say that Ascent is on the Rise!

Sincerely,

Jeff A. Fisher
Chief Executive Officer
Ascent Resources

ABOUT ASCENT RESOURCES

Ascent Resources, LLC ("Ascent") is a private exploration and production company established to acquire, explore for, develop and produce natural gas, oil and natural gas liquids reserves in the Appalachian Basin. Through its subsidiary, Ascent Resources – Utica, Ascent has grown to become one of the largest privately held exploration and production companies in the United States in terms of asset size and net production and is the largest oil and natural gas producer in the state of Ohio.

- ▶ Average net production of 1.8 bcfe per day for the first half of 2019
- ▶ Proved oil, natural gas, and natural gas liquids reserves of approximately 8.84 tcf as of June 30, 2019 based on SEC pricing
- ▶ Largely contiguous footprint of approximately 348,000 net acres
- ▶ Royalty interests on approximately 76,000 fee mineral acres

ENVIRONMENTAL STEWARDSHIP AND OPERATIONAL EXCELLENCE

Our commitment to environmental stewardship and responsible operational performance starts with our company's leaders. Ascent's management team regularly reviews key performance indicators and challenges our employees at all levels to find ways to continuously improve our operations. Our environmental specialists work hand-in-hand with our operations team to ensure we are acting as a responsible partner in the communities where we operate.

MANAGING EMISSIONS

Ascent is a member of the ONE Future coalition – a group of natural gas companies working to lower methane emissions from the natural gas supply chain to 1% by 2025. This reduction target was established to maintain the greenhouse gas (GHG) emissions benefit of using natural gas in place of other fossil fuels in supporting the nation's energy needs.

In 2019, Ascent also joined The Environmental Partnership, a coalition of companies in the oil and natural gas industry dedicated to improving the industry's environmental performance. As part of this partnership, Ascent is incorporating best management practices for reducing methane emissions into its ongoing operations including the installation of low and intermittent pneumatic controllers, monitoring of liquids unloading operations, and quarterly leak detection and repair surveys.



Ascent also tracks and reports GHG emissions annually under the US EPA's Greenhouse Gas Reporting Program. Reported emissions are reviewed at the executive level and we actively work to identify opportunities for potential emissions reductions.

LEAK DETECTION AND REPAIR

We execute a robust leak detection and repair program employing infrared cameras to pinpoint leak sources on 100% of our operated well pads. Data collected through this program is used to identify areas for improvement and to target opportunities for minimizing leaks going forward. In 2018, we performed more than 300 leak detection surveys across Ascent's locations.

Overview of Leak Detection and Repair Program

Survey Method	Coverage	Inspection Frequency	Leak Repairs
Infrared Optical Gas Imaging Cameras	100% of operated well pads	Quarterly for the first year, semi-annual if leak rate is maintained below 1% of components	Target of 5 days for first attempt, 30 days for final repair

Commitment to Operational Excellence:

2018 Methane Loss Rate – 0.02%

2018 LDAR Leak Occurrence Rate – 0.16% on over 1 million monitored components

PROTECTING THE LAND

Land is the foundation for and provides the lifeblood of our business. We recognize the need to protect our land for future generations and we conduct our operations accordingly.

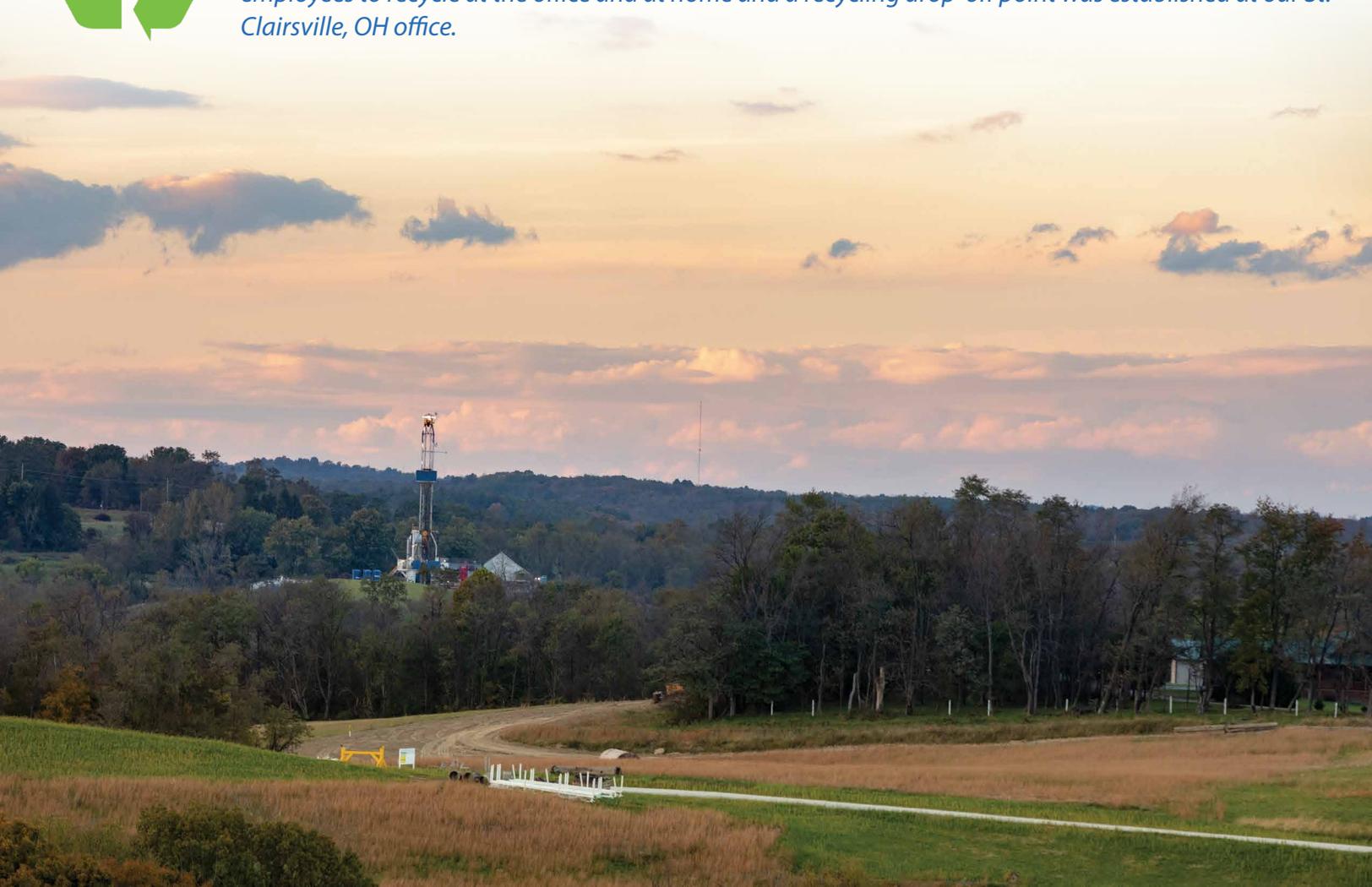
Ascent continues to minimize the surface impact that we have on the land where we operate by focusing on drilling extended lateral lengths. Our average lateral length for the 2nd quarter of 2019 was over 11,000 feet and we have drilled laterals as long as 17,000 feet. By drilling longer lateral lengths, we are able to reduce the land disturbance required to execute our development plans.

WATER CONSERVATION

Water is critical to life and to our operations. Throughout the development of our resources, we continuously seek ways to reduce waste and reuse produced water. In an effort to reduce our costs and minimize environmental impact, we have implemented a water recycling program. In the first half of 2019, we were able to reuse 74% of the total water produced by our operations and we continue to make improvements with the goal of reusing 100% of the produced water.



Ascent's commitment to environmental stewardship extends to our employees. In 2018, our Ohio employees recycled 325 cubic yards of materials – an amount that would fill our field office in Cambridge, OH from top to bottom five times. Ascent provided interactive activities to motivate employees to recycle at the office and at home and a recycling drop-off point was established at our St. Clairsville, OH office.



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, as well as collective, safety and loss prevention practices in order to achieve our objective of a zero-incident environment.

EMPLOYEE SAFETY

The health and safety of our employees and the communities where we operate are a top priority for Ascent. We consider the policies and programs at Ascent to be among the best in the Appalachian Basin.

- ▶ We employ an extensive safety-based training program for new field employees and all field employees participate in monthly environmental, health, and safety (EHS) meetings
- ▶ 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” rule regardless of how minor the incident and utilize our iScout data management and reporting system
- ▶ Our Best Catch awards provide positive company-wide recognition to employees and contractors who actively prevent and recognize unsafe working conditions



In our five years of operations, Ascent employees have experienced only two OSHA recordable injuries – a testament to the highly attentive and consistent safety culture that is the foundation of our company.

Ascent partners with the local first responders, emergency planning committees, and oil and gas task forces in the areas where we operate. We host table-top and full-scale emergency response drill exercises with the first responder community, our employees, and our contractors to better prepare for potential emergency situations.

CONTRACTOR SAFETY

Another factor in Ascent’s excellent safety performance rests on our contractors. We have strict protocols in place for selection, onboarding, training, and management of contract workers. We use these highly effective resources to ensure contractors hired to work on Ascent projects operate to the same standards we require of our employees.

In addition to extensive employee training programs, Ascent’s EHS team attended 248 contractor safety seminars in 2018 reaching 3,674 field-level contractors and 705 contract supervisors.

Excellent Safety Record:

- ▶ Only 2 recordable OSHA incidents in 5 years
- ▶ TRIR of 0.0 in 2017 and 0.26 in 2018



CORPORATE GOVERNANCE

At Ascent, we hold ourselves to the highest ethical standards. We strive to conduct our business with integrity, transparency, and accountability to foster proper and ethical business behavior.

GOVERNANCE STRUCTURE

Ascent is governed by a 12-member Board of Managers comprised of two independent members, an Ascent 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 governance practices:

- ▶ Appointed two independent Board members
- ▶ Established Audit and Compensation Committees
- ▶ Appointed an independent Audit Committee Chair with an independent Board member sitting on both the Audit and Compensation Committees
- ▶ Continuously and actively engage our Board through quarterly and special meetings with an average attendance rate of greater than 95% for in-person meetings in 2018

COMMITMENT TO CODE OF BUSINESS CONDUCT & ETHICS

Our Code of Business Conduct and Ethics provides guiding principles for our employees to act lawfully, ethically, and in the best interests of Ascent. The principles are part of each new employee's onboarding process and all Ascent employees participate in annual web-based training on both our Code of Conduct and workplace harassment.

We maintain a third-party ethics hotline and encourage employees to report any suspected non-compliance behavior. On average in 2018, we resolved issues within six days of receiving a call on the ethics hotline - substantially lower than the 40-day average stated in Navex Global's 2019 Ethics & Compliance Hotline Benchmark Report.

ENTERPRISE RISK MANAGEMENT

Ascent's formalized ERM program decentralizes our risk management practices to an enterprise-wide level and ensures that all employees are engaged and accountable. To foster cross-departmental sharing, we have established an internal ERM Committee consisting of leaders from every department. The ERM Committee meets regularly and is tasked with

providing insight into the risks present across the company. Our Audit Committee is responsible for overseeing our ERM process and our ERM staff regularly updates senior management and the Audit Committee on the program, with annual updates to the full Board.

CYBERSECURITY

We actively train all Ascent employees in cybersecurity awareness and also utilize external testing to monitor the effectiveness of our cybersecurity program. We have adopted the National Institute of Standards and Technology (NIST) Cybersecurity Framework as a list of standards and best practices to guide our enterprise security program.

Hart Energy recognized Jennifer Grigsby, Executive Vice President, and Chief Financial Officer, as one of this year's Top 25 Influential Women in Energy. Jennifer, center front, is pictured here with members of the Ascent leadership team.



BRINGING ENERGY TO OUR WORKFORCE AND COMMUNITIES

At Ascent, our goal is to build a strong corporate culture, continuously empower our employees, develop long-term connections with communities, and identify new ways to hire and develop employees.

EMPLOYEE RELATIONS

Ascent continually invests in our employees' success with superior benefits, education, and training. Our training programs range from regular employee-led lunch and learns to our partnership with Oklahoma State University's Spears School of Business where professional development seminars are presented in OKC and the field. We also sponsor an annual intern program where we provide talented undergraduate and graduate college students with the opportunity to gain practical work experience in the oil and gas industry.

Ascent's URock! program was established in 2017 to recognize employees who demonstrate exemplary work. In 2018, we awarded 94 URock! awards to employees for superior performance.



Talent acquisition efforts know no boundaries. We are an equal opportunity employer and continue to build a diverse and inclusive workplace. To this end, in 2018, we expanded our already diverse recruiting efforts by posting open positions on over a dozen additional diversity-related job boards. This effort has significantly increased the number of diverse candidates vying for Ascent positions. We also actively recruit veterans and, as a result, veterans currently comprise more than 8% of our workforce.

We are proud to say that Ascent has been certified a Great Place to Work for the past four years. Great Place to Work™, a global analysis and consulting firm, analyzes corporate culture utilizing company-provided data and anonymous employee surveys. The positive results of these employee surveys demonstrate that our employees also agree that Ascent is a Great Place to Work.



We are continually evaluating all aspects of our human resource programs to ensure we are providing the very best benefits and opportunities for our employees and that Ascent remains the best corporate citizen in the communities where we live and work.



INVESTING IN OUR COMMUNITIES

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

CORPORATE GIVING

We are honored to act as a leader in Oklahoma City by serving as a Pacesetter company in the United Way of Central Oklahoma's annual fundraising campaign. Our employees give generously to this organization and all employee pledges are matched dollar-for-dollar by Ascent.

In 2019, Jeff Fisher, our CEO, served as the chair of the American Heart Association's Central Oklahoma Heart Walk and more than 200 employees and family members participated in the event. Ascent also sponsored the event's survivor tent providing food and a resting place for survivors of heart disease.

In 2018, our Ohio employees demonstrated their generosity and commitment to the local community by partnering with Ascent to donate approximately 1,400 toys to Toys for Tots Ohio.

Ascent also partners with local first responders in the areas where we operate. We recently assisted the Jefferson County Special Response Team (SRT) by providing funding for an Unmanned Aerial Vehicle. This drone allows the SRT to better protect and serve the community in finding missing persons and assisting in active shooter incidents, drug raids, and other police operations. Ascent also helped purchase an emergency task vehicle for the Belmont County Emergency Management Agency. This vehicle is equipped with radio emergency management technology and can be used as an essential meeting place during emergencies.



Education is a key component of our community investment program. In 2019, we partnered with Monroe Elementary in Oklahoma City to build a STEM room for their students. Students will learn about science, technology, engineering, and math through the use of a 3-D laser printer, handheld digital microscopes, and other educational tools. Ascent also provided all school supplies for more than 340 students at Brook Intermediate School in Byesville, OH.



VOLUNTEER EFFORTS

Volunteerism is a vital component of our corporate culture and identity. Our employees are provided eight hours of paid time-off annually to volunteer for the charitable organization of their choice representing a total of almost 3,250 volunteer hours helping those in need in our communities. Our employees serve as weekly mentors at Monroe Elementary, help build houses with Habitat for Humanity, and volunteer at numerous local non-profit agencies including the Regional Food Bank of Oklahoma and City Rescue Mission.



More than 200 employees and family members participated in the Central Oklahoma Heart Walk supporting the American Heart Association.

PERFORMANCE METRICS

Environment

2018

Greenhouse Gas (GHG) Emissions (metric tonnes CO ₂ e)	259,465
Green House Gas (GHG) Emissions Intensity (metric tonnes CO ₂ e/mmcfe)	0.39
Methane Emissions (metric tonnes)	2,324
Methane Loss Rate (percentage of gross natural gas production)	0.02%

Health & Safety

2018

Employee Total Recordable Incident Rate (TRIR)	0.26
Employee Lost Time Incident Rate (LTIR)	0.26
Number of Fatalities	0

Economic

1H 2019

Net Production	1.8 bcfe/d
Gross Operated Producing Wells	427
Proved Reserves	8.84 tcf
Net Acres	348,000
Fee Mineral Acres	76,000

Employees

1H 2019

Number of Employees	403
% Women in Workforce	34%
% of Senior Management Positions (SVP and above) Filled by Women	33%
% Veterans in Workforce	8.25%



ASCENT IS ON THE RISE!



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