



## Mandate of the Board of Directors

The Board of Directors (the "Board") of ARC Resources Ltd. ("ARC") is responsible for the stewardship of ARC and its subsidiaries. In discharging its responsibility, the Board will exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of ARC. In general terms, the Board will:

- a) in consultation with management of ARC, define the principal strategic objectives of ARC including short-term business plans and long-term strategic plans;
- b) monitor the management of the business and affairs of ARC with the goal of achieving such principal strategic objectives as defined by the Board;
- c) discharge the duties imposed on the Board by applicable laws; and
- d) for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

**Without limiting the generality of the foregoing, the Board will perform the following responsibilities:**

- require the Chief Executive Officer (the "CEO") to present annually to the Board a longer-range strategic plan and a shorter-range business plan for ARC's business, which plans must:
- be designed to achieve ARC's principal strategic objectives; and
- identify the principal strategic and operational opportunities and risks of ARC's business;
- review progress towards the achievement of the goals established in the strategic, operating and capital plans.
- identify the principal risks of ARC's business and take all reasonable steps to ensure the implementation of the appropriate systems to manage these risks;
- approve the annual operating and capital plans;
- approve limits on management's authority to conduct acquisitions and dispositions of assets, corporations and other entities, and undeveloped lands;
- approve the establishment of credit facilities;
- approve all public and private placement offering of securities of ARC or its subsidiaries for capital raising purposes; and; approve all issuer bids to acquire or redeem securities of ARC or its subsidiaries that are listed or quoted for trading on a stock exchange or quotation system.

### Monitoring and Acting

- monitor ARC's progress towards its goals, and to revise and alter its direction through management in light of changing circumstances;
- monitor overall human resource policies and procedures, including compensation and succession planning for the organization. Lead the CEO and executive succession process;
- appoint all of the officers, including the CEO, and determine the terms of employment with ARC of all of such officers;
- approve the dividend policy of ARC;
- ensure systems are in place for the implementation and integrity of ARC's internal controls and management information systems;

- monitor corporate governance of ARC, including oversight of Sustainability including Environment, Social and Governance matters, reporting and compliance with all applicable safety, health and environmental laws and other regulatory requirements;
- in consultation with the CEO, establish the ethical standards to be observed by all officers and employees of ARC and use reasonable efforts to ensure that a process is in place to monitor compliance with those standards; and
- require that the CEO institute and monitor processes and systems designed to ensure compliance with applicable laws by ARC and its officers and employees.

## Compliance Reporting and Corporate Communications

- ensure compliance with the reporting obligations of ARC, including that the financial performance of ARC is properly reported to shareholders, other security holders and regulators on a timely and regular basis;
- recommend to shareholders of ARC a firm of chartered accountants to be appointed as ARC's auditors;
- ensure that the financial results are reported fairly and in accordance with generally accepted accounting principles;
- ensure environmental and social performance is integrated accurately and consistently into annual reports and financial reporting.
- ensure the timely reporting of any change in the business, operations or capital of ARC that would reasonably be expected to have a significant effect on the market price or value of the common shares of ARC;
- ensure the corporate oil and gas reserve report fairly represents the quantity and value of corporate reserves in accordance with generally accepted engineering principles and applicable reporting standards;
- report annually to shareholders on the Board's stewardship for the preceding year;
- establish a process for direct communications with shareholders and other stakeholders through appropriate directors, including through the whistleblower policy; and
- ensure that ARC has in place a policy to enable ARC to communicate effectively with its stakeholders, including shareholders and the public generally.

## Governance

- in consultation with the Chair of the Board, develop a position description for the Chair of the Board;
- facilitate the continuity, effectiveness and independence of the Board by, amongst other things:
  - appointing a Chair of the Board who is not a member of management;
  - appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate;
  - defining the mandate of each committee of the Board and the terms of reference for the chair of each committee;

- ensuring that processes are in place and are utilized to assess the effectiveness of the Chair of the Board, the Board as a whole, each director, each committee of the Board and its chair; and
- ensuring that processes are in place to assess the Board, its Committees, and individual director's performance;
- establishing a system to enable any director to engage an outside adviser at the expense of ARC;
- review annually the composition of the Board and its committees and assess Directors' performance on an ongoing basis, and propose new members to the Board with regard to the Director's skills matrix and the evolving needs of the Board; and
- review annually the adequacy and form of the compensation of Directors.

## Delegation

- The Board may delegate its duties to and receive reports and recommendations from committees of the Board from time to time to assist the Board in the performance of its duties.

## Meetings

- The Board shall meet at least four times per year and/or as deemed appropriate by the Board Chair.
- The Board shall meet at the end of its regular quarterly meetings without members of management being present.
- Minutes of each meeting shall be prepared by the Secretary to the Board.
- The Chief Executive Officer shall be available to attend all meetings of the Board or Committees of the Board upon invitation by the Board or any such Committee.
- Executives and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board.

## Reporting and Authority

- Following each meeting, the Secretary will promptly report to the Board by way of providing draft copies of the minutes of the meetings.
- Supporting schedules and information reviewed by the Board at any meeting shall be available for examination by any Director upon request to the Chief Executive Officer.
- The Board shall have the authority to review any corporate report or material and to investigate activity of ARC and to request any employees to cooperate as requested by the Board.
- The Board and/or any member or Committee of the Board, after consultation with the Policy and Board Governance Committee, through the Chair, may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of ARC.