



EQUITABLE  
ORIGIN  
CERTIFIED



**PETRONAS**

## Site Overview

<b>Certificate Issuer:</b>	<a href="#">Equitable Origin, Inc.</a>
<b>Certificate Number:</b>	<b>EO100-04122023-CAN</b>
<b>Operator:</b>	<a href="#">PETRONAS Energy Canada Ltd.</a>
<b>Certifiable Unit Name:</b>	<b><i>North Montney Joint Venture Assets</i></b>
<b>Certification Standard:</b>	EO100™ Standard for Responsible Energy Development (2017) and the EO100™ Technical Supplement: Onshore Natural Gas and Light Oil Production (2022)
<b>Location of Certified Unit:</b>	Fort St. John, British Columbia, Canada
<b>Area:</b>	800,000 net acres
<b>Production Volume:</b>	Approximately 144,000 boe/d
<b>Number of Employees:</b>	Approximately 545
<b>Production Phase:</b>	Active production
<b>Certification Date:</b>	04 December 2023
<b>Expiration Date:</b>	04 December 2026
<b>Assessment Period:</b>	July 2023
<b>Assessment Body:</b>	<a href="#">Impact Resolutions Ltd.</a>

## ABOUT THIS REPORT

The purpose of this report is to publicly document the EO100™ Certification assessment conducted of PETRONAS Energy Canada Ltd. (PECL) natural gas operations in Fort St. John, British Columbia, Canada. The assessment scope covered PECL's *North Montney Joint Venture Assets*, detailed below, which were treated as one Certifiable Unit.

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

The EO100™ Standard and associated Supplements encompass the following Principles:

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

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

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

- PT1 indicates that a site's performance meets industry best practices;
- PT2 indicates that a site's performance exceeds industry best practices; and
- PT3 indicates that a site's performance leads industry best practices.



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

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

**Read more about our Standards here:**

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

## Site Profile

PECL is a wholly-owned subsidiary of the Malaysian National Oil Company (NOC) Petroliaam Nasional Berhad (PETRONAS). PECL's primary office is in Calgary, Alberta. In 2012, PECL and its joint venture partners established ownership of 800,000 gross acres with 53 trillion cubic feet of natural gas reserves and contingent resources in the B.C. North Montney region. PECL is the owner-operator with a 72% stake in the joint venture, which includes Sinopec Huadian Montney Limited Partnership, Indoil Montney Ltd, and BE Montney Holdings Limited.



Current natural gas production is approximately 144,000 boe/d. To date, 750 wells have been drilled with the potential for up to 4,800 wells to be drilled over the next 45 years, as reported by PECL. In 2018, PETRONAS acquired a 25% interest in LNG Canada and expects to supply 500 million cubic feet of gas a day to that plant once it is operational.

PECL's *North Montney Joint Venture Assets* have a mix of legacy facilities acquired from Progress Energy Resources and new facilities located in northeast British Columbia within the Peace River Regional District. The Asset's operating facilities produce natural gas liquids and natural gas. This assessment includes all facilities owned and operated by PECL within the Asset.

## Stakeholders and Indigenous Communities

PECL engages a variety of stakeholders. These include:

- Shareholders
- Landowners
- Communities
- Contractors
- Suppliers
- Government
- Employees
- Indigenous Rightsholders

Equitable Origin-approved independent Assessors, Impact Resolutions Ltd., reports that PECL's lease areas primarily impact Crown lands where four Treaty 8 Signatory communities claim overlapping traditional use, including the Blueberry River First Nations (BRFN), Halfway River First Nation (HRFN), Prophet River First Nation (PRFN), and West Moberly First Nations (WMFN).

## Document Review and Stakeholder Interviews

PECL engaged Equitable Origin-approved independent Assessors, Impact Resolutions Ltd., to conduct the certification assessment of their operations in July 2023.

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

An independent Peer Reviewer and Equitable Origin's Standards Technical Committee member reviewed the assessment findings and assurance procedures.

Specific verification activities undertaken as part of this assessment include work to review PECL's documentation and reports (internal and external), management systems, interviews with relevant staff and external stakeholders, discussion with key personnel and site operators, site investigations relating to workplace environment, health, safety, and environmental observations, and the reviewing of applicable regulations and directives.

As part of this work, Impact Resolutions spent three days performing on-site visits, reviewed 484 documents, and conducted 21 interviews with internal and external stakeholders. Of these interviews, four were with First Nations representatives in Indigenous communities directly impacted by PECL operating activities, of 36 interview requests made.

Interview discussion topics included business practices, transparency, community benefits, cultural heritage, environmental performance, agreement progression, as well as feedback and suggestions for areas of improvement from the stakeholders – which were conveyed to PECL. Interview outcomes were cross-checked with relevant PECL representatives, providing robust qualitative insight.

All supporting assessment documents are confidential.

## Certification Results

Based on the information obtained, Impact Resolutions finds that PECL has met the requirements for certification of its *North Montney Joint Venture Assets* in Fort St. John, British Columbia, Canada, to the EO100™ Standard for Responsible Energy Development (2017) and the EO100™ Technical Supplement: Onshore Natural Gas and Light Oil Production (2022).

This certification assessment concludes that PECL has succeeded in meeting or partially meeting all the applicable Level 1 Performance Targets (see Figure 1, below). It finds that PECL has a comprehensive management system and assurance frameworks to guide its activities and ensure consistent application of work activities. In addition to demonstrating many areas of outperformance and sector leadership across all Principles, PECL has developed meaningful relationships with all four directly-impacted Indigenous communities, establishing a basis for reconciliation in the context of ongoing and future development.

PECL has developed a Continuous Improvement Action Plan to close gaps identified by the initial certification assessment. Progress will be evaluated annually. Among areas singled out for focus, the Assessors recommend that PECL implement a strategy to increase transparency regarding the Asset's risks, impacts and outcomes, including information sharing on its website. Public reporting will increase trust and transparency with all stakeholders and rights holders. More significantly, it would establish public accountability for PECL's development, operating and reclamation commitments and visibility for its leadership practices.

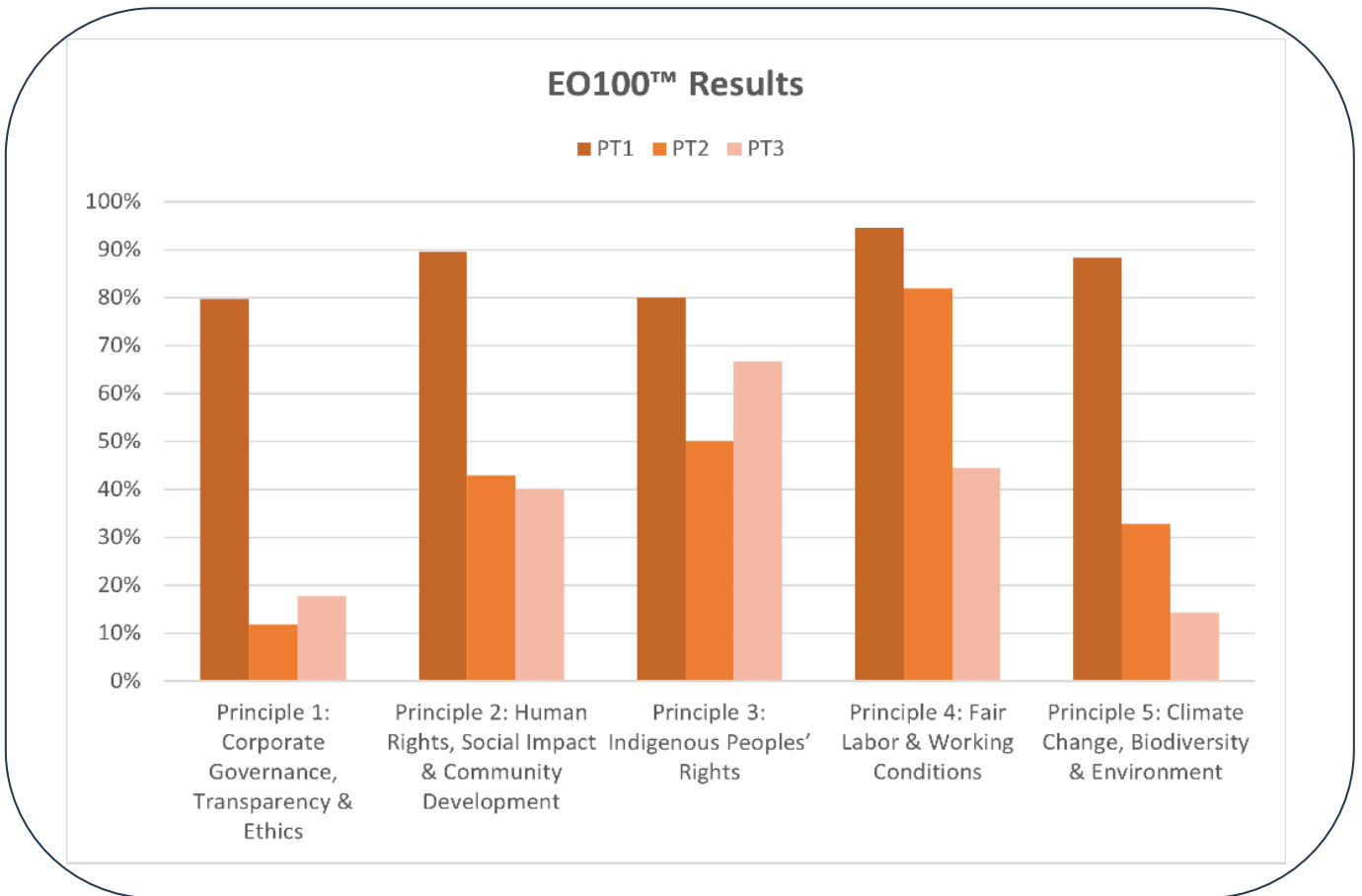
Table 1 shows the results summarized by Principle for each Performance Target level.



**Table 1: Summary Results by Principle**

**B-**  
  
Letter  
Grade

Principle	2023 Certification Assessment
1: Corporate Governance, Transparency & Ethics	80%
2: Human Rights, Social Impact & Community Development	89%
3: Indigenous Peoples' Rights	80%
4: Fair Labor & Working Conditions	95%
5: Climate Change, Biodiversity & Environment	88%



**Figure 1: EO100™ Certification Assessment Results**

## EO100™ Certificate

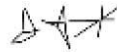


# Certificate

Certificate Number: EO100-04122023-CAN

**B-**  
Letter Grade

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<b>Assessor:</b>	Impact Resolutions Ltd.



Jason Switzer  
CEO, Equitable Origin

### Contact Information:

*PETRONAS Energy Canada Ltd.:* Kurtis Barrett, Director, Sustainability

If organizations or individuals have concerns, complaints, or comments about the operator's EO100™ Certification, they should first contact the Certified Operator directly: 403-539-1843

*Equitable Origin:* [contact@equitableorigin.org](mailto:contact@equitableorigin.org)

For more information on Equitable Origin's Certification System Comments, Complaints and Appeals processes, please visit our website: [www.energystandards.org](http://www.energystandards.org).