



Communication on Progress

for the

UN Global Compact

- 2015 -





February 15, 2016

H.E. Ban Ki-moon
Secretary-General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary-General,

Herein we present our Communication on Progress (COP) for 2015 to reaffirm Native American Resource Partners' (NARP) support for, and continued commitment to, the UN Global Compact (UNGC). The Ten (10) Global Compact Principles continue to be central to our founding business philosophy, our partnership spirit, our daily operations, and our vision of the future.

NARP's business model and operations continue to assist people in Indigenous Communities to develop, among other goals, sustainable financial well-being. By doing so NARP helps people to attain the fundamental **Human Rights** associated with self-determination. In the on-going process of aligning interests and incentives with our partners, and among all stakeholders, NARP creates the collaborative business structures that consistently promote observance of all related **Labour, Environment, and Anti-Corruption** goals outlined in the UNGC Principles.

In 2015 NARP continued our tradition of commitment to active participation in events and UNGC working groups that promote the UNGC Principles:

- 2013, 2014; **UN Econ. and Social Council (ECOSOC)** – NARP attended UN forums on Partnerships;
- 2012, 2013, & 2014; **Canadian Public Policy Forum (CPPF)** – NARP attended forums, participated in 'Roundtable Discussions', and contributed to publications on creating Partnerships with Indigenous Communities;
- 2013, 2014, 2015; **Global Compact – Canada Network (GCNC)** – NARP actively participates in 2 Working Groups: "Long-Termism vs. Short-Termism"; and "Environmental Stewardship";
- 2015, 2016; **Sustainable Development Goals (SDGs)** – Participated in GCNC Survey regarding SDGs; Participant for analysis of GCNC SDG Survey Results - webinar.

A continuous commitment to our Indigenous Community partners is at the core of NARP's values. As a private enterprise that partners exclusively with Indigenous Communities, NARP views all Human Rights doctrine as fundamental, intrinsic, and inalienable. NARP is an active supporter, defender, and implementer of the **UN Declaration on the Rights of Indigenous Peoples (UNDRIP)**. In the past NARP has contributed legal comment to the UNGC's **Free, Prior and Informed Consent - Human Rights Good Practice Note**. In addition, NARP provided the perspective of a case history that is now part of the **UNDRIP Business Reference Guide** (2013). NARP continues to actively support UNDRIP and other related international agreements through a number of enrichment activities designed to further strengthen our unique co-partnering business model. We continue to see NARP as a significant force in advancing the UNDRIP and related Human Rights in the future.

Despite the current challenges brought on by the instability of global commodity and finance markets, I am happy to report that NARP's partnerships are continuing to produce many positive results for the employment situation in Indigenous Communities. In 2015, **Tribal North Energy Services** (Tribal North), NARP's partnership with the First Nations of northern Alberta (Canada), continued to perform at and beyond expectations. By facilitating active participation by First Nations in the service sector that supports of natural resource projects, Tribal North continues to be a leader in creating jobs in First Nations communities. **Kainai Energy**, NARP's partnership with the Blood Tribe in southern Alberta, likewise continues to support employment interests of Tribal members in that region.

NARP continues to maintain the highest environmental standards and safeguards in the operations it oversees while ensuring the cultural and spiritual customs and Traditional Territory rights of our Indigenous Community partners are respected and honored. The combination of industry best practices, meeting and exceeding strict regulatory guidelines, new and effective technologies to protect and enhance environmental quality, and NARP's partnership approach provide unprecedented opportunities to care for the earth. NARP's Indigenous Community partners continue to have an active role and a determinant voice in partnership decisions regarding all environmental and land use issues. As deeply-connected stewards of the land our Indigenous partners have a special regard for, knowledge of, and relationship with the earth. The guidance of this Traditional wisdom and stewardship, together with NARP's technical expertise, adds a level of excellence and accountability to NARP's actions and operations that essentially defines all modern environmental '*Best Practices*'.

As we stated in our first commitment letter, the creation of NARP-style authentic, transparent, and sustaining partnerships requires a level of mutual respect and trust that leaves no place for corruption in any form. NARP works constantly to encourage trust through communication, relationship-building activities, and education. It is the heart of our business. Given the nature of our partnerships – *Pari passu* with Indigenous Communities – across cultural boundaries, and the need for close and accurate communication to assure project success, NARP is ever diligent to structure and conduct its business to the highest ethical standards. While we have put many policies and procedures in place, we will continue to grow and enhance our abilities to assure against corruption in all of its myriad forms. We expect to provide meaningful measurement data in the future to demonstrate our success.

We have updated each reporting section (*Human Rights, Labour, Environment, and Anti-Corruption*) with additional information on our activities in 2015. This year we are also adding 2 new sections to our COP to enhance our reporting function, augment our accountability, and to further support UNGC's Principles. The new sections provide additional perspectives on how NARP supports *The Ten Principles* and all related universal efforts and actions designed to create a better world:

- *NARP's ESG Profile (Pages 26-39)*; and
- *NARP By The Numbers: Supporting UN Agenda For 2030 (Pages 40-46)*.

I hope you will take some time to review these new sections as an expression of NARP's commitment to accountability and innovation in the effort to improve conditions among all nations and people – in North America and worldwide.

Mr. Secretary-General, I look forward to reporting on our progress again next year. At that time I expect to report on the creation of more innovations and initiatives that demonstrate NARP's commitment to improving Human Rights, Labour practices, Environmental quality, and Good Governance wherever we operate. We believe that our tradition of aligning interests and incentives amongst all stakeholders is a vital unwritten element embodied in the UNGC Principles. When we report, we will again share credit for our progress equally with our Indigenous Community partners with whom we align and who create the reason and supply the resource that makes NARP a successful business entity.

Best regards,

John P. Jurrius
President and CEO
Native American Resource Partners, LLC



The UN Global Compact Communication on Progress 2015

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Native American Resource Partners and the United Nations Global Compact

With this second edition of our Communication On Progress (COP), Native American Resource Partners (NARP) continues its commitment to supporting, advocating, and implementing all of the UN Global Compact's (UNGC) principles in our office locations, with all of our Indigenous Community partners, provincial, state, and federal governments, contractors, and private individuals throughout our operations. NARP takes an active role in promoting adherence to all of the Principles and in encouraging all of those that we work with to consider membership in the UNGC.

NARP's founding tenets and core values are a strong and precise reflection of the UNGC Principles. As such, all of NARP's operations and activities are an extension of the values that the UNGC Principles endeavors to instill in the global community. The unique role that NARP serves to fill the gaps between Indigenous Communities, commercial interests, and governments provides a powerful and advantageous launch-point from which to disseminate the spirit embodied in the UNGC Principles.

The core of NARP's unique business model – *the creation of "Pari passu" business partnerships with Indigenous Communities* – provides a natural, holistic, elegant, and effective method to protect and promote the advancement of all Human Rights, Labour, Environment, and Anti-corruption issues. Currently operating successfully in the US and Canada, NARP's business model, and its seamless integration of UNGC Principles, is in turn a model for all disparate people groups and interests throughout the world.

NARP was formally accepted into the UNGC in 2013 and continues to embrace and add support to all of the UNGC Principles.

About Native American Resource Partners

NARP is a private company that specializes in sourcing, securing and implementing capital and providing technical expertise exclusively for natural resource and other business development opportunities with Indigenous Nations. Founded by its CEO John Jurrius in 2008, NARP identifies and incubates opportunities with the goal of assisting its partnering Indigenous Nations to attain financial sovereignty through equity ownership in *“Co-partnered Tribal Companies.”*

NARP occupies a unique niche in the overlapping business areas of natural resource extraction, capital financing, and Indigenous Nations economic development. The founding of NARP was for the purpose of providing Tribal Nations access to capital and expertise for proprietary development of their resources. Since 2008, Mr. Jurrius and NARP have provided capital commitments in excess of \$460 million.

Approximately 20 people are employed or under contract to NARP in offices and field locations that include Alberta, Canada (Calgary), Colorado, US (Denver). Additional personnel are employed by NARP’s co-partnered Tribal companies (such as Tribal North Energy Services Co., Kainai Energy Co., etc.) in the areas of their operations. Over a dozen co-partnered Tribal energy companies have been created through implementation of the NARP business model, as well 1 co-partnered Tribal service company (Tribal North Energy Services) in northern Alberta.

Our partnering Indigenous communities have benefited directly from these cooperative enterprises through active participation in the management of the partnership’s business, the creation of jobs for members of the community, opportunities for community contractors, and in many other ways that benefit the environment, social services, and the development of good and effective governance.

The Unique Native American Resource Partners Business Model

Fundamentally different than traditional sources of capital, NARP's business is founded on the alignment of the objectives and incentives between financial investment interests (i.e., ROI) and the self-determined goals of Indigenous Nations (i.e., social needs, environmental protection, cultural preservation, etc.). This alignment of interests, and the identification of shared goals, values, and incentives, greatly facilitates communication and understanding throughout the operation of the partnership enterprise. As a result, an optimally incentivized, inherently productive, and holistic business environment – one that nourishes all stakeholders – emerges and generates synergies and benefits in virtually every area of operation.

NARP President and CEO, John Jurrius, is the originator of the NARP business model. For over 29 years, Mr. Jurrius has been advising and creating co-partnering businesses with Indigenous Nations in an effort to assist Native communities the US and Canada. The NARP business model allows Indigenous Nations to lever their lands, rights and the associated resources into viable energy and other resource companies. This arrangement provides both strong returns for investors and a solid underpinning for a new economy built upon the commercial revenues for the participating Indigenous Nation. Co-partnering provides the Nation with an operating model that secures a broader economic participation in the development of each Nations' own resource lands and rights thereby promoting a new currency, improved access to capital, and, ultimately, financial self-determination. Mr. Jurrius and the NARP business model are directly responsible for building several Tribal Energy Companies, whose assets have each grown in excess of \$1 billion, resulting in a great degree of financial independence for the participating Nations.

To ensure success with the model Mr. Jurrius has aligned with private equity funds for the purpose of accessing the capital needed for the NARP projects. While this alignment has worked well in the past to ensure that capital is available for each NARP project, NARP is currently in the process of promoting and securing the first ever "Aboriginal Investment Fund". The opportunity to access investment capital that is dedicated exclusively to funding projects in Indigenous Communities will ensure appropriate risk assessment, effective project execution, and certainty of access to long term capital within this niche. Further, it will expand the number of Indigenous Communities and the range resources that can be levered so that more Nations can participate in the growth of their own economy.

The Components & Benefits of the NARP *"Co-Partnering Business Model"*:

1. NARP partners in equity with Nations to align interests, generate returns for investors, and develop sustainable economic activity
 - Nations typically have massive, underdeveloped, underexplored land holdings or other rights.
 - Nations also have access to technical data on resource development, i.e. government and industry studies and reports
2. In partnership with Nations, NARP selectively deploys capital on viable economic projects
3. The partnership may, in turn, partner with industry participants to hasten development or to share risk (*hence; "co-partnering"*)
4. Nations receive:
 - Recurrent income streams from natural resource and/or other business development
 - Equity participation in projects
 - Local economic activity
 - Source of employment for members
 - Security for legacy generations

Benefits of the NARP Business Model

Under the NARP business model, management structures each investment to create a source of revenue for the partnering Indigenous Nation. Revenues can provide social and economic programs for the Nation's members, independent of government oversight and regulation. As such, Nations can use those *new* revenues to improve the living conditions of their members by directly addressing education issues, unemployment, elder care, substance abuse, infant mortality, and diabetes among others. The NARP business model provides a "*socially responsible investment*" that meaningfully addresses the social conditions of Nations by enabling their economic sovereignty through their own sourced revenues paid directly to Nation's Government.

An important aspect of the NARP business model is that Indigenous Communities become equity owners in their own holdings and share (as active commercial participants) in all aspects of the various resource and other business development decisions. NARP, as capital, technical and capacity providers, shares only in the revenues created by the resultant commercial ventures. This is a real-time demonstration of how effective a 'shared-value' business approach can be in generating successful enterprises. Given the power and potential to catalyze game-changing economic conditions within communities that do not currently have access investment capital, the NARP business model can be introduced and made available to other investment interests and Indigenous Nations worldwide. By creating a greater awareness of the NARP's goal-aligned/shared-value approach, both the Indigenous and investment communities can benefit from the substantial wealth creation and essentially, the creation of an emerging economy.

The NARP business model defines a significant paradigm shift for a wide spectrum of both business and Indigenous Nation interests. By designing equal and authentic partnerships and, effectively, systemically incorporating shared value into commercial enterprises, all stakeholders can access opportunities and benefits that were separately beyond their reach. This is a significant business breakthrough and, with the documentation of the social benefits that have accrued, it is a confirmation of the NARP business model.

Social Needs and Business Objectives Addressed

By providing access to capital, NARP enables Indigenous Nations to participate in a much greater share of the wealth represented by their inherent ownership interests and rights in the resources that they own or otherwise control. Concurrently, investment interests can access resource and other development opportunities that have largely been out of reach for a variety of reasons. By leveraging (sharing) the value of the resource endowments present in and on their lands, Indigenous Nations can share in a much greater portion of the wealth it contains. Empowered in this fashion Indigenous Nations are able to positively and comprehensively impact the current social needs of their members while creating a lasting legacy for many generations of members into the future.

Further, through thoughtful financial planning, NARP assists its partners in establishing segregated investment funds with a view to converting their non-renewable resource wealth into a permanent, renewable financial resource. The accumulated wealth can provide for the long-term socio-economic needs of the Indigenous Nation and ultimately for their “Financial Sovereignty”. This most powerful (and necessary) step towards true self-determination then becomes an attainable goal.

Equity investment plays a potentially vital part in giving new opportunity to Indigenous Nations that have been historically relegated (because of the lack of access to capital) to vastly undervalued interests (Royalties, etc.) from their rightful and lawful endowment of commercially-valuable resources. By addressing the issue of financial sovereignty, partnership vehicles like NARP empower Indigenous Peoples to develop their own resources and to drive economic growth for themselves and their host communities in the most culturally appropriate and socially effective manner possible.

Outlook

Through active participation in business partnerships founded on the creation of shared values and the careful alignment of commercial and social interests among the various parties, Indigenous Nations have the realistic opportunity to rise out of poverty. Effectively, this new business and investment model provides Indigenous Nations with a blueprint for creating a '*new currency*' – one that is outside of non-Tribal government control – to accomplish their self-determined goals and to address their most urgent needs.

In the past, Indigenous Nations have had rights, but they often lacked the tools, needed to lever those rights and create economic opportunity. Further, they rarely have been involved in creating the most desired vision for their Nations in any meaningful way. Above all, they lacked sufficient capital to finance development of their resource assets. Now, through a unique and innovative model, NARP has established a track record for helping Indigenous Nations everywhere to access the capital needed to empower significant changes from within the community. Now it is time for this new investment model to proliferate and to build upon that record.

NARP's partnership approach to indigenous business development is the embodiment of a business model that benefits everyone within its influence. It is extremely effective in creating true "*win-win-win...*" results that positively impact all stakeholders through the generation of wealth. The dramatic and demonstrable financial and social progress that is directly attributable to the model can help evolve business mindsets everywhere. More importantly, the NARP business model can assist communities everywhere to realize the potential and protection of Human Rights as embodied in international agreements such as the ***United Nations' Declaration on the Rights of Indigenous Peoples*** (2007).

The alignment of interests – investment interests and the Indigenous Nations' interests – is the key to the future for Indigenous and non-Indigenous stakeholders alike. In the case of business, goals for return on investment (ROI) thresholds need to be identified, analyzed for technical risk, and communicated so that expectations and goals for short- and long-term goals can be clearly understood and managed. Likewise, Indigenous Nations' self-generated goals for those time frames must also be clearly delineated so that an alignment of interests and the creation of a common goal set can be accomplished.

COMMITMENT TO HUMAN RIGHTS

Assessment, Policies, and Goals:

The Native American Resource Partners (NARP) business model is based on a foundational policy of forming long term, meaningful business partnerships with Indigenous Native American Tribes in the U.S. and Canadian First Nations (the “Native Nations”). The initiation and implementation of business partnerships with Native Nations is NARP’s exclusive brand. The goal of these partnerships is to create co-partnered (50/50) Tribal energy and service companies that:

- i. Allow the Native Nations to participate in a greater portion of the resource revenues from the lands, resources and rights that are held in Trust for them by host governments and that they otherwise control;
- ii. Create unique, valuable and previously inaccessible investment opportunities for capital providers; and,
- iii. Produce revenues that fulfill both the investment return expectations of capital providers and that provide the Native Nation with an additional revenue stream to serve the social and cultural needs and goals of indigenous community today and into the future.

Critical to this business model is the development of a deep understanding of, and respect for, the inherent human rights and sovereign powers of NARP’s Native Nation partners. NARP facilitates its partnering Native Nations to play an active role in establishing the goals, as well as both the ongoing management and administration, of the partnered energy or service companies. This active role requires a policy of constant input, assessment, and open dialogue. By nurturing this ongoing business relationship, and encouraging the capacity and skills transfer that can ultimately lead to full Native Nation ownership and control of the partnership, NARP plays a significant role in assisting Native Nations to realize their goals of financial sovereignty and self-determination.

The creation of a long term, meaningful and respectful relationship with an Indigenous Community partner is built upon strict adherence to all articles of the **UN Declaration on the Rights of Indigenous Peoples** including, importantly, the Right of “Free, Prior and Informed Consent” (FPIC); NARP contributed to the recent **UNDRIP Business Reference Guide** (2013), as well as providing comments for the **FPIC Human Rights Good Practice Note**.

Implementation:

As a private investment firm NARP specializes in structuring, financing, and implementation of natural resource projects with Native Nations, NARP identifies and incubates business development opportunities with the goal of assisting Native Nations to attain financial sovereignty through equity ownership in co-partnered “Tribal Energy & Service Companies.” Using its in-house staff of technical, financial, and legal experts, NARP evaluates resource and service opportunities and structures transactions which benefit all stakeholders. NARP provides access to capital for investment through its capital providers, including firms specializing in natural resource investments.

The **Kainai Energy Company** (KEC) is an example of the implementation of a partnered Tribal energy company. NARP created KEC in partnership with the Blood Tribe, a Canadian First Nation in southern Alberta. The formation of KEC has positioned the Blood Tribe to be able to more fully realize the value and opportunity associated with oil and gas development on and adjacent to their Reserve, including,

- i. the ability to access capital to secure equitable participation rights negotiated with industry partners;
- ii. the ability to influence the pace and quality of natural resource development as well as the timing of royalty payments from on-Reserve development; and,
- iii. the ability to obtain exclusive rights to develop oil and gas resources outside of their Reserve.

The implementation of the KEC partnership also ensures that the Blood Tribe will have access to both the expertise and investment capital necessary to evaluate and fund oil and gas exploration and development costs. Development of its mineral estate is necessary for the Blood Tribe to create the financial sovereignty and stability that it needs to provide long term social and economic benefits for its membership; the Kainai Energy partnership is enabling the Nation to meet its goals in a manageable progression.

The **Kawacatoose Energy Company**, another partnered energy company, was created between NARP and the Kawacatoose First Nation of Saskatchewan. Pursuant to the *Saskatchewan Treaty Land Entitlement (TLE) Framework Agreement (1992)*, the Kawacatoose First Nation was granted the rights and funding, through a tripartite agreement among Saskatchewan First Nations, the Federal Crown government of Canada, and Provincial Crown government of Saskatchewan to purchase approximately 110,000 acres of Reserve land that the Nation is entitled to through historical treaties. The TLE Agreement is intended to resolve the errors made by the Canadian Federal Government during the original Reserve creation (late 19th to early 20th centuries) and to honour the spirit and intent of the historical treaties that established the size of each Native Nation's Reserve.

By 2010 however, due to rapidly rising land values and other political and economic factors the First Nation had only been able to purchase about 20% of its acreage allocation – far short of its goal. A business partnership was formed with NARP so that the Kawacatoose First Nation could access the capital needed to purchase its remaining TLE acreage allocation.

Upon forming the business partnership with NARP in 2010, Kawacatoose began to prepare the Nation's members to vote to opt into the "moneys management" portion (Section 7) of the *First Nations Oil and Gas and Moneys Management Act* (FNOGMMA). FNOGMMA is a Federal Crown legislative mechanism in Canada (made into law in 2005) that allows a First Nation to take direct control of the revenues associated with development of oil and gas on its own Reserve lands. If approved by a referendum vote of the Nation's eligible voters, FNOGMMA would allow the Nation to participate in, and directly benefit from, business partnerships designed to generate revenues from oil and gas production. Without FNOGMMA this associated revenue would be held in trust by the Canadian Federal Crown government and would not be available for capital repayment.

NARP's commitment to fund future land purchases gave the Kawacatoose First Nation members sufficient confidence to pass the referendum in favour of FNOGMMA. The Kawacatoose First Nation was accepted into FNOGMMA early in 2014 and became the only First Nation to complete the process to date. Together, Kawacatoose First Nation and NARP implemented an historic positive step toward a new era in Indigenous community governance and financial sovereignty. The Nation gained an improved and independent ability to attract investment so as to fulfill their rights to additional Reserve lands. Further, the adoption of FNOGMMA will establish the Kawacatoose First Nation as an example for other Native Nations who also want to implement business partnerships to develop oil and gas resources and to strengthen their economies and to exercise their rights through TLE and other laws.

Additional Partnerships - NARP endeavors to expand its breadth and sphere of influence in the future. Though currently co-partnering with several First Nations in Canada and Tribal Nation in the US, NARP expects to enter into many more partnerships in the coming years. With multiple meetings and presentations held in the business environment, at cultural events, during 'open houses', and at other community activities, NARP has conducted dozens of consultations and educational forums, and will continue to conduct many more in the future.

Indigenous Community Empowerment Foundation - NARP has committed to create the "*Indigenous Community Empowerment Foundation*", a non-profit organization created to benefit the Indigenous communities in North America where NARP builds co-partnered Tribal energy and service companies. The mission of the Foundation will be to assist with funding projects aimed at promoting an inspired, empowered, and self-determined environment in the communities in which NARP does business. The Foundation will concentrate its efforts in life-long learning and sustainable outcomes for individuals and their communities. These areas reflect NARP's values and the positive differences we seek to make in the communities where we work and live.

Measurement:

NARP is fully committed to produce measureable benefits for each of its partnerships with First Nations:

Kainai Energy Company (KEC)

i. As a measure of financial commitment, NARP has committed \$100 million in capital investment in KEC. This measure of investment, and the equity participation it represents through the partnership for the Blood Tribe, far exceeds any like investment in their mineral estate in the Blood Tribe's past;

ii. Given the anticipated success of the current investment, KEC will look to expand its focus both on and outside of the Blood Tribe Reserve. Such ability in the past, especially to expand prospective oil and gas exploration and development to off-Reserve areas, was severely restricted by limited access to capital;

iii. As a result of KEC's enhanced abilities through the partnership with NARP, the Blood Tribe's equity participation in its own mineral estate has increased from 45,000 acres in 2010 to over 208,000 acres in 2014.

Kawacatoose Energy Company

i. As a measure of financial commitment through the Kawacatoose Energy Company partnership with NARP, Kawacatoose First Nation has become empowered to begin the purchase of lands to add to their Reserve. Because of a combination of financial challenges including lack of access to capital, land purchases represented only 20% (~30,000 acres) of their TLE allotment since signing on to the TLE Agreement in 2001, before the partnership with NARP; through the partnership with NARP (formed in 2010), Kawacatoose First Nation is now in process on the acquisition of an additional 55% (~82,000 acres) of their original TLE allotment to add to their Reserve.

ii. The new lands are selected based on their potential to produce revenues through oil and gas production. Once oil and gas production are established, the anticipated new revenues will assist the Nation in addressing priority social issues that have been determined by a survey Nation's members by the Nation's leadership including (in order of priority):

1. Education
2. Healthcare
3. Healing and wellness
4. Housing
5. Economic development
6. Elder care
7. Employment
8. Child care
9. Youth
10. Recreation
11. Business
12. Urban membership
13. Governance.

It is the goal of the membership of the Kawacatoose First Nation that all of these social services will ultimately be benefited by oil and gas production revenue generated by the Kawacatoose Energy Company through the acquisition of TLE lands. This is the first time the Kawacatoose leadership surveyed the Nation's membership to establish these priorities. In addition, newly available revenues generated from oil and gas production may, upon approval of the Nation's membership, be used for fulfilling its acquisition of allotted TLE lands.

iii. In the process of adopting FNOGMMA, significant and measurable administrative changes were instituted by the Nation that changed the way finances were governed and administered for the benefit of the Kawacatoose First Nation membership. As part of the requirements for entering into FNOGMMA, the Nation, with financial and capacity support from NARP, developed several governance and administrative advancements that were adopted by a vote of the Nation's membership:

- A *Payment Agreement* that sets out the terms and processes for the transfer of the funds generated by oil and gas development from the Consolidated Revenue Fund of Canada to the Nation's new *Corporate Trust Account*;
- A *Financial Code and Trust Agreement* to govern the management and expenditure of the Nations funds; and,
- A *Community Development Account*;
- Amendments to the *Financial Code*, *Trust Agreement*, and *Community Development Account* can only be accomplished by a vote of the membership.

iv. Perhaps the greatest measure of positive change in respect to the proclamation of Human Rights is that the Kawacatoose First Nation is pioneering new relationships with government and industry in order to provide for the future of its membership – an important step in building its right of self-determination (addressed Articles 3-6 of UNDRIP). This is a significant milestone in the history of Aboriginal governance – becoming the first Canadian First Nation to successfully opt into, by a referendum of the membership, the portion of FNOGMMA and to take control of, and responsibility for, its own resource moneys that were previously controlled by the government. As a consequence of opting into FNOGMMA, the Kawacatoose first Nation is now in a previously unreachable position to access capital for economic development for the benefit of both current and future generations of Kawacatoose First Nation members.

COMMITMENT TO LABOUR

Assessment, Policies, and Goals:

NARP

Employee Manual

NARP's Employee Manual describes important information about NARP. Employees are encouraged to consult with their Manager regarding any questions not answered in the Employee Manual.

Tribal North Energy Services Co. (Tribal North)

Tribal North Energy Services ("Tribal North") is a First Nations service company created by NARP in partnership with Treaty 8 First Nations in northern Alberta, Canada. Tribal North provides oilfield services to the energy industry operating within the area covered by Treaty 8. NARP encourages the employment of First Nation members through Tribal North, with its company charter specifying a preference for members for partner Nations. By creating job training and employment for members of the greater Indigenous Community, Tribal North is helping Treaty 8 Nations to move positively towards economic and social independence and sustainability.

Kainai Energy Company (KEC)

NARP also encourages the employment of First Nation members through Kainai Energy Company (KEC). By fostering economic development through partnership with NARP, KEC has implemented job training and employment for members of the Blood Tribe Community.

Implementation:

NARP

All employees acknowledge that the information in the Employee Manual is received, read and understood. Each employee has the responsibility to read, understand and comply with the policies, guidelines and procedures included in the Employee Manual and to similarly understand and comply with any revisions made to it.

Tribal North Energy Services Co. (Tribal North)

Tribal North employees are offered competitive compensation packages with an emphasis on "on-the-job" training programs to ensure safety and efficiency within the company. The company has three main health, safety and environment ("HSE") policies, which are provided on the website, and clearly state Tribal North's commitment to the rights and responsibilities of all employees pertaining to environmental protection, corporate safety and drug and alcohol abuse. NARP will continue to use their role within Tribal North to refine the labor policies and further incorporate Global Compact labor principles.

Tribal North offers advancement opportunities to all of its employees by allowing them to work with and alongside experts in order to become familiar with various types of equipment and their operation. The Company hires both full time and seasonal which can include apprentice and summer positions.

Tribal North is positioned for active participation in the development of resource projects both on Reserve and in the surrounding Traditional Territories of its First Nation Owner's communities. Through its partnership with NARP, Tribal North has secured a long term commitment to provide capital for expansion and growth, and the expertise to incubate the success of the LP and build First Nation capacity.

Tribal North is committed to working directly with the First Nations and its communities to engage its members in employment and training opportunities to build Nation and member capacity and expertise.

Tribal North's formal Hiring Policy clearly references its obligation to give preference to its First Nation Partners and to their members for employment opportunities on their Reserve and in their Traditional Territories. Currently, the percentage of the Company's workforce which is First Nations is 80%.

Tribal North offers advancement opportunities to all of its employees by allowing them to work with and alongside experts in order to become familiar with various types of equipment and their operation. The Company hires both full time and seasonal which can include apprentice and summer positions.

Tribal North supports, endorses and covers the cost of all training and personal and professional development programs and courses for its Aboriginal employees. These programs include:

- In house training and development on all Company equipment, including the operation and maintenance thereof;
- certification of various industry standard operating and safety tickets including *H2S Alive, Emergency First Aid, WHMIS, TDG GODI, Class 1 Drivers, Fall Arrest and Confined Space Training*; and,
- other professional development programs/courses .

Written Tribal North's HSE policies is a provision stating that all employees have the right and responsibility to refuse to do work that does not comply with the HSE policies. This is one of the mechanisms that enable NARP to ensure that Tribal North is complying with labor laws.

Kainai Energy Company (KEC)

KEC generates many employment opportunities associated with project development. Typically, KEC hires Blood Tribe members who are contractors offering services that are required for natural resource development including:

- Land excavation
- Land reclamation
- Trucking
- Equipment Rentals
- Safety Equipment and Services
- Scouting
- Water Management
- Drilling

Written into KEC's HSE policies is a provision stating that all employees have the right and responsibility to refuse to do work that does not comply with the HSE policies. This is one of the mechanisms that enable NARP to ensure that KEC is complying with labor laws.

Measurement:

Tribal North Energy Services Co. (Tribal North)

- 2013 – At year-end 2013, several First Nation members were employed by Tribal North.
- 2014 – By year-end 2014, approximately 12 First Nation members were employed by Tribal North.
- 2015 – By year-end 2015, approximately 20 First Nation members were employed by Tribal North.

Kainai Energy Company (KEC)

KEC began operations in 2013: the following employment milestones on the Blood Tribe Reserve have been achieved:

- 2013
 - \$1.2 million earned by Blood Nation contractors;
 - 63 Tribal members employed (in just 1 well);
- 2014
 - 4 wells drilled (with associated jobs for Blood Tribe members)
 - A \$600,000, 5 Km Agency Road Upgrade Project - Employed 11 Blood Tribe member contractors & a total of 34 Blood Tribe members;
- 2015
 - Total all Kainai Energy consulting transactions 2011-2015: \$8.97 million

COMMITMENT TO ENVIRONMENT

Assessment, Policies, and Goals:

A thoughtful approach to the environment plays a significant role in how NARP conducts its business. In most circumstances NARP does not conduct the actual resource development within our co-partnerships with Indigenous Nations (such as Kainai Energy Company). Typically NARP evaluates the economic viability of the resource for the Indigenous Community and then oversee the full scale resource development with an appropriate industry operator. The environmental standards that NARP and the partnering Indigenous Communities share and jointly develop must be followed closely by the industry operators; these standards include a solemn responsibility to protect the environment.

Environmental concerns, including the impact hazardous waste or by-products disposal and depletion of the resources or sustainability are elements of guidance in all NARP operations. The global community inherently wants to shift to less impact versus more in all endeavors, and Indigenous Peoples have historically been the first, best steward of the land, so it is natural that their wisdom needs to be sought out and applied. NARP sees this input as a valuable and vital component of our co-partnering model that also provides a competitive business advantage. In this spirit we strive to strike a balance needed to include development on Tribal and First Nations lands as Indigenous Communities are the last to take a seat at the extraction table. It is in the environmentally-responsible development of natural resources and other business opportunities that revenues from these activities can potentially propel these Indigenous Peoples into a modern economy while, concomitantly respecting and supporting Indigenous culture, heritage, and ancestral homelands.

Similarly, environmental protection is critical to the business philosophy of Tribal North in its delivery of oilfield services. Tribal North Energy Services strives to minimize the impact of its activities on the environment in order to strike a balance between the effects of the operations on the environment and the contributions that the partnership makes to the society as a whole. All employees have a set of expectations and responsibilities that ensure cooperation toward the goal of minimal environmental impact; these are stated in the Environmental Protection Policy on the company website. Within the company's Corporate Safety Policy, also on the website, there are programs that aim to align the protection of employees, property and the environment.

Implementation:

NARP

NARP supports a precautionary approach to environmental challenges by dedicating a significant investment of time, resources, and patience to the creation of a partnership agreement that specifies all aspects of environmental challenges (and potential benefits) that will be generated by natural resource development; and to fully disclose the impacts and risks associated with each.

NARP also provides education and training members of our partnering Indigenous Communities in the latest environmental technologies, regulations, and industry best practices.

NARP, together with our Indigenous Community partners, exercise thorough investigations of the history and practices of the operators that we contract with to develop the various resources. We diligently seek out industry operators and contractors that consistently employ 'best practices' in managing and mitigating environmental impacts.

NARP also conducts meetings with our Indigenous Community leaders and members, and participates in frequent open houses to educate and exchange ideas on initiatives that support greater environmental responsibility.

Importantly, NARP's partnership model provides our Indigenous Community partners with a determinant voice regarding land use, resource development, and environmental stewardship. NARP's First Nation partners bring a valuable wealth of traditional land use and environmental knowledge that forms the basis of most modern environmental 'best practices'.

NARP has in place a certified Corporate Emergency Response Plan (“ERP”) and requires all contractors to adhere to its requirements and application. The ERP addresses all aspects of HSE protection throughout all of NARPs projects and partnerships. Before being put to work on a field project all Tribal North employees are provided with comprehensive training on dealing with hazardous situations and occurrences, and they are therefore expected to uphold Tribal North’s standards for environmental protection through their work.

With NARP’s active involvement in natural resource development, we research environmentally friendly technologies. Moreover, we closely scrutinize our contract developers to determine if the methods and technologies that they employ are as environmentally friendly as possible. Further, we review our own activities in an attempt to develop and uncover more environmentally friendly methods of operation.

In 2015 NARP continued its commitment to Environmental issues in the global community by actively participating in the ***Global Compact Network-Canada Working Group on Environment; Governance of Common Resources***. Continuing discussion regarding NARP submittal of comments entitled “***Responding To UNGC Principles 7, 8, & 9 With Actions: Specific Examples For Consideration***” which was designed to share specific actions employed by NARP in advancing its environmental agenda with other actors. A copy of the document is available upon request.

Tribal North Energy Services Company

Tribal North periodically assesses potential effects of their resource development actions and integrates protective measures to prevent or reduce risk. Towards this goal each employee is expected to propose potential improvements to the existing program implemented by the company based on their experience on the field. Within Tribal North’s *Environmental Protection Policy* it is stated that any environmental damage that occurs due to actions of the company is expected to be corrected in a timely and efficient manner, and that disciplinary and legal actions will be accorded those who do not comply.

Kainai Energy Company

There are three main activities by Kainai Energy Company that demonstrate the company’s (and NARP’s) commitment to environmental protection.

i. In 2011, through Kainai Energy Company (KEC), NARP took over the development operations of another oil and gas exploration and production company on a portion of the Blood Tribe Reserve. NARP’s first and most urgent task once on Reserve was to evaluate all of the wells, leases and access roads in that area to determine if they were all still in use. When it was determined that the area was not currently, and could not in the future, be used for further resource development, it was promptly closed and reclaimed for use by the First Nation for agriculture or other appropriate uses.

ii. KEC views the Blood Tribe membership, and specifically land occupants and residents, as active partners in the company’s resource development venture. It follows from this that Kainai Energy values a long term relationship with the Tribe and nurtures it through complete and fully documented consultation before any project proceeds. For example, before a new well can be drilled the pipeline route serving the well must be carefully planned with the cooperation of land occupants and residents, to minimize impact to agriculture and to maintain spacing for area residents.

iii. KEC consults extensively with the Blood Tribe’s resource development company, Kainai Resource Company, as well as Blood Tribe scouts and the Blood Tribe land management group, when proposing new surface leases for drilling operations or infrastructure projects in order to ensure consistent understanding of environmental concerns, as well project goals, by all parties. With NARP’s active involvement in natural resource development, we are always researching environmentally friendly technologies. Moreover and in alignment with our commitment to bring technical capacity to the partnership, we closely scrutinize our contractors and industry operators to determine if the methods and technologies that they employ are as environmentally friendly as possible. Further, we review our own activities in an attempt to develop and uncover more environmentally friendly methods of operation. NARP also closely monitors the ever-evolving governmental regulations that address environmental issues. Improvements are constantly in progress and can be measured by our commitment to activities that promote environmental stewardship.

- a. Full Disclosure: NARP conducts meetings with the Leaders, Elders, Executives and ultimately the full Membership of each potential Indigenous Community partner to address all issues and concerns. NARP is currently partnering with 7 First Nations in Canada and expects to enter into many more co-partnering relationships in the coming year. With multiple meetings and presentations held in the business environment, at cultural events, during 'open houses', and other community activities, NARP has conducted many dozens of consultations – and will continue to conduct many, many more.
- b. Dissemination of Information: NARP, together with our partners, use all appropriate forms of media (print, electronic, social, etc.) to reach the widest audience possible.
- c. Contractor Relations: NARP, together with our partners, maintain constant communication with development contractors. Certified Emergency Planning is a centerpiece of this relationship.
- d. Frequent Meetings with Indigenous Community Leaders: NARP's partnership model provides our Indigenous Community partners with a determinant voice regarding land use, resource development, and environmental stewardship. Our partners bring a valuable wealth of traditional environmental knowledge that forms the basis of most environmental 'best practices'. NARP is responsible to provide our partnering community leaders with additional and specific technical information on environmental aspects associated with resource development (i.e., Hydraulic Fracturing, water use and recycling, air emissions, etc.) so that informed decisions can be made for the benefit of the community. NARP initiates these leadership forums to promote a greater collective understanding of environmental challenges.
- e. Frequent Meetings with Community Members: Our Indigenous Community partners have valuable Traditional knowledge regarding environmental stewardship. NARP invites discussion of environmental issues among all community members as a way of increasing a collectively accountability to employ 'best practices'. These meetings afford opportunities to meet in large- and small-group forums.
- f. Open House: NARP voluntarily participates in 'Open House – type' gatherings in the community. These forums allow NARP to present specific information on environmental issues, hands-on demonstrations, in-depth discussions with community members, and one-on-one conversations.

Measurement:

With NARP's active involvement in natural resource development, we research environmentally friendly technologies. Moreover, we closely scrutinize our contract developers to determine if the methods and technologies that they employ are as environmentally friendly as possible. Further, we review our own activities in an attempt to develop and uncover more environmentally friendly methods of operation.

Ongoing operations are specific examples of directed and employed by our partnering activities:

- **Before KEC partnership formation**: Water was trucked in from distant locations at high expense and consumed solely for well site operations;
After partnership formation: KEC is directing the construction of multi-purpose water storage containment facilities constructed to capture water high runoff and provide water resources for irrigation, fire suppression, etc. as well as natural resource development.
- **Before KEC partnership formation**: Well site construction and development was controlled by operator(s) to satisfy corporate goals;
After partnership formation: KEC directs well site construction and development to coincide with the seasons such, as winter construction conditions, which minimize environmental, cultural, and other impacts.
- **Before KEC partnership formation**: Operators generally observe minimum regulatory requirements when constructing roads and well sites;
After partnership formation: KEC uses advanced geo-textile materials (neo-Kevlar) as protection for natural terrains (used as a base under gravel roads and pads) and for re-use and distribution of gravels.
- **Before KEC partnership formation**: Operators generally employ diesel and electric power (where tie-in to electric grid available) to power all systems on well sites and other facilities;
After partnership formation: KEC employs solar technologies (where feasible) to power certain systems on development sites.

- **Before KEC partnership formation:** Operators generally observe minimum regulatory requirements to conserve topsoil when constructing roads and well sites;
After partnership formation: KEC employs 'Topsoil Mulching' to conserve soil and preserve its quality (the technique prevents soil admixing and degradation and enhances reclamation effectiveness).
- **Before KEC partnership formation:** Operators generally observe minimum regulatory requirements to install underground pipelines;
After partnership formation: KEC employs advanced technology in pipeline installation by utilizing rolled/coiled flex pipe to speed underground installation and reduce surface impact.
- **Before KEC partnership formation:** Operators generally observe minimum regulatory requirements regarding water recycling, hydraulic fracturing, site air emissions;
After partnership formation: KEC actively researches and pursues technology advancements regarding water recycling, Hydraulic Fracturing, site air emissions, etc.
- **Before KEC partnership formation:** Operators were not required by the Alberta Energy Regulator (AER) to monitor air quality during certain operations to record air quality off leased sites in the immediate area of activities.
After partnership formation: KEC supports an extra level of diligence to verify that operations do not adversely impact air quality. Measurements can be made for trace amounts (fractions of parts per billion) for Sulfur Dioxide, Hydrogen Sulfide, Nitrogen Oxide, Ozone and Organic Compounds.

COMMITMENT TO ANTICORRUPTION

Assessment, Policies, and Goals:

The NARP business model is based on forming long-term, meaningful business partnerships owned in equal parts by NARP and the partnering Tribes or Nations. These partnerships are designed with 50/50 ownership (NARP/Nation) structures and can only survive if built on a foundation of mutual respect and trust built between the partners. The building of trust requires the mutual assurance of zero-tolerance for corruption.

Key to NARP's Tribal North, Kainai Energy, and Kawacatoose Energy partnerships is a positive commitment to ongoing transparent dialogue and meaningful cooperation with the entire community. By engaging in an open transparent manner with the entire community, with the goal of assisting the Nation in its goals of achieving self-determination and financial sovereignty, the opportunity for corruption to play any role in NARP's commercial activities is removed.

Employee & Consultant Manual of Policies, Guidelines and Procedures

NARP provides all employees and consultants with **Employee & Consultant Manual of Policies, Guidelines and Procedures**. Excerpts include:

Ethics Policy

"NARP requires the highest standards of professional and ethical conduct from its Employees. NARP's reputation for honesty and integrity is a key to the success of our business. No Employee will be permitted to achieve results through a violation of any Applicable Laws, or through unscrupulous dealings. NARP intends that its business practices will be compatible with the economic and social priorities of each jurisdiction in which we operate. Although customs and standards of ethics may vary in different business environments, honesty, integrity and accountability must always characterize our business activity. This Ethics Policy reflects NARP's commitment to a culture of honesty, integrity and accountability and outlines the basic principles and policies with which all Employees are expected to comply."

*"In addition to following this Ethics Policy in all aspects of NARP's business activities, Employees are expected to seek guidance in any case where there is a question about compliance with both the letter and spirit of this **Employee Manual** and Applicable Laws. This Ethics Policy sets forth general principles and does not supersede any other specific provision in this Employee Manual. The Employee's cooperation is necessary to the continued success of our business and the cultivation and maintenance of our reputation as a good corporate citizen."*

Political Activities and Contributions

"NARP respects and supports the right of our Employees to participate in political activities. However, these activities should not be conducted on NARP time or involve the use of any of NARP's resources. Employees will not be reimbursed for personal political contributions."

"NARP may make limited contributions to political parties or candidates in jurisdictions where it is legal and customary to do so. NARP may pay related administrative and solicitation costs for political action committees formed in accordance with Applicable Laws. No Employee may make or commit to political contributions on behalf of NARP without the approval of his or her Manager."

Illicit Payments

“Unlawful or unethical behavior from Employees is not tolerated, including soliciting, accepting, or paying bribes or other illicit payments for any purpose. Situations where judgment might be influenced or appear to be influenced by improper considerations must be avoided. Payment or acceptance of any “kickbacks” from a contractor or other external party is prohibited.”

Payments to Officials

“Employees must comply with Applicable Laws prohibiting improper payments to officials. Although certain types of “facilitation” payments may not be unlawful, NARP’s policy is to avoid such payments. If any Employee finds that adherence to NARP’s policy would cause a substantial, adverse effect on operations, that fact should be reported to an appropriate member of the Management Team who will determine whether an exception may lawfully be authorized. If the facilitation payment is made, such payment must be properly entered and identified on the books of NARP and all appropriate disclosures made.”

Community Investment Policy

NARP is an organization that strives to ensure the communities where we operate, and the First Nations and Tribes with whom we have partnered, are stronger and better off as a result of us being there. We want these communities, Nations and Tribes to share in the benefits associated with our operations. One of the ways we can do this is through our community investment program, where we look to create shared value through our partnerships with community organizations, and our sponsorship of community events.

Building better futures together is at the heart of our community investment strategy. We concentrate our efforts in three core areas: learning; safety and well-being; and sustainable communities. Our activities reflect our values and what we stand for: being involved and making a positive difference. We support a wide range of organizations and events that are focused on the needs that matter most to the local communities in which we operate, and the First Nations and Tribes with whom we have partnered.

Implementation:

Reporting of any Illegal or Unethical Behavior

NARP has a strong commitment to conduct our business in a lawful and ethical manner. Employees are encouraged to talk to any member of the Management Team or other appropriate Executive when in doubt about the best course of action in a particular situation. Employees are required to report violations of Applicable Laws or this Ethics Policy. NARP prohibits retaliatory action against any Employee who, in good faith, reports a possible violation. It is also unacceptable to file a report knowing it to be false.

Defining the Role of Directors in the Ethics Policy

To the extent that the Management Team is unable to make a determination as to whether a breach of this Ethics Policy has taken place, the NARP Board will review any alleged breach of this Ethics Policy to determine if a breach has occurred. Any waiver of the Ethics Policy for Executives will be made only by the NARP Board or a committee of the NARP Board and conduct by an Executive which constitutes a material departure from this Ethics Policy will be promptly disclosed if required by Applicable Law.

Designating a Disclosure & Information Officer

The Disclosure & Information Officer has the responsibility to be up to date on any Pending Material Developments. Generally, the Disclosure & Information Officer and the Chief Executive Officer are the only individuals authorized to

communicate with analysts, the news media and investors about information concerning NARP or a NARP Partner. Employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to do so by the Disclosure & Information Officer or the Chief Executive Officer.

Trading Policy

The purpose of the Trading Policy is to prescribe rules for Employees and Restricted Persons with respect to trading in securities of NARP or any NARP Partner when there is Undisclosed Material Information or Pending Material Developments with respect to NARP or a NARP Partner. Strict adherence to this Trading Policy will promote investor confidence by assuring the investing community that Employees and Restricted Persons will not make use of it by trading in securities of a NARP Partner before the Undisclosed Material Information has been fully disclosed to the public and a reasonable period of time for the dissemination of that information has passed.

Community Investment Policy

Focus Areas

Our community investment program strategically concentrates its efforts in three (3) core areas - ***learning, safety and well-being, and sustainable communities***. These areas reflect our values and the positive differences we want to make in the communities where we work and live.

- **Learning: Building Strong and Prosperous Futures**

Investing in education helps ensure a vibrant, dynamic future for our communities and our First Nation and Tribal partners. We aim to help address this education imperative by supporting high impact programs that improve students' likelihood of staying in school, increase graduation rates in our communities, and provide life skills that create better futures.

- **Safety and Well-Being: Enhancing Personal Health and Safety**

Strong communities start with healthy communities. Investing in programs that enhance and strengthen the safety and well-being of our communities is one of our top priorities. We assist programs that advance continuous safety improvement and wellness programs enriching the quality of life through mind, body and spirit. Emphasis is put on results-oriented programs promoting healthy activities and empowering people - through education and prevention - to live healthier lives (eg. the sponsorship of athletic tournaments or competitions, or the purchase of team uniforms or jerseys).

- **Sustainable Communities: Fostering Environmental Innovation, Preserving Local Traditions and Strengthening Community Capacity**

The future relies on healthy and resilient communities that respect the environment, preserve local traditions and advance community capacity. By partnering with organizations that foster environmental conservation and economic development, we contribute to the strength and sustainability that will fuel healthy growth in our communities for years to come.

Eligibility Guidelines

Guidelines for Supporting a First Nation or Tribe

The requesting First Nation or Tribe must either be a current partner of NARP (a “**Partner Tribe**”), or one in respect of which NARP is actively pursuing a future partnership (a “**Prospective Tribe**”).

Guidelines for Supporting a Community Organization

The requesting community organization: must be sanctioned by a Partner Tribe or a Prospective Tribe; must be located in the vicinity of the sanctioning Partner Tribe or Prospective Tribe and serve the nearby communities; should be a registered charity which is eligible to issue official tax receipts for donations, or an established not-for-profit community organization; and must be in sound financial condition or be able to demonstrate that it has an effective plan for eliminating any financial difficulties. Also, the objectives of the community organization must reflect the principles of NARP’s three pillars of giving - learning, safety and well-being, and sustainable communities.

Ineligible Recipients

Except in special circumstances as determined by the President and Chief Executive Officer, community investment donations will not be made in support of the following: individuals; religious organizations (except for those with non-faith based purposes); third-party fundraisers; professional conventions, conferences or seminars, unless industry related; travel for individuals or groups; or political events.

Pre-Election Blackout Period

In order to avoid any inference of influence or impropriety, NARP will not make any community investment donations to a First Nation or Tribe up to two months prior to any election.

Funding Guidelines

In its policy documents, NARP provides general guidance for donations to Partner Tribes and Prospective Tribes in respect of major sponsorship opportunities such as cultural events or celebrations, and minor sponsorship opportunities such as athletic team uniforms or jerseys. Where possible, any and all sponsorship funding associated with Partner Tribes is expected to be disbursed out of, and remain within, the approved sponsorship/donation budget for that tribal energy company or joint venture.

Measurement

Creation of baseline metrics

The nature of the NARP business model demands a constant commitment to transparency as well as to strict adherence to the rules, regulations and spirit that guide authentic partnerships. As mentioned above, these partnerships can only survive if built on a foundation of mutual respect and trust built between the partners. The building of trust requires the mutual assurance of zero-tolerance for corruption.

To date, the functioning of all of NARP’s partnerships with Indigenous Communities have demonstrated, through their successful operation and longevity, the commitment of the partners to the UN Global Compact’s Principle 10 on Anti-

Corruption. However, while NARP is focused on the highest standards, we believe that our commitment to Anti-Corruption can be further measured and confirmed by additional metrics specific to this issue.

As we submit our first COP, NARP is actively building the baseline metrics that we will use to measure our progress.

In the coming year, NARP and its partnering companies will be working with the UN Global Compact, the Global Compact Network – Canada, and others to provide additional measurement of our continued progress in this realm. As we grow further in our Anti-Corruption efforts we will be reporting on our progress to effectively measure of what we believe to be exemplary behavior in this realm.

NARP's ESG Commitments

Environment



At NARP we believe that a healthy environment is an integral part of the economic progress and the well-being of every society. We are committed to working together actively with our partnering Indigenous Nations to find solutions that benefit the environment in every aspect of our business. Our commitment to environmental sustainability touches each of our co-partnered businesses, whether it is deploying capital, providing expertise, or helping our partnering Indigenous Nations build capacity.

As a financial concern in the private sector NARP forms commercial partnerships exclusively with Indigenous Nations, NARP provides access to financial resources so that Indigenous Nations can participate fully in the value of their natural resources and, in turn, develop a measure of financial sovereignty for the benefit of the current and future members. NARP evaluates the economic viability of the resource for the Nation and then, through a co-partnering agreement, the partnership oversees the resource development with selected developers from private industry. In this partnering role, NARP and the Indigenous Community share a solemn responsibility to protect the environment.

The combination of industry best practices, adherence to strict regulatory guidelines, new and effective technologies to protect and enhance environmental quality, and NARP's partnership approach, provides unprecedented opportunities to care for the earth. Through this co-operative business arrangement with NARP our Indigenous Nations partners have a determinant voice that guides all decisions regarding environmental and land use issues. As deeply-connected stewards of the land for eons, our Indigenous Nation partners have a special regard for, knowledge of, and relationship with the earth. The guidance of this Traditional stewardship adds a level of accountability that is, essentially, the core of all environmental 'Best Practices' worldwide.

Further, NARP also partners with other organizations to research, examine, educate, and implement ideas that help form public policy and accelerate financial solutions for the environment. We are dedicated to core foundational tenets that stress our commitment to the people, capital and ideas to develop integrated solutions that address every environmental challenge. We believe that we can initiate or enhance some form of environmental action to improve environmental conditions locally and in their own context.

In alignment with our membership in the United Nations Global Compact (UNGC) and commitment to '**The Ten Principles**', we adhere to the following as stated in **Principles 7, 8, and 9**:

(7) “Business should support a precautionary approach to environmental challenges”

(8) “Undertake initiatives to promote greater environmental responsibility”

(9) “Encourage the development & diffusion of environmentally friendly technologies”

“(7) Business should support a precautionary approach to environmental challenges”:

NARP Develops Relationship

The co-partnership format of NARP’s businesses requires the thoughtful development of relationship and precise alignment of interests **BEFORE** a ‘business deal’ is agreed upon. NARP dedicates a significant investment of time, resources, and patience to the creation of a partnership agreement that specifies all aspects of environmental challenges (*and potential benefits*) that will be generated by natural resource development - and full disclosure of the impacts and risks associated with each.

NARP Provides Education

NARP invests in education and the time and resources necessary to present the most effective technologies and precautionary methods of environmental protection.

NARP Provides Training

NARP provides education and training for members of our partnering communities in the latest environmental technologies, regulations, and ‘industry best practices’.

NARP Screens Contractors

NARP, together with our Indigenous Nation partner, exercise thorough investigations of the history and practices of the operators that we contract to develop the various resources. We diligently hunt for contractors that consistently employ ‘best practices’.

NARP Monitors Regulations

NARP closely monitors the ever-evolving governmental regulations that address environmental issues. Canada and the US are world leaders in regulation and enforcement of natural resource development rules and regulations. However, improvements are constantly in progress.

NARP Conducts Emergency Planning

NARP has emplaced a certified **Corporate Emergency Response Plan** and requires all contractors to adhere to its requirements and application. The ERP addresses all aspects of health, safety and environmental protection.

NARP Conducts Meetings

The basis of a good partnership is good communication. Furthermore, the creation of a proper, respectful, and honorable relationship with an Indigenous Nation partner is built upon strict adherence to all tenants of the *UN Declaration on the Rights of Indigenous Peoples* starting with the Right of “Free, Prior and Informed Consent”.

“(8) Undertake initiatives to promote greater environmental responsibility”

NARP Conducts Frequent Meetings With Community Leaders

NARP’s co-partnership model provides our Indigenous Nations partners with a determinant voice regarding land use, resource development, and environmental stewardship. Our partners bring a valuable wealth of traditional environmental knowledge that forms the basis of most environmental ‘best practices’. NARP is responsible to provide our partnering community leaders with additional and specific technical information on environmental aspects associated with resource development (i.e., Hydraulic Fracturing, water use and recycling, air emissions, etc.) so that informed decisions can be made for the benefit of the community. NARP initiates these leadership forums to promote a greater collective understanding of environmental challenges.

NARP Conducts Meetings With Community Members

Our Indigenous Nations partners have valuable Traditional knowledge regarding environmental stewardship. NARP invites discussion of environmental issues among all community members as a way of increasing a collectively accountability to employ ‘best practices’. These meetings afford opportunities to meet in large- and small-group forums.

NARP Participates In ‘Open Houses’

NARP voluntarily participates in ‘Open House–type’ gatherings in the community. These forums allow NARP to present specific information on environmental issues, hands-on demonstrations, in-depth discussions with community members, and one-on-one conversations.

NARP Uses A Variety Of Methods & Modes Of Communication

1. Presentations to Community Leaders are always in person and contain multimedia aspects.
2. Community meetings also employ a full spectrum of multimedia to cover the widest range of communication styles, learning modalities, and interaction methods possible.
3. ‘Open House’-style events employ a wide-range of media as well as hands-on interaction with elements of natural resource development activities that stimulate questions, conversation, and uncover and address concerns.
4. NARP has participated with an initiative to produce an educational video demonstrates environmental protection techniques associated with horizontal drilling and hydraulic fracturing. The video is now available for use in presentations.

5. Because of its unique business model, NARP takes the position that all members of our partnering Indigenous Nations are more than stakeholders - they are our partners. As such, every step of natural resource development must proceed thoughtfully and carefully. A complete and fully-documented consultation process prior to any land disturbance is a requirement.

“(9) Encourage the development & diffusion of environmentally friendly technologies”

NARP is always researching environmentally friendly technologies

We closely scrutinize our contract developers to determine if the methods and technologies that they employ are as environmentally friendly as possible. Further, we review our own activities in an attempt to develop and uncover more environmentally friendly methods of operation.

NARP’s ongoing operations

NARP’s ongoing operations utilize the following specific examples of actions directed and employed by our partnering activities:

- Creating **multi-purpose water storage containment facilities** to capture high runoff and provide water resources for irrigation, fire suppression, etc. as well as natural resource development;
- Employing site construction and development techniques to coincide with seasonal conditions that **minimize impacts** such, as winter construction;
- Using advanced **geo-textile materials** (neo-Kevlar) as protection for natural terrains (used as a base under gravel roads and pads) and for re-use and distribution of gravels;
- Employing **solar technologies** where feasible to power certain systems on development sites;
- Employing ‘**Topsoil Mulching**’ to conserve soil and preserve its quality. The technique prevents soil admixing and degradation and enhances reclamation effectiveness.
- Using advanced technology rolled/coiled flex pipe to speed underground installation and reduce surface impact.
- Actively **researching and pursuing technology advancements** regarding water recycling, Hydraulic Fracturing, site air emissions, etc.

NARP's ESG Commitments

Social



NARP's founding tenets and core values are a strong and precise reflection of the universal principles that support the health and growth of human societies. As such, all of NARP's operations and activities are an extension of the vision and values captured in those principles. The United Nations Global Compact (UNGC), of which NARP became a signatory in 2013, is an explicit expression of those principles. Specific in the realm of Indigenous societies is a set of principles agreed to by virtually every nation on earth – the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). The unique role that NARP serves to fill the gaps between Indigenous Communities, commercial interests, and governments provides a powerful and advantageous launch-point from which to disseminate the spirit of healthy and successful societies embodied in both the UNGC Principles and UNDRIP.

Under the NARP business model, each investment is designed to create a market return for private equity investors and, concurrently, an equal return for the partnering Indigenous Nation. For the Indigenous partner these revenues can provide social and economic programs for the Nation's members - independent of non-Indigenous government oversight and regulation. Indigenous Nations can use these *new* revenues to improve the living conditions of their members by directly addressing social issues relating to healthcare, education, unemployment, elder care, substance abuse, and infant mortality, among many others.

The NARP business model provides a socially responsible investment that meaningfully addresses the social conditions of Indigenous Nations. Through the revenue realized in the partnering relationship, Indigenous Nations can create an economic sovereignty through their own sourced revenues paid directly to Nation's Government. By providing access to capital, NARP enables Indigenous Nations to participate in a much greater share of the wealth represented by their inherent ownership interests and rights in the resources that they own or otherwise control. By leveraging (sharing) the value of the resource endowments present in and on their lands, Indigenous Nations can share in a much greater portion of the wealth it contains. Empowered in this fashion Indigenous Nations are able to positively and comprehensively impact the current social needs of their members while creating a lasting legacy for many generations of members into the future.

Further, through thoughtful financial planning, NARP assists its partners in establishing segregated investment funds with a view to converting their non-renewable resource wealth into a permanent, renewable financial resource. The accumulated wealth can provide for the long-term socio-economic needs of the Indigenous Nation and ultimately for an enduring "Financial Sovereignty". This most powerful (and necessary) step towards true self-determination then becomes an attainable goal.

Equity investment plays a potentially vital part in giving new opportunity to Indigenous Nations that have been historically relegated (because of the lack of access to capital) to vastly undervalued interests (Royalties, etc.) from their rightful and lawful endowment of commercially-valuable resources.

By addressing the issue of financial sovereignty, NARP assists in empowering Indigenous Peoples to develop their own resources and to drive economic growth for both themselves and their host communities in the most culturally appropriate and socially effective manner possible. In doing so, the NARP business model provides an innovative blueprint for stakeholders worldwide to equitably remediate the counter-productive and problematic remnants of colonialism (and to reverse the damaging anachronistic mindsets of paternalism) that impede societal and political relations between Indigenous Nations and their host Non-Indigenous governments.

The NARP Business Model is based on a foundational policy of forming long term, meaningful business partnerships with Indigenous Nations in North America (the “Native Nations”). The initiation and implementation of business partnerships with Native Nations is NARP’s exclusive brand. The goal of these partnerships is to create co-partnered (50/50) Tribal energy, service companies, and other for-profit businesses that:

- i. Allow the Native Nations to participate in a greater portion of the resource revenues from the lands, resources and rights that are held in Trust for them by host governments
- ii. Create unique, valuable and formerly inaccessible investment opportunities for capital providers
- iii. Produce revenues that fulfill both the investment return expectations of capital providers and that provide the Native Nation with an additional revenue stream to serve the social and cultural needs and goals of indigenous community today and into the future.

Critical to this business model is the development of a deep understanding of, and respect for, the inherent human rights and sovereign powers of NARP’s Native Nation partners. NARP facilitates its partnering Native Nations to play an active role in establishing the goals, as well as both the ongoing management and administration, of the partnered companies. This active role requires a policy of constant input, assessment, and open dialogue. By nurturing this ongoing business relationship, and encouraging the capacity and skills transfer that can ultimately lead to full Native Nation ownership and control of the partnership, NARP plays a significant role in assisting Native Nations to realize their goals of financial sovereignty and self-determination.

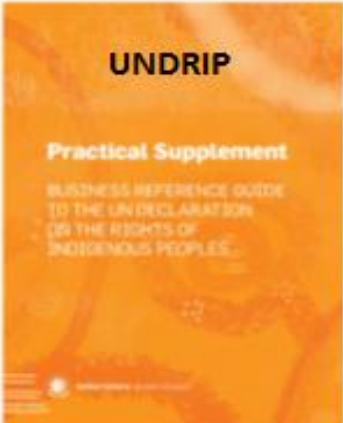
The creation of a long term, meaningful and respectful relationship with an Indigenous Community partner is built upon strict adherence to all articles of the **UNDRIP** including, vitally, the Right of “Free, Prior and Informed Consent” (FPIC). NARP has contributed to the **UNDRIP Business Reference Guide** (2013), and has provided comments for the **FPIC Human Rights Good Practice Note**.

An analysis of the NARP Business Model published in the UNGC Guide in 2013 indicates the **UNDRIP Articles** most directly benefited by the Model (see below):

- Articles 3-6 & 23 (*Self-determination*)
- Articles 18-21 (*Participatory, Economic & Social Rights*)
- Articles 26-29 & 32 (*Ownership Use & Development*), and,
- Articles 34-35 (*Development & Maintenance of Institutional Structures and Customs*).

Other organizations listed in the analysis include BHP, Google, and Microsoft.

Global Accreditation & Value



Business Practice	Environmental protection	On-site security and safety integrity	Labour and employment	Human rights and social justice	Participatory development, consultation and social rights	Land and resource management	Identity, tradition and culture	Representing and consulting
Alcoa	+	+	+	+	+	+	+	+
BHP	+	+	+	+	+	+	+	+
Google	+	+	+	+	+	+	+	+
MS	+	+	+	+	+	+	+	+
NARP	+	+	+	+	+	+	+	+

This compilation of business practices is intended to raise awareness of the corporate responsibility to respect indigenous peoples' rights and the opportunity to support these rights.

The compilation is a result from the Global Compact's call for submissions to identify relevant business initiatives that respect and support indigenous peoples' rights. It draws primarily from submissions from Global Compact participants as well as desk research.

UNGC Principles – Social Impacts of the NARP Business Model on:

Human Rights

(1) "Businesses should support & respect the protection of internationally proclaimed human rights"

(2) "Make sure that they are not complicit in human rights abuses."

Labor

(3) "Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining"

(4) "the elimination of all forms of forced and compulsory labor"

(5) "the effective abolition of child labor"

(6) "the elimination of discrimination in respect of employment and occupation."

Human Rights

(1) "Businesses should support & respect the protection of internationally proclaimed human rights"

(2) "Make sure that they are not complicit in human rights abuses."

As a private investment firm NARP specializes in structuring, financing, and implementing natural resource projects with Indigenous Nations, NARP identifies and incubates business development opportunities with the goal of assisting partnering Indigenous Nations to attain financial sovereignty through equity ownership in co-partnered Tribal energy, service, and other companies. NARP evaluates resource and service opportunities and then structures transactions which benefit all stakeholders. NARP provides access to capital for investment through capital providers, including firms specializing in natural resource investments.

Society: NARP and the Co-Partnering Business Model support:

- (1) Employee diversity, equal pay, women's rights and Indigenous hiring preferences*
- (2) Human rights such as a livable wage, sustainable economies, impacts on local communities, the health, safety & welfare of employees, and integration into the company's supply chain*
- (3) Consumer/Native Peoples Protection includes the inherent assumption that a degree of fairness, protection and education are all a part of industry's responsibility to the communities in which they work*
- (4) The avoidance of promoting addictive activities, including alcohol, drug & Tabaco consumption, and gambling*
- (5) The welfare of animals bred for food, work, or companionship is important*

Examples

The Blood Tribe

The **Kainai Energy Company (KEC)** is an example of the implementation of a partnered Tribal energy company that supports societal development. NARP created KEC in partnership with the Blood Tribe, a Canadian First Nation in southern Alberta. The formation of KEC has positioned the Blood Tribe to be able to more fully realize the value and opportunity associated with oil and gas development on and adjacent to their Reserve, including;

- i. the ability to access capital **to secure equitable participation** rights negotiated with industry partners;
- ii. the ability **to influence the pace and quality of natural resource development** as well as the timing of royalty payments from on-Reserve development; and,
- iii. the ability **to obtain exclusive rights to develop oil and gas resources outside of their Reserve.**

Given the UNDRIP as a universally accepted Human Rights doctrine and the experience of the Blood Tribe, the standard implementation of the NARP Business Model allows for direct support of the basic human and societal rights that the UNDRIP and other documents like it enshrine.

The implementation of the KEC partnership also ensures that the Blood Tribe will have access to both the expertise and investment capital necessary to evaluate and fund oil and gas exploration and development costs. Development of its mineral estate is necessary for the Blood Tribe to create the financial sovereignty and stability that it needs to provide long term social and economic benefits for its membership; the Kainai Energy partnership is enabling the Nation to meet its goals in a manageable progression.

The Kawacatoose First Nation

The **Kawacatoose Energy Company**, another NARP partnered Tribal energy company, was created between NARP and the Kawacatoose First Nation (KFN) of Saskatchewan. Pursuant to the Saskatchewan Treaty Land Entitlement (TLE) Framework Agreement (1992), the Kawacatoose First Nation was granted the rights and funding through a tripartite agreement among Saskatchewan First Nations, the Federal Crown government of Canada, and Provincial Crown government of Saskatchewan to purchase approximately 110,000 acres of Reserve land that the Nation is entitled to through historical treaties.

Upon forming the business partnership with NARP in 2010, the community leaders began to prepare the KFN members to vote to opt into the “moneys management” portion (Section 7) of the First Nations Oil and Gas and Moneys Management Act (FNOGMMA). FNOGMMA is a Federal Crown legislative mechanism in Canada (made into law in 2005) that allows a First Nation to take direct control of the revenues associated with development of oil and gas on its own Reserve lands. If approved by a referendum vote of the Nation’s eligible voters, FNOGMMA would allow the Nation to participate in, and directly benefit from, business partnerships designed to generate revenues from oil and gas production. Without FNOGMMA this associated revenue would be held in trust by the Canadian Federal Crown government and would not be available for capital repayment.

NARP’s commitment to fund future land purchases gave the KFN members sufficient confidence to pass the referendum in favour of FNOGMMA. The KFN was accepted into FNOGMMA early in 2014 and became the only First Nation to complete the process to date. Together, Kawacatoose First Nation and NARP implemented an historic positive step toward a new era in Indigenous community governance and financial sovereignty. The Nation gained an improved and independent ability to attract investment so as to fulfill their rights to additional Reserve lands. Further, the adoption of FNOGMMA will establish the Kawacatoose First Nation as an example for other Native Nations who also want to implement business partnerships to develop oil and gas resources and to strengthen their economies and to exercise their rights through TLE and other laws.

As a measure of financial commitment through the Kawacatoose Energy Company partnership with NARP, Kawacatoose First Nation has become empowered to begin the purchase of lands to add to their Reserve for the benefit of their society.

The new lands are selected based on their potential to produce revenues through oil and gas production. Once oil and gas production are established, the anticipated new revenues will assist the Nation in addressing priority social issues that have been determined by a survey Nation’s members by the Nation’s leadership including (in order of priority):

1. Education
2. Healthcare
3. Healing and wellness
4. Housing
5. Economic development
6. Elder care
7. Employment
8. Child care
9. Youth
10. Recreation

- 11. Business
- 12. Urban membership
- 13. Governance.

It is the goal of the membership of the KFN that all of these social services will ultimately be benefited by oil and gas production revenue generated by the Kawacatoose Energy Company through the acquisition of TLE lands. This is the first time the KFN leadership surveyed the Nation's membership to establish these priorities. In addition, newly available revenues generated from oil and gas production may, upon approval of the Nation's membership, be used for fulfilling its acquisition of allotted TLE lands.

In the process of adopting FNOGMMA, significant and measurable administrative changes were instituted by the Nation that changed the way finances were governed and administered for the benefit of the Kawacatoose First Nation membership. As part of the requirements for entering into FNOGMMA, the Nation, with financial and capacity support from NARP, developed several governance and administrative advancements that were adopted by a vote of the Nation's membership:

- A Payment Agreement that sets out the terms and processes for the transfer of the funds generated by oil and gas development from the Consolidated Revenue Fund of Canada to the Nation's new Corporate Trust Account;
- A Financial Code and Trust Agreement to govern the management and expenditure of the Nations funds; and,
- A Community Development Account;
- Amendments to the Financial Code, Trust Agreement, and Community Development Account can only be accomplished by a vote of the membership.

Perhaps the greatest measure of positive change in respect to the proclamation of Human Rights is that the KFN is pioneering new relationships with government and industry in order to provide for the future of its membership – an important step in building its right of self-determination (addressed Articles 3-6 of UNDRIP).

This is a significant milestone in the history of Aboriginal governance – becoming the first Canadian First Nation to successfully opt into, by a referendum of the membership, the portion of FNOGMMA and to take control of, and responsibility for, its own resource moneys that were previously controlled by the government. As a consequence of opting into FNOGMMA, the KFN is now in a previously unreachable position to access capital for economic development for the benefit of both current and future generations of KFN members.

NARP's ESG Commitments

Governance



It is important for companies to have robust governance which enables effective business review and control. Effective governance has long been an integral facet of private equity ownership. As such, additional focus is paid to anti-bribery anticorruption, and the environmental and social performance are inherent in the context of ESG evaluations. Good governance requires companies to have a strong independent board as well as to have in place an established protocol for reporting environmental and social matters to management, the board, and all stakeholders.

Three interrelated topics comprise the effective practice of good governance for all companies: anti-corruption, peace and rule of law. Private sector companies can enhance good governance by incorporating sustainability principles into their own operations and relationships, allowing for greater **transparency, accountability and inclusiveness**. Further, companies can contribute to the development and implementation of international norms and standards. A strong commitment to the UN Global Compact is an essential part of contribution.

By demonstrating the ways that NARP and our partnered Indigenous companies contribute to anti-corruption, peace and rule of law, at both the global and local levels, we reaffirm the UN Global Compact and encourage all responsible businesses to respect and support the promotion of accountable and inclusive institutions and ensure just and peaceful societies for all.

Promoting good governance is a multi-dimensional challenge, which requires efforts that are mutually reinforcing. For example, anti-corruption is essential to the rule of law and peace-building because corruption negatively impacts state capacity, social inclusion, and management of natural resources. Peace is an enabler of sustainable development and is a pre-condition for the establishment of the rule of law and efforts to reduce corruption. Finally, rule of law is necessary to effectively address the drivers of violent conflict, illicit financial flows, and impunity, and to provide a legal framework which ensures impartiality and predictability.

In alignment with our membership in the United Nations Global Compact (UNGC) and commitment to 'The Ten Principles', we adhere to the following as stated in Principle 10:

“Businesses should work against corruption in all its forms, including extortion and bribery.”

NARP and The Co-Partnering Business Model – *Inclusiveness*

Traditionally, Indigenous communities have been relegated to a passive role in commercial enterprises that endeavour to develop natural resources and other business opportunities on their lands and/or involving their rights. Very often they have been excluded from any decision-making capacity at all. Previous models of engagement between private sector companies and Indigenous Communities typically subordinate Indigenous Rights regarding lands and resources. As such Indigenous Communities have been subject both to a disproportionately greater share of negative impacts and affects (especially from extractive enterprises) as well as gross underrepresentation in financial and other benefits.

The Co-Partnering Business Model employed by NARP is a dramatic departure from the traditional approach since it endeavours to align the interests and incentives of all the stakeholders *before* commercial development is initiated. This inclusive and equitable approach to enterprise releases, accumulates and engages the energies required from private sector investors, the Indigenous Community, developers, government and the non-Indigenous society, regulators, and others to accomplish common objectives and goals. The Co-Partnering Business Model creates a viable opportunity for Indigenous Communities to play an active role (rather than passive) in the development of their natural resource and other assets. In this inclusive endeavour Indigenous Communities initiate and engage, through their own enterprise, in the development and management of their rights and resources and derive direct and indirect ESG-related benefits.

The partnerships created through the NARP business model are structured to maintain a balance of power among the partners. The Board of Directors for each enterprise is comprised of equal representation from both NARP and the leadership of the Indigenous Community. The capital investor(s) also may have representation on the Board. In this manner a determinant voice for the Indigenous partner is manifest in all partnership decisions and actions. Thus, Indigenous peoples represented on the Board and in advisory or consulting capacities can contribute their wealth of knowledge concerning culture, linguistic, spiritual, medicinal and historical traditions of the Nation to produce the most constructive and goal-aligned decisions and actions by the partnership.

The adherence to responsible, inclusive, and ethical governance of NARP's business operations is inherent to the relations of the parties within our partnerships. These values, designed to build trust and cooperation in NARP partnerships, are agreed to by all nations and codified in the growing body of international agreements and studies that define a preferred and accepted code of behavior that unifies thought across cultural and societal boundaries. These documents include, among others:

- *The United Nations Charter (1945);*
- *The General Conference of the International Labour Organization (ILO) 1989;*
- *The United Nations Global Compact (UNGC) 2000;*
- *The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) 2007;*
- *Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework (2011)*
- *International Financial Corporation Performance - Standard 7 on Indigenous Peoples - 2012*
- *The Business Reference Guide to the UN Declaration on the Rights of Indigenous Peoples - 2013*
- *Report of the Special Rapporteur on the rights of indigenous peoples: Extractive industries and indigenous peoples (2013)*
- *Extractive Industries Transparency Initiative, The EITI Standard (2015).*

“The NARP Model seeks to align the interests of indigenous communities with the extractive industries operating in their traditional territories. By creating an authentic and equitable partnership, the NARP Model ensures community input in all decisions regarding the manner and quality of development.” - Business Ref. Guide to the UN Declaration on the Rights of Indigenous Peoples - 2013

Any business interactions or collaboration agreements that NARP may seek to enter with prospective Indigenous partners are done on the basis of full respect for their rights in the lands they occupy and the natural resources they possess. Additionally, in line with due diligence duty to respect indigenous peoples’ rights, NARP endeavors to ensure that its interactions with potential indigenous partners neither violate nor are complicit in violating the rights of those Indigenous groups. More importantly, NARP also strives to assure that it does not exploit any deficiencies in the regulatory protection of the rights of Indigenous peoples, or seek to benefit from the failure of the appropriate governmental authorities in meeting their own obligations under international law towards Indigenous peoples in that part of the world. NARP, its founder, and management have been widely recognized as leaders in protecting Indigenous rights through legislative, judicial, and regulatory efforts and actions.

The NARP’s business model relies heavily on sustained consultation processes (e.g., strict adherence to **Free, Prior, and Informed Consent** doctrine) and direct negotiation with potential indigenous partners in building its co-partnership relationships. NARP practices, as a standard and ubiquitous business function, all universal standards on indigenous rights that dictate that all interactions be conducted with the traditional institutional authorities and the appropriate decision-making bodies as determined by the Indigenous partners. In NARP’s experience with Co-partnership creation, the traditional institutional authorities and decision-making bodies of some Indigenous partners are still in development. In these cases NARP has endeavored to be supportive of the community’s effort to designate their own representative authority. In some cases, NARP has assisted prospective Indigenous partners in creating the appropriate structures and procedures that were needed to drive the socio-cultural and economic development goals of the community.

On occasion in the past NARP has encouraged prospective Indigenous partners to organize and to formulate their own socio-economic development policies and regulatory regimes. Because of NARP’s experience and expertise we can be very facilitative in this role - especially in the realm of natural resource development, environmental and resource management, protection of cultural assets, and formal consultation protocols. This allows prospective Indigenous partners to play an active role in the management of their natural resource assets and the monitoring of natural resource development activities of companies operating within their territory, including those of the co-partnered company. These measures ensure that NARP’s resource development operations fully respect the lands, authority, environment and culture of Indigenous partners.

NARP and The Co-Partnering Business Model – Transparency

As NARP’s business grows the company will adopt definitive written policies outlining its approach to important aspects pertaining to the rights of its Indigenous partners. Currently an integral part of NARP’s “DNA”, these policies will include formal procedures and protocols on consultation, lands and resources recognition, grievance resolution, environmental and socio-cultural policies, financial and legal advisory assistance, and project disclosures and transparency.

Additional guidelines addressing transparency will also be a part of NARP’s growth. Currently, NARP practices a robust and holistic approach to transparency:

- **NARP Conducts Meetings:** The basis of a good partnership is good communication. Furthermore, the creation of a proper, respectful, and honourable relationship with an Indigenous Community partner is built upon strict adherence to all tenants of the UN Declaration on the Rights of Indigenous Peoples starting with the Right of “**Free, Prior and Informed Consent**”.
- **Full Disclosure:** NARP conducts meetings with the Leadership, Elders, Executives and ultimately the full Membership of each potential Indigenous Community partner to address all issues and concerns. With multiple meetings and presentations held in the business environment, at cultural events, during ‘open houses’, and other community activities, NARP has conducted many dozens of consultations – and will continue to conduct many more.
- **Disseminate Information:** NARP, together with our partners, use all appropriate forms of media (print, electronic, social, etc.) to reach the widest audience possible.
- **Develop Relationship:** The ‘co-partnership format’ of NARP’s business model requires the thoughtful development of relationship and precise alignment of interests BEFORE a ‘business deal’ is agreed upon. NARP dedicates a significant investment of time, resources, and patience to the creation of a partnership agreement that specifies all aspects of project development and the associated potential benefits that will be generated by natural resource development - and full disclosure of the impacts and risks associated with each.
- **Provide Education:** NARP invests in education and the time and resources necessary to present the most effective and responsible technologies for natural resource and other business development.
- **Monitor Regulations:** NARP closely monitors the ever-evolving governmental regulations that address all aspects of the project and of natural resource development.

In the future NARP will establish the formal guidelines and protocols by which information can be shared with and for the benefit of our Indigenous partner communities. These guidelines will, in large part, be based on the body of knowledge and experience developed through the many successful relationships that NARP has helped create.

NARP and The Co-Partnering Business Model – Accountability

Independent Third-party Auditing and Certification

NARP is proud of the unique role it plays in assisting Indigenous Communities with the implementation of natural resource extraction projects within the territories of Indigenous peoples in a way that ensures full respect for their rights, environment and culture. The success in creating new sources of revenue and the subsequent positive impacts that communities have experienced that has been generated through the co-partnerships has changed the future for many Indigenous people.

However, NARP recognizes the importance of a third-party analysis of its business model and operations to confirm our accountability. As such future plans for expansion and proliferation of the Co-Partnering Business Model include third-party analyses from several authorities. We are confident that the viability and validity of the model will be further affirmed and that potential improvements and enhancements of the model will also be identified. An analysis in this manner will further assure Indigenous Communities and potential investors regarding NARP’s representations and commitments. We hope to report on these actions in subsequent COPs.

NARP - By the SDG Numbers: Supporting UN Agenda 2030

Commitment to the Sustainable Development Goals (SDGs)

In 2012 the UN began a process of determining its future development framework as the targets of the Millennium Development Goals (MDGs) were set to expire in 2015. Defining a future development agenda was Member State-led with broad participation from different stakeholder groups, including businesses and investors. This created an opportune moment for business and the UN Global Compact to help shape the future priorities of the UN and to prepare for supporting the implementation of the **Sustainable Development Goals (SDGs)** which were the result of this process. The new framework builds on the MDGs, broadening the scope to include a range of economic and environmental objectives alongside traditional development objectives such as health and education. The SDGs lay out goals towards a more a peaceful, better governed and inclusive society.

The adoption of the SDGs means that businesses now have a globally accepted and practical definition of sustainable development.



NARP's Commitment to the SDGs

In September 2015, all 193 Member States of the United Nations adopted a plan for achieving a better future for all – laying out a path over the next 15 years to end extreme poverty, fight inequality and injustice, and protect our planet. At the heart of “Agenda 2030” are **17 Sustainable Development Goals (SDGs)** and related targets that address the most important economic, social, environmental and governance challenges of our time. The SDGs clearly define the world we want – applying to all nations and leaving no one behind.

The SDGs provide a powerful aspiration for improving our world – laying out where we collectively need to go and how to get there. Responsible business and investment will be essential to achieving this transformational change.

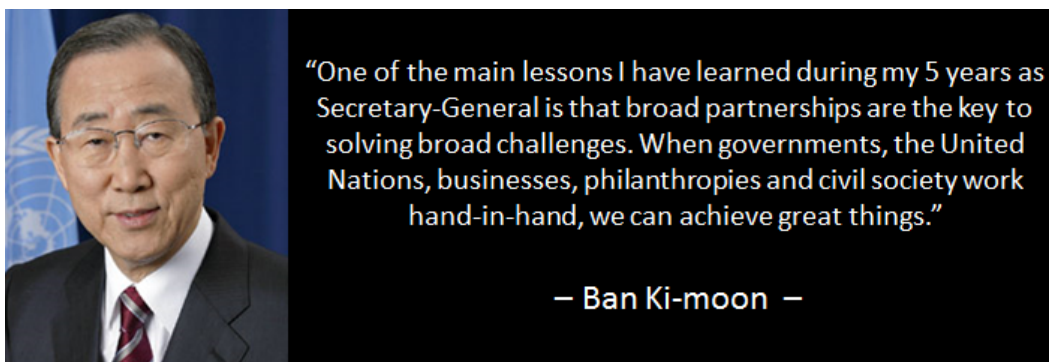
The SDGs also supply the main building blocks necessary to enhance corporate sustainability as an effective contribution to sustainable development, creating value for both business and society. NARP believes that each of the building blocks should be further strengthened and connected through a comprehensive and collective effort if they are to help take corporate sustainability to scale and turn business into a truly transformative force in the post-2015 era.

To demonstrate how NARP and its collective Indigenous Community partners are helping to advance the SDGs, NARP has chosen to examine each SDG in light of its past and current activities. By operating responsibly and in alignment with the UNGC's universal principles, NARP's Co-Partnering Business Model has been identified by others as a proven innovation that helps Indigenous Communities progress toward financial sovereignty. How does that success translate to societal benefits for our Indigenous Community partners and their neighboring non-Indigenous Communities? Through NARP's commitment to the UN Global Compact and the SDGs, we herein self-examine the performance of the co-partnering business model in helping to move toward and to achieve specific SDGs.

In addition to the progress and empowerment we bring to the SDGs through the co-partnering business model, NARP also endeavors to prevent, protect, and mitigate any negative impacts that our collective business activities might have for our partnering Indigenous Communities. We believe that all companies should carefully consider business risks related to each SDG, and adjust their business practices to avoid doing harm. We also believe that transparency in reporting the results of our activities establishes a culture of integrity and compliance. Importantly, a culture of responsibility and accountability must be integrated throughout the organization. This involves upholding the same standards wherever we have a presence, and understanding that good practices in one area do not make up for doing harm in another.

Unlike their predecessor, the Millennium Development Goals, the SDGs *explicitly* call on all businesses to apply their creativity and innovation to solve sustainable development challenges. Success in attaining the SDGs relies heavily on action and collaboration by all actors. The SDGs present an opportunity for business-led solutions and technologies to be developed and implemented in order to address the world's biggest sustainable development challenges. The SDGs also form the global agenda for the development of our societies. As such companies that actively address their commitment to the SDGs have a ready opportunity to demonstrate how their business helps to advance sustainable development, both by minimizing negative impacts and maximizing positive impacts on people and the planet.

NARP and the Co-Partnering Business Model: Achieving SDGs through Partnership and Alignment



NARP is focused on partnering and providing capital and expertise to Indigenous Communities for the purpose of developing energy, resource, and other business opportunities. Traditional business models and attitudes towards development in Indigenous Communities have broadly been ineffective in achieving sustainable equitable development. NARP's 'Co-Partnering' approach is unique in creating a win/win business model for Indigenous Communities, NARP and our industry partners. It creates a viable opportunity for indigenous peoples to play an active role (rather than passive) to pursue the development of their natural resource assets. This partnership approach aligns with the preferred model for natural resources involving indigenous lands in which indigenous peoples themselves engage, through their own enterprise, in the development and management of their resources, and where they derive direct and indirect benefits from such an enterprise.

The business fundamentals that differentiate NARP and the Co-Partnering Business Model from traditional business and industry include providing access to capital, the ability to deploy capital, perspective and an understanding of unique issues faced by Indigenous Communities, knowledge of legislation, and NARP's track record in Indian Country. NARP invests directly with Indigenous Communities and incubates and manages these investments (with its Indigenous partner) utilizing its fully staffed technical, financial and legal team through a variety of investment vehicles. These vehicles include creating co-partnered Indigenous energy companies, providing capital in the partnership to fund participation rights negotiated between an Indigenous Community and industry, creating investment vehicles designed to allow Indigenous Communities to participate alongside industry on the lands or in their traditional territory, and providing other investments opportunities to Indigenous Communities. While business and industry has traditionally shied away from major investment with Indigenous Communities, NARP sees a significant opportunity working with Aboriginal Communities.

"By incorporating established Indigenous rights to land and resources with development objectives, and effectively aligning incentives in a new investment model, I believe we turn what has been a problem into a solution." - John Jurrius, Founder & CEO, NARP

The genesis of NARP's pro-active support of the SDGs through co-partnering activities pre-dates the formal adoption of the SDGs by several decades. And while our co-partnered Indigenous companies impact various SDGs in varying ways and to greater or lesser degrees, the alignment of interests inherent in the co-partnering approach touches virtually every aspect of today's society.

Selected Results: Positive Impacts on SDGs by NARP and the Co-Partnering Business Model

While many examples can be cited, the following selections highlight only the most significant and pertinent instances that demonstrate how the efficacy of the co-partnering business model, NARP's activities, and the operation of our co-partnered Indigenous enterprises support the spirit expressed by the UNGC Principles, Sec.-Gen. Ban Ki-moon, and the SDGs. In all cases, however, the attainment of each SDG is aspirational. Through the collaborative energies embedded in engaging in co-partnering and establishing a common language and shared purpose, many ancillary benefits emerge that otherwise might remain unrealized including, among others, the identifying of future business opportunities, the enhancing of the value of corporate sustainability, strengthening stakeholder relations, keeping the pace with policy developments, and stabilizing societies and markets. The following are some examples:



End poverty in all its forms everywhere

The essence of NARP's co-partnering business model is firmly rooted in assisting our partners to create wealth for the benefit of all members of their communities.

"By co-partnering with indigenous communities NARP deploys capital and proven expertise to explore for and develop natural resources on indigenous community lands, including fossil fuels, minerals, aggregates, and renewables (such as wind, geothermal, biomass, and hydro) and its related power infrastructure. As a result, the partnered indigenous communities benefit from equity ownership, direct economic participation and the management of shared commercial enterprises." UNGC – 2014 (Other SDGs directly impacted: #7, #8, #9, #10, #11, #16 & #17).

Case histories providing measurement and demonstrating how Tribal Nations in the US and Canada achieve socioeconomic wealth through active participation in the Co-Partnership Model are available upon request. The experiences and successes of the Southern and Northern Ute Tribes form the basis of the NARP's co-partnering business model.

"The Southern Ute Indian Tribe (SUIT) is among the most successful tribal natural resources developers.... the SUIT has cultivated "thick" internal capacity and diversified their business interests. Deliberate financial forethought and independent leadership have solidified a degree of "financial sovereignty"... the self-created Growth Fund and Permanent Fund are reported to have had combined unrestricted cash and investments as of 2012 of \$1.88 billion, with a AAA rating by Fitch Rating."- The Harvard Project – 2014.

The Northern Ute Tribe - "In 18 months, the Company's value (Ute Energy) rose to over a billion dollars. The Company's assets were split into upstream and midstream companies, and an initial \$1.5B public offering was proposed in January 2012 as a way for QEP to monetize a portion of its gains in the Company.... the [Ute Energy] assets were sold [for] \$39MM..., the remaining.... assets went to Crescent Pint Energy (Canada) for \$861MM, and the Tribe purchased 49% share of the Midstream assets for \$240MM." – Oil and Gas Investor – 2013. Other SDGs directly impacted: #8, #9, #10, #11, #16 & #17).



Ensure healthy lives and promote well-being for all at all ages

As a result of the SUIT's AAA credit rating and financial success, they were able to issue Municipal Bonds to build a billion dollar community medical facility and implement needed services that weren't previously accessible or available.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- SUIT - High school drop-out decreased from 60% in 1998 to 5% in 2003;
- SUIT - Built their own school through the 8th grade and achieved higher scores on standardized state exams than children in the public school system;
- Scholarships for SUIT members to attend post-secondary education anywhere in the world with ~ 130 graduates / year continuing to further their studies.
- Tribal North Energy Services (TNES), NARP's co-partnered services company with Treaty 8 (Alberta) First Nations, supports, endorses and covers the cost of all training and personal and professional development programs and courses for its employees including:
 - In house training and development on all TNES equipment, including the operation and maintenance thereof;
 - Certification of various industry standard operating and safety tickets including H2S Alive, Emer. First Aid, WHMIS, TDG GODI, Class 1 Drivers, Fall Arrest and Confined Space Training.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

"As of 2010, the unemployment rate among Southern Utes on the reservation was reported as 14.5 percent. This was lower than the national rate of 19 percent for Native residents of reservations

"...and at \$20,400, per capita income is sharply higher than the national Native reservation resident level of \$11,400." – SUIT as reported by The Harvard Project – 2014.

"They've [SUIT] converted a non-renewable resource into a renewable financial resource because of the way they are investing and because of their strategy."- Council of Energy Resource Tribes (CERT) - 2013

Kainai Energy Company (KEC) began operations in 2013: the following employment milestones on the Blood Tribe Reserve have been achieved:

- 2013 - \$1.2 million earned by Blood Tribe contractors; 63 Tribal members employed;
- 2014 - 4 wells drilled (with associated jobs for Blood Tribe members); A \$600,000, 5 Km Road Upgrade Project - Employed 11 Blood Tribe member contractors & 34 Blood Tribe members;
- 2015 – Development of existing well field – Total contract expenditures: over \$2.9 million;
- 2016 –Total expenditures to date (2011-2016) for all Kainai contractors: \$8.97 million.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

“The alternative path taken by Southern Ute [co-partnership] has been to be the active and authoritative force in the development of reservation resources, a force that private companies have come to respect and work with to build long-term, mutually beneficial relationships...The Southern Ute have achieved cultural, environmental, and economic self-determination through energy self-determination—a feat rarely accomplished, whether by Indians or non-Indians.” - The Harvard Project – 2014.



Reduce inequality within and among countries

“... The Southern Ute had established their own Tribal Department of Energy, tasked to build a comprehensive geologic database, collecting all existent data, and building a body of knowledge surpassing any private or federal resource. The Tribe also began to use tax credits and their governmental authority by, for example, granting 42-year rights of way (ROWs) instead of typical 10-year ROWs. This greatly increased the Tribe’s leverage in negotiations.” The Harvard Project – 2014



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

“NARP identifies and incubates opportunities with the goal of assisting Nations to attain financial sovereignty through equity ownership in co-partnered “Tribal Energy Companies” focused on actively participating in the development of their resources. Through active, meaningful participation, Nations are able to share in economic gains and employment opportunities which have the ability to create socioeconomic wealth, independence and sustainability for their communities.” – NARP Website (Also has positive impacts on SDGs #8, #9, #11, #16, & #17)



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

"...The SUIT enacted its own severance tax, which has since resulted in more than \$600 million in revenue. Six years later the Tribe had enough of a revenue base to initiate a new development plan and established Red Willow Production Company to extract hydrocarbon resources on tribal land." - The Harvard Project – 2014.



Strengthen the means of implementation and revitalize the global partnership for sustainable development

"An important component of NARP's collaboration with the Kawacatoose First Nation (KFN) is the landmark decision of the Nation to take full control of its natural resource royalty revenues by opting into the First Nations Oil and Gas and Moneys Management Act (FNOGMMA). In response to the coordinated efforts of the partnership between NARP and KFN, the Crown Government of Canada as well as the Provincial Government of Saskatchewan was very facilitative in the FNOGMMA process. Since the Kawacatoose opted into FNOGMMA in 2014, NARP has continued to collaborate with the Nation to evaluate investment landscapes and explore more opportunities for natural resource development, including oil and gas. The partnership with NARP now put the Kawacatoose First Nation in a better position to manage and invest its own monies and revenue, and to make sound strategic business and investment decisions for the purpose of achieving financial sovereignty for the First Nation." – Alberta Native News – 2014
