



ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

2023





LAND ACKNOWLEDGEMENT

We offer this acknowledgment to honour Indigenous Peoples in Turtle Island - the land now known as Canada, and to recognize our role in reconciliation.

In doing so, we honour the importance of the First Peoples, and we recognize the need to create a more fulsome awareness of how the Indigenous ways of knowing and being shapes the history of our nation. We believe in purpose-driven acts of truth and reconciliation that honour the original stewards of the lands we work on and within: the Treaty 6, 7, and 8 territories and unceded territories in Alberta and British Columbia. We extend this growth to the spirit of intentionality that informs how we participate in meaningful ESG work.

We acknowledge the First Nations, Métis, and Inuit who have lived and cared for these lands for generations. We are grateful for the traditional Knowledge Keepers and Elders who are still with us today and those who have gone before us. We make this acknowledgement as an act of reconciliation, expressed through gratitude, remembrance, and a humble commitment to learn, to grow, and to deepen our relationships and understanding.

ESG STATE OF PLAY 2023

The data provided throughout the report is reflective of our 2023 fiscal year (November 1, 2022 to October 31, 2023), unless otherwise indicated. Data from November 1, 2023 and onward, referred to as the "2024 data," will be reported in future ESG reporting. Any reference to "to-date" calculates our total since our reporting began in 2020.

25%
REDUCTION
IN EMISSIONS
COMPARED TO BASELINE YEAR



Baseline year is CDN's 2020 Fiscal Year (Nov. 1, 2019 - Oct. 31 2020), as presented in CDN's 2021 ESG Report. The reporting period for this data is Nov. 1 2021 - Oct. 31 2022.

481
TOTAL MEGAWATTS (MW)
FROM SOLAR
PROJECTS
IN 2023



TOTAL SOLAR
MW TO DATE: **748 MW**

CCIB PAIR COMMITTED
PHASE III PARTNER



**MORE THAN
\$3.4M**
IN DIRECT CONTRIBUTIONS TO
INDIGENOUS COMMUNITIES
THROUGH REVENUE SHARING SINCE 2020

24%
OF ANNUAL REVENUE
COMPLETED
THROUGH
INDIGENOUS
PARTNERSHIPS
IN 2023

CERTIFICATE OF RECOGNITION (COR)
AUDIT SCORE
86%

COMMUNITY INVESTMENT
\$447,099
SINCE 2020

\$191,764
DONATIONS
& SPONSORSHIPS
FOR 2023

1032
HOURS OF LEADERSHIP
TRAINING IN 2023

TOTAL RECORDABLE INCIDENT RATE
2023 3YEAR ROLLING
TRIF AVERAGE
1.04 0.89
TOTAL EXPOSURE
HOURS FOR 2023
1,533,651

² **7.5%** OF EMPLOYEES
SELF-IDENTIFY AS
INDIGENOUS

² **6.6%** OF EMPLOYEES
IDENTIFY AS A
AS A VISIBLE MINORTY

¹ Dating of our BMO Climate Smart(c) certification is reflective of the reporting timeframe detailed on page 25.

² Employee data was collected in March 2024, with March 2024 data, with a response rate of 42% of our workforce population. Given the voluntary nature of this data, we caution a higher margin of reporting error.



ON TREND

Four years into producing these reports, we find ourselves reflecting on the publication of Environmental, Social, and Governance (ESG) data.

This year, you'll see that years of reporting have given us the ability to demonstrate trends. These trends, supported by data and third-party subject matter experts, indicates that CDN's ESG program is built on a foundation of performance and is designed to scale.

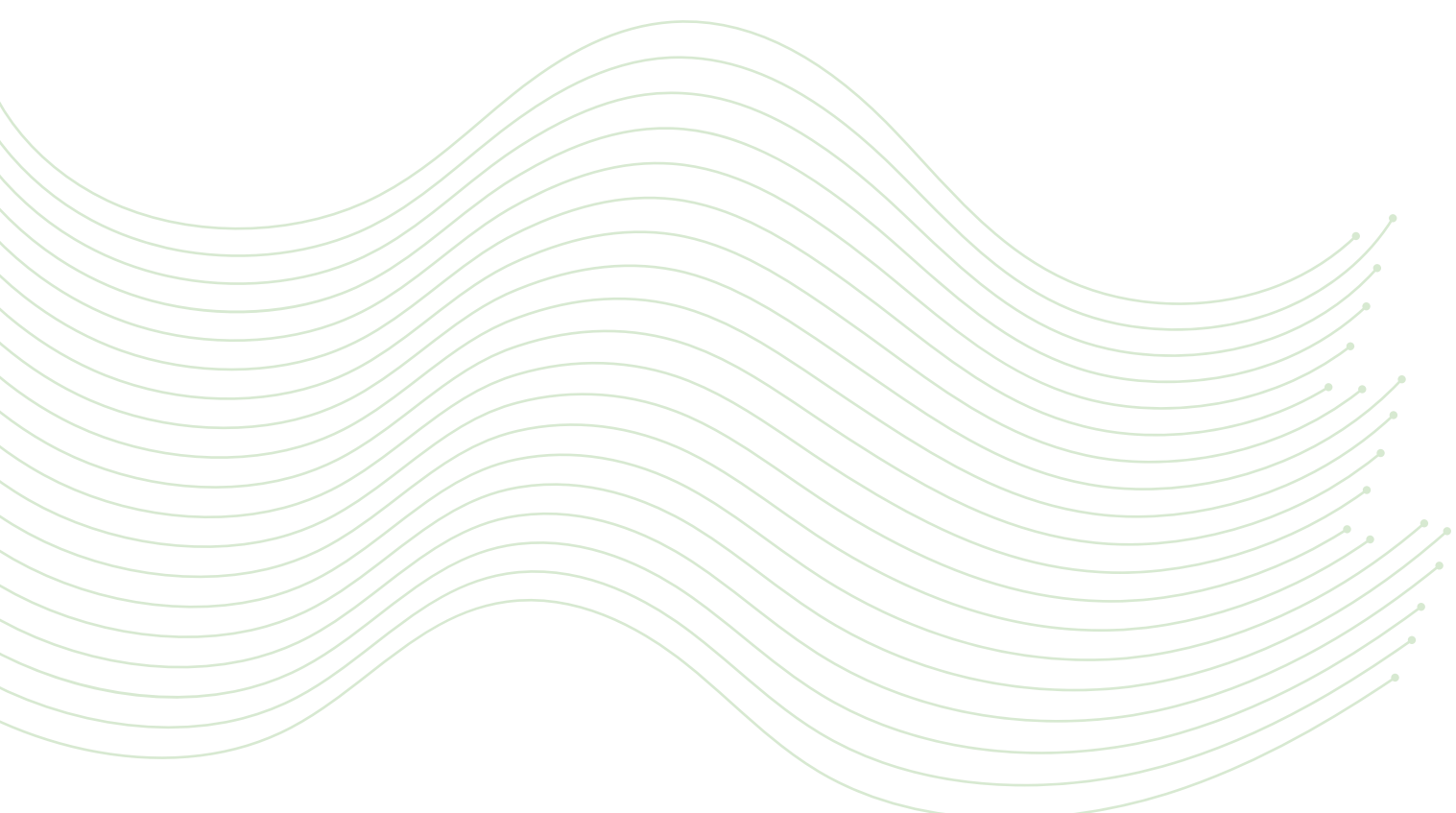
ESG leadership lives within our senior leadership team, and the decisions we make about ESG are part of informing CDN's business strategy. The history of ESG leadership has been a fundamental attribute of our financial performance and success as a business. CDN's ESG program is linked to our business results and corporate growth, as it strengthens our resilience and reduces risk for our clients.

In this report, we have attempted to curate a balance of data and strategic thinking. We developed this report for our stakeholders—our employees and contractors, valued clients, vendors, our local communities—and Indigenous Nations.

More than ever before, we must recognize the interconnectedness of our actions. It is our responsibility to learn, innovate, grow, and challenge ourselves. This is the spirit of thinking that fuels this ESG report.

Welcome to our 2023 ESG report.

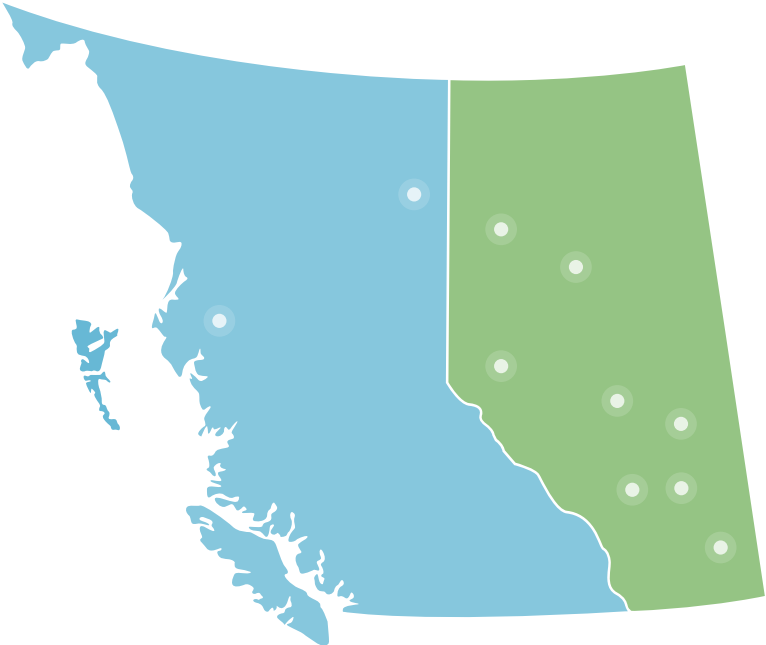
Dean Fraser - CHIEF EXECUTIVE OFFICER & FOUNDER
Jennifer Ezekiel - VICE PRESIDENT, ESG & STRATEGY



DATA DRIVEN

With a focus on trends over time, our report contains detailed information and statistics. To ensure the accuracy of what we publish, we worked in conjunction with the following third-party entities to review, audit and/or provide expert feedback on our internal processes and approaches:


- Shift Critical; third-party corporate sustainability strategy specialists who provided a peer review of our 2022 report; we have endeavored to integrate this constructive feedback into the 2023 report.
- BMO Radicle; software, training and sustainability adviser-supported program is used to report our annual GHG emissions inventory, in compliance with *The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard*, Revised Edition. The GHG Protocol is an internationally recognized standard published by the World Resources Institute and the World Business Council on Sustainable Development (page 24-25).
- Certificate of Recognition (COR) Audit is completed annually through Energy Safety Canada (pages 49).
- CultureSight© safety culture survey is issued twice per year through ISNetworld (page 43).




11 BRANCHES

ALBERTA
Brooks
Calgary
Edmonton
Grande Cache
Grande Prairie
Valleyview
Drumheller
Medicine Hat

BRITISH COLUMBIA
Fort St. John
Kitimat





613 PEOPLE

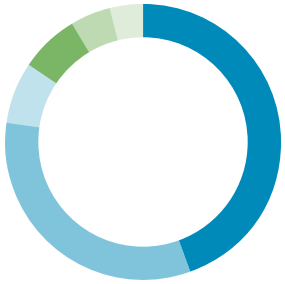
Represents peak employment during the 2023 fiscal year, includes employees and contractors.

79%

OF OUR ANNUAL REVENUE COMES FROM OUR TOP 20 CLIENTS

13 YEARS

DRIVING REVENUE



MAINTENANCE & CONSTRUCTION	44%	AUTOMATION	7%
MAJOR PROJECTS	33%	PANEL FABRICATION	5%
RENEWABLES & SOLAR	7%	OTHER SERVICES	4%

*Other services are Communications, Measurement, Combustion & Emissions Reduction

113 COMPANIES CHOOSE CDN



MISSION

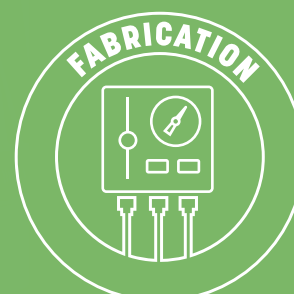
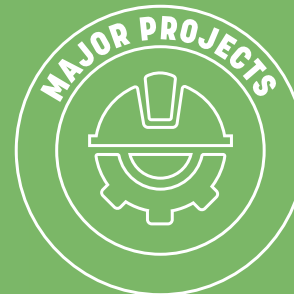
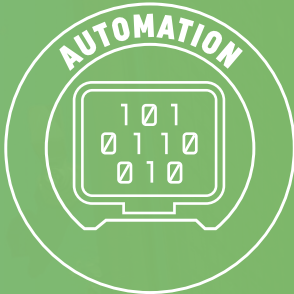
To deliver a comprehensive and confident approach that exceeds excellence and ensures the highest level of satisfaction and sustainability for our people, products, and partners.

VISION

A globally recognized business celebrated for our tenacious full-service approach and relentless pursuit of industry dominance and excellence.



SERVICE OFFERINGS



CORE VALUES



WE WIN AS A TEAM

With a desire to secure like-minded partnerships and driven by shared values, we ensure all sides are motivated to contribute to the best of their ability to achieve recognized, revolutionary goals.



WE TAKE CARE OF EVERYTHING

As a uniquely positioned one-stop-shop, we offer the advantageous ability to integrate, measure, and optimize every aspect of our service offerings to ensure efficient and effective execution.



ACT WITH HONESTY, LOYALTY & RESPECT

A culture of true excellence driven by a heartfelt desire to do the right thing in every situation, letting empathy, honesty, and respect drive every decision made and partnership pursued.



COMMITTED TO EXCELLENCE

An attitude of continuous improvement drives our commitment to excellence in all areas of business. We are always looking for better ways to serve our people, products, and partners.



TALENTED PEOPLE DRIVEN TO GROW

We seek those looking to boldly grow with us. We promote a potent mix of talent and dedication, capable of seizing opportunity and making the most of every situation presented.

INDIGENOUS PARTNERSHIPS



Halfway River
CDN Controls Ltd.

**HALFWAY RIVER
FIRST NATION**
EST. 2016



**KITSUMKALUM
FIRST NATION**
EST. 2021



As'ini'wa'chi Ni'yaw Nation

**KELLY LAKE CREE
NATION**
EST. 2017



PAUL FIRST NATION
EST. 2022



**ASENIWUCHE
WINEWAK NATION**
EST. 2020



TSUUT'INA NATION
EST. 2022



THE CDN ADVANTAGE

DRIVEN BY VALUES

Our core values guide the potential of our business and the growth of our people.

PARTNERSHIP PERSPECTIVE

We build long-term, invested partnerships for growth. To know CDN is to know our passion, our commitment, and our ability to deliver consistently. We work hard to be accessible and agile for our clients' needs and to build and sustain trust — always working collaboratively to identify solutions that demonstrate our investment in your success.

EFFICIENCY, DEFINED

We track costs, efficiencies, deliverables, materials, assets, and project data consistently.

INDUSTRY-LEADING ESG STRATEGY

We believe we are among the first energy service providers in Western Canada to publish our ESG performance. Today, we continue to take pride in delivering our services through six formal Indigenous partnerships.

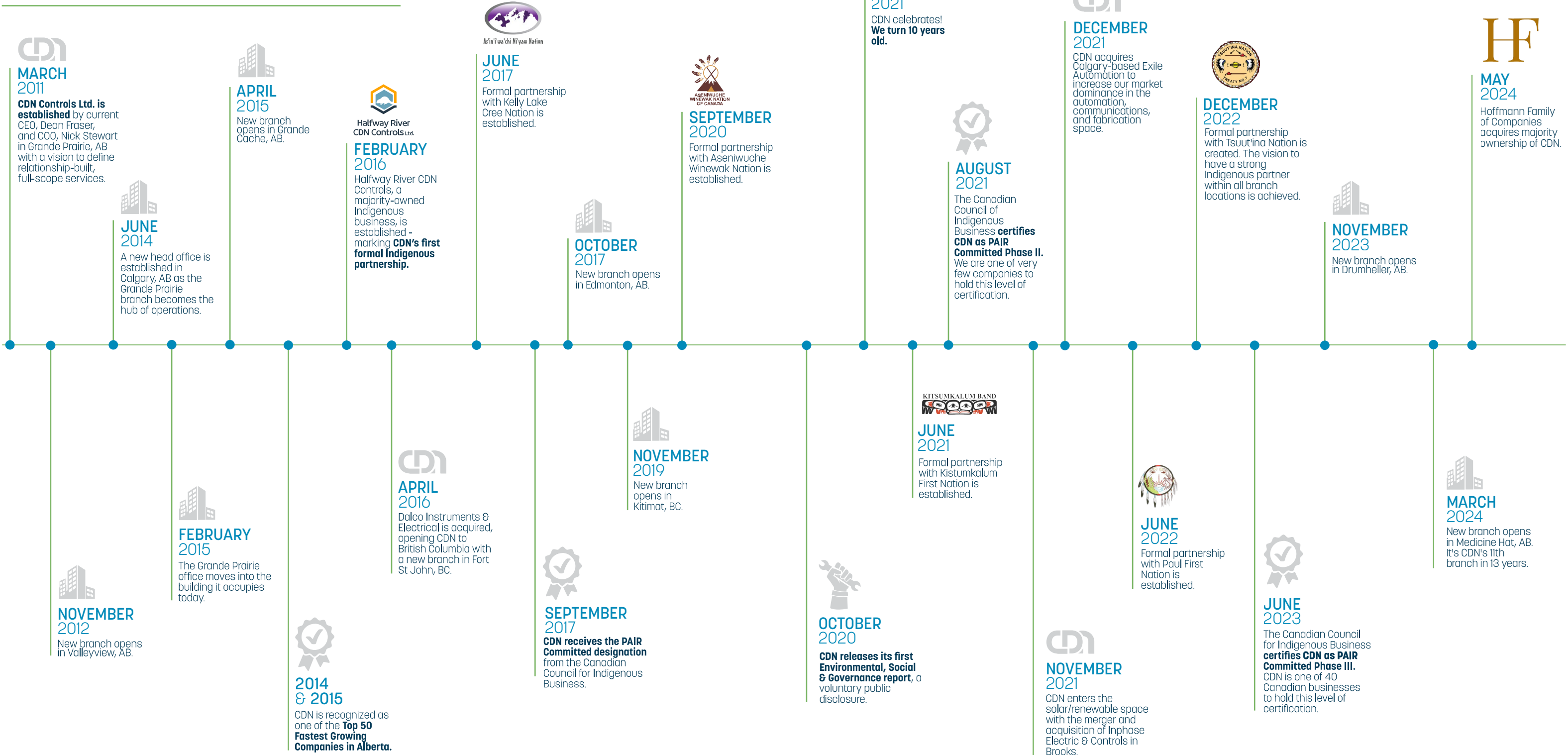
ACCESSIBILITY WHERE YOU NEED IT

We have 11 branches strategically located and distributed in proximity to key field locations.

THE SELF-PERFORMING SOLUTION

We don't outsource — we do it all in-house — with a team poised to deliver a consistently high standard of excellence.

BOLDLY GROW: THE CDN STORY





ENVIRONMENTAL



EMISSIONS MANAGEMENT & THE ROLE OF SUPPLIERS

Over the past few years, we have seen significant attention paid to corporate declarations of a Net Zero target.

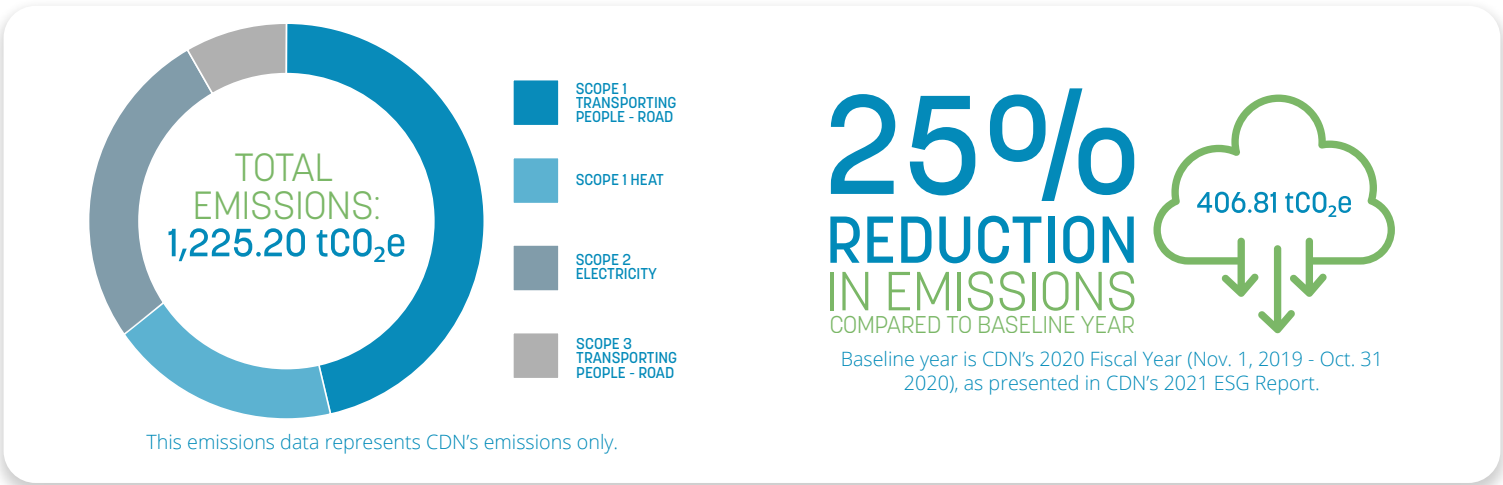
We believe just declarations, without a supported strategy, oversimplify our ability to have meaningful and productive conversations about the nuances of this issue, specifically the role of supplier emissions.

Our purview is this: as service providers, our Scope 1 emissions can be accounted for as someone else's Scope 3 emissions.

If service providers can consistently initiate the work to understand their own Scope 1 emissions, the question of how to incorporate Scope 3 emissions into a producer's

GHG inventory becomes more straightforward. As our clients assess their emissions impact, their number is not complete without the accurate measurement of their suppliers' impacts. All actors in the supply chain have a responsibility to the final emissions output.

Supply chain reporting, standardizing emissions management criteria and accounting, and technological innovation are all essential opportunities for us to make global strides toward making emissions reduction more than just a lofty goal. At this time, we have not developed a strategy to net zero, as our program is not at the stage of maturity to deliver a pragmatic and defensible course of action.



Today, we commit to continuing to report annually on our GHG emissions inventory and related initiatives to reduce our own Scope 1, 2 and 3 emissions.

We have been reporting on our greenhouse gas (GHG) emissions inventory since 2020. Although the nature of our operations does not result in significant direct emissions (as we do not own operating facilities, for example), we recognize the imperative to document and report on the GHG emissions that we do produce.

To do this in a robust manner, we once again engaged BMO Radicle as a third-party verifier to support and validate our emissions inventory. This tool was designed to adhere to

the GHG Protocol – an internationally recognized standard published by the World Resources Institute and the World Business Council on Sustainable Development. It includes emissions factors from a variety of sources, including Environment and Climate Change Canada, the GHG Protocol Initiative, the U.S. Environmental Protection Agency, and the Intergovernmental Panel on Climate Change.

The data provided in the GHG inventory in this report represents a reporting period of November 1, 2021 to October 31, 2022. The 2024 ESG report will include the GHG inventory for CDN's 2023 and 2024 fiscal years.

A RENEWABLE FUTURE

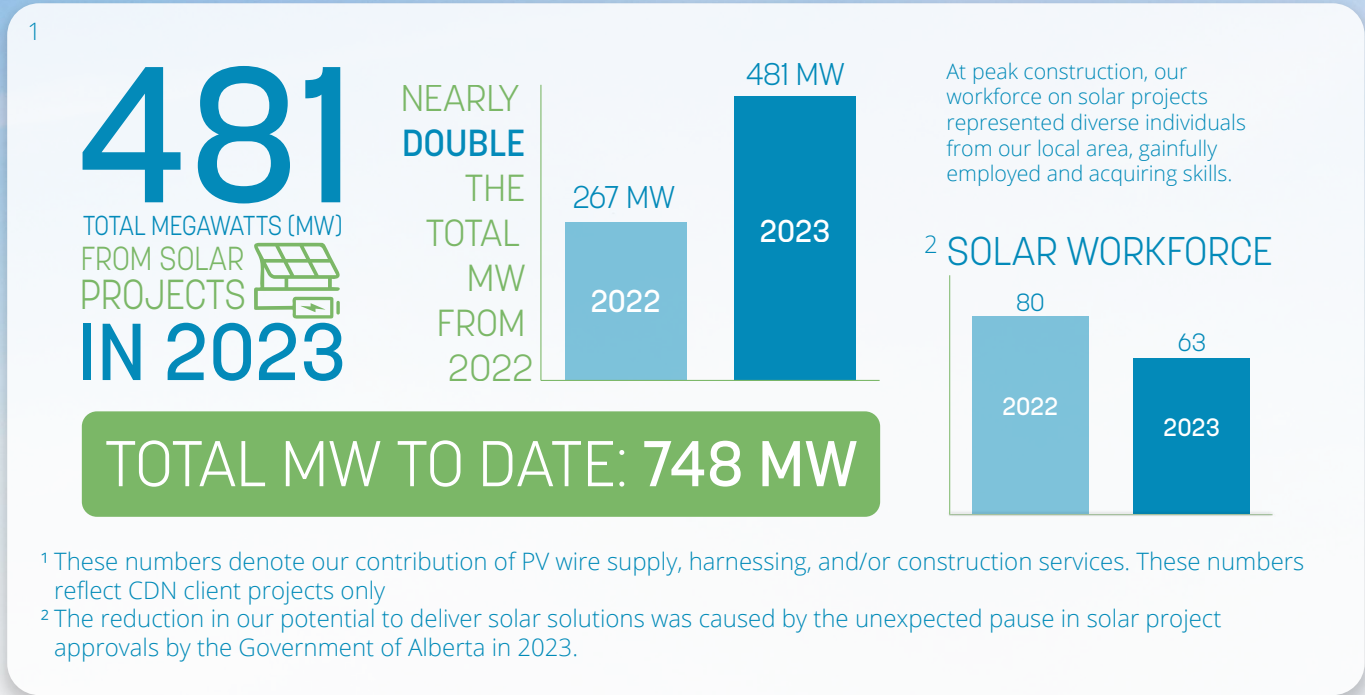
In Alberta, we are the destination for Canada's solar and wind investments. At CDN, we have a unique perspective in the renewables space. We were built on a foundation of conventional oil and gas services—and it continues to be our core revenue driver as we expand into other industry verticals, including renewables. Plus, we were the electrical service provider in Western's Canada's first Industrial solar farm project in 2017.

Today, CDN is proud to be integrated into the full life cycle of solar projects, from supporting clients with feasibility studies, to procuring PV wire and harnessing that wire with our unique in-house solution, and executing the electrical construction scope for industrial solar farms, as well as providing combiner boxes and SCADA solutions for long-term solar farm operations.

The energy demand creates space for all—and more pointedly—a space without hierarchy, where all energy production is regarded as our greatest pathway to unleash the economic and entrepreneurial potential of our young and ambitious West.

A diversified energy market also supports our greatest resource—the skills and talents of the men and women who proudly wear our coveralls each day. By expanding their expertise through new technologies and innovations, we not only strengthen Canada's energy future, but also our individual prosperity.

Through investments in solar, Alberta can be a national and international leader in the responsible curation of solar energy—and CDN is eager to participate in this arena.





INDIGENOUS

INDIGENOUS PARTNERSHIPS AT THE APEX OF AUTHENTICITY

Partnerships with Indigenous Nations have formed the core of our ESG strategy and approach for over 10 years of our 13-year life span. This was developed from a place of intentionality, as we recognized the opportunity to grow our business in a meaningful way alongside Nations who are both business partners and friends. This core business value continues to humble us and be a source of deep pride.

In 2022, we reached an important milestone in this journey: a partner located in proximity to each of our branch locations. This was a vision we had held for years, in order to offer our clients the opportunity to engage our services through Indigenous partnerships in any of the areas where we offer our services. Through 2023 we have focused on continuing to deepen and strengthen the relationships held within these partnerships. For us, it's not enough to solely consider what we are going to do to engage in meaningful Indigenous relationships; we must first consider the authenticity and intentionality with which we approach this work.

An authentic approach is one that brings with it the ability to show up with a lightness of heart and mind, ready to learn, to be committed, and to show respect and kindness. This focus on Indigenous engagement is for reasons that go well beyond an obligation, legal requirement, or a checking-of-the-box exercise; it allows us to meet Indigenous communities with an authenticity that is seen and felt. We are friends first and business partners second.

It has been our experience that when a partnership is formed on the foundation of a meaningful relationship, the

fulsome benefits extend well beyond a formal handshake or a signature on a cheque. It creates a space for real community wellness, capacity building, employment opportunities, mutual support and guidance. And, in the process, demonstrates that legitimate and authentic relationships are built from real curiosity.

We understand that the formal Indigenous partnerships we are privileged to enter into are driven by the heart of leadership and positioned meaningfully as drivers to real, tangible economic reconciliation and community support. They are the means to shared success on the lands we live, work and play upon – and the lands whose history has thus far been told incompletely.

We have much to learn and we welcome that learning is an extension of our growth. The six Indigenous Nations that we are partnered with—Aseniwuche Winewak Nation, Halfway River First Nation, Kelly Lake Cree Nation, Kitsumkalum First Nation, Paul First Nation and Tsuut'ina Nation—are teachers in our journey, and whom we hold in high esteem. These relationships continue to teach us that listening and learning live at the apex of authentic relationships and are acts of reconciliation themselves.



It's not enough to consider only what we are going to do to engage in meaningful Indigenous relationships; we must first consider the authenticity and intentionality with which we approach this work.



HALFWAY RIVER CDN CONTROLS: A COMMUNITY DRIVEN PARTNERSHIP

The Halfway River Group (HRG) is a collection of Halfway River First Nation businesses and strategic investments with focus on infrastructure and oil and gas clients in northeast British Columbia. We exist to stimulate economic growth and create sustainable prosperity for the Halfway River First Nation by maximizing opportunities that build a stronger and more diversified economic base.

Halfway River CDN Controls Ltd. (HRCDN) is one of our businesses and through their successful projects HRCDN has helped HRG to strengthen the Halfway River First Nation community. The Halfway River Group supports community programming and initiatives including: Elders' rent subsidies, cultural events, crisis support; driver training programs, educational support for introduction to the trades industry, heavy-duty equipment competency training and safety certification training, community celebrations, member business financing, and community infrastructure. HRCDN has been a leader in supporting driver's license programs and apprenticeship development of an HRFN member – contributing to future opportunities for the Nation.

Our relationship with HRCDN has grown and matured over the last eight years. Establishing mutual goals and a shared trust, we work together and are increasing our collective opportunities. Whether it's community events or stepping in to support the Nation without hesitation, HRCDN has been with us in the true spirit of collaboration. They uphold commitments and a reputation which reflects positively on the Halfway River Group, and we are proud to have partnered with them on this journey as we all work towards sustainable prosperity for HRFN.

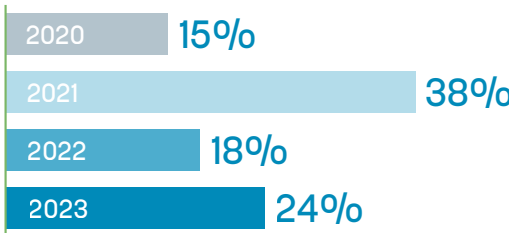
Jodi Carlow (Director and Senior Manager, Halfway River Group)

ECONOMIC TRUTH & RECONCILIATION

MORE THAN
\$3.4M
IN DIRECT CONTRIBUTIONS TO
INDIGENOUS COMMUNITIES
THROUGH REVENUE SHARING SINCE 2020

24%
OF ANNUAL REVENUE
COMPLETED
THROUGH
INDIGENOUS
PARTNERSHIPS
IN 2023

ANNUAL REVENUE COMPLETED THROUGH INDIGENOUS PARTNERSHIPS



77%
OF COMPANY HISTORY
INCORPORATES
INDIGENOUS
PARTNERSHIPS

CCIB: ON THE JOURNEY TO BRONZE

CDN has been engaged with the Canadian Council for Indigenous Business (CCIB) since 2016, when we first applied for our Partnership Accreditation in Indigenous Relations (PAIR) Committed Phase 1 certification. It validates the work we are doing together with Indigenous Nations.

In April 2023 we were proud to receive the CCIB PAIR Phase III certification and join the small group of only 40 Canadian businesses to receive this recognition. Throughout 2023 and 2024, we have been focussed on further deepening and expanding our Indigenous relations programing and strategy. This is a significant recognition of both the longevity and robustness of our work and partnerships with Nations, and has required us to place an increased focus on both our Indigenous procurement opportunities and Indigenous recruiting and retention programming.





SOCIAL



COMMUNITY INVESTMENT

In true CDN style, our mission for this work is simple: **We show up.**

Since CDN began, we've shown up for our clients to solve their challenges. Now we bring this same ambition to the places where we live, work, and play.

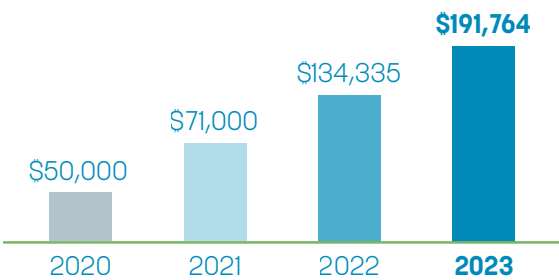
Our community investment and sponsorship strategy is aligned to Sustainable Development Goal #3: Good Health and Well-Being by making investments in individuals and groups who are making investments in themselves. Our mission is to create real, tangible, and sustained value as we foster and grow meaningful relationships and extend our core values into our communities.

THE NUMBERS

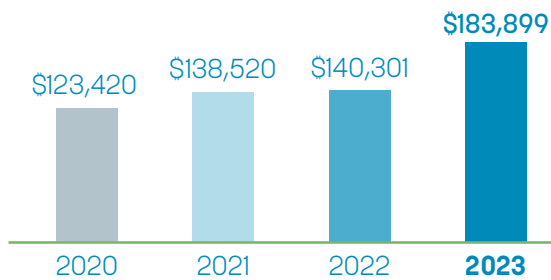


THE TRENDS

COMMUNITY INVESTMENT
DONATIONS & SPONSORSHIPS



COMMUNITY INVESTMENT
LOCAL PROPERTY TAXES PAID





ADDRESSING FOOD SECURITY IN FORT ST. JOHN

The Fort St. John Salvation Army Food Truck initiative began with the goal of addressing food security challenges in the community and diverting usable food from landfills. The premise is simple: The truck picks up pre-packaged food from the ATCO Site C Two Rivers Lodge camp, which previously would be sent to landfills, and is then distributed via the local food bank to schools, seniors, and community members who are experiencing food scarcity challenges.

Each year, a local business is chosen to take on the responsibility to support this initiative, effectively known as a “torch bearer.” The role of the torch bearer is to provide financial assistance for the operations of a food truck for the year. Since its inception in 2020, the torch pass initiative has been fueled by the energy industry’s shared commitment to invest in the well-being of the communities where we operate, and to do so in a collaborative manner. For the last four years, this has moved between producers and service providers starting with Tourmaline Oil Corporation, who initiated the program and carried the torch in 2020. They then passed the torch to Surepoint Group Ltd. in 2021, and then to Pacific Canbriam Energy in 2022, before the torch was passed to CDN in 2023.

Projects like these reflect the spirit of our community investment program: to find initiatives with proven impact driven by local groups.

To carry on this initiative in 2024, we selected NorthRiver Midstream to carry on this important work.

MEASURING THE IMPACT: 2023 FORT ST. JOHN FOOD TRUCK

300,000 LBS
OF FOOD DEVIATED FROM
LANDFILLS



320 HOURS
OF SALVATION ARMY
VOLUNTEER TIME



800 HOURS
OF TRUCK TRAVEL TIME



30,000
MEALS DISTRIBUTED



All data provided by the Salvation Army, March 2024



SAFETY TRENDS

Our safety program, driven by our Health, Safety, and Environment (HSE) team, expanded with the launch of new branch locations, additional employees, and market-share growth. Our HSE team continues to support our business through observation, training, and data collection. In this next section, we detail the results of our annual COR Audit and our Safety Culture Maturity Rating.

THE RESULTS

For the second year in a row, CDN completed the [CultureSight® safety culture survey](#), issued twice per year through ISNetworld. This survey uses a systemic approach to simplify the approach of measuring our safety culture. We use this survey as it provides data-driven insight and action to improve safety performance.

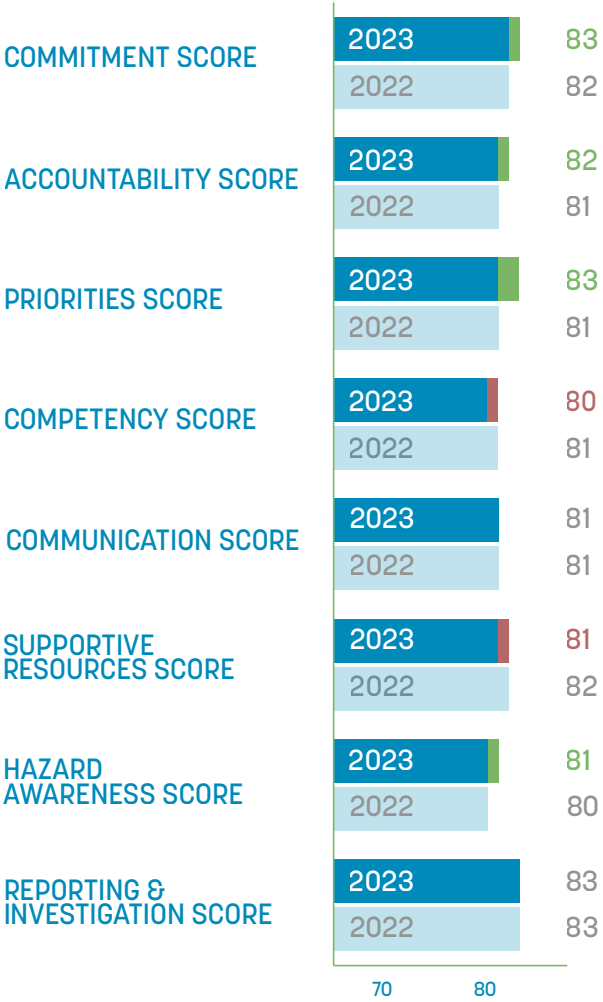
Our Safety Culture Maturity Rating remained at 82 out of a possible 100. This places CDN under stage 3 of the rating model. Stage 3 is referred as the Informed stage. Companies that fall under stage 3 are informed and aware of culture, are beginning to develop alignment of core safety values, and recognize safety as a priority.

While we recognize that we achieved the same score for a second year, our focus remains on the continual growth and improvement of our safety culture.

SAFETY CULTURE MATURITY RATING



OUT OF A POSSIBLE SCORE OF 100 IN EACH CATEGORY, THIS IS WHAT WE HEARD:





LAUNCH OF E-COMPLIANCE

In 2023, we launched E-compliance. This pivot reduced our need for paper and increased employee access to reporting. E-compliance will provide us with notable agility to mitigate and respond to safety issues impacting the well-being of our employees.

Benefits of this transition include:

- Improved reporting as hazards, incidents, and safety observations can be identified, corrected, and documented on one platform
- Accessibility provides all employees with universal access to safety information and resources
- Accountability as progress is now tracked and reported to leaders
- Workflow improvements so users can suggest and assign corrective actions for deficiencies in real-time
- Greater records management allows documents to be stored on one platform, for ease of audits and data research, and improving records management

eCompliance™

A full-page background image showing a male worker with a beard and glasses, wearing a white hard hat with a logo, a blue long-sleeved shirt with reflective yellow stripes, and blue pants. He is pulling a thick, braided metal cable through a large, open blue electrical panel. The panel is mounted on a concrete wall and contains various electrical components and wiring. The scene is outdoors, with a concrete wall and some pipes visible in the background.

MILESTONE: 1 MILLION WORKING HOURS

This year, we crossed an important milestone in our short history: 1 million working hours. As we recognize the hard work of our field teams to reach this milestone, we also reflect on the importance of remaining vigilant.

We continue to empower our people to stop and think before proceeding through training and role modeling, to review and follow the procedures that have served us, to look around your work environment for safety hazards, and to refuse unsafe work. We encourage our people to consider themselves a team in the purest form—to look out for the physical and mental wellbeing of one another and to encourage support wherever needed. As we grow, we continue to live by our mantra: It is not enough to do well, we must be well also.



SAFETY STATS

THE NUMBERS

CERTIFICATE OF RECOGNITION (COR)
AUDIT SCORE
86%

TOTAL EXPOSURE
HOURS FOR 2023
1,533,651

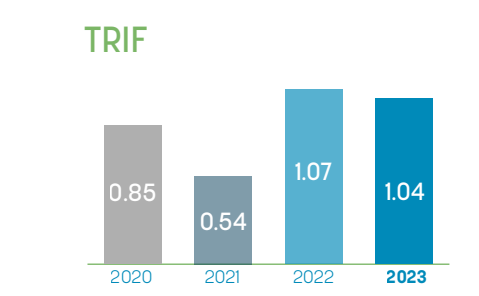
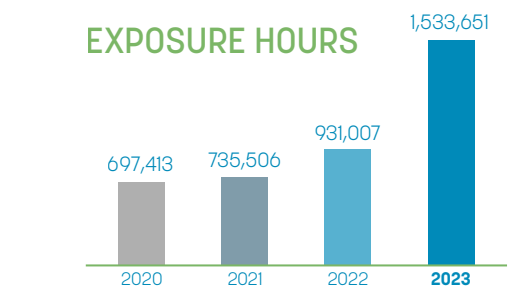
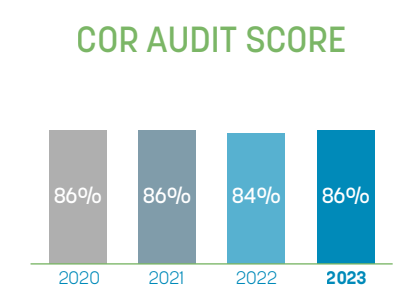
TOTAL RECORDABLE INCIDENT FREQUENCY
2023 TRIF
1.04 3YEAR ROLLING AVERAGE
0.89

LOST TIME FREQUENCY: **0**

ENVIRONMENTAL CITATION ACTIONS: **0**

LOST TIME SEVERITY: **0**

THE TRENDS



INSIGHTS FROM THE 2023 COR AUDIT

- Our employees are familiar with the Job Hazard Assessments and acknowledged they are used as training tools and to review procedures for tasks not performed regularly.
- Health and safety responsibilities are clearly defined and employees are aware of their roles, responsibilities, and accountabilities. There is a strong supervisory commitment to monitor and mentor employees.
- Inspections for all equipment, tools, facilities, and materials meet the Occupational Health and Safety Act in Alberta and the Occupational Health and Safety Regulation in British Columbia.

Over the next year, to address the stagnation of our COR audit score, we're taking these approaches to address our safety performance:

- Completing corrective actions/recommendations from our COR Audit
- Conducting our HSE Culture Survey annually. This is done to foster a culture of continuous improvement
- Gaining meaningful and actionable feedback from assurance activities like focus inspections, audits, and hazard assessments
- Implementing an approved driver app to manage risks associated with new drivers. This digital application will include annual adults and new driver qualifications
- Adding leadership training for leaders within our HSE team
- Creating a renewed focus on inspections to increase timely intervention and compliance



PEOPLE & CULTURE

EMPLOYEE DATA: OUR PEOPLE

Keeping our workforce whole in the competitive environment of talent acquisition

We are in the midst of rapid growth—growth we attribute to a balanced ecosystem of unabashed ambition, an unwavering commitment to five core values, unrelenting pride in quality work, and a stringent focus on cultivating and sustaining meaningful relationships. We've grown with a sizable network of branches, eight core services, acquisitions, and over 600 people. Our biggest threat to our growth trajectory now is our ability to grow—and maintain—our workforce of skilled tradespeople.

The playbook becomes: recruit, retain, champion.

Competition for talent has intensified. We must meet this with salary growth and a total rewards package that includes future-focused options like RRSPs, progressive leave policies, and development opportunities. We must expand recruitment to new markets, including those where we do not offer services. And we

must give a masterclass in the speed of our onboarding; balancing the due diligence of safety training with the expediency to get new employees working.

For employee retention, we must consider not just what people do at CDN, but what they experience. Our people have chosen CDN to be the place where they offer their professional gift. They chose us as the place to grow, the place to build relationships, and the place to show what they can do. How we honour and invest in this has never mattered more. We have to be humbled by this reality—and it must form the foundation of how we invest in their growth as an extension of our own.

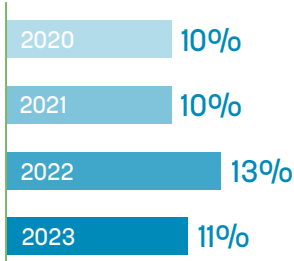
We must have a firm understanding of our people to truly support them—and to create a governance structure that builds our potential to grow.



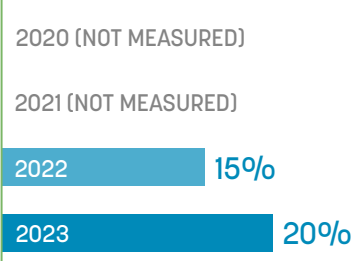
BY THE NUMBERS

WOMEN IN OUR WORKFORCE

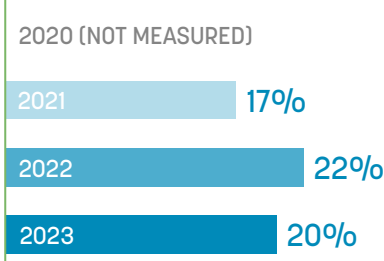
% OF EMPLOYEES



% OF MANAGEMENT TEAM

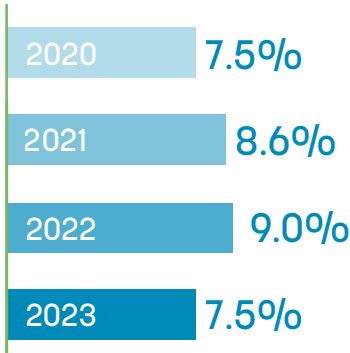


% OF SENIOR LEADERS



7.5% OF EMPLOYEES SELF-IDENTIFY AS INDIGENOUS

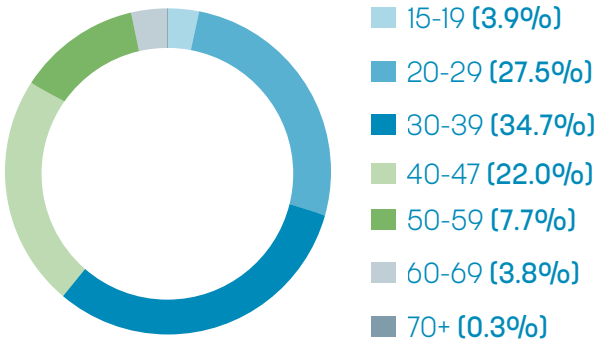
% OF OUR EMPLOYEES WHO SELF-IDENTIFIED AS INDIGENOUS



*Given the voluntary nature of data collection, the 2023 data represent a response rate of 42% of our workforce population. Given the voluntary nature of this data, we caution a higher margin of reporting error.

6.6% OF EMPLOYEES IDENTIFY AS A AS A VISIBLE MINORTY

AGE RANGE OF EMPLOYEES



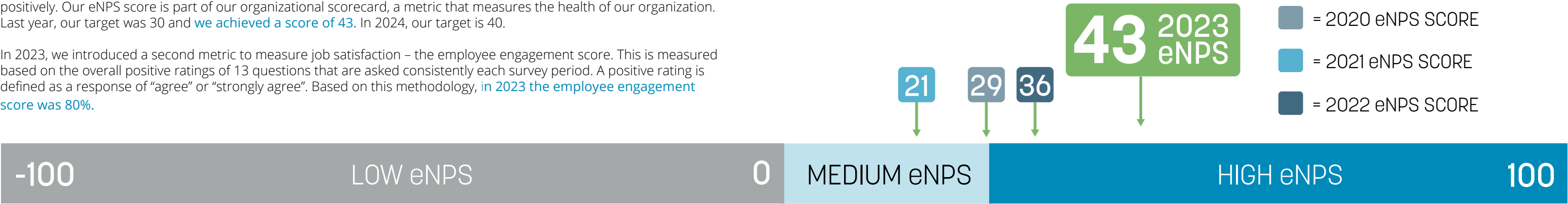


EMPLOYEE SATISFACTION

Employee net promoter score (eNPS) is a metric that assesses employees’ job satisfaction by measuring their readiness to recommend their company to others. The eNPS consists of the following question: “On a scale of zero to ten, how likely is it that you would recommend working for our company?” At CDN, we have been using this metric as an indication of our employee satisfaction for more than 5 years.

eNPS is measured by a scoring range of -100 to 100. For context, organizations that score 30 are considered as trending positively. Our eNPS score is part of our organizational scorecard, a metric that measures the health of our organization. Last year, our target was 30 and [we achieved a score of 43](#). In 2024, our target is 40.

In 2023, we introduced a second metric to measure job satisfaction – the employee engagement score. This is measured based on the overall positive ratings of 13 questions that are asked consistently each survey period. A positive rating is defined as a response of “agree” or “strongly agree”. Based on this methodology, [in 2023 the employee engagement score was 80%](#).





LEADERSHIP TRAINING

Today, half of our leadership team are skilled men and women promoted from our field operations. The other half are the result of meaningful recruitment efforts to find innovative and forward-thinking leaders. Together, they learn from each other, never losing the vital balance between the pragmatic realities of our business and the unexplored potential of what's not yet been considered in our industry sector. Under the leadership of the People & Culture team, we invest in shared learning by using every gathering as an opportunity to build skills, tools, resilience, and collective capacity. We recognize that differences in approach are a strength for CDN, and we demonstrate that our greatest potential is achieved together—as equals working toward a common goal.


1032
HOURS OF LEADERSHIP
TRAINING IN 2023

90 HOURS
OF GROWTH MINDSET TRAINING
FOR MANAGEMENT TEAM 


228 HOURS
EMPLOYEE DEVELOPMENT
LUNCH & LEARNS
& PEER TRAINING SESSIONS

644 HOURS
LEADERSHIP FUNDAMENTALS TRAINING
WITH SOUTHERN ALBERTA
INSTITUTE OF TECHNOLOGY 


70 HOURS
EXECUTIVE LEADERSHIP
TEAM TRAINING



GOVERNANCE



SUPPLY CHAIN AND CANADA'S MODERN SLAVERY ACT

On January 1, 2024, Bill S-211, “Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains” (the Act) came into force in Canada. The Act requires entities, like CDN, to take steps to reduce or mitigate instances of forced labour and child labour in our supply chain. Some of the ways this can be achieved is through annual reporting, training, policy development and due diligence processes.

CDN began preparing for this requirement within our 2023 year and submitted the required reporting to the Federal government in May 2024, outlining the measures we have taken to prevent and reduce the risk of the use of forced labour and/or child labour in our supply chain, including:

- Supply chain mapping activities;
- Internal assessment of risks of forced labour and/or child labour in our activities and supply chains;
- Action plans for addressing forced and/or child labour;
- Policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in our activities and supply chains;
- Auditing of suppliers;
- Training plans for key functions within the organization including senior and executive management and procurement teams.

The full report is available on CDN's website in the ESG reporting section.

GOVERNANCE POLICIES

Given our structure as a private entity, we do not have publicly stated targets linked to Executive compensation, unlike some public corporations. As we continue to implement additional levels of sophistication to our governance structure and approach, we recognize the need for additional focus on relevant policy development to support robust performance. Currently, this is guided by the following active policy and procedures:

- Code of Conduct
- Conduct and Behaviour
- Workplace Harassment
- Workplace Violence
- Personal Information Protection
- Computer, Email, and Internet use
- Conflict of Interest

WHISTLEBLOWER REPORTING

We have established a mechanism for employees or stakeholders to report unethical, illegal, or harmful activities. We understand whistleblowers play a role in ensuring the accountability, trust, and transparency of any organization.

We welcome all feedback and information to whistleblower@cdncontrols.ca.



CYBERSECURITY

Managing and mitigating cybersecurity risk to our business remains a priority and an integral aspect of our IT security program. This year, our focus has been on the following:

- Advancing third-party engagement to monitor the performance of our network and server infrastructure and to securely manage, maintain, and monitor our redundancy back-ups
- Conducting regular security audits and ongoing disaster recovery simulations with our internal stakeholders and third-party partners to identify and assess vulnerabilities in our infrastructure and processes
- Producing and sharing a monthly cyber security scorecard reporting to monitor various areas including Security Information and Event Management (SIEM) alarms, security incidents, back-up performance, and email phishing awareness
- Expanding of our internal cyber-security training to employees to strengthen our protection and defence against external cybercriminals



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