

Energy That Performs.  
Responsibility That Endures.

**KINETICOR**

| 2024 ESG Report





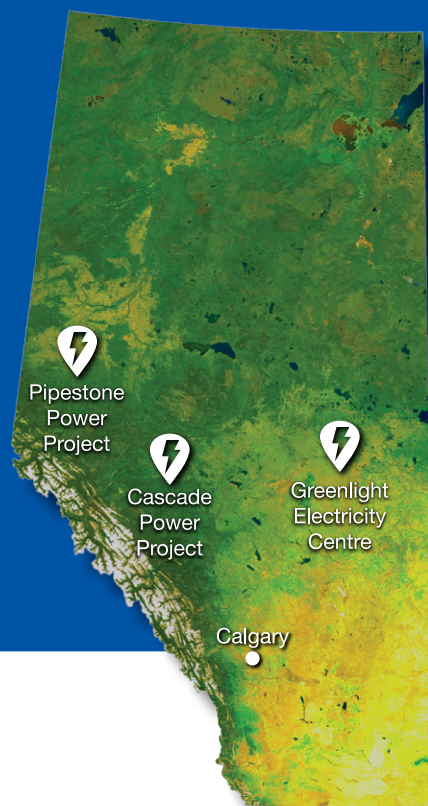
# Contents

- ABOUT KINETICOR**..... 3
- 2024 HIGHLIGHTS** ..... 3
- MESSAGE FROM OUR CEO** ..... 4
- PROJECTS**..... 5
  - Pipestone Power Project..... 5
  - Cascade Power Project ..... 6
  - Greenlight Electricity Centre..... 7
- OUR APPROACH TO SUSTAINABILITY**..... 8
- OUR PRIORITIES** ..... 9
- ENVIRONMENT** ..... 10
  - Emissions..... 10
  - Water ..... 11
  - Energy Transition ..... 12
  - Waste Management..... 12
  - Environmental Preservation ..... 12
  - Biodiversity ..... 13
- SOCIAL** ..... 14
  - Health & Safety ..... 14
  - Employee Development & Wellness..... 15
  - Equity, Diversity, & Inclusion (EDI)..... 16
  - Communities & Partnerships ..... 17
- GOVERNANCE** ..... 18
  - Good Governance..... 18
  - Data Protection & Cybersecurity ..... 19
  - Anti-corruption & Ethical Business Practices ..... 20
  - Supply Chain Management ..... 21
- APPENDICES** ..... 22

# About Kinetikor

Kinetikor specializes in the development, ownership, and operation of power generation facilities, primarily serving the Alberta region. However, our solutions are designed with scalability in mind, with the potential for transferability across Canada in the future. Leveraging advanced technology and innovative methodologies, we aim to provide efficient and dependable energy solutions that foster economic growth while prioritizing both environmental sustainability and strong stakeholder relations.

With a focus on cultivating partnerships with corporate entities in need of power expertise and capital for project development, Kinetikor is headquartered in Calgary, Alberta. We prioritize power projects that offer dependable, efficient, and cost-effective energy solutions.



## 2024 Highlights

### Launched a \$25,000 Indigenous Scholarship Program

In partnership with Indspire, we established an annual scholarship to support post-secondary education for Indigenous students, reinforcing our commitment to advancing reconciliation and fostering opportunities in the communities where we operate.

### Invested in Local Communities and Youth

We provided financial support to local organizations including the Edson Food Bank, Local Schools, and Youth Sports, helping to address food security, education, and youth development. These initiatives reflect our belief that strong communities are the foundation of sustainable growth.

### Cascade Power Project Commenced Commercial Operations

Our flagship 900 MW Cascade Power Project achieved commercial operations in 2024. This facility now supplies over 8% of Alberta's electricity demand while delivering up to 62% lower CO<sub>2</sub> emissions per MWh compared to traditional coal-fired generation – cementing our role in Canada's energy transition.

### Upgraded IT and Cybersecurity Infrastructure

We strengthened our digital backbone through the deployment of a new server, upgraded IT infrastructure, and enhanced cybersecurity protocols – ensuring the resilience and security of our operations, employees, and partners.

### Advanced Development of the Greenlight Electricity Centre

We made significant progress in planning and advancing the Greenlight Electricity Centre, a next-generation power facility that builds on our proven track record of delivering reliable, efficient, and lower-emission energy solutions.

# Message from our CEO

Since our founding in 2013, Kinetikor has been unwavering in our pursuit of transformative power generation – anchored not only in delivering electricity, but in championing sustainable practices that respect the environment, uplift communities, and support our employees.



2024 marked a significant milestone for Kinetikor. Most notably, the Cascade Power Project, our 900 MW combined-cycle natural gas-fired facility in Yellowhead County, began commercial operations in 2024. Cascade now generates over 8% of Alberta's average electricity demand, while delivering approximately 62% lower CO<sub>2</sub> emissions per MWh compared to coal-fired plants, and at least 30% lower than coal-to-gas conversions. This facility reinforces our leadership in cleaner, responsive generation technology integral to advancing Alberta's energy transition.

We also advanced in our ESG journey through continued governance and stakeholder engagement. The Sustainability Working Committee remained our guiding compass – ensuring ESG priorities seamlessly inform decision making. Building on our 2022 materiality assessment, we maintained alignment with global reporting standards (GRI and SASB) and the United Nations Sustainable Development Goals.

Looking ahead, Kinetikor is laying the groundwork for a comprehensive Scope 3 carbon footprint assessment, beginning with projects under our direct control. We have engaged third party consultants to support verification and compliance reporting. In parallel, we are further developing the Cascade carbon capture initiatives and the Greenlight Electricity Centre, with ambitions to quantify their environmental and operational improvements in coming years.

Our ESG strategy – steered by transparency, accountability, and continuous progress – remains the backbone of our corporate philosophy. With unwavering focus, we affirm our commitment to environmental stewardship, social equity, and robust governance as we forge ahead.

I extend my sincere gratitude to our employees, partners, and shareholders – your dedication accelerates our mission for a cleaner, more sustainable energy future. Together, we will continue to lead and innovate in the energy transition, creating long-lasting value for all.

Thank you for your trust and shared vision.

Sincerely,  
Andrew Plaunt

# Projects

Kinetikor remains committed to advancing the development of our primary projects, each of which achieved substantial milestones in 2024. Our success would not have been possible without the exceptional dedication of our construction partners and project teams, whose expertise and commitment to excellence brought these complex projects safely and efficiently to life.

## **Pipestone Power Project**

Our efforts at the Pipestone Power Project involve a 32-megawatt cogeneration facility, supplying power and heat to Tidewater Midstream's gas plant in Alberta's Montney region. Initiated in 2020, this project utilizes waste heat recovery technology, eliminating reliance on grid energy and reducing overall energy costs. Notably, Tidewater Midstream sold the Pipestone natural gas plant to AltaGas in December, 2023.





### Cascade Power Project

The Cascade Power Project continues to drive low-carbon energy generation, reinforcing Kinetikor’s commitment to sustainability, innovation, and operational excellence. Through strategic initiatives and technological advancements, the project is strengthening Alberta’s energy landscape while aligning with broader decarbonization goals.

#### Operational Milestones & Grid Integration

Cascade Power has reached key operational milestones, further positioning the facility as a reliable and efficient contributor to Alberta’s power grid.

- Successfully delivered our first megawatt (MW) to the grid in January 2024.
- Achieved full commercial operations in Q3 2024, marking a significant milestone in Alberta’s transition to lower-carbon power generation.

#### Carbon Capture & Sustainability Initiatives

As part of Kinetikor’s commitment to reducing emissions and enhancing sustainability, the project has integrated forward-looking carbon capture solutions and continues to monitor environmental performance.

- Advanced our Carbon Capture Utilization and Storage (CCUS) initiative, securing \$1.6 million in sponsor funding in 2023 to explore on-site carbon capture technologies, positioning Cascade as a net-zero-ready facility.
- Currently validating environmental performance data to assess emission reductions and operational efficiencies.

#### Facility Expansion & Performance Enhancements

To further optimize energy output and operational efficiency, Cascade Power is undergoing upgrades while maintaining a strong focus on safety and performance excellence.

- NAES, our operations and maintenance partner, reported exceptional safety performance in 2024, reinforcing Kinetikor’s commitment to a safe and reliable workplace.
- Finalizing key operational metrics, including total megawatt-hours (MWh) generated and natural gas consumption data, to further demonstrate efficiency and sustainability.



### Safety Performance Highlights

At Kinetikor, safety remains a core value, ensuring that Cascade Power operates with the highest safety standards, proactive risk management, and continuous employee training. Our unwavering focus on workplace safety and operational excellence has resulted in an outstanding safety record for 2024.

	<b>Zero Lost Time Incidents (LTI):</b> No incidents resulted in lost workdays throughout the year.
	<b>Zero Recordable Injuries:</b> No OSHA recordable injuries were reported.
	<b>Near Misses Documented:</b> 13 near misses were identified and addressed through proactive safety measures.
	<b>Extensive Employee Training:</b> 424 NAES training hours dedicated to reinforcing safety best practices.
	<b>Total Work Hours:</b> <ul style="list-style-type: none"> <li>• NAES Work Hours: 46,025.77</li> <li>• O&amp;M Contractor Work Hours: 20,664.95</li> </ul>
	<b>Injury Incident Rate (IIR):</b> 0.00, maintaining a perfect safety record.



## Greenlight Electricity Centre

The Greenlight Electricity Centre represents a pivotal step in advancing Alberta's low-carbon energy future. Initiated in 2022, the project achieved a major milestone in 2025 with the formation of a strategic partnership with Pembina Pipeline Corporation, strengthening both its development capacity and long-term impact.

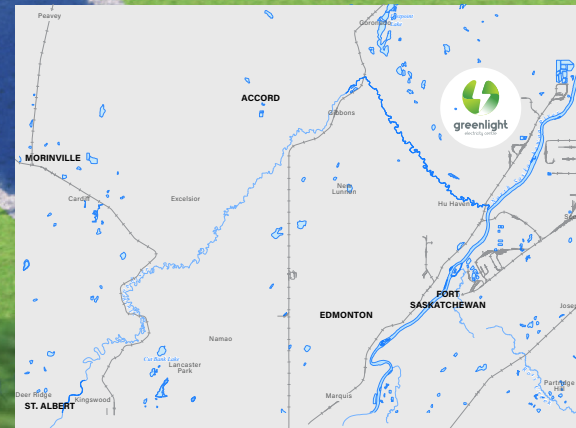
Planned as an 1,864-megawatt natural gas-fired combined cycle facility, the Centre will be developed in multiple phases on 160 acres in Alberta's Industrial Heartland, northeast of Edmonton, designed to advance Alberta's innovation economy. The design emphasizes efficiency and environmental performance, featuring advanced industrial turbines, waste-heat recovery through a steam turbine, and future-ready infrastructure to integrate carbon capture and storage technologies. With this configuration, the facility is expected to capture over 90% of carbon emissions once CCS is in operation. The project will be developed in two to three phases and is positioned to be a cornerstone of Alberta's energy future – supporting the province's digital transformation, economic growth, and long-term decarbonization objectives.

The facility will leverage modern, high-efficiency industrial turbines fuelled by natural gas, capturing waste heat to generate additional electricity through a steam turbine. Importantly, the infrastructure has been designed with the capability to integrate carbon capture technology in the future, providing a pathway to carbon sequestration and further alignment with Canada's net-zero power grid target by 2035.

The Greenlight Electricity Centre will deliver wide-ranging benefits:

- **Environmental leadership:** A state-of-the-art combined cycle design that maximizes efficiency, reduces emissions intensity, and incorporates carbon capture readiness to ensure long-term sustainability.
- **Economic growth:** Over 40 permanent skilled jobs, significant employment during construction, and lasting contributions to Alberta's GDP through investment and innovation.
- **Community value:** Reliable, lower-emissions electricity to meet Alberta's growing demand, while fostering opportunities for technological innovation and digital infrastructure growth through the integrated data centre.

Together, these features make the Greenlight Electricity Centre not only a landmark energy project but also a catalyst for economic development, technological advancement, and meaningful progress toward a more sustainable and future-ready power grid.



# Our Approach to Sustainability

Our commitment to sustainability powers the present while respecting future generations. We focus on efficient and responsible power generation, fostering inclusion and innovation in our work environment. At Kinetikor, we are dedicated to integrating sustainability principles into our business, decision-making, and daily activities.

Guided by our Sustainability Working Committee, composed of diverse individuals across our organization, we ensure a comprehensive approach to ESG. This committee provides updates to Kinetikor's leadership, outlining specific efforts and effective management of our ESG priorities.



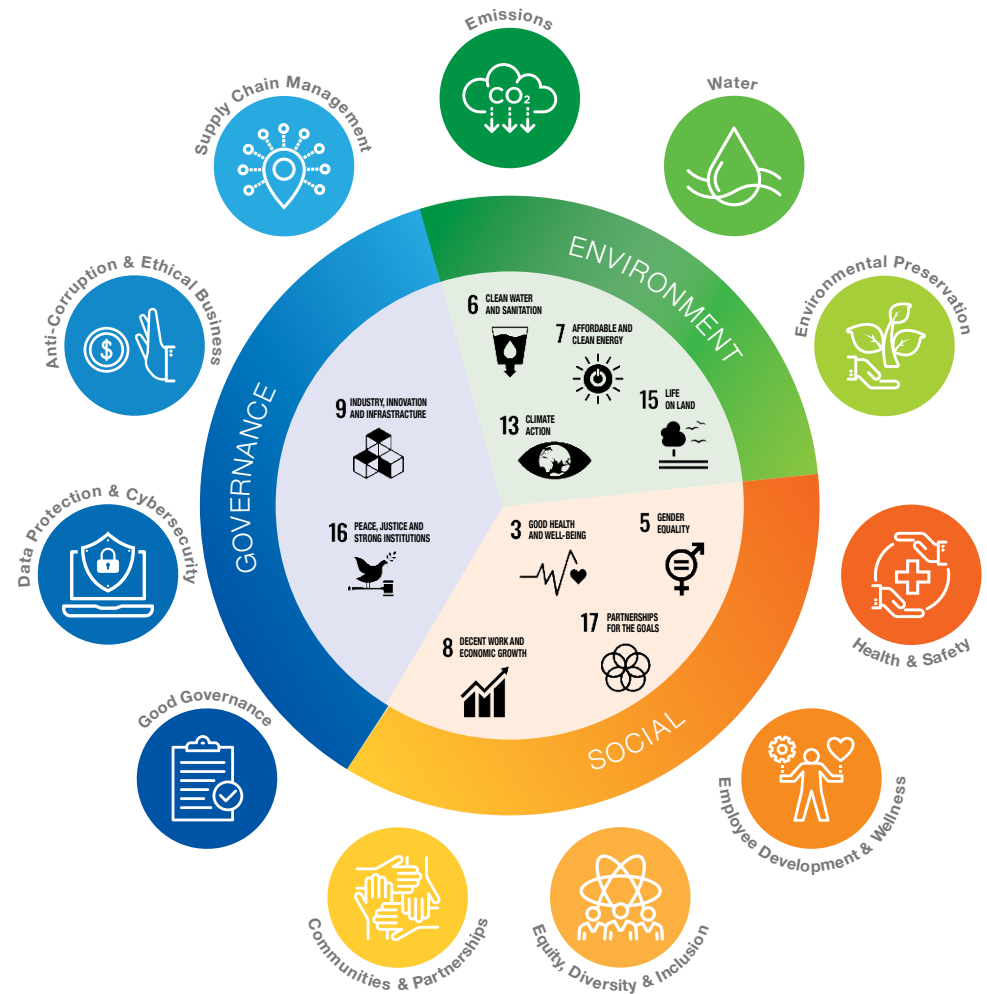
# Our Priorities

Kineticator has conducted a thorough assessment of its operations, identifying key ESG priorities essential to its business, while taking into account the viewpoints of both internal and external stakeholders. Kineticator has diligently identified ten fundamental ESG priorities that are integral to its business model. Through a collaborative process involving input from both internal stakeholders, such as employees and management, and external stakeholders, including investors, communities, and regulatory bodies, Kineticator has ensured a comprehensive understanding of the key areas requiring attention and improvement.

Furthermore, Kineticator’s mission and strategic objectives are deeply intertwined with the goal of advancing Alberta’s Energy Transition. By aligning its activities with the United Nations Sustainable Development Goals (SDGs), Kineticator aims to contribute significantly to the global efforts toward sustainability. This alignment underscores the company’s commitment to not only achieving operational excellence but also making meaningful contributions to broader societal and environmental goals. Through its strategic focus on sustainability and responsible business practices, Kineticator seeks to play a pivotal role in shaping a more sustainable energy future for Alberta and beyond.

## Materiality Assessment

Kineticator conducted a materiality assessment to frame our ESG report content for 2022 and onwards. Kineticator enlisted ESG-focused third-party guidance and referenced both the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) standards to complete our assessment in three stages: topic identification, prioritization, and validation. In addition, we have aligned our sustainability efforts with the United Nations Sustainable Development Goals to help us focus on the key areas where our company and operations can have a positive impact on the implementation of these goals.



## ENVIRONMENT:

Kinetikor is committed to minimizing our environmental impact through effective management programs. We adhere to industry standards and regulations, managing emissions, water use, waste, and biodiversity responsibly as part of our environmental stewardship strategy.

# Emissions

### COMMITMENT

- **Build Resilience Action Plan:** Cascade will introduce mitigation measures related to Energy Transition risks once an evaluation is completed.

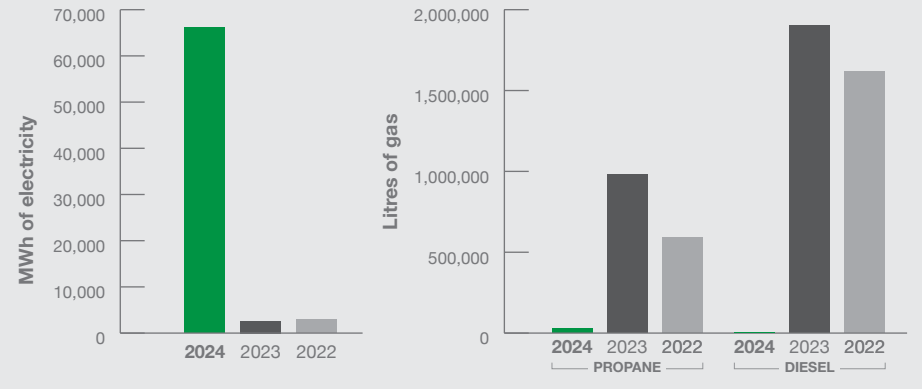
Over the next two years, Kinetikor is working to determine a carbon footprint assessment that will evaluate the Scope 3 emissions for projects under Kinetikor site control to enable better management of emissions. We have engaged two third-party consultants to support our verification and compliance reporting efforts.

As the Cascade project is the only operational project under full control of Kinetikor, we have focused our efficiency upgrade efforts within this project scope. We continuously monitor emissions along with fuel and electricity consumption at the Cascade Power Plant, which enables management and remediation for emission anomalies or concerns.

Cascade's Carbon Capture, Uptake and Storage initiative and the Greenlight Electricity Centre are both in early development, but we are eager to quantify their respective impacts and improvements in the coming year.

### CASCADE POWER PROJECT

#### Energy Consumption



## ENVIRONMENT:

# Water

### COMMITMENT

- Focus on continuous improvement related to water consumption and water source through Cascade's construction phase and into the operations phase.

Water conservation and reducing reliance on freshwater sources are areas of significant focus for Kinetikor. From the outset of our projects, including the development of the Cascade Power Project, we prioritize water optimization to address water scarcity concerns. In 2024, our on-site well at the Cascade Power Project provided 57,978 m<sup>3</sup> of water. We maintain three wells on-site: one production well and two observation wells, with one observation well equipped with a pump as a backup. At the Cascade Power Project, water serves various essential purposes, including boiler feedwater in the steam cycle, firewater, and potable water systems. Recognizing the importance of water purity and sustainability, we are contemplating the integration of stormwater reserves and a water treatment plant right at the project site. This proactive approach aims to optimize water usage to meet the specific needs of the plant while minimizing environmental impact and ensuring long-term water resource sustainability.

Continuous monitoring of water withdrawals ensures compliance with regulatory standards set by the Alberta Energy Regulator, providing valuable insights into daily water consumption. However, it is important to note that our current water permit may not cover water needs during extreme temperature conditions. Therefore, we are actively collaborating with Alberta Environment and Protected Areas to be able to utilize water from a stormwater pond.

In response to the recent Edson fire incident, we have taken proactive measures to enhance our emergency preparedness protocols. Specifically, we have developed comprehensive emergency plans delineating the strategic use of water resources in the event of a fire or any other emergency scenario. These plans include the deployment of specialized pumps and hoses, strategically positioned for optimal accessibility and effectiveness. Moreover, we are leveraging resources such as stormwater ponds and clear feeds to bolster our water supply capabilities, ensuring robust contingency measures are in place to address any unforeseen emergencies with efficiency and efficacy.



## ENVIRONMENT:

# Environmental Preservation

In our ongoing commitment to environmental stewardship, Kinetikor acknowledges the necessity for additional metrics in waste generation and local biodiversity impacts. We aim to establish robust processes for tracking and reporting data, fostering a deeper understanding of our impacts, and strengthening our disclosure initiatives.

### Energy Transition

#### COMMITMENT

- Kinetikor remains committed to diligently examining prospective regulatory frameworks and accompanying carbon compliance risks and opportunities.

In alignment with the global push for decarbonization, Alberta's electricity system is undergoing significant changes. Kinetikor stands at the forefront of this transition, dedicated to facilitating Alberta's Energy Transition journey towards low-emission, reliable power. As the province shifts from coal-fired power to embrace renewables and net-zero energy sources, we are poised to play a key role in shaping a more sustainable energy landscape for Alberta.



### Waste Management

#### COMMITMENT

- Refine data tracking process for waste disposal to improve disclosure and inform us in developing a reduction target.

In alignment with the commitment established in 2022, Kinetikor has continued to strengthen its waste management practices and data tracking processes to improve disclosure and support the development of a measurable reduction target.

In 2024, following the transition of operational responsibility for the Cascade Power Project, Kinetikor implemented a structured process to capture and quantify waste disposal metrics. The new system allows for consistent tracking of both hazardous and non-hazardous waste streams, ensuring all materials are properly managed in compliance with environmental regulations and site approvals.

To further enhance waste stewardship, Kinetikor and NAES are developing a formal Waste Management Program that defines clear responsibilities for on-site personnel and establishes protocols for segregation, storage, transport, and disposal of waste. The program emphasizes proper waste categorization, the use of licensed off-site disposal facilities, and proactive employee engagement to minimize waste generation at the source.

In 2024, all waste generated at Cascade was managed responsibly through licensed third-party providers, with no materials stored on-site for extended periods. Waste streams – including household, cardboard, metals, wood, used oil, and contaminated materials – were safely transported to approved recycling and disposal facilities such as West Yellowhead Landfill, Edson Recycling, Recycle West, Claystone Waste Solutions, and Maple Leaf Metals.

## Biodiversity

### COMMITMENT

- Assess how Kinetikor impacts the surrounding environment and understand how to contribute to protecting wildlife in the areas where Kinetikor operates.

Kinetikor recognizes the critical intersection between industrial operations and biodiversity conservation. As global biodiversity declines, we remain committed to minimizing our environmental footprint, preserving local ecosystems, and actively contributing to the protection of wildlife in the areas where we operate. Our approach is centered on proactive impact assessments, responsible land use, and mitigation efforts to ensure the long-term health of surrounding habitats.

As part of our ongoing commitment to environmental stewardship, Kinetikor undertook a strategic initiative in 2024 to enhance site resilience and mitigate potential wildfire risks, ensuring the safety of both our facility and the surrounding ecosystem.

#### Firebreak Tree Clearing Initiative:

- Completed a 100-meter firebreak along the east and north sides of the Cascade Power facility.
- Obtained a Temporary Field Access Permit to responsibly clear sections of Crown land while ensuring minimal disruption to native flora and fauna.
- The initiative successfully mitigated fire hazards, with no wildfire impacts recorded in the area following completion.



## SOCIAL:

Kinetikor prioritizes empowering our people. We are committed to fostering a culture rooted in health and safety, diversity, innovation, and community support.

# Health & Safety

## COMMITMENT

- Always strive toward zero safety-related incidents. Ensuring the well-being and safety of our people and community lies at the core of our corporate values. We maintain an unwavering commitment to upholding industry-leading health and safety practices and continuously strive for excellence in performance.

Our management team leads by example – ensuring that safety, health, and inclusivity remain central to every decision. Comprehensive training programs equip employees and contractors with the skills, knowledge, and confidence to perform their work safely, while robust policies, procedures, and monitoring systems reinforce adherence to best practices and regulatory standards.

In 2024, our Total Recordable Incident Rate (TRIR) was 0.31, encompassing both direct and contract employees – an exceptional outcome given the scale of operations. During peak construction at the Cascade Power Project, more than 1,100 personnel were on site, representing over 4.5 million total hours worked. Despite this magnitude, we recorded zero Lost Time Injuries (LTIFR 0.00) and zero fatalities, demonstrating the strength of our safety management systems and on-site leadership.

Our proactive approach extends to near-miss reporting, ensuring that potential hazards are promptly identified, documented, and mitigated. Monthly safety reports track and analyze leading and lagging indicators – including TRIR, fatality rate, and near-miss frequency – providing transparency and driving continuous improvement.

## CASCADE POWER PROJECT SAFETY STATS

(including Employees and Operators)

	2024	2023	2022
TRIR (Total Recordable Injury Rate)	0	0.26	0.31
LTIFR (Lost Time Injury Frequency Rate)	0	0	0
Site employees trained on safety (%)	100	100	100
Mandatory safety training for all site visitors (%)	100	100	100
Hours of employee safety training	600	6,595	183
Number of contractors trained on safety	90	321	965

In recognition of this commitment to excellence, Kinetikor and the Cascade Power site received the 2024 NAES Safe Rising Star Award, granted to facilities that demonstrate significant safety advancement and leadership within the year. Cascade's Hazard Identification Program, introduced as the site's 2024 Safety Initiative, played a central role in this achievement. The program proactively identifies and eliminates hazards before they escalate into incidents, reinforcing a culture of prevention, accountability, and continuous learning.

These achievements underscore Kinetikor's commitment to maintaining a safe, inclusive, and high-performing workplace. As we transition from construction to steady-state operations, we continue to prioritize innovation, safety leadership, and environmental stewardship – supporting the delivery of sustainable, reliable, and lower-emission energy solutions across Alberta's power sector.



## SOCIAL:

# Employee Development & Wellness

### COMMITMENT

- Continual evaluation of employee benefit programs and training opportunities for career development.

At Kinetikor, we recognize that our people are the foundation of our success. We are committed to fostering a dynamic and inclusive workplace where employees feel valued, supported, and empowered to grow. By maintaining high ethical standards and self-regulation, we continuously strengthen our corporate culture, including the launch of a new ethics training program in 2024.

### Building a Strong, Connected Team

Our approach to employee engagement emphasizes collaboration, continuous improvement, and meaningful connection through:

- **Quarterly On-Site Retreats:** Every 90 days, all team members come together to align on corporate objectives, review the past quarter, and set new department-specific goals for the next quarter.
- **Annual Christmas Celebration:** An opportunity for our team to reflect, celebrate accomplishments, and strengthen connections in a relaxed, festive setting.
- **Future Off-Site Retreats:** While no off-site retreats were scheduled in 2024, we remain committed to reintroducing them as a valuable component of our team-building initiatives.

### Commitment to Employee Well-Being

In addition to fostering a collaborative environment, Kinetikor prioritizes work-life balance, professional growth, and employee satisfaction through:

- **Flexible Remote and Work Hours:** Providing employees with autonomy to manage their schedules while ensuring seamless collaboration.
- **Enhanced Parental Leave:** Offering extended leave beyond legal requirements to support employees during significant life transitions.
- **Volunteering Support:** Encouraging employees to engage in charitable initiatives during paid work hours.
- **Open Communication:** Maintaining regular engagement through internal platforms, company newsletters, and leadership updates.
- **Team-Building & Social Events:** Creating opportunities to strengthen relationships through organized activities outside of work.
- **Progressive Vacation Policy:** Offering additional paid time off to promote well-being, work-life balance, and rejuvenation.

### Sustaining a Strong, Loyal Workforce

Kinetikor is proud to maintain an exceptional employee retention rate, with the majority of our team remaining with the company for over a decade. This longevity is a testament to our positive work culture, investment in employee development, and commitment to fostering an environment where individuals can thrive both professionally and personally.

By continuing to cultivate a supportive and engaging workplace, we reinforce our long-term success and sustainability as an organization.

## SOCIAL:



# Equity, Diversity, & Inclusion (EDI)

## COMMITMENT

- Fostering an equitable and inclusive workplace.

At Kinetikor, equity, diversity, and inclusion (EDI) are not just guiding principles – they are core values woven into our culture and decision-making. We are committed to creating an environment where every individual is treated with fairness, dignity, and respect, and where all employees have equitable opportunities to thrive.

### Building an Equitable Workplace

Our commitment to equity in the workplace extends beyond policies – it is embedded in our culture and daily operations. We actively work to remove barriers, create equal access to opportunities, and ensure fair treatment in hiring, career development, and leadership representation. By fostering a workplace that welcomes diverse backgrounds, perspectives, and experiences, we cultivate an environment where collaboration, innovation, and success flourish.

### Inclusive Hiring & Advancement Practices

We are dedicated to attracting, retaining, and promoting a workforce that reflects the diverse communities in which we operate. To achieve this, we:

- Implement inclusive recruitment strategies that give underrepresented candidates equitable access to opportunities.
- Ensure hiring and advancement practices are free from bias, focusing on skills, potential, and diverse perspectives.
- Create leadership pathways that reflect diversity at every level of the organization.

### A Culture of Belonging

An inclusive workplace is more than just policies – it is about fostering a culture where everyone feels respected, heard, and empowered. Kinetikor nurtures this sense of belonging through:

- Open dialogue and continuous learning on EDI topics.
- Employee-led initiatives that encourage participation in diversity-focused programs.
- Workplace flexibility that accommodates the diverse needs of our employees.

### Commitment to Continuous Growth

We recognize that achieving true equity and inclusion is an ongoing journey. Our dedication to continual learning, active engagement, and meaningful change ensures that diversity remains a strength, not just a goal.

By championing equity and inclusion at every level, Kinetikor is not only building a stronger company but also contributing to a more diverse and innovative energy industry.

## SOCIAL:

# Communities & Partnerships

### COMMITMENT

- We are committed to providing direct support to every community we operate in.

At Kinetikor, we recognize that collaboration and long-term partnerships are essential to achieving sustainable success. We are committed to fostering meaningful relationships with all stakeholders – including Indigenous communities, local governments, and industry partners – to drive positive economic and environmental outcomes.

### Commitment to Indigenous Partnerships

We are honored to continue our partnerships with the local First Nations of the Cascade Power Project, working together to create shared prosperity. Acknowledging the significance of the traditional territories in which we operate, we prioritize early, transparent, and meaningful engagement with Indigenous communities to ensure alignment and long-term success.

Our commitment extends beyond consultation – we actively invest in economic development, skills training, and education. During the construction phase of the Cascade Power Project, Kinetikor proudly contributed over \$40 million in contracts to First Nation businesses, strengthening local economies and fostering job creation.



To further support Indigenous communities, we launched the Building Brighter Futures Scholarship Program in partnership with Indspire, providing an annual \$25,000 scholarship to Indigenous students in Alberta. The program covers 63.44% of total financial need for its recipients, ensuring that financial barriers do not hinder access to post-secondary education. We are pleased to confirm that this initiative will continue in 2025, reinforcing our commitment to empowering future generations.

### Strengthening Local Community Engagement

Beyond our direct partnerships with Indigenous groups, Kinetikor is dedicated to supporting local communities through outreach programs and philanthropic contributions. Recent initiatives include:

- Ongoing support for community food security, including a donation to the Edson Food Bank in December 2024.
- Financial contributions to children's programs in Invermere and Penticton, helping to provide resources and opportunities for youth development.
- Completion of an Open House in October 2024, where we engaged with ICS Nations to provide project updates and gather feedback.
- Ongoing commitment to transparency, with the issuance of a quarterly report in December 2024, and a plan to continue providing quarterly updates to ICS Nations moving forward.

### Driving Sustainable Energy Solutions

Our partnerships extend beyond community engagement to include collaborations with natural gas producers, supporting the transition to a lower-carbon energy future. By working together, we are advancing the role of natural gas in power generation while contributing to the decarbonization of Canada's energy grid.

Through these initiatives, Kinetikor continues to demonstrate our deep commitment to ethical business practices, Indigenous inclusion, and community-driven progress. As we move forward, we will remain focused on meaningful engagement, sustainable investments, and long-term partnerships that create value for all stakeholders.

## GOVERNANCE:

Integrity has been ingrained in our business from the outset. With strong governance and dedicated leadership, we have established a solid foundation to enhance our ESG performance and transparency.

# Good Governance

### COMMITMENT

- We are dedicated to ensuring robust governance practices, particularly in our approach to data protection and cybersecurity.

Kineticor prioritizes strong governance practices to uphold transparency, accountability, and ethical conduct across our operations. Our comprehensive set of governance documents serves as guiding principles for the organization, ensuring effective oversight and decision-making. These encompass our Code of Ethics, Committee Charters, Board of Directors Terms of Reference, Corporate Governance Guidelines, Legal Authorities and Spending Limits, Position Descriptions, Health, Safety & Environment Policy, Whistleblower Policy, Corporate Approval Policy, Respectful Workplace Policy, and Diversity & Inclusion Policy. These documents collectively form the framework for our governance structure, aligning with best practices and fostering a workplace culture grounded in integrity and responsibility.

Kineticor adheres to robust governance practices to ensure transparency, accountability, and ethical conduct across our operations. Our governance framework encompasses:

- **Code of Ethics:** Sets standards for ethical behavior, integrity, and compliance.
- **Committee Charters:** Defines roles, responsibilities, and objectives for oversight and decision-making.
- **Board of Directors Terms of Reference:** Outlines composition, responsibilities, and operating procedures.
- **Corporate Governance Guidelines:** Establishes principles and practices for governance structure alignment with best practices.

- **Diversity & Inclusion Policy:** Fosters a diverse and inclusive workplace, guiding recruitment, retention, and professional development practices.
- **Legal Authorities and Spending Limits:** Clearly defined limits for decision-making and financial management.
- **Position Descriptions:** Provides clarity and accountability for roles and responsibilities.
- **Health, Safety & Environment Policy:** Commitment to maintaining a safe and healthy work environment.
- **Whistleblower Policy:** Encourages reporting of illegal or unethical conduct without fear of retaliation.
- **Corporate Approval Policy:** Guidelines for obtaining necessary approvals for corporate actions.
- **Respectful Workplace Policy:** Promotes a culture of respect, inclusion, and fairness.
- **Maternity, Parental and Adoption Leave Policy and Procedures**
- **Anti-Corruption Policy**
- **Drug, Alcohol and Substance Use Policy**
- **Cybersecurity Policy**
- **ESG Incident Reporting & Investigation Policy**
- **Verification of Formal Labour Agreements for Subcontractors Procedures**

## GOVERNANCE:

# Data Protection & Cybersecurity

### COMMITMENT

- We are committed to fortify our cyber defenses and elevate our IT infrastructure.

At Kinetikor, safeguarding our people, partners, and operations is a responsibility we take seriously. As cybersecurity threats continue to evolve, we remain steadfast in our commitment to proactively enhancing our IT infrastructure and protecting sensitive information. Over the past year, we have invested in significant upgrades that not only strengthen our defenses and ensure operational resilience, but also reinforce the trust placed in us by our stakeholders. Importantly, throughout this period, Kinetikor has experienced no breach of cybersecurity – a testament to both our preventative measures and the vigilance of our teams.

### Advancements in IT Security & Infrastructure

Building on our prior commitments, we have modernized our IT systems to enhance both security and efficiency. Key improvements include:

- **Deployment of a New Server:** Replacing our legacy physical server to improve data security, reliability, and operational efficiency.
- **Multi-Factor Authentication (MFA):** Strengthening access controls to protect critical systems and sensitive information.
- **Comprehensive Device Management:** Implementing Microsoft Intune Management, enabling centralized oversight and enhanced data protection across all company devices.
- **Enhanced Email Security:** Introducing Proofpoint Essentials, a robust email security system designed to mitigate phishing, malware, and other cyber threats.

### Ongoing Commitment to Cyber Resilience

Kinetikor recognizes that cybersecurity is an ongoing priority. To stay ahead of emerging threats, we continue to:

- **Maintain Cybersecurity Insurance Policies** to safeguard against potential risks.
- **Regularly Assess and Strengthen IT Governance** to align with best practices and industry standards.
- **Enhance Remote Work Security** by integrating advanced security protocols that ensure seamless and protected access for employees.

With these enhancements in place, Kinetikor has significantly improved its cyber resilience and IT governance, reinforcing our ability to protect operations, stakeholders, and sensitive data. As we look ahead, we remain dedicated to adapting to the evolving digital landscape and continuously strengthening our security posture.



## GOVERNANCE:

# Anti-corruption & Ethical Business Practices

### COMMITMENT

- We are committed to ongoing training in anti-fraud, anti-bribery, and anti-corruption measures, as well as maintaining a supply chain network that adheres to our organizational values.

Kinetikor is dedicated to combatting corruption and upholding the highest ethical standards in our business practices. Our approach involves implementing robust policies to ensure strict compliance with anti-corruption laws, fostering an environment of integrity and fairness.

At the core of our strategy is the Anti-Corruption Policy, serving as a stringent framework that unequivocally prohibits bribery, corruption, and unethical practices. This policy outlines explicit guidelines for employees and stakeholders, emphasizing the critical importance of adherence to both legal and ethical standards.

Communication is key in our anti-corruption efforts. We prioritize regular communication to all stakeholders. Our training programs offered to staff are designed to heighten awareness and understanding of anti-corruption measures, fostering a corporate culture rooted in compliance and accountability.

These measures reflect our unwavering dedication to maintaining the utmost standards of ethical conduct, championing transparency, and ensuring the integrity of our business practices. We are proud to share that we have achieved our 2022 commitment and all Kinetikor employees completed an additional ethics training course which focused on anti-fraud, bribery and corruption related to ensuring we maintain the highest ethics standards within our organization. Furthermore, we are pleased to report that we have had zero whistleblower incidents, underscoring the effectiveness of our efforts to maintain the highest ethical standards within our organization.



## GOVERNANCE:

# Supply Chain Management

### COMMITMENT

- We are committed to fostering responsible and ethical practices throughout our supply chain.

At Kinetikor, we are committed to fostering responsible, ethical, and community-focused practices throughout our supply chain. Upholding the highest standards of integrity, we embed robust due diligence into every step of our procurement process and establish clear contractual obligations to ensure suppliers align with our values.

A defining feature of our approach is our dedication to local resourcing. The Cascade project, in particular, demonstrates this commitment by utilizing as many companies from the Edson community and surrounding region as possible. Wherever feasible, we source parts and services locally – many of which were previously procured internationally. This not only strengthens our operational efficiency but also supports local businesses, generates economic opportunities, and reinforces our connection to the communities where we operate.

Beyond location, we carefully evaluate suppliers based on industry references, reputation, and alignment with our values and ethics. Our onboarding process requires suppliers to acknowledge and abide by Kinetikor's principles on human rights, modern slavery prevention, and fair working conditions. We also assess potential risks by considering supplier size, operational footprint, and the environments in which they operate.

Kinetikor's supply chain practices reflect our broader commitment to sustainability and corporate responsibility. By prioritizing local engagement, ethical partnerships, and ESG principles, we mitigate environmental impacts, enhance social well-being, and ensure strong governance across our operations. As we continue to grow, we remain steadfast in pursuing sustainability, innovation, and excellence while creating meaningful long-term value for our stakeholders and communities alike.



## APPENDICES

	2024	2023
<b>Emissions</b>		
Gross global Scope 1 emissions covered under emissions-limiting regulations	100%	100%
<b>Water</b>		
(1) Total water withdrawn		
(2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	110,000 m <sup>3</sup>	57,978 m <sup>3</sup>
Incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	0	4
Water management risks and discussion of strategies and practices to mitigate those risks	Water (page 11)	Water (page 11)
<b>Environmental Preservation</b>		
Land affected with endangered populations	0%	0%
Total Land Use	57.8 Acres	57.8 Acres
<b>Health and Safety</b>		
Management systems used to integrate a culture of safety throughout the value chain and project lifecycle	Site employees have successfully completed safety training under BPC's program, with each individual receiving approximately 0.5 days of instruction.	
Emergency preparedness and response plan (ERP)	NAES has an operational Emergency Response Plan (ERP) filed with the county.	
<b>Employee Development &amp; Wellness</b>		
Measures to promote work-life balance among its employees	Employee Development & Wellness (page 15)	

	2024	2023
<b>Equity, Diversity &amp; Inclusion (EDI)</b>		
Diversity & Inclusion Policies and Support	Equity, Diversity & Inclusion (EDI) (page 16)	
Gender Diversity – Head Office	<b>25% female, 75% male</b>	29% female, 71% male
Full time employees	<b>8 employees</b>	7 employees
Temporary employees	<b>8 contractors</b>	8 contractors
Staff communication and engagement	Employee Development & Wellness (page 15)	
<b>Community &amp; Partnerships</b>		
Projects that include Indigenous partnerships	<b>33%</b>	33%
Employees that have completed Indigenous training	<b>100%</b>	33%
<b>Good Governance</b>		
Description of Board Committee	Good Governance (page 18)	
Description of Governance policies	Good Governance (page 18)	
Description of Board procedures	Good Governance (page 18)	
Independent Directors/Committee chairs	Good Governance (page 18)	
<b>Anti-Corruption &amp; Ethical Business Practices</b>		
Management system for prevention of corruption and bribery throughout the value chain	See Anti-Corruption Policy (page 20)	
Employees that have acknowledged the Code of Conduct	<b>100%</b>	100%
Employees that have acknowledged the Health & Safety Policy	<b>100%</b>	100%
Describe how this acknowledgement is done	Must acknowledge all policies upon initial contract being executed. Planning to implement annual acknowledgment requirements.	
(1) Bribery and corruption in the project bidding processes (2) Anti-competitive behaviour in the project bidding processes	Anti-Corruption & Ethical Business Practices (page 20)	

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