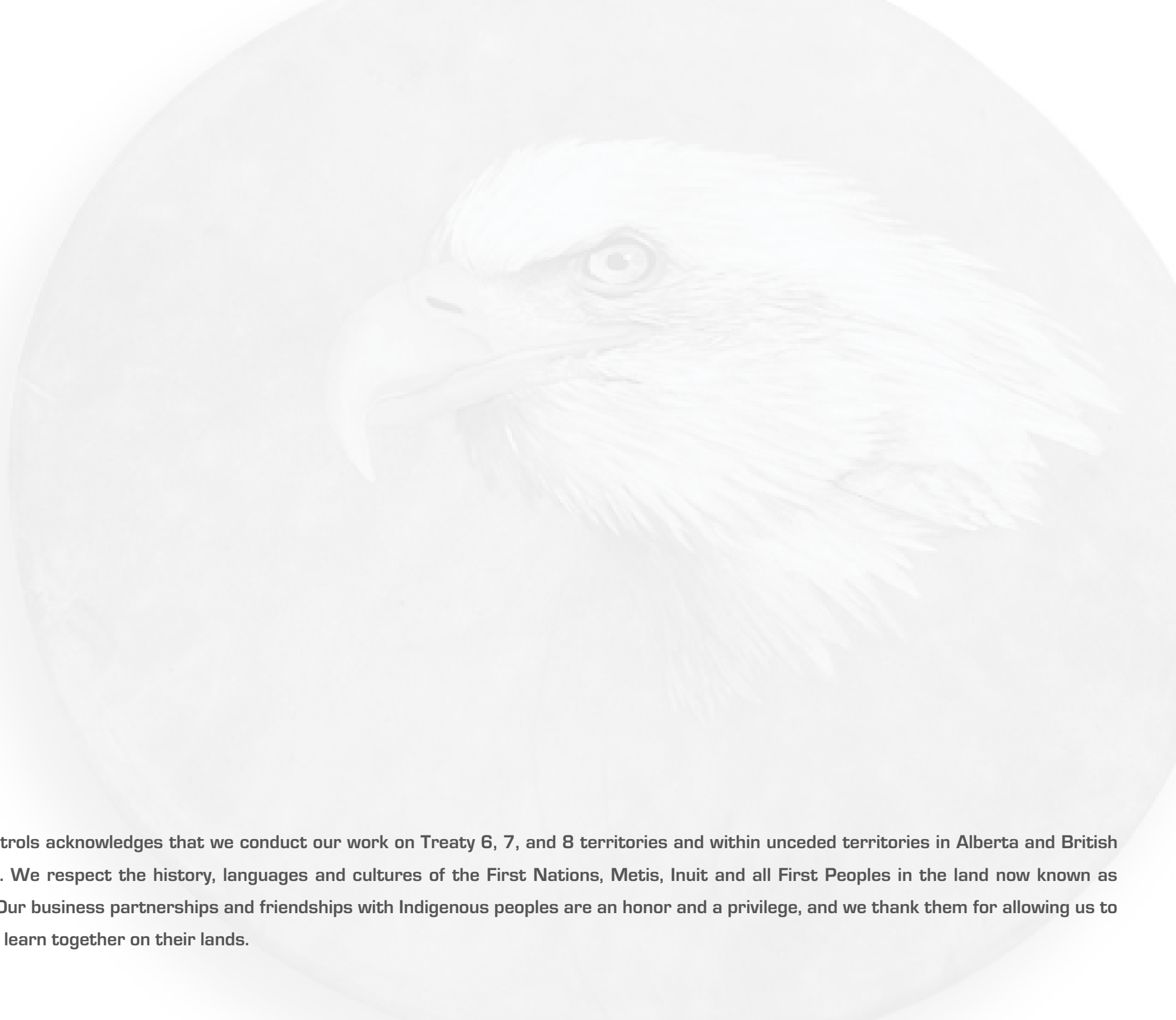


2011

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT





CDN Controls acknowledges that we conduct our work on Treaty 6, 7, and 8 territories and within unceded territories in Alberta and British Columbia. We respect the history, languages and cultures of the First Nations, Metis, Inuit and all First Peoples in the land now known as Canada. Our business partnerships and friendships with Indigenous peoples are an honor and a privilege, and we thank them for allowing us to work and learn together on their lands.

SERVICES WE OFFER

- Automation & Communication
- Construction
- Combustion & Emissions Reduction
- Control Panels & Systems
- Electrical & Instrumentation
- Maintenance
- Measurement & Meter Proving
- Modular Fabrication
- Project Management
- Solar PV Design & Installation

4 FORMAL INDIGENOUS PARTNERSHIPS

- Aseniwuche Winewak Nation
- Halfway River First Nation
- Kelly Lake Cree Nation
- Kitsumkalum First Nation

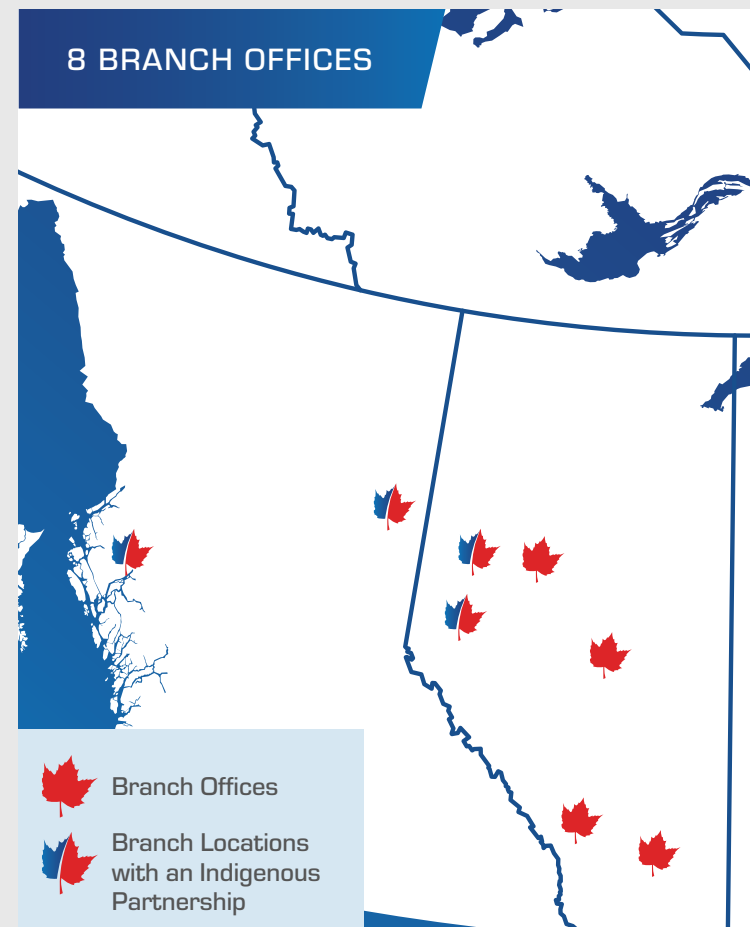
CCAB PAR
Committed
Phase II Status



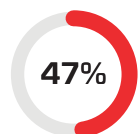
Climate Smart
Certified Business



8 BRANCH OFFICES



Employees and Full-Time Contractors*

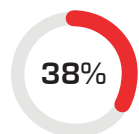


Revenue from Major Projects

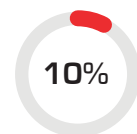


Directed to Local Communities

Community Investment

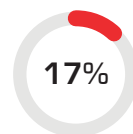


CDN Annual Revenue through Indigenous Partnerships

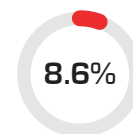


Female

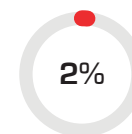
Indigenous Engagement and Employment



Female Senior Leadership



Indigenous Employees/Contractors



Voluntary Employee Turnover

*incl. recent acquisitions

PURPOSE

“We believe in the relentless pursuit of solving challenges through impactful relationships and partnerships”

CORE VALUES



We Win as a Team



Committed to Excellence



We Take Care of Everything



Act with Honesty, Loyalty and Respect



Talented People, Driven to Grow

What ESG means to us

ENVIRONMENTAL

How we act as a responsible steward of the natural environment - for ourselves and our customers - with a focus on emissions inventory and reductions, and waste and materials management.

SOCIAL

How we create and nurture meaningful and robust relationships with employees, contractors, customers, Indigenous partners, and the communities that we work in.

GOVERNANCE

How we operate with sound internal corporate policies, improve diversity within our leadership teams and structure our Indigenous partnerships to ensure transparency and shared value.

“CDN has solidified our leadership role in the Western Canadian industrial services sector for ESG performance. We are fiercely proud of our proven ability to set the standard for service company operations with an ESG-focused mindset and integrated approach.”

Procuring ESG Success in Supply Chain

Tansi / Hello,

Through another year of ongoing uncertainty and challenges, companies have demonstrated many different tactics within their businesses to continue operations. At CDN, we have chosen to place an emphasis on our culture of innovation with a strong team of talented people who are driven to grow - who have an unwavering focus on strategy implementation. This has enabled our organization to be resilient, positioning us well to thrive once we enter a period of sustained increased commodity prices and activity.

Last year, we were very proud to publish our inaugural ESG report – allowing us to put forward our commitment to strong ESG performance in a public medium to employees, contractors, partners, and customers. Through 2021 we have demonstrated our ability to fulfill these commitments and further expand our ESG strategy. We have been very pleased to see that many of you have acknowledged these precedent-setting efforts by a services company and have realized the value in partnering with suppliers in a strategic manner, versus only as a commodity. Through collaboration we will always be able to achieve greater solutions than individually.

In March 2021, we celebrated our 10th Anniversary – a milestone that we are deeply proud of. We have also had several significant announcements over the past year, including introducing a new organizational structure that is consistent with the growth of our current business and demonstrates the significant opportunities that we are striving towards. We are thrilled to have announced the acquisition/merger of Inphase Electric and Controls on November 1st, 2021, and the acquisition of Exile Automation on December 1st, 2021. Welcoming these two companies to the CDN team has allowed us to expand our geographic reach, diversify our customer base and expand our in-house specialty services, including commercial scale solar PV design, installation and panel manufacturing.

CDN is uniquely positioned to enhance the profile of our customers by delivering

high-quality services that can support them in meeting their own ESG targets, while also demonstrating their integration of ESG considerations into the supply chain with service providers that share a common ESG vision. We are continuing to increase our in-house ESG linked service offerings including an OGI camera for LDAR and fugitive emission surveys, instrumentation upgrades for emission reduction targets, working with clients on zero-emission pad designs, solar PV design and installation and carbon capture projects.

Our partnerships with the Indigenous communities we work within will always be a source of pride and privilege to us. We were very humbled and honored to receive a gift of a handmade drum from our partners at Aseniwuche Winewak Nation (AWN) this year – the drum is shown on the inside cover of our report and is displayed proudly within our Calgary office; we will always cherish this most special gift. We are also quite pleased to have added a fourth Indigenous partner this year, with Kitsumkalum First Nation formalizing a relationship agreement with CDN to support our activities on the BC Coast. We look forward to the potential for other new partnerships to ensure we can conduct our services alongside Indigenous peoples in all of our core service areas.

Looking ahead to 2022, we are excited to be pursuing the Equitable Origin EO100™ Standard and hope to be the first service provider accredited under this robust process. This will provide CDN with third-party verification and assurance of our ESG strategy, program, and processes.

Thank you for being part of our ESG journey and for working together in our constant quest for innovative solutions developed through strong partnerships. Onward and upward.

Kinaniâskomitin - Thank you.

Jennifer Ezekiel, P.Eng.
VP, ESG & Strategy

and

Dean Fraser
Co-Founder and President



CDN

CONTROLS LTD



A DECADE TO CELEBRATE

In March 2021, CDN celebrated our 10th anniversary. From our roots as a few determined tradespeople and a couple of pick-up trucks, we have grown to become a leader in the industrial services sector in Western Canada. Thank you to each and every one of you that has been part of the CDN family. Happy Anniversary!

Current ESG Profile

What Have We Done?

ENVIRONMENTAL

Although the nature of CDN's services do not result in significant direct emissions, it is important to us to continue to make intentional progress in measuring and reducing our emissions footprint.

CDN has conducted our inaugural emissions inventory and reductions plan for the 2020 fiscal year (Nov. 1st, 2019 to Oct. 31st, 2020). We included emissions from Scope 1, 2 and 3 activities, completing a rigorous and audited process with Climate Smart. We are proud to take this important step in making environmental stewardship and financial prosperity two sides of the same coin and successfully becoming a 2021 Climate Smart Business.

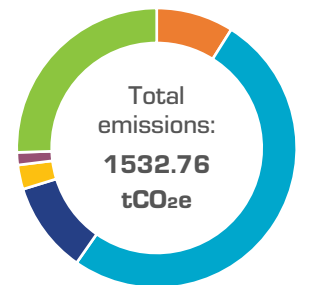
The emissions inventory was conducted using the emissions factors from the Climate Smart web-based Greenhouse Gas management tool. This tool was designed for adherence to the GHG Protocol – an internationally recognized standard published by the World Resources Institute and the World Business Council 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. These factors are reviewed by Climate Smart annually and updated based on refined industry methodology and changing electricity grids.

CDN will update this Inventory and reductions plan annually and continue to report on the results in our annual ESG report.

2021/2022 Emissions Reduction program includes:

- Idling Reduction Initiative – a targeted approach to reduce unnecessary idling within our CDN fleet vehicles
- Solar Installations on CDN-owned buildings – to reduce our emissions footprint from building operations
- DocuSign - continued transition to fully electronic document signature system
- Building upgrades – replacement of older fluorescent lighting, programmable thermostats, occupancy sensors etc.
- Recycled Paper content – for office printing

Total emissions for the 2020 fiscal year by activity



- Scope 1 Heat
- Scope 1 Transporting People - Road
- Scope 2 Electricity
- Scope 3 Electricity
- Scope 3 Heat
- Scope 3 Transporting People - Road

CDN Controls' GHG emissions in their fiscal 2020 baseline year are equivalent to 353 passenger cars driven for one year.¹

353 Passenger Cars



¹Source: [EPA Greenhouse Gas Equivalencies Calculator](#)

We remain dedicated to following practices that reduce impact on the environment from our own activities and those of the companies we work with. Some of the ways that we do this include:

- CDN Environmental Policy established in 2021
- Collaboration with Aseniwuche Winewak Nation on a Caribou Policy for driving and operations in caribou areas (in progress)
- Mandate for all CDN employees, contractors and suppliers to maximize the diversion of unusable material to landfill through reduce, reuse and recycle
- HSE Manager and HSE Coordinators have a strong presence in the field to reinforce company environmental practices

SOCIAL INDIGENOUS PARTNERSHIPS

In 2015, CDN made a leadership decision to focus on Indigenous partnerships as a pillar of our business. This was based on our desire to do our part in reconciliation with Indigenous peoples by creating shared value in the communities we work in.

We are deeply humbled and proud to have four formal Indigenous partnerships across our operations in Alberta and British Columbia. It is an honor and a privilege to conduct our work jointly and learn together on their traditional lands.

Progressive
Aboriginal
RELATIONS

COMMITTED

Canadian Council for
Aboriginal Business



Aseniwuche Winewak Nation



The Rocky Mountain People ᑭᓯᓂᓄᑦ ᑭᓯᓂᓄᑦ of Aseniwuche Winewak Nation (AWN) were exceptional horse people with intimate knowledge of the mountain areas they lived in. When Jasper National Park was created in 1907, Indigenous families were forced to leave their homes in the Jasper Valley and, after a two-year journey, joined relatives already settled in the present-day Grande Cache and Smoky River area. The Aseniwuche Winewak were not included in Treaty 8 and are considered a non-status group by the federal government. AWN and CDN signed a relationship agreement in 2020 to collaborate on economic development, industry training and community support initiatives.

Kitsumkalum First Nation



An original tribe of the Tsimshian Nation, Kitsumkalum's traditional territory combines both coastal and inland areas with Indigenous title and rights to fish, harvest, gather and engage in cultural and spiritual activities. The language of the people of Kitsumkalum is Sm'algyax, a dialect of the Tsimshian language spoken in northwestern BC and southern Alaska. Kitsumkalum is CDN's most recent partnership, having signed a joint venture agreement in 2021.

Halfway River First Nation



Located in Wonowon, BC, the Halfway River First Nation is a Treaty 8 First Nation with a longstanding reciprocal relationship with the river and plains country of northeastern British Columbia. The people of Halfway River First Nation maintain strong ties to their Dane-Zaa language and traditional practices. CDN and Halfway River First Nation formed an incorporated joint venture partnership in 2015 to establish Halfway River CDN Controls (HR CDN), a majority-owned Indigenous business with Halfway River Group of Companies.

Kelly Lake Cree Nation



The As'in'i'wa'chi Ni'yaw Nation, also known as Kelly Lake Cree Nation (KLCN), are the Rocky Mountain Cree. This Nation is one of the few in the Peace River region that was not included in the treaty process. As a result they have retained their self-sufficiency and claim a large territory in present day northeastern BC and west-central AB as their own. KLCN and CDN signed a relationship agreement in 2017 to collaborate on economic development, industry training and community support programming.

What Have We Done?

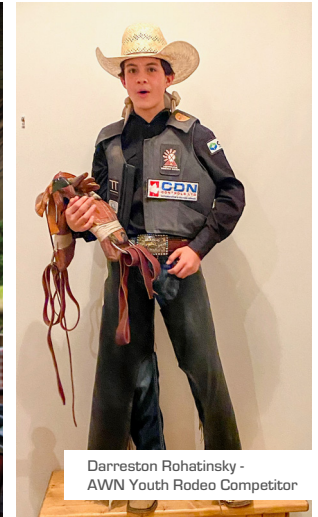
Canadian Council of Aboriginal Business (CCAB) Certification

Canadian Council for
Aboriginal Business 

CDN has been registered with the CCAB since 2016, achieving “Progressive Aboriginal Relations” (PAR) Committed certification in 2017. This provides a third-party, independent assessment of CDN’s corporate Indigenous relations performance and commitment. In 2021 CDN achieved “PAR Committed Phase II” certification and is now actively working towards Phase III - the final step towards achieving Bronze level status.

"CDN Controls has been an exceptional partner for Kelly Lake Cree Nation. They show a consistent commitment to the people in the community, and they understand what is important to us. We're proud that our relationship with CDN is the kind of relationship that supports economic development as well as community development, and that CDN is always ready to put people first."

- Chief Cliff Calliou



Highlights -
Indigenous Partnerships

38%

of CDN's 2021 revenue was
through Indigenous partnerships

> \$31,000

directed to Indigenous communities
for community initiatives and support

CCAB PAR "Committed Phase II" certification

**CDN Indigenous Relations Policy orientation
for all new employees and contractors**

**Direct employment
for a Halfway River First Nation member
and a West Moberly First Nation member**

CDN support of the following initiatives:

- Halfway River First Nation Rodeo; hands-on and financial support (2016-present)
- Halfway River First Nation Drivers Training program (2017-present; 9 graduates to-date)
- Bold Eagle Basic Military Training program (2017-present)
- North East Native Advancing Society (2017-present)
- Electrical and lighting services to support the construction of the Halfway River Hockey Rink and Community Gym (2018/2019)
- Indigenous youth rodeo competitor (2019-present)
- CDN "Emerging Leaders Program" with AWN and SAIT (2021-present)
- "Electrical and Instrumentation Information Day" at CDN's Fort St. John, BC location for Indigenous high school students
- COVID-19 care packages and donations to each Indigenous partner (2020/2021)
- National Indigenous Peoples Day (annually)
- Drinking water deliveries (ongoing)
- Annual community events (including volunteerism and financial support for Culture Camps, Christmas Parties, Halloween Parties, Indigenous Peoples Day, Elder support campaigns)

In 2020, shortly after CDN formalized the partnership with Aseniwuche Winewak Nation (AWN), AWN identified to CDN a gap in the ability of employees from the Aseniwuche Winewak Group of Companies and AWN councilors and community members to gain relevant leadership skills and related confidence.

In response, CDN was able to collaborate with AWN and the Southern Alberta Institute of Technology (SAIT) to address this need by designing an impactful training opportunity to advance foundational leadership and communication skills and empower individuals to seek advancement in their careers.

The “CDN Emerging Leaders Program” focus is to provide participants with the skills they need for promotion into supervisory and leadership roles, while designing the delivery with a core focus on the nuances of working in an Indigenous community business and with a Cree world view. SAIT worked directly with AWN to ensure these perspectives were properly incorporated into the course delivery and takeaway exercises. The program was made to be easily accessible with forethought to remove common barriers such as pre-requisite requirements (e.g., High School diploma not required) or extensive time commitments.

The program launched on August 31st, 2021, with students attending classes in person as a group, with virtual instruction by SAIT. To ensure finances were not a barrier, the program delivery was generously supported by a group of nine industry sponsors. The Electronics Recycling Association (ERA) donated laptops and tablets for the participants to use.

“CDN Emerging Leaders Program” has been a precedent setting and exceptional example of collaboration between an Indigenous community, Industry and Academia. AWN, SAIT and CDN hope to deliver this program to other interested Indigenous communities in 2022.

Key Project ESG Metrics

36 Participants

from AWN / ADC / AEC in “Communications” stream of program

704

person-hours of learning

81%

successful completion rate

24 Participants

in “Leadership stream” 2022

9

industry supporters

1

non-profit supporter

20%

contribution to program development and fees by CDN

Industry Sponsors



November 2020

MOVEMBER

\$8,549 raised
25 participants



December 2020

CHRISTMAS
PACKAGES FOR
CDN'S INDIGENOUS
PARTNERS



CDN VIRTUAL
CHRISTMAS PARTY



March 2021

CDN'S 10TH ANNIVERSARY!

Video produced with Calgary-based Vek
Labs - View it on our website!



April 2021

"FILL THE TRAILER" FOOD DRIVE

2485 food items and
\$2485 raised
donated to local food banks in
Western Canada



May 2021

MENTAL HEALTH EVENT

with Corey Hirsch - NHL Goaltender, Stanley
Cup Winner, Olympic Silver Medalist

Internal and External audience



June 2021

INAUGURAL UNITED WAY CAMPAIGN

\$34,508 raised for local United Way branches in Western Canada

Support for CDN's Indigenous partners for their National Indigenous Day celebrations



July 2021

FF12 FUELLED FITNESS CHALLENGE

\$8,000 raised for local charities



August 2021

KICKOFF OF "CDN EMERGING LEADERS PROGRAM" WITH AWN

More detail on Page 11



September 2021

SEPT 30TH - NATIONAL DAY FOR TRUTH AND RECONCILIATION

- Internal learning and awareness events
- Orange pins sourced from an Indigenous artist, Selena Moberly of Rocky Mountain Designs
- Every Child Matters stickers with 50% of proceeds donated to Orange Shirt Society



October 2021

NEW ORGANIZATIONAL STRUCTURE

Ready for lofty goals in 2022!



COMMUNITY INVESTMENT

CDN's approach to community investment starts with establishing permanent full-service branch locations in the areas we work within, hiring local and building strong civic partnerships. By investing in local infrastructure and a workforce, our success becomes closely aligned with the prosperity of the communities we work in. As a true local business, CDN is proud to pay municipal taxes, donate to local organizations, sponsor community events and maximize economic benefits for local communities.

> \$155,000

paid in local property taxes

> \$71,000

directed to local communities for donations and sponsorships



Here are a few of the organizations we were proud to support in 2021

- Alberta Reined Cow Horse Association
- Canadian Cancer Society
- CDN Capitals Hockey Team
- Family Fun Golf Day Fundraiser
- Fuelled Fitness 12
- Fort St. John Friendship Society
- Fort St. John Women's Resource Society
- Green Valley 4H
- Grande Prairie Friendship Centre
- Grande Prairie Regional Hospital Festival of Trees
- Grande Prairie Storm Hockey Team
- Kids Cancer Care Foundation
- Kitimat Food Share
- Kitimat Humane Society
- Kitimat Marlins Swim Club
- Kitimat Museum Youth Arts Program
- Kitimat Minor Hockey Association
- Local Food Banks across BC and AB
- Movember
- Municipal District of Valleyview
- Nighthawk Alpine Ski Team
- Northern Classic Bodybuilding Competition
- Plaid for Dad – Cancer Foundation
- Salvation Army
- Red Deer U18 AAA Optimist Chiefs Hockey Team
- St. Joseph Catholic High School Grad
- STARS
- Team Stiksma Curling
- United Way
- Vipond Pilsner Hockey Team

EMPLOYEE ENGAGEMENT, DIVERSITY AND INCLUSION

The strength of CDN will always be found within our talented team of people – a workforce of innovative, experienced, driven tradespeople and professionals whom we are constantly striving to support in advanced ways. In 2021, key characteristics of our workforce and programming include:

- **Increased mental health benefits** coverage for employees
- **Quarterly Employee Satisfaction Survey:** to facilitate anonymous feedback with an average rating of 8/10 and an eNPS score of 22
- **Voluntary Turnover Rate:** this rate for employees is substantially lower than the Canadian national average. For contractors, CDN’s rate is consistent with average turnover rates in the construction industry.

2% office-based employees

10% field-based contractors

- **Gender (Female):** in 2021 we increased the female representation on our Senior Leadership Team from 0% to 17%; we continue to strive to increase this number across our workforce.

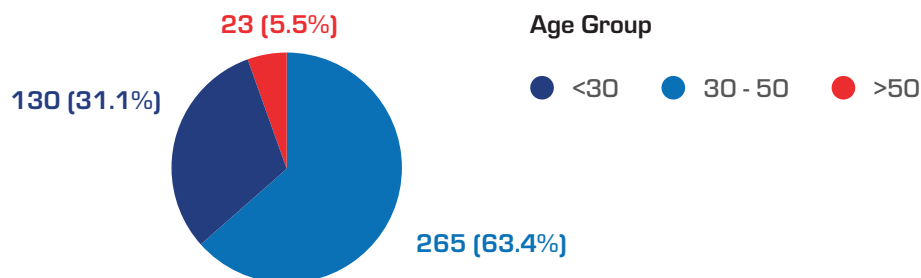
10% all employees and contractors

12% Management Team

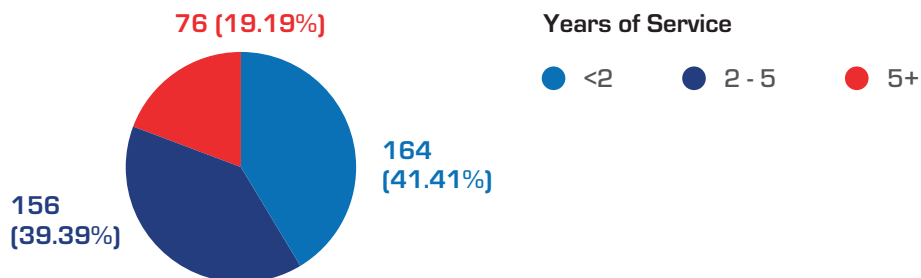
17% Senior Leadership Team

- **Indigenous workforce:** 8.6% of our workforce identify as Indigenous. We continue to strive to increase this demographic with a 2021 KPI for Indigenous employment.
- **“Monthly Vanguard”** - nominations and winners for employees or contractors who set an example with their approach to work in demonstrating CDN’s Core Values

- **Age:** CDN has a young workforce demographic, with 94% of our team being under 50 years of age. We continue to focus on promoting from within, active succession planning and engaging a diverse workforce demographic to support ongoing innovation and unique perspectives.



- **Experience:** 60% of CDN’s workforce have been with the company for more than 2 years. We continue to balance the need for adding new individuals to the team to support growth of the business, while continuing to foster development and promotion from within.



- **15Five Performance Software** - to ensure weekly alignment around top priorities, ensure consistent employee engagement and consistent development

What Have We Done?

COMMITMENT TO SAFETY AND QUALITY

CDN's in-house Health, Safety and Environmental (HSE) team creates the capacity to develop a resilient, reliable safety culture. CDN believes that optimal human and organization performance is based on helping employees learn from one another, and on management learning from its employees. We seek to understand the context surrounding events so that we may learn and to create better processes and systems for our workers.

Given Safety is a team effort, people at all levels in the organization are both responsible and accountable for delivery and performance of the HSE program, aligned with annual safety KPIs and the creation of a safety culture. Our in-house HSE Manager, two HSE Coordinators and a HSE Administrator provide strategic and tactical oversight of the program.

At CDN, we work in complex and adaptive work environments and will continue to push for greater standards and approaches to safety, while being fixated on creating a safe workplace, in real time, every step of the way.

Throughout 20 months of the COVID-19 pandemic, CDN was able to implement an early and robust COVID response plan which proved to be effective – with only 14 COVID cases amongst our workforce, none of which were traced back to workplace transmission.

CDN's Quality Assurance and Quality Control program includes ABSA Certification, BCSA Certification and QAQC turnover packages for construction projects to maintain superior quality and process safety.

Given CDN's fiscal year is ahead of the calendar year, the safety metrics provided within the ESG report are for the previous calendar year.



OUR 2020 SAFETY PERFORMANCE

697,413

Number of Exposure Hours

0.86

Total Recordable Incident Frequency

86%

Certificate of Recognition (COR) Audit Score

0

Motor Vehicle Incident Frequency

0

Environmental Citation Actions

0

Lost Time Frequency

0

Lost Time Severity



GOVERNANCE

CDN is a privately held company that is sustained through continuously investing back into the business, without any external investment. The vision and oversight for operations and strategy are driven by the Senior Leadership Team, which is composed of three CDN Owners and three CDN executives. This team meets on a quarterly basis with an external facilitator to maintain alignment on key priorities.

The absence of a traditional Board of Directors structure and share price does not impact our view that good governance remains critical to the success of our business and our ability to deliver high-quality solutions to our customers. Sound governance practices allow us to minimize reputational and political risk for CDN, our employees and contractors, Indigenous partners, local communities, and the customers we collectively work for.



In 2021 CDN has focused on the following key areas of Governance:

Executive Diversity. Enhanced diversity at this most senior level, including the appointment of a female member to the senior leadership team. Currently 17% of CDN's leadership and 12% of management teams identify as female.

Succession Planning. Introduced a new organizational structure that enriches our ability for succession planning, professional growth opportunities and accommodates growth and expansion in our business

Transparency. Continued to ensure the relationship agreements we hold with Indigenous Partners are transparent, honest, accountable, and founded in a shared value approach

Profitable Growth. Expanded our business in an intentional manner with two acquisitions/mergers with Inphase Electric & Controls and Exile Automation

Responsible Supply Chain. Implemented screening questions for our own suppliers on metrics such as Indigenous employment and their internal ESG strategy

Cybersecurity. Implemented Security Information and Event Management (SIEM) third-party monitoring and Multi-Factor Authentication (MFA) to substantially increase our security posture, protection, and data privacy

Business Ethics and Policies. Operation with clear direction on anti-bribery, corruption, and conflicts of interest

ESG-Aligned Internal Policies. Refinement of these approaches including Workplace Violence, Harassment and Discrimination, Indigenous Relations Policy and Procedure, Substance Abuse Program, Conflicts of Interest, Bribery and Corruption and Environmental Policy, Procedures and Responsibilities

ESG-Aligned Service Offerings



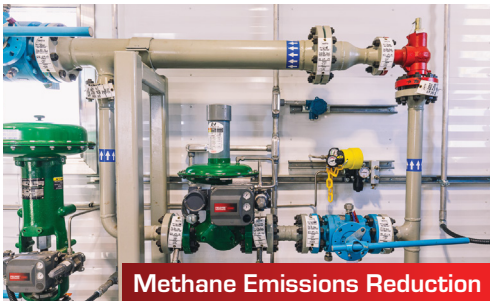
With the acquisition/merger of Inphase Electric & Controls in 2021, CDN is now able to leverage their strong experience with solar PV projects for large industrial clients. This includes custom built in-house PV string harnesses and shop services for industrial solar projects. Inphase was the first full-service electrical contractor to install an industrial size solar farm in Western Canada and CDN will continue to build off this skill set for a broad range of clients.



In 2021, CDN procured an Optical Gas Imaging (OGI) camera to support our customers in oil and gas, chemical production and other industrial processes for Leak Detection and Repair (LDAR) and fugitive emissions surveys. This results in a robust service offering as CDN can complete the leak detection survey as well as the resulting repairs or fixes to address the leak(s). For our customers, this means that they can address their leaks and emission concerns with one supplier in a streamlined manner.



With most energy producers moving towards emissions reduction targets and net zero commitments, the importance of implementing well pad and facility designs that minimize emissions from the onset has never been more critical. CDN has worked with many of our clients on these projects, implementing electrified pumps and actuators and instrumentation installations and/or upgrades of level controllers, pressure controllers, positioners, and transducers to low bleed devices. We continue to play an important role in supporting our clients in their desire to demonstrate tangible operational emissions reductions and have had tangible success in working with clients on both initial pad design phases on new locations to retrofits of existing locations to meet net zero emissions targets in their ongoing operations.



CDN's instrumentation skill set has positioned us to support many customers with their emission reduction targets through instrumentation replacements and upgrades. In Q3 2021, CDN partnered with Hammerhead Resources Inc. on a high to low bleed replacement project covering 32 sites and 123 devices in the Karr and Gold Creek fields. Device upgrades included level controllers, pressure controllers, positioners and transducers for a resulting 47% decrease in emissions on those devices. CDN then completed upgrades of ~50 pumps to a low emission pump head, resulting in a 41% decrease in emissions. We continue to work with many customers on similar projects as producers are working to meet methane emission reduction targets and regulatory requirements.

"CDN controls has done a great job on NuVista projects. They are a good example of the type of service provider we like to deal with. They not only do a great job with core business, but have also been very transparent and proactive on ESG issues - which NuVista is serious about advancing. Recent examples include an ongoing focus on Indigenous training and hiring and the CDN Emerging Leaders program with AWN. We admired this direction and so, along with other area operators, jumped in to assist with NuVista funding."
- Jonathan Wright,
President and CEO, NuVista Energy Ltd.

Case Study

Pipestone Strategic Partnership



CDN has an ongoing vision to work with customers that we can collaborate with. This takes the form of working together as partners, not simply acting as a commodity. We have been successful in identifying key strategic relationships with customers who share our core values and ESG objectives. The result of this approach is that we can have improved collective outcomes by working with each other, as opposed to only for the other.

In 2021, Pipestone Energy decided to strategically partner with CDN to provide Electrical & Instrumentation expertise and services. This was consistent with Pipestone Energy’s support of certified members of the Canadian Council of Aboriginal Business (CCAB) Progressive Aboriginal Relations (PAR) program. CDN’s certification as a “Committed Phase II” member of the PAR program (and currently working towards Bronze level certification) aligned well with Pipestone’s objective.



Pipestone Energy and CDN have a shared ESG vision of maximizing local labor participation, collaborating with Indigenous communities, and implementing an ESG-focused project mindset. Together, the two companies have made a commitment to complete all joint project work with two of CDN’s Indigenous partners, Kelly Lake Cree Nation and Aseniwuche Winewak Nation (AWN). This approach allows both Pipestone and CDN to increase our collective participation in Indigenous community investment, more so than each company could do on their own. This effort has demonstrated Pipestone’s commitment to ESG in all aspects of their business, including their supply chain – and has established an important precedent for producer-contractor ESG performance.

Pipestone was also a generous supporter of the CDN Emerging Leaders Program with AWN (more details on this program are included in page 11 of this report).

Key Project ESG Metrics

“Working with service providers like CDN who share our ESG vision, has allowed us to strengthen our responsible supply chain and increase Pipestone’s investment in local and Indigenous communities.”

- Dustin Hoffman (Chief Operating Officer, Pipestone Energy Corp.)

5.2% indigenous employment	3% female employment
73% local employment	\$634K local wages paid
\$5,000 grant for the CDN Emerging Leaders Program with AWN	0.0 TRIF
Thorough implementation of COVID-19 procedures to maintain a safe work environment	Constant efficiencies gained with consistency in CDN crews and approach
	

*Metrics are inclusive of all well pad and facility construction projects completed by CDN for Pipestone in the 2021 fiscal year.



Future ESG Profile

WHAT IS NEXT?

Our most significant ESG success of the past year is the full integration of CDN's ESG strategy into the way we do business. Not only do CDN employees and contractors know what "ESG" means and understand the importance of our strategy, but it has become ingrained into our culture and unique ethos as an organization.

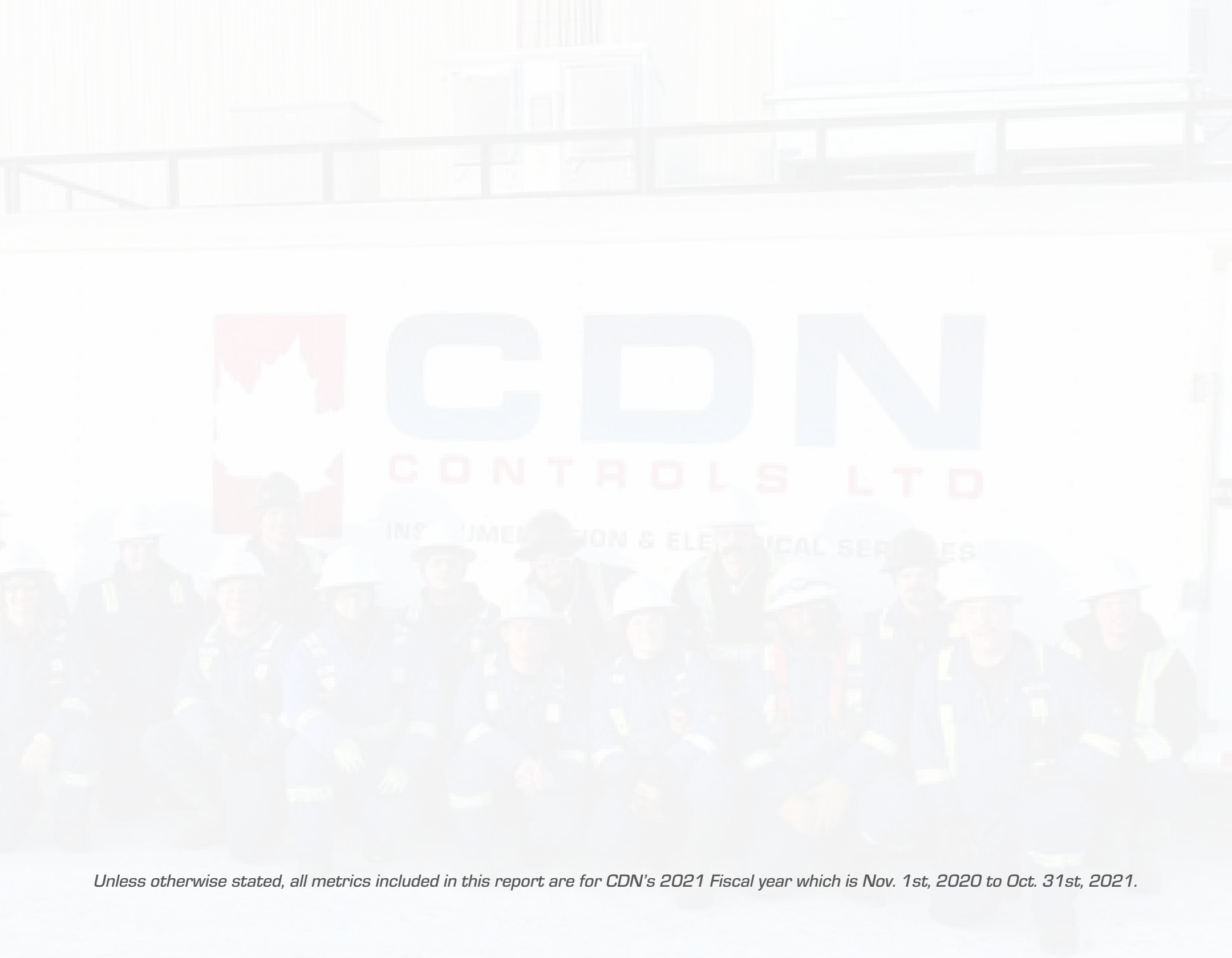
As we look ahead to 2022, we have great ambitions to continue advancing our ESG performance and service offerings and achieving additional third-party verification of our execution. Seeking regular feedback from our employees, contractors, partners, and clients will continue to be an important step in helping us understand how to focus our energy on initiatives that will most effectively leverage both our business and our clients' goals. This will include the items shown in the following list, as well as additional initiatives that we may identify as the year proceeds.

2022 ESG INITIATIVES

- Equitable Origin EO100™ Certification
- CCAB PAR Phase III Certification
- Solar Panel installation at CDN-owned branch locations
- Expansion of ESG-aligned service offerings
- Additional "CDN Emerging Leaders Program" offerings
- Indigenous Cultural Awareness Training for CDN's entire workforce
- KPI for Indigenous Employment
- New Indigenous partnership(s) in key CDN service areas
- New strategic partnerships with key clients
- Creation or support of a Women in Trades initiative
- Annual GHG Emissions Inventory and Reductions Plan
- Annual ESG Report

"Pacific Canbriam Energy Limited ("PCE") is proud to have achieved EO100™ Certification ("Certification"), as it demonstrates our commitment to ESG principles and incorporated the rights of Indigenous People into our business procedures and practices. PCE has already realized significant value by achieving Certification in terms of recognition of high conformance with ESG principles. Going forward, we seek to engage with companies of a similar mindset throughout our supply chain - like CDN and others - who uphold similar core values and Certification."

- Donna Phillips, EVP Corporate Development, PCE



Unless otherwise stated, all metrics included in this report are for CDN's 2021 Fiscal year which is Nov. 1st, 2020 to Oct. 31st, 2021.



10 YEARS **CDN**
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